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SENATE

THURSDAY, JULY 21, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met, in executive session, at 11 o'clock and 15 minutes a. m., on the expiration of the recess.

Rev. R. Orman Roberts, D. D., Temple Methodist Church, San Francisco, Calif., offered the following prayer:

Heavenly Father, in the hush of these moments each day we heed the injunction of Holy Scripture, "Be still, and know that I am God." Drawing thus upon the holy reservoirs of Thy wisdom, love and power, we are better able to be our brother's keeper.

Often, at such times, our thoughts go far beyond these hallowed walls to feel the heartthrobs and sense the hopes and aspirations of peoples in teeming cities, quiet countrysides, and in lands beyond the sea. Amid varied emotions, their longing to live at peace with their fellow men haunts them night and day.

Grant then, O infinite God, special guidance to the distinguished servants of the people in this body that, when decisions affecting the peace and security of our world are made, they shall be in accordance with Thy will for all peoples of the earth, in satisfaction of their hearts' desire.

We pray in the name of Him who is the Prince of Peace. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, July 20, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 19, 1949, the President had approved and signed the joint resolution (S. J. Res. 114) to provide an increase in the authorization for the Federal National Mortgage Association.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 28) favoring the suspension of deportation of certain aliens, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had insisted upon its amendment to the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. MONRONEY, Mr. WOLCOTT, Mr. GAMBLE, and Mr. SMITH of Ohio were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS, Mr. KILDAY, Mr. DURHAM, Mr. SHORT, Mr. ARENDS, and Mr. COLE of New York were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 627. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio;

H. R. 660. An act for the relief of Julia Busch;

H. R. 752. An act conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon the claim of Edward Gray, Sr.; Edward Gray, Jr.; Bertha Mae Gray; Bertha Patmon; and Lindsay Gardner, all of the city of Hamtramck, Wayne County, Mich.;

H. R. 1033. An act for the relief of Mrs. Ethel Barrington MacDonald;

H. R. 1474. An act to confer jurisdiction upon the United States District Court for the Southern District of New York to hear, determine, and render judgment upon the claim of Miguel A. Viera for damages sustained as the result of an accident involving a United States Army truck at Leghorn, Italy, on January 11, 1946;

H. R. 1631. An act for the relief of John J. O'Mara;

H. R. 1666. An act for the relief of Maurice J. Symms;

H. R. 1799. An act for the relief of Dr. Jacob Ornstein;

H. R. 2594. An act for the relief of Grace L. Elser;

H. R. 2628. An act for the relief of Auldon Albert Aiken;

H. R. 2928. An act for the relief of Dr. Leon L. Konchegul;

H. R. 3193. An act for the relief of Public Utility District No. 1, of Cowlitz County, Wash.;

H. R. 3300. An act for the relief of Mary Thomas Schiek;

H. R. 3413. An act for the relief of Alfred Baumgarts;

H. R. 3494. An act to authorize the Secretary of the Interior to transfer a building in Juneau, Alaska, to the Alaska Native Brotherhood and/or Sisterhood, Juneau (Alaska) camp;

H. R. 3726. An act for the relief of Knickerbocker Insurance Co. of New York and Atlas Assurance Co., Ltd.;

H. R. 3803. An act for the relief of Mrs. Mary L. W. Dawson;

H. R. 3837. An act for the relief of Annie Balaz;

H. R. 4653. An act for the relief of the New York Quinine & Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works;

H. R. 5155. An act for the relief of Francesca Lucareni, a minor;

H. R. 5160. An act for the relief of Mrs. Giustina Schiano Lomoriello; and

H. R. 5356. An act to provide for the conveyance of land to the Norfolk County Trust Co. in Stoughton, Mass.

THE NORTH ATLANTIC TREATY

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive L (81st Cong., 1st sess.), signed at Washington on April 4, 1949.

Mr. LUCAS. Mr. President, I understand that the Senator from Nebraska [Mr. WHERRY] does not want a quorum call.

The VICE PRESIDENT. The Chair assumes that the unanimous-consent agreement with reference to the division of time that was to have taken effect between 12 o'clock noon and 2 o'clock p. m. will apply to the time from now until 2 o'clock. Is that the correct interpretation?

The Chair is just now advised, however, that the Senator from Nebraska was given permission by the Senate last evening to speak until 12 o'clock.

Mr. WHERRY. I thank the distinguished Senator from Illinois for his observation; also, I appreciate the fact that it requires some time to get started. I desire to use every minute because I have a speech which I am sure I cannot complete in 30 minutes. For that reason, I waive the quorum call, and I am going to ask now, in view of the fact that about 5 minutes have passed since the Senate was called into session, that if I do not conclude by 12 o'clock I shall be given the right to conclude my speech, and that the additional time I may require be charged equally to the proponents and the opponents of the treaty.

The VICE PRESIDENT. The Chair merely wanted to ascertain whether the agreement as to division of time between

12 and 2 applied also to the time before 12 o'clock.

Mr. LUCAS. I object to the last suggestion made by the Senator from Nebraska.

The VICE PRESIDENT. The Chair recognizes the Senator from Nebraska.

Mr. WHERRY. Mr. President, the remarks I make this morning come from the junior Senator from Nebraska, and in no sense do they represent or reflect the opinions of one who might be speaking by reason of the office he holds in his party or in the United States Senate. What I am about to say represents my own observations and my own convictions.

Mr. President, it is my purpose now to explain the declaration to the ratifying resolution, which I shall offer at the proper time.

The amendment is brief and reads as follows:

> The United States of America ratifies this treaty with the understanding that article 3 commits none of the parties thereto, morally or legally, to furnish or supply arms, armaments, military, naval or air equipment or military, naval, or air supplies to any other party or parties to this treaty.

Procedures in the North Atlantic Treaty are divided into two parts. There is the part which provides for preparedness against aggression, and there is the part to govern action after there has been armed attack against one or more of the parties.

The preparedness part is specified in articles 3 and 9.

Article 9 is the planning part of the treaty. It provides for a council representing all of the parties to consider—notice that it says "consider"—matters concerning the implementation of the treaty. The council makes plans and recommendations to implement article 3.

Article 9 also charges the council with the planning for the implementation of article 5, which is the part of the treaty that does not become operative until after there has been an armed attack.

The declaration which I shall offer on behalf of the Senator from Ohio [Mr. TAFT], the Senator from Utah [Mr. WATKINS], and myself, does not modify or expand in any way the functions of the council as provided in article 9. The council can make recommendations for arms any time it desires—either before or after an armed attack. Obviously, it would be unwise to have a treaty for cooperation against armed attack unless some advance preparations are made prior to such an attack.

As I have already stated, article 3 is the heart of all preparedness action, since it commits all the parties to the treaty to "mutual aid" without defining what the nature of that mutual aid shall be. Article 3 reads as follows:

> In order more effectively to achieve the objectives of this treaty, the parties, separately and jointly, by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack.

The planning and recommendations assigned to the council to be established under article 9 are directed to the "self-help and mutual aid" agreed upon in article 3.

The amendment which I intend to offer to the resolution of ratification applies only to article 3. In no way does it modify or change the procedures set forth in article 5, which provisions are carried out only in the event there is an attack upon any or all of the parties. Article 5 says what shall be done after an attack. It is true that the council established under article 9 is directed to consider and recommend for the implementation of article 5, as well as for article 3, in the preparedness part of the treaty.

But I emphasize that the amendment I shall offer would not affect article 9. All the provisions of article 9 for consideration of plans and to make recommendations to implement articles 3 and 5 would be in full force and effect. The amendment is directed to only one purpose: To declare that the understanding of the United States in ratifying the treaty is that article 3 commits none of the parties thereto to furnish or supply arms, armaments, military, naval, or air equipment, or military, naval, or air supplies to any other party or parties to this treaty. It should be specifically understood that arms or weapons include the atomic bomb, atomic weapons of all kinds, all materials which enter into the production of atomic bombs or atomic weapons, and the secrets of how the bombs and other weapons are produced.

This amendment does not forbid or prohibit any of the parties to the treaty from furnishing military equipment or supplies to each other.

It does not prevent or affect in any way practices of our Department of Defense or surplus-property-disposal agencies in selling surplus defense equipment to other nations.

It does not foreclose any authorizations or appropriations which Congress may desire to make to furnish military weapons and supplies to other parties to the treaty.

It does not in any way restrict the creation of a council representing all the parties or interfere with its planning or recommending the furnishing of arms.

Affirmatively the amendment clearly declares the understanding of the United States to be that there is no moral or legal obligation under article 3 for the United States to approve in whole or in part any recommendation of the council for arms or armament.

Senators know that there is no moral or legal obligation upon Congress to approve any arms program which may be recommended by the executive branch of our own Government. Congress has complete freedom of action; and that right of freedom of action should apply in considering requests for arms by foreign countries.

My amendment gives advance notice to all parties to the treaty that the United States understands that it has the right under article 3 to determine what shall be the character of "mutual aid" called for in article 3.

Certainly it is not the intention of the Eighty-first Congress to commit future Congresses, extending over the 20 years of this treaty, to any moral or legal obligation to furnish arms to other countries. Congress should have complete freedom to consider all recommendations by the council provided for in this treaty.

Certainly none of us wants to see a situation develop in which the council decides upon an arms program, or strategical distribution of military, naval or air defenses, and then submits it to the Congress for authorizations and appropriations, with the claim that the Congress is obligated to approve it.

Honesty and frankness is the foundation of foreign relations; and it should be the basis of our foreign policy. Let us know exactly what we are committing the United States to do over 20 years in this treaty. Let us be frank with the other parties to this treaty as to what our intentions are and what our commitments to them are, so that there will be no misunderstanding.

We should not leave the matter of moral or legal obligations hanging in dispute. Senators are well aware of the conflict of opinion which has been expressed during the debate on the treaty. It is not enough to say that Secretary of State Acheson says the treaty means this or it means that. It is not enough to rely, upon the report of the Foreign Relations Committee. It is not enough to say, that Senators on either side of this issue are right or wrong. It will only be enough when the Senate, by a vote on this clarifying declaration, says whether there is a legal or moral obligation to furnish arms under article 3 of the treaty.

If the Senate had before it only the question of whether there is a moral or legal obligation to furnish arms to foreign countries the Senate would have no difficulty in answering that question. But, the Senate has before it a treaty, which it is alleged by the junior Senator from Iowa [Mr. GILLETTE] is the vehicle for arms legislation; and we ourselves must know what the treaty means as well as how other parties to the treaty interpret it.

There is abundant evidence that some of the leaders of the other parties to the treaty believe that once the treaty is ratified the flow of arms to western Europe must begin, not as a free-will gift in self-interest, though it may be, but as a moral right, a legal right, which the western European countries can expect and demand be fulfilled.

Certainly, if we are to share our arms and our armaments with the signatory powers, they will want, and they should have, the best of weapons—not obsolete, worn-out equipment, but effective weapons to meet the offensive in modern war. A second-hand air force is no good, and is not effective. A second-hand Navy is as good as none. If the mutual aid is to be effective, on whatever basis it is to be shared, it must be shared with modern weapons and armaments which

will provide for the mutual defense of all the signatory powers.

This brings up the question, Is there a moral or legal commitment to furnish atomic bombs, or the secrets, or the know-how? Churchill said that the thing which stopped the expansion of communism in Europe was the atomic bomb. Certainly we can all agree that it is a most effective weapon.

I ask the question, Are we to share the atomic bomb, its secrets, and the know-how? Will the signatory nations have a right to them? Is there a moral or legal commitment to do that very thing? A treaty supersedes a law. Under our present statutes they would not have a right; but a treaty supersedes a law. In this treaty are we in any way committing ourselves morally or legally to share the atomic bomb?

The argument is made—indeed, it was made by the senior Senator from Connecticut [Mr. MCMAHON]—that the time to decide these questions is when the arms-implementing legislation comes forward. But now is the time to decide it, because the treaty will govern the actions which must be taken on legislation to implement the pact.

By adopting the declaration which I shall submit for the consideration of the Senate, the door is tightly and firmly closed against any moral or legal obligation upon the United States to furnish the atomic bomb or any of the materials or know-how in the making of it.

And, if it is not adopted, it can be interpreted that any moral or legal commitment made under the treaty runs to the atomic bomb as well as to any other weapon or arms that may be furnished thereunder.

None of us wants our country to be placed in the position of welshing on its obligations. The United States keeps its word. If we are morally and legally obligated to furnish arms before there is an attack upon any or all the parties, the United States will keep that obligation.

Time and again we have been assured by Members of the Senate on this floor, Senators who are piloting this treaty, that there is no moral or legal obligation to furnish arms before there is an attack upon any of the parties to the treaty. Over and over the Members of the Senate have been told that they will be absolutely free to vote as they choose on any arms program that comes along, without having any moral or legal obligation to vote for it. We also have had interpretations, in the twilight zone, that we have an obligation to provide arms, in view of this or that. Why not put in writing in the resolution of ratification what we actually mean?

The argument is made that the amendment I shall propose is unnecessary and untimely. But let me remind Senators there is nothing sacred about a treaty until it has been ratified.

It is nothing short of effrontery to say the Senate must ratify this treaty as is, without changing a comma, crossing a "t," dotting an "i," or even stating an understanding of the terms of any part of it. Of course, no Member of this body takes that position.

But my declaration does not amend the treaty. It is a type of reservation to the resolution of ratification that does not require renegotiation of the treaty. It does not require a new meeting of the parties. It can be rejected by the other parties if they do not have the same understanding of article 3 that we have.

This procedure is followed out time after time in treaties, including multilateral agreements.

Mr. President, at this point I ask unanimous consent to insert in the RECORD a list of the treaties which have been adopted since 1939, with respect to which other countries have declared their understandings or interpretations of the treaties or made reservations to them. The list includes such action by the Senate.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

TREATIES WHICH HAVE ENTERED INTO FORCE SINCE JANUARY 1, 1939, TO WHICH THE UNITED STATES IS A PARTY AND WITH RESPECT TO WHICH OTHER STATES HAVE MADE RESERVATIONS OR UNDERSTANDINGS

Protocol embodying a declaration concerning the juridical personality of foreign companies. Opened for signature at Washington June 25, 1936 (T. S. 973, 55 Stat. 1201).

Convention on nature protection and wildlife preservation in the Western Hemisphere. Opened for signature at Washington October 12, 1940 (T. S. 981, 56 Stat. 1354).

Protocol on uniformity of powers of attorney which are to be used abroad. Opened for signature at Washington February 17, 1940 (T. S. 982, 56 Stat. 1376).

International agreement regarding the regulation of production and marketing of sugar. Signed at London May 6, 1937 (T. S. 990, 59 Stat. 922).

Convention on the regulation of inter-American automotive traffic. Opened for signature at Washington December 15, 1943 (T. I. A. S. 1567).

International sanitary convention modifying the International Sanitary Convention signed at Paris June 21, 1926. Opened for signature at Washington December 15, 1944 (T. S. 991, 59 Stat. 955).

International sanitary convention for aerial navigation modifying the International Sanitary Convention for Aerial Navigation of April 12, 1933. Opened for signature at Washington December 15, 1944 (T. S. 992, 59 Stat. 991).

Protocol to prolong the International Sanitary Convention, 1944. Opened for signature at Washington April 23, 1946 (T. I. A. S. 1551).

Protocol to prolong the International Sanitary Convention for Aerial Navigation. Opened for signature at Washington April 23, 1946 (T. I. A. S. 1552).

Recognition of the compulsory jurisdiction of the International Court of Justice.

Inter-American treaty of reciprocal assistance. Opened for signature at Rio de Janeiro September 2, 1947 (T. I. A. S. 1838).

International telecommunications convention and final protocol of signature. Signed at Atlantic City October 2, 1947.

TREATIES WHICH HAVE ENTERED INTO FORCE SINCE JANUARY 1, 1939, WITH RESPECT TO WHICH THE UNITED STATES HAS MADE RESERVATIONS OR UNDERSTANDINGS

Convention concerning the minimum requirement of professional capacity for masters and officers on board merchant ships. Adopted at Geneva October 24, 1936 (T. S. 950, 54 Stat. 1683).

Convention concerning the liability of the shipowner in case of sickness, injury, or death of seamen. Adopted at Geneva October 24, 1936 (T. S. 951, 54 Stat. 1693).

Convention fixing the minimum age for the admission of children to employment at sea. Adopted at Geneva October 24, 1936 (T. S. 952, 54 Stat. 1705).

Convention on the interchange of publications. Signed at Buenos Aires December 23, 1936 (T. S. 954, 54 Stat. 1715).

Protocol embodying a declaration concerning the juridical personality of foreign companies. Opened for signature at Washington June 25, 1936 (T. S. 973, 55 Stat. 1201).

Supplementary arrangement with Canada regarding additional temporary diversion for power purposes of waters of the Niagara River above the Falls. Signed at Washington October 27 and November 27, 1941 (E. A. S. 223, 55 Stat. 1380).

International agreement regarding the regulation of production and marketing of sugar. Signed at London May 6, 1937 (T. S. 990, 59 Stat. 922).

Treaty with the United Mexican States relating to the utilization of the waters of the Colorado and Tijuana Rivers and of the Rio Grande and protocol. Signed at Washington February 3, 1944 (T. S. 994, 59 Stat. 1219).

Convention on the regulation of inter-American automotive traffic. Opened for signature at Washington December 15, 1943 (T. I. A. S. 1567).

Convention with Denmark for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. Signed at Washington May 6, 1948 (T. I. A. S. 1854).

Convention with the Netherlands for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and certain other taxes. Signed at Washington April 29, 1948 (T. I. A. S. 1855).

Treaty of friendship, commerce, and navigation with China. Signed at Nanking November 4, 1946 (T. I. A. S. 1871).

Declaration on behalf of the United States of America recognizing compulsory jurisdiction of the International Court of Justice. Dated August 14, 1946 (T. I. A. S. 1598).

International telecommunication convention and final protocol of signature. Signed at Atlantic City October 2, 1947.

Mr. WHERRY. Mr. President, the record shows the list of the treaties which have been ratified with or without reservations to the resolution of ratification. It discloses that time after time the signatories have accepted the amendments to the resolution of ratification without any renegotiations whatsoever.

If the Senate wants to attach a declaration or an understanding such as I am proposing, the Senate certainly ought to be free to do so, without being subjected to blasts by outsiders that if such is done, it means the end of the world is at hand.

We must have that freedom of action, or else the Senate becomes a rubber stamp, accepting what is put before it without ever raising a question.

What would be the practical effect if this declaration should be adopted? It would enable the Senate to consider all requests for arms in the light of all the circumstances at the time the requests are made. They could be—and should be—considered in the light of the need of our over-all defenses within our own

national-defense establishment, and also whatever amounts may be found necessary in other parts of the world throughout the 20 years' duration of the treaty. Certainly we should have that right.

Arms proposals for our own country and for countries abroad could and should be considered in the light of our own fiscal situation when such proposals are made. No one now can foretell the future. Certainly no one can tell what will happen in the Pacific or in Europe, on the other side of the world.

Conceivably conditions could develop—and, in fact, they may now exist—indicating that the primary security interest of the United States lies in the Pacific. The peace of the world may depend upon the fate of China. Many patriotic citizens, including Members of the Senate, believe that arms should be furnished in the Pacific to resist the tide of Communist armies sweeping southward.

Last year, on May 27, 1948, I made a request of the Senate Appropriations Committee that the chairman of the committee be instructed by the committee to request, through proper military channels, the appearance of Gen. Douglas MacArthur at committee hearings then being held on all appropriations affecting the Far East. The committee adopted the motion and presented it through the proper channels. At that time it was stated by the high military authorities that although General MacArthur could return to the United States of America, they did not feel that he should be ordered back to the United States at that time.

I felt then, as I do now, that General MacArthur has vast knowledge of political, military, and economic matters in the Pacific about which every Member of the Senate should know. Certainly we should know his reaction to what our Pacific policy has been, is now, and ought to be.

He has not appeared before a congressional committee, to my knowledge, since before the war. General Clay and others high-ranking generals have come back from Germany numerous times to give first-hand reports on the situation in Europe. The administration is long overdue in bringing General MacArthur back home so that he may appear before Congress and give Congress and the American people his advice and judgment on policies affecting the Pacific. Certainly the American people should have a first-hand report on his accomplishments in Japan.

Will we have, or should we have, a Pacific pact similar to the North Atlantic Treaty? While we are ratifying the North Atlantic Treaty, what about our policy in the Pacific? Are we going to close the front door to communism in Europe, but leave the back door to communism wide open in the Pacific? Our policy in the Pacific is drifting like a ship without a rudder.

Once again, I demand from the floor of the United States Senate that the administration bring General MacArthur back home for a report to the Congress and to the American people.

Mr. President, I ask again, can we chart the future? Is any Senator prepared to say that he can now chart his entire future course in every contingency which may arise? Of course, he cannot do so. He can only dedicate himself to abide by what his conscience dictates is best for his beloved country.

As I mentioned a moment ago, can we be sure of what the economic condition of our own country will be during the next year and the 19 years which are to follow? Will we be able to finance all these proposals if we assume moral and legal obligations under article 3 of the North Atlantic Treaty, let alone obligations we might have to assume in other parts of the world?

All these questions are raised to emphasize the importance of making certain that this Congress and future Congresses shall have freedom of action on any question of providing arms prior to an attack upon any of the parties to this treaty.

I desire now to make clear my position with respect to article 5 of the treaty. I think it is the heart of the treaty. In effect, it is a multilateral assumption by the parties to the treaty to the principles of the Monroe Doctrine.

I am in favor of extending the principles of the Monroe Doctrine to all of the parties to the North Atlantic Treaty. I take this position with a full understanding of the heavy responsibilities involved. The Monroe Doctrine has been proven no idle gesture. It has served its purpose in protecting nations of the Western Hemisphere against intrusions by foreign countries. The Monroe Doctrine serves notice to nations across the oceans that any act of aggression in this hemisphere by them will be considered a violation of the interest and the security of the United States.

We have been prepared to back up that notice with force if necessary. We are now, and we must be, prepared to back it up with force in the future, if necessary.

This declaration of policy should be extended to all the parties to the pending treaty, and it should be done with full recognition of what these responsibilities entail.

The Monroe Doctrine does not spell out in detail how the United States will enforce its provisions should any aggressor nation seek to challenge it. The simple notice to the world, as the distinguished Senator from Michigan says, to "keep off the grass" has been sufficient to accomplish its purposes, because back of that notice is the might and power of the United States.

I am willing to extend the principles of the Monroe Doctrine, because America has been in two world wars which America did not start. Certainly these experiences have proved that, when the conflagration of war starts in Europe, America inevitably is drawn in. If we are going to be in all the crash landings, we ought to be in a position to help prevent the take-offs.

Since experience has proved that, when other major nations become embroiled in war, our country eventually becomes a full-fledged partner in the conflict and in the terrible aftermath of righting the economies of our devastated allies, it behooves us to take a serious interest in what goes on abroad and to pull an oar toward adjusting disputes amicably.

That is why I voted for the United Nations Charter. The United States is no longer an isolated nation. We are part and parcel of the world. Events halfway around the world have their impacts upon us. Cooperation among the nations of the earth, through the facilities provided by the United Nations, is imperative if we, and all freedom-loving peoples everywhere, are to make progress toward that hoped-for day when war will be no more.

And so I wish for the United Nations Godspeed, correcting and adjusting its procedures as experience indicates wise. Broadly considered, I believe the North Atlantic Treaty conforms to the United Nations Charter.

As was pointed out by the senior Senator from Michigan, I voted for Senate Resolution 239, and I am definitely committed to its provisions. But I did not think then, and I do not think now, that it commits the United States of America morally or legally to furnish arms or military aid to any other country.

The ranking minority Member of the Foreign Relations Committee, the distinguished senior Senator from Michigan, asked this question of the Senate: What did the Senate commit itself to, when it passed Senate Resolution 239?

I answer that question by asking this one: Did the Senate, in Senate Resolution 239, commit itself to article 3 of the North Atlantic Treaty, the provisions of which were drafted long after Senate Resolution 239 was adopted by the Senate?

Certainly, in committing myself to Senate Resolution 239, I did not then consider, and I do not now, that it was a commitment that would bind the junior Senator from Nebraska or other Members of the Senate to a legal or moral commitment to provide arms under section 3 of the proposed North Atlantic Treaty.

For that reason it becomes crystal clear that it is absolutely necessary and timely to clarify the Senate's position, and that can be done only by the adoption of the declaration I have proposed.

These are Senators who feel that it is unnecessary to amend the resolution of ratification by this declaration because the chairman of the Foreign Relations Committee and the ranking minority member of the Foreign Relations Committee have made statements which in effect imply at least that the treaty and the arms implementation are separate; that Senators can vote for the treaty and against the arms implementation; that one is not dependent upon the other.

On the other hand there are Senators who take a completely different viewpoint. In fact, I doubt if there has been a debate on the Senate floor in which greater differences existed in the interpretation of a treaty than exist with respect to this one.

Let me review very briefly the history of this treaty in the Senate.

The junior Senator from Iowa [Mr. GILLETTE] stated, in effect, that the North Atlantic Treaty and the arms implementation legislation are inseparable. He said the North Atlantic Treaty is the vehicle upon which the arms-implementation legislation depends. He concluded his speech by stating that he would vote for the treaty, and yet, he said it was the most bitter pill he ever had to swallow. In his mind he feels that the treaty and arms implementation are inseparable, and that the treaty, in reality, forms a military alliance, which he states is a backward step in the quest for lasting peace.

In fact, it is common knowledge that a revamped bill for arms implementation will be before the Congress, I think, almost immediately after the treaty is ratified and I feel the administration will leave no stone unturned to have it passed at this session.

The junior Senator from South Dakota [Mr. MUNDT], who stated he would support the treaty, also said, however, there is no moral or legal obligation to provide arms. He said he was supporting the treaty with the full conviction in his heart that there was no such moral or legal obligation.

The senior Senator from Ohio [Mr. TAFT] in unmistakable language told the Senate that, in his opinion, the North Atlantic Treaty and the arms implementation were tied together unless separated by some proposed amendment.

The junior Senator from Oregon [Mr. MORSE], who supports the pact, emphatically stated in his formal address there was a moral obligation that the people of the United States of America should recognize, and that moral obligation was to provide arms-implementing legislation. He said further that, unless that obligation was there and the Senate accepted it, the North Atlantic Treaty became merely a scrap of paper.

Then the Senate had the observations of the junior Senator from New York [Mr. DULLES]. He was asked, "Is there a moral and legal obligation to provide arms?" He said, "No." Yet when the junior Senator from Oregon was asked the identical question, he said, "Yes." The present Secretary of State or a future Secretary of State, I submit, can find an abundance of evidence to support a position on either side, as he chooses.

Is this the way the Senate wants to leave to the signatory powers this controversial point? Is this the way the membership of the Senate wants to leave this question in the minds of the American people?

We have been told, and we will be told again, that the adoption of the declaration is unnecessary because this question is already handled in the report of the Foreign Relations Committee. Ordinarily, what a Senate committee report says carries great weight, especially if the report is unanimous and no exception is taken to it.

But let me remind the Senate in this instance that now, long after the report has been made, the debate upon the Senate floor has ensued, and the report, instead of being substantiated, is challenged, and it loses its effect because of the contradictory interpretations which have been placed upon the North Atlantic Treaty by the different Members of the Senate. That is my position.

This is not only true of Members of the Senate who have taken part in the debate, it is also equally true of statements which have been made by leaders in the foreign countries that are to be parties to the treaty, who in unmistakable terms, have implied that they expect arms and armament of all kinds to flow to them in unlimited quantities after the North Atlantic Treaty has been signed. Most of all, they want the atomic bomb.

Certainly we cannot rely upon the Foreign Relations Committee report to clarify the one big issue, and that is, is there under article 3 a legal obligation to provide arms to the signatory powers before they are attacked?

I say again, with all the emphasis I can muster, that the adoption of the declaration does not foreclose or in any way prevent orderly consideration and action upon requests for military aid at any time in the future after the treaty is ratified.

There are also those who say the declaration is untimely. Yet there is no other time a declaration could be attached to a resolution of ratification than the present. This is the only time under our legal processes when the Senate is asked to advise and consent to the ratification of the North Atlantic Treaty, which has been negotiated by the President of the United States.

Certainly it is our solemn duty and responsibility to be timely, and now is the only time to have a mutual understanding among all the signatory nations as to what the Senate understands article 3 to mean. Now is the time.

A misunderstanding later will cause a greater impact on the implementation than a clarifying declaration will cause now on our relations with the signatory powers.

Since it is argued that the Foreign Relations Committee has unanimously held there is no moral or legal obligation to furnish arms under article 3, certainly there should be no opposition from the committee or its membership to placing in the resolution of ratification a declaration to that effect. By doing so the Senate would simply be writing into the resolution of ratification what it has been given to understand are the commitments which the Senate makes under article 3.

Mr. President, within the framework of the North Atlantic Treaty there is opportunity to strengthen the freedom-loving countries for the maintenance of peace.

Wisely managed, with frank, aboveboard cooperation among all the parties, the treaty can become a great instrument for peace. Through acceptance by all the parties of the declaration against moral and legal obligation to furnish arms before an attack, each country retains its freedom of action to approach all proposals for arms in the light of circumstances affecting each signatory throughout the life of the treaty.

Such freedom of action must be preserved, Mr. President. We have no right to bind the membership of future Congresses to a limited freedom of action. Under no circumstances should we do that. At all times we should have a right, without any moral obligation, to consider the proposals for arms under article 9 which might be submitted by the Defense Council. We should have the right, without a limitation of any kind, to consider what those proposals are, and, in the light of our fiscal policy and the need of our own defense, we should then consider such proposals.

Mr. President, I have stated my support of the principle of multilateral application of the principles of the Monroe Doctrine. I only wish we could, this morning, extend those principles multilaterally to the signatory powers. That is the potential which the Senior Senator from Michigan says he desires. I am perfectly willing to accept that particular responsibility; but I say that with article 3 in the North Atlantic Treaty, to my mind, there is a moral obligation. So I shall offer, on behalf of the Senator from Ohio [Mr. TAFT], the Senator from Utah [Mr. WATKINS], and myself a declaration to the resolution of ratification. I am not asking anything more than has been said time and again on the floor. It will not require renegotiation of the treaty. It is an entirely different procedure. We have adopted such a course time after time since 1939.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. WHERRY. I should like to finish my speech before I yield. I am working on a time basis.

With the adoption of the declaration I shall offer on behalf of the Senator from Ohio [Mr. TAFT], the Senator from Utah [Mr. WATKINS], and myself, I shall vote for ratification of the treaty, confident of its success. But I say now that I cannot vote for ratification of the treaty if this vital declaration is rejected. I shall not vote to impose an onerous obligation upon my country.

I now yield to the Senator from Missouri.

Mr. DONNELL. In line with the Senator's question as to whether there is any likelihood of our being obligated to furnish the atomic bomb, there are two thoughts in my mind. One is that the furnishing of the atomic bomb is one thing; the furnishing of information and knowledge with respect to it is another thing. I am wondering whether the declaration intended to be proposed by the Senator from Nebraska for himself, the Senator from Ohio [Mr. TAFT], and the Senator from Utah [Mr. WATKINS], is sufficiently broad to cover the atomic bomb, on the one hand, and knowledge or information concerning it, on the other hand. I should like to suggest that in the interim between now and 2 o'clock the Senator consider the inclusion of this language following the word "supplies," in line 5:

including atomic bombs or knowledge or information of any nature whatsoever.

So it will provide that the United States of America ratifies this treaty with the understanding that the United States

commits none of the parties thereto to supply arms, armament material, and so forth.

Mr. WHERRY. I thank the Senator for his suggestion. I think I made it very plain in my formal address on that point that I felt that atomic bombs, the know-how, and the information concerning them were inseparable and should be included in arms and planes. I shall be glad to consider it. I want to make it unmistakably clear as to what the Senate commits itself to when it ratifies the North Atlantic Treaty.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. TAFT. In my opinion, the words "military, naval, or air supplies" clearly cover the atomic bomb. I do not think there can be any question about that. The matter of information is another question.

I should like to ask the Senator whether he has considered the possibility of the treaty suspending and superseding the Atomic Energy Act which now forbids the furnishing of supplies and information to foreign nations, and whether the Senator knows the treaty will supersede the law once it has been ratified.

Mr. WHERRY. I thank the Senator for suggesting the question. There was no quorum call this morning, and I wanted to complete my remarks before noon. I fully agree with the Senator from Ohio that the treaty does supersede the Atomic Energy Act. If the treaty is signed, it will supersede the present law. That is the reason I asked the question last night as to what our commitments might be. My feeling is that if there is any doubt about our commitments, the nations which are signatory powers should have, not obsolete and worn-out military machinery, but they will want to share percentagewise in that to which they are entitled, effective offensive weapons.

Former Prime Minister Churchill has said that the thing that stops communism in Europe is the atomic bomb. Does anyone think that the signatory powers will be satisfied with being given old, worn-out surplus equipment? No. They want to have the best defense they can have under the theory of mutual aid. I am in favor of giving them whatever the United States wants to give them when the matter is brought before the Senate and considered on its merits; but I do not want any moral obligation which supersedes the present law.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. JENNER. Is it not a fact that General Bradley, our Chief of Staff, in testifying before the Foreign Relations Committee, certainly implied, if he did not expressly state, that we do not intend to give the signatory powers junk?

Mr. WHERRY. I have read his testimony; but that is not exactly what I had in mind. Of course we appreciate what General Bradley said. It is certain that the signatory nations will want modern weapons of war. All I am asking for by the approval of this declaration, I may say to the Senator from Indiana, is that we shall not wrap up in this treaty a moral commitment which will embarrass us, because the treaty supersedes the present law which protects us in regard to the atomic bomb.

M. JENNER. Did not the signatory powers, when they signed the North Atlantic Treaty in Washington, D. C., on April 4, take into consideration the fact that the very reservation which the distinguished junior Senator from Nebraska has discussed this morning was likely and probable and within the constitutional process of this country?

Mr. WHERRY. Certainly; and that is not all. They not only knew the treaty had to be ratified, but they will accept the treaty with this declaration, as has been demonstrated by the record of what we have done since 1939, unless they have made commitments to the contrary. Some sort of a definition should be provided of what mutual aid really means.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. DONNELL. In view of the fact that "mutual aid" is the term used in article 3 and that it might refer to the giving of information as well as physical things, I think it is extremely important to know whether military assistance would include knowledge or information.

Mr. WHERRY. Mr. President, how much time have I remaining?

The VICE PRESIDENT. The Senator has one more minute before 12 o'clock.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. WATKINS. I should like to call the Senator's attention to a dispatch from Paris, dated July 20, in which it is reported that the Committee on Foreign Relations of the French Legislature has proposed that the French ratification act should include a provision that an invitation to any additional states to joint the pact must be sanctioned by an act of parliament. The committee held that such an invitation would amount to making a new treaty. There has been concern in France lest the pact be construed to include Spain or Germany.

Mr. WHERRY. That is the first I have heard about it.

The VICE PRESIDENT. The time of the Senator from Nebraska has expired. The hour of 12 o'clock having arrived, the time from now until 2 o'clock will be divided between the Senator from Texas [Mr. CONNALLY] and the Senator from Missouri [Mr. DONNELL].

Mr. CONNALLY. Mr. President, I assume that the proponents of the treaty will be entitled to open and close the debate.

Mr. DONNELL. I think so.

Mr. CONNALLY. I yield to the Senator from Michigan 25 minutes.

The VICE PRESIDENT. The Senator from Michigan is recognized.

Mr. VANDENBERG. Mr. President, the reservations upon which the Senate soon will vote clearly crystallize the only remaining point of major controversy over the North Atlantic Pact. This point has ceased to be the pact's philosophy of action, namely, the probability that no armed aggressor will attack a competently united North Atlantic community which he knows he cannot divide and conquer. Indeed, some critics have gone far beyond this multilateral concept and have offered, unilaterally, as did the able Senator from Nebraska a moment ago, to extend the Monroe Doctrine to Europe and "commit the United States to war if Russia attacks western Europe."

There has been general acceptance of the theme that the surest chance of stopping an aggressor is to convincingly warn him in advance that he is bound to lose his war; also that our own national security is unavoidably involved—pact or no pact—if an armed aggressor starts to march into western Europe.

The pact sensibly proposes that those who share this jeopardy shall share effective vigilance against it. It thus reduces—indeed, it may extinguish—the jeopardy by anticipating it. The exclusive aim is peace.

There are a few Senators who reject this total concept, but among the majority the remaining point of controversy seems to involve only the nature of our responsibility to help our allies "maintain their individual and collective capacity to resist armed attack."

Since the point has already been debated to exhaustion, it may be wishful thinking to hope to clarify the clarifiers, myself included; but it is vitally important to keep the record straight. It is still more important that superficially persuasive reservations—and I say this most respectfully—shall not be allowed to undermine the whole fundamental philosophy of protective action upon which this pact is built and upon which there is such general concert.

Therefore, Mr. President, I briefly discuss reservations with reference to arms and article 3.

Just what are our obligations? A logical answer requires us first to search out the roots of article 3. Where did it come from? Why? What was its initial intent?

The answers are officially available. It came from the Senate itself. It is the Senate's own idea.

On June 11, 1948, by a vote of 64 to 4, the Senate advised the President to seek "association of the United States, by constitutional process, with such collective arrangements as are based on continuous and effective self-help and mutual aid," for purposes of "individual and collective self-defense" against aggression.

The President took our advice. Article 3 says that the parties to the treaty "by means of continuous and effective self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack"; and article 11 says this "shall be done by constitutional process."

The two propositions are amazingly identical in literal text. The President could not have more faithfully followed Senate advice. Senators attached no "reservations" to their advice—except that they would be free to decide for

themselves whether the advice was satisfactorily followed. They will now exercise that freedom. But we must start with the probative premise that article 3 is literally the Senate's own words.

Now the next question. Why did we, the Senate, use these words about "continuous self-help and mutual aid" to "resist armed attack?" The official answer may be found in the unanimous report of the Senate Committee on Foreign Relations on Senate Resolution 239. Let us read it:

> The committee considers the principle of self-help and mutual aid followed in the European recovery program equally applicable in the field of security. United States association with arrangements for collective defense must supplement, rather than replace, the efforts of the other participants on their own behalf.

Still quoting the committee.

> Such arrangements must be based upon continuous effective self-help and mutual aid. This means, in practice—

Says the committee—

> that the participants must be prepared resolutely to defend their liberties against attack from any source, and efficiently to develop their maximum defense potential by coordination of their military forces and resources.

And listen particularly to this, the Senate committee speaking:

> The resolution has been designed to avoid open-ended or unlimited commitments and to require reciprocity of aid.

That, Mr. President, is why "continuous and effective self-help and mutual aid" to "resist armed attack" went into Senate Resolution 239; and that is how it got into article 3 of the pending treaty. It is the exact antithesis of open-ended or unlimited commitments. It is a contract for mutual cooperation in behalf of a common defense objective. It deliberately rejects any idea that the United States accepts any unilateral responsibility which is not shared by others. We, like every other signatory, most emphatically do accept responsibility for contributing to the security of the North Atlantic area in whatever fashion events may require as honestly estimated by each signatory for itself. This may include arms. Perhaps it should. Obviously the administration thinks so. That is for us, the Congress, honestly to decide from time to time—so far as this pact is concerned—after the Advisory Council makes its recommendations under article 9. The extent of self-help will be one of the controlling factors. This is not a one-way street. Wise strategy for peace will be another factor. The goal is peace. The goal is less armaments, not more—if aggressors will allow us to reach it.

Our obligation is to our general responsibility under the pact. Our obligation is to make honest decisions as events unfold and in response to this general responsibility which must be shared by all the others.

The preservation of this free and mutual responsibility is vital to the enterprise. It is vital to the United States not only as a signatory which gives but also as one which gets.

If each signatory now tries to spell out what it does or does not intend in the application of this concept to unpredictable events, we can make a shambles of this essential spirit of the enterprise which must be general in character if it shall competently cope with an unknown future. If we cannot trust ourselves, we cannot trust others and we cannot expect others to trust us.

There is no hazard in the generality because there is not a word in the treaty which limits final freedom of honorable decision in the execution of its underlying pledge. But there is real hazard in attempting needless specifications because they may invite doubts regarding the validity of our intentions if we seem to be afraid of our own words.

As the pact stands, we are partners in pursuit of a general objective. But after honestly acknowledging the objective, we are free agents in determining our contribution. As a matter of fact, by attempting to define specifications in one instance we may find that we have actually increased our liabilities by neglecting specifications in others. The committee report speaks of "obligations" in 12 different places. They should all remain at the same level of senatorial concern.

If we start to try to spell out what we do or do not conceive our duties to be, there is no reason why every other signatory should not follow suit. Regardless of technicalities if renegotiation should be involved, it requires little imagination, under such circumstances, to see the end of confidence and the beginning of suspicion. This is a classical case where "the letter killeth but the spirit giveth life."

What are our duties under article III in respect to arms?

It is to take our share of responsibility in maintaining and developing the capacity of the North Atlantic community to resist aggression in whatever way, including arms if need be, our own independent judgment from time to time determines to be necessary.

Of course, the situation is not the same under the pact as it is without the pact—or there would be no sense in writing it. But the difference is not in our freedom of honest decision. It is in our acceptance of the general responsibilities to which these decisions shall be honestly applied.

We really, Mr. President, it seems to me, are back to the basic concept which the Senate had in mind when it inspired the pact. Those who do not think it wise for 300,000,000 free people to notify an armed aggressor that he cannot win because of the competent unity he will confront will undoubtedly be anxious to whittle away this general responsibility. That can be the vice of reservations. I can understand how article 3 might bother a Senator who is opposed to this total concept; and I have the deepest respect for the good conscience of others who are anxious to be sure of their ground. But it seems to me that those who support the concept need not fear the exercise of their own free judgments in honest subsequent decisions implementing this support.

Some of the confusion arises because the administration will follow the pact with an immediate request for a military assistance program for a number of countries outside—and some inside—the pact. Further confusion flows from the unfortunate but understandable coincidence that this military assistance program came to a head when the foreign ministers of all the treaty countries came to Washington to sign the pact.

But there is no further legitimate room for confusion since I put the State Department's categorical statement into the RECORD a few days ago.

The answer is that the military-assistance program which will presently be submitted to Congress is not a program for implementation of the North Atlantic Treaty. It could not be because article 3 requires recommendations under article 9 to initiate any such program.

The State Department says:

> The program—

Referring to the pending military-assistance program—

> would be necessary even if there were no treaty just as the treaty would be necessary if the military-assistance program had not yet been formulated. This latter program has its own validity and necessity, rooted in basic elements of our foreign policy. The principal element involved in both is that of the national interest of the United States in insuring the security of certain free nations. The military-assistance program is separate from the treaty, except that the treaty and the MAP both serve the national interest and security of the United States and in this way supplement each other. * * * Any further military-assistance programs involving Atlantic Pact countries will be prepared and submitted on the basis of recommendations which will be made by the organization to be established under article 9 of the treaty.

That ends the State Department quotation. It also ends any doubt about the status of the treaty in respect to the military-assistance program which is waiting around the corner.

This leaves us, therefore, exclusively with treaty obligations as involved in pending reservations. I use the reservation proposed by the distinguished Senator from Utah [Mr. WATKINS] as an example. I understand it now will be offered in conjunction with other Senators, but that it is substantially the same as originally presented, with the deletion of one clause. It reads as follows:

> Nothing contained in article III creates any legal or moral obligation on the part of the United States to furnish or supply arms, armaments, military, naval, or air equipment, or supplies to any other party or parties to said treaty.

That is true as far as it goes. But it does not go far enough. It is not all of the truth. Half-truths are dangerous. That is the difficulty in attempting specifications. That is why I am opposed to the attempt. If you start this business, the truth requires you to find

appropriate words to express, among other things, some such added thought as this, and even this is not comprehensive: Unless and until the Congress, in its own judgment, finds the furnishing of such supplies essential to peace and security in the North Atlantic community on the self-help basis defined in the treaty.

Then you are off to an argument, at home and abroad, as to precisely what it is you have said or are trying to say which is different from the treaty—and it is different from the treaty.

The Secretary of State puts it this way:

> The pact does not dictate the conclusion of honest judgment * * * it does preclude repudiation of the obligation of making that honest judgment.

In other words, we are not entitled to assert a total disclaimer of mutual responsibility to the pact—as distinguished from its individual signatories—under article 3. Nor is that what any of us really means. Indeed, it may well be that, under warranting justification, we may freely come to the precise conclusion which this reservation would denounce in advance.

This pact establishes no automatic right anywhere to demand arms of us. It does establish a right to present a request, under article 9, and to have it considered by us in the light of this mutual responsibility and our own honest estimate of the need and of our capacity to respond. Period.

No reservation is necessary to protect this point because it is plain in every word that has been uttered in this debate in the presentation of the pact. Surely the opponents of the pact will not be valid witnesses to the contrary because if the pact is ratified, their views will not have prevailed. If it be argued that Senators who vote against the reservation have thereby accepted the unlimited obligations which the reservation would denounce, my answer—of course, with no reflection on the good faith of the authors—is that Senators who vote against such reservations have merely rejected a half-truthful statement of those obligations which remain the same as if the rejected reservation had never been offered. It is infinitely better to stand upon the general text of the pact than to attempt specifications which easily may create more problems than they solve.

It is urged that we must not mislead our associates. I cordially agree. These debates will have disabused their minds of any notion that we are assuming responsibility for arming western Europe to the teeth or of turning ourselves into an automatic arsenal. But it would be even more tragic to invite misgivings that, though we ratify the pact, we shall have no sense of mutual concern in the defense problems of those brave countries which sit in the immediate shadow of the jeopardy which, wherever it might break, is aimed finally at us. The consequences could be appalling.

I happen to be one of those who believe that the overriding authority of this pact is in its potentials under article 5 rather than in forces-in-being under article 3. But I say again that I recognize the importance of putting this defense in gear and rounding out its normal sufficiency, particularly to sustain law and order against subversion. I shall fit my future judgments to the facts. But I certainly do not intend by my vote to invite the imputation that I am blind to these facts or to my country's interest in them. I consider that my treaty obligation is to give them honest and faithful consideration. I conceive that my right of action is totally my own.

I am certain that this or any other reservation is in no way necessary to protect our constitutional process, our independent judgments, our congressional conscience, and our nonaggressive purpose to use this pact for peace.

Needless reservations, though born of honorable caution, serve only to confuse—perhaps confound—our friends, while potential aggressors take renewed hope that we do not really mean what we say when we dedicate ouselves to effective unity against their North Atlantic conquests.

We may thus defeat our own purposes and cripple the protective values upon which so much depends.

I continue to believe, Mr. President, that this pact—if eloquently approved by the Senate—is our best peaceful and strategic chance to stop another war before it starts. If it starts—pact or no pact—it is headed straight in our direction.

The VICE PRESIDENT. The Senator's time has expired.

Mr. KEM. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Chair cannot consume the time of the Senate in answering parliamentary inquiries, because the time is already disposed of by a unanimous-consent agreement, and is in control of the Senator from Texas [Mr. CONNALLY] and the Senator from Missouri [Mr. DONNELL]. The Chair apologizes to the Senator from Missouri, but a parliamentary inquiry and the answer might consume several minutes.

Mr. DONNELL. Mr. President, I assume that the Senator from Texas expects us to go forward at this point. I yield 20 minutes to the Senator from Ohio [Mr. TAFT].

The VICE PRESIDENT. Before the Senator from Ohio begins, let the Chair respectfully admonish Senators not to engage in conversation. The art of whispering seems to be a lost art in the Senate. Senators who feel it incumbent upon themselves to say anything say it loud enough to be heard. The Chair hopes that Senators will not indulge in conversation during this debate.

Mr. TAFT. Mr. President, I have already stated at length and in detail the reasons why I intend to vote against the North Atlantic Pact. In substance, those reasons consist of the fact that, in my opinion, the North Atlantic Pact is part of a larger project including the arms program. The State Department in some places says it is incidental to the arms program. I think we close our eyes to realities unless we realize that this is one thing, and that in going into this pact we are committing ourselves to an arms program. Therefore I shall vote against the North Atlantic Pact, unless it is made clear that these two things are separate.

The declaration proposed by the Senator from Nebraska [Mr. WHERRY] says:

> The United States of America ratifies this treaty with the understanding that article 3 commits none of the parties thereto, morally or legally, to furnish or supply arms, armaments, military, naval or air equipment or military, naval, or air supplies to any other party or parties to this treaty.

Either the treaty commits us to that obligation or it does not. We have had throughout this entire debate a marked difference of opinion on that question, which has not been resolved by the very excellent speech of the Senator from Michigan. To my mind it is just as uncertain today whether he thinks there is a moral or legal obligation to go ahead with an arms program, as it was before he began to speak. I have heard that there is no particular arms program to which we are committed; but whether we are committed to an arms program or not, I cannot conclude from the Senator's speech. Even if we adopt this reservation it does not prevent us from proceeding with an arms program. It simply says that when the question of an arms program arises we are entirely free to adopt it if we wish, or to decline it if we wish; that we are not obligated to all 11 nations; that we can pick out a particular nation; that if a nation is threatened with actual attack, as was Turkey, or if a nation is threatened with internal attack, as was Greece, or if there is some country, like China today, which is threatened with Communist attack, and we can see the threat, and see that military aid may be effective, then we can proceed without regard to the obligations in the pact itself.

This does not foreclose us from a military program, but it says that there is no legal or moral obligation in the pact. It says that we can turn down completely, if we wish, the military program presented to us.

This treaty is ambiguous. Who can say that article 3 is not ambiguous? Who can say that there is any certainty as to what it means? Taking the views of various Senators as expressed during this debate, the distinguished junior Senator from New York [Mr. DULLES] said:

> I said in substance I see in the treaty no legal or moral obligation to vote any arms program which is not defensible on its own merits.

He takes an extreme view, that there is no obligation whatever. He says in other places that in his opinion the leaders of foreign governments do not think there is any obligation. If so, there can certainly be no objection on their part to our clearly making that statement; nor can I see how there can be a reasonable objection on his part or on the part of anyone who thinks there is no moral or legal obligation, to our frankly stating that fact in a reservation.

The distinguished Senator from New York also disagrees directly with the

State Department. The State Department says the North Atlantic Pact is an agreement on a policy of common defense, and that its very vital corollary is a program of military aid. The distinguished Senator from New York says he disagrees; he says that a program of military aid is not its vital corollary. There we have a direct difference of opinion on a vitally important question.

The chairman of the Foreign Relations Committee, the distinguished Senator from Texas [Mr. CONNALLY], it seems to me has taken two inconsistent positions in one sentence. He issued a statement which he said that a vote for the treaty does not carry with it any obligation to vote for arms implementation. But then he said that we must act promptly on arms implementation and assure the co-signers of the pact that we mean business, that we are sincere and earnest. If that is not a statement that there is certainly a moral obligation to provide arms, I do not know what it is. So the distinguished Senator from Texas says clearly that in his opinion there is a moral obligation to provide arms.

The position of the distinguished Senator from Michigan and the position of the distinguished Secretary of State constitute a kind of moderate intermediate position. They say that if we ratify the pact, it cannot be said there is no obligation to help. They say there will be an obligation to help. When they say that, they are talking about military help, not about other help. Article 3 may well bind us to a general ECA program, even if we adopt the reservation; but without the reservation, and in view of the history of what has gone on, it seems to me clearly that Article 3 is an obligation to provide arms.

We are told that there is an obligation to help, but that the extent, manner, and timing are up to the honest judgment of the parties. So, Mr. President, we see that they say there is an obligation.

The distinguished Senator from Michigan seems this afternoon to be saying in effect that of course there is going to be an arms program, but that we can decide just how big it should be and of what it should consist. But he says there is "an obligation." Fundamentally, those who object to the adoption of this reservation think there is an obligation, they know there is an obligation, and they think we must go on to an arms program as soon as we adopt the pact. I cannot escape the conclusion that there is a complete difference of opinion between different Senators on this question. Therefore, such a difference of opinion should be resolved, and should be resolved by the Senate of the United States, before we ratify a treaty which may well develop into one of the greatest foreign-aid assistance programs we have ever seen. It can easily go well beyond the total burden of ECA.

The newspapers differ as to what the treaty means. Mr. Arthur Krock, the distinguished representative of the New York Times, says very clearly that any Member of Congress who reads informed newspaper dispatches must have known from the time the Scandinavian ministers were encouraged to visit our State Department that the purpose of their visit was to get arms, and that the purpose of getting arms under the North Atlantic Pact was what impelled Norway to reject the Scandinavian pact with Sweden and Denmark.

I cannot find that the Foreign Relations Committee really repudiates the obligation provided under the treaty to supply arms. The distinguished Senator from Oregon [Mr. MORSE], who is an excellent lawyer, has taken the position on this floor that there is clearly an obligation under the treaty to provide arms and that we should recognize it now. The Washington Post takes a similar position, namely, that that is what the treaty is and that arms are a necessary adjunct to the North Atlantic Treaty.

So, Mr. President, I cannot understand the position of those who say there is no obligation, and yet are unwilling to vote for this reservation, unless they think really there is an obligation—an indefinite one, perhaps, but still an obligation. That obligation changes, to my mind, the entire spirit of the North Atlantic Treaty.

I do not see how the other signatory countries are going to be discouraged by our adoption of this reservation. They know it is being debated here. They know very well that the arms program is going to be considered. The distinguished Senator from New York [Mr. DULLES], who knows many of the representatives of the foreign countries and has talked to them, says they do not really feel that any obligation is connected with the treaty.

So how can we in any way hurt their feelings by adopting this reservation? If we do not adopt it, are not we deceiving them? If we ratify the treaty, at the same time reserving in our minds the right to vote down any arms program at all, are not we fooling them by refusing to adopt the reservation now? Is not truth the best foreign policy, as it is the best domestic policy? Should not we make perfectly clear what we are doing and how far we are willing to go, and not lead the signatory countries to think that we are coming to their aid with arms sufficient to enable them to defend themselves? How many arms do Senators think are necessary for Denmark or for Norway to have to defend itself against Russia. The Italians must be looking for us to come to their aid. It has come to be assumed as a fact that the United States is coming to the assistance of the signatory nations, to defend them against a possible attack. But that is not so. We are not going to do it, in the last analysis. We may give them arms to some extent, but I myself do not think we should commit ourselves, and I do not think we will commit ourselves actually to send American troops to those countries.

Is it not better to be fair to these countries by defining exactly what we are prepared to do, which, to my mind, means one thing only, namely, to say to Russia that if she goes to war with any of these countries, although she may win for a time, yet in the end the United States has the power, which it will use in such a war, to attain victory, and the nation that challenges it will go down to defeat. That is what we say, but we should not guarantee arms to these countries. If we do so, I think we make it more probable that there will be a war.

The State Department comes forward with the rather naive view that, after all, the steps provided for under article 9 will not be taken at this time. Whether that means there will be another military program, or what the theory is, I do not know; but I think the idea that the supplying of arms and the pact are separate is merely a theory of the State Department, whereas everyone knows they are together and are one project. That is merely a bright idea conceived by someone in the State Department. They want to go ahead with the military program now; so they suggest that the nations do not meet under article 9, but that the military program be proceeded with as a separate matter.

If that is done, I admit we are not obligated to go ahead with such a military program. But under article 9, later it would be very difficult for us to escape another program.

So, Mr. President, I am opposing the treaty. If the reservation is adopted, I shall vote for the treaty. But with the reservation, this whole program in my opinion is not a peace program; it is a war program. Mr. President, I do not wish to make so didactic a statement as that, so I shall say that with the arms factor the whole tendency of this program is toward a third world war, instead of away from a third world war; because we are in the first place committing ourselves to a vast program of foreign aid.

In the second place, we are committing ourselves to a policy of war, not a policy of peace. We are building up armaments. We are undertaking to arm half the world against the other half. We are inevitably starting an armament race. The more the pact signatories arm, the more the Russians are going to arm. It is said they are armed too much already. Perhaps that is true. But that makes no difference. The more we arm, the more they will arm, the more they will devote their whole attention to the building up of arms. The general history of armament races in the world is that they have led to war, not to peace.

In the third place, we are going back to the old balance-of-power theory. Every American has dencunced that theory. Every man who has thoroughly thought out the question of international organization has said the only ultimate hope of peace depends upon the establishment of law and justice among nations, with international action by joint force against an aggressor. We abandon that theory under the treaty and arms program; and we go back to the old balance-of-power theory, which

England followed for years. We are following exactly the theory she practiced—"Keep Europe divided more or less equally and so that neither can afford to attack safely and, ultimately, England has the balance of power." That is the effect of this program to turn back to the balance of power, which never prevented war, except for brief periods of time. It always led to a series of wars in Europe, and it will lead to a series of wars in the world, if that is all we develop.

So, Mr. President, I believe that if we simply want to take a purely defensive action, if we want to warn Russia, we ought to adopt this reservation and then ratify the treaty. But I feel as strongly as I can that if we go ahead with the arms program, in which I think the treaty now involves us, we are adopting a policy far more likely to lead to a third war, and the real tragedy of a third world war, than to peace.

Mr. DONNELL. Mr. President, does the Senator from Texas desire to go forward at this time? If not, I yield 5 minutes to the Senator from Vermont [Mr. FLANDERS].

The VICE PRESIDENT. The Senator from Ohio used 16 minutes.

Mr. DONNELL. I yield 5 minutes to the Senator from Vermont [Mr. FLANDERS].

The VICE PRESIDENT. The Senator from Vermont is recognized for 5 minutes, in absentia.

Mr. DONNELL. I do not see the Senator. I yield 5 minutes to the Senator from Nevada [Mr. MALONE].

THE NORTH ATLANTIC PACT

Mr. MALONE. Mr. President, the North Atlantic Pact, as now written, will serve to protect the integrity of the colonial system of Asia and Africa—and will cause the Asiatic and African people to favor and to look upon as a savior any nation that will promise them relief from the European nations' colonial yoke—and the nation to promise such relief is Russia. It also, for the first time, removes our prerogative to be the sole judge when our peace and safety is threatened—also to declare war only in the event such peace and safety are threatened.

It is extremely doubtful if the empire nations of England, France, the Netherlands, and Belgium can hold their colonial possessions much longer even with our help—and the wisdom of lining up with this effort and alienating the Asiatic and African people is, to say the least, questionable.

This is not an isolated Atlantic Pact or treaty with the 12 European nations. On June 11, 1947, I debated the Vandenberg resolutions with the senior Senator from Michigan contending at that time that if the Senate demanded that the President make such a treaty or pact without the specific terms of such treaty being indicated, then this body would be morally bound to approve any such arrangements that the President might later send to the Senate floor. I further contended that it was the first breach of the 173-year-old policy of independent checking on any pact or treaty prepared by the executive branch of the Government.

One year later we find the Secretary of State, Mr. Acheson, saying that the Vandenberg resolutions were the basis of the pact, and find that all member nations were called to Washington to sign the pact—before it reached the Senate floor—thus, in every way possible embarrassing any Senator who might make so bold as to try to determine its real meaning.

The North Atlantic Pact will develop the basis for supplying arms to Europe, and I say to the distinguished Senators before me today, the arms will be the basis of the boys and girls going to Europe to use the arms.

For a precedent I refer my colleagues to the statement by Winston Churchill during World War II, in the early stages. At that time he said what was needed was funds and credit. We gave them credit. He then said, "Give us the tools and we will finish the job." We gave them the tools. Then we ended up by sending from 70 percent to 75 percent of all the boys and girls who were in the war in Europe. That is exactly where we are headed now. It is the old story over again.

When I mentioned the Monroe Doctrine a year ago last March in the Marshall plan debate as a substitute for our then international policy, then again in the ECA debate on March 30 of this year, then on July 12 in the North Atlantic Pact address and debate, I meant the Monroe Doctrine which we relied upon for 125 years, adopted in 1823, and which is still in existence, regardless of the 1947 Latin-American Defense Pact. I ask unanimous consent to place in the RECORD a very short statement, found at page 142 of a work, We of the Americas, by Carlos DeVilles, a statement that the Monroe Doctrine is still in effect and its purpose and effect, also a further statement on the same subject matter.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

The last public statement of American foreign policy, issued in the form of a State Department pamphlet on October 20, 1947, observes: "There was a realization that the freedom of Latin America from European control was in the interest of our own security. This view was stated in the form of a policy or doctrine by President Monroe in 1823." The document states further that the two Americas were "brought closer together" through the multilateral agreements against aggressors, which culminated in the Rio de Janeiro continental defense pact of September 1947. It does not state, or remotely imply, that any of these joint agreements is a substitute for a Monroe Doctrine which now has been abandoned.

The Monroe Doctrine as a unilateral instrument or policy is not dead, nor has the self-nominated United States stewardship of this hemisphere been abandoned. Even if it had never been placed in words as a publicly stated policy, it seems to me that the Monroe Doctrine still would be a living reality; for it embodies the instinct of self-preservation of the most powerful nation in the Western Hemisphere. It was a definite part of the United States' position long before Monroe wrote his now famous message to Congress.

In a congressional resolution, as early as 1811, the United States evidenced increasing concern over the possibility of European invasions throughout the Spanish South. In early American history we frequently find official expression of this anxiety.

The principle of "no European entanglements" was basic to the Monroe Doctrine. Washington had said in his Farewell Address that European interests sprang from causes "essentially foreign to our concerns." Washington's main worry was that American peace and prosperity might be destroyed "in the toils of European ambition, rivalship, interest, humor, or caprice."

The Monroe Doctrine simply formulated the method by which these "toils" were to be kept as remote from the United States as possible. Washington's Farewell Address and the Monroe Doctrine are not only complementary; they are one and the same policy—a fact often disregarded by jurists and diplomats.

The Monroe Doctrine was a two-way precept: No European intervention in this hemisphere; no American intervention in Europe. It read: "In the wars of European powers relating to themselves, we have never taken any part; nor does it comport with our policy to do so. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparations for our defense."

The Monroe move was one of the smartest in the history of world diplomacy. Generally pictured as a show of strength, it should rather be appraised as a bold attempt on the part of a comparatively weak nation to keep all powerful, potential aggressors at a safe distance.

So arrogant did the Monroe Doctrine appear to the Holy Alliance powers that Metternich called it "an indecent declaration," and Bismarck, "a diplomatic impertinence."

Not over 12,000,000 people inhabited the United States at that time; its great economic potentialities were just beginning to be developed; it did not have an army or navy of any importance. Unsure of its ability to meet European nations in a cold test of arms, the United States used to the utmost the diplomatic weapon of the Monroe Doctrine. Its purpose was not to invite a test of strength but to avoid one.

When the Truman Doctrine was formulated in March 1947 it was said that it meant an extension of the Monroe Doctrine to the world at large.

For a moment it appeared so but it was soon transformed as the Marshall plan was, into a negotiated affair with the European nations and finally has evolutionized into what we see today, a peacetime Atlantic alliance to depend, incredible as it may be, on American lend-lease military supplies and on the protection of the armed forces of the United States.

All potential aggressors knew exactly what would confront them if they violated the Monroe Doctrine, and so would take no chances. For the potential aggressors of our times, it was always a matter of speculation whether the United States would fight in Europe or not; so they assumed it would not, and when opportunity for profitable aggression beckoned, they took the chance.

Even de-isolated Uncle Sam might still have prevented two world wars if he had preserved at least his century-old Monroe grand strategy.

It seems to me that besides the no-meddling-in-Europe clear implication of the Monroe Doctrine there is another basic difference between that doctrine and the one that the United States is now evolving for Europe.

President Monroe deliberately refused to enter into any negotiations or even into a joint declaration with Britain or with any other European nation.

The plan for a joint British-American declaration was Prime Minister George Canning's idea as we all know. So it was carefully weighed by the American Government and rejected. Jefferson and Madison were for it. But Secretary Adams was adamant; he refused to have the United States involved in any European commitment in safeguarding the security of this Nation and of this continent. Monroe followed Adams' advice and so the Monroe Doctrine became a unilateral declaration with no entanglement or commitment to any nation; to be used, as Secretary of State Calhoun said, "As the political interests of the country advised."

Any treaty or commitment would have forced this Nation to accept a foreign interpretation of the doctrine. Being unilateral only the Government of the United States had the right to say when and how the Monroe Doctrine should be brought into action.

Quite different from the Atlantic alliance where there are 11 governments which in due time may claim that any threat real or not or any provoked aggression is a case to bring the alliance into effect and put the United States on the spot.

President Monroe did not consult or negotiate with any of the Latin-American nations which the doctrine was going to protect against alien encroachments.

He did not summon the Foreign Affairs Committee of Congress.

He did not request any legislative authorization or indorsement.

He did not talk of military or economic help to any nation.

There was no Monroe plan nor a Monroe alliance.

His declaration was nothing but a declaration, no pact, no law, no Congress approval, no treaty; it created no obligation on the part of this Nation toward anybody but unto herself.

The doctrine as Wilson said was unilateral proclaimed by the United States on its own authority it has been and shall always be maintained its sole responsibility.

Monroe said that he would consider "dangerous to our peace and safety any attempt on the part of the European powers to extend their systems to any portion of this hemisphere"; he stamped as a manifestation of unfriendly disposition toward the United States any interposition for the purpose of oppressing the Latin-American nations or controlling any other manner their destiny by any European power.

That extremely simple insertion in a current Presidential message to Congress worked for over a century and it worked 100 percent.

It completely achieved its purpose of protecting the United States' flank against powerful potential European enemies.

It gave the Latin-American Republics their chance to freely carve out their own destiny.

It sharply deflected from this hemisphere all new colonizing drives.

Now, what the United States is trying to do for the western European nations today is exactly what she endeavored to do and did during 126 years, for the other nations of this continent.

In both cases, furthermore, the United States were concerned with their own security.

Why then could not a simple stern, American-like declaration work today as it worked 126 years ago?

At the time of Monroe this Nation had 12,000,000 inhabitants and no military power of any kind to face even one of the European nations which received the warning.

Today, it has all the power necessary to back a declaration effectively.

If Monroe had negotiated his doctrine within this Nation and with other nations he would surely have become involved in the same troubles that the Atlantic alliance is having, and will bring and would have meant all kinds of economic and military commitments as this Nation is now assuming.

Mr. MALONE. The Monroe Doctrine simply and briefly left with the United States of America the decision, which we always have made, throughout our 173 years of existence, that we go to war only when our peace and safety are threatened, and that we are the sole judges, under the Monroe Doctrine, when such peace and safety are threatened.

While under the North Atlantic Pact, we would divide that responsibility with 12 European nations. There will be 12 separate nations that, not only will be the judge of whether their peace and safety are threatened, but automatically our peace and safety is assumed to be threatened, and we must then come to their assistance.

In other words, we can, according to the pact, judge how best to help them but it can only lead to one thing, and that is a contest at arms.

I consider the North Atlantic Pact to be one of the most useless treaties we have ever considered, and to be a most dangerous and most radical departure from what constitutes the main duty of this body, which is to protect and promote the legitimate interests and the security of this Nation. Yet I would consider its ratification worth while, if that would solve the great problem which is facing humanity at this moment, the problem of giving back to the American people the management of their foreign policy.

This country was made by the people. They succeeded in everything except in the matter of foreign policy. Why? Because the people were bypassed in that field. Their rights were usurped. If the people had been informed and given a chance, then this Nation would not have been dragged from one emergency to another in the morass of this pact.

Do we realize that actually fewer men are shaping and formulating the carrying on of foreign policies of the United States than are in the Kremlin at Moscow? At least there are 13 or 14 men in the Politburo. Whereas when four men in Washington even commit this Nation to an irrevocable policy with respect to Europe for the next 20 years, and, when these four men agree, the policy becomes bipartisan, if you please, according to an ill-timed concept of the work of the United States Senate, then the whole weight of the machinery of the Government of the two parties goes into action, backed up by the press and by powerful public declarations. To dissent then is heresy, and the people, uninformed and confused, have to bow to the inexorable.

I feel a deep responsibility for what is happening today in the Senate. I feel responsible because I am unable to convince my colleagues of the perils involved in the surrender of the freedom of action of the Government of the United States; of the perils that their pact involves; of the surrender it means. I am so certain that I am right in opposing this strange European document baptized as a North Atlantic defense pact, that I must admit that it is only because of the failure of the opposition to make its point clear that this vote is going the way it is going: against the United States of America and against the New World.

I said a few days ago that this was the culmination of a plan. I am afraid that unless the American people wake up, it will not be the culmination. Fortunately the American conscience is awakening. We must beware from now on. There is an angry wave of public opinion rising against these un-American policies. They want to know why this Nation cannot have a foreign policy of its own. Why we were led from UNRRA to Bretton Woods; from Bretton Woods to the $3,000,000,000 loan to England; from the loan to England to the Truman doctrine; from the Truman doctrine to the Marshall plan; from the Marshall plan to the Atlantic alliance while always told again and again that those were the last commitments and the last dollars. From Atlantic alliance we are being led now to a new armaments lend lease to Europe which the Secretary of State announced yesterday will be soon sent to Congress.

The angry wave is rising, gentlemen. This day of joy on this floor is of sorrows in millions of humble homes all over this country. Here are the applauses; there the bells are tolling. Here the flag is up; in millions of American houses and hearts the flag is at half mast. This twentieth of July may go down in history as the day of American dependence just as the fourth was the day of independence 173 years ago. This angry wave of public opinion is not against internationalism; far from that their aim is an effective internationalism to take the place of mere Europeanism which is all that our foreign policy means at this moment.

It is a wave based also on the conviction that the best and only way to serve the world is to keep this Nation safe and strong and secured. We are doing absolutely the opposite today gentlemen.

ONE PART OF A PROGRAM OF FIVE PARTS

The North Atlantic Pact is only one part of a five part administration hybrid national and international program that will average the wage-living standard of living of this Nation with the low-wage living standards and slave labor of the Asiatic and European countries. The complete program includes: The North Atlantic Pact, the Marshall-ERP-ECA plan, the 1934 Trade Agreements Act, the International Trade Organization, the "Bold new program"—point 4 of the President's announcement.

This entire Administration program together with a suggested alternate American program is fully outlined in my address and debate in the CONGRESSIONAL RECORD of July 12, 1949.

The VICE PRESIDENT. The time of the Senator from Nevada has expired.

Mr. DONNELL. I yield myself 15 minutes.

The VICE PRESIDENT. The Senator from Missouri is recognized for 15 minutes.

Mr. DONNELL. Mr. President, the senior Senator from Michigan [Mr. VANDENBERG] referred at the outset of his remarks to what he termed "superficially persuasive reservations." He then proceeded to discuss the happenings with respect to Senate Resolution 239, which was adopted on July 11, 1948. I understood him to say, in substance, that at that time the only reservation made by the Senate, when it adopted Senate Resolution 239, was as to whether the provision regarding advice which was contained in it was satisfactorily followed by the President in the negotiations which ensued. I disagree most emphatically with the statement made by the Senator from Michigan, and I quote from his own language as it appeared on that date. Said he:

> Repeatedly I have insisted that we must be perfectly sure that when we exercise the advice function in respect to the advice to the President on this subject, we are not yielding any of our subsequent consent prerogative. So far as the Senator from Michigan is concerned, he completely disagrees with any assertion that the exercise of the advice functions is a surrender of the consent function.

It is true he said the following, which I think in fairness to him should be included:

> I hope there will be no misunderstanding about the nature of the resultant obligation. I do not think the situation remains entirely as it was before we acted. I think we have emphasized our very deep interest in exploring any regional arrangements which may be made, from the standpoint of our own national security. I think that carries with it the implication that if we find it to be to the advantage of our national security, we shall be very definitely sympathetic with the objectives. At that point we shall assess the situation from the standpoint of our own national security, and make our decision accordingly.

Mr. President, this differs very materially from the announcement made today by the Senator from Michigan that the only reservation made by the Senate was whether the advice contained in Senate Resolution 239 was satisfactorily followed.

I desire to address myself briefly to the importance of attaching reservations to the treaty. The Senator from Ohio [Mr. TAFT] has very very clearly pointed out, as I see it, the tremendous importance of the reservation which has been offered by himself and two other Senators and which is now before us, with respect to article 3. In that connection, I should like to refer to the letter written by Charles Evans Hughes, back in 1919 when, referring to the League of Nations, he said:

> The proposed covenant should be viewed as a mere beginning, and while it is important that we should have a beginning, it is equally important that we should not make a false start.

So, Mr. President, I submit that it is important here that we make no false start.

It has been suggested that there are various objections to reservations. The experience of our country, to my mind, with respect to reservations, does not make valid that point in opposition to them. In the first place, it is perfectly clear that it is important to have a definite understanding at the time we enter into the pact as to what our obligations under it may be. Obviously, it is also perfectly clear that abroad it is understood in one way, and upon the floor of the Senate it is understood by some Senators in one way and by other Senators in another way.

In the Washington Post this morning I find that Foreign Minister Robert Schuman told the French Cabinet today that he was confident the United States would supply arms aid to western Europe, to put teeth into the Atlantic Pact. I read:

> Schuman said American aid would be a "natural sequel" to the pact. He added he attached "the highest importance" to President Truman's proposal to Congress for a $1,450,000,000 appropriation to put teeth into the pact.
>
> The Foreign Affairs Committee of the Council of the Republic, corresponding to a senate, voted 16 to 1 tonight for ratification.
>
> Debate will start in the Chamber of Deputies Friday morning and a vote is expected late Saturday night.

Mr. President, it is of the highest importance to have a clear and definite statement in our own minds and in the minds of the other signatories as to what article 3 of the treaty means. It may be thought by some persons that the reservations—and I may say I am not a party to the reservations, but I shall vote for this reservation, and I shall vote against the treaty, even though the reservation be adopted—it may be thought by some persons that the reservations, including this one, are but a means to kill the treaty. If the treaty means anything other than what is in the first reservation, I, for one, do not want to enter the pact. Indeed, I do not want to enter it at all, and, as I have indicated, I shall so vote. But if it does not mean anything other than what is in the reservation, the other parties ought to agree promptly. Some may think that a reservation is but a device to kill a treaty. I have no doubt it has been used in that way in some instances, but the history of our country shows, for illustration, in a statement issued by Mr. Hoskins, of the Library of Congress, whose name has been featured in the debate several times—and if I had any later information I would give it—that 36 treaties with reservations were made by this country from August 4, 1821, to December 21, 1944, and of those treaties only 4 have failed to be subsequently entirely ratified and become effective. In other words, as to 32 out of 36 treaties, reservations certainly have not killed them. I do not know that the reservations in the 4 to which I have referred were or were not the cause of failure of complete ratification of the treaties, but, obviously, the fact is that 32 treaties out of 36 were not killed by reservations.

If we go back over the history of this country and see the great list of treaties which have been made, we find, for instance, the Jay treaty with Great Britain, made in 1794, involving commercial rights. It was a treaty by which Great Britain surrendered western military posts. It provided also for the settlement of revolutionary war debts, for seizure during the war, and other subjects. The Jay treaty had one or more reservations, I am not sure how many. There was certainly one reservation; and yet the treaty was ratified.

The treaty of Guadalupe-Hidalgo with Mexico, was entered into on February 2, 1848. It arose out of the Mexican War, and by it the United States received all the southwestern part of the United States. It had one or more reservations, and that treaty was ratified.

The treaty with regard to the Gadsden Purchase, which the Senate will recall as having been entered into with Mexico on December 30, 1853, and which pertained to the acquisition of a part of southern California, had a reservation. It was ratified and went into full effect. When we reach the debate on the subject of the tidelands, we shall find that the treaty of Guadalupe-Hidalgo will feature very interestingly on that point.

The treaty with Great Britain, entered into on January 11, 1809, which settled the boundary between the United States and Canada, had a reservation, but it went into effect.

The treaty with Denmark with respect to the Danish West Indies, had a reservation and went into effect.

So, Mr. President, the thought which may enter the minds of some persons with respect to the possibility of reservations killing a treaty is not sound and is not justified by the history of the United States.

I am against this pact, as I have said, outright. I am against it no matter if every reservation before us shall be adopted. There are numerous reasons for my position. I have attempted to set them forth. I have appeared too extensively on the floor of the Senate, and I shall not now trespass on its time for more than a few moments.

One of the reasons for my opposition to the ratification of the pact is that it is a compact which runs for 20 years—20 long years—without the slightest opportunity on the part of our country to withdraw, no matter what the eventualities may be. We are in it for 20 years, no matter whether France or Italy shall become communistic in time. Notwithstanding the assurances given by the Senator from Michigan, I say those countries likewise stay within the confines of the treaty for 20 years. It is unwise for this country to enter into an obligation which binds it for 20 long years without the slightest possibility of becoming released from it. If this treaty shall be ratified, I, for one, cannot possibly escape the somber thought that our country has mortgaged itself for a vague, indeterminate sum, probably increasing year after year over the period

of 20 years. I cannot escape the thought that from then on, instead of having a clear balance sheet, without contingent liabilities of this kind, we shall have contingent liabilities of almost virtually unlimited and certainly indeterminate amounts.

We are going into a contract which should cause every man, woman, and child with the power of understanding to feel appalled—yes; I mean appalled—at the nature of the obligations it entails. The obligations enter not merely the field of economics, but they go to the extent of affecting the very question of human lives and happiness—yes; perhaps even the life of our Republic—if we should become involved in wars because of the ambitions of some rulers in Europe, by reason of the difficulties and controversies which have pervaded those countries for thousands of years. Our boys and girls may lose their lives as a result of it. They will be mute and dead because of the folly of our becoming a party to this agreement.

Mr. President, there has been argument with respect to article 3. I again point out the vagueness of it, and yet the clarity of it, from one standpoint, that it does impose this vast, indeterminate contract involving an unlimited amount which we cannot anticipate or prophesy.

Then we come to article 5. We were told by the Senator from Michigan this morning that half-truths are dangerous, and I agree with that statement. It calls to mind the article from the St. Louis Globe-Democrat which was read a few days ago with reference to an address delivered by the Senator from Texas [Mr. CONNALLY], as to which the article said:

> Senator CONNALLY pulled out all the stops in a 9,000-word concert appealing for Senate ratification of the Atlantic Pact. He stated the obvious, irrefutable arguments, and then some.

I pause, Mr. President, to say that the St. Louis Globe-Democrat is in favor of ratifying the treaty; and yet it says:

> Our automatic involvement in big-scale foreign wars is the fundamental fact of the treaty; without that fact—stated or implied—European nations would not be interested in it. The pact should be sold to the American people on that basis.

I do not see the Senator from Michigan on the floor at the moment. But the Senator is right and the St. Louis Globe-Democrat is right when it says that half-truths are not enough. I read further:

> If they will not accept it in its true meaning, now is the time for them to say so.

So, Mr. President, I say that the half-truths point made by the Senator from Michigan is strikingly borne out by this important and strong editorial in this great metropolitan newspaper from my own State.

Mr. President, in addition to the obligations which I have pointed out, however, we are told that this treaty is the best possible deterrent to war. We have argued that up one side and down the other. I say now, as I have said more than once on this floor, that whether it is or is not a deterrent to war is entirely a matter of speculation, and one man's guess on this floor is pretty nearly as good as another man's guess, because every Senator has intelligence and patriotism and zeal and ardor for our country. But no human being can tell whether this pact will act as a deterrent to war, or whether it will result as Viscount Grey pointed out, as has been mentioned in the previous debates in the Senate, with respect to the agreements which had been entered into in Europe prior to the First World War. The Senator from Georgia [Mr. GEORGE], now presiding over the Senate, will, I trust, remember the words of Viscount Grey, that every country had been piling up armaments and making preparations for war. The object in each case, the viscount said, had been security, and he said the effect had been precisely the contrary of what was intended and desired.

Mr. President, I wish to submit in conclusion——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DONNELL. I yield myself one more minute.

Mr. WATKINS. Mr. President, I should like to yield back to the Senator 5 minutes he has previously offered to yield to me.

Mr. DONNELL. I thank the Senator. I shall take but a moment or two.

I wish to say, with the utmost power that I possess, that I think our joining in this pact is a departure from the uniform policy of our country, except in the case of the agreement made at Rio de Janeiro, and the Chapultepec agreement made prior thereto. I approach with fear and trembling this departure from a policy of 160 years, or thereabouts, of our national history, violating, as this treaty does, the fundamental principles laid down by the father of his country, George Washington, violating the principles laid down by Thomas Jefferson, which have been quoted in this debate, and violating the principles laid down by John Marshall, later to become, as he did, the Chief Justice of the United States. I approach it with the fear that our country is committing itself so that from now on, and for 20 long years—and some of us may not be here, may not be alive, 20 years from now—no matter what happens, every morning and every evening during that period when we pick up the newspaper and read what is occurring in the world, we must realize that every cloud across the sky, every cloud across the economic sky, every cloud in Europe, every danger, every threat, every difference of opinion between European nations, may develop into a conflict in which we may become involved under the terms of the contract which we are so solemnly entering into.

Mr. President, we have spoken here about the effect on lives. Going back for a moment to the material features, if I were the Secretary of State of this Government—I shall never be so honored, I know, but if I were—and I were called upon to make any international agreement contemplated by this treaty, I would not know, in a great majority of the cases, whether the international engagement before me for consideration could safely be entered into, on economic matters, or any type of matters, which some one of the 11 nations or all of them might bring up, after the negotiation of the international arrangement, and whether I shall say, "This violates the provisions of the North Atlantic Treaty."

We might ourselves come to the conclusion, on further reflection, that we had overlooked something. In order that we may be sure that nobody could make such a contention, and make it properly, before we entered into international engagements, even on purely material subjects, the Secretary of State, in order to be absolutely safe, would have to exhibit to all the members of the North Atlantic Pact a proposed engagement.

Mr. President, it would appear to me that we are going into something that is the wildest type of vagary. Bearing in mind the traditions of our country, bearing in mind the freedom which we now have, bearing in mind the opportunities which America has, bearing in mind the young manhood and womanhood who will be involved, bearing in mind the material aspects, bearing in mind the spiritual values, it is beyond me how any Senate of the United States can vote to tie us up for 20 long years, without any opportunity of withdrawing.

I appreciate that doubtless this treaty will be ratified this afternoon, but I think that if we ratify it today, we will be making the mistake of our lives, and I most earnestly hope that every Senator who is wavering on the problem, if there be any such, will give consideration to the thoughts I have tried to express.

I pray that this flag of ours which is behind the Presiding Officer may not suffer dishonor, may not suffer loss, by reason of our going into this treaty. I hope that if we go into it, it will justify the expectations of its proponents, but I fear that if we go into it we will be encompassing our country with dangers, with a series of obligations which may prove destructive even of the high purposes of our Nation.

Mr. President, I inquire how much more time our side has.

The PRESIDING OFFICER (Mr. GEORGE in the chair). The Chair is advised that the Senator's side has 19 minutes remaining.

Mr. DONNELL. Very well. To the Senator from Vermont I yield 5 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. FLANDERS. Mr. President, I am grateful for an opportunity to express very briefly and finally the reasons why I cannot vote for the Atlantic Pact.

The principal value of the pact is that it gives expression to a national interest in the freedom of western Europe which we must recognize and assert. In the treaty this national interest is so tied up with procedures, with rearming other

nations, with prospective huge expenditures, and with many other dubious commitments, that its simple, fundamental purpose is buried and sunk.

Senate Resolution 134 would have been infinitely preferable. Recognizing, however, that the Senate is expected to ratify the treaty, but that a real opportunity for orderly thought and action exists in connection with the rearmament program, it has seemed wise not to press Senate Resolution 134, but to ask for the earnest consideration of this body of Senate Resolution 133 when the subject matter thereof comes before us.

The dangers in this treaty are numerous. They have been pretty well discussed. I shall briefly recapitulate a few of them.

The treaty reemphasizes the mistaken notion as to the location of the real battlefield in this war. That battlefield is in the minds and hearts of men. Russia has no reason to resort to arms unless she is defeated on her present battlefield. It is proper for us to have our guns cleaned and oiled and our powder dry for military warfare, but the chances are that we will not face the enemy on the military battlefield.

Pursuing this false concept as to the deployment of the enemy force, we have in this measure a new outlet through which ultimate billions will flow to the further weakening of our weakening economy and to the further calm content of the watchful gentleman behind the iron curtain. Fiscal chaos and resulting unemployment constitute the troubled waters in which the enemy is most successful in fishing for its moral and mental support.

It is a fallacious and unsupportable argument that this treaty supports, or in spirit has any relation to, the United Nations. It is an alternative action resorted to as a result of failure in the fundamental purpose of the United Nations. This is no subsidiary crisis or situation. This is the thing itself for which the United Nations is formed.

When it comes to the rearmament program, we will have the opportunity either in Senate Resolution 133 or in some useful and well-thought-out modification thereof to bring such armed support as is advisable back into the procedure and structure which was devised for the United Nations. We can strengthen that organization instead of supplanting it. We can thereby strengthen the ideals and the intangibles instead of permeating them with the cancerous infection of unrestrained and sole reliance on arms programs which may not develop toward the trillions.

Mr. President, never in the three sessions of which I have been a Member of this Congress have I seen a measure more regretfully supported by its friends than is the Atlantic Pact. I shall vote unregretfully for rejection.

Mr. DONNELL. Mr. President, I yield the remaining portion of the time of the opponents to the distinguished Senator from Utah [Mr. WATKINS].

Mr. WATKINS. Mr. President, I have stated for the RECORD many of the reasons why I think reservations to the treaty should be adopted. I do not expect to convert anyone here today to my views unless he is already converted to my way of thinking regarding the necessity for making it clear what we understand this treaty to mean. Otherwise my remarks will probably be only for the RECORD.

There has been much discussion of the treaty. We have heard much talk on the need for reservations, or concerning the damage they may do if we adopt them. It seems to me we should keep in mind what the treaty means in its underlying philosophy, and see whether or not the reservation we are proposing interferes with that at all.

The distinguished senior Senator from Michigan said that we must not undermine the fundamental philosophy of the pact. I am wondering in what way and in what respect the reservation to article 3 proposed by the distinguished Senators from Nebraska [Mr. WHERRY] and Ohio [Mr. TAFT] and by myself would in any way undermine it.

I have investigated the record somewhat with respect to how this treaty was prepared, and I think we should keep that matter in mind as a part of the history which will aid those who at some time will be required to interpret it. We here may understand it clearly. The senior Senator from Michigan and the chairman of the Foreign Relations Committee and other Senators may understand what they think the pact means. The Senate Foreign Relations Committee has written into its report what it thinks the treaty means, and has given us an interpretation; but I point out here and now that such interpretations are in no way binding upon the other parties to the pact, either upon Canada or upon the 10 nations in Europe. What they think about it is important, and what they understand it to mean is important, and the only way we can give our meaning, our interpretation, if there is any doubt with respect to it, is to write it in a reservation, or a declaration as the Senator from Nebraska wants to call it. We can do it in no other way. The other countries are not bound by anything we say in our reports or anything we say in the Senate. They are bound only by a reservation or something that is put in the resolution of ratification which will be of equal dignity with the treaty itself. That is why it is necessary to have a reservation put in the treaty so as to clarify its meaning.

How do other countries understand article 3, which we have been talking about? I have before me now a dispatch sent to the New York Times from Paris under date of July 20. It is headed:

Schuman sees United States military aid for France as natural consequence of pact approval.

PARIS, July 20.—Speaking to the French Cabinet today of the expected ratification of the North Atlantic pact by the United States Senate tomorrow, Foreign Minister Robert Schuman said that military aid by the United States to the European signatories seemed a natural consequence of that ratification.

The same contention was made today in a report of the Foreign Affairs Committee to the National Assembly. The report, quoting the United States State Department, said that although the pact and the military assistance plan had been separately conceived, they were based on the same principles and were complementary.

I think we have had that discussed more or less in the Senate before now.

"In recommending the ratification [of the pact], the Government takes account of the need of the material and financial aid of the United States for our national defense," said the report. "In voting ratification, the Assembly will say that this aid is one of the indispensable elements in the efficacy of the North Atlantic Treaty."

Let me repeat those words:

one of the indispensable elements in the efficacy of the North Atlantic Treaty—

I continue reading:

and of the common defense of the western European countries. It will say that this aid should enable France to bear the effort that will be imposed by putting in order her national defense without endangering her economic stability or her financial recovery.

That is what is being said over there now. That has been said by the Foreign Minister of France, Mr. Schuman, and we have concurrence in that view by the Foreign Relations Committee of the French National Assembly. That is what they understand the treaty to mean.

Someone may want to quibble over the word "natural," and may say "well it grows out of it." They are saying in effect that it is a consequence, it is complementary to it, it is a part thereof, and of the whole understanding. Without military aid, they are telling us in that diplomatic language, the pact will be worthless. There must be something there to implement it, and to put them in position to defend themselves.

Another circumstance which will aid us to interpret the pact, as to what it means and what the other countries think it means is this: We should keep in mind that when the pact was signed the foreign ministers of the nations who came here to sign it were on hand the next morning with specifications and with applications for military aid. They did not present them before the pact was signed. Oh, no, they did not present them before it was signed. But immediately upon its being signed, they presented the specifications and applications. Most of them were specifications covering what they need. The natural inference is that that presentation grew out of what they thought they had agreed to in the pact.

Then we have the dispatch which has been called to the attention of the Senate previously, which came from Denmark—I think the dispatch was placed in the RECORD by the Senator from Ohio [Mr. TAFT] a few days ago—in which it was said that that Government considered the pact and the contract to be entered into as a sort of a bank account on which they could begin to write checks. That is the way they understood it over there. That is the feeling they have. Yet we say here it does not mean that at all; that there is no moral or legal commitment.

Before I close I desire to call attention to one other thing connected with the matter of reservations. It has been indicated here that we are going to do irreparable damage to the treaty if we adopt some reservations. If Senators will look

at the CONGRESSIONAL RECORD of yesterday they will find in the speech I delivered then that I pointed out the numerous times reservations have been written into treaties in the past few years; in fact, the majority of treaties have contained reservations. The other signatory countries are not going to hesitate to write reservations into this treaty if they deem it necessary to do so in order to clear up some of the points in the treaty.

The same dispatch from Paris, from which I have just read, contains this statement:

The committee—

Referring to the French Foreign Relations Committee—

proposed that the French ratification act should include a provision that an invitation to any additional state to join the pact must be sanctioned by an act of Parliament.

The committee held that such an invitation would amount to making a new treaty. There has been concern in France lest the pact be extended to include Spain or Germany.

They are going to protect that situation, and they propose a reservation. Do not be surprised if from the parliaments of Europe which have not already acted upon the treaty a number of reservations are submitted. Are we going to turn the treaty down if reservations are attached? I am certain that we will not. They will aid in clarifying the meaning.

It has been said to us, with reference to the matter of taking in additional nations, that none can be taken in without the consent of all members of the pact. But apparently France wants to be sure of that fact, and so that nation is apparently preparing such a reservation, and she might adopt it.

I call attention to this so that we may see clearly that there is no reason on principle why we should not interpret this pact by the necessary and proper reservations. I believe that the one which has been submitted to interpret article 3 is clear. In principle it has been agreed to by the proponents of the treaty. They have used the very same argument—that we are not bound morally or legally to furnish arms or armaments—as a reason why we ought to ratify the pact. That has been in all their arguments. Mr. Justice Hughes pointed out in his letter to Senator HALE that when that happens, and the proponents rely on such reasons, there can be no good reason for not writing those reasons into a reservation. If it be true that the other nations understand it as we do, why on earth should they object?

Senators will remember that when I asked the junior Senator from New York [Mr. DULLES] whether the principles contained in the reservation which I read to him represented his understanding of what the pact meant he said, "Yes." That was the reservation which I proposed to article 3. It has been reworded, but it is substantially the same as what I read to him at that time. He agreed that it represented the correct interpretation of the pact. At least, the pact did not include the things which I placed in the reservation, which should be excluded.

Mr. President, I intend to speak later during the day when reservations may be offered, but I do not intend to say anything more about the reservation which I have submitted to article 3. However, I invite the attention of Senators to what I said last night, after some intense preparation on the subject. I think it outlines a new approach. It points out to us why article 5 should be looked into with greater care than has been exercised by Senators who have been debating this question.

To me article 5 is the heart of the pact. I have said—and I want Senators to think about this—that if we adopt the pact without certain reservations, either as I have proposed them, or in substance, we are cutting the heart out of the Constitution. I think it goes to one of the great fundamental principles. I shall discuss that question later this afternoon.

Mr. President, I feel that in the interest of good will and understanding with our fellow members in the pact, we should clarify any indefinite, vague language, so that there will be no misunderstandings in the future. This will aid good will. It will aid in the direction of peace. If we adopt a reservation of this kind, it will not prevent us from doing any of the things we want to do, but it will say in unmistakable language that we are under no legal or moral obligation to do those things by reason of the treaty.

Mr. DONNELL. Mr. President, how much time have we left?

The PRESIDING OFFICER. Three minutes.

Mr. DONNELL. Mr. President, yesterday, as appears on page 9800 of the CONGRESSIONAL RECORD, I made the following statement:

I was very greatly interested, as was the Senator from New Hampshire, in the very beautiful and eloquent address delivered by the distinguished Senator from North Carolina. I notice his emphasis in the concluding portion, and at other places in his address, upon the idea of one God. I should like to ask him a question, and that is whether or not he knows if the word "God," or any synonym of Deity, was mentioned from the beginning to the end of the solemn ceremony of the signing of this treaty for 12 nations by 24 men, except the one concluding sentence or two in the remarks of the representative of the Netherlands, which reads:

"And so with the humble prayer for God's merciful blessing, I declare the Netherlands Government's readiness to sign this treaty for peace."

My attention has been very kindly called by the junior Senator from North Carolina [Mr. GRAHAM] to the fact that, in addition to the sentence quoted by me from the remarks of the Minister for Foreign Affairs of the Netherlands, there appears in the remarks of Carlo Sforza, Minister of Foreign Affairs of Italy, a sentence reading as follows:

We must pray to God that this pact will prove to be like the English Magna Carta: on one side intangible, on the other side a continuous creation.

I have also noted that, in addition to the sentence quoted by me from the remarks of the Minister for Foreign Affairs of the Netherlands, the Minister also said:

We shall sign with a clear conscience in the face of God.

I call attention also to the fact that in the remarks of Joseph Bech, Minister of Foreign Affairs of Luxemburg, on that occasion appears this paragraph:

Nothing proves better this ineluctable solidarity of the destinies of our countries than the fact that the United States, breaking with a tradition two centuries old, is concluding a military alliance in peacetime. That is an event of extraordinary historical significance for the United States and of the utmost importance for Europe.

Mr. President, how much more time have I?

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Texas [Mr. CONNALLY] has at his disposal the time from now until 2 o'clock.

Mr. CONNALLY. Mr. President, we are approaching the final consideration of the treaty called the North Atlantic Pact. It is a treaty of sovereign nations, to preserve their security and independence, not by war, but by means which they believe will prevent war.

I am gratified that in this country treaties cannot be ratified except with Senate approval. In the olden days the treaty-making function was purely one of royalty, of monarchs, sovereigns who handed out in the form of treaties their commitments, without reference to the authority of the people themselves. It is specified in the treaty that this Government and other signers of the treaty shall follow democratic processes—not always in the same way, but that they will follow the constitutional requirements of their respective countries.

Mr. President, this treaty has been attacked on many grounds, one of which is that it is violative of our obligations under the United Nations Charter. I challenge any Senator to find in this treaty anything that is hostile to the provisions of the United Nations Charter. On the other hand, I insist that in a number of its provisions it sincerely and earnestly proclaims its allegiance to the United Nations Charter, and specifies that it is not in conflict therewith.

Let me say to the Senate that this treaty is primarily based upon what is contained in article 51 of the United Nations Charter, that nothing in the United Nations Charter shall impair the inherent right of nations to provide for individual or collective self-defense. In other words, the United Nations Charter recognizes that there is an area into which it cannot obtrude itself, and that is the inherent right—not a right secured from the United Nations, not a right granted by any other governmental power, but an inherent right—to individual or collective self-defense.

We all know that self-defense is one of the most vital and inherent principles in our private life as well as in our governmental relations and obligations. The right of a man to defend his home or his person against violence and attack is absolutely fundamental. It is the purpose of this treaty to permit free

nations to preserve their freedom against invasion and aggression by those who would seek to overthrow their freedoms and substitute slavery and chains.

All of us are aware of the fact that since World War I our American foreign relations have expanded until now they touch and relate to many nations in remote and distant parts of the world. This treaty is a significant contribution to that field. It proclaims our own adherence to the rights of free peoples to defend themselves, and it ought to, and I believe it will, carry to the other nations of the world assurance of our position on all these fundamental questions.

Mr. President, I am sorry the Senator from Missouri has just left the Chamber. I hope he will be called back. I shall discuss another matter for the present.

Most of the heat of the attack on the treaty is based upon complaints about article 3. The Senator from Michigan [Mr. VANDENBERG] has quite amply discussed that particular article of the treaty, but I wish to advert to it briefly at this time.

What does article 3 provide? Let us read it. I hope the Senator from Ohio will return to the Chamber a little later, because I shall advert to some of his views.

Article 3 provides:

In order more effectively to achieve the objectives of this treaty, the parties, separately and jointly, by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack.

Mr. President, what is wrong with that article? If we are to preserve the integrity of these nations, do we not desire that they will develop their individual and collective power to resist attack? Do we wish to weaken them? Do we wish to discourage them? Or do we wish to do what we think is possible and desirable from the standpoint of giving them resistance and strength to maintain their democracy and to maintain their freedom?

But it is said that under article 3 we are obligated to furnish arms. Mr. President, we are not specifically obligated to furnish anything. There is nothing in the treaty that says we shall give them tanks or bombs or arms. There is an obligation upon the United States—and I do not seek to avoid it—to consider what, in the view of our honest judgment and our sincerity, it would be desirable for us to do to bring about fulfillment of the objectives stated in article 3. In other words, after the treaty has been ratified, if the other nations request arms and point out their reasons and their situation and their inability to provide themselves with arms, then it would be for the people of the United States, through the Congress, to determine whether it was desirable or suitable, under article 3, to give or to furnish them arms.

Senators feel sensitive about the matter of providing arms. Will not the Congress have to be the one to decide whether to provide them? Will not Senators who now are in the Senate Chamber be here then? Are Senators afraid to trust future Congresses? Do they wish to tie the hands of future Congresses and make a pronouncement that would embarrass a future Congress if it were to consider the matter of giving or withholding arms? I believe the Congress can be trusted. The Congress is being trusted now in connection with this treaty. Cannot we trust future Congresses in regard to the granting of arms? I shall refer to that matter a little later.

I note that the Senator from Missouri [Mr. DONNELL] has returned to the Chamber. Mr. President, I remember, if I am not in error, that when Senate Resolution 239 was before the Senate, the eminent Senator from Missouri supported it. Did he mean what he said when he then said, in language almost identical, I think, to the language of the present treaty, that the Congress approved—

(3) Association of the United States, by constitutional process,

Which is what we are doing in connection with this treaty—

with such regional and other collective arrangements as are based on continuous and effective self-help and mutual aid, and as affect its national security.

If that doctrine was good a year ago, why is not it good now?

That resolution also provided:

(4) Contributing to the maintenance of peace by making clear its determination to exercise the right of individual or collective self-defense under article 51 should any armed attack occur affecting its national security.

Why should the Senator from Missouri have changed his views on this subject? Why has he reconsidered his judgment? Why is not the doctrine which was good a year ago, good now?

The distinguished Senator from Ohio [Mr. TAFT], with a great deal of unction declared that under article 3 there is an obligation. Of course there is an obligation. I have never said there was not an obligation. There is no detailed obligation to furnish any particular thing, but there is an obligation for the United States to give honest, forthright, and sincere consideration to what may be needed on the part of other governments which cannot themselves supply what they need to contribute to the maintenance of their power of self-defense and the accomplishment of the purpose of this treaty.

Senators are afraid of giving arms to other nations. Did they not vote for arms for Greece? Although I have not consulted the record, yet I am sure I am correct when I say that both the Senator from Missouri [Mr. DONNELL] and the Senator from Ohio [Mr. TAFT] voted for arms for Greece. I do not know what position the Senator from Utah took in that connection. Did not those Senators vote to give arms to Greece, to enable Greece to protect her independence and to drive out those who were coming there from other countries and interfering with her internal affairs? Mr. President, the Senate voted for arms for Greece, and Congress undertook to supply those arms to maintain her integrity and her independence.

What is the purpose of this treaty? Its purpose is to give arms wherever they may be necessary to preserve the independence and security of the countries involved. Where can we draw any hostile parallel between these situations?

The other day the Senator from Ohio said he voted to provide Greece and Turkey with arms, and that now he wishes to vote to provide more arms for China. We gave China approximately $2,000,000,000 for arms and ammunition. I have always been a friend of China. I regret the disasters which have befallen China and her nationalist government. The Senator from Ohio says that war is now going on in China; yet he is in favor of sending arms to China, thereby taking part in a domestic, civil war. I myself am not committed to that course; I am open to further considerations in regard to supplying arms, if the Chinese need them. But if it is all right to send arms to China in order to protect her independence and to preserve her security, why is it wrong to send arms, if need be, under a treaty with the 12 signatory powers? The whole point of the attack made by the Senator from Ohio relates to the subject of arms. The Congress will be the only authority that can grant arms. That question will be considered when the occasion arises. Senators will express themselves, Senators may vote against it. Senators may offer reservations. But that is a question the Congress is capable of deciding when and if it arises. We should not undertake now, without further information, to foreclose the action of the Congress on that subject when it becomes pertinent.

The Senator from Ohio says he favors an extension of the Monroe Doctrine to Europe. He wants to draw a line somewhere and declare that the Monroe Doctrine applies to Europe. The Monroe Doctrine has served magnificently in the cause of peace and in the preservation of the independence and security of the nations to the south of us, in Central and South America. Its principles and objectives I entirely approve. But let us see what the course recommended by the Senator from Ohio would be. The Senator is opposed to the North Atlantic Treaty. He would adopt a policy under which the United States would assume sole responsibility for the defense of Europe. We would have no treaty obligations with any European power to stand by our side. It would be a matter of our sole responsibility. We would have the help only of those nations or peoples that voluntarily might come to our rescue or aid. It would be a matter of our sole responsibility. Where would we get bases, if we acted alone, if we should march into Europe and say to these other nations, "You need not bother about this; it is our responsibility; the United States is going to defend Europe, on its own, unilaterally, without your cooperation, unless you see fit to stand by our side?" Where would we get bases in Europe? Where would we get bases in Iceland and in Greenland and in Denmark, if there is no obligation on the part of the nations concerned to aid us or to supply us?

Mr. President, the distinguished and able Senator from Ohio, for whom we all have a high regard, is opposed to sending

arms to the nations who are signatories to the treaty, to preserve their independence, their integrity, and their security. But he is in favor of sending American boys with arms in their hands to Europe to establish a European Monroe Doctrine. The Senator from Ohio says he is in favor of defending Norway and Denmark. He then says that their defense—and I quote him—"is probably impossible." Yet under his theory of the Monroe Doctrine we would be required to undertake the defense of Norway and Denmark. If we are to defend them, will it not be much more desirable that they stand by our side, furnish us bases, and render such assistance and cooperation as are within their power?

The Senator from Ohio says, "Take Italy for example." He says, "I see no way in which we can defend Italy." If there is no way to defend Italy, how are we going to defend it under the Monroe Doctrine? Would it not be of some help in the defense of Italy to have Italy's assistance? Would it not be well for Italy to cooperate with us as to strategic locations and bases? No, Mr. President, from my point of view, it is an illogical position the Senator from Ohio takes.

Furthermore, the assumption by the United States alone of the defense of Europe under the Monroe Doctrine would fall right into the line of Russian propaganda. Russia has been charging that under ECA and under the North Atlantic Pact the United States, which she claims is a great imperial power, will use the advantages we get from those organizations to take over responsibility for all these countries in Europe, subordinating them to our will, and forming a great alliance with the United States at its head. Would not our action in undertaking solely the defense of Europe fit the charges of imperialism made against us by the Russians—in this case taking over all 12 countries, they would say, without their help and without their request?

What about the satellite countries? We do not need to be told they will be armed by Russia, if they are not already armed by her, and that they will fight at the side of Russia whenever she makes war. At the present time, without a treaty, and without anything except the command of the dictator, they are already in an alliance to fight for and to protect and defend Russia. If it is all right for Russia to have such an arrangement, why is not the North Atlantic Pact justifiable when we proclaim within the treaty its peaceful purposes and its solely defensive purposes? We are not urging war.

But it is said, "Oh, it is a military alliance." Mr. President, it is an alliance in behalf of peace. When we speak of a military alliance we think of the classical examples of times that have passed, in which sovereigns or nations made treaties or agreements whereby they stood with each other, both offensively and defensively. The language of our first President, George Washington, in warning against entangling alliances, was inspired by the fact that in Europe at that very moment there were such alliances and treaty obligations among the European powers, looking to war and not to peace. It was a perfectly natural and wise admonition he gave his countrymen to abstain from alliances of that kind. But I contend this treaty has none of the qualities of the old-fashioned military alliances, most of which were for conquest. They were to build up the ambitions of the sovereigns of the respective countries. Members of the alliance were to stand together defensively and offensively.

It will be remembered that in World War I Italy had a treaty with the Central Powers, a treaty to go to war. The Central Powers complained bitterly because Italy did not respond when they asked her to join their side in the war. That is the kind of military alliance I think about. But I do not see that that in anywise approaches the principles or the obligations of the pending treaty.

What do we face in the pending issue? We all know that the Communist influences and the totalitarian powers have proclaimed their purpose, which is perfectly apparent, to conquer the world by their ideology. They do not say so, of course, but back of that is their armed might—bayonets, airplanes, and all the other instrumentalities of teriffic war. They propose to conquer the world. They wish to impose upon the world their ideas of government and their ideas of economics.

What does the destruction of democracy mean? How dreadful it is to contemplate the destruction of democracy in every country where it at present exists. The 12 countries that are associated together in this pact know that whenever and wherever the Russians or other totalitarian masters are able to do so they will crush democracy and place the citizens of those countries in chains and slavery. That means ultimately the United States. After they shall have picked off, one by one, the weaker nations, and have fortified their strength and increased the vast armies which they already possess, when they get more jet planes which fly so rapidly that they can scarcely be seen, when they build up their military strength sufficiently, they will say, with the Red army standing out in the wings, ready to rush to the scene when necessary, as they did in Czechoslovakia and in other countries, "Come over to this side."

If we permit the blocking off of nation after nation we may ultimately stand alone, seeking to preserve our democracy, our integrity as a nation, and our freedom. No, Mr. President, we cannot do that. The Russians look across those little countries and see the United States; they look past the shadows, and look at the United States and assail it with propaganda. What nation is more bitterly and constantly assailed over the air and in the press than is the United States? Every act of the United States for the nations of the world is construed to be imperialistic in nature. That is apparent to all who read or listen. We cannot afford to deny the nations of Europe which are signatories to this pact our cooperation and assistance and, if need be, our arms. Under article 5, if they are attacked by an armed force, we must go to their rescue and help to preserve their lives. The treaty gives substance, vitality, and encouragement to democracies. The doctrine of totalitarianism is hostile to and determined upon our destruction whenever that can be accomplished.

Mr. President, this is a contest between tyranny and freedom. It is a contest between slavery and democracy. Where do we want to stand on the question? Where shall we stand? We should stand on the side of freedom and democracy against the evil powers which seek to overthrow us.

The United States has had a career that will embellish the pages of history so long as men meditate upon the past. In a little nation of 3,000,000 souls, scattered along the Atlantic coast, our courageous forebears envisaged the accomplishment of liberty, freedom, and constitutional processes. They were successful in that great enterprise, and for 150 years we have grown in strength, resources, and in the admiration of the peoples of the world. We have attracted the adoration of men who love freedom, who look to the great symbol of our national strength with veneration, with love, and, sometimes, with tears.

The United States has been an outstanding champion of democracy and freedom everywhere on this revolving globe. We cannot surrender our position on that question, we cannot give it up; we must meet the responsibilities which face us. Those responsibilities are not confined by our borders. As a great Nation, as a great power, we have responsibilities beyond the surveyor's chain. We have responsibilities to other countries and peoples. We cannot wrap around ourselves the cloak of the publican and pass by on the other side of the street. We cannot do that. We must perform our obligations and our responsibilities.

When the United States was founded and finally established its freedom and independence, the impact within a few years reached across the Atlantic and profoundly affected the peoples of Europe, and the revolutionary movements which followed over the years were inspired by the example of the United States.

That same spirit leaped across the Atlantic Ocean again, and in Central and South America the people were moved to fight, and many of them shed their blood, in movements of freedom and independence. The same spirit swept across the western world. Bolivar, the great patriot of South America, followed the example of George Washington and other patriots who were associated with him, and independence was achieved.

In 1823 President Monroe proclaimed the Monroe Doctrine and asserted that no European or other power should invade the Western Hemisphere with a hostile purpose or with the purpose of establishing any part of their system. That was a world-moving declaration, which has been honored and venerated for 126 years. That doctrine has grown

in strength until it has become a part of the international law of the world. It was not set forth in a statute, but other nations respected it. Great Britain had to release her hold in Venezuela. The Holy Alliance had to give up its plans to reconquer Central and South America under the tyrannical masters it had known. The German Fleet vanished from Venezuela when the United States spoke with a voice of certainty and a voice of vigor.

Mr. President, shall we refuse to remain the champion of democracy and the rights of free peoples to survive without conquest and without being compelled to surrender their liberties? Shall we refuse to assist in preserving democracy and independence in Europe? Shall we decline to help weak and struggling nations to resist aggressors who have only swords in their hands and chains for their victims?

History records that when the Declaration of Independence was being considered in the Continental Congress, Benjamin Franklin said to Jefferson, John Hancock, and others:

We must all hang together, or, most assuredly, we shall all hang separately.

In the world-wide fight of communism against democracy, the democracies must all hang together, or there is danger—I do not concede we shall be defeated—but there is danger to us all unless we hang together.

This treaty undertakes to tie the democratic free peoples of the world into an agreement whereby any invasion of their independence or their democracy or their integrity shall meet the determined resistance of the signatories to the treaty who have pledged their strengths, their resources, and their arms to the preservation of freedom, independence, and democracy.

Mr. President, this treaty has been considered for a long period of time, most laboriously and studiously, by the Senate Committee on Foreign Relations. That is a bipartisan committee. Both Democrats and Republicans are members of it. Never has there been any idea of partisanship suggested in the consideration by the committee, in the hearings, or in the deliberations on the treaty. In a treaty we cannot specify every detail that may occur in the future. To do so would tie the hands of the Congress. That would be seeking to establish here a dictatorship, as it were, over future Congresses. The obligations are plainly set forth in the treaty, and to the Congress itself must be remitted the matter of whatever we furnish under article 3 or under other articles of the treaty. I am willing to trust the Congress. Congress is where the Constitution puts the responsibility, and that is where we shall put it. I very much hope that the treaty will be ratified without hampering and crippling reservations.

The VICE PRESIDENT. The Senator's time has expired. The hour of 2 o'clock having arrived, the Committee of the Whole will rise and report the treaty to the Senate without amendment. The Secretary will report the treaty by title.

The CHIEF CLERK. Executive L, Eighty-first Congress, first session. The North Atlantic Treaty, signed in Washington on April 4, 1949.

The VICE PRESIDENT. The treaty is now before the Senate and is open to amendment. If there be no amendment to be offered, the resolution of ratification will be reported to the Senate by the clerk, and it will be open to amendment.

The Chief Clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive L, Eighty-first Congress, first session, the North Atlantic Treaty, signed at Washington on April 4, 1949.

The VICE PRESIDENT. As announced the other day by the Chair, reservations to the resolution of ratification may be offered and debated, 10 minutes for and 10 minutes against, and then, when the hour of 5 o'clock arrives, voted on in the order of their presentation to the Senate.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Am I correct in my understanding that only six reservations or amendments have been offered to the treaty?

The VICE PRESIDENT. The clerk advises the Chair that that is true.

Mr. LUCAS. So, under the unanimous consent agreement entered into a few days ago, if no more than six reservations are offered, with 20 minutes' debate allowed on each reservation, 120 minutes or 2 hours, will be consumed.

The VICE PRESIDENT. That seems to be correct. Of course, all the reservations which have been printed may not be offered. Moreover, further reservations may be offered which have not been printed.

Mr. LUCAS. I understand that. What I am trying to do is to speculate a little on what may happen in the event we run out of reservations and amendments before 5 o'clock. Therefore I am going to offer a unanimous consent agreement to cover that sort of a contingency.

I ask unanimous consent that if the time allotted to debate upon reservations and amendments shall expire before 5 o'clock, whatever time remains shall be equally divided between the proponents and opponents of the treaty itself, the time to be controlled by the Senator from Texas [Mr. CONNALLY] and the Senator from Missouri [Mr. DONNELL].

The VICE PRESIDENT. Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, I send to the desk a declaration in behalf of myself, the Senator from Ohio [Mr. TAFT], and the Senator from Utah [Mr. WATKINS]. I ask that the clerk read it as it has been modified.

The VICE PRESIDENT. The proposed reservation as modified will be read.

The CHIEF CLERK. It is proposed to insert the following at the end of the resolution of ratification:

The United States of America ratifies this treaty with the understanding that article 3 commits none of the parties thereto, morally or legally, to furnish or supply arms, armaments, military, naval or air equipment or military, naval, or air supplies, including atomic bombs and information relating to such bombs, to any other party or parties to this treaty.

Mr. WHERRY. Mr. President, the declaration as I had originally prepared it is now modified to include atomic bombs and information relating to such bombs, to be inserted in line 5, after the word "supplies", which meets the suggestion of the distinguished Senator from Missouri relative to what might be included in arms, armaments, and weapons.

Mr. President, I now offer the amendment to the resolution of ratification, and I wish to emphasize that this declaration applies solely to article 3. Especially do I want to emphasize that after the observations made by the distinguished senior Senator from Michigan [Mr. VANDENBERG].

Once again, in order to make it crystal clear, the treaty is divided into two parts, a part for prepardedness against war, and a part which becomes operative after an attack .

Article 3 is in the preparedness category. Article 5 is in the part which becomes operative after an attack.

Article 9 creates a council representing all the parties to the treaty. The council is to consider plans for mutual aid in preparedness against attack, as outlined in article 3. The council is also to consider and recommend plans for carrying out article 5. But this declaration does not touch article 9 or article 5. It is a whole truth. It does exactly what I think the Members of the Senate should have an opportunity to do.

Is there any legal obligation under article 3 to provide arms prior to an attack? That is what the Senate should declare itself upon, that is the important issue here, that is where the confusion is, not only on the part of those who have made speeches on the Senate floor, in their comments on that particular issue, but certainly it is true of the leaders of the countries across the water which are signatories to the pact. As I have said, this declaration does not touch article 9 or article 5. It applies to the provisions of article 3, which provides for mutual aid prior to an attack.

Should a war start, the procedures defined in article 5 begin, but prior to an attack the council is directed to develop plans for defense in connection with article 5.

These distinctions are pointed out because there has been in the minds of Senators some confusion that the article applies both before and after an attack. The argument has been made that my declaration would have the Senate declare there is not a moral or legal obligation to provide arms at any time, so I want to clarify it, because the article does do exactly what I think the Members of the Senate should have an opportunity to do, namely, to decide now, before it is too late, what we mean in article 3, and the one thing we do not mean is that there is a moral or legal obligation connected with the provision of article 3. That is exactly what has been said. It was restated by the distinguished Senator from Michigan, it has been reemphasized by the chairman of the Committee on Foreign Relations,

so why should we not include in a declaration attached to the resolution what we mean? It is in complete accord with the sentiments which have been expressed on the floor of the Senate.

Attempts have been made to make it appear that adoption of the declaration would nullify the treaty. That is not true. The sole intention of the declaration is to let the other parties to the treaty know that the United States understands that article 3 does not commit any of the parties to the furnishing of arms and armaments, military, naval, and air equipment, or supplies.

I wish to state that the confusion to which I have referred exists not only on the floor of the Senate, it is certainly in the minds of the leaders of the signatory powers. I have here the issue of the New York Times which has just come out:

PARIS, July 20.—Speaking to the French Cabinet today of the expected ratification of the North Atlantic Pact by the United States Senate tomorrow, Foreign Minister Robert Schuman said that military aid by the United States to the European signatories seemed a "natural consequence" of that ratification.

The same contention was made today in a report of the Foreign Affairs Committee to the National Assembly. The report, quoting the United States State Department, said that, although the pact and the military assistance plan had been separately conceived, they were based on the same principles and were complementary.

"In recommending ratification [of the pact], the Government takes account of the need of the material and financial aid of the United States for our national defense," said the report. "In voting ratification, the assembly will say that this aid is one of the indispensable elements in the efficacy of the North Atlantic Treaty and of the commen defense of the western European countries. It will say that this aid should enable France to bear the effort that will be imposed by putting in order her national defense without endangering her economic stability or her financial recovery."

In the face of such a statement, in view of such an understanding, how can we as Members of the Senate ratify the treaty this afternoon without a declaration being contained in it which says unequivocally that there is no moral or legal obligation under article 3 to provide arms? I ask how can the Senate do so? Senators who expect to vote for it and Senators who are opposed to it ought to make crystal clear in a frank and truthful way what we mean by the treaty. We should mean what we say.

Attempts have been made to make it appear that adoption of the declaration will nullify the treaty. It is absolute effrontery to say such a thing. Earlier today I placed in the RECORD the number of treaties which have been ratified containing declarations in their resolutions of ratification. Scores of such treaties have been ratified since 1939. Some of the reservations have been proposed by France. By the way, only five of the countries, I believe, parties to the treaty have ratified the treaty. I am not certain of the number, but I believe I am correct in saying the number is five.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. WATKINS. I call the Senator's attention to the dispatch from which the Senator has just read, from Paris, which says that even the Foreign Relations Committee of the French Assembly have proposed a reservation.

Mr. WHERRY. Yes, that committee proposes a reservation which provides that the Parliament of France, by whatever vote is required, must vote to determine whether or not a new member may be taken in under the pact. I do not want to go further into that phase of the subject than to say that every Member of the United States Senate knows that if the declaration is written into the resolution of ratification it will not make one iota of difference to a ratifying country unless a commitment has been made prior to the time. And if a commitment has been made that country ought to be placed on notice now that there is no such moral or legal obligation. If no such commitment has been made, then in the declaration we do exactly what the distinguished ranking minority member of the Foreign Relations Committee and the chairman of the committee say they mean relative to article 3.

Mr. President, again I emphasize that my declaration applies only during the preparedness period. Should an armed attack occur against any or all the parties, the provisions of article 5 would become operative and the United States would be obligated to furnish aid, including military force, to resist the attack. I agree with that provision.

It is my opinion that article 5 imposes upon all the parties an obligation to act according to their constitutional or legal processes to help resist and defeat the aggressor. I agree with that provision.

With article 5 I am in complete accord. It is a multilateral adoption of the principles of the Monroe Doctrine. The United States pledges in article 5 to help any or all parties that may be attacked by an aggressor. At the same time the other signatories to the treaty pledge that they will help the United States if an aggressor attacks the United States.

As I said earlier today, the United States has been engaged in two world wars, and the United States has had no part in starting them. It is plain to nearly everyone that if another war between major nations breaks out, the United States will be eventually drawn into it. It is therefore wise for the United States to take a serious interest in what goes on abroad and pull an oar for security and peace. In doing so the United States will assume its responsibility for keeping the peace.

The VICE PRESIDENT. The time of the Senator from Nebraska has expired.

Mr. WHERRY. Mr. President, I ask unanimous consent that the remainder of my statement may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the remainder of the statement was ordered to be printed in the RECORD, as follows:

Perhaps the notice to the world that the United States will support any or all of the North Atlantic Treaty nations if they are attacked by an aggressor, will prevent another war. At any rate, I am in favor of trying it.

It has been suggested that the declaration I propose is not complete—that it does not go far enough and tells only two-thirds of the story. With that argument I disagree. All the parties to this Treaty know what my declaration means. They know that it applies only to the preparedness program and has nothing to do with article 5.

They also are familiar with the legislative procedures of the United States.

The declaration does not:

Prevent or affect in any way action by the United States or any of the parties in providing arms and armament to any other party to the treaty. This can all go on with the declaration adopted.

The declaration does not handicap or restrict in any way the process of the Council set up in article 9 to submit arms programs to the United States.

The declaration does make plain that there is no moral or legal obligation to approve the recommendations insofar as they apply during the preparedness period, which is covered by article 3.

It is absolutely necessary to adopt this declaration if the treaty is to get off to a wholesome start, with everybody knowing exactly where the United States stands.

It becomes especially important that the declaration be adopted in order to serve notice that there is no moral or legal obligation to furnish other parties to the treaty the atomic bomb, or any other atomic weapons that may be in existence or that may be developed—or any of the ingredients and know-how for the manufacture of atomic bombs.

You Senators know that a treaty takes precedence over a domestic law. When this treaty is ratified all laws to the contrary are nullified. This means that the phrase in article 3—mutual aid—might be construed as including the atomic bomb.

With the adoption of my declaration the door will be locked tightly against such a dreadful contingency. I am unwilling to give to the President of the United States—or any President during the next 20 years—the power to construe this treaty as permitting disclosure of atomic-bomb secrets, or even to furnish bombs to other parties to the treaty.

How long do you think the atomic secrets—our great anchor of safety in this chaotic world—would last, if the United States starts passing around the bombs and secrets among the governments parties to this treaty? The secrets would be out in no time.

If the Senate does not adopt my declaration it will be running the risk of having some administration interpret the rejection as a green light to pass the atom bombs around among our friends abroad.

Should a war break out it is just as possible that the United States would be the first nation attacked as it is that a European nation would be attacked. You know it doesn't take long to fly a plane over the ocean these days.

There is no substance to the argument that the Senate should wait for some arms-implementing program before the passing upon whether the bomb secrets shall be broadcast among parties to this treaty.

Whatever is done on arms after this treaty is adopted will have to be done according to the provisions of the treaty. The time to settle this question is now.

Mr. CONNALLY. Mr. President, I yield 10 minutes to the Senator from Georgia [Mr. GEORGE].

The VICE PRESIDENT. The Chair will say that 10 minutes is all the time that can be allotted to any Senator to speak on reservations. The Chair recognizes the Senator from Georgia.

Mr. GEORGE. Mr. President, the reservation reads as follows:

The United States of America ratifies this treaty with the understanding that article 3 commits none of the parties thereto, morally

or legally, to furnish or supply arms, armaments, military, naval or air equipment or military, naval, or air supplies, including bombs and information relating to such bombs, to any other party or parties to this treaty.

It would be difficult, Mr. President, to devise a reservation which would more completely negate the treaty. The third article in the treaty itself pledges this Nation to mutual aid and assistance for the specific purposes of resisting armed aggression or attack. It is quite true that hereafter, if the treaty is ratified, the Congress might, even in the face of the reservation, furnish or supply arms, armaments, military, naval, or air equipment or military, naval, or air supplies to any other party or parties to this treaty. That being true, why in the beginning affront the world or the other members to this pact by the declaration that we are under no moral or legal obligation to do it?

As I read the treaty, Mr. President, it seems to me to be very simple. Taking the treaty as a whole and giving effect to all its parts, especially article 3, article 5, article 9, and article 11, it seems to me that there does arise an obligation of mutual aid and assistance. What that aid is to be, when it is to be extended, how much aid is to be given, upon what terms or conditions the aid is to be extended, are all matters reserved to the Congress. That is necessarily so. In the express language of the treaty it is so. But to say that there is no legal or moral obligation arising under the treaty to contribute mutual aid and assistance to build up, first, the strength of the individual state making the contribution, and, second, the area defined in the treaty as the whole North Atlantic area, is to engage certainly in an idle thing. If we mean anything by the treaty we are obliged to concede or to declare—and I prefer to put it in the affirmative—that the treaty taken as a whole, giving effect to all its parts, clearly raises the obligation of mutual aid and assistance to provide defense to the Atlantic area as defined in the treaty, against armed attack, against armed aggression. Otherwise it means nothing. It is proposed to say that while we may do this, we wish it definitely understood that we are disclosing to all the other parties to the agreement our interpretation and our understanding of it in advance, namely, that we will furnish nothing of a military character—that is to say, we are not obligated to do so. Whether we may do so is a matter for our own will, for our own discretion.

Mr. President, a mutual-aid treaty specifically aimed to safeguard the members of the treaty against armed attack would itself be morally repudiated, it seems to me, if we were to say that there is no obligation resting upon us, either moral or legal. I do not know precisely what is meant by "moral obligation" under this pact. The moral obligation is to live up to our agreement. The moral obligation is to carry out faithfully our undertaking. There may be, in a broad general sense, a moral obligation resting upon all of us, individuals as well as States. But when we speak of treaties and when we deal with treaties, the moral obligation arises from our undertaking, our commitment. If this treaty is to be effective, if it is to mean anything, it must be conceded that it is a treaty for mutual assistance with respect to armed invasion or attack. If it is such a treaty, undertaking, or commitment, then the moral obligation is as clear as the noonday sun. We are playing on words when we say that we make it crystal-clear that we are not bound to do these things, but that we may hereafter do them when an emergency arises.

Could our act be accepted at full face value by the other signatories to the pact if they should hereafter ratify the treaty with this reservation looking straight into the faces of the other members of the North Atlantic Treaty? The conclusion is inescapable. They could not accept the pact, as read in all its parts, as I have said, as clearly a commitment of mutual aid and assistance.

I grant—and I am pleased to do so—that with respect to what we shall do, when we shall do it, in what quantities we shall make any aid available, or upon what terms or conditions we may extend aid, the matter rests within the bosom of the present Congress or future Congresses. It is true that the treaty does not raise an express obligation or commitment to furnish arms or military aid, but it does not exclude those things. That question is left to the Congress. But if we undertake by reservations to exclude, we may in the next reservation say that we will furnish no money. We may in the next reservation say that we have no legal or moral commitment to furnish food. We may in the next reservation say that we have no legal or moral obligation to furnish something else which these nations, if they are to rely upon our act in approving this treaty for mutual aid and assistance, would certainly have the right to call upon us to furnish.

The VICE PRESIDENT. The Senator's time has expired.

The Chair understands, according to his previous announcement, that the various reservations as offered will remain in suspense until the hour of 5 o'clock, at which time they will be voted upon in the order in which they were presented.

Mr. WATKINS. Mr. President, I send to the desk a reservation proposed by me. As it is printed, it contains two paragraphs. I intend to present each of those paragraphs as a separate reservation.

The VICE PRESIDENT. The reservation will be stated for the information of the Senate.

Mr. CONNALLY. Mr. President, is the Senator from Utah going to present two separate reservations?

Mr. WATKINS. I intend to present two separate reservations.

The VICE PRESIDENT. Only one at a time can be presented.

Mr. WATKINS. I intend to present them one at a time.

The VICE PRESIDENT. The first reservation offered by the Senator from Utah will be stated.

The CHIEF CLERK. At the end of the resolution of ratification it is proposed to insert the following:

The United States understands and construes article V of the treaty as follows:

That the United States assumes no obligation to restore and maintain the security of the North Atlantic area or to assist any other party or parties in said area, by armed force, or to employ the military, air, or naval forces of the United States under article V or any article of the treaty, for any purpose, unless in any particular case the Congress, which under the Constitution, has the sole power to declare war or authorize the employment of the military, air, or naval forces of the United States, shall by act or joint resolution so provide.

The VICE PRESIDENT. The Senator from Utah has 10 minutes.

Mr. WATKINS. Mr. President, I should like to present a unanimous-consent request. I intend to present the other reservation immediately following this one, and I should like to have the 10 minutes for that reservation added to the 10 minutes I now have.

The VICE PRESIDENT. The Senator from Utah asks unanimous consent that the 10 minutes to which he would be entitled separately on each of these reservations be consolidated so that he may have 20 minutes on the reservation now presented, which would entitle the opponents to 10 minutes on each of the reservations. Is there objection?

Mr. CONNALLY. Mr. President, does that consolidate the time?

The VICE PRESIDENT. It would consolidate the time of the Senator from Utah, but not the time of the opponents. The Senator from Utah asks that he be permitted to use the 20 minutes to which he would be entitled, 10 minutes on each reservation, at this time. That does not affect the right of the Senator from Texas to use 10 minutes on each of the reservations.

Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

Mr. WATKINS. Mr. President, I have already stated at some length my views with respect to these reservations, the meaning of the treaty, and the underlying philosophy which runs through the treaty, as compared with the historical position of this country with respect to the power of Congress to declare war and the right of the country to have that interpretation maintained. Very few Senators heard my earlier remarks. I prepared them with some care. I wish now to state my argument, so that Senators will have an opportunity to know what is being presented, because in my humble opinion this is an issue of far greater importance than the question which has been raised with respect to article 3.

I presented the argument last night with the intention of placing it before Members of the Senate, for the RECORD, at least, because very few Senators heard my remarks. I think the question is fundamental, and I believe, in ratifying this treaty, we are making a grave departure from the policy of the United States which has made it great during the past 150 years. We have gone a long

distance down the international road. We have made commitment after commitment in our loans, including the Greek-Turkish loan, the ERP program, and the various other things we have done to help Europe. We joined the United Nations.

Now we come to this step, because all the others put together are not doing the job. So now we think it is necessary to enter into this kind of an alliance. Underlying it is a philosophy which, if fulfilled, in my opinion amends the Constitution and takes the very heart out of it.

The principles involved in this matter were more or less discussed in the League of Nations debate in the Senate. Yesterday I referred to a letter written by Chief Justice Hughes to Senator Hale, of Maine. Chief Justice Hughes was in favor of the adoption of reservations to the League of Nations Covenant. Senator Hale was also, and he wanted some advice. I thought the advice he received was good advice.

Fundamentally the issues raised in the League of Nations debate by the famous article 10 with its guaranty to "preserve against external aggression the territorial integrity" of all the members of the League are the same as those raised by article V of the Atlantic Pact, which in effect guarantees in different language, by a new approach, the territory and security of the pact nations in the North Atlantic area.

The times, the circumstances, the nations, and the area involved are different, but the underlying principles are the same.

The essential question, stripped of miscellaneous and extraneous matters, raised, so far as the United States is concerned, is:

Can this country under its Constitution give a firm, binding commitment without any escape clauses, that it will surely, certainly, and promptly come to the assistance, with its armed forces if necessary, of any one or more of the other parties to the treaty in the event they are subjected to an armed attack?

To raise the question squarely it should be understood that an "all-out armed attack" should be the "armed attack" under consideration.

Episodes, incidents, attacks short of an all-out war that have in the past, and can be in the future, readily settled by diplomatic methods are not pertinent to this issue and should not be considered in our debate.

Stated another way, the question is:

Can the President and the Senate by the treaty-making power granted these two divisions of Government by the Constitution, enter into an agreement with foreign powers which will firmly commit this country to go to war either by decision of the President acting under the treaty or by resolution of Congress, which, under the terms of the treaty, it is obligated to adopt?

The European members of the treaty want that firm commitment. They want, and need, according to their view, that kind of commitment.

From what has been said on the floor of the Senate, I am sure that kind of commitment is intended to be given to them, because if that does not happen, this treaty will not help solve the difficulties or cure the situation; it will not be an overwhelming power that will cause any other nation to hesitate to engage in an armed attack.

The European members of the treaty argue, and their American supporters agree with them, that anything less than a commitment for certain, prompt, immediate armed help will not meet the conditions of a sudden all-out attack of this modern age of supersonic speed planes loaded with atomic bombs and assisted with guided missiles.

The historic and generally accepted American view, is that only Congress sitting at the time the armed attack occurs, has the power, when the attack is made on other than United States territory, to declare war and authorize the employment of the armed forces of the United States to repel such an attack.

This historic view clashes head-on with the so-called needs of our European allies and the exigencies of modern warfare. The problem then confronting the treaty negotiators and drafters was how to write an agreement which would surely and certainly bring the United States and all the allies, for that matter, into the fight the moment it began, with an overwhelming force, and at the same time assure the American and other peoples that their constitutional processes of making and declaring war would be preserved.

In other words, the people in this country are led to believe that this country will engage in no war to assist our European allies in the event an all-out attack is made on them unless and until our Congress has declared war and authorized the employment of our armed forces to fight in that war.

It should be noticed that article 11 of the pact does not say that the provisions of the pact will be carried out by the parliaments, congresses, and legislative bodies of the respective parties in conjunction with their executive departments. On the contrary, it says "in accordance with their respective constitutional processes."

ARTICLE 11

This treaty shall be ratified and its provisions carried out by the parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the Government of the United States of America, which will notify all the other signatories of each deposit. The treaty shall enter into force between the states which have ratified it as soon as the ratifications of the majority of the signatories including the ratifications of Belgium, Canada, France, Luxemburg, the Netherlands, the United Kingdom, and the United States have been deposited and shall come into effect with respect to other states on the date of the deposit of their ratifications.

This language permits, in the case of the United States, the use of a very ingenious device to make the firm commitment of certain, immediate aid in the event of the beginning of a major attack, and at the same time keep the American people assured that its Congress, free, unfettered, and uncommitted, will make the final decision before we are actually at war.

What is this ingenious device? It will be found in the first clause of the sentence of article 5:

The parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all.

To illustrate the meaning of that clause, an attack then against Denmark is an attack against the United States.

Here is the way, in the case of the United States, that the device is intended to work; here is the reasoning back of it:

First stage: An all-out attack, as distinguished from minor warlike incidents short of a major attack made on the United States, immediately creates a state of war.

Congress does not have to declare war; it happens by the act of the aggressor. Congress may recognize by declaration that a state of war exists, but the state of war was brought about by the act of the enemy power. Under these circumstances, the President immediately orders the armed forces to repel the attack. He does not wait for Congress. He probably would be derelict in his duty if he did wait. That is when an attack is made directly on the United States.

Now let us proceed to the second part of this argument. By the treaty, 10 European nations and Canada are put in the same class as the United States territory when an armed attack is made on them. For that purpose they become United States territory. For the purpose of repelling an armed attack, they become our responsibilities. They are made so by the treaty which, under our Constitution, becomes the law of the land.

The law of the land, which the President is sworn to uphold and enforce, makes it obligatory upon him to regard an armed attack on any one or more of our 11 allies as an attack upon the United States. An attack on the United States creates a state of war between us and the aggressor.

Let me state it another way: An attack on one ally creates a state of war between the nation attacked and the aggressor. That attack is an attack on all parties to the pact. By agreement in the pact itself, then, a state of war is created between the aggressor and all the members of the pact. There is no escape from this conclusion. The President must respond in good faith immediately to defend that additional territory. He must in good faith recognize that a state of war exists between the United States and the aggressor by reason of the treaty of agreement.

In modern war, to adequately defend our allies, he would be required to act immediately, even before he could get to Congress.

If he should order our armed forces into immediate action under the assumption that it was his duty to do so, then Congress would be confronted with a war already in being; and it certainly would not be free to say "No." Our forces would already be committed, and they would be committed under a treaty

which became the law of the land without the House of Representatives having had an opportunity to consider it and render its judgment. It would be completely bypassed. We would be at war by operation of the treaty—in other words, a declaration of war by treaty.

Is there anyone who would contend that the framers of the Constitution ever contemplated any such result or had any such intention when they drafted the Constitution?

All of this could be done under article 11, which provides that the provisions of the treaty "shall * * * be carried out in accordance with their respective constitutional processes."

Carrying out the provisions of the treaty "in accordance with our respective constitutional processes" would include either action by the President in repelling an attack or by action of Congress.

I shall seek to clarify the situation by approaching the problem from another direction.

Article 5 creates an obligation to defend our allies' territory in the event of an armed attack upon them. This is an obligation we did not have before the treaty. I think that should be kept clearly in mind. Simply by making the treaty and adopting the device I have mentioned, which declares, "The parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all," we enlarge the territory of the United States for defense purposes.

Article 5 does not increase either the authority of the President or the Congress under the Constitution. That should be carefully considered. It simply adds more territory in which or over which the Executive or the Congress or both can exercise that authority.

This is important, and should be kept clearly in mind. We extend to this new territory the same rights and privileges of defense as possessed by our own territory. By doing this we have taken on an obligation to defend it in case it is attacked. The way we shall discharge that obligation as a practical manner no doubt will be the same general way we discharge the obligation to defend the actual territory of the United States.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. About 8 minutes.

Mr. WATKINS. Mr. President, if an all-out attack is made up the new territory, it will call for an all-out defense on our part, the same as it would if an all-out attack were made on our own territory. There can be no difference in the approach, so that the language of article 5 which states that "each of them in the exercise of the right of individual or collective defense * * * will assist the party or parties so attacked by taking forthwith individually and in concert with the other parties such action as it deems necessary, including the use of armed force to restore and maintain the security of the North Atlantic area," is only saying in another way that each of the parties will take the same kind of action as they would take if their own territory were attacked; that is, they would wage war to defend the area and restore its security the same as they would wage war to defend and restore the security of their own territory.

The reservation I am proposing, which is labeled A, will clarify this situation. It in effect provides that only the Congress can authorize war and the employment of our armed forces to assist in the event one or more of our European allies are victims of armed attack.

It does not leave the field open for the President to act as article 5 would authorize him to do if its meaning were not clarified and restricted. It also states the time-honored and generally understood principle of constitutional law that only Congress can declare or make war and authorize the employment of our armed forces in the prosecution of a war.

It is true that it may make ineffective the device which sought to get around the Constitution. It may mean a few hours delay in the consideration of the emergency; but on the other hand it does no violence to the Constitution; in fact, it protects the right of a free people through their representatives to pass on such a vital matter as the declaring and making of war.

Mr. President, when I say that is an important matter, when I say it is the very heart of the Constitution, I want to remind this body that the people who came to this land, who settled the United States, came here to escape the tyrannies of the Old World. They came here to avoid being conscripted into the armies of Europe. They were conscripted and sent out at the will of one man, the king or the emperor, who could direct them in war, without their having a word to say about it.

The thing we are complaining about now, the thing we are fighting against, is the right or the power of one man, or of a small group of men associated with him, to set in motion the wheels of war upon this world again. We are fighting against that kind of domination. Yet by the treaty we are in effect agreeing that when one nation is attacked it is an attack upon all, that a state of war has been created which puts us into the war.

From then on the Congress, the President, or anyone else simply has the duty of following up and ratifying what has been done and proceeding to wage the war until we will have restored our security.

That is an important right. The people of this land felt keenly about it a few years ago. To show how fickle we are, to show how the tides of public sentiment ebb and flow, only a few years ago the newspapers were filled with the stories of Members of Congress who were proposing a referendum, to let the people of the United States decide by popular vote whether we should or should not have war. There was actually enacted in the Congress of the United States the neutrality law, which required us to remain neutral. And now we have another proposal in regard to this subject, which is just the opposite in its intent. We are now saying in this treaty we agree a state of war will be created between ourselves and any other nation the moment any one member of the pact is attacked. When that member is attacked, a state of war has been created, and we are in it. We cannot avoid it. If we understand the full meaning of that, we can see how the Constitution has been bypassed, how it has been made inoperative. I will take the proponents of the treaty at their word. If they are sincere and if they believe what they profess they should adopt this reservation. I think the distinguished chairman of the Foreign Relations Committee said Congress would have the right under the Constitution to declare war, with all that it implies. I reply, of what good is it, of what protection is it to the people of the United States, to say Congress will have that right, if we have created a situation from which there is no retreat, a situation in which, if we honor our obligation under the treaty, there is nothing left to do but to declare war automatically? We would be like a puppet which must move whenever the string is pulled. Our freedom of action would be gone, and that is the heart of our Constitution. That is why our people came here, so that no monarch, no one man could send them into a battle which they did not want to fight, and make them take up the wars of other peoples.

Let me remind my colleagues that every American boy, girl, and every other citizen owes allegiance to his own flag and to the principles of this country; but none of them owes any allegiance to the flags of other lands, or any obligation to defend the soil of other lands. By this device we are setting forth an entirely new principle which extends and makes as a part of our own territory the vast expanse of other nations, with all their quarrels and all their hatreds, built up through thousands of years. The Constitution protects the right of Congress, free, unfettered, and untrammeled, to declare war. All the Senators who have spoken for the treaty say Congress will still have that right, but such a contention flies squarely in the face of and is completely contradictory to the very terms of this agreement which we are asked to ratify.

I know it is said that the latter part of article 5 provides that we are only to use force as we deem it necessary. It is true, if we are in the war and are attacked directly, we shall use whatever force we deem necessary; and we will use the same amount of force if one of our allies is attacked, and a legal state of war is thereby created.

What I am saying, Mr. President, is that the American people should be protected against the right of any President to proceed to act under the treaty as though a war had been declared by Congress. If an attack were made directly, he could move; that is conceded, with the action of Congress. But we now bring into the picture all these other countries, because of which we may automatically be involved in war.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. WATKINS. I should like, if I may be permitted to say that my second reservation goes to the protection of the

freedom of the Congress to act as it ought to act. I ask the indulgence of the Senate to offer the second reservation.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. WATKINS. The second reservation is on the same printed page, and is the second paragraph.

The PRESIDING OFFICER. The clerk will state the reservation.

The CHIEF CLERK. At the end of resolution of ratification, it is proposed to insert the following:

> The United States further understands and construes article 5 to the effect that in any particular case or event of armed attack on any other party or parties to the treaty, the Congress of the United States is not expressly, impliedly, or morally obligated or committed to declare war or authorize the employment of the military, air, or naval forces of the United States against the nation or nations making said attack, or to assist with its armed forces the nation or nations attacked, but shall have complete freedom in considering the circumstances of each case to act or refuse to act as the Congress in its discretion shall determine.

Mr. CONNALLY. Mr. President, I yield 10 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 10 minutes.

Mr. THOMAS of Utah. Mr. President, as I understand the question with respect to the reservation, it is that we want to be doubly sure that Congress maintains its constitutional rights and privileges, no matter what happens, after we once ratify the pact. That is assumed in entering into the pact. To assume otherwise would be making an assumption contrary to every tenet of international law. Since the Supreme Court has declared that a treaty is the supreme law of the land, as is the Constitution, how in the wide world could we in any way imply that through the treaty process we could amend the Constitution of the United States? That would be an implication which would destroy the fundamental scheme of our Government; and surely at no time would any Government permit within itself an element which could bring about, by legislative action, the destruction of itself.

The argument which has been advanced in regard to amendments or reservations shows that they have been proposed for the primary reason that there is a feeling on the part of some that greater assurance will be afforded that our country will not get into war if such provisions are placed in the treaty. The treaty must be interpreted in the light of the treaty itself. The treaty guarantees constitutional processes. It provides what can be done and what cannot be done. It carries implications in regard to promises which will be fulfilled; but the enforcement of the promises is left, as is the enforcement of all promises in a treaty, to the good judgment and the moral attitude of those countries which believe in the sanctity of treaties.

No treaty has ever been entered into between nations which does not imply mutuality of some kind. If there is no mutuality there is no need for a treaty. The treaty itself implies that there will be joint action of some sort, a giving and a taking. If we lose sight of the fundamental purpose of a treaty, what it stands for, the reservations which we may add to it or the interpretations we may place on it do not in any way add to the fundamental powers or give to us greater fundamental powers than we already possess.

Therefore the reservation, as all other reservations to a pact of this kind, is merely something which shows that the Senate is probably doing something it wants to do but it has not full faith in what it is doing.

There is always a psychological aspect to every treaty. I myself believe that the psychological aspect of this treaty is so sure and so certain that it will actually prevent war. That is its purpose, and it is based upon a type of reasoning which has grown out of the incidents which have occurred during two great world wars and between those wars.

There has been attempts made throughout history to try to put a curb upon aggressors, to try to hold them in their place, to try to bring about a unity of right-thinking nations so strong and so complete that no independent aggressor nation would ever dare to attempt to bring about disunity. The treaty implies a high moral understanding. It implies that nations of high civilized character, treaty-keeping character, are willing to pledge themselves that they will do their best to put down aggression.

We have just heard an argument made as a result of fear of article 10 in the old League of Nations Covenant. Article 10 never had a chance to be tried. It was based upon a theory of mutuality; it was based upon a theory of unity; it was based upon a theory that if we could lay our finger on an aggressor and operate against him, the aggression would stop. It was based upon the notion that we could combine right-thinking and right-acting nations in such a way that the preponderance of their force could be hurled against an erring nation, a nation doing wrong. That was the first real attempt to curb an aggressor. It was not given a chance, because there was no way, as was said by the opponents of the idea, to define an aggressor. How could we say when one nation was on a warlike plane and another nation was not? How could we define an aggressor? Therefore, in a sense of frustration at not being able to meet the situation, the people became discouraged and discontented and did not stand for article 10.

I think we all know that no nation goes to war if it is sure it will be defeated. Persons in private life do not attempt to enter into an undertaking if they are sure it will be unsuccessful. Nations, in a way, must take the same sort of chances as those taken by private persons; and no nation will move if it knows it is foredoomed to defeat.

Mr. President, looking at it entirely from a military standpoint, what nation in the world, if it knew it had to fight the United States if it entered into a war, could defeat the United States in the next generation? Everyone knows the comparative strength of the United States of America and the other nations of the world. Nations are not backward in realizing that strength. We all know it so well that we are happy to take part in this treaty action. There is no doubt in my mind that the Kaiser would not have moved if he had thought he had to fight the United States; and I am sure Hitler would not have moved if he had thought he had to fight the United States. One need not trust to his own ideas concerning such matters. One can turn to history, to the testimony of persons representing those nations, and understand that that statement is true.

Another psychological feature of the treaty which is important is its political and moral aspect. The pact says, in so many words, that the United States admits itself morally bound to use its strength in cooperation with other nations to put down an aggressor and to come to the aid of a victim of aggression. We have said that before in our history, Mr. President. It is no new thing. We have proved that the declaration of President Monroe received the respect of the nations of the world. We do not have to go outside of our own history to prove that. All the fanciful ideas about the fears of tomorrow, about the changing of our Constitution because of the ratification of the treaty, about taking away from Congress its power to act, are all arguments which are not based upon facts, which are not based upon law or upon the experience of nations.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. CONNALLY. Mr. President, I yield now to the Senator from Rhode Island.

Mr. McGRATH. Mr. President, some of my own constituents and those of other Senators from my section of the country have addressed an inquiry, and I should like to ask the Senator from Texas to permit me to make a statement with respect to it.

There are in certain parts of the world conditions which are constantly tending to better themselves. I refer to the effort of the people of Ireland to unify their country. I should like to ask the distinguished chairman of the Foreign Relations Committee if in this treaty or in any interpretation of it he foresees that there is anything to prevent continuing efforts to bring about unification of the northern counties with the southern part of Ireland?

Mr. CONNALLY. Mr. President, according to what is already in the RECORD, there is nothing in the treaty which touches the problem with regard to Ireland which the Senator mentions. In fact, as the Secretary of State said in a letter of May 4, which appears on page 1227 of the hearings:

> The treaty has no relation whatever to the problem of partition.

This should dispose of this question once and for all.

I am confident the Senator may rest assured that the treaty in no wise relates to the subject he has mentioned. Is that satisfactory?

Mr. McGRATH. I thank the Senator.

Mr. CONNALLY. Mr. President, I yield 10 minutes of whatever time I have left to the Senator from Massachusetts.

The VICE PRESIDENT. The Senator from Massachusetts is recognized for 8 minutes.

Mr. LODGE. Mr. President, I have listened with great respect to the arguments which have been made by those who favor reservations to the treaty, and my respect is very sincere. But I must set down that in my judgment the viewpoint which animates the arguments and the logic which they follow completely lack reality. I think these Senators conduct themselves so as to give the impression that the last two world wars had never taken place. Some of the statements I have heard made, some of the phrases I have heard uttered, take one back to the days 25 years ago when we did not know the sad facts about the world as we know them now.

Let me give a few illustrations. I heard one Senator say that this North Atlantic Pact would promote the balance of power in Europe, that instead of seeking an international approach to the task of getting peace, we were following the old maxim of dividing the world and setting up two rival European camps with approximately equal strength.

It is hard to see how such a statement as that could be made, when we realize that a country like Soviet Russia has 200 infantry and armored divisions in existence at the present time, whereas the second largest land army in Europe, namely, in France, has only nine divisions. How is it possible, in the face of those facts, to talk about any balance of power? There is a great inequality of power, there is no balance of power. How is it possible, in the light of those facts, to speak about an armament race, when the ratio is 200 to 9 in that respect?

I heard another Senator say that we should not give arms before the nations were attacked. I suppose the inference is that we should give the arms after the attack. Anyone who has studied modern military science, even in the most superficial way, knows that unless the arms are available well ahead of the attack, there is no use sending them, because we would never be able to get them in, and the nations abroad would never be able to use them. Even if we were able to get the arms in 2 weeks before the attack, assuming the enemy were obliging enough to tell us when he was going to jump, that is not time enough to train people in their use, to get teamwork, to set up a staff, to set up the whole system that makes armed forces effective.

Arms are one part of an armed force, but they are not all there is to an armed force. When Senators talk about not giving them arms before the attack, they might just as well come out frankly and say they do not want to give them any arms at all, because that is what it amounts to.

I have heard Senators say here today that we should apply the principles of the Monroe Doctrine to western Europe. That is an extraordinary contention to make, when we consider that the Monroe Doctrine has been expanded to cover the Latin American countries, and that they are all equal partners with us in it now. It is still more extraordinary when we consider that the implication to be drawn from the statement that we ought to extend the principles of the Monroe Doctrine to Europe is that we should undertake the defense of Europe singlehanded, without the cooperation of Europeans. I think that is a far more extreme proposal than any we confront in the North Atlantic Pact. It is more extreme because it assumes that we can carry the burden of European defense all by ourselves, it assumes we would be put into a war on the say-so of some foreign aggressor, instead of being able to choose our own way of doing it, and it assumes that as soon as we were in the war we would carry the whole load ourselves, and do all the fighting and killing. There is not much mutuality in that, and there is no recognition of the facts of modern life in that type of argument.

I heard another contention made today the inference of which was that it would be advantageous to us not to give our new weapons to Europeans, that we would be smart if we gave them just our junk, so to speak. That is an extremely short-sighted view. During the war we had a good many allies, thank heaven, and the experience was that the better the equipment we gave them, the better they fought, and the better results they achieved.

I remember one instance during the war in which one of the divisions of one of our allies had no gasoline, and the reason why it had no gasoline was that one American supply officer, who was not possessed of very brilliant intelligence, thought he would be very smart and use his superior knowledge of American paper work and American supply procedure and get all the gasoline for his outfit that ordinarily would have gone to the foreign outfit. How stupid. There was the foreign division bogged down, unable to move, but the Americans who had all the gas for their outfit they needed and much more, went up and had to carry the whole combat load themselves.

Mr. President, if that is promoting the welfare of the United States, then words have no meaning.

Mr. WATKINS. Mr. President, will the Senator from Massachusetts yield?

Mr. LODGE. I yield to the Senator from Utah.

Mr. WATKINS. I wonder if the Senator is not misinformed as to what was said, and is not misquoting the record. As I remember, the Senator who referred to this matter of junk said that our military people said, "We will not be sending them junk." It was said that it was assumed that we would send them junk, but the argument, as I got the implication of it, was that we would send them the best weapons we had, and would not send them junk.

Mr. LODGE. The inference I got was that the Senator was very sorry we would not be sending them junk, the tone of his voice indicated that it was too bad we would be sending them good weapons. That was clear to me from the tone of his voice. I cannot quote the remarks, because I have not that good a memory.

Mr. WATKINS. I have not that good a memory either, but it seemed to me that the Senator was trying to point out that we would be sending them the best equipment we had, that others may have said to send them junk. The question was asked of General Bradley in the Committee on Foreign Relations, and also of Louis Johnson, and they said, "We will not be sending them junk." He was calling attention to the load we would be assuming by sending them good weapons.

Mr. LODGE. We should not send them junk, but weapons that are good. I point out that there are pieces of equipment we cannot use here but which those in foreign countries can use, and when we can make that kind of a trade, it is a good trade. They put in their young manhood, and we put in our young manhood, too. We are putting in our treasure and materials, and they are not putting in as much in the way of supplies. But they are putting up their young manhood, and that is a pretty substantial contribution for any country.

Mr. President, I heard some Senators compare the present situation with that which prevailed during the League of Nations debate. That was a startling thing to say, because it seems to me that implicit in this North Atlantic Pact are the lessons which we learned from the League of Nations debate. A guiding concept of the League of Nations, that we would guarantee the territorial integrity of countries, is completely left out of the North Atlantic Treaty. We are not guaranteeing the territorial integrity of any country. The spirit of article 10, which was the heart of the League of Nations Covenant, is frankly, patently, and obviously excluded from the North Atlantic Pact.

Mr. WATKINS. Mr. President, will the Senator from Massachusetts yield?

Mr. LODGE. I yield to the Senator from Utah.

The VICE PRESIDENT. The time of the Senator from Massachusetts has expired.

Mr. LODGE. I have a little more to say, but my time has expired.

Mr. WATKINS. Mr. President, if I am permitted under the agreement, I will yield of my time two additional minutes to the Senator from Massachusetts.

The VICE PRESIDENT. The whole time on the reservation has expired, including the 10 minutes allotted to the Senator from Massachusetts.

Mr. WATKINS. But I had 20 minutes, Mr. President.

The VICE PRESIDENT. The Senator had 20 minutes; 10 minutes on each reservation. The Senator from Utah used 10 minutes on the first reservation.

Mr. WATKINS. There is plenty of time left for debate this afternoon. I doubt if there are going to be any more reservations presented. I believe the Senator from Massachusetts should be permitted to continue if there are no other reservations to be offered.

The VICE PRESIDENT. The Chair cannot anticipate that there are no further reservations to be offered.

Mr. WATKINS. I was going to ask if we can find out whether any more reservations are going to be offered, and if

not, whether the Senator from Massachusetts may be permitted to proceed. As I remember, the Chair said we would divide the time, under the agreement as announced, if it were not all used up on the reservations.

The VICE PRESIDENT. The Chair announced at 2 o'clock that there were six reservations which had been printed and were lying on the table. Whether all of them would be offered the Chair could not say, and whether others would be offered, which are not printed, the Chair could not say.

Mr. CONNALLY. Let me say to the Senator that if there is any time left after we get through discussing the reservations, if the Senator from Massachusetts then wants some further time I shall try to arrange it so he can have further time.

Mr. LODGE. Mr. President, I was simply arguing. I have no set speech.

The VICE PRESIDENT. Other reservations have been ordered to be printed. They might be offered. We cannot tell at this time whether they will be offered or not.

The time having expired under the agreement on the first three reservations, the Chair might inquire if there are any other reservations Senators intend to offer.

Mr. CONNALLY. The Senator from North Dakota [Mr. LANGER] has several reservations lying on the table. I do not know whether he intends to present them.

Mr. CAIN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CAIN. Would it be proper, for the purpose of determining which of the reservations are to be offered, to suggest the absence of a quorum?

Mr. CONNALLY. That would take up a great deal of our time.

The VICE PRESIDENT. That would consume considerable time.

Mr. CONNALLY. I hope the Senator will not make that suggestion.

Mr. CAIN. I merely made the inquiry.

The VICE PRESIDENT. After the reservations offered have been debated under the agreement of 10 minutes for and 10 minutes against, if there are no further reservations, but there still remains some time, it is to be controlled by the Senator from Texas and the Senator from Missouri. Looking at it from this viewpoint it seems likely that there are no other reservations to be offered at this time; but the Chair cannot say.

Mr. CONNALLY. Mr. President, Senators who have reservations should be here and should offer them. I have no objection to Senators offering all the reservations they want to offer. But they ought not to wait, and oblige us to send for them to offer their reservations.

The VICE PRESIDENT. It is still about an hour and three-quarters until 5 o'clock.

Mr. CONNALLY. I hope we will not trespass too much on the time we are going to allocate, because considerable pressure has been put upon the Senator from Texas to allot part of the little time left after we get through with the reservations. The minority leader should have a solution. He usually does.

Mr. WHERRY. I thank the Senator from Texas. I suggest that we should have a quorum call now.

Mr. CONNALLY. Oh, no.

Mr. WHERRY. And let it be charged equally to both sides. We have not had a quorum call today. By the time the call is concluded, the Senator from North Dakota [Mr. LANGER] will be present and have an opportunity to present his reservations.

Mr. CONNALLY. I hope the Senator will not insist on a quorum call, because it cuts down our time considerably. The Senator from North Dakota can be sent for.

Mr. WHERRY. He has already been sent for.

Mr. CONNALLY. The sheriff can be sent after him.

Mr. WHERRY. The Senator from North Dakota will soon be here. He is ready to offer his reservation.

Mr. CONNALLY. He cannot offer it in the hall or in the street.

Mr. WHERRY. That is true. That is why I suggested the absence of a quorum.

The VICE PRESIDENT. If the absence of a quorum is suggested, the Chair must order the Secretary to call the roll.

Mr. CONNALLY. I hope that will not be done.

Mr. WATKINS. Mr. President, if I may make an observation, under the arrangement made and announced, I take it any Senator would feel he would be within his rights to come in 5 minutes before 5 and offer a reservation.

The VICE PRESIDENT. He would be entitled to offer it at 5 minutes to 5, or even after 5, but in that event he could not debate it.

Mr. WATKINS. That is the reason why I think it is not fair to say that a Senator ought to be here now to offer his reservation. He certainly would be within his rights to present it later.

Mr. DONNELL. Mr. President, I am quite willing to accept the suggestion of the Senator from Nebraska that a roll call be had. I think it would require 10 or 15 minutes.

The VICE PRESIDENT. Is the Senator from Nebraska making the point of no quorum?

Mr. WHERRY. I make the point of no quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll, and several Senators answered to their names.

Mr. WHERRY. Mr. President, the Senator from North Dakota is now in the Senate Chamber.

The VICE PRESIDENT. The Senator cannot interrupt the calling of the roll.

Mr. WHERRY. Mr. President, I ask unanimous consent that the further proceedings under the quorum call be dispensed with and that the order for the quorum call be vacated.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Does the Senator from North Dakota desire recognition?

Mr. LANGER. Mr. President, I am not going to present my reservation.

The VICE PRESIDENT. The Senator from North Dakota makes the announcement that he will not present his reservation.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. If there are to be no further reservations offered, do I correctly understand that under the unanimous-consent agreement the remaining time will be divided between the proponents and opponents of the treaty itself?

The VICE PRESIDENT. If there are no further reservations to be offered, the time from now until 5 o'clock is to be divided equally between the Senator from Texas and the Senator from Missouri. The Chair assumes there are no further reservations to be offered. Therefore the Senator from Texas is recognized.

Mr. CONNALLY. Mr. President, I am very much pleased that we have finally received at last all the reservations, which I hope will be voted down by the Senate by a very overwhelming vote.

Any reservation is intended to water down and dilute the treaty or to destroy it, if that can be done. That is the purpose of the so-called reservations. The Senator from Utah [Mr. WATKINS] and other Senators who have offered reservations are opposed to the entire treaty. The Senator from Utah would wipe out the whole treaty if he could. He would provide reservations against the entire treaty if he could.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WATKINS. Was the Senator present last night when I announced that if the reservations I offered were accepted I would vote for the treaty?

Mr. CONNALLY. Oh, yes; but the Senator knew they would not be accepted. The Senator knew the Senate would not be so unwise.

Mr. WATKINS. If the Senator wants to test it out, let the Senator agree to the adoption of the reservation, and I will vote for the treaty.

Mr. CONNALLY. I will say that the Senator's vote is not worth so much to us as to justify giving up the treaty in order to secure one vote for nothing. With his reservations in it the treaty would not be of any value.

Mr. President, the reservation he has discussed is not founded on fact. His reservation provides, "That the United States assumes no obligation to restore and maintain the security of the North Atlantic area or to assist any party or parties in said area, by armed force, or to employ the military, air," and so on, "under article 5 for any purpose." I repeat, he would not want them to be used for any purpose. Not for war, but for "any purpose, unless in any particular case the Congress, which under the Constitution, has the sole power to declare

war or authorize the employment of the military, air, or naval forces of the United States."

That statement in the reservation is not accurate. The Congress has the sole right to declare war, but the President of the United States is Commander in Chief of the Army and the Navy. Under the reservation, if an attack were made on New York City, the President could not resist it until he called Congress into session, and it acted. What happened at Pearl Harbor? There was no congressional declaration of war before we began to resist. We were attacked without notice. The President of the United States had a perfect right to put the Navy, the Army, and all other forces into operation to resist that attack.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WATKINS. If the Senator will note this reservation, it says that:

> The United States assumes no obligation to restore and maintain the security of the North Atlantic area or to assist any other party or parties in said area, by armed force, or to employ the military, air, or naval forces of the United States under article 5 or any article of the treaty, for any purpose, unless in any particular case the Congress, which under the Constitution has the sole power to declare war or authorize the employment of the military, air, or naval forces of the United States, shall by act or joint resolution so provide.

It has to do with an attack which is made upon other parties to the pact, other than ourselves. It does not affect us at all.

Mr. CONNALLY. Does the Senator believe that an attack on New York would not be an interpretation of the North Atlantic area? I think it would.

Mr. WATKINS. That is taken care of under our own Constitution, without any reservations.

Mr. CONNALLY. I am talking about the treaty now. The Senator wants to tie the hands of the Congress and the President. He says:

> That the United States assumes no obligation to restore and maintain the security of the North Atlantic area—

I insist that if an attack were made upon New York or any other part of the United States, we would owe an obligation under this treaty to restore that area, and to repel the attack.

Let me say a word or two as to the second reservation, which reads as follows:

> The United States further understands and construes article 5 to the effect that in any particular case or event of armed attack on any other party or parties to the treaty, the Congress of the United States is not expressly, impliedly, or morally obligated or committed to declare war or authorize the employment of the military, air, or naval forces of the United States against the nation or nations making said attack, or to assist with its armed forces the nation or nations attacked, but shall have complete freedom in considering the circumstances of each case to act or refuse to act as the Congress in its discretion shall determine.

That reservation is a complete repudiation of the treaty. Under that reservation we would have no obligations under the treaty with regard to armed force. Senators are saying, "We are for the treaty, except that we cannot furnish any arms." This is a defensive treaty. What are the signatory countries going to defend themselves with unless they have arms? It is said, "We can send them anything else." We can send them a lot of powder puffs, or all-day suckers, but we cannot send them any arms, although arms may be the very thing they need and desire.

Mr. President, I yield 10 minutes to the Senator from West Virginia [Mr. NEELY].

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DONNELL. Will the Chair advise us how much time is left to each side?

The VICE PRESIDENT. Starting at 3:16 p. m., there were 52 minutes to each side. The Senator from Texas has consumed 6 minutes.

Mr. NEELY. Mr. President, this is not coming out of my time, is it?

The VICE PRESIDENT. No. That leaves the Senator from Texas 46 minutes and the Senator from Missouri 52 minutes. The Senator from West Virginia has 10 minutes of the 46.

Mr. NEELY. Mr. President, if Thomas Gray had known how interminably a few Senators would talk in favor of the emasculation of the pending treaty, or in opposition to its ratification because our 11 international relations who have joined us in the making of this important document are, unfortunately, all poor relations, the great poet never would have included in his Elegy in a Country Churchyard his admonition to grandeur not to "hear with a disdainful smile the short and simple annals of the poor." If Gray could only have envisaged the hundreds of pages and the hundreds of thousands of words of Senate debate in opposition to the treaty that have been written or uttered since the morning of the 5th day of July, he would have known that so far as the Senate is concerned only eternity is longer than the annals of the poor—particularly if the poor happen to be poor international relations and the circumstances such that certain distinguished Senators insist that we welsh on our obligations to help maintain world peace and spurn a golden opportunity to become the beneficiaries of the scriptural assurance: "It is more blessed to give than to receive."

Had all our relations who have become parties to the treaty been rich and powerful, ratification would, in my opinion, have been effected by unanimous consent immediately after the conclusion of the convincing, eloquent addresses of the able Senator from Texas [Mr. CONNALLY] and the able Senator from Michigan [Mr. VANDENBERG]. But in this instance, as in countless others:

> Of all sad words of tongue or pen,
> The saddest are these: "It might have been!"

Mr. President, all over the world today, as in Xanadu in the age of Kublai Khan, are heard from near and far millions of melancholy "ancestral voices prophesying war." Indeed, the present far-flung war, whether it be considered cold or hot, has long since emerged from the realm of prophecy into all the earthly regions of reality. It has once more set the world on fire and the faces of millions of fearful men and women turn deadly pale in the ghastly light of the raging conflagration.

To the inhabitants of dreamland, the dwellers in fool's paradise and the advocates of Chamberlain-like appeasement who constantly cry out, "Where are the minions of aggression? Where are the Cossacks who are riding down the lovers of liberty and making war against the democracy and Christianity of the world?" We answer: "Ask the overwhelmed annexed people of Estonia, Latvia, Lithuania, and parts of Czechoslovakia, Rumania, Finland, Poland, and Outer Mongolia. Ask the judge and jury that completed the trial of the Coplon case in this city a few weeks ago. Ask the officers and members of the United Nations Organization who have seen a single nation, by the exercise of the veto power, 30 times paralyze the activity and stay the progress of this great humanitarian organization. Go to the dungeon in which Cardinal Mindszenty is rotting away and ask him." If these apostles of Pollyanna will listen to a comprehensive news broadcast any day in the week, they will hear startling answers to their inquiries, originating not only in their own country but from lands across the Atlantic on the east and from beyond the Pacific on the west.

If further answers are desired by those who are too blind to see the fifth columns of communism marching and countermarching over every great country in Christendom, inquiries should be made of the American aviators who recently completed the task of transporting to Berlin by air hundreds of thousands of tons of food and coal to save the inhabitants of that unfortunate city from starving or freezing to death as the result of Russia's perversity in preventing the delivery of these necessaries of life by truck and train.

The headlines of the metropolitan papers on Tuesday of last week would have provided sufficient, if not satisfying, information to anyone who should think of naively inquiring, "What nation is threatening world peace?" Some of those headlines are as follows:

First, "'Little blockade' manned by Reds." The article under that headline tells of the stranglehold of Russian soldiers on the only truck-supply route from western Germany to Berlin.

Second, "Pacific Pact Is Proposed Between Nationalist China and the Philippines To Oppose Communism."

Third, "United States Seeks To Oust Red Committeeman."

Fourth, "Czech Reds Seek To Curb Catholics." The article under this caption says, among other things, that the Czechoslovakia Communist Party served notice that it intends to fight the Roman Catholic Church.

To the regret of the United States and all other nations that long for peace, Russia daily adds new fuel to the flames of the warlike fires she has started all over the earth. It is unusual for a day

to pass without newspaper reports of some new unprovoked communistic offenses against humanity. And these daily provocations, in endless variety, have gone on and on until 12 of the important peace-loving countries of the world have at last been forced to lay the foundation for collective resistance to further Russian aggression. And that foundation consists of the North Atlantic Treaty that is now before the Senate.

All the nations that have signed the pending pact have done, are now doing, and purpose to continue to do everything that is consistent with national honor and self-respect in order to preserve everlasting peace with Russia and every other country in the world. But, unfortunately, Russia apparently construes the excessive generosity and tolerance of democratic governments in dealing with her as indications of weakness and fear. And her return for our extreme civility to her is never-ending noncooperation with us and an intensification of her efforts to distress the American people at home and discredit the United States abroad.

Let us hope that before the worse becomes the worst the small group that rules Russia with a rod of iron will consider the ratification of the pending treaty not as a threat but as a solemn warning that there are limits of forbearance beyond which the American people will not forbear, and that there are limits beyond which other nations will not be permitted to trespass upon our liberty or upon that of our neighbors who have joined us in the execution of the North Atlantic Pact.

Russia should, for her own sake, familiarize herself with the elementary history of the United States and from this source learn what our Continental Army, in the Revolutionary War, did to the greatest military power on earth as a punishment for that power's long-continued attempts to tyrannize over our people.

Russia should familiarize herself with the causes and consequences of the War of 1812, in which the United States forever established her right to the freedom of the seas. Russia should particularly note that the night before the Battle of New Orleans, the last battle of the 1812 War—Sir Edward Pakenham, the commander of the British troops, said in a note to Gen. Andrew Jackson, "If you do not surrender, I will storm your breastworks and eat breakfast in New Orleans tomorrow morning"; and that Jackson sent to Pakenham the laconic reply, "If you do, you will eat supper in hell tomorrow night." On the following day the American Army, under Jackson, won a glorious victory; Pakenham was killed and a large part of his army was destroyed. Where the British general ate his supper no man knows.

Russia should take notice of the fact that in 1898 a European country that was then powerful both on land and sea, by a long-continued course of provocation, at last compelled the United States to declare war against her, and in that war Spain's Army was conquered, her navy was destroyed and she forever lost all her possessions in both the Philippines and the West Indies. From the devastating effects of that war Spain has never completely recovered.

Russia should not be unmindful of the fact that in consequence of long-continued aggression against that country by Germany the United States entered the First World War against her and lavishly supplied the men and means necessary to dethrone the Kaiser, defeat his armies, destroy his navy, and win for the Allies a greater victory than the forces of democracy had ever before won over the hosts of autocracy and aggression.

Russia should particularly recall that in the Second World War the United States once more demonstrated that those who too long abuse her patience and too long trespass upon her rights are eventually subjected to the punishment which only military power can administer. Unhappily, such punishment sometimes constitutes the only language some dictators, tyrants, and aggressors can be made to understand.

It is my fervent hope that the foregoing will, at least to some slight degree, help to arouse Russia to a realization of the fact that she will be in deadly danger if she continues to follow the aggressive international course she has pursued during the last 3 years.

It is my further hope that Russia will profit by the examples of the past and avoid the disastrous consequences suffered by every nation that has ever forced a war upon the people of the United States.

Ever since Hiroshima was destroyed with the atom bomb, the common people of the world have hoped and prayed for peace as they never hoped and prayed for it before. In no other land are the hopes higher, or the prayers for peace more sincere than they are in the United States. The sole purpose of this Nation's joinder in the treaty before us is to preserve peace and prevent war, and to prevent it not by one nation's acting alone but by the 12 nations that are parties to the treaty acting inconcert for their common preservation and their common defense against any aggressor that may make war upon them. The wisdom of the agreement of which the treaty is the written memorial is illustrated by the famous Aesop fable, the substance of which is as follows:

An old man had many sons who frequently had trouble with one another. After the father had exhausted his authority in a vain attempt to reconcile them, he at last ordered all the sons to assemble before him. A bundle of sticks, compactly bound together, was then presented to the sons and each was requested to try to break it. But every son failed to accomplish this task. Then the father separated the sticks, gave one to each son and commanded him to break it, and this command was, without difficulty, obeyed. Thereupon the father said: "Behold, my sons, the power of unity."

If you, like the bundle of sticks, will only keep yourselves conjoined in the bonds of friendship and cooperation, it will not be in the power of any mortal to hurt you; but if your ties of brotherly affection are once dissolved, soon will your rights be violated by everyone that may wish to assault you.

The pending treaty will make the 12 signatory nations, after the manner of the bundle of sticks, so strong that no hostile outside nation on earth will be able to destroy them, or enslave them. The treaty, if ratified without weakening amendments, will be a shield and a buckler to all the nations that have signed it. But if the proposed reservations should be adopted, the treaty would, in the words of the immortal Lincoln, become as weak as soup made from the shadow of a pigeon that had starved to death.

In behalf of the general welfare of the 12 nations which are parties to the pact and in behalf of the peace of the world, let all the proposed reservations be decisively defeated and the treaty, in its present entirety, be ratified by an overwhelming majority.

The VICE PRESIDENT. The time of the Senator from West Virginia has expired.

Mr. DONNELL. Mr. President, I yield 20 minutes to the Senator from Utah.

The VICE PRESIDENT. The Senator from Utah is recognized for 20 minutes.

Mr. WATKINS. Mr. President, reference has been made to what is meant by the reservations I have proposed, which recently have been the subject of debate. I wish to quote from two distinguished gentlemen who have set the pattern for me and have given me the foundation for my reservations. If my reservations are wrong, then I think the two distinguished gentlemen to whom I refer are wrong, and probably this treaty means something different from what they have said it means.

Let me call attention to the fact that the distinguished senior Senator from Michigan [Mr. VANDENBERG], in referring to the part that Congress would have in the future in respect to this treaty, declared:

> But if it does mean war, only Congress itself, under the specific terms of the pact, can declare it.

The distinguished Senator from Michigan also said:

> But suppose the event is obviously of major and deliberate magnitude and clearly discloses a criminal aggressor deliberately on the march—as Hitler entered Poland or as the Kaiser entered Belgium. Let us say that it is clearly the dread thinking which threatens the life and freedom of one of our associated nations, if not ourselves directly. If it is, it threatens the life and freedom of every other associated nation, including our own. If it is, it threatens total war or total surrender, pact or no pact. If it is, our commitment is clear as crystal. It is to take whatever action we deem necessary to maintain the security of the North Atlantic area, which vividly includes the security of the United States. If the only action adequate is war, then it means war. If it does mean war, I venture to assert that, pact or no pact, it would mean war for us anyway in this foreshortened world. If it does mean war, I venture to say that we would be infinitely

better off for having instant and competent allies.

I can agree with a great deal of that, and I do agree with the next statement the Senator made, because I think it is exactly what I tried to put in legal language in the reservation. The Senator from Michigan concluded that particular paragraph as follows:

But if it does mean war, only Congress itself, under the specific terms of the pact, can declare it.

In my argument yesterday, I cited all kinds of arguments as to whether the pact does or does not mean war. I cited an editorial from the New York Times which says that, without quibbling, it means war. I cited an editorial from a St. Louis newspaper which says the same thing.

But here we have statements from the two most important members of the Foreign Relations Committee. All I am pleading for in this reservation is for us to make them effective, in view of the fact that other people seem to have other ideas, in view of the fact that the treaty says that an attack upon one is an attack upon all, and that when that occurs, there will be a state of war with all of the signatories to the pact, and of course in that case we shall be at war. I have said, and I say again, that Congress would then be only an automaton, an agency acting under those circumstances to declare what already was a fact.

In these reservations I have tried to say definitely and distinctly that before war occurs, before that final thing is done, the Congress of the United States will have to declare it by resolution. I am not talking about an attack on New York, either; I am talking about an attack on one of the other signatories to the pact, whose territory we are guaranteeing to defend. That is what this reservation aims at. Of course, under our own Constitution we will take care of the United States. But in this reservation I am talking about the other signatories to the treaty. The reservation says:

That the United States assumes no obligation to restore and maintain the security of the North Atlantic area or to assist any other party or parties in said area—

Which means any party other than ourselves—

by armed force, or to employ the military, air, or naval forces of the United States under article 5 or any article of the treaty, for any purpose—

And I am saying that for any purpose our military forces cannot be used in the event of such attack unless Congress says so.

I also provide—

unless in any particular case the Congress, which under the Constitution, has the sole power to declare war or authorize the employment of the military, air, or naval forces of the United States, shall by act or joint resolution so provide.

We are told that Congress has to do it—with all that implies, as the chairman of the Foreign Relations Committee says. What does it imply? It implies that Congress shall then consider the matter, as of that hour and day, and shall do the wise thing for the protection of the United States. That is what I am trying to do. I have put in legal language the very things they have been saying.

Are they against them? Will the treaty be destroyed if we reaffirm our faith in our Constitution, if we say that this must be done to make it clear to the people overseas and to our own citizens, whom we have been assuring over the weeks and the months that, "Oh, the treaty does not automatically commit us to war, because we say Congress will declare war." Yet it is said here, today, that reservation 2 will take the very heart out of the treaty and will render inoperative all the benefits which should come from the treaty.

Suppose an emergency happens, and it is brought before the Congress, is the Congress at that time going to be a rubber stamp? Is it going to be told, "You agreed to this in the treaty; this nation over here has been attacked; we are at war, and now it is your duty to declare war, whether you think we ought to or not"? Remember, Mr. President, the pact is for 20 years. It is not a momentary plan; it is for 20 years. We say as of today, and I think the Senator from Michigan in his speech said, we would respond anyway, pact or no pact. Yes, we would, and I would vote as of today for a declaration of war on any nation attacking these nations in an all-out war. Five years from now, what? Ten years from now, what? Twenty years? The fact of the matter is we are trying to write into this treaty an agreement to preserve the status quo for 20 years. We are assuming it will be that way merely because we agree it will be that way. We have seen our allies, Russia and China and all the others, go somewhere else. Who knows what will happen to the Allies we are going to take on in the pact? I say to my colleagues this is one of the most important sections in the whole treaty. We are making a historic departure from the foreign policy of the past, which has made this the great Nation that it is, and I say the burden is upon those who propose to make that change, not upon us who want to ask certain questions, and who want to see that that Constitution is preserved. From the time of my infancy, I have been taught that the Constitution of the United States was divinely inspired, that it was written by men of God who were called and chosen to write and prepare that Constitution for this great Nation.

I have respect for it. I took my oath of office to defend it, and I am defending it. I am glad to know that the chairman of the Foreign Relations Committee and the Senator from Michigan agree that that is what must be done when emergencies come. If it is war, then Congress will declare it. They are in agreement with me. That is, they say they are. Then why, in the name of all that is fair, should we not say it to the world so that there will be no doubt about it? It may be said the other nations would become discouraged; we would destroy that psychological warfare or advantage or whatever we are going to get, as my distinguished colleague from Utah said. We would destroy that. But it almost makes one suspicious, does it not, of the treaty when it is found that, notwithstanding the fact that it is said Congress has the right to declare war, they then do not want to put in anything that notifies the world, and particularly those people in Europe in those countries, that just the moment war strikes we will be in it. The treaty says so. All one has to do is to read it, and he will get that logical conclusion—that an attack on one is an attack on all. An attack on Denmark creates a state of war not only as between Denmark and the attacker but between the United States and every other state, on the one hand, and the attacker.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Missouri?

Mr. WATKINS. In just a moment. When that state of war occurs, what Congress, what President, would say "No?" What I am pleading for is on behalf of the generations to come, on behalf of the future Congresses, that it may have something to say about this for its freedom of action. They will do the right thing, we need not worry about that, I may say to my dear colleague from Texas and Michigan, and all the rest. They will have some intelligence. We are the egotistical crowd. We know what we would have done back in the days of World War I. Later, we know Hitler would never have struck, at least I say so, if we had had this type of organization. We say the Kaiser would never have struck, if we had had this type of organization. We know what they do today, and we know what they will do 20 years from now. I say we are taking in a little too much territory. I am calling attention to the fact that we have a Constitution, and its needs protection. The very fact that there are those who begin to point out that this would ruin the treaty, would take the heart out of it, indicates pretty clearly to me that it means something more than what is said. The Senator who said "War would be declared by the Congress, and all that it implies," was correct. What does it imply? Free, untrammeled action, and when the emergency arises, when the circumstances come, I have confidence that under the dictates of Almighty God and his inspiration the Congress at that time, whether it be us or some future Congress, will know what to do and will give the right answer, and if the conditions are the same then as now, yes, they will declare war; there will be no doubt about it. But who knows when an attack is made 15 years from now on some of the signatories of this pact that it will be right for us to come involved in that war at that moment. Those people, those Congressmen, the generation then, should say and determine it.

The other day I quoted from a letter by the late Charles Evans Hughes to Senator Hale. The logic contained in it is old-fashioned, but it is sound and it is true. Mr. Justice Hughes said:

If we are entering upon a new world of democracies, the inevitable consequence

should be recognized. Democracies cannot promise war after the manner of monarchs. It is ideal to attempt to commit free peoples to the making of wa. in an unknown contingency when such a war may be found to be clearly opposed to the dictates of justice * * *.

Article 10 is objectionable because it is an illusory engagement. Whether we shall go to war to preserve the territorial integrity of another state—

And that is about what we are trying to do, not only to guarantee it, but to restore it, to maintain it for 20 years—

the territorial integrity of another state in a situation not now disclosed or described so that the merits of the case may be judged will depend upon the action of the Congress, and that action will be taken according to the conviction of our duty in the light of the demands of justice as they appear when the exigency arises.

That was written by the former Chief Justice of the United States. Senators may laugh at my humble opinions. I am just an ordinary lawyer, a Member of this body. But this is a statement of a man who was during his brilliant career a governor, Secretary of State, and a Justice of the United States Supreme Court. He was a great man, and the principles embodied in his letter are sound and eternal. He continued:

The general guaranty of article 10 cannot be relied upon to produce action contrary to its judgment.

In other words, no matter what we agree, no Congress is going to act contrary to its judgment.

We should not enter into a guarantee which would expose us to the charge of bad faith or of having defaulted in our obligation, notwithstanding that Congress in refusing to make war had acted in accordance with its conception of duty in the circumstances disclosed * * *.

This is the reservation Mr. Justice Hughes suggested to Senator Hale:

* * * The United States of America assumes no obligation under said article to undertake any military expedition or to employ its armed forces on land or sea unless such action is authorized by the Congress of the United States of America which has exclusive authority to declare war or to determine for the United States of America whether there is any obligation on its part under said article and the means or action by which any such obligation shall be fulfilled.

That is substantially, in meaning, what I have already said, and as I have already indicated and stated, not by just an ordinary citizen, but by the Governor of the great State, who later became Secretary of State, and, still later, Chief Justice of the Supreme Court of the United States.

I want to read my second reservation, because I am afraid most of the Senators never have read it. It is a declaration right in line with what Chief Justice Hughes said:

The United States further understands and construes article V to the effect that in any particular case or event of armed attack on any other party or parties to the treaty—

It does not say the Congress cannot act when an attack is made on any other of the parties to the treaty—

the Congress of the United States is not expressly, impliedly, or morally obligated or committed to declare war or authorize the employment of the military, air, or naval forces of the United States against the nation or nations making said attack * * *.

Does anyone here want to contend that we are obligated to declare war? Will anyone come out and say we are under obligation to declare war by that treaty, that we make that commitment, that we are obligated to do this, without Congress acting?

is not expressly, impliedly, or morally obligated to declare war or to authorize the employment of the military, air, or naval forces of the United States against the nation or nations making said attack or to assist with its armed forces the nation or nations attacked, but shall have complete freedom, considering the circumstances of each case, to act or to refuse to act as the Congress in its discretion shall determine.

The distinguished chairman of the Foreign Relations Committee said it did not imply the right to declare war. Does it imply what I have said in that reservation? I think it does. Under the treaty, we certainly must act. Then, what have we done to America? We have surrendered, through a treaty agreement, and we have the responsibility of sending our boys—our American citizens—into a war with respect to which the Representatives in the House will never have a chance to vote, if we take that position.

Mr. President, what I am pleading for is to do all we can under this treaty, to go as far as we can, to render all the assistance we can, but, in the name of Heaven, do not give up our rights for which we fought. We can do many of the things that are necessary to do without giving up those rights.

General Bradley was asked on cross-examination, before the Foreign Relations Committee, if this were the only way to defend America——

The VICE PRESIDENT. The time of the Senator has expired.

Mr. DONNELL. Mr. President, I yield two more minutes to the Senator from Utah.

Mr. WATKINS. General Bradley said, "No, but I think it is the best way. Of course, it is not the only way."

I challenge that statement. No alliance has ever worked out that way. Alliances have always resulted in war. The greatest deterrent to war was given to the world in the Sermon on the Mount, in the philosophy of the Saviour. We have ignored it. It is not in this pact. It is not in the United Nations Charter. That is exactly why it cannot get anywhere—because we do not have peace-loving nations in the Charter. We have infidels, who are antichrist and antigod. Unless we can get great nations to agree on the principles taught by Christ, no matter how many vetoes we take out of a pact or a charter, it will not succeed.

I plead with my colleagues to give me a yea-and-nay vote on the reservation. Even if I am the only Senator to vote for it, I want it to go on record. I plead for a yea-and-nay vote on this reservation.

Mr. DONNELL. Mr. President, I yield 10 minutes to the Senator from Indiana.

The VICE PRESIDENT. The Senator from Missouri has 30 minutes and the Senator from Texas has 36 minutes remaining.

The Senator from Indiana is recognized for 10 minutes.

Mr. JENNER. Mr. President, we live in a troubled world. Our position is precarious. Let us not make it more so. There have been great historic changes in the course of our Nation's previous policy. They provide reasons for deep concern. It should be said they also provide great reasons for inspiring hope. We are living in the new atomic age, and the need for hope is the paramount need of the world today, for man has, during the war just ended, so impetuously invaded those precincts which heretofore have been reserved to God himself, as to make even the strongest among us tremble. With the aid of radar man can look through the clouds and scan the moon. Through the release of atomic energy he has asserted tangible control over the very stuff of which the universe itself is made. Can there be any question that a new age is upon us and that the old equilibriums of history, the old balances of power upon which the North Atlantic Treaty bases the future peace of the world, are as terrifying in extent as were the Pharaohs. Do not call me an isolationist. Call me a realist. If there are any isolationists in this body they are those who are trying to foist upon the American people for the next 20 years the old equilibrium theory of history which has failed time after time, or the archaic and ancient theory of the balance of power.

Let us face a few fundamental facts which have been brought out in this debate. Military alliances—and this treaty is a military alliance—have inevitably resulted not in peace, but in war; and the same Senators who today are trying to sell the North Atlantic Treaty as an instrument of peace are the ones who stood on the floor of the Senate within the past 2 years and asserted that all the rest of our foreign policy, including lend-lease, was for peace and not for war.

There are some other fundamental facts which we may as well realize. Every crisis, every emergency, which the United States has faced in the past several years has been answered on one theory—taking money out of the pockets of the American taxpayers. Let us realize this basic fundamental principle. We can buy a government in Europe, or any other place in the world, but we cannot buy the hearts, the souls, and the minds of their people. How do we expect the great democratic, liberty-loving, friendly allies who are to be members of the pact to look upon us? We are thoroughly despised today throughout the world.

Let me read to the Senate this editorial:

The reason that Britain's welfare state is about ready to go bankrupt is because the United States has a welfare state.

This remark is not an editor's aberration. It's the sober view, offered in all seriousness, of Mr. Ernest Bevin, the British Foreign Secretary.

Listen to the doleful Mr. Bevin:

"The United States is as much a welfare state as we—the British—are—

Do Senators think they love us? They hate us. They hate us for our cockiness,

for our smugness. The editorial goes on to say—

only it is in a different form. One of our difficulties in the balance of payments today is the fact that the United States, in carrying out its welfare policy, has given basic prices to agriculture * * *."

I quote further from Mr. Bevin, as he is quoted in the editorial:

"I do not object—to the American welfare state. I think it is right, but on our part we have not yet worked out basic prices for commodities in the return way * * *."

I quote further:

"The Marshall plan must not be belittled. It must not be allowed to run down. It must be allowed to be carried on to the final fruition of European cooperation * * *."

I read further from the editorial:

Among the other United States policies causing trouble Mr. Bevin cited our high unemployment-insurance program and sick pay and the possibility that a great medical service will be established by the Government.

Now that explains everything. The British have a welfare state set up to guarantee full employment and cradle-to-the-grave security. This welfare state is slowly going bankrupt because it all costs more than the economy can pay for. Britain hasn't enough money—there's a dollar shortage, remember—to buy the things it needs from the United States to keep the welfare state going.

And the reason it can't buy is that we have a welfare state too. That is, our Government is also trying in its modest way to guarantee full employment and provide cradle-to-the-grave security. That means that the United States has inflated its wage-price structure, particularly farm prices. So the British welfare state can't afford to buy much from the American welfare state.

Now the only hope in this situation is that the American welfare state still has some reserves left, a little extra left from what is consumed by the state. And this little extra must be given to the British welfare state lest Attlee's atelier comes tumbling down.

Thus the fond best wish of Britain is that the United States doesn't go in for any more state welfaring, so that the British can be supported in their welfaring.

And, strangely, Mr. Bevin's right. He's spoken the only sense we've seen in the overseas cables.

We can luxuriate in but one welfare state at a time. Somebody—in this case the United States—has got to keep solvent so as to be able to foot the bills.

Mr. President, we cannot have a welfare state, we have to remain economically strong in order to support the English welfare state. But by the North Atlantic Pact the British may say, "You can have an armed encampment in America while we go ahead with our welfare state, but you cannot spend your money at home, because we must go on with our national socialization."

The PRESIDING OFFICER (Mr. McMAHON in the chair). The time of the Senator has expired.

Mr. DONNELL. Mr. President, I yield two more minutes to the Senator from Indiana.

Mr. JENNER. Therefore, I say, Mr. President, the one best hope for peace on this earth is that we remain economically and militarily strong. Moscow will keep the peace only so long as we are strong enough to stay her covetousness.

All the jibberish and the double talk about this treaty was answered by the distinguished Senator from Georgia a few moments ago when that distinguished statesman said, "Of course there is a moral commitment." He did not refer to any specific article, but he said that moral commitment runs all the way through the treaty.

Of course, all Senators know that within the next 30 days there will be an arms implementation bill on this very floor for consideration, and again we will not get the truth, as we could not find out the truth about our commitment to Canada and the British about the atomic bomb, as we could not get the truth about what was told Norway would happen if she would come here and sign. We have been told that there will be a request for $1,450,000,000. I say that is a fraud on the American public. The $1,450,000,000 is for the cost of the transportation of war goods. It will cost the American taxpayer nearer $10,000,000,000 than a billion. So I come back to my basic conclusion, can America afford it? If we go into an economic tail spin, I say that there goes the last best hope for peace on earth.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DONNELL. Mr. President, I yield 13 minutes to the Senator from Ohio [Mr. TAFT].

Mr. TAFT. Mr. President, I would not speak again if it had not been for the remarks of the distinguished Senator from Georgia. I think, however, his address makes very clear the complete difference of opinion, among those who are supporting the treaty, as to what it means, whether there is an arms obligation or is not.

The distinguished Senator from Georgia said that there was a moral and legal obligation to give arms. He said if this reservation were adopted, it would kill the treaty. He said if this reservation were adopted, the treaty would mean nothing, and be ineffective. I disagree completely with his position, but it only points up the necessity of adopting the reservation, if one does not agree with the position of the Senator from Georgia.

Mr. President, his position is fundamentally different from that, for instance, of the Senator from Michigan [Mr. VANDENBERG]. The Senator from Michigan emphasizes the fact that the heart of the treaty is the warning to Russia that we will be in the war if there is a war. The arms are incidental. He said in his original speech:

I know, Mr. President, there are many friends of this great peace adventure who are inclined to put their overriding emphasis upon the subsequent physical implementation of the pact. There are those who count it disingenuous to take any other view.

I do not agree. Frankly, I should have much less interest in this treaty if I thought its repressive influence for peace is measured by or dependent on any such implementation.

Yet the Senator from Georgia says that is the essential feature of the treaty. The Senator from Michigan said further:

It is not the military forces in being which measure the impact of this "knock-out" admonition, important though they are. It is the potential which counts, and any armed aggressor knows that he forthwith faces this potential from the moment he attacks. It is this total concept which, in my view, would give even a reincarnated Hitler pause.

Mr. President, the question here is, and that is what the vote on this reservation involves, do we think this is the real heart of this treaty, the warning to Russia, the Monroe Doctrine effect, or do we think it is the arms implementation, the preliminary aid to all these European nations?

I agree fully with the distinguished Senator from Michigan, and when the Senator from Georgia says that this treaty does not mean anything without the arms, I think he fails to realize the tremendous departure from our policy proposed, something that was denied for 150 years by the leaders of this country. It was against the whole foreign policy of our Government. It is a great departure, but one I think is necessary, to say that we will be in a European war if Russia starts such a war.

The pact itself is a tremendous departure, a tremendous concession. That is the heart of the treaty. I think that if we merely make it incidental to the arms obligation, as the State Department is inclined to do, if we do not make it perfectly clear we are going to deal with the arms question when it comes before us without obligation to any nation, then I think we are taking an additional and unnecessary step, a step which defeats the very deterrent effect on war which the treaty itself, without the arms, imposes upon all of Europe, as so graphically said by the Senator from Michigan.

Mr. President, I believe the treaty ought to be an obligation of the type of the Monroe Doctrine. I think the distinguished Senator from Texas does not quite realize what the Monroe Doctrine was. He seemed to think it was a much more extreme thing than this treaty is. Of course it was not. I quote from the message to the Congress at the time the Monroe Doctrine was enunciated:

We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny, by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States.

I suppose what the doctrine refers to is aggression, and what it says is that

if there is aggression on an American state we will go to war. That is not said expressly. The United States is not bound in clear terms, as the treaty now before the Senate would bind us. The doctrine was stated in a mild way, but it was the most effective peace measure in the history of the world. It kept other nations from attacking South America. A similar doctrine respecting the North Atlantic area, without the arms, without even the bilateral obligations, I believe, would be exactly as effective as the Monroe Doctrine was with relation to South America.

The distinguished Senator from Texas says the Monroe Doctrine went further than the proposed treaty does. Of course it did not. It left us much more free than the Atlantic Pact would. Under the Monroe Doctrine we could determine whether the aggression was justified; perhaps whether it had been stimulated by the improper action of some South American state. A nation might go in to collect a debt, but if it was obviously going to get out immediately it had collected it, if there was no permanent aggression, we were not obligated to go to war. In case of aggression our war would probably be directly with the European state which threatened the aggression; it would, to a large extent, be a war at sea. But above all it included no arms for any South American nation. There was no arms program in connection with the Monroe Doctrine.

So it seems to me that if we adopt this treaty without reservation, in view particularly of the speech of the Senator from Georgia [Mr. GEORGE], we are going far beyond the Monroe Doctrine. We are getting into a military alliance. That is what it would be. The moment we put the arms provision in the treaty the alliance becomes a military alliance. The moment we arm the signatory nations it becomes at least a potentially offensive military alliance, because today nobody can separate offense from defense. The arms given for defense can be used for offense. The days of the Maginot line are gone. Defense is a dynamic, active process which consists largely in attacking the other nation at its weakest point. When we undertake to arm these nations to the teeth we turn a defensive alliance into an offensive alliance. Under the treaty we would obligate ourselves to go to the defense of the nations parties to the treaty, if they are attacked, no matter what the reason for the aggression is.

It seems to me that the pact, with the arms provision in it, would be no longer a deterrent. It would rather be an incitement to war, because Russia knows that we cannot complete the arming of these nations for 3 or 4 years. Russia may feel, if we were going to furnish arms to the signatory nations, that she would be justified—I do not think she would be justified, but she might think she was—in taking action against them before they were fully armed. She might contend that by our action she was going to be surrounded with arms from Norway to Turkey, and that sooner or later means war. In that event Russia might want war before we could arm the nations fully. We cannot arm them for 3 or 4 years.

For that position I have the general support, in fact my belief grew from the position of the distinguished junior Senator from New York [Mr. DULLES], who in an article published in the New York Times on March 9, 1949, was quoted as saying the following:

> JOHN FOSTER DULLES bluntly warned the negotiators of the proposed Atlantic Pact today to avoid all commitments that might be construed by the Soviet Government as "bringing United States military might" directly to Russia's Scandinavian border * * *.
>
> * * * * *
>
> While the Soviet Government has no present intention of resorting to war as an instrument of national policy, nevertheless, said Mr. DULLES, it can be assumed that the Soviet state would use the Red army if its leaders felt that their homeland was imminently and seriously threatened.
>
> * * * * *
>
> It would, indeed, involve a high tribute to Soviet leaders to assume that, under these circumstances, they would exercise more self-control than would our people under comparable circumstances, as, for example, if the Soviet Union had military arrangements with a country at our border.

I think once the arms provision is added to the treaty it rather makes war more likely instead of making peace more likely.

As I said before, I believe the treaty is a violation of the whole theory of the United Nations. The United Nations permits nations to say, "We will come to the defense of each other if we are attacked and the United Nations does not act." It fills up a gap because of the veto in the United Nations. The United Nations Charter does not contemplate that under article 51 one of the most powerful nations of the world shall undertake to arm one-half the world against the other half. The United Nations looks to a gradual reduction of armaments. It does not contemplate the building up of an armament race.

It seems to me this treaty, taken altogether, with the arms, the whole program, which I think is inseparable unless we now make it perfectly clear that it is separable, unless we say in the reservation that we do not give the arms—I think this whole program means an armament race in Europe, and armament races in the future, as in the past, in my opinion, are more likely to lead to war than to peace.

The VICE PRESIDENT. The time of the Senator from Ohio has expired.

Mr. DONNELL. Mr. President, how much time have I left?

The VICE PRESIDENT. Eight minutes.

Mr. DONNELL. I yield myself the remaining portion of my time.

The distinguished Senator from Georgia [Mr. GEORGE], speaking to the reservation "That the United States of America ratifies this treaty with the understanding that article 3 commits none of the parties thereto, morally or legally, to furnish or supply arms, armaments, military, naval, or air equipment or military, naval, or air supplies, including bombs and information relating to such bombs, to any other party or parties to this treaty," says very clearly the following, and I have in my hand a transcript of his statement:

> It would be difficult, Mr. President, to devise a reservation which would more completely negate the treaty.

At a further point the Senator from Georgia said:

> Mr. President, a mutual-aid treaty specifically aimed to safeguard the members of the treaty against armed attack would itself be morally repudiated, it seems to me, if we were to say that there is no obligation resting upon us, either moral or legal.

So we find the distinguished Senator from Georgia coming here as a witness, direct and positive and unequivocal, to the effect, as I read his testimony, that there is an obligation under this treaty to furnish arms. For the Senator from Georgia, who is now upon the floor, said that the reservation which is proposed, which undertakes to say that the United States ratifies the treaty with the understanding that article 3 commits none of the parties to the furnishing of arms negates the treaty; therefore, obviously, he believes the treaty to be diametrically opposed to the provisions of the reservation.

Mr. President, the distinguished Senator from Georgia shows, if I may be pardoned by him and by the Senate, a most unusual conflict of opinion, as I read his statement. In the earlier part of it he said, with respect to the reservation:

> It is quite true that hereafter, if the treaty is ratified, the Congress might, even in the face of the reservation, furnish or supply arms, armaments, military, naval, or air equipment or military, naval, or air supplies to any other party or parties to this treaty.

I may interpolate, Mr. President, that I think he is entirely correct; that even if the reservation is adopted, Congress does have the right and power of its own volition, but not because of an obligation, to furnish the arms, armaments, and so forth. But on a subsequent page in his testimony, what do we find he said? He said:

> It is true that the treaty does not raise an express obligation or commitment to furnish arms or military aid, but it does not exclude those things. That question is left to the Congress. But if we undertake by reservation to exclude, we may in the next reservation say that we will furnish no money.

Mr. President, this reservation does not exclude arms or armament, or any of the other equipment. It merely provides that we ratify the treaty with the understanding that we are not committed by article 3, but that it is left open to our own judgment.

Awhile ago I mentioned on the floor of the Senate a very significant observation by the Minister of Foreign Affairs of little Luxemburg, one of the signers, which I judge, by the way, will have the same vote on matters in the council as we do. What did the distinguished Foreign Minister say? This is what he said on the afternoon the treaty was signed.

This is his official speech made at that time:

Nothing proves better this ineluctable solidarity of the destinies of our countries than the fact that the United States, breaking with a tradition two centuries old, is concluding a military alliance in peacetime. That is an event of extraordinary historical significance for the United States and of the utmost importance for Europe.

To say that this is not a military alliance, to say that this treaty does not contemplate the binding of the signatories to furnish arms and equipment, to my mind is an absolutely mistaken construction of the treaty.

We were challenged this afternoon by the Senator from Texas [Mr. CONNALLY] to show any danger whatsoever to the United Nations from this charter. I accept that challenge. I point out to him testimony which the Senator highly regards, and which I highly regard, the testimony of the distinguished junior Senator from New York [Mr. DULLES], in which he points out a number of dangers, one of which is that of the bypassing of the United Nations. I do not have time to develop the point. I made it on the floor of the Senate the other day, and quoted the Senator from New York. In substance it is that there is a danger in the event that this body of 11 nations shall consistently and frequently begin to meet together and decide things together. There is danger of arousing antagonism, antipathy, and envy—possibly even conflict—and breaking down the United Nations by reason of the bloc formed within it. Plenty of dangers to the United Nations could be readily demonstrated.

In my mind, and in the minds of many Senators, this treaty is a step designed to carry this Nation forward into a federation of nations. A Senator from New Jersey on my side of the aisle and a Senator from Tennessee on the other side of the aisle rose and eloquently and powerfully portrayed the advantages of a federation of nations. We were told by the distinguished former Secretary of War, Mr. Patterson, before the committee that the plan in behalf of which he, Justice Roberts, and Mr. Clayton appeared before the committee envisaged the idea of a legislature of the federation of the world. I questioned him on this point. I read the following from page 615 of the committee record:

Senator DONNELL. There would be a legislative body which would pass laws which would apply to all of the component entities, one of which would be the United States of America; is that right?

Mr. PATTERSON. Yes, sir; within the limited fields.

Senator DONNELL. Which include the political, economic, and military fields?

Mr. PATTERSON. Yes, but, of course, limits within those fields, too.

Senator DONNELL. Could you tell us what those limits are?

Mr. PATTERSON. Those are the limits where local interests were believed to be predominant.

Senator DONNELL. And who would decide whether or not they were predominant.

Mr. PATTERSON. That would be in the charter that you would adopt.

Senator DONNELL. Would you plan that the union itself, the Atlantic union, would decide whether or not local interests were predominant, or would each particular component country in that union have the right to determine whether local interests were predominant?

Mr. PATTERSON. No nation would join it who thought its proper local interest would be infringed.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. WHERRY. I ask the Senator from Missouri if he will read into the RECORD the provisions of the Atomic Energy Act relative to international arrangements?

Mr. DONNELL. I am glad to do so. Section 8, under the heading "International arrangements," reads as follows:

SEC. 8. (a) Definition: As used in this act, the term "international arrangement" shall mean any treaty approved by the Senate or international agreement hereafter approved by the Congress, during the time such treaty or agreement is in full force and effect.

(b) Effect of international arrangements: Any provision of this act or any action of the Commission to the extent that it conflicts with the provisions of any international arrangement made after the date of enactment of this act shall be deemed to be of no further force or effect.

(c) Policies contained in international arrangements: In the performance of its functions under this act, the Commission shall give maximum effect to the policies contained in any such international arrangement.

Mr. President, this afternoon I wish to renew with all the power within me the feeling that we are making a great mistake in binding our country by a series of exceedingly strong obligations to a course of action for 20 long years, without the ability to repent at any time during that period. The treaty would be binding, not only on ourselves, but upon the generation yet unborn.

The PRESIDING OFFICER. The time of the opponents has expired.

Mr. CONNALLY. Mr. President, I yield 10 minutes to the Senator from California [Mr. DOWNEY].

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mr. DOWNEY. Mr. President, it is my intention to vote for the pending treaty and against all reservations. However, I have little to add to the profoundly able debates which have preceded my statement. I wish to associate myself with the statesmanlike addresses delivered by the distinguished Senator from Texas [Mr. CONNALLY] and the distinguished Senator from Michigan [Mr. VANDENBERG].

I wish, however, to present to the Senate the views upon this treaty of Upton Sinclair, one of America's noted authors. Recently I received a letter from Mrs. Sinclair enclosing a statement which her husband, Mr. Sinclair, had made in advocacy of the Atlantic Pact. I ask unanimous consent that the letter be printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MONROVIA, CALIF., *May 7, 1949.*

Senator SHERIDAN DOWNEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR DOWNEY: When you and I last met we were discussing the various personalities which had helped to make and to break Epic. Maybe you recall what I told you was the reason for the peculiar behavior of one of them. I'm taking him as a sample of the behavior pattern (to use a psychology term) which distinguishes the Commies all over the world. (I don't know what became of him; I presume that he still functions somewhere in the devious way in which he functioned in Epic.)

Now we are living on a planet infested with swarms of such people; they have multiplied and spread into every country, and won the suffering, ignorant masses to a belief that communism will give them freedom from their sufferings and revenge on all who possess even small amounts of material goods. But we, of this fairly comfortable United States of America, go about our daily pleasures and chores with a false sense of security, partly due to our ignorant belief that the atom bomb will save us from Russia's grim determination to rule the world, and partly due to our self-indulgent wish to enjoy each day, without sacrificing even a portion of it, to the protection of our inherited freedom. We take this freedom for granted because our forefathers fought for it and we inherited it—just as the sons and daughters of rich parents take their economic security for granted. And so, it is history repeating itself; it is the glory and luxury of ancient Rome and ancient Greece falling into the decay which preceded the conquests which ended the glory and luxury.

I'm presuming to make this little speech to you because I have spent my adult life as the wife of a man who was spending his as a crusader for human freedom, and so have had to become a close observer. During those years I knew many of the individuals who left the Socialist Party to become Communists. They were of the congenital adventurer type, who can be thus typed because they all displayed one identical behavior pattern. It is the old rule-or-ruin type. And they are devious.

We have been out of politics for years, because we knew that no writer should give up his most effective tool, the pen, for one which other men are better fitted to use, and because both of us came out of that terrific Epic campaign too ill physically to endure any more political activity. But recently we saw that the time had come when we could no longer retain this political isolation. Upton would have to declare his opinion in a public way, because the devious Communists were misusing his name and influence. This misuse of his name was not new, but what was new was the crisis in the cold war. The false peace offensive of Russia to prevent the accomplishment of the purposes of the Atlantic Pact included the propaganda activities of all the small but powerfully effective Communist-front groups. It was in these groups all over the world that his name was being misused.

It was the same pattern of deviousness reported to us in letters from the readers of his books all over the world. So cleverly had he been misrepresented that many of his readers wrote that they were not sure where he stood.

Now, I'm sure that you know that he does have a lot of influence on "the people." Perhaps you do not know that this influence is scattered all over the world; for his books have been translated and read all over, for a third of a century, beginning with The Jungle, which had wide distribution in both Germany and Russia as well as in other countries. One of the tragic difficulties of the present is that the average person does not know the magnitude of the difference between Russian communism and what on the European continent is called social democracy and in England Fabian socialism. An example of this difference exists, however, today for all to see, if only the average citizen wanted to trouble himself to see. I mean the difference between

Russia under communism and England under the British Labor Party. Russia is a police state, threatening the freedom of all peoples everywhere. In England there is an extension of the New Deal, as we had it during the Roosevelt regime. In Russia there is violence and ruthless suppression. In England there is freedom of speech, the secret ballot, and the decent self-discipline of a people using these instruments of freedom to further achievements of democracy.

This is a heart-to-heart letter from Upton's wife to a United States Senator who was his running mate on the Democratic ticket in the epic campaign of 1934. I hope you give it a little of your thought.

Our foreign policy at this hour is more urgent than any legislation concerning our internal affairs, urgent as these may be.

I am supplementing this letter with a copy of a statement Upton has just sent off to the New Leader for publication in that rather small but excellent New York newspaper. I feel sure I am not asking too much of your time, crowded as I know that time to be. As I said before, I know, or have known, individual Communists, and so can see the meaning of Russia's "peace" offensive.

Sincerely,

MARY CRAIG SINCLAIR.
(Mrs. U. S.)

Mr. DOWNEY. Mr. President, I was a candidate for Lieutenant Governor of California on the Democratic ticket in 1934. Upton Sinclair was then the Democratic candidate for Governor. During several months of the campaign I became intimately acquainted with him. Throughout his life Mr. Sinclair had been an ardent, outspoken, and crusading Socialist. Although I had never believed in the same political principles as had he, I recognized always his candor, his burning genius, and his profound devotion to the welfare of all humanity.

It is said that his works now are more widely read throughout the world than are those of any other American or foreign author. In the past decade Mr. Sinclair has written nine great books, known as the Lanny Budd series, on international subjects. One of them, Dragon's Teeth, received the Pulitzer prize in 1943.

These novels constitute, in my opinion, one of the greatest outpourings of genius, both in quality and quantity, that have ever occurred in the literary world.

The statement which was enclosed by Mrs. Sinclair, from her husband, is very brief, and I wish now to read it to the Senate:

(By Upton Sinclair)

I have been asked by the new leader to elaborate on my statement concerning Russia which was embodied in an article by Prof. George Counts, published in the March 19 issue of that paper. Last January Professor Counts kindly wrote me that Mr. Fadeyev had included me in a published list of the "finest writers, artists, and scientists of the capitalist world" who "invariably have become friends of the U. S. S. R."—the "whole flower of world culture." On January 6 I wrote Professor Counts the reply which he published in the above-mentioned article. In this reply I called Russia "a reactionary, nationalist imperialism" and said that "the present party line is bound to lead to another world war." I told Mr. Fedeyev that either he "had not read my books" or that "they have been incorrectly translated in the Russian editions."

Mr. Fedeyev's kind of misrepresentation of Socialists had become an old story to me. It began in the 1920's when Willi Munzenberg in Berlin took to signing my name to manifestos which I had never seen; I warned him twice in letters, and when he did it again I exposed him in an article in Vorwarts, the Social-Democratic newspaper of Berlin. But no writer whose books are published as mine are in most of the countries of the world can answer all the falsehoods and misrepresentations made about him by individual Communists. It would take a staff of translators and secretaries and a small fortune, none of which I ever possessed.

For the past 12 years I have devoted myself to writing a series of historical novels depicting the world in our time. I have tried in these books to give all sides a hearing, as an honest historian should. I could only hope that they were honestly translated.

I have defended the right of the people of Russia to choose their own form of government, as long as I could hope they were choosing it. But I have been forced to realize that it does not happen. The Communists themselves make it impossible for an honest man to defend anything they do. They take advantage of any such defense by pretending that he approves of everything Russia does, just as Mr. Fedeyev did.

I have spent my life in upholding American democracy by criticizing its imperfections in order to help all of us to continue improving it. For this right to openly criticize, I thank my God and those great American revolutionists who gave us our freedom and the Constitution under which we enjoy this right.

The Russian people were given a Constitution which proclaimed their freedom, but it is never made effective in practice and is nothing but camouflage. Indeed it turned out to be one of those many devices by which the Communist leaders have, throughout the years, misled the liberals outside of Russia into believing that Russia was building a free state.

If any one in Russia dared to criticize the evils of the present Russian system, as I have criticized those in my own country, he or she would be shot, and countless thousands have been so shot.

The failure of the Russian leaders to improve upon the inhuman regime of Czarist Russia has brought all the truly liberal forces of the world into danger. Russia's brutal Communist regime has made it all too easy for fascism to proclaim that all brands of liberalism are dangerous and lead to despotism.

It is necessary for the world outside of Russia to show up the Russian rulers and keep them from expanding their power. Incidentally, this is the only thing we can do to help the people of Russia. The free peoples everywhere must be saved from the war of world conquest which Russia's leaders are fomenting. For that reason we must unite wholeheartedly with the other free peoples of the world in the Atlantic Pact.

I have thus quoted at some length from Upton Sinclair because of my conviction that his noted voice, both in America and abroad, should be heard in this debate, and by his millions of devoted readers scattered everywhere.

Mr. CONNALLY. Mr. President, how much time have we remaining?

The PRESIDING OFFICER (Mr. GEORGE in the chair). The Senator has 28 minutes remaining, so the Clerk advises.

Mr. CONNALLY. I yield 5 minutes to the Senator from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. President, I shall add just a few words to the debate because of the regret I feel over the interpretation of this pact as made by my distinguished friend and colleague the Senator from Ohio [Mr. TAFT]. If I interpreted the pact in the way he does—as an incitement to war and a balance-of-power armament race—I would be as much opposed to the pact as he is. But I hope I can indicate my own interpretation of the pact in a few words; and I express the hope—I admit it is a very vague one—that if the Senator from Ohio could only interpret the pact in the way I do, he would vote for it.

I have put down my points in order, and I shall present them briefly in an endeavor to make clear what the whole debate means to me.

First of all, Mr. President, it seems to me that the North Atlantic Treaty is the essential next step since the United Nations Charter was ratified in the great movement toward international collaboration to preserve the peace. The only reason we have to have this treaty at this time is that the United Nations failed to function as intended because of the abuse of the veto power. Because of that difficulty, we now have no way to use the collective force of the world to stop aggression. It is my considered judgment that had Hitler faced an Atlantic Pact he would never have started World War II.

My second thought is this: This treaty is the logical next step in the development of our conception of the Monroe Doctrine, and it makes possible the extension of the Monroe Doctrine because the nations affected welcome it and are a part of it. The whole purpose of the Monroe Doctrine was to preserve our independence, our way of life, and our democracy. As I construe the North Atlantic Treaty, it has exactly the identical purpose and is a logical development of our original Monroe Doctrine conception.

My third point is that the Atlantic Pact is basically an expanded Monroe Doctrine, which the Senator from Ohio has stated he hoped we might have, but with this important difference—and here is where I differ from the Senator from Ohio: It is not a unilateral declaration but is a collective assumption of responsibility. I think this treaty is a multilateral acceptance of responsibility, and I believe that the nations participating in the treaty desire to have it work in that way. Certainly the nations of South America no longer wish to be treated paternalistically, but they wish to accept their own responsibility and be treated accordingly. The Act of Chapultepec and the Rio Pact are evidence of the development of a unilateral Monroe Doctrine into a multilateral doctrine. Today our independence, our way of life, and our democracy are threatened, just as they were in the days of Monroe and Canning; but we have learned that in order to preserve them in the present contracted world we must include in our pacts of mutual aid the democracies of western Europe, as well as our fellow Republics of the two American continents. Mr. President, I submit that this treaty is a logical development of the principle of the Monroe Doctrine.

My fourth point is that the treaty obviously creates obligations, but a vote for the treaty does not bind any of us to vote for an armament program which may call for specific armament aids to specific countries. There should be no arming of separate countries. There should and will be, undoubtedly, recommendations from the Council set up under article 9, and a joint defense program undoubtedly will be recommended and probably will be adopted, with all the treaty countries participating. That will be a joint, over-all interpretation of what the treaty means—not an armament race, but just the reverse, namely, an attempt to reduce armaments by this approach.

My fifth point is that it should be pointed out and emphasized that beyond any specific military preparations—I admit that in the near future such specific military preparations on our part would be inadequate in case Russia were to decide to move aggressively immediately; and I believe that too much stress has been placed upon that point—the big value of the pact is its psychological effect in warning any aggressor country that very definitely we will be lined up with the other Atlantic Pact countries to protect the whole area against aggression. We intend to bring out clearly that we favor all attempts for self-help and mutual aid, other than merely military aid, and that we will do all we can to make the participating countries strong economically, socially, and spiritually. It is this emphasis which, to my mind, has been overlooked in our debates, but I believe it is the all-important emphasis. The spotlight should be taken off the military phases, and should be placed on the psychological value of the pact as a whole and the mutual aids, such as ECA and other operations, given to participating countries, which will make all of them a united front against the threat of another world war.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. SMITH of New Jersey. Mr. President, I wonder whether I can obtain an additional half minute, in order to conclude my remarks.

Mr. CONNALLY. I yield an additional half minute to the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, my sixth point is that any proposals for joint military aid must be treated on their own merits, and can be adequately considered after the pact has been ratified and the over-all psychological defense has been perfected.

My seventh point is that the pact is within the spirit of the United Nations, and will aid in the development of the over-all purposes of the United Nations in the preservation of peace.

We need the pact in order to make the United Nations succeed.

Mr. CONNALLY. I yield 9½ minutes to the Senator from Wisconsin [Mr. WILEY].

Mr. WILEY. Mr. President, a few moments ago, as I sat back of the pillars and listened to the argument on the floor of this Chamber, the clock seemed to be turned back, and I remembered that Webster stood upon this floor and in his reply to Hayne, he began with the general idea that it was well to pause and chart our course. I think all of us are grateful that, under a government such as ours, we can pause, even if it takes weeks and weeks, to chart our course. I think we have charted the course here. While the pact has made queer bedfellows, I think that out of the discussion we are charting a course. I have no fear of the result. I trust the fears which we have heard expressed will vanish, and we shall know that light of the right kind has entered our minds to direct and guard and guide these people. We are but the servants of a great people, and we should not fear.

I have spoken twice on the pact. In a series of interchanges with my distinguished friend, the Senator from Missouri [Mr. DONNELL] on March 30, I stated my conclusion as to the meaning and obligations of the pact.

Mr. President, the pact means something. We are not entering into a mere scrap of paper.

Something was said a few minutes ago about our breaking with tradition. We broke with tradition in 1776. We have broken with traditions through the years of our national life when it meant progress. That [pointing to the painting] was a breaking with tradition when Lincoln signed the Emancipation Proclamation.

The world has been contracted through our ingenuity. The question is whether we are going to be adequate to meet the responsibility. I think we are. So I would say to those who have expressed a little fear, "Fear not, God's in His heaven, all's right with the world." The Lord has looked after us, and if we play the game squarely as we should, as men, this Government will perform its obligations and the world will be our debtor.

I shall not discuss the reservations; they have been fully covered. I merely want to say the English language is a vehicle, a queer vehicle at times. One distinguished Senator said, on an occasion when he was leaving the old Senate, "The human mind is a queer contraption. Men can see what they want to see." I listened to the argument by the Senator from Georgia [Mr. GEORGE] and I listened to the argument of the Senator from Michigan [Mr. VANDENBERG]. I think they were complementary. I felt they both demonstrated clearly that the great result which would come out of this international arrangement or agreement was that America—America, Mr. President, mind you, the leader among the nations; your country and mine—speaks definitely, concretely, and dynamically in an age of uncertainty; speaks to the world as to where we stand. It says, in other words, "One for all, and all for one." Under one part of the pact it says, "If there is an attack, we are in there shooting." It says, in no uncertain language, that if and when the Congress of the United States deems it necessary to take steps to look after ourselves and the peace of the world, it will become necessary to take other steps in the nature of insurance. Some have called it providing arms, some have called it consultation, some have called it this and that. I care not what it may be called.

Mr. President, we are living in an age which is entirely different from the one in which our fathers lived. The traditions of our fathers which have been demonstrated to be sound and healthful, and applicable to world conditions today, we should maintain and retain. Let us recognize that the world of today is a different world from what it was in the days before World War II. We have planes now that will travel from 700 to 900 miles an hour. We have guided missiles that will go 3,000 miles. We have other instrumentalities. The good Lord only knows what is around the corner. It is not the same age. What is more, we have gravitated to a position of responsibility, and we are either going to meet it head on, or we are going to fail in our leadership in this critical age.

So, Mr. President, I am grateful for the opportunity to say a few words at the conclusion of this debate. I have no fear of the results. This pact will not bring the millenium. It will not cause war. It will not by itself make for peace. Russia and the peoples of the earth will decide the course of history. But this pact will, I hope, make for unity among the contracting parties and restrain any potential aggressor.

Within the four corners of this pact or treaty will be found the intent of the pact makers. Its purpose is clear, to provide unity of action to resist aggression.

Walter Lippmann, in his column as it appeared in the Washington Post of July 14, 1949, sets out clearly the argument in relation to the obligation of this country as interpreted by the Senator from Michigan [Mr. VANDENBERG], the Senator from Ohio [Mr. TAFT], and Secretary Acheson, the obligation in relation to supplying arms. It was this editorial of Lippmann's that caused me again briefly to restate my own viewpoint.

I am of the opinion that if this pact becomes the law of the land—

First. It does not in any way delimit the right of Congress to say what the implementation shall be, if any, under the pact.

Second. This, to me, is particularly clear because under article 9 there is the specific provision that the Council can only recommend the measures for implementation under 3 and 5. Recommend to whom? Answer: To the signers of the pact.

I hold that the international conditions or circumstances, as they develop, will determine the character and need of the implementation, and then the Congress will determine how this Nation shall meet that need. Of course, as a practical matter, if an emergency arises, the President, under his powers, would act. That power to act can be delimited neither by treaty nor by act of Congress.

In view of the fact that a military-aid bill is in contemplation and that previous discussion by the State Department with the leaders of other nations in relation to military aid may have created in the minds of some of the statesmen of the

other pact-signer nations the conclusion that the Senator from Ohio [Mr. TAFT] has contended for, namely, "that every one of the other signatories now believes it would acquire a treaty right to receive arms and that we have a treaty obligation to supply arms to each and every one of them," I believe the suggestion of Walter Lippmann in relation to any arms assistance that is to be given should be carried out, to wit: Make the European arms bill a part of the American military budget. Authorize the Pentagon to furnish arms to the European defense system up to a specific amount out of surplus, if that is found to be the right thing, and instruct the administration to find the money by economy within the existing military appropriations.

Mr. CONNALLY. Mr. President, how much time have we left?

The VICE PRESIDENT. Fifteen minutes.

Mr. CONNALLY. I yield 5 minutes to the Senator from Connecticut [Mr. MCMAHON].

Mr. MCMAHON. Mr. President, we do not make any facts when we ratify this treaty. We did not make any facts when we negotiated it. The treaty is the recognition of the facts which have been made largely by others. The policy we set forth in the treaty is a policy which every thinking man in the country knows we would have to adopt in the event a conflict should break out. The sensible part for us is to see that that conflict does not commence again. There are those who say we do not know whether the Kaiser and Hitler would have marched, if we had had this kind of instrument in existence in 1914 and 1939. But there are hundreds of thousands of our dead, and the dead of other lands, who lie buried all over the earth, who bear mute testimony to our failure to speak bravely and in time. The pact is an effort to prevent that terrible catastrophe from happening again. We have pledged our troth one with another to see to it that no aggressor dares again make war on the world.

The Senator from Ohio has referred to the fact that he wants to face realities, but it seems to me that he and every other Senator who has taken the position he has, has flown away into the stratosphere, and has denied the realities the Soviet Union imposes upon this country and upon the world. We who shall support this treaty are the ones who face reality—the reality of a despotic and cruel power which has said time and time again that it intends to inherit the earth. That, Mr. President, is what at all costs we are determined to prevent. That, Mr. President, is the reason for this treaty.

The Senator from Ohio talks about our facing an arms race. I pointed out last night that the greatest arms race the world has ever known is not faced—we are in it. We might as well admit it. There will undoubtedly come a time when the Soviet Union will be in possession of weapons of mass destruction, with which in sufficient quantities, she might be able to impose her will upon the world. When that day comes, the safety of this country will depend entirely upon the kind of combination we have with other free peoples of the earth. This is a step, and a mighty effective one, looking toward that day—that day which we are going to face just as surely as we are here in this Chamber today. That is facing reality, and any attempt to deny it is running away from it.

Mr. CONNALLY. Mr. President, how much time have we left?

The VICE PRESIDENT. Twelve minutes.

Mr. CONNALLY. I yield 5 minutes to the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I shall vote for ratification of the Atlantic Pact and against amendments or reservations. In voting for the pact, I refuse to assume any commitment, moral or otherwise, to vote for the military-aid program. This does not necessarily mean that I will be against the military-aid program. As a matter of fact, I favor a practical and intelligent military-aid program if it appears necessary. I favor anything that is a timely challenge to destroyers of peace. But I certainly reserve my judgment and my right to determine the kind of such military aid, its amount, and its duration.

I can see no inconsistency with this position as taken by myself or by my colleagues who, having voted in favor of the ratification of the pact, may vote against the military-aid program in the form recommended by the administration; nor would it be inconsistent for other Senators to vote against the ratification of the pact and yet support a military-aid program in a form satisfactory to them.

The Atlantic Pact and the military-aid program, although possibly dependent upon each other, are each separate and distinct. Their joining together is entirely dependent on the will of the Congress. The two may meet. But it is for the Congress of the United States, exercising its sovereign constitutional right, to determine the time and the conditions for such a meeting, and even whether this meeting should take place at all. It is with this understanding, confirmed by the distinguished senior Senators from Michigan and Texas as well as by the State Department, that I intend to vote for the pact.

I have no quarrel with those of my colleagues who will vote against the ratification of the pact. I respect their earnest determination to abide by the principles which guide them. It is perfectly clear by now that a more practical and more powerful instrument of peace than a mere military alliance could have been devised by the State Department. I can see behind some of the articles of this pact dark clouds of confusion leading possibly to mutual dissatisfaction and dissension among its signatories. A far better pact could have been written had the State Department taken the American people more into its confidence instead of conditioning and pressurizing American public opinion with its official propaganda machine.

In the political field the Atlantic Pact, like the Marshall plan in the economic field, contains a great idea. The idea is to ally a united front of peaceful nations against any design for conquest by a desperate nation feverishly rearming behind the iron curtain.

The American people are ready to meet this threat and are willing to undergo any sacrifice necessary to maintain peace in the world.

The State Department is apparently not yet quite ready to meet the challenge squarely. It could have produced a pact with a more practical and more effective instrument to carry out the great idea of cooperative defense of peaceful nations against the scheming war lords of any nation.

Thus, we are confronted with a most unwelcome choice: We must either vote for the pact, realizing that it is but little better than a military alliance and that it offers no permanent solution to the problem of world peace; or we must vote against the pact and run the risk of further encouraging aggression and discouraging our peaceful Atlantic neighbors. In voting for the ratification of the pact, I believe I choose the best of these two alternatives.

After the submission of the Atlantic Pact, the task of those who now favor its ratification would have been less difficult had the State Department been more logical and less inconsistent in its statements about the pact, its purposes, and its commitments. Instead of frank and direct statements on the relation between the Atlantic Pact and military aid to other signatory nations, we were given statements which tried to satisfy everybody and pleased no one.

At first it was stated officially that the Atlantic Pact constitutes a moral commitment for military aid to Europe now. Later it was officially stated in the Department of State Bulletin that the military assistance program was formulated, not only separately, but even before the Atlantic Pact was formulated. And as for commitments, legal or moral, the latest position in the State Department is that the ratification of the Atlantic Pact does not commit us in any way, shape, or manner to the military assistance program.

Again, until quite recently, the speeches of State Department officials were bristling with the phrase "implementation of the pact"—meaning the military aid program that would follow the ratification of the pact. Today, I understand, the word "implementation" is taboo.

I submit, Mr. President, that when the American Nation is about to be launched on a new and perilous journey of peacetime military alliance, when we are about to undertake a new and gigantic experiment jointly with the nations of western Europe, numbering about 200,000,000 people, it would have been far better not to have been confronted with the contradictory and illogical statements of the framers of the Atlantic Pact.

Mr. President, I have delivered approximately half of what I had prepared to say, and I now ask unanimous consent that the remainder of my remarks may be printed in the RECORD, in order that I may give back a little of the time allotted to me by the Senator from Texas.

The VICE PRESIDENT. Without objection, it is so ordered.

The remainder of Mr. AIKEN's speech is as follows:

There are other circumstances that make the passage of the Atlantic Pact more stormy than it should be. It is a strange coincidence that the latest of the inevitable series of British pound crises should have coincided with the debate on the Atlantic Pact.

Another strange coincidence is the reported demand by the British Government for detailed information and assistance to build atomic bombs. Why is this demand—a demand which apparently is so weighty and so urgent as to cause the President to call an extraordinary meeting—why, I ask, is this demand made now during the critical phase of the debate on the Atlantic Pact? Is it by any chance to impress the United States Senate with the thought that unless Britain is lifted once again from her deep financial pit—a pit which in large part is of the British Government's own digging—that unless we rush to her assistance with extra billions of dollars she will regretfully have to produce her own atomic bombs and make her own arrangements with other European nations and perhaps with Soviet Russia?

I should have much preferred to hear about an extraordinary meeting under our President in which there would be discussed not the question of how to produce British atomic bombs with the help of American dollars, but the question on which our survival might depend, and that means how to stop ideological fanatics from producing and using any atomic bombs; how to avert the impending atomic catastrophe; how to lift from the backs of the farmer, the working man, and others, the back-breaking load of the armament race; how to put out the flames of violence and war that are breaking out more and more often over the fear-drawn face of the earth; how to use the might of America and the yearning of humanity to establish a world organization based on a world law against aggressors, interpreted by a world court and enforced by a world police from all peaceful nations.

We have been disappointed with the results obtained by the United Nations. Although it has many fine and constructive accomplishments to its credit, particularly in the economic and cultural fields, the stern fact remains that it has failed, and failed sadly in its primary purpose, as stated in the UN Charter: "To maintain international peace and security."

Ever since the United Nations was founded, well-intentioned people have been asserting that its structure was sturdy, that it needed only time to grow and become strong. I have been one of those people. Now, however, it has become apparent to all that in preventing armament races and ridding the world from the fear of war it has been impotent. Impotent because of the veto right.

It has been said that it is the Russian misuse of the veto which prevents the United Nations from functioning. This is not technically true. The veto right is there in the Charter, duly approved and signed by all members of the United Nations. Russia has a perfectly legal right to use this power.

It is not Russia's vetoes that are endangering the future of the United Nations and the world. It is the obvious defects in the Charter itself, which enable Russia or any other permanent member to paralyze it at will.

It was not the absence of the United States that caused the downfall of the League of Nations. It was the presence of the same defects we see now in the Charter of the United Nations. Great promises made in the United Nations Charter have been betrayed through these fatal defects. It was promised there to eliminate the armament race. That promise is a tragically empty phrase.

Only 4 years after the United States Senate ratified the United Nations Charter we are witnessing the biggest armament race of all time. The substance of America, of Russia, and of the world is being sapped by this cancerous growth. No nation in the world is immune from this all-devouring plague that could spell certain disaster even to America in spite of our vast resources. Even the Marshall plan with its gigantic appropriations is but a stream flowing into the raging sea of destructive armament production.

It was solemnly promised in the United Nations Charter to build an international police force to protect the many peaceful nations against the violence of the few. Today, after 4 years of fruitless efforts, the United Nations has not even a company of soldiers, nor is it likely to have, except as private guards to its officials.

When the United Nations was confronted with the terrifying problem of the atomic bomb, it failed after its Commission held over 200 meetings.

Yet it is clear to every thinking American that unless we can stop the armament race, remove the atomic threat before it engulfs us, and establish an international police force of all peaceful nations, this Atlantic Pact, or a hundred Atlantic pacts, can only postpone but never prevent a catastrophic war of nations.

But if we use the Atlantic Pact as an instrument to produce a greater influence for a truly effective world organization, then the Atlantic Pact may prove to be the foundation stone for a world pact within which the American, the Russian, and all other peoples may work side by side for lasting peace.

This is the reason why I, together with 10 of my colleagues, subscribed on July 8 to the resolution so ably presented to this Senate by the distinguished junior Senator from Alabama for the extension of the Atlantic Pact either into a revised United Nations or into a world pact open to all nations including Russia, should she choose to join, and for the establishment, meanwhile, of an Atlantic contingent from smaller nations as a nuclear international police force. We intend to pursue the principles and methods of this resolution when the military aid bill is introduced.

We seek no war with Russia, nor do we condone the appeasement of Russia. We believe there is a third way—a stronger and a nobler way. That way lies in the completion of the task begun by the nations of the world in San Francisco in 1945—the task of saving the world by the only way that the world can be saved—the way of a world organization under lawful authority to punish the actual, and to disarm the potential, aggressors.

The VICE PRESIDENT. Seven minutes remain.

Mr. CONNALLY. Mr. President, I yield 3 minutes to the Senator from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. President, whether one favors the ratification of the Atlantic Pact or opposes it, I am sure there is not a Member of the Senate who does not regret the necessity for this decision. It is not a choice we voluntarily assume, Mr. President, but it is a necessity which we feel compelled to face. There are some who see in the pact more danger than the uncertainty of not ratifying it in this body. On the other hand, others feel conscientiously that its calculated and unknown risks are better to be assumed than others of which we know not. So, Mr. President, I shall cast my vote for the advice and consent which I hope the Senate will give to the ratification of the pact.

I think it will be proven that the important part of this proposal is not that one which has been causing the most concern to some—the assumed obligation to furnish arms. The important part of the pact is the express obligation which we for the first time assume to go to the aid of any country in this group which is the victim of armed attack. We give up our freedom of choice to be neutral or to take sides; we abandon the previously enjoyed prerogative of debate and discussion, and we commit ourselves irrevocably to the defense of a nation which is the victim of an armed assault. That is a new and, it may be, a dangerous departure from our previous course in international policy.

I believe General Marshall stated the basis of this proposal when he appeared last year before the Committee on Foreign Affairs in the House and said that the purpose of this pact is to bring about an equilibrium in world power which we will make possible the effective functioning of the United Nations as it was intended to function when it was originally conceived. Because I think the pact, under all the circumstances, will contribute to a stronger United Nations and, in the end, an effect in world government and universal peace, I shall support it.

Mr. CONNALLY. Mr. President, I yield myself 2 minutes.

I have in my hand a letter from the Secretary of State dealing with reservations. I do not think I shall have time to read it all, but I ask that it be incorporated in the RECORD in full.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, July 15, 1949.

The Honorable TOM CONNALLY,
United States Senate.

DEAR SENATOR CONNALLY: In response to your request for my views concerning the various reservations which have been proposed with respect to ratification of the North Atlantic Treaty by this Government, I should like to deal with them collectively in this letter. I am also writing you concerning each of them individually.

The effect of the proposed reservations would be to cast doubt upon the determination of the Government and people of the United States to do their utmost for peace and thereby substantially to nullify the effectiveness of the treaty as an instrument for accomplishing its great purpose—the maintenance of peace.

The treaty has been negotiated and signed by the United States as a major step in carrying out the advice given by the Senate when it adopted Senate Resolution 239 by an overwhelming vote. Among the objectives which that resolution advised the President that the United States should particularly pursue was:

"Contributing to the maintenance of peace by making clear its determination to exercise the right of individual or collective self-defense under article 51 should any armed attack occur affecting its national security."

I attach great importance, as I am sure the Senate does, to those words "making clear its determination." The treaty has been designed, with full and complete constitutional safeguards, to make our determination just as clear as is humanly possible. In transmitting it to the Senate the President stated:

"The treaty makes clear the determination of the people of the United States and

of our neighbors in the North Atlantic community to do their utmost to maintain peace with justice and to take such action as they deem necessary if the peace is broken."

This vital element was also stressed by the Foreign Relations Committee's report in dealing with the main purpose of the treaty and in its summary of reasons for recommending ratification.

I cannot stress too much the importance of making clear our determination if we are to accomplish our great objective of maintaining peace. Anything which casts doubt upon our determination, or the will of the American people, as would adoption of the proposed reservations, would greatly reduce the effectiveness of the treaty as a contribution to peace.

I can think of few events that would cast more doubt upon our determination to do our utmost for peace than for the Senate of the United States to accept amendments to the pending resolution which would involve the renegotiation of the North Atlantic Treaty. The treaty has been concluded after long and painstaking negotiations in which there was full consultation and cooperation between the United States negotiators and the Foreign Relations Committee, and in which the United States negotiators scrupulously followed Senate Resolution 239 as their directive, even to the extent of embodying some of its actual language in the treaty. It has the strong and unanimous support of the Foreign Relations Committee. To reopen negotiations with 11 other nations, 5 of which have already deposited their ratifications, would give rise at least to prolonged delay in bringing the treaty into effect and would certainly create the greatest uncertainty as to the intentions and dependability of the United States. Such action by the United States would not only raise doubts as to our determination in the minds of those who might be considering aggression, but would certainly raise the gravest doubts in the minds of our partners in the pact and thereby destroy the momentum of confidence which has been growing steadily as the result of the determination hitherto shown on the part of the free nations to act resolutely together.

In view of these considerations, which I know from statements you and Senator VANDENBERG have made during the debate that you have much in mind, I strongly hope that the treaty will be approved by the Senate without any reservations whatever.

Sincerely yours,

DEAN ACHESON.

Mr. CONNALLY. One of the most important portions of the letter is as follows:

I can think of few events that would cast more doubt upon our determination to do our utmost for peace than for the Senate of the United States to accept amendments to the pending resolution which would involve the renegotiation of the North Atlantic Treaty. The treaty has been concluded after long and painstaking negotiations in which there was full consultation and cooperation between the United States negotiators and the Foreign Relations Committee, and in which the United States negotiators scrupulously followed Senate Resolution 239 as their directive, even to the extent of embodying some of its actual language in the treaty. It has the strong and unanimous support of the Foreign Relations Committee. To reopen negotiations with 11 other nations, 5 of which have already deposited their ratifications, would give rise at least to prolonged delay in bringing the treaty into effect and would certainly create the greatest uncertainty as to the intentions and dependability of the United States. Such action by the United States would not only raise doubts as to our determination in the minds of those who might be considering aggression, but would certainly raise the gravest doubts in the minds of our partners in the pact and thereby destroy the momentum of confidence which has been growing steadily as the result of the determination hitherto shown on the part of the free nations to act resolutely together.

Mr. CONNALLY. Mr. President, permit me to say that the purpose of all reservations is to dilute and water down the treaty itself. The purpose of those who propound reservations is to cut and chisel away some parts of the treaty they do not like. I hope Senators will vote against all reservations and in favor of the ratification of the treaty.

The VICE PRESIDENT. The Senator's 2 minutes' time has expired. He has two more minutes.

Mr. CONNALLY. I yield the balance of my time to the Senator from Illinois [Mr. LUCAS].

The VICE PRESIDENT. The Senator from Illinois is recognized for a minute and three-quarters.

Mr. LUCAS. Mr. President, that will be sufficient time. I merely asked the distinguished chairman of the Foreign Relations Committee for a minute or two in order that I might at this time pay a tribute to all members of that committee. The painstaking way in which the members of that committee exhaustively considered every phase of the North Atlantic Pact seems to me to deserve the appreciation and the sincere commendation of all Members of the Senate, irrespective of how they shall vote.

I wish to pay special tribute to the distinguished Senator from Texas [Mr. CONNALLY], the chairman of the committee, as well as the leading minority member, the distinguished Senator from Michigan [Mr. VANDENBERG]. From the beginning to the end of the hearings and throughout the debate on the floor of the Senate the discussion has been kept upon a high and dignified plane. Not one utterance, I believe, will be found in which there was any partisanship shown in connection with this great, controversial issue, an issue perhaps as soul searching and far reaching as any that has ever been debated in the Senate of the United States.

The VICE PRESIDENT. The Senator's time has expired. All time for debate has expired. The vote first comes on reservation No. 1, as modified, offered by the Senator from Nebraska [Mr. WHERRY], for himself, the Senator from Ohio [Mr. TAFT], and the Senator from Utah [Mr. WATKINS].

Mr. DONNELL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will state the reservation, as modified.

The CHIEF CLERK. It is proposed to add the following at the end of the resolution of ratification:

The United States of America ratifies this treaty with the understanding that article 3 commits none of the parties thereto, morally or legally, to furnish or supply arms, armaments, military, naval or air equipment or military, naval, or air supplies, including atomic bombs and information relating thereto, to any other party or parties to this treaty.

The VICE PRESIDENT. The question is on agreeing to the reservation as modified. The yeas and nays have been ordered, and the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the senior Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly, meeting at Rome, Italy.

The result was announced—yeas 21, nays 74, as follows:

YEAS—21

Brewster	Flanders	Schoeppel
Bricker	Jenner	Taft
Butler	Johnson, Colo.	Taylor
Byrd	Kem	Watkins
Cain	Langer	Wherry
Cordon	Malone	Williams
Donnell	Martin	Young

NAYS—74

Aiken	Hoey	Morse
Anderson	Holland	Mundt
Baldwin	Humphrey	Murray
Bridges	Hunt	Myers
Capehart	Ives	Neely
Chapman	Johnson, Tex.	O'Conor
Chavez	Johnston, S. C.	O'Mahoney
Connally	Kefauver	Pepper
Douglas	Kerr	Reed
Downey	Kilgore	Robertson
Dulles	Knowland	Russell
Eastland	Lodge	Saltonstall
Ecton	Long	Smith, Maine
Ferguson	Lucas	Smith, N. J.
Frear	McCarran	Sparkman
Fulbright	McCarthy	Stennis
George	McClellan	Thomas, Okla.
Gillette	McFarland	Thomas, Utah
Graham	McGrath	Thye
Green	McKellar	Tobey
Gurney	McMahon	Tydings
Hayden	Magnuson	Vandenberg
Hendrickson	Maybank	Wiley
Hickenlooper	Miller	Withers
Hill	Millikin	

NOT VOTING—1

Ellender

So reservation No. 1, offered by Mr. WHERRY, for himself, Mr. TAFT, and Mr. WATKINS, was rejected.

The VICE PRESIDENT. The Chair would like to remark that with the exception of one Senator, who is absent abroad, by leave of the Senate, on official business, every Member of the Senate voted on this roll call.

The question now is on reservation No. 2, offered by the Senator from Utah [Mr. WATKINS], which will be stated:

The CHIEF CLERK. At the end of the said resolution of ratification it is proposed to insert the following:

The United States understands and construes article 5 of the treaty as follows:

That the United States assumes no obligation to restore and maintain the security of the North Atlantic area or to assist any other party or parties in said area, by armed force, or to employ the military, air, or naval forces of the United States under article V or any article of the treaty, for any purpose, unless in any particular case the Congress, which under the Constitution has the sole power to declare war or authorize the employment of the military, air, or naval forces of the United States, shall by act or joint resolution so provide.

Mr. WATKINS. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. MYERS. I announce that the senior Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly meeting at Rome, Italy.

The result was announced—yeas 11, nays 84, as follows:

YEAS—11

Butler	Langer	Watkins
Donnell	Malone	Wherry
Jenner	Taft	Young
Kem	Taylor	

NAYS—84

Aiken	Hendrickson	Miller
Anderson	Hickenlooper	Millikin
Baldwin	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Murray
Bridges	Humphrey	Myers
Byrd	Hunt	Neely
Cain	Ives	O'Conor
Capehart	Johnson, Colo.	O'Mahoney
Chapman	Johnson, Tex.	Pepper
Chavez	Johnston, S. C.	Reed
Connally	Kefauver	Robertson
Cordon	Kerr	Russell
Douglas	Kilgore	Saltonstall
Downey	Knowland	Schoeppel
Dulles	Lodge	Smith, Maine
Eastland	Long	Smith, N. J.
Ecton	Lucas	Sparkman
Ferguson	McCarran	Stennis
Flanders	McCarthy	Thomas, Okla.
Frear	McClellan	Thomas, Utah
Fulbright	McFarland	Thye
George	McGrath	Tobey
Gillette	McKellar	Tydings
Graham	McMahon	Vandenberg
Green	Magnuson	Wiley
Gurney	Martin	Williams
Hayden	Maybank	Withers

NOT VOTING—1

Ellender

So reservation No. 2, offered by Mr. WATKINS, was rejected.

The VICE PRESIDENT. The question now is agreeing to reservation No. 3, offered by the Senator from Utah [Mr. WATKINS]. The reservation will be stated.

The CHIEF CLERK. At the end of the resolution of ratification it is proposed to insert the following:

The United States further understands and construes article 5 to the effect that in any particular case or event of armed attack on any other party or parties to the treaty, the Congress of the United States is not expressly, impliedly, or morally obligated or committed to declare war or authorize the employment of the military, air, or naval forces of the United States against the nation or nations making said attack, or to assist with its armed forces the nation or nations attacked, but shall have complete freedom in considering the circumstances of each case to act or refuse to act as the Congress in its discretion shall determine.

Mr. LANGER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. MYERS. I announce that the senior Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly meeting at Rome, Italy.

The result was announced—yeas 8, nays 87, as follows:

YEAS—8

Butler	Kem	Taylor
Donnell	Langer	Watkins
Jenner	Malone	

NAYS—87

Aiken	Hickenlooper	Morse
Anderson	Hill	Mundt
Baldwin	Hoey	Murray
Brewster	Holland	Myers
Bricker	Humphrey	Neely
Bridges	Hunt	O'Conor
Byrd	Ives	O'Mahoney
Cain	Johnson, Colo.	Pepper
Capehart	Johnson, Tex.	Reed
Chapman	Johnston, S. C.	Robertson
Chavez	Kefauver	Russell
Connally	Kerr	Saltonstall
Cordon	Kilgore	Schoeppel
Douglas	Knowland	Smith, Maine
Downey	Lodge	Smith, N. J.
Dulles	Long	Sparkman
Eastland	Lucas	Stennis
Ecton	McCarran	Taft
Ferguson	McCarthy	Thomas, Okla.
Flanders	McClellan	Thomas, Utah
Frear	McFarland	Thye
Fulbright	McGrath	Tobey
George	McKellar	Tydings
Gillette	McMahon	Vandenberg
Graham	Magnuson	Wherry
Green	Martin	Wiley
Gurney	Maybank	Williams
Hayden	Miller	Withers
Hendrickson	Millikin	Young

NOT VOTING—1

Ellender

So reservation No. 3, offered by Mr. WATKINS, was rejected.

The VICE PRESIDENT. The question now recurs on agreeing to the resolution of ratification, which will be read.

The Chief Clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive L, Eighty-first Congress, first session, the North Atlantic Treaty, signed at Washington on April 4, 1949.

The VICE PRESIDENT. The question is on agreeing to the resolution of ratification.

Mr. WHERRY and other Senators asked for the yeas and nays, and they were ordered.

The VICE PRESIDENT. The yeas and nays having been ordered, the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the senior Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly meeting at Rome, Italy. If present, the Senator from Louisiana would vote "yea."

The result was announced—yeas 82, nays 13, as follows:

YEAS—82

Aiken	Douglas	Hayden
Anderson	Downey	Hendrickson
Baldwin	Dulles	Hickenlooper
Brewster	Eastland	Hill
Bricker	Ecton	Hoey
Bridges	Ferguson	Holland
Butler	Frear	Humphrey
Byrd	Fulbright	Hunt
Cain	George	Ives
Capehart	Gillette	Johnson, Tex.
Chapman	Graham	Johnston, S. C.
Chavez	Green	Kefauver
Connally	Gurney	Kerr
Kilgore	Miller	Smith, Maine
Knowland	Millikin	Smith, N. J.
Lodge	Morse	Sparkman
Long	Mundt	Stennis
Lucas	Murray	Thomas, Okla.
McCarran	Myers	Thomas, Utah
McCarthy	Neely	Thye
McClellan	O'Conor	Tobey
McFarland	O'Mahoney	Tydings
McGrath	Pepper	Vandenberg
McKellar	Reed	Wiley
McMahon	Robertson	Williams
Magnuson	Russell	Withers
Martin	Saltonstall	
Maybank	Schoeppel	

NAYS—13

Cordon	Kem	Watkins
Donnell	Langer	Wherry
Flanders	Malone	Young
Jenner	Taft	
Johnson, Colo.	Taylor	

NOT VOTING—1

Ellender

The VICE PRESIDENT. The resolution of ratification having received the affirmative votes of two-thirds of the Members of the Senate present, and a quorum being present, it is agreed to, and the treaty is ratified.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

DIPLOMATIC AND FOREIGN SERVICE—EDWARD B. LAWSON

The VICE PRESIDENT. Is it desired to take up at this time the nominations on the calendar?

Mr. LUCAS. We may as well dispose of the nominations to which there is no objection. I am not sure whether there is objection to the nomination of Mr. Lawson.

Mr. WHERRY. I have no objection, but I believe objection was made the last time from the other side of the aisle. Perhaps the Senator from Illinois knows about that. I think there was no objection from any Senator on this side of the aisle.

The VICE PRESIDENT. The nomination will be stated.

The Chief Clerk read the nomination of Edward B. Lawson, of the District of Columbia, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Iceland.

The VICE PRESIDENT. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified of the confirmation of the nomination.

LEGISLATIVE SESSION

Mr. LUCAS. I move that the Senate now proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

PLEDGE OF ALLEGIANCE TO THE FLAG STAMP—RESOLUTION OF PITTSBURGH LODGE, NO. 46, LOYAL ORDER OF MOOSE

Mr. MYERS. Mr. President, I present for appropriate reference, and ask

unanimous consent to have printed in the RECORD, a resolution adopted by Pittsburgh Lodge, No. 46, Loyal Order of Moose, of Pittsburgh, Pa., relating to the selection and sale of an official pledge-of-allegiance-to-the-flag stamp.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Whereas through the efforts of the Americanism committee of the Allegheny County Committee of the American Legion, Department of Pennsylvania, the United States Congress approved a resolution in 1945 officially adopting the pledge of allegiance to the flag of the United States of America, thereby vesting said pledge of allegiance with the same reverence that attends our national anthem; and

Whereas this same Americanism committee from the county of Allegheny, Commonwealth of Pennsylvania, under the leadership of Col. John H. Shenkel, sponsored House Resolution No. 4320 presented by Hon. HERMAN P. EBERHARTER on April 25, 1949, whereby Congress authorized the issuance of a new stamp having thereon an imprint of the Capitol of the United States, the United States flag, and the official pledge of allegiance to the flag; and

Whereas the authority of the Postmaster General of the United States to select commemorative issues of stamps is limited to 12 from more than 70 requests submitted for consideration; and

Whereas the selection of the official Pledge of Allegiance Stamp would be in the interest of Americanism and in view of the fact that the resolutions of Congress to make the pledge of allegiance to the flag official and to authorize the Pledge of Allegiance Stamp were first sponsored by the Americanism committee of the American Legion in the county of Allegheny, Pa.: Now, therefore, be it

Resolved by the governor and members of Pittsburgh Lodge, No. 46, Loyal Order of Moose, Supreme Lodge of the World, in meeting assembled, That the Postmaster General of the United States be requested to select the official pledge-of-allegiance-to-the-flag stamp as a commemorative issue and further, if said stamp is selected that it be first placed on sale in the post office at Pittsburgh, Allegheny County, Pa., on August 11, 1949, the second day of the convention of the American Legion, Department of Pennsylvania, and further, that copies of this resolution be sent to Hon. Jesse M. Donaldson, Postmaster General of the United States, Senator Francis J. Myers, Hon. Joseph J. Lawler, Assistant Postmaster General of the United States, Senator Edward Martin, Congressman Harry J. Davenport, Congressman Robert J. Corbett, Congressman James G. Fulton, Congressman Herman P. Eberharter, and Congressman Frank Buchanan.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

S. 2298. A bill to authorize the Administrator of Veterans' Affairs to convey certain lands and to lease certain other land to Milwaukee County, Wis.; without amendment (Rept. No. 738).

By Mr. CONNALLY, from the Committee on Foreign Relations:

S. J. Res. 79. Joint resolution authorizing Federal participation in the International Exposition for the Bicentennial of the Founding of Port-au-Prince, Republic of Haiti, 1949; with an amendment (Rept. No. 739).

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

S. J. Res. 3. Joint resolution to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland and American books and technical equipment for institutions of higher education in Finland; with amendments (Rept. No. 740).

By Mr. McFARLAND, from the Committee on Interstate and Foreign Commerce:

S. 1973. A bill to further amend the Communications Act of 1934; with an amendment (Rept. No. 741).

ASSISTANCE TO STATES IN COLLECTING SALES AND USE TAXES ON CIGARETTES—MINORITY VIEWS (PT. 2 OF S. REPT. 644)

Under authority of the order of the Senate of July 11, 1949,

Mr. JOHNSON of Colorado, as a Member of the Committee on Finance, submitted his minority views on the bill (H. R. 195) to assist States in collecting sales and use taxes on cigarettes, which were ordered to be printed.

REPORTS OF PERSONNEL AND FUNDS BY COMMITTEE ON THE JUDICIARY

Pursuant to Senate Resolution 123, Eightieth Congress, first session, the following reports were received by the Secretary of the Senate:

JULY 21, 1949.

REPORT OF COMMITTEE ON THE JUDICIARY

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eightieth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from January 1 to June 30, 1949, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Sourwine, J. G., counsel	$10,330.00	$4,849.34
Davis, Joseph A., chief clerk	9,222.11	4,582.03
Rosenberger, Francis C., assistant chief clerk	7,484.07	2,640.20
Ruddy, J. Carlisle, professional staff member	9,222.11	4,582.03
Young, Robert B., professional staff member	9,064.11	4,529.62
Covert, Maurice W., professional staff member	9,064.11	4,433.28
Green, George S., professional staff member	8,037.08	2,991.55
Mathews, John H., professional staff member	8,037.08	2,076.22
Rogers, Mary, clerical assistant	5,529.08	2,650.23
Fox, Miriam O., clerical assistant	5,529.08	2,650.23
Canon, Mildred E., clerical assistant	5,529.08	2,485.83
Sheaff, H. Joan, clerical assistant	4,701.44	1,906.50
Duborg, Barbara E., clerical assistant	4,701.44	1,565.80
McNamee, Patience E., clerical assistant	4,701.44	1,411.94
Creesy, Orrin E., clerical assistant	4,453.15	1,373.03
Redden, Doris M., clerical assistant	4,370.38	291.35
Holland, Margaret L., clerical assistant	3,791.04	157.96
Ganss, Helen W., clerical assistant	3,791.04	157.96

Funds authorized or appropriated for committee expenditure	$121,922.88
Amount expended	45,335.10
Balance unexpended	76,587.78

PAT MCCARRAN,
Chairman.

JULY 15, 1949.

REPORT OF COMMITTEE ON THE JUDICIARY—SUBCOMMITTEE TO INVESTIGATE IMMIGRATION AND NATURALIZATION (PURSUANT TO S. RES 137 OF THE 80TH CONG., AS AMENDED)

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eightieth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from January 3 to June 30, 1949, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Arens, Richard, staff director	$9,538.12	$4,690.04
Blair, Drury Harvey, staff member	7,405.06	2,330.07
Cochran, William F., staff member	3,956.56	636.47
Davis, Dorothy A., stenographer	3,956.56	1,879.34
Davis, Thomas J., staff member	7,405.06	3,623.48
Dekom, Otto J., investigator	6,931.05	2,021.53
Earl, Owen K., staff member	2,406.80	557.95
Grefe, Charles A., staff member	6,025.66	2,447.06
Johnson, Ethel L., staff member	7,010.05	3,499.84
Loftus, John A., staff member	7,800.07	3,755.16
Lojewski, Stephanie E., stenographer	3,956.56	1,978.26
Massey, Guy M., staff member	7,010.05	3,499.84
Mechling, Margaret M., stenographer	3,956.56	1,681.52
Mesmer, Fred M., staff member	7,405.06	3,623.48
Messersmith, James C., staff member	6,931.05	3,465.48
Morrill, Mary E., stenographer	3,956.56	1,278.84
Noyes, Anne F., staff member	6,931.05	3,292.21
Odham, Lois Catherine, stenographer	4,453.15	2,157.58
Randolph, Frank P., staff member	6,931.05	3,292.21
Redden, Doris M., stenographer	3,956.56	1,278.84
Schroeder, Frank W., investigator	6,931.05	2,021.53
Smithey, Wayne H., staff member	1,713.80	680.73
Stevens, William A., staff member	6,931.05	2,406.58
Turner, Mary A., stenographer	3,956.56	1,175.96
Williamson, Francis L., staff member	6,931.05	1,656.30
Zimmermann, John F., staff member	6,025.66	2,327.46

PAT MCCARRAN,
Chairman.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HICKENLOOPER:

S. 2299. A bill to amend section 60 (a) of the Internal Revenue Code; to the Committee on Finance.

By Mr. BRICKER:

S. 2300. A bill to amend section 12B of the Federal Reserve Act, pertaining to the Federal Deposit Insurance Corporation; to the Committee on Banking and Currency.

By Mr. BREWSTER:

S. 2301. A bill to promote interstate and foreign commerce and strengthen the national defense by providing for commercial cargo and transport aircraft adaptable to military transport service; to the Committee on Interstate and Foreign Commerce.

By Mr. KILGORE:

S. 2302. A bill for the relief of Morris Linde, Sonia Doreen Linde (wife), and Mary Linde (mother); to the Committee on the Judiciary.

By Mr. LANGER:

S. 2303. A bill for the relief of Nicolaos Stefanos Kaloudis; to the Committee on the Judiciary.

By Mr. McGRATH (by request):

S. 2304. A bill to amend the act entitled "An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes," approved December 20, 1944; to the Committee on the District of Columbia.

By Mr. McCARRAN:

S. 2305. A bill to authorize suits against the United States to adjudicate and administer water rights; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 2306. A bill for the relief of Vera Sarah Keenan; to the Committee on the Judiciary.

(Mr. PEPPER introduced Senate bill 2307, to remove the limitation upon the maximum deposit insured by the Federal Deposit Insurance Corporation, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. KNOWLAND:

S. 2308. A bill for the relief of William Alfred Bevan; to the Committee on the Judiciary.

LIMITATION UPON MAXIMUM DEPOSIT INSURED BY FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. PEPPER. Mr. President, I introduce for appropriate reference a bill raising the limit on bank deposits insured by the Federal Deposit Insurance Corporation so that all bank deposits may be insured, which I believe can be done under the assessments now being levied against the banks of the country.

The bill (S. 2307) to remove the limitation upon the maximum deposit insured by the Federal Deposit Insurance Corporation, introduced by Mr. PEPPER, was read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT OF CERTAIN PROVISIONS OF INTERNAL REVENUE CODE—AMENDMENT

Mr. JOHNSON of Colorado submitted an amendment intended to be proposed by him to the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, which was referred to the Committee on Finance, and ordered to be printed.

CERTAIN CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS—AMENDMENT

Mr. GREEN submitted an amendment intended to be proposed by him to the bill (S. 1875) to authorize certain construction at military and naval installations, and for other purposes, which was referred to the Committee on Armed Services, and ordered to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. O'MAHONEY. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

On page 63, after line 23, insert a new paragraph, as follows:

"SEC. 102. (a) No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided*, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law."

Mr. O'MAHONEY also submitted an amendment intended to be proposed by him to House bill 4177, making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

TRANSFER OF VESSEL *BLACK MALLARD* TO STATE OF LOUISIANA—CHANGE OF REFERENCE

Mr. O'MAHONEY. Mr. President, on yesterday the bill (H. R. 5365) to provide for the transfer of the vessel *Black Mallard* to the State of Louisiana for the use and benefit of the department of wildlife and fisheries of such State, was inadvertently referred to the Committee on Interior and Insular Affairs. I think it should have been referred to the Committee on Interstate and Foreign Commerce. I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from the further consideration of the bill and that it be referred to the Committee on Interstate and Foreign Commerce.

The VICE PRESIDENT. Without objection, it is so ordered.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 627. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio;

H. R. 660. An act for the relief of Julia Busch;

H. R. 752. An act conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon the claim of Edward Gray, Sr., Edward Gray, Jr., Bertha Mae Gray, Bertha Patmon, and Lindsay Gardner, all of the city of Hamtramck, Wayne County, Mich.;

H. R. 1033. An act for the relief of Mrs. Ethel Barrington MacDonald;

H. R. 1474. An act to confer jurisdiction upon the United States District Court for the Southern District of New York to hear, determine, and render judgment upon the claim of Miguel A. Viera for damages sustained as the result of an accident involving a United States Army truck at Leghorn, Italy, on January 11, 1946;

H. R. 1631. An act for the relief of John J. O'Mara;

H. R. 1666. An act for the relief of Maurice J. Symms;

H. R. 1799. An act for the relief of Dr. Jacob Ornstein;

H. R. 2594. An act for the relief of Grace L. Elser;

H. R. 2628. An act for the relief of Auldon Albert Aiken;

H. R. 2928. An act for the relief of Dr. Leon L. Konchegul;

H. R. 3193. An act for the relief of Public Utility District No. 1, of Cowlitz County, Wash.;

H. R. 3300. An act for the relief of Mary Thomas Schiek;

H. R. 3413. An act for the relief of Alfred Baumgarts;

H. R. 3726. An act for the relief of Knickerbocker Insurance Co. of New York and Atlas Assurance Co., Ltd.;

H. R. 3803. An act for the relief of Mrs. Mary L. W. Dawson;

H. R. 3837. An act for the relief of Annie Balaz;

H. R. 4653. An act for the relief of the New York Quinine & Chemical Works, Inc., Merck & Co., Inc., and Mallinckrodt Chemical Works;

H. R. 5155. An act for the relief of Francesca Lucareni, a minor; and

H. R. 5160. An act for the relief of Mrs. Giustina Schiano Lomoriello; to the Committee on the Judiciary.

H. R. 5356. An act to provide for the conveyance of land to the Norfolk County Trust Co., in Stoughton, Mass.; to the Committee on Public Works.

H. R. 3494. An act to authorize the Secretary of the Interior to transfer a building in Juneau, Alaska, to the Alaska Native Brotherhood and/or Sisterhood, Juneau (Alaska) camp; to the Committee on Interior and Insular Affairs.

ADDRESS BY THE VICE PRESIDENT TO THE DEMOCRATIC MIDWEST CONFERENCE

[Mr. LUCAS asked and obtained leave to have printed in the RECORD the address delivered by the Vice President to the Democratic Midwest Conference, in Des Moines, Iowa, June 13, 1949, which appears in the Appendix.]

ADDRESS BY THE PRESIDENT TO THE IMPERIAL COUNCIL OF THE SHRINE OF NORTH AMERICA

[Mr. LUCAS asked and obtained leave to have printed in the RECORD the address delivered by the President before the Imperial Council of the Shrine of North America in Chicago, Ill., July 19, 1949, which appears in the Appendix.]

BUTTER PROVISO IN THE ARMED SERVICES APPROPRIATION BILL

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement I have prepared relative to the proposal to remove from the armed services appropriation bill the so-called butter proviso.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Why are the oleo interests so eager to have the butter proviso removed from the armed services appropriation bill? There may be a clue in these figures from the Bureau of Agricultural Economics of the United States Department of Agriculture. In the first 5 months of 1949 butter consumption was approximately 20 percent greater than in the comparable period of 1948. Retail prices for butter were about 20 percent lower.

The lower retail prices for butter, accompanied by the increase in consumption of that product, has reduced the market for oleomargarine. In the first 4 months of 1949 consumption of oleomargarine in the United States was approximately 5 percent smaller

than a year ago, although oleo prices were down about as much relatively as were butter prices.

Are the oleo interests now attempting to recoup their lost markets by passing off their product on the armed forces? I am opposed to any attempts to foist a second-choice butter substitute upon service men and women, and will demand the restoration of the butter proviso.

LEAVES OF ABSENCE

Mr. BALDWIN asked and obtained leave to be absent from the session of the Senate tomorrow.

Mr. KILGORE asked and obtained leave to be absent from the session of the Senate tomorrow.

AMENDMENT OF INTERSTATE COMMERCE ACT, AS AMENDED

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 256) to amend the Interstate Commerce Act, as amended, which was, on page 11, line 19, strike out all after "maintained" down to and including "act" in line 23, and insert "solely by water carriers subject to this part which engages in activities relating to the fixing of rates, publication of classifications, or filing of schedules by such carriers."

Mr. REED. Mr. President, the Senate Committee on Interstate and Foreign Commerce reported the bill unanimously. The Senate passed it on the Consent Calendar unanimously. There are a number of items in the bill and the House amended one of them very slightly. I move that the Senate concur in the House amendment.

The motion was agreed to.

AMENDMENT OF MINIMUM-WAGE LAW—ORDER OF BUSINESS

Mr. LUCAS. Mr. President, a few days ago the Senator from Illinois announced to the Senate that, following the disposition of the North Atlantic Treaty, we would then proceed to the consideration of Senate bill 653, Calendar 640, which is a bill to provide for amendment of the Fair Labor Standards Act of 1938, and for other purposes. I move that the Senate proceed to the consideration of that bill.

The VICE PRESIDENT. The bill will be stated by title.

The CHIEF CLERK. A bill, S. 653, to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. Is the motion debatable?

The VICE PRESIDENT. It is debatable.

Mr. McCLELLAN. I should like to make an inquiry of the majority leader about the further program after this bill is disposed of. I should like to understand, if I may, what is to be taken up following the bill to which the Senator refers. Certain legislation is pending in which many of us are very much interested. If the able majority leader will advise us further, it will be appreciated.

Mr. LUCAS. I shall be very glad to advise the Senator from Arkansas, and I was going to do that following the adoption of the motion to consider Senate bill 653. What we expect to do, and what we will do, is, on tomorrow, lay the pending business aside and take up the appropriation bill known as the Economic Recovery Act, or House bill 4830, which is on the calendar. It is an act making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

Mr. McCLELLAN. Will it be the purpose of the majority leader from time to time during the pendency of Senate bill 653 to lay it aside and dispose of appropriation bills?

Mr. LUCAS. In view of the fact that we have a dead line on all these appropriations, which I understand, is July 31, it is the intention of the majority leader to continue on with the appropriation bills until we conclude consideration of all of them.

Mr. McCLELLAN. Until they are all concluded. Is that correct?

Mr. LUCAS. That is correct.

Mr. McCLELLAN. Mr. President, will the able majority leader yield further?

Mr. LUCAS. I yield to the Senator from Arkansas.

Mr. McCLELLAN. Some time ago, and I believe it was the 13th of June, there was reported by the Committee on Expenditures in the Executive Departments, Senate Joint Resolution 108, generally known as the economy resolution.

Mr. LUCAS. I am familiar with that.

Mr. McCLELLAN. Thereafter, I believe on the 27th of June, a petition was presented, signed by some 61 Senators, and subsequently, I think, by 63 Senators, to both the majority leader and the minority leader, requesting the schedule of legislative business be so arranged that the resolution might come before the Senate. May I inquire of the able majority leader whether there is any prospect that that resolution can be brought up and action had on it prior to concluding the disposition of the regular appropriation bills?

Mr. LUCAS. I may say to my very distinguished friend from Arkansas that it seems to me we should not consider the petition which has been presented to the majority and minority leaders, until we have disposed of the remaining appropriation bills. As I understand, there is approximately $30,000,000,000 to be considered in the four appropriation bills. I further understand that some reductions have been made by the Appropriations Committee, and probably other amendments will be offered when the bills come before the Senate for consideration, amendments to effect further economies. It seems to me, as I said once before, it would be premature to take up consideration of the resolution referred to until we conclude action on pending appropriation bills.

Mr. McCLELLAN. Mr. President, will the majority leader yield so that I may further interrogate him with respect to what action has been taken by the policy committee of the majority with respect to the resolution?

Mr. LUCAS. I yield.

Mr. McCLELLAN. Has any action been taken by the Policy Committee? Some of us are very much interested in having the resolution considered. It has been quite some time since it was reported. Nearly a month has expired since such a large number of Senators expressed their desire to have the resolution considered. We were hoping it might be considered before all the appropriation bills were passed, so we could know and be advised whether there is any prospect of reduction by this process, and whether, if not by way of specific cuts, the cuts might be made across the board indiscriminately on these bills? In other words, it poses a pretty difficult problem here in the situation we are in, and we are trying to determine how it is best to proceed in order to give expression to what appears to be the majority sentiment of this body.

Mr. LUCAS. Let me say, to the Senator from Arkansas that the majority leader is attempting to carry on a program in the Senate in the manner he conceives to be in the best interests of all, and in line with the decisions of the Democratic policy committee. That committee has considered the resolution. We took no action on it. I think I can safely say it was almost the unanimous consensus of the committee that it was premature at this time to give it consideration. I know that is the judgment of the committee, and it certainly is the judgment of the majority leader. I would not consent to taking up the resolution ahead of the appropriations bills.

Mr. McCLELLAN. If I may ask the majority leader, has the majority policy committee indicated at what time, or can the majority leader indicate to this body, at what time he thinks it would not be premature to bring up the resolution?

Mr. LUCAS. No, I cannot indicate to the Senator from Arkansas just when it can be brought up. I should like to proceed with the consideration of the appropriation bills and see what progress we make. It is my understanding it will take probably about a week to dispose of the appropriation bills, because there is controversial matter in most of them.

Mr. McCLELLAN. If I may further inquire of the able majority leader, is he in position now, or does he anticipate he will be in position at any time within the next few days, to indicate whether in accordance with the request as expressed in the petition of a majority of the Senate, we shall have an apportunity to vote upon the resolution?

Mr. LUCAS. I could not give the Senator from Arkansas any commitment at this time as to when we are going to take up the resolution. I cannot do it, because there is other important legislation on the calendar. The reciprocal trade agreements program has been laid aside from time to time. I want to express my appreciation to the senior Senator from Georgia [Mr. GEORGE], chairman of the Finance Committee, who has been very kind and considerate in agreeing to have this measure set aside for other important legislation. The deadline was June 30. We hoped to take that measure up following consideration of the appropriation bills and the minimum-wage law.

Mr. McCLELLAN. That is, the reciprocal trade agreements program?

Mr. LUCAS. That is correct.

Mr. McCLELLAN. Then I assume it will take about a week to pass all the appropriation bills, and possibly another week to dispose of the pending business, the wage and hour bill, and we will then go into the reciprocal trade agreements for another period of several days, possibly. So there is no prospect of getting to this resolution until the very closing hours of the session, as I understand the program announced by the able majority leader.

Mr. LUCAS. I would not say that that is the program we will follow word for word, or bill by bill. I may say to my good friend, the Policy Committee will consider it again at the next meeting. We try, in the Policy Committee, not to schedule action on bills too far ahead.

Mr. McCLELLAN. Can the able Senator advise us when the next Policy Committee meeting will be held, and when we may know the result?

Mr. LUCAS. There will be a meeting of the Policy Committee next Tuesday. I should be glad to have the Senator come before the committee to give us his ideas about the resolution. I am sure the members are very much interested and would like to ask the Senator a few questions.

Mr. McCLELLAN. I should be very happy to do that. In fact, I can answer the questions now, if anyone cares to ask them. I shall be very glad to make a statement before the committee.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois to proceed to the consideration of Senate bill 653, the minimum-wage bill.

Mr. WHERRY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. LUCAS. I do not want to cease and desist with my friend from Arkansas, if he has any more questions along this line to ask me.

Mr. McCLELLAN. I am afraid my able and distinguished friend, the majority leader, ceased and desisted before we started. I have not been able to get anywhere yet. I am trying to determine whether there is any hope of bringing up this resolution in the regular way and letting the Senate pass upon it in its own right, as a measure which is on the calendar awaiting consideration.

Mr. LUCAS. I now yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I want the floor in my own right.

Mr. LUCAS. I have a motion pending.

Mr. WHERRY. I know. The motion is debatable.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois that the Senate proceed to the consideration of the so-called minimum wage bill.

Mr. WHERRY. Mr. President, the inquiry which was addressed to the majority leader by the distinguished senior Senator from Arkansas involved a colloquy with reference to which I should like to make a few observations.

First, the senior Senator from Arkansas asked the distinguished majority leader what the majority policy committee had done relative to a resolution, and particularly a petition asking that the resolution be brought up. That petition was also directed to the attention of the minority leader, and I want the distinguished Senator from Arkansas to know that when it came to my office I took it up with the policy committee of the minority, at the very next meeting, which I think was 2 weeks ago, or at least a week ago——

Mr. BRIDGES. It was 2 weeks ago.

Mr. WHERRY. I want to say to the distinguished Senator from Arkansas, for the information of the majority leader and of the Members of the Senate, that the minority policy committee unanimously agreed that the resolution should be brought up as a part of the agenda and made a part of the program at the proper time and as quickly as may be possible. I think that information should be in the RECORD at this point.

I should like to say further to the distinguished Senator from Arkansas that I realize the difficulties of getting a program at the close of the session. There is considerable justification for the majority leader not to know whether he can bring a particular matter up at a particular time, but I feel that inasmuch as 63 Senators signed the petition, it behooves the Members of the Senate and the majority leader to arrange ample time for such consideration. When 63 Senators wish to have a resolution debated, the will of the Senate is involved, and not the will of any one Member of the Senate. I say that kindly, and I say it constructively. I should like very much to see the resolution brought before the Senate as quickly as is possible.

Mr. President, I shall not object to the consideration of the minimum-wage bill. I understand from the majority leader that it is to be the unfinished business tomorrow, and that it may be temporarily set aside to permit consideration of one of the appropriation bills. But I think the record should show and the Members of the Senate should know that the petition requesting that the resolution which has been referred to be brought up should be given our most rerious consideration and attention.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. McCLELLAN. I can appreciate the problems and the difficulties of the policy committee and of the majority leadership, in view of the crowded calendar which we have, in trying to arrange a schedule satisfactory to the Members of the Senate and accommodating them, but, Mr. President, some of us feel that this resolution is of great importance. We do not want to wait until the closing hours of the session of the Congress, and pass a resolution with no opportunity for the House to act on it. Assuming the House should act on it, it will probably meet with disapproval and there will be no opportunity to express ourselves. I want to be assured that the Senate will have an opportunity to vote on the resolution. In view of the fact that the Committee on Expenditures in the Executive Departments reported it, and in view of the fact that 63 Senators have expressed themselves as desiring an opportunity to discuss and vote on the resolution, I feel that I have some responsibility at least to do everything in my power to persuade the leadership to assure the Senate that the resolution will be scheduled in an order which will permit it to be brought up before the adjournment of the Congress, so that we can have full, appropriate, and final action on it. I cannot get that assurance.

I do not say this in criticism, but if that assurance cannot be given, then we have one other alternative, namely, to offer the resolution as an amendment possibly to some bill. I said there was only one alternative. That is not quite correct. Of course, I could move, as could any other Senator, to lay aside the unfinished business at any time in order to take up the resolution. I certainly would be most reluctant to take that action, because it would have the appearance of my undertaking to usurp the leadership of the majority party. I was hoping that the problem could be worked out so that we would have an opportunity to discuss the resolution on its merits and in its own right, and to act on it in time to make certain that it would go through the proper processes and either become law or fail to become law after it had gone through those processes. Then we would know where the responsibility might lie if it failed to become law, or where it might lie if it should become law.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. WHERRY. I shall be glad to yield to the Senator from New Hampshire.

Mr. BRIDGES. I should like to ask the minority leader a question, after listening to the colloquy between the distinguished Senator from Arkansas and the majority leader, and also between the Senator from Arkansas and the minority leader. I have listened to the very smooth, suave, astute, and diplomatic reply of the Senator from Illinois, and I ask the minority leader whether he has any commitment to bring up the resolution which has been referred to?

Mr. WHERRY. I think we have no commitment in any way whatsoever. That reply might be a little more blunt than the Senator from Illinois would make it.

Mr. BRIDGES. The Senator from Illinois took such a roundabout, smooth, suave, diplomatic way to reply that I wondered how the Senator from Nebraska interpreted it.

Mr. WHERRY. I interpret it to mean that there is no commitment on the part of the majority leader to take up the resolution about which the Senator from Arkansas has been speaking. That is the reason I thought the Senate should know and the RECORD should show the action of our own group on this side of the aisle. I wished to call attention to the fact that 63 Senators have petitioned the majority leader and the minority

leader, asking that the resolution be brought up. I feel that is a consideration which should appeal to all Members of the Senate on both sides of the aisle.

Mr. BRIDGES. Does the Senator believe, based upon what has been said and upon his experience, that those who believe in economy in the Senate will have an opportunity to vote on the resolution?

Mr. WHERRY. I believe there will be an opportunity to vote on the resolution. I think such opportunity should be provided, and I hope it will be provided in the program which will be submitted by the distinguished majority leader. I want to say that I shall cooperate with him in every way.

Mr. BRIDGES. Does the Senator believe that if a resolution is presented, bearing the names of 63 Senators of both political parties it is a reflection upon the Senate if 63 Senators whose names are on a petition are not allowed to vote on such a resolution?

Mr. WHERRY. My answer to that question would be that I think if 63 Senators ask that a certain piece of proposed legislation be brought up they are entitled to their day in court, and that it should be brought up as a part of the program which is to be submitted to the Members of the Senate.

Mr. BRIDGES. Can the minority leader assure me that he will use his influence with the majority leader to see that this resolution is voted upon, not at "some time," but in plenty of time so that action may be by the House?

Mr. WHERRY. My answer is, unequivocally, "Yes." I shall use all the influence I have at my command, and I am satisfied that the majority leader will provide an opportunity for 63 Senators to consider legislation which they want brought up on the floor of the Senate.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to and the Senate proceeded to consider the bill (S. 653) to provide for the amendment of the Fair Labor Standards Act of 1938 and for other purposes.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, I should like to make an announcement of some interest to all Members of the Senate with respect to next week.

I anticipate, from the information I receive from Members of the Committee on Appropriations, that there will be rather lengthy debate upon the appropriation bills. We are moving along toward the end of the session. No one knows just what date the session will end, but I am going to make a suggestion that next Tuesday and Thursday there be night sessions to consider the business before the Senate. I make the announcement now so that Senators may have notice of the night meetings just as far as possible in advance.

Mr. WHERRY. What are the majority leader's plans for Saturday sessions?

Mr. LUCAS. If we can have night sessions, I think we can dispense with Saturday sessions. It is a little difficult to get Senators to attend sessions on Saturday. Every Senator must have the same problems the Senator from Illinois has with respect to the mail which piles up during the week, and dispensing with Saturday sessions will give us an opportunity to do some work in our offices.

Mr. WHERRY. Several Senators on this side have come to me and asked that we press for Saturday sessions. Many of them feel that the date when the session will end, referred to by the distinguished Senator, might be brought about earlier provided the Senate held Saturday sessions and, as the Senator has suggested, night sessions. I would not say that opinion is unanimous, but for instance, the junior Senator from South Dakota said to me, "Why do you not get the majority leader to have Saturday sessions and night sessions and get the legislative program over?" I merely wanted to call that to the attention of the majority leader. I thank him for his statement as to next week.

Mr. LUCAS. Let us try two night sessions next week, and if everything goes along well, we might accommodate the Senator from South Dakota the following Saturday, and perhaps the Saturday after that.

Mr. FULBRIGHT. Mr. President, now that we are through with the North Atlantic Treaty, I wonder if the Senator can tell us about the oleomargarine bill.

Mr. LUCAS. Does the Senator think that is more important than the economy resolution?

Mr. FULBRIGHT. Since I have been in the Senate I have been very much impressed by the rule of seniority, and I believe the oleomargarine bill has seniority over any other bill on the calendar. It has been before the Senate a number of years, and I think it is high time it be given consideration. It is of very great economic importance.

Mr. LUCAS. I agree with the Senator from Arkansas as to the importance of the bill. As to the question of priority, however, we might disagree as to when we should consider it. However, I am just as much interested in the oleomargarine bill as is the Senator, and I can virtually assure him that we are going to consider that bill before we conclude the present session. We are going to be in session perhaps longer than many think, if much time is taken on some of the bills, as I anticipate will be the case, judging from what has happened in the past. We thought we were going to get the Atlantic Pact through in about 10 days, and it looked at one time as if we would vote on the pact about Tuesday after having had it under consideration for about a week. Yet we have taken 3 weeks, or double the time anticipated. That is a typical example of how the speculative legislation schedule may be upset.

I anticipate that Senators representing dairy States will want to do a little talking on the oleomargarine bill. I do not think they will carry on a filibuster, because the Senators from the dairy sections are opposed to filibusters, and I am certain they would not violate this principle on the oleomargarine bill.

Mr. JENNER. Mr. President, I should like to ask the Senator if there is any contemplation of bringing up the civil rights bill during the session.

Mr. LUCAS. That is another possibility. It could be.

Mr. WHERRY. Mr. President, a very able colleague has asked me if there was a definite statement as to whether or not Saturday sessions were out or might be in.

Mr. LUCAS. I do not believe we will have a session the coming Saturday.

Mr. WHERRY. There will be an announcement later about Saturday of next week?

Mr. LUCAS. As we move along next week, we will make the determination. The Senator from Illinois has no objection to Saturday sessions.

FOREIGN AID APPROPRIATIONS

Mr. McKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

TRIBUTE TO THE LATE VAN A. BITTNER

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a tribute which I intended to deliver on the floor of the Senate to Van A. Bittner, who died in Mercy Hospital, Pittsburgh, Pa., on Tuesday night. Mr. Bittner was a man who shortened his life by his hard work with the War Labor Board during the war. He was a great labor leader, and a very dear friend of mine.

The VICE PRESIDENT. Is there objection to the request of the Senator from West Virginia?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I rise to pay my humble tribute to Mr. Van A. Bittner, one of the truly great Americans, who passed on late Tuesday night in Mercy Hospital in Pittsburgh, Pa.

Although Mr. Bittner had been in ill health for several months his death came as a great shock to his many friends throughout the Nation.

I visited with Mr. Bittner in the hospital last Saturday afternoon. He was very ill, but I could not bring myself to believe he was nearing the close of a great career.

Mr. Bittner was a close and valued friend for many years. I first met him more than 20 years ago when he came into West Virginia from his native Pennsylvania to organize the coal miners.

His life was one of constant struggle for the "underdog." I shall not at this time review his life, but I do wish to mention a few events. Mr. Bittner started working in the mines adjoining his home when he was only 11 years of age. Even though he was in the mines several hours each day he managed to continue his school work and he was graduated from Vanderbilt High School.

IN THE MARINE CORPS

The below-named officers for appointment to the temporary grade of major in the Marine Corps:

Harold C. Borth	Albert I. Haas
Irvin V. Masters	Nathan Segal
Melvin E. Mosier	William V. Schwebke
Carlton G. Cole	

The below-named officers for appointment to the temporary grade of captain in the Marine Corps:

William E. Bateman
Erving F. White
Carl W. King

The below-named officers for appointment to the permanent grade of major for limited duty in the Marine Corps:

Frederick Belton	Lee E. Roberts
John G. Johnson	Stephen Lesko
Emanuel Yalowitz	James D. Ludvigson
Marvin L. Ross	Irvin V. Masters
William E. Word	Carlton G. Cole

The below-named officers for appointment to the permanent grade of captain for limited duty in the Marine Corps:

Irving N. Kelly	Lloyd O. Williams
Frederick M. Steinhauser	Ben Sutts
	George R. Eargle
John W. Webber	Willis R. Lucius
Richard Burgess	George W. Torbert
Gilbert McConville	Cecil T. Carraway
Theodore A. Petras	Alexis A. Jedenoff
William L. Woodruff	Clyde T. Waller

The below-named officers for appointment to the permanent grade of first lieutenant for limited duty in the Marine Corps:

Russell C. White	James B. Seaton
Kenneth A. Walsh	George J. Hanft
Douglas K. Morton	Joseph W. Utz
Edwin M. Clements	Roy H. Bley
Reginald M. George	Donald L. Shenaut
Eugene Anderson	Albert F. Rinehart
Stephen K. Pawloski	Anthony J. Roscoe
Matthew J. Kruszewski	Samuel F. Leader
Elmer R. Wirta	Fred K. Thornton
Richard W. Sinclair	Ruthledge S. Sasser
Ray M. Burrill	Edgar A. McKean

The below-named officers for appointment to the permanent grade of second lieutenant for limited duty in the Marine Corps:

William V. Schwebke	Wilburn C. Allen
Robert L. Neef	Ray H. Bishop
Elbert L. O'Banion	James B. Darnell
Robert J. Vroegindewey	Cedric A. Fevurly
	Sidney W. Cooley
Doyle Grimes	Alfred E. Montrief
Clifford A. Youngs	Haldon E. Lindfelt
Harold G. Schrier	Harley L. Grant
James G. G. Taylor	Ralph B. Neal

The below-named enlisted man for appointment to the permanent grade of second lieutenant for limited duty in the Marine Corps:

John L. Self

IN THE COAST GUARD

The following officer of the United States Coast Guard Reserve to be commissioned in the United States Coast Guard:

To be lieutenant (junior grade)

Richard H. Britt

CONFIRMATION

Executive nomination confirmed by the Senate July 21 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

Edward B. Lawson to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Iceland.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 21, 1949

The House met at 10 o'clock a. m.

The Acting Chaplain, Rev. Jacob S. Payton, D. D., offered the following prayer:

This day, O Lord, we would acknowledge Thee in all our ways in order that Thou mayest direct our paths. Cleanse our vision that we may discern the things that belong to the peace and welfare of America. Sustain our devotion to all high ideals that we may never disappoint Thee. Clarify our judgment that we may correctly appraise the values upon which the durability of a nation rests. Strengthen our wills that with gladness we may obey Thy commandments which are true and righteous altogether. So may these Members give of their best this day with a feeling that their efforts are linked with Thy eternal purposes. In Jesus' name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a joint resolution and concurrent resolution of the House of the following titles:

H. J. Res. 298. Joint resolution to provide for on-the-spot audits by the General Accounting Office of the fiscal records of the Office of the Sergeant at Arms of the House of Representatives.

H. Con. Res. 52. Concurrent resolution authorizing the printing of additional copies of the publications entitled "100 Things You Should Know About Communism in the U. S. A.," "100 Things You Should Know About Communism and Religion," as amended, "Spotlight on Spies," "100 Things You Should Know About Communism and Education," "100 Things You Should Know About Communism and Labor," and "100 Things You Should Know About Communism and Government."

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5632. An act to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 266. An act modifying a limitation affecting the pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care;

S. 447. An act to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles;

S. 584. An act for the relief of Rudolf A. V. Raff;

S. 811. An act to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration;

S. 2010. An act to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1184) entitled "An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAYBANK, Mr. SPARKMAN, Mr. DOUGLAS, Mr. FLANDERS, and Mr. CAIN to be the conferees on the part of the Senate.

COMMITTEE ON EDUCATION AND LABOR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have permission to sit during the remainder of general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is that in accordance with an understanding?

Mr. McCORMACK. It is in accordance with an agreement I made yesterday. We were supposed to meet at 11 o'clock but through an honest mistake the adjournment was until 10 o'clock. I like to carry out an agreement I have with a Member.

Mr. MARTIN of Massachusetts. I do not care anything about the agreement.

Mr. McCORMACK. By making this request and having it granted I at least can face myself and the Member in the future.

Mr. MARTIN of Massachusetts. I do not see any of our Republican members of the Labor Committee present.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, reserving the right to object, this request is for the balance of general debate, which is about 1 hour?

Mr. McCORMACK. Yes.

Mr. AUGUST H. ANDRESEN. I have no objection to that.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NATIONAL MILITARY ESTABLISHMENT

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS, KILDAY, DURHAM, SHORT, ARENDS, and COLE of New York.

Deeply devoted to the cause of trade-unions, Mr. Bittner early in life charted his course that led him to the top in the trade-union movement. To the end he remained a self-sacrificing man who fought for what he believed to be right.

When he was only a boy of 16 his fellow miners elected him president of the local of the United Mine Workers. Seven years later he was elected vice president of district 5, United Mine Workers, and in 1911, when he was only 26, he was elected to the presidency of the district which included the Pittsburgh area.

Later as an international representative of the union, he went into Tennessee, Alabama, and West Virginia coal fields to earn the reputation of being a fearless organizer during one of the most turbulent periods in labor history.

Mr. Bittner developed a close friendship for Mr. Phil Murray during those dark, bitter days, and it lasted to the end of his life. In many respects they constituted the team that built the Congress of Industrial Organizations into one of the world's great union combinations.

Mr. Bittner's great success in organizing the West Virginia coal fields, a feat accomplished in the face of bitter opposition from mine owners, was considered by many people to be the outstanding organizing job in that union's history.

Mr. Bittner served as president of district 17, the large southern West Virginia area of the United Mine Workers, and for many years he played an important role in the Appalachian Coal Conference.

Later Mr. Bittner became nationally famous as the trouble-shooting international vice president of the CIO. When he was stricken a few months ago he was directing the CIO's southern organizational campaign.

Mr. Bittner believed that through unions our democracy could be made to function better, not alone for the membership but for the entire Nation. To that end he devoted his life.

My friendship for Mr. Bittner will always remain as one of my most valued possessions. He was an honorable man in every respect, a leader who inspired his followers in the true meaning of democracy.

I well recall an incident that for me remains an outstanding example of Mr. Bittner's attitude toward his fellowmen. At the time I was seeking public office, and I asked Mr. Bittner for his support.

He said he would support me if I would make one promise. Before I could answer him he said: "Harley, promise me that regardless of the circumstances you will always do what you think is right."

Mr. Bittner fought for his rights and the rights of his fellowmen. It can truthfully be said he made this a better place in which to live.

Van A. Bittner, a man of great magnetic personality, deep devotion to democracy, fervent, unflinching courage in the face of tremendous odds, lives on in the hearts of millions of Americans.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 9 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 22, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 21 (legislative day of June 2), 1949:

DEPARTMENT OF LABOR

Philip M. Kaiser, of Virginia, to be Assistant Secretary of Labor.

CALIFORNIA DEBRIS COMMISSION

Col. Walter D. Luplow, Corps of Engineers, for appointment as member, California Debris Commission, provided for by the act of Congress approved March 1, 1893, entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California," vice Col. Samuel N. Karrick, Corps of Engineers, to be relieved.

UNITED STATES MARSHAL

John S. Denise, Sr., of Washington, to be United States marshal for the western district of Washington, term expired July 2, 1949.

IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be captains

Adair, Philip Reed, 11927A.
×Adams, William Pierman, Jr., 11810A.
Alber, George Dearborn, 11917A.
Anderson, Alfred Ivan, 11863A.
Anderson, Conrad Austance, 11888A.
Anderson, David Samuel, 11954A.
Baker, Dexter Kingsley, 11929A.
Baker, Ellsworth Albert, 11862A.
Beller, Albert Joseph, 11892A.
Bergeson, Harold Max, 11809A.
Bissonnette, Alfred Gilbert, 11916A.
×Bolen, Robert Joseph, 11948A.
×Boswell, Benedict Arden, 11895A.
Boyle, Francis Thomas, 11845A.
Brazee, Donald Francis, 11803A.
×Brittle, Kent Heath, 11886A.
Broach, William Gardner, Jr., 11820A.
Brockhouse, Frederick Willard, 11790A.
Bruson, George Francis, 11813A.
Bumgarner, Amon Grant, 11818A.
Burns, Carlton Lee, 11841A.
Burns, Richard Lee, 11840A.
Byington, Telford Smith, 11928A.
Carkeet, John Lamar, Jr., 11950A.
Carmody, Francis Charles, 11910A.
Carter, Joseph Watkins, 11855A.
Clampitt, William Arthur, 11938A.
×Clark, James Francis, Jr., 11866A.
×Cogswell, Robert Whitney, 11889A.
Coleman, David Harold, 11819A.
Cook, Robert Frederick, 11800A.
Corrigan, Thomas Francis, 11953A.
Cote, Elmer Lee, 11865A.
×Cox, William Thomas, Jr., 11802A.
×Crahan, Francis Edward, 11825A.
Cuddington, James Cedric, 11951A.
Culp, Alben Barkley, 11894A.
Ducat, Kenneth Holberg, 11941A.
Dupont, Rene George, 11836A.
Edington, Leonard Edward, 11875A.
Edwards, Clifford E., 11912A.
×Elarth, Vernon Homer, 11851A.
Emrich, Daniel Carl, 11824A.
Esch, Maurice Eugene, 11873A.
Felice, Carman Paul, 11816A.
Fisher, Jay N., 11926A.
Fortney, Robert Stewart, 11815A.
Gibson, William Melvin, 11874A.
Good, Arnold Noble, 11918A.
Grinsted, Albert Hugh, Jr., 11901A.
Grove, Francis Miller, 11852A.
Guelich, Frank James, 11799A.
Guernsey, Harold Jackson, Jr., 11806A.
Haines, Carroll Eugene, 11868A.
Hall, John Jay, 11933A.
Halloran, James Paul Stacy, 11955A.
Hamby, Malcolm Conner, 11880A.
Hange, Richard Harold, 11944A.
Hannon, Leo Joseph, 11914A.
Harrison, Robert Burfoot, 11946A.
Hayes, Leland Ray, 11792A.
Hein, Gordon Einer, 11942A.
×Henderson, Daniel Eli, Jr., 11828A.
Henderson, Vernon Junior, 11899A.
Hirshberg, Sidney Stuart, 11838A.
Hockin, Robert Arnold, 11871A.
×Hughes, William Austin, 11833A.
Ilmanen, Ralph Werner, 11913A.
Isbell, Thomas Winn, Jr., 11956A.
Johnson, George Lowder, 11870A.
Jones, Dean A., 11893A.
Kimbrough, Donovan, 11919A.
×Klein, Junior Fremont, 11939A.
Korger, Harold Francis, 11856A.
Kuhn, Francis LeRoy, 11943A.
LaBerge, Vincent Robert, 11915A.
Lairmore, Glenn Emmett, 11905A.
Laridon, Loren Brooks, 11853A.
Leenerts, Gordon Jerome, 11945A.
LeFrancis, Richard George, 11937A.
Lethers, Edward William, 11831A.
LeVan, Jay Edwin, 11839A.
Long, John Barrett, 11885A.
Marsden, Roy Franklin, 11921A.
×Marshall, George Lewis, 11909A.
Maxwell, George S., 11896A.
McAusland, Douglas George, 11795A.
McCauley, Lon Albert, Jr., 11787A.
×McDonald, Gorman A., 11791A.
McElroy, Wilson Freeman, 11908A.
×MacKay, John Alexander, 11812A.
Mercogliano, Albert Paul, 11861A.
Moffat, Harold Larson, 11931A.
Murphy, James Joseph, 11957A.
Myers, Horace Herman, 11923A.
×Myers, Robert Arthur, 11881A.
Nagel, James Paul, 11882A.
Nance, Ernest Theodore, 11904A.
×Nealon, Robert Joseph, 11794A.
Newstrom, Carroll Marion, 11850A.
O'Brien, Alden Walton, 11872A.
O'Carroll, Thomas Kane, 11898A.
Okey, Joseph Theodore, 11887A.
Otis, James Dwight, Jr., 11821A.
Overstreet, Jack Stone, 11857A.
×Pallo, John, 11891A.
Pearson, Samuel Leroy, 11897A.
Phillips, Arthur Garfield, Jr., 11817A.
Pinson, Claud Carrol, 11900A.
Poindexter, William Ranstead, 11843A.
Poulson, Raymond Peter, 11867A.
Prout, Donald George, 11949A.
Pryor, Gaillard Stoney, 11906A.
Ralph, John Henry, 11911A.
Ramirez, Norbert Donald, 11924A.
Ray, Robert Jackson, 11823A.
Renner, Robert Nelson, 11879A.
Richardson, Glen Wehrly, 11848A.
Roberts, Thomas Carlisle, 11859A.
Robinson, Hunter Rudolph, 11788A.
Salmon, Delbert Junior, 11834A.
×Sampson, George Archibald, 11858A.
Santala, Eugene Walfred, 11940A.
Sapp, Roger Elias, 11789A.
Schaitel, Leonard Jacob, 11907A.
Schlabs, Frank Wayne, 11832A.
Schnauber, Louis George, 11793A.
Shiver, Arthur Marvin, Junior, 11844A.
Simpkins, Alan Patrick, 11814A.
Snell, Lester Daniel, 11878A.
×Solomon, Edward Thomas, 11811A.
Sparks, Belmont Earl, 11846A.
Squillace, Dominick Paul, 11864A.
Stevens, Howell Edward, 11902A.
Stine, Donald Arthur, 11837A.
Streit, William Fred, 11932A.
Stumpf, Oscar Joseph, 11826A.
Tenold, Leslie Alvin, 11835A.
Thompson, Arnold Frederick, 11883A.
Tissue, Jimmie Lee, 11822A.
Van Noy, Glen Scott, 11920A.
Vetter, Lawrence Edward, 11829A.
Wagner, James Bertram, Junior, 11947A.
×Wakeman, Coyd Victor, 11922A.
Walker, James Osborne, Junior, 11804A.
Walker, Samuel Augustus, Junior, 11807A.
Watkinson, Arlie Gerald, 11884A.
Wilkerson, Harold Houston, 11801A.
Wilson, Ernest Ben, 11930A.
Wood, George Ray, 11860A.
Wright, Hanford Ralph, 11827A.
Wright, John Wesley, Junior, 11934A.
×Wyckoff, Frank Marvin, 11935A.
Yraceburn, Joseph Raymond, 11805A.

NOTE.—These officers will complete 7 years' service for promotion during the month of August. Dates of rank will be determined by the Secretary of the Air Force.

Capitol Hill and on the eastern seaboard through the press, the policies of Americanism which the Chicago Tribune has championed for over a century in the Middle West.

CALL OF THE HOUSE

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 131]

Barrett, Pa.	Dolliver	Norrell
Bland	Eaton	O'Neill
Buckley, N. Y.	Engle, Calif.	Powell
Bulwinkle	Fellows	Rains
Byrnes, Wis.	Gilmer	Reed, Ill.
Case, N. J.	Hart	Rivers
Chatham	Hays, Ark.	Roosevelt
Chiperfield	Heffernan	Sabath
Chudoff	Holifield	Shafer
Clevenger	Kennedy	Staggers
Crosser	McDonough	Stanley
Davenport	McGregor	Stigler
Davies, N. Y.	Macy	Thomas, N. J.
Dawson	Morrison	Towe
Dingell	Moulder	Withrow
Dollinger	Murphy	Woodhouse

The SPEAKER. On this roll call, 379 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON RULES

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 289, Rept. No. 1086), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 29) to amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AGRICULTURAL ACT OF 1949

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5345, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from North Carolina [Mr. COOLEY] had 35 minutes remaining, and the gentleman from Kansas [Mr. HOPE], had 29 minutes remaining.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. REGAN].

Mr. REGAN. Mr. Chairman, the annual memorial services for deceased Members were held on May 25. Under the resolution adopted for the program, all Members were given 60 legislative days within which to extend their remarks without the necessity of obtaining permission. Only a short time remains for those Members who desire to extend their remarks to include eulogies on any of our departed colleagues. This is merely to call that to the attention of some Members who may not have realized the time has passed so quickly.

Mr. COOLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, on yesterday the author of the substitute bill, the gentleman from Tennessee [Mr. GORE], referring to the passage of the committee bill, stated:

> I do not think we should take this leap in the dark.

Let us see just who, if anyone, is taking a leap in the dark and why.

I cannot speak and I will not attempt to speak for my Republican colleagues. Their record on leaping in the dark goes back to 4 o'clock in the morning, June 20, 1948. The Aiken bill was indeed passed in physical as well as mental darkness early that Sunday morning. Unfortunately, it seems to me, there still lingers some mental darkness about that bill. Certainly I am sure the gentleman from Tennessee would not come here and suggest the continuation of that bill had he dispelled the mental darkness which now undoubtedly befogs him and that undoubtedly befogs some other members of this committee. Certainly, the gentleman from Tennessee, had he but directed the sunlight of intelligent study upon the Aiken bill, would not be before us today to ask us to reduce the floor on cotton from the 27.99 cents per pound that this committee bill provides to the 16.25 cents per pound bottom floor provided by his measure. That is just what he is doing. His substitute proposes to continue the Aiken bill.

Surely, had he dispelled the mental darkness, he would not come before us and ask us to reduce the effective floor under corn from $1.46 to 85 cents a bushel.

Surely, had he dispelled that darkness, he would not have asked this committee to reduce the effective floor under the price of wheat from $1.88 a bushel to $1.09 a bushel. I say he would not have done that, because I know the gentleman from Tennessee is interested in maintaining a sound farm economy and in maintaining a sound national economy. I am sure that every member of this committee knows that you cannot let the price of wheat drop down to a dollar and keep your factories running and keep your labor employed. It cannot be done. It has been tried. But this Aiken bill, which was passed in darkness and perpetuated in darkness, is based upon the false philosophy that you should control the farmers' production, not by having a referendum among the farmers, and not by letting the farmer decide if he wants to grow a commodity or not, but that you should control the farmers' production by lowering his support prices. It assumes that as production goes up, support prices will drop until you starve the farmer into submission and bring him in line with the views of the bureaucracy in Washington. Yet there are members of this committee who, in the darkness, mental as well as physical, have come before this committee and within the past 24 hours, and have talked about regimentation.

Nowhere in the legislative history of this Nation have we seen a more drastic type of regimentation than is continued under the substitute bill to be offered by the gentleman from Tennessee [Mr. GORE]. It attempts, not by the vote of the farmers, but by edict from the Department of Agriculture, to cut the support prices as the supply of the commodity increases, and in that way try to starve the farmer and hold the price of his cotton down, down until it gets to 16 cents. With present-day wages you know he can no more than pick and gin his cotton for that. Under the Gore proposal his support floor will go down to the point where the farmer will starve. Then you say he will go out of business. The experience of the past is that even this drastic formula will not work. As prices go down farmers actually plant more in a pathetic effort to hold income up. But even if it would work, even if you could control production in this cruel and heartless as well as undemocratic manner, you must remember that when the farmer starves and when he goes out of business in that way, you close your factories in Detroit and you bank the fires in the furnaces of Pittsburgh, and you stop the flow of commerce down Broadway in New York. You stop the economic life of this Nation when you apply that Aiken philosophy of control through starvation.

That is the philosophy of the Aiken bill and it applies that philosophy without anybody's vote because it is automatic. It is direct bureaucratic action to the *n*th degree. I challenge the supporters, if there be any, of the Aiken bill to explain why they did not give the farmer a voice when they proposed to cut those support prices on his commodities.

So much, Mr. Chairman, for the darkness of that June morning in 1948. What about the pending committee bill that the gentleman from Tennessee so vigorously condemns as being a leap in the dark? Your Agriculture Committee started 2 years ago to dispel the darkness. Our committee traveled all over the Nation holding hearings from one end of the country to the other, talking to farmers and traveling by bus, train, and private car. There was pretty unanimous

NATIONAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to the Army, Navy, Marine Corps, and Air Force installations, and for other purposes, with House amendments thereto, insist on the House amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, MONRONEY, WOLCOTT, GAMBLE, and SMITH of Ohio.

EXTENSION OF REMARKS

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an article appearing in the Richmond Times Dispatch.

Mr. MASON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. TOLLEFSON asked and was given permission to extend his remarks in the RECORD in two instances and include in each extraneous matter.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Bristol Courier of July 19, entitled "Arms and Pump Priming."

Mr. COLE of New York asked and was given permission to extend his remarks in the RECORD and include an address delivered by his colleague, Mr. LEFEVRE.

FARM LEGISLATION

Mr. WHITE of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WHITE of California. Mr. Speaker, I hope every Member of the House will read in yesterday's CONGRESSIONAL RECORD the shocking revelation made by the distinguished gentleman from Georgia [Mr. PACE] in which he disclosed that the president of the National Farm Bureau Federation, one Allan Kline, has been deliberately spreading false propaganda in regard to the so-called Brannan plan. Every Member of Congress from a district where a Farm Bureau organization is located has received telegrams from the Farm Bureau denouncing the production-payment provision of the Brannan plan. Yet, the gentleman from Georgia [Mr. PACE] quoted from the official Senate and House hearings where Mr. Kline had not only approved but had actually advocated the principle of the Brannan plan.

I know that the farmers of America will agree when I say that it is time for the Farm Bureau to change its leadership and get a man who will not consider the interest of the American farmer as secondary to the interest of the Republican Party.

LIBRARY OF CONGRESS AWARD TO EZRA LOOMIS POUND

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, we hear much about the infiltration of Communist ideas, but too little about the infiltration of Fascist ideas. Last February Ezra Pound, who was then under an indictment for high treason, the prosecution of which had been suspended because he had been declared insane, was awarded the Bollingen Library of Congress $1,000 prize for the highest achievement in American poetry in 1948. Ezra Pound's indictment was for aiding and abetting Mussolini and the Fascist enemies of the United States in World War II. Since then a controversy has raged in literary circles over the propriety of this award and the Librarian of Congress has found it necessary to justify it in an extended letter published recently in the Saturday Review of Literature. My colleague, the gentleman from Connecticut [Mr. PATTERSON], has inserted all the material on the controversy in the Appendix to the CONGRESSIONAL RECORD, page A4617.

For the literati the question is whether art has anything to do with the character of the man who creates it, but for us the question is whether the 15 appointees of the Librarian of Congress who made this award, called Fellows of the Library of Congress in American Letters—one of whom incidentally is a British citizen though United States born—appropriately represent the people of the United States of whose will the Library of Congress is one expression; for the Librarian of Congress specifically states "every step was taken to insure that the prize, when awarded, would in fact be that of the Library of Congress made on its own responsibility." Under these circumstances I urge that Members on both sides of the aisle join with Mr. PATTERSON and me in calling for an investigation by the House Administration Committee, which has a Library Subcommittee, under its general powers of oversight over the operations of the Library of Congress.

We have heard much—and rightly—about the dangers of communism to our democracy and congressional committees are quick to investigate them; the dangers of fascism are just as great and need just as much examination. I have today written the following letter to the Hon. MARY T. NORTON, chairman of the House Administration Committee, which has oversight over the Library of Congress, demanding an investigation of this situation:

HOUSE OF REPRESENTATIVES,
Washington, D. C., July 21, 1949.

Hon. MARY T. NORTON,
Chairman, House Administration Committee, House of Representatives, Washington, D. C.

DEAR MRS. NORTON: Reference is made to the award by the Fellows of the Library of Congress in American Letters, a board of 15 appointed by the Librarian of Congress, to Ezra Loomis Pound of the $1,000 prize for the highest achievement in American poetry in 1948. At the time of this award, Ezra Pound was under indictment for aiding and abetting Mussolini and the Fascist enemies of the United States in World War II. Prosecution of this indictment had been suspended because he was adjudged insane.

I have been investigating this matter since early June. I had deferred action pending the explanation of the Librarian of Congress which was published in the Saturday Review of Literature recently, as this journal had brought out the whole situation. My colleague, Mr. PATTERSON, of Connecticut, has inserted all the material bearing upon this award as revealed by articles from the Saturday Review of Literature and Mr. Evans' reply in the Appendix of the CONGRESSIONAL RECORD on page A4617.

For the literati the question is whether art has anything to do with the character of the man who creates it, but for us the question is whether the 15 appointees of the Librarian of Congress who made this award appropriately represent the people of the United States, of whose will the Library of Congress is one expression. The Librarian of Congress specifically states in his letter of reply referred to above that "every step was taken to insure that the prize, when awarded, would in fact be that of the Library of Congress made on its own responsibility."

Your committee has a library subcommittee. Among its other responsibilities your committee has legislative oversight over the Library of Congress. The circumstances call strongly for an investigation by your committee of this situation. We hear much about the infiltration of Communist ideas and congressional committees are quick to investigate them. Must we not be equally diligent to investigate the infiltration of Fascist ideas especially in so august an institution as the Library of Congress?

I would appreciate very much your advising me at the earliest possible time whether your committee will undertake this investigation as I will have a number of witnesses who will desire to be heard.

Sincerely yours,

J. K. JAVITS, *Member of Congress.*

CHICAGO TRIBUNE PURCHASE OF WASHINGTON TIMES-HERALD

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, many Members of Congress will be greatly gratified to learn that Col. Robert McCormick, publisher of the great Chicago Tribune, has purchased the Times-Herald of Washington, D. C.

This will afford Colonel McCormick an opportunity to render a still greater service to the Nation by disseminating on

opinion among those farmers. They thought that the present program was working very well, so far as storable commodities were concerned.

They expressed their desire to continue it as far as storables was concerned, but not one defended the present program as far as perishable commodities was concerned, because they could not defend it. So we came back here and on the first of the year we had before us this evidence:

First. The program is good, as far as storables is concerned.

Second. It is a total failure as far as perishables are concerned.

So we started out with the idea that we would do well to retain that part that had been found good. The gentleman from Georgia [Mr. PACE] introduced a bill to hold all those portions of the present program which had proven workable. At the same time we set about dispelling the darkness relative to the unsuccessful part of the program. We held 6 months of hearings, and we got at least some light on the problem of perishables. At least we got more light than the gentleman from Tennessee. We know that the present program is good on storables and the committee bill extends that program. We got light on the program for perishable commodities to the extent that we know that it is bad. But nobody on that trip and nobody on that Sunday morning told us how we could handle those perishable commodities. Probably because none of them knew. So we started to work trying to determine if anybody knew how to handle perishable commodities. After 6 months of hearings, most of them extending through both morning and afternoon—I do not think any committee has gone into any subject more exhaustively—this committee decided that we at least could offer a suggestion as to how to handle perishable commodities. We do not claim to know we have the only true and final answer, but we do claim we have an intelligent suggestion. The gentleman from Tennessee [Mr. GORE] brings us no suggestion. The Republican Party brings us no suggestion. They say, "Go on and lose $400,000,000 on potatoes. Go on and lose $80,000,000 on eggs. Go on and lose on every perishable commodity on which you make a purchase. Continue to throw the Government into bankruptcy."

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I cannot yield. I have only a few minutes. "Go on and lose." That is the only answer they gave us, and that is the only answer they give us in this substitute bill.

Believing that we had an obligation to the Treasury of the United States, believing that we had an obligation to the taxpayers, this committee comes forth with a bill that does continue all that has been tried and proven good. It does continue in the law everything that experience has shown is good, to wit, a support price on storable commodities. In addition, we say, let us try a new and we hope a better program; let us try something and see how it will work, as to perishable commodities, without at the same time bankrupting the Government.

It is true Senator AIKEN says he knew he had a proposal to do exactly the same thing, not for three commodities, but for all commodities. That authority, my friends, is in the bill of the gentleman from Tennessee [Mr. GORE]. He now proposes to extend the direct-payment plan on every and any commodity, without limit either as to time, crops, or money. The sky is the limit under his bill. But our committee is a little more conservative than that. The Committee on Agriculture felt we had better go a little slow about this direct payment plan; that we should not try it on everything at one time. Let us see how it works on three commodities. If we can find a program that will work without costing the Government hundreds of millions of dollars that the present program on perishable commodities costs, we have done a great thing for this Nation. We will have enabled the Government to maintain a long-term program on both perishable and storable commodities. And let me remind you, my colleagues, we cannot hope to maintain our program on storable commodities if we let the losses continue to multiply on perishables. If I had nothing more than a selfish interest in this bill, I would seek a more workable program for perishables, because I know as you know that if we are to enjoy a continuation of the supports on cotton and wheat, we must extend similar consideration to those who produce fruit, vegetables, milk, meat, and other perishables. And more than that, we must give the taxpayers a program on these commodities that will not result in the kind of losses we have recently sustained on potatoes. The committee bill offers this kind of program. The substitute makes no effort to lessen these losses.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has expired.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Chairman, I have only 5 minutes to discuss this question on which, even with the able discussion which the question has had on this floor, a man should have an hour. But I do want to thank Mr. PACE and Mr. COOLEY for their kindness and consideration in extending me 5 minutes which I have at the present time. I do want to ask gentlemen not to interrupt me or ask me to yield during that time because I have only 5 minutes and I do not have time to yield.

I do want to say regarding my colleague from Tennessee [Mr. GORE], that I want to recommend to the Republicans of this House, any time you Republicans want a good Republican speech made, I will recommend that you call on the gentleman from Tennessee to make it, because he has better technique along that line than any Republican I have heard speak on this floor.

I want to refer to some figures that were put into the Appendix of the RECORD on page A4517. These figures were put into the RECORD by the gentleman from Pennsylvania. Knowing my colleague from Pennsylvania as I do, I know that the figures are very authentic and very reliable. I am referring to my colleague, the gentleman from Pennsylvania [Mr. RICH]. Those figures show that in 1919 the farm income of the United States was $14,000,000,000. In 1921, just 2 years later and after Warren G. Harding had been President of the United States for 1 year, that was almost halved; it was eight billion one hundred million. Then, in 1932, at the close of Mr. Hoover's administration, the half was halved and it was $4,700,000,000. I was living and farming out in Missouri when those things were happening in 1922. I was selling corn for 26 cents a bushel. Just after World War I closed we had a farm depression out there that bankrupted the farming industry and we had it just as soon as Woodrow Wilson ceased to be President of the United States.

I lived through those days. Hundreds and thousands of men and women in my country who were good farmers, who had helped produce the food and fiber that won the First World War lost their homes, lost their implements, lost everything they had. I was one of them. I used to blame myself for it, but I know I was not to blame. I was a young man and had an abundance of strength and I said: "I will not let this depression whip me." I bred more sows, I raised more hogs, I milked more cows, I sold more wheat; but the more I did the poorer I became, and I wound up in the early thirties sledging rock in a WPA quarry. I am one of those WPA workers who leaned on a shovel handle. I am not proud of it, but I am also not ashamed of it. I was doing the best I could then under the circumstances, and I am still doing the best I can now under different circumstances.

What was happening on Capitol Hill when those things were happening to me and my neighbors? I will tell you what was happening up here on Capitol Hill: This House and the Senate were passing the McNary-Haugen bill. It was vetoed three times by Republican Presidents. Why? Because they were afraid. The Republican Party has always been afraid. They were afraid of the New Deal legislation. I saw something yesterday that was new under the sun. I would like to have had old Solomon witness what happened here in the House yesterday: Republicans getting up here and defending the Roosevelt New Deal farm plan. I witnessed that yesterday. I never expected to live long enough to see that, but I saw it yesterday right here on the floor of the House, they were telling us this program was perfect, that it could not be improved. If that is not something new under the sun, what is? They were afraid then; they are afraid now; they are afraid to let Charley Brannan try out his plan on even three commodities. But they are afraid for a different reason from the one they proclaim. They said they were afraid it would not work; I say they are afraid it will work. It must be tough to have to go before your constituents and tell them that your party has always been opposed to everything; to have to tell them that your party has not conceived, sponsored, and brought into being a plan or program to maintain agricultural purchasing power at any time since Civil War

days. It must be tough for Republicans to have to tell their constituents that through the years they have been against everything and for nothing.

If I ever offer an amendment on the floor of this House and 75 percent or more of the Republicans support it I will know immediately that I am wrong.

One gentleman from the Republican side of this Chamber said he hoped that if the Brannan plan became law, even on a trial run, that milk prices would drop to 10 cents per quart. I want to remind that gentleman that the last can of cream that I sold under Republican administration brought 9 cents per pound for the butterfat it contained.

Another gentleman said his wife was paying 9 cents per pound here in Washington for potatoes but he is still unwilling to let Mr. Brannan have a chance to do anything about it.

Republicans know that the time is at hand when they can no longer tell the farmer that the laboring man in the city is his enemy. The city laboring man has come to realize that the farmer feeds and clothes him and his family, and in addition furnishes the best market in the world for the products of labor.

The farmer has also reached the place where Republican propaganda condemning the laboring man in our cities is no longer effective. The farmer realizes that the laboring people of the United States must have employment at good wages in order that they may earn the money to buy the food and fiber produced on American farms.

I have consecrated my life, or at least what little is left of it, to preaching the gospel of unification of labor and agriculture and I feel sure that the time is at hand when no amount of propaganda will convince the farmer or the city laboring man that their interests are divergent or that one can profit at the expense of the other.

I do want to refer to the remarks of the gentleman from Ohio [Mr. SMITH]. He probably thinks no different from many other Members on the minority side of this Chamber but he does have more courage than the most of them. He has said today on the floor of the House that it was his desire to save the children of the United States from enslaving and demoralizing effects of all the New Deal measures. I judge from these remarks that it is not his intention to vote for a measure that he has been condemning for almost two decades.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HOPE. Mr. Chairman, I yield such time as he may need to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman and Members of the House, the necessity of maintaining a stable farm economy is of prime importance. Our national welfare demands that there must be agricultural prosperity as well as industrial prosperity. The two go hand in hand. It is important to realize that the prosperity of one depends upon the prosperity of the other. If it is lacking in either one the damaging effect is reflected in the other as well. Therefore there is an ever present necessity to be alert to the welfare of each that there may be a prosperous national economy.

The bill before us today is one that deals primarily with agriculture, but, it would not in my opinion promote the prosperity of the farmer. It has become known as the Brannan plan because it is the program presented and advocated by the present Secretary of Agriculture. It is admittedly offered as a trial program. Its sponsors have not been willing to claim that it will prove satisfactory in operation. Nor has anyone been able to even estimate the probable cost of the program. Opponents of the measure have made some calculations of the cost that reach into fantastic figures; an amount that would constitute a tremendous drain upon the taxpayers. The possibility of widespread regimentation that would be possible under its provisions has also created considerable concern. This feature, together with other implications under the terms of the bill, has caused one distinguished economic analyst to express his views under the caption, "Do we want socialism or our American system." This is some indication of the underlying fear that exists in the minds of thoughtful persons.

There is real basis for this fear. The regimentation that could result under the terms of the bill would be far removed from our present American way of life. While there may not be present intention upon the part of the sponsors of the present bill to go beyond a trial program of a few designated commodities, yet, when we consider the extent to which the policy, once adopted could go, there is real reason to stop such a policy being started even though it is limited.

The following news article recently published in one of the Washington newspapers is sufficient to indicate the broad policy that was in the mind of Secretary of Agriculture Brannan when he announced his program, and, likewise is justification for the opposition of farm organizations, and, farmers generally throughout the Nation. The article reads as follows:

BRANNAN CALLS FOR WIDER CONTROLS OF FARM OUTPUT

Sweeping new powers to control farm production were requested by Secretary of Agriculture Brannan yesterday in laying a full draft of the administration's farm program before Congress.

He asked that rigid marketing quotas now usable on only six major crops be permitted on the great bulk of farm products, including meat animals, milk, poultry, eggs, fruit, and vegetables.

STIFF PENALTY PROPOSED

Under quotas, the Agriculture Department could tell farmers how much of any particular crop or product they could sell. Sales in excess of a quota would be subject to a penalty tax equal to half the full return which the administration's new program says any particular product is entitled to receive.

As is the case on crops now subject to sales quotas, the controls would have to be approved by at least two-thirds of the producers voting in a referendum.

Crops which now are subject to marketing quotas are cotton, tobacco, peanuts, corn, wheat, and rice. Quotas are in use this year, however, only on peanuts and major types of tobacco.

MORE MARKETING QUOTAS

Brannan would extend authority for marketing quotas to livestock, including hogs, cattle, and lambs; poultry, including chickens and turkeys; whole milk, butterfat, eggs, hops, honey, honeybees, gum naval stores, corn produced outside the commercial corn area, barley, oats, rye, grain sorghums, flaxseed, soybeans, dry edible beans, grass seed; vegetables, including potatoes, cabbage, and tomatoes; and fruits, including citrus fruits, dried fruits and deciduous fruits.

Quotas may be invoked next year on cotton, wheat, and possibly corn and potatoes as well as tobacco and peanuts. There has been no indication that they might be proposed in the near future for livestock, fruits, or other vegetables.

It can be readily seen that the adoption of a policy such as the Secretary of Agriculture advocates would mean a condition of Government control over the lives and activities of our farmers that would destroy the liberty and freedom that is so dear to the farmers of this Nation. No longer would they be free to sow and reap as they desired. They would be subject to the control of Government agencies. Nor can we overlook the fact that the cost of such a program would be so great that the financial stability of our Nation and the consequent tax burden upon our people would be at the breaking point. It must never be forgotten that whatever you get from your Government must eventually be paid for in taxes levied upon the people. The gentleman from Missouri, Chairman CLARENCE CANNON, of the House Appropriations Committee, presented the situation in a strong and logical way when he said:

Eventually we must pay the fiddler. Let no one have any illusions about that. The money you are adding * * * must be paid either by increasing the public debt or by raising taxes. You can take your choice. And the American taxpayers can take their choice—or at least express their opinion in a very substantial manner.

Time does not permit as full a discussion of this bill as I would like to have made, but suffice it to say that I am opposed to the adoption of the bill because, first, it proposes to center complete control of production, marketing, and prices in the hands of a Government agency; second, it has political implications which will leave the welfare of farm people subject to the whims of a bureaucracy and dependent upon congressional appropriations; third, it will stop the long-time trend toward greater efficiency in farm production, a trend which is in the interest of consumers as well as producers; and, fourth, the program would eventually prove detrimental to consumers.

In coming to the conclusion that the policy set forth in this bill is not in the best interest of either farmers or consumers, I have had in mind that the rank and file of our people are opposed to anything and everything that runs contrary to our American way of life, or that would lead us from the fundamental principles that have governed us throughout our existence as a nation.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, the debate thus far has been very interesting and enlightening to me. May I say at the

outset that I bow to no Member of this House so far as agricultural experience is concerned. I was born and raised on a farm. I homesteaded, I have milked cows, fed hogs, and fed sheep, among other things. If anyone here has had any more experience than I have had so far as actual work on a farm is concerned, I would like to have him stand up. Perhaps my farming experience has not been as large so far as acres are concerned, as our farms were from 40 to 80 acres.

May I begin by saying, Mr. Chairman, that I impugn the motives of no man so far as his position on this bill is concerned, and, in my opinion, it is about time that every Member of the House, myself included, come to the realization that all of us are in favor of doing the same thing for the farmers. In other words, we all want to accomplish exactly the same purpose. The big argument, the big difference, is over the way we shall go about it.

I was amused to hear my beloved and very dear friend from Texas talk about darkness. If he will read the Scriptures he will find "Those in darkness have seen a great light." Therefore, I want to pay a compliment to the gentleman from Tennessee [Mr. GORE].

Let me remind the Members on my right that your own political platform of 1948 states definitely that it supports a flexible price program. It is almost identical with the statement of the Republican platform on the same issue and that is the way it should be.

Mr. Chairman, to me the darkest moment in all my career in Congress was when our subcommittee decided—purposely? No; I think not. Accidentally? Absolutely—to make a partisan political issue of the farm program and not follow their own conscience. If we could have the opportunity of talking quietly to each one of you personally, how members of our subcommittee felt in their own hearts about the Pace bill when it was first considered in our committee you would be, indeed, quite surprised.

It was a sorry day in America when those gentlemen out in Des Moines said that "We can do more for the farmers because we are Democrats than you can ever expect from the Republicans."

There never was a more false or insincere statement made. The Democratic Party wants to do everything it can for the farmers; the Republican Party, I am convinced, wants to do the same thing.

I lived through the Hoover trouble. I was operating a hardware and implement store at that time and I know what it means to come downtown and find your banks closed with your help standing around wondering how you are going to pay them. Does anyone want to see that return? I am pretty well fed up with some of these folks who make the statement in the press that the Republicans want a depression. No Republican, no Democrat, has ever conscientiously made any such statement. There is not a Member on either side of the aisle who even remotely feels such a desire. Yet when I see the same thing coming in 1949 that I saw spread over the world when the last depression hit us, I am pretty nervous. None of us are to blame, but this great Nation of ours is not large enough, it does not have influence enough, to stop world-wide deflation.

I would like to just call your attention to a few figures I have in my hand concerning the situation in Europe. Does it bear on this question? My friend, it is absolutely right to the point. What has been going on? I tried to tell the subcommittee, I think I did in a small way, but maybe not plain enough. But here are figures showing recovery in some European nations in regard to industrial and agricultural pursuits. You may not believe these figures but they are absolutely unimpeachable. Listen to the figures as I read them, because they do have a bearing on what we do in this House this very day.

In Great Britain the total production today, that means agricultural and industrial production, is 121 percent over prewar. Now let that have a bearing on your vote.

In Belgium they are producing today very considerably over prewar. I call the attention of my good friend from Texas to that, because he and I walked around through one large city in Belgium one evening 3 years ago when they were very happy and dancing on the streets, and they were having a good time. What do you suppose their production has reached? One hundred and seventy percent over prewar in 1948.

Take Sweden. Now, you would expect them to be higher because they did not enter into either war, but that is not true. Their production is 143 percent in 1948 over prewar, and Poland is 133.

Now, listen to this. Of the 15 countries, including Russia and her satellites, we find their average increase in production since the war in 1948, was 113 percent over prewar.

What bearing has that on this bill? Let me say here this very minute that it has a great deal to do with this bill, because the United States is the only nation in the world—and I defy anyone to dispute my statement—that absolutely bankrupts itself by production. We are the most strange and peculiar and unusual people that God in Heaven has ever blessed. He has blessed us with the greatest crops we have ever had. Even this year, 1949, I was certain that Mother Nature would not smile so abundantly on us, yet we find that probably the wheat crop will be better than last year, and the corn crop will be larger.

What I am driving at is that if we do not have, shall I say, sound thinking, keenness, and smartness to arrange a farm program that fits into a new world, then agriculture surely faces real difficulties. This is a very important bill. To me it is the most revolutionary piece of legislation I have ever read. To me it is a little different when a lawyer discusses a bill, or a hardware merchant, because I discuss it exactly from the language of the bill. This bill is very peculiar. Please look at the bill. On the very first page, what does that bill say? It starts out by introducing the Brannan program. I do not think we should have a discussion about the Brannan program now, because I have enough trouble crossing bridges when I get to them without crossing bridges that I never reach. So, forget the Brannan program. You Democrats have thrown out Agricultural Secretaries before, and I am convinced you can do it again, and you might, even though he is from Colorado. Why, you threw out a Secretary of Agriculture, or he got out, and if I remember, he ran for President. And, you might throw out a Secretary of Agriculture on this issue and find him running for President. Those are things that might happen.

On line 8, page 1 of this bill, I call your attention to the first time you have seen these words: "income support standard." There begins your Brannan plan. The whole thing, the whole scheme is written in those words. Now, I want to turn over to the next page and show you subdivisions 1, 2, and 3, and read them. It tells you how you are going to figure the farmer's income, and for the first time in all your agricultural legislation you have written in the income of the farmers of the United States on an average annual basis. You have written in also parity prices for the farmer's product. Notice how this works. Then, in addition, you have in the bill the expenses that the farmer incurs in producing and operating his farm. Now through the manipulating of a formula proscribed by the Secretary with the weighting of certain elements the Department arrives at a parity price.

Do you understand this? Of course you cannot.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. COOLEY. Mr. Chairman, I yield myself one-half minute.

Mr. Chairman, I hope the gentleman from Colorado will carefully read in the RECORD tomorrow the unwarranted accusation he has leveled against his colleagues on the Committee on Agriculture. I have been associated with the gentleman for many years. He started his remarks by saying that he would not impugn the motives of any of his colleagues on the committee, and before he had concluded he said that we were not following the dictates of our conscience, and if he could take the Members of this House out into the corridors of this building he could open their eyes with regard to the considerations which had influenced the decisions of the 17 Democrats on the committee.

Mr. HILL. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I yield myself one-half minute additional in order to yield to the gentleman from Colorado.

Mr. HILL. I certainly am entitled to say this, now that the gentleman has put his foot in the halter, as we farm boys say. I did not expect to tell this, but I say to the gentleman I made no charge against any members of my committee.

Mr. COOLEY. I ask the gentleman to read his own remarks in the RECORD tomorrow.

Mr. HILL. Let me tell the gentleman something. He was not present, and I am not talking about the Committee on Agriculture, the whole committee, I am

talking about the subcommittee. Let me say to the gentleman that here is something he does not know. He was not there. I was there. I made this remark, and I make it again.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. HILL. Will the gentleman take more time so that I can finish my statement?

Mr. COOLEY. No.

Mr. HILL. I will tell later in the Committee of the Whole just exactly what went on in the subcommittee. I did not mean to do that, but I certainly will.

Mr. COOLEY. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. WHITE].

Mr. WHITE of California. Mr. Chairman, I hope every Member of the House will read in yesterday's CONGRESSIONAL RECORD the shocking revelation made by the distinguished gentleman from Georgia [Mr. PACE] in which he disclosed that the president of the National Farm Bureau Federation, one Allan Kline, has been deliberately spreading false propaganda in regard to the so-called Brannan plan. Every Member of Congress from a district where a Farm Bureau organization is located has received telegrams from the Farm Bureau denouncing the production-payment provision of the Brannan plan. Yet, the gentleman from Georgia [Mr. PACE] quoted from the official Senate and House hearings where Mr. Kline had not only approved but had actually advocated the principle of the Brannan plan.

I know that the farmers of America will agree when I say that it is time for the Farm Bureau to change its leadership and get a man who will not consider the interest of the American farmer as secondary to the interest of the Republican Party.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, it is pretty difficult these days to keep cool with COOLEY or to keep pace with PACE, but my particular interest is to keep the livestock people of this country from going broke with Brannan. That keeps me busy most of the time. Cheese is 27 cents per pound today and the law states the support at 32 cents.

We used to have hope, faith, and parity, but we are beginning to lose a little of faith and hope, and I guess we are going to lose parity, too, if we do not look out.

Mr. Chairman, I think we should spend a few minutes trying to find out what this is all about. I never realized I could learn so much from people who have been in Washington such a short time.

Let us go back a little bit and think about the Federal Farm Board which we hear about, which in the twenties had $500,000,000 and lost about half of it. Then we had the triple A that we hear praised here today. But in 1939, the seventh year of the more abundant life, what did you have? That was the first year I was a Member of the House of Representatives. In August 1939 we had 5-cent-plus hogs and 8-cent-plus cotton and you had your 54-cent wheat, and you had to pay 27 cents export bounty in order to get rid of the wheat. I do not want to spend time going into that today. We have listened to a discussion about the Aiken bill. That is not the issue here before us today. The issue before us today is whether we are satisfied with the support program that we have or whether we want to take over the Pace bill. As I remember it, in high school there was something—I presume it was in geometry—a rule to the effect that "things equal to the same thing are equal to each other." Personally, that is the reason I will not support the Pace bill. The Pace bill and the Aiken bill are too much alike to merit the support of anybody. If you do not believe that, just read the speech made by the distinguished gentleman from Georgia [Mr. PACE] yesterday. It is in the RECORD. Surely the Aiken bill has many of the provisions of the Brannan plan in it. So has the Pace bill. So, "things that are equal to the same thing must be equal to each other."

For that reason I say to you today that I stand here and feel humiliated—it makes me feel dejected—to see anything as important as this brought in here and glibly discussed the way this particular legislation is being discussed. It is enough to make anyone feel badly to think that he spent any time in agriculture. One could just as well have come down here and obtained all the information in a few short weeks by listening to what goes on here in Washington.

The Steagall bill was passed in 1941. You may make disparaging remarks about the gentleman from Tennessee [Mr. GORE], but I have known the gentleman ever since I have been a Member of Congress. You can accuse him of being a Republican, or anything else you like. He can take care of himself, as I have observed on many times. The gentleman from Tennessee [Mr. GORE], if you want to know the facts of the case, was the gentleman who did more to give us a support program for American agriculture in passing the Steagall bill than any other Member of Congress at that particular time. Associated with him were present Members of Congress, the gentleman from Georgia, PAUL BROWN, the gentleman from Iowa [Mr. TALLE], the gentleman from Wisconsin [Mr. HULL], and the gentlemen from Michigan [Mr. WOLCOTT and Mr. CRAWFORD]. The gentleman from Georgia [Mr. BROWN] was one of the leaders in connection with placing the Steagall amendment in the Price Control Act. The Steagall bill was the greatest piece of agricultural legislation that this Congress has ever passed. I do not care what anybody says, no other piece of agricultural legislation in the history of this country compares with the Steagall amendment.

Mr. PACE. If the gentleman will yield, would he permit me to add to the list of names that he has mentioned the name of the gentleman from Wisconsin [Mr. MURRAY]?

Mr. MURRAY of Wisconsin. No; I was not a member of that committee. I was not a member of the committee, although I sat there and listened to the hearings because I knew if we had support we were going to get production, but I take no credit for it myself.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. GORE. I would not want the gentleman to belittle his service. He conferred with the gentleman from Tennessee and with other Members who were vitally concerned with the adoption of the amendment and he did contribute valuable services.

Mr. MURRAY of Wisconsin. I do not want to break my arm patting myself on the back, or anything like that. But I do say to my colleagues today that we had better think twice before we discard the Steagall amendment. All the Hope bill is really a continuation of the Steagall bill. So any time you are criticizing the gentleman from Tennessee [Mr. GORE] today you are criticizing one of the men who has made one of the greatest contributions to American agriculture of any Member of Congress in the history of this Congress.

This program worked before the war, it worked during the war, and it has worked since the war. I listened to Members yesterday about how bad they feel because they spent a few million dollars on eggs. Oh, that was terrible. If they had shipped as many eggs as some of these other products, there would not have been any loss on eggs. If they had a little of that money which was spent in sending tobacco over there to feed the starving people of Europe, we would not have had any loss on eggs at all. My good friend from Arkansas was worried about the losses that had been made. The gentleman did not say anything about the fact that last year we shipped $86,000,000 worth of rice abroad. The farmers received only $172,000,000 for the entire rice crop. So half the crop was exported.

My good friend from Georgia—I do not like to mention this, because I think he was on good ground during the war when they did not need cotton—but he expanded the benefit program to peanuts. The peanut crop last year was worth only $220,000,000, and we were able to get rid of $77,000,000 worth of it largely through the Marshall plan. So let us not get the tears running down our cheeks too much about any little livestock products. The Government has never lost a dollar in connection with the livestock program up to this time. It has been difficult to get them to use any section 32 money. They could figure out all the excuses in the world to use that section 32 money but they did not want to do it when it came to the livestock industry, which, after all, is 50 percent of the agriculture of this country.

Under the Pace bill, as I said before, it is too much like the Aiken bill to have anyone support it. As previously stated, things equal to the same thing are equal to each other. There are a lot of things in the Pace bill that you have not heard discussed at all. It is honeycombed, if you please, with special privilege. Look through it. You see that throw-back to

the days of Henry Wallace, with 75 percent support for corn in one county, and right across the line, in another county, 100 percent support. Such a silly thing to have in a bill in 1949.

Mr. PACE. That has been the law. It is now the law and has been since 1938—the difference between commercial and noncommercial corn areas.

Mr. MURRAY of Wisconsin. I realize it is in the present law. Representative AUGUST H. ANDRESEN on many occasions tried to get it out of there. There is no reason to repeat it and put it in the permanent law, because I do not like to live in a 75-percent-support county and have somebody else in a 100-percent-support county, because that is not democracy in action. That may be the idea of Democrats in action, but that is not democracy in action.

The only change in the Hope bill was that, instead of saying "not less than 90 percent of parity," it says "90 percent of parity. The Hope bill provided the sliding scale for perishables which all Democrats voted for. Please do not go out like you did last year and say you believe in a sliding scale and try to make anyone believe there is not any sliding scale in the Pace bill, because you have got two of them. You slide clear down to the cellar in this one. Fifty percent of agriculture is covered in the Pace bill and the other 50 percent is left out of the picture altogether. Under the Aiken bill, only about 20 or 30 percent of agriculture has any protection. The rest of it is simply a matter of discretion.

So I say to you, let us keep the present law that we have. Let us amend it. Let us do something that is not going to be detrimental to the American farmers. They have done a good job during the war, and we owe that not only to them but also to the American people.

Mr. COOLEY. Mr. Chairman, I have only one additional speaker, and I would like for him to close.

Mr. HOPE. Mr. Chairman, may I inquire how the time stands?

The CHAIRMAN. The gentleman from Kansas has 9 minutes remaining, the gentleman from North Carolina 17½.

Mr. HOPE. Mr. Chairman, I yield the remainder of my time to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I rise in support of the Gore substitute. I do not believe the issue here before us today is the issue of the Brannan plan or the Aiken plan; I believe sincerely it is the issue between the experimental Brannan plan and a tried, and time tested, and constantly improved Democratic farm program which I feel the people of this country endorsed in the election last November.

I am not ashamed of this Democratic program; it had bipartisan support; it has worked for many years and has been gradually and slowly improved to where I think it is a good plan.

I will admit that it has perhaps several faults, but I do not believe it is worth while to burn down the house in order to get rid of a few bugs. It is a plan that is well reasoned out and has been put on a sound, safe, and sane basis.

I am afraid of the Brannan plan, although I have an intense respect for the able and sincere Secretary of Agriculture, Mr. Brannan. I have a tremendous respect for the members of this Agriculture Committee. I do not think anyone has done more for agriculture than the gentleman from Georgia [Mr. PACE] and the gentleman from North Carolina [Mr. COOLEY].

But I cannot bring myself to follow anyone's lead blindly when after further careful study and consideration I think the program will lead us down the road to economic ruin. I am afraid this launches a program which will soon become so stupendous in cost that this Nation could not remain solvent.

When we accept the Brannan program we accept the principle of food subsidies, of high producers' prices, low consumers' prices, and the Government making up the difference out of money from the Federal Treasury. If we can accomplish this trick of high producers' prices and low consumers' prices without the outpouring of billions of dollars from the United States Treasury, then we have discovered something as great as the discovery of perpetual motion, and I do not believe we have found it yet.

This program, the more I study it and look at it and see it, makes me think of the OPA production payments, subsidies, low consumers' prices, high producers' prices, billions from the Treasury. It seems to me we are inadvertently drifting back to the old days of the OPA again.

I apologize to the Committee for speaking of this bill. They studied this question of food subsidies for a few months, ever since April 7, when, I believe it was, the matter was first submitted to the Congress by Secretary Brannan.

But I have the temerity to say that I have studied food subsidies for 3 years. My effort goes back to the days of the OPA when I had to fight in every session of Congress to try and continue food subsidies to keep from breaking the line of inflation and having a third, fourth, or fifth round of wage increases.

As I defended that program here and in my district and all over the United States by radio, I realized many of the difficulties, many of the thousands of complications and dislocations that a program of food subsidies once started would lead us into. It was a war-caused necessity then—a temporary thing to be killed when the inflation danger was over.

Make no mistake about it, in this bill we commit ourselves knowingly or unknowingly to a system and principle of food subsidies in such a way that we cannot turn back. The committee has written some fine provisos into this legislation, but you must remember that when you embark upon this program you are starting something that will spread like a flood and be as difficult to control.

Think back to the original idea and what they expected to do. It was not a trial run on three products, but unlimited authority to use production payments on any perishable commodity that they determined.

I am fearful of a mighty Department of Agriculture and a very capable Secretary of Agriculture who are not committed to a food subsidy on only three commodities; they never backed up from their position that it must be a comprehensive program on those perishables which they think need support.

So we will find after the camel's nose is under the tent that it will be an entering wedge instead of a trial run. I have seen many programs start as trial runs only to become gigantic programs. Government programs always have a habit of expanding.

If the Committee on Agriculture was the only one expounding this trial on three commodities, that might be a different situation. But you and I know that this full-blown Brannan plan, advocated and aggressively supported by the entire Department of Agriculture, combining with consumer groups, can soon force this far beyond the limits the Agriculture Committee now advocates.

It is a program which can become self-accelerating, self-enlarging, self-expanding.

It is only a matter of time until the program gets bigger and bigger and is added to in its appeal, not only to the consumers, but to the producers as well. And so the United States Treasury eventually picks up the check which I fear will result in this program becoming absolutely unlimited as to skyrocketing costs.

Food subsidies under OPA, too, started in a very small way. I remember when the subsidy was put on milk of 1 cent a quart. It was not very long before we found that the subsidy on fluid milk was dislocating the cream supply of butter. So we had to put it on butter. Then we found after we had placed subsidies on fluid milk and butter that we had dislocated the supply of milk for cheddar cheese.

So you go into a general program and you finally go from one commodity to the other and the end is never in sight. Yes, before we were through with that dairy program the cost was $1,243,000,000. The OPA subsidies, which I supported as cheaper than breaking the line of inflation for the war, cost us $3,947,000,000. For the last partial year 1946 it cost us a total of $1,763,000,000.

It is costing England, less than one-third our size, in food subsidies nearly $2,000,000,000.

Do you remember the fun it was to run a Congressman's office on those hundreds of problems of production payments, the quarrels, the difficulties, the missing records of bureaucracy, the men who ran all over this country auditing the farmer's receipts and the processor's records? Do you remember the millions of pages of regulations that any such program entails? You talk about bureaucracy. This program cannot be self-enforced and self-maintained because you are paying out Government money to the egg producer or whatever else is in this subsidy program. Each one of millions of transactions has to be audited, and finally they have to clear through the General Accounting Office.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from North Carolina.

Mr. COOLEY. Was not the gentleman from Oklahoma the most ardent advocate of OPA in this entire House?

Mr. MONRONEY. I have tried to say that very clearly, because I felt it was a wartime necessity in battling inflation. I do not see how subsidies could have been so repulsive to so many Members of the House under OPA and now have a sort of holy attitude for farm prices in peacetime.

I think the committee admits it cannot be sure that these production payments will be passed on by processors to benefit the consumers of this country. Only through price controls, which I am sure no one now wants, can you prevent the benefits of processor payments from being absorbed by the middleman. The committee even points out, in the case of wheat, which has fallen one-third in the price the farmer receives, that the cost of bread has not gone down at all.

The only excuse given for the trial run in this bill is that it is going to furnish experience. Experience for what? For the full Brannan farm program because that is what the Department of Agriculture is committed to and if you pass this trial run you will find it will be ever-expanding and ever-accelerating within a short time.

What will the program cost? Nobody can give the cost. Secretary Brannan testified that to lower the price of milk 1 cent a quart across the country would cost from $200,000,000 to $250,000,000. That is a reduction of 1 cent a quart to benefit the consumer. That is almost as much as it would cost to have the Federal-aid-to-education program for the coming year. That is 1-cent-a-quart effect to the consumer.

On eggs, to lower the price, and this is the figure the Secretary used, by 4 cents a dozen across the country, his estimate was it would cost $172,000,000.

On pork, and that was not spelled out quite so clearly, but 20,000,000,000 pounds of pork which we will probably have, lowered 4 cents a pound, figures $800,000,000. So I think you have just a little peak at the eventual cost of this full program. We should therefore stop, look, and listen. Let us continue our present tested formula for another year and see what can be done to improve it. You cannot solve agricultural problems with subsidies. You merely multiply them. You start a chain reaction that can destroy our economy.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. COOLEY. Mr. Chairman, I yield the remaining time to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, I hope very much that in the closing moments of the general debate I may be able to be of some service to the Members. I hope you can do me the kindness to forget for a moment that you are a Democrat or a Republican, and turn our entire attention to a future constructive farm program for the farmers of this Nation.

I think the best service I can give you is to tell you how and why this bill is now before you. The subcommittee started hearings on January 7. You may remember that was even before the House was organized. Then on February 23 through March 18, we devoted our time to a study of the Aiken Act which, you recall, we did not have an opportunity to analyze before its enactment in the closing hours of the Eightieth Congress. But, here is what we found, and please follow me closely. We found that Senator AIKEN on June 15, 1948, while his bill was before the Senate, had this statement to make: "Price supports on any agricultural commodity through loans, purchases, payments, or other operations would be authorized." That is in the Aiken Act. "This authorization provides the necessary flexibility in the choice of methods to be used in supporting prices. Thus it authorizes not only loans and purchases, but also direct payments to producers."

That is, we learned that under the statement of the author of the bill himself the entire Brannan plan, lock, stock, and barrel, without any limitation, is now in the Agricultural Act of 1948, commonly known as the Aiken bill.

Then we found in the bill itself this section, which I think you should know about, section 302 (a):

> The Secretary, through the Commodity Credit Corporation and other means available to him, is authorized to support the price of agricultural commodities to producers through loans, purchases, payments, and other operations.

There is the production payment or Brannan plan authorized without limit.

Then we had before us the Solicitor of the Department of Agriculture, Mr. Hunter. He testified, and I think the date is significant, in February—quoting him without reading his exact language—that under the language of the Aiken Act they were now, for the first time, granted the authority to use production payments in the price support program.

Then the Secretary of Agriculture came before our committee, and I think I should read to you exactly what transpired:

> Mr. PACE. You do now have authority under the Aiken bill, if it goes into effect on the 1st day of January, to support prices in all of the methods you now suggest?
>
> Secretary BRANNAN. Yes.
>
> Mr. PACE. By payments, by loans, by purchase agreements, and by direct purchases?
>
> Secretary BRANNAN. Yes.
>
> Mr. PACE. This payment question, which has been so much inquired about, is now authorized by law if the Congress gives you the money?
>
> Secretary BRANNAN. That is right.
>
> Mr. PACE. I think that needs to be made clear. We have not brought here, whether it is good or bad, a request for any authority that the Congress has not already written into the law.
>
> Secretary BRANNAN. That is correct, sir.

Let me say in passing, when you rise here today and condemn Mr. Brannan, please bear in mind that he could have remained quiet, he could have come to our committee and suggested some changes in the Soil Conservation Act or the like, he could have withheld mention of the fact that his entire proposal was authorized by law, and the probability is that it would have remained in the act just as it is at this time. I think you should thank the Secretary.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Kansas.

Mr. HOPE. The gentleman is not saying, is he, that this Congress should have permitted the Aiken act to become law? I thought it has always been the gentleman's position that we should not permit the Aiken bill to become law, and until it did become law these production payments would not be possible.

Mr. PACE. That is exactly right. I think if Secretary of Agriculture Brannan had not developed the problem and his views, neither the gentleman from Kansas nor the gentleman from Georgia would have had a full comprehension of the problem. Therefore, this is what we were faced with, and get this clear. I think you ought to understand what is in the minds of the committee. Here was the Aiken Act authorizing the production payment plan without limit. Here was the Secretary of Agriculture saying, "That is the plan I want. That is the plan I want to put into effect with certain changes and additions." Our committee could not agree with either of them. We thought it was such a comprehensive change that it required considerable study and, if you please, we concluded we could study it for 40 years and talked about it and never would have known how it would work. We concluded there was but one way in the world to determine the feasibility of the payment plan, and that was through experience, by an experiment. Nobody on the committee, be he a Democrat or a Republican, was ready without additional information to accept either the unlimited authority contained in the Aiken bill or the unlimited authority which the Secretary proposed that he exercise.

But that is not all. We began to look closely into these losses. As I told you yesterday, you have only two methods now of supporting prices. One is through loans, which you can use only on a few commodities like cotton, corn, wheat, and tobacco, and the other method is for the Secretary to go out and buy up the surplus.

The gentleman from Oklahoma [Mr. MONRONEY] missed the issue as completely as I have ever seen it missed. The question here is not, under this bill, to set up an unlimited subsidy program for consumers. That is not the issue. The issue here, may I say to the gentleman, is whether or not your Government will continue to buy food and to destroy it when there are people in this country that need it to eat. That is the only issue here.

Now, here is some information we had. This is the statement made to our committee on the 7th day of June by Mr. Leslie S. Hubbard, president of the National Poultry Producers Federation, Lancaster, Pa. He was an impartial witness. He came there of his own accord.

He is interested in the protection of the producers. Here is what he says. Please listen to this:

If the Congress decides to extend into 1950 title I of the Agricultural Act of 1948—

That is the Gore bill—

I can say with complete assurance that the Department of Agriculture will have to buy from 15 to 20 million cases of eggs at a cost of approximately one-quarter of a billion dollars.

When you vote, please understand what you are doing. That is all I ask. I do not care how you vote, because I know how you will vote if you do understand. When you vote for the bill offered by the gentleman from Tennessee [Mr. GORE] which contains the egg program just as it is, where the only thing the Secretary can do is to go out and buy up eggs, then you are voting for a program to buy a quarter of a billion dollars' worth of eggs and take them away from the consumers of the country. Could anybody here stand up and say that they expected me or the Democrats or the Republicans, if you please, on my committee to continue title I with the testimony before us?

Then, what else did we have before us? It is said that the farm organizations did not have a part in this bill. All right, here is the testimony of Mr. Davis, secretary of the National Council of Farmer Cooperatives. This is found on page 616 of part 3 of the hearings:

Mr. PACE. Do you or do you not approve of the Secretary's production payment proposal?

Mr. DAVIS. We would approve of it on an experimental basis, I think. It seems to me that you need some experience with a thing like that before you go all out to apply it.

Is that not the committee bill?

Here is the testimony of Mr. Kline of the American Farm Bureau Federation. Mr. HOPE asked the question:

Mr. HOPE. Do you favor continuing in the Aiken bill, if it continues to be the law of the land, a provision for payments? * * *

Mr. KLINE. * * * It is a matter of record that we aggressively supported the act with that provision in it. * * * we have proposed some amendments to make effective the act of 1948 and we have not made any suggestion with regard to the elimination of this provision. In fact, we do not suggest it.

He proposed to leave in the Aiken bill the unlimited authority for the production payment plan—for the Brannan plan, if you please.

Now, here is the testimony of Mr. Goss, which is found on pages 565 and 566 of part 3 of the hearings:

Mr. GOSS. We discussed a straight subsidy, and said that that might be necessary, * * * We recognize that there may be emergency conditions where it might be necessary, nevertheless. * * * our whole stand might be summed up by saying that we want to use any possible devices that will bring about the best results.

Mr. WHITE of California. Will the gentleman please tell the Members that Mr. Goss is with the Grange?

Mr. PACE. Of course, Mr. Goss is the master of the National Grange.

What were we to do? What would you have done? Would you have come here asking the Members to extend title I with that testimony before our committee, that on potatoes last year you bought up $225,000,000 worth and let them rot in the fields and fed them to the hogs? Somebody mentioned something about making flour of the potatoes. The testimony shows that we not only had to give them to the flour mills, but we had to pay the freight to deliver the potatoes to the mills. You spent $225,000,000 on Irish potatoes last year. You have already lost $128,000,000 on eggs. And you are preparing to buy another quarter of a billion dollars' worth of eggs if you continue title I.

Could we have come here and recommended the extension of title I? You know we could not. It was not cotton, corn, and wheat we were worried about. Those producers are all right. But we think that the perishable commodity producers of the Nation are entitled to equal treatment and we know that you cannot give protection to them if the only method you have is to go out and buy up food and let it rot. And we know that if it is done much longer then the American people will revolt and our entire farm program and the support-price program will be endangered. Any farm program, to be successful and to continue in effect, must be sensible, must take into account the welfare of all the people, and must be administered without unreasonable and unnecessary cost.

So here is what we have done: We have taken these three commodities; eggs, with probable losses of $128,000,000; Irish potatoes, where you have lost $408,000,000; and wool, where you have lost $80,000,000, and authorized an experimental program for the next 2 years to find out how the production plan will work, what the costs will be, whether it is practicable, whether the benefits to consumers will be in keeping with the costs, and how to fix the production limitations.

We could accept the all-out program of the Secretary; we cannot accept the unlimited authority in the Aiken bill, but we do agree with the Secretary that the time has come in this Nation when the welfare of the consumers, who pay the bill, must be taken into account, and these enormous losses and this destruction of food must be stopped.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield briefly.

Mr. WHITTEN. Is it not a fact that all these losses have been because there have been no controls, which the Secretary for the last 3 or 4 years has asked both the Democratic and Republican administrations to impose?

Mr. PACE. CLINT ANDERSON, when Secretary of Agriculture, sent three letters to Congress asking it for authority to put some controls under the potato program, and it has not been done, and there is nothing in title I of the Gore bill that will do it. But there is in the committee bill authority, where the Secretary can require the producers to conform to reasonable limitations on production.

Let this be my last word. I do not know what the future holds. Some say that this experiment is just getting the camel's nose under the tent. I say this to you, if you do not try this plan out and see whether it works for the perishable producers, about 50 percent of agriculture, or more, they will never have a support program like the producers of the basic commodities, and enjoy the same protection.

I do not see how a man from California can vote against the committee bill. I do not see how a man from Florida can vote against the committee bill, or a man from New Jersey, or any of these great areas where the perishables are grown. If you vote against the committee bill, then come and tell us, if you please, how you think we can give some help to the perishables. Come to us, if you please, and tell us if you do not think the consumers of this Nation have some rights. Come to us and tell us whether you think that instead of providing food for millions of our people who are entitled to have it, and for which they are paying, you should spend a quarter of a billion dollars buying up eggs and then throwing them away. Tell us whether or not you think we should continue to provide no authority except that of going out and buying and destroying. Those are the issues.

As a final word let me add that my principal interest is in the welfare of those millions of our people who work in the fields and produce the food and fiber to feed and clothe all the people. I think they are entitled to the protection and security of fair support prices, to full parity prices. But I know we cannot secure and keep for them that protection and that security unless the program is sound, unless the losses are kept to the lowest possible figure and unless the welfare and interest of those who pay the bill is also considered and protected.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Agricultural Act of 1949."

Mr. GORE. Mr. Chairman, I offer an amendment contemplated under the rule.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GORE: On page 1, strike out all after the enacting clause and insert:

"TITLE I—1950 PRICE STABILIZATION

"SECTION 1. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture, by loans, purchases, or other operations—

"(a) To support prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1951, if producers have not disapproved marketing quotas for such commodity for the marketing year beginning in the calendar year in which the crop is harvested. The price support authorized by this subsection shall be made available as follows:

"(1) To cooperators at the rate of 90 percent of the parity price for the commodity as of the beginning of the marketing year;

"(2) To noncooperators at the rate of 60 percent of the rate specified in (1) above and only on so much of the commodity as would be subject to penalty if marketed.

All provisions of law applicable with respect to loans under the Agricultural Adjustment Act of 1938, as amended, shall, insofar as they are consistent with the provisions of this subsection, be applicable with respect to loans or other price-support operations authorized under this subsection, except that for the purpose of computing the parity price for Maryland tobacco the base period shall be the period August 1936 to July 1941 in lieu of the period August 1919 to July 1929.

"(b) To support until January 1, 1951, a price to producers of commodities with respect to which the Secretary of Agriculture by public announcement pursuant to the provisions of the act of July 1, 1941, as amended, requested an expansion of production of not less than 60 percent of the parity or comparable price therefor nor more than the level at which such commodity was supported in 1948, except that milk and its products, hogs, chickens, and eggs shall be supported at 90 percent of the parity or comparable price. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this subsection if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for the commodities referred to in (a) hereof. In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

"(c) Sections 1 and 3 of the act approved August 5, 1947 (Public Law 360, 80th Cong.), are amended by striking out in each section the date 'June 30, 1950' wherever it appears and inserting in lieu thereof the date 'June 30, 1951.'

"(d) It is hereby declared to be the policy of the Congress that the lending and purchase operations of the Department of Agriculture (other than those referred to in subsections (a), (b), and (c) hereof) shall be carried out until January 1, 1950, so as to bring the price and income of the producers of other agricultural commodities not covered by subsections (a), (b), and (c) to a fair parity relationship with the commodities included under subsections (a), (b), and (c), to the extent that funds for such operations are available after taking into account the operations with respect to the commodities covered by subsections (a), (b), and (c). In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition to eligibility of producers for price support.

"SEC. 2. From any funds available to the Department of Agriculture or any agency operating under its direction for price-support operations or for the disposal of agricultural commodities, the Secretary of Agriculture is authorized and directed to use such sums as may be necessary to carry out the provisions of section 1 of this act.

"SEC. 3. Section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935 (49 Stat. 773), reenacted by section 1 of the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246), as amended, is hereby amended to read as follows:

" 'SEC. 22. (a) Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify.

" '(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 percent ad valorem or such quantitative limitations on any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a), of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 percent of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: *And provided further*, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine.

" '(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States.

" '(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section.

" '(e) Any decision of the President as to facts under this section shall be final.

" '(f) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party.'

"SEC. 4. Section 8 (a), as amended, of the Soil Conservation and Domestic Allotment Act is amended (a) by striking out 'January 1, 1949' wherever appearing therein and inserting in lieu thereof January 1, 1951,' and (b) by striking out 'December 31, 1948' and inserting in lieu thereof 'December 31, 1950.'

"SEC. 5. Notwithstanding any of the provisions of this act, the act of July 28, 1945 (59 Stat. 506) shall continue in effect.

"SEC. 6. This title shall take effect on January 1, 1950, except that sections 3 and 4 shall take effect on the date of enactment of this act.

"SEC. 7. Section 303 of the Agricultural Act of 1948 is amended by striking out the figures '1950' and inserting the figures '1951'."

Mr. GORE (interrupting the reading of the amendment). Mr. Chairman, in view of the fact that I asked for a thousand additional copies to be printed and available, and since all are familiar with this, I ask unanimous consent that further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. LEMKE. Reserving the right to object, Mr. Chairman, I have a small amendment to the amendment.

Mr. GORE. That will not affect the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GORE. Mr. Chairman, I had my say on yesterday. The Committee was very indulgent, and I shall not undertake a lengthy debate today. I do, however, wish to call to your attention that the distinguished and capable gentleman from Georgia has by his statements on eggs pointed up the issue between food subsidies and the program of price supports that we now have. I had a good deal to say to you yesterday about the egg program. The gentleman from Georgia [Mr. PACE] has now made some statements that I wish to analyze. He said that the Secretary of Agriculture predicts that next year we will have to buy $250,000,000 worth of eggs.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. PACE. That was not the Secretary of Agriculture; that was the head of the Poultry Association of the United States.

Mr. GORE. I stand corrected. Thank you. Let us analyze the statement, nevertheless.

The gentleman from Georgia said that by buying these eggs the Government would take away from the consumer. However, eggs, as well as other commodities, will not fall below a reasonable price, which is all the farmer asks, until the market is glutted; so we will not be taking away from the consumer; he can still buy all the eggs he wants at a reasonable price. Were it not so prices would not fall to support levels. Shall we, then, make the farmer the only man and the only industry to go contrary to the current of American economic life and produce more in order to get less? Shall we make him the only man or industry who will glut the market? What will

happen under the payment program if we do have this enormous egg production predicted by the gentleman?

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. GORE. Yes; but, Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for two additional minutes.

Is there objection?

There was no objection.

Mr. HOPE. I just want to call the gentleman's attention to the estimate that was given in the committee by one of the Department's experts on the egg program in which he was asked what was the cost of the egg price support program. He said that in 1937—this must be a mistake, it must be 1947—it was $13,700,000; for 1948 it was $15,928,000; and estimated for 1949, $7,760,000. He goes on to say, however, that the estimate for 1949 was a budget estimate which was going to the Appropriations Committee in February. Since that time the figure would be increased, but I am sure no one in the Department of Agriculture has any idea of spending $250,000,000 on egg-price support this year.

Mr. GORE. I thank the gentleman. Let us continue with this prediction for just a minute. What would it mean if the market were thus glutted? That would mean that instead of 4,500,000,000 dozen eggs there would be perhaps 5,000,000,000 or 6,000,000,000 dozen eggs next year. What would happen to the market? According to the Brannan plan, they would find their level in the market place. Let us say they went down to 20 cents. What would it cost on 5,000,000,000 dozen eggs to give a 10-cent support subsidy? Not $250,000,000, but $500,000,000. So there you have it. Instead of removing sufficient surplus from the market to prevent gluts and disastrous prices as under the present program, the gentleman from Georgia proposes that we permit demoralization of the market and resulting depression of prices with Uncle Sam making up to the producer for his income deficiency.

Let us not make the farmer the only man who produces more to get less and glut the market in order to become a ward of the Treasury of the United States.

I will not now discuss further the issues involved.

I present here an amendment. A number of Members have talked to me about three amendments, and I have agreed to—I have not agreed to accept an amendment from any particular person—but I have agreed that I will have no objection to three amendments. The first is an amendment providing Steagall support from 60 to 90 percent on cottonseed. I would like to make it clear that in my opinion the Secretary has ample authority under present law to provide price support for cottonseed. But the industry is in distress. They do need price support. It is agreed by everybody that the amendment should go in.

The second amendment in which the Maryland tobacco people are interested is meritorious and will have no objection from me or anyone so far as I know.

The third is on the question of postponement or repeal of the Aiken bill. A lot has been said about extension, that my bill would provide an extension of the Aiken bill. My bill provides no extension and could not. The so-called Aiken bill is permanent law once it becomes effective. My bill provides postponement of the effective date.

What did I have in mind to do by my bill? Not to be so presumptuous as to come here and undertake to write a new agricultural policy. Not at all. Out of this confusion and controversy, out of this lack of understanding of what we face, I propose to preserve our status quo for another year.

I suppose 50 or 75 Members on both sides of the aisle have come to me wanting to repeal the Aiken bill instead of postponing its effective date. From a practical standpoint, I do not think there is very much difference in postponement and repeal because, mind you, that issue will finally be settled in a conference between the House and Senate. Furthermore, we will be acting on agricultural legislation again next year. Nevertheless, whoever offers an amendment to repeal instead of postpone, I will accept the amendment, but that does not include the acceptance of a substitute that might involve a number of other things.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. PACE. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from Tennessee [Mr. GORE].

The Clerk read as follows:

Substitute offered by Mr PACE: Strike out all after the enacting clause and insert in lieu thereof the following:

"That this act may be cited as the 'Agricultural Act of 1949.'

"SEC. 2. Section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"'(1) (A) The term "income support standard," as of any date, means the average annual aggregate purchasing power of cash receipts from all farm marketings, including production payments made under section 302 of this title, during a period consisting of the first 10 of the preceding 12 calendar years (except that during 1950, such period shall consist of the calendar years 1939 through 1948, inclusive) computed as follows: (i) Divide such cash receipts for each of such 10 years by the parity index for such year; (ii) add the amount obtained under (i) above for each of the 10 years and divide by 10; (iii) multiply the amount obtained under (ii) above by the most recent parity index.

"'(B) The term "parity index," as of any date, means the ratio of (i) the general level of prices for articles and services that farmers buy, interest on farm indebtedness secured by farm real estate, and taxes on farm real estate, for the calendar month ending last before such date to (ii) the general level of such prices, interest, and taxes during a period consisting of the first 10 of the last preceding 12 calendar years (except that during 1950, such period shall consist of the calendar years 1939 through 1948, inclusive). The parity index for any year shall be the simple average of the 12 monthly parity indexes computed for such year.

"'(C) The term "parity price" for each agricultural commodity means a price computed as follows: Multiply the average of the prices received by farmers (including any production payments made under section 302 of this title) for the commodity for each of the 10 immediately preceding calendar years, or for each marketing season beginning in such period if the Secretary determines that use of a calendar year basis is impracticable, by the ratio of (i) the current income support standard to (ii) the actual average level of cash receipts from farm marketings, including production payments made under section 302 of this title, during the 10 immediately preceding years.

"'(D) The standards, prices, and indexes provided for herein, and the data used in computing them, shall be determined by the Secretary, whose determination shall be final and conclusive.'

"SEC. 3. Section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"'SEC. 302. (a) The Secretary, through the Commodity Credit Corporation and other means available to him is authorized to support prices of agricultural commodities to producers through loans, purchases, and other operations. In addition, the Secretary is authorized until January 1, 1952 to support the prices of Irish potatoes, eggs, and shorn wool to producers thereof through production payments alone, or in combination with other types of price support, if he determines that the use of production payments is the most effective and practicable method of providing price support, and that the use of production payments will not substantially reduce the market price of, or the demand for, any other agricultural commodity. Except as otherwise provided in this section, the type, amount, terms and conditions of price support operations, and the extent to which such operations are carried out, shall be determined by the Secretary.

"'(b) Price support shall be made available to the producers of corn, cotton, wheat, tobacco, rice, peanuts, hogs, milk, butterfat, and shorn wool (including mohair), at levels equal to the parity price for each of such commodities. If acreage allotments or marketing quotas are in effect, the price support level for corn for producers outside the commercial corn-producing area shall be 75 percent of the level at which the price of corn is supported in the commercial corn-producing area. Notwithstanding the foregoing provisions of this section, if the Secretary determines that the parity prices for corn, wheat, milk, butterfat, and hogs are not in such proper relation as to permit the maintenance of desirable feed ratios, the levels at which such commodities are to be supported may be adjusted by not more than 10 percent on any such commodity to levels which the Secretary determines will reflect desirable feed ratios.

"'(c) Price support shall be made available to the producers of cottonseed and of agricultural commodities (other than those specified in subsection (b) of this section) for which the Secretary by public announcement pursuant to the act of July 1, 1941, as amended (55 Stat. 498), requested an expansion of production, at levels not in excess of the parity price, taking into account the following factors: (1) The supply of the commodity in relation to the demand therefor; (2) the price levels at which other commodities are being supported, including the feeding values of other grains in relation to corn; (3) the perishability of the commodity; (4) the ability to dispose of stocks acquired through a price-support operation; (5) the need for offsetting temporary losses of export

markets; and (6) the ability and willingness of producers to keep marketings and supplies in line with demand.

"'(d) It is hereby declared to be the policy of Congress that the price-support operations of the Department of Agriculture or any instrumentality or agency under the supervision or direction of the Secretary with respect to agricultural commodities (other than those required to be supported by subsections (b) and (c) of this section) shall be carried out so as to bring the prices received by the producers of such commodities into a fair and comparable relationship with the prices received by producers of other agricultural commodities taking into account the availability of funds and the factors enumerated in subsection (c) hereof.

"'(e) The levels of price support provided herein shall be based upon the parity prices for the respective commodities, computed as of the beginning of the marketing year or season, in the case of those commodities marketed on a marketing year or seasonal basis, and as of January 1, in the case of commodities not so marketed (the parity price as of July 1 may be used for the last 6 months of the year, in the latter case, if the Secretary so determines).

"'(f) If producers have disapproved marketing quotas with respect to any agricultural commodity in a referendum held with respect to such quotas, no price-support operations shall be undertaken with respect to the crop of the commodity to which the marketing quotas would have been applicable: *Provided*, That the disapproval of marketing quotas in any one referendum shall not prohibit price-support operations with respect to more than one crop of the commodity. The Secretary may also require, as a condition to undertaking a price-support operation for any agricultural commodity, that appropriate marketing orders under the Agricultural Marketing Agreement Act of 1937, as amended, be in effect for the commodity in applicable regional production or marketing areas prescribed by the Secretary.

"'(g) Nothing in this section shall prevent the announcement of the level of price support for any agricultural commodity in advance of the beginning of the marketing year or season (January 1 or July 1 in the case of commodities not marketed on a marketing year or season basis) if the level of price support so announced does not exceed the estimated parity price, based upon the latest information and statistics available to the Secretary when such level of price support is announced, and the level of price support so announced shall not be reduced if the parity price, when determined, is less than the level so announced.

"'(h) Notwithstanding any other provision of this section, price support for any agricultural commodity at a level in excess of the parity price for such commodity may be undertaken whenever it is determined by the Secretary, and public notice given thereof, that price support at such increased level is necessary in order to increase or maintain the production of such commodity in the national interest.

"'(i) In carrying out the provisions of this section, compliance by the producer with acreage allotments, production goals, and marketing practices (including marketing quotas when otherwise authorized by law), as prescribed by the Secretary may be required as a condition of eligibility for price support. If acreage allotments are in effect for any commodity, the Secretary shall prescribe, as a minimum condition of eligibility for price support, that the producer shall not have knowingly overplanted such acreage allotment.

"'(j) Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, location, and other factors, except that the support price for milk shall be adjusted so that milk used in the manufacture of dairy products shall be supported at not less than 88½ percent of the parity price for whole milk, subject to the feed ratio adjustment authorized in subsection (b) of this section, and in the case of cotton the standard grade for purposes of price support shall be middling seven-eighths-inch cotton.

"'(k) No producer shall be personally liable for any deficiency arising from the sale of collateral securing any loan under this section unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program.

"'(l) If the price of any agricultural commodity is supported by production payments (as authorized in section 302 (a) hereof), the Secretary may determine the rate or rates of payment annually, or periodically, on the basis of the amount by which the estimated average price to producers of the commodity nationally, or in such areas as the Secretary may determine, for the period to which the rate relates is less than the level of price support therefor; and such rate or rates may be adjusted by the Secretary, for differences in grade, type, location, and other factors, if he determines that such adjustments are practicable and essential to the effective operation of the price-support program for such commodity. Production payments shall, so far as practicable, be limited to the quantities of the commodity marketed by the producer. Production payments need not be made with respect to any commodity or any producer thereof if the Secretary determines that the total amount of production payments which would be made to the producers of the commodity is too small to justify the administrative cost of making such payments.

"'(m) The Commodity Credit Corporation shall not sell any farm commodity owned or controlled by it at less than the current price support level for such commodity plus an allowance for approximate carrying charges, except that the foregoing restrictions shall not apply to (1) sales for new or byproduct uses; (2) sales of peanuts for the extraction of oil; (3) sales for seed or feed if such sales will not substantially impair any price support program; (4) sales of commodities which have substantially deteriorated in quality or of commodities where there is a danger of loss or waste through spoilage; (5) sales for the purpose of establishing claims arising out of contract or against persons who have committed fraud, misrepresentation, or other wrongful act with respect to the commodities; (6) sales for export; (7) sales of wool (including mohair); and (8) sales for other than primary uses.

"'(n) The Secretary, in carrying out programs with respect to any agricultural commodity under section 32 of the public law numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract) and make advance payments to it.

"'(o) Notwithstanding any of the provisions of this act, section 2 of the act of July 28, 1945 (59 Stat. 506), shall continue in effect.'

"SEC. 4. Section 8 (a), as amended, of the Soil Conservation and Domestic Allotment Act is amended (a) by striking out 'January 1, 1951' wherever appearing therein and inserting in lieu thereof 'January 1, 1953,' and (b) by striking out 'December 31, 1950' and inserting in lieu thereof 'December 31, 1952.'

"SEC. 5. Section 32, as amended, of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935 (7 U. S. C., 1946 ed., sec. 612c), is amended by adding at the end thereof the following: 'The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over $300,000,000 shall, in the same manner as though it had been appropriated for the service of such fiscal year, be subject to the provisions of section 3690 of the Revised Statutes (31 U. S. C., 1946 ed., sec. 712), and section 5 of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June 30, 1875, and for other purposes" (31 U. S. C., 1946 ed., sec. 713.'

"SEC. 6. Section 4 of the act of March 8, 1938, as amended (15 U. S. C., 1946 ed., 713a–4), is amended by substituting a colon for the period at the end of the next to the last sentence thereof and adding the following: '*Provided*, That the foregoing shall not limit the authority of the Corporation to issue obligations for the purpose of carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act 31 U. S. C., 1946 ed., sec. 841).'

"SEC. 7. All references in other laws to parity, parity prices, prices comparable to parity, or prices determined in the same manner as provided by the Agricultural Adjustment Act of 1938, for the determination of parity prices, shall, after January 1, 1950, be deemed to refer to the parity prices for such commodities determined in accordance with the provisions of section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended by this act: *Provided*, That any marketing agreement or marketing order, including any regulation issued thereunder, in effect under the Agricultural Adjustment Act of 1933, as amended, or the Agricultural Marketing Agreement Act of 1937, as amended, on December 31, 1949, shall continue in effect without the necessity for any amendatory action relative thereto, and all terms and provisions of such agreements, orders, and regulations are hereby expressly ratified, validated, and confirmed.

"SEC. 8. Titles II and III of the Agricultural Act of 1948 are repealed.

"SEC. 9. This act shall become effective on January 1, 1950, except that sections 6 and 8 shall take effect on the date of the enactment of this act. No provision of this act shall affect price-support operations or announcements thereof with respect to any agricultural commodity the marketing year or season for which commenced prior to January 1, 1950."

Mr. PACE (interrupting reading of the substitute). Mr. Chairman, in the interest of saving time, I should like to propound a unanimous-consent request. The substitute is identical with the committee bill except there are two amendments in section 302 (a). I ask unanimous consent that section 302 (a) be read and that the reading of the balance of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. Mr. Chairman, I shall take at this time only a moment to explain to the House the terms of the change made

by the substitute. As was announced by our chairman 2 days ago, the committee authorized that the bill be amended, and this form of amendment is used, to definitely limit the experiments to 2 years and to name the commodities on which the experiments would be undertaken. That was decided upon, Mr. Chairman, because there were all sorts of rumors flying around, many of which came to the committee, some so fantastic, that the Secretary was going to use the payment plan on cotton; others that he was going to use the payment plan on wheat, and others that he was going to use it on hogs. I had previously announced, as chairman of the subcommittee, that the three commodities would probably be eggs, potatoes, and wool. Therefore, this amendment is to conform with the original plan of the committee to allay any rumors or any doubt as to what the commodities would be on which the experiments would be undertaken, and then to make it definite that it is no more than an experiment. The substitute provides that this authority be given to the Secretary for only the years 1950 and 1951.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Colorado.

Mr. HILL. Did I understand the chairman of the subcommittee to make the statement that we agreed on those three commodities?

Mr. PACE. I did not say that the gentleman from Colorado has agreed to anything, because I do not believe he has.

Mr. HILL. Did the gentleman say that the subcommittee had it brought before them?

Mr. PACE. The gentleman's recollection is a little faulty. We had several days of hearings on eggs, chickens, milk, potatoes, wool, and hogs. We not only had the Secretary, but the producers of those commodities before us and had extensive hearings. Wool, eggs, and potatoes were among them.

Mr. HILL. Read the hearings, and I think you will find that we did not decide on any commodities to be considered on a 3-year extension basis.

Mr. PACE. I did not say that the gentleman from Colorado was a party to it. But, the majority members of the committee did determine and agree upon these three commodities.

Mr. HILL. Now the gentleman says the majority members of the committee.

Mr. PACE. I beg your pardon.

Mr. HILL. The gentleman said the majority members of the committee.

Mr. PACE. That is right.

Mr. HILL. That is a different story. That is not the committee by any manner or means.

Mr. PACE. I realize that at the present stage the minority Members are not in agreement with the majority Members.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Will the gentleman explain to the Committee of the Whole if there is any difference between the committee bill and the Gore amendment on section 32 funds.

Mr. PACE. Quite a substantial difference.

Mr. McCORMACK. That is very important. That relates to the school-lunch program and many other activities, and I think that should be made clear.

Mr. PACE. I should mention that now, that the amendment offered by the gentleman from Tennessee [Mr. GORE] does not authorize what I think the unanimous wish of the Committee on Agriculture, both Republicans and Democrats, and that is that the unexpended balance of section 32 funds be preserved until the fund is built up to $300,000,000. Title I proposed to be extended does not provide that. The committee bill does provide that and, as the gentleman from Massachusetts has stated, it is a matter of great importance to the perishable producers of this Nation and to the school-lunch program and to many other features of the farm program. That is a very important difference between the committee bill and the amendment offered by the gentleman from Tennessee [Mr. GORE].

Mr. SUTTON. Mr. Chairman, I offer an amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. Mr. Chairman, is it not the custom during debate under the 5-minute rule for the Chair in recognizing Members to alternate from side to side? At least I suggest to the Chair that that would be the fair procedure. The Chair has recognized three Democrats in a row.

The CHAIRMAN. The Chair will say to the gentleman that the matter of recognition of members of the committee is within the discretion of the Chair. The Chair has undertaken to follow as closely as possible the seniority of those Members.

Mr. HOPE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOPE. For the information of the Chair, the gentleman from Wisconsin, who has been seeking recognition, has been a Member of the House for 10 years, and the gentleman from Tennessee is a Member whose service began only this year.

The CHAIRMAN. The Chair would refer the gentleman to the official list of the members of the committee, which the Chair has before him.

The Clerk will report the amendment offered by the gentleman from Tennessee.

The Clerk read as follows:

Amendment offered by Mr. SUTTON to the Gore amendment: On page 8, line 13, strike out section 7 and insert in lieu thereof the following:

"SEC. 7. Titles II and III of the Agricultural Act of 1948 are repealed."

Mr. GORE. Mr. Chairman, I reserve a point of order against the amendment.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUTTON. Mr. Chairman, when the gentleman from Illinois [Mr. SABATH] first presented the rule to this body I stated that I would offer an amendment to repeal the Aiken Act. That is exactly what I have done here. To any substitute that is offered for the Gore amendment or the Pace bill or any other bill I shall offer the same amendment. I am indeed glad that the gentleman from Tennessee [Mr. GORE], has agreed to go along with the repeal of the Aiken Act.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from Tennessee.

Mr. GORE. I accept with pleasure the amendment of my distinguished colleague from Tennessee. I have just read the amendment at the Clerk's desk. The amendment strikes out the final section in the bill, which postpones the effective date of the so-called Aiken bill, and inserts a provision repealing titles II and III of the 1948 act, generally known as the Aiken bill. My young friend from Tennessee has made a valiant fight and has worked hard for what he conceives to be in the best interest of the farmer. I withdraw my point of order, Mr. Chairman, and am glad to accept the gentleman's amendment.

Mr. SUTTON. I thank my colleague from Tennessee. I believe he and I take the same position with regard to the Aiken Act, that it is a monstrosity, that it is one of the most damnable things that was ever forced upon the American farmers. It is an act which will bring about the slow starvation of the agricultural people of America.

May I point out some of the things the Aiken Act does in comparison with the present program and the committee bill. Under the Aiken Act, corn could be 85 cents a bushel. Under the present program it could be $1.41 a bushel. Under the Pace bill, not the Brannan plan but the Pace bill, corn could be $1.46 a bushel. Cotton under the Aiken bill can be 16¼ cents a pound. Under the present program it can be 27.34 cents a pound. In the Pace bill it can be 27.99 cents a pound. And so on all down the line you will find that the Aiken bill is a club over the farmers of the country. It is a monstrosity which should never have been brought into this Chamber or any other chamber on Capitol Hill.

I do not believe that Senator AIKEN realized what he had in the bill and I do not believe today that if he knew what it would do to the farmer he would insist on it. I am delighted to see that my colleague the gentleman from Tennessee [Mr. GORE] has accepted this amendment. And since he has accepted it and the issue is clear before us, with the acceptance of this amendment the issue narrows down to one of two things: we are either for our present program, plus the repeal of the Aiken bill or we are for the Pace bill.

Much discussion has been had over the Pace bill. There is one observation I would like to make. I do not think the

press of the country, including the radio commentators, have been just and fair to the Committee on Agriculture of the House of Representatives. They have condemned this program as the Brannan plan. I am glad that the press is in this Chamber and can realize what I am saying, because I want to tell them that this is not the Brannan plan, it is the Pace bill, drawn up by the subcommittee of the House Committee on Agriculture, of which I am proud to be a member, and proud to have had a part in bringing this Pace bill to the floor.

I would like to direct these few remarks to my southern friends. I want to repeat a few statements I made on yesterday. I wish every one of them was out of the cloak room and in this Chamber and on the floor, so that I could ask them this question. I cannot see how my good friends from Mississippi, and how my good friends from Alabama, and how my good friends from Georgia, and my good friends from Texas, and the other cotton-producing sections of this great country of ours can go back home to their people and tell them, "I voted against the Pace bill," when the Pace bill will permit the farmers of the country to have a support price on their cottonseed at $67.50 a ton, where the Gore bill provides no support. How can you go back to your farmers and explain that? How can you, Mr. WHITTINGTON, go back to Mississippi and tell your people down there, "I had a chance to give you $67.50 a ton for your cottonseed, yet I voted against it." How can my friends in the tobacco sections, and I am proud that I am from a tobacco section, how can you people in Kentucky and you people in North Carolina, and you people in Tennessee, and you people in Georgia, and you people in Maryland—how can you go back to your people and say, "Well, I had a chance to give you 49.6 cents a pound for your tobacco, but I did not want you to get that. I wanted you only to get 41.1 cents a pound."

How can you go back and tell your people, "I wanted to cut your price on tobacco 8½ cents a pound?" I cannot tell my people that, I am not going to go go back to the Seventh Congressional District of Tennessee and tell the old farmer friends of mine, "I am going to cut the prices on your commodities," I want my people to prosper. I want my people to get as much for their products as they can, so that they can buy the cars from you people in Detroit, so that they can buy refrigerators from our people in Chicago, and so that they can buy electrical products from the people in New York. I cannot go back to my people and—feel at home unless I do everything in my power to get them just wages for their honest toil. They are justly entitled to the increases provided for in the Pace bill. Far be it from me to ever deny them of their just dues. May I say to you farmers from the Midwest, and I want to say to my friend the gentleman from Wisconsin [Mr. MURRAY], that he is an able man and an able member of our committee. I am glad he is on our committee, but I want to say how can he go back to his hog-producers and tell those farmers out there, "I had an opportunity to get $19 a hundred for your hogs, I do not want you to have that much money. I just want you to have $16."

How can my friend go back and tell his constituents that? How can my friend go back and tell the farmers of that section?

He does not want the farmers of this country to have an increase in price for their eggs. He wants the middleman and the broker to have that increase.

That is what your egg program does today. The farmer does not get the advantage of that price support. When the Government goes in and buys up these eggs, who does he buy from? Does he buy from the farmer? No, he does not. He buys them from big business. No wonder my Republican friends are against this bill. I am for the common man. I am not for special interests. If there is any payment of any support price for eggs, let it go to the farmer instead of the middleman.

Let us look a little further. Who do you want to help? Do you want to help that middleman and big business? As for me, I want more money for my farmer friends. I want them to have the money that is rightfully theirs instead of the middleman and the broker. I understand why some of my friends are interested in carrying on the present program. I can see why some of them want the middleman to get this money, because they are middlemen and the sponsors of big business themselves.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. SUTTON] has expired.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. MASON. I object.

Mr. MURRAY of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I join with the distinguished gentleman from Tennessee [Mr. SUTTON] in wishing to take the Aiken bill off the books, once and for all. The trouble with the bill, to start with, it was written down here in the Department of Agriculture. That is enough reason for being against it.

I would not take this time, but the gentleman from Tennessee [Mr. SUTTON] wondered what I would say when I got back home to my constituents. Well, I always tell them the truth. If you tell them the truth you know it and you will remember what you said. I will say, "Surely, the gentleman from Tennessee got up and told of some great things. He said he would get 19 cents for hogs." He did not tell about the little gadget that was in there that took 10 percent off that price. He did not tell about the little gadget in there that can raise the price of feed. These gadgets may result in a support for hogs less than that provided in the Gore bill. Surely I know that the Pace bill has that bait in it. It sounds nice.

I am looking forward to the next campaign when some fellow will get on the radio and say, "You could have had 67 cents for butterfat, but your Congressman wanted only 59." I do not like to be accused all the time of being for the farmer. I have an idea that there are some folks in this world besides farmers. I have to represent consumers as well. The farmers of this country purchase 40 percent of the manufactured goods of this Nation. All the farmers I have contacted are satisfied with the present support law. The only thing they would like to do would be to buy the things they buy on the same index that they sell their commodities on.

One thing more I will tell them, and I tell it to them now. I shall tell them: "You can't believe what those Fair Dealers tell you. They promise you a lot of things but their promises do not amount to much. It is the performance that counts."

You have heard me say more than once, "Go out and give them something besides promises, because you are not living up to your promises at present." Today the farmers of this country at the present rate are going to lose a quarter of a billion dollars. That is more than all the peanut crop is worth, more than all the rice crop is worth, and some other crops. Why? Because the present law is not being followed. The gentleman does not have to tell me what to go out and tell my people. I have been in politics long enough to know what to tell my people; I shall tell them the truth; I shall not indulge in a lot of fancy explanations but tell them the truth as I have during the 10 years I have been here. If I had to do anything else I would not be here, I would just retire. Let us just tell the people the truth; let us not deceive them. The plain truth is that we are not doing at the present time what the law says we should do, and the people in Wisconsin are going to lose $50,000,000 to $70,000,000. The Secretary of Agriculture is to go out to Wisconsin on the 31st day of July 1949. I told the Commodity Credit Corporation yesterday, "You had better get that straightened out, follow the law and give us the proper support price on cheese and milk, give us what the law says we should have or I do not think the Secretary should expect a too hearty welcome."

So I say to you, let us not fool ourselves or our people either. When we fail to recognize the fact that the administration is not carrying out the laws we have, we merely show how ineffective the present Eighty-first Congress really is.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. PACE. Mr. Chairman, I ask unanimous consent to correct an inadvertence on my part. The bill on page 4 defines shorn wool, including mohair. It should have been in the section I submitted. I ask unanimous consent to insert in parenthesis the words "including mohair," after the words "shorn wool."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, reserving the right to object, does the gentleman state that he omitted shorn wool and mohair in his amendment?

Mr. PACE. No; the support price on page 4 is on shorn wool and mohair. In submitting my substitute I made the error of not including mohair. I am just trying to correct it so that both will be covered

Mr. AUGUST H. ANDRESEN. Was that one of the provisions agreed to by the majority when they had their meeting or was that agreed to in the full committee?

Mr. PACE. That was agreed to in the full committee.

Mr. AUGUST H. ANDRESEN. Then I will not object.

Mr. GORE. Mr. Chairman, reserving the right to object, and I shall not, I have discovered a typographical error in the amendment which I offered. Will the gentleman amend his request to make the year on page 4, line 2, read "1951" instead of "1950"?

Mr. PACE. I shall be glad to incorporate that also.

Mr. GORE. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to modify his amendment by adding in parenthesis on page 4 after the words "shorn wool", the words "including mohair"; and on the same page to change the date "1950" to "1951."

Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words and ask unanimous consent to proceed for five additional minutes.

Mr. H. CARL ANDERSEN. Mr. Chairman, reserving the right to object, I think we should come to an agreement right at this point as to whether all of us are going to have time to speak on these major amendments. I certainly will not object to the majority leader's receiving this additional 5 minutes, but I wish to ask the chairman of the committee what is going to be his intention relative to closing debate?

Mr. COOLEY. We want the matter fully considered and debate will continue as long as necessary for the Members to be heard.

Mr. H. CARL ANDERSEN. There is no present intention to close debate?

Mr. COOLEY. We will try to close debate at the appropriate time later in the day.

Mr. H. CARL ANDERSEN. What does the gentleman mean by "appropriate time"?

Mr. COOLEY. We want to finish the bill some time today, if possible. I think the gentleman will have ample time to be heard.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 10 minutes.

Mr. McCORMACK. Mr. Chairman, it is about time that somebody in this debate say a few words for a forgotten class in America—the consumer. I have sat here and witnessed the division among Members of the House representing agricultural districts. I see men in my own party, that we from the cities for years have so loyally followed, rise and make certain statements. It raises a very serious question in my mind as to whether or not we can follow them with confidence in the future. Those of us who have an over-all national interest in mind but represent consumer areas are wondering whether we can follow them with confidence in the future or whether we might feel constrained, in view of the inability of representatives of the agricultural area to serve the farmers correctly in the national interest, that we from the urban districts might feel we have a responsibility to take care of the farmers as well as the consumers, and undertake to write a basic bill for agriculture.

It grieves me to see the gentleman from Oklahoma [Mr. MONRONEY], the gentleman from Tennessee [Mr. GORE], and I on opposite sides. The gentleman from Oklahoma [Mr. MONRONEY] spoke about this committee bill being a trial-run proposition. I spoke on behalf of the first Bankhead Cotton Act which was passed by the House years ago by six or seven votes. The supporters of it asked me not only to vote for it but to speak for it. I did that on a trial basis. When we started the farm program there were only a few basic commodities involved. There was not one of us but what recognized the fact that we were experimenting and that it was a trial run for agriculture, so that it may survive in an intensely industrial country and so that it might receive some compensatory considerations legislatively. I recognize the power of that argument, but I recognized it was also a trial. I have seen it expand. This commodity has been included and that commodity has come in which has made a good, just case. Certainly it has grown far beyond what any of us contemplated back in the early thirties, but it has grown because of necessity. So the original farm program was a trial run and it still is. Only the other day we had a bill reported out of the Committee on Agriculture to include under support prices tung nuts and honey. I do not know whether they should be or not, and my mind is open when the bill comes up. But, it shows that it is still a trial; that we are still experimenting.

I am concerned somewhat about the consumer. When the consumer sees millions of bushels of potatoes—and that is the glaring example—purchased under support prices, and the Department being unable to dispose of them, and they are destroyed, no one can answer any inquiry as to why that is done. And, I know that should be of special interest to agriculture, because you cannot have the people seeing a thing like that done without a reaction which is harmful to the whole agricultural program.

So, no matter what you do, that has got to be met. No matter what bill this House might pass in the interest of agriculture, and speaking for agriculture, coming from an urban district as I do, you should not—I will not say you cannot, because a majority can do almost anything—but you should not permit any bill to pass this House whereby in the next year or 2 years, under the support-price program, perishable commodities can be purchased, stored, and not disposed of in some way. Something has got to be done. If the committee recommendation is not the answer, come in with some other suggestion. The responsibility rests upon those who oppose the committee bill, as I see it, to bring in a recommendation or suggest an amendment in lieu of those provisions contained in the committee bill.

As I see it, the gentleman from Georgia [Mr. PACE] has ably presented the issue, and that is, if Government will buy food and destroy it. That is indefensible; it is intolerable, and it cannot be understood by any person in America, whether he lives on the soil or whether he works in the factory. Now, that is the main issue as I see it. It is probably apparent that the Aiken repeal will go through. I think about everyone is opposed to the present Aiken bill, whether Republican or Democrat. The question is on the continuance of support prices. I am for it. I am voting for parity prices in the committee bill. But, all I am voting for in addition is to allow an experiment on three commodities, now specifically mentioned, and confined to a time limit to see whether or not through an experiment in those commodities we can give to agriculture the support that is needed in an intense industrial system and at the same time prevent this situation of buying and being unable to dispose of the commodities in any way, bringing about a reaction that ultimately, as everyone of us knows in our own minds, will destroy the whole farm program and bring about a general disrespect for government itself.

I could go into the history of the Aiken bill, but that is unnecessary. We know in the closing days of the last regular session of Congress the situation that arose, but why go into that. That is unnecessary. That is water over the dam. We are faced now with the bill before us. As I see the main issue, it is, What can we do to maintain a sound agriculture, with a proper regard for the consumer? Parity is also included. The question is, How can we maintain proper farm prices and justifiable consumer prices when the Government is compelled to step in, and not have a situation develop such as did develop in the case of potatoes?

That is a constant threat to agricultural legislation that should address itself particularly to you ladies and gentlemen who represent agricultural districts, entirely or in the main. We from the urban districts have supported you. We did not consider the question of politics. When my good friend the gentleman from Kansas [Mr. HOPE] proposed things, we supported him. We supported him all along the line.

We recognize that the solution of the agricultural problem is an important part of our national economy and in maintaining a strong national economy. It is vitally important to the success of our country. We view it from the broad

angle. But, again, you cannot have the situation continue, as I see it, without there developing by way of reaction a public opinion that will demand that farm legislation be repealed or seriously impaired.

So I say, Mr. Chairman, that the problem rests upon the shoulders of all of us, particularly those from agricultural districts, if you repudiate the committee bill, to offer some amendments so that a situation such as occurred in the case of potatoes will not occur again.

Mr. HERTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, my colleague the distinguished majority leader has just made a plea on behalf of the administration bill, using the American consumer as the individual to be benefited under this bill. I am wondering whether he has read the bill. I am wondering whether he has discussed or wants to discuss in any way one part of this bill that so far has been almost completely overlooked. It is that part of the bill which the consumer of the United States has every right to look at.

There are two controversial provisions in this bill. One is the experimenting on three unknown commodities, the other is the fixing of an entirely new parity formula.

If Members will refer to the report of the committee on page 17, they will find the comparative prices to the consumer under the new parity formula. Eight of the ten basic commodities are increased.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Georgia.

Mr. PACE. Would not the gentleman want to modify that statement by saying it fixes the parity prices and not necessarily the support levels except as to the 10 commodities in the first section of the bill?

Mr. HERTER. That is quite true. I was about to say that under this bill there is compulsory support at 100 percent of parity figured under the new formula as against the existing 90 percent of parity under the old parity formula.

On page 17 of the report you can see the comparable prices. I just want to take one that I think those who live in large city districts may have to account for to their constituents, and that is butter. The price of butterfat under the support price here is increased just under 9 cents per pound. In other words, with the adoption of the new parity price here every consumer in the district of the majority leader and in my district is going to pay 9 cents per pound more, for butter is a basic commodity.

They are going to have to pay approximately 70 cents more per 100 pounds of fluid milk under this formula. They are going to have to pay more for corn and for rice. In other words, the consumer is going to have to pay more, except for two minor changes, one being wheat and the other peanuts, where the change is infinitesimal, because there is a new parity price fixed which is considerably higher than the existing parity price. I do not think the plea for this bill can be made on the ground that it helps the consumers.

Throughout the hearings before the Committee on Rules on this legislation we did our best to find out what the three commodities were going to be on which the experiment would be tried. The committee admitted freely that they did not wish to specify the three commodities because if the Congress specified the commodities and the experiment did not work out well, then the blame would be on the Congress and not on the Administrator. Hence it was left up to the Administrator to make the selection. Then they limited the choice in the selection of the three commodities by saying that no commodity could be chosen which, if it dropped in price, might affect the price of another agricultural commodity. How you can find any single commodity that is going to do that is a little beyond me. Somewhere, somehow, the Secretary of Agriculture is going to have to do some awfully tall research work to find that the drop in price in the open market of one commodity is not affecting some other commodity.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield.

Mr. AUGUST H. ANDRESEN. The original theory of the Brannan plan was that milk, which is now selling for something like 21 cents a quart to the consumers, should be allowed to sink to its market level. He said it should be 15 cents, which is a 6-cent drop from the 21 cents. The farmer was supposed to get the 6 cents from the Federal Treasury. For every cent drop in price it would cost the Government $150,000,000, and if it was brought down 6 cents, it would cost $900,000,000. If you figure out the same formula for all milk, it would cost the taxpayers $2,700,000,000.

Mr. HERTER. The gentleman is quite right. However, milk is specifically excluded from being one of the three products mentioned here, so the consumer is going to have to pay an additional price.

Mr. AUGUST H. ANDRESEN. Yet they say that is for the protection of the dairy farmers of the country.

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we know now, of course, what the three commodities are upon which the price will be supported by payments. Therefore, we are not in the dark, and we can discuss those particular commodities, which is perhaps a good thing.

It seems to me, however, the commodities selected are not particularly good commodities upon which to support a trial run program. A great deal has been said on the subject of potatoes. The distinguished minority leader spoke about the potato program, and other Members have held that up as a horrible example of the kind of program which we have under existing legislation. Yesterday I called attention to the fact that as far as the cost was concerned, if we had had the Brannan plan in operation last year, and it had operated just as it did operate, except that it was a payment program instead of a purchasing program, the cost, according to the Secretary's own estimate, would have been twice what it was, or would have been $450,000,000, instead of $225,000,000.

Something has been said about destroying food and destroying potatoes. I submit there was not a person in the United States last year who wanted to buy potatoes who was not able to do so at a reasonable price. That is, if we accept the theory which I believe most people do, that parity prices are fair prices. Potatoes, of course, were supported at 10 percent less than the parity price.

I do not know of any potatoes being destroyed. Potatoes were fed to livestock. Alcohol was manufactured out of potatoes. Starch and other by-products were manufactured out of potatoes, but I know of no potatoes which were destroyed.

If we had had the Brannan program for payments on potatoes in existence, I am convinced there would have been no greater consumption of potatoes, because potatoes are not a commodity like dairy products or meats which the people buy according to the price that is prevailing. Potatoes are the cheapest food that we have, as far as calories are concerned. The consumption of potatoes, year after year, has been almost constant, no matter what the price was. Our people would not have eaten any more potatoes, no matter what plan had been in effect last year. No potatoes were destroyed that people wanted or needed to consume. As a matter of fact, under the program, Government and local charitable institutions received potatoes by merely paying the freight on them. So that there were potatoes consumed under those circumstances that did not cost those who consumed them anything. That is, poor people in the charitable institutions were able to get potatoes for nothing.

So, as far as the potato program is concerned, there is no advantage to be gained by shifting at this time to the Brannan plan of payments. If experience counts for anything, I think it will cost a great deal more to carry out the program under the Brannan plan than it has under the existing operation.

Most of the discussion has been on the potato program in past years. Not much has been said about the program this year. This year it is operating under exactly the same provisions as are contained in the Gore amendment. It is operating this year in the way that the potato producers of this country want it to operate. They asked us to pass the present legislation putting a support price of 60 to 90 percent upon potatoes.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. HOPE. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOPE. We followed the request of the potato producers. They have recently appeared before the committee. They have stated they are thoroughly satisfied with the program this year. They pointed out that so far it has cost

only 20 percent of what last year's program cost up to this time, and they are asking that for the time being it be continued. They are opposed to the Brannan plan. They are opposed to the payment plan in the Pace bill.

So those of you who are representing districts in which potatoes are an item, if you are voting for what the potato producers want, you will vote for the Gore amendment and not for the Pace-Brannan plan.

If you are representing consuming districts, I am sure there is no one in your district who will get any particular advantage from the adoption of the Brannan plan, because, after all, the amount that the producer gets for the potatoes amounts to very little in the price that the consumer pays. Most housewives who go into the stores today to buy potatoes buy them in 5- or 10-pound packages. The general over-all costs that go into the transportation, distribution, packaging, selling, and retailing of potatoes are what add up and make the cost.

I repeat that no one went without last year, because of the cost, and no one this year will go without potatoes at a reasonable price, no matter which program we adopt.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. AUGUST H. ANDRESEN. Is it not a fact that if potatoes are in short supply in some parts of the country, and the price is high, the Department of Agriulture, under the Commodity Credit Corporation Act, has authority to put some of the potatoes which they had purchase into the channels of trade in those areas?

Mr. HOPE. Yes, to prevent them from spoiling.

Let me just say this in the moment remaining, that as far as the egg progran is concerned—a 5-cent subsidy payment on eggs will cost $200,000,000. A 10-cent subsidy would cost twice that much. That is on the basis of the production last year. If we have a payment program which stimulates production it will cost much more.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. PACE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I will have to say that if we proceed with that sort of understainding I do not know where we are going. To begin with, this year in the potato program, which the gentleman form Kansas has approved, we have not reached anything but the short production areas, and on that basis it is estimated that they are going to lose $45,000,000 on potatoes. That is still a good deal of money; and the best authority I can get is that even with the support down to 60 percent of parity we are going to have to buy this year and give away or feed to the hogs between $50,000,000 and $100,000,000 worth of potatoes.

I believe it is unfair to compare the program under this bill with the program now in existence, because the gentleman from Kansas, I know without intention, failed to mention the fact that under the terms of the Committee bill in fixing the support price for potatoes there are two things which the Secretary has to take into account. You will find the first of them on line 8, page 5 of the bill. In determining the support price for potatoes the Secretary must take into account the supply of the commodity in relation to the demand. On line 14 it states that he must take into account the ability and willingness of producers to keep marketing and supplies in line with demand. The present low only provides that the Secretary shall fix production goals and marketing practices, but the gentleman knows as well as I do that it has not operated.

The gentleman knows as well as I do that he received three letters from Clint Anderson as Secretary of Agriculture telling him that it would not operate; and the gentleman also knows—let us at least read the bill, will not everybody agree to do that, to read the bill?—in addition to the fact that the Secretary must take into account the supply and demand, in addition to the fact that the Secretary must take into account the ability and willingness of producers to keep supply within demand, in addition to those things, if you look at the bottom of page 7—now, listen to this, please: In carrying out the provisions of this section compliance by the producers with acreage allotments—there is no such thing in title I—production goals and marketing practices, marketing agreements and order, and marketing quotas when authorized by law, as prescribed by the Secretary, may be required as a condition of eligibility for price support. Now, I am willing to match the statement made by my distinguished friend from Kansas when he said that under the committee bill the potato program would cost twice what it did last year, I am willing to make the statement on my considered judgment that if you put the potato program under the committee bill next year it will cost no more than 10 percent of what it cost in 1948. That would be $22,000,000. That is my mature, considered judgment. The Secretary of Agriculture, under his authority, can keep the production within reasonable limitations and stop this enormous cost and destruction of potatoes. That is why we put this authority in the bill. If that is done under the direction of this committee, the potato program next year should not cost as much, and certainly not more than 10 percent of what it cost in 1948.

Mr. ABERNETHY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. To what?

Mr. ABERNETHY. To the Gore substitute.

The CHAIRMAN. That is not in order at this time until we dispose of the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

Mr. WHITTINGTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITTINGTON. Is not any perfecting amendmen in order but you would vote on them in the order in which they are presented and assuming there may be a limitation of time, is it not proper to offer an amendment if there be no other perfecting amendments?

The CHAIRMAN. Only one amendment to the Gore amendment may be pending at any one time. The Chair will state that the Sutton amendment must be disposed of first.

Mr. WHITTINGTON. Could we not have the amendment read for information?

Mr. GORE. Mr. Chairman, if no Member wishes to speak on the Sutton amendment, would not the Chair put the question and let us vote on it?

The CHAIRMAN. If no Member desires to speak on the Sutton amendment, the Chair will put the question.

Mr. H. CARL ANDERSEN. Mr. Chairman, I desire to speak on the Sutton amendment.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I have just returned from the Northeast where one of the most devastating droughts in history has stricken the dairymen of my section. The fields up there which should be green at this time of the year are burned as brown as some of those Colorado mountain tops you can see when you approach them from the east. It is a very serious situation, and we are going to need hay up there.

I hope we can get as sympathetic a hearing as we gave the mountaineers and the shepherds and the cattlemen out in the far West when they were stricken. Certainly we have had no sympathetic hearing so far. Ten years ago when we were faced with a similar drought, and we were unable to get the free hay that they have out there, that they were able to get during the winter, we had to go out and pay 40 or 50 dollars a ton for our hay.

I may be speaking a little ahead of time, but when the effects of the drought are felt next winter and our dairymen do not have any hay, I hope that the House will give me as sympathetic a hearing as it did some of the representatives from out West.

Mr. Chairman, I would like to read a discourse I had on the general farm program with Secretary Brannan when he came before the Committee on Agriculture a few weeks ago. I am quoting from the hearings so there cannot be any question among the sundry wiseacres about whether these remarks were made. It can be found on page 162, part 2 of the hearings:

Mr. HALL. Of course a lot of us feel that there is too much of a gap between the price received by the producer of milk and the final cost per quart of milk to the consumer. Did you anticipate doing anything with that stretch in there?

Secretary BRANNAN. We are not proposing as a part of the price-support mechanism that you will actually go in and try to examine the markets and see whether unreasonable margins are being taken out of the handling between producer and consumer. Study of this problem is authorized by the Research and Marketing Act and our studies will indicate ways of improving the situation. However, it is not involved specifically here.

Mr. HALL. I want you to know that I endorse your idea of 15-cent milk to the consumer. However, I would like to get a little

further information as to how you propose to carry it out.

* * * * *

Secretary BRANNAN. Under the rules of trying to be equitable we would make it apply to all sections.

Mr. HALL. You do not contemplate making the producer give any ground whatsoever in the proposal?

Secretary BRANNAN. None, except as the parity formula itself may require that.

Mr. HALL. But you do feel that the program you propose will bring about the reduction of the price of milk to the consumer by the quart from, we will say, 22 or 23 cents down to 15 cents, thereby increasing production and making this vital commodity available to many more of our people?

Secretary BRANNAN. It might not have to move as low as 15 cents in order to get your maximum production moving, but I suggested that as the area in which it may have to move.

Then there is a differential between whether you buy it with delivery from the wagon to your door or in the grocery store. That is the reason I did not set my finger specifically on 15 cents. It would be somewhere in that range, maybe 1 or 2 cents above it.

Mr. HALL. I think a great many people will be friendly to the idea of milk at 15 cents a quart if it can be put into effect. There may be some difficulty involved before we can arrive at that accomplishment.

Secretary BRANNAN. We did stick our necks out to say it was feasible. I hope we are right.

Mr. HALL. I would say it couldn't be any higher than 15 cents, if you want to justify the expenditure of the vast sum it will require. I can well recall a decade ago as head of a family of six children and having had to purchase milk for them for the past 10 to 19 years. I can remember going out 12 years ago to one of the neighboring farms in my area and getting milk and carrying it back in a 2-gallon can, and the average price of the milk was 25 cents per gallon. In those days we could afford to raise children. Today it is pretty difficult to do it under the circumstances.

I just want to say this in conclusion that to my way of thinking if you are going to spend millions of dollars under the Brannan plan, the only fair way is to knock the price of milk to the consumer to 10 cents a quart. I would like to see that done.

Mrs. DOUGLAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am going to support the Pace bill. I will vote for the Sutton amendment in the belief that that is the quickest way to get to a vote on the Pace bill.

Why do I support the Pace bill? Why do I rise now to speak on an agricultural bill? Because I have something to say which I hope will be a contribution. The gentleman from Tennessee [Mr. GORE] stated to the House yesterday that in offering his amendment to continue the program as it is without changes, we would be continuing a program which we have carried on for the last 16 years. He said 16 years, but that is not true. I am sure the gentleman did not mean to misrepresent the situation, but I am afraid he was carried away with his own argument. The price-support program was first initiated in 1933, as the gentleman from Tennessee [Mr. GORE] has indicated. But the price-support program we have today is not the price-support program of 1933.

The price-support program was originally a part of the general program for economic recovery that was undertaken by the Democratic administration after it took office in 1933. The original program was one of insuring farmers against economic disaster—against the mistakes and tragedies of the twenties.

When the war came along in 1941, the support program was greatly increased. Why? In order to get greater production from our farmers. A support-price program of 90 percent of parity was put into effect not only to feed ourselves, but to feed our allies, so that those who were resisting the Germans would have food. Our farmers went to work. They produced the food that was needed without which we could not have won the war.

In 1933 support prices were initiated for only a few basic commodities. In 1941 Congress not only increased the support prices for these basic commodities which we were supporting through the thirties, but Congress passed the Steagall amendment which guaranteed price supports for such foods as turkeys, chickens, eggs, butterfat, and so forth.

So you see the present price support program is not the one initiated 16 years ago—far from it.

The Steagall commodities were included only as a wartime measure in order to bring about a greater production of food. The promise the Congress made to farmers of the country was to this effect: "If you will come along—if you will gamble with us, even after the experience you had after the last war, we, the Government of the United States, we, the people in the cities, we, who stand together with you to win or lose in this tremendous experience of war, which is threatening the world, we will stand by you. We will see you through."

What has happened since 1941? Agricultural production has increased one-third over the average in the thirties.

In our Committee on Foreign Affairs we sit day after day considering such problems as the Marshall plan. What percentage of our agricultural products were exported before the war? Two and six-tenths percent of our agricultural products. What did we export in 1947? The percentage was 8.7. In 1948 the average ran about 7 percent, or a little over 7 percent.

Economic collapse faced Europe at the end of the war. We came to their aid first with the UNRRA program and then with the Marshall plan. The UNRRA program was designed to give them relief; the Marshall plan to get them back on their feet. It is hoped that we will reach the goals that have been set by 1952.

May I point out, however, that the UNRRA program and the Marshall plan, buying as they have, farm products have permitted us to put off a revamping of our price support program.

I for one think that the time has now come to turn our attention to the farmers and their needs. We hope that by 1952 when the Marshall plan comes to an end, that a basis for sound trade will exist and that there will be healthy trade relations between ourselves and Europe.

However, I think it is overly optimistic to expect that Europe will be able even in 1952 to import enough food from the United States to take care of all our surpluses.

European countries will have increased their own production of food. Other areas of the world will have recovered from the war and will be producing food for export. Even if the most optimistic hopes are realized, there will still be a shortage of dollars in 1952. Since Europe must have industrial materials from the United States, with the dollar shortage they will have to use those dollars for industrial materials and it is reasonable to suppose they will go elsewhere for some of their food imports.

The gentleman from Georgia [Mr. PACE] is trying to tell us, or so it seems to me, that we must have a new plan if we are to absorb the farm surpluses of this country—if we are to avoid serious economic trouble. We have changed our farm program in the past to meet changing needs. We must change it today if we are to realistically face the future.

A sound, long-range farm program must benefit not only the farmer but the consumer. And that is exactly what the Pace bill seeks to do.

Now it is not just the potato program we should be worrying about although most of the discussion has been about potatoes.

What are you going to do with this one-third greater production in agriculture? That is the question that must be faced.

The CHAIRMAN. The time of the gentlewoman from California has expired.

Mrs. DOUGLAS. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mrs. DOUGLAS. The Committee on Agriculture has brought in a program that is a pilot program. If it works, we are all set. If it does not work, do you think the Congress of the United States is going to continue it? I think the trouble with some people is they are afraid it will work.

This is not just a farm program. How does it affect my city people whom I have the privilege to represent? Let me read to you a few figures that we all know but perhaps have forgotten. Between 1929 and 1933, when the depression came, what happened? Big business could control the situation in their plants. They cut down production, and by cutting production low enough they were able to keep the prices from falling too low. In the automobile industry production was cut 80 percent. Prices dropped only 16 percent.

In the steel industry production was cut 83 percent but prices went down only 20 percent. Working people, whether in the factories, the shops or the offices in the cities were thrown out of work.

What happened to the farmer? The farmer could not cut his production because if he did he was on the road. Farm production went down only 6 percent, but how much did prices go down? They went down 63 percent. And that is the story. The fate of the farmer and the fate of the average consumer in the city

are inevitably and irrevocably joined together.

The CHAIRMAN. The time of the gentlewoman from California has again expired.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the Sutton amendment. We have all heard the matter discussed very profusely. I think it vitally important to the country and to the welfare of the farmers that this amendment be adopted. None of us in this House, with a few exceptions, desire the Aiken law to ever actually become the operative agricultural program of this country. It was passed through necessity. I could suggest what kind of proceedings might be had to ascertain its paternity, but I will not. The only reason the Aiken law was enacted was through necessity. We heard the gentleman from Georgia [Mr. PACE] say that it was necessary to have some bill because the entire farm program would have fallen through otherwise on December 31, 1948. I say the Sutton amendment does not go far enough. It repeals the Aiken law and extends the present Agricultural Act 12 months unto January 1, 1950. It is my intention at the proper time when I can secure recognition to offer another amendment to the Gore bill extending the present law, permanently. In other words, why extend it for 1 year so that next year when we come here, if the Gore bill is passed, that we will of necessity have to take some other action? All of us agree that there are a number of changes that should be made, that can be worked out, but I for one think that we should have some permanent legislation and let that legislation be amended from time to time. I see no necessity or excuse for extending it for 12 months so that when we come back here next year it will again be necessary to accept some substitute that none of us desires. None of us desired the law we had to accept, and I hope that it will be the pleasure of the members of this Committee to go along with us on the further amendment to the Gore bill. Then if the Gore bill, as amended, is passed—and I do not express any opinion at this time about it—you can amend it, you can change it in any way you desire, and the Aiken bill on the expiration of a program will not be held as a club over the heads of the Congress any more or over the heads of the farmers of this country, thereby compelling us to adopt a program that none of us wants or likes.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the requisite number of words and ask unanimous consent to speak for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, I am not going to lie to the farmers or any other group. Should I again be a candidate for Congress and should the voters of my district decide to retire me to private life because of my position on legislation, I would regard such action as being of little importance to me personally. What really matters to me is that when my service in Congress has ended the RECORD will show that I did what was within my very limited capacity to save the children, born and unborn, from the slavery New Dealism is imposing upon them.

The Pace bill, H. R. 5392, which embodies a part of what is called the Brannan farm program, is exactly what its opponents here on the House floor and elsewhere have claimed—socialism and regimentation of the farmers so completely as to reduce them to a state of abject servitude and a capital fraud upon urban families.

However, every argument that has been brought against the Brannan scheme applies with equal force to the substitute offered by the gentleman from Tennessee [Mr. GORE].

The triple-A law, of which the price-support provision is an integral part, empowers the New Deal to dictate to the individual farmer the kind and amount of crop or commodity he can produce. That act, if left on the statute books, will eventually without any additional legislation completely strait-jacket the farmer. The Brannan proposal, if enacted into law, could do no more than hasten the process.

Complete political control of farm production, marketing, and prices is inherent in the triple A law. The New Dealers planned it that way. And that they are obsessed with the urge to effectuate this end as quickly as possible is all too evident. If the farmers needed anything more to disillusion them, surely the Brannan proposal ought to be it.

There just is no such thing as partial political or socialistic planning of agriculture or any other segment of the economy. Once such planning is begun in any part of the economy it generates its own steam and all the forces making for the destruction of private-property ownership and free enterprise are set in motion. This in turn stimulates class strife, discontent, and misery, the very lifeblood of socialism, which in reality is nothing but political power anyway.

Yes, farmers, likely most of them, believe they have prospered under the New Deal. They have paid off several billion dollars of farm mortgages, improved and painted their buildings, and constructed new ones, bought refrigerators, deep-freeze equipment, new automobiles, and a quantity of all kinds of gadgets, household supplies, and up-to-the-minute farm machinery.

This has, of course, induced a sense of well-being among farmers and has had the effect of influencing them to support the New Deal.

Nevertheless in talking this matter over with farmers I am convinced that many, if not most of them, harbor a suspicion that the prosperity which they have been experiencing may not be all it seems. Some see through the scheme and recognize it for precisely what it is—a socialistic device which if not abandoned soon, promises to reduce them or their children to slavery.

One must be careful to guard against being misunderstood when one says the New Deal cannot give farmers or other groups something for nothing. In the long run, to be sure, it cannot do this but it can so long as the reserves or fat last which, as time goes, must be of short duration indeed. It is accomplished by mortgaging posterity, confiscating the goods of some groups and giving them to farmers along with others, and by expropriating the savings which are normally plowed back for investment in tools of production and arbitrarily distributing them to favored groups.

Whereas the share of the farmers' indebtedness on a per capita basis owed to the Federal Government in 1932 was approximately 12 percent of the total value of all farm land and buildings, machinery and equipment for production, crops held for sale, livestock and poultry, totaling about $5,500,000,000, the farmers' share of the indebtedness to the New Deal in 1948 was about 55 percent of the total value of all such farm property, or roundly $48,000,000,000.

To put it more succinctly, in 1932 the Federal Government held a mortgage against all farm property amounting to 12 percent of its value, which proportion had more than quadrupled by 1948. But the situation is much more alarming. This farm mortgage indebtedness to the New Deal is predicated on the listed Treasury debt statement, $252,000,000,000, but the Federal debt far exceeds that figure and is rising daily.

Deficit spending and lending, which is at the heart of New Dealism, is altogether a process of appropriating the goods of some groups and giving them to others. The New Deal lends money for various economic ventures. It has no money of its own, of course, and can obtain it only by somehow extracting it from private sources. The redistribution of wealth through New Deal lending has been, as all know, enormous. The New Deal has almost annihilated risk capital, mother of America's outstanding agricultural and industrial achievement and standard of living. Our tools of production are wearing out faster than they are being produced, which process, if not quickly reversed must eventuate in destruction of the standard of living.

A war was necessary to give semblance of curing the depression, which is about the same thing as saying it was necessary to put our children in debt bondage to political power in order that the present generation might enjoy an artificial and short-lived prosperity. The cost of the feverish and halting economic gains made before the war that can possibly be credited to the New Deal were also charged to posterity. Of course, back of it all was the greed for political power, not improvement of general well-being.

Farmers, like all other economic groups, are being euchered out of their property and heritage, liberty.

Mr. FORAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORAND: Strike out the word "shorn" wherever it appears in the Pace substitute.

Mr. FORAND. Mr. Chairman, the word "shorn" appears together with the word "wool" in the Pace substitute, as it appears in the original bill. I cannot

for the life of me understand why a distinction should be made between shorn wool and pulled wool, when you realize that out of the total production of domestic wool in this country, which amounts to approximately 127,000,000 pounds a year, 33,000,000 pounds of that is pulled wool. It may be that many of you do not know the difference between shorn wool and pulled wool. I did not know it myself until recently.

Shorn wool, of course, we all understand, is that wool which is taken off the sheep with shears. Pulled wool is wool that is pulled off the hides after the animals are slaughtered. As I say, in this country that amounts to approximately 26 percent of our entire wool production.

I discussed this matter with some of the members of the committee, but the only excuse I could get from them for the elimination of pulled wool from the benefits of this legislation was that it was to benefit the packers. I cannot quite see that, because I realize that sheep may be brought to a slaughterhouse, some shorn and some not shorn. If you are not going to give the benefit of this legislation to the pulled wool, it means that the farmer who brings his sheep to market is going to get the same price whether he has shorn or has not shorn his sheep. It means that about 26 percent of the wool, as a result of this pulled-wool operation, will be thrown on the market, and thereby most likely will depress or disturb the wool market.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield.

Mr. PACE. Would there be anything to keep the producer from clipping his wool before he offers the animal for sale?

Mr. FORAND. Does the gentleman infer that every little farmer who has sheep is equipped to shear his lambs before he has a chance to market them?

Mr. PACE. Well, I had assumed that if there was valuable wool on the animal every sheep producer would have some clippers with which to shear the wool.

Mr. FORAND. The big producer could do that, but, like the gentleman from Georgia, I do not have very many sheep in my country, but I would say that if 26 percent of the domestic wool is going to be left without the benefit of this legislation, the farmer who brings his sheep to market unshorn will be the loser, and the Federal Government will be paying the difference to that farmer in subsidies in order to make up that which he would get if he had shorn his sheep.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. FORAND. I yield.

Mr. WHITE of Idaho. As a matter of fact, lambskin with the wool on it is better than lambskins that have been sheared?

Mr. FORAND. I confess I do not know the difference, but I think I can see what would result if you permit 26 percent of domestic wool to be thrown on the market without any benefit whatsoever, while at the same time you are taking care of the other 74 percent of the domestic production.

Mr. WHITE of Idaho. The thing that puzzles me about the program is that we are putting wool in with perishable commodities. Wool is as durable as cotton. I do not see why wool should be thrown in with perishables.

Mr. FORAND. I hope my good friend will ask that of the committee. I cannot answer that for him.

But I hope that when this amendment comes to a vote the Members will go along with me and realize that we will be depressing and disturbing the wool market, and we will be depriving the farmers of a fair return on their sheep if we do not strike from the bill the word "shorn."

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. GRANGER. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. GRANGER. Mr. Chairman, I dislike very much to oppose an amendment offered by my good friend from Rhode Island [Mr. FORAND]. He admits he does not know very much about the sheep industry, and coming from an industrial center I would not expect him to. What he is talking about is not in the interest of the grower at all but in the packers' interest. This is one part of the Brannan plan, one part of the committee bill, that the grower is for. The National Wool Growers Association has heartily endorsed this bill. They are opposed to including pulled wool.

As the gentleman said, pulled wool usually comes from lambs that have been sold for their meat only and not for their wool value. This bill does not preclude in any way the packer who has a lot of lambs, where it will pay him to shear the wool from them. He is at perfect liberty to shear the wool, and the wool thus shorn comes under the provisions of this bill. Otherwise it would not. The inclusion of pulled wool would be a direct subsidy to the packers. They have not asked for it. They have not made any representation for it. If it were a matter of helping the mills in New England, I do not know that I would not seriously object to it.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. FORAND. Does not the gentleman admit that if a farmer brings a sheep to market that has wool on it, that has not been shorn, and the packer or the slaughterer, whoever he happens to be, does not get any benefit from this legislation, the farmer is going to lose if the wool is on that animal?

Mr. GRANGER. If a farmer had a little band of lambs and the wool was worth it he would shear the lambs. Otherwise, he would not shear them if it did not pay him to do so.

Mr. ABBITT. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. ABBITT. This being a bill for the benefit of producers, farmers, if it would be to their advantage to shear sheep before they put them into the hands of speculators or into the hands of the packers, it would be comparatively easy for any farm in the country not already so equipped, to equip itself to shear the sheep before they sent them to market. Is not that correct?

Mr. GRANGER. That is correct.

Mr. PACE. Is it not also true that the farmer is not sustaining any loss? He can still offer this pulled wool in the competitive market like everybody else.

Mr. GRANGER. Yes; he is not discriminated against. He can still offer his wool for sale in the market the same as anything else.

Mr. FORAND. Mr. Chairman, will the gentleman yield further?

Mr. GRANGER. I yield.

Mr. FORAND. Is it not true that it is not the packer but the farmer himself who is the fellow who is going to lose if the farmer sells his sheep including the wool?

Mr. PACE. Not under those circumstances; he would not get the benefit of the support price.

Mr. FORAND. The farmer would be the loser.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield.

Mr. GRANGER. I yield.

Mr. WHITE of Idaho. Is it not a matter of fact that in the sheep industry in the Rocky Mountain area the lambs are the big cash crop?

Mr. GRANGER. That is right.

Mr. WHITE of Idaho. Lambs shipped in the fall; and unless they are fed for a long time they are sent to market without shearing.

Mr. GRANGER. The gentleman from Idaho is correct. They are shipped to market unsheared unless they have been fed for a long period of time and are shipped in the spring. Then they might shear them.

Mr. WHITE of Idaho. But it is the regular custom in the Rocky Mountain area that after the little lambs have been born they shear the ewes and the bucks but the little lambs are fed and shipped without shearing in the fall. Is not that the custom?

Mr. GRANGER. That is right.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. HILL. I wish to ask the gentleman this question to get this straight: In the West, in Utah, and in Colorado, we feed hundreds and hundreds of head of lambs and ship these lambs to Chicago by freight. The packers buy these lambs. Now, if these lambs are sold with the wool on them by our feeders they would not get the support price under this bill. Is that correct?

Mr. GRANGER. That is true except in the case where the lambs are fed over a long period of time and the wool is of much value. The packer then shears the wool and does not pull it.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Georgia [Mr. PACE], in his exchange of comments with the gentleman from Kansas [Mr. HOPE], made a statement with which I am in complete agreement. He said that he wished every Member

of this Congress would read this bill carefully. I rise today to say that I, too, wish every Member of this Congress would read carefully this bill, in detail.

I ask you to refer to the same paragraph to which my friend, the gentleman from Georgia, referred, on page 5 of the bill, if I recall correctly. The Secretary is to take certain factors into account in setting the parity price:

(1) The supply of the commodity in relation to the demand therefore; (2) the price levels at which other commodities are being supported, including the feeding values of other grains in relation to corn; (3) the perishability of the commodity; (4) the ability to dispose of stocks acquired through a price-support operation; (5) the need for offsetting temporary losses of export markets; and (6) the ability and willingness of producers to keep marketings and supplies in line with demand.

Mr. Chairman, as the gentleman from New York [Mr. WADSWORTH] pointed out so ably in his discussion, the price of steers fell but the price of veal calves remained the same; the price of hogs fell but the price of lambs rose or remained firm. The Secretary is required through this formula in the bill to take into consideration all of these extremely difficult and complicated details, and the relation of the prices of various feeds.

If you will read the bill, you will find that the Secretary of Agriculture is given more power than he has been given in any other enactment by the Congress. My suggestion to the gentlemen on the Democratic side of the House is that they had better dig up King Solomon and make him Secretary of Agriculture.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Georgia.

Mr. PACE. Would the gentleman want to recommend that in defending the support level on perishable commodities the Secretary should not take into consideration the supply and the ability of the producers to keep the marketings and supplies in line with demand?

Mr. PHILLIPS of California. I think it is an admirable thing, and I would like to see him try to do it. But he would have to take into consideration the use of the different grains in these items to which I referred; he would have to take into consideration factors which are very difficult to compare; then he would come down to item 6, which says he will have to take into consideration "the ability and willingness of producers to keep marketings and supplies in line with demand," which is a very nice way of saying that the farmer would have to agree to the regimentation demands of the party which administered the act.

Mr. Chairman, I desire to speak about something else. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] spoke about the origin of this idea. The gentleman from Georgia [Mr. PACE] stated that this is not a new idea. He said this had been commented upon by a witness, Mr. John Davis, of the National Council of Cooperatives, a year ago. May I say, Mr. Chairman, that it goes back further than that and is part of a program of those economists who desire to take us into regimentation.

I hold in my hand the Journal of Farm Economics, of November 1945, volume 27, No. 4, page 737, of the bound edition, which has in it the report of a price policy for agriculture contest, with which you are just as familiar as I am. This contest was inaugurated in January 1945 by a man who was then a dollar-a-year man, I believe, or at least an employee of the War Food Administration, as I recall it. His name is W. H. Jasspon. He gave $12,500 with a stipulation that $2,500 might be used for the cost of the contest and the remaining $10,000 for the awards.

We may be interested in the fact that the first award, $5,000, was given to an economist in the University of Chicago by the name of William H. Nicholls. He called it an integrated farm policy, and it contained the feature which marks the Brannan plan, the feature to which economists refer as "forward pricing." It is an ingenious idea. You determine, or the Government determines, what you should receive for the commodity you grow, and if you do not get that, the Government sends you a check. No trouble, no worry, very little effort. It could easily be carried beyond that; the Government experts, some of whom are probably out of work since the late and unlamented OPA went to join its ancestors—the gold bricks and the Mississippi Bubble—could determine what the income of a farm family ought to be, on varying grades of land, or in different counties. It could even depend a little on how you voted in the elections. If that income didn't materialize, you would get a check from Washington. And all of this is dependent only on two things, the strength of the taxpayers' pocketbooks, and the whims of the Congresses which would have to vote the money. Anyway the writer of this essay received $5,000 for it, in this prize contest. As I said, he was an instructor in the University of Chicago.

The winner of the second prize also came from the same university. In fact, he came from the same classroom, and the similarity of the ideas in these first two papers suggests that both winners had drunk deeply from the same academic spring. His name was D. Gale Johnson, and he got $2,500 of the prize money.

There were other prizes. The third prize, $1,250, went to Frederick V. Waugh, of the United States Department of Agriculture. I have never been sure, Mr. Chairman, how he got into the prize-winning group. He had, and expressed, the old-fashioned idea that we should stimulate demand. He said:

No price program will work very long without a balance between production and consumption.

And he suggested reactionary methods like giving increased attention to the processing, marketing, and distributing of foods and fibers.

He outlined a national nutritional program; he suggested a foreign-trade program. He did mention the possibility of compensatory payments, which probably put him in line for the money, but the fact that he had the old-fashioned idea that the farmer should work, and give thought to methods of selling the stuff he grows, kept him down to third place, and $1,250. In fact he sounded more as if he would have voted today for the amendment offered by the gentleman from Tennessee than as if he felt at home in the rarefied stratum of higher agricultural and political economics now occupied by the Secretary, Mr. Brannan, and the gentleman from Georgia.

There were 15 awards of $250 each, but I have not read those essays. I rise only to remark, Mr. Chairman, that the plan is really not quite as new as the gentleman from Georgia indicated. It is, in effect, the first blossom on the tree of complete regimentation which the college-classroom farmers think is desirable for the United States. I for one, Mr. Chairman, do not agree. I shall vote for the Gore substitute. I shall not vote for the Sutton amendment if it is offered separately. I shall vote against the Pace substitute for the Gore amendment. If the Gore substitute is adopted, I shall vote for the bill; if not, I shall vote against it.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. COOLEY. Mr. Chairman, the debate has gone rather far afield from the Sutton amendment which was offered to the Gore amendment and which the gentleman from Tennessee indicated he would accept. I am wondering if we could not vote on that at this time.

The CHAIRMAN. The gentleman from North Carolina has not propounded a unanimous-consent request. The Chair has been endeavoring to bring about a vote on the Sutton amendment and would like to put the question if there is no one present desiring to speak for or against the amendment.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the Sutton amendment which would repeal the Aiken Farm Act, the act passed by the Republican-controlled Eightieth Congress in the closing hours of the regular session. If it should go into operation on January 1, 1950, as the law now provides, it would mean low farm prices, depression on the farm, and difficulty for labor and industry. The 60-percent-parity scale permitted in the Aiken Act is intolerable and altogether unacceptable.

I should like to take advantage of this opportunity to make a few more brief observations as to the agricultural situation. The farmer is entitled to parity prices for his farm products. He desires, deserves, and must have a fair price for his products in the market place and not in the form of a hand-out. The farmer does not want a dole; he wants a fair price in the market place. That is the only proper way, and that is the position which I support.

Reverting again to the Sutton amendment, let me say that the Eightieth Congress should never have passed the Aiken bill, but it should have passed a permanent farm program of a workable character. Take for example this fact. There is no control program on cotton this year. There should have been.

A wise program enacted last year would have saved us from a situation which contains many elements of future danger

to the cotton farmers. In some areas this year nearly 90 percent of the cultivated land is being planted in cotton. I do not blame the farmer. He could not be expected to do otherwise under the circumstances. The fault is with the last Congress. We are now threatened with a tremendous overproduction of cotton. The cotton problem will be a burden from the start with an unwieldy surplus. It will be far more difficult now to devise a fair and workable cotton program

In conclusion let me say that in the light of the mistakes of the last Congress, the present Congress should do a better job. I am not prepared to say that any pending bill or amendment is perfect, but I feel the pending measures should be fully studied and perfected and that Congress should at the present session pass long-range farm legislation which will promote agricultural and national prosperity.

Of course, we realize that there are many complicated problems in agriculture, and that any program adopted will not be acceptable in every detail.

Mr. HORAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HORAN. I wonder if we could have a clarification of the parliamentary situation right now.

The CHAIRMAN. The gentleman from Tennessee [Mr. GORE] has submitted an amendment to the bill before the Committee of the Whole. The gentleman from Georgia [Mr. PACE] has offered a substitute for the Gore amendment. The gentleman from Rhode Island [Mr. FORAND] has offered an amendment to the Pace substitute, and the gentleman from Tennessee [Mr. SUTTON] has offered an amendment to the Gore amendment.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on this Sutton amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent that my amendment, the Sutton amendment, be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Sutton amendment was again read.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

The amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the Forand amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. McDONOUGH. Mr. Chairman, I ask unanimous consent that the Forand amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Forand amendment was again read.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FORAND].

The amendment was rejected.

Mr. ABERNETHY. Mr. Chairman, I offer an amendment to the Pace substitute.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY to the Pace substitute: Page 3, strike out line 18 and all down through and including the period on line 4, page 4.

Mr. ABERNETHY. Mr. Chairman, as a member of the House Committee on Agriculture I find myself somewhat at a difference with my colleagues on that committee. It is very embarrassing to me, and I deeply regret that the situation exists. It is because of that situation that I have until now, and particularly throughout general debate, refrained from addressing myself to the bill.

There is another situation which prevails throughout this Chamber which I think we should all regret, and that is the politics which has crept into the actions of this body. Farm legislation should never be dealt with in a partisan manner. We are dealing with the lives and the happiness of 25,000,000 farm people—working Americans, overall people, mothers and fathers, and little boys and girls, most of whom live far back from the railroad, far from the better schools, and far from some of the conveniences which most of you and I enjoy today. I regret that partisan politics has lifted its ugly head in our dealings with a program that so vitally affects the lives of these great American people.

I am of the opinion—honestly of the opinion—that they do not want any part of a production-payment plan. Being of that opinion, I was one of those who suggested that if we must have a trial run, then let us make it just that by limiting it to 1 or 2 years and naming the three commodities upon which the trial would be had. Although this has been agreed to, I still find myself opposed to the production-payment plan and even the trial-run provision. I am not fully satisfied with it.

I represent a district of 201,000 people. Seventy-five percent of those people, probably 80 percent, live on the farms. They are small hill farms, 40-, 50-, 75-, 100-, or 125-acre farmers. I am satisfied—just as satisfied as I can be—with the information that has come to me in the last week, that they do not want a production-payment program or any part of it. Although the trial run does not directly affect them at this time—at least, I do not think it does—they fear its consequences. I cannot put myself in the position of forcing it upon them if they do not want it. I cannot do that. It is most regrettable that I find myself in disagreement with my colleagues on the committee. On the other hand, I am acting in accordance with the will of my farming constituents.

Therefore, I have offered this amendment. If you want to vote for it, that is fine; if you do not, that is all right. I have offered an amendment to strike the trial run out of the bill. That is the issue, and we might as well get it settled here and now on the committee's bill. That is the place to settle it, and not with this sideshow that has been carried on around here with other bills and proposals. The place to settle it is in the committee bill.

I say to you very frankly, I think the committee bill, with the exception of the trial-run provision, is the best proposition before the House.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Chairman, as I said, I think the committee bill, with the trial run eliminated, is the best proposition before the House. Regardless of what might be said of the new parity formula in the Pace bill, it is in my opinion better than the old 1909–14 formula under which we now operate. The Pace bill modernizes that formula, and we should accept it. Perhaps on some commodities it will fix the parity prices a little higher, but on others it fixes them a little lower. The Pace bill will bring the parity formula forward to a modern day.

There are some other provisions of the bill which are far superior to the old law. It is mighty strange to me, and I do not want to be partisan about this, but it is mighty strange that so many of my friends on the Republican side have come forward and so ardently embraced the present program, when last year you were almost unanimous in your condemnation of it and gave us the Aiken bill in its place.

I would like to direct your attention to page 5 of the bill, which changes considerably the support which is extended to Steagall commodities. These changes will materially reduce the cost. They will widen the range of support on Steagalls, which is now 60 to 90 percent, by supporting them from 1 to 100 percent; and they further provide for not one but six limitations which are imposed upon the Secretary before he can support them. What are they? He must take into account first the supply of the commodity in relation to the demand. He must take into account the price levels at which other commodities are being supported. He must take into account the perishability of the commodity. He must take into consideration the ability to dispose of the commodities to be purchased. If he cannot dispose of them he must take that factor into consideration. He must take into consideration the need for offsetting temporary losses of export markets; and last, but of paramount importance, he must take into consideration the ability and the willingness of producers to keep marketings and supplies in line with demand. These all apply to the people who produce eggs and raise potatoes—those producers who have been dragged through this House for 3 or 4 days. These factors will eliminate the troubles we have had with eggs, potatoes, and

other perishables. Unless something is done to correct this situation, then I fear for the future of the price-support program.

These provisions are certainly an improvement over the present law. I would like to direct your attention to page 9, subsection (m), and read for yourselves the requirement that the Commodity Credit Corporation shall not sell any farm commodity owned or controlled by it at less than the current price-support level.

After the Secretary acquires certain commodities under the present law he can dump them on the market and absolutely break it; when that happens he breaks your farmers. This puts a limitation on him intended to prevent such an event.

My distinguished majority leader earlier brought out another very important improvement with regard to section 32 funds, the provision concerning which is found in section 5 of the bill.

There are many other provisions in the Pace bill which improve the present law. I think they should at least have your consideration. I feel that they should be adopted. But in your desire to throw overboard the trial run on production payments, in which I am in accord, you turn a deaf ear to the remainder of the Pace bill. If you will adopt my amendment striking out the trial run, then you can at least consider the improvements provided for in the bill.

I hope this amendment will be adopted. It puts the issue squarely up to the Members on both sides of the House. Do not you at least want to take the benefit of the improvements which the Pace bill offers, or do you just want to throw the whole thing overboard and say, "We are going to go on with the present program with no improvements at all"? For several years you have vehemently condemned the inequities and mistakes in the present law. It is not perfect and you know it. Now do you not want to make these improvements; or will you continue, as you have the past 2 or 3 days, to ardently embrace the old law word by word, line by line, and section by section? Let us be sensible about this matter.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield first to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman represents a large agricultural area in Mississippi. Has the gentleman taken into consideration the cost of fertilizer to produce a crop on that land? I am told it is as high as $50 an acre for tobacco.

Mr. ABERNETHY. We do not happen to grow tobacco commercially in Mississippi. The gentleman used to live down there and I thought he knew that.

Mr. WHITE of Idaho. I do know that I helped spread fertilizer.

Mr. ABERNETHY. Well, I think this is beside the point.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. CASE of South Dakota. I was hoping the gentleman would say something about the new parity-index formula. I can see the difficulty as of today, this new parity index might seem to be advantageous where you are translating prices for the first 10 of the last 12 years, against the declining price level and what the farmer has to pay. But what I am bothered about is what you would do if the situation were reversed. For instance, suppose we were going into 1942, and we were building the parity index upon prices which the farmer received between 1932 and 1940, and you used those prices against the recent cost-price level of 1942, would the formula work then?

Mr. ABERNETHY. I do not know that I can answer the gentleman's question. In the early part of my statement I did make reference to the parity formula. I am satisfied it is a better formula than the old formula. It is a modernized formula. In a few years I am satisfied, if prices continue to decline, the Pace formula may be such that it will not do justice to our farmers. I think we would have to look at it again. Any formula would certainly have to be reexamined every few years.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. STEFAN. What effect does your amendment have on the Pace bill, so far as support prices are concerned? Will the support price go up at 90 percent of parity or 100 percent of parity? Your amendment will eliminate the Aiken formula?

Mr. ABERNETHY. My amendment eliminates the trial run.

Mr. STEFAN. It has nothing to do with the Aiken amendment?

Mr. ABERNETHY. No. The Pace bill repeals the Aiken bill, and the Committee has already adopted an amendment to the Gore bill to do just that. So, in any event, when the House adjourns today, it will have voted to repeal the Aiken bill. In that situation I am very happy. It should have never been passed. I am convinced that it will drive my cotton farmers, as well as your wheat farmers, into bankruptcy.

Mr. STEFAN. If your amendment is adopted, the Aiken bill will be out, and the support price will be what?

Mr. ABERNETHY. It will be in line with the table found on page 17 of the committee report, as modified by the Pace bill. On the basics the support will be 100 percent of the income support standard, and up to that figure on other commodities. The latter are within reasonable discretions.

In closing, Mr. Chairman, I urge the Members to support this amendment. Then we can proceed to perfect the other provisions of the Pace bill, which I assure you is in many respects a vast improvement over the present law. If my amendment to strike out the trial run is rejected, then I am compelled to support the Gore bill with the hope that we will later perfect the mistakes which it tends to perpetuate. Even so, I consider it, which is the present law, a better bill than the Pace bill as long as the Pace bill embodies the production-payment plan.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it occurs to me that we now have all the issues before the House. This is actually the heart of the bill. If the amendment offered by the gentleman from Mississippi [Mr. ABERNETHY], a member of the committee, is agreed to, the real controversy in this legislation is eliminated. The gentleman proposes to strike out the trial run on the three commodities. That is the part of the bill we think should be adopted; we think that it should be adopted so that the Secretary of Agriculture may have one more method of supporting farm commodity prices.

When the Secretary of Agriculture came before our committee, I asked him if he were asking Congress for any power or authority over American agriculture and the lives and livelihoods of farmers which he did not now have and which he would not have in the event the Aiken bill went into effect, except with regard to two matters: First, the method of determining fair commodity prices; and, second, with regard to the method of supporting those prices; and he said that that was an accurate summation and a proper interpretation of the views he had expressed.

As pointed out through this debate, in the Aiken bill he can make payments. He was advised by his legal experts that he could not make payments under the present law; so, when we authorized him in this bill in clear, unambiguous but very carefully circumscribed language to make payments on three commodities when he finds that to do so would be compatible with the letter and the spirit of the provisions of this law, then I say to you that that is an improvement over the situation which exists now, and it is a definite improvement over the situation which would exist in the event the Aiken bill becomes the law of the land.

If you vote for the amendment offered by the gentleman from Mississippi [Mr. ABERNETHY], and I want it clearly understood that I do not for one moment question his very great sincerity in presenting this proposition to the House, I knew that the proposition would be submitted to the House; and if it was to be submitted to the House I see no reason why the gentleman from Mississippi, TOM ABERNETHY, should not have presented it—but if this amendment prevails, bear in mind that you have denied the right to the Secretary to make payments to support prices. That means that he has no alternative other than to accumulate and to store away millions of dollars' worth of valuable foods. I pointed out yesterday that we now have in storage 60,000,000 pounds of rotten eggs, or eggs that will soon deteriorate.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Sixty million pounds of powdered eggs, and you would not have a pound of them or a ton of them if he were to give them to you. They are deteriorating. We are trying in our committee bill, with regard to three commodities, to make it impossible hereafter for tons and tons of valuable foodstuff to deteriorate and decay.

It is a strange thing, and I address these remarks to this side of the chamber, that we should see the spectacle which we have witnessed today. This potato program, pile upon pile of rotten potatoes, has been thrown at the Democratic Party month after month. Now the Democratic Party comes in here trying to do something about it only to hear the very distinguished former chairman of the Committee on Agriculture, the gentleman from Kansas [Mr. HOPE], argue with the gentleman from Georgia [Mr. PACE], and the gentleman from Kansas [Mr. HOPE], former chairman, stands on the floor of this House and defends it and says, after all, the potato program was not so bad. I confess it was bad, but I am one of those who are not willing to blame Charley Brannan on account of it. I know where the trouble is and all informed people know. The trouble is Charley Brannan was helpless to relieve the situation, and he will be helpless now if we strike out this trial-run provision.

What else can he do? We charge him with the responsibility of supporting prices and give him only one method to support them. We have the responsibility, Mr. Chairman, if things go bad. The party in power will be charged with that responsibility. I say that we should accept the committee bill. Every intelligent man on the floor of this House knows that you cannot deal with perishable commodities in the same way that you deal with nonperishable, storable commodities.

We have provided three categories. In one category we have the basic commodities. In the second category we have the Steagall commodities; and all other commodities are finally placed in the third category. We deal with all of them in a different way.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. Is it not a fact that no matter what bill we pass here we will still charge the Secretary of Agriculture with the duty and the responsibility of maintaining agricultural prices at some level?

Mr. COOLEY. That is right.

Mr. CHRISTOPHER. Is it not also a fact, if we do not begin the trial run on those three, we have effectively tied his hands and therefore he cannot do it?

Mr. COOLEY. The gentleman is right. The only way he can do it is to go out and buy the perishable commodities and try to save them. He cannot buy them and sell them back in the domestic market, since to do so would defeat the very objective he starts out to accomplish. He would have to look around the world to find a market in which to sell these surplus commodities which he had gone into the market at great expense to purchase.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I would like to clear up this misunderstanding or misstatement that was made by the gentleman from Tennessee yesterday about eggs. He made a charge in his speech about 60,000,000 eggs when really it was 60,000,000 pounds of eggs.

Mr. COOLEY. Yes.

Mr. HAYS of Ohio. That is far more 60,000,000 pounds of powdered eggs.

Mr. COOLEY. It is. The gentleman from Georgia [Mr. PACE] read from the RECORD a statement made by the representative of the largest egg organization in America saying that if we did not do this the support of eggs would run to a quarter of a billion dollars.

Mr. WHITE of California. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from California.

Mr. WHITE of California. Is it not a fact the very thing which this amendment proposes to strike—that is, the production-payment plan—is the very thing that the heads of the American Farm Bureau Federation and the National Grange appearing before our committee and the Senate committee endorsed?

Mr. COOLEY. Exactly. The gentleman is correct. Let there be no misunderstanding about this. This is the heart of it. There really is no objection to the change of this formula which is definitely in the interest of the farmers of this Nation. I hope the amendment will be defeated.

Mr. GATHINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GATHINGS to the Gore amendment: Page 3, after line 17, insert the following section (changing in line 18 "e" to "d", and changing in line 23 "d" to "e"):

"(c) Price supports shall be made available to the producers of cottonseed at levels not in excess of parity, taking into account the price levels at which other commodities are being supported."

Mr. GATHINGS. Mr. Chairman, I offer this amendment with the highest of motives. I favor the committee bill, known as the Pace bill, now before you as the Pace substitute. In that bill, as you see on page 5, line 2, cottonseed is included as one of the commodities supported under that particular paragraph. Now I am only asking you to insert it in this bill which the gentleman from Tennessee [Mr. GORE] has offered as an amendment. A good price for cottonseed offers more real assistance, outside of a good price for cotton, to the cotton farmer, the sharecropper, the merchant, and business generally, than any other factor in the entire Cotton Belt.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Is it not true that the gentleman from Tennessee [Mr. GORE] this morning said that he would accept the amendment?

Mr. GATHINGS. Yes; and I am grateful and most appreciative.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Tennessee.

Mr. GORE. There seems to be no objection to this amendment on either side. I have talked to numbers of people about it, and although the Secretary has authority to do so now, the people from the cotton sections feel that they can get him to act if they have a mandatory provision in the bill. I accept the amendment.

Mr. GATHINGS. I thank the gentleman. The people I serve are most interested in obtaining a fair price for cottonseed. You are most considerate in accepting this amendment. Its adoption means that the cotton farmer is assured of a stable price for his cottonseed and that means so much to him.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to my chairman, the gentleman from North Carolina.

Mr. COOLEY. I would like to call attention to the fact that cottonseed is taken care of in the committee amendment.

Mr. GATHINGS. Yes; it is, and I would like to include the amendment in both bills. The gentleman from Mississippi [Mr. ABERNETHY], who too serves on the Agriculture Committee of the House, worked diligently to get this amendment adopted by the House committee. This amendment and the amendment adopted by the Agriculture Committee is in reality the Abernethy-Gathings amendment. I trust that the amendment will be agreed to.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

I would like to say for the benefit of the Members that this identical proposal was considered and approved by the members of our committee immediately prior to reporting the bill. My colleague, the gentleman from Arkansas [Mr. GATHINGS], and I jointly sponsored an amendment which would require the Secretary of Agriculture to support cottonseed in a manner comparable to the supports for Steagall commodities. Cottonseed's most competitive commodities, such as soybeans, have for a long time enjoyed such a support. This has placed the growers of cottonseed in a very unfair position.

Appreciating this situation, I am very happy to report to you that when the question was put on our amendment there was not a single member of the committee who disapproved and the amendment was adopted by a unanimous vote. Therefore, the Pace bill now pending before you authorizes price supports

for cottonseed comparable to those enjoyed by the so-called Steagall commodities.

The House now has before it two proposals, the Pace bill and the Gore bill. If the Pace bill is adopted cottonseed will benefit by price supports; if the pending amendment to the Gore bill should fail and the Gore bill later be adopted in preference to the Pace bill, then cottonseed would be left in the same unfavorable position in which it has been for so long. So in view of the unanimous decision of the Agriculture Committee that cottonseed is entitled to reasonable price supports, I respectfully urge the adoption of the amendment offered by my colleague, the gentleman from Arkansas [Mr. GATHINGS]. This is the only means whereby the will of the committee to support cottonseed can be carried out.

I would like to add that in previous agricultural legislation every extensively grown commodity has been accorded preferential treatment in the price-support field except cottonseed. Certainly this crop, produced in abundance from one end of the country to the other, is entitled to more equitable consideration. Cottonseed has long been looked upon as the poor man's crop. It offers the source of a little cash to thousands upon thousands of small farmers. It is rather odd that throughout these many long years it has become the forgotten commodity. For no good reason, though probably unintentional, law writers have heretofore given it the silent treatment.

While this amendment would not become effective until 1950, if it be the will of the Congress that cottonseed be supported on and after that date in keeping with the pending amendment, we have reason to believe that the Secretary of Agriculture will find ways and means to support the crop for the year 1949 as he is authorized, although not compelled to do for all crops under the discretionary powers in title I of the Hope-Aiken Act.

I earnestly urge your approval of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. GATHINGS] to the amendment offered by the gentleman from Tennessee [Mr. GORE].

The amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the Abernethy amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. ABERNETHY] to the substitute offered by the gentleman from Georgia [Mr. PACE].

The amendment was rejected.

Mr. LEMKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEMKE to the Gore amendment:

Page 2, line 7, strike out the figure "90" and insert "100".

Page 2, line 10, strike out the figure "60" and insert "75".

Mr. LEMKE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. LEMKE. Mr. Chairman, this amendment to the Gore amendment simply increases the parity payments from 90 percent to 100 percent, and for the non-co-ops from 60 percent to 75 percent for that part for which they are penalized if they overproduce.

We started this parity program originally with 65 percent, then went to 75 percent, later 85 percent, and finally, because of the good work done by my friend the gentleman from Georgia [Mr. PACE] it was raised to 90 percent. There is no reason under the sun why the farmer should not get 100 percent parity. That is real parity. I say in the words of Senator GILLETTE that 100 percent parity is but 100 percent justice to agriculture.

I am for the Gore amendment, but I feel that that amendment should give 100 percent parity to agriculture. They have been receiving the short end of the stick all through these years. I can see no real objection from anybody to 100 percent parity for those who cooperate with the program and 75 percent for those who do not cooperate, for that part for which they have to pay a penalty if they overproduce.

The farmers' cost of labor, farm machinery, building and repairs have gone up to date, not down.

That is about all I can say as to the reason for that amendment. However, I wish to talk on the general program before us.

Mr. Chairman, during the 14 years that I have been a Member of Congress, the farmer has been made the political football—the shock absorber. During those 14 years, about all that he got was lip service, and occasionally subsistence help.

No permanent farm legislation has been passed. We gave him so-called parity which consists largely of parrot talk. We started in with 65 percent, then 75 percent, then 85 percent and finally 90 percent parity-support prices. There never was any reason why we should not have given agriculture a fair break—100 percent real parity—better still, cost of production. This as a floor, not as a ceiling.

If that kind of a bill had been passed, then the farmer would be getting about $2.70 for a bushel of wheat today. That would allow him and his family the average wage that those working in industry get for the time they labor—about 57 cents an hour. Surely no honest person can object to the farmer getting paid for his labor the same as his brothers and sisters working in industry are paid.

In place of giving the farmer cost of production for that part of his products domestically consumed, we have now wrangled and fooled with the brain-trust ideas of the Department of Agriculture from Wallace on down to Brannan. Now we have before us the Brannan baby. No one knows who is its mother or its father. From the debate on this floor, it seems to be the illegitimate offspring of many brain trusters and brain busters.

From what we have heard here on this floor, this illegitimate monstrosity was unanimously rejected by the Committee on Agriculture—even by my able and good friend the gentleman from Georgia [Mr. PACE]. Of course, there was no politics in it, but may I presume that the Democratic leaders on that committee were called to the White House or maybe just to the Department of Agriculture where the brain trusters and brain busters ganged up on them.

Many of my Farmers Union friends say they want 100-percent parity. Many of their locals wrote me in beginning that they did not want the Brannan program. When I make that statement, I also wish to state that more recently I have received a lot of canned propaganda for it. As far as I know all farm organizations, except one, are opposed to it.

I am and always have been for 100-percent parity—better still, I repeat, I am for cost of production, which is about 15 percent better than 100-percent so-called parity. It is about 25 percent better than Brannan's manipulated parity in his new program. This manipulated parity is 7 cents less per bushel on wheat than 90 percent parity under the present law, and his 100-percent manipulated parity is 29 percent less than 100-percent parity under the present law.

However, I am not for Brannan's illegitimate child, which would compel the farmer to sell his products on the world market in competition with peon, coolie, and slave labor. I have yet to find a farmer, who understands it, who is for that part of the Brannan program. If carried to its logical conclusion that program would require an appropriation each year for agriculture of $8,000,000,000.

That is so staggering that even Mr. Brannan tries to slip in the back door by saying he wanted to experiment first with hogs, potatoes, and wool, and then when the stock raisers objected to the hogs program, he substituted eggs.

I am sure that in his simplicity, the Secretary does not know that if that program were adopted, he would plaster the whole Nation with eggs. He would get mixed up worse with eggs than he was when they had 100,000,000 dozens of eggs on hand and did not know how to hatch them or how to get rid of them, and finally fed them to hogs.

I note that the Secretary says he will pay the farmer the difference between the world market and 100-percent parity. This is lip service. First, he asked to be allowed to experiment with hogs, potatoes, and wool.

Let us take hogs for example. Suppose he had been allowed to experiment with hogs. Then the farmer would have been compelled to market those on the world market, which shortly would be 6 or 7 cents a pound. How would that have affected beef, lamb, mutton, and poultry? Would it not bring the price of these products down to the world market?

The farmer is not going to be fooled. In order to pay that difference Brannan will have to get the money by appropriations. It will have to be raised by taxation. The farmers as a group pay a large part of the taxes.

Neither can Brannan fool the consumer at the expense of the farmer. He, too, is a taxpayer. Both thet farmer and the consumer know that for every dollar they receive in subsidies or lower cost of living at the expense of taxation, they will have to pay $2. The extra dollar will be for the collectors and distributors of the tax and for interest and overhead expenses.

The farmer knows that because of our large indebtedness, appropriations will be hard to get even though they come out of his and the consumers' tax dollar. He knows that the farm population has decreased from 30,000,000 in 1930 to 24,000,000 in 1948, while the general population has increased 20,000,000. He knows that as a result his strength in Congress has been reduced from one-third to one-seventh. He knows that he is already being blamed for the high cost of living. He knows that he must get permanent legislation—100 percent real parity or better still, 100 percent cost of production.

From the days of Wallace to the days of Brannan, the Secretaries of Agriculture seem to have been wallowing in mud. They have been lost in the dismal swamps. If they ever hit upon the right thing, it will not be by the law of averages, but by the law of accident, and I even doubt that they will ever hit it right by accident.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment do now close.

The CHAIRMAN. The gentleman refers to the amendment offered by the gentleman from North Dakota?

Mr. COOLEY. Yes.

Mr. GORE. Mr. Chairman, reserving the right to object, I would like 2 minutes.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, the Lemke amendment, close in 2 minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. GORE. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, the purpose of the bill which I have offered and to which this amendment is offered, is to continue a time-tested program for another year. At no time, not even during the war peaks, have we guaranteed 100 percent of parity. I hope that no one will vote irresponsibly on amendments such as this, because if I do not misjudge the temper of this committee, this is an amendment offered to what will be the bill that finally passes the House.

One hundred percent of parity and 75 percent to noncooperators would, in my opinion, seriously endanger the whole price-support program for agricultural commodities. I know the distinguished gentleman from North Dakota who offers the amendment offers it in good faith. I know he is a friend of the farmers and that he thinks he is doing what is best for the farmers. But I respectfully disagree that this would be for the best thing. I think the best thing we could do is to continue 90- and 60-percent parity support, which has been time-tested and which has worked not too badly so far.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from North Dakota [Mr. LEMKE].

The amendment was rejected.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close at 3:30.

Mr. MILLER of Nebraska. Mr. Chairman, reserving the right to object, I have been here all afternoon trying to get 5 minutes' time. I think the gentleman should not shut us off like that.

Mr. COOLEY. Mr. Chairman, I move that all debate on the bill close at 3:45, the last 10 minutes to be reserved for the committee.

Mr. CASE of South Dakota. Mr. Chairman, a point of order. The motion may not include the fixing of time for the committee.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the last 10 minutes be reserved to the committee.

Mr. WHITTEN. Mr. Chairman, reserving the right to object, we have handled this bill in our committee now for some 6 or 7 years. I have tried to get time in general debate but have not been successful. I think we who are familiar with it should have a chance to express ourselves. I would like to have some time.

Mr. COOLEY. I certainly have no desire to cut the time short.

Mr. Chairman, do I understand that all Members standing desire to speak?

The CHAIRMAN. The Chair is not in position to advise the gentleman as to that.

Mr. COOLEY. Even so, Mr. Chairman, I move that all debate on the pending amendment and all amendments thereto close at 4:15, the last 10 minutes to be reserved for the committee.

Mr. CASE of South Dakota. Mr. Chairman, I renew my point of order.

The CHAIRMAN. The point of order is sustained.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments close at 4:15, the last 10 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Mr. Chairman, I object.

Mr. COOLEY. Mr. Chairman, then I move that all debate on the bill and all amendments thereto close at a quarter to four, with the last 10 minutes reserved to the committee.

Mr. CASE of South Dakota. Mr. Chairman, I renew my point of order.

Mr. COOLEY. Mr. Chairman, what is the point of order?

Mr. CASE of South Dakota. That the Committee may not allot time by motion.

Mr. COOLEY. Mr. Chairman, I move that all debate on the pending bill and all amendments thereto close at 3:45.

The CHAIRMAN. On the pending amendment and all amendments thereto?

Mr. COOLEY. On the bill and all amendments thereto.

The CHAIRMAN. The gentleman from North Carolina moves that all debate on the pending bill and all amendments thereto close at 3:45.

The question is on the motion.

The motion was agreed to.

The CHAIRMAN. The Chair will call the names of the Members on their feet indicating a desire to be heard: Messrs. SASSCER, BENNETT of Florida, WHITTEN, MARSHALL, ANDRESEN, VURSELL, MILLER of Nebraska, MORRIS, WICKERSHAM, FISHER, ABBITT, SUTTON, WORLEY, HILL, GROSS, STEFAN, GORE, HORAN, WHITE of Idaho, CASE of South Dakota, HOPE, MURRAY, PACE, GATHINGS, HAYS of Arkansas, BONNER, GRANGER, KEATING, HOEVEN, COOLEY, SHAFER, ARENDS, ABERNETHY, BECKWORTH, JENSEN, O'SULLIVAN, MICHENER, CARROLL, ALBERT, COMBS, and FULTON.

Mr. ABBITT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ABBITT to the Gore amendment:

Page 2, line 1, strike out the words and figures "marketed before June 30, 1951."

Page 2, line 23, strike out the words and figures "until January 1, 1951."

Page 3, line 20, after the word "date" strike out the remainder of the sentence and insert in lieu thereof "until June 30, 1950."

Page 4, line 1, strike out the words "until January 1, 1950."

Mr. GORE. Mr. Chairman, I reserve a point of order against the amendment.

Mr. ABBITT. Mr. Chairman, this amendment is merely a matter of practical procedure. So far as the Gore bill as amended is concerned, it extends the present law for 12 months and it repeals titles II and III, the so-called Aiken bill.

The purpose of my amendment is to do away with the 12-month limitation and extend the present law permanently.

We all realize the only reason we have the Aiken law on the books today is because our entire agricultural program would have been out on December 31, 1948, unless we had an extension. The Gore bill is intended to extend the present law and repeal the Aiken amendment. It extends the law for 1 year only and repeals the Aiken law. That means we will have no law at the end of next year. We will have a hammer over our heads next summer just as we had last year, making it necessary for the Congress to act again in 1950 and agree on some compromise program whether or not we like it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ABBITT].

The amendment was rejected.

Mr. SASSCER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SASSCER to the Gore amendment. On page 2, line 2, after the date "June 30, 1951", insert a parenthetical clause reading as follows: "(September 30, 1951, in the case of Maryland and the cigar-leaf types of tobacco)."

Mr. SASSCER. Mr. Chairman, very briefly, my amendment does not change the base period, the formula of figuring parity or in any way the mechanics of the support. The amendment in no way changes the substantive law. Through an oversight the proponents in the preparation of the Gore substitute omitted the existing law defining the support

period as to Maryland and certain cigar types of tobacco, including in those cigar types of tobacco produced in Puerto Rico, Wisconsin, or Minnesota tobacco as enacted at this session. Those crops are marketed through August. During the present session a law was passed which extended a termination date of June 30 for the support season until September 30, so that the support would not be withdrawn right in the middle of the reason for these crops that are raised one year and marketed the next and not sold before June 1. This is the amendment which the author of the Gore amendment stated this morning that he would accept. I earnestly urge the House to accept it, as it merely carries on existing law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. SASSCER].

The question was taken; and on a division (demanded by Mr. SASSCER) there were—ayes 58, noes 37.

So the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I only rise for the purpose of asking questions which I have had some difficulty in getting answers to, due to nobody's fault. There are two questions I would like to ask. One of them is: Why is it necessary to have this new plan in the bill? Why could not quotas, agreed to by the farmers, have been put on for potatoes and things of that kind? The second question I would like to have some members of the committee answer, if he will, is: What will be the result of this so-called Brannan portion of the bill insofar as the consumers, the producers, and the middlemen might get together to see to it that the Government carries the burden?

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Florida. I yield to the gentleman from Georgia.

Mr. PACE. I would like to state that I think acreage allotments can be made on potatoes, but there are many, many perishables that grow in the State of Florida where it is not practical to put an acreage allotment into effect. The second answer is that under the committee bill, the payment, if any, made, will be the average difference; that is to say, the difference between the support level and the average market price. That would require the producer to get the best price he could in order to get the support price.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISHER to the amendment offered by the gentleman from Tennessee, Mr. GORE: Page 3, line 22, strike out the period and add the following, and by adding a new section reading as follows:

"SEC. 4. Mohair shall be supported at not in excess of 90 percent of the parity prices taking into account the price level at which wool is being supported."

Mr. FISHER. Mr. Chairman, I hope no one will object to this amendment. The committee wrote a provision similar to this in the measure that is now before us. I have shown this amendment to the chairman of the Committee on Agriculture and also to the gentleman from Kansas [Mr. HOPE], also to the gentleman from Tennessee [Mr. GORE], and none of them objects to it. This was adopted in the Committee on Agriculture, or a provision comparable to it. This amendment simply undertakes to clarify the Wool Act of 1947, which by interpretation, on account of its peculiar wording, has not been held to include mohair. This will require the Secretary of Agriculture to treat mohair on a basis comparable to the treatment accorded wool.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from North Carolina.

Mr. COOLEY. May I say to the gentleman that mohair is included in the committee bill. It is included in the committee substitute offered by the gentleman from Georgia [Mr. PACE], and I know of no reason why it should not be included in the other amendment.

Mr. FISHER. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAYS of Ohio to the Gore substitute: On page 2, line 23, after "until," strike out "January 1, 1951" and insert "June 30, 1951."

Mr. HAYS of Ohio. Mr. Chairman, the purpose of this amendment is apparent because certain products grown especially in the South, namely, cotton, tobacco, rice, and peanuts, along with wheat and corn, are protected under the Gore amendment until June 30, 1951. The products, like milk and milk byproducts, eggs, chickens, and hogs, produced largely in the northern section of the country, and, in my opinion, tremendously more important to the national economy than tobacco, for instance, are supported only until January 1. All I am trying to do by this amendment is to equalize the thing so that if the Gore amendment stands it will not be weighted in favor of southern agriculture. I would also like to say, Mr. Chairman, that this Gore amendment is only a stopgap measure, and certainly it seems to me that the country at large will not stand for an economy of scarcity caused by the Government buying up products and destroying them. I have maintained repeatedly on the floor of this House that the farmer's income should be kept at its present level in order to have a sound national economy, but I cannot subscribe, as a farmer, to maintaining that economy by taking food from the mouths of hungry children and by destroying the products of the farmer's labor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The CHAIRMAN. Does the gentleman from Mississippi [Mr. ABERNETHY] desire recognition to offer an amendment?

Mr. ABERNETHY. No, Mr. Chairman; but I ask unanimous consent to yield my time to the distinguished chairman of the Subcommittee on Agricultural Appropriations, the gentleman from Mississippi [Mr. WHITTEN].

(Mr. COOLEY, Mr. HOPE, Mr. MURRAY of Wisconsin, Mr. GATHINGS, Mr. HORAN, Mr. GROSS, Mr. HOEVEN, and Mr. ALBERT also asked and were given permission to yield their time to Mr. WHITTEN.)

Mr. WHITTEN. Mr. Chairman, I greatly appreciate the courtesy extended to me by the Members who have yielded me this time. I hope I may be able to make a contribution which will be worth a little something in the consideration of this bill. I assure the Members of the House that it shall be my purpose to discuss the workings of this production payment plan. I hope fairly and factually.

Mr. Chairman, it has been my privilege to serve on the subcommittee handling agricultural appropriations for 6 or 7 years now. During the last year it has been my privilege to serve as chairman of that committee. That is the committee before which each year come the present support programs from A to Z. It has been our privilege to check with the Department and to hear witnesses on all the programs each year, and to recommend to Congress the amount of money to be provided for the operation of the programs.

I mention that to show you we had some experience in dealing with this problem. Charlie Brannan is a splendid gentleman. He is a good American. All this talk about socialism and all these other things really has no place here. His recommendations are no different from many things that have been recommended and from many things that we have had heretofore. But, my discussion is not directed to that. He never discussed his recommendations with our committee. If he had, I believe we could have shown him he was going at the matter backward and proved it by the testimony of the Department before our committee as well as by the record.

According to the testimony and the records before our committees through the years, his recommended program is directly contrary to our whole concept of price supports for agricultural products. This is the reason I say that. Under our farm-support program we are seeking to stabilize farm prices, to have a floor under them. It is true we have lost on a number of these perishable support programs, notably potatoes. Why? Because there has been no controls, no marketing quotas. The Secretary of Agriculture repeatedly has asked Democratic Congresses to give him controls. He has asked Republican Congresses to give him controls. No controls have been given to him, and that is why we have all these potato losses. That is the reason you have had all these losses. Of course it is ridiculous to continue such lack of quotas. But if you had controls, we would not had such tremendous

losses, which is proven by the experience of the Department with commodities where they have controls. If you control the supply and announce a support program, you stabilize prices at that level. The farmer will not sell unless he gets that price. The buyer cannot get the commodity unless he pays the price. If you have control, and the Department has the money to buy all the supply we have proved by years of experience that Federal Government does not have to pay out a dollar. You can check the record of our hearings. You can read the testimony of Mr. Dodd who ran this program for years. He shows you that time after time after time the Government has not paid out any money when they had controls and when they announced the program and had the money to buy the commodity. The price is stabilized and it frequently does not cost the Government any money and little when there are costs.

In 1948 Mr. Dodd testified he did that in 17 cases and the Department had to buy very little. Here is the other fallacy in Secretary Brannan's approach. It is our purpose to stabilize prices. However, Mr. Brannan says let farm prices seek their own level. All a buyer has to do is hold back from buying, and he runs the price down. The price goes lower and lower and lower on agricultural products. The farmer does not lose financially. However low the general selling price, he gets the difference in a blue check from the Government. But Secretary Brannan says he wants the consumer to benefit. So do I. But the plan the Secretary offers will not do that. The buyers hold back and run the price of eggs to the farmer down to say 10 cents. There is nothing in the bill to keep the produce merchant from selling those eggs for 30 cents or 60 cents to the consumer. You know that they will sell all of these commodities for what the traffic will bear. Thus the man who gets the benefits under this ill is your middleman. The Government fixes it so that the farmer gets his from the Government, if we can get the appropriation. The consumer does not get the benefit because he pays the price demanded by the seller. The seller can sell at whatever he can get the buyer to pay. We do not have an OPA now to control the price charged the consumer.

Thus, under this bill the consumer does not get the benefits it has been represented it will bring him and what Charlie Brannan hopes he will get. You say it does not work that way. We had experience during the war with subsidy on meat when we had the OPA. We said that meat could not be retailed above a certain price. Every little butcher in every small town in the country was held down on what he could charge for meat. The Congress provided a subsidy to help the producer to produce. That subsidy was paid to the butcher or to the meat packer. Do you think that went out to the producer of agricultural products? No, it did not. In most of the area with which I am familiar, the butcher reduced the prices he paid to the farmer. The butcher kept the same margin of profit and the same profit. In addition he got a check from his Government which was over and above and in addition to the profits that he had always made. That made everybody in the town mad. I say to you, as good as his intentions are, and as able as he is, the Secretary is miguided when he thinks that under this bill the benefits of his reducing farm prices to the producer will flow to the consumer. The benefits would go to the middleman.

Let me tell you, the commodities which we purchase in order to support the price today, goes to the school-lunch program without charge. Do you know any better place to use our surpluses? But under the Secretary's trial-run proposals we would not have the surplus for distribution to the school-lunch program.

Surely, if we continue the present law, we can count on this fine committee to provide for controls or marketing quotas on potatoes and other perishables. From the debate they so well recognize the ridiculousness of burning potatoes and other foods that I know they will bring in provisions for such controls.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

I just want to ask the gentleman if he has read the language at the bottom of page 7 and the top of page 8, which sets forth certain compliance provisions?

Mr. WHITTEN. I do not have the bill before me so as to answer by book and page. From the debate attention has been called to the fact that section 32 funds will not accumulate but the unused funds will go back to the Treasury each year if the present law were extended. I have fought for years to save section 32 funds and finally made it this year. I believe these funds should accumulate. I am sure our Committee on Agriculture, believing that, too, would not refuse to act just because they lost the Brannan plan.

No. What Mr. Brannan asks the farmer is to take whatever low price the buyers, middlemen want to pay him and get the rest from the Federal Treasury. To ask the farmers to submit to such a program is the same as asking labor to let employers pay whatever low wages the employers want to pay, the difference to be made up by Federal payments. Such a plan would not be fair to labor. It is not fair to the farmer, not to mention the fact there is not enough money in the country to finance such a plan.

Mr. PACE. Will the gentleman yield?

Mr. WHITTEN. I yield briefly.

Mr. PACE. Does the gentleman know any way on earth we could tell which program would be satisfactory except by trying it out?

Mr. WHITTEN. I say that in our dealings with this bill throughout the years, with the testimony always on the part of the Department to the effect I have just recited, and with no one on his committee believing the plan will work, I think I can say that we can be sure it will not work. Certainly the experience of the Department as shown by their testimony before our committee shows it will not work. We have one of the finest Committees on Agriculture in the House of Representatives we have ever had in the history of this country. We have able men on that committee, the chairman, the gentleman from Georgia, and many others. We have men who have served on that committee for years and who have studied this problem for 4 years trying to improve on the law that we now have, and they never were able to figure out one that was better, not even the Aiken bill, because the Republicans on the House side never did want the Aiken bill.

Mr. HCRAN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. HORAN. We also tried to pass a law to study this movement of goods from the farmer to the consumer, the Research Marketing Act. The gentleman from Georgia [Mr. PACE] was going into some of these problems before his committee. We also have had an 80-percent freight-rate raise since the end of the war, which has raised the margin between the farmer and the consumer, and which our committee has tried to correct by providing extra funds to oppose freight-rate increases on agricultural commodities.

Mr. WHITTEN. That is correct. Now, all that our good friends on the Committee on Agriculture have offered—and they are all splendid fellows—the only argument which they have offered is, "Let us give it a trial run." We have not heard one of them say they believed it would work. I have not found a man on the committee, which has studied this matter for years, who believes it will work. They could not figure anything better than the present law. The new Secretary brought in his new program. He wanted to try it out on all commodities. The committee did a good job to hold him down to a trial run on three, but I have not heard any argument that they thought it would work. The Secretary was active in politics last year. He found the people wanted no part of the Aiken bill. He mistakenly, I think, took it they wanted a new bill. I think they wanted the old law with controls for potatoes.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. PACE. The gentleman does not mean that there was any trade on this matter? Nobody made any agreement with Mr. Brannan or anybody else.

Mr. WHITTEN. I am sure that is true. The committee being afraid of this program under its bill holds him to a trial run on three commodities.

It was a good day's work to hold his program to three commodities, but I believe his program would not work on those. His program would run down farm prices instead of stabilizing them. We should not criticize the Secretary. Our Agriculture Committee could not write a better law than we have.

The Republicans in the Senate set out to write a better farm program. They came up with the Aiken bill. The Republicans in the House wanted to extend the present law. The Senate insisted on passing a bill over the wishes of the folks on our side who had studied for 2 years trying to improve it and who wanted to extend the present law. The

Senate had its way at 6:30 one Sunday morning and thereby lost an election.

The Aiken law has never been in operation. No one wants it today. The farmers—most of them—did not know what was in the Aiken bill last fall, by and large. Perhaps some of the leaders did, but the Republicans lost much of this country not because of the Aiken bill, but because the Congress had repealed the present program in which the farmers believed.

Now, the folks on our side are falling into the same trap. We are writing a new bill to improve on that which they have come to accept and to know and to understand. We should amend it—but why destroy 16 years' experience. Those of you who represent farm areas know it is hard to get farmers to take regulation and regimentation. In 16 years they have gradually come to accept the present program. Do you want to start off with another program? Do you want to require them to go all through this again? It is true the situation is going to be rather tough in the years ahead. Do you want to take the blame for following a course which the Republicans fell for, of interfering with a law that the farmers have come to know and to understand and to believe in? Let the fine Committee on Agriculture amend the present law, provide controls or marketing quotas for potatoes and the troublesome commodities, and do those things which should have been done years ago. You will not have to write the Brannan plan into law to do that.

It will not help Secretary Brannan to pass his plan if it will not work, but runs farm prices down. Sometimes you help your friends by holding them back from making a mistake.

It will not help the Democratic Party to pass a bill on the basis it will help the consumer when it will not.

The Democratic law I would continue has worked for 16 years. It has been good enough to elect thousands of Democrats. The Republicans were defeated when their leaders repealed it even though they postponed the effective date. Do not you make the same mistake.

Mr. HORAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HORAN. Mr. Chairman, the consideration before the committee today is obviously in two parts: one, that part dealing with the over-all security and income of our farm producers and, two, an inferred promise of cheaper farm products to the consumer in America.

Like the gentleman from Mississippi [Mr. WHITTEN], who has just addressed the House, I serve on agriculture appropriations. I would like at this time to express in terms of the program which we considered in the over-all administration in the Department of Agriculture the difficulty, short of the restoration of OPA or other farm controls of individuals from the farmers to the consumer's table, of promising cheap foods. We cannot, with any certainty, promise any great reduction in the price.

And, so we arrive at consideration of what method shall we use, first, to make sure of the security of our American farmer, and second, the difficulties which now obtain in trying to move agricultural commodities with more speed, better quality, and lesser price to the consumer's table.

That this question has never been properly answered was recognized by this House 3 years ago when it passed a long-range program entitled "The Research and Marketing Act" under which we are spending millions of dollars every year (the total now being in excess of thirty millions which has been spent on this program) trying to find out what the "bugs" are in our marketing problem of farm products in America.

Another factor that makes an inferred cheaper price of farm commodities lies in the fact that since the war we have had no less than six general freight rate charge raises and freight rates have increased in the neighborhood of 80 percent since the war. This, of course, is a hidden cost in the high cost of living.

In addition to this, there are many other factors that should be considered as we so glibly debate such a fundamental matter as that now before us. We must recognize, I think, that the whole program of marketing services, including the Market News Service, is a factor designed to assist in ironing out the difficulties of the marketing of farm products.

In the first place, by keeping the producer advised as to general market conditions from day to day and for myself, and the record here is clear, I have tried to promote the general idea of a market basket market news service which would apprise in some way the housewife as to what she should expect to pay for certain agricultural commodities. This suggestion has been experimentally tried out by the Department on at least two occasions at my insistence and small sums have been included in the budget under "research and marketing" for this purpose. I might say, however, that my suggestion has never been received in the Department of Agriculture with any great enthusiasm.

Since it is presumed that the full force of competition would be allowed to play upon the farmer's productions after the Government has paid him his income-support standard payment or his support prices as the case might be, I feel that it is essential that we consider the work in another bureau down in the Department of Agriculture. I refer to the Office of Foreign Agricultural Relations which is a sort of intelligence service carried on by the Department to advise us of what is happening in foreign countries in the general field of agriculture. Certainly if we have to continue and even increase the importation of foreign agricultural competitive commodities, we should know these things.

And so I conclude that the legislation today or the promises that have been included in the Brannan plan proposal do not remove the basic difficulties and despite the action that we may take here this afternoon, those basic difficulties will remain and only by research and continued efforts in the direction which we are now, I believe, constructively moving will we achieve the reductions in the cost of living at the consumer level which does certainly mean security to the American farmer. For if the people do not eat what our farmer produces, there is no security in it for him.

Therefore at all times, the prices of farm commodities should be kept within the reasonable means of the people to pay.

Mr. KEATING. Mr. Chairman, I ask unanimous consent that I may revise and extend my remarks at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. KEATING. Mr. Chairman, the Brannan believe-it-or-not plan is a snare and a delusion. Its prospective cost the Secretary of Agriculture has refused even to estimate. His last refusal occurred on Monday of this week, when I pressed him for an answer in the hearings now under way by the Subcommittee on the Study of Monopoly Power of the Committee on the Judiciary. Probably with good reasons, he prefers to veil the cost and effectiveness of the program in obscurity.

If he can shed no light on the important factor of cost, are we to legislate in the dark and authorize him to involve the pay envelopes of our taxpayers for uncomputed billions? If we guarantee the incomes of farmers, are we to do the same for the factory worker, the dentist, and the fellow that runs the corner grocery store?

From the point of view of the consumer, certainly a sidewalk Congressman, looking out for his constituents' interests, cannot support this bill when the report of this committee shows that it is proposed by the measure to up the price of hogs $3 a hundred; beef, $4.90 a hundred; lambs, $5.40 a hundred; milk, nearly a cent-and-a-half a quart wholesale; butter, 9 cents a pound; chickens, 4 cents a pound; turkeys, 5 cents a pound; cotton, 5 cents a pound; wool, 9 cents a pound, and so on.

No more can a dirt-farmer Congressman support a bill which can nationalize every farm in the land, by giving to Washington the absolute power to control the kind of crops and produce, and the amount of them, that can be raised, to dictate how large a farm may be, and to decide whether the land shall be used for farming, for grazing, or remain idle. That is a controlled economy beyond anything yet contemplated in America. The control of the farm means the control of the farmer.

Those great farm organizations, the National Grange and American Farm Bureau, recognizing the inherent unsoundness of the Pace bill and the surrender of every freedom of the farmer

which its passage entails, want no part of such a booby trap. They are right.

Now that this undigested measure has been brought before us, it should be roundly defeated and the present law continued until such a time as we can know clearly where we are heading, and be presented with a long-range legislative proposal which has been thoroughly canvassed and is deserving of support.

The CHAIRMAN. The gentleman from Illinois [Mr. VURSELL] is recognized.

Mr. VURSELL. Mr. Chairman, the present bill offered by the administration which we are considering would be a trial run of the Brannan bill. Secretary Brannan, who proposed this cockeyed plan, which is really a political effort to join the farmers and laboring men in one group at the expense of all of the taxpayers, has been properly understood by the thinking people for just what it is, and they are almost unanimously against it.

Secretary Brannan, in the face of this opposition, abandoned putting practically all agricultural production in his proposed bill and now says to the Congress, "If you will try it out on only three or four small items of agriculture and just let my camel get his nose under the tent, we will be satisfied for the present."

Mr. Chairman, I have confidence that there are enough Members in this House who know this legislation is so destructive to the farmers of the Nation, and is such a deception attempted to be perpetrated on the consumers of the Nation, that a big majority of the representatives of the people in this House will stand with the American Farm Bureau Federation and the National Grange and defeat this ignominious political measure, with such a majority that it will never again be proposed to the House of Representatives.

Mr. Chairman, the Brannan plan is the most alluring political bait that any group of high-paid bureaucrats has yet brought to the American people in an attempt to buy, at the expense of the United States Treasury and the taxpayers, the combined vote of the farmers and the labor organizations. Think of it, they promise to give the farmers higher prices for production and to give the consumers more food for less cost. The most daring magician would not attempt to pull such a trick on an audience and expect the people to believe it could possibly happen.

This bill will regiment the farmers so tight, and restrict production to the point where food will cost the consumer more than he is paying now, or it will bankrupt the Federal Treasury to make up the difference, if strict regimentation and production controls are not placed on the farmers.

The Brannan plan, if put in operation, may cost the Government over $7,000,000,000 a year. It would regiment the farmer, set the prices here in Washington by the Secretary of Agriculture on every pound of meat, every dozen eggs, and every bushel of grain produced. The Secretary of Agriculture would have the dictatorial power to do just that. In setting these prices the Congress would then be called upon to pay the farmer the difference between the price he got for a dozen eggs, and the price the Secretary of Agriculture thought he should have. This would go for everything else the farmer produced.

The farmer would then have to depend on the appropriation committees of the House and Senate to appropriate the billions of dollars to make up the difference. The people would be taxed—consumers, farmers, and producers—to get this money into the Treasury so that after thousands of bureaucrats had been paid out of these taxes to administer this bill, the balance would go back to the farmer.

If we run out of money in Washington or if the Appropriations Committee and the Congress would not appropriate the money, the farmer would not be paid the subsidy the Secretary of Agriculture figures out as due him under the Brannan plan.

I do not think the American farmer wants to be regimented and that he wants to depend on the United States Treasury for a major part of his income through subsidies, when we already have a debt of $252,000,000,000 hanging over the United States Treasury at the present time. He only wants a fair price in the market.

The farmers understand the present 90-percent parity. They pretty well understand the Hope-Aiken bill that would run on a sliding scale from 90-percent parity down to 60-percent parity. They probably do not know that parity cannot drop more than 5 percent a year under the Hope-Aiken bill.

Mr. Chairman, now what we propose to do in the Gore bill is to extend the old tried and tested extension of parity for another 12 months which will prevent the Hope-Aiken bill from becoming operative for over 1 year so that in the session of Congress beginning next January we will have a better picture of the agricultural situation, will have the time and opportunity to study the parity formula further, and enact farm legislation that will be satisfactory to the farmers, to all the people, to the Congress and in the best interest of the entire economy of the Nation.

Let us defeat this trial run of the Brannan plan proposed in the Pace bill, and support the Gore substitute which is preferred by the American Farm Bureau Federation, the National Grange, the Illinois Agricultural Association, and 90 percent of the farmers of America.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and yield my time to the gentleman from Nebraska.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Chairman, I rise to the defense of my home town. My home town is Norfolk. It is not the Norfolk of the distinguished gentleman from Virginia; it is my Norfolk; Norfolk, in Nebraska.

It is, indeed, true that the outlying possessions and Territories of this Republic are—and by right out to be—dear to all of us. Wherever American armed forces are stationed, even temporarily, becomes part of our new frontier. During the late war it was correctly considered that the Rhine and Bataan were the first lines of this Nation's defense. Wherever an American fighting man fell, wherever he was buried—in Italy, in Africa, in France, at Iwo Jima or Okinawa—that 6 feet of soil is forever consecrated to the United States of America.

Yes, these truths cannot be disputed. I do not dispute them. My purpose, Mr. Chairman, is to give proper space to another great truth—one, which is second to none of these here mentioned—so that this continuing contributor to the welfare of our people shall not wither and be forgotten.

Since Bataan and the Rhine were only a few short years ago our first lines of defense, it was then and it ever shall be that your community—and my home town, Norfolk, Nebr.—must be considered to be the very citadel of American life.

My Norfolk is a citadel in the original meaning of that word. Webster defines a citadel as a stronghold. In the Middle Ages the citadel was a tower of strength for townsfolk and farmers alike. When we of today refer to fighting to the last ditch we recognize the power of the citadel, for about it was the last ditch which defended the community from conquest.

A century ago there was only a barren prairie where Norfolk is today. Within the memory of men and women who still live within its limits Norfolk evolved into what it now is. They cannot forget—nor can I—that, from the very first, it was a citadel. English and Scotch-Irish stock came to Norfolk from Virginia and from New England. Germans, in search of liberty, settled there. Sturdy Swedes made Norfolk their home. People of many nations, many religions, many backgrounds found Norfolk good—and stayed there.

Why did they stay? Their earliest reason was for sheer self-protection. The prairies of the pioneer had hardships which demanded human companionship. One family—alone—could not expect to cope with prairie fire, with the plague of grasshoppers, with blinding blizzards, any more than they could hope to stand off a raid of Sioux on the warpath. These Norfolk pioneers stopped over at Norfolk because they had to have any human aid the region afforded. They stayed on because they valued the particular kind of warm, human friendship which Norfolk so freely gave.

Norfolk pioneers could have gone on to other settlements. They deliberately chose to stay. They stayed, because their crops were good, because their businesses were prospering, because they could send their children to schools, because their especial church gave them the word of God in a way they respected and revered. All of these reasons were in back of their staying on in Norfolk. There were other reasons, too—reasons of which they seldom spoke—but which, nonetheless, held them in Norfolk or near Norfolk. Here was where a first baby

was born. Here was where a beloved father and mother were laid to rest in the cemetery. Here was where a German boy from Wisconsin had met a Swedish immigrant girl, where they had married, where their common toil and sacrifice had brought forth a rich, producing farm from what had once been trackless prairie. Here were ties which could not easily be broken. Friends lived in and around Norfolk. Norfolk held neighbors.

Norfolk grew with the dreams, the hopes, the aspirations of the people who tied their lives to their community. It was no longer an actual citadel or the American adaptation of the citadel, the stockade. The wild battle cries of Sioux on the warpath had been forever stilled. Today's Norfolk farmer has no need to whip his yoke of oxen over rutted trails to a distant market. Hard-surfaced roads fan out from Norfolk in all directions, the product of the thrift, the skill, the progressive thinking of farm and town dweller alike of the Norfolk community. The electricity, the modern inventions of this age, have erased the necessity but never the enduring picture of the Norfolk women of only a few years ago who clung to clotheslines, guiding them to the woodshed and back, through blinding blizzards, with their precious loads of wood so that their families might live.

Today's Norfolk, outwardly, seems to be a far cry from the rude settlement of its pioneers. Wide paved streets instead of narrow wagon tracks. Churches and schools of brick and stone in place of the old frame structures. Cars, not Conestoga wagons. Tractors pull the plows once pulled by oxen. Up-to-date business establishments rather than makeshift shacks house our merchants.

The outward change in Norfolk, wrought by years of American thinking and doing, has been great.

Thank God, this has only been an outward change.

The spirit of pioneer Norfolk moves, breathes, acts today as powerfully, as understandingly, as it did more than fourscore years ago.

The children of the wealthiest citizens of Norfolk attend the same school with the children of Norfolk's poorest citizen. They learn from the same books, the same teachers.

Norfolk citizens go to their different churches on Sunday. But—and this is one of the chief reasons I am so proud of my home town, Mr. Chairman—they drive to their different churches in the same cars, or they walk down Norfolk's streets together.

The meetings which the Grand Army of the Republic once held are now gallant memories. The thinning ranks of Norfolk's veterans of the Spanish-American War could now assemble in a single room of any Norfolk home. Yet the efforts of the veterans—the patriots of peace—have not been slowed down by years. The American fighting men of World War I and World War II swell the rosters of Norfolk's American Legion and Norfolk's Veterans of Foreign Wars. Even as their fathers and grandfathers before them—veterans all—these men build for their community in peace, as they fought for their country in war.

Norfolk's merchants, businessmen, professional men, and farmers gather around tables for noon meals as service club members in exhibitions of friendliness, neighborliness, and cooperation just like their earlier prototypes did in the old general store around the cracker barrel and pot-bellied stove.

Norfolk women borrow butter and eggs—and pay them back—even as their parents and grandparents did. Nor does the amount of income taxes paid by their fathers enter into Norfolk boys' sharing in the benefits of the Boy Scout program or in swimming in Spring Branch.

Mr. Chairman, I am proud to be able to say that the ability to work together, worship together and live together—which the pioneers brought forth in Norfolk—has been preserved and expanded by the people of Norfolk, 1949.

If there should be any doubt of that ability, that sincere determination, of the citizens of Norfolk community to "get along together," that doubt would be dispelled on seeing the farm-town festival which is held yearly in my home town. The townspeople of Norfolk invite the farmers around Norfolk to dinner. This means a thousand-plate meal. Norfolk churches of all creeds and denominations open wide their doors to their guests from Norfolk's farms. The quilting bee, the cabin raising, the corn-shucking party—the singleness and sincerity of feeling which characterized the ancestors of these people—finds fulfillment in meeting together in this farm-town fellowship.

Mr. Chairman, I have enjoyed my stay in Washington. The friends I have made here, the associations which will remain with me as long as I live, are matters of deep and abiding joy. It has been a great and moving experience to have served the people of the Third District of Nebraska in the Congress of the United States.

In spite of the joy of being able to serve, in spite of friends and associations always remembered with gratitude, Mrs. Stefan and I have only "stayed" in Washington. In spite of all of these great and good gifts—when this session of Congress is ended—we want to go back to Norfolk. We want to go home.

We want to gain strength by being where our children were born and raised.

We want to go back to the house we made into a home.

We want to go back to the neighbors in Norfolk whom we love and who love us.

We want to go back to our citadel of Americanism, that stronghold of memories, of inspiration, and of realization.

We want to go back to Norfolk—our hometown, United States of America.

UNFORTUNATE REMARKS ON THE BRANNAN PLAN

Mr. MILLER of Nebraska. Mr. Chairman, it is with some degree of regret that I feel compelled to call the attention of the House to some remarks made by the gentleman from the Second Congressional District in Nebraska [Mr. O'SULLIVAN] when he spoke on the Brannan plan yesterday. His remarks appear on pages 10064 to 100066 of the daily CONGRESSIONAL RECORD of July 20.

The gentleman, in my opinion, violates the rules of the House when he adroitly and by a rhetorical trick refers to "Nebraska's junior Senator as being cross- or cock-eyed," and having "a disturbed nervous system which creates a monstrosity"; and "there are mental conditions where one may actually see elephants and even monstrosities, that are not, and never were there," and then urges, "that if I ever begin to see monstrosities where they do not exist, I want my friends to take me pronto to a sanitarium and get the right kind of a doctor for me quickly," and "I would want to be locked up and be given treatment." If he is not referring to the distinguished minority leader in the other body, to whom does he refer?

I maintain, Mr. Chairman, that these remarks are by inference a reflection not only upon the distinguished minority leader, but upon the other body. He certainly is devoid of any mental breakdown to which the gentleman from the Second Congressional District of Nebraska so adroitly and cleverly seems to infer. I trust that the gentleman will confer with the proper party officials on his side of the aisle and then move to have these unfortunate references stricken from the permanent RECORD.

The gentleman from the Second Congressional District also refers to the Brannan plan poll that he had taken. This must be a mysterious and unusual poll, because he said that his poll showed that farmers in his district were 5 to 1 for the Brannan plan, and that I, who represent the Fourth Nebraska District, was mistaken in how the farmers of Nebraska felt about the Brannan plan.

The poll taken by the Omaha World Herald in my district showed 32 for the Brannan plan with 1,321 opposed. This was about the same percentage received by the other four Members of the Nebraska delegation. I challenge the gentleman from the Second District to make public the actual vote he received from the farmers in his district on the Brannan plan.

Now as to the bill before us. I am going to support the Gore amendment. It is the same bill as I introduced and is known as H. R. 5464, with the exception that my bill made the present law permanent and repeals outright the Aiken amendment which would otherwise go into effect January 1, 1950. The Gore amendment merely puts this off for 1 year.

I cannot support the Pace bill. It is similar to the Aiken bill. It has been shown without question that the Aiken bill came up from the Department of Agriculture in the closing hours of the Eightieth Congress. It was never passed on by the House, but was an agreement from the conference. The Aiken, the Pace, and the Brannan bills are rotten apples from the same tree. They would regiment the American farmer and the cost is unknown. Either of these bills would make it necessary for the farmer to depend upon appropriations from Congress. It is not a farm plan, but a scheme to snare votes. It is a sort of Pandora's

box, and a political Christmas tree, trying to give something to everyone.

In my opinion the farmers merely want a fair income—a fair profit. They prefer the program they now have. They understand it. I think it would be a mistake in these troubled times to take on some new and untried experiment such as suggested by the Pace bill. It is really a part of the Brannan plan. Let the camel get its nose under the tent and there is no telling just how far food subsidies to the consumer would go. It would not be satisfactory to the farmer or the consumer. I shall support the Gore amendment.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, the farmers of the country are afraid of these trial run proposals and they are afraid for the reason that they see in this an effort to take the power and the money of the Federal Treasury to beat them out of their normal market price; then when the Treasury runs out of funds, leave them holding the sack, with the normal market price taken up by the spread of charges to middlemen.

That is the short and simple fact.

This is the first time it has ever been proposed that funds of the Federal Treasury be used to bribe the farmer to give up his normal price in the market, then take the chance that what he will be left with is no appropriations available to make the payments when they become burdensome and taxes ever higher.

Milk today averages about 20 or 21 cents a quart over the country to the consumer but the farmer gets only 6 or 7 cents an average out of that. When it was first proposed to bring milk down to 15 cents a quart by use of production payments it was clear this would leave the farmer getting only 2 or 3 cents a quart in the market. If the Government then ever quit paying him production payments, where would he be? If milk should come down let the cut be all along the line.

Of course milk is out of the bill—out of this trial run, now, and so are hogs out of it because the other meat producers knew what would happen if money for hogs were used to beat down the price of all meats.

The proposals in the committee bill are in the direction of the Brannan plan. The people do not want to risk them. They prefer to deal with the ills we now have and deal with them directly than to fly to ills they know not of. The Gore substitute should be adopted to let us work this thing out.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WICKERSHAM to the amendment offered by Mr. GORE: On page 8, beginning on line 10, renumber sections 6 and 7 as 7 and 8 and insert a new section 6 reading as follows:

"SEC. 6. Section 32, as amended, of the act entitled 'An act to amend the Agricultural Adjustment Act and for other purposes,' approved August 24, 1935 (7 U. S. C., 1946 ed., sec. 612c), is amended by adding at the end thereof the following: 'The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over $300,000,000 shall, in the same manner as though it had been appropriated for the service of such fiscal year, be subject to the provisions of section 3690 of the Revised Statutes (31 U. S. C., 1946 ed., sec. 712), and section 5 of the act entitled 'An act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June 30, 1875, and for other purposes' (31 U. S. C., 1946 ed., sec. 713)."

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield to the gentleman from Tennessee.

Mr. GORE. The amendment which the gentleman from Oklahoma has offered is not in the present bill but it is in title II of the Aiken bill. It is also verbatim in the committee bill. I have advised with the distinguished gentleman from Mississippi [Mr. WHITTEN] who has done more, I suppose, than any man in Congress with respect to section 32 funds, and he finds no objection to the amendment, nor does any member of the committee. However, it would probably be meaningless, since practically all of the money is committed.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The question is on the amendment offered by the gentleman from Oklahoma [Mr. WICKERSHAM].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

(Mr. WORLEY, Mr. SUTTON, Mr. WHITE of California, Mr. POAGE, Mr. PACE, and Mr. GRANGER asked and were given permission to yield the time allotted to them to the gentleman from Texas [Mr. RAYBURN].)

Mr. RAYBURN. Mr. Chairman, I am almost ready to say that I fear I am speaking to minds that are closed. But, I did not want to let this opportunity pass without saying just a word. Heretofore I have heard all of these fears expressed on the floor of the House with reference to something that was new, something that had not been tried, and criticizing a trial run. I have not known any legislation of far-reaching consequence in all the years that I have been a Member of this House that was not a trial run. I remember when the farmers of the country were in darkness, and many of them are still in darkness, and if they had depended upon their friends, the public utilities, to build lines out to their little homes in the country, they would still be in darkness. When I was carrying through the House of Representatives many years ago rural electrification, authorizing the appropriation of $450,000,000 over a term of years, the same men usually, sound men usually, said, "This is a venture that will lose the Government of the United States $450,000,000, because the farmers will take these lights, and when the bill comes around, they will have them taken out." Well, if farm prices had remained what they were then, and if no planning, no program for farm improvement had been put into effect by people who had the courage to make a venture and try something new, they would have taken them out, because they would not have had the money to pay the bills in the first place, and they would not have had the money to wire their houses. We have loaned millions upon millions of dollars for those things.

I have listened to this debate and I have listened to the members of this committee, and let me say to you, my Democratic friends, that I found out a long time ago that in this House the people get along the best who go along the most. When 17 of my Democratic colleagues unanimously, after 6 months of laborious and hard study, bring into this House a measure, I would hesitate long and prayerfully before I would fly in the face of those gentlemen. This is something new but, in my opinion, after reading and listening, this is a better thought out program than we have on the books today, this is a sounder program than we have on the books today and, in my opinion, in the long run it will cost a great deal less money than the program we have in operation now.

It seems to me we should have this trial run, so that we may see what this thing does. If we get a mix-up here, if we pass nothing except this extension, and then the Senate does not take it up, the farmers of the country are going to have the Aiken bill hanging over them the first day of January. If we do something about it here today more than simply extend what we have, which has been proven to be tremendously costly, in my opinion the cost of it is going to be such that one day it is going to injure the farmer and injure farm legislation.

Let me call your attention to this one thing, too. The city folks for all these years have gone along with us farming sections of the country and have voted unanimously for our programs, out of which they got little or nothing except a greater buying power on the part of the farmers to employ their people and buy their things. But some of these days, unless we pay a little more attention to the consumers of this country, they may rise up themselves and make it hard for us to continue a farm program that will be in the interest of the people. It is vital to every industry in America that the thirty-odd million people on the farms have buying power. When those thirty-odd million people have buying power, it puts people in town to work, and when people in town are at work at good wages, with high buying power, then they can buy what we produce on the dirt and out of the dirt.

I ask my Democratic friends to stand by these 17 men and let us have a trial run on this thing that, in my humble judgment, is much better than what is upon the statute books today and which you may extend today.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, this is a long time to wait to get this short time to talk. Let me tell the House that there is another way to equalize prices and stabilize our national economy which may seem novel at this late day, but the plan is as fundamental as these hills and as basic as the soil. First let our Government give this country a sound, adequate, workable money system that will provide the necessary cash with which to transact the business of our country, and with this let us pass the necessary laws to strengthen the Federal Trade Commission to protect both small and new enterprises from the unfair competition and unfair trade practices of big business and organized industry.

If we will do these simple things to unfetter competition and give free play to the law of supply and demand, the thrift, industry, and enterprise of the people of this country will soon make the necessary adjustment in our price structure by competition that will equalize prices automatically, which we seek to do by this bill, adjust prices by spending money in carrying out an artificial program.

Mr. Chairman, as we have neither a stable, adequate, workable money system or any plan to strengthen the Federal Trade Commission or to preserve and protect competition and new enterprise in this country from destructive price manipulation and unfair trade practice, then I shall vote for this price support program for the following reason:

In considering our present commodity price level and ways and means to maintain the stability of our national economy by keeping the price structure in balance, I am sure you appreciate the necessity of maintaining the equilibrium between the price of the products of the manufacturer which the farmer must buy and the price of the products of agriculture which the farmer must sell. In other words, maintaining the balance or parity in the price level that will provide purchasing power in the hands of the farmer—purchasing power that is indispensable to the support of the market for the products of the manufacturing industry, together with the services of distribution and the transportation system, industries that are the big employers of labor.

If high prices are to prevail on one side of our price structure, it is vitally important, if we are to have a stable economy, that prices are in balance on the other side. If farm prices are permitted to drop out of line with the prices of manufactured products to a level where those engaged in agriculture lose their purchasing power and their ability to support the manufacturers' and distributors' price structure, then our national economy will be upset, just as it was after the First World War, when credit was contracted and currency retired—a condition which is within your and my personal recollection.

It may be of interest to review some of the causes of the farm depression of that time.

In the first place, with a war on, business organizations and manufacturing companies found a long-sought opportunity to raise prices of their particular products. War conditions precluded any new competitors from entering the field which the big manufacturers found they had practically all to themselves in the war period, when you and I saw everything that the farmers must buy double in price. Barbed wire, theretofore selling at $1.50 per spool of 80 rods, went to $6; nails from 5 cents per pound to 8 and 9 cents per pound; a 5-foot McCormick binder from $175 to $350; baling wire from $2.50 to $6.50 a bundle, and so on, through the entire list of every manufactured thing the farmer must have; and then what did we see? We saw the profits and cash reserves of these manufacturers and distributors piled up in huge cash surpluses, and we saw an inflated stock market get out of bounds, and we saw the manufacturers and distributors with their swollen profits, drained from those engaged in farming, and the other basic industries keep these cash reserves—these winnings—from their stockholders, and avoiding income taxes by issuing stock dividends, and everybody was prosperous in an inflated market except the farmers and those engaged in the other basic industries. Then we saw the banks attempt to arrest this dangerous financial trend by curtailing loans and shutting off money to the speculators, only to have the industrial concerns, attracted by high interest rates, step in and support the inflated securities market, by lending their cash surpluses to the speculators—money that had been drained away from the farming and basic industries until the farmer, having lost his purchasing power, could no longer support his part of the national economy. The result was that the whole price structure tumbled into a depression that has cost the American taxpayers billions of dollars in an effort to restore a balanced economy. So we have come to hear much about price parity and are devoting much time and money to devising schemes to support farm prices.

In considering our economic problems today, in order to demonstrate the necessity for support prices, for farm products, we need to take just one manufactured commodity for an example, barbed wire. Back in the days when the law of supply and demand and unfettered competition gave us price parity, the farmer bought an 80-rod spool of galvanized barbed wire for $1.50 to $2 per roll. Now he must pay from $8.50 to $10 per roll, and so on through the list of farm necessities.

Now if the prices of farm products are permitted to drop, and the manufacturers and distributors are successful in holding up the prices of the things the farmer must buy as they did back in the 1920's, our national economy will be upset, our price structure will be wrecked, and our financial pump will lose its prime—that is, bank loans will be contracted and currency—money—retired. When value is gone, the bankers have no basis on which to extend credit, and without credit there is no basis on which to create and issue currency—money—making it necessary to adopt many expedients and take heroic measures to stabilize prices and again prime the financial pump.

When the farmer has lost his purchasing power and is unable to support his part of the national economy, the manufacturing, distributing, and transportation industries will suffer irreparable losses, along with the farmer, the miner, the lumberman, and the fisherman, representing our four great basic industries.

Let us preserve and protect the prosperity we now enjoy by maintaining a balanced price structure, with purchasing power in the hands of industry's best customer—the farmer. If we are to have permanent prosperity, we must maintain a stable national economy by establishing price parity, which can best be achieved by a constructive farm price support program.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. O'SULLIVAN].

[Mr. O'SULLIVAN addressed the Committee.]

Mr. CASE of South Dakota. Mr. Chairman, I make the point of order now which should have been made when the gentleman spoke on yesterday. I make the point of order that he is violating the rules of the House in making such comment upon a Member of another body.

Mr. Chairman, I ask unanimous consent that his words be stricken from the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all Members desiring to do so be permitted to extend their remarks at this point in the RECORD on the pending bill.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. McDONOUGH. Mr. Chairman, in summarizing the debate on this important bill H. R. 5345 and the various amendments that have been proposed to it which proposes to improve the production and sustain the price on farm products. It would seem in order that something should be said about improving the farmer himself. The almost complete regimentation of the farmer and the products of his farm is so evident in this bill that I believe we should fully realize the dangerous trend toward a planned economy and toward eventual socialism that the passage of this bill H. R. 5345 would lead to. Let me read the following from a recent issue of Economic Trend Line Studies which is significant of the regimentation this bill will bring about:

Within recent weeks the United States Department of Agriculture, through Secretary Brannan, has submitted to Congress a plan with a new and entirely different approach to the problem of maintaining farm prosperity. Modesty apparently prevented Mr. Brannan from revealing the ultimate possibilities of this program. Economic Trend Line Studies, therefore, deems it a public service to point out how some of these possibilities might be realized in future years. In brief, Mr. Brannan proposes to:

1. Let prices of farm products seek a level determined by supply and demand;

2. Pay farmers the difference between the market prices they would receive for their products and prices that will guarantee the farmers a high fixed share of the total national income. This is designed to give consumers low prices and farmers high prices—in short, to substitute income parity support for price parity support;

3. Exercise such controls over farmers in their planting, production and marketing of farm crops as to prevent them from producing unneeded surpluses.

This program thus far seems to have failed to impress Congress, the farmers or the public. Perhaps it is because they do not grasp its profoundly conceived objectives. The Department of Agriculture certainly has proved its ability to increase the productivity of everything on the farm with a fence around it. Why not let the Department put a fence around the farmhouses and improve the farmers, too?

As a matter of fact, in the eight and one-half decades of its existence the United States Department of Agriculture has devoted so much of its time to the improvement of farm crops and animals that little time was left for the improvement of the farmers themselves. Now, when the Department is ready to proceed in this direction, this great and venerable bureau has made a horrifying discovery. The farmers obstinately resist the bold new plans of the Department to make livestock, poultry, pigs, ducks, geese, rabbits, farmers, and the Department of Agriculture one big, happy, indistinguishable organization.

The central problem in the improvement of the farmer is the curbing of his tendency to produce the crops that will make him the most money, irrespective of the existing needs or demands of consumers or the instructions issued by the Department of Agriculture. This tendency results in politically embarrassing and costly surpluses of certain crops and rankling criticism of the Department's staff, which would invariably be right if the farmers would do as they are told. The Department then faces the necessity of disposing of these surpluses even though it requires their destruction, a useless and wholly unnecessary waste of soil resources and of the Department's time.

The Department of Agriculture, therefore, should develop a breed of farmers so responsive to its directives that production of all the principal crops could be controlled within extremely close limits. The Department would then be able to direct farm production with respect to the proper conservation of soil resources and the observance of those practices that restore and increase soil fertility, and still provide an abundance of food, at the same time keeping farm population within bounds, or did we say fence? Perhaps the Department ultimately could produce farmers that would be both blind and deaf to all communications except Department publications and press releases.

It should be obvious, of course, that the development of the proper kind of farmer by the Department is essentially a biological problem. One of the most difficult obstacles to be faced by the Department inthis connection would be the necessity of providing each farmer unit (male, female, and progeny) with sufficient land resources to provide for its full and adequate development. The development of farm animals has proved this. A dairy cow must have a minimum of good pasture if it is to reach full production.

The Department could provide this land room for farmer units by limiting the production of the largest units so that expanded opportunities could be made available to the smaller units. There would doubtless be much opposition from the larger units to this equalizing of opportunity and, of course, there would be a temporary reduction of over-all farm production. The advantage the larger farmer units now possess, however, would gradually be overcome by natural competition as the quality and breeding of the smaller farmer units were improved.

A problem for which no immediate solution is available is presented by the presently uncontrolled intermarriage of the farmer units without regard to selection for improvement. The successful development of animal husbandry has shown that the science of genetics can sufficiently control inherited characteristics. The Department could apply this knowledge to the improvement of farmer units. Once the characteristics and traits to be developed in the new type of farmer unit by the Department are agreed upon and established, the Department personnel should experience little difficulty in working out satisfactory social procedures. Research by properly trained scientists into the personal attractions the female exerts that result in mating should make it possible for the Department of Agriculture to endow the most suitable females with sufficiently superior attractions to give them the necessary advantages over females classed as inferior. In this way the Department could control satisfactorily the element of natural selection. As this approach was developed fully the less desirable male and female stock would be forced to mate and, being unable to compete successfully with the more vigorous and able selected farmer strains, would ultimately succumb and disappear.

It should be perfectly evident that this plan as outlined would eliminate what could otherwise become a chronic farm problem and a threat to national prosperity, not to mention its threat to the prestige of the Department of Agriculture. The Department, therefore, should readily obtain the cooperation of Congress and the various important social agencies in the accomplishment of its objectives.

Under the American free enterprise system, incentive must be employed to gain the voluntary cooperation of any section of our people and, in this respect, the farmer must not be made an exception. He must not and cannot be made by force to accept any plan or program, however beneficial to him as an individual or to the Nation as a whole.

It is for this reason that the Department of Agriculture has proposed that the farmers as a group be guaranteed a fixed proportion of the national income. Thus assured of continued and uninterrupted well-being the farmer should be willing to cooperate voluntarily and vigorously in the Agriculture Department's program and submit himself to a vigorous plan of self-improvement.

The Department, of course, should plan to provide the necessary safeguards to make sure that the farmer units fulfills their obligations. Sufficiently painful penalties should be provided for those farmers who take time off during the planting and harvesting seasons for such pastimes as fishing or hunting. Furthermore, farmers should not be permitted to go to town during the busy seasons except for machinery repairs, certified as bona fide by the community commissar, responsible only to the Department of Agriculture. Intoxication at any time should be subject to drastic penalties as it is not only damaging to the farmer units well-being but tends to breed undesirable characteristics in farmer stock. Male farmers who might mate with females classed as inferior by the Department would be automatically excluded from the plan's benefits.

A complete agricultural education, including college, should be required of selected farmer stock. During this period farmer units in training, both male and female, would be carefully conditioned and intensively indoctrinated with a view to inculcating into them an unquestioning acceptance of the improved ideas, viewpoints and bold new plans fostered by the Department's program. This would protect the social investment the Nation is being called upon to make and should guarantee the success of the agricultural program.

The adoption of the program would proceed more swiftly no doubt were it not for the present futile attempt to assure farm prosperity by farm price supports. Proponents of this plan must be made to realize that price supports are doomed to failure because the present body of unregenerate farmers takes advantage of every price that is fixed too high in ways that the Department finds it impossible to anticipate. Then, too, in the fixing of prices there are sometimes political considerations which unfortunately cannot now be kept out of these calculations. Farmers voting under Department dispensation could not be tempted to vote for unearned handouts. They would know instinctively how to cast their ballots. It is evident that many, if not most of our existing farmers are now inspired solely by the profit motive, and are interested only in taking full advantage of the unavoidable errors of the present price support plan to their own selfish individual benefit.

No place for such a spirit would exist in the proposed new Department program. Such selfishness succeeds only in exploiting our rapidly dwindling soil resources and gives the farmer money he does not need if he stays within the fence the Department puts around the farmhouse. What we want is farmer units that make conservation and restoration of soil resources their primary goal and let their individual profit and pleasure be determined by the Department of Agriculture, which is in a much better position than the individual farmer to determine what pleasures and what proportion each should have of the total available agriculture income. These objectives the proposed department program is designed to achieve.

Mr. Chairman, unless the Gore amendment is adopted, I urge the defeat of this bill H. R. 5345 because of the danger of the loss of liberty and freedom of the farmer and the planned economy which this bill would bring about, which has been such a dismal failure in socialistic Great Britain. The Gore amendment is a complete substitute for the Pace bill H. R. 5345 and will leave the present parity program as it is and should be approved.

Mr. FELLOWS. Mr. Chairman, as the Representative of Maine's and the country's greatest white potato producing county I would like to call to the attention of the House the tremendous contribution to the war effort made by Maine farmers and the patriotic endeavor of our growers to carry out the wishes of those who asked that acreage be increased and production upped to the highest possible point to insure food for our citizens and our allies during the war and immediately following cessation of hostilities.

Tolerant of seemingly inconsistent statements and actions on the part of Government authorities, the farmers of my State continued to exert every faculty and facility to perform their part in the programs mapped out in Washington. It was not always easy to understand the conflicting demands to say nothing of carrying them out. To people producing certified seed, for instance, it was difficult to explain why this Government would permit Canada to ship

in seed when our own citizens were growing more than sufficient to plant our entire commercial acreage, and three-quarters of a million noncommercial acres.

While the Government and the press complained bitterly at the high cost of supporting the price of white potatoes, the same Government allowed importation to the point where it was obvious that the expense of the program was increased by practices that to all intents and purposes had this Government supporting the price of Canadian potatoes as well. No justification for this confusion and lack of coordination in the plans of the various departments of our country could be found. And keen resentment was felt at the unpleasant and undeserved publicity directed at the potato farmers of the country for the cost of a program made exorbitant through no fault of the farmers themselves.

In the last 5 years potato farmers have voluntarily reduced their acreage some 36 percent. In fact, the acreage planted in each of the last 5 years has not been as great as the Department of Agriculture itself recommended. To those who have damned the potato industry I would point out that the voluntary decrease in acreage was in face of an existing support price of 90 percent of parity.

Maine farmers by improved methods and hard work, with other sections of the country, were able to produce a surplus even though planting greatly decreased acreage. As has become customary in late years, criticism and calumny were heaped upon the heads of our farmers for their very success. To be successful is to be criticized and unpopular.

Potato men, recognizing the situation themselves, recommended that the support price be reduced from 90 to 60 percent of parity.

We all recognize—farmers, labor, industry, and the consuming public—that if the farmers suffer disastrous losses the whole economy suffers. And in any year when potatoes have been below 60 percent of parity the condition has been reflected throughout the land.

The farmers of this country—the little men and the big growers—are the producers of food and of clear American thought. They are themselves one of the greatest crops we raise, and we could never produce a surplus to fill the need for such thinking as they do. They do not ask to be guaranteed a profit, they want to be insured against disaster.

I bespeak consideration of their situation.

Mr. GROSS. Mr. Chairman, I have listened patiently to the debate on these various proposals dealing with agriculture and some of it would be most amusing were it not for the fact that here we are dealing with the economic fate of this Nation, for agriculture is its basic industry.

In formulating a program, designed to provide economic stability for the Nation's basic industry, no one in the cities and towns is making a concession—no one is making a gift to the farmer. Unless farm income is kept at a high level from year to year those in the cities and towns can look for greater unemployment and in the end—a back-breaking depression.

There are several reasons why I find it impossible to support the Brannan plan as contained in the Pace bill. Time permits stating only briefly my viewpoint. For years there has been tinkering and experimentation, changing the rules every few months, so that the farmers of Iowa and the rest of the country scarcely know from one 6-month period to another what they were supposed to do or how.

The Brannan proposition is entirely new in many respects and wholly untried. No one knows its cost, estimated or otherwise. It does give a Secretary of Agriculture tremendous and arbitrary power. One of the great difficulties of the past has been the maladministration of measures, enacted by Congress in good faith, for the purpose of aiding both farmers and consumers. It is time to stop delegating enormous and arbitrary powers to appointive officials. Long ago, Congress should have enacted into law a farm program which based prices upon cost of production plus a reasonable profit for those products used in domestic consumption. That is the basis of price used by industry and business—by all those with whom the farmer transacts business. If there is a sincere desire to provide the farmer with the year-to-year security to which he is entitled that is the formula and program to which Congress should have centered its attention.

Much has been said during this debate concerning farm surpluses. Members of Congress may just as well recognize now that there is little or no foreign market left for American farm products. And we will only hasten the day of national bankruptcy by continuing the insane policy of permitting foreign food products, already in surplus supply here, to be imported by the boatloads into this country.

I shall support the Gore amendment for the reason that I believe the program which it provides can well be continued for another year and I have grave doubts concerning some provisions of the Brannan plan. In the meantime, let us formulate a permanent program for agriculture based upon cost of production and not 60 or 90 percent of parity. Let us put the farmer on a basis of equality with every other industry.

Mr. McCARTHY. Mr. Chairman, the essential purpose of the committee bill, reflecting, as it does, the intention of Secretary of Agriculture Brannan, is to strengthen the agriculture price-support program and to give to the Secretary power to prevent the occurrence—involving many other commodities and much larger sums of money—of cases similar to that involving potato surpluses last year. Some of the gentlemen who have spoken earlier in the debate on this bill have expressed the opinion that only those Members of the House who have been here for years are informed on this problem, and have suggested that everyone without experience should blindly follow their lead. This is not only an insulting suggestion, but one which disregards the fact, that having been free from the distractions of congressional activity, Members who have not been here for so long have probably had more time to study these problems. I will say to the gentlemen that I have heard more unsound economic arguments from the opponents of the Pace bill in the last 2 days than one would hear in a month of conversation with less informed people.

Who pays the bill for price support under the provisions of the Gore bill? It will be paid by the consumer—forced to pay a high price in the artificially sustained market—and it will be paid by the taxpayer by appropriation out of the general revenue. Who will pay under the Pace bill? The consumer will contribute to the support of basic nonperishable commodities; the taxpayer will continue to make up the deficit, but farm producers will also make a contribution—making some slight concession, to the end of stabilizing the farm-market prices and farm income.

The opponents of the Pace bill are setting the stage for the destruction of foods. This is waste in its worst form; this is waste today approved by men who were loudest in their denunciation of the program of destroying feeder pigs in the depression of the nineteen thirties.

The Pace bill proposes to give the Secretary of Agriculture powers to meet a problem. The opponents refuse to give him this necessary strength. The agricultural price-support program is dangerous. Members on both sides of the House admit to this. It is dangerous. Under any law the Secretary of Agriculture will have a bear by the tail. We propose to give the Secretary of Agriculture and the administration the right to hold on with two hands; the Republicans, aided by the dissidents and some special-interest Democrats, would allow him the use of but one hand.

Mr. LARCADE. Mr. Chairman, I have received the following telegram from Mr. W. E. Anderson, commissioner, Louisiana Department of Agriculture:

> Re letter July 16, have studied enclosures carefully. Feel it would be better to let legislation stand as is by passage of Gore substitute. Do not believe Agricultural Adjustment Act of 1938 as proposed to be amended by Pace bill H. R. 5345 or the Aiken bill will produce the desired objective of stabilizing agriculture to meet domestic requirements at parity without seriously stymieing individual farmer initiative and freedom in farm manipulation which is most desirable. Such desirable legislation can and should be developed.

Mr. JENNINGS. Mr. Chairman, much has been said about the paternity of the Brannan plan. It has been said that Henry Wallace, Rexford Tugwell and Alger Hiss are the joint parents of this proposed farm measure. Its origin is shrouded in the obscurity that characterizes illicit associations.

It is a matter of regret that an effort has been made in the debate on this measure to inject into its consideration partisan politics. No good can come to agriculture by driving a wedge between the Republican friends and the Democratic friends of the farmers of this country.

I am supporting the Gore amendment. My able and aggressive colleague from Tennessee made a courageous, constructive and convincing speech in favor of his amendment. He ripped the Brannan plan up the back and split it down the middle. He exposed its fallacies and its utter unsoundness.

The Brannan plan as a whole has been abandoned by its sponsors.

Mr. Brannan, Truman's Secretary of Agriculture, in the early spring of this year, came up with this new plan for the farmers and consumers of this country.

He advocates that farmers produce all the food and all the farm products that it is possible to produce, and that they sell them for whatever price they can obtain, regardless of how low that price is. By thus cheapening the products of the farm he proposes to enable all of us to buy our food and anything that is produced on the farm for less than it is worth. In other words, he proposes by this scheme promptly to reduce the cost of living for the consumer and then he proposes for the Government to pay the farmer the difference between what he sells his products for and what would be a good price for such products, so that under this plan, the farmer will be more prosperous than ever and we will all buy our food for less than we have ever paid for it heretofore. Let us see what the catch is in Mr. Brannan's plan. Where will the Government get the money with which to pay the farmer this high price for his wheat, corn, oats, beef, pork, poultry, milk, butter, vegetables, wool, cotton and other products produced upon his farm? Will this money come from some benevolent foreign government interested in the welfare of our people? No, because there is no such country in the world. This money with which Mr. Brannan proposes to pay the farmer will come from the farmers themselves in the form of taxes. It will come from the people who buy the farmers' products for less than their market value. It will come from the taxpayers of the United States. In other words, although the American people are today the most heavily taxed people in the world, Mr. Brannan proposes to levy an additional tax burden upon the American taxpayers of ultimately not less than $10,000,000,000 per year. And if you have eyes and will look, you will see following these bureaucrats who come with a bribe in the one hand and a strait-jacket in the other, a shadowy host of uncounted numbers who will be the army of Federal employees who administer this new form of Government subsidy. Mr. Brannan is proposing to give the American people something for nothing. He is flying in the face of the truth that sooner or later we must pay for all that we get. It is my belief that the level-headed, sound-thinking farmers of this country, along with all the other people of this country who believe in the American way of life have not fallen for Mr. Brannan's farm program.

FARMERS ARE HARD TO FOOL

The farmers of this country have always been our most conservative, thoughtful, and careful citizens. They are not easily led astray by fakers and by demagogues who offer them something for nothing. Our farmers are rugged, level-headed individualists. Under the Brannan plan they are offered a mess of pottage for their birthright. For the surrender of their independence and their control over their own farms, they are offered a well-heeled form of servitude.

The Brannan plan offers the farmers a Government-guaranteed farm income. This offer is made to the farmers who operate our smaller and medium-sized farms.

Coupled with this farm plan as originally made is the old drive to limit all incomes to $25,000 a year. This is in keeping with the policy of the Soviets when they took over Russia. They shot all the kulaks, that is, farmers who owned their own farms. The Brannan plan directly discriminates against these large producers, and it discriminates against the small farmers. It is true that farmers who produce as much as $25,000 per year on their farms are probably not more than 2 percent of the farmers. These large producers would be forced to either go out of business or to split up their farms. The destruction of these large farmers and the splitting up of their farms would be detrimental to the consumers of this country. The owners and operators of these large American farms, by the use of farm machinery, produce large quantities of food—wheat, corn, cattle, dairy products, hogs, sheep, and poultry.

The Brannan plan is designed to get votes for the administration. All that the farmers who benefit by this plan would lose is their freedom. And when they lose their freedom, they lose everything worth having.

THE FARM BUREAU FEDERATION OF TENNESSEE IS OPPOSED TO THIS MEASURE

I was gratified to learn in a letter from my friend, Tom J. Hitch, formerly of Maryville and now of Columbia, Tenn., president of the Tennessee Farm Bureau Federation, that this great organization does not favor the farm program proposed by Charles Brannan, the Truman Secretary of Agriculture. On the contrary, the Tennessee Farm Bureau Federation, favors the Gore amendment. The Tennessee Farm Bureau Federation places its opposition to the dangerous Brannan plan on the ground, first, that it proposes to discard the parity concept and the present farm program based on it which the farmers of this country through their organization have spent 25 years in developing. Second, the Brannan plan proposes to substitute for this tried program, a new and untried program with no farmer background of thinking or experience. Our sensible farmers do not favor giving up a tried and tested plan which has worked for a ready made, socialistic plan written by bureaucrats in Washington. Third, the Tennessee Farm Bureau Federation proposes to stand by the safeguards to farm prosperity and fair prices for farm products as set out in the present law and continued by the Gore amendment. And it rejects the high income and price support standards covering all farm commodities and the rigid regulation and controls on production and administration, which the Brannan plan originally proposed to rivet on the farmers of this country.

This part of the Brannan program is socialistic and impossible of attainment.

The Farm Bureau also places its finger upon the deadly feature of the Brannan plan, that is, the stripping of the farmer of the right to run his own farm and his own business, and the placing of the regulation and control of the farms and the farmers of this country in the hands of a bureaucrat in Washington.

If the power-hungry bureaucrats of Washington are permitted to take this step, they will have taken the long, last, fatal step toward centralization of all power and control in Washington over the farmers of this country.

On June 11 of this year, Mr. Truman sent his Vice President, Mr. BARKLEY, and his Secretary of Agriculture Brannan, and a host of other New Deal bigwigs out to Des Moines, Iowa, where on Sunday and Monday they undertook to convince the farmers of Iowa and the great adjoining agricultural States of the Middle West, that the Brannan plan is the panacea for all the ills with which the farmer and the working people of this country are afflicted. Mr. Brannan made a speech in which he denounced the so-called Hope-Aiken bill passed by the Eightieth Congress.

The hard-headed Midwest farmers listened to Mr. Brannan and then said to him, "We want to keep our parity prices under the law as it now is, and you can keep this Brannan plan for your New Deal candidates to run on in the November election in 1950."

Mr. Brannan in his speech seemed to be a reincarnation of Harry Hopkins who was the author of the New Deal slogan—"Tax and tax, spend and spend, and elect and elect."

What have we here today? We find that the sponsors of the Brannan plan have eliminated hogs from their program. Frightened in the overwhelming opposition of this House, they come to us with a potato in the one hand and an egg in the other, and say they are willing to compromise if we will give them a trial run on potatoes, eggs, and shorn wool.

The most enthusiastic sponsors of this program are from the South. They overlook the fact that the Brannan plan is aimed at the agricultural South and all other agricultural sections of this country. These gentlemen from the Southland are inviting disaster to the agriculture products that are protected by the Gore amendment. They are inviting disaster to the prosperity of farmers everywhere in this country. They overlook the fact that you cannot go halfway over Niagara. Once the farmer surrenders the control of his farm, he gives up his liberty. And when he loses his liberty, he loses all.

It is liberty alone that gives the flower of life its fragrance and perfume, and we are weeds without it.

The fact that the Brannan plan is supported by the radical labor leaders of the country is in itself a warning to the farmers. The Brannan plan is the opening wedge in a drive to bring American agriculture and American industry down to

the level of the socialism and controls in which Great Britain finds herself today.

On July 18 Foreign Secretary Ernest Bevin told Commons that one of the problems behind the dollar crisis of Britain and the sterling area lies in the fact that the United States is "a welfare state."

Citing the United States system of high unemployment insurance, sick pay, and the possibility of "a great medical service," Bevin said:

> The United States is as much a welfare state as we are, only it is in a different form. One of our difficulties in the balance of payments today is the fact that the United States, in carrying out its welfare policy, has given basic prices to agriculture.

The farmers of this country are colaborers together with God. They keep step with the procession of the seasons. Theirs is a life of toil, but it is a life of freedom, self-reliance, and happiness. Their friends and they themselves do not propose that they shall be stripped of their dignity and self-respect.

The men and women on the farms of this country have made their voice heard in this House, and it is my belief that when the roll is called there will be an overwhelming majority in favor of the Gore substitute for the Brannan plan.

This is no time to adopt an untried, paternalistic, drastic, stifling control over the production of farm products without which our people cannot live and our country cannot prosper.

Mr. HESELTON. Mr. Chairman, it seems to me that the patent defects in the proposal of Secretary Brannan, as contained in the bill now before us, have been demonstrated beyond the possibility of any refutation.

It is unnecessary to refer further to the argument which has been advanced that the enactment of this bill would be advantageous to the consumers of this country. It is true that it has a surface appeal in the sense that it could result in somewhat lower prices. But I am convinced that the great majority of the American people realize full well that this is both a deceptive and an untenable argument. No such economic legerdemain would deceive the American people for any length of time if the plan were put into operation, even on a trial-run basis. More than that, I am convinced that the American people thoroughly understand that this involves the economic fallacy of being able to eat our cake and to have it.

The argument that we can afford to experiment in any such field falls of its own weight. If any experimentation would be of any value, in passing upon this legislation, we definitely have before us the actual experience in England. As has been pointed out repeatedly, the government there has recently been forced to admit that the only source from which such experimentation can be financed is from taxes imposed upon the people. That they should have been confronted with a completely unexpected cost of their experimentation should be sufficient warning to those who defend similar experimentation here.

In my judgment, the clear-thinking and constructive action which has been taken by the great farm organizations of this country constitutes advice which we should all weigh very heavily. They should be commended for their patriotic and statesmanlike approach to what might have seemed to be an alluring proposal.

Within the last few days in Massachusetts, the Massachusetts Farm Bureau Federation undertook a poll throughout the State in an effort to develop the opinions of farmers in Massachusetts. I am glad to report that I was advised this morning that on the question of the adoption of the Brannan plan, in whole or in part, and with reference to any trial run, 90.3 percent voted against such proposals.

On the whole, I think it has been a good thing that this proposal has been brought before us at this time. It has afforded an excellent opportunity to members of this body to become fully acquainted with the nature of this proposal so that we may have an opportunity to pass collective judgment upon it. I do not have the slightest doubt as to the verdict. With the atmosphere then cleared and with the vast amount of information now developed, it should be possible to devise, with the assistance of representatives of those engaged in agriculture in this country, a sound, long-range program which will truly be beneficial to agriculture and to the Nation as a whole. As I understand it, that is the recommendation of these great farm organizations. They believe it to be possible. We certainly should welcome their assistance in this effort.

Mr. MARSHALL. Mr. Chairman, I am opposed to the Gore substitute as an amendment to the Pace bill. At this time, more than at any time in the history of our great Nation, we need to develop markets for our agricultural products. In a few short years we have seen a period in which the demand for farm commodities has gone from the surpluses of the late twenty's and early thirty's to a period in which the market absorbed all of our products during the war years. Now again, we are facing a loss of markets for agricultural commodities.

My farmer neighbors are concerned with this problem. They want to farm with an assurance that their products will bring a fair return and full consumption. I feel that farmers want and have a right to expect income protection. I think consumers have a right to buy their food in a market as free as possible from speculation, middleman interference, and Government interference. Farmers will supply the food we need if they are given an opportunity to do so. They have proven this time and time again in cooperation with agricultural programs.

The Department of Agriculture has made a thorough study of farm production and prices and has pointed out the dangers threatening our rural economy. Members of the distinguished Committee on Agriculture have given full and complete study to these programs. We need only to consider some of the dangers ahead unless a realistic, equitable farm program is enacted. Take, for example, the corn-hog problem.

We are now expecting a huge 1949 corn crop—perhaps the second largest in our history. And it is coming right on the heels of a bumper crop in 1948. By October 1 we can expect a total supply of corn, including carry-over of 4,200,000,000 bushels as compared with 3,800,000,000 bushels last year.

Nothing is more certain than that this corn situation is going to have a tremendous effect on hog production. Last month a 9 percent increase in fall pigs was predicted. This month our experts say, it looks more like a 12 or 13 percent increase.

Iowa can furnish us with a perfect example of the problem we will be facing next fall. The June pig crop report issued at Des Moines shows a 16 percent increase in sows farrowed over the same period in 1948. This is 8 percent higher than the previous record year of 1943 for Iowa. Since it has been demonstrated that the fall pig crop bears nearly the same percentage increase as sows farrowed, we can expect an increase of 16 percent in fall pigs in Iowa. When hog prices start tumbling and our present program is unable to effectively insure support prices, what are the Iowa farmers going to say?

We are clearly facing an increase in the fall pig crop. Add to that the expected abnormal increase in spring pigs next year and we will face real trouble in supporting the price of hogs.

No one knows exactly what the surplus in hog production will be. One estimate is that it will be between one and two billion pounds live weight. The Government is definitely committed to support hog prices. Secretary Brannan has estimated that the support of 1,000,000,000 pounds of hogs by the purchase method, the only method now authorized by law, would cost approximately $230,000,000. And that would be merely the cost of acquiring and storing the surplus.

Then what? The export possibilities for hogs next year are expected to drop far below the 180,000,000 pounds of dressed pork sold last year. Exports of pork are expected to drop to 100,000,000 pounds because of the declining foreign market due to dollar shortages. What is to be done with the rest of the surplus? It cannot be dumped on the domestic market without further depressing prices. That will call for more support purchases and larger unusable surpluses. Moreover, we are dealing with a highly perishable commodity. Hogs cannot be stored for more than 6 months under ideal conditions in refrigerated warehouses. Where are these warehouses?

Gentlemen, the continuation of the purchase system of hog support in the face of increased hog production may lead us straight to a kill-the-pigs program. Do any of us want that when workers need meat?

I do not mean to give the impression that the production payment method of supporting hog prices will be cheap. Nor do I know exactly what it will cost. But no one knows exactly how much it will cost under the present program. But it certainly seems more reasonable to suppose that the production-payment method, simply by eliminating transportation and disposal charges, will be a great deal cheaper. At the same time, it would increase the consumption of pork

at home and give meat to the people who need it at prices they can pay for it.

It is very important, I think, not to make the mistake of applying a 1942 program to 1949 needs. The whole idea of the Steagall amendment in 1942 was to provide incentives for increased wartime production. The Steagall amendment served its purpose well, and farmers everywhere responded magnificently.

But in 1949 and 1950 we are faced with very different problems. Everything points to agricultural surpluses and declining demand at home and abroad.

A modern farm problem demands a modern farm program. And that program must provide the fullest measure of protection for farm income. Generally speaking the last 8 years have been good years for the farmer. But let no one suppose that the farmer is rolling in wealth, or that he can live on his accumulated fat. As a matter of fact, although he worked heroically during the war years to prove that food could win the war, he was far less well paid for his efforts than nonfarm workers were. And even in 1946, one of the peak years of the postwar boom, more than half of the farm families of the United States had net cash incomes of less than $1,250. In the South, the farm income picture was, and is, even worse. There, at the peak of boom, more than 70 percent of the farm families had less than $1,250 net cash income. I submit that any farm program which does not take account of these facts would be an inadequate program.

We must maintain farm income at levels at least equal to, and if possible above, those of the past few years.

But we cannot do that merely by curtailing production—though I do believe that farmers will most enthusiastically support any sane program of controlling wasteful production. We have long since repudiated, I hope for all time, the the economics of scarcity.

The production-payment method of income support seems to me to provide the best means of providing for the free flow of goods from farm to market, with the least possible interference with our free enterprise system, and with the best prospect for the absorption of surpluses by an increase in domestic consumption. It largely solves the problem of costly surplus disposal in the most advantageous and economic way possible. It gives every promise of avoiding the scandalous destruction of food wealth in order to maintain prices artificially.

Farmers lost markets because the Smoot-Hawley Tariff Act discriminated against them. Let us not lose markets because our own price-support programs discriminate against us. This would be disastrous to our national economy. We live in a world that is in dire need of agricultural products. Our farmers and workers need that market if we are to build a healthy America.

We cannot lose sight of the need of maintaining farm production. Good, sound conservation of our soil is an essential of a wise farm program. We need grass, legumes, and green manure crops. We need erosion control. We need to build up and restore the soil resources which suffered because of the need for large war crops. National prosperity depends upon natural resources, and the greatest of these is our soil. These are the things a sound farm program needs and it is a program that I will continue to work for.

Mr. WORLEY. Mr. Chairman, not in a long time have I seen or heard as much confusion, misapprehension, and misunderstanding as to just what a bill does as I have heard against the pending farm measure.

In the first place the Pace bill is not the so-called Brannan bill. It does contain two parts of the proposal made by Mr. Brannan; namely, a modernized parity formula and authorization for a trial run on three commodities. I have been a member of the Committee on Agriculture for the past 5 years and have done my best to help work out a satisfactory long-range program for a stable agricultural economy. I was one of those members of the committee who traveled over much of the country by bus, plane, train, and car to hear the testimony of the farmers and ranchers in their own back yards. We heard little farmers and big farmers, sharecroppers, tenants, and everyone else actively engaged in the production of food and fiber which feeds and clothes this country and a good part of the world. In my opinion, at least 90 percent of the witnesses to appear before that committee endorsed without reservation two propositions; namely, an adequate soil conservation program and support prices based on 100 percent of parity.

The first proposition, soil conservation, is not in issue here. However, the second proposition, the 100 percent support price for basic agricultural commodities is in issue here. The Pace bill contains the modernized parity formula which means not 50 or 60 or 90, but 100 percent of parity. The average farmer cannot understand why the minimum wage for labor is based on a 100 percent dollar when his support price is 90 percent of a 100 percent dollar. Neither can he understand why postal subsidies, shipbuilding and ship-operating subsidies, airline subsidies and tariff protection, which is of course a blood brother to a subsidy, and other governmental subsidies are based on 100 percent when his own prices have been based on only 90 percent.

This bill is designed to meet the changes in our economy. The first farm legislation was enacted back in the thirties when times were hard. Changes were made immediately before the war and during the war. During the war we needed unprecedented production of nearly all agricultural commodities but today, with the diminishing demand from our foreign markets and the slackening purchases at home, we must necessarily change legislation to meet changing economic conditions. Instead of today urging all out production, we must resort to less production or greater consumption if we are to avoid a repetition of collapsing farm prices. During the war days we had a sellers' market. Today it is fast becoming a buyers' market.

In the opinion of the 17 Democrats on the House Committee on Agriculture, this bill represents the best legislation we can offer. It is not perfect of course but it can and will be changed as time and practice bring out any defects it might contain.

For one of the few times in history, for the past several years the farmers of this Nation have been eating at the first table. We believe this legislation will continue to give them an even break with other economic groups of this country.

A good many Members seem to think the Pace measure involves more regimentation and control that does the Aiken bill. The truth is that section 202 (A) of the Aiken Act provides as follows:

> The Secretary, through the Commodity Credit Corporation and other means available to him, is authorized to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations.

Now if that does not mean that the sky is the limit so far as trial runs are concerned, then I do not know what the language means. The Pace bill offers a far more conservative approach in delineating the trial run phase.

For the information of the House, I include as a part of my remarks a statement of the Commodity Credit Corporation's operations as of May 31, 1949, which should be of intense interest to those who really have the welfare of agricultural interests at heart.

Commodity Credit Corporation, as of May 31, 1949

	Loans outstanding	Loans of banks acting as lending agencies	Total
Upland cotton	$413,170,624	$214,906,539	$628,057,163
American Egyptian cotton	157,215		157,215
Flaxseed	2,722,642	250,349	2,972,991
Peanuts	8,873,132	1,454,500	10,327,632
Soybeans	7,120,354	644,058	7,764,412
Irish potatoes	2,863,262	1,597,977	4,461,239
Barley	17,957,863	720,244	18,658,107
Dry edible beans	4,889,100	165,901	5,055,001
Corn	112,845,266	236,848,155	349,693,420
Grain sorghums	4,364,740	148,026	4,512,766
Oats	6,808,190	508,044	7,316,234
Dry edible peas	2,338	473	2,811
Rice	8,578		8,578
Rye	537,196	27,478	564,673
Wheat	96,501,559	6,005,420	102,506,979
Tobacco	138,993,416		138,993,416
Naval stores (rosin and turpentine)	123,634		123,634
Total	817,899,109	463,277,162	1,281,176,272

Commodity inventories

American Egyptian cotton	$7,087
Upland cotton	140,250
Flax fiber	144,758
Butter	1,452,529
Dried milk	2,467,891
Flaxseed	126,027,295
Linseed oil	59,903,920
Peanuts	24,152,549
Soybeans	9,073,780
Prunes	683,501
Raisins	195,445
Potato starch	517,389
Irish potatoes	4,214,725
Barley	15,415,948
Dry edible beans	27,473,164
Corn	729,195
Grain sorghums	49,509,823
Oats	1,679,753
Rice	15,362
Rye	336,803
Hay and pasture seeds	162,995
Wheat	392,201,369

Wool:	
Appraised	$68,336,740
Unappraised	8,103,353
Dried eggs	72,092,789
Eggs, liquid or frozen	58
Naval stores	18,889,932
Tobacco	1,744,318
Total price-support inventories	885,574,745

Supply program

Dried milk	$8,543,014
Cottonseed oil	624,132
Soybean oil	978,912
Soybeans	2,568,322
Potato flour	1,407,881
Barley	1,102,456
Corn	8,324,332
Flour	587,956
Grain sorghums	92,548
Oats	54,128
Dry edible peas	263,041
Rye	1,559,948
Wheat	62,151,031
Mexican meat	34,311,534
Salted pork	48,892
Total	122,638,127

All inventories, supply and price support, $1,008,212,872.

The CHAIRMAN. All time has expired. The question is on the substitute amendment offered by the gentleman from Georgia [Mr. PACE].

Mr. GORE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GORE. Mr. Chairman, do I understand the parliamentary situation to be that the vote first will be upon the substitute amendment offered by the gentleman from Georgia [Mr. PACE], which is the committee bill with some modifications, in substitution for the bill which I have offered?

The CHAIRMAN. The Chair stated that the question now is on the substitute amendment offered by the gentleman from Georgia [Mr. PACE].

Mr. McCORMACK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PACE and Mr. GORE.

The Committee divided; and the tellers reported that there were—ayes 152, noes 222.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee, as amended.

The amendment as amended was agreed to.

PROGRAM FOR WEEK OF JULY 25, 1949

Mr. MARTIN of Massachusetts. Mr. Chairman, I move to strike out the last word in order to ask the majority leader about the program for next week.

Mr. McCORMACK. I think it is very fitting that the gentleman do so at this time when such a large number of Members are present.

On Monday we will take up the poll-tax bill, H. R. 3199, under the operation of the 21-day rule.

For Tuesday, Wednesday, Thursday, and Friday, I have bracketed only two bills out with rules: H. R. 3829, to provide assistance to schools on account of war-incurred enrollments; and H. R. 29, rather interesting at this time, to provide parity for tung nuts and honey.

If rules are reported out on the following bills they will be called up for consideration: H. R. 1758, to amend the Natural Gas Act; and H. R. 5472, the rivers and harbors public works bill.

Conference reports, of course, will be in order at any time. If there is any further program it will be announced in due time next week.

AGRICULTURAL ACT OF 1949

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, pursuant to House Resolution 283 he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

Mr. COOLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

Mr. COOLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COOLEY. The vote now is on the Gore amendment as amended by the Sutton amendment and other amendments?

The SPEAKER. On the amendment as reported to the House by the Committee of the Whole.

The question was taken; and there were—yeas 239, nays 170, not voting 23, as follows:

[Roll No. 132]

YEAS—239

Abbitt	Case, N. J.	Gavin
Abernethy	Case, S. Dak.	Gillette
Allen, Calif.	Chelf	Golden
Allen, Ill.	Chiperfield	Goodwin
Allen, La.	Church	Gore
Andersen, H. Carl	Cole, Kans.	Gossett
Anderson, Calif.	Cole, N. Y.	Graham
Andresen, August H.	Colmer	Grant
Andrews	Cooper	Gregory
Angell	Corbett	Gross
Arends	Cotton	Gwinn
Auchincloss	Coudert	Hale
Barden	Cox	Hall, Edwin Arthur
Barrett, Wyo.	Crawford	Hall, Leonard W.
Bates, Ky.	Cunningham	Halleck
Bates, Mass.	Curtis	Hand
Battle	Dague	Harden
Beall	Davis, Ga.	Hardy
Bennett, Fla.	Davis, Tenn.	Hare
Bennett, Mich.	Davis, Wis.	Harrison
Bishop	DeGraffenried	Harvey
Blackney	D'Ewart	Hébert
Bland	Dolliver	Herlong
Boggs, Del.	Dondero	Herter
Bolton, Md.	Donohue	Heselton
Bolton, Ohio	Doughton	Hill
Bonner	Durham	Hinshaw
Boykin	Elliott	Hobbs
Bramblett	Ellsworth	Hoeven
Brehm	Elston	Hoffman, Ill.
Brown, Ga.	Engel, Mich.	Hoffman, Mich.
Brown, Ohio	Engle, Calif.	Holmes
Bryson	Evins	Hope
Burleson	Fellows	Horan
Burton	Fenton	Hull
Byrnes, Wis.	Ford	Jackson, Calif.
Camp	Frazier	James
Canfield	Fugate	Jenison
Carlyle	Fulton	Jenkins
Carnahan	Gamble	Jennings
Carroll	Gary	Jensen
Case, N. J.	Gavin	Johnson
Case, S. Dak.	Gillette	Jonas
Chelf	Golden	Jones, Ala.
Chiperfield	Goodwin	Jones, N. C.
Church	Gore	Judd
Cole, Kans.	Gossett	Kean
Cole, N. Y.	Graham	Kearney
Colmer	Grant	Kearns
Cooper	Gregory	Keating
Corbett	Gross	Keefe
Cotton	Gwinn	Kerr
Coudert	Hale	Kilburn
Cox	Hall, Edwin Arthur	Kilday
Crawford	Hall, Leonard W.	Kunkel
Cunningham	Halleck	Lanham
Curtis	Hand	Latham
Dague	Harden	LeCompte
Davis, Ga.	Hardy	LeFevre
Davis, Tenn.	Hare	Lemke
Davis, Wis.	Harrison	Lichtenwalter
DeGraffenried	Harvey	Lodge
D'Ewart	Hébert	Lovre
Dolliver	Herlong	Lucas
Dondero	Herter	McConnell
Donohue	Heselton	McCulloch
Doughton	Hill	McDonough
Durham	Hinshaw	McMillan, S. C.
Elliott	Hobbs	McMillen, Ill.
Ellsworth	Hoeven	Mack, Ill.
Elston	Hoffman, Ill.	Mack, Wash.
Engel, Mich.	Hoffman, Mich.	Macy
Engle, Calif.	Holmes	Martin, Iowa
Evins	Hope	Martin, Mass.
Fellows	Horan	Mason
Fenton	Hull	Merrow
Ford	Jackson, Calif.	Meyer
Frazier	James	Michener
Fugate	Jenison	Miles
Fulton	Jenkins	Miller, Md.
Gamble	Jennings	Miller, Nebr.
Gary	Jensen	Monroney
Gavin	Johnson	Morton
Gillette	Jonas	Murray, Tenn.
Golden	Jones, Ala.	Murray, Wis.
Goodwin	Jones, N. C.	Nelson
Gore	Judd	Nicholson
Gossett	Kean	Nixon
Graham	Kearney	Norblad
Grant	Kearns	Norrell
Gregory	Keating	O'Hara, Minn.
Gross	Keefe	O'Konski
Gwinn	Kerr	Passman
Hale	Kilburn	Patterson
Hall, Edwin Arthur	Kilday	Pfeiffer, William L.
Hall, Leonard W.	Kunkel	Philbin
Halleck	Lanham	Phillips, Calif.
Hand	Latham	Phillips, Tenn.
Harden	LeCompte	Pickett
Hardy	LeFevre	Plumley
Hare	Lemke	Potter
Harrison	Lichtenwalter	Poulson
Harvey	Lodge	Preston
Hébert	Lovre	Rains
Herlong	Lucas	Rankin
Herter	McConnell	Reed, Ill.
Heselton	McCulloch	Reed, N. Y.
Hill	McDonough	Rees
Hinshaw	McMillan, S. C.	Regan
Hobbs	McMillen, Ill.	Rich
Hoeven	Mack, Ill.	Richards
Hoffman, Ill.	Mack, Wash.	Riehlman
Hoffman, Mich.	Macy	Rivers
Holmes	Martin, Iowa	Rogers, Fla.
Hope	Martin, Mass.	Rogers, Mass.
Horan	Mason	Sadlak
Hull	Merrow	St. George
Jackson, Calif.	Meyer	Sanborn
James	Michener	Sasscer
Jenison	Miles	Scott, Hardie
Jenkins	Miller, Md.	Scott, Hugh D., Jr.
Jennings	Miller, Nebr.	Scrivner
Jensen	Monroney	Scudder
Johnson	Morton	Secrest
Jonas	Murray, Tenn.	Shafer
Jones, Ala.	Murray, Wis.	Short
Jones, N. C.	Nelson	Simpson, Ill.
Judd	Nicholson	Simpson, Pa.
Kean	Nixon	Smith, Kans.
Kearney	Norblad	Smith, Va.
Kearns	Norrell	Smith, Wis
Keating	O'Hara, Minn.	Stefan
Keefe	O'Konski	Stockman
Kerr	Passman	Taber
Kilburn	Patterson	Tackett
Kilday	Pfeiffer, William L.	Talle
Kunkel	Philbin	Taylor
Lanham	Phillips, Calif.	Tollefson
Latham	Phillips, Tenn.	Underwood
LeCompte	Pickett	Van Zandt
LeFevre	Plumley	Velde
Lemke	Potter	Vinson
Lichtenwalter	Poulson	Vorys
Lodge	Preston	Vursell
Lovre	Rains	Wadsworth
Lucas	Rankin	Weichel
McConnell	Reed, Ill.	Wheeler
McCulloch	Reed, N. Y.	Whitaker
McDonough	Rees	Whitten
McMillan, S. C.	Regan	Whittington
McMillen, Ill.	Rich	Wigglesworth
Mack, Ill.	Richards	Williams
Mack, Wash.	Riehlman	Wilson, Ind.
Macy	Rivers	Wilson, Tex.
Martin, Iowa	Rogers, Fla.	Winstead
Martin, Mass.	Rogers, Mass.	Withrow
Mason	Sadlak	Wolcott
Merrow	St. George	Wolverton
Meyer	Sanborn	Wood
Michener	Sasscer	Woodruff
Miles	Scott, Hardie	
Miller, Md.	Scott, Hugh D., Jr.	

NAYS—170

Addonizio	Granger	O'Brien, Mich.
Albert	Green	O'Hara, Ill.
Aspinall	Hagen	O'Neill
Bailey	Harris	O'Sullivan
Baring	Hart	O'Toole
Barrett, Pa.	Havenner	Pace
Beckworth	Hays, Ohio	Patman
Bentsen	Hedrick	Patten
Biemiller	Heller	Perkins
Blatnik	Holifield	Peterson
Boggs, La.	Howell	Poage
Bolling	Huber	Polk
Bosone	Irving	Price
Breen	Jackson, Wash.	Priest
Brooks	Jacobs	Quinn
Buchanan	Javits	Rabaut
Buckley, Ill.	Jones, Mo.	Ramsay
Burdick	Karst	Redden
Burke	Karsten	Rhodes
Burnside	Kee	Ribicoff
Byrne, N. Y.	Kelley	Rodino
Cannon	Keogh	Rooney
Carnahan	King	Sabath
Carroll	Kirwan	Sadowski
Cavalcante	Klein	Sheppard
Celler	Kruse	Sikes
Chesney	Lane	Sims
Christopher	Lanham	Smathers
Chudoff	Lesinski	Spence
Clemente	Lind	Steed
Combs	Lindahan	Stigler
Cooley	Lyle	Sullivan
Crook	Lynch	Sutton
Crosser	McCarthy	Tackett
Davenport	McCormack	Tauriello
Davies, N. Y.	McGrath	Teague
Dawson	McGuire	Thomas, Tex.
Deane	McKinnon	Thompson
Delaney	McSweeney	Thornberry
Denton	Madden	Trimble
Douglas	Magee	Wagner
Doyle	Mahon	Walsh
Eberharter	Mansfield	Walter
Fallon	Marcantonio	Welch, Calif.
Feighan	Marsalis	Welch, Mo.
Fernandez	Marshall	White, Calif.
Fisher	Miller, Calif.	White, Idaho
Flood	Mills	Wickersham
Fogarty	Mitchell	Wier
Forand	Morgan	Willis
Furcolo	Morris	Wilson, Okla.
Garmatz	Moulder	Woodhouse
Gathings	Multer	Worley
Gordon	Murdock	Yates
Gorski, Ill.	Noland	Young
Gorski, N. Y.	Norton	Zablocki
Granahan	O'Brien, Ill.	

NOT VOTING—23

Buckley, N. Y.	Clevenger	Eaton
Bulwinkle	Dingell	Gilmer
Chatham	Dollinger	Hays, Ark.

Heffernan	Pfeifer,	Staggers
Kennedy	Joseph L.	Stanley
McGregor	Powell	Thomas, N. J.
Morrison	Roosevelt	Towe
Murphy	Smith, Ohio	Werdel

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Towe for, with Mr. Murphy against.

Mr. McGregor for, with Mr. Kennedy against.

Mr. Gilmer for, with Mr. Hayes of Arkansas against.

Mr. Werdel for, with Mr. Dollinger against.

Mr. Stanley for, with Mr. Roosevelt against.

Mr. Eaton for, with Mr. Staggers against.

General pairs until further notice:

Mr. Morrison with Mr. Clevenger.

The result of the vote was announced as above recorded.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. FULTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. FULTON. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. FULTON moves to recommit the bill to the Committee on Agriculture for further study.

Mr. COOLEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. COOLEY. On that, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 384, nays 25, not voting 23, as follows:

[Roll No. 133]

YEAS—384

Abbitt	Bland	Chesney
Abernethy	Boggs, Del.	Chiperfield
Addonizio	Boggs, La.	Christopher
Albert	Bolling	Chudoff
Allen, Calif.	Bolton, Md.	Clemente
Allen, Ill.	Bolton, Ohio	Cole, Kans.
Allen, La.	Bonner	Colmer
Andersen,	Bosone	Combs
H. Carl	Boykin	Cooley
Anderson, Calif.	Bramblett	Cooper
Andresen,	Breen	Cotton
August H.	Brehm	Cox
Andrews	Brooks	Crawford
Angell	Brown, Ga.	Crook
Arends	Brown, Ohio	Crosser
Aspinall	Bryson	Cunningham
Auchincloss	Buchanan	Curtis
Bailey	Buckley, Ill.	Dague
Barden	Burdick	Davenport
Baring	Burleson	Davis, Ga.
Barrett, Pa.	Burnside	Davis, Tenn.
Barrett, Wyo.	Burton	Davis, Wis.
Bates, Ky.	Byrne, N. Y.	Dawson
Bates, Mass.	Byrnes, Wis.	Deane
Battle	Camp	DeGraffenried
Beall	Cannon	Delaney
Beckworth	Carlyle	Denton
Bennett, Fla.	Carnahan	D'Ewart
Bennett, Mich.	Carroll	Dolliver
Bentsen	Case, S. Dak.	Dondero
Biemiller	Cavalcante	Donohue
Bishop	Celler	Doughton
Blackney	Chelf	Douglas
Doyle	Kee	Potter
Durham	Keefe	Poulson
Eberharter	Kelley	Preston
Elliott	Keogh	Price
Ellsworth	Kerr	Priest
Elston	Kilburn	Quinn
Engel, Mich.	Kilday	Rabaut
Engle, Calif.	King	Rains
Evins	Kirwan	Ramsay
Fallon	Klein	Rankin
Feighan	Kruse	Redden
Fellows	Kunkel	Reed, Ill
Fenton	Lane	Reed, N. Y.
Fernandez	Lanham	Rees
Fisher	Larcade	Regan
Flood	Latham	Rhodes
Fogarty	LeCompte	Richards
Forand	LeFevre	Riehlman
Ford	Lemke	Rivers
Frazier	Lesinski	Rodino
Fugate	Lichtenwalter	Rogers, Fla.
Furcolo	Lind	Rogers, Mass.
Gamble	Linehan	Sadlak
Garmatz	Lodge	Sadowski
Gary	Lovre	St. George
Gathings	Lucas	Sanborn
Gavin	Lyle	Sasscer
Gillette	Lynch	Scott, Hardie
Golden	McConnell	Scott,
Gordon	McCormack	Hugh D., Jr.
Gore	McCulloch	Scrivner
Gorski, Ill.	McDonough	Scudder
Gorski, N. Y.	McGrath	Secrest
Gossett	McGuire	Shafer
Graham	McKinnon	Sheppard
Granahan	McMillan, S. C.	Short
Granger	McMillen, Ill.	Sikes
Grant	McSweeney	Simpson, Ill.
Green	Mack, Ill.	Simpson, Pa.
Gregory	Mack, Wash.	Sims
Gross	Macy	Smathers
Gwinn	Madden	Smith, Kans.
Hagen	Magee	Smith, Va.
Hale	Mahon	Smith, Wis.
Hall,	Mansfield	Spence
Edwin Arthur	Marcantonio	Steed
Hall,	Marsalis	Stefan
Leonard W.	Martin, Iowa	Stigler
Halleck	Martin, Mass.	Stockman
Hand	Merrow	Sullivan
Harden	Meyer	Sutton
Hardy	Michener	Taber
Hare	Miles	Tackett
Harris	Miller, Calif.	Talle
Harrison	Miller, Md.	Taylor
Hart	Miller, Nebr.	Teague
Harvey	Mills	Thomas, Tex.
Havenner	Mitchell	Thompson
Hays, Ohio	Monroney	Thornberry
Hébert	Morgan	Tollefson
Hedrick	Morris	Trimble
Heller	Morton	Underwood
Herlong	Moulder	Van Zandt
Herter	Multer	Velde
Heselton	Murdock	Vinson
Hill	Murray, Tenn.	Vorys
Hinshaw	Murray, Wis.	Vursell
Hobbs	Nelson	Wadsworth
Hoeven	Nicholson	Wagner
Hoffman, Ill.	Nixon	Walsh
Hoffman, Mich.	Noland	Walter
Holifield	Norblad	Weichel
Holmes	Norrell	Welch, Mo.
Hope	O'Brien, Ill.	Wheeler
Horan	O'Brien, Mich.	Whitaker
Howell	O'Hara, Ill.	White, Calif.
Huber	O'Hara, Minn.	White, Idaho
Hull	O'Konski	Whitten
Irving	O'Neill	Whittington
Jackson, Calif.	O'Sullivan	Wickersham
Jackson, Wash.	O'Toole	Wier
Jacobs	Pace	Wigglesworth
James	Passman	Williams
Jenison	Patman	Willis
Jenkins	Patten	Wilson, Ind.
Jennings	Patterson	Wilson, Okla.
Jensen	Perkins	Wilson, Tex.
Johnson	Peterson	Winstead
Jonas	Pfeiffer,	Withrow
Jones, Ala.	William L.	Wolcott
Jones, Mo.	Philbin	Wolverton
Jones, N. C.	Phillips, Calif.	Wood
Karst	Phillips, Tenn.	Woodhouse
Karsten	Pickett	Woodruff
Kearney	Plumley	Worley
Kearns	Poage	Young
Keating	Polk	Zablocki

NAYS—25

Blatnik	Corbett	Judd
Burke	Coudert	Kean
Canfield	Davies, N. Y.	McCarthy
Case, N. J.	Fulton	Marshall
Church	Goodwin	Mason
Cole, N. Y.	Javits	Norton
Ribicoff	Sabath	Tauriello
Rich	Smith, Ohio	Yates
Rooney		

NOT VOTING—23

Buckley, N. Y.	Hays, Ark.	Powell
Bulwinkle	Heffernan	Roosevelt
Chatham	Kennedy	Staggers
Clevenger	McGregor	Stanley
Dingell	Morrison	Thomas, N. J.
Dollinger	Murphy	Towe
Eaton	Pfeifer,	Welch, Calif.
Gilmer	Joseph L.	Werdel

So the bill was passed.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Roosevelt with Mr. Towe.

Mr. Murphy with Mr. Eaton.

Mr. Morrison with Mr. McGregor.

Mr. Stanley with Mr. Werdel.

Mr. Hays of Arkansas with Mr. Welch of California.

Mr. MCCARTHY changed his vote from "yea" to "nay."

Mr. BLATNIK changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DISCRIMINATION IN USE OF TAX-SUPPORTED RECREATIONAL FACILITIES

Mr. HOFFMAN of Michigan. Many people believe that, if preferences, likes and dislikes, differences of opinion, growing out of physical or mental racial characteristics, can be eliminated, people as a whole will be much happier, make greater progress in every field of human endeavor.

At the Tower of Babel, about 2247 B. C., an effort was made to establish one language for all the people. Now, apparently some are making an effort to establish on earth one race, brought about by the intermingling and interbreeding of all races.

If the Lord wanted but one race, humans of but one color, perhaps he would have seen to it that the children of Adam and Eve, when they came out of the Garden, bred true to type and color.

He had another opportunity when Noah and his family came out of the Ark.

Little is to be gained by ignoring the fact, for it is a fact, that ever since Moses led the children of Israel out of Egypt—yes, and before that time—there have been conflicts between races—yes, and even between tribes or subdivisions of the same race.

Individuals and groups of one race from the beginning of time have had preferences for those who were members of the same race. They have, if you prefer, discriminated against members of other races.

We all, as individuals, exercise a preference when we select our social and business associates. It is absurd to deny this obvious fact; to attempt by legislation to eradicate this preference or, again if you prefer, this discrimination.

Perhaps the simplest form of preference or discrimination is that which moves every mother, whether human or animal, to have a preference for and to protect her young; always, in the case of

some animals—sometimes, although infrequently in the case of humans—from the father.

Families usually stick together, discriminate against nonmembers of the family.

Towns, cities, and States, since the beginning of our history, have exercised a preference for their inhabitants; discriminated against nonresidents.

Yes, even today, if I want to fish in Maryland or Virginia, I must pay a fee over and above that charged the residents of those States. True, that fee is not imposed upon me because I am a member or a nonmember of a particular race, but it is imposed because I am a resident of another State, either the State of my origin or the State of my adoption.

It must be admitted that some Negroes—and where I grew up, they were known as colored people—prefer to associate with members of their own race. A similar feeling exists among some members of the white race.

As immigrants continued to come to this country, they settled, if possible, near people of their own race or nationality who had preceded them. The Hollanders and the Germans settled in communities where they found individuals from their own land. The Swedes, the Norwegians, the Italians, the Irish, the Jews—in fact, those of every nation, every nationality, followed a like course of preference or discrimination.

After thousands of years of experience it would seem as though it might be assumed that individuals and members of a race will always have a preference for other individuals of their own race or creed or individuals who have similar habits or follow similar practices.

And so we get to the point where we must acknowledge that each and every one of us, either as individuals or as members of a race or group, has a preference, and so, as some would put it, discriminate against others.

Preference or discrimination being an existing characteristic of most of our people, it seems to be our duty to, insofar as we can, through education and legislation, attempt to minimize the unpleasantness, the strife, and the harmful results, caused not only by any unjust discrimination, but by the bitter feeling created by self-serving or even sincere but misguided advocates who, on so many occasions, take advantage of isolated instances of harmful discrimination.

Christians have long sought to minimize, to render less harmful, any evil growing out of such an apparent preference, with its resulting so-called discrimination.

Advocates and trouble makers, who are never happy unless creating discord, disunity, and lack of harmony, have always sometimes for their own advancement, financial or political; at other times, because the spirit of the devil seemed to be in them, capitalized on this inherent racial or religious feeling.

It is long past the time when we here in the Nation's Capital should attempt to do something practical to minimize, insofar as is possible, all discrimination in employment and in social intercourse, remembering, however, at all times that we cannot, by legislation nor by force, obliterate inherent human characteristics.

Whether we should, by legislation or by education, seek a common ground on which can be established an intermingling and interbreeding of all races on this earth and the establishment of a new universal race of men is not the issue I am proposing to consider. Nor do I assent in any way to Hitler's theory of a race of supermen, to be created through selective human breeding to attain a special purpose.

Accepting facts as they exist and as they are known to all, I am seeking a way so that everyone, no matter what his color or origin, may have equal opportunity; to, here in the District of Columbia, the seat of the National Government, create a situation which may act as a proving ground where we can test some of the theories, some of the plans, which look toward the end of discrimination which creates injustices.

Here in the District, where perhaps 35 percent of the population is colored—although what proportion of the District or Federal tax the 35 percent pays I do not know—there is continual although undercover strife because of the policy of segregation in the utilization of public recreational facilities.

Ignoring the situation, permitting troublemakers to have their way, may, in the end, bring us not only to local civil strife, but perhaps in a large section of the country and in some of our cities to civil war.

I am appealing to all those who believe that the District of Columbia, being the seat of the National Government, is an ideal place to try out some of the legislation which has for its purpose the end of unjust discrimination because of race or color.

Colored folks are entitled to an equal opportunity in the employment of tax-supported recreational facilities. They are entitled, if they prefer, to associate with, and only with, members of their own race and color. Whites are entitled to the same privilege.

There is no more discrimination in denying to a colored man the right to swim with his white brother than there is in forcing the white brother to swim with the colored man.

If the colored man is to be given the legal right to go where he wishes when he wishes, associate with whom he will, then the white man should be given the equal right.

If it be said that the white man has the right to associate with the colored man, is it not equally true that the colored man has the right not to associate with the white man? Has one a preference, the other none?

If I have the right to go into the park and sit on one end of a bench on which sits a colored man, has he not the right to get up and walk away, find a seat alone or with other colored men?

Should not the banning of segregation also carry with it a declaration that the members of each race shall have the right, if they wish, to associate only with the members of their own race?

In my boyhood days, near the end of the underground railway in Michigan I associated with colored boys and girls. They attended the same day and Sunday school that I attended. Some of them were members of my school and Sunday-school classes. My first business partner was a colored boy, and there was in that community no question of race, color, or creed.

Here in Washington, the situation is entirely different. The question of discrimination, the question of segregation, is one which concerns the welfare of the District, it may be of the Nation.

Believing as I do that everyone, white as well as colored, should be able, insofar as is possible, to exercise his own natural preference as to association; believing as I do that there should be no discrimination in the enjoyment of tax-supported recreational facilities; believing as I do that you cannot, by legislation, successfully, while retaining individual freedom and liberty, force individuals to disregard their preferences, their inherent likes and dislikes and without strife join in one mass group where everyone will be happy, I am introducing a bill which should, in my opinion, aid, at least here in this community, in solving the question of segregation.

The bill is very simple in its provisions. The present issue here in the District seems primarily to center around the question of the use of swimming pools. The District has six.

The bill suggests that two be turned over for the exclusive use of the colored folks; a like number for the use of the whites, and that two be set aside for the joint use of all those who wish an intermingling of the races.

It seems to me that, if each group, that is, the colored, the white, and the colored and the white, is given equal opportunity to follow its own desires, none should complain.

The solution of the other questions which may arise over the use of other recreational facilities, such as baseball diamonds, tennis courts and so on, is not quite so simple, but there is no reason to believe that competent, understanding administrators, familiar with the conditions here in the District, cannot, if they so desire, solve all controversies which may arise, without undue appeal to either the police force or the courts.

SUBSTITUTION OF CONFEREES

Mr. VINSON. Mr. Speaker, I ask unanimous consent to vacate the appointment of the gentleman from New York [Mr. COLE] as a conferee on the bill H. R. 5632, on account of illness in his family, which takes him out of the city, and to substitute in his place the gentleman from Massachusetts [Mr. BATES].

The SPEAKER. Is there objection to the request of the gentleman from Georgia? The Chair hears none, and the gentleman from New York [Mr. COLE] is relieved as conferee, and the Chair appoints the gentleman from Massachusetts [Mr. BATES] in his stead, and the Clerk will notify the Senate accordingly.

EXTENSION OF REMARKS

Mr. KELLEY asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. FERNANDEZ asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD in two instances and include certain excerpts.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Credit Union bill, and in parallel columns to state the present law and what is proposed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD in three instances and to include extraneous matter.

ASSISTANCE TO LOCAL SCHOOL AGENCIES

Mr. McSWEENEY, from the Committee on Rules, submitted the following privileged resolution (H. Res. 292) on the bill (H. R. 3829) to provide assistance for local school agencies, for printing in the RECORD:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3829) to provide assistance for local school agencies in providing educational opportunities for children on Federal reservations or in defense areas, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MR. A. F. WHITNEY

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Speaker, America lost a great man and an outstanding leader of labor last Saturday with the death of Mr. A. F. Whitney, president of the Brotherhood of Railroad Trainmen. Mr. Whitney vas a labor statesman of the highest order who devoted his entire life to the cause of labor and American democracy. As a champion of human rights, Al Whitney fought ably and consistently in behalf of the people to realize the promises of the good life for all Americans. As a leader of labor, his was a life of devotion to labor progress and better working conditions for the workers. For this he has earned the gratitude of every American.

His record of public service will serve as a shining example to all of us, and he will long be remembered with affection by everyone who had the privilege of knowing and associating with him. His untimely death leaves a great gap in the ranks of labor, and it will be difficult to find a man of his stature to succeed him.

I know that the House will be interested to learn that the executive board of the Brotherhood of Railroad Trainmen has chosen Mr. Parker Kennedy, general secretary and treasurer of that worthy organization, to succeed Mr. Whitney as president until the union's next national convention. It is my belief that the selection of Mr. Kennedy, who comes from my home State of Minnesota and whom I know personally, was a wise choice, and I know that he will carry on the fight for labor's rights in the spirit of A. F. Whitney. In this great undertaking I wish him well.

PROGRAM FOR FRIDAY, JULY 22, 1949

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to inform the Members that there will be no business tomorrow. We must meet tomorrow to receive a message that must be submitted while the House is in session, but there will be no business transacted. The Members can proceed with that distinct understanding.

PENSIONS FOR MEMBERS OF THE POLICE AND FIRE DEPARTMENTS OF THE DISTRICT OF COLUMBIA

Mr. DAVIS of Georgia, from the Committee on the District of Columbia, presented a conference report and statement on the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia.

EXTENSION OF REMARKS

Mr. McSWEENEY asked and was given permission to extend his remarks in the RECORD and include two letters from the Veterans' Administration.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD in two instances, and to include an editorial from the Buffalo Evening News and a letter from the Council of Churches of Buffalo, N. Y.

Mr. HAVENNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in each to include extraneous matter.

Mr. GAMBLE asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter, notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost $260.

Mr. LODGE asked and was given permission to extend his remarks in the Appendix of the RECORD in four separate instances and in each to include extraneous matter.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an article from the United States Naval Institute proceedings, notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost $380.

Mr. GAVIN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article on Federal aid to education.

Mr. JACKSON of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a translation of the constitution of the Communist Party of China, notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost $380.

Mr. RIEHLMAN asked and was given permission to extend his remarks in the RECORD and include a survey recently made by the National Federation of Independent Business, Inc., in respect to certain bills introduced in the House.

Mr. BLATNIK asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HAYS of Arkansas (at the request of Mr. GATHINGS) for an indefinite period on account of illness in family.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administraiton, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 298. Joint resolution to provide for on-the-spot audits by the General Accounting Office of the fiscal records of the Office of the Sergeant at Arms of the House of Representatives.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the

President, for his approval, a bill of the House of the following title:

H. R. 3901. An act to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 1 minute p. m.), the House adjourned until tomorrow, Friday, July 22, 1949, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

JULY 14, 1949.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4 of rule XXVII, I, Hon. JOHN R. WALSH, move to discharge the Committee on Post Office and Civil Service from the consideration of the bill (H. R. 4495) entitled "A bill to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes" which was referred to said committee May 3, 1949, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. John R. Walsh.
2. Earl T. Wagner.
3. Thomas J. Lane.
4. Edward H. Kruse, Jr.
5. Jack Z. Anderson.
6. Ray J. Madden.
7. Harold C. Hagen.
8. Vito Marcantonio.
9. Roy W. Wier.
10. J. W. Trimble.
11. George D. O'Brien.
12. George H. Christopher.
13. Wayne L. Hays.
14. Fred Marshall.
15. Winfield K. Denton.
16. A. A. Ribicoff.
17. Richard Bolling.
18. Andrew Jacobs.
19. Usher L. Burdick.
20. Clyde Doyle.
21. Thurman C. Crook.
22. James E. Noland.
23. Donald W. Nicholson.
24. Frank Buchanan.
25. Eugene J. Keogh.
26. Foster Furcolo.
27. Mike Mansfield.
28. Abraham J. Multer.
29. Alvin E. O'Konski.
30. Joseph R. Bryson.
31. Franck R. Havenner.
32. Harold A. Patten.
33. Charles R. Howell.
34. Richard J. Welch
35. Frank L. Chelf.
36. Helen Gahagan Douglas.
37. Thomas H. Burke.
38. Tom B. Fugate.
39. Chester A. Chesney.
40. Barratt O'Hara.
41. E. H. Hedrick.
42. Gerald R. Ford, Jr.
43. John A. Blatnik.
44. Andrew J. Biemiller.
45. Gordon L. McDonough.
46. William T. Byrne.
47. John Lesinski.
48. Gardner R. Withrow.
49. John J. Rooney.
50. Wm. Lemke.
51. Robert T. Secrest.
52. James G. Polk.
53. A. L. Miller.
54. Cecil R. King.
55. Albert M. Cole.
56. Mary T. Norton.
57. Chet Holifield.
58. Neil J. Linehan.
59. Laurie C. Battle.
60. Walter S. Baring.
61. Merlin Hull.
62. Reva Beck Bosone.
63. Herbert A. Meyer.
64. Chester E. Merrow.
65. Daniel J. Flood.
66. Toby Morris.
67. Harry J. Davenport.
68. Peter W. Rodino, Jr.
69. Hugh J. Addonizio
70. J. Hardin Peterson.
71. Eugene D. O'Sullivan.
72. A. J. Sabath.
73. James F. Lind.
74. Hamilton C. Jones.
75. Cecil F. White.
76. Paul W. Shafer.
77. Frank B. Keefe.
78. Edith Nourse Rogers.
79. Ben F. Jensen.
80. James E. Van Zandt.
81. Clare Magee.
82. L. Gary Clemente.
83. Dayton E. Phillips.
84. C. W. Bishop.
85. Louis B. Heller.
86. Walter A. Lynch.
87. Sidney R. Yates.
88. Robert L. Ramsay.
89. Homer D. Angell.
90. Thor C. Tollefson.
91. Carl Hinshaw.
92. Norris Poulson.
93. Donald L. Jackson.
94. Edward J. Hart.
95. Donald L. O'Toole.
96. R. W. Hoffman.
97. John A. McGuire.
98. Earl Wilson.
99. Boyd Tackett.
100. Edward A. Garmatz.
101. Walter E. Brehm.
102. Melvin Price.
103. John E. Fogarty.
104. Herman P. Eberharter.
105. Henry M. Jackson.
106. Wright Patman.
107. Clark W. Thompson.
108. Dwight L. Rogers.
109. Edgar A. Jonas.
110. George M. Rhodes.
111. Thomas S. Gordon.
112. Arthur G. Klein.
113. Carroll D. Kearns.
114. Clement J. Zablocki.
115. Anthony Cavalcante.
116. B. W. Kearney.
117. James J. Murphy.
118. Harry P. O'Neill.
119. James C. Auchincloss.
120. Augustine B. Kelley.
121. Walter B. Huber.
122. Frank A. Barrett.
123. Wesley A. D'Ewart.
124. Jacob K. Javits.
125. Harold D. Donohue.
126. Jos. P. O'Hara.
127. John E. Miles.
128. Chas. A. Wolverton.
129. Ivor D. Fenton.
130. J. Glenn Beall.
131. L. H. Gavin.
132. Overton Brooks.
133. Hugh B. Mitchell.
134. Christopher C. McGrath.
135. Clifford Davis.
136. Henry D. Larcade, Jr.
137. Franklin D. Roosevelt, Jr.
138. Carl D. Perkins.
139. Carl Elliott.
140. Carl Vinson.
141. Dean P. Taylor.
142. Martin Gorski.
143. A. S. J. Carnahan.
144. Walter Norblad.
145. Clinton D. McKinnon.
146. T. H. Werdel.
147. Cleveland M. Bailey.
148. Peter F. Mack, Jr.
149. Chase Going Woodhouse.
150. Lindley Beckworth.
151. James G. Fulton.
152. Clair Engle.
153. T. Vincent Quinn.
154. Lawrence H. Smith.
155. Hardie Scott.
156. Victor Wickersham.
157. Earl Chudoff.
158. Gordon Canfield.
159. John Phillips.
160. Thomas E. Morgan.
161. Harley O. Staggers.
162. Philip J. Philbin.
163. William L. Dawson.
164. Monroe M. Redden.
165. Otto E. Passman.
166. John A. Carroll.
167. William T. Granahan.
168. H. R. Gross.
169. Anthony F. Tauriello.
170. W. K. Granger.
171. Robert Crosser.
172. George G. Sadowski.
173. John B. Sullivan.
174. Henry J. Latham.
175. Compton I. White.
176. Karl Stefan.
177. John C. Kunkel.
178. Leonard Irving.
179. Cecil M. Harden.
180. James B. Hare.
181. W. L. Pfeiffer.
182. Paul Cunningham.
183. John Sanborn.
184. Jesse P. Wolcott.
185. Morgan M. Moulder.
186. Charles E. Potter.
187. Charles P. Nelson.
188. R. B. Chiperfield.
189. Richard Nixon.
190. Norris Cotton.
191. Oren Harris.
192. Leroy Johnson.
193. H. Carl Andersen.
194. Wayne N. Aspinall.
195. Edward Breen.
196. Ralph E. Church.
197. Thomas J. O'Brien.
198. John H. Kerr.
199. James T. Patterson.
200. John Davis Lodge.
201. Michael J. Kirwan.
202. Chester C. Gorski.
203. Wint Smith.
204. Leo E. Allen.
205. M. G. Burnside.
206. Hale Boggs.
207. J. B. Frazier, Jr.
208. E. C. Gathings.

209. Francis E. Walter.
210. Edwin Arthur Hall.
211. Ernest K. Bramblett.
212. Hubert B. Scudder.
213. John Kennedy.
214. Hugo S. Simms.
215. Franklin Lichtenwalter.
216. Edward T. Miller.
217. W. A. Barrett.
218. Stephen M. Young.

This motion was entered upon the Journal, entered in the CONGRESSIONAL RECORD with signatures thereto, and referred to the Calendar of Motions to Discharge Committees, July 21, 1949.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

783. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $98,500 for the Department of the Interior (H. Doc. No. 266); to the Committee on Appropriations and ordered to be printed.

784. A letter from the Commandant, United States Coast Guard, transmitting a report showing a list of contracts executed, by negotiation, for experimental, development, or research work, for the period January 1 to June 30, 1949; to the Committee on Armed Services.

785. A letter from the Acting Comptroller General of the United States, transmitting a report on the survey of the accounting system of internal control of the National Capital Housing Authority for the fiscal years ended June 30, 1947 and 1948 (H. Doc. No. 267); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

786. A letter from the Secretary of State, transmitting a draft of a proposed bill entitled "A bill to authorize temporary aid to and repatriation of needy nationals of the United States in foreign countries, and for other purposes"; to the Committee on Foreign Affairs.

787. A letter from the Secretary of State, transmitting a draft of a bill entitled "A bill to authorize the Secretary of State to evaluate and to waive collection of certain financial assistance loans, and for other purposes"; to the Committee on Foreign Affairs.

788. A letter from the Secretary of Agriculture, transmitting a report showing claims paid under part 2 of the Federal Tort Claims Act of August 1946 (Public Law 601, 79th Cong.), for the fiscal year July 1, 1948, to June 30, 1949; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLMER: Committee on Rules. House Resolution 289. Resolution for consideration of H. R. 29, a bill to amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts, and for other purposes; without amendment (Rept. No. 1086). Referred to the House Calendar.

Mr. WHITTINGTON: Committee on Public Works. H. R. 4569. A bill authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa; with an amendment (Rept. No. 1095). Referred to the Committee of the Whole House on the State of the Union.

Mr. REGAN: Committee on Public Lands. H. R. 2733. A bill to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas; with an amendment (Rept. No. 1096). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Committee. S. 1285. An act to authorize progressive partial payments to sponsors under the Federal Airport Act program; without amendment (Rept. No. 1100). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. H. R. 4239. A bill to amend section 6 of the Federal Airport Act; with an amendment (Rept. No. 1101). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. Second Intermediate Report. Inquiry into certain operations of Institute of Inter-American Affairs Group of Corporations based on General Accounting Office Audit Reports; without amendment (Rept. No. 1105). Referred to the Committee of the Whole House on the State of the Union.

Mr. McSWEENEY: Committee on Rules. House Resolution 292. Resolution for consideration of H. R. 3829, a bill to provide assistance to certain local school agencies overburdened with war-incurred enrollments where such agencies received similar assistance during any prior fiscal year; without amendment (Rept. No. 1106). Referred to the House Calendar.

Mr. DAVIS of Georgia: Committee of Conference. H. R. 2021. A bill to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia (Rept. No. 1107). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 584. A bill for the relief of Mike Clipper; without amendment (Rept. No. 1087). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 1020. A bill for the relief of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman; with an amendment (Rept. No. 1088). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 1600. A bill for the relief of Gustav Schilbred; without amendment (Rept. No. 1089). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 3536. A bill for the relief of Mrs. Nora Johnson; without amendment (Rept. No. 1090). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4414. A bill for the relief of Dora M. Barton; with an amendment (Rept. No. 1091). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5019. A bill for the relief of Fella H. Holbrook; without amendment (Rept. No. 1092). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5148. A bill to confer jurisdiction upon the District Court for the Territory of Alaska to hear, determine, and render judgment upon the claim, or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska; without amendment (Rept. No. 1093). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5525. A bill for the relief of Mr. and Mrs. Richard E. Deane; with an amendment (Rept. No. 1094). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1871. A bill for the relief of Hilde Flint; with an amendment (Rept. No. 1097). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 4042. A bill for the relief of Konstantinos Yannopoulos; without amendment (Rept. No. 1098). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 5276. A bill for the relief of Mrs. Julia (Iole) M. Stefani Lencioni; without amendment (Rept. No. 1099). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 219. A bill to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of The Alaska Railroad for overtime work performed; with an amendment (Rept. No. 1102). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2457. A bill for the relief of Helen Morren; with an amendment (Rept. No. 1103). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 3252. A bill for the relief of Mrs. Zelma Inez Cheek; with an amendment (Rept. No. 1104). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PRIEST:

H. R. 5716. A bill to authorize the Public Health Service to admit to its hospitals persons committed by State courts who are beneficiaries of the Service or narcotic addicts, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GOLDEN:

H. R. 5717. A bill to authorize the construction of levees, flood walls, and appurtenant works at Barbourville, Ky., for flood-control purposes; to the Committee on Public Works.

By Mr. MITCHELL:

H. R. 5718. A bill to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for school construction, for advance planning of school facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. PETERSON:

H. R. 5719. A bill extending for a period of 1 year the provisions of certain naturalization laws, insofar as they relate to veterans of the war with Spain, Philippine Insurrection, and Boxer Rebellion; to the Committee on the Judiciary.

By Mr. TALLE:

H. R. 5720. A bill to provide for the operation of a general surgical and medical hospital at the Veterans' Adminstration domiciliary facility, Clinton, Iowa; to the Committee on Veterans' Affairs.

By Mr. HOLIFIELD:

H. R. 5721. A bill declaring the continuing policy and responsibility of the Federal Government to promote maximum employment, production, and purchasing power and setting forth ways and means of achieving these objectives; to the Committee on Banking and Currency.

By Mr. O'SULLIVAN:

H. R. 5722. A bill to amend section 602 (v) of the National Service Life Insurance Act of 1940, as amended, to provide for the payment of disability benefits to certain totally disabled veterans who had insurance on August 1, 1946; to the Committee on Veterans' Affairs.

By Mr. MACK of Washington:

H. R. 5723. A bill to provide for the issuance of a postage stamp in commemoration of the one hundred and twenty-fifth anniversary of the establishment of Fort Vancouver; to the Committee on Post Office and Civil Service.

By Mr. REES:

H. R. 5724. A bill to amend the Tariff Act of 1930 to limit importations of petroleum and petroleum products; to the Committee on Ways and Means.

By Mr. ENGLE of California:

H. R. 5725. A bill to stimulate the exploration for strategic and critical ores, metals, and minerals; to the Committee on Public Lands.

By Mr. HOFFMAN of Michigan:

H. J. Res. 316. Joint resolution to provide for equality of opportunity in the enjoyment of public recreational facilities in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HOBBS:

H. Res. 290. Resolution relating to the presence of a quorum in committees and subcommittees of the House; to the Committee on Rules.

By Mr. LESINSKI:

H. Res. 291. Resolution authorizing the printing of additional copies of Bulletin No. 940 of the Bureau of Labor Statistics of the Department of Labor, entitled "Occupational Outlook Handbook"; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. QUINN:

H. R. 5726. A bill for the relief of Margaret Frankell; to the Committee on the Judiciary.

By Mr. RIBICOFF:

H. R. 5727. A bill for the relief of Greta Struch; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 5728. A bill to record the lawful admission to the United States for permanent residence of Santina D'Augustino; to the Committee on the Judiciary.

By Mr. WHITAKER:

H. R. 5729. A bill for the relief of Frank W. Cox and the estate of W. N. Cox; to the Committee on the Judiciary.

SENATE

FRIDAY, JULY 22, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. James H. Elder, pastor, First Methodist Church, Gallatin, Tenn., offered the following prayer:

Eternal God, our Father, Thou hast given to us the highest privilege of creation by making us the sons of God. Cause us to do the duty of sons that we may never lose our title to an inheritance so glorious.

Thou knowest, Father, how often in these days of confusion and chaos we tremble with fear. Yet Thou knowest that we tremble with fear only because we often drift too far from the side of the Good Shepherd. So draw us so close to Thyself that whatever happens to us personally, to the Nation, or to the world, we may move forward, fearing God and nothing else.

Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 21, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 21, 1949, the President had approved and signed the following acts:

S. 863. An act authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; and

S. 1359. An act to repeal the provisions of the Alaska Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to officers and employees to whom such provisions are applicable.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, notified the Senate that Mr. BATES of Massachusetts had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, vice Mr. COLE of New York, excused.

The message announced that the House had passed a bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 298) to provide for on-the-spot audits by the General Accounting Office of the fiscal records of the office of the Sergeant at Arms of the House of Representatives, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Chavez	Ferguson
Anderson	Connally	Flanders
Brewster	Cordon	Frear
Bricker	Donnell	Fulbright
Butler	Douglas	George
Byrd	Downey	Gillette
Cain	Dulles	Graham
Capehart	Eastland	Green
Chapman	Ecton	Gurney
Hayden	McCarran	Robertson
Hendrickson	McCarthy	Russell
Hickenlooper	McClellan	Saltonstall
Hill	McFarland	Schoeppel
Hoey	McKellar	Smith, Maine
Holland	McMahon	Smith, N. J.
Humphrey	Magnuson	Sparkman
Hunt	Malone	Stennis
Ives	Martin	Taft
Jenner	Maybank	Taylor
Johnson, Colo.	Miller	Thomas, Okla.
Johnson, Tex.	Millikin	Thomas, Utah
Johnston, S. C.	Morse	Thye
Kefauver	Mundt	Tydings
Kem	Murray	Vandenberg
Kerr	Myers	Watkins
Knowland	Neely	Wherry
Langer	O'Conor	Wiley
Lodge	O'Mahoney	Williams
Long	Pepper	Withers
Lucas	Reed	Young

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly, meeting at Rome, Italy.

The Senator from West Virginia [Mr. KILGORE] is absent by leave of the Senate.

The Senator from Rhode Island [Mr. MCGRATH] is absent on public business.

Mr. SALTONSTALL. Mr. President, I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate.

The Senators from New Hampshire [Mr. BRIDGES and Mr. TOBEY] are absent on official business.

The VICE PRESIDENT. A quorum is present.

FOREIGN AID APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

Mr. McKELLAR. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, may I make inquiry of the distinguished chairman of the Appropriations Committee and of the majority leader? If we proceed with the consideration of the foreign aid appropriation bill is it their intention that the Senate vote on committee amendments today, if we should come to the point where the Senate is ready to vote?

Mr. McKELLAR. I understand there will be objection to voting on some of the committee amendments today.

Mr. WHERRY. May I inquire of the distinguished majority leader if it is the intention to proceed with the consideration of the foreign aid appropriation bill now? In view of the fact that there are so many controversial amendments to the bill, there might possibly be an inclination to take up the independent offices appropriation bill rather than proceed with the foreign aid appropriation bill. I am not suggesting that the Senate do so. I wish to say that in the event the Senate comes to the point where it is ready to vote on the committee amendments, it is all right with me to do so. There will be plenty of speeches

to be made on the ECA bill generally, I suppose. I ask the distinguished majority leader if he does not agree with me that because of the controversial nature of some of the amendments they should not be voted on until Monday?

Mr. LUCAS. Mr. President, I understand a number of addresses are to be made on the foreign-aid appropriation bill. The distinguished Senator from Virginia [Mr. ROBERTSON] is now prepared to address the Senate. It is my understanding that the distinguished Senator from Oregon [Mr. MORSE] will probably spend some time discussing the Hawaiian situation. I may be wrong about that, but it is my understanding. Insofar as the Senator from Illinois is concerned, I am not anxious to have the Senate vote on the amendments unless we reach the point where Senators have concluded the speeches they wish to make and are ready to vote on the amendments.

In view of the fact that Senators are asking for Saturday sessions and asking for night sessions, I do not see how I could tell the Senate that we would not vote on any amendment, if we run out of other work in connection with the bill.

I do not agree that there is not going to be some debate on the independent offices appropriation bill. I do not believe it is advisable to set aside the pending bill and take up the independent offices appropriation bill, in view of the agreement entered into yesterday. That is my present feeling about the matter. I am sure the pending bill will be debated all day long, I will say to the Senator from Tennessee, and I hope we can at least get the general debate out of the way today so as to be in position to consider the amendments on Monday. I doubt very much whether we will arrive at the point in the debate today when we can take decisive action on any particular amendment. At the same time I would not want to say that we could not do so, because if addresses on the bill generally are concluded, debate might be had on the amendments to the point where we can vote. There will be some controversy respecting the first committee amendment. I understand it provides for an appropriation of $344,000 for the so-called watchdog committee of the ECA.

Mr. McKELLAR. That is correct.

Mr. LUCAS. No doubt there will be some debate on that amendment.

Mr. McKELLAR. Under the circumstances stated by the Senator from Illinois, I would have no objection at all to taking up the independent offices appropriation bill, because I do not think there will be much controversy respecting it.

Mr. LUCAS. May I ask who is the chairman of the subcommittee handling the independent offices appropriation bill? Is the Senator from Wyoming [Mr. O'MAHONEY] in charge of that bill?

Mr. McKELLAR. He is.

Mr. LUCAS. I spoke to him yesterday, and he advised me that he thought there would be a good deal of controversy over it, particularly because of the appropriation for the Atomic Energy Commission. That was the report he gave me yesterday.

Mr. ROBERTSON. Mr. President, I am seeking recognition to speak on the pending measure.

The VICE PRESIDENT. The Chair will wait until the preliminaries are over.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and resolutions and incorporate matters in the RECORD, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF TORT CLAIMS PAID BY DEPARTMENT OF AGRICULTURE

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of tort claims paid by that Department under the provisions of the Federal Tort Claims Act, for the period July 1, 1949, to June 30, 1949 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF TORT CLAIMS PAID BY CENTRAL INTELLIGENCE AGENCY

A letter from the Director of the Central Intelligence Agency, Washington, D. C., reporting, pursuant to law, on tort claims paid by that Agency under the provisions of the Federal Tort Claims Act, during the fiscal year 1949; to the Committee on the Judiciary.

RESEARCH LABORATORY BUILDING FOR NATIONAL BUREAU OF STANDARDS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the construction and equipment of a research laboratory building for the National Bureau of Standards, Department of Commerce (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT ON SURVEY OF ACCOUNTING SYSTEM AND INTERNAL CONTROL SYSTEM OF NATIONAL CAPITAL HOUSING AUTHORITY

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on survey of the accounting system and the system of internal control of the National Capital Housing Authority, for the fiscal years ended June 30, 1947 and 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT ON CONTRACTS NEGOTIATED FOR EXPERIMENTAL, DEPARTMENTAL, OR RESEARCH WORK BY COAST GUARD

A letter from the Commandant of the United States Coast Guard, transmitting, pursuant to law, a report on contracts negotiated for experimental, developmental, or research work, for the period January 1, 1949, to June 30, 1949 (with an accompanying report); to the Committee on Armed Services.

PETITIONS

Petitions were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Orlando Townsend Club, No. 2, of Orlando, Fla., favoring the enactment of the so-called Townsend plan to provide old-age assistance; to the Committee on Finance.

A resolution adopted by the Thirty-fifth Division Reunion Corp., of St. Louis, Mo., favoring inclusion of an amphitheater in the present concept of the Jefferson Expansion Memorial; to the Committee on Interior and Insular Affairs.

WORLD TRADE FAIR IN DETROIT—CONCURRENT RESOLUTION OF MICHIGAN LEGISLATURE

Mr. FERGUSON. Mr. President, I present for appropriate reference and printing in the RECORD, House Concurrent Resolution No. 63 of the Legislature of the State of Michigan, urging the President of the United States to place all needed facilities of the Federal Government at the service of an annual world trade fair in Detroit and requesting the Congress to take the necessary appropriate action to assist in the conduct of a world-trade fair in Detroit.

The concurrent resolution was referred to the Committee on Interstate and Foreign Commerce, and, under the rule, printed in the RECORD, as follows:

House Concurrent Resolution 63

Concurrent resolution urging the President of the United States to place all needed facilities of the Federal Government at the service of an annual world trade fair in Detroit and requesting the Congress to take the necessary appropriate action to assist in the conduct of a world trade fair in Detroit

Whereas the business leadership of Detroit has advanced plans for staging in 1950 the first world trade fair ever held in the United States and for maintaining it as an annual event of great importance to the trade of the world; and

Whereas Michigan is a major producer of many articles widely distributed in world trade, such as machine tools, automotive equipment, paints, pharmaceuticals, and other familiar commodities vital to the well-being of the world, and Detroit is the world's largest producer in dollar volume of industrial products going into world trade; and

Whereas an international trade fair in this country, modeled after the trade fairs that have been traditional in Europe for generations, could be expected to accelerate commerce between the United States and other countries and thus contribute materially to the prosperity and friendship of nations; and

Whereas the first world trade fair ever held on this continent, the Canadian International Trade Fair at Toronto, was a great success, bringing together 30,000 buyers and sellers from all parts of the world in May 1948, and has now become an annual event sponsored completely by the federal government of Canada; and

Whereas the management of the Canadian International Trade Fair enthusiastically supports the proposal for a similar event in the United States, knowing that buyers and sellers would more eagerly travel vast distances to participate in two great trade fairs on this continent than one; and

Whereas exhibitors and buyers at leading European trade fairs, in a survey just completed, have expressed eagerness to participate in a trade fair in the United States and have expressed favor for Detroit as its location; and

Whereas an official mission representing all the Marshall plan countries, which has just completed a tour of proposed sites for an international trade fair in the United States, was greatly impressed by the civic spirit of Detroit and Michigan and by the facilities for and possibilities of an international trade fair in Detroit; and

Whereas the Michigan State Fair grounds provide an ideal center for an international trade fair; and

Whereas the people of Michigan stand solidly together in sound efforts to develop the economy of their State and Nation and the world, and stand squarely behind the plans for an international trade fair in Detroit: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature urge upon the President of the United States that all needed facilities of the Federal Government be placed at the service of an annual world trade fair in Detroit and request the Congress to take whatever action may be appropriate to assist in the conduct of a world trade fair in Detroit and to assure its success and the achievement of its objectives; and be it further

Resolved, That the Governor of Michigan be requested to convey this resolution to the President of the United States; and be it further

Resolved, That a copy of this resolution be sent to each Michigan Member of the United States Senate and House of Representatives for such action as they find best in presenting it to the Congress.

Adopted by the house June 23, 1949.

Adopted by the senate June 23, 1949.

NORMAN C. PHILLES,
Clerk of the House of Representatives.

FRED I. CHASE,
Secretary of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAYBANK, from the Committee on Banking and Currency:

H. J. Res. 188. Joint resolution to provide for the coinage of a medal in recognition of the distinguished services of Vice President ALBEN W. BARKLEY; without amendment (Rept. No. 742).

By Mr. TYDINGS, from the Committee on Armed Services:

H. R. 5238. A bill to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes; without amendment.

By Mr. PEPPER, from the Committee on Labor and Public Welfare:

S. 672. A bill to amend part VIII of the Veterans Regulation No. 1 (a) so as to provide entitlement to educational benefits for those individuals who enlisted or reenlisted prior to October 6, 1945, on a same basis as for those individuals who enlisted or reenlisted within 1 year after October 6, 1945; without amendment (Rept. No. 743); and

S. 1387. A bill to provide for designation of the United States Veterans' Administration hospital to be constructed at West Haven, Conn., as the John D. Magrath Memorial Veterans' Hospital; with an amendment (Rept. No. 744).

By Mr. THOMAS of Oklahoma, from the Committee on Appropriations:

H. R. 4146. Making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes; with amendments (Rept. No. 745).

By Mr. CHAVEZ, from the Committee on Public Works:

S. Res. 136. Resolution calling on certain Government departments and agencies for reports on public-works projects for which funds are not available for construction; without amendment (Rept. No. 746).

By Mr. McCLELLAN, from the Committee on Public Works:

H. R. 2214. A bill to provide for the development, administration, and maintenance of the Suitland Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes; without amendment (Rept. No. 747).

AID TO REPUBLIC OF KOREA—REPORT OF A COMMITTEE

Mr. CONNALLY. Mr. President, from the Committee on Foreign Relations, I report an original bill providing aid to the Republic of Korea, and I submit a report (No. 748) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2319) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to the Republic of Korea, was read twice by its title and ordered to be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FERGUSON:

S. 2309. A bill for the relief of Oscar (Oszkar) Nemenyi, Marianna Nemenyi (wife), and Thomas John Nemenyi (son); and

S. 2310. A bill permitting suit to be brought on the claim of Loyola Chevalier against the United States; to the Committee on the Judiciary.

(Mr. MUNDT (for himself, Mr. FERGUSON, and Mr. JOHNSTON of South Carolina) introduced Senate bill 2311, to protect the United States against certain un-American and subversive activities, and for other purposes, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. CHAPMAN:

S. 2312. A bill to authorize the construction of levees, flood walls, and appurtenant works at Barbourville, Ky., for flood-control purposes; to the Committee on Public Works.

S. 2313. A bill to provide for the establishment of a fish-cultural station in the State of Kentucky; to the Committee on Interstate and Foreign Commerce.

By Mr. MORSE:

S. 2314. A bill to provide for holding a term of the United States District Court for the District of Oregon at Eugene; and

S. 2315. A bill for the relief of Janis Shimada; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 2316. A bill to authorize the construction and equipment of a guided missile research laboratory building for the National Bureau of Standards, Department of Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. HUMPHREY (for himself, Mr. AIKEN, Mr. KERR, Mr. CHAVEZ, Mr. KILGORE, Mr. DOWNEY, Mr. MAGNUSON, Mr. HILL, Mr. MCFARLAND, Mr. KEFAUVER, Mr. MORSE, Mr. MURRAY, Mr. NEELY, Mr. PEPPER, Mr. TAYLOR, Mr. THOMAS of Utah, and Mr. MCCARRAN):

S. 2317. A bill to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for school construction, for advance planning of school facilities, and for other purposes; to the Committee on Labor and Public Welfare.

(Mr. ROBERTSON (for himself and Mr. MAYBANK) introduced Senate bill 2318, to provide for control and regulation of bank holding companies, and for other purposes, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. CONNALLY, from the Committee on Foreign Relations, reported an original bill (S. 2319) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to the Republic of Korea, which was ordered to be placed on the calendar.)

(Mr. MCCARRAN (for himself, Mr. BUTLER, Mr. CAIN, Mr. DOWNEY, Mr. ECTON, Mr. GURNEY, Mr. HUNT, Mr. JOHNSON of Colorado, Mr. LANGER, Mr. MCFARLAND, Mr. MALONE, Mr. MILLER, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. TAYLOR, Mr. THOMAS of Oklahoma, Mr. THOMAS of Utah, and Mr. YOUNG) introduced Senate bill 2320, to assist in maintaining sound domestic mining industries for the production of certain strategic metals, which was referred to the Committee on Interior and Insular Affairs, and appears under a separate heading.)

PROTECTION AGAINST CERTAIN UN-AMERICAN AND SUBVERSIVE ACTIVITIES

Mr. MUNDT. Mr. President, on behalf of the Senator from Michigan [Mr. FERGUSON], the Senator from South Carolina [Mr. JOHNSTON], and myself, I introduce for appropriate reference a revised version of the subversive activities control legislation, and invite the attention of the Senate to the fact that this language was approved by a subcommittee of the Committee on the Judiciary, in a session this morning.

The bill (S. 2311) to protect the United States against certain un-American and subversive activities, and for other purposes, introduced by Mr. MUNDT (for himself, Mr. FERGUSON, and Mr. JOHNSTON of South Carolina), was read twice by its title, and referred to the Committee on the Judiciary.

Mr. FERGUSON. Mr. President, I should like to have the record show that I join in the introduction of the bill, not only in name, but in spirit. If it were possible for both the Senator from South Dakota and I to introduce the bill, we would do it in that way. We have combined what we thought were the best features in two bills, and we now have a bill which is approved by a subcommittee of the Committee on the Judiciary, as well as by the sponsors of the separate bills.

MAINTENANCE OF MINING INDUSTRIES FOR PRODUCTION OF STRATEGIC METALS

Mr. MCCARRAN. Mr. President, on behalf of myself, the Senator from Nebraska [Mr. BUTLER], the junior Senator from Washington [Mr. CAIN], the senior Senator from California [Mr. DOWNEY], the junior Senator from Montana [Mr. ECTON], the senior Senator from South Dakota [Mr. GURNEY], the Senator from Wyoming [Mr. HUNT], the Senator from Colorado [Mr. JOHNSON], the senior Senator from North Dakota [Mr. LANGER], the Senator from Arizona [Mr. MCFARLAND], the junior Senator from Nevada [Mr. MALONE], the junior Senator from Idaho [Mr. MILLER], the Senator from Oregon [Mr. MORSE], the junior Senator from South Dakota [Mr. MUNDT], the senior Senator from Montana [Mr. MURRAY], the senior Senator from Idaho [Mr. TAYLOR], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the junior Senator from North Dakota [Mr. YOUNG], the Senator from New Mexico [Mr. CHAVEZ], the junior Senator from California [Mr.

KNOWLAND], and the senior Senator from Washington [Mr. MAGNUSON], I introduce for appropriate reference a bill designed to assist in maintaining sound domestic mining industries for the production of certain strategic metals; and I ask unanimous consent that an explanatory statement of the bill by me be printed in the RECORD, and that the printing of the bill be deferred until Monday next in order that other Senators who so desire may join in its sponsorship.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the printing of the bill will be deferred until Monday next, and the statement presented by the Senator from Nevada will be printed in the RECORD.

The bill (S. 2320) to assist in maintaining sound domestic mining industries for the production of certain strategic metals, introduced by Mr. MCCARRAN (for himself and other Senators), was read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The statement presented by Mr. MCCARRAN is as follows:

STATEMENT BY SENATOR M'CARRAN

Four metals, manganese, tungsten, quicksilver, and antimony, were considered among those of most strategic importance immediately before and at the opening of World War II. These same metals were also considered of highest strategic importance in World War I. Very large amounts of money were expended in both wars in a frantic endeavor to develop domestic supplies of these metals. In the period after World War I the domestic mines of these metals were ignored, production declined and almost disappeared. Since the close of World War II, in spite of the recognized importance of maintaining a healthy nucleus of domestic production of these metals, the same neglect has followed. Since the close of the war, the decline has brought production of these metals within the continental United States almost to the vanishing point. Tungsten production has declined 94 percent; mercury production has declined 90 percent; antimony production has declined 100 percent; manganese production has dropped 50 percent.

If we are assured of peaceful relations with foreign nations for the next 20 years or so, this might be a matter of little importance and it might be quite satisfactory to depend entirely upon imports from overseas sources for all of these metals. If, on the other hand, we are not assured of a long-continued peace, and if the Navy's judgment in concentrating on antisubmarine defenses as set out in appropriation hearings is sound, then it is important that the Congress take steps promptly if the United States is to avoid complete dependence upon foreign sources.

Under our present Federal tax laws, it is impossible to encourage new investment in mining ventures so hazardous as these strategic metals. If the few remaining operators are forced into bankruptcy, there is almost no likelihood that new investors could be found to take their places.

Considerable time and effort has been spent in a search for the answer to this problem. A great many plans have been considered in the hope one might be found which could solve the problem in a fair way with the certainty of reaching the required objectives without the necessity of added bureaus. The objective was to find a means whereby a minimum healthy nucleus of mining operation and know-how could be maintained in each of the most strategic metals. This bill seems to meet all of these requirements and would automatically stimulate a minimum production. But when production increases, this plan gradually removes the stimulus for added production, although maintains the stimulus for continued exploration and development.

The bill can be simply explained by saying that the equivalent of present small tariff receipts on these metals be divided amongst domestic producers according to their production.

The effect of this bill on manganese would be to increase production from the present 10 percent to between 15 and 20 percent of consumption. The life of present manganese operations would be greatly prolonged. The plan would, in effect, bring to the producer of manganese a price of something between $1 and $1.20 per unit.

The effect of this plan on tungsten would be to return the tungsten industry from its present 8 percent of requirements to approximately 35 percent of requirements and would maintain the tungsten industry in this country for many years. The price of tungsten to the producer would be about $34 per unit.

The effect of this bill on quicksilver production would be to maintain domestic production at approximately one-third of domestic requirements and would make possible a price to the domestic producer of about $113 a flask.

The effect on antimony would be somewhat less satisfactory due to the Geneva tariff cut of a year ago (now largely a benefit to China). On a 1-cent per pound contained antimony basis, it is estimated that domestic production of 25 percent of requirements might be maintained if imports from Communist areas of China do not become excessive. If the tariff reduction were eliminated and the tariff restored to 2 cents, it is reasonably certain that 25 to 30 percent of domestic antimony requirements could be maintained in this country for a long time to come.

The most desirable features of this bill are the automatic features inherent in it. If imports from abroad are increased, the price in the domestic market will fall, but in that event more money becomes available to support the domestic producer in his competition with the cheap foreign labor or the richer deposits from abroad. If in the active mining of these metals within the United States new deposits of higher grade are discovered, the increase in domestic production reduces the payment per unit both by the increased production itself and the decreased imports. Thus, the stimulus for added production would be removed and the tendency would be to maintain those reserves for future need.

Another feature of this bill is its simplicity of administration. At the present time the economic and statistical division of the United States Bureau of Mines maintains accurate production figures on all of these metals. The various mines would continue to report their production and sales to the Bureau. The Bureau would certify each individual's sales figures to the Treasury Department. The Treasury Department would divide the domestic production into the tariff receipts or their equivalent and make payment to each producer in accordance with his production. In the ordinary routine check of income-tax returns now conducted by the Bureau of Internal Revenue production and sales figures could be checked against Treasury payments to the respective producers. No additional personnel would be required.

The question has been raised as to whether this plan would set a new precedent in general legislation. I believe that it would not since already 30 percent of tariff receipts are being utilized by the Department of Agriculture under section 32 of the 1935 Agricultural Adjustment Act.

While other plans have included sums of Government money running into large figures, it is estimated that under the operation of this bill the maximum amount of tariff receipts which might be diverted would probably not exceed $5,900,000 a year. This bill places the load upon foreign producers who must maintain a competitive industry within the United States boundaries and no matter how they might endeavor to destroy that industry (as the European quicksilver cartel recently has done) they could not be successful.

Of interest to the consumer is that this plan will not increase the cost of the strategic metals to domestic users. It will in fact tend to decrease prices to the consumer due to increased world production.

Almost every Western State, many of the Southern States, and some of the New England and Eastern States are sources of metals provided for in this bill.

INVESTIGATION OF FIELD OF LABOR-MANAGEMENT RELATIONS

Mr. MURRAY (for himself, Mr. THOMAS of Utah, Mr. PEPPER, Mr. HILL, Mr. AIKEN, Mr. MORSE, Mr. DOUGLAS, Mr. HUMPHREY, Mr. NEELY, and Mr. WITHERS) submitted the following resolution (S. Res. 140), which was referred to the Committee on Labor and Public Welfare:

Resolved, That the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized and directed to conduct a thorough study and investigation of the entire field of labor-management relations, including but not limited to—

(A) the means by which cooperation between employers and employees and stability of labor relations may be secured;

(B) the methods and procedures for best carrying out the collective bargaining processes;

(C) the administration and operation of existing Federal laws relating to labor relations; and

(D) such other problems and subjects in the field of labor-management relations as the committee deems appropriate. The committee shall report to the Senate not later than January 15, 1950, the results of its study and investigation, and such other recommendations from time to time as it may deem advisable, and shall make its final report under this resolution not later than December 31, 1950.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistance as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

HOUSE BILL REFERRED

The bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

INTERIOR DEPARTMENT APPROPRIATIONS—AMENDMENT

Mr. THYE submitted an amendment intended to be proposed by him to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF SECTION 3121 OF INTERNAL REVENUE CODE—AMENDMENT

Mr. MAGNUSON (for himself and Mr. KILGORE) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 3905) to amend section

3121 of the Internal Revenue Code, which was ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. MAYBANK submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: On page 90, between lines 21 and 22, insert the following:

"SEC. 629. (a) Insofar as practicable and to the maximum extent consistent with the accomplishment of the purposes for which funds are made available by this act, the Secretary of Defense is hereby directed to assist American small business in equitable participation in the furnishing of commodities and services financed with funds appropriated under this act by making available or causing to be made available to suppliers, and particularly to small-business enterprises, information, as far in advance as possible, with respect to purchases proposed to be made with funds appropriated under this act, and by otherwise helping to give small business an opportunity to participate in the furnishing of commodities and services financed with funds appropriated under this act.

"(b) In determining whether a business is a small-business enterprise, for the purpose of this section, the Secretary of Defense shall consider the relative size and position of the business in relation to the industry, the nature of its area of operation, the size of the group supplying capital and holding ownership and control, and the independence of its management; but no business shall be considered not to be a small-business enterprise for such purposes if it is a business enterprise or a group of business enterprises under common ownership or control, which is not dominant in its field and which (A) if a manufacturing enterprise, has 100 employees or less, or (B), if a wholesale establishment, has less than $500,000 annual net sales volume, or (C), if a retail, service, hotel, amusement, construction, or other enterprise not included under (A) or (B), has annual net sales or receipts of less than $100,000, or (D), if engaged in two or more separate types of businesses, does not exceed the maximum applicable under (A), (B), or (C) in the case of any of such businesses."

On page 90, line 22, strike out "Sec. 629." and insert in lieu thereof "Sec. 630."

Mr. MAYBANK also submitted an amendment intended to be proposed by him to House bill 4146, making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 3, line 23, after the sum, insert the following: "*Provided*, That, during the current fiscal year, whenever under authority of law, any function or activity is transferred or assigned from the Departments of the Army, Navy, or Air Force to an agency for which funds are provided under this appropriation, such amounts as may be approved by the Director of the Bureau of the budget may be transferred to this appropriation from the current appropriation or appropriations available to those Departments for the function or activity so transferred."

Mr. THOMAS of Oklahoma. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 14, line 16, after the word "products," insert the following: "*Provided further*, That no part of this or any other appropriation contained in this act shall be available for the procurement of any article of food or clothing not grown or produced in the United States or its possessions, except to the extent that the Secretary of the Army shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing grown or produced in the United States or its possessions cannot be produced as and when needed at United States market prices and without unduly increasing future United States market prices and except procurements by vessels in foreign waters and emergency procurements or procurements of highly perishable foods by establishments located outside the continental United States, except the Territories of Hawaii and Alaska, for the personnel attached thereto: *Provided further*, That, notwithstanding the provisions of the foregoing proviso, the Secretary of the Army is authorized to purchase from the Commodity Credit Corporation any meat owned and stored by such corporation on the date of enactment of this act which the Secretary determines to be of a satisfactory quality for the use of the Military Establishment, or for civilian feeding in occupied areas."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill, H. R. 4146, making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 19, line 7, after the word "*Provided*", insert the following: "That $32,000,000 of the unexpended balance of the appropriation 'Transportation service, Army, 1949', shall remain available until June 30, 1950, and shall be merged with the appropriation 'transportation service, Army', made by this act: *Provided further*."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill, H. R. 4146, making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 19, line 18, after the word "procured", insert the following: ": *Provided further*, That vessels under the jurisdiction of the Maritime Commission, the Department of the Army, or the Department of the Navy may be transferred or otherwise made available without reimbursement to any of such agencies upon the request of the head of one agency and the approval of the agency having jurisdiction of the vessels concerned."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill, H. R. 4146, making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 55, line 9, after the sum, insert the following: ", and the compensation of the employee in charge of the Naval Academy Section shall be as to base in accordance with the rates applying to grade 14 of the clerical, administrative, and fiscal services so long as the position is held by the present incumbent."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 70, line 11, after the sum, insert the following: "and, in addition, not to exceed $50,000,000 of the appropriations for the Department of the Air Force made by this act may, in the discretion of the Secretary of Defense, be transferred to and merged with this appropriation, to be available until expended for the foregoing purposes, or in lieu of any part thereof, contract authorizations contained in such appropriations may be utilized for the purpose hereof."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military

functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 94, after line 4, insert a new section, as follows:

"SEC. 629. (a) Appropriations for the agencies of the National Military Establishment for the current fiscal year, available for pay and allowances of military personnel, shall be available for transfer, in the discretion of the Secretary of Defense, to appropriations available for the employment of civilian physicians, dentists, and nurses, for the employment of such additional civilian physicians, dentists, and nurses as may be required for the direct care and treatment of patients: *Provided*, That the total number of civilian and military physicians, dentists, and nurses shall not exceed the respective legal authorizations for military personnel in these categories, based on military strengths for which funds are appropriated to the Departments of the Army, Navy, and Air Force for the current fiscal year.

"(b) Any civilian physician, dentist, or nurse employed by the Department of the Army, the Department of the Navy, or the Department of the Air Force during the current fiscal year shall be appointed in accordance with civil-service laws and rules but without regard to the Classification Act of 1923, as amended, or the provisions of section 607 (g) of the Federal Employees' Pay Act of 1945, as amended. Any such civilian physician, dentist, or nurse shall be appointed in one of the grades established by section 7 (a) of the act entitled "An act to establish a Department of Medicine and Surgery in the Veterans' Administration," approved January 3, 1946, and the compensation of any person so appointed shall be determined in accordance with the rates of compensation for such grade established by such section. The determination of the grade in which any such person shall be appointed initially, and any promotion of any such person from grade to grade or within grade, shall be made by the appointing or promoting authority in accordance with the regulations applicable to persons appointed or promoted in the Department of Medicine and Surgery in the Veterans' Administration; except that any nurse initially appointed pursuant to the provisions of this section shall be appointed only in the associate or junior grades established for the nursing service by section 7 (a) of such act of January 3, 1946. No person appointed pursuant to the provisions of this section shall be entitled to receive the allowance for being rated as a medical or surgical specialist provided for by section 8 (d) of such act of January 3, 1946."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 94, after line 4, insert a new section as follows:

"SEC. 630. No part of the appropriations made in this act shall be available for contracts with any person, firm, or corporation to make or cause to be made with a stop watch or other time-measuring device a time study of any job of any employee; no part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person or persons having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and no moneys herein appropriated for the Naval Establishment or made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government naval shipyards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government, except when the repair, purchase, or acquirement, by or from any private contractor, would, in the opinion of the Secretary, be advantageous to the national defense."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 94, after line 4, insert a new section as follows:

"SEC. 631. No part of any appropriation contained in this act shall be used directly or indirectly, except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the Republic of Panama: *Provided, however*, (1) That, notwithstanding the provision in the act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned positions to citizens of the United States from and after the date of approval of said act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this act shall prohibit the continued employment of any person who shall have rendered 15 or more years of faithful and honorable service on the Canal Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions, the controlling factors in filling these positions shall be efficiency, experience, training, and education; (5) that all citizens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this act (a) shall normally be employed not more than 40 hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 percent; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: *Provided further*, That the President may suspend from time to time in whole or in part compliance with this section in time of war or national emergency if he should deem such course to be in the public interest."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 94, after line 4, insert a new section, as follows:

"SEC. 632. The powers and duties vested in the Secretaries of the Army and the Navy with respect to civil-service employees of their departments by section 3 of the act of December 17, 1942 (56 Stat. 1053), shall, during the current fiscal year, be vested also in the Secretary of Defense with respect to civil-service employees of all agencies of the National Military Establishment other than the Department of the Army, Navy, and Air Force, and in the Secretary of the Air Force with respect to civil-service employees of the Department of the Air Force. The provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), shall not apply to any civil-service employees with regard to whom the powers granted in this section are exercised: *Provided*, That nothing in this section shall repeal or modify any existing powers and duties of the Secretary of Defense, the Secretary of the Navy, the Secretary of the Army, or the Secretary of the Air Force under section 3 of the act of December 17, 1942 (56 Stat. 1053)."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 99, strike out lines 19 to 23, inclusive, and on page 100, strike out lines 1 to 5, inclusive, and insert in lieu thereof the following:

"SEC. 701. Amounts available from appropriations and other funds, and contract authority, are hereby reduced in the sums hereinafter set forth, such sums (except contract authority) to be carried to the surplus fund and covered into the Treasury immediately

upon the approval of this act, except as otherwise indicated:

"DEPARTMENT OF THE NAVY

"Repair facilities, Navy, $21,448,439;

"Naval procurement fund, $150,000,000 to be derived from amounts advanced to such fund for the purpose of settlement of war contracts under the Contract Settlement Act of 1944.

"TREASURY DEPARTMENT

"Strategic and critical materials (unfinanced contract authority), $275,000,000. (Second Deficiency Appropriation Act, 1949; Treasury and Post Office Departments Appropriation Act, 1950)."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 100, after line 5, insert a new section as follows:

"SEC. 702. The aggregate amount appropriated by the various appropriation items contained in titles II, III, IV, and V of this act is hereby reduced by $433,968,611. The Secretary of Defense is authorized and directed to determine and to certify to the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Committees on Appropriations of the Senate and the House of Representatives, on or before January 1, 1950, which of such appropriation items shall be reduced and the amount that each shall be reduced in order to effectuate such reduction of $433,968,611. Each appropriation item specified by the Secretary of Defense in his certification is hereby reduced by the amount of reduction specified by him with respect to such item in such certification; and the Secretary of the Treasury is authorized and directed to make the necessary entries on the books of the Treasury to reflect such reductions. In determining which appropriation items shall be reduced under the authority of this section and the amount of reduction in any such item, the Secretary of Defense shall be guided solely by the consideration that the aggregate amount appropriated to the National Military Establishment by this Act should be available for expenditure for such purposes as will afford the utmost national security which can be obtained by the expenditure of such amount."

Mr. THOMAS of Oklahoma also submitted 12 amendments intended to be proposed by him to House bill 4146, making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, which were ordered to lie on the table and to be printed.

(For texts of amendments referred to, see the foregoing notices.)

ADDRESS BY SENATOR McGRATH AT JEFFERSON-JACKSON DINNER, PENSACOLA, FLA.

[Mr. PEPPER asked and obtained leave to have printed in the RECORD the address delivered by Senator MCGRATH at a Jefferson-Jackson Day dinner on July 16, 1949, at Pensacola, Fla., which appears in the Appendix.]

MESSAGE BY SENATOR IVES TO FIRST ANNUAL CONFERENCE ON AMERICAN FOREIGN POLICY

[Mr. IVES asked and obtained leave to have printed in the RECORD a message prepared by him to the first annual conference on American foreign policy, at Colgate University, Hamilton, N. Y., July 22-28, 1949, which appears in the Appendix.]

HAPPENINGS IN WASHINGTON—RADIO BROADCASTS BY SENATOR MARTIN

[Mr. MARTIN asked and obtained leave to have printed in the RECORD three radio broadcasts by himself, entitled "Happenings in Washington," which appear in the Appendix.]

OUR FLAG—POEM BY DR. JAMES A. REESE

[Mr. MARTIN asked and obtained leave to have printed in the RECORD a poem entitled "Our Flag," written by Dr. James A. Reese, of Waynesburg, Pa., which appears in the Appendix.]

THE BRANNAN FARM PROGRAM—DEBATE BETWEEN SENATOR WILLIAMS AND REPRESENTATIVE FLOOD, OF PENNSYLVANIA

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD a statement made by him during a radio debate on July 10, 1949, with Representative FLOOD, of Pennsylvania, on the question "Should Congress Adopt the Brannan Farm Program?" which appears in the Appendix.]

USE OF ECONOMIC REPORT FOR CAMPAIGN PURPOSES—ARTICLE BY DAVID LAWRENCE

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article entitled "Truman Seen Using Economic Report as Campaign Speech," written by David Lawrence and published in the Washington Evening Star of July 14, 1949, which appears in the Appendix.]

SUIT AGAINST THE DU PONT CO.—STATEMENT BY MERWIN K. HART

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD a statement entitled "It's a Crime To Be Successful," written by Merwin K. Hart, president of the National Economic Council, which appears in the Appendix.]

HITLER'S HEIRS—EDITORIAL FROM WALL STREET JOURNAL

[Mr. EASTLAND asked and obtained leave to have printed in the RECORD an editorial entitled "Hitler's Heirs," published in the Wall Street Journal of July 21, 1949, which appears in the Appendix.]

TRIBUTE TO A. F. WHITNEY, LATE PRESIDENT, BROTHERHOOD OF RAILWAY TRAINMEN

[Mr. MORSE asked and obtained leave to have printed in the RECORD an editorial from the Cleveland News of July 18, 1949, paying tribute to the memory of A. F. Whitney, late president of the Brotherhood of Railway Trainmen, which appears in the Appendix.]

BASIC POWER POLICY FOR THE NORTHWEST—EDITORIAL FROM THE OREGONIAN

[Mr. MORSE asked and obtained leave to have printed in the RECORD an editorial entitled "The Basic Power Issue" from the Oregonian of June 21, 1949, which appears in the Appendix.]

COMMITTEES MEETING DURING SENATE SESSION

On request of Mr. LUCAS the Committee on Labor and Public Welfare was authorized to hold a session this afternoon during the session of the Senate.

On request of Mr. MAYBANK the subcommittee of the Committee on Banking and Currency which has scheduled hearings for next week was authorized to hold the hearings during the afternoons.

LEAVE OF ABSENCE

Mr. DONNELL asked and obtained consent to be absent from the Senate from this time until the beginning of the session on Monday next.

FEDERAL POWER COMMISSION—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including comments from the Federal Power Commission upon the Hoover Commission recommendations as they affect that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator MCCLELLAN today released a report, consisting of 34 pages, from the Federal Power Commission which commented in detail upon Hoover Commission recommendations in its reports on regulatory commissions and the Department of the Interior which would affect that agency.

The Federal Power Commission took particular exception to what it terms the "tendency to regard the independent regulatory agencies as essentially a part of the executive establishment, and, therefore, to bring their activities and functions more directly under the control of the Executive," in the Hoover Commission reports, and states that it is not in accord with this view because it is based upon an erroneous conception of the fundamental nature of regulatory commissions. The report goes into considerable legislative and administrative history to support this position, contending that:

"As originally conceived the independent regulatory agencies of this country have been regarded as creatures of the legislative branch, established to perform such specific regulatory functions as have been delegated by the legislature to them as a commission (i. e., a quorum of commissioners in meeting assembled), free from outside direction or control. In fact they were created to perform certain public functions, such as the fixing of rates, which had formerly been dealt with directly by the legislature itself, and in so doing to perform the judicial function of weighing and deciding between the contentions of adverse parties. This concept of the regulatory commission as an independent agency is consonant with the constitutional theory of the separation of powers among the legislative, executive, and judicial branches of the Government. Its basic soundness is apparently recognized by the Commission on Organization in its declaration that the independent regulatory commissions as originally conceived have a proper place in the machinery of our Government."

The Federal Power Commission concentrates its opposition to the proposal (recommendation 8 in the report on the Department

of the Interior and task force report on regulatory commissions), that the power planning functions of the Commission be transferred to the Department of the Interior. In summarizing its dissent from this recommendation, the Chairman states:

"From a consideration of these various suggestions and recommendations it appears that, on the one hand, the Federal Power Commission would be divested of its power-planning functions, while, on the other hand, it would continue in a position to advise and make recommendations with respect to power installations at new Federal projects. We are, therefore, not entirely clear as to just what is recommended, and we are in considerable doubt as to whether these somewhat contradictory suggestions are based upon any adequate understanding of the power-planning functions of this Commission and their relationship to its work as a whole."

The Chairman submits clarifying statements relative to basic objectives of the Federal Water & Power Act and the Commission's functions, commenting specifically relative to advisory functions performed for the Corps of Engineers and the Bureau of Reclamation, which he contends do not constitute an overlapping or duplication of effort. In concluding his comment on this recommendation, the Chairman states:

"Were these power-planning functions to be taken away from the Federal Power Commission it would be impossible for the Commission adequately to perform its statutory function with respect to licensing. It would place the Commission in the position of having to make necessary findings based upon determinations by another agency responsible for the construction of Federal projects. This would be tantamount to divesting the Commission of its licensing function and would make the Department of the Interior (or any other agency to which this power-planning function were transferred) the real licensing agency. * * *

"We believe that, if the Commission on Organization had adequately understood the interrelationship of the power-planning functions' of this Commission with its licensing responsibilities and other regulatory duties, it would not have recommended that these functions be shorn away, leaving the Commission ill equipped to carry out its regulatory duties under the Federal Power Act. Likewise, we are of the opinion that, if that Commission had fully realized the value of the advisory services in this field, by an extremely small segment of our staff, to other agencies of the Federal Government—which those agencies themselves have repeatedly recognized—it would have adopted the view of its task force that 'the disinterested advice of a nonoperating agency should be exceedingly worth while.'"

Presenting its views on other specific proposals in the Report on Regulatory Commissions, the Commission disagrees with the recommendation No. 1 that all administrative responsibility be vested in the Chairman. It also disagrees with the task-force recommendation that the Chairman be designated by the President to serve at his pleasure. The Commission feels that the activation of these two proposals as regards the Federal Power Commission would subordinate the other four members of the Commission to the Chairman, and so expresses itself, as follows:

"Since its reorganization as an independent agency in 1930, the Federal Power Commission has operated on the basis established by statute that its five members are of equal and coordinate responsibility in the determination of its policies and the administration of its activities. The Chairman serves merely, as is likewise provided by statute, as its 'principal executive officer,' performing only such administrative and housekeeping functions as may from time to time be delegated to him by the Commission as a whole.

"The Commission is of the opinion that this form of organization and its own selection of its Chairman are preferable to the type of organization embodied in the foregoing recommendations. It is our further opinion that, if the recommendations of the Commission and its task force were put into effect, the four other members would be subordinated to the Chairman and that he would exercise dominant authority in respect to policy matters which, in conjunction with the recommended right to deploy the work force, as set forth in the report at page 6, would as a practical matter enable him to exercise undue control over the activities of the Commission.

"It is the view of the Commission that it would not function as well under such an arrangement as at present. This centralization of administrative responsibility combined with the designation of the Chairman by the President, would, it is believed, effect a change in the status of the Federal Power Commission as an independent agency."

With regard to recommendation No. 2, that the law be changed in order that members of the Securities and Exchange Commission, Federal Power Commission, and the Federal Communications Commission be removable only for cause, the Power Commission takes the view that this recommendation is inappropriate. Its basis for this position is that it does not believe that Power Commissioners "would be removed, and gravely doubts that they can be removed, except for cause."

The Power Commission concurs with the Hoover Commission's recommendation No. 3, that the statutes be amended to provide that a Commissioner, upon the expiration of his term, continue to hold office until a successor has been appointed and qualified, subject to the general statutes on "hold-over" appointments.

The Commission also concurs in recommendations Nos. 4 and 5, providing for salary increases for Commissioners, Board and staff members. The Commission does not feel that it requires additional legislation to permit it to delegate routine, preliminary, and less important work to members of the staff under its supervision as proposed in recommendation No. 6.

It agrees with recommendation No. 7 that the Administrative Management Division of the Office of the Budget, with the aid of carefully selected legal consultants, suggest ways and means to improve and thereby reduce the cost of disposing of business before administrative agencies, but feels that such suggestions should be advisory only and not binding upon the Commission.

The Power Commission also approves of recommendation No. 12, to the effect that the rule of bipartisan representation be extended to all Commissions, but states that it does not apply to this Commission inasmuch as it is already by statute a bipartisan body.

The Power Commission takes exception to certain sections of the Department of the Interior report, wherein it is recommended that investigation into natural gas resources be transferred from the Federal Power Commission to the Department of the Interior. The Power Commission notes that "neither this recommendation nor the reason behind it is explained in the report and no such recommendation is contained in the section of the report on regulatory agencies which deals with the Power Commission. The Commission believes this recommendation is based upon a misconception of the nature and purpose of its work in this field."

The Federal Power Commission also takes partial exception to recommendation No. 2 in the report on general management of the executive branch, providing that statutory authority over the operating departments should not be vested in any staff members or staff agencies of the President's Office, pointing out that great care "should be exercised lest any staff agency, such as the Office of the Budget, be permitted to assume responsibilities and perform functions properly belonging to an operating agency whose head is directly accountable to the President," and should exist only as indicated by the Hoover Commission to give the President the greatest possible information on the activities of the Government as a whole.

The Commission expresses serious doubt regarding recommendation No. 11 of this report, feeling "that the Chairman of the Civil Service Commission should not be called upon to perform also an equally important function as head of the Office of Personnel on the President's staff. The magnitude of each task is in itself so great that no one person could be expected properly to perform both in a truly satisfactory fashion."

In regard to the report on personnel management (recommendation 2–a) relative to the placing of primary responsibility for recruiting and examining Federal employees on the departments and agencies, the Commission points out that unless some consideration is given to reasonable economy, "adoption of this recommendation might well lead, in some instances, to an increase in the staff of personnel offices, which is criticized elsewhere in the report."

In regard to recommendation No. 23–a of this same report, the FPC is of the opinion that "existing reduction in force regulations should be changed," but seriously doubts "that the Commission's recommendations, if adopted, would lead to any marked degree of improvement," and suggests that the problem be subject to "further intensive and extensive study with the end in view of providing the most workable, equitable, and most easily understood system which can be devised."

The Commission also takes exception to Recommendation No. 23–c of the same report relative to career employees, contending that special consideration for such employees as recommended by the Commission is neither necessary nor desirable, and points out that should the Commission's suggestion that Federal agencies provide up to 3 months continuance in pay status of those affected by reduction in force would have a devastating effect upon the execution of the budget of the department or agency involved. The Commission winds up its comments on this report by suggesting that the needs and problems of the smaller agencies be recognized and given an opportunity to participate in planning and developing revisions in the personnel program.

The Federal Power Commission concurs generally in the recommendations contained in the report on the Office of General Services, commenting that a relatively small staff of experts in the procurement and related fields could soon formulate an overall procurement policy which would materially reduce the cost of procurement and related functions and reduce excessive inventories. * * * Effective programs for the preservation, management, and disposal of Government records must be carried forward on a policy level for all agencies. * * * It is believed that greater efficiency and economy in supply and its related functions would result from adoption of these recommendations.

In commenting on the operation and maintenance of public buildings, the FPC stressed the need for a closer coordination of space allocation and building maintenance but expressed the opinion that in order to carry out successfully any such systems to a point of operating efficiency, there must be in each agency a small management analysis group which can operate in close liaison with the offices under the Administrator of General Services, and which is responsible for adapting the general programs to the work of their respective agencies.

In its comments relative to the report on budgeting and accounting, the Commission strongly supports a performance budget as recommended by the Hoover Commission, but warns that it may be well to temper enthusiasm and eagerness to make the change from the present system with considerable caution. The transition will be neither easy nor simple. Nor can it be done on a piecemeal basis, if what we consider the desired results are to be achieved.

In regard to recommendation No. 4 (that the President's authority to curtail expenditures be clarified or established), while concurring, the FPC feels that it is necessary that each exercise of such authority should be accompanied by notification and support thereof to the Congress in order that no agency may be placed in the middle by having been given funds by Congress to accomplish a specific program and then being unable completely to do so because of withdrawal of funds by the Chief Executive.

In connection with recommendation No. 7, that the Bureau of the Budget should place greater emphasis on budget preparation and on management research, the Commission indicates that it believes this function should be approached with caution, stating that "we believe that in this field there should be a clear delineation and delimitation of the Bureau's authority and responsibility in order that the authority, concepts, and prerogatives of department and agency heads may not be unduly transgressed."

The Commission takes exception to recommendations Nos. 8 and 9, that the President be given, and delegate to the Bureau of the Budget, authority to supervise all publications and effect improvements in statistical activities, stating that "As an independent agency, concerned with specialized publications and statistical services under a congressional mandate, we do not concur in these two recommendations."

The Commission, in commenting on recommendation No. 10, regarding the establishment of an Accountant General, states that "It is our view that department heads, being responsible to the Chief Executive for program execution, should not be hampered by the rulings, before the fact, of the Comptroller General, an official beyond the control of the President," and states that "since the minority report of Commissioner Rowe would accomplish what we regard as the most desirable ends, we endorse his views rather than the majority recommendation."

In regard to recommendation No. 13, that Congress continue study of the question of fidelity insurance for the accountable officers of the Government, the Commission states "Certainly those employees who are required to undertake the heavy responsibiltiy of accountability for public funds, and frequently, as in the case of many authorized certifying officers, in relatively low-paid positions, should not be required to meet bonding costs with their own funds. To this extent we disagree with the Commission's textual discussion. However, the establishment of a fidelity insurance fund in the Treasury would appear to be desirable in view of the record of premiums paid versus recoveries thus far."

The full text of the report from the Federal Power Commission is available at the office of the committee, Room 357, Senate Office Building.

SELECTIVE SERVICE SYSTEM—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including comments from the Director of the Selective Service System on the Hoover Commission recommendations with respect to that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Emphatic opposition is expressed by Maj. Gen. Lewis B. Hershey, Director of the Selective Service System, to the Hoover Commission's recommendation to transfer the System to the Department of Labor, in a letter to Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, which was made public today.

Stressing the independent status of the Selective Service System, which General Hershey points out was perpetuated in the Selective Service Act of 1948, the Director declares that the proposed transfer (recommendation No. 4 of Hoover Commission Report on the Department of Labor) appears to be in direct violation of the policy of the Commission to recommend grouping according to the main purpose of the agency." He continues, referring to the basic purpose of the Department of Labor and the Selective Service System, as follows:

"There is direct and uncompromising conflict between the obligation on the one hand 'to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment' and, at the same time, to insure that 'the obligations and privileges of serving in the armed forces and the Reserve components thereof should be shared generally, in accordance with a system of selection which is fair and just.' The judge of an issue cannot be the advocate of one of the contestants."

General Hershey premises his objections to the transfer with a detailed history of the Selective Service System and a description of its organization and functions—emphasizing throughout that "the Selective Service System is civilian in character."

Tracing the history of the civilian draft in the United States back to 1861, he states that in the Civil War it was found that a centralized agency attempting by military means to enforce compulsory selection of men failed to provide any substantial numbers of men and caused a great amount of internal disturbance. This experience was so unfavorable as to cause all future planners to seek to avoid its recurrence.

He points out that the independent organization has been most successful in two wars in providing sufficient and suitable men at the required time to the armed forces while at the same time leaving the civilian pursuits sufficient manpower to insure the production of the greatest and finest array of munitions of war that any nation has ever furnished its fighters. While providing men for the armed forces and workers for the production of munitions, sufficient labor was left on the farms to produce quantities of food never before equaled in the history of the Nation.

Pointing out that despite the heavy demands for manpower during the war emergency, local, State, and National Governments, the school systems, communications, and the health of the Nation still found sufficient personnel available to continue minimum requirements, General Hershey contends that no other system of manpower procurement in the United States has been comparable with this one in the history of the procurement of personnel for the various users of manpower in an emergency.

General Hershey takes recognition of the fact that the Department of Labor has been, in the Hoover Commission's words, "denuded" of its functions, but states: "This fact taken wholly by itself is a very strong argument against the transfer of any agency to it." He adds that one of the reasons advanced for the transfers recommended by the Commission seems to be past actions similar to the one recommended, namely, the building of the organization to some desired size without regard to any similarity of function of its part. He continues, in part:

"The Commission has stated that the Department of Labor should be given more essential work if it is to maintain a significance comparable to the other great executive departments. It should be pointed out that there is no evidence given that the welfare of the country is served by having this Department the size of any other executive department. But even more pertinent is the ever-present fact of the reason for the formation of the Department of Labor and the continuing reason for its existence. Its responsibility, given by Congress, to guard the welfare of a segment of our population, precludes it from assuming responsibilities which involve the welfare of other competing segments of our population. This has been the basic cause for the denuding of this Department of responsibilities which require it to administer controversies which occur between a group for which it is definitely responsible and one for which it has no special responsibility. Until the responsibilities of the Department are changed, and until there is a stability in the Government's policies toward the relationship of wage earners, employers, and public, it is unwise to build by transfer an executive department with conflicting and controversial responsibilities.

"The Commission, in its report in reference to the transfer of the Bureau of Employees' Compensation, Employees' Compensation Appeals Board, Bureau of Employment Security, Selective Service System, including the appeal board's enforcement of labor standards in Government contracts, determination of minimum wages for seamen, prevailing wage research, and Division of Industrial Hygiene, said: 'There are cogent reasons why these agencies and functions should be transferred to the Department of Labor. They are more nearly related to the problems of labor than those with which they are now associated, * * *.' I offer no comment on this statement as it applies to all other agencies except the Selective Service System. Certainly for the Selective Service System this statement does not apply. In its independent status the Selective Service System has positive and definitely related responsibilities. It would inevitably enter an area of indefiniteness and confusion if transferred to a department of less homogeneous functions."

The Selective Service Director contends that no facts are presented to support the Hoover Commission statement that the President cannot give over-all supervision to the System and that such statement is contrary to my experience, which covers the entire life of the Selective Service System.

Commenting upon possible bias by a user of manpower, should the System be transferred to a specific agency, General Hershey believes that the comment of the Commission on the inadvisability of placing the Selective Service System under the Secretary of Defense is sound so far as bias by one of the users of manpower is concerned. He declares, however, that if there is to be bias in operation of the System it would be preferable to have that bias on the part of the agency directly responsible for survival than upon any user of manpower for purposes collateral or even not connected with survival, adding, I cannot understand by what logic the Commission could use bias as a reason for not recommending a transfer to the National Military Establishment and completely

ignore the fact that the Department of Labor is biased by the terms of the act creating it. In stressing this point, he states:

"The statement that 'the effect of conscription on the labor force must receive the continual examination which can be provided by the Labor Department' is an accurate statement. It is not a reason for transferring the Selective Service System to the Department of Labor. It is one of the facts which precludes this transfer. As the agency which Congress has given the responsibility for the betterment of the welfare of the wage earner it has an obligation to examine continually the effect of the operation of selective service on the labor force insofar as it affects wage earners. The exercise of that responsibility for the benefit of one class of citizens cannot be a part of a process of selection of men for military and all other purposes which is fair and just. • • •

"It has been noted by Mr. Taylor (task-force consultant to the Hoover Commission) that, at the time the Department of Labor was created by Congress, the wage earners of the United States were largely unorganized. He further notes that at the present time the purposes of the Department of Labor are substantially the same as the general purposes of the labor unions. This situation, he notes, is responsible for the fact that the Department of Labor is looked upon by the citizenry in general as the advocate of organized labor in government. To complicate the matter even more, national policy in the field of labor relations is in a continuing state of development and one which of necessity must remain a subject of political controversy. This fact has resulted in the establishment of other agencies to deal objectively with disputes between wage earners and employers."

In conclusion, the Selective Service Director warns that "the selection of men for service is too serious a problem for experimentation. An agency which selects men for battle and which has and can function with outstanding success should not be changed to conform to some untried theory of organization."

The full text of General Hershey's letter follows:

NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
Washington, D. C., July 18, 1949.

The Honorable JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, The United States Senate.

DEAR MR. CHAIRMAN: Your letter of May 23, 1949, to the Director of the Selective Service System, requested a report on the recommendations of the Commission on Organization of the Executive Branch of the Government regarding the Selective Service System.

The recommendation which specifically affects the Selective Service System is recommendation No. 4 of the report of the Commission to the Congress, March 1949, entitled Department of Labor, reading as follows:

"We recommend that the Selective Service System be placed under the Secretary of Labor."

I oppose this recommendation for reasons which I shall discuss in some detail.

In considering the recommendation of the Commission which would transfer the Selective Service System to the Department of Labor, I shall outline the congressional purposes for which the Selective Service System and the Department of Labor were brought into existence. Following this, some inquiry will be made into the nature of the functions and the organization of the Selective Service System and the Department of Labor. Consideration will then be given to the reasons advanced for transfer of the Selective Service System to the Department of Labor and the reasons which would indicate such a course to be unwise.

The purpose of the Selective Service System is found in section 1 (b) of the Selective Service Act of 1948. "The Congress hereby declares that an adequate armed strength must be achieved and maintained to insure the security of this Nation." In subsection (c) of the same section, the fundamental principles which must ever govern the operation of any selective-service system are enunciated in these words: "The Congress further declares that in a free society the obligations and privileges of serving in the armed forces and the Reserve components thereof should be shared generally, in accordance with a system of selection which is fair and just, and which is consistent with the maintenance of an effective national economy."

The purpose of the Department of Labor, set forth in the act of March 4, 1913, creating it as a Department, "shall be to foster, promote, and develop the welfare of wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment."

The nature of the Selective Service System will be discussed under three headings, first, "Historically"; second, "Organizationally"; and third, "Functionally."

During World War I, the Selective Service System functioned under the War Department. In the planning which followed World War I, it was determined that because the War Department was only one of the several users of manpower, any future selective-service system should function as independent of the Military Establishment. By virtue of the provisions of the Selective Training and Service Act of 1940, the Selective Service System was established in September 1940, as an independent agency, which permitted it to operate free from the undue influence of any user of manpower.

During World War II, by Executive order, dated December 5, 1942, the Selective Service System was placed under the War Manpower Commission. The War Manpower Commission, while not a user of men, was principally interested in production and thus was an advocate of deferment. This experience, after 1 year, caused the Congress to restore the Selective Service System, on December 5, 1943, to its independent status, and provide by law that this status could not again be lost by Executive order.

Thus, historically, the Selective Service System became independent because it was found unwise to have its actions unduly influenced by any agency which had a specific interest in the Nation's manpower. This independent status was perpetuated in the Selective Service Act of 1948.

The Selective Service System is civilian in character. In the war of 1861 to 1865, it was found that a centralized agency attempting by military means to enforce compulsory selection of men failed to provide any substantial numbers of men and caused a great amount of internal disturbance. This experience was so unfavorable as to cause all future planners to seek to avoid its recurrence. This experience not only demonstrated the necessity of a civilian organization, but indicated, as well, the necessity of a completely decentralized operation where the communities, through their own representatives, could apply the law, the regulations, and the principles of a fair and impartial distribution of manpower between the armed forces and the civilian economy.

The Selective Service System is unusual among Government agencies because of the fact that it is so completely decentralized and that power is vested by Congress in the local board on the community level, where basic decisions of selection are made entirely by unpaid personnel. The local boards are unquestionably the most significant factor in the operation of the Selective Service System. Their historical position has been established by successful operation in two world wars and in the present peacetime operation. The experience of World War II showed the necessity of maintaining the Selective Service System as an organization in which a very great number of citizens served without compensation. This can be accomplished only by a distinct feeling of responsibility for operation on the part of the members of the communities throughout the Nation. The tremendous task which these unpaid local board members carried out in World War II indicates that there is no reason for the use of untried agencies in the procurement of personnel in time of any future mobilization.

The Selective Service System in World War I, to some degree, and particularly in World War II, had the responsibility of dividing manpower among the many users. It was this fact which was to a large degree responsible for the plans which were made between World War I and World War II which removed the Selective Service System from the War Department and established it as an independent agency directly under the President. It was felt that in no other way could it retain the independence of judgment and objectivity of viewpoint so necessary to an agency responsible continually for the making of decisions each one of which affects not only the quantity but the quality of the manpower provided for the several users of manpower.

It was to restore this detached viewpoint and independence of action which prompted the Congress to remove the Selective Service System from the War Manpower Commission in 1943. Experience with the allocation of manpower is not unlike a decision in any other controversy, and it is an unvarying rule that it is not safe to let one of the parties to an action be responsible for decisions which adversely affect his competitors. Any agency of Government whose responsibility lies in carrying out its congressional functions in guarding the rights or privileges of a particular group is disqualified from attempting to affix responsibilities to all groups in a fair and impartial manner.

Summarizing the historical background of the present Selective Service System, experience has evolved an independent organization, with a peculiar Federal, State, and community relationship. This organization is composed primarily of unpaid people who, in their several communities, allocate the manpower to the several users in a fair and just manner, by express authority of Congress. Historically, this type of organization has been most successful in two wars in providing sufficient and suitable men at the required time to the armed forces while at the same time leaving the civilian pursuits sufficient manpower to insure the production of the greatest and finest array of munitions of war that any nation has ever furnished its fighters. While providing men for the armed forces and workers for the production of munitions, sufficient labor was left on the farms to produce quantities of food never before equaled in the history of this Nation. Despite all of the demands that have just been enumerated, the structure of local, State, and National Government, the school systems, the means of communication, and the health of this country still found sufficient personnel available to continue to operate minimum requirements. No other system of manpower procurement in the United States has been comparable with this one in the history of the procurement of personnel for the various users of manpower in an emergency.

Organizationally, the Selective Service System consists of a National Headquarters, a State headquarters in each State, Alaska, Hawaii, District of Columbia, Puerto Rico, the Virgin Islands, and the city of New York. During World War II we had nearly 6,500 local boards. In the present peacetime operation this number has been reduced to 3,600. In the event of a major emergency it would

be necessary to rapidly reestablish additional local boards. The peacetime plans provide for this rapid expansion immediately should mobilization become necessary.

National Headquarters, Selective Service System, is a small organization responsible for the formulation of policy and the over-all operation of the system, including organization, supervision, administration, and coordination. It has added the responsibility of the preparation and keeping current of selective-service plans and the supervision of training programs to insure sufficient qualified personnel to implement them.

The State organization of the Selective Service System is most unique in that it is headed by the Governor or comparable official of each State, Territory, or possession. Functioning under the Governor is a State director, who is in immediate charge of the State headquarters and responsible for carrying out the operation of Selective Service in his State. It is a function of the State headquarters of the Selective Service System to provide for the initial organization and its extension, to secure the required personnel, train them in their duties and supervise the administration of the Selective Service System within the particular State. These State headquarters have responsibility for the preservation and servicing of the records of 50,000,000 persons registered under the Selective Training and Service Act of 1940 and the record of 10,000,000 persons registered under the Selective Service Act of 1948. There are presently 41,000 persons in the Selective Service System, 37,000 of whom are uncompensated. This represents about one-fifth of the number of uncompensated personnel that would have to be secured in an emergency.

The law is provided by Congress. The Presidential regulations for the implementation of the law come from national headquarters. Funds to permit the operation of the Selective Service System within the State are allocated by national headquarters. The State is informed from time to time of its quota of men to be provided for the several users of military manpower. The State director within the State arranges with the representatives of the armed forces for the time and places involved in the delivery of this personnel.

The local board is the basic unit of the Selective Service System. The members of it are appointed by the President of the United States upon the recommendation of the Governor of the particular State in which the board is located. They are empowered by the Congress of the United States to register, classify, and select men for service in the armed forces. To them is delegated power to defer such men as are necessary to carry on functions which cannot be suspended in the operation of the war. They are the keystone of the Selective Service System.

It has been noted above that the functions of the Selective Service System are to register, to classify, and to select. The registration is a mechanical process, an inventorying of human resources. It must be done accurately and by those aware of and familiar with the purpose for which it is made. In classification and selection, however, lie the heart of the operation of the Selective Service System. Only by fairness and justness can these operations be carried out in a manner that will provide impartial distribution of the Nation's manpower resources and at the same time maintain the confidence of the people in the manner in which it is done. Selections must be made without prejudice and without regard to race, color, religion, place of origin, or politics. Under no circumstances must the system be thought of as one which operates under the control of partisan politics. The functioning of classification and selection must be done with consideration toward all—both the users of manpower and particularly the individual selected. The registrant cannot, he must not, be treated as a number, but accorded the dignity of an individual whose problems may be different from any other individual in the Nation.

Members of local boards must come from all classes. The very nature of their responsibilities demands that they receive no compensation for the services they render, for to do so would bring them into the likelihood of being charged with receiving pay for sending men to die for their country. They must be independent of any obligation except the obligation to administer honestly and fairly the laws of their Nation and the regulations of the Selective Service System. They must not be influenced even by their superiors if in their conscience they find that influence contrary to their beliefs.

The Commission on Organization of the Executive Branch of the Government has noted in its report that the Department of Labor was created in 1913, and since that time one function after another has been removed from it. The report itself sheds little light on the basic reasons for the removal of agencies from the Department of Labor.

Mr. George W. Taylor, in his memorandum to the Executive Director of the Commission, points out the basic problems which confront any attempt to enlarge the Department of Labor as an executive branch of the Government. In the first place, its mission is the advocacy of the welfare of a particular group of American citizens. It is not a ministry of labor, charged with the impartial administration of labor legislation in the public interest. This is in no way a criticism of the operation of the Department of Labor. It is a statement of fact. The Congress has given it the task of advocating, fostering, promoting, and developing the welfare of the wage earner of the United States. Under such a directive it cannot be a department devoted to the impartial administration of labor legislation in the interest of all citizens. The Commission apparently understood the situation because it made no recommendation for the transfer of the National Labor Relations Board, the National Mediation Board, the Federal Mediation and Conciliation Service, or the Railroad Retirement Board to the Department of Labor.

It has been noted by Mr. Taylor that, at the time the Department of Labor was created by Congress, the wage earners of the United States were largely unorganized. He further notes that at the present time the purposes of the Department of Labor are substantially the same as the general purposes of the labor unions. This situation, he notes, is responsible for the fact that the Department of Labor is looked upon by the citizenry in general as the advocate of organized labor in Government. To complicate the matter even more, national policy in the field of labor relations is in a continuing state of development and one which of necessity must remain a subject of political controversy. This fact has resulted in the establishment of other agencies to deal objectively with disputes between wage earners and employers. Quoting from Mr. Taylor's memorandum, "On the basis of experience it would appear that the Department of Labor cannot be a vital agency as long as it is expected, in various quarters, to be an advocate of labor interests in conformance with its legislative charter, and at the same time an impartial administrator of the national labor policy in the public interest."

The history of the Department of Labor, its purpose contained in its legislative charter, indicates that it has always been and continues to be by congressional intent an agency created for the purpose of advocating the welfare of a particular class of individuals. It is not, nor has it been, a ministry of labor in the sense of the administrator of the legislation of this country which deals with the relationship between wage earners and employers. The Department has no responsibility to a great many kinds and classes of people in these United States. The history of the Department of Labor has been that whenever responsibilities which entailed judgments in the national interest were to be executed even in the field of labor relations, it has been necessary to withdraw them from the Department of Labor and to create agencies without the Department of Labor to carry on this responsibility with objectivity.

The reasons for the recommendation for the transfer of the Selective Service System to the Department of Labor by the Commission on Organization of the Executive Branch of the Government may be summarized as follows:

1. There are too many agencies reporting to the President.
2. The number must be reduced.
3. In reducing the agencies reporting to the President, the agencies should be grouped according to their main purposes.
4. The Department of Labor has been denuded of many of its functions.
5. It should be given more essential work to do if it is to maintain a significance comparable to the other great executive departments.
6. In speaking of the several agencies to be transferred to the Department of Labor, and their functions, the report stated: "They are more nearly related to the problems of labor than those with which they are now associated."
7. The Selective Service System is now an independent agency reporting to the President, yet the President cannot give it overall supervision.
8. To place it under the Secretary of Defense would raise most serious objections since its operation involves many considerations which require that its supervision be objective and not be biased in favor of the military.
9. The effect of conscription on the labor force must receive the continual examination which can be provided by the Department of Labor.

I shall comment on the apparent reasons for the recommendation of the Commission to transfer the Selective Service System to the Department of Labor. Granted that there are too many agencies reporting to the President and that the number should be reduced, it does not follow that the agency responsible for the allocation of men to insure national survival should be removed from direct responsibility to him.

The transfer of the Selective Service System to the Department of Labor would seem to be in direct violation of the policy of the Commission to recommend grouping according to the main purpose of the agency. There is direct and uncompromising conflict between the obligation on the one hand "to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment" and, at the same time, to insure that "the obligations and privileges of serving in the armed forces and the Reserve components thereof should be shared generally, in accordance with a system of selection which is fair and just." The judge of an issue cannot be the advocate of one of the contestants.

It is true that the Department of Labor has been progressively denuded of its functions. This fact taken wholly by itself is a very strong argument against the transfer of any agency to it. However, one of the causes of these transfers seems to be past actions similar to the one recommended, namely, the building of the organization to

some desired size without regard to any similarity of function of its parts. In the words of Mr. George W. Taylor "a program along these lines would emphasize what might be termed a holding-company concept of the executive department. Comparatively unrelated activities could be brought together in the same department without emphasis upon developing a department of great effectiveness in carrying out the national labor policy."

The Commission has stated that the Department of Labor should be given more essential work if it is to maintain a significance comparable to the other great executive departments. It should be pointed out that there is no evidence given that the welfare of the country is served by having this Department the size of any other executive department. But even more pertinent is the ever-present fact of the reason for the formation of the Department of Labor and the continuing reason for its existence. Its responsibility, given by Congress, to guard the welfare of a segment of our population precludes it from assuming responsibilities which involve the welfare of other competing segments of our population. This has been the basic cause for the denuding of this Department of responsibilities which require it to administer controversies which occur between a group for which it is definitely responsible and one for which it has no special responsibility. Until the responsibilities of the Department are changed, and until there is a stability in the Government's policies toward the relationship of wage earners, employers, and public, it is unwise to build by transfer an executive department with conflicting and controversial responsibilities.

The Commission, in its report in reference to the transfer of the Bureau of Employees Compensation, Employees Compensation Appeals Board, Bureau of Employment Security, Selective Service System, including the appeal boards, enforcement of labor standards in Government contracts, determination of minimum wages for seamen, "prevailing wage" research, and Division of Industrial Hygiene, said: "There are cogent reasons why these agencies and functions should be transferred to the Department of Labor. They are more nearly related to the problems of labor than those with which they are now associated, * * *." I offer no comment on this statement as it applies to all other agencies except the Selective Service System. Certainly for the Selective Service System this statement does not apply. In its independent status the Selective Service System has positive and definitely related responsibilities. It would inevitably enter an area of indefiniteness and confusion if transferred to a department of less homogenous functions.

The statement by the Commission that "the system is now an independent agency reporting to the President, yet the President cannot give it over-all supervision" carries with it no clue as to the facts upon which the statement is based. There is elsewhere in the report mathematical calculations which determine the average time the President can give to the several departments, agencies, and boards under his supervision. If this average time is the basis for the judgment expressed that the President cannot give it over-all supervision, then the judgment fails completely as a statement of fact. If the judgment depends on evidence given by those who might know of their own personal knowledge, then it must have come from the President. I have never expressed an opinion in keeping with this judgment, and it is contrary to my experience which covers the entire life of the Selective Service System under the 1940 act and the present Selective Service System under the 1948 act.

The comment by the Commission on the inadvisability of placing the Selective Service System under the Secretary of Defense is sound, so far as bias by one of the users of manpower is concerned. It must be noted that if there is to be bias in the operation of a system it would be preferable to have that bias on the part of the agency directly responsible for survival than from any user of manpower for purposes collateral or even not connected with survival. I cannot understand by what logic the Commission could use bias as a reason for not recommending a transfer to the National Military Establishment and completely ignore the fact that the Department of Labor is biased by the terms of the act creating it.

The statement that "the effect of conscription on the labor force must receive the continnual examination which can be provided by the Labor Department" is an accurate statement. It is not a reason for transferring the Selective Service System to the Department of Labor. It is one of the facts which precludes this transfer. As the agency which Congress has given the responsibility for the betterment of the welfare of the wage earner it has an obligation to examine continually the effect of the operation of Selective Service on the labor force insofar as it affects wage earners. The exercise of that responsibility for the benefit of one class of citizens cannot be a part of a process of selection of men for military and all other purposes which is fair and just.

The Honorable Dean Acheson, Vice Chairman of the Commission, now Secretary of State, dissented as follows:

"Dissent: I am unable to concur in the recommendation that the Selective Service System be placed in the Department of Labor.

"The agency charged with the responsibility for the administration of elective service legislation must reconcile varied and often competing demands for the necessarily limited manpower of the Nation. Consideration, such as military needs, domestic requirements, labor standards, and the utilization of professional and technical skills must be weighed continuously in the selection of persons for military service. All these elements must be viewed in the broadest light by an agency whose detachment from the other programs of the Government is sufficient to assure balanced administration. It seems to me that, at this time, an independent agency is most likely to avoid the pitfalls which might reduce the effectiveness of the the Selective Service System.

"DEAN ACHESON,
"Vice Chairman."

The Honorable James Forrestal, then Secretary of Defense, and the Honorable Carter Manasco, dissented as follows:

"Dissent: We disagree with this recommendation which would place the Selective Service System in the Department of Labor.

"The administration of the Selective Service System should be marked by complete objectivity and impartiality. We feel that it would be a mistake to place it within any of the agencies of the Government which are charged by law to represent a particular interest or segment of the population. The statutes setting up the Department of Labor, for example, provides that: 'The purpose of the Department of Labor shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment.'

"We believe that the Selective Service System should be an independent agency under civilian control.

"JAMES FORRESTAL,
"Commissioner.
"CARTER MANASCO,
"Commissioner."

The Selective Service System is now an independent agency, directly under the President. Congress has made it an independent agency on three occasions: Once, after the experience of two wars under the War Department, and twice more after the experience of 1 year under the War Manpower Commission. As an independent agency it has a record of success in the most extensive mobilization the United States ever experienced. The Selective Service organization which was in operation during World War II, an organization which at one time had approximately 7,000 offices, at least one in every county of the land, was responsible for registering over 50,000,000 men, of which number 36,000,000 were processed, requiring some 250,000,000 separate classification actions. It inducted more than 10,000,000 men and engaged more than 200,000 employees, of whom more than 90 percent were uncompensated. Its success during the war was not surpassed by any other agency of the Government.

This success was due to careful planning, participation by States and communities under decentralization of control, and delegation of authority to thousands of unpaid patriotic citizens organized independently of partisan political consideration. An agency organized as it was and is, operated by men unfettered by the necessity of keeping their jobs and without partisan political obligations, can insure objectivity in the allocation of manpower among the many agencies who are fiercely competitive. These unpaid local board members can insure that the obligation and privileges of service in the military forces is shared generally and that selection is made in a fair and just manner. The local board members owe no obligation to any class or group of our citizenry. Their ability to operate successfully is not a hope or a theory. It is a fact demonstrated by more than 7 years of operation. The selection of men for service is too serious a problem for experimentation. An agency which selects men for battle and which has and can function with outstanding success should not be changed to conform to some untried theory of organization.

Sincerely yours,
LEWIS B. HERSHEY, *Director.*

NATIONAL DEFENSE ESTABLISHMENT—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including comments by Secretary of Defense Louis Johnson on the Hoover Commission recommendations as they affect the National Military Establishment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, today released a letter received from Louis Johnson, Secretary of Defense, in response to his request for comments relative to the recommendations of the Hoover Commission as they affect the National Military Establishment.

Secretary Johnson confined his comments (to which the chairman of the Committee on Expenditures takes exception) to the Commission's across-the-board recommendations which affected the National Military Establishment, pointing out that legislation creating the position of Under Secretary of Defense (Public Law 36) and S. 1843, containing amendments to the National Security Act were "considered in great detail by the Senate Armed Services Committee" and that

this bill "not only reflects the recommendations of the Commission concerning the National Military Establishment but it also makes applicable to the National Military Establishment many of the Commission's broad budgeting and accounting recommendations."

The Secretary, in commenting on the Reorganization Act. (Public Law 109), states that this law "does not grant the President the full reorganization power recommended by the Commission, and the National Military Establishment supported the President's request for the necessary authority to reorganize the executive branch which he based, in part, on the Commission's recommendation."

The chairman of the committee pointed out that the bill enacted by the Congress was, except for the provision relating to disapproval on reorganization plans by constitutional vote of one House rather than by concurrent resolution of both Houses, exactly as submitted by the President, and was supported by Mr. Hoover in the form adopted by the Congress.

Also Mr. Johnson states that the bill S. 942, introduced as drafted and submitted to the committee by a draftsman for the Hoover Commission, "is violative of at least the spirit of the first report of the Hoover Commission in that it would provide statutory inflexibility in the Executive Office of the President whereas the Commission consistently contended that the President should be allowed to organize his immediate office in his own way."

In commenting on the Federal Property and Administrative Services Act (P. L. 152), the Secretary of Defense states that:

"This act goes beyond the recommendations of the Commission in that it is not as clear-cut in delineation of military and civilian supply activities as are the recommendations of the Commission. Rather than policy coordination, the bill provides central control in an administrator with power of exemption in the Secretary of Defense 'in the best interest of national security.' In substantive and procedural aspects, the bill leaves areas of doubt which must be resolved in favor of complete control by the Secretary of Defense in areas of logistic support of military operations and maintenance of those types of procurement which are essential to mobilization planning."

This comment is typical of the military, whenever it is unable to dominate legislative actions of Congress. When the bill creating the General Services Administration was before the Senate committee, the National Military Establishment was afforded every opportunity to present its views, and adequate provisions have been included in the act to insure that any procurements which are peculiar to the needs of the National Military Establishment may be purchased by that agency. On the other hand, the committee was of the opinion that items in common usage by all establishments, including the military, should be purchased through a central agency. The act as approved by the President, included practically all of the recommendations of the Hoover Commission in its report on the Office of General Services, had the approval of Mr. Hoover personally and of the Citizens Committee on Reorganization of the Executive Branch of the Government, and all affected agencies participated in the drafting of the language incorporated in the bill, including the Bureau of the Budget and the General Accounting Office.

This same issue was injected into the hearings before the Senate Committee on Expenditures on April 2, 1948, by Mark E. Andrews, Assistant Secretary of the Navy, who testified that in his opinion the bill failed to comply with the request made by the President that the procurement and supply activities of the National Military Establishment be excepted from the Federal Property Act. On April 5, following Mr. Andrews' appearance before the committee, the Director of the Bureau of the Budget wrote the chairman as follows:

"I am authorized to inform you that the question of exception of the armed services was given particular attention by the President and rejected by him. The amendment suggested by the Assistant Secretary of the Navy on April 2 is not in accord with the President's program."

This matter was also considered in connection with the hearings on the Federal Property and Administrative Services Act and the act in its present language was approved by the Bureau of the Budget on behalf of the President.

The final comment made by Secretary Johnson relates to the recommendations concerning personnel and medical services, which he states are "presently under consideration by the Personnel Policy Board and the Armed Services Medical Advisory Committee, both of which have been set up in the Office of the Secretary of Defense under civilian chairmanship to provide me with the necessary staff assistance in these very important fields. I have also recently appointed a Director of Medical Services for the National Military Establishment who is to establish general policies and standards for the medical services of the three military departments and to exercise general direction and control over such services."

The letter from the Secretary of Defense follows:

THE SECRETARY OF DEFENSE,
Washington, July 19, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, United States Senate.

MY DEAR MR. CHAIRMAN: This is in further reply to your letter of May 21, 1949, concerning the recommendations of the Commission on Organization of the Executive Branch of the Government.

As you say, the primary concern of your committee is in the across-the-board recommendations of the Commission, and for this reason my reply is restricted to such of these over-all matters as concern the National Military Establishment.

Legislation involving three of the broad areas considered by the Commission were referred to your committee and I presume that the requested legislative analyses are unnecessary in these instances. S. 526, which, as amended, was enacted as Public Law 109, does not grant the President the full reorganization power recommended by the Commission and the National Military Establishment supported the President's request for the necessary authority to reorganize the Executive Branch which he based, in part, on the Commission's recommendation. Another bill, S. 942, concerns the establishment of general principles governing the management of the Executive Branch of the Government. I am sure when your committee considers this measure it will note that it is violative of at least the spirit of the first report of the Hoover Commission in that it would provide statutory inflexibility in the Executive Office of the President whereas the Commission consistently contended that the President should be allowed to organize his immediate office in his own way. The third bill which has been before your committee is S. 1809, the Federal Property and Administrative Services Act, enacted as Public Law 152. This act goes beyond the recommendations of the Commission in that it is not as clear-cut in delineation of military and civilian supply activities as are the recommendations of the Commission. Rather than policy coordination, the bill provides central control in an Administrator with power of exemption in the Secretary of Defense "in the best interest of national security." In substantive and procedural aspects, the bill leaves areas of doubt which must be resolved in favor of complete control by the Secretary of Defense in areas of logistic support of military operations and maintenance of those types of procurement which are essential to mobilization planning.

Other legislation, not directly before your committee, but pertaining to the Commission's recommendations are Public Law 36, creating the position of Under Secretary of Defense; and S. 1843, containing the amendments to the National Security Act. S. 1843 was considered in great detail by the Senate Armed Services Committee and a copy of its report, No. 366, is attached. You will note that it not only reflects the recommendations of the Commission concerning the National Military Establishment but it also makes applicable to the National Military Establishment many of the Commission's broad budgeting and accounting recommendations. S. 1843 passed the Senate on May 26, 1949.

The Commission's recommendations concerning personnel and medical services are presently under consideration by the Personnel Policy Board and the Armed Services Medical Advisory Committee, both of which have been set up in the Office of the Secretary of Defense under civilian chairmanship to provide me with the necessary staff assistance in these very important fields. I have also recently appointed a Director of Medical Services for the National Military Establishment who is to establish general policies and standards for the medical services of the three military departments and to exercise general direction and control over such services.

At the request of the Bureau of the Budget the above reply was submitted to it for clearance on June 16, 1949. Not until July 8 was this office informed by the Bureau of the Budget that there would be no objection to presenting this reply to your committee.

I assume that this letter will also serve as a response to your inquiry of July 12, as to the reason for the delay in replying to your letter of May 21, 1949.

With kindest personal regards, I am,
Sincerely yours,

LOUIS JOHNSON.

THE SMALL-BUSINESS MAN

Mr. WILEY. Mr. President, I send to the desk a statement on the subject of Wisconsin's and the Nation's small-business man which I ask to have printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CROCODILE TEARS OR REAL HELP FOR THE SMALL-BUSINESS MAN?

Everybody seems to be shedding crocodile tears for the small-business man these days. "Oh, the little guy, he's always getting it in the neck. He's always behind the eight-ball." Yes, everybody seems to be moaning about his plight, but no one seems to be giving him any real aid.

The small-business man, however, in Wisconsin neither wants crocodile tears in his behalf nor a lot of empty cheers praising him. He doesn't want phony pats on the back or lame tributes that don't mean anything. He does need tax relief and other assistance, dynamic help that will enable him to meet the problems of the postwar recession.

THE LITTLE FELLOW'S THREE FOES

Right now, the little-business man—the little merchant, the small manufacturer, the small distributor—wholesaler-retailer—is squeezed by three big enemies—big government, big labor, big business. The little-business man finds that he is butting his head against monopoly in these three fields—government, labor, and business.

SMALL BUSINESS IS CORE OF ECONOMY

Let's analyze his problems and see what can be done for him.

We all know and take it for granted that small business is the core of our national economy. In fact, it represents over 90 percent of all the $3,500,000 business establishments in the country. It provides approximately 45 percent of all the jobs in the Nation aside from agriculture.

Let me point out too, that before the war, less than 4 percent of the Nation's businesses were large enough to have more than 20 or so employees. Only 5 percent furnished employment to 8 to 20 persons.

BIG GOVERNMENT SITS ON SMALL-BUSINESS MAN

Now when I say that the little-business man is squeezed by big government, what do I mean? Well, it is obvious that the small-business man at the grass roots has to make out too many forms, too many questionnaires, too many records. He is plagued by an increasing amount of government regulations and red tape.

The Wage-Hour Administration is constantly seeking to get more and more of its tentacles around him. The Treasury Department is always ready to swat him down with a brusque order on his tax returns. An army of Government bureaucrats is always trying to order him, direct him, instruct him in ways that bureaucrats feel will be helpful to him whether he likes it or not. It is the little-business man who pays the charges for all of this 2,250,000-man Government pay roll. It's the little guy who bears the brunt of our $44,000,000,000 budget.

When it comes to official parleys about his problems, the small-business man finds that often he is not even represented. When it comes to competing for defense contracts and foreign exports, he finds that he is often frozen out of the picture.

MEETING LABOR PROBLEM

In the field of his labor problems too, the small-business man finds himself dealing with bigness—with gigantic, Nation-wide labor unions. He finds that the wage-hour policy set by big business must serve as the basis for the little fellow's labor relations whether he likes it or not and whether he can afford it or not. He finds, too, that even the Taft-Hartley Law, which gives him some protection as well as protecting the public, is the objective of intense attack on the part of big labor.

He learns moreover, that the labor bigsters are preparing to purge the Senators and Congressman in the 1950 elections who dared to support the Taft-Hartley Law.

SUPPORTING FRIENDS IN 1950

Well, I think that when November 1950 comes around—the little fellow—and his wife—and his children—is going to make himself heard at the polls. He is not going to allow a few racketeering labor big-shots to take over this Government. He is not going to stand for a purge of his friends in Congress—the men who have the guts to stand up for the Taft-Hartley law and other sound legislation.

PROBLEM OF MONOPOLY

In dealing with his own fellow businessmen, the little fellow often bumps up to the problem of monopoly—monopoly in distribution, monopoly in raw materials, monopolistic pricing practices. While monopolistic conditions are not as bad as the Reds make them out to be, neither are they so good that we can afford to be lax in our antitrust activities.

No wonder then, there is such headache and heartache for the little fellow trying to keep his head above water. No wonder, then, he has got to take a lot of aspirins. His inventory is mounting these days, his labor costs are shooting up, his expenses are soaring, and yet cutthroat-price competition is around the corner.

SOME THINGS THAT MUST BE DONE

The situation isn't all black of course. Big business is increasingly recognizing that it cannot possibly exist without small business; that it needs small business for subcontracting work and for maintaining an economic check and balance.

One of the main things that can be done is to reconstitute the Senate Small Business Committee which did yeoman work in meeting the problems of the little fellow.

Years ago, I personally introduced legislation to establish an Assistant Secretary of Commerce for Small Business. I feel today as I did then, that all Government departments or agencies which affect small-business men ought to have representative councils consisting of men who have actually been small-business men to advise before policies are established.

TAX REFORM NECESSARY

Antitrust actions must be vigorously pursued. Fairness must be shown in interpretation of tax statutes. As a matter of fact, the entire obsolete tax structure must be overhauled. The little fellow should be encouraged, helped to buy new equipment, new installations—so as to make jobs and to make his operations more efficient. Nuisance excise taxes which plague the small-business man—on luggage and other leather goods, on electric appliances, jewelry, refrigerators, furs, sporting goods, air conditioners, automotive parts and accessories and countless other items must be eliminated as I have recommended in legislation introduced in the Congress.

Moreover, it is up to the small-business man himself, individually and through his organizations, to advise the Congress on specific ways and means by which it wants help. A constant effort must be made to curb the activities of monopoly in whatever form it may exist—whether it be in big government big labor, or big business.

CONCLUSION

Out of the initiative, the energy, the backbreaking labor of little businessmen have come many of the blessings that account for our high standard of living. We dare not tax the little fellow to death or regulate him to exhaustion.

He deserves a fair break—not crocodile tears or phony cheers.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

FOREIGN AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the first committee amendment.

Mr. ROBERTSON. Mr. President, in an address delivered at Natural Bridge in my home county of Rockbridge on April 20, 1947, I made these statments:

In two global wars we have fought to preserve the principles of our founding fathers and yet the world peace for which we sacrificed blood and treasure eludes our grasp. Instead of a world made safe for democracy we find the totalitarian and anti-God ideologies of communism feeding on the measureless misery of war-torn countries of Europe. Many of our own people have so lost faith in the fact that God governs in the affairs of men that they think another conflict is inevitable. * * *

We are proceeding, I believe, on the assumption that the Lenin philosophy of world revolution has been altered to contemplate world domination, either directly or by means of controlling Communist-dominated states. We assume that the Soviet Union wants to take advantage of confusion and chaos in Europe to extend its influence wherever possible. We fear that the complete domination of Europe and large segments of Asia by Communist-controlled governments would constitute as great a threat to democracy as a similar control under the leadership of Adolf Hitler. * * *

While the immediate areas of conflict between us and the Soviet Union are in Germany and Austria, they will ultimately concern eastern Europe, now dominated by Russia; the Near East, where there are vital oil supplies, and the Far East, now torn by civil war. They also involve, of course, our proposal, to which Russia refuses to agree, for international control of atomic power. * * *

We have done everything humanly possible to convince the Russian leaders that our supreme desire is for peace and, by refusing to demand territory or economic advantages and by pouring out our treasure to feed the starving, clothe the naked, and rehabilitate war-torn countries, we have attempted to demonstrate to Russia and the world that we are actuated by the highest ethical principles. * * *

Then after discussing our futile efforts to get the Russian leaders to abide by the agreements made at Yalta and Potsdam and to carry out the clear intent and purpose of the Charter of United Nations, I said:

If, in spite of our best efforts, Russia refuses to live with us in one world, our next best hope for peace will be through a firm alliance with the Christian people to be found in the Western Hemisphere, in continental Europe, Great Britain, and her dominions. That will be a last resort if Russia violates the covenants and wrecks the program of United Nations.

On June 5, within 2 months after I made that speech, Secretary of State Marshall said at Harvard:

It is already evident that, before the United States Government can proceed much further in its efforts to alleviate the situation and help start the European world on its way to recovery, there must be some agreement among the countries of Europe as to the requirements of the situation and the part those countries themselves will take in order to give proper effect to whatever action might be undertaken by this Government. * * * The role of this country should consist of friendly aid in the drafting of a European program and of later support of such a program so far as it may be practical for us to do so. The program should be a joint one, agreed to by a number, if not all European nations.

That proposal was eagerly seized upon by the Prime Ministers of Great Britain and France, who promptly gave to the press of the world their interpretation of what General Marshall had proposed. Thus was born the now famous Marshall plan, which 15 months ago by an overwhelming vote was passed by the Congress of the United States under the title "The Economic Cooperation Act of 1948."

Recognizing the danger to freedom everywhere in the world arising from the

desperate sickness of western Europe, we, in cooperation with western Europe, implemented that plan to cure that sickness. Democrats and Republicans joined hands in a postwar demonstration of American unity that did more than any other single thing to stem the tidal wave of communism. The wise and farseeing action of the Congress last year demonstrated both America's magnanimity and its capacity to recognize its own true self-interest. At the same time it gave a desperately needed boost to the waning morale of our wartime allies.

This great act of faith on the part of the American people and their Congress has been already amply justified by the success of the European recovery program. Substantial recovery progress has been made in Europe during the past year. Mr. Hoffman has testified to the Appropriations Committee that the total output of factories and mines in the participating countries during the calendar year was 14 percent above that of 1947. Gross investment is running at the extremely high rate of approximately 20 percent of the gross national product. Over-all exports in 1948 were 20 percent above 1947. Moreover, in the important field of finance and price stabilization the participating countries have made real progress, and have taken important steps to help each other back to recovery.

One simple fact perhaps gives more eloquent testimony to the success of the European recovery program than all the statistics that can be marshaled, namely, many of the people who opposed the program last year on the ground that it involved "pouring money down a rathole" are now saying that production has been built up to such a point that the program is no longer needed.

I submit that the one thing we cannot afford to do is to fail to maintain the present momentum of recovery in western Europe. As Mr. Hoffman has so eloquently testified, every businessman knows that once the momentum of a sizable operation is lost, it can be regained only at an excessive cost. If we mean business and intend to carry this program through, we cannot afford to lose this momentum. There is still a stiff climb ahead. This is an extremely critical year, the year in which European countries will have to face the issue of whether they will extend their cooperation and achieve a real pooling of their resources, or whether each will attempt on his own to save his own skin. We already have an example of such desperate acts of self-preservation in the barter agreements Great Britain has made with Argentina and Russia. Our continuing aid on an adequate scale is a necessary condition to their decision in favor of the policies that are essential to their growth toward a unified Europe.

We are fortunate in having as Administrator of the foreign-aid program a broad-gage businessman. Political partisanship played no part in the selection of Mr. Hoffman and it has played no part in his administration of the ECA. Everywhere, on both sides of this Chamber, and on the outside, we hear praise of the outstanding manner in which the program has been administered in the past.

Let me suggest to my distinguished colleagues that having selected an outstanding businessman to do a businessman's job, which admittedly he is doing well, we should continue to give him the tools that he feels are necessary to be provided if we are to carry forward the job to a successful conclusion. Mr. Hoffman occupies a position of high trust, and can be relied upon to carry out the task with as little outlay of taxpayer's dollars as possible.

The argument has been advanced that further declines in prices will make it possible to carry out the program for substantially less than the amount contained in the bill as passed by the House. Let us examine this argument. In the first place, the action of the House already has not only taken into account the effect of all price declines to date but has also anticipated further price declines. The original ECA estimate of needs for the fiscal year 1950 were adjusted downward to take account of the net effect of price declines up to May 15. In addition, the House committee made a further reduction of $80,000,000, based on its forecast of further price declines. The net effect of changes in prices since May 15 on the cost of the program has been of minor consequence.

As I said in my Natural Bridge speech, no one can lift the veil of the future. No one can foresee what economic ups and downs lie ahead of us. I will say, however, that if the Senate makes cuts on account of further anticipated price declines, beyond those taken into account in the bill as passed by the House, we shall be saying by our action that we are confidently predicting a depression in this country of a severity such as has been witnessed only five times in the last 100 years.

The second point to bear in mind in examining the argument that price declines warrant a substantial additional cut is that price changes work two ways in their effect on the cost of such a program as this. We must recognize, too, that price declines are not uniform. Last year, the prices of farm products which we export to Europe declined most rapidly, but so far this year the prices of textiles and other manufactured goods which we might import have led the decline. So, a further change in price levels might easily result in reducing the value of Europe's exports in a proportion greater than it would reduce the value of her imports, and so actually would increase her need for aid. All of us know why it was necessary for the United States to extend dollar aid in the first place. It was because the countries of western Europe required goods which could be purchased only in the United States and the Western Hemisphere, and only with dollars, and that those countries were unable to obtain enough dollars to pay for those goods out of their own earnings. When prices go down, it is true that American goods can be bought for less, but unfortunately it is also true that the western European countries get less for the goods they sell. Furthermore, in a period of price declines, sales fall off. This is a natural development, and one which does not need to cause alarm, but which unavoidably brings on a shrinking in earnings. All of us know what has happened in the case of Great Britain. A fall in export sales to the Western Hemisphere has resulted in a serious drain on Britain's reserves. Of course, because the volume of exports from the United States to Europe far exceeds the volume of their exports to the United States, price declines do produce a net saving in the cost of the program. But the real question we must ask ourselves now is whether in the action of the House of Representatives these savings may not already have been overestimated.

No one is more acutely aware than I of the present urgent need to reduce Federal spending, and no one is more desirous of seeing our budget balanced without the necessity for the imposition of additional taxes. But if the Congress was right in authorizing by an overwhelming majority a continuation of the ECA program as a major contribution to the cause of peace, it would be highly inconsistent for the Congress now to vote for an appropriation which would be inadequate to do the required job. In case any taxpayer may be under the impression that the Congress is appropriating vast funds for a program of international cooperation without an adequate understanding of what is involved, attention is invited to the fact that before the Congress voted to authorize a continuation of ECA, the Senate Foreign Relations Committee took 584 pages of printed testimony and the House Foreign Affairs Committee 865 pages. Before the House Appropriations Committee voted to report an appropriation bill it took 1,072 pages of printed testimony, and before the Senate Appropriations Committee acted, it took 997 pages of printed testimony.

If, on the basis of 3,518 pages of testimony, in which every phase of the program was fully explored and every need minutely explained, we do not understand what is involved, we should ask the Father of Light to illuminate our understanding.

In the authorization bill the Congress authorized to be appropriated for fiscal 1950 the sum of $4,280,000,000. After the most careful and competent analysis, and taking into account present and prospective price declines, as I have indicated, the Budget Bureau submitted to the Congress an estimate of $4,198,200,000. Then, when he appeared before the House Committee, Administrator Hoffman, who is as firm a believer in efficiency and economy as any member of this body, indicated a belief that he could do the required job for $4,015,900,000. The bill as passed by the House carried an appropriation of $3,568,700,000, or 15 percent less than the budget estimate. However, the House gave needed leeway to the Administrator by providing that, if he finds it necessary in order to keep up the recovery momentum in Europe, he now spend that appropriated amount in 10½ months rather than in the usual 12 months, and may come back, if necessary, for a supplemental appropriation. The Senate Appropriations Committee has reported

to the Senate a bill carrying the sum of $3,628,380,000 for the fiscal year in question, plus a loan authorization of $150,000,000.

In testifying before the Senate committee, Mr. Hoffman said:

Two points I have repeatedly emphasized are, first: That our objective would be to make the sum of $3,568,000,000 last for 12 months if possible, or, if not, for as long a time as possible; but second, that on the basis of the best estimates we can make at this time, estimates which reflect a considered and conservative judgment, I believe now that we will have to spend this sum in less than 12 months.

In these circumstances, we expect that the OEEC will recommend to us a recovery program for 1949–50 which will require more than $3,568,000,000 of American aid. When we receive it, we do not intend to approve it formally. Instead, we plan to inform the Europeans that their program may be used by them for planning purposes in the early months of the year. But we will also tell them that we propose to keep the program under constant review, and that cuts will be made throughout the year wherever they can be made without jeopardizing the success of the ERP in order to bring the total of American aid down to $3,568,000,000 if possible.

For the purpose of having the record perfectly clear, however, I wish to repeat once more our present estimate that the amount recommended by the subcommittee of the House Appropriations Committee, namely, $4,015,000,000, is the minimum required to maintain recovery without loss of momentum.

As my friend, Gen. Charles E. Kilbourne, of Lexington, recently remarked to me, "I do not hear everything that is said; I do not understand all that I hear; and I do not remember all that I understand." But, Mr. President, I heard enough, understood enough, and remember enough of the testimony of Mr. Hoffman and his aides concerning the amount needed for the proper continuation of his demonstrated program to be convinced in my own mind that we cannot safely cut that fund below $3,852,000,000 for the 12 months, which is 10 percent less than the authorization. Of course, in a program of nearly $4,000,000,000, no one could categorically say that a difference of $150,000,000 or $200,000,000 would be the exact difference between success and failure.

As I have studied the question of the appropriation for European recovery, and as I have observed the march of events in the world, I have been forced to the conclusion that it would be a risk, a serious risk, to our peace and security, if a further cut than that were made in the appropriation for the ERP. I submit that we cannot afford to take any risks in this vital sector. Freedom is too precious to bear a price tag. To run the risk of losing it for what might prove to be false economy would be out of keeping with the best traditions of the Commonwealth of Virginia and of the United States of America. Europe's economic recovery is essential to our security, as is recognized in the Atlantic Pact, which we, by an overwhelming majority, ratified on yesterday. We are not engaged in philanthropy through the ERP or indulging in a vague do-goodism. We are building the security and protecting the freedom of our country. And to adopt a pinch-penny attitude toward this appropriation is to jeopardize our security and our freedom.

We are living in the midst of a peace that is only an absence of war. Since the defeat of the Germans and the Japanese in 1945, the Soviet Union has continued to expand. In Europe alone, Poland, Rumania, Bulgaria, Hungary, Czechoslovakia, Albania, and half of Germany have disappeared behind the Iron Curtain, joining the Soviet Union's earlier victims, Lithuania, Latvia, and Estonia. In the Far East most of China and half of Korea are already in the hands of the Communists, and several areas in Southeast Asia are imminently threatened. In Japan, more than a 150,000 Communists, many indoctrinated while prisoners in the Soviet Union, carry on their ceaseless agitation.

This is the cold war, Senators, and it is not yet won. Had it not been for British and American assistance, Greece would today be a Soviet satellite. Had it not been for United Nations intervention, Iran might well be a Soviet puppet. Had it not been for the Marshall plan, most of western Europe might well be under Soviet domination today. But there was a Marshall plan, and Europe still is free, and Europe is daily growing in economic strength and unity. But it still has a long way to go before it can stand completely on its own. We cannot afford to take any risks whatsoever that Europe may not be able to carry on, prosperous and free.

The Soviet Union has a land army of 4,000,000 men with which it could overrun Europe in a shooting war if it chose to do so. But the Soviet Union knows that if it tried that it would be taking a terrific risk. The Soviet Union has neither the air superiority, nor the atomic weapons, nor the industrial plant to take on at this time the free world in a shooting war. The odds, therefore, appear to be against the Soviet Union's starting a shooting war.

But the risk that the Soviet Union will continue to try to expand by infiltration remains. We have seen this tactic work too often not to know that it can succeed in countries where economic conditions are so bad that people live without hope.

The European recovery program is designed to make Europe's economy work so efficiently and provide such a satisfactory standard of living that the Communist tactic of infiltration cannot succeed.

Peace and freedom are not prizes that can be won in one encounter like a football game. They must be fought for and maintained from day to day, from month to month, from year to year. They can be maintained only if we create the conditions of contentment and economic well-being in which they can survive.

Let us not therefore indulge in any false economies. When we examine the United States budget today we find that considerably more than half is for defense and foreign-aid expenditures. Here is the main area where cutting must be done, if the tremendous costs of government are to be substantially reduced and the burdens on our economy lightened.

We can cut the cost of national defense by making the European recovery program a success. During the last 15 months the ERP has stopped Soviet expansion in Europe cold. It can keep it stopped in Europe next year and perhaps indefinitely if we carry on our program long enough to make Europe self-supporting, and are successful in breaking down the barriers to world trade as proposed in 1934 by Cordell Hull, one of the truly great statesmen of our day and generation. To curtail this program to a point where it may fail and where it may be impossible to follow through to success would be false economy. We must stay with this program until it succeeds in removing the threat of war in Europe, until this uneasy peace is supplanted by a real peace. Only then will it be possible for us to bring down our heavy expenditures for national defense. Only then will it be possible to bring Government expenditures down to the level where they should be.

When we finally weigh the efforts of ECA, the question of what contribution it makes to enduring peace is all-important. Will Rogers once said the United States never lost a war and never won a peace. We must win this peace. We have had four wars in the lifetime of my mother, who was 91 years old last April. She told me recently that those are enough wars for one lifetime. In winning World War II we spent, and did not hesitate in spending, at the rate of from eight to twelve billion dollars a month, and before we won it we had spent $340,000,000,000.

Peace is worth more than war. Winning the peace is worth more than winning a war. If what we are now investing in ERP in this program to win the peace is reasonably calculated to achieve that end, not only can we afford the investment, but we cannot afford not to make it. What prudent man, faced with the necessity of retrenchment, would cancel the fire insurance on his home as his first economy move? Our present insurance against the flaming sword is an adequate military establishment and the rehabilitation of democratic allies in Europe. I have said and now repeat that I do not think that a shooting war is imminent. But fifth-column penetration is a continuing menace, and I know of no military expert who would underwrite our national security on the now famous Colonel Toombs formula: "We can lick the damn Yankees with cornstalks."

After World War I, weary of sacrifice and eager to lighten the tax burden, we succumbed to the dulcet plea to return to normalcy, and we demobilized our Army and sank our Navy. Those in favor of economy got economy, and those favoring a reduction in income taxes got a tax cut in excess of $2,000,000,000. But in less than 25 years they and all the rest of us, including the veterans of World War I who had been told their sacrifices were not in vain, got a bigger and better war involving 1,000,000 casualties, $340,000,000,000 cash outlay, postwar inflation, the cost of which has not yet been tabulated, and a social unrest that constitutes a definite threat to the perpetuity

of the very democratic institutions for which both wars were fought.

Over and above all else, after World War I we adopted a policy of national isolation and turned our backs upon our former war allies. Fortunately, they were able to survive, and, when we were attacked in 1941, to hold the line until we could again prepare for battle. Such a chance to prepare against disaster will never come to us again. This time we will either assist our allies in their struggle to recover from the last war or face a hostile world alone. I rejoice in the fact that we have profited from our experience and are now committed to a program of international cooperation as the best safeguard against another war. Both Lot and his wife knew what was necessary to save them from destruction, but Lot's wife turned back. God grant that we shall not emulate her example.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I shall be glad to yield for a question.

Mr. SALTONSTALL. I should like to ask a question of the Senator from Virginia, who is a member of the Appropriations Committee, as I am, and I desire to be a little bit specific in my question, because I understand that in the committee the Senator from Virginia supported, in substance, the report which the committee made. There were several items in connection with which he voted against the action of the majority, but do I correctly understand him to favor the total amount of the ECA appropriation for 1950, as the committee reported it, not including the $74,000,000 for the balance of 1949?

Mr. ROBERTSON. Mr. President, after 23 years of legislative experience, I have learned that most legislation is the result of friendly compromise. In our committee there was a motion made to make a very drastic cut in the program, one of approximately $800,000,000, and that motion was defeated. Then the distinguished Senator from Kansas [Mr. REED] made a motion to accept the House figure, which was for 12 months, with a 10½-month spending privilege. That motion was defeated. Then I made a motion to cut the authorization by 10 percent, which would have been $428,000,000 below the authorization, but slightly above the House figure for a 12-month period and less than the House figure for a 10½-month period. Then the junior Senator from Michigan [Mr. FERGUSON] made a motion to cut the budget estimate 10 percent. That motion was adopted. I voted for it; and, with all due deference to my previous personal views, I intend to stay with the committee on that figure, because, as I have said, in a program involving nearly $4,000,000,000, no one can categorically say that $200,000,000 or $250,000,000 is an exact measure of the difference between success and failure.

Therefore I am willing to take the chance that, with his extraordinary ability, Mr. Hoffman will be able to use the fund carried in our bill to do the job, provided, Mr. President, we do not adopt amendments which will reduce the amount, first, by $74,000,000, which he has already obligated, and justifiably so. Under the joint resolution, we permitted him to continue to spend on the basis of the lowest pending appropriation bill, and at that time we had only the House bill. So he made his commitments on the basis of the House bill, and they involved $74,000,000, which the committee proposed to cut out of his appropriation. I hope that amendment will not be adopted, because it will cut below what is needed as I have indicated.

Then there was a $50,000,000 grant to Spain, which is not an OEEC country. Mr. Hoffman has no way in the world to administer a relief program in Spain. I am hoping that that will come out of the program.

Mr. SALTONSTALL. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. CHAPMAN in the chair). Does the Senator from Virginia yield to the Senator from Massachusetts?

Mr. ROBERTSON. I yield.

Mr. SALTONSTALL. I will say to the Senator from Virginia that with those two suggestions I am in hearty sympathy. I should like to ask him a question, so as to have the RECORD clear with reference to the dollars and cents, as well as with reference to the general statement which he has made. I assume he is also in favor of the committee's action with relation to the carry-over of Government relief in occupied areas as to which the committee cut the House appropriation $25,000,000.

Mr. ROBERTSON. I shall stand by the committee action on that item, because the testimony before us was that in all likelihood the job can be done with the amount appropriated, and, certainly, as I have indicated already in my remarks, we have a serious budget situation, and no one is more desirous than I am to get by without either a big deficit on the one hand or a burdensome new tax on the other hand.

Mr. VANDENBERG. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield to the Senator from Michigan.

Mr. VANDENBERG. First I wish to congratulate the Senator from Virginia on the thoroughly splendid address he has just made to the Senate, because I think he has presented a concept which is irresistible in its public value for the welfare and security of this Nation.

Mr. ROBERTSON. Mr. President, that tribute could come from no source which I would more deeply appreciate.

Mr. VANDENBERG. I thank the Senator. With respect to the ECA appropriation, I am particularly interested in the Senator's answer to the interrogatory of the Senator from Massachusetts. I do not need to indicate my own deep and fundamental sympathy with the ECA. I think that is an axiom.

In the present situation, however, when it is perfectly obvious that there must be general budgetary cuts spread through the entire body of appropriations, much as I regret the extent to which the cut has gone as recommended by the Senate Committee on Appropriations, I am inclined to agree with the conclusion announced by the Senator from Virginia himself, that we confront a condition and not a theory, and that we must guide ourselves accordingly. Therefore, so far as I am concerned, with the exception of the ex post facto cut which goes into the previous fiscal year, I am not going to resist reductions recommended by the Senate Committee on Appropriations, and I am quite content to let the arithmetic go to conference for final exploration and judgment.

It seems to me, however, that the critical issues presented before the Senate in connection with the bill—and I judge this is the view of the able Senator from Virginia, at any rate it is the question I am asking him—it seems to me that the critical issues before the Senate in connection with the bill relate to the four or five amendments which have been offered, which virtually become expressions of legislative intent in respect to matters which, in the opinion of the Senator from Michigan, the Committee on Appropriations really should have little jurisdiction over. However, I do not quarrel with the committee for any action it takes on its own responsibility.

I am asking the Senator, speaking now from the viewpoint of two friends of ECA, whether the real issue before the Senate is not a question of over-all mathematics, but has come down to the question of rejecting certain amendments which, at least by indirection, would seriously cripple the entire enterprise, and whether that is not the point at which we will find it necessary to concentrate our consideration.

Mr. ROBERTSON. Mr. President, I fully and unreservedly concur in the suggestion made by my distinguished colleague from Michigan that it will be the part of wisdom for the friends of this program, those who believe in it, those who want to see it succeed, those who believe that if it does succeed it is going to be a major contribution to the future peace of the world, to accept as the best settlement we could get the money amount carried in the major bill, and make our stand against the five amendments, only one of which, as I recall, we had any testimony on, and that was a relatively minor one, the so-called Rhodes amendment, which denies aid to any country which violates any treaty.

It seems that a hundred years ago we had a treaty with Morocco, now under the jurisdiction of France, about certain tariffs. In the light of extreme and unusual economic conditions, necessitating the conservation of dollar resources, France put the same kind of restrictions on American purchases which nearly all the European countries had, and according to the report which I got from Mr. Hoffman in explanation of this program, the restrictions of which Mr. Rhodes and other Americans in Morocco complained, apply to everybody in Morocco. But the amendment which the committee adopted to the bill would provide that France could not participate in the recovery program unless she stood by a

hundred-years-ago treaty with respect to trade with Morocco, and thereby gave Americans in Morocco an exclusive right to deal in American goods over their competitors, and apparently to the detriment of the economy of Morocco. I do not believe that is a good amendment to the bill, and I should like to see it eliminated.

Mr. FULBRIGHT. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I regret that I did not hear the first part of the Senator's remarks, and I desire a little clarification as to how he arrived at the statement he made a moment ago that the appropriations now carried by the bill represent a 10-percent cut unde. the budget estimate. I do not quite follow the Senator's figures, and I should like to have him explain them.

Mr. ROBERTSON. I did not do the figuring. There was a motion in the committee to cut the budget estimate 10 percent. It was offered by the junior Senator from Michigan [Mr. FERGUSON], and it was adopted. It figured out, according to the committee clerks and computers to the figure put into the bill, and I think they figured it correctly.

Mr. FULBRIGHT. It appears on its face to be more than a 10-percent cut.

Mr. ROBERTSON. Is the Senator looking at the budget estimate?

Mr. FULBRIGHT. The report says, "The bill as reported to the Senate, under the estimates, $748,820,000." I presume it means under the budget estimate.

Mr. ROBERTSON. We have the army-aid program to consider, also.

Mr. FULBRIGHT. I see. What the Senator means is that the cut in the ECA amount is 10 percent?

Mr. ROBERTSON. Ten percent of the budget estimate.

Mr. FULBRIGHT. That is what I wanted cleared up.

Mr. ROBERTSON. In view of the point, and a very pertinent and vital one, made by the distinguished senior Senator from Michigan as to the friends of the program standing together, I think it might be pertinent for me to refer to the four other amendments which he undoubtedly had in mind.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question at that point?

Mr. ROBERTSON. Certainly.

Mr. VANDENBERG. For my information, is it or is it not true that the five amendments, to one of which the Senator has already referred—and I am cognizant of the identification of the other four—were put into the bill after the hearings had been concluded, were not based upon testimony and were never submitted to ECA for its official reaction?

Mr. ROBERTSON. That is true, except the so-called Rhodes amendment concerning Morocco trade. Mr. Rhodes did appear before the committee, and made a very earnest and it appeared to me at the time, a very plausible plea. He claimed that Americans in Morocco were being discriminated against. But upon further investigation I agreed with the viewpoint of Mr. Hoffman, that we would place France and the State Department in a very undesirable light if we fell back on the provisions of a 100-year-old treaty in order to give Americans in Morocco rights which nationals of no other country enjoyed.

Then we had the so-called Cordon fertilizer amendment, based at the time upon the assumption that our farmers were still experiencing a shortage of nitrogen, and that we needed to make available to them 10 percent of the capacity of the plants owned by the Government and operated by the Army primarily for the purpose of furnishing nitrogenous fertilizers to Germany.

We have subsequently found, as I asserted in the committee at the time to be the fact, but did not have the proof, that there is at the moment about a 200,000-ton surplus of that type of fertilizer in this country, and I understand from the Senator from Oregon [Mr. CORDON] that he is glad to know that he misjudged the situation, and I understand he will ask the privilege of withdrawing his amendment, or certainly he will not object to the Senate voting it down.

The amendment of probably the most serious consequences was that offered by the distinguished Senator from Arkansas [Mr. MCCLELLAN] to freeze the tentative estimates of cotton and food in the bill, regardless of the fact that we cut the over-all appropriation about $400,000,000 below the $4,000,000,000 Mr. Hoffman had used in making a tentative estimate. That amendment would require him to buy those farm products on the basis of an estimate that was tentative, in trying to justify the various items he was asking us to put in the bill.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. MCCLELLAN. If the budget was reduced by 10 percent, which I think is about the amount of the reduction reported in the bill——

Mr. ROBERTSON. Ten percent.

Mr. MCCLELLAN. The committee cut the amount about 10 percent below the budget estimate, as I recall. Is that correct?

Mr. ROBERTSON. That is correct.

Mr. MCCLELLAN. Then if the amendment to which the Senator refers, which I sponsored to the bill, were made to conform to that 10-percent reduction, would the Senator still oppose the amendment?

Mr. ROBERTSON. I would, because it violates the working agreement between ECA and OEEC, under which we understand that, as the sovereign nations involved are dealing with us in a friendly attitude we will let the various nations indicate to us where their needs lie, and then, within certain limits of our discretion about those needs, we will certainly let them indicate, of the items we are willing to approve, which shall take top priority. I do not think we have any right under this program to say, "Even though you need machinery for rehabilitation far more than you need cotton or wheat or corn, so much cotton and so much wheat and so much corn is going to be your portion, take it or leave it." But the amount we allocate now for that cannot be spent for machinery or any other purpose.

I am sure the distinguished Senator from Arkansas knows that all three of the major farm organizations of the United States have asked us to eliminate that item from this program, first, because they do not think it will help our farmers; second, because they do not think it is fair to the program; third, because they think Soviet Russia could use it as propaganda that we are using the program as a dumping process; and fourth, because we will ultimately make enemies over there instead of friends, and really work disaster to our future market for our products.

Mr. MCCLELLAN. Then, if we place no restrictions upon the program whatsoever, what is the point of asking or requiring each nation to present a budget upon the basis of which we are requested to appropriate the money to make those commodities available? Why do not we simply say, "Here is a billion dollars. Take it. Spend it any way you want to." When we appropriate money for various agencies of Government, each one is required to come before the Appropriations Committees and present its request, and justify it. Then we earmark the money we appropriate for that specific purpose, and it is not subject to the determination of an agency afterward that it may spend it for anything it wants to.

Since the budget so prepared originated from the nations participating, with respect to the commodities they need—they said they needed them—and was screened through the processes which are employed, and was then presented to us as an appeal that they needed that much money to acquire this minimum of commodities, why should we not take them at their word?

Mr. ROBERTSON. Mr. President, the OEEC has not submitted its estimate to ECA concerning the cotton and food they want during this fiscal year. That is point No. 1. OEEC has not been heard from. Point No. 2 is that we exercise this control because we do not want the program to be a glorified WPA or UNRRA program. We want it to be a rehabilitation program. Our previous postwar aid had gone for feeding the hungry and clothing the naked, but the nations involved had not inaugurated a program of trying to get on their feet. We were afraid they would ask too much for food and clothing and take it easy. We were going to say, "We will let you have just sufficient food to make you strong enough to work, but the rest of the money we want to go into something which will make you ultimately self-sufficient by production, and by getting into trade again." I have lost count of the different phases of it. But whatever the next phase is—it is section 202, is it not, I ask the Senator from Michigan, in our fundamental law? If they buy with American dollars any food or cotton or farm products of which we have a surplus, they must come to us for them. That is the protection afforded to the American farmer, as written in the law, where he who runs can read. That is the reason I say that since the farm organizations

have opposed this amendment—and I share their viewpoint—I hope the Senate will not retain the amendment in the bill.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. JENNER. If the section of the fundamental ECA law which applies provides that if we have surpluses which other countries need they must come to us first, how does the Senator reconcile that with the recent trade pact entered into between England and Russia, whereby England receives from Russia a million tons of coarse grain during the next year.

Mr. ROBERTSON. I do not like that deal. It is a barter deal. If this program is to work permanently we must not only rehabilitate the industrial capacity of the countries in question, but they must cooperate with us in carrying out the whole program for reciprocity and freer world trade. The barter deals between Russia and Britain, and between Britain and the Argentine fly right in the face of what we are trying to do. They are deplorable, but Britain probably is driven to enter into them by a sense of desperation, since she could secure the grain from Russia on the basis of a barter deal, whereas she could secure it from us only on the basis of a cash deal. Likewise, she could secure meat from Argentina on the basis of a barter deal whereas she could not secure meat from us on the basis of any kind of deal because we do not have it to spare. But when Britain secures grain from Russia she does not use one penny of our money to secure it.

Mr. JENNER. I understand that, but it goes into the general fund of Great Britain.

Mr. ROBERTSON. It goes into the general fund of Great Britain for the economy of Great Britain. That is true.

Mr. JENNER. She may use it for socializing her industries.

Mr. ROBERTSON. I do not want to become involved in a discussion of the Kem amendment, because that has not been adopted by our committee. That amendment, I believe, is based on the assumption that we are financing the nationalization of British industry. At the proper time the answer to that will be that not $1 of our money goes directly into the purchase of any British industry. The British industries are bought with British pounds. But we set up a counterpart fund, of which Great Britain receives 95 percent and we receive 5 percent for our own use, and one of the things the counterpart fund can be used for is the retirement of debt. Great Britain increases her debt by taking over coal, steel, or whatever industry she takes over, and then she applies a part of the counterpart fund to the reduction of that debt. Mr. Hoffman testified before us that in the process she saved on interest and carrying charges between $10,000,000 and $15,000,000. To that extent we have subsidized her socialization program.

Mr. JENNER. Mr. President, will the Senator yield further?

Mr. ROBERTSON. I yield.

Mr. JENNER. The distinguished Senator, being a member of the Committee on Appropriations, and being acquainted with these problems, may be able to give me some enlightenment. As I understand, about one-third of the Marshall plan funds go to Great Britain.

Mr. ROBERTSON. About $900,000,000 this year and about $1,000,000,000 the previous year.

Mr. JENNER. As I understand, Great Britain's present crisis and difficulty is due to the fact that she has an unfavorable trade balance.

Mr. ROBERTSON. That is one reason, but there are a number of other reasons.

Mr. JENNER. In other words, in her trade with our country she has an unfavorable trade balance of about $600,000,000.

Mr. ROBERTSON. Does the Senator want some information as to why she has such an unfavorable trade balance?

Mr. JENNER. I should like to lay a premise for my question, to see if I am not correct. Her total unfavorable trade balance will be approximately a little more than $2,000,000,000. Is that the approximate figure?

Mr. ROBERTSON. No. It was about $2,000,000,000 last year. But they have really been up against it, under their austerity program.

Mr. JENNER. I realize that.

Mr. ROBERTSON. Bear in mind that our checks show that the per man production in Great Britain now is equal to the prewar production, but they do not have as many workers, and they have a great deal of obsolete machinery. They estimate that their dollar shortage this year will be approximately $1,000,000,000, of which we are going to take care of about $900,000,000.

Mr. JENNER. In other words, the basic economic proposition is that England is spending beyond her income.

Mr. ROBERTSON. Absolutely; and she has done it for 50 years. Let us get this in the RECORD at this time. She drew from colonial possessions, and she was not squeamish about how she worked those black boys and brown boys.

Mr. JENNER. She still is not.

Mr. ROBERTSON. She loaned the money to build the Norfolk & Western Railroad in Virginia, which is the best piece of railroad property in the world. She put up the money when old Gen. Billy Mahone built that railroad after the War Between the States. He claimed that we fell out with him because he turned Republican, and that we got the British to call the loan. At any rate, the loan was called, and the Norfolk & Western was purchased by the Pennsylvania Railroad for $15,000,000.

Mr. JENNER. It was a loan. It was not a gift.

Mr. ROBERTSON. They did not give anything. They were lending. But they did lend all over the world. They built up overseas investments to the point where they were getting $5,000,000,000 a year income. World War I wiped out some of it. World War II wiped out practically everything else, except for some securities our RFC now holds and in South America, some investments, but it is nothing comparable to what she used to have.

Then she suffered terrible war losses. Plymouth and Coventry were completely destroyed—homes, factories, and everything. One of every four homes in England was either destroyed or badly damaged. Not a bomb hit us. Then Britain does not have as many workers, because during the war her workers were scattered all over Asia and Europe, as far as the Malay Peninsula, and many still sleep there.

Mr. JENNER. The basic thing which I do not understand is that we are greatly concerned about the deficit of England, yet last year we had a deficit. We spent more than we earned, to the extent of about $1,800,000,000. It is estimated that the coming year we shall have deficit financing to the extent of $7,000,000,000 or $8,000,000,000, according to some estimates.

Mr. ROBERTSON. I covet the opportunity to correct the Senator. In the last appropriation bill we cut more than $1,000,000,000 from our military appropriations. We believe that if we do not have a brainstorm next spring and pass a great many deficiency bills, we shall close the next fiscal year with a deficit of less than $1,000,000,000, on the basis of the budgets we have recommended, if the Congress will adopt those budgets and stick with them. I ask the chairman of the Appropriations Committee if I am correct in that statement.

Mr. McKELLAR. Mr. President, I do not think the Senator is correct. I think we are going to have a larger deficit than we now anticipate. I do not believe we ought to cut the appropriations as reported by the committee. I do not agree with the Senator at all.

Mr. ROBERTSON. The statement of the Senator from Indiana was that we anticipate a deficit of $5,000,000,000.

Mr. McKELLAR. I do not know anything about the anticipated deficit.

Mr. ROBERTSON. I do not agree with the Senator from Indiana.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. JENNER. The point I am trying to get at is this: If our economic situation continues as it was last year, and as it is apparently more or less agreed it will be next year, will we not wind up in the same position in which England is today?

Mr. ROBERTSON. We could if we were to indulge ourselves during the time when we were trying to protect ourselves from another war. We could wind up broke. Our resources are not inexhaustible. But I say to my distinguished colleague that if we have the spirit of the men who developed this country, if we get down to hardtack when hardtack is called for, if we do as the people in the valley of Virginia did after the War Between the States, when all the barns and fences were destroyed, after all the slaves were gone, and after all the machinery and horses were gone, we can overcome our difficulties. The people in the valley of Virginia did not have a WPA or Federal aid. They went to work and lived within their means. Now look at the Shenandoah Valley. It blossoms like the plains of Sharon.

Mr. JENNER. I agree with the Senator. I add that if England will do the same thing, if she will get down to work, stop boondoggling, stop the something-for-nothing programs, and stop cradle-to-the-grave security, she will likewise be in better shape.

Mr. ROBERTSON. I am not in a position to deny the soft impeachment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ROBERTSON I yield.

Mr. SALTONSTALL. The situation was not quite clear to me from what the Senator said to the Senator from Arkansas [Mr. McCLELLAN]. The Senator and I voted the same way in almost all the votes in the committee. My question is this: Was not the 10-percent cut from the budget estimates arrived at by the committee by including $150,000,000 in the form of a loan?

Mr. ROBERTSON. That is correct.

Mr. SALTONSTALL. As I understand, the Senator is in favor of that procedure.

Mr. ROBERTSON. That is correct; and I so stated in my prepared statement, in which I gave the figures in detail as to each proposal, and what we finally wound up with.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. VANDENBERG. Before we get too far away from the initial colloquy between the Senator and myself, in which we agreed to make a virtue of necessity and not quarrel over the mathematics of this bill, I forgot to ask one additional question. Is it not the general understanding that if the ECA bill is cut substantially 10 percent, as is the recommendation of the committee, if there is a subsequent general rescission of 10 percent, the ECA 10 percent direct cut is to be recognized, and the general rescission is not to apply to ECA?

Mr. ROBERTSON. If I am not acting improperly in disclosing a discussion in executive session—and I do not feel that in this instance I am—the distinguished junior Senator from Michigan [Mr. FERGUSON] said that if we cut this budget estimate 10 percent—and he made that statement in support of his motion to cut it—then it would not be necessary to make the over-all cut apply to this particular appropriation.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the junior Senator from Michigan.

Mr. FERGUSON. I understand that the McClellan resolution, which may be offered as an amendment, provides that in case of a cut in an appropriation such as the ECA appropriation, the amount of the reduction would be considered as fulfilling to that extent the purpose of the resolution. So the 10-percent cut in this bill would stand, but the other bills would be reduced in accordance with the terms of the resolution.

Mr. ROBERTSON. I may say to the junior Senator from Michigan that I am a joint patron of that resolution; and to the extent of my one sixty-third interest in what is done about it, I certainly would not ask that an appropriation which I personally think was cut a little too low be cut 5 or 10 percent more. That would not make sense to me.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. VANDENBERG. I wish to make it quite plain that my agreement with the Senator from Virginia with respect to the mathematics of the bill was contingent upon the understanding that a direct cut made in this appropriation would be a complete credit in behalf of ECA against any subsequent general rescission.

Mr. ROBERTSON. While there was no vote in the Appropriations Committee on that issue, I think it is only fair to say that, so far as I can judge the sense of the committee, that was the sense of the committee when we agreed to a cut of that magnitude at that time.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. SALTONSTALL. Let me say that there is no question in my mind that the Senator states the facts correctly.

Mr. FERGUSON. I will say the same thing.

Mr. McCLELLAN and Mr. MAYBANK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Virginia yield; and if so, to whom?

Mr. ROBERTSON. I yield first to the Senator from Arkansas, and then I shall be glad to yield to the Senator from South Carolina.

Mr. McCLELLAN. Senators will recall the colloquy between the Senator from Michigan [Mr. VANDENBERG] and myself several days ago on the floor of the Senate regarding Senate Joint Resolution 108. Subsequently the able Senator from Michigan presented to me a suggested amendment to conform to what we had discussed and what we had both agreed upon at that time. That amendment was adopted by the committee which reported Senate Joint Resolution 108, and it will be offered to the joint resolution when it reaches the floor.

With regard to the question of how this bill might be affected, it will be recalled that I stated at that time that so far as I was personally concerned I felt that the Senate could take full responsibility for making the cut in ECA appropriations, because that would be a blanket cut, and there was no reason, in my judgment, for the Senate in any way to shirk its responsibility in making the cut it felt it should make in the ECA appropriation bill.

However, the amendment as prepared and submitted by the able Senator from Michigan, and as adopted by the committee, would have the effect that if we had cut the ECA funds 10 percent below the budget estimates that 10 percent cut would be credited against a total 20-percent cut that it would be possible for the President to cut the funds for that agency, so that he could not cut them 20 percent more. That arrangement applies to that amendment and also to the appropriations for all other agencies with respect to which the Congress has made a cut of 1 percent, 5 percent, or 10 percent under the budget recommendations. In other words, such cuts must be credited against the limitation that a total cut of not more than 20 percent can possibly be made in the funds of such agency. That is my interpretation of the amendment submitted by the able Senator from Michigan.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. VANDENBERG. I am indebted to the able Senator from Arkansas for the very sympathetic consideration he gave to the amendment I submitted. The amendment was drawn by our legislative counsel, and it comes as close to achieving the result I am talking about as it seemed possible to put on paper. Therefore, I think it is important, from the viewpoint I have expressed, that the amendment be adopted.

I am grateful to the Senator for his interest in it. However, the amendment does not completely reach the situation I am talking about, because it protects an agency which has had a 10-percent cut made in its appropriations, as against only half of the 20-percent cut, which the resolution would permit.

Mr. McCLELLAN. That is correct.

Mr. VANDENBERG. I am now submitting to the Senator from Virginia a slightly different question. I have understood that the committee might give consideration to a horizontal 10-percent rescission of all appropriations; or something of that character. It was in that connection that I wished to be sure that my understanding was correct. My understanding arises from conversations with most of the members of the committee that in such a situation a direct 10-percent cut made by the Senate would be considered as meeting the ECA's share of a general 10-percent recession.

Mr. ROBERTSON. That is my understanding. That is my personal position; I believe that was the sentiment of the committee at the time when we took the action, and I assume it will continue to be the sentiment.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. MAYBANK. I wish to make clear that there was colloquy and discussion in the committee about the 10 percent and how it would apply, as has been stated; but there was no vote and no one was committed on it.

As to the resolution of the Senator from Arkansas to have a 10-percent cut made in the appropriations for all Government agencies, let me say that even after we act on the ECA appropriation bill, after we act on the stock-piling bill, in which a cut of some $270,000,000 has been made in contract authorizations, and after we act on the armed services appropriation bill, with respect to which the funds for the Air Force were cut by the committee $800,000,000, that being equal to the amount proposed by the President for universal military training—and the committee also made a cut in connection with the 1-year-trainees

program—we must realize that cuts have not been made by the Senate in the appropriations for two-thirds of the Government agencies.

So if we are going to have an understanding that the 10 percent cut cannot be made in the funds carried in this bill, I do not see how we would get very far in the direction of making cuts in appropriations generally, because the only bills left, after this one, are the appropriation bill for the Department of Agriculture, whose appropriations are already below the prewar level, and the appropriation bill for the Treasury and Post Office Departments, whose funds have already been cut below the amount of the budget estimates.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. McCLELLAN. Mr. President, if the economy resolution is passed, it strikes me that the only fair way to proceed is to do just what is provided by the amendment offered by the able Senator from Michigan. That provides the latitude of permitting a cut of between 5 and 10 percent to be made, provided there is a limitation or restriction that no agency shall have its funds cut more than 20 percent; and it also provides a credit feature, namely, that any agency whose funds have been cut by the Congress itself below the amount of the budget estimate, shall have that cut credited against the 20 percent figure.

Of course, every cut the Congress makes brings us that much nearer to balancing the budget. Therefore, if substantial cuts are made by the Congress, it will not be necessary for the President to reduce the over-all appropriations by 10 percent. The more reductions we make here, the smaller the reduction the President will have to make. In such circumstances, perhaps he could make only a 5 percent reduction.

It seems to me that the only fair way to proceed is according to the amendment of the Senator from Michigan; but of course that leaves the matter in the discretion of the President. He will not be obliged to make the cut in the ECA funds or in the funds of any other agency. But I think it perfectly fair, not only from the standpoint of ECA, but from the standpoint of all other agencies, to provide that whatever cuts are made shall be credited to the total cuts permissible for the particular agency.

I repeat that, so far as I am concerned, I think the Congress is in position to deal completely with the ECA and make whatever cut should be made in its funds, because from my viewpoint the ECA appropriation bill is in a different category, as compared with the general appropriation bills.

Mr. LUCAS. Mr. President, I should like to ask the able Senator from Virginia a question.

Mr. ROBERTSON. I yield.

Mr. LUCAS. In view of the colloquy between the able Senator from Virginia, the able Senator from Michigan [Mr. VANDENBERG] and the able Senator from Arkansas [Mr. McCLELLAN], does the Senator from Virginia agree that the language of the economy resolution which might be offered by the Senator from Arkansas is in conflict with the agreement the Senator from Virginia and the Senator from Michigan have with respect to a 10-percent cut in the ECA funds?

Mr. ROBERTSON. That is a question which I should prefer to answer in this way: When I was invited to become a sponsor of the economy resolution, the objectives of which I fully endorse, I called attention to the fact that I thought the ECA funds should be cut before we got to the matter of making a general cut in appropriations. I understood, if that happened, that matter would be taken care of before the general reduction resolution was passed, and I think it will be taken care of.

Mr. LUCAS. Then does the Senator from Virginia agree with me that the language of the McClellan resolution definitely conflicts with the agreement the Senator from Michigan and the Senator from Virginia have in regard to what will happen to the ECA funds? In other words, they agree that not more than 10 percent should be cut from the ECA funds. Yet under the McClellan resolution it is understood now, I think, judging from what the Senator from Virginia has said, that more than a 10-percent cut could be made, if that resolution should become the law of the land.

Mr. ROBERTSON. My position is that we should not cut the funds for the ECA below the amount stated in the bill which is now before the Senate.

Mr. LUCAS. I certainly agree with the Senator on that. On the other hand, the Senator's name is on the petition. That is another reason why the Senator from Illinois has been deferring consideration of the petition, until we could get into the debate upon ECA and other measures, and finally determine how much they would be cut.

Mr. ROBERTSON. The Senator from Virginia will say that in putting his name on the petition he not only had a mental reservation, he also had some audible conversation about ECA, and he felt he had some assurance he would not get caught in a jam on ECA. I still believe I shall be protected.

Mr. LUCAS. I am glad to know that. It is all new to the Senator from Illinois. If there is any reservation in respect to the petition which has been circulated, and which has been signed by 63 Senators, it is all new to the Senator from Illinois. I am very happy to know the Senator has that understanding.

Mr. ROBERTSON. We had a very informal discussion as to what might happen to the military bill, knowing that would be the last appropriation bill. If we cut it to the bone, it would not be cut again. That was my understanding of what would happen if we cut it to the bone. I think the chairman of our committee, the senior Senator from Tennessee, did a fine job on the bill. We have cut it more than a billion dollars below the House figure. In addition to that, we carry in it a rescission of contract authority, or the stock piling agreed upon this morning, if it is finally adopted by the House, of $275,000,000. Those two together effect a very substantial saving in what was the budget estimate.

Mr. LUCAS and Mr. McKELLAR addressed the Chair.

Mr. LUCAS. Mr. President, will the Senator yield further, merely for an observation?

Mr. ROBERTSON. Since I mentioned the Senator from Tennessee, I will yield first to him.

Mr. McKELLAR. Mr. President, am I to understand the Senator to take the position now that he is in favor of the bill as reported to the Senate?

Mr. ROBERTSON. Does the Senator refer to the pending bill?

Mr. McKELLAR. Yes.

Mr. ROBERTSON. I have repeatedly said I was going to stand by it, except for the five amendments.

Mr. McKELLAR. What are the five amendments?

Mr. ROBERTSON. One of them relates to Spain, one of them to fertilizer, one of them to farm products, one of them to Morocco, and one of them is a $74,000,000 cut for the previous 3 months. With those five exceptions, I am standing by it. I said I stood by the money figure in the bill, which was of course the major part of it.

Mr. McKELLAR. It is, of course. The Senator will recall it was not my doing. I was defeated in the committee. I proposed to make these cuts of about $800,000,000. I was defeated, as I recall, by a substantial majority, I have forgotten exactly what it was. We reduced the bill below the 1950 budget estimates only $598,820,000. We reduced the bill below the House only $403,871,420 on a 12-month basis.

I am delighted to hear the Senator say he is satisfied with the money provisions of the bill, and that it will go in, with his approval, with the cut of $598,000,000 below the 1950 estimates. I represent the committee, and for that reason I want to assure the Senator, and to assure all Senators, this is not my doing. Had I been doing it, I would have cut it more. It should have been cut more, in my judgment. But the committee has instructed me to report the bill as it is. I hope the Senator will withdraw his opposition to the immaterial things, as it seems to me. The committee has given this bill most careful consideration, having taken over a thousand pages of testimony. We have heard testimony, from anyone who wanted to be heard about it, before we came to a conclusion. I was defeated, but I hope the Senate will pass the bill as reported. It is a proper bill. I may say in all kindness, I think it is our duty, when we are making all these wonderful gifts, to consider America just a little. I am 100 percent American.

Mr. JENNER. That is unpopular.

Mr. McKELLAR. I know it is unpopular, but I am 100 percent American, and I hope the Senate will stand for the mutilated bill as reported. It makes a substantial cut where a cut ought to be made. I ask unanimous consent to place in the RECORD a table showing the reductions recommended by the Senate appropriations Committee, to appear at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Senate committee reduction below House on foreign-aid appropriation bill, 1950, on a 12-month basis [1]

House bill for ECA, 12 months	$4,078,251,420
Senate committee bill for ECA, 12 months	3,628,380,000
	449,871,420
Less public debt transaction	150,000,000
Senate committee reduction in ECA on 12-month basis	299,871,420
Plus Senate committee reduction in ECA 1949 unexpended funds	74,000,000
Total, Senate committee reduction in ECA funds	373,871,420
Plus Senate committee reduction in assistance to Greece and Turkey	5,000,000
Plus Senate committee reduction in Government and relief in occupied areas	25,000,000
Total, Senate committee reduction below House in Foreign Aid Appropriation Act, 1950	403,871,420
SENATE COMMITTEE REDUCTION BELOW 1950 BUDGET ESTIMATES	
Total budget estimates, Foreign Aid Appropriation Act, 1950	$6,322,544,000
Bill as reported to the Senate	5,573,724,000
	748,820,000
Less public debt transaction recommended by Senate committee	150,000,000
Senate committee reduction below 1950 budget estimates on Foreign Aid Appropriation Act	598,820,000

[1] Exclusive of item of $344,000 for Joint Committee on Foreign Economic Cooperation, for which there was a budget estimate in that amount.

Mr. ROBERTSON. Mr. President, I am afraid my distinguished friend and beloved colleague from Tennessee misunderstood my reference to the bill on which he had done an outstanding job of cutting. I did not attribute his work to the ECA bill. I said it was in cutting the military bill more than a billion below the House estimate, that I thought he had done a very fine cutting job from the standpoint of economy. I am sure that statement will not be successfully contradicted. I now yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I only have one more observation to make. I do not rise at this time to discuss the merits or the demerits of the bill. I may however say I am greatly surprised, if the Senator from Tennessee [Mr. MCKELLAR] lost a battle in the Senate Appropriations Committee. The Senator seldom loses any battle in which he engages.

Mr. MCKELLAR. I was humiliatingly defeated. I want to acknowledge it to the Senate and to the country—to the world, for that matter, because all the world is concerned in it. I think nearly everybody in the world is asking for some money in it. I admit I was humiliatingly defeated.

Mr. ROBERTSON. Mr. President, had the Senator from Illinois finished with his question?

Mr. LUCAS. Mr. President, one other observation, and I am through. The only other point I raised was in respect to what seemed to me to be probably a conflicting viewpoint on the amount that might be cut in the event, for instance, the Senate should adopt the amendment that might be offered by the distinguished Senator from Arkansas. The Senator from Virginia has cleared that up for me, so far as he is concerned. I appreciate it very much.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Arkansas.

Mr. MAYBANK. Mr. President, I ask unanimous consent that the Senator from Virginia may, without losing the floor, permit the Senator from Arkansas to yield to me.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. MAYBANK. I merely wanted to say a word in connection with the resolution referred to by the distinguished Senator from Arkansas, in which I joined. This bill contains many billion dollars. The independent offices bill contains many billion dollars, and the national military bill contains, of course, anywhere from $13,500,000,000 to $15,500,000,000, depending upon where we put the stock-piling and other items. That represents about two-thirds of the appropriations in bills on which the Senate has not yet acted. I am wondering what a 10-percent reduction would mean, if we eliminated those bills from the purview of the resolution. If we are to eliminate from the resolution the ECA, I assume an effort will be made to eliminate the stock-piling and the armed services. I assume someone else will propose eliminating the independent offices. I should like to know frankly what it is that I am a party to, in connection with my good friend from Arkansas, with respect to the resolution regarding a 10-percent cut, and yet eliminating two-thirds of the appropriations to which it could apply.

Mr. MCCLELLAN. Mr. President, if the Senator is asking me, I may say nothing has been eliminated from the resolution.

Mr. MAYBANK. Will it apply to ECA?

Mr. MCCLELLAN. It will. As the resolution is now written. It will apply to ECA. It will apply to every appropriation made. If the amendment suggested by the able Senator from Michigan, which has been adopted by the committee, is adopted by the Senate, it will still apply to every agency of the Government, and it will apply to all of them alike. Where a cut has been made, the cut will be credited, and it will therefore reduce the amount which the President could possibly cut from a particular agency.

Mr. MAYBANK. Could not the President make a further reduction?

Mr. MCCLELLAN. He could, in his discretion, make a further reduction. There is only one thing further I should like to add, if the able Senator from Virginia will yield.

Mr. ROBERTSON. I should be glad to yield the floor.

Mr. MCCLELLAN. Mention has been made here of agreements. I want to make this observation, that I was present in the Appropriations Committee when these funds were cut and these discussions were had. There was no agreement that bound anyone. As I have stated on the floor of the Senate, for my own part, I felt the Congress should take full responsibility for cutting the ECA appropriations, to whatever extent a cut should be made. I also felt that the cut should be credited against whatever authority to reduce expenditures is finally given to the President. That applies to any cut the Congress may make in this or any other appropriation bill.

Mr. MAYBANK. Mr. President, if the Senator will yield, was not the same conversation had in respect to the reduction of a certain amount and the transferring of funds to the Air Force, and cutting $400,000,000 additional from the National Military bill, and reinstating the amount contained in the President's budget? Was it not felt that there was a sufficient cut?

Mr. MCCLELLAN. I think there was general discussion along those lines. The Appropriations Committee was undertaking to make all the cuts it could possibly make, so far as it had the information, which I think is the responsibility of the committee and of the Congress. I think the Appropriations Committee, in these bills, in good faith undertook to make cuts where it thought they should properly be made insofar as it had information to guide it.

Mr. MAYBANK. There was no agreement of any kind, nor was there any roll-call vote or any other kind of vote.

Mr. MCCLELLAN. That is correct.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield for a question.

Mr. FERGUSON. Lest the statement of the Senator from South Carolina on the military bill be misinterpreted, let me say that the junior Senator from Michigan stated at the time that he intended to move on the floor for an amendment providing a 10 percent cut, rather than a cut of 3 or 3¼ percent.

Mr. MAYBANK. The junior Senator from Michigan will agree with me that there was a general discussion in the committee.

Mr. FERGUSON. There is no doubt about the discussion.

Mr. ROBERTSON. The junior Senator from Michigan is correct. He did make that statement. I was present and heard it, and I am glad to confirm it.

TREATMENT OF FARMERS—UNCONDITIONAL SURRENDER—SITUATION IN GERMANY—AMERICAN DIPLOMACY

Mr. LANGER. Mr. President, I intend to vote against this bill in its entirety. I wish the Members of the Senate would pay as much attention to the farmers of the United States as they pay to foreign peoples.

In 1929, all over the great Northwest, there was a drought. Farmers lost their entire crops. They had saved up some money, so that they had seed for 1930. In 1930, 1931, and 1932 there was another total drought. Canada had a drought similar to that which prevailed in the United States. In some parts of the country the farmers received practically nothing for the little crops they had.

In 1932, in some places, wheat sold for 19 cents a bushel; oats for 7 cents a bushel. In 1928, 1929, 1930, and 1931, as every Senator knows, a farm plan was provided. All over the Northwest the drought continued in 1933, 1934, 1935, 1936, and 1937. Every farmer in the United States who borrowed money from the Government had to sign a note. The Government took a mortgage on everything the farmer had. I remember very well that some farmers had to give a mortgage on their chickens, and on the eggs which the chickens laid. Inspectors came out and said, "You are supposed to have so many eggs." Since away back in 1929 until today the American farmer has been hounded by our Government to pay those debts. I remember when former Senator Shipstead, former Senator Nye, former Senator Wheeler, the Senator from South Dakota [Mr. Gurney], and the late Senator Bushfield joined together in a bill and endeavored to get relief from the 6 percent interest. They could not get the bill reported from the committee. They succeeded in getting some small portions reported; but they could not get the matter to a vote upon the floor.

All over America the Department of Agriculture is taking estates left by farmers who have died. There are no exemptions, and they take every dollar the widows and children have. Some of my constituents are going to the States of Washington and Oregon and getting jobs there.

During this session there has been a bill pending, which has not yet been reported, to meet the situation. Representative BURDICK has a bill pending and cannot get it reported from the committee. Certainly we should protect the farmers who, during those droughts, had faith in the country and seeded their crops, year after year, even though they had to borrow money from the Government. The Government was cruel. I remember that 200 farmers met in the town of Cleveland, and from St. Paul, Minn., came a man in charge of the seed and feed loan. Those farmers paid approximately $2 a bushel for good seed. They had a very small crop, and part of it was shriveled wheat. The collector said, "I am going to collect what is owing." As Governor, I said, "Certainly you are not going to take away the money that had to go to the grocery man who fed these people. You are not going to take it away from the doctor who has been taking care of them. These people have no coal; the children have no clothes to wear to school; their parents have no money with which to buy books." That collector said to me, "We are going to take every single dollar. These people can go on relief."

I said, "Mister, you are mistaken. You are not going to take one single penny."

We offered them half the crop, and they would not accept it. I called out the militia, and they did not take any of the crops in my State. In one place, where the militia was not called out, a judge was taken from behind his desk.

I remember what happened when a governors' conference was called in Des Moines, Iowa. It was called by Clyde Herring, and was attended by 11 governors. I saw many citizens of Iowa, men like J. S. Johnson, of Moorhead. He said his grandfather had filed on a piece of land 75 years previously, and his father had lived on the place. He stood there with his toes sticking out of his shoes, and wearing tattered clothing, and said, "If you want a revolution, you can have it. We are not going to give up our crops."

We finally sent five persons to Washington to see the President of the United States, Mr. Roosevelt. When they went into the President's office they were shown a telegram stating that in Wisconsin coal oil had been used in six creameries to prevent the making of butter.

On the second night of the Governors' Conference in Iowa a group of a few hundred persons held a meeting and said, "We are going to burn the bridges leading into Sioux City." They did. We said we were going to give the farmer some relief. Relief had been promised them by the President of the United States and by the Congress. Canada canceled similar debts years ago. Canada canceled every single one of the seed and feed loans made to the farmers, but in the United States collectors are still sent out to collect money from farmers. I say again that this very Congress, the Congress a year ago, 2 years ago, 3 years ago, 4 years ago, and so on, has refused to cancel the seed and feed liens. Agents of the Government are taking the last drop of blood out of the farmers who were patriotic enough to keep on seeding crops and raising food.

Mr. President, I think the most significant thing that has been said upon this floor in a long, long time was said by the junior Senator from New York [Mr. DULLES] in his maiden speech on the 12th of July. Certainly it is the most significant thing, so far as the pending bill is concerned. The junior Senator from New York said:

> In this connection, Mr. President, I should like to refer briefly to the problem of Germany. Ever since VE-day the problem of relations with the Soviet Union has so dominated our thinking that we have given little thought to the problem of Germany. But we should not forget that the conditions which brought Hitler to power are latent in Germany today, even in exaggerated form, for there are more Germans today than ever before, in a smaller Germany. They are strategically located between the east and the west. They have ambitions, which I hope and believe can be worthy, but which we know can be evil. Unless the west can provide the Germans with a decent and hopeful future, it is almost certain that they will develop a bargaining position between the east and the west, between the Soviet Union and western Europe, out of which could come at least a temporary Soviet-German alliance. If that should come, all our hopes and plans for a peaceful and free Europe would crash to the ground. But 70,000,000 Germans are too many for the comfort and the safety of the European members of the Atlantic community unless their security is strengthened by the adhesion of the United States. Germany can be integrated in the west if the west includes the United States. Germans cannot be safely integrated in the west, and certainly they will not be invited into the west if the west does not include, for security purposes, the United States.

There we have it once more, Mr. President, from the distinguished junior Senator from New York. He says that the all-important question is Germany. In a few days there is to be an election in Germany, and we are going to find out whether the Communists are to continue to gain in Germany or whether they are not. General Clay says that Germany is the keystone to all of Europe, and that whoever the Germans are with will control Europe. The junior Senator from New York said practically the same thing.

I may be pardoned, if I for one say that I have not any confidence in the Foreign Relations Committee of the United States Senate. I say that after nine long years of experience. I do not intend to go into everything that has happened during those nine long years, but time after time after time I have seen Senators on this floor giving warning, as Senator Wheeler did, as to just exactly what was going to happen. Away back in 1945 he gave such a warning. How well I remember when he made his speech how Senator after Senator got up and walked off the floor, and that not one single member of the Committee on Foreign Relations even tried to answer him, because they could not.

Then I pick up the New York Times of this morning and find that everything Senator Wheeler said was true, and that everything our Committee on Foreign Relations stood for was wrong, that they guessed wrong, sincere as they may have been. From this morning's newspaper we discover that in England yesterday Churchill and Bevin were in a debate. I read from the New York Times of yesterday:

> Mr. BEVIN. It began with the declaration at Casablanca of unconditional surrender on which the British Cabinet, or any other cabinet, never had a chance to say a word.

Where was our Committee on Foreign Relations then?

> But it did leave us a Germany without a law, without a constitution, and without a single person to deal with, and without a single institution to grapple with the problems. We have had to build absolutely from the bottom with nothing at all. We have had to build a state with 20,000,000 displaced persons scattered about the whole show.
>
> Looking back on it, I think how those military commanders—to whom I cannot pay too great a tribute—and their political advisers were left with a shambles in the creation of the Germany which they have handed on to the politicians today.
>
> Mr. CHURCHILL. The first time I heard that phrase—unconditional surrender—used was from the lips of President Roosevelt.
>
> Mr. BEVIN. That justifies what I said. I do not complain. But you will admit I took

my share of every decision in the coalition cabinet and I never heard of that phrase until I saw it in the press, but if it had ever been put to me as a member of your cabinet, I should never had agreed to such a thing. I took it as it was and it is rather bad for the opposition to criticize me now when I am left with such a shambles.

Mr. CHURCHILL. It was made by President Roosevelt without consultation with me. I was there on the spot and I had rapidly to consider whether our condition in the world would justify me in not giving support to him.

I did give support but it was not the idea I had formed in my own mind. If the British Cabinet had considered these words around the table, they would have advised against it. But working in a great alliance and with friends from across the ocean we had to accommodate ourselves. But I cannot think that great harm came from that particular phrase.

(Several Government supporters muttered, "Oh, no.")

It is a matter of total indifference to me whether you agree or disagree; but I am not at all satisfied that it produced very evil consequences. But I do not think on the whole that it is a phrase which we in our cabinet would have used.

I would not have arisen on this matter had not Mr. Bevin, feeling so uneasy about criticism—from the conservatives—plunged back across the years of history of the war and touched upon some very large and important matters affecting our relations with the United States with a view of throwing a burden on me personally. Otherwise there could have been no point because I was the person responsible in these matters.

The phrase "unconditional surrender"—

Mr. President, I shall show to the Senate how former Senator Wheeler begged and pleaded on the floor of the United States Senate that we get rid of the phrase "unconditional surrender." He told the Senate exactly what would happen if we persisted; that Germany would become the balance wheel, would be the deciding point between England and Russia in Europe. I shall read what Senator Wheeler said in a little while.

I continue to read from the proceedings in the House of Commons:

The phrase "unconditional surrender" was not brought before me or agreed to in any way before it was uttered by our great friend and august and all-powerful ally, the President of the United States. But I did agree with him after he said it, and so reported to the Cabinet. Whether, if we had all discussed this at home, we should have proposed such a plan is another matter.

Still, we accepted the position, as he thought it right to do. I cannot feel there can be any separation of responsibility between us in the matter, having regard to the long years in which we subsequently acted together.

Mr. Bevin used the episode to suggest that the difficulties in Germany were greatly aggravated by the use of this phrase. I am not at all sure that is true.

I am not at all sure that unless Hitler had been murdered by some of the plots levied against him, by men I can only call today patriotic Germans, the situation would have changed. He had the strength and vigor to carry on the fight—as it was carried on—to the last gasp. He and the band of guilty men around him were in a position where they could not look for any pardon or safety for their lives and would have fought to the death.

I have been rather seriously criticized by Mr. Bevin who tried to throw all the discredit of unconditional surrender on me. If he did not mean that, he did not mean anything, because he is vexed with what was said here.

There was another matter to which Mr. Bevin referred, about which I do not feel so confident in my conscience about the judgment of my actions. That is the Morgenthau [Henry Morgenthau Jr.] agreement at the second [Quebec] conference.

It was initialed by the President and by me, and it undoubtedly proposed a treatment of Germany which was a harsh treatment in that it limited her to an agricultural country. But that was not a decision taken over the heads of the Cabinet. It was not one that ever reached the Cabinet because it was only a referendum and it was disapproved by the State Department, on the one hand, and by my friends, and the Foreign Office on the other, and it just dropped on one side. It never required a Cabinet decision or had any validity of any kind.

I did not agree with this paper for which I bear, nonetheless, a responsibility, but when you are fighting for life with a fierce enemy I feel different toward him to what I do when that enemy is beaten to the ground and suing for mercy. Anyhow, if the document is ever brought up to me I shall certainly say that I did not agree with it and I am sorry I put my initials to it. I cannot do more than that, but many things happened with great rapidity. But to say it was done over the heads of the Cabinet is quite untrue.

These two matters were dragged in in order to justify Mr. Bevin in pursuing the policy of dismantling, and the trials of the German generals. I do not think he need have brought such heavy artillery back from the past to fire on such matters. I do not put the case with hostility against him.

Mr. Bevin replied:

I hope the House will allow me to make an explanation. In the first instance, with regard to unconditional surrender, I want the House and Mr. Churchill to be clear what I was saying about the use of that phrase meant that the whole constitution was smashed and military governors and the governments of the Allies have had to build right from the bottom and I did not think that the criticism of Mr. Churchill was justified. He did not take that into account.

Mr. President, here we find Mr. Churchill admitting he initialed the Morgenthau "piece of paper," as he calls it. We find him saying that insistence upon unconditional surrender was wrong. So I want to go back to what Senator Wheeler said upon the Senate floor on January 15, 1945. How well I remember that day. Senator Wheeler rose, and Senator after Senator walked out of the Senate Chamber. Senator Wheeler referred to the fact that he was called an isolationist and that he was hated. Among other things he said:

Mr. President, as I understand the past record of purposes set down by ourselves and our allies, we are not fighting this war to impose a peace of vengeance upon a conquered people. It is inconceivable to me that the American people would tolerate for one moment any such brutal and savage proposals as those designed by Secretary Morgenthau for the ultimate treatment of the German people or the German nation. Let me repeat what I have said on so many other occasions, that in holding this position I hold no brief for the Nazi brutality, the Hitlerian bestiality and savagery. What I do hold is that such terms will never in a thousand years bring peace to Europe or to the world. Whatever our desires with reference to Germany may be, what we must ultimately consider is not merely what we would like to do in our madness with reference to the German people but what will bring about lasting peace in Europe and throughout the world. Of course, when passions are running high in this country, the popular thing to do is to let madness and hatreds run away with sound judgment; but we must look beyond all that. We in the United States of America, of all people, we who boast of our intelligence and our tolerance, must consider not what we would like to see done but what will be the best for the future of our own country and of the world. What I believe is that for the United States Government to permit the continued use of the basic proposals contained in the Morgenthau "brain child" as representing America's ultimate war and peace aim would cost thousands upon thousands of American lives, as well as the lives of our allies.

That is exactly what happened, Mr. President. Thousands and thousands of boys are dead today because of the slogan "unconditional surrender," which we now find being admitted in the House of Commons as having been wrong.

Senator Wheeler continued:

Mr. President, I have read a letter from a soldier boy in France which he had written to his uncle, a Texas businessman. I am sorry I do not have the letter with me. In it the boy said, in effect. "The demand for unconditional surrender and Morgenthau's statement are making these Heinies fight like hell from ditch to ditch." A soldier, recently returned from Italy, who was in my office the other day told me practically the same thing.

Mr. President, I believe that in lieu of any basic agreement among the conquerors as to the ultimate treatment of Germany, a continued use of such proposals will only lead to slaughter and carnage. Out of this will arise a savage underground movement over which both of our allies, Great Britain and Russia, will struggle for favor or control. If we do not want Germany ultimately to win this war by holding the real balance in the struggle for the control of Europe between Britain and Russia, if we do not want ourselves sucked into the political, economic, and social vacuum which will exist in Europe when the fighting finally stops, we ought now to agree upon constructive and curative measures.

Senator Wheeler got absolutely nothing. Senator Wheeler continued, at another place:

On January 4, 1939, President Roosevelt warned this Nation that: "In a modern civilization, religion, democracy, and international good faith complement each other. Where freedom of religion has been attacked the attack has come from the sources opposed to democracy. Where democracy has been overthrown, the spirit of free worship has disappeared. And where religion and democracy have vanished, good faith and reason in international affairs have given way to strident ambition and brute force."

He was speaking not only of Germany but of Russia as well.

Senator Wheeler continued:

If we remember that Germany and Russia were engaged jointly in liquidating Poland and extending their spheres of influence when the following statement was made, we shall have a clearer understanding of its significance. Germany did not attack Russia until June 22, 1941. Two months earlier, on April 24, 1941, the former Secretary of State, Mr. Hull, replied to those who were asking whether peace could not be made with the dictators.

By the way, Mr. Hull also did not agree with the Morgenthau plan. He came

out openly and stated that he was opposed to the slogan "unconditional surrender."

Mr. Hull replied to those who were asking whether peace could not be made with the dictators.

Senator Wheeler continued:

The following statement was directed not only against Hitler, but at Stalin as well. I quote:

"I wish it were possible. But one obstinate fact stands in the way. One of the contending groups not only does not wish peace, as we understand peace, but literally does not believe in peace. That group uses the word, it is true—as it was used by the aggressor at the time of the Munich arrangement of 1938. Peace to that group is merely a convenient cloak for a continuing undeclared, undercover war, as France and many other nations to their misery have discovered. Behind the deceptive protection of the word "peace" the rulers of that group accumulate vast striking forces. They infiltrate shock troops disguised as peaceful travelers and businessmen. They set up organizations for spying, sabotage, and propaganda. They endeavor to sow hatred and discord. They use every tool of economic attack, bribery, corruption, and local disturbance to weaken the countries with which they are at peace until a military movement can easily complete the task of subjugation. That kind of a peace is nothing more than a trap—a trap into which many nations fell in earlier phases of this movement for world conquest when its true nature was not understood. Indeed the dictator nations make no secret of their plans. They scornfully state their ideas, arrogantly confident that the law-abiding nations will not take them seriously—until it is too late successfully to resist them."

On June 22, 1941, when Germany marched against Russia, Mr. Churchill said in offering aid to the beleaguered Soviets:

"No one has been a more consistent opponent of communism than I have been in the last 25 years. I will unsay no word that I have spoken against it."

Senator Wheeler continued:

It is not unrealistic for me to warn of the tragic consequences to our civilization if this war ends up in a struggle for the domination of Europe by one or two great powers. It is not unrealistic for me to protest the continuation on the part of my own Government and my own people of policies which our whole history proves will lead to disaster.

Now we have it, Mr. President. Every country is broke. Were ever words more prophetic than those of Senator Wheeler upon that occasion? Now, after we have given them many billions of dollars, we are going to give them $6,000,000,000 more. Mind you, these are the same people who, after World War I made fun of Mr. Wilson. They not only made fun of him, but were so obnoxious that four of the men who went with Mr. Wilson resigned from the Peace Commission, Lansing being one of them. The French and English were not concerned about a decent peace at that time.

Senator Wheeler continued:

There are those who are irritated that I should continue to fight against the extension of power politics, both actual and threatened, into the so-called peace. They want to get on with the bloody business and be done with this folderol. To them again I say for us such a course is sheer madness. This would mean that we would have to start immediately playing power politics according to the 1945 pattern. We would be compelled to organize resistance groups and to interfere in the internal affairs of governments and nations with brute force the world around.

How true, Mr. President. Only a few months ago the distinguished senior Senator from South Dakota [Mr. GURNEY] stood upon the floor of the Senate advocating universal military training and selective service, to send troops to every country in the world except Australia. That was exactly what Senator Wheeler was talking about on January 15, 1945.

At the present time we have a small but brave group in the Senate, headed by such brave men as the Senator from Utah [Mr. WATKINS], the Senators from Missouri [Mr. DONNELL and Mr. KEM], and others, reasoning as Senator Wheeler did in 1945. We have seen the same smugness which we have previously witnessed on the part of certain Senators who have not been informed about secret commitments, and do not know anything about them. I remember that when the President came back from Europe and addressed Congress he stated that there were no secret commitments. Afterward we found that there were. No Senator who voted here yesterday knows anything about secret commitments. We tried to find out a few months ago. Even the distinguished Senator from Michigan [Mr. VANDENBERG], ranking minority member of the Committee on Foreign Affairs, stated on the floor of the Senate at that time that he did not know about any secret commitments.

The junior Senator from New York [Mr. DULLES] says we must have Germany. How badly they want Germany now. Do Senators remember when the war was over, when 33,000,000 Americans of German ancestry wanted to hear about their fathers and mothers in the old country? They could not even send a letter. Month after month went by, and they could not even send a letter. Thirty-three million Americans of German ancestry could not send money over to their starving kinfolk.

Finally we got a resolution through the Committee on Post Office and Civil Service providing that an American citizen could send money, clothing, or food to his relatives across the water. That resolution was held up month after month by the Foreign Relations Committee of the Senate. It was referred to a subcommittee. So far as I know the subcommittee has not reported to this day. At long last we got the Post Office Department to allow 22 pounds to be sent in one package. In the month of October last year the American people sent 41,000,000 pounds in 1 month. That is what the American people thought about the attitude of our Government. So far as I know, the Foreign Relations Committee did nothing about it.

On January 15, 1945, the distinguished Senator from Florida [Mr. PEPPER] propounded a question to Senator Wheeler:

Mr. PEPPER. The second question is, Does the Senator see no distinction between the character and the location of the Russian Government and the Russian people, and of Germany, with respect, for example, to the danger to this country they might constitute as a dominant power in Europe?

Senator Wheeler replied:

Mr. WHEELER. I shall take that up; I am coming to it, and I have the answer to the Senator's question. It is not my answer to it, but the answer given by the British themselves—what they think about it.

It is not unrealistic for me to warn of the tragic consequences to our civilization if this war ends up in a struggle for the domination of Europe by one or two great powers. It is not unrealistic for me to protest a continuation on the part of my own government and my own people of policies which our whole history proves will lead to disaster.

There are those who are irritated that I should continue to fight against the extension of power politics, both actual and threatened, into the so-called peace. They want to get on with the bloody business and be done with this fol-de-rol. To that again I say for us such a course is sheer madness.

This was said 4 years ago.

This would mean that we would have to start immediately playing power politics according to the 1945 pattern. We would be compelled to organize resistance groups and to interfere in the internal affairs of governments and nations with brute force, the world around. We would have to start annexing territories, changing boundaries, deporting or liquidating populations—

Mr. President, 5,000,000 white people were doomed to slavery by the agreement at Potsdam. What a prophet Senator Wheeler was—

and defying the will of masses of people among our friends and enemies alike. We would have to go in for bigger and more horrible concentration camps, newer and more terriple G. P. U.'s and Gestapos, suppressing all news and communications, distorting truth, and fouling our sacred honor, until, struggling to hold high the ever-weakening hands of Britain, we finally came to death grips with Soviet Russia. If we really want to commit national suicide, that is the road down which to travel from here on out.

Surely my colleagues have not forgotten the slogan of "All aid, short of war, to our allies." On December 29, 1940, the President set the theme for America's role as the arsenal of democracy when he said:

"In a military sense Great Britain and the British Empire are today the spearhead of resistance to world conquest."

Sir Harold MacKinder, in founding the science of geopolitics during the last war, issued the solemn warning of what would happen to England if any nation finally succeeded in annexing Poland. His thesis is simply this: Whoever would control Europe must control eastern Europe, the key to which is Poland. Whoever controls Poland controls eastern Europe. Whoever controls eastern Europe controls Europe. Whoever controls Europe controls the great Eurasian island, and the world.

Mr. President, I quote from an article printed in the September 1943 issue of the Nineteenth Century and After. The editor, Mr. F. A. Voigt, said:

"To be master of eastern Europe is, therefore, to be master of all Europe. If England were to abdicate in eastern Europe, she would be abdicating in all Europe. Such a policy would lead to her isolation; it would destroy the British ascendancy in the Near and Middle East. It would, by placing the Balkans and the Straits under the domination of one power, bring the British command of the Mediterranean to an end. It would isolate Turkey and eliminate British influence in Iraq and in Iran, and threaten the

security of India and of the Persian Gulf. It would compel England to reconsider her attitude toward Germany."

Mr. President, there are those who are now so heartily sick of the terrible problems and conflicts arising out of this war, into which they so idealistically precipitated America, that they are openly urging that we let Europe fall into the hands of Stalin. Perhaps that would be best from our standpoint. They argue in this vein, "England and France have never been able to prevent the outbreak of war in Europe. Let Stalin try his hand." To them I would say, in the words of another, they "are now willing to settle for a nickel on a dollar and they are not so sure but what even the nickel is plugged." Certainly if America wants to gain the everlasting enmity of 350,000,000 people in Europe, and not only in Europe but throughout the world, this is the way to do it, because if we agreed to such a suggestion what people on the face of the globe could have any faith or confidence in anything the American people might ever say or ever do?

There are those, on the other hand, Mr. President, who declare that Mr. Stalin has changed his tune and his intentions. Say they, "Mr. Stalin does not want to take over Europe. He has too much else on his hands and mind." To them I would say this is the most unrealistic interpretation of the history I have documented that could be imagined. Whether Mr. Stalin has changed his mind or not, the fact remains that the present situation in Europe is disintegrating morally, socially, and economically and politically to such an extent it is now obvious that the whole tragic European situation has gotten out of hand. Europe is being forced into Mr. Stalin's embrace whether he wants it or not. Compare the scene that now confronts us in Europe with the picture drawn by President Roosevelt on the Axis "now order," when he said on December 29, 1940:

"The proposed new order is the very opposite of a United States of Europe or a United States of Asia. It is not a government based on the consent of the governed. It is not a union of ordinary, self-respecting men and women to protect themselves and their freedom and their dignity from oppression. It is an unholy alliance of power and pelf to dominate the human race."

Again I say, Mr. President, it is my studied conviction that whether we or our allies have deliberately intended such an outcome to this war or not, for us to continue down the road we are going will make such an outcome inevitable. Certainly no more personal parleys on the part of three men, no more secret agreements, no more secret or open extensions of spheres of influence, no more identification of our desperate military necessities with ulterior political purposes on the part of ourselves or of our allies can possibly correct the present mortal errors we are now committing.

SIX-POINT STATEMENT OF PEACE AIMS

Mr. President, I desire at this time to urge upon my colleagues with all the strength of conviction at my command support of the principles contained in the resolution (S. Res. 8) submitted by me on January 6, 1945, as embodying the bases upon which a peace of decency, justice, and sanity can be salvaged from this terrible war.

The first principle reads as follows:

"The adoption of a universal bill of rights to safeguard the inalienable rights of every individual regardless of race, class, or religious belief."

Mr. President, I am certain that in urging the acceptance of this principle I am not speaking in behalf of a "discredited minority." I hold in my hand a map titled "Movements of Non-German Populations in Europe," published by the International Labor Office, Montreal, Canada, in 1943. Herein is contained a general outline of the most terrifying and staggering mass deportation, evacuations, and repatriations that history records. The fate of millions is at stake.

On August 14, 1944, the American Jewish Conference, consisting of delegates from 63 Jewish organizations, in a memorandum submitted to Secretary of State Stettinius, urged the incorporation of an international bill of rights in any postwar security system that the four-power parley at Dumbarton Oaks might conceive. The memorandum pointed to "the total disregard of civilized concepts, of individual human rights on the part of some states," and asserted that "herein lie the roots of the international anarchy that contributed to the assault of the Axis Powers on the civilized world."

On October 7, 1943, the Federal Council of the Churches of Christ in America, the National Catholic Welfare Council, and the Synagogue Council of America issued a joint statement titled "Pattern for Peace," the second principle of which declares:

"The rights of the individual must be assured—the dignity of the human person as the image of God must be set forth in all its essential implications in an international declaration of rights and be vindicated by the positive action of national governments and international organization. States as well as individuals must repudiate racial, religious, or other discrimination in violation of those rights."

Recently the American Jewish Committee issued a statement containing a six-point declaration of human rights that urges promulgation of an international bill of rights to guarantee individual liberties throughout the world. This statement has been signed by 1,326 distinguished Americans of all faiths. Vice President Wallace, Supreme Court Justices Roberts and Murphy, A. F. of L. President William Green, CIO President Philip Murray, Gov. Thomas E. Dewey, and Sidney Hillman, as well as numerous Senators and Representatives and 348 church leaders are listed among the signers.

Mr. President, this map to which I have referred indicates that not only Germany but also our associate Russia has been responsible for the tragic plight of vast numbers of so-called liberated peoples. Among the deportations attributed to Russia we find the following: 61,000 Estonians, 60,000 Latvians, 66,000 Lithuanians, and 1,500,000 Poles, Jews, and others from Poland, all of whom have been forcibly removed from their homes and their countries. From the meager reports that trickle through to us from Russian-occupied territories, we know only too well that under the present armistice terms now being forced upon the countries of eastern Europe, one by one, thousands upon thousands more human beings are being subjected to the terrors of a ruthless conqueror. Let us remind ourselves again of what Woodrow Wilson said, "No right exists anywhere to hand peoples about from potentate to potentate as if they were property." Unless there can be reestablished immediately a minimum of humanitarian principles to which the Allies will pledge themselves as a basis for rectifying the evils already committed, this war will prove a hideous mockery so far as liberation of the suffering people of Europe is concerned. There can be no better way to assure the world of the integrity of Russia's intention toward liberated people than for Mr. Stalin to act now in the name of the Russian people in order to hasten the realization of simple and basic humanitarian laws upon which to rebuild the social order of Europe. Certainly, we are convinced that the European peoples take no greater delight in ruthless treatment, inhumanities, or murder, whether perpetrated by ourselves or our allies, than they take in Nazi atrocities. Would it be too much to expect that they were entitled to something more from their liberators? Personally I am convinced there is no possible moral ground upon which Americans can condone their associates and allies for doing what they condemn in others.

The Washington Post of December 13 carried an Associated Press dispatch of December 12 from London, which reads, in part:

"There is a growing belief in diplomatic quarters that Russia's proposals, when presented to the European Advisory Commission, would suggest that several million Germans be sent to the Soviet to help in the reconstruction of that country."

I am informed that at least under Nazi occupation the Polish people carried on a desperate underground opposition to their conquerors, but that under the alleged Russian liberation even a great many of the underground forces have been liquidated or sent to concentration camps.

Surely the fanatical German resistance now adding to the already terrible casualties of our own American boys is not lessened by the realization of the fate being visited upon one of our allies by another alleged ally even before the war is over.

At another point Senator Wheeler said:

If the Senator—

Referring to the senior Senator from Illinois [Mr. LUCAS]—

is familiar with the resolution and has read it, he would know what it proposes is to have the United States Senate go on record as favoring the things it sets forth. I felt, and feel now, that if the United States Senate went on record as favoring these things, it would have a profound effect upon Russia and I hope it would have a profound effect upon England, and the British Empire.

On February 22, 1944, the Times, of London, said—and I should like to call the attention of the Senator from Illinois to this:

"Unless shattered and dismembered Europe can find some new vision that looks forward rather than back, some leadership bold enough to survey her needs and problems as a whole, the civilization will surely perish. To blot out Germany from among the nations of Europe would be neither practical nor morally acceptable to the civilized world. Germany cannot be allowed to become a cancer at the heart of the European organism."

The London Times is probably the most influential publication in England and is generally recognized as speaking for the British Foreign Office.

On March 26, 1944, the Archbishop of Canterbury and free church leaders in England offered an eight-point program for peace and a warning against "breaches of basic human rights in dealing with Germany." Said they:

"We must not lend ourselves in a mood of vengefulness to breaches of basic human rights or the punitive measures against the entire German people, which will be repudiated as unjust by later generations or will permanently frustrate hopes of peace and unity in Europe."

On June 1 Pope Pius XII, who, I presume, was speaking for a "discredited minority," declared:

"No just peace can be reached if the victor would by force of arms dictate the terms. A just policy has to give the defeated nation a dignified place."

On June 26 Mr. Raymond Moley wrote:

"The trouble with unconditional surrender as an objective is that few Americans or Britons really believe that surrender can be without conditions, while to Germans the slogan means that there will be no distinctions in punishment among the elements in Germany. To them it means that the Nazi Party, the army, and the mass of the people

are to suffer equally, which can have no effect beyond tying together 80,000,000 Germans in a desperate unity."

On July 29 the London Economist carried the following warning:

"Unconditional surrender is becoming a policy of drift, of wait and see, of reliance on what may turn up. But the drift of events may carry Germany, Europe, and the grand alliance itself to a very different conclusion from the one the Allies desire. It may carry them to a military stalemate or prolonged fighting, and then to divided counsels and Allied disputes. No policy for Germany means no policy for peace."

Of course, in the mind of the Secretary of State, the London Economist speaks for a "discredited minority."

Senator Wheeler also said:

In the same month of July the National Opinion Research Center of Denver University polling the 48 States on the subject of whether Americans should help to put Germany back on her industrial feet, even at the cost of continued rationing at home, reports that 64 percent or nearly a two-thirds majority of the American people, believe we should follow this course. The research center comments:

"They hold this view because, in the long run, this country would benefit from such a policy, and because the announcement that such help would be forthcoming might speed the German surrender."

I presume the 64 percent, according to the National Opinion Research Center of Denver University, represents a discredited minority.

I quote from a war correspondent of the New York Sun, Gault MacGowan, who wrote as far back as August 14:

"Our terms to Hitler are unconditional surrender, and only that prevents a military demand for an armistice. Despite the drastic bombings of German cities, the destruction of thousands of German homes and buildings, and the anxiety of the German people to see the end of the war, the Gestapo won't let them demonstrate for peace or raise a questioning voice against their Fuehrer's unchallengeable wisdom. Such are my impressions of the situation tonight. It is no longer a military problem but a political one."

Not only has this man said that, but I have talked with military leaders in this country who have said identically the same thing.

Life magazine on August 21 carried the same message from John Scott, a Time and Life correspondent:

"The future looks blacker day by day but those inside Germany who want peace and not national suicide are hindered rather than helped by the Allies. The Anglo-American attitude is still expressed by our determined adherence to the unconditional surrender formula, with which has been coupled a reluctance to make any concrete promise to any German opposition group. As a result, the complaint is made that any opposition group attempting to overthrow Hitler and make peace with western powers has no basic program on which it can talk convincingly to the German people. The Russians on the other hand, indirectly offer the German people that Germany won't be destroyed and that the German Army won't be destroyed. It has resulted in a pro-Russia orientation among a growing number of Germans who, all other things being equal, would be much more inclined to be pro-Anglo-American and pro-democratic."

Mr. President, I may say that only 2 months ago in New York City, I met with twenty-odd leaders of German industry who were sent to the United States by General Clay. I asked them what their opinion of conditions in Germany was. They said, "When the war was over, the Americans were considered in the light of welcomed heroes, and the people liked them. But today it is just a fifty-fifty proposition."

Mr. President, I am not going to quote from Dorothy Thompson and other columnists and writers whose articles are here, but I simply want to say it is significant that immediately after Senator Wheeler concluded upon that occasion, other Senators took up the same line of argument, the senior Senator from North Dakota being one of those who felt as Senator Wheeler and some of the other Senators felt.

On March 26, 1949, speaking at a testimonial dinner, sponsored jointly by the National Council of Clergymen and Laymen and the Pastorius Unit of the Steuben Society of America, I said:

Four years after the end of the war, we find ourselves further away from the attainment of peace than ever. We are definitely moving in the wrong direction.

What else could we expect? For the past decade, the American people have allowed two American Presidents to make a miserable mockery of our constitutional prohibitions against secret foreign agreements.

How well I remember that President Wilson came out for pitiless publicity. How well I remember that he was acclaimed all over the United States. I suppose President Wilson was at the very height of his power, certainly he was at the peak of his popularity, when he demanded pitiless publicity and an end to secret diplomacy.

I further said:

In addition, an aroused opposition has been paralyzed and intimidated by vicious propaganda. That is why the American people have permitted three national political campaigns to go by without compelling the political leaders of either party to make these outrageous Presidential betrayals of American principles a central campaign issue.

As a result, for years now Congress has been pressured into signing blank checks, which have been filled in by the outrageous betrayals of power politicians and which are going to have to be redeemed by what remains of America's blood, treasure, and tradition, if the American people are not aroused to immediate action.

The most terrifying proof of this fact lies in America's outrageous treatment of the vanquished German-speaking peoples.

How well I remember the speech made by President Roosevelt on October 23, 1943, in which he said, "We are not fighting the German people. We are not fighting the German women or the German children. We are fighting Hitler. As soon as Hitler is defeated we are going to take care of these people. I believe that when the President made that statement, at that time, he actually spoke in good faith. Anyone who reads Cordell Hull's memoirs can come to no other conclusion. I suggest that if any Senator has not read that book he should read the part of it dealing with what can only be denominated as the outrageous betrayal of Henry Morgenthau, Jr., which was referred to yesterday by Mr. Churchill when in the House of Commons he said he was sorry he initialed the Morgenthau agreement.

I continued:

If American statesmen had deliberately designed these policies to betray western civilization into the hands of Russia, they couldn't have done a more effective job. They permitted the savage Morgenthau plan to be imposed on Germany—a plan that was conceived in vengeance and dedicated to the proposition that all German men, women, and children are guilty of the most heinous crimes until they can prove themselves innocent before a stacked jury. They permitted the destruction of Germany and the abandonment of the German underground in order to turn Russia loose as the major victor power in control of Berlin. At the same time they permitted our American soldiers and military government to be trapped in a virtual Russian prison.

These same leaders did not even provide safeguards for American occupation forces either to get in or to get out of Berlin. Instead, they blundered us into a position where the American taxpayer has been spending a billion dollars a year to carry out these outrageous agreements. Magnificent as the Berlin airlift is, its tremendous cost is the result of these terrible blunders. In the process these American leaders have flaunted their power in the face of the American people.

Mr. President, the truth of what I have consistently said in my denunciation of secret diplomacy during recent years now stands out clearly before our eyes, in all its terrifying ugliness.

The consequences of the secret commitments that were made during and since the end of the war by two American Presidents, behind the backs of the American people, without the knowledge, advice, or consent of any of their elected representatives in either House of Congress, have now become such a nightmare that anyone who has had anything to do with them is either now scurrying for cover behind their blame throwers, which they are pointing at others, or scrambling like rats to desert the sinking ship they helped to scuttle.

The crisis we confront, Mr. President, is far too grave to indulge in personal recrimination, for the whole future of western civilization hangs in the balance; but a man would be derelict in his duty if he did not continue to point out, and bitterly protest against, the basic evil that is involved in the practice of secret diplomacy—an evil which even now continues to gnaw away at the last roots of the human dignity and freedom we are seeking to preserve.

Mr. President, to me it is significant that those leaders, Senator La Follette, Senator Shipstead, and Senator Wheeler, on the 19th day of December, were singled out by Sidney Hillman in an interview in the Minneapolis Tribune, in the course of which he said those three men had to be defeated at all costs in the coming election, and he and the CIO were dedicating themselves to see to it that Mr. La Follette, Mr. Wheeler, and Mr. Shipstead did not come back. I may say I also was included with the three, and that, of the four, I was the only one who happened to be reelected. It was not because of their labor record that they were not reelected. Who had a better labor record than Robert La Follette? Who had a better labor record than Burt Wheeler or Mr. Shipstead? No, it was not the matter of their labor records. It was the attitude these men took on the questions I have been discussing.

I repeat, Mr. President, the Senate voted yesterday without knowing anything about the secret agreements which were entered into, the production of which we demanded, time and again, upon this floor. I repeat, I sat in the Senate when President Roosevelt returned from Yalta. I heard him say there were no secret agreements. Afterwards, we found them. I suggest that Senators read the book written by James M. Byrnes. Later, we had Potsdam—5,000,000 white people sold into slavery—20,000,000 more, said Mr. Bevin yesterday in the House of Commons, expellees who came into the American, British, and French zones from the countries Mr. Stalin took over.

Mr. President, so far as the $6,000,000,000 ECA loan is concerned, I stand with Roosevelt, as shown by his letter to Patrick Hurley, which I read, in which he said, "We are not giving this money to Iran· we are loaning it to her." That was the policy of Mr. Roosevelt, which, among other things, was abandoned.

How well I remember when the Export-Import Bank was organized, and when we voted to give England $3,300,000,000 more. It was said, "They can borrow this money and give security." But when the late Senator Lundeen, of Minnesota, suggested that Britain turn Bermuda over to us, or that we buy Bermuda, he told me he was almost hooted out of the city of Washington at the idea of having England turn over anything in exchange for that money.

Mr. President, I refer not just to the evil of secret diplomacy—not just to the lack of honesty and integrity on the part of those leaders who indulge in it—I refer to the fact that when the disastrous consequences of the policies that underlie commitments made on the basis of political expediency are clearly demonstrated, no one, who has been a party to them, dares to admit the fact by courageously taking the lead in an attempt to salvage what he can—to make amends—and to correct the glaring blunders that have been made.

And so, Mr. President, the tragedy is these disastrous consequences, and the insanities that underlie it, continue on their mad rush unchecked.

Mr. President, we are now inescapably confronted with overwhelmingly conclusive proof of the folly of the course we have been pursuing in central Europe—particularly in Germany—both during and since the end of the war.

And this folly is born of the fear that is generated in the minds of the American people by a minority in control of this Government, which seized the bit of unchallengeable power and has run unchecked on the maddest race of international diplomacy ever engaged in by American statesmen. In defiance, Mr. President, of the lessons of history, of economic and sociological laws, and moved, Mr. President, by an irrational thirst for vengeance; those who have been responsible for this catastrophe have smeared and slandered, or deliberately sought to assassinate the characters and destroy the economic and political future of anyone who sought to halt them in their course.

Mr. President, at this time I ask unanimous consent to have printed at this point in my remarks the article that appeared this morning in the New York Times, dealing with the fight made by the former Senator Burton K. Wheeler, in his endeavor to get rid of the slogan "unconditional surrender" and his attempts to have the Morgenthau policy of starvation altered.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"SURRENDER" STAND SURPRISE TO MANY—WARTIME MEMOIRS SHOW HULL, OTHERS, JOINED CHURCHILL IN OPPOSING ROOSEVELT POLICY—MORGENTHAU LINK IS SEEN—DEINDUSTRIALIZATION PROPOSAL FOR POSTWAR GERMANY CONFUSED WITH PLAN OF PRESIDENT

(By Felix Belair, Jr.)

WASHINGTON, July 21.—Winston Churchill's surprise and distaste for the "unconditional surrender" policy adopted by the Allies in World War II was shared by former Secretary of State Cordell Hull and not a few others in the wartime administration of President Roosevelt.

In his memoirs on that phase of wartime policy, Mr. Hull wrote:

"Originally this principle had not formed part of the State Department's thinking. We were as much surprised as Mr. Churchill when, for the first time, the President, in the Prime Minister's presence, stated it suddenly to a press conference during the Casablanca conference in January 1943. I was told that the Prime Minister was dumbfounded."

Mr. Hull wrote that the British Foreign Office asked that the term "unconditional surrender" be avoided pending further reflection, and that the expression "prompt surrender" be employed instead.

CHURCHILL WAS ABSOLVED

That the policy was entirely that of President Roosevelt also is confirmed by Robert E. Sherwood in his book Roosevelt and Hopkins, where the author recorded that the President completely absolved Mr. Churchill of any responsibility for the position announced at Casablanca.

Former Senator Burton K. Wheeler, of Montana, who was one of the most outspoken in his opposition to the policy and called for its abandonment as "a brutal and costly slogan," was among those whose memory of the circumstances was still fresh.

He remembered having been accused publicly by former Secretary of State Edward R. Stettinius, who succeeded Mr. Hull, with having encouraged the enemy to hold out for a negotiated peace. Mr. Wheeler had argued in a radio address that the Axis powers were being encouraged by the policy of unconditional surrender to fight on in hopes of avoiding the implied results.

"What I said about unconditional surrender at the time has been proved entirely correct," said the former Senator, now engaged here in the private practice of law.

WHEELER TELLS OF PROPOSAL

It was Mr. Wheeler's contention in the discussion, he recalled, that the "unconditional surrender" policy would needlessly cost the lives of thousands of men before Germany was finally subdued. He said he had proposed that the President tell the German people in unmistakable terms what he wanted, just as Woodrow Wilson had hastened the end of World War I by his 14 points.

In recounting the incident today, Mr. Wheeler said he had urged the President to call for a United States of Europe, or some similar postwar program that "would have many of the 500,000 men that Jimmie Byrnes said it might cost for a successful invasion of Europe."

Although the two policies were never officially connected, that of unconditional surrender came to be linked in the minds of many in and out of government at the time with the so-called Morgenthau plan (of Henry Morgenthau, Jr., then Secretary of the Treasury), for the deindustrialization of Germany and its reduction in the postwar period to the status of a pastoral state.

The latter plan was not brought forth until the Quebec conference of the big three late in 1944. However, it was generally understood at the time that the two policies went hand in hand and that the one was a natural outgrowth of the other, no matter which came first in publication.

CRITICISM OF MORGENTHAU PLAN

Ultimately, it was the Morgenthau plan that came in for the burden of criticism. Although administration spokesmen inspired reports at the time that it had been abandoned, there was no evidence of it in the conduct of the war or in the development of occupation policy.

It was the unfavorable public reaction to reports of former Secretary Morgenthau's Carthaginian postwar plan for Germany that brought suggestions of its abandonment from administration sources. A cabinet crisis had been in the making ever since Mr. Morgenthau had gone to the Quebec Conference as the chief exponent of that policy while Henry L. Stimson, then Secretary of War, and Mr. Hull had remained in Washington.

Mr. Hull's objection to the plan, and his disapproval of the assumption of management of the entire matter by Mr. Morgenthau and the Treasury, were well known at the time. Also, Mr. Stimson had made plain to a number of persons his resentment and disapproval of, and positive alarm over, the turn the situation was taking, with the encouragement of the President.

For one thing, the unconditional surrender and deindustrialization policies were being used to advantage by German propaganda at home, in the opinion of many Washington officials.

FOUND CAUSE FOR CONCERN

Mr. Wheeler was one of those who found cause for concern in the occupation policy then taking form. He said today that whatever may have been suggested by administration spokesmen on the subject, President Roosevelt never did abandon the Morgenthau concept as a guiding principle for Germany's postwar management.

This was reflected in a statement by Archibald MacLeish, then Assistant Secretary of State, in March 1945, during a radio broadcast with other officials of the State Department on the administration's policy toward Germany and Japan.

"We don't know how long it will be necessary to occupy Germany in order to undo the evil work that has been done there, but we propose to stay with the job until it is finished," Mr. MacLeish had said.

"We believe, however, that something more than the destruction of the physical power of Germany to make war will be required."

It was not until this Government had been confronted with the major responsibility for postwar European reconstruction and recovery that the Morgenthau concept was finally swept away by the compelling necessity of bringing Germany back into the European family as an economic factor, both as a producer and consumer of goods.

Now the occupation has swung to the other extreme. The Marshall plan appropriation bill, to be taken up in the Senate tomorrow, directs a reopening of the entire controversial subject of German reparation

plants with a view to the retention in Germany of additional units for European recovery purposes.

Mr. LANGER. It is tragic to realize, Mr. President, what has really taken place in Germany, just because the facts I have recorded here are true.

Mr. President, it is inconceivable and terrifying to realize that the same insanities continue to underlie our policies toward the German-speaking people in face of the demonstrable proof that those who have been party to the formulation and implementation of these policies, if they are not checked, will go down in history as the gravediggers of western civilization.

It is not as though, Mr. President, our native patriotism, our love of justice, our sound American common sense, had not sought to prevail.

On January 15, 1945, Senator Wheeler stood on the Senate floor and pointed out, in spite of the scorn and abuse that was heaped upon him, the folly of the course to which we were being committed. At that time—long before the war was over—Senator Wheeler said:

Mr. President, as I understand the past record of purposes set down by ourselves and our allies, we are not fighting this war to impose a peace of vengeance upon a conquered people. It is inconceivable to me that the American people would tolerate for one moment any such brutal and savage proposals as those designed by Secretary Morgenthau for the ultimate treatment of the German people or the German nation. Let me repeat what I have said on so many other occasions, that in holding this position I hold no brief for the Nazi brutality, the Hitlerian bestiality and savagery. What I do hold is that such terms will never in a thousand years bring peace to Europe or to the world. Whatever our desires with reference to Germany may be, what we must ultimately consider is not merely what we would like to do in our madness with reference to the German people but what will bring about lasting peace in Europe and throughout the world. Of course, when passions are running high in this country, the popular thing to do is to let madness and hatreds run away with sound judgment; but we must look beyond all that. We in the United States of America, of all people, we who boast of our intelligence and our tolerance, must consider not what we would like to see done but what will be the best for the future of our own country and of the world. What I believe is that for the United States Government to permit the continued use of the basic proposals contained in the Morgenthau "brain child" as representing America's ultimate war and peace aim would cost thousands upon thousands of American lives, as well as the lives of our allies.

Mr. President, I have read a letter from a soldier boy in France which he had written to his uncle, a Texas businessman. I am sorry I do not have the letter with me. In it the boy said in effect: "The demand for unconditional surrender and Morgenthau's statement are making these Heinies fight like hell from ditch to ditch." A soldier, recently returned from Italy, who was in my office the other day, told me practically the same thing.

Mr. President, I believe that in lieu of any basic agreement among the conquerors as to the ultimate treatment of Germany, a continued use of such proposals will only lead to slaughter and carnage. Out of this will arise a savage underground movement over which both of our allies, Great Britain and Russia, will struggle for favor or control. If we do not want Germany ultimately to win this war by holding the real balance in the struggle for the control of Europe between Britain and Russia, if we do not want ourselves sucked into the political, economic, and social vacuum which will exist in Europe when the fighting finally stops, we ought now to agree upon constructive and curative measures.

Then, Mr. President, having uttered these prophetic words, Senator Wheeler went on to say:

I have made the statement again and again that the demand for "unconditional surrender" has been a mistake. Not only have I said this but so have thousands of other people of high intelligence and of the class you would call interventionists, if you please, or internationalists. I believe that the continued use of the brutal, asinine boast of "unconditional surrender" is costing thousands upon thousands of American lives, is contributing to the deterioriation of allied unity, and threatens to lay the foundations for such an impossible situation in Europe that a third world war cannot possibly be averted.

Now, Mr. President, what did the Senate Foreign Relations Committee have to say about this suicidal slogan of "unconditional surrender"? What did the Senate Foreign Relations Committee do to protest? What did it do to prevent the American people from being forced into the role of unwilling accomplices in the crimes that have been committed by this policy of "unconditional surrender"? What does the record show? It shows that not a single voice was raised to support Senator Wheeler in his protest—not a single member of the Foreign Relations Committee joined him in his courageous stand then, or has joined him in the same fight since; and what did the Secretary of State have to say? The record shows that Mr. Stettinius attacked Senator Wheeler with the slurring remark that no one needed to pay any attention to what Senator Wheeler said because "he spoke only for a discredited minority." He was speaking of a man who had been in the Senate at that time nearly 24 years. This representative of the house of Morgan was glaringly exposed by the Nye committee as being one of the agents for Great Britain during the war, making millions of dollars out of munitions. Mr. Stettinius, who was head of the United States Steel Corp., said, after Senator Wheeler had given that patriotic address, "Do not pay any attention to what Senator Wheeler said because he spoke only for a discredited minority."

Yet, Mr. President, even this was a deliberate, downright misrepresentation of the facts, to cover up the vicious designs of another minority that had seized the bit in its teeth and was running away down the road of an abandonment and betrayal of America's traditional principles of decency and justice.

To prove this fact Senator Wheeler read into the RECORD the following grim protests on the part of our most enthusiastic interventionists, which I again want to read into the RECORD at this point in my remarks:

On March 26, 1944, the Archbishop of Canterbury and free church leaders in England offered an eight-point program for peace and a warning against "breaches of basic human rights in dealing with Germany." Said they:

"We must not lend ourselves in a mood of vengefulness to breaches of basic human rights or the punitive measures against the entire German people, which will be repudiated as unjust by later generations or will permanently frustrate hopes of peace and unity in Europe."

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"Unconditional surrender is becoming a policy of drift, of wait and see, of reliance on what may turn up. But the drift of events may carry Germany, Europe, and the grand alliance itself to a very different conclusion from the one the Allies desire. It may carry them to a military stalemate or prolonged fighting, and then to divided counsels and Allied disputes. No policy for Germany means no policy for peace."

Of course, in the mind of the Secretary of State, the London Economist speaks for a "discredited minority."

Mr. WILEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. WILEY. I inquire if, to the Senator's knowledge, the term "unconditional surrender" has ever been defined by the President or anyone else in this country?

Mr. WHEELER. The President has not defined it, to my knowledge.

Mr. WILEY. I am wondering if now the President and Stalin and Churchill should define the conditions and say there could be no other conditions, if that would not be equivalent to unconditional surrender, and drastic, although the terms might be quite lenient.

Mr. WHEELER. I cannot answer that, I will say to the Senator.

In the same month of July the National Opinion Research Center of Denver University polling the 48 States on the subject of whether Americans should help to put Germany back on her industrial feet, even at the cost of continued rationing at home, reports that 64 percent, or nearly a two-thirds majority of the American people, believe we should follow this course. The research center comments:

"They hold this view because, in the long run, this country would benefit from such a policy, and because the announcement that such help would be forthcoming might speed the German surrender."

I presume the 64 percent, according to the National Opinion Research Center of Denver University, represents a "discredited minority."

I quote from a war correspondent of the New York Sun, Gault MacGowan, who wrote as far back as August 14:

"Our terms to Hitler are unconditional surrender, and only that prevents a military demand for an armistice. Despite the drastic bombings of German cities, the destruction of thousands of German homes and buildings and the anxiety of the German people to see the end of the war, the Gestapo won't let

them demonstrate for peace or raise a questioning voice against their Fuehrer's unchallengeable wisdom. Such are my impressions of the situation tonight. It is no longer a military problem but a political one."

Not only has this man said that, but I have talked with military leaders in this country who have said identically the same thing.

Life magazine on August 21 carried the same message from John Scott, a Time and Life correspondent:

"The future looks blacker day by day, but those inside Germany who want peace and not national suicide are hindered rather than helped by the Allies. The Anglo-American attitude is still expressed by our determined adherence to the unconditional surrender formula, with which has been coupled a reluctance to make any concrete promise to any German opposition group. As a result, the complaint is made that any opposition group attempting to overthrow Hitler and make peace with western powers has no basic program on which it can talk convincingly to the German people. The Russians on the other hand, indirectly offer the German people that Germany won't be destroyed and that the German Army won't be destroyed. It has resulted in a pro-Russia orientation among a growing number of Germans who, all other things being equal, would be much more inclined to be pro-Anglo-American and pro-democratic."

On September 26, 1944, even Mr. Walter Lippmann plainly pointed out that we no longer deal with reality when we talk about whether we shall impose a soft or a harsh peace or Germany. Of course, Mr. Walter Lippmann represents the "discredited" view; but he has been one of the strongest advocates of the President's foreign policy, stronger than almost any other man in this country. He said:

"Imagine the mildest conceivable terms of peace, and Germany will still be an economic ruin, incapable in her existing industrial structure of employing all her people, incapable of supporting a tolerable standard of life. Imagine no loss of territory, no reparations, no military occupation, no interference with the internal administration, and the full benefits of the Atlantic Charter. Suppose that the only demand of the Allies is that Germany disarm and that she should not take any steps to rearm for the next 15 years. Postwar Germany would nevertheless be an economic ruin."

On October 11, 1944, a group of members of Parliament, including 26 Labor members, entered a motion in the House of Parliament calling for a Government declaration which would "encourage the emergence within Germany of a new regime, composed of democratically minded persons in whom the United Nations could have confidence so that a settlement of the problems which caused the present conflict in Europe might be reached on the basis of the principles set forth in the Atlantic Charter."

As far back as the early part of this year the personal confidant of the President, Anne O'Hare McCormick wrote:

"The American Government is silent on every political issue at the moment when as much depends on psychological as on military 'softening.' This war differs from the last in many respects, but in none more than in the apparent determination of the high strategists to defeat the enemy in the hardest way."

On January 3, 1945, Dorothy Thompson, another who supported the President, who was one of the strongest interventionists and internationalists in this country, one of our greatest authorities on Germany and a most intelligent and consistent opponent of the brutal slogan "unconditional surrender," and who made a speech for the President during the last campaign, wrote as follows:

"There are two conditions under which Germany, as an entity, can surrender. The first is to make clear that a Germany will be left which is economically capable of life. A Germany that is deindustrialized or loses its industrial provinces or is overcrowded by the evacuation of ten to twenty million Germans into a truncated Reich will be more incapable of sustaining life than Puerto Rico. The second condition under which Germany could surrender is: She could become the ward of an already established world organization, operating along clear and established principles. The surrender of a nation must mean the merging of one's identity, but it cannot happen unless some larger identity exists. A Germany conquered by four powers but not surrendered to any one thing is no answer."

Of course, Dorothy Thompson spends much time in Europe. She knows more about Germany than probably almost any Member of the Senate. I now wish to read extracts from an article by Dorothy Thompson which appeared in the Washington Evening Star of January 8, 1945:

"There have been three major political errors in this war, all arising out of the first one—the discounting of the Atlantic Charter. The second was the interpretation that has accumulated around unconditional surrender; and the third, the failure to produce any reasonable policy for a post-war Europe.

"And what our own Government and some of our publicists have been doing in regard to the Atlantic Charter, since the President's press conference, is most discouraging.

"Elmer Davis, as head of the Office of War Information, must be regarded as official. The other day, on the air he took the line that the Atlantic Charter (like the Ten Commandments referred to by the President) represents only a lofty ideal, 'Nobody ever said it could be put into effect day after tomorrow or even at the end of the war,' are his words. The New York Herald Tribune took, editorially, exactly the same line. * * *

"Mr. Davis' remarks are senseless. The Atlantic Charter is no lofty ideal. It represents what was universally accepted political principle, and to a large extent political practice, before Nazi Germany and Fascist Italy embarked on a counterprogram. * * *

"The unconditional surrender formula has gradually become clothed with concepts that mean the extinction of Germany, as a state, a nation, a functioning economy, and, consequentially, as a people. This interpretation has closed every door to forces that might have arisen in Germany to eliminate top Nazis and effect surrender. Those forces existed; they came to a head; in that moment time was of the essence; but receiving no aid in any form, they were lost, and today the leaders are dead."

Dorothy Thompson, again, represents a "discredited minority."

She supported Mr. Roosevelt in the last campaign.

Did anyone listen, Mr. President, to this protest that represented the innate opposition of the American conscience to carrying out a policy that meant the destruction of Germany and western civilization—that meant leaving in the heart of Europe the festering sore upon which even now the virus of communism is feeding and thriving?

No, indeed, Mr. President, not a single member of the Senate Foreign Relations Committee raised his voice. Not a member of the State Department protested, in spite of the fact that on July 24, 1945, Senator Wheeler again read into the RECORD the overwhelming condemnation on the part of the informed American public against the continuation of these policies, as follows:

Mr. President, on January 15, I charged in a Senate speech that the slogan of "unconditional surrender" was a brutal boast which was prolonging the war unnecessarily and costing thousands of additional American casualties. At that time I quoted in support of my thesis such outstanding personages as the Archbishop of Canterbury, Pope Pius XII, many members of Parliament, Walter Lippmann, Dorothy Thompson, Raymond Moley, Anne O'Hare McCormick, and many others. It has now become perfectly clear that the charge I made is a matter of historical record, a record which I want earnestly to emphasize I am quoting from the prophet's mouths of our ardent interventionists.

Immediately following my speech of January 15, the New York Times of January 17 admitted in its leading editorial:

"The criticism (of unconditional surrender) is futile because that formula is the chief point of agreement between the Big Four, the United States, Great Britain, Russia, and China, and must be the starting point for any further agreements among them."

The same editorial goes on to say:

"But the real point raised by the critics is whether the formula of unconditional surrender is adequate. And on that point the answer must be an emphatic 'No.'"

On Thursday, January 18, Mr. Walter Lippmann again said of unconditional surrender:

"The conclusion we are bound to come to is, it seems to me, that the formula of unconditional surrender, admittedly inadequate, cannot be made adequate by a mere declaration of our intentions. But it does not follow that we can do nothing, that it is impossible for us to take measure as a result of which we could in good faith with ourselves begin to exhibit our true intentions, and begin to dissolve the German fear of the unknown and the arbitrary."

Again on February 1, 1945, Mr. Lippmann wrote:

'It seems more and more likely that our own formula of unconditional surrender will have to be applied not to Germany as a whole, not to the German Army as a whole, but to bits and pieces of the Germany Army, to cities and provinces of Germany. If this happens the chaos and misery of the Germans will be stupendous. It is not in our power to prevent it, though we shall be compelled on grounds of interest and of humanity to alleviate it."

The real significance of this unconditional surrender slogan only dawned on even the keenest students of international affairs. On February 13, Mr. David Lawrence wrote of the Yalta declaration:

"It would appear that the same lack of vision whereby the use of psychological warfare has been neglected before is still manifested. There is nothing in the communiqué which holds forth any promise to the German people that their territory will not be dismembered and the resources needed for rehabilitation will not be completely destroyed."

On March 17, 1945, the United States First Army psychological warfare combat team released a statement based on a survey of German prisoners taken between January 10 and February 3 from which I quote:

"There can be no doubt that our propaganda has failed to provide the German soldier with a positive reason for surrender. Most of our official statements on the contrary have made him feel that he can gain nothing from a future that brings defeat. * * * Propaganda playing up a hard but bearable existence for Germany, backed up by some kind of official assurances, would give the average German soldier a positive reason to end the fight."

On February 27, Mr. Marquis Childs wrote from occupied Germany:

"The question of whether the war has been prolonged by unconditional surrender terms or by proposals to industrialize Germany, is one that holds great interest for our fighting men. I have heard a number express deep resentment of the so-called Morgenthau plan for a Carthaginian peace for Germany, in the belief that it gave the Nazis a propaganda weapon with which to whip up the war-weary German people."

On March 13, David Lawrence wrote:

"Actually few men in Washington know what's ahead. Again and again the German will to fight has been underestimated by official Washington. The slogan demanding unconditional surrender and the announcement from Yalta which portends economic strangulation for the German people for many years to come are two factors which are constantly ignored here for the simple reason that to give weight to them is to criticize the administration here at home and the Allied spokesmen abroad for a blundering policy that prolongs the war."

On March 14, Anne O'Hare McCormick wrote:

"Those who failed to make peace after the last war thought the mistake was not to march to Berlin and show the German people they were beaten. This time there is no Berlin, and the enemy armies meeting in the rubble field that once was the capital should have no difficulty in convincing the population that the Third Reich has suffered the most terrible defeat ever inflicted on a great nation.

"The human problem the war will leave behind it has not yet been imagined, much less faced by anybody. There has never been such destruction, such disintegration of the structure of life. What will happen to Germany is only part of a larger question: what will happen to Europe?"

On March 31, General Eisenhower himself sent word to his Commander in Chief that:

"The further this campaign progresses, the more probable it appears that there will never be a clean-cut military surrender of the forces on the western front."

On April 2, Mr. Marquis Childs wrote:

"As our armies converge on Berlin, our policy toward the Reich seemingly is still based on the belief that by a wave of the wand you can do away with seventy or eighty million people."

It was life for Dorothy Thompson to see through the screen of unconditional surrender to the deep-rooted distrust and fear among the Big Three which determined the destruction of the German state because they did not dare to permit it to emerge as an independent and coherent whole. On January 3, she charged:

"We have been unable to transform the political coalition into an entity to deal with Germany. * * * The Allied approach to the German question has been to try to find a compromise between opposite interests, instead of creating a new common interest, by creating a new world. We are trying to fit a defeated Germany into a world of conflicting powers. We are unable to draft a program for a defeated Germany, because the accession of any part of Germany to any one of the Allied Powers means an extension of the power of one ally at the cost of each other."

But it was on December 29, 1944, that Miss Thompson clearly stated the tragic decision of the Big Three in their determination to destroy Germany as a nation:

"The circumstances of the war make it impossible, exactly impossible, to fulfill this demand. Surrender is an act from the enemy toward ourselves. It is not surrender if we beat him flat to the ground army by army and city by city. That is step-by-step conquest, but not surrender. There are preconditions for unconditional surrender. In the German case it involves giving up the nation—not merely the armies—to something. From the side of the United Nations it involves creating something to which the nation as such can surrender. She cannot surrender as a whole to a whole. There is no identity to which German as an entity can surrender. She must surrender herself in parts to parts. Surrender therefore involves the denial and destruction of her own existence by herself. German's continuation of the war is madness. But madness is preferable to nonexistence."

As a matter of fact, Mr. President, this complete bankruptcy of American policy and this conflict in ideas and purposes among the Big Three have been carried right on into the so-called armistice. On June 9, 1945, Mr. R. H. S. Crossman, after returning from a long stay in Germany, wrote concerning the tragic and intense conflict between the policies of Russia and her western allies in an article entitled "A Voice From Berlin," which appeared in the British publication, the New Statesman and Nation, from which I quote:

"The negatives are clear enough. But what positive musts are there? Must he (the administrative officer) prepare the people for their future as part of a separate Rhineland? No answer. Is selecting men for key positions, what political groups must he back? No answer. Must he budget for this autumn on the potatoes from east of the Elbe which form the basic diet? No answer. Must he expect and prepare the Germans under his charge for a central German Government or for a period of rule under quadripartite control? No answer. With the best will in the world no officer can do a good job under such conditions. Anyway there is a saying in the Army which runs: "If you wish promotion, do nothing unusual." When this rule is backed up by a completely negative set of directives, the average British or American officer knows what line to take; let things tick over until someone on top can make up his confounded mind.

"The result on the Germans is exactly what might have been expected. Gradually it began to dawn on the Germans that this was not the gigantic precise occupation machine which he had expected to follow the Anglo-American armies. He began to suspect that the Anglo-Americans who had won the war by sheer efficiency and organization, had neither organization nor a policy for occupation. They are prepared to do nothing with Germany—neither exploit her, nor liberate her, nor dismember her, nor reeducate her. They just want to be tough. But whatever London and Washington may think, the Russian manual—if it exists—does not consist of negatives."

Now, Mr. President, in spite of the conclusive proof of the legal atrocities of the economic insanities, and of the social lunacies that are involved in the policies we are continuing to follow up to this present moment, this administration refuses to take the leadership that is absolutely necessary to force a change before it is too late. Certainly, members of the Senate Appropriations Committee can see the folly of our present course, even if the Senate Foreign Relations Committee cannot, and I want to commend my colleagues on the Senate Appropriations Committee for including in the ECA appropriation bill a provision for reconsideration of the dismantling in Germany, and I call upon my colleagues to rise above party politics—to rise above petty hates and jealousies—and to see clearly how the danger that now threatens, demands of us action that is in accord with the magnificent traditions of America.

The record will also show, Mr. President, that those who have been responsible for our policies toward Germany have continued to defy the rising course of protest across this Nation from farm groups, from labor groups, from industry, from churches, from schools and colleges, all opposed to a continuation of these policies. The record further shows, Mr. President, that even those committees of Congress and those appointed by the President himself have unanimously condemned as suicidal a continuation of the course we have been following.

Now, Mr. President, to point up all this protest, and to reveal the utter folly of our treatment of the German-speaking people, that has continued up to this very hour, all those who have had anything to do with these policies are trying to get out from under the guilt that attaches to their own actions, by trying to wipe off their bloody hands on the deeds of others.

I refer, Mr. President, to the amazing story carried in this morning's New York Times, in which our beloved, peace-loving allies, Mr. Bevin and Mr. Churchill, who have as much blood on their hands as has anybody else, and who are still grinding the German people down into the dust, charged the late President with being responsible for what has taken place in Germany.

I want now to read into the RECORD, Mr. President, the remarks of men who, to escape their own responsibility for the part they have continued to pay in bringing this catastrophe upon Europe, are willing to stick a knife in the back of their neighbor to cover up their own complicity:

Mr. BEVIN. It began with the declaration at Casablanca of unconditional surrender on which the British Cabinet, or any other cabinet, never had a chance to say a word. But it did leave us a Germany without a law, without a constitution, and without a single person to deal with, and without a single institution to grapple with the problems. We have had to build absolutely from the bottom with nothing at all. We have had to build a state with 20,000,000 displaced persons scattered about the whole show.

Looking back on it, I think how those military commanders—to whom I cannot pay too great a tribute—and their political advisers were left with a shambles in the creation of the Germany which they have handed on to the politicians today.

Mr. CHURCHILL. The first time I heard that phrase [unconditional surrender] used was from the lips of President Roosevelt.

Mr. BEVIN. That justifies what I said. I do not complain. But you will admit I took my share of every decision in the coalition cabinet and I never heard of that phrase until I saw it in the press but if it had ever been put to me as a member of your cabinet, I should never had agreed to such a thing. I took it as it was and it is rather bad for the opposition to criticize me now when I am left with such a shambles.

Mr. CHURCHILL. It was made by President Roosevelt without consultation with me. I was there on the spot and I had rapidly to consider whether our condition in the world would justify me in not giving support to him.

I did give support but it was not the idea I had formed in my own mind. If the British Cabinet had considered these words around the table they would have advised against it. But working in a great alliance and with friends from across the ocean we

had to accommodate ourselves. But I cannot think that great harm came from that particular phrase.

[Several government supporters muttered, "Oh, no."]

It is a matter of total indifference to me whether you agree or disagree; but I am not at all satisfied that it produced very evil consequences. But I do not think on the whole that it is a phrase which we in our Cabinet would have used.

I would not have arisen on this matter had not Mr. Bevin, feeling so uneasy about criticisms [from the Conservatives], plunged back across the years of history of the war and touched upon some very large and important matters affecting our relations with the United States with a view of throwing a burden on me personally. Otherwise there could have been no point because I was the person responsible in these matters.

The phrase "unconditional surrender" was not brought before me or agreed to in any way before it was uttered by our great friend and august and all-powerful ally, the President of the United States. But I did agree with him after he said it, and so reported to the Cabinet. Whether, if we had all discussed this at home, we should have proposed such a plan is another matter.

Still, we accepted the position, as he thought it right to do. I cannot feel there can be any separation of responsibility between us in the matter, having regard to the long years in which we subsequently acted together.

Mr. Bevin used the episode to suggest that the difficulties in Germany were greatly aggravated by the use of this phrase. I am not at all sure that is true.

I am not at all sure that unless Hitler had been murdered by some of the plots levied against him, by men I can only call today patriotic Germans, the situation would have changed. He had the strength and vigor to carry on the fight—as it was carried on—to the last gasp. He and the band of guilty men around him were in a position where they could not look for any pardon or safety for their lives and would have fought to the death.

I have been rather seriously criticized by Mr. Bevin who tried to throw all the discredit of unconditional surrender on me. If he did not mean that, he did not mean anything, because he is vexed with what was said here.

There was another matter to which Mr. Bevin referred, about which I do not feel so confident in my conscience about the judgment of my actions. That is the Morgenthau—Henry Morgenthau, Jr.—agreement at the second—Quebec—conference.

It was initialed by the President and by me, and it undoubtedly proposed a treatment of Germany which was a harsh treatment in that it limited her to an agricultural country. But that was not a decision taken over the heads of the cabinet. It was not one that ever reached the cabinet because it was only a referendum and it was disapproved by the State Department, on the one hand, and by my friends, and the Foreign Office on the other, and it just dropped on one side. It never required a cabinet decision or had any validity of any kind.

I did not agree with this paper for which I bear, nonetheless, a responsibility, but when you are fighting for life with a fierce enemy I feel different toward him to what I do when that enemy is beaten to the ground and suing for mercy. Anyhow, if the document is ever brought up to me I shall certainly say that I did not agree with it and I am sorry I put my initials to it. I cannot do more than that, but many things happened with great rapidity. But to say it was done over the heads of the cabinet is quite untrue.

These two matters were dragged in in order to justify Mr. Bevin in pursuing the policy of dismantling, and the trials of the German generals. I do not think he need have brought such heavy artillery back from the past to fire on such matters. I do not put the case with hostility against him.

Mr. BEVIN. I hope the House will allow me to make an explanation. In the first instance, with regard to unconditional surrender, I want the House and Mr. Churchill to be clear what I was saying about the use of that phrase meant that the whole constitution was smashed and military governors and the governments of the Allies have had to build right from the bottom and I did not think that the criticism of Mr. Churchill was justified. He did not take that into account.

Then, Mr. President, I want to read into the record, also, what has now become the popular pastime of joining the bandwagon when the going gets too rough. I refer to an article by Felix Belair, Jr., which ties unconditional surrender together with the Morgenthau plan, and which attempts to relieve former Secretary Hull, as well as others, from any responsibility for what has happened:

SURRENDER STAND SURPRISE TO MANY—WARTIME MEMOIRS SHOW HULL, OTHERS JOINED CHURCHILL IN OPPOSING ROOSEVELT POLICY—MORGENTHAU LINK IS SEEN—DEINDUSTRIALIZATION PROPOSAL FOR POSTWAR GERMANY CONFUSED WITH PLAN OF PRESIDENT

(By Felix Belair, Jr.)

WASHINGTON, July 21.—Winston Churchill's surprise and distaste for the unconditional surrender policy adopted by the Allies in World War II was shared by former Secretary of State Cordell Hull and not a few others in the wartime administration of President Roosevelt.

In his memoirs on that phase of wartime policy, Mr. Hull wrote:

"Originally this principle had not formed part of the State Department's thinking. We were as much surprised as Mr. Churchill when, for the first time, the President, in the Prime Minister's presence, stated it suddenly to a press conference during the Casablanca Conference in January 1943. I was told that the Prime Minister was dumbfounded."

Mr. Hull wrote that the British Foreign Office asked that the term "unconditional surrender" be avoided pending further reflection, and that the expression "prompt surrender" be employed instead.

CHURCHILL WAS ABSOLVED

That the policy was entirely that of President Roosevelt also is confirmed by Robert E. Sherwood in his book Roosevelt and Hopkins, where the author recorded that the President completely absolved Mr. Churchill of any responsibility for the position announced at Casablanca.

Former Senator Burton K. Wheeler, of Montana, who was one of the most outspoken in his opposition to the policy and called for its abandonment as a brutal and costly slogan, was among those whose memory of the circumstances was still fresh.

He remembered having been accused publicly by former Secretary of State Edward R. Stettinius, who succeeded Mr. Hull, with having encouraged the enemy to hold out for a negotiated peace. Mr. Wheeler had argued in a radio address that the Axis Powers were being encouraged by the policy of unconditional surrender to fight on in hopes of avoiding the implied results.

"What I said about unconditional surrender at the time has been proved entirely correct," said the former Senator, now engaged here in the private practice of law.

WHEELER TELLS OF PROPOSAL

It was Mr. Wheeler's contention in the discussion, he recalled, that the unconditional-surrender policy would needlessly cost the lives of thousands of men before Germany was finally subdued. He said he had proposed that the President tell the German people in unmistakable terms what he wanted, just as Woodrow Wilson had hastened the end of World War I by his 14 points.

In recounting the incident today, Mr. Wheeler said he had urged the President to call for a United States of Europe, or some similar postwar program that would save many of the 500,000 men that Jimmie Byrnes said it might cost for a successful invasion of Europe.

Although the two policies were never officially connected, that of unconditional surrender came to be linked in the minds of many in and out of Government at the time with the so-called Morgenthau plan (of Henry Morgenthau, Jr., then Secretary of the Treasury), for the deindustrialization of Germany and its reduction in the postwar period to the status of a pastoral state.

The latter plan was not brought forth until the Quebec Conference of the Big Three late in 1944. However, it was generally understood at the time that the two policies went hand in hand and that the one was a natural outgrowth of the other, no matter which came first in publication.

CRITICISM OF MORGENTHAU PLAN

Ultimately, it was the Morgenthau plan that came in for the burden of criticism. Although administration spokesmen inspired reports at the time that it had been abandoned, there was no evidence of it in the conduct of the war or in the development of occupation policy.

It was the unfavorable public reaction to reports of former Secretary Morgenthau's Carthaginian postwar plan for Germany that brought suggestions of its abandonment from administration sources. A Cabinet crisis had been in the making ever since Mr. Morgenthau had gone to the Quebec Conference as the chief exponent of that policy while Henry L. Stimson, then Secretary of War, and Mr. Hull had remained in Washington.

Mr. Hull's objection to the plan, and his disapproval of the assumption of management of the entire matter by Mr. Morgenthau and the Treasury, were well known at the time. Also, Mr. Stimson had made plain to a number of persons his resentment and disapproval of, and positive alarm over, the turn the situation was taking, with the encouragement of the President.

For one thing, the unconditional surrender and deindustrialization policies were being used to advantage by German propaganda at home, in the opinion of many Washington officials.

FOUND CAUSE FOR CONCERN

Mr. Wheeler was one of those who found cause for concern in the occupation policy then taking form. He said today that whatever may have been suggested by administration spokesmen on the subject. President Roosevelt never did abandon the Morgenthau concept as a guiding principle for Germany's postwar management.

This was reflected in a statement by Archibald MacLeish, then Assistant Secretary of State, in March 1945 during a radio broadcast with other officials of the State Department on the administration's policy toward Germany and Japan.

"We don't know how long it will be necessary to occupy Germany in order to undo the evil work that has been done there, but we propose to stay with the job until it is finished," Mr. MacLeish had said.

"We believe, however, that something more than the destruction of the physical power of Germany to make war will be required."

It was not until this Government had been confronted with the major responsibility for postwar European reconstruction and recovery that the Morgenthau concept

was finally swept away by the compelling necessity to bring Germany back into the European family as an economic factor, both as a producer and consumer of goods.

Now the occupation has swung to the other extreme. The Marshall plan appropriation bill, to be taken up in the Senate tomorrow, directs a reopening of the entire controversial subject of German reparation plants with a view to the retention in Germany of additional units for European recovery purposes.

I commend my colleagues on the Senate Appropriations Committee for including a provision for reconsideration of the dismantling of Germany. I call upon my colleagues to rise against party politics and to exhibit a magnificent statesmanship dedicated to a preservation of our traditional principles.

I conclude with words I have spoken on many another occasion—words which deserve the most careful consideration of those of us who are about to vote on the ECA appropriation bill:

If western civilization is to survive in Europe, it must survive in Germany.

Mr. President, if western civilization is to survive in Germany, the senseless, brutal destruction of the industrial potential for peacetime purposes upon which the German people are absolutely dependent for survival—this senseless destruction, I say, must stop, and I believe the time has come for America to use all the resources and all the pressure at her disposal to stop this dismantlement once and for all.

THE REAL BATTLE OF 1949

Mr. KEM. Mr. President, the cold war with Russia, and our fears of a possible clash of arms, it seems to me, have tended to overshadow the most fundamental of all the issues which confront us. The all-important question—the real battle in 1949—is this: Will the remaining free peoples of the world continue to control their governments, or will their governments gain control of the people themselves?

The issue is freedom versus slavery. It is a question of whether free people are to retain their fundamental liberties and human rights, or whether they will permit an all-powerful central government to tell them what to do, when to do it, and how to do it.

In Russia the die is already cast. The light of freedom flickered out long ago behind the iron curtain. All is communism now.

SOCIALISM IS A THREAT TO FREEDOM

In the western world the threat to freedom goes under a different name—socialism. This should confuse no one: a stink-weed under any other name smells the same. Socialism and communism are fruit of the same tree, and the roots of that tree are the theories of Karl Marx. There is this distinction between the two: the Communist would establish government ownership of the means of production by overthrowing governments with force and violence. The Socialist wants to accomplish exactly the same result without violence, by peaceful processes of infiltration.

Several of the countries of western Europe are far down the road toward a completely socialized state. The Socialist government of England has acquired and now operates 10 important industries.

France has socialized 23 of them.

What have been the results of these experiments in socialism? Let us see what has happened in Great Britain. Here are just a few specific cases of what life in England is like under a Socialist bureaucrat's thumb.

British farmers, in particular, are regulated and directed from sunup to sundown. A British farmer may neither kill a pig, nor give a dozen eggs to a neighbor, without first applying for and securing a permit from the proper authorities. The Ministry of Agriculture can force a farmer off his own land if he does not plow, sow, and reap according to plan.

The British Board of Trade issued a regulation requiring that metal disks be attached to the horns of pedigreed Aberdeen Angus bulls being exported. Later the order was amended to require instead that the horns be branded. Then the order was canceled altogether—the board of trade has finally discovered that Aberdeen Angus bulls have no horns.

Here is an instance of how the working man fares under socialism in England. A carpenter gave up his job and appealed to the British Labor Exchange for other employment. He was told to go back to the job or he would have to go to prison for 3 months or pay a fine of $300.

The British Ministry of Fuel determines who may drive an automobile and where they may go.

The most unfortunate result of the British experiments in socialism is that economic recovery has been interfered with, production held back. The British are now as hard pressed as at any time since the end of the war, and daily their plight grows more tragic. This situation is particularly unfortunate from the standpoint of the American taxpayer, who last year contributed nearly thirteen hundred million dollars to Great Britain under the Marshall plan. These dollars—the money of the American taxpayers, mind you—were used to finance the British Socialist program.

It is time to stop coddling socialism, both abroad, and at home. "It can't happen here," it is said, and that "We'll never see a socialistic United States." It was once said that it could not happen in England, but it did happen.

Our Republic is in danger now, endangered by those who would substitute for our free economy, a socialized, planned economy. Radicals, who call themselves liberals without knowing the real meaning of the word, would replace Americanism with statism. They would weaken and impair the liberties which we have enjoyed under the Bill of Rights, and replace them with bureaucratic regulations and dictatorial interpretations flowing out with monotonous regularity from Washington. They would subtract from our social, political, and economic freedoms, and add to the size and power of the Federal Government.

WE SHOULD RETURN TO THE PRINCIPLES OF THOMAS JEFFERSON

During the closing days of the convention which framed the Constitution of the United States wise old Ben Franklin was asked what kind of a government was set up in the new Constitution. He answered: "We have given them a republic—if they can keep it."

Our Republic is threatened today, threatened by the rapid growth in the size and power of the Federal Government. Washington bureaucrats are more and more injecting themselves and their agents into the affairs of our States, counties, cities, and townships.

I am convinced that we are drifting in the wrong direction. We should return to the principles of Thomas Jefferson, under which America grew great and strong. We should return to the principles of local self-government. I think it is time for more government to be sent home, back to our county courthouses, our city halls, and State capitals, back to the grass roots, close to the village pump, where our people can control it and fit it to their own particular needs.

Of all the devices used to concentrate authority in Washington, Federal grants-in-aid are the most popular among power-hungry bureaucrats. The States are not free to use this money as they see fit—no, indeed; there are strings tied to it, rigid requirements laid down by the bureaucrats in Washington. Federal aid means Federal controls, just as surely as night follows day.

There are those who attempt to lull us into accepting Federal aid by implying that we are getting something for nothing, that it comes entirely from the Federal Government. The money the Federal Government spends can come from only one source, the pocketbooks of the American taxpayers. There is no magic pot of gold in Washington. Certainly the Federal Government does not live on interest from its foreign loans. Furthermore, the dollar taxed out of our citizens' pockets and sent to Washington is not any bigger when it goes back. The fact is that it is quite a bit smaller, because the political brokerage of the bureaucrats has been taken out. Many a dollar never finds its way back home. Poor little dollar! It never escapes the jingle, jangle, jungle of Washington.

Federal aid, then, means two things: Less for the taxpayers' money, more regimentation for the taxpayers.

The Eighty-first Congress has been under a barrage of proposals from the Truman Administration to strengthen and extend the grip on our daily lives of this great Federal octopus on the banks of the Potomac. We have been urged to approve a program of socialized medicine, for example, which would concentrate control of the practice of medicine in the hands of the Federal Government. The Brannan farm plan, for another, would place the American farmer in a strait-jacket and destroy his freedom of action, as has happened to the British farmer under a Socialist government.

SECRETARY BYRNES AND GENERAL EISENHOWER HAVE WARNED US

Former Secretary of State James F. Byrnes recently jolted Washington with his stern warning against the drift toward socialism. He left no doubt that, in his opinion, the road we are now traveling leads to economic slavery for us all. Mr. Byrnes pointed out that:

> Some of the proposals now suggested which would curtail the liberties of the people are offered in the name of public welfare and are to be made possible by Federal aid. That phrase is an opiate. It is deceptive.
>
> It leads people to believe that Federal aid funds come from a Christmas tree. * * *

Finally, Mr. Byrnes solemnly warned:

> Beware of those who promise you something which does not belong to them, and which can be given to you only at your own expense. * * *

General Eisenhower, now president of Columbia University, recently had this to say:

> I firmly believe that the army of persons who urge greater and greater centralization of authority and greater and greater dependence upon the Federal Treasury, are really more dangerous to our form of government than any external threat that can possibly be arrayed against us.

Mr. President, we have tried bureaucratic government from Washington. We have learned that it is always expensive, often inefficient, and, above all, that it is steadily creeping up and destroying some of our most cherished liberties.

The people of my State, the people of Missouri, have always loved the Republic of our fathers. We are willing and anxious to do our full share to save it in its constitutional form, to cherish and preserve it for ourselves, for our children, and our children's children.

THE LONGSHOREMEN'S STRIKE IN HAWAII

Mr. MORSE. Mr. President, as a member of the Senate Committee on Labor and Public Welfare I wish to submit, in my own behalf, a report to the Senate in respect to the Hawaiian dock strike, which is now raging in that section of the world.

It was about 2 weeks ago, or within the last 2 weeks, that the people of America were very much aroused, and unquestionably greatly concerned, by a series of newspaper advertisements which were published in the major newspapers of the country. They were newspaper advertisements which sought to give the impression that the people of Hawaii were being subjected to inexcusable hardships and suffering as the result of union activities in the islands. Those advertisements were so alarming in their implications and connotations, Mr. President, that the Senator from California [Mr. KNOWLAND] offered an excellent bill which proposed that the President of the United States appoint a board of inquiry to conduct what, under the terms of the bill, would have amounted in fact to arbitration of the dispute. It was the intention of Senator KNOWLAND and those of us who sponsored the bill with him that the parties to the dispute would agree to arbitration provided, as the Senator from California [Mr. KNOWLAND] and I stated upon the floor of the Senate at the time in explanation of the bill, that the parties would accept the decision of the board of inquiry as final and binding.

The Senate Committee on Labor and Public Welfare, disturbed also by the scare representations that were being made in the advertisements appearing in American newspapers, proceeded with immediate hearings on the Knowland bill. It is about those hearings, Mr. President, that I wish to make a few comments this afternoon, because the hearings made perfectly clear that, as in the case of most propaganda, the advertisements which were published in the press of this country were exaggerated and full of misrepresentation.

And so, Mr. President, after the Senate Committee on Labor and Public Welfare held a prolonged executive session on the Knowland bill, it then proceeded with public hearings on it. At the first hearing the Senator from California [Mr. KNOWLAND] appeared in behalf of his own bill and made an excellent statement in support of it. I recommend its reading by Members of the Senate because his statement more than justifies the bill. Other sponsors of the bill appeared and made statements as to their intent in respect to the bill.

The Senate Committee on Labor and Public Welfare then, by unanimous vote, decided to call upon the employers concerned in the strike to designate one representative to appear before the Senate Committee on Labor and Public Welfare to present the employers' point of view and reactions and suggestions in respect to the Knowland bill, and the committee also requested the union to select one representative to appear before the committee in public hearings. Such hearings were arranged for, Mr. President, and the employers sent to the hearings an attorney representing the employers of Hawaii who were involved in the strike, a man by the name of Mr. James Blaisdell, and the union sent their international president, Mr. Bridges. I want to say at the outset that before I finish I will have something to say about Mr. Bridges, and of my viewpoint concerning some of his tactics of labor leadership, and my unmistakable viewpoint of complete opposition to his political philosophy.

In the first part of these remarks, Mr. President, I want to give the Senate the benefit of at least my reaction to the record which was made by these two spokesmen of the conflicting forces in the Hawaiian strike, Mr. Blaisdell and Mr. Bridges. I speak as one who for the past decade or so—yes, for the past 15 years—has participated in the so-called middle position, the position of representing the public interest, the position of an impartial arbitrator, in a very large number of labor cases. If one were to include in that record the great many cases in which I participated during the war in association with the distinguished present Presiding Officer of the Senate, the Senator from North Carolina [Mr. GRAHAM], I suppose the count would show that in the past 15 years I have participated in 2,000 or more cases. Therefore, I think it is proper for me to say, in spite of the personal reference, that I believe I comment on the Hawaiian strike today with a broad background of knowledge of the tactics of parties to labor disputes, their aims and objectives, and the strategies they can be expected to use, depending upon the strength or weakness of the case, and with some knowledge as to fair procedure which should be used in labor cases if our objective is to settle cases on their merits.

With that background, I wish to say that in my opinion I have never listened to an employers' case so weak on the merits, so obviously designed to avoid the true issues, and so patently designed to prevent a decision on the merits, as the case of the employers in the present Hawaiian dispute.

It was very interesting to hear the reactions of the correspondents and reporters who attended that public hearing. Since I have been in the Senate I have never had a group of reporters come to me and express such unanimity of point of view in their reaction to a hearing as did the reporters who came to me after our hearing the other day on the Hawaiian dispute. With complete unanimity they expressed views to the effect that they were at a loss to understand how an employer representative at a public hearing before a committee of the United States Senate could present a case as weak as the case which Mr. Blaisdell was forced to present. He is not at fault. He appeared before us without the authorization which he should have had from his principals, if he were to take the steps necessary to settle the dispute on the basis of the merits.

Many counsel have appeared before me in labor cases. I have never felt so sorry for a counsel as I did for Mr. Blaisdell the other day. Had he been given the proper authorization by his principals it would have enabled him to settle the case on a high level of industrial statesmanship and in the public interest. All he could say when various proposals were made to him by the committee was, "I will take them back to my principals."

From the examination of Mr. Blaisdell and Mr. Bridges I thought it became very clear what the basic issues in the Hawaiian dispute really are. They are not the issues stated in large advertisements in the American press, which cost many thousands of dollars. What we read in the press was propaganda.

Let us go into the merits. This morning the Senate Committee on Labor and Public Welfare received a long radiogram from Mr. W. R. Starr, chairman of the stevedoring companies' negotiating committee, the employers' group involved in the Hawaiian dispute, in response to the proposal which was made by the Senate Committee on Labor and Public Welfare, that the employers and representatives of the union meet in Washington under the auspices and good offices of the Federal Conciliation and Mediation Service,

and here, far removed from the emotionalism, the anger, and the hysteria of the dispute as it presently exists in Hawaii, try to come to a negotiated settlement of the issues of the dispute. Such a proposal was fair if the parties want to settle a dispute which is resulting in a strike that is causing such suffering to the people of Hawaii, who, after all, are not parties to the strategy which is being used on both sides in what I say is an inexcusable stoppage of the shipping activities of the islands.

Mr. President, this radiogram adds up to a rejection of the suggestion of the Committee on Labor and Public Welfare. I shall read it.

After careful and thorough consideration of the proposal made by Mr. Margolis as an alternative to your committee's proposal—

Let me digress to say that it was the proposal of the committee that the mediation conferences which we suggested take place in Washington. That suggestion came from the distinguished Senator from Illinois [Mr. DOUGLAS], one of the great labor mediators of America, a man who brings to the United States Senate a record of mediation and arbitration which I think is not surpassed by that of anyone else in America, a man whose fair-mindedness and impartiality in labor cases have produced a remarkable record.

During the course of our hearings the Senator from Illinois suggested that the parties agree to submit their differences to Mr. Ching of the Conciliation and Mediation Service. At the time the suggestion was made we did not know that Mr. Ching had left the city—I understand even the country—and that he had gone to a vacation spot in Canada. Certainly the strenuous year just past entitles him to a much needed rest. But we did not know, when the suggestion was made to the parties, that Mr. Ching personally would not be available to direct the negotiations. I would that he were available, because, as I have said before on the floor of the Senate, I have the greatest confidence in Mr. Ching. But he is not the only one in the Conciliation and Mediation Service in whom we are entitled to have complete confidence. His immediate subordinates are men of outstanding ability in the field of mediation and conciliation. Therefore I wish to say, before I proceed further with the reading of the radiogram, that I do not believe that the employers of Hawaii have a justifiable "out" in support of their refusal to accept mediation in Washington, D. C., merely because Mr. Ching himself apparently is not personally available. I assume that he is not personally available. I assume that he cannot be brought back. If it were possible to bring him back, if he were willing to come back, if it were feasible to have him come back, I think it would be greatly to be desired that he come back. But I am assuming that bringing him back is not feasible. However, I wish to make it clear that I do not believe that the employers have a justifiable "out" in rejecting the proposal of our committee merely because Mr. Ching personally could not preside over the mediation hearing.

The radiogram reads as follows:

HONOLULU, *July 21, 1949.*

ELBERT D. THOMAS,
Senate Labor and Public Welfare Committee, United States Senate Building, Washington, D. C.:

After careful and thorough consideration of the proposal made by Mr. Margolis as an alternative to your committee's proposal, our stevedoring companies cannot see how a trip to Washington to meet with Mr. Bridges would contribute to ending the strike. Regarding mediation the companies will continue to cooperate in every practical way with representatives of the Conciliation Service, but we believe that effective mediating can only be done here. The companies have cooperated with Commissioners Hillenbrand and Malcolm of the United States Conciliation Service since before the strike in their mediation efforts. During most of the strike these men have been in Hawaii. We feel that our companies have gone more than half way in attempting to settle the strike. The record clearly shows our participation in and willingness to accept mediation, conciliation, and governmental fact finding. Two wage offers and then acceptance by our companies of a fact-finding boards recommendation backed by the weight of Territorial and National Government officials including President Truman have been turned down by the union. Meanwhile the union has resisted all attempts at settlement and has never once lowered its initial wage demand below its 32-cents-an-hour figure. Stevedoring negotiations have always been carried on in the islands. Committees representing each of the seven companies on one side and employees of each port and each company on the other have bargained out their differences. Conditions vary widely in each of the five out-island ports. The committee members representing these ports are thoroughly familiar with conditions there. For instance, two contracts in one of the ports include, in addition to stevedoring, a number of departments with such diverse functions as merchandising, railroading, operating tugboats handling fuel-oil operating, an interburan bus system, and operating a planing mill. Many different jobs are involved in this port and the problem can only be settled by people on the ground who know the operations. Negotiations in all ports involve 11 different contracts only 3 of them straight stevedoring contracts. In addition to wages for stevedores rates for 129 different jobs must be negotiated. The pattern of negotiations for these companies has always been to settle the basic stevedoring rate through joint negotiations in Honolulu. Thereafter the out-port problems must be negotiated by the separate companies at the respective ports. It would be impossible for one individual to properly represent all the companies with respect to all out-port problems nor do we see how Mr. Bridges could be prepared to do so without the direct assistance and consultation with the members of the union negotiating committee. The union committee has laid great emphasis in local discussions on these out-port problems. Mr. Bridges has not participated in any of the negotiations at any time since they started in February and has not even been in Hawaii for more than a year.

If he has a proposal to make either on behalf of the union committee or on his own he can certainly make it here where it can be intelligently discussed by joint committees, and that he should do. We stand ready as we have for 6 months to bargain any time the union chooses to make a realistic good-faith approach to settlement.

We fail to see that transferring the scene to Washington will help settle the strike especially in view of Washington's repeated statements that this strike is a problem which must be solved in Hawaii and not in Washington. We believe that it can and should be settled quickly through collective bargaining here in Hawaii.

W. R. STARR,
Chairman, Stevedoring Companies Negotiating Committee.

Mr. President, personally, I do not care where they try to settle the dispute, whether in Hawaii or here in Washington, D. C. However, I wish to point out that Mr. Starr knowingly, if he can read—and I am sure he can—misrepresents the proposal of the Senate Committee on Labor and Public Welfare, because at no time—and it is perfectly clear in the record—was it the proposal of the committee that when they went into mediation, the parties would be limited in any way whatsoever in representation. The parties could bring here whatsoever committees they wished to bring; both the union and the employer could do so. But to seek to give the impression that a case such as this cannot be successfully mediated away from the scene of the strike is of course to fly in the face of the history of scores of major labor disputes, in regard to which the mediation has deliberately been taken away from the scene of the dispute. In fact, Mr. President, I wish to say as a general proposition that if one wishes to have cool-headed mediation and settlement of a dispute it is better that the mediation be conducted away from the spot where emotions are running high, where public opinion is stirred up. It is better that the mediation be conducted in a judicial atmosphere far removed from the scene of the disturbance. In fact, a wise mediator always tries to get away from the scene of the dispute, and get the parties into a calmer atmosphere, so that they can sit down and, sometimes for the first time for days, actually relax in each other's presence.

But I wish to say that I think the statement by Mr. Starr about the necessity, in order to get the facts, of having the mediation take place in Hawaii, is just a misrepresentation, and does not point out what really is in Mr. Starr's mind. I shall talk about what I think is in Mr. Starr's mind and what I think is in the mind of the employers' association, before I conclude these comments. I think his real motivation is union breaking, not good-faith collective bargaining.

At this point I wish to say that if there is a refusal to mediate in Washington, D. C., I, for one, would not insist that the mediation be in Washington, D. C.; and I would agree with Mr. Starr that if Mr. Bridges has some offers he wishes to make, then in view of the refusal of the employers to come to Washington, Bridges should go to Hawaii or a union committee should go to Hawaii, and mediation should proceed in Hawaii under the jurisdiction and direction of some of the top men in the Conciliation and Mediation Service. But I am not going to let Mr. Starr pervert the record in regard to what the employers have done in their relations to date with the United States Conciliation Service, because we

had a member of that Service before our committee, and we know what they have done—and it has not been much. The employers' record, so far as proposals of the United States Conciliation Service for a peaceful settlement of this dispute are concerned, has been a record of rejection after rejection. The hearing before the Senate committee brought out very clearly—and it was admitted by Mr. Blaisdell, under examination—that the proposal for the arbitration of this dispute in the first instance did not come from the union, but came from the Federal Conciliation and Mediation Service. Why? Well, Mr. President, those who understand or know anything about the history of maritime labor disputes do not find that surprising, because that has been the position of the Federal Government for years past in maritime disputes, starting with the appointment of the Arbitration Board in the great 1934 strike. That suggestion came from the Federal Government; and the President of the United States appointed the board in the great strike of 1934 on the west coast. That record is followed by a record as long as your arm of case after case in which the Federal Government, principally through the Conciliation and Mediation Service, but sometimes through other agencies, has made the commonsense recommendation that the parties submit the dispute to arbitration.

Thus, as the hearings brought out, it was just last fall, after 95 days of strike on the west coast between the shipping companies and the longshoremen—many of the employers in Hawaii themselves having a direct interest in that west coast strike, Mr. President—that again the Federal Government suggested to the parties that they try to settle their differences by arbitration. Finally, there was consummated an agreement, after 95 days of strike, after the Taft-Hartley law had proved itself to be a complete failure as an effective instrumentality for the settlement of that dispute, which agreement contained an arbitration procedure for settling wage issues during the life of the agreement. In fact, Mr. Blaisdell, representing the employers in the instant case, under examination, admitted the injunctive processes of the Taft-Hartley law were not helpful in the west coast strike. He testified in effect that all they succeded in doing was postponing the settlement of the strike. His testimony reenforced arguments that I have made on the floor of the Senate in opposition to the injunctive features of the Taft-Hartley law. My experience in labor cases has convinced me that the major effect the injunction will ever have in a labor dispute will be to postpone final settlement and embitter the parties. So, in the hearing just recently had, we hear the employer counsel admitting, in the first place, that the proposal for arbitration did come from the Government. We hear him admitting also in his testimony before the committee that the injunction under the Taft-Hartley law was not effective in the 95-day strike of last fall on the mainland. We hear him admit that the contract which was signed between the parties in the settlement of the west coast strike last fall specifically contains a provision that the wage issue—and, Mr. President, do not forget, it is the wage issue that is involved in the Hawaiian dispute—that the wage issue is subject to reopening during the life of the contract; and that if the parties cannot agree, in case of a reopening of the wage issue, to a settlement of that issue through collective bargaining, then the coast arbitrator provided for in the contract shall settle it by arbitration.

Mr. President, the American people in their thinking on the Hawaiian strike should not let the employers escape from the fact that in an identical industry on the west coast involving some of the same employer interests, the employers have agreed in written contract to open the wage issue and, if they cannot settle it during the life of the contract by collective bargaining, it shall be submitted to arbitration. I want to say that the arbitration provision of the west coast agreement is a significant fact which greatly weakens the position of the Hawaiian employers in their opposition to arbitration of the wage issue in Hawaii. It weakens it furthermore because employer friends of mine in San Francisco have notified me since our hearing the other day that some of these same employer groups in Hawaii put tremendous pressure upon the west coast employers last fall to settle that dispute and accept the arbitration provision because of the economic effect of the dispute on Hawaii. Mr. President, do you see what happens when the shoe is on the other foot? It was last fall that the interests of Hawaii were very anxious to have the employers on the west coast "fold," as we say in a labor case, and agree to a settlement that would involve a contract with an arbitration section in it. There is a great newspaperman in San Francisco, Mr. President, who has told me in recent hours that the position of the Hawaiian employers on arbitration in this case cannot be reconciled with the heat they put on west coast shipowners just a few months ago to accept a settlement which involved the same principle of arbitration which now the employers in Hawaii refuse to accept.

So I say, Mr. President, the employers of Hawaii just do not approach American public opinion in this case with clean hands. I think their hands are dirty, Mr. President—dirty in the sense that they are not interested in a peaceful solution to this problem, except on their own terms. Yet they would seek to poison the viewpoint of the American people into thinking, as Mr. Starr tries to represent in this radiogram, that they have sought a peaceful solution to this dispute, but that they have been countered by a union that refused to cooperate at all in the interests of a mediated settlement of the dispute.

The hearings brought out something else, Mr. President. To read the advertisements one would think what the employers were really fighting in Hawaii was a communistic invasion. I shall have something to say about communism before I get through with these remarks, because no one knows better than the junior Senator from Oregon that no matter what statement he makes in his desire to secure a judicial settlement of this dispute there will be those who will read into it unjustifiable implications as to political philosophy. I am going to make myself so clear on that before I get through that those who read will know that there is in fact no basis for any such implications. I hate communism and all it stands for. I also hate misrepresentation in labor cases whether it be by employers or unions.

Mr. President, Mr. Blaisdell testified before our committee that the issue was wages and that the employers stipulated before the fact-finding board that there was no issue of communism involved in the dispute. They were careful to see to it that formally and officially and on the record they did not raise the question of communism. But their media of information to the public surely raised it. The Hawaiian papers certainly raised it, turning themselves, not into newspapers, but propaganda sheets for the raising of false issues, or at least for the raising of issues which the employers themselves stipulated were not issues in the dispute. And so when we read these paid advertisements in the American press, or when we read the copies of the Hawaiian press that were sent to us, we certainly were led to the conclusion that the issue was an issue of communism. If communism is involved then the employers have the patriotic duty of proving it. I think some questionable left-wing objective may be involved and I think any proof of it should be presented by the employers.

Mr. President, as a very severe critic of the labor strategy and tactics and philosophy of Harry Bridges—and there is no more severe critic in the Senate on the basis of his knowledge of the facts of the maritime industry than the junior Senator from Oregon—I think there is underlying the Hawaiian dispute an issue of so-called left-wingism, and I shall have something to say about that in respect to Mr. Bridges' testimony before our committee, before I get through.

Mr. President, the philosophy of the leaders of the longshore union must be kept separate and distinct from what the employers themselves recognize and stipulate as the issue involved in the strike, namely, the wage issue. Mr. Blaisdell testified before our committee that wages was the issue of the dispute, and that the settlement of that issue would settle the dispute. I think that is true. The only issue, so far as the strike is concerned, is the issue over what wages should be granted the longshoremen. It is a simple issue; it is so simple, Mr. President, that any impartial arbitrator could settle that case in 3 days of arbitration. That is how simple I think it is. But, of course, the arbitrator should not sit, as I said on the floor of the Senate on another occasion, and should not take a bit of evidence, until the men are back at work, because he could not possibly function as a judicial officer with a strike gun at his head.

Mr. President, I want to say in support of the employers' position, on one phase of the arbitration issue, that, as a matter of general policy, I do not think arbitration is at its best when the arbitrators are called upon to write a contract for the parties. I so stated at the hearing a few days ago. I so stated in a colloquy with Mr. Blaisdell. It is a position which I have set forth in many decisions, Mr. President. I have warned the employers and the unions of this country in writing after writing that they should try to work out their collective-bargaining agreements so that they do not resort to arbitration for the determination of wages, hours, and conditions of employment, save and except under the most extraordinary circumstances. There is no doubt about the fact that when an arbitrator is given jurisdiction to fix wages, hours, and conditions of employment he is given, for the life of the contract, great and broad jurisdiction over the business, and great jurisdiction, as to the worker, over economic liberty. There is no doubt about that. The shipowners on the west coast and the unions on the west coast recognized that last fall when they finally came to an agreement, containing a lot of safeguards, which agreement provides, in effect, "if we cannot possibly negotiate a settlement over wages, then we will submit the wage issue to the coast arbitrator, for final determination."

I think that all fairness calls upon the employers in Hawaii, many of whom have interests also on the west coast, to accept a similar provision for arbitration. But I want the RECORD to be perfectly clear that I think it is regrettable that employers and unions in any industry have got to the point where they find it necessary to submit to an arbitrator the jurisdiction to determine the actual writing of a part of the contract to be entered into between them. As I said in the hearing a short time ago, I think the most notorious example of the failure of employers and workers to get together on the terms of a contract was the famous Black Ball Line case in 1939, when the port of Seattle was tied up as tightly as a knot. There was not a ferry boat moving, because of a dispute which had arisen over the operation of the ferries in Puget Sound. The parties finally agreed to an arbitration. As I recall, I arbitrated that case for a period of several weeks, but with the ships operating while the arbitration was proceeding, although the ships had previously been tied up. In that case, Mr. President, the employers and the union could not agree on the time of day. If one were to place a watch in front of them, they would have disputed what the time was. They could not agree on anything.

It was my responsibility, after the close of that case, to take the record and write a decision which was in the form of a contract from beginning to end. The contract fixed the wages, hours, and conditions of employment for the parties.

I say that is a tremendous power to place in the hands of any third party. It is my understanding that the contract I wrote in that case is still in existence, and not a major provision of it has been changed, save and except changes in wages which I understand the parties themselves have since negotiated.

Arbitration is at its best when the parties provide for arbitration of disagreements arising within the life of the contract. Arbitration is at its best when the parties provide for an arbitrator to determine what the contract means in some sections which they think are ambiguous, and for the arbitrator to settle grievances which have developed under the contract. Arbitration is not at its best when the parties agree to turn over to the arbitrator the power to determine what the wages, hours, and conditions of employment should be. But arbitration even then is better, Mr. President, as a last resort, than to permit a condition to continue, as it now exists in Hawaii, whereby approximately 540,000 innocent persons, not parties to the dispute, are forced to suffer the hardships they are suffering because one side has determined, in an economic warfare, to break the employers, and the employers, on the other hand, are just as determined, apparently, to break the union.

One further word, Mr. President, about the similarity between the west coast longshore trouble of last fall and the present Hawaiian dispute. The Taft-Hartley law was applied to the longshore dispute on the west coast last fall. Some of my distinguished colleagues, including the distinguished Senator from Ohio [Mr. TAFT], do not think the Taft-Hartley law is applicable to the prevailing Hawaiian dispute. I respectfully dissent from this point of view. I think the Hawaiian dispute is subject to the Taft-Hartley law. In saying that I do not mean to imply that I think the Taft-Hartley law would solve the Hawaiian dispute because all it would lead to would be an injunction and the west coast longshore dispute of last fall proved how unworkable the injunctive section of the Taft-Hartley law is in maritime disputes.

Of course, the application of the injunctive section of the Taft-Hartley law to the Hawaiian dispute probably would break the strike for a time. The injunction probably would result in men being thrown into jail if they violated it but the disturbance would spread.

However, I think it should be made clear that if we are going to have the Taft-Hartley law it should be applied uniformly. Certainly it was the intention of Congress when the Taft-Hartley law was passed that the emergency dispute section should be applied to any dispute that caused the amount of suffering to as many people and as large an area as is involved in the Hawaiian dispute.

Furthermore, I consider Hawaii vital to our national defense and security. A break-down in the economic life of Hawaii to the degree which the employers contend exists in Hawaii today is a national emergency within the spirit and intent of the Taft-Hartley law. I have always said that so long as the Taft-Hartley law is on the books I shall insist that it be enforced. Therefore, because I think the Hawaiian dispute falls within the framework of the Taft-Hartley law I have no hesitancy in saying that, in my opinion, our Government has failed to carry out the terms of the Taft-Hartley law.

I wonder if the reason for the failure of our Government to apply the Taft-Hartley law to the Hawaiian dispute is that our officials know that its provisions would be no more workable in the Hawaiian dispute than they were in the longshore dispute on the west coast last fall. If that is true, and I believe it is true, then we should be at work repealing the Taft-Hartley law and passing a piece of legislation which will work in the handling of emergency disputes which endanger national health and safety.

That leads me, Mr. President, to the next point I want to make. I do not think, by taking the position that the strike should be settled in Hawaii, that the Hawaiian Legislature should proceed to pass legislation directly affecting the dispute by way of the two most commonly suggested proposals, injunction and seizure. Such legislation will only spread the dispute to the mainland. I do not condone it; I do not approve it; I disapprove of the idea of spreading the dispute to the mainland; but I am not going to deceive the American people about what is likely to happen if seizure or injunction legislation is passed.

I think it perfectly clear from our hearings that when the Hawaiian Legislature gets through with its restrictive legislation, if it passes some, and I think it will, that all it will accomplish will be to spread the strike not only to the west coast, but to all the ports of America where the ships go, and to all the ports of the world where the ships go. So we are here dealing with a problem which I think can develop into one much more serious than it is now—and it is serious now—and that is why I take the time this afternoon to forewarn the Senate as to what I think is coming as an outgrowth of the Hawaiian dispute. I think what is coming is a tie-up of ships on the west coast. That is why the San Francisco newspaperman with whom I had a long conversation not so many minutes ago said, "Wayne, there is no doubt about the fact that what is going to happen now is that we are once again going to be involved in a serious strike on the west coast, because," he said, "is anyone in the Senate so shortsighted as to think that the longshoremen are going to handle ships which are loaded in Hawaii under a seizure law or an injunction law passed by the Hawaiian Legislature?" Mr. President, you and I can say until we are blue in the face, "If they do not, we will sure do something about it." But that is not going to get the ships loaded. It is only going to spread the dispute. No one could listen to Bridges speaking as the president of the union the other afternoon at our hearing without recognizing that the union will not handle cargo on the west coast loaded under a strike-breaking law. In fact he said so. He pointed out that if that is the kind of a fight the employers want, they are going to get it.

I think it is too bad to throw us again into that type of unnecessary struggle

over shipping on the west coast, simply because some employers in Hawaii will not arbitrate this dispute. Employers who were so anxious to have the employers on the west coast last fall settle their dispute by accepting an arbitration provision in order to save those in Hawaii the loss they were anticipating from the tie-up of ships on the west coast now refuse to accept arbitration in Hawaii.

Let us take another representation from Mr. Starr as set forth in his radiogram. It is to laugh to read his comment about how the employers have been perfectly willing to accept the recommendations of the governor's fact-finding board. When did they reach that conclusion? After the recommendations were made, and they decided they could live with them. After the recommendations were made, and they decided that in effect they were in their favor. But they refused to bind themselves, in advance of the hearings before the fact-finding board, to accept the recommendations of the fact-finding board. As I said to Mr. Blaisdell the other day in the hearings, "What you are saying in effect, Mr. Blaisdell, is that you are willing to accept arbitration after the fact but not before the fact, you were willing to take the recommendations of the fact-finding board after you decided they were more favorable to you than to the union, whereas the union, on the other hand, had agreed that if the employers would accept the recommendations of the fact-finding board, the union would, no matter what they were, provided there was a binding agreement of acceptance in advance of the decision of the fact-finding board."

Mr. President, I think the union should have accepted the report of the fact-finding board. I think the employers should have agreed to accept the report of the fact-finding board before the fact, not after the fact.

We need to keep in mind the fact that these two great economic powers in this dispute are angry. At this stage of their anger they are not interested in acting as sensible men. They have to be led to reason, and I say arbitration will lead them to reason.

It is no surprise to me that the union refused to accept the fact-finding board's report after the employers accepted it, in view of the fact that the employers had refused in the first instance to accept it. That is the way angry men behave in labor disputes. I hold no brief for the union's refusal to accept the report, I think they should have accepted it, but as one who is trying to forewarn the public as to what I think is an unnecessary major labor dispute beginning to take form in this country, I try to understand why they did not take it, and I think it is very understandable.

So I wish to say that Mr. Starr's talk in his radiogram about their being willing to accept the report of the fact-finding board does not mean very much to me, in view of the fact that the employers did not cooperate before the fact in agreeing to accept the report.

Mr. President, let us say a word about the parity wage issue. Here again the record is perfectly clear. Mr. Blaisdell, speaking for the employers before our committee at the hearing, pointed out that in his opinion the so-called parity wage issue was the major stumbling block toward any settlement of this dispute by arbitration or mediation or any other procedure. He went on to point out, and I think in respect to this point with some merit, that the employers in Hawaii were greatly concerned about a proposal which sought to superimpose upon the islands, with great differences in their economy, a wage structure of the mainland. He went on in his testimony before the committee to point out, from the standpoint of the employers, how the parity wage issue was a great stumbling block to peaceful settlement of the dispute.

It was the Senator from Illinois [Mr. DOUGLAS] who in the first instance got a concession out of Mr. Bridges, under cross-examination, that he would be willing, if the Douglas proposal for mediation of the dispute in Washington were accepted, or if the parties accepted arbitration, to eliminate the parity wage issue.

Mr. President, when he did that, I think the employers' case in opposition to arbitration tumbled like a house of cards. Did that change Mr. Blaisdell's position? Not at all.

Then under further examination I got Mr. Bridges to concede that he would permit Mr. Ching, if they went into arbitration, to write the arbitration agreement. Bridges made other concessions under what, if Senators will read the record I think they will admit, was pretty effective cross-examination on the part of the members of the committee. We sought to protect the employers by having a man whose impartiality is above question or reproach write the terms of the arbitration agreement itself if the employers would agree to go to arbitration. But that was not even satisfactory to the employers. And so it all ended up, as far as the employers' case was concerned, as I saw it, and as is reinforced by Mr. Starr's message, to the position that the employers now will agree to settle this case only on their own terms, and they will reject any of the peaceful procedures offered by the Senate Committee on Labor and Public Welfare. They are making a great mistake, Mr. President.

Oh, they might possibly, through legislation passed by the Hawaiian Legislature, break the strike, but I think it will be at a cost to the public interest that is not warranted. I think they will make a record which will compel us as a Congress in due course of time to have to take cognizance of it either through existing labor legislation or new legislation, if this strike takes on the proportions that it is capable of developing on the mainland. It is going to affect Hawaii in many other ways because sooner or later public opinion on the mainland will come to recognize that industrial statesmanship has not characterized the actions of the employers of Hawaii in this case. It will set back for years Hawaii's claim to statehood.

Mr. President, let me say something about the leftism of this strike. If I had been counsel for the employers in Hawaii I seriously question whether I would have advised them to stipulate that communism is not an issue in the strike. Of course, we can get into a Philadelphia lawyer's argument as to what we mean by communism. But as we listened to Mr. Bridges' answers the other day to questions which the Senator from Ohio [Mr. TAFT] put to him, when the Senator from Ohio asked him to define what he meant by a left-wing union, we heard a description of the left-wing party line in the American labor movement. He defined the fellow traveler philosophy of communism as we find it in America. There were several very clear symbols in his testimony which satisfied me that he was following the line of the fellow traveler in America. The Senator from Ohio will recall that in Mr. Bridges' definition of a left-wing union or left-wingism, as he called it, in American unionism, he came to the defense of the Communists on trial in New York by saying that a left-wing union or left-wing unionism objects to such trials as the Communist trial which is taking place in New York now.

When asked under examination by the Senator from Ohio if his union had satisfactory relations with the Russian ships, and if he felt that they were carying on satisfactory relations with Russian unions, he answered in the affirmative. and believe it or not, Mr. President, the record will show that he went on to make a statement which I say is subject to no other interpretation than that he really thinks there are unions in Russia comparable to American trade-unions.

Why, Mr. President, that is a good Communist Party line philosophy. But American labor leaders who proudly reject and, thank God, most of them do reject it, the label of left-wingism of which Mr. Bridges so proudly boasted the other day before our committee—I say those labor leaders who reject his philosophy of trade-unionism know that there are no free trade-unions in all of Russia. And believe me, Mr. President, if Mr. Bridges were the president of what he thinks is a trade-union in Russia he would not have the freedom to follow a trade-union philosophy not dictated by the Russian Politburo. If he were a labor leader in Russia instead of in America he would soon discover that there is no free trade-union movement in Russia.

So I say, Mr. President, I would not have been so quick to stipulate, if I had been the representative of the employers in Hawaii, that the issue of communism was in no way involved in the strike in Hawaii. I would have been more inclined to take the position that I would like to have a board of inquiry go into the wage issue, but in making its report on the wage issue, be perfectly free to determine what forces acting within Hawaii had brought about the dispute and from what motivation. I think that would have been legitimate and within the terms of reference of any fair arbitration.

Now I say these things, Mr. President, because I am satisfied that we were dealing in our hearing the other day with one of the few leaders of so-called left-wingism in the American labor movement. I

am a bitter enemy of left-wingism in the labor movement. As I have said on the floor of the Senate before, I detest and reject the political philosophy of Harry Bridges, and his labor philosophy too. But he is president of that union and he has the right to be the president of that union. He is the elected president of that union. There is nothing on the statute books that denies to the members of that union the right to elect whomsoever they wish as the president of the union. I wish I could get the employers to see that they are playing right into the hands of the left-wingers in the American labor movement when they take the position, as some of these paid advertisements and these newspaper stories show is their position behind the scenes, that the issue is the leadership of the union.

Oh, we have made that mistake before in some great labor cases in this country. I once said on the floor of the Senate it was made in the Pullman strike when Debs was made the issue rather than the wages, hours, and working conditions of the striking Pullman workers. Debs was not the issue. Debs was made a martyr, and in my judgment the mistaken policy that was followed in the Pullman case resulted in a militancy in the American labor movement that need never have occurred.

I do not think the American labor movement would have needed to go through the stage of militancy it went through if in some of our major strikes, including the Pullman strike and some of our coal strikes, may I say to the Senator from West Virginia [Mr. NEELY] if labor-union-busting employers had not made the great mistake of turning the economic issues of those disputes over wages, hours, and conditions of employment into issues over the leadership of the unions.

I have seen this happen many times in the longshore industry. I am satisfied that during the past 10 years there have been at least three or four times when Bridges could not have survived as leader of that union at the next convention if the employers had not made the mistake of getting into an industrial row with him and turning the issue into an issue of his leadership, rather than the economic factors involved in the dispute. They are going to do it again, just as surely as we are in this room. They can break the strike in Hawaii, but they are making ammunition today for the left-wing labor philosophy in the labor movement. The way to call his hand is to give him the chance to go before a judicial tribunal and present his economic data on wages. Are the employers afraid of it? Can they not risk it? Do they not have a case? If I were their counsel, we would not run away from a trial of the case on the merits. If the wage demands of Bridges could not be substantiated on the basis of the economic facts I would say, "Let us prove it. Let us take this fellow to hearing on the facts."

Mr. President, I have the view that left-wingism cannot stand up against the facts. I have the view that the way to handle the radicals is to give them the opportunity in these labor disputes to prove their cases. They cannot prove their cases for exorbitant demands. The record of arbitration is perfectly clear on that point.

The Hawaiian employers made the point, through Mr. Blaisdell at our hearings, that there have been some instances of refusal on the part of this union to abide by an arbitration decision. Every time they have not abided by an arbitration decision they have lost their case with the public. They have never gained an advantage by defiance of an arbitration decision. I call upon the employers of Hawaii this afternoon to submit one case in which the union ever gained an advantage by defiance of an arbitration decision.

What has happened? I do not know how many times it has happened—I can speak only from my own experience—but I do know that there have been only a few times when they have defied an arbitration decision. One of them involved one of my decisions, and they lost. It involved an illegitimate picket line, in the West Kyska case.

I handed down the decision on a Friday afternoon, as I recall, about 5 o'clock, ordering the union to load the boat. The decision was defied, so I was advised over the week end. When we reconvened on Monday morning, I never saw a union counsel so anxious to get on with another case as this particular counsel was to get on with the next case. I said, "First, I have a question to ask counsel. The arbitrator wishes to know whether or not his decision of last Friday is being complied with." As the record will show, he said, "I prefer to have you ask that question of the president of the local union." I put him on the stand and asked him the question. He said, "I am sorry, Mr. Arbitrator, but your decision is not being complied with. Of course, we have urged our men to comply with it, but as individuals they have refused."

I said, "I am fully familiar with that argument, but it has whiskers on it. You and I know that the picket line was formed in the offices of your union, and that is where it can be dissolved. Your defiance of my decision has resulted in the abrogation of your contract. You have no contract, because you bound yourselves to accept the arbitrator's award. Therefore I notify you of my resignation," and I walked out of the arbitration courtroom. That was on Monday.

I am giving the facts of this case simply because they illustrate a point to which I am going to cling, as demonstrating how I think we should handle the parties to labor disputes, be they union leaders or employers, when they do not follow orderly procedure. I remember that on Wednesday Mr. Steelman flew to Eugene, Oreg., at the request of the then Secretary of Labor to try to get me to reconsider my resignation. I said, "I am sorry, Mr. Steelman, but there is nothing to reconsider. I have told you of an accomplished fact. They have no arbitrator. They have no contract. If it is the last thing I do, I am going to teach Mr. Bridges that when he signs a contract to abide by the decision of an arbitrator he is going to live up to that contract. There is no course of action that you can follow, Mr. Steelman, but to notify the parties that they have no contract." He did so, and he flew to San Francisco the next day.

The record is perfectly clear as to what happened. By that time public opinion up and down the coast was unitedly behind me. The decision was a fair decision, based upon the record, and Bridges knew it. Bridges had to sit down with John Steelman, serving as the middleman, and agree to a new contract. He had to negotiate a new contract with a tougher arbitration section in it. Everyone familiar with that case knows that the union suffered a great defeat as a result of its defiance in that instance.

It was then that the parties by joint letter called upon the Secretary of Labor, asking her to appoint me under the new contract. I insisted that it be a new appointment, with the full understanding on her part that she was not participating in any reappointment under an old contract.

So I say, Mr. President, that all the talk about the union not always living up to its arbitration agreements has been greatly exaggerated by the employers. In the instances in which the union has violated its agreement I say, in sum and substance, that the union has lost and not gained by its defiance.

Of course, there have been arbitration decisions which the employers have not liked to take, either; but I will say for the employers on the west coast that their defiances have been momentary and short-lived because they always came to recognize, when they went back to an employer conference for the purpose of considering a decision and checking it against the record, that they lost because they did not prove their case.

Mr. President, I think we might as well frankly face the fact that what the employers in Hawaii are saying, in effect, is that they are going to settle this case on their own terms, and that they are willing to accept government interference only if the government sits on their side of the table. When they get through with the Hawaiian Legislature, if it passes any legislation it will be legislation which puts the government on the employers' side of the table, rather than at the head of the table, sitting in impartial judgment on the merits and demerits of the contentions of the respective parties.

If the legislature passes seizure legislation, they will be putting the Government on the employer side of the table. If they pass injunction legislation, they will be putting the Government on the employer side of the table. If they pass seizure legislation, they themselves are adopting police-state methods. Mr. President, so long as I am in public service, never will I raise my voice in support of the idea of blanket seizure of industry, because I think it is communistic; I think it is totalitarian. I think the employers need to remember that if the left-wingism of Harry Bridges ever came to prevail in the American labor movement and in our government, seizure is one of the tactics he would be the first to use. I am against it. I am

against it because on principle it is wrong, and I do not believe in using a bad principle for purposes of expediency. Of course, totalitarian methods can be adopted, if that is desired, in order to meet a particular case. But our form of government is defiled when that is done, and I want to plead against it.

So, Mr. President, once more, on the basis of the record, on the basis of their miserable failure before the Senate Committee on Labor and Public Welfare to justify their refusal to arbitrate the case, I call upon the employers of Hawaii to perform what I consider to be their patriotic duty in the interests of the people of Hawaii and in the interest of the preservation of what I think is a sound system of judicial process for settling these disputes, namely, arbitration; I call upon them to announce promptly that they would accept as final and binding a decision by an arbitration board to be appointed by the President of the United States. It is a challenge to their good faith, to their patriotism, to their industrial statesmanship. The time has come for the employers of Hawaii to stop propagandizing the mainland with the type of gross misrepresentation which has characterized their propaganda to date and which has been carried forward even in the radiogram that Mr. Starr sent to the Senate Committee on Labor and Public Welfare.

POPULAR ELECTION OF GOVERNOR OF PUERTO RICO

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I had expected to deliver on the floor of the Senate with reference to the popular election of the Governor of Puerto Rico.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

POPULAR ELECTION OF GOVERNOR OF PUERTO RICO—STATEMENT BY SENATOR BUTLER

Mr. President, in the Appendix of the RECORD, page A4577, appears an article from the Democratic Digest inserted by the Honorable ABRAHAM J. MULTER concerning the election of the Governor of Puerto Rico. This article from the Democratic Digest contains a number of statements which are, to say the least, designed to mislead the public.

This article attempts to make it appear that the progress toward self-government and broader political rights for the people of Puerto Rico was exclusively fostered and promoted by the Democratic Party in this country. Nothing could be farther from the truth, and I believe the facts should be set forth for the RECORD. No doubt the article was inserted because of the interest in Puerto Rican affairs of many of the constituents of Mr. MULTER who represents a district in New York City. The true facts are that all the legislation recently passed that particularly relates to Puerto Rico was pushed through during the Republican Eightieth Congress and under the sponsorship of Republican Members of Congress.

In the article from the Democratic Digest inserted by Mr. MULTER, the statement was made, and I quote: "In President Truman's administration, three more vitally important steps have been taken. * * * In 1947 the organic act was amended to provide for the popular election of the Governor, and in 1948 it was amended to empower the Governor to appoint all the members of his cabinet, including the attorney general and the commissioner of education." This statement obviously is designed to make it appear that President Truman and the Democrats should have all the credit for his actions.

In fact, the legislation providing for popular election of the Governor of Puerto Rico was sponsored by two Republicans, Congressman FRED CRAWFORD, of Michigan, and myself. The Butler-Crawford bill, as it is commonly called, was introduced by Congressman CRAWFORD and myself, was favorably recommended by a House subcommittee of which Mr. CRAWFORD was chairman, and by the House Committee on Public Lands of which Congressman RICHARD J. WELCH, Republican of California, was chairman, and was pushed through the House by the Republicans.

When the bill came over to the Senate, I recall very distinctly the hearings that we had. At that time I was chairman of the Senate Committee on Interior and Insular Affairs, and I conducted the hearings personally. Not one single Democratic member of my committee was present at those hearings on this important bill. I do not blame them for that; no doubt they had other important business to attend to; but it is a fact that not a single Democratic Member of Congress felt the subject to be of sufficient importance to attend the hearings. On the other hand, Congressman CRAWFORD made a special trip over to the Senate side to appear in behalf of the bill and to back up the presentation of Mr. Fernós-Isern, Resident Commissioner from Puerto Rico, who was the principal witness. The bill was brought to the Senate floor near the end of the session, at a time when a great deal of other pressing business demanded the attention of the Senate. In spite of the press of business, however, Senator ROBERT A. TAFT, Republican of Ohio, agreed to schedule the bill for consideration. As a matter of fact, we got action on it in the closing minutes of the last day of that first session of the Eightieth Congress, and the bill was the last piece of legislation passed by the Congress on that day.

Another statement made in the article from the Democratic Digest declared that in 1948 legislation was passed to permit the Governor of Puerto Rico to appoint all the members of his cabinet, including the attorney general and commissioner of education. This statement is in error, since that power of appointment was vested in the Governor by the same Butler-Crawford bill that I have just finished discussing.

The Democratic Digest article neglected to mention two other important pieces of legislation that were likewise passed during the last 2 years—both of them under Republican sponsorship. By the provisions of Public Law 746 which I sponsored in the Senate, the powers of the Puerto Rican Legislature and Governor were further broadened by granting to them the right to set the salaries of their public officials. By the provisions of Public Law 776, introduced and pushed through by my good friend, the Senator from Oregon [Mr. CORDON] also a Republican, United States citizens who are residents of Puerto Rico were protected from a loss of their citizenship upon going abroad for extended periods of time. By a quirk of the law at that time, such a loss of citizenship would have occurred. Altogether, I believe the record of the Eightieth Congress with respect to advancing the rights and privileges of the Puerto Ricans was a highly commendable one, and one of which the Republicans in Congress can well be proud. Throughout, all this legislation was sponsored and pushed by Republicans and was passed by a Republican Congress. Although members of the Democratic Party in Congress did not particularly oppose the legislation, they were not the active movers of it. These various laws that I have cited represent the most significant steps in the political advancement of the people of Puerto Rico that have been taken for the past 30 years.

Under these circumstances, I believe it amounts to a deliberate distortion for an organ of the Democratic Party to attempt to make it appear that the Democratic Party sponsored and pushed this legislation. I am inserting these facts so that the RECORD may be clear.

COST OF THE PRESENT FARM SUPPORT PROGRAM

Mr. AIKEN. Mr. President, there has been considerable interest in farm programs recently, both on and off Capitol Hill, and at least some persons are interested in the cost of such programs. At this time I should like to discuss briefly the cost of the farm support program under which we are operating.

This program, as I think everyone knows, is the rigid 90-percent support program, for the most part, although since January 1 there has been a little lower support on potatoes.

At a hearing of the Senate Agriculture Committee on February 8, the question was asked Mr. Ralph Trigg, President of the Commodity Credit Corporation, as to how much of its total borrowing authority, $4,750,000,000, the Commodity Credit Corporation had obligated up to that time.

Mr. Trigg estimated the amount to be $1,250,000,000 or over. He later advised members of the committee that this figure was an underestimate, and that more accurate figures would be furnished the committee.

On May 16, Mr. Robert P. Beach, of the Fiscal Branch, Financial Analysis Division of the Commodity Credit Corporation, submitted this statement to the committee:

Funds in use, obligated, or committed as of Jan. 31, 1949

Category	*Amount*
Borrowings	$1,014,388,638.21
Funds obligated or committed:	
To purchase loans held by lending agencies	849,133,411.23
To cover other liabilities (accounts payable, producers' equity in cotton pools, etc.)	41,814,423.20
To complete operations under active programs	2,001,224,952.17
Total	3,906,561,424.81

With this advice that $3,906,561,424.81 of the CCC's borrowing power had been obligated as of January 31, 1949, members of the Senate committee felt there was a strong possibility that the $4,750,000,000 authority might not be adequate to enable the Commodity Credit Corporation to carry out its obligation to support farm commodity prices for the rest of the year. Accordingly, it was decided to request Secretary Brannan to come before the committee to discuss the situation.

It was arranged for the Secretary to appear before the combined Agriculture Committees of the House and Senate in executive session on June 6. The Secretary did appear, and advised the members of the two committees that as of

April 30 the total obligations of the Commodity Credit Corporation amounted to $2,603,000,000.

This was such a great reduction from the $3,900,000,000 obligated on January 31, that some members of the Senate committee were frankly skeptical about the Secretary's statement.

An investigation by the General Accounting Office disclosed the fact that in computing the obligations of the Commodity Credit Corporation customarily charged against the borrowing power of that agency, the Secretary had omitted several important items.

The report to the Agriculture Committees showing obligations of $2,603,000,000 as of April 30 included only two items, namely, direct borrowings by the Commodity Credit Corporation from the United States Treasury and from banks and obligations to purchase loans held by lending agencies.

Several items omitted from the obligations as of April 30 were: Balance of program commitments outstanding, loans approved, not fully processed, accounts payable, accrued liabilities, producers' equity—cotton pools, contingent liabilities under outstanding purchase agreements.

It is difficult to determine what these items amounted to as of April 30, but as of March 31 they totalled $1,179,887,492.48. It is unlikely that these items amounted to less on April 30 than they did on March 31. It would seem, therefore, that the obligations of the Commodity Credit Corporation as of April 30 must have been nearly $1,200,000,000 more than the Secretary led the committees to believe they were when he appeared on June 6.

On July 7 the Senate Agriculture Committee or a subcommittee began hearings thereof on the so-called Brannan plan, with Secretary Brannan as the first witness.

Upon being asked to explain the wide discrepancy between the amount reported by him to the members of the Agriculture Committees of the Congress on June 6 and the actual obligations of the CCC, Mr. Brannan asked permission to have officials of the Commodity Credit Corporation make the explanation.

Accordingly, that afternoon Mr. K. A. Brassfield, director of fiscal branch, Production and Marketing Administration, and assistant to the president of Commodity Credit Corporation, testified before the committee. He made no denial of the fact that several items had been left out of the list of obligations of the CCC in their monthly report showing the condition of the corporation and the obligations of the corporation as of April 30.

He pointed out that technically under the law these items were not required to be charged against the borrowing authority of the corporation. He admitted, however, that it had been customary up to that time to carry them as items chargeable against the total borrowing authority of the Commodity Credit Corporation.

It was pointed out to him that this matter had come up when the Commodity Credit Corporation bill was under consideration by the Senate Agriculture Committee in 1948, and that he had agreed at that time that the CCC should always charge these items against the total borrowing authority.

Why these items, which had been carried as chargeable against the total borrowing power of the Commodity Credit Corporation up until and including the March 31, 1949 report, had been deleted from the April 30, 1949 report was not satisfactorily explained.

Mr. Brassfield was asked to tell the committee what the total obligations of the corporation as of May 31 were. He submitted these figures:

Actual borrowings from the Treasury and banks	$1,557,098,886.65
Obligations to purchase loans held by lending agencies	926,842,678.45
Other obligations comparable to those deleted from the statement to the congressional committees as of April 30, 1949	1,101,000,000.00

Assuming that these figures are correct, the total obligations of the Commodity Credit Corporation as of June 1, 1949, were approximately $3,600,000,000.

This amount does not, however, include all the expenditures used for the support of farm prices up to June 1, 1949.

From the reconversion fund for postwar price support there has been spent during the period July 1, 1948, through May 31, 1949, the sum of $266,090,062.73.

From section 32 funds available to PMA for the fiscal year beginning July 1, 1948, there had been allotted to specific programs through May 31, 1949, the sum of $47,175,541.78.

We may expect that the report for June 30, 1949, will show additional expenditures from these two funds which will bring the total up to about $400,000,000.

The money spent from these two funds may be regarded as lost. Between $200,000,000 and $250,000,000 was spent on the support for potatoes. What part of the $3,600,000,000 obligated by CCC will be lost is a question which only the future can answer.

Secretary Brannan has assured the committees that the total over-all borrowing authority of $4,750,000,000 will, in his opinion, be adequate to finance support programs authorized by the Congress.

It is gratifying to know this, because it bears out the estimate of the Eightieth Congress that the sum of $4,750,000,000, plus $100,000,000 in capital stock of the Commodity Credit Corporation, plus section 32 funds and the balance of the reconversion fund, would be adequate to carry out the support programs authorized by title II of the Agricultural Act of 1948.

Since the action of the House yesterday in voting to extend a rigid 90-percent support program, I have been asked my opinion as to what the additional cost of such a program would be over the cost of letting title II of the Agricultural Act of 1948 take effect on January 1, 1950. I could say that the Congress would have to make available another four or five billion dollars to the Commodity Credit Corporation and probably not be far wrong.

Instead of venturing an estimate of the cost I will quote from a statement by Secretary Brannan as reported in the United States News of April 29, 1949.

In response to the question, "Isn't Congress likely to continue the 90 percent of parity without doing anything else?" The Secretary stated:

> If they do, all I can say is that the year after this we will have an awfully drastic program of some kind. We will have powers vested in the Secretary of Agriculture, whoever he may be, that go way beyond anything used so far.
>
> Another year of big production, with the present program continued, would show so much money involved in farm programs that I don't think any taxpayer could stand it.

With this statement of the Secretary's I fully agree.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BREWSTER. I have noted what the Senator said regarding potatoes, which is naturally a matter of interest and significance to us. The Secretary told me I think within 2 months that this year the potato program was going to cost about what it did last year, which was $225,000,000. I read a very interesting report within the week to the effect that it looks as though it would be $45,000,000 instead of $225,000,000. That is a saving of $180,000,000 on the potato program under the existing Aiken law. I have not checked all the sources, but I think up to the present time the potato prices have been maintained practically at parity; certainly very close to it.

Mr. AIKEN. When the Secretary advised the Senator from Maine that he expected the support program for potatoes to cost nearly as much as it did last year, he was completely in error, and in my opinion, he was making a statement of that nature simply to scare the Congress into approving the so-called Brannan plan. The Secretary came before the Committee on Agriculture and Forestry, and with a perfectly plain face assured us the price-support level did not affect production. Nobody agreed with him, however. In fact, Dr. John Black, of Harvard, stated the next day that if the Secretary was correct in his assertion that the price did not affect production, every college and university in the United States was wrong.

In regard to the potato program, as I have been informed by the Department, the total over-all cost of supporting the 1948 crop of potatoes is nearly $240,000,000. The support was given at 90 percent. Production was so heavy that the market broke completely, the growers were compelled to dump their potatoes on the Government, and the taxpayer was forced to provide about $240,000,000.

Mr. BREWSTER. Mr. President, will the Senator yield at that point on that figure?

Mr. AIKEN. Let me finish, and then I shall yield. This year, at the request

of the growers themselves the support level for potatoes was dropped to 60 percent, and as the Senator from Maine has indicated, because of the reduced planting, the market price has gone above the 90-percent level, so that the potato grower can now go into the open market with their crop and get a little better price than the Government support price was last year, and I think they must be better satisfied with that way of disposing of their crop. That shows conclusively that the support level influences production, and that lowering the support level a few percentage points does not lower the price to the farmer but simply strengthens his price in the open market.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. AIKEN. I now yield. I merely wanted to complete my statement before I forgot the rest of it.

Mr. BREWSTER. One of the Senator's statements, that the potato farmers recommended the 60 percent support, is not quite accurate. The potato growers supported the flexible program, which included a support price between 60 and 90 percent.

Mr. AIKEN. I stand corrected.

Mr. BREWSTER. They did regret rather deeply that the Secretary went the limit of his powers to go to 60 percent. I think there was a general feeling that if he had gone to 75 percent or 72 percent, as contemplated under the control program, it would have eased things down a little. As a matter of fact, it has, to date, as the Senator says, worked out to advantage, although the Government has had to purchase some of the potatoes. But it is to be borne in mind also that the $240,000,000 which they had to pay last year resulted in part from the utterly insane policy of this administration in permitting the importation of Canadian potatoes at reduced tariff rates, which was finally checked by very arbitrary action, when our State Department for the first time showed some solicitude for American producers; yet some twelve million or fifteen million bushels of potatoes which came in while that policy was in effect resulted in an increased cost to the American taxpayer of $15,000,000 or $20,000,000, which was utterly unnecessary. That, however, is only one incident of the potato parity program.

Mr. AIKEN. I stand corrected. The potato growers did ask for a support level ranging from 60 to 90 percent. The Secretary gave them 60 percent. It has cost us many millions of dollars to support the 1949 crop of potatoes, but I believe that it is largely due to the very large carry-over of the 1948 crop; but from here on there are indications that the support of potatoes this year will not even approach the $45,000,000 which was estimated.

Mr. BREWSTER. Is it not a fact that the Secretary, if he desired, under existing law and regulations, could have inaugurated the so-called Brannan program on potatoes during the past 6 months?

Mr. AIKEN. Yes.

Mr. BREWSTER. He could have done precisely that and demonstrated what would be the result. When he was asked why he did not do it, he said, "We tried it last year, and it did not work"—which I thought was very illuminating as to his attitude in this matter. But in North Carolina, instead of trying the program and allowing potatoes to seek their own level, he elected to buy second-grade potatoes at the support price, and the result, so far as first-grade potatoes were concerned, was that they were above support and even above parity.

The PRESIDING OFFICER. The Senator can yield only for a question. The Chair thinks he should enforce the rule.

Mr. WHERRY Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield to the Senator from Nebraska.

Mr. WHERRY. The distinguished Senator gave the figures of what would be needed in the way of funds for the Commodity Credit Corporation to carry out the present 90-percent-of-parity formula on basic crops, and also under the Steagall Act, provided it is extended for the coming year, and the so-called Aiken Act. Does the Senator have the figures, or would he like to hazard a guess, as to what it would take to finance the Commodity Credit Corporation, or whatever agency pays the production and marketing subsidies to farmers, if the so-called Brannan plan went into effect as to the same commodities?

Mr. AIKEN. I think it would cost somewhat more than the flat 90-percent support level would cost. If the 90-percent support level had continued another year, I think it would have necessitated the borrowing of three or four billion dollars.

Mr. WHERRY. Is it at all possible that anyone could give an intelligent answer to the question I asked with reference to the funds necessary under the so-called Brannan plan?

Mr. AIKEN. It is possible, but it depends on how the Secretary would use the authority given him. If he were to use it to bring about a general lowering of the price level, the cost could run into untold billions. However, if sufficiently strict controls were placed on production to reduce the yield, of course, we would probably have higher prices to the consumer and lower costs to the taxpayers resulting. It is impossible to tell what the cost would be unless we could know how the Secretary intended to use his authority.

Mr. WHERRY. I should like to give the distinguished Senator an example and then ask a question. Let us take hogs as an example. Under the Brannan program as announced, it is my understanding that the average farmer would receive approximately $19 a hundred. If pork sought its own level, the price would probably drop below $15, possibly to $12——

Mr. AIKEN. I think it was anticipated it might drop to $12.

Mr. WHERRY. I think I found that figure in the committee hearings. That would mean, would it not, that funds would have to be provided in the amount of the difference between $19 and $12 a hundred on every hog raised and marketed in the Nation?

Mr. AIKEN. I think it has been estimated by witnesses before the committee that if the Brannan plan were given a trial run on hogs it might cost approximately $2,000,000,000 on hogs alone.

Mr. WHERRY. At the figures I have suggested?

Mr. AIKEN. Yes.

Mr. WHERRY. I should like to ask the distinguished Senator another question. If the Secretary should use the authority to write down the parity price, as he has asked, then it would defeat the very purpose for which he announced his plan to the public, because if we restricted the marketing quotas, certainly pork would not seek the levels he has suggested.

Mr. AIKEN. The Secretary asked for the authority to write down the support level 15 percent. I personally think, if he is trying to keep meats and grains in balance, he has got his cart before the horse, and that the flexibility should come in the grains.

Mr. WHERRY. I agree with the distinguished Senator; but that still does not answer the question I asked. If such a plan were put into operation, it would defeat the very purpose of the plan, would it not?

Mr. AIKEN. Yes. That is one inconsistency, and I think there are others in the plan. I do not believe it has been thought through to its logical result.

Mr. WHERRY. What is true of hogs is true of milk or of any one of the six perishable items as to which it has been suggested an extension be made. Is not that correct?

Mr. AIKEN. That is correct.

Mr. WHERRY. Does the Senator know what would be the result with reference to milk?

Mr. AIKEN. I think the cost is estimated at approximately $2,400,000,000.

Mr. WHERRY. Nearly two and a half billion dollars?

Mr. AIKEN. Yes.

Mr. WHERRY. So that on hogs and on milk, if we accept the Secretary's own figures as to the parity price and the point to which the prices might sink, the cost would be between two and a half and four billion dollars on those two items alone.

Mr. AIKEN. Yes. If the Secretary used the power he has asked for, there would be no limit to what the cost might be.

CONTROL AND REGULATION OF BANK HOLDING COMPANIES

Mr. ROBERTSON. Mr. President, on behalf of the senior Senator from South Carolina [Mr. MAYBANK] and myself, I introduce, for appropriate reference, a bill to control and regulate bank holding companies. The bill is approved by the Chairman of the Federal Reserve Board. It is a very technical bill, and, consequently, at this time I would not be willing to say that I endorse everything in it. I understand the chairman of the Banking and Currency Committee feels the same way with reference to it. Both of us recognize that there are loopholes in the Bank Holding Company Act which

we should like to see plugged, and the purpose of this bill is to plug them. We endorse the objective of the bill.

In due course this bill will be referred to the Subcommittee on the Federal Reserve Board, of which I am chairman. The Banking and Currency Committee is loaded down with work. Next week we shall start investigations into the coal situation, labor monopolies, and matters of that kind, and may be so engaged for 3 weeks. We also start hearings on a very important housing bill, recently introduced by the Senator from Alabama [Mr. SPARKMAN]. So, Mr. President, I want to make it clear to all those who are interested in a strong bank holding-company act, and those who think we do not need any legislation on the subject, that it will be quite impossible for me, as chairman of the subcommittee, to conduct any hearings on this bill at this session of the Congress.

We are introducing this bill in order that those who are interested may obtain copies, may study it, and that we will be in a position to expedite its consideration at the session of the Congress which will commence next January.

The bill (S. 2318) to provide for control and regulation of bank holding companies, and for other purposes, introduced by Mr. ROBERTSON (for himself and Mr. MAYBANK), was read twice by its title, and referred to the Committee on Banking and Currency.

Mr. MAYBANK. Mr. President, I wish to concur in the remarks the Senator from Virginia has made. In addition to the housing bill, and other bills now before the Committee on Banking and Currency, that part of the President's point 4 program which has been divided between the Committee on Foreign Relations and the Committee on Banking and Currency is now also before our committee.

I have had numerous requests from Senators and Members of the House, and from bankers throughout the country, that they be heard when the bill referred to by the Senator from Virginia comes up. It is my judgment that the bill is of paramount interest to States such as California, Utah, Arizona, and other Western States, as well as some of the Eastern States.

Some have desired to make statements before our committee in connection with the bill, but I have taken the attitude assumed by the Senator from Virginia, that on a bill of the magnitude of this measure, the hearings on which will take months and months, we would have no statements made, because if a statement were made from only one side it would be unfair to the other side. But for the record, and for the consideration of people throughout the country, particularly in the banking world, and the Western States, which are so much interested in the bill, it is being printed, with the understanding that we will have hearings next year so that everyone who desires to be heard may have the opportunity. It would be impossible, between now and the adjournment of the Congress, to bring those here from the Far West, and others who will desire to come, who have already contacted me.

RECESS TO MONDAY

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 2 minutes p. m.) the Senate took a recess until Monday, July 25, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 22 (legislative day of June 2), 1949:

CONCILIATION COMMISSION FOR PALESTINE

Paul A. Porter, of Kentucky, to be the representative of the United States of America on the Conciliation Commission for Palestine which was established by resolution of the General Assembly of the United Nations, December 11, 1948.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenants

Robert B. Ellert, JAGC, O1336195.
Donald S. O'Neil, JAGC, O2017744.
Oliver R. Wells, JAGC, O414055.

To be second lieutenants

Maxwell A. Cook, MSC, O659257.
John L. Payne, Jr., MSC.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Billy J. Adams, O409620.
Thomas E. Adams, Jr., O1312628.
Virgil S. Adkins, Jr., O1100669.
John R. Ahern, O529557.
Karl E. Akin, O534642.
David B. Alexander, O438049.
Robert A. Allen, O540193.
Robert L. Ariail, Jr., O390475.
Nemesio A. Armstrong, O404338.
Albert M. Avery, Jr., O541129.
Rudolph A. Axelson, O468345.
Alfred A. Baeuchle, O519262.
William E. Bates, Jr., O550204.
John B. Baxley, O534925.
James E. Beckett, O533536.
Warren G. Beer, O462264.
Adolph L. Belser, O545494.
Milton M. Berry, O390481.
Robert C. Blair, O534924.
Peter J. Blumenthal, O514909.
Edgar W. Boggan, O413150.
Richard F. Brown, O425660.
Everts R. Buchanan, O401722.
Thomas C. Burns.
Harry L. Bush, O394111.
Donald A. Butler, O397708.
Louis A. Caraplis, O1825732.
Robert H. Carlson, O1304018.
William R. Carraway, O516360.
Herbert T. Casey, Jr., O536295.
William M. Castellini.
Edward V. Cerny, O426661.
Ernest W. Christ, O467792.
Edward H. Church, O407879.
Joseph F. Cobb, O733826.
George R. Cody, O422178.
Thomas H. Collins, O519364.
Robert J. Cook, O515019.
John E. Coon, O1046400.
John J. Crockett, O410336.
Paul V. Culbertson, O436577.
William D. Daily, O418019.
Albert F. Dawson, O386685.
William M. DeLoach, O1591091.
Charles M. Di Ciro, O960046.
John B. DeMarcus, O1322136.
Paul E. Donnelly, O410337.
William E. Donnett, O1794921.
Marlboro R. Downes, O525368.
Howard W. Durham, O517220.
Albert P. Eickhoff, O1166055.
John R. Emery, O534080.
Harris Emmons, O553449.
Lloyd R. Evans, O439228.
Romaine S. Foss, O1111062.
Marvin D. Fuller, O772157.
Ephraim M. Gershater, O465138.
Donald L. Gilliatt.
Louis O. Giuffrida, O959260.
Le N. Goche, O1179411.
Robert E. Good, AO671420.
William I. Gordon, O524057.
Harold K. Graves, O521191.
Robert W. Greer, O466475.
Thomas J. Hallman, AO559870.
Robert E. Hammerquist, O540921.
Kenneth R. Hampton, O463401.
Clifford P. Hannum, O403934.
Richard E. Harris.
Ray A. Harrison.
Phillip E. Hassman, O425781.
Norvell H. Hawkins, O545148.
Robert J. Heckendorn, O1174885.
Glenn B. Helmick, O444804.
Walter Hettlinger, O1320630.
Walter Hibbard, Jr., O460565.
John S. Huff, O446837.
Quentin L. Humberd, O465212.
John W. Hussey, O1048030.
Charles A. James III, O537781.
Russell B. Jones, Jr., O551980.
Edwin B. Junge, O465936.
Phillip P. Katz, O430360.
Paul J. Kay, O1080117.
Robert J. Kirk, O1116469.
Monroe Kirkpatrick, O1181928.
Travis M. Kirkpatrick, Jr., O1058570.
Albert C. Knapp, O1823887.
Bruce R. Knowlton, Jr., O439391.
Arthur H. Kuhlman, Jr., O527813.
Victor J. Layton, O1114613.
Earl R. LeVier, O468890.
Mose E. Lewis III, O539794.
Albert W. Litschgi, O453269.
Theodore Liana, Jr., O1643808.
Theodore F. Locke, Jr., O446960.
Elwood G. Lodle, O1044017.
Robert J. Loe, O1176706.
Wesley T. Long, O1053702.
John H. Longbottom, O521708.
Hugh J. Lynch, O546871.
Robert E. Lynch, O1060539.
Robert C. Maclane, O403125.
John H. Maddox, O532144.
Christopher S. Maggio, O512801.
Donald B. Malmberg, O537706.
Clarence H. Manly, Jr., O534351.
Alexander F. Mariconda, O404416.
William R. McNeil, O1046889.
John L. Meakin, O418337.
John A. Mercer, Jr., O519936.
David W. Meyer, O520356.
Wilburn E. Milton, O1287386.
Henry D. Mitman, O545505.
John J. Montgomery, O551094.
Walter A. Moore III, O534210.
Thomas G. Morehead, O410211.
Allen L. Myers, Jr., O465106.
Vernon L. Nash, Jr., O1944765.
Robert E. Nath, O678308.
Stephen A. Nemeth, O388069.
William R. New, O1297926.
William C. O'Kelley, O465955.
Brian B. O'Neill, O1101606.
Robert H. Parks, O537439.
Quentin Pease, O448953.
Anthony Pecoraro, O1114705.
Robert G. Penny, O535353.
Richard A. Perkins, O467880.
John W. Pierce, O460582.
William L. Prout, O512748.
Arnold Rathlev, O428220.
Clyde E. Reed, Jr., O517885.
Kenneth R. Rees, O541542.
Richard G. Rhodes, O405098.
Thomas B. Richey, O409522.
James C. Rives, O412993.

John F. Roberts, O1170170.
Charles W. Root, O426648.
Ralph R. Rusche, O549610.
George C. Russell, Jr., O436707.
Charles L. Ryan, Jr.
James H. Sanders, O402540.
Paul Sanders, Jr., O537452.
George W. Sandrock, O1050899.
James B. Saum, O545158.
Joshua Segal.
Gervies L. Semmens, O424810.
Charles C. Semple, O1061543.
Jarvis K. Shaffer, O1309329.
Milton M. Silverstein, O1043500.
Martin J. Slominski, O1291341.
Clayton J. Smith, O822832.
Samuel L. Smith, O462894.
Frank G. Snow, O485948.
Leo E. Soucek.
Virgil M. Stone, O1576708.
Lewis S. Swinehart, Jr., O388856.
Neely M. Swomley, O436906.
James M. Templeman, O1649000.
Thomas E. Tennant, O536759.
James E. Townes, Jr., O544554.
William H. Vail, O543217.
Alexander Vorobery, O1019696.
Billy H. Watson, O413812.
Charles L. Weaver, O386719.
Donald C. Weaver, O1288828.
Herman Webel, Jr., O1102114.
Henry N. Weggeland, Jr., O1177231.
Wolfred K. White, O465229.
Charles W. Whittington, O507473.
William G. Williamson, O733008.
Altus L. Woods, Jr., O391880.
Glen A. Yake, O1102126.
Lewis H. Youngblood, Jr., O467883.

The following-named persons for appointment in the Women's Army Corps, Regular Army of the United States, in the grade specified, under the provisions of Public Law 625, Eightieth Congress:

To be majors

Ethel W. Middleton, L400247
Aileen M. Witting, L800147.

To be captains

Elenor P. Abbott, L304627.
Andrea M. Aiken, L210165.
Eunice Barzynski, L607442.
Alice R. Bradford, L201220.
Elinor J. Connor, L700085.
Ann Cummings, L117862.
Victoria P. Dunn, L1000456.
Eleanor N. Eckles, L700017.
Joan Ellis, L201484.
Aida G. Esposito, L300022.
Nan M. Everhart, L303678.
Sylvia Falkovic, L502149.
Esther E. Falzgraf, L602953.
Leta M. Frank, L308681.
Irene B. Groff, L306122.
Margaret H. Harlow, L909315.
Hope Harrin, L800505.
Rosemary Hart, L702080.
Isabella M. Henry, L802065.
Kathlyn C. Hilton, L105589.
Lela A. Hopfe, L704134.
Aida H. Ingraham, L906451.
Erma D. Keener, L412130.
Dorothy Krueger, L609385.
Margaret N. Lassetter, L403178.
Julia J. Mulcahy, L500318.
Sonja A. Munter, L202900.
Emily C. Newell, L310466.
Muriel Outwater, L200258.
Martha F. Schuchart, L700106.
Teresa R. Scullion, L405383.
Florence Shulman, L210215.
Mary E. Sicks, L600128.
Ruth N. Simerly, L403224.
Mildred E. Smith, L104164.
Lois M. Sproull, L604899.
Elsie L. Weible, L900558.
Nellie M. Young, L702479.

IN THE NAVY

Vice Adm. Russell S. Berkey, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a Presidential designation as a task fleet commander.

Rear Adm. Charles T. Joy, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a Presidential designation as Commander, Naval Forces, Far East.

Midshipman Lowry W. Norris (aviation) to be an ensign in the Navy from the 3d day of June 1949 in lieu of ensign in the Navy as previously nominated and confirmed, to correct name.

Arthur Zinn, Jr. (civilian college graduate) to be a lieutenant (junior grade) in the Dental Corps of the Navy.

The following-named to be ensigns in the Nurse Corps of the Navy:

Charlotte A. Allen	June L. Keller
Jean M. Backhus	Helen A. Melton
Hilda M. Comer	Shirley L. Phleger
Ethel M. T. Johnson	Anne M. Ruane
Judith R. Keith	Margaret J. Sullivan

The following-named officers to the grades indicated in the line of the Navy, for limited duty only, subject to qualification therefor as provided by law:

LIEUTENANT COMMANDERS

William A. Mahan
Joe R. Moring
Robert S. Selby

LIEUTENANTS

Charles C. Allen	Edward J. Kratochvil
Samuel B. Arnold	James H. McDonald
Clarence J. Barry	Norman F. Mennecke
Herbert C. Carroll	Gilbert W. Rappelt
Harry W. Enabnit	Crissie C. Sanders
Vardy D. Garvey	Lloyd V. Sternberg
Ralph H. Habecker	Francis J. Woznack
Zacharie T. Hampton	

The following-named officers to the grade indicated in the Supply Corps of the Navy, for limited duty only, subject to qualification therefor as provided by law:

LIEUTENANTS

Charles C. Alexander	George L. Owen
Robert W. H. Darrow	Joseph J. Snapp
Adolph Mathews	

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 22, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. Jacob S. Payton, D. D., offered the following prayer:

We praise Thee, O Lord, for all Thy works. Among them we acknowledge with gratitude Thy ancient statutes which are for the governing of the nations. Here in this Chamber where representatives of the people share in framing legislation, we pray that they may follow the pattern of equity and justice set by Thyself, the great lawgiver.

To Thee, also, we confess indebtedness for influences that govern our lives, yet are written on no statute books. For the persuasions of love, mightier than all codes; for the decrees of conscience kept inviolate by multitudes; and for the constraining powers of compassion to which there is joy in obedience, we thank Thee, Lord. In Thy name we pray that these may have dominion over us this day. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 256. An act to amend the Interstate Commerce Act, as amended.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. GOSSETT asked and was given permission to address the House for 5 minutes today following any special orders heretofore entered.

Mr. DAVIS of Georgia asked and was given permission to address the House for 20 minutes today following any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ELLIOTT asked and was given permission to extend his remarks in the RECORD.

Mr. MITCHELL asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in the RECORD and include a statement he made in behalf of the postal and Federal workers.

Mr. KARST asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. BARING and Mr. McGUIRE asked and were given permission to extend their remarks in the RECORD.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include a statement he made this morning in regard to the postal employees.

Mr. BUCHANAN (at the request of Mr. BOLLING) was given permission to extend his remarks in the RECORD.

Mr. BUCKLEY of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial from the Chicago Tribune.

Mr. JACKSON of Washington asked and was given permission to extend his remarks in the RECORD and include an article by Arnold J. Toynbee.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. McMILLAN of South Carolina asked and was given permission to extend his remarks in the RECORD and include a statement from the Washington Board of Trade.

Mr. DAVENPORT asked and was given permission to extend his remarks in the RECORD and include an article from the Pittsburgh Sun-Telegraph.

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include a letter he has sent to some of his constituents.

BRITISH FOREIGN SECRETARY BEVIN

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection o the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, in the New York Times of today under a London date line appears this observation:

Foreign Secretary Bevin complained today in the House of Commons that "nearly all of the difficulties arising in remodeling Germany" were due to a demand originated by the late President Franklin D. Roosevelt for Germany's unconditional surrender.

Mr. Speaker, I believe it comes with poor grace from the distinguished Foreign Secretary of Britain to make these observations at this or any other time. I do not wish my Government to appear as an Indian giver, with all due regard to my fellow Americans, the Indians, or to be a poor sport or a nagging lender, but with international relations as delicate as they are between all nations, I repeat for the purpose of emphasis, indeed, that the distinguished Foreign Secretary of Britain is guilty, if of nothing else, of bad manners.

Mr. Speaker, I am not aware that at anytime during his public service, at the time of the Casablanca Conference or later, did Mr. Bevin register any complaint, directly or indirectly, with the policy enunciated as the unanimous agreement of the Allied Powers.

Mr. Bevin's performance of "second guessing" is a thankless gratuity—he might well reflect on the few years, just prior to President Roosevelt's electrifying remarks of "unconditional surrender" for the enemy—and recall that Hitler was preparing the same dose of medicine for Britain—Mr. Bevin's remarks were those of a provincial politician, not a world statesman.

SPECIAL ORDER GRANTED

Mr. LARCADE asked and was given permission to address the House today for 5 minutes, following any special orders heretofore entered.

REDUCTION IN AIRCRAFT PRODUCTION

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, the recent action of the Appropriations Committee of the other body in reducing appropriations which will cut the 58 air group as passed by the House to a 48 air group is causing havoc in the aircraft industry. According to an editorial in the Machinist this cut constitutes a threat to the jobs of 40,000 skilled aircraft workers. Not only are their immediate jobs threatened but a balanced aircraft production industry which is necessary for national defense is also jeopardized.

You cannot turn off and on aircraft production. If true efficiency and economy is our goal—we must strive for a long-range balanced program.

FORTY THOUSAND JOBS AT STAKE IN DRIVE TO CLIP AIR FORCE

Future of the aircraft industry and, with it, the future security of the United States are at stake this week as the United States Senate prepares to vote on the armed services appropriation bill. An attempt will be made in the Senate, the Machinist learned this week, to cut back production of military aircraft by a flat 15 percent.

Published Government reports indicate that 230,000 aircraft workers are now turning out military planes at the rate of 3,280 a year.

Earlier this year, the House of Representatives voted to continue the policy adopted by the Eightieth Congress, namely:

To build toward a 70-group Air Force for the United States, and, to support a 5-year purchasing program that would stabilize employment in the industry and, at the same time, hold together a necessary skeleton force of skilled craftsmen on which the industry could be rebuilt in any emergency.

For this purpose, the House voted 2,898 million dollars for aircraft procurement, including funds for a 57-group Air Force.

Now an economy group inside the Senate is attempting to reduce this program by 15 percent, cutting back the Air Force to 48 groups and at the same time abandoning the 5-year procurement program decided on last year.

The Air Force cut would mean a reduction in airplane production from 3,280 this year to approximately 2,400 and a consequent lay-off of about 40,000 employees.

The International Association of Machinists has supported the drive for a 70-group Air Force and the 5-year purchasing program that would provide some measure of security to the employees in the aircraft industry.

COMMITTEE ON AGRICULTURE

Mr. PACE. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file committee reports on four bills—H. R. 5557, H. R. 3926, H. R. 2538, and H. R. 5592.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include a letter from the master of the Oregon State Grange to the Secretary of Agriculture.

SPECIAL ORDER GRANTED

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

OIL PRODUCTION

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, a few days ago I spoke about the very serious situation that is fast developing with reference to the development and production of oil in this country.

I pointed out that we are importing over 700,000 barrels of oil a day which is much more than should be allowed to come into this country at the present time, and which is shutting down thousands of drilling rigs over the Nation and is throwing out of employment a veritable army of workers in the oil fields. This is due to the low import duty on oil, and unless this matter is corrected at an early date it will have a tragic effect adverse to this great industry so necessary to national defense and to the economy of our Nation.

Mr. Speaker, I am informed there has been a cut-back in production through controls in the State of Texas of 800,000 barrels of production a day; that the laying off of men has become so serious that the men at the head of the labor organization of oil workers have come to the oil producers and offered to cooperate with them in every way possible to influence the Government to cut down on the amount of imports which are throwing their men out of work.

I would like to point out that 25 percent of the drilling rigs in southern Illinois are stacked in the yards standing idle while thousands of men are out of work because they cannot market the oil now being produced; that the oil business in southern Illinois is down 25 percent. I am informed that because of this great importation of oil the cut-back in the United States oil production, when it is carried through from exploration to the end of the line of distribution, will reduce the income of this Nation by $1,000,000,000 in the coming year. Think what a loss in taxes that will amount to for the coming fiscal year when we are now not able to balance the budget.

Certainly it does not make sense when we can produce in this country all the oil we need at the present time, to import 700,000 barrels of oil a day which enriches the Arabian and other governments in the Middle East and impoverishes Uncle Sam who cannot balance his present budget and has committed himself to carry western Europe on his financial back.

The administration has the power and ought to do something about this now.

As an indication of the interest in this matter in the oil fields of southern Illinois, I am inserting in the RECORD a letter received this week from an independent oil producer, Mr. Ora A. Oldfield, of Centralia, Ill.:

CENTRALIA, ILL., *July 15, 1949.*

Hon. CHARLES W. VURSELL,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR CHARLIE: Although I was not on your mailing list I have been privileged to read a copy of your speech made on the House floor with reference to the importation of foreign crude into our domestic market.

Now, Charlie, you are getting down to the thing I was talking to you about in my office the last time you were here. This thing is really getting to where the independent oil producers are exceedingly fearful that these

crude oil imports will cause them to shut down all operations, stack rigs, allow good leases to expire, and in every way stifle the growth of the development of the industry in this area.

We are also fearful that after this situation has had its full effect and after we have had the limb sawed off upon which we are sitting that then we will see the drastic reduction in the price of crude oil and you can see that we would then be in a very serious condition.

These are not remote possibilities, they are probabilities and unless the Congress does something to modify the Government's trade agreement program to limit these importations, our fate is already forecast.

You are on the right road. With kindest personal regards and very best wishes, I remain,

Sincerely yours,

ORA A. OLDFIELD.

GRAIN STORAGE BINS

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, the Secretary of Agriculture announced yesterday that the Commodity Credit Corporation will proceed immediately to buy 150,000 small storage bins for the storage of grain under the price support program. Suitable bins for this storage can be constructed out of lumber or plywood or out of steel. It has been rumored around lately and on the quiet that the inside move in the Department was to purchase steel only for these bins. The announcement of bids made yesterday seems to confirm this report. Please listen to this: Bids for these bins must be delivered or postmarked not later than 5 p. m., August 1. They will be opened at 12 o'clock noon, on August 3.

Forms are not even available as of today. Obviously lumber and plywood manufacturers in the South and in the West are practically shut out. Forms cannot be obtained, filled in, and returned in the length of time allowed.

I hope the Department will extend the date for receiving these bids to August 10, so that all may have a fair opportunity to bid.

The SPEAKER. The time of the gentleman from Oregon has expired.

EXTENSION OF REMARKS

Mr. KUNKEL asked and was given permission to extend his remarks in the RECORD and include therein a commencement address made by him at Wilson College.

SPECIAL ORDER GRANTED

Mr. PHILLIPS of California. Mr. Speaker, I ask unanimous consent that the special order granted me to address the House this afternoon may be vacated and that I may be permitted to address the House for 40 minutes on next Tuesday, following disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. PHILLIPS of California. Mr. Speaker, about a week ago I received permission to extend my remarks in the RECORD and include an editorial. I neglected to submit the editorial for printing at that time. I now repeat the request.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GRAIN STORAGE BINS

Mr. PHILLIPS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS of California. Mr. Speaker, this supports the statement just made by the gentleman from Oregon [Mr. ELLSWORTH]. At the time the bill was passed, to which was attached the amendment which I introduced, making it possible for the Commodity Credit Corporation to advance money so that farmers might purchase and put bins on their own lands for grain storage, it was thoroughly understood by all concerned that the bids should be asked from bidders who could make bins of steel or of lumber or of plywood. The matter which the gentleman from Oregon has just mentioned has also been brought to my attention. Evidently an effort is being made to prefer the makes of steel bins.

I hope the Secretary of Agriculture will take immediate steps today to see that that is corrected.

The SPEAKER. The time of the gentleman from California has expired.

EXTENSION OF REMARKS

Mr. WOLVERTON asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. SMITH of Ohio asked and was given permission to extend his remarks in the RECORD and include an article.

OUR FOREIGN POLICY

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I have from the first been convinced that our foreign policy is sheer madness, national self-emasculation. John Bassett Moore, reputed greatest American authority on international law, says, in his forthcoming memoirs, our foreign policy is insanity.

I include the following article written by Prof. Edwin Borchard, appearing in the American Journal of International Law:

UNITED STATES FOREIGN POLICY

This will probably be the last editorial that I shall write for the American Journal of International Law. It is my valedictory, so to speak.

That I am not in sympathy with the aims and procedure adopted by this Government is apparent to all readers. It will be more novel to learn that John Bassett Moore in at least three places of his forthcoming memoirs characterizes the policy of this Government—if it can be called a policy—as insane. That means more for the reader than an ordinary invective. The ordinary reader must know that John Bassett Moore was a man of great moderation who used strong words but rarely. His opinion on a question of international law or policy is rated among the highest in this country. No one was more familiar with our history than he was.

Whatever the truth about American policy, the policy of alliances is a clear departure from the warning issued by George Washington in his farewell address. The reversal of American policy from nonintervention to a commitment to intervention in foreign quarrels is so violent a departure from the past that it must justify itself by extraordinary benefit to the United States. Who can assert that the policy of intervention has produced laudatory results? The decision of the United States to remain out of the League of Nations has been traversed by Mr. Hull and his successors. The flouting of the founders of this country has brought returns which will strike the average citizen as extraordinary. Even if the plans worked out successfully, a burden of proof rests upon its proponents which cannot be met in a practical world. But when it is observed that the League of Nations no longer exists and the United Nations is regarded with dissatisfaction on all sides, it is especially harmful to the United States. One of the curious consequences which speaks volumes is that the American taxpayer knows so little about what is going on or seems unable to determine that the expenditure of American money means high taxes to the citizen. The United Nations is an improved league, and its friends must pay for the ignominy brought upon it by the interventionists.

A war with Russia must be prevented in the interests of the United States. While no one knows when a government becomes bankrupt, it is a certainty that large sums must be appropriated to this purpose. Even if it could be asserted that the United States would be a victor in that war, it would not convince the ordinary man that communism is a disappointment and failure. We would undoubtedly spoil the Russian experiment, and we might ourselves find the American experiment unworkable. That would be an unfortunate result, but, it will probably be agreed, this existing civilization cannot stand another war without revolutionizing its basic principles. It seems unfortunate that the United States no longer has a free hand, which is all that isolationism has ever meant. The eight volumes of Moore's Digest of International Law are a standing refutation that there ever existed isolationism in the Hull sense of that word. To follow up our intervention by a treaty of alliance with five countries or more is to place American intervention in the hands of other people—a policy that can hardly be regarded as useful to us. It must always be remembered by its proponents that the existence of the United States is at issue. Thus far we have Russia denouncing the United States as an aggressor, and we reciprocate the impeachment. "Aggressor" is a word that can be used at random because it signifies nothing. It is an epithet hurled at the opponent for such use as the popular propaganda may have in view. But if it means anything, it is a charge that the status quo is under attack. All those in favor of the status quo must stick together. All opponents of the status quo also must stick together. The result is a world war, which, I have already suggested, this civilization cannot tolerate.

Of all the senseless wars which have been fought, a war by the United States against Russia and its principles would constitute a blunder of the first order. Perhaps war has reached the stage of diminishing returns through the discoveries of science. I would

not knowingly subscribe to this view, but it is admitted that war is so expensive that it is not practical. But if nations pursue policies which can only lead to distemper, the charge must be refuted, whoever is engaged in war. In China we seem to have displayed the value of neutrality in foreign quarrels, be they civil or international. We backed up our selection of the wrong horse by taking from the American taxpayer some three billion dollars. Is this a defensible policy?

Although I am opposed to alliances, which only increase the risks of politics, I must confess, as a matter of law, that the United States is competent to enter into an alliance. Article VI of the Constitution does not authorize the Supreme Court to examine the question of the constitutionality of treaties, although every treaty thus far in issue has been held constitutional. Any treaty that is made on the authority of the United States, so long as it conforms to the restrictions contained in the Constitution itself, is a valid commitment. It becomes the duty of the Senate to carry out a treaty of the United States. That is all there is in the doubts harbored by Senators CONNALLY and VANDENBERG as reported in the press. Besides, one can say from history that the power of Congress to declare war is misleading. The President has the capacity to write any notes he sees fit, and thus far he has been enabled to go to Congress and ask it to back him. Congress has never refused such a draft.

EDWIN BORCHARD.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances and in each case to include extraneous matter.

THE FEPC IN NEW YORK—WHITE AMERICANS BETRAYED

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include some excerpts from former speeches I have made in the House.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is my understanding that another attempt is going to be made to force through this House the FEPC bill. It was first promulgated by Joe Stalin in 1920. Nothing that could be done would do more to wreck the business interests of this country and bring about chaos and confusion than the passage of such a measure.

A few years ago they put it on the ballot in California, and it lost by a majority vote in every single individual county in the State of California.

This year the fanatics undertook to ram it through the Legislature in Colorado and failed miserably.

They undertook to ram it through the Legislature of Minnesota and failed miserably.

They undertook to ram it through the Legislature of Pennsylvania and failed miserably.

They undertook to ram it through the Legislature of Ohio and failed there.

They will fail everywhere else that the American citizens have a right to express themselves on this communistic program.

Copies of my speech on this subject made in the House on February 13, 1947, and also copies of the one made by me in the House on July 12, 1945, were sent to every member of the legislatures of these four States.

When they studied the question in the light of the record which I cited in those speeches, they were so shocked that they killed this infamous measure in every one of those four States—as they would do in every other State in the Union if the people were given an opportunity to vote on it.

I have said before, and I repeat it now, that it is one of the most dangerous pieces of communistic legislation ever proposed in the Congress of the United States.

In order that every Member of the House may be informed on what this measure means, I am inserting the copy of my speech made in the House on February 13, 1947, and also the one made on the same subject on July 12, 1945. The matter referred to follows:

THE FEPC IN NEW YORK—WHITE AMERICANS BETRAYED

(Speech of HON. JOHN E. RANKIN, of Mississippi, in the House of Representatives, Thursday, February 13, 1947)

Mr. RANKIN. Mr. Speaker, I was amused at the address of the gentleman from Michigan [Mr. HOFFMAN] and very much interested in what he said. He talked about the slowness with which the leaders of his party proceed in passing labor legislation. I also noticed in the paper that the Senate leaders were going to wait on the House, and the House leaders were going to wait on the Senate.

It reminded me of what I heard over the radio the other night. Somebody was reading the laws of a certain State on traffic regulations which provided that when two cars approach a crossing at right angles they both must come to a dead stop, and each one of them must remain in that position until the other one has passed on. I am just wondering if that is the kind of stalemate we are running into, and if we are going to come to that kind of a dead standstill, with each House remaining in that position until the other one has acted.

But, Mr. Speaker, I arose to discuss a measure introduced by the gentleman from Illinois, Mr. Dirksen, for the re-creation of the now defunct FEPC, or the so-called Fair Employment Practice Committee.

I believe Mr. Dirksen made a speech for such a measure in the last Congress, which reminded me of the colored preacher who told his congregation that he was "goin' to preach to you an ole 'postolic injunction, 'Take no heed of what you shall say.'"

It would certainly take a genuis to reconcile that speech of the gentleman from Illinois, Mr. Dirksen, and this FEPC bill he has introduced with his recent speech against communism, especially since that FEPC is the chief plank in the Communist platform.

It is the most dangerous piece of communistic legislation with which this country has ever been threatened in all its history. I am going to show what it would do to the people of Illinois by pointing out what it is doing to the people of New York, where this vicious measure was written into the laws of that State without consulting the people who are suffering under it.

All these bills contain the same old bunk about making it a crime to discriminate in employment because of "race, creed, color, natural origin, or ancestry," and so forth.

Before Mr. Dirksen attempts to ram this monstrosity down the throats of the people of Illinois, and all the other States, I suggest he do as they did in California, let the people of Illinois vote on it. That is what they did in California in the last election, and it was defeated by a majority in every single individual county in California.

Now let us see what such a measure is doing to the people of the State of New York.

A man from New York said to me this morning, "You know this measure is being operated in New York simply by failure to operate it." The other night there were two men from New York in a taxicab here in Washington driven by a man who works here on the Hill. They got into an argument. One of them said, "I told you this FEPC would ruin the State of New York if they ever put it on the statute books." The other one said, "I did not think so. I thought it was a humanitarian measure. But I now see my mistake."

Then the other man said, "Here is what it has done to me. I own a good home," I believe he said, "out on Riverside Drive, and I also own a house next to it which I bought for my own protection. I had a friend living in the other house, but his business took him to another section of the country and he had to vacate. Like a fool, I put up a sign 'For rent,' thinking that someone in the community whom I could afford to rent it to would apply. Somebody put a colored fellow up to come and apply for it and the court now says I must let him have it."

I bring this to you for what it is worth. I understand the Communists in New York are demanding that the same rule be applied to rooms or apartments for rent.

But I want to read you some of the regulations that are now being imposed upon the people of the State of New York under this vicious law. Businessmen from New York tell me that the way they are getting around this measure is by operating through employment agencies, because no intelligent businessman would go to a State with that kind of law on its statute books and attempt to establish a new business or a new enterprise, especially with the regulations or rulings under it which I am now going to read to you.

Remember they put this measure on the ticket in California and the people voted on it in the last election; and it lost in every single individual county in California. It was beaten in the entire State by about 3 to 1.

You simply destroy business with a measure like this. That is what the FEPC did here. Men have gone out of business all over the country in the last few years because of the persecution that was carried on by this outfit here in Washington, the personnel of which I shall insert later on.

A few people are going around urging us to pass it as a national law, to put everybody else in the same predicament. These people who are carrying on this racial agitation are using the Negro as a smoke screen. They do not given a tinker's dam about the Negro. They are not trying to help the Negro. They are doing them more harm than anybody has in the last 50 years, and the decent law-abiding Negroes know it.

But let me show you what they have done in New York, and let me give you some of the regulations or rulings, as they are called, and ask you if you would like to have them in your State. I want to ask the gentleman from Illinois, Mr. Dirksen, how he would like to have them in Illinois, or how you would like to have them in Ohio, Indiana, Pennsylvania, or in Missouri, or in any other State in the Union.

Here are the regulation, or rulings, issued by the State of New York. They are headed:

"State of New York Executive Department. State Commission against discrimination. Rulings."

Here are the rulings:

I want to show you some things you cannot ask in the State of New York when you go to employ a man.

Remember that State has no gas, coal, or oil, and very little water power. The rest of the country does not have to go to New York, or to any other State to get what it needs in the years to come. The American

people in every section of this country are in a position now to take care of themselves. You put this measure on in one State after another and you will simply penalize those States beyond reason, and when they ask you to pass it for the whole United States and put it on the entire American people, after the fiasco they have made of it here in Washington in the last few years, it is simply unthinkable to a man who knows what he is doing and has the interest of the people of the country at heart.

Here are some of the things you cannot do under the law of New York: "Unlawful employment practices before hiring anybody."

Those words are written in capitals. Here is the first unlawful practice:

"Inquiry into the original name of the applicant for employment, whose name has been changed by court proceedings or otherwise."

If you inquire as to his name or what his name used to be, you violate the law. You commit an unlawful practice. For instance, take this man who writes for PM, who calls himself I. F. Stone. His name was Isadore Feinstein, as Cordell Hull once pointed out. Suppose he comes to you asking for employment and you ask him that question. Then you will have committed an unlawful act.

Here is the next one:

It would be unlawful practice to make "inquiry into the birthplace of the applicant for employment, the birthplace of his parents, spouse, or other close relative."

How would you like that in Iowa, Illinois, Texas, or Nebraska? In California I know you do not like it, because you have just voted on it.

Here is the next unlawful practice.

"Requirement that the applicant for employment produce a birth certificate or baptismal certificate."

Tha would be an unlawful practice under this FEPC Act in New York.

I was surprised to see Governor Dewey get his mustache in the wringer on this proposition. I do not see how he is ever going to get loose from it.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MASON. What about this requirement during the war that every person employed in certain industries had to prove that he was born here before he could get a job?

Mr. RANKIN Certainly. If we had had this law all over the country then, the Japs would have had a spy at the elbow of every man in a key position; so would the Germans, and so would every other enemy country.

I thank the gentleman from Illinois for his timely suggestion.

It is an unlawful practice in New York, under this law, to make—

Inquiry into the religious denomination of an applicant for employment, his religious affiliations, his church, parish pastor, or religious holidays observed. Inquiry into whether an applicant for employment is an atheist.

Inquiry into whether an applicant for employment is an atheist is forbidden, although you may be publishing literature for the Methodist Church, the Baptist Church, or any other denomination.

Another thing, an applicant for employment—and I am reading from the rules laid down by this commission:

"An application for employment may not be told that this is a Catholic, Protestant, or Jewish organization."

In other words, if you are in the business of publishing religious literature you cannot even give him that information under this law which the gentleman from Illinois, Mr. Dirksen, now proposes for the whole country, including Illinois.

Here is another unlawful practice:

"An applicant for employment may not be told that the following holidays will be observed by the firm and no others, naming the holidays; e. g., Decoration Day and July the Fourth, etc"

You cannot tell them under the laws, rulings, and regulations of the State of New York that they may observe the Fourth of July.

Here is another unlawful practice:

"An applicant for employment may not be told that employees are required to work Rosh Hashana and Yom Kippur."

Frankly, I did not know there were any such days until the last few years.

Another thing, it is an unlawful practice under this New York law to make—

"Inquiry into the complexion of an applicant for employment."

Inquire into his complexion and you are likely to get yourself tangled up with the law of the State of New York.

Here is another unlawful practice:

"Requirement that an applicant for employment annex a photograph."

That would be an unlawful employment practice. You are not supposed to know how he looks.

Remember, this is not in Russia, but in New York.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MASON. And yet the State Department in order to grant a visa requires a photograph of the person to be presented with his application.

Mr. RANKIN. Certainly, and they ought to do so. Much as I respect the distinguished gentleman from Illinois [Mr. MASON], I certainly would not want to employ him unless I knew how he looked. If I had never seen him, I would certainly want to see his picture.

Here is another unlawful practice:

"Inquiry whether an applicant for employment is a naturalized or native-born citizen; the date when the applicant acquired citizenship; whether the applicant's parents or spouse are naturalized or native-born citizens of the United States; the date when such parents or spouse acquired citizenship.

You cannot inquire into those questions under this FEPC law in New York.

Here is another unlawful practice:

"Requirement that an applicant for employment produce his naturalization papers or first papers."

He may lie to you and tell you that he is a naturalized citizen, but you cannot ask to see his papers.

Another unlawful practice in New York is to "inquire into the lineage of an applicant for employment, his ancestry, or national origin."

You remember a few years ago the Dallas News inserted an advertisement for a colored janitor, and this FEPC outfit down the street, ordered them to take it out, said it was an unlawful practice.

One member of this FEPC outfit here in Washington went into the office of Swift & Co. in Chicago. The FEPC man asked them: "How many Negroes do you have on your board of directors?"

The answer was "None."

Then the FEPC man asked him: "Why haven't you?"

That was the FEPC down here in Washington a few years ago before it died because a few radicals could not browbeat Congress into perpetuating it.

But it is now in force in the State of New York.

Here is another unlawful practice under the New York law:

"Inquiry into the location of places of business of relatives of an applicant for employment."

It is an unlawful practice to make "inquiry into the place of residence of the parents, spouse, or other close relatives of an applicant for employment."

I am reading from the records at Albany.

Here is another unlawful practice:

"Inquiry into the maiden name of the wife of a male applicant for employment and/or inquiry into the maiden name of the mother of a male or female applicant for employment."

The other day we had the Eislers down here. One of them has been shown to be representing the Comintern, according to his sister's testimony. He has a brother out in California, who seems to be poisoning the public mind through the moving-picture industry. He tries to defend his brother and refers to this woman as "my former sister." If you wanted to employ any of them and check the name of at least one of them as given here, you could not inquire into those names at all—if you are trying to do business in the State of New York—even though one of them has a half dozen aliases. You could not even ask where they came from or when they got here or when they changed their names.

Here is another unlawful practice, in New York:

"Inquiry into the general military experience of an applicant for employment."

I wish every ex-serviceman could read that, and the next one.

Here it is. It is an unlawful practice to make "inquiry into the whereabouts of an applicant for employment during the First World War, i. e., during the period from 1914 to 1919."

In other words, inquiry as to his whereabouts in the period from 1914 to 1919 is forbidden as an unlawful practice in the State of New York.

Is that what you want in Colorado? Is that what you want in Massachusetts?

Mr. GIFFORD. We have it.

Mr. RANKIN. Get rid of it, and we will help you.

Is that what you want in Kansas, in Ohio, and in other States?

Let your States vote on it. Michigan is going to vote on it right away. If you will tell the people of Michigan the whole truth, let them know the whole truth about this monstrosity, I will guarantee you they will beat it worse than they did in California.

Here is another unlawful practice:

"Inquiry into the organizations of which an applicant for employment is a member, including organizations the name or character of which indicates the religion, race, or national origin of its members."

I presume, if they should ask me if I am a member of the Masonic lodge, I could have them jerked up and brought before this inquisition board or probably prosecuted at various places throughout the country.

Mr. Speaker, I am not criticizing the people of New York. I have long since learned in going from one State to another that real Americans are about the same everywhere. I believe if they had a vote on it the people of New York would beat it, just as they did in California.

They are having a vote on it in Michigan because a little minority group has been attempting to browbeat the Legislature of Michigan into passing it. I dare say when it goes on the ballot in Michigan and the people of Michigan understand what it means they will defeat it more thoroughly than they did in California. The same thing would happen in probably every other State in the Union.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Will the gentleman tell us what the penalties are in New York?

Mr. RANKIN. In addition to being harassed to death with orders and directives to cease,

desist, rehire, and so forth, there is a punishment provided of "imprisonment in a penitentiary or county jail for not more than 1 year or by fine of not more than $500, or by both."

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want to remind the gentleman that we have that law in Massachusetts.

Mr. RANKIN. I was afraid of that.

Mr. GIFFORD. I was thoroughly amazed when I looked into it; I had not learned what the rules were. But, perhaps we carried it too far. I am so sorry, and I have been, and I am not in favor of this, I can assure the gentleman.

Mr. RANKIN. I know the gentleman is not, and I am sure the people of Massachusetts would not favor it if they had a vote on it.

Mr. GIFFORD. Employers always inquire and must know whether you come from a respectable family or not. They are so careful. Perhaps they overdid it. But I think a man ought to be able to find out whether he came from a respectable family.

Mr. RANKIN. There are a great many questions that should be asked, which are forbidden under this law.

Mr. Speaker, in order to give the new Members an idea of what a mess this FEPC was here in Washington during its existence under Executive order, I insert a speech I made on this subject in 1945.

It reads as follows:

"FEPC A BETRAYAL OF WHITE AMERICANS

"(Speech of Hon. JOHN E. RANKIN, of Mississippi, in the House of Representatives, Thursday, July 12, 1945)

"Mr. RANKIN. Mr. Chairman, the passage of a law at this time legalizing this so-called FEPC would be a betrayal of the white people of the country. If every individual in the United States could understand just what it means, there would be such a roar of protest coming from every State in this Union that it would never see the light of day.

"If every Member of Congress would screw his courage to the sticking place and vote his convictions on this so-called FEPC, it would not get 50 votes out of the entire membership of 435.

"It is a most dangerous and brazen attempt to fasten upon the white people of America the worst system of control by alien or minority racial groups that has been known since the crucifixion.

"When I read the names of the personnel of this outfit you will understand what I mean.

"To sanctify this organization by law would give the lie to everything we have told our American boys they were fighting for. Instead of coming back to liberty, freedom, and democracy, they would find themselves sold into this bondage, herded, humiliated, and regimented by alien influences directed by a foreign comintern representing the deadly doctrine of Karl Marx that is based upon hatred for Christianity and for everything that is based on Christian principles.

"It is a manifestation in legislative form of that infidelity that has closed thousands of Christian churches in Europe and been responsible for the murder of untold millions of Christian human beings.

"This measure is not directed altogether at the white people of the South. If it were, you folks in the North would not have so much ground for alarm. We in the South know how to combat subversive elements. As Henry Grady once said, we wrested the South from such domination 'when Federal drum beats rolled nearer and Federal bayonets hedged closer to the ballot box of the South than it ever will again in this Republic.'

"But you people in the North have not had that training, and this FEPC is likely to bring grief, strife, hatred, race riots, and chaos in your northern cities if this vicious agency is perpetuated and sanctioned by your votes.

"Do not forget that the returning servicemen know what this thing means, and they are going to call you to account next year—beginning with the primary. They are not going to wait until the general election.

"Do not forget that every businessman, every farmer, every professional man, and every other independent individual whose blood glows with the instinct of American liberty is going to join these men, and those other patriotic forces that are fighting to save American institutions for which these boys have been fighting and dying upon every battlefield in the world.

"If every man and every woman in the United States could just read the list of individuals that compose the personnel of this crazy FEPC and its subdivisions throughout the country, I dare say there would not be enough of you left who vote for it, even if nominated in the primaries next year, to form a corporal's guard.

"For your information and for the information of the American people generally, I am going to read you the official personnel as it exists today. Remember, this list is taken from the official record. This is the group that wants to nose into and control every business in the United States. Remember, they can search the files and records of every business establishment in America where some disgruntled individual is willing to trump up a charge of discrimination. They can drag them all over the country and try them, and in that way destroy any ordinary business concern.

"The next thing they are going to try to do is get control of your schools and force their Communistic henchmen into the schools and teach your children their subversive doctrines.

"Read these lists carefully, which, as I said, are taken from the official records here in Washington, and you will see that not 1 out of 10 on these rolls is a white gentile American.

"Here is the official list:

"Committee on Fair Employment Practice, Washington, D. C., Office of the Chairman

Incumbent	Title	Race	Salary
Ross, Malcolm	Chairman	White	$8,000
Johnson, George M.	Deputy Chairman.	Colored	8,000
Hubbard, Maceo	Hearings examiner.	do	5,600
Bloch, Emanuel	do	White	5,600
Copper, Evelyn	do	do	5,600
Berking, Max	Assistant to Chairman.	do	3,800
Alexander, Dorothy	Secretary to Chairman.	Colored	2,600
Clifton, J. Jeanne	Secretary to Deputy.	do	2,000
Brooks, Mary	Clerk-stenographer.	do	1,800
Banting, Myra	do	White	1,800

"You will note that in this office of the chairman, consisting of 10 people, there are 5 Negroes and 5 white people, most of whom have foreign names. One of the whites is a stenographer who receives the smallest salary of anyone on the list.

"Remember that the members of this group preside over the destiny of every business enterprise in America, and are using their assumed powers to harass white Americans out of business.

"This is the organization Members of Congress are being asked to perpetuate by the passage of this bill.

"FIELD OPERATIONS

"Here is the Division of Field Operations:

"Field operations

Incumbent	Title	Race	Salary
Maslow, Will	Chief	White	$6,500
Mitchell, Clarence	Principal fair-practice examiner.	Colored	5,600
Davidson, Eugene	do	do	5,600
Beall, W. Hayes	Senior fair-practice examiner.	White	4,600
Mercer, Inez	Fair-practice examiner.	do	3,800
Rogers, Eleanor	Clerk-stenographer.	Colored	1,800
Saito, Otome	do	Japanese-American.	1,800
Thompson, Mildred	do	Colored	1,800
Cornick, Emma	do	do	1,620

"You will note that it consists of nine people—five Negroes, one Japanese, and three others—two of whom have records of affiliation with Communist-front organizations, according to the reports of the Dies committee.

"Imagine this group going about over the country riding herd on the white American businessmen of the Nation, telling them whom they shall employ, whom they shall promote, and with whom they may associate.

"It would be interesting, and probably enlightening, to check up on these people and see how many of them are native-born Americans.

"Members of Congress had better do this now, before they get caught in this trap, because this question of un-American activities is going to be an issue in every congressional district next year, beginning with the primaries.

"The people are not going to wait until the general election for someone who holds a commission as a result of the pernicious activities of Sidney Hillman and his gang to wrap the party cloak about him and shout to the people of his district that 'I am a Republican' or 'I am a Democrat.'

"More than 2,000,000 young men have already been discharged in this war, and they are organizing now to try to save America for Americans. They are going to read your records, and they are likely to ask you some very embarrassing questions when you get home.

"REVIEW AND ANALYSIS DIVISION

"Now look at this list and see who reviews all these records of racial discrimination when they come to Washington, and you will understand how the editor of the Dallas News felt and how other white gentiles feel, including Cecil B. DeMille, the great American movie producer, when they are harassed out of business.

"Here is the list:

"Review and Analysis Division

Incumbent	Title	Race	Salary
Davis, John A	Chief	Colored	$5,600
Lawson, Marjorie	Research analyst.	do	3,800
Golightly, Cornelius	Compliance analyst.	do	3,200
Hemphill, India	do	do	2,600
Coan, Carol	do	White	2,600
Davis, Joy P	do	Colored	2,600
Hoffman, Celia	Clerk-stenographer.	White	1,800
Spaulding, Joan	do	Colored	1,800

"You will note that it consists of six Negroes and two white people, one of whom is named Carol Coan and the other Celia Hoffman, a white stenographer receiving the lowest salary on the list.

"Now, if you sign the petitions to bring out this bill or vote for this monstrosity, do not forget that when you get home those white American businessmen who help to sustain this Nation in time of peace and whose sons are fighting its battles in time of war are going to want to ask you some questions that you may not be able to answer.

"LEGAL DIVISION

"But if you want a real laugh, look at this Legal Division.

"Legal Division

Incumben	Title	Race	Salary
Reeves, Frank D.	Attorney	Colored	$4,600
Stickgold, Simon	do	White	4,600
Gordon, Jernevive	Clerk-stenographer	Colored	1,800

"You will note that this so-called Legal Division consists of two Negroes and a Simon Stickgold.

"INFORMATION DIVISION

"Now we come to the Information Division. If you want information about this outfit, write to this Division:

"Information Division

Incumbent	Title	Race	Salary
Bourne, St. Clair	Information specialist.	Colored	$3,800
Whiting, Margaret	Clerk-stenographer.	do	1,800

"You will note that it consists of two Negroes, one registered as an information specialist and the other as a clerk-stenographer.

"BUDGET AND ADMINISTRATION

"Now we come to the Budget and Administration Division. This Division not only makes up the budget but administers the regulations. Here is the list:

"Budget and Administration

Incumbent	Title	Race	Salary
Jones, Theodore	Chief	Colored	$5,600
Jeter, Sinclair	Assistant administrative officer.	do	3,200
Baker, Vivian D.	Clerk-stenographer.	do	2,000
Jackson, Bosales A.	Clerk-typist	do	1,620
Paynter, Minnie A.	do	do	1,620
Hollomon, Irving	Clerk	do	1,440
Selby, Ralph R.	Chief, fiscal	do	2,600
Ross, Sylvia B.	Voucher auditor	do	2,000
Nelson, Otelia	Accounting clerk	do	1,620
Carpenter, Elizabeth.	do	do	1,620
Brent, Pearl T.	do	do	1,620

"This outfit, which is composed of 11 Negroes, and no whites at all, not only makes up the budget for financing this aggregation, but it seems to have the power of administration. I hope you will read this list to your white businessmen, farmers, and exservicemen at home when you get back and ask for renomination in the primaries next year.

"MAIL AND FILES DIVISION

"Now, here are the ones that have control of the mails and filing system:

"Mail and Files

Incumbent	Title	Race	Salary
Douglas, Lela	Chief, Mail and Files.	Colored	$2,000
Welch, Selena	Docket clerk	do	1,800
Gamble, Jessie	File clerk	do	1,620
Phillips, Rose	do	do	1,440
Reed, Charles	Messenger	do	1,380
Mitchell, Regina	File clerk	do	1,440

"You will note that this division is composed entirely of Negroes—six Negroes, and no whites at all. I wonder why they discriminated against the white race in setting up these two powerful branches of this most dangerous agency?

"REGIONAL OFFICE, NEW YORK

"Now, let us turn to the regional offices and see who is going to harass the business people back in the States. Here is the list for the State of New York:

"Regional office, New York

Incumbent	Title	Race	Salary
Lawson, Edward H.	Regional director.	Colored	$5,60
Jones, Madison S.	Fair-practice examiner.	do	3,800
Jones, Robert G.	do	do	3,800
Donovan, Daniel R.	do	White	3,800
Irish, Miriam	Clerk-stenographer.	Colored	2,000
Asepha, Tillie	do	White	1,620
Schwartz, Sonia	do	do	1,620

"This is the list that is going to help Governor Dewey harass the white American businessmen of the Empire State. You will note that it is composed of four Negroes and three white people. Please read the names of the three white people and see if you can figure out their antecedents.

"Businessmen of New York are going to have a hard time after this war without having all this communistic conglomeration to deal with, to say nothing of the one which Governor Dewey and his political henchmen have now heaped upon them.

"REGIONAL OFFICE, PHILADELPHIA

"Now, let us turn to Philadelphia, the birthplace of the Constitution—the City of Brotherly Love. At the risk of causing glorious old Benjamin Franklin to turn over in his grave, I read you the list:

"Regional office, Philadelphia

Incumbent	Title	Race	Salary
Fleming, G. James	Regional director.	Colored	$5,600
Greenblatt, Mildred.	Fair-practice examiner.	White	3,800
Manly, Milo A.	do	Colored	3,800
Risk, Samuel R.	do	White	3,800
Grinnage, Willard	do	Colored	3,200
Gorgas, Helen	Clerk-stenographer.	do	1,800
Klinger, Karyl	do	White	1,800
Brown, Grayce	do	Colored	1,440

"You will note that it is composed of eight individuals—five Negroes and three whites, Mildred Greenblatt, Samuel R. Risk, and Karyl Klinger.

"Don't you know there will be some brotherly love when that crowd gets going on the businessmen of the Philadelphia area?

"REGIONAL OFFICE, WASHINGTON, D. C.

"Now, here is the regional office in Washington, D. C., the Nation's Capital, where there has been so much persecution of white gentiles in the last few years. Here is the list:

"Regional office, Washington, D. C.

Incumbent	Title	Race	Salary
Evans, Joseph	Regional director.	Colored	$5,600
Houston, Theophilus.	Fair-practice examiner.	do	3,200
Kahn, Alice	do	White	2,600
Chisolm, Ruby	Clerk-stenographer.	Colored	1,800
Urback, Dorothy	do	do	1,620

"You will note it consists of four Negroes and Alice Kahn. Just what chance a white gentile will have with this group is entirely problematical, to say the least of it.

"REGIONAL OFFICE, CLEVELAND

"Now, let us move out where the West begins and take a look. Here is the list in the Cleveland regional office:

"Regional office, Cleveland

Incumbent	Title	Race	Salary
McKnight, William.	Regional director.	Colored	$4,600
Abbott, Olcott R.	Fair-practice examiner.	White	3,800
Glore, Lethia	do	Colored	3,200
Kelley, Bernice	Clerk-stenographer.	do	1,620
Wasem, Edna	do	White	1,800

"You will note that this group is composed of three Negroes and two whites, Olcott R. Abbott and Edna Wasem.

"Don't you know the white people of Cleveland will enjoy being dominated by them?

"CINCINNATI REGIONAL OFFICE

"Cincinnati seems to be largely under the jurisdiction of the Cleveland office since it only has two people:

"Cincinnati

Incumbent	Title	Race	Salary
James, Harold	Fair-practice examiner.	White	$4,600
	Clerk-stenographer.		1,800

"DETROIT REGIONAL OFFICE

"Now let us move on to Detroit, Mich. Here is the regional office for Detroit:

"Detroit

Incumbent	Title	Race	Salary
Swan, Edward	Examiner in charge.	Colored	$4,600
Sese, Doris K.	Clerk-stenographer.	Japanese-American	1,620

"You will note that it is composed of one Negro and one Japanese. I know the businessmen of Detroit are grateful for this consideration.

"I should like to hear some of the comments they will make to you gentlemen from Detroit when you get home next summer, if you support this vicious measure.

"REGIONAL OFFICE, CHICAGO

"Here is the list of the regional office in the Windy City:

"Regional office, Chicago

Incumbent	Title	Race	Salary
Henderson, Elner	Regional director.	Colored	$5,600
Gibson, Harry H. C.	Fair-practice examiner.	do	3,800
Schultz, Joy	do	White	3,800
Williams, Le Roy	do	Colored	3,200
Zeidman, Penny	Clerk-stenographer.	White	1,800
Ingram, Marguerite S.	do	Colored	1,620

"You will note it is composed of four Negroes, Joy Shultz, and Penny Zeidman. I am told that a representative of this group went into the office of Swift & Co. and asked how many Negro members they had on their board of directors. The answer was, 'We have no Negro members on our board of directors.' Then the question came back, 'Why haven't you?' This just shows what

this supergovernmental set-up is driving at. They want to communize America and destroy everything which our glorious ancestors have left us and for which our boys are now fighting and dying all over the world.

"REGIONAL OFFICE, ATLANTA

"Here is a list of the Atlanta office:

"Regional office, Atlanta

Incumbent	Title	Race	Salary
Dodge, Witherspoon.	Regional director.	White	$4,600
Hope, John	Fair-practice examiner.	Colored	3,800
McKay, George D	do	White	3,200
Chubb, Sally	Clerk-stenographer.	do	2,000
Ingram, Thelma	do	Colored	1,800

"You will note that it consists of two Negroes and three whites; the most important post in the office, that of examiner, is held by a Negro. I wonder how the people of Georgia enjoy the domination of this group. I may have more to say about them later.

"REGIONAL OFFICE, KANSAS CITY

"Here is the list of the Kansas City office:

"Regional office, Kansas City

Incumbent	Title	Race	Salary
Holland, Roy A	Regional director.	White	$5,600
Ormsbee, Eugene	Fair-practice examiner.	do	3,800
Jones, Mildred	Clerk-stenographer.	Colored	1,620
Schlien, Helene G	do	White	1,620

"You will note that this office force consists of three whites and one Negro. You can read the list of whites yourself and then judge how many of them really represent the people of that area.

"ST. LOUIS REGIONAL OFFICE

"Here is the list of the regional office at St. Louis:

"St. Louis

Incumbent	Title	Race	Salary
Theodore Brown	Examiner in charge.	Colored	$3,800
Morris Levine	Examiner	White	3,200
Armatha Jackson	Clerk-stenographer.	Colored	1,620

"You will notice that it consists of two Negroes and Morris Levine. Just how they came to select these particular individuals to preside over the destiny of the white businessmen of the great State of Missouri I cannot understand.

"REGIONAL OFFICE, DALLAS, TEX.

"The members of the regional office at Dallas are as follows:

"Regional office, Dallas

Incumbent	Title	Race	Salary
Castenada, Carlos	Regional director.	White	$4,600
(Vacancy)	Fair-practice examiner.		3,200
Gutleben, Willetta	Clerk-stenographer.	White	1,800

"You will note there is one vacancy. Last year that position was held by a Negro, namely, Roy V. Williams. The other two members, Carlos Castenada, the regional director, and Wiletta Gutleben seem to be in charge of the office at the present time. This is the regional office that attacked the Dallas News last year for carrying an advertisement for a Negro janitor. This fellow Castenada, the director, held the same position that he holds now. If this set-up is made permanent, then I presume the rest of the white American businessmen in Texas may expect to be harassed just as the Dallas News was.

"REGIONAL OFFICE, NEW ORLEANS

"The regional office at New Orleans consists of the following members:

"Regional office, New Orleans

Incumbent	Title	Race	Salary
Ellinger, W. Don	Regional director.	White	$3,800
Morton, James H	Fair-practice examiner.	Colored	3,200
Ronning, Evelyn	Clerk-stenographer.	White	1,800

"You will note that there are two whites and one Negro in this office. As the Negro is the fair-practice examiner, just what the decent people of Louisiana may expect at the hands of this outfit is something to contemplate.

"REGIONAL OFFICE, SAN FRANCISCO

"The San Francisco office consists of the following individuals:

"Regional office, San Francisco

Incumbent	Title	Race	Salary
Kingman, Harry L	Regional director.	White	$5,600
Rutledge, Edward	Fair-practice examiner.	do	4,600
Ross, Bernard	do	do	3,800
Seymour, Virginia	Administrative assistant.	do	2,000
Mazen, Jewel	Clerk-stenographer.	do	1,800

"This is the only office we have found yet that consists entirely of white (?) people. Just what the background of each one of them is I am unable to say.

"LOS ANGELES REGIONAL OFFICE

"The Los Angeles regional office consists of the following:

"Los Angeles

Incumbent	Title	Race	Salary
Hunt, A. Bruce	Hearings examiner.	White	$5,600
Brown, Robert E	Fair-practice examiner.	Colored	3,600
Lopez, Ignacio	do	White	3,800
Vetter, Vera G	Clerk-stenographer.	do	1,800
Lerna, Marie	do	do	1,620

"You will note that there are four whites and one Negro in this office, the Negro being the fair-practice examiner. I do not know what consideration the white businessmen of the Los Angeles area are receiving at the hands of this group, but from what I can hear there is considerable gnashing of teeth over the situation.

"Mr. Chairman, this FEPC is a supergovernment of commissars, with more power for evil than any other agency that has ever been created in this country. If Congress should ratify it and make it the law of the land, then we will have sacrificed and destroyed that sacred freedom for which our brave men are now fighting and dying on every battle front in the world.

"We have no right to pass such a drastic, revolutionary measure that literally changes our way of life, as well as our form of government, while these boys are away from home in uniform, fighting to sustain American institutions.

"As I said before, we are going to carry this battle against such un-American activities into every congressional district in the United States next year, in the primary, so that no one can crawl behind the party cloak and claim immunity at the hands of any segment of our people.

"This is a battle for the survival of free constitutional government, for the survival of the American way of life, for the survival of free enterprise, for the survival of American liberty itself.

"It is a battle to save America for Americans."

GENERAL VAUGHAN

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, it seems we have reached the time in this country when there is an element of danger of a person getting into trouble when he becomes an adviser to the President and is stationed at the White House.

In my long experience I have had some fine assistance from the able men that the President has surrounded himself with at the White House, particularly Marvin McIntyre, Stephen Early, and other Presidential assistants. Now we find a great Army man, a red-blooded, two-fisted American, being attacked because he happens to be stationed at the White House.

I want you to know that General Vaughan is a fine gentleman, an able assistant, and very helpful to Members of Congress. I deplore the situation that has developed with a man of his ability and his cooperative disposition being attacked as he is.

The SPEAKER. The time of the gentleman from Idaho has expired.

SPECIAL ORDER GRANTED

Mr. TACKETT. Mr. Speaker, I ask unanimous consent that at the conclusion of any other special orders today I may address the House for 10 minutes concerning pork-barrel legislation.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include an editorial from the Binghamton Sun.

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix and include a letter.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include certain extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Speaker, I have long been concerned over current trends in our Government.

The legislation which will be presented to the House Monday is, in my opinion, a part and parcel of an ingeniously organized movement to destroy and render meaningless the Constitution of the United States. The anti-poll-tax legislation can have but one ultimate effect: To bring about complete Federal jurisdiction over State elections, a step which would bring us perilously close to the brink of totalitarianism.

Many times I have said that our greatest danger in America comes from forces that bore from within. The most potent force of this type today is the group which seeks to use the Negro as a means of destroying the local political self-determination granted to the States by the Constitution.

Recently I made an address before the encampment of the Veterans of Foreign Wars, Department of Mississippi, held at Vicksburg, in which I attempted to set out the dangers inherent in the current trend of Government. I include herewith as part of my remarks the text of this speech:

After almost two centuries of successful democratic government under her Constitution, the United States finds herself today facing a political revolution. It is true that the revolution which we face is bloodless and psychological; yet it is a revolution in the strictest sense of the word.

There is an order of political thinking which represents what might be called a new philosophy. It calls for a powerful control state to do our planning, run our affairs, and dole out our benefits; the latter by collecting and spending our money. This system, which has swept most of the world since it was put into effect by the Leninites in Russia, is pictured as something new and progressive in the way of governmental concepts.

Actually, though, it is as old and reactionary as man himself. Through the ages, the struggle of civilization has been to free the individual from the tyranny of overpowerful and all-consuming governments, and to guarantee to him a maximum degree of personal and individual dignity.

Thus far, the Constitution of the United States has exemplified the nearest approach to civilization's goal of individual freedom.

This Constitution, to which we look for personal and political succor, was conceived in liberalism. Since its ratification by the sovereign States, it has proved to be a sanctuary for genuine liberals the world over, and has functioned as the world's foremost guardian of human liberties.

Heretofore, the people of the United States have subscribed to the theory that government is not properly concerned with private lives, but rather with general public welfare and all that pertains to it.

During the period following the great depression of the early thirties, we witnessed a slight diversion from that theory through the workings of the so-called New Deal, because the New Deal was born in a moment of national crisis. It was taken for granted by the American people, however, that such inconsistency was necessary to preserve our constitutional freedoms, and would be abandoned as soon as conditions returned to a state of normalcy.

Underlying the New Deal was a sound economic plan for bettering the general welfare of all the people, designed specifically for the purpose of eliminating wholesale starvation in a land of plenty, and eliminating unemployment in a land of unlimited opportunity; there was a well-coordinated and closely knit constructive program with stated aims to be accomplished.

It is contended by those who would bring about the new order that the program presently presented is but a continuation of the New Deal, and that the current program would bring about the social utopia of which Roosevelt dreamed.

Their program for the social and economic uplifting of our people is embodied in what, today, is called the Fair Deal, consisting of a series of unrelated and individual pieces of social legislation, designed to gratify certain groups or segments of our people at the expense of other groups, without a coordinated plan for bettering the general welfare of all the people. In that respect, the current administration program fails by comparison with the policies and measures of the New Deal.

I cannot—and do not—question the sincerity of the President and his advisers in the presentation of their program as a political cure-all for the personal ills and individual tribulations of our people. But I do reserve the right to disagree as to the ultimate and lasting effects on our people and on the Nation.

The current program indicates a marked trend away from the old Jeffersonian axiom that "the least government is the best government," and makes elaborate plans for Government controls over our entire economy and social affairs. It provides for governmental entry into the housing field, the medical field, the fields of insurance, employer-employee relationships, and—through its civil-rights program—into the social affairs of our people.

Thomas Jefferson once said:

"I place economy among the first and most important virtues, and public debt as the greatest of dangers. To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our choice between economy and liberty, or profusion and servitude. If we can prevent the Government from wasting the labors of our people under the pretense of caring for them, they will be happy. The same prudence which in private life would forbid our paying our money for unexplained projects, forbids it in the disposition of public money."

In 1929, the cost of operating the entire Government was little more than $6,000,000,000, and in the most flourishing days of the New Deal, it did not exceed twelve billions.

In peacetime 1949, we are spending more on foreign gratuities alone than it cost to run the entire Government only 20 years ago.

The cost of our Government today, with its mushrooming bureaus and newly adopted services, is in excess of $45,000,000,000; and mind you, these figures do not anticipate the enactment of the proposed legislative program, which would add not less than 10 billions to that figure.

Already the Government is exacting from its citizens a fourth of their gross income; the tax gatherers are having a field day.

Before advocating an additional expenditure of from ten to twelve billions annually, I think we might well stop and consider our current fiscal predicament.

At a time when we as a Nation are obligated in the sum of $250,000,000,000, we find ourselves next year faced with an additional deficit of from three to six billions of dollars; and this figure is exclusive of proposed but unenacted legislation calling for more expenditures.

In the face of those figures, it is difficult for me to reconcile the enactment of additional obligatory measures.

It has been proposed that a compulsory program of medical insurance be enacted, which, with plans for additional social-security coverage and liberalized benefits, would cost, not billions, but trillions over a period of the next 50 to 75 years. This program, while perhaps meritorious in certain aspects, nevertheless, fails to follow the democratic pattern of recognizing the dignity of the individual. I say this because the program is compulsory and not voluntary, as I believe all such social welfare programs should be. What about our farmers, who do not come under the program, or the small merchants, the professional men, the self-employed?

A program of public housing has been presented. The cost of this program over the next few years is to be in the vicinity of $16,000,000,000.

There is no doubt but that there is much merit in this measure, as it provides housing for many who presently cannot afford it, and unquestionably will raise the standard of living for many thousands of our people. But, again, this measure is one of benefit to a certain segment of our people at the expense of the whole. It is admitted to be a big-city bill, and the rural citizen will realize little or nothing. Mississippi's share of the taxes to support this program is more than a hundred million dollars, and yet we will receive less than two million in housing in return. We'll just pay and pay.

The 1947 Labor Relations Act, commonly called the Taft-Hartley bill, has been attacked by the leaders of organized labor as a slave-labor bill, and those who advocate the new order are seeking its repeal, despite the fact that organized labor has prospered under it and has enjoyed a larger increase in membership, and has enjoyed the highest wages and best working conditions under it than at any like period of time in history. Catering to labor leaders, self-styled "liberals" have promised to repeal this measure, absolving these leaders of any responsibility to their membership or to the public for their acts.

As a supporter of this measure in the Eightieth Congress, I did not contend that it was without imperfections, or that revisions should not be made. It was my hope when the recent labor legislation was before us, as it is my hope now, that a fair and just measure may come from this Congress which will protect the rights of both labor and management and, at the same time, protect and promote the interests of the general public.

But I am firmly convinced that there can be no industrial peace in this country until such time as both management and labor are willing to make the concessions necessary to protect the interests of the public.

The administration advocates a farm program which guarantees price supports to the producer and lower prices to the consumer, with the difference being paid by the taxpayer. Before receiving these benefits, however, the farmer must submit to regulations and limitations placed upon him through a Government bureau. The cost of this program has not been estimated, but it is conceded that it will run into billions. In return for subsidy the farmer must sacrifice his freedom of operation.

I shall not deal with the civil-rights recommendations, except to remind you that their enactment would destroy the social, political, and economic institutions of our section of the country as we now know and enjoy them. Certainly there is no need to again remind Mississippians of the dangers of that vicious legislation.

These are but a few, and typical parts of the program which is planned for our people.

The spirit of American politics has always been pragmatic; our most effective leaders have responded to necessities and opportunities without worrying about whether they were acting consistently, according to some enveloping theory. But these measures, taken as a whole, do not amount to a program with ends capable of definition, and results that can be calculated.

Individually, many of the proposals are sound and necessary, but, viewed in the over-all perspective of their effects on our people, our economy, and our form of government, they present the most serious challenge to individual freedoms and liberty since the days when Patrick Henry uttered his immortal cry of "give me liberty or give me death."

With the enactment of each of these new Government functions, we must sacrifice a certain amount of personal freedom. That has been true throughout the history of expanding governments.

The program of the administration is presented as a liberal program; yet because of its lack of coordination, it actually presents a challenge to American liberals through its vagueness. True liberalism must keep its pleasant receptiveness; its assumption that a little inconsistency is to the good, and necessary. But at the same time, unless its hopes are to dwindle in short-lived advances, it must put a new stress on coherent programs and on carefully worked out measures.

All in all, the program is not just a little inconsistent; it smacks of paternalism, of Federal regulations, of governmental domination of private lives. The services bought thereunder will be paid for in the currency of human freedom.

In my few feeble remarks here today, I do not wish to appear as an alarmist. Perhaps those who advocate the new order are the progressives. Perhaps I am wrong in my evaluation of their program.

If I am wrong, then I am not alone. General Eisenhower, who led our forces to victory in Europe, in his inaugural speech at Columbia University, said:

"The concentration of too much power in centralized government need not be the result of violent revolution or great upheaval. A paternalistic government can gradually destroy, by suffocation in the immediate advantage of subsidy, the will of a people to maintain a high degree of individual responsibility. And the abdication of individual responsibility is inevitably followed by further concentration of power in the state. Government ownership or control of property is not to be decried principally because of the historic inefficiency of governmental management of productive enterprises; its real threat rests in the fact that, if carried to the logical extreme, the final concentration of ownership in the hands of the government gives to it, in all practical effects, absolute power over our lives."

Franklin Roosevelt reminded us in 1936 that this generation of Americans has a rendezvous with destiny.

This generation of Americans kept that date with destiny—at Pearl Harbor, Anzio, Midway, Guam, Normandy, Iwo Jima, Hill 609, Guadalcanal, and Bizerte, and 20,000 feet above Hiroshima—on bloodsoaked fields of battle which encircled the globe. This generation of Americans kept that date and emerged victorious in the fight for democratic freedom.

Now we are faced with another rendezvous. One which, bloodless and more subtle than physical conflict, nevertheless will determine the course of liberty and freedom for generations yet unborn.

The emoluments of American citizenship were not bought cheaply. They are our heritage because our forefathers were willing to make personal sacrifices in order that future generations might be free.

While freedom is a perennial challenge to every succeeding generation, it presents itself to us today in the form of a psychological choice between temporary material gratuities—with their attendant enslavement to bureaucratic regulation—or retention of individual dignities, freedom, and initiative through the sacrifice of such temporary luxuries to the permanent principles of constitutional democracy.

Our generation of Americans must make that choice. Shall it be democracy or socialism? Shall it be permanent freedom or short-lived government subsidies? Shall the government be the servant of the people, or shall it be their master? Where shall we go from here?

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RICHARDS. Mr. Speaker, on Monday next another chapter in the anti-poll-tax campaign will be written in this House. Little new can be said on the subject. The issue is plain and simple and the written word of the Constitution has decided that issue—at least, in the minds of every good lawyer with whom I have ever talked. Here is what the Constitution of the United States says on the subject.

Article I, section 2:

The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Article I, section 4:

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

Article I, section 8, clause 18:

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

In other words, the Constitution says that each State shall be the judge of the qualifications of its voters. Period. It is as simple as that. A child can understand. But the trouble is many people do not want to understand and seek to make political capital out of what should not be an issue by stirring up class hatred and race prejudice. If these people really want to understand, they should read the record in the cases of *Breedlove* v. *Suttles* (302 U. S. 277, 283) and *Pirtle* v. *Brown* (118 Fed. 2d 218; certiorari denied by Supreme Court, 62 Sup. Ct. Rep. 64).

Whether a State has a poll-tax requirement for voting matters little. Statistics have repeatedly shown that the requirement of a poll-tax receipt by a State has not proved a deterrent against voting. But it means much to our liberties, democratic processes, and representative government, whether or not the Federal Government is going to usurp the powers never intended for it by the Constitution. The free ballot is a sacred right of our people. To keep it free, the writers of the Constitution were careful to preserve that right for the States.

Only seven States now have poll-tax laws, and I venture to say that within a few years all of these laws will be repealed by those States.

Personally, I have been in favor of repealing our South Carolina law on the subject for many years, and have so stated on many occasions. But, Mr. Speaker, do not forget that the real issue here is not this poll-tax requirement for voting in a few States. The issue here is whether or not States' rights as envisioned by the Constitution sooner or later will be wiped out entirely.

It is needless to point out, of course, that if the agitators for this legislation are not satisfied with the clear evidence that the States are slowly but surely doing away with poll-tax laws, they should achieve their purpose by another constitutional method, that is, by amendment to the Constitution. It seems, though, that constitutional methods are obnoxious to many who frantically push for this legislation.

Why is it that the Daily Worker has been constantly agitating for this legislation? Why is it that every Communist, every fellow traveler, every extreme left-winger is determined to concentrate in Washington control of the voters of this country? The answer is simple. Some one has said, "Give me police powers and the power to decide as to the qualifications of voters, and I am a dictator."

The twin brother of this proposal is the Federal antilynching bill. One would usurp the police powers of the State; the other would control the rights of the States to fix the qualifications of voters. Is any one here blind to what has happened in Russia? These are the two powers that Stalin gathered to his bosom before he could relegate Russian citizens to the status of the serf of the Dark Ages.

Mr. Speaker, let me say in closing: If the Federal Government can pass upon the question of whether or not poll-tax payments should be a qualification for voting in South Carolina, it can also decide as to other requirements for voting, such as residence, citizenship, and property holding. If this act becomes law, it will have no appreciable effect on the number of those voting in South Carolina, either white or colored, but it will establish a precedent that will sooner or later destroy liberty and representative government in this country.

Mr. HÉBERT. Mr. Speaker, I recently made an address over radio station WNOE in New Orleans. At that time I discussed States' rights and the effect which the fight for States' rights has had.

I know of no better time than the present to call the attention of the House to this radio address and I therefore, under permission of the House, submit the address for your consideration:

From Washington, good evening, ladies and gentlemen, "What good are you doing fighting for States' rights against such odds? You can't win."

Perhaps that question has been asked me more often than any other question asked during recent months and asked especially since the last Presidential election.

I have not been offended by the question because I readily recognize the fact that in the minds of some individuals who are willing to compromise principle is the belief that those of us who were out in the forefront

fighting for States' rights, were only modern Don Quixotes waving wildly at political windmills.

I have never believed that the fight for an ideal was a lost cause. No just cause is a lost cause.

Of course, the easy way in such a fight would be to allow yourself to be caught in the stream, offer no resistance and be engulfed in what appeared to be the easiest way out. It would be the easiest way but it certainly would not be the right way.

I readily confess that there have been times when it appeared that those of us who were fighting the States' rights cause appeared to be butting our heads against stone walls. It would have been easy to quit but if we had quit the fight and become discouraged we would not today be able to stand with our heads high and our eyes straight, looking forward with the realization that the fight which we have made and will continue to make is showing results in all directions. Our fight is leaving its mark with the passing of each day.

Like a drop of water will eventually wear out the stone, so will steady, persistent, consistent fight to make the people of this Nation understand and realize that the fight for States' rights is not a southern or a sectional fight, but a fight involving a principle and an ideal of goverment which affects the East as much as the South, which affects the West as much as the South, and which affects the North as much as the South, becomes increasingly apparent.

The success of the fight is reflected in the public utterances and expressions of American men and women who in other years have, for the moment, seemed to espouse the philosophy of government which can lead nowhere but to the dungeon of socialism and national imprisonment.

The success of the fight is reflected within the ranks of the Democratic Party itself in the Congress and the obvious realization of the Democratic leaders to the proposition that legislation is a matter of general discussion and persuasion among all members of the Democratic Party in the House and not a subject to be disposed of on a take it or leave it basis. I have been saying this since I began service in the Congress.

The success of the fight is reflected in the most important and most far-reaching fact that practically every piece of major legislation, either passed or now before the Congress carries with it, in part or whole, the very principle of States' rights for which so many of us have been fighting. Every piece of major legislation at the moment before the Congress has a provision which recognizes the sovereignty of the individual State and the right of the individual State to make its own determination of conduct. Any legislation which does not carry that guarantee and that provision has little or no chance of being enacted into law by the Congress.

I have mentioned these facts in terms of generalities.

Now let me be specific. It shows that although there were times when perhaps our voices were lost voices in the wilderness they are now voices which are being heard clearly and audibly and are shouting the directions which eventually will win the fight for States' rights, the rights of States to determine for themselves under what laws, under what regulations and under what conditions they shall seek the liberty and pursuit of happiness which is set forth by the Constitution.

The speech made by former Secretary of State James Byrnes is an indication of just how far reaching the words of warning have reached.

Now what Jimmy Byrnes said was nothing new. It has been said time and again by me, it has been said time and again by some of my colleagues in the Congress, it has been said time and again by your neighbors and my neighbors, or at least some of them. It is no new doctrine which Jimmy Byrnes expounded at Washington and Lee. The important thing is not the doctrine expounded. The important thing now is that Jimmy Byrnes, has come to realize that the doctrine which those of us who have espoused the principle of States' rights, and those of us who have defended constitutional government, and those of us who have been pounding and pounding and pounding away at the welfare state and the socialistic trend in our Government are right.

Nobody can accuse Jimmy Byrnes of being a partisan southern Democrat. On the contrary, Jimmy Byrnes has been recognized as one of the apostles of the New Deal doctrine which has brought us to the brink of socialism and centralized government.

Under the guiding eye and with the blessing of the New Deal regime, Jimmy Byrnes has been Senator, Supreme Court Justice, Secretary of State, wartime Mobilization Director, and even Assistant President.

He has been through the mill of New Dealism. He has seen it grow to its present state. In fact he helped, in the early days of the adoption of the theory of centralized government and Federal control with its attendant hand-outs and indulgence in "gimme" government, he helped steer much of the legislation through the United States Senate.

That was the Jimmy Byrnes of yesterday. But hear the Jimmy Byrnes of today. Here are his words, uttered a few weeks ago.

"Every segment of society is demanding privileges" he said. "Too many people want more pay for less work. Too many people are trying to transfer power to the Government.

"We are not only transferring too much power from the individual to the Government, but we are transferring too many powers of State government to the Federal Government.

"Where we will wind up, no one can tell. But if some of the new programs seriously proposed should be adopted there is danger that the individual, whether farmer, worker, manufacturer, lawyer or doctor, soon will be pulling an economic oar in the galley of the State," with "the Federal Government regimenting our lives from the cradle to the grave."

Those words have a familiar ring because you have heard that familiar melody over this microphone almost every week. Perhaps the words and the lyrics have not been exactly the words and the lyrics of Jimmy Byrnes but the melody which he played has most definitely been the same melody which I have played so often and so many times at the risk of becoming boring or monotonous to you.

Yesterday it was Eisenhower of Columbia, Conant of Harvard, and Harris of Tulane who reechoed my often-stated position on Communist professors in our universities. It was not long ago that I was assailed for interference with so-called academic freedom.

Today it is Byrnes of South Carolina who stands by my side and joins in sounding a solemn warning of what will happen to this Nation unless we return to constitutional government and guarantee to the individual the freedom of movement envisioned by the authors of the Constitution.

But there is still more specific proof that the fight of the majority of southern Democrats has not been a fight in vain.

I have been in the Congress for 9 years. I am in the middle of my fifth term. During all those years there never has been a Democratic caucus for the purpose of discussing legislation—that is until several weeks ago. And there was a second caucus to discuss legislation only last week. That is a healthy indication of a move in the right direction.

You have heard me make this statement before. You have heard me make this statement from the public platform and over this microphone. You have heard me say I have never attended a Democratic caucus to discuss policy or legislation for the simple reason no such caucus had been called. I believe if we had had more caucuses in the past there would not be such a division as exists. Men of good intent can always talk things over.

Recently the Democratic leaders did call a caucus to discuss the very important housing legislation. They called it because they knew it was the course of wisdom to call it. They are to be commended for their action. They called it because they knew they needed the southern Democrats. It is admitted that without the support of a heavy majority of the southern Democrats the administration can't get any kind of legislation on any subject through the Congress. The power of the southern Democrats has been recognized in the House because the southern Democrats, or most of the southern Democrats, have refused to be browbeaten, bribed, or bought in their fight for recognition and self-determination. I am proud of the part which I have played in this fight. I have no regrets for the course which I have taken.

Still the story unfolds.

Four major and far-reaching bills, one already enacted into law, carry the unmistakable stamp of States' rights on their pages.

Rent control was passed back to the determination of the States. That was a States' rights measure. Rent control determination was removed from the hands of the Federal Government and placed in the hands of the individual States. The States' rights amendment was made by one of the outstanding and most able fighters for States' rights in the Congress, my colleague, JOHN BELL WILLIAMS, from our sister State of Mississippi.

When the repeal of the Taft-Hartley bill was before the House and the Wood bill was being considered an amendment to the Wood bill was adopted which guaranteed to the States the right to enact their own labor legislation and their own labor laws without Federal compulsion. A States' right amendment was offered by the administration to the so-called administration compromise. The final labor bill which will be enacted by the Congress I am certain will carry with it, full protection for the rights of the States to conduct their own business in labor legislation. This will be clearly a States' right victory.

The housing bill guarantees States' rights. It is left strictly and solely to the determination of each local community and each individual State as to whether or not there shall or shall not be public housing authorities. The movement must be initiated by the citizens on the local level. The voice of State's right is once again heard.

When the aid-to-education bill will finally be enacted into law I am confident it will carry with it a provision guaranteeing disposition or disposal of the funds under State policy and State direction. Once again a triumph for States' rights. Each State will be the determining factor in the distribution of the funds.

In contrast the proposed legislation which carries with it the destruction of States' rights, the so-called FEPC, the so-called anti-lynching bill, the so-called anti-poll-tax bill, will never pass the Congress. They will not be allowed to pass because of the continued determination and fighting spirit of those Members of the Congress who believe in the rights and sovereignty of the States.

In the tidelands fight there will be no compromise as long as the rights of the States are not recognized. There will be no agreement unless the Federal Government first recognizes the fact that the States do own the land under their coastal waters.

While it becomes obvious that the fight has not been a futile fight, it is just as obvious that the fight is far from ended. It

must be a ceaseless, endless fight until the rights and sovereignty of the States are guaranteed and then it will become a fight to preserve that guaranty.

The forces of centralization and governmental control are untiring in their efforts. They will not cease their fight, and as long as there is life in their subsidized bodies and hope in their socialized minds there must continue in those of us who believe in old-fashioned constitutional government the firm resolve and the renewed dedication to carry on the unrelenting struggle.

Perhaps we did look like Don Quixote fighting the political windmills but now we appear more like a St. George effectively giving battle to the dragon of constitutional destruction.

It is not important what I say or do as an individual or as a personality.

It is important what I say or do as your duly elected and authorized spokesman in the halls of the national Congress.

It is more important what you think and do at home which allows me to say what I am now saying and to do what I have set out to do. That is most important.

The sky is not yet all clear but the rays of the sun of constitutional government, free enterprise, and self-determination are forcing their way through the dark clouds of socialistic depression and paternalistic destruction.

No, the fight has not been won; but it has not been in vain—and not having been in vain it will be eventually won. Final victory is what counts.

POLL-TAX LEGISLATION

Mr. COLMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a statement made before the Committee on House Administration.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, again we are to go through the same old biennial battle of the attack on the poll tax in order that the political fires may be fed some additional fuel.

It is interesting to note that this will be the first use made of the revised rules of the House whereby the Rules Committee of the House can be bypassed. Incidentally, I predicted when this movement was successfully engineered to revise the rules of the House the first of this year that its main objective was to facilitate the passage of the President's civil-rights program.

The chairman of the House Administration Committee, from which this poll tax repeal bill was reported, merely filed a resolution with the Rules Committee and made formal request for the granting of a rule to bring the bill to the floor. Thereafter, neither the distinguished chairman of that committee nor the able chairman of the Rules Committee, who is such a strong advocate of this type of legislation, made any effort whatever to get it out of the Rules Committee. It was never thereafter discussed in committee. They merely bided their time and waited for the 21 days to elapse so that the Speaker of the House could recognize the chairman of the House Administration Committee to call the bill up on the floor of this House.

It was all carefully planned before the membership was called upon to revise the rules of the House so as to deprive the Rules Committee of the power to delay for full consideration, or to halt, if necessary, such unwise legislation as this.

Mr. Speaker, I hold no brief for the poll tax as such, but as long as I am a Member of this body I expect to raise my voice and exercise my prerogative as a Member of this body to prevent, if possible, the violation of the Constitution of the United States, which I took an oath to uphold and to defend.

STATEMENT BEFORE COMMITTEE

Several weeks ago I appeared before a subcommittee of the Committee on House Administration, of which the Honorable BURR HARRISON was chairman, and through whose valiant efforts this unwise bill came within a few votes of being defeated in committee. At that time I made a rather extended, if informal, statement, giving my reasons for my opposition to this type of legislation. Due to the limited time which will be permitted under the procedure for bringing up this anti-poll-tax bill, and, in view of the further fact that the hearings before this subcommittee were not printed, I submit that statement for the information of the membership of this House. If you will honor me by considering it, I believe you will agree with the conclusions reached—that this is neither sound nor constitutional legislation.

My statement, then, is as follows:

STATEMENT OF THE HONORABLE W. M. COLMER, A REPRESENTATIVE IN CONGRESS FROM THE SIXTH DISTRICT OF MISSISSIPPI

Mr. COLMER. Mr. Chairman and members of the committee, frankly, I do not know that I can contribute anything to these hearings that might have any effect upon the ultimate outcome, but I do feel that it is my duty as a Member of Congress of the United States representing a people who are vitally involved, not only in my congressional district, for that matter, but also in the rest of the United States, to appear here this morning and offer my feeble objections to the enactment of any one of these several bills that are proposed here to abolish the poll tax in those States that still retain the poll tax as a qualification for the exercise of the franchise.

Before I get into the merits or demerits of these several bills I should like to state that last year, when the President of the United States sent his message on civil rights down to the Congress that there were 78 Members of this House of Representatives—I say in frankness—all of them from my section of the country, who got together, in caucus, and went upon record by appropriate resolution as opposed to that program.

I had the honor of being selected as chairman of that group and I feel, therefore, this morning that since this is a part of the proposal embodied in that message that I am speaking here for a very large and substantial portion of the Members of the House of Representatives.

Mr. Chairman, I think this question goes far beyond the question of whether any State of this Union shall require a poll tax, the payment of a nominal sum for the privilege of exercising the franchise. In my judgment this question goes to the fundamental basis of our system of democracy and strikes at the foundation of the Republic.

Peculiarly enough, we have the unusual situation here of the proponents of this legislation who claim to be liberals, being in the rather inconsistent attitude of advocating the doctrine of a strong centralized government which was first advocated by Alexander Hamilton. No true liberal would call upon Alexander Hamilton as a witness for progressive legislation or for the broadening of the social aspects of our way of life in this country. And yet this proposal here is just one of many that strikes at the foundation of States' rights. It would further tend to the centralization of Government here in Washington for which Alexander Hamilton spoke.

Mr. BURLESON. Would you allow me to make an interruption there?

Mr. COLMER. I should be happy to have you do so.

Mr. BURLESON. In that connection, actually with reference to Alexander Hamilton, I would view this matter of liberal and conservative, as related to political views, in the opposite trend.

At one time, I understand, a liberal meant less centralization of government. In its simplicity it meant that the individual had the greatest freedom of action insofar as his economic, social, and his political life was concerned. Whereas a conservative on the other hand had the concept that government should be rather closely knit or centralized and that it should permeate itself, so to speak, in the affairs of the individual. But today the opposite is exactly the situation.

Mr. COLMER. Thank you, Mr. Chairman, you have said just what I was intimating and attempting to develop.

Mr. BURLESON. As a result it is hard to know what a liberal and a conservative is today.

Mr. COLMER. That is right. I have not seen any successful or satisfactory definition of what a liberal now is.

Mr. HAYS of Ohio. Can I interrupt you at that point, Congressman? I would just like to get this matter straight. I do think the poll tax is of tremendous importance. I do not think it is so much of an argument between liberalism and conservatism as it is an argument as to whether or not this Nation shall exist with part of the States maintaining a democracy, and part of it being run by a political oligarchy which is self-perpetuating.

Is that not fundamentally the point at issue?

Mr. COLMER. If I may digress from what I attempted to say, and hope I will get back to it, I will be very glad to comment upon the distinguished gentleman's question. I do not agree with it because I do not agree with the premises.

The gentleman proceeds upon the theory that those States which have and maintain a poll tax are a small, closely knit oligarchy, or, in other words, a boss-rule proposition. I say nothing, certainly, could be further from the truth.

No one could, I think, successfully contend that in my native State of Mississippi that any such condition exists. As a matter of fact, we have a one-party system which may or may not be a good system. That is very highly debatable. I have my own reservations on that.

We, therefore, resolve our elections which are, as Mr. BURLESON pointed out a moment ago, the primaries; and they go into issues and personalities—and unfortunately again, they do go into personalities. But I know of nowhere where there is less tendency toward domination of elections than in my State or in my section. The people in my section go to the polls and freely vote their convictions, untrammeled and uncontrolled.

And again, neither do I admit that the poll tax keeps the people from voting. In my State the poll tax of $2 is required. It is not cumulative—only to the extent that one must have paid his poll tax for the 2 years immediately preceding the time that he offers himself as a voter.

Again, that does not apply to general elections, only the primaries. And while I am on that, for the past several years, I have been tempted to take the floor of the House to answer some of these speeches and insertions placed in the CONGRESSIONAL RECORD

showing what a small percentage of the people vote in my State and in my section of the country.

That is so largely misunderstood.

Before you came in, Mr. HAYS, Mr. BRYSON testified on that and what he said about South Carolina applies to Mississippi.

It might interest you to know that as a candidate for Congress, during the last several years while I have been in Congress, I have actually gone fishing on election day and not even voted for myself. My fight was in the primary.

Up until recent years, when the social reformers have been so active, less than 10 percent of the qualified electors would go to the polls on election day in my State to vote. I have had a Republican opponent in the election and have gone fishing rather than go to the polls because it did not amount to anything. It was purely a perfunctory matter.

Mr. MARCANTONIO. May I interrupt you at that point?

Mr. COLMER. Sure.

Mr. MARCANTONIO. When was the last time you had primary opposition for Congress?

Mr. COLMER. For Congress?

Mr. MARCANTONIO. Yes. That is right.

Mr. COLMER. I have had it, I think, Mr. MARCANTONIO, every time I have been here, with the exception of once or twice, and at that time—

Mr. MARCANTONIO. What I am getting at is to bring out some statistics on the occasions when you did have primary opposition. I can understand where you did have no opposition the people would not come out to vote. That is natural. I can also understand that in the general elections in the Southern States where the outcome of the primary contest is decisive as to the election itself people don't come out to vote. That is understandable.

But what I am driving at is——

Mr. COLMER. Will you pardon me a second?

Mr. MARCANTONIO. Yes.

Mr. COLMER. My comment on that is due to statistics shown in the record they think it is the general election and not the primary——

Mr. MARCANTONIO. I want to get the primary figures on the occasions when you did have opposition. I hope you will state for the record the population of these districts and the number of people who participated in the primary contest for Representatives of Congress.

Mr. COLMER. I would be happy to do that. I could not give you the exact figures. I will be glad to give you right now the approximate figures. The population in my district is approximately 300,000. The voting in the primary runs approximately 45,000.

But may I point out again, that is not a test. It is an off-year election.

Mr. MARCANTONIO. Would you call an election for Representatives in Congress an off year?

Mr. COLMER. That is what we call them. We do not elect at that time the State officers. For the record again, I do recall now that in the last—what we call locally again—the general election, which is not the general election, but it is general in the sense that the State officers are elected and not Members of Congress—there are 88,000-plus voted in my congressional district.

Mr. LECOMPTE. In the primary?

Mr. COLMER. In the primary. That was when everyone from the constable to the Governor was elected at the State offices. The voters do not turn out on these off-year elections because there is not the interest in electing a Member of Congress as there is in electing the members of the board of supervisors, and constable, and the sheriff, and the Governor and so on.

Mr. HAYS of Ohio. What is the population of Mississippi roughly?

Mr. COLMER. It would be——

Mr. LECOMPTE. Two or two and a quarter million.

Mr. COLMER. It is approximately between two and a quarter million and two and a half million. It is about two and——

Mr. LECOMPTE. Two and a half million?

Mr. COLMER. Less than two and a quarter million, according to the 1940 census.

Mr. HAYS of Ohio. I recall that not long ago there was a contest for the unexpired term of a United States Senator.

Mr. COLMER. I recall that, too.

Mr. HAYS of Ohio. Am I correct when I say there were seven candidates, or is it five?

Mr. COLMER. Five.

Mr. HAYS of Ohio. There is no reflection at all upon the gentleman who won because I know him slightly and consider him a very fine gentleman. What percentage of the total do you suppose he got?

Mr. COLMER. I happen to be a little familiar with that.

Mr. HAYS of Ohio. I am asking for information. I do not have the remotest idea and I am not trying to lead you on. I am just asking for information.

Mr. MARCANTONIO. The gentleman was a candidate for the United States Senate.

Mr. HAYS of Ohio. I did not know.

Mr. COLMER. That again was a special election.

Mr. HAYS of Ohio. With as many personalities as there were in and with somewhat of an explosive situation, I thought there was a great deal of interest in it. In Ohio such a situation would be as important as a Presidential election and bring out as many people.

Mr. COLMER. I never saw such apathy. I could not give you a percentage. But there were five candidates. There were less than 200,000 votes cast. I happen to have been the runner-up in the election and missed it by some 4,200 votes.

Mr. HAYS of Ohio. I would like to point out here that I did not realize my colleague was a candidate in that election. I knew Mr. RANKIN was and the Senator who was elected and the other three names had slipped my mind.

Mr. COLMER. Unfortunately, there were too many other people down there who did not realize I was a candidate.

Mr. LECOMPTE. Well, we have digressed a long way and this is clearly remote from the question. But do you not have a run-off primary down there; or do you?

Mr. COLMER. We do have run-offs, but this was a special election.

Mr. LECOMPTE. This was not a primary. This was a special election.

Mr. BURLESON. Plurality.

Mr. LECOMPTE. That is beside the point anyhow.

Mr. MARCANTONIO. The theory you are trying to establish is that the votes for Congress in the primary are local, simply because the congressional elections are off-year elections.

Mr. COLMER. That is right.

Mr. MARCANTONIO. And the votes for such offices as sheriff and members of the board of supervisors are higher?

Mr. COLMER. That is correct.

Mr. MARCANTONIO. But the vote for the election of a United States Senator in a special election to fill the unexpired term of a Member of the United States Senate for Mississippi you will admit was abnormally low?

Mr. COLMER. I certainly do admit it.

Mr. MARCANTONIO. And your explanation for that is that it is the result of apathy despite the fact that some of the candidates in that campaign were very active gentlemen and were bound to arouse interest in the voters?

Mr. COLMER. That, Mr. MARCANTONIO, is the fact. Our primaries are held in the summer. That was in the fall when the harvesting season was on. Mississippi, as you know, is a great cotton-producing State and the weather was good and the people were in the cotton fields trying to get their crops in.

Mr. MARCANTONIO. If I may interrupt you again—my reason for pressing this point, I think, is obvious, because while there may be explanations for statistics that are quite important, the proceeding in this senatorial election, if I recollect—Senator Bilbo had quite a contest which was described by the newspapers of the country as "hot." It may have been an inaccurate description. Do you recall how many votes were cast in that primary?

That was a run-off. Wasn't it?

Mr. COLMER. Well, there was once. He had several contests, but I do not recall that there was a run-off in the election primary. But let me say this, for the interest that it might involve, wherever Senator Bilbo was involved in Mississippi, there was always interest. He was a colorful figure.

Mr. MARCANTONIO. I am not concerned with Senator Bilbo at this time.

Mr. COLMER. I have no reflections to cast upon him.

Mr. MARCANTONIO. I am not casting any reflections upon him. That is not my purpose. What I am trying to bring out is that this election contest, as you admit, had tremendous interest; and, as you say, the feeling there was that you were either for or against Bilbo. In that atmosphere in any other State you would expect a tremendous turn-out—a tremendous vote in respect of the population.

Isn't it a fact that, despite all this interest, even in those elections, the vote was relatively small?

Mr. COLMER. No. I won't admit that. I do not recall, as I say, the figures offhand. Therefore I am not in a position to admit.

Mr. MARCANTONIO. I was not bringing up that situation for the purpose of politics or anything. I am trying to get some statistics and to establish that, despite the tremendous interest in those elections, at which he was involved, unless I am greatly mistaken, you can compare the turn-out of voters at those elections, the percentages of the population who voted, together with the percentage of those who voted in any Senate election in any State of the United States, you will find the vote cast was much lower than normally cast in any other State, even though it occurred in an election in which Senator Bilbo was involved. There was tremendous interest in the press, anyway.

Mr. COLMER. Again, I would like to refer to the fact that statistics are usually put out about the elections in Mississippi and the South, as I have had occasion to note them—they are based upon the general election where we are under the one-party system. There you do not have much of a turn-out of the electorate.

Mr. MARCANTONIO. I have been with this question for quite a number of years. I never used the general election figures. But I am sure that a comparison of figures in the primaries will demonstrate the percentage of people voting at those primaries is very low as compared with the percentage of votes in other States.

Mr. COLMER. Now getting back to the merits of this legislation, I might say in passing, that in my judgment you are not going to get any great increase in the number of voters as a result of the repeal of the poll tax. I concede there would be some but I do not think it would be substantial.

It is pretty hard to say that $2 would prevent one interested in his Government——

Mr. MARCANTONIO. May I ask you about the $2? Is it cumulative?

Mr. COLMER. Only to the extent of 2 years.

Mr. MARCANTONIO. Only to the extent that a person who had not paid it for 2 years—that would be $4 he would have to pay.

Mr. COLMER. Yes.

As I said a moment ago, it goes beyond that. It goes to the question of a strong, centralized government. It goes to the question of the power of Congress to prescribe the prerequisite for voting as against the right of the States to prescribe it.

I want to just point this out to you—I do not think this is open to debate—if the Congress of the United States can constitutionally pass legislation that will say that the State of Texas, the States of Iowa, Pennsylvania, and New York, or wherever else it may be, cannot have a provision or a requirement for the payment of a poll tax, then does it not logically follow that the Congress of the United States can also prescribe what qualification there shall be for an elector to vote?

If it can do one it can do the other. Then you come back again to the Government, the right of franchise, and everything else that governs the rights and freedom of the individual emanating from Washington. It is just another step.

I say, if the Congress of the United States can legally and constitutionally pass such a restriction or prohibition, then it can also say legally and constitutionally what the qualifications of the electors of Pennsylvania and New York can be.

With the indulgence of the committee I should like to add an argument on the constitutional phase of this matter which I confess was not prepared by me but by the Library of Congress.

Mr. MARCANTONIO. Before you proceed with that, may I ask another question?

Mr. COLMER. Yes.

Mr. MARCANTONIO. You base your argument that poll tax is a qualification for voting. You have never considered it in the light of a restriction. Have you?

And you will admit that if it were a restriction on the elective franchise, that Congress does have the power to deal with it?

Mr. COLMER. I do not admit whether if it is taken as a restriction or a qualification the Congress has anything to do with it, because the Constitution of the United States sets out in what I think is very clear terms a decision on that question.

Generally, these proposals on the poll tax can be divided into two groups—the first proposing an amendment to the United States forbidding States and local subdivisions from requiring the payment of a tax as a prerequisite to voting; and second, those seeking by enactment of a law to make the exaction of such a tax unlawful.

It is the latter case, I understand, that this committee is concerned with now.

These proposals have received careful study and consideration. The arguments pro and con on these controversial proposals have been stated and restated.

Before going into the constitutional aspects of the problem, it may be well, as a matter of caution, to recall a statement of Charles Evans Hughes to the effect that the Constitution is what the Supreme Court says it is.

Furthermore, on the matter of interpretation, Mr. Justice Holmes once said:

"The great ordinances of the Constitution do not establish and divide fields of black and white. Even the more specific of them are found to terminate in a penumbra shading gradually from one extreme to another." (*Springer* v. *The Philippine Islands* (277 U. S. 189, 209).)

Before taking up the matter of qualifications, I wish to state emphatically that there is no right of national citizenship to vote. The right to vote for Members of Congress is given only to such United States citizens as possess qualifications for voting in the States for the most numerous branch of the State legislature.

What are qualifications insofar as voters are concerned?

The question of qualifications of electors was carefully debated in the Constitutional Convention. Serious consideration was given to the proposal that the right of suffrage be vested in freeholders as the best guardians of liberty.

Mr. Morris proposed this limitation on the franchise because he objected to making the question of qualifications dependent upon the will of the States. But Mr. Ellsworth warned that the right of suffrage was a tender point and strongly guarded by a number of the State constitutions; that any change in the system might prevent approval of the proposed National Constitution.

Mr. Wilson informed the Convention that the matter had been carefully considered in committee, that it was difficult to formulate a uniform rule of qualifications for all the States. He warned that a disagreeable situation might arise if electors of the State legislature and Congress were not the same.

Mr. Mason called the attention of the Convention to the fact that eight or nine States had already abolished the freehold qualification. Mr. Madison, nevertheless, thought that the regulation of suffrage in national elections ought not to be left to the States and he argued that viewing the subject on its merits, "the freeholders of the country would be the safest depositories of republican liberty."

Thus we see that there was a threefold contest between those who wished a uniform qualification for electors, those who wished the power to prescribe qualifications to be vested in Congress, and those who wished the Constitution to prescribe as qualifications those qualifications which the respective States prescribe for the electors of the most numerous branch of the State legislature. The last group prevailed and after 2 days of active debate they left the Constitution in this respect as it now stands.

The whole problem of providing uniform qualifications was summarized by Alexander Hamilton in the Federalist:

"To have reduced the different qualifications in the different States to one uniform rule would probably be as dissatisfactory to some of the States as it would have been difficult to the Convention. The provision made by the Convention appears, therefore, to be the best that lay in their option. It must be satisfactory to every State; because it is conformable to the standard already established, or which may be established by the State itself."

Let us consider the exact wording of article I, section 2, of the Constitution, which states:

"The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature."

The same provision is now carried in the seventeenth amendment, which relates to the election of Senators. Under this provision, Congress undoubtedly has the power to legislate so as to require that States do elect Members of Congress every second year. Furthermore Congress undoubtedly has the power to protect the right which the Constitution vested in such persons in the States as have the qualifications requisite to vote for members of the most numerous branch of the State legislature to see that the States make the same provisions applicable as for qualifications for electors of Members of Congress. There is an implied prohibition, of course, against States fixing for electors of Members of Congress different requirements for suffrage from those which the State has fixed for the electors of their most numerous branch.

One writer on the subject of the poll tax has pointed out that, strangely, it was first considered a major step in the expansion of suffrage in that a number of States made it an alternative to the qualification of ownership of property (53 Harv. L. R. 645, 646). Without laboring the point of whether payment of a poll tax is or is not a "qualification" within the meaning of the term as used in article I, section 2, and in the seventeeth amendment, suffice it to say that the Supreme Court in *Breedlove* v. *Suttles, Tax Collector* (302 U. S. 277), held that payment "as a prerequisite (to voting) is not required for the purpose of denying or abridging the privilege of voting. * * * Exaction of payment before registration undoubtedly serves to aid collection from electors desiring to vote, but that use of the States' power is not prevented by the Federal Constitution. (Cf. *Magnano Co.* v. *Hamilton* (292 U. S. 40, 44 (p. 282).) * * * Privilege of voting is not derived from the United States, but is conferred by the State, and save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate. (*Minor* v. *Happersett* (21 Wall. 162, 170 et seq.). *Ex parte Yarbrough* (110 U. S. 651, 664–665). *McPherson* v. *Blacker* (146 U. S. 1, 37–38). *Guinn* v. *United States* (238 U. S. 347, 362 (p. 283)).) Appellant in the Breedlove case had specifically contended that the privilege of voting for Federal officials was one to which he was entitled "unrestricted by a tax unreasonably imposed through State invasion of his rights as a citizen of the United States" (p. 279).

Persons who earnestly attempted to read meaning into the Breedlove case on the basis of *Pirtle* v. *Brown* (118 F. (2d) 218) were no doubt greatly disappointed when the Supreme Court refused to grant certiorari (314 U. S. 621). (See Boudin, State Poll Taxes, 28 Va. L. Rev. 1.) *United States* v. *Classic* (313 U. S. 299) in deciding that qualified voters in a Louisiana election have the right to have their vote counted as cast, within the protection of article I, section 4, offers little support to those desiring Federal legislation on qualifications of voters.

The States may not, of course, prescribe the qualifications of voters for Members of Congress as such, but qualifications prescribed by the States for electors of the most numerous branch of their legislatures are adopted by the Federal Constitution as the qualifications for this purpose. *Ex parte Yarbrough* (110 U. S. 651, 663):

"It is not true, therefore, that electors for Members of Congress owe their right to vote to the State law in any sense which makes the exercise of the right to depend exclusively on the law of the State" (pp. 663–664).

Nor does their use make the statutes and constitutional provisions of the various States in reference to the qualifications of electors parts of the Constitution or laws of the United States. (*Shoshone Mining Co.* v. *Rutter* (177 U. S. 505, 508) (dicta).)

In the matter of denial to the States of the right to require a given qualification for electors at a Federal election, it may be stated that a review of the historical background of the constitutional provision discloses on real intention that this whole subject should be under the control of the Federal Government. In fact, a converse intention is supported by the very adoption of the fourteenth and fifteenth amendments which demonstrate a common understanding that the final authority as to who shall vote rests with the States. It would indeed be a singular discovery if at this time it were found to rest with the Federal Government.

The question of providing affirmative standards was considered at the time the fifteenth amendment was adopted. At that time there was little real difference of opinion among leaders in Congress as to the desirability of enlarging the sphere of political liberty.

"The chief difficulty in accomplishing the result lay in the fact is [sic] could apparently be done only by limiting the sphere of governmental action in all the States to a corresponding extent. There was a feeling too widespread to be safely antagonized that the regulation of the suffrage was a matter properly belonging to the State governments." (Mathew, Legislative and Judicial History of the Fifteenth Amendment (1909) p. 12.)

A foreign writer has noted that when the question of affirmative control was originally proposed in the fifteenth amendment, loyal States opposed such control under Federal law. (See von Holst, the Constitution of the United States of America (1887), pp. 240–241.)

Considerable time and energy has been devoted by proponents of Federal restriction of the poll tax to article I, section 4, and the case of *Ex parte Yarbrough* (110 U. S. 651). Article I, section 4, provides that the times, places, and manner of holding elections for Senators and Representatives shall be prescribed by the States but Congress may make or alter these regulations.

This provision merely relates to the mechanical aspects of conducting an election. Granted that the Federal Government could step in and conduct the polls under this provision, the question could still be raised, "Who shall vote?"

Article I, section 2, and the seventeenth amendment say they shall be those persons having qualifications requisite for electors of the most numerous branch of the State legislatures. It would therefore seem clear that the register of votes at the Federal polls must coincide with the State register. So much of the dicta in the Yarbrough case which says the States may not prescribe qualification of voters for Members of Congress as such, is correct but it could have added that conversely, the Federal Government cannot, so long as the above constitutional limitations stand, prescribe the qualifications of electors of the most numerous branch of the State legislature by requiring differing standards for electors at the Federal poll.

The Constitution in effect adopts the registration list of the State and until State restriction reaches the political question of the guarantee of a republican form of government, or reaches a point warranting the invocation of article II of the fourteenth amendment, legislative remedy is lacking. Remedy, if remedy is desired, it appears, lies in the further amendment of the Constitution.

In connection with article I, section 4, it is interesting to note that serious consideration was given to a proposal to delete the provision authorizing Congress to alter the times, places, and manner of holding elections when the seventeenth amendment was debated in Congress. Instead of enlarging Federal control, there was a definite and serious attempt to curtail it. The clause relating to qualifications of electors (par. 1) apparently raised no issue. (See H. J. Res. 39, 62d Cong.; H. Rept. 2; S. Rept. 35 and CONGRESSIONAL RECORD, vol. 47, pp. 203–243, vol. 47, pp. 1592–1594, 1735–1743, 1879–1925, 1949–1966.)

Returning briefly to the fourteenth and fifteenth amendments, when the fourteenth was adopted it was claimed by some that the privileges and immunities clause denied to the States the power to restrict the right to suffrage. When the fifteenth was under consideration some Members of Congress thought it unnecessary because, they said, Congress could invoke the privileges and immunities clause by legislative action. That view was not accepted either by Congress which submitted the fifteenth amendment to the States or later by the Supreme Court for in the Slaughterhouse cases the Court laid down the distinction between the right of a citizen of a State and the rights of a citizen of the United States as such. This distinction was in line with the view of Mr. Bingham, of Ohio, who drafted some of the language found in the fourteenth and who said in debate: "This amendment takes away from no State any right that ever pertained to it. * * * The amendment does not give, as the section shows, the power to Congress of regulating suffrage in the several States."

Furthermore, "The second section excludes the conclusion that by the first section suffrage is subjected to congressional law."

These views were reiterated in the Senate debate and prevailed.

Concluding on the question of prescription of affirmative qualifications by the Federal Government, it is difficult to see where proponents will find either constitutional or historical support of the contention that such affirmative power exists. Rather, it would seem to be a political question of providing for such control by means of an amendment to the Constitution if the country desires Federal intervention.

In these moments that I have left, I want to discuss this question in its broader aspects and its implications. As one who finds himself attempting to be frank, and as one very much interested and concerned about the present trend of movements in this country—I think we might just as well face this whole issue in Congress and recognize that it is a political one. It does not require any particular courage on my part to appear before this committee today and argue against this—that is, political courage. The majority of my people feel about this matter as I do.

We are not much concerned about the poll tax here. I hold no brief for the poll tax as such. Let me tell you just briefly by way of digression, that one reason why the poll tax has existed as long in the South as it has—you know it without my going into it—is that, prior to the Civil War, most of the States of the Union had poll-tax requirements. Following the Civil War, the South was a devastated, if not a conquered, people.

We have had our problems of economy. We have had an up-hill fight to keep our institutions of Government functioning. My State today is frequently pointed out as the lowest in standards of educational opportunities furnished to the children of that State. And yet, it is an undisputed fact that the people of the State of Mississippi tax themselves more highly per capita than the people of any State in the Union for educational purposes.

The poll-tax receipts have gone into education for the education of the youth, both the white and the black——

Mr. LECOMPTE. Would you let me interrupt you there?

Mr. COLMER. Very happy to.

Mr. LECOMPTE. Regardless of whether Congress has the right to do it, or how it is done, if the poll tax as a prerequisite of voting, by some process of law—if the requirement for voting were removed—would the receipts for poll tax sink very materially the funds that are used for educational purposes? I mean by that, a good many people who pay the poll tax for the sake of voting, if they did not have to, they would not pay the poll tax and you would not have as much money, for school purposes. That is what I am trying to ask.

Mr. COLMER. Yes.

Mr. LECOMPTE. The school fund would suffer.

Mr. COLMER. The school fund, of necessity, would suffer if the poll tax were abolished.

Mr. LECOMPTE. But if just abolished as a requisite of voting?

Mr. COLMER. I do not think you would get anything like as much money. But that is one reason why it is held on. I hold no brief for it as such. If I were a member of the State Legislature of Mississippi I think I would consider a vote to abolish it.

Mr. LECOMPTE. You would vote to abolish it completely?

Mr. COLMER. Yes; I think so. One reason, because it has been a source of so much controversy and furnishes the political enemies of my section with ammunition for their ends.

Mr. BURLESON. You mean the controversy outside the State?

Mr. COLMER. Yes. The controversy outside the State.

Mr. MARCANTONIO. May I interrupt you there?

Mr. COLMER. Yes.

Mr. MARCANTONIO. We have had the poll-tax question here and have voted on it in the Seventy-sixth, Seventy-seventh, Seventy-eighth, and Seventy-ninth Congresses.

Mr. BURLESON. And Eightieth.

Mr. MARCANTONIO. That should be Seventy-sixth, Seventy-eighth, Seventy-ninth, and Eightieth Congresses. During this period the question has been agitated annually in the National Legislature. How many States have abolished it?

Mr. COLMER. I am sorry, I can't answer that question.

Mr. MARCANTONIO. I believe it is one or two.

Mr. COLMER. There is a general tendency in my section of the country to get away from it, and I want to reiterate what Mr. BRYSON said when he was here a moment ago. I think the quickest way that those outside of the South who are interested in seeing the poll tax abolished—the quickest way for them to attain that objective would be to quit agitating the subject.

Whether we are Mississippians or New Yorkers, we, as Americans, just don't like to have this outside interference continuously encroaching upon us and attempting to direct our local affairs. The spirit of true Americans resent that. We have seen that happen so many times in elections in the South where some outsider—whether the President of the United States, or whoever it was—would try to influence our elections. The reaction was always in the opposite direction. So I think we could get rid of it and would abolish it in the South much more quickly if that were done.

But if it is to be done, it should be done in a constitutional way, either by the State legislatures abolishing it or by constitutional amendment.

Mr. MARCANTONIO. Would you vote for a constitutional amendment?

Mr. COLMER. That is just a little difficult question for me to answer. I have not given a great deal of thought to it. I would say I would unhesitatingly prefer that method to the one that is sought here by a congressional act. I would have to bear in mind a number of questions—the one that was raised by Mr. LECOMPTE a moment ago—the educational——

Mr. MARCANTONIO. The reason I ask that question is—my position is clear. I am for this legislation and I think any talk of a constitutional amendment is only for the purpose of delay. However, there is a great deal of talk now in the United States Senate of dealing with this question in a constitutional manner, and those who say they want to abolish the poll tax will advocate the constitutional-amendment procedure. They try to support their contention by stating that if there were a constitutional amendment offered the gentlemen from the Southern States would support such an amendment.

That is why I ask

Mr. COLMER. I understood the gentleman's question.

Mr. MARCANTONIO. I was not pressing you, personally. I want to find out myself whether these advocates for the constitutional amendment are buying anything unless they compromise and get something in

return. They say the amendment would receive support from the Southern States. I am inclined to believe to the contrary. I am inclined to believe that with but very few exceptions you gentlemen will oppose anti-poll-tax legislation, and that you will oppose an anti-poll-tax amendment as well.

Mr. COLMER. That is a question which would have to be decided by the individual.

Let me say further along that line—getting back to this over-all question—this agitation comes, of course, from outside the Southern States for this congressional edict repealing the tax. It is the same people who advocate the antilynch law, nonsegregation, the FEPC, and all of these other so-called reform movements.

I am not going to go into all those questions here. Naturally, I am just as opposed to them as the gentleman from New York who has questioned me, favors them.

I oppose them upon the ground that they are contrary to the constitutional provisions and, further, upon the ground that this further centralization of Government in Washington could only result in one thing, and that is the defeat, the ultimate defeat, of the one objective of what most proponents of this thing claim they are seeking. That is the freedom of the individual.

As the Government is centralized and the Federal Government takes power, it is usurping the power of the State and of the individual. Every time the Federal Government moves into a new field of operation in the so-called social reforms it is circumscribing the freedom of the individual. I do not think it is, for those who study the question, possible to come to any other conclusion.

Let us take the antilynching law which is more or less on a part with this. If it is argued that the Congress of the United States can pass a law which says that those charged with a lynching which occurs intrastate—in other words, wholly within the State—that the Federal Government can move in and try those charged with the lynching, then can it successfully be argued that the Federal Congress cannot also pass laws which would make every other crime that occurred with a State a Federal offense and try the individual or individuals in the Federal rather than in the State courts.

Mr. LECOMPTE. Will the gentleman yield?

Mr. COLMER. Yes.

Mr. LECOMPTE. The Federal Government does have police powers and the Federal Government has moved into that field in some respects. For instance, the Congress has enacted as to the case of the Lindbergh child and the case of kidnaping legislation suitable laws. We have moved into that. Have we not?

Mr. COLMER. An interstate feature is involved there.

Mr. LECOMPTE. I have never read the legislation. I wondered how they got at it.

Mr. COLMER. That is an entirely different proposition.

Mr. LECOMPTE. Kidnaping—that does not have an intrastate feature which is not covered by the Federal statute. Is that right?

Mr. COLMER. Yes, that is correct.

Mr. MARCANTONIO. Mr. Chairman, I am interested in a matter of labor——

Mr. HAYS of Ohio. I would like to have the witness come back tomorrow.

Mr. LECOMPTE. So would I.

Mr. HAYS of Ohio. I wonder if we could not have 2 minutes of executive session, if you do not mind? I want to be on the floor, too.

Mr. MARCANTONIO. The Speaker has agreed to recognize Mr. LESINSKI and I want to be there.

Mr. HAYS of Ohio. I just want to make a motion whether we are in open session or closed session. I would like to move that these hearings end next Tuesday.

Mr. MARCANTONIO. I second that motion.

Mr. BURLESON. The motion has been moved and seconded. Let us consider it a little further. We have these Members of Congress scheduled to be heard: Mr. OREN HARRIS, Congressman; Congressman GATHINGS, of Arkansas; Congressman JOHN BELL WILLIAMS, Congressman SIKES, Congressman HOBBS. Congressman GOSSETT.

Mr. LECOMPTE. I thought Congressman GOSSETT was heard?

Mr. BURLESON. No. He was scheduled.

I am sure you would not want to deny a Member of Congress opportunity to appear before this committee.

Mr. HAYS of Ohio. I want them all to be heard, but I do not want them to go on indefinitely all summer.

We closed against the proponents and set a time after which they would not be heard. We have heard six of the opponents and we cannot go on all summer. I have made a motion and would like a roll call.

Mr. BURLESON. Twelve proponents have been heard, six opponents and there are six yet to be heard.

The reason you want to have the hearings closed on Tuesday——

Mr. HAYS of Ohio. Is so we can bring it before the committee for June meeting.

Mr. BURLESON. Have you any intimation that there is any demand by the leadership to bring this legislation to the floor?

Mr. HAYS of Ohio. I am not aware that the leadership wants it pigeonholed.

Mr. BURLESON. I think you should be.

Mr. MARCANTONIO. I do not wish to miss this vote. At the same time I do not want to cut off this session. I have to be on the floor, so may I ask that this motion be deferred until our next meeting.

Mr. JAMES. Will we meet tomorrow?

Mr. BURLESON. That is the thing the committee should decide. Would you be willing to withdraw your motion and present it tomorrow?

Mr. HAYS of Ohio. Yes: I would.

Mr. LECOMPTE. Let us agree to that.

Mr. MARCANTONIO. Do we want to meet tomorrow?

Mr. HAYS of Ohio. I cannot be here tomorrow. I will make the motion Monday.

Mr. BURLESON. What are your individual desires?

Mr. MARCANTONIO. Let us leave it till Monday and not meet tomorrow.

Mr. BURLESON. Is that agreeable?

Mr. LECOMPTE. Let us have Mr. COLMER back if we can.

Mr. BURLESON. We will invite you back, Mr. COLMER, if you will appear Monday morning. And we will instruct the committee clerk to advise Mr. GATHINGS and Mr. HARRIS of Arkansas to be here at 10 o'clock Monday morning.

Mr. LECOMPTE. What about Mr. GOSSETT?

Mr. BURLESON. We will reschedule him.

Mr. COLMER. I have just about finished my statement. If the committee wants me back, I will be very happy to come.

Mr. BURLESON. We shall be very happy to have you.

You have been a most interesting witness and I appreciate and I know the committee does appreciate your impressions here.

Mr. COLMER. I do not wish to leave the matter in the air. Coming back to this question of the antilynch law, I merely referred to that to illustrate the point involved here. Certainly no one would be justified in taking the position that I favored lynching. On the contrary, I served as a prosecuting attorney for many years before I came to Congress and on one occasion I think I can say that I almost single-handed prevented a lynching of a man who was charged with a heinous crime.

Later I prosecuted him and he was convicted and paid the supreme penalty.

But the point I am endeavoring to get over to this committee is that the antilynch law is in the same category as the poll tax in that it is just another effort of these reformers to centralize government in Washington. Bearing in mind again that every time the Federal Government moves into the field of human rights at the expense of State rights, to that extent it is lessening the freedom of the individual whom these people claim, as advocates of this type of legislation, to be endeavoring to assist and protect.

Mr. Chairman, there are a number of other arguments which, if time permitted, I should like to present to this committee. If the committee so desires, I would be happy to come back but I do want to conclude with this brief statement.

On this over-all picture of this kind of legislation, it can result only in the lessening of the rights and freedoms of the individual rather than the protection and broadening of the individual's rights. These advocates of this type of legislation are divided into two classes. They are the so-called do-gooders who, for honest, conscientious reasons, believe in this type of legislation. They are the Utopian reformers. The other and much larger class are the politicians.

I am appealing to this committee, and through this committee, not to bring about the lessening of the freedom of the individual and the destruction of the sovereign rights of the States in the name of political reform.

Thank you, Mr. Chairman.

Mr. BURLESON. Congressman COLMER, I certainly agree with you. I want to repeat that certainly I appreciate your statement, and as was expressed by the other committee members here, I know that the entire committee is very conscious of your presentation of this matter. And I hope, as was expressed on both sides of the table, that you will be back with us on Monday morning and will further pursue the discussion of this thing.

Mr. COLMER. Thank you.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. GATHINGS. Mr. Speaker, article I, section 2, of the Constitution of the United States, provides as follows:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislation.

There is no question that the matter of the qualifications of electors is a State function exclusively and solely. Any Federal legislation which attempts to outlaw the poll tax not only violates the Constitution of the United States, but violates the rights of the people of the several States. Congress can protect the manner of holding elections in which Members of the House of Representatives and of the Senate are being voted upon but the States themselves must and shall determine the qualifications of the voters. The qualifications of voters are expressly reserved to the States. Such qualifications are among the powers not delegated to the United States and are, therefore, reserved to the States themselves or the people, under the tenth amendment to the Constitution. Members of the House of Representatives or of the United States Senate should not violate their oaths of office to uphold the Constitution by supporting an unconstitutional bill. The Federal Government did not create the States of the Union. This Government is the creature of the several States. You

have but to read the debates of the Constitutional Convention to realize the extent that the Delegates concerned themselves in preserving the powers and prerogatives of the States and in limiting the powers of the Central Government.

If any type of poll-tax legislation is ever passed it should be done by the States; not Congress.

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, each Member of the House of Representatives has been served with notice that H. R. 3199, commonly known as the poll tax bill will be called up for debate on Monday, July 25, 1949. This bill should properly be called the anti-poll-tax bill, because the bill seeks to make unlawful the requirement that Alabama and some six other States have requiring the payment of a poll tax as a prerequisite to voting in a primary or other election in which national officers, such as Congressmen and Senators are elected.

I have always held to what I conceive to be the very sound view that any anti-poll-tax bill—such as H. R. 3199—passed by the Congress would be declared unconstitutional. Such a law would be stricken down by the Supreme Court of the United States.

If the proponents of this anti-poll-tax bill are sincere, if they really want to see the payment of poll taxes as a qualification for voting abolished, the only route open to them is through the passage through this Congress of a constitutional amendment to that effect.

There is a widespread difference of opinion in Alabama, and throughout the States that require payment of a poll tax, as to whether the tax is fair, equitable, or just. Many of those who believe that the poll tax is a reasonable qualification for voters to meet object to the cumulative features of it. Many citizens of Alabama do not believe the State of Alabama should require the payment of a poll tax. For years bills have been introduced in the Alabama Legislature proposing a constitutional amendment to the constitution of Alabama which requires payment of a poll tax.

But, Mr. Speaker and gentlemen, the controversy as to whether we shall or shall not have a poll tax is one to be solved by the citizenship of Alabama. It is none of our business here. The States have not yet given up the right to fix voter qualifications. The Congress has no jurisdiction over the matter in the form which this anti-poll-tax bill takes.

It is entirely possible that Alabama would have long since abolished the poll tax, were it not for the resentment that the people of my State feel toward those from other sections who seem to delight in trying to tell us how to run our local affairs. The people of Alabama cannot be browbeaten into abolishing the poll tax.

The proceeds of the poll tax in Alabama goes to the support of her schools, schools for the colored race as well as the white race. The colored people are making great progress in Alabama. I wish it were possible for each of you to see and understand the progress they are making. They are making that progress within the framework of our southern customs and will continue to do so.

I suppose that this anti-poll-tax bill is the forerunner of other proposals that some of you ladies and gentlemen of the House have in mind. Let us understand each other. The South will continue to have segregation of the races. Segregation is an established custom in the South. White children and Negro children do not now, and will not in the foreseeable future go to school together. All the demagogic demonstrations of those on the other side of this question will not change this custom. These agitations do neither the white man nor the colored man good in the South.

Let us alone in the South about our local customs. Let the two races continue to make progress. Let us continue to understand and appreciate one another.

The other States of the Union can do as they like about segregation. The choice they make or have made about the matter is their own concern. I have no quarrel with the other States about how they solve the matter of their race relationships.

It seems such a shame that we should now begin the consideration of these so-called civil rights bills, which are so time consuming, and which lend themselves to so much insincerity and demagogery. This is especially true now when there is so much to be done, so much beneficial legislation to be acted upon at this time.

This House meets again on Monday, July 25. Has it occurred to you that on that day the readjustment allowances provided for veterans of World War II under the GI bill of rights expires? This law was enacted in 1944 as the expression of a grateful nation that it did not desire its veterans to starve during the period of readjustment that we all felt would follow the war. Fortunately, up until now we have not had widespread unemployment. Now the specter of unemployment is beginning to fall heavily on us. Most veterans of World War II have had jobs since they were discharged from the armed services. Most of them have not called on their Government for these readjustment allowances provided by law. Now, veterans generally speaking are being laid off first. They have not been employed long enough to build up the seniority that is becoming so vital. Most of them have no protection at all under the unemployment compensation laws. If it was wise in the first place to enact the law providing for readjustment allowances for our veterans, and I think it was, it is certainly wise now to continue it at the time when economic readjustment for most veterans is just beginning. The Legislature of Alabama, now in session, has petitioned the Congress to extend this law. The American Legion of Alabama has petitioned for its extension. The President of the United States has recommended it. The extension of this law would help the veterans of World War II, whether white or black, to go through the period of readjustment that we appear to be entering.

We talk a lot about making a good record in this Congress. We have done some good things, but we have left many undone. If this Congress enacts Federal-aid-to-education legislation it will do something that will cause its record to live in the hearts of the people of this country. Such legislation will strengthen our democracy. It will give the humblest son of the humblest citizen of this country a better chance to develop himself as far as his abilities will carry him. On coming generations of white children and black children will profit by this legislation. Equalization of educational opportunity is a star of hope for millions of our people.

There are many other important things to be done. Yet we will waste time in prolonged consideration of the anti-poll-tax bill—something we have no jurisdiction over in the form that the bill brings it before us. We will be fighting with windmills. We will trample on each others feelings, and make it all the more difficult to enact into law those things that this Congress ought to do if it expects to retain the support and respect of the American people.

I beg of you my friends that we leave poll-tax legislation to the States where it belongs. The sands of this Congress are running out. Let us pass on to the important, unfinished matters before us. Let us show the people of this country that we are truly interested in the solution of the great problems that pertain to their welfare.

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. GOSSETT] is recognized for 5 minutes.

ANTI-POLL-TAX LEGISLATION

Mr. GOSSETT. Mr. Speaker, I am extremely sorry that some of our friends are insisting on Monday to bring up the so-called anti-poll-tax bill. I believe that any lawyer, regardless of his learning, will readily admit that the anti-poll-tax bill is unconstitutional. The most clearly defined provisions of the Constitution, it seems to me, are those which make the question of franchise a matter of State sovereignty and State jurisdiction.

There are only some seven States which now have poll taxes; all of those States have under consideration the repeal of those poll taxes and the substitution for the poll tax of a registration act. My own State of Texas in its recent legislative session voted to submit to the people a constitutional amendment to repeal the State poll tax and to substitute therefor a registration act. That is to be voted upon in Texas this fall. Texans know this is a State problem and a constitutional problem.

This anti-poll-tax bill that is to be brought up in Congress next week is an affront, a gratuitous insult to those States that retain the poll tax. We resent that form of pressure being brought upon us, the attempt to say through Federal legislation how we shall conduct our elections in the States.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. GOSSETT. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. In the event the State of Texas voted to retain the poll tax, the Congress of the United States would, if we pass the anti-poll-tax bill, be overriding a right the Constitution vests in the State of Texas and the other States of the Union.

Mr. GOSSETT. Exactly; yes.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. COLMER. Does not the gentleman also see in this movement the first step in the Federal control of elections in the various States and at the expense of State sovereignty?

Mr. GOSSETT. The gentleman is unquestionably correct. If the anti-poll-tax bill is passed by this Congress, if it is constitutional and upheld by the courts, then certainly the question of elections becomes a matter of Federal sovereignty from there on out and further Federal legislation on the subject would follow.

Mr. COLMER. Is it not also true that if this Congress can legally and constitutionally provide that the State of Texas or any other State cannot have a poll-tax requirement for the right of the exercise of franchise, then this Congress can also legally and constitutionally prescribe what qualifications shall be required for the sovereign voters of the sovereign States.

Mr. GOSSETT. That, of course, follows logically.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. MASON. I say that that naturally follows the assumption that you can say this or that; it naturally follows, and that is the great danger in that thing.

Mr. GOSSETT. There is a principle involved here that is far more serious than poll taxes, antipoll taxes or registrations acts. If, as I think all of us will admit, the Constitution provides that the franchise is a matter within the exercise of State sovereignty, and if we violate and if we trample upon the Constitution in this particular then we have brought constitutional government itself into disrepute.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GOSSETT. I yield to the gentleman from Mississippi.

Mr. RANKIN. If the Congress has the right to pass a law of this kind, it also has the right to pass laws wiping out the State restrictions as to residence and citizenship.

In other words, it would then have a right to wipe out our State sovereignty, as the gentleman from Texas has said, as far as elections are concerned, in every respect, and transport people from one State to another to carry elections as certain elements might desire.

Mr. GOSSETT. Mr. Speaker, while I know there are some serious and conscientious advocates of this legislation, most of those urging the passage of this bill are simply making demagogic appeals to ignorance and prejudice. These are baseless attacks made upon the few Southern States that still retain the poll tax. These attacks are made in an effort to get votes in the big metropolitan centers of this country.

If one admits for the sake of argument only, that poll taxes are evil and that they should be abolished, then the only legal way to accomplish such abolishment is through an amendment to the Constitution, not through legislation such as that to be urged upon this House. No provision of the Constitution is clearer, than these leaving the matter of franchise to the States. To ignore the plain provisions of the Constitution, and then trample ruthlessly upon State sovereignty, is a dangerous and destructive thing. It can lead to but one end, the destruction of constitutional government and the eventual downfall of the Republic.

Mr. Speaker, I placed in the hearings before a subcommittee of the Committee on House Administration on the anti-poll-tax bills an excellent address of our former colleague, the Honorable Hatton Sumners of Texas. Mr. Sumners served in this Congress for more than 30 years. For some 15 years he was the distinguished chairman of the Judiciary Committee of the House. In a speech before the House he clearly outlined the evils of the anti-poll-tax legislation. Since the hearings recently conducted by the committee on this subject have not been printed, and since the Members of this House should have the benefit of Judge Sumners' wise observations on this subject, I am including as a part of my remarks today, at this point in the RECORD, a copy of his speech:

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, I did not propose to do more than discuss the lack of constitutional warrant for this legislation, but I have just listened with interest to my distinguished and beloved friend, a member of our committee, the gentleman from Iowa [Mr. GWYNNE]. I am deeply concerned for the future of this democracy. My friend expressed an apprehension as to what injustice for voters States might commit if they are not controlled in fixing qualifications. Who is to control them? This bill proposes to establish control in the Federal Government. Who is to control the Federal Government? We are moving away from the people. Fundamentally, in my judgment, that attitude is undermining our democracy and destroying the possibility of preserving a democracy in America. That attitude is wrong. When we cannot trust the States to deal with matters within their governmental capacity we cannot trust democracy.

A democracy is a government by the people. We can rise in security and justice no higher than the people. If we are afraid to leave power and responsibility back among the people, then we are not fundamentally in favor of and do not really believe in a democratic system of government. I do. I believe it is the sort of government designed by God for the good order and happiness of men. Of course, the States can inflict all sorts of injustices. The Supreme Court can rob one person by a corrupt judgment and give to another. Two-thirds of this House can rob any Member of his seat. Two-thirds of the Houses of Congress can remove every civil officer by impeachment. Presidents of banks can wreck their institutions. Parents can poison their children. The answer is they will not. The plan of the Constitution does impose this safeguard, which was considered important in the formative days of the Constitution. The election of Members of Congress is protected by the constitutional provision that no more onerous qualifications can be imposed upon their electors than the States impose upon the electors of their own legislators.

We are deciding now in America whether really we are going to preserve a democracy or not. I mean absolutely that. When we come here to Washington and take our places in this Chamber, we seem to think we have brought all the patriotism, wisdom, and statesmanship up here, and immediately become afraid of the people who sent us here. The States are the only agency of general democratic government we have or can have in our system. By this bill, you propose to attempt to brand as a criminal a State official for obeying a State law which the Supreme Court, in the clearest sort of pronouncement, says is constitutional. The language of the Constitution is plain but the hope is indulged here that the Supreme Court, as now constituted, will forget the decisions of the past and read into the Constitution a meaning which will take a power from the States by this judicial construction, which those who helped form the Federal Constitution, and the statesmen who fashioned each of the constitutional amendments dealing with suffrage and the Supreme Court since the beginning have held was reserved in the Constitution by the States—namely, the responsibility of fixing the qualification of voters.

There can be no constitutional government without a constitution. There can be no constitution unless it is respected. A constitution cannot long remain among a people whose chosen defenders of the Constitution seek opportunities to evade it. I do not mean to be offensive. This poll-tax thing of itself is relatively insignificant one way or the other.

The statement I have just made as to the perils of our Constitution, I submit, is supported by experience, common sense, and every line and warning of human history. If ever there was a time on the face of the earth when we need a constitution it is now. The people, in order to operate a system of free, popular government, have to have something in their governmental structure that will hold them true to the course of their destiny, as against the pressure and whim of the moment. I am talking to you Members in this Chamber in the most solemn hour in the Nation's history. It is now, today. We are on trial. We proclaim ourselves the champion of democracy in the world everywhere.

A short time ago I read in the Songs of Solomon these lines:

"They made me the keeper of the vineyards, but mine own vineyard have I not kept."

May I say to the people of America and to the Congress of America that unless we rally to the support of constitutional government in this country we, too, shall sing that pathetic song:

"They made me the keeper of the democracies of the world, but mine own democracy have I not kept."

Let us get away from all this mystery about government and see what it is. A popular government is somewhat like a lodge or a club; it is a group of people who get together and organize themselves for the purpose of trying to govern themselves. You have to have a constitution in a lodge or a club—fundamental law that cannot be too quickly changed under temporary pressure. You have to have it in a popular government. I have not examined in detail as to how this poll-tax requirement works. That is not the thing of importance here.

What we are doing to our Constitution by passing this bill in violation of the Constitution is in disregard of the plain language

of its provisions, in disregard of the definite, explanatory statements of those who worked in the formation of that document, in disregard of our practical construction since the organization of the Government, and in contempt of the clear, logical, unequivocal pronouncements of the Supreme Court. That is not all the hurt we are doing. This talk about 10,000,000 people being disfranchised because they are required to pay two or three dollars to maintain the Government that protects them is not building in them those elements of civic fitness necessary to maintain a democracy. I notice in section 1-A of the bill this language:

"The requirements in many places under the jurisdiction of the United States that a poll tax be paid * * * has resulted in pernicious political activities, in that frequently such taxes are paid for the voters by other persons as an inducement for voting for certain candidates."

Well, what are the authors trying to do; make it easier to buy and control votes? It seems to me all this talk about the poll-tax requirement disfranchising 10,000,000 people is pathetic. It is the notion gone to seed that everybody is to have a free ride on the Government wagon, be bottle-fed, and rocked to sleep in the arms of some great governmental agency. That is not the sort of talk that makes people able to govern. The very idea of these people going around and telling grown, husky men without any physical disability, in times like these, that although you may have the benefits of good roads, of the courts, of police protection, and all the other provisions of government, a great injustice is done if you are asked to pay two or three dollars to the free-school funds before you are allowed to sit in the council of your Government and help to select your officials. I was in a big city not so long ago. They showed me a beautiful place where children came to play. I asked: "Is this free?"

They said, "No, not quite; they make the children pay a little something."

I asked, "Why?"

They said, "It does something fine for the children, for their self-respect, to have them pay just a little something before they can participate."

As I said, I am not discussing the particular thing—the poll tax itself. I am discussing this destructive preachment associated with the propaganda to force its passage. I have had all the experiences. I have examined things. I know what makes people fit, not the things they get for nothing. There was a great man whose life I examined one time. He called himself Paul of Tarsus. One thing, his Roman citizenship, he got for nothing. He inherited it. The other, his religion, he payed for in blindness and in blood—a thing to him more valuable than his life.

I am not talking about voting. I am talking about the necessity of everybody in America putting his shoulder under the load of Government however small the lift, that he may feel it is his and have the thrill of service. Government can get along without it, but the citizen cannot if he is to remain fit to be a citizen of a great democracy. The poll tax may not be the way to do it but certainly this propaganda with reference to 10,000,000 people being disfranchised because they are expected to pay a couple of dollars per year for the maintenance of Government, and will not do it, is not good.

All these people running around over the country saying, "You poor, helpless things," trying to make everybody sorry for himself, taking the nerve and fight and strength and self-respect and self-confidence out of the people. They are the real menace to free constitutional self-government. That is what they have been doing all these years—peddling that sort of philosophy around over the country. There are more such organizations now than we have ever had in the world, living off of the pity and the self-pity of people, preaching defeatism everywhere. It is a wonder to me we have many people in this country fit to live in a constitutional Government with that sort of thing going on everywhere now.

You poor little 10,000,000 people disfranchised. How? Because, forsooth, you are asked to chip in one or two dollars, before you vote, to help educate the kids of this country, you are disfranchised; you have had a horrible thing done to you. As I say, I have not fully examined into how this poll-tax requirement works but I know how this giving people, able-bodied people "something for nothing" works.

Is this proceeding giving these people, would you say, respect for the Constitution, as it is written, until it is changed by the method provided for its amendment in the Federal Constitution?

In all the other times we sought a change we did it by constitutional amendment. We are here seeking to do it by constitutional disregard. Sing the national anthem, recite the creed, and look in on this some great stuff.

Let us approach an examination of some of the constitutional questions which are involved. Here we were 13 nations. The 13 nations decided they wanted an organization to do a few things for them. They sent some people to Philadelphia. There was no Federal Government, of course. These people went as the agents of these States. When they got to Philadelphia, the agents of the States, agents of the people—and no agents of the Federal Government—after a whole lot of talking and a good deal of writing and a good deal of shifting around, they finally got a document formulated. They submitted it to the States, and these finally ratified the work of their agents and the Federal organization became a fact.

Among the details of what they agreed to was article I, section 2, of the Constitution, and the electors in each State [for Members of Congress] shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

In other words, the States would determine the qualifications of the voters for their own State representatives, of course, and those same voters would elect their representatives in Congress. It was all threshed out and agreed to in the Constitutional Convention, written into the document, and ratified by the States. The States said they were going to determine the qualifications of their own voters for their State legislatures and that they were going to fix it so that their Members of Congress should be voted for by those voters who were qualified to vote for the members of their own State legislatures. That is all there is to it. Then they provided by article I, section 4: "The times, places, and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations."

The Congress might thus have to do with the time, and the place and the manner—the time, and the place, and the manner of the election; but the States retained control over the qualifications to vote. Members in this House who come from sovereign States, elected by people whom they profess to have some respect for and belief in, are disturbed that the States fix the qualifications for their own representatives, and fix them for their Members of Congress, and they have the same qualifications—the same set of voters.

Mr. Chairman, I have some special responsibility because this bill was held for a good while in the committee of which I happen to be chairman. I wish it had stayed there. Many of you Members, before you get through with this thing, you who signed this petition, will wish it had stayed there too. There is being stirred up in America these days in people whose sons are dying on the far-spread battlefields of the world some desire to have men and women stand here in this Chamber whom they are proud of and who stand firm despite the pressure of any group. I hope I am not speaking offensively to anybody. I certainly do not mean to do so.

There is much controversy as to the meaning of the applicable provisions of the Constitution.

Who do you suppose would know what they meant? I listened to my distinguished friend from New York. Do you suppose that Madison and Hamilton, who sat in the Constitutional Convention, had any notion as to what this language meant? If you were wanting to call some witness to testify as to what was meant by this language would you feel that a man who was on the committee that helped fashion the final draft of the Constitution knew something about what it meant? Mr. Hamilton and Mr. Madison were working in close relationship not only in the Convention but in the effort to procure the ratification of the Constitution. They wrote in the Federalist under a common name "Publius," I quote from the Federalist, No. 52, of February 8, 1788:

"The first view to be taken of this part of the Government relates to the qualification of the electors and the elected. Those of the former are to be the same with those of the electors of the most numerous branch of the State legislature."

If you were to listen to anybody use that language and really wanted to know what he meant, instead of trying to find out what he did not mean, and he said that the voters for Members of Congress were to be the same as the voters for the most numerous branch of the State legislature, would you not have a pretty good notion what he meant? That language is so clear that it is giving the proponents of this bill a lot of trouble.

Continuing, the author says:

"The definition of the right of suffrage is very justly regarded as the fundamental article of republican government. It was incumbent upon the Convention, therefore, to define and establish this right in the Constitution. To have left it open for the occasional regulation of Congress."

In other words, if they had left it open for the passage of a bill like this:

"To have left it open for the occasional regulation of Congress would have been improper for the reason just mentioned. To have submitted it to the legislative discretion of the States would have been improper for the same reason; and for the additional reason that it would have rendered too dependent on the State governments that branch of the Federal Goverment which ought to be dependent on the people alone."

The thing that some of the States were concerned about at that time was that there might be imposed a property qualification.

"To have reduced the different qualifications in the different States to one uniform rule" as is being tried here by this bill "would probably have been as dissatisfactory to some of the States as it would have been difficult to the convention."

Remember the States were doing this. If you cannot have this in your mind, you cannot get the picture. There was no Federal Government. The States were doing this whole thing.

Continuing, the author says:

"The provision made by the Convention appears, therefore, to be the best that lay within their option."

It must be satisfactory to every State because it is conformable to the standard already established or which may be established by the State itself.

It will be safe to the United States, because being fixed by the State constitution, is not alterable by the State government and it

cannot be feared that the people of the States will alter this part of their constitution in such a manner as to abridge the rights secured for them by the Federal Constitution.

That is, it would be safe to assume that the States would not put such onerous regulations, restrictions, and qualifications upon their own citizens voting for their own representatives as to prevent them from being fair standards for the qualifications for the election of their own Members of Congress.

Again to the same effect, and this is very clear, in another article, Federalist No. 57, February 19, 1788, over the same name, this appears:

"Who are to be the electors of the Federal Representatives?"

That is what we want to know? This is the answer given by these leaders in the Constitutional Convention:

"They are to be the same who exercise the right in every State of electing the corresponding branch of the State legislature."

I say with all respect, how anybody can fail to understand what that language means I cannot myself understand. I read it again:

"Who are to be the electors of the Federal Representatives? They are to be the same who exercise the right in every State of electing the corresponding branch of the State legislature."

I want to introduce another witness and that is Mr. King, of Massachusetts. Mr. King, of Massachusetts, served with Hamilton on the Committee on Style and this is what he says (vol. 2, page 51, Elliot's Debates):

"The power of control given by this section (art. I, sec. 4), extends to the manner of election, not to the qualifications of the electors."

That is the other section under consideration.

The word "manner" is sought to be twisted into some sort of relationship to qualification.

Mr. Nicholas, of Virginia (vol. 3, p. 8, Elliot's Debates), to the same effect says the following, and these were the people who helped to construct the document and the people who sat in the State conventions and passed on the question of whether or not it would be approved:

"In his plan there is a fixed rule for determining the qualifications of electors, and that rule the most judicious that could possibly have been devised, because it refers to a criterion which cannot be changed. A qualification that gives a right to elect representatives for the State legislatures, gives also, by this Constitution, a right to choose representatives for the general government. As the qualifications of electors are different in the different States, no particular qualifications, uniform through the States, would have been politic, as it would have caused a great inequality in the electors, resulting from the situation and circumstances of the respective States. Uniformity of qualifications would greatly affect the yeomanry in the States, as it would either exclude from this inherent right some who are entitled to it by the laws of some States at present, or be extended so universally as to defeat the admirable end of the institution of representation."

In the North Carolina Convention (vol. 4, p. 71, Elliott's Debates) Mr. Steele said:

"The power over the manner of elections does not include that of saying who shall vote (that never left State control); the Constitution expressly says that the qualifications (are those) which entitle a man to vote for a State representaive."

Mr. Davie, in the same convention (vol. 4, p. 61), said:

"They may alter the manner of holding the election. * * * They cannot alter the nature of the elections; for it is established, as fundamental principles, that the electors of the most numerous branch of the State legislature shall elect the Federal representatives, * * * power is given to Congress, and extending only to the time of holding, the place of holding, and the manner of holding the elections. Is this not the plain, literal, and grammatical construction of the clause? Is it possible to put any other construction on it, without departing from the natural order, and without deviating from the general meaning of the words, and every rule of grammatical construction? Twist it, torture it, as you may, sir, it is impossible to fix a different sense upon it."

That construction was accepted during the construction and ratification of the Federal Constitution and has been the accepted construction since.

After the War Between the States, when passion and hatred too often sat in the seat of government, even then, when it was determined necessary to do something with regard to the situation which then obtained, a constitutional amendment was deemed necessary to make it possible.

When the seventeenth amendment, providing for a direct election of Senators, was submitted, the identical arrangement as to the electors of the Members of the House was incorporated. I quote:

"Amendment 17. The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for 6 years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures."

With the clear, uninvolved language of the Constitution squarely against the construction which the proponents of this bill would have us accept, and with the clear-cut statements of such contemporaries as Madison and Hamilton, King, Nicholas, Steele, and Davie, which I have quoted, clearly against its constitutionality, this is a most remarkable proceeding, remarkable even if there were no pronouncements by the courts of the land against its constitutionality. Many times the shadow of this question has come within the notice of the courts. Not once insofar as I know has the court indicated a belief in its constitutionality.

I direct consideration now to a clear-cut decision of the Supreme Court of the United States against the constitutionality of this bill with the identical question here indicated squarely before it. I refer to the case of *Breedlove* v. *Suttles* (302 U. S. 277), a unanimous opinion, delivered by Mr. Justice Butler. The case arose in Georgia. I quote from the opinion:

"A Georgia statute provides that there shall be levied and collected each year from every inhabitant of the State between the ages of 21 and 60 a poll tax of $1, but that the tax shall not be demanded from the blind or from females who do not register for voting (Georgia Code, 1933, sec. 92–108). The State constitution declares that to entitle a person to register and vote at any election he shall have paid all poll taxes that he may have had opportunity to pay agreeably to law (art. II, sec. 1, par. III; Code, sec. 2–603). The form of oath prescribed to qualify an elector contains a clause declaring compliance with that requirement (sec. 34–103). Tax collectors may not allow any person to register for voting unless satisfied that his poll taxes have been paid (sec. 34–114). Appellant brought this suit in the Superior Court of Fulton County to have the clause of the constitution and the statutory provisions above-mentioned declared repugnant to various provisions of the Federal Constitution and to compel appellee to allow him to register for voting without payment of poll taxes. The court dismissed his petition. The State supreme court affirmed" (183 Ga. 189; 188 S. E. 140).

"The pertinent facts alleged in the petition are these: March 16, 1936, appellant, a white male citizen 28 years old, applied to appellee to register him for voting for Federal and State officers at primary and general elections. He informed appellee he had neither made poll-tax returns nor paid any poll taxes and had not registered to vote because a receipt for poll taxes and an oath that he had paid them are prerequisites to registration. He demanded that appellee administer the oath, omitting the part declaring payment of poll taxes, and allow him to register. Appellee refused.

"Appellant maintains that the provisions in question are repugnant to the equal protection clause and the privileges and immunities clause of the fourteenth amendment and to the nineteenth amendment."

You are all familiar with the equal protection clause of the fourteenth amendment and also with the nineteenth amendment, the woman's suffrage amendment.

"1. He asserts that the law offends the rule of equality in that it extends only to persons between the ages of 21 and 60 and to women only if they register for voting and in that it makes payment a prerequisite to registration. He does not suggest that exemption of the blind is unreasonable."

Then follows some discussion of the history and nature of the poll tax which I will omit though very interesting and illuminating and is of weight. I further quote from this opinion at page 281, as follows:

"2. To make payment of poll taxes a prerequisite of voting is not to deny any privilege or immunity protected by the fourteenth amendment. Privilege of voting is not derived from the United States, but is conferred by the State and, save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate. *Minor* v. *Happersett* (21 Wall. 162, 170 et seq.). *Ex parte Yarbrough* (110 U. S. 651, 664–665). *McPherson* v. *Blacker* (146 U. S. 1, 37–38). *Guinn* v. *United States* (238 U. S. 347, 362). The privileges and immunities protected are only those that arise from the Constitution and laws of the United States and not those that spring from other sources." *Hamilton* v. *Regents* (293 U. S. 245, 261).

Next the Court makes some analysis of the contention that this Georgia law violates the nineteenth amendment and holds—bottom page 283:

"Its purpose is not to regulate the levy or collection of taxes. The construction for which appellant contends would make the amendment a limitation upon the power to tax. (Cites cases.) The payment of poll taxes as a prerequisite to voting is a familiar and reasonable regulation long enforced in many States and for more than a century in Georgia."

The Supreme Court was then composed of Chief Justice Hughes and Associate Justices McReynolds, Brandeis, Sutherland, Butler, Stone, Roberts, Cardozo, and Black.

Since that decision this identical question, stripped of every detail which could possibly aid the most skilled expert in the art of confusing, reached the Supreme Court of the United States by application for a writ of certiorari. That case is *Pirtle*. v. *Brown* (118 F. (2) 218). It was decided March 8, 1941, by the circuit court of appeals. On July 19, 1941, Senator PEPPER, of Florida, appeared before the Senate Judiciary Committee in support of S. 1280, "a bill concerning the qualifications of voters or electors within the meaning of section 2, article I, of the Constitution, making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or general election for national offices," dealing with the same subject matter as the bill here under discussion.

I quote from Senator PEPPER'S statement found at page 7 of the Senate hearings:

"In the Pirtle case the question was squarely presented as to whether or not the State could condition the right of a citizen to vote for a Congressman in an election, not the primary, but a special election called

to elect a Member of the House of Representatives because that citizen had not complied, or had failed to pay a poll tax, thus allowing him to vote. Notice that this was not for a State election nor any primary and that it was admitted that he had done everything to qualify but pay the poll tax."

Now that is Senator PEPPER's explanation of the facts.

I continue to quote from Senator PEPPER, page 9, Senate hearing:

"Behold the suggestion that the right to vote for a Member of Congress of the United States, the President of the United States, the Vice President, or the electors, are conditioned by the State upon such terms as the State wants to impose; that the right "is conferred by the State and, save as restrained by the fifteenth and nineteenth amendments" regarding race, color, or previous conditions of servitude and other provisions of the Federal Constiution, the State may condition suffrage as it deems appropriate. * * *

"So that in that case the Circuit Court of Appeals, Sixth Circuit, held that the State still had the right to condition the exercise of the franchise in any way it wanted to do so.

I continue to quote from the Senate committee hearings; this colloquy took place:

"Senator O'MAHONEY. Was there any dissent in that case?

"Senator PEPPER. No; it was a unanimous decision of three judges, and now it appears that there is a writ of certiorari pending before the Supreme Court relative to that case, and I venture to predict that that petition for certiorari will be granted, and I do not expect that decision to stand."

On the 13th day of October 1941 the Supreme Court of the United States, with the application of the writ of certiorari seeking to bring the questions involved in the Pirtle case before it, refused to grant the writ. It could not do otherwise.

Whatever may be the opinion of members of that Court with regard to the poll-tax qualification, it is their business to interpret the Constitution as it is written. As it is written, the States cannot deprive a person of the right to vote on account of sex, because the Constitution has been amended. The Supreme Court so holds, of course. The States cannot deprive a person of the right to vote because of race, color, or previous condition of servitude. The Supreme Court so holds. The States cannot deprive a person of the right to vote for Members of Congress if he is qualified to vote under the laws of his State for the members of the most numerous branch of the legislature. The Supreme Court so holds.

By the decision in the Classic case (313 U. S. 299) the distinction between the general and primary elections seems to have been eliminated. Included in the rights secured by the Constitution are the rights of a qualified voter to have his physical opportunity to vote undisturbed and to have his vote counted, within the protection of sections 19 and 20 of the Federal Criminal Code.

The citizen is entitled to Federal protection as to the time of holding elections, the place of holding elections, and the manner in which elections are conducted, conditioned only that the voter is qualified to vote for a member of the most numerous branch of his own State legislature. Now it is contended that even though he may not be qualified to vote for a member of the most numerous branch of his own State legislature—that standard of qualification which is set up in the Constitution—Congress can get rid of that standard by making it unlawful. That seems to be on the theory that its enforcement would deprive the non-poll-tax payer of a Federal constitutional right which Congress would have the right to enforce by appropriate legislation.

Deleting from section 20 of the Criminal Code that part thereof made nonapplicable by the decision in the Classic case, it reads as follows:

"Section 20 of the Criminal Code (U. S. C., title 28, sec. 52):

" 'Whoever, under color of any law, statute, ordinance, regulation, or custom, willfully subjects, or causes to be subjected, any inhabitant of any State, Territory, or District to the deprivation of any rights, privileges, or immunities secured or protected by the Constitution and laws of the United States * * * shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.' "

In other words, if this bill is constitutional, corrective legislation, from the standpoint of the proponents of this legislation, is already on the statute books. If a person has a constitutional right to vote without paying a poll tax, he is protected by existing law. Whatever constitutional rights the citizen has to vote without complying with the poll-tax requirement of a State have been protected. Furthermore, existing legislation covers the whole field of the citizen's constitutional rights.

Each time in our governmental history it has been deemed advisable to establish a new limitation over the power of States to control election qualifications it was known it could not be done as here attempted, by act of Congress, but it must be done by the States themselves.

After the Supreme Court refused to disturb the circuit court's holding in the Pirtle case, the proponents fell back on the Classic case. But in the Classic case there was not involved one single question which could arise in a case testing the general constitutionality of this proposed legislation.

So we have this situation. We have the clear language of the Constitution and we have the interpretation of the men who helped to fashion the Constitution and the men who discussed it when the States ratified it. We have the philosophy of democratic government and we have the clear-cut decision of the Supreme Court holding that this proposed legislation is unconstitutional.

Now, let me make this observation, and I do this in all earnestness and seriousness. If you do succeed in breaking through the constitutional barrier, ignoring the interpretation made by the contemporaries of the Constitution, its practical interpretation and the decisions of the Supreme Court, and should secure judicial approval you would then have a situation under which there would be no effective restraint upon the power of Congress to fix the qualifications of those who vote. The power to fix it down is the power to fix it up. You would be putting into what is coming to be a great Federal bureaucracy the power to deny the States the right to control suffrage. They are the organizations that are close to the people.

This legislation is being offered, so it is claimed, in behalf of the poor man. I want to call to witness the history of the ages, that they are the sort of people who have been protected by respected constitutions through all time that has passed. Whenever there is nothing to restrain the might of the group that is in power, the rights of the poor man suffer.

Men and women of America, if we hold our Constitution in disrespect, the Constitution is doomed. Oh, I mean it. You think it could not happen to us. How can you maintain constitutional government without a constitution? How can you maintain a constitution unless the people hold it in reverence and unless those who are charged with the solemn responsibility of guarding it, protect it? You think you have only a few States to deal with now and you think you are strong enough to do it now, because you have the might of votes now, but whenever the constitutional rights of the few are not respected, the time is not far distant when those who were strong at the moment will appeal in vain for the protection of the Constitution that they have destroyed.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself 5 minutes more. If the constitutional rights of the meanest persons are not maintained and protected, the constitutional rights of the best are not safe.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. LUTHER A. JOHNSON. With reference to the matter of our taking the constitutional oath as Members of this body our right to sit here is based entirely upon taking the oath to defend the Constitution of the United States, which confirms the gentleman's observation with reference to the preservation of the Constitution.

Mr. SUMNERS of Texas. That is true, and that is a challenging fact. The men who fashioned this Constitution and who read deeply into the mysteries of life knew that there would come a time when the institutions of freedom would be imperiled, and they required that before we entered this Chamber we pledge ourselves by our solemn plight that we will defend the Constitution, and now is the time and today is the hour.

Mr. Chairman, I look over my country and I see the picture in the world today. I recognize that my country, perhaps, stands as the last, as the great independent constitutional government in the world. I see a time that has come in the history of my country when the Constitution is no longer revered much among the people, and I see a time in my country when it seems as if it is expedient to find a way around it. I wonder, too, if your Nation and my Nation is to be added to the list of those from which freedom has departed.

I know with all that I have been able to learn that freedom cannot endure among any people who do not have fundamental laws that hold them true to the course of that destiny against the pressure of expediency and the whim of the moment. I am very grateful, gentlemen, for your attention during these more or less disconnected remarks. I am grateful for your attention, and if I may have the attention of the Chair, I ask unanimous consent to extend my remarks and to add some additional quotations.

The CHAIRMAN. Is there objection?

There was no objection.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, universal suffrage has never existed anywhere in the history of the world. Every sovereignty has fixed its own qualifications prerequisite to the privilege of the exercise of the elective franchise. The poll tax is one of these qualifications; age, residence, property ownership, and registration are some of the others most common. That the poll tax is a qualification made a prerequisite to the privilege of voting by some sovereignties is too clear for argument. Section 178 of the Constitution of Alabama, for instance, reads, in its pertinent part, as follows:

To entitle a person to vote in any election by the people he shall have * * * paid all poll taxes.

Whether or not there should be a poll tax may be debatable, but not in this forum except on the question of submitting a constitutional amendment to the States for ratification. The fixing, vel non, of such a requirement is exclusively for each State to determine for itself. There never has been a Federal election; nor a Federal vote. All elections have been and are State elections, and only those who have qualified under State law are eligible to vote therein.

The exclusive right of a State to fix the qualifications prerequisite to the privilege of voting is well recognized and established:

DISTINGUISHED TEXT WRITERS

"Among the absolute, unqualified rights of the States is that of regulating the elective franchise; it is the foundation of State authority; the most important political function exercised by the people in their sovereign capacity." Whilst "the right of the people to participate in the legislature is the best security of liberty and foundation of all free government," yet it is subordinate to the higher power of regulating the qualifications of the electors and the elected. The original power of the people in their aggregate political capacity, is delegated in the form of suffrage to such persons as they deem proper for the safety of the commonwealth; Brightly Election Cases (*Anderson* v. *Baker* (32, 33, 34, 23 Maryland 531)).

Story, treating of this subject, says:

Every constitution of government in these United States has assumed, as a fundamental principle, the right of the people of the State to alter, abolish, and modify the form of its own government according to the sovereign pleasure of the people. In fact, the people of each State have gone much further and settled a far more critical question by deciding who shall be the voters entitled to approve and reject the constitution framed by a delegated body under their direction. (1 Story Constitution, ch. 9, sec. 581.)

From this it will be seen how little, even in the most free of republican governments, any abstract right of suffrage, or any original and indefeasible privilege, has been recognized in practice (ibid.). In no two of these State constitutions will it be found that the qualifications of the voters are settled upon the same uniform basis, so that we have the most abundant proofs that among a free and enlightened people convened for the purpose of establishing their own forms of government and the rights of their own voters the question as to the due regulation of the qualifications has been deemed a matter of mere State policy, and varied to meet the wants, to suit the prejudices, and to foster the interests of the majority.

The exclusive right of the several States to regulate the exercise of the elective franchise and to prescribe the qualifications of voters was never questioned, nor attempted to be interfered with, until the fifteenth amendment to the Constitution of the United States was forced upon unwilling communities (the States then lately in rebellion) by the military power of the General Government, and thus made a part of our organic law; a necessary sequence, perhaps, of the Civil War, but nonetheless a radical change in the established theory of our Government. (Brightly Election Cases, author's note, pp. 42, 43.)

The right to vote is not of necessity connected with citizenship. The rights of the citizen are civil rights, such as liberty of person and of conscience, the right to acquire and possess property, all of which are distinguishable from the political privilege of suffrage.

The history of the country shows that there is no foundation in fact for the view that the right of suffrage is one of the "privileges or immunities of citizens." (McCrary Elections, p. 3.)

"The right to vote is not vested, it is purely conventional, and may be enlarged or restricted, granted, or withheld, at pleasure, and without fault."

In *Blair* v. *Ridgely* (41 Mo. 161), the question at issue arose out of the provision of article II, section 3, of the Constitution of 1865 of the State of Missouri. By this section it was provided that no person should be deemed a qualified voter who had ever been in armed hostility to the United States, or to the government of the State of Missouri; that every person should, at the time of offering to vote, take an oath that he was not within the inhibition of this section, and that any person declining to take such oath should not be allowed to vote. The plaintiff, at an election held in the city of St. Louis on November 7, 1865, offered to vote, but refused to take the oath prescribed by the constitution. His vote being rejected, he brought his action against the judges of the election for damages. The case was taken to the Supreme Court of Missouri, where it was argued exhaustively, and with much learning, by eminent counsel, and the argument is to be found in full in the Reports of the Supreme Court of Missouri, volume 41. It was contended by the plaintiff that the section of the constitution in question was in violation of the Constitution of the United States, being a bill of attainder and an ex post facto law within the meaning of that instrument, and, in consequence, null and void. But the court held against this contention, drawing the distinction between laws passed to punish for offenses in order to prevent their repetition and laws passed to protect the public franchises and privileges from abuse by falling into unworthy hands. It is said by the court that "The State may not pass laws in the form or with the effect of bills of attainder, ex post facto laws, or laws impairing the obligation of contracts. It may and has full power to pass laws, restrictive and exclusive, for the preservation or promotion of the common interests as political or social emergencies may from time to time require, though in certain instances disabilities may directly flow in consequence. It should never be forgotten that the State is organized for the public weal as well as for individual purposes, and while it may not disregard the safeguards that are thrown around the citizen for his protection by the constitution, it cannot neglect to perform and do what is for the public good."

It was argued in *Blair* v. *Ridgely* that the decision of the Supreme Court of the United States in *Cummings* v. *Missouri* (4 Wall. 277), where it was held that this section of the Missouri constitution, so far as it provided an oath to be taken by preachers, was in the nature of pains and penalties, and consequently void, was decisive of the Blair case. But the distinction between the right to practice a profession or follow a calling and the right to vote is clearly stated in the opinion of Judge Wagner, as follows:

"The decision of the Supreme Court of the United States in the Cummings case proceeds on the idea that the right to pursue a calling or profession is a natural and inalienable right and that a law precluding a person from practicing his calling or profession on account of past conduct is inflicting a penalty, and therefore void. There are certain rights which inhere in and attach to the person, and of which he cannot be deprived except by forfeiture for crime, whereof he must be first tried and convicted according to due process of law. These are termed natural or absolute rights. * * * But is the right to vote or to exercise the privilege of the elective franchise a right either natural, absolute, or vested? It is certain that in a state of nature, disconnected with Government, no person has or can enjoy it. That the privilege of participating in the elective franchise in this free and enlightened country is an important and interesting one is most true. But we are not aware that it has ever been held or adjudged to be a vested interest in any individual.

"Suffrage in the United States not being a vested right, it results that persons who have enjoyed and exercised the privilege, and who have been qualified electors, may be entirely disfranchised and deprived of the privilege by constitutional provision, and such persons are entirely without a remedy at law. (McCrary, Elections, p. 9.)

"The whole subject of the regulation of elections, including the prescribing of qualifications for suffrage, is left by the National Constitution to the several States, except as it is provided by that instrument that the electors for Representatives in Congress shall have the qualifications requisite for electors of the most numerous branch of the State legislature, and as the fifteenth amendment forbids denying to citizens the right to vote on account of race, color, or previous condition of servitude. Participation in the elective franchise is a privilege rather than a right, and it is granted or denied on grounds of general policy, the prevailing view being that it should be as general as possible consistent with the public safety. (Cooley's Constitutional Limitations, 8th ed., Carrington, vol. 2.)"

Also, the following treatises are to the same effect:

Morse, Citizenship, section 3.

Pomeroy, Constitutional Law, section 535.

THE CONSTITUTION OF THE UNITED STATES

Article I, section 2:

The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Article I, section 4:

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

Article I, section 8, clause 18:

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

THE SUPREME COURT OF THE UNITED STATES AND OTHER COURTS

To make payment of poll taxes a prerequisite of voting is not to deny any privilege or immunity protected by the fourteenth amendment. Privilege of voting is not derived from the United States, but is conferred by the State, and, save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate. The privileges and immunities protected are only those that arise from the Constitution and laws of the United States and not those that spring from other sources (*Breedlove* v. *Suttles* (302 U. S. 277, 283); *Pirtle* v. *Brown* (118 Fed. 2d 218, certiorari denied by Supreme Court, 62 Sup. Ct. Rep. 64); *Huber* v. *Reiley* (53 Penn. St. 112); *Minor* v. *Happersett* (21 Wall. U. S. 162, 170);

United States v. *Reese* (92 U. S. 214, 217, 218); *United States* v. *Cruikshank* (92 U. S. 542); *McPherson* v. *Blacker* (146 U. S. 1, 38, 39); *Anderson* v. *Baker* (23 Md. 531); *Ex parte Yarborough* (110 U. S. 631, 664, 665); *Blair* v. *Ridgely* (41 Mo. 63); *Guinn* v. *United States* (238 U. S. 347, 362, L. R. A. 1916 A. 1134); *Ex parte Stratton* (1 W. Va. 305); *Kring* v. *Missouri* (107 U. S. 221); *Hamilton* v. *Regents* (293 U. S. 245, 261); *Washington* v. *State* (75 Ala. 582)).

The proponents of this measure rely for support of their contention almost exclusively upon the case of *United States* v. *Classic et al.* (313 U. S. 299). They contend very artfully that this case justifies the Congress in the enactment of such a bill, but they do not mention the fact that the Classic case was a criminal prosecution against commissioners of elections for willfully altering and falsely counting and certifying the ballots of voters cast in a primary election for a Representative in Congress, among others. Based on article I, section 2, of the Federal Constitution, quoted supra, the majority decision of the Supreme Court holds:

> Obviously included within the right to choose, secured by the Constitution, is the right of qualified voters within a State to cast their ballots and have them counted at congressional elections.

We concede the soundness of this holding.

The majority opinion further holds that since by law, in Louisiana, primaries are made an integral part of the procedure for the possible choice of Congressmen, and since in Louisiana the nomination resulting from the primary is equivalent to election, the criminal statute covers interference with the right to vote and have the votes honestly counted and certified, in primaries as well as in general elections.

Mr. Justice Douglas, with Justices Black and Murphy, dissented as to primaries. The dissenting opinion is powerful, if not unanswerable in the particular case. We leave the members of the Supreme Court to their quarrel on this point as it is not germane in the consideration of the pending bill.

Neither the majority nor minority of the Supreme Court question congressional power to protect by appropriate legislation the right secured by the Constitution to a vote and an honest count and certification. They agree that this is assured by article I, section 2, quoted supra, with article I, section 8, clause 18, which gives Congress the power "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof."

It may be questioned whether or not the right to vote and to an honest count is a power vested by this Constitution in the Government of the United States or in any department or officer thereof. This question, however, has no bearing upon our instant inquiry. The vital question of law pertinent to the debate of the constitutionality, vel non, of the pending bill is, not whether Congress has constitutional power to pass a criminal law, to punish interference with the right of a qualified voter to vote and to have an honest count, but has Congress the constitutional power to pass a law usurping the admittedly exclusive power of a State to prescribe the qualifications of its qualified voters?

No matter what interpretation they may seek to put on the Classic case, no matter how critical they may be of the Breedlove case, the United States Circuit Court of Appeals, Sixth Circuit, in the case of *Pirtle* v. *Brown et al.* (118 Fed. Rep., second series, p. 218), followed the Breedlove decision, quoted from it, and cited it approvingly, and the Supreme Court denied certiorari, thereby refusing to upset the decision in the Pirtle case, after the decision by the Supreme Court in the Classic case had been handed down—Sixty-second Supreme Court Reports, page 64.

So the Supreme Court, since its decision in the Classic case was handed down, has refused to review the decision in the Pirtle case, which was handed down after the decision in the Classic case and which agrees fully with the holding in the Breedlove decision.

The Breedlove and Pirtle cases were both poll-tax cases. The Classic case had nothing to do with the poll-tax question. The sole question in the Classic case was: May State election officials steal ballots cast by duly qualified voters for a candidate for Congress in a State primary election, in violation of a Federal criminal statute condemning all such rascality, without being subject to prosecution and punishment by the Federal Government?

The Supreme Court held: That the right granted the Federal Government by article I, section 2, of the Federal Constitution, to have its Congressmen chosen in a State election, meant the right to have them honestly chosen; and that the right granted the Federal Government by article I, section 8, clause 18 of the Federal Constitution, "To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof," authorized the making of the law violated by Classic and his partners in crime. In other words, the Classic case dealt not with who was a qualified voter under Louisiana law, but with the right to have an honest count of the ballots of admittedly qualified voters.

The United States of America was created by the Thirteen Crown Colonies. It existed long before the Constitution. As far as external sovereignty in international affairs was concerned, it was a sovereign Nation. It functioned through the Continental Congress composed of delegates from the Thirteen Colonies. The Colonies became free and independent States by virtue of the Declaration of Independence, in the making of which they united, and which was validated by force of arms. Each State was sovereign, supreme, free, and independent except as they in the exercise of their sovereignty, banded themselves together and delegated, by their own free will and accord, certain of the powers of their sovereignty to the limited union they agreed upon and formed. This Union, according to the Articles of Confederation, was to be perpetual and in international affairs was given sovereignty. It had no power whatsoever in domestic affairs. It could not even levy taxes for its own support, being dependent upon contributions made by the States. The sum total of all domestic sovereignty was in the respective States and has been diminished from time to time only as the absolutely sovereign States saw fit to make further delegations of parts of their sovereign power. After becoming convinced that the union existing before and under the Articles of Confederation was impracticable, the Constitution was ordained and established "in order to form a more perfect union." The Supreme Court of the United States in the case of *United States* v. *Curtis-Wright Export Corp. et al.* (299 U. S. 304, 315) says:

> The broad statement that the Federal Government can exercise no powers except those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only in respect of our internal affairs. In that field, the primary purpose of the Constitution was to carve from the general mass of legislative powers then possessed by the States such portions as it was thought desirable to vest in the Federal Government, leaving those not included in the enumeration still in the States.

There never has been a Federal election held nor a Federal vote cast. The States existed before the Federal Government. They created it. They gave it life and such limited powers as it possesses. The power to hold elections and to authorize people to vote was never delegated to the Federal Government. It has always been and remains in each State.

In the Constitution of the United States, however, the States—absolutely sovereign in this field as well as in all domestic affairs—changed the form of their Federal Government and provided in article I, section 2:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

In 1913 the seventeenth amendment became a part of the Constitution of the United States, providing for the election of Senators in exactly the same way. But both Senators and Representatives were to be elected, not by the people of the United States nor by the votes of persons authorized to vote by the United States, but "by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature," fixed by the State.

When the States in convention assembled agreed to undertake to hold elections for the Federal Government, the way it was to be done was merely by admitting candidates for Federal office into the regular State elections. All elections are State elections. They always have been, are now, and should so continue. In agreeing to admit candidates for Federal

office to State elections, the States did not stipulate what qualifications they would fix as prerequisite to the privilege of voting. They did not limit themselves. They did not confer any right whatever upon their Federal Government except that its candidates could run in their elections and be voted on by the voters of the States—those who had been given the franchise of suffrage in each State by the law of the State. But in assuming this obligation they gave this pledge:

> And the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

In other words, wrote the States, we pledge you that as our guest in our political homes you will be treated as well as we treat members of our own political family. We will give you the best we have, judged by the same standards and safeguards we have erected for our own safety. But we will use for you only the same servants we employ for ourselves, and we do not agree to make you master, nor to employ more nor different servants because of this hosptality we cordially extend to you.

The principle dominating this field of thought is that "the law guarantees every citizen the right to be justly governed, but not the privilege of being one of the governors."

We are perfectly familiar with the distinction sought to be drawn by the supporters of this measure between qualifications and conditions. In the last analysis, however, this seems to be a distinction without a difference. Whether the requirements fixed by the law of a State as prerequisites to the privilege of voting be conditions or qualifications is unessential. Whatever they may be called, the State alone has the right to fix them. The Federal Government has no such right. We are, of course, also familiar with section 4 of article I of the Constitution of the United States, the pertinent part of which reads as follows:

> The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the place of choosing Senators.

While this does delegate to Congress a certain veto power, it is only as to regulations prescribed by a State as to "the times, places, and manner of holding elections." It has nothing whatever to do with the paramount right of a State to fix conditions or qualifications prerequisite to the privilege of voting. It has to do exclusively with the "how" of the election, not with the "who" of the electors.

You may say that a poll-tax requirement is unfair and unwise, but you have no vestige of authority or right to outlaw the poll tax by statute as here proposed.

The caste system of India may be all wrong and indefensible, but the Congress of the United States has no power to change it. We have just as much power over India as we have over Alabama.

England may, in our judgment, be foolish in keeping her King, but no one would suggest that we have any semblance of power to fire their King, yet we have even less power over Alabama or any other State of this Union than we have over England. The reason is plain. We are oath-bound to respect the sovereignty of every State of the United States, whereas we took no such oath with respect to England.

Germany's treatment of the Jews is barbarous, but no one of us has ever sponsored a measure here to stop this rape of right, this inhuman murder of law, realizing that, so far as this Congress could legislate, Germany's internal affairs were Germany's business and not ours.

I want to call your attention to the propaganda which has been flooding the Capitol of late, much of which has come to my desk, issued by organizations that are supporting this measure, calling attention to the fact that there is no race question presented here because more white are disenfranchised by the poll tax than colored people. Whether that be true or not makes no difference. There certainly is no distinction made, and no discrimination is practiced or possible under any of the poll-tax statutes or constitutional provisions.

May I read to you what the Constitution of Alabama says on the subject contained in section 178 of the Constitution of Alabama?

> To entitle a person to vote in any election of the people he shall have—

Then deleting the provisions as to age, residence, and registration—

> paid all poll taxes.

Could any words be devised or used which would more clearly evidence the fact that that is a primary qualification fixed for all who would vote by the Constitution of Alabama?

It is a requirement of a condition precedent to the privilege of voting. I maintain that there are no words that would have evidenced such an intent more clearly. So it is that if we are to comply with our oaths of office, if we are to uphold and maintain the Constitution of the United States, as we have sworn to do, we cannot thus impinge upon the sovereignty of the State of Alabama.

This bill would override and violate the sovereignty of those States which have seen fit in their wisdom to adopt the poll tax as one of the prerequisites to the privilege of voting in elections held in and by those States.

But not only is the poll tax requirement a qualification made a prerequisite to the privilege of voting, it is also a fair and reasonable test.

There can be no escape from the conclusion that this refers not to the how of the election but to the who of the electors. It certainly has nothing whatsoever to do with the time, nor place, nor manner of holding any election. It certainly provides a reasonable test of qualification in that its payment is left purely voluntary and all money received, without deduction of any fees or other costs, goes to the public schools. So, the poll-tax requirement tests a citizen's interest in the financial support of the public schools of his State and also tests his interest in obtaining for himself the franchise of suffrage. One really desiring to vote, one who would take an interest in voting, one who would take the trouble to post himself upon the merits or demerits of candidates and issues, has never minded and will never mind paying $1.50 a year in order to qualify as an elector. If one desiring to vote values the privilege of voting less than $1.50 a year, it is doubtful if he could be a good elector. Therefore, since section 4 of article I of the Federal Constitution is the only grant of power to Congress over suffrage and elections, Congress has no power at all to pass a law overriding this requirement of State law. This was the holding of the Supreme Court of the United States in the Breedlove case and again in the Pirtle case.

In conclusion, therefore, I invite your particular and special attention to those passages of Washington's Farewell Address wherein he expressed his parental solicitude for the future of the Nation of which he was father:

> That your Union and brotherly affection may be perpetuated.

And this primary injunction:

> The unity of government which constitutes you one people is also now dear to you. It is justly so, for it is a main pillar in the edifice of your real independence, the support of your tranquility at home, your peace abroad, of your safety, of your prosperity in every shape, of that very liberty which you so highly prize. But as it is easy to foresee that from different causes, and from different quarters, much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed, it is of infinite moment that you should properly estimate the immense value of your National Union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it, accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity, watching for its preservation with jealous anxiety, discountenancing whatever may suggest even a suspicion that it can in any event be abandoned, and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

The mighty mind of our first President, as he let it run down the long years of the future, saw clearly that from time to time there would be legislation proposed and administrative policies considered which would tend toward disintegration of the unity which he conceived to be and which we all must admit is essential to the preservation of our form of government, the dual system of government, the States supreme in their realm of internal affairs, the Federal Government supreme in its exclusive sphere of international affairs.

No one can deny that the South has taken its rightful place and performed well its full part in every foreign war which this country has waged. In the War of the Revolution the blood of southern patriots reddened the soil of New

England and wrote thereby a plea against sectionalism. The ragged heroes who followed Washington across the Delaware and to Valley Forge were Americans all. There was no sectional partisanship among the boys who fought at Chapultepec nor San Jacinto. The forces of the Republic in our war with Spain were not clad in blue or gray, but in the uniform of the Nation. The boys who sleep on San Juan Hill in the trenches around Santiago were from every part of the Union.

Those men who "gave the last full measure of devotion" in France in World War I and their buddies who, thank God, came back to live among us, were Americans—not northerners nor southerners nor easterners nor westerners.

The same thing is equally true in the desperate struggle for survival we call World War II. Every one of those wars of the Republic has been nonsectional, and united we stood, fought, and won.

More than a year before the Declaration of Independence was adopted by the Continental Congress at Philadelphia, a similar declaration of independence was adopted by a convention which met in Charlotte, N. C. It is known as the Mecklenburg Declaration of Independence. From a pamphlet preserved in the Library of Congress we learn:

> Therefore on the said 19th May 1775 the said committee met in Charlotte Town (two men from each company) vested with all powers these their constituents had or conceived they had.
>
> After a short conference about their suffering brethren beseiged and suffering every hardship in Boston and the American blood running in Lexington, the electrical fire flew into every breast.

These men of the South felt keenly the afflictions of their brethren in Boston and the news of the American blood running in Lexington caused the electrical fire to fly into every breast. Would that we were so closely knit in bonds of brotherhood and sympathetic regard today. The ground that we have lost in this respect may be regained but not without mutual respect and confidence.

Every one of those hardy pioneers loved his fellows engaged in the common struggle to build here "a new nation, conceived in liberty and dedicated to the proposition that all men are created equal." We have a rich, common heritage from these founding fathers. There is much to love in the citizens of every part of our great Nation. We may look on this and be drawn closer together. We may look on the divisive elements and become hostile camps. The future is in our hands today to mar or to make. The South asks and will have no part in the local problems of other sections. We have full confidence in our brethren that they will work out their own difficulties wisely and well. We may consider the things that will make us one or the things which divide. My plea is not made as a southerner nor as the Representative of a great district of Alabama, but as a humble citizen of this great Republic. I plead with you, my colleagues, and with all who have ears to hear, that we set ourselves against consideration of those things which tend to divide us and give our best thought to those things which unite. There are many measures challenging our best united thought.

Let us press forward toward our glorious destiny in unity, "discountenancing whatever may suggest even a suspicion that it can in any event be abandoned, and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, so to enfeeble the sacred ties which now link together the various parts."

I am appealing to the Membership of this House to think on these things. There is no reason why we should adopt the unconstitutional, statutory way when we have a perfect right to submit a constitutional amendment which might do legitimately what the proponents of this heinous bill want done. I beg of you, whether you support the objective of this bill or not, that it be defeated, because it is illegitimate, and its passage would assassinate interstate comity. I beg of you to think on these things and be on your guard lest plausible arguments, artfully advanced, should sway your better judgment.

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent to extend by remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT of Florida. Mr. Speaker, my State, Florida, has no poll taxes. About 10 or 15 years ago we abolished them as a prerequisite for voting. When I was thereafter—in 1941—a member of our legislature, we abolished the requirement that such taxes be paid by a candidate running for office; and we, in fact, repealed these taxes entirely. I favored abolishing poll taxes in Florida then and do not wish to see them reimposed. I am sure that they will not be reimposed there. Few States still have such taxes and there is strong indication that these States will repeal these poll taxes in the near future.

But the bill before us is, of course, a proposal for Federal legislation, not a State enactment. In my opinion Congress does not have the constitutional power to enact such a law. Such a law would be unconstitutional and should be defeated. We are bound by our oath not to enact unconstitutional laws when their unconsitutionality has been shown.

Section 2 of article I of our Federal Constitution specifically says that the electors in an election for a seat in the House of Representatives "shall have the qualifications requisite for electors of the most numerous branch of the State legislature." Our bill of rights—first 10 amendments to the Constitution—provides by the tenth amendment that "powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, or to the people." The language of section 2 of article I, before referred to, was made applicable to the election of Senators in 1913 by the seventeenth amendment, through word-by-word repetition.

It seems to me that there is no doubt that each State was given the exclusive duty and right to determine the qualification of voters, or "electors" as they are called in the Constitution.

In this debate there has been some quibbling over the word "qualification." Some Members have asserted that a poll-tax payment requirement is not a qualification. It matters little to them what we call it just so long as it is not called a qualification and does not run straight in the teeth of the Constitution. But this assertion is not only obviously unsound from the standpoint of the normal definition of terms but equally unsound when viewed in the light of legislative intent.

It should be remembered that most of the thirteen original States, when they entered the Union and also thereafter, imposed either a poll-tax qualification for voting or some similar qualification, such as the payment of some other tax or the ownership of some stated minimum amount of property. For instance, the Constitution of the State of New Hampshire specifically referred to its constitutional requirement of the payment of a poll tax prior to voting as a "qualification" of electors.

Surely, when a great majority of the States forming the United States had similar provisions in their own constitutions, they must have believed that the word "qualification" as used in the Federal Constitution was to be given its normal meaning so as to include the poll-tax requirement, similar tax requirements, and property ownership requirements found in their State constitutions. They not only acted with their own State constitutions in mind but their State constitutions continued such requirements for many years thereafter.

Parenthetically, it may be added here that a great many States now require property ownership qualifications in certain kinds of elections, such as in the authorization of bonds affecting real property.

So, the legislative intent, as well as the ordinary meaning of the word used and the tenor of the entire document show clearly that the States were reserved the power to require poll-tax payments, property ownership, and similar qualifications. The tenth amendment, reserving all unexpressed powers to the States, is not even necessary to be considered; but it does make the already crystal-clear proposition inescapable.

I would like to observe that there were sound reasons for our forefathers reserving to the States all powers not specifically given to the Federal Government. Thomas Jefferson, author of the Declaration of Independence and inspirer of our Bill of Rights, said:

> When all governments, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided by one branch of government on another, and will become as venal and oppressive as the government from which we separated. * * * It is not by the consolidation or concentration of powers but by their distribution, that good government is effected.

In his first inaugural address, Jefferson asked for "the support of the State

governments in all their rights, as the most competent administrations for our domestic concerns, and the truest bulwarks against antirepublican tendencies."

I do not think that the abolition of poll taxes would be a thing that would seriously endanger our form of government but I do think that the precedent set by Congress in enacting such an unconstitutional law as the one before us would do damage to our form of government and shatter faith in a solemn compact of men. It would, in my opinion, be a refutation of the oath which we each took to uphold the Constitution.

The provisions of a constitution should only be changed by the methods agreed upon, in its terms, for its amendment. Courts should not change the provisions. Neither should the Congress attempt to do so, regardless of the merits of the proposals. To act otherwise would be to bid for anarchy and for the destruction of the protections of the Constitution—protections for and against both minorities and majorities. To act otherwise would also be to repudiate the solemn agreement by which our federated (and representative) type of democratic government was established, which repudiation, if knowlingly done, would be an immoral act. None of use should look so lightly upon our oath to uphold the Constitution that we pass over as immaterial the constitutional propositions raised in this debate.

As I have said, I think that it will not be long before each of the few States still retaining such poll-tax provisions will repeal them. Their original purpose was to secure as responsible and thoughtful an electorate as possible; but most States have been feeling of late that either there is no need to require such qualifications for voting or that educational requirements are more logical measures.

Poll taxes are tiny in most instances, sometimes so low that their price could not buy a haircut. To buy a very good meal with the price of the highest of them would be difficult in many places these days.

I am still reserving judgment on whether I could go along with some of my southern colleagues who wish to abolish these taxes by constitutional amendment, but at the moment I can say that I would prefer to see the States abolish poll taxes themselves for two reasons, among others: (1) I see no reason for cluttering the Constitution with such an unimportant objective while striking a blow unnecessarily at local self-government and (2) I am not entirely persuaded that such a constitutional amendment might not close the door to States experimenting with valid techniques which might get a larger portion of the population to vote. For instance, a State might not desire an initial poll tax but might wish to impose a penalty in the form of a poll tax following any election in which a person inexcusably failed to vote.

The failure of Americans to vote in adequate numbers is a real threat to good government. Perhaps the most evil result of this failure (chiefly caused by indifference) is the bestowal upon pressure groups of a power disproportionate to their rightful influence.

When, and if ever, we have the poll-tax question brought to us in a constitutional amendment, we should then, as now, not overlook the present latent power in the States to enact laws that might assist in bringing about greater participation in voting. We should try not to disturb this important power any more than necessary.

As to the bill now before us, I believe it to be clearly unconstitutional, and hope that you will join me in voting against it.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. ABERNETHY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, yesterday afternoon the majority leader announced that the anti-poll-tax bill would be the first order of business next week. This means that the southern Members of Congress will again be made the "whipping boys" for some Members from other sections of the country. After a considerable amount of vocalizing and chest beating about those old, bad people down south, the roll will be called and the usual vote recorded. Thereafter the proponents can return to their home and relate to the constituents, with great pride and satisfaction, how they put those old, bad southerners in their places.

For years the anti-poll-tax show has been an annual event in the Congress. It has always been well attended, with the visitors' galleries filled to overflowing. The filled galleries presented a wonderful opportunity for the vocal proponents of the legislation to do their best acting. It is most unfortunate for them, Mr. Speaker, that the caucus room, in which we are now temporarily quartered, has no visitors' gallery. The show will have to go on behind closed doors. This will somewhat cramp the style of the show. But even without an audience, the show must go on.

Many of my Democratic colleagues wonder sometimes why southern Members of Congress do not go along, as they call it, on quite a bit of legislation brought to this floor. Year in and year out they force us to take the insults that are hurled in our faces through their misrepresentations of the poll tax and other matters which affect the South. This matter of playing ball and going along works two ways. We have just as much right to expect Democrats from other sections of the country to play ball with us as they have to expect us to play with them.

My State imposes a poll tax of $2. Every dime of it is earmarked and used for the benefit of our schools. All children, whether they be white or black, benefit therefrom.

The poll tax does not prevent anyone from voting. While the people of my State may not have an average income equal to that in most States, still I know of no one, white or black, who is unable to pay it. Incidentally, this is the only tax paid by many. Certainly we have a right to expect something of them in order to maintain our schools. I cannot picture the earning capacity of anyone being so low that he cannot pay $2 per year to the tax collector. If his ability and capacity is so low that he is unable to do that, then I seriously question whether or not he is mentally competent to participate in an election of public officials.

Mr. Speaker, we who live in the so-called poll-tax States do not profess to be perfect. We have made some mistakes and we shall make more. But, Mr. Speaker, in this regard we are not alone. I think that the do-gooders who thrive on pointing to the errors of southern people should take a look at their own back yard. They might find some trash in their own midst. I am sure they would. But that is not for me to point out or tell you what to do with it. That is your business, your affair, your own mistakes, your own trash. But it is for you to attend to, not me.

May I repeat an earlier thought: When the debate is closed on this bill next Monday then some of my Democratic colleagues, especially the new Members, will understand why there is not more "ball playing" within the Democratic household. And, oh, yes, do not forget when the party sunk to its lowest ebbs it was the loyal, really loyal, Democrats from the South who stood by and held the line in the Congress until the party could recover in other sections of the country. Think that over for a moment.

EXTENSION OF REMARKS

Mr. FLOOD asked and was given permission to extend his remarks in the RECORD in two instances.

OREGON SOFT FRUIT GROWERS FACING CRITICAL PROBLEM

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend by remarks at this point in the RECORD and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, I recently returned to my congressional district for a few days during the lull of the legislative program here and found that the soft fruit growers of Oregon are facing a critical situation due to their inability to find a market for their crops which are now ripening and ready for harvest.

Oregon is possessed of a mild, equitable climate and abundant rainfall and affords an ideal farming area for the production of fruits and particularly soft fruits. Its strawberries, blackberries, loganberries, pears and peaches, as well as many other fruits, are unexcelled anywhere. Many of our citizens are dependent upon the growing of these fruits for a livelihood. They have large investments in their orchards and by reason of the low market prices prevailing at the present time they are facing a financial crisis. Unless some program is inaugurated to provide markets at reasonable prices for these products, these growers will not only lose their crops but many of

them will lose the heavy investments they have in their orchards.

Mr. Morton Tompkins, master of the Oregon State Grange, has written to Secretary of Agriculture Charles Brannan, detailing this critical problem facing Oregon growers and I include a copy of the letter herewith for more definite specifications of the problem:

JULY 20, 1949.

Hon. CHARLES BRANNAN,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. BRANNAN: This letter is for the purpose of calling to your attention two very serious situations relating to agriculture which we face here in the Pacific Northwest and, we presume, which are duplicated in nearly every other section of the Nation.

1. Growers of soft fruits in this section are face to face with a price situation which will mean financial ruin for many of them and is causing the needless waste of thousands of tons of fruit. Let me give a few illustrations:

(a) With the apricot harvest about midway, to our knowledge not a single canner has yet moved to make an offer of purchase to any grower. The talk in the cannery trade is that, if and when they do, they will offer no more than $40 for No. 1's, with substantially less for No. 2's. Canners paid $60 last year.

(b) Canneries paid $70 a ton for peaches in 1948. This year, with the start of the harvest just a few weeks away, growers are talking hopefully of a price of $40, but to date there has been no move on the part of the canners to offer even that amount.

(c) In 1948 canners paid $45 a ton for prunes. Talk among the canners is that they expect to pay not more and probably less than $30.

(d) Pears commanded $130 a ton last year. Canners expect to pay no more than $60 this year.

(e) The 1948 price of Logan, Young, and Boysenberries was 12 cents a pound. This year they are paying 6 cents, which is hardly more than the cost of picking.

(f) With only a 50-percent crop, canners paid only 14 cents a pound for strawberries this year, compared with 21 cents last year, a 33⅓-percent cut.

With respect to apricots, strawberries, Logan, Young, and Boysenberries, it is probably too late to do anything this year. Many apricot growers are seriously considering pulling out their orchards because of the loss they are sustaining.

May I point out that all of the foregoing crops are of a type which require a substantial investment over a considerable period of time before the grower receives any returns.

Lacking a more adequate solution, which we believe should be provided in whatever long-range farm legislation Congress enacts, may we urge that the immediate action be taken by Commodity Credit in bolstering this price situation through purchases as was done with pears a season or so ago. The situation is critical.

2. Closely related to the foregoing problem is another situation which we feel merits a full-scale congressional investigation. As you well know, there is a very natural inclination on the part of the consumers to blame farmers—and support prices—for high retail prices.

May I call your attention to several cases which come to mind which demonstrate that such is not the case.

Last year potatoes were being supported in this area at an f. o. b. price of $2.35 a hundred. The retail price was generally around 5 cents a pound. This year the support is $1.40 and the retail price is still at 5 cents a pound, and in many instances higher.

During the past several weeks prices of grass-fat cattle, calves, and lambs have taken cuts of 25 percent or more, with little or no reduction in retail meat prices. Packers report that meat consumption is down and that accounts for the low prices they are paying for livestock. We contend that if mark-ups on meat were reduced to where they normally should be that consumption would increase materially.

One of the best examples which comes to mind is strawberries. You will recall that earlier in this letter I mentioned that producer prices of strawberries were reduced from 21 cents in 1948 to 14 cents this year, a 33-percent cut. What has happened to the retail price of frozen strawberries? They have dropped from an average of 54 cents to 47 cents on the new pack, a 13-percent cut, and every penny of it is out of the producer's pocket.

From this it would appear that food processors and distributors are retaining all of their high mark-ups of previous seasons and taking whatever price adjustments which seem necessary or expedient directly out of the pocket of the farmer, all the while letting him get the blame for high prices of foodstuffs. Frankly, we don't like it.

Examples of this kind may be found in respect to almost any agricultural crop one might name. A congressional investigation of this phase of our economy could not help but bring to light some startling facts, and could, in and of itself, supply the incentive whereby it could be largely corrected.

May I again urge that you give these matters your most serious attention.

Sincerely,

MORTON TOMPKINS,
Master, Oregon State Grange.

Mr. Speaker, I most respectfully and sincerely urge upon my colleagues and upon the Department of Agriculture and other Federal agencies the necessity of immediate action in providing a program which will permit the marketing of these products so essential to the welfare of the Nation, as well as to the growers themselves.

The SPEAKER. Under previous special order of the House the gentleman from Georgia [Mr. DAVIS] is recognized for 20 minutes.

ANTI-POLL-TAX LEGISLATION

Mr. DAVIS of Georgia. Mr. Speaker, I concur in the remarks of the distinguished gentleman from Texas who has just preceded me with reference to the pending bill on the poll-tax question. He has very adequately stated the situation with reference to the constitutionality of this provision.

I come from a State which has abolished the poll tax, so the remarks which I make on this question are not made because of any interest I have in undertaking to retain this provision for my own State. We have abolished the poll tax and do not now have that as a requirement for our voters.

Prior to the abolition of the poll tax, we had a requirement in the State of Georgia years ago that in order to be eligible to vote a property owner must have also paid all ad valorem taxes, State, county, and municipal, which had accrued upon the property owned by the voter. Otherwise he was ineligible to vote. In lean years I have, on more than one occasion, borrowed the money to pay my ad valorem taxes in order that I might vote. I regarded the right to vote as a privilege, as something that was precious, and I was willing to borrow the money in order to keep myself qualified always to vote in an election.

As the years went by we have in our State seen the wisdom of removing restrictions that made it difficult for people to vote. First, we removed the restriction in reference to the payment of ad valorem taxes. We later removed the restriction on the poll tax. Not only that, but we have gone further than any other State that I know of personally in making people eligible to vote. We have lowered the voting age to 18 years. In the State of Georgia a person who is 18 years old and otherwise not disqualified may vote without the payment of a poll tax, without the payment of an ad valorem tax. That right to vote does not depend on the payment of any tax whatsoever. I feel that the removal of these restrictions and the fixing of the qualifications of the voter, however, is something that belongs to the people of the State of Georgia insofar as the voters in the State of Georgia are concerned.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Mississippi.

Mr. RANKIN. An attempt was made in this House, I believe in 1944, to take over the election machinery of the various States under the pretext of giving the soldiers the right to vote. They used the soldiers as a pretext for plundering the rights of the States. Congress defeated that movement overwhelmingly, and I think it will do the same thing with this proposition.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Now they are using the colored race for that purpose.

Mr. RANKIN. Yes; and listen, down where I live, and I invite every one of you to go down there and see, you will find the colored people, the Negroes, enjoying more happiness, more prosperity, more peace, more contentment, more protection, and more security than they have ever enjoyed anywhere else under the shining sun at any time in all the history of mankind.

Yet, these demagogs, this gang that is trying to put across the FEPC bill and the Klein antisegregation bill, are trying to destroy the peaceful relationship now existing between the whites and the Negroes of this country in order that they may gather the fruits.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I would just like to point out that in the district of the gentleman from Mississippi, in 1946 there were only about 3 percent of the total who voted, so that there must have been some white people that did not vote, too.

Mr. RANKIN. But that reflects 300 percent of the intelligence manifested in the district of the gentleman from Ohio.

Mr. HAYS of Ohio. I would like to say that that is a debatable question.

Mr. RANKIN. I would not think so. I think we could get unanimous consent on that point.

Mr. DAVIS of Georgia. I thank the gentleman from Mississippi for his contribution, and I want to say at this point in connection with the remarks made by the gentleman from Mississippi, that I was not here as a Member of this body at the time that the debate was going on regarding the soldiers vote law. But, I did have the privilege and the pleasure of reading the remarks the gentleman from Mississippi made on the floor of the House at that time, and I take this occasion to say that when I did read them, I regarded it as a very brilliant discussion of the subject, and I take this occasion at this late date to compliment the gentleman from Mississippi on the way he handled the question and on the way he disposed of those who undertook to heckle him during the progress of that debate.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Illinois.

Mr. VURSELL. I was on a subcommittee where considerable hearings were held in the last session with reference to the removal of the poll tax, affecting certain Southern States. I am not certain but I think statistics were given by the gentleman from Mississippi [Mr. WILLIAMS], that when the payment of poll-tax ban was removed in the State of Mississippi during the war, and a large segment of the colored people were given the right to vote without paying any poll tax, that it did not increase the vote in any way, which was an indication that they were not too much interested in the right to vote when they had the opportunity. Now, that was the statement that was made when we had a hearing on this bill before. I have always supported this sort of legislation, but at the same time I thought it was worth while to bring out this point. I think that every colored man that wants to vote ought to have the right to vote. I think the American people, or a great many of them that are voting, ought to vote their sentiments instead of being driven to the polls like cattle, which is too often the case, especially in the big cities where they are under the domination and control of political machines.

Mr. DAVIS of Georgia. I thank the gentleman for his contribution.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman said that they are driven to the polls in the larger cities. I want to say that they do not drive them to the polls at all in the country districts; they just vote them by phone, they do not even have to be registered, and they vote them for the Republican ticket. They just put them on there, and that is the reason sometimes they are in the majority.

Mr. DAVIS of Georgia. I did not understand the statement of the gentleman. What country district is the gentleman referring to where they call them on the telephone?

Mr. SABATH. The gentleman spoke of the larger cities, and I am speaking of some of the country sections of our State.

Mr. DAVIS of Georgia. In Illinois?

Mr. SABATH. Not only in Illinois, but in the rural sections of other States. And the Republicans are carrying on. They do not register them, even, and as I have said, they call on the phone and say that so-and-so and so-and-so voted that way. There is more fraud perpetrated in one county downstate rural section than there is in the large cities in the United States.

Mr. DAVIS of Georgia. I may say I am amazed to hear that statement. I am learning something about the State of Illinois and its voting that I never knew before.

Mr. VURSELL. If the gentleman will yield further, I have been more or less active in politics for 35 years in my State. I have never known charges and investigations to be made where anyone was ever jailed for ballot fraud in the State of Illinois outside of Cook County. I think that statement stands as being true and correct. I lived in Chicago a wh and was interested there. I lived there some 10 years. The facts are that there were so many convictions in those wards there, where they drove the voters to the polls like cattle and voted them, and so much corruption, that it was hardly worth while to try to put them in the jails. Plenty of them went to jail, but hundreds of them escaped for lack of real prosecution.

Mr. SABATH. I have been in politics for over 60 years, and I have been a committeeman for nearly 50 years, and chairmen of the County Central Committee, and there were no frauds at any time perpetrated by the Democrats. Where there were frauds perpetrated and people were jailed in Republican primaries, they were mostly Republicans, they were not Democrats.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Texas.

Mr. POAGE. Mention was recently made of the fact that when there was a partial change in the poll-tax laws during the war there was no increase in voting. I think we might have a better example and a more up-to-date and clear example, possibly, if we compare the States of Texas and Louisiana, which are adjoining States. The State of Texas has a poll tax and the State of Louisiana has none. I think the gentleman will find that the record shows that during all those years since Louisiana repealed its poll tax a larger percentage of the citizens of Texas have voted under the poll tax than was the case in regard to the citizens of Louisiana, an adjoining State that does not have a poll tax.

Mr. DAVIS of Georgia. I thank the gentleman. May I say that we have no poll tax in the State of Georgia either, but if the State of Texas wants to have a poll tax I say that is the business of the State of Texas and not the business of the State of Georgia, nor is it the business of the Federal Government of the United States.

Mr. ALLEN of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. ALLEN of Louisiana. I did not intend to get into this controversy today, and would not except for the fact that my good friend from Texas mentioned Louisiana. It is true that we abolished the poll tax in Louisiana a long time ago. I think we were probably the first State in the South to abolish it. We have not regretted the fact that we abolished the poll tax. We have been getting along quite well without it.

May I add that during the 13 years I have been here this poll-tax issue has been a perennial controversy. I have always supported the States' rights proposition and I intend to continue to do so. I think whatever is done about it ought to be done by the States. I wish, however, our friends in the remaining poll-tax States would themselves remove the poll tax. I do not think it ought to be done by Congress.

As to what the gentleman from Texas [Mr. POAGE] said, I think the record will show that we have a higher percentage of voting than we had in the poll tax days. I do not have the facts before me but I think the record will show that. Also, I imagine we have a higher percentage of our citizens voting than is the case in the good State of Texas.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. COLMER. Of course the gentleman from Louisiana pointed out that the poll tax was repealed by the people of Louisiana through their State legislature. Regardless of how many people vote or do not vote, the gentleman from Louisiana, I am sure will agree that that is a right which, under the Constitution of the United States, the State legislature can exercise, and not the Congress of the United States.

Mr. ALLEN of Louisiana. Mr. Speaker, if the gentleman will yield further, I said that I could not countenance any other way of removing the poll tax. I think that is the way to do it. I think it ought to be done, but I think it ought to be done by the States.

Mr. DAVIS of Georgia. I agree with the gentleman, so far as the method of removal is concerned. As to whether it ought to be done, that is a question for the States themselves to decide.

Mr. ALLEN of Louisiana. As long as this issue is here I am going to support the Southern position to let the States handle their own affairs.

Mr. DAVIS of Georgia. I agree with the gentleman that that is the way it should be done, but I do not join with him in giving any advice to the State of Texas as to whether they should do it or not. I think that is a matter for the State of Texas and the State of Texas alone to decide.

Mr. POAGE. Mr. Speaker, will the gentleman yield further?

Mr. DAVIS of Georgia. I yield.

Mr. POAGE. May I suggest to the gentleman and the Membership of the House that the Legislature of the State of Texas, which just adjourned 2 weeks

ago, submitted a constitutional amendment to the people of Texas to be voted upon this fall to repeal the poll tax in the State of Texas. I am certain that the people will carry it out if they just leave us alone and let us handle it in our own way by our own vote. I am sure we will repeal it. But if they want to come down there and take charge of our election, we will keep it forever.

Mr. DAVIS of Georgia. I think that is a matter for the State of Texas to decide.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. WHITE of Idaho. Since this Louisiana question was brought into the discussion, I may say that when I went to the Democratic National Convention at Houston, having been born in Louisiana, I was somewhat interested in their system down there. So I asked the delegates how and where they held their State convention to pick the delegates to the national convention. He said, "Oh, my State does not bother with any convention. The Governor just sent a bunch over here to be our delegates." That is the way they do things in Louisiana.

Mr. LARCADE. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. LARCADE. I appreciate very much the remarks of my friend who just preceded my entrance into the Chamber. I am sorry he has left the floor. He made the statement that the delegates to the national convention at Houston, Tex., in 1927 or 1928 were not properly appointed. I cannot agree with the gentleman in that statement, because we have a State central committee, and while it is true that the Governor was a member of that State central committee, the delegates to the convention at Houston were regularly appointed according to the rules and regulations of the Democratic Party in the State of Louisiana, and participated in that convention as such and had the necessary papers to establish that fact.

There is just one more point that I would like to make at this time in regard to the statement and colloquy between the gentleman from Georgia and my distinguished colleague from Louisiana [Mr. ALLEN]. That is with respect to the poll tax in the State of Louisiana. While it is true that Louisiana does not have a poll tax, and I was a member of the legislature at the time this poll tax was repealed in the State of Louisiana, I want to say that the State of Louisiana has never surrendered any other prerogative or privilege with respect to the Federal Government. We still maintain our sovereign rights in the State of Louisiana and we do not admit that the Federal Government has any paramount rights over the sovereign State of Louisiana in any shape, form, or manner.

We have maintained that position with respect to the tidelands and we maintain it with respect to every other problem or matter that affects the State of Louisiana. I personally believe in States' rights, and so do the majority of the people of my State. I believe the Federal Government should not interfere with the rights of the States by trying to dictate to them as to how they shall hold elections or what the requirements therefor shall be, because that is a matter that is guaranteed under the Constitution of the United States of America, and I think this question should be left entirely to the States.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. HAYS of Ohio. Concerning this Illinois controversy, I am very interested in the remarks of the gentleman from Illinois [Mr. VURSELL] in whitewashing the southern part of Illinois outside of Cook County.

Apparently he has not been reading the newspapers, showing the graft and corruption that has been uncovered during the administration of the preceding governor when he had some 50 or 60 small-town newspaper editors on the State pay roll. They never went near the State capital and never did any work for that money. As a matter of fact, it apparently has gotten so warm out there that the great Colonel McCormick, who has been the mouthpiece for the Republican Party in Illinois for many years, I hear is going to move to Washington. The climate must be too warm for him.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. RANKIN. I have heard these charges made about 3 percent of the qualified voters going to the polls in the State of Mississippi. When they make those statements, why are they not honest enough and tell the public that there was no opposition? Our fight comes in the primary. In the general election, where a candidate for Congress has no opposition on either ticket, as a matter of fact there is not much excitement and the ballots are sometimes rather small.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. DAVIS of Georgia. Mr. Speaker, I have yielded a great deal of my time to Members who desired to participate in these remarks, and I ask unanimous consent that I may continue for an additional 10 minutes.

The SPEAKER pro tempore. There have been other orders previously entered by the House. If those other Members have no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. DAVIS]?

There was no objection.

Mr. DAVIS of Georgia. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I think this whole question resolves itself into a very simple proposition. Over the years the States in the South have had the poll tax eliminated in many States. I believe there are seven States that still have the poll tax. There is no question in your mind that in due time, if left alone, those States will also remove that poll tax?

Mr. DAVIS of Georgia. I would not undertake to speak for the States. I would feel out of place to say that those States in any given length of time would remove the poll tax. I can say that I regard it as a matter that belongs solely to those States to determine. I speak for my State. We have removed the poll tax. There is no requirement to pay any kind of tax in order to vote.

Mr. SMITH of Ohio. In any event it resolves itself into this: It is not a race issue but it is a constitutional question.

Mr. DAVIS of Georgia. Certainly, it is.

Mr. BRYSON. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. BRYSON. The gentleman, of course, being my neighbor geographically, knows that our situation is comparable to that in Georgia and in Mississippi and other States. Our main battle comes in the primary, and, as was observed by the gentleman from Mississippi [Mr. RANKIN] there is no particular inducement to go out and vote on the general election, although of course citizens ought to vote.

I would like to make this comment for the benefit of the House: In 1868, shortly after the war, we had a new constitutional convention in South Carolina. Three-fourths of the members of that constitutional convention were Negroes. That convention wrote into our organic law, and it is the law of our State today, that we shall have a poll tax as a prerequisite to voting in the general election. Of course, at no time has that tax been cumulative, as it was in the gentleman's State for a while. All you have to do is to pay $1 to vote in the general election, but not in the primary election.

Incidentally, this past summer some 35,000 Negroes voted in my State for the first time, without a single suggestion of violence on the part of anybody.

I would like to observe also that several times in the general assembly of my State, in the one just concluded about a month ago, bills or resolutions providing for constitutional amendments have passed either one or the other of the two houses, providing for the elimination of the poll tax. Although the gentleman, as a precaution, would not make any prediction as to what other States might do, the trend certainly is toward the elimination of the poll-tax requirement by the several States, and that is the constitutional way it should be done.

Mr. HAYS of Ohio. I would like to concur in the remarks of the gentleman from South Carolina. He made a very able presentation in this respect before our committee. There is one thing, however, he did not bring out, that the legislature of 1868 in South Carolina was composed, I believe he said, of three-fifths Negroes.

Mr. DAVIS of Georgia. I believe so.

Mr. HAYS of Ohio. Those Negroes had only been freed from slavery about 3 years; most of them were illiterate, and they were under control of the northern carpetbaggers and were considering a resolution which had been sent in there by a Republican-controlled Congress. That resolution was written in Washington, or dictated in Washington, by Thad Stephens and his gang; and it is one of the black marks and blots on the history of this country.

I might say further in closing that that is one of the reasons I am a Democrat, that tragic era that happened, that blot

on the history of this country that was perpetrated by the Republicans made me—a member of an old Republican family in Ohio—decide when I was old enough to vote, to be a Democrat; and I am proud to say that I voted for Roosevelt four times and Truman once. I am only sorry that I have not been able to vote longer; but I voted when I was old enough the first time, and I have always been a Democrat. That period of 20 years in our history had more to do with it than anything else.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. RANKIN. I know of no man who has made more vicious and unreasonable attacks on the white people of the South than the gentleman from Ohio [Mr. HAYS].

Mr. DAVIS of Georgia. I would like to say with reference to the remarks of the gentleman from Ohio and agree with him that it was a black mark, and that it was one of the most tragic eras which has ever beset this country.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. HAYS of Ohio. I have made no attacks on the people of the South, but I have answered as best I could the demagogic attacks of the gentleman from Mississippi on my State and the North. I would like to say in regard to that that his statement to the effect that the FEPC bill of Ohio was rammed through, that it failed in the house, then the gentleman from Mississippi made a speech and it was reconsidered and passed in the House. It failed in conference.

Mr. RANKIN. Yes; we killed it in the House.

Mr. HAYS of Ohio. We? Is the gentleman running our State legislature?

Mr. RANKIN. We turned the spotlight of pitiless publicity onto that measure when it came up in the legislature and killed it. Copies of my speeches showing what that communistic law meant were sent to every member of both houses of the Ohio Legislature.

Mr. HAYS of Ohio. The gentleman could not turn the light on anything in Ohio.

Mr. RANKIN. Well, I did do it. When the intelligent members of the Ohio Legislature read the facts presented in those speeches I sent them, they killed that communistic measure just as they did in Pennsylvania, Minnesota, and Colorado.

Mr. DAVIS of Georgia. Mr. Speaker, I did not intend to bring up the FEPC issue. But, getting back to the remarks of the gentleman from Ohio, I think that he has given a great deal of study to the reconstruction era; and it was a tragic era. The State of South Carolina, the State of Georgia, and the other States of the Confederacy were cruelly treated. I am glad to see people from the State of Ohio get up and acknowledge now that the conduct that was visited upon us and our ancestors there does deserve condemnation; and I appreciate the remarks of the gentleman in that respect.

I noted what the gentleman said with reference to getting a vote. I would like to say to him that if he had been a resident of the State of Georgia he would have had the chance to vote at the age of 18 years; he would have had the opportunity of exercising his privilege of voting on the Democratic ticket 3 years earlier than he did in the State of Ohio.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. HAYS of Ohio. The State of Georgia has always been a progressive State in the matter of its legislation.

Mr. DAVIS of Georgia. I thank the gentleman for his remarks. Let me point out that that change was made by the people of Georgia of their own free will and volition; they removed the poll tax and reduced the voting age. That is a matter that belongs solely to the State of Georgia. The Federal Government has no business whatever to undertake to fix the qualifications of our voters. I believe that the action taken by the State of Georgia is a demonstration of the contention that I made that these matters are best left to the States to determine by their own action, what the qualification of their voters shall be.

As the gentleman from Ohio [Mr. HAYS] and the other gentleman from Ohio have said, this is not a question that involves races. What has been said here on the floor of the House this morning demonstrates that it is not a question of race. You have the State of Louisiana, the State of Georgia, and many other Southern States that have abolished the poll tax where the population of the Negro is greater than in the States of the North and East where they are making such a noise about poll-tax legislation. It is not a question that involves races; as the gentleman of Ohio [Mr. SMITH] so aptly stated a few minutes ago, this involves the Constitution of the United States.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Arkansas.

Mr. HARRIS. May I say to the gentleman that since I have been in the Congress I have taken the same position in opposing congressional action for repeal of poll tax as a requirement for voting in various States. It is a constitutional question leaving the matter of qualifications to the States. If the Congress wants to approach this matter in the proper way, would it not be appropriate to propose an amendment to the Constitution of the United States repealing the poll-tax requirement in certain States? In that way the constitutional requirement would be met. It is the only correct way to properly deal with this question.

I regret exceedingly the question of poll tax as a prerequisite for voting is again being considered by this House, and bringing about a sharp controversy and attempting to bypass the Constitution of the United States. I have previously given my views on this legislation and endeavored to show that it is clearly in direct contravention of our Constitution.

Mr. Speaker, I would not question the sincerity of any Member of this House, but I am asking you, you who are attempting to force this legislation upon the seven States of this Nation, to search your hearts and ask yourself if you conscientiously believe that you are within your constitutional prerogative. Do you realize what you are doing? I urge you today to lay aside political thinking for just a moment and set your feet on a sound and solid principle, one that if continued to be the basic action and fundamental policy of the States running their own affairs locally will continue to make us a greater Nation as the years roll by.

Mr. Speaker, this legislation, if finally adopted by this Congress, will not do what you think it will. I know what you are thinking and I know why you are playing into the hands of this unconstitutional attempt, but I say to you today, it will not in the seven States affected achieve a goal that many of you have been led to believe. You think that by adopting such legislation in this manner it will bring about more intensive voting by certain people in these Southern States, but it is not so simple. I ask you to go into the Southern States where the poll-tax requirement is not prerequisite and see what percentage of the Negroes vote in that State and compare them with the percentage that vote in the States where the poll tax is a prerequisite.

Mr. Speaker, this matter has been played up in those States where your problems are different, and in an effort to try to revolutionize the people in other States, and in place of bringing harmony, cooperation, and better results, you are doing nothing but breeding serious and bitter controversy.

If the States involved deem it wise and by their own actions discard the poll-tax system, I would have no fault or criticism of their action. This means would be the regular procedure to bring about such changes.

Mr. Speaker, there is a way, and if the advocates of this legislation want to bring about this change in the regularly and orderly process, the Constitution of the United States could be amended to take care of this situation just as it was amended to take care of woman suffrage and a great many other matters of national importance. If a sufficient number of States approve such an amendment to our Constitution, that would prohibit the poll-tax requirement, you would find a much better and more practical solution to the problem you advocate, but in the manner attempted here, you are only bringing about an embarrassment to these seven States, and I seriously question the motives behind such an attempt. With the motives behind this legislation and the manner it is proposed if adopted, you are not building but destroying.

Mr. DAVIS of Georgia. A constitutional amendment could be presented; however, I am not advocating that that be done. I say that the Constitution of the United States now covers the question. It places this responsibility and

right and privilege in the hands of the voters of each of the States.

A very good statement was made on this subject in 1947 when legislation on this subject was being considered by the House Administration Committee. Mr. Jesse F. Orton, an attorney at law of New York City, appeared before the subcommittee which was holding the hearings, and testified on two separate days. I think it is worth while to call attention here to a part of the statement Mr. Orton made on the second day of his appearance before that subcommittee. On that occasion he said:

I want to take up briefly three points.

The first is that the proponents have placed considerable emphasis on the fact that they alleged that expert legal opinion is about equally divided between yes and no on this matter of constitutionality. It is very significant that they do not claim any more than that.

As a matter of fact, the equal division of expert opinion is simply untrue, and they cannot establish it in any way. I am sure from the many expressions of opinion that I have heard from lawyers that not more than 1 out of 10 of competent lawyers not connected with this legislation and who have informed themselves in a reasonable way would believe the bill is constitutional.

The brief I have written, as I indicated yesterday, has been submitted quite widely to the profession as well as others. I have a great many letters, some from the very highest authorities in the legal profession in the country, and not a dissenting letter from anyone.

But whether the expert legal opinion is one way or the other, I am sure you understand, gentlemen, that each Member of Congress has the duty to satisfy his own conscience together with his understanding of the situation that in casting a vote he is not voting to disobey the Constitution no matter what the Supreme Court might say about it later.

The second point is that a determined effort has been, and is being made by proponents to destroy section 2 of article I which is the only section in which the subject of qualifications is even mentioned in the original Constitution.

One of the witnesses yesterday, when asked whether section 2 was relevant and controlling, would not say that it was. He hardly wanted to say that it was not. But there is that effort to inject doubt into that question.

As I said yesterday, if section 2 of article I, dealing with qualifications is not a basic and fundamental provision in the Constitution, then there isn't any such there.

They try to destroy and discredit it by saying it has been modified by other later provisions in the Constitution, especially by section 4 which gives Congress the ultimate power of making regulations for the time, place, and manner of holding Federal elections.

Section 4 was adopted on the succeeding day following that on which section 2 had been adopted, and anybody who charges the founding fathers with being such fools as to come back on Thursday in a section which says nothing about qualifications to undo what they had done on Wednesday, adopting a definite rule on that subject, we have to supply they were not fools. If they might say they were not fools to do that, they would have been knaves because they had expressly said in their debate they were adopting this provision making the State law the governing factor in qualifications for the express purpose of obtaining ratification of the Constitution by those States who would be pleased by that provision. And if they obtained ratification on false pretenses, not meaning the section should mean what it said, then they were knaves, perhaps, instead of fools.

But various means have been resorted to to help in destroying this section 2.

Another way is to hunt up all the statements made in the Federalist and elsewhere to see if something cannot be found on which they can base that claim, and they seem to have settled on Madison and Hamilton as the men by whom they could find such a statement. They have actually presented a statement, a quotation, from both of those men which they claim justifies their contention.

But in regard to the statement made by Madison, they have deliberately misquoted the statement made by Madison in the Federalist.

There are four sentences in the paragraph relating to that subject. They have quoted the first three and omitted the final fourth sentence which is the conclusion of the whole matter. That has been done by two of the leading counsel in this case in the Senate hearing, and I hate to say it was done by one of the Congress in the debate on that subject in the year 1945.

What did Madison say? He asked the question: "Who are to be the electors of the Federal representatives?"

Then he goes on to say it wouldn't be the rich any more than the poor, or the learned any more than the ignorant, nor people of distinction any more than humble persons. Then he goes on: "The electors are to be the great body of the people of the United States."

Now that is where our friends, the proponents, cut off this quotation, omitting the next sentence. They argue from that if it is going to be the great body of the people, it will have to be everybody. But what did Madison say in the last sentence?

He said: "They are to be the same who exercise the right in every State of electing the corresponding branch of the legislature of that State."

You can see for yourselves what it means to be dealing with persons who will misquote an authority in that manner.

So we have Madison. That is all they have for Madison, and that is not genuine.

Now for Hamilton. He said in No. 60 of the Federalist—they claimed that regulation of Federal elections by Congress would benefit the rich and the powerful and the well-born and so on. But he says that is not so, for this forms no part of the power to be conferred upon the National Government. Its authority would be expressly restricted to the regulation of the times, the places, and the manner of election, those things mentioned in section 4.

And he says: "The qualifications of persons who choose Congressmen are defined and fixed in the Constitution and are unalterable by the legislature."

One of the leading counsel for proponents in the Senate hearings acknowledged Hamilton had said that in No. 60, but he charged Mr. Hamilton with making that statement purely for political purposes.

We cannot name any American of that period who was more particular about personal integrity than Mr. Hamilton, as everybody knows.

They try to make out that section 2, the meaning of it, was changed by what the committee on style did to it. They shortened it and changed the wording slightly, but anybody who can find the slightest difference of meaning between the two, I think will be deserving of something rather remarkable.

They presented in their principal brief a 5-page memorandum signed by one practicing lawyer of New York and nine college professors of law. The record at pages 353 to 354. Those who signed that memorandum did not compose it themselves and had nothing to do with the writing of it but received it by mail from some office where it had been prepared here in Washington, I suppose, and signed it and sent it back.

One of those college professors said to me in a letter, what he meant by signing that document was that he believed that a majority of the present Supreme Court would uphold the bill if enacted, which is a great deal different from saying he thought it was what constitutional law was at the present time, or what it ought to be, what the Supreme Court ought to hold.

One of the college professors—he did not sign this, however—but one of the law professors in Columbia University Law School a few years ago published an article in the Columbia University Law Review in which he says that this country not only ought to have an unwritten constitution like the English, but that it actually has such a constitution at the present time; and that if there is any practice which has grown up in the Federal Government which is contrary to the Constitution, that does not mean that the Constitution will control that practice and prevent it, but it means that that practice will show that a certain part of the Constitution is dead and no longer of any validity whatsoever. That was Professor Lewellyn, Columbia Law School, in the Columbia Law Review, volume 34.

I do not know about all these professors who signed it, but I had a letter from four of them after receiving it, in which they thought my argument was pretty good but something where there was a but after it.

There is a third point that I wanted to speak of, and that is the matter of Presidential electors, which is not covered by my first brief at all.

It is certainly improper and illogical, and I think I can also add not honest, to put the Presidential electors in the same class with Representatives and Senators and adopt a rule governing all three of them in the same way on the theory that they are subject to the same rule, because the Constitution made no requirement that Presidential electors should be elected in any way.

What it said is: "Each State shall appoint," and it says appoint and not elect, "in such manner as the legislature thereof may direct a number of electors equal to the number they are entitled to."

In the early days the legislatures, some of them, directed that the election, or choosing, of the electors be done by themselves and that was continued for quite a time. Others that they should be chosen in diverse other ways. They could have made them appointable by the governor or by other State officers, no doubt.

But finally the trend was in a direction of appointing these electors in the manner of a public election. And so they come under the limitation of the fifteenth amendment and nineteenth amendment in regard to discrimination when they do that. But that is all.

They could change back any time they chose to some of the older methods or any other method that never had been tried.

In the State of Michigan, one party having obtained possession of the legislature, and thinking it might help them in 1892, went back to the method of electing the electors not on a general State ticket but by districts, one elector for each district. That did help them in that election, but the opposing party came in 2 years later and repealed the law. But in the meantime, the Supreme Court was reached by a case in which it was alleged that the legislature had no power to do that, and in an unanimous decision in the case of *McPherson* v. *Blacker* (146, U. S. p. 1), they discussed the entire question of the character of electors, saying they were not United States officers as this bill says they are but they were the agents of the State, of the several States, and also interpreting those words that I read to you. And Chief Justice Fuller in a rather

long opinion said: "In short, the appointment and mode of appointment of electors belong exclusively to the States under the Constitution."

The opinion is that of Chief Justice Fuller, an unanimous opinion in *McPherson* v. *Blacker* (146, U. S. p. 1).

He said: "In short, the appointment and mode of appointment of electors belong exclusively to the States under the Constitution. Congress is empowered to determine the time of choosing the electors and the day on which they are to give their votes which is required to be the same day throughout the United States, but otherwise the power and jurisdiction of the State is exclusive with the exception of the provisions as to the number of electors and the 'neligibility of certain persons, the provision so framed that congressional and Federal influence might be excluded."

So that concludes the entire question on electors. They have no place in a bill of this kind even if you are going to pass a bill, because Congress has no jurisdiction over the matter.

Mr. Speaker, I appreciate the attention which the Members have given to these remarks. The interruptions and remarks of other Members indicate the great interest that Members have in this subject, not only from my section of the country, the South, but from almost every other section of the country. It indicates that the feeling is held generally, not merely in the South, but in all sections, that the fixing of qualifications of electors is not a matter which the Federal Government has jurisdiction of, but under the Constitution of the United States, this is a matter over which the States have sole and exclusive jurisdiction.

The SPEAKER. The time of the gentleman from Georgia has expired.

(Mr. DAVIS of Georgia asked and was given permission to revise and extend his remarks and include extraneous matter.)

EXTENSION OF REMARKS

Mr. RANKIN asked was given permission to extend his remarks in the RECORD and include the speech on the Federal ballot the gentleman from Georgia [Mr. DAVIS] referred to a few minutes ago.

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. LARCADE] is recognized for 5 minutes.

INTERNATIONAL CONVENTION OF LIONS CLUBS AT NEW YORK AND THE LOUISIANA ACADIAN EXHIBIT

Mr. LARCADE. Mr. Speaker, during the past week, July 18 to 22, there was held in the city of New York the International Convention of the Lions Clubs. There were 26 foreign countries represented and also every State in the Union.

At that convention many of the States had exhibits outlining the progress of the various States. The State of Louisiana had a booth with an exhibit depicting the history of the Acadians who were expelled from Nova Scotia in 1755, when they refused to renounce their religion and their king. Part of these people who were expelled landed on the New England coast. Some settled in Massachusetts, some in Maryland, and the balance settled in Louisiana.

I would like to give the House a little history in respect to these fine people who migrated to Louisiana.

The French people who colonized Acadia in 1604 became known as Acadians. Probably few literary stories approach in beauty and romance the story of Evangeline made immortal in the poem by Longfellow.

The name of the province Acadia was later changed to Nova Scotia. For a distance of about 100 miles, from Digby to the town of Wolfville, the Acadians lived in a very fertile valley. They were an agrarian, industrious little people. The severe winter months found them well prepared with the summer's provisions. They possessed, besides their abundant, though not extravagant earthly goods, the spontaneous gaiety of the French. Simple in their mode of living, moral, and temperate of habit, they enjoyed the rural community life that has been the theme of many a poem. They were peaceful and happy and ardently Catholic and French.

"The poorest was rich in his honesty, and the richest ignored what was poverty."

Acadia remained in the hands of the French until the Treaty of Utrecht, signed on April 11, 1713, when it was given over by France to Great Britain.

These French people were then requested to take the oath of allegiance to Great Britain. This oath necessitated their renouncing the Catholic faith and they refused to swear to an oath that would have compelled them, in the event of war, to take up arms against their French brothers or to change their religion. An era of persecution followed. The officials of the province endeavored to intersperse Protestant settlement among the Acadians so as to change their religion. At this time there reigned in Great Britain and in practically all her provinces a bitter hatred for Catholics and this hatred was manifested possibly more in Nova Scotia than anywhere else.

The Acadians realized that they were no longer wanted in the land that they and their ancestors had colonized. They, therefore, decided to leave. The British authorities, however, prevented this.

The project of exiling the Acadians in English provinces so as to send the race into oblivion was then discussed. England did not want the Acadians to remain in Nova Scotia because they were too ardently French and Catholic to ever become English citizens. Neither would she permit the Acadians to settle in a French province for fear that they would eventually become too powerful and for fear that such industrious settlers would soon become too great an asset to France.

It was finally decided to exile this race of people. They were thrown pell mell in boats and scattered on the Atlantic coast in the English provinces. Stevens in his book The History of Georgia says: "Thousands of people thus dispersed like leaves of autumn amid a people who despised their religion, hated their country, mocked their customs, and laughed at their beliefs."

Longfellow in his poem Evangeline says:

When on the falling tide the freighted vessels departed,
Bearing a nation, with all its household goods, into exile,
Far asunder, on separate coasts, the Acadians landed;
Scattered were they, like flakes of snow, when the wind from the northeast
Strikes aslant through the fogs that darken the banks of Newfoundland.
Friendless, homeless, hopeless, they wandered from city to city,
From the cold lakes of the North to sultry southern savannas—
Friends they sought and homes; and many despairing, heart broken,
Asked of the earth but a grave, and no longer a friend nor a fireside.
Written their history stands on tablets of stone in the churchyards.

Longfellow in his poem Evangeline also mentioned my home town when he spoke of Opelousas in his poem when he said:

Men, women, and children, who guided by hope or hearsay,
Sought for their kith and kin
Among the few acred farms along the Acadian coast
And on the plains of fair Opelousas.

The exile of the Acadians was the greatest tragedy of modern civilization and is referred to by many as the most monstrous crime of modern history.

James Thomas Vocelle, in his book The Triumph of the Acadians says:

The expulsion of the Acadians was a happening so full of tragic pathos and sorrow and severed so many human hearts that it stands foremost among all the tragedies that have ever been committed during the course of the history of the world.

Henri d'Arles in his book The Deportation of the Acadians says:

The exile of the Acadians is the most tragic event in American history and one of the most abominable to be found in the annals of humanity, though these are prolific in horrors.

He continues:

If the sentence of death was not pronounced against them (the Acadians), it was, however, for thousands among them the unavoidable consequence, the fatal conclusion of the ill treatment which they endured in their exile, where famine, infectious diseases, and physical and mental torture were to decimate them after a more or less long agony. * * * There was * * * (in Acadia) a form of moral beauty which evolved not only from the quality of the souls which inhabited it, the purity of their morals, their evangelical virtues, but also from the harmonious prosperity with which Providence had blessed them. This beauty the English completely ravaged, thus causing the world to weep.

The Acadians were landed in the English colonies on the Atlantic coast of America. Many of them, however, came to Louisiana, at that time a French province, so they could follow their religion and be under the French flag. Many returned to Canada.

Those who came to Louisiana found a better land than their ancient beloved Acadia. The 5,000 or more Acadians who found refuge in Louisiana are today over 500,000 in number. After 181 years of separation from people of their own faith and language, they are still a Catholic and French speaking people. By the fruits of their untiring labor they have prospered. In the sanctuary of their homes are preserved the customs, the language, the religious and happy atmosphere that were sacred to their ancestors. Has there ever been a parallel in history? This, therefore, is the

Acadian miracle. And so strong are the traits of this indomitable people that we find among the Acadians in Louisiana today people who speak nothing but the French language, bearing Spanish, German, Italian, and even English names.

This, then, is the history of the Acadians, commonly known as Cajuns. It is a story of tragedy and of heroism, of hate and of love, of persecution and of triumph; it is a story that invokes on its heroes the blessing of all Christians.

In the book Jacques et Marie by Napoleon Bourassa, one of the principal characters, Pierre Hebert, in giving advice to his son says:

My son, I bless you for all your lifetime. I am old and we may never see each other again. Always be an honest man; be true to your word. If you have to live among the English, do not betray them; if you cannot bear their injustices, come back to us. A man after all is master of his own person and free to choose his heaven; but do not forget that you are a child of France; the blood and the language that God gave you, Jacques, do not surrender to conquest; do not sacrifice them for anything; always be pure of heart. These are the noble things that the Creator wants us to keep no matter how despairing may be the situation and circumstances that we encounter. To throw off these things on the first obstacle is an insult to Providence and a doubting of its power.

The blood that you have received is sufficiently full of glory to make you proud to keep it pure regardless of where you may be.

Mr. Speaker, I think that Joel L. Fletcher, president, Southwestern Louisiana Institute, Lafayette, La., has brought us up to date in his address entitled "The Acadians in Louisiana Today," which he delivered to the Cambridge Historical Society of Massachusetts, on October 30, 1947, and I wish to read this magnificent eulogy to the Acadians of Louisiana, as follows:

We have come from Acadian Louisiana to do honor to the distinguished poet of Cambridge on the centennial of the writing of the beautiful poem, Evangeline.

In that Eden of Louisiana where dwell the sons and daughters of the Acadian exiles, the name of Henry Wadsworth Longfellow has become an established part of their most cherished heritage.

This chronicler of the wanderings of their fathers after their deportation from Nova Scotia until they reached a haven among their kith and kin in French Louisiana has been adopted by them as not only their favorite poet, but also one of their greatest historians.

We are here representing the Acadians, as well as all other citizens of Louisiana, to pay homage to a great American writer and to extend an invitation to you who love the poet and his creation, Evangeline, to visit Louisiana in order that you may see how faithfully he recorded that lovely land and those who live there.

I hope that each one of you will be privileged to visit the Acadians in Louisiana. I know that you would make every effort to come to their land if I had the words today to describe properly the beauty and charm of my native State. I am sure that if you made such a visit you would realize that the Acadian wanderers have now been amply rewarded for the trials of their deportation and the long journey southward with all of the hardships which they endured.

Nearly 200 years have elapsed since the Acadians came to Louisiana and 100 years have now passed since the distinguished poet of Cambridge made these wanderers and their way of life familiar to all men. Yet, today, the descendants of that group live in southwest Louisiana much the same as their fathers did in Nova Scotia, adhering still to many of the old customs and traditions and holding to their quaint language.

Today is harvest time in the fertile fields along the bayous and among the prairies of southwest Louisiana. If you were to ride along one of the highways in the bayou country tonight, you would smell the sweet odor of freshly cut sugarcane and in countless factories you would see the lights gleam as the cane is crushed and its juice boiled to make sugar. There are a few of the primitive sirup mills left in which horse-drawn crushers are used, but the greater part of the cane is processed in modern sugar factories which have equipment that costs in the hundreds of thousands of dollars. Some of the plants are owned by outside interests, but more and more they are being owned and operated by the Acadian farmers themselves and financed through the bank for cooperatives.

In the western part of the Acadian country where grazed great herds of cattle during the early days of Basil, the blacksmith, and his fellow Acadians, there today thrives the valuable Louisiana rice crop. While the cane crop was developed altogether by the French in the alluvial regions, the rice crop was first grown commercially about 1804 on the prairies of southwest Louisiana by emigrants from the Midwest. At first the Acadians resented the breaking up of their grazing land, but today these same Acadians have become the leaders in rice growing, and in the rice territory many persons who bear the Anglo-Saxon names of the Yankee emigrants of 60 years ago are as Acadians as the natives. Where women are as fair as Longfellow describes that Acadian maiden of 17 summers, and where the men are well-favored, gentle, and kind, it is impossible for a staid Yankee farmer, whether he be of English, Scotch, or Irish stock, to rear his children in the Acadian section and not have grandchildren that are true Acadians.

The Acadian girl is not only fair to look upon and sweet to be around, but also superior as a wife and as a mother. However, gay during girlhood, she becomes at marriage the most decorous of wives, with her entire attention centered upon her home and family.

In the land of the Acadians, big families are still in vogue, and what real happiness and joy are to be found in the Acadian home where, with few exceptions, the children are like stairs in a great staircase, one following right after the other. Holidays and feast days, which are numerous, are times of family reunions and rejoicing, and how these fathers and mothers and brothers and sisters and uncles and aunts and even distant cousins love one another and with what joy they gather around the festive board on such gala occasions.

There are few drunkards among the Acadians, but wine is an integral part of all such holiday feasts. The Acadian does not gulp his liquor as the Anglo-Saxon for the effect, but sips and laughs and gaily chats with his kinsmen and his friends, one small glass lasting for an hour or more of such festivities. The wine for merry occasions may be purchased, but in many cases it is made in the home. Blackberries, the flower of the elderberries, dewberries, and many other native fruits are used for this purpose. A favorite drink for winter is cherry bounce, which is made by soaking the small native wild cherry in sugar, and later thinning this thick sirup with bourbon.

The Acadian, like all people of French descent, is a connoisseur of good food and tends to be a rather heavy meat eater. The Acadian woman, however, is very thrifty and able to make much from little. During the winter the main dish may be a heavy soup which can be made from a soup bone or a small piece of a cheap cut of meat with a so-called soup bunch consisting of only a carrot, onion, or leek, and a few leaves of some green vegetable. On feast days mutton, pork, beef, chicken, goose, or duck may be the main dish. In some of the more prosperous homes three or more kinds of meat may be served at one meal. On Friday and the other fast days shrimp, fish, both fresh water and salt, crabs, and oysters form the source of the main dish. These fish dishes, delicately flavored, as only an Acadian cook can season, with bay leaves, garlic, and the different types of onion and pepper which form an integral part of every Acadian pantry, will compare favorably with the cooking of any of the world's finest cooks.

The Acadian men are usually as skillful cooks as the women and enjoy nothing so much as preparing their specialties over a camp fire. One who has not enjoyed a Good Friday fish dinner prepared and served by an Acadian man along one of the numerous bayous of French Louisiana has missed the finest in the way of food. The dish may be court bouillon, a fish soup prepared with a roux of flour and water gravy as its base, or the more sophisticated bouillabaisse in which special cuts of fish are prepared and placed in a cast-iron vessel, together with a layer of green pepper, another of fish, a third perhaps of tomatoes, and so on until the pot is filled. This is then covered and placed upon a fire of coals where the contents are cooked for hours in their own juices. It is delightful to sit on a sward of green clover in early spring and smell the delicate odor while the pot is boiling for some 2 or 3 hours. One can enjoy no finer meal than a dish of bouillabaisse, with a crusty loaf of French bread toasted brown and a glass of red wine, and even though the Acadian who serves it may never have been out of his native parish of Acadia, Evangeline, St. Martin, or Vermilion, he has enjoyed a way of life that few others know.

While the Acadian still speaks the French language, there is in his heart no divided allegiance. He is a citizen of the United States, and, as I told countless FBI investigators during the last war who were looking into the loyalty of men being considered for strategic positions, "When a man has an Acadian name, there is no need of further investigation. Without exception, an Acadian loves this country devotedly and will give of his all to preserve it."

The Acadians are very proud that their sons have taken part in every war in which this Nation has participated. In 1779 their men went with the young Spanish General Galvez against the English in what was then west Florida, and thus weakened what might have been a successful British attack from the south upon the armies of the Colonies. In 1812–15 with Louisianians of all races and creeds, they remained loyal to their new country and aided Jackson in repelling the mighty British invasion from the Gulf. In 1846 Louisiana was, of course, the spearhead in the fight against Mexico, and in the ranks of the lost cause there were no more gallant soldiers than the Louisiana Acadians. I like to tell my students—youths named Arceneaux, Broussard, Breaux, Mouton, Landry, Martin, LeBlanc, and Hebert—of the great tribute paid to the courage of their fathers by Stonewall Jackson. These Acadians were members of the brigade commanded by Gen. Dick Taylor, son of President Zachary Taylor. Dick grew up on a Louisiana plantation and knew and liked the Acadians as few outsiders ever have. For Taylor, the Acadian soldier would fight to his utmost. At the time Taylor reported to Jackson just before one of the early engagements of the Civil War, it is related that his soldiers

began playing on mouth organs and dancing with one another. When Taylor spoke to Jackson, the dour old Presbyterian remarked concerning his lack of confidence in men who would be gay on the eve of battle. Taylor replied, "General, those are Louisiana Frenchmen. They and their fathers have made love to the women and fought the men all over the world. Please reserve your judgment of them until you have seen them in action." Surely enough, after the battle was over, Jackson called Taylor in to his headquarters and told him that, although he had seen brave soldiers, never had he seen men display such courage under fire as had those Louisiana Frenchmen.

The two World Wars were no exception to this rule of Acadian bravery. An Acadian, a country doctor, Claude Martin, of Welsh, was the most decorated Louisianian during World War I. An Acadian from St. Martinville, Brig. Gen. Robert Maraist, was one of the two American commissioners at the surrender of the African Corps during the last war. Later General Maraist commanded the Sixty-ninth Division in France. A Breaux Bridge Broussard was the executive officer who was given much credit for the survival of the cruiser *Houston* when that ship was so badly damaged during one of the early Pacific naval battles. Jefferson LeBlanc, a brave young St. Martinville Acadian who served as a Marine aviator, had the Congressional Medal pinned on him by the President of the United States. St. Martin Parish claims the honor of having more of her sons decorated in this last war than any other parish in Louisiana.

As far as loyalty to France, today there is only a cherished old memory of the connection that once existed with that nation. The severest criticism of France that I ever have heard was from the Acadian boys who were in that country either during 1917-18 or at the time of the last war. Their comparison of the people of France with those of the Louisiana French today was stringent.

The description of the Acadian would not be complete without touching upon his contribution as a citizen. I do not wish to leave the impression that I am here to laud the Acadians and to paint them as being perfect. These are as are all groups—men with varying degrees of morality, honesty, and idealism. In Louisiana, however, as a group the Acadians are an influence for good. Where people have not been educated, where ignorance is still too prevalent, especially in the older generation, demagogs are prone to rule. However, the average Acadian is a man of high ideals and, when properly informed, will choose the way of right and honor. If one were to list the leaders of the State who have been the most honorable in their public service, men who have had integrity to stand for right and the courage to carry out their convictions, one would find the names of the Acadian leaders in the forefront.

Originally the Acadians all settled on farms which they laid out along the bayous, notably those of the Teche and Lafourche. Later, as they increased in numbers, they pushed westward to the boundless Louisiana prairies, which they first used as meadows for grazing herds of cattle, then later as fields for the cultivation of rice. Families of 10 and 12 and even more children, however, soon made it necessary for other means of livelihood to be sought. Today Acadians are trappers of muskrat, miners of salt, pickers of the gray Spanish moss, trawlers for shrimp, and workers in all the industries and commercial undertakings of their native State. Literally thousands of Acadians have trekked on to the new industrial cities of east Texas, and in Beaumont, Port Arthur, Port Neches, Texas City, and Houston these people comprise a large percentage of the industrial workers. The telephone directories of those cities now look like a replica of one of the Acadian cities, Lafayette, Opelousas, New Iberia, or St. Martinville.

The poet's description of the promised land sought by the wanderers as one where under the feet is a garden of flowers is literally true in Acadian Lousiana. There is no place where every month of the year there is a greater profusion of flowers. This is especially true of the winter months, which in Nova Scotia are bleak and cold, and in this Acadia are the season when the lovely camellias and azaleas are at the height of their bloom. During February and March one may stand in the second-story window on the campus of the college at Lafayette and look out over a veritable sea of azaleas, with here and there an island of pink perfection or Governor Mouton camellias. Forming a background for all of this bright color is the green of the live oak, a tree which has become symbolic of the Acadian section of Louisiana. The great masses of crepe myrtle which bloom during the late summer are just as lovely, their pink, red, and melon colors being more delicate than those of the winter-blooming camellias and azaleas. The most perfect flower of that Eden of Louisiana, however, is the wild iris, which grows in profusion along every ditch bank and all over the marshes during spring. This flower is more like an orchid than is any other blossom and is today being bred to grow as a cultivated plant.

The Acadian has been deeply influenced by all of this natural beauty which surrounds him, and in the yard of every home, humble or otherwise, there are always flowers blooming—camellias, azaleas, and many others in their season.

In Lafayette each January hundreds of Acadians gather to pay homage to the lovely camellia in a pageant which is presented annually at the college. Acadian beauties decked in the lovely blooms which the Jesuit Kather Kamel brought from the Orient long ago attract tourists from many States. These visitors are amply repaid by the beauty of the pageant and the exhibits of the hundreds of varieties of camellias of every hue and color, every size and shape, displayed in the camellia show which is held at the same time.

Later the State Iris Society, a small but enthusiastic group, hold their show, and in Louisiana it is accepted as a matter of course that such shows and festivals are always held in the Acadian section of the State.

It has been my good fortune to serve as a teacher for 28 years in the State College which is located in the Acadian section of Louisiana. I have come to know and respect and love the Acadian citizens of my State. Today with an enrollment of 3,500 students, a large majority of the students at that college are descendants of the Acadian exiles. On that beautiful Louisiana campus dotted with live oak, pines, camellias, and azaleas one may occasionally hear the patois as it was spoken in far-off Nova Scotia, and there abides still among these children the gracious courtesy and genuine friendliness of old Acadia. On that campus everyone speaks to everyone else when passing and strangers coming there for the first time are impressed with the friendliness and graciousness of the people.

You will be interested to know that this college is the direct result of the vision and leadership of an Acadian leader, Robert Martin, of St. Martinville. Mr. Martin, a successful lawyer, sugar planter, and banker, in his only term of office as an elected official, secured the appropriations with which to found this school for his people. Until his death in 1928 he served as an active member of the board which controls the institution. The growth and development of the college founded by Robert Martin mirrors to a great extent the development which has taken place among the Acadian people during the past half century. When the college opened its doors for the first time on September 18, 1901, admission was based upon completion of the second grade. Even then there was difficulty in securing enough students to make it worth while to keep the school open.

Fortunately for the college a brilliant young scholar, Edwin Lewis Stephens, was selected to be its president. Dr. Stephens was a member of an old Louisiana Anglo-Saxon family, and he was aware of the many good qualities of the Acadian people and immediately charted an upward path for this school over whose destiny he was to preside for 38 years. It had been Robert Martin's idea originally to confine the efforts of the school to vocational or practical studies, but as time passed Edwin Lewis Stephens convinced him that education of the hands alone was not enough and that regardless of vocation or profession a thorough basic education is an essential to success in all fields of endeavor.

Today the college which was guided for so many years by Edwin Lewis Stephens with the support of its founder, Robert Martin, adheres to the course which they marked out so well. Although the school now is comprised of four distinct colleges or divisions, namely, agriculture, education, engineering, and liberal arts, the basic subjects of English, mathematics, history, and other liberal arts courses still form the most important part of the curriculum and the selection of able teachers in those departments is looked upon as the most important phase of the college administration.

When the Acadian leader, Robert Martin, made a fight in the Louisiana Legislature for a school to serve his people, there was not a public institution of learning worthy of the name in all of Acadian Louisiana. Today, within 30 miles of Lafayette in any direction one may take, there are consolidated standard public schools housed in modern brick plants; enrollments of above a thousand students are a common occurrence in that thickly populated section of the State. I realize that it is daring for one from the deep South to make claims for educational progress in this very center of learning, but Hughes and Lancelot in their recent publication Education, America's Magic aver that some States have made great advances in education in recent years compared with what they had made a few decades ago. They cite Kansas, Wisconsin, and Louisiana as examples. Much of the progress that Louisiana is making today is being accomplished within the Acadian territory, where not only the public schools and colleges are working earnestly to overcome ignorance, but where there are many efficient church schools, especially those of the Catholic faith. Catholicism is the religion of the Acadians.

During his early days in Louisiana the Acadian youth was taught by French teachers, textbooks in French being used. All books and newspapers of the people, too, were in that same language. By the time of the Civil War, however, the ties with the mother country had been severed to such an extent that it was impossible to secure the French publications. There was a long period from about 1861 to the beginning of the present century when education of any kind was lacking in the South. Even after the Anglo-Saxon peoples had begun to recover from the poverty and ignorance of the post-Civil War period, southern Louisiana made little or no effort to develop public education. Today, however, that section is making greater progress educationally than is any other part of the State. A recent study made by the Department of Education of Southwestern showed that in the Acadian parishes high-school enrollment and graduation have increased seven times more than high-school enrollment and graduation have increased for the State as a whole.

Those of us who are in educational work realize that much, much more progress is needed, but if one of you had visited Acadian Louisiana 25 years ago and had not returned until today I believe that you, too, would be greatly impressed.

Those of us who are responsible for the training of the Acadians are eager for them to have as excellent an opportunity for education as the children of any section. We do not, however, feel that standardization of these people into an accepted mold for Americans is good either for them or for the Nation. There are those of us who are working through the schools, through the colleges, and through civic clubs to retain the beautiful Acadian language and the delightful Acadian customs. We feel that it would be a tragedy indeed to allow Heberts to become Herberts, LeBlancs to become Leblanks, or Sonniers, Swinneys. We know that in Acadian Louisiana exists a basic culture and patriotism which is today found in too few places and is genuinely needed in our Nation.

If you stood today on one of the highways or roads in lovely southern Louisiana, you would see hundreds and hundreds of the descendants of the Acadian wanderers climbing into the busses which transport them to modern high schools. If you could see those bright-eyed Acadian boys, those countless maidens, many with eyes black as the berry that grows on the thorn by the wayside, I am sure you would agree with me that this Nation is fortunate indeed to have such fine children among its future citizens.

Mr. Speaker, in the recent moving picture, the Louisiana Story, there is shown a father and son of Acadian descent who are featured in this film showing the development of the oil industry in the marsh sections and tidelands of Louisiana, and while these two depict the early Acadians of Louisiana, and give a picture of the difficulties of drilling an oil well in the marshes and shows principally alligators and snakes, and only one side of the beautiful and rich, picturesque and industrial State of Louisiana, I do not think that the right impression is had of our great State, for with our great agricultural production, lumber, cattle, naval stores, oil and natural gas and other minerals too numerous to mention, I feel that while the picture, The Louisiana Story, is an interesting narration of tidelands oil development, and a fine piece of photographic filming, the picture will give a false impression as to Louisiana, an impression that may have been mistakenly held by many people throughout the country who have never visited Louisiana.

Therefore, I am now working our arrangements with the Department of Commerce and Industry of the State of Louisiana to send to Washington films which will show our fine State as it really is, and if any one will see these films they will certainly dispel the impression had by those who viewed The Louisiana Story. When arrangements shall have been completed for the showing of the Louisiana films, it will be a pleasure for me, and my colleagues from Louisiana to announce the date and invite all of the Members of Congress and others to see the true Louisiana story.

The SPEAKER. Under previous order of the House the gentleman from Arkansas [Mr. TACKETT] is recognized for 10 minutes.

WHERE IS THE PORK BARREL?

Mr. TACKETT. Mr. Speaker, I want to say in the beginning that I personally talked with the gentleman from Ohio [Mr. WEICHEL] on the floor of this House day before yesterday, Wednesday, the 20th day of July, and told him of my intentions to make this speech at the first opportunity this week; and I had his office called this morning to advise him that I was going to be here this afternoon to speak concerning some pork-barrel legislation in which he has been so tremendously interested.

It so happens that five of seven members of the Arkansas delegation voted for the Wood bill in preference to the Lesinski bill, and then four, including myself, of those five voted to recommit the whole legislation to the committee for further study and deliberation. Newsweek magazine saw fit to call that the Arkansas switch, even though many other members voted on the labor bill and the recommittal thereof just as the four Members from Arkansas. I believe that every man in this House will admit that there is very little difference between the Wood bill and the Taft-Hartley Act. To have voted to recommit the Wood bill was doing nothing more or less than to vote for the retention of the principal regulatory provisions of the Taft-Hartley Act. To have voted against recommittal was still a vote for the retention of the principal regulatory provisions of the Taft-Hartley Act. After all, I am a Democrat and vote with the party on all matters not contrary to my honest convictions as based upon the wishes of the people of my district.

It so happens that Arkansas has a great number of tributaries of the Mississippi River running through it, so the Newsweek editor goes about or gets one of his stooges to ascertain the number of flood-control and power-dam projects proposed for Arkansas which are necessary for flood protection of the Mississippi River. The magazine then comes out on the 23d day of May with the article which I refer to generally, known as Pork and politics—Arkansas switch. Under the picture of Arkansas Congressman OREN HARRIS there is in bold type, "HARRIS: A lock and dam?" I would like for someone to point out where, in Arkansas, in the CONGRESSIONAL RECORDS or committee reports, that a lock and dam is located or is to be located by virtue of appropriations in this Congress. Under the picture of Arkansas Congressman W. F. NORRELL there is in bold type, "NORRELL: A post office?" I challenge anyone to point out any congressional appropriation for a post-office building in Mr. NORRELL's district. Under the picture of Arkansas Congressman BROOKS HAYS there is in bold type, "HAYS: An office building?" The article states that the office building is to cost several million dollars.

I would like for someone to point out where this Congress even is entertaining the thought of building an office building at Little Rock. Under my picture they have in bold type "TACKETT: A cut-off?", inferring that I voted to recommit the Wood bill because there was to be a cut-off river project in my district. I challenge Newsweek or the gentleman from Ohio [Mr. WEICHEL] to point out any suggested cut-off project in my district. There is none. The only proposed cut-off is down in BROOKS HAYS' district on the Arkansas River, not even near my district.

None of the accused Arkansas Members have previously taken the floor of this House to talk about this slanderous matter because we did not believe it necessary to keep spreading this type of foolish gossip. But, I want to say this, that any newspaper or any magazine that will slander a Member of Congress upon no more proof than they had in this particlar case and will write nothing but pure falsehood, is a publication with criminal inclinations that could not be trusted any farther than one could throw a bull by the tail, and a man who would repeat those cheap, slanderous falsehoods without notifying the accused Members of his malicious intentions to circulate such slanderous publications which are no part of the CONGRESSIONAL RECORD, under his franking privileges, is also of such criminal instinct that he likewise could not be trusted any farther than one could throw a bull by the tail. The gentleman from Ohio [Mr. WEICHEL] without even making the Newsweek article a part of the CONGRESSIONAL RECORD, had hundreds of reprints made of the Newsweek article and sent them into the State of Ohio, under his frank as an inference that one need be crooked in Congress to have public projects constructed in his district. Let me show what the gentleman from Ohio has been doing with reference to "pork barrel" legislation and let you decide whether he has such clean, pioused hands or whether he lives in a glass house while throwing stones.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I think the gentleman knows that I have the highest respect and the highest regard in the world for the members of the Arkansas delegation. I have had the pleasure of serving on a committee with the gentleman from Arkansas [Mr. HARRIS] and some of the other Members. I also have the pleasure of being a member of the Ohio delegation with Mr. WEICHEL. I know nothing of this controversy. I know nothing of any controversy which the gentleman may have with Mr. WEICHEL. I just want to say to the gentleman that I hope he will not attack any Member of the House while that Member is not present.

Mr. TACKETT. I have sent for the gentleman. If he wants to come over here, he is at liberty to do so.

Mr. BROWN of Ohio. I still think it is rather poor taste to attack a Member unless he is present. I hope the gentleman will be very circumspect in his remarks.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield.

Mr. MILLER of Nebraska. As to the statement about the Wood bill and the

Taft-Hartley bill being the same bill, I think the record should show that the House adopted about 20 amendments that labor and industry wanted and which did change the original Taft-Hartley bill, so the Wood bill was not the same as the Taft-Hartley bill.

Mr. TACKETT. The gentleman is correct. I did not intend to imply that they were the same bill. I meant to state that the principal provisions of the Taft-Hartley Act, the regulatory provisions, were still part of the Wood bill.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is this not what the gentleman is endeavoring to advise the House, that there were some people who felt that the interpretation placed on the article in Newsweek Magazine was an attack on the integrity and the honesty of the members of the delegation from our State referred to, and that the gentlemen from Ohio [Mr. WEICHEL] obtained reprints of that and sent them under his own frank without having them recorded in the CONGRESSIONAL RECORD or otherwise sent them under his own frank without anything else being in that franked envelope except this reprint; and that, therefore, he was in violation of the franking privileges of the House of Representatives? Is that what the gentleman is saying?

Mr. TACKETT. That is correct.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield further?

Mr. TACKETT. I yield.

Mr. BROWN of Ohio. I appreciate the gentleman's yielding, because I should like to say to the House and to the gentleman from Arkansas, and especially to my friend from Arkansas [Mr. HARRIS] that I read that article. I thought it was rather unfair, very unfair, in fact. It impressed me at the time as rather poor journalism. I know nothing of the actions by the gentleman from Ohio [Mr. WEICHEL] that the gentleman mentions. I have no way of knowing what he has done or what he has not done. My only suggestion is that out of fairness to the gentleman from Ohio an attack not be made on him here on this floor when he is not here to speak for himself. I think that is just the fair and gentlemanly thing to do in the House. I do not think it does any of us any good. I hope you can settle your differences among yourselves.

Mr. HARRIS. If the gentleman will yield further, I agree with the gentleman, and I sometimes question the wisdom of bringing a matter of this kind into the limelight and discussing it. Certainly it would not be my intention to reflect anything on the gentleman from Ohio [Mr. WEICHEL] or any other colleague of mine in this House. I do think, however, that the gentleman from Arkansas was eminently fair in advising the gentleman from Ohio [Mr. WEICHEL] that he intended under special order this afternoon to bring the matter before the House.

Mr. BROWN of Ohio. May I say that I have inquired and I find that the gentleman from Ohio [Mr. WEICHEL] is out of town today on official committee business, so he is not here and is not available. Otherwise, I would request that he be here.

Mr. TACKETT. I do not object to the gentleman from Ohio [Mr. WEICHEL] taking as much time on the floor of this House as he wants at his convenience, and I am sure that it will be quite interesting to see him muster enough gall and audacity to explain his actions. I personally saw the gentleman from Ohio [Mr. WEICHEL] in the House cafeteria this morning. When a page at my request called the office of the gentleman from Ohio [Mr. WEICHEL] less than 30 minutes ago to inform the gentleman from Ohio [Mr. WEICHEL] that I would discuss this matter this afternoon, the page was told by his office force that he was either on the floor of the House or on his way to the floor. I do not think it my duty to drag him to the floor—and had I acted as he has, I doubt that I would want to hear the message now being delivered.

As I was saying when interrupted, the gentleman from Ohio [Mr. WEICHEL] had reprints made of the Newsweek magazine article and spread them all over the country, implying to the people that it is necessary to be crooked in Congress in order to bring about public construction within a congressional district.

Now, I do not claim to be a saint, but I venture to say there are no finer, more honorable, Christian gentlemen than the three others who Newsweek and the gentleman from Ohio [Mr. WEICHEL] have seen fit to lambast. I challenge any man to tell you of any person who is a better Christian than BROOKS HAYS, W. F. NORRELL, or OREN HARRIS. You cannot imagine any of these men being guilty of such charges or using such underhanded, dirty tactics as have been used by Newsweek magazine and the gentleman from Ohio [Mr. WEICHEL].

But let us see whether or not the gentleman from Ohio [Mr. WEICHEL] is free of pork-barrel legislation. He has introduced these bills, H. R. 4164, H. R. 4289, H. R. 3455, H. R. 3456, H. R. 3915, H. R. 3956, H. R. 4128, H. R. 4129, H. R. 4130, H. R. 4131, H. R. 4132, H. R. 4133, and H. R. 4134—all the bills asking for public projects within his own district. Talk about pork-barrel legislation at the hands of a self-styled conservative.

The SPEAKER. The gentleman has consumed 10 minutes.

Mr. TACKETT. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TACKETT. Mr. Speaker, I want to say this: When I voted, or rather before I voted, for recommital of the Wood bill sending it back to the committee for further study and deliberation, not one, single, solitary soul contacted me. Not the Speaker of the House of Representatives, the majority leader, any Member of the House, any Member of the Senate, any governor, any labor union man—no person contacted me. I voted that way because I thought it was the proper vote, and I have no apologies to make. There is no fear on my part whether or not I come back to Congress because of such dirty tactics as this. Should I fail to come back it would be no detriment to my family. But I think the people down in my district know me pretty well, anyway, without the assistance of the Newsweek slander sheet and the gentleman from Ohio [Mr. WEICHEL].

I have no apologies for attacking any Member who would use this kind of tactics to besmirch other Members of the House of Representatives. I have personally told the representatives of Newsweek magazine and the gentleman from Ohio [Mr. WEICHEL] what I thought about the cheap tactics, and I will be pleased to repeat these statements in the presence of the gentleman from Ohio on the floor of this House or any other place, at any time.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. WHEELER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. WHEELER. Mr. Speaker, I would like to compliment my very distinguished colleague from Georgia [Mr. DAVIS] on the very fine statement he has just made concerning the proposed anti-poll-tax legislation. He has done a very fine job of expressing the views of the majority of the people who live in the section of the country which he and I represent.

As has already been indicated by the gentleman from Georgia [Mr. DAVIS], we do not have a poll tax in the State of Georgia. We abolished the tax of our own free will and accord without any outside interference. Although we decided that the tax should no longer be effective in our State we were not so blinded by our own conceit as to think that we should then proceed to tell the people of other States whether they should retain or repeal the tax laws of their States. We exercised our constitutional right when we made our election in this matter and we feel that the people of other States are guaranteed the same power of election by the Constitution of the United States of America.

In my considered opinion, the Federal Government does not have the constitutional right to dictate to any State of the Union as to whether a poll tax shall be levied. Before the Constitution was ever ratified it was definitely determined that the only powers the Federal Government was to enjoy under the Constitution were those powers granted to it by the States making up the Union with all other powers reserved to the several States. It is my belief that the right to levy or not to levy a poll tax is certainly one of the rights and powers reserved unto themselves by the several States not to be violated by the Federal Government.

Certain minority pressure groups who would be the "tail that wags the dog" have attempted to make much of the race question as related to the question of poll taxes and still other minority groups suffering from a terrific case of inferiority complex have aided and

abetted the first group in fomenting the strife caused by this falsehood. In other words, if the poll tax is levied in the South as an attempt to keep the Negroes from voting, then why are like taxes and fees levied in northern States where it is claimed no racial discrimination is allowed? The facts of the matter definitely show that the racial question is very incidental to the whole question involving poll taxes in spite of all the claims made by the "no good do-gooders" from outside the southland. These disciples of demagoguery should confine their efforts to "casting the motes from their own eyes" before attempting to tell the people of the South how to run their own affairs.

Since the proposed legislation is so obviously aimed at the South, I would say that we are entirely capable of taking care of our own affairs without the meddling interference of outsiders who do not understand our problems and make scant effort to understand them. Many problems, forced upon the people of the South by a bunch of drunken reprobates who ran the affairs of this country following the War Between the States, have been solved by the people of the South without advice from outsiders and without the aid of a Marshall plan. After having solved these many tremendous problems, we feel perfectly capable of deciding whether we want a poll tax and we resent and will resist any effort on the part of supercilious disciples of the omnipotent Federal Government to tell us how to conduct our affairs.

ADJOURNMENT

Mr. McGUIRE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 13 minutes p. m.), under its previous order, the House adjourned until Monday, July 25, 1949, at 12 o'clock, noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

789. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Cheboygan Harbor and River, Mich., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on December 21, 1945 (H. Doc. No. 269); to the Committee on Public Works and ordered to be printed with two illustrations.

790. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 28, 1948, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Columbia Slough, Oreg., authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 270); to the Committee on Public Works and ordered to be printed with an illustration.

791. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Green and Duwamish Rivers, Wash., and a review of reports on Duwamish waterway, Seattle Harbor, Wash., authorized by the Flood Control Act approved on June 22, 1936, and the River and Harbor Act approved on July 24, 1946, and requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on April 18, 1946 (H. Doc. No. 271); to the Committee on Public Works and ordered to be printed with two illustrations.

792. A letter from the Secretary of the Army, transmitting the initial Annual Report to Congress on Status of Natural Fibers Revolving Fund for the period June 29, 1948, to June 30, 1949, as required by Public Law 820, Eightieth Congress; to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY. Committee on Agriculture. H R. 2538. A bill to authorize completion of the land development and settlement of the Angostura unit of the Missouri Basin project, notwithstanding a limitation of time; without amendment (Rept. No. 1109). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS. Committee on the Judiciary. H. R. 2365. A bill for the relief of the city of Chester, Ill.; with an amendment (Rept. No. 1108). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MANSFIELD:

H. R. 5730. A bill extending the Institute of Inter-American Affairs; to the Committee on Foreign Affairs.

By Mr. CARNAHAN:

H. R. 5731. A bill to discharge a fiduciary obligation to Iran; to the Committee on Foreign Affairs.

By Mr. O'KONSKI:

H. R. 5732. A bill to provide for the advance planning of public works; to the Committee on Public Works.

H. R. 5733. A bill to provide specific measures in furtherance of the national policy established in the Employment Act of 1946; to the Committee on Ways and Means.

H. R. 5734. A bill to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes; to the Committee on Public Works.

By Mr. TAURIELLO:

H. R. 5735. A bill to reduce the rates on certain miscellaneous excise taxes; to the Committee on Ways and Means.

By Mr. CHRISTOPHER:

H. J. Res. 317. Joint resolution establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on House Administration.

By Mr. DAVENPORT:

H. J. Res. 318. Joint resolution establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on House Administration.

By Mr. JENNINGS:

H. J. Res. 319. Joint resolution prohibiting the promulgation of certain rules and regulations of the Home Loan Bank Board published in the Federal Register on July 16, 1949, the same to become effective August 15, 1949; to the Committee on Banking and Currency.

By Mr. MACK of Illinois:

H. J. Res. 320. Joint resolution establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on House Administration.

By Mr. MITCHELL:

H. J. Res. 321. Joint resolution establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on House Administration.

By Mr. PRICE:

H. J. Res. 322. Joint resolution establishing a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on House Administration.

By Mr. DOUGHTON:

H. Res. 293. Resolution authorizing the Committee on Ways and Means to conduct studies and investigation of matters within its jurisdiction, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 5736. A bill for the relief of Mr. and Mrs. Vladimir Wolfe; to the Committee on the Judiciary.

By Mr. SULLIVAN:

H. R. 5737. A bill for the relief of Maria Roza Tarnowska; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1338. By Mr. RICH. Petition of First Baptist Church, Port Allegany, Pa., urging passage of H. R. 4643, the Barden bill; to the Committee on Education and Labor.

1339. By the SPEAKER. Petition of Mr. Harvey C. French and others, requesting that careful consideration be given all legislation, which would in any manner increase the present staggering debt of our country, and increase the people's tax burden beyond their ability to pay; to the Committee on Ways and Means.

SENATE

MONDAY, JULY 25, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. R. Orman Roberts, D. D., Temple Methodist Church, San Francisco, Calif., offered the following prayer:

Eternal God, our Father, as we humbly bow, seeking Thy guidance and blessing, recall to us the wisdom and promise of Holy Scripture—"For God hath not given us the spirit of fear; but of power, and of love, and of a sound mind."

We ask anew for this gift that with holy thoughts and intentions all fear may be dispelled. Let there be in us such a consciousness of divine undei guiding, such a depth and breadth of compassion, such clarity of thought and balance of judgment that we may participate in all of life with a true sense of perspective and power, peace and proportion, to the end that Thy kingdom may come and Thy will be done on earth as it is in heaven.

In the name of our blessed Lord, we pray. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 22, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 25, 1949, the President had approved and signed the following acts:

S. 937. An act to authorize the Secretary of the Treasury to effect the payment of certain claims against the Unit d States; and

S. 1280. An act to amend the Federal Airport Act so as to limit to 10 percent any increase of the amount stated as a maximum obligation under a grant agreement.

LEAVE OF ABSENCE

On request of Mr. WHERRY, Mr. REED was excused from attendance on sessions of the Senate today and for the remainder of this week.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Morse
Anderson	Hill	Mundt
Brewster	Hoey	Murray
Bricker	Holland	Myers
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Robertson
Chavez	Kem	Russell
Connally	Kerr	Saltonstall
Cordon	Kilgore	Schoeppel
Donnell	Knowland	Smith, Maine
Douglas	Langer	Sparkman
Downey	Lodge	Stennis
Dulles	Long	Taft
Eastland	Lucas	Taylor
Ecton	McCarran	Thomas, Okla.
Ellender	McCarthy	Thomas, Utah
Ferguson	McClellan	Thye
Flanders	McFarland	Vandenberg
Frear	McGrath	Watkins
Fulbright	McKellar	Wherry
George	Magnuson	Wiley
Gillette	Malone	Williams
Graham	Martin	Withers
Green	Maybank	Young
Gurney	Miller	
Hayden	Millikin	

Mr. MYERS. I announce that the Senator from Minnescta [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Connecticut [Mr. MCMAHON] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from Kansas [Mr. REED] are absent by leave of the Senate.

The senior and junior Senators from New Hampshire [Mr. BRIDGES and Mr. TOBEY] are detained on official business.

The senior and junior Senators from New Jersey [Mr. SMITH and Mr. HENDRICKSON] are absent because of illness.

The Senator from Indiana [Mr. JENNER] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

NOTICE OF ADDRESS BY SENATOR ELLENDER ON HIS INVESTIGATIONS IN EUROPE

Mr. ELLENDER. Mr. President, I returned home from Europe last Friday, having spent 2 or 3 weeks in investigating some of the countries accepting ECA funds. I made this investigation on my own account, and since my return quite a number of Senators have asked me to make a short statement in respect to such investigation as I made. I should like to give notice that if I can obtain the floor when the Senate meets tomorrow morning I shall gladly give a brief résumé of my findings.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate be permitted to introduce bills and joint resolutions, submit petitions and memorials, and insert routine matters in the RECORD, as though the Senate were in the morning hour, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF INTERNAL REVENUE CODE RELATING TO TAXATION OF EMPLOYEES OF INTERNATIONAL ORGANIZATIONS

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the Internal Revenue Code and the Code of the District of Columbia with respect to the taxation of the salaries of employees of international organizations (with the accompanying papers); to the Committee on Finance.

REPORT ON STATUS OF NATURAL FIBERS REVOLVING FUND

A letter from the Secretary of the Army, transmitting, pursuant to law, the annual report to Congress on the status of natural fibers revolving fund, for the period June 29, 1948, to June 30, 1949 (with an accompanying report); to the Committee on Agriculture and Forestry.

PETITION

Mr. HILL presented a joint resolution of the Legislature of the State of Alabama, which was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 52

Whereas Franklin Delano Roosevelt was, along with Washington, Jefferson, Lincoln, and Wilson, one of our greatest and noblest Presidents, also a great outstanding American; and

Whereas the Nation is eternally indebted to him for leading and guiding it successfully through the most severe and menacing economic depression in its history by his advocacy and furtherance of the cause and welfare of all the American people, the farmer, the laborer, the businessman, the salaried worker, young people, the aged, and the sick and disabled; and

Whereas he was in large measure responsible for constructive and permanently beneficial legislation in the fields of conservation, social security, agriculture, power development, business regulation, public works, finance, education, and foreign trade; and

Whereas his character, personality, humanitarianism, understanding, courage, patience, and perseverance did much to restore and strengthen the confidence of the American people in themselves and in their fellowmen; and

Whereas he furnished unparalleled leadership to his country and its allies in the world's worst war and led them within sight of victory over the forces of tyranny and darkness; and

Whereas he was a symbol to the world of the hope of all men of good will for a decent, honorable, and lasting peace and was the foremost leader of the world in the search for a higher morality among all people; and

Whereas in his own valiant personal struggle against and victory over infantile paralysis he will forever remain an inspirational and most admirable example of courage and fortitude; and

Whereas he did by sacrificing his life on the alter of patriotism and service to his country and the world cause his name to be known and honored by all peoples, his greatness to be recognized and revered by all nations; and his birthday on January 30 to be known to all Americans and to be now celebrated by millions: Now, therefore, be it

Resolved by the Senate of the State of Alabama (the House of Representatives concurring):

1. That the Congress of the United States is hereby memorialized to dedicate January 30, the birthday of Franklin Delano Roosevelt, as a national holiday, to be so proclaimed each year by the President of the United States, in recognition of the appreciation and respect which the people of this country have for the memory of a gallant leader of noble character and for the invaluable services rendered to all people.

2. That the secretary of state of Alabama is directed to transmit properly attested copies of this resolution to the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States and the Members of Congress from the State of Alabama.

Approved July 22, 1949.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLAND, from the Committee on Public Works:

H. R. 1154. A bill to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes; without amendment (Rept. No. 750).

By Mr. MCCARRAN, from the Committee on the Judiciary:

S. 212. A bill for the relief of John Joseph McKay; without amendment (Rept. No. 752);

S. 296. A bill for the relief of Daniel George Fischer and Ladislas (Vasile) Taub; without amendment (Rept. No. 753);

S. 309. A bill for the relief of Gabe Budwee; without amendment (Rept. No. 754);

S. 557. A bill for the relief of the McCormick Engineering Co. and John E. Price, an individual doing business as the Okeechobee Construction Co.; without amendmment (Rept. No. 755);

S. 794. A bill for the relief of certain contractors employed in connection with the

construction of the United States Appraisers Building, San Francisco, Calif.; without amendment (Rept. No. 756);

S. 916. A bill for the relief of Ascanio Collodel; without amendment (Rept. No. 757);

S. 1145. A bill for the relief of Persephone Poulios; without amendment (Rept. No. 758);

S. 1446. A bill for the relief of James Hung Loo; without amendment (Rept. No. 759);

S. 1565. A bill for the relief of Dr. Ludovit Ruhmann; without amendment (Rept. No. 760);

S. 1604. A bill for the relief of F. Duwayne Blankley; with amendments (Rept. No. 782);

S. 2294. A bill to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes; without amendment (Rept. No. 761);

H. R. 631. A bill for the relief of Mrs. Dorothy Vicencio; with an amendment (Rept. No. 778);

H. R. 748. A bill for the relief of Louis Esposito; without amendment (Rept. No. 763);

H. R. 1017. A bill for the relief of John Aaron Whitt; without amendment (Rept. No. 764);

H. R. 1034. A bill for the relief of the Janssen Gage Co.; without amendment (Rept. No. 765);

H. R. 1055. A bill for the relief of Agnese R. Mundy; without amendment (Rept. No. 766);

H. R. 1282. A bill for the relief of Mrs. T. A. Robertson; without amendment (Rept. No. 767);

H. R. 1285. A bill for the relief of the legal guardian of Lena Mae West, a minor; with an amendment (Rept. No. 779);

H. R. 1459. A bill for the relief of E. Neill Raymond; without amendment (Rept. No. 768);

H. R. 1505. A bill for the relief of Harry Warren; with an amendment (Rept. No. 780);

H. R. 1604. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claim of Breinig Brothers, Inc.; with an amendment (Rept. No. 781);

H. R. 1857. A bill for the relief of the estate of Josephine Pereira; without amendment (Rept. No. 769);

H. R. 2095. A bill for the relief of the estate of Kenneth N. Peel; without amendment (Rept. No. 770);

H. R. 2239. A bill for the relief of the estate of W. M. West; without amendment (Rept. No. 771);

H. R. 2253. A bill for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor; without amendment (Rept. No. 772);

H. R. 2456. A bill for the relief of Charlie Hales; without amendment (Rept. No. 773);

H. R. 2806. A bill for the relief of Paul C. Juneau; without amendment (Rept. No. 774);

H. R. 2807. A bill for the relief of Loretta B. Powell; without amendment (Rept. No. 775);

H. R. 3461. A bill for the relief of Lester B. McAllister and others; without amendment (Rept. No. 776); and

H. R. 3501. A bill for the relief of Nelson Bell; without amendment (Rept. No. 777).

By Mr. McGRATH, from the Committee on the Judiciary:

S. 603. A bill to amend the Trading With the Enemy Act; with amendments (Rept. No. 784).

By Mr. MAGNUSON, from the Committee on the Judiciary:

S. 472. A bill for the relief of Osmore H. Morgan; with amendments (Rept. No. 783).

By Mr. MORSE, from the Committee on Labor and Public Welfare:

S. 2146. A bill to provide certain additional rehabilitation assistance for veterans paralyzed from service-connected brain injury in order to remove an existing inequality; with amendments (Rept. No. 785).

By Mr. MILLIKIN, from the Committee on Interior and Insular Affairs:

H. R. 3440. A bill for the addition of certain lands to Rocky Mountain National Park, Colo., and for other purposes; with an amendment (Rept. No. 786).

PUBLIC WORKS PROGRAMS—REPORTS OF A COMMITTEE

Mr. HOLLAND. Mr. President, from the Committee on Public Works, I report favorably, with amendments, Senate bill 855, to authorize a program of useful public works for the development of the Territory of Alaska, and Senate bill 2116, to provide for the advance planning of public works, and I submit reports thereon. I request that Senators, if possible, advise themselves about these two bills, in the hope that they can be brought up on the next call of the calendar. Both have to do with important programs of public works.

The VICE PRESIDENT. The reports will be received, and the bills will be placed on the calendar.

The bills reported by Mr. HOLLAND are as follows:

S. 855. A bill to authorize a program of useful public works for the development of the Territory of Alaska; with amendments (Rept. No. 749); and

S. 2116. A bill to provide for the advance planning of public works; with amendments (Rept. No. 751).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution, and I submit a report (No. 762) thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 55) favoring the suspension of deportation of certain aliens, was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6097022, Alexander, Leonora Fajardo.

A-3059032, Ali, Usman, or Usman John Ali or John Ali or Resman Ali.

A-6438024, Arce Y Castro, Jose Alfonso Villa, or Jose Villa Arce.

A-5403438, Arce, Maria Elena Villa (nee Celic).

A-1847610, Ardito, Maria Rose (nee Maria Rose Farraris).

A-6153593, Ancheta, Cresenciana (nee Luna, formerly Cala).

A-6261665, Apostolopoulos, Virginia, or Virginia Socrates Apostolopoulos or Virginia Leondaridou (maiden name).

A-6857751, Armendariz, Antonio.

A-6857750, Armendariz, Samuel.

A-5730160, Atwood, Amalie Lena (nee Knauer or Amalie Lena Kasper).

A-5669130, Bertone, Domenico.

A-7766712, Bethel, Verona Malissa Smith.

A-1250900, Boksh, Khuda or Kuda, or Khuda Bakesh or Bokah Normahand or Bokar Noor Morawed.

A-5975651, Bon, Chon, or Chu Bond or Chin Band.

A-5122763, Bourelos, Peter or Panagiotis.

A-5673753, Buchreiter, Wilhelm, or Wilheim Buchveiter.

A-5242746, Buzan, Roko Josip, or Joseph Buzan.

A-6001952, Caldeira, Antonio Pedro.

A-5869650, Caltagirone, Angelo Amente.

A-9764548, Candiano, Carmelo.

A-6190180, Cardenas-Valdes, Ernesto.

A-1513767, Chung, Jackson, or Benedict Chung or Chia-Shan Chung.

A-5914483, Chung, Su Min Yang.

A-3803515, Conti, Vincent, or Vincenzo Conti.

A-5783561, Creque, Renold Valiston.

A-5664119, Crisalli, Saverio, or Sam Crisalli or Samuel Crisalli.

A-6881280, De Badilla, Abigail Salazar, or Abigail Salazar-Medina or Abigail Salazar-Valenzuela.

A-5545483, Debs, Elias Joseph, or Elias Jose Debs.

A-6242286, De Guevara, Laura Violeta Carrasco (nee Carrasco).

A-6242287, Guevara, Teodoro Ivan.

A-3135984, De Perez, Maria Lazara Del Rosario Nares, or Rosa Nares De Perez or Rosa N. Perez or Rosa Nares.

A-5953936, Donovan, Anghela Belin.

A-3794795, Dukarm, Caspar Michael, or Caspar Dukram or Casper Duckerm.

A-4286237, Dukarm, Elizabeth Marie, or Elisabeth Dukarm or Elizabeth Dukerm (nee Reisinger or Risinger).

A-7768969, Edbom, Yvonne Marie.

A-5755170, Fermo, Libero Valerio, or Larry Libero Fermo or Larry L. Fermo.

A-5334443, Fisher, Janet Stobie (nee Foster, formerly Derane).

A-6363975, Garbi, Elena, or Helen Garbi.

A-6325053, Garbi, Florica, or Mary Garbi.

A-6424158, Garcia, Jose.

A-6424153, Garcia, Juan Manuel.

A-6479673, Garcia-Tunon, Maria Lourdes (alias Maria Lourdes Gil-Borges).

A-6461623, Garcia-Tunon, Diana Maria.

A-5916590, Georgelis, Pantelis.

A-4175824, Gerda, Juraj John, or George John Sable.

A-6919777, Godley, Noel Francis.

A-6238513, Gomez-Franco, Evangelina Alicia.

A-3662017, Gonatas, Panagiotis, or Panagis Gonatas or Panagis Gonatos or Pete Gonatas or Pete Gonatos.

A-1382931, Goureghian, Zakar.

A-4823242, Grabovszky, Ferinand, or Fred Grabovsky.

A-6608775, Guerrero, Dolores, or Dolores Guerrero-Hughes and Dolores Sanchez.

A-2588024, Harmon, Beatrice Grace (nee Vatcher formerly Chatterton).

A-6213708, Hernandez, Josephine.

A-1418418, Hoogeveen, Henry Peter.

A-7768282, Horasanciyan, Hacik (alias Horasan).

A-5765062, Horlick, David Richard.

A-6587152, Jackson, Susana, or Susana Bohn.

A-7556562, Jaquillard, Lilavati, Lillavati Tankha or Lilavati Dass Verma.

A-2776290, Kahn, Akram, or Mohamed Akram or John Elk or Chief Running Elk.

A-3961261, Karistinos, Michael John, or Michael John Karystinos or Mike Karis.

A-6051253, Kondaks, Della, or Della Epaminondou or Ayton.

A-2898989, Kouvakas, George.

A-2632458, Kouvoutsakis, Nicholas Polychronis, or Nick Ponis Kouboutsakis or Nick Couvoutsakis or Kouvoutsakis.

A-6151550, Lazaga, Robert David.

A-6151557, Lazaga, Leon Maria.

A-6151559, Lazaga, Mario Gregory.

A-6151549, Lazaga, Leon Keene, Jr.

A-5249490, Lindemann, Alexander Maria.

A-5249489, Lindemann, Margit or Grete or Margrete (nee Liebermann).

A-7731189, Lo, Chien-Pen, or Lo Chien-Pen.

A-6008939, Lo, Lucy Ju-Yung Chu.

A-3936200, Marchwinski, Waladslaw, or Roy Benson.
A-3669827, Mark, Ho, or Charles Mark.
A-6716138, Martin, Stanley Valentine, or Stanley Valentine Martine.
A-5263015, McShane, Maria, or Mary Morothea, formerly Veasin or Visn (nee Schakohl).
A-6261591, Michalitsis, Stergiana (nee Stamboule).
A-4179719, Montecalvo, Michele.
A-6861484, Montoya-Juarez, Gregorio, or Gregorio Martinez-Juarez.
A-9769751, Le Moullec, Guillaume.
A-6145873, Murphy, Josefina Balgos.
A-3076753, Navarrete, Guillermo.
A-6171193, Nazon, Maurice Louis.
A-5278106, Neuland, August Peter Waldemar.
A-6344097, Nicolaides, Petros Louisos, or Petros Louisos Brotis (also known as Peter Louis Brotsis).
A-6005189, Nielsen, Maria Galindo (nee Maria Galindo-Jimeno).
A-5449793, Novo, Antonio Felicio.
A-7054952, Ochoa, Diana.
A-5626245, Oyama, Yaichiro, or Joe Oyama.
A-3790446, Paananen, Helvi Irja (nee Mustaniemi; alias Aili Anderson).
A-6261582, Pappadina, Ourania.
A-5187918, Pattison, Clyde Russell.
A-4331862, Petersen, Kaj Valdemar.
A-6261578, Petkanas, Malamati (nee Masura or Massoura).
A-9670818, Pilostomos, Costas, or Constantinos Pilostomos.
A-5040625, Pinchot, Alexandra, or Alexandra Penchaszadeh.
A-6350819, Rahimi, Bahram, or Bahram Rahimi Nassimi, or Henry Moore.
A-5013124, Reisinger, Elena, or Elene or Ilona or Elien Reisinger (nee Goldmann).
A-6460330, Roberts, Joseph Edward.
A-4746492, Rodriguez, Luz Zamora, or Lucy Zamora Ramirez.
A-5880782, Rogers, Alphaeus Albear.
A-3624174, Romanovich, Xenia or Senka or Xenia or Senka Romanowitz (see Gurgula Sowa).
A-5707236, Russo, Giovanni Guiseppe, or Giovanni Guiseppe Russi.
A-5171391, Saglimbene, Catino, or Agitano Seglimbene or Roberto or Robert Sessa.
A-4435453, Schauer, Solomon, or Sam Schauer.
A-2686911, Schultz, Anton, or Tony Schmidt.
A-5123434, Sibilio, Leonardo.
A-4174214, Singh, Labn.
A-6329548, Sletner, Doris Lydia.
A-6233014, Spirakis, Angeliki Pantelis (nee Moschouris).
A-4848232, Staudte, Albert George.
A-1704725, Steiner, Eugen.
A-1704797, Steiner, Alzbeta (nee Sedlakova, also known as Alzbeta Stein).
A-6064606, Suarez, Carlos Jesus, or Carlos Jess Suarez.
A-3243346, Sun, Yun Pei.
A-5400331, Tjoitis, Nicolaos A.
A-5887881, Tortora-Silvi, Vicente, or Vicente Silvi.
A-6345253, Tsuyas, Lefkothea, or Gargatsuya (see Alexiou).
A-6339279, Valdes-Rodriguez, Julian Evelio, or Evelio Valdes Rodriguez.
A-3492573, Varchola, Jan, or John Varhola.
A-5155933, Weir, Edward, or Edward Weia or John Wilson or "Scotty."
A-2260781, Zauner, Frank.

REDUCTION OF FEDERAL EXPENDITURES (PT. 2 of REPT. NO. 498)

Mr. LUCAS. Mr. President, on behalf of the Senator from Minnesota [Mr. HUMPHREY], who is unavoidably absent, I submit his minority views as a member of the Committee on Expenditures in the Executive Departments on the joint resolution (S. J. Res. 108) reducing expenditures in Government for the fiscal year 1950 consistent with the public interest.

The VICE PRESIDENT. The minority views will be received and printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing a nomination, which nominating messages were referred to the appropriate committees.

For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Edward Burns Parker, of Alabama, to be United States attorney for the middle district of Alabama; and

Joseph P. Regan to be United States marshal for the district of Kansas, vice William M. Lindsay, term expired.

CONVENTIONS RELATING TO FISHERIES—REPORTS OF A COMMITTEE

Mr. GREEN. Mr. President, as in executive session, under the instructions of the Foreign Relations Committee, I report favorably three conventions; one dealing with the Northwest Atlantic fisheries, one between the United States and Mexico, and one between the United States and Costa Rica, and I submit reports thereon. Hearings have been held on all these conventions, and they have been considered by the committee. In each case the committee ordered the conventions reported favorably, and recommends that the Senate advise and consent to its ratification. I ask that the reports be printed and the conventions placed on the Executive Calendar.

The VICE PRESIDENT. Without objection, as in executive session, the reports will be received and the conventions will be placed on the Executive Calendar. The Chair hears no objection.

The conventions are as follows:

Executive N, Eighty-first Congress, first session, an international convention for the Northwest Atlantic fisheries, formulated at the International Northwest Atlantic Fisheries Conference and signed at Washington under date of February 8, 1949, by the plenipotentiary of the United States of America and by the plenipotentiaries of certain other governments (Ex. Rept. No. 10);

Executive K, Eighty-first Congress, first session, a convention between the United States of America and Mexico for the establishment of an International Commission for the Scientific Investigation of Tuna, signed at Mexico City, January 25, 1949 (Ex. Rept. No. 11); and

Executive P, Eighty-first Congress, first session, a convention between the United States of America and Costa Rica for the establishment of an Inter-American Tropical Tuna Commission, signed at Washington, May 31, 1949 (Ex. Rept. No. 11).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 2321. A bill for the relief of Mae P. P. Blake;

S. 2322. A bill for the relief of Mrs. Anna Feldner; and

S. 2323. A bill for the relief of Washib Ullah; to the Committee on the Judiciary.

By Mr. GRAHAM:

S. 2324. A bill for the relief of Maria Balsam; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 2325. A bill to amend the National Housing Act, the Federal Home Loan Bank Act, and Home Owners Loan Act of 1933, and for other purposes; to the Committee on Banking and Currency.

By Mr. PEPPER (for himself and Mr. HOLLAND):

S. 2326. A bill for the relief of William Couper; to the Committee on the Judiciary.

APPROPRIATIONS FOR FOREIGN AID—AMENDMENT

Mr. KEM (for himself, Mr. WHERRY, and Mr. MCCLELLAN) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 4830), making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF CERTAIN PROVISIONS OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. McCARRAN submitted seven amendments intended to be proposed by him to the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, which were severally referred to the Committee on Finance and ordered to be printed.

THIRD DEFICIENCY APPROPRIATIONS, 1949—AMENDMENT

Mr. THOMAS of Oklahoma (by request) submitted an amendment intended to be proposed by him to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO FOREIGN AID APPROPRIATION BILL

Mr. McCARRAN submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: On page 1, line 10, Joint Committee on Foreign Economic Cooperation: "For salaries and expenses of the Joint Committee on Foreign Economic Cooperation, as authorized by Public Law 472, Eightieth Congress, as amended by Public Law 47, Eighty-first Congress, including per diem and subsistence expenses, without regard to the Travel Expense Act of 1949, approved June 9, 1949, $344,000: *Provided*, That this appropriation shall be available from and including July 1, 1949, for the purpose provided herein. All obligations incurred during the period between July 1, 1949, and the date of the enactment of this act in anticipation of such appropriation are hereby ratified and confirmed if in accordance with the terms hereof."

Mr. McCARRAN also submitted an amendment intended to be proposed by

him to House bill 4830, making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

At the end of the amendment providing for the condemnation of certain Indian land by the city of Lawton, Okla., insert the following: ": *Provided further*, That the following-described tract of public land: The north half of the south half of section 19, township 2 north, range 11 west, Indian meridian, Commanche County, Okla., being a part of the Fort Sill Indian School reserve, and formerly transferred to the Department of Agriculture for use as a dry-farming experimental station, is hereby, together with all buildings, improvements, and appurtenances, transferred back to the said Fort Sill Indian School for use in connection with the agriculture training program of such institution."

Mr. THOMAS of Oklahoma also submitted an amendment intended to be proposed by him to House bill 3838, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

FOREIGN AID APPROPRIATIONS—NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT RELATING TO RELIEF OF CHINESE STUDENTS

Mr. KNOWLAND. Mr. President, I submit a notice in writing to suspend paragraph 4 of rule XVI for the purpose of submitting an amendment to House bill 4830, making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which amendment provides that $4,000,000 shall be made available out of funds already appropriated for aid to Chinese students now in this country. The amendment does not require any additional funds but it merely makes that sum available out of the funds already appropriated and left over.

For the information of Senators, I ask unanimous consent to have printed in the RECORD a copy of the report of the House Committee on Foreign Affairs, which gives rather a full explanation of the need and desirability of this action being taken.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table, and without objection, the notice of motion to suspend the rule, together with the report will be printed in the RECORD, as requested by the Senator from California. The Chair hears no objection.

Mr. KNOWLAND submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: On page 7, between lines 10 and 11, insert the following new paragraph:

"CHINESE STUDENTS

"The President is authorized and directed to allocate to the Secretary of State the sum of $4,000,000 out of any unobligated balance of the amount made available under section 12 of the act entitled 'An act to amend the Economic Cooperation Act of 1948,' approved April 19, 1949 (Public Law 47, 81st Cong.), to be used, under such regulations as the Secretary of State may prescribe, for necessary expenses of tuition, subsistence, and return passage to China for selected citizens of China to study in accredited colleges, universities, or other educational institutions in the United States approved by the Secretary of State for the purposes of this paragraph; such amount to remain available until expended."

Mr. KNOWLAND also submitted an amendment intended to be proposed by him to House bill 4830, making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

The report presented by Mr. KNOWLAND is as follows:

The Committee on Foreign Affairs, to whom was referred the bill (H. R. 5602) to strengthen and encourage democratic forces in China by authorizing the Secretary of State to provide for the relief of Chinese students, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The bill herewith reported was written by the committee in an executive session held on July 12, 1949. Its antecedents are two bills, H. R. 5494 and H. R. 5495, introduced on July 5, 1949. In considering these bills the committee decided on extensive amendments. These were embodied into a clean bill introduced by the chairman on instructions from the committee. The committee acted unanimously on this bill on July 13. The problem and the proposed legislation are analyzed below in the following order of topics: The purpose of the bill; the scope of the problem of the Chinese students; and the standards of administration in the proposed program.

A. THE PURPOSE OF THE BILL

The purposes of the bill may be summed up as (a) the concrete objective of helping certain Chinese students through a critical situation, and (b) the broader aim of strengthening and encouraging democracy in China and forces friendly to the United States. These are indicated in the title.

Assistance to Chinese students in the United States: The immediate purpose of this bill is to authorize the Secretary of State to provide financial assistance to needy Chinese students in the United States. In a letter of July 8, 1949, to the chairman of the Committee on Foreign Affairs, Assistant Secretary of State Ernest A. Gross commented as follows on the need for this aid:

"The Department of State agrees that the nature and scope of the emergency needs of Chinese students stranded in the United States warrants Federal assistance to qualified individuals under proper safeguards. The Department believes that policies and procedures could be developed to insure that such Federal assistance would supplement, not replace, private sources of aid. It is understood that assistance authorized * * * would be awarded on the basis of individual merit and need, and without restriction as to fields of study."

Strengthening democracy: The immediate purpose of this legislation is a humanitarian one—to provide urgently needed financial assistance to Chinese students in the United States. From the standpoint of the long-range foreign policy of the United States, however, there is an equally compelling reason for assisting these men and women. These students have had an opportunity to observe and experience the democratic way of life. Thus, because of the traditional position of scholar-leadership in Chinese society, they are in a unique position to exert a profound influence on the future course of their country. There is no question but that it is in the interest of the United States to assist these individuals who can play such a vital role in shaping China's future. It is to be emphasized that this assistance can be tendered without any additional charge upon the Treasury. The funds whose appropriation will be authorized are to come out of money already made available in pursuance of Public Law 472, Eightieth Congress, Public Law 793, Eightieth Congress, and Public Law 47, Eighty-first Congress.

B. THE SCOPE OF THE PROBLEM

The committee examined closely into questions concerning the number of qualified Chinese students in need of assistance, the alternative sources of assistance, and the amount of money necessary for the program envisaged.

The recipients of the proposed aid: Approximately 4,000 Chinese students are now pursuing courses of study in 480 colleges and universities throughout the United States. These students fall into three main categories, depending on their status at the time they received exit permits from the Chinese Government. The categories and the approximate number of students in each category are—

(a) Eighty-three Government-supported students: These were selected for outstanding scholastic ability and were to be maintained entirely at the expense of the Central Government of China (at an estimated cost of $1,800 annually for each student, exclusive of transportation);

(b) Fourteen hundred Government-certified students: These had demonstrated adequate qualifications for foreign study and were to be permitted to purchase up to $1,800 annually in dollar exchange;

(c) Twenty-one hundred private students: These were not officially sponsored by the Chinese Government but had been able to show sufficient financial competence to obtain an exit permit from the Chinese Ministry of Foreign Affairs.

The balance of the students involved, numbering around 400, are those who have undertaken courses of study in this country under the sponsorship of such groups as the American Association of University Women, various service clubs and church organizations, and the like. Because of financial limitations, however, the assistance which these organizations have been able to give has in most cases been at the barest minimum.

The circumstances of the need for aid: The financial problems of Chinese students in the United States have been steadily growing. In recent months the situation of those dependent upon support from the Chinese Government or upon private support from parents or sponsors in China has been in increasing jeopardy due to the acute dollar shortage of the Chinese Government, deteriorating economic conditions in China, and the steady depreciation of the gold

yuan. These same conditions have operated to the disadvantage of the students classified as self-supporting, since it has been ever more difficult for them to purchase with Chinese currency the dollars necessary to maintain themselves. The point has now been reached where the advance of Communist forces in China and the chaotic financial conditions in that country have resulted in an almost complete cutting off of any means of support from Chinese sources for these students. The committee was informed that the Department of State already has on file approximately 2,200 applications for assistance, all approved by representatives of the universities concerned, from students in technical or related fields alone. It was emphasized that a great increase in such applications can be expected if and when assistance is made available to students in nontechnical fields.

Emergency assistance by the Chinese Government: The Chinese Government has not been oblivious of the plight of its nationals in the United States. Within the limits of its resources it has tried to assist students who came to this country under the aegis of the Government itself, or who came with the assurance that up to $1,800 a year would be made available to them from Chinese dollar reserves. Until recent months, through a small fund held by the Chinese Embassy in Washington, it was possible to give emergency assistance to hardship cases among Government-certified students. Medical assistance was also provided when necessary. In addition, some students who had completed their studies and were stranded in this country without funds were provided with return passage to China. The committee was informed, however, that the Central Government of China is at this time months behind in payments to Government-supported students, and that assistance from Chinese sources to other students is now practically nonexistent.

The view of the United States Government: The United States Government has also looked with sympathy upon the financial difficulties of the Chinese students in this country. Existing legislation, however, has offered only very restricted sources of assistance. It is recognized also that the type of aid which it has been possible to give up to this time might easily lead to questions of discrimination as well as to the enforced return of many Chinese students to Communist-dominated areas of China.

Assistance by the United States Office of Education: During 1948 the United States Office of Education allocated approximately $8,000 for relief of Chinese students out of funds made available by the Department of State under section 201 of the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.). These funds, which are part of a total of $15,000 appropriated for such purposes in the deficiency appropriation bill approved May 10, 1948 (Public Law 519, 80th Cong.), were distributed to needy students through the Institute of International Education and the China Institute in America. In order to insure a reasonably equitable distribution of these funds, however, it was necessary to establish the basic policy that no student would receive more than $100. Even this limited source of assistance is not now available, since no new appropriation has been made for such purpose.

Assistance from private sources in the United States: A major source of assistance to Chinese students has been the universities and colleges which they attend. In many cases, tuitions have been postponed or canceled. Loans have been extended to a number of students, some universities even borrowing in their own names in order to provide the needed funds. Where available, campus jobs have been provided. Religious and civic groups have also been active in raising aid funds and in sponsoring such projects as the provision of guest accommodations for needy students in American homes.

Assistance under the provisions of title IV of the Foreign Assistance Act of 1948: The largest source of United States governmental relief for Chinese students has been under title IV of the Foreign Assistance Act of 1948 (Public Law 472, 80th Cong.). In pursuance of the provisions of this title, and in response to a formal request of the Chinese Government, $500,000 was allotted by the Economic Cooperation Administration to the Department of State for this purpose. It is to be noted, however, that the provisions of the Foreign Assistance Act limited such assistance to students in technical fields only. The committee was informed that all of the funds so allotted have been spent or obligated for the purpose envisaged, and in any event they will have been completely exhausted by February 1, 1950.

The Fulbright Act as a possible source of assistance: Public Law 584, Seventy-ninth Congress, commonly known as the Fulbright Act, has frequently been mentioned as a possible source of assistance to needy foreign students. Under its terms, however, only foreign credits and currency acquired in connection with the sale of surplus United States property may be used for educational and cultural purposes. There is no possibility, therefore, of meeting the present situation of Chinees students, which stems from a dollar shortage, from this source.

The possibilities of self-help: A word should be said as to the possibilities of self-help among the students concerned through the provision of jobs. The major difficulty in this respect is the provision of section 125.15 of the Immigration Act of May 26, 1924, as amended August 10, 1947, which prohibits foreign students in the United States from working at jobs without the permission of the Immigration and Naturalization Service. Furthermore, the act provides that a student who is given permission to work at a job must be able also to carry at least 12 semester hours of work in day school. The Department of State has appealed to the Immigration and Naturalization Service to be as lenient as possible in the application of these restrictions, and the committee was assured that, within the limitations of the law and supporting regulations, the utmost cooperation has been given in this respect.

The amount involved: The committee was informed that on the basis of existing information a maximum of $4,000,000, as authorized by this legislation, will be sufficient to alleviate the needs of qualified Chinese students in the United States. So far as the availability of funds is concerned, the following statement of Economic Cooperation Administrator Paul Hoffman in a letter of July 8, 1949, to the chairman of the Committee on Foreign Affairs, is in point:

"There is no doubt but that the funds made available under section 12 of Public Law 47 are presently sufficient to permit the expenditure of $4,000,000 for the program envisaged * * *. ECA accounts indicate that there now remains approximately $48,900,000 of such funds on hand and unobligated. In addition, it is contemplated that an equivalent amount of funds presently obligated may well be released from obligation as a result of the disposal of commodities originally intended for China but diverted to other areas due to the Communist advance in China."

As indicated by Mr. Hoffman's letter, the sums authorized to be appropriated under this bill are to come from the sums authorized under section 12 of Public Law 47, Eighty-first Congress. It is to be kept in mind that the authorization in the section concerned will expire on February 15, 1950. It is anticipated that the appropriations for purposes envisaged by this bill shall be made before that date. Their availability for obligation will then continue beyond February 15 until the end of the fiscal year 1950. They may be obligated during that period for the purposes of the program running beyond the close of the fiscal year.

C. STANDARDS OF ADMINISTRATION

The pattern for administration of a program of assistance to Chinese students has been set, since the Department of State has already been administering the limited program which was undertaken on the basis of the $500,000 allotment made by the Economic Cooperation Administration under the terms of the Foreign Assistance Act of 1948. The committee was assured that the Department of State is prepared to cooperate fully in the expanded program envisaged. The committee examined closely the administrative practices already in effect. It is satisfied that these practices are sound and will conduce to the realization of the purposes of the expanded program. The bill includes language designed to assure this. The committee is aware that it is impossible to define in advance every contingency that must be applied to such an assistance program. Accordingly, the committee adopted language making the tender of assistance subject to regulations as determined by the Secretary of State. This makes it possible for such further qualifications as may be found necessary to be introduced into the program. It also makes explicit the principle that assistance shall be not a matter of the recipient's right but a matter of the interests of China and the United States and of the support of democratic institutions therein.

Coordination of relief activities: It is to be emphasized that this program is intended to supplement, not replace, private sources of aid. When the Department of State undertook to administer the program of assistance based on the allotment of $500,000 from the Economic Cooperation Administration, two coordinating committees, one governmental and one private, were found to stimulate all possible sources of assistance and to insure that there would be no duplication or overlapping of activities in this connection. It is anticipated that these two committees will continue to function in connection with the expanded program. The composition of these two committees is explained in the two paragraphs immediately below.

The Intragovernmental Coordinating Committee: In order to insure coordination of activities among the Government agencies concerned, a committee was set up composed of three persons representing the Department of State, the Economic Cooperation Administration, and the United States Office of Education. It was this committee which formulated the policy under which the program operated and arranged the details of administration.

Cooperation with private sources of assistance: The second committee, designed to coordinate private activities with those of governmental agencies, is the Committee on Emergency Aid to Chinese Students. The chairman of this committee is Mr. George Zook, president of the American Council on Education, and its membership is made up of individuals throughout the Nation who are directly engaged in educational activities. In addition, the three members of the Intragovernmental Coordinating Committee are ex officio members of the Committee on Emergency Aid to Chinese Students.

Operation of the program: Following the pattern already established in the limited-aid program previously undertaken, the Department of State will not attempt to deal directly with applicants for assistance. To insure economy and deficiency in operation,

and to see that funds are allocated on the basis of individual merit and need, each of the universities and colleges concerned has been requested to appoint a university representative. All applications for assistance, and all payments made pursuant to such applications, will be channeled through these representatives. The representatives must certify as to the correctness of the applications, which include a statement as to any resources from any source which may be available to the particular student. An additional safeguard is provided in the requirement that three people in the community in which the student is residing must submit confidential reports on his scholastic ability and personal reliability. It is also required that each recipient of aid must sign a pledge to return to China as soon as practicable after completion of his course of study "to make available the knowledge and skills that have been acquired for the rehabilitation of China."

Types of institutions concerned: One of the specific questions the committee took up related to the types of educational institutions to be covered in this legislation. The committee was told that present practice is to limit assistance to students attending recognized colleges and universities in the United States. The committee favors a more flexible approach to this question and has written into the bill language intended to make clear that the types of educational institutions concerned are not restricted to colleges and universities but include also educational institutions in a broader sense, such as institutions for nursing training, technical training, and the like. The institutions thus included are subject to approval by the Secretary of State both as to the standard of work and the relevancy of the training to the general purposes of the bill.

Need as a qualification for aid: The committee next considered the question as to what special criteria are applied and should be applied in determining the types of Chinese students eligible for assistance. First, with respect to need, the committee was satisfied as to the adequacy of present policies in this regard. The language of the bill makes it explicit that these policies are to continue and that aid will be contingent on the necessitousness of the student.

Time limitation for qualification: The committee wished to make sure that proper safeguards have been and will be imposed to prevent any individual from exploiting the tender of assistance by becoming a student merely in order to qualify. The committee was assured that the standard is rigorously applied that, in order to qualify for assistance, an applicant must have been enrolled as a student in September 1948. The bill as drafted and approved by the committee writes in this general standard in the language requiring that those receiving assistance must have been enrolled as students during the academic year 1948–49. The committee is aware that in some instances a deserving and qualified Chinese student may have been forced out of his educational activities for some part of the year by temporary exigencies. It is not necessary that the student shall show a record of continuous attendance. He must, however, be able to demonstrate that he was a student in good standing before the adoption of the policy of student assistance and during the academic year just closed.

Academic merit as a qualification: As to academic qualifications, the committee was informed that in general the student's relative standing in courses in comparison to other applicants is made a consideration in present administration of the program. The committee weighed carefully the question of writing into the bill language which would make the consideration of academic merit a rigid standard for assistance. This idea was laid aside, however, since the over-all benefit to the United States and China should be the uppermost consideration. In a particular instance a student in a special line of training may be given preference over a student in another line of training although the latter may have a better academic record. Also the committee wished to avoid language which might reflect upon the status of those students who are rejected through no deficiency of their own but merely in view of the limitations of the program.

Attitude toward democracy as a qualification: The committee then considered the matter of the selection of students in respect to their general orientation toward the broad contemporary issues of life in China and in the world in general. In the committee's judgment, it is necessary that stringent precautions be taken so that this program shall not be exploited by students not in sympathy with its broad purpose to strengthen and encourage the democratic way of life. The committee was reassured that the Department of State has followed rigorously the policy of extending assistance only to those students, otherwise qualified, whose support of democratic institutions in China and the United States is not in question. The committee was assured also that this will continue to be the policy. The committee, mindful of the difficulties of attempting an absolute and inclusive definition of the qualifications, has sought to express this standard in the word "selected" as applied to the Chinese citizens who may be eligible.

The level of assistance: The committee made explicit inquiry as to the standard of living to be applied in giving assistance to Chinese students under this program in order to make sure that the standard will be sufficient for decent living but will not entail any waste of public money. The committee was informed that the Department of State applies the minimum living standards as figured by the Bureau of Labor Statistics. Assistance is given on the basis of this standard with adjustments for the cost of living in the area in which the student is located. On an average the standard requires less than $100 a month. Redress is made for the discrepancy between this amount and the amount available to the student from any other source. The committee is satisfied that the standard now applied is the correct one and was assured that this standard will continue to be applied by the Department of State.

The period of assistance: What factors determine the decision, at the time an application for assistance is approved, as to how long such assistance will be tendered? The Department of State follows the policy of allowing the student to finish a unit of academic work on which he is engaged at the time. If he is doing graduate work, the Department will see him through his studies to the time he obtains his degree. If he is pursuing a technical course to attain a particular certification, he will generally be allowed sufficient aid to complete his course. Each case is examined on its own merits so as to avoid loss of attainments on work done. It is not contemplated, however, that the United States will underwrite the student through the next stage of his academic work. The committee's view is that the present policy in this regard is adequate and completely justifiable.

The tenure of the program: How long may the program be expected to last? The policy of seeing each student through the work in progress should insure a distinct tapering off of the program within a maximum of 1 year. In special circumstances, of course, help may be given a student over a longer period. Such a decision would be based on the difficulty of the work, its technical or academic value, and like considerations. In any event this is not a program for relief to be extended into an incalculable future.

Return of students to China: What will be done in the case of a student who has finished his work but for whom, because of circumstances in China, there is no opportunity to go home in safety? Positive reassurance on this score cannot be given at present, since the course of events in China is unpredictable. The policy which has been and will be followed by the Department of State in administering this program, however, requires that a student who has completed his course of studies must either return to China or must become self-supporting. There is no intention of extending aid to any student beyond the limits of the academic course which he has undertaken. In any event it is no answer to an immediate and pressing difficulty to say that there may be difficulties of another sort 2 or 3 years hence. It is not pretended that the program envisaged will solve the individual problems of every Chinese student. The program is based, nevertheless, on the recognition that something must be done now to meet present exigencies.

PRIVATE BUILDING OF GRAIN-STORAGE FACILITIES—ARTICLE FROM THE WALL STREET JOURNAL

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article relating to the private construction of grain-storage facilities, published in the Wall Street Journal of July 25, 1949, which appears in the Appendix.]

GOOD PRICES FOR WISCONSIN AND ALL AMERICAN FARMERS—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him on the subject Good Prices for Wisconsin and All American Farmers, which appears in the Appendix.]

GOP DISUNITY—EDITORIAL FROM THE CHARLESTON (W. VA.) GAZETTE

[Mr. NEELY asked and obtained leave to have printed in the RECORD an editorial entitled "GOP Disunity," published in the Charleston (W. Va.) Gazette of July 19, 1949, which appears in the Appendix.]

PROMOTION OF ARTIFICIAL ALARM—EDITORIAL FROM FARGO (N. DAK.) FORUM

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Astonishing Statement Made by Mr. DULLES," published in the Fargo (N. Dak.) Forum of July 20, 1949, which appears in the Appendix.]

TEAMING UP WITH FREEDOM—EDITORIAL FROM RADFORD (VA.) NEWS-JOURNAL

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial entitled "Teaming Up With Freedom," published in the Radford (Va.) News-Journal, which appears in the Appendix.]

THE SIX PEACE OBJECTIVES OF SENATE RESOLUTION 239

Mr. VANDENBERG. Mr. President, when the Senate ratified the North Atlantic Pact it responded to three of six recommendations contained in Senate Resolution 239, which was adopted by the Senate in June a year ago. There remain three other objectives in the Senate's advice to the President. The remaining three objectives are just as important as the first three.

I made a brief statement on this subject Saturday, and for the record ask that it be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

When the Senate passed Senate Resolution 239 on June 11, 1948, by a vote of 64 to 4, it set up a comprehensive foreign program. It identified six peace objectives. It has met three of them in the North Atlantic Pact. The other three are equally important.

They are (1) voluntary agreement to remove the veto from all questions involving pacific settlements of international disputes in the United Nations; (2) maximum efforts to implement the Charter and to obtain agreements among member nations upon universal regulation and reduction of armaments of all member nations under adequate and dependable guaranty against violation; (3) if necessary, after adequate effort toward strengthening the United Nations, review of the Charter at an appropriate time by a general conference called under article 109 or by the General Assembly.

I respectfully express the hope that the President will now reemphasize these other vitally important objectives and pursue them to the utmost limit. We have taken one great nonaggressive step toward collective peace. Let's finish the job—or make clear what stands in the way.

STATEMENT BY SENATOR VANDENBERG ON THE PENDING MILITARY ARMS PROGRAM

Mr. VANDENBERG. Mr. President, in the same connection I ask unanimous consent to have printed at this point in the RECORD a brief statement I made Saturday regarding the pending military arms program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senator VANDENBERG declined to anticipate his specific attitude toward the pending arms program until the President's message discloses the details of the proposal, which he said he has not seen. But he outlined his general feeling on the subject.

"My general view," he said, "is that if arms are sought under the North Atlantic Pact the program should be developed through the Advisory Council and the defense committee on a self-help basis as set up by the pact itself. The pending program is separate from the pact itself, although serving a common objective. My general view is that it should confine itself to the relatively short interim until recommendations can be made to the next Congress under the terms of the pact. But I am withholding any decisions until I have seen the President's proposals and their supporting evidence."

ADMINISTRATION OF UNITED STATES OVERSEAS AFFAIRS—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including comments from the Bureau of the Budget, the State Department, the Economic Cooperation Administration, the American Battle Monuments Commission, the Philippine Alien Property Administration, and the Philippine War Damage Commission, on the recommendations of the Hoover Commission as affecting the administration of United States overseas affairs.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Comments received from six Government agencies regarding the Hoover Commission's recommendation concerning the operation and administration of United States overseas affairs were made public today by Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments. These communications were received in response to a request from the chairman relative to the Commission's recommendations as they affect the specific agencies and for comments relative to S. 2072 (a bill to create a Commission to study the administration of overseas activities), submitted to the committee by the Hoover Commission and filed in the Senate by Senator MCCLELLAN.

In a letter from Frank Pace, Jr., Director of the Bureau of the Budget, he states:

"I agree with the Commission on Organization of the Executive Branch of the Government that the organization of overseas activities, like several other areas indicated by the Commission, merits further study. However, we do not think that the problems involved in the administration of overseas activities are so uniquely complex or of such magnitude as to necessitate establishment of a special commission as proposed in S. 2072. It would seem that the problems presented in this area can be dealt with adequately under arrangements which can be made by the President and the regular congressional committees.

"With the passage of the Reorganization Act of 1949, the President now has ample authority to initiate whatever organizational and administrative changes may be found desirable to assure the coordination and integration of overseas activities; and the Congress would have an opportunity to act on such changes in considering any reorganization plan submitted by the President."

In a letter from John E. Peurifoy, Deputy Under Secretary of State, he indicates that the Department of State endorses the recommendation of the Commission, and, "It is believed that such a study (as proposed in S. 2072) would be of great usefulness in developing future Government policy with respect to the type of organization most appropriate to deal with the range of activities enumerated in the report of the Commission." Mr. Peurifoy adds that he believes there has not yet been adequate analysis of the problems of administration involved and that the recommended study by Congress should precede the development of specific plans of administration.

After outlining some of the problems involved and expressing some doubt "on the validity of the observations stated on page 7 of the Commission's report to the effect that the present divided responsibility with respect to overseas administration creates difficult administrative problems and has not contributed to the singleness of purpose which is so desirable in administration," Mr. Peurifoy points out that the administration of overseas affairs recommended by a minority group of the Commission would include an extremely wide variety of responsibility ranging from the administration of the Trust Territory in the Pacific to administering the European recovery program, including within that range the administration of occupied areas and the responsibilities of the American Battle Monuments Commission.

Mr. Peurifoy concludes that "although the creation of a single Administration of Overseas Affairs would appear at this time to be questionable, the State Department recognizes that there does exist a wide range of activities carried on overseas by the United States Government that have never been comprehensively studied with a view to the development of the best administrative arrangements for their responsibility and economical treatment. It is felt that only on the basis of the results of the comprehensive study recommended by the majority of the Commission can these administrative problems be solved satisfactorily."

The Administrator of the Economic Cooperation Administration, Mr. Paul G. Hoffman, has some reservations concerning a single Administration of Overseas Affairs, and makes the following comments:

"First, it would appear unwise to make any basic statutory changes in the organization of a short-term agency such as ECA, more or less in midstream. Second, the proposed combination in one agency of such functions as government of Territories, the American Battle Monuments Commission, and Philippine Rehabilitation, and the kind of economic dealing with sovereign states carried on by ECA appears somewhat anomalous. Because of the vastly differing relative importance of these programs in United States foreign policy and the diversity of functions involved, this consolidation in one agency could readily result in loss of sufficient emphasis on the major tasks."

In his comments on the bill, S. 2072, Mr. Hoffman states:

"My experience in ECA has fully demonstrated to me that the problems of overseas administration which this Government faces are both difficult and extensive. They are certainly worthy of both special and continuous study. I find that the Bureau of the Budget and the State Department are both giving intensive attention to ways of strengthening the arrangements through which overseas programs are administered. We have worked closely with them on matters affecting the European recovery program and other overseas commitments of ECA."

Lt. Col. Charles B. Shaw, officer in charge of the American Battle Monuments Commission, comments on the report, as follows:

"The Commission's functions overseas—operation and maintenance of the World War I United States military cemeteries and memorials in Europe, erection of memorials to commemorate the services of the United States armed forces in World War II, and development and maintenance of the World War II United States military cemeteries on foreign soil—are not such as to involve foreign policy; they are, furthermore, wholly unlike and unrelated to those of any other agency operating in foreign countries. Under these circumstances it is believed that unified control and common administrative procedures would, in the case of the Commission, be impracticable.

"In other respects, due to the smallness of the Commission's organization it is believed that the recommendations of the Commission on Organization would have a negligible effect."

A single administration for overseas affairs finds support from James McI. Henderson, Administrator of the Philippine Alien Property Administration. He is "thoroughly in accord with the suggestion that the President should be relieved of the burden of direct responsibility of the administration of overseas affairs," and believes that some advantage would grow from consolidating overseas activities in a single agency. However, he urges that the "broadest possible authority to conduct overseas affairs be placed in responsible officials located in the respective areas of operation" and that the Administrator in Washington confine his operations to general policies and supervision without an attempt to "direct daily operations." Mr.

Henderson believes a single agency would clarify policy, improve administration and develop a corps of career men trained in foreign administrative work.

John B. Ahern, Director, Washington Office, the Philippine War Damage Commission, "heartily endorses" the Hoover Commission's recommendation that a comprehensive study be made of the problems of overseas administration and extends his full cooperation to any agency assigned to make such a study. He points out problems of a "temporary" overseas organization such as the War Damage Commission are more pronounced than those of permanent agencies.

Endorsing S. 2072, on the basis that it would give them an opportunity to cooperate in furthering the overseas program, Mr. Ahern states:

"The Commission is of the opinion that in the short period of its history, it has obtained much information concerning the overseas administration of agencies of the United States. It also believes that greater knowledge will be gained before it concludes its assignment on or before April 30, 1951. We are certain that much of this knowledge would be beneficial to the Commission you recommend in your bill S. 2072. We believe that the Commission proposed in this review would be in an excellent position to examine the operation of United States agencies abroad, in relation to the recommendation made by the Commission on Organization of the Executive Branch of the Government and outlined in your communication of May 23."

DEPARTMENT OF LABOR—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including comments from the Department of Labor upon the Hoover Commission recommendations as they affect that Department.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Complete endorsement of Hoover Commission recommendations to restore to the Department of Labor major labor functions of the Government now performed elsewhere in the executive branch is contained in a statement by Secretary of Labor Maurice J. Tobin to Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, made public today.

(Secretary Tobin will testify at 10 o'clock this morning before the Senate Committee on Expenditures in the Executive Departments on Presidential Reorganization Plan No. 2 of 1949, which would transfer the Bureau of Employment Security (U. S. Employment Service and Unemployment Compensation Service) from the Federal Security Agency to the Department of Labor. This is one of eight transfers recommended by the Hoover Commission to the Department of Labor.)

Mr. Tobin approves without reservation each of the transfers which the Hoover Commission proposed in its report (No. 13) on the Department of Labor, as follows:

1. Bureau of Employees' Compensation (from Federal Security Agency) (recommendation No. 2).

2. Employees' Compensation Appeals Board (from Federal Security Agency) (recommendation No. 2).

3. Bureau of Employment Security (from Federal Security Agency) (recommendation No. 3).

4. Selective Service System (including Appeal Boards), which has independent status (recommendation No. 4).

5. Determination of minimum wages for seamen (from U. S. Maritime Commission) (recommendation No. 5).

6. Merger of the functions of the Veterans' Employment Service (now in Bureau of Employment Security) with United States Employment Service (recommendation No. 6).

7. Centering in Bureau of Labor Statistics responsibility for collection of wage, working hours, living cost, employment and unemployment data (now collected by several agencies) (recommendation No. 7).

The Secretary also approves the Commission's recommendation No. 8 that a detailed study be made to determine a logical division of industrial hygiene functions between labor and health agencies.

Mr. Tobin points out that "the report does not, however, cover everything that should be done to develop an adequate Department of Labor." He refers specifically to the Federal Mediation and Conciliation Service, upon which the Hoover Commission made no recommendation, as follows: "The restoration of mediation and conciliation functions in the Department of Labor is an urgent step in rebuilding the Department which I strongly support." He also refers to several other agencies which should be transferred to the Department, but does not name them.

The Secretary of Labor is in general accord with major recommendations in the Hoover Commission's across-the-board reports on general management, personnel management, budgeting and accounting and procurement, with reservations concerning personnel.

The complete text of Mr. Tobin's statement (which is diametrically opposed to that of Federal Security Administrator Oscar R. Ewing, Expenditures Committee release No. 81-1-73, July 18, 1949, who objects to the majority of the transfers as they affect the FSA; to the views of Gen. Philip B. Fleming, Chairman of the United States Maritime Commission, on transfer of functions relating to determination of minimum wages for seamen—release No. 81-1-63; and to the position taken by Maj. Gen. Lewis B. Hershey, Director of the Selective Service System, covered in recommendation No. 4, release No. 81-1-84), follows:

DEPARTMENT OF LABOR,
Washington, July 20, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, United States Senate, Washington, D. C.

DEAR SENATOR MCCLELLAN: This is in reply to your letter of May 21, 1949, requesting (1) a report from this Department with regard to the application of the recommendations and discussions in the various Hoover Commission reports which affect the Department either directly or indirectly; (2) my comments relative to actual or prospective implementation of such recommendations, including an analysis of any pending legislation which provides for such implementation; and (3) a statement concerning any reductions in personnel and operating costs resulting from reorganizations effectuated in accordance with the Commission's recommendations.

I shall limit my reply to the matters discussed in the Hoover Commission reports and present my report under four main headings: (1) General management of the executive branch; (2) the labor functions of the Department of Labor, i. e., the agencies and functions recommended in the Hoover Commission report which should be transferred to the Department; (3) budget and accounting and procurement functions of the Department; and (4) personnel functions of the Department.

GENERAL MANAGEMENT

The recommendations of the Hoover Commission contained in its Report on the General Management of the Executive Branch of the Government which are of special interest to the Department of Labor are found in recommendations Nos. 12 through 16 and 18 through 21. I shall discuss recommendation No. 12 in connection with agencies to be transferred to the Department, and recommendation No. 15 in connection with Budget and Accounting, and Personnel.

Recommendation No. 14 is to the effect that under the President, the heads of departments must have full responsibility for the conduct of their departments and that no subordinate should have independent authority. Recommendations Nos. 18 and 20 would permit each department head to organize his department and to assign funds appropriated by Congress for a given purpose to whatever unit in his department he believes can best effect the will of Congress. Recommendation No. 16 is to the effect that department heads must have adequate staff assistance, and recommends staff assistants in seven major fields. Recommendation No. 19 would give authority to the department head to appoint these staff assistants as well as the bureau chiefs. This latter recommendation is in line with recommendation No. 1 of the Hoover Commission Report on the Department of Labor to the effect that "all officials in the Department below the rank of Assistant Secretary be appointed by the Secretary." Recommendation No. 21 suggests a standard nomenclature for the internal operating units of each department.

In general, I concur with these recommendations. They would not substantially alter the organization, internal management, or functioning of the Department, or its relationship with the President, other than to make it clear that the Secretary of Labor, under the President, would have full responsibility for the conduct of all bureaus within the Department, including the now semiautonomous Wage and Hour Division.

TRANSFER OF AGENCIES TO THE DEPARTMENT

Recommendation No. 12 of the Commission's Report on General Management is to the effect that the numerous agencies of the executive branch should be grouped into departments as nearly as possible by major purposes. I am in complete agreement with this recommendation. I also agree with the proposal of the Commission in its report on the Department of Labor that "several agencies closely related to the work and purpose of the Department be transferred to it" (p. 4). The report does not, however, cover everything that should be done to develop an adequate Department of Labor.

In determining what agencies should be transferred to the Department of Labor, the Commission was apparently guided by the following considerations which are set forth in its report on this Department: (1) Relation to the work and purpose of the Department (pp. 4, 10, 11, 14, 16, 18); (2) efficiency in the Government (p. 19); (3) a desire to restore to the Department a significance comparable to the other great executive departments (pp. 4, 19).

1. In line with these criteria the Commission has recommended that the Bureau of Employment Security, now in the Federal Security Agency, be transferred to the Department of Labor (recommendation No. 3). I concur with the Commission's recommendation. This Bureau administers the employment service and unemployment compensation. On June 20, 1949, in accordance with the Reorganization Act of 1949, the President submitted a series of reorganization plans to Congress. Reorganization Plan No. 2 calls

for the effectuation of the Commission's recommendation for the consolidation of employment service and unemployment compensation functions in the Department of Labor, by providing for the transfer of the Bureau of Employment Security from the Federal Security Agency to the Department of Labor, by transferring the functions of the Veterans' Placement Service Board to the Department of Labor, and by abolishing that Board. The considerations supporting Reorganization Plan No. 2 are fully set forth in the message of the President transmitting the plan.

2. The Commission has also recommended that the agencies which administer the laws establishing compensation benefits for injuries to civil employees of the United States and the District of Columbia, employees in private enterprise while engaged in maritime employment on navigable waters of the United States (the Longshoremen's and Harbor Workers' Compensation Act), and private employees in the District of Columbi- be transferred to the Department of Labor (recommendation No. 2). These agencies are the Bureau of Employees Compensation and the Employees Compensation Appeals Board, both now in the Federal Security Agency. I feel the Bureau and the Board could be administered within the Department very effectively and very appropriately. As the Commission says, the work of these agencies in the fields of safety, statistics, and industrial standards is closely allied with other Department of Labor functions.

3. Recommendation No. 4 of the Commission is to the effect that the Selective Service System, now an independent agency, should be placed in the Department of Labor. In addition to the reasons given in the Commission's report by those favoring transfer, I wish to point out that the experience of the United States during World War II, when there was much less demand for manpower than can be expected in any future emergency, indicated the desirability of having in one civilian department all agencies responsible for manpower supply and allocation. The Department of Labor is clearly the Cabinet Department in which these functions belong. Certain related functions are already housed in the Department and the transfer of others to it is recommended by the Commission report. In addition, the Department of Labor is the one Government agency which has direct and extensive contacts with the entire work force of the Nation and knows intimately the problems of the use of manpower.

The Bureau of Labor Statistics, as the Department's statistical and research agency, has a continuous interest in matters of manpower planning, and is working closely with the National Security Resources Board. That agency has recognized the Bureau of Labor Statistics as the center within the Federal Government for research in the field of manpower problems. This involves close cooperation with the United States Employment Service, the Bureau of Labor Standards, and all other agencies with interests in or a contribution to make on such problems.

4. I also agree with the Commission's recommendation No. 5 that the determination of minimum wages for seamen on privately operated vessels, now in the Maritime Commission, should be placed in the Department of Labor. The Department already has the same function for employees engaged in the construction of public buildings or public works for the Federal Government and those engaged in the manufacture or furnishing of materials under contract to the Federal Government. The determination of minimum wages is clearly a matter within the proper function of a Labor Department. As the Hoover Commission Report says, "it becomes appropriate for these determinations (minimum wages for seamen) to be made by the Department of Labor where their relation to wages in other industries can be evaluated" (p. 16).

5. Statistics relating to labor should be centered in the Bureau of Labor Statistics of the Department of Labor. These statistics relate to wholesale prices and living costs, working hours, wages, and pay rolls, and "prevailing wage surveys incident to determining wages for blue-collar Federal employees" (recommendation No. 7). The responsibility for compiling much of this statistical data now rests on the Census Bureau, the Bureau of Mines, the Bureau of Employment Security and the several agencies having blue-collar employees. The Commission recommendation is in line with the general policy of centering responsibility for the collection of data and research in the Federal agency with primary interest in specific subject fields, while recognizing the related interests of many agencies. This is the so-called focal agency approach, with which I am in complete agreement.

In the field of labor statistics the major problem is with respect to the Monthly Report on the Labor Force which is at present issued by the Census Bureau. There is an urgent need for placing the responsibility for this survey, which is a major source of data on total unemployment in the United States, in the Department of Labor. Such an arrangement would not involve the transfer of operation of the surveys to the Bureau of Labor Statistics. The Bureau of the Census should continue to conduct the field surveys.

"Prevailing wage" surveys refer to the collection and compilation of occupational wage data by various Federal agencies for the purpose of establishing wages for their ungraded or unclassified civilian personnel. These surveys are conducted by the personnel of the respective agencies and altogether represent a very large data collection activity. The results of these surveys are not generally available for public use. Their conduct through the facilities of the Department of Labor would make possible a larger and better-rounded wage program for public purposes. At the same time, the needs of the several agencies for wage information could be adequately met. The duplication of effort and the burden upon employers who supply information could be substantially reduced.

6. Industrial hygiene functions, like industrial safety functions, should be centered in the Department of Labor. It is generally agreed that the regulation of safety and health in industry is one and the same problem and must be administered by one agency of government. Historically, both here and abroad, that agency has been the agency responsible for labor functions. Public Health agencies clearly have a proper concern with health problems which affect the whole community. But responsibility for safe and healthful workplaces is a labor function and, at the Federal level, should be placed in the Department of Labor.

The Commission recommends that a detailed study be made to work out a logical division of functions between labor and health agencies (recommendation No. 8). It is my understanding that much attention has already been given to this problem. A review of the matter by the Bureau of the Budget and the agencies involved should demark those functions which are labor and those which are public health. A proper division of responsibility will require transfer of all the labor functions of the Industrial Hygiene Division of the Public Health Service to the Department of Labor.

7. The restoration of mediation and conciliation functions in the Department of Labor is an urgent step in rebuilding the Department which I strongly support. The Commission made no recommendation with respect to the Federal Mediation and Conciliation Service in the light of pending legislation affecting the status of the service.

8. There are other agencies which should be transferred to the Department of Labor if we are to have the Government's labor functions organized in such a way as to assure maximum efficiency and sound administration. At this time, however, I am confining my comments to the recommendations of the Commission made in its report on this Department.

BUDGET AND ACCOUNTING, PROCUREMENT

The Hoover Commission reports on budget and accounting and procurement are directed primarily toward strengthening and improving general operations in the management field. The recommendations are sound and, I believe, basic to the achievement of good management.

The application of these recommendations on the basis of our present legislation and present activities would not result in any material changes in the Department of Labor which would involve savings that have not already been effected in previous years, or which will be effected in the fiscal year 1950. For instance, our present bureau structure is grouped as nearly as possible on a functional basis.

PERSONNEL MANAGEMENT

As yet no recommendations contained in the Hoover Commission Report on Personnel Management have been put into effect; therefore, there seems to have been no opportunity to achieve economies and efficiencies. Most of the recommendations, as a matter of fact, will require statutory change.

Reorganization Plan No. 5, reorganizing the Civil Service Commission, will provide a starting point for the implementation of some recommendations.

I shall not comment on recommendations with which I am in general agreement or have no recommendation. My major comments on the other recommendations are as follows:

Recommendation No. 1d: I believe that the personnel staffs should be constantly seeking to improve personnel administration and should take the initiative in many cases in consulting with operating officials in the formulation of improved policies and procedures.

Recommendation Nos. 3d, 4a, 4c, 4d: See comments on No. 15.

Recommendation No. 4e: I do not entirely agree that the efficiency rating system should be used solely to develop better understanding between supervisors and employees, but concur in the task force's recommendation that it be used in conjunction with the annual audit of key jobs, the selection of candidates for advance career training, and establishment of promotion registers.

Recommendations Nos. 5a, 5b: See comments on No. 24.

Recommendation No. 6: I suggest that careful consideration be given to gearing-in the proposed personnel procurement offices with the Nation-wide system of public employment exchanges now in operation.

Recommendation No. 15: I suggest that the departments be permitted to emphasize training programs designed to develop potentialities and train employees for the jobs that are ahead of them as well as training programs designed to make employees more efficient in their present jobs.

Recommendation No. 22: See comments on No. 4e.

Recommendation No. 24: It is not clear from the wording whether the procedure described under this recommendation is recommended as a standard procedure or as one possible procedure. In any case, we believe (a) it is much simpler than removal through

the means of an unsatisfactory efficiency rating, (b) it is much more complex than the procedure specified by the Lloyd-LaFollette Act, and (c) it is somewhat simpler than the present procedure for the discharge of incompetent employees under grievance procedures, particularly if a grievance procedure provided several levels of appeal. We do not believe that the procedure would eliminate the need and purpose of the highly documented bill of particulars described on page 64 of the task force report.

If there is any further information which I can furnish you, I shall be very glad to do so.

You are advised that in accordance with a suggestion made by you in order to expedite this report I am unable to state whether all of the recommendations made herein are in accordance with the program of the President.

Yours very truly,

MAURICE J. TOBIN,
Secretary of Labor.

STATES ELIGIBLE TO PARTICIPATE IN PUBLIC LOW RENT HOUSING AND SLUM CLEARANCE PROGRAMS.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter addressed to me by Mr. B. T. Fitzpatrick, general counsel of the Housing and Home Finance Agency giving a list of the States which have adequate enabling statutes to allow them to participate in the public housing program, and also a list of the States which have State statutes permitting them to participate in the slum clearance program.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., July 21, 1949.

Hon. JOHN J. SPARKMAN,
United States Senate,
Washington, D. C.

DEAR SENATOR SPARKMAN: This is in reply to your oral request for a list reflecting the States that, pursuant to State enabling legislation, are authorized to participate in the public low-rent housing program as authorized by the United State Housing Act of 1937 and extended by title III of the Housing Act of 1949 and also the slum clearance and community development and redevelopment program as authorized by title I of the Housing Act of 1949.

Public housing: Forty-two States have enacted public low-rent housing enabling statutes and are therefore presently authorized to participate in the Federal public low-rent housing program. These States are: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, Washington, West Virginia, Wisconsin.

There are only six States which have not as yet enacted public housing statutes and therefore are not presently authorized to participate in the Federal public low-rent housing program. These States are Iowa, Kansas, Oklahoma, South Dakota, Utah, and Wyoming.

Slum clearance: Thirty political jurisdictions, according to our preliminary survey, have some type of slum clearance and urban redevelopment enabling legislation. However, in three of these States—Indiana, Missouri, and New York—the slum clearance laws do not specifically authorize the borrowing of Federal funds and the acceptance of Federal grants, while in Kansas and Kentucky the slum clearance laws do not create or provide for the creation of local public agencies with authority to undertake slum clearance projects. With regard to the laws of some of the other jurisdictions listed, it may be that minor amendments will be necessary in order to comply with all of the Federal requirements that must be met under the provisions of title I of the Housing Act of 1949. In addition to the five States just mentioned, the jurisdictions having slum clearance laws are Arkansas, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Hawaii, Illinois, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Virginia, and Wisconsin.

The 21 States which do not have enabling legislation specifically authorizing the undertaking of slum clearance and urban redevelopment projects are as follows: Alabama, Arizona, Delaware, Idaho, Iowa, Maine, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, South Dakota, Texas, Utah, Vermont, Washington, West Virginia, and Wyoming.

While these 21 States do not have legislation expressly authorizing slum clearance as contemplated in title I of the Housing Act of 1949, it may be that in some of these States there are general laws or city charter provisions under which participation in the title I program may be authorized. Also, participation possibly may be authorized under some of the State enabling public housing laws. But in any such event, a judicial pronouncement of such authority in a test suit may be necessary before the Federal Government could proceed to make loans or grants under the title I program. As you know, at this time we simply cannot, with the limited legal staff now available to us, make the necessary legal exploration required for final determinations of these questions.

If, at any time, I can be of further assistance to you, please let me know.

With kindest regard, I remain,

Sincerely yours,

B. T. FITZPATRICK,
General Counsel.

REORGANIZATION OF FISCAL MANAGEMENT IN THE NATIONAL MILITARY ESTABLISHMENT

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RUSSELL. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. TYDINGS, Mr. RUSSELL, Mr. BYRD, Mr. CHAPMAN, Mr. BRIDGES, Mr. GURNEY, and Mr. SALTONSTALL conferees on the part of the Senate.

INCREASED PENSIONS FOR WIDOWS AND CHILDREN OF CERTAIN MEMBERS OF DISTRICT POLICE AND FIRE DEPARTMENTS—CONFERENCE REPORT

Mr. HUNT. Mr. President, I submit a conference report on House bill 2021, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, and 4, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 2. The fifth paragraph of section 12 of the Act of September 1, 1916 (D. C. Code, 1940 ed., sec. 4–509), is amended to read as follows: 'The Commissioners of the District of Columbia are authorized to pay from the said policemen and firemen's relief fund, District of Columbia, a sum not exceeding $250 in any one case to defray the funeral expenses of any deceased member of the Police Department or the Fire Department of said District dying while in the service thereof.'"

And the Senate agree to the same.

LESTER HUNT,
OLIN D. JOHNSTON,
ANDREW F. SCHOEPPEL,
Managers on the Part of the Senate.

JAMES C. DAVIS,
ARTHUR G. KLEIN,
J. GLENN BEALL,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

MILITARY AID TO FREE NATIONS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 276)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read.

(For President's message, see today's proceedings of the House of Representatives, pp. 10122–10124.)

The VICE PRESIDENT. The Chair would like to state that this message involves the question of reference to a committee. The Senator from Maryland [Mr. TYDINGS], the chairman of the Committee on Armed Services, requested the Chair to allow the message to lie on the table until he could return tomorrow and that is what the Chair will do. There will be no reference of the message until tomorrow. That is without prejudice in any respect.

Mr. LUCAS. I thank the Chair for his statement, because I was just about to make that request, in view of a conversation I had had with the distinguished Senator from Maryland.

TRIBUTE TO THE LATE ALEXANDER F. WHITNEY

Mr. NEELY. Mr. President, the custom of commemorating the memory of

the dead is as old as the human race; as ennobling as the Golden Rule; as enduring as the everlasting hills.

Let us momentarily suspend the regular procedure of the Senate and improve the interlude by solemnly observing this ancient custom of commemoration in undying honor of a never-to-be forgotten, illustrious American, Alexander F. Whitney, late president of the Brotherhood of Railroad Trainmen, who at an early hour in the morning of Saturday, the 16th day of July, passed from the turbulent land of the living into the silent land of the dead.

This truly remarkable man—the son of a minister of the gospel—was born in a humble home in Iowa 76 years ago. At the age of 15 he became a railroad news agent and began his lifelong battle to promote the welfare of his fellow men.

By virtue of his unusual intelligence, unimpeachable integrity, and unlimited industry, he rapidly ascended to great heights on the ladders of success and fortune and fame. In 1928 he became the president of the Brotherhood of Railroad Trainmen, one of the most populous of railroad labor organizations. This high office he continued to hold until his cheery voice at last became mute and his tired heart ceased to beat.

What Moses was to the Israelites in their departure from the land of bondage; what Joshua was to that favored people upon their entrance into the land of promise, Alexander Whitney was to the hundreds of thousands of railroad trainmen during the last 21 years.

Throughout his long and busy life, where duty led he followed—fearless of foes, heedless of misfortunes and thoughtless of rewards. His character was spotless; his reputation was without a stain. He was a steadfast Christian, a devoted husband, a loving father, and a faithful friend. As a great labor leader, he constantly wore the white plume of a blameless life. As a great patriot, he loved principle more than party. He habitually burned incense on the altar of eternal truth and worshiped at the shrine of universal good.

For his patriotism we lauded him; for his service to his country we honored him; for his devotion to his family and his friends we loved him. As we lauded, honored, and loved him in life, so we revere him in death, tenderly cherish his memory, and in imagination strew the freshest, fairest, and most fragrant of flowers above his sacred dust. We wrap the unsullied record of his outstanding achievements in the silver foil of appreciation, entwine it with the golden threads of affection, and store it in the casket of fond recollections where neither moth nor rust can corrupt it, and where thieves cannot break through and steal it.

We are comforted by the thought that this beloved friend was spared the suffering of a long illness. His very last day upon this "bank and shoal" of time was devoted to the faithful discharge of his official duties. That night he was apparently in perfect health, and as usual, he—

Wrapped the drapery of his couch
About him, and lay down to pleasant dreams.

Soon after midnight he suffered a heart attack and a few minutes later he fell asleep to wake on earth no more.

In this moment of melancholy reflection we realize that President Whitney has passed the limits of earthly vision; his shadowy form cannot be seen through the illusions of love, the telescopes of science, or the tears of grief.

Once more arises the world-old question asked by the suffering Job, "If a man die, shall he live again?" But, unlike the afflicted patriarch, we seek no "refuge either in silence or submission." We simply turn from this perplexing question of the Old Testament to find it answered in the New by Him who came 15 centuries after Job, and said:

I am the resurrection and the life; he that believeth in Me, though he were dead, yet shall he live; and whosoever liveth and believeth in Me shall never die.

In this divine promise we put our trust. While dogmas perish and heresies crumble; while agnosticism decays and atheism dies, we shall continue to lean upon the Everlasting Arm, believing that the twilight here is but the dawn of a grander day upon some other shore; believing that the feeble flame that flickers here for a little while will at last leap into a bright and shining light when the spirit of man has winged its way back to Him that gave it birth.

It is our consoling hope and belief that President Whitney and all those who mourn his loss will eventually be reunited in that "realm where the rainbow never fades"; where no one ever grows old; where sickness never comes, friends never part, and loved ones never, never die.

Beloved husband, father, friend—

Farewell. * * *
All our hearts are buried with you,
All our thoughts go onward with you.
Come not back again to labor,
Come not back again to suffer,
Where the famine and the fever
Wear the heart and waste the body.
Soon our task will be completed.
Soon your footsteps we shall follow,
To the Islands of the Blessed, * * *
To the Land of the Hereafter.

Oh, sainted dead, peacefully sleep and blissfully dream on and on, through sunshine and shadow, through seedtime and harvest; through winter's storm and summer's calm until the angelic harbinger of the resurrection shall arouse thee from thy slumber and usher thee through the pearly gates of paradise into the never-ending joy and glory of thy Lord.

Mr. WHERRY. Mr. President, I deeply appreciate the highly inspirational and deeply affectionate tribute which has just been paid by the junior Senator from West Virginia to his friend.

Mr. LUCAS. Mr. President, I should like to associate myself with the very appealing remarks made by the distinguished Senator from West Virginia about the late Mr. Whitney. In my time in the Senate of the United States, I do not believe I have ever heard a more beautiful or lovely tribute than the one which has just been paid to Mr. Whitney by the able Senator from West Virginia.

Mr. McKELLAR. Mr. President, let me say that I have listened with profound interest and appreciation to the remarks of the able Senator from West Virginia about Mr. Whitney. I endorse every word my friend the Senator from West Virginia said about Mr. Whitney. I have known Mr. Whitney for many, many years. He was one of the finest men I ever knew. At a subsequent time I hope to have an opportunity to say more fully what I think of his splendid life and character and his wonderful accomplishments in behalf of his fellow men.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, I should like to make one or two announcements with respect to the legislative program. We are now, as everyone knows, considering House bill 4830, the Foreign Aid Appropriation Act, 1950. Just how long we shall be debating the bill obviously no one can say, although it is the hope of the majority leader and of others that we may finish it within 2 days' time. It may take longer, in view of the number of amendments. In view of the fact that a great many Senators are continually asking about the adjournment date, it is the hope of the Senator from Illinois that we may expedite the debate upon this important measure and reach a conclusion as soon as possible.

Last week I made the announcement we would hold a night session Tuesday night and another night session Thursday night. In talking with the minority leader and with other Members of the Senate it was thought that, starting tomorrow evening around 7:30, it might be a very good time to call the calendar, in the hope that we might by that time have finished with this bill. If not, we will call the calendar, starting from the beginning, I think, of the calendar and going through to the end of it. A number of measures have been reported to the Senate since the calendar was last called, and I think it important that we dispose of a number of the bills.

Mr. WHERRY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. LUCAS. I yield.

Mr. WHERRY. I appreciate the announcement that the calendar will be called from the beginning. Do I correctly understand the majority leader to say that at 7:30 the calendar will be called, regardless of whether consideration of the foreign-aid bill has been concluded?

Mr. LUCAS. That is correct.

Mr. WHERRY. It is a definite announcement of 7:30; is that correct?

Mr. LUCAS. The Senator's understanding is correct. Mr. President, that is all I desire to say.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. LANGER. Did the Senator say that would be tomorrow evening?

Mr. LUCAS. Tomorrow evening.

Mr. SALTONSTALL. Does the Senator from Illinois have anything further to say about another night session?

Mr. LUCAS. Yes; there will be another night session Thursday.

FOREIGN AID APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

POSITION OF PERENNIAL HORTICULTURAL PRODUCTS IN EXPORT FIELD

Mr. KNOWLAND. Mr. President, with the ECA appropriation bill before us and with the reciprocal trade legislation soon to come up, the time is most appropriate to remind the Senate of the position of the so-called perennial horticultural products in the field of exports.

I come from a great horticultural State. In common with Senators from Oregon, Washington, Arizona, Texas, Florida, Michigan, the great peach States of the South, and the apple-producing areas of the Appalachians and New England, we have been repeatedly told that the vital question involved in appropriating American taxpayers' dollars under the ECA program is one of the rehabilitation of Europe.

It was never intended that its purpose or result should be the destruction of an important segment of the United States economy. There are strong indications that European nations are using funds made available by this country to finance a trade blockade for perennial horticultural and other products.

The horticultural interests of the Nation, in the hearings on the agricultural appropriation bill before the Senate subcommittee on agricultural appropriations, presented a statement on behalf of the Dried-Fruit Association of California, the California Prune and Apricot Growers Association, the Sunmaid Raisin Growers of California, the California Walnut Growers Association, the California Almond Growers Exchange, the Northwest Nut Growers, the United Fresh Fruit and Vegetable Association, the Northwest Horticultural Council, the National Apple Institute, the International Apple Association, the California Fruit Growers Exchange, the California Grape and Tree Fruit League, the Mutual Orange Distributors, and the Florida Citrus Commission, pointing out that during the prewar period 1934–38 the fruit industry ranked third in the list of agricultural exports of the United States, after cotton and tobacco. Among foods, it ranked first, ahead of wheat. Twenty-eight percent of the apples of the Pacific Northwest, 44 percent of fall and winter pears, and 40 percent of dried fruits went into export. Very substantial quantities of citrus fruit in fresh form, and of eastern apples, also found their way into export markets. There were substantial exports of table grapes, Bartlett pears, and plums, and certain horticultural items have depended, to a large extent, based on long-established history, on export outlets for their very existence. In fact, many varieties of fresh fruits have been planted solely to fill an export demand which existed prewar. Many other varieties, sizes, and specifications found their most popular outlet in export markets. The export market was not a refuge for surpluses, it was a primary market for which definite acreage was planted, and in which particular grades and classifications found their only important source of distribution.

Today, that market is reduced to insignificance. Fruits and fruit products exported in 1934–39 had an average value, according to the Department of Agriculture, of about $177,000,000 at present-day prices. In 1948, not more than $20,000,000 worth of fruits were exported, of which nearly $15,000,000 worth were sent under United States Department of Agriculture programs, with some support from ECA, but with a much greater support from the Department of the Army. There is no indication that 1949 will see any greater exports. In fact, with the present financial situation as reported from Great Britain, with the recent action of Canada in embargoing, for all intents and purposes, imports of United States fruit, with the troubled situation that exists in the Orient, it is safe to assume that without administrative redirection of Government policy, 1949 will not see any greater exports than the previous year, and probably less.

This poses the question, How much longer are the great horticultural interests of this Nation, to which I have referred, going to be able to help support a Government program in which they are the victims of an economic backfire? Those engaged in horticultural pursuits have given a substantial measure of support to the ECA program, because they believed that a rehabilitated, war-torn world would not only result in economic health abroad but would also result in the reestablishment of historic trade channels and the opening up of expanding opportunities.

We are now faced with the fact that unless there is a redirection of administration, as indicated by the Senate report on agricultural appropriations, we can expect little, if any, exports of horticultural products. Even those who are interested in exports of such important items as cotton, wheat, and tobacco can look forward to greatly diminished exports of these agricultural commodities while embargoes and currency restrictions are enlarged abroad.

We have been advised of the completion of a bilateral trade agreement between Great Britain and Russia, calling for substantial imports on the part of Great Britain of coarse grains, including wheat. Bilateral trade agreements have been concluded by Great Britain with Argentina, and others are in the process of negotiation with countries on the continent. The present financial situation in Great Britain has occasioned a stringent policy on the part of the members of the British Commonwealth of Nations toward added, or even any, exports from the United States of America. The recent embargo on fresh fruits from the United States on the part of Canada and their indicated policy with respect to quotas on such horticultural items as may be admitted, is a case in point.

American dollars are even being used through the use of counterpart funds to retire the debts of foreign nations, participants in ECA relief, while our own debt mounts. Funds made available by the ECA program are being used to solidify permanently agricultural industries where they had not existed prior to World War II. They will compete with our own, even should conditions ever become normal again. Under these conditions, we stand a good chance of losing any future export business through the employment of bilateral agreements and the use of our funds in such a manner.

The fresh- and dried-fruit industry of this country is not receiving mandatory price support in any form whatsoever, yet no industry has done more to help itself under such legislation as is available to it. We have marketing agreements on citrus fruits, on peaches in the southern States, deciduous tree fruits in California, fall and winter pears in Washington, Oregon, and California. We have pending industry agreements under consideration in dried fruit. Even the producers of the great staple commodities such as wheat, tobacco, cotton, and others have not accomplished as much to help themselves as have the horticultural industries of this Nation. Yet we are wondering, in the face of conditions as they now exist, how much longer the producers of even these staple commodities are going to be able to continue to support present ECA export programs as presently directed.

If all agriculture becomes distressed, and even if the manufacturers of nonagricultural items are being squeezed out of the international market by reason of present policies, how much longer can the program continue? Our friends abroad should take notice of the fact that cooperation and reciprocity are a two-way street.

I should like to point out that the horticultural industries of the Nation have not been in the forefront asking mandatory price supports. They have chosen as a policy to do everything within their own power first to help themselves, but again the point has been reached when the Congress must expect these important industries to demand equity of treatment. The ECA program contemplated, in spite of many signs to the contrary, the rehabilitation of Europe by 1951. By that time, without some aid, the horticultural industries of this Nation will be faced with irretrievable loss of trees, vines, packing houses, and other capital assets, not to mention the loss of taxes paid by farmers to support the county, State, and Nation. All signs indicate we are financing or helping to finance a self-sufficiency in the trading of horticultural products between the countries of western Europe and that we have been engaged in a policy which, if permitted to continue, may well mean the permanent loss of our export market for these perennial horticultural products.

The plain, cold facts of the matter are that Great Britain, the principal prewar export customer for horticultural products, as well as other European countries, is substituting other sources of supply for fruits which it formerly obtained from the United States. If they were

denying themselves these fruits in an effort to improve their economy it would be a policy which could not be criticized. But the figures show that this is far from the case; in fact, in the instance of Great Britain, present imports of fruit show they are approaching prewar levels.

In the consideration of perennial horticultural products the Congress has not, to date, earmarked or set aside a special appropriation within the structure of ECA for the exclusive use of aiding exports of such items, or, for that matter, as yet in the provision of funds for price supports as set up in agricultural legislation. The subcommittee on agricultural appropriations, however, in reporting on the Agricultural Appropriation Act for 1950, made the following statement in connection with section 32, which was included in the report of the full committee:

The committee gave serious consideration to the plea of national perennial horticultural interests that the funds provided under section 32 of the act of August 24, 1935, be supplemented by an additional $50,000,000. The committee recognized the unique position and need of this industry, arising from the temporary loss of long-standing export markets, and the inability of the fruit grower to reduce production loss of capital investment in packing and other facilities. The committee also took note that this industry, together with other agricultural interests which do not receive mandatory price supports, is entirely dependent upon section 32 for assistance, and that section 32 funds may be used to facilitate utilization of these commodities under the terms of section 112 of the economic cooperation act of 1948, as amended. The committee has not added the requested sum to the section 32 fund, believing that such funds, now relieved from the obligation of paying for the school-lunch program, will be adequate to give the relief needed. The committee believes that the situation of horticulture falls squarely within the intended primary objectives of section 32, and must be met under that section. It is the view of the committee that section 32 funds be made available by the Secretary of Agriculture in the fullest extent practicable to encourage the exportation or domestic consumption of perennial horticultural crops and their products.

The purpose of these remarks today is to urge the Secretary of Agriculture and the Administrator of the Economic Cooperation Act to put into effect as soon as possible, and upon showing by the industry, for this year's horticultural production, section 32 funds for such commodities on which aid can be demonstrated by the industry groups involved and to encourage the opening up of our historic channels of trade.

Nor should any theoretical or academic obstructions be placed in the way of the horticultural industry in making such help available. These industries, on the whole, are in distress, and since at the moment section 32 is the only available vehicle for support to the horticultural industry, and since in section 112 of the Economic Cooperation Act is found the machinery for using section 32 funds as an aid to export of fruits, it is my considered opinion that the Senate, in approving the language referred to in both acts, and in the report of the Senate Agricultural Committee, fully expects the Secretary of Agriculture and the Administrator of the Economic Cooperation Act to use these funds to aid horticultural industry to the fullest extent practicable.

We shall continue to watch and observe with great interest the development of a tangible, workable program to aid the horticultural industry of this Nation. Results and not excuses are the need of the hour. We do not lose sight of the international objectives of present policies. However, the administration and the Congress must not ignore the warning signals that are already glowing along the domestic economic tracks. Wise men and administrators at home and abroad will be well advised to review present policies.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The question is on agreeing to the first committee amendment.

Mr. KEM. Mr. President, the Senator from Nebraska [Mr. WHERRY], the Senator from Arkansas [Mr. MCCLELLAN], and I have proposed an amendment to the pending measure, and I should like to ask that the clerk read the amendment for the information of the Senate.

The PRESIDING OFFICER. The amendment will be stated by the clerk.

The LEGISLATIVE CLERK. On behalf of himself and other Senators, Mr. KEM proposes the following amendment:

On page 14, after line 15, insert the following:

"Sec. 202. No part of the appropriations contained in this act shall be furnished to any participating country, or government or agency thereof, which shall, after the date of enactment of this act, acquire or operate, in whole or in part, any basic industry thereof, other than industries the acquisition of which has been completed prior to the date of enactment of this act."

On page 14, line 16, strike out "Sec. 202" and insert in lieu thereof "Sec. 203."

I. PURPOSE OF THE AMENDMENT

Mr. KEM. Mr. President, the amendment which has just been read by the clerk provides, in effect, that no funds appropriated from the United States Treasury for recovery and relief in Europe shall be used to further socialization of basic industries there. Specifically, it requires that no money shall be furnished to any Marshall plan country which undertakes to acquire in the future any basic industry for operation by the state. Under this amendment, no attempt is made to "unscramble the eggs," but it will prevent further use of American money in new socialistic schemes.

II. SEVERAL MARSHALL PLAN COUNTRIES ARE FAR DOWN THE ROAD TO A COMPLETELY SOCIALIZED STATE

Several of the Marshall plan countries are far down the road to a completely socialized state. England has already socialized nine of her most important industries, or approximately one-fifth of her total economy. Here is the complete list:

First. Coal mines.
Second. Civil aviation.
Third. Cable and radio communications.
Fourth. Inland transport; that is, railroads, motor transport, docks, canals, and so forth.
Fifth. Electricity supply.
Sixth. Land. The land itself is not nationalized but profits accruing from developing or improvement of land go to the state.
Seventh. Social welfare; that is, the doctors and the dentists.
Eighth. Bank of England.
Ninth. Radio broadcasting.

France has socialized the following 23 industries, or approximately two-fifths of her total economy. Here is the list:

First. Coal mines.
Second. Railroads.
Third. Civil aviation.
Fourth. Tobacco products.
Fifth. Manufacture of gunpowder.
Sixth. Match industry.
Seventh. Gas industry.
Eighth. Electricity industry.
Ninth. Insurance companies, that is, 34 companies.
Tenth. Bank of France.
Eleventh. Four leading deposit banks.
Twelfth. Aircraft industry.
Thirteenth. Renault automobile works.
Fourteenth. Dye corporations, that is, its German interests have been assumed by the state.
Fifteenth. South American cables.
Sixteenth. Motion-picture industry.
Seventeenth. Potash mines of Alsace.
Eighteenth. Potash industry, large governmental interests, although some portions are still privately owned.
Nineteenth. Telephone.
Twentieth. Telegraph.
Twenty-first. Postal service.
Twenty-second. Porcelain manufactory at Sevres.
Twenty-third. Tapestry manufactories of Gobelins and Beauvais.

Mr. President, in both countries, this process has been accelerated to a large extent by the use directly or indirectly of Marshall plan money.

III. SOCIALISM AND COMMUNISM

Mr. President, socialism and communism are fruit of the same tree, a tree which has its roots in the theories of Karl Marx. Both have the same objective—the nationalization of all industry, or, as Karl Marx used to put it, the abolition of private property and the means of production. The Communist is willing to resort to force and violence to attain this end. The Socialist believes the result can be obtained by peaceful means, or, as we say, by processes of gradual infiltration. But let me make it clear that the objective of both is the same, namely, nationalization of all productive industry.

Communism is the form of Marxism which has developed in Russia. The adherents of communism are in control of the Government of the U. S. S. R.—the Union of Soviet Socialist Republics. Socialism is a form of Marxism that has developed in England and in some of the other countries of western Europe, notably in France. The British Socialist Party is in control of the Government of Great Britain.

And so we are met with this strange paradox. The United States of America is spending billions of dollars in an effort to stop Marxist communism, but at the same time is spending billions of dollars to finance and promote Marxist socialism.

Winston Churchill said: "The Socialists are the handmaids and heralds of communism and prepare the way at every stage and every step for the future advance of communism."

We are told that one of the objectives of the Marshall plan is to earn the good will of the countries of western Europe in order that they will be our allies in any future conflict with Russia. We have heard that said on the floor of the Senate time and time again. But are we sure that we could count on that aid in an hour of need? Both Socialist Britain and Socialist France have 20-year military and economic alliances with Communist Russia. The miners' union of Great Britain is dominated by its secretary, Arthur Horner, a member of the Socialist Party, who has announced publicly that if England goes to war with Russia there will be no coal mined in England. Prime Minister Attlee said recently that in economic matters the British were looking to Russia rather than to the United States.

Does any Senator believe that it is possible to purchase lasting friendship with gifts, however munificent they may be? Do many Senators believe that what we have been doing has earned the respect of the thinking people of Europe? Here is a bit of evidence which should interest any Senator who does.

The Honorable Richard Crossman the other day rose and spoke in the House of Commons. Mr. Crossman is a member of the Socialist Party, and a member of Parliament from Coventry East. Incidentally, he is a well-known British journalist. In this speech Mr. Crossman referred to the American Congress as "An Insanity Fair." Let there be no mistake about what he said. He referred to the American Congress as "An Insanity Fair."

So, Mr. President, apparently even the Socialists of Great Britain are laughing up their sleeves at Uncle Sam as he hands out the money of American taxpayers.

IV. THE MARSHALL PLAN MONEY IS NOW BEING USED TO FINANCE AND PROMOTE SOCIALISM IN THE PARTICIPATING COUNTRIES

Mr. President, this amendment is by no means directed against Great Britain. I shall show as I proceed that conditions are substantially or somewhat the same in Great Britain, in France, in Holland, and in other countries of western Europe. But I shall discuss first the case of Great Britain because it is by far the largest beneficiary under the Marshall plan. The American taxpayers have already contributed over $44,000,000,000 to Great Britain under various plans, most of them now unhonored and unsung. During the first year of the Marshall plan, Great Britain received $1,239,000,000. Next year she is scheduled to receive well over $900,000,000.

(A) STANDARD OF LIVING

If the United States had not financed the British Socialist program, it could not have been carried out.

Had it not been for the Marshall plan, the nationalization program of the British Socialist Party would have brought a standard of living to the British people they would not have been willing to accept. As it is, the Socialist politicians have been able to say to their people: "You get more money for less work than ever before in the history of the island." As so, Mr. President, the Marshall plan has been used as a slush fund to keep these same Socialist politicians in power.

Winston Churchill recently said:

> We have this extraordinary spectacle of a British Socialist Government living on capitalist America while at the same time they denounce the American system. Does anybody in his senses suppose that could go on indefinitely? And what would happen to the British Socialist Government if the American subsidy did not arrive punctually?

Here is another quotation from the same eminent Englishman. We have Mr. Churchill's word for it that—

> The Socialist government and Socialist policy are living on the United States from month to month and from hand to mouth.

Yet, Mr. President, we hear Members of this body undertaking to argue that the Marshall plan has not financed and subsidized socialism in Great Britain. Apparently both the Socialists and the Conservatives of Great Britain know a good deal about that.

(B) RAW MATERIALS AND MACHINERY

Marshall-plan funds have gone from America in the form of raw materials for Europe's socialized industries, machinery and equipment for them, and in many other ways. For example, Mr. Hoffman testified that modern American machinery has been furnished to the socialized coal industry of Great Britain.

(C) COUNTERPART FUNDS USED TO CANCEL DEBT

Perhaps the most direct way in which the American taxpayers have financed the socialization of industries in Great Britain is through the cancellation of the British national debt.

In Great Britain when industries are transferred from private to public ownership, the owners of the industries receive bonds of the British Government. Since August 1, 1946, the British Government has socialized the following industries at a cost of more than a billion five hundred million pounds sterling. I might say that these figures, Mr. President, have been checked by the Department of Commerce from official British sources. The dates given are those when the British Government vested itself with the ownership and control of the industry in question:

August 1, 1946, 20,000,000 pounds sterling, civil aviation industry.

January 1, 1947, 34,262,823 pounds sterling, cable and wireless industry.

January 1, 1947, 164,660,000 pounds sterling, coal industry.

January 1, 1948, 1,065,000,000 pounds sterling, railways and canals.

April 1, 1948, 350,000,000 pounds sterling, electric power industry.

March 1, 1949, 2,500,000 pounds sterling, gas industry.

Total, 1,636,422,823 pounds sterling.

The bonds which are issued in payment to the former owners of socialized industries are general obligations of the British Government. They are, for the most part, completely negotiable.

I want to correct an erroneous impression about that. At the time of the hearings held by the Senate Appropriations Committee, Mr. Richard M. Bissell, Jr., TCA Assistant Deputy Administrator, testified in reply to a question by the senior Senator from Oregon [Mr. CORDON], that he believed there were limitations on the negotiability of these bonds. Later this statement was corrected by Mr. Bissell, who furnished the following information, appearing on page 844 of the hearings:

> It has been general practice in the United Kingdom for the bonds issued in payment to the former owners in compensation for the transfer of nationalized industries to the Government to be completely negotiable.

These bonds bear in most instances 3-percent interest. The bonds are dealt in on the London stock market, and fluctuate with the market. For instance, on June 28, 1949, the recently issued British electricity stock, which paid for electricity holdings when the Government nationalized them, broke sharply in price.

The burden of this added debt assumed for the purchase of nationalized industries put a strain upon the financial structure of the British Government. Last year ECA came to the rescue. The British Government was permitted by ECA to use all the counterpart funds that had accumulated, except $100,000, for cancellation of the British national debt. The amount used for this purpose totaled over 100,000,000 pounds sterling, or in excess of $400,000,000.

To repeat, the British national debt was swollen by the purchase of the industries and the British national debt was reduced by the Marshall-plan funds.

Mr. DONNELL. Mr. President, will the Senator be kind enough to yield at this point?

Mr. KEM. I yield.

Mr. DONNELL. Will the Senator please state what is meant by the expression "accumulated"?

Mr. KEM. The Marshall plan counterpart funds, Mr. President, are accumulated in this way: When we send goods and materials as a grant to the British Government, the British Government sells them for pounds sterling. The proceeds are impounded in a fund called the Marshall plan counterpart fund. It is in a direct sense the purchase price paid by the British people for the goods which come as a gift from the United States.

Mr. DONNELL. Mr. President, will the Senator bear with me for just another question?

Mr. KEM. I yield.

Mr. DONNELL. The Sentator mentioned the term "stock" also in connection with the acquisition of—railways, was it?

Mr. KEM. Yes.

Mr. DONNELL. I wonder if the term "stock" is the equivalent of "bonds"?

Mr. KEM. Yes. The consolidated debt of Great Britain is familiarly known as stock. I think that term has been applied to it for many years. But the debt is represented by an obligation which is a promise to pay on the part of the British Government. In some instances it has no maturity date. I am told that some of the so-called stock issued to pay

for the Napoleonic wars is still in existence, because it never matured. But for our purpose I think we may consider that these obligations are what we call bonds, and are in all essential respects identical with the bonds issued by our National Government and State and municipal governments. They are public obligations.

Mr. DONNELL. I appreciate the Senator's statement.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. MARTIN. Is the stock or bond a general obligation against the Government, or is there a special obligation in the case of purchase of railroads, and another special obligation in the case of the acquisition of electric companies?

Mr. KEM. I am glad the Senator asked that question, because it is a very important and interesting question. The bonds are a general obligation of the United Kingdom. They are not in any sense income bonds, dependent for their service on the industry for which they are issued.

Mr. MARTIN. They are not self-liquidating, as are the obligations in connection with certain projects in the United States?

Mr. KEM. I presume the Senator has in mind projects such as the great Pennsylvania Turnpike, which is to be paid for from the profits of the turnpike. I understand that the purchase price is being rapidly amortized. I also understand that in that case the purchasers of the bonds knew when they were buying them that they were dependent upon the profits of the turnpike for their money. That is not true in the case of the bonds issued for the British national debt. I shall show, as I proceed, that almost without exception the nationalized industries have been losing money from the time they were taken over. If the holders of the bonds were dependent upon the profits of the industries they would be in a pretty sorry plight; but behind the bonds is the full faith and credit of His Britannic Majesty's Government.

I was about to say, Mr. President, that future students of the economic history of the United States may be intrigued by the fact that while we were paying the British national debt our own national debt remained above $252,000,000,000; and I may say with rather poor prospects for its payment in the near future.

Sir Stafford Cripps, British Chancelor of the Exchequer, is very proud of the progress made by Great Britain toward debt reduction. He recently said:

> Debt has never before been redeemed on anything like such a scale.

Of course not. Why should it not be redeemed on a large scale, with Marshall plan aid? There may be among some of us just a little feeling of regret that we do not have a rich and indulgent uncle overseas to concern himself about the retirement of the American national debt. I have not heard any suggestion that our children and our children's children were to be relieved from that burden in any part.

(D) LOSSES OF NATIONALIZED INDUSTRIES

In an even more direct way Marshall plan counterpart funds have been used to make up the losses in these nationalized industries. Most of Britain's socialized industries are losing money. During the first year after socialization the coal industry lost $94,000,000.

The nationalized civil aviation industry lost $44,000,000 during the fiscal year 1948. It is estimated that the loss for the fiscal year 1949 will be $36,000,000. The nationalized transportation industry lost $112,000,000 during the first year of operation. The electrical industry, during the first few months after socialization, lost $28,000,000. These losses have to be made up. Here again our Marshall-plan money comes into the picture.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. MARTIN. Has the Senator any information as to whether or not the rates to the consumer have remained the same as they were under private ownership?

Mr. KEM. I have read in the press recently, and I have been told, that there is considerable complaint about the charges of the nationalized industries being raised. That is not very difficult to understand. The Socialist politicians who have been taking over these industries have been charged with the responsibility of making life quite easy for the employees. Employment in a socialized industry in Great Britain is something like membership in a club. No effort is made in any way to urge the employees to exert themselves unduly.

Mr. MARTIN. Mr. President, will the Senator yield for a further question?

Mr. KEM. I am glad to yield.

Mr. MARTIN. Take the gas industry, for example. When it was nationalized or socialized several hundred units were consolidated into one unit. One of the statements made was that those units, when consolidated, could be operated with fewer personnel. What becomes of the personnel released from service by reason of the consolidation?

Mr. KEM. I understand that the Socialist Party in Great Britain has never concerned itself over the reduction of personnel in nationalized industries. I think the Senator from Pennsylvania can appreciate why.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. KEM. I yield.

Mr. CAIN. I have found the Senator's references to the loss records under public ownership to be very interesting, and certainly provocative. In connection with the industries under public ownership to which the Senator has just referred, I wonder if he has the loss records of the same industries under private ownership in recent years gone by?

Mr. KEM. I do not believe I have, but I am led to believe that with the possible exception of the coal industry, they were not insolvent at the time they were taken over by the Government. I think the coal companies were generally in a very bad way. I shall make some reference to that point as I proceed in connection with the iron and steel industry.

Mr. CAIN. It seems to me, if I have correctly understood the Senator's remarks, that he has just said, with reference to a particular stated number of British industries, with the possible exception of the coal industry they are all losing more money under public ownership than was the case under their previous private owners.

Mr. KEM. That is the case; and if we are to be guided by what Patrick Henry called the lamp of experience, there seems to be every reason to believe that those losses will continue on an ever-increasing scale.

Mr. CAIN. To put the question in another way, what is the future before Great Britain's industry, if and when Marshall-plan moneys become no longer available for offsetting the losses to which the Senator has just referred?

Mr. KEM. I think most intelligent Britishers take a very dim view of the future.

Mr. CAIN. I thank the Senator for his observation.

Mr. KEM. Mr. President, I was just referring to the fact that the losses of the socialized industries of Great Britain must be made up in some way. Hugh Dalton, former Chancelor of the Exchequer, had this to say about the losses of the socialized coal industry:

> It is quite true that the first year's working shows a deficit. It did not fall on the taxpayer—

I interpolate there to say that he means the British taxpayer.

> It was covered partly by the resources of the industry itself and partly by short-term borrowing.

There you have it. The British use short-term borrowing to make up the losses in their nationalized industries. As I have just said, Marshall plan counterpart funds have been used in great amounts and profusely to retire that same British short-term debt.

Mr. MARTIN. Mr. President——

Mr. KEM. I am glad to yield to the Senator from Pennsylvania.

Mr. MARTIN. I apologize for interrupting the Senator.

Mr. KEM. I am glad to have the very interesting questions of the Senator from Pennsylvania.

Mr. MARTIN. The distinguished Senator from Missouri has presented so many most interesting and vital matters that I should like to ask this question: In the list is the proper amount of depreciation being taken into consideration?

Mr. KEM. I am sorry that I cannot tell the Senator definitely whether that is the case, but I feel that I would be well within the facts in saying that the bookkeeping is political bookkeeping. The Senator from Pennsylvania knows what that is apt to mean.

Mr. MARTIN. Mr. President, if the Senator from Missouri will permit an observation, let me say I think this matter is a very important one for us to consider. As the Senator knows, the water companies in America are rapidly moving into municipal ownership, and in very many cases not sufficient is being set aside for depreciation to maintain those companies at a proper standing. The taxpayer is being very much fooled.

If the Senator could secure that information, I think it would be very helpful to the American people in the consideration of the very important matter the Senator from Missouri is submitting to the Senate.

Mr. KEM. I shall be glad to do so. I appreciate the suggestions the Senator from Pennsylvania has made. I may say in passing that the information would have to be sought, I suppose, from the very public officials who are operating the industries.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. MALONE. I have noted that the Senator has explained very carefully that his amendment would prohibit the giving or loaning of money to European nations, through the ECA, if they continue their nationalization and socialization of property.

But what about the industries which we finance directly—that is to say, where we furnish the money and they build their plants, and the Government owns the industry to begin with. Is that to be continued, under the Senator's amendment?

Mr. KEM. Of course the ECA extends aid in the form of either loans or grants. I should like to say to the Senator from Nevada that in my judgment to call any of them a loan is a mere euphemism. I think we have learned by experience—we have learned the hard way, Mr. President—that the only country in western Europe that has shown any interest in paying back any part of its debt to us is the little Republic of Finland. In the case of all the other countries, although the loans were recognized by every formality known to international law and to the Anglo-American system of law, they have not been honored today.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. KEM. I am glad to yield.

Mr. MALONE. Then, any funds, whether loans or grants, expended in the initial construction of industrial plants or public utilities, probably will not be returned. Is there any provision for any other ownership except by the Government, when the project was so financed in the beginning?

Mr. KEM. I may say to the Senator from Nevada that, as realists, I think we must feel that all that is water over the dam.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. KEM. I am glad to yield.

Mr. MALONE. In my conversation with Mr. Monnett about the famous Monnett 5-year plan, about which we have heard so much for several years, I spent several hours with him. He explained in detail what France needed, including electric utilities, generators, transportation, and various other improvements. After he had made his very fine explanation, I thought I thoroughly understood it. But to make sure that I did, I asked him if he meant that when they were completed they would be free of debt and would be owned by the Government of France. He said, "That is correct."

Mr. KEM. The debt is assumed by the American people.

Mr. MALONE. Of course. They have the money, but it is on the tax rolls here.

I said to him, "That is a little unusual to me. I have been in the engineering business for 30 years. We financed Boulder Dam, now Hoover Dam, and a great many other projects owned by the Government here, and every American industry follows the same procedure. We amortize these great investments over a period of many years, and we pay the interest. A piece of machinery, such as a generator, will be amortized for the life of the machinery, or for approximately 20 years; and the machinery is paid for by the time it is worn out.

But it is the Senator's idea, is it, that the investments and rehabilitated plants will go into Government ownership immediately? Perhaps the Senator's amendment would not touch that sort of ownership.

Mr. KEM. My amendment will not unscramble any eggs which already have gone into the pan. My amendment will prevent the further use of the money of American taxpayers for these purposes—in other words, for new and additional projects.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KEM. I am glad to yield.

Mr. FERGUSON. Does the Senator mean by his last answer that in case they already are operating public utilities or generators as a socialized or nationalized industry, a new generator could not be placed there?

Mr. KEM. No. I would interpret the amendment to mean that it does not reach any basic industries which already have been socialized.

Mr. FERGUSON. The enlargement of them, in other words?

Mr. KEM. Yes; I do not think it would. I think it says to these countries, "You must call a halt. If you take over any more basic industries, you will not get any Marshall-plan money."

Mr. FERGUSON. Let us take a hypothetical case in Great Britain today: Does the Senator believe that steel has been nationalized to such an extent that this would not apply to steel?

Mr. KEM. The bill to nationalize the iron and steel industries has been passed by the House of Commons. It is now pending in the House of Lords. I take it that this amendment would say to the British, "If you nationalize iron and steel, you do not get any more Marshall-plan money."

Mr. FERGUSON. Yes. From my inspection of a certain project, such as a plant for the manufacture of locomotives to be used on the nationalized railways, I judge that this amendment would not apply to that operation, if Britain continues in that field; but if they further socialize, this amendment would apply. Is that correct?

Mr. KEM. I think that is the case. Frankly, when the ECA authorization bill was before this body, the Senator from Michigan [Mr. FERGUSON] and the Senator from Iowa [Mr. HICKENLOOPER] joined me in offering an amendment which would have prohibited the use of national aid, either directly or indirectly, in the nationalization or socialization of industries in any of the participating countries. The ECA and its representatives objected violently to that provision. They said we were giving them something they could not administer.

So, Mr. President, the amendment now is stated in such a form that it will be practically self-executing. It will simply be necessary to examine the record to see whether by the time of the passage of this act, the participating country has nationalized any industry.

Mr. MALONE. Mr. President, will the Senator yield to me?

Mr. KEM. I yield.

Mr. MALONE. I am impressed by the study the Senator has made of this subject and the large amount of material on it he has assembled. Does he have any idea whether England, France, and other nations that are in the process of nationalizing or socializing their industries could do so by assessing or taxing their own people, without the help of the United States?

Mr. KEM. We have the judgment of one of the greatest Englishmen of all times, who has said he wonders what would happen if the subsidy from America did not arrive punctually, and that the Socialist government and the Socialist Party are living from month to month and from hand to mouth on the American people. That was Mr. Winston Churchill.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. KEM. I yield.

Mr. MALONE. As an interesting sidelight on this particular angle, I may say that some time ago I was in Birmingham, England, where I went through some of the steel mills and coal mines with my friend, Sir Ben Smith. While he was not in entire charge of the coal mines, a great many of which were operating, he had a good deal to say about them. I listened very carefully for several hours. That was in November or early December 1947, before the Marshall plan came officially before the Senate, although it had been thoroughly outlined and sold to the country, as is the usual procedure, before coming to the Senate. At that time he said he thought we should not call it a loan—we should continue it as a lend-lease operation, not expecting to receive back any of the money. I suppose the Senator from Missouri will agree with me that is about what it has developed into—lend-lease without any hope of a return of the money.

Mr. KEM. I agree thoroughly and entirely with the Senator from Nevada.

Mr. MALONE. That showed the British attitude at that time. If the Senator will yield further, I may say that, without any comment on my part, he finally said, "You know we control three-fourths of the raw materials of the world, and, if it is necessary, we can shut down on their use by any nation we care to preclude." That was an implied threat that if lend-lease, or that which is in effect lend-lease, a gift loan, were not continued, there

might be applied the pressure of not allowing the United States to obtain raw materials from the three-fourths area which he thought they controlled, and which, now, through the application of the sterling bloc, apparently they do just about control. Would it be the idea of the Senator that this whole plan was a sort of rounded-out plan to gain further control?

Mr. KEM. If the Senator will permit me, I should prefer not to engage in speculation. I have a great many facts to bring to the attention of the Senate. I should prefer to present the facts and then let the Members of the Senate draw their own conclusions.

Mr. President, I was just saying, Mr. Dalton pointed out that the losses of these nationalized industries do not fall on the British taxpayers. Of course, Mr. Dalton is correct; they do not fall on the British taxpayers; they fall on those whom Mr. Churchill has called "the heavily burdened people of the United States."

It possibly may be said the British Socialists would have attempted socialization of industries, whether they had obtained American aid or not, and that American aid is purely coincidental. If so, Mr. President, we may speculate as to what a Pandora's box of economic troubles they would have opened. As it is, the smooth and undisturbed flow of billions of American dollars, the river of cotton and wheat and raw materials of all kinds, have enabled the Labor Party to cushion the transition and render socialization relatively painless.

Socialism in England is being accomplished by the use of sedatives. The sedatives are the dollars from America, the economic soothing sirup provided by our taxpayers, "the heavily burdened people of the United States," to use Mr. Churchill's striking phrase.

V. SOCIALISM HAS SLOWED DOWN RECOVERY IN THE PARTICIPATING COUNTRIES

(A) WHY BRITAIN LACKS DOLLARS

Mr. President, I now want to say something about the dollar shortage in Great Britain, a thing about which we hear so much. Britain lacks dollars because she cannot produce sufficiently low-priced goods to meet the competition of other countries, and particularly the competition of the American free enterprise system. In order to get back on her feet, she must produce more goods at prices the people of other countries are willing to pay. Her welfare state expects the foreign markets to pay for some of her expensive experiments. For example, they expect the foreign markets to pay for socialized medicine, in part. But, more important, it now has become apparent that the welfare state lacks ingenuity, efficiency, and flexibility to produce the types and styles of goods foreign buyers want. I note the presence in the Chamber of the Senator from Indiana [Mr. CAPEHART]. As a manufacturer, he has had experience with that sort of thing. He knows that the goods have to be produced in styles the people want, at prices the people are willing to pay. That is just where the British Socialist state-owned and state-directed industries have fallen down.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Michigan?

Mr. KEM. I am glad to yield.

Mr. FERGUSON. I am wondering whether the Senator is able to advise the Senate as to where the term "welfare state" originated.

Mr. KEM. I am sorry, I cannot do that. I think it is a term that has been in the mouths of demagogues from the dawn of history.

Mr. FERGUSON. I noticed in yesterday's Post an article by Wadleigh, the man who confessed that he had given out certain papers from the State Department. He used the expression that he was a "Fabian Socialist," believing in the welfare state. I think the expression was, "believing also in civil rights." I wondered how he arrived at the use of the term "Fabian Socialist" and "welfare state," and, at the same time, how he could believe in civil rights.

Mr. KEM. I think, as I assume the Senator from Michigan does, they are wholly inconsistent conceptions. The welfare state requires regimentation of its people—the very antithesis of civil rights.

Mr. FERGUSON. And if there is Fabian socialism, which is a form of Marxism adopted at one time in Britain by a few, it would be in effect Marxism, and there must then be controls in order to operate under it.

Mr. KEM. Exactly.

Mr. FERGUSON. So that when in America we hear the expression "welfare state," a term which is increasingly used, it appears that those who use it also feel that there can be civil rights, such as those under the amendments to the Constitution of the United States which guarantee certain inalienable rights. Does not the Senator feel that the two are inconsistent?

Mr. KEM. I feel they are just as inconsistent as the representation that the welfare state will provide high prices for producers and low prices for consumers. I thank the Senator for his suggestion.

Mr. President, I was discussing the dollar shortage in Great Britain. As I was saying, the welfare state lacks ingenuity, efficiency, and flexibility to produce the types and styles of goods foreign buyers want. High production means more than hard work; it means skillful and resourceful management. Socialism sometimes means leisurely labor. Too often, socialism carries with it management that is dead on its feet. We are told on good authority that in England itself it is felt that the pound cannot be maintained much longer on its precarious $4 perch.

(B) USE OF BRITISH LOAN

The chief reason that the United States loan to Great Britain which preceded the Marshall plan was ineffective is that at least $2,000,000,000 were used to expand the nationalization of industries.

Socialism in Great Britain has never been anywhere near self-supporting. That is why the whole loan of $3,750,000,000 was exhausted within a year. It was mostly used politically rather than economically. There is every indication that Marshall-plan aid is being utilized for the same purpose.

(C) NATIONALIZATION IN FRANCE

Mr. Bertrand de Jouvenel, writing in Human Events, for July 20, 1949, has this to say regarding nationalization in France:

> Nationalized industries are coming under a heavy fire of criticism in France. Although the shareholders were practically despoiled, and the yearly payment to them is a paltry charge upon the accounts of these industries, they run at a tremendous loss. Money has to be pumped into them continuously and in ever-increasing quantities by the treasury and through state banks. The working capital and the reserves taken over by the state when it was nationalized have been entirely dissipated.
>
> This is not surprising since two objectives were assigned to the new managers: First they were asked to give a good time to the workers in these industries, almost to the point where they were to be made into comfortable clubs for those belonging to them; second, the managers were instructed to provide the services of these industries at low cost to the public.
>
> They dutifully increased their expenditures and kept their prices abnormally low. Consequently they must call upon the state banks to provide them with credit even where they should be using their own capital, which they have lost, and they must call upon the treasury to cover their deficit, disguising most of it as "investment," which in most cases it isn't at all. The necessary funds are provided by the francs which the government obtains by selling to the French the goods given to it by the American Government and paid for by the American taxpayer. This is technically called the franc counterpart of Marshall-plan aid.

Mr. President, I should like to invite the attention of the senior Senator from Missouri [Mr. DONNELL] to the language of M. de Jouvenel as to what counterpart funds mean. He says:

> The necessary funds are provided by the francs which the Government obtains by selling to the French the goods given to it by the American Government and paid for by the American taxpayer. This is technically called the franc counterpart of Marshall plan aid.

Mr. DONNELL. I thank the Senator.

Mr. KEM. I read further:

> I would not have the American reader believe that any Frenchman is content with this abnormal state of affairs. As it comes to be understood it is felt by all, irrespective of party, to be morally wrong.

That is the end, Mr. President, of the quotation from M. de Jouvenel.

Mr. Hoffman, in his testimony before the Senate Appropriations Committee, admitted freely and frankly that British experiments in socialism were slowing down recovery there, causing an undue drain on Marshall-plan dollars. His exact words were: "Socialism will slow down the (production) process." His testimony may be found on page 105 of the hearings of the Senate Appropriations Committee.

Mr. Hoffman also admitted these facts which bear out his statement: Last year the British steel industry, under private ownership, far exceeded its production goal. The socialized coal industry, on the other hand, fell below its official production target. Under a socialized operation the production fell off, notwithstanding the assistance the socialized operation had from the Marshall plan.

Mr. Hoffman further said that he believed "in an overwhelming percentage of situations, private enterprise is the better form of enterprise because it is the more efficient form of enterprise. It will produce more for less; it will serve the people better." In this I am in entire accord wtih Mr. Hoffman.

Mr. Hoffman further told the Appropriations Committee:

> The job of ECA is to contribute to the recovery of the entire economy of the participating countries. In doing this we have, I believe, a clear duty to protest any government action that in any way slows down recovery, and thus reduces the total income produced by the economy and increases the burden of recovery on the United States.

Here is where the amendment now under discussion comes in. I believe it is the clear duty of the Congress to protect the American taxpayer from the use of our money by Socialist governments in a way that is slowing down recovery in Europe.

Mr. President, that is not my language; it is Mr. Hoffman's language—"slowing down recovery" in Europe.

It has been argued that the Marshall plan is the way to check the advance of socialism in Great Britain. Some profess to think that the Marshall plan will make the British so happy and contented that they will change their present course.

Apparently this is Mr. Hoffman's belief.

Let us look at the record. Keep in mind that the original Marshall-plan law was signed by the President on April 3, 1948. Did the Socialist Government in Britain turn back from its program in view of the prospect of a golden flow of money from America? No; quite the contrary.

On April 12, 1949, a 5-year program for the Socialist Party in Great Britain was announced. In addition to the activities already socialized, including the medical professions, it is proposed that the government now take over the cement industry, all suitable mineral deposits, cold-storage facilities not already publicly owned, sugar manufacturing and refining, appropriate sections of the chemical industry, and two great insurance companies, both of which have vast investments in other business enterprises.

This program of the party in control of the affairs of Great Britain was approved on June 10 at a convention of the Socialist Party held at Blackpool, England.

So much for what they proposed to do. Let us see what they have done, what has actually transpired since the passage of the Marshall Plan Act.

On May 1, of this year, the British Government took over the gas industry, seized it, and nationalized it. On May 9, the House of Commons passed a bill to socialize the all-important iron and steel industry. Does this look like the Socialist Party is turning back from its program? Does this look as if the British people have become so happy and contented that they are not insisting on further socialization?

Does this look like the nationalization of industry is being slowed up? If so, it is pertinent to ask, What would have been the progress in the absence of the Marshall plan and its golden flow of dollars from the United States? It is also pertinent to ask how would the British have financed the plan without American money?

We have a little evidence of what the British people think about that. William A. Richardson, editor of Medical Economics, recently spent a month in England. When he got home, in an address before the California Medical Society, Mr. Richardson quoted a member of the House of Commons as dismissing the huge cost of the socialization plan with this comment:

> What does it matter, the Americans are paying for it.

On June 27, 1949, there appeared in the Christian Science Monitor an article by Mr. Roscoe Drummond, which purported to give the views of ECA Administrator Hoffman regarding this amendment. Effective July 15, 1949, Mr. Drummond became Chief of the Information Division, Office of Special Representative, Paris Office, ECA.

I noted with particular interest Mr. Drummond's statement in his article that "nationalization springs from depressed economic conditions, not from prospering economic conditions. In Britain, for example, it has been the depressed industries to which nationalization has been applied." Yet in an Associated Press dispatch carried in the Christian Science Monitor on July 13, 1949, it is stated:

> The British iron and steel industry sent its production to the highest level in history for the first 6 months of this year. A total production of 7,949,000 tons was a new record and was 384,000 tons more than the first half of last year.

Obviously the British iron and steel industry cannot be classified as a "depressed" industry. Nevertheless, the Socialist Government is proceeding full steam ahead with its plan to nationalize this all-important industry.

The purpose of pushing through the nationalization of the iron and steel industry is very evident from the remarks of one of the Socialist members of Parliament who said during a debate:

> Once we have nationalized steel we shall have broken the back of capitalist control of industry in Great Britain and its domination forever. If that happens, whatever party is in power, we shall be a socialist state.

VI. THE AMENDMENT WOULD NOT CONSTITUTE AN UNUSUAL OR UNWARRANTED INTERFERENCE IN THE INTERNAL AFFAIRS OF ANOTHER COUNTRY

Mr. President, it is sometimes said that the adoption of this amendment would constitute an interference on the part of the United States in the government or in the economy of a foreign country participating under the Marshall plan. I noted that the chairman of the Senate Committee on Foreign Relations, the senior Senator from Texas [Mr. CONNALLY], was quoted in the New York Times this morning to that effect. In other words, it is argued that the United States, by the adoption of this amendment, would assume to dictate the internal affairs of other countries.

This is the old argument that we should not place any strings on Marshall-plan money. That argument just doesn't hold water.

(A) IT IS IN ORDER FOR CONGRESS TO PLACE STRINGS ON THE MONEY OF THE AMERICAN TAXPAYERS

The money that the United States Government is allotting to foreign peoples is only available from taxes taken from American citizens. If the Congress believes that any allocations would further the nationalization of European industry and would not therefore accomplish the purpose for which it is intended, that is, the rehabilitation of the European economy, then Congress is not justified in allocating such funds.

The amendment I have proposed does not give any direction to any foreign government. Let me make that abundantly clear, the amendment which I have proposed does not give any direction to any foreign governments. These governments would be entirely free to go on with their nationalization program and decline to accept the funds from the American Government. There is no reason why the American taxpayer should pay to further socialization of Great Britain if the American people believe it would be harmful to our own country or harmful to the people of Great Britain—if it would be harmful to us or harmful to them, or harmful to both. It just does not make sense. If conditions were turned about, can you imagine any foreign Socialist or Communist advocating that his country give funds to the United States to further the private enterprise system?

It is clearly in the interest of the British people, as well as in the interest of the people of the United States, for Congress to inform the British Government that further aid will not be forthcoming if additional industries are socialized. It is entirely possible that such a stand taken by Congress—if the Congress would firmly take that position—would be welcomed by the British Government as well as by the British people. The British dilemma is becoming worse day by day. This is due in an important way to the socialization which has already been accomplished and which it is proposed to undertake.

Since this amendment has been proposed I have received numerous letters from people living in Great Britain. I wish to quote from two or three of them very briefly.

A British lady recently wrote me from Devon, England:

> What a pity aid cannot be conditioned on preventing further nationalization. The squandering and mismanagement grows daily, and all for power. The country's good

is not considered. It's amazing that Congress cannot see more clearly the appalling waste of United States generosity.

A gentleman from Salop, England, has written me:

If Marshall aid is to continue, then America must call a halt * * * to British nationalization.

Another Britisher wrote me—and I invite the attention of the Members of Congress, recently characterized in the British House of Commons by a Socialist member as "an Insanity Fair," to his language:

I don't like to use the word "saps" but don't you Yanks realize just where and how your money is being spent—on nationalization, of course. The Minister of Housing and Health is the arch promoter of nationalization. He has spent millions of your good money on utter wastefulness and inefficiency. So has the Minister of Food.

(B) THE ECA ACT AUTHORIZES THE ADMINISTRATOR TO PLACE CONDITIONS ON THE GRANTS OF AID

Mr. President, really the argument that if we adopt this amendment we will be interfering in the internal economy of another country, and therefore that we should not adopt the amendment, is interesting, to say the least. The whole Marshall plan is an interference in the internal affairs of the countries of western Europe on a gigantic scale. The Marshall-plan law itself provides for bilateral agreements between the United States and the participating countries. These agreements contain many restrictions on the use of our money.

Section 115, subsection (b) of Public Law 472, Eightieth Congress, the original Marshall plan authorization law, provides:

In addition to continued mutual cooperation of the participating countries in such a program, each such country shall conclude an agreement with the United States in order for such country to be eligible to receive assistance under this title. Such agreement shall provide for the adherence of such country to the purposes of this title and shall, where applicable, make appropriate provision, among others, for—

I should like to sketch very briefly the purposes for which the ECA Administrator is authorized by the present law to restrict our money.

1. Promoting industrial and agricultural production.

2. Taking financial and monetary measures necessary to stabilize its currency, establish or maintain a valid rate of exchange, to balance its governmental budget as soon as practicable, and generally to restore or maintain confidence in its monetary system.

3. Cooperating with other participating countries in facilitating and stimulating an increasing interchange of goods and services.

4. Making efficient and practical use, within the framework of a joint program for European recovery, of the resources of such participating country.

5. Facilitating the transfer to the United States by sale, exchange, barter, or otherwise for stock piling or other purposes, for such period of time as may be agreed to, and upon reasonable terms and in reasonable quantities, of materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources.

6. Placing in a special account a deposit in the currency of such country, in commensurate amounts and under such terms and conditions as may be agreed to between such country and the Government of the United States, when any commodity or service is made available through any means authorized under this title, and is furnished to the participating country on a grant basis.

I should like to say to my distinguished colleague from Missouri that that provision is the origin of the so-called counterpart fund.

7. Publishing in such country and transmitting to the United States, not less frequently than every calendar quarter after the date of the agreement, full statements of operations under the agreement, including a report of the use of funds, commodities, and services received under this title.

8. Furnishing promptly, upon request of the United States, any relevant information which would be of assistance to the United States in determining the nature and scope of operations and the use of assistance provided under this title.

9. Recognizing the principle of equity in respect to the drain upon the natural resources of the United States.

10. Submitting for the decision of the International Court of Justice or of any arbitral tribunal mutually agreed upon any case espoused by the United States Government involving compensation of a national of the United States for governmental measures affecting his property rights, including contracts with or concessions from such country.

So, Mr. President, how can it be argued that there are now no restrictions on the use of our money under the Marshall plan, and that to place an additional restriction would be out of order and inconsistent with the purposes of the act? We have already in the existing law placed many more and many more exacting restrictions than any proposed in any legislation I have any knowledge of which is now pending before Congress.

During the hearings before the Senate Committee on Appropriations, I questioned Administrator Hoffman on the matter of bilateral agreements. On page 279 of the Senate committee hearings appears the following colloquy:

Senator KEM. Now, you have not hesitated in exacting and requiring those conditions in dealing with these foreign countries, have you?

Mr. HOFFMAN. No, sir. We have entered into these bilateral agreements, Senator, and in every case we have tried to establish those conditions which would promote recovery.

And yet we hear Mr. Hoffman at another time testifying that socialism slows down the production process. Clearly if socialism slows down the production process it fails to promote recovery. On the contrary, it retards recovery. Yet we find Mr. Hoffman arguing with a straight face to the distinguished members of the Senate Appropriations Committee that he cannot interfere with the socialization process because it would be inconsistent with the purposes of the Marshall Plan Act.

So, Mr. President, it certainly is inconsistent to object to the amendment which the distinguished Senator from Nebraska, the distinguished Senator from Arkansas and I have proposed upon the ground that it restricts the use of the money by a participating country, when we have already, as I have shown under the original act, tied 10 strings on the use of Marshall-plan money, that is in 10 paragraphs we have authorized the Administrator to tie string after string after string. I would not undertake to enumerate how many strings. I should not say 10 strings, but I should say 10 classes of strings.

(C) THE UNITED STATES DECLINED TO GIVE AID TO SPAIN FOR THE REASON THAT WE DID NOT APPROVE OF ITS FORM OF GOVERNMENT

The reason assigned for the failure to include Spain among the participating countries is that the OEEC and the United States do not approve of its form of government. Let us see how consistent we are in this matter. We said to Spain at the outset of the plan, "You cannot have any of this Marshall-plan money. Why can you not have it? You cannot have any money because we do not like the kind of government you have in Spain. If you change that government to suit our ideas and our wishes, come back and we will talk to you again."

Mr. President, is it consistent under those circumstances for us to raise our hands in holy horror at the suggestion that it would be wise and in the interest of the United States for England to discontinue her process of nationalization?

Mr. DONNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Missouri yield to his colleague from Missouri?

Mr. KEM. I yield.

Mr. DONNELL. In addition to the thought of further nationalization along the line of steel and iron in England, has the Senator before him information as to what particular phases of industry it is now contemplated are apt to be immediately or sometime in the near future nationalized?

Mr. KEM. Yes; we have the benefit of very full information on that subject.

Mr. DONNELL. I may say that I was called out of the Chamber for a few moments and may have missed the Senator's statement on that point.

Mr. KEM. I referred to that matter, and I should like to speak of it again for the information of my distinguished colleague and of any other Senator now present, who might not have been present when I spoke of it.

On April 10 a 5-year program was promulgated by the British Socialist Party. In addition to the activities already socialized, including the medical profession, it is proposed in that program to take over the cement industry, all suitable mineral deposits, cold-storage facilities not already publicly owned, sugar manufacturing and refining, and appropriate sections of the chemical industry, and two great insurance companies, both of which have vast investments in other business enterprises. That program, promulgated under date of April 12, was approved at the national convention of the Socialist Party held at Blackpool on June 10.

Mr. DONNELL. I thank the Senator for repeating that information.

Mr. KEM. In addition to that there are a number of industries which are in process of socialization, particularly, and the outstanding and most important of all, the iron and steel industry. The status with reference to the iron and steel industry is that the bill, having been

passed by the House of Commons, is now pending in the House of Lords.

I was referring to the operation of the Marshall plan in Spain, at least it would be more accurate, Mr. President, to say the lack of operations or the dearth of operations.

(D) WE HAVE INTERFERED IN THE ELECTIONS OF ITALY

Let us see about Italy. We often hear that one of the outstanding accomplishments of the Marshall plan is the victory against communism in the Italian elections in April 1948. Like most Americans, I rejoiced at the result of that election; but let us see whether we interfered or not. We find Hon. James Clement Dunn, American Ambassador to Italy, taking an active part in the campaign and making political speeches in many parts of the Italian Peninsula. We find Hon. Tom C. Clark, Attorney General of the United States, in a radio broadcast to the Italian people a few days before the election, asking for defeat of the Communist forces. After the election, we find Mr. Harriman, ECA Roving Ambassador, laying particular emphasis on the political effect of American aid.

I wish to make it abundantly clear that I do not criticize what we did in Italy. I might not be so charitable about what we have done in Spain, but I do not criticize what we did in Italy. However, I do say it is too late for us to raise our hands in sanctimonious piety and say, "We cannot interfere in the government of any foreign country," or "We cannot interfere in the economy of any foreign country."

(E) ENGLAND DOES NOT HESITATE TO PLACE RESTRICTIONS ON THE MONEY SHE LOANS TO FOREIGN COUNTRIES

For many years the British people have been giving and lending money around the world. The other day the Senator from Virginia [Mr. ROBERTSON] referred to certain investments made by the British people in his own State in the period immediately following the Civil War. He spoke very feelingly of the devastation which had occurred in his State in that great conflict. But, Mr. President, he failed to mention any gifts or grants which the British people had made to rehabilitate the economy of the Southland. I speak with some feeling on that subject, because certain portions of my native State of Missouri were laid waste in as devastated a condition as was to be found in any part of western Europe in the late conflict.

Now, let us see what happens when the shoe is on the other foot. It is well known that in the past England has made many loans and grants to other countries. The most recent one I know of is the grant she made to Greece early in 1946, just before we placed our head in the yoke and assumed the burden there. At that time Britain loaned Greece £10,000,000, or approximately $40,000,000. At the same time England was seeking a loan from the United States in the amount of $3,750,000,000.

The idea is sometimes suggested that the British are a proud people, and that we ought not to place any restrictions on any money we ask them to accept from us. The Greeks have a glorious history. Let us see whether Greece was too proud to agree to restrictions when money was coming from Great Britain to Greece. On page 850 of the hearings conducted by the Senate Appropriations Committee appears the complete text of the financial and economic agreement between His Majesty's Government in the United Kingdom, and the Greek Government, London, January 24, 1946. Great Britain sent out this money, and it placed 10 drastic restrictions on it. Here they are:

The Greek Government for their part will take the following measures:

1. An early announcement will be made by the Greek authorities fixing a new rate of exchange between Greek currency, on the one hand, and sterling, United States dollars and other foreign currencies on the other hand.

That is another thing we have been told is sacrosanct. We have been told that we cannot touch that question in the case of the British, the French, or any of the other peoples of western Europe. Yet we find that our friends in the British Government, when they send money to Greece, do not hesitate to make such provisions in explicit terms.

2. The Greek Government will deposit as cover for the currency in the special account referred to above £15,000,000 or the equivalent thereof from the foreign exchange resources of the Bank of Greece in addition to the £10,000,000 to be contributed by His Majesty's Government.

3. The Greek Government, as a further measure to establish confidence in the currency, will by Greek law set up a currency committee which will have statutory management of the note issue. The committee will consist of the Greek Minister for Coordination as President, the Greek Minister of Finance, the governor of the Bank of Greece, a member of United Kingdom nationality and a member of United States nationality, whom the Greek Government will invite to act as members of the committee. New issues of currency will only be made with the unanimous approval of the committee. The two governments agree that the functions of this committee will not extend over more than 18 months or, by agreement, 2 years.

4. Foreign exchange received from exports and in respect of remittances will continue to be offered for sale to the Bank of Greece.

5. The Bank of Greece will convert Greek currency into foreign exchange for imports and for other approved purposes including approved capital transactions.

6. The Greek Government will frame a program for progressively reducing and as soon as possible eliminating the budget deficit by increasing the proceeds of taxation and reducing nonproductive expenditure. The Greek Government will publish monthly statements showing the progress made in carrying out this program.

7. Wages and salaries will be readjusted in the light of the new rate of exchange and will be kept stable.

So we find His Britannic Majesty's Government in Great Britain not hesitating to make provisions with respect to salaries and wages in Greece, when it sent out the paltry sum of $40,000,000.

8. A system of price control over rationed items and allocated materials will be established.

9. The Greek Government will work out in agreement with UNRRA plans for increasing the price of UNRRA goods and reducing the number of indigents who receive free rations. So far as possible, the Greek Government will require indigents to work in exchange for their UNRRA rations.

I suppose I should apologize for mentioning UNRRA on this occasion. It is not a very happy recollection.

10. All possible measures will be taken to restore industrial and agricultural production, so that the standard of living may be improved and a basis may be afforded for adequate and equitable taxation.

In view of the arguments which have been made about placing restrictions on our money, I should like to quote very briefly from the debate which took place in the House of Commons when the British were contemplating sending out the paltry sum of $40,000,000 to the Greek Government. I quote from Mr. Lipson, of Cheltenham:

We ought to give the matter further consideration before we indulge in acts of generosity of this kind. We call it a loan. That is a euphemism for a gift. It is quite obvious that if Greece goes on as she is doing she will not be able to repay this loan. * * * The people of this country ought to have more explanation before a sum of money like that is lent to another country, and ought to be assured that the money will be wisely used.

That is the way the British House of Commons looked at it when the British were sending out $40,000,000, or 10,000,000 pounds. Are we to be criticized or censured for looking with some care to see how the hard-earned money of the American taxpayers is to be spent in this connection? I suppose I should really say the hard-earned money of our children and our children's children, because I sat in the Appropriations Committee and heard Mr. Hoffman calmly suggest that this program be paid for, if necessary, by deficit financing. Mr. President, it seems to me that it is one thing for us calmly to dispose of the money of the American taxpayers, and it is quite another thing for us to place a lien on the people of the United States and on the United States itself for this purpose. That is what the ECA Administrator has suggested to us without batting an eye.

As I have said, only $40,000,000 was involved in the British loan to Greece. But we find that the logic of Mr. Lipson, of Cheltenham, prevailed; the British Government placed very drastic restrictions upon their money. The representatives of the British Government felt it was incumbent upon them to see that their people were assured that the money would be wisely used. In the British Parliament that argument prevailed, and that was the action taken. Those strings were tied to the money of the British taxpayers. Mr. President, I ask in all seriousness, can the proposition be sustained that the United States Congress should be any less diligent in dealing with American money going to England?

According to the newspapers, Mr. Hoffman recently admitted that the bilateral trade agreement between Britain and Argentina—an agreement in which the people of my own State, as producers of beef, are vitally interested—"is something which may require a drastic crackdown on Marshall-plan funds." If Administrator Hoffman can crack down on

Marshall-plan funds in that case, why does he object to having the Congress of the United States crack down on the use of Marshall-plan funds in this case? Is the crack down something that is a prerogative of the bureaucrat, to the exclusion of the elected representatives of the people? Is it only Mr. Hoffman who can crack down? Is a similar action by the Congress in a much more important instance improper, unfair, and to be depreciated? It seems to make a great deal of difference, Mr. President, on which foot the shoe happens to be. If Mr. Hoffman wants to do the cracking down, he thinks it is entirely proper that he do so, and he says he will not hesitate to do so. But if the Congress sees some inequity or some impropriety in the use of Marshall-plan funds in England, France, or some other country of western Europe, Mr. Hoffman says that an amendment restricting the use of the money would be very unfortunate because it would be an interference with the Government or the economy of that country. Mr. President, I ask in all fairness: If it would not be an interference for Mr. Hoffman to crack down in the case of the agreement between Britain and Argentina, why would it be an interference for the Congress to act in this instance?

VII. COMPETITION WITH NATIONALIZED INDUSTRIES IS UNFAIR TO AMERICAN BUSINESS AND AMERICAN LABOR

Mr. President, I now come to the final proposition to which I shall address myself. It is probably the most important of all. That proposition is this: The funds which Congress appropriated for economic rehabilitation in Europe are being used to build up a competing economic system. Surely this system will rise to plague us in the years to come, if we let it continue to be built up.

Sir Stafford Cripps, British Chancelor of the Exchequer, has said that his most important objective is to export more goods to foreign markets, particularly the United States. J. Harold Wilson, president of the British Board of Trade, has said they plan to increase their markets in the United States by 30 percent. That would be all right if they were talking about private enterprise, if they were talking about private competition, but that is not what they were talking about. American business men and working men have always prided themselves upon their ability to meet fair competition anywhere, at any time. All our people have ever asked is an even break. But, Mr. President, we have placed on our statute books, and we have enforced for many years, regardless of what party is in control of our Government, rigorous laws defining fair competition. It is inconsistent with the entire philosophy of the American system to permit a monopoly to compete with private initiative and private enterprise.

As I have said, in competing in the markets of the world, all that our people have ever asked for is an even break. But now we are helping to create in Europe by the use of the money of the American taxpayers, great national monopolies or cartels, and we are setting them up in business to compete with American industry and American labor. Mr. President, as we have learned, and learned the hard way, the trouble with competition with a monopoly is that, in the American sense, it is not fair competition.

Nationalized industries enjoy freedom from taxation, government financial support, and a monopoly of home markets. This will enable them to carry on dumping operations at will in other countries, including the United States. Mr. President, it is interesting to recall that when Mr. Truman was a Member of the United States Senate, he was an outstanding crusader against cartels and monopolies. Yet, during his administration as President of the United States, this type of competition is being created in much of Europe today through the application of Marshall plan dollars. My position is that we should cease to underwrite these nationalized monopolies.

Today unemployment is increasing throughout the United States. A major contributing factor to this unemployment may be found in Europe's socialized monopolies, financed in part by Marshall-plan funds. The existence of these monopolies and the expansion and extension proposed for them are a threat and a challenge to the free-enterprise system in the United States. Is it surprising that their existence and proposed extension and expansion are having a depressing effect on business managers and entrepreneurs in this country generally? Is it surprising that we find the demand for capital goods in this country rapidly declining, and in some industries, in some parts of the United States, drying up?

Mr. President, because of the lack of time, I shall omit the discussion of certain of these industries. I should like to talk about the textile industries, concerning which the Senator from North Carolina knows so much; I should like to talk about the iron and steel industry, concerning which the Senator from Pennsylvania knows so much; but I am going to talk about one industry only, the airplane industry.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. WHERRY. I am very much interested in this particular part of the argument of the distinguished Senator from Missouri relative to the amendment he has offered.

Mr. KEM. In which, I may say, the Senator from Nebraska joined.

Mr. WHERRY. Yes; and with which I am in entire sympathy. The question I should like to ask the distinguished Senator is with reference to the exports coming into the dollar areas of goods manufactured, produced, and fabricated under nationalistic government set-ups. I do not know whether the Senator is familiar with all the evidence, which is extensive, but I ask him whether he recalls my asking a question of Mr. Hoffman as to what he thought about peril points established in reciprocal-trade agreements to prevent the disastrous effects suffered by some of our own industries which are feeling the impact of the very kind of competition the distinguished Senator has mentioned? I agree with many of those who contend that in many instances we ought to take care of ourselves on a competitive basis with imports coming into the United States. But the Senator, I am sure, is well aware of the complaints which have been coming to many Senators, and to himself, relative to the textile industry. Before the committee to study and investigate the problems of small business folded up, we received a great many letters from the different areas of the country that were feeling the impact then of importations.

If the Senator will permit, I should like to ask whether he recalls this colloquy which took place between Mr. Hoffman and myself in the hearings on the foreign aid appropriation bill for 1950, as set forth on page 128 of the hearings:

PERIL POINT IN RECIPROCAL TRADE AGREEMENTS

Senator WHERRY. I have one more question, Mr. Hoffman.

Last night I asked you what you thought about having a peril point here in our reciprocal trade agreements law to prevent excessive exports into this country from ECA countries, where exports will become excessive. What do you think about that?

You did not answer the question for the record. I am speaking now primarily of the textile industry, but that can include any others in that category.

What do you think about a peril point in our proposed legislation that will prevent the excessive flooding of such importation so as to cause an impact such as we have now? Would you be for the peril point in the legislation?

Mr. HOFFMAN. I cannot answer that not because I am ducking, either, but because I do not know about the reciprocal trade agreements.

I was asked to go into that, but I said that I have trouble enough without going into that.

The point I want to bring to the attention of the Senator is this: It is no reflection upon Mr. Hoffman. He is a very able administrator. But here is one who sets up or approves the quotas for the importation of goods into the United States. Should not one who sets up those quotas, based upon their own justification, have a tremendous knowledge of what the impact is going to be on an industry such as the textile industry? Should he not know about the peril points, and when imports from Great Britain and other countries become so extensive as to cause unemployment, of which the distinguished Senator has just now spoken, because of their impact upon the economy of this country, should the Administrator of ECA not only know of those things, but should not the Administrator begin to realize what it means to have such foreign goods sold in dollar countries, when it has that kind of impact upon our own economy?

Mr. KEM. I am very glad the Senator from Nebraska referred to that important colloquy. I remember it very well. I also remember that on another somewhat similar occasion when Mr. Hoffman was somewhat in a corner, his reply was that he was an automobile manufacturer, and he knew the conditions of that industry; but he seemed to think there was no reason to require of him any knowledge of conditions in

other industries, the economic condition of which his orders so vitally affected. I thank the Senator for his interesting contribution.

As I was saying, today unemployment is increasing throughout the United States. The major contributing factor of this unemployment may be found in Europe's socialized monopolies, financed in part by Marshall-plan funds. As I previously said, the very existence of these monopolies, with the proposed plans for their expansion and extension, is bound to have a depressing effect upon American businessmen and American entrepreneurs. I want to refer, just as one example, to the airplane industry. I wish time permitted and that the patience of Senators would allow the discussion of some of the others. I wish to say in passing, so there will be no doubt about what I mean, that the effect of these nationalized industries, to date, probably has not been so important in the United States as in markets which are normally served by the United States. I do not know nearly so much about the textile industry as other Senators sitting here know, but I have been told that the incidence or impact of what the Marshall plan has been doing on manufactured fabrics occurs principally in markets outside the United States, in which we have to compete with the nationalized industries of Europe, to which we have been shipping our most modern American machinery, to which we have been sending American experts on production and American experts on marketing, to show what to make and where to sell it.

The ECA procurement authorization for aircraft, parts, and accessories from April 3, 1948, through May 31, 1949, reads as follows:

Norway	$900,000
Denmark	900,000
Netherlands	21,300,000
France	18,600,000
Italy	5,000,000
Belgium-Luxemburg	1,900,000
Greece	600,000
Ireland	500,000
Total	49,700,000

We have sent $49,700,000 to foreign countries, to set them up in the airplane business; that is, in the business of operating airways.

Aircraft financed with the assistance of ECA, either in whole or in part, are as follows:

France: Six Constellations, nine used DC-4's, and one used Constellation.

Holland: 2 Constellations, 6 DC-6's, and 12 Convairs.

Belgium: Six Convairs.

In addition to this, four Boeing Stratocruisers were recently purchased by the British Overseas Airways Corp. from Sweden and it is reported the BOAC plans to spend $15,000,000 to buy 10 more ships direct from Boeing.

Mr. President, you may be interested in the fact that when we send equipment to overseas foreign air lines, we send none but the best. We send Boeing Stratocruisers and Constellations.

In the case of the British deal, the Scandinavian Consortium sold the Boeing Stratocruisers. They paid for them in dollars obtained from the Export-Import Bank of the United States. Then, the British bought them with pounds sterling from the Scandanavian Consortium. The Senator from Maine [Mr. BREWSTER] is very familiar with the transaction. I note he summarized it in this way, in a hearing before the Committee on Interstate and Foreign Commerce of the Senate:

ECA makes it possible for the British Government to divert their own funds for this purpose.

Bear this in mind, Mr. President, regarding the deals with foreign governments with respect to air lines. In every case an air line which is assisted by the Marshall plan is a Government-owned-and-operated monopoly. They are all nationalized. They are all competing directly with American private enterprise.

I should like to direct the attention of the Senate to page 169 of the committee hearings. At that point I was questioning Administrator Hoffman concerning the nationalized overseas air lines. The following colloquy occurred:

Senator KEM. In the case of Great Britain, it is a government monopoly. That is correct, is it not?

Mr. HOFFMAN. Yes, sir.

Senator KEM. In the case of Belgium it is a government monopoly, is it not?

Mr. HOFFMAN. Yes, sir.

Senator KEM. In the case of the Netherlands it is a government monopoly, is it not?

Mr. HOFFMAN. Yes, sir.

Senator KEM. In the case of France it is a government monopoly, is it not?

Mr. HOFFMAN. Yes, sir.

Senator KEM. Those government monopolies are in direct competition with American private capital and private businessmen that are trying to get along in the same business; is that correct?

Mr. HOFFMAN. Yes, sir.

Senator KEM. Are you, or are you not, furnishing Marshall plan money to any of these countries to buy the very latest airplanes to engage in this business?

Mr. HOFFMAN. Yes, sir.

Mr. President, what effect do you suppose this has on American competition? Here is an example: In the annual report of the American Airlines, Inc., an explanation to the shareholders appears of why American Airlines, Inc., decided to dispose of its interest in a foreign overseas operation. This is the explanation given:

It is evident that American Overseas will in the future require additional capital, and, if so, it must secure most of that from its principal stockholder, American Airlines. American Airlines presently has no source from which it can reasonably secure such additional funds.

Of course, Mr. President, under existing law, foreign competitors have a very useful source, and that is Mr. Hoffman and his ECA funds.

In other words, the American Overseas Lines' equipment, consisting of Constellations and DC-4's, may soon be obsolete. Because of the history of the lines, there may be difficulty in securing risk capital on reasonable terms. While this is going on direct competitors in Europe, England, Belgium, the Netherlands, and other countries are being financed by the money of the American taxpayers.

This example may be duplicated many times over in the American economy. American businessmen have a right to look to the American Congress for their protection.

Let us look at the situation in Belgium. Sabina, the Belgian air line, has received six Marshall plan Convair air liners which cost about $450,000 each. Air lines running out of St. Louis, for instance, such as Chicago & Southern, apparently cannot afford Convairs. They operate modest DC-3's and DC-4's. And so it goes. I mention that because it is the situation in my own State.

When the Senate Committee on Foreign Relations was considering the Marshall plan, Senator GEORGE said to Administrator Hoffman: "You may be putting a whole lot of industry in this country out of business." Mr. Hoffman's comment was, "Sir, I cannot tell you how little concerned I am about European competition."

I think I can speak for the American Congress when I say we are concerned whether our people are going to be out of work, whether our shops and factories are going to be closed. We of the American Congress are concerned whether the markets for American cotton, grain, and beef are going to be displaced by bilateral agreements with Russia, the Argentine, and other countries. Congress is concerned as to the result of our efforts to compete with foreign socialized industries financed by our own money.

Mr. President, I should like to summarize in this way: For my part, I do not believe the money of the American taxpayers, earned under a system of free enterprise and personal initiative, should be wasted in experiments in European socialism.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. SALTONSTALL. I have heard the Senator in the Appropriations Committee on this subject, I have listened to much of his speech today, and I have great respect for his integrity of character and purpose. Some time ago during the course of his speech the Senator said we should do nothing harmful to the European countries or harmful to our own country in working out this program. Is not the purpose of the program—at least, that is as I see it, and that is why I voted for it—to protect our security; and if we are going to protect our security, must we not keep the respect and friendship of the nations we are trying to help and encourage them to help themselves? Is not that the essential basis upon which we must work?

Mr. KEM. That is a very interesting suggestion. The Senator from Massachusetts is a man of wide experience and extensive knowledge of human nature. I should like to ask him if there is anything in his experience which leads him to believe that lasting friendship can be bought with money, or with gifts, however munificent?

Mr. SALTONSTALL. I was asking the Senator from Missouri a question,

but I am glad to answer his question by saying, of course, we cannot. We are trying, however, to build up our security, and we are doing that by helping those nations help themselves. We want to keep their friendship and their help in order to aid our own security. The Senator from Missouri knows, as do I, that we resent very much any foreigner telling us how to run our internal affairs. It usually hurts his case rather than helps it. If we tell England how to operate her own internal affairs, are we not ruining the effect of the program and hurting our own security, which we are trying to build up?

Mr. KEM. A few days ago a Socialist member of the British Parliament referred to this body and our coordinate body as "an insanity fair." That would seem to indicate that what we are doing does not appeal to the intelligence of our friends across the water.

Let us see whether we are securing their affection and esteem——

Mr. SALTONSTALL. I should prefer to use the word "esteem" rather than the word "affection."

Mr. KEM. I will strike "affection" and say "esteem," to comply with the suggestion of the Senator from Massachusetts.

We find Mr. Clement Attlee, Prime Minister of Great Britain, saying that in economic matters the British look to Russia rather than to the United States. We find Mr. Arthur Horner, the head of the powerful coal miners' union of Great Britain, saying that in case of war between England and Russia, no coal would be mined in England. We find His Britannic Majesty's Government entering into 20-year military and economic alliances with Russia. We find His Majesty's Secretary for Foreign Affairs, when he came to Washington to negotiate the North Atlantic Pact, taking great care to say to the other friends of Great Britain that he wanted it distinctly understood that any engagement into which he was entering on that occasion had nothing to do with previous engagements, which were regarded as equally binding upon the Government of Great Britain.

Mr. SALTONSTALL. I know that the Senator did not vote for the ECA program, but assuming the program is in existence, does not the Senator agree with me that the purpose of the program is to increase our own security?

Mr. KEM. Yes; and I tried to explain that, in my opinion, as it is being carried out, the program is defeating its very purpose. Our program has been to increase production in Great Britain, France, and the other countries of western Europe, but we find Mr. Hoffman appearing before the Committee on Appropriations and saying that socialism slows down the production process.

Mr. THYE. Mr. President, will the Senator from Missouri yield?

Mr. KEM. I yield to the Senator from Minnesota.

Mr. THYE. What imports have we received from western European countries which have affected our own economy, in the matter of employment of men and women in the United States?

Mr. KEM. I am glad the Senator asked the question, because I want to make myself entirely clear. As I previously stated, the impact of the competition so far has been principally in other countries to which our businessmen customarily look, and it is the deprivation of those markets that has hurt the textile industry, the iron and steel industry, and other industries. But the airplane industry is a very definite example of what that competition does right here at home. We find that the British, Belgian, French, and Dutch monopolies land at airports in the United States competing with American private industry, using the funds of the American taxpayer for that purpose. Under those circumstances, we find ourselves subsidizing American air lines in order that they may meet competition.

Mr. THYE. Will the Senator yield at that point?

Mr. KEM. I merely wish to make one other point. It seems to me that there may be some semblance of fact in the comment of our British friends that we have been running an "insanity fair," when we find ourselves giving a subsidy to American air lines in order that they may compete with foreign monopolies which we ourselves are subsidizing.

I now yield to the Senator from Minnesota.

Mr. THYE. What prompts my question is the Senator's statement that socialistic trends slow up production in the European countries. If the socialistic trends do slow up production, how do we find endangerment in their competition?

Mr. KEM. It comes to this, that we are trying to bail the British out, and we have a direct stake in the recovery of Great Britain. As their industries are now being conducted, they cannot produce a sufficient quantity of goods, at prices which the people of other countries are willing to pay, to enable them to get out of the dog house.

I am glad the Senator, coming from a wheat-producing State, mentioned this subject, because, in my judgment, the wheat producers of Minnesota have a direct interest in the recent barter agreement negotiated by the British Socialist Government and Russia in regard to wheat. I thing that if the Senator does not feel so now, he will feel so before that agreement is carried out.

Mr. THYE. I fully concur in the Senator's statement relative to the wheat question, although Minnesota is not the large wheat-producing State that some of our sister States are. But I go back to the other question. The purpose of the entire European recovery program was to give encouragement to business people, and to aid the men and women of the foreign countries to rebuild their countries. It is a proved fact that ECA has done much toward the rebirth of sound government, and in giving encouragement to the people of the western European countries to reestablish themselves in business, and to reestablish their governments. I think the Senator will agree with me that all reports we have gotten are to the effect that the European recovery program has gone further and accomplished more than we had dared hoped for when we voted the appropriations and authorized the ECA a year ago. So I think what we have done in the past is all to our credit.

The question as to the future is primarily this: In the event it is possible for us to rebuild those countries, and reestablish normal businesses and the normal functions of government, that is what we should do. I remember that the United States, in its early history, was criticized by some foreigners for our type of government and the philosophy we were injecting into our Bill of Rights and our Constitution. Yet, in our type of government, we painted a beautiful picture of man's achievement. So we should not try to project ourselves into foreign countries and say, "This is the pattern you should follow, and, if you don't follow it, we will shut off everything from the financial standpoint to which we have committed ourselves in the European recovery program."

I ask in all sincerity, Is there at the present time much in the way of imports that we can charge to the fact that the European manufacturers have invaded our own consumers' market by the splendid achievements of their planned recovery because of new machinery received from the United States under the ECA program? Personally, I do not think we have had much of such competition.

I thank the distinguished Senator from Missouri for tolerating my statement in connection with his own remarks. I merely wanted to be specifically on record as to what I saw in the ECA, and what my convictions are, and that I do not share with the junior Senator from Missouri the feeling that we have actually destroyed some of our own markets through the competition we have helped to build up on the European continent in assisting the European countries through the European recovery program.

Mr. KEM. Mr. President, I am very glad to have the interesting remarks of the Senator from Minnesota. I know the Senator does not agree with me, and I think perhaps other Senators do not agree with me, but I am reconciled by the thought that very often, in the history of our Republic, a dissenting opinion of one generation has become the prevailing opinion of the next, and it may not be very long before the utter fallacy and unsoundness of this whole conception will be apparent to the American people.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KEM. I wish to refer to just one other point, and then I shall yield to the Senator from Massachusetts.

The Senator from Minnesota referred to the recovery which has taken place in industry in Great Britain and other countries of western Europe. I agree with him that there has been a great rebirth of industry, of socialized, nationalized industry, in those countries. But he only has to read the debates in Parliament, he has only to read the statements of Sir Stafford Cripps and other leading Englishmen, to know that now the whole British economy is unsound, that the recovery they so ardently hope for, and which we hope for, is not taking place,

that their economy is rather in retrograde, that the so-called dollar shortage is becoming greater rather than less, and there is now in the minds of students of the situation little hope that the dollar shortage, so-called, will be overcome within the 4-year period of the Marshall plan. If the Senator wants authority for that statement, I will give him the senior Senator from Michigan [Mr. VANDENBERG] in the debate on the ECA authorization bill, when he very carefully hedged about any prediction that the recovery of the international balances could be accomplished in the period of the life of the law.

Mr. THYE. Mr. President——

Mr. KEM. I agreed to yield to the Senator from Massachusetts. Then I shall yield to the Senator from Minnesota.

Mr. SALTONSTALL. Is not this the nub of whether or not Senators should vote for the Senator's amendment to the ECA appropriation: If a Member of Congress voted for the original ECA plan on the basis of his belief that it would be helpful to the security of our own country, must we not now decide whether it is going to help the security of our own country to meddle, if I may use that term, in the internal business of another country, as to how they shall carry on their government and their system of life? Is not that the essence of the problem?

Mr. KEM. If the Senator will permit me to use Mr. Acheson's recent very graphic phrase, I do not believe any Senator who voted for the ECA law originally is any less free to vote for the amendment. He should not close his eyes to all the information he receives about the law during the entire period of its duration, and say, "I espoused this law once, and I am not going to permit any improvements to be made in it; I have a certain pride of authorship in it that blinds me to any mistakes which have been made in its administration."

Mr. SALTONSTALL. Mr. President, will the Senator again yield?

Mr. KEM. I yield.

Mr. SALTONSTALL. I do not think it goes to that point. It is not what the individual has done in the past. It is what he is trying to do now or in the future. He should decide what to do in the future in order to accomplish the objective of greater security to our country, and whether in the extension of the law there should be an attempt to meddle with the internal political arrangements of any other country.

Mr. KEM. I shall answer very briefly. I think our purpose under the Marshall plan is to promote the economic recovery of the countries of western Europe. We have been told by Mr. Hoffman that socialism slows down production. We know that production is the very essence of recovery. We know that in order to recover these countries have to produce enough goods, at prices at which the peoples of other countries are willing to pay. We are seeing in a very graphic way the utter failure of the socialized industries to do that very thing. So unless we want to earn the soubriquet of an "insanity fair," which has been applied to us by a Socialist member of the House of Commons, I think we should look the facts squarely in the face, and should say we believe in the American system of free enterprise; we believe that under that system more goods are produced at a lower price, of the kind and character the people are willing to buy; than under any other system in the world, and we are not going to permit the money of American taxpayers, earned under the free-enterprise system and the system of personal initiative, to be frittered away in experiments in European socialism.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. KEM. I yield. I shall be glad to yield all afternoon.

Mr. SALTONSTALL. The Senator made the statement that a Socialist member of the House of Commons applied the sobriquet——

Mr. KEM. He referred to the American Congress as "an insanity fair."

Mr. SALTONSTALL. "Insanity fair." I resent a British Socialist telling me that I am a Member of an "insanity fair," or whatever he may have called Congress.

Mr. KEM. I resent it thoroughly, and I hope the Senator's resentment will be carried into action, and that when the roll is called on the amendment he will exhibit his resentment in no uncertain terms.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. KEM. I yield.

Mr. THYE. Does the Senator think the British people generally share the feeling expressed by that British public official?

Mr. KEM. I have quoted from numerous letters I have received from British people in which they use very much the same words. I do not know whether the Senator was in the Chamber when I read from one letter in which the writer referred to us as "a bunch of saps." Mr. Crossman is a leading British journalist, and he expressed the feeling in a much more literary form. But I take it the meaning is the same in both cases.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. KEM. I yield.

Mr. THYE. There are often persons in the United States who refer to us, Members of Congress, in what might be considered to be opprobious terms, who use peculiar expressions respecting us, but they do not speak the general opinion of all the citizens of the Nation. For that reason I asked the Senator the question whether he thought the people of Great Britain generally shared the feelings and sentiments expressed by the British public official to whom he referred?

Mr. KEM. I do not suppose we will know with any degree of definiteness the opinion of the British people until the next general election. I would say that we have excellent evidence that the British people not only do not esteem what we are doing, but that they regard it as being essentially unsound.

We have the words of Mr. Winston Churchill, who, I am glad to say, I regard as the greatest Englishman of our time, and perhaps one of the great Englishmen of all times. We have the words of a Socialist member of Parliament, a distinguished English journalist. We have the letters from which I have quoted from numerous of the common people of Britain, the ordinary run of the British people. Very often it takes a long time to down economic fallacies. They exist and become very prevalent. We have seen the witchcraft delusion in England and in Massachusetts and in other parts of New England. We have seen the tulip craze. We have seen the Florida land boom. We have seen the stock-market craze of the twenties. But sooner or later the rank and file of the people return to sound economic principles and remember that 2 and 2 make 4, always have, and always will.

Mr. THYE. Mr. President, will the Senator again yield?

Mr. KEM. I am glad to yield to the Senator from Minnesota.

Mr. THYE. I merely wanted to be on record as sharing the same feeling and thought the Senator from Missouri has just expressed concerning the great man Winston Churchill.

The reason I raised the question as to whether the Senator thought that many of the people of Great Britain shared the same feelings expressed by the public official the Senator quoted, is that I have always entertained the view that the people of Great Britain generally somewhat shared the same feelings Winston Churchill expresses concerning the American people, or the citizens of the United States. I am confident that that is true.

The British people are now laboring under great difficulties in refinancing themselves and obtaining the currency necessary to do business. Their inability to do business with the United States at times is possibly one of the reasons why they have found it necessary to enter into arrangements with other countries, as, for example, to enter into a treaty with Argentina to purchase some beef from the Argentine. The reason Britain entered into that arrangement was because of her deficiency in dollars, and her inability, therefore, to buy from us. She has nothing to send us in exchange for what she might want to purchase from us, that is, nothing we are willing to accept in exchange.

Not so long ago I inserted in the CONGRESSIONAL RECORD an editorial, and in connection with it I criticized Great Britain for having been ungrateful, for having shown ungratefulness by going to the Argentine and contracting for the purchase of beef from that country, and likewise contracting with Russia for some of the cereal foods which she could obtain from Russia. I felt that England had definitely shown an ungratefulness and lack of consideration for the United States in its efforts to help in the rebirth of Great Britain. I recognize, however, that Great Britain did not have and does not now have the currency or the dollars really to make purchases of beef and of

cereal crops which we have had to offer her, particularly cereal crops, because we are long both in wheat and corn, whereas in beef we were short a year ago and still are somewhat short.

I thank the junior Senator from Missouri for allowing me to share with him the expression of admiration for Winston Churchill, for whom I have always had great respect, not only for what he did for Great Britain, but by reason of what he did for all the Allies who were associated with us, in giving them the courage and the strength of mind and the will to go forward as we all went forward in the trying war years. No one but Winston Churchill could have inspired the British people to carry through under the devastation and the ruinous effects of German bombing on England's countryside as well as to her great cities during the war years.

Mr. KEM. The senior Senator from Minnesota seems to share my respect for the character of Winston Churchill, but he does not share my respect for the opinions of Winston Churchill. I have just quoted the words of Mr. Churchill. This is Mr. Churchill's language:

> We have this extraordinary spectacle of a British Socialist Government living on capitalist America while at the same time they denounce the American system. Does anybody in his senses suppose that could go on indefinitely?

I ask the Senator from Minnesota, Does anyone in his senses suppose that that can go on indefinitely?

Mr. THYE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator can yield only for a question. The Chair feels that in deference to other Senators the rule should be enforced.

Mr. KEM. I should like to answer the question.

The PRESIDING OFFICER. Does the Senator from Missouri wish to ask the Senator from Minnesota a question?

Mr. KEM. No. I wish to answer the question of the Senator from Minnesota.

Mr. THYE. I thought I was asking a question. That is the reason why I asked if the Senator would yield at that point.

Mr. KEM. I yield for a question.

Mr. THYE. The particular quotation which was read by the junior Senator from Missouri led me to ask the question whether he thought the people of Great Britain shared the feeling expressed by the public official to whom he referred in his statement. That was the reason I asked the question. I feel that the British people do not share in the thought that they should criticize us for assisting Great Britain in its efforts toward recovery. I believe that the general public of Great Britain are highly grateful to us for what we have done in assisting the British in their day of trial.

Mr. KEM. Let me say in reply to the Senator from Minnesota that I believe that before long the British people will probably turn again to the leadership of Winston Churchill, which they found so sound and so able in time of national emergency. I believe that Mr. Churchill's views today are undoubtedly shared by the majority of the thinking people of Great Britain. Sooner or later, if they are not shared by the majority of the people, they will be shared by the majority of all the people.

I wish to complete the quotation from Mr. Churchill, for whom the Senator from Minnesota has expressed such respect, Mr. Churchill said:

> And what would happen to the British Socialist Government if the American subsidy did not arrive punctually?

We have Mr. Churchill's word for it that—

> The Socialist Government and Socialist policy are living on the United States from month to month and from hand to mouth.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. WHERRY. The point has been raised that the amendment which the distinguished Senator offers imposes a condition upon the people of Great Britain which invades their sovereignty. Does the Senator know whether or not we give full ambassadorial recognition to Spain?

Mr. KEM. I understand that we do not; and the reason assigned for it is that we do not like their government.

Mr. WHERRY. What is the difference between imposing conditions upon the Spanish Government for recognition and imposing the conditions set forth in the distinguished Senator's amendment relative to the aid to be given to Great Britain? What is the difference in principle, if any?

Mr. KEM. If there is any, it has not been developed in the discussion of this amendment in the press or otherwise, so far as I know.

I believe that the question can be brought much closer to home. When the OEEC met in Paris at the very inception of the Marshall plan, the OEEC excluded Spain, and the reason assigned was that we did not like their government. Spain has remained excluded to this time.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. KEM. I yield.

Mr. WHERRY. When the distinguished Secretary of State was before the Appropriations Committee that very question was propounded to him. While I cannot quote his answer verbatim, he stated very forcefully that there were certain conditions which the Government of Spain would have to meet relative to civil rights before Spain would be granted full ambassadorial recognition. If that be true, I ask the distinguished Senator from Missouri, by the same token, why the Congress of the United States cannot write into this particular ECA appropriation bill similar conditions to apply to Great Britain or any other country which is the recipient of ECA benefits. I do not see a bit of difference in principle so far as recognition is concerned.

Mr. KEM. I agree with the Senator from Nebraska. I recall to his mind that when Mr. Hoffman was before the committee, and when inquiry was made of him regarding the barter agreement between Great Britain and Argentina with reference to beef, Mr. Hoffman said—perhaps not boastingly—"I may have to crack down on Great Britain." Have we delegated to Mr. Hoffman the power, authority, and prerogative of "cracking down" when we cannot exercise it ourselves with reference to our own money?

The Senator from Nebraska answers to the people of his State. I answer to the people of my State. Mr. Hoffman has no occasion to answer to the people of any State. He can go around talking about cracking down; but the time will come when every Senator will be called upon to explain why he permitted the money of American taxpayers to be frittered away in experiments in European socialism.

Mr. EASTLAND. Mr. President, I desire to speak briefly on the amendment which authorizes the ECA Administrator to loan $50,000,000 to Spain. The amendment is not pending at this time. I desire to place my views in the RECORD for the reason that when the amendment is the pending question I do not expect to be in the city.

Mr. President, I favor the amendment for the reason that it is an entering wedge to reestablish full economic relations with the Spanish Government, for the benefit both of the people of Spain and the people of the United States. In my judgment our policies toward Spain are wrong. They are senseless. I think this is an entering wedge which would finally admit Spain into the Marshall plan, and would ultimately extend the credits which are needed if the Spanish economy is to be placed upon a firm basis.

Mr. President, the European recovery program when first enunciated by Secretary of State Marshall in his speech at Harvard University was announced as an economic program of a nonpolitical nature for the purpose of healing the wounds of war and putting the entire Continent once more on its feet. The original intention was that no European nation should be excluded from this program; and the fact that Russia is today excluded arises solely from the fact that she has chosen to exclude herself.

In view of the announced purpose of the European recovery program and of the fact that our State Department has more than once indicated that the latchstring was still out, even to Russia, whenever she might be willing to cooperate, why should we exclude Spain from the European recovery program? Spain, if included, could do much to make the plan a success. A year and a half ago the House of Representatives voted 188 to 104 to include Spain in the European recovery program, a vote which undoubtedly represented a spontaneous expression of American sentiment. Caught unawares by the unexpected vote in favor of including Spain, certain groups, largely left wing in sentiment, went into high gear immediately and put great pressure on our Government, with the result that Spain was eliminated from the program as it was passed at that time.

The principal argument used by these left-wing groups to bring about the elimination of Spain was the charge that the

inclusion of the Franco regime in the ECA would be grist for the Communist propaganda mills in Europe. That argument is completely fallacious. Nothing can contribute more to checkmating communism than a strong Spain and a strong Europe. Because of the minerals and other commodities produced in Spain and because of her geographic location, it is impossible to have a strong Europe without a strong Spain. Instead of creating confusion in the minds of the European people, such action on our part would have cleared the air in Europe and would have signalized the end of American appeasement of Soviet Russia.

Mr. President, I hope the signing and ratification of the Atlantic Security Pact marks the end of equivocation in United States foreign policy. Having signed and ratified the Atlantic Security Pact, the next logical step would seem to me to be to include Spain in the European recovery program at this time.

The Atlantic security pact came into existence solely because of the refusal of Russia to cooperate with the Western World. In view of that noncooperative attitude on the part of Russia, let us be consistent and realistic and follow up the Atlantic security pact by a policy of economic cooperation in strengthening the strongly anti-Communist and strategically situated nation of Spain. If Russia insists on the cold war, let us cease selecting our weapons to be used in the cold war in a manner to please our adversaries. Where would we get on a battlefield if we used no weapons except those which had won the approval of our enemies? I say here that today our State Department is upholding the foreign policy of Soviet Russia, because we are upholding her policy to destroy capitalism in Spain. That is the issue there; that is one of the No. 1 policies of the Soviet Union, namely, to destroy capitalism in Spain, to take over that country because of her strategic location. In this instance we find the State Department of the United States Government upholding that Communist foreign policy.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield for a question.

Mr. CHAVEZ. As I understand the attitude of the State Department, it is not so much that the State Department itself is opposed to our having with Spain the contacts we should have, but the State Department is afraid to make any particular statement because it might hurt some of the other governments in Europe who are allied with Russia at the present time or who might have communistic feelings. In other words, it is not the State Department as such or the United States as such that objects to having with Spain the contacts which ordinary, decent countries should have; but they are afraid of hurting the sensibilities of the communistically inclined peoples of France, England, Russia, and Italy.

Mr. EASTLAND. Mr. President, I know that statement is made by officials of the United States Government, but I deny that that is their real answer. I deny that for the reason that we refuse to extend credits to that country, although we know the credits will be repaid. We refuse to cooperate economically with Spain, although we know she is a good credit risk. Yet, at the same time we see Britain and France, who tell us to stay out of Spain, negotiating trade agreements with Spain. In the case of Britain, that agreement will amount to half a billion dollars a year. In the case of France, it will amount to hundreds of millions of dollars a year.

So I say that it is utterly senseless to argue that England and France will not like it if we extend credits to Spain, and attempt to bolster the Spanish economy, inasmuch as the very people who tell us not to do that are themselves doing it and are taking some of the best customers away from the manufacturing industries of the United States.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. EASTLAND. I yield for a question.

Mr. WHERRY. Really, what is the difference? As I understand, the State Department officials say, "Let Spain get a loan from the Export-Import Bank." That is the answer they gave me. But we are subscribing most of the capital of the Export-Import Bank. When it comes to imposing conditions, I ask the Senator the same question I asked the Senator from Missouri, namely, what is the difference between imposing upon Spain conditions relative to certain aspects of her government and refusing to accord her full ambassadorial recognition, and imposing certain conditions upon the British people and saying they must do thus and so, if they are to receive the aid? I ask the Senator, is there any difference between the two?

Mr. EASTLAND. No; there is no difference.

Mr. CHAVEZ. Does not the Senator feel that in the interest of the relations of the nations in the North Atlantic Pact with the other nations of Europe and all the nations that are entitled to aid, Spain should have its place among the nations which today are receiving aid from the United States of America?

Mr. EASTLAND. I certainly do, but of course that is not the issue here. The issue here is whether the ECA administrator is to be authorized.

Mr. WHERRY. Does the Senator mean the question is whether he is to be authorized under the amendment?

Mr. EASTLAND. Yes, under the McCarran amendment.

Mr. WHERRY. I understand.

Mr. EASTLAND. I referred to the amendment relating to the making of a loan of $50,000,000 to Spain. Mr. President, England says, "You should not do that; we have some Socialists and Communists in this country, and it would displease them." France says, "We have some Communists now, and it will displease them if you do it. So do not do it." Yet Britain says to Spain, "We will extend you credits of $500,000,000 a year if you will sign this contract with us and take business away from American manufacturers."

I say that is simply a racket, Mr. President.

Mr. WHERRY. That is exactly the point I raised a moment ago. It is the issue here. We are letting those within the British Government tell us whom we should recognize because of certain rights they assert, but at the same time we are refusing to extend aid to Spain because of certain conditions and civil rights matters which our State Department says must be cleared up. Yet I say the principle is the same. If we can do one, we certainly should be able to do the other.

Mr. EASTLAND. I should like to state, Mr. President, that a delegation of trade unionists came from France and England to the United States in the spring. I actually saw a statement they released and our State Department released. Those men said they would not accept Marshall plan aid if we extended aid to Spain. Now we are going right along and are taking orders from the Red elements in those countries, who are upholding the Communist policy of attempting to destroy capitalism therein.

I say our State Department is a party to it and is promoting that policy.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. CHAVEZ. The point I am trying to make, if the Senator from Mississippi will allow me to do so, is that the Senator from Mississippi has outlined what the philosophy of the Marshall plan was supposed to be, namely, through dollars contributed by the American taxpayer, to get the countries of that part of Europe into a healthy economic state. Very well. That was the idea, whether we liked Franco, whether we liked the British Government, whether we liked the French Government, or whether we liked the Russian Government. How are we to be consistent in carrying out that noble and laudable plan, if we do not like Franco's government, for instance? I may say, I wish every country had our kind of government; but that is not the question here. Merely because we do not like the kind of government there is in Spain, are we to proceed in a manner that is inconsistent with the whole policy of the Marshall plan? Are we to say "No, we will clean up the barrel, we will clean out all the rotten apples but one?" Is there to be inconsistency in carrying out the idea of the State Department that in good faith and in sincerity of purpose we should bring Europe back to an economically healthy state.

Mr. EASTLAND. The distinguished Senator from New Mexico is entirely correct. There certainly cannot be any consistency in maintaining relations with the Communist dictatorships while refusing to deal with a capitalistic Christian nation which desires to be friendly with us.

Mr. CHAVEZ. Mr. President, will the Senator yield further?

Mr. EASTLAND. I yield for a question.

Mr. CHAVEZ. I have said before, and I repeat, if I were in Spain, possibly I should not last very long. I might not like the government which exists in Spain. If we are fighting communism,

what is the difference whether we do the fighting or whether Spain does it? What country in Europe has fought communism more than Spain has? Has it been England, France, Italy? Has it been Russia? Hungary? We have an ambassador there. Has it been Czechoslovakia? Or has it been Spain?

Mr. EASTLAND. It of course has been Spain.

Mr. CHAVEZ. Let us go a little further. Is our general policy and the policy of the Marshall plan to do good to the world, to feed hungry people? Is that philosophy and that noble purpose to be set aside and the hungry children of Spain be allowed to die, merely because we do not like Mr. Franco? Is that what we have in mind? Is that the Senator's conception of the Marshall plan?

Mr. EASTLAND. Of course, it is not, Mr. President, I am in entire agreement with the views of the Senator from New Mexico. But it goes further than that. The State Department's policy toward Spain is not only injuring that country, it is injuring the economy and the producers of the United States, as I shall show in detail in a very few moments.

Instead of cringing under left-wing criticism of our foreign policy, let us recognize that a "hit dog howls" and that every time we incur the wrath of red elements at home or abroad, we have scored a genuine gain for American foreign policy. Russia has never forgiven Spain for defeating the Communists, including the important Russian reinforcements in the Spanish Civil War. If the Communists had succeeded in conquering Spain in the 1930's, the Mediterranean would long ago have become a Russian lake and all of Europe to the English Channel would be communistic today. As a result of frustrating the Kremlin objective to so significant a degree, Spain is today high on the list of nations eventually slated for destruction by Russian soldiers. If the Daily Worker and various pro-Red groups in this country really thought American aid to Spain would play into the hands of Communist propagandists in Italy, France, and other countries, they would surely sit back and let us make such a mistake without any intervention on their part. When, in contrast, we see them actually working themselves up into a lather against such aid to Spain, we can be sure that America and not Russia would be the beneficiary of including Spain in the ECA program, or of extending a $50,000,000 loan to Spain, as the amendment provides.

Mr. President, there are two major reasons why the inclusion of Spain in the ECA program would be beneficial to the United States. The economic reason boils down to the fact that the over-all, long-time cost of ECA will be less for the American taxpayer if Spain is included now in this program, for Spanish raw materials are an essential factor in a normally functioning European economy. Let me say at that point that the great source of the minerals of which we are short and which we must stock pile, which we must have if we are to fight a successful war, must come from that country.

If Spain can get grants and loans under the ECA of $50,000,000 plus Export-Import Bank credits, it would enable her to import essential machinery to increase her water-power production, her mineral and factory production. It would enable her to import United States wheat, oil, tobacco, and cotton. If she can secure adequate raw materials to employ her labor force full time, she can make a substantial contribution to the recovery of the European economy.

Spain is an important exporter of iron ore, pyrites, lead, wolfram, mercury, potash, textiles, cork, wine, oranges, olives, and olive oil, and various other products to the rest of Europe. Although Spain suffered great impoverishment because of the civil war in the 1930's, she has made great progress since in reconstruction. She has rebuilt scores of churches that were destroyed by the Communists, and has achieved a most commendable economic advancement considering the difficulties under which she is functioning. How much more rapid would be her progress and the progress of all of Europe if Spain were given an opportunity to participate in the ECA program.

We have not limited our grants under ECA to nations who have suffered as a result of World War II. Sweden prospered very greatly during the war because of her neutrality; yet she has been included in the ECA, and I think we were well advised to include Sweden because of the great contribution she can make to general European recovery, by a grant to provide her with certain types of machinery and raw materials. Similarly, we have included Ireland in the ECA though Ireland was also neutral during the war, and I think we were again well advised because of the great contribution to general European recovery that Ireland can make as a result of American aid.

Portugal, also neutral in World War II, has been included in ECA allocations. A very substantial sum will go to Bizonia.

When other neutrals and even our former enemies are receiving grants under the European recovery program, why be so inconsistent as to exclude Spain simply to appease various left-wing groups here at home? It is this American policy of appeasing left-wing elements, including Socialists, which induced various European governments to turn thumbs down on the inclusion of Spain in the original Marshall plan, with the exception of Portugal and Ireland who voted for her inclusion. Yet it is interesting to note that the very nations who voted against including Spain in the Marshall plan have been willing, individually, to have commercial relations with Spain. France, for instance, after a 2-year boycott, opened her frontier to Spain in 1947 and an extensive exchange of commodities needed by both nations has been resumed.

ECA NATIONS THEMSELVES HAVE EXTENSIVE TRADE TREATIES WITH SPAIN

Britain and Spain resumed economic relations on a large scale in 1947, and on December 15, 1948, an Anglo-Spanish economic agreement was signed in Madrid to provide for an exchange of $400,000,000 worth of goods annually between Great Britain and Spain. This trade pact alloys considerable flexibility in the way of credit, inasmuch as Spain's exports to Britain include seasonal items, such as fruits and early vegetables.

Let me give the Senate the complete list of European nations which have signed commercial treaties with Spain in the last few years: Belgium, February 1946; Bizonia, November 1948; Denmark, March and November 1948; Great Britain, June and December 1948; France, May 1948; Ireland, October 1946; Italy, June 1946; Netherlands, November 1948; Portugal, agreement in 1943 revised and renewed semiannually; Sweden, May 1948; Switzerland, July 1945.

Mr. President, the United States and Russia are the only two great powers in the world which in reality do not have economic relations with Spain.

In addition to the above, commercial treaties have been signed by Spain with Norway, Turkey, and various nations of the new world, such as Mexico, Uruguay, Bolivia, Chile, Argentina, and others. Even the United States relented in its anti-Spanish policy in May 1948 to the extent of unfreezing $59,000,000 of blocked Spanish funds here in the United States.

In view of the willingness of all these nations to resume normal commercial exchange with Spain, and in view of our own willingness to unfreeze Spanish funds, does it not seem absurd to exclude Spain from the scope of the European recovery program?

When Britain has signed a treaty for a $400,000,000 exchange of goods annually with Spain, and every nation of western Europe has entered into a commercial agreement with Spain of commensurate scope, does it not seem absurd that any of them should object to the inclusion of Spain in the ECA? Actually, Mr. President, the nations of western Europe which have made these commercial treaties with Spain, while at the same time expressing reluctance to share ECA funds with the Franco regime, are making hay themselves economically in the Spanish market, while doing their part to exclude the United States from this important market. They desire to supplant American industry in the Spanish market. They have the cooperation of our State Department. Private British industry and private French industry develop economic ties with Spanish importers which give them the inside track compared to business firms in the United States. I am told that many ECA products shipped by this country to western Europe are re-exported to Spain, thus depriving American business of both valuable business contacts and of profits which should legitimately be ours.

As I see it, no one but the United States has any right to specify where the American taxpayer's money is going to be spent in Europe; and if the American Congress wants to give the same sort of lift to Spain as it has to the other nations of western Europe, as our own safety and self-interest require, we should proceed to do so without taking any cognizance whatever of the pressure

of left-wing political opinion, either here at home or in western Europe outside of Spain.

Let us take a look, Mr. President, at the increasing business for America that will result from increased Spanish prosperity following the inclusion of Spain in the European Recovery Program.

Spain ranks third today among the nations of Europe in potential textile production, having 1,315 textile factories with over 2,000,000 spindle capacity, capable of consuming 550,000 bales of cotton a year. Yet the employees of Spanish textile mills are able to work only one and a half days a week because of the scarcity of cotton. Spain is a traditionally large importer of American raw cotton, yet she especially needs this product to mix with long staple Egyptian and the very short Indian cotton on which her factories have been obliged to survive. Spain can use from 250,000 to 300,000 bales of American cotton a year, as she has for many years in the past.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. McKELLAR. At this point may I ask the Senator if it is not true that Spain is not asking the United States to give her money with which to buy American cotton, but she merely desires a loan of money, and that her reputation is that she always pays her debts?

Mr. EASTLAND. That is exactly correct. Cotton, however, would not be the only beneficiary. She desires from 500,000 to 1,000,000 tons of wheat, she desires 40,000 tons of lard and soybean oil. There is no doubt, as I shall show in a moment, that she can pay us back. The Chase National Bank has investigated her economy and credit standing and has said that she is a good credit risk and can repay the loan.

Here is where the policy is hurting our Government: We have price-support programs and we have several billions of dollars invested in the very farm commodities Spain needs. We are going to invest hundreds of millions of dollars this fall under the same program, because it is said that we are overproducing. I have read in the newspapers that lard has reached its 10-year low price and is a drug on the market. There is a tremendous overproduction. Yet Spain desires 40,000 tons of lard and soybean oil. If we extended her credit we would save the American taxpayer millions of dollars, because we would not have to buy these products under the price-support program.

If in the past 2 years we had extended credit to Spain with which to purchase cotton, we would not be faced with an acreage-reduction program in that commodity, and we would not have hundreds of millions of dollars tied up by the Department of Agriculture in price support in connection with that commodity, which we had to buy and take off the market. So I say that what the amendment proposes is sensible, for by our present course of action we are not only hurting Spain, but we are hurting the American producer, and are accumulating a surplus which can blow up the farm program of the United States, dry up purchasing power, and bring on a depression in this country.

Mr. President, I forgot to mention the case of tobacco. Historically, Spain has been a large consumer of American tobacco. The Federal Government is spending millions of dollars through the Department of Agriculture to support the price of tobacco. If we had filled Spain's demands by a loan, which the bankers and businessmen say she could repay, we would not have millions of dollars invested in that commodity. But we see the farmers of Kentucky, the Carolinas, and Virginia suffering, with their products piled up, and the State Department saying, "No; no credit to Spain. We do not want to displease the Red Party in England." And England says, "Come to us and we will make it available through our possessions." And that is what is being done. I say we are being used, and our State Department is upholding the foreign policy of Communist Russia, which attempts to make conditions in Spain so hard that there will be revolution there, and communism can take over.

With an exceptionally large cotton crop in America the past year, and the prospect of an even larger one this year, is it not the height of absurdity that Spanish textile mills should be idle 80 percent of the time for lack of raw materials, and that such cotton as Spain is able to buy should come from the competitors of American producers, such as India, Egypt and Brazil?

Mr. President, while discussing the State Department, let me say that I have always thought it was the paramount duty of the American State Department to expand foreign markets for American products, to cooperate to secure markets for our products in order to help our economy. I thought that was our State Department's primary function. But I am certainly surprised—and I have had some experience with this agency—when I find that instead of attempting to expand the sale of American products and secure markets for them, it has attempted deliberately to take historic markets away from American producers and give those markets to foreign competitors which have never in history done business with the countries involved. I could name the countries, because I know the facts, and I say it is appalling that this agency of our government attempts to penalize industry in America, and American agriculture, for the benefit of foreign producers.

Fertilizer represents another commodity of which Spain is in particular need, although she is one of the largest potash producers in Europe, and could make important contributions to the fertility of European fields generally, if she could secure adequate mining machinery.

There is a world-wide shortage of potash, and because there is such a shortage there is a world-wide shortage of food. The potash deficiency is the largest contributing factor today to the food shortage in the world. It would take a credit of only a few million dollars, a small sum, to mechanize the mines of Spain, whereby she could secure within 2 years practically enough potash to end the world-wide shortage. If that were done, the food supply of Europe would increase greatly, and it would certainly lessen the amount of money which the United States would have to spend under the ECA program.

The potash mines in Spain afford an excellent illustration of how the inclusion of Spain in ECA would contribute to reconstruction in Europe without cost to American taxpayers. Many of the German potash mines are now behind the iron curtain, and Spain, with the largest potash reserves in the entire world—note that, Mr. President, the largest potash reserves in the entire world—could supply the deficiency in this production field of Europe, and other nations as well.

Incidentally, there is a potash deficiency of half a million tons a year at the present time. Spain alone could meet the entire deficiency if she could secure adequate mining machinery, and the transportation facilities needed to bring the potash from the mines, at the base of the Pyrenees, to the port of Barcelona, 100 miles away. If Spain could secure a loan under ECA of $10,000,000 for mining machinery, she could increase her potash production from 200,000 tons a year to practically enough to wipe out the world's deficit. Such self-liquidating loans as this typify the financial soundness of including Spain in the program by extending the loan in question.

In addition to potash, Spain has important deposits of antimony, immense reserves of lead and mecury, a moderate amount of manganese, a mineral very important to America since Russia has shut our steel industry off from that source of supply. Spain has important reserves of strontium, tungsten, zinc, and fluorspar, also large reserves of graphite and pyrites. Many of these minerals and metals constitute items which the United States is now stock piling.

Mr. President, for these reasons, Spain could liquidate the proposed loan, without question. Her commodities as a whole are commodities the United States needs. We need all these minerals, which are not produced here. Spain produces cork, which is not produced here. She produces spices, which we do not produce, but which we need. If we can stimulate production in that country, they can sell us the commodities, and get the dollars with which to repay the loan. We cannot do that in the case of countries which produce commodities which are in surplus supply in this country. In such cases we cannot get the money back. But we could stimulate in Spain the production of potash, for instance, which we must have here, and other minerals, and Spain could get the dollars and repay the loans.

In the past year we were obliged to import 70 percent of our antimony, 43 percent of our lead, 75 percent of our mercury, 98 percent of our manganese, 99 percent of our strontium, 53 percent of our tungsten, 33 percent of our zinc, 24 percent of our fluorspar, 92 percent of our graphite, and 12 percent of our pyrites. That is proof conclusive that such

a loan is a bankable proposition, and that our own country would secure vast benefits from making the loan, because it would stimulate the production in Spain of commodities which we must have. Today we search the world over for supplies of manganese. Russia has shut us off. We could secure a portion of our needs of manganese from Spain if we extended her credit for mining machinery.

It is sometimes difficult to stock pile these strategic materials as rapidly as we would like. By supplying Spain with adequate mining machinery and transportation facilities we could not only add to our stock pile but would contribute to the general European industrial recovery, while simultaneously assuring self-liquidation of such loans to Spain.

Spain is the only European country which has not received a dollar from the United States since 1942. The State Department gives the excuse, Mr. President, that a loan to Spain would not be a bankable loan, and therefore the Department has advised the Export-Import Bank against extending credits. I shall address myself for a few moments to that particular point. The only reason, the only excuse given for the advice against extending credits is that such a loan would not be bankable. Spain is one of the few nations in the world which is not indebted to the United States at the present time, and which in its entire history has never cost the United States taxpayers a single copper penny through default of a loan. The Franco regime in Spain has paid off in full a $72,000,000 indebtedness contracted in the United States by the preceding republican government of Spain. In 1942 we extended Spain a credit of $58,000,000, and she paid every dime of that indebtedness as it came due.

As a further illustration of Spain's record in payment of debt, I cite the fact that she paid off in full her debt to Germany in 1944. She is 12 years ahead of schedule in meeting amortization payments in her debt to Italy. What other nation in the world has done so well, Mr. President? Let me repeat that Spain is 12 years ahead of schedule in meeting amortization payments in her debt to Italy. As a commercial risk Spain is in the same category as Finland.

Let me say, Mr. President, that this year the great Chase National Bank had its experts exhaustively study at first hand the economy of that country, with reference to her ability to repay a loan from the United States, and they found that Spain was a good credit risk and could repay the loan.

In the past few days several great business firms of this country have gotten together and pooled $10,000,000 as a loan to Spain. They think that a $10,000,000 private loan is good business, is bankable. Let me show the Senate how that is going to affect our economy. One of the concerns in the pool sells a product which is surplus in the United States and which is in surplus in Mexico. This American firm, as a result of the loan to Spain, will use the Mexican product and ship it to Spain, instead of the American product, because the firm will receive a larger commission from the Mexican producers than from those who produce the product in the United States. Thereby they will sop up $10,000,000 in dollars that Spain must earn, and the shipment to Spain of Mexican products, rather than American products, will prevent the money for those products going to the producers in the United States. The members of this pool consider the loan to be good business for them, and Spain to be a good credit risk, and they are extending $10,000,000 in credit to Spain. But because they can secure a larger commission by shipping certain Mexican products, these concerns are doing so, instead of shipping the products of this country.

Mr. President, if our State Department would cooperate with the producers of the United States, and save the Spanish market for producers in this country, it would strengthen our economy at this time when we are on the down grade, and when every effort must be made by selling our products to strengthen it, to build it up, and to put it on a firm, sound basis, instead of operating on the basis of gifts, the giving away of American goods, as we are now engaged in doing.

Spain has also been criticized, Mr. President, for allegedly helping Hitler during the war. As a matter of fact, Spain insisted on maintaining her neutrality when Hitler sought Spanish assistance in the war. I think there can be no doubt that is what happened, especially in view of the statements Mr. Churchill has made.

Our State Department has opposed the extension of credits to Spain by the Export-Import Bank until the present Spanish regime is liberalized, as it says. First the Department says it desires the existing exchange rate to be allowed to sink to its natural level. Since we are not demanding this of other European countries, why should we make the demand in the case of Spain, unless it be as an excuse not to extend credits to that country, and not to encourage the development of economic relations with her.

Secondly, our State Department is demanding the elimination of economic controls in Spain. Actually Spain has the least economic control of any nation in Europe. Only the railways, the tobacco industry, and a portion of the petroleum industry are nationalized. Scarce commodities are allocated in Spain, just as they have been allocated in the United States by the Department of Commerce. It may be assumed that Spain will drop such economic controls as she finds to be unnecessary as soon as scarcities are eliminated, just as the United States Department of Commerce is due to drop all controls in this country on September 30 of this year.

The insincerity of criticism of Spain on the score of too many economic controls is shown by the frequent clamor for such economic controls in the United States by the very same elements that are decrying controls in Spain. The impoverishment of Spain and the delay of European recovery is thus shown to be the true objective of the American left wingers who seem to work in conjunction with our State Department. It is true that Spain does not have the same type of elections as we have in the United States. It must be remembered, however, that at the time of the Spanish civil war all the political parties supported General Franco in order to save their country from communism. Those parties still function and lend their support in varying degrees to Franco, but do not run separate slates of candidates in elections. The reason why left-wing opposition parties are not permitted to function at this time is the fear of the Spaniard that once the Russian camel were allowed to put its head inside the tent, the same thing would happen there as has happened in a dozen countries in eastern Europe, more recently in Czechoslovakia, and as was threatened not long ago in France and Italy. I say that in suppressing those elements and not letting communism get a foothold there, the Franco regime has shown far better judgment than have some of the other countries of Europe.

Early in 1947 Spain conducted a plebiscite on the law of the Spanish succession. Communists broadcasting from France instructed their followers and sympathizers to abstain from voting, so all abstentions were presumably equivalent to negative votes. Abstentions plus actual negative votes comprised only 18 percent of the total. Thus 82 percent of the electorate registered approval of the Franco regime.

The truth is that all the parties of Spain except the Communists and the left-wing Socialists are supporting the Franco regime in the present crisis. Only parties desiring to overthrow this Spanish Government by force are anti-Franco, although when conditions return to normal the response of the electorate may be different. No political cooperation with Reds is possible. Give them an inch and they will take a mile. We have learned that the world over. Spain is simply being realistic in the face of current Red aggression.

Mr. President, we now come to one of the principal reasons why Spain should be included and why this loan should be made, namely, the military reason. In case the cold war changes overnight into a hot war, Spain can put 2,000,000 trained soldiers in the field. They are soldiers free from communistic taint or communistic infiltration. In all too many cases the strength of other western European nations has been sapped by Communist propaganda. But there is no question about the Spanish Army's morale and fighting ability.

It has been said that some of our allies plan to retreat in case of war with Russia. This is not true of Spain. The Spaniards plan to fight. I submit that we must build from a military standpoint on a people in Europe who will defend themselves from aggression and who will stand with us in defending western civilization and our way of life, and who do not plan a hasty retreat across the Iberian Peninsula to North Africa in case of war.

Spain also occupies a strategic position in the Mediterranean, of which Russia is now struggling to secure control. It has been said that Russia could

take all of Europe as far as the Pyrenees in 3 weeks' time, but we hope she would be stopped there. In case of actual hostilities with Russia Spain is therefore essential to the United States as a bridgehead in Europe. Because of its mountainous terrain and its high plateaus and hidden valleys, Spain affords ideal topography for air bases.

We know that as the result of an agreement between the United States Government and the Spanish Government in 1945 we constructed in Spain air bases which have been maintained there, and which would be absolutely essential in case the cold war should turn into a hot war. I submit that by this loan we could shore up the economy of that country. The loan can be repaid. We can strengthen the economy of Spain and thus strengthen her military power to resist invasion.

Mr. President, because Spain is a good credit risk, because she has fought the good fight against communistic aggression, because she is an important economic factor in European recovery, because our own trade with Spain should be restored to normal to reduce our crop surpluses and prevent a depression at home, and because Spain is a valuable ally in the cold war and will be an indispensable one should the war become hot, I believe that Spain should be included in the ECA program. This loan would be an opening wedge. I submit that the amendment should be adopted.

Mr. WHERRY. Mr. President, I should like to inquire of the present occupant of the chair whether the pending question is on agreeing to the first committee amendment?

The PRESIDING OFFICER (Mr. HILL in the chair). The pending question is on agreeing to the first committee amendment, which will be stated.

The LEGISLATIVE CLERK. On page 1, beginning in line 7, it is proposed to insert:

LEGISLATIVE BRANCH

SENATE

Contingent expenses of the Senate

Joint Committee on Foreign Economic Cooperation: For salaries and expenses of the Joint Committee on Foreign Economic Cooperation, as authorized by Public Law 472, Eightieth Congress, as amended by Public Law 47, Eighty-first Congress, including per diem and subsistence expenses, without regard to the Travel Expense Act of 1949, approved June 9, 1949, $344,000: *Provided*, That this appropriation shall be available from and including July 1, 1949, for the purpose provided herein. All obligations incurred during the period between July 1, 1949, and the date of the enactment of this Act in anticipation of such appropriation are hereby ratified and confirmed if in accordance with the terms hereof.

Mr. WHERRY. Mr. President, if agreeable to the majority leader, I would suggest the absence of a quorum.

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Butler	Chavez
Anderson	Byrd	Connally
Brewster	Cain	Cordon
Bricker	Capehart	Donnell
Bridges	Chapman	Douglas
Downey	Kem	Myers
Dulles	Kerr	Neely
Eastland	Kilgore	O'Conor
Ecton	Knowland	O'Mahoney
Ellender	Langer	Pepper
Ferguson	Lodge	Robertson
Flanders	Long	Russell
Frear	Lucas	Saltonstall
Fulbright	McCarran	Schoeppel
George	McCarthy	Smith, Maine
Gillette	McClellan	Sparkman
Graham	McFarland	Stennis
Green	McGrath	Taft
Gurney	McKellar	Taylor
Hayden	McMahon	Thomas, Okla.
Hickenlooper	Magnuson	Thomas, Utah
Hill	Malone	Thye
Hoey	Martin	Vandenberg
Holland	Maybank	Watkins
Hunt	Miller	Wherry
Ives	Millikin	Wiley
Johnson, Colo.	Morse	Williams
Johnson, Tex.	Mundt	Withers
Johnston, S. C.	Murray	Young

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the first committee amendment.

Mr. LUCAS. Mr. President, the first committee amendment, as I understand, begins on page 1 and extends over on page 2.

Mr. McKELLAR. It is known as the watchdog amendment.

Mr. LUCAS. Mr. President, I should like to raise a parliamentary inquiry, if I may.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. In title I we find "Contingent Expenses of the Senate," as the caption of the title. I should like to ask whether this money is to be paid out of the contingent expenses, or the fund known as the contingent expense fund of the United States Senate, or, if not, what is the reason for the caption.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Tennessee for an answer to my question.

Mr. McKELLAR. A similar provision was adopted last year, and the money was paid from the contingent fund of the Senate. It was the opinion of the committee that it should be paid from the contingent fund of the Senate this year, and that is why it was put in this way.

Mr. LUCAS. Do I correctly understand from the Senator from Tennessee that the fund which has been appropriated for the contingent expenses of the Senate is the fund upon which the committee known as the "watch dog committee" will draw?

Mr. McKELLAR. That is correct. The amount is stated as $344,000.

Mr. LUCAS. Mr. President, I have another parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. When money is appropriated for the contingent expenses of the Senate, is it not necessary for a resolution to be properly presented and referred to the Committee on Rules and Administration, rather than to use this method and bypass that committee?

The VICE PRESIDENT. The Chair thinks that what the Senator is suggesting has reference to a case in which money is appropriated out of the contingent fund, but it seems to the Chair that this appropriation is for the contingent fund and not out of it.

Mr. WHERRY. Mr. President, a parliamentary inquiry. Will the Senator yield?

Mr. LUCAS. In a moment.

I appreciate the fact stated by the Vice President. In other words, under the first paragraph of the bill, reference is made to the "following sums appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year ending June 30, 1950."

I understand that that money appropriated by the amendment will go into the contingent fund; but the point I am making, Mr. President, is this: Has the Appropriations Committee the power to take money from that fund without first going to the Committee on Rules and Administration? That is what is proposed to be done in this case.

The VICE PRESIDENT. The Chair thinks—and the Chair is not passing upon any other language in the amendment—if the Senate authorizes the expenditure of an amount, under the rules and regulations pertaining to the expenditure of money out of the contingent fund, on vouchers signed by the chairman of the joint committee, the money would be appropriated.

Mr. LUCAS. I shall not argue the point any longer; but it seems to me that we are bypassing the Committee on Rules and Administration when we appropriate $344,000 out of the contingent fund of the Senate for the purpose of paying salaries, expenses, and so forth.

The VICE PRESIDENT. When a resolution is offered on its own merits providing for an appropriation out of the contingent fund, that resolution would have to go to the Committee on Rules and Administration. But this is an appropriation bill which the Chair does not feel would necessarily go to the Committee on Rules and Administration, provided the language itself is within the law. The Chair does not pass on that question.

Mr. LUCAS. Mr. President, I will not press that point of order, but I most respectfully call the Vice President's attention to line 4 on page 2 of the amendment, which says:

Without regard to the Travel Expense Act of 1949, approved June 9, 1949.

I submit that this is a change in existing law, and a point of order should be sustained to that particular phase of the amendment.

The VICE PRESIDENT. Does the Senator make that point of order?

Mr. LUCAS. I make a point of order against that language in this bill.

The VICE PRESIDENT. Does the Senator wish to be heard?

Mr. LUCAS. I do not care to be heard at any length. All I want to say is that the language, in my opinion, is plainly a change in existing law, because whenever we expressly state that we are going to do certain things without regard to another law, we are repealing another law. Consequently, I raise a point of order against it.

Mr. McCARRAN rose.

The VICE PRESIDENT. Does the Senator from Nevada wish to be heard on the point of order?

Mr. McCARRAN. Is the point of order debatable?

The VICE PRESIDENT. It is. It is within the discretion of the Chair as to how long it will be debatable. It is only debatable for the guidance and information of the Chair.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. LUCAS. I yield.

Mr. McKELLAR. I have the appropriation bill of last year, and this language is in the exact wording of that bill.

Mr. LUCAS. That may be true, but possibly no point of order was raised against it last year.

I still make the point of order.

Mr. McCARRAN. Mr. President, in addition to what the Senator from Tennessee has said about this language being in the bill last year, the joint committee has been working under this language. While it may be true that it is a modification, to some extent, of the existing law, it is a modification under which the joint committee has carried on, and it seems to me it is one which could well be maintained in this bill and should be maintained in it, if the joint committee itself is to be continued by an appropriation. If it is the assumption of the Chair, however, that the point of order is well taken, I shall offer an amendment to strike the language and the following language so that the amendment may be relieved of the objection.

Mr. McKELLAR. Mr. President, I have before me the record of what has been done before this year. A bill making appropriation for the salaries and expenses of the Joint Committee on the Economic Report, $72,600, and two other bills of like kind, have already been passed this year, and no point of order seems to have been made, or, if one was made, it was overruled. I call the attention of the Chair to the fact that the provision is exactly in line with bills passed by the Senate regarding the contingent fund of the Senate.

Mr. RUSSELL. Mr. President, I do not think it is important whether or not this language remains in the bill, and I should be happy to see the distinguished Senator from Nevada offer an amendment to strike it out, but precedents which might be set are important.

I submit to the Chair that there is legislation all through the pending bill, and when it comes to us from the House with a great deal of legislation in it, the Senate committee then has the right, under the rules, to offer legislative matters by way of amendment, because legislation has come to us from the House. There is a provision at the top of page 3 which came to us in the House language which is very clearly legislation. It is language providing for "exchange of funds without regard to section 3651 of the Revised Statutes; and loss by exchange." That evades the statute, exactly as does the language now under discussion. The same kind of provision appears at the top of page 4, a provision for "exchange funds without regard to section 3651 of the Revised Statutes; and loss by exchange."

I have not examined the bill carefully, but I see legislative provisions throughout that are not included in the original authorization. I submit that the precedents of the Senate are very clear to the effect that when legislation comes to us from the House in an appropriation bill, then the Senate has the right to append legislative matters thereto.

As to whether or not this language stays in the bill I do not care, and I hope the Senator from Nevada will offer an amendment to strike it out; but I do insist on the right of the Senate to offer legislative matters to measures which come to us from the House under the guise of appropriation bills, which likewise contain legislative provisions.

The VICE PRESIDENT. The Chair is ready to rule. It is true that appropriation bills come to the Senate from the House containing legislative provisions, and that is characteristic of the pending bill in several particulars. But any legislative matter offered on the floor of the Senate must be germane to the legislative matters contained in the bill as it comes from the House. If the House violates the rules and no one makes a point of order against it, and appropriation bills come to the Senate including legislative matters, it does not give the Senate carte blanche to include wholly irrelevant legislative matters in the bill. They must be germane to the legislative provisions of the bill which came from the House.

The language under discussion is plainly a violation of the rule. Under the Legislative Travel Expenses Act of 1949, and other previous expense acts, there is a limitation imposed upon those who travel at Government expense, by reason of a per diem allowance for travel. The provision the Senate is discussing seeks to waive that and allow the employees of the Joint Committee on Foreign Economic Cooperation to travel at Government expense without limitation, except that the vouchers shall be signed by the chairman of the committee. Plainly that is legislation on an appropriation bill, not approved by the rules.

The fact that such occurrences have happened heretofore and no one made a point of order against them is not valid as an argument against the point of order at this time, or at some future time when the same question might arise, because the mere failure to make a point of order to a provision which would be subject to a point of order does not and cannot change the rules of the Senate, and cannot be used as a precedent by which the Chair would be governed.

For the reasons stated, the point of order is sustained.

Mr. McCARRAN. Mr. President, I move to strike out the language as follows——

The VICE PRESIDENT. Let the Chair suggest to the Senator that the whole amendment has gone out on a point of order. Instead of trying to strike out language from the amendment that has gone out, a better procedure would be to offer an amendment without the language in it.

Mr. McCARRAN. Then I offer an amendment at this time.

Mr. RUSSELL. Mr. President, while I do not regard the matter as of sufficient importance to justify my appealing from the decision of the Chair, I think the Chair's ruling is most unfair to the Senate as a coequal branch of the legislative body. To hold that the House can write legislation into this bill without let or hindrance, and that the Senate can amend it only in matters which are germane to direct language written in the bill, seems to me to be most unfair to the Senate. I shall not appeal, but I should respectfully like to submit for the RECORD the fact that I think the Chair's ruling is in error, and that it circumscribes the right of the Senate, as a coequal legislative branch. The House has clearly legislated throughout the bill, and to hold that the Senate cannot offer any limitation that is legislative in character unless it is germane to a provision of the House bill seems to me to be unfair.

The VICE PRESIDENT. The Chair has great respect for the parliamentary ability of the Senator from Georgia, and the Chair would like to say that if the House, by putting one or two legislative provisions in an appropriation bill, could open up the way in the Senate for all sorts of legislative propositions, the House could make it possible to change the rules of the Senate without the Senate's consent. There is nothing in the bill as it came from the House involving this amendment. Surely the contention cannot be made that in the absence of any legislative provision in regard to this subject, because there are other legislative provisions in the House bill, therefore this amendment is in order.

Mr. RUSSELL. Mr. President, I desire to make a further point of order, if the Chair will hear me.

The VICE PRESIDENT. The Chair will hear the Senator.

Mr. RUSSELL. If the Chair is right in his ruling, under the provisions of rule XVI it is the duty of the Chair to recommit the bill to the Committee on Appropriations.

Mr. LUCAS. Mr. President, this is a new provision which has been placed in the bill by the Senate Committee on Appropriations itself. The House of Representatives gave the committee nothing on which to base it. When the determination was made in the House, the Committee on Appropriations decided that the Joint Committee on Foreign Economic Cooperation should not have any money whatsoever. The provisions to which the Senator from Georgia referred appearing on pages 3 and 4, and perhaps other pages of the bill, might have something to do with the point he is making. But I submit that there is nothing the House of Representatives has done in the way of writing in legislation in this instance which could preclude a point of order, because this is new matter which has been inserted in the bill by the Committee on Appropriations itself.

Mr. RUSSELL. Mr. President, I do not care to add to my other observations. Of course, the views of the Senator from Illinois would likewise raise a direct restriction upon the power of the Senate as a coequal body, and I am not debating it further, but I call to the

attention of the Chair the fact that under the second paragraph of rule XVI, if this matter is legislation and is subject to a point of order, and the point is sustained, it is provided that the bill shall be recommitted to the Committee on Appropriations.

Mr. LUCAS. Mr. President, I am not talking about the question of germaneness. I made the point of order on an entirely different basis.

Mr. RUSSELL. The Senator from Illinois cannot change the rules to suit himself.

Mr. LUCAS. I am not attempting to change the rules. The Chair sustained the point of order on the theory that the provision changed existing law.

Mr. RUSSELL. That is correct, and under rule XVI the bill has to be recommitted.

The VICE PRESIDENT. Let the Chair pass on the new point of order. The rule provides that if a point of order is made against a bill and is sustained, the bill shall be recommitted to the committee.

While Senator Pittman was President pro tempore of the Senate a point of order was made against a committee amendment to an appropriation bill. He held that the making of a point of order against a committee amendment did not require the recommittal of the bill, but that recommittal was required only in case the point of order was made against the bill itself.

Mr. RUSSELL. Merely for the RECORD, Mr. President, I should like to read the provision of rule XVI:

> The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law—

And that is the point made by the Senator from Illinois—

> if such restriction is to take effect or cease to be effective upon the happening of a contingency, and if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation—

And the Chair has ruled that this is legislation, because it repeals another statute—

> or any such restriction, a point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

The VICE PRESIDENT. The Chair refers to a previous decision of a former President pro tempore on that subject, and observes that if every time the committee reported an appropriation bill with an amendment to which a point of order would be sustained, there would be no object in filing a notice in advance that a motion would be made to suspend the rule, which requires a two-thirds vote. The two are inconsistent.

Mr. RUSSELL. The purpose of that rule is to avoid having a bill recommitted to the Committee on Appropriations. That is the very purpose of the rule.

The VICE PRESIDENT. The Chair understands the automatic recommittal of the bill, because the Chair sustains a point of order against a committee amendment would be entirely inconsistent with the provision. When an amendment is declared out of order because it contains legislation, or for any other reason, the motion is frequently made, and the Chair understands that similar motions are in preparation and have been filed in connection with this bill already, to suspend the rule; that is, in the event the Chair declares certain amendments are out of order.

The Chair appreciates the observation of the Senator from Georgia but feels that his ruling is correct.

Mr. RUSSELL. I merely wish to observe, Mr. President, that I find nothing whatever in rule XVI dealing with this matter that sustains the position that a point of order can be made against an amendment as such without it lying against the whole bill.

Mr. LUCAS. Mr. President, I wish to make one more observation respecting the bill. If the position of the able Senator from Georgia is correct, it simply means that a majority of the Appropriations Committee who are against a certain bill can report it with two or three legislative amendments. A Senator can then raise the point of order under rule XVI, and, if the position of the Senator from Georgia is correct, the Chair would be compelled to refer that bill immediately back to the Appropriations Committee. We would never get an appropriation bill through the Senate if that were the practice. If the majority of the committee were against a certain measure, all they would need to do would be to tie a legislative provision to it, report the bill, and, when it came up for consideration, make a point of order, and back to the committee the bill would go.

The VICE PRESIDENT. The Chair might also state that if this bill or any similar bill must be recommitted because the first committee amendment is declared out of order, if it were recommitted, and the committee brought the bill back without that amendment, but with a number of other amendments which were out of order, each time the Chair held one of them to be out of order the bill would have to go back to the committee. It would reduce itself to——

Mr. LUCAS. World without end.

The VICE PRESIDENT. To an absurdity.

Mr. WHERRY. Mr. President, let me suggest to the distinguished majority leader that in such a case the committee would not bring the bill back with new legislation in it. New legislation, in the form of an amendment, is written into the bill before us. Let us assume the bill were recommitted. The committee would know that the point of order had been made against the amendment because it contained new legislation. The committee would not again report the bill with new legislation in it.

Mr. President, I should like to see the watch-dog committee continued, and the amount contained in the amendment provided for it. There might be some objection to traveling expenses. But I certainly want to associate myself with the remarks of the Senator from Georgia, and I do so with all respect for the decision made by the Vice President, that, in view of the fact that a point of order has been raised against an amendment to the bill, the bill, if I read the rule correctly, should be recommitted to the Appropriations Committee for reconsideration.

The VICE PRESIDENT. The Chair knows, and every Senator knows, that time out of mind in the Senate committee amendments have been declared out of order because they contained legislation, and immediately a motion has been made to suspend the rule. If that rule were enforceable all the way, the bill would have to go back to the committee regardless of what else was in the bill; and it would have to go back to the committee each time a point of order was made and sustained against an amendment.

The usual practice has been that, instead of embodying committee amendments in the appropriation bill, they are offered from the floor as committee amendments which, of course, would avoid—and it is done for the purpose of avoiding—the possibility that a point might be made which automatically would result in the bill being recommitted. That has frequently been done. That is not a matter upon which the Chair has to pass, but it has become quite a practice in the Senate.

Mr. McKELLAR. Mr. President, I am not at all interested in the wording of the amendment. The only thing in which I am interested is in getting the appropriation bills passed. I am willing to have the Senate vote on the amendment as submitted by the Senator from Nevada [Mr. McCARRAN], which he has the authority from the committee to do. I hope we can pass upon this matter immediately. I want to say, however, that I agree 100 percent with the position taken by the distinguished Senator from Georgia [Mr. RUSSELL] when he says that under the language of the rule the bill should be recommitted. It would be a formal matter. In my judgment, the rule requires it beyond the shadow of a doubt.

The VICE PRESIDENT. Of course, the Senator knows that any language in an amendment which is out of order vitiates the whole amendment. That raises the question whether the amendment, without the objectionable language, if it were offered at the moment, would become a committee amendment, so as to take priority among other committee amendments and over outside amendments. Is it the rule that where a committee amendment goes out on a point of order, and language which then corrects the deficiency is immediately offered it shall be regarded as a committee amendment, as though it had not been in the bill originally? The reason for that inquiry is that the Senator from Tennessee [Mr. McKELLAR] asked unanimous consent, and it was granted, that committee amendments be considered first. Now, is the substitute amendment here a committee amendment in that sense, or is it an amendment offered from the floor, taking its place along with others?

Mr. McKELLAR. It is a committee amendment in that sense, taking its place with the committee amendments.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. LUCAS. Mr. President, I ask that the amendment be stated.

The VICE PRESIDENT. The amendment offered by the Senator from Nevada [Mr. McCARRAN] on behalf of the committee will be stated.

The CHIEF CLERK. On page 1, line 10, it is proposed to insert the following:

Joint Committee on Foreign Economic Cooperation, as authorized by Public Law 472, Eightieth Congress, as amended by Public Law 47, Eighty-first Congress, $344,000: *Provided*, That this appropriation shall be available for the fiscal year 1950, for the purpose provided herein.

Mr. LUCAS obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. VANDENBERG. Is it the Senator's opinion that this appropriation is chargeable to the contingent fund of the Senate simply because of the title of this chapter?

Mr. LUCAS. I asked that question a moment ago, and it is my understanding now from the colloquy we have had, that the money is appropriated from the Treasury of the United States and goes into the contingent fund. The point I made a moment ago was that if the Senate appropriates money from the Treasury into the contingent fund of the Senate, the Committee on Rules and Administration thereby obtains jurisdiction of the fund and only upon a proper resolution from that committee, approved by the Senate, can the money be spent. If this amendment is adopted, it simply means that vouchers will be drawn upon the contingent fund, and the disbursing officer will pay the vouchers. That is the point I made, but I was overruled on that point by the distinguished Vice President.

Mr. WHERRY. I attempted to make my position clear. I am a member of the Committee on Rules and Administration. The Senator from Illinois worked for a long time on the old Committee to Audit and Control the Contingent Expenses of the Senate. When I raised the question with the committee my understanding was that this was an authorization of $344,000. It has come before the Senate Appropriations Committee, and has now been authorized, with the understanding that the money is to be paid into the contingent fund under the regular procedure. It will then be paid out of the contingent fund on vouchers representing the amount of expense incurred. So it does not bypass the committee. If we approve this provision, it authorizes the money to be paid into the fund and out of the fund in accordance with the regular procedure.

The VICE PRESIDENT. Under the act of 1948 establishing the Economic Cooperation Administration, this committee is established, and it is provided by law that the vouchers shall be signed by the chairman and paid out by the Disbursing Officer of the Senate from the contingent fund. There is an arrangement by which the House reimburses the Senate for its part of the expense, it being a joint committee.

Mr. LUCAS. Mr. President, I offer an amendment to the amendment, to strike out the figure "$344,000" and insert in lieu thereof "$100,000."

The VICE PRESIDENT. The amendment to the amendment offered by the Senator from Illinois will be stated.

The CHIEF CLERK. On page 1, line 3, of the amendment it is proposed to strike out the figures "$344,000" and insert the figures "$100,000."

Mr. McCARRAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Illinois wish to be heard on this amendment?

Mr. LUCAS. The Senator from Nevada wishes to speak.

The VICE PRESIDENT. The Senator from Nevada is recognized.

Mr. McCARRAN. Mr. President, the joint congressional committee was set up by the following language in Public Law 472 of the Eightieth Congress:

JOINT CONGRESSIONAL COMMITTEE

SEC. 124. (a) There is hereby established a joint congressional committee to be known as the Joint Committee on Foreign Economic Cooperation (hereinafter referred to as the committee), to be composed of 10 members as follows:

(1) Three members who are members of the Committee on Foreign Relations of the Senate, two from the majority and one from the minority party, to be appointed by the chairman of the committee; two members who are members of the Committee on Appropriations of the Senate, one from the majority and one from the minority party, to be appointed by the chairman of the committee; and

(2) Three members who are members of the Committee on Foreign Affairs of the House, two from the majority and one from the minority party, to be appointed by the chairman of the committee; and two members who are members of the Committee on Appropriations of the House, one from the majority and one from the minority party, to be appointed by the chairman of the committee.

A vacancy in the membership of the committee shall be filled in the same manner as the original selection. The committee shall elect a chairman from among its members.

(b) It shall be the function of the committee to make a continuous study of the programs of United States economic assistance to foreign countries, and to review the progress achieved in the execution and administration of such programs. Upon request, the committee shall aid the several standing committees of the Congress having legislative jurisdiction over any part of the programs of United States economic assistance to foreign countries; and it shall make a report to the Senate and the House of Representatives, from time to time, concerning the results of its studies, together with such recommendations as it may deem desirable. The Administrator, at the request of the committee, shall consult with the committee from time to time with respect to his activities under this act.

In addition, and under another program, it was set out, in Public Law 793 of the Eightieth Congress:

And provided further, That the Joint Committee on Foreign Economic Cooperation established pursuant to provisions of section 124 (a) of the Economic Cooperation Act of 1948 shall have the same duties, powers, and responsibilities with respect to programs carried out by appropriations for Government and Relief in Occupied Areas as it has with respect to programs under the Economic Cooperation Act of 1948.

So two widely scattered duties were imposed on this committee. Let us see what the committee does, in comparison with other like committees.

The appropriation for the past fiscal year for the Joint Committee on Foreign Economic Cooperation was $262,000, of which approximately $80,000 was turned back to the Treasury unobligated. The first year's budget did not include funds for a study of the GARIOA program which the committee is authorized by law to undertake. The appropriation for the present year included an estimate for such additional work, which is the increase asked for over last year's appropriation. Let me say at that point that the $344,000 item is a budgeted item. It came here by way of a budget estimate from the White House. The committee did not expend its funds for the first year, and it may not expend the entire sum for the second year, but if it is called upon to do so, the amount requested is the best estimate of what may be needed.

It must be remembered that the committee's staff must study and observe the execution and administration of our programs involving an expenditure of approximately $6,000,000,000. The administration costs to the ECA and to the Army in spending this money are estimated at $56,500,000.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McKELLAR. Is not the amount carried in the bill, $344,000, the precise amount of the budget estimate which was sent to the Congress?

Mr. McCARRAN. The budget estimate for $344,000 came from the White House with a letter of transmittal.

Mr. McKELLAR. That is correct.

Mr. McCARRAN. As I have stated, the administration costs to the ECA and to the Army is spending this money are estimated at $56,500,000. Yet the committee hopes to provide reliable information as to all of these programs for sixtenths of 1 percent of what is expended to administer them. Maybe this figure should be compared with what the Army expects to expend for similar observation by our defeated enemies in this country. In the GARIOA funds, the Army expects to spend $1,300,000 to bring foreign students, foreign national leaders, teachers, trainees, and apprentices to the United States to observe and study what we are doing. In fact, the Army expects to spend $344,000, the exact budget of the Joint Committee on Foreign National Leaders' Travel and Maintenance in the United States. In other words, the Army proposes to bring over these teachers and students to make a study of our affairs in the United States, and to expend in that particular effort exactly what the committee asks, so as to be able to advise the Congress as to how we shall spend $4,500,000,000, where it is going, and so forth, and be able to answer questions of Senators.

But that is not all; the ECA also has a similar program with respect to the participating countries. In that program,

which the ECA calls its technical assistance field, the budget calls for visits of European technicians to the United States for market research studies, $100,000; for agricultural studies, they expect to spend $1,600,000 for visits of European experts and workers to the United States: To study manpower utilization and conditions of employment, the ECA expects to spend for the visits of workers and labor leaders to the United States, $500,000; as well as $600,000 for visits of United States labor representatives to Europe. The ECA expects to spend, for officials of foreign governments to visit the United States and study our public administration and financial practices, $500,000.

Mr. President, how do those figures compare with the funds the United States Congress, this body, expects to spend for one of its committees whose duty it is to study and report to the Congress on the progress and the administration of the very programs for which the agencies propose to spend millions of dollars?

This committee was set up in the Eightieth Congress by the basic law which provided for this European program. It is provided for in the basic law. When the basic law was passed by Congress a few months ago, it had been the subject of long study by the Foreign Relations Committee. No member of the Foreign Relations Committee, no Member of the Senate, indeed, no Member of the House of Representatives, attempted to strike from the bill the provisions creating this committee. If Senators wished to destroy the committee, to put it out of business, it seems to me that was the time to do so; but Senators should not now leave the committee with a mere pittance, if you please, to use in making the study, if it is to be made at all. It would be better to put the committee entirely out of existence, rather than to give it a mere pittance and instruct it to do something which cannot be done under the provisions of the amendment proposed by the Senator from Illinois.

This subject was studied by the Bureau of the Budget, and the budget recommended the $344,000. That is the amount of the budget estimate.

Mr. KEM. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. KEM. I should like to ask the Senator whether one of the purposes for which the ECA proposes to bring students and other persons to the United States is to have them study how to balance a nation's budget.

Mr. McCARRAN. I take it that that is one of the objects and purposes—to study how to balance our budget.

Mr. KEM. Is not that stated in the justification?

Mr. McCARRAN. I think it is.

Mr. KEM. I should like to ask one more question, namely, whether Mr. Hoffman in appearing before the committee testified that in his opinion it would be wise for the Government of the United States to enter upon deficit financing, rather than to cut the appropriations he requested of the committee.

Mr. McCARRAN. My recollection is that he spoke in favor of having deficit financing, rather than to do away with the ECA. I do not have his exact language before me, and I do not care to quote him; but that was the substance of his statement. But that does not answer the question as to whether this committee should continue.

Mr. President, I say again that if Senators wish to do away with this so-called watchdog committee, then let them do away with it, for that will be the best and cleanest way of carrying out such an intention; let them strike the committee off the statute books entirely.

But if Senators wish to get advice from the committee, if Senators wish the committee to do its work, then they should give the committee ample funds with which to do its work.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McCLELLAN. Did I correctly understand the able Senator from Nevada to say that the ECA legislation contains a provision for bringing people from foreign countries to the United States, to have them learn here how to balance a nation's budget?

Mr. McCARRAN. That would be one of the things into which they would look, quite naturally.

Mr. McCLELLAN. Does the Senator from Nevada recall that Mr. Hoffman, the Administrator of ECA, testified that all these foreign countries, save one or two, already have achieved the distinction of balancing their budgets?

Mr. McCARRAN. I do not recall that testimony.

Mr. McCLELLAN. He testified in the record that all of them except Greece and one other, I believe, had already balanced their budgets. In other words, it was his testimony that England, France, and the other countries, so he said, have balanced their budgets.

Under the circumstances, the United States will be the only one of importance that will not have balanced its budget.

Mr. McCARRAN. That may be so; I do not recall that statement in the testimony.

Mr. President, I wish to say that this committee was set up under the Republican Eightieth Congress. For the life of me, I cannot see why a Democratic Eighty-first Congress would be afraid to continue with a watchdog organization to watch how these moneys are expended. That is the responsibility of the committee.

When the committee first was set up, the then chairman of the Appropriations Committee, the distinguished Senator from New Hampshire [Mr. BRIDGES] was named chairman of the watchdog committee. In my judgment, he did a splendid job during the time he was chairman. It was only a few months later that the administration changed, and then the committee was called upon to elect a new chairman. It fell to me to be named chairman of the committee, and since that time we have gone forward.

Our reports have not always been complimentary. I did not think we were set up for the purpose of everlastingly patting someone on the back, and saying, "You have done a fine job." I thought that when we found things that were not complimentary as regards the administration, we should say so, and should say so to the administration, so that the administration might correct them, if it found that our criticism was well founded.

I wish to say, Mr. President, that the administration did correct its tactics and its ways, after certain observations and criticisms which the watchdog committee filed with reference to such matters. No criticism has gone out to the public, if you please; but we have made criticism from time to time, so that the administration might correct their ways.

I take it that there may be a movement on foot at this time to put this committee out of existence, out of business, so far as finances are concerned, so that we shall not make any further criticisms. I shall be sorry indeed when that day comes, if it does.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McKELLAR. I wish to call the Senator's attention to some of the testimony in reference to the matter of balancing budgets. One of the witnesses at the hearings said:

> England and Belgium probably are the only two countries that have balanced budgets. The other countries have what they call their ordinary budgets balanced; but they have extraordinary budgets, involving capital investments, and so on, that are not balanced.

I scarcely know how to interpret the last part of that statement, when the witness said that other governments have extraordinary budgets, involving capital investments. Evidently they have capital investments which are not entirely balanced. I suppose those are governments which have taken over private businesses and are running them. I make that assumption from the witness' testimony.

Mr. McCARRAN. Mr. President, on that matter, the testimony is as read by the Senator from Tennessee; and I have no comment to make about it. The only comment I have—and then I shall leave the matter with the Senate—is, if this committee is worthy of being maintained, then it should be properly staffed. There is no member of the committee, whether he be a Senator or a Representative, who can carry on his work in the committee and in the Congress without a proper staff for the committee. The staff consists now of 21 members. There are six members of the staff in Europe at the present time making a study of certain phases of the work in order that we may report to the Congress from time to time. We can recall them, which we shall do, if the appropriation is not passed by the Congress. We shall still be a committee, if you please, Mr. President, we shall still be charged with duties, but without the money to carry out the responsibilities of the committee.

Mr. LUCAS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Illinois?

Mr. McCARRAN. I yield the floor.

Mr. LUCAS. Mr. President, the Senator from Illinois was very much interested in the remarks of the Senator from Missouri [Mr. KEM] with respect to what Mr. Hoffman may or may not have testified before the Appropriations Committee. I do not know what Mr. Hoffman testified on the subject of deficit financing. It is the second attack the Senator from Missouri has made on Mr. Hoffman this afternoon.

I am not too familiar with Mr. Hoffman; I have met him a few times; but I do know something about his background. I know he is presumed to be one of the rugged individuals of this country who have come from the bottom, reached the top, and really made good in a big way in the industry with which he has been associated. He is one of the largest taxpayers of America. I should rely a great deal upon the judgment of an individual who pays into the United States Treasury the taxes he pays to keep the United States going, on deficit financing, or upon any other problem in which Mr. Hoffman might be interested and on which he might desire to offer testimony.

Mr. ROBERTSON. Mr. President, will the Senator from Illinois yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Virginia?

Mr. LUCAS. I yield.

Mr. ROBERTSON. I heard the testimony of Mr. Hoffman on this point. Mr. Hoffman said he was opposed to deficit financing and hoped we would not have to resort to it, but that he thought the ECA program was an essential part of our peace program, and that he would rather see us engage in deficit financing than cut ECA below the point where it could do an effective job for peace.

Mr. LUCAS. That sounds like Mr. Hoffman, from the few conversations I have had with him, I may say to my able friend from Virginia. But if Mr. Hoffman is to be one of the issues in connection with this appropriation, I shall stand by him, regardless of what the Senate does. In this short colloquy, much has been said about balancing the budget, and about bringing foreigners here to learn how we are balancing our budget, thereby indirectly implying criticism of the financial condition of this country at the present time—an implied rebuke, so to speak. Yet, Mr. President, the same individuals who are in a way criticizing that very thing, are now asking the Senate to increase the appropriation of last year by $76,720. The same people who are talking about economy and balancing the budget now want the appropriation increased $76,720 above what it was last year. It is a marvelous thing to use the figure of $344,000, which has been approved by the Bureau of the Budget, when it suits one's purpose. But this is the first time anybody who has been talking about economy on the floor of the Senate has complimented the Bureau of the Budget for making a recommendation upon anything. In other words, every other item in the appropriation bill represents an effort to cut what the Bureau of the Budget has recommended; yet the Budget estimate of $344,000 is used in order to sustain the position taken at the present time. So it seems to me if I were in the position of one of the members of the Appropriations Committee who are seeking to add $76,720 to the appropriation of last year for the joint committee, I would not use the argument that the Bureau of the Budget had approved $344,000, when at the same time, the committee has sought to cut every other item in connection with ECA recommended by the Bureau of the Budget a few months ago.

Mr. McKELLAR. Mr. President, if the Senator from Illinois will yield, I must protest.

Mr. LUCAS. Perhaps I am wrong. If I am, I shall certainly apologize.

Mr. McKELLAR. The Senator is in error about that. Speaking from memory, there is not one item in a dozen which has been cut. The committee followed the recommendation of the Bureau of the Budget in nearly every case. I express my deepest regret that the bill, coming from our committee after most careful consideration, should be criticized by our leader in this manner.

Mr. LUCAS. Mr. President, I am not criticizing.

Mr. McKELLAR. Oh, yes; the Senator has criticized the Appropriations Committee and the members of it. I am very sorry. I express my deepest regret that such criticism should come from my good friend, who I never dreamed would take any other part except to support the report of the committee, honestly mad after the most careful examination, after a most thorough discussion, after weeks of study, and after probably the most vigorous opposition ever to be offered in the committee in the nearly 30 years, I believe, I have been a member of it.

Mr. LUCAS. I may be wrong, Mr. President. If I have criticized the Appropriations Committee in any way, I apologize, and certainly I apologize to my good friend from Tennessee.

Mr. McKELLAR. I thank the Senator.

Mr. LUCAS. I never want to criticize the Senator, or condemn him in any way. He is one of our great legislators. I know of no Member of the Senate who takes greater interest in his work or is more diligent than is the Senator from Tennessee.

Mr. McKELLAR. I thank the Senator.

Mr. LUCAS. I am with the Senator from Tennessee on this. It is my understanding the Appropriations Committee made a 10-percent cut in ECA funds recommended by the Bureau of the Budget to the President of the United States. Am I wrong about that?

Mr. McKELLAR. The Senator is partly right, partly wrong.

Mr. LUCAS. At any rate, the committee did not follow the recommendations of the Bureau of the Budget, but made a cut. I am with the committee in that action. I am going to support it.

Mr. McKELLAR. I am most happy to hear that.

Mr. LUCAS. I thought the Senator would be with me, the moment I told him that.

Mr. BRIDGES. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from New Hampshire?

Mr. LUCAS. I yield.

Mr. BRIDGES. I do not see why the controversy which has developed about Mr. Hoffman need be injected into this particular debate.

Mr. LUCAS. I did not at all inject it into the debate. It was the Senator from Missouri [Mr. KEM] who injected it into the debate. I merely attempted to reply. I know the Senator wanted me to defend Mr. Hoffman. Had the Senator been in the Chamber at the beginning of the discussion, he would have done so, if I had not.

Mr. BRIDGES. I think very highly of Mr. Hoffman and, generally speaking, of the work he has done. But I merely want to say a word to the distinguished majority leader on the subject of the performance thus far of this particular "watchdog committee." The Senator from Illinois has made some remarks about Members of this body, who believe in economy, having in this instance favored an increase in the appropriation. I want to say to the Senator from Illinois that I have, with two or three exceptions, favored every decrease in appropriations which has been proposed. In fact, as the Senator knows, I proposed most of them, or a large number of them, both in committee and on the floor. There are perhaps two or three exceptions. One was when I supported the increase in the number of agents in the Bureau of Internal Revenue, because I believed, in that field, it was money well invested. I supported the appropriation for the new Senate Office Building, which the distinguished Senator from Louisiana opposed, because I thought it would give us equipment necessary in order to do a good job here, and because I believed the additional space was needed.

With regard to this particular item of appropriation for a committee, we are spending billions upon billions of dollars for the ECA, and I think the Congress would be derelict in its duty if it did not appropriate sufficient money to a committee duly authorized by law to keep a watchful eye over ECA appropriations.

The Senator from Nevada [Mr. McCARRAN] as chairman of the committee has done an excellent job, the members of the committee are conscientious, and, generally speaking, the joint committee have a very competent staff. I think it is entirely appropriate to ask for a few thousand dollars to enable a committee to watch billions of dollars being spent under an authorization of the Congress. I think it can readily be justified.

Mr. LUCAS. The Senator from New Hampshire is always very persuasive in

his arguments. Of course we can justify a watchdog committee with regard to practically every phase of Government, if we start such a committee. The Army, Navy, and Air Force spend four times as much all over the world at the present time, and we do not have any watchdog committees for those expenditures. Maybe we should have one.

Mr. BRIDGES. This is a little different from money being spent by our own armed services. This is money which has been appropriated and which goes into a cooperative program with many countries in Europe, and for that reason there is a different relationship between money spent by a foreign government, which this country is furnishing, and money spent by one of our own domestic departments.

Mr. LUCAS. That may be true. But let me answer the Senator from New Hampshire by showing how the committee is attempting to branch out and get away from the countries involved in the ECA. If the Senator has read the bill he knows that they are now asking for the watchdog committee to go into Japan, Korea, and Germany. In other words, they do not stop with the ECA countries, but they are going to many others.

Mr. McKELLAR. Is not that the law?

Mr. FERGUSON. Mr. President, will the Senator yield for an observation?

Mr. LUCAS. I do not want to yield for a speech. I shall yield for a question, because I want to get along.

Mr. FERGUSON. I shall obtain the floor in my own right.

Mr. BRIDGES. Mr. President, this is nothing new.

Mr. McCARRAN. That is correct. I read the provisions of the law to the Senate. It was the law which established GARIOA, and provided that the watchdog committee should have observatory powers over the expenditures under GARIOA.

Mr. LUCAS. I may be wrong, but it has been pointed out to me, and my own examination convinces me, that the language in this bill is broader than the language of last year, under the original act.

Mr. KEM. Mr. President, will the distinguished majority leader yield for a question?

Mr. LUCAS. I will yield to the Senator from Missouri for a question.

Mr. KEM. I should like to ask the Senator if Mr. Hoffman did not appear before the Appropriations Committee and testify as follows:

> I am in a very odd position here of attempting to do a little defending of deficit spending, which I do not like at all.

Mr. LUCAS. I do not know what Mr. Hoffman testified. I am not a member of the Appropriations Committee.

Mr. KEM. I thought the Senator was undertaking to advise the Senate as to how Mr. Hoffman had testified.

Mr. LUCAS. No. The distinguished Senator from Missouri was the only Senator who raised that question; and the Senator was corrected by the Senator from Virginia [Mr. ROBERTSON].

Mr. KEM. In what respect did the Senator from Virginia correct me?

Mr. LUCAS. I understood him to say that Mr. Hoffman, from his testimony, believed in deficit financing.

Mr. KEM. He said he would be willing to go into deficit financing, if necessary, rather than to cut down the amount of ERP appropriation.

Mr. LUCAS. That is his testimony; but the Senator did not say that.

Mr. KEM. I will ask that the record be read.

Mr. LUCAS. Maybe I am wrong.

The VICE PRESIDENT. The Senator from Illinois cannot yield to have the record read.

Mr. KEM. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield for a question.

Mr. KEM. I will ask the Senator if he does not feel that this is a fair summary of Mr. Hoffman's testimony before the Senate Appropriations Committee——

Mr. LUCAS. I have not read it.

Mr. KEM. Let me read it.

Mr. LUCAS. Very well.

Mr. KEM. The Senator has brought up the point.

Mr. LUCAS. No; I did not bring it up; the Senator from Missouri brought it up.

Mr. KEM. I will ask the Senator if he did not take some exception in that respect to the remark of the Senator from Missouri.

Mr. LUCAS. I merely defended Mr. Hoffman, and I was glad to do so.

Mr. KEM. I will ask the Senator if his defense of Mr. Hoffman would go to the extent of saying that the following language used by him before the Senate Appropriations Committee is not a fair summary of his testimony on this point:

> I am put in a very odd position here of attempting to do a little defending of deficit spending, which I do not like at all.

Mr. LUCAS. I do not like it either. I agree with Mr. Hoffman. I do not know of anyone who does like deficit spending. I agree with him that if it is necessary to keep the program going in the interest of world peace, it should be done. That is exactly what he stated in his testimony.

Mr. KEM. Is not that exactly what the Senator from Missouri said Mr. Hoffman testified to?

Mr. LUCAS. I do not know what the Senator said. I understood the Senator, in his speech this afternoon, was rather criticizing Mr. Hoffman. I do not know why the Senator even brought it up. Why was Mr. Hoffman brought into this, in the beginning, on the question of deficit spending? It has absolutely nothing to do with the pending measure before the Senate.

Mr. KEM. Mr. President——

Mr. LUCAS. I have the floor, and I shall keep it for a little while.

The Senator from New Hampshire [Mr. BRIDGES] said a moment ago that he could not understand why Mr. Hoffman was brought into the matter, and I cannot understand it either; but in view of the fact that he was mentioned by the Senator from Missouri, I thought it was necessary to say a word in his behalf, which I am always glad to do.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McCARRAN. I think it might be well for the Senator from Illinois, in view of his statement that the watchdog committee now proposes to go into China and Japan, to read the law on the subject, the Foreign Aid Appropriation Act, providing for assistance to China, National Military Establishment, Department of the Army, civil functions, government and relief in occupied areas.

I now turn to page 360 of the budget, and read as follows:

> *And further provided*, That the Joint Committee on Foreign Economic Cooperation established pursuant to provisions of section 124 (a) of the Economic Cooperation Act of 1948, shall have the same duties, powers, and responsibilities with respect to programs carried out by appropriations for government and relief in occupied areas as it has with respect to programs under the Economic Cooperation Act of 1948.

I think it would be well for the Senator from Illinois to have some conception of the law before he says this committee is trying to branch out all over the world.

Mr. LUCAS. I thank the able Senator from Nevada for that last contribution of his. I well know what a distinguished lawyer he is.

Mr. McCARRAN. I did not ask the Senator from Illinois for that.

Mr. LUCAS. I am giving it to him, because I like the Senator from Nevada, and he is a great lawyer. I would not, under any circumstances, attempt to compete with the great legal ability he exercises on the floor of the Senate.

Mr. McCARRAN. The sarcasm of the Senator from Illinois——

Mr. LUCAS. I did not yield for that.

Mr. McCARRAN. The Senator was addressing me personally. Will he not yield?

Mr. LUCAS. I decline to yield. I hope the Senator understands it.

Mr. McCARRAN. I do understand it.

Mr. WILEY. Peace, brethren, peace!

Mr. LUCAS. Mr. President, I do not find the particular section to which I had reference, but I shall find it before the debate is concluded.

I want to get back for a moment——

Mr. KEM. Mr. President, will the Senator yield?

Mr. LUCAS. I yield for one question.

Mr. KEM. The one question is this: Is not what Mr. Hoffman has done with the money already entrusted to him entirely relevant and material in a debate on the question as to whether additional money shall be entrusted to him?

Mr. LUCAS. This money is being entrusted to another committee, not to Mr. Hoffman.

Mr. KEM. Will the Senator further yield?

Mr. LUCAS. I yield.

Mr. KEM. Did the Senator not refer to what I said earlier this afternoon in criticism of Mr. Hoffman, in discussing the amendment offered by the Senator from Arkansas [Mr. McCLELLAN], the Senator from Nebraska [Mr. WHERRY], and myself?

Mr. LUCAS. If I can just get Mr. Hoffman out of the picture I shall apologize to the Senator for anything I said.

Mr. KEM. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. KEM. May I suggest to the Senator again, that it was he who took exception to what I said with respect to Mr. Hoffman and injected himself into the discussion which had taken place earlier this afternoon and again recently.

Mr. LUCAS. I thank the Senator. The Senator from Nevada [Mr. McCARRAN] in recommending this amendment to the Senate Committee on Appropriations, suggested that the additional amount was necessary because he intended to follow a different policy from that which the Senator from New Hampshire [Mr. BRIDGES], the former chairman, had followed. The Senator from Nevada said:

> I believe the committee can do the best work by sending teams of two over to Europe to go in and make a study of what has been done by the ECA.

Mr. President, for the full fiscal year 1949 the committee expended $194,941.89 of a total appropriation of $267,280. Its total expenditures up to June 30, 1949, were $209,875.56, and the committee is now requesting an increase of $76,720 in its appropriation for the fiscal year 1950.

Mr. WILEY. How many months would be involved?

Mr. LUCAS. Twelve months. There are 21 persons on the staff of the committee. The committee is under the supervision of Charles S. Dewey, who is employed at a salary of $15,000 a year. Four of the staff members are paid $12,000 annually. There are four more who are paid $10,330, and six who are paid $8,432.

Mr. President, Mr. Dewey is paid more than is received by Colon F. Stam, who is the chief of staff of the Joint Committee on Internal Revenue Taxation, one of the most important committees that has ever been set up in the Government. Mr. Dewey gets more than almost any other individual I know of who has ever worked around a committee since I have been in the Congress of the United States. Yet the committee wants nearly $77,000 more in order to put on about 10 more employees in connection with its work.

It may be worth it, but I remind the Senate of the fact that the House of Representatives sent this bill to the Senate without a single word about the watch dog committee. Of course I do not know what the House will do when the bill goes to conference, but I think I have a pretty good idea about this whole thing.

Mr. President, I have studied the reports which have been made by the committee, and of course there are some things in the reports which are good. They have prepared about a dozen reports, eight of which are available at the present time. I think a fair summary can be made of the work of the committee as follows:

The greater part of their activity has been devoted to obtaining information principally from ECA itself, and from other agencies and reporting on it. Frequently the same information which can be found in its reports is available to any Member of Congress by calling upon the ECA, or going into the records of the ECA.

Many of these reports contain information which is published in more detailed form in the President's Quarterly Report to Congress on ECA Operations and in ECA documents.

I do not say that the committee has not done some good work, but the Senate and the Congress are being asked to make cuts in appropriations all along the line, and we are presented with a bill asking for a cut of 10 percent in the ECA appropriations recommended by the President. At the same time, with a going concern which has been operating for a year or more, and which ought to be functioning properly, we are asked for an additional $77,000 in order to put some 8 or 10 more people on the pay rolls, to go to Europe or do something else, though the Committee on Appropriations is going to Europe and going over this country, when this session of Congress closes, to do practically the same thing the watchdog committee is going to do, namely, to ascertain how the money that has been appropriated is being spent. If the Senate wants to give them $344,000 of course it will do it, but I think it is time to begin to level off. If we continue this committee, it will be spending around a million and a half or two million dollars, should we continue to increase the appropriation, before the ECA finally comes to a close.

Unless the committee can show more than I have ever seen in any of the reports up to the present, instead of increasing the trend toward the appropriation of more money and putting more people on the pay roll, we ought to do just the opposite and take some of them off.

Mr. President, that is all I have to say with respect to the matter.

Mr. VANDENBERG. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Michigan.

Mr. VANDENBERG. In thinking the matter over, I have been wondering whether the Senator from Illinois would not be on firmer ground if he changed his amendment to cover the expenditures made by this committee during the last fiscal year, which would be in the neighborhood, as I understand, of about $200,000, instead of $100,000. I think there is something to be said for the viewpoint of the able Senator from Nevada, that if there is to be a committee, it should be adequately equipped. On the other hand, I am unable to see why it is necessary to increase the expenditures this year.

So far as the argument about the Bureau of the Budget is concerned, I think I am accurate when I say that the Bureau of the Budget never in its life tampered with a suggested appropriation by the House or Senate in respect to its own business. It always takes whatever figures the House and the Senate present. I offer the suggestion I have made to the Senator. It seems to me if he followed it he would be on more tenable ground.

Mr. LUCAS. Mr. President, I appreciate the suggestion made by the Senator from Michigan.

Mr. DOUGLAS rose.

Mr. LUCAS. Does my colleague desire that I yield to him?

Mr. DOUGLAS. Mr. President, I should like to have my colleague clarify a little confusion in which I find myself. I take it this is an appropriation for the Joint Committee on Foreign Economic Cooperation, that it is a committee of both Houses.

Mr. LUCAS. The Senator is correct.

Mr. DOUGLAS. Yet the Committee on Appropriations is apparently asking us to bear the entire expenses of the joint committee out of the fund for the contingent expenses of the Senate.

Mr. LUCAS. I think what will happen is this: The appropriation will really come out of the Federal Treasury, and it will be carried into the contingent fund, but the contingent fund will be used only as a matter of convenience for the payment of the vouchers. I think that is correct.

The VICE PRESIDENT. The Chair would like to refer to the ruling in which he passed a while ago on the point of order on the amendment, and also the point raised by the Senator from Georgia in regard to the automatic recommittal of the bill.

On May 3, 1938, a legislative appropriation bill was under consideration, and the then Senator from New York, Mr. Copeland, made a point of order against a committee amendment to the bill which proposed to change the appointive agency in the item for the Legislative Reference Service in the Library of Congress from the Librarian to the President of the Senate and to the Speaker of the House of Representatives. The Chair sustained the point of order made against the amendment, and held that the sustaining of a point of order against the amendment did not automatically send the bill back to the committee.

Later, when there was a legislative bill before the Senate, the Senator from Tennessee [Mr. MCKELLAR], the President pro tempore, being in the chair, the committee had brought in an amendment proposing that only those Senators should draw mileage who had gone home in the interim between the second and third sessions of the Congress. The point of order was sustained on the ground that it changed existing law. The Chair held also that it did not automatically return the bill to the committee.

In 1940, during the consideration of the independent offices appropriation bill, when a point of order was made against a committee amendment which was sustained, an inquiry was made by the then Senator from Colorado, Mr. Adams, as to whether the sustaining of the point of order against the amendment would automatically send the bill back to the committee, and the Chair for the third time held that it would not.

The Chair wanted to have that statement in the RECORD while the subject is fresh in the minds of Members of the Senate.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I ask the distinguished Vice President, if the Senator from Georgia [Mr. RUSSELL] had made the point of order against the bill would the ruling have been the same?

The VICE PRESIDENT. The Chair does not like to pass on a point of order until it is made. Such a point of order was not made, and the Chair did not pass on the question.

Mr. WHERRY. But as I understand the distinguished Vice President, he makes a distinction between a point of order made on an amendment and a point of order made on the bill itself.

The VICE PRESIDENT. That is correct. The Chair might as well say that if a bill contained many legislative provisions which are in violation of the rule of the Senate, and a point of order were made against the whole bill on that ground, the Chair then would have to rule that the bill must be recommitted. But heretofore, in many instances, the Appropriations Committee has avoided that situation by withdrawing committee amendments which were subject to a point of order, and offering them from the floor, in which case they would not affect the validity of the bill insofar as the rule is concerned.

A point of order may be made against an amendment offered from the floor which is in violation of the rule. Of course, that would not send the bill back to the committee automatically. But if any Senator should make a point of order against the whole bill on the ground that it contained provisions which were in violation of the rule, because they constituted legislation on an appropriation bill, the Chair would feel compelled to rule accordingly. But that is not the situation on which the Chair was asked to rule.

Mr. WHERRY. Mr. President, another parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. So that in the further consideration of the bill, if the same question should be raised, in order to recommit the bill, it would be necessary that a point of order be made against the bill itself, against the whole bill?

The VICE PRESIDENT. A point of order, in order to operate to send the bill back to the commmittee, would have to be made against the whole bill on the ground that it contained legislation on an appropriation bill, but if a point of order were made to each amendment individually in the bill, a different ruling would have to be made.

Mr. FERGUSON. Mr. President, I realize the hour is late, but I should like to say a few words about the pending amendment. I hope the Senate will adopt it and allow the sum of $344,000 for the watchdog committee. Many times on the floor of the Senate I have advocated cuts in expenditures because I have felt that in many cases such cuts were justified, because the amounts proposed to be appropriated were extravagant, and a better job could be done with less money.

While I am not a member of the watchdog committee I know something about the work it has been doing. The question with which Congress is faced today is: Does the Congress desire to have a committee independently to investigate certain problems connected with the expenditure of much more than $4,000,000,000 a year? The "watchdog committee" is a joint committee of both Houses of Congress, with 21 members, and a staff. The purpose of the committee is to supervise the expenditures in a way, or at least to obtain knowledge for the Senate and for the House respecting the $4,000,000,000, in some 16 or 18 countries, in the Pacific area as well as in the Atlantic area.

We are now quibbling over whether the committee shall be allowed $100,000 or $344,000. There are two ways to kill the committee. One is to vote no money for it at all, thus letting it pass out of existence. The other way is to appropriate the sum of, say, $100,000 for its work, with which the committee could employ some 8 or 10 persons to act as members of its staff. If that is what the Congress of the United States wants to do, that is what it should do—vote it out of existence, or make it impotent to do its work efficiently. There is no use in the committee trying to do its work for the Congress unless it does it well. I hope the Senate will vote the full amount. That will enable the committee to have a sufficient staff to function properly.

If there is one committee of the Senate which today does not have a sufficient staff, it is the Appropriations Committee. I have advocated, and there is in the independent offices appropriation bill, a provision for $800,000 for the GAO to employ a new staff in order that it may do much needed work for the Appropriations Committee of the Senate and the Appropriations Committee of the House. When the Government is spending upward of $42,000,000,000 a year, there should be a staff composed of a sufficient number of efficient members to look into questions which are before the Congress in connection with appropriations and give the Congress the benefit of their independent judgment.

It has been said that if we want the evidence all we have to do is to call up Mr. Hoffman, or members of his staff, and obtain it. I appreciate the great work Paul Hoffman has done. He is trying to do efficient work. But he cannot exercise the discipline over his staff that Congress can in respect to its own staff. If we want independent figures and independent facts with respect to the various countries where ECA money is being spent, we should be at liberty to send our own staff there.

Mr. President, I remember when this question arose on the floor for the first time. Congress in providing appropriations for ECA created a watchdog committee. Now, after the watchdog committee has been in existence for 1 year, it is in the control of the majority party. It is no longer in the control of the minority party. Why should it not continue in order that the Appropriations Committee may do its work efficiently? I hope the Senate will vote the full amount of $344,000.

Mr. LUCAS. Mr. President, I had a conversation last evening with the distinguished Senator from New Jersey [Mr. SMITH]. He hoped he could be present today because he is a member of the watchdog committee. He advised me that he thought probably the amount could be cut to around $200,000. I am going to modify my amendment by increasing the amount to $200,000.

The VICE PRESIDENT. The modified amendment offered by the Senator from Illinois to the amendment offered by the Senator from Nevada on behalf of the committee will be stated.

The CHIEF CLERK. On page 1, line 3 of the amendment of the committee, it is proposed to strike out "$344,000" and insert in lieu thereof "$200,000."

Mr. MCCARRAN. Mr. President, I hope the amendment will not prevail. I again urge upon the Senate either to put the committee out of business completely and make no appropriations for it whatever; let us discharge the staff, and let the committee stand without any funds whatever, which will put it out of business, or else give it funds ample to perform the duties which the law prescribes it perform. If any Senator were to charge that the committee has been extravagant, that it has been lavish in its expenditures, that any member of the committee has traveled unnecessarily at the expense of the Congress, then I should like to have him say so. But I can assure anyone who would make such a charge that there would not be a word of truth in it.

The salary fixed for Mr. Dewey was fixed when Mr. Dewey was selected by unanimous vote of the committee. Mr. Dewey was regarded as having qualifications, talents, and experience which warranted such a salary. The other members, who receive $12,000 and $10,000, respectively, are attorneys of standing. They were taken from positions in which they were undoubtedly receiving more than that. They are now doing good work for the committee. They have traveled in Europe and brought back reports.

So far as our getting the information from ECA itself is concerned, there is not a word of foundation for such procedure. We have obtained our information from the grass roots, by going to authentic sources of information. What we did was to present the information to Mr. Hoffman and say, "Here is our information. Look into it and see if you want to correct the procedure. If you do, we shall be glad to give you the information we have gathered." In many instances he was grateful for the information we gave him, and corrected his policies accordingly.

Let us not keep this committee in existence but impotent because it has not the money with which to perform its duties. If $344,000 is allowed, it will be allowed after a study has been made of what we should do. I have already stated that we were unable to carry out our responsibilities with reference to GARIOA because we did not feel that we had sufficient funds to perform our duties, so we sent no one to follow up in

connection with GARIOA. We did follow up as regards ECA, and we brought the information not only to Mr. Hoffman, but to the Congress itself, by means of printed reports.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCARRAN. I shall be glad to yield in a moment.

Mr. President, I leave the subject with the Senate, with the statement that it is a thousand times better that the committee go out of existence than to be doing only a quarter job or a half job, or no job at all.

I now yield to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, the Senator talks about the committee being put out of business under this amendment. I am mystified by the parallel statement that the amount now proposed is substantially the same amount which the committee spent in the last fiscal year. Am I correct in that statement?

Mr. McCARRAN. The Senator is correct; but we did not carry out our responsibilities as we should have done, because we did not feel that we had sufficient funds. We did not carry out the obligations which were imposed upon us by the law which I read to the Senator from Illinois a little while ago. This was under the GARIOA Act, which was a different act from the ECA Act, in which it was provided:

And provided further, That the Joint Committee on Foreign Economic Cooperation established pursuant to provisions of section 124 (a) of the Economic Cooperation Act of 1948, shall have the same duties, powers, and responsibilities with respect to programs carried out by appropriations for government and relief in occupied areas as it has with respect to programs under the Economic Cooperation Act of 1948.

We were unable to go into that work because we did not feel that we had the funds. We were unable to carry out our duties under the GARIOA Act, and under the relief act pursuant to it. That being true, we asked for additional funds so that we might be properly staffed to carry out our obligations under the two acts. We have been fulfilling our duties to the best of our ability under one act. We must carry out our duties with reference to the two acts, or not at all, in my judgment.

Mr. VANDENBERG. I was curious about the Senator's statement that the committee would be out of business if it had the same amount of money for next year that it had last year, in view of the very fine job it did last year with the money it had. So I cannot see how the committee would be put out of business overnight if it had the same amount of money during the next year as it had during last year.

Mr. McCARRAN. We have additional duties to carry out under a different act of Congress.

Mr. LUCAS. Mr. President, I wish to make one statement before we vote. On page 12 of the bill there is an amendment which provides as follows:

Provided further, That the Joint Committee on Foreign Economic Cooperation established pursuant to provisions of section 124 (a) of the Economic Cooperation Act of 1948, as amended, shall have the same duties, powers, and responsibilities with respect to programs carried out by appropriations for government and relief in occupied areas as it has with respect to programs under said act.

That is a committee amendment. I now find that this is the same as the basic law read by the distinguished Senator from Nevada a moment ago. The Senator from Illinois had a right to believe, when he read this language, that it was something new. After all, in my opinion this amendment is absolutely unnecessary, because it is already written into the law. That is the reason I made the argument which I made a moment ago, because I had a right to believe, without going back and rereading the basic law, that under this amendment they were going into occupied areas.

The VICE PRESIDENT. This language seems to be merely a repetition of the law itself, heretofore enacted.

Mr. LUCAS. The Chair is correct.

The VICE PRESIDENT. For what reason it is repeated, the Chair has no knowledge.

Mr. WHERRY. Mr. President, as a member of the Appropriations Committee, I am one of those to whom I am sure the majority leader referred when he said that he was rather surprised that Senators who are always for economy should now favor a larger appropriation for this committee.

I am certainly in favor of the watchdog committee, and I am in favor of giving it enough money to do the job properly. I refer to the colloquy which I had with the distinguished majority leader when Senate Concurrent Resolution 38 was introduced, which provides for a legislative committee, and provides for furnishing sufficient personnel to the committee to enable it properly to discharge its responsibilities. I say with all sincerity that I feel that the committee amendment is justified, and I hope that it will prevail.

Some mention has been made this afternoon of the money which is to be spent by ECA in the study of fiscal policies in the United States. We are talking about providing the committee with funds to carry out its responsibilities. Whether we are for the committee or not, I agree with the Senator from Nevada that unless we give the committee enough money to do the job properly, we should abolish the committee.

We are talking about an appropriation of $344,000. For the RECORD, I should like to refer to pages 122 and 123 of the hearings. I shall not take the time to read all the discussion. On those pages will be found a colloquy between Mr. Hoffman, the Administrator, for whom I have profound respect, and the junior Senator from Nebraska.

First there was the question of spending $500,000 to bring officials over here from foreign countries to study the balancing of the budget and the fiscal policies of the United States. Mr. Hoffman's comment was that he had never heard of it, and that it was fantastic.

Then I asked about the $800,000 earmarked to send ECA representatives overseas to carry to Europe the gospel of good financial management, and to learn something about financing. Mr. Hoffman stated that that was fantastic; that it was misrepresentation, misinformation. Yet it will be found from page 123 that I quoted from the justifications, which dealt with the expenditure of $1,300,000 to bring a few Europeans over to the United States to learn how to balance the budget, which has not been balanced for 16 years.

Mr. PEPPER. Mr. President——

Mr. WHERRY. Then it is proposed to send representatives from here over to Europe to learn the same thing. Just think of it.

When I finally confronted Mr. Hoffman with the justifications, he said that he still thought the figures were fantastic, and that he could not believe the record.

I do not mention that as a reflection against Mr. Hoffman. I respect him. I believe that as Administrator he has done as well as anyone could have done in handling the ECA funds. The point I am making is that we are arguing over an appropriation of $344,000 to equip a committee with a staff which can do the job; yet we do not even raise our voices against an expenditure of $1,300,000 so that Europeans may understand how we balance the budget over here, and in order that we may go over there and see how they balance theirs.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. PEPPER. I had assumed, when the first inquiry was made about people coming over here to learn about balancing the budget, that it was a humorous suggestion; but it has been repeated so often that I fear it is being taken seriously. Even if it be true that that is one of the things they might hope to learn here, and even if it might be that they would be disappointed if they hoped to learn it, would not they also hope to learn a little something in a field in which we can teach the world better than anyone else can teach, namely, something of the industrial techniques they need to learn about in order to be able to produce more at less cost? Is not that the real reason why they would hope to come to the United States?

Mr. WHERRY. Mr. President, in answer I shall read the colloquy to the Senator. I would not wish to misrepresent it:

You are sending them money to learn how to spend money on deficits.

Then there is the following statement by Mr. Hoffman, and the further statement by me:

In the first place, the statement is fantastic.

Senator WHERRY. I just got it out of the Wall Street Journal.

Let me ask you about this:

"Another $800,000 are earmarked to speed ECA envoys overseas carrying to Europe the gospel of good financial managing. Sponsors figure 36,000 man-days will be spent in two-way educational processes."

There is nothing there about industrial production.

I read further:

My question then was:

Are you going to do that?

If you did not get that $800,000, you would not wreck your program over there, would you, Mr. Hoffman?

Now, the next thing in the record is:

Mr. HOFFMAN. I cannot tell you about the $800,000, or $500,000. I do not know where those figures came from. That is more misinformation you get in newspapers.

I read further:

Now, Mr. Hoffman, if you will turn to page III-12 of your justifications, here is what you say:

I wish I had the justification here. It is a large bound book, with the title printed in gold letters, and it gives all the justifications.

I said this to Mr. Hoffman:

Here is what you say:

The program envisages some 16,000 man-days to be spent outside the United States by United States Government and other experts and that some 20,000 man-days will be spent in the United States by those who can benefit from the observation and study of American practices and standards.

In other words, practices and standards of finance. That relates to the justification.

I read further:

Then you have the following:

Visits of officials to United States, $500,000.

Expert services provided to Europe, $800,000.

That might be a small thing to you, but here is the exact amount for the very purposes that were presented to you yesterday.

They were in the justification; yet Mr. Hoffman said they were fantastic, so he said, because they came out of the newspapers.

I read further:

You said the statement was fantastic; that it was misinformation, and it was right in your justification.

I want to ask you this question, as one who is seeking to do what you are trying to do—

And I compliment him; I think he is trying to do a good job—

as you say, to get every dollar's worth out of every dollar we spend.

If you do not know any more about your justification than that, how can you tell me that if you reduce the budget $1,000,000,000 or half a billion dollars it is going to wreck the economy of Europe?

Mr. HOFFMAN. That is a very embarrassing question.

Mr. President, there is not one word there about any study regarding the productivity of industry in the United States. Not one word about such a matter appears in the entire colloquy. Two figures are mentioned: $500,000 to be used to permit foreigners to come to the United States and study how to balance our budget, and $800,000 to be used by certain representatives of the United States to go to the foreign countries and study how to balance their budgets. Those are the figures referred to in the colloquy, and that is why the matter is under discussion now. Those figures appear in the justification.

Yet, Mr. President, we are quarreling about an item of $144,000 to be given to the "watchdog committee" to enable it to employ an expert staff which can help us and guide us in connection with the spending of nearly $5,000,000,000. Just imagine, Mr. President, we are quarreling about an item of $144,000 in connection with the spending of approximately $5,000,000,000. Yet in the justification there are two items totaling $1,300,000, which we are told are to be used to teach foreigners how to balance the budget of the United States of America, which has been out of balance almost ever since I can remember, and also are to be used to send experts from the United States to learn how to balance the budgets of the European countries.

Mr. McKELLAR and Mr. PEPPER addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and if so, to whom?

Mr. WHERRY. I yield first to the Senator from Tennessee, and then I shall be glad to yield to the Senator from Florida.

Mr. McKELLAR. Mr. President, I simply wish to ask the Senator from Nebraska if he will place in the RECORD at this point section V, on page III-11 of the justification, running down to the end of that section.

Mr. WHERRY. Mr. President, I ask unanimous consent that that may be done, because that is what I have been discussing.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

V. ASSISTANCE IN APPROVING PUBLIC ADMINISTRATION, FINANCIAL PRACTICES, AND ECONOMIC REPORTING

ECA's willingness to act favorably on European requests for assistance in the improvement of Government administration is based on the conviction that economic recovery is directly dependent upon the effectiveness of plans and administrative action on the part of the governments. The competence of the ministries of economics, industry, public works, agriculture, and finance, determines in large measure how well the countries can carry their ERP responsibilities. Poorly organized government agencies devoid of well selected and trained personnel or utilizing antiquated methods constitute a serious handicap to economic recovery.

Under the bilateral agreements participating countries are obligated to make all practicable measures to balance their internal budgets as a means toward stabilizing of the currency. Inadequate controls over governmental expenditures and ineffective or inadequate systems of taxation create unbalanced budgets thereby contributing to inflation and postponing recovery.

Any steps which ECA can take, at the invitation and with the consent of the participating government, to assist in improving the administration of those ministries concerned with ERP matters and securing coordination among them may constitute a contribution toward recovery of substantially greater value than an equivalent expenditure for commodities or raw materials.

The program envisages some 16,000 man-days to be spent outside the United States by United States Government and other experts and that some 20,000 man-days will be spent in the United States by those who can benefit from the observation and study of American practices and standards.

Visits of officials to United States	$500,000
Expert services provided to Europe	800,000

Mr. PEPPER. Mr. President, will the Senator yield to me at this time?

Mr. WHERRY. I yield.

Mr. PEPPER. Perhaps I did not hear something the Senator from Nebraska read, but in what he read I did not hear anything which would show that the purpose of the missions of such foreigners to the United States would be to learn how to balance the governmental budget. Will the Senator from Nebraska be kind enough to refer to the language stating that they were to come to the United States to learn how to balance the governmental budget?

Mr. WHERRY. Mr. President, the colloquy is four or five pages long. If the Senator from Florida wishes to place a different interpretation on it, that will be perfectly agreeable to me. The Senator from Florida can do so, and can make a speech in the Senate tomorrow regarding that matter, if he wishes to.

But as a United States Senator, I have placed my interpretation of that matter in the RECORD. If the Senator from Florida wishes to place a different interpretation upon it, he can do so.

But I say that what I have indicated is the purpose of the proposed expenditure of $1,300,000, and yet we are quarreling about the expenditure of a total of $344,000 for the staff of a committee whose services have been very valuable in connection with these foreign expenditures.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MALONE. I wonder whether perhaps closer inspection of this matter may show that if this provision is approved by the Congress, these foreigners will come to the United States to find out how we get away without balancing our budget. Has the Senator from Nebraska any comment to make as to that?

Mr. WHERRY. I say the RECORD shows that studying the balancing of the budget is the primary purpose for which these foreigners will come to the United States, under this appropriation, if it is made.

Yet Mr. Hoffman said, when he was questioned about this matter:

I do not know where those figures came from. That is more misinformation you get in newspapers.

And later he said:

That is a very embarrassing question.

Mr. President, it is all right for him to take that position, but that is all the more reason why there should be a watchdog committee to help Mr. Hoffman and to help the Congress. Under the circumstances, I think the proposed expenditure of $344,000 is a good investment in good government.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. CAPEHART. Are we to understand that in the colloquy with Mr. Hoffman, he stated he did not know that there was in the budget an item of $800,000 and another item of $500,000 for the purposes the Senator from Nebraska has described?

Mr. WHERRY. That is correct.

Mr. CAPEHART. Mr. Hoffman did not know that those items were in the budget, and neither did he know their purpose?

Mr. WHERRY. That is correct.

Mr. CAPEHART. I can think of no better reason, then, why we should have somebody to check on the ECA appropriations.

Mr. HICKENLOOPER. Mr. President——

The VICE PRESIDENT. The Senator from Iowa.

Mr. CAPEHART. Mr. President, just a moment, please. Did not the Senator from Nebraska yield to me?

The VICE PRESIDENT. He did, but the Chair thought the Senator from Indiana had completed his statement and that the Senator from Nebraska had finished yielding to him.

Mr. CAPEHART. I am sorry, but I have not finished. I think the Chair was perhaps a little quick on the trigger, although I appreciate that perhaps we should proceed a little more expeditiously in deciding about this matter.

But I wish to say that the watchdog committee certainly can render an important service by watching the budget the Director of the ECA sets up, even if it does nothing more than inform him what is in his budget.

Mr. HICKENLOOPER. Mr. President, will the Senator yield to me?

Mr. WHERRY. I yield.

Mr. HICKENLOOPER. I should like to get my thinking about these matters straight. I understand we are quarreling, not about $300,000 or $400,000, but about a total of $144,000, because the opponents of the committee amendment want the total amount to be $200,000 and the proponents of the committee amendment wish the total to be $344,000. So it seems to me that only $144,000 is involved in this controversy. Does the Senator agree as to that?

Mr. WHERRY. Oh, yes. In fact, I shall agree with almost anything in that connection if the Senate votes to allow the $344,000.

The VICE PRESIDENT. The question is on agreeing to the modified amendment of the Senator from Illinois to the committee amendment, beginning on page 1, in line 10.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Is the vote to be taken on the Lucas amendment involving a reduction to $200,000 of the McCarran amendment offered on behalf of the committee?

The VICE PRESIDENT. That is correct.

The question is on agreeing to the amendment of the Senator from Illinois, as modified, to the amendment of the Senator from Nevada, offered on behalf of the committee, on page 1 in line 10.

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered; and the legislative clerk proceeded to call the roll, and Mr. AIKEN voted "yea" when his name was called.

Mr. BREWSTER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BREWSTER. I should like to know what the vote is being taken upon.

The VICE PRESIDENT. The Chair will endeavor to state it:

The Senator from Illinois has offered an amendment, which now has been modified, to the amendment offered by the Senator from Nevada, on behalf of the committee, on page 1, in line 10. The effect of the modified amendment of the Senator from Illinois to the amendment offered on behalf of the committee would be to reduce the appropriation from $344,000 to $200,000.

The amendment of the Senator from Illinois, as modified, to the amendment offered by the Senator from Nevada on behalf of the committee is what is now being voted on.

Mr. BREWSTER. So a vote of "yea" would be for the amount of $200,000; is that correct?

The VICE PRESIDENT. The Chair thinks so. [Laughter.]

The legislative clerk resumed and concluded the call of the roll.

Mr. MYERS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alabama [Mr. HILL], the Senator from Colorado [Mr. JOHNSON], the Senator from Louisiana [Mr. LONG], the Senator from South Carolina [Mr. MAYBANK], the Senator from Rhode Islad [Mr. McGRATH], the Senator from Connecticut [Mr. McMAHON], the Senator from Idaho [Mr MILLER], the Senator from Montana [Mr. MURRAY], and the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS] are necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY] and the Senator from Tennessee [Mr. KEFAUVER] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from Kansas [Mr. REED] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is detained on official business.

The senior and junior Senators from New Jersey [Mr. SMITH and Mr. HENDRICKSON] are absent because of illness. If present and voting the Senator from New Jersey [Mr. SMITH] would vote "yea."

The Senator from Indiana [Mr. JENNER] is necessarily absent.

The Senator from Vermont [Mr. FLANDERS], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Oregon [Mr. MORSE] are detained on official business.

The result was announced—yeas 30, nays 41, as follows:

YEAS—30

Aiken	Hunt	Myers
Byrd	Ives	Neely
Douglas	Johnson, Tex.	Pepper
Dulles	Johnston, S. C.	Saltonstall
Frear	Kerr	Sparkman
Fulbright	Langer	Stennis
George	Lodge	Thomas, Utah
Graham	Lucas	Thye
Green	McFarland	Vandenberg
Hoey	Magnuson	Withers

NAYS—41

Brewster	Gurney	O'Mahoney
Bricker	Hayden	Robertson
Bridges	Hickenlooper	Russell
Butler	Holland	Schoeppel
Cain	Kem	Smith, Maine
Capehart	Kilgore	Taft
Chapman	Knowland	Taylor
Connally	McCarran	Thomas, Okla
Cordon	McCarthy	Watkins
Donnell	McClellan	Wherry
Ecton	McKellar	Wiley
Ellender	Malone	Williams
Ferguson	Martin	Young
Gillette	Mundt	

NOT VOTING—25

Anderson	Jenner	Morse
Baldwin	Johnson, Colo.	Murray
Chavez	Kefauver	O'Conor
Downey	Long	Reed
Eastland	McGrath	Smith, N. J.
Flanders	McMahon	Tobey
Hendrickson	Maybank	Tydings
Hill	Miller	
Humphrey	Millikin	

So Mr. LUCAS' amendment, as modified, to Mr. MCCARRAN'S amendment on behalf of the committee, was rejected.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment.

The amendment was agreed to.

ANNOUNCEMENT AS TO CALL OF THE CALENDAR

Mr. LUCAS. Mr. President, on Friday last I announced that tomorrow evening we would hold a night session. I have conferred with the minority leader, the Senator from Nebraska [Mr. WHERRY], and other Senators, and, around 7:30 o'clock tomorrow, we will start the call of the calendar, from the beginning. I want Senators to be notified of that fact now, as I know all Senators will want to be present when the calendar is called.

Mr. WHERRY. Mr. President, will the distinguished majority leader emphasize again that the calendar will be called from the beginning, not from the point where we left off on the last call of the calendar?

Mr. LUCAS. The calendar will be called from beginning to end.

The VICE PRESIDENT. Does the Senator, by his announcement, mean that the call is for unobjected-to bills?

Mr. LUCAS. All bills. We are going to start at the beginning and call all bills.

The VICE PRESIDENT. But only bills to which there is no objection; is that correct?

Mr. LUCAS. The Chair is correct.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 40. An act for the relief of William D. Norris;

S. 256. An act to amend the Interstate Commerce Act, as amended;

S. 266. An act modifying a limitation affecting the pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care;

S. 275. An act for the relief of Arthur C. Jones;

S. 447. An act to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles;

S. 584. An act for the relief of Rudolf A. V. Raff;

S. 811. An act to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration;

S. 897. An act for the relief of William Henry Tickner;

S. 1080. An act for the relief of James A. Gordon;

S. 1266. An act for the relief of Hayward O. Brandon;

S. 1330. An act to authorize the sale of certain allotted inherited land on the Winnebago Reservation, Nebr.

S. 1405. An act to provide for the admission to, and the permanent residence in, the United States of Poon Lim;

S. 1429. An act for the relief of Lacey C. Zapf;

S. 1742. An act removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy; and

S. 2010. An act to extend for 1 year the authority of the Administrator of Veterans' Affairs respecting leases and leased property.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 50 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, July 26, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 25 (legislative day of June 2), 1949:

IN THE AIR FORCE

The following-named officers for temporary appointment in the Air Force of the United States under the provisions of section 515, Officer Personnel Act of 1947:

To be major generals

Brig. Gen. George Robert Kennebeck, 47A, United States Air Force Dental Corps.

Brig. Gen. Harry George Armstrong, 209A, Air Force of the United States (lieutenant colonel, United States Air Force Medical Corps).

Chaplain (Col.) Charles Irving Carpenter, 668A, Air Force of the United States (lieutenant colonel, U. S. Air Force Chaplain).

To be brigadier generals

Col. Michael Gerard Healy, 188A, United States Air Force Medical Corps.

Col. Otis Blaine Schreider, 198A, United States Air Force Medical Corps.

Col. Robert Frederick Tate, 363A, United States Air Force.

Col. Roger James Browne, 449A, United States Air Force.

Col. Richard Joseph O'Keefe, 566A, United States Air Force.

Col. Dan Clark Ogle, 602A, United States Air Force Medical Corps.

Col. Albert Henry Schwichtenberg, 665A, United States Air Force Medical Corps.

Col. William Henry Powell, Jr., 684A, Air Force of the United States (lieutenant colonel, U. S. Air Force Medical Corps).

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

William L. Albritton, Camden, Ala., in place of H. H. Dale, retired.

Robert C. Salter, Castleberry, Ala., in place of E. H. Carter, transferred.

Mary M. Davis, Chunchula, Ala. Office became Presidential July 1, 1948.

Autry S. King, Eight Mile, Ala., in place of R. L. Williams, resigned.

John P. Gottler, Elberta, Ala., in place of L. Lindoerfer, resigned.

Russell S. Campbell, Heflin, Ala., in place of C. L. Wager, removed.

ARKANSAS

William L. Nabors, Donaldson, Ark., in place of J. H. Long, retired.

Roger P. Klie, Grady, Ark., in place of A. J. Clemmons, deceased.

Paul E. Williamson, Jr., Holly Grove, Ark., in place of R. L. Sain, transferred.

Avery A. Kaylor, Lavaca, Ark., in place of E. J. Stroub, declined.

Harold M. Jinks, Piggott, Ark., in place of R. McNiel, resigned.

Anna P. Essary, State College, Ark., in place of N. A. Rogers, removed.

Lois G. Wright, Sweet Home, Ark., in place of E. F. Godfrey, resigned.

CALIFORNIA

Thomas B. Thomson, Azusa, Calif., in place of A. McIntire, resigned.

Monte F. Inskeep, Buena Park, Calif., in place of C. W. Brenner, retired.

Floyd W. Patterson, Coyote, Calif., in place of M. A. Rodoni, retired.

Thomas H. Ellis, Jr., Cutten, Calif., in place of R. W. Mitchell, resigned.

Ruby E. Sportsman, Fellows, Calif., in place of W. A. Filer, resigned.

Clarence L. Batten, Fortuna, Calif., in place of P. W. Hunter, retired.

Cecil E. Bolt, Fowler, Calif., in place of J. W. Winton, deceased.

Ellen I. Fitzgerald, Happy Camp, Calif., in place of V. L. Toleman, resigned.

Earl W. Johnston, Ivanhoe, Calif., in place of W. F. Pritchard, deceased.

Anselmo G. Escobar, Mecca, Calif., in place of A. B. Ruth, resigned.

Angus F. Greene, Muroc, Calif., in place of F. J. Schultz, resigned.

George H. Gaskins, Oleum, Calif., in place of S. Briggs, resigned.

Hamil L. Arthurs, San Marcos, Calif., in place of S. L. Diaz, resigned.

Gilbert Cobarubia, Sloughhouse, Calif. Office became Presidential July 1, 1948.

Edwin O. King, Sonora, Calif., in place of C. E. Ortega, retired.

COLORADO

Alice P. Allison, Eaton, Colo., in place of G. F. Springston, deceased.

CONNECTICUT

John F. Heneghan, Hartford, Conn., in place of E. J. Dillon, deceased.

Margaret S. Barboza, New Hartford, Conn., in place of M. W. Sinnott, retired.

George A. Sharon, Somers, Conn., in place of N. E. Welch, retired.

Arthur H. Buttery, Waterford, Conn., in place of J. J. Burns, retired.

FLORIDA

Julian F. Clifton, Flagler Beach, Fla., in place of C. E. Ranger, retired.

Margaret V. Lindsey, Homosassa Springs, Fla. Office became Presidential July 1, 1948.

George E. Lawrence, Grand Ridge, Fla., in place of I. B. McMillan, removed.

Leland R. Brallier, Lake Butler, Fla., in place of M. G. Langford, resigned.

Jessie L. Justice, Lake Hamilton, Fla., in place of H. D. Hall, deceased.

Harry J. Hopcraft, Mount Dora, Fla., in place of C. C. Dooley, deceased.

Herbert A. Marlowe, Newberry, Fla., in place of E. L. Hadsock, resigned.

Joseph W. Padgett, Panama City, Fla., in place of R. R. Morris, resigned.

William D. Thomas, Samoset, Fla. Office became Presidential July 1, 1948.

Charlotte L. Jenkins, Sharpes, Fla. Office became Presidential July 1, 1948.

GEORGIA

Bennie F. Wammock, Adrian, Ga., in place of J. R. Youmans, resigned.

Olive S. Rich, Bartow, Ga., in place of L. S. Smith, deceased.

Walter F. Wells, Jr., Bishop, Ga., in place of R. E. Branch, Jr., resigned.

Robert P. Wight, Cairo, Ga., in place of J. S. Weathers, retired.

Edith M. Holmes, Conley, Ga. Office became Presidential July 1, 1948.

Endine M. Hart, Ellaville, Ga., in place of J. H. Hart, deceased.

George E. Chandler, Jr., Keysville, Ga., in place of L. B. Way, transferred.

Neon E. Bass, Leslie, Ga., in place of E. L. Wilson, retired.

Harry Baggs Chapman, Ludowici, Ga., in place of A. B. Howard, resigned.

Virginia K. Kinsey, Mayfield, Ga., in place of R. H. Kinsey, resigned.

Kathryn E. C. Hanley, Millhaven, Ga., in place of O. W. Stubbs, resigned.

Adahbelle, Elrod, Murrayville, Ga. Office became Presidential July 1, 1948.

Charles Earl Sewell, Newnan, Ga., in place of D. S. Cuttino, resigned.

Cordelia A. Flournoy, Newton, Ga., in place of Ivey M. Cox, retired.

Jack Herring, Ochlechnee, Ga., in place of Sara W. Bulloch, resigned.

Monteen L. Sanders, Parrott, Ga., in place of Wilma G. Cook, resigned.

Samuel W. McNair, Stapleton, Ga., in place of E. J. Stapleton, transferred.

Ray G. Spanger, Sunny Side, Ga. Office became Presidential July 1, 1948.

Maro L. Callier, Talbotton, Ga., in place of J. H. Mahone, transferred.

William F. Lambert, Temple, Ga., in place of A. B. Crews, transferred.

Claude Rountree, Thomasville, Ga., in place of B. C. Blanton, deceased.

Thomas C. Fowler, Woodstock, Ga., in place of H. L. Johnston, deceased.

HAWAII

Jack K. Saito, Makawell, Hawaii, in place of M. J. Carvalho, retired.

IDAHO

Charles S. Thornley, McCammon, Idaho, in place of B. Y. Edwards, removed.

Mabel Logue, Stibnite, Idaho, in place of Edna N. Martin, resigned.

ILLINOIS

Leland H. Watson, Ashmore, Ill., in place of Carolyn Carter, deceased.

John Pugh, Cutler, Ill., in place of M. F. Snook, retired.

Rae A. Arnould, Dixon, Ill., in place of G. J. Fruin, deceased.

Hazen L. Ernst, Gibson City, Ill., in place of Eleanor Onken, resigned.

Charles J. Ginaine, Glenview, Ill., in place of Emily M. Cole, retired.

Beverly C. Wilborn, Grayville, Ill., in place of P. L. Wells, transferred.

Francis M. Perkins, Lawrenceville, Ill., in place of P. F. Lewis, deceased.

Luella A. Nixon, Lomax, Ill., in place of V. F. Nixon, deceased.

Dale A. Schwarz, Roberts, Ill., in place of F. W. Walters, resigned.

Nellie J. Lovelace, Rockton, Ill., in place of W. W. Sloan, retired.

Clyde B. Miller, West Salem, Ill., in place of J. D. Lopp, resigned.

Pearl V. Reilly, Winnebago, Ill., in place of C. E. Reilly, retired.

INDIANA

Verner L. Bowers, Crawfordsville, Ind., in place of Ira Clouser, retired.

Harry McCsker, Ewing, Ind., in place of W. L. Eastin, retired.
George L. Staley, Garrett, Ind., in place of A. G. Houser, retired.
Charles C. Gilmore, Griffin, Ind., in place of Mable A. Price, transferred.
Charles Woodrow Zehner, Windfall, Ind., in place of B. B. Plummer, retired.

IOWA

Jack R. Campbell, Blockton, Iowa, in place of E. R. Adams, transferred.
Oscar A. Jaeger, Decorah, Iowa, in place of Allen Wise, deceased.
Henry M. McMillan, Elgin, Iowa, in place of G. J. Mosby, resigned.
Henry Bendorf, High, Iowa. Office became Presidential July 1, 1947.
Jeanette L. Mennen, Kesley, Iowa, in place of Mary Bode, resigned
Lawrence Isaac Colman, Macedonia, Iowa, in place of Gladys DeBolt, resigned.
John W. Johnson, Marathon, Iowa, in place of W. A. Staton, transferred.
Rose M. Wedeking, Nemaha, Iowa, in place of Edith Page, retired.
Lawrence L. Hagie, Osceola, Iowa, in place of Joe Goodman, retired.
Arthur Klein, Pella, Iowa, in place of Edward Van Zante, resigned.
Harry A. Eddy, Rhodes, Iowa, in place of Gayle Snedecor, resigned.
Julia A. Scott, Titonka, Iowa, in place of L. E. Newville, retired.
Albert J. Schmidt, Winfield, Iowa, in place of B. G. Carper, resigned.

KANSAS

Reginald D. Bennett, Cottonwood Falls, Kans., in place of C. H. Wadsworth, retired.
Ralph L. Bogart, Gypsum, Kans., in place of H. A. Mason, resigned.
Homer C. Brunow, Kensington, Kans., in place of W. F. Kunze, resigned.
John G. Wilson, Moline, Kans., in place of C. H. Wilson, deceased.
Roy J. Considine, Sterling, Kans., in place of T. W. Ross, resigned.

KENTUCKY

Henry M. Piper, Farmington, Ky., in place of J. A. Usher, retired.
Robert X. West, Independence, Ky., in place of A. B. Jaeger, deceased.
Claude G. Bonar, Newport, Ky., in place of W. A. Eimer, retired.

LOUISIANA

Horace G. Hines, Sr., Bethany, La., in place of E. A. Matlock, resigned.
Charles H. Avery, Dubach, La., in place of R. L. Colvin, resigned.
William A. Hogan, Epps, La., in place of V. H. Reed, resigned.
Lloyd B. Platt, Grand Cane, La., in place of H. S. Rogers, retired.
William P. Lawrence, Haughton, La., in place of A. W. Montgomery, resigned.
Tyler E. Adams, Keatchie, La., in place of I. N. Trombino, removed.
Gladys H. Duke, Kelly, La., in place of J. A. Duke, deceased.
Woodrow W. Hathorn, Monroe, La., in place of J. R. Wooten, retired.

MAINE

Warner A. Howard, Coopers Mills, Maine, in place of Margaret C. Mooney, resigned.
Gordon M. Sanborn, East Sebago, Maine, in place of Eva F. Sanborn, resigned.
Vernell L. Leighton, Millbridge, Maine, in place of S. A. Fickett, deceased.

MARYLAND

Earl F. Haenftling, Accident, Md., in place of W. G. Miller, resigned.
Florence W. Gillis, Eden, Md., in place of Minnie L. Wilson, retired.
William M. Remsburg, Knoxville, Md., in place of D. M. Miller, resigned.
Francis L. Leverone, Mount Rainier, Md., in place of W. F. Keys, retired.
Thelma W. Billings, Riva, Md., in place of B. W. Hodges, deceased.

MASSACHUSETTS

Beatrice E. Taylor, Acton, Mass., in place of Mildred H. Hall, resigned.
Harry X. McMichael, Blackstone, Mass., in place of J. J. Downey, retired.
Thomas G. Keating, Cohasset, Mass., in place of Celia R. St. John, resigned.
Raymond W. Comiskey, Dover, Mass., in place of R. W. Comiskey. Incumbent's commission expired June 23, 1942.
James H. Vecchione, East Douglas, Mass., in place of J. J. Quinn, Jr., removed.
James H. Short, North Brookfield, Mass., in place of Lawrence Cotter, retired.
James A. Moran, Wianno, Mass., in place of Bertha M. West, resigned.

MICHIGAN

James O. Curry, Battle Creek, Mich., in place of F. E. Browning, deceased.
Russell R. Farling, Beaverton, Mich., in place of A. E. Dann, retired.
Max R. Day, Carleton, Mich., in place of R. J. McCormick, deceased.
Asher L. Hyllard, Concord, Mich., in place of I. L. Dixon, resigned.
Jesse E. Davis, Fremont, Mich., in place of William De Kuiper, resigned.
Arthur W. Hamilton, Grand Rapids, Mich., in place of F. C. Jarvis, retired.
Merwin O. Baker, Hanover, Mich., in place of Arthur Elmore, deceased.
Selena C. Anderson, Omer, Mich., in place of I. J. Anderson, deceased.
Louis J. Hartel, Oscoda, Mich., in place of E. E. Thompson, deceased.
Lawrence E. Baughn, Pinckney, Mich., in place of H. E. Murphy, transferred.
Ernest R. Moser, Richville, Mich. Office became Presidential July 1, 1948.
Frances L. Lee, Spring Arbor, Mich., in place of Dorothy R. Cramer, resigned.
Phyllis J. Speck, Scotts, Mich., in place of F. H. Leach, resigned.

MINNESOTA

Mattie M. Coyle, Garvin, Minn., in place of Eva A. Shosten, resigned.
Lloyd H. Kuhlmann, Isle, Minn., in place of J. W. Thoma, resigned.
Ethel E. Ebert, Windom, Minn., in place of W. F. Sanger, resigned.

MISSISSIPPI

Josephine W. Webb, Cleveland, Miss., in place of Ivy G. Hill, retired.
Eleanor O. Miller, Darling, Miss., in place of A. P. Henry, resigned.
Randolph M. Sumerall, Isola, Miss., in place of Cecil W. Tinnin, retired.
Kenner E. Day, Rolling Fork, Miss., in place of Olive Alexander, retired.
Katherine W. Jones, Schlater, Miss., in place of B. H. Bacon, transferred.

MISSOURI

Walter B. Menefee, Clinton, Mo., in place of J. E. Moore, resigned.
Howard L. Dickirson, Dexter, Mo., in place of Max Clodfelter, deceased.
Florence M. Newton, Freeman, Mo., in place of L. E. Price, resigned.
Zola B. Reynolds, Humansville, Mo., in place of M. A. Fields, transferred.
Claude E. Burkhart, Huntsville, Mo., in place of S. H. Bagby, removed.
Robert W. Snell, Knox City, Mo., in place of C. M. Eoff, transferred.
Grace M. Schmidt, Labadie, Mo., in place of Juanita A. Flottman, resigned.
Donald L. Bolton, Mindenmines, Mo., in place of J. H. Letton, retired.
I. Fred King, Niangua, Mo., in place of C. D. Hyde, transferred.
Hugh H. Chauncey, Walnut Grove, Mo., in place of Jessie B. Smith, transferred.

NEBRASKA

Fay T. Ziegler, Brewster, Nebr., office became Presidential July 1, 1946.
Raymond D. Rogers, Decatur, Nebr., in place of J. A. Sears, transferred
Francis C. Green, Dorchester, Nebr., in place of Frances L. Danekas, resigned.
William A. Werman, Elk Creek, Nebr., in place of Meredith Y. Cloud, resigned.
Earl F. Shea, Oconto, Nebr., in place of Almira R. Boblits, resigned.
Otis J. Reinmiller, Staplehurst, Nebr., in place of Jeanette Reinmiller, resigned.
Virland D. Hollins, Valley, Nebr., in place of May E. Nichols, retired.

NEW JERSEY

Richard J. Flynn, Gloucester City, N. J., in place of L. C. Parker, retired.
Anna Kline, Middlebush, N. J., in place of E. T. Smith, retired.
Michael J. Adelizzi, West Berlin, N. J., in place of S. G. Boland, retired.

NEW MEXICO

Max B. McBride, Grants, N. Mex., in place of Henry Gallegos, resigned.
Virginia E. Maya, Vanadium, N. Mex., in place of L. E. Miles, retired.

NEW YORK

Walter S. Amo, Clayton, N. Y., in place of W. J. Casselman, retired.
Bernard W. Schatzle, Cold Springs, N. Y., in place of W. S. Colwell, retired.
Ethel M. Fleury, Constable, N. Y., in place of A. H. Callahan, retired.
Clarence G. Pilon, Faust, N. Y., in place of Louis Grenier, resigned.
Frederic E. Price, Gouverneur, N. Y., in place of G. W. Fuller, retired.
Michael Pasternak, New York Mills, N. Y., in place of D. A. Shannon, retired.
William J. Alexander, Sonyea, N. Y., in place of M. W. Hally, declined.
Daniel J. Costello, Troy, N. Y., in place of F. M. Collins, deceased.

NORTH CAROLINA

Mark Sumner, Sr., Asheville, N. C., in place of W. M. Peyton, retired.
Jake Price, Caroleen, N. C., in place of M. B. Mahaffee, resigned.
Joseph J. Meliski, Chimney Rock, N. C., in place of B. S. Meliski, resigned.
Henry G. Stewart, King, N. C., in place of W. E. Johnson, transferred.
Billy Bryan Medford, Lake Junaluska, N. C., in place of A. D. Moody, resigned.
Ellis E. Fleming, Manson, N. C., in place of J. E. Paschall, transferred.
Lewis Chesley White, Merry Hill, N. C., in place of S. H. Adams, retired.
Edward A. Pipkin, Jr., Mooresboro, N. C., in place of W. W. Bridges, resigned.
John S. Regan, Nazareth, N. C., in place of J. A. Beshel, resigned.
Oscar C. Hull, Roxboro, N. C., in place of L. M. Carlton, deceased.
William Thomas McGoogan, Red Springs, N. C., in place of J. C. McPhail, retired.
James B. Russ, Southport, N. C., in place of L. T. Yaskell, resigned.
Ernest Lee Cherry, Stanley, N. C., in place of W. M. Cavin, resigned.
Ruby E. Stanley, Swansboro, N. C., in place of P. L. Ennett, resigned.
Samuel W. Garrell, Jr., Tabor City, N. C., in place of D. F. McGougan, resigned.
Sarah L. Lancaster, Vanceboro, N. C., in place of R. S. Lancaster, resigned.
Allen McD. Callahan, Vass, N. C., in place of B. L. Matthews, retired.

NORTH DAKOTA

Edmund F. Ost, Fredonia, N. Dak., in place of Edward Jerke, resigned.
August F. Poehls, LaMoure, N. Dak., in place of C. F. Brandes, deceased.
Cleo Flugga, Marion, N. Dak., in place of Cleo Flugga. Incumbent's commission expired August 19, 1941.

Leo J. Walerius, Munich, N. Dak., in place of A. M. Schill, resigned.
Bessie G. Goding, Taylor, N. Dak., in place of K. L. Gallagher, deceased.
Kenneth S. Hinck, Willow City, N. Dak., in place of R. E. Campion, retired.
Theodore O. Brandt, Wishek, N. Dak., in place of J. H. Case, removed.

OHIO

Lyell F. Roush, Beverly, Ohio, in place of J. A. Hart, resigned.
Wilbur F. White, Delta, Ohio, in place of H. C. Whitmire, transferred.
Bertie A. Hamilton, Everett, Ohio, in place of F. I. Kepner, retired.
Dell M. Hathway, Gambier, Ohio, in place of B. A. Lauderbaugh, retired.
Ralph L. Painter, New Richmond, Ohio, in place of F. C. Banister, resigned.
Bernice E. Koch, North Royalton, Ohio. Office became Presidential January 1, 1948.
Marcus Baker, South Lebanon, Ohio, in place of Beverly Bradley, resigned.
William T. Warner, Summerfield, Ohio, in place of H. H. Dearth, retired.
Robert C. Millikin, West Jefferson, Ohio, in place of F. L. Robinson, declined.

OKLAHOMA

William E. Martin, Erick, Okla., in place of W. G. Heflin, transferred.
Walter E. Ingram, Henryetta, Okla., in place of L. F. George, retired.
Verney L. Thornton, Lamont, Okla., in place of Pearl Brazell, retired.
James Bailey Carson, Marland, Okla., in place of J. I. Taylor, resigned.
Edward Charles Pyle, Marshall, Okla., in place of G. C. Diedrich, transferred.
Merton W. Hawkins, Ninnekah, Okla., in place of I. M. Duke, resigned.
H. Herbert Puckett, Wilson, Okla., in place of C. C. Russell, transferred.

OREGON

Donald L. Jenkins, Beaverton, Oreg., in place of Neta Daly, deceased.
Joseph R. DeSpain, Pendleton, Oreg., in place of G. A. Hartman, retired.
Clide W. Adams, Tualatin, Oreg., in place of Laura Thompson, retired.

PENNSYLVANIA

James H. Welsh, Adah, Pa., in place of V. D. Shepherd, resigned.
George F. Ulle, Bernharts, Pa., in place of H. P. Schaeffer, retired.
Samuel T. Jackish, Clairton, Pa., in place of Leo Walker, retired.
William J. Stratford, Forest City, Pa., in place of Dominick Franceski, deceased.
Genevieve W. Golden, Glenwillard, Pa., in place of Lula Withrow, retired.
Lawrence R. Newton, Kane, Pa., in place of R. E. Holland, Resigned.
Morris Abram Trout, Kinzers, Pa., in place of W. E. Rutter, Deceased.
V. Dale Schurr, Linfield, Pa., in place of E. S. Rapala, resigned.
Charles J. Pulaski, Mount Carmel, Pa., in place of F. E. Kiefer, deceased.
Markwood C. Reid, Newville, Pa., in place of R. M. Graham, retired.
Charles H. Hillsley, Oreland, Pa., in place of M. M Ryan, resigned.
Ramon A. Carazo, Palmerton, Pa., in place of C. W. Ziegenfus, resigned.
Mary H. Mahoney, Primos, Pa., in place of W. T. Johnson, resigned.
Allen Q. Dreisbach, Quakertown, Pa., in place of H. L. Heimbach, resigned.
Ann F. Vosburgh, Sayre, Pa., in place of H. M. Reynolds, resigned.
Edward O. Meck, Topton, Pa., in place of L. R. Herman, transferred.
William H. Stuntz, West Alexander, Pa., in place of C. C. Davis, designed.
Dolores L. Rish, Westmoreland City, Pa., in place of M. M. Mains, resigned.

SOUTH CAROLINA

Clifford C. Stewart, Abbeville, S. C., in place of C. L. Richey, resigned.
George S. Orpin, Drayton, S. C., in place of A. W. Golding, retired.
Edwin W. Nunnery, Great Falls, S. C., in place of G. O. Howe, transferred.
Bennie Harmon Maybin, Hickory Grove, S. C., in place of J. M. McGill, retired.
Eleanor S. Nunmaker, Irmo, S. C., in place of R. S. Younginer, transferred.
Ray C. Page, Sellers, S. C. Office became Presidential July 1, 1948.

SOUTH DAKOTA

Marie Connery, Bison, S. Dak., in place of F. O. Clark, resigned.
Norbert O. Wieting, Delmont, S. D., in place of I. H. Maxwell, transferred.
Albert Christianson, Volga, S. Dak., in place of J. C. Miller, declined.

TENNESSEE

Herbert M. Hickey, Byington, Tenn., in place of M. M. Dyer, resigned.
Wilton Rust, Kingston Springs, Tenn., in place of P. E. Beard, retired.
Nelle H. Taylor, Milligan College, Tenn., in place of G. B. Beevers, resigned.

TEXAS

Thurman L. McDougald, Anderson, Tex., in place of M. P. Rhew, retired.
Lewis L. Bradley, Sr., Channelview, Tex., in place of N. B. Foreich, resigned.
Antonio G. Pena, Delmita, Tex. Office became Presidential July 1, 1948.
Walter W. Harriss, El Campo, Tex., in place of A. L. Lincecum, retired.
John R. Hearne, Jr., Groveton, Tex., in place of G. F. Purdue, resigned.
Rafaela Guerra, Hidalgo, Tex. Office became Presidential July 1, 1948.
William Harvel Brock, Iola, Tex., in place of J. S. Barron, resigned.
Ruth F. Jenkins, La Porte, Tex., in place of R. A. White, declined.
Lucy M. Derham, La Tuna, Tex. Office became Presidential July 1, 1948.
Rex Hudson, Levelland, Tex., in place of H. H. Mann, resigned.
Norris L. Stanley, Linden, Tex., in place of S. L. Henderson, deceased.
Ewald Hoelker, Lindsay, Tex. Office became Presidential July 1, 1948.
Henry B. Machen, Lockney, Tex.., in place of C. J. McCollum, deceased.
Samuel J. Coffee, Loraine, Tex., in place of W. R. Martin, deceased.
Murray L. Crone, Morton, Tex., in place of W. L. Taylor, transferred.
Aubrey B. Gilpin, Mount Pleasant, Tex., in place of W. E. McClintock, deceased.
Hugh S. Lewis, Robert Lee, Tex., in place of M. H. Russell, resigned.
Leon Howard Lee., Rochelle, Tex., in place of R. C. Boyd, retired.
Louis O. Senkel, Rosenberg, Tex., in place of O. M. Lamkin, transferred
Kyle C Stone, Sherman, Tex., in place of C. R. Nail, deceased.
Mary L. Wallace, Spade, Tex. Office became Presidential July 1, 1948.
Bernard R Strack, Spring, Tex., in place of W. C. Horn, resigned.
Edmon F. Oden, Sundown, Tex., in place of R. A. Guthrie, resigned.
Guy V. Pickett, Terrell Wells, Tex., in place of H. A. Milhan, retired.
J. W. Oliver, Wells, Tex., in place of J. K. Wisener, resigned.

UTAH

Ona Mae Maxey, Sunnyside, Utah, in place of L. M. Jones, resigned.

VIRGINIA

Price W. Atkins, Atkins, Va., in place of W. C. Crowe, deceased.
James S. Smith, Bristow, Va. Office became Presidential July 1, 1948.
Jack P. Fisher, Callaway, Va., in place of A. J. Renick, retired.
James Duval Johnson, Covesville, Va. Office became Presidential July 1, 1948.
Edward C. Killmon, Eastville, Va., in place of J. W. Moore, retired.
George H. Fletcher, Fort Eustis, Va. Office established January 16, 1948.
Albert C. Thompson, Fort Monroe, Va., in place of A. C. Darden, deceased.
Hudson R. Lankford, Franklin, Va., in place of Paul Scarborough, retired.
Raymond H. Morgan, Green Bay, Va., in place of F. H. Jones, retired.
Addie Northam, Hallwood, Va., in place of B. M. Bull, removed.
Luther J. Sample, Honaker, Va., in place of J. G. Albert, resigned.
Charles C. Wells, Matoaca, Va. Office became Presidential July 1, 1948.
Edgar M. Cockrell, Montross, Va., in place of J. W. Harvey, retired.
Paul J. Pennewell, Onancock, Va., in place of J. W. Duncan, deceased.
Paschal M. Johnson, Pembroke, Va., in place of V. S. Lucas, resigned.
C. Meredith Richardson, Pendletons, Va. Office became Presidential July 1, 1948.
Louise M. Harwood, Saluda, Va., in place of W. M. Walden, deceased.

VIRGIN ISLANDS

Wilbert R. Armstrong, Christiansted, V. I., in place B. R. Larsen, deceased.

WASHINGTON

Carl H. J. Quill, Parkland, Wash., in place of R. W. Peterson, removed.
Barbara H. Eggman, Skamokawa, Wash., in place of E. H. Harrow, resigned.

WEST VIRGINIA

Thelma M. Green, Barboursville, W. Va., in place of M. L. Richmond, retired.
Marion Reed, Clay, W. Va., in place of J. F. Wilson, retired.
Nathan B. Lee, Eskdale, W. Va., in place of O. H. Skaggs, resigned.
John B. Hawse, Petersburg, W. Va., in place of W. T. Moomau, resigned.
Vincent M. Sufritz, Sabraton, W. Va., in place of Cora Fisher, resigned.
Donald E. Thaxton, Sissonville, W. Va., in place of B. S. Fisher, removed.

WISCONSIN

Helen L. Regan, Badger, Wis. Office established January 26, 1948.
Herbert C. Lyngaas, Blanchardville, Wis., in place of A. M. Jackson, resigned.
Donald H. Bersell, Chili, Wis., in place of E. Y. Hogenson, retired.
Bernard H. Young, Chippewa Falls, Wis., in place of F. R. Hughes, retired.
Theodore S. Daniels, Manitowish Waters, Wis. Office established March 1, 1948.
Lawrence A. Pofahl, Pleasant Prairie, Wis. Office became Presidential July 1, 1948.
Francis B. Schneider, Rice Lake, Wis., in place of S. J. McShane, retired.
Raymond J. Boxrucker, Stetsonville, Wis., in place of L. W. LaBerge, transferred.
Ellen A. Wilsey, Waterloo, Wis., in place of E. A. Peters, retired.
Frank M. Kelly, Wisconsin Dells, Wis., in place of F. P. McManman, retired.

WYOMING

Lennah J. Vaughn, Lander, Wyo., in place of G. H. Case, resigned.
Eliza J. Yuthas, Superior, Wyo., in place of J. W. Powell, transferred.

WITHDRAWAL

Executive nomination withdrawn from the Senate July 25 (legislative day of June 2), 1949:

POSTMASTER

George D. Laginja, Hibbs, Pa.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 25, 1949

The House met at 12 o'clock noon.

Rev. Arno Gustin, O. S. B., St. John's Abbey, Collegeville, Minn., offered the following prayer:

Come, Holy Spirit, fill the hearts of Thy faithful, and enkindle in them the fire of Thy divine love. Send forth Thy spirit and they shall be regenerated, and Thou shalt renew the face of the earth.

O Lord, enlighten our minds with the splendor of Thy brightness that we may understand those things which we are about to undertake and deliberate rightly in all things.

Grant us, we beseech Thee, the strength of Thy grace, so that with Thy help we may faithfully discharge what we know to be our duty. Through Christ our Lord. Amen.

The SPEAKER. The Clerk will read the Journal of the last day's proceedings.

Mr. GOSSETT. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division, there were—ayes 46, noes 30.

Mr. HAYS of Ohio. Mr. Speaker, I object to the vote on the ground there is no quorum present.

The SPEAKER. That is not a proper point of order. The gentleman may ask for the yeas and nays.

Mr. HAYS of Ohio. I ask for the yeas and nays, Mr. Speaker.

The yeas and nays were ordered.

The question was taken; and there were—yeas 102, nays 243, not voting 87, as follows:

[Roll No. 134]

YEAS—102

Abbitt	Gossett	Pickett
Abernethy	Graham	Poage
Allen, La.	Grant	Preston
Andrews	Gregory	Rains
Battle	Hardy	Rankin
Beckworth	Hare	Regan
Bennett, Fla.	Harris	Rich
Bland	Harrison	Richards
Boggs, La.	Hébert	Rogers, Fla.
Bolton, Md.	Herlong	Sikes
Boykin	Hill	Simpson, Pa.
Brooks	Hobbs	Sims
Brown, Ga.	Hoffman, Mich.	Smith, Kans.
Bryson	Horan	Smith, Va.
Burleson	Jensen	Smith, Wis.
Burton	Jones, Ala.	Steed
Camp	Kerr	Tackett
Colmer	Kilday	Teague
Cooper	Lanham	Thompson
Cox	Larcade	Thornberry
Crawford	Lucas	Trimble
Davis, Ga.	Lyle	Vinson
Davis, Tenn.	McMillan, S. C.	Wheeler
DeGraffenried	Magee	Whitaker
D'Ewart	Mahon	Whitten
Doughton	Mills	Whittington
Elliott	Morrison	Williams
Evins	Murray, Tenn.	Willis
Fisher	Nicholson	Wilson, Okla.
Frazier	Norrell	Wilson, Tex.
Fugate	Pace	Winstead
Gary	Passman	Wood
Gathings	Patman	Woodruff
Gillette	Peterson	Worley

NAYS—243

Albert	Baring	Boggs, Del.
Allen, Calif.	Barrett, Pa.	Bolling
Andersen, H. Carl	Barrett, Wyo.	Bonner
	Bates, Ky.	Bramblett
Anderson, Calif.	Beall	Breen
Andresen, August H.	Bennett, Mich.	Brehm
	Bentsen	Brown, Ohio
Angell	Biemiller	Buchanan
Arends	Bishop	Buckley, Ill.
Aspinall	Blackney	Burdick
Bailey	Blatnik	Burke
Burnside	Hoeven	Nixon
Byrne, N. Y.	Holifield	Norblad
Byrnes, Wis.	Holmes	Norton
Canfield	Hope	O'Brien, Ill.
Cannon	Howell	O'Brien, Mich
Carlyle	Huber	O'Hara, Ill
Carroll	Hull	O'Hara, Minn.
Case, N. J.	Irving	O'Konski
Cavalcante	Jackson, Calif.	O'Neill
Celler	Jackson, Wash.	O'Sullivan
Chelf	Jacobs	Patten
Chesney	Javits	Patterson
Chiperfield	Jenison	Perkins
Christopher	Jenkins	Pfeiffer, William L.
Chudoff	Johnson	
Church	Jonas	Philbin
Cole, Kans.	Jones, Mo.	Phillips, Tenn.
Combs	Judd	Polk
Cooley	Karst	Poulson
Corbett	Karsten	Price
Cotton	Kean	Priest
Coudert	Keating	Rabaut
Crook	Kee	Ramsay
Crosser	Keefe	Reed, N. Y.
Davenport	Keogh	Rees
Davis, Wis.	King	Rhodes
Dawson	Kirwan	Riehlman
Denton	Kunkel	Rodino
Dingell	Lane	Rogers, Mass.
Dollinger	Latham	Rooney
Dolliver	LeCompte	Sabath
Dondero	LeFevre	Sadlak
Donohue	Lemke	Sadowski
Douglas	Lesinski	St. George
Doyle	Lind	Sanborn
Eberharter	Linehan	Sasscer
Ellsworth	Lodge	Scott, Hardie
Engel, Mich.	Lovre	Scott, Hugh D., Jr.
Engle, Calif.	Lynch	
Fallon	McCarthy	Scrivner
Fenton	McConnell	Scudder
Fernandez	McCormack	Secrest
Flood	McCulloch	Sheppard
Fogarty	McDonough	Simpson, Ill.
Forand	McGrath	Smith, Ohio
Ford	McGuire	Spence
Fulton	McKinnon	Staggers
Furcolo	McMillen, Ill.	Stefan
Gamble	Mack, Ill.	Stigler
Garmatz	Mack, Wash.	Sullivan
Golden	Macy	Sutton
Goodwin	Madden	Talle
Gordon	Mansfield	Tauriello
Gore	Marcantonio	Taylor
Gorski, Ill.	Marsalis	Thomas, Tex.
Gorski, N. Y.	Marshall	Tollefson
Granahan	Mason	Underwood
Granger	Merrow	Van Zandt
Gross	Meyer	Vorys
Hagen	Michener	Wagner
Hall, Leonard W.	Miles	Welch, Calif.
	Miller, Calif.	Welch, Mo.
Halleck	Miller, Md.	Werdel
Harvey	Miller, Nebr.	White, Calif.
Havenner	Mitchell	White, Idaho
Hays, Ohio	Morgan	Wigglesworth
Hedrick	Morris	Wilson, Ind.
Heffernan	Morton	Wolverton
Heller	Moulder	Yates
Herter	Multer	Young
Heselton	Murray, Wis.	Zablocki
Hinshaw	Nelson	

NOT VOTING—87

Addonizio	Hale	Phillips, Calif.
Allen, Ill.	Hall, Edwin Arthur	Plumley
Auchincloss		Potter
Barden	Hand	Powell
Bates, Mass.	Harden	Quinn
Bolton, Ohio	Hart	Redden
Bosone	Hays, Ark.	Reed, Ill
Buckley, N. Y.	Hoffman, Ill.	Ribicoff
Bulwinkle	James	Rivers
Carnahan	Jennings	Roosevelt
Case, S. Dak.	Jones, N. C.	Shafer
Chatham	Kearney	Short
Clemente	Kearns	Smathers
Clevenger	Kelley	Stanley
Cole, N. Y.	Kennedy	Stockman
Cunningham	Kilburn	Taber
Curtis	Klein	Thomas, N. J.
Dague	Kruse	Towe
Davies, N. Y.	Lichtenwalter	Velde
Deane	McGregor	Vursell
Delaney	McSweeney	Wadsworth
Durham	Martin, Iowa	Walsh
Eaton	Martin, Mass.	Walter
Elston	Monroney	Weichel
Feighan	Murdock	Wickersham
Fellows	Murphy	Wier
Gavin	Noland	Withrow
Gilmer	O'Toole	Wolcott
Green	Pfeifer, Joseph L.	Woodhouse
Gwinn		

So the motion was rejected.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Redden with Mr. Martin of Massachusetts.
Mr. Smathers with Mr. Towe.
Mr. Ribicoff with Mr. Elston.
Mr. Murphy with Mr. Kearney.
Mr. Kelley with Mr. Auchincloss.
Mr. Walters with Mr. Kilburn.
Mr. Roosevelt with Mr. Lichtenwalter.
Mr. Stanley with Mr. McGregor.
Mr. Klein with Mr. Reed of Illinois.
Mr. Gilmer with Mr. Short.
Mr. Addonizio with Mr. Hand.
Mr. Hays of Arkansas with Mr. Gavin.
Mr. Chatham with Mr. Eaton.
Mr. Deane with Mr. Cole of New York.
Mr. Feighan with Mr. Withrow.
Mr. Rivers with Mr. Wadsworth.
Mr. Hart with Mr. Taber.
Mr. Green with Mr. Shafer.
Mr. McSweeney with Mr. Fellows.
Mr. Walsh with Mr. Gwinn.
Mr. Wickersham with Mr. Hale.
Mrs. Woodhouse with Mr. Hoffman of Illinois.
Mr. Durham with Mr. Stockman.
Mr. Monroney with Mr. James.
Mr. Barden with Mr. Jennings.
Mr. Kennedy with Mr. Kearns.
Mr. Delaney with Mr. Wolcott.
Mr. Quinn with Mr. Weichel.
Mr. Clemente with Mr. Vursell.
Mr. O'Toole with Mr. Velde.
Mr. Joseph L. Pfeifer with Mr. Edwin Arthur Hall.
Mrs. Bosone with Mrs. Harden.
Mr. Buckley of New York with Mr. Dague.
Mr. Davies of New York with Mr. Curtis.
Mr. Noland with Mr. Martin of Iowa.
Mr. Cannon with Mr. Potter.
Mr. Carnahan with Mr. Cunningham.
Mr. Kruse with Mr. Bates of Massachusetts.
Mr. Jones of North Carolina with Mr. Plumley.
Mr. Powell with Mr. Phillips of California.
Mr. Murdock with Mrs. Bolton of Ohio.
Mr. Wier with Mr. Case of South Dakota.

Mr. HOLIFIELD changed his vote from "present" to "nay."

Mr. HEDRICK changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

THE JOURNAL

The SPEAKER. The Clerk will read the Journal of the last day's proceedings.

The Clerk read the Journal of the proceedings of Friday, July 22, 1949.

Mr. RANKIN (interrupting the reading of the Journal). Mr. Speaker, a point of order. I make the point of order that the House is not in order; we cannot hear what the Clerk is reading.

The SPEAKER. The Chair is cognizant of that practically all the time.

Mr. RANKIN. I would like to have order so we can hear what the Clerk is reading.

The SPEAKER. The Chair trusts he is reading the Journal of the last day's proceedings.

Mr. RANKIN. I hope so, but I want to hear what the Clerk is reading, and have a right to hear what he is reading, Mr. Speaker.

The SPEAKER. The House will be in order. The Clerk will read.

(The Clerk concluded the reading of the Journal.)

Mr. McCORMACK. Mr. Speaker, I move that the Journal as read stand approved; and on that motion I move the previous question.

The SPEAKER. The question is on ordering the previous question.

Mr. DAVIS of Georgia. Mr. Speaker, on that I demand the yeas and nays.

Mr. RANKIN. Mr. Speaker, I demand the yeas and nays on ordering the previous question.

The yeas and nays were ordered.

The question was taken; and there were—yeas 259, nays 88, not voting 85, as follows:

[Roll No. 135]

YEAS—259

Addonizio	Goodwin	Moulder
Albert	Gordon	Multer
Allen, Calif.	Gore	Murray, Wis.
Allen, Ill.	Gorski, Ill.	Nelson
Andersen, H. Carl	Gorski, N. Y.	Nicholson
Anderson, Calif.	Graham	Nixon
Angell	Granahan	Norblad
Arends	Granger	Norton
Auchincloss	Gross	O'Brien, Ill.
Baring	Hagen	O'Brien, Mich
Barrett, Pa.	Hall, Leonard W.	O'Hara, Ill
Barrett, Wyo.	Halleck	O'Hara, Minn.
Bates, Ky.	Hand	O'Konski
Beall	Harden	O'Neill
Bennett, Mich.	Harvey	O'Sullivan
Bentsen	Havenner	Patten
Biemiller	Hays, Ohio	Patterson
Bishop	Heffernan	Pfeifer, Joseph L.
Blackney	Heller	Pfeiffer, William L.
Blatnik	Herter	Philbin
Boggs, Del.	Heselton	Phillips, Tenn.
Bolling	Hinshaw	Polk
Bolton, Ohio	Hoeven	Price
Bonner	Holifield	Priest
Bramblett	Holmes	Quinn
Breen	Hope	Rabaut
Brehm	Horan	Ramsay
Brown, Ohio	Howell	Reed, N. Y.
Buchanan	Huber	Rees
Buckley, Ill.	Hull	Rhodes
Burdick	Irving	Rich
Burke	Jackson, Calif.	Riehlman
Burnside	Jackson, Wash.	Rodino
Byrnes, Wis.	Jacobs	Rogers, Mass.
Canfield	Javits	Rooney
Cannon	Jenison	Sabath
Carlyle	Jenkins	Sadlak
Carnahan	Johnson	Sadowski
Carroll	Jonas	St. George
Case, N. J.	Jones, Mo.	Sanborn
Cavalcante	Judd	Sasscer
Celler	Karst	Scott, Hardie
Chelf	Karsten	Scott, Hugh D., Jr.
Chesney	Kean	Scrivner
Christopher	Keating	Scudder
Chudoff	Kee	Secrest
Church	Keogh	Sheppard
Clemente	Kunkel	Short
Combs	Lane	Simpson, Ill.
Cooley	Latham	Simpson, Pa.
Corbett	LeCompte	Sims
Cotton	LeFevre	Smith, Kans.
Coudert	Lemke	Smith, Ohio
Crook	Lesinski	Spence
Crosser	Lind	Staggers
Cunningham	Linehan	Steed
Curtis	Lodge	Stefan
Davenport	Lovre	Stigler
Davis, Wis.	Lynch	Stockman
Dawson	McCarthy	Sullivan
Delaney	McConnell	Sutton
Denton	McCormack	Talle
D'Ewart	McCulloch	Tauriello
Dingell	McDonough	Taylor
Dollinger	McGrath	Thomas, Tex.
Dolliver	McGuire	Tollefson
Dondero	McKinnon	Underwood
Donohue	Mack, Ill.	Van Zandt
Douglas	Mack, Wash.	Vorys
Doyle	Macy	Wagner
Eberharter	Madden	Walsh
Ellsworth	Mansfield	Welch, Calif.
Engel, Mich.	Marcantonio	Welch, Mo.
Engle, Calif.	Marsalis	Werdel
Evins	Marshall	White, Calif.
Fallon	Martin, Mass.	Wickersham
Fenton	Mason	Wigglesworth
Fernandez	Merrow	Wilson, Okla.
Flood	Meyer	Wolcott
Forand	Michener	Wolverton
Ford	Miles	Woodhouse
Fulton	Miller, Md.	Woodruff
Furcolo	Miller, Nebr.	Yates
Gamble	Mitchell	Young
Garmatz	Monroney	Zablocki
Gillette	Morgan	
Golden	Morris	

NAYS—88

Abbitt	Frazier	Passman
Abernethy	Fugate	Patman
Allen, La.	Gary	Peterson
Andresen, August H.	Gathings	Pickett
Andrews	Gossett	Poage
Battle	Grant	Preston
Beckworth	Hardy	Rains
Bennett, Fla.	Hare	Rankin
Bland	Harris	Regan
Boggs, La.	Harrison	Richards
Bolton, Md.	Hébert	Rogers, Fla.
Boykin	Herlong	Sikes
Brooks	Hill	Smith, Va.
Brown, Ga.	Hobbs	Smith, Wis.
Bryson	Hoffman, Mich.	Tackett
Burleson	Jensen	Teague
Burton	Jones, Ala.	Thompson
Camp	Kilday	Thornberry
Chiperfield	Lanham	Trimble
Colmer	Larcade	Vinson
Cooper	Lucas	Wheeler
Cox	Lyle	Whitten
Crawford	McMillan, S. C.	Whittington
Davis, Ga.	Magee	Williams
Davis, Tenn.	Mahon	Willis
DeGraffenried	Mills	Wilson, Ind.
Doughton	Morrison	Wilson, Tex.
Elliott	Murray, Tenn.	Winstead
Fisher	Norrell	Wood
	Pace	

NOT VOTING—85

Aspinall	Hart	Phillips, Calif.
Bailey	Hays, Ark.	Plumley
Barden	Hedrick	Potter
Bates, Mass.	Hoffman, Ill.	Poulson
Bosone	James	Powell
Buckley, N. Y.	Jennings	Redden
Bulwinkle	Jones, N. C.	Reed, Ill.
Byrne, N. Y.	Kearney	Ribicoff
Case, S. Dak.	Kearns	Rivers
Chatham	Keefe	Roosevelt
Clevenger	Kelley	Shafer
Cole, Kans.	Kennedy	Smathers
Cole, N. Y.	Kerr	Stanley
Dague	Kilburn	Taber
Davies, N. Y.	King	Thomas, N. J.
Deane	Kirwan	Towe
Durham	Klein	Velde
Eaton	Kruse	Vursell
Elston	Lichtenwalter	Wadsworth
Feighan	McGregor	Walter
Fellows	McMillen, Ill.	Weichel
Fogarty	McSweeney	Whitaker
Gavin	Martin, Iowa	White, Idaho
Gilmer	Miller, Calif.	Wier
Green	Morton	Withrow
Gregory	Murdock	Worley
Gwinn	Murphy	
Hale	Noland	
Hall, Edwin Arthur	O'Toole	
	Perkins	

So the previous question was ordered.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Roosevelt with Mr. Taber.
Mr. Murphy with Mr. Towe.
Mr. Byrne of New York with Mr. Kearns.
Mr. Gilmer with Mr. Bates of Massachusetts.
Mr. Hays of Arkansas with Mr. Kilburn.
Mr. Green with Mr. Keefe.
Mr. Hart with Mr. Lichtenwalter.
Mr. Ribicoff with Mr. McGregor.
Mr. Redden with Mr. Morton.
Mr. Kelley with Mr. Reed of Illinois.
Mr. Walter with Mr. Gavin.
Mr. Rivers with Mr. Elston.
Mr. Noland with Mr. Cole of New York.
Mr. Smathers with Mr. Shafer.
Mr. Kennedy with Mr. Velde.
Mr. Klein with Mr. Vursell.
Mrs. Bosone with Mr. Weichel.
Mr. King with Mr. Withrow.
Mr. Stanley with Mr. Kearney.
Mr. Whitaker with Mr. Wadsworth.
Mr. Deane with Mr. Gwinn.
Mr. Gregory with Mr. Eaton.
Mr. McSweeney with Mr. Dague.
Mr. Kirwan with Mr. Jennings.
Mr. Kruse with Mr. Hoffman of Illinois.
Mr. Miller of California with Mr. James.
Mr. Feighan with Mr. Potter.
Mr. Fogarty with Mr. Martin of Iowa.

Mr. WALSH changed his vote from "present" to "aye."

The result of the vote was announced as above recorded.

The SPEAKER. The question is, Shall the Journal of the last day's proceedings stand approved?

Mr. DAVIS of Georgia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 286, nays 54, not voting 92, as follows:

[Roll No. 136]

YEAS—286

Addonizio	Evins	McGrath
Albert	Fallon	McGuire
Allen, Calif.	Fenton	McMillen, Ill.
Allen, Ill.	Fernandez	Mack, Wash.
Andersen, H. Carl	Fisher	Macy
Anderson, Calif.	Flood	Madden
Andresen, August H.	Forand	Magee
Angell	Ford	Mansfield
Arends	Frazier	Marcantonio
Aspinall	Fugate	Marsalis
Auchincloss	Fulton	Martin, Mass.
Bailey	Furcolo	Mason
Baring	Gamble	Merrow
Barrett, Pa.	Garmatz	Meyer
Barrett, Wyo.	Gary	Michener
Bates, Ky.	Gillette	Miles
Bates, Mass.	Golden	Miller, Calif.
Battle	Goodwin	Miller, Md.
Beall	Gordon	Miller, Nebr.
Beckworth	Gorski, Ill.	Mills
Bennett, Mich.	Gorski, N. Y.	Mitchell
Bentsen	Graham	Monroney
Biemiller	Granahan	Morgan
Bishop	Granger	Morris
Blackney	Gross	Morton
Blatnik	Hagen	Moulder
Boggs, Del.	Halleck	Multer
Bolling	Hand	Murray, Wis.
Bolton, Md.	Harden	Nelson
Bolton, Ohio	Hardy	Nicholson
Bonner	Harvey	Nixon
Bramblett	Havenner	Noland
Breen	Hays, Ohio	Norblad
Brehm	Hébert	Norton
Brown, Ohio	Heffernan	O'Brien, Ill.
Bryson	Heller	O'Brien, Mich.
Buchanan	Herter	O'Hara, Ill.
Buckley, Ill.	Heselton	O'Hara, Minn.
Burdick	Hill	O'Konski
Burke	Hinshaw	O'Neill
Burton	Hoeven	O'Sullivan
Byrnes, Wis.	Hoffman, Mich.	Patman
Canfield	Holifield	Patterson
Cannon	Holmes	Perkins
Carlyle	Hope	Pfeifer, Joseph L.
Carnahan	Horan	Pfeiffer, William L.
Carroll	Howell	Philbin
Case, N. J.	Huber	Phillips, Tenn.
Cavalcante	Hull	Plumley
Celler	Irving	Poage
Chelf	Jackson, Calif.	Polk
Chesney	Jackson, Wash.	Poulson
Chiperfield	Jacobs	Powell
Christopher	Javits	Price
Chudoff	Jenison	Priest
Church	Jenkins	Quinn
Clemente	Johnson	Rabaut
Combs	Jonas	Ramsay
Cooley	Jones, Mo.	Reed, N. Y.
Cooper	Judd	Rees
Corbett	Karst	Rhodes
Cotton	Karsten	Rich
Crook	Kean	Richards
Crosser	Keating	Riehlman
Cunningham	Kee	Rodino
Curtis	Keogh	Rogers, Mass.
Davenport	Kerr	Rooney
Davis, Wis.	King	Sabath
Dawson	Kirwan	Sadlak
Delaney	Kunkel	St. George
Denton	Lane	Sanborn
Dingell	Larcade	Scott, Hardie
Dollinger	Latham	Scott, Hugh D., Jr.
Dolliver	LeCompte	Scrivner
Dondero	LeFevre	Scudder
Donohue	Lemke	Secrest
Doughton	Lesinski	Sheppard
Douglas	Lind	Sikes
Doyle	Linehan	Simpson, Ill.
Eberharter	Lodge	Simpson, Pa.
Ellsworth	Lovre	Sims
Engel, Mich.	McCarthy	Smith, Va.
Engle, Calif.	McConnell	
	McCormack	
	McCulloch	

Smith, Wis.	Taylor	Welch, Mo.
Spence	Teague	Wigglesworth
Staggers	Thomas, Tex.	Wilson, Ind.
Steed	Thompson	Wilson, Okla.
Stefan	Thornberry	Wolcott
Stigler	Tollefson	Wolverton
Stockman	Underwood	Woodhouse
Sullivan	Van Zandt	Woodruff
Sutton	Vorys	Worley
Tackett	Wagner	Yates
Talle	Walsh	Young
Tauriello	Welch, Calif.	Zablocki

NAYS—54

Abbitt	Gathings	Peterson
Abernethy	Gossett	Pickett
Allen, La.	Grant	Preston
Andrews	Hare	Rains
Bennett, Fla.	Harris	Rankin
Boggs, La.	Harrison	Regan
Boykin	Herlong	Rogers, Fla.
Brooks	Hobbs	Smith, Kans.
Brown, Ga.	Jensen	Trimble
Burleson	Jones, Ala.	Vinson
Cole, Kans.	Kilday	Wheeler
Colmer	Lanham	Whitten
Crawford	Lucas	Whittington
Davis, Ga.	McMillan, S. C.	Williams
Davis, Tenn.	Mahon	Willis
DeGraffenried	Murray, Tenn.	Wilson, Tex.
D'Ewart	Norrell	Winstead
Elliott	Passman	Wood

NOT VOTING—92

Barden	Hall,	Patten
Bland	Leonard W.	Phillips, Calif.
Bosone	Hart	Potter
Buckley, N. Y	Hays, Ark.	Redden
Bulwinkle	Hedrick	Reed, Ill.
Burnside	Hoffman, Ill.	Ribicoff
Byrne, N. Y.	James	Rivers
Camp	Jennings	Roosevelt
Case, S. Dak.	Jones, N. C.	Sadowski
Chatham	Kearney	Sasscer
Clevenger	Kearns	Shafer
Cole, N. Y.	Keefe	Short
Coudert	Kelley	Smathers
Cox	Kennedy	Smith, Ohio
Dague	Kilburn	Stanley
Davies, N. Y.	Klein	Taber
Deane	Kruse	Thomas, N. J.
Durham	Lichtenwalter	Towe
Eaton	Lyle	Velde
Elston	Lynch	Vursell
Feighan	McDonough	Wadsworth
Fellows	McGregor	Walter
Fogarty	McKinnon	Weichel
Gavin	McSweeney	Werdel
Gilmer	Mack, Ill.	Whitaker
Gore	Marshall	White, Calif.
Green	Martin, Iowa	White, Idaho
Gregory	Morrison	Wickersham
Gwinn	Murdock	Wier
Hale	Murphy	Withrow
Hall,	O'Toole	
Edwin Arthur	Pace	

So the motion was agreed to.

The Clerk announced the following pairs:

Additional pairs until further notice:

Mr. Walter with Mr. Vursell.
Mr. Kelley with Mr. Kearns.
Mr. Gilmer with Mr. Leonard W. Hall.
Mr. Klein with Mr. Taber.
Mr. Roosevelt with Mr. Eaton.
Mr. Hays of Arkansas with Mr. McGregor.
Mr. McSweeney with Mr. Lichtenwalter.
Mr. Green with Mr. Kilburn.
Mr. Kruse with Mr. Reed of Illinois.
Mr. Smathers with Mr. Potter.
Mr. Redden with Mr. Gavin.
Mr. Stanley with Mr. Kearney.
Mr. Whitaker with Mr. Jennings.
Mr. Patten with Mr. Withrow.
Mr. Barden with Mr. Werdel.
Mr. Gregory with Mr. Short.
Mr. Morrison with Mr. Gwinn.
Mr. Fogarty with Mr. Shafer.
Mr. Feighan with Mr. Towe.
Mr. O'Toole with Mr. Velde.
Mr. Byrne of New York with Mr. Wadsworth.
Mr. Deane with Mr. Weichel.
Mr. Ribicoff with Mr. Cole of New York.
Mr. Rivers with Mr. Dague.
Mr. Wickersham with Mr. Elston.
Mr. Davies of New York with Mr. Fellows.
Mrs. Bosone with Mr. Keefe.
Mr. Chatham with Mr. James.
Mr. Cox with Mr. Edwin Arthur Hall.
Mr. Pace with Mr. Coudert.
Mr. White of California with Mr. Case of South Dakota.
Mr. Kennedy with Mr. Hoffman of Illinois.
Mr. Hart with Mr. Martin of Iowa.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 19, 1949:

H. R. 3127. An act to authorize the admission into the United States of Jacob Gross, a minor.

On July 20, 1949:

H. R. 858. An act to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended;

H. R. 578. An act for the relief of Carlton C. Grant and others;

H. R. 2737. An act to establish the Medal for Humane Action for award to persons serving in or with the armed forces of the United States participating in the current military effort to supply necessities of life to the people of Berlin, Germany; and

H. R. 4016. An act making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. The Chair recognizes the gentlewoman from New Jersey.

Mr. SIKES. Mr. Speaker, I move that the House do now adjourn.

Mrs. NORTON. Mr. Speaker, pursuant to the provisions of clause——

The SPEAKER. The gentleman from Florida moves that the House do now adjourn.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Mr. Speaker, I make the point of order that under the rules of the House there can be only one intervening motion to adjourn; that there having been one motion to adjourn, the motion made at the present time is dilatory.

The SPEAKER. There is nothing before the House at the present time. The gentleman from Florida moves that the House do now adjourn. That motion is in order.

Mr. MARCANTONIO. Except, if the Chair will permit me to proceed further, the Speaker had recognized the gentlewoman from New Jersey to propound a motion of the highest privilege. I submit that the motion to adjourn could not be made at the time she was propounding her motion.

The SPEAKER. The Chair has always found that a motion to adjourn is a motion of the highest privilege.

Mr. MARCANTONIO. While another motion is being made?

The SPEAKER. The Chair knows what the gentleman has in his mind and might as well make clear now that when the resolution is under consideration there can be only one motion to adjourn during consideration of the resolution.

The Chair holds that the motion of the gentleman from Florida is in order.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. I do not want to seem to be insistent upon this matter, but I submit that the gentlewoman from New Jersey had been recognized.

Mr. RANKIN. Mr. Speaker, a point of order.

Mr. MARCANTONIO. And she was making——

Mr. RANKIN. That is not a point of order, Mr. Speaker.

The SPEAKER. The gentleman is making a parliamentary inquiry, and the Chair recognized him for that purpose.

Mr. RANKIN. Mr. Speaker, I demand the regular order.

The SPEAKER. The Chair is going to recognize a Member to propound a parliamentary inquiry.

Mr. RANKIN. Mr. Speaker, he is not propounding one, though.

Mr. MARCANTONIO. I am attempting to.

The SPEAKER. Let the Chair be the judge of that.

The gentleman from New York will state his parliamentary inquiry.

Mr. MARCANTONIO. Since the gentlewoman from New Jersey was making a motion and had been recognized by the Speaker to make that motion, my parliamentary inquiry is whether or not a motion to adjourn can be made in the midst of the gentlewoman's statement of her motion.

The SPEAKER. The Chair can answer that very easily.

Mr. RANKIN. Mr. Speaker, the gentleman from Florida was on his feet.

The SPEAKER. Just a moment. The Chair has already held that the motion to adjourn was in order. Answering the gentleman from New York, there is nothing pending before the House, because the resolution has not been reported and its consideration has not begun.

The question is, Shall the House adjourn?

Mr. DAVIS of Georgia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 113, nays 243, not voting 75, as follows:

[Roll No. 137]

YEAS—113

Abbitt	Crawford	Hébert
Abernethy	Curtis	Herlong
Allen, La.	Davis, Ga.	Hill
Andresen,	Davis, Tenn.	Hobbs
August H.	DeGraffenried	Hoffman, Mich.
Andrews	D'Ewart	Horan
Arends	Dolliver	Jensen
Bates, Mass.	Dondero	Jones, Ala.
Battle	Doughton	Jones, Mo.
Beckworth	Elliott	Kilday
Bennett, Fla.	Ellsworth	King
Bennett, Mich.	Evins	Lanham
Bland	Fisher	Larcade
Boggs, La.	Frazier	Lucas
Bolton, Md.	Fugate	Lyle
Boykin	Gary	McMillan, S. C.
Brooks	Gathings	Magee
Brown, Ga.	Gillette	Mahon
Bryson	Gossett	Miller, Nebr.
Burleson	Grant	Mills
Burton	Gregory	Morrison
Camp	Hardy	Murray, Tenn.
Colmer	Hare	Nicholson
Cooper	Harris	Norrell
Cox	Harrison	O'Hara, Minn.

Pace	Riehlman	Trimble
Passman	Rogers, Fla.	Vinson
Patman	Sikes	Werdel
Peterson	Simpson, Pa.	Wheeler
Pickett	Sims	Whitten
Poage	Smith, Kans.	Whittington
Preston	Smith, Va.	Williams
Rains	Smith, Wis.	Willis
Rankin	Steed	Wilson, Tex.
Reed, N. Y.	Stockman	Winstead
Regan	Tackett	Wood
Rich	Thompson	Woodruff
Richards	Thornberry	Worley

NAYS—243

Addonizio	Gorski, Ill.	Morris
Albert	Gorski, N. Y.	Morton
Allen, Calif.	Graham	Moulder
Allen, Ill.	Granahan	Multer
Andersen, H. Carl	Granger	Murray, Wis.
Anderson, Calif.	Gross	Nelson
Angell	Hagen	Nixon
Aspinall	Hale	Noland
Auchincloss	Halleck	Norblad
Baring	Hand	Norton
Barrett, Pa.	Harden	O'Brien, Ill.
Barrett, Wyo.	Hart	O'Brien, Mich.
Bates, Ky	Harvey	O'Hara, Ill.
Beall	Havenner	O'Konski
Bentsen	Hays, Ohio	O'Neill
Biemiller	Hedrick	O'Sullivan
Bishop	Heffernan	Patterson
Blackney	Heller	Perkins
Blatnik	Herter	Pfeifer, Joseph L.
Boggs, Del.	Heselton	Pfeiffer, William L.
Bolling	Hoeven	Philbin
Bolton, Ohio	Holifield	Phillips, Calif.
Bonner	Holmes	Phillips, Tenn.
Brambiett	Hope	Polk
Breen	Howell	Poulson
Brehm	Huber	Powell
Brown, Ohio	Hull	Price
Buchanan	Irving	Priest
Buckley, Ill.	Jackson, Calif.	Quinn
Burdick	Jackson, Wash.	Rabaut
Burke	Jacobs	Ramsay
Byrnes, Wis.	Javits	Reed, Ill.
Canfield	Jenison	Rees
Cannon	Johnson	Rhodes
Carlyle	Jonas	Rodino
Carnahan	Judd	Rogers, Mass
Carroll	Karst	Rooney
Case, N. J.	Karsten	Sabath
Cavalcante	Kean	Sadlak
Celler	Kearns	Sadowski
Chelf	Keating	St. George
Chesney	Kee	Sanborn
Chiperfield	Keefe	Sasscer
Chudoff	Keogh	Scott, Hardie
Church	Kirwan	Scott, Hugh D., Jr.
Clemente	Kunkel	Scrivner
Cole, Kans.	Lane	Scudder
Combs	Latham	Secrest
Corbett	LeCompte	Sheppard
Cotton	LeFevre	Simpson, Ill.
Crook	Lemke	Spence
Crosser	Lesinski	Staggers
Cunningham	Linehan	Stefan
Davenport	Lodge	Stigler
Davis, Wis.	Lovre	Sullivan
Dawson	Lynch	Sutton
Delaney	McConnell	Talle
Denton	McCormack	Tauriello
Dingell	McCulloch	Taylor
Dollinger	McDonough	Thomas, Tex.
Donohue	McGrath	Tollefson
Douglas	McGuire	Van Zandt
Doyle	McKinnon	Vorys
Eberharter	McMillen, Ill.	Wagner
Engel, Mich.	Mack, Ill.	Walsh
Engle, Calif.	Mack, Wash.	Welch, Calif.
Fallon	Macy	Welch, Mo.
Feighan	Madden	White, Calif.
Fenton	Mansfield	White, Idaho
Fernandez	Marcantonio	Wickersham
Flood	Marsalis	Wigglesworth
Fogarty	Marshall	Wilson, Ind.
Forand	Martin, Mass.	Wolcott
Ford	Mason	Wolverton
Fulton	Merrow	Woodhouse
Furcolo	Meyer	Yates
Gamble	Michener	Young
Garmatz	Miles	Zablocki
Golden	Miller, Calif.	
Goodwin	Miller, Md.	
Gordon	Mitchell	
Gore	Monroney	
	Morgan	

NOT VOTING—75

Bailey	Burnside	Clevenger
Barden	Byrne, N. Y.	Cole, N. Y.
Bosone	Case, S. Dak.	Cooley
Buckley, N. Y.	Chatham	Coudert
Bulwinkle	Christopher	Dague
Davies, N. Y.	Kearney	Rivers
Deane	Kelley	Roosevelt
Durham	Kennedy	Shafer
Eaton	Kerr	Short
Elston	Kilburn	Smathers
Fellows	Klein	Smith, Ohio
Gavin	Kruse	Stanley
Gilmer	Lichtenwalter	Taber
Green	Lind	Teague
Gwinn	McCarthy	Thomas, N. J.
Hall, Edwin Arthur	McGregor	Towe
Hall, Leonard W.	McSweeney	Underwood
Hays, Ark.	Martin, Iowa	Velde
Hinshaw	Murdock	Vursell
Hoffman, Ill.	Murphy	Wadsworth
James	O'Toole	Walter
Jenkins	Patten	Weichel
Jennings	Plumley	Whitaker
Jones, N. C.	Potter	Wier
	Redden	Wilson, Okla.
	Ribicoff	Withrow

So the motion was rejected.

The Clerk announced the following pairs:

Additional general pairs until further notice:

Mr. Cooley with Mr. Jenkins.

Mr. Christopher with Mr. Hinshaw.

Mr. NOLAND, Mr. REES, Mr. VAN ZANDT, and Mr. WILSON of Indiana changed their vote from "aye" to "no."

The result of the vote was announced as above recorded.

The SPEAKER. The gentlewoman from New Jersey is recognized.

Mr. HOFFMAN of Michigan. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentlewoman from New Jersey is recognized.

FEDERAL ANTI-POLL-TAX ACT

Mrs. NORTON. Mr. Speaker, pursuant to clause 2 (c) of rule XI, I call up House Resolution 276, which has been pending before the Committee on Rules for more than 21 calendar days without being reported.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3199) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on House Administration, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mrs. NORTON. Mr. Speaker, I yield 30 minutes to the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Speaker, I have no requests for time on discussion of the rule. I do have requests for time on discussion of the bill itself.

Mrs. NORTON. Mr. Speaker, this resolution makes in order consideration of the bill H. R. 3199, known as the anti-poll-tax bill. Everyone knows the issue involved. The merits of the bill will be fully discussed in debate on the bill.

Mr. Speaker, I move the previous question on the adoption of the rule.

The SPEAKER. The question is on ordering the previous question.

Mr. DAVIS of Georgia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 262, nays 100, not voting 70, as follows:

[Roll No. 138]

YEAS—262

Addonizio	Garmatz	Merrow
Albert	Golden	Meyer
Allen, Calif.	Goodwin	Michener
Allen, Ill.	Gordon	Miles
Andersen, H. Carl	Gore	Miller, Calif.
Anderson, Calif.	Gorski, Ill.	Miller, Md.
Angell	Gorski, N. Y.	Miller, Nebr.
Aspinall	Graham	Mitchell
Auchincloss	Granahan	Monroney
Bailey	Granger	Morgan
Baring	Gross	Morris
Barrett, Pa.	Hagen	Morton
Barrett, Wyo.	Hale	Moulder
Bates, Ky.	Halleck	Multer
Bates, Mass.	Hand	Murray, Wis.
Beall	Harden	Nelson
Bentsen	Hart	Nixon
Biemiller	Harvey	Noland
Bishop	Havenner	Norblad
Blackney	Hays, Ohio	Norton
Blatnik	Heffernan	O'Brien, Ill.
Boggs, Del.	Heller	O'Brien, Mich
Bolling	Herter	O'Hara, Ill.
Bolton, Md.	Heselton	O'Konski
Bolton, Ohio	Hoeven	O'Neill
Bonner	Holifield	O'Sullivan
Brambiett	Holmes	O'Toole
Breen	Hope	Patterson
Brehm	Horan	Perkins
Brown, Ohio	Howell	Pfeifer, Joseph L.
Buchanan	Huber	Pfeiffer, William L.
Buckley, Ill.	Hull	Philbin
Burdick	Irving	Phillips, Calif.
Burke	Jackson, Calif.	Phillips, Tenn.
Burnside	Jackson, Wash.	Polk
Byrnes, Wis.	Jacobs	Poulson
Canfield	Javits	Powell
Cannon	Jenison	Price
Carlyle	Jenkins	Priest
Carnahan	Johnson	Quinn
Carroll	Jonas	Rabaut
Case, N. J.	Jones, Mo.	Ramsay
Cavalcante	Judd	Reed, Ill.
Celler	Karst	Rees
Chelf	Karsten	Rhodes
Chesney	Kean	Rich
Chiperfield	Kearns	Riehlman
Christopher	Keating	Rodino
Chudoff	Kee	Rogers, Mass.
Church	Keefe	Rooney
Clemente	Keogh	Sabath
Cole, Kans.	King	Sadlak
Combs	Kirwan	Sadowski
Corbett	Kunkel	St. George
Cotton	Lane	Sanborn
Crook	Latham	Sasscer
Crosser	LeCompte	Scott, Hardie
Cunningham	LeFevre	Scott, Hugh D., Jr.
Davenport	Lemke	Scrivner
Davis, Wis.	Lesinski	Scudder
Dawson	Lind	Secrest
Delaney	Linehan	Sheppard
Denton	Lodge	Simpson, Ill.
Dingell	Lovre	Smith, Ohio
Dollinger	Lynch	Smith, Wis.
Dolliver	McCarthy	Spence
Donohue	McConnell	Staggers
Douglas	McCormack	Steed
Doyle	McCulloch	Stefan
Eberharter	McDonough	Stigler
Engel, Mich.	McGrath	Stockman
Engle, Calif.	McGuire	Sullivan
Fallon	McKinnon	Sutton
Feighan	McMillen, Ill.	Taber
Fenton	Mack, Ill.	Talle
Flood	Mack, Wash.	Tauriello
Fogarty	Macy	Taylor
Forand	Madden	Thomas, Tex.
Ford	Mansfield	Tollefson
Fulton	Marcantonio	Van Zandt
Furcolo	Marsalis	Vorys
Gamble	Marshall	Wagner
	Martin, Mass.	

Vorys	White, Calif.	Wolcott
Wagner	White, Idaho	Wolverton
Walsh	Wickersham	Woodhouse
Welch, Calif.	Wigglesworth	Yates
Welch, Mo.	Wilson, Ind.	Zablocki
Werdel	Wilson, Okla.	

NAYS—100

Abbitt	Fellows	Norrell
Abernethy	Fernandez	O'Hara, Minn.
Allen, La.	Fisher	Pace
Andresen, August H.	Frazier	Passman
	Fugate	Patman
Andrews	Gary	Peterson
Arends	Gathings	Pickett
Battle	Gillette	Poage
Beckworth	Gossett	Preston
Bennett, Fla.	Grant	Rains
Bennett, Mich.	Gregory	Rankin
Bland	Hardy	Reed, N. Y.
Boggs, La.	Hare	Regan
Boykin	Harris	Richards
Brooks	Harrison	Rogers, Fla.
Brown, Ga.	Hébert	Sikes
Bryson	Herlong	Sims
Burleson	Hobbs	Smith, Kans.
Burton	Hoffman, Mich.	Smith, Va.
Camp	Jensen	Tackett
Colmer	Jones, Ala.	Thompson
Cooper	Kilday	Thornberry
Cox	Lanham	Trimble
Crawford	Larcade	Vinson
Curtis	Lucas	Wheeler
Davis, Ga.	Lyle	Whitten
Davis, Tenn.	McMillan, S. C.	Whittington
DeGraffenried	Magee	Williams
D'Ewart	Mahon	Willis
Dondero	Mason	Wilson, Tex.
Doughton	Mills	Winstead
Elliott	Morrison	Wood
Ellsworth	Murray, Tenn.	Worley
Evins	Nicholson	

NOT VOTING—70

Barden	Hays, Ark.	Ribicoff
Bosone	Hedrick	Rivers
Buckley, N. Y.	Hill	Roosevelt
Bulwinkle	Hinshaw	Shafer
Byrne, N. Y.	Hoffman, Ill.	Short
Case, S. Dak.	James	Simpson, Pa.
Chatham	Jennings	Smathers
Clevenger	Jones, N. C.	Stanley
Cole, N. Y.	Kearney	Teague
Cooley	Kelley	Thomas, N. J.
Coudert	Kennedy	Towe
Dague	Kerr	Underwood
Davies, N. Y.	Kilburn	Velde
Deane	Klein	Vursell
Durham	Kruse	Wadsworth
Eaton	Lichtenwalter	Walter
Elston	McGregor	Weichel
Gavin	McSweeney	Whitaker
Gilmer	Martin, Iowa	Wier
Green	Murdock	Withrow
Gwinn	Murphy	Woodruff
Hall, Edwin Arthur	Patten	Young
	Plumley	
Hall, Leonard W.	Potter	
	Redden	

So the previous question was ordered.

The Clerk announced the following pairs:

Additional general pairs until further notice:

Mr. Young with Mr. Hill.

Mr. Hedrick with Mr. Simpson of Pennsylvania.

Mr. Teague with Mr. Woodruff.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the resolution.

Mr. SIKES. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Florida moves that the House do now adjourn.

The Chair desires to make a statement. Since the present Speaker has occupied the chair he has yet to hold a motion to be dilatory, and will not until it becomes obvious to everybody that dilatory tactics are being indulged in and that a filibuster is being conducted.

The question is on the motion to adjourn.

Mr. SIKES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The Clerk called the roll; and there were—yeas 110, nays 252, not voting 70, as follows:

[Roll No. 139]

YEAS—110

Abbitt	Fisher	Nicholson
Abernethy	Frazier	Pace
Allen, La.	Fugate	Passman
Andresen, August H.	Gary	Patman
	Gathings	Peterson
Andrews	Gillette	Phillips, Calif.
Arends	Gossett	Pickett
Battle	Grant	Poage
Beckworth	Gregory	Preston
Bennett, Fla.	Gross	Rains
Bennett, Mich.	Hale	Rankin
Bland	Hardy	Reed, N. Y.
Boggs, La.	Hare	Rich
Bolton, Md.	Harris	Rogers, Fla.
Boykin	Harrison	Short
Brooks	Hébert	Sikes
Brown, Ga.	Herlong	Sims
Bryson	Hill	Smith, Kans.
Burleson	Hobbs	Smith, Va.
Burton	Hoffman, Mich.	Smith, Wis.
Camp	Horan	Steed
Colmer	Jensen	Stockman
Cooper	Jones, Ala.	Tackett
Cox	Jones, Mo.	Teague
Crawford	Kilday	Thompson
Cunningham	Lanham	Thornberry
Curtis	Larcade	Trimble
Davis, Ga.	Lucas	Werdel
Davis, Tenn.	Lyle	Wheeler
DeGraffenried	McMillan, S. C.	Whitten
D'Ewart	Magee	Whittington
Dolliver	Mahon	Williams
Doughton	Merrow	Willis
Elliott	Miller, Nebr.	Wilson, Tex.
Ellsworth	Mills	Winstead
Evins	Morrison	Wood
Fellows	Murray, Tenn.	Worley

NAYS—252

Addonizio	Coudert	Holmes
Albert	Crook	Hope
Allen, Calif.	Crosser	Howell
Allen, Ill.	Davenport	Huber
Andersen, H. Carl	Davis, Wis.	Hull
	Dawson	Irving
Anderson, Calif.	Delaney	Jackson, Calif.
Angell	Denton	Jackson, Wash.
Aspinall	Dingell	Jacobs
Auchincloss	Dollinger	Javits
Baring	Donohue	Jenison
Barrett, Pa.	Douglas	Jenkins
Barrett, Wyo.	Doyle	Johnson
Bates, Ky.	Eberharter	Jonas
Bates, Mass.	Engel, Mich.	Judd
Beall	Engle, Calif.	Karst
Bentsen	Fallon	Karsten
Biemiller	Feighan	Kean
Bishop	Fenton	Kearns
Blackney	Fernandez	Keating
Blatnik	Flood	Kee
Boggs, Del.	Fogarty	Keefe
Bolling	Forand	Keogh
Bolton, Ohio	Ford	King
Bonner	Fulton	Kirwan
Bramblett	Furcolo	Kunkel
Breen	Gamble	Lane
Brehm	Garmatz	Latham
Brown, Ohio	Golden	LeCompte
Buchanan	Goodwin	LeFevre
Buckley, Ill.	Gordon	Lemke
Burdick	Gore	Lesinski
Burke	Gorski, Ill.	Lind
Byrnes, Wis.	Gorski, N. Y.	Linehan
Canfield	Graham	Lodge
Cannon	Granahan	Lovre
Carlyle	Granger	Lynch
Carnahan	Hagen	McCarthy
Carroll	Hall, Leonard W.	McConnell
Case, N. J.		McCormack
Cavalcante	Halleck	McCulloch
Celler	Hand	McDonough
Chelf	Harden	McGrath
Chesney	Hart	McGuire
Chiperfield	Harvey	McKinnon
Christopher	Havenner	McMillen, Ill.
Chudoff	Hays, Ohio	Mack, Ill.
Church	Heffernan	Mack, Wash.
Clemente	Heller	Macy
Cole, Kans.	Herter	Madden
Combs	Heselton	Mansfield
Cooley	Hinshaw	Marcantonio
Corbett	Hoeven	Marsalis
Cotton	Holifield	Marshall
Martin, Mass.	Pfeiffer, William L.	Sheppard
Mason		Simpson, Ill.
Meyer	Philbin	Spence
Michener	Phillips, Tenn.	Staggers
Miles	Polk	Stefan
Miller, Calif.	Poulson	Stigler
Miller, Md.	Powell	Sullivan
Mitchell	Price	Sutton
Monroney	Priest	Talle
Morgan	Quinn	Tauriello
Morris	Rabaut	Taylor
Morton	Ramsay	Thomas, Tex.
Moulder	Reed, Ill	Tollefson
Multer	Rees	Underwood
Murray, Wis.	Rhodes	Van Zandt
Nelson	Riehlman	Vorys
Nixon	Rodino	Wagner
Norblad	Rogers, Mass	Walsh
Norrell	Rooney	Welch, Calif.
Norton	Sabath	Welch, Mo.
O'Brien, Ill.	Sadlak	White, Idaho
O'Brien, Mich	Sadowski	Wickersham
O'Hara, Ill	St. George	Wigglesworth
O'Hara, Minn.	Sanborn	Wilson, Ind.
O'Konski	Sasscer	Wilson, Okla.
O'Neill	Scott, Hardie	Wolcott
O'Sullivan	Scott, Hugh D., Jr.	Wolverton
O'Toole		Woodhouse
Patten	Scrivner	Yates
Patterson	Scudder	Young
Perkins	Secrest	Zablocki
Pfeifer, Joseph L.		

NOT VOTING—70

Bailey	Hays, Ark.	Ribicoff
Barden	Hedrick	Richards
Bosone	Hoffman, Ill.	Rivers
Buckley, N. Y.	James	Roosevelt
Bulwinkle	Jennings	Shafer
Burnside	Jones, N. C.	Simpson, Pa.
Byrne, N. Y.	Kearney	Smathers
Case, S. Dak.	Kelley	Smith, Ohio
Chatham	Kennedy	Stanley
Clevenger	Kerr	Taber
Cole, N. Y.	Kilburn	Thomas, N. J.
Dague	Klein	Towe
Davies, N. Y.	Kruse	Velde
Deane	Lichtenwalter	Vinson
Dondero	McGregor	Vursell
Durham	McSweeney	Wadsworth
Eaton	Martin, Iowa	Walter
Elston	Murdock	Weichel
Gavin	Murphy	Whitaker
Gilmer	Noland	White, Calif.
Green	Plumley	Wier
Gwinn	Potter	Withrow
Hall, Edwin Arthur	Redden	Woodruff
	Regan	

So the motion to adjourn was rejected.

The Clerk announced the following pairs:

Additional general pairs until further notice.

Mr. Vinson with Mr. Dondero.

Mr. Bailey with Mr. Simpson of Pennsylvania.

Mr. Richards with Mr. Woodruff.

Mr. CANNON and Mr. SCUDDER changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the resolution.

Mr. PICKETT. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. The roll call just disclosed that there were 362 Members present, quite a substantial quorum.

Mr. WILLIAMS. Mr. Speaker, on this vote I demand the yeas and nays.

Mr. CAVALCANTE. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. CAVALCANTE. Under the rule, by the operation of which the resolution has come before the House, the only thing in order is one motion to adjourn and no other dilatory action.

The SPEAKER. No motion to adjourn is pending.

The question is whether the vote shall be taken by the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 265, nays 100, not voting 67, as follows:

[Roll No. 140]

YEAS—265

Addonizio	Gorski, Ill.	Morton
Albert	Gorski, N. Y.	Moulder
Allen, Calif.	Graham	Multer
Allen, Ill.	Granahan	Murray, Wis.
Andersen, H. Carl	Gross	Nixon
	Hagen	Noland
Anderson, Calif.	Hall, Edwin Arthur	Norblad
Angell		Norton
Arends	Hall, Leonard W.	O'Brien, Ill.
Aspinall		O'Brien, Mich.
Auchincloss	Halleck	O'Hara, Ill.
Baring	Hand	O'Hara, Minn.
Barrett, Pa.	Harden	O'Konski
Barrett, Wyo.	Hart	O'Neill
Bates, Ky.	Harvey	O'Sullivan
Bates, Mass.	Havenner	O'Toole
Beall	Hays, Ohio	Patten
Bentsen	Hefferman	Patterson
Biemiller	Heller	Perkins
Bishop	Herter	Pfeifer, Joseph L.
Blackney	Heselton	
Blatnik	Hinshaw	Pfeiffer, William L.
Boggs, Del.	Hoeven	
Bolling	Holifield	Philbin
Bolton, Md.	Holmes	Phillips, Calif.
Bolton, Ohio	Hope	Phillips, Tenn.
Bonner	Horan	Plumley
Bramblett	Howell	Polk
Breen	Huber	Poulson
Brehm	Hull	Powell
Brown, Ohio	Irving	Price
Buchanan	Jackson, Calif.	Priest
Buckley, Ill.	Jackson, Wash.	Quinn
Burdick	Jacobs	Rabaut
Burke	Javits	Ramsay
Burnside	Jenison	Reed, Ill.
Byrnes, Wis.	Jenkins	Rees
Canfield	Johnson	Rhodes
Cannon	Jonas	Rich
Carlyle	Judd	Riehlman
Carnahan	Karst	Rodino
Carroll	Karsten	Rogers, Mass.
Case, N. J.	Kean	Rooney
Cavalcante	Kearns	Sabath
Celler	Keating	Sadlak
Chelf	Kee	Sadowski
Chesney	Keefe	St. George
Chiperfield	Keogh	Sanborn
Christopher	King	Sasscer
Chudoff	Kirwan	Scott, Hardie
Church	Kunkel	Scott, Hugh D., Jr.
Clemente	Lane	
Cole, Kans.	Latham	Scrivner
Combs	LeCompte	Scudder
Cooley	LeFevre	Secrest
Corbett	Lemke	Sheppard
Cotton	Lesinski	Simpson, Ill.
Coudert	Lind	Spence
Crook	Linehan	Steed
Crosser	Lodge	Stefan
Cunningham	Lovre	Stigler
Davenport	Lynch	Stockman
Davis, Wis.	McCarthy	Sullivan
Dawson	McConnell	Sutton
Delaney	McCormack	Talle
Denton	McCulloch	Tauriello
Dingell	McDonough	Taylor
Dollinger	McGrath	Thomas, Tex.
Dolliver	McGuire	Tollefson
Donohue	McKinnon	Underwood
Douglas	McMillen, Ill.	Van Zandt
Doyle	Mack, Ill.	Vorys
Eberharter	Mack, Wash.	Wagner
Engel, Mich.	Macy	Walsh
Engle, Calif.	Madden	Welch, Calif.
Fallon	Mansfield	Welch, Mo.
Feighan	Marcantonio	Werdel
Fenton	Marsalis	White, Calif.
Fernandez	Marshall	White, Idaho
Flood	Martin, Mass.	Wickersham
Fogarty	Merrow	Wigglesworth
Forand	Meyer	Wilson, Ind.
Ford	Michener	Wilson, Okla.
Fulton	Miles	Wolcott
Furcolo	Miller, Calif.	Wolverton
Gamble	Miller, Md.	Woodhouse
Garmatz	Miller, Nebr.	Yates
Golden	Mitchell	Young
Goodwin	Monroney	Zablocki
Gordon	Morgan	
Gore	Morris	

NAYS—100

Abbitt	Fugate	Passman
Abernethy	Gary	Patman
Allen, La.	Gathings	Peterson
Andresen, August H.	Gillette	Pickett
	Gossett	Poage
Andrews	Grant	Preston
Battle	Gregory	Rains
Beckworth	Hale	Rankin
Bennett, Fla.	Hardy	Reed, N. Y.
Bennett, Mich	Hare	Richards
Bland	Harris	Rogers, Fla.
Boggs, La.	Harrison	Short
Boykin	Hébert	Sikes
Brooks	Heriong	Sims
Brown, Ga.	Hill	Smith, Kans.
Bryson	Hobbs	Smith, Va.
Burleson	Hoffman, Mich.	Smith, Wis.
Burton	Jones, Ala.	Tackett
Camp	Jones, Mo.	Teague
Colmer	Kilday	Thompson
Cooper	Lanham	Thornberry
Cox	Larcade	Trimble
Crawford	Lucas	Vinson
Curtis	Lyle	Wheeler
Davis, Ga.	McMillan, S. C.	Whitten
DeGraffenried	Magee	Whittington
D'Ewart	Mahon	Williams
Doughton	Mason	Willis
Elliott	Mills	Wilson, Tex.
Ellsworth	Morrison	Winstead
Evins	Murray, Tenn.	Wood
Fellows	Nicholson	Woodruff
Fisher	Norrell	Worley
Frazier	Pace	

NOT VOTING—67

Bailey	Hays, Ark.	Regan
Barden	Hedrick	Ribicoff
Bosone	Hoffman, Ill.	Rivers
Buckley, N. Y.	James	Roosevelt
Bulwinkle	Jennings	Shafer
Byrne, N. Y.	Jensen	Simpson, Pa.
Case, S. Dak.	Jones, N. C.	Smathers
Chatham	Kearney	Smith, Ohio
Clevenger	Kelley	Staggers
Cole, N. Y.	Kennedy	Stanley
Dague	Kerr	Taber
Davies, N. Y.	Kilburn	Thomas, N. J.
Davis, Tenn.	Klein	Towe
Deane	Kruse	Velde
Dondero	Lichtenwalter	Vursell
Durham	McGregor	Wadsworth
Eaton	McSweeney	Walter
Elston	Martin, Iowa	Weichel
Gavin	Murdock	Whitaker
Gilmer	Murphy	Wier
Granger	Nelson	Withrow
Green	Potter	
Gwinn	Redden	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Klein for, with Mr. Hays of Arkansas against.
Mr. Murphy for, with Mr. Smathers against.
Mr. Redden for, with Mr. Stanley against.
Mr. Kelley for, with Mr. Barden against.
Mr. Roosevelt for, with Mr. Gilmore against.
Mr. Byrne of New York for, with Mr. Whitaker against.
Mr. Walter for, with Mr. Rivers against.

Additional general pairs until further notice:

Mr. Ribicoff with Mr. Simpson of Pennsylvania.
Mr. Staggers with Mr. Kearney.
Mr. McSweeney with Mr. Gwinn.
Mr. Murdock with Mr. Lichtenwalter.
Mr. Durham with Mr. Shafer.
Mr. Hedrick with Mr. Wadsworth.
Mr. Granger with Mr. Taber.
Mr. Green with Mr. McGregor.
Mr. Kennedy with Mr. Elston.
Mr. Kruse with Mr. Cole of New York.
Mr. Kerr with Mr. Kilburn.
Mr. Davies of New York with Mr. Nelson.
Mr. Davis of Tennessee with Mr. Gavin.
Mr. Regan with Mr. Dague.
Mr. Jones of North Carolina with Mr. Eaton.
Mrs. Bosone with Mr. Towe.
Mr. Bailey with Mr. Withrow.
Mr. Chatham with Mr. Weichel.
Mr. Deane with Mr. Velde.
Mr. Buckley of New York with Mr. Potter.
Mr. Bulwinkle with Mr. Martin of Iowa.

Mr. HOFFMAN of Michigan changed his vote from "yea" to "nay."

Mr. ANGELL changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3199) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers.

Mr. DAVIS of Georgia. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

Mr. SMITH of Virginia. Mr. Speaker, I ask for a division.

The question was taken; and on a division there were—ayes 134, noes 46.

Mr. SMITH of Virginia. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. Just a moment ago the vote disclosed that 365 Members were present.

Mr. SMITH of Virginia. But, if the Chair will permit, the number who may have been present then does not indicate the number who may be present now.

The SPEAKER. The Chair will count. [After counting.] Two hundred and thirty Members are present, a quorum.

So the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3199, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mrs. NORTON. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, before proceeding with my remarks about H. R. 3199, I would like to thank Mr. CELLER, Mr. DOLLINGER, Mrs. DOUGLAS, Mr. HAYS of Ohio, Mr. MARCANTONIO, Mr. DAWSON, Mr. POWELL, Mr. FULTON, and Mr. SCRIVNER for their help in introducing bills practically identical with H. R. 3199.

Today, your Committee on House Administration presents for your consideration the bill, H. R. 3199, a bill making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers.

H. R. 3199 is similar to the bills which were presented and adopted in the Seventy-seventh, Seventy-eighth, Seventy-ninth, and Eightieth Congresses and passed in the Republican Eightieth Congress, by a vote of 290 to 112. It is, therefore, obviously, not a party bill. As a matter of fact, the repeal of the poll tax was an inherent part of both party platforms in the conventions of 1948. We, as party members, elected on the platforms set down by our parties,

have a grave responsibility to the people who elected us to see to it that this poll tax is eliminated once and for all.

There are now seven States who still demand the payment of a poll tax as a prerequisite to voting. These States are: Alabama, Arkansas, Mississippi, South Carolina, Tennessee, Texas, and Virginia. The representatives of these seven States are not elected by the people of those States, they are elected by a certain group who have the wherewithal to pay the necessary poll tax. What is democratic about that? How can that possibly fit into the statement of our founding fathers that "all men are created equal." If all men are created equal, then all men—and not a particular segment of them—should have and must have an equal share in the government of their country.

The representatives of the seven poll-tax States should represent all the people. The disfranchised Negroes and whites in these States constitute just as much of the constituency as do any other residents of the district from which they are elected. It is undoubtedly a strong desire of these people to eliminate the poll tax, but since they are denied the use of the ballot, how are they going to be able to express their wishes? Surely not through a referendum because the people who are denied the right of the ballot will be denied the right to vote on a referendum.

It is impossible for me to understand how, in this country of ours, which is supposed to provide equal rights to its citizenry, we can eliminate a great body of our citizens from having a say in their own government. I am sure that it is equally impossible for the countries abroad, where we are trying to sell the idea that the democratic way is the right way, not to wonder when they realize that the democratic way is only the way for a part of this country and not for all of it. How can we, in all honesty, insist on free elections by others when we do not hold them ourselves? Such conditions prevail in Russia and the satellite countries, but surely we do not want to copy their methods.

Some of my esteemed colleagues feel that the proper method of doing away with the poll tax is by constitutional amendment. The same was said about child labor. Twenty years were lost trying to get a child-labor amendment ratified in a country where nearly everybody was against child labor, and then it was discovered that it was not necessary to amend the Constitution after all. We should not repeat that unfortunate experience. It is a sound maxim not to rely on a constitutional amendment for legislation which is within the powers of Congress.

I am not a lawyer and have no intention of entering into a legal discussion on this issue. But there are a few facts which, as a layman, I wish to point out. The House of Representatives has passed the anti-poll-tax bill four times. Each time, in the Senate, it has been referred to the Committee on the Judiciary, composed entirely of lawyers. Four times, the Senate committee has reported the House bill to be constitutional. One of the reports—a 4,000-word affirmation of its constitutionality—was written by Senator George W. Norris, of Nebraska, another by Senator Abe Murdock, of Utah, both of them distinguished former Members of the House of Representatives.

At the Senate hearings last year, our colleague from Ohio, Mr. Bender, presented a document signed by nine distinguished professors of law, affirming the constitutional power of Congress to outlaw the poll tax by statute. The signers included the deans of law at Northwestern, Wisconsin, and North Carolina law schools, three members of the Yale law faculty, including the professor of constitutional law, other distinguished authorities from North Carolina law schools, Columbia, and Wisconsin law schools. These were not "damn Yankees," either. One of them hailed from Texas, another from Mississippi, a third from Tennessee, two from North Carolina, one from Missouri. I will take the word of such men that Congress has this power rather than the claim of an attorney general from a poll-tax State that it does not have it.

Now, as a layman, I wish to discuss one legal point. Under the Constitution, the States determine the qualifications of electors, subject to various restrictions, while Congress regulates the manner of holding elections. In the bill before us, it is declared in section 1 that the requirement of a poll tax as a prerequisite to voting is not a qualification for voting, but a restriction on the manner of holding elections. The Supreme Court has held repeatedly that this power of regulation is broad enough to cover all manner of corruption—everything that impairs the integrity of Federal elections.

Now look at the poll tax. In Alabama it is cumulative up to $36. When a load like that is piled on a citizen, can anybody call it a qualification for voting? It is a direct interference with a fair and free election and was so intended. In Texas, a citizen cannot vote unless he has a poll-tax receipt dated more than 9 months and not more than 13 months before election. Nobody who misses the January 31 deadline can vote in November. That is not a qualification, it is an interference with the proper manner of holding an election and, I repeat, Congress has the power to put a stop to it.

I know from experience through many years in Congress, how difficult it is to debate this question. The same arguments have been advanced year after year. The same arguments have been backed up by the same prejudices and the same inaccurate statements have been made. Heated arguments are substituted for logic. I have a great respect for the membership of the House even though I disagree with many Members. We have many able lawyers among our colleagues, yet I find that many legal questions seem to be debated on geographical lines rather than on a broad legal base. I have also found that the answer to many of our very serious problems does not depend on the interpretation of the law but rather on the application of it in terms of human respect and divine justice. How is it possible for one American citizen to say to another, You cannot exercise your right as a citizen to vote in an election because you cannot pay a poll tax for this right? How can any honest person defend such a restriction on his fellow man? How can you say to an American, you must bear arms and defend your country—die if necessary—but you have not the right to vote unless you pay for that right—to elect the men who have the power to make you fight for your country? Surely that is not our concept of justice. I hold my privilege of voting as a very great privilege and a sacred obligation. I would feel a great sense of shame and ingratitude to deny that privilege to any American.

It is a matter of record that in Florida's first election after the repeal of the poll tax the vote in that State increased by 48 percent over the vote in 1936. In 1946 Representatives were elected in poll-tax States upon the vote of less than 10 percent of the potential voters, in some instances upon the vote of as little as 1 percent. These figures are quoted from a statement by the Attorney General submitted to our committee on June 15, 1949. Much more information is contained in his statement which I shall include as part of my remarks.

Mr. Chairman, this is a good bill. It will right a wrong. If we support it, we will do our part to end a controversy that has caused much friction in a large part of the South. It should end. At a time when America stands before the world as the leader of democracy let us not permit ourselves to become entangled in legal technicalities. Let us unite before the world on the great principle of democracy and prove that we are sincere by abolishing this poll-tax requirement on voting so that all Americans will have the right to vote for the candidates they wish to represent them.

STATEMENT BY THE ATTORNEY GENERAL ON THE PROPOSED FEDERAL ANTI-POLL-TAX ACT (H. R. 3199, 81ST CONG.)

I welcome this opportunity to place on record my views concerning H. R. 3199, a bill making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers.

The provisions of the bill may be summarized as follows:

Section 1 gives the short title.

Section 2 provides that the requirement of a poll tax as a prerequisite for voting or registering at primaries and other elections for the specified Federal offices shall not be deemed a qualification of voters but shall be deemed an interference with the manner of holding elections for these offices.

Section 3 makes it unlawful for a State, municipality, or other governmental subdivision to prevent any person from voting or registering in a primary or other election for the specified Federal offices on the ground that such person has not paid a poll tax. The levy of the tax on the privilege of voting in such primary or election is forbidden.

Section 4 makes it unlawful for any State, municipality, or other governmental subdivision to interfere with a primary or other election for national office (named) by requiring the payment of a poll tax as a prerequisite for voting or registering.

Section 5 makes it unlawful for any person, whether or not acting under authority of the laws of a State, municipality, or other

governmental subdivision, to require payment of a poll tax as a prerequisite to voting or registering in a primary or other election for the specified national offices.

It is my firm conviction that the proposed legislation is socially and morally desirable and that it is within the authority conferred upon the Congress by the Constitution.

The first anti-poll-tax bill was introduced in the Seventy-sixth Congress in 1939 as H. R. 7534. That bill was never reported out of committee nor was any record of committee hearings published. Anti-poll-tax measures have been introduced in each of the succeeding Congresses, and the House of Representatives has on four occasions overwhelmingly passed them. The Senate has never voted thereon, despite favorable reports by its Judiciary Committee in each recent Congress. Many persons have appeared before subcommittees and committees of Congress, and hundreds of pages of testimony have been recorded during the 10 years during which the legal and moral aspects of these measures have been examined and reexamined. The views stated herein have been reached after a thorough examination of the available published material, including the transcripts of the hearings which have been conducted from the time of the Seventy-seventh Congress to date.

At this point I should like to comment upon the often repeated statement that the right to vote for Members of Congress is derived from the State. It appears to me that the Supreme Court has made it clear beyond a peradventure of a doubt that the right to vote for Members of Congress is a right derived from the Constitution and is subject only to those State limitations which may be prescribed within the framework of the Constitution. In 1884, in *Ex parte Yarbrough* (110 U. S. 651), the Court stated at pages 663–665: "* * * it is not correct to say that the right to vote for a Member of Congress does not depend on the Constitution of the United States."

"The office, if it be properly called an office, is created by that Constitution and by that alone."

"It is not true, therefore, that electors for Members of Congress owe their right to vote to the State law in any sense which makes the exercise of the right to depend exclusively on the law of the State."

"The exercise of the right in both instances is guaranteed by the Constitution, and should be kept free and pure by congressional enactments whenever that is necessary."

Forty-seven years later in 1941, the Supreme Court reiterated its position in *United States* v. *Classic* (313 U. S. 299), at pages 314–315:

"We come then to the question whether that right is one secured by the Constitution. Section 2 of article I commands that Congressmen shall be chosen by the people of the several States by electors, the qualifications of which it prescribes. The right of the people to choose, whatever its appropriate constitutional limitations, where in other respects it is defined, and the mode of its exercise is prescribed by State action in conformity to the Constitution, is a right established and guaranteed by the Constitution and hence is one secured by it to those citizens and inhabitants of the State entitled to exercise the right. * * * While, in a loose sense, the right to vote for Representatives in Congress is sometimes spoken of as a right derived from the States. * * * This statement is true only in the sense that the States are authorized by the Constitution to legislate on the subject as provided by section 2 of article I to the extent that Congress has not restricted State action by the exercise of its powers to regulate elections under section 4 and its more general power under article I, section 8, clause 18 of the Constitution 'to make all laws which shall be necessary and proper for carrying into execution the foregoing power.'"

The opponents of the anti-poll-tax measures have in the past relied principally upon the language of article I, section 2, of the Constitution, the pertinent part of which reads as follows:

"The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature."

They have maintained that it is and always has been within the exclusive province of the States, pursuant to this section of the Constitution, to determine the qualifications prerequisite to the exercise of the right of suffrage. Such an interpretation of the language of article I, section 2 of the Constitution could perhaps be justified if the section were being considered in a vacuum.

However, the proponents of the measures, with whom my views are in accord, are of the opinion that when the section is read in the light of certain other sections of the Constitution which I shall discuss later, the conclusion is inescapable that qualifications prescribed by the States must be real qualifications related to the capacity and fitness of the citizens to exercise their constitutional right to vote. Furthermore, even those qualifications which do relate to the capacity and fitness of the voters must be such as do not transgress other pertinent provisions of the Constitution, for where they do so transgress, the Congress by virtue of the authority granted to it in various places throughout the Constitution has the power to eliminate by legislation the particular transgression.

Whereas citizenship and reasonable requirements as to residence, age, and literacy can be argued to relate to the capacity and fitness of voters and to constitute real qualifications for voting, the poll tax is an arbitrary, unreal, meaningless requirement intended and operating as a means of disfranchising approximately 10,000,000 American citizens, of which 7,000,000 are white and 3,000,000 are Negro, in seven of our Southern States. In discussing article I, section 2 of the Constitution, the Senate Committee on the Judiciary, in its report No. 1662, Seventy-seventh Congress, stated as follows:

"No one can claim that the provision of the Federal Constitution above quoted would give a legislature the right to say that no one should be entitled to vote unless, for instance, he had red hair, or had attained the age of 100 years, or any other artificial pretended qualification which, in fact had nothing to do with the capacity or real qualification of the voter."

Continuing, it stated:

"States have no right to set up a perfectly arbitrary and meaningless pretended qualification which, in fact, is no qualification whatever and is only a pretended qualification by which large numbers of citizens are prohibited from voting simply because they are poor. Can it be said, in view of the civilization of the present day that a man's poverty has anything to do with his qualification to vote? Can it be claimed that a man is incapacitated from voting simply because he is not able to pay the fee which is required of him when he goes to vote?"

Article I, section 4 of the Constitution reads in part as follows:

"The times, places, and manner of holding electors for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators."

As far back as 1883, in *United States* v. *Munford* (16 Fed. 223), the United States Circuit Court, fourth circuit, sitting in Virginia, recognized the extensive power of the Congress inherent in this section. It stated at page 228:

"There is little regarding an election that is not included in the terms, time, place, and manner of holding it."

Further, examination of the remarks made by members of the Constitutional Convention discloses comments such as that of Madison who, in referring to this section, stated: "Those are words of great latitude," and that of Hamilton who stated that the clause was inserted because "every government ought to contain in itself the means of its own preservation." It appears to have been the intention of the framers of our Constitution to provide the States in the first instance with certain regulatory powers with respect to national elections, but to reserve to the Congress the power to "make or alter such regulations, except as to the places of choosing Senators."

The poll tax has also been attacked as an unreasonable interference by the State with the right of the citizens to vote in national elections. The measures being considered contain declarations to that effect. On some citizens the tax imposes a burdensome inconvenience; others are altogether deprived of their vote because of their financial inability to meet the arbitrarily established condition precedent to voting. Article I, section 4 empowers the Congress to eliminate this interference. Precedent for such action, if precedent be necessary, is found in the Enforcement Act of 1870 (16 Stat. 140) which, as was stated by the Supreme Court in *United States* v. *Gradwell* (243 U. S. 476 (1917), at p. 483), "committed to Federal officers a very full participation in the process of the election of Congressmen, from the registration of voters to the final certifying of the results." Precedent is also found in the Soldier's Vote Act (56 Stat. 753; 50 U. S. C. 302) which abolished the poll tax as a prerequisite to voting in Federal elections by members of the armed forces. When this act was substantially amended by Public Law 277 of the Seventy-eighth Congress, the provision abolishing the poll tax was continued. The Federal Corrupt Practices Act, enacted in 1925, is further precedent for the Congress to legislate to remove obstacles to the proper exercise of the constitutional right to vote. In *Ex parte Siebold* (100 U. S. 371, at p. 388), the Supreme Court stated unequivocally that the vitally important "due and fair election" of Representatives could be enforced by the Congress pursuant to article I, section 4. In *Ex parte Yarbrough*, to which I have previously referred, the Supreme Court stated, at page 661, that Congress can by statute protect the "election itself from corruption and fraud." In the recent Classic case, Mr. Justice Douglas in referring to article I, section 4 and article I, section 8, clause 18 stated at page 330 "Those sections are an arsenal of power ample to protect congressional elections from any and all forms of pollution." He continued as follows:

"The important consideration is that the Constitution should be interpreted broadly so as to give to the Representatives of a free people abundant power to deal with all the exigencies of the electoral process. It means that the Constitution should be read so as to give Congress an expansive implied power to place beyond the pale acts which, in their direct or indirect effect, impair the integrity of congressional elections."

The poll tax has also been attacked as a tax upon the right or privilege of voting for national officers. The measures under consideration contain declarations to that effect. The Senate Judiciary Committee, Seventy-ninth Congress, in its report No. 625, expanded upon the comment of the

same committee in the Seventy-seventh Congress, aptly stating:

"The requiring of a citizen to pay a poll tax before he can vote is in effect the requiring of the payment of money to exercise the highest 'qualification' of citizenship. It is in effect taxing a Federal function. The most sacred and highest of all Federal functions is the right to vote. It is not within the province of a State, or its legislature, to fix a fee or tax which a voter must pay in order to vote and try, in this way, to come within the Federal Constitution by calling this a qualification.

"Since voting is one of the fundamental governmental rights, the right to tax this fundamental privilege by a State would be giving to the State the power to destroy the Federal Government. No State can tax any Federal function. This is a proposition which will have to be admitted by all and, if this Federal function—the right to vote—can be taxed by a State, then the State has a right to destroy this Federal function which is, after all, the foundation of any government. As a matter of self-preservation, the Congress in order to save the Federal Government from possible destruction, must have the right to prevent any State authority from destroying this cornerstone of the Government itself."

Article IV, section 4, of the Constitution guarantees to every State in the Union "a republican form of government." It appears to me that we have no real republican form of government in any State where a large percentage, perhaps a majority, of the citizens are denied participation in the conduct of their Government's affairs because they are poor. We must not lose sight of the fact that the poll tax imposes an annual condition precedent to the exercise of the right of suffrage in an amount of money which, although it may appear to many people to be nominal, is, in fact, almost an impenetrable barrier between millions of voters and the polls. This barrier becomes all the more impenetrable when the poll-tax liability is made cumulative. The Senate Judiciary Committee of the Seventy-ninth Congress referred to this question as follows:

"Can we have a republican form of government in any State if, within that State, a large portion and perhaps a majority of the citizens residing therein are denied the right to participate in governmental affairs because they are poor? We submit that this would be the result if under section 2, article I, of the Constitution, the proposed law is held to be unconstitutional. The most sacred right in our republican form of government is the right to vote. It is fundamental that that right should not be denied unless there are valid constitutional reasons therefor. It must be exercised freely by free men. If it is not, then we do not have a republican form of government."

Statistics contained in the report of the President's Committee on Civil Rights, cited on the floor of the House of Representatives, and incorporated in the records of committee hearings on the poll-tax question, demonstrate the effect of the poll tax on the exercise of the right of suffrage. The Committee on Civil Rights reported that in the 1944 Presidential election only 18.31 percent of the potential voters voted in the 8 poll-tax States (including Georgia, which abolished the poll tax in 1945), whereas in the 40 non-poll-tax States, 68.74 percent of the potential voters voted. On the floor of the House, on July 21, 1947, it was stated by Mr. Bender, of Ohio, and not contradicted, that, "In 1900, in Virginia, in the last free Presidential election 266,000 persons voted. In 1904, in the first poll-tax election the vote was cut to 136,000, an immediate drop of 49 percent, almost one-half." On pages 254–256 and pages 329–331 of the hearings before the Senate Committee on Rules and Administration, Eightieth Congress, statistics indicate that following the adoption of the poll tax in 10 of our Southern States between 1889 and 1908, the vote in those States was reduced by percentages varying from 18 percent to 49 percent. In the 1940 Presidential election in Florida, first such election after the repeal of the poll tax, the vote in that State increased by 48 percent over the vote in the 1936 Presidential election. Although the poll-tax States showed increases for the same period, the maximum increase attained by only one State, was 23 percent. In 1946 Representatives were elected in poll-tax States upon the vote of less than 10 percent of the potential voters, in some instances upon the vote of as little as 1 percent. The vote at the Democratic primaries in 1946 varied from less than 5 percent to 28 percent of the potential vote. The average primary vote was 14 percent and the average election vote was 6 percent of the potential.

Article I, section 8, clause 18 of the Constitution, one of the arsenals of power referred to by Mr. Justice Douglas in the Classic dissent, reads as follows:

"To make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

In my opinion the Congress, pursuant to this constitutional provision, among others, has the authority to enact anti-poll-tax measures to effectuate its guarantee of a republican form of government to every State, to eliminate State interference with the manner of holding national elections and to eliminate the tax imposed upon the exercise of the national function of suffrage.

Section 1 of the fourteenth amendment provides in part that "no State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States." Section 5 of that amendment empowers the Congress "to enforce, by appropriate legislation, the provisions of this article." The Supreme Court has held that the right to vote in national elections is a privilege granted to citizens of the United States by the Constitution. I am of the opinion that these provisions of the fourteenth amendment constitute additional authority for corrective action by the Congress to eliminate impediments upon the right to vote in national elections.

Some of the opponents of the anti-poll-tax measures maintain that the constitutional powers of the Congress with respect to Presidential elections are more limited than those relating to congressional elections, and that the arguments propounded with respect to the elections of the Representatives in Congress do not apply to elections for Presidential electors. The pertinent constitutional provision, contained in article II, section 1, reads:

"Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress: but no Senator or Representative, or person holding an office of trust or profit under the United States, shall be appointed an elector."

The Supreme Court, in *Burroughs et ano.* v. *United States* (290 U. S. 534 (1934)), took the position that the powers of Congress over Presidential elections are not limited to the determination of the time of choosing electors. At page 545 the Court stated:

"While Presidential electors are not officers or agents of the Federal Government (*In re Green* (134 U. S. 377, 379)), they exercise Federal functions under, and discharge duties in virtue of authority conferred by, the Constitution of the United States. The President is vested with the executive power of the Nation. The importance of his election and the vital character of its relationship to and effect upon the welfare and safety of the whole people cannot be too strongly stated. To say that Congress is without power to pass appropriate legislation to safeguard such an election from the improper use of money to influence the result is to deny to the Nation in a vital particular the power of self-protection. Congress, undoubtedly, possesses that power, as it possesses every other power essential to preserve the departments and institutions of the General Government from impairment or destruction, whether threatened by force or by corruption."

On this point there is contained on page 186 of the record of the hearings on H. R. 29, before the Committee on Rules and Administration, United States Senate, Eightieth Congress, second session, the joint statement of several recognized authorities on constitutional law, which statement expresses my views. It reads:

"While Congress could not question the right of a State legislature to provide the manner of appointment of Presidential electors, a State legislature in exercising that right must exercise it in conformity with the requirements of the Constitution. If the legislature provides for the appointment to be made by the process of election, that election, like a primary election for congressional candidates, 'involves a necessary step in the choice of candidates' for national office 'which in the circumstances of this case controls that choice' (*United States* v. *Classic* (313 U. S. 299, 320)) and that choice must be made in a manner that does not offend the Constitution or such legislation as the Congress may reasonably deem appropriate to protect the rights of constitutionally qualified voters from discrimination and invasion. Article II, section 1, clause 2 of the Constitution does not authorize the State legislature to fix arbitrary conditions to the right to vote for Presidential electors which have no relation to the voter's worth or ability."

Based upon the foregoing legal reasoning, and upon my personal conviction that the poll tax is a blot on American political affairs, I urge favorable and prompt action on the measures under consideration.

Mr. Chairman, I yield 7 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, some say that what a State does with its citizens or with its noncitizens is none of our business. Some say that what each State does about the poll tax is just the business of the poll-tax States. In my humble opinion that is not so. No State can act in a vacuum. I would say that whatever happens, especially as to voting in our Republic anywhere in poll-tax or non-poll-tax States particularly in the Presidential or congressional elections deeply concerns us all. Reflect for one moment. See what happens in our Presidential elections. See what happens in poll-tax States in such elections. See what happens in non-poll-tax States. The Presidential voters who voted in the 1944 Presidential elections were as follows: Within eight poll-tax States—Texas, Arkansas, Mississippi, Alabama, Tennessee, Georgia, South Carolina, and Virginia—in those eight poll-tax States in the 1944 Presidential elections only 18.31 percent of those eligible voted, whereas in the 40 non-poll-tax States 68.74 percent of those eligible actually voted.

It deeply concerns, therefore, the entire Nation as to who shall and shall not vote, particularly for Presidential electors, for Members of the House and for Members of the Senate.

There are some States which have now done away with their poll tax. Georgia

is one of them. Texas is about to relieve itself of the incubus of a poll tax and the Legislature of Texas has provided for a popular referendum on the subject. I do hope that the good people of Texas in the referendum soon to be held will do away with the poll tax.

But there are efforts now, I understand, in the State of Georgia to reinstate the poll tax which, under the leadership of a very splendid statesman, ex-Gov. Ellis Arnall, did away with the poll tax. But it is well to remind you of what President Truman said:

> We cannot wait another decade or another generation to remedy these evils. There is much that State and local governments can do in providing positive safeguards for civil rights. But we cannot any longer await the growth of a will to action in the slowest State or the most backward community. Our National Government much show the way.

Those who argue for the maintenance of the poll tax rely in the main upon article I, section 2, of the Constitution which reads as follows:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

But these advocates of the poll tax should not rest there with reference to article I, section 2. They should go further and read article I, section 4, which is as follows:

> The times, places and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof.

Then section 4, article I of the Constitution goes on to say:

> But the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

Those advocates fail to take into consideration likewise article I, section 8, clause 18, which gives to the Congress the extreme power—

> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any Department or officer thereof.

That means that the Congress has complete powers to implement all these sections of the Constitution appertaining to the general welfare, to the fourteenth and fifteenth amendments to its rights to proscribe against discrimination as to race, creed, or color, and all other suitable and pertinent provisions of the Constitution.

If this poll tax was a qualification, I would have no argument with the advocates of the poll tax. They would eminently be within their rights to set up a poll tax; but it is not a qualification. It bears no relation whatsoever to intelligence, capacity to understand, or mental ability. It is a burden, an undue burden or restriction, and since it is a restriction and not a qualification, we have a right to legislate thereupon—we Members of Congress.

If you could say there would be a poll tax as a prerequisite to vote in a Presidential or congressional election, then you could say that only a churchgoer, one who regularly attends church, could vote. You could say only a married man could vote. You could say only one who has children could vote. You could say only one who wears a polka-dot blue necktie could vote. You cannot do that. Those are restrictions and not qualifications.

The right to vote for Members of Congress and Presidential electors is a right derived from the Constitution.

In that regard, I call attention to a decision of the United States Supreme Court, *United States* v. *Classic* (313 U. S. —), the prevailing opinion rendered by Justice Stone:

> While, in a loose sense, the right to vote for Representatives in Congress is sometimes spoken of as a right derived from the States, this statement is true only in the sense that the States are authorized by the Constitution to legislate on the subject of approved by paragraph 2 of article I, to the extent that Congress has not restricted State action by the exercise of its powers to regulate elections under section 4 and its more general power under article I, section 8, clause 18, of the Constitution, "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers."
>
> Obviously included within the right to choose, secured by the Constitution, is the right of qualified voters within a State to cast their ballots and have them counted at congressional elections. This Court has consistently held that this is a right secured by the Constitution. And since the constitutional command is without restriction or limitation, the right, unlike those guaranteed by the fourteenth and fifteenth amendments, is secured against the action of individuals as well as of States.
>
> But we are now concerned with the question whether the right to choose at the primary election, a candidate for election as Representative, is embraced in the right to choose Representatives secured by article I, section 2.

The Court then threw the constitutional cloak of protection to primaries as well as to elections. Justice Douglas, in the same case, said, "The important consideration is that the Constitution should be interpreted broadly so as to give to the representatives of a free people abundant power to deal with all the exigencies of the electoral process."

Thus, I maintain we have abundant power to legislate out of existence the poll tax.

The CHAIRMAN. The time of the gentleman from New York [Mr. CELLER] has expired.

Mr. RANKIN. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-three Members are present; not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 141]

Anderson, Calif.	Bland	Bulwinkle
Auchincloss	Blatnik	Burke
Barden	Bosone	Carroll
Bentsen	Buckley, N. Y.	Case, S. Dak.
Chatham	Kennedy	Ribicoff
Cole, Kans.	Kilburn	Rivers
Cole, N. Y.	Kilday	Roosevelt
Dague	Klein	Shafer
Davies, N. Y.	Kruse	Smathers
Deane	Lichtenwalter	Staggers
Durham	Lucas	Stanley
Eaton	McCormack	Steed
Eberharter	McGregor	Stigler
Elston	McSweeney	Taber
Fellows	Martin	Thomas, N. J.
Gavin	Miller, Calif.	Thomas, Tex.
Gilmer	Mitchell	Towe
Gossett	Morton	Velde
Gwinn	Murdock	Vursell
Hart	Murphy	Wadsworth
Hays, Ark.	Nixon	Walter
Hoffman, Ill.	Pfeiffer, Joseph L.	Weichel
Jackson, Calif.	Phillips, Calif.	Welch, Calif.
James	Plumley	Werdel
Jennings	Potter	Whitaker
Jones, N. C.	Powell	Weir
Kearney	Redden	Withrow
Kelley		Zablocki

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 3199 and finding itself without a quorum, he had directed the roll to be called, when 349 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mrs. NORTON. Mr. Chairman, I yield myself one-half minute to make a statement.

Mr. Chairman, we will move to rise at 5:15 if the Members will remain on the floor so that we can maintain a quorum. If not, we will stay here until 10 o'clock tonight.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Is not that statement subject to the action of the House, should they move to adjourn before 10 o'clock?

The CHAIRMAN. Of course, all action is subject to the will of the House.

Mr. LECOMPTE. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. NORRELL. Mr. Chairman, I ask unanimous consent that my colleague, the gentleman from Arkansas [Mr. HAYS], may, at the conclusion of the remarks of the gentleman from Michigan, extend his remarks in the RECORD at that point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, so far it has been a trying day with so many roll calls, and I am not concerned whether the Members stay to hear me, but like the Representative from New Jersey [Mrs. NORTON], who said she might not let us leave until 10 o'clock or later tonight, I suggest that, probably, if you do not, and the committee finds itself without a quorum, someone will make a point of order again that a quorum is not present.

I agree with the Representative from New Jersey [Mrs. NORTON] that the issue here is not a party matter. Both major parties are attempting to again use it for political advantage. There are a comparatively large number of the majority party who are opposed to this bill on principle, and we all know that very few on the minority side are opposed to the bill. So it is not a partisan matter. It is an interparty issue, Republicans and northern Democrats striving to make the colored voter think they are concerned over the situation which is said to confront his colored brother in the South. Both are waging a sham battle on an issue that could be solved in a few months if they so desired. I am worried about what the politicians in both parties are going to do if and when they are successful in a real effort to end the poll-tax issue by proposing a constitutional amendment and quit kicking it around as a political football.

Just what are you going to do about it? I am not questioning the motives or sincerity of anyone but feel free to point out the failure of the bill to give everyone the right to vote. I am opposed to this bill because I think there is a right way and a wrong way to settle the issue. It is not my purpose to go into a long legal argument or to question the conclusions of the gentleman from New York [Mr. CELLER], the great legal expert. He is chairman of the great Judiciary Committee, which raises the presumption he should know what he is talking about, so I do not want to even question his statement. All I would say along that line is that anyone who can read and write, or even read—he does not need to write—I understand this is a bill to let those who cannot read and write, vote—anyone who can read the Constitution can for himself make up his own opinion about that, and I would say it would be about as sound and as near accurate as the opinion of the most astute and well-educated lawyer in the House, as to whether this measure is constitutional or whether it is not. A little knowledge, especially legal knowledge, is a dangerous thing. Without a difference of opinion among lawyers, there would be neither lawsuits nor legal controversies. I have always thought it was up to the States, under the section of the Constitution first cited by the gentleman from New York [Mr. CELLER] to determine the qualifications of electors while the States subject to congressional action determined the manner of holding elections. If you really wanted to settle this issue, why is it that you who advocate ending the poll tax have not followed a different course? And again I am not questioning the sincerity or the motives of anyone; I would not do that; that would not be cricket. But as long as they settled the issue of the right of women to vote so quickly and so decisively by proposing a constitutional amendment, why is it that someone who advocates the right of people to vote without the imposition of a poll tax has not followed that course? Why is it? Is it because that course would have settled the issue—taken it out of the political forum?

And, another thing, if they really want to make it easy so anyone and everyone can vote, why bring in legislation like this? Why not the striking out of all other qualifications except perhaps age? We have had these bills brought up here for 10 years or more. Four times the House has passed similar bills. In view of previous experiences, are we not wasting our time in acting before the Senate acts? Again why do you not put in something about educational qualifications? Why not write the bill so that anyone who can hobble up to the polls or who can be carried up to the polls and make a cross on a ballot shall have the right to do it? Why not let everyone do that?

I say to my Republican friends that if you think you are going to get the colored vote by supporting this bill, as my smart political leaders have told me, you are barking up the wrong tree. You will not get it, because you are not going to be able to outpromise the ladies and gentlemen on the other side of the aisle; you cannot do it; you just cannot do it; and you have not control of the purse strings—they have. Mr. Dewey can tell you about that—he tried it twice. The gentlewoman from New Jersey [Mrs. NORTON] calls attention to our former colleague from Ohio, Mr. Bender, that gentleman with the pleasing and loud voice—oh, I would not say a rabble rouser, for, in reality, he was and he is an evangelist—fighting with vigor and outstanding ability in a pleasing, nonoffensive way, day in and day out, for many an issue in which he sincerely believed, but that enthusiastic gentleman who advocated this policy, and many another, for years, day in and day out, putting his whole heart and great ability into his efforts, ran for Congressman at large in Ohio. Where is George now? Well, George Bender stood by the CIO, and he stood by the colored people, and he stood by and fought for every worthy minority group, but he did not get their votes. When the show-down came, though, he ran far ahead of his ticket. When they voted last November out in Cleveland, they voted for the other fellow. The CIO and the colored brethren let George down. So you fellows, you smart politicians, who think you are going to be able to get that colored vote, just forget it; you are not going to get it, never, not until you can outpromise those who have no intention of keeping their promises; and that, I say, is an impossibility, because your honesty will not permit you to do it. I may be mistaken again, I am seldom right, though I notice from what has been happening to the United Nations and some of our foreign policies, as given us over on the other side, that, after all, I was right; most of the time I did not know I was going to be right, but it just turned out that I was. I may be in error on this—I do not believe the other body—I cannot refer to them as they should be referred to, but I do not believe that the other body is going to act on this bill. So now, for the fifth time, we are wasting our time, putting ourselves on the spot, just in an effort to corral the vote of the northern colored voter. The South will continue to send Democrats to Congress. The bill will go over to the other body, and there it will be put to sleep by the action of the northern Democrats who want to keep the issue alive for political purposes and by the southerners who do not want to surrender States' rights. And I say to you gentlemen from the South that I know—or maybe I do not know again, but you will find when this bill is passed that other legislation will be brought in, and you will be faced with the FEPC and the rest of the civil-rights program. This bill is but another phase of the program to punish you for your independence—for voting your convictions, your failure to follow the Phil Murray-guided President, no matter where he would lead you. If you do not agree, read the remarks of the Speaker made when the Pace bill was up.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. My time has expired.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mrs. NORTON. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts, our distinguished leader.

Mr. McCORMACK. Mr. Speaker, the purpose of my asking the distinguished gentleman to yield was to compliment him in his reference to the other body, because I noticed some outstanding newspapermen refer to the Senate as the upper body, when, of course, it is not; at the most it is a coequal body. So I wanted to compliment my friend from Michigan in his correct statement that it is either the coequal body or the other body; certainly, the Senate is not the upper body.

Mr. HOFFMAN of Michigan. Well, they fall harder when they drop.

Mr. HAYS of Arkansas. Mr. Chairman, the poll tax as a voting prerequisite is neither as bad as its critics claim, nor as meritorious as some of its defenders insist. As a citizen of one of the seven States retaining it, I have advocated its repeal by State action. My reasons for opposing the poll tax in Arkansas are not identical with those often urged in the House, namely, that its abolishment would improve the quality of our democracy. We have heard it argued, for example, that the Federal guaranty of a republican form of government for each State gives Congress power to prohibit a poll tax. Louisiana has no poll tax; Arkansas has. Is Louisiana's government republican and Arkansas' not? Florida has no poll tax; Tennessee has. Is Florida's government closer to the republican ideal than Tennessee's? These propositions would be hard to prove. It is true that the franchise would be enlarged and theoretically that is desirable, but the restraint on voting in a poll-tax system is not the fatal type, and is, in my judgment, a reasonable exercise of State powers. Incidentally, I regret that the substantial arguments against the poll tax have not been often advanced in national forums—that it is a weapon of machine politics and that it results in the enfranchisement of the dishonest poor and the disfranchisement of the honest

poor who will not accept subsidization of their vote

If we had a stronger case in defense of the poll tax, I would be adamant in resisting its prohibition, but in urging that we get rid of it by constitutional amendment, I am moved by the fact that obviously a great majority of the people of the United States have concluded that there should be uniformity on this point. The majority apparently believes that not even the mildest monetary restraints should be used in Federal elections. We should accept this popular judgment, but we are entitled to ask that its abolishment be by the proper and honorable method of amending the Constitution. I know that one line of argument advanced in favor of constitutionality cannot be called specious reasoning, but most lawyers so arguing will admit that it is at least of doubtful constitutionality. A doubtful case should not be approved.

My thinking on the poll-tax issue was affected by a conversation with a colleague from California, who said to me after one of my early speeches on this subject: "Look, I admit that there are good arguments for the States deciding this issue, but how would you feel if you campaigned in a district that casts 150,000 votes, while some districts in poll-tax States, even in the primary, cast as few as 20,000?" I concede that that raises a vital question. In congressional elections every encouragement should be given to wide participation. It is not unreasonable for the non-poll-tax States to seek abandonment of the tax, but we are right in urging that it be done constitutionally. Furthermore, there are practical considerations in this issue. Everyone knows that the Norton bill would never come to a vote in the Senate. The history and the parliamentary phases of this measure cannot be disregarded. For 10 years proponents of poll-tax repeal have failed in efforts to get rid of the tax. Their efforts have been centered on statutory action and have produced nothing but controversy. It is time for other steps to be taken if effective action is really desired. We offer to cooperate in getting rid of the poll tax by constitutional methods, but if other methods are attempted, the resistance must continue. The constitutional amendment should be supported without partisan sponsorship and the Norton bill should be recommitted.

Mr. LECOMPTE. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

POLL TAX UNCONSTITUTIONAL AND UNJUST

Mr. WOLVERTON. Mr. Chairman, the poll tax, now in effect in several of our States, is in my opinion illegal and unjust. It should be abolished. It has no rightful place in a democracy such as ours.

It is inconceivable that it is necessary at this time for this Congress to consider legislation to abolish the payment of a poll-tax as a prerequisite to the right to vote, when there has been such widespread progress in the recognition of the principles of democracy as the only proper foundation of government. Until we have eliminated such a barrier to the exercise of the right of suffrage we cannot claim to be a true democracy and, just so long as we maintain, anywhere in the Nation, the poll-tax as a qualification to vote, we are not a true democracy. This is a blunt statement. It is true, and we must face it squarely.

There is not now nor has there ever been any justifiable reason nor any legal right to sustain the existence of any law in any State of this Nation that requires the payment of a poll-tax as a requisite for the right to vote.

We must not overlook the fact that the right to vote is the basic right of one who is a citizen in a democracy. This right in our own Nation is guaranteed by constitutional provision. The fourteenth amendment to the Constitution of the United States provides:

All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws.

And, to further emphasize the care that has been taken to preserve the fundamental right of a citizen to vote, may I direct your attention to article 15, section 1, of the Constitution, reading as follows:

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

And then, to make sure that the right of all citizens to vote should be respected and not disregarded, section 2 of the fourteenth amendment provided:

Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof, is denied any of the male inhabitants of such State, being 21 years of age, and citizens of the United States, or in any way abridged except for participation in rebellion or other crime, the basis of representation therein shall be reduced in proportion which the number of such male citizens shall bear to the whole number of citizens 21 years of age in such State.

Notwithstanding the clear intent of our Constitution, the provisions to which I have referred have in several Southern States been ignored. In a desire to prevent colored citizens from exercising their right to vote, they have adopted many restrictive qualifications. Among these is the payment of a poll tax, with conditions attached thereto that have caused many thousands of colored citizens to be denied their constitutional right to vote in such States. This is wrong and calls out for remedial legislation by this Congress.

Mr. LECOMPTE. Mr. Chairman, I yield such time as he may desire to the gentleman from North Carolina [Mr. KERR].

Mr. KERR. Mr. Chairman, the right of the individual States to prescribe the qualifications for their electors is an inherent one guaranteed by the provisions of the Constitution, preserved and borne out by decisions of the Supreme Court. H. R. 3199, which purports to make unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, is in direct violation of article 1, section 2, of the Constitution which provides that—

The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

The merits and evils of the poll tax are secondary in this matter. The question is on the power of each State to control its own elections and to govern itself, free from Federal controls other than those given up by the States themselves in the formation of the United States of America. The poll tax is not in every instance a fair tax. In my own great State of North Carolina this measure was abolished more than 20 years ago. I am not in sympathy with the poll tax as a requisite to voting. I am, however, a sincere believer in the rights of the individual States. This democracy of ours has grown from a weak, young federation of colonies to the position as the most powerful Nation in the world chiefly because our form of government is based on the rights of the people in the individual States. There has been no way in which a too-powerful central government could spring up and give rise to a dictator. The political philosophy contained in this bill is hostile, not only to the seven States directly concerned, but to all the others and to the welfare of the Nation, for it seeks to abrogate all that this great democracy has held dear and which has made it great. This is aptly stated in the minority report accompanying the bill:

Concealed in the anti-poll-tax bill is a legal weapon that could destroy our system of Government and the local supervision of elections. If the bill passes, something in America will pass with it.

Let us look for a moment at what the founding fathers of our country said at the time of the first Constitutional Convention. At that time Mr. Hamilton, in the Federalist, wrote on this question:

To have reduced the different qualifications in the different States to one uniform rule would probably have been as dissatisfactory to some of the States as it would have been difficult for the Convention. The provision made by the Convention appears, therefore, to be the best that lay within their option. It must be satisfactory to every State, because it is conformable to the standard already established, or which may be established, by the State itself.

There have been only two cases before the Supreme Court of the United States directly in point with this question. The decisions in these cases sustain the right of the States to levy and collect a poll tax as a prerequisite to voting. In one of these cases, Breedlove

against Suttles, Mr. Justice Butler wrote for the Court:

> Exaction of payment before registration undoubtedly serves to aid collection from electors desiring to vote, but that use of the State's power is not prevented by the Federal Constitution. * * * To make payment of poll taxes a prerequisite of voting is not to deny any privilege or immunity protected by the fourteenth amendment. Privilege of voting is not derived from the United States but is conferred by the State, and save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate. * * * The payment of poll taxes as prerequisite to voting is a familiar and reasonable regulation long enforced in many States.

In the other case a writ of certiorari was denied by the Supreme Court. The court of appeals deciding this case followed the principles of law of the Breedlove case. The manner in which to settle the poll-tax issue is not through legislation of this kind, which tends to dictate to the States what they should and should not do. Such legislation raises the cry again of taxation without representation, for the people of the States have no voice in this matter.

The only way to take care of this problem is through a constitutional amendment. If such is ever presented on the floor of this House, I shall support it. This is the only answer, for it would give each State the right to act in its own behalf, and we would all be governed by the will of the majority. Such methods in the past have made this country a great nation; such methods now and in the future will make it an even greater one. If this bill passes, one of the great pillars of our form of government will have been removed and the rights of the individual States foreclosed forever.

Mr. LECOMPTE. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Chairman, I requested time when the resolution was being considered. I do not know that anything I may say or do at this stage of the game will prevent enactment of the pending legislation. The gentleman from Michigan [Mr. HOFFMAN] has pretty well stated the case. It is a political issue, it is a matter that so many of you gentlemen feel you must go down the line for when the whip is cracked.

Mr. Chairman, we speak of parties and party platforms. I wish sometimes we could think a little about the country and a little less about party, a little more about the stability of this country and the maintenance of our form of government and the protection of our Constitution. Of course, we know that this is an effort to try to get the votes which the fearless and distinguished gentleman from Michigan spoke of. I think he was absolutely correct about that. I do not believe you Members over there on the left—Republicans—have a ghost of a show of getting that vote, as he so well illustrated by citing the case of a former Member's experience, and there are others in the same position who might have been mentioned.

Let us think about that for a moment. Of course, I do not admit that this would enfranchise the Negro. That idea has been sold to the politicians and they are going to continue to advocate it. There are districts in my own great State that are preponderately of that minority race. If that is what you are driving at, if that is what you think you are going to obtain, would you say that in the district represented by my distinguished colleague, the gentleman from Mississippi, Mr. WILL WHITTINGTON, one of the able men of this House, where the population runs in ratio about 3 to 1 in favor of the colored, by achieving this objective you would get a more capable man and a man who had the interest of his country more at heart than my colleague, the gentleman from Mississippi, WILL WHITTINGTON? If you would succeed in your objective, and if your objective were a correct one, do you think you would secure a better man? Would the country be better off?

Oh, we raise these questions. We know now that this body is going to pass the bill. We know that the other body is not going to pass it. Some question was raised about the other body a moment ago. I refer to the little colloquy and the little amusement enjoyed between the distinguished gentleman from Michigan and our distinguished majority leader. But I want to make my little comment on that. I want to thank God and the powers that be that look over this country that when the mad scramble was made to revise the rules in the other body in the beginning of this session so that this legislation could be rammed down our throats, that the other body stood firm and they did not change the rules. They did not succumb to that argument as we did over here.

My friends, I just appeal to you. I know we have all got to be politicians in order to stay here, but I appeal to you to think about your common country a little while you are playing politics.

Mr. Chairman, on Friday last, when it was evident that the Rules Committee would be bypassed under this new rule that the House adopted earlier in this session, to which I just referred, and that this bill would be called up for consideration today, I made some rather extensive remarks on this subject. I went into the constitutional questions involved. I cited the Constitution and the United States Supreme Court decisions to the effect that this proposal was illegal and unconstitutional. Any high school student would realize from a reading of this proposal, of the Constitution and those decisions of the Supreme Court, which I cited, that this proposal is illegal and unconstitutional. But, alas, politics must be served. If we pass this unconstitutional proposal we should revise the old saying: "What is the Constitution when friends are involved?" and, instead, say, by our votes: "Why consider the Constitution when politics is involved?"

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. LECOMPTE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I oppose this bill. I am convinced that Congress has no constitutional authority to enact it into law. The language of the Constitution is plain. It is not ambiguous. Its meaning is not in the slightest degree difficult to understand. Section 2 of article I of the United States Constitution provides:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Section 4 of article I of the Constitution is the provision relied upon by proponents of this legislation as constitutional authority for its enactment. This section likewise is plain. It is not ambiguous, and it is not difficult to understand. It reads:

> The times, places, and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

Section 2, which I have quoted, is the section of the Constitution which fixes the qualifications of those who shall vote for Members of the House of Representatives. Section 4 does not relate to qualifications of voters. It specifically and distinctly relates to the "times, places and manner of holding elections."

It gives to Congress expressly the right to legislate upon "the times, places and manner" of holding elections for Senators and Representatives, but restricts Congress even on those subjects by denying to it the jurisdiction to legislate regarding the "places of choosing Senators," leaving that subject expressly to the State legislatures.

Article X of the Constitution provides:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

There is nothing in the Constitution, or its amendments, which repeals or modifies the three sections I have quoted insofar as they relate to the qualifications of voters in congressional elections.

Pages and volumes could be written in support of this contention, but nothing could be said which expresses it more clearly than the bare language of the Constitution itself.

Honest construction of the Constitution has sustained these contentions throughout the years. Honest construction of the Constitution will continue to sustain them.

This House is engaged today in an effort to do something which it has no constitutional authority to do.

For that reason, I have resisted every step of this effort, and shall continue to resist this unconstitutional effort.

I am not actuated by any desire to affect voting qualifications in my own State of Georgia, or to continue any practice or custom which now exists in my State. There has been no poll tax collected or required in Georgia since 1945 when Georgia abolished the poll tax.

I speak, therefore, not as the representative of a State which is interested

in maintaining an existing system of voting.

It is an interesting thing to note the overpowering desire on the part of some of those who sponsor legislation of this kind to meddle in the affairs of other people and other sections. I have read the printed hearings on eight bills introduced in the Eightieth Congress to prohibit poll taxes. A typical example of this desire to meddle is found on page 8 of printed hearings, in the testimony of the author of one of those bills; namely, the gentleman from Ohio, Mr. Bender. He said:

> In insisting on free elections in various European countries, we have not hesitated to interfere in their internal affairs. We have not been deterred by considerations of national sovereignty. If we do not hold in awe the sovereignty of a foreign country, whose people and whose government are independent of us, why are we so reticent where the so-called rights of our own States are concerned? If we demand free elections in Yugoslavia, how can anyone take seriously the argument that respect for States' rights should keep us from guaranteeing free elections in our own South?

They are willing to meddle in European countries. They do not hold in awe the sovereignty of a foreign country. They do not hesitate to "demand free elections in Yugoslavia."

They evidently feel that they have a divine mission to guarantee free elections in the South.

The same witness said on the next page of the hearings, page 9:

> I am sure that whenever there is an issue of this kind involved there are many people who raise constitutional points. Naturally I expect that that will be raised in connection with this issue. However, good common sense and reason will dictate that the Federal Government has a perfect right to pass legislation like this as it did in connection with the Federal soldiers' vote law for which many of us voted.

To that sort of person, the Constitution can be brushed aside and utterly disregarded with a remark like that I have just quoted.

That sort of person is willing to substitute what he regards as good common sense and reason in lieu of the provisions of the Constitution of the United States which were adopted with due solemnity, after careful and laborious preparation, and duly and legally ratified by the requisite number of sovereign States.

I am reminded anew of the old saying that "fools rush in where angels fear to to tread."

As to the merits of the contention that a requirement that a poll tax be paid prevents people from voting, a little investigation will disclose that such contention is without merit. Millions of people do pay a poll tax and vote in the States which require payment of a poll tax.

Not only that, millions of people in those States pay a poll tax and do not vote.

In this land of plenty, in this land of high wages, it cannot seriously be contended that the requirement of a poll tax of $1 a year, or $1.50 every 2 years, will result in disfranchising people who want to vote.

The people who fail to cast their ballots, whether in States that require payment of poll tax, or otherwise, are those people who are indifferent to their responsibilities as citizens. A rainy day will keep such a person away from the polls. A cold day will keep him away. Laziness and indifference keep most of them away.

The poll-tax provision is an open and aboveboard law on the statute books of every State which requires its payment. There is nothing hidden or secretive about it. No person can be deceived regarding it. It is there for one and all to read, and once the prospective voter has paid the small amount involved, which usually is applied to the worthy purpose of financing education, there is nothing more that can be said or done to prevent, hinder, or retard the voter from exercising his privilege.

Honest administration of the election laws in a poll-tax State does not result in one-tenth the disfranchisement which can be carried on by dishonest administration in a non-poll-tax State, and in support of this contention, I refer listeners to the remarks of two of the gentlemen from Illinois during a discussion of this legislation on the floor of this House on Friday, July 22. During a discussion when I had the floor, the gentleman from Illinois [Mr. VURSELL] said—page 10038:

> I think the American people, or a great many of them that are voting, ought to vote their sentiments instead of being driven to the polls like cattle, which is too often the case, especially in the big cities where they are under the domination and control of political machines.

This remark riled the gentleman from Illinois [Mr. SABATH], who represents a Chicago district, and, in reply, he said:

> The gentleman said that they are driven to the polls in the larger cities. I want to say that they do not drive them to the polls at all in the country districts; they just vote them by phone. They do not even have to be registered, and they vote them for the Republican ticket. They just put them on there, and that is the reason sometimes they are in the majority.

Continuing his remarks, he further said:

> Not only in Illinois, but in the rural sections of other States. And the Republicans are carrying on. They do not register them, even, and as I have said, they call on the phone and say that so-and-so and so-and-so voted that way. There is more fraud perpetrated in one county down-State rural section than there is in the large cities of the United States.

To this charge relating to alleged election frauds in Illinois, the gentleman from Illinois [Mr. VURSELL] replied:

> If the gentleman will yield further, I have been more or less active in politics for 35 years in my State. I have never known charges and investigations to be made where anyone was ever jailed for ballot fraud in the State of Illinois outside of Cook County. I think that statement stands as being true and correct. I lived in Chicago a while and was interested there. I lived there some 10 years. The facts are that there were so many convictions in those wards there, where they drove the voters to the polls like cattle and voted them, and so much corruption, that it was hardly worth while to try to put them in the jails. Plenty of them went to jail, but hundreds of them escaped for lack of real prosecution.

That charge brought a reply from the gentleman from Illinois [Mr. SABATH], who lives in Chicago, as follows:

> I have been in politics for over 60 years, and I have been a committeeman for nearly 50 years, and chairman of the county central committee, and there were no frauds at any time perpetrated by the Democrats. Where there were frauds perpetrated and people were jailed in Republican primaries, they were mostly Republicans, they were not Democrats.

If what these two gentlemen, well acquainted with Illinois politics for many years, solemnly stated on the floor of this House last Friday, is true, in the non-poll-tax State of Illinois, then those whose hearts are aching because of disfranchised voters should turn their attentions closer home. They should pluck the mote from their own eyes.

Where, in any poll-tax State, can you find anything resulting from a poll tax which even approximates the sordid, shocking, dishonest, corrupt, election frauds which were detailed by the two gentleman from Illinois on the floor of this House last Friday, and referred to in such manner as to indicate that such practices are not extraordinary and unusual, but are engaged in as a matter of regular custom and practice.

Mr. Chairman, the truth is that public office is sought by dishonest and corrupt men as well as honest and upright men.

Dishonesty and corruption in elections does not rest upon a poll tax or a lack of a poll tax. Constant vigilance on the part of local people is necessary to keep elections clean and honest, whether in Illinois or Georgia, or Maine or Texas.

If elections are kept honest in Illinois, it will be the Illinois people who keep them honest. If they are kept honest in Georgia, it will be the Georgia people who keep them honest.

They cannot be kept honest by the Federal Government in Washington.

This fact was recognized by the wise framers of our Constitution, when it was provided in that Constitution that qualifications of voters should be fixed by the legislatures of the respective States.

With all due respect to those who compose the present Congress I do not regard them as being better qualified to write a Constitution than those who wrote the one we now operate under. The passage of the years has confirmed their wisdom.

I feel that that wise admonition in the Book of Proverbs is applicable here:

> Remove not the ancient landmarks which thy fathers have set.

Mr. LECOMPTE. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, my vote against H. R. 3199 is not to be interpreted as being in favor of the poll tax. I am voting against the measure purely on the ground that it is unconstitutional. The Constitution clearly and specifically vests in the States the power to write the election laws. If the Congress can usurp that power, which is precisely what is proposed in this bill, there is nothing to hinder it from depriving the States of all jurisdiction over election laws. Indeed, it is my studied

opinion that the real motive back of this bill is to transfer the power over election laws, now constitutionally held by the States, to the Federal authority.

The colored people, above all groups, should be most solicitous in maintaining the integrity of the Constitution, for therein lies their greatest protection. And let me warn the colored people that should the onslaught which politicians and other elements are making against the Constitution eventuate in its abrogation, they will be the first to feel the iron heel of dictatorship. Surely by now the colored people ought to know, and I believe most of them do know, that these perennial bills that are being brought up to repeal the poll tax are not altogether sincere expressions of affection for them. Everyone knows that it is bidding for votes, not civil rights, that continually brings these bills before the Congress.

Mr. LECOMPTE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PICKETT].

Mr. PICKETT. Mr. Chairman, I have no delusions concerning the effect of my remarks on the ultimate vote on this question. This matter has been debated on two previous occasions during my short tenure here in the House. It has been my observation on those two previous occasions that the result of the vote in favor of such legislation, overwhelming in numbers that it has been, was based primarily upon a purely political conception of the duty and responsibility on the part of a majority of those who voted for it. That was the business of those who voted that way on the two previous occasions it was voted on in this House since I have been here. What you do about it on this occasion is your business, and I do not expect to criticize you for the stand you take.

But, I do want to say a few words in connection with this matter to demonstrate beyond all successful contradiction that you have no basis from a sound, constitutional standpoint upon which to support legislation to abrogate the poll tax as a requisite to voting in the seven States that now have that requirement.

Article I, section 2 of our Constitution provides that—

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

I am not going to belabor the history of that provision of the Constitution. All you have to do is to refer to the Madison papers and you will find what the intention of the framers of the Constitution was in that regard when they put that provision in there. It means simply that if you are qualified to vote for the members of your State house of representatives, then you are entitled to and are qualified to vote for the Members of the Congress. It means that your State legislature can prescribe the qualifications of those who want to vote for members of the house in your State legislature, and therefore they prescribe the qualifications of those who vote for Members of the United States Congress. That is all it means.

On the other hand, some of the proponents of this legislation take the position that article I, section 4, confers upon Congress the right to legislate on this proposition when it says:

> The times, places, and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

That language means no such things as the proponents of this legislation say it does. If the framers of the Constitution wanted to regulate and restrict the meaning and intention of article I, section 2 by giving the Congress the right to regulate the qualifications concerning electors, the framers of the Constitution would have treated it the same in article I as they did in article IV. They did not do it that way. They treated them as two separate principles, in two separate sections, and wrote different provisions regarding them.

Nowhere in article I, section 2, did the framers of the Constitution say Congress had any right to legislate regarding any regulations of laws concerning the import of that section. When taken in connection with the fact that in article I, section 4, they did provide that Congress may at any time by law make or alter such regulations affecting the time, place, and manner of holding elections, it is evident there was no intention of permitting Congress to legislate on the subject of qualification of electors.

There is not a single case to be found that holds Congress has a right to legislate on the subject. No case can be cited that says the States do not have the right to levy and assess a poll tax as a prerequisite to voting. There are two cases that are as clear as can be that sustain the proposition the States do have a right to levy and assess a poll tax as a prerequisite to voting. One of those cases, the case of Breedlove against Suttles, decided by the Supreme Court of the United States in 1937, holds that principle. The case of Pirtle against Brown, upon which writ of certiorari was denied by the United States Supreme Court in 1941, followed the Breedlove against Suttles case. The proponents of this bill, H. R. 3199, take the position that language in the case of *United States* v. *Classic* (313 U. S. 277), decided in 1941, is sound authority for their viewpoint. It is not any such a decision. It treats of a different subject. The origin and points involved are different from the Breedlove and Pirtle cases. Any language sought to be used by this bill's sponsors to justify their position is pure dicta. It does not anywhere expressly or by implication repeal the Court's opinion in the case of Breedlove against Suttles, determined 4 years before. If it did, if that was the intention of the Supreme Court when it wrote the opinion in the Classic case, then why did it follow Breedlove against Suttles when it decided Pirtle against Brown. The latter's opinion was written after the Classic case was decided?

The poll tax does not disfranchise anybody that I ever heard of down in the State of Texas. There has been some reference made to that. In the case of Smith against Allwight, decided by the Supreme Court of the United States early in 1944, in February, I believe, the Court laid down the proposition that opened the door for Negroes to vote in primary elections. Not only did that apply to the State of Texas, but the principle will apply to every State in the Union whether they be poll-tax States or not. The thing that does disfranchise people is their own inaction, their own conduct, their own lack of interest in the election. I think it might be enlightening to some of the members of this committee to know that in Texas in 1948 there were more than 2,000,000 persons qualified as electors both by the payment of poll tax and by exemption from payment of the poll tax under the constitution and laws of the State of Texas. Not 55 percent of those two-million-odd people voted in the general election last November, notwithstanding that we had one of the most intense, interesting, and heated campaigns for the Presidency that we have had in the history of this country. But not more than 55 percent of more than 2,000,000 people had interest enough to go to the polls. They were qualified, those required to pay had paid the poll tax, and others were exempt from payment of it under the law.

May I say to you in respect to this proposition that this bill is wrong, not only from the standpoint of the constitutional prohibition and direction in conjunction therewith, but this bill is wrong in principle in what it tries to do. The result of its enactment into law would be to require two separate ballots in poll-tax States, with all the confusion and with all the trouble and with all the administrative difficulties that go along with it. This bill provides that the poll tax shall not be a requisite to voting for national officers. It says nothing about your governors or your county officials and those of lesser importance. I do not think the proponents of this bill would expect the Constitution would let them go that far, but I say to you if it lets them go as far as they think it does in what they are trying to do, it lets them go all the way.

The bill now before us invades the fiscal affairs of the seven States in which they have the poll tax. It has provision—I believe it is section 6—which prohibits the charging of a fee for registration whether you call it a poll tax or registration fee, or by any other name. It does not even allow the State the latitude of passing a statute to say that 25 cents shall be paid to help defray the expenses of carrying on a registration program to get the voters registered. This bill puts a prohibition on a person from doing anything in regard to the levying, assessment, or collection of a poll tax, even though his own State constitution and his State statute requires him to do it. It would then prohibit a public official from doing what he may be required to do under the constitution and laws of his own State.

Surely, an honest appraisal of the Constitution would result in a different vote

on this bill than will come if purely political considerations are the only standards used.

Mr. LECOMPTE. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, unfortunately the leadership of this august body has seen fit to bring a measure before us for consideration when there is much legislation of a more far-reaching importance than the present one now before us. I listened with a great deal of interest to the gentlelady from New Jersey and her explanation of the bill and its sponsors, et cetera. With all due deference to her, and I admire her ability, I have never in my short experience listened to so much misinformation concerning any measure before this Congress. My own State of South Carolina has a poll-tax law. The legislature, in its last session, I believe, authorized a referendum as to whether or not we should keep it. The Governor has advocated its repeal and I think in due course of time it will be repealed.

But the people of my State certainly do not desire that the Federal Government should come down there and tell them that they have to do it. No State nor a good citizen of any State desires for the Federal Government to come in and regulate the qualifications for electors.

This measure is purely political. There is no question about it. As the gentleman from Texas, the gentleman from Michigan, and the gentleman from Mississippi said, you will not succeed in the end. There is nobody being disenfranchised by this measure. The poll tax is not a qualification for voting in the State of South Carolina.

Mr. Chairman, I have the distinguished honor of representing the district formerly represented by one of the most outstanding patriots and greatest statesmen this country has ever produced, the Honorable John C. Calhoun. Naturally, therefore, I have inherited at least some of his political philosophy. From the standpoint of ability and statecraft I feel and know that I am unworthy to loose the latchets of his shoes. However, I would certainly be a most unworthy successor should I fail to express my position and opposition to the measure now before us for consideration. In so doing, I feel that I am expressing the philosophy of government as enunciated by Thomas Jefferson and as established by Calhoun, Jackson, and others.

There is a great deal more involved in this piece of legislation than is apparent in the arguments of its proponents. There is a great deal more involved than mere demagogic speeches made for vote-getting purposes. At this point I would like to admonish those who favor this proposal that they are certainly placing a selfish interest before their patriotic duties and obligations, because many of us realize that the civil-rights program is designed for none other than political purposes. It is a disgrace to American intelligence.

It is elementary to say that when the States or the Colonies decided to create the United States they specifically and definitely, clearly and unmistakably, stated in the instrument of writing we now know as the Constitution the powers that they were delegating to the general Government and to the powers they were reserving unto themselves. Nowhere in the entire category will you find the States anywhere have given the Federal Government the right to exercise powers embodied in this legislation, and yet a very intelligent set of men, presumably the most intelligent that the people of this country could select, are here today debating, seriously, apparently, as to whether or not we shall override the intentions of our forefathers, and at one stroke of the pen take away from the States a right that means the removal of the lifeblood of the individual States and, eventually, means the death of this Republic. Because when you take away from the States the rights and powers involved in this bill and place them in the Federal Government, the boasted democracy of this country is then sealed and doomed.

I regret that more time was not provided for the discussion of this very important measure because I would like to inquire into the historical background of the whole matter, and especially so since many references have been made to the Constitution of the United States and the different angles from which it has been approached.

At this point, I would like to refer the Members from the State of California to a few pages of history insofar as the ratification of the fifteenth amendment is concerned. After the proposal of the fifteenth amendment to the people of this country for their opinion in the matter, the people of the State of California in 1869 rejected its adoption and as of the present day have failed to ratify it. Yet, a number of Members from that State seem to express themselves or arrogate unto themselves a particular and peculiar knowledge and interpretation of its contents. To the Members from the State of New York who present practically unanimous support of this measure, I would refresh their memories that the State of New York ratified the amendment on April 4, 1869, but then withdrew its ratification by formal action of its legislature on January 5, 1870. Since such withdrawal the State of New York has not made any formal declaration showing any change of mind or heart.

The only logical conclusion I can reach is that the people of the State of California and the people of the State of New York, from which the ardent supporters of this bill come, are still opposed to the fifteenth amendment or else they would take advantage of the opportunity afforded them in all these years to express their faith and allegiance to the fifteenth amendment, now a part of the great document we call the Constitution of the United States.

I go a little further, and again I call upon history to come to my rescue, and find that the great State of Ohio, by action through its legislature on May 4, 1869, rejected the fifteenth amendment and did not change its mind and ratify it until June 27, 1870, just 1 month before the amendment was formally ratified and made a part of the Constitution of the United States. The only logical conclusion that I can arrive at is that they are jumping on the band wagon.

Despite the long and unbroken recognition by the courts and people of this country that the Constitution of the United States definitely declares the qualifications of electors shall be determined by the States, we have before us a bill which undertakes to amend the Constitution by appropriating the powers vested in the States under article I, section II, of the Constitution and placing them in the legislative branch of the Government.

Many of the speakers have openly declared that the purpose of enacting this bill into law is to have the matter presented to the Supreme Court to determine whether the Congress has the right to amend the Constitution in this way. Others have asserted that on account of changed conditions or circumstances, the Court would or should find the action of the Congress to be constitutional. They do not hesitate to say that the Constitution has served a good purpose, but say that times have changed and the Congress, therefore, should proceed to legislate in keeping with the times, irrespective of the Constitution. I hesitate to question the purpose of loyalty of anyone, but I submit in all seriousness that the Congress cannot afford to arrogate unto itself the right or authority to amend the Constitution by statute. For the Congress to undertake to amend the Constitution simply because there has been a change in the conduct and actions of some people would have the same effect upon the security of our system of government as the elimination of the Ten Commandments would have upon enlightened civilization.

The provisions of the Constitution insofar as the security of our system of government is involved, are the fundamentals upon which our structure of government stands and if the Congress should ignore its limited powers and proceed to remove or destroy these fundamentals of government, our structure must fall.

I do not believe there is a man or woman in this Congress but who knows that article I, section II, of the Constitution provides that the qualifications of electors shall be determined by the States. That is one of the fundamentals upon which our governmental structure is based. It was agreed by the framers of the Constitution that that was one of the fundamentals to be followed in the establishment and preservation of the system of government then being created by the Constitution. When we destroy this one fundamental, a different system of government is being established. The Constitution and Government established under it are creatures of the people. They made it and they have a right to change it; they provided the method by which it may be changed. They probably anticipated that times might change and they, therefore, provided an orderly way to make such changes as they may warrant, but that power was not given to the Congress. If times have changed and the people are

ready and prepared to make changes in their charter of liberty and the Constitution, the procedure to follow is open and clear, but apparently the proponents of this bill do not want to go to the people. By their actions, they are afraid to trust the people, and this is the straw that shows which way the political wind is blowing, and it forces some of us to mistrust the purposes behind this proposal and a few other kindred proposals, such as the FEPC. Remember, "There is a way that seemeth right to a man, but the end thereof are the ways of death."

This same general subject brought on a war among ourselves a number of years ago. I do not believe that we will ever have another, but if the Congress and the Federal Government continue to appropriate the powers and functions of the various States, I look for a day when the States will rise in their right and might and strike this great Government of ours both "hip and thigh," by putting a few clarifying amendments in the Constitution that will make it so plain "a wayfaring man need not err therein." The States and the people made the Constitution when they ratified it and they had a provision in that document that would enable them at any time to change or remake it by amendment at any time when three-fourths of the States might agree. The States can also give away their rights and surrender their powers either by amendment or by just sitting idly by and giving silent consent for the Federal Government to assume or appropriate all their powers. If the States lose their powers to the Federal Government, they can set up no alibi. The only thing they have to do is to exercise their rights and powers. This kind of legislation is first a challenge to the representatives of the States in the Congress, but if we fail to meet the challenge, the responsibility may then be assumed by the States, and if they, by their silence or inaction, give their consent then, as I have said, they cannot hereafter complain of having been robbed of their rights and powers.

We must remember there are certain things and certain principles in our system of Government that are just as fundamental and permanent as the Government itself; they were created and established when the Constitution was ratified by the people of the several States and the creating language incorporated therein means the same thing now as when the Constitution was adopted. I can appreciate that some of the powers vested in the different branches of the Government may be expanded with changed conditions, but the power itself cannot be changed by mere interpretation. Fundamentally, there may be times when, for the lack of clarity or specific expression a question may arise whether a right or power has been lodged in the Federal Government, the State Government, or reserved to the people, But, where a power has been expressly given or expressly reserved as in this case, a contest cannot legitimately arise. The Supreme Court made that clear in the case of *South Carolina* v. *the United States* (199 U. S. 437), when it said:

> The framers of the Constitution were not mere visionaries, toying with speculations or theories, but practical men, dealing with the facts of political life as they understood them, putting into form the government they were creating, and prescribing in language clear and intelligible the powers that government was to take.

The point is further emphasized in the case of *Gibbons* v. *Ogden* (9 Wheat. 188), when the Court said:

> As men, whose intentions require no concealment, generally employ the words which most directly and aptly express the ideas they intend to convey, the enlightened patriots who framed our Constitution, and the people who adopted it, must be understood to have employed words in their natural sense, and to have intended what they have said.

Now what did they say in article I, section II, of the Constitution? I quote:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

> Certainly the power of determining the qualifications of electors is not placed in the Federal Government or the Congress, but is expressly left as one of the powers of the States. Section I of the Fifteenth amendment of the Constitution provides:

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

> This provision did not repeal article I, section II, where it is expressly stated that the States should have the right to determine the qualifications of all electors, including all persons of whatever race, color, or previous condition of servitude.

Mr. Chairman, I am not particularly interested in a poll-tax in any State, but I am interested in preserving the right of a State to enact such a law if it so desires, provided the law does not conflict with the provisions of the Constitution of the United States. I am also interested in preserving the accuracy of our political history, and my primary purpose now is to correct statements made and impressions created by some of those who have preceded me when they insist that the poll-tax law was enacted in my State for no other purpose than to franchise the colored people in that State.

Some people have an idea that because the poll tax law was not enacted in South Carolina until after the War Between the States it was solely for the purpose of disfranchising the Negro. It is unfortunate that we have men and women in Congress who believe that and have never taken the time to advise themselves fully in the premises. I would not attempt to criticize anyone for lack of information, because I find this to be one of my greatest liabilities, but it is unfortunate to undertake the solution of any great problem without first being fully advised.

It will be remembered that martial law prevailed to a more or less extent in most of the Southern States following the close of the Civil War for a period of 10 years and during this period in my State, South Carolina, the State legislature was in absolute control of Negroes and their political friends. No poll-tax law had been in existence in the State prior to that time and while the colored people and their alleged friends were in control they drafted and ratified what is known as the carpet bag constitution in 1868. Article IX, section 2, of that constitution provided:

> The general assembly may provide annually for a poll tax not to exceed $1 on each poll which shall be applied exclusively to the public school fund.

Article X, section 5, of the same constitution provided:

> The general assembly shall levy at each regular session an annual tax on all taxable property for the support of public schools.

Four years later when the colored people and their alleged friends and advisers were still in complete control of the legislative machinery of the State, the following was enacted:

> There shall be assessed on all taxable polls in this State an annual tax of $1 on each poll, the proceeds of which tax shall be applied solely to educational purposes. Every male between the ages of 21 and 50 years, except those incapable of earning a support from being maimed or from any other cause shall be deemed taxable polls.

Probably the first act to enforce the payment of poll taxes was in 1873 when the Negroes were still in control of the State legislature and when Robert K. Scott, formerly of the State of Ohio, was Governor. This act provided that the county treasurer should furnish a list of all delinquent polls to the county commissioners and if the delinquent poll had no property that could be levied on for the collection of the tax the person would be subject to a penalty of double the amount of the poll tax and upon failure to pay the same after notification such person could be required to work upon the public roads of the county not exceeding 3 days, and upon his failure to work upon such roads or to pay the double tax he would be considered guilty of a misdemeanor and on being convicted should be imprisoned not exceeding 30 days or punished by fine not exceeding $10.

It must be observed that all this legislation providing for the payment of a poll tax and making it a criminal offense not to pay it was enacted by the State legislature composed of colored people and their political friends, and certainly they could not be charged with enacting legislation for the purpose of disfranchising themselves or disqualifying themselves for the right of suffrage. Therefore, the statements made by Members of the Congress who are supposed to be students of both secular and political history are absolutely incorrect when they say the poll-tax laws were enacted in my State primarily to prevent Negroes from voting.

It has been said that 10,000,000 American citizens are deprived of their right of suffrage in seven southern States, presumably because they do not have the money with which to pay their poll tax. If that were a true statement, I would not hesitate to urge the legislature of my

State to repeal the poll-tax law at the earliest possible date, but that is not the case. There may be 10,000,000 people in these seven States old enough to vote who do not cast their ballots, but that is not because they are not able to pay their poll tax, for in the first place a great percentage of them are not required to pay poll tax; men over 60 years of age and women are not required to pay. In my State about 60 percent of all persons over 21 years of age are either women or men over 60 years of age, none of whom is required to pay a poll tax and are, therefore, not required to present a tax receipt at an election. Consequently, the poll-tax law could in no way whatsoever prevent a large majority of the people from voting. If this situation is representative of the other poll-tax States, it would be perfectly absurd to say that every person over 21 years of age who did not vote in the last November election failed to do so because he or she was not able to pay the poll tax, and I cannot conceive how any reasonable, fair-minded, loyal American citizen can use such an argument in an effort to lead or mislead people in making up their minds in reference to the proposed legislation.

I read a propaganda report sometime ago where an argument was advanced that the poll-tax law should be repealed by the Congress because some 18 or 20 Members of the Congress from the poll-tax States have served for a period of 20 years or more. I have not examined the record, but I imagine this is not far from being correct. The person making the statement did not name the Members of Congress, but I venture the assertion that the reputation, character, ability, loyalty, courage, and patriotism of these 18 or 20 men will stand as high under any standard of ability or code of ethics as any other 18 or 20 Members of Congress, regardless of the political party to which they belong or the State or section from which they come, and I can afford to make this latter statement because I do not happen to be one of those who have served for 20 years or longer. I am not making an argument for a poll-tax law in my State or any other State but I am trying to emphasize that the Congress has no right or power whatsoever to repeal such a law. If the law violates the Constitution of the United States it is not within the power of the Congress to determine its constitutionality. That is a matter exclusively within the jurisdiction of the courts set up under the Constitution for this purpose.

The proponents of this bill either forget or do not know that payment of a poll tax in my State is not an optional tax. It is a criminal offense to refuse to pay it. Refusal to pay was made a misdemeanor by statute, and I again call attention to the anti-poll-tax leaders that the statute was enacted by the colored people themselves back in 1872. Failure to pay the tax subjects the taxpayer to a fine or imprisonment. Instead of the law being enacted to prevent people from voting, as has been alleged here today, it can be argued with just as much logic that the law was enacted for the purpose of enabling people to qualify to vote because the law requires every able-bodied man in the State under 60 years of age to have a poll-tax receipt whether he votes or not, but a tax receipt shows he is not a criminal by failing to pay the tax and it prevents him from voting at two precincts.

The method of how a State shall raise its revenues is an exclusive prerogative of the States, and what I am trying to do is to defend the right of a State to pass a tax law if its people want it, and then have the right to say whether a tax receipt is the best evidence of a person's residence, because such receipt will show exactly where he lives and whether he has been there long enough to qualify to register as a qualified elector. The tax can be reduced to 5 cents or 1 cent per poll and the principle would remain the same, but a bona fide tax receipt for 1 cent would show definitely and clearly whether the holder has a right to vote at the election precinct where he presents himself, and this is a required evidence of the voter to show he is eligible to vote at that particular precinct. It is not a qualification. His registration certificate is evidence of his qualification to vote.

Mr. Chairman, I certainly hope that this proposed bill is defeated.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. HARE] has expired.

Mr. LECOMPTE. Mr. Chairman, I have voted for this bill, or one similar to it, on four different occasions. I am wholeheartedly in favor of this bill. So far, I have yielded time only to opponents of the bill. I now yield to one gentleman who is in favor of the bill.

I yield 5 minutes to the gentleman from New York [Mr. JAVITS].

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. YOUNG. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. YOUNG. Mr. Chairman, in seven Southern States a citizen must pay a poll tax before he may vote. As a result, many fine Americans with only a small cash income—men and women who work hard and live frugally—are deprived of their right to vote. Naturally, many hard-working and very poor people prefer to spend in some other manner the $2 which would be required to pay the poll tax. If State officials find it advisable or necessary to secure this additional revenue it might be proper to provide for a poll tax to be paid like other taxes. Certainly, it is not American nor democratic to make payment of a poll tax a condition precedent to voting. My State, Ohio, has wisely provided in its constitution that a poll tax may not ever be imposed against our citizens. The constitution of Ohio, as amended in 1912, provides, "No poll tax shall ever be levied in this State."

As a result of this inequitable poll tax, courthouse rings in some Southern States control the election of public officials. For example, last November, the gentleman from Mississippi [Mr. RANKIN] received only 16,800 votes, and no votes at all were cast against him. Other gentlemen from other congressional districts in Mississippi and other poll-tax States are here as Representatives of their congressional districts by reason of the votes of fewer citizens than vote in a single ward in many northern cities.

The poorest citizen in the land is entitled to one great day—election day—and one great power—the right to cast his vote. As matters now stand, in a number of Southern States, election means nothing whatever to poor men and women because they need the $1.50 or $2 tax money for something else. Furthermore, in some States the poll tax is retroactive and a citizen is compelled to pay for all past years he has missed before he may vote. They formerly had such a poll tax in Florida. In 1936 in Florida 135,000 voters cast their ballots. Florida got rid of its poll tax. In 1940 nearly 500,000 citizens voted in that State and in 1948 many more voted there. This is an illustration of what the poll tax does toward keeping people from the polls.

Many thousands of young men from Southern States left their homes and loved ones and served overseas in World Wars I and II in response to grave national duty. They offered their lives as sacrifices in order to maintain what we call democracy. Yet, according to the American way of life as followed in some of the Southern States from whence they came, they are not permitted to vote because they have not paid a poll tax. With the Soviet Union threatening the United States as an aggressor nation maintaining the democratic way of life here in America in the fullest sense is a matter of national concern. It is proper that Congress take action to end the poll-tax evil. I support this pending bill.

The idea behind the poll tax is to keep the poor from voting or to keep the Negroes from voting. As a matter of fact, the poll tax accomplishes both. When you keep the poor of this Nation from voting you do violence to everything taught by Thomas Jefferson. If, in addition, you keep the Negroes from voting you do violence to the Emancipation Proclamation of Abraham Lincoln.

During the past few years approximately 14,000,000 young men were discharged from our armed forces after giving honorable service to maintain our free institutions so that Americans everywhere could stand on their own feet instead of begging on their knees. Let us provide liberty in its fullest and most complete sense here in this Nation.

Mr. JAVITS. Mr. Chairman, the bill before us today is one of the trilogy of civil rights bills, the anti-poll-tax bill, and antilynching bill, and the FEPC.

I put them together because together they are bills for civil rights which those of us who are interested in preserving and protecting the Constitution of the United States feel assured, not only today but in the future, will protect minorities. These are the three measures in which we are interested as a unit.

A great deal has been said today about the fact that these bills are political. For myself this is not a political foray, and I believe that it is not a political foray for a great majority of the Members of this House. It deals with the

securing of rights too fundamental to our very lives and the lives of our children and their children after them, for that.

There is too, a way of proving that this issue is nonpolitical. On four successive occasions this House has passed anti-poll-tax legislation and the other body has seen fit not to act on it or to tie it up so it could not be acted on. I think that what has occurred is attributable at least in part, to the fact that it has always been the custom to try to arrogate the credit for civil rights legislation to one or the other of the great political parties. I think, today, with the amendment of the rules of the other body, if the President should announce that insofar as civil rights legislation is concerned, it, too, will be considered bipartisan, like so many phases of our foreign policy, and that, leaving it aside as an issue from which either of the great political parties is going to take credit, we together are going to try to pass it, there is a very good chance to get it passed.

I respect the opinions of my colleagues from the States that have a poll tax; and I have been here long enough to know that they respect the opinions, too, of those who disagree with them; and, despite an issue as passionate as this one, I know that those gentlemen, as would I, would never surrender—no matter what the cost—our common right to fight for those things which each of us consider to be the inalienable rights of citizenship. Nobody I think is the superior of my colleagues from the poll-tax States in their opposition to the Communist philosophy or the totalitarian ideology, but the fact is that there is no more potent argument being employed today, in the ideological battle being waged in the world by the Communists against us, than this situation in our own country, of discrimination against over 10 percent of our population which is Negro.

Discrimination such as I have referred to is a festering sore in our own country, and it is possible that with the strains created by a depression in the United States—should one come—and we shall certainly fight to prevent it—someone is going to try to make capital of this fact and to use this discrimination as a tremendous impetus to disorder and confusion. Although it affects but about 10 percent of the population, it affects citizens of our common country and the constitutional guaranties for all of us.

I do not see this as a proposition where those of the North are seeking to impose something upon the poll-tax States. We are here as representatives in the Congress of the United States who speak for all of the country, and I believe all the country has the right to say how its representatives shall be elected and what shall be the qualifications of their electors. The facts show that in those Southern States that have the poll tax a very much smaller number of people, a strikingly small number of people, elect Members to the House and to the Senate, compared with other States of the Union.

Now, those are the facts, and the facts have a way of proving cases, and I think that over the long period of years the facts on the poll tax have proven the case.

Here is an instance where our colleagues from the South ought to go along with us; here is something that clearly ought to be done.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. In just a minute. I say here is something which clearly ought to be done, something that is basic in character; it merely grants to all American citizens regardless of their color the free right to vote for President, Vice President, and their representatives in Congress. Certainly this much is the very basis of a working democracy.

I yield to the gentleman from Texas.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LECOMPTE. Mr. Chairman, I yield one additional minute to the gentleman from New York.

Mr. PICKETT. I am very much interested in the gentleman's invitation that we go along with him, but I would just like to reverse that and ask them to go along with us, for we in the State of Texas are going to vote on a constitutional amendment to this end this fall. Why not go along with us and let us work it out for ourselves?

Mr. JAVITS. There is no doubt that a good many people in the poll-tax States do feel strongly about this poll tax and have over a very long period of time. Yet despite the fact that the House has acted four times, the poll tax still hangs on. It is time that in all of the seven States, not just in one State or in two States, the issue be squarely met. It is an issue within the purview of the Federal Government, because it is a matter affecting the qualifications of the Federal electorate. The bill should be passed here and finally enacted by both Houses of the Congress at this time.

Mr. LECOMPTE. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Chairman, there are two very good reasons why this resolution should not be passed. The first is that it is not within the constitutional competency of this House to legislate on the subject matter of the resolution, and every reasonable Member of this body knows that is so. The second reason is this is not a good way to legislate.

This is the second time that this new rule has been invoked. The first time was on the Rankin pension bill. The House disapproved this method of bringing a question up for legislation in that instance and to act favorably upon this resolution would be to give approval to the new discharge-rule adopted by the House at the beginning of the session and which I am sure everyone now recognizes was a mistake. This bill ought to go back to the committee on a motion to recommit.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LECOMPTE. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Chairman, I shall not discuss the constitutionality of this so-called anti-poll-tax bill today more than to quote article I, section 2, of the Constitution:

> And the electors in each State—
>
> For Member of Congress—
>
> shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Article I, section 4:

> The time, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations except as to the place of choosing Senators.

The Congress can by law have to do with the time and the place and manner of the election; but the States retain control over the qualifications of the electors. This right of the States has been recognized for more than 150 years.

I think it is agreed by everyone here opposed to this bill that it is unconstitutional. Every other man, in my opinion, agrees that there is some question about its constitutionality.

One of the things that bothers me today, is the fact that you would bring a bill of this nature to the House at this time, a very controversial issue, and occupy the time of the House for its consideration. If this bill passes it will not be responsible for one single Negro voting in the State of Mississippi. If that is so, then I ask, What are you trying to do? You admit it will not permit them to vote. Then just what is your purpose?

Mr. Chairman, I believe it is high time that some of us advise the leadership of both parties that this is no time to play politics.

All you do is stir up confusion. Does the Negro in the South want this bill brought before you? I say "No." You cannot submit the names of any people from my State, either colored or white, who have asked for this damnable legislation. I may say also to the gentleman from New York [Mr. JAVITS] that he will find just as much suppression in his State, he will find just as much poverty in the case of both whites and colored up in his State as he will in mine. Clean up your own doorstep before you come down to Mississippi to tell the people of that State what to do. If you do not want a poll tax, do not have it, but let those States alone where there is no confusion or racial strife.

I worked with the Negroes of Mississippi for 7 years and I say to you that you are insulting the intelligence of the southern Negro when you throw your political love arms around his neck with this bill. He knows you will choke him to death in the dark night should your interest ever demand.

The small minority in both races who misinterpret the meaning of this legislation, will impose hardships on the honest people of both races, and only confusion, hatred, and bloodshed will be the result.

We hold no ill will for the Negro, but we appreciate his problem and he in turn appreciates ours. We, members of both races of the South, want to be left alone to solve our own problems in a manner that we know to be for the best interest of all concerned. At a time like this, why

should self-styled intellectual geniuses who know nothing about the South try to force upon a people something that is unconstitutional and which would help to destroy all local self-government in violation of the Constitution upon which our great democracy was founded.

In Mississippi the tax is only $2 and we exempt the physically handicapped, we exempt those over 60 years of age, we exempt the ministers. We only require the poll tax of able-bodied citizens and all the tax goes to the support of our schools, which even you admit need financial assistance. May I say that there is some merit in a person showing an interest in his Government if he is an American citizen, there is some merit in requiring any citizen to make this small effort to pay by the 1st of February, this $2 which he must pay anyway. On the other hand, this poll tax is assessed against every individual, white or black, whether he votes or does not vote, the only connection with voting is that he must pay the tax before the 1st of February in the year he expects to vote. That is to prevent someone from paying a great number of poll taxes on the eve of an election in order to control it. Most States have similar dates for registration. What is the difference?

During the days of the Reconstruction, after the Civil War, when officials were imported into the South who imposed every hardship upon the white people of the South, our grandfathers battled this problem without assistance but with every hindrance from the Federal Government. After many years, by exerting special effort to forget those horrible days, we of both races recognized our problems and started in a progressive manner to solve them. We of the South were the first to see the deplorable condition of the Negro. His problems became our problems. We met those problems with action rather than words. We rescued him from a bondage that was far more detrimental than the chains of slavery. We freed him from the hands of the imported white man who came to our Southland, not because he was interested in the welfare of the Negro race, but to exploit him for personal gain. For this deed alone, we of the South have received the everlasting gratitude of the colored race of the South. We learned to work out our problems confronting both races for the advancement of all.

Let me say to you with all the sincerity of my soul that he does not want this bill passed. He knows that future welfare of his people depends upon the understanding that exists between the two races in my section of the country. This bill will in no way whatsoever increase or enlarge his citizenship. It will only create misunderstanding, and where misunderstanding reigns, confusion and chaos exist. He knows that under this bill he has everything to lose and nothing to gain.

Today we see our Nation catering to minority groups as never before. It is right to treat all minorities fairly, but beginning with the necessities of war, with the attention of our leaders directed in the prosecution of the war effort, we find today many minorities demanding more than fair treatment. This movement today has reached the place where minorities, highly organized, practically have control. The pendulum will continue to swing, however. If this group, agitating this measure, succeed in passing it, then antilynching, then FEPC, I feel sorry for minority groups when the reaction sets in. Many innocent people will suffer, many innocent races will feel the effects of the 100,000,000 white people of this Nation, whom you and I know built a great Nation and will continue to dominate it.

You say they should not run your district because they know nothing about it. I say to you here, in this measure you are attempting to do the same thing. Almost without exception the Members of the House from poll-tax States are opposed to this measure, yet you with no knowledge of the situation which we have, having made no first-hand study of it, set yourselves up just as have the expert social reforms in our Federal departments, to run our affairs from Washington. The day will come when you will regret it.

You are stirring up more trouble on the Negro race, not in my State but in Detroit, Chicago, New York, and yes, in Washington than has been known in this Nation since reconstruction days. We have had race riots in Detroit, in Philadelphia, and yes, recently in St. Louis and Washington.

We believe in assisting the Negro race. Aid his education, improve his social and economic welfare, but we in the South expect to continue segregation. We will not have amalgamation of the white and black races in the South. As to what you want in the North, that is for you to decide. I feel that it is your privilege under the Constitution, and you may retain it by voting against this bill, leaving the control of the suffrage to the various States.

Today in this most critical period of world trouble and local confusion, when local self-government has been definitely challenged on every hand, we find ourselves face to face with some of the most dangerous, most unnecessary and inopportune legislation that has ever been brought before this body.

Certain so-called social-reform groups who are not interested in the welfare of true Americans are demanding the passage of this bill. These pressure groups from certain sections who are advocating no social discriminations, have in reality, without raising their voices, permitted their section to discriminate against the South for time immemorial in freight rates and Government expenditures of every kind.

Those who are willing to open the doors and flood this country with immigrants from all parts of the world and those who want to use their vast wealth in taking advantage of all under-privileged people who will play any game to further their own interest, regardless of principle or how it might affect the Government are also favoring the passage of this bill.

If you want to be fair, why do you not give a little more consideration to the farmers of the poor lands of the South; why do you not give a little more consideration to raising the standard of living for both the colored and the white throughout the country?

The poll tax in my state is a vital source of revenue. Do not be misled into believing that the money derived from this source of taxation goes into the election funds to disfranchise the Negro. It goes into the common school fund of the State for the education and advancement of all the people. It is uniform taxation and applies to all alike.

I only ask each of you to weigh the facts and circumstances surrounding this bill and ask yourselves who will be the beneficiary and what will it accomplish? After that careful consideration has been given, do your duty. What enjoyment in this world can be so great, and what consolation can be so sweet as the consciousness of duty performed? I ask you, with malice toward none, to defeat this so-called anti-poll-tax bill that the two racial elements of the South armored with a great weapon of understanding, may march on to the making of a better world.

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, on July 21, 1947, I made an extended argument against H. R. 29, Eightieth Congress, first session, which is identical with the bill under consideration except that in section 2 of the pending bill there is added that the requirement for a poll tax is declared to be an impairment of the Republican form of government, and the pending bill includes section 6 which declares that the requirement for a poll tax shall be construed to include any charge of any kind upon the right to vote or to register for voting. Neither amendment is material as the subject matter of both amendments was considered when H. R. 7 was before the House in the Eightieth Congress first session.

I made speeches in the Seventy-seventh Congress, in the Seventy-eighth Congress, and in the Seventy-ninth Congress in opposition to similar and practically identical bills. As stated, on July 21, 1947, I spoke in opposition to H. R. 29, Eightieth Congress, first session. I can do no better, in opposition to the pending bill, than repeat substantially word for word the argument that I made in opposition to that bill.

It is generally agreed that suffrage is not a matter of right, but a privilege to be conferred by the States.

In Federal elections, qualification of voters for Members of Congress are found in article I, section 2 of the Constitution. They are the qualifications for the electors of the most numerous branch of the State legislature. Those qualifications are to be prescribed by the State.

However, it is argued that under article I, section 4, relating to the power to regulate the time and place and manner of choosing Senators and Representatives, the Congress reserved the power under the term regulation, to prescribe qualifications.

The complete answer is that for 160 years Congress never undertook to exercise any such power. It thus admitted that it had no such power. Moreover,

it must follow that Congress has no such power as to voters for Representatives.

Among the qualifications for voting are sex, residence, age, and taxes, including poll taxes. It has been said that under the Classic case for the first time the Supreme Court of the United States has indicated that it will go into the matter of the qualifications of voters. That case involved a primary election on the facts in that case. That case decided that under the necessary and proper clauses of the Constitution guaranteeing a republican form of government, the Federal Government would protect a citizen in the exercise of his right to vote for Representative.

I call attention to this language in the Classic case:

Obviously included within the right to choose secured by the Constitution is the right of qualified voters within a State to cast their ballots, and have them counted in congressional elections.

There was no question of the qualifications of voters involved. It was a question there whether a man who is qualified would be permitted to cast his vote.

The Supreme Court has decided that State poll taxes are not unconstitutional. In 1937 the Supreme Court of the United States in the Breedlove case upheld the validity of a statute requiring the payment of a poll tax to vote in a Federal election. After the Classic case the Supreme Court, as substantially constituted at present, in the Pirtle case, involving the poll tax in a Federal election refused a writ of certiorari, thus upholding the doctrine in the Breedlove case, to wit, that the qualifications of voters in senatorial and congressional elections is a matter for the States.

The bill admits that poll taxes are a qualification, and under the guise of denominating the payment of a poll tax a hindrance, the advocates of the pending bill are hard pressed to declare that payment of taxes, that sex, that age are in the same category as fraud, intimidation, and corruption. The bill under consideration undertakes to say that that which has been deemed to be a qualification from time immemorial, to wit, the payment of a poll tax, shall not be a qualification.

The bill under consideration will not accomplish its purpose. In the so-called eight poll-tax States there are other qualifications for voting. These remain.

The qualifications for voting in 8 of the States are proscribed in the pending bill. If Congress can proscribe, then Congress can prescribe. If Congress can proscribe poll taxes in 7 of the States, then Congress can prescribe qualifications in all of the 48 States. The function of the States with respect to suffrage would thus be abolished.

If we believe that the bill is unconstitutional we should oppose it. We can not salve our conscience by saying that we will pass it on to the Supreme Court. Moreover, the Congress of the United States has held that only by constitutional amendment can qualifications of voters be changed. Sex was abolished as a qualification by the nineteenth amendment, and the payment of poll taxes as a qualification for voting can only be abolished by an amendment to the Constitution.

Heretofore Congress has never undertaken to restrict or limit qualifications except by a constitutional amendment. The fifteenth amendment provides that the right to vote shall not be denied or abridged on account of race, color, or previous condition of servitude. The nineteenth amendment prescribes that the right to vote shall not be denied or abridged on account of sex.

We make sorry spectacles of ourselves when we ignore the question of constitutionality. Poll taxes like sex as a qualification for voting can only be abolished, I repeat, by an amendment to the Constitution.

I call attention to the fact that the proponents have not attempted to submit any authorities in support of the validity of the bill. I opposed the rule, and I oppose the bill. I am gladly giving my reasons for my opposition. I shall confine myself to a discussion of the bill and shall undertake to demonstrate beyond a doubt that suffrage is a State function.

I shall call attention to the pertinent constitutional provisions, including provisions respecting Senators, Representatives, and presidential electors. I shall show that qualifications can only be changed by constitutional amendment, as was done by the fifteenth and nineteenth amendments. I shall show that the Classic case did not involve the qualification of voters. I shall emphasize that registration for voting is required in many States and that a small vote is no reason for the passage of the bill. I shall show in reason and upon authority that voting is a State privilege and that legislation changing or abolishing the qualification of voters is not permissible under the Constitution.

I shall undertake to demonstrate that under the Constitution the qualification of voters for Senators and Representatives is in the States and that the anti-poll-tax bill is in violation of the right accorded to the States by the Federal Constitution. I shall further demonstrate that the poll tax is universally recognized as a qualification and that Congress is without power to provide that it shall not be required as a requisite for voting.

I. SUFFRAGE A STATE FUNCTION

The whole subject of the regulation of elections, including the prescribing of qualifications for suffrage, is left by the National Constitution to the several States, except as it is provided by that instrument that the electors for Representatives in Congress shall have the qualifications requisite for electors of the most numerous branch of the State legislature, and as the fifteenth amendment forbids denying to citizens the right to vote on account of race, color, or previous condition of servitude.

Participation in the elective franchise is a privilege rather than a right, and it is granted or denied on the grounds of public policy. (Cooley's Constitutional Limitations, 8th ed., vol. 2, p. 1360.)

Suffrage is not a universal right but is a privilege to be extended or denied by the States. (Story's Commentaries on the Constitution, vol. 1, 5th ed., secs. 579–584.)

The privilege to vote is generally derived from the States. The right is not conferred, but is protected by the Federal Constitution. The fourteenth amendment does not have the effect of conferring such rights.

Subject to the limitation contained in the fifteenth amendment to the Constitution, the power to fix qualifications of the voters is vested in the States. (Mr. McCrary's American Law of Elections, sec. 1.)

The right of suffrage is not a natural right, nor is it an absolute unqualified personal right. (Mr. McCrary, sec. 3.)

The elective franchise is not a right, privilege, or immunity incident to citizenship. The Constitution left to the States the qualification of voters. (Paine, Law of Elections, secs. 76 and 78.)

At the time of the adoption of the Constitution all of the Thirteen Original States not only prescribed qualifications for voting, but they were jealous of the exclusive rights of the States as to suffrage. The qualifications, while similar, were by no means uniform. Among those generally required in the Thirteen Original States, as well as among the States today, are citizenship, residence, age, in some States the payment of taxes, and in many States, registration.

There was much debate in the Constitutional Convention as to the qualifications of the electors for Members of Congress. The members of the Convention could not agree upon uniform qualifications for voters for Representatives in Congress, and the matter of qualifications was, therefore, left to the States, with the restriction that Members of Congress should have the same qualifications required for those voting for Members of the most numerous branch of the legislature.

The Constitution provided for the election of Members of Congress, and while the qualifications of electors was left to the States, Congress was given the power of making or altering the regulations as to the time, place, and manner of the election of Representatives and Senators, with no power to change the places of choosing Senators. Such power was essential to enable Congress to function or to exist or to exercise the powers that had been conferred upon it.

A compromise was adopted at the convention. The supreme power of the States in suffrage was recognized by Congress, and to guarantee that the qualified electors would be protected in their voting and Congress was given power to alter or change the time, place, and manner of elections.

II. CONSTITUTIONAL PROVISIONS

Article I, section 2, is as follows:

The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualification requisite for electors of the most numerous branch of the State legislature.

There is a common consent and agreement that the States have the right to prescribe the qualifications requisite for electors of Members of Congress, but it is maintained that the poll tax is not a qualification but a regulation.

Article I, section 4, is as follows:

The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any

time by law make or alter such regulations, except as to the places of choosing Senators.

By some it is maintained that poll taxes are a restriction or condition or regulation and not a qualification. It is maintained, therefore, that Congress may eliminate poll taxes. It is asserted by others that poll taxes are a pernicious activity and that they may be eliminated by act of Congress under the guise of preventing pernicious political activity. Statutes preventing pernicious activities have been approved by Congress under section 4 in congressional elections, under the necessary and proper clause, and under the constitutional guaranty of a republican form of government.

Article I, section 8, clause 18, is—

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers.

Article IV, section 4, provides, among other things:

The United States shall guarantee to every State in this Union a republican form of government.

There is a difference between fraud, corruption, ballot-box stuffing, and other pernicious practices and the qualifications of electors. Among the oldest of the qualifications in the mother countries and in the Colonies was ownership of property and payment of taxes. Tax and property qualifications obtained in varying degrees in all of the Colonies at the time of the adoption of the Constitution. The poll tax is probably the oldest of all taxes. Like many other taxes it may not be popular, and it may be restrictive. Taxes, whether property taxes or poll taxes, have been the cause of uprisings and of revolutions. The poll tax or head tax was the cause of a peasant uprising in England under Wat Tyler in 1381, and taxation without representation was largely responsible for the Revolution.

It is a prostitution of language to say that a qualification of taxes, whether property or poll, shall not be declared to be a pernicious political activity. Fraud, intimidation, corruption, ballot-box stuffing are crimes. Taxes may be onerous—they may be unpopular—but they are not in the same category with pernicious political activities. The proponents are hard pressed when they now ask Congress to declare a tax that has obtained through the centuries to be a pernicious political activity. No better proof could be desired of the weakness and invalidity of the anti-poll-tax bill.

The Constitution was not only mindful of the rights of the States with respect to suffrage, and not only recognized these rights, but it recognized the rights of the State legislatures. The language in article I, section 4, except as to the places of choosing Senators is unique:

The Constitution left to the State legislatures the places for their meetings. The rights of the States were again safeguarded. (Story, vol. 1, sec. 828.)

The language giving to Congress the power to make or alter such regulations does not seem to have attracted much attention or to have encountered any opposition during the Convention, but the provision was assailed in the State conventions, and a majority of the Original Thirteen States tentatively proposed amendments to the effect that the Congress would not be authorized to make regulations unless the States failed or refused to provide the qualifications of electors or for the elections. It was finally agreed that Congress should have the regulation as provided in section 4 to provide for its preservation. The debates on this section are most informative.

Neither the members of the Convention nor the Thirteen States in their ratifying conventions purported to take away entirely the alterative power of Congress, but proposed to restrict it to cases where a State neglected, refused, or was disabled to exercise the power of regulating elections. (Story, vol. 1, sec. 827.)

Mr. Madison, in commenting on article I, section 4, said, and I quote:

To give the National Legislature a power not only to alter the provisions of the States but to make regulations in case the States should fail or refuse altogether. (Fifth Elliot's Debates, 402.)

Madison's reasoning is easily explained. The States would not have ratified the Constitution if it had not been generally understood that the qualifications of electors would be the function of the States. In the Federalist, Hamilton said that the propriety of the clause in question rested—and I quote—"upon the evidence of the plain proposition that every government should contain in itself the means of its own preservation."

In the ratifying conventions, as I have stated, a majority of the States proposed to limit the action of Congress to cases of neglect or refusal, but that proposal was abandoned upon the ground that there would be no occasion for congressional interference so long as the States performed their duty.

In the Virginia convention, Madison, who had kept a record of the debates in the Constitution Convention, advocated the ratification of the Constitution. Alexander Hamilton, who really favored a more centralized government, is responsible for the ratification of the Constitution by New York. In all of the conventions, section 4 of article I was assailed. It was most bitterly attacked. Hamilton's interpretation leaves no room for doubt. I quote from him:

Its authority would be expressly restricted to the regulations of the time, the places, and the manner of elections. The qualifications of the persons who may choose or be chosen, as has been remarked upon other occasions, are defined and fixed in the Constitution and are unalterable by the legislature. (The Federalist, LIX, LI.)

The history of the times indicates beyond reasonable doubt that if the Constitution makers had claimed for this section the broad regulation for which some now contend, the Constitution would never have been ratified. (Story on the Constitution, vol. 1, sec. 814, et seq.)

As Justice Field in his dissenting opinion pointed out in *Ex parte Clark* (100 U. S., p. 418), and I quote:

And the regulations as to the manner of holding them cannot extend beyond the designation of the mode in which the will of the voters shall be expressed and ascertained.

Again I quote from the same page:

The power does not authorize Congress to determine who shall participate in the elections or what shall be the qualifications of voters. These are matters not pertaining to or involved in the manner of holding the election, and their regulation rests exclusively with the States. The only restriction upon them with respect to these matters is found in the provision that the electors of Representatives in Congress shall have the qualifications required for electors of the most numerous branch of the State legislature, and the provision relating to the suffrage of the colored race. And whatever regulations Congress may prescribe as to the manner of holding the elections for Representatives must be so framed as to leave the election of State officers free.

The language employed in section 4 is simple and easy to understand. I quote from Chief Justice Fuller, in *McPherson* v. *Blacker* (146 U. S., p. 27):

The framers of the Constitution employed words in their natural sense and, where they are plain and clear, resort to collateral aids to interpretation is unnecessary and cannot be indulged in to narrow or enlarge the text; but where there is ambiguity or doubt or where two views may well be entertained, contemporaneous and subsequent practical construction are entitled to the greatest weight.

In all the 160 years of the history of the United States Congress has never previously undertaken by statute to prescribe the qualifications of voters for Senator and Representatives. The seventeenth amendment provides for the election of Senators, but the same language with respect to the qualifications of electors that obtains in article I, section 2, is found in amendment XVII. I quote from amendment XVII:

The electors in each State shall have the qualifications requisite for elections of the most numerous branch of the State legislatures.

There is a difference between manner and qualifications. Constitutional authority given to the legislature to prescribe the time and manner does not include the power to determine what shall constitute a legal voter (*Livesly* v. *Litchfield* (83d Pac. 142; 47 Oreg. 248); 114 American State Repts. 920; Words and Phrases, vol. 26, p. 358).

Under article I, section 4, Congress has the right to make either new regulations or add to or modify State regulations—*Ex parte Seybold* (100 U. S., p. 371). This involved the enforcement acts passed May 31, 1870—Sixteenth United States Reports, page 144—and amended on July 14, 1870—Sixteenth United States Reports, page 254—and again amended on June 10, 1872—Seventeenth United States Reports, page 347. These acts relate to elections of Members of Congress and were passed to secure purity of elections and the right of citizens to vote without molestation.

Following the ratification of the Constitution, there was no effort on the part of Congress to regulate time, place, and manner of elections until 1842. Some States elected their Representatives in Congress by districts and others from the State at large. Some nominated by districts and elected all Members from the State at large. But uniformity with respect to elections was desired, and the act of 1842 (5 Stat., p. 491) provided for the election of Members of Congress by

districts. It was not until after the War Between the States and after the ratification of the fifteenth amendment that Congress undertook to pass regulations with respect to the time, places, and manner of electing Representatives. Congress had provided immediately following the War Between the States for uniformity of date as to the election of Senators (14 Stat., p. 243). I may remark in passing that after passing the seventeenth amendment Congress passed a temporary law that expired in 3 years for the election of Senators (38 Stat., p. 384). But when passions were high following the War Between the States, with freedom for former slaves, the enforcement acts were passed to prevent fraud, corruption, ballot-box stuffing, and intimidation in connection with congressional elections. Temporarily the landmarks of the fathers were forgotten. There was strife, and finally, on February 8, 1894 (28 Stat. 36), the enforcement acts were practically repealed, and Congress again left to the States, as it had for 80 years previous to the passage of the acts, not only the qualifications of voters for Members of Congress but the times, places, and manner of elections. Human nature is very much the same. The results in the Southern States were not what the advocates of the enforcement acts anticipated. There was reflex action. The same rules obtained in all of the States, and there was undesirable interference and intimidation with elections in other States than in the South, all of which resulted in the repeal of the enforcement acts, except the conspiracy sections, which remain.

These acts were based upon section 4 of article I. There was never any attempt to eliminate taxes, either poll or property, as all agreed Congress had no power to prevent the States levying taxes. There was never any attempt on the part of the Congress, when passions ran high following the War Between the States, to prescribe qualifications for voters in congressional elections. The whole purpose was to guarantee that the legal and qualified voters in the several States should be protected in their right to vote. In its fundamental sense the privilege of suffrage is derived from the States, but the right of voting for Members of Congress is also found in the Constitution. Electors owe their right to vote to the Constitution, but the qualifications must be prescribed by the State—*Ex parte Yarbrough* (100 U. S. 651); American Jurisprudence, volume 18, page 210.

No one disputes now that in State elections a poll tax may be required before the citizen can vote. While the requirement has been abandoned in many States, poll taxes and property taxes still remain, and these taxes obtain under the heading of qualifications—American Jurisprudence, 1938, volume 18, pages 212, 226, 227, and 228. I may remark in passing that literacy, and the ability to read or understand the Constitution, are among the qualifications in many States, including Massachusetts and New York. If Congress can eliminate the qualification of the poll-tax requirement, it can eliminate qualification of literacy, on the educational qualifications.

Under section 4 of article I, Congress may make regulations as to the conduct of elections or may supplement the State regulations. It may impose additional penalties. Our legislative history from 1870 shows that except for a period of about 24 years it was the policy to leave regulations to the States for the first 80 years of the history of the Republic—*United States* v. *Mosely* (238 U. S., p. 383); *U. S.* v. *Gradwell* (243 U. S., p. 476); American Jurisprudence, volume 18, page 187.

The enforcement acts following the War Between the States confined themselves to elections for Members of Congress. There was no reference to Presidential electors and there was a reason why Presidential electors were not included within the terms of the statute. The justification for the enforcement statutes was the regulation authorized by section 4 of article I. There was no such regulation authorized with respect to Presidential electors.

III. PRESIDENTIAL ELECTORS

Article II, section 1, provides, and I quote:

> Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in Congress; but no Senator or Representative or person holding an office of trust or profit under the United States, shall be appointed an elector.

The legislature appoints the electors. It may appoint them directly, as was done in the early history of the country, or it may provide for their election. The State legislature is vested with the power of appointment or election. It is significant that Congress was not authorized to make or change the regulations with respect to the appointment of electors. Congress was authorized to determine the time of choosing the electors and the day on which they shall give their votes, which day shall be the same throughout the United States (art. II, sec. 4). Congress has passed an act to provide for the time of choosing electors. All of the States complied, including the State of Maine, but Congress did not undertake to regulate the manner of the election of Presidential electors. It did not undertake to supervise such elections. No such power is given to Congress with respect to electors. Hence, I repeat, the enforcement acts following the War Between the States made no reference to Presidential or Vice-Presidential elections, or the elections of Presidential and Vice-Presidential electors. Under the Constitution the legislature of each State directed the manner of appointment of Presidential electors. It is significant that in the Constitution the power to regulate the appointment or election of Presidential electors is not given to Congress (*In re Green* (134 U. S. 377)). The legislatures have exclusive power to direct the manner of Presidential elections (*McPherson* v. *Blacker* (146 U. S., p. 1)). I quote from the opinion by Chief Justice Fuller, on page 38:

> The fifteenth amendment exempted citizens of the United States from discrimination in the exercise of the elective franchise on account of race, color, or previous condition of servitude. The right to vote in the States comes from the States, but the right of exemption from the prohibited discrimination comes from the United States. The first has not been granted or secured by the Constitution of the United States, but the last has been (*U. S.* v. *Cruikshank* (92 U. S. 542); *U. S.* v. *Reese* (92 U. S. 214)).

As I have stated, in 1866 Congress provided for a uniform time for the election of Senators by the legislature—Statutes at Large 14, page 243. But it is significant that Congress, in passing the statute for congressional elections, recognized the right of the States, and the act of Congress fixing the time for the election of Representatives distinctly provided that it did not apply to any State whereby under the constitution State officials were elected at another time. Hence it is that Maine, where under the constitution State officials are elected in September, still elects her Senators and her Representatives during the month of September. The act of 1875—Eighteenth Statutes, page 400—provided for a uniform time for the election of Representatives, but exceptions were made that enable Maine, because of the constitutional September election, to elect Senators and Representatives at a different time from any other State in the Union. However, in Maine, because the Constitution authorizes Congress to provide a certain day for Presidential electors, Maine still votes for Presidential electors in November.

The bill embraces not only senatorial and congressional elections but elections for Presidential electors. The same may be said of the Hatch acts, the original of which was passed in 1939.

A statute was passed in 1907 preventing contributions by corporations in elections of Presidential electors, as a pernicious political activity. The acts of 1910, 1911, 1912, and 1913 were confined to pernicious political activities in senatorial and congressional elections. The Corrupt Practices Act of February 28, 1925, which repealed practically all of the prior acts, applied to expenditures and practices in connection with the election of Senators and Representatives, but it also prohibited contributions in connection with any election of Presidential electors.

Presidential elections are authorized, as are the elections of Representatives in Congress, by the Constitution. There is the power of regulating the time, place, and manner of the elections of Representatives and Senators, but no power for regulating the time, place, and manner of elections of Presidential electors, under article I, section 8, clause 18, and I quote:

> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Congress thus has a right to protect and safeguard from fraud and corruption the election of Senators and Representatives as well as Presidential electors, but the power in Presidential electors does not come from the power of regulation, as in the case under article I, section 4, which is limited to Senators and Representatives.

If the advocates of the bill who assert that poll taxes are regulations are correct, then I maintain that Congress is without authority to provide for the elimination of poll taxes in the election of Presidential electors. The argument that a poll tax is a condition, a restriction, or a regulation and not a qualification falls to the ground, for if it be sound then the bill is unconstitutional in undertaking to regulate the election of Presidential electors. On the other hand, if Congress has a right to pass legislation to prohibit and prevent pernicious activities in congressional and Presidential elections, section 4, article I, is not applicable or the source of power. If the power of regulation for congressional elections is derived from section 4, then there is no power of regulation for Presidential elections.

IV. NINETEENTH AMENDMENT

It is universally agreed that the States can prescribe qualifications for voting. Women were qualified in some States. In other States they were disqualified. It would be just as logical to have maintained that Congress could have passed an act prohibiting disqualification on account of sex, and call it pernicious political activity as it is to say that Congress can denounce the payment of poll taxes as a political activity. It took a constitutional amendment to enfranchise women. It will take a constitutional amendment to eliminate the poll tax. Congress cannot change the qualification of voters in the States. The advocates of the pending bill limit the poll tax to Federal officials. They deny that the poll tax is a qualification. This is a mere ruse. The fact is that when the Constitution was adopted all of the States had property or tax qualifications for voters. It was a qualification and not a manner at the time the Constitution was adopted, and it is a qualification still.

If Congress has the right to strike down a qualification for voting prescribed by the State, then it is in the power of Congress to impose additional qualifications for voting for Members of Congress. If Congress has the right to restrict, it has the right to broaden. Article I, section 2, provides that the States shall prescribe the qualifications. If Congress now attempts to say that persons not qualified to vote under the State's laws may vote for Members of Congress, it would be equally in violation of the fundamental law. The bill is unconstitutional in dealing with qualifications under the guise of pernicious activity.

V. POLL TAX A STATE QUALIFICATION

Poll taxes as qualifications for voting have been upheld by the Supreme Court of the United States—*Breedlove* v. *Suttles* (302 U. S. 277). In *Pirtle* v. *Brown* (118 Fed. 2, 218) certiorari was denied by the Supreme Court (62 Sup. Ct. Rept. 64, 314 U. S. 621). The privilege of voting in the State is conferred upon the State except as the same is limited by the fifteenth and the nineteenth amendments of the Federal Constitution. The State may condition suffrage as it deems appropriate.

VI. CLASSIC CASE

The proponents of the bill rely upon the recent case of *United States* v. *Classic* (313 U. S. 299). This case, however, is not in point. It does not involve the qualification of voters. It is a criminal prosecution to prevent a conspiracy to deprive a citizen of Louisiana from voting in a congressional election. In Louisiana the primaries elect the choice. The State conducts and pays the cost of the primary elections. The primary election was involved in the Classic case. The Court held in the Classic case that a citizen had a right to be protected in having his ballot cast and counted in a primary election for representative in the State of Louisiana under the facts in that case. It is sometimes loosely said that the Classic case is authority for the passage of the pending bill. I quote from the opinion of the court, from page 315 of the superior State court in that case:

> While, in a loose sense, the right to vote for representatives in Congress is sometimes spoken of as a right derived from the States (see *Minor* v. *Happersett* (21 Wall. 162, 170), *United States* v. *Reese* (92 U. S. 214, 217–218), *McPherson* v. *Blacker* (146 U. S. 1, 38–39), *Breedlove* v. *Suttles* (302 U. S. 277, 283)), this statement is true only in the sense that the States are authorized by the Constitution to legislate on the subject as provided by section 2, of article I, to the extent that Congress has not restricted State action by the exercise of its powers to regulate elections under section 4, and its more general power under article I, section 8, clause 18, of the Constitution "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers." (See *Ex parte Siebold* (100 U. S. 371), *Ex parte Yarbrough*, supra (663, 664), *Swafford* v. *Templeton* (185 U. S. 487), *Wiley* v. *Sinkler* (179 U. S. 58, 64).)
>
> Obviously included within the right to choose, secured by the Constitution, is the right of qualified voters within a State to cast their ballots and have them counted at congressional elections. This court has consistently held that this is a right secured by the Constitution (*Ex parte Yarbrough*, supra; *Wiley* v. *Sinkler*, supra; *Swafford* v. *Templeton*, supra; *United States* v. *Mosely*, supra; see *Ex parte Siebold*, supra; in re *Coy* (127 U. S. 731); *Logan* v. *United States* (144 U. S. 263)). And since the constitutional command is without restriction or limitation, the right, unlike those guaranteed by the fourteenth and fifteenth amendments, is secured against the action of individuals as well as of States (*Ex parte Yarbrough*, supra; *Logan* v. *United States*, supra).

The Court was passing upon the legality of a prosecution for conspiracy to prevent a citizen voting in a congressional election. The qualifications of the voter were not involved. It was admitted. There is no justification in the language quoted from the Classic case for the pending bill. The right to vote is derived from the States. The right to vote for a Member of Congress is guaranteed by the Federal Constitution, but the qualifications of electors is prescribed by the State. I call attention to the fact that the rights of qualified voters were under consideration. As stated, the right of qualified voters within a State to cast their ballots and have them counted at congressional elections was involved. The fact that then Chief Justice Stone spoke, as I have quoted, in the Classic case of the rights of qualified voters to be protected shows conclusively that while any statement as to qualifications of voters would have been obiter dicta in that case, nevertheless the opinion in expressed terms referred to qualified voters. Qualified voters are the voters qualified by the States.

VII. QUALIFICATIONS OF VOTERS FOR THE STATES

The Supreme Court of the United States in the Breedlove case, decided in 1937, held that the payment of a poll tax as a requirement or qualification for voting in elections for Representatives is not in violation of the Federal Constitution and is within the power of the State. The Court, as now constituted, in the Pirtle case denied a writ of certiorari, and thus affirmed the doctine announced in the Breedlove case.

The bill is really "fishing" legislation. The evident purpose is to undertake to secure favorable consideration before the Supreme Court as now constituted.

Some advocates of the bills have asserted that no State constitutions provide the collection of poll taxes as a qualification for voting. They are in error. The constitutions of Mississippi and Alabama, as well as the constitutions of the other States where poll taxes are now required, provide that poll taxes shall be a prerequisite and a qualification. The payment of taxes was a qualification obtained when the Constitution was adopted. They now obtain in the constitutions of at least eight of the States. The wisdom of the poll tax is for the States to decide. The question is whether Congress has the power to change or modify by adding to or taking from the qualifications prescribed by the States. The champions of the antipoll tax are experimenting with the courts and with the Constitution.

Senator O'MAHONEY introduced Senate Joint Resolution 164 on October 5, 1942, proposing a constitutional amendment forbidding the collection of any tax or property qualification by the States. It is thus admitted that poll taxes cannot be abolished by Congress and that an amendment to the Federal Constitution is necessary to prohibit the States from prescribing the payment of poll taxes as a prerequisite to voting.

The Federal Constitution provides that the State shall determine the qualifications for voters in Federal as well as in State elections. Poll taxes now obtain in 32 States, but in only 7 of the States are they required as a prerequisite for voting. Congress is now asked to denounce as a pernicious political activity the payment of poll taxes as a qualification which such taxes have been prescribed as qualifications for voters from time immemorial. They are among the oldest of all taxes. The contention that poll taxes are a regulation, or a restriction, or a condition is a mere play upon words. They are qualifications in the constitutions and in the statutes in the States where they are required. They are denominated as qualifications by Story, Cooley, and by all the leading authorities on the Constitution and elections. The requirements may be regrettable, but unconstitutional action is no

remedy for the alleged evil. It would be much wiser to rely upon the people to repeal without compulsion from the Federal authorities. The States were jealous of Federal constitutional encroachment at the time of the adoption of the Constitution. The States are still jealous of the rights reserved to them and the threat of unconstitutional encroachment is likely to hinder rather than promote the elimination of poll-tax requirements. At all events, the only remedy is to amend the Federal Constitution as was done in the case of the women's suffrage amendment to the Constitution.

Congress should set the example. No legislation in violation of the fundamental law of the land, no matter what the alleged excuse may be, should be passed by Congress. The people will have little regard for the statesmanship of Congress if Congress itself treats the Constitution as a scrap of paper. The refinement and the alleged distinctions in view of the plain language of the Constitution as to qualifications, including the payment of poll taxes, are distinctions without difference. If Congress can take from the qualifications of voters in Federal elections, it can add to such qualifications. Clearly there is no authority for such procedure under the Federal Constitution.

VIII. THE SMALL VOTE

Proponents of the bill refer to the small votes in general elections in the eight Southern States where poll-tax requirements still obtain. In Mississippi and the other Southern States the contests are settled in the primary elections. There are no contests in the general elections. In the primaries there are bitter contests. It is as difficult for a candidate to be nominated in a primary as it is for a candidate to be nominated and then elected in many other States. There are bitter contests in the primaries, but generally the primaries are decisive. The votes in the general elections are mere formalities. It is the primary vote that counts.

The number of voters participating in the primary elections in Mississippi and other States, where the poll tax obtains, compares favorably with the participation in primary elections in the States where there is no poll tax. Again, the percentage of qualified voters participating in primary elections in States like Mississippi compares favorably with the number participating in other Southern States like North Carolina and Louisiana, where there are no poll-tax requirements.

The poll tax does not discriminate against the Negro. The Supreme Court would not have upheld it if such had been the case. All are treated alike. Under the constitution of Mississippi voters were required not only to pay their poll tax but to pay all of their taxes before they were permitted to vote, prior to a constitutional amendment adopted in 1934, which only requires now the payment of poll taxes. Under the amendment, Mississippi passed in 1935 a statute requiring only poll taxes to vote. The remedy to eliminate poll taxes, however, is not with the Federal Government. It is a State function. Mississippi has provided that the payment only of a poll tax is requisite to vote in a primary election and that no poll tax shall be required of the man in the armed services.

Small votes, unfortunately, obtain not only in the South but in other parts of the country. This is regrettable, but, after all, democracy will be better promoted by an informed and enlightened franchise than by a numerous franchise. Intelligent voters in small numbers can be more helpful than ignorant voters in large numbers. Informed voters are more important than numerous voters.

Again, indifference in elections obtains not only in the South but, as I have suggested, in other parts of the country. In 1942 generally not more than one-third of the registered voters throughout the country participated in the primary elections. It is estimated that there were 42,191,179 registered voters and that 14,937,346 voted. The percentage of those who did vote was around 33⅓ percent. It varied in several States.

It is easy to charge. It is difficult to prove. With the latest information available, a larger percentage of voters have participated in the primary elections in the South than any other part of the country.

IX. REGISTRATION IS REQUIRED

There are other requirements in addition to age, residence, and the payment of taxes in Mississippi, as well as in other States. Under the Constitution the voter must be able to read or write the Constitution or to understand the Constitution when it is read to him. A literacy test obtains as it does in Massachusetts and many other States. If the Negro does not qualify it is not because of the poll tax. It is primarily because of the literacy test, and the literacy test applies to both whites and blacks. Educational qualifications not only obtain in Mississippi, but in practically all of the States of the Union. I do not recall an exception.

In Mississippi and other States registration is a qualification. The Supreme Court of the United States has recognized that registration is a qualification—*Wiley* v. *Sinkler* (179 U. S., pp. 58, 62, and 64). Whether registration is a qualification or not, it was required and the requirement was upheld. It does not change the requirement by calling it a condition or a regulation. The distinction is without difference. They are all prerequisites to voting, and prerequisites of all kinds are generally qualifications.

X. REASONABLE CONCLUSION

While there have been divided courts and decisions with dissenting opinions, in many of the cases in the Supreme Court of the United States involving pernicious political activities under the enforcement acts first passed in 1870 and the Corrupt Practices Act of 1925, the question of the constitutionality of the poll tax in Federal elections has never been passed upon by the court. No Federal statute preventing the payment of poll taxes has ever been passed, but the decisions of the court in all of the cases involving pernicious political activities and regulating the time, places, and manner of conducting senatorial and congressional elections lead to the inevitable conclusion that the intent of the founding fathers was to leave the qualifications of senatorial and congressional electors with the State with the power in Congress to make or alter regulations with respect to the time, places, and manner of elections so as to prevent pernicious political activities, in order that the Senators and Representatives, President and Vice President might be honestly elected and that the voters might be protected. The inevitable conclusion is that Congress is without power to prescribe or to abolish any qualification of electors for Senators and Representatives and for Presidential and Vice Presidential electors.

The anti-poll-tax bill is in violation of the rights of the States, vigorously asserted at the time of the adoption of the Constitution and upheld by the Congress for 153 years. The right to vote in a congressional election for Senators and Representatives and presidential electors is guaranteed by the Federal Constitution. If such a right is secured by the Constitution, Congress can protect the manner of holding the election, but the States must prescribe the qualification of the voters.

It has been said that a right may exist although it has not been exercised. The answer is, however, that acquiescence for more than a century and a half means consent. The States claim the right to prescribe qualifications. The Federal Constitution gave the States the right. Congress has assented by refusal to undertake for a century and a half to prescribe qualifications.

XI. NOT PERMISSIBLE UNDER THE CONSTITUTION

The qualifications of voters are reserved to the States. They are among the powers not delegated to the United States and reserved to the States under the tenth amendment. Members of Congress cannot violate their oath to uphold the Constitution by voting for an unconstitutional bill.

The bill embraces elections for President and Vice President. No persons have a right to vote for President and Vice President. If Congress assumes the power to supervise elections, at least Congress should use accurate language. It is true that similar language is used in the Hatch Acts, but I hold no brief for the Hatch Acts. Mistakes and errors should not be repeated. The remedy is to eliminate them.

As I have pointed out, presidential electors are not national officers.

They are no more officers or agents of the United States than are the members of the State legislatures when acting as electors (Green, 134, U. S. 379).

As I have pointed out, the power and jurisdiction of the States as to the qualifications of Presidential electors are exclusive—*McPherson* v. *Blacker* (146 U. S. 35). The inclusion in the bill of Presidential electors or elections for President and Vice President is without constitutional authority.

The bill declares that the payment of poll taxes is detrimental to the integrity of the ballot. There is no proof of such a claim. It charges the States where

poll taxes are required with fraud. It convicts them of corruption without a trial. It has not been shown that they are evil, but as most of that evil is possible under them—*Williams* v. *Mississippi* (170 U. S. 213).

Does Congress have jurisdiction to convict States of fraud? If the State laws operate as a fraud on the United States, the courts have ample jurisdiction. They are authorized to apply the remedy. But the Supreme Court of the United States, in the Breedlove case, has upheld the power of the States to levy poll taxes. Congress would be thus in the position of convicting the Southern States and the court of last appeal of fraud by providing that poll-tax requirements are detrimental of the ballot. It is admitted that poll taxes obtained for 153 years, but it is asserted that conditions have changed and that Congress will be justified in providing that poll taxes are an interference. If they are—if they result in fraud—Congress has ample power under section 4 to regulate the manner of the election. The remedy is not to deprive the States of their rights respecting qualifications.

With the poll tax, the United States has existed and prospered for 153 years and has become the richest and most powerful Nation in the world. The poll tax is not impeding or destroying. The poll-tax States have a better government than they had preceding the poll tax.

The Federal Government has no power to prevent the levy of taxes by the States, and especially taxes for the promotion of public education.

If poll taxes are unconstitutional, if they have violated any rights of citizens, rich or poor, white or black, the Supreme Court of the United States would have so held. The right to vote for Senators and Representatives is derived from the Constitution, but the qualifications of voters are for the States.

The Constitution protects the right to vote only of those who are qualified under the State laws. If he is qualified, his right to vote in congressional elections will be protected. The Classic case so holds.

It is asserted that the poll tax is not a qualification and that it has nothing to do with the capacity of the voter to vote. It has as much to do with his qualifications as residence and as sex. These are among the universally admitted qualifications. At least it was the case with respect to sex before the nineteenth amendment.

The word "qualification" is thus defined by Webster:

> A condition precedent that must be complied with for the attainment of a status, the perfection of a right, etc., * * * as the qualification of citizenship.

A "qualified voter" is defined as:

> One who possesses certain specific qualifications for voting, especially as to citizenship, age, and residence, and sometimes also as to literacy and the ownership of property.

In the constitutional and ratification debates, Alexander Hamilton used the expression in connection with suffrage "prescribing qualifications of property." In the Yarbrough case the Court said:

> It adopts the qualification of those furnished as the qualification of its own electors for Members of Congress.

The Supreme Court has repeatedly held that the States have the right to prescribe who may vote.

The word "qualification" with respect to suffrage both before and after the formation of our Government and continuously down to the present date has been used in the sense of defining the persons who were entitled to vote. The word was so interpreted by the members of the Constitutional Convention. They used the term "the right of suffrage." They used it in connection with the qualification of electors, as it finally appeared in section 2 of article I, and the interpretation of qualifications of voters has persisted to the present time. Volume 29, Corpus Juris Secundum, 1941, in the article on elections and under qualifications of voters includes—section 29, page 51—property, payment of taxes, and, at page 52, the payment of poll taxes. The same thing is true of 18 American Jurisprudence. Among other qualifications, it includes "poll and other taxes." In the story, Cooley, and other works on the Constitution taxes appear among the qualifications. They appear among the qualifications in State constitutions, including the eight Southern States, where poll taxes obtain. They appear among qualifications in all of the leading textbooks on elections.

The States have the power to tax. Congress has no veto over the power of the States to tax. Congress has no power to interfere with the collection of State taxes. The repeal of the poll tax would be a prohibition of the collection of such taxes.

When the Constitution was adopted each State possessed unlimited power over suffrage and generally prescribed qualifications, including property and taxes—*Miner* v. *Happersett* (88 U. S. 162):

> Whether the requirements to be met in each State be termed "qualifications of electors" or be referred to by any other term, the State possessed and exercised the unlimited power over suffrage and the granting of the privilege of voting.

In adopting the Federal Constitution the States did not grant to Congress any of their powers over suffrage. They did, however, in article I, section 2, limit their own power over suffrage requirements for Senators and Representatives. If the payment of a tax as a prerequisite of the right of suffrage is a qualification, then the State must prescribe the same for both Senators and Representatives and members of the State legislature. Under the inherent power of suffrage, if the poll tax is not a qualification, then the States have the power to require the payment of the tax for Senators and Representatives without requiring it of those voting for members of their legislatures. The power of the States to impose conditions or requirements for suffrage, other than qualifications, is in no way restricted by either section 2 or any other provision of the Constitution as originally adopted. The absolute power of the States over suffrage, except as it is restricted by article I, section 2, and the fifteenth amendment, has been repeatedly upheld by the Supreme Court of the United States.

In the case of Breedlove against Suttles, the privilege of voting is not derived from the United States, but it is conferred by the State. The right of voting is guaranteed by the Constitution to qualified voters. Congress has no power to regulate or interfere with the exercise by the States of their power to prescribe suffrage requirements or other power to levy and collect a poll tax.

The power of suffrage is in the States—*Guinn* v. *United States* (238 U. S. 362):

> The States have the exclusive power to determine the manner of choosing its electors to vote for President or Vice President of the United States, and confers no power on Congress whatsoever to regulate on the subject.

For this reason the bill is invalid. Under the second clause of article II, the legislature appoints the electors. No power of supervision or regulation is given to Congress. Under the fourth clause, Congress can fix the time of meeting. It has no other power—*McPherson* v. *Blacker* (146 U. S. 1).

Under article I, section 2, and the seventeenth amendment, the States have the exclusive power to prescribe the qualifications of electors of Members of the Senate and of the House. As I have stated, power under section 2 of article I was a restriction upon the powers of the States. The States had these powers. They reserved them. The Constitution never conferred any power except that of regulating the time, place, and manner of elections upon Congress.

As I have stated, the proponents of the bill undertake to discredit Breedlove against Suttles, and particularly the following language of that decision:

> Privilege of voting is not derived from the United States, but it is conferred by the State and save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution the State may condition suffrage as it deems appropriate.

The right to vote is based upon article I, section 2, but the proponents overlook the distinction between privilege and right. The suffrage laws of the State determine those who are privileged to vote. The Constitution of the United States protects the right of those who are privileged in the exercise of that privilege—*Ex parte Yarbrough* (110 U. S. 651).

The Classic case, so often and so much relied upon by the advocates of the bill, recognizes the distinction between the right to vote by qualified voters and by those disqualified under the suffrage laws of the States. That case did not involve the question of the power of suffrage. Qualifications were not involved. The question was whether the Constitution extended protection to qualified voters.

The Breedlove case was decided in 1937. The Court, as now constituted, decided the Pirtle case in 1941. The supreme courts of numerous States sustained the validity of the poll-tax qualification. No decision has ever struck it

down. American Law Reports, annotated, volume 139, page 572, states:

The courts are unanimous in holding that failure to pay a valid poll tax if imposed as a condition of voting has the effect of disqualifying and rendering his voting invalid.

Innumerable decisions from many States of the Union are cited in support of the announcement.

As shown by the statements of the framers of the Constitution, by the decision of the Supreme Court of the United States, and by the decisions of the highest courts of the States, by the actions of Congress, and the actions of States with respect to constitutional amendments, the States reserved full and unlimited powers to prescribe who may vote at all elections except as restricted by the provision that the qualifications to vote for Senators and Representatives should not be different from those prescribed for voters of the most popular branch of the State legislature. The fact that Congress has never undertaken to interfere with the qualifications of voters except by constitutional amendment is conclusive that Congress is without authority to modify or repeal State qualifications for voting. It took the fifteenth amendment to prohibit the denial of the right to vote on account of race, color, or previous condition of servitude. It took the nineteenth amendment to prohibit such denial on account of sex. It will take a constitutional amendment to prohibit the payment of a poll tax as a qualification for voting in senatorial or congressional elections.

XII. FEDERAL AND STATE RIGHTS

The United States is but an aggregate of all the States in the Union. What exalted patriotism do Members of Congress possess that is not possessed by the members of the State legislatures? What virtues has Congress, not possessed by the citizens of the States? Who will say that the Congress of the United States is more interested in the welfare and representation of the State of New York than the citizens and the Legislature of New York? By what right does the Congress of the United States assume that the public interest will be better promoted by the assertion of a Federal right to control Federal elections than by the assertion of the guaranteed right of control in the States?

The old landmarks are often the best. Even if Congress possessed the power to regulate and prescribe qualifications in congressional elections—which I deny—it is a power that should be exercised only as a last resort to preserve the Government. We have had enough centralization. The States are closer to the people than Congress. In peace and in war there are functions for the States. The Federal Government should not encroach upon these functions. The States pass laws for the descent and distribution of property. They possess the power of life and death over the citizens in the exercise of their police powers. They protect the citizen in the enjoyment of life and property. Such protection is guaranteed by the States. Are these rights and privileges less sacred than the right of voting or the privilege of franchise? The States that have the power of life and death are wisely trusted to provide with the qualifications of voters.

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, the anti-poll-tax legislation which is on the floor of the Congress today for passage has been previously considered by this body on several occasions. Unfortunately, by reason of the opponents of poll tax repeal legislation taking advantage of legislative technicalities and procedures, the bill has not been enacted into law.

The unjust and unfair laws in several of our States, demanding that a citizen pay a poll tax before casting his vote, has disenfranchised millions of voters. It is estimated that in Presidential and congressional elections, approximately 10,000,000 of our citizens, both white and colored, have been disenfranchised by reason of the poll tax in several of our States.

The basis of the poll tax is primarily prejudice and for disenfranchisement against the poor white as well as colored people. The poll tax is deliberately maintained to bar them from the polls. A law of this kind casts a shadow over the very democracy of which we so proudly boast. We pride ourselves in the fact that all American citizens after they have reached a certain age, possess the free right of franchise. We say that all free citizens in our country can enjoy the sacred right of their ballot and the selection of their governing officials from President, United States Senator, Congressman, on down to the constable and road overseer. This proud boast loses all of its sincerity and truthfulness when we reflect on the millions who are barred from the polls each year by reason of nonpayment of the poll tax.

We hear a great deal about States rights when the poll tax question is presented. Whatever happens in any State, whether a poll-tax State or otherwise, in a Presidential or congressional election concerns all of us. We have State rights and we also have national rights.

Article I and especially section 4 of the Constitution sets up national rights and gives Congress a full measure of control over Presidential and Congressional elections. Congress is invested with those national rights as trustee for all voters and all the people everywhere. Those national rights are paramount to State rights. States like Minnesota, New York, Oregon, and so forth have as much right and interest in national elections as Mississippi, South Carolina, or Alabama. The right of franchise cannot be limited to some States in our Union and restricted in certain other States when Federal officials are elected by all of the people in all of the States.

If a State can impose a poll tax of $1, $2, or $3 a year, there is no reason why it cannot impose a poll tax of $100, $500, or $1,000 a year. If it can do that as a prerequisite for voting in a State election, that State can also exercise other and more stringent regulations on Federal and State elections. When a State seeks to impose burdensome taxes upon the voter as a condition precedent to voting in a national election, then we Members of Congress have some concern and can regulate it. When you carry the poll-tax theory to its logical conclusion, a State can say that nobody can vote unless he is married, or single, or a church-goer, or of a certain height, or of a certain weight.

When the Voice of America sends information throughout the world, lauding our great system of democracy, it is well that they not mention the fact that in certain of our elections in America, the poll tax is still curtailing and disenfranchising millions of our free citizens.

We know that the poll tax has been and may be used as a modern tool of political corruption. I remember a distinguished Representative from this body made a statement on the floor of the House several years ago to the effect that in his State, through personal observation and exhaustive investigation, he discovered startling abuse of the poll-tax requirements. He stated that it was a source of political corruption, that it was the ready and powerful weapon of the political boss, and the mother of corrupt political machines. A band of political corruptionists pool their funds and pay the poll taxes of thousands of voters who are needy and in this way corrupt elections. Hence the outcome of a county, congressional, senatorial, or presidential election may be determined.

Our franchise is the greatest weapon for a good democracy. Insistence upon the payment of a poll tax as a precedent to voting so dulls the theory of democracy that it would make it ineffectual. Our boast of freedom and liberty in this country is somewhat chilled when we know that in certain communities in our land people on one side of the road can enjoy the right of franchise while people on the other side are denied the same by reason of the poll tax.

In referring to the poll-tax evil, along with others, our President, Harry S. Truman, in speaking before the National Association for the Advancement of Colored People, said:

We cannot wait another decade or another generation to remedy these evils. There is much that State and local governments can do in providing positive safeguards for civil rights, but we cannot any longer await the growth of a will to action in the slowest State or the most backward community. Our National Government must show the way.

In the presidential elections of 1944, only 10 percent of the potential voters voted in seven poll-tax States, as against 49 percent in the free-vote States. In the congressional elections of 1946, the figures are 5 percent for the poll tax States as compared with 33 percent for the free voting States. The denial of the basic rights to any American is the concern of every American. Every instinct for justice and political decency cries out against the evidence of such a situation in any part of the United States. When we, as a nation, deplore the right of free franchise to some of the smaller nations now under communistic control, we also shudder when we know that our own citizens are taxed away

from the polls. The world is not blind to the difference between our pretensions abroad and our practices at home.

The question is raised as to the constitutionality of this legislation. I am, indeed, proud of the able men and members of the legal profession which have constituted the House Judiciary Committee, not only in the Eighty-first Congress but in previous Congresses. This great committee has, on several occasions, studied this bill and each time reported favorably thereon and recommended that the legislation is constitutional and should be enacted into law. A few years ago, a group of 10 nationally known constitutional lawyers from all sections of the country issued a joint report testifying as to the clear constitutionality of anti-poll-tax legislation.

Justice Robert Jackson, of the United States Supreme Court, said:

> We should say now and in no uncertain terms, that a man's mere property status, without more, cannot be used by a State to test, qualify, or limit his rights as a citizen of the United States. Two things stand out clearly about the Constitution and the poll tax. The poll tax itself is a direct violation of the Constitution, and the Congress has a clear-cut authority to abolish the poll tax in Federal elections.

I want to congratulate the members of the committee and the gentlewoman from New Jersey, Congresswoman MARY NORTON in particular, for the outstanding work you have accomplished in bringing this legislation to the floor of the House. I hope this anti-poll-tax legislation is passed by the House and enacted into law.

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, in my opinion the pressure for the passage of this bill is national politics, an appeal to the Negro vote outside the South. The drive for its passage comes largely from areas where they do not have a poll tax.

Let us see about the poll tax in Mississippi. The poll tax was not passed for the purpose of keeping anybody from voting. In 1890, when it was first adopted, you people do not realize the poverty you had left in Mississippi. We had nothing which we could tax. Much of the property had been destroyed or gone into the hands of the scalawags and carpetbaggers who had come down there and ravished our land, taking away our wealth. We had to pass a poll tax, and every other type of tax, in order to raise the revenue to run that government.

The poll tax is levied on everyone, whether or not he ever votes. The only requirement in regard to voting is this. In order to vote a man must have paid that poll tax by the 1st of February of the year in which he offers to vote. Why did we do that? To keep the Negro from voting? No; to keep some irresponsible group from coming along just before the election and paying poll taxes in order to control votes. That is the reason for it.

You who have gone astray should come back and realize that we have not done and do not do what you have been led to believe.

When we were taken in as Members of this Congress we subscribed to an oath to support the Constitution of the United States. Each of you did that. How can Members shut their eyes to the Constitution and say, "I will leave it up to the Supreme Court?" I say to you that if you have studied the question and are in doubt, perhaps you have some reason to leave it to the Supreme Court, but if you shut your eyes and pay no attention to whether or not it is constitutional and then follow that course, you are liable to vote for some other law which will do just as much to your section as we think you are doing to the State governments in this Nation.

From the propaganda which reaches my office from certain labor unions, and politicians in sections far removed from my State, most of whom have never been there, it appears to me that these folks are trying to use this so-called crusade against the Southern States not to improve the lot of the Negro in the South but to add to the Negro membership of their labor unions in the North and East, to appeal to the Negro vote in those sections, in other words to exploit him, to use him for their own purpose. They are not friends of the Negro of the South, nor really of the Nation. I know that those very persons come from sections where by the use of zoning ordinances, and limitations on building permits, they discriminate more against the Negro than has been thought of in the South. They do not like the Negro; they do not live with them, they do not permit the Negro to live in the white residential districts. Most of them are for Negroes in the abstract, but do not want anything to do with them personally, and privately will tell you so.

If it were truly the purpose of those behind this bill to benefit the Negro of the South, I can assure you that the approach here cannot and will not have that effect. There are some things which cannot be done by any law. The heart and mind of a people cannot be changed by law nor by force. Hitler tried this in Europe and we know it will not work. The Negro leaders sponsoring this measure are not interested in political equality; what they want is social intermingling—and you know it. Today the Negro of the South can place his social life on the highest plane he may desire. We, of the white race, merely believe in and demand that he may go his way and that we may go ours. We will have no part of social intermingling in the South.

I tell you this shall not take place in the South. After the Civil War we had turned loose in our midst hundreds of thousands of ex-slaves, wholly untrained in citizenship; then without perhaps intending to, you sent sufficient carpetbaggers and sorry white men to make use of their votes and to exploit them and our country. Only in recent years has all this feeling engendered in our people completely died down.

We do not have now the racial strife which exists in Washington, Baltimore, Detroit, Philadelphia, Pittsburgh, or Chicago. To be sure, we prevent the Negro from forcing himself into the white man's home, his place of worship, and public places and accommodations which are limited to white trade. At the same time we provide separate accommodations for the Negro. What you do not see is that we protect the Negro from being disturbed by the white people of our section in his places of worship, in his home, and in public places which are exclusively for Negroes.

In Mound Bayou, Miss., an exclusively Negro town, we have a splendid example of how the Negro can get along if left to himself and that is what is desired by the southern Negro. His social standards and life there compare favorably with that of any other race. The Negro has his own schools, officers, and his social life, unmolested by white social reformers. The people of the town are happy, the section prosperous. The Negro of the South has come far since the War Between the States.

We have taxed ourselves greatly and now spend a much larger percentage of our State's income on education of the Negroes than any State from which come you fellows who intend to reform the South. There are two Negro colleges in my own district and many others in the State. We are spending more on the protection of the Negro's health and to improve his living conditions in proportion to our ability than any other section of the Nation. The Negro of the South is in better shape financially and economically than ever before.

To be candid, at this time we do not want the Negro to control our politics and our Government any more than the people of Detroit would want the Negro section of the city to select the officers of the entire city. We had a taste of that through the dark years following the Civil War. We know the scum, both white and black, that were selected and ruled our country. It has taken many years for us to recover from that blight and to overcome the antagonisms which were developed.

We will not have social intermingling. The white people of the South want separate accommodations and separate social life. The Negro of the South wants his separate accommodations and social life. We believe he should have them free from the meddling of white exploiters. Frankly, we expect to see that the two races remain segregated for the good of both. To force us to do otherwise would lead to civil strife the like of which has never before been seen.

If the agitators of this question continue their present tactics you shall have all the Negroes in the North. Then the Harlem district of New York will furnish the officers for that city. The Negro city of Detroit will control Michigan politics, and the Negroes of Chicago will furnish the officers for the State of Illinois. Then, when it is too late, you will learn what we learned during the terrible days of reconstruction.

If those in the North are opposed to discrimination, why is it you have not voted to abolish the discriminatory freight rates which have been a holdback to the South since the beginning

of our Nation's transportation began? If they want to help the Negro of the South, why have they opposed aid to education in the South? Why have they excluded the Negro from living in white residential sections of northern cities? Why is it that they do not have him in their homes and working for them in their offices? They may help him in any way they like, but they shall not cause our great Nation to be referred to as the great mongrel Nation of the Western Hemisphere except over the opposition of the entire Southland, both white and black.

Those of us who are opposed to this measure know it is unconstitutional. Many of those who support it are not interested, apparently, in whether it is constitutional or not, believing that they have a Supreme Court which will find it so. When this bill was before us several years ago, full, and to me, unanswerable briefs were filed showing this act to be unconstitutional. These briefs appear in the CONGRESSIONAL RECORD of September and November 1942. I shall not repeat them here, but earnestly request those conscientious members of this committee who would support this measure designed to disunite the people of the South from the Nation and to reach out the tentacles of an ever-growing Central Government so as to take away the last vestige of State government, to read those briefs.

Suffice it to say here, that prior to the adoption of the Federal Constitution, the country was composed of free and equal sovereign States loosely bound together by a confederation. When the Constitutional Convention was held, these sovereign States surrendered to the National Government as the central government certain rights and powers deemed by them necessary for the operation of the Federal Government, all of which are enumerated. All other powers were reserved to the States. Thus we have a Federal Government, intended by the States to have limited powers and considered a government of limited powers for 150 years. And, in regard to the franchise, held to be limited by the Congress no later than 1920, for then, when women were first permitted to vote, such change was brought about by amendment to the Federal Constitution, ratified by the States, and not as here suggested by act of Congress. In other words, the statesmen of that period did not for one moment believe that the Federal Government could remove the restrictive qualifications fixed by the States which prohibited women from voting, except by constitutional amendment as authorized under the Federal Constitution.

The provisions of the Federal Constitution, article I, section h, are as follows:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States; and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Certainly there is nothing in that provision which provides for its change by action of the Congress. That provision fixes the requirement for electors voting for Members of the House of Representatives. The writers of the Federal Constitution knew and accepted the fact that the various States fixed the qualifications for electors voting for the most numerous branch of their State legislature and the Federal Constitution by adopting such requirements as may be fixed by each State as the requirements for electors voting in national elections, can be changed only by amendment of the Federal Constitution.

This matter has been passed on many times by the Supreme Court of the United States and in each instance the Court has in no way stated that article I, section 2, can be changed except by amendment to the Constitution.

Voting has always been a privilege rather than a right. The right to vote comes from the grant of the privilege. We find this clearly stated in the case of *Breedlove* v. *Suttles* (302 U. S. 277), as follows:

> To make payment of poll taxes a prerequisite for voting is not to deny any privilege or immunity protected by the fourteenth amendment. Privilege of voting is not derived from the United States, but is conferred by the States and save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate.

I call your attention further to the fact that when article I, section 2, was incorporated in the Federal Constitution, all States restricted the privilege of voting. That provision of the Federal Constitution was adopted with full knowledge that such restrictions were being exercised by the States, most of which had property qualifications, poll tax, and various educational requirements which must be met before the privilege of voting could be granted.

By amendments Nos. 14, 15, and 19, to the Federal Constitution, it was declared that State qualifications prerequisite for voting based on race, color, previous condition of servitude, and sex must no longer deny or abridge the right of citizens to vote. There, also, we find that it was recognized that the proper approach was by constitutional amendment.

So in the present case, if the proponents of this measure want to get rid of the poll tax in the seven Southern States, the proper course is to have the Constitution amended so as to provide that payment of a poll tax shall not deny or abridge the right of a citizen to vote.

This bill is brought out to stir up the people of my section. Many of the group, particularly of the Democrats, which brought this matter up, are the very ones who represent districts dominated by labor unions, and this fact, together with the propaganda with which in the past they flooded our offices, leads one to the belief that the bill to some extent is aimed at the independent Members of Congress from the South who have consistently stood for the outlawing of strikes in war industries in time of war.

I say to you more is involved in this bill than the racial question. The very bedrock upon which our Nation was founded is involved. If the Federal Government can control the qualifications of electors and thus control elections, the State and the last vestige of State government is gone.

I say to you it is a serious matter to us. It is a serious matter to you, whether you realize it or not. You have seen the Federal Government, through pressure, gradually usurp practically every function of State government. By grants of money on condition, through the use of judicial construction, through the OPA, the WPA, and in every other conceivable way, your States are losing control to a Federal Government with its board of economists, theoretical experts, and dreamers who have infested its departments. I hate to believe that they and their actions are approved. I have to believe you members of this committee are willing to tie another stone around the neck of State government, already having a struggle to exist. Do you not know that if by act of Congress you can remove the poll tax as a prerequisite for voting, that by the same token the Congress can pass restrictive provisions and some group interested in continued control of the Nation will do just that.

The governing body of the county in my State is the board of supervisors, some members of which have held to the belief that they can run the affairs of the county better than the citizenship. Some years ago I served in the State legislature of my State. I found there members who believed that they could run the counties better than any board of supervisors and the affairs of municipalities better than its officers, because they felt they knew more about it and the local officers could not be trusted. Since coming here to Congress I find that it is the idea and belief of many Members of Congress and of many appointed officials of the Federal Government that they know it all, that the State government cannot be trusted and that control had better be vested in the Federal Government, where the Federal departments can run the affairs of the people.

Frankly, I find that people differ very little. Each thinks his crowd can do better than any other. My State legislative body showed me little that would lead me to believe that they would in any way be an improvement over the local officers in running the affairs of our cities and counties, but frankly convinced me to the opposite. So it is here with all due deference to Congress and the various departments of the Federal Government. You have not shown me anything to indicate that the country will be better off run from Washington. Rather have I been further convinced that local government is the best. I am sold to the belief that local self-government, the people at home, without dictation from on high, will save the country, if given the opportunity. Not only in this instance of meddling with State control of elections are you interfering, but you are permitting it to be done every day. I hope the strong Members of this Congress, real Americans who believe in the original American form of government, who believe in the days when the Constitution meant something—and there are many—will wake up and force the return of the

Government to the people. You can take a forward step along that line by voting against this bill.

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, this is a perennial issue. Four times, in the last four Congresses, the House of Representatives has enacted anti-poll-tax legislation. Four times it has died in the Senate. On three occasions it has passed under the leadership of the Democrats and once under the leadership of the Republicans when they controlled the Eightieth Congress. No doubt the House will again pass this bill. No doubt you have already turned deaf ears to the constitutionality of the question. On the other hand I believe that a majority of the members of this body seriously question its constitutionality. I have heard many of you so say in private but you excuse yourselves by voting for it on the ground of political expediency.

You support this bill because of its political appeal. You feel that it will incur favor with your Negro constituents. It will afford you the opportunity, as I stated last week, to return home and tell your colored constituents how you put those bad, bad southerners in their place. I venture the assertion that if a secret ballot could be had on the bill it would not receive 75 votes.

Each and every time this issue is presented you cite the small percentage of votes cast in my State and others in Congressional elections. You attribute this to the poll tax and poll tax only. The percentages which you cite are returns from our general elections. Why is it that you never mention the fact that in almost all instances the name of the Democratic nominee is the only candidate on the ballot? Why should our people pour out in mass on election day when there is no issue to be determined? It is within the knowledge of each of you that the Democratic nomination is tantamount to election. Why is it that you do not cite the percentages of the votes cast in our primary elections when you know that the issues are therein decided? The answer is, because it is not the politically expedient thing to do.

I recall a recent special election in the city of New York to fill a vacancy in the House of Representatives. I do not have the exact figures but it is well within your knowledge that only a very small percentage of the qualified electors turned out and voted. Could it be that a poll tax had anything to do with that light vote? Certainly not. Why is it that only about half of our people vote in Presidential elections? Could it be that the poll tax has anything to do with that? Why, certainly not. It may all be laid to the apathy on the part of many people. They just do not have enough interest in elections to go to the polls and vote. This is as true with many of our own people as it is with yours. But the poll tax has nothing whatever to do with it. Thousands upon thousands of people in my State pay a poll tax but never bother to go to the polls. I repeat the statement made many times by myself and others from the poll-tax States, that the requirement of a poll-tax receipt does not prohibit one person from voting. Passage of this bill will not add a single vote to the returns in our next elections.

If the Congress has a right to repeal a poll-tax law enacted by a State legislature then it has the same right to impose such. It also stands that if it has the right to repeal then it has the right to lower or raise other qualifications for voting. It would have just as much right to lower the voting age from 21 years to 16 years as it would have to repeal our poll-tax laws. It would have just as much right to require that a person may vote whether registered or not. Or it would have just as much right to modify our registration laws. By this legislation, you are attempting to invade the rights guaranteed to the State to control their own elections. If the Congress should ever succeed in this effort, then other controls on State elections will follow. And following this will be an all-powerful Federal state which I am sure a majority of the Members of this body would not desire. If you would only stop and think for a moment. But, oh no, you cannot do that. It just is not the politically expedient thing to do at this time.

The Southern States are working out their own problems. Those of the North, East, and West are working out theirs. And that is the way it should be if we are to continue as a strong union. If the poll tax is wrong, and I do not confess that it is, the facts are that many States have already repealed it and others are making preparations to do so. Unquestionably the time will come when each State will have acted accordingly. Why do not you let us work this matter out among ourselves, in our own State legislatures and in a constitutional manner?

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, during the course of the speech by the gentleman from Georgia [Mr. DAVIS] the gentleman from Mississippi [Mr. RANKIN] could not resist assailing the progressive Members of this body, calling them "demagogs." Yes, this is not the first time that the gentleman from Mississippi has called various progressive Members "demagogs." If a vote were taken, I know who would be selected as the greatest demagog. Following his tirade, the gentleman made the following remarks:

> Mr. RANKIN. Yes; and listen, down where I live, and I invite every one of you to go down there and see, you will find the colored people, the Negroes, enjoying more happiness, more prosperity, more peace, more contentment, more protection, and more security than they have ever enjoyed anywhere else under the shining sun at any time in all the history of mankind.
>
> Yet, these demagogs, this gang that is trying to put across the FEPC bill and Klein antisegregation bill, are trying to destroy the peaceful relationship now existing between the whites and the Negroes of this country in order that they may gather the fruits.

If the conditions in Mississippi are as the gentleman describes, I wonder why so many colored people are leaving that State. In fact, they are leaving in such large numbers that its population has been reduced to such an extent that under the next census it will lose representation of at least one if not two Members in this House. There are several other Southern States which will also lose approximately seven seats in the House under the forthcoming census which means that some of the present Members will not be with us in the next Congress. Some of the reactionary Members who have cooperated with the Republicans will be among the missing because a majority of the people in those States recognize that their prosperity was brought about by the Democratic Party under the leadership of President Roosevelt and continued under President Truman. Their defeat will be brought about because they have run out on President Truman and supported the Dixiecrat ticket and are cooperating with the Republicans whenever possible.

The Democratic Party unfortunately is charged with having a membership of 261 in the House of Representatives. Yes, 261 Members were elected on the Democratic ticket, but there are approximately 50 to 60 Members who do not vote or act as Democrats, having voted on nearly all important matters with the Republicans. They are Democrats in name only.

Notwithstanding all these facts, we from the North, representing most of the people who have been frequently unjustly attacked as to their loyalty and patriotism, voted to aid the South. We aided them and voted for the realization of making possible supports to cotton, which formerly sold during the Republican administration at from 5 to 6 cents a pound and which sells today at 30 cents a pound; we voted to aid the South on the price of cottonseed oil, on tobacco, and even on peanuts which sold for 1½ cents per pound in 1932 and which sells for 10½ cents per pound today. Yes, I even voted to grant a rule on a bill making possible support prices on tung oil and honey. I know I have aided them and voted to relieve the existing conditions in the South.

As to the present bill relative to the poll tax, there are still seven States that require a poll tax as a prerequisite to voting, and the remaining six States have already realized the demand by the country for the elimination of this discriminatory requirement. Those seven States are: Alabama, Arkansas, Mississippi, South Carolina, Texas, Tennessee, and Virginia.

I know there will be many gentlemen who claim this is a matter reserved solely to the States, yet, if true, why have they not followed the action of the six States who already repealed the poll-tax requirement? Since they failed in their duty and responsibility to the people, I feel that the Congress has a right to legislate for them.

The Congress right to legislate for these States lies in the Constitution of the United States, and specifically, the fifteenth amendment, section 1, and I quote:

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account

of race, color, or previous condition of servitude.

The gentleman from Mississippi's State ratified this constitutional amendment on January 15, 1870. Arkansas ratified this amendment on March 30, 1869; South Carolina on March 16, 1869; Texas on February 18, 1870, and Virginia on October 8, 1869.

Many of you gentlemen when opposed to any legislation attempt to argue that it is unconstitutional and violative of States' rights. However, you do not raise the constitutional and States' rights argument when the Federal Government appropriates millions upon millions of dollars for roads, rivers, harbors, flood control, farm relief, and rural electrification. No, no, you do not. Nor have you raised any objection to a great number of other bills giving relief and appropriations beneficial to the South.

I hope, therefore, that the bill will be speedily passed.

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Chairman, there is no question in my mind, as I pointed out to the House on last Friday, that the pending legislation is unconstitutional. The gentleman from Texas [Mr. PICKETT] has just done a marvelous job of citing the detailed particulars as to how this legislation is in direct violation of the Constitution of the United States.

Mr. Chairman, even a casual student of American history must admit that one of the major questions which was settled by the Constitutional Convention, which wrote the Constitution, had to do with whether the several States or the Federal Government would have the right to prescribe the qualifications of the electors. This question was decided unquestionably in favor of the States and was never seriously questioned until comparatively recent times, when sponsorship of legislation of the kind that is before us today came to be the accepted method of catering to the minority groups in this country.

We do not any longer impose the poll tax in my State of Georgia, but we do feel that we have the constitutional right to reimpose it when and if we see fit to do so. We also feel that there is hidden in the pending legislation a legal weapon that could destroy our system of government and the local supervision of elections. When the bill passes, a very vital part of the American way of government will have passed with it. Let us keep our heritage intact.

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. DEGRAFFENREID].

Mr. DEGRAFFENREID. Mr. Chairman, the issue before this committee and before the House is not whether the requirement of the payment of the poll tax to vote is wise. The issue is whether we shall vote to uphold the Constitution of the United States and the decisions of the Supreme Court, construing the Constitution since the beginning of our Government, holding that the responsibility of fixing the qualifications of voters was reserved in the Constitution to the States.

There are but two legal methods of eliminating the poll tax in those few States where it is still a requirement—namely, for the State legislatures in those States to repeal the poll-tax requirement or by an amendment to the Constitution of the United States. If we vote for the present bill, we will be saying by our votes that under our Constitution the Federal Government has the right to fix the qualifications for voters. This is contrary to the concept of every individual of this body who has any understanding of our form of government. If we cast a logical vote, if we cast a true vote, we will vote against this bill. It seems to me that a vote in favor of this bill is a purely political vote, without regard to the fundamental principles of our form of government.

The question is not whether we favor a poll tax, but whether we wish to do away with the proposition that all powers not granted expressly or by implication to the Federal Government in the Constitution are reserved to the people of the several States. Do you think that by passing a law you have a right to say to the people of the various States that they shall have a right to vote when they become 18 years of age, or to control the method of absentee ballots in the various States, or to tell the States what the qualifications of voters shall be? If you pass this legislation, you will be saying, in effect, that the requirements and qualifications for voting are matters of Federal control rather than State control.

The people of my State do not feel that they have anything to do with the qualifications for voting imposed upon the citizens of other States by their various legislatures, and neither do they feel that the representatives in Congress from other States should have anything to do with the qualifications for voting fixed by the Legislature of Alabama applying to the citizens of Alabama.

There can be no constitutional government without a constitution and there can be no constitution unless it is upheld. We, the Members of Congress, and the courts of this land, are the only means by which it can be upheld. The question is, Shall we uphold it or shall we destroy it? We are making a most important decision, and that is whether we are going to preserve our Constitution or whether we are going to destroy our Constitution and our democracy.

Mrs. NORTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3199) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendment to the bill (H. R. 5632) entitled "An act to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TYDINGS, Mr. RUSSELL, Mr. BYRD, Mr. CHAPMAN, Mr. BRIDGES, Mr. GURNEY, and Mr. SALTONSTALL to be conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2021) entitled "An act to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia."

MILITARY AID TO FREE NATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 276)

The SPEAKER laid before the House the following message from the President of the United States, which was read, referred to the Committee on Foreign Affairs, and ordered to be printed:

To the Congress of the United States:

To continue and strengthen our program for world peace and national security, I recommend that the Congress enact legislation authorizing military aid to free nations to enable them to protect themselves against the threat of aggression and contribute more effectively to the collective defense of world peace.

Such legislation is an essential part of our efforts to create an international structure capable of maintaining law and order among nations. Our prosperity and security, as well as that of other free nations depend upon our success in establishing conditions of international order. Increased assurances against the danger of aggression are needed to support our international economic programs, and in particular the European-recovery program, which are so vital to the building of a stable world.

Under the Charter of the United Nations, each member nation is bound to settle international differences by peaceful means, and to refrain from the threat or use of force against the territory of any country. Thus, in joining the United Nations, the nations have given their assent to the basic principles of international peace and security.

We have, however, learned the unfortunate truth that this obligation, by itself, is not sufficient at the present time to eliminate the fear of aggression and international violence. The record of world events since 1945 offers us no certainty that all members of the United Nations will uphold these principles of peace in actual practice. Indeed, there is proof to the contrary, proof that in the pursuit of selfish ends some nations have resorted and may again resort to the threat or use of force. The fear created by this experience haunts the world and

creates conditions of insecurity and instability which stand in the way of economic and social progress.

To reduce this danger and to allay these fears we have taken additional steps to reinforce the obligations of the Charter. Under the Pact of Rio de Janeiro and in the North Atlantic Treaty, we are creating a framework of mutual obligation to prevent international violence in the Western Hemisphere and in the North Atlantic area. These treaties provide support for the principles of the Charter of the United Nations.

Furthermore, even in the absence of such compacts, we have refused to tolerate assaults on the integrity of peace-loving nations whose conduct conforms to the principles of the Charter. We have given military as well as diplomatic aid directly to nations threatened by aggression. Through our aid to Greece and Turkey we have recognized the fact that, if the principles of international peace are to prevail, free nations must have the means as well as the will to resist aggression.

So long as the danger of aggression exists it is necessary to think in terms of the forces required to prevent it. It is unfortunate that this is true. We cannot, however, achieve our goal of permanent peace by ignoring the difficult and unpleasant tasks that lie in the way. We need to show the same firmness and resolution in defending the principles of peace that we have shown in enunciating them. The better prepared the free nations are to resist aggression the less likelihood there is that they will have to use the forces they have prepared. The policemen in our communities seldom have to use their weapons, but public peace would be greatly endangered if they did not have them.

The preparation of the military means for keeping the peace is necessary not only to the security of the United States but also to building a safe and prosperous world society.

Helping free nations to acquire the means of defending themselves is an obligation of the leadership we have assumed in world affairs. Within the practical limits of our resources we must strive to act with foresight and precision, so that our strength and the collective strength of the free peoples associated with us will be most effective.

To be effective, the aid which we supply to other nations for defending themselves must be planned ahead. It must not be wasted. It must be carefully allocated to meet the realities of our own security. Above all, it is urgent to initiate a program of aid promptly if we are not to lose the momentum already gained toward recovery and political stability.

These general requirements are given sharp emphasis by consideration of the specific cases where aid is needed. Many anxious governments have requested our military assistance. Among these requests there can be no more meaningful appeals than those which have come from the countries of western Europe. It is entirely logical that these governments should turn to us and that we should help them. Their defense is our defense and is of deep concern to us. Twice in one generation we have found that we had to join with them in fighting against aggressor nations in order to preserve our freedom and the freedom of other democratic countries.

The principal task of the free nations of western Europe in the last 4 years has been to restore their war-shattered economies. The inherent difficulties of this task have been aggravated by the foreign policy of the Soviet Union, which has done its utmost to prevent European recovery. Full economic recovery requires peaceful conditions and the assurance that the work of labor, industry, and agriculture will not be swept away in an outburst of international violence. In place of these conditions the Soviet Union, with its violent propaganda, its manipulation of the conspiratorial activities of the world Communist movement, and its maintenance of one of the largest peacetime armies in history, has deliberately created an atmosphere of fear and danger.

In the face of what has occurred in Greece, and in Berlin, in the face of the threats and pressures to which Iran and Turkey have been exposed, in the light of the suppression of human liberty in countries under Communist control, the nations of western Europe have not been able to ignore the necessity of a military defense for themselves. They have seen what the Soviet Union has done to nations for which it professed friendship and with which it was recently allied. They have observed how a Communist coup d'état, operating in the shadow of the massed military might of the Soviet Union, can overthrow at one stroke the democratic liberties and the political independence of a friendly nation.

As a consequence of that experience, and in the light of the fact that the two most devastating wars in history originated in Europe, they realize that they must have a shield against aggression to shelter their political institutions and the rebirth of their own economic and social life.

The nations of western Europe have addressed themselves in all seriousness to the task of providing such a shield. In the Treaty of Brussels, five nations of western Europe established joint measures for their own defense. In support of that treaty, they have coordinated both their defensive strategy and their plans to produce necessary military supplies.

Those five nations, together with Norway, Denmark and Italy, have undertaken annual military expenditures equivalent to about five and one-half billion dollars. This is the maximum amount they are able to spend without seriously interfering with the civilian production necessary for their economic recovery. This amount is not, however, enough to furnish these nations the protection they need. Concentrating, as they are, on restoring their economic stability, they are unable to spare the plants and the materials required to bring their defense establishments up to the necessary levels. Furthermore, there are certain items essential for their defense which they are not equipped to provide for themselves. They have, therefore, come to us with urgent requests for assistance in providing the necessary margin of arms and equipment which will make them better able to repel aggression and mitigate the anxieties of their peoples.

I recommend that we supply these countries with assistance of three types: First, a limited amount of dollar aid to enable them to increase their own production of military items without impairing their efforts for economic recovery; second, the direct transfer of certain essential items of military equipment; and third, the assistance of experts in the production and use of military equipment and the training of personnel. Such a program will enable these countries to acquire the elements necessary to their defense without hampering their recovery.

The military assistance which we propose for these countries will be limited to that which is necessary to help them create mobile defensive forces. Our objective is to see to it that these nations are equipped, in the shortest possible time, with compact and effectively trained forces capable of maintaining internal order and resisting the initial phases of external aggression.

At the present time, the military power which is the greatest determent to aggression is centered in the United States, 3,000 miles away from Europe. It must be made clear that the United States has no intention, in the event of aggression, of allowing the peoples of western Europe to be overrun before its own power can be brought to bear. The program of military assistance now proposed is a tangible assurance of our purpose in this regard.

Outside of western Europe we are already engaged in a program of military assistance to Greece and Turkey. This program has been in effect since May 1947. The Communist effort in Greece, in the form of a guerrilla war supported from abroad, has been condemned by the General Assembly of the United Nations. Our aid to Greece has checked this attempt to overthrow the political independence of a free nation. It is important that present gains against the guerrillas be maintained and that the operations be pressed to a successful conclusion. Only if this is done, can the economic reconstruction of Greece be accomplished.

In Turkey, our aid has lessened the burden of military preparedness which the threatening pressure of the Soviet Union had imposed on a primarily agrarian economy. Although the Turkish defense system has been improved, additional equipment and maintenance parts are needed for the modernization of certain Turkish defense units.

We are also confronted by the necessity of making military assistance available in other areas of the world outside Europe.

In Iran the use of surpluses of United States military equipment has aided in improving the defensive effectiveness of the Iranian Army and the maintenance of internal order. It is now necessary to provide certain additional items to round out this program, and thereby to strengthen the ability of Iran to defend its independence.

The new Republic of Korea, established as a result of free elections held under the auspices of the United Nations, is menaced by the Communist regime in the northern part of the country. With the advice and assistance of the United States, the Korean Government has established a small force to protect its internal security and defend itself against outside aggression short of a full-scale war. Equipment has been requested from the United States for minimum army and coast-guard forces. It is essential to the survival of the Korean Republic that this assistance be made available.

In addition, it is necessary to continue our program of limited aid to the Republic of the Philippines, which was originated under the act of June 26, 1946.

In this hemisphere we have assumed obligations of mutual defense with the other American Republics under the Pact of Rio de Janeiro. Our northern neighbor, Canada, is a party with us to the North Atlantic Treaty. It is important under the terms of these two treaties that we should assist Canada and the American Republics to establish adequate defenses properly coordinated with our own.

In view of our limited resources, it is impossible for us to assist on a grant basis all countries whose defense is related to our own. We can afford to bear the cost of military aid only with respect to those countries vital to our national security where the danger is greatest, and where the ability to pay for military equipment is least. With respect to such countries as Canada and the American Republics, therefore, I recommend that our assistance be limited to the use of the facilities of our Government to procure defense equipment for them at their own expense.

All these various requirements for military assistance should obviously be handled in a unified program, adaptable in its administration to the operation of our foreign policy.

The sum which will be needed in new appropriations for the fiscal year 1950 for all the grant programs now contemplated, together with a margin for emergencies, is approximately $1,450,000,000. The bulk of the supplies to be procured under these programs will be delivered over the next 2 years. Of this total $50,000,000 has recently been requested for the interim continuation of our program of military aid to Greece and Turkey under existing authorizations. New authorization will be required for $1,400,000,000.

The major portion of the total is to be devoted to the needs of the western European nations. It is not proposed that specific sums be committed in advance to particular countries. Rather, the President should be able to make allocations as circumstances require.

The aid we provide will constitute only a minor fraction of what these countries will spend themselves. Agreements will be executed with the recipients, to provide for mutual assistance and to assure proper use of the equipment furnished. The recipient nations will be required to limit the use of the items supplied to the defense of agreed geographic areas, and will not be permitted to transfer them to other nations without the consent of the United States. The President should be authorized to terminate our aid at any time. Aid will be terminated in the event that a recipient acts in a manner inconsistent with the policies and purposes of the program or with its obligations under the Charter of the United Nations.

The recommended program covers the most pressing current needs for military aid. How long it may be necessary to continue military aid depends on many unpredictable factors. Our burden will undoubtedly lessen as our program for peace brings its returns. Advancing economic recovery will enable the free nations to sustain a larger share of the expenses of their own defense measures. Progress toward a peaceful settlement of international difference will reduce the threat of violence and lighten the cost of preparedness. Ultimately, when the peaceful principles of the United Nations are fully realized, the protection of the peace may be assigned to the security forces of that organization.

If this program of military aid is to succeed, we must prosecute it promptly and vigorously. Our policies for peace are having the desired effect. We cannot afford to lose the momentum we have already gained.

One need only look back to the situation with which we were confronted 2½ years ago to be convinced of the rightness of our course of action. At that time the free nations of Europe were not only exposed and defenseless, but they were also caught in an economic impasse which threatened the existence of their democratic forms of government. Europe, with its great storehouse of skills and its heritage of free institutions, seemed about to disintegrate and to fall piece by piece under the sway of totalitarian control.

The fact that such a disaster has been averted should inspire us with confidence in the ultimate triumph of the cause of peace and freedom not only in Europe but elsewhere in the world.

Like the North Atlantic Treaty, this program of military aid is entirely defensive in character. By strengthening the defense establishments of the free nations, it will increase the confidence of the peoples of the world in a peaceful future and protect the growth of world recovery.

I would not suggest that this program alone will bring present international tensions to an end. It will, however, preserve the initiative which the free nations of the world now have, and help to create a world structure so firm economically and militarily as to convince any potential aggressor nation that its own welfare lies in the direction of mutual tolerance and peaceful foreign relations.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 25, 1949.*

MILITARY AID TO FREE NATIONS

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, there is in the language of the President in the message just read, strength, character, and understanding. His words have the force and the hardness of cannon balls, and I hope hit the target at which they are aimed.

The billions that we are pouring into foreign countries are not gifts, they do not represent sacrifices, but they are investments we are making in national security.

The flood waters of communism are pressing down heavily upon us, and we need to strengthen our dykes.

If the peoples of the world not already behind the iron curtain are willing to make common cause with us, then we must help them to make their help effective.

It is a dangerous delusion to let faith in our self-sufficiency silence our fear for our security.

World conditions are such as to have compelled our acceptance of the Atlantic Pact, and now for the pact to be a vital force for the maintenance of world peace, participating countries must be armed.

Mr. Speaker, I shall have a better peace of soul when we shall have progressed to the point of adopting a more sane and realistic policy as regards China and Spain. Concerning these two countries, our foreign policy is indefensible.

Mr. Speaker, let our courage be without fear and our fear without shame.

The SPEAKER. The time of the gentleman from Georgia has expired.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the calendar on Wednesday of this week may be dispensed with.

The SPEAKER. Is there objection to the resquest of the gentleman from Massachusetts?

There was no objection.

ADDITIONAL CIRCUIT AND DISTRICT JUDGES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight tonight to file a conference report and statement on the bill (H. R. 4963) providing for the appointment of additional circuit and district judges.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CHANGE IN PROGRAM FOR THIS WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. In announcing the program for this week last Thursday I stated that the bill (H. R. 29) to provide parity for tung nuts and honey would be on the program and probably

would be reached tomorrow or Wednesday. I desire to announce that this will not come up this week but will probably be assigned to the program for next week.

NOW IS NO TIME TO CUT APPROPRIATIONS FOR AIR POWER

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Speaker, it is inconceivable that this Congress will not uphold the action of this House in voting almost unanimously to provide adequate appropriations for the Air Force. No other course seems defensible in view of world conditions.

Members of this Congress must have heard of the Russians' sensational display of jet air power on their recent aviation day. Our naval attaché, Rear Adm. Leslie Stevens, a recognized expert on aeronautical research, made these significant comments:

> A very interesting show. Especially noteworthy was the fact that it was restricted completely to modern aircraft. There were absolutely no obsolescent types.
>
> As usual, the formation and acrobatic flying was magnificent. Such performance comes only after great practice.

The Russian budget data indicate they are not economizing on air power and their leaders, including Marshal Stalin's own son, a Red Air Force general, declare quite frankly that Russia must have and maintain the best air force in the world.

The President's Air Policy Commission—Finletter Commission—warned us only last year that other nations may have the atomic bomb in quantity by 1952. The airplanes that are not ordered this year are forever lost to the Air Force we will have in 1952. The Congress must thus bear this in mind when it is proposed to eliminate orders for 882 new planes from this year's appropriations. It takes 2 years and more to produce a modern aircraft, not allowing for the years of design and development that must precede production.

Even if we ignore the ominous atomic deadline, what other world conditions justify cutting our air power? Does the ever-growing Red might in the Far East encourage such reductions? Are we completely confident that the cold war is over in Europe? If not, just what are the conditions that cause the President to think that we do not need the Air Force this House provided by a 271-to-1 margin last April?

ALL IRELAND A REPUBLIC

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I have recently introduced a House resolution, numbered House Resolution 270, which would express the sense of the House of Representatives that the Republic of Ireland should embrace the entire territory of Ireland, unless the clear majority of all of the people of Ireland, in a free plebiscite, determine and declare to the contrary. In doing so, I have patterned my resolution on the Gallagher resolution, which was introduced in the third session of the Sixty-fifth Congress in 1919, following the First World War. That resolution, House Joint Resolution 357, was duly considered and passed by the Congress at that time, and thus establishes a clear precedent for the resolution which I have submitted.

President Wilson had vigorously championed the right of small nations to a free determination of the kind of government under which they wished to exist and the Gallagher resolution requested that the commissioners plenipotentiary of the United States of America to the International Peace Conference present to the said conference the right of Ireland to freedom independence, and self-determination. In spite of the expressed desires of Ireland to attain independence and freedom, Great Britain responded by dividing the country into two unequal parts and established Northern Ireland as a separate government over six counties. This was done in 1920 by act of the British Parliament and without the support of even a single Irish vote in that Parliament. This was the manner in which Great Britain carried out, at home, her promises to defend the rights of small nations and to protect their independence. Belgium and Poland might be free, but not Ireland.

Twenty-six of the thirty-two counties of Ireland have at long last been successful in obtaining international recognition for the Republic of Ireland, and these 26 counties exist today under a constitution modeled upon our own American Constitution. Only six counties now remain outside the jurisdiction of the Government of the Republic of Ireland and are still tied to Great Britain by force of arms of a superior military power determined to continue in part at least their ancient imperialistic domination of a weaker neighboring nation.

We regret that throughout eastern Europe the various small nations, many with illustrious histories as independent peoples, have been screened in behind the iron curtain of Communist Russia, and are gradually being incorporated as vassal states of a great Russian Eastern Empire. It is pointless, however, to denounce Russia for her conquest of these nations of the East, while Great Britain sets the same example in her continued dominance of her closest neighbor, Ireland. The deceit employed by Great Britain in cutting off the six counties of Northern Ireland is forever to her discredit. England could find no single supporter in Ireland at the time who would approve the act of partition. Nevertheless, Great Britain did enforce her own will on the Irish nation and by superior military might carved out a small uneconomic unit from the rest of Ireland and created a new government.

The maintenance of the Government of Northern Ireland has only been possible by means of British subsidies, the presence of British troops, the employment of British customs officers on the meandering border, and the use of undemocratic processes in the conduct of the local elections. It is time that this farce be terminated and that the freedom and independence of Ireland should be accorded to all the territory of Ireland and to all the people, north or south, throughout the island. The constitution was so drafted as to embrace the entire territory of Ireland and it is time that the Government of the Republic of Ireland should be allowed in fact to exercise its authority over all the counties which constitute the island of Erin.

In my resolution I have provided that it is the sense of this House of Representatives that the Republic of Ireland should embrace the entire territory of Ireland unless the clear majority of all of the people of Ireland, in a free plebiscite, determine and declare to the contrary. I have added this proviso, because I know that if a real democratic election of all the people of Ireland were to be held the outcome would be overwhelming in behalf of an undivided Ireland. This question of the division of the country should and must be a question for all the people to decide, not just those occupying the six counties. The chicanery of the Parliament of London in the recent Government of Ireland bill, which provided that the Belfast Parliament should determine whether the six counties should rejoin the rest of Ireland or not, is but an attempt to confuse the minds of other nations regarding the matter. The Parliament at Belfast is not and never has been representative of the people of the six counties and is thus not qualified to act as the true spokesman for the people of even the six counties. In any case the matter of division of the country is one for all the people of the country affected, and not a decision to be made by a portion of the people. No State of our Union could secede without the consent of the others, and no county or group of counties could separate themselves from the State in which they exist without the consent of a majority of the people of the entire State. Why should these simple fundamental principles be denied in the case of Ireland alone? Why should not we, as the last of the democratic republics of the world, encourage the ambitions and desires of a fellow republic in bringing about their own unification and ultimately enabling that republic to assume a proper place among the nations of the world. Ireland has always been a close friend of the American people and it is long past the time when we should express to them our appreciation of their constant friendship. This we can do by the enactment of the resolution which I have submitted and which has been referred to the Committee on Foreign Affairs. I hope that this committee will afford a prompt hearing on House Resolution 270 and that the Members of the House may soon be given an opportunity to express their approval, which I am confident you will do in overwhelming numbers.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the

RECORD in two separate instances and to include a eulogy and an editorial.

Mr. RODINO asked and was given permission to extend his remarks in the RECORD and include an excerpt from a letter written to him by the national commander of the AMVETS.

Mr. O'BRIEN of Michigan asked and was given permission to extend his own remarks in the RECORD.

Mr. ELLIOTT asked and was given permission to extend his remarks in the RECORD and to include extraneous matters.

Mrs. NORTON asked and was given permission to revise and extend the remarks she made in the Committee of the Whole today and to include therein a statement sent to her by the Attorney General regarding the legal aspects of the poll tax.

Mr. McCARTHY asked and was given permission to extend his remarks in the RECORD and include a resolution.

WAYNE SHEET STEEL CO.

Mr. MACY. Mr. Speaker, I ask unanimous consent for the immediate consideration of a resolution (H. Res. 296) which I send to the desk.

The Clerk read the resolution, as follows:

Resolved, That the Clerk of the House of Representatives is hereby authorized and directed to permit the United States Attorney for the District of Columbia, through an agent of his office or an agent of the Federal Bureau of Investigation, to make copies of the names and addresses of individuals which appear on invoices of the Wayne Sheet Steel Co., of Detroit, Mich. Such invoices were obtained in connection with the investigation by a subcommittee of the Committee on Public Works pursuant to House Resolution 403, Eightieth Congress, and are in the possession and custody of the Clerk. Such copies shall be made in such manner as not to disturb the possession and custody of such invoices, and of any list of names and addresses made therefrom, by the Clerk, and such invoices and lists shall not be removed from their place of file or custody under the Clerk.

Mr. DONDERO. Mr. Speaker, reserving the right to object, and I shall not, I wish to ask the gentleman from New York whether or not these records were made at the time the gentleman's committee, known as the Macy Committee, was holding hearings on this particular case?

Mr. MACY. That is correct.

Mr. DONDERO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. SHORT asked and was given permission to extend his remarks in the RECORD in two instances and include excerpts from letters and communications.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an address by a former member of the American Bar Association notwithstanding that it exceeded two pages of the RECORD.

Mr. GWINN (at the request of Mr. PHILLIPS of California) was given permission to extend his remarks in the RECORD in two instances.

Mr. SHAFER (at the request of Mr. DONDERO) was given permission to extend his remarks in the Appendix of the RECORD and include a statement.

Mr. HOEVEN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the Appendix of the RECORD and include two newspaper articles.

Mr. SIMPSON of Pennsylvania asked and was given permission to extend his remarks in the RECORD and include two articles, one from the Philadelphia Enquirer and the other from the Sioux City Journal.

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix of the RECORD.

MINORITY VIEWS ON H. R. 5330

Mr. JACKSON of California. Mr. Speaker, I ask unanimous consent that I may have until midnight on tomorrow to file a statement of minority views on the bill H. R. 5330 to accompany report No. 962.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House on next Wednesday and Thursday for 10 minutes following disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. BOSONE (at the request of Mr. GRANGER) for an indefinite period, on account of illness.

To Mr. MARTIN of Iowa (at the request of Mr. HOEVEN), indefinitely, on account of official business.

To Mr. CASE of South Dakota (at the request of Mr. LOVRE), for 1 week, on account of important business.

To Mr. KELLEY (at the request of Mr. EBERHARTER), indefinitely, on account of death of a relative.

To Mr. WALTER (at the request of Mr. FLOOD), indefinitely on account of illness.

EXTENSION OF REMARKS

Mr. McCORMACK (at the request of Mr. PRIEST) was given permission to extend his remarks in the RECORD and include an address by Dean J. L. Sullivan, of Marquette University.

COMMITTEE ON EDUCATION AND LABOR

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have permission to file a supplementary report on the bill H. R. 3829.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. JACKSON] is recognized for 60 minutes.

THE ARIZONA BUBBLE

Mr. JACKSON of California. Mr. Speaker, the story of mankind has been a story of vast physical undertakings. We know from a study of history that engineers of the ancient world accomplished such tremendous feats as that of changing the course of the Nile River; the construction of the Hanging Gardens of Babylon, the building of the Pyramids, and many another such astounding task. Some of the projects were worth while and helped to create a better economy and better climate for living. Others were as useless as the dust that now marks their physical remains.

These historic projects were largely of a physical nature in which back-breaking labor was a major factor, but they were, with the passage of the centuries, to be followed by other projects more in the nature of financial promotions which were designed not simply to further the welfare of the greater number, but which were conceived, at least in part, as a means of personal gain for a few individuals who stood to profit at the expense of many. The famous South Sea bubble was one of these, and the impact of that financial fiasco rocked the banking institutions of England in 1720. For it must be understood that in contemplation of any physical creation designed to benefit mankind, there are two primary and basic considerations: First, that the project is required in the general interest of a majority; and, second, that the construction of the project be feasible, both from the standpoint of ultimate benefit to many and upon the basis of probable cost with respect to the benefits to be derived.

Certainly, an elected body of public officials such as is represented by the Congress of the United States should and must contemplate expenditures of the public moneys upon the basis of the general welfare. Unless any given project is of such a nature as to improve the living standards and the general welfare of all of the American people, it cannot be considered as justified in any sense of the word.

The most gigantic bubble ever to develop within the continental limits of the United States appears now to be taking shape here in the Congress in the form of the proposed central Arizona project.

I shall attempt, in the space of time allotted to me, to point out a few of the circumstances surrounding this undertaking—knowledge of which circumstances should be at the disposal of every Member of this body. For, if the project is approved by the Congress, not only will it represent an expenditure of more than one billion and a half dollars of taxpayers' money, but it will fail in every way to qualify either as to feasibility or necessity.

In what I have to say with respect to the central Arizona project, I wish to make it clear that I do not impugn the motives of any representative of that State in the Congress of the United States. As is true with every other Member of this body, the representatives of the State of Arizona are here in the

Capital of the Nation to defend the legitimate interests of those whom they represent, and to do everything legally possible to see that advantageous projects are obtained for and developed within their State. However, it is also the obvious and clear duty of every other representative from every other State to scrutinize carefully and in great detail a project of this kind where vast expenditures of Federal funds are involved, and to deny his approval to programs and projects which in his judgment are improper or infeasible.

In every financial transaction there is a beneficiary. It might be well to approach the central Arizona project with this premise as a reference point. There is every indication and there is evidence to prove that the beneficiaries of the project, if approved and constructed, would be a limited number of large landowners in the State of Arizona. At this time this group of landowners, together with others, have contributed thousands of dollars in an effort to promote the central Arizona project here in the Congress.

The proposed undertaking is a most complicated and involved one, but stripped of all extraneous issues, the entire proposition, boiled down to its essential factors, means simply that the United States Government is being asked to spend approximately a billion and a half dollars upon the construction of an irrigation project designed to transport Colorado River water several hundred miles into central Arizona. All other factors aside, the cost of the program is so great as to merit the preoccupation of every Member concerned with Federal expenditures and Federal income. There is nothing to indicate that the United States Treasury would reap any material return on this huge investment, but there is considerable evidence to support the relief that some Arizona sponsors would harvest a bumper financial crop for years to come at the expense of the American taxpayers in general. Potential individual profits, should the project be authorized and constructed, are almost incalculable, but suffice it to say that under the program as presently conceived, millions of dollars would accrue to the benefit of the individual landowners. Those who are beating the drums for the central Arizona project would not pay one cent of the cost of the gigantic irrigation program. The only money they would spend is what is presently being expended for promotion and publicity. This amount in itself is not an inconsiderable one; so far it amounts to about $200,000, but it is truly insignificant when compared to the ultimate profits that might conceivably be made in speculation.

Let us deal for a moment with the cost of the project. There is every reason to believe that the ultimate cost on completion would approximate $1,500,000,000. Those speaking on behalf of the project, state that the cost would be about half this figure, but it must be said that those who so contend are either extremely naive or blind to current costs of construction. The figures put forth by the advocates of the central Arizona project do not include such items as the additional and supplementary works necessary to completion of the program. For instance, there must be an 80-mile tunnel through the Arizona mountains, a great dam and other installations, all of which will be necessary to safeguard the project and insure a normal and productive life for it.

Also, the record of reclamation in the West, shows that few, if any, major projects have been constructed within original cost estimates. Generally, it has been found that the projects run from two to four times as much as originally estimated. Therefore, $1,500,000,000 is actually a conservative estimate for the proposed central Arizona project. The largest, the most spectacular, and certainly the most expensive currently under consideration.

Let me state in brief form at this point some significant and peculiar facts about the central Arizona program:

First. All of the land in the proposed project area is privately owned. Farm land within the project area with water on it today is worth a maximum of $300 an acre. The land without water on it today, but actually within the proposed project area, is worth probably one-sixth as much.

Second. It is anticipated that 73,500 acres of land within the project area, now without water, would receive water under the project. Certainly, the irrigation of that much additional land for the benefit of homesteaders and others who sorely need land and water, would be a beneficial project. But, the 73,500 acres is somehow mysteriously missing. No one, to this time, including the Arizona advocates or the Bureau of Reclamation, has identified this land, nor have the names of those who own these 73,500 acres been made public.

Third. There are some 400 large landholders in the project area who would be likely to receive individual benefits averaging more than $500,000 apiece, and I shall say more on this point in a few moments.

Fourth. About 30,000 men, women, and children in the project area would stand to receive benefits of $50,000 each, all as a gift from the people of other States.

Fifth. Up to April 1 of this year, a sum of more than $178,000 has been contributed from private persons in Arizona to promote the central Arizona project. Of this amount, more than $57,000 was contributed by anonymous, or unidentified persons. The money so contributed went to the Central Arizona Project Association in Phoenix, Ariz.

Sixth. The proposed central Arizona project would cost more than twice as much as the Panama Canal, and more than the combined costs of TVA and Hoover Dam.

Seventh. To obtain an assured water supply for the project, water that now belongs to other States, would, of necessity, have to be taken from the Colorado River. The other States now own this water under contracts with the United States Government. Advocates of the Arizona project are asking Congress to break these contracts, and to give the water to a few private landowners in central Arizona.

Eighth. The project scheme would take two-thirds of the power revenues from the project to help pay for it. The other third of the power available would be used to operate a 1,000-foot pump lift on the project. All additional costs of the project would be an outright gift from the people of the United States.

Later I shall take each of these eight facts in turn and substantiate and enlarge upon them.

First, let me ask this question: "Who are the identified promoters of the proposed central Arizona project?"

Following is a list of the identified persons, companies, and organizations, who have contributed $500 or more for promotion of the central Arizona project:

Phoenix Clearing House	$5,000.00
John Jacob Farms, Phoenix	1,500.00
J. Dievan Singh Farms, Casa Grande	500.00
Goodyear Farms, Litchfield Park	1,000.00
Salt River Valley Water Users Association	36,000.00
Phelps Dodge Corp	7,500.00
Central Arizona Light & Power Co	3,500.00
First Federal Savings & Loan Association	1,000.00
Vegetable Growers Association, Phoenix	15,000.00
Agricultural Products Co., Phoenix	1,500.00
Western Cotton Products Co., Phoenix	1,000.00
Mountain States Telephone & Telegraph Co	2,500.00
Valley National Bank, Phoenix	1,000.16
O. S. Stapley Co., Phoenix	2,000.00
J. G. Boswell Co., Litchfield Park	1,760.00
Roosevelt Water Conservation District, Higley	4,200.00
Electrical District No. 2, Pinal	5,230.00
Phoenix Title & Trust	1,000.00
Inspiration Consolidated Copper Co	1,000.00
Natural Gas Service Co., Phoenix	800.00
Clemens Cattle Co., Florence	500.00
Pinal County Research Committee	3,000.00
Roosevelt irrigation district	$600.00
Magma Copper Co., Superior	1,000.00
George W. Mickle	500.00
Diamond Dry Goods Co	500.00
Doris-Heyman Furniture Co	500.00
Safeway Stores, Inc	500.00
J. C. Penney Co., Phoenix	1,000.00
Sears, Roebuck & Co	500.00
Goldwaters, Phoenix	1,500.00
Barrows Furniture Co	500.00
Arizona Box Co., Phoenix	1,000.00
Chandler Chamber of Commerce	522.00
Korrick's, Inc., Phoenix	1,000.00
Florence Chamber of Commerce	551.00
Maricopa County Municipal Water District No. 1	1,600.00
Southwest Lumber Mills, McNary	500.00
Pratt-Gilbert Hardware Co., Phoenix	500.00
J. C. Lincoln, Scottsdale	500.00
Arizona Brewing Co., Phoenix	500.00
Tovrea's Packing Co., Phoenix	1,000.00
Maricopa County Farm Bureau	750.00
J. L. Hodges, Phoenix	522.64
Southwest Flour & Feed Co., Phoenix	500.00
Arizona Fertilizers, Inc., Phoenix	500.00
Crystal Ice and Cold Storage Co., Phoenix	1,200.00
Republic and Gazett Newspapers	1,000.00
J. A. Roberts, Casa Grande	500.00
Arizona Flour Mills, Phoenix	500.00

Allison Steel Manufacturing Co., Phoenix	$500.00
The Vern Walton Co., Casa Grande	500.00
San Carlos irrigation and drainage district, Coolidge	1,785.80
Del E. Webb Construction Co., Phoenix	500.00
Hotel Westward Ho, Phoenix	500.00

In 1947, the Central Arizona Project Association received $18,148.75 in unidentified contributions for promotion work, and in the next year, 1948, unidentified persons contributed $19,750.73.

The present year gives every indication of being a big one for unidentified contributions. In the first 3 months of 1949, the association received $19,546.40 from unidentified persons.

At this point I should like to remark on some large landownerships in the project area. It should be remembered that the proposed project is located in a very hot desert country, with a year-round growing season. Farms are in constant cultivation, and a number of crops are harvested three and four times a year. Some examples of large ownerships, selected at random, follow:

	Acres
P. H. Ethington	6,800
Arizona Farm Products Corp	5,800
C. A. Owen	4,200
H. E. Kleck	2,700
J. N. Harber	2,700
T. C. Decker	2,900
J. D. Singh	1,900
P. Bianco	2,700
F. W. Shedd	1,500
E. B. Miller	1,300
J. F. Nutt	2,200
General Farms Co	1,300

All of the foregoing lands are of recent development, and all are in the area of the proposed Arizona project.

It is of interest to note that between 1939 and 1947 about 165,000 acres of the newly developed lands in the project area were purchased from the State of Arizona. In other words, these State lands were sold to private individuals. These landholders are now actively engaged in advocacy of the Central Arizona project, and are in effect asking the people of other States to give to them enormous benefits—and for nothing.

Now I should like to take up in more detail the eight significant facts about the Arizona project, which I mentioned earlier in brief form. The first point I discussed a few minutes ago dealt with the matter of private ownership. In this connection, the Bureau of Reclamation report on the Central Arizona project, page R–9, states:

> Six hundred and twenty-eight thousand seven hundred and sixty acres (in the project area) is practically all privately owned. It is estimated that 10 percent of the privately owned land is held by corporations. The total amount owned by the State and the counties is not significant.

On page R–10 the report says:

> In 1945 ordinary farm land in the Salt River project was valued at an average of $300 an acre.

The Salt River project is the main unit of the proposed central Arizona project. This is land with an unfailing supply of irrigation water. Land outside the Salt River project, but within the potential central Arizona project, is worth about one-fifth to one-sixth as much.

Those who seek approval of the Congress for the construction of this unbelievable project, state that the water they seek from the Colorado River for the new project would be only a supplemental supply of water to that which they now have. We know that this is not the case. The water they would obtain from the Colorado would make it possible for Arizona landholders to open up thousands of acres of new land to irrigation.

The immense amount of water that Arizona seeks to obtain from the Colorado River at the expense of other States is not needed and could not be beneficially consumed in the presently developed area of the proposed project.

The Arizona project is a speculators' project for the development of new land, of which, as the Bureau report states on page 6:

> There is ample land of good quality * * * for such expansion—

In the project area. All of this new land, countless thousands of acres of it, is privately owned, and this fact should be borne in mind by the Members of this body in their contemplation of this legislation.

Not one acre of the new land would be available to veterans or other worthy Americans who wished to find farm homes. The great landowners, individuals, and corporations, own it and it is reasonable to assume in the light of past history, that they would take the profits from it.

It is true that under reclamation law, each individual ownership is entitled to 160 acres of irrigated land. However, in the Salt River area alone, which area contains more than two-thirds of the proposed Arizona project land, there are 995 ownerships in excess of reclamation law. About 32 percent of the irrigable land in this one area is held in excess ownership.

True, the Bureau of Reclamation says that the 160-acre law will be enforced if the Arizona project is built. But we know that this law has never been enforced there. There is no reason to believe it will be enforced in the future. Rather, there is every reason to believe that it will not be enforced.

But enforcement of the 160-acre limitation, or failure to enforce that law, will make little difference to the large landowners involved. They will not be injured in either case.

If the central Arizona project is authorized and approved by the Congress of the United States, the idle land now held by the big landowner will immediately increase in value 6 to 10 times. If, on the other hand, the large landowner should be forced to sell all but 160 acres, he would, of course, sell at tremendous profit. If he is not forced to sell all but 160 acres, and he chooses to farm the new acreage made available by the transportation of Colorado River water, he can operate his additional land with the resultant increase of personal profits.

It should also be remembered that field crops are already subsidized. And 86 percent of the crops grown in the project area are those common, competitive field crops. So the Federal Government is being asked to pile these fantastic irrigation water subsidies on top of, and in addition to, the present crop subsidies.

And now, in the second point, we come again to the mysteriously missing 73,500 acres of land formerly irrigated but now idle for lack of water. These are not my words, but are taken from page 4 of the Bureau report on the proposed project.

Exactly where are these 73,500 acres located and who owns them?

Repeated attempts by investigators have failed to locate them. The Bureau of Reclamation says frankly that it does not know where they are, or who owns them, despite the statement in its report. The Arizona advocates of the central Arizona project either do not know or are reluctant to tell where these lands are and in whose names they are held.

But the cold fact remains that 73,500 acres of waterless land in the project area have a value today of approximately $3,675,000. With water on these acres this privately owned land would have a minimum value in excess of $32,000,000. It is fantastic, Mr. Speaker, that we have been unable to definitely pin down as sizable a chunk of Mother Earth as is represented by 73,500 acres, but that is the case.

The owners of the acreage in question would stand to realize a profit of more than $18,000,000 if the proposed project should be approved by Congress.

In the moment that the first drop of Colorado River water soaked into the dry land the value of the acreage would increase by leaps and bounds.

And now let us consider in more detail point No. 3. This point deals with the number of farm holdings in the project area.

The Bureau report on pages R–12 and R–13 states that the proposed project area contains an estimated 6,000 farms.

Seven percent of these farms are of 500 acres or larger in size. The 7 percent contain 55 percent of the irrigated land.

Seven percent of 6,000 farms is 420 farms.

Irrigation features of the proposed project would cost $420,019,000, according to the Bureau.

As 420 farms contain 55 percent of the irrigated land, it is therefore proposed to give them 55 percent of the irrigation benefits.

Fifty-five percent of $420,019,000 amounts to $231,010,450.

This is an average of about $550,000 for each of the 420 farms. Just 420 individuals would receive this immense benefit. It would certainly appear to me, Mr. Speaker, that when it is proposed to spend more than half a million dollars of public money for each one of a favored few Arizona landowners, or speculators, Congress should step in and put an immediate halt to any discussion of any such proposal.

In our contemplation of the fourth point let us further break down the various benefits to be derived. The Bureau report states that there are 6,000 farms in the project area. Based on comparable census figures, it may be assumed that there are five persons to a farm-owner

family. That makes a total of 30,000 persons, owners and their families, who would take the inevitable profits from increased land values, assured water supply, and crop returns.

As the total cost of the proposed project would be in the neighborhood of a billion and a half dollars, it would mean that benefits of $50,000 would be paid to every man, woman, and child who holds an owner interest in land on the project.

This $50,000 per capita would be a grant gift to them from the rest of the people of the United States.

With respect to my point 5, in which I stated that more than $178,000 had been contributed from private persons in Arizona to promote the Central Arizona project, I direct the attention of the membership of the House to figures on file with the Clerk of the House of Representatives in the lobby report of the Central Arizona Project Association.

With respect to the estimated cost figures as set forth in my point No. 6, may I point out that the office of the Panama Canal states that the original investment in the Canal was about $560,000,000.

The TVA states that the investment in that great development amounts to approximately $807,000,000 Hoover Dam and power plant cost approximately $160,000,000. The two make a total of $967,000,000 or a figure considerably short of the anticipated cost of the central Arizona project. The feasibility and relative benefit factors can best be judged by the membership of the Congress.

Aside from the obvious and fantastic aspect of cost and feasibility, perhaps the most salient feature of the entire proposal is the fact that there is no assured water supply for the operation of the proposed Arizona project.

The Arizona advocates are asking Congress to authorize this gigantic project in the very face of the fact that there is no assurance at the present time that any supplementary water will be available for it when completed. In other words, and stated quite simply, they are asking that they be given a billion and a half dollars of public money for a project that may be entirely useless upon completion. In a letter to Secretary Krug, dated January 26, 1948, Reclamation Commissioner Straus, writing about the proposed project, said:

> Assurance of a water supply is an extremely important element of the plan yet to be resolved. The showing in the (Bureau's) report * * * is based upon the assumption that the claims of the State of Arizona to this water are valid. It should be noted * * * that the State of California challenges the validity of Arizona's claims. If the contentions of California are correct, there will be no dependable water supply available from the Colorado River for this diversion. * * * It is assumed that the Congress, in considering this proposed project, will give this conflict the full consideration it deserves.

The substance of this statement is repeated numerous times in the Bureau's report, but this fact has in no way deterred the advocates in the advancement of their claims and demands.

With a reckless disregard for treaties, contracts, and agreements, Arizona continues to press on every front for favorable report by the cognizant committees of their legislative device.

In an honest effort to settle once and for all time the issues of legal ownership of the Colorado River water demanded by Arizona, California, and Nevada have joined in proposing that this issue be taken before the United States Supreme Court for final adjudication. It appears to us that this is the proper, American, fair, and logical way to settle an interstate dispute of this character. The Constitution wisely provides legal machinery for such an action, and to many of us it appears folly of the highest order to place the central Arizona project cart in front of the Colorado River horse.

Unless an adequate supply of water can be provided for the project, it can never be constructed. Unless the treaties and the contracts bearing upon the controversial issues of Colorado River water are adjudicated in the highest court of the land, the entire area of the great Southwest will remain in a state of turmoil, dissension, and confusion. In spite of this fact, the advocates of the central Arizona project have fought the Supreme Court adjudication bills with every means at hand, while continuing to press their claims to the Colorado River water and their demands for action by the committees on the central Arizona project bill.

I know that every Member of this body is interested in the liquidation features of the proposed project. I have said that Arizona does not propose to pay one dime of the costs involved in the construction of this giant work. In support of this statement I call the attention of this body to the fact that full details of the power features of the proposed project have been submitted to the Senate Interior and Insular Affairs Committee, and the House Committee on Public Lands. These details may be found in the transcripts of the hearings on the Arizona project.

The plan of the advocates of the project calls for the building of an immense dam on the Colorado River at Bridge Canyon. This is entirely a power dam. It is not needed to regulate the flow of the river, and the Federal Power Commission has so stated.

Bridge Canyon is hundreds of miles from the project area. It is included in the Arizona plan only for the purpose of providing power revenues to pay for and operate the Arizona project. Two-thirds of the power would have to be sold outside Arizona in other States. But, under the plan as presently contemplated, these revenues would be applied to pay for the project. The revenues would pay not only the costs of operation, maintenance, interest, and retirement of Bridge Canyon Dam costs, but would also be used to retire the irrigation costs of the project.

Also included in the scheme is a 985-foot pump lift. This lift would take Colorado River water from the reservoir behind Parker Dam over a 1,000-foot mountain. One-third of all the power produced at Bridge Canyon would be used solely to operate this pump lift. This power would be a free gift to the landowners from the American taxpayers. The most eminent engineers and reclamation authorities have stated that it is economically unsound to lift water to such a height, and at such an expense, to grow hay and other common field crops.

However, those who are so enthusiastic in their advocacy of the central Arizona project, appear to care little about sound economy. Just build the project and let the American people pay the bill. And quite a bill it would be. Power production would be called upon to provide 78.5 percent of the total revenues, and pay 96.9 percent of the irrigation capital, and 95.8 of the total reimbursable capital. What do the advocates pay? What do the great landowners pay? Little or nothing in most cases.

The eight points upon which I have elaborated at some length are only a few of the facts which reveal the fantastic aspects of the proposed project. There are countless others that might be included here. Anyone wishing more details showing the project to be a reclamation nightmare, will find them readily available in the records of committees I have mentioned, and in Federal bureau reports.

Let me cite some of the comments on the proposed project which have come from high Federal officials.

Frank Pace, Jr., director of the Budget Bureau, in reporting on the project for President Truman, wrote to Secretary Krug, February 4, 1949, as follows:

> The foregoing summary and the project report have been reviewed by the President. He has instructed me to advise you that authorization of the improvement is not in accord with his program at this time, and that he again recommends that measures be taken to bring about prompt settlement of the water-rights controversy.

Secretary of the Army Royall in a letter to Secretary Krug, dated May 12, 1948, stated:

> The legal and economic premises upon which the project as a whole is based appear to be open to serious question, particularly with respect to water rights and to the analysis of the economics of the works.

Secretary of Agriculture Brannan in a letter to Reclamation Commissioner Straus, dated May 5, 1948, states:

> The first and most important question that must be asked about any proposed public work is: Will the total benefits produced equal or exceed the total costs? Our first concern, then, was to find out if the central Arizona project would satisfy this requirement. Frankly, we were unable to determine from your report whether or not the benefits actually would exceed the costs. In the estimation of benefits, gross, rather than net, crop values have been used in the calculation of irrigation benefits * * * this procedure disregards the cost of producing the crops * * * this is not a valid way of estimating indirect benefits.
>
> The actual relation of benefits to cost is still further obscured by what appears to be a failure to use the market value of power. * * *
>
> It seems clear * * * that the proposed central Arizona project must be supported by projects and activities not contemplated in the report.

Chairman Nelson Lee Smith of the Federal Power Commission in a letter to

Commissioner Straus, dated May 21, 1948, states:

> The Bridge Canyon project and its two auxiliaries, Bluff and Coconino Reservoirs, have no essential physical relationship with the central Arizona diversion project. These reservoirs are not needed to regulate the flow for the cental Arizona diversion, nor would the Bridge Canyon power plant necessarily be the only source of power available for pumping. * * *
>
> The only relationship between the three reservoirs as a group and the diversion project appears to be the assumed financial relationship in order to find the means for repayment of a large percentage of the reimbursable costs * * * chargeable to irrigation.

These high Government officers were not taken in by the fantastic claims of the Arizona advocates. Very easily they have pointed out the fallacies of the project.

I regret to say that the Bureau of Reclamation has seen fit to favor Arizona. It seems apparent that the Bureau's main interest is to have another gigantic project under its jurisdiction. The Bureau obviously does not care whether the project is financially feasible. All the Bureau desires is more control over the economy of the West. Bad projects as well as good ones give the Bureau that control.

Of course, the Arizona land speculators are not concerned with this side of the case. Regardless of the Bureau's jurisdiction, or any reclamation law, the speculators will reap their harvest, should the project be authorized by Congress.

The Bureau's report on the proposed Arizona project was necessarily qualified. Despite its craving for power, the Bureau could not go so far as to support unreservedly a project as fantastic and economicaly inane as this one.

So the Bureau left itself some escape hatches. Its adverse comments on the project, however, were written with a weasel's pen, and they are buried so deeply in the report that they are difficult to find. Only through patient and careful study can they be uncovered.

Let me set down here a few of the statements I have ferreted out of the Bureau's report which illustrate further the utter folly of the proposed project and not only show it to be infeasible but provide added evidence that it is a speculator's dream.

On page 4 the Bureau admits it has taken the advice, figures, and legal interpretations of the Arizona advocates as the basis of its favorable report on the project.

On page 5 the report shows that Arizona and the Bureau jointly financed a study of the proposed scheme.

On page 6 the report states that the project is essentially a "rescue" project. What is to be rescued? The answer is: Privately owned lands on which owners will make fortunes at the expense of the taxpayers of all States. The Bureau knows this and makes it clear.

> The whole potential supply of new waters—
>
> Says the report—
>
> will be adequate only for those lands presently irrigated and those in the area irrigated in the past but now idle. Obviously, if expansion of the irrigated area were to ensue upon the building of the project * * * the purpose of the project would be defeated.

That last sentence is a pleasant and safe statement for the Bureau to include in the report. For, unless the Bureau officials are blind to the facts of life—and I do not believe they are—they are fully aware that the Arizona landowners want Colorado River water for expansion purposes. The owners want the project not only to supplement the water supply on their lands now irrigated, but to supplement it so they can open thousands of new acres in the area. The Bureau knows that, and the report, on page 6, states:

> There is ample land of good quality with access to the ground-water basins for such expansion.

On page 7, the Bureau's report says the project has "engineering feasibility in the sense that there are no physical obstacles that would be encountered during its construction that could not be overcome."

That is a remarkable statement, and it is undoubtedly true. It might also be said, however, that there are no physical obstacles that would prevent the building of an aqueduct between the Mississippi River and Arizona.

But what about costs? And who would pay the bills?

Financial feasibility of the Arizona project is another story. Even the Bureau is forced to make this reluctant admission.

When it comes to the hard dollar matter the Bureau says of the Arizona program:

> Financial feasibility of the project is more difficult to determine.

That is the truth, as far as it goes. But the whole truth is that financial feasibility of the project is impossible to determine. The project could not be financially sound under any possible system of economics. It could be only a gift from the people of the United States to the speculators of Arizona.

The Bureau knows that, too. So, in a determined effort to bolster its unsound advocacy of the project, the Bureau recommends changing all the reclamation laws. Rewrite the laws, says the Bureau, to make it easy for the Treasury to give a billion and a half dollar project to the big landowners of Arizona.

What do the Arizona landowners say to this proposition? They say: That was our idea in the first place. We have introduced legislation to do this. The Bureau is very cooperative.

I appeal to my colleagues to look into this Arizona project themselves. They will find that the Arizona proponents are attempting to foist onto the American public the most fantastic, unbelievable bubble in the history of reclamation.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of California. I am happy to yield to the gentleman.

Mr. MURDOCK. The letter the gentleman read was from Commissioner Straus?

Mr. JACKSON of California. It was from Commissioner Straus.

Mr. MURDOCK. Does the gentleman know whether or not Commissioner Straus has recommended this project, or has he turned thumbs down upon it?

Mr. JACKSON of California. There has been considerable broken-field running in this matter in the past several months. Many people in high places, who originally called the project unfeasible and impracticable, have since allegedly come to the conclusion that perhaps it is not.

Mr. MURDOCK. I ask merely as the author of one of these bills. I had the impression that Commissioner Straus, the Bureau of Reclamation, and the Secretary of the Interior had approved the project. In fact, I may say they have approved it.

Mr. JACKSON of California. I am only quoting to the gentleman the exact words of Commissioner Straus with respect to the validity of claims to the water supply.

Mr. MURDOCK. It is a queer thing that he said that when he approves the project. That needs further explanation.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of California. I yield.

Mr. PHILLIPS of California. Is it not perhaps that Commissioner Straus' subsequent approval has been somewhat influenced by bringing other factors into the feasibility of the projects which have not always been brought into projects in the past? And then I would like to ask the gentleman if he is going to refer to the report of the Bureau of the Budget, which is the spokesman for the President.

Mr. JACKSON of California. I have several direct quotations here bearing on that very question.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of California. I am very happy to yield to the gentleman from Pennsylvania.

Mr. RICH. Is this bill that is to be considered for Arizona a part of the Gila project, on which we have spent so many millions already?

Mr. JACKSON of California. No; this is an entirely new Arizona project.

Mr. RICH. The projects that have already been developed down there to a partial extent have never been completed, have they?

Mr. JACKSON of California. I believe that is the case.

Mr. RICH. I understand they have lots of water down there on a great deal of land, yet they come back wanting the Federal Government to develop more; is that the picture I get out of this?

Mr. JACKSON of California. I would say to the gentleman that this is an entirely new project—a project which would extend an irrigated area—a large portion of which already has an adequate water supply. This is in spite of the fact that there is no assurance at the present time that water can even be delivered on the project when and if completed.

Mr. RICH. What was the cost that the gentleman had figured out?

Mr. JACKSON of California. We feel a billion and a half is a conservative estimate.

Mr. RICH. Have these fellows from Arizona told you where you will get the money?

Mr. JACKSON of California. There have been no suggestions made up to this time.

Mr. PHILLIPS of California. How high is the Washington Monument?

Mr. JACKSON of California. I would say that if you think of this pump lift in terms of being twice as high as the Washington Monument, you would get a rough idea.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of California. I yield.

Mr. MURDOCK. The gentleman very candidly and considerately, in starting his remarks, rather absolved the Members of Congress who have sponsored this legislation of anything more than stupidity. But I took it for granted that the Bureau of Reclamation is the culprit in a very fantastic and expensive and impossible project.

But the gentleman pointed out that they have cleverly evaded responsibility. Who are the culprits in back of this thing, or does the blame as you see it fall back on the Members of Congress who have sponsored this project?

Mr. JACKSON of California. Not at all. As the gentleman said, I have been very careful not to impugn the motives of any Member of Congress. However, it does seem that when a large number of individual landowners have substantial holdings in the proposed project area and spend considerable money for the promotion of that project in lobbying the Congress of the United States it is something that should be looked into by the Members of the House of Representatives.

Mr. MURDOCK. I agree with the gentleman this whole matter must be looked into carefully. As chairman of the subcommittee who has heard this same story word for word at least four times, I agree with the gentleman that we need to look into this matter. I join with him in wanting to look into all phases of it.

I have always favored the 160-acre limitation in the reclamation law. I favor the small-sized family unit farms. I do know at the present moment there are some large holdings which have been irrigated within this central Arizona area, but I would not sponsor this bill if I did not think the reclamation law would take effect and that these holdings would be broken up and family-sized units established. I assure the gentleman I have worked pretty seriously here—especially in the Seventy-ninth Congress—with H. R. 520 to establish many, many farms, as my friend, the gentleman from California [Mr. PHILLIPS], will recall, for veterans. I may say that we were successful in getting legislation which will give preference to veterans.

I join with my friend from California in saying we must look into this matter of these men who have contributed. The Salt River Valley Water Users' Association has contributed to may knowledge $24,000 toward the fund to promote this thing. That is only 10 cents per acre of land that needs this water.

Mr. JACKSON of California. I can say to the gentleman only what I said at the beginning. I impugn neither his motives nor the motives of any individual. However, I am in full agreement that given a set of circumstances such as these the membership should be advised of the matter and they should use their own judgment.

Mr MURDOCK. Yes. May I ask the gentleman whether he is in favor of building the Bridge Canyon Dam solely as a power dam?

Mr. JACKSON of California. At the present time I do not see the necessity for it—very frankly.

Mr. MURDOCK. It is a power-hungry area in our Pacific Southwest.

Mr. JACKSON of California. Of course, but if it is to be built as a power dam without reference to the central Arizona project, that is one thing. However, if it is to be considered jointly, that is quite another thing, because I do not believe it should be constructed for the sole and express purpose of defraying the cost of construction of an irrigation project.

Mr. MURDOCK. May I ask the gentleman one further question: Does the gentleman know that the Arizona Power Authority, a State organization, has made application for all power that can be produced at the Bridge Canyon Dam power plant, when erected, and that every kilowatt of power that is proposed to be produced will be taken in the State of Arizona and not one kilowatt need go outside the State?

Mr. JACKSON of California. The gentleman may be correct, but that is not my understanding of the matter. My understanding of the matter is that two-thirds of the power would necessarily have to be sold outside of the State of Arizona.

Mr. MURDOCK. No, no.

Mr. JACKSON of California. One-third is to be used to operate the necessary pump lift and for transportation.

Mr. MURDOCK. The gentleman is correct about the one-third. The bill contemplates that one-third of the power produced at the Bridge Canyon power plant would be used for pumping the water to go into central Arizona, leaving two-thirds of it for commercial sale. But too frequently I find my colleague saying that two-thirds of the power must go into southern California to be sold there, and thus the southern California power users will pay for this fantastic project. That is not the case.

Arizona wants every kilowatt of that power to be used in the State of Arizona so that whoever uses that power will be paying for it. Arizona users of water and power will pay for the project.

Mr. JACKSON of California. I thank the gentleman for his remarks. I assure him again there is nothing in my remarks which are intended to reflect upon him in any way.

The SPEAKER pro tempore (Mr. WHITE of California). The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. VAN ZANDT (at the request of Mr. PHILLIPS of California) was granted permission to extend his remarks in the Appendix of the RECORD.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from New York [Mrs. ST. GEORGE] is recognized for 20 minutes.

DISMANTLING OF GERMAN PLANTS

Mrs. ST. GEORGE. Mr. Speaker, about 100 years ago, a young Frenchman, Alexis de Tocqueville, made the keenest and clearest analysis of the United States and her people. His book Democracy in America should be condensed and then made required reading in every high school and college in our country.

One sentence is worth quoting at this time:

> I know of no country in which there is so little independence of mind and real freedom of discussion as in America. * * * The majority live in the perpetual utterance of self-applause, and there are certain truths which the Americans can learn only from strangers or from experience.

We are indeed beginning to learn from strangers and from experience, both are hard teachers and the latter is at times bitter.

We discarded nationalism and isolationism, as shameful things only to find that there is more nationalism in the world today than ever before and that our one time ally Russia has built up an empire surrounded by impenetrable isolationism, such as has not been seen in civilized history, isolation both physical and mental.

We now find that England, who so many Americans look upon fondly and sentimentally as the mother country has isolated us by the creation of a sterling bloc bolstered by bilateral trade agreements.

These agreements will of course mitigate against the United States and her foreign trade. It is also making it more difficult for western Europe to recover.

England has got to export or die. Yet her goods are too expensive because of the socialist government's determination to keep the value of the pound sterling at an unjustifiably high level.

As English goods cannot compete in world markets because of their price, the British Government has decided to rectify this situation by destroying competition. This is being done by signing bilateral agreements with other countries, that exclude all competitors.

How long are we going to support a Socialist government in England that has already cost the American taxpayer billions of dollars, and in return is destroying our foreign trade, by isolating us and retarding the recovery of western Europe by the dismantling program in western Germany and by keeping up and increasing the currency barriers and restrictions that make a free-trade zone in western Europe impossible?

It is interesting to note that both Mr. Churchill and Mr. Bevin are now telling the House of Commons and the world that they did not want unconditional surrender in Germany and Mr. Churchill practically tells us that he was forced against his better judgment to acquiesce in President Roosevelt's errors. He also

adds that he regrets having signed the document.

Methinks the gentleman doth protest too much, judging by the actions of the British in literally scrapping the German steel industry under the guise of dismantling.

Beginning 4 weeks ago, the British began dismantling the sheet mills. At the same time they are getting all equipment out of the sheet mills as rapidly as possible. There are 450 workers engaged in dismantling now, instead of the 200 at work prior to April 13. In order to hasten the dismantling, the British R. D. & R. branch is now employing two shifts a day, instead of one.

The most significant thing of all is the method of dismantling now being used. No attempt is being made to dismantle with that care which would be necessary if it were expected that the equipment would be put in use again in some other country. A large part of the equipment is being frankly scrapped.

It is the belief of everyone, Germans and Americans alike, that the British were astonished and, of course, overjoyed at their unexpected victory at the recent Washington Conference. Proof of the fact that up to then the British had had only half-hearted hopes of keeping their August Thyssen plant on the dismantling list was the fact that the number of workers assigned to dismantling had dropped from a peak of 600 prior to the visits of the United States investigating committees, down to 200 in April of this year. Furthermore, the British had removed none of the dismantled equipment from the plant. Of course, one reason for this is the fact that up to this very day not one bid has been placed by another country for Thyssen equipment.

Furthermore, the British, knowing full well the particularly critical shortage of electrical sheets, had obviously not dared to touch the sheet mills up until the time of the Washington agreement.

The August Thyssen works have been in past years the largest steel works in Europe. In prewar years, this company had an annual production of 2,300,000 tons of ingot steel, or 10 percent of the total production of the German steel industry. Approximately 12,000 workers were employed here who, with their families, constituted about 40,000 human beings dependent for their existence upon these great works.

So universal has been the recognition that Germany's recovery is tied to the reactivation of Thyssen, that each one of the four special missions sent last year to study German dismantlings in terms of possible effects in retarding ERP objectives, reported that Thyssen's production was indispensable. This plant is to be scrapped and the unemployed workers cared for with money from the American taxpayer.

The text of William Green's recent strong protest against the dismantlings, which was published conspicuously in Dusseldorf, received no attention at the time in the London papers. When a few days ago a leading British official was questioned about this protest from one of America's leading labor personalities, this official spoke out indignantly against "this systematic campaign" against the dismantlings. He said that any kind of intervention such as Green's—and by implication, by Walter Reuther of the UAW-CIO—was to be regretted, because it induces the Germans to entertain false hope regarding the decisions agreed upon by the three western powers. These decisions are final, and any propaganda tricks to the effect that competitive fears lie behind the reasons for dismantling, are baseless.

As for German labor sentiment, the German trade-union movement, which in past months has maintained trust in the friendship of the British Labor Party, has reached such a state of disillusionment and hostility, that leading Socialists have told me within the past few days that they do not consider the British Labor Party a Socialist Party at all. "They have no heart at all for their fellow German workers. Their hearts are as stony as the worst of the monopoly-capitalists."

As another instance of competitive interests which appear to have motivated British policy regarding the German dismantlings, I cite the fate of the two Bergius process hydrogenation plants at Wesseling and Gelsenberg. Although both plants were placed on the forbidden industry list, the Wesseling plant is now to continue in operation, while the Gelsenberg plant is to be dismantled. The Wesseling plant carries out crude oil treatment on the base of contracts of treatment with the German Shell Co., subsidiary company of the British-Dutch Shell concern, which, in turn, is part-owned by the British Government. The Gelsenberg gasoline plant signed similar agreements with the German Vacuum Oil Co. and the German-American Petroleum Co., subsidiary company of the two big American oil concerns Socony Vacuum Oil Inc., N. Y., and Standard Oil Co. of N. J.

It appears that if strictly national interests were at stake, the British were better represented in this case than the Americans.

Evidence which I have been able to collect in the past 2 weeks indicates that since April 13, dismantling has more and more boldly taken the form of outright scrapping of plants. In British military government circles, the subterfuge is apparently rapidly being abandoned that the dismantlings apply only to war plants or to the elimination of excess capacity. Since the Washington agreement, several incautious statements have been made by R. D. & R.—reparations, dismantling and restitutions branch—officials in the British zone, to the effect that the dismantlings will have a salutary effect for Great Britain, through eliminating the most dangerous of the German competition.

Five major steel plants were doomed by the Washington conference in April. Five of the six major steel plants doomed by the Washington agreement had been on the Humphrey list of plants strongly recommended for retention.

There are several ways of conveying the relative importance of these six major steel plants. They represent, for instance, two-thirds of the total productive capacity of the 167 plants recommended for retention by the Humphrey committee.

If they are dismantled, a total of 90 percent of all German iron and steel capacity originally considered for dismantling, will have been removed from Germany, or destroyed.

The present level of industry which Germany is to be permitted to achieve is 10,700,000 tons of raw steel. In 1936, German raw-steel production in the bizone area was 14.5 tons. In absolute quantities, the level of industry figure represents a decrease in steel production of almost 4,000,000 tons below 1936. In per capita figures, it represents an even greater decrease, since the end of the war.

In the prewar period steel exports played a leading role in paying for the heavy imports of raw materials which Germany, like England, is dependent upon. It is obvious that German steel available for export will be sharply curtailed under the level of industry plan. The following table, compiled from statistics released by the German Economic Ministry, indicates the German experts' estimates of minimum raw-steel production necessary if the German economy is to be made viable. It also indicates the greatly curtailed role that steel for export will have to play.

Break-down by production uses of raw steel, 1936

	Tons
Used in export	3,300,000
Used in other industries	11,200,000
Total production in bizone	14,500,000

Estimated minimum production raw steel for a viable postwar economy in the bizone—based on an estimated 8,000,000 population increase over 1936 population, and an estimated 20 percent per capita reduction from 1936:

	Tons
For export and shipbuilding (1936, 3,300,000)	1,000,000
Used in other industries	13,000,000
Total estimated absolute minimum steel capacity for a viable economy in west zone	14,000,000

This total, it will be noted, shows an estimated production requirement of 3,300,000 tons of raw steel more than the permitted level of production of steel for all Germany.

In additional comment on the German experts' estimates of need for steel production greater than that permitted under the level of industry plan, these experts estimate the investment needs of the west zone at 40 percent above those of 1936—8,750,000 tons of steel now, against 6,250,000 tons of steel in 1936—due to overuse of equipment, inadequate maintenance, and the great population increase since the end of the war.

Furthermore, eastern zone dealings and restitutions are known to have been

so excessive, that when the four zones are united the western zone will have to make a much heavier contribution to the over-all recovery of Germany than was taken into account at the time the last level-of-industry plan was drawn up.

ACTUAL CAPACITIES TO BE RETAINED UNDER THE EXISTING DISMANTLING PROGRAM

There is also evidence that the estimate of capacities necessary to reach even the 11,100,000 tons of raw steel permitted under the level of industry plan, were unrealistic. If all the capacity remaining after dismantling were integrated into rational production, the capacity would still be too little according to the experts, including Mr. George Wolf, of the United States steel investigating committee.

However, the pattern of dismantling has been so chaotic that much of the steel capacity in existence theoretically, will nevertheless be unusable. At the six plants surrendered for dismantling under the Washington agreement, which are the subject of this report, installations which will remain after the dismantling but which will be unusable because of the pattern of dismantling the rest of the plant, will have a value of 228,000,000 deutsche marks. This figure of useless equipment valuation represents more than one-half the value of those parts of the plants which are being actually dismantled.

In some of the most important steel mills, the central steel-making plants—the heart of the whole plant—and/or plate rolling mills, steel foundries, and so forth, are being dismantled, leaving only the blast furnaces intact at one end of a once-rationalized production process, and processing departments at the other. The use of what has been left appears to be about as great as that of a man's head and his legs, after his torso has been cut out.

Another incredible example is the dismantling of the electrical sheet mills of the August Thyssen Works—slated for dismantling almost in their entirety. Electrical sheet shortages have been blamed as one of the main causes for retarded western European recovery. In the spring of 1948, the United Nations Economic and Social Council explained in its survey of the economic situation and prospects of Europe:

> Among steel products there are particularly acute shortages of certain items for which production capacity is insufficient to meet requirements. Sheets, tin plates, and transformer and dynamo sheets are outstanding examples of products for which production will, in the next 2 years, fall seriously short of requirements. The shortage is estimated at 50,000 tons in the case of transformer sheets for the 24-month period.

This sum of 50,000 tons, represents exactly the electrical sheet capacity of Thyssen doomed for dismantling, and upon which dismantling efforts have been doubled since the 1st of May.

In spite of the fact that the Washington agreement was popularly regarded as a great victory for the antidismantlers, and in spite of the fact that it is commonly believed that the dismantling headache has now been solved, the following figures show how little has been saved, actually, from the capacities originally slated for dismantling:

	Saved	Remaining to be dismantled
	Percent	*Percent*
Blast furnaces	10.0	90.0
Open-hearth plants	1.5	98.5
Basic Bessemer plants	0	100.0
Rolling mills (excluding tube mills)	3.0	97.0
Hammer mills	12.0	88.0
Presses	0	100.0

Dismantlings affecting the export picture are of particular interest to the American taxpayer, who wishes Germany to be able to recover her prewar export market to the extent where she can pay for minimum necessary imports and be self-sufficient once more. During the years 1929 to 1937, Germany exported an annual volume of 2,400,000 tons rolling mill products. At the present time, the west zone is able to produce only at the annual rate of 350,000 tons of rolling mills products for export. Her ability to satisfactorily increase her rolling mill production, which in normal past years represented 72 percent of her raw steel production, will be curtailed drastically by the dismantlings, as the table below shows. The following rolling mill capacity is to remain:

	Percent
Universal mills	80
Heavy and medium plate mills	53
Sheet mills	73

Mr. Speaker, all this adds up to one thing: That if Germany is to be turned into a goat pasture so that England can sell her high-priced goods, the American taxpayer will continue to support the German population on a starvation diet, for which they will incur nothing but hatred.

It is a strange fact that France, Belgium, Holland, Luxemburg, and Italy have all made surprisingly good recoveries in the last 2 years. It is equally true that all these countries have turned away from socialism. Surely here again we can learn from strangers and experience.

We must stop wasting the American taxpayers' dollars abroad as well as at home; we must insist on some proper returns.

We can certainly expect something more from our former allies than the undermining of world trade and the return to complete nationalism and isolationism.

This is exactly what we are getting and it is well to consider the source before continuing down the road we still are on, throwing good money after bad and not recognizing those who would be our real friends.

Yes, we should pause and learn from strangers and experience.

Mr. PHILLIPS of California. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield.

Mr. PHILLIPS of California. What does the gentlewoman mean by the recent Washington conference that gave this additional advantage to Great Britain?

Mrs. ST. GEORGE. It was the conference that was held here in April at which the dismantling program was gone over for a second time, and the British were represented at that conference here in Washington.

Mr. REES. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from Kansas.

Mr. REES. I just want to commend the gentlewoman from New York for the very informative address she has delivered. I trust the membership of the House will read and reread and take to heart the very splendid statement that she has just delivered.

Mrs. ST. GEORGE. I thank the distinguished gentleman from Kansas.

Mr. MURDOCK. Mr. Speaker, I too, wish to congratulate the gentlewoman for her very splendid address.

Mrs. ST. GEORGE. I thank my colleague.

The SPEAKER pro tempore (Mr. WHITE of California). Under previous order of the House, the gentlewoman from Ohio [Mrs. BOLTON] is recognized for 10 minutes.

IODINE A NECESSITY TO NORMALCY

Mrs. BOLTON of Ohio. Mr. Speaker, people everywhere—as human beings—require a minute amount of iodine in their daily food for the normal functions of the thyroid gland and its related effects upon body metabolism. There are large areas of the United States, including some entire States, where the water and soil have insufficient food iodine to maintain the normal growth and development of children; so preventing goiter as well as the degeneration of adults.

The simplest, least expensive, most practical means of assuring to humans the necessary amount of iodine in their diet, is to have this important item included in table salt. Regular table salt, that is, the refined salt sold for home consumption, contains absolutely no iodine. Table salt which contains the desired iodine content is labeled "Iodized salt," and the consumer has her choice in purchasing salt with or without the iodine content.

Mr. Speaker, my interest in the iodine situation is of long standing. The Twenty-second Ohio District is in the "goiter belt" and medical groups there have been studying the problem for some 30 years. My interest was increased when, about 20 years ago, I spent a good many months at the Peter Bent Bingham Hospital in Boston in close contact with the eminent surgeon, Dr. Harvey Cushing, then sterling professor of surgery at Harvard University. I was interested to find at that time that Dr. Cushing was making important studies in food deficiencies and other possible causes of cretinism, feeble-mindedness, deaf-mutism, and goiter. It is today a fact, recognized by the medical profession of the entire country, that many of our foods have had the essential elements removed from them.

Mr. Speaker, let me state briefly a few facts concerning iodine as it is related to the vital thyroid gland, which controls the rate of growth and development all through congenital life, childhood and

adolescence, and sets the pace for normal metabolism, that is, the rate of living.

The normal thyroid gland contains iodine out of all proportion to the amount of iodine in any other part of the body. This fact was determined by Baumann in 1895. From 1905 to 1912, Dr. David Marine, on the staff of Western Reserve University in Cleveland, Ohio, made repeated detailed studies of the chemistry and physiology of this gland. His findings can be summarized as follows:

(1) The normal function of the thyroid is dependent on iodine; (2) the normal thyroid gland contains 1 mg. or more of iodine per gram of dried gland; (3) as soon as the iodine content drops below 1 mg. per gram * * * goiter formation begins; (4) conversely, if the thyroid is kept saturated with iodine, research has shown that goiter formation cannot be induced in any of the domestic animals by any of the methods used experimentally to produce goiter.

Endemic goiter means that the goiter is related to or is a part of the community in which the person or animal lives. By 1912 Dr. Marine was teaching that endemic goiter is due entirely to a deficiency of food iodine; and that endemic goiter is the easiest known disease to prevent.

Most of us realize, Mr. Speaker, that any upset to the glandular system of the body is a serious matter, for one gland will of course put the others all out of balance. Perhaps we women are more aware of this than men, because we have to be very conscious of the physical areas in which the thyroid plays so great a part when we are carrying children.

The physiology of the thyroid can best be explained in terms of growth and development. Here is what the eminent physician, Dr. O. P. Kimball, of Cleveland, Ohio, fellow of the American College of Physicians and head of the goiter study group of the American Public Health Association, has to say about growth and development:

Normal growth and development, from conception to mature life, depends on thyroid hormone, and this hormone must have iodine. Without this iodine-containing hormone, during congenital life or early childhood there will be no sexual development or maturity of adolescence. As a matter of fact, if the mother's thyroid is not functioning well during pregnancy, the child will have only a small chance of being normal.

Mr. Speaker, it has been extremely interesting and informative to me to study the findings of many goiter surveys made in various parts of this hemisphere. Let me tell you briefly about several of them.

In 1916 the well-known experiment to prevent endemic goiter in adolescent schoolgirls was started through the public schools of Akron, Ohio, and continued for 4 years. This experiment demonstrated beyond doubt that endemic goiter could be prevented by keeping the thyroid saturated with iodine.

In 1922 a goiter survey was made through the schools of Charleston and Huntington, W. Va. It was found that 60 percent of adolescent girls had goiter. The health commissioner learned from the State agricultural college that the domestic animals of that region had never had endemic goiter. It was also a well-established fact that previous to 1900 there had been no goiter among the people, but that since 1900 endemic goiter had been increasing yearly.

A careful study revealed the fact that previous to 1900 the table salt used in this region was the natural unrefined salt produced from deposits along the Kanawha River. Beginning about 1900, refined and free-running salt was supplied by the salt companies of Ohio and Michigan, and the coarse, unrefined salt could not compete on the market with the refined salt. One salt company, the Dickinson Salt Co. of Malden, W. Va., continued, however, to produce the coarse salt for agricultural purposes and stock feed. This unrefined salt was obtained for chemical analysis and was found to contain iodine in amounts of approximately 70 milligrams per kilo of salt—the amount later used in iodized salt. For many decades the inhabitants of West Virginia, by the use of this natural salt, unconsciously prevented endemic goiter, and when they began using the refined table salt they unknowingly discarded the most important source of food iodine. Although the domestic animals of that region had been protected by the continued use of coarse salt for agricultural purposes and stock feed, the incidence of endemic goiter among the adolescent girls (covered by above survey) had increased in 22 years from zero to over 60 percent, solely because of this change in table salt and loss of food iodine.

A complete and exact duplicate of the experience in West Virginia was found in Colombia, South America. In the state of Caldas, all of the food salt was from one source, a salt spring. For centuries all of the salt used in this state was produced by the age-old method of slow evaporation and coarse grinding. The method of distribution was inefficient and expensive.

The school health reports of Caldas emphasized the fact that prior to 1914 there had been no goiter, cretinism, or deaf-mutism in the State, despite the fact that the adjoining States had a high incidence of endemic goiter, cretinism, and deaf-mutism. But in the year 1914 the Central Government took control of the important salt mines of Colombia, and immediately adopted the newer and improved methods of refining, packaging, and distributing. Quite naturally the people of Caldas quickly changed from the unattractive, coarse, granular salt, distributed in bulk and sold by pocketful or bagful, to the refined, nicely packaged, and less expensive salt being advertised and sold by the Central Government.

In 1945 the Federal Department of Hygiene of Colombia made a complete goiter survey through the schools of Caldas. Whereas 30 years before they had found no endemic goiter in this State, in 1945, 85 percent of all the school children had goiter. Cretins were very common, feeblemindedness and deaf-mutism were becoming a real problem. Chemical analysis of the coarse natural salt from the original salt spring plant showed it to be rich in iodine. It contained 70 miligrams of iodine per kilo of salt, while the refined salt contained no iodine.

In 1947 the Colombian Government followed the recommendations of the goiter study group and enacted legislation which requires that all salt sold throughout the entire country be iodized to meet the legal specifications.

In 1923, the Michigan State Department of Health organized a State-wide study to determine accurately the relation of food iodine to the incidence of endemic goiter throughout the State. It selected four counties as representative of average conditions. A chemical analysis was made of the water supply of each county to determine the amount of food iodine. Next a careful goiter survey was made through all the schools of each county. In one county the water supply contained no iodine, and the goiter survey showed that 64 percent of the children had goiter. Throughout the State the incidence of endemic goiter was inversely proportional to the amount of food iodine.

Although it had been known for a long while that the incidence of simple goiter was characteristic of certain geographic areas in the United States—namely, the Great Lakes region and the Rocky Mountain region—nothing constructive was done prior to 1924. There was sufficient evidence that simple goiter was a deficiency disease and was characteristic of regions where the water, soil, and the foods raised thereon were deficient in iodine, but it was not until the Michigan State Department of Health, in cooperation with Dr. O. P. Kimball, originated measures accurately to determine the cause of goiter and find the most constructive method of prevention, that systematic studies were made and real progress followed. In order that all medical science groups should cooperate and assist in this study, the State department of health prevailed upon the State medical Association and the University of Michigan each to appoint two interested scientists to work with two men appointed by the health department. These six men, together with Dr. Kimball, who was the consultant, composed the Goiter Study Group of Michigan. This group is still active. From its ranks grew the goiter study committee of the American Public Health Association, which is trying to carry out the same type of educational program that was instituted in Michigan in 1924.

In 1924 this committee approached the manufacturers of table salt in Michigan and asked them if they would be willing to manufacture and offer to the public an iodized table salt containing 0.0176 percent iodine in the form of potassium iodide. To do so meant that manufacturers of table salt were immediately confronted with severe technical manufacturing problems. There was the problem of producing thousands of tons annually of a table salt containing this minute amount of potassium iodide which involved, in turn, the development of techniques for accurate mixing and retention, process control, and other technical problems.

Mr. Speaker, to the everlasting credit of the Michigan salt producers, be it said that they did produce this iodized table salt, making it available everywhere

through the usual channels of food distribution. The group of doctors serving on the iodized salt committee felt that if iodized table salt were more expensive, as, of course, it proved to be, that many people would hesitate or refuse to buy it, so again the salt producers and wholesale grocers cooperated with the doctors by absorbing the extra cost, selling it at the same price as regular table salt. The salt industry has continued to do this through the years, which have also brought them solution for the technical problems involved.

Prior to the use of iodized salt in Michigan the incidence of simple goiter ran as high as 35 to 40 percent among the adolescent school children. After iodized salt became generally available, the incidence of simple goiter dropped to 10 percent or less of its former figure, and the records of the hospitals in Michigan showed a similar decline in goiter operations.

I am using the Michigan story to emphasize the cooperation of the manufacturers of iodized salt and its use in that State to prevent simple goiter. Following Michigan's example, table-salt producers in New York State, Ohio, Kansas, Louisiana, Texas, Utah, and California began to produce and make available iodized table salt.

Unfortunately, however, just availability does not put iodized salt into the food our people eat. A great deal of educational work must be done continuously to convince the housewives that iodized salt contains a necessary ingredient to health.

Colombia and Canada are making such educational work unnecessary by having all free-running table salt contain a prescribed amount of the iodine so imperative to healthful living.

As is the common experience with all efforts to improve health conditions, the proponents of iodized salt met with skepticism, questioning and outright opposition in those early days. But its success in the control of simple goiter was so astonishing and so convincing that the need for iodized salt is being recognized all over the country. As an outstanding example of a successful campaign of preventive medicine, the advocacy and use of iodized salt ranks with vaccination for smallpox.

The goiter study committee of the American Public Health Association, and many public-health agencies interested in the prevention of goiter and its corrolaries, cretinism, deaf-mutism and feeble-mindedness, have agreed that the best method of insuring complete and continuous prevention is to have all refined and free-running table salt contain iodine. Encouraged by success in the prevention of goiter since the introduction of iodized salt, and believing that if the label "Iodized Salt" could be removed legally from all packages—many erroneously believe that the label indicates the salt has been medicated—believing that still greater progress could thereby be achieved, the goiter study committee appealed to the Federal Food and Drug Administration for assistance. The Food and Drug Administration agreed with the purpose and value of this health measure, but held that it did not have the authority to make such a change in a common food. The Administration suggested that such specific authority be obtained from Congress.

As mentioned above, such governmental authority has been considered necessary in Colombia and Canada. Argentina also is now conferring with Dr. O. P. Kimball, of Cleveland, the recognized authority in these matters, with a view to enactment of covering legislation to rectify the iodine deficiency in the normal diet of the people of Argentina. The Canadians adopted the simple statement that—

> No person shall sell free-running salt, or salt for table or general household use, unless such salt contains 0.01 percent of potassium iodide.

With all these facts as background—facts derived from studies made over some 30 years—I introduced a so-called iodized-salt bill into the Eightieth Congress. The bill came before a subcommittee of the Interstate and Foreign Commerce Committee, and hearings were held, although the bill was never brought to the floor. It is my understanding that this was largely because one of the Members insisted that the various States should take the initial action.

During my conferences with the Salt Producers Association subsequent to introducing the legislation, they indicated to me that they would undertake a broad advertising campaign to educate the people of America to the need for food iodine in the normal diet, and the advantages of using the iodized salt available to all in the food stores today at no extra cost. It was our hope that through such an educational campaign a public demand would be created for the iodization of all free-running table salt.

Mr. Speaker, there is no longer any question about the importance of eradicating this serious iodine deficiency in the normal diet of millions of Americans. Endemic goiter with its tragic contribution to cretinism, deaf-mutism, and feeble-mindedness can and must be eliminated from our civilization. We must look to the future, and act with the greatest possible wisdom.

The administration has recommended an all-encompassing compulsory-health program—a program comprehending hospitals, doctors, nurses, and technicians of every sort to care for the sick. By supplying the necessary food element for all people through the medium of iodized table salt—the simplest at-hand medium known—we could do something far more constructive in preventionwise, than just building and staffing hospitals.

It is my understanding that there are at least four States waiting for this educational campaign to be launched by the salt producers to stimulate the efforts they are prepared to make to take such local action as may prove necessary.

Such State-by-State method may prove to be a very slow process. If so, it may be the better part of wisdom to do what Canada and other countries have already done—put into the provisions of our own food and drug laws some such simple statement as: "No person shall sell free-running salt, or salt for table or general household use, unless such salt contains 0.01 percent of potassium iodide."

Believing as I do, however, that the State, the individual and/or group efforts should be given an opportunity to solve such problems, I have not asked for the amendment to the Food and Drug Act in this Congress. I am awaiting with great anticipation the results of the concerted action of the salt producers in their effort to give our people a vivid presentation of their need to fill this food deficiency.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 40. An act for the relief of William D. Norris;

S. 256. An act to amend the Interstate Commerce Act, as amended;

S. 266. An act modifying a limitation affecting the pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care;

S. 275. An act for the relief of Arthur C. Jones;

S. 447. An act to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles;

S. 584. An act for the relief of Rudolf A. V. Raff;

S. 811. An act to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration;

S. 897. An act for the relief of William Henry Tickner;

S. 1080. An act for the relief of James A. Gordon;

S. 1266. An act for the relief of Hayward O. Brandon;

S. 1330. An act to authorize the sale of certain allotted inherited land on the Winnebago Reservation, Nebr.;

S. 1405. An act to provide for the admission to, and the permanent residence in, the United States of Poon Lim;

S. 1429. An act for the relief of Lacey C. Zapf;

S. 1742. An act removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy; and

S. 2010. An act to extend for 1 year the authority of the Administrator of Veterans' Affairs respecting leases and leased property.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 298. Joint resolution to provide for on-the-spot audits by the General Accounting Office of the fiscal records of the Office of the Sergeant at Arms of the House of Representatives.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 26, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

793. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year 1950 in the amount of $15,410, for the District of Columbia (H. Doc. No. 272); to the Committee on Appropriations and ordered to be printed.

794. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950, in the amount of $726,000, for the Federal Security Agency (H. Doc. No. 273); to the Committee on Appropriations and ordered to be printed.

795. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $55,400 for the Department of Labor (H. Doc. No. 274); to the Committee on Appropriations and ordered to be printed.

796. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "To amend the Internal Revenue Code and the Code of the District of Columbia with respect to the taxation of the salaries of employees of international organizations"; to the Committee on Ways and Means.

797. A communication from the President of the United States, requesting the House of Representives to pass the bill S. 1527, giving home rule to the District of Columbia, and that it will be sent to the White House for signature into law before this session of the Eighty-first Congress adjourns (H. Doc. No. 275); to the Committee on the District of Columbia and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LESINSKI: Committee on Education and Labor. (H. Rept. No. 1085 (pt. II).) Supplemental report to accompany H. R. 3829. A bill providing assistance for local school agencies on Federal reservations or in defense areas. Ordered to be printed.

Mr. VINSON: Committee on Armed Services. H. R. 4766. A bill to authorize certain construction at military and naval installations, and for other purposes; with an amendment (Rept. No. 1116). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Public Lands. H. R. 4636. A bill to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii; without amendment (Rept. No. 1117). Referred to the House Calendar.

Mr. REDDEN: Committee on Public Lands. H. R. 4966. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds; without amendment (Rept. No. 1118). Referred to the House Calendar.

Mr. REDDEN: Committee on Public Lands. H. R. 5490. A bill to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, T. H., to issue public improvement bonds; without amendment (Rept. No. 1119). Referred to the House Calendar.

Mr. REDDEN: Committee on Public Lands. H. R. 4967. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu; with an amendment (Rept. No. 1120). Referred to the House calendar.

Mr. REDDEN: Committee on Public Lands. H. R. 4968. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds; without amendment (Rept. No. 1121). Referred to the House Calendar.

Mr. REDDEN: Committee on Public Lands. H. R. 5459. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings; without amendment (Rept. No. 1122). Referred to the House Calendar.

Mr. MANSFIELD: Committee on Foreign Affairs. H. R. 5730. A bill extending the Institute of Inter-American Affairs; without amendment (Rept. No. 1123). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee of conference. H. R. 4963. A bill to provide for the appointment of additional circuit and district judges. (Rept. No. 1124). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DENTON: Committee on the Judiciary. H. R. 322. A bill to transfer funds to the town of Craig, Alaska; with an amendment (Rept. No. 1110). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 695. A bill for the relief of Mrs. Mary A. Bailey; with an amendment (Rept. No. 1111). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 733. A bill for the relief of Frank Haegele; with an amendment (Rept. No. 1112). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 1097. A bill for the relief of Edgar Barbre; with an amendment (Rept. No. 1113). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2256. A bill for the relief of Angelina Marsiglia; without amendment (Rept. No. 1114). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 4411. A bill for the relief of Mrs. Elizabeth Mary C. Mangle; without amendment (Rept. No. 1115). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PACE:

H. R. 5738. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. WHITTINGTON:

H. R. 5739. A bill to provide for the advance planning of public works; to the Committee on Public Works.

By Mr. BENTSEN:

H. R. 5740. A bill to authorize the construction, operation, and maintenance of the Nueces River Federal Reclamation project, for irrigation and other purposes; to the Committee on Public Lands.

By Mr. FOGARTY:

H. R. 5741. A bill to amend paragraph 1774, section 201, title II, of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. LYLE:

H. R. 5742. A bill to authorize the construction, operation, and maintenance of the Nueces River Federal Reclamation project, for irrigation and other purposes; to the Committee on Public Lands.

By Mr. PETERSON:

H. R. 5743. A bill relating to the eligibility for benefits of certain veterans of the war with Spain; to the Committee on Veterans' Affairs.

By Mr. SPENCE:

H. R. 5744. A bill to provide for control and regulation of bank holding companies, and for other purposes; to the Committee on Banking and Currency.

By Mr. WERDEL:

H. R. 5745. A bill to provide for the return to the State of California of certain original documents and maps, known as the Spanish-Mexican land-grant papers, deposited in the National Archives; to the Committee on Post Office and Civil Service.

By Mr. WHITTEN:

H. R. 5746. A bill to authorize the Secretary of the Army to relinquish a certain access road to the Sardis Dam and Reservoir, Miss., and transfer improvements thereon; to the Committee on Public Works.

By Mr. WILSON of Oklahoma:

H. R. 5747. A bill to direct payment by the Public Buildings Administration of a proportionate share of the paving costs of certain streets and intersections adjacent to the Enid, Okla., post office, and for other purposes; to the Committee on Appropriations.

By Mr. KEE:

H. R. 5748. A bill to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations; to the Committee on Foreign Affairs.

By Mr. SPENCE:

H. R. 5749. A bill to amend section 9 of the Federal Reserve Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. DOLLIVER:

H. R. 5750. A bill to clarify the application of certain excise taxes; to the Committee on Ways and Means.

By Mr. PACE:

H. R. 5751. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to provide allotments and marketing quotas for potatoes, and for other purposes; to the Committee on Agriculture.

By Mr. BLAND:

H. Res. 294. Resolution to amend the Rules of the House to provide that the Delegate from Alaska shall serve on the Committee on Merchant Marine and Fisheries; to the Committee on Rules.

By Mr. TAYLOR:

H. Res. 295. Resolution for flood protection along tributary streams joining the Hudson River in Rensselaer County, N. Y., and vicinity; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LATHAM:

H. R. 5752. A bill for the relief of Perec Poniemonski; to the Committee on the Judiciary.

By Mr. MACY:

H. R. 5753. A bill for the relief of Jean Clark; to the Committee on the Judiciary.

By Mr. PICKETT:

H. R. 5754. A bill for the relief of Capt. Pope A. Guinn; to the Committee on Armed Services.

By Mr. REED of New York:
H. R. 5755. A bill for the relief of Andrew Berger; to the Committee on the Judiciary.
By Mr. WICKERSHAM:
H. R. 5756. A bill for the relief of Edd Dugan; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1340. By the SPEAKER. Petition of Sanford Trippet, chairman, resolutions committee, Gibson County Bar Association, Princeton, Ind., relative to the appointment of Judge A. Dale Eby, of Princeton, Ind., to the high office of judge of the United States Circuit Court of Appeals for the Seventh Circuit; to the Committee on the Judiciary.

1341. Also, petition of Clara L. Parker and others, Philadelphia, Pa., requesting passage of H. R. 2135, and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1342. Also, petition of Betsey B. Byron and others, Bristol, S. Dak., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1343. Also, petition of F. C. Van de Sande, New Smyrna Beach, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1344. Also, petition of Orlando Townsend Club No. 2, Orlando, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1345. Also, petition of Omer Desmarcis and others, Orlando, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1346. Also, petition of Mrs. Maggie Goldsmith and others, Orlo Vista, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1347. Also, petition of Jim Black and others, Pine Castle, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1348. Also, petition of Mr. E. O. Johnson and others, Sanford, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1349. Also, petition of Mrs. Zeta Mary Simpson Smith and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, JULY 26, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. R. Orman Roberts, D. D., pastor of the Temple Methodist Church, San Francisco, Calif., offered the following prayer:

Our Father who art in heaven, hallowed be Thy name.

Thy kingdom come. Thy will be done on earth, as it is in heaven.

Give us this day our daily bread. And forgive us our trespasses, as we forgive those who trespass against us.

And lead us not into temptation, but deliver us from evil. For Thine is the kingdom, and the power, and the glory for ever.

Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, July 25, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 25, 1949, the President had approved and signed the act (S. 1639) to amend section 1452, Revised Statutes, relating to Presidential action on the proceedings and decisions of Navy retiring boards.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Morse
Anderson	Hill	Mundt
Baldwin	Hoey	Murray
Brewster	Holland	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Johnson, Colo.	O'Mahoney
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Robertson
Capehart	Kefauver	Russell
Chapman	Kem	Saltonstall
Chavez	Kerr	Schoeppel
Connally	Knowland	Smith, Maine
Cordon	Langer	Sparkman
Douglas	Lodge	Stennis
Dulles	Lucas	Taft
Ecton	McCarran	Thomas, Utah
Ellender	McCarthy	Thye
Ferguson	McClellan	Tobey
Flanders	McFarland	Tydings
Frear	McGrath	Vandenberg
Fulbright	McKellar	Watkins
George	McMahon	Wherry
Gillette	Magnuson	Wiley
Graham	Malone	Williams
Green	Martin	Withers
Gurney	Maybank	Young
Hayden	Miller	
Hendrickson	Millikin	

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Minnesota [Mr. HUMPHREY] are absent on public business.

The Senator from California [Mr. DOWNEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Louisiana [Mr. LONG], the Senator from Idaho [Mr. TAYLOR], and the Senator from Oklahoma [Mr. THOMAS] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. JENNER] is necessarily absent.

The Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Missouri [Mr. DONNELL] is temporarily absent from the Chamber.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. McKELLAR. Mr. President, I ask unanimous consent that Senators may be permitted to present petitions and memorials, introduce bills and resolutions and submit routine matters for the RECORD, without debate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

COMMITTEE SERVICE

Mr. LUCAS. Mr. President, since the resignation of the Senator from New York, Mr. Wagner, the appointment of the distinguished Senator from New York [Mr. DULLES] has, of course, caused a different ratio in the number of Republicans in the Senate to the number of Democrats, so it became necessary for the Democratic steering committee to work out the problem that was before us. We attempted in the beginning to leave the distinguished Senator from Virginia [Mr. ROBERTSON] on the Appropriations Committee and give one place to the Republicans on the Banking and Currency Committee. That would result in a little different ratio than that for which the Reorganization Act provides. Those representing the committee on committees on the Republican side disagreed with that proposal and suggested that we follow the Reorganization Act to a mathematical certainty, which we have done by having the Senator from Virginia [Mr. ROBERTSON] withdrawn as a member of the Committee on Appropriations, which would leave the Democrats with 12 members and the Republicans with 9 members on that committee. That would bring the figure to a mathematical certainty in line with the Reorganization Act.

We have also requested the Senator from Louisiana [Mr. LONG] to give up two of his committee assignments, namely, his membership on the Committee on Rules and Administration, and on the Committee on Expenditures in the Executive Departments, and to be transferred to the Committee on Banking and Currency.

I have prepared an order to that effect. It is my understanding that the minority has prepared an order which they will submit following the submission of the order I now present, with respect to various committee vacancies which will be filled on the Republican side.

Mr. ROBERTSON. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Virginia.

Mr. ROBERTSON. In the event the Governor of Connecticut names a Democrat from Connecticut to succeed the distinguished Republican Senator from Connecticut [Mr. BALDWIN] when he leaves the Senate to honor the judiciary of his home State, what will be the situation with respect to the percentage of the Democratic Party membership at the commencement of the second session of the Eighty-first Congress?

Mr. LUCAS. It will be just the same as it was before the Senator from New York, Mr. Wagner, resigned.

Mr. ROBERTSON. Then would the junior Senator from Virginia be eligible to be assigned to the Committee on Appropriations?

Mr. LUCAS. I can assure the Senator from Virginia that he will be reassigned to the Committee on Appropriations if and when the exigency of which he spoke happens.

Mr. ROBERTSON. I thank the majority leader for that kind of assurance.

Mr. LUCAS. The arrangement is in reality only a temporary one, if the situation referred to by the Senator from Virginia should come to pass and no other changes in the membership of the Senate take place.

Mr. President, I send to the desk an order which I ask to have read.

The VICE PRESIDENT. The order will be read.

The order was read as follows:

Ordered, That Mr. LONG be, and he is hereby, excused from further service as a member of the Committee on Rules and Administration and the Committee on Expenditures in the Executive Departments and assigned to service on the Committee on Banking and Currency; and

That Mr. ROBERTSON be, and he is hereby, excused from further service as a member of the Committee on Appropriations and assigned to service on the Committee on Expenditures in the Executive Departments.

The VICE PRESIDENT. Without objection, the order is entered.

Mr. WHERRY. Mr. President, the observation made by the distinguished majority leader that the change in committee assignments has been brought about because of the appointment of a Republican to be the junior Senator from New York and that the appointment of a Republican to the Senate has caused a disruption making such change in committee assignments necessary, incites me to remark that the disruption is a very happy one to those on this side of the aisle, and to express the hope that more disruptions of a like character will happen in the future.

The VICE PRESIDENT. That is not a parliamentary inquiry. [Laughter.]

Mr. WHERRY. Mr. President, I have an order which was handed me by my colleague, the senior Senator from Nebraska [Mr. BUTLER], who is chairman of the Committee on Committees on the Republican side, and which, I understand, was approved by the minority conference this morning. It is self-explanatory. I ask that it be read. Senators will note with interest the assignments which have been made, particularly the assignments of the Senator from New York [Mr. DULLES].

The VICE PRESIDENT. The order will be read.

The order was read as follows:

Ordered, That Mr. KNOWLAND be, and he is hereby, excused from further service as a member of the Committee on Rules and Administration and assigned to service on the Committee on Appropriations;

That Mr. SCHOEPPEL be, and is hereby, excused from further service as a member of the Committee on the District of Columbia and assigned to service on the Committee on Rules and Administration;

That Mr. HENDRICKSON be, and he is hereby, excused from further service as a member of the Committee on Post Office and Civil Service and assigned to service on the Committee on Rules and Administration; and

That Mr. DULLES be, and he is hereby, assigned to service on the Committee on Post Office and Civil Service and the Committee on the District of Columbia.

The VICE PRESIDENT. Without objection, the order is entered.

Mr. LUCAS. Mr. President, in view of what the distinguished minority leader said a moment ago——

The VICE PRESIDENT. That also is not a parliamentary inquiry. [Laughter.]

Mr. LUCAS. Mr. President, I have the floor. I am not making a parliamentary inquiry.

The VICE PRESIDENT. The Chair stands corrected.

Mr. LUCAS. I repeat, I am not making a parliamentary inquiry. A parliamentary inquiry is not in question, unless the Chair desires to submit one to me.

In view of what the distinguished minority leader said a moment ago about the disruption the junior Senator from New York [Mr. DULLES] has caused by reason of his appointment as a Republican Senator from the State of New York, I wish to say that, while obviously we always like to see Democrats come to the Senate as Members from the State of New York, or for that matter from any other State, yet if a Republican must come from New York the junior Senator from New York is perfectly satisfactory, and I am exceedingly sorry that he has not obtained better committee assignments than those which have been accorded him.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

LAW ENACTED BY PUBLIC SERVICE COMMISSION OF PUERTO RICO

A letter from the Under Secretary of the Interior, transmitting pursuant to law, a copy of a law enacted by the Public Service Commission of Puerto Rico (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT OF COMPTROLLER OF THE CURRENCY

A letter from the Comptroller of the Currency, transmitting, pursuant to law, his annual report for the year 1948 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON STOCK-PILING PROGRAM

A letter from the Director of the Staff, Munitions Board, Washington, D. C., transmitting, pursuant to law, a report on the stock-piling program, together with a confidential statistical supplement thereto (with an accompanying report); to the Committee on Armed Services.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Executive Committee, Disabled American Veterans, Department of Alabama, relating to the practice of holding military leaders in ridicule by the use of contemptuous expressions; to the Committee on Armed Services.

A resolution adopted by the Kentucky Unemployment Insurance Commission, of Frankfort, Ky., protesting against the transfer of the unemployment compensation and employment-service programs from the Federal Security Agency to the Department of Labor; to the Committee on Expenditures in the Executive Departments.

A resolution adopted by the St. Petersburg (Fla.) Townsend Club, No. 1, favoring the enactment of the so-called Townsend plan providing old-age assistance; to the Committee on Finance.

A letter in the nature of a memorial from the Women's Democratic Study Club, Long Beach, Calif., signed by Mrs. Walt Williams, corresponding secretary, remonstrating against the Jim Crowism in the city of Washington and the treatment accorded Dr. Ralph Bunche; to the Committee on the Judiciary.

A letter in the nature of a petition from Mrs. Gertrude Kline, of Honolulu, T. H., relating to conditions in Hawaii during the present strike of the ILWU; to the Committee on Labor and Public Welfare.

A letter from the American Federation of the Physically Handicapped, Inc., of Washington, D. C., signed by Paul A. Strachan, president, stating that "the National Association of the Physically Handicapped, Mrs. Mary Bass, president, is not now nor has it been in any way affiliated with the American Federation of the Physically Handicapped"; to the Committee on Labor and Public Welfare.

A letter from LaFayette Patterson, faculty adviser, State Teachers College of Jacksonville, Ala., enclosing a statement of principles and purposes, and a resolution adopted by the students of that college, in the formation of a citizenship forum; to the Committee on Labor and Public Welfare.

A letter from the Baltimore (Md.) Construction Institute, Inc., signed by Charles Wendt, Jr., president, and Charles G. Woods, secretary-treasurer, enclosing a petition of sundry veterans enrolled at that institute, relating to the rights of veterans under the veterans educational program; to the Committee on Labor and Public Welfare.

A letter in the nature of a memorial from the A. L. Parsons & Son Motor Corp., of Glens Falls, N. Y., signed by Floyd Brown and sundry other persons, remonstrating against the enactment of legislation providing socialized medicine; to the Committee on Labor and Public Welfare.

A telegram in the nature of a petition from Joseph V. McKee, commissioner, Department of Commerce, New York, N. Y., praying for the enactment of House bill 3905, providing for a reduction in the wartime 20 percent Federal excise tax on furs to 10 percent; ordered to lie on the table.

PRICE DECLINES OF COPPER, LEAD, AND ZINC—RESOLUTION OF CITY COUNCIL OF MILFORD, UTAH

Mr. WATKINS. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, a resolution adopted by the City Council of Milford, Utah, relating to declines in the prices of copper, lead, and zinc.

There being no objection, the resolution was referred to the Committee on

Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the recent precipitous price declines in the prices of copper, lead, and zinc have resulted in the suspension of all mining operations in the Milford area causing the unemployment of some 100 mine and mill workers; and

Whereas at an open meeting with said city council, all of the mine operators of this area represented that under present prices of said metals operations could not be economically resumed and that further venture capital for exploration and development simply was not available; and

Whereas it was the unanimous opinion of said mine operators that assistance from the Federal Government is necessary to provide the economic margin for the successful production of these metals and to provide funds for the continued exploration and development of ore reserves, and that in their opinion Senate bill 2105, currently before the Congress assembled, most nearly provides the assistance needed; and

Whereas after due discussion of these matters it was determined that the facts, as presented, made a strong case in behalf of this legislation: Now, therefore, be it hereby

Resolved, That there be spread upon the minutes of the City Council of the City of Milford, this expression of endorsement of Senate bill 2105, and that the recorder of the city of Milford be directed to transmit certified copies of this resolution to the congressional delegation from Utah, consisting of the following: The Honorable ELBERT D. THOMAS, Senator; the Honorable ARTHUR V. WATKINS, Senator; the Honorable WALTER K. GRANGER, Representative; the Honorable REVA BECK BOSONE, Representative.

In witness whereof, I have hereunto set my hand and affixed my official seal at my office in Milford, Beaver County, State of Utah, this 21st day of July 1949.

V. M. BURNS,
Recorder, City of Milford.

PROTEST AGAINST ORGANIZATIONS PARTICIPATING IN UN-AMERICAN ACTIVITIES

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter from the Henry A. Cameron Post, No. 6, American Legion, Nashville, Tenn., signed by M. R. Buchanan, chairman, Thomas Ballentine, and J. P. Culp, together with my reply thereto, disapproving of organizations which participate in Un-American activities.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN LEGION,
HENRY A. CAMERON POST, No. 6,
Nashville, Tenn., July 20, 1949.

Hon. K. D. MCKELLAR,
United States Senate,
Washington, D. C.

DEAR SENATOR MCKELLAR: Members of the H. A. Cameron Post, No. 6, American Legion, Department of Tennessee, heartily disapprove of organizations which participate in un-American activities, and of individuals who endorse such organizations and advocate such activities.

In as much as post 6 is an organization with a membership exclusively of Negro veterans of both World War I and World War II, it behooves us to make it clear as to where we stand on such an issue. We would like to have it understood that we oppose and condemn such organizations or persons who participate in, or endorse the same.

The membership of post 6 is aware of the fact that such organizations have been very active in certain sections of these great United States of America, and it is our desire that such organizations be requested, or forced, to disband. It has been said and published by an internationally famous member of our race that we would not commit ourselves or take up arms against an aggressor nation should our great country be attacked. American Legion Post 6 heartily disapproves the attitude of such statements made by such so-called Americans.

We pledge our support to the United States, and we want you to know that we vigorously oppose such unpatriotic and un-American demonstrations as recently have come to the attention of the public.

We would appreciate it if you would have this statement included in the CONGRESSIONAL RECORD in order that Members of Congress and world leaders may know just where loyal American Negroes stand.

Respectfully yours,
COMMITTEE ON UN-AMERICAN ACTIVITIES.
M. R. BUCHANAN, *Chairman.*
THOMAS BALLENTINE,
J. P. CULP.

JULY 23, 1949.

Mr. M. R. BUCHANAN,
Mr. THOMAS BALLENTINE,
Mr. J. P. CULP,
Committee on Un-American Activities,
American Legion Post, No. 6,
Nashville, Tenn.

DEAR SIRS: Your letter of the 20th expressing the opposition of yourselves and your post to un-American activities and requesting that I insert your views in the CONGRESSIONAL RECORD received and noted.

I desire to commend most warmly and heartily your patriotic views. They are and should be the views of all true Americans and I highly commend you and your post for your expression at this time and it will give me the greatest pleasure to insert these views in the CONGRESSIONAL RECORD at the first meeting of the Senate.

This is a time when all true Americans should stand together. I am confident that your race has been misrepresented and it gives me the keenest pleasure to aid in the correction of that misrepresentation.

As a Tennessean I am proud of the action of your post.

Very sincerely yours,
KENNETH MCKELLAR.

HYDROELECTRIC RESOURCES

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a telegram from P. J. Donnelly, North Dakota State director of the National Rural Electric Cooperative Association, embodying a resolution adopted by the board of directors of that association, relating to the hydroelectric resources of the country.

There being no objection, the telegram was ordered to lie on the table and to be printed in the RECORD, as follows:

BRUNSWICK, GA., *July 23, 1949.*

Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

Whereas, the board of directors of National Rural Electric Cooperative Association in regular meeting assembled on this July 22, 1949, at Jekyll in discharge of the duty and responsibility vested in us by the 2,000,000 farm families of 42 States of this Nation, that compose this organization consider the effort to turn over the great hydroelectric resources of the country to the power trust through emasculating amendments to the Interior bill, as set forth by the Senate Appropriations Committee, to be the gravest threat to the achievement of abundant, cheap power for our people; and

Whereas we are apprised of the action of the Senate Appropriations Committee in favorably reporting these certain crippling amendments to the interior bill that would forever enslave REA cooperatives, public power bodies and municipalities, to the power trust of the country; and

Whereas we have rightfully expected that under the 1944 flood control act, the reclamation laws and the Bonneville act, to secure cheaper and more abundant power for the development of rural America; and

Whereas if the Interior bill should become law our people shall be forever stopped from securing the full benefit that the Congress originally intended in the passage of the Flood Control Act of 1944, the Bonneville and the reclamation laws: Therefore be it

Resolved, That we unanimously and most insistently do strongly urge upon the Senate of the United States, not to approve the said crippling amendments reported by the appropriations committee, which would enslave our group to the power interest: and it is *further resolved*, That we do request the Senate to strengthen, rather than impair, present laws for development of public power resources in order to afford the fullest development of REA projects, public utility districts and publicly owned municipal power facilities and to assist and implement, wherever possible the reclamation and development of the water and soil resources of America for the benefit of all of the people of this country, rather than a privileged and select few; be it

Further resolved, That a copy of this resolution be wired to the President of the United States, and each Member of the Senate, the Secretary of the Interior and the Administrator of the Rural Electrification Administration.

P. J. DONNELLY,
State Director.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 443. A bill to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce; with amendments (Rept. No. 787).

By Mr. CONNALLY, from the Committee on Foreign Relations:

H. J. Res. 208. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938; with an amendment (Rept. No. 788).

By Mr. MURRAY, from the Committee on Labor and Public Welfare:

S. 2160. A bill to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes; without amendment (Rept. No. 789).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 26, 1949, he presented to the President of the United States the following enrolled bills:

S. 40. An act for the relief of William D. Norris;

S. 256. An act to amend the Interstate Commerce Act, as amended;

S. 266. An act modifying a limitation affecting the pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional, or domiciliary care;

S. 275. An act for the relief of Arthur C. Jones;

S. 447. An act to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles;

S. 584. An act for the relief of Rudolf A. V. Raff;

S. 811. An act to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration;

S. 897. An act for the relief of William Henry Tickner;

S. 1080. An act for the relief of James A. Gordon;

S. 1266. An act for the relief of Hayward O. Brandon;

S. 1330. An act to authorize the sale of certain allotted inherited land on the Winnebago Reservation, Nebr.;

S. 1405. An act to provide for the admission to, and the permanent residence in, the United States of Poon Lim;

S 1429. An act for the relief of Lacey C. Zapf;

S. 1742. An act removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy; and

S. 2010. An act to extend for 1 year the authority of the Administrator of Veterans' Affiairs respecting leases and leased property.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, and withdrawing a nomination, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Paul A. Porter, of Kentucky, to be the representative of the United States of America on the Conciliation Commission for Palestine which was established by resolution of the General Assembly of the United Nations December 11, 1948.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 2327. A bill for the relief of George M. Brinson; to the Committee on the Judiciary.

By Mr. WILEY (by request):

S. 2328. A bill to increase the number of examiners in chief in the Patent Office, and for other purposes; to the Committee on the Judiciary.

(Mr. WATKINS (for himself, Mr. THOMAS of Utah, Mr. MILLIKIN, and Mr. JOHNSON of Colorado) introduced Senate bill 2329, to grant to the Ute Indians the right to retain certain tribal property rights taken by the act of June 28, 1938, or otherwise, by the United States, which was referred to the Committee on Interior and Insular Affairs, and appears under a separate heading.)

(Mr. JOHNSON of Colorado (by request) introduced Senate bill 2330, making certain changes in laws applicable to regulatory agencies of the Government, which was referred to the Committee on Interstate and Foreign Commerce, and appears under a separate heading.)

By Mr. DOUGLAS:

S. 2331. A bill for the relief of Gay B. Brashear; to the Committee on Finance.

By Mr. DOWNEY:

S. 2332. A bill to authorize the granting to the city of Los Angeles, Calif., of rights of way on, over, under, through, and across certain public lands; to the Committee on Interior and Insular Affairs.

RESTORATION OF CERTAIN MINERAL RIGHTS TO UTE INDIANS

Mr. WATKINS. Mr. President, on behalf of my colleague, the senior Senator from Utah [Mr. THOMAS], the junior Senator from Colorado [Mr. MILLIKIN], the senior Senator from Colorado [Mr. JOHNSON], and myself, I introduce for appropriate reference a bill to restore certain mineral rights to Ute Indians in lieu of money compensation therefor, and I ask unanimous consent to have printed in the RECORD an explanatory statement of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 2329) to grant to the Ute Indians the right to retain certain tribal property rights taken by the act of June 28, 1938, or otherwise, by the United States, introduced by Mr. WATKINS (for himself, Mr. THOMAS of Utah, Mr. MILLIKIN, and Mr. JOHNSON of Colorado) was read twice by its title and referred to the Committee on Interior and Insular Affairs.

The statement presented by Mr. WATKINS is as follows:

EXPLANATION OF BILL TO RESTORE CERTAIN MINERAL RIGHTS TO UTE INDIANS IN LIEU OF MONEY COMPENSATION THEREFOR

Under the act of June 28, 1938 (52 Stat. 1209), as amended, there is now pending in the Court of Claims a case entitled *"Confederated Bands of Ute Indians* v. *United States* (No. 45585)" in which, with respect to some 4,500,000 acres of Indian lands plus 700,000 acres involving subsurface rights only, the court is called upon to determine and award the value of surface, oil, coal, and metallic minerals. Responsible officers of the Department of Justice have stated that the potential judgment against the United States may run from $45,000,000 to $60,000,000; and of course the tribal claims exceed even those figures. The case has been tried only as to the surface values, but no judgment in that regard is expected before some time in 1950. The case has not even been set for trial as to the other elements of value in the subsurface.

The purpose of this memorandum is to show that by appropriate legislation the five following desirable results may be obtained:

1. Eliminate liability of the United States: The United States may save itself liability for at least the major portion of the subsurface values while retaining the rights it has taken as to the surface and which it needs for the purposes of the national grazing program on the public domain.

2. Correct an unwitting confiscation. The Indians will have restored to them valuable subsurface rights which they never intended to surrender and which the United States confiscated by inadvertence because of a lack of knowledge of the facts.

3. Save litigation expense. The expense of protracted litigation, which has already taken over 11 years as to surface values alone, with no judgment even on that aspect of the case in sight this year, will be saved to both the United States and the Indians.

4. Return of properties to enjoyment of Indians: The Indians will have the immediate enjoyment of their property rights rather than being required to wait until some time in the indefinite future for the value thereof to be determined and paid to them.

5. Save United States accrued and accruing interest: The United States will be saved the accrual of interest, which now takes place at not less than $1,000,000 per year and already amounts to many millions of dollars.

Under the agreement of June 15, 1880, with the Indians, the United States had heretofore long held these lands, subject, however, to the duty of a trustee to husband the property and pay over to the Indians the proceeds realized from the sale or use of the lands. Under that arrangement, the United States managed the lands like other public lands, but the Indians received the income from them. Public policy was thus served, and a just arrangement had been agreed upon for the satisfaction of the ancient rights of the Indians in the lands. But by statute of June 28, 1938, designed primarily for other purposes, Congress with the obvious intention of taking the surface rights for grazing purposes declared the lands to be "the absolute property of the United States" and hence confiscated valuable subsurface mineral rights as well.

To limit that confiscation to the need which the parties originally had in mind, the Indians now propose that the statute under which the present litigation is pending be amended to add the following to section 3 hereof.

"Notwithstanding either the declaration of June 28, 1938, that all such lands are the absolute property of the United States or its taking of such lands or interests therein by any other act at any time, such subsurface rights (including rights to sums equivalent to the proceeds thereof) as they may have had may be retained by the Confederated Bands of Ute Indians as if such declaration or taking had never occurred. Retention of such rights shall be determined by, and restoration thereof shall take place upon a favorable, majority vote of the combined membership of the three governing bodies representing said bands and the filing of a notice or notices thereof with the Secretary of the Interior. But such retention and restoration shall not invalidate or modify leases heretofore or hereafter made by the United States with respect to such rights nor alter the distribution of the proceeds thereof in accordance with existing law; and no such right of election shall extend to deposits of ore containing source material usable for the production of fissionable material. In case and to the extent that such Indians so elect to retain such subsurface rights, proceedings pending with reference thereto may be severed or converted into actions for the recovery of sums equivalent to past and future proceeds (or values to the extent that utilizations or dispositions are uncompensated) payable out of general funds in the Treasury not otherwise appropriated, or they may institute new proceedings therefor in the court at any time, and the court shall exercise continuing jurisdiction pursuant to, in furtherance of, or to supplement, enforce, or administer any judgment or decree it may enter respecting such rights."

The chain of events by which the large claims respecting subsurface rights were created is set forth below together with the reasons for, and equities of, restoring such rights to the Indians.

The bill which became the Jurisdictional Act in this case originally provided merely that the Indians should be permitted to sue the Court of Claims (1) for an accounting of proceeds of their lands previously sold by the United States or (2) for the value of such interests as might have been previously taken by the United States for its own purposes. This was what the Indians proposed and, had the legislation remained confined to that purpose, there would now be no objection to it by any party.

1. THE CONFISCATION OF SUBSURFACE RIGHTS, AS DISTINGUISHED FROM SURFACE (GRAZING) RIGHTS, TOOK PLACE BY REASON OF A MISTAKE AS TO THE VALUES THEREOF AND FOR THAT REEASON SHOULD BE REVOKED

The Indian Reorganization (Wheeler-Howard) Act of June 18, 1934, had previously authorized the Secretary of the Interior to

restore to tribal ownership remaining surplus Indian lands theretofore opened, or authorized to be opened, to sale. By departmental order of September 19, 1934, the Secretary of the Interior withdrew from further disposition under existing law all of the Ute lands in Colorado for the purpose of considering whether they should be restored to tribal ownership under the Indian Reorganization Act. On July 17, 1937, he did restore approximately 30,000 acres adjoining the Ute Reservation in southern Colorado. On November 13, 1937, he restored another 8,000 acres. On October 21, 1937, the Assistant Commissioner of Indian Affairs addressed a letter to the Secretary of the Interior through the General Land Office which seemed to give promise that the title and control of the entire 4,000,000 acres or more might be vested in the Ute Tribe. On December 1, 1937, Supt. S. F. Stacher, of the Consolidated Ute Agency, wrote the Commissioner of Indian Affairs complimenting him for the October 21 letter "which seems to give promise that title and control to some 4,000,000 acres of ceded land may be soon vested in the Ute Tribe." On March 22, 1938, the Assistant Commissioner of Indian Affairs replied that the matter of this restoration was "receiving the consideration of the office."

At this very moment the Ute jurisdictional bill was before the Senate. Senator Adams, of Colorado, unaware of the existence of valuable subsurface rights, then conceived the idea of adding to the bill a clause confiscating the interest of the Indians in the lands, so that the lands might be preserved as public domain for grazing purposes. To that end he procured an addition to the jurisdictional bill to provide that the lands should henceforth "be the absolute property of the United States." That language, of course, had the effect of taking subsurface as well as surface rights, even though the Senator was concerned only with surface rights.

After the bill had passed both Houses, he addressed a letter to the Director of the Budget explaining the whole situation in the following words under date of June 18, 1938:

"The purpose of the bill when introduced was to authorize certain bands of Ute Indians, which formerly held lands in Colorado, to bring suit against the United States for an accounting. I have no particular interest in this part of the bill though I think it is entirely appropriate that this authority should be given. My interest is in the amendment which was introduced in the Senate and concurred in by the House. It will be necessary to give a summary of the facts to show the character of this amendment.

"Pursuant to a treaty accepted and ratified by the act of June 15, 1880 (21 Stat. 199), the Confederated Bands of Utes ceded to the United States a large part of the area which had comprised their reservation in the State of Colorado. * * * The statute recognized the right of the Indians to receive the proceeds from the sale of the lands. * * * The Wheeler-Howard Act of June 18, 1934, authorized 'the Secretary of the Interior, if he shall find it to be in the public interest, * * * to restore to tribal ownership the remaining surplus lands of any Indian reservation heretofore opened, or authorized to be opened, to sale * * * * * * *.

"The Secretary of the Interior issued two orders purporting to restore to tribal ownership certain undisposed of porticns of the former Indian lands in Colorado. The amount of land sought to be revested in the Indians by these orders was approximately 38,000 acres, 30,000 acres of which adjoin the present reservation of the Southern Utes, and 8,000 acres in Gunnison County, Colo., located far to the north and remote from all Indian settlements.

"These restoration orders have caused great alarm and uneasiness in western Colorado. There are over 4,000,000 acres of lands formerly belonging to the Ute Reservation which remain undisposed of. The civilization of the entire Fourth Congressional District in Colorado is built around and upon these former Indian lands. It is not the particular order of restoration which is our concern but the fact that the principle underlying it that if the Secretary of the Interior can restore 38,000 acres of land to tribal ownership, he can restore all of the 4,000,000 acres.

"These undisposed of lands are now included in grazing districts under the Taylor Grazing Act and furnish the necessary basis of the stock-raising interests of western Colorado. * * * To meet this situation, after a conference with the attorney for the Ute Indians, Senator THOMAS of Utah, who sponsored the bill in the Senate, the amendment in question was prepared, introduced, and approved."

That origin of the confiscation clause in the 1938 Jurisdictional Act was reiterated by the Attorney General as late as July 6, 1948, in a brief filed by him in the case (pp. 4–6). It is thus plain that surface rights, and only surface rights, were of concern to the interested parties.

Not only were the legislative sponsors interested solely in preserving surface rights for the newly instituted grazing system in the Rocky Mountain States, but the officials of the Department of the Interior—the official guardians of the Indian wards of the United States—were unaware that substantial subsurface values were involved. Thus, under date of June 22, 1938, the Acting Secretary of the Interior advised the Director of the Budget that only grazing values were involved in the sum of something like $5,000,000 rather than the $45,000,000 to $60,000,000 which the Government representatives now admit to be involved because of the subsurface rights. Indeed the Secretary of the Interior advised the President himself by telegram as follows:

"There are not, to our knowledge, any valuable mineral rights involved in this bill."

These statements were not only representations to Congress and the Executive about what was involved, but to the Indian wards, all of whom were seriously misled. It therefore broaches a problem which the Congress should be quick to resolve by restoring the confiscated rights so far as possible.

Finally, it is noteworthy that as late as the recent budget hearings for 1950 the position has been taken that the confiscation of 1938 occurred under a misapprehension of fact. Thus at the subcommittee hearings in the Senate on H. R. 4016—the State, Justice, Commerce, and Judiciary Appropriation bill for 1950—the present head of the Lands Division of the Department of Justice stated (p. 499) on May 17, 1949:

"Mr. VANECH. The Jurisdictional Act of 1938 * * * constitutes the taking, and the Court of Claims so held.

"Senator FERGUSON. Then why did we not get advice at that time? * * * Why did we not get advice from the Attorney General? Why did they not tell us that the bill was in the wrong form? * * * Will you check that and put in in the record, please?"

Later the following statement in explanation was inserted in the record (p. 609):

"At the time what is now the Jurisdictional Act was before Congress for consideration, the Congress did not request the views of the Attorney General."

This colloquy demonstrates completely the congressional inadvertence involved in the 1938 confiscation of the subsurface rights in the Ute lands.

2. IN DEFENDING THE UNITED STATES AGAINST LIABILITY, THE DEPARTMENT OF JUSTICE HAS CONSISTENTLY HELD THE POSITION THAT THERE HAS BEEN NO TAKING OF THE PROPERTY AND THAT PLAINTIFF INDIANS ARE STILL ENTITLED TO THE PROCEEDS OF THE PROPERTY FROM YEAR TO YEAR, AND HENCE THE PRESENT PROPOSAL TO ADOPT THAT THEORY BY LEGISLATION IS IN LINE WITH THE OFFICIAL VIEW

Although the language and purpose of the jurisdictional statute seem plain with respect to the confiscation issue, the Department of Justice has persistently taken a contrary position. It insists that there has been no taking and that the Indians have the same interest they always had. Thus, the objections filed by the Department of Justice in the Court of Claims in June 1943 state the basic position of the Department as follows (pp. 177–178):

"Since the basis of liability for any taking by eminent domain is the fifth amendment, which provides that private property may not be taken for a public use without just compensation, it must be shown that the plaintiffs have been deprived of some interest in property. It is submitted that the plaintiff was not deprived of any interest whatever by reason of the provisions of the jurisdictional act, and that it still retains every right which it had under the agreement in that respect. Under the act of 1880, the plaintiffs were entitled to the proceeds of the sale of the ceded lands and no more. The plaintiffs are still entitled to the proceeds. The Jurisdictional Act of June 28, 1938, as amended, does not abridge that interest or right to the proceeds in any degree. It does not withdraw the lands from sale. There is nothing expressed or implied in any of the provisions of the jurisdictional act which can in any way be construed as a termination, abbreviation, modification, or diminution in any degree of the rights of the plaintiffs to such proceeds, or with the obligation of the United States to hold lands for sale."

The foregoing theory was reiterated as late as July 1948 in a brief filed by the Department of Justice in the Court of Claims upon its motion to instruct the court's commissioner respecting the lands to be valued (pp. 33–35).

Moreover, by a brief filed in the Court of Claims as late as July 6, 1948, the Department of Justice has contended that the confiscation clause is not operative as to more than a million and a half acres because: (1) That clause applied only to lands "to the extent that they have not been disposed of by the United States"; and (2) the indicated acreage had been disposed of by various withdrawal orders. Thus, in addition to the contention that there was no taking of any lands by the 1938 legislation, there is a contention that there was no taking of lands affected by currrent withdrawal orders.

It is therefore plain that the presently proposed legislation will not only accord with the fundamental position of the Government in its defense in the Court of Claims but will also eliminate complications due to the Government's additional contentions with respect to the lands to which the confiscation clause of the statute is properly applicable.

3. THE PROPOSED AMENDATORY LEGISLATION WILL SAVE LARGE LITIGATION EXPENSE, PERMIT THE INDIANS TO ENJOY CURRENTLY THE FRUITS OF THEIR PATRIMONY, AND SAVE THE UNITED STATES VAST SUMS IN ACCRUED AND ACCRUING INTEREST

Budget hearings over the years demonstrate that the United States is paying hundreds of thousands of dollars for litigation expense in this case. The Indians, of course, must pay out similar sums from their tribal

funds. Such expenditures would be rendered unnecessary by the legislation now proposed, so far as property rights are restored to the Indians with their consent.

Moreover, year after year, the Indians are deprived of the enjoyment of their property, the proceeds thereof, or money compensation therefor. For more than 10 years their equities have been tied up in litigation. All of the Indians are thus deprived of the current enjoyment, in one form or another, of the inheritance which their forefathers left them and which their guardian, the United States, undertook to administer for them 70 years ago. Many of them will not be among the living when a compensation judgment is ultimately paid, others will be beyond the age when they can enjoy that award, and all will have lost daily benefits which mere dollars cannot replace years hence.

Finally, the United States has thus needlessly incurred liability for vast sums in accrued and accruing interest. Interest for 11 years has accrued since the confiscation occurred under the 1938 statute. If the subsurface rights are to be valued at, say, $30,000,000, then 44 percent, 55 percent, or 66 percent must be added if the interest rate is found to be 4 percent, 5 percent, or 6 percent, respectively. In other words, instead of liability for $30,000,000, the United States will be liable for $43,800,000, $46,500,000, or $49,800,000, respectively. And, for each year of delay to come, the United States will be liable for an additional interest sum of $1,200,000, $1,500,000, or $1,800,000 per year. Both accrued and accruing interest would be eliminated by the presently proposed legislation.

CHANGES IN LAWS APPLICABLE TO REGULATORY AGENCIES IN GOVERNMENT

Mr. JOHNSON of Colorado. Mr. President, by request, I introduce for appropriate reference a bill which would make certain changes in laws applicable to certain regulatory agencies of the Government with the purpose of effectuating recommendations made by the Commission on the Organization of the Executive Branch of the Government.

An identical bill, S. 2073, covering a larger number of agencies was introduced on June 14 by the Senator from Arkansas [Mr. MCCLELLAN] in his capacity as chairman of the Committee on Expenditures in the Executive Departments. Senator McClellan's bill affected six independent agencies coming within the jurisdiction of the Committee on Interstate and Foreign Commerce. Shortly after it was introduced, in my capacity as chairman of the Committee on Interstate and Foreign Commerce, I called to Senator MCCLELLAN's attention the question of jurisdiction. The Senator from Arkansas promptly replied, advising me that he had no intention of invading other committee jurisdiction; that further consideration of his bill would be tabled by his committee, and recommending that I introduce that portion of his bill covering the agencies coming within the jurisdiction of the Committee on Interstate and Foreign Commerce so that our committee could give consideration to these matters. I understand that the Senator from South Carolina [Mr. MAYBANK] as chairman of the Committee on Banking and Currency, also will introduce a similar bill covering two agencies of Government which come within the jurisdiction of his committee.

I desire to emphasize, that in introducing this bill by request, I am not indicating approval of the legislative changes therein advocated. The introduction is solely for the purpose of laying the problem before our committee in legislative form. Our committee intends to study the entire matter thoroughly and will hold hearings to determine on a general over-all policy for the six regulatory agencies which come within our jurisdiction.

I ask unanimous consent that my letter to Senator MCCLELLAN and his reply to me be inserted at this point in my statement so that it will be clearly understood that jurisdiction of this legislation vests in the Committee on Interstate and Foreign Commerce.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the letters will be printed in the RECORD.

The bill (S. 2330) making certain changes in laws applicable to regulatory agencies of the Government, introduced by Mr. JOHNSON of Colorado (by request), was read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letters presented by Mr. JOHNSON of Colorado are as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE AND
FOREIGN COMMERCE,
July 11, 1949.

Hon. JOHN S. MCCLELLAN,
Chairman, Senate Committee on Expenditures in the Executive Departments, Senate Office Building, Washington, D. C.

MY DEAR SENATOR MCCLELLAN: As chairman of the Senate Committee on Interstate and Foreign Commerce, I am writing you with respect to S. 2073. Since our committee has jurisdiction over a greater number of these quasi-legislative agencies than any other committee, the subject matter of S. 2073 frequently has been under consideration by our members. The following represents, I believe, a summary of our views:

PURPOSE OF THE BILL

This is a bill designed to (1) standardize the functions of chairmen of all of the independent arms of Congress; (2) permit commissioners of such agencies to continue to serve in office after the expiration of their terms until they or their successors have been appointed and confirmed; and (3) allow the President to remove commissioners for inefficiency, neglect of duty, or malfeasance in office. Points (2) and (3) for six agencies are not now a part of the law. This bill is a recommendation of the Hoover Commission.

JURISDICTION

This bill would amend nine laws which established respectively the Interstate Commerce Commission, Federal Trade Commission, Federal Power Commission, United States Maritime Commission, Federal Communications Commission, Civil Aeronautics Board, Securities and Exchange Commission, National Labor Relations Board, and Board of Governors of Federal Reserve System.

Significantly, six of these nine agencies come within the jurisdiction of the Senate Committee on Interstate and Foreign Commerce. Any amendment to the acts creating these six agencies clearly falls within the jurisdiction of this committee under the Legislative Reorganization Act.

SUBSTANTIVE POLICY SOUGHT TO BE CHANGED

The bill would materially alter and modify existing policy and law affecting the six agencies coming under the jurisdiction of this committee in three material respects:

(a) It would specify the duties of the chairman in all six agencies by amending each of the six acts with the following language:

"The functions of the Commission in respect of (1) its internal management, including budgeting and accounting, personnel (including appointments and assignments), supply, management research, information, and publications and other administrative matters; (2) its relations with Congress; and (3) the execution of its policies, shall be performed on behalf of the Commission by the chairman, and the chairman shall have exclusive and final authority, on behalf of the Commission, in respect of such functions. Such authority of the chairman may be exercised, subject to the direction and control of the chairman, by any officer or employee of the Commission designated by the chairman for such purpose."

The proposed language would lay upon the chairman of each of the Commissions duties not now authorized by existing law. While it may be true that in many, if not all cases, these specific duties should devolve upon the chairman, it should be emphasized that in some cases the enactment of such statutory provisions would seriously alter the present operations of some of the Commissions. For example, in the case of the Interstate Commerce Commission the internal arrangement and functioning of the Commission would be seriously altered from existing practices; the chairman would be required to assume all administrative functions which could mean that he would be required to supervise the operation of each of the numerous bureaus and divisions of the Commission. Moreover, he would be in charge of all Congressional liaison which would alter the Commission's long-established policy of handling legislative matters through a legislative committee. Most important, by giving the chairman "exclusive and final authority on behalf of the Commission in respect of such functions" the entire theory of Commission form of operation would be modified into a system whereby a single person, the chairman, would become the supreme arbiter of his Commission in most major policy matters.

(b) In the case of four agencies coming under the jurisdiction of this committee—Federal Power Commission, United States Maritime Commission, Federal Communications Commission, and Civil Aeronautics Board—the laws would be changed to permit a Commissioner or Board member to continue to serve in office after the expiration of his term until his successor is appointed and shall have qualified. This would be a further modification of the authority that Congress is supposed to exercise over these quasi-legislative agencies in that each Commissioner would no longer be as clearly answerable to Congress as he now is. In view of the fact that the appointive power already resides with the Executive, this further change would tend to make Commissioners even less responsive to Congress than they now are. It may be pointed out that the change herein proposed for the four agencies named is today in effect for the Federal Trade Commission and Interstate Commerce Commission. Note that under this practice one Commissioner (Ferguson) whose term expired September 26, 1948, has continued in office for nearly a year without either his name or that of a successor being submitted to the present Congress for confirmation. The matter of confirmation has come in recent years to be an almost perfunctory act, thus resulting in increased dominance by the Executive over agencies which historically have been regarded as arms of Congress. It is believed that a far more salutary practice would be to amend the Federal Trade Commission Act to bring

it in line with those of the Federal Power Commission, United States Maritime Commission, Federal Communications Commission, and Civil Aeronautics Board Acts to require that the terms of office of a Commissioner shall expire automatically at the end of his appointed term of office unless a successor has been sooner nominated and confirmed.

(c) In the case of two agencies coming within the jurisdiction of this committee—Federal Power Commission and Federal Communications Commission—the bill proposes to give the President authority to remove any Commissioner for inefficiency, neglect of duty, or malfeasance in office but for no other cause. The President already has this authority with respect to the Commissioners of the other four agencies coming under the jurisdiction of this Committee—Interstate Commerce Commission, Federal Trade Cmomission, United States Maritime Commission, and Civil Aeronautics Board. While it is true that this is a power that has been used sparingly (President Roosevelt removed Federal Trade Commissioner Humphreys), it is nevertheless a further impingement upon the authority of Congress with respect to quasi-legislative agencies. However, so long as the President retains the appointive power it may be logically argued that he should have the authority to remove his appointees for the causes proposed in the bill. As a matter of fact, the specific causes for removal set forth in the bill are a limitation upon the President's removal powers in view of the fact that the Supreme Court has upheld his authority to remove for cause. In this respect the proposed language might give Commissioners somewhat greater independence from the Executive. Unless the appointive power is changed so that it resides in the Congress (for example, appointments to be made by the Speaker of the House subject to confirmation by the Senate) this particular amendment proposed by the bill might be acceptable.

SUMMARY

I respectfully urge (a) that no action be taken to change the respective laws dealing with the authority and duty of the chairmen of each of the six agencies coming under jurisdiction of this committee without careful study and hearings by this committee;

I also request (b) that no change be made in law which would permit any Commissioner or board member to continue to serve in office beyond the expiration of his term; and it is my intent that the Committee on Interstate and Foreign Commerce shall give consideration to amendments to the Interstate Commerce Commission and Federal Trade Commission acts to provide that such Commissioners shall cease to hold office when their terms expire so as to bring the practice in these agencies into accord with the other quasi-legislative agencies;

Finally, I earnestly request (c) that the Senate Committee on Expenditures in the Executive Departments move to discharge itself from consideration of the bill, S. 2073, and the bill be transferred to the Senate Committee on Interstate and Foreign Commerce so far as it deals with the six agencies coming under the jurisdiction of this committee.

Very sincerely yours,

ED. C. JOHNSON.

UNITED STATES SENATE,
COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS,
July 13, 1949.

Hon. EDWIN C. JOHNSON,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: This will acknowledge receipt of your letter of July 11, with reference to a bill, S. 2073, submitted to this committee by the Hoover Commission, with a view to implementing recommendations applicable to regulatory agencies of the Government.

In order that this committee might have the Commission's interpretation of legislation required to effectuate the various recommendations, I requested, as chairman of the committee, that bills be drafted and submitted for filing in the Congress. In accordance with this request, S. 2073 was filed and subsequently referred to the Committee on Expenditures since it involved reorganizations within a number of regulatory agencies, in order that the Commission's recommendations could be formally presented to the Congress for consideration.

It has been the policy of the Committee on Expenditures to permit any committee having legislative jurisdiction over any of the recommendations of the Hoover Commission to proceed in any way they may determine; to conform its program to action taken by the jurisdictional committee.

I quite agree with you that the subject matter relating to the six agencies are within the jurisdiction of the Committee on Interstate and Foreign Commerce, and will require careful study and hearings by your committee. Regardless of the fact that the bill is pending before this committee, I assure you that there is no desire on the part of this committee to undertake policy determinations to the extent proposed in the bill, and that it will be entirely proper that you proceed in any way you see fit in determining what legislative action should be taken within the scope of your committee's jurisdiction.

It would be my suggestion that committee bills be introduced to include pertinent provisions of S. 2073 for reference to your committee, and this committee will table these sections. We will appreciate it if you will keep us fully informed regarding any such action taken so that we may be guided accordingly.

With kind regards and best wishes, I am,

Sincerely yours,

JOHN L. MCCLELLAN,
Chairman.

STRENGTHENING OF UNITED NATIONS AND ITS DEVELOPMENT INTO A WORLD FEDERATION

Mr. TOBEY. Mr. President, on behalf of myself, the Senator from Florida [Mr. PEPPER], the Senator from North Carolina [Mr. GRAHAM], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from California [Mr. DOWNEY], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Colorado [Mr. JOHNSON], the junior Senator from Minnesota [Mr. HUMPHREY], the Senator from Illinois [Mr. DOUGLAS], the junior Senator from Alabama [Mr. SPARKMAN], the Senator from Kentucky [Mr. WITHERS], the Senator from Connecticut [Mr. MCMAHON], the senior Senator from Alabama [Mr. HILL], the Senator from Wyoming [Mr. HUNT], the Senator from South Carolina [Mr. JOHNSTON], the senior Senator from Minnesota [Mr. THYE], the Senator from Louisiana [Mr. LONG], and the Senator from Oregon [Mr. MORSE], I submit for appropriate reference a concurrent resolution. It is very brief, and I shall read it:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation open to all nations with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation, and enforcement of world law.

The concurrent resolution (S. Con. Res. 56) submitted by Mr. TOBEY (for himself and other Senators), was referred to the Committee on Foreign Relations.

Mr. TOBEY subsequently said: Mr. President, earlier today, on behalf of myself and 17 other Senators, I submitted a concurrent resolution relating to the strengthening of the United Nations and its development into a world federation. I ask unanimous consent to have printed in the RECORD a press release by me on the subject.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR TOBEY

I introduced the world federation resolution in the Senate today because I believe that the program inherent in that resolution offers a long range objective for United States foreign policy that has the greatest promise of establishing a lasting peace.

The resolution seeks a reaffirmation of faith in the United Nations and at the same time a recognition of the need for strengthening that organization.

I believe it is most important to emphasize that this world federation is to be open to all nations. It must be framed this way. Any piecemeal or partial federation would tend to aggravate the haphazardous division that exists in the world today.

The resolution envisages cautious movement toward the goal of a strengthened UN leaving methods and procedure entirely flexible so that they may be molded to meet the problems that will arise. It seems obvious to the sponsors of this resolution that any precipitant action at this time might well destroy the UN and with it the ray of hope for international accord.

In a world suffering under the back-breaking burden of cold war, the United States has the obligation and opportunity to take upon itself the role of moral leadership. The world federation resolution gives us the moral armament that can be the decisive force on the ideological battlefield that now stretches to the most distant corner of this globe. We must offer the world a rallying point worthy of our unique position in international affairs.

The ideal of a strengthened United Nations capable of enacting, interpreting and enforcing law among nations shines brightly amidst the fierce and ominous trials that now plague all peoples. It's a flame of hope that can eventually melt the cold war into an atmosphere of cooperation and order.

Never before has mankind been threatened with more dire destruction than we face now if something is not done to stop the insane race toward conflict. The distinction between victor and vanquished in an atomic and bacteriological war has been extinguished. We all stand to suffer incomparable pain and chaos if a third world war is not averted.

While endorsing the Marshall plan and the Atlantic Pact, we must have more. The earth has become too small to hope that a tenuous balance of power can give us the lasting peace we seek.

It is in this firm belief that we call upon this Nation and all nations to renew faith in the UN and to sit down in a rational equitable way to give that organization the power that it must have to preserve peace. If we accept our responsibility and tell all people that this is what we seek, we can look forward to support by many nations. As the integrity of our intentions are time and time again demonstrated, I think we can legitimately believe that we will achieve our one world and mankind can look ahead to a

future of progress in a peaceful society of nations.

DELEGATES TO A FEDERAL CONVENTION

Mr. KEFAUVER. Mr. President, on behalf of myself, and a distinguished bipartisan group of Senators, consisting of the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Connecticut [Mr. BALDWIN], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Idaho [Mr. MILLER], the Senator from Washington [Mr. CAIN], the Senator from Montana [Mr. ECTON], the senior Senator from Alabama [Mr. HILL], the junior Senator from Alabama [Mr. SPARKMAN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. MAYBANK], the Senator from Minnesota [Mr. THYE], the junior Senator from Kentucky [Mr. WITHERS], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from West Virginia [Mr. KILGORE], the senior Senator from Kentucky [Mr. CHAPMAN], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. GRAHAM], and the Senator from South Dakota [Mr. YOUNG], I submit for appropriate reference a concurrent resolution.

The resolution requests the President to invite the other six sponsors of the pact to meet with American delegates "in a federal convention to explore how far their peoples, and other democracies whom the convention may invite to send delegates, can apply between them, within the framework of the United Nations, the principles of free federal union."

Its purpose is to permit timely, fruitful investigation of the possibilities of overcoming, through a federal union of the Atlantic democracies, the international difficulties we face. It aims also to give the United States and the cause of freedom and peace the maximum psychological advantages of leadership, without our writing any blank check or incurring any dangerous commitment.

We face in the Atlantic area, and particularly with Canada, Britain, France, and Benelux, a complex of problems—political, military, economic, monetary—which we are now trying to solve separately, piecemeal, by the ECA, the pact, rearmament, and so forth. We are also trying to solve them only on a diplomatic or government-to-government basis.

Calling the proposed convention would not prevent continued efforts along these lines, but it would permit us, in company with the other pact sponsors, to try also to solve this complex of problems by tackling them as a whole, and on the man-to-man basis of our own American Federal Union system. It would commit us to nothing more than an earnest exploration of the way out.

So great has been the success of the federal system wherever it has been tried that for us to decide even to explore its possibilities in the Atlantic community would rouse great hope. It would seem wiser to begin this exploration now while we have time to do it carefully, rather than risk waiting until events force hasty, ill-considered action.

The proposed resolution has the support of many eminent citizens, led by former Justice Owen J. Roberts, president of the Atlantic Union Committee, and its vice presidents, Robert Patterson, former Secretary of War, and Will Clayton, former Under Secretary of State for Economic Affairs.

We who sponsor this resolution in both Houses of the Congress represent the people of many States, from the Atlantic to the Pacific, from the center to the high north and the deep south, from the Smokies to the Rockies. We include Members not only of both the great parties, but of nearly every important school of thought from conservative to liberal in each of them. Some of us voted for the North Atlantic Treaty with great hope and some with deep misgivings.

The list of Senators sponsoring this resolution, while diverse in interest and thought, are towers of strength in this great body. Indeed, there is not a Senator in this group who does not have a better claim to the honor of filing this resolution than I do.

Diverse as this group is, we are united in believing that it is high time we Americans began to explore in a federal convention how far we can extend the federal principles of the United States between the free peoples of the North Atlantic. Even those of us who have the greatest hope in the North Atlantic Pact and in the United Nations agree that in a period so full of peril as the present we dare not neglect to explore so promising a way as federal union to strengthen the dikes against war, depression, and dictatorship.

The concurrent resolution (S. Con. Res. 57), submitted by Mr. KEFAUVER (for himself and other Senators), was referred to the Committee on Foreign Relations, as follows:

Whereas the parties to the North Atlantic Treaty have declared themselves "determined to safeguard the freedom, common heritage, and civilization of their peoples, founded on the principles of democracy, individual liberty, and the rule of law," and "resolved to unite their efforts for collective defense and for the preservation of peace and security"; and

Whereas they have agreed in article 2 of that treaty to "contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being" and to "seek to eliminate conflict in their international economic policies" and to "encourage economic collaboration between any or all of them"; and

Whereas the principles on which our American freedom is founded are those of federal union, which were applied for the first time in history in the United States Constitution; and

Whereas our Federal Convention of 1787 worked out these principles of union as a means of safeguarding the individual liberty and common heritage of the people of 13 sovereign States, strengthening their free institutions, uniting their defensive efforts, encouraging their economic collaboration, and severally attaining the aims that the democracies of the North Atlantic have set for themselves in the aforesaid treaty; and

Whereas these federal union principles have succeeded impressively in advancing such aims in the United States, Canada, Switzerland, and wherever other free peoples have applied them; and

Whereas the United States, together with the other signatories to the treaty, has promised to bring about a better understanding of these federal principles and has, as their most extensive practitioner and greatest beneficiary, a unique moral obligation to make this contribution to peace; and

Whereas the United States and the other six democracies which sponsored the treaty have, by their success in drafting it and extending it to others, established a precedent for united action toward the attainment of these aims, and the creation of a free and lasting union: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the President is requested to invite the democracies which sponsored the North Atlantic Treaty to name delegates, representing their principal political parties, to meet this year with delegates of the United States in a Federal Convention to explore how far their peoples, and the peoples of such other democracies as the convention may invite to send delegates, can apply among them, within the framework of the United Nations, the principles of free federal union.

APPROPRIATIONS FOR NATIONAL MILITARY ESTABLISHMENT—AMENDMENT

Mr. WILEY (for himself, Mr. AIKEN, Mr. GILLETTE, Mr. HUMPHREY, Mr. MORSE, Mr. THYE, and Mr. WITHERS) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

THIRD DEFICIENCY APPROPRIATIONS—AMENDMENT

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF FAIR LABOR STANDARDS ACT—AMENDMENT

Mr. BUTLER submitted an amendment intended to be proposed by him to the bill (S. 653) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, which was ordered to lie on the table and to be printed.

ADDRESS BY SENATOR TAFT IN ANSWER TO THE PRESIDENT

[Mr. TAFT asked and obtained leave to have printed in the RECORD a radio address delivered by him on July 15, 1949, which appears in the Appendix.]

RADIO ADDRESS BY SENATOR TAFT ON DREW PEARSON HOUR

[Mr. WATKINS asked and obtained leave to have printed in the RECORD a radio address delivered by Senator TAFT on the Drew Pearson hour on July 24, 1949, which appears in the Appendix.]

THE MILITARY ASSISTANCE PROGRAM—STATEMENT BY SENATOR DULLES

[Mr. DULLES asked and obtained leave to have printed in the RECORD a statement prepared by him on the military assistance program, which appears in the Appendix.]

ADDRESS BY SENATOR THOMAS OF UTAH ON POINT 4

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a radio address delivered by him on July 20, 1949, on point 4 of the President's Message on the State of the Union, which appears in the Appendix.]

FAILURE OF MARSHALL PLAN—REPORT BY BERNARD BARUCH

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article entitled "Marshall Plan Is Wasted, Baruch Reports After Study," published in the Washington (D. C.) Times-Herald of July 26, 1949, which appears in the Appendix.]

CANADIAN AID TO GREAT BRITAIN—ARTICLE FROM WALL STREET JOURNAL

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Finance Minister Says Canada Plans no More Loans to Britain; Sterling Area Problems Are Called Internal," published in the Wall Street Journal of July 23, 1949, which appears in the Appendix.]

REDUCTIONS OF EXCISE TAXES—LETTER FROM LEON J. ENGEL

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a letter addressed by Leon J. Engel, chairman of the Jewelry Industry Tax Committee, to the editor of the Baltimore Evening Sun, and published in that newspaper on July 13, 1949, which appears in the Appendix.]

CONQUEST OF CZECHOSLOVAKIA BY RUSSIA—ARTICLE BY MARQUIS CHILDS

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an article entitled "Czech Warning," written by Marquis Childs, and published in the Washington Post of July 26, 1949, which appears in the Appendix.]

ARMING OF EUROPE—ARTICLES BY DAVID LAWRENCE AND GOULD LINCOLN

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD two articles regarding the arming of Europe, from the Washington Evening Star of July 26, 1949, the first by David Lawrence, the second by Gould Lincoln, which appear in the Appendix.]

ARMS AND THE PACT—EDITORIAL FROM THE PITTSBURGH POST-GAZETTE

[Mr. MYERS asked and obtained leave to have printed in the RECORD an editorial entitled "Now Vote the Arms Aid," from the Pittsburgh Post-Gazette, which appears in the Appendix.]

RULES OF PROCEDURE FOR CONGRESSIONAL COMMITTEES—EDITORIAL COMMENT

[Mr. MYERS asked and obtained leave to have printed in the RECORD two editorials relating to rules of procedures for congressional committees, from the Philadelphia Evening Bulletin and the Pittsburgh Post-Gazette, which appear in the Appendix.]

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. LUCAS, the Committee on Banking and Currency was authorized to meet during the session of the Senate today.

CIVIL SERVICE COMMISSION—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a statement which I have prepared, including comments by the Civil Service Commission regarding the Hoover Commission recommendations as they apply to that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

The Civil Service Commission, in a letter to Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, endorses Reorganization Plan No. 5, now pending before the committee, "which would reorganize the Commission by placing upon a chairman the responsibility for day-to-day administration, and would reserve to the Commission the appellate and regulatory functions." (Hoover Commission Recommendation No. 1 (b), Personnel Management.) The Commission also expressed general approval of the entire Hoover Commission Report on Personnel Management, stating that it believed it to be a "constructive document."

The letter, signed by Harry B. Mitchell, president, indicates that the Commission is in complete agreement with "the objective of achieving in the Federal Government a civilian career service which attracts and holds men and women of the highest intelligence, and whose devotion to duty and whose competence is commensurate with the needs of our Government."

The Commission summarizes its comments within the broad categories of the Hoover Commission's first five recommendations, and states that the reason for doing this is that "recommendations 6 through 29 merely repeat in greater detail the first five recommendations."

Stating that recommendation No. 1 deals broadly with the way in which the Government should organize for personnel administration, Mr. Mitchell proceeds to a detailed discussion of part (a), which provides for placing primary emphasis on staff functions, with most personnel transactions to be processed by the agencies, summing up the Civil Service Commission's views, as follows:

"The Civil Service Commission concurs in the management principle that we should continue to emphasize our planning, standards, inspection, advisory, enforcement, and other staff functions, and relieve the Commission's organization from the necessity of processing daily a large volume of routine personnel transactions. In recent years there has been considerable progress in this direction."

As to part (c) of recommendation No. 1, which requires all departments and agencies to have on their top management staff a director of personnel, the Commission agrees with the principle, but does not believe it should be mandatory, for the following reasons:

"The mandatory nature of the proposal fails to take into consideration situations in which a department or agency head may wish to rely for top personnel management advice upon a qualified assistant secretary, deputy head, or other staff or operating official. We think it is entirely reasonable that a department or agency head may depend on a strong general operating official or a general manager to see that his agency secures an efficient staff and that inefficiency and unnecessary employees are constantly weeded out. There are small agencies in the Government service which do not need a full time director of personnel."

Commenting on part (d) of recommendation No. 1, which would require that the Commission develop standards for the operation of personnel offices in the departments and agencies, the Commission welcomes the assignment, but states it must be coupled with sufficient funds to supplement its inspection staff and maintain a developmental staff.

In a general discussion of recommendation No. 2, the Commission contends that the decentralization to agencies of the functions of examining and recruiting is over-simplified in the Hoover Commission report, and does not take into account the enormous duplication and excessive cost of such decentralization. The Commission also feels that the necessity of allocating discretionary powers of selection is unnecessary for positions in the middle and lower grades.

The Commission concurs with the decentralization of recruiting and examining where the positions involved are at a relatively high level or of a highly complex nature, but sets forth the necessity for a go-slow policy in general decentralization, as follows:

"We cannot emphasize too strongly that any further decentralization should be accomplished through the present system of boards of civil-service examiners and committees of expert examiners located in the agencies, but approved by and under the direct supervision of the Civil Service Commission. The responsibility for the development and maintenance of a career service is vested by law in the Civil Service Commission. Therefore, the authority for actions must be vested in that Commission. Direct responsibility and authority for the supervision of the machinery for recruiting, examining, and rating must remain vested in the Commission even though the operations are authorized by the Commission in boards of examiners that have a delegated authority. The avoidance of personal and political favoritism and discrimination requires this. Public confidence in the fairness and impartiality of the competitive system also requires this."

The Hoover Commission's recommendation that a new ranking system should be applied to all positions is questioned by the Civil Service Commission, which indicates that there is little justification for applying it to middle or low level positions. It questions the necessity for such selectivity and alleges that it would create "opportunity for personal and political discrimination." The Commission acknowledges, however, that numerical rating and appointments by the "rule of three" is "unduly restrictive and hampers proper and sensible selection."

The Commission then makes its own suggestion as to the most desirable system:

"Flexibility is needed to permit that degree of discretion required for the particular job, without permitting excessive discretion. The degree of discretion should extend from the present 'rule of three' for most routine low level positions, through a 'rule of five' for more complex jobs largely in the medium level, to the wide degree of discretion recommended in the report which, we believe, should be applicable in the selection at the high levels but with authority in the Commission to permit its use at any level where necessary in the interests of the service. Legislative action to permit this change would be necessary."

In regard to recommendation No. 3, the Chairman states that the wide dissimilarity of pay statutes is "an obviously undesirable feature of present day salary and wage administration." He continues that "the objective is coordination" and that the Commission believes such coordination can only be obtained by new legislation which would:

"(1) Comprehensively and very broadly set forth uniform policies or principles for position-classification and pay administration—a common frame of reference to which all practices and rules shall adhere;

"(2) Clearly delineate the authority and responsibility between the legislative and the executive branch, placing in the executive

branch full power to establish and administer position-classification and pay plans, within the legislative policies and principles laid down (among which may be an extreme minimum pay rate and an extreme maximum pay rate between which all pay schedules shall fall); and

"(3) Vest in the Commission adequate coordinating, rule-making, standards, and enforcement authority."

The Civil Service Commission approves the Hoover Commission recommendations relative to the administration of job evaluation and raising the salary brackets at the top of the career service, pointing out, however, that the rules of administration of any pay plan should contain a provision for "rewarding administrators and supervisors for any noteworthy contributions to the efficiency and economy of the service." The Commission continues that "the problem of operating effectively at the lowest possible cost has many sides. It cannot be solved by pay incentives alone," and maintains that "greater benefits in this respect can be expected from courageous control of expenditures within the department or agency, based on audits by management staffs."

The Commission points out the difficulties involved in changing to a general pay plan where the rates of pay for postal, clerical, and subprofessional positions would be fixed and adjusted in the same manner as the rates of blue-collar workers are now fixed, and concludes that "it appears to us that this question has not been thoroughly thought through." Continuing, the Commission states, "like many of the recommendations of the Hoover Commission, the proposal stems from the Government's experience in a wartime or other tight labor market."

The Commission states that it is in the process of "developing a statement of promotion principles to be issued as a part of the Federal Personnel Manual," which would implement recommendation No. 4, covering the promotion of career employees, but indicates that experience shows that the interagency promotion program recommended by the Hoover Commission "is an impossible administrative task unless confined to grades or classes which represent in one or more agencies a ceiling of opportunity or a blind alley." The Commission continued:

"There are serious objections, however, in many minds to the practice of inviting transfer from one agency to another. Administrators are naturally desirous of keeping people who are sympathetic with the purposes of a particular agency and its administration, and who are satisfied and productive within the agency in which they are working. Promotion programs which enable people to rise to their highest abilities within the agency in which they have the major part of their career are essential. In those cases where experience in more than one agency will be beneficial to the Government, as in the higher grades, the promotion program should be more than mere artificial stimulation of promotion across agency lines, which tends to dissipate the accumulated special knowledge, loyalty, and faithfulness in service which are so essential to good, effective, and humane administration in a democracy where the Government touches the lives of many people."

The Commission agrees that legislative support of training activities is necessary and favors:

"(1) Necessary on-the-job training for career employees; (2) the detail, with pay, of scientific, technical, and professional career employees to recognized universities, laboratories, and industrial plants for advanced study; and (3) sabbatical leave every 10 years to scientific, professional, technical, and administrative personnel, such periods to be spent gaining experience or training of special benefit to the Government."

Although sympathetic to the suggestions relative to positive participation of employees in the formulation and improvement of Federal personnel policies and practices, the Commission does not believe this should be mandatory, and prefers that heads of departments and agencies examine for themselves their personnel programs and discover for themselves the value of wider consultation.

In a discussion of the proposal to simplify the efficiency rating system and confine its use to the development of a better understanding between supervisors and employees, the Commission approves in general, but points out that under existing laws, efficiency ratings must be made and utilized in the manner provided by law. This, it believes, often precludes the use specified by the recommendation, that of developing a better understanding between supervisors and employees.

The Civil Service Commission sets forth its own ideas on the problem of efficiency ratings as follows:

"(1) That all legal provisions requiring the administration of efficiency rating systems should be repealed; (2) that no laws or regulations should require the use of ability and service record ratings as the basis for any personnel action; (3) that in lieu thereof there should be established wherever possible methods of measuring ability and service so that agencies which so desire may have a means of determining the performance of employees; (4) that safeguards against possible abuses should be provided through approval of such plans by the Commission."

In commenting on recommendation No. 5, dealing with separation of employees, the Commission holds that the reduction-in-force procedures proposed by the Hoover Commission are too cumbersome to be practicable:

"Briefly stated, the recommendation with respect to reduction-in-force procedures is based on the concept that a reduction in force is an adjustment or reorganization to carry on an activity with fewer employees. The approach, therefore, is that of organizing a smaller new unit to be made from the group of employees in the old unit, retaining those who are best qualified for continuing positions, with preference for present position incumbents, or with preference on basis of military service or years of service, only within the same level of qualifications based on ability, past performance, and future potential—the levels being 'Outstanding,' 'Well Qualified,' and 'Qualified.' Incidentally, the plan in recommendation No. 23 does not exactly support the phrase 'best qualified * * * irrespective of other considerations,' used in recommendation No. 5 (a).

"Our judgment is that the proposed plan, as set forth in recommendation No. 23, is too cumbersome to be practicable. The necessity for rating each individual in a large unit where only a few are to be separated is obviously expensive, unnecessary, and time consuming. In addition, the judgments involved are more complex even than those involved in efficiency ratings. For example, what is 'future potential'? How long is the future? Potentiality for what?"

The Commission instead suggests an amendment to the present law which would enable it to develop a retention plan that would recognize "(1) those with substantial, service-connected disabilities (civilian or military) who are fully qualified for continuing work; (2) those with veteran preference, without jeopardizing others with much greater claims based on many more years of service; and (3) those with exceptional qualifications who should be retained in order to promote the efficiency of the service."

Recommendation No. 5 (b), which provides for the amendment of existing directives dealing with dismissals, meets with the approval of the Civil Service Commission, except in one respect. It believes that the right of appeal of the Commission should continue to be restricted to veterans in order that greater delay, difficulty, and expense be averted. The Civil Service Commission also points out that some agencies have unwisely permitted the "grievance procedure" to become "unnecessarily elaborate even for the handling of ordinary grievances," and contends that "such procedures should never be used when an agency desires to separate an employee for incompetence, unsatisfactory work, or for 'cause'."

The Commission concludes that it "will continue to study and appraise those recommendations with the object of modifying present civil-service procedures whenever we believe the facts developed by our studies warrant such modification."

The full text of the letter from the Chairman of the United States Civil Service Commission follows:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., July 19, 1949.

Hon. JOHN L. MCCLELLAN,
United States Senate.

DEAR SENATOR MCCLELLAN: The Civil Service Commission appreciates the opportunity extended in your letter of May 23 to submit comments on the proposals of the Commission on Organization of the Executive Branch of the Government which relate to the work of our establishment. These proposals are contained in the report entitled "Personnel Management," which was submitted to the Congress on February 9, 1949.

In general, it is believed that the report of the Hoover Commission is a constructive document. The Civil Service Commission is in complete agreement with the objective of achieving in the Federal Government a civilian career service which attracts and holds men and women of the highest intelligence and whose devotion to duty and whose competence is commensurate with the needs of our Government. The report has pointed up a number of major problems which exist in personnel management for the far-flung Federal service and made a number of excellent suggestions for its improvement.

In order to utilize economically and efficiently the Government's resources that are devoted to personnel management and, at the same time, preserve the constructive features of the Report on Personnel Management, the Civil Service Commission urges that there be a pulling together of the best features of the present system and of that proposed by the Commission on Organization of the Executive Branch of the Government. We are setting forth below what we believe to be sound general concepts to accomplish the above objective.

Recommendation No. 1 of the Personnel Management Report deals broadly with the way in which the Government should organize for personnel administration. It favors (a) giving primary emphasis within the Commission to staff functions, most personnel transactions to be processed within the departments and agencies; (b) vesting the authority and responsibility for the administrative direction of the Commission's work in the Chairman of the Commission, who, under recommendation No. 1 of the Hoover Commission's Report on General Management of the Executive Branch, would also be the Director of an Office of Personnel in the Executive Office of the President; (c) requiring all departments and agencies to have on their top-management staffs a director of personnel; and (d) requiring the Commission to develop standards for the operations of personnel offices in the departments and agencies.

The Civil Service Commission concurs in the management principle that we should continue to emphasize our planning, standards, inspection, advisory, enforcement, and other staff functions, and relieve the Commission's organization from the necessity of

processing daily a large volume of routine personnel transactions. In recent years there has been considerable progress in this direction.

Our experience indicates, and the recommendation implies, that delegating to the departments and agencies the responsibility for certain personnel operations is best done by progressive steps. Delegation of authority in any connection requires (1) a clear definition of the delegated authority and its limits; (2) the development by the delegator of rules and standards to guide and control the exercise of the delegated authority; (3) resources on the part of the delegator to inspect or post-audit the way in which the delegated authority has been and is being exercised, with power to make corrections or to withdraw or suspend the delegation; and (4) the existence of qualified officers and employees in the departments and agencies who are both able and willing to undertake the work involved.

As advances are made in one or more of these requirements, the Commission has proceeded and expects to continue that policy where it deems it appropriate. There should be more emphasis on the technical advisory functions of the Commission. It should be appreciated, however, that progress depends in part upon additional financial resources, especially funds permitting the strengthening of our inspection staff.

Part (b) of recommendation No. 1 is, for the most part, included in Reorganization Plan No. 5 of 1949, which was submitted by the President to the Congress on June 20, 1949. The Commission favors this plan, which would reorganize the Commission by placing upon a chairman the responsibility for day-to-day administration, and would reserve to the Commission the appellate and regulatory functions.

Part (c) of recommendation No. 1 would make it mandatory for each head of department or agency to have on his top management staff a director of personnel, who would be his principal staff adviser on personnel management.

We agree with the principle behind this recommendation, but a majority of the Commission disagree with expressing it as a mandatory requirement. The mandatory nature of the proposal fails to take into consideration situations in which a department or agency head may wish to rely for top personnel management advice upon a qualified assistant secretary, deputy head, or other staff or operating official. We think it is entirely reasonable that a department or agency head may depend on a strong general operating official or a general manager to see that his agency "secures an efficient staff and that inefficiency and unnecessary employees are constantly weeded out." There are small agencies in the Government service which do not need a full-time director of personnel.

Part (d) of recommendation No. 1 would require the Commission to undertake the task of developing standards for the operation of personnel officers in the departments and agencies. The Commission would welcome this assignment, with the understanding that sufficient funds will be provided for supplementing its inspection staff and for maintaining a developmental staff. The standards involved will, of course, cover more than standards of personnel strength.

Recommendation No. 2 states that—

(a) Primary responsibility for recruiting and examining Federal employees should be placed on the departments and agencies;

(b) Appointing officers should be given more leeway than the present "rule of three" permits in the selection of personnel from among qualified applicants; and

(c) Far greater emphasis should be placed on the development and execution of programs designed to attract first-rate young men and women for subordinate (junior) professional, scientific, technical, and administrative posts.

We believe that some of the proposals made under this recommendation No. 2 are sound. We are in complete agreement with part (c), for example. However, we believe that in some respects, particularly with relation to middle- and lower-level positions, the report oversimplifies the problem and does not take into account the enormous duplication and excessive cost of decentralization to agencies of the functions of examining and recruiting for many jobs in these levels. Furthermore, the report proposes that all appointing officers be allowed wide discretionary powers in making appointments to all positions, whereas our experience thus far has shown that this wide discretionary selection authority is unnecessary for proper selection for most positions in the middle and lower grades.

In general, we concur with the emphasis and implications of the report to the effect that decentralization of recruiting and examining is most essential with those positions which are of a high level and highly complex nature. For such positions the requirements are usually very specialized and unique in nature; the requirements include affirmative personality qualifications; there is need for wide latitude in the recruiting and selection factors and procedures; the amount of competition is limited; the possibilities of duplication of recruiting efforts by various agencies and resulting excessive costs are less than in other fields; the agency is anxious to obtain the best qualified recruits available in order to get the work done and is willing to devote whatever resources are necessary to attain that objective. We agree with the report as to decentralization in such cases with direct supervision by the Civil Service Commission, as described later.

For positions in the middle and lower levels, however, particularly those common to many agencies, the emphasis in the recruiting and examining process should be on more centralized and coordinated recruiting which are peculiarly adapted to meet these needs economically and efficiently. The centralized recruiting and examining should be performed by the Commission's central or field offices, or where appropriate, in the Commission's discretion, for positions common only to a few agencies by joint boards. As an illustration of the need for sound judgment and flexibility in applying the principle of decentralization, a resident of Illinois, an applicant for a CAF–11 accountant position under our present operation, would have to file only one application with the Commission's regional office in Chicago in order to obtain consideration for appointment in various agencies throughout the area. Under the proposed plan in the Report on Personnel Management, the same accountant would have to file application with 30 installations in the State of Illinois alone (of which 26 are located in Chicago) with consequent needless waste of not only the applicant's time and resources but public moneys.

In the Report on Personnel Management it is proposed that the functions of recruiting and examining for most positions be transferred from the Commission to the agencies. This is in furtherance of the policy of decentralization. As indicated, a program of decentralization of recruitment and examination, with due regard to efficiency and economy, is already in operation. It is limited to types of activity and to positions which experience has shown the agencies are in a position to carry on effectively.

We cannot emphasize too strongly that any further decentralization should be accomplished through the present system of Boards of Civil Service Examiners and Committees of Expert Examiners located in the agencies, but approved by and under the direct supervision of the Civil Service Commission. The responsibility for the development and maintenance of a career service is vested by law in the Civil Service Commission. Therefore, the authority for actions must be vested in that Commission. Direct responsibility and authority for the supervision of the machinery for recruiting, examining, and rating must remain vested in the Commission even though the operations are authorized by the Commission in boards of examiners that have a delegated authority. The avoidance of personal and political favoritism and discrimination requires this. Public confidence in the fairness and impartiality of the competitive system also requires this.

The report on Personnel Management describes a new form of ranking applicants for civil-service positions. It proposes that they be ranked and grouped as "outstanding," "well qualified," "qualified," and "unqualified," and proposes that the appointing officer be allowed wide discretionary powers in selecting appointees from those categories in the order of "outstanding," "well qualified," and finally "qualified." The report recommends that this discretion be applied to all positions.

This degree of selection authority may be essential to the selection of persons for high-level positions and some medium and even a few low-level positions. We believe strongly that a serious weakness of the report lies in the attempt to justify its use for all positions. It is a wasteful process when applied to most low-level positions and even for a major number of medium-level positions it permits greater selectivity than there is any legitimate need for, and, thus, at both levels offers opportunity for personal and political discrimination. On the other hand, the Civil Service Commission believes that the present strict following of numerical rating and appointments by the "rule of three," that is, the selection of one of the top three in a numerical rating, is unduly restrictive and hampers proper and sensible selection for many types of positions.

Flexibility is needed to permit that degree of discretion required for the particular job, without permitting excessive discretion. The degree of discretion should extend from the present "rule of three" for most routine low-level positions, through a "rule of five" for more complex jobs largely in the medium level, to the wide degree of discretion recommended in the report which, we believe, should be applicable in the selection at the high levels but with authority in the Commission to permit its use at any high level where necessary in the interests of the service. Legislative action to permit this change would be necessary.

Recommendation No. 3 deals with job evaluation, position classification, and salary and wage administration. It favors (a) establishing by law a comprehensive pay policy for the entire executive branch; (b) authorizing the departments and agencies to evaluate jobs for pay purposes under standards published and enforced by the Commission; (c) rewarding administrators and supervisors for reducing the number of persons on the Federal pay roll; (d) fixing and adjusting pay rates for postal, clerical, subprofessional, and blue-collar jobs in relation to prevailing rates in industry in local labor-market areas; and (e) raising the salary brackets at the top of the career service.

An obviously undesirable feature of present-day salary and wage administration in the executive branch is the wide dissimilarity of pay statutes. They differ in policy and principle, details of position classification, general levels of pay, and the relative extent to which the Congress, the President, the departments and agencies, and the Commission participate in administration.

Identity of position classification or pay plan, or absolute uniformity in all respects among all groups is, of course, not the goal.

The objective is coordination, taking into consideration the well-known fact, gleaned from experience, that position-classification and pay plans are best administered when they are devised to fit differences, as well as similarities, in the work and working conditions of the various groups to which they apply.

The approach to better coordination, the Commission agrees, is new legislation, covering all executive departments and agencies and certain other agencies. Such legislation should (1) comprehensively and very broadly set forth uniform policies or principles for position-classification and pay administration—a common frame of reference to which all practices and rules shall adhere; (2) clearly delineate the authority and responsibility between the legislative and the executive branch, placing in the executive branch full power to establish and administer position-classification and pay plans, within the legislative policies and principles laid down (among which may be an extreme minimum pay rate and an extreme maximum pay rate between which all pay schedules shall fall); and (3) vest in the Commission adequate coordinating, rule-making, standards, and enforcement authority.

The day-by-day administration of job evaluation should, as suggested, be the responsibility of the departments and agencies, under standards published and enforced by the Commission. This is not a new proposal, but one which the Commission has repeatedly recommended to Congress and which is evidenced (except as to enforcement power) by Executive Order No. 9512.

Any maximum rate set by statute should, of course, be sufficiently high to permit a substantial upward adjustment of existing top rates in the career service. The Civil Service Commission is definitely in favor of raising the salary ceiling of the career service—at present $10,330 under the Classification Act and $12,850 in the postal field service. We believe, taking into consideration recent committee action on agency heads' salaries under S. 498, that a ceiling of $15,000 per annum is necessary and feasible.

Under the rules of administration of a pay plan, provision can and should be made for rewarding administrators and supervisors for any noteworthy contribution to the efficiency and economy of the service. Present regulations under the Classification Act cite "substantial economies in the public service" as an example of performance justifying a within-grade salary advancement as a reward for superior accomplishment, and this can be strengthened.

The problem of operating effectively at the lowest possible cost has many sides. It cannot be solved by pay incentives alone. Greater benefits in this respect can be expected from courageous control of expenditures within the department or agency, based on audits by management staffs.

In connection with recommendation No. 3, there is some doubt as to the immediate desirability of changing to a general pay plan where the rates of pay for postal, clerical, and subprofessional positions would be fixed and adjusted in the same manner as the rates of blue-collar workers are now fixed. The latter wages are now fixed by 25 agencies, with a variety of local wage boards making surveys. After surveys have been made of the prevailing rates in private industry in the local labor-market areas, the wage boards act to fix Government wages in some occupations and regions.

The establishment of prevailing rates of pay in these and in lower-level clerical groups on a regional basis might be made practicable by the utilization of the Bureau of Labor Statistics of the Department of Labor, which now determines prevailing rates of wages on Government contracts and has an existing and tested machinery both for making such surveys and for reaching proper conclusions. The wage-board machinery used by the Navy and some other departments for blue-collar workers would be very expensive and complicated if extended so as to cover about 1,600,000 employees in the lower-pay clerical operations throughout the country. Moreover, if the separate agencies were engaged in making these surveys, there would be great confusion and undoubtedly much dissatisfaction because of the large number of inquiries directed to local business and labor union sources. Before any such plan is embarked upon, a very careful inquiry should be made of the Department of Labor resources and a canvass of the further resources required in personnel and funds. There is some difference of opinion with regard to the desirability of having different local rates of pay and this should be borne in mind before embarking upon such a program. It appears to us that this question has not been thoroughly thought through.

Like many of the recommendations of the Hoover Commission, the proposal in part (d) of Recommendation No. 3 stems from the Government's experience in a wartime or other tight labor market. An effort is made through this proposal to put the Government in a position where, considering the relative advantages of Government versus private employment (such as leave privileges and retirement benefits), it can compete with other employers in a high-wage area with reasonable effectiveness. This problem does not exist in all areas, nor in all areas to the same degree—especially in normal times. It does not exist with respect to all position classes or grades in the same area to the same degree. We doubt whether the size or extent of the problem justifies the magnitude of the proposal in part (d) of Recommendation No. 3 at this time.

Rather than to engage at once upon such a comprehensive and expensive program, we suggest that a simpler plan be tried first. Such a plan could be coupled with authority to extend it indefinitely in case of an emergency and would rest, as does the prevailing-rate proposal, upon authority granted by the legislative branch to the executive branch to fix and adjust pay scales within prescribed limits.

We start with the premise that pay scales set by the President upon recommendation by the Commission, or by the Commission itself, would be uniform throughout the country. The authority and responsibility to establish pay scales initially would necessarily include the authority and responsibility to change them. One of the reasons for a change of either local or national application is an economic or employment condition which prevents or interferes with the Government's securing or retaining qualified personnel. Whenever for this reason a variation of one or more pay scales is required in a local labor market or other region, an upward adjustment would be made for the area or region involved. This could be a temporary adjustment, or it could be ordered for an indefinite length of time. Each such adjustment would be reviewed, at least once annually, and as a result of such review, it would be continued or discontinued.

Recommendation No. 4 deals with the development of the career service. It favors (a) requiring departments work out, under the direction of the Commission, specific programs for promoting career employees; (b) equipping the Commission in authority and resources to develop inter-agency promotion programs; (c) securing legislative backing for training the most promising career employees; (d) requiring departments and agencies to provide for a positive participation of employees in the formulation and improvement of Federal personnel policies and practices; and (e) simplifying the efficiency rating system and confining its use to the development of a better understanding between supervisors and employees.

The Commission is presently developing a statement of promotion principles which, when approved, will be issued as a part of the Federal Personnel Manual. Tentative plans are to require each agency to establish a systematic promotion procedure, following broad principles outlined in this statement. Issuance of this statement will put part (a) of Recommendation No. 4 into effect. Thereafter, through our inspection staff, we can insure that the agencies actually establish suitable plans and can assist them in doing so.

The Commission has had some experience with an attempt to develop promotion programs across agency lines, as is contemplated in part (b) of Recommendation No. 4. This experience indicates that an inter-agency transfer or promotion program is an impossible administrative task unless it is confined to grades or classes which represent in one or more agencies a ceiling of opportunity or a blind alley. For instance, such a program can be developed at moderate cost if it is confined to employees in the higher grades. When intelligently planned and administered, such a plan would be of advantage to the service.

There are serious objections, however, in many minds to the practice of inviting transfers from one agency to another. Administrators are naturally desirous of keeping people who are sympathetic with the purposes of a particular agency and its administration, and who are satisfied and productive within the agency in which they are working. Promotion programs which enable people to rise to their highest abilities within the agency in which they have the major part of their career are essential. In those cases where experience in more than one agency will be beneficial to the Government, as in the higher grades, the promotion program should be more than mere artificial stimulation of promotion across agency lines, which tends to dissipate the accumulated special knowledge, loyalty and faithfulness in service which are so essential to good, effective and humane administration in a democracy where the Government touches the lives of many people.

Legislative support of specific training activities is necessary for progress in the respect contemplated by part (c) of recommendation No. 4. The Civil Service Commission favors such programs as:

(1) Necessary on-the-job training for career employees of a nature that does not duplicate training available in recognized educational institutions, expenses to be paid out of the department's or agency's regular appropriations;

(2) The detail, with pay, of scientific, technical, and professional career employees to recognized universities, laboratories, and industrial plants for advanced study, research, or first-hand experience with improved methods, technical developments and discoveries directly related to the work of their agencies; and

(3) Sabbatical leave every 10 years to scientific, professional, technical, and administrative personnel, such periods to be spent gaining experience or training of special benefit to the Government.

The Commission, while sympathetic to the idea that administrators can promote the effectiveness of the department and the welfare of the employees by suitable consultations between administrators and personnel, does not favor the adoption of a mandatory rule on that matter. The Commission favors a program of encouraging and advising the heads of departments and agencies to examine their personnel programs and to discover for themselves the effectiveness of wider consultations.

The Commission has for some time given much thought to the subject of recommendation No. 4 (c), namely, the simplification of the efficiency rating system and its use in personnel actions. In general, the Civil Service Commission views favorably the recommendations of the Commission on Organization of the Executive Branch of the Government on this point. The Civil Service Commission regards as sound the idea expressed in the report of improving performance and the public service by encouraging careful supervision and regular conferences between supervisors and those supervised with regard to the details of their work.

Present laws require efficiency-rating systems whether or not they are desired by management and whether or not there is willingness to try to operate the system for the purposes required by law. The laws, furthermore, are specific as to the uses of efficiency ratings. The result is that their real management value is obscured by the mandate that they must be made and by mandates as to how they shall be used. The opportunity to discover that efficiency ratings may be advantageous to management and employees is too frequently lost in the surge of resentment against being compelled to do something that is not apparently necessary.

We believe—

(1) that all legal provisions requiring the administration of efficiency rating systems should be repealed;

(2) that no laws or regulations should require the use of ability and service record ratings as the basis for any personnel action;

(3) that in lieu thereof there should be established wherever possible methods of measuring ability and service so that agencies which so desire may have a means of determining the performance of employees;

(4) that safeguards against possible abuses should be provided through approval of such plans by the Commission.

Recommendation No. 5 deals with the separation of employees. It favors (a) changing present reduction-in-force laws so as to permit the retention of the best qualified, irrespective of other considerations; and (b) providing a more workable method for separating inefficient employees. Details are given in recommendations Nos. 23 and 24.

Briefly stated, the recommendation with respect to reduction-in-force procedures is based on the concept that a reduction in force is an adjustment or reorganization to carry on an activity with fewer employees. The approach, therefore, is that of organizing a smaller new unit to replace the current larger unit. Selections for the smaller new unit are to be made from the group of employees in the old unit, retaining those who are best qualified for continuing positions, with preference for present position incumbents, or with preference on basis of military service or years of service, only within the same level of qualifications based on ability, past performance and future potential—the levels being "Outstanding," "Well qualified," and "Qualified." Incidentally, the plan in recommendation No. 23 does not exactly support the phrase "best qualified * * * irrespective of other considerations," used in recommendation No. 5 (a).

Our judgment is that the proposed plan, as set forth in recommendation No. 23 is too cumbersome to be practicable. The necessity for rating each individual in a large unit where only a few are to be separated is obviously expensive, unnecessary, and time consuming. In addition, the judgments involved are more complex even than those involved in efficiency ratings. For example, what is "future potential?" How long is the future? Potentiality for what?

In lieu of this recommendation, we suggest an amendment of existing law which will permit the Commission to work out a retention plan that will recognize—

(1) those with substantial, service-connected disabilities (civilian or military) who are fully qualified for continuing work;

(2) those with veteran preference, without jeopardizing others with much greater claims based on many more years of service; and

(3) those with exceptional qualifications who should be retained in order to promote the efficiency of the service.

Recommendation No. 5 (b) deals with the separation of incompetent employees.

Under present laws and regulations, there are two ways by which an incompetent employee (who has completed his probationary period) may be separated, namely, by the preferment of charges, and by action of an unsatisfactory efficiency rating. The second procedure is connected with the present efficiency rating system. If that is changed in the manner we have indicated, there will be but one removal method, the preferring of charges, which under present law can be simple and direct. The Civil Service Commission agrees with the Hoover Report that this is desirable.

Probably some of the lack of simplicity in actual practice in the past under this procedure has arisen because dismissals within some agencies have been regarded as a grievance. Some agencies have, unwisely we believe, allowed such matters to be taken up through their grievance procedure. In many agencies the grievance procedure is unnecessarily elaborate even for the handling of ordinary grievances, which usually prove to be complaints against supervisors, complaints of too difficult or unfavorable assignments, complaints against physical or personal working conditions, etc., but such procedure should never be used when the agency desires to separate an employee for incompetence, unsatisfactory work, or for what is know as "cause," that is, some particular misbehavior. Separations of individuals from the service should not be handled under this procedure, and if these rules are so simplified, the delays which have been charged (but which were never necessary) will not arise.

With regard to Recommendations No. 5 (b) and the plan set forth further in Recommendation No. 24, we are in general agreement, with one important exception. Reference is made to the proposal that there be general opportunity to appeal to the Civil Service Commission. We appreciate that veterans now have such an appeal, but this is a preference granted only to veterans. Like other preferences, it would cease to exist if the same right or privilege were granted to non-veterans. Inevitably to extend this privilege would result in greater difficulty and consequent delay in removing from the Government service incompetent employees, and considerable expense would result.

Recommendations No. 6 through No. 29 of the personnel management report repeat in greater detail Recommendations No. 1 through No. 5, which are discussed above. Since we have already indicated our views on the principles involved in the report, no further comments are submitted on these detailed recommendations.

The statements made in this report represent our best judgment based upon past experience and our studies to date of the recommendations of the Commission on the Organization of the Executive Branch. We will continue to study and appraise those recommendations with the object of modifying present Civil Service procedures whenever we believe the facts developed by our studies warrant such modification.

The Commission will be glad to furnish any additional information which may assist your committee.

Sincerely yours,

HARRY B. MITCHELL,
President.

ECA CONTRIBUTION TO EUROPE—STATEMENT BY CHARLES P. McCORMICK

Mr. O'CONOR. Mr. President, at the recent International Labor Conference in Geneva, at which I had the honor to represent the United States Senate in the United States Government delegation, the representative of the employers of the country was Mr. Charles P. McCormick, of Baltimore, an industrialist who has gained national prominence because of his outstandingly successful labor relations methods.

Mr. McCormick returned just a few days ago from Europe, where he had spent 10 weeks studying conditions in England, Holland, Italy, France, and Switzerland.

It deserves to be said here that Mr. McCormick discharged with splendid judgment and ability his responsibilities as representative of the employers of the country at this important international labor gathering. He was indeed a worthy representative of the American free enterprise system. I am sure that if the people of Europe, and particularly the leaders, could have the opportunity to meet more men like Mr. McCormick, and to discuss with them in friendly conference their mutual problems, the rehabilitation of Europe's economy would be speeded, and the mutual trust and understanding among the various nations would be immensely improved.

Mr. McCormick's observations, based on a varied business experience and a proven facility for sensing developments in the economic field, are worthy of the attention of the Members of this distinguished body.

I ask unanimous consent that, as reported by the Associated Press, they be printed herewith as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

McCORMICK LAUDS ECA AS EUROPE'S LIFELINE

NEW YORK, July 23.—Charles P. McCormick was back from the International Labor Organization Conference in Switzerland today with praise for the United States Economic Cooperation Administration.

The ECA is "the strongest support of the whole economic and political structure of Europe," said McCormick, head of a Baltimore spice firm and the United States employer delegate to the conference.

McCormick; his wife; his son, Charles P. McCormick, Jr., and his daughter and son-in-law, Mr. and Mrs. A. J. Beane, Jr., arrived last night on the liner *Mauretania*.

COLD WAR COLDER

He said he found the cold war was getting "colder instead of hotter" during a 10-week visit to England, Holland, Italy, France, and Switzerland.

"There is too much planned economy and too little freedom of choice in Europe today," he said. "Such conditions lead to the restriction of a nation's productivity, eliminate competition and opportunity and freeze a worker's earning power."

McCormick said American delegates to the ILO Conference demonstrated "the virtues of enlightened capitalism, as compared with the nationalization and socialistic programs of many other nations."

It was the thirty-second meeting of the ILO, last surviving agency of the old League of Nations. It now is affiliated with the United Nations.

McCormick said the functions of the ILO include "the collection and distribution of information on all subjects relating to the international adjustment of conditions of industrial life and labor."

Sixty-one nations belong to ILO, he added.

THE NORTH ATLANTIC PACT—EDITORIAL FROM REGISTER-GUARD, EUGENE, OREG.

Mr. MORSE. Mr. President, one of the best editorials I have read on the North Atlantic Pact issue was published recently in the Eugene Register-Guard, of Eugene, Oreg., my home town newspaper. It is so completely in line with the issue as I have seen it that I ask unanimous consent to have the entire editorial printed in the body of the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DECISION IS CUE FOR PACT

Nobody can view the North Atlantic Pact—about to be confirmed by the United States Senate—without some misgivings, but we stand with those who feel that it is at least a first step toward implementing democratic policy both in and out of United Nations. In fact, we have been committed to some such course since long before the Atlantic Pact was thought of as such. Since we first agreed to participate in the effort to set up some form of world government, we have been committed to find some means to back up the principles which we have shouted from the housetops.

To all of the arguments that this is not the best possible plan of action we respond that it is at least a plan of action, and we are reminded of the irritable old colonel of artillery who pounced on the earnest young lieutenant who was holding up fire to figure out exactly the best angle to shoot from:

"Damn it all, young man," raved the colonel, the worst plan in the world well executed is a * * * better than the perfect plan never carried out. Get going!"

The North Atlantic Pact does not take us out of United Nations. Properly guided it provides a means by which the allied western nations can cooperate more effectively within United Nations. It meets the Russians with the only arguments which they seem to respect—the readiness to use force. It does not mean that force will be used, but that force can be applied and quickly if aggressions do not stop.

Effective world government is to be desired but it cannot be created overnight. We have our own long and bitter experience in trying to form a Federal union to remind us that any effort to form a world union will be slow and difficult.

Decision is always better than indecision, and if the North Atlantic Pact merely gives the western nations an instrument for decisions it will have a good result.

How far we can afford to go in rearming the nations of western Europe is another problem. There again it stands to reason that we shall have to give them such aid as we can afford while insisting that they must exert themselves to the limit in self-help. Much progress has been made under the Marshall plan for economic aid, despite its many faults. Much progress can be made under the North Atlantic Pact which supplements the Marshall plan with a program of concerted action in the field of politics.

There is no drawing back from the course to which we are dedicated, costly and dangerous as it may be. The most important thing is that the ultimate goal shall not be lost to view and that is some form of world union under which nations can begin to disarm and submit their disputes to decisions of law instead of force.

We cannot achieve these aims by passive policies. We must take risks.

PRICING PRACTICES—MORATORIUM

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, which were, on page 2, line 15, to strike out all after "faith" down to and including "competition)" in line 17 and insert "except where such absorption of freight would be such that its effect upon competition may be that prohibited by this section"; on page 3, lines 9 and 10, strike out "(other than a discrimination which will substantially lessen competition)" and insert "(if the discrimination is not such that its effect upon competition may be that prohibited by this section)"; on page 3, line 14, after "competitor" insert a comma and "and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains," and on page 4, line 7, strike out "substantial and probative evidence" and insert "reasonable probability."

Mr. McCARRAN. Mr. President, I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. McCARRAN, Mr. O'CONOR, and Mr. WILEY conferees on the part of the Senate.

Mr. LONG subsequently said: Mr. President, I should like to enter a motion to reconsider the vote by which Senate bill 1008 was sent to conference.

It was my understanding, having overheard a conversation between the senior Senator from Nevada [Mr. McCARRAN] and the Senator from Tennessee [Mr. KEFAUVER], that we were to be notified before a motion was made to send that bill to conference. I made a speech on the floor of the Senate and stated that I personally thought it would be in the interest of the small-business people of the country if that bill never went to conference. I thought we were to be notified, and I was on my way to the Senate Chamber at the time the motion was made. I should like at this time to enter a motion to reconsider the vote by which the bill was sent to conference.

The VICE PRESIDENT. The Senator from Louisiana enters a motion to reconsider the vote by which Senate bill 1008 was sent to conference, and invites the attention of the Senator from Nevada [Mr. McCARRAN]. All the Senator from Louisiana can do at this time is enter the motion. It cannot be acted upon at this time.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. KEFAUVER. Mr. President, I had understood that we were to be advised when this motion was brought up, in order that we could make a motion to concur in the House amendments. I was present in the Chamber, but there was so much confusion that I did not hear the motion of the Senator from Nevada. I assumed that we would have an opportunity to present our motion to concur in the House amendments.

Mr. LONG. Mr. President, I will further state that I had been discussing a compromise on this matter with the senior Senator from Wyoming [Mr. O'MAHONEY]. It was his understanding also that no action would be taken until we had had an opportunity to consider the House amendments and to move to concur in them, or possibly agree upon the final form the bill should take.

Mr. KEFAUVER. I had also been in those conferences, and had the same impression. I was very much surprised when I was notified a few minutes ago that the bill had already been sent to conference. I wonder if the distinguished Senator from Nevada would agree to set aside the action of the Senate sending the bill to conference, so as to give us an opportunity to be heard in support of our motion to concur in the House amendments, or at least wait until we can see what we can do in the way of working out a compromise with the distinguished Senator from Wyoming [Mr. O'MAHONEY].

Mr. PEPPER. Mr. President, I should like to associate myself with the requests which previously have been made, and I desire to express the hope that the able and generous Senator from Nevada [Mr. McCARRAN] will comply with the requests. Some of us feel very strongly that the House amendments are desirable, and we should like at least to have an opportunity to be heard before disposition of this matter is made.

Mr. McCARRAN. Mr. President, in order that the Senate may know the history of this proposed legislation, it is well to state that the bill passed the Senate and went to the House of Representatives and was there amended. A message from the House of Representatives with respect to the bill has been here for some time. I shall have to guess, at the moment, about the length of time, but I think it has been here about 3 weeks. If I am in error on that matter, I stand ready to be corrected.

The Senator from Louisiana [Mr. LONG] and the Senator from Tennessee [Mr. KEFAUVER] came to me and asked me that they be notified so that they could be present when any motion on this matter was made. I saw the Senator from Tennessee [Mr. KEFAUVER] on the floor today. I thought the Senator from Louisiana [Mr. LONG] was on the floor. The Senator from Georgia [Mr. RUSSELL] had also expressed a desire to be present when this matter was discussed, and I saw him on the floor. So I made the motion.

The matter had remained undisposed of too long. There has been a great demand from various Senators that something be done about it.

I made the motion which I think I should have made, namely, that the bill go to conference, and I sent to the Chair the names of the suggested conferees.

In justice to the bill and in view of its importance to the country, I cannot consent to any other course.

The VICE PRESIDENT. The motion to reconsider has been entered, and will be taken up later.

Mr. LONG subsequently said: Mr. President, I should like to state for the RECORD that earlier today, when the senior Senator from Nevada [Mr. MCCARRAN] moved that the Senate disagree to the House amendments to Senate bill 1008, and to send the bill to conference, that action was in conflict with an agreement he had had with the junior Senator from Tennessee [Mr. KEFAUVER] to which I was a witness and to which the Senator from Georgia [Mr. RUSSELL] also was a witness, to the effect that he would notify us at the time when he was ready to proceed to the consideration of that matter.

It was my feeling that the House amendments were absolutely essential to protect the small-business people of the Nation. I had read in the Journal of Commerce an item to the effect that certain Members of the House of Representatives hoped that in conference they would be able to throw out the House amendments which had the purpose of protecting the small-business men of the Nation.

I wished to discuss that matter when the subject came up. I was discussing it with the distinguished Senator from Wyoming [Mr. O'MAHONEY], when suddenly, completely to my surprise, the senior Senator from Nevada [Mr. MCCARRAN], in a low tone of voice, earlier today, moved that the Senate disagree with the amendments of the House, request a conference on that matter with the House, and that the conferees on the part of the Senate be appointed.

It is true that the junior Senator from Tennessee [Mr. KEFAUVER] was on the floor at the time; but he was talking to the distinguished Presiding Officer at the moment, and did not hear the motion. For that matter, several other Senators who are interested in the matter did not hear the motion, either.

It was only after the motion had been agreed to, that I obtained the floor and moved that the Senate reconsider the vote by which the motion was agreed to. I felt that we should have a chance to explain why we felt the House amendments should be agreed to by the Senate.

When the senior Senator from Nevada stated that he would notify us when he was ready to proceed with the consideration of this matter, I understood that that meant he would tell us personally, rather than simply rise and make the motion, for of course he knew there was opposition to it.

I should like to state that at the convenience of the majority leader, and without affecting the status of the unfinished business, I shall move that the Senate reconsider the vote by which this bill was sent to conference. At that time I shall ask that a quorum call be had, and following that I shall present my arguments why the motion should be reconsidered and why we should be heard on the question of placing the House amendments in the bill. I think the amendments which have been made by the House of Representatives should be agreed to by the Senate.

Mr. WHERRY. Mr. President, I was on the floor at the time, and I heard the distinguished Senator from Nevada make the motion that the Senate disagree to the House amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate. I do not wish to get into any altercation in regard to any understanding about which I do not know.

Personally, the action which was taken pleased me very much, because the proposed legislation has been hanging fire for 3 or 4 weeks. Regardless of whether Senators favor or oppose the amendments which have been adopted by the House of Representatives, I think all Senators who are interested in the matter should have their day in court, so to speak.

I should like to say to the distinguished Senator from Louisiana that his rights have been fully protected, for the motion to reconsider has been properly filed. Every argument he wishes to make regarding the proposed legislation can now be made. Of course, if some Senator had moved that the motion to reconsider be laid on the table, the Senator from Louisiana would have been cut off without having an opportunity to engage in any debate at all on the subject in which he is interested. However, I am satisfied that all Members of the Senate were considerate of the Senator's position in the matter.

I agree with the Senator from Louisiana that his motion to reconsider is timely. I hope he will bring it up as soon as possible, so that we may finally dispose of the matter, because this measure has been passed by both the Senate and the House of Representatives; and in the final analysis, the question is whether we shall accept the conference report or whether we shall not. The sooner we can obtain a conference report on the bill, the better it will be, I think.

So, Mr. President, I hope there will not be further argument between Senators as to who said what.

Of course I hope the Senator from Louisiana will have an opportunity to present his arguments. But I appeal to him to present his arguments and let this bill be sent to conference, so that we may obtain final action on it.

Mr. LONG. Mr. President, I may say the fact that the House amendments have been before the Senate for 3 weeks was completely at the option of the Senator from Nevada. He could have made a motion at any moment. All we asked was the right to know that he was going to make such a motion, so we could have a chance to be heard. The Senate passed the bill and agreed to the Kefauver amendment, which would have saved the Robinson-Patman Act. I believe that was one of the finest acts ever drawn for the protection of small-business people. When the bill went to the House of Representatives, an effort was made to cut out the Kefauver amendment so as to destroy the Robinson-Patman Act. The House would not agree to it. The House inserted in the bill even stronger language to protect the Robinson-Patman Act. Here, we see in the Journal of Commerce that this bill is to go to conference, and every effort once again made to take the amendment out of the bill, although both Houses have agreed to it. It would be against the rules to do it. Nevertheless, we read in the press that it is going to be attempted.

FOREIGN AID APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The clerk will state the second committee amendment, which is the pending question.

The LEGISLATIVE CLERK. On page 3, beginning in line 2, it is proposed to strike out "$1,074,000,000" and insert "$1,000,000,000."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia, and it was signed by the Vice President.

REPORT BY SENATOR ELLENDER ON HIS VISIT TO WESTERN EUROPE

Mr. ELLENDER. Mr. President, I gave notice yesterday that I would have a few words to say with respect to the trip I recently made to western Europe. As most Senators know, I was selected as adviser to the United States delegation at the second assembly of the World Health Organization, which met at Rome, Italy.

It is not my intention to indulge in too many details of my trip, but I merely wish to make a few observations and suggestions as a result of what I saw and of what I heard people say about the ECA program at work.

Soon after reaching Rome, I obtained permission from the chairman of our delegation to visit various portions of Italy with a view of ascertaining how effectively ECA funds are being used. I made three trips by automobile through Italy, on my own initiative and at my own expense. I went to the south along

the coast as far as Salerno, to the north as far as Florence and returned to Rome by way of Pisa. When I completed my duties as adviser to our delegation, I left Rome for Milan, by way of Ravenna and other important cities in the heart of the Po Valley. These trips carried me through the most important agricultural and industrial sections of Italy and I was able to obtain a very good picture of the situation in that country.

I wish to say that I was agreeably surprised at the change which has taken place in all the countries I visited, in contrast to the conditions which existed there 3 years ago when I visited the same countries. A man would have to be totally blind to fail to note decided improvement. Retail stores were filled with goods and merchandise. Restaurants were well supplied with food. More people were at work. A feeling of assurance was noticeable among the people of most of the countries I visited. I asked many persons, in every walk of life, about the improvement of conditions, during the last 3 years. They were unanimous in saying that there has been considerable progress. Many agreed that although progress had been made there was room for improvement, especially was that sentiment often expressed among the working classes. I found that the cost of goods was extremely high. I visited hotels, restaurants, and many stores, including grocery stores, butcher shops, shoe shops, department stores, and drug stores. I talked to cab drivers, farmers, salesmen, laborers, shop owners, government officials, doctors—in fact, to people in all walks of life. In every country I visited, with the probable exception of England and Holland, I found that the cost of living was totally out of line with the wages paid to the workers. Except in the two countries I have just mentioned, I found that the cost of food and clothing is about the same as it is in the United States. I inquired of the storekeepers how they were progressing, whether their present profits were comparable to those of 3 years ago. Most of them reported some improvement, but complained that as time went on, taxes took a greater share of their profits.

As I moved about Italy, I inquired about the use to which ECA counterpart funds are being put. I found that most of the counterpart funds are being used most appropriately. I visited many irrigation and reclamation projects which are being financed through ECA funds in order to reclaim considerable areas of land on the Volturno and Sele Rivers, and in other sections of Italy. I found that the projects which are being undertaken in Italy with ECA counterpart funds are accomplishing two things. They are giving employment to many men and women who otherwise would be unemployed, and they are creating more cultivable land to help Italy increase her food production, which is most necessary.

Viewing the projects which are being developed in Italy through ECA funds, I was reminded very much of the old WPA days in the United States when, in order to give employment, many people were made to do work by hand. Not far from the Sele River, I noticed as many as 700 Italians with picks and shovels digging a canal about 30 feet wide and about 10 feet deep, to be used to carry water for irrigation purposes. I asked why machinery was not used. The answer, of course, was that one of the great difficulties confronting Italy is unemployment. I am told that unemployment there has reached a dangerous stage, with over 2,000,000 persons out of work.

My survey of Italy convinces me that there is much food, much clothing, much of everything, but a large percentage of the people have not sufficient money with which to buy the goods they need, for the simple reason that prices are too high. The wages that workmen receive is far out of line with the prices that they must pay for food and clothing.

In my visits to Switzerland, France, Belgium, Holland, and Luxemburg, as well as Germany and England, I found the same pattern; that is, goods are plentiful, both articles of food and articles of wearing apparel, but the prices were so far beyond the reach of the people that they are unable to purchase supplies for their everyday needs. As I indicated a few minutes ago, although prices were high in Holland and Great Britain, the wages paid to workers in those countries were more in line with the cost of living. Aside from that, as most Senators know, price control still prevails in those two countries, and it is particularly rigid in England. If it were not for price controls in England, with the shortage of food in that country today, I am sure there would be many people going hungry.

Industry has made tremendous progress in all of the countries I visited, but the movement of finished goods has slowed down considerably in the last few months, from what I have been able to learn. Every industrial owner or operator with whom I talked reported the same trend. The situation has reached such a point that the countries we are now assisting are suffering from the same difficulty we are now experiencing in the United States. As Senators know, many of our industrial plants have slowed down considerably, and unemployment faces us, because many factories have been overproducing to such an extent that they cannot find outlets for all their manufactured products. Industry in western Europe, in my opinion, has reached that point. Manufacturers have reached the point where they cannot move their entire output either at home or abroad. The only difference between us and those countries is, we are able to produce, in almost any category, a finished product much cheaper than they and unless——

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Texas?

Mr. ELLENDER. I yield.

Mr. CONNALLY. Is that because of the lack of purchasing power among the people, or is it because they do not need the articles?

Mr. ELLENDER. As I have just indicated, it is because most of the people do not have sufficient money with which to buy the products they need. I talked to many workmen in each of the countries visited, with a view of ascertaining their compensations. A bricklayer or a carpenter in France, or in Belgium or in Luxemburg, receives from $4.50 to $5.50 a day for 8 hours' work. His cost of living is as great as that of a carpenter or bricklayer in this country, yet the scale of wages in western Europe is about a third of what it is in America. The goods are available, and they are badly needed by the people, but those who need them do not have sufficient money with which to buy them. With few exceptions, I found that it required from 75 to 85 percent of a wage earner's pay for food alone.

I feel that a good deal of the money we are sending to western Europe is missing the target. That is, it has brought some prosperity and, with it, high prices. It serves no good purpose to create abundance unless the people are able to partake of that abundance. After the war there was a market for all the steel Belgium could produce. There was a market in America for many European products—automobiles from England and wines and fats from Italy. But when we reached full production our cupboards became full and we accumulated a surplus. We can undersell the Europeans, and, consequently, a substantial portion of their market over here has disappeared.

Four years ago we were told that in order to put Great Britain on her feet we would have to lend her almost $4,000,000,000. We made that loan, and by way of other loans and ECA grants we have made additional billions available to the British. In spite of all this American aid, Great Britain is still in bad shape. I say this not by way of criticism. The facts are based upon actual observation. I grant that my survey was superficial, but after my stay in Italy I spent 3 weeks in making this survey in other countries, at my own expense, in order to ascertain for myself whether the continuation of the spending of ECA funds would do the job unless cooperation was practiced by the countries we are assisting. Perhaps we should strengthen the bill which is now before the Senate so that we shall be able to say to those countries, "Here is a pie cut into 16 pieces. Each piece of pie represents so much money for each of you. If you—England, France, or Belgium—want a piece of the pie, you must conform to certain requirements."

As will be recalled, when the Marshall plan first came before the Senate some of us thought something like that should be done, but the State Department prevailed on us not to do so. The State Department felt that the matter could be worked out to the satisfaction of all. As I see the picture, unless there is a drastic change in the manner in which the ERP nations are now acting toward each other, with particular reference to the exchange of currencies, the Marshall plan is doomed to failure. Convertibility of currency is the most important thing to be done if the Marshall plan is to work successfully. The countries of western Europe must have faith in one

another's currencies, and must use them freely to buy from one another as they did before the war.

Crossing the border from Luxemburg into Belgium I noticed two automobiles each with a Holland license. They had eggs, chickens, and bacon on board. I became suspicious and began to inquire. The drivers said they had to bring along produce of some kind that could be sold readily in order to pay for the gasoline they needed to travel from their country to other countries. I saw the same condition at other borders. In other words, the money issued by the countries whence those persons came could not be used to buy gasoline, a necessity for the everyday flow of commerce, in other countries. I say that in order for the Marshall plan to succeed it is necessary that something be done now—not next year, but now—to make it possible for the countries of western Europe to trade with one another as heretofore.

I received information from several high officials of countries we are now assisting that if it were left to the continental nations of western Europe they would have no difficulty in getting together, but the country which stands in the way—and we are backing it—is Great Britain. There can be no doubt about that. From information received by me from a reliable source, I am convinced there would be no difficulty in solving the problem of their currency and commodity exchanges if it were not for the fact that the United Kingdom interferes and objects to the plan. I suppose the United Kingdom has a good reason to do so. I do not desire to discuss the situation in Great Britain at this time, except to repeat the statement I made on the Senate floor 4 years ago, that I cannot see any hope for the United Kingdom to develop or maintain itself as in the past. It is a serious situation when one nation is permitted to hold back progress in western Europe, as is now the case. I hope the Administrator of this program, who is clothed with full power to do so, will facilitate the interchange of currencies among all of the nations we are assisting.

I wish to emphasize another point which I mentioned a while ago. We have been urged to make enormous advances to our friends across the seas in order to stave off communism. One of the major reasons advanced is that unless we do so we are leaving these countries exposed to the inroads of communism.

I believe that unless the governments of western Europe do something soon to close the deep chasm which exists between the buying power of workers and the high cost of the essential goods they need, the very thing we are fighting to prevent will occur. There can be no doubt about that. I visited the homes of many families who spend almost every penny earned by the head of the family for food alone. They have nothing left over with which to purchase wearing apparel and other necessities. Many of them are in rags. Something should be done to correct that situation. How it is to be done, I do not know, but I should like to see an investigation made by our "watchdog committee." It would be valuable information if the "watch dog committee" could find out how much mark-up is being made by manufacturers, wholesalers, and retailers in those countries. From what I have observed it is excessive. If one goes to a hotel in Paris or anywhere in Belgium, he pays a rate of $10 a day for a room and in addition, he is charged as much as the traffic will bear in the way of service charges, which range from 10 to 20 percent. I am inclined to believe that similar pricing practices are being indulged in by some of the merchants and businessmen throughout those countries. Unless we encourage these governments to make it possible for workmen to obtain the necessities of life at prices commensurate with the wages they receive, the evil forces we are now fighting are bound to prevail.

Mr. KEM. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Missouri.

Mr. KEM. I should like to ask the Senator from Louisiana whether in his opinion some of the trouble is not due to the inability of the socialized industries of these countries to produce goods at prices which people can afford to pay.

Mr. ELLENDER. I would not say that, because the condition exists not only in countries which are well along the road to socialism, like Great Britain, but it exists in Belgium, which is not socialized. Luxemburg is not socialized and Holland is not socialized. The same situation which I have described exists in those countries, as it does in others, except as I pointed out a while ago, it is not so apparent in Holland and in Great Britain, for the reason that there are price controls in those countries; wages are more or less frozen at a certain level, and the costs of goods are reduced by means of subsidization.

I should like to point out further to the distinguished Senator that in Great Britain there is a situation, of course, which does not exist in any other country I visited. The Government of Great Britain has absolute and positive control over the output of every factory and every farm in the British Isles. For instance, if a farmer has in excess of 12 chickens, he has to report that fact to a central agency. If the production of eggs is over a certain amount per week, he has to send the excess eggs to the central agency so that they can be sold at a fixed price. A man cannot kill more than one hog per year, regardless of how many he raises on his farm; he must send the excess to a central agency where it is sold at a fixed price. The same conditions prevail as to practically every other commodity.

A person cannot buy in any store any exportable goods that are manufactured in the British Isles, without paying a tax ranging from 33 to 40 percent. The stores are filled with inferior products which the British cannot export. Such articles can be bought at fixed prices, but the exportable products, such as good quality liquor or shoes, carry a prohibitive tax.

One day I went to a store and had the clerk examine the shoes that I am now wearing. I asked him how much I would have to pay in his store for a pair of similar shoes. He examined them and said they would cost about $22. I told him that I had paid $18.50 last year for the same shoes in the United States. He said, "You forget that because this shoe is an exportable shoe I have to add a 40-percent tax on it."

Mr. TYDINGS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield to the Senator from Maryland.

Mr. TYDINGS. Is it not a fact that there are many articles manufactured in Britain which the British people themselves cannot buy, but which are exclusively for export, so that the British can get dollar balances in order to be able to get the things they must have?

Mr. ELLENDER. That is what I am trying to bring out. There can be no doubt about it. And in order to carry out that program, the British Government has absolute control of the output of every factory and every farm in the British Isles.

Mr. KEM. Mr. President——

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Louisiana yield to the Senator from Missouri?

Mr. ELLENDER. I yield.

Mr. KEM. The Senator spoke of the price level on the Continent, particularly in Holland and Belgium, being as high as in the other countries. Is it not true that their economy is so interlocked with the economy of France and Great Britain that they necessarily have the same price levels?

Mr. ELLENDER. I do not think they are that closely connected. For instance, in Luxemburg or in Belgium, or in some of the other countries, a person can buy what he wants if he has the money with which to buy it, without having to pay an excessive tax.

Mr. KEM. But none of those small countries produce more than a small proportion of the goods consumed by the people. Is not that true? They are dependent on the other countries for a large part of their goods, are they not?

Mr. ELLENDER. That is true.

Mr. KEM. Is not the refusal of the Socialist Government of England to agree to an interchange of currencies with the Continental countries the main reason why that cannot be accomplished?

Mr. ELLENDER. There can be no question about that. That is why I believe there would be no difficulty in getting agreements among the countries of western Europe, on the Continent, if it were not for the fact that Great Britain is holding back.

Mr. WHERRY. Mr. President, since the Senator has been interrupted, I should like to ask him a question in regard to what he said about the farms.

Mr. ELLENDER. I shall be glad to answer any question.

Mr. WHERRY. The Senator says England has absolute control over every chicken and every egg, and so on. That is almost comparable to the so-called

Brannan plan of complete control. How does that work out in Great Britain?

Mr. ELLENDER. The farmers do not like the many controls imposed upon them.

Mr. WHERRY. I am serious about the inquiry.

Mr. ELLENDER. I do not wish to compare the conditions in Great Britain with those in the United States should the Brannan plan be enacted.

We have spent a great deal of money in Europe and Great Britain has been the chief beneficiary. The British have received a loan of $3,750,000,000 from us, a couple of billion dollars more under the Marshall plan, and considerable sums from other sources. With all that assistance Great Britain today is worse off than any of the other countries I visited which are receiving Marshall plan aid.

Mr. CAPEHART. Why is that?

Mr. ELLENDER. Four years ago, and again last year—and I know the senior Senator from Colorado [Mr. JOHNSON], who does me the honor to listen to what I have to say, agrees with me, and I think we voted together on the British loan proposal——

Mr. WHERRY. There are others who agree with the Senator.

Mr. ELLENDER. There were quite a few others. The point I desire to emphasize is, that the United Kingdom has no natural resources of any kind except coal, which is very expensive to mine, and she produces only about 40 percent of her food, and a bare one-seventh of her iron ore requirements. She must import everything else. She must take the imported raw products, manufacture them, and sell them for prices which will give sufficient profit to enable her to buy more of the raw products she needs, and to pay for the 60 percent of food requirements which she does not produce and which are necessary to sustain life in the United Kingdom. England used to be able to do that with the profits she obtained from shipping and from foreign investments, but today most of her income from these sources are gone.

Furthermore, let us not forget that Great Britain today has, I believe, the most antiquated machinery in western Europe. There has been little technological improvement, so that the cost of producing is so great she cannot compete, let us say, with Belgium, which has more or less kept up with improvements in machinery and manufacturing processes. Aside from all that her colonies have grown to manhood and they are looking out for themselves. Some of them have become her chief competitors in many fields.

As I have said on many occasions, and repeat today, I care not how much money we send to Great Britain, all we are going to accomplish is a balancing of her trade balances for the time being, and the moment we cut off the supply of money, she will revert to the condition of deficit financing and sink deeper into debt.

Mr. President, I repeat, we ought to insist, though perhaps not in express terms in the law itself, that the Administrator make every effort to bring about the free interchange of currency among the ERP nations. As I recall, there is ample authority in the act that would justify such a course on the part of the Administrator. Unless that is done, then in spite of all the money we are going to spend, those nations will not be much better off in 1952 than they are now.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WHERRY. The Senator from Louisiana stated a few moments ago that the countries of western Europe could arrange currency exchange between themselves if it were not for Great Britain.

Mr. ELLENDER. They could and would do so.

Mr. WHERRY. Why does not Great Britain want to permit that to be done? Why could not a proper currency exchange program be carried out? Why should economic barriers continue to exist? Why can they not be eliminated so all the countries in question can have free exchange between themselves? That is the purpose of ECA.

Mr. ELLENDER. Absolutely.

Mr. WHERRY. Such an objective represented the whole burden of the testimony of Mr. Hoffman. Why does Great Britain not permit that to be done, not only in her interest, but in the interest of all western Europe?

Mr. ELLENDER. I do not have the ECA Act before me, but if the distinguished Senator will read the first section of it he will note that the Administrator has the right to force the issue. I wish to say that from information I obtained from high officials of at least four countries, who, as representatives of their countries, attended the meetings of the OEEC, if it had not been for the fact that our country intervened and more or less assisted and aided in the compromise which was finally reached, whereby 25 percent of the ECA funds are to be used to bring about convertibility, the other countries of western Europe would have voted almost unanimously to attain the desired goal. I repeat that convertibility of currencies among the western European nations is absolutely necessary if the Marshall plan is to succeed.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. The Senator from Louisiana will recall that in the debate on the ECA authorization renewal, I offered an amendment directing the Administrator to use not less than 5 percent of the funds for just such a purpose, the purpose of bringing about convertibility—economic union, which is convertibility of the currency—and the Senate rejected my amendment, as I recall, by 12 votes. The vote was somewhere in the neighborhood of 32 to 45. By that vote the Senate expressed its disapproval of any such direction to the Administrator.

I agree entirely with the Senator from Louisiana that lack of convertibility is a major defect in policy, and that the Administrator could have brought about convertibility, but he has not done it, and the Senate refused to tell him to bring it about, which I assume he would interpret as a direction not to engage in any such project. I think the Senator from Louisiana was present when that debate took place.

Mr. ELLENDER. Yes.

Mr. FULBRIGHT. The Senator remembers the proposal that was then made, does he not?

Mr. ELLENDER. Yes. The answer of the State Department was, "Let us handle it. Do not adopt the amendment. We can handle the matter much better if you do not tie our hands." That is the attitude being taken now respecting many of the proposed amendments to the pending bill. Those who oppose such amendments say, "Let us not interfere. Let us permit the administrator to handle the matter. He will do a good job." But this is the second year during which we are making appropriations for ECA, and insofar as I am concerned I shall not vote for another dime after this unless in the meantime the corrections to which I have referred, particularly with respect to currency convertibility, are made.

Mr. FULBRIGHT. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. The Senator, I believe, will agree that convertibility, standing alone, cannot be brought about unless it involves, in addition, a certain adjustment respecting the fiscal policy, for instance, with relation to their tariffs and quotas. That is a part of the picture of what supports convertibility, of what makes convertibility possible. In bringing that about it would be much more profitable and effective if a part of the ECA fund at least were devoted to that purpose, rather than to the construction of more plants. Does the Senator agree?

Mr. ELLENDER. Not entirely. I do believe that most of the counterpart funds can be used to good advantage in many countries, for instance in Holland and Italy, to develop more land for agricultural purposes, which is absolutely necessary in those countries. Development of industry will not put them on their feet, but development of more land to produce more food will do so.

One can travel through every country on the Continent which produces an appreciable amount of food, and he will not find the suffering which is apparent in Great Britain. One of the great troubles in Great Britain is that she is overpopulated, and I believe she is overindustrialized. In other words, no balance exists in Great Britain between her agriculture and her industry.

I proposed 4 years ago that Britain should use the money we advanced her to move her factories to her colonies from which she obtains raw materials. I believed that if she did that she could make a come-back. Britain could develop South Africa, Australia, and Canada industrially. I am still of the opinion that that represents Great Britain's only salvation. If she continues her present policy she is going to die on the vine and probably bring misery to many other nations.

Mr. FULBRIGHT. Mr. President, will the Senator yield for one further question?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. Is not what the Senator means, to put it perhaps in a different way, that these countries must form a union of some kind, we will call it economic union, or federation, if you will, if there is to be any successful solution of their problems?

Mr. ELLENDER. I do not know. I think if such a union were formed—and I assume when the Senator speaks about an economic union he means political union as well—it might be harmful to us. I do not want to get into an argument on that subject. I do not intend to argue the case either for or against. I simply desire, as I stated at the beginning of my remarks, to lay before the Senate some of the facts I obtained during my visit to various countries of western Europe and to give my conclusions based on those facts.

Mr. FULBRIGHT. What the Senator means is that if these countries were made strong and self-sufficient they would be competitive, and therefore hurt us. Is that how the Senator feels?

Mr. ELLENDER. No. I do not think that it would be possible to get all of the countries to join together and form a federation. I doubt if their lot could be much improved. I know that they could not catch up with our method of production and therefore could not compete with us.

Another suggestion I have to make, if the Marshall plan is to succeed, is to bring about a rehabilitation of German industry. I am convinced that is essential to western European recovery. I found indications that France and Great Britain are objecting to the industrial development of Germany, not because they are afraid of such expansion in the event of another war, but because they want to hold Germany back so that they can have for themselves some of the industrial development that was Germany's. In my humble opinion, however, it will not work. The Germans have always been people of vision. They were good industrialists. They are mechanically inclined. They have the know-how. The other European nations are dependent on Germany for much of their machinery and equipment.

In that connection I wish to say that in Italy, in Switzerland, and in fact in almost every country I visited, I was told by some of their manufacturers that it is necessary that German industry be expanded on a peacetime basis if European recovery is to become a reality. Take the case of Italy, for example. Italy formerly sold to Germany its excess olive oil, oranges, grapefruit, and other items which she produced over and above her needs. In turn, Germany would let Italy have the machinery Italy needed. Germany dealt with the Balkans, and from the Balkans Italy got the grain of which she was short. Unless German industry is restored so that Germany can get back into the picture and serve her former customers, we shall have the Germans dependent upon us for a long, long time. We cannot let them starve to death. We are more or less their guardians. Besides, Germany's economy is so closely interlocked with the other nations of western Europe that it will be necessary, if the Marshall plan is to succeed, to encourage her development.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WHERRY. Getting back to the colloquy between the Senator from Louisiana and the junior Senator from Nebraska, the Senator from Louisiana said he wanted to call to my attention the policies declared in title I of the original act, where the objectives are set forth. I followed through title I, remembering what the objectives were. I ask the Senator if he does not recall this declaration:

> The accomplishment of these objectives calls for a plan of European recovery open to all such nations which cooperate in such plan, based upon a strong production effort, the expansion of foreign trade, the creation and maintenance of internal financial stability, and the development of economic cooperation, including all possible steps to establish and maintain equitable rates of exchange and to bring about the progressive elimination of trade barriers.

That is the declaration to which the Senator was referring.

Mr. ELLENDER. That declaration is the heart of the ECA program; and unless it is put into practice, in my judgment, all the money we have spent and all the money we shall spend in the future will come to nothing.

Mr. WHERRY. I appreciate the report which the distinguished Senator has given. It is most forceful and timely. It is conclusive evidence to those who believe in a "watchdog committee" that it could do the United States and even foreign countries a great deal of good if it were to make the kind of research which the distinguished Senator has made in those countries in the time available to him for that purpose.

In view of the objectives for which ECA aid is given, and the conditions under which it is extended to foreign countries, I ask the Senator, Why is it that Great Britain is not willing to carry out the purposes of the plan? The other countries of western Europe could further do what the Senator says are the objectives of the act, but Great Britain will not let them carry out the purposes of the plan. Does that mean that Great Britain is attempting to dominate the interchange of trade among those countries when she establishes the rates and the conditions under which the exchange is made? Is that what the Senator means? Does he mean that the Administrator is not requiring, as a condition, that Great Britain carry out the objectives of the act? Is he at fault? Has he not carried out the purposes of the act?

I agree with the Senator that unless trade barriers are eliminated, unless there can be a free flow of goods, we shall lose the objective of ECA, and when the money stops flowing to those countries we shall be back where we were in the beginning.

Mr. ELLENDER. And with the United States in a much weaker position.

Mr. WHERRY. Certainly. Unless we can get a free interchange of goods, and have one dollar do the job for 12 nations which it is doing today for individual nations, I agree with the Senator that the plan must fail. But the Senator has not yet made clear to me why it is that it is not to the advantage of Great Britain to see that economic barriers are eliminated. Why should Great Britain continue to make bilateral agreements, as she is doing today, in direct violation of the objectives of the act? Why does not Great Britain see that point?

Mr. ELLENDER. The difficulty may be that the pattern of industrial development in western Europe has taken such shape that today Great Britain is producing a great many industrial products which are also being produced in France, Belgium, and other countries. She may be afraid that in the interchange she will get the worst of the bargain.

Under all the circumstances, I believe that Mr. Hoffman is failing to carry out the written provisions of the law. High officials of four ERP nations stated to me specifically that they thought the United States was making a big mistake by not insisting that currency exchange be stabilized. They fear that if we continue to disburse funds at the present rate we shall weaken ourselves so that, should the nations of western Europe get into trouble in the future we will not be in a position to assist them.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. WHERRY. Did the Senator hear the remarks which I made when I inserted in the RECORD today an article from the Washington Times-Herald of July 26, containing a report by Bernard Baruch, in which he makes the same findings with respect to the ECA countries?

Mr. ELLENDER. No; I did not.

Mr. WHERRY. Bernard Baruch was returning to America on the *Queen Mary*. This press release was issued on the 25th of July. Mr. Baruch made this statement as reported in the article to which I have referred:

> Baruch is convinced that the billions of dollars poured into financially distressed nations have helped neither them nor the interest of the United States taxpayer as much as could be expected.

Does the Senator from Louisiana agree with those conclusions?

Mr. ELLENDER. I do. It goes back to the very thing of which I am speaking.

Mr. WHERRY. The article further stated:

> Baruch believes that loans or gifts to western Europe were not sufficiently conditioned upon European nations helping themselves regain their prewar economic stability.

Does the Senator agree with that conclusion?

Mr. ELLENDER. That is what I have said, although in different language. Mr. Baruch has stated it more succinctly and clearly than I, but that is the exact conclusion which I have reached.

Mr. WHERRY. The article further states:

> That is his conclusion after spending a month in England, France, Holland, and

Belgium, and conferring with such leaders as Winston Churchill (who in a Saturday night speech accused the Laborite Government of "squandering" nearly $8,000,000,000 of American and Canadian aid.

I do not wish to inject politics into this question, but does the Senator feel that the Laborite Government must produce at a rate of exchange so high that it destroys the very rehabilitation about which the Senator is speaking within Great Britain, because of lack of ability of the people to buy, and because of the absence of the interchange of goods with countries on the Continent with which Britain must do business if she is to rehabilitate herself?

Mr. ELLENDER. I do not know whether it is due entirely to the Laborite Government, but Britain's economy is founded on a faulty base. As I indicated a while ago, no matter who heads the British Government, whether it be the Conservatives or whether the Laborites continue to rule, I do not believe that either can make a go of it. She is at too great a disadvantage in a competitive world.

Mr. WHERRY. After his experience, does the Senator feel, in view of the provisions of the act and the objectives which were written into the act, that we are invading the sovereignty of those people by providing conditions under which mutual aid is extended economically and financially to correct the very defects the Senator is discussing today?

Mr. ELLENDER. What I should like to do, of course, would be to put into the law provisions to carry out the suggestions that I have been making.

Mr. WHERRY. Does the Senator mean in the basic act?

Mr. ELLENDER. Yes.

Mr. WHERRY. And not attached to the pending appropriation bill?

Mr. ELLENDER. It could be done in that way, too. The basic law has been enacted and it may be difficult to incorporate the proper language in an appropriation bill. However, I desire to do the next best thing. I should like Congress to make it plain to the European leaders and to the Administrator that we are giving them another chance to carry out this recovery program, and that if they fail to do so, we will attach strings to the next appropriation.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. ELLENDER. Mr. President, I shall be glad to answer any questions. I do not suppose that Senators would like to have me give them a more detailed account. I thought it best to make general statements as to what I found generally in all countries respecting a particular situation. I shall be glad to try to answer any questions which Senators may desire to ask.

Mr. WILEY. Mr. President, if the distinguished Senator will yield, let me say that I have been very much interested in his remarks. I wish to ask him whether mere generalities to the effect that ECA has not helped, and so forth, get us anywhere.

Mr. ELLENDER. Mr. President, I do not recall having said that ECA has not helped. I think ECA has helped considerably.

Mr. WILEY. I understand that; but I wish to get from the Senator from Louisiana some concrete suggestions about how to remedy the situation. What we have done with Britain and the countries on the continent of Europe with our aid, is that in large measure we have rebuilt their productivity to the point where now they are in competition not only with themselves, but also with us. The result is that the picture has changed entirely, since VE-day.

Now they are able to feed and clothe themselves with their own productivity and they have a surplus of commodities. They are facing the same situation which we are facing now with imports into this country.

I understand that the Senator's position is that we should say to the countries of Europe, "Take down your barriers and get your currencies in shape so that you can interchange them." But, Mr. President, we are not doing that here in the United States; we are not accepting the currencies of the European countries.

I think the situation demonstrates the need for a conference on monetary affairs, probably a revaluation of the currencies of all countries, and possibly getting into the economy of all the nations some kind of international currency. But this matter cannot be handled by legislation. We cannot tell Britain to go ahead and tear down a particular trade barrier, when tearing it down would do the same thing to Britain that tearing down the trade barriers with Japan is doing to certain factories in my own State at this time. Several months ago I spoke to the President about the effect on Wisconsin industry and labor of the influx of cheap Japanese goods. I have gotten nowhere up to date. This points up the situation confronting European countries.

It seems to me the situation is more or less chaotic because of overproduction in the world and lack of the instrumentalities by which nations can exchange commodities on one basis or another. Of course, many other factors also enter into the international picture.

But if the Senator's suggestion is that we should say to Britain, "You must tear down these barriers and must arrange with the other nations that you will exchange on a commodity basis," it seems to me that does not get us anywhere.

Mr. ELLENDER. Mr. President, I believe that they should trade with each other as they did before the war, and the ECA Administrator should insist on this as a condition for allocation of funds. Today those countries do not have confidence in one another's currencies——

Mr. WILEY. That is correct.

Mr. ELLENDER. And unless such confidence is restored, all the money we are spending for European aid will be in vain.

Mr. WILEY. The question is, How are we going to restore it? How? Get rid of the barriers, political, economic, and racial.

Mr. ELLENDER. It strikes me that it is going too far to force a man traveling from Denmark to France to bring chickens and eggs along with him in order to be able to obtain gasoline to operate his car.

Mr. WILEY. That does not answer my question, however.

Mr. ELLENDER. If we could restore Great Britain's confidence in the lira—and Italy's confidence in the pound—with Great Britain in very urgent need of Italy's fats and oils—trade could be established. Similarly, Holland could sell considerably more meat. But those countries must limit their purchases from other ERP countries. Before the war, Holland supplied Great Britain with practically all the bacon, ham, and butter that Great Britain needed. But today that commerce has been considerably reduced. As a result, the English people are suffering for lack of meat and the people of Holland are suffering from the lack of purchasers for her goods.

Mr. WILEY. I agree to that, but what is the answer?

Mr. ELLENDER. Unless something is done to restore the conditions which existed before the war, no matter how much money we spend in aid of those countries, in 1952 we shall find ourselves in the same condition in which we find ourselves now, namely, that we shall have to give them more money to balance their trade accounts. But in the meantime we are weakening our own economy to such an extent that, if we keep on doing so, we shall find ourselves on the same level as that of the people we are trying to help. If that ever happens, God pity the world.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WILEY. I think the Senator from Louisiana has rendered a distinct service in precipitating this matter into this forum. I think the answer must be found by getting the best brains of the nations together and having them determine the best ways and means to arrive at a solution of these difficulties.

The Senator is not unaware of the fact that much of the money we have furnished—as has been said—was not furnished to Europe at all, but it created jobs and activity in this country, and thus we got rid of much of our surpluses, and created employment.

But now they have caught up. England, with her high prices, is having trouble disposing of her manufactured commodities on the Continent. I may say parenthetically that in 1947, when I was in Europe, I found that one could buy English goods in Holland and Belgium, although such goods could not be purchased in Britain. Britain was tightening her belt and was sending her goods to other countries, in order to import for herself eggs and other food.

Mr. ELLENDER. Let me say that of the countries we are assisting England is the only one in that condition. However, all the other countries are suffering because of the steps England is taking to maintain her own economy.

Mr. WILEY. Of course, I question the accuracy of the statement that England is, by herself, causing this situation.

Mr. ELLENDER. England is the one that is objecting to the exchange of currencies. I understand that pounds can be used to make purchases outside the sterling-bloc area only under certain conditions which have been prescribed by the British.

Mr. WILEY. But we do not exchange currencies. The real question is how to get on a currency-exchange basis.

Mr. ELLENDER. I am talking about returning western Europe to its prewar condition insofar as the exchange of curriencies is concerned. If it had been left to the membership of OEEC, England would have been voted down. But our Government stepped in, and we agreed to the compromise, which made only 25 percent of ECA funds available for convertibility.

Mr. WILEY. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. WILEY. I do not hold any particular brief for Britain. Nevertheless, at the same time we were aiding Britain, she gave approximately four hundred million of her own currency to the other countries, in order that they might buy from her.

England has a great sterling bloc. She is trying to sustain her own economic lifeblood, just as all other nations are. Through fear, overabundance, and, what is more, cutthroat competition in the markets of the world, barriers are being created and the condition indicated by the Senator has arisen.

So we need to have the best brains devoted to a study of this problem, in order to throw light on this picture and enable us to make progress. We must realize that all of us are in the same boat. All of us must do our part. If we fail now to aid the other countries by seeking to get rid of the fears and the barriers, and particularly by getting brains into action, then we may have a greater problem thrown in our laps. It is very easy for us to sit back and criticize the great English people who stood at Dunkerque and who, when the world was looking for rescue, battled alone against the onslaught of Hitler and his gang. They are now battling against an economic war, and the forces are so tremendous that the best economic brains and the best judgment and vision are needed to try to find the way out. To cut off aid, may have the effect of cutting the jugular vein of international trade and international finance, and may bring about international war. What I am looking for is the great constructive suggestion which will give us the result we desire. I thank the Senator very much.

Mr. KEM. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Missouri for a question?

Mr. ELLENDER. I yield.

Mr. KEM. It is sometimes said, in the Senate and elsewhere, that we should not place any strings on Marshall plan money, because to do so would be an interference with the economies of the participating countries. I ask the Senator whether, in view of his observations and experience abroad, he is in sympathy with that point of view?

Mr. ELLENDER. As the Senator may recall, when the basic law was before the Senate a year ago, some of us tried to attach strings to it; but we lost. The State Department prevailed upon us with the argument that what we tried to do by putting amendments into the law might hurt the program because in the future certain developments might occur whereby the conditions imposed could not be met. What I am suggesting, since the Senate has not taken our advice in the past, is that we proceed to let the participating countries have the money, perhaps with cuts along the lines now suggested, with the warning that unless the conditions are met, we shall, when they come back the next time, incorporate the conditions in the basic law.

Mr. KEM. Mr. President, will the Senator yield for another question?

Mr. ELLENDER. I yield.

Mr. KEM. I should like to ask the Senator whether such a proposal is not entirely consistent with the present law which, in its provisions, places ten classes of restriction upon the use of our money, at the discretion of the Administrator.

Mr. ELLENDER. As I indicated a while ago, it seems to me that someone in the administration is not administering this law as we contemplated. Traveling all over Europe, one will find in every country except Great Britain that the crying need is for stabilization and convertibility of currencies, so that money can be used for the purpose for which it is meant. The only objection comes from Great Britain. I am saying to the Senator again that, unless something is done along that line, all the money we have spent will have been spent in vain.

Mr. O'CONOR. Mr. President, will the Senator yield to me for a question?

Mr. ELLENDER. I am glad to yield.

Mr. O'CONOR. Mr. President, first I should like to compliment very sincerely the able Senator from Louisiana for the wealth of information he has given the Senate, and to commend him for his discernment in the very careful investigation he has made. I ask the Senator, does he not feel, as the result of his studies of conditions abroad, that because of ECA assistance there has been a material improvement of conditions in the various participating countries?

Mr. ELLENDER. There can be no question about that. I so stated in my opening remarks.

Mr. O'CONOR. I listened to the Senator with a great deal of interest. In connection with one of the observations he made, I ask the Senator, particularly whether, in regard to agricultural production, in which the Senator has always been so much interested, he does not feel that as the result of the machinery and fertilizer and other things which were made available to the countries of western Europe under the ECA program, we have stimulated their efforts, and that very great improvement has been brought about?

Mr. ELLENDER. There is no doubt about that.

Mr. O'CONOR. I should like to ask the Senator a further question, with regard particularly to the conditions in Italy, where I know the Senator visited, because I heard from him when I was in Italy last month, when the Senator called me there. I ask the Senator whether he did not learn that the Italian people apparently have regained very much confidence in their Government, as is illustrated by the fact that capital investments have increased and bank deposits have also increased?

Mr. ELLENDER. There is no question about that, and, as I indicated in the course of my remarks, the fact that I was in Europe 3 years ago and visited the very same countries which I visited on this trip enables me to say Italy has shown the greatest degree of improvement of any of the countries I visited. I attribute that, of course, to the great amount of work which has been put into the recovery program by the Italian people themselves. They are hard workers. They are good farmers, and have made their farms produce considerably more than heretofore. I learned that from the Italians at a number of places. The fertilizer to which the Senator referred has been used to great advantage in increasing agricultural production.

Mr. O'CONOR. I thank the Senator, and I again wish to compliment him upon the wealth of information he has given the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Massachusetts?

Mr. ELLENDER. I am glad to yield.

Mr. SALTONSTALL. As supplementary, I hope, to the question of the Senator from Maryland, I ask, if there should be a substantial cut or elimination of ECA aid at this time, would it not cause tremendous disruption in what has been accomplished in western Europe, and also give a feeling that our country was not keeping its word in carrying through the Marshall plan?

Mr. ELLENDER. I think there can be no doubt about that. However, I believe cuts can be made along the line recommended by the Appropriations Committee without anybody suffering. I may add, I believe even a further cut could be made, if it were not for the condition existing in Great Britain. That is, a further cut could be absorbed very easily by the countries on the continent, but it would do great harm to Great Britain. Great Britain would be just that much further in debt. Anyone traveling in Great Britain and talking to the people will come to admire their courage. Quite often one of them is heard to remark, "I have suffered. I am suffering now. I should like to have a chicken or a beefsteak or something else for tomorrow." But they are always looking ahead hopefully. They are tightening their belts. They are willing to go ahead in the hope things will get better. But to my way of thinking, the light of that hope is becoming so dim that if present conditions continue, and

if the people are asked to further tighten their belts, they may become resentful and lose faith. I was very much interested in endeavoring to ascertain what effect, if any, the cut in number of calories the British are receiving per day is having upon their health. I talked with at least a half dozen doctors. They were in agreement, with one exception, in believing that the British people are today receiving enough to keep them alive, but that is all. So far as giving them health and strength and ambition to go forward if their present food ration is continued without increase, they may be seriously affected in the future. It may get to a point where they will say to themselves, "What is the use?" When that time comes there may be a collapse which will be tragic.

Mr. KEM. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. KEM. I ask the Senator whether he does not believe that the Administrator under the existing law has ample authority to take the steps the Senator is suggesting should be taken? I invite the Senator's attention particularly to section 115 of the original act authorizing the Marshall plan program, wherein, among other things, it is provided:

> Such agreement shall provide for the adherence of such country to the purposes of this title, and shall, wherever applicable, make appropriate provision, among others, for * * * (2) taking financial and monetary measures necessary to stabilize the currency, establish or maintain a valid rate of exchange, and to balance its governmental budget as soon as practicable, and generally to restore or maintain confidence in its monetary system.

Mr. ELLENDER. Certainly. I so stated a few minutes ago, in answer to a question by the Senator from Nebraska [Mr. WHERRY]. I am very hopeful that the Administrator will take heed and act in accordance with the intention of Congress.

Mr. KEM. Just one more question. Does the Senator believe that if he should do so, it would be interfering with the internal economy of the country in question?

Mr. ELLENDER. No; I do not think so.

Mr. KEM. In regulating its currency?

Mr. ELLENDER. No, I do not think so. We can say this to them: "We are willing to assist you. You can have the assistance, provided——"

Mr. KEM. We are placing a condition on the use of the money, which we have a perfect right to do.

Mr. ELLENDER. Yes. The country does not have to take it.

Mr. KEM. Perhaps I failed to make myself clear. Placing a condition on the use of the money is in no sense an interference in the internal economy of the country involved, is it?

Mr. ELLENDER. I should not think so.

Mr. O'CONOR. Mr. President, will the Senator yield for a further question?

Mr. ELLENDER. I yield.

Mr. O'CONOR. May I ask the Senator from Louisiana whether, as a result of his observations as announced, he does not feel that Mr. Paul Hoffman, Mr. Averell Harriman, and their associates are doing a splendid job in connection with the over-all program?

Mr. ELLENDER. I believe that Mr. Hoffman, as well as Mr. Harriman, are able administrators. They are doing the best they can. Ambassador Dunn—and I am sure the Senator from Maryland will agree with me—is doing a marvelous job in Italy. He is well liked among the Italian people. He takes a good deal of interest in his work, and he does not do his work entirely in Rome. He goes about in Italy and makes every effort to obtain information that will be of assistance to him in discharging his ambassadorial duties. I do not know of anyone who has taken a greater interest or who is exerting himself more than is Mr. Harriman. I repeat, he is a very able administrator.

I believe, if the situation were left to those men, without influence from the State Department, they would do a better job. If it were left to Mr. Harriman, I believe he could whip the British into line. I am quite certain that he realizes the importance of the interchangeability of currencies among the nations we are assisting, if the Marshall plan is to succeed. In other words, he advocated certain terms which were virtually agreed upon by all members of the OEEC, but, somehow, Great Britain was able to influence a change, which, in my opinion, simply "upset the apple cart." If it had been left, I repeat, to the membership of the OEEC, they would have reached a different agreement from that which was actually decided upon in the compromise. I am very hopeful that action will be taken now, rather than to wait until the next time Congress appropriates funds for ECA. When that time comes, unless what I have suggested is accomplished, I fear things will be so bad that little progress will have been made toward full recovery and we might have difficulty in getting Congress to appropriate any money at all.

Mr. O'CONOR. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. O'CONOR. Confining attention to the type of work being done by Mr. Hoffman, Mr. Harriman, and their associates, it was the observation of the junior Senator from Maryland that the European people were very favorably impressed with the type of administration which they were afforded, and which reflected great credit on the United States. Does that statement correspond with the Senator's view?

Mr. ELLENDER. That is correct. I am in complete agreement with the statement of the junior Senator from Maryland.

Mr. HENDRICKSON. Mr. President, will the Senator yield for one further question?

Mr. ELLENDER. I yield.

Mr. HENDRICKSON. I wonder if the Senator will tell us what is the reason for the difference in the progress in Italy and in Great Britain. There is a tremendous difference in progress.

Mr. ELLENDER. I think it may be attributed to two things. Italy produces a great deal more food than does Great Britain, and she is not so highly industrialized as is Great Britain. She has not the same difficulty in disposing of what she produces. Great Britain is highly industrialized. She has antiquated machinery. Her costs of production are high. She must import practically all of the raw products she needs. Whether it is due altogether to antiquated machinery or to the form of government under which she is now operating, I cannot say.

Mr. HENDRICKSON. I was going to ask if the leadership in both nations had anything to do with the result.

Mr. ELLENDER. I anticipated the Senator's question, that is why I mentioned her form of government. It may be that the high cost of production is due to the many social reforms which are carried on for the benefit of the people of Great Britain—nationalized medicine, pensions, and things of that kind, all of which cost money, for which the manufacturers must pay. It is charged to the cost of producing goods. That, in itself, may be one of the factors causing the high costs of manufacturing in Great Britain.

Mr. HENDRICKSON. Did the Senator observe whether there was a higher degree of socialism in Great Britain than there was in Italy?

Mr. ELLENDER. There is no comparison. So far as that goes, I do not see how it could get much worse in Great Britain, except by the labor government taking in a few more industries. As things are now, the British Government has absolute control over what the manufacturer produces. The manufacturer is not free to sell where he wants to sell, he cannot dispose freely of his merchandise, he cannot sell a bottle of Scotch or a pair of shoes in Great Britain unless a tremendous tax is applied. He has no control, so far as I have been able to ascertain, over the goods he manufactures. The Government has control over every person who produces anything at all. If a person has a little yard, containing more than 12 chickens, he must report the fact to some central authority, and he must dispose of any excess through some central agency. There is so much control that the people of Great Britain, having flown the banner of liberty for so long, are becoming a little tired of the way in which they are being regimented. One can observe it at every turn.

Mr. HENDRICKSON. It is rather surprising, is it not, to find a country, so recently a Fascist country, having more free enterprise than has a democracy such as Great Britain?

Mr. ELLENDER. That may be true. Very few of the industries of Italy are socialized other than public utilities. In some cases I found that a few industries were in the hands of the government. Such a situation resulted from the fact that a government lending agency had loaned money to many industries, and the owners gave up, and the Government took over. I understand that much progress is being made to restore such industries back to private ownership.

Mr. HENDRICKSON. I thank the Senator from Louisiana.

Mr. ELLENDER. Mr. President, it was my intention when I began this address, to present to the Senate a brief summary of conditions as I found them in the western European countries that I visited, and to recommend three major steps to improve the ECA program which I believe, if put into operation, will enhance considerably the possibility that most of these nations will achieve full recovery by 1952. I have discussed these three recommendations during the course of my remarks, and before taking my seat, I desire to repeat them now, for the purpose of emphasis:

First. The ECA Administrator should take steps to bring about immediately the interchangeability of currencies among the western European nations, so that goods may flow more freely across the borders as they did prior to World War II. I found that industrial and agricultural production has reached or exceeded prewar levels in most of the countries I visited, and goods are beginning to pile up in warehouses and stores. Trade between the ERP countries is more or less stagnant, because the nations have no faith in one another's currencies, and because many of them, particularly Great Britain, prefer to sell their products in the dollar areas.

Second. The ECA Administrator should insist that the participating countries take action to reduce the wide gap which exists between workers' income and the cost of food, clothing, and other essential commodities. Goods are plentiful, but the people do not have enough money to pay the high prices that are asked.

Third. German industry should be rehabilitated so that Germany can play its full part in the recovery of western Europe. I am convinced that development of industrial production in Germany on a peacetime basis is essential to a balanced economy in western Europe.

I wish to thank Senators for their interest in my remarks. I am hopeful that more Senators will be afforded the opportunity to visit the countries we are assisting. I am certain that it would redound to the benefit of our people. It would place Senators in better position to vote for or against the huge sums we are appropriating in aid of our friends.

ORDER FOR CALL OF THE CALENDAR

Mr. LUCAS. Mr. President, the reporters have come to me and made a request, which I think is very reasonable. I made the statement yesterday that when we reached the hour of 7:30 tonight we shall immediately start calling the calendar from the beginning. I intend to keep that agreement, of course, but I think we probably should take a recess at 6:30 to enable us to have a bite to eat. The reporters are very anxious to have some sustenance to carry them through the evening. I ask unanimous consent that at 6:30 o'clock the Senate stand in recess until 7:30.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I examined the RECORD this morning. I do not believe there is a unanimous-consent order for the calendar call. Was there a unanimous-consent request for a call of the calendar at 7:30 this evening?

Mr. LUCAS. There was not.

Mr. WHERRY. I thought not. May I suggest to the Senator, why not make that request now.

Mr. LUCAS. There was merely a general understanding that the calendar would be called at 7:30.

Mr. WHERRY. The statement was made by the majority leader, as I recall. I merely had in mind it will be necessary to have a unanimous-consent request, since we are not in the morning hour. I think the order might be made at this time.

Mr. LUCAS. Mr. President, I ask unanimous consent that, at the hour of 7:30 p. m. tonight the pending business be temporarily laid aside and that the Senate proceed to the call of all unobjected-to bills on the calendar, beginning at the beginning of the calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. McCARTHY obtained the floor.

Mr. MAYBANK. Mr. President, will the Senator yield in order that I may suggest the absence of a quorum?

Mr. McCARTHY. I shall be glad to yield for that purpose if I do not lose the floor thereby.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. MAYBANK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Miller
Anderson	Hickenlooper	Millikin
Baldwin	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Murray
Bridges	Hunt	Myers
Butler	Ives	Neely
Byrd	Johnson, Colo.	O'Conor
Cain	Johnson, Tex.	O'Mahoney
Capehart	Johnston, S. C.	Pepper
Chapman	Kefauver	Robertson
Chavez	Kem	Russell
Connally	Kerr	Saltonstall
Cordon	Knowland	Schoeppel
Donnell	Langer	Smith, Maine
Douglas	Lodge	Sparkman
Dulles	Long	Stennis
Ecton	Lucas	Taft
Ellender	McCarran	Thomas, Utah
Ferguson	McCarthy	Thye
Flanders	McClellan	Tobey
Frear	McFarland	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Malone	Williams
Gurney	Martin	Withers
Hayden	Maybank	Young

The PRESIDING OFFICER. A quorum is present.

ADDITIONAL CIRCUIT AND DISTRICT JUDGES—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, will the Senator do me the courtesy to yield so I may submit a conference report?

Mr. McCARTHY. I yield.

Mr. McCARRAN. Mr. President, I submit a conference report, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The clerk will read the report.

The report was read.

(For conference report, see House proceedings, p. 10217.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. LUCAS. Mr. President, will the able Senator from Nevada give us a brief explanation of the result of the conference?

Mr. McCARRAN. It will be recalled, Mr. President, that when the Senate acted on the bill one Senate committee amendment to the bill provided for certain qualifications for judges in the District of Columbia. That amendment came from the Committee on the Judiciary. The Senate agreed to the amendment. It, among other amendments, went to conference. The conferees on the part of the Senate receded from that amendment. The conferees on the part of the House receded from every other amendment to the bill the Senate had adopted. That included amendments dealing with judges in southern California, a judge in Oklahoma, and a judge in Kansas. All Senate amendments relating to those judges were acceded to by the conferees on the part of the House. As I said, the conferees on the part of the Senate receded from the Senate amendment providing qualifications for the judges of the District of Columbia.

Mr. KNOWLAND. Mr. President, will the Senator yield for an inquiry?

Mr. McCARRAN. Yes.

Mr. KNOWLAND. Can the Senator inform the Senate whether or not all the conferees on the part of the Senate, both of the majority and the minority, signed the report?

Mr. McCARRAN. The minority conferee on the part of the Senate, the Senator from Michigan [Mr. FERGUSON], did not sign the report. The other conferees signed the report. I might say in that regard that I offered a compromise to the language of qualification adopted by the Senate respecting the judges for the District of Columbia. That compromise was agreed to by the conferees. It was a compromise which would have amended the statute providing for disqualification of a judge under certain conditions. But on further reflection the conferees on the part of the House brought matters to my attention which made me believe we should recede even from that compromise. To that the Senator from Michigan [Mr. FERGUSON] did not agree. That was the only matter on which there was no complete agreement.

Mr. KNOWLAND. I wonder if the Senator would have any objection to letting this matter go over temporarily until I can consult with the minority member of the conferees on the part of the Senate.

Mr. McCARRAN. Certainly not.

Mr. LUCAS. Mr. President, will the Senator yield for one more question?

Mr. McCARRAN. Yes.

Mr. LUCAS. I understand the bill which is now being presented by the conferees follows the language which was contained in the House bill, as it came

to the Senate, and the only recession the House made was with respect to the additional judges the Senate placed in the bill?

Mr. McCARRAN. That is correct. The Senate amendments provided for additional judges for instance in Oklahoma, Kansas, California, and the District of Columbia. Those are the ones who come to my recollection.

Mr. LUCAS. I thank the Senator from Nevada.

The PRESIDING OFFICER. On request of the Senator from California [Mr. KNOWLAND], the consideration of the report will be delayed temporarily.

WAR CRIMES TRIAL IN AMERICAN-OCCUPIED EUROPE

Mr. McCARTHY. Mr. President, I should like to discuss in detail today a matter which I certainly do not enjoy discussing. I think it is a subject, however, which must be gone into in detail and brought to the attention of the Senate. It appears to me that it is especially appropriate to bring the matter up at this time while we are discussing the subject of giving financial aid to Europe. The subject I wish to discuss has to do with the conduct of our armed forces in meting out justice, or alleged justice, in the American occupied zones of Europe. It has to do with the investigation, or alleged investigation, by Army committees, and by one of our own Senate subcommittees.

Within the last 10 years this country has been involved in two major conflicts, both centering around the all-important issue of human rights—one, a fighting war with the totalitarian government of Hitler; the other, a cold war with the totalitarian government of Stalin.

The Senator from Connecticut [Mr. BALDWIN] I know will wish to take exception to some of the things I am going to say, and for his convenience I give him a copy of my statement.

The first of those two major conflicts was the most expensive fighting war—in terms of the number of lives lost and the billions of dollars spent—that this country has ever fought. The second is the most expensive single project—in terms of dollars spent—that this country has ever embarked upon. Both of these conflicts have been concerned with stopping the spread of principles exactly opposite to ours. We have embarked upon both largely for the purpose of bringing to the people of the world the same standards of human rights that have been developed in this country. We have felt that it was a dangerous threat to our way of life to allow either of those governments, with their disregard for human rights, to move forward unchecked and force their set of standards on other people.

If then we feel it is this important to keep alive in the world the principle of the dignity of man, and our standards of justice and right; if we think it important enough to sacrifice the lives of hundreds of thousands of young men, and jeopardize the economy of our country by giving away billions of dollars, then it is of utmost importance that we demonstrate at all times to the people of the world that our form of government actually is what we say it is—that it is more fair, more honest, more decent than the governments they have known under Hitler or Stalin, and that our form of government stands for the rights of the individual over and above those of the state. In the face of what it has cost us to date to halt the spread of dictatorships and totalitarian governments, it is our duty to demonstrate by our actions the purpose behind these two great conflicts—our firm belief in the importance of the rights of the individual.

A very serious question has been raised as to whether a few incompetent and irresponsible men representing this country in western Europe today are not going a long way toward defeating this purpose.

The manner in which some of the war-crimes trials in Europe have been conducted does not in any way reflect the principles of fair play, decency, and honesty for which we Americans profess to stand. To look at the record of those trials it would appear that we have forgotten why we fought a war with Hitler and why we are spending billions of dollars abroad in an attempt to sell the democratic way of life over communism.

Regardless of the fact that the Nazis committed horrible acts of cruelty before and during the war, and regardless of the fact that those guilty of war crimes are entitled to no sympathy, the fact is that representatives of the American people and of the United States Army are guilty of sacrificing the basic principles of American justice, guilty of failing completely to protect the rights of the innocent and convict only the guilty, and guilty of adopting many of the very same tactics of which we accuse Hitler and Stalin. The cost of their ignorance, bungling, and incompetence has been to almost completely nullify any moral value which the war-crimes trials might have had.

The account which I am giving today will be an account of the manner in which members and hirelings of the United States Army conducted the war-crimes trials in western Europe and of the subsequent investigations of the conduct of these trials by two civilian judges, by an Army board, and by a subcommittee of the Senate Armed Services Committee. It is not a picture of which the American people can be proud. As Bishop Theophilus Wurm of Stuttgart, the aged leader of German Protestantism, said in a blistering statement issued to the press on the onesidedness and the problematic character of the methods used in the war-crimes trials:

> Never will the people of the town of Schwabisch Hall, who in the nights heard the cries of pain of the tortured beyond the prison walls, be made to believe that these investigators were servants of justice and not servants of revenge.

In order to give a clear picture of this situation, it is necessary first to recall some recent history with which most of us are acquainted.

On the 16th day of December 1944 the German Army started its final all-out attempt to destroy the Allied armies in Europe. The first target was our main supply port of Antwerp. In a period of several weeks, they destroyed and captured a vast amount of American equipment and killed and wounded hundreds of thousands of Americans. This entire operation, in which the Germans penetrated the Allied lines approximately 70 miles, is known as the Battle of the Bulge.

A combat team under Lieutenant Colonel Peiper was one of the German units involved in this final push. Combat Group Peiper was assigned the task of reaching the Mass River within a period of 2 days. This meant breaking through the Allied lines and traveling many miles in Allied-held territory.

During the Battle of the Bulge many war crimes were charged against various units of the German Army—thirteen major incidents, plus a sizable number of minor incidents. One of the major incidents was the massacre of between 40 and 80 Americans at the Malmedy Crossroads. All of the trials for war crimes perpetrated during the Battle of the Bulge, however, have come to be classed in a group known as the "Malmedy Cases." These war crimes trials were held at Dachau. In referring to the "Malmedy Cases," the reference is not only to the actual Malmedy Crossroads massacre, but also to a great number of alleged war crimes that occurred during the entire Battle of the Bulge—some of them a great distance from the Malmedy Crossroads.

It seems to be definitely established that part of Peiper's group was responsible for the crossroads massacre. Apparently there is no question about it. Most of this group were killed by Allied soldiers as they pushed forward into the Allied lines. The few survivors of the Peiper group who were at the crossroads as well as the balance of the Peiper units were rounded up from various prison camps at the end of the war and charged with most of the atrocities that occurred during the Battle of the Bulge, such as the shooting of Belgian civilians as well as American prisoners of war.

After extended interrogation by members of the United States Army, practically all of the accused either signed confessions or signed statements implicating their coaccused. Seventy-four of the group were tried at Dachau and all convicted except one, who committed suicide during his questioning.

After the convictions, members of both the prosecution and defense teams who returned to this country made public statements to the effect that the methods used in getting convictions neither protected the rights of the innocent nor convicted the guilty, and that from the trial records there was no way of knowing whether guilty men or innocent men were being hanged.

One of the returning prosecuting attorneys, for example, stated that the deputy judge advocate in the European theater told the trial staff to "give the

accused a fair trial and then hang them," and that the law member of the court ordered all members of the trial staff at Dachau in December 1946 to "pay less attention to the principles of American justice and jurisprudence in the trials of war criminals, and forget any knowledge of the spirit upon which our form of government was founded and fostered."

The claims of improper conduct on the part of American Army officers and civilians employed by the Army to obtain statements and confessions from the acccused were so startling in nature that the then Secretary of the Army, Kenneth Royall, appointed two outstanding judges—Judge Edward Van Roden of Pennsylvania and Judge Gordon Simpson of Texas—to go to Europe and make a complete investigation of the vast welter of charges and countercharges and give him a report thereon.

After an investigation, the Van Roden-Simpson committee made a report, which perhaps can best be summarized in the words of Judge Van Roden, who said:

> From the conduct of these trials, it is impossible to know whether the men being hanged are guilty or innocent.

The two civilian judges who were chosen to head this committee because it was felt they could and would approach the problem in an objective and disinterested manner, brought back a sordid story—a story to the effect that the American interrogation team tortured the defendants by means of beatings, kickings, and other physical abuse, that they conducted mock trials and threatened harm to families of the accused in order to get the accused to sign confessions dictated by members of the interrogation team.

> Some of the statements and confessions—

The report states—

> were obtained by the use of mock trials in which one or more persons attired as Army officers pretended to preside as judges and others attired in Army officers' uniforms pretended to be the prosecutor and defender of the accused.

The report and the statements of other disinterested witnesses describe in detail the weird proceedings which took place during a mock trial and which were designed to intimidate the accused and lead him to believe "it was his last chance to talk" and that he was actually on trial for his life.

If I may describe the mock trial—and on this there is practically no dispute between the defense and the prosecution—one of the members of the prosecution team would go to the cell where the accused, who might or might not be guilty, was being kept in solitary confinement. The accused, his head covered with a black hood, would be led into a small, dark room. In the center of the room was a table covered with a black cloth on which stood a crucifix and lighted candles.

Several members of the interrogation team, as I have said, were American citizens of very recent origin—German political refugees from Hitlerian Germany—employed by the Army, because of their hatred for the defendants, for the purpose of getting confessions from the accused. As one of them said, he would get a confession from any of the defendents that he murdered Abraham Lincoln, if such a confession were wanted.

The man would be brought up to the room where phony judges sat behind the table. There was a phony prosecution attorney, and there were phony witnesses. Then the defendant would be assigned a phony defense counsel.

Up to this point there is no dispute whatsoever in the testimony. After the trial was completed—and from this point on there is a difference of opinion—many of the witnesses give the remainder of the picture as follows: When the trial was completed, and after the defendant was sentenced to be hanged, the phony defense counsel who, during the trial, had won the confidence of the defendant, would go back to his cell and say, "If you will sign this confession which we have prepared, instead of hanging at sunrise we will get you off with 5 or 10 years."

There is evidence that at times phony priests and phony ministers were used. If those methods did not work, then another method was resorted to—a method, incidentally, which one member of the interrogation team, a Mr. Steiner, bragged about. In fact Mr. Steiner bragged so much about the confessions he obtained that an investigation was made. This investigation showed the situation was so bad that Steiner was discharged.

I do not condemn men like Steiner so much, because he had every reason to hate and dislike members of the German Army—his mother had been killed by the Germans. But I do condemn those who hired him to get confessions. He bragged about how he would take a man out, after a phony or mock trial, put a black hood over his head, lead him up three or four steps, put a rope around his neck and tighten it until he was unable to breathe, then loosen the rope and tell him that if he would sign a confession, he would get off with only 5 or 10 years imprisonment, instead of being executed. Of course it is not too difficult to get confessions under such circumstances.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. McCARTHY. I am glad to yield.

Mr. HICKENLOOPER. I apologize for interrupting the Senator's remarks, but I must leave about 2:30. I should like to know who was the authority immediately responsible in Germany, whom the Senator claims tolerated or condoned or ordered such practices.

Mr. McCARTHY. I was coming to that.

Mr. HICKENLOOPER. I am sorry to interrupt, but, as I have said, I have to leave about now.

Mr. McCARTHY. That is quite all right; I was coming to that point. I wish I did not have to discuss it, but obviously I must. The man primarily responsible is the present law partner of the chairman of the Senate subcommittee that is investigating the charges, a Major Fanton. He was the man directly in charge of the interrogation team during all the time of the alleged brutality.

Mr. HICKENLOOPER. Who was the commanding officer in that area?

Mr. McCARTHY. A Colonel Streit, I believe.

Mr. HICKENLOOPER. I am trying to determine where the ultimate authority lodged in connection with these activities.

Mr. McCARTHY. The ultimate authority lodged in General Clay. But Colonel Streit was the intermediate authority.

The man who was directly in charge of the interrogation team, the man who hired the refugees from Hitlerian Germany to go into the cells and get the confessions and statements, the man who countenanced the beatings, the mock trials, and all the other medieval torture methods, is a young man from Connecticut named Fanton, who unfortunately is the law partner of the man the Senate assigned the job of making the "thorough and complete" investigation.

Mr. HICKENLOOPER. I am sorry that I must leave now, but I have a meeting which I must attend. I shall read the remainder of the Senator's statement in the CONGRESSIONAL RECORD, to determine the chain of authority, not particularly as to General Clay, but as to the Judge Advocate General's office.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. BALDWIN. I should like to advise the Senator from Iowa that the subcommittee which has been referred to by the Senator from Wisconsin has conducted a long series of investigations to determine who was responsible for the whole conduct of the trials. I could make available to the Senator from Iowa a very complete record of the testimony as to the chain of command.

Mr. HICKENLOOPER. I shall be glad to have that, but now I must leave.

Mr. BALDWIN. I simply wish to say that before accepting completely what the distinguished Senator from Wisconsin has said about the matter, I think it would be highly advisable for Senators to read the sworn testimony in the record as to the chain of command.

Mr. HICKENLOOPER. Mr. President, I have come to no conclusions whatsoever regarding this matter. Of course I am interested in the question of procedure.

Mr. McCARTHY. Mr. President, I shall be glad to yield at any time to the Senator from Connecticut or to any other members of the subcommittee, to permit them to ask any questions or make comments, assuming that I may have unanimous consent to do so without thereby losing the floor. I assume that there may be some points which various Senators may wish to discuss as I proceed.

Beatings, kickings in the testicles, and other types of physical abuse of prisoners were also a part of the softening-up process employed by our questioners to get confessions from the accused despite the fact that it is one of the oldest established rules of Anglo-Saxon law that confessions secured by means of torture are absolutely worthless.

Obviously this system was effective in producing whatever type of confession or statement the questioner desired. It is an unquestioned fact that an innocent man will scream just as loudly as a guilty man when being tortured, and likewise that an innocent man will sign a confession the same as a guilty man if tortured enough.

The system was 100 percent productive in these cases. The trial records of this group of Dachau cases show that 74 of the accused were tried; 73 were convicted on the basis of confessions signed by the accused or statements by coaccused. The seventy-fourth man, incidentally, committed suicide during his questioning. If it had not been for that, so the chief prosecutor said, he would have had a "perfect record" and would have convicted all 74.

The Van Roden-Simpson Report, written by two civilian judges who had no personal interest whatsoever in the trials, was made public in January 1949.

Three months later, in March 1949, an Army board headed by Col. John Raymond concluded another investigation into the conduct of war-crimes trials of these cases and submitted its report thereon. This Army board was appointed to further investigate the charges, confirmed by the Van Roden-Simpson Committee, that physical torture, mock trials, mock hangings, and so forth, were employed to secure confessions with which to convict the accused.

The Raymond Board substantially confirmed the findings of the Van Roden-Simpson Committee. In fact, it added the findings that members of the Army's prosecution staff, under the guise of "taking care" of the husband's case, "fraternized"—for want of a better word—with wives of the accused who moved into the town of Dachau during the trials. The Raymond Army Report also stated that "representatives of the prosecution threatened harm to relatives of the accused if they would not confess." In fairness, however, it should be stated that several of the prosecution team who took the wives of some of the accused to the officers' club and got them liquored up, and so forth, were discharged, and were sent back to the United States.

As to charges of physical violence, the Raymond Board cited from an affidavit signed by Dr. Knorr, the dentist at Schwabisch Hall, which showed that he "treated 15 or 20 of the suspects for injuries to the mouth and jaw, apparently inflicted by blows."

After confirming the charges that convictions were secured by means of confessions and statements gotten from the accused as a result of torture, the Raymond Board concluded:

> The methods employed in interrogation, however, had a definite psychological effect on the defendants and resulted in their being more amenable to giving statements.

This statement in the Army report, as much as the charges of misconduct against the Army prosecution staff, greatly disturbed our Special Senate Investigating Committee and convinced our members that the matter should be investigated thoroughly and completely by a fair and impartial committee.

It was decided by a unanimous vote of our Special Senate Investigating Committee that we investigate the conduct of the war-crimes trials in American occupied Europe for the purpose of (1) recommending any changes we considered desirable or necessary in the judicial system under which these trials were conducted, and (2) determining the facts in regard to the alleged torture and duress used in obtaining confessions from accused and statements from witnesses, and to determine whether it was possible to know whether we were hanging the guilty or the innocent.

I very strongly felt that because of the actions of a group of vengeance-minded, irresponsible, and completely incompetent men representing this country in western Europe, our Government had been placed in the position of condoning a band of brutalitarianism worse than that practiced by the most morally degenerate in either Hitler's or Stalin's camp—as though morality and right could be determined by national tags.

I felt that if we in the United States Senate were to sit idly by and not raise a voice against the use of Hitlerian and communistic tactics by a group which is certainly not representative of the American Army or the American people, it could mean only one thing to the world. It could only mean that their ways were our ways and that the democratic way of life, which we are spending billions of dollars to sell to the people of the world, sanctioned a brand of justice that comparies unfavorably with the worst in history.

If the criminal phase of a judicial system protects the rights of the innocent and convicts and properly punishes the guilty, then it is a good system; otherwise, it is bad. If what the Van Roden-Simpson Committee and the Raymond Board said is true, then the American system of meting out justice in western Europe was neither effective in protecting the right of the innocent nor in convicting the guilty.

If the tactics used by our Army could be justified because they "created the right psychological atmosphere in which to secure confessions," then by the same rule either a Hitler or a Stalin could justify his actions in like manner.

After unanimously agreeing to conduct an investigation into the conduct of war-crimes trials in western Europe, it was decided by our Special Senate Investigation Committee to invite the Judiciary and Armed Services Committees to participate.

The chairman of the Armed Services Committee vigorously protested against such an investigation by our committee on the ground that the Armed Services Committee alone had jurisdiction to conduct the investigation. He, thereupon, appointed the Senator from Connecticut [Mr. BALDWIN] chairman of a Special Armed Services Subcommittee to "investigate" the Dachau trials of those accused of war crimes during the Battle of the Bulge. Other members were the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Wyoming [Mr. HUNT].

The selection of members to this Armed Services Subcommittee greatly disturbed those of us who were concerned with getting a fair and unbiased investigation. It was, of course, extremely unusual that a Republican Senator should have been appointed chairman of a committee which was controlled by the Democrats. The reason for this departure from the usual Senate rules was, however, rather easy to see. The selection of the Senator from Connecticut [Mr. BALDWIN] was even more unusual and questionable in view of the fact that he had previously indicated on the Senate floor on January 27, 1949, that he believed the charges of misconduct were "groundless." He did request an investigation, however, so as to give a certain "young man from Connecticut" an opportunity to answer these "groundless" charges.

It later developed that the "young man from Connecticut," who the chairman of this subcommittee defended on the Senate floor, was Dwight Fanton, the chairman's law partner.

Major Fanton was in command of the team that got the confessions and statements from the accused. He was in complete charge of those who both the Raymond Army Board and the judges' committee reported had used physical force, mock trials, and so forth, to get confessions. Whether these charges against Major Fanton were true or false—whether he was completely competent, as he claims, or shamefully incompetent as the above report and the testimony of some of the witnesses would indicate—was one of the very important matters upon which the committee would have to make a decision.

I felt that another investigation of this matter would be a complete waste of time and effort if it were not conducted in a completely fair and impartial manner. I felt that the Senator from Connecticut [Mr. BALDWIN], because of his close personal connection and his law partnership with Major Fanton, one of the men whose actions were to be investigated, and because of his previous statement on the Senate floor, labeling as "groundless" the charges found to be true by both the Van Roden-Simpson committee and the Raymond Army Board, was most assuredly not the man to head up an investigation which, if it were to be worth while, had to be impartial and unbiased.

When it was called to the attention of the Senator from Connecticut [Mr. BALDWIN] that an investigation of his own law partner by him would be a farce since he had already in a speech on the Senate floor, in effect labeled Fanton simon-pure, BALDWIN did not step aside to let a disinterested Senator take over the chairmanship.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. McCARTHY. Let me go a little further first.

While I do not doubt that the Senator from Connecticut honestly felt that it was necessary for him to head this subcommittee so as to bring out what he considered to be the truth, it has long been the practice of judges and chairmen of committees to step aside under similar circumstances—not because they themselves felt they could not be fair, but because conditions were such that in the eyes of the public a fair hearing would be impossible. I am glad to yield to the Senator from Connecticut.

Mr. BALDWIN. Mr. President, as the Senator from Wisconsin knows, the chairman of the subcommittee, the junior Senator from Connecticut, as well as the other two members of the committee, find themselves in a difficult position, because throughout this whole matter it is their duty and their purpose and desire to conduct themselves with the utmost impartiality in an effort to find the truth concerning the serious charges which have been made by the Senator from Wisconsin and others.

I think, however, Mr. President, it should appear in the RECORD at this particular point that the junior Senator from Connecticut offered on the floor of the Senate a resolution calling for an investigation of the trial of the perpetrators of the so-called Malmedy massacres. That came about for many reasons. One of them was, there had been filed in the Supreme Court of the United States by the chief of the defense counsel a petition for a new trial, or for other legal relief, to which were attached a number of extrajudicial affidavits drawn up by the condemned prisoners, making very serious charges. Others were by members of the prosecution, who had never, with one or two exceptions, been called before any of the reviewing boards to give their own direct testimony, but who, on one or two occasions, had submitted affidavits, to give to these men, who were members of the United States Army and who had conducted the investigation and the prosecution, an opportunity to present their point of view with reference to the situation.

There were other reasons behind it, too, the chief one being that I felt, as the junior Senator from Wisconsin feels, that these trials were extremely important; that the way in which they were handled had a tremendous significance not only to the Germans but to the whole world; that we were concerned with a very important experience in the matter of war crimes trials and their conduct, the prosecution, the make-up of the courts, the times at which the trials should be held, and all the many intricate details that enter into it.

So, Mr. President, I offered the resolution. It was referred to the Armed Services Committee, and the chairman of the committee appointed me to a subcommittee, with two colleagues on the committee, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Wyoming [Mr. HUNT], to conduct the investigation called for by the resolution.

We began the conduct of the investigation. The Committee on Expenditures in the Executive Departments was also tremendously interested in the matter. We felt in the Armed Services Committee, that since it pertained to the conduct of the Army, one of the branches of the armed forces, it was well within the province of our committee. So the subcommittee was appointed and began its hearing.

Mr. McCARTHY. Mr. President, I ask unanimous consent to yield at as great length as the Senator from Connecticut desires, without my losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BALDWIN. Mr. President. It is not my purpose to get into a debate with my colleague from Wisconsin over the subject at this time, because at the proper time we shall have a complete report, based upon sworn testimony taken by the committee, not only in this country but, I hope, abroad. But I think it is only fair to the committee and to the junior Senator from Connecticut and his colleagues on the subcommittee to make this statement.

We asked the Committee on Expenditures in the Executive Departments if the members desired to have a representative sit with the committee. As I recall, I personally extended an invitation to the Senator from Wisconsin, because I knew of his interest in the matter, and he did sit as a member of the committee for a time. I desire to say, and I do not think he can successfully contradict the statement, that every single witness suggested by the junior Senator from Wisconsin was called by the committee.

The question regarding the relationship of the junior Senator from Connecticut, who was chairman of the subcommittee, to Major Fanton, who was a junior law partner in the firm of which the junior Senator from Connecticut had been a member for a great many years, except during the period of time when he was Governor of Connecticut, was raised with considerable vehemence by the junior Senator from Wisconsin. When it was raised I thought it wise and proper to take it up before the full Armed Services Committee. So I presented the matter to the committee and told the committee that I should be very glad to withdraw as the chairman of the subcommittee. The committee, however, saw no reason why, because of this particular individual connection with the matter, and in the light of the testimony of a great number of other witnesses who would be called——

Mr. McCARTHY. May I interrupt the Senator a moment? Do I correctly understand that the Armed Services Committee was informed that Major Fanton was in charge of the interrogation during all the alleged brutalities, that it was informed that he was the Senator's law partner, that he was the man who was principally to be investigated, and that the Armed Services Committee took the position that it was perfectly proper for the Senator to act as chairman of the subcommittee investigating his own law partner?

Mr. BALDWIN. I do not recall the exact details of the conversation. It may be that the Senator from Wyoming [Mr. HUNT] recalls them, for he was present at the time. The matter was presented and the importance of the young man's connection as a witness was also detailed. I think the junior Senator from Wisconsin is somewhat generous with the way in which he deals with the facts, because it is my recollection that Fanton was a junior officer to Colonel Ellis, who had charge of the whole matter, and that Fanton came after the organization had been there for some time. He was there, perhaps, during the most important part of the time.

Mr. McCARTHY. Major Fanton was in sole and direct charge of the interrogation. Colonel Ellis had nothing to do with the interrogation. He was in charge of the prosecution. Colonel Ellis came on the scene after Major Fanton had been there for some time, and Major Fanton left after his job of getting confessions and statements was substantially ended. Fanton came on the scene in complete charge of the interrogation. He was the man who hired and fired the refugees. Then Colonel Ellis, who was the chief prosecutor, came upon the scene. It is all a matter of record.

Mr. BALDWIN. It is all a matter of record, and the record has a better recollection than has either the Senator from Wisconsin or myself.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. McCARTHY. Mr. President, may I have the general unanimous consent that I may yield not only for questions, but for comments by the members of the subcommittee, without my losing the floor?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

Mr. KEFAUVER. I did not hear the colloquy which preceded the latest observations, but I should like to refresh the memory of the distinguished Senator from Connecticut as to what happened in the Armed Services Committee when the matter was brought to the attention of that committee by letter, I think, from some organization called for the prevention of world war III. It criticized the acting of the distinguished Senator from Connecticut as chairman of the subcommittee because a former law partner of his was one of the witnesses or was in some way involved in the matter. The Senator from Connecticut said he did not want to continue if anyone had any question about the matter, and the chairman of the Armed Services Committee said that he and the committee had full confidence in the Senator from Connecticut to carry on the investigation impartially and to arrive at justice in the matter, and asked the Senator from Connecticut to carry on as chairman of the subcommittee. He expressed the assent of the entire committee in making that observation.

Mr. McCARTHY. Mr. President, I should like to ask the Senator from Tennessee this question: Does he think it was proper to have, as chairman of the

subcommittee, a man who had been a law partner of the alleged principal wrongdoer, and to have as the second member of the three-man committee the Senator from Tennessee, who was the law partner of Ralph Shumacker, who had been accused in a number of affidavits of brutalities? Does the Senator think it was proper to have those two Senators conducting the investigation? I know that every judge feels that he himself is perfectly competent and perfectly fair. There is no doubt that the Senator himself felt he would be absolutely fair in the matter. He took such a small part in it that I have not been dwelling on his connection with it at all. But does the Senator think that in the eyes of the world it looks fair, honest, and decent?

Mr. BALDWIN. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield; and if so, to whom?

Mr. McCARTHY. I will yield to the Senator from Tennessee, if I may.

Mr. KEFAUVER. To my own knowledge, the Senator has not correctly stated the relationship of the distinguished Senator from Connecticut with the former member of his law firm.

Mr. McCARTHY. Not a former member; a present member.

Mr. KEFAUVER. Any way, the Senator from Connecticut is in a better position to state what that relationship is than is the Senator from Tennessee.

I want to say, in regard to the Senator's inference as to the junior Senator from Tennessee, that I never knew, until the young man came forward to testify, that Ralph Shumacker had been connected with the matter in any way. He was not one of the principals involved. The truth is not as the Senator from Wisconsin has stated, and he well knows that it is not in the evidence that this young man was ever a law partner of mine.

Mr. McCARTHY. What kind of a partner was he?

Mr. KEFAUVER. The truth is that in 1931 and 1932 he was employed as a young lawyer in a firm of which I was a member. After his service in the war he went into the mercantile business, and I have never seen any charge leveled against Ralph Shumacker. When he testified as a witness I frankly stated that I had known the young man, that he had been employed as a law clerk in our law firm almost 18 years previously.

Mr. McCARTHY. By "law clerk" the Senator means a lawyer?

Mr. KEFAUVER. As a young lawyer in our law firm. I am sorry the Senator from Wisconsin would feel that that connection would cause the Senator from Tennessee to have any bias in the matter.

Mr. McCARTHY. Let me make myself clear.

Mr. KEFAUVER. It is my understanding that he was called as a witness to tell what he had known about the matter. I had heard of no accusations made against Mr. Shumacker.

Mr. McCARTHY. I have made no accusations against Mr. Shumacker. However, for the Senator's information, I would like to call his attention to the fact that the Ramond report—that is the Army board report—stated that Captain Shumacker was among those—and I quote—"principally accused of misconduct." I would also like to ask the Senator from Tennessee a question, and I think it is important to have his answer in the RECORD. I ask the Senator whether he thinks it is proper to have as the membership of this subcommittee, a chairman whose present law partner, not a former law partner, but whose present law partner, was in charge of the interrogation during the course of the alleged brutalities, which the Army committee said were true, and the Senator from Tennessee as the ranking Democratic member of the committee, whose former law employee, a young man who worked in his law firm for 2 years, who was charged in any number of affidavits with brutality. The question is not whether in the Senator's own mind he thought he could do a good job, but whether in the eyes of the people of the country and of the world any report the committee rendered would be worth a tinker's dam.

Mr. KEFAUVER. I should like to say to the Senator from Wisconsin that, so far as I am concerned, I have the fullest confidence in the integrity and fairness of the Senator from Connecticut, and I think the public appreciates and knows that he enjoys a reputation and standing for doing a job fairly and equitably.

Insofar as my part is concerned, it seems to me that in sitting on committees in Congress it is impossible to eliminate from the roll of witnesses those with whom one may have had some personal contact in years past. If a Senator were on an important committee, and a large number of witnesses were called, and it were assumed that in the consideration of matters he was not able fairly to judge the testimony of someone whom he had known or been employed with 18 years before, I think it might eliminate almost every member of every committee considering matters.

Mr. McCARTHY. I know I cannot insist on an answer, but I should like to know whether the Senator thinks it was proper to have as the chairman of this committee the law partner of the man who was in charge of the interrogation team during the time most of the medieval torture methods are alleged to have occurred. I might say that this is the first time I have mentioned the connection of the Senator from Tennessee with Mr. Shumacker, who was charged with brutality, but in view of the fact that he wants to discuss this matter, I think we should discuss all phases of it.

Mr. KEFAUVER. It is quite all right with me.

Mr. McCARTHY. In case the Senator does not recall the facts, Major Fanton was the man in charge of the interrogation team at the town of Schwabisch Hall. He was in charge at the time all the alleged brutality took place, during the time when the Van Roden-Simpson committee sat, and accused his interrogation team of beatings, mock hangings, fraternization with wives, taking ration cards away from the families of the accused, and so forth. He was in charge at the time the Raymond committee in substance confirmed all this, but added the statement that the methods used created the right psychological atmosphere to get confessions.

In view of all those facts, and the fact that the Senator from Connecticut had defended Major Fanton on the floor of the Senate, and had said that the charges in the Raymond and Van Roden-Simpson committees reports were groundless, does the Senator think that the situation is right, in the eyes of the people of the country and the world?

Mr. KEFAUVER. I can only say that I have full confidence in the fairness of the Senator from Connecticut.

Mr. McCARTHY. The Senator from Connecticut asked me to yield to him, and I do so.

Mr. BALDWIN. Mr. President, I have forgotten what we were discussing at the time I asked the Senator to yield. I wish to say that the Senator from Wisconsin approaches this matter as though these prosecutors were, by virtue of this investigation, necessarily placed on trial, and that charges were made against them. It may very well be that after we have completed the hearings there will be some very serious criticisms of the Army conduct in this situation. I do not pretend to prejudge the case. I cannot do that. This was a difficult experience for the United States Army to go through, in heated times, when tempers were on edge, right after the perpetration of what was one of the most heinous offenses ever perpetrated in the annals of warfare. These men are not, presently at least, as the result of this investigation, on trial for anything.

The interesting part of the matter is that these prosecutors, to a man, as I recall, welcomed the opportunity to appear and be questioned at great length, as they were by the Senator from Wisconsin at very great length.

Mr. President, the committee cannot prejudge the case. Nor can the committee, by the statements the Senator from Wisconsin has made about it and about its chairman, be forced into the position of finding other than what the facts indicate.

Mr. President, I should like to put into the RECORD at this point the statement of Colonel Ellis himself as to his relationship to this investigation. This is Colonel Ellis' sworn testimony before the committee. He said:

I reported for duty with War Crimes Branch, ETOUSA, May 6, 1945, in Paris, France, and was assigned to the Investigation Section as assistant to the Chief; that shortly thereafter Major Dwight Fanton (then captain) was assigned to work on the Malmedy case, File No. W. C. B. 6–24; that I personally took a keen interest in the development of the case in my official capacity and carefully watched and aided in its development; that early in September 1945 I became Chief of the Investigational Section, and that in that capacity I was charged with the gathering of the evidence for war crimes cases, which included the Malmedy case; that I personally took more than ordinary interest in the development of this case and

carefully selected the personnel that I assigned to it; that I inspected the detachment as often as conditions permitted and personally aided them in obtaining a suitable prison, living quarters, transportation, and in formulating plans for the investigation; that in late February 1946 I was relieved as Chief of the Investigation Section and assigned as chief prosecutor on the case, with instructions to bring it to trial by March 25, 1946; that in March 1946 I was ordered to Schwabisch Hall, Germany, where the investigation detachment was located that was developing the case.

Mr. McCARTHY. What was the date?

Mr. BALDWIN. March 1946, it does not give the day.

That I then personally took over and supervised the investigation, preparation of the case for trial, and the apprehension of the accused; that when the trial date was postponed until May 16, 1946, I continued the development of the case; that on April 16 all but six of the accused and possible witnesses moved to Dachau; that on April 19, 1946, I completed the movement of the prisoners and investigation staff to Dachau, Germany, where the trial was held.

That is the statement under oath of the man who was in charge directly of the investigation.

I wish to say further, Mr. President——

Mr. McCARTHY. Before the Senator leaves that, so that there may be no question, are we both agreed that Ellis did not go to Schwabisch Hall until March 1946, and that Fanton was there long before that?

Mr. BALDWIN. I do not agree to any such thing.

Mr. McCARTHY. That was the testimony, that he went there in March 1946?

Mr. BALDWIN. That he took it over directly.

Mr. McCARTHY. That he first went to Schwabisch Hall?

Mr. BALDWIN. He was assigned to this particular case. He says:

In September 1945 I became Chief of the Investigation Section and in that capacity * * * I personally took more than ordinary interest in the development of this case and carefully selected the personnel.

Mr. McCARTHY. So that we may have the facts straight, the Senator's law partner was in complete charge, and Ellis did not go there until March 1946. Is that correct?

Mr. BALDWIN. No, it is not correct.

Mr. McCARTHY. Does the Senator say that Ellis was there before March 1946?

Mr. BALDWIN. I say that he was in charge. But that does not matter.

Mr. McCARTHY. So that we do know that Ellis, according to his own testimony, did not go to Schwabisch Hall, regardless of whether he was technically in charge at all, until March of 1946.

Mr. BALDWIN. I do not believe the testimony will bear that out. That is only one part of his statement. That is not the whole of it, but it is a statement of his connection with the case.

Mr. McCARTHY. On what page does that appear?

Mr. BALDWIN. On page 85.

Mr. McCARTHY. On page 85 he said:

In March 1946, I was ordered to Schwabisch Hall, Germany.

In other words, if his testimony is correct, he did not go to Schwabisch Hall until March.

Mr. BALDWIN. That does not necessarily follow. He was in charge of the whole detachment, and I think the record will disclose that he was at Schwabisch Hall before that, but that this order in March 1946 shifted his headquarters.

One thing further. The Senator will recall very well that when Fanton was on the witness stand I withdrew from the room.

Mr. McCARTHY. That is correct. Before the Senator continues, I would like to read one sentence to him from the record—the report issued by the Army board sent over to investigate this matter, the Raymond Board. "The interrogation of the accused and witnesses confined there [Schwabisch Hall] was at first under the command of Maj. Dwight F. Fanton, then for a short time under Capt. Ralph Shumacker, and finally under Lt. Col. Burton F. Ellis."

Mr. BALDWIN. And the Senator said, "No, you should not do that. I am perfectly willing that you should be here." Moreover, on one occasion when we could not get all the other members of the committee to attend to conduct the hearings, because they were engaged in other committee work, while Fanton was on the stand, and the Senator from Wisconsin examined him at great length, there was a question of adjourning the hearing or going on with me in the chair, and on that particular occasion I said I would adjourn the hearing if the Senator desired, and if he did not I would be glad to continue and let him continue Fanton's cross-examination, and the Senator did continue. I do not recollect the exact language, but the record will show it better than my own recollection.

Mr. McCARTHY. There is no doubt that I had no objection to the Senator from Connecticut staying in the committee room while Fanton was questioned.

Mr. BALDWIN. And I stayed there and did not ask a question.

I think the Senator will recall that after we had the first discussion about this matter, quite a long while ago, he wrote me a letter.

Mr. McCARTHY. That is correct.

Mr. BALDWIN. A very friendly letter.

Mr. McCARTHY. One that I let the Senator censor before I sent it. That is true. There is no doubt about the letter. I will be glad to read it into the RECORD. But let me ask the Senator a question. Does he think it is proper for him to sit in trial of his law partner, a man who is now in Connecticut bragging that he is writing the committee's report? I believe that to be completely improper. I do not question the Senator's own motives. The Senator undoubtedly thinks he is the only person who can give that young man from Connecticut a fair hearing. I think the Senator from Connecticut believes he is the only one who can do that young man justice. I believe the Senator from Connecticut firmly believes that everything this young man tells him is the truth. But I believe, with the intellectual capacity the Senator has and the innate sense of honesty which I am sure the Senator possesses, that the Senator cannot conceivably feel that it is proper for him to sit in judgment on his own law partner. Think how that looks in the eyes of the people of the country and in the eyes of the people of Europe who are so vitally concerned about this matter.

Mr. BALDWIN. I may say to the Senator from Wisconsin that the best way to determine that is by making an examination of the entire record, and by studying the report of the committee in this particular case. If that is done, it will be found that any claim which has been made that this young man is writing the report is utterly groundless. The Senator has made that statement to me several times before, and I investigated and found that there was no truth in the statement whatsoever.

So far as the rest of it is concerned, let me say to the Senator from Wisconsin that this is not a trial of anybody. It is an effort to determine what the facts are. If the facts reveal that there ought to be a military trial of the men who are concerned, then that is a matter to be determined by some other tribunal than a committee of the Congress which is trying to develop the facts.

Furthermore, I may say to my distinguished friend from Wisconsin that, after all, this man, as the Senator well knows, is only one of many in the case; and if I had an opportunity to examine the remarks my distinguished friend from Wisconsin himself made during the hearing about this matter I think I could disprove any claim that Fanton's connection with this case was of paramount importance. True, he was there in charge of the investigation.

I may say again that every single witness the Senator from Wisconsin asked us to call we have called, and we will continue to call witnesses the Senator asks us to call. We have examined them at great length, and while the Senator was sitting with the committee we permitted him to examine them and cross-examine them at great length. So long as the Senator from Connecticut has any connection with the committee, he will see to it that the utmost in fairness and impartiality and in justice obtains.

As I said before, the proof of that resides better in the printed record, the sworn testimony under oath, and in the ultimate decision of the subcommittee, of which the Senator from Connecticut is only one of three members. The three members of the subcommittee are only a small part of the whole Armed Services Committee of the Senate. So I leave the matter there. I know, because of our present engagement in dealing with this case, that it is difficult to make a statement now concerning the merits or demerits of it without completely and utterly prejudging the case, and I have no intention of doing that.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LANGER. I think I should make plain that the resolution offered by the distinguished Senator from Connecticut [Mr. BALDWIN] is not the first resolution

offered to investigate the trials in question. I, myself, offered the first resolution on that subject. I did so after I had made a thorough investigation to decide whether I should do so. A relative of one of the defendants, a man who was sentenced to be hanged, got in touch with me as a Senator of the United States. Before I did anything about the matter I got in touch with one of the judges who had been appointed by Kenneth Royall. After I found, from my consultation with Mr. Royall and with Mr. Roden, that an investigation was called for, I offered a resolution to investigate, and I was greatly surprised when shortly thereafter another resolution on the same subject was offered by my distinguished friend the Senator from Connecticut.

Mr. McCARTHY. As the Senator knows, while his resolution was pending the Army proceeded to hang five of the men whom the then Van Roden-Simpson committee——

Mr. BALDWIN. Mr. President.

Mr. LANGER. Mr. President, will the Senator permit me to conclude my statement?

Mr. McCARTHY. Let me finish my sentence. While the resolution offered by the Senator from North Dakota was pending, five of the men whom the Van Roden-Simpson committee said should not hang—Secretary Royall had sent them as a committee to investigate and determine the facts in the case, and let him know whether or not those men should hang—five of the men whom the Van Roden-Simpson committee said should not hang because "The conduct of the trial was such we cannot tell whether they are guilty or innocent," were hanged by the Army while the Senator's resolution was pending.

Mr. BALDWIN. Mr. President, will the Senator permit me——

Mr. McCARTHY. I will yield to the Senator from Connecticut immediately the Senator from North Dakota has concluded.

Mr. LANGER. Before I had even offered my resolution, we hired a first-class lawyer in New York, who in turn hired a lawyer in Germany, in order to secure affidavits, and I have in my possession a stack of affidavits about this high [indicating].

After I had secured the affidavits, and was preparing to present them, those who prepared them found out that my distinguished friend the Senator from Connecticut had been appointed chairman of the subcommittee. Those who prepared the affidavits immediately got in touch with me and asked me not to submit the affidavits. They said that Dr. Libby and his organization had asked the Senator from Connecticut to withdraw. They said, "We do not believe we can get a fair trial. We cannot get a fair investigation." The Senator refused to withdraw, and I have a letter to that effect, not signed by the Senator from Connecticut, but by this organization.

Mr. BALDWIN. Mr. President, the Senator from Connecticut at no time refused to withdraw. The Senator from Connecticut offered his resignation, and when the chairman of the Armed Services Committee said he saw no reason why he should not continue, and asked him to continue, he continued.

Mr. LANGER. I heard that explanation a few minutes ago. It is simply repetition.

So far as the people who prepared these affidavits were concerned, so far as these relatives were concerned, they felt that they could not get a square deal before the committee because of the relationship between my distinguished friend from Connecticut and his former law partner.

In that connection, in order to disabuse their minds, I myself went to Hartford, Conn. I said, "I know Senator BALDWIN. I believe you can get a square deal before him. I know that from my association with him in the Senate." I regret to say that even after I made that statement they said, "We do not want these affidavits presented. We are going to take a chance. The day is coming when we are going to have another committee, one which we believe will be a fair committee." I may say that upon their request I did not present the affidavits. I think I presented one. I gave one to the distinguished Senator from Wisconsin before the request was made to withhold them. I then telephoned the Senator from Wisconsin and asked him not to present it, because of the request which had been made of me by the people who had been in communication with me.

Mr. President, I, for one, want to go on record publicly that I do not believe it is right for a man who is the former law partner of another man to be chairman of a subcommittee to investigate him. No matter how honest a man may be, so far as the public is concerned, it is suspicious. It thinks there may be something dishonest about it. Witnesses may appear, and yet they may color their testimony because of the fact that a certain man who has some connection, such as that of being a former law partner of one of the men being investigated, may not be as fair and open-minded with them as he otherwise might be. I say that without leveling the slightest imputation against my friend from Connecticut, of whom I am very fond. I went to the trouble of going to Hartford, Conn., and trying to disabuse the minds of the people I saw there, in order to let them present the matter.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. BALDWIN. The Senator knows that Mr. Libby was in almost constant attendance during the hearings, and that Mr. Finucane, who originally published the article under the byline of Judge Van Roden, which article stimulated much of the interest in this case, was present and testified at length. In the presence of Mr. Finucane, Judge Van Roden repudiated nearly everything in the article, and said it had been issued without his approval, or if with his approval, it was because he did not understand it. That is going into testimony which I think it is useless to go into now. So far as I am concerned, the testimony, the conduct of the hearings, and the final findings will demonstrate more nearly whether the Senator from Connecticut conducted himself with complete impartiality in these hearings, or whether he did not, or whether he has the support of his colleagues. So far as I am concerned, I have never withdrawn from a thing when I was under attack, and I do not intend to withdraw voluntarily from this thing now. When I am under attack I do not think I can. But I do say that if a majority of the Senate feels that someone else should be chairman of this subcommittee, it is their privilege to appoint someone else as chairman. My personal interest in the thing amounts to nothing. That is the way I feel about it.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BALDWIN. I say that it is entirely in the hands of the Senate as to what it wishes to do about the chairmanship of this subcommittee, just as I placed it at one time in the hands of the full committee. They decided that I should continue, and so I continued. I am in exactly the same position now.

Mr. McCARTHY. Mr. President, let me make it clear that I am not asking the Senate to discharge the Senator from Connecticut as chairman of the subcommittee. If the Senator from Connecticut thinks it is proper for him to sit in judgment on his own law partner, and do something which I think is completely shameful, I do not believe that it is incumbent upon the Senate to discharge him. I think, however, we should recognize the fact that the work of the committee and its report will be completely useless and worth nothing at all.

I wish to repeat what I have already said: I do not doubt that the Senator from Connecticut honestly felt that it was necessary for him to head this subcommittee so as to bring out what he considered to be the truth. However, it has long been the practice of judges and chairmen of committees to step aside under similar circumstances, not because they themselves felt that they could not be fair, but because conditions were such that in the eyes of the public a fair hearing would be impossible.

I understand that the Senator from Connecticut is very shortly to go on the bench. I sincerely hope that when he sits on the bench, if ever a situation like this arises, in which he is called upon to pass upon the rights of someone as close to him as Mr. Fanton is, he will have learned a lesson, and will disqualify himself.

The Senator from Connecticut has said that no one is on trial today. I submit that someone is on trial. The entire United States Senate is on trial. The American system of justice—if we can call it that—in our occupied area is on trial. We should be engaged in the most soul-searching investigation to find out whether or not all the charges and countercharges which have been made by two disinterested judges who went to Europe are true. In their testimony they say, in effect, that the Senator's law partner was criminally incompetent in the way he conducted the investigation. The Senator's job was to determine whether or not that report was true.

Prior to being appointed chairman of the subcommittee the Senator from Connecticut rose on the floor of the Senate on January 17 and asked for an investigation not to determine whether or not the charges of the Van Roden-Simpson committee and the Raymond board were true or false. He himself had previously decided that they were false. He said those charges were groundless. He asked for an investigation so as to give "a young man from Connecticut" an opportunity to come before the committee and prove that the charges were groundless. At that time the Senator did not notify the Senate that this young man from Connecticut was his former law partner. I cannot believe that the Senator went before the Armed Services Committee and told the Armed Services Committee that Maj. Dwight Fanton was his law partner, and that Maj. Dwight Fanton was in charge of the interrogation team at the time all of the alleged medieval torture methods were used, and that, having that information in mind, the committee said, "Senator BALDWIN, we want you in charge of the subcommittee."

It is not a question of whether the Senator from Connecticut can fairly conduct the subcommittee. It is a question of what the people of the Nation will tnink about the United States Senate. It is a question of what the people of the world will think about this country if we appoint a man to conduct an investigation and make a report on his own law partner, who is now bragging that he himself is writing the report.

Mr. BALDWIN. Mr. President, the Senator does not want to make that charge, does he?

Mr. McCARTHY. What charge?

Mr. BALDWIN. The charge that he is bragging that he is writing the report.

Mr. McCARTHY. He has so bragged a dozen times. The Senator knows that. I went to the office of the Senator from Connecticut and asked him, for his own good, not to take the chairmanship of this subcommittee. The Senator knows that I have a high regard for him. I explained to the Senator how improper I thought it was, and what the people of the Nation would think about it. The Senator from Connecticut said, "No; I will take it up with the committee, and if they are willing to have me sit, I will continue."

It is a reflection upon the integrity of the entire Senate that a chairman should have been appointed to a subcommittee whose job it was to investigate his own law partner, a man whom he had already defended. Furthermore, in maintaining this position, the Senator from Connecticut aggravated the feeling that a deliberate whitewash was being conducted by the United States Senate.

Ralph Shumacker, the former law partner of the Senator from Tennessee [Mr. KEFAUVER], the second member of the subcommitttee, was a member of the interrogation team at the time of the alleged brutalities, and later assistant trial judge advocate in the trials being investigated.

The third member of the subcommittee, the Senator from Wyoming [Mr. HUNT] did not, to my knowledge, have any personal connection with the case. The Senator from Tennessee has appeared on the floor and stated that Ralph Shumacker was not his law partner, but a young lawyer employed by his law firm for 2 years, so the statement is corrected to that extent.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield to the Senator from Connecticut.

Mr. BALDWIN. The point I wish to get into the RECORD—and I think it should come in at this point—is that this investigation deals with the trials in the Malmedy cases; does it not?

Mr. McCARTHY. Not with the Malmedy crossroads massacre, so-called, but with the Battle of the Bulge cases.

Mr. BALDWIN. The point I wish to get into the RECORD is this: The Senator from Wisconsin asked the Senator from North Dakota [Mr. LANGER] if he knew that after the resolution was introduced five of those men were hanged.

Mr. McCARTHY. Yes.

Mr. BALDWIN. I wish to get the record on that matter straight, by telling the Senator from Wisconsin what I think he already knows, namely, that not a single one of the men who were convicted as a result of the Malmedy massacre, so-called, has yet been executed.

Mr. McCARTHY. I understand that the resolution of the Senator from North Dakota went beyond the so-called Malmedy cases. His resolution, as I understand, covered all the trials conducted by the United States Army.

Five of the men who, according to the Van Roden-Simpson report, should not have been hanged, were hanged while the resolution of the Senator from North Dakota was before the committee.

Mr. BALDWIN. But the point I wish to make is that they had no connection whatsoever with the investigation we were conducting.

Mr. McCARTHY. That is correct.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. (Mr. FREAR in the chair). Does the Senator from Wisconsin yield to the Senator from North Dakota?

Mr. McCARTHY. I yield.

Mr. LANGER. Of course the Senator knows that at the time when I introduced the resolution, we got in touch with Secretary Royall, and he sent a cablegram stopping the execution of 18 men who were scheduled to be executed the next day. Some of the men were involved in the Malmedy massacre.

The Senator also knows that I tried in every possible way to have the Senate Judiciary Committee take jurisdiction over this matter; but before the Senator from Nevada [Mr. MCCARRAN] could appoint a subcommittee and have action taken, the other committee was already functioning under the Senator from Connecticut [Mr. BALDWIN].

Mr. McCARTHY. Yes.

Mr. President, I may say in connection with the young man, Shumacker, the former employee of one of the members of the subcommittee—and I say this to give the Senate some conception of how these young men regarded their duties and what they felt their duties were toward the defendants and toward the court—that when Mr. Shumacker was on the stand and I was questioning him, after Colonel Ellis had left the stand, I said to him, "Mr. Shumacker, do you feel that it was Colonel Ellis' duty, when he found that a confession was false, when the chief of the prosecution found that a confession he had presented to the court was false, then to so notify the court?"

Mr. Shumacker came up with the unusual answer, "Not if it would hurt his case."

Of course, Mr. President, it would hurt his case. If for example, someone had extracted from John Jones a false confession to the effect that he had murdered someone, and if the prosecution introduced that confession in the trial, and thereafter learned that the confession was false, and so stated in court, and so notified the court it would lessen the chance of a conviction. Yet, according to that witness, the prosecuting officer should have taken the position that it was not his duty to tell the court that the confession was false, if it would hurt his case.

Mr. President, I was designated by the Senate Special Investigating Committee to sit in with the Armed Services Subcommittee as an observer, because of our committee's interest in the matter.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LUCAS. May I inquire, for my own information, how much longer the Senator from Wisconsin intends to speak?

Mr. McCARTHY. Not very long. However, there may be some questions from other Senators and there may be comments regarding some of the things I shall say.

I was designated by the Special Senate Investigating Committee to sit in and take part in this Armed Services Investigation as an observer because of our committee's original interest in the matter.

As the hearings progressed, I became more and more convinced that the subcommittee was interested almost solely in a complete whitewash of those involved.

Under my cross-examination of the committee's witnesses, however, rather fantastic concepts of the rights of the accused and the method of administering justice were developed. For example—and I ask any Members of the Senate who ever were lawyers to listen to this—for example, Major Fanton issued an order, "SOP No. 4," which gave the interrogators, some of whom were not American citizens, the right—Mr. President, listen to this, if you will—the right to offer immunity to any of those charged with being war criminals if they would tell a story of sufficient value to convict other alleged war criminals.

Mr. BALDWIN. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Connecticut?

Mr. McCARTHY. I am glad to yield.

Mr. BALDWIN. Since the Senator makes rather sweeping claims with reference to some of these statements, I should like to have the opportunity at

this point, with the consent of the Senator from Wisconsin, to place in the RECORD the order to which he refers, which in the humble judgment of the chairman of the subcommittee does not go anywhere near so far as the Senator indicates.

Mr. McCARTHY. I shall appreciate very much having the order, so I can read the part to which I just referred, especially for the benefit of any Senator who has practiced law. I should certainly appreciate having the order, if the Senator has it available. While the order is being looked up, I repeat.

For example, Major Fanton issued an order, "SOP No. 4" which gave the interrogators, some of whom were not American citizens, the right to offer immunity to any of those charged with being war criminals if they would tell a story of sufficient value to convict other alleged war criminals. This, of course, placed a premium upon lying and, in my opinion, was responsible for freeing some of the worst of the war criminals.

If, for example, Defendant Jones were accused of killing four American prisoners of war during the Battle of the Bulge, he could be offered his freedom by one of the interrogators, after having first obtained Fanton's permission, if he would sign a statement which would effectively convict other war criminals. The order issued by Major Fanton, who was in charge, becomes doubly important—has the Senator from Connecticut been able to find the order?

Mr. WATKINS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. McCARTHY. I yield.

Mr. WATKINS. Was the order to which the Senator has been referring made a part of the record in this case?

Mr. McCARTHY. The order is a part of the record. I understand the Senator from Connecticut is now looking for it, and I shall be glad to read it to the Senator. I understand the Senator from Utah was formerly a judge, and if he reads this order, which the man in charge of the interrogation boasted of having brought to their attention, he cannot help, I believe, but be shocked beyond words.

Mr. WATKINS. I have not made up my mind on this matter at all. The first I heard of it was through the press. I may say I am very much concerned with the effect a situation of this kind may have upon how the world looks upon American justice. I think the matter should be aired, and aired thoroughly.

Mr. McCARTHY. I think the Senator is right.

Mr. WATKINS. It should be aired fairly, too. I think I should say that. I do not think any misstatements should be issued, particularly misstatements of fact. Anyone who speaks on this subject should be very careful in what he says. That is why I asked whether an order of this kind was in the record.

Mr. McCARTHY. I intend to read the specific order to the Senator. May I ask the Senator from Connecticut whether his staff has been endeavoring to find the order?

Mr. BALDWIN. They have.

Mr. McCARTHY. May I inquire, have they found it? Has the Senator found the copy of SOP No. 4?

Mr. BALDWIN. No; I have not. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. BALDWIN. I may say, Mr. President, I had no knowledge prior to coming on the floor of the Senate, about 15 minutes before the Senator from Wisconsin began his remarks, that he was going to discuss this subject here this afternoon, and so I am not prepared with citations from the record or anything of that kind. Of course, the record is available to the Senator. It is available to any Senator, for that matter.

Mr. McCARTHY. Mr. President, so that there may be no doubt, the Senator's office was notified. The office of the Senator from Wyoming [Mr. HUNT] was notified. The office of the Senator from Tennessee [Mr. KEFAUVER] was notified. They were notified I was going to speak, and I had previously notified the Senator from Connecticut I would discuss the subject. On the day I was originally to have discussed it, the Senator, who was in Connecticut, had hurt his eye. I refrained from discussing the subject until the Senator could return, so he would be able to be on the Senate floor to discuss thoroughly any of the comments I might make. I ask the Senator from Connecticut, if there is any question about that?

Mr. BALDWIN. No. My point was, the Senator told me that, sometime, he intended to discuss what had happened.

Mr. McCARTHY. Yes.

Mr. BALDWIN. But I did not know the Senator intended to do it today.

Mr. McCARTHY. My office notified the Senator's office earlier today. The above order, issued by Major Fanton, was posted incidentally on all the walls. When the Senator finds the order, I shall refer specifically to paragraph 2 of order "SOP No. 4," which can have no other interpretation than the one I gave the Senator.

"SOP No. 4" also provided that "any ruse or deception may be used in the course of the interrogation." In this connection it should be noted that the Army board found that one of the ruses used was mock trials, and another one was telling the accused that his family would be deprived of ration cards if he did not sign a confession.

The above orders issued by Major Fanton, who was in charge, become doubly important when viewed in connection with what Colonel Ellis, the chief of the prosecution staff, felt were his duties to the court and to the defendants.

To give an idea of the background of the man whom the Army selected to handle one of our most important criminal cases, Colonel Ellis, on the stand, testified he had graduated from law school 20 years previously, and that he had been in private practice from 1929 until entering the service in 1942. Upon being asked whether he had tried any criminal cases, he replied they were not exactly criminal cases, but he had tried about 10 cases during those 13 years of private practice. Upon further questioning it was developed that the 10 cases he tried during the 13 years he had been in private practice, the 10 times he had been in court, were divorce and probate cases. When asked if he had any experience in criminal law, he replied—and this is part of the record—"absolutely none." That is the background of the lawyer whom the Army selected to try this most important criminal case.

I hope the Senate will understand I am not criticising Colonel Ellis. I think the young man just did not have the ability. He did not have the legal ability to perform the work that was assigned to him. That was not his field. It was the fault of whoever selected him for that work. His conception of his duties as chief prosecutor can perhaps best be shown by a very brief excerpt from his testimony under my cross-examination at the hearing. He was being questioned in regard to a confession—which had been obtained, according to the defendant, after medieval torture methods were used on him—a detailed confession of the deliberate murder of a Belgian woman in the town of Bullingen, a confession which the Army Frankfort board found to be false.

Question: Did you not think it was your duty to tell the court that your investigator went over to this town of Bullingen and that your investigator reported back to you that it appeared that the confession was false and that this woman was not shot?

Colonel ELLIS. I do not think my duty went to that extent.

Mr. President, I should like to repeat that. Here is a man in charge of prosecuting the case, a man who is assigned to seeing that every defendant has his fair and honest day in court. This man was asked:

Did you not think it was your duty to tell the court, that your investigator went over to this town of Bullingen and that your investigator reported back to you that it appeared that the confession was false and that this woman was not shot?

Colonel ELLIS. I do not think my duty went to that extent.

Later, Mr. Shumacker, one of the interrogation team and also one of the prosecuting attorneys, in referring to this testimony on the part of Ellis and in an apparent attempt to justify Ellis's position, had this to say:

I do not believe, sir, that it is the duty of an attorney on either side of the case to point out the weaknesses of his case.

The question and answer immediately following this comment on the part of Shumacker shed some further light on the qualifications of the prosecution staff.

Question by Senator McCARTHY: You said you did not think any attorney should present any weaknesses in his case. Now I, myself, have been in a number of court-martial proceedings, both as prosecutor and as defense attorney. I have always understood that a prosecutor in a court-martial case had a duty to present not necessarily what you or I would consider a strong case, but rather all of the facts, and if there are any facts which would help the court, not to find a man guilty, but to determine whether she should be found guilty or not, that then it is the duty of the prosecuting attorney and the defense attorney, to present all those facts to the court? Is that not the clear duty you have?

This is a question being asked the assistant trial judge advocate, Mr. Shumacker, and here is his answer:

I think I tried one court martial case in my experience.

Before the hearings commenced, I was informed by the staff that the first witness to be called was an alleged survivor of the Malmedy crossroads massacre.

I informed the subcommittee at that time that if this were done, it would immediately justify the fears of those of us who felt that the subcommittee was interested in clouding the issue and whitewashing those involved.

Mr. BALDWIN. Mr. President, will the Senator yield at that point?

Mr. McCARTHY. Let me finish this statement, and then I shall be glad to yield.

It was called to the subcommittee's attention that everyone agreed that the Malmedy massacre occurred, that it was an atrocious and inexcusable war crime, and that those who were guilty of this atrocity should be punished.

I reminded the subcommittee that there was no question about the Malmedy massacre having occurred, and that there was no necessity for proving this. The question which we were to determine was the question of whether or not we had the right men, whether we were hanging the guilty or hanging the innocent.

I informed the subcommittee that in my opinion the only purpose of calling witnesses to rehash the details of this war crime was to inflame the public mind and attempt to create a blind demand for vengeance on someone in retribution without regard to the question of the guilt or innocence of those being punished.

I now yield to the Senator from Connecticut.

Mr. BALDWIN. I should like to ask the Senator if it is his position, in the conduct of an investigation by the Senate of these trials of the particular men who were tried and convicted, that a man who had actually been present when one of the massacres occurred, who saw his comrades shot, and who escaped, God knows how, with his life, was not a competent witness?

Mr. McCARTHY. The Senator is not as naive as he tries to make out. He knows there was never any question that the Malmedy massacre occurred; he knows that the young man who appeared could not recognize any of the men who took part in the shooting; he knows that the young man could shed no light whatsoever on whether the men in charge allowed illegal torture methods. The only purpose, as I told the Senator before he called that witness, was to attempt to wave the flag and try to recreate a situation which he said existed at the time of the tortures and which he tried to use as a justification or an excuse for the tortures.

Mr. BALDWIN. May I remind the Senator from Wisconsin that many of the affidavits which he said were obtained by brutal methods——

Mr. McCARTHY. The Senator from Wisconsin did not say that. The Army Board appointed by Secretary Royall said they were obtained by brutal methods. The two judges said they were obtained by brutal methods. All the Senator from Wisconsin has said is that we should have a clear, decent, honest investigation to determine whether they were obtained by brutal methods, to determine whether we are hanging guilty or innocent men, to determine whether the trials were conducted in such fashion that we can tell as of today whether the men who are to hang are guilty or not guilty.

Mr. BALDWIN. I have offered the Senator many a chance to make his speech.

Mr. McCARTHY. The Senator is not offering me a chance to make a speech. It is a right which I have. I am not receiving that right from the Senator from Connecticut. I shall be glad to yield to the Senator from Connecticut however to make any speech he cares to make. Let us have that clear.

Mr. BALDWIN. Of course, the Senator did not sit throughout all the hearings. He heard only a few of the witnesses. May I say to my distinguished friend that after he left we continued to call and question witnesses, one or two of whom he suggested, and we questioned them at great length. But the Senator will recall that some of the affidavits which it is claimed, and which the Senator claims, were obtained by brutal and improper methods, and which the Senator had before him in the conduct of the investigation described the way in which the shooting took place. Does the Senator have any question that those affidavits did accurately describe the way in which the shooting took place, and that it was fair and proper to call one of the eye-witnesses to the shooting to find out what he might say as to how it took place, to see whether the affidavits were at total variance with the facts? In other words, what the committee tried to do was to compare what eye-witnesses said was the way in which the shooting took place, against the way in which it was set forth in the affidavits of the accused men themselves as they described it. Interesting enough, those descriptions, barring some minor details, are practically alike.

But we will not pass judgment upon the affidavits; we will leave that for another day and time.

Mr. McCARTHY. Yes. The statements and the confessions are alike even to the extent of the height of bushes in number of feet and inches. Men who had been placed in solitary confinement were offering confessions a year after the crime was committed, and they made statements which jibed exactly, even to the height of unimportant bushes in number of feet and inches. The Senator is correct when he says they were duplicates.

Mr. BALDWIN. The Senator is putting words into my mouth which I did not utter. I did not say they were duplicates. In fact, I avoided saying that, because they were not. I said that in their essential details the description of the shootings as set forth in some of the confessions compared, in their major details, with the description as testified to by an eyewitness.

Mr. McCARTHY. I felt then and I feel now that the purpose was to divert the committee and the public from looking at the cold facts of what our Army did and to prevent an honest decision on the question of wnether the system of justice which we were imposing upon a defeated nation was actually convicting the guilty and protecting the innocent or whether the direct opposite was being accomplished by the incompetence and bungling of a few vengeance-minded individuals.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. BALDWIN. Let me make this point absolutely clear. The junior Senator from Connecticut wants to see no innocent man found guilty in this type of trial, as determined by a fair, competent, just tribunal. He wants to see no man penalized in any way. The junior Senator from Connecticut is going to try to conduct this case as impartially as he knows how, but he is not going to take the side of officers of the United States Army, or of SS troops, as I am fearful, in his enthusiasm, my distinguished friend from Wisconsin is doing.

Mr. McCARTHY. There is no doubt the Senator from Connecticut thinks he is competent, as chairman of the subcommittee, to bring out the facts, but I think the Senator is inherently so fair that the day will come when he will deeply regret doing what I consider to be a very shameful thing; that is, in insisting on acting as chairman of a subcommittee the principal task of which is to decide whether his own law partner counseled and allowed, and took part in, things which are so foreign to the Senator's own concept of what is honest and just. Some day the Senator from Connecticut is going to regret it. But, as I have told the Senator a thousand times, it is not a question of whether or not he himself thinks he is honest and fair, it is a question of what the American people and what the people of the world will think about a United States Senate which allows an important investigation to be conducted by a man who, according to all the rules of common fairness, cannot be as honest and fair as someone who is disinterested. The Senator may be an unusual man, he may be able to be absolutely fair, but it is not a question of what he himself thinks he can do, it is a question of what the American people think about the situation that counts.

Mr. BALDWIN. I thank the Senator for his testimony and his confidence and belief in my efforts at least to be fair and impartial about this matter. As I understand, the Senator's claim resolves itself to this, that it is not wise, it is not judicious, for the Senate to have a committee on which there are any members before whom there might appear some interested witness, or some witness he claims to be interested.

Mr. McCARTHY. The Senator knows exactly what my position is. My position is that prior to the commencement of the investigation the Senator said on the Senate floor that the findings of the Van Roden-Simpson committee and of

the Raymond committee were "groundless." He asked for an investigation, not for the purpose of finding out whether we were properly dispensing justice in the occupied area. These are the Senator's own words in the RECORD of January 17 this year, that the purpose was to allow a young man from Connecticut to answer these "groundless" charges. If the Senator had already decided that they were groundless, I think he was completely incompetent to sit in judgment, and I think in fairness to himself he should have removed himself from the committee, as I have urged him to do.

I hope the Senator realizes this is an unpleasant job I am doing today, but I feel so strongly that I have no choice but to present the whole picture—and a sorry picture it is—to the Senate and to the country.

Mr. BALDWIN. Will the Senator permit me to insert what I did say when I have found it?

Mr. McCARTHY. I shall be glad to.

The core of the situation we were investigating was, of course, the truth of the charges that members and employees of our military were guilty of applying torture to the accused in order to secure confessions. The four men principally charged with these alleged brutalities were Mr. Perl, Mr. Kirschbaum, Mr. Steiner, and Mr. Thon, at least three of whom were refugees from Hitlerian Germany. It appeared that two of these interrogators had very ample grounds to thoroughly hate the German race. For example, there was testimony to the effect that Steiner's mother had been killed by the Germans and it also appeared that Perl's wife had been confined in a concentration camp for approximately 1½ years. While it would be difficult to criticize those four men for hating the German soldiers after they had personally suffered so heavily at the hands of Hitlerian Germany, the members of our Army who hired them and gave them such unlimited latitude in handling prisoners, most certainly were guilty of shameful conduct, and the man in the Army who did the hiring was none other than our friend Maj. Dwight Fanton.

On the one hand those men denied the charges of torturing defendants to secure confessions, while on the other hand statements of defendants and Army personnel at Schwabisch Hall confirmed the charges. It was obvious, therefore, even before the hearings started that either those who charged the interrogators with brutalities or the interrogators themselves were lying. It was obvious also that neither group would admit having committed perjury.

If the charges were true, then they were so repugnant to the American sense of fair play and decency that the men guilty should be exposed. If, on the other hand, the charges were not true then the men accused of brutally mistreating the accused in order to get confessions should be cleared in the eyes of the public.

One of the interrogators appeared before the subcommittee and testified that under no circumstances did he ever kick, beat, starve, or mentally torture any of the defendants in order to get a confession. That was Mr. Perl. He had previously testified at the trials at Dachau. Both times he testified under oath. When his answers before our subcommittee appeared directly contradictory to those he made at Dachau and when he was questioned as to when he was telling the truth—at Washington or at Dachau—he retorted that he was telling the truth at both times. By way of explanation he quoted a philosopher's definition of the truth to the effect that—and I call the attention of the Senate particularly to this. Here was a man caught telling contradictory stories under oath, and this was his definition of the truth. He said:

> The truth has many faces each of which when taken alone is a lie, but when taken together constitute the truth.

Let me repeat that. This was a definition of truth by the interrogator who was caught in deliberate lying, according to the record. He said:

> The truth has many faces each of which when taken alone is a lie, but when taken together constitute the truth.

I thereupon suggested to this interrogator, Perl, that he submit to the Keeler lie detector which has been proven infallible in hundreds of important criminal cases and which has been used extensively in Wisconsin, Michigan, Illinois, and other States with the consent of the defendant. He reluctantly consented to do so.

The chairman of the subcommittee immediately ridiculed the idea and took the position that it was unfair to suggest that anyone wearing the American uniform would be guilty of deliberate lying.

At that time I withdrew from taking part in these proceedings and made the following statement:

> I wish to announce that I will no longer take part in the hearings of the Armed Services Committee investigating the war crimes trials. I arrived at this decision with great reluctance, but I can no longer conscientiously participate.
>
> I was designated by the Senate Investigations Subcommittee to participate with the subcommittee of the Armed Services Committee in this inquiry. Since April 18, 1949, I have sat with this committee, listened to and cross-examined witnesses. I am convinced of several things: (1) that the subcommittee is not sincere in its investigation; (2) that it is not conscientious in pursuing the facts.
>
> As a practicing lawyer and a judge on the circuit bench in Wisconsin, I know and respect the American system of justice. I believe the world expected a demonstration of American justice to be applied to even our defeated enemies. Instead, Gestapo and OGPU tactics were used.
>
> I have listened to testimony and seen documentary evidence to the effect that accused persons were subjected to beatings and physical violence in such forms as only could be devised by warped minds. They were subjected to sham trials, to mock hangings, and families were deprived of rations—all of which the prosecution justified as being necessary to create the right psychological atmosphere in which to obtain confessions. I am firmly convinced that innocent as well as guilty persons thus put in the right psychological atmosphere will confess to or make statements supporting anything.
>
> I want no murdering Nazis freed.
>
> I do want the innocent protected from the abuse of Hitlerian tactics, Fascist interrogation, and the communistic brand of justice.
>
> Consistently the evidence pointed to four interrogators. One in the course of his appearance before the subcommittee agreed to take a lie detector test as to whether or not brutalities were used in securing confessions or statements. The chairman of the subcommittee objected to the use of the lie detector test. The subcommittee chairman submitted the question to the Armed Services Committee, but they objected to securing such facts as would be developed by the lie detector test.
>
> I accuse the subcommittee of being afraid of the facts. I accuse it of attempting to whitewash a shameful episode in the history of our glorious armed forces. I accuse it of compounding a wrong, perpetrated by a few members and impugning the fair name of the millions of men and women who served with valor and distinction in the armed services. I accuse it of sabotaging our efforts under the European Recovery Act, setting at naught that which we spent and are spending billions to accomplish.
>
> If this is allowed to stand, if the whitewash succeeds, the United States can never protest the use of these methods by totalitarian countries. If the United States condones these actions by a few men, all the world can criticize and forever after question our motives.

In this connection it might be well to cite the facts in several cases which I consider rather typical insofar as the value of the confessions and statements secured at Schwabisch Hall are concerned.

Max Reider confessed to the very brutal murder of an unarmed woman in the little Belgian crossroads hamlet of Bullingen. His confession, like all of the confessions obtained, was very detailed. It explained how he walked into the house, exactly where he found the husband and wife, how he asked if any American soldiers were around and when he was informed that there were no American soldiers in the house how he then stepped back two meters and shot the woman through the forehead. He explained how the husband ran out of the house before he could shoot him and how he and his companion made sure the woman was dead before leaving the house. "Otherwise," his confession reads, "I would have shot her again." The confession goes into gruesome detail as to how the brains were seeping out the back of her head onto the floor of the cottage. The defendant was convicted and sentenced to die.

This defendant, however, as well as practically every one of the other 73 defendants convicted in this mass trial, signed an affidavit claiming that he was tortured until he signed the confession and that there was not one word of truth in it.

An Army board known as the Frankfort Board which reviewed this case set forth the fact that an investigator was sent to the town of Bullingen to investigate the matter and found that the confession was completely false. The investigator brought back affidavits from the registrar, the burgomaster, and the woman's husband, witnessed by the parish priest, to the effect that the woman in question was killed by a shell or grenade while fleeing from a raid and that she was the only woman in this

little village who had died during the war from other than natural causes. The undertaker also certified that there were no bullet wounds on her body. The Frankfort Board, therefore, held that the conviction, on this ground, must be set aside.

The final authority, that is the Army board reviewing the case, in the Judge Advocate's office in Germany, however, dismissed the recommendation of the Frankfort Board and upheld the conviction without any discussion of the facts in the case—listen to this, if Senators will—except the statement that the defendant was old enough to know it was wrong to kill Belgian civilians.

Can anyone conceive of such a thing, Mr. President? Here we have a confession which the Frankfort board says was utterly false. It was shown by the husband's statement that the woman was not shot. Therefore the Frankfort Board found there was no truth in the confession, and recommended that the conviction be set aside. What does the Judge Advocate's office in Germany, under General Clay, do? It upholds the conviction without discussing the evidence, and merely says "that the defendant was old enough to know it was wrong to kill Belgian civilians."

That is one example of American justice.

Another case was that of Rudolph Pletz who was convicted of one of the most inexcusable crimes. The facts offered by the prosecution were to the effect that Pletz was a machine gunner in one of a line of tanks traveling through a small Belgian village, that there were some 25 or 35 unarmed American prisoners of war standing with their hands over their heads in front of a little crossroads store and that Pletz opened up with his machine gun with no orders whatsoever to do so and deliberately murdered all of the unarmed American prisoners. He was convicted and sentenced to death.

The defense in this case claimed that no American prisoners had ever been shot in this particular town, but that there had been an unfounded rumor of such a shooting and that the interrogators, without even checking to determine the truth of the rumor, had decided to convict someone of the "crime."

The evidence was, for example, that these prisoners were not even prisoners of his tank unit. There was no evidence whatsoever that Pletz operated under any order. The evidence was that this young man opened up with his machine gun and mowed down 25 or 35 unarmed American prisoners of war.

The Frankfort Army Board recommended the conviction be set aside because investigation showed that, first, not a single individual in the little Belgian hamlet had ever heard of any American prisoners of war being killed in that town; second, the grocer before whose store they were allegedly murdered stated positively that he knew nothing about any shooting, and, third, the American unit which came through this town immediately after the German tank corps passed through found no indication whatsoever that any American prisoners had been killed.

Again the final reviewing authority's action was fantastic, I believe, beyond words. It ignored the Frankfort board investigation and dismissed the matter by merely stating that because of the youth of the defendant, his sentence would be reduced to 20 years.

It is said the defendant was 21 years of age. Men younger than that were hanged, so the youth of the man had nothing to do with the case. There we have a case in which the Frankfort Army Board said there was not a word of truth in the case against the defendant; that no one in the little hamlet had ever heard of any American prisoners of war being killed in the hamlet; the grocer before whose store they were said to have been murdered said he knew nothing about any shooting, and the American unit which came through immediately after the German tank corps passed through, found no indication whatsoever that any American prisoners had been killed; that no bodies of Americans were found. Yet the final reviewing authority does not bother to go into the evidence at all. It merely says that because of his youth his sentence will be reduced to 20 years. Any man who has ever been inside of a court, who has any conception of justice, could not fail to see the injustice that was done in that case. Either this young man was guilty of the most deliberate willful murder of which we ever have heard, by deliberately mowing down 25 or 35 unarmed American prisoners, with their hands over their heads, or if he was not guilty of that, he was guilty of nothing. If he was guilty of such deliberate murder obviously he should have been hanged. If he was not guilty, certainly he should not serve 20 years.

Multiply these examples by hundreds and Senators will have some conception of American justice as meted out to a defeated enemy over whom we now have the power of life and death.

Mr. President, America came into Europe with clean hands. The people of the world had come to respect not only America's great military and economic power but also to respect and admire her conception of decency and fair play and above all her judicial system, which gave every man, no matter how unimportant, and no matter how much in the minority, his day in court. This vast wealth of good will and admiration which had been built up over the years is being dissipated by a few men of little minds who, unfortunately, in the eyes of the world, represent the American people.

Those of us in Washington who are charged with the job of representing the American people must not continue to blind our eyes and close our ears to a situation which is building up an unnecessary volcano of hate and which can do more to communize western Europe than all the workings of Stalin's agents. History has written with an indelible hand—yes, written in blood, if you please—that a nation cannot sow degenerate winds without ultimately reaping the whirlwind.

Recently the Baldwin committee announced that it had decided to take this investigation to Germany and that they were going to take with them three Public Health Service doctors to submit all the defendants to a physical examination in order to determine the truth of the charges that mental and physical torture was used to get confessions. In other words, they are going to look for bruises and marks of beatings and kickings that took place more than 3 years ago.

This, of course, is proper in the few cases where permanent disability is claimed in the affidavits. However, all the defendants are to be given a physical examination on the theory that if no bruises still remain after the passage of 3 years' time, then the claims of torture are untrue.

Rather conveniently, the subcommittee has overlooked the fact that a mock trial leaves no scars or bruises, nor does a mock hanging, nor does the fact that a man has been threatened that harm will come to his family leave the kind of scars and bruises that can be seen even by the expert eye of a doctor. Even the kickings, the beatings, after 3 years' time, leave no marks.

The doctors' report showing no scars will, of course, be of assistance in seeing this investigation through to the glorious finish of a whitewash report. The medical report will supply part of the proof needed to support a committee report that the actions of the interrogators were above reproach.

The trip, obviously, will not only be a complete waste of time and effort, but a complete waste of money. It will cost thousands to transport the three subcommittee members, the staff, the Army officers who have been invited by the subcommittee to go along, and the three Public Health doctors to and from Germany with all the additional living expenses and cost of conducting the investigation.

In this connection, it should be remembered that at the time I suggested that the lie detector be used on the interrogators charged with torturing the defendants, one of the objections raised was the cost of transporting these four men all the way to Chicago.

In closing I would like to predict the contents of the report which the Armed Services Subcommittee will issue after it has finished its investigation.

First. It will attempt to call up all the emotions of war hatred and concentrate solely on the gruesome details of the Malmedy crossroads massacre, which is only one of the many war crimes involved in these cases.

Second. It will wave the flag and speak of the white crosses over the graves of the American dead.

Third. It will ask, in self-righteous phrases, why—in view of the massacre and the atrociousness of this war crime—the Government of the United States of America should concern itself with applying decent rules of justice to these "vicious criminals."

Fourth. It will purposely avoid the inescapable fact that the conduct of these trials makes it impossible to know whether what they call vicious criminals or innocent men have been convicted and are being hanged.

Fifth. It will refuse to recognize the fact that accused men are not guilty unless and until proven so.

Sixth. It will disregard, gloss over, or attempt to discredit the findings of the committee composed of two disinterested and impartial judges selected by the Army Secretary to investigate this matter and also the findings of the Army Board which found the charges to be true.

Seventh. It will reflect what in my opinion was the main concern of the committee during the hearings—namely, a whitewash of the law partner of the chairman of the subcommittee and those who worked under and with him.

Our Special Senate Investigating Committee, whose original interest in this matter spurred the Armed Services Committee on to commence their so-called investigation, is no more satisfied today that this matter has been given a fair and impartial hearing than it was when the first meeting of the Armed Services Committee was called on this matter and the members to the subcommittee were selected.

In my opinion, the chairman's sense of values that places the reputation of a few men over and above the reputation of American standards of justice and respect for human rights has made a fair hearing impossible. A complete failure to understand the relationship of the conduct of these trials to our purpose in fighting a war and in launching a multibillion dollar aid-to-Europe program has helped to make a fair hearing impossible.

In a final attempt to get at the truth and make it known to the world that neither the United States Government nor the American people condone this complete disregard for individual rights and this prostitution of American principles of justice, the Special Senate Investigating Committee voted unanimously to request the Inspector General of the Army to conduct a thorough investigation of all European war-crimes trials conducted by our military forces including—

One. A thorough investigation of all the death cases.

Two. A spot check of a number of cases which were tried by the Army in an attempt to determine whether the facts found by the Van Roden-Simpson committee are true or false.

Three. A complete investigation of conditions at Landsburg Prison. This is something with which the Senator from Connecticut and his subcommittee have had nothing to do. I do not in any way blame them for not going into this matter. It was not within the scope of their inquiry. The reason for the last request is that we have had almost an unlimited number of complaints from the clergy, both Catholic and Protestant, in regard to the treatment of prisoners at Landsburg Prison—complaints to the effect that the administration at Landsburg has made it almost impossible for either Catholic or Protestant chaplains to operate within the confines of the prison walls. That is where the accused war criminals are quartered.

In closing it might be well to remember the words of Winston Churchill when, as a young man, he was pleading for the lives of the Cape rebels in the Boer War:

> Over battlefields the grass grows quickly;
> Over gallows the grass grows never.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. BALDWIN. In the course of his remarks the Senator made reference to an order which was issued by Major Fanton as to the conduct of the investigation.

Mr. McCARTHY. I referred to paragraph 2.

Mr. BALDWIN. I should like to read the complete text of the order which was issued. It reads as follows:

RULES GOVERNING INTERROGATION

(a) Any ruse or deception may be used in the course of the interrogation, but threats, duress in any form, physical violence, or promises of immunity or mitigation of punishment, should be scrupulously avoided.

(b) Where a prisoner being interrogated in a crime is implicated in that crime, it is permissible to tell him that he will be recommended as a witness, if such statement to the prisoner will cause him to tell a full or more complete story so that he will be of more value to the case as a witness than as a defendant. However, before any such statements are made to a prisoner, the matter must be cleared with the commanding officer.

(c) Stool pigeons may be employed, but prior to their selection or preparation, the matter of their employment must be cleared with the commanding officer.

I was not present when it occurred, but it is my recollection that the Senator from Wisconsin cross-examined Mr. Fanton at great length on that particular SOP.

Mr. McCARTHY. I certainly did.

Mr. BALDWIN. The record, of course, will disclose what was said. I do not intend to comment on it now, except to say that it is in the record.

It is my recollection from reading the testimony and from what the staff has reported to me about this and other matters pertaining to the trial, that there was not a single case in which immunity was promised to any witness if he would sign a confession. I think that is a correct statement of the facts. That was developed after lengthy cross-examination of the man who had conducted the prosecution.

Mr. McCARTHY. The Senator means that the prosecutors did not admit that they ever used that method.

Mr. BALDWIN. No; I do not mean anything of the kind. The investigators, of course, used ruses, and they used other methods of obtaining statements from the accused men.

Mr. McCARTHY. Let me read something to the Senator, if I may. I am sure that as a lawyer he will not stultify himself. Let me ask the Senator what he understands this to mean:

> Where a prisoner being interrogated in a crime is implicated in that crime it is permissible to tell him that he will be recommended as a witness, if such statement to the prisoner will cause him to tell a full or more complete story so that he will be of more value to the case as a witness than as a defendant.

That can mean only one thing. First, the man is implicated in the crime, so he is guilty. Second, the interrogators whom Mr. Fanton hired, men who were not American citizens, were given the right to go out in the compound and place a premium upon lying. They were told, "You can say to a man who is guilty that if he will tell a story that is sufficiently valuable in convicting some of the other men in this compound, he will be used as a witness and not as a defendant." We found that that was done. There is no doubt about it, as we go through the evidence.

That, I claim, has two results. First, it does not protect the rights of the innocent in any way whatsoever. Second, it does just the opposite of convicting the guilty. Never has it been heard of in American jurisprudence that an interrogator could go to a jail or somewhere else and say to a criminal, "If you will lie sufficiently so as to convict the men in the other cells, we will let you off."

Does the Senator wish me to yield further? If not, I am going to yield the floor.

Mr. BALDWIN. Of course, the Senator can strain it and put that interpretation on it if he wishes.

Mr. McCARTHY. The Senator says I can strain at this point; does he?

Mr. BALDWIN. Yes.

It strikes me that the procedure in that case was similar to a procedure which often is used in our courts, namely, that when a man implicated in a crime chooses to turn State's evidence, often the prosecuting authorities permit him to act as a witness, and tell him quite frankly that if he will tell the whole truth, he probably will get some amelioration of his sentence.

The Senator from Wisconsin knows as a lawyer that in our courts that is done over and over again. I take it that he means to say that that procedure, which often is used in America, can be used in such cases.

The Senator from Wisconsin also knows that the procedure used in the war-crime trials was different from the procedure used in our courts, and that in those trials the same procedure that is used in courts in the United States was not attempted to be used. The Senator knows that those were military courts, and that there was a precedent, going back over a long period of years, for their establishment.

Mr. President, one thing in which the committee is interested is an examination of the law and the precedents and in determining whether, from this experience, which is a most unhappy one, we may learn something which will result in better justice and better trials in the future. That is one of the purposes of this investigation.

But the Senator from Wisconsin knows that oftentimes the prosecuting authorities and the police will interrogate a man who is implicated in a crime and will lead him to believe, either directly or indirectly, that he will receive some favored treatment, some amelioration of his sentence, if he will make a clean breast of the affair and tell the whole truth.

Mr. President, this debate has taken a great deal of time. It is obviously impossible for your committee to attempt

now to answer in full detail everything that has been stated here. Of course, in attempting to do so, the committee would have to indicate its judgment and its opinion upon the evidence offered.

Let me say that the committee has conducted very long hearings and we have voluminous testimony. We have tried to have everyone who might in any way know anything about these trials, appear and testify.

When it was discovered that it would be an extremely costly process to bring to the United States many witnesses whom we would like to interrogate, it was decided by the committee that the best thing for us to do was to go abroad and interrogate the witnesses there.

Grave charges were made about permanent physical injuries which it has been claimed some of the prisoners would show upon a physical examination. The committee thought it wise to check on that matter.

At this stage in our investigation, I do not propose to make a finding in this case or to detail all the testimony. We still have a job to do, unless the Senate should decide that it wished to do something else with this investigation.

Mr. President, in the face of the claims which have been made by the Senator from Wisconsin, I, for one, am not going to voluntarily withdraw from this job. My conscience is clear. I have tried to do the best I know how, and I shall keep on doing that to the end.

I say to the Senate that if the Senate believes that it is to the interest of justice and fairness that some other committee investigate this matter, then I shall understand completely. But I do say that I, for one, believe that in the interest of fairness and justice, American citizens, officers and enlisted men of our armed forces, who were charged with doing, at an extremely difficult time in our country's history, a very, very difficult job, should have a fair opportunity to present their case and have justice done, as well as should the SS Nazi soldiers who shot down in cold blood upwards of 250 American soldiers. I do not say that in an effort to "wave the flag." I do not do it for that purpose in the least, because I do not wish to see a single one of these Germans executed if he is not fairly and justly convicted under the rules of military law by which those courts apparently were established.

On the other hand, Mr. President, I do not want, in the interest of politics, or for any other reason, to see anything other than a fair deal for everyone in this case—a fair deal for the German prisoners, yes; but also a fair deal for the American citizens who, as I have said before, were charged with the task, on behalf of their country, of doing an extremely difficult job—a job with which I must admit they had not had much experience; a job for which I must admit there was not a great deal of precedent, as these men knew it; a job which I admit may have been done at a time when the heat was too great, and when it was extremely difficult to have things proceed smoothly and orderly, as they do in the normal courts of justice in our land.

This matter occurred after a long, costly, cruel war. It occurred after some of our men had themselves, perhaps, done things which were not properly recognizable under the rules of war; and it was done at a time shortly after a last desperate effort by Hitler and his minions to beat a way to the Channel and rescue themselves from impending defeat, at a time when, it is apparent, the rules of war did not count for very much.

On the other hand, Mr. President, I am frank to say that I have been interested in this case because I did not think that in the heat of the moment we should work any injustice of any kind. I should like to see, as a result of our investigations, some new procedural developments as to the time and place and the make-up of such courts and their authority. Perhaps we could improve the procedure a good deal.

At the same time, Mr. President, I wish to say that I am not making any plea in behalf of these men, who worked with the best that was available to them at the time, and who at times perhaps made mistakes and errors. If the record discloses some things which require disciplinary action on the part of the Army or on the part of other governmental authorities, this committee will not be at all hesitant in recommending that that be done, because we are trying to do the best we can with an extremely difficult situation.

I am sorry the Senator from Wisconsin feels so strongly as he does about this matter, but of course he is entitled to his opinion. That is his right. I simply say to my colleague in the Senate from the State of Wisconsin that he had better study the record, he had better examine it with a fine-tooth comb. He would have done better to attend the hearings and hear all the witnesses, as the committee did, before he made up his mind and prejudged the case and decided what is right and what is wrong. He knows very well as a lawyer and as a former judge that judgment is not rendered in a case until all the evidence is in. The Senator knows very well as a lawyer and a judge that whoever has evidence to offer should have an opportunity to offer it. I say to my distinguished friend, in the burst of his enthusiasm here, he has taken up the side of these Nazi SS troopers. He may do that if he wants to. I say, too, Mr. President, my distinguished friend here is prejudging the case; the evidence is not all in. My distinguished friend is basing his judgment largely—on what? Largely on the affidavits of condemned men, some of whom the shadows of the gallows crossed. Thank God, we were able to hold that up until we had an opportunity to get to the bottom of this thing. Others have faced long terms of imprisonment—desperate men, Mr. President. They are the men who signed these affidavits, the men who make these charges of brutalities. We have tried, Mr. President, and we will continue to try, to bring every eyewitness that we can possibly find anywhere to testify as to what went on at Schwabisch Hall and what went on at Dachau in the treatment of these German prisoners, because, as human beings, Mr. President, they are entitled to justice, they are entitled to fair play, and we are going to see to it that they get it. That is the purpose of your committee, Mr. President, and we will continue to work in that direction as long as the Senate leaves the matter in our charge.

Mr. McCARTHY. Mr. President, the Senator from Connecticut says we are prejudging the case. I know that I cannot force the Senator to answer questions. I am just curious to know whether he thinks at this moment it is right for him to proceed, in view of the fact he says he wants a fair hearing, he wants to let the world know there is to be a fair hearing. Does the Senator think it is right for him to proceed with this investigation of his own law partner?

It is impossible to get away from the fact that Major Fanton, the Senator's own law partner, whom the Senator defended on the floor of the Senate, is the man who was in charge—complete charge—during all the time of the alleged atrocities. If the committee finds that what the Van Roden-Simpson committee said is true, if they find that what the Raymond Army Board said is true, then they will have indicted the Senator's law partner. This is either a clearing or an indictment of the Senator's own law partner, the man whom the Senator, on the floor of the Senate, on the 17th of January, defended. The Senator said all the charges against him were groundless. The Senator said of the report of the Van Roden-Simpson Committee and of the Raymond Board, the things they found to be true——

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. McCARTHY. Let me finish. The Senator said they were groundless. The man who was in charge, Maj. Dwight Fanton, was the Senator's law partner. The Senator says, let us let the world know we are giving these people a fair hearing. The Senator may think he is giving them a fair hearing, but, I say to the Senator, if any other man were in his place, would he not say he was doing wrong to continue on with a farce such as this is? The Senator knows, and I know from his handling of this case thus far, that the report is not going to indict Major Fanton. The Senator and I know the report is going to clear him. So I say to the Senator, do not come up here and wave the flag at me. Please do not. I merely wonder, as of today, whether the Senator would tell the Senate it is proper for him to continue with this investigation of his own law partner? Does the Senator think that is right or wrong? I think it is——

Mr. BALDWIN. All right. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Connecticut?

Mr. McCARTHY. I am glad to yield.

Mr. BALDWIN. Let me say this, in answer to what the Senator has just said. My distinguished friend from Wisconsin has said this thing over and over and over again, about my law partner. Mr. President, if the committee continues with me in charge of the committee, and Dwight Fanton is responsible in one jot or tittle for any injustice, he will suffer with the rest of them, and the report will show that.

Mr. President, I am not alone on the committee. There are two other members. There is the entire record. There is the Armed Services Committee, which must decide upon it. Here is the Senate, Mr. President, before whom, in the face of these claims, it may be that sufficient interest is aroused to look into this thing fully.

God knows, Mr. President, I wish every Senator could read the record, because we need a just decision in this particular case. Insofar as I am able to render it, that is what it will be. But, Mr. President, this is not an indictment of anybody. These men are not on trial. This is an ascertainment of facts. They will be on trial, if, as a result of the facts disclosed in the committee report and in the record, the Army chooses to put them there. That is their function, not ours.

Mr. President, there is the whole record, developed as conscientiously as we know how to develop it. Furthermore, the Senator will remember that on several occasions he said to me—and he cross-examined Fanton at great length—he thought the main men in this case were four other men, and he did not mention Fanton. Now, in his address this afternoon, the whole case is built around this one thing, in an effort to discredit the Senator from Connecticut, in an effort to discredit the committee, in an effort to save God knows whom, Mr. President—I do not. But I know that there are some influences at work in this case that arouse a grave doubt in my mind. I wonder about Mr. Finucane, who is the executive secretary under Mr. Libby of the Society for the Prevention of War. I wonder why it is that he went up to see Judge Van Roden after he came back from Europe, conducting this investigation, after he had heard him talk before a meeting of the chamber of commerce or the Rotary Club. He hustles back to Washington and prepares an article containing many of the grave charges that are made here today. I wonder why Mr. Finucane, who was a conscientious objector in World War II, and who stayed out of it as long as he could—he goes up and sees Judge Van Roden, and the judge, very naively, apparently never had had anything to do with an article before. What does he do? He apparently approves the thing. Then, later, when he comes before our committee he repudiates it. He repudiates the article that was published in the Progressive magazine, so-called, that contains, and I think spark-plugged, many of these charges. Then, your committee, Mr. President, in a diligent effort to find out what the facts were, had Judge Van Roden sitting here. We had Mr. Finucane sitting here, and we had them denying what one another said. Here it is in the record. Finally, at the end, Judge Van Roden, one of these men who, with Judge Raymond, of Texas, made one of these examinations, repudiates the main part of the statement he had given, that contains many of these charges.

Mr. President, this is like any other case—it must be decided on the whole record. One cannot pick out one little fact here and associate it with another little fact there, and then think he has arrived at substantial justice. My friend from Wisconsin, as a judge, knows that all the evidence must be weighed.

Mr. President, I took an oath here in the Senate to do my duty. I expect to do it as long as I am here, without fear or favor to any man, just as I hope my distinguished friend from Wisconsin will do. I sometimes wonder about this case. I sometimes wonder why it is, what other reason there can be, other than the human one of wanting to see justice done. I wonder why there should be such a tremendous interest in the Nazi SS troopers, the cruelest troops of the war. I say they are entitled to fair play. We brought some of the witnesses in here and questioned them on the basis of what we understood they were going to say. The record will show that when they came and held up their right hand to solemnly swear that what they were going to say was the truth, they fell far short. They attributed to hearsay many of the things we had supposed were matters of their own direct knowledge, to be covered by their own direct testimony.

It is difficult to discuss the case, because I do not want to prejudge it. There still is many a question in my mind about this whole thing, many a question in my mind as to really what kind of treatment those men got when they were in prison, really whether they did get a fair trial. I have not prejudged the case, but I do think that our Army, our military government, has made a pretty conscientious effort in connection with it. There have been many reviews, at least four or five, and here is another one going on now, with the Secretary of the Army saying there will be no executions until the report of this committee is in.

Mr. President, that is a tremendously grave responsibility. So we shall try our best to do our job. But I say again that if the Senate feels that this matter should be given to some other committee, or to some other chairman, I have no interest in it other than to see justice and fair play done. It makes no difference to me, personally, what may happen to Major Fanton, who has been built up by my distinguished friend from Wisconsin as the motivating figure in the whole matter. But he falls far short of being the motivating figure. I think he spent approximately 3 months there and was not there during the entire investigation.

What the Senate may want to do in the matter is its own problem. But, Mr. President, I would not think that I would be defeating a really great and sincere purpose, in connection with charges which I consider to be utterly groundless, if I were to say that in the face of this claim I should beat a hasty retreat and should surrender. I have no intention of doing any such thing. But, at the same time, it is in the bosom of the Senate. The Senate has a right to change the committee and the chairman. I ask the Senate to judge us on the record, not on the claims made alone, but on the record, and I ask it to have in mind that in this particular phase of the proceedings it is impossible, without appearing to prejudge the case and take sides, to answer the things which have been said or to attempt to answer them.

So, Mr. President, I leave the matter in the hands of the Senate.

Mr. McCARTHY. Mr. President, in closing, let me say that I have no intention of asking the Senate to remove the Senator from Connecticut as chairman of the subcommittee. We have taken, I think, sufficient action to get a fair and honest investigation. We have asked the Inspector General's office—and by "we," I mean the special Senate investigating committee, which voted unanimously to make the request of the Inspector General's office—to make the investigation which we feel the subcommittee headed by the Senator from Connecticut will not make. I would also like to say that the Senator from Connecticut errs when he says I heard only a few of the witnesses and infers I attended only a very few sessions of the hearings. I attended every session until I could stomach the whitewash no longer.

Mr. President, I should like to put another matter in the RECORD which I think would be of especial interest to any lawyer reading the RECORD. During the trial the defense attorneys knew of "SOP No. 4" and they knew of paragraph (b), which authorized the interrogator to offer immunity to anyone who would tell a story sufficiently valuable to convict the codefendants. In view of that fact, the defense counsel naturally were very eager to cross-examine the men who were originally defendants and had their status changed to that of witnesses. So when such a valuable witness got on the stand, who had been, in the words of "SOP No. 4," "implicated in the crime," defense counsel tried to cross-examine to find out what the witnesses were offered to testify as they did, or whether they were threatened, or under what circumstances they received immunity. The law member of the court, the only member of the court who had had any legal experience, made all the rulings on objections which were raised. The prosecution consistently objected—this may be of interest only to the attorneys—to questioning the credibility of a witness on cross-examination. The objection was made on the ground that the subject was not gone into on direct examination. In other words, when the defense counsel would say to a witness, "What were you offered? Were you given immunity, or did they threaten to send you back to Russia if you did not testify as you have testified?" the prosecuting attorney would always object on the ground that the subject was not gone into on direct examination. That is obviously the most groundless legal objection conceivable, because the credibility of one's own witness is not questioned on direct examination. But the law member ruled that the credibility of any witness could not be gone into, which tied the hands of the defense. That ruling alone made it extremely difficult to get a fair trial.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. TOBEY. The Senator from Wisconsin, in referring to the Senator from Connecticut recently used language unbecoming a Senator when he used the words "criminally responsible" in referring to the Senator from Connecticut.

I cite paragraph 2 of rule XIX, which provides as follows:

No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

I call attention also to paragraph 4 of the same rule, and I claim that the rule should be enforced this afternoon, and I demand it.

Mr. McCARTHY. Mr. President, I did not use that phrase but before I used the phrase to which the Senator evidently refers I stopped, because I realized that it might be better unsaid. The Senator from Connecticut said, "Proceed and say it," and I did. I think the Senator from New Hampshire may be correct, and I shall be glad to have the language stricken from the RECORD.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield the floor.

Mr. HUNT. Mr. President, as a member of the subcommittee which has been referred to by the Senator from Wisconsin, I should like to take a few minutes of the time of this distinguished body with reference to the very difficult investigation which has been assigned to the Senator from Connecticut [Mr. BALDWIN], as chairman, the Senator from Tennessee [Mr. KEFAUVER], and myself. I should like to say that the subcommittee has been most diligent in its efforts to ferret out the truth and to get to the very bottom of the situation. For days on end the subcommittee held extensive hearings. It called witnesses from every part of the United States who had even the most remote connection with the Malmedy trials, to appear before it and to give their testimony.

Primarily, I wish to say that my distinguished colleague the Senator from Connecticut, has been most fair throughout all the hearings. I want to say, further, that he has been more of a seeker for the truth because of his connection with Major Fanton than could possibly have been any other Member of the Senate.

Mr. President, as a member of the subcommittee, I resent the statements made by the distinguished Senator from Wisconsin this afternoon. My colleague from Connecticut has been fair, he has been honest, and he has made every effort to obtain every bit of evidence he possibly could from every witness appearing before the subcommittee. I think the charge made this afternoon against the subcommittee is, first, untimely; second, I think it is unfair; and, in the third place, I think it is hitting below the belt.

Mr. President, I am not going to be drawn into any argument with reference to the merits of this case, but I wish to say that we are going to get to the bottom of this matter, and we are going to find out who it is, and to what organization they belong, who are back behind the scenes pushing this investigation.

Mr. President, I have an open mind in this investigation, and I intend to keep it open. When all the testimony is in, and when the report is then written, I shall address the Senate in no uncertain terms, and the Senate will understand and know whether or not this committee has been thorough and fair, and they will then appreciate the distinguished services of my colleague from Connecticut, for whom I have the greatest affection and love.

Mr. McMAHON subsequently said: Mr. President, during the address by the Senator from Wisconsin [Mr. McCARTHY] on the Malmedy trials, I was engaged in a meeting of the Joint Committee on Atomic Energy, and I arrived in the Senate Chamber just at the conclusion of the Senator's address and in time to hear my colleague, the junior Senator from Connecticut [Mr. BALDWIN], make some comments on the speech. I have since examined the manuscript of the address delivered by the junior Senator from Wisconsin, and I deeply regret that he has seen fit to attack the integrity of my colleague.

I know nothing about the Malmedy investigation or the Malmedy controversy, but I do know Senator BALDWIN. I have known him for over 25 years. As young lawyers we opposed one another in the courts of the State of Connecticut, our native State. The attack which has been made on Senator BALDWIN will not injure him in the slightest in the State which we have the honor to represent here in the Senate. His reputation for integrity and his character are known to our people. He was Governor of our State on three different occasions. I suppose he knows more people in Connecticut by their first names than any other of its public servants do. I could not let the record stand without rising here to say that I regard this attack on him as extremely regrettable. I feel that the Senate's judgment on the attack will coincide with mine.

Mr. President, I ask unanimous consent that these remarks appear in the RECORD before the remarks of the Senator from North Dakota.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Without objection, it is so ordered.

Mr. BALDWIN. Mr. President, I rise to express my profound thanks to my distinguished colleague and friend from Connecticut for the kindly way he has treated me in connection with this little controversy. What he has done is very generous and very kind of him.

I also want to say, Mr. President, that I appreciate the support the two members of the subcommittee have given in this controversy, and to say that no man worked with better colleagues on the subcommittee than the junior Senator from Connecticut has been privileged to work in this rather difficult, trying, and highly controversial matter. I am extremely grateful for their remarks, as well as the remarks of my distinguished colleague, the senior Senator from Connecticut [Mr. McMAHON].

THE FARMERS NEED AND WANT RURAL TELEPHONES NOW—"WHY NOT NOW?"

Mr. LANGER. Mr. President, on June 11, the Senate Committee on Agriculture and Forestry held a hearing on the bill to provide for the extension of telephone service to farmers. I consider the matter of such great importance that on June 24 I presented to the Senate the testimony that had been given to the committee. Since that time 1 month has passed.

In the meantime, the House of Representatives passed and sent to the Senate a bill providing for rural telephones. The bill and all the issues it involves was thoroughly discussed by the House Committee on Agriculture and by the House itself on the floor. Our own Senate committee has discussed it. All sides have had the opportunity to present their arguments to Congress.

I am glad to say that Senator THOMAS, chairman of the committee, says that it is time for action on the Senate floor.

The telephone legislation we have under consideration is nonpartisan in every respect. The Senate bill is sponsored by a bipartisan group of 11 Senators. The Senators sponsoring the bill are: the Senator from Oklahoma [Mr. THOMAS], chairman of the Committee on Agriculture and Forestry; the Senator from South Carolina [Mr. JOHNSTON]; the Senator from Alabama [Mr. HILL]; the Senator from Iowa [Mr. GILLETTE]; the Senator from Oklahoma [Mr. KERR]; the Senator from Florida [Mr. PEPPER]; the Senator from Alabama [Mr. SPARKMAN]; the Senator from Texas [Mr. JOHNSON]; the Senator from Vermont [Mr. AIKEN]; the Senator from North Dakota [Mr. YOUNG], my distinguished colleague, and myself.

In the House it was passed overwhelmingly by the strong support of both parties. Both the majority and the minority leaders supported the measure.

The farmers of this country are looking to the Senate for action on this legislation at this session and I want to know that the Senate Committee on Agriculture and Forestry will soon give us an opportunity to vote on this bill.

We all know that the telephone monopoly has fought this legislation from the very beginning. The bill is opposed by those segments of the telephone industry which not only have failed to supply most farmers with telephone service, but openly admit their inability to do so.

The lobbyists representing the telephone monopoly are hard at work. First of all, they have tried to defeat the bill. Failing in that, as they did in the House, they have tried to propose every conceivable reason for delaying action. When this is ineffective, they propose all kinds of crippling and restrictive amendments.

In the House all these efforts to tack on crippling amendments were defeated and the bill that has come over from the House is in good shape. Therefore, I am glad that the Senate committee will soon report on the bill.

A farmer, perhaps more than any other citizen, represents the qualities of character by which we like to measure our national strength. He is independent, ingenious, self-sufficient to a large degree, ever willing to help his neighbor, aware and confident that in time of need his neighbor will help him, God-fearing, a good provider, and a good family man. More than that he is a businessman, running a business which is important to the welfare of this Nation. Since this is true, the farmer feels entitled to the

same standard of living, the same kind of opportunity as his city cousin. Through no fault of his own he does not have it.

The farmer has a great need for a telephone—more so even than townspeople. He wants it to call on his neighbor in emergency, such as fire. He wants to be able to call a doctor. He needs it to carry on his business, to order parts for a broken machine, to market his crops to best advantage, and for a hundred other business needs. His wife wants to be able to arrange details of a church sociable. His children want to lay plans for a 4–H or Future Farmers project.

Certainly the farmer needs a telephone. He wants it, and he ought to be able to get it. In the past he could not get a telephone because monopoly suppliers could not make money on rural telephone lines, and they were about his only source of service. Now, however, the situation is much different. Now the farmer cannot get a telephone because the Senate Committee on Agriculture has failed to take action on this vital matter, but this will soon be remedied.

The urgent need for action on rural telephones is obvious from the record of the past and the present situation. Briefly and baldly, more farms had telephone service in 1920 than have it in 1949.

As I have indicated, the big companies have been little interested in building farm telephone lines. What has been done has in fact been the result of action by farmers themselves. Back before the First World War farmers organized mutuals and small local independent companies. These provided telephone service after a fashion. Their intentions were laudable. But, by and large, they were under-capitalized. Little or no provision was made for maintenance, none for replacement of worn-out, damaged, or obsolete equipment. Consequently, these struggling little companies had tough going and, especially in the late 1920's, went out of business by the hundreds. Many of those which managed to hang on are providing a service which is only slightly better than none. Many which are now providing fair or good service are in desperate need of new capital for rehabilitating their properties. The sight of broken telephone poles barely kept erect by the wires, or wires tacked to trees and fence posts, is common in rural areas near our towns.

During the war proposals were made for Federal rural telephone programs to correct the obvious shortcomings of the situation. What followed could hardly be explained as a coincidence—the telephone monopoly, as rapidly as it could obtain materials, busied itself building rural lines—that is, if you call suburban areas rural. The monopoly was even busier telling the world, especially the farmers, about their plans and progress. Large advertisements by the Bell system companies in leading farm magazines, a first-class propaganda motion picture, and a proud booklet announcing the millionth rural telephone, were features of this postwar campaign carried on while Congress had before it bills to provide for rural telephone loans.

This was fine as far as it went. But it was not intended to go very far. Farmers know that, despite all the propaganda, they just have not gotten telephones out in the real farm country where phones are needed most desperately.

More than half the farmers do not have telephones. They have no hope of getting them, except through a national program. This fact has been recognized for a long time, and has never been seriously challenged.

Let us analyze the opposition to the bill. Two groups testified against the bill before the House committee, and two asked the Senate committee for permission to file opposition briefs. These two groups are the Bell System companies and the United States Independent Telephone Association. By and large, they represent big business—the world's greatest private monopoly, and the group of large independent companies which follow the Bell line. Why do they oppose it? Because they do not want the American public to have any yardstick other than their own operations by which to judge the efficiency and propriety of their actions.

History repeats itself. Many of us can recall the cries of the power trust back in 1935 when the REA bill was being debated. The phony fears that were expressed then are being revived in these telephone debates. Let us see what they are:

First, it is claimed the rural telephone job is completed. We have heard that one practically every time an REA appropriation bill has come up since 1935. And still there are farmers anxiously waiting for service. The fact is that over 55 percent of the farms are still without telephones of any kind—good or bad.

Second, it is claimed farmers cannot afford telephones. That was another old one long used by the Power Trust and now dug out by the telephone monopoly. The plain fact is: Today's farmer cannot afford to be without a phone—and he knows it.

Of course, many farmers cannot afford service of the kind that is now being offered. Let me read from one of many letters received on this subject:

> We have tried to get telephone service here, but have not had any luck. The Bell people will put a pay station at the store if we make them a gift of $10,700. We can get a 10-party line from Victorville if we advance $15,000 refunded 10 percent of bills for 10 years and then nothing thereafter. Both a joke.

A joke is right. But who is the butt of it? The farmer.

Third, it is claimed the telephone company is doing its job and will continue until adequate coverage is attained. It is perfectly clear that adequate coverage means little more than cream skimming. Service for everybody is as unlikely to be a part of Bell's future plans as it has been part of their past accomplishment.

Fourth, it is claimed that the rural telephone program we propose will put Government in business and will lead to unnecessary duplication. The bill before the Senate committee does not provide for Government telephones. I want all Senators to know this. It merely provides for low-cost financing so that the companies already in the field, and new companies where necessary, can do the job. Companies that really want to bring service to farmers but which cannot do so because of lack of capital have nothing to fear. In fact, they will be helped to do their job better under this bill. I want every single independent company throughout America to know that no one attempts to put them out of business. There is no attempt to hamper them in any way. The attempt is to help them.

The telephone monopoly is no piker—even when compared with the Power Trust. The A. T. & T. and its international empire, including the Bell systems, control 98 percent of the long distance telephone lines and about 85 percent of all the facilities for local phone service in this country.

Despite the power of the opposition, however, the telephone trust was soundly beaten in the House. Now it is up to us in the Senate. I for one want to compliment the Senator from Oklahoma for his assurance that the bill will be taken up in time to be voted upon at the present session of Congress.

FOREIGN AID APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gurney	Magnuson
Anderson	Hayden	Maybank
Baldwin	Hendrickson	Millikin
Brewster	Hickenlooper	Morse
Bricker	Hill	Mundt
Bridges	Hoey	Murray
Butler	Holland	Myers
Byrd	Hunt	Neely
Cain	Ives	Pepper
Capehart	Johnson, Colo.	Robertson
Chapman	Johnson, Tex.	Russell
Connally	Johnston, S. C.	Saltonstall
Cordon	Kem	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Sparkman
Downey	Knowland	Stennis
Dulles	Langer	Taft
Ecton	Lodge	Taylor
Ellender	Long	Thomas, Utah
Ferguson	Lucas	Thye
Flanders	McCarran	Vandenberg
Frear	McCarthy	Watkins
Fulbright	McClellan	Wherry
George	McFarland	Wiley
Gillette	McGrath	Williams
Graham	McKellar	Withers
Green	McMahon	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the second amendment of the committee.

Mr. McKELLAR. Mr. President, I am very happy to understand that we are about to have a vote on this amendment. I should like to have about 3 or 4 minutes to explain it.

Mr. LUCAS. Mr. President, will the Senator yield, to permit me to propound a parliamentary inquiry?

Mr. McKELLAR. Certainly.

Mr. LUCAS. Will the chair please state just where we are in the bill?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 3, in lines 2 and 3, to strike out "$1,074,000,000" and insert "$1,000,000,000." That is the pending question.

Mr. McKELLAR. Mr. President, I wish to explain the amendment to the Senate, if I may. It will take only a short time to do so.

Public Law 47, of the Eighty-first Congress, approved April 19, 1949, authorized an appropriation of $1,150,000,000 for economic aid to Europe for the period April 3, 1949, through June 30, 1949.

The budget estimate, House Document No. 167, submitted by the President on April 22, 1949, recommended $1,074,000,000 or $76,000,000 below the authorization, because of price declines in the United States. The House allowed the estimate in its entirety. In other words, the House agreed to the $76,000,000 reduction.

ECA was advanced by RFC, pursuant to section 8 (b) of Public Law 47, Eighty-first Congress, the sum of $1,000,000,000 to be repaid, without interest, from funds appropriated. This billion dollars was obligated in its entirety before the end of fiscal year 1949. The ECA was without authority to obligate, and, of course, did not obligate additional funds prior to the end of the fiscal year.

In view of the conditions—the obligation of the advance of $1,000,000,000 and the completion of the fiscal year—the committee recommends only $1,000,000,000 for this period, April 3, 1949, through June 30, 1949. Following announcement of the committee's action in reducing by $74,000,000 the funds for the final quarter of fiscal year 1949, the ECA announced that it had committed, since July 1, the $74,000,000 requested for the fourth quarter, fiscal year 1949, inasmuch as "they had been led to believe it would be forthcoming in full," as stated in a newspaper account. ECA officials stated that in their judgment the commitment was authorized by Public Law 154, Eighty-first Congress, making temporary appropriations for the fiscal year 1950, and for other purposes. The Members of the Senate will remember that was the so-called act providing compensation for Government employees while awaiting the passage of the regular appropriation bills. It was a temporary measure to carry things along while awaiting the passage of the regular appropriation bills.

The committee, in recommending only $1,000,000,000, felt that no authority existed for obligation of the additional $74,000,000 requested for the final quarter, and so stated in its report on the bill. I discussed the legal question with the Senate legislative counsel, and he has furnished our committee with an opinion, the conclusion of which I should like to read:

> Any argument that the obligation of said $74,000,000 constitutes a moral commitment by the Congress to increase to total appropriation for ECA for the fiscal year 1950 or that the ECA was within its legal rights in obligating said amount and earmarking it against the item contained in the House bill, since they had been led to believe it would be forthcoming in full—as stated in the New York Times, July 13, 1949, by Felix Belair, Jr.—is not warranted either by the specific provisions of law involved or by the legislative history thereof.

I digress here long enough to say that if we appropriate this additional $74,000,000, we shall be establishing a precedent which the Congress cannot afford to establish, for the reason that if that were done, at any time when there might be an alleged emergency, if a budget estimate of an appropriation had been presented to the Congress, all any department would have to do would be to say, "This amount has been authorized, and we expect Congress to appropriate it. So we are entitled to obligate it and begin to spend it." Where such a course would lead us, no one can tell. As a believer in our Constitution and our laws and as a member and chairman of the Appropriations Committee, I appeal to the Senate not to set such a precedent.

I read further from the opinion of our legislative counsel:

> Public Law 154 did not permit and was not intended to permit agencies of Government to obligate or expend moneys in fiscal year 1950 which were tentatively included in an appropriation bill and were in the nature of a deficiency or supplemental appropriation for the fiscal year 1949. The House committee report referred to above indicates that said Public Law was enacted merely to continue the ordinary functions of Government through July 31, 1949.

Of course, all of us know that is absolutely true.

Mr. Rice continues as follows:

> An obligation or expenditure of appropriations by an agency of Government during the current month of July, if it is at a rate no higher than that provided for in the fiscal year 1949, is permissible under said Public Law. However, when an agency of Government so obligates moneys during such month, it does so with the clear understanding that said moneys will be deducted from the appropriation eventually made available to it for the fiscal year 1950 and cannot be earmarked as allocable to any particular item of appropriation contained in either the House or Senate version of the appropriation bill as it is not known at the time the obligation or expenditure is made what the final policy of the Congress will be with respect to any particular item of appropriation.

Mr. Rice continued:

> It should be pointed out in conclusion that under Public Law 154 ECA was permitted to obligate $74,000,000 during the month of July, or any other amount within the limitations of said law, but it must be deducted from the total appropriation finally enacted into law for said administration for the current fiscal year. It cannot be said, however, that the Congress is morally committed to increase said appropriation by $74,000,000 merely because the ECA had recommended and hoped that Congress would finally appropriate the $74,000,000 item stricken out by the Senate Committee on Appropriations.

Mr. President, that seems to me to be a perfectly clear statement that we cannot appropriate this $74,000,000. I am appealing to all Senators, irrespective of party, irrespective of design, to stand by the law as it is and as it has been construed by our Legislative Counsel. That is all I have to say. I am merely appealing to the Senate to stand by the law as it has been interpreted by our legislative counsel. I think he is entirely correct. I hope we can now vote on the amendment, and that the amendment may be agreed to.

Mr. VANDENBERG. Mr. President, I join the able Senator from Tennessee in hoping we may have a prompt vote, but I am sure he would be quite willing to have the other side of this particular issue very briefly presented.

When the debate on this appropriation bill opened—a very long time ago, it seems to me, although we have not paid much attention to it since—I stated I thought the friends of ECA were well advised to accept the reduction recommended by the Appropriations Committee for the fiscal year 1950, so that the arithmetic could go to conference for final consideration. Having made that very substantial concession, in our point of view, I feel particularly entitled to rise in an appeal against the amendment, which represents an additional reduction, which reaches back in effect into the last quarter of the last fiscal year.

Let me see whether we fully understand the situation we confront. In the first place, it is my understanding that there is no record, there is no testimony, there was no hearing in respect to the amendment. If I am wrong about that, I shall be glad to be corrected.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Tennessee?

Mr. VANDENBERG. I yield.

Mr. McKELLAR. We had about 1,000 or 1,500 pages of hearings on this and the other 20 amendments to the bill—21 amendments in all, I believe. It was one of the most vigorously contested of all the amendments.

Mr. FERGUSON. Mr. President, if the Senator will yield, I should like to cite to him some of the testimony.

Mr. VANDENBERG. Testimony by whom?

Mr. FERGUSON. By Mr. Hoffman. I hand the record to the Senator, indicating the part to which I refer.

Mr. VANDENBERG. Does the Senator claim that this item had a full hearing before the committee?

Mr. FERGUSON. Oh, no; I would not say a full hearing at all.

Mr. VANDENBERG. I will say not at all. There are a thousand pages dealing with the entire subject, and there may be a few lines dealing with this item. But I submit a study of the record indicates the committee gave no such attention in its hearings to this particular thing as it did to the other problems, to which, I agree, it gave most exhaustive attention. Certainly, Mr. Hoffman, the Administrator, had no opportunity to present to the committee his full case with respect to the amendment. That must be true. If it is not true, again I pause for correction.

Mr. McKELLAR. Mr. President, the Senator does not claim, does he, that Mr. Hoffman had the right to borrow this $74,000,000 from another department of the Government and then have it given back to him, in addition? In other words, that is committing for expenditure in

fiscal year 1949 $74,000,000 that he does not have. Of course, I do not see what explanation he could make, other than the one he made.

Mr. VANDENBERG. If the Senator will be patient, very briefly, I shall give him the explanation.

Mr. McKELLAR. I should like to hear it.

Mr. VANDENBERG. The point I am making at the moment has nothing to do with the question raised by my very dear friend from Tennessee. At the moment, I am saying the Administrator never had an opportunity to present his case on the record to the Appropriations Committee in respect to this particular amendment. Therefore, the least consideration we can give to the Administrator at the moment is to hear what he has to say about this particular amendment. It is for that purpose, and that purpose alone, that I rise.

Mr. SALTONSTALL. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. VANDENBERG. I yield.

Mr. SALTONSTALL. I should like to call the Senator's attention to this testimony by the Administrator, Mr. Hoffman, which caused me, as one of the members of the committee, to feel that no further testimony was expected on this subject. I did not see how we could make the reduction of $74,000,000. At page 89 of the record of the hearings, these questions were asked, and they happened to be asked by me:

Senator SALTONSTALL. There is the request up to June 30 of $1,074,083,375. It is now June 8. I assume that that is a factual reality upon which there is no possible reduction.

Mr. HOFFMAN. That is right.

Senator SALTONSTALL. So that a total reduction, if any, must come out of the $3,568,000,000; is that correct?

Mr. HOFFMAN. That is correct; yes, sir.

Then there was further testimony. So, as one member of the committee, I assumed from that statement there was no possible reduction of $74,000,000 in that amount, as it was either all spent or all contracted for. Subsequent testimony, or subsequent consultation with Mr. Hoffman, gave me, as one member of the committee, a very strong impression that that money was all contracted for or agreed upon, and that therefore, if we did make any reduction in the amount, it would have to be carried forward and taken out of the amount for the fiscal year 1950; and if we did that, that was in substance a reduction in addition to any other reduction we made after June 30, 1950.

Mr. VANDENBERG. I thank the Senator for his statement. He is dealing with the merits of the matter to which I am about to advert. There is in the hearings that incidental reference to the subject, but I assert the hearings are void of any substantial discussion of this particular amendment so far as any opportunity was afforded to the Administrator when it actually came to an issue, to present his side of the case; and that is what I now propose to do.

Mr. SALTONSTALL. Mr. President, will the Senator yield further

Mr. VANDENBERG. I yield.

Mr. SALTONSTALL. I merely say to the Senator from Michigan, there was no further testimony in the hearings so far as I know except that statement of fact.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. VANDENBERG. Yes, indeed.

Mr. McKELLAR. I merely want to say to the Senator, this is money to be appropriated by way of a deficiency for 1949, as a matter of fact. The Appropriations Committee would be glad to hear Mr. Hoffman if he has anything to present to the committee in the future. At any time he wants to come, our doors are open. But it ought not to be in this bill. If we should set the precedent that the head of a department can borrow money from another department and commit it for expenditures, any time he likes, it would be a very great mistake on the part of the Senate, I would say, and of the Congress.

Mr. VANDENBERG. Will the Senator allow me to present the case?

Mr. McKELLAR. Yes; certainly. I apologize for interrupting the Senator. I shall not interrupt him any further.

Mr. VANDENBERG. The Senator never needs to apologize to me.

Mr. McKELLAR. I want to apologize to the Senator.

Mr. VANDENBERG. I desire to present Mr. Hoffman's point of view, because I think it is sound and it justifies the defeat of this amendment.

From his letter to me of July 12, which was made generally public at the time, for the purpose of disseminating the information involved, I read, starting on page 3. This deals with the pending amendment.

The third action of the Senate committee which worries me is the reduction of the appropriation requested for the fourth quarter of fiscal 1949 by $74,000,000. By this I do not mean to imply that the other reductions cause me no concern. My views on this score have been stated many times, but this particular item is especially serious. As in the case of the other two actions on which I have commented—

Referring to some other amendments—

no question about the $74,000,000 was raised during the hearings at which I testified. Since April 3 of this year, due to the fact that it has not been possible for the Congress to pass an appropriation bill for the ECA before the appropriation for the first 12 months ran out, we have faced great difficulties.

That is quite obvious, Mr. President. Let us remember that the Administrator of ECA has had no basic bill upon which to proceed for nearly 4 months. I continue reading from Mr. Hoffman's letter:

The authorizing legislation gave us a Reconstruction Finance Corporation advance for the fourth quarter of $1,000,000,000. With this we had to proceed as best we could in administering the program for which, as has been testified, it is important for us to commit funds 4 to 5 months in advance of the time when shipments should be made. We have not, of course, committed anything in excess of the $1,000,000,000 made available to us.

He means, with any final commitment.

Nevertheless, we have had to plan in advance—

Obviously, that was so—

or permit the participating countries to indicate to us the items which they would procure if and when the money should become available. This has made it possible to do a great deal of the time-consuming paper work in advance so we would be able to move promptly upon receipt of the appropriation. Our request for funds for fiscal 1950 has been based on the assumption that the $74,000,000 which the Senate committee has cut off would be available in that period for commitment or expenditure. I should point out in this connection that the actions of the House Appropriations Subcommittee, the full House Appropriations Committee, and the House itself all contain provision for $1,074,000,000 for the fourth quarter of the fiscal year 1949.

That would not justify Mr. Hoffman in concluding he had total and final authority, but that at least justifies him in thinking that the completion of this process in the House of Representatives, where bills of this character originate, did entitle him to think, I submit, when the House of Representatives had confirmed his belief, that he did have this appropriation for the last quarter to be made subsequently available to him, and was justified in starting to use it.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. VANDENBERG. I shall be very glad to yield to the Senator from Arizona.

Mr. HAYDEN. It was exactly for that reason that I voted in the committee in favor of allowing the $74,000,000. When the Bureau of the Budget estimated $74,000,000, and when the House of Representatives took the same action, it seemed to me that Mr. Hoffman was fully justified in making his plans and advising those with whom he was connected that it was expected that the money would be made available. It is for that reason that I voted for it.

Mr. VANDENBERG. I thank the Senator from Arizona for his statement. It represents the type of fair-play thinking which I would expect from him under the circumstances.

Here is a situation in which the final legislative process upon which Administrator Hoffman had finally to depend was held up at this end of the line, far into the new fiscal year. He had to use his own best judgment within the guidance of the landmarks available to him in making his plans. If he looked anywhere for landmarks upon which he had a reasonable right to place some degree of reliance, he certainly found them in the agreement of the subcommittee of the House Appropriations Committee, the agreement of the House Appropriations Committee, and the agreement of the House itself. He did not have the judgment of the Senate, and he could not have had it, because it has not even yet been rendered; and I wonder how much longer this week it will take to render it.

Let me continue with Mr. Hoffman's statement. He has just stated that he felt he had a right to put some degree

of reliance upon the action of the House of Representatives. I continue to read:

It was on the basis of these actions that we made our tentative allotments for the fourth quarter for fiscal year 1949, even though we have been careful not to finalize the $74,000,000 over and above the $1,000,000,000 RFC advance contained in the authorizing legislation.

He still stays strictly within the law, but he has to plan on some basis. He cannot suspend operations merely because we suspend operations in the Senate in respect to legislation. He had to have a basis upon which to proceed, and I submit he took a basis upon which he had a right to put reasonable reliance. I continue reading:

When, however, Congress passed House Joint Resolution 284 June 30, 1949, making additional funds available for expenditure in th month of July, we felt justified in making allotment of the $74,000,000 firm to the countries to which tentative allocations have been made from this sum. It will be evident that the $74,000,000 has already been committed, and to withdraw it now would create the most serious complications.

Mr. President, in a word, while everything the Senator from Tennessee says about the legalisms of the situation may be true, yet I submit that the Administrator, required to sail this course without chart or compass during these past few weeks, during the last quarter of the last year when he took his chart from the House Appropriations Committee and his compass from the House itself took the only chart and compass he could possibly find upon which he had any right whatever to rely. It does rest within the authority of the Senate to penalize his operations in the next fiscal year, as a result, if the Senate pleases, but I submit, in view of the fact that we who are particularly partial to the ECA enterprise, when we accept the cuts proposed by the committee for the fiscal year 1950 as a basis for conference consideration, are entitled to emphasize our appeal that this ex post facto action shall not further penalize the essential administration of this great affair.

Mr. LUCAS. Mr. President, in addition to what the distinguished Senator from Michigan has said, I desire to call the attention of the Senate to House Joint Resolution 284, now Public Law 154, Eighty-first Congress, which was approved June 30, 1949. This is one of the continuing resolutions we pass which in my opinion directly affects what we are discussing.

In paragraph (b) it is provided:

There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such amounts as may be necessary to permit departments, agencies, corporations, or other organizational units in any branch of the Government to carry out projects or activities for which funds were provided by Congress for the fiscal year 1949, and for which a budget estimate for the fiscal year 1950 was transmitted to the Congress prior to July 1, 1949, but for which no provision is contained in any bill pending in Congress on July 1, 1949, at the rate provided for under any corresponding appropriation for the fiscal year 1949 or the budget estimate for 1950, whichever is smaller;

Mr. President, in the examination of what the ECA did with respect to the fourth quarter of 1949, and in obligating themselves to the tune of $74,000,000, we find that the ECA complied exactly with the conditions and terms of this continuing resolution. In other words, they did not exceed the rates as required by the resolution. They kept within the limitation in obligating this additional amount of $74,000,000.

Mr. President, I merely make that statement in answer to the legal argument which has been made by the distinguished Senator from Tennessee, because at the particular time when this action was taken it was necessary for the Senate not only to do what was done for the ECA, but for many other agencies of the Government which were out on a limb when no appropriations were made for them before the end of the fiscal year.

Mr. BRIDGES. Mr. President, I wish to point out to the distinguished Senator from Illinois that in this particular case the continuing resolution to which he refers I believe had to do with the moneys for the departments and agencies for the month of July, and not for any time in the fiscal year ending June 30, 1949. I think he perhaps misinterpreted it. He may say that it implies that, but I think legally it affects only the month of July, for the 1950 appropriation.

Mr. McKELLAR. Mr. President, it seems to me the Senator from New Hampshire is entirely correct, and I should like to ask a question. Is the Senate to recognize the validity of the argument that because an agency requests and the House allows funds, this body must grant the request? Why should money be appropriated for a period already passed? We are appropriating for 1950. If we set this precedent, we will be saying that the head of any department can obligate any fund he desires; and the movement will proceed very fast as soon as it is started.

Mr. President, I hope the Senate will not take this step. I earnestly and prayerfully ask the Senate not to take the step. If it does, it will come back to plague us from this time on.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. PEPPER. Will the able Senator kindly state the period involved? Is it the last quarter of the fiscal year 1949?

Mr. McKELLAR. That is correct, and the letter from Mr. Hoffman which has been read was dated July 12, as I recall, which does not apply.

Mr. PEPPER. Will the Senator yield for a further question?

Mr. McKELLAR. I yield the floor. I am anxious to get a vote. It was charged a moment ago that we were going very slowly. I hope the Senate will act promptly now so that it cannot be said we are going slowly. I have been sitting here 2 days trying my best to get a vote. We have gotten a vote on one amendment, and I hope we will get a vote on all the amendments as soon as possible.

Mr. PEPPER. Mr. President, will the Senator also kindly advise us what amount of money was actually appropriated for the fourth quarter? If Mr. Hoffman had spent only the amount of money that was actually appropriated by the Congress, what funds would have been available to him for the fourth quarter?

Mr. McKELLAR. He has the tidy little sum of a billion dollars for the fourth quarter.

Mr. PEPPER. For the fourth quarter?

Mr. McKELLAR. For the fourth quarter.

Mr. PEPPER. And is it the Senator's contention that he should have spent only a billion dollars?

Mr. McKELLAR. Yes. We have a law on the statute books to the effect that the heads of agencies must not obligate funds unless they have them, and must not spend funds unless they have them.

Mr. FERGUSON. Mr. President, I realize that the Senate is very anxious to take a vote on the amendment, but I wish to say a few words about it.

On April 19, 1949, there was approved an act, Public Law 47 of the Eighty-first Congress, in anticipation of the fact that the ECA Director would not have money from an appropriation to carry on at least a part of the fourth quarter of 1949. In section 114 of the act this wording is found:

Notwithstanding the provisions of any other law, until such time as an appropriation additional to that made by title I of the Foreign Aid Appropriation Act, 1949 (Public Law 793, 80th Cong.), shall be made pursuant to subsection (c) of this section the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $1,000,000,000 to carry out the provisions of this title, in such manner, at such times, and in such amounts as the Administrator shall request, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose. The Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder, from funds made available for the purposes of this title.

Mr. President, that is the matter that is before the Senate today. In effect, it is a reimbursement of that billion dollars, and we find in the appropriation bill as it came from the House not only the billion dollars, but we find $74,000,000 in addition.

The bill came from the House about May 23, 1949. It was indicated on page 3 of the bill that the House had inserted $1,074,000,000, and the Senate committee changed that to $1,000,000,000, and struck out language which the House had inserted in the bill. After the provision for the $1,074,000,000, there was in the bill this language which is now stricken out—

of which not to exceed $125,000 shall be available for expenditures of a confidential character (other than entertainment) under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified.

That language was stricken out. So it would indicate that the House at least had intended to reduce the figure of $1,074,000,000 by $125,000 for what might be called confidential information.

Mr. President, the question arises as to the right of the Administrator to expend these funds, or even to commit them. I shall not dispute the facts which the Administrator set forth in the letter written by him to my distinguished colleague on July 12, 1949. I think it is well that we have all the facts before us, because the hearings do not contain sufficient evidence. But at the time of the voting and also during the discussion by the committee, the committee had before it certain facts, and the committee reduced the amount by $74,000,000.

Mr. President, being the Senator who made the motion to reduce the total amount of the appropriation, let me say that it was the intent of the junior Senator from Michigan that the amount of $74,000,000 should be reduced from the total amount the Administrator would have to use in 1950 as well as from the amount set forth in the bill.

Mr. President, I wish to read from Mr. Hoffman's letter and to comment on the evidence before the Senate at this time. It will be noted that Mr. Hoffman was not laboring under any misapprehension about the amount of money he had for the last quarter of 1949. I read the act that allowed him to borrow $1,000,000,000 from the RFC. That indicated that the Senate and the House had authorized the expenditure of $1,000,000,000 in the fourth quarter. Mr. Hoffman in his letter said:

> Since April 3 of this year, due to the fact that it has not been possible for Congress to pass an appropriation bill for the ECA before the appropriation for the first 12 months ran out—

That is true, because we had to pass the authorization of $1,000,000,000 under the act which I have read. I continue to read from Mr. Hoffman's letter.

> we have faced great difficulties. The authorizing legislation gave us a Reconstruction Finance Corporation advance for the fourth quarter of $1,000,000,000. With this we had to proceed as best we could in administering the program for which, as has been testified, it is important for us to commit funds four or five months in advance of the time when shipments should be made.

The next line in the letter is very significant:

> We have not, of course, committed anything in excess of $1,000,000,000 made available to us.

In other words, the Congress authorized $1,000,000,000, and Mr. Hoffman saw fit to be very certain that he did not commit in excess of that amount, even though the situation was difficult, even though he was laboring under the stress of needing more money, for he said:

> We have not, of course, committed anything in excess of the $1,000,000,000 made available to us.

All the Senate is asking today is that the ECA use only the $1,000,000,000 authorized.

Mr. President, I say in all frankness, as I see the situation—and I have no quarrel with anyone who sees it differently from the junior Senator from Michigan—that the Congress authorized $1,000,000,000. Mr. Hoffman was able to secure the cash from the Reconstruction Finance Corporation. He spent the $1,000,000,000, and he is now asking Congress to appropriate, in the bill now before us, mark you, not in a deficiency bill, not in a subsequent bill, to cover the particular amount of $74,000,000—no, he is asking Congress to appropriate the money in this bill, which is an appropriation for 1950. For what is the sum appropriated to be used? It is to be used to reimburse the Reconstruction Finance Corporation for $1,000,000,000.

Mr. President, we provided in the previous legislation giving Mr. Hoffman through the RFC, the full billion dollars that he should not pay any interest on it, so that when he paid it back he should pay back only $1,000,000,000. If the bill goes through as it came from the committee, Mr. Hoffman, that is the ECA, can repay $1,000,000,000, to the Reconstruction Finance Corporation.

But what he is asking the committee to do, and what he is asking the Senate to do, is to add onto it another $74,000,000 which he did not use during the fourth quarter. He did not commit it during the fourth quarter, because neither he nor anyone else knew that we would not pass this bill prior to July 1. Therefore he could not have committed it, and he said he did not commit $1 more than the $1,000,000,000.

Mr. Hoffman can spend this money in July during the fiscal year 1950, but I say in all fairness that all the subcommittee of the Senate Appropriations Committee proposed to ask him to do was to take it out of the appropriation for 1950. That is all the Senate subcommittee really asked him to do. But he now says to the Senate and to the House, "You passed a bill in July indicating to me that I could use this $74,000,000."

Mr. President, I do not think we did any such thing. I say to the Senate in all fairness that if we pass the bill under such a legal interpretation we may live to be plagued by many an expenditure under so-called temporary arrangements.

Let me read why that temporary law was passed. It is known as Public Law No. 154 of the Eighty-first Congress. I read from a memorandum prepared by the legislative counsel:

> Public Law 154 appropriated such amounts as may be necessary to permit departments and agencies for which appropriations would be made available for use or application in the fiscal year 1950 by any appropriate act (such act not being law on July 1, 1949), to carry out their projects or activities until the approval of the applicable appropriation act, to the extent and in the manner which would be provided for in the appropriations granted by such act.

Now it is clear from such language that the appropriation finally made in any such subsequent act, that is the act we have before us now, would be the controlling amount for the fiscal year 1950.

I continue to read from the memorandum:

> That language of said public act was modified, however, by a proviso—which states that—
>
> "In any case where an item is included in an appropriation act which has been passed by only one House * * * for a project or activity for which funds were provided by Congress for the fiscal year 1949, such project or activity shall be carried on under the appropriation * * * granted by the one House but in no event at a rate higher than that provided for the fiscal year 1949."

Mr. President, a fair interpretation of this act was that it was nothing more nor less than a provision to take care of temporary expenditures during the month of July, in the fiscal year 1950, not for 1949. We authorized $1,000,000,000. We are paying it back by an appropriation of $1,000,000,000 in this bill.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CAPEHART. Has the Administrator already spent the $74,000,000?

Mr. FERGUSON. I can only tell the Senator what he has said in his letter. I regret the fact that the record was not complete, so that an examination could be made. I think the testimony before the committee in the record which I showed to my distinguished colleague was very strong in favor of the Administrator, because it seemed to be undisputed.

The Senator from Indiana asks whether the Administrator has already spent the $74,000,000. This is the answer, from the letter of Mr. Hoffman to my colleague [Mr. VANDENBERG]:

> Nevertheless, we have had to plan in advance and commit the participating countries to indicate to us the items they would procure if and when the money should become available. This has made it possible to do a great deal of the time-consuming paper work in advance so that we would be able to move promptly on receipt of the appropriation. Our request for funds for fiscal year 1950 has been based on the assumption that the $74,000,000 which the Senate committee has cut off would be available.

Let me comment there——

Mr. CAPEHART. Has he committed the $74,000,000?

Mr. FERGUSON. This is what he says:

> I should point out in this connection that the actions of the House Appropriations Subcommittee, the full House Appropriations Committee, and the House itself all contain provision for $1,074,000,000 for the fourth quarter of the fiscal year 1949. It was on the basis of these actions that we made our tentative allotments for the fourth quarter of fiscal 1949, even though we have been careful not to finalize the $74,000,000 over and above the $1,000,000,000 RFC advance contained in the authorizing legislation.

There is the answer, I take it, to the Senator's question.

Mr. CAPEHART. Mr. President, will the Senator yield for another question?

Mr. FERGUSON. I yield.

Mr. CAPEHART. If we are to understand from that letter that he has committed himself to spend the $74,000,000, and the Senate votes to reduce the amount by $74,000,000, is it possible that he will be able to make good on the commitment of $74,000,000 out of the balance of the 1950 appropriation?

Mr. FERGUSON. There is no doubt about it, because the limitations in the bill would permit him to use the $74,000,000, and no harm would be done.

Mr. CAPEHART. Then the net result, if we reduce this amount by $74,000,000, is that he will have $74,000,000 less to spend over-all in 1950.

Mr. FERGUSON. The answer to that question is that that is the whole case. He has $74,000,000 less for 1950.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. Does the Senator from Michigan agree with me that the basis of the appropriations recommended by the committee for 1950 was a 10-percent reduction? GARIOA was cut 10 percent. Greek-Turkish aid was cut 10 percent, and the ECA appropriations were cut 10 percent. So if the $74,000,000 is not appropriated now, but goes over, as the Senator has just stated to the Senator from Indiana, the $74,000,000 will be an additional cut over and above the 10 percent, which was not figured upon by the committee at the time. Is that correct?

Mr. FERGUSON. It further reduces the appropriation by $74,000,000 in addition to the 10 percent; but I do not agree that it was not figured in by the committee. The committee knew that it was cutting off 10 percent plus $74,000,000—not only plus the $74,000,000, but the $150,000,000 which was given as a fund for loans, plus another $50,000,000 to Spain, which represented a reduction. So the committee was perfectly conscious of what it was doing. It was not only cutting the appropriation 10 percent, but it cut it $74,000,000 more. It cut it $150,000,000 more, which amount was placed in a fund for loans, and it cut it another $50,000,000 to give aid to Spain. So the Appropriations Committee knew what it was doing.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. THYE. In the event the appropriation is reduced by $74,000,000, we are going to compel the administrator of the ECA program to post-date all his activities; and in the last quarter of the fiscal year 1950 he is not going to have money to do business.

Mr. FERGUSON. Oh, no.

Mr. THYE. We are going to compel him to post-date all his activities in every quarter from here on out.

Mr. FERGUSON. There is no such idea.

Mr. THYE. There is no other answer.

Mr. FERGUSON. In the first month of his activity he has $3,568,470,000. The idea that he will wind up the last few days of the fiscal year 1950 without any money has no foundation whatever. He can spend this money in 1 month, or he can spend it in 11 months. He knows that he has the money to spend over the next 12 months.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. ROBERTSON. When our committee had under consideration this amendment we had before us the statement which the Senator has just read, to the effect that the Administrator had made a tentative allotment of the $74,000,000.

Mr. FERGUSON Yes.

Mr. ROBERTSON. It was argued in the committee that he had not spent it, and we would stop it before he could spend it. But we now know that he has committed it beyond recovery, and if we cut it out now, we cut it out of the total amount which he has for the fiscal year. It cannot be argued otherwise.

Mr. FERGUSON. The Senator from Michigan is not arguing otherwise.

Mr. ROBERTSON. The Senator stated that he thought our committee took that point into consideration when it adopted this amendment. We did not. Our committee said, "We can stop it now, before he spends it."

Mr. FERGUSON. I do not know what was in the mind of the Senator from Virginia.

Mr. ROBERTSON. I know what the facts are. It makes no difference what the Senator from Virginia had in mind.

Mr. FERGUSON. The Senator from Michigan knows what he had in his mind.

Mr. ROBERTSON. Mr. President, I know what was presented before the committee, because I sat there and fought the proposal all the way through. I know that it was argued that the Administrator had not definitely committed himself to the expenditure of the $74,000,000, and that we could adopt this amendment and stop it. But that is not what Mr. Hoffman tells me is the fact. He has definitely committed this amount.

Mr. FERGUSON. Let me ask the Senator when the Administrator actually committed it beyond recovery? On July 12, when he wrote my distinguished colleague, he had only tentatively committed it. Will the Senator tell us on what date this bill was reported from the committee?

Mr. ROBERTSON. I cannot give the Senator the date.

Mr. FERGUSON. I ask the able chairman of the committee the date when the bill was reported.

Mr. ROBERTSON. Mr. Hoffman told me recently that he had definitely committed it. He says that in a program of this kind he cannot treac water and mark time. He must go ahead. He could not stop the program, so the tentative commitments were made permanent commitments. That is the only point I am trying to make at this time.

Mr. FERGUSON. What I am trying to do as a member of the Appropriations Committee is to give the Senate the facts as I see them. I think we would be establishing a policy which would be inadvisable if we were to allow the use of money which had not been appropriated, particularly when we appropriated $1,000,000,000, and the Administrator must get the money from a certain source, and we later make an appropriation to cover the expenditure of $74,000,000 which was never authorized.

Mr. McKELLAR. I think the bill was reported to the Senate on July 12.

Mr. FERGUSON. Very well. So, Mr. President, on the very day when Mr. Hoffman wrote the letter, the bill was sent to the floor of the Senate from the committee. Therefore, on the day when the committee voted, which would be the day before that, the $74,000,000 was not actually committed, according to his own letter.

Mr. ROBERTSON. Did the Senator read the letter stating that should we continue the appropriations for these agencies through July, each agency could spend what was authorized in the lowest bill then pending; and the lowest bill then pending was the House bill, and Mr. Hoffman spent according to the House bill. So why should the Senator now argue that Mr. Hoffman spent more than was authorized?

I do not object if the Senator from Michigan argues that the total amount should be cut $74,000,000. That is his privilege. But if he believes that, he should say so.

Mr. FERGUSON. That is what I am arguing. I am arguing for a cut of 10 percent, plus a cut of $74,000,000, for the 1950 appropriation.

Mr. WHERRY. Mr. President, will the Senator yield to permit me to propound an inquiry of the majority leader?

Mr. FERGUSON. I yield.

Mr. WHERRY. Does the distinguished majority leader intend to have a vote taken now?

Mr. LUCAS. I should like to have the vote taken now.

Mr. FERGUSON. Mr. President, I yield the floor.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 3, in lines 2 and 3, being the second committee amendment.

Mr. McKELLAR. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FERGUSON. Will the Chair restate the question upon which we are about to vote?

The VICE PRESIDENT. The question is on agreeing to the committee amendment at the top of page 3, which reduces by $74,000,000 the appropriation there set forth.

Mr. FERGUSON. A "yea" vote would be for $1,000,000,000 for this purpose, and a "nay" vote would be for an appropriation of $1,074,000,000. Is that correct?

The VICE PRESIDENT. Not necessarily. A "nay" vote would be a vote against this committee amendment.

Mr. FERGUSON. In other words, a "nay" vote would be a vote against the proposal to reduce this item to $1,000,000. Is that correct?

The VICE PRESIDENT. It is.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. A "yea" vote will sustain the committee in its amendment. Is that correct?

The VICE PRESIDENT. A "yea" vote, of course, is a vote in favor of the committee amendment. A "nay" vote is a vote against the committee amendment.

On this question the yeas and nays have been requested and ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Idaho [Mr. MILLER], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS] the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] and the Senator from Minnesota [Mr. HUMPHREY] are absent on public business.

I announce further that if present and voting, the Senator from Maryland [Mr. TYDINGS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. JENNER] and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness, and is paired with the Senator from Pennsylvania [Mr. MARTIN], who is absent on official business. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Pennsylvania would vote "yea."

The Senator from Vermont [Mr. FLANDERS], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY], are detained on official business.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The result was announced—yeas 37, nays 41, as follows:

YEAS—37

Baldwin	Frear	Mundt
Brewster	George	Russell
Bricker	Gillette	Schoeppel
Bridges	Johnson, Colo.	Smith, Maine
Butler	Johnston, S. C.	Stennis
Byrd	Kem	Taft
Cain	Langer	Taylor
Capehart	Long	Watkins
Cordon	McCarran	Wherry
Donnell	McClellan	Williams
Ecton	McKellar	Young
Ellender	Maybank	
Ferguson	Millikin	

NAYS—41

Aiken	Hill	Magnuson
Anderson	Hoey	Morse
Chapman	Holland	Murray
Connally	Hunt	Myers
Douglas	Ives	Neely
Downey	Johnson, Tex.	Pepper
Dulles	Kerr	Robertson
Fulbright	Kilgore	Saltonstall
Graham	Knowland	Sparkman
Green	Lodge	Thomas, Utah
Gurney	Lucas	Thye
Hayden	McFarland	Vandenberg
Hendrickson	McGrath	Withers
Hickenlooper	McMahon	

NOT VOTING—18

Chavez	McCarthy	Reed
Eastland	Malone	Smith, N. J.
Flanders	Martin	Thomas, Okla.
Humphrey	Miller	Tobey
Jenner	O'Conor	Tydings
Kefauver	O'Mahoney	Wiley

So the committee amendment was rejected.

Mr. LUCAS. Mr. President, I move to reconsider the vote by which the amendment was just rejected.

Mr. KNOWLAND. Mr. President, I move to lay the motion to reconsider on the table.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

RECESS

Mr. LUCAS. Mr. President, before the vote was taken on the amendment, we had agreed to take a recess until 7:30. But in view of the fact that we have run over about 15 or 20 minutes, I ask unanimous consent that the Senate stand in recess until 8 o'clock p. m.

The VICE PRESIDENT. Without objection, it is so ordered, and the Senate will stand in recess until 8 o'clock.

Thereupon (at 6 o'clock and 43 minutes p. m.) the Senate took a recess until 8 o'clock p. m.

EVENING SESSION

On the expiration of the recess, the Senate reassembled.

The PRESIDING OFFICER (Mr. HOEY in the chair). Under the order previously made, the Senate will proceed to a call of the calendar beginning with Order of Business No. 2, the first bill on the calendar.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, before we start the call of the calendar, I move that the Senate proceed for the moment to consider executive business. There are one or two nominations on the calendar which we would like to have confirmed, to which I understand there are no objections.

Mr. WHERRY. Does the Senator refer to the nominations on the second page of the calendar?

Mr. LUCAS. Yes. We will not consider the nominations of Mr. Butterworth. Mr. Briggs, or Mr. Davis, but will consider the nominations on page 2 of the calendar.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of Edward Burns Parker to be United States attorney for the middle district of Alabama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The legislative clerk read the nomination of Joseph P. Regan to be United States marshal for the district of Kansas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Without objection, the President will be immediately notified of the confirmations.

CALL OF THE ROLL

Mr. WHERRY. Mr. President, I was wondering about having a quorum called.

Mr. LUCAS. I was about to do that. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Brewster	Butler
Anderson	Bricker	Byrd
Baldwin	Bridges	Cain
Capehart	Hunt	Morse
Chapman	Ives	Mundt
Chavez	Johnson, Colo.	Murray
Connally	Johnson, Tex.	Myers
Cordon	Johnston, S. C.	O'Conor
Donnell	Kefauver	O'Mahoney
Douglas	Kem	Pepper
Downey	Kerr	Russell
Dulles	Kilgore	Saltonstall
Ecton	Knowland	Schoeppel
Ellender	Langer	Smith, Maine
Ferguson	Lodge	Stennis
Frear	Long	Taft
Fulbright	Lucas	Taylor
George	McCarran	Thomas, Utah
Graham	McCarthy	Thye
Green	McClellan	Tobey
Gurney	McFarland	Vandenberg
Hayden	McGrath	Watkins
Hendrickson	McKellar	Wherry
Hickenlooper	McMahon	Williams
Hill	Magnuson	Young
Hoey	Maybank	
Holland	Millikin	

The PRESIDING OFFICER. A quorum is present.

THE CALENDAR

Mr. LUCAS. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to.

The PRESIDING OFFICER. The call of the calendar will begin with Order of Business No. 2, the first bill on the calendar. The Chair calls the attention of the Senate to the 5-minute rule, and in view of the fact that there are more than 200 bills on the calendar, the Chair thinks that the Senate had better adhere to the rule.

Mr. LUCAS. Mr. President, I agree with the distinguished occupant of the Chair, in view of the fact that we are getting started a little late. I hope we may have order during the call of the calendar, because it is very important, and we may be here for some time.

BILLS PASSED OVER

The bill (S. 130) to provide for the demonstration of public-library service in areas without such service or with inadequate library facilities, was announced as next in order.

Mr. WHERRY. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 206) relating to the immigration status of the lawful wives and children of the Chinese-treaty merchants, was announced as next in order.

Mr. LANGER. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF BANKRUPTCY ACT

The bill (S. 88) to amend section 60 of an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, was announced as next in order.

Mr. WHERRY. Over.

Mr. MCCARRAN. Mr. President, will the Senator from Nebraska kindly withhold the objection until I make a very brief explanation?

Mr. WHERRY. I am glad to withhold the objection.

Mr. MCCARRAN. We have a long calendar to consider, and this is not the time to engage in lengthy debate on any particular bill.

Mr. President, business in America wants this bill enacted, the banking industry wants it enacted, the American Bar Association wants it enacted.

I call the attention of Senators to the long list of other proponents of the bill, as referred to in the report, and I submit the matter to the judgment of the Senate. If the bill be now objected to, let it go over until such time as it can be called up for debate and be made the unfinished business.

I hope that if the Senator from Nebraska is not serious in his objection, he may see fit not to press it.

Mr. WHERRY. Mr. President, I objected in behalf of another Senator, but I think the objection has been removed, so I have no objection to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 60 of an act, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended by the act of June 22, 1938 (52 Stat. 840, 869), is hereby amended by striking out all of subdivision (a) of said section and substituting in lieu thereof the following:

"(a) (1) A preference is a transfer, as defined in this act, of any of the property of a debtor to or for the benefit of a creditor for or on account of an antecedent debt, made or suffered by such debtor while insolvent and within 4 months before the filing by or against him of the original petition initiating a proceeding under this act, the effect of which transfer will be to enable such creditor to obtain a greater percentage of his debt than some other creditor of the same class: *Provided, however,* That this section shall have no application to proceedings under chapter IX of this act.

"(2) For the purposes of subdivisions (a) and (b) of this section, and subject to the provisions of paragraph (3), a transfer shall be deemed to have been made or suffered at the time when it became so far perfected that no creditor obtaining under applicable law by legal or equitable proceedings on a simple contract a lien on such property, without a special priority (whether or not such a creditor exists), could acquire, after such perfection, any rights in the property so transferred superior to the rights of the transferee therein, and if such transfer is not so perfected prior to the filing of the original petition initiating a proceeding under this act, it shall be deemed to have been made immediately before the filing of such original petition: *Provided, however,* That where real property is transferred for or on account of an antecedent debt, the transfer shall be deemed to have been made at the time when it became so far perfected that no bona fide purchaser from the debtor could acquire, after such perfection, any rights in the property so transferred superior to the rights of the transferee therein.

"(3) A transfer, wholly or in part, for or on account of a new and contemporaneous consideration shall, to the extent of such consideration and interest thereon and the other obligations of the transferor connected therewith, be deemed to be made or suffered at the time of the transfer, unless the applicable law requires the transfer to be perfected by recording, delivery, or otherwise, in order that no creditor described in paragraph (2) could acquire, after such perfection, any rights in the property so transferred superior to the rights of the transferee therein. A transfer to secure a future loan, if such loan is actually made, or a transfer which becomes security for a future loan, shall have the same effect as a transfer for or on account of a new and contemporaneous consideration. If any requirement specified in this paragraph (3) exists, the time of the transfer shall be determined by the following rules:

"I. Where (A) the applicable law specifies a stated period of time of not more than 30 days after the transfer within which recording, delivery, or some other act is required, and compliance therewith is had within such stated period of time; or where (B) the applicable law specifies no such stated period of time or where such stated period of time is more than 30 days, and compliance therewith is had within 30 days after the transfer, the transfer shall be deemed to be made or suffered at the time of the transfer.

"II. Where compliance with the law applicable to the transfer is not had in accordance with the provisions of subparagraph I, the transfer shall be deemed to be made or suffered at the time of compliance therewith, and if such compliance is not had prior to the filing of the original petition initiating a proceeding under this act, such transfer shall be deemed to have been made or suffered immediately before the filing of such original petition."

BILLS PASSED OVER

The bill (S. 196) for the relief of James G. Smyth was announced as next in order.

Mr. WHERRY. Mr. President, I shall have to object temporarily to this bill, with the idea that it may be taken up again.

The PRESIDING OFFICER. Without objection, the bill will be passed over.

The bill (S. 45) for the relief of the owners and operators of certain gold mines which were closed or the operations of which were curtailed by War Production Board Limitation Order L–208, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 110) to broaden the cooperative extension system as established in the act of May 8, 1914, and acts supplemental thereto, by providing for cooperative extension work between colleges receiving the benefits of this act and the acts of July 2, 1862, and August 30, 1890, and other qualified colleges, universities, and research agencies, and the United States Department of Labor, was announced as next in order.

Mr. DONNELL. Mr. President, I ask that this bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1211) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

INCREASE OF SALARIES OF CERTAIN EXECUTIVE OFFICERS

The bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, was announced as next in order.

Mr. WILLIAMS. Over.

Mr. LUCAS. Mr. President, while I know that it is impossible to consider this bill tonight, however, before the Senate adjourns, this bill or a similar bill which has been passed by the House and is now being considered, I understand, by the committee headed by the distinguished Senator from South Carolina [Mr. JOHNSTON] will be taken up in due course.

Mr. JOHNSTON of South Carolina. Mr. President, the bill which came over from the House was referred to the Committee on Post Office and Civil Service in order that the committee might study it to see if we could agree to the House bill, or adhere to the House bill as nearly as possible, and pass upon the House bill in order to expedite final passage.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 25) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

Mr. LUCAS. Mr. President, that is another measure on the calendar which the majority is very desirous of taking up before final adjournment.

COUNSEL FOR IMPOVERISHED DEFENDANTS IN THE DISTRICT OF COLUMBIA—BILL RECOMMITTED

The bill (S. 1124) to provide for the appointment and compensation of counsel to impoverished defendants in criminal cases in the United States District Court for the District of Columbia, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

Mr. McGRATH. Mr. President, will the Senator withhold his objection?

Mr. JOHNSTON of South Carolina. I withhold my objection.

Mr. McGRATH. Mr. President, I ask unanimous consent that the bill may be recommitted to the Committee on the District of Columbia, inasmuch as Calendar No. 178, Senate bill 734, covers the same subject, but applies to all the United States district courts, which, of course, includes the United States District Court for the District of Columbia. So I ask unanimous consent that Senate bill 1124 be recommitted to the Committee on the District of Columbia.

The PRESIDING OFFICER. Without objection, it is so ordered.

COUNSEL FOR IMPOVERISHED DEFENDANTS IN UNITED STATES DISTRICT COURTS

The bill (S. 734) to provide for the appointment and compensation of counself for impoverished defendants in certain criminal cases in the United States district courts, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

PROHIBITION OF PARKING ON PROPERTY USED FOR POSTAL PURPOSES—BILL PASSED OVER

The bill (H. R. 2660) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes was announced as next in order.

Mr. LANGER. Over.

The PRESIDING OFFICER. The bill will be passed over.

EXTENSION OF CIVIL SERVICE RETIREMENT ACT—BILL PASSED OVER

The bill (S. 988) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55, was announced as next in order.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to say for the information of Senators, and particularly the Senator from Rhode Island [Mr. GREEN], who introduced the bill, that we are working on an amendment which will meet the objection of certain Senators. When the amendment is completed they will agree to the passage of the bill. The amendment is now in process of being drawn, and I ask that the bill be passed over temporarily.

The PRESIDING OFFICER. The bill will be passed over.

JAMES G. SMYTH—BILL PASSED OVER

Mr. WHERRY. Mr. President, I ask unanimous consent that the Senate return to Senate bill 196, Calendar No. 61, a bill for the relief of James G. Smyth. I wish to say that I have no further objection to the bill. The request that the bill be passed over has been withdrawn.

Mr. CHAVEZ. Mr. President, it appears that the bill involves $143,000. I am sure a bill involving so large an amount of money should not be passed on the call of the calendar. I object.

Mr. DOWNEY. Mr. President, will the Senator withhold his objection until I make an explanation?

Mr. CHAVEZ. Yes.

Mr. DOWNEY. The item in question represents revenue stamps of the United States Government which were destroyed accidentally in a fire. The facts are well established. The Treasury Department has given us an entire and complete history of the case. There is no doubt that the collectors should be relieved of obligation in connection with the destruction of the revenue stamps. There is no question at issue in the case.

Mr. McCARRAN. Mr. President, may I join the Senator from California in making an explanation of the bill? The stamps in question were revenue stamps, purchased and recorded when they were purchased. They had to be held on hand so that when casks or packages were sent out they would contain canceled stamps. As the stamps were canceled a record was made of them. The case is not at all like the case of paper money, which is entirely destroyed. The same rule cannot apply in the case of revenue stamps, since there was a record made of their purchase and a record of their destruction.

The PRESIDING OFFICER. Does the Senator from New Mexico insist upon his objection?

Mr. CHAVEZ. Mr. President, my objection to the bill, when I made it, was due to the fact that after all $143,000 is $143,000. I do not believe four Senators in this body tonight know the facts involved in the case. So long as the Senator from Nevada, whose committee had the bill under consideration, believes the bill to be a meritorious one, I am willing to accede to its passage. But I want Senators who are present to realize that in this bill we are dealing with $143,000. However, I am willing to take the word of the Senator from Nevada in connection with the bill.

The PRESIDING OFFICER. Is there further objection?

Mr. HENDRICKSON. Mr. President, do I understand the Senator from New Mexico objected?

The PRESIDING OFFICER. The Senator from New Mexico objected, and later withdrew his objection.

Mr. HENDRICKSON. By request, I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

CERTAIN TAXES RELATING TO OLEOMARGARINE—BILL PASSED OVER

The bill (H. R. 2023) to regulate oleomargarine, to repeal certain taxes relating to oleomargarine, and for other purposes, was announced as next in order.

Mr. THYE. Over.

Mr. LUCAS. With respect to Senate bill 2023, Calendar No. 288, I will say that I do not believe I have received any more mail on a bill than I have received on the oleomargarine bill. Such mail comes to me from all over the United States. I regret to advise my friends from the dairy sections of the country—and I have many dairy interests in my own State—that before we adjourn we may be compelled to take up this bill.

Mr. FULBRIGHT. Mr. President, I did not quite understand the distinguished majority leader.

Mr. LUCAS. I repeat what I said. I do not believe there is a bill on the calendar with respect to which the Senator from Illinois has been receiving more mail than the oleomargarine bill. I do not know whether the Senator from Arkansas is responsible for the mail which has come to my office respecting this bill, but the mail is in the interest of the position taken by the Senator from Arkansas.

I merely made the statement that I thought perhaps we might have to take up the oleomargarine bill before we conclude the present session. I merely make announcements on various bills to let Senators know that we are not going to get away from here on August 15, as a number of Senators seem to think might be done, because I cannot see any possible way of adjourning by that time.

Mr. FULBRIGHT. Mr. President, I thought the Senator said he would be compelled to take up this bill. I do not quite understand the implications of that statement, because there is not a bill on the calendar for which there is greater support by the people of the country. It has seniority over any other bill on the calendar. It has been before the Senate longer than any other bill.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I will not yield just now, Mr. President. There is a plank in the Democratic Party platform relating to repeal of taxes on oleomargarine, and so forth. I do not think it is a question of compelling action. I think the party leadership should be anxious to bring up this bill at the earliest possible moment. There is great support for it. We had two test votes on this bill last year, demonstrating without any question that a large majority of the Senate favors the bill. There is no question that it will pass as soon as it is brought up for consideration in the Senate—or shortly thereafter. [Laughter.] Yes, shortly thereafter.

Mr. THYE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Minnesota?

Mr. FULBRIGHT. Not at the moment, Mr. President. I think the bill should be brought up before the Senate adjourns for this session, and that it should be considered in ample time to permit those who are interested in it to have their say about it.

The PRESIDING OFFICER. The Senator's opinion is out of order. There is no bill pending before the Senate.

On objection, the bill will be passed over.

BENEFITS FOR CERTAIN ANNUITANTS—BILL PASSED OVER

The bill (S. 878) to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1949, was announced as next in order.

Mr. MAYBANK. Mr. President, on that bill I ask for 5 minutes under the rule. Another bill has been called since the oleomargarine bill was passed over.

The PRESIDING OFFICER. The next bill on the calendar has been called.

The Chair recognizes the Senator from South Carolina.

Mr. MAYBANK. I wish to associate myself with the Senator from Arkansas in what he has said regarding the oleomargarine bill, which was just passed over. I also wish to associate myself with the position taken by the senior Senator from Georgia [Mr. GEORGE] respecting the repeal of various excise taxes. Most excise taxes should be repealed. I think it is most outrageous that year after year after year, since 1944, we have had to place amendments on tax bills coming over from the House Ways and Means Committee, even to be able to raise our voices on the subject of oleomargarine and the repeal of taxes connected with it. I want to make my record clear. In the case of bills of this character, the Senate has been under a disadvantage, because such bills, so-called revenue-raising bills, must originate in the House. We have said we would do something about oleomargarine, that we would do something about taxes on telegrams, that we would do something about excise taxes on railroad tickets and excise taxes on jewelry, but

we have been unable to accomplish anything. In line with the suggestion of my distinguished friend, the majority leader, I will be glad to stay here until October if the measures to which I have referred can come before the Senate and be considered.

Mr. CHAVEZ. Mr. President, I should like to discuss House bill 2023, Calendar No. 288, the bill dealing with oleomargarine. I should like to ask the Senator from Illinois, the majority leader——

The PRESIDING OFFICER. Will the Senator wait until the bill which was last called is disposed of. That is Senate bill 878, Calendar No. 294.

Mr. CHAVEZ. I wish to discuss House bill 2023, Calendar No. 288, an act to regulate oleomargarine, and so forth.

The PRESIDING OFFICER. Very well.

Mr. CHAVEZ. I should like to find out from the leadership on this side of the aisle whether or not it is the purpose of the leadership to seek to have the bill taken up for action by this body.

Mr. LUCAS. I will say to my good friend from New Mexico that it certainly is the position of the majority leader that before Congress adjourns the Senate should consider the oleomargarine bill. The oleomargarine tax should be repealed. I agree with the Senator from Arkansas and other Senators on that question. The bill has been unanimously reported by the Finance Committee. It has been on the calendar a long time, but there have been some other bills which the policy committee thought were more important; consequently it was put aside.

Mr. CHAVEZ. It is the hope of the Senator from New Mexico that the policy committee will have as much interest in the oleomargarine bill as it has in affairs across the ocean.

Mr. LUCAS. I appreciate the Senator's contribution to the debate.

Mr. FULBRIGHT. Mr. President, what bills does the Senator think are of greater importance or have greater support than the oleomargarine bill?

Mr. LUCAS. The ECA appropriation, which is the pending business, is one.

Mr. FULBRIGHT. Has the Senator received nearly as many letters about the other bill as he has received with regard to the olemargarine bill?

Mr. LUCAS. As I stated before, I have received a great many letters on the subject of oleomargarine; but we had the Taft-Hartley Act and a number of other matters to consider.

Mr. FULBRIGHT. They were of minor importance.

Mr. LUCAS. If the Senator had voted my way, they would not have been so minor.

The PRESIDING OFFICER. The oleomargarine bill has been passed over. Is there objection to the present consideration of Senate bill 878 to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to explain that with respect to this bill we have been working on a compromise which will be offered a little later, so I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

EXTENSION OF BENFITS OF CIVIL SERVICE RETIREMENT ACT

The bill (H. R. 997) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55, was announced as next in order.

Mr. JOHNSTON of South Carolina. Mr. President, this bill is in the same situation. It is a companion bill to Calendar No. 244, Senate bill 988. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

CONCURRENT RESOLUTION PASSED OVER

The concurrent resolution (S. Con. Res. 33) suspending the legislative budget pending further study was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

NORTHWEST MISSOURI FAIR ASSOCIATION—BILL PASSED OVER

The bill (S. 1054) for the relief of Northwest Missouri Fair Association of Bethany, Harrison County, Mo., was announced as next in order.

Mr. DONNELL. Mr. President, reserving the right to object, the senior Senator from Missouri submits certain matters as follows:

On a previous call of the calendar he objected to Senate bill 1054. The bill authorizes payment by the Secretary of the Treasury of the sum of $25,000 to Northwest Missouri Fair Association in full settlement of all claims against the United States for damage and destruction by fire of certain buildings, while the fairgrounds of the association were occupied by and under the exclusive control of the Seventeenth Field Artillery, Third Battalion, of the United States Army, on September 13, 1931. The buildings consisted of a grandstand and a so-called Liberal Arts Building. Included in the report of the Senate Committee on the Judiciary is a sentence reading:

> While carrying out the evacuation, Army trucks, tractors, and other equipment was driven over the hose which had been connected in fighting the fire in the grandstand, with the result that it was damaged to the extent that no pressure could be brought to bear upon the fire at the Liberal Arts Building, and this building, too, was destroyed by fire.

In the House of Representatives Report No. 581, Seventy-third Congress, second session, which report referred to a bill relative to the same subject matter as that embraced in S. 1054, appears the conclusion that—

> The evidence justifies the conclusion that the Liberal Arts Building could have been saved had it not been for the action of the troops in recklessly driving their tractors, trucks, and other equipment over the fire hose which the Bethany Fire Department had attached to a nearby hydrant to throw water on the roof of the Liberal Arts Building.

In view of the last mentioned conclusion, I was of the opinion that it would be proper to authorize and direct payment by the Secretary of the Treasury, to the Northwest Missouri Fair Association of an amount equal to the fair value of the Liberal Arts Building at the time of its destruction.

The previously mentioned amount of $25,000 is, however, the sum which Report No. 581 says the evidence shows that the Liberal Arts Building and the grandstand were worth at the time of their destruction.

Although I was of the opinion that it would be proper to authorize and direct payment of an amount equal to the fair value of the Liberal Arts Building at the time of its destruction, I was of the opinion that there should not be made payment of the sum of $25,000 which sum, as previously indicated, was that which, at the time of their destruction, both the grandstand and the Liberal Arts Building were worth. My reason for the last mentioned opinion was that I did not think the evidence justified the conclusion that the grandstand was destroyed through negligence of an agent of the Government.

I have, however, given further thought to the subject and submit the following:

First. Under the evidence it appears that possession of the grandstand was given to the Army for the sole benefit of the Army—the agreement, by which rental was paid by a lieutenant in the Army, not having included any of the buildings on the fairgrounds.

Second. Under the evidence the Army had exclusive possession of the grandstand at the time of the fire.

Third. A case decided in Missouri cites approvingly a statement to the effect that where a bailment is for the exclusive benefit of the bailee, it is necessary for him, in order to discharge himself from liability in case of loss, to show that he exercised over the subject-matter of the bailment the greatest care and attention—See *Carr et ux.* v. *Evans et ux.* (176 S. W. 298, Springfield Court of Appeals, Mo., 1915).

Fourth. It has been declared in a case decided in Missouri that where a defendant had the exclusive possession of the subject of a bailment—the bailment in that case being a gratuitous one—the law considers that a prima facie case of negligence is made out by proof of the bailment and failure of the defendant to return the property in the same condition as when received—*Oliver Cadillac Co.* v. *Rosenberg* (179 S. W. 2d, 476, St. Louis Court of Appeals, Mo., 1944).

Fifth. Although no cases have been found by a representative of the office of the senior Senator from Missouri which involved a gratuitous lease of real estate, there is, in the opinion of the senior Senator from Missouri, a close analogy between leases of real estate and bailments.

Sixth. It is reasonable to conclude that, in the case at hand, under the law of Missouri (a) that a prima facie case of negligence on the part of the army is made out by proof of the gratuitous letting of the grandstand and of failure of the Army to return the grandstand in the same condition as when received and

(b) in order that the Government may discharge itself from liability—if it were subject to the liability of a non-governmental entity—it is necessary that the Government show that it exercised with respect to the grandstand the greatest care and attention.

Seventh. The evidence in the case at hand not only fails to overcome the prima facie case of negligence, but also affirmatively justifies the conclusion that the Government did not exercise the greatest care and attention over the grandstand, in that there was failure by the Government to provide requisite fire-fighting personnel and fire-fighting facilities and omission by the Government to remove the quantity of rubbish which was underneath the grandstand.

The senior Senator from Missouri has concluded that an allowance against the Government on account of the loss of the grandstand may properly be made.

In view of the facts that (a) an allowance against the United States Government may in the opinion of the senior Senator from Missouri, properly be made for both the fair value of the Liberal Arts Building and the fair value of the grandstand at the time of the destruction of said buildings, and (b) the Senate Committee on the Judiciary has found in favor of the claimant for the combined worth of the two buildings at the time of their destruction, the senior Senator from Missouri does not object to the enactment of Senate bill 1054.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

DIXIE MARGARINE CO.—BILL PASSED OVER

The bill (S. 1086) for the relief of the Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, in view of the fact that the Treasury Department and the Department of Justice are both opposed to this bill, and the fact that I have a four-page study before me which shows that it requires Senate consideration, I ask that it go over.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection for a moment?

Mr. HENDRICKSON. I gladly withhold my objection.

Mr. McCARRAN. Mr. President, I should like to make a brief explanation.

The Treasury Department and the Department of Justice have chosen to treat this as a case of an attempt to secure the refund of taxes. The Committee on the Judiciary has distinguished this case from cases of the class referred to by those two departments, because the Supreme Court of the United States has characterized it not as a tax, but as "an exaction in the guise of a tax." The court has held that the produce in question was not taxable. If this had been a tax, the Committee on the Judiciary would have upheld the statute of limitations with regard to any claim for refund; but it is the view of the committee that when the Government of the United States or its agents have collected "an exaction in the guise of a tax," as described by the Supreme Court, the funds so taken should be returned whenever the facts are made known, and that neither the statute of limitations nor any other technical defense should be availed of by the Government to prevent the doing of justice. That is the view of the Committee on the Judiciary.

Mr. HENDRICKSON. Mr. President, I appreciate the distinguished Senator's explanation, but I still think this is a very involved case.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I yield.

Mr. FULBRIGHT. I merely wish to point out that this is another example of the injustice of the oleomargarine tax. This is a good demonstration of what fraudulent and unjust practices result from that tax.

Mr. HENDRICKSON. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

JACOB A. JOHNSON

The bill (H. R. 585) for the relief of Jacob A. Johnson was considered, ordered to a third reading, read the third time, and passed.

FRANK E. BLANCHARD

The bill (H. R. 2474) for the relief of Frank E. Blanchard was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF OFFICERS AND CREW OF STEAMSHIP "TAIYUAN"

The Senate proceeded to consider the bill (H. R. 1288) for the relief of certain officers and members of the crew of the steamship *Taiyuan*, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 17, after the figures "$3,150", to strike out the word "and"; in line 19, after the words "sum of", to strike out "$3,675:" and insert "$3,675; and

"Vincent Foster, care of J. P. Bowman, Standard Oil Co. of California, marine department, San Francisco, Calif., the sum of $2,310."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CREATION OR CHARTERING OF CERTAIN CORPORATIONS

The Senate proceeded to consider the bill (S. 1290) to establish and effectuate a policy with respect to the creation or chartering of certain corporations by act of Congress, and for other purposes, which had been reported from the Committee on the Judiciary with amendments.

Mr. McCARRAN. Mr. President, is the Senator from West Virginia on the floor?

Mr. KILGORE. Yes.

Mr. McCARRAN. I think this is the bill on which we have had some exchange of correspondence.

Mr. KILGORE. Mr. President, the enactment of this bill was, some 6 years ago, requested by the Committe on the Judiciary as a guide in the issuance of charters to nonprofit corporations who seek charters from the Congress of the United States, and thus far have not been checked upon, nor is the Congress able to learn about them. It so happens that I was chairman of the subcommittee responsible for the bill.

The bill endeavors to establish a guiding policy in connection with the issuance of such charters.

Mr. McCARRAN. Mr. President, there has been controversy about certain language in the bill. We think we have ironed it out.

I now send forward an amendment which appears to be acceptable to all parties to the controversy, and I ask that it be considered.

The PRESIDING OFFICER. There are committee amendments to be considerd first. Is the amendment to which the Senator from Nevada refers to be considered in addition to the committee amendments?

Mr. McCARRAN. Yes.

Mr. KILGORE. It is.

The PRESIDING OFFICER. The clerk will state first the amendments of the committee.

The LEGISLATIVE CLERK. On page 2, line 15, after the word "thereto", it is proposed to insert:

No such corporation hereafter created or chartered by act of Congress shall perform or carry out or attempt to perform or carry out any purposes not specifically set forth in its charter.

The amendment was agreed to.

The next amendment was, on page 4, after line 16, to strike out:

(c) Provides that no part of the activities of the corporation shall consist of carrying on propaganda.

The amendment was agreed to.

The PRESIDING OFFICER. Without objection, the clerk is authorized to renumber or reletter the subsections to concur with the amendments.

The clerk will now state the amendment submitted by the Senator from Nevada.

The LEGISLATIVE CLERK. In section 7, on page 12, it is proposed to change the period at the end of line 20 to a comma, and to add the following: "nor to any religious, educational, or charitable corporation in existence at the date of the approval of this act, the major part of whose activities are local to the District of Columbia."

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Nevada.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Mr. HENDRICKSON. Mr. President, may we have a complete explanation of all these amendments?

Mr. KILGORE. Mr. President, I shall be glad to state the purpose. For years the Senate, and also the House of Representatives, has been flooded with applications for charters by the Congress of the United States for these allegedly nonprofit corporations. There has been no method of checking to see whether they are actually nonprofit; neither has there been any method of determining the purpose of such corporations. In other words, they have gone on unhindered. At the present time a corporation can be set up for practically any purpose.

The Judiciary Committee, back in 1941, began having trouble with this matter, to my knowledge; and for 5 years the committee refused to report favorably any bills for the granting of charters in such cases. Of course, there are worthy organizations of this character which should be granted charters.

During that period a subcommittee was established to determine what should be the framework of such nonprofit corporations and how we could guard against their becoming, shall we say, supporting organizations or outfits. For instance, one man who came to the committee once said, "If we had a Federal charter we could get lots of money; we could 'shake them down'."

Such things have been occurring.

We are trying to get away from the idea of permitting such organizations to collect money when they are not properly established.

The bill requires audits and statements of account, which previously have never been required. The bill requires that a definite objective be set forth in the charter. Such a requirement has not previously been made. The bill further requires that before such an organization can request a charter, it must meet these requirements.

So the purpose of the bill is to state what such organizations must do before they can obtain a charter, and it sets forth what they must do after they obtain a charter. That is done so as to prevent abuse.

In this connection I may state that I remember that after the First World War a certain group obtained a charter for the alleged purpose of rechickenizing the devastated areas of France and Belgium, and that group "shook down" a great deal of money from various persons who were in sympathy with those countries.

We wish to prevent such activities and to make it impossible to grant Federal charters to groups who wish to have charters, but who do not wish to use them for proper purposes.

Mr. HENDRICKSON. I thank the Senator.

I wonder whether the Senator can assure the Senate that the action of the Judiciary Committee was unanimous in respect to both the bill and the amendments.

Mr. KILGORE. If I may interrupt, Mr. President, let me say that a similar bill was passed by the Senate in the Eightieth Congress, but it died in the House of Representatives, because final adjournment was taken before the House had an opportunity to act on the bill.

Mr. HENDRICKSON. I appreciate that, but that does not answer my question.

Mr. McCARRAN. Mr. President, I shall answer by saying that it was the unanimous act of the Judiciary Committee, and it has been before the committee for years.

Mr. HENDRICKSON. That statement applies to the old amendments as well as to the new ones; does it?

Mr. McCARRAN. The amendment I have offered, which has been adopted, has been worked out by getting the contending factions together in regard to the language which has been the object of the Judiciary Committee's studies.

The controversy was about the report.

Mr. HENDRICKSON. I am unable to understand whether the Judiciary Committee is satisfied with the amendments offered by the Senator from West Virginia.

Mr. McCARRAN. It was.

Mr. HENDRICKSON. Unanimously?

Mr. McCARRAN. Yes.

Mr. HENDRICKSON. And also as to the new amendment which the Senator from Nevada offered just now?

Mr. McCARRAN. Let me say that the new amendment which I have just offered was not before the Judiciary Committee. It has been worked out by the Senator from West Virginia, by the factions which wanted to have that language added, and by the chairman of the Judiciary Committee.

Mr. KILGORE. Mr. President, let me say that this entire procedure was under the direction of the Judiciary Committee all the way through. It is not my job to operate the committee so far as this measure is concerned; this is a matter in which the committee has been interested. It is a subject which in the past has caused a great deal of trouble.

Mr. HENDRICKSON. Mr. President, I do not wish to obstruct; but we cannot visualize the bill as changed by the amendments which have been offered and agreed to tonight. I think it would be well to have the bill go over until the next call of the calendar, so that we may have an opportunity to read the entire bill as it would thus be amended. So I object.

Mr. McCARRAN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the amendment I have offered, which has been adopted.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

The purpose of the amendment is to exclude from the provisions of the bill certain existing corporations of a religious, educational, and charitable nature. There has been objection to including these religious, educational, and charitable corporations, and it seems reasonable that they should be excluded, particularly since their activities are local to the District of Columbia.

The corporations which would be excluded as a result of this amendment are 37 in number, according to a report prepared for the Committee on the Judiciary by the legislative reference service of the Library of Congress. There are 10 charitable corporations. They are the Edes Home; the German Orphan Home of the District of Columbia; the Hungarian Reformed Federation of America; the Louise Home; the National Florence Crittenton Mission; St. Ann's Infant Asylum; St. Joseph's Male Orphan Asylum, now known as St. Joseph's Home and School; St. Vincent's Orphan Asylum, now known as St. Vincent's Home and School; the Washington City Orphan Asylum; and the Washington Hospital for Foundlings, now known as the Washington Home for Foundlings.

There are 14 educational institutions. They are the American Academy in Rome (which has its headquarters in the District of Columbia); the American University; the Catholic University of America; the Columbia Institution for the Instruction of the Deaf and Dumb, and the Blind, now known as the Columbia Institution for the Deaf; the Columbian College in the District of Columbia, now George Washington University; Columbus University of Washington; Georgetown College; Gonzaga College; the Howard University; the National Education Asscciation of the United States; National University; Southeastern University; Trinity College of Washington; and the Washington College of Law.

There are 13 religious corporations. They are the Congregation of the First Presbyterian Church of Washington; the Convention of the Protestant Episcopal Church of the Diocese of Washington; the First Congregational Society of Washigton; the Lucy Webb Hayes National Training School for Deaconesses and Missionaries; the Protestant Episcopal Cathedral Foundation of the District of Columbia; the Roman Catholic Archbishop of Washington; the Sisters of Charity of St. Joseph; the Sisters of Mercy in the District of Columbia; the Sisters of the Visitation; the Sisters of the Visitation of Washington; the Trustees of the Presbyterian Congregation, in Georgetown; the Young Men's Christion Association of the City of Washington; and the Young Women's Christian Home.

All of the religious, charitable, and educational organizations which have sought exemption from this bill, and whose claim to exemption seems well-founded, are included in this list. The list is not large, and I believe the amendment is a worthy one and should be adopted.

The PRESIDING OFFICER. Objection having been made, the bill will be passed over.

Mr. HENDRICKSON. It is understood, I trust, that the bill will go over temporarily.

The PRESIDING OFFICER. Very well; the bill will be temporarily passed over.

The clerk will state the next measure on the calendar.

CARL PIOWATY AND W. J. PIOWATY—BILL PASSED OVER

The bill (S. 478) for the relief of Carl Piowaty and W. J. Piowaty was announced as next in order.

The PRESIDING OFFICER. Without objection——

Mr. PEPPER. Mr. President, was there objection?

The PRESIDING OFFICER. The Chair did not understand that objection was made.

Mr. WILLIAMS. Mr. President, I object.

The PRESIDING OFFICER. The Senator from Delaware objects.

Mr. HENDRICKSON. I also object.

Mr. PEPPER. Mr. President, will the Senators withhold their objection, so as to permit me to make an explanation of the bill?

Mr. WILLIAMS. I do.

Mr. HENDRICKSON. I shall be glad to do so.

Mr. PEPPER. Mr. President, I am sure the able Senator from Delaware would not wish to associate himself with playing the role of Shylock, which I am afraid the Government of the United States will be doing if it insists upon the collection of this judgment purely upon the letter of the bond, in contradiction of all principles of equity and justice.

These two worthy Florida farmers desirous of helping the bean crop in 1943, borrowed some money from the regional agricultural administration to plant a bean crop. The term of the note which they signed to borrow the money was that if through no lack of good husbandry the crop should fail, they would be relieved from any of the liability which could not be satisfied by turning in all the proceeds of the crop that was grown.

In April 1943, they planted a crop of beans, but unhappily the weather turned cold and ruined the bean crop. These worthy men, in an effort to grow the crop, spent their own money. I emphasize that point. They spent their own money, not the Government's money, to plant a second crop which they were under no obligation to do, and turned all the proceeds of the first crop over to Uncle Sam. They planted the second crop with their own money, but because of the variety of our climate, it turned hot when the beans were about to be harvested. While the first crop was lost because of the cold weather, the second crop unhappily was lost because of hot weather. Mr. Plowaty and his son, in spite of the two efforts, were unable to produce very much income from either of the two crops, but they gave the Government of the United States every dime they got for both crops, including all the incentive payments which the Government paid them to try to grow the crop.

The bond as I said provided that if these men used good husbandry they would not have to pay the difference between the debt and what they turned in as the proceeds of the crop. But the Government sued them for the full amount of the note. They endeavored to plead the defense of good husbandry, and to obtain a certificate from the county board.

The county war board declined to give the certificate, but the defendants showed that the county war board had never inspected the crops. Neither of the three members had ever been near them, but an inspector for the Regional Agricultural Corporation reported that these men did not use good husbandry. But the certificate of the county war board, which should have been based upon the finding of the board members, could not be issued, because they had never investigated the crops themselves.

Mr. President, they were the only farmers out of 50 whose crops failed in that county who were not given relief by the Government. The others were found not to have been responsible because they had exercised good husbandry.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PEPPER. Mr. President, will the Senate, by unanimous consent, allow me 3 or 4 minutes on this matter?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. PEPPER. Mr. President, the Government sued these men in the circuit court. They came into court with all sorts of witnesses, who were their neighbors, farmers in the vicinity, and showed that they had used good husbandry, but in view of the fact that they could not produce the formal certificate of the county war board, whose members never went near their farm, the circuit court, purely upon the letter of the bond, awarded judgment against them. It was taken to the Florida Supreme Court, and, by a 4 to 3 decision, the supreme court affirmed the lower court, but purely upon the technical ground that they had not presented the certificate of the board. But here is what the three judges of the supreme court said in the opinion:

> It is conclusively shown that, in the cases now before us, respective farmers complied with every part of the contract and in their endeavor in this regard each lost considerably more money than the Government will lose when the balances claimed on these obligations are canceled.

These three judges on the Supreme Court, as compared to four who did not go into the evidence at all, felt that they had to be bound by the stern letter of the bond. So, Mr. President, I think this is a meritorious case, in which we are seeking equitable relief against the stern injustice of the letter of the bond; and I am sure it is.

Mr. CAPEHART. What is the amount?

Mr. PEPPER. It is around $8,000. I am sure the Senator from Delaware, interested in the farmer himself, would not wish to apply the letter of the bond against the equity of this meritorious case.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS. Mr. President, in this case the farmers filed their claim with the county war board, which rejected it. They filed it with the State board, and it was rejected. It was filed with the Department of Agriculture in Washington, and was rejected. It was taken to the lower courts, and was refused. It was taken to the Supreme Court of the State of Florida, and they refused it. If the courts of Florida are not competent to rule on the case, and the Senator brings charges against them, that is one thing. [Laughter.]

Mr. PEPPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. On objection, the bill will go over.

CONVEYANCE OF LANDS TO FRANK C. WILSON—BILL PASSED OVER

The bill (H. R. 2931) to provide for the conveyance by the United States to Frank C. Wilson of certain lands formerly owned by him was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. WILLIAMS. Mr. President, I object to the bill.

Mr. O'MAHONEY. Mr. President, this bill was unanimously reported by the Committee on Interior and Insular Affairs. The beneficiary of the bill, Mr. Frank C. Wilson, of Savannah, Ga., in 1940 donated to the Government of the United States about 1,588 acres of land for the purpose of establishing a wildlife refuge. Despite all he could do, despite all the Federal Government could do, the birds of Georgia refused to flock to the refuge. For some reason, the birds do not like it. When Mr. Wilson conveyed the land to the Government of the United States, he reserved to himself a life estate.

Mr. MORSE. Mr. President, if the Senator will yield, he has spoken enough. If the birds do not want it, I want Mr. Wilson to have it. I am for it.

Mr. WILLIAMS. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The Senator from Delaware asks that the bill go over.

Mr. RUSSELL. Mr. President, I hope the Senator from Delaware understands this bill. The man deeded the land to the Government without any compensation whatever. The Government now is trying to look after it at a cost to the taxpayers, and is anxious to dispose of it and to deed it back to him. As the able Senator from Wyoming has stated, it was supposed to be a duck refuge. The duck is a rather peculiar bird. Ducks go to some areas, and to others they will not go. They will not go to this land. The Government has a caretaker there, which costs money. The man did not receive one dime for his land. He deeded the land to the Government completely without compensation, and now the Government is anxious to deed it back to him, and in every principle of equity and justice, he is entitled to have the land back.

Mr. O'MAHONEY. Mr. President, if the Senator will yield, it might be added that when he conveyed the land to the United States, he reserved a life estate.

The purpose for which it was donated to the United States is no longer possible of being carried out. Therefore, the United States has no object in retaining the land. The Committee on Interior and Insular Affairs unanimously voted to grant the request of the Department of the Interior to reconvey the land. It could not have done otherwise.

Mr. WILLIAMS. There have been other cases similar to this one, in which the Department of the Interior has written, stating they are against the policy of returning any lands under any circumstances. I have taken it up with the Department of the Interior and am awaiting their reply. If they are reversing their position in general, I shall withdraw my objection, but if it is a reversal of their position only in reference to this one case in Georgia, I shall continue to object. I ask that the bill go over.

Mr. RUSSELL. Mr. President, this bill is not based on anything the Department of the Interior does. It is based on common and simple justice to an individual citizen of the United States. I frankly cannot understand it; it is incomprehensible that there could be any objection to the bill, unless it is a purely arbitrary objection. Of course, the Senator has a right to make that kind of objection, if he wishes.

The PRESIDING OFFICER. Objection is heard. The bill goes over.

BILLS PASSED OVER

The bill (S. 1464) to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LODGE. Over.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

The bill (S. 1536) to authorize advances in pay to personnel of the Army, Navy, Air Force, and Marine Corps upon permanent change of station, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (S. 1393) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the national advisory committee for aeronautics to attend accredited graduate schools for research and study, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (S. 1955) to authorize certain persons to accept decorations tendered them by the United Kingdom for services rendered the Allied cause during World War II, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LANGER and other Senators. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 595) relating to the internal security of the United States, was announced as next in order.

Several SENATORS. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

AMENDMENT OF THE HATCH ACT—BILL PASSED OVER

The bill (H. R. 1243) to amend the Hatch Act, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. TAFT. Over.

The PRESIDING OFFICER. Objection is heard.

Mr. MAGNUSON. Mr. President, did that bill go over?

Mr. TAFT. I objected. I shall be glad to withhold my objection if the Senator wishes to make a statement regarding the bill.

Mr. MAGNUSON. The bill has been before the Committee on Rules and Administration for some time. It was originally sponsored by former Senator Hatch. I am not very familiar with the committee action, but the bill originally provided that when there was a violation of the Hatch Act, no matter how technical, the Civil Service Commission had no other alternative but to dismiss the person involved. The author of the original Hatch Act himself stated that he never intended such action. The bill provides that the Civil Service Commission shall have the right to decree punishment which fits the infraction. Many injustices have been done because of purely technical violations of the Hatch Act, where there is no other alternative but to inflict the same punishment regardless of the type of the infraction.

There is nothing political about the bill. There are cases familiar to Senators on both sides of the aisle involving persons whom Senators and Representatives know, who work for the Government, and have found themselves in an unfortunate situation because of a technical violation of the Hatch Act.

Mr. CHAVEZ. Mr. President, I was in the Senate when the bill passed. I objected to it and voted against it, but the bill became law. I want the country to know what it is about. I still object.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 458) to provide for a survey of physically handicapped citizens was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an air engineering development center, was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

OLYMPIC HOTEL

The bill (H. R. 1472) for the relief of the Olympic Hotel was considered, ordered to a third reading, read the third time, and passed.

Mr. McCARRAN subsequently said: Mr. President, by unanimous consent may we revert to Calendar No. 439, House bill 1472, in order that I may offer a technical amendment. The bill has been passed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the bill is before the Senate. Without objection, the votes by which the bill was ordered to a third reading, read the third time, and passed are reconsidered.

Mr. McCARRAN. On page 1, line 4, after the word "pay", I should like to have inserted a comma and the words "out of any money in the Treasury not otherwise appropriated."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DR. ELIAS STAVROPOULOS, HIS WIFE AND DAUGHTER

The bill (H. R. 1303) for the relief of Dr. Elias Stavropoulos, his wife, and daughter was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 91) to provide for the better assurance of the protection of persons within the United States from lynching, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

Mr. WHERRY. Mr. President, I am afraid to ask who objected to the consideration of the bill. I wonder if the members of the chorus will withhold their objections so that I may ask the majority leader if he feels that this bill may be considered at some time during the session. I do not want to take up time in asking questions about bills which have no chance of passage, but I feel that this bill should at some time be set down for debate on the floor of the Senate.

Mr. LUCAS. I am sure the Senator from Nebraska is willing to remain here just as long as the Senator from Illinois wants to remain before concluding the session. This probably is one of the bills that should be considered.

Mr. WHERRY. Will the Senator withdraw the word "probably" and assure me that it will be considered by the policy committee?

Mr. LUCAS. It will not only be considered by the policy committee, but will be considered on the floor of the Senate.

Mr. WHERRY. I thank the Senator for that assurance.

Mr. LUCAS. I am not sure that this bill will be the one considered, but there are other civil-rights bills on the calendar, and I am sure my good friend from Nebraska will join with me on any one of such bills we want to take up.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

BILLS PASSED OVER

The bill (S. 689) to permit certain postal employees or substitute postal employees to receive credit for military service, was announced as next in order.

Mr. HENDRICKSON. Mr. President, this bill has a very worthy purpose, but I think it should be studied more carefully in relation to all other Federal employees, and I ask, therefore, that the bill go over temporarily.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1730) to authorize the purchase of additional farming land for Leavenworth Penitentiary, was announced as next in order.

Mr. McCARRAN. Mr. President, since this bill was placed on the calendar a number of statements have been made with reference to it, which I thought it best to consider further. I therefore ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF CIVIL AERONAUTICS ACT

The bill (S. 12) to amend the Civil Aeronautics Act of 1938, as amended, was announced as next in order.

Mr. LUCAS. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BREWSTER subsequently said: Mr. President, I ask unanimous consent that we may return to Calendar No. 476, Senate bill 12, which was passed over, as I should like to explain it. I hope it may receive consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Maine is recognized.

Mr. BREWSTER. Mr. President, this bill provides for an amendment to the Civil Aeronautics Act, and I think it represents the considered opinion of all those who have studied the matter, on both sides of the aisle, over a period of 5 years, going back to the old Committee on Commerce of which Senator Bailey of North Carolina was chairman, and to every committee which has succeeded it. I think the bill comes to the Senate with a unanimous report.

The bill represents a matter that is extremely vital in our civil aviation, as it concerns what is considered by every member of the committee a plain violation of the legislation we have enacted, which provides that the Civil Aeronautics Board shall determine, in the admission of foreign lines to this country, exactly as they do with respect to domestic lines, whether or not it is in the public interest that they should serve. That is disregarded by the executive agreements which have been carried out, in plain violation. Even the chairman of the Civil Aeronautics Board rendered a legal opinion that this could not legally be done, although he bowed to the Executive will.

The matter has now reached culmination in a recent case in which certain of our own lines are very vitally affected. The Colonial Air Lines is most vitally interested. I hope that the Senate may accept the unanimous opinion of all its committees over a period of 5 years, and pass the bill.

Mr. LUCAS. Mr. President, I am familiar with what the Senator from Maine has said, and I am constrained to object.

The PRESIDING OFFICER. Objection is heard.

Mr. McCARRAN. Mr. President, I do not care to take up the time of the Senate, inasmuch as objection is made, but I ask unanimous consent that an explanation of the bill may be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR M'CARRAN

Mr. President, the proposal embodied in this bill has been before the Congress for more than 5 years. It was first presented as a section of the bill which I introduced during the Seventy-eighth Congress to rewrite the Civil Aeronautics Act. The proposal was included in that bill because some of us foresaw, even then, where the executive agreement route might lead in the field of international aviation agreements. We recognized that here was a field which offered a special danger that the Senate treaty power might be gradually whittled away, because it is a field in which some executive agreements are quite necessary. We foresaw that it would be an easy matter for the executive branch of the Government to gradually broaden the class of agreements arrived at by this route, until in the end we should find that treaties had fallen into complete disuse in this field.

When the results of the aviation conference at Chicago showed that our fears were well grounded, the proposal which is now before the Senate in the bill S. 12 was embodied in a separate bill, which I introduced as S. 1814 of the Seventy-ninth Congress. In 1946, the Bermuda agreement was concluded, again by the executive agreement route instead of by treaty, and a pattern was set which has been followed in many executive agreements concluded since then. In the Eightieth Congress, I reintroduced this bill as S. 11 of that Congress; and in the present Congress it is S. 12.

This year is not the first time this proposal has had serious attention in committee. The bill S. 1814 was the subject of extensive hearings before the Committee on Commerce of the Senate during February, March, and April of 1946. In the Eightieth Congress, the identical bill, S. 11, received the serious consideration of the aviation subcommittee of the Committee on Interstate and Foreign Commerce.

In the present session, the matter was again brought forcibly to the attention of the Congress by reason of the conclusion of the bilateral air transport agreement with Canada, through which, it has been rightly said, our negotiators traded one American horse for one Canadian rabbit.

I do not want to burden the Senate with a technical discussion of the difference between a treaty and an executive agreement. The report of the Committee on Interstate and Foreign Commerce, filed by the Senator from Colorado [Mr. JOHNSON] as chairman of that committee, contains a very fine discussion of the legal principles involved; and I hope that Senators who have not read that report will do so.

The basic issue involved here is the right of the Congress to form and control the foreign policy of the United States in the field of international aviation, and the constitutional right of the Senate of the United States to advise and consent to treaties. It is time these rights were reasserted. As the report of the committee on this bill so ably points out, the treaty power of the United States Senate is a major bulwark of our national safety and should be protected, maintained, and, if necessary, fought for. As the committee has stated at the conclusion of its report, if the Senate acquiesces too long in the trend toward making Executive agreements a general substitute for the treaty process, it may find in the end that it has lost its constitutional treaty prerogative.

There are just three kinds of agreements which this bill would require to be made by treaty, if at all.

One of these three kinds of agreements embraces agreements with foreign governments which restrict the right of the United States or its nationals to engage in air transport operations. I think every Member of this body will agree that restrictions on the right of American citizens to engage in international air transportation should not be made effective except through the orderly and constitutional processes which guarantee an opportunity for the persons affected by the proposed restrictions to have their day in court.

The second kind of agreement which this bill would require to be made by treaty is an agreement with any foreign government generally granting to such government or its nationals, or to any air line representing such government, any right or rights to operate in air transportation or air commerce other than as a foreign air carrier in accordance with the provisions of the Civil Aeronautics Act of 1938.

This does not mean any departure from existing statutory procedure. The Civil Aeronautics Act has set up a specific procedure and method for granting operating rights in the United States to foreign air lines. The act makes provision for notice and opportunity for hearing. It makes provision for findings with respect to public convenience and necessity.

It makes provision for Presidential approval. That is the pattern laid down by the Congress. Nothing in this bill would change that pattern. On the contrary, enactment of this bill would insure that the procedure laid down by the Congress will be followed. It is the view of the Committee on Interstate and Foreign Commerce, and I believe it should be the view of the Senate, that this procedure, laid down by the Congress, cannot legally be changed by means of an Executive agreement. If it is to be changed, it must be changed by treaty, or by a subsequent act of the Congress. Certainly, therefore, the provision in this bill that no attempt may be made to change this procedure except by treaty cannot be said to do any violence either to the Constitution or to the principles of international law.

The other kind of agreement which would be required, under this bill, to be made by treaty if it is to be made at all embraces agreements with foreign governments respecting the formation of, or the participation of the United States in, any international organization for regulation or control of international aviation.

Participation by this country in an international organization for regulation or control of international aviation necessarily involves giving up some of our sovereignty. It may be necessary to give up a portion of our sovereignty in this way; but I submit that no such waiver of sovereignty should ever be made by the mere action of the executive branch alone. Here, if anywhere, is a proper field for the exercise of treaty powers. Here is a matter of vital interest to the public; a matter upon which all interested persons should have an opportunity to be heard, and upon which the will of the people, expressed through their elected representatives, should be considered.

I hope the Senate will pass this bill, and pass it by an overwhelming majority which will make it clear that the Senate is not waiving its treaty prerogatives, is not content that those prerogatives should be exercised by the Executive alone.

RECREATIONAL FACILITY NEAR EGLIN AIR FORCE BASE, FLA.

The bill (H. R. 2417) to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force base, as a recreational facility, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the article, for the government of the Navy and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

COMMISSION ON INTERGOVERNMENTAL RELATIONS—BILL PASSED OVER

The bill (S. 1946) to establish a permanent National Commission on Intergovernmental Relations, was announced as next in order.

Mr. LUCAS. Over.

Mr. WHERRY. Mr. President, I wonder if the distinguished majority leader will withhold his objection and permit us to have an explanation as to why he objects to the consideration of this bill. I have received numerous telegrams in regard to it.

Mr. LUCAS. I shall be glad to listen to an explanation.

Mr. WHERRY. May I ask some member of the Committee on Expenditures in the Executive Departments if he will please explain the bill.

Mr. TAYLOR. It was reported from the committee unanimously.

Mr. WHERRY. What is the purpose of the bill?

Mr. TAYLOR. To establish a permanent commission, somewhat similar to the Hoover Commission. It is smaller, however. It provides for a small paid staff. I do not have with me a copy of the bill. The purpose of the bill is to study the relation of the various branches of the Government to other branches, State, county, and national governments. It makes recommendations for legislation to eliminate duplication and overlapping of taxes and such matters as that.

Mr. HENDRICKSON. Is it not a fact that the bill is to carry out the very purposes and recommendations of the Hoover Commission with respect to the matter of intergovernmental regulations?

Mr. TAYLOR. That was the idea, to establish a permanent commission to carry on and to keep us advised. It provides for county units, State governments, and mayors' associations, who are supposed to get together and prevent overlapping of governmental levels.

Mr. HENDRICKSON. As I understand, Mr. President, there was no opposition at all in the public hearings. Is that correct?

Mr. TAYLOR. That is correct.

Mr. LUCAS. I was asked to request that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

JOINT RESOLUTION PASSED OVER

The resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, was announced as next in order.

Mr. LUCAS. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

FEDERAL RECLAMATION PROJECTS—BILL PASSED OVER

The bill (H. R. 1694) to provide for the return of rehabilitation and betterment of costs of Federal reclamation projects, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BUTLER. Mr. President, referring to calendar House bill 1694, I think the chairman of the committee failed to hear the objection made.

Mr. O'MAHONEY. I did not hear the objection. May I ask what the objection is?

Mr. HENDRICKSON. I was asked to object to the consideration of the bill.

Mr. O'MAHONEY. In those circumstances, perhaps I cannot explain away the cause of the objection.

Mr. HENDRICKSON. I cannot, either, Mr. President.

Mr. HENDRICKSON subsequently said: Mr. President, may we return to order of business 496, House bill 1694? I objected, but I recall now what the objections were. They were that the bill delegates the Secretary of the Interior power which should be retained by Congress in respect to reimbursements, and if the distinguished Senator from Wyoming can explain that phase of the bill to my satisfaction, I shall be happy to take the responsibility of withdrawing the objection.

Mr. O'MAHONEY. Mr. President, the committee reported the bill in the form in which it occurs on the calendar. I have consulted the Senator from Nebraska [Mr. BUTLER] and I should be very glad to offer an amendment which I think would eliminate the objection to which the Senator alludes.

On page 2, in line 1, occurs the phrase "to the fullest practicable extent." I am quite willing on behalf of the committee to move to strike that language. I think it was to that language that objection was made. The bill reads in part:

> That expenditures of funds hereafter specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior in the light of their outstanding repayment obligations, and which shall, to the fullest practicable extent, be scheduled for return with their construction charge installments or otherwise scheduled as he shall determine.

The deletion of the phrase "to the fullest practicable extent" I think will eliminate the difficulty, and I move that amendment, if the bill may be considered.

Mr. MAGNUSON. Mr. President, how would this bill change the existing repayment practices of the Department of the Interior on reclamation projects, or would it change them?

Mr. O'MAHONEY. It would require the Secretary to enter into a new contract with the water users on a particular project where rehabilitation and betterment were authorized. The Interior Department appropriation bill in the Eightieth Congress carried a special appropriation for this purpose.

Mr. President, the reason for the bill is that the Bureau of the Budget feels that there should be a specific authorization. It makes no change from what has been done in the past.

Mr. MAGNUSON. Would it make any change in existing reclamation projects?

Mr. O'MAHONEY. No; it would not.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. With an appropriate amendment such as that the distinguished Senator suggests, I shall be glad to withdraw the objection. I am not sure that his amendment goes far enough. It does not retain in the Congress control over the reimbursement features.

Mr. CHAVEZ. Mr. President, I should like to agree with the Senator from Wyoming, but I am interested in reclamation matters, and I really do not understand the bill, and I ask for the moment that it may go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

AMENDMENT OF UNITED NATIONS PARTICIPATION ACT—BILL PASSED OVER

The bill (S. 2093) to amend the United Nations Participation Act of 1945 to provide for the appointment of representatives of the United States in the organs and agencies of the United Nations, and to make other provision with respect to the participation of the United States in such organization was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. CONNALLY subsequently said: Mr. President, was there objection to Senate bill 2093?

Mr. HENDRICKSON. Yes.

Mr. CONNALLY. I very much hoped the Senate might pass the bill, because it would render a very useful service, especially to Mr. Austin, so that he can sit on the Security Council.

Mr. Austin and Mr. Jessup, his assistant, on occasions have both been ill, and could not attend, so the United States had no one to serve on the Security Council. This bill authorizes another deputy for that particular purpose. I very much hope that those who made objection will withhold the objection and let the bill pass. It is vital to our interest in the United Nations.

Mr. CHAVEZ. Mr. President, I should like to agree with the Senator from Texas, but this is of such importance in international matters that it should not be passed during the consideration of the unanimous consent calendar, so I am forced to object.

The PRESIDING OFFICER. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1915) for the relief of Viktor A. Kravchenko, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

EUGENIO MAISTERRENA BARRENECHE

The Senate proceeded to consider the bill (S. 204 for the relief of Eugenio Maisterrena Barreneche, which has been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Eugenio Maisterrena Barrenche shall be held and considered to have been lawfully admitted into the United States for permanent residence as of January 2, 1940, the date upon which he was temporarily admitted into the United States, upon the payment by him of the visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 4585) to authorize the purchase of additional farming land for Leavenworth Penitentiary was announced as next in order.

Mr. McCARRAN. Mr. President, just a moment ago I asked that a companion bill go over. I ask that this bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 3946) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study, was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN LANDS TO SAN FRANCISCO—BILL PASSED OVER

The bill (S. 862) authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco was announced as next in order.

Mr. MORSE. Mr. President, I think we are going to be able to work out an arrangement on this bill by the time of the next call of the calendar. For the present I shall have to object, for the reason that I am not satisfied with a letter which has been received, sent to the Senator from California [Mr. KNOWLAND] by the Secretary of the Army, which the Senator from California very kindly showed me this afternoon. I am not satisfied that the Secretary of the Army has provided me with the particular information which I have requested, namely, a showing from the Army that it is receiving, in the transfer with the city of San Francisco, value for the property which the Federal Government is asked to transfer to the city of San Francisco.

I am inclined to believe that a special showing can be made, and judging from what the majority leader has said here this afternoon there is going to be ample time before adjournment for at least one more call of the calendar. Therefore I hope to work out with the Senator from California and the Secretary of the Army the data which I must have in order to maintain a consistent policy with regard to transfers of land.

Mr. KNOWLAND. Mr. President, I should like to have printed in the RECORD the letter to which the Senator has referred, from the Secretary of the Army, Mr. Gordon Gray.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 23, 1949.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

DEAR SENATOR KNOWLAND: This is in reply to your letter of 12 July 1949 requesting additional information with respect to the value to the Federal Government of the armories to be constructed at the Palace of Fine Arts and at Fort Funston, San Francisco, Calif.

The property involved in the conveyance consist of approximately 42 acres of the Fort Funston Military Reservation. Inasmuch as this property is no longer required in its entirety for military purposes, the Department of the Army has determined that it would be advantageous at this time to effect the transfer proposed by S. 862.

In the event S. 862 becomes law the United States will benefit to the following extent:

(a) The Department of the Army will retain the use of fifteen sets of living quarters located on the property for the balance of their natural lives. If the city of San Francisco subsequently desires the use of such quarters for other purposes it will construct, or cause to be constructed, eight permanent type living units for the Army at the Presidio of San Francisco. The cost of constructing these units its estimated to be approximately $120,000.

(b) The city and county of San Francisco will in turn grant to the State of California approximately seven acres of the property located at Fort Funston for use of the California National Guard. The facilities to be constructed by the State of California on this seven acres will be available for the joint use of all civilian components of the Armed Forces.

(c) At the present time, it is contemplated that a National Guard headquarters group, and an antiaircraft battalion, comprising a total of 800 officers and men, will be housed in the facilities to be constructed at Fort Funston. The facilities to be furnished by the city and county of San Francisco in Palace of Fine Arts Building will accomodate a National Guard infantry battalion, consisting of approximately 800 officers and enlisted men.

(d) At the present time, there are 258 reserve units of company size or smaller in the San Francsico and Oakland area, with 3,564 reservists assigned thereto. However, at the present time the San Francisco and Oakland area do not have adequate facilities for the oragnization and training of the reserve units as envisaged by current objectives. Accordingly, the facilities to be constructed on the Fort Funston property, and in the Palace of Fine Arts Building, will be of considerable value to the Armed Forces.

(e) The city and county of San Francisco will grant easements and rights-of-way in connection with water lines, sewer lines and cables required by the Army, the California National Guard and the Veterans' Administration. In addition, an easement of approximately 25 feet in width will be granted across land now owned by the city and county of San Francisco.

(f) All oil, mineral, and fissionable material rights will be reserved to the United States in accordance with existing policy.

With the exception of the housing units involved, it is difficult to place a monetary value on the benefits which would accrue to the United States as a result of this conveyance. It is my understanding that approximately $540,000 will be spent by the State of California in the construction of armory facilities at Fort Funston and the Palace of Fine Arts Buildings.

I trust that the information contained herein will be helpful to you.

Sincerely,

GORDON GRAY,
Secretary of the Army.

Mr. KNOWLAND. Mr. President, I also ask the Senator from New Jersey whether he has prepared for this bill the same amendment he had on the similar bill which was passed on the last call of of the calendar. If he has not, I wish he would have it placed in the bill soon, so that we can at least have the bill in final form by the time the Senator from Oregon may feel willing to consent to the passage of the bill.

Mr. HENDRICKSON. Mr. President, I hope to have the amendment prepared by the time of the next call of the calendar.

The PRESIDING OFFICER. On objection, the bill will be passed over.

Mr. HENDRICKSON subsequently said: Mr. President, I should like to offer the amendment to Senate bill 862, Calendar No. 557, requested by the Senator from California [Mr. KNOWLAND]. I send it to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, line 2, it is proposed to strike out the period and insert a colon and the following proviso: *"Provided,* That such grant shall not be effective until the Governor of the State of California shall certify in writing to the Secretary of Defense that such land is needed by the State of California for the purpose of a site for a National Guard Armory and for training the National Guard or for other related military purposes and that such land is suitable for such purposes."

Mr. CHAVEZ. Mr. President, what bill are we considering?

The PRESIDING OFFICER. The amendment which has just been stated was referred to a moment ago. It is in connection with Senate bill 862. The Senator from California [Mr. KNOWLAND] asked to have the amendment placed in the bill which would transfer certain land to the city of San Francisco.

The amendment will be attached to the bill for consideration when the bill is reached on the next call of the calendar.

BILLS PASSED OVER

The bill (S. 1498) to amend the Natural Gas Act, approved June 21, 1938, as amended, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1165) to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheep herders was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF THE FEDERAL CROP INSURANCE ACT

The Senate proceeded to consider the bill (H. R. 3825) to amend the Federal Crop Insurance Act, which had been reported from the Committee on Agriculture and Forestry with amendments.

The first committee amendment was, on page 2, line 21, after the figures "1950", to insert "and continuing through the crops planted for harvest in 1951, 1952, and 1953."

The amendment was agreed to.

The next amendment was on page 3, after the word "Provided", to strike out "the previous year" and insert "in 1948."

The amendment was agreed to.

The next amendment was, at the end of the bill to insert a new section, as follows:

SEC. 11. The expanded program authorized herein shall be instituted beginning with the 1950 crop year, the additional cost for fiscal year 1950 to be financed, pending the appropriation of supplemental funds, from any appropriation available for operating and administrative expenses of the Corporation for such fiscal year.

The amendment was agreed to.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill? As I understand, $73,000,000 is involved. The bill proposes to wipe out $71,000,000 of a deficit of $73,000,000.

The PRESIDING OFFICER. The junior Senator from New Mexico [Mr. ANDERSON] is in charge of the bill.

Mr. CHAVEZ. The Senator from New Mexico is not present at the moment. Let the bill be passed over temporarily.

The PRESIDING OFFICER. The bill will be passed over temporarily.

Mr. AIKEN. Mr. President, was the bill passed?

The PRESIDING OFFICER. No; it has been passed over temporarily. The Senator from New Mexico [Mr. ANDERSON] is not in the Senate Chamber at the moment.

Mr. YOUNG subsequently said: Mr. President, I ask unanimous consent to return to Calendar No. 590, the bill (H. R. 3825) to amend the Federal Crop Insurance Act.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none.

Mr. YOUNG. If the Senator making the objection would withhold the objection a moment, I should like to explain briefly what this bill proposes to do.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Was this bill objected to?

The PRESIDING OFFICER. It was objected to before. The Senator from North Dakota asked to return to its consideration, to make an explanation. There was no objection to returning to it.

Mr. SCHOEPPEL. That bill was passed, Mr. President, to the foot of the calendar, according to my recollection. The former Secretary of Agriculture, the present Senator from New Mexico [Mr. ANDERSON], was absent from the Senate Chamber.

The PRESIDING OFFICER. Has the Senator from New Mexico returned to the Senate Chamber? Apparently not. The Chair suggests the Senator from North Dakota let the bill go over. The Senator from New Mexico [Mr. ANDERSON] has an amendment.

Mr. YOUNG. Mr. President, if the Senator objecting wants to ask the Senator from New Mexico a question, I believe I can answer it sufficiently now without his being here.

Mr. SCHOEPPEL. I should be glad to have an explanation on the part of the Senator.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. ANDERSON] wanted to offer an amendment. Suppose we let the bill go over.

RESOLUTION PASSED OVER

The resolution (S. Res. 58) to amend the Senate rules by creating a standing committee on small business was announced as next in order.

SEVERAL SENATORS. Over.

Mr. WHERRY. Mr. President, may I inquire if the majority leader believes the resolution might also be brought in under the program he expects to present to the Senate between now and Labor Day, or whatever day on which he figures the Senate will adjourn?

Mr. LUCAS. The majority leader has already referred to quite a number of bills which it is expected the Senate will consider before adjournment.

Mr. WHERRY. This is the second measure concerning which I have asked the Senator that question.

Mr. LUCAS. Yes; but I referred to three or four bills before the Senator from Nebraska made his first inquiry. I think we had better leave the situation as it is for a little while until we act on other bills, and then I will advise the Senator from Nebraska.

Mr. WHERRY. I hope the majority leader will give the resolution his fullest consideration.

Mr. LUCAS. I will give every consideration to it.

Mr. WHERRY. I thank the Senator.

AMENDMENT TO CONSTITUTION RELATING TO ELECTION OF PRESIDENT AND VICE PRESIDENT—JOINT RESOLUTION PASSED OVER

Mr. LODGE. Mr. President, has Senate Joint Resolution 2, Calendar 601, been called. It is the measure providing for a constitutional amendment to abolish the electoral college.

The PRESIDING OFFICER. It is the next measure to be called on the calendar.

The joint resolution (S. J. Res. 2) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, was announced as next in order.

Mr. LODGE. Mr. President, this is the constitutional amendment to abolish the electoral college and to count the electoral vote—which would be preserved solely as a counting device—in proportion to the popular vote in elections for President and Vice President.

It eliminates completely any possibility of an election being thrown into the House of Representatives; it establishes the constitutional right of the people to direct vote; and it does away with the so-called unit rule system of counting electoral votes whereby the candidate receiving a plurality of the popular vote in any given State is credited with all the electoral votes of that State regardless of how small the plurality may be.

As all Senators know, the present "electoral college-unit rule" system is seriously defective.

The "dummy" office of presidential elector is in effect an inaccurate rubber stamp since on occasion these electors actually vote against the popular will.

The failure of a candidate to obtain a majority of electoral votes throws the election into the House of Representatives where each State has one vote. This would have happened in January of 1949 if only a few thousand votes in two States had gone differently. On the first ballot the result would have been: Truman, 21; Dewey, 20; and Thurmond, 4. And 25 would have been necessary to a choice.

The unit-rule method of crediting all other States' electoral votes to the plurality candidate in each State puts a tremendous premium on a few large States, limits the campaign to a minority of States and restricts political preferment to a man who happens to live in one of a few so-called pivotal States.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. TOBEY. Would the Senator from Massachusetts agree to an amendment to make this machinery retroactive so as to apply to the last election?

Mr. LODGE. I think that question answers itself.

The present system has led to the election of a President who actually had a smaller popular vote than the man whom he defeated—Adams over Jackson in 1824, Hayes over Tilden in 1876, and Harrison over Cleveland in 1888. This possibility cannot, of course, be completely eliminated without going to a straight popular election, but the pending proposal very much reduces the danger.

Moreover, in pivotal States there are pressure groups which, under the present system, can sway the balance in those States. In the last election, for example, the candidacy of Henry A. Wallace swung all of New York's 47 votes to Dewey in spite of the fact that Truman received 45 percent of the popular vote in that State.

The proposed amendment completely preserves the rights of the small States, who retain their allocation of two electoral votes regardless of population. It would tend to give a more truly national character to both our major parties and would greatly enhance and invigorate the two-party system in the United States. It neither helps nor hurts either party. It is sponsored by Senators from both parties representing all sections of the country. I believe that upon careful study Senators of both parties will conclude that it simply eliminates restraints on the two-party system as a whole and thus opens up the

field for imaginative and courageous political leadership in the future, the true challenge and advantage of which none of us can predict.

Mr. President, obviously this is not the time to take up this constitutional amendment. I wanted to make this brief explanation and express the hope that the measure will be set down for Senate consideration at an early date.

The PRESIDING OFFICER. The joint resolution will be passed over.

JOINT COMMITTEE ON ECONOMIC REPORT—BILL PASSED OVER

The bill (S. 2085) to amend the Employment Act of 1946, with respect to the Joint Committee on Economic Report, was announced as next in order.

Mr. TAFT. I object to the consideration of this measure, until the full Joint Committee on Economic Report has considered and approved the bill. I do not think we should pass this bill which would give the committee power to set aside the law relative to the man to be employed to make the survey, until the full committee has been called together. I may say that so far as I know the committee has not met since the month of March in any official way. I therefore object.

The PRESIDING OFFICER. The bill will be passed over.

Mr. O'MAHONEY. Mr. President, will the Senator withhold his objection?

Mr. TAFT. Yes.

Mr. O'MAHONEY. I desire to say, Mr. President, that the change in the authorization from $50,000 to $150,000 was suggested at a full meeting of the committee early in the year. The bill was introduced at the suggestion of the committee.

With respect to section 2, I will say to the Senate and to the Senator from Ohio that the substance of that amendment was presented at a luncheon meeting of the committee earlier this year. It deals with only one employee, a part-time employee. It is exactly the same provision as was suggested by the Hoover Commission. I am sure the Senator will upon further examination find that there is no basis for objection to the measure.

Mr. TAFT. Mr. President, I will say that if the full Joint Committee on the Economic Report meets and recommends the bill and approves the employment of this particular gentleman, and he is exempted from the laws of the United States, I would no longer object to the consideration of the bill.

Mr. MAYBANK. Mr. President, I simply wish the record to show that the Committee on Banking and Currency reported the bill unanimously. Both the Republican members and the Democratic members are in full accord with respect to the bill as reported. The Senator from Vermont [Mr. FLANDERS] and the Senator from Alabama [Mr. SPARKMAN] are in agreement respecting the bill.

The PRESIDING OFFICER. On objection, the bill will be passed over.

AMERICAN RIVER BASIN DEVELOPMENT, CALIFORNIA—BILL PASSED OVER

The Senate proceeded to consider the bill (H. R. 165) to authorize the American River Basin development, California, for irrigation and reclamation, and for other services, which had been reported from the Committee on Interior and Insular Affairs with amendments.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of this measure? It seems to repeal section 5 of the Flood Control Act of 1944.

Mr. MURRAY. Mr. President, the Senator from California [Mr. DOWNEY] is interested in this bill.

Mr. DOWNEY. Mr. President, what the bill accomplishes is this: In 1944 the Congress provided for a project on the American River—that is, the Sacramento River near Sacramento City—for flood-control purposes. Thereafter the project was developed in public importance until all the agencies of the Government concerned decided that it should be made a multipurpose project. After it was made a multipurpose project its predominating characteristic was that of reclamation and irrigation rather than flood control. Under a general agreement—I think of all interested parties, including the State of California, the Army engineers, the Reclamation Bureau, and so on—it was decided to seek an act of Congress reauthorizing this project as a part of the Central Valley project of California, which is a reclamation-power project.

Under the bill, if passed, the Army engineers would continue to build the dam. When the dam is completed the project will be turned over to the Bureau of Reclamation.

Does that answer the question of the Senator from Kansas?

Mr. SCHOEPPEL. Partially so. I was wondering if this bill attempts to place this particular project in the category of a special project, and whether the bill applies only to this project, and does not change the basic law of 1944.

Mr. DOWNEY. The suggestion of the Senator is correct. This is wholly a local and particular bill, and does not set up any general rule in violation of the general Flood Control Act of 1944.

Mr. SCHOEPPEL. I wish to say to the distinguished Senator that by reason of other objections which were presented, I think there is a possibility that before the next call of the calendar certain other matters may be satisfactorily explained. I should like to have the bill passed over until the next call of the calendar.

Mr. KNOWLAND. Mr. President, will the Senator withhold his objection for a moment, so that I may offer an amendment?

Mr. SCHOEPPEL. Certainly.

Mr. KNOWLAND. I should like to offer an amendment which has the approval of the author of the bill, Representative ENGLE of California. I have discussed it with the Senator from California [Mr. DOWNEY]. It was purely an oversight that the amendment was not included.

I offer an amendment on page 3, line 24, after the name "Santa Clara," which is one of the counties of California, to insert "San Joaquin", so as to read: "to serve lands and municipalities in Contra Costa, Alameda, Santa Clara, San Joaquin, and San Benito Counties."

The PRESIDING OFFICER. Without objection, the amendment is agreed to, and the bill will be passed over.

TIMBER ACCESS ROADS IN NATIONAL FORESTS—JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 24) to provide for a suitable and adequate system of timber access roads to and in the forests of the United States, was announced as next in order.

Mr. SCHOEPPEL. Over.

Mr. MORSE. Mr. President, if the Senator will withhold his objection, I should like to offer an amendment.

Mr. SCHOEPPEL. Certainly.

The PRESIDING OFFICER. The joint resolution will have to be considered before an amendment will be in order.

Mr. MORSE. Mr. President, I ask that the joint resolution be considered for the purpose of offering an amendment.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. MORSE. Mr. President, in order that we may have a measure as I propose to amend it, before the time of the next call of the calendar, I offer an amendment on page 3, line 21, after the figures "1951", to insert "and ending with the fiscal year ending June 30, 1955."

In my opinion, this amendment meets the only legitimate objection there is to the joint resolution, in that it fixes a very definite termination date.

Mr. President, I do not wish to take the time of the Senate tonight to discuss the answers to the various questions which the Senator from Washington [Mr. CAIN] and the Senator from Utah [Mr. WATKINS] raised when the joint resolution was last before the Senate. I simply wish to offer certain material for the RECORD, which I wish to make a part of my remarks at this time.

In objecting to the joint resolution the last time, the Senator from Washington raised a series of questions. He stated that "if there are constructive answers to these questions, the joint resolution should be adopted." Without taking the time of the Senate to read my answers to his questions, which supplement the answers I made to him at the last call of the calendar, I ask permission to have my answers printed in the RECORD at this point as a part of my remarks. I urge Members of the Senate to read my answers to those questions, because I say in all seriousness to the Senate that if we are really interested in conserving one of the great natural resources of America for future generations, namely, the timber resources, we ought to pass this measure with the amendment which I have offered here tonight.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Oregon will be agreed to, the material which he has offered will be printed in the RECORD, and the bill will be passed over.

The statement submitted by Mr. MORSE is as follows:

Senator CAIN, in objecting to the bill, raised the following questions. He stated (CONGRESSIONAL RECORD, July 6, p. 8937) that if "there are constructive answers to those questions, the joint resolution should be adopted."

Question. 1. Why provide the Department of Agriculture with an annual authorization of $25,000,000 when that Department in its report on the resolution estimated it needs only $100,000,000 over a 5-year period, or $20,000,000 per year?

Answer. It must be remembered that, at the present time, the Department of Agriculture needs some $8,000,000 for annual maintenance of access roads. With increased construction, the figure for maintenance would be greater. The resolution covers both construction and maintenance. It is clear from the Department's report that the $100,000,000 figure is the estimate for construction alone. Thus, the report states that the $100,000,000 spent for the construction of access roads over a period of 5 years would provide the initial system of roads to give primary access to the remaining inaccessible large bodies of national-forest timber."

Mr. C. M. Granger, assistant chief of the Forest Service, testified before the subcommittee as follows (p. 145 of hearings):

"First, of this $25,000,000 to be authorized, we are now required to spend something over $3,000,000 for maintenance and that sum, of course, goes up each year as we extend the mileage. So you see that it leaves only about two-thirds of the amount for new construction."

Without considering increased maintenance costs due to increased road mileage, the annual authorization for the Department of Agriculture for construction purposes would be $17,000,000 at the most, and thus it would take 6 years to reach the estimate made by the Department. Moreover, under the amendment I am proposing to limit the authorization to 5 years, the most that the Department would have available for construction purposes would be $85,000,000.

Question 2. Why should not the authorization require that the Departments of Agriculture and Interior "justify the specific road-construction projects they proposed in their annual request for appropriations?"

Answer. In the first place, this resolution only authorizes appropriations. It will still be necessary for the Departments involved to satisfy the Budget Bureau and the appropriations committees, each year, that their requests are justified. Manifestly, the resolution does not guarantee that the Departments will receive the funds authorized. It does, however, declare a policy which should encourage the Budget Bureau and the appropriations committees to make realistic provision for timber access roads.

Secondly, the suggestion made by the Senator from Washington, that there be "provision for public hearings on each road proposed" would introduce a feature which has never been considered heretofore by the Congress as to either authorizations or appropriations. Funds for all classes of national forest roads have always been appropriated in lump sums, leaving to the administrators the choice of projects, depending upon the conditions and justifications existing when the expenditures are actually programmed.

Obviously, it would be unrealistic to require the Department of Agriculture or the Department of the Interior to go before the Budget Bureau and the committees of Congress before they can proceed, and specifically justify each road proposed to be built into timber that urgently needs to be removed. Many of these roads are relatively short, covering a few miles, and in many cases the need for them is urgent and arises because of fire damage or disease, which are wholly unpredictable factors. The sound way to proceed is to permit sufficient flexibility so that the funds may be wisely spent and necessary adjustments made to take account of changes in conditions which call for road construction.

This same argument of individual advance justification of each road was made before the subcommittee by the representative of the West Coast Lubermen's Association. The subcommittee and the full committee considered this argument and rejected it.

Question 3. The junior Senator from Washington also asked why $30,000,000 should be authorized when the departments have not been able to convince the Budget Bureau or the appropriation committees that the present authorization of $17,500,000 should be made available?

Answer. The actual appropriation at present is $10,348,000. When it is considered that a little more than $8,000,000 of this goes for maintenance, it is plain that the amount left for construction is pitifully inadequate. It should also be remembered that during the 2-year period of 1947 and 1948, $12,900,000 in National Housing Administration funds were available and used for construction and improvement of forest development roads, out of the total of $21,500,000 used for such purposes during those years.

It is up to Congress to set the policy. Moreover, it is to be observed that the Budget Bureau is not of the view, as suggested by the Senator's question, that an increase in the authorization and appropriation for access roads is without merit. The Budget Bureau approved the departmental reports which supported this resolution.

Question 4. The junior Senator from Washington questions whether it is good business management to authorize $25,000,000 for access-road purposes to the Department of Agriculture, in view of the statement in the Department's report that only $14,000,000 in increased revenue from annual timber sales will be realized, of which 25 percent must go to counties and $2,000,000 for selling expense. The clear implication is that the yearly return on an expenditure of $25,000,000 would be only about $8,500,000?

Answer. The 25 percent of revenue paid to local governments is put to good use, on county roads and schools.

Most important, however, is the fact that the increase in revenue would continue indefinitely because under the sustained yield program only the annual growth of timber would be harvested. Therefore, the revenue increase resulting from the expenditure would not be limited to the 5-year period during which the roads are being built, but would continue for years thereafter if normal maintenance funds were provided.

Question 5. In connection with the authorization for the Interior Department, of $5,000,000 per year, Senator CAIN asked why the resolution should not limit the total amount to the stated needs of the Department, namely, $9,000,000 in 3 years for forest roads on Indian lands and $14,000,000 in 7 years for public lands.

Answer. The 5-year limitation on the authorization, which I am proposing by the amendment I shall submit, effectively answers this question. Moreover, it should again be emphasized that this is an authorization and not an appropriation.

The Senator from Utah [Mr. WATKINS], raised the question as to how the program here proposed fits in with the over-all program of public roads.

The Department of Agriculture, so the Assistant Chief Forester, Mr. Granger, testified, has always handled its own forest development road construction program. The same is true with respect to the Department of Interior, except as to certain roads in the national parks. Forest highways, as distinguished from forest development or access roads, have been handled by the Public Roads Administration. Forest highways are primarily for the purpose of facilitating public travel, and therefore have been administered by the Public Roads Administration in conjunction with the public transportation network. There is, therefore, no new concept being proposed by this resolution insofar as administration is concerned, nor is there any likelihood that this program will be inconsistent with any public road or forest highway program being considered by the Public Works Committee.

As I stated earlier in my remarks, I am perfectly willing to limit this authorization to a 5-year period. Therefore, I offer an amendment, which I send to the desk, which will provide that the authorization end with the fiscal year ending June 30, 1955. That will provide a 5-year authorization assuming that the committee amendment, providing that the authorization begin with the fiscal year ending June 30, 1951, is adopted.

Mr. CAIN subsequently said: Mr. President, reserving the right to object to Calendar 665, Senate bill 939, under the 5-minute rule, I wish to offer a statement relative to Calendar 607, the joint resolution (S. J. Res. 24) to which the junior Senator from Washington objected earlier in the evening.

Mr. President, when Senate Joint Resolution 24, which would provide a larger annual authorization for the construction of timber access roads in certain Government forests, came up for consideration in the Senate on July 6, I raised a number of questions regarding it. Other Senators objected to the consideration of the resolution.

The resolution deals with an important problem, a problem that should not go unanswered. The Federal Government is a very substantial owner of forest lands, most of which are in our national forests. The United States Forest Service is charged with the management of these national forests, and we have every right to expect that the Forest Service will manage them in a businesslike way.

In its report on the joint resolution (S. J. Res. 24) the Department of Agriculture stated it had estimated 2 years ago that $75,000,000 spent for the construction of access roads over a period of 5 years would provide an initial system of roads to give primary access to the remaining inaccessible large bodies of national-forest timber. The Department has stated that in view of the increased cost of construction, $100,000,000 would be needed. The Department has also stated the investment would be self-liquidating. I believe such roads would also serve a good purpose in giving better access to the timber, to protect it from fire, insects, and disease.

Believing as I do that efficient management of the tremendous values in our national forests will be advanced by construction of certain access roads, I have prepared a new resolution which I believe will accomplish the essential purposes and establish limitations which will prevent waste of appropriated funds on unnecessary or extravagant construction. I am proposing that we provide an authorization of $75,000,000, which is the amount the Forest Service estimated to be necessary 2 years ago. While costs have increased since that time, they are now on the decline, and I believe that if the Department of Agriculture is economical and careful in the construction and location of the necessary roads, it

will be able to build the necessary primary system for $75,000,000. The Department of Agriculture estimated that this money could be spent in 5 years. Since we are proposing an authorization bill, and appropriations may not equal the authcrization, I am not proposing a time limit, but I would limit the appropriations to not exceeding $15,000,000 a year.

It has been my experience that Government agencies, given a blanket authorization, sometimes do foolish things. Some subordinate official gets an idea, goes to his superiors, and gets approval without proper scrutiny. To make certain that the access roads built under this authorization are practical and necessary, and that they will be in fact self-liquidating, I am proposing that the Secretary of Agriculture be required to hold public hearings and make a specific finding that each access road is practicable and feasible and that there is reasonable prospect that receipts from the sale of existing merchantable timber tributary to the access road will at least equal the cost of the road.

Mr. President, I believe this matter is important. I hope the Senate Committee on Agriculture and Forestry will consider my resolution as a substitute for the joint resolution (S. J. Res. 24). I believe the Members of the Senate will agree that the limitations I have proposed are desirable.

Mr. President, I ask unanimous consent that these observations, together with the resolution which, out of order, I hope to be permitted to submit, may be placed in the RECORD immediately following the observations which were made earlier in the evening by the distinguished junior Senator from Oregon.

Mr. MORSE. Mr. President, under the 5-minute rule, I wish to say I shall discuss at greater length the suggestion just made by the Senator from Washington in regard to this very important problem of conserving the timber resources of our country. If I understood the Senator from Washington correctly, I judge that the joint resolution he is offering as a substitute for mine is very much different in its implications from the position the Senator from Washington took when my resolution was last before the Senate. If I correctly understand his remarks just delivered, I am very much pleased that he has somewhat changed his position, at least as I understood it when my resolution was last before the Senate.

This evening I submitted an amendment to the joint resolution (S. J. Res. 24) placing a 5-year limitation upon it, which I felt met the one meritorious objection of the Senator from Washington to my resolution, when we debated the matter some days ago. I shall take up the suggestions he has now made seriatim, later, and express myself at some length on them. Suffice it to say now, Mr. President, I have already, in the remarks previously put in the RECORD tonight, answered I think the suggestion the Senator makes, that a public hearing be held on each proposal for an access road. As I have already stated in the RECORD, to follow that procedure would be to establish for the first time in this field such a precedent, and there are a great many reasons Mr. President, as I shall show later, why I think that is not at all a feasible suggestion.

After all, sometimes access roads in timber should be built for purposes other than for economic returns on the sale of the timber itself, namely, the building of a road as a fire-prevention measure alone, because of the need of getting in for fire protection, even though the timber gotten out might not pay for the building of the road. If a fire started in that area and spread for miles, as far as a fire can spread, the timber destroyed would be worth many times the cost of the road.

I am not particularly concerned as to who offers an access-road bill, so long as we get such roads built. I say to my good friend from Washington, if he really is interested in joining the junior Senator from Oregon in saving from destruction, the timber resources of the Nation, I suggest that he help work out some amendments, rather than to come along at this late date and offer a substitute resolution.

The PRESIDING OFFICER. Without objection, the request of the Senator from Washington will be granted with reference to an insertion in the RECORD.

The joint resolution introduced by Mr. CAIN and ordered to be printed in the RECORD is as follows:

Joint resolution to provide for a suitable and adequate system of access roads to and in the national forests

Resolved, etc., That it is declared to be the policy of the Congress to provide for a suitable and adequate system of timber access roads to and in the national forests to permit cutting of national forest timber to the full sustained-yield capacity of the national forests, to provide for salvaging of timber killed by fire, insects and disease, and to furnish better access for the protection of the national forests and their utilization on the most practical basis.

SEC. 2. The Secretary of Agriculture is hereby authorized to survey, construct, reconstruct, and maintain such roads as are necessary to effectuate the foregoing policy. The authority contained in this joint resolution is in addition to, and not in substitution for, the authority of existing law.

SEC. 3. For the purpose of carrying out the provisions of this joint resolution, there is hereby authorized to be appropriated $75,000,000, of which not to exceed $15,000,000 may be appropriated in any one year. No road shall be built pursuant to this authorization unless the Secretary of Agriculture, after a public hearing, has issued a finding that such road is practicable and feasible, and that there is reasonable prospect that receipts from the sale of existing merchantable timber tributary to such road will at least equal its cost. Such public hearing shall be held in the State or Territory in which the road is proposed to be built, after notice of the hearing has been published each week for four successive weeks in some newspaper of general circulation in the county or counties (or Territories) in which such road is proposed to be built.

TRANSFER OF PERMANENT WAR HOUSING PROJECTS TO LOCAL PUBLIC HOUSING AGENCIES

Mr. MAYBANK. Mr. President, I do not desire to take the time of the Senate tonight, but I wish to make a statement of one paragraph, and have the rest of my statement printed in the RECORD at this point as a part of my remarks.

I invite the attention of Members of the Senate to the provisions on pages 43 to 46 of Senate bill 2246, which provides for the transfer of 120 permanent war housing projects to local public housing agencies for low-rent use. The projects which are specifically provided for in the bill were those for which formal requests were made by the local housing authorities under Public Regulation No. 1, which requests were properly supported.

Mr. President, I ask unanimous consent that the entire statement which I have prepared be printed in the RECORD at this point as a part of my remarks; and I ask that Senators who have not notified the Banking and Currency Committee of projects in their States which they wish to have transferred along with those listed on the pages referred to, communicate with the committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I should like to call attention of the Senate to the provision on pages 43 to 46 in S. 2246 which provides for the transfer of 120 permanent war-housing projects to local public-housing agencies for low-rent use. The projects which are specifically provided for in the bill were those for which formal requests were made by the local housing authorities under Public Regulation No. 1 and which requests were properly supported.

A number of requests did not comply fully with the regulations and others were received after the closing date for the applications. Also some communities have become more conscious of the need for low-rent housing and want to avail themselves of the opportunity of applying for the transfer of some of these permanent war-housing projects in their communities for use as low-rent housing.

Since several Senators have called to our attention the failure of S. 2246 to include a specific project in their State and their desire to have it included in this bill, and since I assume other Senators will also probably be interested in having projects in their States included, I want to take this means of notifying all Senators that our Housing Subcommittee expects to begin the executive session on this bill on Friday of this week and, if they are interested in having included a specific project in their State not already provided for in this bill, to have them inform me or the staff director of the Banking and Currency Committee of it.

We have available in the Banking and Currency Committee a list of all the permanent war-housing projects in every State and we shall be glad to let any Senator or a member of his staff consult it.

FEDERAL COOPERATIVE FORESTRY PROGRAMS—BILL PASSED OVER

The bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Over.

Mr. HOLLAND. Mr. President, I hope the distinguished Senator will withhold his objection for a moment.

Mr. SCHOEPPEL. Certainly.

Mr. HOLLAND. Mr. President, this measure is very important. I should like briefly to explain it, in the hope that objection may be withdrawn.

The bill comes to us with the unanimous report of the Committee on Agriculture and Forestry. It was unanimously recommended by the subcommittee after public hearings.

The bill does not incorporate in it, under the report of the committee, the highly controversial section 4, which had to do with what the forestry professional men called the socialization of their profession—whether that would have been accomplished or not.

The committee amendments would eliminate section 4, and confine the bill to the first three sections, which constitute simply an expansion of the Clarke-McNary Act of 1924, which is the basic forestry act of the Nation.

If there is any serious objection to sections 1, 2, or 3, our committee did not hear of it. We felt that by the elimination of sections 4 and 5 we were putting the bill in such shape that it would meet with no objection.

Section 1 had to do solely with fire prevention, and steps up by $2,000,000 a year the Federal investment for that purpose. At the present time the Federal investment is not sufficient to meet the investments of the States and Territories on a 50–50 basis, which the law requires. The States and Territories are putting up about $15,000,000 a year, and the Federal Government only $9,000,000 a year, in spite of the fact that under the provisions of the Federal Act a 50–50 basis is prescribed.

Section 2 has to do with reforestation and simply extends the principle of the Clarke-McNary Act to wood lots on farm lands so as to encourage reforestation on additional lands which have not been generally planted under the present program.

Section 3 has to do with services rendered by land-grant colleges to developments in small farm-land tracts.

The unanimous verdict of the Committee on Agriculture and Forestry was that this was a very important and very useful measure. I hope the Senate will see fit to let it be passed, because it is now late in the session. This bill embraces the hopes of all forestry-minded people of the Nation for extension into a broader field of the forestry legislation now on the statute books.

Mr. HENDRICKSON. Mr. President, I wish to say to the distinguished junior Senator from Florida that I appreciate the explanation, which is most helpful; but we have been requested to have this measure passed over.

Mr. HOLLAND. I should like to ask the distinguished Senator to see that a close study is made of the measure, because I am sure there can be no serious objection to it in its present form.

Mr. HENDRICKSON. I am sure the Senator who asked that objection be noted will be glad to study the bill.

The PRESIDING OFFICER. We now begin with the calendar of bills following the last call of the calendar. The clerk will state the next bill.

REGULATION OF PRACTICE OF PODIATRY IN THE DISTRICT OF COLUMBIA

The bill (S. 1128) to amend the act entitled "An act to regulate the practice of podiatry in the District of Columbia" was announced as next in order.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. McGRATH. Mr. President, this is a very world-shaking bill. It is on a par in importance with the oleomargarine bill. [Laughter.]

The bill requires that the fee for the practice of podiatry in the District of Columbia be increased from $2 to $5, and that will represent an increase of $186 in the total revenues of the District of Columbia.

Mr. AIKEN. Mr. President, is the practice of podiatry a practice peculiar to the District of Columbia?

Mr. McGRATH. It relates to the cure of foot trouble, and many persons suffering from that affliction seem to come to the District of Columbia. [Laughter.]

Mr. AIKEN. Or is chiropody the proper name for the practice of treating foot trouble?

Mr. McGRATH. At any rate, podiatry is concerned with some such practice.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 10 of the act entitled "An act to regulate the practice of podiatry in the District of Columbia," approved May 23, 1918, as amended (D. C. Code, sec. 2–710), is amended by striking out "$2" wherever it appears and inserting in lieu thereof "$5."

REGULATION OF THE RETENT ON CONTRACTS WITH THE DISTRICT OF COLUMBIA

The bill (H. R. 2799) to amend the act entitled "An act regulating the retent on contracts with the District of Columbia," approved March 31, 1906, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF ACT RELATING TO NATIONAL CAPITAL PARK AND PLANNING COMMISSION—BILL PASSED OVER

The Senate proceeded to consider the bill (S. 1931) to amend the act of June 6, 1924, as amended, relating to the National Capital Park and Planning Commission, which had been reported from the Committee on the District of Columbia with an amendment on page 11, line 22, after the word "Commission", to insert "unless such construction has been specifically approved by an act of Congress", so as to make the bill read:

Be it enacted, etc., That the act approved June 6, 1924, entitled "An act providing for a comprehensive development of the park and playground system of the National Capital" (43 Stat. 463), as amended, is hereby further amended by substituting sections 1 to 8, inclusive, reading as follows, for section 1 of such act, as amended, and by renumbering sections 2, 3, and 4 of such act, as amended, as sections 9, 10 and 11, respectively:

"SECTION 1. The National Capital Planning Commission:

"(a) Creation of Commission: The National Capital Planning Commission is hereby created as the central planning and coordinating agency to secure the appropriate and orderly development and redevelopment of the National Capital and its environs, and the conservation of the natural and historical features thereof. To this end the National Capital Planning Commission, hereinafter referred to as the Commission, shall plan, provide guidance, and promote cooperation for the general purpose of accomplishing a coordinated, adjusted, and harmonious development of the area, which will achieve the character and appearance consonant with the nature and function of the National Capital, and will, in accordance with present and future needs, best promote public health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development. As used in this act, the word "environs" includes Montgomery and Prince Georges Counties in Maryland and Arlington and Fairfax Counties in Virginia, and all cities now or hereafter existing in Maryland or Virginia within the geographical area bounded by the outer boundaries of the combined area of said counties: *Provided, however*, That whenever it becomes necessary in the national interest to locate any Federal development or project at any place within any other county or city in Maryland or Virginia any part of which is within a distance of 50 miles from the District of Columbia, the Commission shall extend its plans or planning studies, guidance, and cooperation so as to include the area in any such county or city affected by such development or project.

"(b) Purpose of Commission: It is the purpose of this act to obtain the maximum amount of cooperation and correlation of effort between the departments, bureaus, commissions, and other agencies of the Federal and District of Columbia governments and the State and local authorities of Maryland and Virginia in carrying out the provisions of this act. The said Federal and District governmental agencies therefore shall look to the Commission and utilize it as the central planning agency as hereinafter set forth. To this end plans, data, and records, or copies thereof, shall be made available to the Commission upon its request by such Federal and District governmental agencies; and the Commission shall likewise furnish plans, data, and records, or copies thereof, to Federal and District of Columbia governmental agencies upon request.

"(c) Composition of Commission: The Commission shall be composed of—

"(1) the Chief of Engineers of the Army, the Engineer Commissioner of the District of Columbia, the Architect of the Capitol, the Director of the National Park Service, the Federal Works Administrator, and the chairmen of the Committees on the District of Columbia of the Senate and the House of Representatives, any of whom if unable to serve in person may designate a representative to serve as a member of the Commission in his stead;

"(2) five eminent citizens well qualified and experienced in city planning, at least one of whom shall be a bona fide resident of the District of Columbia, to be appointed by the President: *Provided*, That appointive members of the National Capital Park and Planning Commission in office on the effective date of this amendatory act shall serve out their unexpired terms, as members of the Commission, in lieu of an equal number of members provided for in this paragraph (2). The terms of office of other members first appointed under this paragraph (2) shall be so fixed by the President that the term of one of such five members will expire on April 30 of each of the following years, namely, 1950, 1951, 1953, 1954, and 1955, and thereafter the terms of office shall expire every 6 years following such dates, respectively. Any member of the Commission appointed under this paragraph (2)

shall, the expiration of his term notwithstanding, continue as a member, if his successor has not taken office, pending the appointment and qualification of the successor; and

"(3) three eminent citizens, one each from Maryland, Virginia, and the District of Columbia, to be nominated by the Governors of Maryland and Virginia, and the Commissioners of the District of Columbia, respectively, and appointed by the President. The terms of the members first appointed hereunder shall expire on April 30, 1950, for the Virginia member, April 30, 1951, for the Maryland member, and April 30, 1952, for the District of Columbia member, and thereafter the terms of office shall expire every 6 years following such dates, respectively.

Any person appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The appointive members of the Commission shall receive no compensation as such, but shall be paid $10 per diem in lieu of subsistence and be reimbursed for the cost of travel when attending meetings of the Commission or engaged in investigations or other specific duties pertaining to its activities.

"(d) Officers and employees of commission: The Commission may elect its own chairman and such other officers as it deems desirable. The Commission is authorized to employ an executive officer, or in its discretion to designate from time to time one of the members of the Commission to serve as executive officer, and to employ a director of planning and such other technical and administrative personnel as may be necessary. Without regard to section 3709 of the Revised States, the civil service or classification laws, or section 5 of the act of April 6, 1915 (5 U. S. C. 55), the Commission may employ, by contract or otherwise, and at such rates of compensation as it may determine, the services of city planners, architects, engineers, and other experts or organizations thereof, as may be necessary to carry out its functions.

"(e) Advisory and coordinating committees: The Commission shall have the authority to establish, by and with the consent of the agency concerned as to its representation, such advisory and coordinating committees, representing the proper agencies of the Federal and District of Columbia Governments and of State and local authorities in Maryland and Virginia, as may be necessary or helpful to obtain the maximum amount of cooperation and coordination of effort among the departments, bureaus, commissions, and other agencies of the Federal and District Governments, and State and suburban authorities, in order that the National Capital and its environs may be developed in accordance with the comprehensive plan.

"SEC. 2. Comprehensive plan for the National Capital and environs:

"(a) Preparation and adoption: The Commission is hereby charged with the duty of preparing and adopting a comprehensive, consistent, and coordinated plan for the development of the National Capital and its environs. Such plan shall show the Commission's recommendations for the said development and may include, among other things, the general location, arrangement, character, and extent of highways, streets, bridges, viaducts, subways, major thoroughfares, and other facilities for the handling of traffic; parks, parkways, and recreation areas, and the facilities for their development and use; public buildings and structures, including monuments and memorials, public reservations or property, such as airports, parking areas, institutions, and open spaces; land use, zoning, and the density or distribution of population; public utilities and services for the transportation of people and goods or the supply of community facilities; waterway and water-front development; redevelopment of obsolescent, blighted, or slum areas; neighborhood areas; projects affecting the amenities of life, the preservation and conservation of natural scenery and resources, and features of historic and scientific interest and educational value; and all other proper elements of city and regional planning. The plan may include appropriate maps, plats, charts, tables, and descriptive, interpretive, and analytical matter, economic and social aspects, and trends of urban development, and such functional and sectional plans as the Commission deems necessary or desirable.

"(b) Progressive adoption, amendment, or review: The Commission may, as the work of preparing the comprehensive plan progresses, adopt a part or parts thereof and from time to time amend, extend, or add to the plan. To develop and maintain the plan, and to keep its recommendations up to date, the Commission shall review periodically all elements and adopt such revisions as in its judgment may be required.

"(c) Purposes of the plan: The primary purpose and effect of the plan is to aid the Commission in the performance of its duties and to guide the accomplishment of a coordinated, comprehensive, adjusted, and systematic development of the National Capital and its environs.

"(d) Consultation with interested agencies: Prior to the final adoption of the comprehensive plan or any element thereof, or any subsequent revision, the Commission shall present such plan, element, or revision to the appropriate Federal or District of Columbia authorities, requesting that comment and recommendations be submitted within 30 days or such longer period as the Commission may specify. Presentation of proposed revisions may at the Commission's direction be made annually in a consolidated form. The said recommendations shall not be binding on the Commission, but it shall give careful consideration to such views and recommendations as are submitted prior to final adoption. The Commission may, in addition and at its discretion, periodically provide opportunity by public hearings, meetings, or conferences, exhibitions and publication of its plans, for review, comments, criticisms, and suggestions by nongovernmental agencies or groups, and encourage the formation of one or more citizen advisory councils.

"The Commission may, as to the environs, make recommendations to and act in conjunction and cooperation with such representatives of the States of Maryland and Virginia and their local authorities concerned with the planning of the environs as may be within its functions and means. The Commission may enter into such commitments and agreements with said representatives as the Commission deems necessary to effectuate the adoption of the various elements of the plan and secure its realization.

"SEC. 3. Proposed developments and improvements:

"(a) Consultation with Commission: In order to insure the comprehensive planning and orderly development of the National Capital and its environs, each Federal and District of Columbia agency prior to the preparation of construction plans for public improvements or to commitments for the acquisition of land, to be paid for in whole or in part from Federal or District funds, shall consult and advise with the Commission in the preparation by the agency of plans, programs, and regulations which affect the plan and development of the National Capital or its environs: *Provided, however,* That the Commission shall determine in advance the type or kinds of plans, improvements, or acquisitions which do not need to be submitted for review by the Commission as to conformity with its plans. After receipt of such plans, maps, and data, it shall be the duty of the Commission to make a preliminary report and recommendations to the agency or agencies concerned within 30 days, unless by mutual agreement there is an extension of time. If, after having received and considered the report and recommendations of the Commission, the agency does not concur, it shall so advise the Commission with its reasons therefor, and the Commission shall submit a final report within 30 days. After consideration of this final report the agency may proceed to take action in accordance with its legal responsibilities and authority.

"(b) Exceptions: The procedure prescribed in subsection 3 (a) hereof shall not apply to projects within the Capitol grounds or to structures erected by the National Military Establishment during wartime within military, naval, or air force reservations, except that the appropriate defense agency shall consult with the Commission as to any developments which materially affect traffic or require coordinated planning of the surrounding area.

"(c) Approval of buildings of the government of the District of Columbia: The provisions of section 16 of the act approved June 20, 1938 (52 Stat. 802), are extended to include public buildings erected by any agency of the District of Columbia government within boundaries of the central area of the District as said central area may be defined and from time to time redefined by concurrent action of the Commission and the Board of Commissioners of the District of Columbia.

"(d) Approval of buildings and land use in environs: Within the environs, the location, height, bulk, number of stories, and size of Federal and District government buildings; the provision for open space in and around the same; and the general uses of land by any agency of the Federal or District governments, shall be subject to the approval of the Commission, unless such construction has been specifically approved by an act of Congress. In carrying out this subsection 3 (d) the Commission shall, so far as practicable, seek the advice of the appropriate local or regional planning agency having jurisdiction over the affected part of said environs.

"SEC. 4. Thoroughfare plan:

"(a) Preparation and adoption of thoroughfare and transportation plans: As elements of the comprehensive plan described in section 2 above, the Commission shall prepare a major thoroughfare plan and a public transportation plan. The major thoroughfare plan may include established and proposed routes. Following the preparation and adoption by the Commission of the major thoroughfare plan, that part of the plan within the District of Columbia shall be submitted to the Board of Commissioners of the District of Columbia and if approved by them shall be deemed to be the approved plan. Revisions in the major thoroughfare plan shall similarly require the adoption by the Commission and approval by the Board of Commissioners of the District of Columbia. The public transportation plan for the area within the District of Columbia shall be prepared, adopted, approved, or revised in the same manner as prescribed in subsection 4 (a) hereof except that the Joint Board provided for in section 6 (e) of the District of Columbia Traffic Act, 1925, as amended (sec. 606 (e), title 40, D. C. Code), shall be responsible for its approval and approval of subsequent revisions. Revision of the major thoroughfare plan and the public transportation plan within the District of Columbia may be proposed by the Commission and may also be proposed by the Board of Commissioners of the District of Columbia in respect to the thoroughfare plan and by said Joint Board in respect to the public transportation plan.

"(b) Thoroughfare plan for environs: The Commission, in consultation with the Public Roads Administration and the appropriate

State and local authorities, shall prepare and from time to time amend or extend a thoroughfare plan for the environs, which shall be coordinated with that for the District of Columbia and may include existing or proposed highways. Following the approval of such plan by the Commission, it shall be submitted to the Public Roads Administration as a guide to portions of the plan included or to be included in the Federal-aid highway system and treated in the same manner as is provided in subsection 3 (a) hereof.

"SEC. 5. Six-year public-works program: The Commission shall maintain a 6-year program of public-works projects. To this end each Federal agency and the Board of Commissioners of the District of Columbia shall submit to the Commission in the first quarter of each fiscal year a copy of its advance program of capital improvements within the National Capital and its environs. The Commission may also request similar submission from appropriate State and other public agencies in the environs. Based upon such proposals, together with its own estimate of general requirements, the Commission shall prepare and keep up to date its program of capital improvements, which shall be available for the consideration of the proper District and Federal budgeting and appropriating authorities.

"SEC. 6. Zoning and subdivision functions:

"(a) Review of amendments of zoning regulations and maps: It shall be the duty and function of the Commission to make a report and recommendation to the Zoning Commission of the District of Columbia on proposed amendments of the zoning regulations and maps as to the relation or conformity of such amendments with the comprehensive plan of the District of Columbia. For this purpose, the Commission shall be furnished the necessary maps and records, including the reports of the Zoning Advisory Council, a reasonable time in advance of the public hearing on said amendment or amendments.

"(b) Proposed zoning regulation and zoning map amendments: It shall be the duty of the Commission at its discretion to submit to the said Zoning Commission proposed amendments to the zoning regulations or the zoning map for said District.

"(c) Further report on zoning matters: When requested by a properly authorized representative of the Commission, the Zoning Commission may recess for a reasonable period of time any public hearing held by it to consider a proposed amendment to the zoning regulations or map, in order that the Commission or its representative may have an opportunity to present to the Zoning Commission a further report on the proposed amendment.

"(d) Zoning Committee: The functions vested in the Commission pursuant to this section may, to such extent as the Commission shall determine, and subject to confirmation by the Commission, be performed by a committee of the Commission which shall be known as the Zoning Committee and shall consist of the Chairman of the Commission who shall be chairman of such committee, and of not less than two other members of the Commission designated by the Commission for the purpose. The number of members serving on the Zoning Committee may be varied from time to time.

"(e) Recommendations as to platting and subdividing of lands: Any proposed change in or addition to the regulations or general orders regulating the platting and subdividing of lands and grounds in the District of Columbia shall first be submitted to the Commission by the Board of Commissioners of the District of Columbia for report and recommendation prior to adoption by such Board. Should the Board not concur in the recommendations of the Commission, it shall so advise the Commission with its reason therefor and the Commission shall submit a final report within 30 days. After consideration of this final report, the Board may proceed to take action in accordance with its legal responsibilities and authority. It shall be the duty of the Commission to submit any proposed changes in or amendments to the general orders that the Commission considers appropriate and the Board of Commissioners shall treat the amendments proposed in the same manner as other proposed amendments.

"SEC. 7. Transfers from predecessor agency: All other functions, powers, and duties of the National Capital Park and Planning Commission, including those formerly vested in the Highway Commission established by the act of March 2, 1893 (27 Stat. 532), together with the personnel, records, property, and unexpended balances (available or to be made available) of appropriations, allocations, and other funds of the National Capital Park and Planning Commission, are hereby transferred to the Commission.

"SEC. 8. Appropriations: There are hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated and in any appropriate appropriation act other than the annual District of Columbia Appropriation Act, such sums as may be necessary to carry out the provisions of sections 1 to 7 of this act, as amended, any existing provisions of law to the contrary notwithstanding."

The amendment was agreed to.

Mr. LODGE. Mr. President, will the Senator from Rhode Island explain briefly what the bill does?

Mr. McGRATH. The purpose of the bill is to simplify the functions incidental to the development of the District of Columbia and the metropolitan area surrounding it. The bill seeks to coordinate the activities of the neighboring States with the orderly progression of the growth and development of the District of Columbia, with relation to the location, height, and bulk of Federal buildings approved by the Commission. It would also seek to coordinate the placing of such buildings with regard to transportation need and highway development.

The bill gives to the adjoining areas in Maryland and Virginia representation on the Commission.

Mr. LODGE. I thank the Senator.

Mr. LANGER. Mr. President, does the bill provide for an appropriation?

Mr. McGRATH. No; it does not.

The PRESIDING OFFICER. Without objection, the bill, as amended——

Mr. SALTONSTALL. Mr. President, as I read the explanation, this bill places on the Federal Government the responsibility for the payment of $84,000 to the employees of the Commission. Will that be a change, or is that done now? I have understood that thus far the Commission has not been a paid commission.

Mr. McGRATH. My understanding was that the bill carries no provision for additional appropriations or expenditures. That was the testimony before the committee.

The PRESIDING OFFICER. Without objection, the bill as amended——

Mr. LANGER. Mr. President, I object.

The PRESIDING OFFICER. On objection, the bill will be passed over.

CONSOLIDATION OF GENERAL APPROPRIATION BILLS—CONCURRENT RESOLUTION PASSED OVER

The concurrent resolution (S. Con. Res. 18) providing for the consolidation of the general appropriation bills, and for other purposes, was announced as next in order.

Mr. LUCAS. Let the concurrent resolution be passed over.

Mr. BYRD. Mr. President, will the Senator withhold his objection until I can make a brief explanation?

Mr. President, this concurrent resolution, after full hearings, was unanimously reported by the Committee on Rules and Administration. A similar resolution in the Eightieth Congress was considered by a subcommittee headed by the Senator from Nebraska [Mr. WHERRY] and likewise approved by the Rules and Administration Committee and reported to the Senate.

This concurrent resolution has been approved as to administrative procedure by the Bureau of the Budget, the Comptroller General, and the Department of the Treasury. It provides for a consolidated appropriation bill so that the Congress and the people of America can see at one time the whole picture of Federal expenditures. At present, as the Members of the Senate know, we consider 12 appropriation bills, brought in sometimes months apart and in such a way that it is impossible to focus the attention of the Congress and of the citizens so that the fullest consideration can be given and the utmost economy effected.

The consolidated appropriation bill will greatly simplify and clarify the present method of appropriating Federal funds. It will enable Congress to legislate effectively and properly toward a balance between expenditures and revenue by means of considering all major appropriation legislation in one bill and by extending legislative control over annual expenditures through statutory limitations on annual obligations.

The concurrent resolution would be effective with the second session of the Eighty-first Congress next January.

In my opinion, Mr. President, the chief reason that the expenditure ceiling as provided in the legislative reorganization bill failed was because it was impossible to consolidate the expenditures in one bill to be considered at one time. In addition to making the appropriations, the concurrent resolution would limit obligations which could be made against all current and prior appropriations during the period of the ensuing fiscal year, thus, in effect, controlling expenditures with a view toward keeping them in balance with revenue.

In addition, the concurrent resolution would provide for an informative table in the reports of the respective Appropriations Committees and conference committees on appropriations, giving an itemized estimate of annual expenditures.

There is nothing in the resolution to preclude the division of the consolidated appropriation bill into separate titles, each corresponding to each of the 12 or

more regular general appropriation bills heretofore enacted. It would permit consideration of the consolidated appropriation bill by titles at the subcommittee level without interruption of the present subcommittee organization of the respective Appropriations Committees. There is nothing in the resolution to prevent the various subcommittee chairmen from handling their titles on the floors of the respective Houses, as is now the custom.

I call to the attention of the Senate that on May 26, 1949, Representative CLARENCE CANNON, of Missouri, the able chairman of the Committee on Appropriations of the House of Representatives, notified the House that, beginning with the next session of Congress, the House Committee on Appropriations will discontinue the practice, which has been in effect, of reporting appropriations piecemeal, and will submit the annual appropriations in one consolidated omnibus appropriation bill. Mr. President, I should like the Senate to hear part of what Representative CANNON said at that time:

The bill—

Meaning the omnibus appropriation bill—

will be reported not later than April 15 of each year. By that time an authoritative forecast of the national income will be available. The prime question before the House when the appropriation bill comes to a vote will be whether to hold expenditures within the national income or vote to exceed the national income and increase the already stupendous national debt.

In the fierce light of publicity which will be concentrated on that final vote there will be no escape from responsibility. A clear unequivocal record must be made. And public opinion will do the rest. The embodiment of all annual expenditures in one compact bill, with all duplications and conflicts eliminated and with its impact on national credit clearly outlined, will serve to offset the pleas of pressure groups and high-powered lobbies and should save vast sums of money and reduce waste and prodigality to a minimum.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BYRD. Mr. President, I ask unanimous consent for a few more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the value of this resolution is demonstrated clearly by the predicament in which Congress now finds itself when we see that appropriations now pending must be reduced in order to meet the decline in Federal tax revenue. If there had been a consolidated appropriation bill this year, it would not be necessary to consider the recission resolution which has been reported by the Committee on Expenditure in the Executive departments. We are confronted today with declining revenue, which will result in a very large deficit. As matters now stand, some of the appropriation bills have already been passed, and there is no way in which we can look at the appropriation budget as a whole in order to make proportionate reductions on the basis of over-all merit.

Under present procedure, even if part of the appropriation bills had not been passed, Congress has no way of knowing how much we are appropriating until the last bill is passed, under procedures by which we consider appropriations in 12 or more separate bills brought in over a period of 6 months in unrelated pieces.

Even if we knew how much we were appropriating. Congress has no facilities for translating appropriations into annual expenditures. This concurrent resolution requires this information to be given. It is the comparison of annual expenditures with the revenue—not appropriations with the revenue—which determines whether there is to be a deficit or a surplus. There is a vast difference between appropriations and annual expenditures. Under our procedure, appropriations may be available for expenditure in more than 1 year. An appropriation enacted in a year when revenue is high actually may be spent in a year when revenue is low.

Mr. President, Senate Concurrent Resolution 18 is designed to bring some order out of the fiscal legislative chaos just previously briefly described.

The sponsors of the resolution do not contend it is a cure-all or a perfect panacea, but its adoption will be a long step forward toward a much needed reform in our legislative process with respect to fiscal legislation.

Mr. KNOWLAND. Mr. President, as a Member on this side of the aisle I merely wish to associate myself with the able remarks of the Senator from Virginia. I do not think we will ever get the national budget of some $42,000,000,000 or $45,000,000,000 under control until we have such a consolidated appropriation bill as indicated by the Senator from Virginia.

Mr. WHERRY. Mr. President, I should like also to be associated with the remarks of the distinguished Senator from Virginia, relative to Senate Concurrent Resolution 18. I should like to point out to Members of the Senate that in the previous Congress, the Committee on Rules and Administration assigned to a subcommittee, of which I was chairman, a similar concurrent resolution. Extensive hearings were held. While it is true that some of the Government agencies felt that some of the mechanics should be changed, in order that one appropriation bill might work successfully, yet, after extensive hearings and the amendments which were suggested, all the Government agencies concluded that the plan would work without any difficulty at all; that it was very practical.

The same statement applies to what has happened this year when the Committee on Rules and Administration had this matter under advisement again. The distinguished chairman of the subcommittee, the Senator from Wyoming [Mr. HUNT], reported it favorably to the full committee, and the resolution is now on the calendar.

It seems to me that, in view of the picture painted by the majority leader of the great pressure of business, it is going to be impossible to pass all the so-called must pieces of legislation unless we sit here all year.

I hope, if the resolution is not adopted tonight, Senators will at least study it so that the next time the calendar is called, the resolution may be adopted.

I agree with my senior colleague from Nebraska, who was one of the cosponsors in prior Congresses, not only of this resolution but of similar resolutions. I think, if once the one appropriation bill system is put into operation, we shall be better able not only to appropriate but to keep appropriations in balance with the Government's income.

Mr. BUTLER. Mr. President, I shall not take the time of the Senate, but I shall ask permission to place in the RECORD at this point a statement of my views. I want definitely to associate myself with the statement of the senior Senator from Virginia [Mr. BYRD] in support of this resolution. He and I were authors of an identical resolution in the Eightieth Congress, which reached the calendar, as my colleague has stated. From conversations we had back and forth, the House and Senate committees are definitely in favor of a more systematic and businesslike method of handling appropriation bills. I ask unanimous consent to place in the RECORD at this point in my remarks a statement of my views.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, in my judgment, this is an extremely important bill, and I hope very much the Senate will pass it today. It represents an attempt to deal with the annual job of making appropriations in a much more systematic way than heretofore.

The bill as introduced was identical with a resolution presented by the Senator from Virginia [Mr. BYRD] and myself during the Eightieth Congress, Senate Concurrent Resolution 6. That bill was reported favorably by the committee, but unfortunately, there was never time to give it the consideration that it deserved on the floor of the Senate. This year I was very happy when six additional Members of the Senate joined us in the sponsorship of the bill.

The bill will have two principal effects. It will require all of the regular appropriation bills, other than deficiency and supplemental appropriations, to be consolidated into a single omnibus appropriation bill each year. In my judgment, this procedure will have great advantages. The principal advantage is that it will present us with the entire budget picture at one time, so that we may all know as we vote whether we have achieved a sound balance or not in our handling of the Government's finances. Under the procedure that we have followed up to now—of separate appropriation bills coming along a week or 2 weeks apart—it is very difficult to keep track of just how these bills affect the budget picture as a whole.

In the handling of our State budget in my State, Nebraska, this procedure of a consolidated appropriation bill is followed, and I believe the same practice is followed in most of the other States. I can see no reason why it cannot be handled in our Federal financing.

A second important point is the provision that in every appropriation bill the net amount which may be obligated during the fiscal year must be definitely limited. This provision is designed to provide closer congressional control of the amount spent each year in the case of those projects which require several years to construct.

The bill also requires submission of detailed financial information in a form designed to provide us with the essential facts in a much more convenient form. The committee has added on a new subsection providing for prompt and up-to-date information on estimated receipts by the Treasury to the congressional Appropriations Committees. I believe that amendment is very much worth while and adds to the bill.

Just within the last 2 or 3 months we have received a very strong endorsement of the consolidated appropriation idea by the chairman of the House Appropriations Committee, Representative CANNON, of Missouri, who has said that he intends to adopt this procedure next year. This endorsement is certainly very welcome to those of us who have struggled with this problem. As the chairman of the House Appropriations Committee stated, no special bill is really required in order to provide for this important reform. The change can be accomplished simply by action of the House and its Appropriations Committee. In passing this bill, therefore, I do not in any sense intend to give the impression that the Senate should usurp the proper functions of the House of Representatives. Rather, I believe favorable action on this bill is simply an expression of Senate support to the chairman of the House Appropriations Committee in his plan to put into effect next year one of the principal purposes of this bill. Some of the other provisions of the bill, however, do cover matter beyond the authority of the House Appropriations Committee. For that reason, I hope that the resolution will be agreed to by both Houses.

Mr. President, we all know we are facing up to a crisis in our handling of the Government's fiscal affairs. If we are not willing to face that problem frankly, and take whatever measures are necessary to balance the budget, I believe it would be an open confession of weakness on the part of the Congress. Worse than that, I believe that if we now start on a period of deficit financing, it may be difficult and perhaps almost impossible ever to return to a system of sound finances until we have gone through the ringer of disastrous inflation. We know what has happened to the countries of Europe that have followed that path. The easy and the expedient way of meeting financial problems has not cured their troubles. It has made those troubles worse. It has helped to bring those European countries to the point where they must depend upon charity from a foreign nation. That is the danger that we face if we do not handle our financial problems wisely and fearlessly.

This bill represents a first, long step in that direction. For that reason, I very much hope the Senate will give its approval to Senate Concurrent Resolution 18.

Mr. FERGUSON. Mr. President, as one of the cosponsors of this particular resolution, I wish to associate myself with the able Senator from Virginia in his remarks. I believe, as a member of the Appropriations Committee, that such a method as that provided by the resolution will be a great step forward in the procedure incident to making appropriations.

Today, with respect to appropriation measures, we find ourselves in the position of passing them as we go along, and subsequently feeling that, in order to balance the budget different action should have been taken in connection with them. Only recently we had a conference on the civil-functions bill. The conference has been recessed until after we decide what we are going to do with some other appropriation bills now before the Congress, such as the ECA and the Armed Services bills. So the conclusion is almost forced that we should have one appropriation bill. I hope, if it cannot be adopted this evening on the call of Consent Calendar, the concurrent resolution which is in the interest of America, will be considered and agreed to by the Senate at a very early date.

Mr. HUNT. Mr. President, I should like to request the distinguished majority floor leader, if he cares to do so, to state his objections to the resolution.

Mr. LUCAS. Mr. President, I rise with some reluctance in view of so many distinguished Senators having expressed themselves in favor of the resolution. I have always tried to be progressive, throughout the time I have been in the Congress. I appear to be a little reactionary tonight. It seems to me that perhaps this is a move in the right direction, one of the progressive moves I have always favored.

I should like to have a little more time, however, in which to examine the resolution and confer with other Senators with respect to it. If it is all that Senators say it is, and will accomplish all they expect it to accomplish in the future, it is probable that on the next call of the calendar the Senator from Illinois will have been converted by the very able and persuasive arguments which have been made.

Mr. HUNT. Mr. President, I thank the distinguished majority floor leader for his explanation of his position. I should like to say the resolution is at least one step in the right direction. If adopted it would enable Senators to have some idea of the total appropriations to be made throughout any of the sessions. I think I can say that there are in this body 28 former State executives who realize the benefit that would come to the Senate and to the Congress of the concurrent resolution were adopted. At the present time, it seems to me our method of appropriating is hodgepodge. I should say that tonight there is not perhaps a single Senator on this floor who knows the amount of appropriations we have already made. Who knows the amount of appropriations yet to be presented, or who knows the amount of revenue available. I think it is high time the Senate was getting its fiscal policy in order.

Mr. LODGE. Mr. President, as one of the members of the subcommittee which considered this proposal, I should like to say just a word. The other two Members were the Senator from Wyoming [Mr. HUNT] and the Senator from Kentucky [Mr. WITHERS]. We reported unanimously in favor of the concurrent resolution, believing, I think, that if the Senate is to fulfill its function as the highest policy-making body in the United States, it must be able to devote itself to the high spots and not fritter itself away on a mass of detail. My experience as a member of the Appropriations Committee and my observation as a Senator have convinced me that the present system is defective, and that we become too often the slaves of our own detail, creating a situation in which a few men who know exactly what they want are able to weave and then to wangle to get what they want. This is the kind of measure that will throw light on the dark places, and that will enable us really to do our duty.

The PRESIDING OFFICER. On objection, the concurrent resolution will be passed over.

COOPERATION OF SMITHSONIAN INSTITUTION IN CONTINUING PALEONTOLOGICAL INVESTIGATIONS

The Senate proceeded to consider the bill (H. R. 2290) to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams, which had been reported from the Committee on Rules and Administration, with an amendment, on page 2, line 21, to strike out "$5,000" and insert "$10,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EXTENSION OF BENEFITS OF CIVIL SERVICE RETIREMENT SYSTEM

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to return to Calendar No. 302, House bill 997, which was passed over in order to give us an opportunity to draw up an amendment.

Mr. LUCAS. Mr. President, if we are going to start returning to bills which have been passed over, we may not finish for a long time.

Mr. JOHNSTON of South Carolina. Mr. President, it was passed over with the understanding that an amendment would be prepared, and we have worked out an agreement as to an amendment.

The PRESIDING OFFICER. Is there objection to returning to Calendar No. 302, House bill 997?

Mr. LUCAS. Mr. President, the only trouble about returning to bills is that perhaps the Senator who was objecting to order No. 302 was interested only in that bill and he may have gone home by this time. I shall not object, but it is bad practice to return to bills which have been passed over, I think.

Mr. JOHNSTON of South Carolina. Let me say to the majority leader that the Senator who objected to the consideration of the bill agreed that if we would work out an amendment he would be satisfied. We have worked it out since the call of the calendar was started.

Mr. TAFT. The bill was merely passed over temporarily.

Mr. LUCAS. I have no objection.

There being no objection, the Senate proceeded to consider the bill (H. R. 997) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55.

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk and ask to have stated an amendment which

meets with the terms of the agreement, I think.

The PRESIDING OFFICER. The clerk will state the amendment. Is it offered to the Senate bill or to the House bill?

Mr. JOHNSTON of South Carolina. We are taking up the House bill in order to expedite matters.

The PRESIDING OFFICER. The clerk will read the amendment.

The LEGISLATIVE CLERK. On page 2, before the period in line 3, it is proposed to insert a comma and the following: "to provide for the payment of any annuity in an amount in excess of the amount to which the annuitant would have been entitled had the provisions of the Civil Service Retirement Act of May 29, 1930, as now in effect, been in effect on the date of his separation from the service."

The amendment was agreed to.

Mr. HENDRICKSON. Mr. President, I think this is the kind of an amendment which would change the material of the bill, and I think it should go over until the next call of the calendar.

Mr. JOHNSTON of South Carolina. It does not change the material of the bill. It protects against paying out more than a certain amount of money. I understood the amendment would meet the objections of Senators.

Mr. HENDRICKSON. How much would be paid out under the original bill?

Mr. JOHNSTON of South Carolina. Persons who are laid off by the Government who have 25 or more years of service, can retire even if they have not reached the age of 55, but 3 percent is deducted. It gives such persons the right, when the Government has forced them out of the service, to draw the same retirement rate which other persons draw.

Mr. HENDRICKSON. How much would it cost the Government? My recollection is it would cost a considerable amount of money.

Mr. GREEN. I have never heard the figure stated.

Mr. CAPEHART. Over.

Mr. WHERRY. Does the Senator know the exact amount of money involved? As I understand, it is approximately a total of $150,000,000.

Mr. JOHNSTON of South Carolina. I think the Senator is mixing this bill with another bill.

Mr. WHERRY. Are we now considering Calendar No. 302, House bill 997?

Mr. JOHNSTON of South Carolina. Yes.

Mr. HENDRICKSON. Mr. President, I suggest that we finish the calendar and then take up the bills as to which there is any controversy.

Mr. LODGE. Mr. President, I should like to know whether it would not be possible to go all the way through with the calendar and finish the bills that are on it, before we go back and consider some other bill.

The PRESIDING OFFICER. This bill will go to the foot of the calendar.

Mr. LODGE. I wonder if it would not be better for the rest of the evening to go right through the calendar until we finish, before we revert to bills which have already been discussed.

Mr. LUCAS. That is the suggestion which I made.

The PRESIDING OFFICER. The clerk will call the next bill on the calendar.

BILL PASSED OVER

The bill (H. R. 5328) authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco, was announced as next in order.

Mr. KNOWLAND. Mr. President, this bill should go over also.

The PRESIDING OFFICER. The bill will be passed over.

REGULATION OF SALARIES OF DISTRICT SCHOOL TEACHERS—BILL PASSED OVER

The bill (H. R. 2437) to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, approved July 7, 1947, was announced as next in order.

Mr. MAYBANK. Over.

Mr. McGRATH. Mr. President, will the Senator withhold objection in order that I may explain the bill?

The effect of the bill is to provide that elementary school principalships be determined by the number of teachers and pupils supervised, rather than by the number of rooms under the jurisdiction of the principal. The necessity for this change in the law is brought about by the fact that school buildings have to do double duty, and it is probably fairer than to pay teachers on the basis of the number of rooms in the schools when the schools are occupied by so many more pupils and are operating in two shifts, and in some cases more than that.

The bill also provides that placement credit for salary purposes in group C shall not be granted to new teachers unless approved teaching service is rendered after the master's degree has been conferred upon the appointees.

The bill is approved by the school authorities in the District of Columbia. It is in the interest of the school system, of the teachers, and of the pupils. I certainly hope that no Senator will object.

Mr. MAYBANK. Over.

The PRESIDING OFFICER. Is there objection?

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

FUNERAL EXPENSES OF DECEDENTS IN THE DISTRICT—BILL PASSED OVER

The bill (H. R. 3368) to amend secs. 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia, approved Mar. 3, 1901, to increase the maximum sum allowable by the court of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000, was announced as next in order.

SEVERAL SENATORS. Over.

Mr. McGRATH. Mr. President, the purpose of this bill is to increase the maximum sum allowable by the court out of the assets of a decedent's estate as a preferred charge for his or her funeral expenses, from $600 to $1,000, dependent upon the conditions and circumstances of the deceased. It merely makes it possible for the court to allow funeral expenses out of the estate up to $1,000.

The PRESIDING OFFICER. Objection has been heard. The bill will be passed over.

TRANSFER OF CERTAIN OFFICES IN THE DISTRICT TO THE ADMINISTRATIVE OFFICE, UNITED STATES COURTS

The bill (H. R. 4705), an act to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, from the government of the District of Columbia to the Administrative Office of the United States Courts, for budgetary and administrative purposes was announced as next in order.

Mr. McCARRAN. Mr. President, the purpose of the bill is to transfer the probation officer of the United States District Court, the Office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, from the government of the District of Columbia to the Administrative Office of the United States Courts, for budgetary and administrative purposes. In the first place, it seems to me the bill should have gone to the Judiciary Committee of the Senate; second, there seems to be such a radical change I am wondering what the explanation can be.

Mr. McGRATH. It does appear that it might have been sent to the Committee on the Judiciary. When the bill was introduced I inquired of the Parliamentarian as to the committee to which it should be referred, and he stated that it should go to the Committee on the District of Columbia. The entire duties and supervision are within the District Court of the District of Columbia, and the Commissioners as such have no jurisdiction over them. If the court wants a probation officer to go to Baltimore in order to investigate a probation case, that officer has to go to the District Commissioners to find out whether he can get travel expenses to carry out the order of the court. These officers have no connection with the District Commissioners, and yet they cannot carry out the functions of the court without going to the District Commissioners to get their expenses.

Mr. McCARRAN. Under this provision will the same officers to whom the Senator refers have to go to the administrative officer of the United States district court?

Mr. McGRATH. No; under the bill they would be subject to the administrative officer of the United States courts, and therefore subject to the jurisdiction of the judges for whom and under whom they work.

Mr. McCARRAN. The administrative officer of the United States courts has administrative authority over all the courts of the United States, not only the courts of the District of Columbia, but all the courts.

Mr. McGRATH. That is correct, and he should have it over these officers, but he does not have it because under the law as it now exists the jurisdiction over these officers is vested in the Commissioners of the District of Columbia. This

bill was recommended by the bar association, approved by the Commissioners, and approved by the courts.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

INVESTMENT OF FUNDS OF INSURANCE COMPANIES

The Senate proceeded to consider the bill (S. 1490) to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the International Bank for Reconstruction and Development.

Mr. KEM. Over.

Mr. HENDRICKSON. Mr. President, will the Senator withhold the objection so that I may offer an amendment or two as to certain standard banking practices?

Mr. KEM. I do.

The PRESIDING OFFICER. If the Senator will send his amendments to the desk, they will be stated. The clerk will state the first amendment offered by the Senator from New Jersey.

The LEGISLATIVE CLERK. It is proposed to amend by striking out the period on page 2, line 4, and inserting in lieu thereof a colon and by adding the following: "*Provided*, That no domestic company shall hold obligations issued by said bank in a total amount not exceeding at any one time 10 percent of its capital, bonds, stocks, cash receipts, premiums, deposits, or other assets actually paid in and 10 percent of its unimpaired surplus fund."

Amend by striking out the period on page 2, line 13, and inserting in lieu thereof a colon and by adding the following: "*Provided*, That no domestic company shall hold obligations issued by said bank in a total amount not exceeding at any one time 10 percent of its capital, bonds, stocks, cash receipts, premiums, deposits, or other assets actually paid in and 10 percent of its unimpaired surplus fund."

The PRESIDING OFFICER. Is there objection to the consideration of the amendment?

Mr. McGRATH. Mr. President, speaking for the committee, I think the amendment perfects the bill, and there is no objection on the part of the Committee on the District of Columbia.

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The clerk will state the next amendment offered by the Senator from New Jersey.

The LEGISLATIVE CLERK. On page 2, line 3, amend by adding the word "the" after the word "by" and before the word "International."

Amend by adding the word "the" after the word "by" and before the word "International", on page 2, line 3.

Amend by striking out the commas appearing on page 1, line 6, and by striking out the word "note" after the word "Bonds" and before the word "or."

The PRESIDING OFFICER. Without objection, the amendment is agreed to. The clerk will state the next amendment offered by the Senator from New Jersey.

The LEGISLATIVE CLERK. Amend by striking out the comma after the word "Canada" on page 1, line 2, and inserting the word "thereof."

Amend by striking out the following language beginning on page 1, line 10: "or of any administration, agency, authority, or instrumentality of any political units enumerated."

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

Mr. McGRATH. Mr. President, I believe there is a misunderstanding. When I made the explanation of Calendar No. 619, H. R. 3368, I understood there was no objection made to the bill.

Mr. LANGER. I objected to the bill. I think $600 is enough for anybody's funeral, in the first place, and there should not be a preferred claim of over $600 in such a case.

The PRESIDING OFFICER. The Senate has now under consideration Senate bill 1490. Is there objection to the consideration of the bill as amended?

Mr. KEM. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. KEM. Mr. President, this bill was considered by the Committee on the District of Columbia during the last Congress and was not reported favorably. It provides that the bonds issued by the bank set up under the Bretton Woods agreement shall be a legal investment for the life-insurance companies of the District of Columbia. It was suggested at the hearings, when the bill was before the committee previously, that if the obligations of the bank were made legal investment for the insurance companies of the District of Columbia, they might be made a legal investment in some or all of the States.

Mr. President, our credit experience with the customers of this bank and its proposed customers has not been satisfactory. I think that is an understatement. It is one thing to embark the money of the taxpayers of the United States in experiments in foreign policy and it is another thing to use the life-insurance savings of the American people, a substantial portion of which belongs to widows and orphans, for that purpose. For that reason I objected to the bill.

The PRESIDING OFFICER. The bill has gone over.

ASSISTANT DISBURSING OFFICERS FOR THE DISTRICT OF COLUMBIA

The bill (S. 1525) to provide for the appointment of a deputy disbursing officer and assistant disbursing officers for the District of Columbia, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia shall appoint a deputy disbursing officer of the District of Columbia and such assistant disbursing officers of the District of Columbia as they may, in their discretion and subject to available appropriations, consider necessary, at compensation to be fixed in accordance with the Classification Act of 1923, as amended, such deputy disbursing officer and assistant disbursing officers to be subordinated to the Disbursing Officer, District of Columbia.

SEC. 2. The deputy disbursing officer and the several assistant disbursing officers each shall have authority to make disbursements as an agent of the Disbursing Officer, District of Columbia; to sign checks drawn against disbursing accounts of the Disbursing Officer, District of Columbia, with the Treasurer of the United States; and to discharge all other duties required according to law or regulation to be performed by the Disbursing Officer, District of Columbia.

SEC. 3. The deputy disbursing officer and the several assistant disbursing officers shall each be subject, for his official misconduct, to all liabilities and penalties prescribed by law in like cases for the Disbursing Officer, District of Columbia; and the deputy disbursing officer and each assistant disbursing officer shall give bond to the United States for the benefit of the United States, the District of Columbia, the Commissioners of the District of Columbia, and the Disbursing Officer, District of Columbia, conditioned for the faithful performance of the duties of each of their offices in the disbursing and accounting according to law, for all moneys of the United States and of the District of Columbia that may come into his hands, which bond shall be in the amount required by the Commissioners of the District of Columbia, but to be not less than $25,000, and to be subject to approval by the said Commissioners and the Secretary of the Treasury and to be filed in the office of the Secretary of the Treasury.

SEC. 4. There is hereby repealed so much of the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1901, and for other purposes," approved June 6, 1900 (31 Stat. 555), under the subheading "For Auditor's Office" under the heading "General Expenses" as reads: "deputy disbursing officer, who shall hereafter, in the absence of the disbursing officer, be authorized to transact all duties pertaining to said disbursing officer, and who shall be required to give bond to the said disbursing officer in the sum of $25,000, conditioned on the faithful performance of the duties of his office, but said disbursing officer to be responsible to the United States, District of Columbia, and the people whom he pays, as now required by law, $1,500."

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 51) favoring the suspension of deportation of certain aliens was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-2771684, Aperanthitis, Panagiotis Ioannis, or Peter John Apera or Peter J. Apera.

A-7611537, Arlen, Michael, or Dikran Kouyoumjian.

A-2633023, Arlen, Atalanta (nee Mercati).

A-7568182, Arlen, Michael John.

A-7009816, Arlen, Venetia Valerie.

A-4503370, Arouani, Abdalla.

A-5967722, Arroya, Esteban, or Esteban Arcia or Stevan Aroya or Esteban Arroyos or Esteban Arroyo Marbolejo.

A-1701572, Alvarez-Canga, Maria Azucena.

A-6657337, Aboujdid, Nicole (alias Nicole Cerisier).

A-6870289, Amaral, Junior, Antonio Pacheco.

A-2995518, Bacolot, Pablo Lopez.

A-6778491, Baic, Anna (alias Ana Mikasic and Ana Podrebarac).

A-9618944, Bain, Stafford, or Stafford William Bain.

A-7795322, Baker, Ana Maria (formerly Ana Maria De Ruiz nee Aleman y Valdes).
A-7733557, Baldivieso, Jose Guzman.
A-6423226, Beard, Beverly Ann.
A-2308859, Bellacicco, Ortenza (nee Santoemma or Maria Teresa Pizzi).
A-7780875, Benjamin, David Alexander Palmer.
A-1436240, Beresford, Charles William Marcus De La Poer Horsely.
A-9655128, Berge, Kaare.
A-4272848, Berweger, Karl.
A-5576453, Besterman, Alexander, or Alexander Best.
A-1508013, Black, Robert Cecil.
A-7083995, Blair, David Phipps, or David Blair Keller.
A-6810164, Bogas, Katerina or Katherine (nee Manetas).
A-4271591, Bondesani, Giovanni, or John Bombeseme (also known as John Bondesani).
A-3807933, Bowerman, John Leslie (alias John Lester alias Leslie Bowerman).
A-7050922, Bratsch, Leanne Brigitte.
A-7050923, Bratsch, Barbara Renate.
A-5290128, Bresilley, Ralph Marcel.
A-6187939, Browne, John William.
A-5945877, Caiby, Lillian Cassilda (nee Vanterpool).
A-6075141, Calloway, Dinah Alonso.
A-6211762, Campos, Amada, or Amada Victoria Campos.
A-6262101, Christodoulou, Panagiotis Efthimiou.
A-6262102, Christodoulou, Demetrios.
A-6456785, Clarke, Jenine Frances, or Jeanne Clarke.
A-3589473, Clarkson, Alick.
A-4342833, Comrie, Albert Thomas.
A-7673528, Coterillo, Gerardo, or Gerardo Coterillo y Serno.
A-3960443, Culhane, Clara, or Clara Hall.
A-3516945, Cundekovic, Imbro, or Jim Cundekovic.
A-6018616, Chwalibog, Stanislawa Marie Kowal (nee Kowal).
A-3198842, Da Cruz, Manuel Joao.
A-3460744, Damacus, John (alias Ioan Damacus alias Domacus).
A-3627768, D'Amico, Antonino, or Anthony D'Amico.
A-6261644, Davis, Eftyhia.
A-6419945, Davis, Grace I., or Grace Iris Noel or Grace Iris Hines.
A-6931886, De Blanco, Maria Covadonga Villa Diego, or Maria de la Concepcion Diaz y Gonzalez or Maria Covadonga Villa Diego.
A-6870214, De Estrada, Maria Gonzaliz.
A-6855839, Estrada, Apolinar, or Apolinar Estrada-Aragones.
A-7044403, De Garcia, Francisca Alvarado, or Francisca Alvarado Martinez; Mrs. Pancho Garcia.
A-6870263, De Lara, Andres, or Andres Lara De Luevano or Andres Lara De Nuevano.
A-2517640, De La Torre Gonzalez, Domingo.
A-6492269, De Lieva, Onesima Flores (aliases Onesima Flores; Onesima Flores de Leyva; Onesima Flores Leyva).
A-4906150, Demma, Giuseppe Luigi, or Giuseppe L. Demma; Joseph L. Demma or Joe L. Demma or Giuseppe Fu Luigi Demma.
A-1776358, De Montez, Guadalupe Garcia, or Guadalupe Garcia de Montes or Guadalupe Garcia.
A-6834473, De Muniz, Isabel Mendoza.
A-3410203, Domingues, Evaristo.
A-6944962, Eith, Alice.
A-6501281, Emberton, Peter James, or Peter James Murphy.
A-4282171, Eng, Robert Ming, or Bock Ming Eng.
A-1369028, Ervin, John Kerr.
A-2385266, Eteng, Hameed.
A-9542092, Exadaktylos, Nicholas.
A-7740841, Fabianich, Louise (nee Alojzija Stepihar).
A-7739179, Fabianich, Karin Dolores.
A-5332034, Falco, Vincent, or Vincenzo Falco.
A-2552550, Fong, May Chan or Chan Shee (Yuet Ngo), Chan Yuet Ngo, or Fong Yuet Ngo.
A-6550813, Frederick, Fleur-Ange Rita.
A-7749501, Froe, Marie Hughes Leonide Lanoix, or Marie Hughes Leonide Lanoix.
A-3026759, Garcia-Robledo, Alfredo, or Alfred Robledo and Alfred Zante.
A-4001560, Genauer, Reuben.
A-6920812, George, Kenneth Esdaille.
A-3035145, Gitales, Nathaniel, or Nathan Gale.
A-5300544, Gombos, Helen McKinnon, or Helen U. McKinnon or Hellin Uneina Mykkanen.
A-6904549, Gomez, Villegas, Antonio.
A-6904547, Gomez, Maria Elena.
A-7794943, Gonzales, Praxedes.
A-7794944, Gonzales, Dora Rosalia.
A-6780505, Gonzalez-Estrada, Luis.
A-6711957, Gonzalez, Vasquez, Jose Francisco, or Francisco Gonzales Vasquez.
A-5801908, Gormley, Alexander Aloysious, or Alexander Aloysious Malone.
A-4357509, Gouldwin, Ralph Marl or Goldenberg, or John Travers.
A-2835254, Gregorutti, Carl, or Carl Gregoruttic or Carl Gregor.
A-6877289, Guerrero, Oscar.
A-3952398, Guido, Concetta Mary (nee Savina or Concetta Mary Johnson).
A-1246882, Hadeed, Joseph Farah.
A-1276069, Halfhide, Frank, or Francois Willem Bechtold.
A-6396576, Hanson, Alexander Edward.
A-3237254, Hatzigiorge, Dimitrios Ioanos.
A-4182082, Hatzihoffer, Elizabeth Katherine (nee Szedula).
A-7054945, Heile, Robert.
A-6590946, Heise, Rosalia Concepcion.
A-6956240, Henriot, Gisele Aline Germaine.
A-4919945, Lan, Wong Wai (alias Wai Lan Huang or Mrs. Huang).
A-5564387, Huang, Fung Kuan (alias Fung Kuan Huan).
A-4837631, Hung, Kwan King.
A-5993159, Jaboneta, Ernesto Garson, Jr.
A-2682492, Janik, Piotr or Peter.
A-6502043, Jasso-Castaneda, Miguel, or Arturo Eulogio Jasso.
A-6517165, Kairinen, Ella Orvokki.
A-6517166, Kairinen, Virpi Helena.
A-2175571, Kallitsis, John Efstathesis, or Steve Kallys.
A-6827887, Karousos, John Nicholas or Menas.
A-1498485, Karrow, Elizabeth Margaret (alias Hartman nee Clark alias Bessie Margaret Karrow).
A-1707924, Kawas, George (alias George Balat).
A-6866041, Kazinsky, Edward Louis.
A-6866042, Kazinsky, Betty Louise.
A-6861481, Kazinsky, George Bernard.
A-6246459, Kontogianis, Irene or Kontagianis (nee Zacharias).
A-3815055, Kosta, Frank, or Franc Kosta.
A-6929651, Lachesky, Diana Maria, or Diana Maria Ruffini.
A-2891836, Lampos, Simos Adamandios, or Sam Lampos.
A-3798285, Landman, Anne (nee Annie Rosenberg or Annie Ross).
A-9690789, Le Moullec, Francois.
A-3899598, Leu, Kee Sang, or Leu Woh Hing or Ho Hing or Keu Sang Lew or Lieu Woh Hing.
A-2782961, Leung, Yin Young.
A-6237325, Leung, Suey Jin Chin, or Suey Jin Chin or Chin Shee.
A-1161352, Lim, Chow Har Lee, or Lee Chow Har or Lim Lee Shee.
A-6142232, Lin, Hsi Tung.
A-7790120, Lin Ying (nee Liu Wing).
A-6912681, Loisti, Karin.
A-1332726, Lukasick, Barbara, or Barbara Birsic or Agatha Maticicz.
A-5251248, Ma, Schwen Wei, or Joseph (Schwen Wei) Ma.
A-5402002, Ma, Tien Djen Nyi, or Bessie Nyi Ma.
A-1836212, Macias, Alfonso Rodriguez.
A-4738157, Maloney, Clara Bridget (nee Miller).
A-2047097, Manetas, Leonidas Demitrios, or Louis James Manetas.
A-2355506, Marson, Gino Carlo Andrea, or Gino Carlo Marson.
A-5758401, Martin, Eileen Mary (nee McDonnell).
A-6027173, Martinez, Cornelio, or Cornelio Martinez Salas.
A-4213027, Maschas, Anastasios John.
A-6028993, May, John Joseph, or John Joseph Cieckiewicz.
A-6380779, Medina-Solis, Isaac, or Isaac Solis Medina.
A-6380780, Medina, Fernanda Briano De, or Fernanda Briano-Carlos.
A-4022515, Meichle, Ernest.
A-3286750, Mendes, Joao Rodriguez, or Joao R. Mendes or John R. Mendes.
A-4705529, Messina, Francisco Paolo, or Frank Paolo Messina.
A-2171255, Meza, Loreto Rodriguez, or Loreto R. Meza.
A-6709435, Miller, Mary Katherine, or Mary Katherine Sloan or Mary Katherine Gritzfeld.
A-4826150, Min, Sun Nien.
A-2520497, Mirtsopulos, Christos Yovany, or Christo Mitsopulos; Miztsopulos or Mishopoulos; John Chris; Christos Yovany; or Joyan Spiroff.
A-6865996, Mobley, Helena Valentina, or Helena Valentina Gonsalves.
A-6848746, Monsivaiz, Manuel.
A-6844270, Monsivaiz, Aureliano.
A-9776724, Montoya, Jesus Untoria, or Jesus Montoya.
A-6928183, Mora-Ruiz, Fortunato.
A-7734930, Morgan, Inez Helene (nee Dismont).
A-5119705, Muchin, Janina, or Jean Muchin (nee Tratenaite or Jean Broten, formerly Leach, or Jennie Leach).
A-4912148, McCoy, Nora Ellen, or Nora Ellen McCoy (nee Sherne).
A-4345005, Nelting, Barbara Romana (nee Barbara Romana Weidler).
A-6854576, Nilsson, Arthur Christopher.
A-5997562, Normington, James Eastwood.
A-4229403, Nyman, Johannes Severin.
A-2879623, Oakland, Nils Mikal.
A-6665371, Oaks, Archer Lee.
A-6425331, Ortiz-Rodriguez, Enriqueta.
A-6425348, Ortiz-Rodriguez, Dora.
A-3596393, Osmond, Morley William.
A-6948178, Padilla-Avila, Alberto, or Alberto Padilla.
A-6735736, Pakidoff, Olga Igorevna, or Olga Igor Pak.
A-2153589, Papadimitrios, Michael Joseph.
A-4233414, Pereira, Francisco Antonio.
A-1951087, Perolini, Paul, or Paolo Perolini.
A-4117439, Perolini, Josephine, or Josephine Pepino.
A-6611856, Phillips, John Brian, or John Brian Phillips Nast.
A-3784284, Polansky, Anna (nee Sudia).
A-6834422, Ponce, Manuel, or Manuel Hernandez Ponce, Merced Hernandez Ponce.
A-4764040, Psaros, Markos.
A-4444460, Purewal, Bhagat Singh, or Bhagat Sinch.
A-6921715, Rabsatt, Andrice Ford.
A-1332304, Rauch, Kurt Theodore (alias Curt Smoke).
A-4287048, Reimann, August.
A-3479010, Rettura, Vincenzo, or Jim Rettura.
A-3861187, Rocca, Gennaro.
A-2745606, Rochkind, Esther (nee Esther Goldfarb).
A-7049650, Rodriguez, Cesario, or Cesario Rodriguez Cazares.
A-7049712, Rodriguez, Florencio, or Florencio M. Rodriguez.
A-2963679, Roleira, Luis Antonio Gancalvez.
A-3599180, Sabina, Manuel Pereira, or Manueal Pereira or Faustino Marquis.

A-3926563, Sadow, Bertha (nee Mark or Polly Sadow).
A-6279634, Sandon, Rodolofo Riccardo, or Rodolfo Riccardo Sandon or Rudolph Richard Sandon.
A-4604983, Savrames, Harry, or Haralombos Savramis.
A-1484796, Seesodia, Jehan Warliker, or Jehan Warliker or Jehan Seesodia.
A-6062937, Setford, Peter Michael Harold.
A-2862964, Shafarzek, Raymond or Raimund.
A-2862961, Shafarzek, Isabella (nee Neymayer).
A-5017949, Shiau, Yen Guang.
A-2246566, Skogg, Helga Berntine (nee Karlson, formerly Morck).
A-7028542, Sliwinski, Christine Dolores (alias Krystyna Dolores Sliwinska).
A-1086676, Sokoloff, Philip, or Feitel Sokolofsky.
A-1584153, Spinelli, Peter, or Pietro Spinelli.
A-3878575, Stakorec, Dragutin, or Mike or Frank or Mike Frank Stakorec.
A-5056114, Stamford, William Gilbert, or Frank Stamford.
A-6808067, Stead, Mildred Phoebe.
A-2854491, Stefanides, Stefanos (alias Steve Stefanides).
A-4963314, Stephenson, Margaret Lillian Elva (nee Saint Amand).
A-7036742, Stuart, Allan Joseph.
A-2324924, Susnjar, Stoyan Nick, or Stojon Susnjar or Stojen Nikola Susnjar or Steve Susnjar or Nick Susnjar.
A-2949381, Tants, Wilhelm Heinrich, or William H. Tants.
A-3847182, Tauras, Juozas, or Joseph Tauras.
A-5615952, Thomas, William Edwin.
A-7792039, Thrapp, Casta Carles (nee Casta Carles).
A-4206936, Titones, Michael Ioannes, or Mike or Mike John Titones or Michael Tetonis.
A-2427699, Tombyll, Ross John.
A-6917723, Turco, Giuseppe, or John Joseph Turco or Joseph Turco.
A-6378224, Turner, Lurline Joyce.
A-6877264, Tuttle, Douglas James.
A-2889725, Tzanavaras, Georgios Eleftheriou, or George Tzavaris.
A-6884687, Ureno, Manuel, or Manuel Ureno-Flores.
A-1416293, Usnap, Charles Helmuth, or Kabol Helmuth or Helmuth Karlovitch or Charles H. Usnap.
A-1269931, Vadala, Antonino, or Anthony Vadala.
A-6479380, Van Eycke, Marie Surdiacourt (nee Marie Surdiacourt).
A-6937319, Van Wolde, Herman C., or Hermannus (Harmannus).
A-7083041, Varangis, Antonios, or Toni Varangis.
A-6920942, Vavala, Mariangela Glelia Nevi.
A-6712243, Vavala, Maria Concetta (nee Anzoise).
A-3194481, Vavilis, Michael George.
A-6102151, Villasenor-Navarro, Daniel.
A-4031280, Watt, Iu Chan.
A-5197229, Watt, Moi Kwai Yuk Chan.
A-6730877, Wilson, Helen Louise (alias Helen L. Andrews alias Helen Louise Andrews alias Helen Louise Thompson).
A-7794046, Williams, Emily Evangeline (nee Todd).
A-5132143, Woodhall, Richard Henry, or Richard or Henry Woodhall.
A-5980501, Woods, Eileen.
A-1285419, Yates, Thomas, Junior.
A-3388992, Yen, Chin Shik, or Thomas Yen Chin.
A-7735280, Yudice, Julio Hector.
A-6195968, Yudice, Carlota Angelica (nee Espinola).
A-6555335, Zacharakopoulos, John George.
A-4334369, Zole, Emilio, or Emilio Zole Di Cesare.
A-2913697, Zoulis, Vasilios, or William or Bill Zoulis.
A-6821734, Zunic, Frank, or Frane Zunic.

S. M. PRICE

The bill (S. 843) for the relief of S. M. Price was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I should like to have an explanation of the bill. As I understand, the Department of Justice and the Federal Works Agency are opposed to the bill on the ground that it provides for compensation of unauthorized services rendered 4 months after the date the claimant was discharged.

Mr. McCARRAN. Mr. President, there has been much confusion about this bill, because of the fact that the Congress previously passed a bill for the relief of this claimant.

The fact is that all of the services which this claimant rendered, and for which the present bill would compensate him, were performed before the first bill for his relief came to the Congress. That bill was enacted during the Seventy-fourth Congress, and covered this claimant's work between June 26, 1934, and March 1, 1935. I do not know why the bill was introduced to cover only that period, because this claimant continued to act as caretaker until September 12, 1935. However, the period ending March 1, 1935, was all that was covered by the previous bill. This bill covers the period from March 1, 1935, to September 12, 1935. With respect to this particular claim, therefore, this claimant has not had his day in court.

It is unquestionably true that the custodian of the Denver Customhouse was informed in November of 1934 that this claimant could not be compensated for his services. But there is no evidence that the claimant himself ever was so advised. It is not reasonable to suppose that he would have continued to work if he had been told that he would not be paid for his labor.

The amount involved here is only $665; and it was the opinion of the Committee on the Judiciary that this sum should be paid, for there is absolutely no question about the fact that Mr. Price actually worked during the period covered by the bill, and actually performed services during that period for which he has never been compensated.

Mr. SCHOEPPEL. Mr. President, my objection to the bill stands.

The PRESIDING OFFICER. The bill will be passed over.

ROMAN SZYMANSKI AND ANASTOSIA SZYMANSKI

The bill (S. 1026) for the relief of Roman Szymanski and Anastosia Szymanski was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General of the United States shall record the lawful admission for permanent residence of Roman Szymanski and Anastosia Szymanski, his spouse, as of December 22, 1947, the date of their last entry into the United States, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

SIRKKA SIIRI SAARELAINEN

The bill (H. R. 1127) for the relief of Sirkka Siiri Saarelainen was announced as next in order.

Mr. HENDRICKSON. Mr. President, I wonder if the Chairman of the Committee on the Judiciary would comment on the statement of the Assistant Attorney General in his letter of May 24 to the committee, which reads as follows:

> There appear to be no circumstances in this case sufficiently impelling to warrant waiving the general immigration laws in her favor.

Mr. McCARRAN. Mr. President, this is the case of a 30-year-old Finnish girl, who is a medical laboratory technician and a graduate nurse. She is working in the clinical laboratory at St. Francis Hospital, Escanaba, Mich., which is one of the laboratories operated under the sponsorship of the Kellogg Foundation. Her employers certify that she is loyal both to her work and to the United States. She speaks good English. She comes from a nation whose people make the finest kind of citizens. She is liked in the community, and the hospital wants to retain her services. The committee felt that under all the circumstances, and in spite of the fact that the Department of Justice took a contrary view, this girl was worthy of being permitted to remain in the United States, in spite of the fact that permitting her to do so is technically a discrimination against others who might wish to come here.

Mr. HENDRICKSON. Was the committee unanimous in its decision?

Mr. McCARRAN. It was.

Mr. HENDRICKSON. I withhold any objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1127) for the relief of Sirkka Siiri Saarelainen was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1950) for the relief of certain consultants formerly employed by the Technical Industrial Intelligence Committee of the Foreign Economic Administration, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, by request, it has been suggested that the bill may be passed over until the next call of the calendar because of uncertainty respecting two phases of the bill.

The PRESIDING OFFICER. The bill will be passed over.

FRANZ EUGENE LAUB

The bill (H. R. 3467) for the relief of Franz Eugene Laub was considered, ordered to a third reading, read the third time, and passed.

KARL FREDERICK KUCKER

The bill (H. R. 4804) to record the lawful admission to the United States for permanent residence of Karl Frederick

Kucker was considered, ordered to a third reading, read the third time, and passed.

EIKO NAKAMURA

The Senate proceeded to consider the bill (S. 555) for the relief of Eiko Nakamura, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Eiko Nakamura, Tokyo, Japan, the Japanese fiancée of James L. West, a citizen of the United States and an honorably discharged veteran of World War II, and that Eiko Nakamura may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Eiko Nakamura is coming to the United States with a bona fide intention of being married to said James L. West, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Eiko Nakamura, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Eiko Nakamura, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Eiko Nakamura as of the date of her entry into the United States, upon the payment by her of the required fees and head taxes.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM (VASILIOS) KOTSAKIS

The Senate proceeded to consider the bill (S. 787) for the relief of William (Vasilios) Kotsakis, which has been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of immigration and naturalization laws, William (Vasilios) Kotsakis shall be considered to be the natural-born son of Mr. and Mrs. Nick Canelis, of Billings, Mont., citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TORIKO TATEUCHI

The Senate proceeded to consider the bill (S. 1166) for the relief of Toriko Tateuchi, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Toriko Tateuchi, Tokyo, Japan, the Japanese fiancée of Richard D. S. Kwak, a citizen of the United States and an honorably discharged veteran of World War II, and that Toriko Tateuchi may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Toriko Tateuchi is coming to the United States with a bona fide intention of being married to said Richard D. S. Kwak, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Toriko Tateuchi, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Toriko Tateuchi, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Toriko Tateuchi as of the date of her entry into the United States, upon the payment by her of the required fees and head taxes.

The amendment was agreed to.

Mr. RUSSELL. Mr. President, reserving the right to object, I should like to ask the distinguished Senator from Nevada, chairman of the Committee on the Judiciary, why the provision was stricken from the Senate bill which required a deduction of one number from the immigration quota of the nation of which this applicant was a national. These individual bills, as I understand, are all supposed to carry the provision which would charge the individual admitted to the quota of the country from which the individual comes.

Mr. McCARRAN. I might say in explanation that this party is the fiancée of an individual already in the United States, who is an American citizen. The bill would permit the Japanese fiancée of an honorably discharged veteran of the World War, a citizen of the United States, to come to this country.

Mr. RUSSELL. I understood the Senate was now considering Senate bill 787, Calendar 631.

The PRESIDING OFFICER. The Chair will say to the Senator from Georgia that Senate bill 787 was passed.

Mr. McCARRAN. Yes; that bill was passed.

The PRESIDING OFFICER. We are now considering Senate bill 1166, Calendar 632.

Mr. RUSSELL. I was undertaking to obtain recognition to object to Senate bill 787.

WILLIAM (VASILIOS) KOTSAKIS

The PRESIDING OFFICER. Is there objection to reconsideration of the vote by which Senate bill 787 was passed? Without objection, the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed, are reconsidered, and the Senate will return to consideration of that bill.

Mr. RUSSELL. Mr. President, I am compelled to object to Senate bill 787 unless there is a satisfactory explanation as to why the person who is to be admitted to the United States as a permanent resident shall not be charged up to the immigration quota of the country from which he comes.

Mr. McCARRAN. I may say by way of explanation that the sole purpose of the bill is to provide for the admission into the United States for permanent residence of a 7-year-old war orphan, native and citizen of Greece, whose parents were killed during World War II. The beneficiary is a nephew by adoption of Mr. and Mrs. Nick Canelis, citizens of the United States and residents of Billings, Mont.

Mr. RUSSELL. Mr. President, I have no objection to the bill as it was introduced in the Senate, because it does properly determine that "the Secretary shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Greece." The Senate committee struck out that language from the bill.

Mr. McCARRAN. He is an adopted son, and thereby becomes non-quota.

The PRESIDING OFFICER. Does the Senator from Georgia object?

Mr. RUSSELL. I ask that the bill be passed over until I have an opportunity to read the letter from the Secretary of State.

The PRESIDING OFFICER. The bill will be passed over to the foot of the calendar.

TORIKO TATEUCHI

The PRESIDING OFFICER. The next bill has already been stated, and the committee amendment has been agreed to. The amendment agreed to was to strike out all over the enacting clause, and insert new language.

The question is on the engrossment and third reading of the bill.

The bill (S. 1166) was ordered to be engrossed for a third reading, read the third time, and passed.

DANIEL KIM

The Senate proceeded to consider the bill (H. R. 1466) for the relief of Daniel Kim, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 3, after the word "canceled," to insert "Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct 1 number from the quota for Korea for the first year that such quota is available."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CHRISTINE KONO

The Senate proceeded to consider the bill (H. R. 1625) for the relief of Christine Kono, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Christine Kono, the Dutch-Japanese fiancée of Charles Kramer, a citizen of the United States and an honorably discharged veteran of World War II, and that Christine Kono may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Christine Kono is coming to the United States with a bona fide intention of being married to Charles Kramer, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Christine Kono, she shall be required to depart from the United States and upon failure to do so shall be deported

in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Christine Kono, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Christine Kono, as of the date of her entry into the United States, upon the payment by her of the required fees and head tax.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TEIKO HORIKAWA AND YOSHIKO HORIKAWA

The Senate proceeded to consider the bill (H. R. 2084) for the relief of Teiko Horikawa and Yoshiko Horikawa, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, in the administration of the immigration and naturalization laws, provisions of section 13 (c) of the Immigration Act of 1924, as amended, which exclude from admission to the United States persons who are ineligible to citizenship, shall not apply to Teiko and Yoshiko Horikawa, minor twin stepdaughters of David Bailey Carpenter, a World War II veteran who married Yoshi Horikawa Higo, a Japanese national and the mother of such minor stepdaughters, on August 6, 1947, and for the purpose of the immigration and naturalization laws, Teiko and Yoshiko Horikawa, shall be considered to be the natural-born daughters of their stepfather, David Bailey Carpenter.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DENISE SIMEON BOUTANT

The Senate proceeded to consider the bill (H. R. 2850) for the relief of Denise Simeon Boutant, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of law which make ineligible for permanent residence persons who are racially ineligible to citizenship, the Attorney General shall record the lawful admission for permanent residence of Denise Simeon Boutant, now Denise Simeon Boutant Peterson, who is the legal wife of William S. Peterson, a United States citizen, as of December 1948, at which time she was temporarily admitted into the United States.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

G. BRINTON FAGEN

The bill (S. 586) for the relief of G. Brinton Fagen was announced as next in order.

Mr. HENDRICKSON. Mr. President, since the enactment of this legislation will cost the Government about $5,000, I think we should have from the distinguished chairman of the Committee on the Judiciary an explanation of the bill.

Mr. McCARRAN. I have no idea, Mr. President, why it would cost the Government that amount. Is the Senator referring to Senate bill 586?

Mr. HENDRICKSON. Yes.

Mr. McCARRAN. Mr. President, this bill was originally introduced for the benefit of just one person. In its investigation of the case, the Judiciary Committee discovered there were 249 civilian employees or former employees of the Navy Department who were in exactly similar circumstances.

What happened is that, beginning in January of 1942, the Navy Department began recruiting civilians to man naval supply depots at Mechanicsburg and Harrisburg, Pa. They were sent to the Navy Yard at Philadelphia for training. Authorization for the payment of travel and per diem allowances for these men was not issued by the Navy Department until April 8, 1942, by which time a substantial number of these men had already gone to the Philadelphia Navy Yard. They went under verbal orders with the understanding that all expenses during their temporary duty there would be borne by them. Because of the fact that some of these men had gone to the Philadelphia Navy Yard with such instructions before the travel authorization was received, the Navy Department never used the authorization, and continued to send men to the Philadelphia Navy Yard with the verbal understanding that they would be required to bear all of their own expenses.

The Navy Department now considers that a mistake has been made, apparently, although it does not directly say so. The Department does say, however, that these employees are entitled to reimbursement for the expenses they incurred incident to their temporary duty at the Philadelphia Navy Yard.

It was the view of the committee that the case of the particular individual for whose relief the bill was introduced was a worthy one, and that he should be compensated. However, the committee felt it would be improper to compensate him without taking care of all the others in similar circumstances. Accordingly, the committee asked the Navy Department to draft a bill which would take care of all 249 of these men; and the committee amendment will have that result. The net cost to the Government will be approximately $95,000.

A hurried reading of the Navy Department's report to the committee would indicate that the Navy Department is opposed to this bill. If Senators will read carefully, they will see this is not the case. The Navy Department stated it was opposed to the bill to reimburse 1 of these 249 civilians, without also reimbusing the others; but the Department favors the bill as amended by the committee. The Department of Justice has concurred in this recommendation.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MAYBANK. Mr. President, what is going to be done to the naval officers who made such a dreadful error?

Mr. McCARRAN. I cannot answer that question.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 586) for the relief of G. Brinton Fagen, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums as may be required by the Secretary of the Navy to pay the claims for travel and per diem allowance in lieu of subsistence at the rate of $4 per day, of civilian personnel who were assigned to temporary duty at the Navy Yard, Philadelphia, Pa., during the calendar year 1942 for the purpose of receiving training preparatory to employment at the Naval Supply Depot, Mechanicsburg, Pa., and the Naval Diesel Supply Depot, Harrisburg, Pa.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of certain civilian personnel employed by the Navy Department, for expenses incurred incident to temporary duty performed at the Navy Yard, Philadelphia, Pa., in 1942."

PROHIBITION OF SALE IN THE DISTRICT OF CERTAIN ROCKFISH

The Senate proceeded to consider the bill (S. 1870) prohibiting the sale in the District of Columbia of rockfish weighing more than 15 pounds.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. McCARRAN. Mr. President, the purpose of this bill is to prohibit the sale in the District of Columbia of rockfish, sometimes called striped bass, weighing more than 15 pounds, as a protective measure for this species of fish.

The Chesapeake Bay and its tributaries are the natural home of the striped bass. Maryland controls the waters of the Potomac River up to the high-water line on Virginia's shores. Virginia claims jurisdiction over the waters of its creeks and bays from point to point on the Virginia shore line.

In Maryland no one is permitted to keep or sell a rockfish over 15 pounds, and Virginia has a limit of 25 pounds on the rockfish.

At present the District of Columbia has no limit in poundage, but a minimum length of 11 inches is required. The result of these conflicting laws has made the District of Columbia a market place for the disposal of fish which come up the Potomac River in large numbers to spawn. If the practice of commercial fishermen taking the fish in large numbers from the river continues, the species will eventually disappear.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 899 of the act entitled "An act to establish a code of

law for the District of Columbia," approved March 3, 1901, as amended (D. C. Code, 1940 edition, sec. 22–1605), is amended to read as follows:

"SEC. 899. Striped bass: It shall be unlawful for any person to offer for sale, to expose for sale, or to sell, in the District of Columbia, at any time during the year, any striped bass, locally called rockfish, which is less than 12 inches in length (measured from the tip of the nose to the tip of the tail), or more than 15 pounds in weight."

SEC. 2. This act shall become effective 30 days after the date of its enactment.

BILLS PASSED OVER

The bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year 1950, and for other purposes, was announced as next in order.

Mr. LUCAS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 653) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. This bill is the unfinished business of the Senate. The bill will be passed over.

The bill (H. R. 195) to assist States in collecting sales and use taxes on cigarettes, was announced as next in order.

Mr. GEORGE. Mr. President, this bill will have to go over, because it is controversial.

The PRESIDING OFFICER. The bill will be passed over.

PAYMENT OF TAX ON FERMENTED MALT LIQUORS—BILL PASSED OVER

The bill (H. R. 5114) to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for establishment of brewery bottling house on brewery premises, and for other purposes, was announced as next in order.

Mr. CHAVEZ. Over.

Mr. GEORGE. Mr. President, this bill is desired by the Secretary of the Treasury and by the Commissioner of Internal Revenue. It does not affect tax liability at all. It merely provides for the use of certain machines in the measurement of malt liquors, and permits the withdrawal from the brewery for bottling purposes of beer, so that the tax is not paid until the beer is bottled and sold. I hope the objection will be withdrawn, because the bill is desired by the Commissioner of Internal Revenue and by the Secretary of the Treasury. It would greatly expedite their handling of malt liquors and beer.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. CHAVEZ. Over.

The PRESIDING OFFICER. The bill will be passed over.

ISSUANCE OF SUBPENAS IN CONNECTION WITH INDUSTRIAL ALCOHOL PERMITS, ETC.—BILL PASSED OVER

The bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code was announced as next in order.

Mr. GEORGE. Mr. President, this bill will necessarily go over, although it is my purpose to call it up at some time during the session. Certain amendments have been attached to the bill affecting excise taxes. Therefore, it could not be considered under the 5-minute rule.

The PRESIDING OFFICER. The bill will be passed over.

CELEBRATION OF ONE HUNDREDTH ANNIVERSARY OF BUILDING OF THE SOO LOCKS—BILL PASSED OVER

The bill (S. 2083) to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo locks was announced as next in order.

Mr. CHAVEZ. Over.

Mr. VANDENBERG. Mr. President, may I inquire which Senator objected to the consideration of the bill?

Mr. CHAVEZ. I did.

Mr. VANDENBERG. Let me say to the Senator that this bill involves no expenditure of any nature whatever. It merely provides for the cooperation of the Federal Government, through an honorary commission, with the Michigan commission in preparing for the celebration of the anniversary of the greatest waterway in the United States, or in the New World.

Mr. O'CONOR. Mr. President, may I say in furtherance of that which has been said by the senior Senator from Michigan that the Judiciary Committee was unanimous in approval of the bill, and felt that it would serve a very useful purpose. It could imagine no practical reason for objection.

Mr. VANDENBERG. The bill has already passed the House.

Mr. CHAVEZ. Mr. President, there is no question about my feeling for the Senator from Michigan and the Senator from Maryland; but notwithstanding that, I must object.

The PRESIDING OFFICER. The bill will be passed over.

FLAG DAY

The joint resolution (S. J. Res. 103) designating June 14 of each year as Flag Day was announced as next in order.

Mr. O'CONOR. Mr. President, an identical measure is Calendar 699, House Joint Resolution 170, which has passed the House. I ask unanimous consent that it be substituted for the Senate joint resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of House Joint Resolution 170?

There being no objection, the joint resolution (H. J. Res. 170) designating June 14 of each year as Flag Day was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 103 is indefinitely postponed.

Mr. O'CONOR. Mr. President, I may say that that action is agreeable to senior Senator from Pennsylvania [Mr. MYERS], who is the sponsor of this legislation.

LEASE OF FEDERAL CORRECTIONAL INSTITUTION AT SANDSTONE, MINN., TO THE STATE OF MINNESOTA

The bill (S. 1949) to authorize the lease of the Federal correctional institution at Sandstone, Minn., to the State of Minnesota, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General is authorized to lease to the State of Minnesota, upon such terms and conditions as he may see fit, all lands, buildings, equipment, and other facilities of the Federal correctional institution at Sandstone, Minn., not required for use by the Department of Justice. The agreement of the State of Minnesota to protect, repair, and maintain such property and to return it to the Department of Justice in as good condition as when leased, reasonable wear and tear excepted, may constitute the sole consideration for any such lease. Any such lease shall continue in effect until terminated (1) by either party upon not less than 18 months' notice to the other, or (2) by agreement of both parties.

SEC. 2. The Attorney General shall consider any proposals which may be made by the State of Minnesota for the transfer to it of any of the property described in the first section of this act, and shall report the same, together with his recommendations, to the Congress.

SEC. 3. There is hereby ceded to the State of Minnesota, for the duration of any lease of any property to it pursuant to the provisions of this act, the jurisdiction heretofore vested in the United States over such property.

WIDOW OF ROBERT V. HOLLAND

The bill (S. 1834) for the relief of the widow of Robert V. Holland was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Air Force shall cause to be paid, out of funds appropriated for pay of the Air Force current at the time of payment, to the widow of Robert V. Holland (ASN O–32325), late a major in the United States Air Force, who died on December 5, 1947, such sum as would otherwise have been paid to said widow as a death gratuity under the act of December 17, 1919, as amended (U. S. C., title 10, sec. 903), had the said Robert V. Holland died while in a pay status and while holding the rank of major on the date of his death.

BILL PASSED OVER

The bill (S. 2192) to authorize the adjustment of the lineal position of certain officers of the naval service, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

RESTOCKING OF GAME IN EGLIN FIELD RESERVE—BILL PASSED OVER

The bill (H. R. 2418) to authorize restocking, propagation, and conservation of game in the Eglin Field Reserve was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. PEPPER. Mr. President, will the Senator kindly withhold his objection to permit an explanation?

Mr. SCHOEPPEL. I withhold the objection.

Mr. PEPPER. Mr. President, all the bill does is to permit the Army Air Forces to use the fees collected from those who hunt and fish in this Army reservation for the restocking of the fish and game on the reservation. I am sure that the able Senator from Massachusetts [Mr. LODGE] is familiar with this situation. This is the great proving ground at Eglin Field, consisting of about half a million acres of land owned by the United States Government. It is patrolled and protected by the personnel of the Army Air Forces, because they drop bombs in there as a part of their experimentation.

All that is proposed is to allow the Army Air Forces to take the fees which those who hunt and fish there pay to the Federal Government in addition to the fees they pay to the State of Florida, and use the money—only about $10,000 a year—for restocking the game and fish on that reservation.

The bill is approved by the Bureau of the Budget and by the Fish and Wildlife Division of the Department of the Interior. It certainly does not seem necessary to have the inspection of the Interior Department duplicating that of the Army Air Forces in this protected area of land belonging to and under the jurisdiction of the Army Air Forces.

In view of the small amount and the reasonableness of the proposal, as well as the public interest involved, I hope that the Senator may find that he did not fully understand the facts when he made his objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I object.

The PRESIDING OFFICER. The bill will be passed over.

LOAN OF CERTAIN PROPERTY TO NATIONAL VETERANS' ORGANIZATIONS

The bill (H. R. 4646) to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, in the light of the fact that the Army is opposed to the bill, on the ground of shortage of stocks of materials and supplies, I should like to know what the cost of the bill would be.

Mr. HUNT. Mr. President, let me say to the distinguished Senator from New Jersey that under existing law the Secretary of the Army is authorized to lend such property as cots, blankets, pillows, mattresses, bed sacks, unoccupied barracks, and other available articles of equipment to recognized national veterans' associations for use at State or national conventions, all expense of delivery and return to be borne by the organization concerned.

This bill would expand the law so as to give the same authority to the Secretary of the Navy and the Secretary of the Air Force, and would also include national youth, athletic, or recreation tournaments conducted by national veterans' organizations in the same category as conventions.

The bill also provides that, in addition to the return of the cost of delivery, the veterans' organization shall also be responsible for the cost of rehabilitation or replacement of any articles lost.

I beg to advise the distinguished Senator that the bill was reported unanimously by the Committee on Armed Services, and has the approval of the Secretary of the Navy and the Secretary of the Air Force.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I have not had an answer to my question as to what the probable cost will be.

Mr. HUNT. No cost at all is involved. The bill provides that those who borrow the equipment shall make payment for any property that is lost or destroyed. No cost to the Government is involved.

Mr. HENDRICKSON. Mr. President, I withhold objection.

The PRESIDING OFFICER. Is there objection?

There being no objection the bill (H. R. 4646) was considered, ordered to a third reading, read the third time, and passed.

QUALIFICATION OF RESERVES UNDER TITLE III OF PUBLIC LAW 810

The bill (S. 1939) to amend section 302 (c) of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 was announced as next in order.

Mrs. SMITH of Maine. Mr. President, there is on the calendar House bill 5508, Calendar No. 738, which is identical with the Senate bill. I ask unanimous consent that the House bill be substituted for the Senate bill and be now considered.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 5508) to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948 was considered, ordered to a third reading, read the third time, and passed.

Mrs. SMITH of Maine. I ask unanimous consent that Senate bill 1939 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROHIBITION OF EMPLOYMENT OF CERTAIN PERSONNEL OF THE RFC BY OTHER ORGANIZATIONS

The bill (S. 1871) to amend the Reconstruction Finance Corporation Act to prohibit the employment of certain personnel of the corporation by organizations receiving loans or other financial assistance therefrom was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of this measure as it is now sought to be amended?

Mr. FULBRIGHT. Mr. President, the original bill provided for a 5-year period during which employment of the personnel of the RFC by borrowers from that organization was prohibited.

As proposed to be amended, that period would be reduced to 2 years. That conforms with the policy regarding the Surplus Property Act and the policy applying to employees of the Government who leave the Government service to prosecute against the Government claims which were pending while they were employed in the service of the Government.

The only purpose is to prevent an employee who has exercised any discretion in the granting of such loans from accepting a position with the borrower before a certain period of time has passed. There have been several cases of that sort, and I think a bad practice has existed.

This measure comes unanimously from the committee. It represents nothing new in governmental practice, but this policy has not previously been applied to the Reconstruction Finance Corporation.

In view of the large size of the loans made, and so forth, I think it would be good public policy to place such a prohibition in the law. No appropriation of funds at all is called for by this measure.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I have no objection.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment, to strike out all after the enacting clause and insert:

That subsection 4 (b) of the Reconstruction Finance Corporation Act, as amended, is amended by adding at the end thereof the following new paragraph:

"(4) Each loan made hereafter by the Corporation to any borrower pursuant to paragraphs (1) or (2) of subsection (a) of this section shall be conditioned upon the execution of an agreement between the Corporation and such borrower by which such borrower shall undertake that it will not, within 2 years after the date of the making of such loan, employ, tender any office or employment to, or retain for professional services any person who on the date such loan was made or within 1 year prior thereto shall have served as a director of the Corporation, or as an officer, attorney, agent, or employee of the Corporation occupying a position which the Board by resolution shall have determined to involve the exercise of discretion with respect to the making of loans to borrowers pursuant to paragraphs (1) or (2) of subsection (a) of this section unless—

(A) the Corporation shall have determined that such person, on the date such loan was made and within 1 year prior thereto, was employed by the Corporation only in a branch or field office of the Corporation which did not, and under ordinary procedures of the Corporation would not, perform any function in connection with the negotiation, modification, supervision, or collection of such loan; or

"(B) such person (i) shall be employed at the request of the Board upon its determination by resolution that such amendment is advisable to safeguard the interests of the Corporation, (ii) will receive compensation from the Corporation for such employment, and (iii) will receive no compensation from such borrower for such employment: *Provided*, That compensation so paid by the Corporation shall be deemed to be a nonadministrative expense of the Corporation.

As used in this paragraph, the term 'loan' shall include any extension of financial assistance, by loan or otherwise, pursuant to this act."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADDITIONAL JUDGE FOR THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1350) to provide for an additional judge for the juvenile court of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments, which were, on page 1, line 3, after the words "of the", to strike out "act cited as the 'Juvenile Court Act of the District of Columbia,' approved June 1, 1938" and insert "Juvenile Court Act of the District of Columbia"; in line 9, after the words "with the", to insert "advice and"; on page 2, line 4, after the word "appointment", to insert "be a resident of the District of Columbia or of the metropolitan area of the District residing within a distance of 20 miles from the boundaries of the District"; in line 11, after "United States", to strike out "The judge with the longest service in office shall be the chief judge of the juvenile court and its chief administrative officer"; in line 13, after the amendment just above stated, to insert "The President shall designate one of the judges to be the chief judge of the juvenile court. The chief judge shall serve as the chief administrative officer of the court."; after line 23, to strike out:

SEC. 2. The existing term of 6 years prescribed for the judge of the juvenile court in section 19 of the Juvenile Court Act of June 1, 1938, shall not continue beyond August 12, 1952, regardless of the appointment and confirmation of a successor.

On page 3, after line 4, to insert:

SEC. 2. The two positions of judge of the juvenile court of the District of Columbia provided for by section 19 of the Juvenile Court Act of the District of Columbia as amended by the first section of this act shall be in addition to the position of the present judge of the juvenile court which is to be abolished pursuant to the act entitled "An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia", appproved June 20, 1949.

On page 3, line 14, after the word "of", to strike out "said act of June 1, 1938" and insert the "the Juvenile Court Act of the District of Columbia"; in line 19, after "SEC. 4", to strike out "The said act of June 1, 1938" and insert "Such act"; and on page 4, after line 13, to insert:

SEC. 6. Section 28 of the Juvenile Court Act of the District of Columbia is amended by adding at the end thereof the following new sentence: "Daily statistics concerning cases, complaints, and other matters before the court, including court action thereon, shall be made available to the public, except that with regard to juvenile offenses and related matters, names, addresses, and records of the individual respondents or complainants shall be kept confidential."

So as to make the bill read:

Be it enacted, etc., That section 19 of the Juvenile Court Act of the District of Columbia is hereby amended so as to read as follows:

"SEC. 19. The juvenile court of the District of Columbia shall consist of two judges learned in the law and appointed by the President, by and with the advice and consent of the Senate. Each judge hereafter appointed shall serve for a term of 10 years or until his successor is appointed and confirmed. To be eligible for appointment as judge of the juvenile court a person must have been a member of the bar of the District of Columbia for at least 5 years immediately preceding his appointment, be a resident of the District of Columbia or of the metropolitan area of the District residing within a distance of 20 miles from the boundaries of the District, and have a knowledge of social problems and procedures and an understanding of child psychology. Each judge shall, before entering upon the duties of his office, take the oath prescribed for judges of the courts of the United States. The President shall designate one of the judges to be the chief judge of the juvenile court. The chief judge shall serve as the chief administrative officer of the court. During the temporary absence or disability of the chief judge the associate judge of the juvenile court shall act as the chief administrative officer of the court. The salary of the chief judge shall be equal to the salary of the chief judge of the municipal court for the District of Columbia and the salary of the associate judge shall be equal to the salary of an associate judge of the municipal court for the District of Columbia."

SEC. 2. The two positions of judge of the juvenile court of the District of Columbia provided for by section 19 of the Juvenile Court Act of the District of Columbia as amended by the first section of this act shall be in addition to the position of the present judge of the juvenile court which is to be abolished pursuant to the act entitled "An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia," approved June 20, 1949.

SEC. 3. Section 20 of the Juvenile Court Act of the District of Columbia is hereby amended by striking out the word "the" where it first appears before the word "judge" and inserting in lieu thereof the word "either."

SEC. 4. Such act is amended as follows:

(a) By changing the word "judge" wherever it appears in section 3 thereof to the word "judges."

(b) By inserting the word "chief" between the words "the judge" when the same appear in sections 22 and 24.

(c) By striking out the word "the" where the same appears before the word "judge" in sections 26 and 33 and inserting in lieu thereof the word "a."

(d) By striking out the word "judge" whenever the same appears in section 23 thereof and inserting the word "court" in lieu thereof and by striking out the word "he" wherever the same appears in section 23 and inserting the word "it" in lieu thereof.

SEC. 5. Wherever in the Code of Laws for the District of Columbia reference is made to the judge of the juvenile court such reference shall be construed to mean any judge of the juvenile court except as otherwise specifically provided in this act.

SEC. 6. Section 28 of the Juvenile Court Act of the District of Columbia is amended by adding at the end thereof the following new sentence: "Daily statistics concerning cases, complaints, and other matters before the court, including court action thereon, shall be made available to the public, except that with regard to juvenile offenses and related matters, names, addresses, and records of the individual respondents or complainants shall be kept confidential."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for two judges for the Juvenile Court of the District of Columbia, and for other purposes."

BILL PASSED OVER

The bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, was announced as next in order.

Mr. WHERRY. Mr. President, let the bill go over. It is the pending business.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

UNITED STATES CODE RELATING TO THE COAST GUARD

The bill (H. R. 4566) to revise, codify, and enact into law, title 14 of the United States Code, entitled "Coast Guard," was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill?

Mr. O'CONOR. Mr. President, the purpose of the bill is to revise, codify, and enact into positive law, title 14 of the United States Code. As the Senator from Kansas knows, it is the established policy to enact into positive law the various titles, and this is the ninth of the series, with 41 yet to go. This measure represents about 2 years of work.

In our preparation of the bill, it was our intention, and we carried it through, to make no substantive changes at all in the law. Our every effort in conjunction with the House committee was merely to revise and codify the preexisting law.

Of course it was necessary in a few particulars, by reason of outdated provisions, to bring them into conformity with existing law; but there was no material change.

In order to be certain that we did not alter the existing law on the subject matter, we had the House Committee on Merchant Marine and Fisheries and the Senate Committee on Interstate and Foreign Commerce collaborate with us; and we are given every assurance that there is no change in the existing law.

The bill was unanimously approved by both committees, and it was passed unanimously by the House of Representatives.

Mr. SCHOEPPEL. Was there any objection on the part of the Coast Guard?

Mr. O'CONOR. No. On the contrary, their representatives worked with us throughout the entire matter.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I have no objection.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

The PRESIDING OFFICER. There are a large number of amendments to this bill, and the Chair understands they are purely technical in character. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the amendments en bloc.

The amendments were agreed to en bloc, as follows:

On page 18, under the heading "Sec. 186. Civilian instructors", after the word "civilian", to strike out "instructions" and insert

"instructors"; on page 22, after "425. Retiring boards", to insert:

"SPECIAL PROVISIONS

"431. Personnel of former Life Saving Service.
"432. Personnel of former Lighthouse Service.
"433. Personnel of former Bureau of Marine Inspection and Navigation and Bureau of Customs."

On page 41, after the 12th line, to insert:

"SPECIAL PROVISIONS

"§ 431. Personnel of former Life Saving Service.

"(a) If any keeper or member of a crew of a coast Guard station shall be so disabled by reason of any wound or injury received or disease contracted in the Coast Guard in the line of duty as to unfit him for the performance of duty, such disability to be determined in such manner as shall be prescribed in the regulation of the Coast Guard, he shall be continued upon the rolls of the Coast Guard and entitled to receive his full pay during the continuance of such disability, not to exceed the period of one year, unless the Commandant shall recommend, upon a statement of facts, the extension of the period through a portion or the whole of another year, and said recommendation receive the approval of the Secretary of the Treasury as just and reasonable; but in no case shall said disabled keeper or member of a crew be continued upon the rolls or receive pay for a longer period than two years.

"(b) Any individual who served in the former Life Saving Service of the United States as a keeper or surfman, and who on account of being so disabled by reason of a wound or injury received or disease or loss of sight contracted in such service in line of duty as to unfit him for the performance of duty was continued upon the rolls of the Service for an aggregate period of 1 year or more under the provisions of subsection (a) of this section, and who ceased to be a member of such Service on account of such disability, which disability has been continuous up to and including April 14, 1930, shall, upon making due proof of such facts in accordance with such rules and regulations as the Secretary of the Treasury may prescribe, be awarded compensation for such injury at the rate of 100 percent of the pay he was receiving at the time of his separation from such Service, such compensation to commence from April 14, 1940, and continue during his natural life. No such individual shall receive a pension, pay, or other allowance under any other law of the United States for the same period for which he receives retired pay under the provisions of this section.

"(c) No agent, attorney, or other person engaged in preparing, presenting, or prosecuting any claim under the provisions of subsection (b) of this section shall, directly or indirectly, contract for, demand, receive, or retain for such services in preparing, presenting, or prosecuting such claim a sum greater than $10, which sum shall be payable only on the order of the Secretary of the Treasury; and any person who shall violate any of the provisions of this subsection, or shall wrongfully withhold from the claimant the whole or any part of retired pay allowed or due such claimant under said subsection, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall, for each and every offense, be fined not exceeding $500 or be imprisoned not exceeding 1 year, or both, in the discretion of the court.

"§ 432. Personnel of former Lighthouse Service.

"(a) Any person of the former Lighthouse Service commissioned as an officer in the Coast Guard shall be an extra number in his grade and in the grades to which he may be promoted. He shall take precedence (1) with other officers commissioned in his grade from the former Lighthouse Service as the Secretary of the Treasury may determine, and (2) with other line officers in his grade in accordance with the respective dates of their commissions in such grade. He shall be eligible for promotion, if otherwise qualified, at such time as the officer in a regular number in line of promotion next above him on the seniority list becomes eligible for promotion; or if there be no such officer in his grade, he shall be eligible for promotion, if otherwise qualified, when a vacancy occurs in the next higher grade. An officer so commissioned shall be assigned to duty for which he is specially qualified, and professional examinations for promotion given to such officer shall embrace only subjects which pertain to the duty to which he is assigned.

"(b) Each vacancy (1) hereafter occurring in the extra numbers of such officers; (2) existing on August 5, 1939, in positions in the Lighthouse Service formerly held by personnel eligible for such commissions; and (3) created by the retirement, resignation, death, or separation from the service for any other cause, of such personnel who do not possess the qualifications prescribed by the Secretary of the Treasury, or who, being qualified, do not accept a commission thereunder, shall operate to increase by one the total authorized number of line officers of the Coast Guard.

"(c) All persons of the former Lighthouse Service commissioned, appointed, or enlisted in the Coast Guard shall be subject to all laws and regulations for the government of the Coast Guard, and nothing contained in this title shall be construed to prevent the application to any of such persons of laws and regulations concerning the military discipline of commissioned and warrant officers and enlisted men of the Coast Guard.

"(d) In computing length of service, for the purpose of retirement in the Coast Guard, of any person of the former Lighthouse Service commissioned, appointed, or enlisted in the Coast Guard, there shall be included all service computable for retirement under the provisions of section 763 of title 33; and after July 1, 1948, in computing longevity for the purpose of pay of such person there shall be included all service of such person in the Lighthouse Service.

"(e) No person so commissioned, appointed, or enlisted in the Coast Guard shall suffer any reduction in the total of the annual compensation and allowances which he was receiving on the date of his commission, appointment, or enlistment. Upon his retirement from active duty in the Coast Guard, the retired pay of any person so commissioned, appointed, or enlisted, shall not be less than an annuity computed in accordance with the provisions of section 763 of title 33, substituting, however, for the purposes of such computation, the annual compensation which he was receiving on the date of his commission, appointment, or enlistment in the Coast Guard for the average annual pay received by him for the last 5 years of service.

"(f) Notwithstanding any other provision of law, the civil-service classification laws and titles II and III of the Federal Employees Pay Act of 1945 shall not apply to civilian keepers of lighthouses and to civilians employed on lightships and other vessels of the Coast Guard.

"(g) Under regulations prescribed by the Secretary of the Treasury, the Coast Guard may prescribe the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard, but such personnel may be called upon for duty in emergency circumstances or otherwise at any time or all times. The existing system governing the pay of such employees may be continued or changed except that overtime compensation, night differential, and extra pay for duty on holidays shall not be paid to such employees. In lieu thereof additional annual compensation may be authorized, which may be prescribed either as a fixed differential or as a percentage of the basic compensation otherwise applicable to such employees. In no case shall basic compensation exceed $3,750 per annum, except that nothing contained in this subsection shall operate to decrease the basic compensation of any person employed by the Coast Guard on the date of enactment of this subsection, and in no case shall additions thereto exceed 25 percent of such basic compensation. Provision may be made for compensatory absence from duty when conditions of employment result in confinement because of isolation or in long periods of continuous duty; and provisions may likewise be made for extra allowance for service outside of the continental limits of the United States.

"The additional compensation authorized herein shall be included in any computation of compensation for purposes of the Lighthouse Service Retirement Act.

"§ 433. Personnel of former Bureau of Marine Inspection and Navigation and Bureau of Customs.

"(a) Included in the two thousand two hundred and fifty commissioned officers authorized by section 42 of this title shall be four hundred and fifty-three extra numbers to which the President is authorized to appoint only the personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs who on March 1, 1942, held the civil service rating of CAF–9 or P–3, or above. In the event that any person from among the personnel eligible to fill such extra numbers does not qualify, or who, being qualified does not accept a commission, the extra numbers not so filled shall be reserved pending the separation of such persons from the Coast Guard by retirement, transfer, resignation, death, or other cause. Upon such separation, each vacancy so reserved, and each vacancy created by the unavailability for appointment of such personnel, or by the retirement, resignation, death, or other separation from the active military service of the Coast Guard of such personnel, shall increase by one the authorize number of line officers, and decrease by one the authorized number of extra numbers.

"(b) Any person commissioned from the personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs who on March 1, 1942, held civil-service rating of CAF–9 or P–3, or above, shall be an extra number in any rank to which he may be promoted. He shall be eligible for promotion, if otherwise qualified, at such time as the regular line officer who is his running mate becomes eligible for promotion, and shall be examined only with respect to those qualifications which pertain to his specialty.

"(c) No personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs who were transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, shall be required to undergo further professional, physical, or mental examinations as a prerequisite to original commissioning, appointment, or enlistment, and the physical standards for such personnel while serving in the Regular Coast Guard shall not be greater than those applicable generally to civilian employees under civil-service laws and regulations.

"(d) Any personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, who enlist in the Coast Guard shall be subject to the provisions of subsections (c), and (e)–(h) of this section.

"(e) Accrued military leave of any personnel of the former Bureau of Marine Inspection and Bureau of Customs transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, who are members of the Coast Guard Reserve or the Naval Reserve on active duty, and who are commissioned, appointed, or enlisted, shall be credited to them upon such commissioning, appointment, or enlistment.

"(f) In computing length of service for purposes of retirement of personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, who are commissioned, appointed, or enlisted, there shall be included, in addition to all service now or hereafter creditable by law, all service as a civilian employee of the United States within the purview of sections 691, 693, 698, 707, 709–715, 716–719, 720–725, 727–729, 730, 731, and 733 of title 5, such service to be classified as commissioned, warrant, or enlisted depending upon which status the person assumes upon his entry into the Regular Coast Guard. Service covering the same period shall not be counted more than once.

"(g) Any such person shall not be entitled to any retirement benefits under any laws relating to the retirement of civilian personnel of the Federal Government, but shall be entitled upon claim therefor to a return of the total contributions made by him to the retirement fund with interest thereon and, in addition, to eligibility for retirement benefits provided by law for members of the Regular Coast Guard, he shall, if his total service in the Federal Government, civil plus military, is 15 years or over, be entitled, upon reaching the statutory retirement age for military personnel of the Regular Coast Guard, to retirement pay amounting to 75 percent of his active-duty pay at the time of such retirement; and, in the administration of applicable laws for physical disability retirement, a disability shall be deemed to have been incurred incident to Coast Guard service if the cause of such disability is not due to vicious habits, intemperance, or misconduct.

"(h) No personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan Numbered 3, effective July 16, 1946, who are commissioned, appointed, or enlisted in the Coast Guard shall suffer any reduction in annual compensation, including allowances, below the compensation applicable to his permanent civil-service position at the time of such commissioning, appointment, or enlistment, exclusive of overtime compensation, and the civil-service status, tenure, seniority, and compensation of any such person who for any reason is not commissioned, appointed or enlisted under the provisions of said sections shall not be impaired by reason of said sections."

On page 54, under the heading "SEC. 494. Insignia for additional awards", in line 6, after the word "device", to strike out "No more than one Coast Guard commendation ribbon shall be issued to one person; but for each succeeding deed or service sufficient to justify the awarding of a Coast Guard commendation ribbon the Commandant may award a suitable emblem or insignia to be worn with the ribbon."

On page 55, under the heading "SEC. 496. Time limit on award; report concerning deed," in line 2, after the world "medal", to strike out "Coast Guard commendation ribbon"; on the same page, under the heading "SEC. 497. Honorable subsequent service as condition to award," in line 2, after the word "medal", to strike out "Coast Guard commendation ribbon."

On page 86, after the ninth line, to strike out:

"SEC. 11. The sixth paragraph under the heading 'Miscellaneous' in the act approved March 2, 1923, chapter 178 (42 Stat. 1385), is amended to read as follows:

" 'Nothing contained in any existing laws, or regulations or orders promulgated in pursuance of law, shall authorize on or after July 1, 1922, the issue of heat or light in kind to any person in the Army, Navy, Marine Corps, Coast and Geodetic Survey, and Public Health Service while such person is receiving an allowance for rental of quarters under the provisions of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922.'

"SEC. 12. Section 2 of the act approved June 21, 1930, chapter 563 (46 Stat. 793; 10 U. S. C. 1028b; 14 U. S. C. 167b–2; 34 U. S. C. 399d), is amended to read as follows:

" 'SEC. 2. All persons who have served honorably in the Army, Navy, or Marine Corps of the United States during war shall, when in the active military and/or naval service of the United States, be entitled to bear the official title and upon occasions of ceremony to wear the uniform of the highest grade held by them during their war service.'

"SEC. 13. The act approved May 25, 1933, chapter 37 (18 Stat. 73; 10 U. S. C., sec. 486a; 14 U. S. C., sec. 15a; 34 U. S. C., sec. 1057a), is amended to read as follows:

"That the Superintendents of the United States Naval Academy and the United States Military Academy may, under such rules and regulations as the Secretary of the Navy and the Secretary of War may prescribe, confer the degree of bachelor of science upon all graduates of their respective academies, from and after the date of the accrediting of said academies by the Association of American Universities.'

"SEC. 14. The act approved June 6, 1941, chapter 177 (55 Stat. 247; 14 U. S. C., sec. 31b; 34 U. S. C., sec. 532a), is amended to read as follows:

" 'That the Secretary of the Navy, insofar as Navy property is concerned, is authorized to exchange motor-propelled vehicles, airplanes, engines, and parts thereof, and obsolete, unsuitable, and unserviceable machines and tools, and parts thereof, in part payment for new equipment of the same or similar character as those proposed to be exchanged.' "

And in lieu thereof to insert:

"SEC. 11. The sixth paragraph under the heading 'Miscellaneous' in the act approved March 2, 1923 (ch. 178, 42 Stat. 1385; 10 U. S. C., sec. 717; 14 U. S. C., sec. 121b; 33 U. S. C., sec. 862a; 34 U. S. C., sec. 912; 42 U. S. C., sec. 65), is amended to read as follows:

" 'Nothing contained in any existing laws, or regulations or orders promulgated in pursuance of law, shall authorize on or after July 1, 1922, the issue of heat or light in kind to any person in the Army, Navy, Marine Corps, Coast and Geodetic Survey, and Public Health Service while such person is receiving an allowance for rental of quarters under the provisions of the Pay Readjustment Act of 1942, approved June 16, 1942 (ch. 413, 56 Stat. 359; 37 U. S. C., sec. 101 et seq.), as amended.'

"SEC. 12. Section 2 of the act approved June 21, 1930 (ch. 536, 46 Stat. 793; 10 U. S. C., sec. 1028b; 14 U. S. C., sec. 167b–2; 34 U. S. C., sec. 399d), is amended to read as follows:

" 'SEC. 2. All persons who have served honorably in the Army, Navy, or Marine Corps of the United States during war shall, when not in the active military and/or naval service of the United States, be entitled to bear the official title and upon occasions of ceremony to wear the uniform of the highest grade held by them during their war service.'

"SEC. 13. The first sentence of the act approved May 25, 1933 (ch. 37, 48 Stat. 73; 10 U. S. C., sec. 486; 14 U. S. C., sec. 15a; 34 U. S. C., sec. 1057a; 46 U. S. C., sec. 1126a), as amended, is further amended to read as follows:

" 'That the superintendents of the United States Naval Academy, the United States Military Academy, and the United States Merchant Marine Academy may, under such rules and regulations as the Secretary of the Navy, the Secretary of the Army, and the United States Maritime Commission, respectively, may prescribe, confer the degree of bachelor of science upon all graduates of their respective academies, from and after the date of the accrediting of said academies by the Association of American Universities.' "

On page 87, in the last line, to change the section number from "15" to "14"; on page 88, line 25, to change the section number from "16" to "15"; in line 34, to change the section number from "17" to "16"; on page 89, line 3, to change the section number from "18" to "17"; in line 12, to change the section number from "19" to "18"; in line 31, to change the section number from "20" to "19"; in line 35, to change the section number from "21" to "20"; on page 90, in the third column, under the heading "Statutes at Large," to strike out "2–6, 8–10" and insert "2–10"; in the same line in the fifth column under the same heading, to strike out "55" and insert "55–58"; in the footnotes at the bottom of page 90, to strike out "12 Only the fifth paragraph under the heading 'Life Saving Service' ", and insert "12 Only the fifth paragraph on this page, reading 'the Secretary of the Treasury may change the serial numbers of the several districts as may be necessary to conform to the provisions of this act'."; on page 92, in the firt column, to insert "1930—Apr. 14 / 148 / 1, 2 / 46 / 164, 165 / 14 / 178a, 189b"; in the same column in the next line, to strike out "1930"; in the same column, to strike out "July 30 / 547 / 50 / 550 / 14 / 167e"; in the third column under the year "1939", to strike out "1, 4, 5"; in the same line in the fourth column, after "1216" to insert "1217"; in the same line in the seventh column, to strike out "10f, 20b, 20c," and insert "10f, 10h, 20b, 20c, 50, 180, 181"; on page 93, third column, under the date "1947", after "734" to insert "8–15"; in the fifth column, under the same date, to strike out "409" and insert "409–413"; in the seventh column, same date, after "6c", to insert "6e, 6f", and after "21a", to insert "21b, 35d, 50e, 121d, 182, 183"; in the next line, under "1947", to insert "July 30 / 393 / —— / 61 / —— / 674 / 14 / 178a"; under the date "1948", after the line beginning "June 22", to insert "June 24 / 627 / —— / 62 / —— / 644 / 14 / 180"; and under the same date, after the line beginning "June 29", to insert "1949 June 29 / 277 / —— / 63 / —— — ——."

The PRESIDING OFFICER. The question now is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLARIFICATION OF LAWS RELATING TO COMPENSATION OF CERTAIN POSTMASTERS

The bill (S. 2030) to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions was considered, ordered to be

engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the last proviso in section 1 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes", approved February 28, 1925, as amended (39 U. S. C., sec. 60), is amended to read as follows: "*Provided*, That any post office so advanced shall be retained in the class to which advanced until July 1 of the calendar year following the calendar year in which it was so advanced, at which time it shall be assigned to the appropriate class upon the basis of its receipts for the preceding calendar year."

SEC. 2. Section 2 of the act entitled "An act to place postmasters at fourth-class post offices on an annual salary basis, and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof", approved March 29, 1944 (58 Stat. 130), is amended by inserting before the period at the end thereof a colon and the following: "*And provided further*, That when a newly established office of the fourth class has been advanced to a higher salary rate, the postmaster's salary shall not again be adjusted until July 1 of the calendar year following the calendar year in which such office was established, except that this proviso shall not be construed to prevent the advancement prior to such date of any such office to a higher class when the receipts of a preceding quarter warrant such advancement."

PAYMENT OF EMPLOYEES OF BUREAU OF ANIMAL INDUSTRY FOR CERTAIN OVERTIME DUTY

The bill (H. R. 459) to authorize the payment of employees of the Bureau of Animal Industry for overtime duty performed at establishments which prepare virus, serum, toxin, or analogous products for use in the treatment of domestic animals, was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF TIME FOR COMMENCING CONSTRUCTION OF TOLL BRIDGE NEAR RIO GRANDE CITY, TEX.

The bill (S. 2198) to extend the time for commencing the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex., to July 31, 1950, was announced as next in order.

The PRESIDING OFFICER. There is an identical House bill, House bill 4022, Calendar No. 736. Without objection, the House bill will be considered at this time.

There being no objection, the bill (H. R. 4022) to extend the time for commencing the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex., to July 31, 1950, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2198 will be indefinitely postponed.

BRIDGE NEAR DEL RIO, TEX.

The bill (H. R. 1360) to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex., was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, was announced as next in order.

Mr. LUCAS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

EXEMPTION OF CERTAIN PERSONS FROM REQUIREMENT OF PAYING FEES FOR CERTAIN CENSUS DATA

The bill (H. R. 142) exempting certain persons from the requirement of paying fees for certain census data was announced as next in order.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to explain that this bill relieves certain persons from the payment of $1 fees. The persons who request this information are the old people of the United States who are trying to prove that they are entitled to subsistence or old-age benefits. Those who are entitled to the benefits are given the money by the Federal Government, but then the Federal Government turns around and charges them $1 for supplying them with statistics from the Bureau of the Census. These persons think they should be relieved of the necessity for such payment.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I should like to ask the distinguished Senator whether the bill also exempts veterans from this requirement. As to the proof which would be required on the part of the veteran or the other parties, would not such proof cost far more than the $1 fee which heretofore has been required to be paid?

Mr. JOHNSTON of South Carolina. That is entirely true.

Mr. SCHOEPPEL. If that is so, what is the reason for this additional financial burden?

Mr. JOHNSTON of South Carolina. This bill will remove the requirement for the payment of $1, which heretofore has been charged these persons. If this bill is passed, hereafter these persons will not have to pay the $1 fee in order to secure this information.

Mr. SCHOEPPEL. Probably the Senator from South Carolina did not understand what I said a moment ago. With reference to the parties who will be eligible for the proposed exemption, certain rules and regulations will have to be observed by them in the submission of proof; and will not the cost of submitting the proof far exceed the $1 charge which is made in order for them to become eligible for the exemption?

Mr. JOHNSTON of South Carolina. I would not think so, but it would be in only a very few cases, anyway.

Mr. SCHOEPPEL. I ask the distinguished Senator whether he has any information as to the cost of this measure?

Mr. JOHNSTON of South Carolina. So far as the loss of the dollar which is collected now, I do not know exactly what the cost would be. I shall try to answer that from the report, if it is here.

Mr. LONG. Mr. President, I may mention in connection with this matter, that in my own State, where we recently liberalized old-age assistance, we find that a great number of these poor old people cannot get the dollar. They go from place to place trying to get enough money to get the dollar, so they can go on the old-age pension, and they probably lose $20 or $30 while they are trying to find $1, with which to write in to get a certificate, in order to prove they are eligible. It would cost the Government less than $1,000,000—I think about $737,000—for the old people and the veterans, also, and this includes the people who are very much in need. In other words, generally speaking, they are the class of people on whom the Government is spending $1,000,000,000 a year, by way of assisting them, and yet their eligibility is being held up because in many cases they cannot afford the small fee of $1.

Mr. JOHNSTON of South Carolina. I find the following statement in the committee report, at page 2:

> The total cost of furnishing the census data of the type required by this bill during the fiscal year 1948 was $236,000. Of this amount, $100,000 was appropriated by the Congress for the maintenance of the records for searching and other processes of the work; and $136,000 was taken from the trust fund * * *.

That statement is contained in a letter signed by Charles Sawyer, Secretary of Commerce, addressed to Hon. TOM MURRAY, chairman, Committee on Post Office and Civil Service, of the House of Representatives.

Mr. SCHOEPPEL. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

EXEMPTION OF CERTAIN EMPLOYEES OF THE LIBRARY OF CONGRESS AND OF THE JUDICIAL BRANCH OF THE GOVERNMENT FROM THE CIVIL SERVICE RETIREMENT ACT

The bill (H. R. 3512) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress and of the judicial branch of the Government whose employment is temporary or of uncertain duration, was considered, ordered to a third reading, read the third time, and passed.

Mr. LUCAS. Mr. President, the hour is getting late, and we are only half way through the calendar. The intention of the majority leader is to move to take a recess at 11 o'clock.

The PRESIDING OFFICER. The clerk will call the next bill on the calendar.

REMOVAL OF CERTAIN LANDS FROM THE OPERATION OF PUBLIC LAW 545

The bill (S. 939) to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress, was announced as next in order.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. O'MAHONEY. Mr. President, this is a very simple bill which was reported unanimously by the Committee on Interior and Insular Affairs. It deals only with land which, having once been

covered by withdrawal orders affecting silica lands, have been restored to entry under the mining laws.

The only effect of the bill is to provide that when the President has restored withdrawn lands they shall no longer be subject to lease. In other words, the mining law is restored to its full operation.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the Secretary of the Interior to lease for the exploitation of silica sand and other nonmetallic minerals, lands withdrawn by Executive Order No. 5105, dated May 3, 1929," approved May 9, 1942 (56 Stat. 273), is amended by adding at the end thereof the following: "This act shall be effective with respect to any lands so withdrawn only so long as such lands remain so withdrawn."

WILLIAM (VASILIOS) KOTSAKIS

Mr. McCARRAN. Mr. President, I am advised that the Senator from Georgia withdraws his objection to the consideration of Calendar 631, Senate bill 787. I ask unanimous consent to revert to that bill.

Mr. WHERRY. Mr. President, I do not want to object to returning to that bill, but I thought it was the statement of the majority leader that we would not return to bills until the end of the calendar had been reached. I do not want to be forced to object, but if we start this practice, dozens of bills will be reverted to before we get to the end of the calendar. If we are going to proceed in the manner which was suggested by the majority leader and by the Senator from Massachusetts [Mr. LODGE], we should first get through with the calendar and then return to those bills. If we are going to break the rules, other Senators might like to return to other bills also. I have already told two or three Senators not to return to bills until the end of the calendar has been reached. I think we should maintain that rule.

Mr. MAYBANK. Mr. President, is it the intention of the Senator to finish the call of the calendar tonight?

Mr. WHERRY. My understanding is that the majority leader asked Senators not to go back to prior bills until we had concluded the call of the calendar, and then we might have an opportunity to take up bills temporarily passed over. The bills passed over went to the foot of the calendar. If we start to return to those bills—and I have no objection to the consideration of this particular bill, as I think the Senator from Nevada knows—we would not be carrying out the wishes of the majority leader in the matter. I think it is a mistake to go back before we finish the call of the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. I object.

Mr. McCARRAN. Before the Senator files his objection, let me say that my understanding was that the Senator from Georgia requested that action on the bill be deferred for a while until he looked into the matter. Having looked into it, he now has no objection.

Mr. WHERRY. Mr. President, I would not want to act against his wishes. As to this particular bill, I withdraw my objection, but I say now——

Mr. MAYBANK. Mr. President, will the Senator yield to me for a question?

Mr. WHERRY. I yield.

Mr. MAYBANK. Mr. President, I believe I objected to the consideration of House bill 2437. I did not intend to object. I was thinking of another bill at the time. I ask that any objection I made be withdrawn.

Mr. WHERRY. I think I shall object to returning to any bills until we have concluded the calendar in accordance with the suggestion of the majority leader.

Mr. MAYBANK. Will the Senator give me an opportunity?

Mr. WHERRY. It is agreeable to me for the Senate to consider Calendar No. 631.

There being no objection, the Senate proceeded to consider the bill (S. 787) for the relief of William (Vasilios) Kotsakis, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and to insert:

That, for the purposes of immigration and naturalization laws, William (Vasilios) Kotsakis shall be considered to be the natural-born son of Mr. and Mrs. Nick Canelis, of Billings, Mont., citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORIZATION OF SECRETARY OF THE INTERIOR TO ISSUE DUPLICATES OF CERTAIN SCRIPT CERTIFICATES

The bill (H. R. 2853) to authorize the Secretary of the Interior to issue duplicates of William Gerard's script certificates No. 2, subdivisions 11 and 12, to Blanche H. Weedon and Amos L. Harris, as trustees, was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PATENT IN FEE TO L. J. HAND

The bill (H. R. 4261) authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi, was considered, ordered to a third reading, read the third time, and passed.

TAXATION OF CERTAIN INDIAN LAND—BILL PASSED OVER

The bill (H. R. 5034) to authorize the taxation of Indian land holdings in the town of Lodge Grass, Mont., to assist in financing a municipal water supply and sewerage system was announced as next in order.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. O'MAHONEY. Mr. President, within the boundaries of the city of Lodge Grass, Mont., there lie some Indian lands. Sewerage extension must be made, and the purpose of the bill is merely to permit those lands, which will benefit from the drainage and the sewerage extension, to be subject to taxes.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. LANGER. Have the Indians consented to the construction of the sewer there?

Mr. O'MAHONEY. It is my understanding that that is the case. Let me read from the report:

The town of Lodge Grass is located within the irrigation system on the Crow Indian Reservation. This irrigation system has raised the water table to the surface of the ground in the town, which is inhabited by Indians and non-Indians.

Resultant sanitary conditions are so serious that the Montana State Board of Health has condemned the town's water supply. The town has voted bonds for $40,000 to pipe water from a spring into the town and to install sewerage. When the bonds were offered for sale, the town found that because of the trust status of certain lots the bonds were not marketable.

That means that the water supply has been vitiated both for Indians and non-Indians.

I will say to the Senator that both Senators from Montana have approved this bill.

Mr. LANGER. How many acres of Indian lands are involved?

Mr. O'MAHONEY. I do not recall exactly. Perhaps the report will give us that information. I will say to the Senator that the Department of the Interior has consented to the passage of the bill, the bill having been amended in accordance with the Department's wishes.

Mr. LANGER. Has the Senator any idea at all how much it will cost the Indians?

Mr. O'MAHONEY. No, I have not. But the total bond issue is only $40,000.

Mr. LANGER. I object, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

PROTECTION OF FORESTS

Mr. LUCAS. Mr. President, it is now 11 o'clock——

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. AIKEN. Mr. President, I wish to refer to Calendar 608, House bill 2296, which is a bill to amend the Clarke-McNary Act. The consideration of this bill was objected to by the Senator from Kansas, by request. The junior Senator from Michigan has advised me that he requested that the bill be held up.

The primary purpose of the bill is to enable the Federal Government to match expenditures of the States and private interests in the protection of the forests, as contemplated by the Clarke-McNary Act, and to extend the forest-fire protection to about 25 percent of our forests which do not now have protection.

I hope the Senator from Michigan will withdraw his objection by the time the calendar is called again. In the meantime, I ask unanimous consent to insert in the RECORD a table showing the forest-fire cooperation under the Clarke-McNary Act of June 7, 1924. In this table will be found the number of acres of forests in each State needing protection, the number protected, the amount being spent by State and private interests, the amount being paid by the Federal Government, and other interesting data.

The PRESIDING OFFICER. Is there objection to the request?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—*Forest-fire cooperation under the Clarke-McNary Act of June 7, 1924*

State	Calendar year 1947 State and private forest area			Fiscal year 1948 expenditures		1946 estimated cost of basic protection
	Needing protection	Protected	Unprotected	State and private	Federal	
	1,000 acres	*1,000 acres*	*1,000 acres*	*Dollars*	*Dollars*	*1,000 dollars*
Alabama	18,045	11,735	6,310	627,779	275,718	1,448
Arkansas	18,348	11,329	7,019	508,046	154,813	1,103
California	19,698	19,698		2,249,183	1,494,136	3,573
Colorado	7,475	6,624	851	46,451	22,235	80
Connecticut	1,907	1,907		95,079	48,291	165
Delaware	440	440		8,116	7,986	23
Florida	21,553	6,873	14,680	512,055	428,082	2,476
Georgia	21,705	7,372	14,333	253,335	227,024	1,661
Hawaii	2,504	2,504		5,524	4,500	9
Idaho	7,122	5,170	1,952	222,340	162,331	507
Illinois	4,085	3,839	246	25,675	19,033	130
Indiana	3,862	3,862		96,547	66,020	182
Iowa	2,256	2,256		15,528	7,928	58
Kentucky	11,258	3,323	7,935	184,132	72,166	523
Louisiana	14,055	7,148	6,907	325,875	187,654	799
Maine	16,683	16,683		587,625	146,356	365
Maryland	2,685	2,685		186,641	110,000	220
Massachusetts	3,286	3,286		174,221	95,202	275
Michigan	17,808	17,808		973,952	428,424	1,223
Minnesota	19,665	19,665		437,926	300,270	1,294
Mississippi	16,449	7,422	9,027	396,295	193,566	1,279
Missouri	15,664	5,089	10,575	308,505	110,300	807
Montana	6,162	6,162		118,243	96,640	255
Nevada	2,801	1,480	1,321	19,207	10,866	52
New Hampshire	4,143	4,143		373,183	58,258	154
New Jersey	2,294	2,294		241,899	127,347	275
New Mexico	3,977	1,079	2,898	15,743	9,649	71
New York	13,423	13,423		589,556	174,043	572
North Carolina	16,978	13,693	3,285	415,917	233,302	1,226
Ohio	5,494	5,494		99,445	73,006	253
Oklahoma	9,799	1,527	8,272	61,050	53,031	388
Oregon	12,446	12,446		1,160,137	863,817	2,127
Pennsylvania	14,644	14,644		431,541	235,100	572
Rhode Island	452	452		48,049	28,428	61
South Carolina	10,776	10,776		529,580	334,777	1,023
South Dakota	500	500		24,090	,000	14
Tennessee	11,994	5,140	6,854	154,018	103,712	696
Texas	14,051	8,852	5,199	236,887	141,356	879
Utah	5,956	4,371	1,595	31,598	20,932	81
Vermont	3,658	3,658		73,543	22,191	77
Virginia	13,036	13,036		248,663	213,928	715
Washington	12,874	12,874		902,416	773,313	2,133
West Virginia	9,050	9,050		201,977	193,329	481
Wisconsin	16,115	16,115		587,487	270,835	1,114
Wyoming [1]	1,808	41	1,767			18
Total	438,994	327,968	111,026	14,895,059	8,604,055	31,442

[1] Wyoming—Not yet in C–M2 program.

SCHOOL SALARIES IN THE DISTRICT OF COLUMBIA

Mr. MAYBANK. Mr. President, I should like to have the reporter tell us who objected to Calendar No. 618, H. R. 2437, and, if it is in order, I ask that bill be considered.

Mr. TAFT. Mr. President, I did not object to order No. 618, but I do object to considering the bill at this time.

Mr. MAYBANK. I am not asking for consideration; I am asking the reporter to read who objected.

The PRESIDING OFFICER. It would be necessary to find which reporter took it down.

Mr. MAYBANK. That is what I ask.

The PRESIDING OFFICER. We will not have time to do that now. We can have the request, and get it in the morning.

Mr. MAYBANK. Has there been a unanimous-consent agreement to recess at 11 o'clock? I heard no unanimous-consent agreement. I ask that the reporter bring the record in and read who objected to Order No. 618, House bill 2437. There has been no unanimous-consent agreement to my knowledge.

The PRESIDING OFFICER. The Senator from Illinois had the floor and yielded to the Senator from South Carolina.

Mr. MAYBANK. He did, but there has been no unanimous-consent agreement reached here tonight. There was no quorum call and no unanimous-consent agreement.

The PRESIDING OFFICER. There was no unanimous-consent agreement at all.

Mr. MAYBANK. Therefore, I shall object to any adjournment or recess.

Mr. LUCAS. Mr. President, the able Senator from South Carolina, if he did make the objection——

Mr. MAYBANK. I merely wish to know who objected.

Mr. LUCAS. Tomorrow, I am sure——

Mr. MAYBANK. No; not tomorrow; tonight, Mr. President. There has been no unanimous-consent agreement to recess or adjourn. If the Senator moves to adjourn——

The PRESIDING OFFICER. Does the Senator from South Carolina make a motion?

Mr. MAYBANK. I make a motion.

The PRESIDING OFFICER. To do what?

Mr. MAYBANK. That the RECORD be read as to who objected to Order of Business No. 618.

The PRESIDING OFFICER. Does the Senator want the Senate to wait until the reporter can go all over his notes to find that out?

Mr. MAYBANK. I would not suggest that the Senate wait——

The PRESIDING OFFICER. How can we obtain the information without our waiting here until the reporters can check it up?

Mr. MAYBANK. Because I have already obtained the information from the newspapers, so I suppose the information is very general. They know more out there than we do in here.

The PRESIDING OFFICER. Can the Senator furnish the basis of his information?

Mr. MAYBANK. I should like to ask the majority leader when he intends to have the calendar called again.

Mr. LUCAS. I intend to have it called again in about a week. I am sure the Senator from South Carolina can find out tomorrow what he wants to know.

Mr. WHERRY. Mr. President, will not the majority leader speak louder? I myself would like to know if he expects to go on with the calendar when we reconvene.

Mr. LUCAS. No, I expect to have the calendar called in about a week, and take it up where we left off tonight.

Mr. MAYBANK. I ask unanimous consent that the Senate return to Calendar No. 618, House bill 2437.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, there is no one in the Senate whom I would rather accommodate than the distinguished Senator from South Carolina, but I have made the statement that I shall object to returning to any bill prior to the bill last called. I think the distinguished Senator heard me. I do not want to be placed in an embarrassing position, and I would do anything the Senator would ask me, but I am going to be compelled to object to returning to any bill on the calendar prior to the point where we finished tonight.

Mr. MAYBANK. I appreciate what the distinguished minority leader has said, and I shall ask tomorrow that I may bring up the inquiry as to the objection.

Mr. WHERRY. That is all right.

Mr. LUCAS. The Senator has that privilege, and I shall be glad to cooperate with him.

LEGISLATIVE PROGRAM

Mr. MAGNUSON. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. MAGNUSON. I understand the Senator from Illinois has suggested that probably he would have the calendar called in a week or so. I hope opportunity will be found to call the calendar even before that, because there are one or two bills on the calendar, which I know of personally, in regard to which there is a very serious time limitation. One bill involves transportation to Alaskan ports, now without transportation, at the season of the year when they need it the most. I am expressing the desire that it may not be over a week before we can get to these bills, and other bills involving Alaskan public works.

Mr. LUCAS. I will say to the Senator from Washington that no doubt we will reach those bills at the next call of the calendar.

Mr. MAGNUSON. There are so many bills on the calendar—and I suppose there are other bills in a position similar

to that of those to which I have referred—that I was hoping that we might call the calendar more frequently between now and the end of the session than we have been doing during the preceding days.

Mr. McCARRAN. Mr. President, the Senator from Illinois gives indication that he is now about to move a recess. There were a number of bills which were passed over to go to the foot of the calendar. I wonder if it might be unanimously agreed that the bills which went to the foot of the calendar might be included in the calendar as it will next be called.

Mr. LUCAS. I have no objection to that. I think that should be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair would like to say to the Senator from Illinois that the Senate passed 44 bills tonight.

Mr. LUCAS. I thank the Chair for that information. I think Senators are to be commended for their labors tonight on the measures on the calendar, and I thank them all for their attention and industry. All the Senator from Illinois is trying to do is expedite the work of the Senate.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. PEPPER, from the Committee on Labor and Public Welfare:

S. 1741. A bill to extend the unemployment allowance benefits of the Servicemen's Readjustment Act of 1944 for a period of 2 years; with amendments (Rept. No. 791).

HOSPITAL SURVEY AND CONSTRUCTION—REPORT OF A COMMITTEE

Mr. HILL. Mr. President, from the Committee on Labor and Public Welfare, I ask unanimous consent to report favorably, with amendments, the bill, S. 614, to amend the Hospital Survey and Construction Act, title VI of the Public Health Service Act, to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes, and I submit a report—No. 790—thereon. I request that in the reprint of the bill that the names of the Senator from Utah [Mr. THOMAS], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from West Virginia [Mr. NEELY], the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Kentucky [Mr. WITHERS], the Senator from Vermont [Mr. AIKEN], the Senator from Oregon [Mr. MORSE], and the Senator from Missouri [Mr. DONNELL] be added as cosponsors of the bill.

The PRESIDING OFFICER (Mr. HOEY in the chair). Without objection, the report will be received, and the bill will be placed on the calendar, and the names of the Senators will be added as cosponsors of the bill, requested by the Senator from Alabama.

JOINT RESOLUTION INTRODUCED

Mr. CAIN introduced a joint resolution (S. J. Res. 121) to provide for a suitable and adequate system of access roads to and in the national forests, which was read twice by its title, and referred to the Committee on Agriculture and Forestry.

EXTENSION OF CERTAIN BENEFITS OF CIVIL SERVICE RETIREMENT ACT—AMENDMENT

Mr. JOHNSTON of South Carolina submitted an amendment intended to be proposed by him to the bill (H. R. 997) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55, which was ordered to lie on the table and to be printed.

ARMED SERVICES CAREER COMPENSATION BILL OF 1949—AMENDMENTS

Mr. JOHNSON of Colorado submitted amendments intended to be proposed by him to the bill (H. R. 5007) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes, which were ordered to lie on the table and to be printed.

RECESS

Mr. LUCAS. Mr. President, I know all Senators are tired now, after our long session, and I therefore move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 11 o'clock and 7 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, July 27, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 26 (legislative day of June 2), 1949:

DEPARTMENT OF AGRICULTURE

Knox T. Hutchinson, of Tennessee, to be Assistant Secretary of Agriculture.

IN THE COAST GUARD

The following officer of the United States Coast Guard Reserve to be commissioned in the United States Coast Guard:

To be lieutenant (junior grade)

Robert D. Fuller

CONFIRMATIONS

Executive nominations confirmed by the Senate July 26 (legislative day of June 2), 1949:

UNITED STATES ATTORNEY

Edward Burns Parker to be United States attorney for the middle district of Alabama.

UNITED STATES MARSHAL

Joseph P. Regan to be United States marshal for the district of Kansas.

WITHDRAWAL

Executive nomination withdrawn from the Senate July 26 (legislative day of June 2), 1949:

POSTMASTER

NEW YORK

Washington Irving Goldrich, Richfield Springs, N. Y.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 26, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. Jacob S. Payton, D. D., offered the following prayer:

O God, our helper, we recall with gratitude the invitation and promise, "Cast thy burden upon the Lord, and He shall sustain thee." From groundless fears and disturbing imaginations, deliver us, O Lord. Grant us freedom from suspicion and prejudice, from envy and malice, and from every other weight and sin that doth so easily beset us. Forbid, our Father, that we should ever lower any standard or forsake any conviction based upon Thy righteousness. What we cannot avoid with honor, may we face with courage. Sorrow and disappointment and such other unescapable ordeals of life may we endure in quiet patience, trusting in Thee. Grant to Members of this body all things necessary for serving Thee and their country acceptably this day. In Jesus' name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

PENSIONS FOR WIDOWS OF POLICEMEN AND FIREMEN OF THE DISTRICT OF COLUMBIA

Mr. DAVIS of Georgia. Mr. Speaker, I call up the conference report on the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the police department and the fire department of the District of Columbia, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. 1107)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, and 4, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted

by the Senate amendment insert the following:

"SEC. 2. The fifth paragraph of section 12 of the Act of September 1, 1916 (D. C. Code, 1940 edition, sec. 4–509), is amended to read as follows: 'The Commissioners of the District of Columbia are authorized to pay from the said policemen and firemen's relief fund, District of Columbia, a sum not exceeding $250 in any one case to defray the funeral expenses of any deceased member of the Police Department or the Fire Department of said District dying while in the service thereof.'"

And the Senate agree to the same.

JAMES C. DAVIS,
ARTHUR G. KLEIN,
J. GLENN BEALL,
Managers on the Part of the House.

LESTER C. HUNT,
OLIN D. JOHNSTON,
ANDREW F. SCHOEPPEL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Depart of the District of Columbia, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The Senate amendment No. 1 amended the fifth paragraph of section 12 of the act of September 1, 1916, by raising from $75 to $500 the amount the Commissioners of the District are authorized to pay from the policemen and firemen's relief fund to defray funeral expenses of a deceased member of the Police Department or Fire Department of the District dying in service, and by authorizing the Commissioners to pay $1,000 additional to the estate of any member of such departments whose death results directly from an accident or an injury incurred in line of duty. The amendment agreed to in conference raises from $75 to $250 the amount authorized to be paid to defray funeral expenses but does not authorize any additional payment in case of the death of any member of such departments.

Amendments NOS. 2, 3, and 4: These amendments are clerical. The House recedes.

JAMES C. DAVIS,
ARTHUR G. KLEIN,
J. GLENN BEALL,
Managers on the Part of the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman tell us what conference report this is?

Mr. DAVIS of Georgia. This is a conference report on the bill H. R. 2021, a bill to increase pension rates for widows of firemen and policemen in the District of Columbia. I thought the gentleman was thoroughly familiar with all the details.

Mr. MARTIN of Massachusetts. I wish to state that I did not know anything about the conference report being called up at this time.

The SPEAKER. Does the gentleman from Massachusetts desire that the matter be laid aside, so that he may confer with the gentleman?

Mr. MARTIN of Massachusetts. No, Mr. Speaker, but I do desire to state to the gentleman that it would facilitate the conduct of the business of the House if the leadership on this side would be informed when such matters are going to come up. Conditions here are so distressing at best that it would be most helpful if we knew what was coming up.

The SPEAKER. The Chair will endeavor to see that the distinguished gentleman from Massachusetts will be informed.

Mr. DAVIS of Georgia. May I say to the gentleman that I had no idea that he was not thoroughly familiar with this and thoroughly informed about it. It is not my policy to call anything up that the gentleman is not familiar with. This matter came up after I came in to the Chamber this morning. As a matter of fact, it was not taken up at my instigation. I thought everything had been cleared, and if there is any question concerning it, so far as I am concerned in the matter, I would like to withdraw it and hold it open.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL CIRCUIT AND DISTRICT JUDGES

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1124)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the President shall appoint, by and with the advice and consent of the Senate, three additional circuit judges for the District of Columbia circuit, one additional circuit judge for the third circuit, one additional circuit judge for the seventh circuit, and one additional circuit judge for the tenth circuit. Accordingly, title 28, United States Code, section 44 (a), is amended to read as follows with respect to said circuits:

"'Circuits	*Number of judges*
District of Columbia	Nine
* * * * *	
Third	Seven
* * * * *	
Seventh	Six
* * * * *	
Tenth	Five'

"SEC. 2. (a) The President shall appoint, by and with the advice and consent of the Senate, two additional district judges for the northern district of California; two additional district judges for the southern district of California, three additional district judges for the District of Columbia, one district judge for the northern and southern districts of Florida, one additional district judge for the northern district of Georgia, one additional district judge for the district of Kansas, one additional district judge for the district of New Jersey, four additional district judges for the southern district of New York, one additional district judge for the district of Oregon, two additional district judges for the eastern district of Pennsylvania, one additional district judge for the southern district of Texas, and the existing judgeship for the western district of Oklahoma created by section 2 (a) of the Act entitled 'An Act to provide for the appointment of additional district and circuit judges', approved May 24, 1940 (54 Stat. 219), and the existing judgeship for the northern district of Ohio created by the Act entitled 'An Act to provide for the appointment of one additional United States district judge for the northern district of Ohio', approved May 1, 1941 (55 Stat. 148), shall be permanent judgeships. Accordingly, title 28, United States Code, section 133, is amended to read as follows with respect to said districts:

"'Districts	*Judges*
* * * * *	
California	
Northern	7
Southern	10
* * * * *	
District of Columbia	15
* * * * *	
Florida	
* * * * *	
Northern and Southern	1
Georgia	
Northern	2
* * * * *	
Kansas	2
* * * * *	
New Jersey	6
* * * * *	
New York	
* * * * *	
Southern	16
* * * * *	
Ohio	
Northern	4
* * * * *	
Oklahoma	
* * * * *	
Western	2
* * * * *	
Oregon	3
* * * * *	
Pennsylvania	
Eastern	7
* * * * *	
Texas	
* * * * *	
Southern	8
* * * * *	

"(b) (1) Title 28, United States Code, section 134, is amended by adding at the end thereof the following new subsections:

"'(c) One of the district judges for the district of Kansas shall reside at Wichita; and in the event such judges disagree as to which of them shall reside at Wichita, the matter shall be determined by the Judicial Council of the Tenth Circuit.

"'(d) One of the district judges for the southern district of California shall reside in the city of San Diego.

"'(e) One of the district judges for the southern district of Texas shall reside within that portion of the district comprising Laredo, Brownsville and Corpus Christi divisions.'

"(2) The judge first appointed for the district of Kansas under the authority contained in subsection (a) shall reside at Wichita.

"(c) The President shall appoint, by and with the advice and consent of the Senate, one additional district judge for the western district of Pennsylvania: *Provided*, That the first vacancy occurring in the office of district judge in said district shall not be filled.

"(d) The President shall appoint, by and with the advice and consent of the Senate, one additional district judge for the southern district of Texas: *Provided*, That the first vacancy occurring in the office of district judge in said district shall not be filled.

"(e) The Act entitled 'An Act to provide for the appointment of one additional United States district judge for the northern district of Ohio', approved May 1, 1941 (55 Stat. 148), is hereby repealed and the incumbent of the judgeship created by such Act shall henceforth hold his position under title 28, United States Code, section 133, as amended by this Act.

"(f) Section 2 (a) of the Act entitled 'An Act to provide for the appointment of additional district and circuit judges', approved May 24, 1940 (54 Stat. 219), is amended by striking out 'western district of Oklahoma', and the incumbent of the judgeship created by said Act for the western district of Oklahoma shall henceforth hold his office under title 28, United States Code, section 133, as amended by this Act."

And the Senate agree to the same.

EMANUEL CELLER,
WILLIAM T. BYRNE,
THOMAS J. LANE,
Managers on the Part of the House.

PAT MCCARRAN,
BERT H. MILLER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate passed the House bill after amending it by striking out all after the enacting clause and inserting its own provisions. The Senate insisted on its amendment and requested a conference; the House disagreed to the Senate amendment and agreed to the conference.

The conference report recommends that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment, the amendment being to insert in lieu of the matter proposed to be inserted by the Senate amendment the matter agreed to by the conferees and the House agree thereto.

The following judgeships were contained both in the House bill and the Senate amendment in the same terms, and hence were not in conference: Five additional circuit judges, one for the seventh circuit, one for the tenth circuit, and three for the District of Columbia circuit. One additional district judge for the northern and southern districts of Florida. One additional district judge for the northern district of Georgia. One additional district judge for the district of New Jersey. Four additional district judges for the southern district of New York. One additional district judge for the district of Oregon. One additional temporary district judge for the western district of Pennsylvania.

THIRD CIRCUIT

The House bill provided for the appointment of an additional circuit judge for the third circuit with the proviso that the first vacancy occurring in the office of circuit judge for that circuit shall not be filled. The Senate amendment created an additional judgeship in that circuit without the limitation. The House receded and adopted the language of the Senate amendment.

NORTHERN DISTRICT OF CALIFORNIA

The House bill created one additional judgeship for the northern district of California. The Senate amendment created two additional judgeships for the northern district of California. The House receded and adopted the language of the Senate amendment.

SOUTHERN DISTRICT OF CALIFORNIA

The House bill provided for the appointment of one additional district judge for the southern district of California. The Senate amendment provided for two additional district judges for the southern district of California. The House receded and adopted the Senate amendment, providing two additional district judges there.

The House bill also provided that one of the district judges for the southern district of California shall reside in the city of San Diego. The Senate amendment also provided that one of the two district judges for the southern district of California first appointed under this act shall reside at San Diego, and that, in the event of disagreement as to which judge should reside there, the determination would be made by the Judicial Council of the Ninth Circuit. The Senate receded and adopted the language of the House bill concerning the residential requirement, namely that one of the district judges for that district shall reside in the city of San Diego.

DISTRICT OF THE DISTRICT OF COLUMBIA

The House bill provided for the appointment of two additional district judges for the district of the District of Columbia. The Senate amendment provides for three additional district judges for the district of the District of Columbia. The House receded and adopted the language of the Senate amendment, authorizing three additional district judges for that district.

The Senate amendment provided that each of the three additional district judges appointed for the District of Columbia under this act shall have been actively engaged in the private practice of law, and shall not have been regularly employed in the executive branch of the Government of the United States during a period of at least three consecutive years immediately prior to his appointment; and in the case of at least two of such judges such practice shall have been in the District of Columbia for a period of at least five consecutive years immediately prior to their respective appointments. The amendment also provided for exemption of active duty in the armed forces in the determination of eligibility under the above qualifications and also exemption was provided in the case of service as a judge of the Municipal Court or of the Municipal Court of Appeals for the District of Columbia or for the Juvenile Court of the District of Columbia. The House bill contained no such provisions concerning qualifications for appointment as a district judge in the District of Columbia. The Senate receded and the proposed qualifications for appointment are omitted.

DISTRICT OF KANSAS

The House bill provided for the appointment of one additional district judge for the district of Kansas. It also provided that one of the district judges for that district shall reside in the city of Wichita. The Senate amendment likewise provided for the appointment of one additional district judge for the district of Kansas and further provided that one of the district judges for the district of Kansas shall reside at Wichita; and in the event such judges disagree as to which one shall reside at Wichita, the matter shall be determined by the Judicial Council of the Tenth Circuit. The Senate amendment also provided that the judge first appointed for that district under the authorization of this act shall reside at Wichita. The House receded and adopted the language of the Senate amendment. The effect of that language is that the new judge appointed under the authorization of this act shall be the one designated to reside in the city of Wichita.

EASTERN AND WESTERN DISTRICTS OF MISSOURI

An additional district judge for the eastern and western districts of Missouri was authorized by the act of December 24, 1942 (56 Stat. 1083). This act contained a proviso that the first vacancy occurring in the office of district judge for the eastern and western districts of Missouri shall not be filled. The House bill proposed to repeal that proviso so that the incumbent of the judgeship created by said act would become a permanent judge. The Senate bill had no such proviso. The House receded and that part of the House bill is omitted.

NORTHERN DISTRICT OF OHIO

An additional district judge for the northern district of Ohio was authorized by the act of May 1, 1941 (55 Stat. 148). That act also provided that no appointment should be made to fill the first vacancy which should thereafter arise in that district. The Senate amendment proposed to repeal the limitation so that the incumbent judge henceforth would hold his position under title 28, United States Code, section 133. The House bill had no such provision. The House receded and agreed to the provision making the temporary judgeship a permanent one for the northern district of Ohio.

WESTERN DISTRICT OF OKLAHOMA

An additional district judge for the western district of Oklahoma was authorized by the act of May 24, 1940 (54 Stat. 219). Section 2 (a) of that act provided that no appointment should be made to fill the first vacancy which should arise thereafter in that district. The Senate amendment proposed to repeal the limitation, thus making the temporary judgeship a permanent one. The House bill contained no such provision. The House receded and adopted the Senate amendment.

EASTERN DISTRICT OF PENNSYLVANIA

The House bill provided for the appointment of two additional district judges for the eastern district of Pennsylvania with the provision that the second vacancy occurring in the office of district judge for that district shall not be filled. The Senate amendment provided for the appointment of two additional district judges for that district without the limitation. The House receded and adopted the language of the Senate amendment.

SOUTHERN DISTRICT OF TEXAS

The House bill provided for the appointment of one additional permanent district judge for the southern district of Texas and one additional temporary judge for that district. The House bill also contained the provision that one of the district judges for the southern district of Texas shall reside within that portion of the district comprising Laredo, Brownsville, and Corpus Christi divisions. The Senate amendment likewise provided for one additional permanent judge and one additional temporary judge for the southern district of Texas shall reside in the southern half of such district. The Senate receded and adopted the language of the House bill.

The House bill amended sections 44 (a) and 133, title 28, United States Code, by providing numerical designations for each of the judicial circuits and judicial districts respectively listed therein, in order to facilitate reference to the specific circuits and districts enumerated in those sections. The

Senate amendment contained no such provision. The House receded and the provision is omitted.

EMANUEL CELLER,
WILLIAM T. BYRNE,
THOMAS J. LANE,
Managers on the Part of the House.

The SPEAKER. The question is on agreeing to the conference report.

Mr. CELLER. Mr. Speaker, the gentleman from Alabama [Mr. HOBBS] has asked for 5 minutes. I yield 5 minutes to the gentleman from Alabama.

Mr. HOBBS. Mr. Speaker, I think the House may be interested in an article that appeared in a local newspaper yesterday with regard to a bill just filed to amend the Civil Service Retirement Act. The story indicates that one referee who had paid in only $7 might draw something like $150,000 in retirement pay.

I simply wish to call your attention, because of the general interest that has been manifested, to the fact that our referee's salary bill, which Congress so wisely passed, is saving the Government over a million dollars a year, every cent of which goes into the Treasury of the United States. I think there should not be any misapprehension on the part of any Member of the House that the referee's salary bill has caused this situation, which is very deplorable. But in the hearings and in justification of that bill, we found that there were some six referees in bankruptcy who, by virtue of the fee system which our bill abolished, were drawing over $100,000 a year in fees, whereas the judges who appointed them and created them and supervised their decisions were drawing $10,000. So the creature was getting 10 times as much as his creator. The wise provision which you made in cutting the number of referees substantially in half and putting a ceiling on salaries has accomplished what we predicted at the time we appeared before the Appropriations Subcommittee of the House, that it would be self-sustaining by 1951. It is already self-sustaining and paying a profit to the Treasury of the United States.

The fact that the civil-service retirement law needs amending in one particular is nothing to cause alarm. The new bill introduced by the chairman of the Post Office and Civil Service Committee is not subject to the Constitution's prohibition of ex post facto laws.

The ex post facto provision of the Constitution has been held repeatedly by the Supreme Court to apply only to criminal statutes (225 U. S. 227, 228 U. S. 585, 260 U. S. 647, 652; 264 U. S. 30, 34). I hope that this brief statement may help you answer some of your letters.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. FULTON. Can the gentleman tell me in regard to the western district of Pennsylvania whether the decision of the conferees is that the extra permanent judge that we badly need there will be added, or will a new appointment not be made upon the death or resignation of one of the present judges?

Mr. CELLER. The House bill provided for one temporary judge for the eastern district of Pennsylvania and one permanent judge; the Senate made it two permanent judges; the committee of conference made both permanent.

There was nothing in either the House bill or the Senate bill with reference to a permanent judge in the western district of Pennsylvania, but I may say to the gentleman from Pennsylvania that if there is any need for permanent judges in that western district we would be very happy to take care of the situation, and if the gentleman has any bills in that regard we would be very glad to consider them.

Mr. FULTON. There was a provision in the House bill, I had understood, for a temporary additional judge in the western district of Pennsylvania, but there would be no replacement when any current judge died or resigned. Do I understand that provision has been cut out in respect to the western district of Pennsylvania so that there is not even a temporary judge for that district in this bill?

Mr. CELLER. For the western district of Pennsylvania we create not a permanent but an additional temporary judgeship. The conferees agreed that an additional temporary judge should be appointed for the western district of Pennsylvania.

Mr. FULTON. So it is correct, then, that there will be an additional judge for western Pennsylvania.

Mr. CELLER. Yes.

Mr. FULTON. And that carries out what was in the original House bill.

Mr. CELLER. That is correct.

Mr. FULTON. But it is upon a temporary basis.

Mr. CELLER. That is correct.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. JACKSON of Washington asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Washington Star.

Mr. MILLER of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

Mr. RODINO (at the request of Mr. PATTEN) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. PATTEN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD and include two editorials that appeared in today's New York Times.

Mr. KENNEDY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. HOBBS asked and was given permission to revise and extend the remarks he previously made and include certain citations and to revise and extend the remarks he will make on the pending bill and include a decision of the Supreme Court in full.

Mr. YATES asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. HARE asked and was given permission to extend his remarks in the RECORD and include an article appearing in the New York Herald Tribune of July 25.

Mr. O'BRIEN of Michigan asked and was given permission to extend his remarks in the RECORD and include an excerpt from the Washington Evening Star.

Mr. BENTSEN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include certain material.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD.

Mr. MULTER asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and include extraneous matter.

SPECIAL ORDER GRANTED

Mr. PHILBIN asked and was given permission to address the House today for 10 minutes following disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include an editorial.

WITHDRAWAL OF H. R. 2364

Mr. ANGELL. Mr. Speaker, on February 7, 1949, a bill, H. R. 2364, was introduced under my name. I did not introduce the bill; I had no knowledge or information that it was being introduced; therefore, I ask unanimous consent that it be withdrawn.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

EXTENSION OF REMARKS

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an address by Mr. Carl Ricks notwithstanding that it exceeded two pages of the RECORD and, according to the Public Printer, cost $260 to print.

Mr. MASON asked and was given permission to extend his remarks in the

RECORD in two instances, in one to include an editorial.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD in four instances and include certain newspaper material.

Mr. KUNKEL asked and was given permission to extend his remarks in the RECORD and include an editorial from the Christian Science Monitor, also an excerpt from a radio speech he made.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in the RECORD and include a statement by Lloyd N. Cutler, of the Washington Home Rule Committee.

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD in three instances and include short newspaper articles.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the RECORD and include an article and an editorial.

Mr. TOLLEFSON asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. HOEVEN asked and was given permission to extend his remarks in the RECORD and include a statement by Mr. Carl Wilkin, made before the Committee on Agriculture.

Mr. VELDE asked and was given permission to extend his remarks in the RECORD and include an article entitled "Tribute to a Former Congressman."

Mr. WILLIAM L. PFEIFFER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. VORYS asked and was given permission to extend his remarks in the RECORD.

Mr. HUBER asked and was given permission to extend his remarks in the RECORD.

Mr. RAINS asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-six Members are present, not a quorum.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 142]

Allen, Ill.	Byrne, N. Y.	Coudert
Barden	Camp	Davenport
Bolton, Ohio	Case, S. Dak.	Eaton
Bosone	Chatham	Elston
Bulwinkle	Clevenger	Engle, Calif.
Burke	Cole, N. Y.	Fernandez
Gilmer	Mitchell	Stanley
Gossett	Murdock	Teague
Gwinn	Murphy	Thomas, N. J.
Harvey	Potter	Towe
Hays, Ark.	Powell	Underwood
Hoffman, Ill.	Redden	Vursell
Horan	Ribicoff	Wadsworth
Howell	Rivers	Walter
Jennings	Shafer	Whitaker
Kearney	Sheppard	White, Calif.
Kilburn	Sikes	Withrow
Lichtenwalter	Smathers	Worley
McGregor	Smith, Ohio	
Martin, Iowa	Staggers	

The SPEAKER. On this roll call 372 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONSTRUCTION OF RENTAL HOUSING IN AREAS ADJACENT TO ARMY, NAVY, MARINE CORPS, AND AIR FORCE INSTALLATIONS

Mr. SPENCE submitted a conference report and statement on the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report just filed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the gentleman from Kentucky explain briefly the changes that have been made?

Mr. SPENCE. Mr. Speaker, the provisions of the bill as passed by the House are retained in the conference report except for the House amendment which provided that the FHA Commissioner, under any exceptional cases when he found a necessity therefor, could increase the insurance from $8,100 to $9,000 thereby providing for larger-sized units with additional rooms. The Senate proposed an amendment that instead of the FHA Commissioner making this finding, the finding should be made by the Secretary of Defense and concurred in by the FHA Commissioner, or whoever he may designate for that purpose, and that it should only apply to detached units. The House conferees accepted this amendment which does not make any material change in the bill.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. I understand this is a conference report that has not yet been printed and is not available to Members of the House. I wonder what the rush is to get it acted upon before the Members are cognizant of what has been done.

Mr. SPENCE. There has been so little change made in the bill as passed the House that we did not think it necessary to have it lay over. I am stating all that was done in conference. There were only two minor changes made.

There was another change. The bill provided that utility services could be furnished in the interest of national defense. The amendment of the conference provided "or in the public interest" which permits the sale of these utility services to be made not only in the interest of national defense but in the public interest. I think this is very essential and in many instances it will permit public-utility services to be made available to those who otherwise would be unable to obtain them. Those were the only changes made. We did not think it was necessary for the information of the House to have the conference report printed, and so we have asked unanimous consent for its immediate consideration.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New York.

Mr. MARCANTONIO. I would like to inquire whether or not protection against discrimination and segregation in this kind of housing has been placed in this bill, and if any effort was made in conference to place it in the bill?

Mr. WOLCOTT. I might say to the gentleman that that was not a controversy. There was no antisegregation language contained in either the Senate or the House bill, so that matter was not in conference. Furthermore, there are no provisions in the bill with respect to segregation.

Mr. MARCANTONIO. Mr. Speaker, the bill was passed by the House by suspension of the rules. We were thus deprived of the opportunity to offer an antisegregation amendment, because under the suspension procedure amendments are not permitted. I am tired of witnessing the spectacle of this Congress placing the stamp of approval on segregation and discrimination with the expenditure of the taxpayers' funds, Negro and white. Therefore, as a protest, I object.

FEDERAL ANTI-POLL-TAX ACT

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 3199) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 3199, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentlewoman from New Jersey [Mrs. NORTON] had 37½ minutes remaining and the gentleman from Iowa [Mr. LECOMPTE] had 25 minutes remaining.

Mrs. NORTON. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. HARRISON].

Mr. HARRISON. Mr. Chairman, I ask unanimous consent that I may be permitted to yield to various Members part of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. LECOMPTE. Mr. Chairman, may I say at this time that I am also yielding

to the gentleman from Virginia [Mr. HARRISON] 15 minutes, and I ask unanimous consent that he may dispose of that time at his own discretion.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HARRISON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Chairman, the only reason that I rise at this time is simply because no member of the Subcommittee on Elections has been heard in reference to this matter. I understand it is ordinarily customary that they say something regarding their experience with the measure under consideration. However, there is little need to repeat here the authority which leaves no doubt as to its constitutionality. The constitutionality of this bill has become academic and emotion has taken its place. It is probably too much to ask that this question be approached with a very great degree of common sense sagacity.

References have been made to the approaches to this subject. Something was said yesterday about it being purely a political approach. I would like to add that with the political approach it may be interesting to observe that the approach is really emotional. We might as well consider it as such. It is approached on an emotional basis by what is commonly known as the masses sponsoring this type of legislation. I abhor, I really despise the word "masses." I think there is a difference between the opinion of the masses and the opinion of the majority. I am constrained to believe that if you talk to your average citizen, your business man or woman, you will find that they do not care very much whether or not we have the system of the poll tax in Texas, Virginia, Arkansas, or any of the other Southern States which now have that system.

My people do not care a great deal whether you have the FEPC in New York and we are not going to try to deny you that privilege if you want it. We are not going to help you to remove it. We are not going to help you impose it on other parts of the country, either.

I remember a story that was told me by a man that I knew very well in the State of California, Dr. Walter W. Dexter, former commissioner of education in that great State. I think he was a contemporary philosopher, although he did not call himself a philosopher at all. He told me this story one evening.

He said that his young son came in while he was reading. The boy was at the "why" age, 5 or 6 years old. He asked him, "Daddy, why this, and why that?" The father became rather exasperated. Finally he took a map of the world and tore it in many parts, and scattered it on the floor and said, "Son, you put it together, and when you come back with it all together I will answer all your questions."

Soon thereafter the son came back, and he had the map all pasted together, the various parts of the world in proper order. The father marveled that the son was able to do that, and he asked him how he did it. The boy said, "Well, daddy, you see, there is a picture of a man on the back of the map, and I put the man together, and when the man was right the world was right."

That is the philosophy that I believe is involved in all of these things—that when the individual is right we are pretty much going to be all right all over the country. I do not believe the individual citizen, talking of the majority still, but not of the masses, is in favor of imposing this thing which will do irreparable damage from the moral standpoint to those parts of the country which are so vitally affected by it.

Mr. Chairman, this measure is supported largely by the so-called liberal groups in this country. It becomes more and more difficult however to identify those groups or as to that matter, the meaning of this word "liberal." At one time liberalism meant greater freedom for the individual without interference on the part of the Government. Originally it meant that, just what it implies, liberty to the individual, while conservatism meant exercising Government influence upon the individual lives of our citizens. It no longer means that because it has been perverted and, again, it refers to the masses. I do not believe that the majority, the average person, wants to have this thing imposed upon us.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from California.

Mr. HOLIFIELD. I am somewhat confused about the gentleman's differentiation between the masses of the people and the majority of the people. Will the gentleman explain the difference?

Mr. BURLESON. That is the reason I mentioned the distinguished citizen from the gentleman's State of California, Dr. Dexter. It has been my observation that a few gentlemen purport to represent the masses but the real majority are those individuals who directly exercise their judgment upon particular issues to the extent that it becomes popular opinion.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HARRISON. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I am opposed to this bill because I think the subject matter is one exclusively for the States and not for the Federal Government. My own State of Georgia did the right thing in abolishing the poll tax several years ago. At one time a large number of the States required the payment of a poll tax as a requisite for voting and many of the States also had a requirement for the payment of a property tax. One by one these States repealed the property tax requirements and all but seven have repealed the poll tax.

The people of the respective States did this voluntarily. Whether or not it is right or wrong to require a poll tax in order to vote, I take the position that the matter is purely a question for the States themselves to decide.

The power to hold elections and determine the qualifications of a voter should never be delegated to the Federal Government. Why should some of the people of the Northern and Western States desire to impose their ideas of the qualifications of a voter on the States of the South? It is my understanding that the first poll-tax law in Georgia was passed prior to the War Between the States, and I have been informed that the poll tax in the State of South Carolina was passed during carpetbagger days when both the House and Senate were controlled by colored representatives.

When we invade the field of qualifications of voters and tell the people of the various States what they should or should not do about the payment of a poll tax, we are opening the way for Federal intervention and control of elections in every State, county, and militia district in our country. This is a dangerous precedent. Are there any lawyers on this floor who are familiar with the Constitution of the United States who will say that Congress has any right to regulate the qualifications of voters in any States?

Nobody wants dictatorship. This is something that our forefathers left entirely up to the States to settle, guaranteed by the Constitution. The philosophy of some of this question is that the 7 States now requiring the payment of a poll tax before voting have no right to require the other 41 States to collect a poll tax as a requisite for voting. By the same logic these 41 States have no right to force the handful of poll-tax States to do away with the poll tax as one of the qualifications for voting. If the people desire to abolish the poll tax, a constitutional amendment could be submitted to the people to decide for themselves whether or not the poll tax as a requisite for voting should be abandoned.

This bill, in my opinion, presents one of the most momentous questions that has been before Congress in years. If you claim that people are disfranchised on account of a poll tax, let me tell you again that there are other tests in the poll-tax States such as literacy and educational qualifications similar to those in many other States. You could with the same propriety advocate the repeal of the literacy test. As long as we have other limitations, the abolition of the poll tax will not enfranchise the now disqualified voters.

Some of the great reformers who are now proclaiming the loudest are machine ruled. The people of the States of New York, Illinois, Pennsylvania, and some of the other States have no right to complain about the purity of the ballot in the Southern States. I challenge you gentlemen from the large cities of the West and North to show me in what way your election laws are fairer than those of the Southern States.

Mr. HARRISON. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. WILLIS].

Mr. WILLIS. Mr. Chairman, I had intended in my own words this morning to express my deep convictions in opposition to the poll-tax bill. I have just received, however, an editorial appearing in the Donaldsonville Chief, a progressive newspaper serving a vast and populous area and a tolerant people in Louisiana, entitled "Racial Understanding." This

editorial expresses my views so aptly that I here quote excerpts from it.

We southerners are a bit tired of reading about ourselves—as ignorant, backward, discriminatory, lynchers, and other references that are far from complimentary.

We feel that most northern writers know as little about the South and its problems as we know about the North and its problems. What we'd like to do is extend an invitation to one of those birds to spend several months incognito in one of our southern communities—say Donaldsonville. He might be astounded to find the white man and the Negro living side by side in harmony and understanding. The Negro doing business with the white man and the white man doing business with the Negro—carpenters, druggists, bricklayers, plasterers, concrete men, paperhangers, doctors, school teachers, clothes-cleaning establishments—some of both races—earning a living based on service and not on color lines. He'll find probably more Negroes receiving old-age and other assistance than white people—a benevolent State providing security for the aged and helpless irrespective of race. He'll find no poll tax. He'll find the Negro happy and contented in his religious activities and social entertainment—his own churches, his own dance halls, his own schools, his own picture theater, his own baseball park—his own automobile, ad infinitum. He'll find a larger proportion of wage-earning Negroes owning their homes than white people. He'll find conditions getting better and better from month to month for both the Negro and the white.

True, he'll find some low standards of living, but such conditions won't be attributable to a person's race. He might even find out that the Negro considers the white man one of his best friends.

Southerners, white and Negro, let us not be misled by violent, radical, extreme leadership whether it comes from north, south, east, or west. Let us strive harder to intelligently solve our own problems, racial and otherwise. Let's tell our northern friends to solve their own problems and let us solve our own. Let's tell them we have the intelligence to do that without their radical ideas and suggestions.

Racial understanding is not difficult to achieve either today or tomorrow if we are tolerant and respectful to deserving people of all races.

(Mr. WILLIS asked and was given permission to revise and extend his remarks and include an excerpt from an editorial.)

Mr. HARRISON. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON. Mr. Chairman, the measure under consideration is one in which the public is very apt to lose sight of the true issues involved. My own constituents very clearly understand why I vote as I do. However, so that others concerned may know, I now repeat what I have said many times while campaigning for office and after being elected.

The issue involved is not a question of whether or not we should have a poll tax in the several States. It is whether or not the Congress shall dictate to the States their manner of conducting elections. What is done in this regard in Texas is, I believe, up to the people of Texas and it should not be the concern of citizens of any other State.

The Texas Legislature has just passed legislation to provide the people of the State with an opportunity to voice their opinion in the ballot box as to whether or not there should be a poll tax. This will place the issue where it should be, and certainly, I shall not by my vote take the privilege away from my people and turn it over to the House of Representatives.

Mr. HARRISON. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, this is the beginning of a drive—a communistic drive—to put over a program of legislation that will vitally affect every home in America.

If you can pass a law like this, then you can pass one to wipe out all the other election laws in every State in the Union.

It is very amusing to hear the chairman of the committee get up here and deliver a moral lecture to the people in the Southern States when we remember that that individual has probably been here as a result of the wishes of Boss Hague, of New Jersey, probably one of the most corrupt political leaders in America.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Just for a question.

Mrs. NORTON. Not for a question, but for a reply to what you just said.

Mr. RANKIN. No, I cannot yield for a reply.

Mrs. NORTON. Of course I knew you would not.

Mr. RANKIN. She can reply in her own time. I have only 5 minutes.

No, Mr. Chairman, if this bill is passed, the next bill is going to be an anti-lynching bill, which ought to be called a bill to encourage rape.

They have not the courage to put in there mob violence and race riots. If you had had the same law that you are trying to impose on other States in effect in Illinois the race rioting in Chicago would have cost untold millions of dollars.

Then you are going to come in with an FEPC bill, that bill that Stalin wrote in 1920. You are simply following the Communist line in attempting thus to harass the American people.

Then you are going to come in with, I presume, the Klein bill to wipe out segregation in the public schools of the District of Columbia, and throughout the South.

That would mean race riots and mob violence and probably the end of the public schools in some of the Southern States. We might all have to go to private schools. We have a condition down there that we have taken care of, and thank God we did not have to appeal to Boss Hague for help.

If we had, there is no telling what would have happened. We have the most peaceful relations between the races in the South that has ever been known, living together side by side in such great numbers.

I want to show you who is behind this bill. Why did they not print the hearings so you could read them and see who is behind it?

The first witness was Irving Brandt, a member of no organization. He probably never was in a State affected by this legislation.

The next one was Clark Foreman, that inglorious pink that we know so much about, who pretends to represent the Progressive Party in Washington.

The next one was Elmer Henderson, American Council on Human Rights, another Communist-front organization.

The next one was John W. Edelman, Textile Workers, CIO. What does he know about the States affected by this law? Why does he want to wave this red flag in our faces?

Yes, and he will be behind the FEPC bill which they could not pass by the votes of the people in a single state in this Union.

They tried it in California a few years ago, and it was defeated by a majority in every single individual county in the State.

They tried to ram it through the legislatures of Pennsylvania, Ohio, Minnesota, and Colorado during the last few months. We sent each individual member of the legislatures of those States a copy of a speech I made exposing the FEPC here in Washington and the one imposed on the people of New York, together with the regulations adopted in that State.

The result was that the measure was killed in every one of the four States mentioned.

These men who are attempting to harass the people of the South with this monstrosity do not represent the American people.

If the people from the States from which they come could make their voices heard, none of these Communistic measures would ever pass the Congress of the United States.

The next one was Tom Harris, counsel for the CIO. The CIO is Communist-infested, and everybody knows it who knows anything about its record.

The next one was George Bender, former Congressman from Ohio, who used to be continuously attempting to annoy the people of the Southern States.

The next one was the gentleman from New York, EMANUEL CELLER. Goodness. He ought to have his former law partner Judge Kauffman down here to help him. He does not know any more about the condition in those States than the man in the moon, and he does not care.

Another one is the gentleman from New York, Congressman ISIDORE DOLLINGER. Why is he sticking his nose into this proposition? He is not interested in the people of the Southern States and knows nothing about their conditions.

The next one is Robert J. Silberstein, executive secretary of the National Lawyers Guild—another Communist front.

Another one was Leslie Perry, pretending to represent the National Association for the Advancement of the Colored People.

That organization is doing the Negroes infinite harm throughout the country by just such tactics.

The next one was Charles E. Sands, representing the Hotel and Restaurant Employees and the Bartenders International Union. Just what interest the International Bartenders have in stirring up this trouble with the people of the Southern States is more than I can understand.

The next witness was Moss A. Plunkett, pretending to represent the ADA—Americans for Democratic Action—another Communist front.

This is a sample of the testimony taken by the committee, which it has not had printed for the benefit of the House, and upon which it bases this vicious measure.

I appeal to you Members who have the welfare of your country at heart to help us defeat this measure and turn back this tide of fanaticism that has already wrecked practically every country in Europe.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DAVENPORT].

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. DAVENPORT. I yield.

Mr. MARCANTONIO. May I quote the Bible to the gentleman from Mississippi. First Corinthians, fourteenth chapter, eighth verse:

> For if the trumpet give an uncertain sound, who shall prepare himself to the battle?

Mr. DAVENPORT. Mr. Chairman, I have heard strange things in my experience in business and in politics, but I am telling you the speech I just listened to was one of the strangest things I ever heard. Imagine a Member of this House getting up here and accusing the great CIO of being Communist. For the gentleman's information, the very great president of the CIO, Philip Murray, is a devout Catholic, and an outspoken foe of communism. And then the statement by the same gentleman that the FEPC law was written by Joe Stalin. Simply fantastic. I confess I am getting a little tired of listening to the unadulterated balderdash, and I intend to make a point of challenging misleading assertions like this from now on.

I would like to ask the gentleman from Mississippi what percentage of the population voted in his congressional district. I have the figure right here. In 1946 only 2.1 percent of the people in that gentleman's district voted.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DAVENPORT. No; I have too much to say. I have been waiting 20 years to say what I have got to say. I want the men and women in the Press Gallery to take it down carefully because this is a message I have been anxious to make on the floor of the House for a long time. Stay on the floor, John.

Mr. RANKIN. Mr. Chairman, a point of order. He cannot call me by my given name.

Mr. DAVENPORT. Mr. Chairman, one of the wisest, one of the soberest, and most realistic of our statesmen, Henry L. Stimson, told the American people 3 years ago that the biggest job we had to do was to make freedom a reality in the postwar world.

It seems to me a sorry indictment of our highly vaunted democracy that we have to stand here on the floor of this House in the citadel of democracy 160 years after the adoption of the Constitution and debate whether or not suffrage should be granted to the people in the seven poll-tax States in our Union.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DAVENPORT. I am not going to yield to the gentleman from Mississippi. Wait until I get through; I am not through with the gentleman yet.

Mr. Chairman, the proposal of many Representatives and Senators to relegate the poll-tax issue to the States is merely a ruse, a trick, by which they hope to perpetuate the poll tax.

Senator Danaher, of Connecticut—

I am quoting from an article that appeared in the Chicago Sun several years ago—

> has stripped away the mantle of constitutionality in which the poll taxers love to wrap themselves. He stole the show at the final Senate committee hearing on the anti-poll-tax bill by calmly suggesting that it might be a good idea, since the Constitution has been so rapturously invoked, to enforce the fourteenth amendment.
>
> The constitutionality of the anti-poll-tax bill has been upheld by many high authorities. To make it an issue is a stalling maneuver and nothing more. While the poll taxers stall, however, the fourteenth amendment can be reread with profit. It provides that when any State abridges the right to vote (as eight Southern States do, by means of the poll tax) its congressional representation shall be reduced accordingly. Strict enforcement of this amendment demands that Congress cut down the number of Representatives elected by each poll-tax State.
>
> In the 1942 election, Tennessee sent 10 Representatives to Congress and Arkansas 7 by vote of only 5 percent of their population. In Texas 4 percent of the people elected 21 Congressmen. Virginia elected 9 by a vote of 3 percent. Alabama, Georgia, and Mississippi together elected 26 Congressmen, but only 2 percent of their population voted. In South Carolina, 1 percent of the people elected 6 Representatives.
>
> To this minority rule which makes mock of democracy the poll-tax politicians desperately cling. If they block the anti-poll-tax bill at this session, why should they not pay the constitutional price—a reduction of their influence in the Federal Government?

You better reread that fourteenth amendment and look to your seats in Congress, because the people are sick and tired of taking it on the chin from these filibusterers who try to obstruct every decent piece of legislation which reaches the floor of this House and also the Senate.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DAVENPORT. The poll tax——

Mr. RANKIN. I want to congratulate the gentleman on the ignorance he has developed——

Mr. DAVENPORT. Is an issue of free elections.

Mrs. NORTON. Mr. Chairman, I demand the regular order.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DAVENPORT. There has been a great deal of talk that the anti-poll-tax bill would be outside interference in the affairs of the southern part of this great Nation. This is a hollow charge. Many distinguished southern gentlemen and ladies have worked valiantly to abolish this un-American legislation. A great southerner, Herbert Agar, once said:

> The result of the poll tax is to keep the poor from voting, or to keep the Negroes from voting, or both. If you keep the poor from voting, you make a joke of Jefferson. If you keep the Negroes from voting, you make a joke of Lincoln. If you do both of these things at the same time, you make a joke of the American ideal.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mrs. NORTON. Mr. Chairman, I yield three additional minutes to the gentleman from Pennsylvania.

Mr. DAVENPORT. Mr. Chairman, this issue is not one of States' rights or outside interference; it is whether a narrow group of bigoted men will continue to control the political destiny of their States by restricting the suffrage of those who support them. The issue is whether each American has equal protection of the law. No State has the right to deny to any American the right to vote because he is poor or because of his race. These are individual rights guaranteed to all Americans under our Constitution. That great statesman, George W. Norris, with whom the very able Congressman from Mississippi worked so many years—and I wish only that he were as enlightened in racial relations and the FEPC as he is in his great work on public power. He has a great deal to learn about the FEPC.

But to get back to the late Senator George W. Norris—he had this to say about the sham of the bigoted to continue the poll tax:

> We believe there is no doubt that the prerequisite of the payment of a poll tax in order to entitle a citizen to vote has nothing whatsoever to do with the qualifications of the voter, and that this method of disfranchising citizens is merely an artificial attempt to use the language of the Constitution, giving the State power to set up qualifications, by using other artificial means and methods which in fact have no relation whatever to qualifications.

Without free elections there cannot be a free America, and yet you hear these same loquacious and very eloquent gentlemen when any piece of good progressive legislation reaches the floor of the House cry "socialism. Down the road to statism." Where were they on the housing bill? Where were they on repeal of the Taft-Hartley law? But when an agricultural bill comes up for consideration they do not cry "socialism."

Let us consider the State of Virginia. Virginia is not the Virginia of the 400,000 who vote. Virginia is the 2,700,000 people. Tennessee is a State of over 3,000,000, out of which only 500,000 voted in the last election. South Carolina of 2,000,000 people and only 125,000 voted.

Now allow me to give you some very interesting figures. Kentucky which is a non-poll-tax State has a population of 2,845,000. The turn-out of votes in the last Presidential election was 825,000; whereas in the poll-tax State of Tennessee with a population of 2,900,000 only 550,000 went to the polls. The State of Iowa with 400,000 fewer people than Tennessee, 1,050,000 citizens exercised their franchise.

Mrs. NORTON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. DAVENPORT. Mr. Chairman, these poll-tax Representatives and Senators by their filibustering have overridden the constitutional rights of not only the 10,000,000 who are deprived of voting in the Southern States, or seven of them, but of the 140,000,000 people of this country who want decent housing, the people who went out and voted for us to come down here and repeal the Taft-Hartley law and to bring about a decent minimum wage and to provide housing for the veterans.

The poll tax is a central issue. It is no small issue today. It is one of the most important issues facing the people of this country. A Federal law to abolish the poll tax is a clear necessity and a national obligation. Any man who says he believes in democracy and supports the poll tax simply does not know any better or he is not telling the truth. The America that Jefferson and Jackson dreamed of and fought for, the America that Roosevelt envisioned and the America that Harry Truman is valiantly fighting to achieve is impossible of achievement as long as we have seven States which have the poll tax preventing people from suffrage. The people want more housing. Then let us smash the poll tax and get rid of the filibusterers. The people want minimum-wage laws. They voted to repeal the Taft-Hartley law. They went to the polls because they wanted a broadened social security. The people want lower prices, they want full employment and in order to get these things we must get rid of the poll tax and end the power of the filibustering obstructionists who thwart justice, foster intolerance, and hold back progress.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. LECOMPTE. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. GRANT].

Mr. GRANT. Mr. Chairman, they have dragged it out of moth balls and shoveled it in here again—that old perennial which during recent years has been flung at each Congress and bears the dubious tag of "a bill making unlawful the requirement for the payment of a poll tax a prerequisite to voting, and so forth." Why not tag it for what it is: "A bill to disregard the Constitution and to meddle in the orderly processes of the American people." That is it—violative of the Constitution and meddlesome in the proper affairs of sovereign States.

I am not a constitutional lawyer but history records a few attacks on the principle of a State's right to set the qualifications of its electors, in those long years before it became popular with some to proclaim snidewise, "The Constitution? Tut tut." And such rare anti-poll-tax attacks as were aimed at the Constitution in those happy American days were never enacted but were denounced in the Congress for what they were—un-American and undemocratic, and long overdue in the ash can.

When anyone who believes in constitutional government suggests that the only legal and constitutional way to abolish the poll tax is by amending the Constitution the proponents of the present legislation are quick to charge that this is being done only to further delay the matter. Granting, for the sake of argument that this be true, nevertheless it does not change the matter at all. Orderly processes of government are necessarily time-consuming. "Make haste slowly" is still good advice in enacting legislation.

The report filed by the committee states:

> Years have passed with no elimination of the poll tax in those States where it exists by constitutional mandate. At best, the amendment of State constitutions is a slow and uncertain process.

Here we have a report from a committee of this House completely ignoring the basic principle of this legislation and telling this body that in order to expedite it we should tear the Constitution to pieces. Does this sacred document mean little, or nothing—in that we should so blithely propose to disregard it—to bypass it?

Why not accept the Constitution at face value? There is no mistaking its meaning and intent with regard to the States having the right to fix the qualifications of its electors. Why must we use the valuable time of this House as a political sounding board for those who would destroy by disregarding the basic law of the land?

Much prattle is heard of the right to vote. Why is it necessarily a right? Why isn't it rather a privilege, granted and refereed by the States, under rules set by those States within the framework of their own constitutions and that of the United States. But those whose mission is to meddle and confuse clamor stridently of the right to vote. I would say to this House that many of those clamoring critters are far more interested in clamoring than in voting and would probably be downright sad and largely unappreciative if this bill became enacted and their mission ended. Just about the most unhappy person is the reformer whose mission has been unfortunately accomplished and whose bleeding heart must needs find another cause for which to bleed and sweat and sweat and bleed, more and more and copiously more. Oh, the fakery of it all. But it has a vote value. So it must be nurtured and worked, because it produces.

There are some few who conscientiously feel that this is the thing to do. They, of course, have a right to their opinion. The irony of the product of some boss-controlled city machine lecturing the South on the evils of poll tax. Might I suggest that they first sweat around their own doorstep and cast the beam out of their own eye before they cast the mote out of their brother's eye.

These brazen schemes to trap votes usually fail even to win the favor of these voters, who know in their souls that those who engineer such shameful plans would not give three whoops in a hen house for them or their interests beyond the point where they can use these voters and their votes for their own selfish purposes. It smacks of political whoop-de-do—but political whoop-de-do de luxe. They win when they lose.

Several years ago in discussing poll-tax legislation, I made the statement that I did not consider anything about the poll tax as being sacred. The all-important thing was that the sovereign State of Alabama levied such a tax and just as long as she did I would do everything within my power here in Congress to protect her in that right. I am not here to defend the poll tax as such. However, it is not half as bad as some who are unfamiliar with it would lead this House to believe. My State has abolished the poll tax insofar as veterans of all wars are concerned. As anyone knows, this now constitutes a large number of the electorate in any State. Then, too, for years many of the nonveterans who are physically handicapped have not paid the poll tax.

The proponents of this legislation cite statistics in an effort to show that the percentage of the inhabitants voting in the South is lower than other sections of the country and they invariably use the general election figures, while, as a matter of fact, a much smaller percentage of the electorate vote in the general election than in the primaries. Many of those who criticize our election laws come from States where they have no primaries and the party nominees are nominated by conventions. In my own State we believe in democracy. One cannot be nominated in a primary even if he receives a plurality of the votes. It is mandatory that he receive a majority, and it is therefore often necessary when one has several opponents that there be a run-off or second primary.

For years I have closely followed this legislation, and I have never heard any of its proponents admit on this floor that if it should be enacted they would then proceed to at least attempt to set up qualifications for voting.

Yet, when this legislation was before this House several years ago I happened to overhear two of its proponents in the Speaker's lobby agree that they would endeavor to put national registration into effect as soon as an anti-poll-tax law was enacted. One of them said he already had a registration bill ready. There is no end to their scheming. Just let one of these civil disturbance bills become enacted, and then others—Federal registration of voters, FEPC, anti-lynching, and others even more diabolical will surely follow.

And what will such registration qualifications be? And what will they be in 10 or 20 years? What would follow the taking of this step to deny the States and to clothe the Federal Government with the power to fix voting qualifications? This is not just words and language, my friends. Think it over.

The people of this Nation are a generous people. They have permitted themselves to be heavily taxed in order to assist more unfortunate people throughout the world. Through lend lease, UNRRA, the Marshall plan, and it now appears through various other plans, including

one to rearm Europe, they have done vastly more than their rightful share in trying to get a war-weary and yet a war-threatened world safely back in the walks of peace and prosperity.

I had been led to believe that this assistance was being granted largely to defeat communism. Now we learn from the committee handling this legislation that all of this effort, this sacrifice, this trial and travail has been in vain—that although the taxpayers of this Nation have had an almost unbearable debt placed upon them and upon unborn generations, all this has failed because a few of the States of this great Nation many years ago enacted poll-tax laws. Such ridiculous argument.

Ah, yes, we must repeal the poll tax by Federal fiat, and in defiance of the Constitution in order to get the peoples around the world to accept our cash.

Certainly communism had to be a part of the picture, but if I know anything about this legislation it is that the Communists and all their fellow travelers—from the rowdy red to the purling pinko—are for this legislation.

That majority report, fiction filled and fact hungry, must be the product of a ghost writer. The report states:

> The fact of racial and economic discrimination—
>
> Neither of which is a fact—
>
> in our election laws fills the anti-Democratic press.

I suppose he means the Russian press, and it hurts me all over when I think of poor Steve Russki sitting cold and news hungry on the steps of his little home on the Steppes waiting for his afternoon paper just to read of nothing but the poll tax. That is what the writer said, the anti-Democratic press was "filled" with that sort of stuff—nothing else but that. Thatsky is sho'ly not fairsky to Stevesky, I submitsky.

Whenever this little perennial anti-poll-tax smelly doux comes into this Chamber the malodorous odors of hypocrisy and of sham, of political humbuggery, and of utter faithlessness have their day. They are happy days for those who would strike at the South on this or any pretext. So, for them "Happy days are here again." There is no mistaking who they are—you will be seeing them flying high, wide, and loathesome.

Mr. Chairman, it is ridiculous to waste the time of this body with this bill, stirring up strife as in its flagrant bidding for votes. I am opposed to it in all its parts. I feel this House might well use its valuable time to far better advantage. There is much worth-while legislation pending. If those who are pushing this civil disturbance program really want to help mankind, why do not they get behind such fine legislation as that for cancer, heart disease, and multiple sclerosis research, hospital expansion and improvement, assistance for education, and other worthy and highly desirable proposals?

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. RANKIN. Mr. Chairman, reserving the right to object, and I shall not object, I want to congratulate the gentleman from Pennsylvania [Mr. DAVENPORT] on putting in 20 years to accumulate so much ignorance.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. LECOMPTE. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, again Congress in the final stretch looking toward adjournment is plagued by the civil-rights fight. This House today takes up for consideration the anti-poll-tax bill. The House of Representatives has taken this bill up for consideration before, and it has passed it to the Senate, where it has been killed. I daresay that nothing which is said or done here today will affect the final vote of the Members of this body. In this issue the mind has been made up in advance.

I want to say, however, that I am not in favor of the poll tax as a requirement for voting in the several States. My native State of Louisiana many years ago abolished this tax as a prerequisite for voting. It became the law of Louisiana before I came to Congress, and I helped in the effort to make it the law of Louisiana. My record speaks for itself.

In spite of this fact, I am against this bill. I do not believe that the United States should interfere in the activities of the several States in this respect. Elections, under our Constitution, are peculiarly the province of the several States, and the requirements for voting in various States should remain under the control of the States and subject to the supervision of the States. I would encourage the several States, whether they be northern or southern, to pass laws repealing the poll tax. I would aid the voters, as an individual, but I will surely not support this measure which seeks to take away more of the authority which in the past has been reserved to the States.

Mr. Chairman, I express fear over the constant encroachment of the Federal Government into the realm of government reserved to the several States. There are those, I know, who would sell their birthright for a mess of pottage. There are those, I know, who would destroy the delicate balance between the powers of the State and Federal Government. Already, this Federal Government has moved far into the field of those rights which our forefathers intended the States should retain. If the trend continues, it will eventually destroy the type of Government which was created in 1776 by our Declaration of Independence and our Constitution, which was subsequently adopted. And this result would be tragic beyond our present-day comprehension.

Mr. LECOMPTE. Mr. Chairman, I yield such time as he may desire to the gentleman from South Carolina [Mr. SIMS].

Mr. SIMS. Mr. Chairman, I would like to speak very briefly to the liberal Members of the House—to the Members who recently voted for the Pace farm bill, who have opposed sales tax legislation, who have favored extending rent control, who have favored public housing, to the Members who favor the repeal of Taft-Hartley and want a higher minimum wage, and to the Members who voted for a change in the rules in the first days of this session.

I, like you, am opposed to a poll-tax restriction as a prerequisite to voting. I, like you, would like to see all poll-tax requirements wiped from the statute books and the constitutions of all of the great States of these United States.

I am not opposed to a strong central government. I think that a strong central government is needed to deal with big business and with big labor. I think that a strong central government is necessary to our national defense. I also believe that it is very often necessary for our National Government to go into fields of legislation where the State governments are not, or cannot, provide for the basic needs of its people. By basic needs I mean food, clothing, housing, education, and health.

I am certainly not one of those Congressmen who votes for a measure simply because it is labeled a States' rights bill. There is nothing sacred about States' rights. States' rights are simply a means of attaining and preserving human rights. And according to my way of thinking, civil rights legislation, like States' rights legislation, is simply a means toward attaining and preserving human rights. There is nothing sacred about civil rights legislation. In determining whether States' rights legislation, or civil rights legislation, is good legislation, we must determine whether the legislation will accomplish more good than evil in attaining and preserving human rights. I like to think of a liberal as a person, more interested in people than property, who attempts to meet the needs of his people without being hamstrung by technicalities, or a slave to a phrase.

Now let us analyze this anti-poll-tax bill, a civil-rights bill, to determine whether this measure, if enacted into law, would work for more or less, human rights.

I am not too familiar with the poll-tax law of each of the seven States. Let us concentrate on one State, the State I know best, my home State, South Carolina. The distinguished gentlewoman from New Jersey stated on yesterday that in the seven poll-tax States, and this includes South Carolina, "the representatives are not elected by the people, they are elected by a certain group who have the wherewithal to pay the necessary poll tax."

The fact that the distinguished gentlewoman from New Jersey believes that there are people in South Carolina who are restricted from voting because of the poll tax indicated how mislead are many people all over the United States. Undoubtedly the distinguished gentlewoman is a great deal more familiar with the anti-poll-tax laws than are the majority of the American people—more familiar with the anti-poll-tax laws than a majority of the members of this body.

Yes, the gentlewoman from New Jersey is still under the impression that

there are people from South Carolina who are restricted from voting because of the poll tax.

The poll tax in South Carolina is $1. It is not cumulative. The only persons subject to the law are male citizens between the ages of 21 and 60. If the law were enacted to prevent Negroes from voting, does it not sound reasonable that the poll tax would be applicable to women as well as men. As a matter of fact, the poll tax in South Carolina can be traced back to the constitution of 1790, that unless the citizen owned fifty acres of land or a town lot he must "hath paid a tax the preceding year of three shillings sterling toward the support of this government" in order to vote for a member of the legislature.

In the present South Carolina constitution, there is a provision which requires the poll tax. The poll tax in South Carolina has never been repealed simply because the poll tax does not apply to the democratic primary which since the adoption of our constitution has been our election. There is no contest in our general elections. Our political battles are fought out in the primaries. The Federal court has declared our primaries to be our elections. In other words, no one in South Carolina has had to pay a poll tax in over 50 years to vote for a Member of Congress in the real elections.

In the most recent congressional races in South Carolina, Negroes and whites alike voted without paying one penny as a poll tax. But the advocates of this anti-poll-tax bill would have you believe that there are 10,000,000 in seven Southern States who will be given an opportunity to vote by this bill. I say to you that not one of these 10,000,000 people is from South Carolina.

The author of this bill, the gentlewoman from New Jersey, stated further on yesterday that in 1946 representatives were elected in poll-tax States upon the vote of less than 10 percent of the potential voters, in some instances upon the vote of as little as 1 percent. While this statement is true, it is misleading. Again it should be pointed out that the election in most of the poll-tax States is in the primary not the general election, but the statistics apply to the general elections.

I mention these two misleading statements in the testimony of the author of the bill to show first that very few people understand the poll tax laws in the seven States, much less the problems that exist in these States. I also mention them to point out that the good to be accomplished by this bill is greatly exaggerated.

In turning to the evil which results from the consideration of a bill such as this, let me point out that the rise of the Ku Klux Klan in the South is a direct result of President Truman's endorsement of the report of his civil rights committee. In endorsing the report of this Committee on Civil Rights, the President has done more to destroy liberalism in the South than any single man in America. The passage of civil rights measures by this body can only succeed in scalping liberal southerners or driving them into the conservative fold.

I am not one to say that education alone will solve the race problem in the South. I believe that we need education and legislation—but not civil-rights legislation. If you are sincere in your desire to enfranchise the Negroes and poor whites in the South, I urge you to support legislation which will help those on the bottom rungs of the economic ladder. Extend social security, raise the minimum wage, repeal Taft-Hartley, pass a bill providing Federal aid to education, continue the fight for the Brannan farm plan.

Economic independence is necessary to political independence. Let us get first things first.

Mr. LECOMPTE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, this is just one of the voices of moderation speaking, but I think that we should listen for a minute to some of the basic reasons to pass the bill before us.

Before the gentleman from Mississippi leaves, I would like to say that I agree with the southerners on a number of things, but not on this issue. It has always been an amazement to me why some of the southern Members do not join with some of the northerners and put in a resolution that would take off this cannon and armament on the military statuary on the Mall of the Capitol, just in front of Chief Justice Marshall's statue. This is the armed memorial of bloodshed and distress of the War Between the States, which faces Virginia and the South. Why do we not go through Washington and take off the armament of a lot of these statues of these old gentlemen generals, voices that are long since gone and forgotten, and put up construction and well-designed structures to mark our real pioneers of progress, such as Secretary Marshall, for the Marshall plan, and others.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. While the gentleman is on the subject of Chief Justice Marshall, I would like to give him a little quotation from him.

Mr. FULTON. I would be glad to hear it.

Mr. WILLIAMS. He said that—

No political dreamer was ever wild enough to think of breaking down the lines that separate the States or of compounding the American people into one common mass.

Mr. FULTON. On yesterday the gentleman from Mississippi [Mr. WHITTEN] whom I respect very highly, spoke of the fact that after the War Between the States there were certain carpetbaggers went from the North, and other gentlemen that we did not even like up North here and that you people liked even less, and certain things occurred within an illiterate electorate that caused you people great trouble and bloodshed. My reply to such comments is that the time is fast coming when the Negroes and people who are illiterate are being educated, and there can be a legitimate reason for differences among various sections as to the amount of this progress. You people with your background say that the time has not yet come when you can feel safe in your approval. I am one of those people that feels that legitimately there can be an honest difference of opinion on this matter. But, I would like to point out to you some of the things that I would disagree with the gentleman on.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Did the gentleman ever see the pictures on the walls of the Capitol of Mississippi, of the legislatures of the years in the late sixties and early seventies, and does the gentleman know anything about the black record?

Mr. FULTON. That is past history.

Mr. WHITE of Idaho. That is what governs our sentiments today.

Mr. FULTON. May I quote what my good friend the gentleman from Mississippi [Mr. WHITTEN] said on July 25, at page 10119 of the RECORD:

In 1890, when it—

The poll tax—

was first adopted, you people do not realize the poverty you had left in Mississippi. We had nothing which we could tax. Much of the property had been destroyed or gone into the hands of the scalawags and carpetbaggers who had come down there and ravaged our land, taking away our wealth. We had to pass a poll tax, and every other type of tax, in order to raise the revenue to run that government.

And, I am one of those who will help you remedy that situation by using the great resources of this Nation to develop Mississippi, as well as Pennsylvania.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Mississippi.

Mr. RANKIN. Of course, the carpetbaggers were a menace, but one of the greatest menaces the South ever had were the scalawags that are now being turned loose on us again.

Mr. FULTON. Would the gentleman define scalawags for us?

Mr. RANKIN. Yes. A scalawag is a local individual who joins in trying to undermine and destroy the people he lives among. That is about as good a definition as I can give you.

Mr. FULTON. May I ask the gentleman from Mississippi a question?

Mr. RANKIN. Yes.

Mr. FULTON. A democracy, of course, is ruled by the majority. It is the election of representatives elected by the majority who can speak. Now, if that is the definition of democracy as distinguished from totalitarianism that bases its representation on a mere 5 percent—for example, the Communists—is it not better then, even though you may disagree with the majority, to get as broad a representation of the intelligent voters as you can?

Mr. RANKIN. I would like to answer that, since so much of this misinformation is coming out of Pennsylvania.

A while ago another man from Pennsylvania, who put in 20 years getting misinformed——

Mr. FULTON. I happen to be a Republican, and I spent only a few serious hours on my preparation instead of the 20 years claimed by the Democratic gentleman from Pennsylvania.

Mr. RANKIN. He said only 2 percent of the people in my district voted.

Mr. FULTON. Is that correct?

Mr. RANKIN. The truth of the business is that we settle our differences in the primary. If the gentleman would go down there he would vote in our primary.

Mr. FULTON. As a Republican?

Mr. RANKIN. With a little reform the gentleman might get nominated and elected. But when the general election comes around there is no contest, and very few people go to the polls. Why put that stuff in the RECORD and misrepresent the conditions down there when, as a matter of fact, the gentleman who made that statement has never offered anything that would improve them? He said only 2 percent of the people in my district voted last year when as a matter of fact 24,820 out of 44,478 qualified voters cast their ballots in the primary.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HARRISON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. GOSSETT].

Mr. GOSSETT. Mr. Chairman, this bill has been dragged up in Congress almost every term during the last five terms, to my certain knowledge. The first one of these bills that I recall was offered by Mr. VITO MARCANTONIO. The bill is conceived in sin and brought forth in iniquity. It is supported by every Pink and every Red organization in the land.

The bill has two primary vices, which I believe you must admit are fundamental. In the first place, this bill is an attack upon State sovereignty and State's rights. It is an attempt to meddle with the local affairs of the people of various States. On that ground alone it is objectionable.

However, the second ground of objection is an even more serious one. It goes much deeper than poll taxes or antipoll taxes or registration acts. Whether the poll tax is good, bad, or indifferent, if one is to eliminate poll taxes he ought to eliminate them in a legal and constitutional manner.

I submit to you that any lawyer who has sense enough to acquire a license to practice law and who knows anything about the Constitution will admit readily that this bill is unconstitutional. One of the clearest provisions written into the Constitution was that the matter of franchise, the question of who votes, was to be a matter of local, State responsibility. The men who wrote the Federalist papers, who secured the ratification of the Constitution, made that very clear. The courts have uniformly upheld such construction.

It is no laughing matter when this Congress, for political purposes only, tramples ruthlessly and knowingly upon the Constitution. The Constitution is a sacred document, not perfect it is true, but still the bulwark of our liberties. When it does not conform to the needs of the times and the philosophy of the day it ought to be changed in a legal and in a constitutional manner. You proponents of this anti-poll-tax legislation, the demogogues, if you please, in both parties, who seek to make a whipping boy out of a few Southern States, if you want to punish us legally, if you want to spit in our faces or slap us, do it in a constitutional manner, but do not trample on the Constitution in doing it.

Effect this change if you must through a constitutional amendment. Now, demagoguery is tolerated by the best of men on occasion, but when it becomes a habit, it becomes an abominable and unpardonable crime. If persistently practiced it will destroy this Republic. We have had a lot of humor about this thing, but it is not funny. It is an unconstitutional, illegal, procedure which brings disrespect upon organized society and upon constitutional government.

I wish I had the time to lecture my friends, the Republicans, just a little bit. It seems to me that they can do more stupid things politically than any other organization in the land. Why you gentlemen of the Republican Party will come in here time and again and help the administration pull its chestnuts out of the fire in these matters is more than I can understand.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. HOFFMAN of Michigan. It has been something like 20 years since we won a presidential election I must admit but the gentleman must also admit that we did win one congressional election in our last nine attempts. So, do not be so hard on us. Some of us are still trying.

Mr. GOSSETT. Well, you are frittering away whatever opportunity you may have to come back into power.

When you pander after the left-wing votes, the so-called liberal votes in the Democratic Party, you are making fools of yourselves and doing your country a disservice.

Do you think you are going to get any support from the people to whom this anti-poll-tax legislation appeals? No, you are not. Why do you come in and insult your friends and help your enemies in supporting these so-called civil rights programs? We know they were written into the platforms of both parties, not on the basis of principle, but on the basis of appeals to prejudice and ignorance which is a disservice to those people you pretend you are serving. When you arouse racial antagonism and prejudice by appealing to the Negro on the basis that he is persecuted in the South you are doing him a great disservice. The passage of this bill is a cheap, a mean, a little act unworthy of the Congress of the United States.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentlewoman from Connecticut [Mrs. WOODHOUSE].

Mrs. WOODHOUSE. Mr. Chairman, a bill similar to the one before us, H. R. 3199 making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, has passed this body on four occasions: October 1942, 265 to 84; May 1943, 265 to 110; June 1945, 251 to 105; July 1947, 290 to 112; in each case by a substantial majority and a bipartisan vote.

The Senate Judiciary Committee has reported out the bill favorably in each recent Congress but it has not come to a vote in that body.

In the debates in the House and in the hearings before the Committee on House Administration the opponents of the bill have placed practically all their emphasis upon the question of the constitutionality of the pending measure.

Each one of us in this body has taken an oath to uphold the Constitution of the United States and no one of us would knowingly vote for a measure which was unconstitutional. But in this case there is no agreement. Excellent arguments are made on both sides. A few members in this body are distinguished constitutional lawyers, but most of us can only read what is said on both sides, vote as we feel is right and leave the question of constitutionality, of which there is such a definite cleavage between competent and distinguished lawyers, to the one body which has the legal competence to make a decision on the constitutionality of any act of Congress—the Supreme Court of the United States.

After going over the debates and the hearings I feel there is ample evidence on the side of those who argue that the Congress has the power to pass such legislation as the bill pending and that so far as the constitutional question goes, there is no impediment to voting for it. On social and moral grounds, the evidence in favor of the bill is overwhelming and too generally known to be repeated here.

As to the constitutional issue, the Attorney General in a statement on H. R. 3199, June 15, 1949, wrote:

> It is my firm conviction that the proposed legislation is socially and morally desirable and that it is within the authority conferred upon Congress by the Constitution.

Arguments against the constitutionality of an anti-poll-tax measure claim that the right to vote for Members of Congress is derived from the State. The Supreme Court has made it clear that the right to vote for Members of Congress is a right derived from the Constitution and is subject only to those State limitations which may be prescribed within the framework of the Constitution.

I am not a lawyer and will not presume to quote cases, but discussions by lawyers of cases from *Ex parte Yarborough* (110 U. S. 651) 1884 to *U. S.* v. *Classic* (313 U. S. 299) 1941 convince me that Congress has the power to legislate on the poll tax as a requisite for voting for national office. True, as opponents point out, the statements of the Chief Justice in the Classic case were not directly on the issue yet they do

show very clearly the thinking of a great jurist on the matter before us.

Much of the discussion turns on the meaning of the term "qualification." As I see it, the poll tax is not a qualification for voting, but an unreasonable interference by the State with the right of citizens to vote in national elections. True the tax is small, but if the States have the right to impose a tax of $2 what would hinder them from imposing a higher tax? Today, even though the tax is small, it imposes a burdensome inconvenience on some citizens because of the early date of payment months before the election, for example in January for a November election. For other citizens, with very small incomes, the tax is a financial burden they cannot assume, especially where it is cumulative.

Congress has dealt with the poll tax in the Soldiers Vote Act which abolished the poll tax as a prerequisite to voting in Federal elections by members of the armed forces. Also the Federal Corrupt Practices Act of 1925 might will be considered a precedent for the Congress to legislate to remove obstacles to the proper and free exercise of the constitutional right to vote.

It is argued that only a constitutional amendment would suffice. The fifteenth and nineteenth amendments are not a precedent. They were passed to remove the traditional barriers of race, color, previous condition of servitude, and of sex. The poll-tax requirements now in force are of recent date: Mississippi, 1890; Tennessee, 1890; South Carolina, 1895; Alabama, 1901; Virginia, 1901; Texas, 1903; Arkansas, 1908. There is no question of removal of a long-established, historically recognized practice.

The question is: Does the poll tax produce consequences which in effect impede the proper exercise of the constitutionally guaranteed right to vote? That is a factual question for the Congress to decide.

The States do not have authority to impose any and all types of conditions upon the exercise of the right of American citizens to vote for Federal officers merely by terming such conditions "qualifications" of electors.

Definitely the poll tax is not a qualification in the sense that age requirement, citizenship, residence, or literacy are. Age requirement is necessary because mature judgment is called for. A citizen has the undivided allegiance to our country which is essential. Residence assures interest. Literacy is required for understanding of the matters of government. All these are reasonable qualifications to assure competency in the voter.

A means test, and the poll tax is, in a real sense, such does not fall in this same category. The poll tax restricts the number of voters. Today our best efforts are directed to increasing the number of citizens who participate in elections. The poll tax has definitely reduced the number.

Today the United States is viewed by all peoples as the field upon which democracy will or will not prove itself. We have not hesitated to insist upon free elections in various European countries. We cannot do less than that at home.

Both parties have pledged themselves to the removal of the poll-tax requirement for voting. There is no question of the desire of the majority of people in the country to see it removed.

The question of constitutionality could be argued here endlessly. One could quote this or that article, section, and clause of the Constitution, but to no end. The Constitution must be viewed as a whole, as a living thing. It has been interpreted by the Supreme Court, notably as to the commerce clause, to meet the changing times. One reason why our great experiment in a continental wide democracy has succeeded so magnificently is that we have had flexibility in our basic laws.

We do not have the authority here to decide the constitutional issue. We do have the assurance of competent authority that Congress does have the power to act. We do have overwhelming evidence of the social and moral issues involved which call for the passage of this anti-poll-tax measure. In view of the entire situation the failure of Congress to pass the bill would be in a real sense tragic in view of our position as the leading democracy in the world. It is my hope that it will pass by an overwhelming majority.

Mr. WILLIS. Mr. Chairman, will the gentlewoman yield?

Mrs. WOODHOUSE. I yield.

Mr. WILLIS. Does not the lady think it is rather hypocritical to shed crocodile tears over a $2 poll tax and then bleed the people to death with income taxes and excise taxes and every other kind of tax from the cradle to the grave?

Mrs. WOODHOUSE. No. It is entirely different. One is a revenue tax and the other is a restrictive tax. The poll tax is not a revenue tax. It is a restrictive tax.

The CHAIRMAN. The time of the gentlewoman from Connecticut [Mrs. WOODHOUSE] has expired.

Mr. HARRISON. Mr. Chairman, I yield such time as he may desire to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I wish there were opportunity to answer the gentlewoman who has just spoken. I have heretofore opposed this legislation. I am still convinced that the same arguments I have offered heretofore are sound today on the fundamental principle.

I ask unanimous consent to extend my remarks at this point, Mr. Chairman.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HARRIS. Mr. Chairman, the traditional poll-tax issue attempting to rape the Constitution is again thrust upon the House of Representatives and the Congress of the United States.

This, I believe, is the fifth time during my 9 years of service in this House that this issue has raised its surreptitious head. I have opposed it consistently as in violation of our Constitution and a definite encroachment upon the rights of the States who were delegated the constitutional authority to provide for elections on a local level.

This, no doubt, will be the fifth time during my service in Congress that this House will pass the so-called anti-poll-tax bill. This will, no doubt, be the fifth time in my humble opinion that political repercussions prevail over the greatest document in the history of any government.

It matters little, I suppose, what we may say on this fundamental principle but I am glad to join my other colleagues in making the record for future generations to consider as we violently oppose this unwarranted attempt of the Federal Government in an effort to gain control of and dominate the ballots of a free people. I assume and certainly hope that the Senate will again by reasons of its rules and the indomitable will and determination of a great many Members of that body refuse to pass and concur in such consorted action.

I have given to this House on numerous occasions my reasons in opposition which I feel are sound and fundamental. Even though my own party and the President has insisted on this measure as one of the civil-rights proposals, my position and attitude are unchanged. I believe the same arguments are yet unanswered and regardless of whose President or what party is in power the same fundamental principles should prevail and the Constitution protect.

Seven States maintain poll-tax requirement as a qualification for voting: Virginia, South Carolina, Alabama, Tennessee, Mississippi, Arkansas, and Texas. To be sure the fact that the other 41 States do not require a poll tax as a qualification for voting is indicative of a trend and it is apparent to me, therefore, that this is a political issue and I maintain we cannot violate the provisions of the Constitution for political purposes without inevitable harmful results.

Whether it be 7 States or 27, I again repeat, Mr. Chairman, that the only approach to this problem can be through encouragement of the States, who still maintain the poll-tax provisions to adjust their laws in accordance with the trend throughout the Nation or by an amendment to the Constitution of the United States in the regular procedure way.

I do not defend the poll tax as such as a qualification for voting but I do defend the principle that it is fundamental that the Federal Government cannot without amending its Constitution encroach upon this established right of the States to provide for elections.

Furthermore, let us see, Mr. Chairman, what progress is being made. It is true that during these years the progress has been slow but what are the facts. The State of Texas, we are told, will hold a referendum and the people will vote to amend their constitution this fall. It is predicted that it will be repealed outright. South Carolina is prepared and will likewise hold a referendum and so will Tennessee in their November election. In my own State of Arkansas a referendum program is also under way in an effort to submit this question to the people at the next regular election in 1950. Therefore, four States of the seven are taking positive action and it would, it seems to me, Mr. Chairman, behoove this Congress to encourage these

States instead of trying by this unorthodox method of forcing Federal control.

I take issue with the committee report when it says that it "finds that many millions of American citizens are being denied the most basic of all their political rights—the right to help choose their own elected officials—by this arbitrary and unreasonable poll-tax restriction."

While, as I have said, I do not defend the poll tax as such, I do contend that any person who is a good citizen should be willing to pay $1 for the support of his schools to participate in a national election. They do it by the hundreds of thousands and as was said on this floor yesterday, the greatest disfranchisement is by the individual on his own initiative. Thousands upon thousands fail to go to the polls and vote in these poll-tax States, when they are registered and have their poll tax just as thousands upon thousands in other States have by registration qualified failed to go vote when election day comes. It is absurd, Mr. Chairman, and ridiculous that such an argument would be presented to this House and the country.

I agree with the statement that the approach to this legislation based upon emotion and confusion, political consideration has concealed in it the legal weapon that could destroy our system of government and the local supervision of elections.

It is the entering wedge to federalize our entire political procedure and to change by such action our political philosophy.

I warn again, Mr. Chairman, that we had better stop and think and be a little bit more careful about changing the fundamentals of our government by this procedure or the day will come when those who propose this restraint by this method will plead for the shackles to be lifted from their brow and the yoke from their necks in their desire for real political freedom. This legislation should not and will not prevail by the action of the Congress of the United States.

Mr. HARRISON. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Chairman, as a member of the committee signing the minority report on this legislation, and being very much opposed to it, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. WHEELER. Mr. Chairman, I have already expressed myself twice on the legislation before the House since Friday of last week, but there are some points of opposition to the measure I would like to emphasize.

A sorry tune has been played here for the last 2 days on the ill-spent emotions of the misguided proponents of this measure. Emotion has reached a deafening crescendo in pleading for the suffrage of certain minority groups in this country when the fact of the matter is that if the poll tax operated in such a way as to take the ballot from a member of a minority race it would, by the same token, operate in such way as to take it from members of the majority race. A further fact which should be noted is that members of the minority races have voted in large numbers in the States where the poll tax is levied as a prerequisite for voting.

The gentleman from Pennsylvania [Mr. DAVENPORT] has made much of the fact that less than 2 percent of the population voted in the general election last November in the State of Mississippi. A slightly larger percentage of the population voted in the same election in my State of Georgia where we do not have a poll tax, which would indicate that the poll tax had very little to do with the number of people voting in the general election. If the gentleman cared to present the true picture of the situation he would ascertain the reason for the small vote in the general election in the Southern States. Upon inquiry he would find that the real contest is decided in the primary and that the Democratic nominee rarely has opposition in the general election. An example of this situation can be found in my own district where almost 25 percent of the population voted in the primary but very few of my people bothered to go to the polls on general election day. Even fewer of them would have gone had there not have been a Presidential election at stake.

With regard to the various references that have been made on this floor to the opponents of this measure as being bigots I would like to say that there can be no worse display of conceited bigotry than has been displayed by the proponents who would impose their will on other people who have local problems and who have not invited any outside interference with their affairs.

Mr. HARRISON. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I listened with great amusement as well as amazement yesterday to the remarks of the distinguished gentlewoman from New Jersey as she outlined to the people of the South the way we should run our affairs. The tears that she shed over the plight of our allegedly underprivileged Negroes were touching indeed. Her thoughtfulness in advising us of our shortcomings is, I am sure, genuinely appreciated by every Member who has the privilege of representing one of the poll-tax States. This is particularly true, in view of the fact that we who have lived in these States all of our lives did not know that these conditions existed until we were told about it by the gentlewoman from New Jersey.

Recognizing her as an authority on the affairs of the South, perhaps we would be better off if we would pattern our politics after the Hague machine, so ably represented here, or the Pendergast machine which produced the most vociferous advocate of the strangulation of States' rights.

Since she has taken the liberty of quoting a professor in a northern college on this subject, indicating that he is a Mississippian, I would like to read from an editorial appearing in a Negro newspaper, written by a New Jersey Negro editor of the Newark (N. J.) Negro Telegram:

> New Jersey today boasts of more civil-rights legislation than any other State in the Union, and the State government practices more discrimination than Virginia, North Carolina, South Carolina, or Georgia. New Jersey employs one Negro in the motor-vehicle department. All of the States above mentioned employ plenty.
>
> No matter what a Negro wants to do, he can do it in the South. In Spartanburg, S. C., Ernest Collins, a young Negro, operates a large funeral home, a taxicab business, a filling station, grocery store, has several busses, runs a large farm and night club.
>
> Collins couldn't do all that in New Jersey or New York. The only bus line operated by Negroes is in the South. The Safe Bus Co. in Winston-Salem, owns and operates over a hundred. If a Negro in New Jersey or New York had the money and obtained a franchise to operate a line he would not only be turned down, but he would be lucky if he didn't get a bullet in the back.

So, Mr. Chairman, while the gentlewoman from New Jersey is curing all of the ills of the South, I hope she will save a little of the medicine for her own State of New Jersey.

Each and every one of us took an oath at the beginning of this Congress "to support and defend the Constitution of the United States against all enemies, both foreign and domestic." Each and every one of us knows that there is no constitutional basis for the legislation here presented to us, and that the only way such legislation could become law consistent with the provisions of the Constitution would be through a constitutional amendment. Are you afraid to let this legislation be passed upon by the people?

Abraham Lincoln said that:

> No man who has sworn to support the Constitution of the United States can conscientiously vote for what he understands to be an unconstitutional measure, no matter how expedient he may think it.

And George Washington, in his first inaugural address, which is read to the House every year in its entirety, said:

> If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates.

And he went further, to say:

> But let there be no usurpation—

Are you afraid to let the people pass on this legislation in the way the Constitution designates—or will you allow the constitutional powers granted the States to be usurped?

Who is behind this legislation? Where is the demand from those people in the South for whom the gentlewoman from New Jersey laments? The record of the hearings before her committee on this legislation shows that no one appeared in behalf of this legislation except those from States unaffected by this legislation, representatives of Communist-front organizations, CIO labor bosses, and northern pressure groups.

Mrs. NORTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, in the filibuster conducted in this Chamber yesterday, at the large cost to the taxpayers of one congressional day wasted in a gesture of futility, was furnished the best evidence of why this bill should be passed by an overwhelming majority.

Under the rules of the House, as we all know, to get a roll call it is necessary that one-fifth of the Members present on the floor at the time join in the demand for the roll call by standing on their feet. Yesterday we were forced into eight roll calls on trivial pretexts, such as approval of the Journal, and the number of Members standing ran from 40 to 50. How many voters did they represent? Let me give you the figures.

Because of a vicious poll-tax system that strikes at the very heart of democracy and representative government, only 197,084 votes were cast in November of 1948 in the nine congressional districts of Alabama. In one district in Cook County in Illinois 192,720 votes were cast, only approximately 5,000 less than were cast in the nine districts of Alabama. In the election that resulted in my coming to Washington a total of 181,333 voters participated.

In 1948 a total of 140,654 votes were cast in the six congressional districts in South Carolina. The smallest vote cast in any one congressional district in Cook County, Ill., in 1948 was 147,393, or approximately 5,000 more than were cast in all six congressional districts of South Carolina.

In the State of Mississippi a total of 152,537 votes were cast in the elections of 1948 in the districts of that State which sent to this body seven representatives, including my distinguished colleague from the First District, the Honorable JOHN E. RANKIN, who received all of the 16,800 votes cast in the election.

Approximately 29,000 more votes were cast in my own Illinois district alone than in all seven districts in Mississippi. Judged by the number permitted to vote, and who did vote, I am the representative in this Congress of 11 good citizens of Chicago to every 1 in Mississippi represented by the distinguished Judge RANKIN. Let me pick at random a list of 11 of my constituents in the second district of Illinois:

The Honorable Paul H. Douglas, junior Senator from the State of Illinois; Emily Taft Douglas, former Congresswoman at large from the State of Illinois; Robert M. Hutchins, chancelor of the University of Chicago; John Prendergast, commissioner of police of the city of Chicago; the Honorable Barnet Hodes, for 12 years corporation counsel of the city of Chicago; Prof. J. Fred Rippy, one of the greatest scholars in the United States in the field of Latin-American history; Charles E. Merriam, dean of the political science faculties of American universities; his son, Robert E. Merriam, alderman of the city of Chicago, writer, and World War II hero; the Honorable John P. McGorty, beloved by everyone in Chicago and with a record of a long, brilliant career as a jurist in our courts; Herold C. Hunt, general superintendent of the public school system of Chicago the highest paid executive in the public school field and esteemed as without peer in that domain; Dr. Maude Sly, internationally renowned for her service in cancer research.

Yes, Mr. Chairman, those 11 constituents of mine add up to just 1 good Mississippian down there in the first district of my distinguished colleague, Judge RANKIN, and all because of a poll tax that makes a joke of our talk of representative government.

Senator DOUGLAS is a voice of power and an influence of tremendous import in the upper branch of the Congress, but as my constituent, and as a voter in a congressional election, and because of this vicious poll tax, he rates just one-eleventh of a Mississippian down in Judge RANKIN's district.

Representation in the House of Representatives based upon the number of people represented. What a travesty upon words when the device of the poll tax is used to make one voting constituent in Mississippi, or any other State, equal 11 voting constituents in Illinois.

In the State of Arkansas, where slightly more citizens of the United States are permitted to exercise the right of franchise, the vote in seven congressional districts was only 251,032. Approximately the same vote that was cast in one district in California, the Twentieth, 251,102.

Here then are 29 votes which, by the measure of the voters permitted to participate in their elections, are the equivalent of only four Members from Northern and Western States who were forced into that orgy of filibustering by 40 to 50 of our colleagues fighting valiantly but hopelessly for a lost cause. I say, Mr. Speaker, a lost cause because this is a democracy of representative government, and we Members who represent constituencies in which all citizens are permitted to participate in government intend once and for all time to settle this issue and to see that the right to vote is accorded to all law-abiding citizens everywhere in the United States of America.

The total vote in the elections of 1948 cast in the 7 States where the poll tax stands as a barrier to free government and the rights of the people, regardless of how they worship their God, their color, or their financial condition, the total vote in these 7 States was 2,695,293, or 1,200,000 less than were cast in my State of Illinois.

Yet, those 7 Southern States have 69 votes in the House of Representatives of the Congress of the United States, 69 votes compared with only 26 votes from Illinois, the 26 votes that represent over 1,200,000 more voters than the 7 poll-tax States combined. It is not representative government when because of the device of the poll tax a representative in this body from a district where there is no poll tax is compelled to join with six or seven or even eight of his northern, western, or eastern colleagues to offset the lone vote of one representative from Mississippi, or from some other poll-tax State.

I think, Mr. Chairman, that the filibuster of yesterday served the good purpose of proving the worth-whileness of this bill, the enactment of which at long last will make this the Government of, for and by the people, and will end the shameful chapter in our history as again written in this Eighty-first Congress when so many of the righteous demands of the American people have been crushed by a small minority, a very small minority measured by the number of voters who participated in their election.

Mr. HARRISON. Mr. Chairman, I yield the balance of my time to the gentleman from Alabama [Mr. HOBBS].

Mr. YATES. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. HOBBS. I yield.

Mr. YATES. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, I am strongly and unequivocally in favor of this bill. The right to vote is an inalienable right of every American citizen no matter what his race, color, or creed, and since the earliest days of our Republic, vigorous political crusades have been fought to achieve universal adult suffrage. Let us not fail now.

It is well for us to hold up to the rest of the world that here in the United States every qualified citizen has a right to vote. But in practice is it true? We know that it is not. There are discrepancies between our ideals and our practices, and in the final analysis we will be judged by what we do and not by what we say. Access to a polling booth is slammed shut in the face of many citizens merely because of their race. Various methods have been used to effect this disenfranchisement of Negroes. Just as quickly as one legal device became unconstitutional, new methods have been devised to take its place. All such methods should be barred.

The poll-tax bill which we are considering is one such method. Not only does the poll tax limit Negro suffrage, it also limits white suffrage as well. Placing the payment of a fee between the voter and the ballot box is distinctly not in keeping with the essence of democracy which we are so strenuously and continuously trying to spread around the world.

Every qualified citizen in the United States should have an opportunity to seek office and to influence the conduct of government on an equal plane with other American citizens. As the first step in this direction, the poll tax must go, and I am therefore happy to lend my support to this legislation which would eliminate this antidemocratic practice.

I should like to call to the attention of those who oppose this bill, the following statement by Abraham Lincoln:

> Those who deny freedom to others deserve it not themselves and, under the rule of a just God, cannot long retain it.

Mr. HOBBS. Mr. Chairman, I want to have a little fun with the gentleman from Pennsylvania [Mr. DAVENPORT]. He says he worked 20 years to fire this one shot. He began his peroration with these words: "Take the State of Virginia." That is it. That is the sum total of his speech and his amassed wisdom. After taking Virginia he went on down through the other six States. "Take it." That is the purpose, that is the essence, that is the bill, and he said it all. "Take it." That is the real underlying and sole purpose of the pending bill: "Take that State," and take every other State and every other right they have. Everybody within the sound of my voice knows that is the truth. He inadvertently told it.

He says that any of us from a poll-tax State who says anything against this bill either does not know any better or else is not telling the truth. You know, that threat does not bother me at all. I have always been willing to confess my ignorance. The only kind of lies I fear are the ones that they can prove on me. They have been trying 16 years to prove me in some lie on this bill and they have never caught me yet. This is the fifth floor fight. There is no way to catch me lying on this bill. I have such a good case there is not the slightest need even to think of stretching the truth.

I want to do what the others will not do or do not do. I want to begin by reading you a part of the Constitution. Article I, section 1. That is beginning at the beginning.

> All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

That is your vesting of power. The legislative powers are limited to those powers "herein granted." Show me anything in that Constitution that grants us any power to deal with the fixing of the qualifications of voters, and I will eat my hat and buy you a new one. It is not there, and you know it is not there; yet you are sworn to uphold and defend the Constitution of the United States.

The gracious lady from Connecticut [Mrs. WOODHOUSE] says that she is satisfied that we want to vote in accordance with our oaths. I am sure she does and a great many of you do. But if you will show me where your authority rises in that Constitution, either by express words or by implication, as I said a minute ago, I will eat my hat and buy you a new one. You cannot do it. It is not there.

"Leave it to the Supreme Court," she says. I accept the challenge. I made a little talk here Friday in which I cited 14 decisions of the Supreme Court out of the 28 that have been delivered on other points of that general question, and 14 of them, point blank, hold that the right to regulate suffrage and elections is in the States, and that it is a "qualification" that they are authorized to fix, and not a restriction or condition. I quoted from such recognized authorities on the Constitution as Brightly, Story, McCrary, and Cooley:

> Among the absolute, unqualified rights of the States is that of regulating the elective franchise; it is the foundation of State authority; the most important political function exercised by the people in their sovereign capacity.
>
> The history of the country shows that there is no foundation in fact for the view that the right of suffrage is one of the privileges or immunities of citizens.
>
> Participation in the elective franchise is a privilege rather than a right.

Now, I want, in just a minute that I have left, to read to you at length a dissenting opinion. I have asked permission in the House to extend it in my remarks, so you may have the opportunity to read it; but, I will dare you to read it, because any of you who are for this bill and read the dissenting opinion of Mr. Justice Douglas in the Classic case that you cite so frequently, will be convinced of the error of your way. It is an unanswerable argument in favor of the amendment and the only amendment I am going to offer to this bill. It is to eliminate the effect of the provision making the bill apply to primaries. You may not read that great dissent by Mr. Justice Douglas, concurred in by Justices Black and Murphy, nor be familiar with the Guadwell case in which Mr. Justice Oliver Wendell Holmes and Chief Justice Hughes joined.

Dare you read it? I beg and challenge you!

Mrs. NORTON. Mr. Chairman, I yield the balance of my time to the gentleman from New York [Mr. MARCANTONIO], a member of the committee.

Mr. MARCANTONIO. Mr. Chairman, the gentleman from Alabama, Judge HOBBS, has issued a challenge, and I am sure that we all like him so much that we do not want to give him indigestion by forcing him to eat his own hat. The fact that he is relying on a dissenting opinion is by itself a confession of weakness.

The gentleman from Alabama, of course, makes no mention of the majority opinion in the Classic case, and if I may be so bold as to remind the gentleman from Alabama of the principle upon which that decision was based, I would like to point out to him that in the Classic case it was held beyond any doubt by the majority opinion, rendered by Chief Justice Stone, that the election of a Member of the House and a Member of the Senate and of the presidential electors is a Federal function. It is not a State function; it is a Federal function. Why is it a Federal function? Because it is grounded in the Constitution, and the Constitution sets it forth as a function; that is, the election of the Members of this Congress and the election of the President of the United States is a function of the Government—not of the State government, but a function of the Federal Government.

Mr. HOBBS. Mr. Chairman, will the gentleman yield since he has mentioned my name?

Mr. MARCANTONIO. After I have completed my statement on this point, then I shall be pleased to yield to the gentleman.

Now then, if the States have the power to impose a tax on that election, then they are arrogating the power to impose a tax on a Federal function. Certainly there is not a Member in this House who contends that a State may impose a tax on a Federal function. Nobody can contend that. Since we all agree that no State may tax a Federal function—because if the States had that power they could destroy the Federal Government, then certainly no States, particularly these poll-tax States, have the right to impose a tax on this Federal function—the election of Members of the House, the Senate, and of presidential electors. Now, I yield to the gentleman.

Mr. HOBBS. I simply want to say that I have no quarrel with the majority opinion in the Classic case, nor has any one ever dissented from it except on this one point.

Mr. MARCANTONIO. On the question of primaries. May I say to the gentleman that since the Classic case we have had the Texas white primary case, *Smith* v. *Allwright* (321 U. S. 649), and certainly in that case the Court went right into the State of Texas and outlawed the Texas white primary law. Why? Because those white primary provisions are a restriction on the elective franchise. The Court went into the State of Texas and declared the white primary laws illegal. It said that this law was a restriction on the elective franchise. The Court in that case did deal with the primaries.

The poll tax as a prerequisite to voting in either a primary or general election is a restriction; it is not a qualification. A qualification to vote means the capacity to vote. It means capacity as to residence, capacity as to age. But a tax on the right to vote as a prerequisite to voting definitely is a restriction, and I am confident that it would so be recognized by the Court. I say in the light of the Constitution and the Supreme Court decisions I have cited, that the States do not have the right to impose this poll tax, and if there ever was any doubt about it, that doubt was settled by the fourteenth amendment. The second sentence of the fourteenth amendment I think tells the full story. It simply states:

> No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States.

The right to vote is definitely a privilege and comes under the word "immunities." It is therefore a right. This language prohibits a poll tax or any other device which abridges the right to vote.

The gentleman from Alabama [Mr. HOBBS] bases his argument on section 1, article I, and I think I have answered it. Section 1, article I, deals with qualifications, and a poll tax, as I have stated before, is not a qualification, but a restriction. Also, you must read section 1 together with section 4 of article I, and again if there ever was any doubt as to the power of Congress to pass on this

question, it is resolved by section 4 of article I:

> The times, places, and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the place of choosing Senators.

Please note that section 4 of article I contains the word "manner." This means everything in connection with elections. Also, I read article I, section 8, clause 18—

> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of this United States, or in any department or office thereof.

So that right here in the Constitution we find two propositions: First, that the States do not have the power to impose a poll tax; and second, that Congress has the power to declare such a poll tax illegal.

Mr. Chairman, there is something much more fundamental involved here than the constitutional argument, and that is the struggle of the Negro people for full equality. I pride myself on having pioneered in this legislation. It has been before us since the Seventy-sixth Congress. Today it comes to us at a time when that struggle of the Negro people for full equality has reached a crisis. You gentlemen from the South can point to what is going on in the North, and I agree with you that there is a lot of sham and fraud and chicanery with regard to Negro rights right in my own city. Yes, we have segregation and discrimination in my own city of New York.

But it is precisely because these conditions exist everywhere that there rests the responsibility upon this Congress, the majority of whom were electd on a platform of civil rights, and specifically on a platform for the abolition of this barrier to equality, to abolish it. That responsibility must be discharged in keeping with the manner in which you declared it to the people of your constituencies, and that is by voting against all crippling amendments and then voting for the bill.

The Negro people today in my city are being subjected to the vilest kind of seggegation, discrimination, and police brutality. I admit it. I cite the refusal of the Metropolitan Insurance Co. to rent apartments to Negroes in Stuyvesant Town and Cooper Village, both of which projects are beneficiaries of the city's funds. I also cite the exclusion of Negroes from Leviton project, which is a FHA financed housing development. I say one of the best ways in which this Congress can act against conditions of inequality is by enacting this legislation.

Coming back to the South, I say to you, gentlemen on the South, that no matter how much you say that the Negroes are happy, I know of no man who is happy as long as he has to live under Jim Crow.

The CHAIRMAN. The time of the gentleman from New York [Mr. MARCANTONIO] has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Federal Anti-Poll-Tax Act."

SEC. 2. The requiremnt that a poll tax be paid as a prerequisite to voting or registering to vote at primaries or other elections for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, is not and shall not be deemed a qualification of voters or electors voting or registering to vote at primaries or other elections for said officers, within the meaning of the Constitution, but is and shall be deemed an interference with the manner of holding primaries and other elections for said national officers and a tax upon the right or privilege of voting for said national officers.

With the following committee amendment:

> Page 2, line 6, after the word "officers" insert "and an impairment of the republican form of government."

Mr. ROGERS of Florida. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill and the provisions of it will not affect the voters of my State, either white or colored. I was one of the authors and one of the members who introduced a bill in the Florida Legislature which repealed the poll-tax law as a requisite for voting in my State of Florida. If the consideration of this bill, therefore, was in the State legislature, and I was a member thereof, I would vote for it and would support it. But in the Halls of Congress I am against it. I am opposed to it upon two grounds.

The first ground is that it is unconstitutional. I do not see how any other conclusion can be reached if you read the Constitution, especially section 2 of article I. This Congress has no right to impinge upon State sovereignty or to encroach upon the right of the States to define the qualifications of an elector. The Congress has as much constitutional authority to consider and pass this bill as a justice of the peace has to try a man for murder and sentence him to the electric chair.

Let us look at the Constitution and its provisions with reference to electors that are supposed to elect the Representatives, Senators, President, and Vice President. Omitting the first section as read by the gentleman from Alabama [Mr. HOBBS], I want to read to the membership that portion of the Constitution which deals with Representatives. You have section 2, which says:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States.

Now, let us see what section 2 further says.

Section 2 further says:

> And electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

There are a number of States, seven of them, where qualifications to vote for a member of the legislature of that State require that they must have paid a poll tax. They must be 21 years of age. In other States there are different qualifications, but the qualifications we are here concerned with is that the electors in each State shall have the qualifications requisite, necessary, and required for electors of the most numerous branch of the State legislature. Therefore, any legislation passed by this House today encroaches upon State sovereignty and upon the State's right to define what is a necessary qualification for an elector.

Let us run this down further. We have had two amendments to the Constitution, touching the right to vote.

The fifteenth amendment provides:

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

Then the Congress passed the nineteenth amendment providing—

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

Those are the only limitations that can be put upon a State under this Constitution. That was done by amendment to the Constitution and not by a bill passed by Congress.

If Congress passes such legislation as this, then the next thing Congress will do will be saying to the States that it is not necessary for people to register. It is not necessary for your citizens to be 21 years of age. Let me quote you from an article by Mark Sullivan in which he said:

> And—here is the menace to all the States—if Congress can forbid one qualification, it can forbid any other qualification. By forbidding the poll tax as a qualification, Congress would set up a precedent and principle by which some future Congress could, if it chooses, forbid qualifications about residence and citizenship.

The CHAIRMAN. The time of the gentleman from Florida [Mr. ROGERS] has expired.

Mr. ROGERS of Florida. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mrs. NORTON. Mr. Chairman, I am not going to object to this request, but I am going to ask Members to confine their remarks under the 5-minute rule to 5 minutes in the future.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROGERS of Florida. I may say, I tried to get time to discuss this under the rule, and the lady forgot my request, so she just told me.

Mrs. NORTON. I did not forget it, but I just did not have the time.

Mr. ROGERS of Florida. In any event, this bill is an infringement upon the States' rights. The privilege to vote comes from the State and not from the United States. It is therefore up to the States to determine and to define the qualifications of an elector as said by the Supreme Court in the Breedlove case of 1937:

> The privilege of voting is not derived from the United States, but is conferred by the State, and save as restrained by the fifteenth

and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate.

I have a further objection to this bill for it will bring about a great deal of confusion and litigation. You are going to have a large number of court proceedings filed in those States that have a poll-tax requirement.

Now, let us see how confusion will come about. In the case of a Congressman, Senator, or President you will have to have a different list of voters from those who vote for the members of the legislature in your respective States that have the poll tax. Why? Because no man can vote for a member of a State legislature in a State that has a poll-tax requirement, except if they have paid the poll tax. Suppose a Presidential election should come about. If the electors are elected by a majority of those who are not qualified to vote for members of the legislature, then you will have that thrown out. You are going to cause here, by reason of this legislation, a lot of litigation and confusion in these States that do have the poll tax in effect at the present time.

Not only is this an unwarranted interference by the Congress with States' rights, but you are attempting also to interfere in the rights of municipalities; they do not stop at the State, but they try to regulate the municipalities of the various States of this Union.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from Pennsylvania [Mr. FULTON] a while ago said that we ought to destroy all these monuments to the great heroes of the War Between the States. Let me say that no man in the South would think of destroying a single one of those monuments. If those great men who fought that war on both sides could come back here and see what we are threatened with they would strip off their coats and throw their arms around each other and say: "Let us get together and save this Republic."

Mr. ROGERS of Florida. I think the gentleman has got some good philosophy there. What we ought to do is to get together and work for the best interests of this country. You cannot have a nation one part of which is pitted against the other. Over here are seven States of this Union. The people of those States know what they want. Why should the State of New York or some other State come down and put their nose into the business of these various States that have the poll tax? It is their right to have the poll tax. We believe in local self-government—or, rather, I do—but we are getting to the point where we are dissolving States' rights, we are taking away States' rights, and we are governing this country from Washington. The day is coming when you will rue the condition we are getting this Nation into.

I hope that in voting on this bill we will consider the unconstitutionality of the bill and the further fact that it will bring about confusion, disorder, and litigation. There is only one right way to go about this and that is to pass a constitutional amendment to be submitted according to the provisions of the Constitution to each and every State. When we do that we have done the right thing but you cannot take away by an act of Congress the right of the States to prescribe qualifications of the voters who will elect a Congressman, a Senator, the Vice President, or the President. There is discussed in the Federalist by Hamilton and Jefferson this question:

Who are to be the electors of the Federal Representatives? They are to be the same who exercise the right in every State of electing the corresponding branch of the legislature of the State.

Amendment No. X recognizes the powers of the State to deal with qualifications of electors, and reads as follows:

The powers not delegated to the United States by the Constitution nor prohibited by it to the States are reserved to the States respectively, or to the people.

Mr. FELLOWS. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Maine is recognized.

Mrs. NORTON. Mr. Chairman, will the gentleman yield that I may try to get an idea about how much time is desired on this section?

Mr. FELLOWS. I yield.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that all debate on section 2 and all amendments thereto close not later than 3 o'clock, the last 5 minutes to be allotted to the committee.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

Mr. PICKETT. Mr. Chairman, reserving the right to object, I would like to get some idea as to how many amendments will be proposed to this section, if possible.

The CHAIRMAN. There is no way of advising the gentleman on that.

Mr. PICKETT. There may be a number pending on the desk and we could be apprised of that fact.

Mr. HOBBS. I have one pending at the desk.

Mr. PICKETT. Mr. Chairman, I object to the request.

Mrs. NORTON. Mr. Chairman, I move——

The CHAIRMAN. Does the gentleman from Maine yield for a motion?

Mr. FELLOWS. Mr. Chairman, I do not yield for that purpose.

The CHAIRMAN. The gentleman does not yield.

Mr. FELLOWS. Mr. Chairman, I am opposed to the poll tax as a prerequisite to a man's voting, as I am to the manner here proposed of remedying the situation—if remedy is needed.

The question here is whether, without amendment to the Federal Constitution, Congress has power to legislate in this field. I believe it has not. I shall, therefore, vote against this proposed measure.

Any discussion of this matter would naturally be divided into two parts:

First. Has Congress the power to legislate in the field of qualifications of electors or voters, and,

Second. If not, is the payment of a poll tax reasonably a qualification?

I shall not discuss the decisions, but I point out two significant things: Since the beginning, the States have assumed to operate exclusively within this field, and by common consent of legislatures, legal departments, and attorneys general of the several States they have not only passed statutes covering this question as applicable to the election of their own officers and Members of Congress, but have frozen those qualifications in State Constitutions. I believe an examination of the Constitutions and statutes of many of our Northern States with reference to those qualifications would surprise if not shock some of you. And not only have the States assumed to operate exclusively in this field, but since the beginning our Congress has recognized such assumption. In 1869, when it was thought desirable to legislate with reference to voting qualifications dependent upon race, color, and previous condition of servitude, did our Congress pass a statute without amendment to the Constitution? It did not.

AMENDMENT XV

SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

This amendment was proposed to the legislatures of the several States by the Fortieth Congress on February 27, 1869. In that Congress 44 of the Senators were lawyers, 131 of the Representatives were lawyers, and 31 of the Members became judges of State and Federal courts. Roscoe Conkling of New York, one of the number, was appointed to the Supreme Court of the United States, and declined.

From my own State of Maine, there were in that Congress: Hon. Lot M. Morrill, later Secretary of the Treasury under Presidents Grant and Hayes; Hon. William Pitt Fessenden, United States Senator from Maine, who was Secretary of the Treasury under President Lincoln; Hon. James G. Blaine, the plumed knight, three times Speaker of the House, a Member of the United States Senate, from which he resigned to be Secretary of State in President Garfield's Cabinet, unsuccessful candidate for President in 1884, Secretary of State in the Cabinet of President Harrison, and first president of the Pan American Congress; and Hon. John A. Peters, who became a great chief justice of Maine.

These men certainly had read the Constitution, and were more or less familiar with it. Later, and belatedly, when the question came up with reference to the rights of people to vote without regard to sex, some of the States permitted it, and some not, but did it occur to Congress that it could legislate within this field without constitutional amendment? It did not.

And so, on June 5, 1919, there was proposed to the several States by the Sixty-sixth Congress an amendment, which was adopted. It was called the nineteenth amendment, and reads as follows:

AMENDMENT XIX

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

Our States have believed that this was their right by virtue of the terms of the Federal Constitution. Article I, section 2:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States and the electors in each State shall have the qualifications requisite for electors for the most numerous branch of the State legislature.

This whole controversy hinges primarily on what the few words of article I, section 11, and the seventeenth amendment mean. Their meaning seems clear.

It has been said that "Time and habit have done as much to interpret the Constitution as all the learned decisions of the Supreme Court."

As in 1869 Congress did not pass a statute without amendment to the Constitution when legislating with reference to voting qualifications, so in 1919 when it was decided citizens should not be denied the right to vote because of sex. Why did not the Fortieth and Sixty-sixth Congresses use the methods adopted by the proponents of this measure?

I will tell you. They believed that what is worth doing at all is worth doing right.

Hamilton and Madison, in the Federalist, ask and answer this question:

> Who are to be the electors of the Federal Representatives?
>
> They are to be the same who exercise the right in every State of electing the corresponding branch of the legislature of the State.

And the Supreme Court has said:

> Save as restrained by the fifteenth and nineteenth amendments, and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate.

Time and habit have placed their stamp of approval upon this construction.

Where is there room for controversy?

Washington himself cautions us in these words:

> If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this in one instance may be the instrument for good, it is the customary weapon by which free governments are destroyed.

Mrs. NORTON. Mr. Chairman, I move that all debate on section 2 and all amendments thereto close in 40 minutes, the last 5 minutes to be reserved to the committee.

Mr. KEATING. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. A motion, as I understand it, with a reservation of time for the committee, is not in order.

The CHAIRMAN. The point of order is sustained.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. EDWIN ARTHUR HALL. I would like to ask if time will be divided equally among the Members now standing?

The CHAIRMAN. There has not been any time fixed as yet. If time is fixed, the Chair will try to do it.

Mrs. NORTON. Mr. Chairman, I renew my motion. I move that all debate on section 2 and all amendments thereto close at 3 o'clock.

The question was taken; and on a division (demanded by Mrs. NORTON) there were—ayes 61, noes 63.

Mrs. NORTON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mrs. NORTON and Mr. PICKETT.

The Committtee again divided; and the tellers reported that there were—ayes 78, noes 81.

So the motion was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. HOBBS. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

> Amendment offered by Mr. HOBBS: On page 1, lines 6 and 7, after the word "at", strike out the words "primaries or other" and strike out the word "primary" and the word "primaries" wherever either occurs.

Mr. HOBBS. Mr. Chairman, last Friday, July 22, I made an extension of my remarks in the RECORD in which I cited the 14 cases which decide this issue. The Supreme Court of the United States has spoken that many times against the constitutionality of this bill. I invite your attention to the extension of my remarks not because they are my remarks, but because they have been used a number of times and each time have been brought up to date. I beg you to do me the honor, if you are interested, to read these remarks because they answer specifically every one of these contentions.

They begin on page 10031 of your RECORD of Friday, July 22, 1949.

I call your attention to the fact that the genial, lovable, and honorable gentleman from Ohio, Hon. CLARENCE BROWN, has an automobile out here, parked at the corner. We have just as much right to take that automobile as we have to take from the States their indisputable right to fix the qualifications requisite for electors. There has never been a Federal election in the history of the world. There has never been a Federal vote cast. All votes are State votes. The only privilege that any citizen has to vote is as the guest of the State in which he offers to vote. There can be no contradiction.

The gentleman from New York [Mr. MARCANTONIO] eloquently quotes one of the several constitutional grants to the States of the exclusive right to fix the qualifications requisite for electors. There is none to the Federal Government, not even a hint of any such grant.

The grant he quoted:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

But then he goes on to quote a later section of the Constitution as though it had anything to do with fixing the qualifications requisite for electors, which it does not. It reads:

> The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators.

I submit that it is too plain for argument to any but an utterly closed or biased mind, that the first quotation is as to the "who" of the electors, whereas the second quotation is as to the "how" of holding an election.

The amendment I have offered seeks to strike from the pending bill all application to primary elections.

I want to read to you, and I am going to place in my remarks at this point in the RECORD, the whole of the dissenting opinion of Mr. Justice Douglas in the *Classic case* (313 U. S.), beginning on page 329 and continuing through page 341.

That great dissenting opinion cannot be answered, and I challenge you again to read it. While it is a dissenting opinion, it is not the first dissent that has challenged Congress to perform its oath-bound duty to support the Constitution.

Mr. Justice Douglas, dissenting:

Free and honest elections are the very foundation of our republican form of government. Hence, any attempt to defile the sanctity of the ballot cannot be viewed with equanimity. As stated by Mr. Justice Miller in *Ex parte Yarbrough* (110 U. S. 651, 666), "the temptations to control these elections by violence and corruption" have been a constant source of danger in the history of all republics. The acts here charged, if proven, are of a kind which carries that threat and are highly offensive. Since they corrupt the process of congressional elections, they transcend mere local concern and extend a contaminating influence into the national domain.

I think Congress has ample power to deal with them. That is to say, I disagree with *Newberry* v. *United States* (256 U. S. 232) to the extent that it holds that Congress has no power to control primary elections. Article I, section 2, of the Constitution provides that "The House of Representatives shall be composed of Members chosen every second year by the people of the several States." Article I, section 4, provides that "the times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators." And article I, section 8, clause 18, gives Congress the power "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof." Those sections are an arsenal of power ample to protect congressional elections from any and all forms of pollution. The fact that a particular form of pollution has only an indirect effect on the final election is immaterial. The fact that it occurs in a primary election or nominating convention is likewise irrelevant. The important consideration is that the Constitution should be interpreted broadly so as to give to the representatives of a free people abundant power to deal with all the exigencies of the electoral process. It means that the Constitution should be read so as to give Congress

an expansive implied power to place beyond the pale acts which, in their direct or indirect effect, impair the integrity of congressional elections. For when corruption enters, the election is no longer free, the choice of the people is affected. To hold that Congress is powerless to control these primaries would indeed be a narrow construction of the Constitution, inconsistent with the view that that instrument of government was designed not only for contemporary needs but for the vicissitudes of time.

So I agree with most of the views expressed in the opinion of the Court. And it is with diffidence that I dissent from the result there reached.

The disagreement centers on the meaning of section 19 of the Criminal Code, which protects every right secured by the Constitution. The right to vote at a final congressional election and the right to have one's vote counted in such an election have been held to be protected by section 19. *Ex parte Yarbrough, supra; United States* v. *Mosley* (238 U. S. 383). Yet I do not think that the principles of those cases should be, or properly can be, extended to primary elections. To sustain this indictment we must so extend them. But when we do we enter perilous territory.

We enter perilous territory because, as stated in *United States* v. *Gradwell* (243 U. S. 476, 485), there is no common law offense against the United States; "the legislative authority of the Union must make an act a crime, affix a punishment to it, and declare the Court that shall have jurisdiction of the offense" (*United States* v. *Hudson* (7 Cranch 32, 34)). If a person is to be convicted of a crime, the offense must be clearly and plainly embraced within the statute. As stated by Chief Justice Marshall in *United States* v. *Wiltberger* (5 Wheat. 76, 105), "probability is not a guide which a court, in construing a penal statute, can safely take." It is one thing to allow wide and generous scope to the express and implied powers of Congress; it is distinctly another to read into the vague and general language of an act of Congress specifications of crimes. We should ever be mindful of that "before a man can be punished, his case must be plainly and unmistakably within the statute" (*United States* v. *Lacher* (134 U. S. 624, 628)). That admonition is reemphasized here by the fact that section 19 imposes not only a fine of $5,000 and 10 years in prison but also makes him who is convicted "ineligible to any office, or place of honor, profit, or trust created by the Constitution or laws of the United States." It is not enough for us to find in the vague penumbra of a statute some offense about which Congress could have legislated, and then to particularize it as a crime because it is highly offensive (cf. *James* v. *Bowman* (190 U. S. 127)). Civil liberties are too dear to permit conviction for crimes which are only implied and which can be spelled out only by adding inference to inference.

Section 19 does not purport to be an exercise by Congress of its power to regulate primaries. It merely penalizes conspiracies "to injure, oppress, threaten, or intimidate any citizen in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or laws of the United States." Thus, it does no more than refer us to the Constitution [1] for the purpose of determining whether or not the right to vote in a primary is there secured. Hence we must do more than find in the Constitution the power of Congress to afford that protection. We must find that protection on the face of the Constitution itself. That is to say, we must in view of the wording of section 19 read the relevant provisions of the Constitution for the purposes of this case through the window of a criminal statute.

There can be put to one side cases where State election officials deprive Negro citizens of their right to vote at a general election (*Guinn* v. *United States* (238 U. S. 347)), or at a primary (*Nixon* v. *Herndon* (273 U. S. 536); *Nixon* v. *Condon* (286 U. S. 73)). Discrimination on the basis of race or color is plainly outlawed by the fourteenth amendment. Since the constitutional mandate is plain, there is no reason why section 19 or section 20 should not be applicable. But the situation here is quite different. When we turn to the constitutional provisions relevant to this case we find no such unambiguous mandate.

Article I, section 4, specifies the machinery whereby the times, places, and manner of holding elections shall be established and controlled. Article I, section 2, provides that representatives shall be chosen by the people. But for purposes of the criminal law as contrasted to the interpretation of the Constitution as the source of the implied power of Congress, I do not think that those provisions in absence of specific legislation by Congress protect the primary election or the nominating convention. While they protect the right to vote, and the right to have one's vote counted, at the final election, as held in the Yarbrough and Mosley cases, they certainly do not per se extend to all acts which in their indirect or incidental effect restrain, restrict, or interfere with that choice. Bribery of voters at a general election certainly is an interference with that freedom of choice. It is a corruptive influence which for its impact on the election process is as intimate and direct as the acts charged in this indictment. And Congress has ample power to deal with it. But this Court in *United States* v. *Bathgate* (246 U. S. 220), by a unanimous vote, held that conspiracies to bribe voters at a general election were not covered by section 19. While the conclusion in that case may be reconciled with the results in the Yarbrough and Mosley cases on the ground that the right to vote at a general election is personal while the bribery of voters only indirectly affects that personal right, that distinction is not of aid here. For the failure to count votes cast at a primary has by the same token only an indirect effect on the voting at the general election. In terms of casual effect, tampering with the primary vote may be as important on the outcome of the general election as bribery of voters at the general election itself. Certainly from the viewpoint of the individual voter there is as much a dilution of his vote in the one case as in the other. So, in light of the Mosley and Bathgate cases, the test under section 19 is not whether the acts in question constitute an interference with the effective choice of the voters. It is whether the voters are deprived of their votes in the general election. Such a test comports with the standards for construction of a criminal law, since it restricts section 19 to protection of the rights plainly and directly guaranteed by the Constitution. Any other test entails an inquiry into the indirect or incidental effect on the general election of the acts done. But in view of the generality of the words employed, such a test would be incompatible with the criteria appropriate for a criminal case.

The Mosley case, in my view, went to the verge when it held that section 19 and the relevant constitutional provisions made it a crime to fail to count votes cast at a general election. That Congress intended section 19 to have that effect was none too clear. The dissenting opinion of Mr. Justice Lamar in that case points out that section 19 was originally part of the Enforcement Act of May 31, 1870 (ch. 114, sec. 6, 16 Stat. 140). Under another section of that act (sec 4), which was repealed by the act of February 8, 1894 (28 Stat. 36), the crime charged in the Mosley case would have been punishable by a fine of not less than $500 and imprisonment for 12 months.[2] Under section 19 it carried, as it still does, a penalty of $5,000 and 10 years in prison. The committee report (H. Rept. No. 18, 53d Cong., 1st sess.), which recommended the repeal of other sections, clearly indicated an intent to remove the hand of the Federal Government from such elections and to restore their conduct and policing to the States. As the report stated (p. 7): "Let every trace of the reconstruction measures be wiped from the statute books; let the States of this great Union understand that the elections are in their own hands, and if there be fraud, coercion, or force used they will be the first to feel it. Responding to a universal sentiment throughout the country for greater purity in elections many of our States have enacted laws to protect the voter and to purify the ballot. These, under the guidance of State officers, have worked efficiently, satisfactorily, and beneficently; and if these Federal statutes are repealed that sentiment will receive an impetus which, if the cause still exists, will carry such enactments in every State in the Union." In view of this broad, comprehensive program of repeal, it is not easy to conclude that the general language of section 19, which was not repealed, not only continued in effect much which had been repealed but also upped the penalties for certain offenses which had been explicitly covered by one of the repealed sections. Mr. Justice Holmes, writing for the majority in the Mosley case, found in the legislative and historical setting of section 19 and in its revised form a congressional interpretation which, if section 19 were taken at its face value, was thought to afford voters in final congressional elections general protection. And that view is a tenable one, since section 19 originally was part of an act regulating general elections, and since the acts charged had a direct rather than an indirect effect on the right to vote at a general election.

But as stated by a unanimous court in *United States* v. *Gradwell* (supra, p. 486) the Mosley case "falls far short" of making section 19 "applicable to the conduct of a State nominating primary." Indeed, Mr. Justice Holmes, the author of the Mosley opinion, joined with Mr. Justice McReynolds in the Newberry case in his view that Congress had no authority under article I, section 4, of the Constitution to legislate on primaries. When section 19 was part of the act of May 31, 1870, it certainly would never have been contended that it embraced primaries, for they were hardly known at that time.[3] It is true that "even a criminal statute embraces everything which subsequently falls within its scope" (*Browder*

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[1] While section 19 also refers to "laws of the United States," section 19 and section 20 are the only statutes directly in point.

[2] Sec. 5506, Revised Statutes: "Every person who, by any unlawful means, hinders, delays, prevents, or obstructs, or combines and confederates with others to hinder, delay, prevent, or obstruct, any citizen from doing any act required to be done to qualify him to vote, or from voting at any election * * * shall be fined not less than $500, or be imprisoned not less than 1 month nor more than 1 year, or be punished by both such fine and imprisonment." Sec. 5511 provided: "If, at any election for Representative or Delegate in Congress, any person * * * knowingly receives the vote of any person not entitled to vote, or refuses to receive the vote of any person entitled to vote * * * he shall be punished by a fine of not more than $500, or by imprisonment not more than 3 years, or by both.

[3] Merriam & Overacker, Primary Elections (1928), chs. I–III, V; Salt, American Parties & Elections (1927), ch. X; Brooks, Political Parties & Electoral Problems (1933), ch. X.

v. *United States* (312 U. S. 335, 340)). Yet the attempt to bring under section 19 offenses "committed in the conduct of primary elections or nominating caucuses or conventions" was rejected in the Gradwell case, where this Court said that in absence of legislation by Congress on the subject of primaries it is not for the courts " to attempt to supply it by stretching old statutes to new uses, to which they are not adapted and for which they were not intended. * * * the section of the Criminal Code relied upon, originally enacted for the protection of the civil rights of the then lately enfranchised Negro, cannot be extended so as to make it an agency for enforcing a State primary law" (243 U. S., pp. 488–489). The fact that primaries were hardly known when section 19 was enacted, the fact that it was part of a legislative program governing general elections, not primary elections, the fact that it has been in nowise implemented by legislation directed at primaries, give credence to the unanimous view in the Gradwell case that section 19 has not by the mere passage of time taken on a new and broadened meaning. At least it seems plain that the difficulties of applying the historical reason adduced by Mr. Justice Holmes in the Mosley case to bring general elections within section 19 are so great in case of primaries that we have left the safety zone of interpretation of criminal statutes when we sustain this indictment. It is one thing to say, as in the Mosley case, that Congress was legislating as respects general elections when it passed section 19. That was the fact. It is quite another thing to say that Congress by leaving section 19 unmolested for some 70 years has legislated unwittingly on primaries. Section 19 was never part of an act of Congress directed toward primaries. That was not its original frame of reference. Therefore, unlike the Mosley case, it cannot be said here that section 19 still covers primaries because it was once an integral part of primary legislation.

Furthermore, the fact that Congress has legislated only sparingly and at infrequent intervals even on the subject of general elections (*United States* v. *Gradwell, supra*) should make us hesitate to conclude that by mere inaction Congress has taken the greater step, entered the field of primaries, and gone further than any announced legislative program has indicated. The acts here charged constitute crimes under the Louisiana statute (La. Act No. 46, reg. sess. 1940, sec. 89). In absence of specific congressional action we should assume that Congress has left the control of primaries and nominating conventions to the States—an assumption plainly in line with the committee report, quoted above, recommending the repeal of portions of the Enforcement Act of May 31, 1870, so as to place the details of elections in State hands. There is no ground for inference in subsequent legislative history that Congress has departed from that policy by superimposing its own primary penal law on the primary penal laws of the States. Rather, Congress has been fairly consistent in recognizing State autonomy in the field of elections. To be sure, it has occasionally legislated on primaries.[4] But even when dealing specifically with the nominating process, it has never made acts of the kind here in question a crime. In this connection it should be noted that the bill which became the Hatch Act (53 Stat. 1147; 18 U. S. C. sec. 61) contained a section which made it unlawful "for any person to intimidate, threaten, or coerce, or to attempt to intimidate, threaten, or coerce, any other person for the purpose of interfering with the right of such other person to vote or to vote as he may choose, or of causing such other person to vote for, or not to vote for, any candidate for the nomination of any party as its candidate" for various Federal offices, including Representatives, "at any primary or nominating convention held solely or in part" for that purpose. This was stricken in the Senate (84 CONGRESSIONAL RECORD, pt. 4, 76th Cong., 1st sess., p. 1491). That section would have extended the same protection to the primary and nominating convention as section 1 of the Hatch Act[5] extends to the general election. The Senate, however, refused to do so. Yet this Court now holds that section 19 has protected the primary vote all along and that it covers conspiracies to do the precise thing on which Congress refused to legislate in 1939. The hesitation on the part of Congress through the years to enter the primary field, its refusal to do so[6] in 1939, and the restricted scope of such primary laws as it has passed, should be ample evidence that this Court is legislating when it takes the initiative in extending section 19 to primaries.

We should adhere to the strict construction given to section 19 by a unanimous court in *United States* v. *Bathgate* (246 U. S. 220, 226), where it was said: "Section 19, Criminal Code, of course, now has the same meaning as when first enacted * * * and considering the policy of Congress not to interfere with elections within a State except by clear and specific provisions, together with the rule respecting construction of criminal statutes, we cannot think it was intended to apply to conspiracies to bribe voters." That leads to the conclusion that section 19 and the relevant constitutional provisions should be read so as to exclude all acts which do not have the direct effect of depriving voters of their right to vote at general elections. That view has received tacit recognition by Congress. For the history of legislation governing Federal elections shows that the occasional acts of Congress[7] on the subject have been primarily directed toward supplying detailed regulations designed to protect the individual's constitutional right to vote against pollution and corruption. Those laws, the latest of which is section 1 of the Hatch Act, are ample recognition by Congress itself that specific legislation is necessary in order to protect the electoral process against the wide variety of acts which in their indirect or incidental effect interfere with the voter's freedom of choice and corrupt the electoral process. They are evidence that detailed regulations are essential in order to reach acts which do not directly interfere with the voting privilege. They are inconsistent with the notions in the opinion of the court that the Constitution, unaided by definite supplementary legislation, protects the methods by which party candidates are nominated.

That section 19 lacks the requisite specificity necessary for inclusion of acts which interfere with the nomination of party candidates is reemphasized by the test here employed. The opinion of the Court stresses, as does the indictment, that the winner of the Democratic primary in Louisiana invariably carries the general election. It is also emphasized that a candidate defeated in the Louisiana primaries cannot be a candidate at the general election. Hence, it is argued that interference with the right to vote in such a primary is "as a matter of law and in fact an interference with the effective choice of the voters at the only stage of the election procedure when their choice is of significance," and that the "primary in Louisiana is an integral part of the procedure for the popular choice" of Representatives. By that means, the Gradwell case is apparently distinguished. But I do not thing it is a valid distinction for the purposes of this case.

One of the indictments in the Gradwell case charged that the defendants conspired to procure 1,000 unqualified persons to vote in a West Virginia primary for the nomination of a United States Senator. This Court, by a unanimous vote, affirmed the judgment which sustained a demurrer to that indictment. The Court specifically reserved the question as to whether a "primary should be treated as an election within the meaning of the Constitution." But it went on to say that, even assuming it were, certain "strikingly unusual features" of the particular primary precluded such a holding in that case. It noted that candidates of certain parties were excluded from the primary, and that even candidates who were defeated at the primary could, on certain conditions, be nominated for the general election. It therefore concluded that, whatever power Congress might have to control such primaries, it had not done so by section 19.

If the Gradwell case is to survive, as I think it should, we have therefore this rather curious situation. Primaries in States where the winner invariably carries the general election are protected by section 19 and the Constitution, even though such primaries are not by law an integral part of the election process. Primaries in States where the successful candidate never wins, seldom wins, or may not win in the general election are not so protected, unless perchance State law makes such primaries an integral part of the election process. Congress, having a broad control over primaries, might conceivably draw such distinctions in a penal code. But for us to draw them under section 19 is quite another matter. For we must go outside the statute, examine local law and local customs, and then, on the basis of the legal or practical importance of a particular primary, interpret the vague language of section 19 in the light of the significance of the acts done. The result is to make refined and nice distinctions which Congress certainly has not made, to create unevenness in the application of section 19 among the various States, and to make the existence of a crime depend, not on the plain meaning of words employed interpreted in light of the legislative history of the statute, but on the result of research into local law or local practices. Unless Congress has explicitly made a crime dependent on such facts, we should not undertake to do so. Such procedure does not comport with the strict standards essential for the interpretation of a criminal law. The necessity of resorting to such a circuitous route is sufficient evidence to me that we are performing a legislative function in finding here a definition of a crime which

[4] Act of June 25, 1940 (ch. 392, 36 Stat. 822), as amended by the act of August 19, 1911 (ch. 33, 37 Stat. 25); act of October 16, 1918 (ch. 187, 40 Stat. 1013).

[5] "That it shall be unlawful for any person to intimidate, threaten, or coerce, or to attempt to intimidate, threaten, or coerce, any other person for the purpose of interfering with the right of such other person to vote or to vote as he may choose, or of causing such other person to vote for, or not to vote for, any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, or Member of the House of Representatives at any election held solely or in part for the purpose of selecting a President, a Vice President, a Presidential elector, or any Member of the Senate or any Member of the House of Representatives, Delegates or Commissioners from the Territories and insular possessions."

[6] SEC. 2 of the Hatch Act, however, does make unlawful certain acts of administrative employees even in connection with the nominations for certain Federal offices. And see 54 Stat. 767, No. 753, ch. 640, 76th Cong., 3d sess. As to the power of Congress over employees or officers of the Government, see *United States* v. *Wurzbach* (280 U. S. 396).

[7] See, for example, act of May 31, 1870 (16 Stat. 140); act of July 14, 1870 (16 Stat. 254, 255–256); act of February 28, 1871 (16 Stat. 433); act of June 25, 1910 (36 Stat. 822); act of August 19, 1911 (37 Stat. 25); act of August 23, 1912 (37 Stat. 360); act of October 16, 1918 (40 Stat. 1013); Federal Corrupt Practices Act, 1925 (43 Stat. 1070); Hatch Act, August 2, 1939 (53 Stat. 1147).

will sustain this indictment. A crime, no matter how offensive, should not be spelled out from such vague inferences.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. HOBBS] has expired.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in view of the recent decision of the Supreme Court, I do not think it makes a great deal of difference whether or not this amendment is adopted, because I think the Court will rule that it applies to primaries anyway. However, in order to keep the bill clear, I think it should remain in the bill.

I now yield to the gentleman from Ohio [Mr. YOUNG].

Mr. YOUNG. Mr. Chairman, in the Seventy-seventh Congress, during my former service in this body, I voted in favor of the anti-poll-tax bill. In fact, during my former service in this body I had the honor to have charge of the giving out of time in favor of the passage of that bill. The gentleman from Mississippi [Mr. COLMER] will recall this as he and I had somewhat of an altercation on the floor of the House that day.

At that time Ohio was represented by two Congressmen at Large. Both of us voted in favor of the anti-poll-tax bill on that day. Certain speakers yesterday adverted to my predecessor as being the champion during the Eightieth Congress of anti-poll-tax legislation.

In order to set the RECORD straight, I refer in part to the comment of the gentleman from Michigan [Mr. HOFFMAN]. As we all know, the gentleman from Michigan is one of the outstanding Members of this House, but he has evidently been misinformed and hoodwinked by someone in Ohio, when he said, referring to my predecessor, "Where is George now?" He said, "George Bender stood by the CIO and he stood by the colored people."

It happens that my predecessor during the Eightieth Congress voted in favor of the Taft-Hartley law. That is the manner in which he stood by the CIO and workingmen and workingwomen generally.

Then he went on and referred to the gentleman from Ohio: "When they voted last November out in Ohio they voted for the other fellow." Well, it so happens that I am the other fellow to whom the gentleman from Michigan referred. Then he said further, "At that time George led the ticket in Ohio."

Well, let us go back to the record and see about that. I have here the official tabulation for the general election in Ohio in 1948. The Republican candidate for State treasurer, who is placed on the ticket above where the Congressman at Large is placed, the Republican candidate for State treasurer was elected by a majority of 32,000. Just beneath that on the ballot in Ohio the Republican candidate for attorney general of Ohio was defeated by 84,000. Then we come down to the office of Representative to Congress at Large, and it happens that the voters of Ohio gave me a majority of 114,000; in other words, the gentleman from Michigan has been misinformed or deceived. My predecessor here ran behind four or five other Republican candidates for whom Ohio citizens voted in 1948. For example, in Ohio last November Governor Dewey received 1,445,000 votes, and my predecessor received 1,342,000 votes, 100,000 or more less. In that same election the voters of Ohio were good enough to give me 1,455,000 votes. The President of the United States received 1,452,000. Let me tell the gentleman from Michigan these facts: Last November the Republican candidate for State treasurer received 1,413,831 votes while my predecessor received 1,342,388 votes. I give these figures simply to inform this body that the poll tax cut no figure whatever in Ohio in the election last November. Our voters knew that both my opponent and I opposed the poll tax. Anyhow, the voters of Ohio realized that my predecessor throughout his 10 years' service in the House of Representatives had voted on every occasion against the TVA sponsored by the gentleman from Mississippi [Mr. RANKIN]; that he voted against aid to Turkey and Greece, that he denounced the Marshall plan, that he voted in favor of the Taft-Hartley law, that when he was talking here on some occasions like a progressive he was voting on many occasions like a reactionary.

Mr. Chairman, now that I have cited the record to correct an erroneous statement regarding an Ohio situation, I conclude by urging passage of this anti-poll-tax proposal today. Let us pass this bill as a step toward providing democracy in the fullest sense to all the people of this Nation.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HAYS of Ohio. Mr. Chairman, I wonder if we cannot get some agreement about time on this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. PICKETT. Mr. Chairman, I object.

Mr. HAYS of Ohio. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 20 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. PICKETT) there were—ayes 62, noes 84.

So the motion was rejected.

Mr. HALE. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, reference has already been made in the debate several times to the fact that a bill of this general character has passed the House on numerous occasions. As a matter of fact, it has passed the House in every previous Congress of which I have been a Member; that is to say, in the Seventy-eighth, the Seventy-ninth, and Eightieth. The other body has never been willing to pass this legislation, and I think the leadership knows perfectly well today that the other body will not concur in the passage of this bill if the House passes it.

The legislation is, in my opinion, unconstitutional under any fair construction of the Constitution, and I confess I am not very much interested in what can be done with the Constitution by constitutional acrobats. If it be the opinion of the House that there shall never be any type of property qualification for the exercise of the franchise in the several States, why do we not have the courage to submit a proper constitutional amendment to that effect? There is a great deal to be said for such an amendment, although historically property qualifications of some kind have been almost the unvarying rule instead of the exception in Anglo-American history. I do not make that statement rashly or recklessly. As a matter of fact, I had the Legislative Reference Service of the Congressional Library make a very exhaustive study on that subject.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. HALE. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from Ohio [Mr. YOUNG] took a great deal of pride in telling the House that he led the fight for this monstrosity in the Seventy-seventh Congress. He was defeated for reelection in the Seventy-eighth Congress.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. HALE. I yield for a question. I do not yield to the gentleman if he wishes to comment on the remarks of the gentleman from Mississippi.

Mr. YOUNG. It is the gentleman's time, so I ask him to yield.

Mr. HALE. I do not yield for that purpose.

I want to say, however, that I confess to a certain amount of resentment in having to spend 2 days of the time of this House for the sake of making what is at the very best a very empty gesture if this bill is to pass. It does seem to me that if we are to be held here throughout the next month, contrary to the spirit if not contrary to the letter of the Legislative Reorganization Act, the leadership ought at least take us into its confidence and explain the emergency that requires it.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, had the hearings on this legislation been printed, my testimony before the committee would have been available. I desire to stress the fact that we have a dual citizenship. We are citizens of the United States and citizens of our respective States.

With that thought firmly in mind I include herewith the statement made before the committee in support of H. R. 304 which I introduced the first day of this session of Congress:

STATEMENT OF HON. ERRETT P. SCRIVNER BEFORE THE COMMITTEE ON HOUSE ADMINISTRATION IN SUPPORT OF ANTI-POLL-TAX LEGISLATION, H. R. 304

Mr. Chairman, you have before you, among the various bills relating to the abolition of

a poll tax as a prerequisite to voting, H. R. 304 which I introduced early in this session.

Early in my congressional career, legislation of this type was presented to the House for consideration. As shown by the record of the Clerk of the House of Representatives I voted for this legislation on roll call 109, June 12, 1945. Again in 1947 similar legislative proposals were before us. On roll call 127, July 21, 1947, I voted for the passage of H. R. 29, Eightieth Congress.

However, for some unfathomable reason reports were circulated in my district that I had opposed such legislation. As the cited record shows, those reports were erroneous.

Congress cannot invade the States and take away their rightful legislative powers. Legislation such as this is not, in my opinion, such an invasion. Rather it is only supplementing and furthering provisions of the Constitution relating to rights of the citizens of the United States.

Citizens of the United States should have the right to vote for elective Federal officials—the President, the Vice President, United States Senators, and Members of the House of Representatives, without any barriers created by State laws.

That right H. R. 304 seeks to guarantee to citizens of the United States now barred by State laws requiring payment of a poll-tax as a prerequisite to voting eligibility.

Mr. Chairman, I was born and raised in Kansas. In that State there is no poll-tax bar, no racial bar, to voting. All citizens may register without charge, and vote.

I have observed voting and elections in that State for nearly half a century. I have observed voters of all races exercise their franchise. They have exercised thought and judgment in the selection of candidates and the election of public officials. Of course they do not all vote for me, but despite that I still maintain they do a good job of it.

Quite possibly some of those who oppose such legislation might be pleasantly surprised at the results in their own States and districts with the abolition of this bar.

I support such legislation, not from politics. We have a free ballot in Kansas, as I have said. I support such legislation because it is just; it is right; and with the right there can be no compromise.

Mr. KEATING. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, most Members no doubt, for reasons, geographical, traditional, emotional, or otherwise, have already made up their minds how they will vote on this issue. There are a number, however, who are emphatically opposed to the imposition of a poll tax as a prerequisite to the right to vote, who hesitate to support this legislation because of a fear that it violates the Constitution. It is to them primarily I would like to address these observations.

As I view it, the constitutional question revolves primarily around the interpretation of article I, section 2, which reads, "and the electors in each State shall have the qualifications required for electors of the most numerous branch of the State legislature."

In other words, the Constitution provides that the same persons shall be allowed to vote for Federal officials who are allowed in each State to vote for State officials. If the poll tax requirement is a true qualification for a voter, then it seems to follow that the only way such a qualification can be altered is by constitutional amendment. That is, as I understand it, the burden of the argument made by those who sincerely advocate that an attempt at abolishment of the poll tax in elections for Federal office by means of an act of Congress contravenes constitutional provisions.

My interpretation of this section is that it does not cover any requirement which does not bear some direct relationship to a person's capacity to cast a vote. The poll tax is only a pretended qualification designed as a device to disenfranchise a large segment of the population. It is as if a State were to provide that red-headed people could not vote, or those with one arm, or vegetarians. In other words, I contend that it is within the power of Congress in an election involving Federal officers to override a State legislative enactment which bears no reasonable relationship to the real qualifications of a voter.

In this respect it meets the arguments of the opponents of this legislation to the effect that, if we proscribe the imposition of a poll tax, we can strike down residence requirements, age requirements, or educational requirements for voters in the several States. The distinction is in these cases they have, or at least might reasonably be claimed to have, some reasonable bearing on the capability of a person to cast his vote. No such claim could be made for the poll tax. It is not even a property qualification which might be argued to have some bearing on his voting ability since the poll tax may be paid by anyone, not necessarily by the voter.

The fourteenth amendment to the Constitution prohibits a State from abridging by law the privileges of United States citizens and expressly protects from infringement the right to vote, giving to Congress the power to enforce the mandate by appropriate legislation. If the poll tax is, as it seems to me, clearly an abridgment of the constitutional right of the United States citizen to vote for Federal officers, then Congress can clearly legislate to protect this Federal right. A constitutional amendment is not necessary to achieve a result within the existing power of Congress. I cannot accept the thesis that the States have authority to impose any and all types of conditions upon the exercise of the right of American citizens to vote for Federal officers merely by terming such conditions "qualifications" of electors which fall within the purview of article I, section 2. It must not be overlooked that the basic right to vote for Federal officers is one conferred by the Constitution of the United States.

Nor are we without precedent in this matter. In 1942 we passed a statute providing that no one in the armed services should be required, as a condition of voting for Federal officers, to pay a poll tax to any State. The vote was 247 to 53.

Finally, no one who is completely and sincerely convinced of the unconstitutionality of this statute should support it. He would be violating his oath, were he to do so. The final arbiter of that question, however, under our system is the court. It is for the Supreme Court, not for Congress to decide close questions of constitutionality. If Congress had usurped the powers of the Supreme Court to the extent of never enacting any statute as to which there were some doubt regarding constitutionality, many laws now on our statute books would not be there. Fifty-eight prominent members of the legal profession gave it as their view that the National Labor Relations Act would be declared unconstitutional. The Supreme Court held otherwise.

It is more than a reasonable likelihood in my judgment that the Supreme Court will hold this statute constitutional, when the question is presented to it. The Nation needs the legislation. So long as large segments of our population are required to gaze at the ballot box through the bars of the dollar sign, we are not functioning as a democracy in a manner worthy of our own noble tradition or our position of world leadership. In the absence of a clear demonstration that our action would be violative of constitutional provisions, this measure deserves support.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the fourth time in 10 years I have voted for this bill on the floor of the House. I am glad to lend my support to it when it comes to a vote at this time. This is an issue which has been on fire in my district, and as the duly elected Representative of the people of that district I am happy to defend my vote for this bill on the floor of the House.

I want to cite even a more fundamental part of American citizenship than has been quoted already, and that is from the Declaration of Independence. It says:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. WILLIAMS. There is no poll tax in New York, is there?

Mr. EDWIN ARTHUR HALL. The gentleman is correct.

Mr. WILLIAMS. Well then, the gentleman should be happy, should he not?

Mr. EDWIN ARTHUR HALL. The gentleman is happy and the gentleman will be very happy to cast his vote against the poll tax when it comes up for a vote in the House.

I wish to say that in the Thirty-seventh Congressional District of the State of New York, at least, I am sure that a position of that kind will be tenable and will be proper.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman has just quoted Thomas Jefferson, whom he thoroughly fails to understand. Thomas Jefferson never would vote for a monstrosity like this.

Mr. EDWIN ARTHUR HALL. That is a statement the gentleman from Mississippi can make if he wants to. I disagree with him.

Mr. RANKIN. Thomas Jefferson was a southern slaveholder. He was expressing his views as to the people of the

world, and there have been more misquotations and misapplications of what he said in the Declaration of Independence than any other document I have ever heard of.

If Thomas Jefferson were here today he would spurn this bill with contempt.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. MARCANTONIO. It just so happens that Thomas Jefferson, author of the Northwest Ordinance of 1787, advocated the abolition of slavery.

Mr. RANKIN. That was in the Northwest Territory.

Mr. MARCANTONIO. I do not know when the gentleman from Mississippi spoke to Thomas Jefferson last or when he communed with him, so I am not going to continue this argument because undoubtedly the gentleman is going to pretend that he spoke to Thomas Jefferson last night.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. HAYS of Ohio. I was always taught that we should have reverence for the dead and not disturb them in their sleep. I feel sure that Thomas Jefferson must be revolving in his grave to think that the gentleman from Mississippi is trying to interpret him to the House of Representatives.

Mr. EDWIN ARTHUR HALL. I will be glad to stand on that premise I recited from the Declaration of Independence.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the gentleman from New York may have five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. HOFFMAN of Michigan. Mr. Chairman, reserving the right to object, does the gentleman from New York want it?

Mr. EDWIN ARTHUR HALL. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. RANKIN. I call attention to the fact that the Communist Daily Worker today gives the gentleman from New York [Mr. MARCANTONIO] credit for running the House yesterday and also for being the chief sponsor of this bill.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. MARCANTONIO. Just because the Communists advocate wearing clothes I assume the gentleman from Mississippi is going to advocate the establishment of a nudist colony in this House.

Mr. EDWIN ARTHUR HALL. I have voted consistently against the poll tax ever since I have been in Congress. I intend to keep on voting against it until it finally becomes the law. The point was made in the debate a short time ago that the House could pass all the bills it wanted to on the subject and that they might be buried in the other body or held up elsewhere after we got through, but while that probably may be the case, and I know it has been the case before, and may be the case again, that does not preclude the right of every Representative to stand on his own feet and take a position one way or another. So far as I am concerned, I do not worry about being smeared in my district on that issue and on that position. I would like to see anybody come into my district and try to pick me to pieces on the issue of allowing any man or woman, regardless of race, creed, or color who is a citizen of the United States, the privilege of voting.

I am afraid that he would find himself in hot water and I would come out the victor in any debate with him that was staged in my district. I am not quarreling with anybody else in any other part of the country, but am simply stating the position I am going to take. The folks in my district will approve. I am very happy to cast my vote for this legislation.

I hope that this bill will be passed. I hope that the issue will be cleared up once and for all. I assure the House that my convictions are sincere, and I certainly would not question the sincerity or the convictions of any other Representative in this entire Congress.

Mr. TACKETT. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. TACKETT. Mr. Chairman, I ask unanimous consent that the gentleman have an additional 30 minutes.

Mr. HAYS of Ohio. Reserving the right to object, Mr. Chairman——

The CHAIRMAN. Does the gentleman from Arkansas wish to submit a unanimous-consent request?

Mr. TACKETT. I withdraw it, Mr. Chairman.

Mr. EDWIN ARTHUR HALL. The Constitution of the United States is the greatest document which has ever been written or conceived by the brain of man. It has given more happiness and more satisfaction to more people than any other policy in this Government or any other government since the beginning of mankind. I believe the principles of the Constitution ought to be preserved. The Constitution, with its preamble and its guaranties of the right of free speech, free assembly, and the other privileges and prerogatives that it gives to every American, should be revered and should be considered not only by the Congress but by everybody else in the country as a priceless document and one which other peoples of the world could well pattern after.

The CHAIRMAN. The time of the gentleman from New York [Mr. EDWIN ARTHUR HALL] has expired.

Mr. CAVALCANTE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I intend to address myself mostly to the constitutional question, and I would like to ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection?

Mr. HOFFMAN of Michigan. Reserving the right to object, what is the disposition on the part of the leadership? I have no objection to his talking for another 5 minutes.

Mrs. NORTON. As far as the chairman of the committee is concerned, she is perfectly willing to sit here until 10 o'clock tonight. You can have all the time you wish.

Mr. HOFFMAN of Michigan. I thank the gentlewoman.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. CAVALCANTE]?

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Would a motion to take a recess until 12 o'clock tomorrow be in order?

The CHAIRMAN. Not in Committee of the Whole House.

Mr. RANKIN. But if we were in the House would it be in order.

The CHAIRMAN. The present occupant of the chair does not have to answer that question.

Is there objection to the request of the gentleman from Pennsylvania [Mr. CAVALCANTE]?

There was no objection.

Mr. CAVALCANTE. Mr. Chairman, I shall not impose upon your patience with lengthy discussions tending to convince you that the requirement of the payment of a poll tax as a prerequisite to voting is a restriction upon the right of a United States citizen to vote and not a qualification of the elector for an intelligent and independent exercise of the right. The State of Alabama offers an interesting situation on this point. This State proposes the requirement for the payment of a poll tax but exempts citizens under 22 years, over 45 years, and all soldiers. This is definite proof that the distinguished people of Alabama know that the requirement for the payment of the poll tax is not a test to determine the qualification of the elector for age, residence, or for an independent and intelligent exercise of the right to vote.

I likewise believe that we need also to understand each other in the use of some of the phrases we employ. There seems to be an opinion that there is no right to vote, that it is a privilege. We might as well correct that impression right now. The opportunity to vote or the giving of the opportunity is not a privilege; it is a right. May I point out to you that I do not make that definition; I do not interpret that phrase myself. You will find in the eighteenth amendment to the Constitution—mark the words:

> The right of the citizens of the United States to vote—

It does not say "the privilege of United States citizens"; it says "the right of United States citizens to vote."

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. CAVALCANTE. In just a moment.

The fifteenth amendment uses the same language; it states:

The right of citizens of the United States to vote—

It does not say, "the privilege of United States citizens to vote."

I now yield to the gentleman from Texas.

Mr. LUCAS. The gentleman has been referring to amendments to the Constitution. Does he not think it significant that these rights were guaranteed to the citizens by means of amendments, that in the present instance the purpose desired should be effected by means of a constitutional amendment?

Mr. CAVALCANTE. I will answer the gentleman in my subsequent argument.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. CAVALCANTE. I yield.

Mr. NICHOLSON. The Constitution of the State of Massachusetts provides that a pauper cannot vote, nor can he register to vote. Under the gentleman's argument the United States could step in and say that these people could vote.

Mr. CAVALCANTE. How does the State of Massachusetts define the word "pauper"? What is a pauper?

Mr. NICHOLSON. A pauper is one who is dependent on the State or the town.

Mr. CAVALCANTE. My State provides the same thing. I will answer the gentleman later. He is touching upon the qualifications of the elector.

Mr. NICHOLSON. If a man cannot afford to pay a poll tax, he cannot vote.

Mr. CAVALCANTE. Oh, yes. A lot of electors have the money to pay the poll tax, but are prevented from voting because they either forget to pay the poll tax or become careless and are not interested in voting, despite the fact that they have money to pay the poll tax.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield further?

Mr. CAVALCANTE. Very briefly, if the gentleman please.

Mr. NICHOLSON. Does the gentleman believe that the Federal Government has the right to go into the State of Massachusetts and say that these people who are barred by our State constitution and the laws of the State from registering or voting shall have the right to do so?.

Mr. CAVALCANTE. I will answer that question if the gentleman will be seated.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. CAVALCANTE. It is a pleasure to yield to the distinguished gentleman from Texas.

Mr. PICKETT. I thank the gentleman. Since the gentleman is one of the objectors to the poll-tax method for registration of those who seek to participate in their right of suffrage, what remedy does the gentleman prescribe for those of us who use the poll tax and would he prescribe that remedy universally for all States of the country?

Mr. CAVALCANTE. If the gentleman will allow me to proceed, I will explain it to him.

Mr. PICKETT. Yes.

Mr. CAVALCANTE. Mr. Chairman, let us look at the picture that existed after the Revolution at the time the Constitution was being prepared. At that table came 13 different sovereign States with 13 sovereign powers dealing with the right of citizenship. One State had one qualification and another State had a different qualification.

Mr. DEGRAFFENRIED. Mr. Chairman, will the gentleman yield?

Mr. CAVALCANTE. I yield to the gentleman from Alabama.

Mr. DEGRAFFENRIED. The gentleman stated that under the law of the State of Alabama all soldiers have been exempted from the payment of the poll tax.

Mr. CAVALCANTE. I am so advised.

Mr. DEGRAFFENRIED. In my opinion, that is a correct statement of the law. With the thousands of colored soldiers in Alabama who served during the war, I would like to ask the gentleman, does he think that the Legislature of Alabama would have exempted them from the payment of the poll tax if the poll tax was to be used to keep the colored people from voting?

Mr. CAVALCANTE. Mr. Chairman, I am talking on the constitutionality of the measure before us. I agree with the gentleman, I would myself vote for a proposition such as he has stated to be the case in Alabama. I would have voted for that. But I am trying to address myself to the constitutionality of the bill before us and if he will permit me to proceed I will make my point.

Mr. DEGRAFFENRIED. The gentleman has heard a statement made here today by several different Members of the House that the purpose of the poll tax in those States still requiring the payment of the poll tax is to keep the colored people from voting. Is that consistent with what the Legislature of Alabama has done in exempting all soldiers, white and colored, from the payment of the poll tax?

Mr. CAVALCANTE. I would say the gentleman is correct.

Mr. Chairman, the framers of the Constitution were dealing with 13 States and Colonies that had 13 different types of citizenship. Some States had certain qualifications while other States had different qualifications. So they had to do a lot of compromising at that point.

I agree with these States' rights gentlemen who say that the representatives of those States were jealous of that right and that they did retain from the Federal Government the sovereign power to create the type of citizenship that each Colony desired within its own borders. I agree that that was the case.

The Constitution nowhere defines the meaning of "citizen," either by way of inclusion or exclusion, except insofar as this is done by the affirmative declarations that "all persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States." In this respect, as in other respects, it must be interpreted in the light of the common law, the principles and history of which were familiarly known to the framers of the Constitution—*United States* v. *Wong Kim Ark* (169 U. S. 654).

By the original Constitution, citizenship in the United States was a consequence of citizenship in a State. By this clause—amendment XIV, clause 1—this order of things is reversed. Citizenship in the United States is defined; it is made independent of citizenship in a State, and citizenship in a State is a result of citizenship in the United States. So that a person born or naturalized in the United States, and subject to its jurisdiction, is without reference to State constitutions or laws, entitled to all the privileges and immunities secured by the Constitution of the United States to citizens thereof—*United States* v. *Hall* (26 Fed. Cas. No. 15,282); *Sharon* v. *Hill* (26 Fed. 337); *United States* v. *Anthony* (24 Fed. Cas. No. 14,459).

It is because the States retained the power to create the citizen and prescribe the qualifications the State deemed requisite for the exercise of the elective franchise that the opinion has prevailed that the elective franchise is a privilege and not a right. But something has happened to the original Constitution. The fourteenth amendment has ripped from the States their sovereign power to create the citizen. This is the nub of the constitutional questions now raised upon this H. R. 3199.

The proponents of this bill contend that the power to prescribe the qualifications of the elector is an integral part of the power to create the citizen, as it was understood by the framers of the original Constitution. We contend that the fourteenth amendment has reversed the situation as it was understood at the time of the original Constitution and that the amendment now reposes in the United States the plenary power to create the citizen. To this point I cite you the following:

Since a citizen of the United States is definitely endowed with the right to vote, the United States must be conceded the constitutional power to protect its exercise against restrictive and unreasonable trammeling by the States.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is my purpose to comment on the statement made by my distinguished colleague, the gentleman from New York [Mr. KEATING]. Though I do not see him on the floor at the moment.

He made the statement that it was up to the Supreme Court finally to determine whether legislation was constitutional or whether it was not. Of course, that is correct. But, it is up to the individual Members of Congress, to the Congress as a whole, to first enact legislation, and certainly it is the duty of the individual Members of Congress each to settle in his own mind the question as to whether what the Congress is about to do is in accord with the provisions of the Constitution.

Now, just one other thing. A smart reporter over there on my right said, "Why don't you make the point and ask these gentlemen who support this bill whether, if the Congress can say to the States that they shall not impose a poll

tax, can the Congress say to the States that they shall impose a poll tax and fix the amount?" It is worth while thinking about.

But, here is the point I wish to make. On this great constitutional issue far be it from me to question the opinion of the chairman of the Committee on the Judiciary, the gentleman from New York [Mr. CELLER], or to question the accuracy of the conclusion of the gentleman from Pennsylvania, or any other great lawyer in the House. I have always thought that law was founded on good sense and justice—that a man of good sense and good judgment was as capable of forming a sound opinion on a principle of substantive law as a lawyer. Here is one section of article I, section 2, which declares that the electors must have the qualifications fixed by the State. We all know the meaning of the word "qualifications," do we not? Then, the gentleman from New York [Mr. CELLER] tells us that in section 4 there is given to the Congress the right to fix the time, the place, and the manner of holding elections. Then those who contend Congress has the power to fix qualifications of electors go along on the assumption that time, place, and manner mean the same thing as qualifications. That is not so.

Qualification means:

1. Act or an instance of qualifying, or state of being qualified. 2. (a) That which qualifies; any natural endowment, or any acquirement, which fits a person for a place, office, or employment, or to sustain any character; requisite capacity or possession; also a requisite or essential of a thing. (b) A condition precedent that must be complied with for the attainment of a status, the perfection of a right, or for admission to an office, employment, dignity, etc.; as, the qualification of citizenship.

Time, place, and manner are all familiar terms each with a meaning as clear and well known as is the meaning of the word "qualification."

I might be called upon to do a certain act, we will say, this evening, in a certain manner at a certain place, and at a certain time. But, it does not follow that I am qualified to perform that act, does it? No. Do you see the point? I have a date to run 100 yards tomorrow at 10 a. m. on New Jersey Avenue in shorts but it does not follow that I am qualified—my heart or lungs may be weak—I may be physically disqualified. I may not have the shorts. The time of my election, or the time of the election, is fixed as November, on a day certain every 2 years, but the question of whether I possess the qualifications to serve my people is answered by the people. I want to say to the gentleman from New York [Mr. CELLER], if he is here, and the gentleman from New York [Mr. KEATING] and the gentleman from Pennsylvania [Mr. CAVALCANTE] that to me there is a wide, wide difference—there is a wide, wide difference between time and place and manner of holding an election and the qualifications of an elector at the election. Wisely the forefathers gave to the Congress the power to fix the time, the place, and the manner of holding elections but to the people of the States the right to say who should vote. Otherwise the Congressmen might say that no one but Congressmen and their relatives should vote at a congressional election.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Pennsylvania.

Mr. CAVALCANTE. Does the gentleman believe that the power of the State to define qualifications is supreme and not restricted?

Mr. HOFFMAN of Michigan. Certainly; because all of the powers are reserved to the people except those specifically granted to the Federal Government. That is the only way that the Federal Government gets any power, what is granted to it by the Constitution. All the rest of the power is in the people in the States; is by the Constitution granted to the States. Do you claim for one moment that time, place, and manner mean the same thing as qualification? No; of course, you do not. Of course, everybody knows that.

Mr. CAVALCANTE. Mr. Chairman, will the gentleman yield further?

Mr. HOFFMAN of Michigan. Yes.

Mr. CAVALCANTE. Does the gentleman believe the State of Georgia has the constitutional power to reduce the voting age from 21 to 18?

Mr. HOFFMAN of Michigan. It did, did it not?

Mr. CAVALCANTE. That is not the question.

Mr. HOFFMAN of Michigan. Yes; I think they did.

Mr. CAVALCANTE. Let me read to the gentleman from Michigan the Constitution of the United States, with which he is so much in love.

Mr. HOFFMAN of Michigan. I certainly do love the Constitution—the principles it enunciates—the Government it created and the country which grew great and prosperous under it. I know about the Constitution, and if I did not, I would ask my good friend from New York [Mr. EDWIN ARTHUR HALL] who does know.

Mr. Chairman, I yield back the balance of my time.

Mr. BRYSON. Mr. Chairman, I move to strike out the necessary number of words and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Chairman, it is a privilege to appear before you at this time on one of the most vital subjects of legislation now before the Congress.

Let us examine the poll-tax situation in the South and see just what justification there is for Federal legislation. There are in the South six States in which the poll tax is a qualification for voting. In my home State of South Carolina we have probably the mildest form of poll tax. It is $1 per year and it is not cumulative. It does not apply to the Democratic primary, which is the real election. It applies only to the general election. Any citizen of South Carolina who wants to do so, can make his vote effective in the primary without paying any poll tax, or he may, by the payment of $1, go through the motions of voting in the general election. By no stretch of the imagination can the poll tax in South Carolina be regarded as a deterrent to voting. Many South Carolinians believe that this mild version of the poll tax should be eliminated. Our State's general assembly now in session has a bill before it abolishing the poll tax. No doubt favorable action soon will be taken thereon.

In other States of the South, the poll tax is higher, and in a few it is cumulative to the point where it may be a financial burden. But even the opponents of the poll tax admit that the tax itself is not the principal cause of the South's relatively low voting percentage in general elections. Since the results of the primaries determine the elections many of our citizens simply do not bother to cast a perfunctory vote in the general election.

Progressive leaders in the South are quite anxious to broaden the voting base in the South just as rapidly as the electorate proves itself equal to the privileges and responsibilities of self-government in a democracy. A great deal of progress has already been made in abolishing the poll tax as a qualification for voting. Two years ago the State of Georgia repealed its poll tax. In recent years, the States of North Carolina, Florida, and Louisiana have also repealed the poll tax. Only 6 States continue to hold onto the poll tax. We are not impressed, as my northern friends seem to believe, by the tradition of the poll tax. It may very well be that the poll tax has outlived its usefulness, that it is no longer justifiable. Like lynching, it is on its way out. It is being eliminated, not by any Federal invasion of the rights of the States, but by the actions of the several States themselves.

I realize that there are many sincere people in Congress and out of Congress who believe that slowness in acting or failure to act on the part of the States justifies the Federal Government in entering a field in which it has no business. For this, and for other less honorable reasons, the anti-poll-tax bill has passed the House on previous occasions. The Federal Government, however, has absolutely no business to legislate on the subject of the qualifications of the voters in the State of South Carolina, the State of Alabama, the State of Mississippi—or any other State, north or south, whose constitution outlines qualifications for voting. Anti-poll-tax legislation is clearly unconstitutional. It is a direct violation of the letter and intent of the United States Constitution, which sets forth in article I, section 2, the provision that—

The House of Representatives shall be composed of members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Repeatedly, throughout its history, the United States Supreme Court has upheld the right of the States to establish voting qualifications. In 1937, Justice Butler

summed up that right in the following language:

> Privilege of voting is not derived from the United States but is conferred by the State; save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate.

Clearly, therefore, anti-poll-tax legislation constitutes an invasion of the field of Government explicity reserved to the States. No one today holds to the extreme view that resulted in the War Between the States, namely, that States are sovereign to the extent that they might at will disrupt the Union. But we are not yet ready to subscribe to the doctrine that States are so weak and helpless as to render it necessary to take away their power to handle matters which in their essence belong entirely to State and not to National Government. The necessity of preserving the powers of the States in this respect has been reiterated time and time again by all the great Democratic leaders. The great historian, John Fiske, in his Critical Period of American History, wrote:

> If the day should ever arise (which God forbid) when the people of the different parts of our country shall allow their local affairs to be administered by prefects sent out from Washington, and when the self-government of the States shall have been so far lost * * * on that day the progressive political career of the American people will have come to an end, and the hopes that have been built upon it for the future happiness and prosperity of mankind will be wrecked forever.

That great liberal Democrat, Woodrow Wilson, in his wonderful book on Constitutional Government in the United States, said:

> It would be fatal to our political vitality really to strip the States of their powers and transfer them to the Federal Government. It cannot be too often repeated that it has been the privilege of separate development secured to the several regions of the country by the Constitution, and not the privilege of separate development only, but also that other more fundamental privilege that lies back of it, the privilege of independent local opinion and individual conviction, which have given speed, facility, vigor, and certainty to the processes of our economic and political growth. To buy temporary ease and convenience for the performance of a few great tasks of the hour at the expense of that would be to pay too great a price and to cheat all generations for the sake of one.

And another great Democrat, Franklin D. Roosevelt, when Governor of New York, delivered a radio address strongly supporting States' rights. He pointed to the danger signals which would attend any approaching autocracy in America:

> Now, to bring about government of oligarchy masquerading as democracy, it is fundamentally essential that practically all authority and control be centralized in our National Government. The individual sovereignty of our States must first be destroyed, except in mere minor matters of legislation. We are safe from the danger of any such departure from the principles on which this country was founded just as long as the individual home rule of the States is scrupulously preserved and fought for whenever it seems in danger.

It is interesting to note that the provisions for the payment of poll tax in South Carolina were written into our constitution of 1868 when the convention was dominated by Negroes, scalawags, and carpetbaggers.

There are many good citizens who contend that a poll tax should be levied and collected, especially since the funds received therefrom are allocated to the support of our public schools. Other good citizens take the view that no poll tax should be levied or collected as a prerequisite for the privilege of voting. That question need not be decided here. The question at issue is whether or not the Federal Government has a right to violate the United States Constitution and seek to abolish the poll tax. In my opinion, the Federal Government has no such right. This view has been entertained by outstanding judges and students of the law through many years.

The danger signals that our great leaders warned us against are now flying. The present occupant of the White House has given his sanction to an iniquitous encroachment by the Federal Government upon the rights and prerogatives of the States. His so-called civil-rights program, supported as it is by all the radical and communistic elements in the Nation, constitutes a grave threat to our form of government in which the States have a vital part. Let us not shatter our Constitution by any such proceedings. Let the States do the job, if they will, as it appears wise in the light of their experience. We call upon all sincere Americans—Democrats and Republicans—to help us stop this assault on the very fundamentals of constitutional self-government. The time to act is now. Tomorrow may be too late. Let us meet this assault with the courage of the Spartans of old. Let us resolve that "It shall not pass."

Mr. MORRIS. Mr. Chairman, I move to strike out the necessary number of words.

Mr. Chairman, I realize that this question of the constitutionality of this matter is not entirely one-sided, that there is some room for argument, but I believe without any doubt that a most careful study of the Constitution will show that this bill would be clearly unconstitutional if it should be enacted.

In addition to the arguments that have been made heretofore in regard to this bill, I call your attention also to the tenth amendment to the Constitution, same being among that group of the first ten amendments known as the Bill of Rights. I think most of us are familiar with that provision, but I call it again to your attention:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

Where do you find in the Constitution any delegation to Congress to regulate and to fix the qualifications of voters in the States? There is no such power delegated to the Congress. Certainly there is no prohibition in the Constitution against the States' fixing it, so I maintain that even though the provision did not exist in the Constitution, as set out in section 2, paragraph 1, article I, that "the electors in each State shall have the qualifications requisite for the electors of the most numerous branch of the State legislature," which is a direct implication, if not a direct statement, that the States shall have the right to fix the qualifications, the tenth amendment to the Constitution alone would very probably determine the matter in favor of the State legislatures having the right to fix the qualifications of such electors.

In addition, I call to your attention, and I believe no one else has particularly brought this to your attention, that, with regard to the election of United States Senators, the second paragraph of amendment XVII to the Constitution reads as follows:

> When vacancies happen in the representation of any State in the Senate the executive authority of such State shall issue writs of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

Here is the recognition again years after the formulation of the Constitution, a clear recognition that the State legislatures have the right to fix and determine the method of elections and the qualifications of electors. It is true that there is a provision in the Constitution that the time, place, and manner of holding such elections might be determined by the Congress of the United States. That clearly is in the Constitution, but the qualifications of the electors of both the Representatives in the House and the Senators of the United States are within the power of the legislature to fix and determine in my judgment.

I repeat it is clearly, in my judgment, an intention shown in specific words as to who has the power to fix the qualifications and that the legislature of any State may empower the executive thereof to make a temporary appointment to fill the vacancy as to a United States Senatorship until such time as the legislature may direct an election to be held in regard thereto.

I think very clearly the legislature has the power to determine those matters. When our Constitution was first formulated and our Government was first set up, the various States and the various parts of our country had different qualifications in regard to electors. We recognized that fact when we set up our Constitution. We understand that each person who is elected to the House and each person elected to the Senate of the United States represents the people who vote for him. Why should not the people of a State have a right to determine elector's qualifications?

As was suggested, I believe, by the gentleman from Michigan, and perhaps by others, if we can as a Congress by this legislation, say to the people of certain States "you shall not impose a poll tax," then we could say to all of the people, "You must impose a poll tax" and we could put any kind of requirements on an election that we wanted to.

Mr. Chairman, I do not believe there is a Member of the House or any person in the United States who is more opposed

to a poll tax than I am. I am very bitterly opposed to it. But we have no right in the Congress of the United States to force States to hold our views in this regard. We have no right to invade the sovereignty of any State and force such State to do something against its constitutional rights. On that ground I am opposed to this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. HOBBS].

The question was taken; and on a division (demanded by Mr. HOBBS) there were—ayes 53, noes 72.

Mr. HOBBS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mrs. NORTON and Mr. HOBBS.

The Committee again divided; and the tellers reported there were—ayes 62, noes 87.

So the amendment was rejected.

The pro forma amendments were withdrawn.

The Clerk read as follows:

SEC. 3. It shall be unlawful for any State, municipality, or other government or governmental subdivision to prevent any person from voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, on the ground that such person has not paid a poll tax, and any such requirement shall be invalid and void insofar as it purports to disqualify any person otherwise qualified to vote in such primary or other election. No State, municipality, or other government or governmental subdivision shall levy a poll tax or any other tax on the right or privilege of voting in such primary or other election, and any such tax shall be invalid and void insofar as it purports to disqualify any person otherwise qualified from voting at such primary or other election.

Mr. PICKETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PICKETT: Page 2, line 8, after the word "the", strike out "unlawful" and insert "unconstitutional."

Mr. PICKETT. Mr. Chairman, those who have discussed this subject at all during these 2 days of debate, both in general debate and under the 5-minute rule, have all admitted that this is a constitutional question. If such it be, why should we not use the phrase "It shall be unconstitutional" rather than "It shall be unlawful"? No reason is presented to those of us who are against the bill by those who have spoken in favor of it why that would not be a proper amendment. I will be most happy to hear somebody discuss it in opposition, but it occurs to me that in order to be consistent in dealing with a constitutional question that we should use phraseology consistent with the Constitution and that the word "unconstitutional" should be substituted for the word "unlawful." I do not know what the members of the committee who have studied this matter so carefully, so thoroughly, and so exhaustively may think about it, but I invite their comment.

We have never been presented with a complete analysis of this proposition on the part of the proponents of the bill. They pass over entirely the Supreme Court decisions that interpret the Constitution.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. PICKETT. In just a moment.

I may say to the committee that if you take the majority report the committee has submitted you will find that one-quarter of it is devoted to the question of the constitutionality and the legality of this bill; the other three-quarters is devoted to writing in a semihysterical manner about the great and disastrous influence that the infamous poll tax in seven States of this country has on our world relationships. From the committee report it would appear that what we are doing in seven States under the Constitution of the United States and under the laws of the States has got us to such a point in our international relationships that the world is about to be rent asunder because seven States require a poll tax to be paid by a person offering to vote. I do not see why you cannot get down to earth here and argue about the proposition this bill deals with. I have yet to hear the proponents of this bill attempt in any way to discuss the Supreme Court's decisions. Not one of them has discussed completely the constitutionality or the legality of this proposition. They have not even alluded to or touched upon the cases of Breedlove against Suttles, and Pirtle against Brown, that announced in substance the principle that any State of the United States has the constitutional right to levy, assess, and collect a poll tax and to make its payment as a prerequisite for voting for candidates for public office within the States and for Members of Congress and for that of President and Vice President. They have not touched the proposition at all and none of them has discussed, so far as I have been able to hear on yesterday or to read in the debates of yesterday or to hear on the floor today, the cases of Breedlove against Suttles, and Pirtle against Brown.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, substituting the word "unconstitutional" for the word "unlawful" in line 8, page 2, would be equivalent to a motion to recommit this bill. If the amendment passes, it would spell the doom of the bill. It would make the bill also utterly a monstrosity and a farce.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Texas.

Mr. PICKETT. Does the gentleman think it would be more of a monstrosity or a farce with that amendment than it is now?

Mr. CELLER. Of course, I think the bill is no monstrosity or no farce now. I say with all sincerity that in many years of experience in handling legislation of this character I have never yet been confronted with language of the sort contained in the proposed amendment.

If we have the word "unconstitutional" in section 3, we would place upon the prosecution an insuperable burden, a burden that would be impossible to carry out. It would mean that the Department of Justice, proceeding under the Civil Rights Code, would have to prove that the acts were unconstitutional. I do not know what that would mean, and I do not think the Department of Justice would understand the meaning either. It would be an utterly impossible proposition.

Furthermore, the Congress has no power to interpret the Constitution in the sense indicated by the proponent of this amendment. The interpretation of a statute as to its constitutionality is left to a coordinate branch of the Government, the judicial branch, not the legislative branch. I think that very amendment itself would be declared by the court to be unconstitutional.

For these reasons and in order not to make a farce of this legislation, I do hope that the amendment will not prevail.

Mr. WILLIAMS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a few moments ago when I spoke in general debate I attempted to list some of those who appeared before the subcommittee in favor of this legislation, but the rap of the Chairman's gavel stopped me.

In case you were not here when the gentleman from Mississippi listed these people earlier today I want to run over them again, then give you the rest of their names that the gentleman from Mississippi [Mr. RANKIN] did not have time to furnish before.

There were the following:

Clark Foreman, listed as a representative of the Progressive Party, one of the right-hand men to Henry Wallace, and the chief cog in the communistic machinery of the Southern Conference for Human Welfare. He is well known as a pimp for the Communist Party in the United States, and is a little social racketeer who has for years made it his business to make slimy and unwarranted attacks upon the decent people of the Southern States.

Elmer W. Henderson, representing the so-called American Council on Human Rights, whatever that organization is.

John W. Edelman and Tom Harris, of the CIO. Their interest is obvious. The CIO has made no bones about its attempt to use the Negro as a means to take over the South.

Ex-Congressman George Bender, of Ohio. Enough said.

Eleanor Neff, supposedly representing the Women's Division of Christian Service of the Methodist Church. Try and tell Southern Methodists that she represents their views if you want to be really "told off."

Robert J. Silberstein, representing the National Lawyers Guild. Never heard of it in the South, although I understand the Committee on Un-American Activities knows it quite well.

Leslie Perry, of the NAACP, another racketeer outfit preying on the good Negroes of both the North and South.

Charles E. Sands, another union boss.

Moss A. Plunkett, who I understand is a discredited and repudiated small-time politician from down in Virginia. I understand he ran for office in his home town once, and received less than 3 percent of the votes. He must be a

mighty influential man, whose opinions carry about as much weight as a mosquito.

None of these people represent the Negroes in the poll-tax States. Where is the demand from those Negroes for the passage of this legislation? It is just not there, and the gentlewoman from New Jersey knows it.

You who advocate this legislation and its companion proposals are always talking about "tolerance." How about a little tolerance for the Southern States who are making such magnificent progress toward achieving the very ends you profess to seek? How about a little consideration for the Constitution of the United States, which has acted as guardian of human rights and liberties down through the years?

What is the answer? Listen to the words of Booker T. Washington, a southern Negro, the greatest of them all:

> Brains, property, and character for the Negro will settle the question of civil rights. The best course to pursue in regard to the civil rights bill in the South is to let it alone. Let it alone and it will settle itself.

Do you think he regarded himself as a victim of unfair discrimination. Do you not think he would be more qualified to speak on the subject than the gentlewoman from New Jersey?

Or is she better qualified to speak for the South than the immortal Henry W. Grady, who said:

> The future holds a problem, in solving which the South must stand alone; in dealing with which she must come closer together than ambition and despair have driven her, and on the outcome of which her very existence depends. This problem is to carry within her body politic two separate races, and nearly equal in number.
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> * * * * *
>
> This burden no other people bears today—on none has it ever rested. Without precedent or companionship, the South must bear this problem, the awful responsibility of which should win the sympathy of all mankind and the protecting watchfulness of God alone, even unto the end.

Let us forget our sectional differences, my friends. Let us join hands, the North, the South, the East, and the West, cast aside this iniquitous legislation, and work together for the welfare of the American people.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. PICKETT].

The question was taken; and on a division (demanded by Mr. PICKETT) there were—ayes 38, noes 76.

So the amendment was rejected.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that all debate on this section close in 10 minutes.

Mr. TACKETT. I object, Mr. Chairman.

Mrs. NORTON. Mr. Chairman, I move that all debate on this section close in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I think we should take a few minutes to answer certain statements that have been made on the floor. One of the gentlemen opposed to the bill said today, "No matter what a Negro wants to do, he can do it in the South." As opposition to that statement we have certain comments that have been made here by other Members from the South.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. That came out of an editorial which appeared in a Negro newspaper published in Newark, N. J., last year.

Mr. FULTON. I believe the gentleman supported the comments. The gentleman thinks they are true?

Mr. WILLIAMS. Certainly.

Mr. FULTON. Then may I say to the gentleman that a good friend from Mississippi [Mr. WHITTEN], on page 10119 of the RECORD of July 25, said:

> To be sure, we prevent the Negro from forcing himself into the white man's home, his place of worship, and public places.

Here is a comment in the RECORD of this Congress that in certain States of this Union we prevent certain first-class citizens from entering various parts of the States both public and private, and that the public buildings are not open to one group of citizens, who are denied free access as American citizens.

Again on page 10119 of the RECORD of July 25, there is a comment:

> Why did we do that? To keep the Negro from voting? No; to keep some irresponsible group from coming along just before the election and paying poll taxes in order to control votes. That is the reason for it.

Thus it is shown that this goes beyond the Negro problem in the South. It is shown that it is for the purpose of keeping out certain groups whom other groups do not feel are responsible or should vote.

Making a definition of democracy, as being the expression of the majority of the public will, evidenced by the citizens through their elected representatives duly chosen by elections, we can see that if restrictions are kept or are placed upon certain elements of the citizenry, the Constitution granting inalienable rights, regardless of how we construe it, is not being lived up to.

Going further, I think the people from the North should compliment the South and a good many citizens of the South for the good work they are doing for the Negro. There is no doubt that the southerners are encouraging them, educating them, and helping them along toward economic equality and equality of educational opportunity. In fact, on page 10119 of the RECORD the gentleman from Mississippi [Mr. WHITTEN] says:

> In Mound Bayou, Miss., an exclusively Negro town, we have a splendid example of how the Negro can get along if left to himself and that is what is desired by the southern Negro. * * * The people of the town are happy, the section prosperous. The Negro of the South has come far since the War Between the States.

That point should be emphasized by the people who are for this bill. The South has come far lately, the Negroes have come far, and I believe if you will give them civic responsibilities, they will go further. You will find it will help their development and that, instead of causing further racial discrimination and trouble, it will relieve tension and develop that unity which we are all in favor of. If in Mississippi there is one town which even a Mississippi Representative says is successful and prosperous and is run by Negro officials elected by Negroes, it has certainly been demonstrated that there is no lack of capacity in the Negro race to join in the elections to vote for both white and colored people in that State.

Can any southern Representative answer me that: If they are able to run a town and have a prosperous community by themselves, why can they not do it along with the white people?

We should get rid of these extraneous matters that are clouding the issue. For example, on page 10119 of the RECORD there is the statement by the gentleman from Mississippi [Mr. WHITTEN] that—

> The Negro leaders sponsoring this measure are not interested in political equality; what they want is social intermingling—and you know it.

That is not the issue. The issue is whether every citizen in the country shall have the right to vote without paying a price to do so.

Mrs. NORTON. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD at this point, and be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The remainder of the bill is as follows:

> SEC. 4. It shall be unlawful for any State, municipality, or other government or governmental subdivision to interfere with the manner of selecting persons for national office by requiring the payment of a poll tax as a prerequisite for voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, and any such requirement shall be invalid and void.
>
> SEC. 5. It shall be unlawful for any person, whether or not acting under the cover of authority of the laws of any State, municipality, or other government or governmental subdivision, to require the payment of a poll tax as a prerequisite for voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives.

With the following committee amendment:

> On page 3, line 16, insert:
>
> "SEC. 6. For the purposes of this act, the payment, levying, or requirement of a poll tax shall be construed to include any charge of any kind upon the right to vote or to register for voting, in any form or evidence of liability to a poll tax or to any other charge upon the right to vote or to register for voting."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. PICKETT. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. PICKETT: On page 3, line 8, strike out all of section 5.

Mr. PICKETT. Mr. Chairman, the provisions of section 5, if that section remains in the bill, will make it unlawful for any duly elected official of any State, wherein a poll tax is levied, assessed, and collected as a prerequisite to voting, to perform the ministerial duties of his office as he would be enjoined to do by his own constitution and by his own statutes.

This section 5 reads:

It shall be unlawful for any person, whether or not acting under the cover of authority of the laws of any State, municipality, or other government or governmental subdivision, to require the payment of a poll tax as a prerequisite for voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives.

Now, begging the question of whether you are proceeding in a proper manner to abolish the poll tax in the seven States involved, certainly I think the sponsors of this legislation would concede the right of a duly elected official, who has taken his oath of office, to carry out and discharge the duties of his office in a legal and constitutional manner, in keeping with the constitution and laws of the forum where he is holding office. You ought not to require a man to suffer the punishment that could be put upon him for failure to discharge the duties incumbent upon him as that duly elected official, on one hand, contrary to the laws of his own State which require him to perform those duties. That is an unfair burden to place upon him. That is a dual position to force him to occupy. It is an imposition upon an individual who must carry out these functions with which he is charged as a matter of law in carrying out.

My amendment will not do any violence to this bill. It cannot do any harm to the principle involved, as I see it, because you have already, in the four preceding sections, declared that it is unlawful to levy and collect poll tax, but you ought not put the added burden on the duly elected official who is charged by law with carrying out these duties. I think the committee ought to accept this amendment. If they care not to accept it, however, I do think it is a reasonable amendment and something that any Member of this House could vote for as a matter of comity with the Federal jurisdiction in which we seek to legislate and the State jurisdiction in which the officeholders who must administer State laws operate.

I earnestly ask your favorable consideration and vote for this amendment.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PICKETT] has expired.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, this section 5, which the amendment offered by the gentleman from Texas proposes to delete from the bill, is actually the heart of the bill. You do not need to be an attorney to be able to understand what this section means. I would like to read it into the RECORD at this point. It reads as follows:

SEC. 5. It shall be unlawful for any person, whether or not acting under the cover of authority of the laws of any State, municipality, or other government or governmental subdivision, to require the payment of a poll tax as a prerequisite for voting or registering to vote in any primary or other election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives.

This specifically does not interfere in any way whatsoever with the election of any State or municipal official, from Governor on down. The language of the section specifically ties it to the election of Federal officials.

I wish to answer the objection—the gentleman from Texas did not raise it here today, but it was raised on the floor yesterday, that it would cause an endless amount of confusion, that you would have to have two sets of ballots. Let me say that we have had two sets of ballots in Ohio in Federal elections for some time, because back a few years ago when the then Governor BRICKER was afraid that he could not be reelected he called a special session of the legislature and split the ballot so that he would not have to run on the same ballot with the President. He was afraid that a straight ticket cast for the President would carry a Democratic nominee for Governor in and defeat him. We have had split ballots in Ohio for President, and for the State officials we had another ballot, but it has not caused a single bit of confusion.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. PICKETT. It must have caused considerable confusion in Ohio or the gentleman would not be so worried about it now. Is the gentleman going to force that on us in Texas?

Mr. HAYS of Ohio. I am not worrying about it at all; it has not caused us any confusion. I am just pointing out to the gentleman the opposite, that even though we have a split ballot it has not caused confusion. There are split ballots frequently in States when the people vote separately on bond issues and constitutional amendments. It does not necessarily cause confusion. To eliminate this section would simply cut the heart out of the bill and destroy the intent of it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. PICKETT) there were—ayes 59, noes 73.

Mr. PICKETT. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. PICKETT and Mrs. NORTON.

The Committee again divided; and the tellers reported that there were—ayes 63, noes 88.

So the amendment was rejected.

Mr. LUCAS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUCAS. Mr. Chairman, I am going to say something which may come as somewhat of a surprise to some of my fellow Members of Congress from the South. I am opposed to the poll tax. I have been opposed to the poll tax since I have been old enough to know what it means and since I have realized that it has served as a bar to participation in our Government for a great number of people. It is not a disenfranchisement of a race of our people, or even of a class, but it does disenfranchise—as it operates in Texas—a certain group of people who fail to purchase their permission to vote before the end of January in each election year.

I am firmly convinced that we cannot stand before the world and boast of our democracy as long as we allow this curb to be placed before the voters in several of our States. Too many elections are being conducted for too few of our citizens. Too many important decisions are being made by only a minority of our people.

But I do not contend that repealing the poll tax would cure these evils, for it certainly would not, but it would certainly be a step toward their cure.

I have said that I favor the repeal of the poll tax, but I shall not vote for this bill. I shall not vote for it because when I was sworn in as a Member of the House of Representatives, I took a solemn oath to support and defend the Constitution of the United States. As has been so plainly set out here before us by the distinguished gentleman who have spoken against this bill, the Constitution clearly forbids this type of legislation. You know as well as I the possibility of action upon this legislation by the courts and you can draw your own conclusions. I am not content to violate the oath which I made upon assuming my duties here by voting for a bill which I am convinced is unconstitutional. The remedy is in an amendment to that Constitution and it is plain to me that our duties lie in that direction, that of enacting a constitutional amendment preventing the levying of any head tax on the privilege of voting. It is my belief that those of us who are opposed to this poll tax should join together in securing the adoption of a constitutional amendment in order to achieve the end which we all feel will provide us with a better and more democratic system of government.

Mr. MULTER. Mr. Chairman, I ask unanimous consent to extend my remarks at this time in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Chairman, the objections to this anti-poll-tax legislation fall into two categories. The one is based upon objection to repeal of poll-tax laws, the other is based upon the constitutional question involved. The third objection,

in my opinion, is no objection but merely an excuse for opposition to the bill. That small group of Members of this House that are prone to label everything communistic also pretend that this bill is Communist inspired and for support of their argument refer to a list of names of some of the persons who appeared before the committee at its hearings. I suggest to any of my colleagues who seriously consider that a method of appraising this bill, to place side by side with that list, the list of names of the highly respected and respectable Members of this Congress and of each of the Congresses which preceded this, back to and including the Seventy-seventh Congress, who in each of these Congresses supported the principle set forth in this bill. There they will find as fine and as strong a bulwark against communism as any country can produce.

I have no doubt that nothing that can be said will sway the opinion of those Members who are in favor of a poll tax. Those Members simply refuse to believe that the Declaration of Independence and the Constitution of the United States, like the law of God, is intended to apply to all citizens with equal force, regardless of race, color, or creed.

Those who raise the constitutional question also fall into two categories—those who use it as an excuse and those who sincerely believe that the principle should be established by constitutional amendment and not by congressional enactment. In the latter class are those who will support the constitutional amendment offered by the gentleman from Arkansas, BROOKS HAYS, and most of them will not hesitate to sign his petition to bring that amendment befor this House for action. I am one of those who signed that petition because I firmly believe in the principle that every citizen should have the right to exercise his franchise without the payment of a poll tax, and I will vote for that principle in any and every form in which it can be submitted to this body.

In the other category of Members who plead unconstitutionality of this legislation are found those who will not support the constitutional amendment. If they are sincere in urging that objection as their only reason for their objection to this bill then they ought to rush to the Clerk's desk to affix their names to the petition to bring that resolution before the House for consideration.

Some of the opponents of this measure have also thrown out the cry of politics against the sponsors of this legislation. Very few of the sponsors of this legislation are from States which still have a poll tax. They can gain no votes by the elimination of a poll tax in other States. I am inclined to believe that those who cry politics are fearful that the enactment of this legislation will be the end of their own political dynasties.

Mr. PRESTON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is theer objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRESTON. Mr. Chairman, although it is well known that this measure will not become law during this session, I wish to take this opportunity to voice my opposition to it.

The race issue has no place in this debate. It is purely and simply a constitutional question and the preponderance of the argument and court decisions lie heavily against the bill. It could serve no purpose to further discuss the legal aspects of the measure. I can only add my voice in protest at the determination of those ill-advised persons who insist that the South should be governed from Washington. When States' rights disappear with them will go the fundamentals and strength which have held the Union in such close bonds. Pity the day for America when the civil-rights bills all become law.

Mr. WORLEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection

Mr. WORLEY. Mr. Chairman, the issue here is not whether a poll tax is good or bad or right or wrong. The issue is simply whether the Congress has the power under the Constitution of the United States to repeal a poll tax levied by a State as a requisite to vote. In my opinion section II of article I of our Constitution is controlling. That section provides that the House of Representatives shall be composed of Members chosen every second year by the people of the several States and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

In my home State of Texas, the Constitution provides that the payment of a poll tax is necessary before a person otherwise qualified can vote.

I do not oppose this measure because I believe in the poll tax. On the contrary, I do not believe any person should be compelled to pay money for the privilege of voting for or against those officials who will have power to make and enforce the laws under which he lives. As a member of the Texas Legislature, I did upon several occasions vote to submit to the people a constitutional amendment to repeal the poll tax. The recently adjourned session of that honorable body submitted this question to the people of Texas to be voted on next November. My views on the poll tax have not changed but my jurisdiction has changed. As a member of the Texas Legislature I could properly vote to submit such an amendment to the people, but as a Member of Congress I cannot support this measure because the Congress simply does not have that power.

As a lawyer and as a Representative, I contend the proper legal and constitutional method would be for Congress to submit the question in the form of a constitutional amendment but not as a legislative proposal such as the pending measure.

Mr. BARRETT of Pennsylvania. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT of Pennsylvania. Mr. Chairman, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to point to the fact that 10,000,000 citizens of the United States are disfranchised by the poll-tax requirement. This infringement upon the right of franchise on a minority group has denied them their full civil rights under the Constitution. It is revolting to think that such a large number of American citizens are required to pay a poll tax as a condition to exercising the highest and most basic right in a democratic society. This "Jim Crowism" is an evil which must be eliminated if we are to convince other countries that the only "ism" which will prevail in our country is Americanism. Abolition of this "Jim Crowism" will be a step forward in demonstrating the good faith of our professed democratic principles and will be a demonstration of Americanism in action. Abolition of the poll tax in some of our Southern States has resulted in an immediate and substantial increase in the number of voters who participated in elections when not hindered and impeded by this requirement.

It is our responsibility as elected representatives of the people of the United States as a whole to provide equal rights to the entire citizenry of our common country. The passage of an anti-poll-tax law was an inherent part of both party platforms in 1948 and the voters are looking to us to eliminate this tax for once and for all.

The passage of H. R. 3199 will correct an injustice which has too long prevented many American citizens from having a say in their own Government. Sufficient testimony has been given as to the constitutionality of this bill when similar legislation was proposed and passed by the House of Representatives in four previous Congresses. Such a law is not only socially and morally desirable, but will serve to eliminate an opportunity for criticism of our democracy by the subversive elements which have been spreading vicious propaganda that we do not provide sufficient protection and full civil rights to our minority groups. The controversy over providing this protection and civil rights is divisive and tends to weaken the Nation in an hour when the need for cooperation and unity is great. Let us not delay the righting of this wrong tax and pass H. R. 3199.

Mr. TEAGUE. Mr. Chairman, I want to say for the RECORD that I am opposed to any form of anti-poll-tax legislation, including the measure now before the Congress. I am convinced beyond a shadow of a doubt that such legislation is wholly unconstitutional, I believe one of my colleagues has said that such legislation has already been declared unconstitutional about 14 times, and I think it a waste of time—and a waste of the taxpayers' money—to uselessly argue and take time to pass more anti-poll-tax legislation which in the end will, if it does

not meet rebuff in the Senate, be classed as unconstitutional by the Supreme Court of the United States. The matter of elections has been, and I hope always will be, a matter of States' rights, and I see no reason to attempt further encroachment on something the various States hold sacred. It is not a matter for this or any other Congress.

The power to hold an election and to determine the qualifications of a voter was never delegated to any branch of the Federal Government. It remains in the respective States, guaranteed by the Constitution. I have stated once before on this floor, when this same question was being considered, that regardless of whether it is right or wrong to require payment of poll tax as a prerequisite for voting, the matter is purely one for the States to determine. Why, at this late date, do you want to take away from the States the power over suffrage which for years has been recognized as belonging to the States of the Union?

The proper and only way for Congress to do away with the poll tax is by the submission of a constitutional amendment to the people and let the people themselves make the decision. In my opinion, if the pending bill becomes a law and is heard by the Supreme Court, the Court will rule, in effect, that to accomplish what the bill seeks to do will have to be done by constitutional amendment.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3199) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national offices, pursuant to House Resolution 276, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. HALE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HALE. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HALE moves to recommit the bill H. R. 3199 to the Committee on House Administration with directions that they report the legislation back to the House in the form of a joint resolution amending the Constitution to make illegal payment of poll taxes as a qualification for voting.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. I make the point of order that the language which is carried in the motion to recommit is not germane to the bill. The motion calls for a constitutional amendment.

The SPEAKER. The Chair is inclined to agree with the gentleman for the simple reason that a constitutional amendment involving this question would lie within the jurisdiction of the Committee on the Judiciary and not within the Committee on House Administration. The Chair sustains the point of order.

Mr. HALE. Mr. Speaker, I offer an alternative motion to recommit.

The SPEAKER. The gentleman qualifies, and the Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HALE moves to recommit the bill H. R. 3199 to the Committee on House Administration.

Mrs. NORTON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. COLMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 123, nays 267, not voting 42, as follows:

[Roll No. 143]

YEAS—123

Abbitt	Fisher	Patman
Abernethy	Frazier	Patten
Albert	Fugate	Peterson
Allen, La.	Gary	Pickett
Andresen, August H.	Gathings	Poage
	Gillette	Preston
Andrews	Gossett	Rains
Bates, Ky.	Grant	Rankin
Battle	Gregory	Reed, N. Y.
Beckworth	Hale	Regan
Bennett, Fla.	Hardy	Rich
Bennett, Mich.	Hare	Richards
Bland	Harris	Rogers, Fla.
Boggs, La.	Harrison	Short
Bonner	Hébert	Simpson, Pa.
Boykin	Herlong	Sims
Brooks	Hobbs	Smith, Kans.
Brown, Ga.	Hoffman, Mich.	Smith, Va.
Bryson	Jensen	Smith, Wis.
Burleson	Jones, Ala.	Taber
Burton	Jones, Mo.	Tackett
Byrnes, Wis.	Kerr	Teague
Camp	Kilday	Thompson
Carlyle	Lanham	Thornberry
Colmer	Larcade	Trimble
Combs	Lovre	Vinson
Cooley	Lucas	Wadsworth
Cooper	Lyle	Werdel
Cotton	McMillan, S. C.	Wheeler
Cox	Magee	Whitten
Crawford	Mahon	Whittington
Curtis	Mason	Wickersham
Davis, Ga.	Miles	Williams
Davis, Tenn.	Mills	Willis
DeGraffenried	Morris	Wilson, Okla.
D'Ewart	Morrison	Wilson, Tex.
Doughton	Murray, Tenn.	Winstead
Elliott	Nicholson	Wood
Ellsworth	Norrell	Woodruff
Evins	O'Hara, Minn.	Worley
Fellows	Pace	
Fernandez	Passman	

NAYS—267

Addonizio	Auchincloss	Biemiller
Allen, Calif.	Bailey	Bishop
Andersen, H. Carl	Baring	Blackney
	Barrett, Pa.	Blatnik
Anderson, Calif.	Barrett, Wyo.	Boggs, Del.
Angell	Bates, Mass.	Bolling
Arends	Beall	Bolton, Md.
Aspinall	Bentsen	Bolton, Ohio
Bosone	Hays, Ohio	Nixon
Brambiett	Hedrick	Noland
Breen	Heffernan	Norblad
Brehm	Heller	Norton
Brown, Ohio	Herter	O'Brien, Ill.
Buchanan	Heselton	O'Brien, Mich.
Buckley, Ill.	Hill	O'Hara, Ill.
Buckley, N. Y.	Hinshaw	O'Konski
Burdick	Hoeven	O'Neill
Burke	Holifield	O'Sullivan
Burnside	Holmes	O'Toole
Byrne, N. Y.	Hope	Patterson
Canfield	Horan	Perkins
Cannon	Howell	Pfeifer, Joseph L.
Carnahan	Huber	
Carroll	Hull	Pfeiffer, William L.
Case, N. J.	Irving	
Cavalcante	Jackson, Calif.	Philbin
Celler	Jackson, Wash.	Phillips, Calif.
Chelf	Jacobs	Phillips, Tenn.
Chesney	James	Plumley
Chiperfield	Javits	Polk
Christopher	Jenison	Poulson
Chudoff	Jenkins	Price
Church	Johnson	Priest
Clemente	Jonas	Quinn
Cole, Kans.	Judd	Rabaut
Corbett	Karst	Ramsay
Crook	Karsten	Reed, Ill.
Crosser	Kean	Rees
Cunningham	Kearns	Rhodes
Dague	Keating	Richlman
Davenport	Kee	Rodino
Davies, N. Y.	Keefe	Rogers, Mass.
Davis, Wis.	Kelley	Rooney
Dawson	Kennedy	Roosevelt
Deane	Keogh	Sabath
Delaney	King	Sadlak
Denton	Kirwan	Sadowski
Dingell	Klein	St. George
Dollinger	Kunkel	Sanborn
Dolliver	Lane	Sasscer
Dondero	Latham	Scott, Hardie
Donohue	LeCompte	Scott, Hugh D., Jr.
Douglas	LeFevre	
Doyle	Lemke	Scrivner
Eberharter	Lesinski	Scudder
Engel, Mich.	Lind	Secrest
Engle, Calif.	Linehan	Sheppard
Fallon	Lodge	Simpson, Ill.
Feighan	Lynch	Spence
Fenton	McCarthy	Staggers
Flood	McConnell	Steed
Fogarty	McCormack	Stefan
Forand	McCulloch	Stigler
Ford	McDonough	Stockman
Fulton	McGrath	Sullivan
Furcolo	McGuire	Sutton
Gamble	McKinnon	Talle
Garmatz	McMillen, Ill.	Tauriello
Gavin	McSweeney	Taylor
Golden	Mack, Ill.	Thomas, Tex.
Goodwin	Mack, Wash.	Tollefson
Gordon	Macy	Towe
Gore	Madden	Underwood
Gorski, Ill.	Mansfield	Van Zandt
Gorski, N. Y.	Marcantonio	Velde
Graham	Marsalis	Vorys
Granahan	Marshall	Wagner
Granger	Martin, Mass.	Walsh
Green	Merrow	Weichel
Gross	Meyer	Welch, Calif.
Hagen	Michener	Welch, Mo.
Hall, Edwin Arthur	Miller, Calif.	White, Calif.
	Miller, Md.	Wier
Hall, Leonard W.	Miller, Nebr.	Wigglesworth
	Mitchell	Wilson, Ind.
Halleck	Monroney	Wolcott
Hand	Morgan	Wolverton
Harden	Morton	Woodhouse
Hart	Moulder	Yates
Harvey	Multer	Young
Havenner	Nelson	Zablocki

NOT VOTING—42

Allen, Ill.	Hoffman, Ill.	Redden
Barden	Jennings	Ribicoff
Bulwinkle	Jones, N. C.	Rivers
Case, S. Dak.	Kearney	Shafer
Chatham	Kilburn	Sikes
Clevenger	Kruse	Smathers
Cole, N. Y.	Lichtenwalter	Smith, Ohio
Coudert	McGregor	Stanley
Durham	Martin, Iowa	Thomas, N. J.
Eaton	Murdock	Vursell
Elston	Murphy	Walter
Gilmer	Murray, Wis.	Whitaker
Gwinn	Potter	White, Idaho
Hays, Ark.	Powell	Withrow

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Kilburn for, with Mr. Lichtenwalter against.

Mr. Smith of Ohio for, with Mr. Kearney against.

Mr. Smathers for, with Mr. Redden against.

Mr. Sikes for, with Mr. Murphy against.

Mr. Stanley for, with Mr. Walter against.

Mr. Hays of Arkansas for, with Mr. Potter against.

Mr. Rivers for, with Mr. Shafer against.

Mr. Gilmer for, with Mr. Ribicoff against.

Mr. Whitaker for, with Mr. Powell against.

Mr. Barden for, with Mr. McGregor against.

General pairs until further notice:

Mr. Jones of North Carolina with Mr. Coudert.

Mr. Kruse with Mr. Jennings.

Mr. Murdock with Mr. Elston.

Mr. Durham with Mr. Allen of Illinois.

Mr. Chatham with Mr. Gwinn.

Mr. Bulwinkle with Mr. Hoffman of Illinois.

Mr. White of Idaho with Mr. Vursell.

Mr. DAVIS of Wisconsin changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mrs. NORTON and Mr. COLMER demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 273, nays 116, answered "present" 2, not voting 41, as follows:

[Roll No. 144]

YEAS—273

Addonizio	Crook	Hays, Ohio
Allen, Calif.	Crosser	Hedrick
Andersen, H. Carl	Cunningham	Heffernan
	Dague	Heller
Anderson, Calif.	Davenport	Herter
Angell	Davis, Wis.	Heselton
Arends	Dawson	Hill
Aspinall	Deane	Hinshaw
Auchincloss	Delaney	Hoeven
Bailey	Denton	Holifield
Baring	Dingell	Holmes
Barrett Pa.	Dollinger	Hope
Barrett, Wyo.	Dolliver	Horan
Bates, Ky.	Dondero	Howell
Bates, Mass.	Donohue	Huber
Beall	Douglas	Hull
Bentsen	Doyle	Irving
Biemiller	Eberharter	Jackson, Calif.
Bishop	Engel, Mich.	Jackson, Wash.
Blackney	Engle, Calif.	Jacobs
Blatnik	Fallon	James
Boggs, Del.	Feighan	Javits
Bolling	Fenton	Jenison
Bolton, Md.	Fernandez	Jenkins
Bolton, Ohio	Flood	Johnson
Bosone	Fogarty	Jonas
Bramblett	Forand	Jones, Mo.
Breen	Ford	Judd
Brehm	Fulton	Karst
Brown, Ohio	Furcolo	Karsten
Buchanan	Gamble	Kean
Buckley, Ill.	Garmatz	Kearns
Buckley, N. Y.	Gavin	Keating
Burdick	Golden	Kee
Burke	Goodwin	Keefe
Burnside	Gordon	Kelley
Byrne, N. Y.	Gore	Kennedy
Canfield	Gorski, Ill.	Keogh
Cannon	Gorski, N. Y.	King
Carnahan	Graham	Kirwan
Carroll	Granahan	Klein
Case, N. J.	Granger	Kruse
Cavalcante	Green	Kunkel
Celler	Gross	Lane
Chelf	Hagen	Latham
Chesney	Hall, Edwin Arthur	LeCompte
Chiperfield		LeFevre
Christopher	Halleck	Lemke
Chudoff	Hand	Lesinski
Church	Harden	Lind
Clemente	Hart	Linehan
Cole, Kans.	Harvey	Lodge
Corbett	Havenner	Lynch
McCarthy	O'Brien, Mich.	Scudder
McConnell	O'Hara, Ill.	Secrest
McCormack	O'Konski	Sheppard
McCulloch	O'Neill	Simpson, Ill.
McDonough	O'Sullivan	Spence
McGrath	O'Toole	Staggers
McGuire	Patten	Steed
McKinnon	Patterson	Stefan
McMillen, Ill.	Perkins	Stigler
McSweeney	Pfeifer, Joseph L.	Stockman
Mack, Ill.		Sullivan
Mack, Wash.	Pfeiffer, William L.	Sutton
Macy		Talle
Madden	Philbin	Tauriello
Mansfield	Phillips, Calif.	Taylor
Marcantonio	Phillips, Tenn.	Thomas, Tex.
Marsalis	Plumley	Tollefson
Marshall	Polk	Towe
Martin, Mass.	Poulson	Underwood
Merrow	Price	Van Zandt
Meyer	Priest	Velde
Michener	Quinn	Vorys
Miles	Rabaut	Wagner
Miller, Calif.	Ramsay	Walsh
Miller, Md.	Reed, Ill.	Weichel
Miller, Neb.	Rees	Welch, Calif.
Mitchell	Rhodes	Welch, Mo.
Monroney	Riehlman	White, Calif.
Morgan	Rodino	White, Idaho
Morton	Rogers, Mass.	Wier
Moulder	Rooney	Wigglesworth
Multer	Roosevelt	Wilson, Ind.
Murdock	Sabath	Wolcott
Murray, Wis.	Sadlak	Wolverton
Nelson	Sadowski	Woodhouse
Nixon	St. George	Yates
Noland	Sanborn	Young
Norblad	Sasscer	Zablocki
Norton	Scott, Hardie	
O'Brien, Ill.	Scrivner	

NAYS—116

Abbitt	Frazier	Patman
Abernethy	Fugate	Peterson
Albert	Gary	Pickett
Allen, La.	Gathings	Poage
Andrews	Gillette	Preston
Battle	Gossett	Rains
Beckworth	Grant	Rankin
Bennett, Fla.	Gregory	Reed, N. Y.
Bennett, Mich.	Hale	Regan
Bland	Hardy	Rich
Boggs, La.	Hare	Richards
Bonner	Harris	Rogers, Fla.
Boykin	Harrison	Short
Brooks	Hébert	Simpson, Pa.
Brown, Ga.	Herlong	Sims
Bryson	Hobbs	Smith, Kans.
Burleson	Hoffman, Mich.	Smith, Va.
Burton	Jensen	Smith, Wis.
Byrnes, Wis.	Jones, Ala.	Taber
Camp	Kerr	Tackett
Carlyle	Kilday	Teague
Colmer	Lanham	Thompson
Combs	Larcade	Thornberry
Cooley	Lovre	Trimble
Cooper	Lucas	Vinson
Cotton	Lyle	Werdel
Cox	McMillan, S. C.	Wheeler
Crawford	Magee	Whitten
Curtis	Mahon	Whittington
Davies, N. Y.	Mason	Wickersham
Davis, Ga.	Mills	Williams
Davis, Tenn.	Morris	Willis
DeGraffenried	Morrison	Wilson, Okla.
D'Ewart	Murray, Tenn.	Wilson, Tex.
Doughton	Nicholson	Winstead
Elliott	Norrell	Wood
Evins	O'Hara, Minn.	Woodruff
Fellows	Pace	Worley
Fisher	Passman	

ANSWERED "PRESENT"—2

Andresen, August H. Wadsworth

NOT VOTING—41

Allen, Ill.	Hall, Leonard W.	Redden
Barden		Ribicoff
Bulwinkle	Hays, Ark.	Rivers
Case, S. Dak.	Hoffman, Ill.	Scott, Hugh D., Jr.
Chatham	Jennings	
Clevenger	Jones, N. C.	Shafer
Cole, N. Y.	Kearney	Sikes
Coudert	Kilburn	Smathers
Durham	Lichtenwalter	Smith, Ohio
Eaton	McGregor	Stanley
Ellsworth	Martin, Iowa	Thomas, N. J.
Elston	Murphy	Vursell
Gilmer	Potter	Walter
Gwinn	Powell	Whitaker
		Withrow

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Withrow for, with Mr. Wadsworth against.

Mr. McGregor for, with Mr. August H. Andresen against.

Mr. Lichtenwalter for, with Mr. Kilburn against.

Mr. Kearney for, with Mr. Smith of Ohio against.

Mr. Redden for, with Mr. Smathers against.

Mr. Murphy for, with Mr. Sikes against.

Mr. Walter for, with Mr. Stanley against.

Mr. Potter for, with Mr. Hays of Arkansas against.

Mr. Ribicoff for, with Mr. Rivers against.

Mr. Leonard W. Hall for, with Mr. Gilmer against.

Mr. Powell for, with Mr. Whitaker against.

Mr. Hugh D. Scott Jr., for, with Mr. Barden against.

Additional general pairs until further notice:

Mr. Jones of North Carolina with Mr. Allen of Illinois.

Mr. Chatham with Mr. Cole of New York.

Mr. Bulwinkle with Mr. Hoffman of Illinois.

Mr. Durham with Mr. Vursell.

Mr. WADSWORTH. Mr. Speaker, on this vote I have a pair with the gentleman from Wisconsin, Mr. WITHROW, who if present would vote "aye." I therefore withdraw my vote of "no" and vote "present."

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I have a pair with the gentleman from Ohio, Mr. MCGREGOR, who, if present, would vote "aye." I therefore withdraw my vote of "no" and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ELECTION CONTEST, TWENTIETH DISTRICT OF OHIO (H. DOC. NO. 279)

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read, and together with the accompanying papers referred to the Committee on House Administration and ordered to be printed:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 26, 1949.

The Honorable the SPEAKER,
House of Representatives

SIR: The Clerk has unofficial knowledge of the bringing of a contest for a seat in the Eighty-first Congress from the Twentieth Congressional District of the State of Ohio, by the filing with him, for information only, of a copy of the answer to a notice of contest filed with Honorable Michael A. Feighan as the returned Member from said District.

The time for the taking of testimony in this case, pursuant to the provisions of the statutes, having long since expired and no testimony having been received by the Clerk, it would appear that this case has abated.

The reply to the notice of contest is transmitted herewith for reference to the appropriate Committee.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

COMMUNICATION FROM THE CLERK OF THE HOUSE (H. DOC. NO. 277)

The SPEAKER laid before the House the following communication from the

Clerk of the House of Representatives, which was read and with accompanying papers referred to the Committee on House Administration, and ordered to be printed:

JULY 26, 1949.

The Honorable the SPEAKER,
House of Representatives.

SIR: The Clerk has unofficial knowledge of the bringing of a contest for a seat in the Eighty-first Congress from the Fifth Congressional District of the State of Iowa, by the filing with him, for information only, of a copy of the answer to a notice of contest filed with Hon. PAUL CUNNINGHAM as the returned Member from said district.

The time for the taking of testimony in this case, pursuant to the provisions of the statutes, having long since expired and no testimony having been received by the Clerk, it would appear that this case has abated.

The reply to the notice of contest is transmitted herewith for reference to the appropriate committee.

Very truly yours,
RALPH R. ROBERTS,
Clerk of the House of Representatives.

COMMUNICATION FROM THE CLERK OF THE HOUSE (H. DOC. NO. 278)

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives, which was read, and with accompanying papers referred to the Committee on House Administration and ordered to be printed:

JULY 26, 1949.

The Honorable the SPEAKER,
House of Representatives.

SIR: That there was in progress, under the provisions of the statutes, a contest for a seat in the House of Representatives from the Thirty-fifth Congressional District of the State of New York in the Eighty-first Congress, was made apparent by the filing in the Clerk's office of the following communications, viz.:

1. On January 3, 1949, for information only, by Honorable Hadwen C. Fuller, a copy of notice of his intention to contest the election of Hon. JOHN C. DAVIES, returned Member from the Thirty-fifth Congressional District of the State of New York.

2. On February 3, 1949, for information only, by Hon. JOHN C. DAVIES, a copy of his reply to the notice of contest.

Since the time required by law for the taking of testimony in this case has long since expired, and no testimony having been received by the Clerk, it would appear that this case has abated.

The notice of contest and reply thereto is transmitted herewith for reference to the appropriate committee.

Very truly yours,
RALPH R. ROBERTS,
Clerk of the House of Representatives.

GENERAL LEAVE TO EXTEND REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill just passed by the House, H. R. 3199.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

EXTENSION OF REMARKS

Mr. COX asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in today's Washington Star.

DESIGNATING JANUARY 30 OF EACH YEAR, THE BIRTHDAY OF THE LATE FRANKLIN DELANO ROOSEVELT, A NATIONAL LEGAL HOLIDAY

Mr. DEGRAFFENRIED. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DEGRAFFENRIED. Mr. Speaker, I am today introducing in the House a joint resolution designating January 30 a national legal holiday in honor of Franklin Delano Roosevelt.

This outstanding American will go down in history as one of the greatest men the world has ever produced. There are few men whose greatness becomes so clearly recognized while they are living and so shortly after death. There is no need to wait for a future generation to establish January 30 as a national, legal holiday in honor of the late President Roosevelt. His brilliant and penetrating mind, his charming and strong personality, and his enormous vitality were universally recognized and admired. His bigness of heart, his love of mankind, and his untiring efforts to give the ordinary human being a better chance and a better opportunity in this life endear him to the hearts of all people of all nations and of all climes forever. It is, therefore, but fitting that this Congress should make January 30 a national legal holiday in his honor as memorialized by Senate Joint Resolution No. 52 of the State of Alabama, approved by the Governor of Alabama on July 22, 1949.

SPECIAL ORDERS GRANTED

Mr. TABER asked and was given permission to address the House for 15 minutes on tomorrow, following any special orders heretofore entered.

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 10 minutes on tomorrow, following any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. KUNKEL asked and was given permission to extend his remarks in the RECORD and include a radio speech.

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include an article by Richard L. Neuberger, entitled, "What Do the Wounded Say?"

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Geneseo Leader.

Mr. DAVENPORT asked and was given permission to revise and extend his remarks and include a newspaper article.

Mr. TACKETT asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Arkansas Gazette.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD in two instances.

OUR SHAMEFUL RECORD IN VETERANS HOUSING

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an article.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am inserting as part of my remarks an article in Collier's by Frank D. Morris entitled "Our Shameful Record in Veterans Housing." This article refers to the fact that 4 years after the war a million and a half veterans and their families are still living in substandard houses. There was passed out of the Committee on Foreign Affairs a very fine housing bill, the so-called Veterans' Homestead bill, composed originally by the American Legion. In the last session of Congress some 32 Members introduced companion bills. I have a feeling that the reason this bill was not passed was due to the fact that the American Legion did not urge a more effective fight to secure its passage. As you know, the gentleman from Georgia [Mr. DAVIS] tried to get the bill through when the last Housing Act was up for consideration, and also the gentleman from Michigan [Mr. WOLCOTT] tried to have it included in his recommittal bill. It is time that we did something for the veterans as regards housing. They have no satisfactory housing today. They need housing more than any other group and the 20 acts of Congress passed that relate to housing it seems that only the lenders and builders have been considered. There is not one in which the veteran is primarily considered.

The article referred to is as follows:

OUR SHAMEFUL RECORD IN VETERANS' HOUSING

(By Frank D. Morris)

(A Collier's survey shows that 4 years after the war a million and a half veterans and their families are still living in substandard housing.)

Mr. G. I. Veteran, in case you've forgotten, is the fellow to whom we promised a decent American home; a place where he could settle down to citizenship and family life. Does he, after 4 years of peace, now have that home or even a reasonable facsimile thereof?

We raise this provocative question because we have the answer in fact and detail. For 4 years we have heard this question answered by national and local legislators with hem-and-haw generalities. Like a good many other citizens we have not been satisfied with these answers. To get at the truth Collier's conducted a survey of veterans' housing conditions in 30 cities. We now intend to spell out that truth for all Americans who have the stomach to take it and conscience to feel ashamed. Let's begin with some regional pin points:

Middle West: A veteran and his wife with three children found themselves sharing an apartment with a prostitute who used the parents' bedroom for her trade.

New England: A Navy veteran's 2-month-old baby nearly died of bronchial pneumonia because the kerosene stove, a smelly fire hazard which cost $25 a month to operate, did not heat the jerry-built onetime Army barracks.

Deep South: Veterans' families manage to live in a trailer camp where four toilets serve 75 people each, and the baths (says one of the wives) "are just too filthy to use; we're afraid we'd get a disease." This family bathes

in the sink or crosses the city, where a friend lets them use the tub.

East coast: In a rat-happy, garbage-scented project, there are rows of two-story Army barracks, each holding four families. The barracks have only one exit, the front door. In case of fire, says one tenant, an ex-Marine, "We'd just have to jump out the windows. Four families would never be able to get out that one door in a hurry." Then he began talking in a haunted sort of way about a quonset hut fire he'd read about in another city. Three children, all under five, were burned to death. The authorities began an investigation and decided to install extra exits in the one-door huts. But before they got around to it, there were three more fires and two more children were burned to death.

West coast: In an area of larger barracks, each housing 14 veterans' families, sewage backed up into the bathtubs and formed pools under and around the buildings. This caused an epidemic of eye, ear, throat, and sinus infections. Medical attention cost the families an average of $400 each over a period of 6 months. "That amount would have given us a big step toward a down payment on a home," says one of the wives.

These are not isolated or hand-picked cases, as we shall show. There are approximately 1,500,000 ex-servicemen who live under appalling conditions. We cannot shrug off these people (as a Congressman recently did) with the convenient Biblical quote: "For ye have the poor always with you." Some of these slum-dwelling veterans are hard up, and many may be shiftless, but many more are making good wages and trying to get ahead.

This is no problem of what to do about incompetents and no-accounts who can't take care of themselves in a land of opportunity. These fellows were among the 12,000,000 who were in uniform, mostly overseas, when swarms of factory workers from country and town hit the big industrial cities. The migration overloaded and wore out thousands of living places which were already in bad shape. The veteran wasn't around when this was going on. He was in his particular foxhole dreaming about the girl he wanted to marry or the wife he wanted to rejoin. Weddings and babies were the natural consequence of his joyous homecoming, and luckily there were plenty of jobs at good wages in the early postwar years.

But money couldn't produce the honeymoon cottage. Building materials, from nails to lumber, were almost unobtainable. Rent control, favoring the status quo, had frozen millions of houses and apartments which the veterans were quite able to afford but couldn't get.

Many a discharged GI and his bride began married life with the in-laws—which was bad enough—or moved into anything with a roof over it—which was often worse. The great baby boom of 1946–47 complicated an already complex situation. The only fault of the returning fighting men was that they were ardent and prolific, which is generally the case with men virile enough to win a war. Yet here they were back from the battlefields, glowing with their own hopes and the country's praise, only to be dumped into revolting slum conditions which they did not create and which they have no way of overcoming.

PLENTY OF LEGISLATION

The crowning mockery of it is that these men were told solemnly and repeatedly that such things would not be allowed to happen. Since World War II, Congress has passed more than 20 housing bills which relate to veterans. State laws and city ordinances raise the total number of promises to skyscraper heights, not to mention the comforting pledges of professional speechmakers.

Basic document on veterans' housing is the Lanham Act of 1946, title V, which was supposed to fix everything. It provided that the Federal Government hand over movable dwellings for GI housing projects on a strictly temporary and emergency basis. Then, by loans and a system of priorities, the veterans were to get their permanent dwellings later on.

Why didn't the statesmen foresee what was bound to happen? They were sponsoring public-created slums, built with worn-out materials and assembled on the only vacant areas of our cities—the wastelands where no one would willingly live. There is a temptation to believe that the statesmen merely took the word for the deed. Having passed a flock of laws, they felt they had done their duty.

Our gypped GI's and their disillusioned brides probably live too close to their own misery to give it any broad interpretation. All they know is what the score is for themselves, 4 years after the winning of a global war for the American way of life.

We offer this Collier's survey both as a general indictment of the whole system and as a bill of particulars in city after city, site after site.

There are cities which have tried to solve the veterans' housing problem by the simple process of ignoring the main point. One such city is Atlanta, Ga. This quaint and storied town appropriated $60,000 to finance GI homes away back in 1945.

The official attitude seems to be that there is no dwelling shortage which private industry can't handle—if the GI's don't mind waiting.

There are, our survey revealed, 5,000 apartments in Atlanta (3,000 for Negroes, 2,000 for whites), but these are reserved for tenants whose yearly incomes are less than $2,600. Rent is $85 to $100 a month, almost half their maximum income. Many GI families in this income group have two or more children and can't put that much into rent. They are looking for places that go for $50 to $60 a month. In Atlanta such places are gone with the wind.

The result is that a GI family of medium income has to drop down to a lower level of housing. It is quite a drop. For $18 to $22 a month he may be able to get living space in the Veterans' Trailer Park on Cherokee Avenue, a sickening example of bargain-counter shopping under the Lanham Act.

This trailer camp was established 3 years ago when Atlanta purchased 100 used trailers for which the Federal authorities at Oak Ridge, the atomic energy village, had no further use. They were not the best trailers at Oak Ridge. A private concern bought up the first lot of 100, and Atlanta got the left-overs for the veterans. One of the vehicles literally fell apart in transit, several others have collapsed from rot, but the rest now stand on a 7-acre tract which has hitherto been vacant for a very good reason.

The tract borders on a mosquito swamp in an area which even the slum-conditioned Negroes would never inhabit. But about 300 veteran folk live there now—without sidewalks, without plumbing, without shade trees, and almost without hope. Some of the home-hungry wives have raised a few flowers in the yard, pitiful tokens of broken dreams. As Mrs. Lamb, wife of a former staff sergeant and mother of two daughters, puts it: "We're making the best of it, but really it's pretty bad. We've been here just a year now, and if we'd known how it was going to be, we'd have stuck it out with our relatives."

Yet Atlanta proudly hold up its head on one score. It may not spend money on the veterans' housing project, but unlike another southern city, it doesn't make a profit out of its Veteransville. New Orelans does. This city not only got a ready-made Army base, Camp Planche, as a site, but operated it so frugally that last year it made $102,720 from the deal. This was done by refusing to cut the grass, repair leaky roofs, or fix ill-fitting window screens. The city hall admits taking the profit, but says the money was turned over to the Federal Housing Authority. All the city got out of it was 10 percent in lieu of taxes.

Don T. Hoover, an ex-Navy man with a 2-year-old son, is inclined to be philosophical about it all. "We tried last summer to find a place of our own, but they wouldn't take children. There's a lot of gripe about here, but it's a lot better housing—and cheaper—than you can get in the city at today's prices." His neighbor, Leo Broussard, who spent 18 months in the China-Burma-India theater, adds: "There ought to be a law to force landlords to rent to people with kids (the Broussards have five) or not rent at all. Where do they want us to raise them? In a barn? The way prices and rents are now, we ain't even trying to look for another home."

DEFEATIST ATTITUDE PREVAILS

Both Milwaukee, the city, and Milwaukee County know that there is a problem all right, but seem to take the defeatist attitude that nothing much can be done about it. There is some excuse, though no justification, for this attitude. Milwaukee has 50,000 veterans' families, and 13,000 of them need housing. So far only 2,500 of these families have been provided for in temporary houses. There is the inevitable project, called Greenfield Park Trailer Site, an assortment of trailers, Quonset huts, barracks, and prefabs.

This is the Lanham Act, first phase, but what of the permanent homes which the GIs were supposed to get? In Milwaukee there are two developments being readied for veterans, but they will be only a drop in the bucket. The two developments will provide 500 units, enough to house just 5 percent of the known applicants—and these are reserved for former servicemen who make $300 a month and up.

In Milwaukee, just as in Atlanta, it is a long drop between the top and the bottom levels—and there is no provision for the middle level. Rentals at Greenfield Park run between $38 and $44 a month. The site is 7 miles from the downtown area where most of the men work, round trip 32 cents. The nearest shopping center of any consequence is at West Allis, 25 minutes away by bus.

Trailers are spaced as little as 8 feet apart and never any farther apart than 25 feet. Several of these trailers house as many as eight persons. Built of plywood and set on wooden blocks, the vehicles have folding beds and tiny kitchens. There are, of course, no bathrooms.

Tenants must carry their water in buckets from a central set of sanitary stations to which the slop and sewage buckets have to be carried, too. Large families have trouble keeping the slop buckets emptied. They stand outside the door waiting until the men of the house can return from work and tote them away. Wandering through the site are people in bathrobes, moving to and from the public showers. There are no partitions inside the bathhouses. Children and adults of the same sex bathe side by side.

It is easy to understand why the public school, a mile away and already 50 percent overcrowded, does not welcome the children of these "trailer people," as the veterans are called.

It goes without saying that families do not stay on at Greenview by choice. J. F. Manthy, a former aviation mechanic in the Navy and father of two young children, pretty well spoke for the whole community when he said, "I won't stay here any longer than I can help. I spend most of my spare time looking for a place."

Pittsburgh can be classed with Milwaukee for defeatism. The largest of its 12 veterans' housing sites, quaintly called Ingram Palace, stands beside Sewer Creek. There are no paved roads or sidewalks, no schools or school busses, no playgrounds or shopping centers, no movies, and no speed law to protect the children. The whole effect is one of what's-the-use hopelessness. The problem seems too big for the city to handle.

Then there are cities where a veteran has to "know somebody" in politics in order to get any sort of dwelling.

AFTER 3 YEARS OF IN-LAWS

Boston furnishes an example. One of the veterans we interviewed lived with his mother-in-law for 3 years before he gained admission to the Franklin Field housing project by tapping the right political source in Mayor Curley's city hall. For his family, his wife, and two children, this man got three rooms in an over-age Army barracks, which someone had picturesquely described as "about as waterproof as an orange crate." The kerosene stove in the living room produces blistering heat within a small radius, but sends no warmth, only fumes, to the other rooms.

On advice of the family doctor, who came to treat the children's respiratory troubles, this veteran went apartment hunting in Cambridge, the colonial town across the Charles River, where there is an apartment building, priority to servicemen as a matter of course.

"I make $60 a week, two children," the veteran told the manager.

"Your rent for a four-room apartment would be $45 a month. But you must be a bona-fide resident of Cambridge and the waiting list is a mile long," the manager said.

The veteran went back to Franklin Field. His family has been there now for 2 years. Aside from the health hazard and inconveniences, there is a humiliating lack of privacy which wears gratingly on the sensitive nerves of young married people. The flimsy walls guard no family secrets, whether those of quarrels, love-making, or the routine of everyday life. The tenants here do have some hope—the bitter cynical hope of someday meeting and pleasing the right politician who will patronize them with a higher place on the various "waiting lists." It is not a proud dream for men who won their country's battles.

Washington, D. C., is another place where politics pay off, but it is difficult to pressure Congressmen, because Washingtonians do not have the vote. Five miles from the Capitol and one-quarter mile from the sewage-disposal plant lies Reconversion Housing Project No. D. C. (V) 49110-A. This complicated nomenclature stands for 46 two-story frame barracks which were shipped up from Georgia. They all need painting, just as the site needs more grass, more garbage collections, and rat extermination.

FUNDS VOTED BUT NOT SPENT

"I saw no flowers anywhere, no evergreens, no shrubbery," our field researcher reported. There is plenty of open space, but Congress has not provided a playground. This is not for lack of funds. Appropriations have been voted for swings, slides, etc., but the equipment has never been purchased. Authorities say they may get around to it soon—"maybe this summer."

Inhabitants of the site gripe mostly about the rats, the uncollected garbage and the fuel bills. But this note, not uncharacteristic of many tenants, was sounded by a former marine: "You've got to look at the Government's side of this situation as well as the veterans'. A lot of veterans seem to want everything for nothing. I don't go along with that business. But I do think we ought to have a better deal than this. We'll never get a decent home from those shyster builders who put up apartment houses that rent for $96 for two bedrooms. Maybe it would be fair for the Government to pay half and the veteran to pay half, and build some decent permanent places."

But in another politics-ridden town, Jersey City, the inmates of Veteransville refused to take abuse lying down. Jersey City, now happily delivered from Boss Hague, has its Garfield Avenue housing area, where last year heat-and-service charges were rigged to run total rent payments up to $93 a month. Families here, joined by other veteran-folk from the Duncan Avenue area (adjacent to a city dump), refused to pay rent until the over-all charges were adjusted, as they finally were.

Back in 1947, during the unpredicted Christmas blizzard, veterans of site 6 in Jersey City, also bordering a city dump, actually marched on the city hall with petitions asking for fuel oil to keep their families from freezing to death. Some of the marchers were reminded of another freezing ordeal around Christmas-time—the Battle of the Bulge just 2 years before.

Such experiences with city governments are not the best examples of democracy in action, and there have been many equally uninspiring lessons from private enterprise.

In Louisville, Ky., a onetime serviceman paid a contractor $7,800 to build a home. The house began to deteriorate almost immediately. A year after construction an appraisal showed that $2,000 was needed for repairs. The contractor, George Alt, had not bothered about drainage, had cheated on the specifications, and palmed off second-hand materials as new.

The veteran-owner and 25 others went to court against Alt. In 17 of the cases, judgments of $31,004 were obtained by the plaintiffs. A happy ending? No; because Alt sued to put himself in bankruptcy. The veterans got nothing much out of it except the experience—the sort they will not easily forget.

All over the country the shysters and the con men have had their innings in veterans' housing. In the Los Angeles vicinity 136 veteran-owners sued builders for $80,000—a sum which the court awarded in part.

Four real-estate brokers in San Francisco were given suspended jail sentences for similar offenses and ordered to make restitution.

In St. Louis there is a contractor charged with collecting $5,628 from a home-building veteran but failing to meet contract specifications.

It is not necessary to go overboard and say that the building industry and American business in general have ganged up on the unsophisticated veteran. But this much we can say—this housing calamity ought never, and need never, have been inflicted on these boys. Government and business, between them, have given very poor protection to those who provided very good protection when the shooting was on.

Government and business could rightly have claimed credit if the housing system had succeeded. They must now take the rap for this conspicuous failure.

Why has the system been such a wretched flop? Part of the fault lies in the conception of what was needed, part in the execution. The big mistake in planning was in ignoring the great middle spread of income. The Government must have known the approximate amounts which average men of Army age and training might expect to earn. But housing was apparently planned to take care of the extremes, the very poor and the relatively well off.

Poor people always have to take what they can afford. Many of them know how to make the best of what they have. Their initiative provides occasional bright spots to relieve the drab picture of the housing sites.

THEY TAKE A REALISTIC VIEW

Some tenants, realizing that they face an indefinite stay in such surroundings, accept the fact stoically. They make the best of it by landscaping their tiny plots of yard space, fencing them in and making other improvements. They like the low rent—when heating costs don't increase it unduly—and some are even satisfied to stay where they are, explaining that it's better than their previous mode of living. The majority, however, are trying desperately to move. Their only words of praise for the project life are luke warm: "It's better than living with your in-laws."

But the forcing of middle-income groups into these camps has added to the congestion and pulled down the living standards. By far the greatest amount of discontent comes from veterans who can afford better things and can't get them. Just as they loathe living in low-rent barracks and trailers, so they respond with some jealousy and understandable spite when they see dwellings available but beyond their reach in price. A New York paper recently advertised a veterans preference apartment on Sutton Place for $3,000 a year. A new house in Lexington, Mass., was placed on the market on these terms: "Held exclusively for veterans of World War II, or their families, until March 15, 1949. Price, $65,000."

The dream house for veterans, as our survey showed, would be something between $5,000 and $7,500. Such a modest place is almost out of this postwar world. The planners forgot to plan it for the homecoming GI.

In practice our housing system is the old story of never-never. Meeting a temporary emergency by borrowing old barracks and the like would be all right—if it were really temporary. But it should not be an excuse for tolerating unbearable conditions long after the word "temporary" has lost its meaning.

EVIL THAT WILL LINGER ON

Even if we should suddenly destroy the Veteransvilles, a part of the evil they bred would remain behind for years to come. Our survey shows a definite class consciousness among families who have lived in these veritable concentration camps. This is not a strange reaction when lower living standards are thrust on families who had every reason to expect progress, not retrogression.

All of the settlements constitute an eyesore and a civic menace. "Last winter people drove out here to gape at our problem unit," a veteran told us.

The settlements never had enough fire, police, and health protection. Dirt and disorder always foster delinquency. In Seattle a free-speaking veteran's wife ticked off four teen-age neighborhood girls who she knew were having sex relations with their boy companions. No wonder. In the same site there were at least five unmarried couples living together. All this sort of thing drags down morale and gives a built-in inferiority complex to the decent people who are exposed to it. Many of the veterans are college graduates and come from good homes, but now they find themselves on the wrong side of the tracks through no fault of their own.

They fought to preserve the things they held near and dear. Now they must fight to get back what they lost because of their sacrifices. Fortunately there are those who fight beside them to do away with the pestholes called Veteransvilles.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. PHILLIPS] is recognized for 40 minutes.

MARSHALL HEIGHTS VERSUS HOUSING, INC.

Mr. PHILLIPS of California. Mr. Speaker, the subject matter for which I reserved this time had to do with an incident which in itself may not be of particular interest to the individual Members of Congress. The principle back of it, however, is of interest. It is a well-established principle that a borrower

should come to the source of the loan with good credit standing, and it was my desire to document a situation which exists between the Republic of Mexico and a distinguished citizen of my own State in such a way as to suggest that I have no doubt this situation has been overlooked by the Republic of Mexico, and that the administration of that Republic will be the first to want to correct it. Unfortunately, Mr. Speaker, I have not had time in the past 24 hours, which was the time I have had the documents in my hand, to prepare the material as I want to present it. So, at the conclusion of the remarks I make today, I will ask unanimous consent that I may have, say, 30 minutes on Thursday of this week, and use a few moments today to discuss something which could be of greater interest to the Members of the House.

Mr. Speaker, practically all Members of this House saw in the Washington newspapers a few days ago an article concerning the little houses which are being built on the Virginia side by a corporation known as Housing, Inc., of which the present Housing Expediter, Mr. Tighe Woods, is an interested party. I understand that he is one of the financial backers of the project.

I had an invitation to drive around Sunday afternoon, and we decided to drive out and see the new houses. I report to you, Mr. Speaker, that it is a very interesting little house. It is a nice little house. It has in it many of the features which we in the California area think are desirable for small bungalow-type houses, plus features which are necessary for the somewhat colder climate around Washington. It is an easy house to build. It will be an easy house to care for.

There have been questions raised about the price of the house. The house is selling for $6,750, on very easy terms. The statement has been made in my hearing that the house could be built in quantity for a less price. It would be necessary to compare designs and qualities carefully. I make no point of that because the comparison I wish to draw has to do with the ability to build a house in that location, and the inability to build at all under the restrictions imposed in another area much nearer to Washington.

The houses which Housing Incorporated are building are to have VA loans. They also have private financing. They have no sewerage. They will have septic tanks. They will have wells for individual houses. They are placed upon a wooded area of ground of some 50 or more acres on the old road to Mount Vernon. I think you would call it accessible, but certainly not an easy, straight, well-paved road to get to it; a dirt road. It will all be a matter of future development.

I have no criticism of any of it because I myself think they are very nice little houses, and I would be willing to own one and to live in it. I am compelled, Mr. Speaker, to draw a comparison in my own mind and to ask you to draw one in yours. This is 25 miles away from Washington. It is at least 1 hour away. The statement of the people who are offering the houses for sale is that it is 1 hour's driving time from downtown Washington to this development.

Mr. Speaker, the Subcommittee on Independent Offices of the Committee on Appropriations, of which I am a member, has brought to this floor three times the problem of a development in the northeast corner of the District of Columbia. It is known as Marshall Heights. Marshall Heights is not over 5 miles, I would suppose, away from the downtown area. It is 20 minutes from the downtown area. Yet, Mr. Speaker, it is impossible to obtain a loan upon property in that area. The Commissioners of the District of Columbia, the District of Columbia Redevelopment Agency, and the District of Columbia Housing and Planning Commission have combined to prevent further building and even to prevent repairs on the existing houses in that area. The area I speak of in Virginia, which I visited last Sunday, 25 miles away, has no sewerage system, no water, and is 1 hour's driving time away from Washington. It is a new area in the process of development. It has loans. Those houses can be sold with no down payment, at $45 a month. They will presumably be owned by white purchasers. The area in the northeast corner of the District of Columbia is owned by people who went out, purchased the land themselves, and built the houses themselves because they could not obtain loans. They hired what help they could. They did it against every obstacle that, within the past 3 years to my knowledge, has been put in their way by the Commissioners of the District of Columbia, the District of Columbia Redevelopment Agency, and the District of Columbia Planning Board.

The owners who purchased that land under what was once an established American idea that you could buy a piece of land, own it, and build your house upon it, and feel that you had the rights of ownership and tenure in that property, are Negro citizens.

I think it is a very interesting comparison. There has been a very obvious effort which nothing could point out more clearly than the comparison I make this afternoon, Mr. Speaker, that it is the desire of the Commissioners of the District of Columbia, and of the District of Columbia Redevelopment Agency to force those owners off their own land and out of that area. They have done it by refusing to permit improvements upon the buildings already built and by refusing to grant building permits so that new houses could be built.

Although water and sewerage have been brought into the area entirely surrounding Marshall Heights, they have refused to bring them into that area even though the District engineer, General Young, is on record in the hearings on the third deficiency appropriation bill as saying that they were required under the law to take utilities into that area. They have done all this and I think we are beginning to see little by little the reason which prompts this attempt to squeeze out American citizens who own their own lands. That is the statement in the hearings on the third deficiency appropriation bill, Mr. Speaker, that this is fine land upon which $12,000—and I quote, Mr. Speaker: "$12,000, $13,000, and $30,000 homes could be built."

And that it is "not over 20 minutes' driving time from downtown Washington."

It seems to me there is a very definite principle of, shall we say, representative government or constitutional government involved. These people own their properties in Marshall Heights. They built their own homes. They think that under the Constitution they are entitled to the protection which ownership gives them. The Commissioners of the District of Columbia, encouraged by the Housing and Planning Commission, have declared that to be a slum area. It is no more a slum area than the area in which some of the gentlemen who might be present here today live.

It has been declared to be a slum area under the terms of the authority given the Planning Board unintentionally by this Congress in the act of 1946. Under the terms of that act it would be possible to declare, I believe, all of England to be a slum area. If the plumbing conditions did not suit the members of the board, or if any conditions in the area were not satisfactory, it could be declared a slum area.

Without any more ado, Mr. Speaker, I submit to you that it is worthy of consideration and perhaps investigation by the proper legislative committee of this Congress to see if the attitude taken by the Committee on Appropriations for three successive years, with increasing support both in this body and in the other body, is not the correct attitude. We have said that until we know more of the ultimate intentions of the Planning Commission and of the Redevelopment Agency and of the District Commissioners, as to what they are really planning to do with that little corner of the District of Columbia, they should be refused any more appropriations than those which may be used to perfect the plans and to submit those plans to Congress.

Mr. Speaker, there could never have been a better indication of what I am talking about than the comparison between the new development that I saw last Sunday, in which there is no water and no sewerage, 25 miles away, 1 hour driving time, with veterans' loans and private loans and insurance applied to it; and 5 miles away, 20 minutes' driving time, individual owners of land under the American system being refused the help which under the law they are entitled to. No loans, no permits to build, no permits to make alterations, their insurance canceled by a coincidence on the same date in April of this year. I suggest it, Mr. Speaker, to the Congress for further consideration.

I yield back the balance of my time, Mr. Speaker, if you will be kind enough to allow me to reserve 30 minutes to address the House on Thursday of this week.

The SPEAKER. Without objection, the request of the gentleman from California is granted.

There was no objection.

EXTENSION OF REMARKS

Mr. DAVIS of Georgia asked and was given permission to revise and extend his remarks and include certain resolutions.

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. PHILBIN] is recognized for 20 minutes.

WAR EXCISE TAXES AND BUSINESS PROSPERITY

Mr. PHILBIN. Mr. Speaker, I understand that our distinguished and able Secretary of Commerce, Charles Sawyer, is presently meeting with New England business leaders in order to receive recommendations for practical Government action to relieve growing unemployment. According to Government statistics New England is among the hardest hit areas of the Nation with unemployment growing to very disturbing proportions.

For the 3 months ending in May, for example, Nation-wide manufacturing and employment fell off 4 percent. In New England it was off 12 percent. Cotton consumption, spindle activity, construction, all have materially declined. Claims for unemployment compensation have increased well above the national level. The textile industry alone is said to be responsible for 30 percent of the present 200,000 Massachusetts jobless.

Public works and Government contracts have been suggested as possible remedies to meet this situation. I should like to suggest the following:

First. Immediate repeal of wartime excise taxes.

Second. Strong assurances to our workers and businessmen by authorized spokesmen of the Federal Government that our free enterprise productive system will not be liquidated either by excessive taxation or regimentation.

I think there can be no longer doubt, in view of the President's recent statement, and all the evidence at hand, that the country is definitely suffering from distinct recessionary trends. This is characterized by a falling off in the volume of business and increased unemployment and I am very sorry to have to note the widespread extent of unemployment in my State of Massachusetts and other New England States which seem to lead the country in that respect. I shall not, at this time, go into the reasons for this disturbing recession which would require extensive analysis. I am interested at the moment in seeking to promote Government action by this Congress which may result in reversing the trend if that be possible, and reinstating conditions under which our great American productive, economic machine may be opened up again. Of utmost importance always is the need for keeping employment and labor standards at a high level.

I have repeatedly stated that in my opinion national prosperity was inevitably bound up with encouragement of our free enterprise productive system and the rights of the individual, that initiative and enterprise could be destroyed by oppressive taxation as well as by socialization.

At the present time it is my considered judgment that this Congress and this administration can and should do two things to stem the tide of recession and unemployment. First, give unmistakable assurance to business and enterprise, large and small, that it is in no danger, through present or contemplated social programs of being liquidated by oppressive taxation and unsound governmental experiments. Secondly, immediately repeal war excise taxes which are now exercising additional recessionary influences on business. Neither of these measures will be unduly costly to the Government. The first can be accomplished by a strong statement of policy; the second, by adoption of a pending repeal measure which in effect would revive business in the opinion of some tax experts to such an extent as to off-set very substantially any losses incurred by the elimination of tax revenue heretofore collected from sales of the articles taxed.

Some of these articles are referred to as luxury items, but in many cases this is a distinct misnomer. I will not argue the matter here, but it is clear to me that a great many of the articles branded as luxuries are in fact necessities which are used in the everyday lives of our people. If the repeal measure can be brought to the floor of the House, it is my intention to offer an amendment including unit sales of electric, gas, and oil cooking appliances presently taxed under excise-tax laws. It is certainly ridiculous that we should be taxing such a distinct necessity as a stove in the household of our ordinary working citizens of a type used for cooking, heating, or keeping warm food or beverages for consumption in American homes by the American people. It is equally fantastic that we should be taxing at wartime rates, handbags and accessories which American women customarily carry on their person.

Governor Bowles of Connecticut very commendably, I believe, has taken the position that these excise taxes ought to be repealed and that the effect thereof would be to promote and increase business throughout the Nation at a time when encouragement and impetus is urgently required to avoid further distressing effects of the current recession. Senator GEORGE is of a similar view. Many colleagues are in agreement. My distinguished friend, Congressman MARTIN has filed a discharge petition to secure early repeal which invites bipartisan support.

I hope that the Members of the Congress will take a broad, nonpartisan attitude toward this matter and unite on a sound, constructive, economic policy to check waste and extravagance in the Federal Government and where possible, without impairing essential functions and services, to eliminate onerous taxes upon the American people and also, of course, by our conduct and attitude respecting totalitarian proposals looking toward regimentation of our economy to assure the American working man and the American businessman, that, as representatives of the people, we intend to maintain conditions in our Government and in the Nation which, instead of discouraging and stagnating, will encourage and promote expansion of business and courageous development of our trade. This the way to insure an expanding, dynamic economy in which the American workers can be steadily employed in good jobs, and our high American standards which are the envy of the whole world may be maintained.

Under unanimous consent to revise and extend my remarks, I include recent newspaper articles pertinent to the situation I have discussed which so gravely affects New England employment and industry:

[From the Boston (Mass.) Sunday Post of July 24, 1949]

GEORGE FOR REPEAL OF WAR TAXES—STIMULATE BUSINESS TO REMOVE THEM, HE SAYS

WASHINGTON, July 23.—All-out repeal of wartime excise taxes at this session of Congress was urged today by Senator GEORGE, of Georgia. He said it would stimulate business and employment.

GEORGE, ranking Senate tax expert as chairman of its finance committee, told reporters that the special wartime taxes could be wiped out at once if President Truman and Congress cooperate.

MORE FROM INCOME

He referred to taxes now collected on sales of furs, railroad and air line tickets, most jewelry, and a long list of other items.

He said his repeal proposal would not cover the permanent Federal excise taxes on such products as liquor, cigarettes, and tobacco.

GEORGE said removal of the wartime levies would mean a loss of about $1,500,000,000 in present government revenues.

But the Senate leader said the step would lead to higher Federal income-tax payments from corporations, individuals and other taxpayers and partially offset the tax loss.

HURTING BUSINESS

He said that the taxes now are causing unemployment and shut-downs in a number of industries and specialty lines. If this trend can be halted and reversed, GEORGE said the savings in Federal relief costs "might be tremendous."

Previously GEORGE and most Democrats on his committee voted against a partial removal of wartime excise taxes sponsored by Senator EDWIN C. JOHNSON of Colorado and most Republicans.

OTHERS AGREE

Senator MILLIKIN, of Colorado, former finance chairman under Republican control of the Senate, said:

"I heartily agree with the view of Senator GEORGE that we should get rid of all of our wartime excise taxes."

"If we cannot get rid of all of them I favor cutting off part as provided in the amendment proposed by Senator JOHNSON," MILLIKIN said.

"I am against a piecemeal removal," GEORGE said.

[From the Worcester (Mass.) Sunday Telegram of July 24, 1949]

SAWYER TO GET SUBSIDY PLEA FOR NEW ENGLAND

BOSTON, Sunday.—Yankee businessmen are expected to tell trouble-shooting Commerce Secretary Charles Sawyer tomorrow only a Federal subsidy can roll back the New England crest of the Nation's unemployment wave.

The Cabinet member arrives to launch a country-wide survey of economic conditions and bring back "recommendations for practical Government action."

Business leaders will meet with him and argue they need their fair share of manufacturing orders if something is going to be done about growing unemployment. Half of the hardest hit areas of joblessness in the United States lie in New England, the Government says.

BANK PREPARED FIGURES

Here are some of the figures the industrialists probably will throw at Sawyer to back their arguments; they were prepared by the Federal Reserve Bank of Boston:

1. For the 3 months ending in May nationwide manufacturing employment fell 4 percent; in New England it was off 12 percent.

2. Cotton consumption fell 36 percent in New England, 24 percent elsewhere; New England spindle activity fell 36 percent, 26 percent elsewhere.

3. Construction in New England was off 12 percent, only 2.5 percent for the country.

4. Continued claims for unemployment compensation in New England were up 130 percent, only 83 percent for the United States as a whole.

MEETS GOVERNORS TUESDAY

When Sawyer meets with the six New England governors Tuesday, Governor Dever is expected to advise him that in Massachusetts alone, the textile industry is responsible for 30 percent of the 200,000 jobless.

The businessmen will concentrate on the hard-hit textile industry. Other lines are suffering heavily, too. Soft goods generally are not in as healthy a condition as durable lines.

Specifically, many industry spokesmen would like to see the low-bidder system of awarding Government contracts suspended temporarily. They claim the South is capturing more than its share of textile orders because the minimum wage set for its contracts is 10 cents lower than that established for the North. They'd like to see equal minimums.

POSSIBLE RECOMMENDATIONS

The governors will probably recommend an expanded Federal public works program for the area. Mayor Curley of Boston, for example, has suggested the Government pay half of the estimated $20,000,000 needed to move the city's market district to another location.

When Secretary Sawyer has squeezed the country's unemployment situation into a nutshell, Presidential Aide John R. Steelman will look around to see what Government agencies can do to give industry and the worker a shot in the arm.

(Mr. PHILBIN asked and was given permission to revise and extend his remarks and include certain newspaper items.)

HOME-TOWN NEWSPAPERS

Mr. CURTIS. Mr. Speaker, at this time I want to say a word for the home-town newspapers of this country.

This Congress is again making approximately $2,000,000 available for advertising the recruiting program for our armed forces. It is my understanding that the plan of advertising and the mediums used are determined by our military authorities and the firm they have selected, the Gardner Advertising Agency of St. Louis, Mo.

I am sure that it is the wish of the majority who supported this appropriation that a just and fair share of this advertising be given to the home-town newspapers, most of them weekly papers, semiweekly, and the smaller dailies. Of all the advertising mediums available there is none better than the home-town paper.

It possesses a permanency factor that no other advertising has. Many publications are hurriedly scanned or read and discarded. Some forms of advertising leave no written record for the potential customer to reread and think through. This is not true of the home-town paper. It is eagerly read and reread by every member of the family. It records the heartbeats of America because of the interesting and important news that it carries about one's friends, relatives, neighbors, and business associates. It is treasured in every household. The home-town paper is never destroyed after a casual reading. It is saved both as a record and a community guide at least until the next issue of the paper comes out. Oftentimes, it is mailed to a loved one away from home. It is the medium that touches the hearts of the American people.

Mr. Speaker, I sincerely hope that in spending this great sum a true value is placed on the advertising possibilities of the home-town newspaper. If that is done, I know that these home-town papers will receive a most generous share of this business. It is the advertising medium that receives the abiding attention of most people and does the most good.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2021. An act to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia.

ADJOURNMENT

Mr. MANSFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Wednesday, July 27, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

798. A letter from the Director, Munitions Board, National Military Establishment, transmitting the semiannual report to the Congress on the stock-piling program and a confidential statistical supplement to that report, pursuant to Public Law 520, Seventy-ninth Congress; to the Committee on Armed Services.

799. A letter from the Secretary of Defense, transmitting a letter by the Acting Secretary of the Navy recommending the enactment of a proposed draft of legislation entitled "To make certain revisions in titles I and III of the Officer Personnel Act of 1947, as amended"; to the Committee on Armed Services.

800. A letter from the Under Secretary of the Interior, transmitting certified copies of certain ordinance enacted by the Public Service Commission of Puerto Rico; to the Committee on Public Lands.

801. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules, or parts of lists or schedules, covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

802. A letter from the Clerk of the House of Representatives, transmitting papers on the contested-election case from the Fifth Congressional District of the State of Iowa, Vincent L. Browner against Paul Cunningham (H. Doc. No. 277); to the Committee on House Administration and ordered to be printed.

803. A letter from the Clerk of the House of Representatives, transmitting papers on the contested-election case from the Thirty-fifth Congressional District of the State of New York, Hadwen C. Fuller against John C. Davies (H. Doc. No. 278); to the Committee on House Administration and ordered to be printed.

804. A letter from the Clerk of the House of Representatives, transmitting papers on a contest for election seat from the Twentieth Congressional District of the State of Ohio, filed with Hon. Michael A. Feighan, as the returned Member from said district (H. Doc. No. 279); to the Committee on House Administration and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JACKSON of California: Committee on Foreign Affairs. Part II, minority views on H. R. 5330. A bill to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to the Republic of Korea; without amendment (Rept. No. 962, pt. 2). Ordered to be printed.

Mr. SPENCE: Committee of conference. S. 1184. A bill to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes; without amendment (Rept. No. 1127). Ordered to be printed.

Mr. COOLEY: Committee on Agriculture. H. R. 3926. A bill to rename a game sanctuary in the Harney National Forest as the "Norbeck Wildlife Preserve," and for other purposes; with amendment (Rept. No. 1128). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 5592. A bill to authorize the cancellation, adjustment, and collection of certain obligations due the United States, and for other purposes; with amendment (Rept. No. 1129). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTINGTON: Committee on Public Works. H. R. 5739. A bill to provide for the advance planning of public works; without amendment (Rept. No. 1131). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KEATING: Committee on the Judiciary. H. R. 3499. A bill for the relief of Mabel Colliver; with amendment (Rept. No. 1125). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 4564. A bill for the relief of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines; with amendment (Rept. No. 1126). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 1800. A bill for the relief of Howard E. Giroux; without amendment (Rept. No. 1130). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIEMILLER:

H. R. 5757. A bill to provide specific measures in furtherance of the national policy of maximum employment, production, and purchasing power, as established in the Employment Act of 1946; to the Committee on Ways and Means.

By Mr. DOYLE:

H. R. 5758. A bill to provide for the return to the State of California of certain original documents and maps, known as the Spanish-Mexican Land Grant Papers, deposited in the National Archives; to the Committee on Post Office and Civil Service.

By Mr. HART:

H. R. 5759. A bill to establish a national housing objective and the policy to be followed in the attainment thereof, and for other purposes; to the Committee on Banking and Currency.

By Mr. HOLMES:

H. R. 5760. A bill to change the names of Ice Harbor Dam, Lower Monumental Dam, Little Goose Dam, and Lower Granite Dam on the Snake River to the Whitman lock and dam, Lewis lock and dam, Clark lock and dam, and the Spalding lock and dam, respectively, and for other purposes; to the Committee on Public Works.

By Mr. KENNEDY:

H. R. 5761. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. KLEIN:

H. R. 5762. A bill to amend the Servicemen's Readjustment Act of 1944 to extend the period during which readjustment allowances may be paid; to the Committee on Veterans' Affairs.

By Mr. LANE:

H. R. 5763. A bill to provide specific measures in furtherance of the national policy established in the Employment Act of 1946; to the Committee on Ways and Means.

By Mr. POULSON:

H. R. 5764. A bill to authorize the granting to the city of Los Angeles, Calif., of rights-of-way on, over, under, through, and across certain public lands; to the Committee on Public Lands.

By Mr. PRIEST:

H. R. 5765. A bill to amend section 2 of the act of March 3, 1901 (31 Stat. 1449), to provide basic authority for the performance of certain functions and activities of the National Bureau of Standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RAMSAY:

H. R. 5766. A bill to protect the national economy from excessive importations of vitrified china pottery and glassware, and to aid domestic producers of such articles and the employees of such producers; to the Committee on Ways and Means.

By Mr. RANKIN:

H. R. 5767. A bill to provide certain additional rehabilitation assistance for certain seriously disabled veterans in order to remove an existing inequality; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H. R. 5768. A bill to make certain revisions in titles I and III of the Officer Personnel Act of 1947, as amended; to the Committee on Armed Services.

By Mr. WADSWORTH:

H. R. 5769. A bill to amend an act regulating the height, exterior design, and construction of private and semipublic buildings in certain areas of the National Capital, as amended; to the Committee on the District of Columbia.

By Mr. WALTER:

H. R. 5770. A bill to provide a statute of limitation with respect to the collection of certain judgments; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 5771. A bill to amend title 28, United States Code, relating to resignation and retirement of judges; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 5772. A bill to provide for the erection of a memorial to the enlisted men of the Medical Department of the Army who served in World War II; to the Committee on House Administration.

By Mr. BENTSEN:

H. R. 5773. A bill to authorize the carrying out of the provisions of article 7 of the treaty of February 3, 1944, between the United States and Mexico, regarding the joint development of hydroelectric power at Falcon Dam on the Rio Grande, and for other purposes; to the Committee on Foreign Affairs.

By Mrs. DOUGLAS:

H. R. 5774. A bill to provide specific measures in furtherance of the national policy of maximum employment, production, and purchasing power, as established in the Employment Act of 1946; to the Committee on Ways and Means.

By Mr. MURRAY of Tennessee:

H. R. 5775. A bill to provide for improved financial control over the operations of the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SCUDDER:

H. R. 5776. A bill to provide for the return to the State of California of certain original documents and maps, known as the Spanish-Mexican Land Grant Papers, deposited in the National Archives; to the Committee on Post Office and Civil Service.

By Mr. DEGRAFFENRIED:

H. J. Res. 323. Joint resolution to make January 30 a legal holiday in honor of Franklin Delano Roosevelt; to the Committee on the Judiciary.

By Mr. PETERSON:

H. J. Res. 324. Joint resolution to encourage and stimulate the exploration, development, and mining of the tin ore resources of the United States, and for other purposes; to the Committee on Public Lands.

By Mr. FULTON:

H. J. Res. 325. Joint resolution to restore the citizenship of persons who fought in the Near East, to give relief from prosecution for certain acts, and for other purposes; to the Committee on the Judiciary.

By Mr. SMATHERS:

H. J. Res. 326. Joint resolution to return the citizenship of persons who fought in the Near East, to give relief from prosecution for certain acts, and for other purposes; to the Committee on the Judiciary.

By Mr. BOGGS of Louisiana:

H. Con. Res. 107. Concurrent resolution inviting the democracies which sponsored North Atlantic Treaty to name delegates to a federal convention; to the Committee on Foreign Affairs.

By Mr. JUDD:

H. Con. Res. 108. Concurrent resolution inviting the countries which sponsored the North Atlantic Treaty to name delegates to a federal convention; to the Committee on Foreign Affairs.

By Mr. SMATHERS:

H. Con. Res. 109. Concurrent resolution inviting the democracies which sponsored North Atlantic Treaty to name delegates to a federal convention; to the Committee on Foreign Affairs.

By Mr. WADSWORTH:

H. Con. Res. 110. Concurrent resolution inviting the democracies which sponsored the North Atlantic Treaty to name delegates to a federal convention; to the Committee on Foreign Affairs.

By Mr. DAVIS of Tennessee:

H. Con. Res. 111. Concurrent resolution relative to the North Atlantic Treaty; to the Committee on Foreign Affairs.

By Mr. BUCHANAN:

H. Res. 297. Resolution authorizing the expenses of the investigation and study to be conducted by the Select Committee on Lobbying Activities; to the Committee on House Administration.

H. Res. 298. Resolution creating a Select Committee on Lobbying Activities; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama, memorializing the President and the Congress of the United States to dedicate January 30, the birthday of Franklin Delano Roosevelt, as a national holiday; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CAMP:

H. R. 5777. A bill for the relief of Joe D. Dutton; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 5778. A bill for the relief of Leopold Kahn, Jr.; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 5779. A bill for the relief of Eduardo G. Pardo De Tavera; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 5780. A bill for the relief of Jose G. Pardo De Tavera; to the Committee on the Judiciary.

By Mr. SABATH:

H. R. 5781. A bill for the relief of Moy Hong Toy and Chan King Fung Toy; to the Committee on the Judiciary.

By Mr. WILSON of Texas:

H. R. 5782. A bill for the relief of Mrs. Vera Raupe; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JULY 27, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. William Alfred Rock, Jr., D. D., Methodist minister, Denver, N. C., offered the following prayer:

Eternal and almighty God, as we bow our heads we are thankful that we can know Thy love and call Thee Father. We humbly beseech Thee to hear our prayer as we come and ask Thy care and Thy guidance. The task of the day is great and we feel the need of Thy presence and Thy power. Guide us in our thoughts and actions. May these always be motivated by Thy divine love. Should we ask of Thee and should it be Thy will to say "No," help us not to become bitter and discouraged, but help us to seek Thy will with greater determination.

O God, in a day when all Thy children are drawn so close together, help us to meet all as Thy children and our brothers, some to guide, some to help, but all to be loved.

These petitions we bring in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MCKELLAR, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 26, 1949, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 3199) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Morse
Anderson	Hill	Mundt
Baldwin	Hoey	Murray
Brewster	Holland	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Stennis
Downey	Langer	Taft
Dulles	Lodge	Taylor
Ecton	Long	Thomas, Okla.
Ellender	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tobey
Frear	McClellan	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Martin	Williams
Gurney	Maybank	Withers
Hayden	Miller	Young
Hendrickson	Millikin	

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Nevada [Mr. MALONE] is detained on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate may be permitted to introduce bills and joint resolutions, present petitions and memorials, and place routine matter in the RECORD, as though we were in the morning hour, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

HYDROELECTRIC POWER AT FALCON DAM

The VICE PRESIDENT laid before the Senate a letter from the Secretary of State, transmitting a draft of proposed legislation to authorize the carrying out of the provisions of article 7 of the treaty of February 3, 1944, between the United States and Mexico, regarding the joint development of hydroelectric power at Falcon Dam on the Rio Grande, and for other purposes, which, with the accompanying paper, was referred to the Committee on Foreign Relations.

PETITIONS

Petitions were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the executive committee, Disabled American Veterans, Department of Alabama, Birmingham, Ala., relating to the pay and allowances of the uniformed services; to the Committee on Armed Services.

A resolution adopted by the West Palm Beach (Fla.) Townsend Club, No. 1, favoring the enactment of the so-called Townsend plan providing old-age assistance; to the Committee on Finance.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 4. A bill authorizing the advanced training in aeronautics of technical personnel of the Civil Aeronautics Administration; without amendment (Rept. No. 792); and

S. 442. A bill to amend the Air Commerce Act of 1926 (44 Stat. 568), as amended, to provide for the application to civil air navigation of laws and regulations related to animal and plant quarantine, and for other purposes; without amendment (Rept. No. 793).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Richard H. Britt and Robert D. Fuller of the United States Coast Guard Reserve to be lieutenants (junior grade) in the United States Coast Guard.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. O'CONOR:

S. 2333. A bill relating to the basis for computing the compensation of certain civilian employees in the navy yards; to the Committee on Armed Services.

By Mr. TYDINGS:

S. 2334. A bill to provide for the organization of the Army and the Department of the Army, and for other purposes; and

S. 2335. A bill to make certain revisions in titles I and III of the Officer Personnel Act of 1947, as amended; to the Committee on Armed Services.

By Mr. GILLETTE:

S. 2336. A bill to provide a Federal charter for the Federal Alcohol Corporation; to the Committee on Agriculture and Forestry.

(Mr. TAYLOR introduced Senate bill 2337, to provide substantially full compensation for loss of income from involuntary unemployment and from disability, and for other purposes, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. KEFAUVER:

S. 2338. A bill for the relief of J. M. Arthur; and

S. 2339. A bill for the relief of the Davis Grocery Co., of Oneida, Tenn.; to the Committee on the Judiciary.

By Mr. MAYBANK (by request):

S. 2340. A bill making certain changes in laws applicable to regulatory agencies of the Government; to the Committee on Banking and Currency.

(Mr. CONNALLY (for himself, Mr. THOMAS of Utah, Mr. TYDINGS, Mr. PEPPER, Mr. GREEN, Mr. MCMAHON, and Mr. LUCAS) introduced Senate bill 2341, to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations, which was ordered to lie on the table, and appears under a separate heading.)

FULL SOCIAL SECURITY BILL OF 1949

Mr. TAYLOR. Mr. President, I introduce for appropriate reference a bill cited as the Full Social Security Act of 1949, and I ask unanimous consent that the bill, together with a brief statement I have prepared and a short summary prepared by Herbert J. Weber be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill, statement, and summary will be printed in the RECORD.

The bill (S. 2337) to provide substantially full compensation for loss of income from involuntary unemployment and from disability, and for other purposes, introduced by Mr. TAYLOR, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

SHORT TITLE, FINDINGS, AND DECLARATION OF POLICY

SEC. 1. (a) This act may be cited as the "Full Social Security Act of 1949."

(b) The greatest obstructions to the free flow of commerce are economic depression and social unrest. The principal cause of economic depression and social unrest is insecurity of income. Apprehension of diminishing demand for the products of labor instigates construction of industrial activity and consequent unemployment, which in turn reduces purchasing power and further curtails demand. So long as there is insecurity of income economic depression and social unrest are imminent.

(c) It is hereby declared to be the policy of the United States to eliminate the principal cause of economic depression and social unrest, thereby removing the greatest obstructions to the free flow of commerce, by providing security of income through the establishment of substantially full compensation for loss of income from involuntary unemployment and from disability.

TITLE I—UNEMPLOYMENT COMPENSATION

SEC. 101. Thirty days after the effective date of this act, and each week thereafter so long as he continues to be involuntarily unemployed—

(a) Every reserve worker under the age of 60 years shall be entitled to receive and the

Treasury of the United States is hereby authorized and directed to pay to such worker unemployment compensation in an amount equal to 85 percent of his previous weekly earnings.

(b) Every reserve worker 60 years of age or over shall be entitled to receive and the Treasury of the United States is hereby authorized and directed to pay to such worker unemployment compensation in an amount equal to (1) 40 percent of his previous weekly earnings if he has no dependent spouse; (2) 60 percent of his previous weekly earnings if he has a dependent spouse; and (3) an additional 10 percent of his previous weekly earnings for each child under the age of 21 years: *Provided*, That in no event shall he be entitled to receive more than 70 percent of his previous weekly earnings.

SEC. 102. Every unemployed person aged 21 years or over and otherwise qualified as provided in title V, section 501, subsection (b) of this act shall become a reserve worker entitled to receive the unemployment compensation provided for in section 101 hereof by registering with the United States Employment Service, hereinafter called the Employment service, and shall continue to be a reserve worker so long as he continues to be so qualified and complies with all of the rules and regulations issued by the Employment Service which promote the purposes of and are in conformity with this act.

SEC. 103. The Employment Service is hereby authorized and directed forthwith to register every unemployed person who applies for such registration and proves to its satisfaction that he is involuntarily unemployed, who agrees to accept suitable employment at fair remuneration offered to him by the Employment Service and to notify the Employment Service in writing immediately upon his acceptance of employment, and who otherwise complies with all rules and regulations issued by the Employment Service which promote the purposes of and are in conformity with this act. Such registration shall be applied for personally by said unemployed persons except under conditions under which the Employment Service shall provide by regulation for registration by proxy, attorney, or executor.

SEC. 104. In effecting said registration of unemployed persons the Employment Service is hereby authorized and directed to require of each applicant for registration a statement under oath setting forth (a) his name, address, and age; (b) his previous weekly earnings; (c) his trade, occupation, or profession; (d) that he is involuntarily unemployed; and (e) such other information as said Employment Service shall require to perform its functions under this act.

SEC. 105. (a) Every person claiming to be a reserve worker because of disability or illness shall, in addition to registering with the Employment Service, apply for registration with the United States Public Health Service, hereinafter called the Health Service. The Health Service is hereby authorized and directed to register every such person applying to it who proves to its satisfaction that during the period claimed to be a period of involuntary unemployment either that he is unable to work or that abstention from work is essential to the maintenance of his earning capacity, and who otherwise complies with all rules and regulations issued by the Health Service which promote the purposes of and are in conformity with this act: *Provided*, That the certificate of any doctor of medicine duly licensed to practice in the State or Territory or Federal district or possession of the United States in which a disabled or sick person resides, or of any qualified official of the United States or any State or Territorial government or the government of any Federal district or possession of the United States, shall constitute prima facie proof of such disability or illness. Such application for registration shall be made by mail by a physician or other qualified person on behalf of the person claiming to be a reserve worker except as the Health Service shall provide by regulation for such applications by other procedures.

(b) The Health Service is hereby authorized and directed forthwith to certify to the Employment Service the degree of disability or illness of every person whom it registers as disabled or ill, and the Employment Service shall accept certification as conclusive proof of disability or illness and prima facie proof of unemployment because of disability or illness.

SEC. 106. In effecting registration of persons claiming to be reserve workers because of disability or illness, the Health Service is hereby authorized and directed to make such examinations as it may deem advisable and is authorized to require of each applicant for registration a statement under oath setting forth such information as the Health Service shall require to perform its functions under this title.

SEC. 107. Immediately after completing the registration of any reserve worker, the Employment Service shall certify to the Treasury (1) that such a person is a reserve worker; (2) his previous weekly earnings; and (3) the amount of unemployment compensation to be paid to him under the provisions of this title.

TITLE II—COMPENSATION FOR PARTIAL DISABILITY

SEC. 201. Thirty days after the effective date of this act, and each week thereafter so long as he continues to be partially disabled, every certified partially disabled worker, including reserve workers, shall be entitled to receive and the Treasury of the United States is hereby authorized and directed to pay to such a person disability compensation in an amount equal to his loss of earnings due to partial disability: *Provided*, That if said person is also a reserve worker, said disability compensation shall be paid in addition to and shall not in any manner diminish the unemployment compensation to which said reserve worker is entitled under the provisions of title I of this act.

SEC. 202. Every partially disabled worker shall become a certified partially disabled worker entitled to receive the disability compensation provided for in section 201 hereof when he has been registered by the Health Service and has been certified to be a partially disabled worker by the Health Service to the United States Treasury, and shall continue to be a certified partially disabled worker so long as he remains a partially disabled worker and complies with all of the rules and regulations issued by the Health Service which promote the purposes of and are in conformity with this act.

SEC. 203. The Health Service is hereby authorized and directed forthwith to register every partially disabled worker who applies for such registration and proves to the satisfaction of said Health Service that he is a partially disabled worker, who agrees in writing to notify said Health Service in writing of any change in the degree of his disability, and who otherwise complies with all rules and regulations issued by the Health Service which promote the purposes of and are in conformity of this act: *Provided*, That the certificate of any doctor of medicine duly licensed to practice in the State, Territory, Federal district, or possession of the United States in which said partially disabled person resides, or of any qualified official or employee of the United States or of the government of any State, Territory, Federal district, or possession of the United States, shall constitute prima facie proof of partial disability and the degree thereof.

SEC. 204. In effecting said registration of partially disabled workers, the Health Service is hereby authorized and directed to make such examinations as it may deem advisable and to require of each applicant for registration a statement under oath setting forth such information as the Health Service shall require to perform its functions under this title. Such registration shall be applied for personally except under conditions under which the Health Service shall provide by regulation for registration by proxy, attorney, or executor.

SEC. 205. Immediately after completing the registration of any partially disabled worker the Health Service shall certify to the Treasury (1) that such worker is partially disabled; (2) the degree of his disability; and (3) the amount of disability compensation to be paid to him under the provisions of this title.

TITLE III—UNITED STATES EMPLOYMENT SERVICE

SEC. 301. Section 3 of the act of June 6, 1933, as amended (48 Stat. 114), is amended, as follows:

1. In the first line of the first subparagraph, after the word "bureau" insert "-1.".

2. After the subparagraph (a)-1. add the following new subparagraphs:

"-2. To render full, adequate, impartial, and prompt employment placement service to every person and to every prospective employer who complies with all laws affecting labor relations or standards, to assist every reserve worker to find suitable employment as rapidly as possible, and to assist every partially disabled worker to find suitable employment in which the impairment of his earning capacity by his disability will be minimized: *Provided*, That in rendering placement service no preference shall be given in favor of reserve workers and against employed persons seeking new employment.

"-3. To undertake and carry out periodical national surveys to ascertain the facts with respect to employment and unemployment and report the same to the Congress; to plan, encourage, and operate training programs designed to enable reserve workers to acquire new skills to qualify for new types of work required by technological and economic developments; and to accomplish measures designed to facilitate orderly and economic transfer of reserve workers from one geographical area to another as the general welfare may require."

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. Any determination by the Employment Service or the Health Service under any provision of this act may be appealed to the United States Circuit Court of Appeals of the judicial circuit having jurisdiction at the place where the act occurred which was the subject of the determination appealed. Reasonable findings of fact by the Employment Service or Health Service shall be accepted as conclusive by such court of appeals.

SEC. 402. The Secretary of Commerce is hereby authorized and directed to determine and to publish monthly an index of consumer prices which shall be a weighted average of the Department of Labor index of urban consumer prices and the Department of agriculture index of price of goods bought by farmers for use in living. The weights used in said weighted average shall be proportional to the respective populations represented.

SEC. 403. This act shall take effect 60 days after the date of its enactment and shall be in effect in the continental United States and all Territories and possessions of the United States except Puerto Rico.

SEC. 404. There are hereby authorized to be appropriated such sums as may be determined by the Congress to be necessary to carry out the provisions of this act.

SEC. 405. The act of August 10, 1939 (53 Stat. 1387), as amended, is amended as follows (so as to reduce by 80 percent the unemployment taxes thereunder and to repeal provision therein for disability compensation to persons aged 21 and over):

(a) Under title VI, section 608, delete the words "3 percent" and in lieu thereof insert the words "three-fifths of 1 percent";

(b) Under title VI, section 609, subsection (b), delete the words "2.7 percent" and in lieu thereof insert the words "fifty-four hundredths of 1 percent";

(c) Under title VI, section 611, paragraph (4), insert after the word "compensation" the words "to persons under age 21."

SEC. 406. Section 416 of the act of August 10, 1946 (60 Stat. 991), is hereby amended (so as to repeal provision therein for disability compensation to persons aged 25 and over) by inserting in subsection (a), after the word "individuals", the words "under age 21."

SEC. 407. Paragraphs 4 and 5 of section 205 in division II of the act of July 31, 1946 (60 Stat. 727) (providing for disability compensation) are hereby repealed.

SEC. 408. Section 2 of the act of June 25, 1938 (52 Stat. 1096), as amended, is hereby amended (so as to repeal provision therein for disability compensation to persons aged 21 and over) by inserting in subsection (a), after the words "Benefits shall be payable to any qualified employee," the words "under the age of 21 years."

SEC. 409. Sections 3 and 3b of the act of August 4, 1939 (53 Stat. 1202), as amended (providing for disability compensation), are hereby repealed.

SEC. 410. Section 5 of the act of May 22, 1920 (41 Stat. 616), as amended (providing for disability compensation), is hereby repealed.

SEC. 411. Section 4 of the act of June 29, 1936 (49 Stat. 2018), as amended (providing for disability compensation), is hereby repealed.

SEC. 412. Section 22 in subchapter B of chapter I of the Internal Revenue Code is hereby amended (so as to provide for the inclusion of unemployment compensation and disability compensation under this act in gross taxable income) by inserting in subsection (a), immediately before the period at the end of the first sentence, a semicolon followed by the words "and also unemployment compensation and disability compensation received under provisions of the full Social Security Act of 1949."

SEC. 413. All acts and parts of acts in conflict with any provision of this act and not specifically cited in sections 405 through 412 of this title, are hereby repealed insofar as such conflict exists.

TITLE V—DEFINITIONS

SEC. 501. When used in this act—

(a) The terms "workingman" and "workingwoman" shall mean a person who during 80 percent of the decade immediately preceding a period of involuntary unemployment (or, if said person is under age 35, during 80 percent of the period between said person's twenty-first birthday and the beginning of a period of involuntary unemployment) has been either employed, involuntarily unemployed, unemployed because of a labor dispute directly or indirectly involving himself, or devoting substantially full time to education.

(b) The term "reserve worker" shall mean an involuntarily unemployed workingman or workingwoman 21 years of age or over who applies or has applied for registration with the Employment Service as provided herein and who for 1 week or more during the 30 days prior to the date of such application had been involuntarily unemployed, either continuously or intermittently.

(c) The term "person" shall mean a natural person.

(d) The term "involuntarily unemployed" includes any person within the continental United States or any Territory or possession of the United States except Puerto Rico, aged 21 years or over, who is involuntarily without remunerative employment and who is not voluntarily unavailable for acceptance of an offer of suitable employment from the Employment Service during its usual hours of business. The term shall not include any person whose unemployment is due to a current labor dispute directly or indirectly involving himself or include any person whose unemployment is due to imprisonment for crime unless such imprisonment was on a charge later dismissed, nolle prossed, or otherwise abandoned or of which said person was acquitted. It shall not include any person who voluntarily fails to attend and satisfy the requirements of an occupational retraining course prescribed by the Employment Service in accordance with the provisions of title II of this act, or who fails to comply with the rules and regulations issued by the Employment Service which promote the purposes of and are in conformity with this act; nor any person who, within 120 days next preceding the date of his application for registration by the Employment Service, refused to accept suitable employment or voluntarily terminated suitable employment unless (1) at the time of said refusal or termination said person was under the age of 21 years; (2) said termination was a result of a labor dispute no longer in progress; or (3) said termination was for the bona fide purpose of engaging in self-employment or of devoting substantially full time to education. Any person who when involuntarily unemployed shall refuse to accept suitable employment shall thereupon immediately cease to be involuntarily unemployed.

(e) The term "suitable employment" shall mean employment in a trade, occupation, or profession not inconsistent with past training and experience for which fair remuneration is offered: *Provided*, That an offer of employment at an unreasonable distance from the legal residence of a reserve worker shall not constitute suitable employment. No employment shall be construed to be suitable employment which is illegal, or contrary to public policy, or inimical to the national defense, or contrary to bona fide religious convictions professed for more than 2 years by a reserve worker, or at any place of employment at which a labor dispute is in progress, or which in any respect violates any law affecting labor relations or standards, or with respect to which the working conditions are substandard or dangerous, as determined by the Employment Service, or which was avoidably offered by the Employment Service in disregard of a reserve worker's stated desires with respect to labor union affiliation or other working conditions.

(f) The term "fair remuneration" shall mean the prevailing wage scale or salary rate in any given locality for work for which a reserve worker is qualified by training, experience, physical condition, and quality of past performance: *Provided* That such wage scale or salary rate is not less than the minimum rate of wages fixed for workers other than apprentices by Federal or State law: *And provided further*, That the prima facie proof of fair remuneration for any reserve worker shall be that such remuneration is not less than one hundred-eighty-fifths of the unemployment compensation he is receiving plus or minus an amount proportional to fluctuations, since the date of reserve worker's registration with the Employment Service, in the index of consumer prices provided for in section 402 in title IV of this act.

(g) The term "previous weekly earnings" shall mean the average weekly earnings, less overtime compensation and unearned bonuses, received in money, goods, or services by a reserve worker during his last period of 260 days (continuous or intermittent) of suitable employment next preceding the date of his registration with the Employment Service: *Provided*, That if there were no such earnings or such earnings are not ascertainable the term shall mean the minimum rate of wages fixed for workers other than apprentices by Federal law.

(h) The term "voluntarily terminated," as applied to employment, includes (1) termination of employment by resignation or other voluntary act of a person who thereby becomes unemployed; (2) unemployment resulting from willful refusal or grossly negligent failure to abide by reasonable safety, efficiency, or disciplinary rules generally enforced, or made necessary by special conditions, in the trade, occupation, or profession involved; and (3) unemployment resulting from willful and unreasonable underutilization of ability to perform the usual duties of the trade, occupation, or profession involved.

(i) The term "refuse to accept," as applied to employment, includes (1) actual refusal to accept suitable employment and (2) refusal or failure to make reasonable effort to obtain suitable employment pursuant to notification by the Employment Service.

(j) The term "degree of disability" shall mean the degree of impairment in earning capacity equal to that set forth in the schedules of ratings of reductions in earning capacity from injuries or combinations of injuries by the Veterans' Administration at the date of enactment of this act.

(k) The term "loss of earnings due to partial disability" shall mean the difference between (1) the amount of earnings or one hundred-eighty-fifths of the amount of unemployment compensation actually obtained by a certified partially disabled worker while partially disabled and (2) 90 percent of the amount which in the opinion of the Health Service would constitute fair remuneration for suitable employment for such worker if he were not partially disabled.

(l) The term "partially disabled worker" shall mean a workingman or workingwoman aged 21 years or over whose earning capacity is impaired for 1 week or longer by physical or mental illness, physical congenital defect, or injury whose degree of disability is greater than 10 percent; who is employed at the date of his application to the Health Service for registration as a partially disabled worker; and who after such registration is either employed or a reserve worker.

(m) The term "dependent spouse" shall mean a lawful spouse or a divorced spouse awarded alimony, whose income from employment, unemployment compensation, and disability compensation is less than that of the other spouse or the other divorced spouse.

(n) The term "child under the age of 21 years" shall mean a child by blood or adoption or a stepchild under the age of 21 years.

(o) The term "voluntary unavailability for acceptance of an offer of suitable employment" includes voluntary failure to respond to an offer of suitable employment from the Employment Service and voluntary failure to perform such acts as may be reasonably necessary to enable a reserve worker to accept an offer of suitable employment.

(p) The term "employed" shall mean employment for compensation, including periods for which compensation is received but in which no specific work is performed for such compensation, or self-employment.

TITLE VI—SEPARABILITY

SEC. 601. If any provision of this act, or the application of such provision to any

person or circumstance, shall be held invalid the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

The statement and summary are as follows:

STATEMENT BY SENATOR TAYLOR

FULL SOCIAL SECURITY ACT OF 1949

I have today introduced a bill setting up a comprehensive system of unemployment and disability benefits and I'd like to make a brief explanation of what the program would do, and why it is needed.

Unemployment, with its resultant loss of income, is one of the greatest threats to our economic system. The prospect of disability or loss of jobs is a constant menace to all workers. It is impossible for them now to have a sense of security. They are confronted continually by the realization that in case of unemployment all that can be expected is a temporary pittance insufficient to meet even minimum needs. If a slump comes, those that lose their jobs will receive a few small payments, after which they must attempt to exist with absolutely no money coming in. This is one of the imperfections of our democracy that must be corrected to provide security for all workers.

Equally important is the disastrous effect such unemployment has on the entire economy. This loss of purchasing power, coming at a time when buying is already dropping off, could be responsible for turning a temporary slump into a serious depression. Another depression would be catastrophic not only to ourselves, but to the entire world, and we must take every possible step to avert it. Enactment of this legislation would mean a stable purchasing power, providing a guaranteed market for industrial and farm products. The knowledge that demand will not drop off would result in continued high production and high employment, maintaining a prosperous economy. Unemployment would consequently remain at a low level, so that the costs of this unemployment compensation program would not be large.

The provisions of the bill can be stated quite briefly and simply. Every person willing to work but unable to secure employment because of disability or lack of job openings is paid 85 percent of his previous weekly earnings until he secures employment. If he is partially disabled and can be employed only at a lower rate because of the disability, payment is made for the earnings loss suffered because of his disability. Complete safeguards are provided in the bill to insure against abuse of the program by workers who refuse suitable employment.

Here is the way the program will work. First any person who loses his job can draw compensation amounting to 85 percent of his previous weekly earnings by complying with a few necessary requirements. He must register with the Employment Service and agree to accept any suitable employment offered by the Service or an employer. The term "suitable employment" means a job that he is qualified to hold and which will pay the prevailing wage for that vicinity. He is not forced to accept a job that involves strikebreaking, dangerous working conditions, or similar unreasonable requirements, but must accept any position approved by the Service as suitable for him. If he voluntarily quits such a suitable job without valid reasons, he is ineligible for compensation for a period of 4 months. These provisions are designed to prevent abuse of the system by those who have no desire to work, and at the same time give full protection to the unemployed who are out of work through no fault of their own.

Special provision is made for our elder citizens who have reached the age of 60. They will not be required to continue in the labor market and will receive retirement benefits ranging from 40 to 70 percent of previous average earnings, according to the number of their dependents. For example, a man 60 years of age with a dependent wife could receive 60 percent of his previous earnings, allowing them to retire in comfort and live decently for the rest of their days.

Thus, full protection is provided for our working population, regardless of injury, unemployment, sickness, or old age. If a worker loses his job, he will continue to receive 85 percent of his normal income, sufficient to take care of his needs until a job is secured. He must accept any reasonable job offer and cannot refuse to work or quit a job without valid reasons. If he becomes ill, or is injured so that he is physically unable to work, he will receive disability compensation amounting to 85 percent of his previous earnings. All that is needed to establish his disability is a doctor's certificate or examination by the United States Public Health Service. This compensation continues until he is able to work and a job is available for him.

If an employee is partially disabled, and cannot handle his previous work because of the disability, a new job that he is qualified to fill will be given him. Loss in earning power because of his partial disability will be made up by disability payments amounting to 90 percent of the difference in pay resulting from his injury.

Opponents of unemployment insurance have always concentrated on two points—the cost of the program and the possibility of men refusing to work. As I have already pointed out, the bill contains strict requirements that unemployed workers accept suitable jobs, and payments are not made to those who voluntarily quit such jobs or refuse to work. Detailed provisions contain guaranties against such abuses.

If a large portion of the population were unemployed or disabled, it is true that the cost would be high. However, with such a program in operation, there could not be much unemployment since the continuation of high purchasing power in the hands of all the people would guarantee a steady demand for both industrial and farm products. Assurance of ready markets would mean continuous high production and full employment, making for a permanently prosperous economy with minimum unemployment.

The bill is the result of years of work, research and study by a prominent Washington, D. C., economist, Herbert J. Weber. It is an important part of a complete economic program that Mr. Weber has developed.

FULL SOCIAL SECURITY

(Summary by Herbert J. Weber)

This paper sets up a proposal for the establishment of full social security—compensation for involuntary unemployment at the rate of 85 percent of previous earnings, unlimited in duration and amount, accompanied by equivalent disability, retirement, and survivorship annuities. It further suggests the establishment of bipartisan industry boards employing engineers with the function of continuously seeking advances in efficiency coupled with equivalent advances in wages and working conditions.

Full social security eliminates the pall of individual economic insecurity. It spreads among the whole people the cost of individual losses of income from vicissitudes. It takes from everyone the continuous present fear of future economic want.

In addition to its basic effect upon individual want in bad times and individual peace of mind in good times, full social security has basic economic effects. It facilitates continuously increasing production and prevents unemployment due to deficient purchasing power or to fear of it.

Realization of world cooperation for collective security can reasonably be expected if with full social security we make it evident to all nations that unemployment and want will never drive us to militarism for reemployment and recoupment.

Dispossessing nobody, full social security is the means to active basic objectives of labor, farmers, and businessmen alike. A means to active basic objectives of labor, farmers, and businessmen is within the limits of political practicability.

FULL UNEMPLOYMENT COMPENSATION PREVENTS UNEMPLOYMENT DUE TO DEFICIENT PURCHASING POWER OR FEAR OF IT

There must be cumulative unemployment whenever producers, knowing that lay-offs are occurring, dare not produce freely for fear that their customers will lack funds for purchasing their products. The possibility of public enterprises to give reemployment is not enough to allay this fear. With full compensation for involuntary unemployment, however, lay-offs do not substantially diminish the purchasing power of the workers laid off. If lay-offs do not substantially diminish the purchasing power of the workers laid off, there is nothing about lay-offs occurring in one industry to cause producers in other industries to curtail their production. Unemployment cannot cumulate when full compensation for involuntary unemployment is available just as bank failures cannot cumulate when adequate bank-deposit insurance is available.

Full compensation for involuntary unemployment assures the farmer as the manufacturer of the Nation's substantially full continuous purchasing power for his products.

The social-security fund would invest in bonds when its revenue was exceeding its compensation payments and would have to sell its bonds to raise money when its compensation payments were exceeding its revenue. Purchase of these bonds by the public would draw in any savings that were idle because of scarcity of safe investments. The savings so drawn in by the social-security fund would immediately become purchasing power in the hands of unemployment-compensation recipients. The Nation's savings would thus be kept invested to the extent needed to maintain its substantially full continuous purchasing power. Idle savings could not remain idle.

FULL UNEMPLOYMENT COMPENSATION FUNDS CAN SIMULTANEOUSLY BE FULL EMPLOYMENT FUNDS

Social-security funds would be available for financing public enterprises to the extent of such unemployment compensation as was otherwise anticipated. Appropriation and financing of a small percentage more would maintain virtually full employment.

THERE CAN BE NO MATERIAL PROBLEM IN ADMINISTERING FULL UNEMPLOYMENT COMPENSATION

Full unemployment compensation involves registration for work and acceptance of suitable work. With full unemployment compensation entailing nearly full employment, there can be no material administrative problem. No one could sham involuntary unemployment when he was receiving one job opportunity after another and would have to develop a new sham every other day—183 times in a year.

TAXES FOR FULL SOCIAL SECURITY ADD NOTHING TO THE BURDEN OF TAXES

Eliminating individual economic insecurity, full social security—full unemployment compensation accompanied by equivalent disability, retirement, and survivorship annuities—makes individual savings against vicissitudes unnecessary. Taxes for full

social security are a substitute for such savings, not an added tax burden.

FULL UNEMPLOYMENT COMPENSATION FACILITATES CONTINUOUSLY INCREASING PRODUCTION

The basic economic objective that we all want to see attained is continuously increasing production of goods and services. To attain this objective we must continuously advance the efficiency of our productive technology and organization. We cannot get continuously advancing efficiency as long as increased efficiency keeps workers hostile to it by carrying the threat of incomeless unemployment.

To eliminate hostility of workers to increased efficiency we must eliminate the threat to the worker's income from increased efficiency. To accomplish this we must adopt the principle that the involuntarily unemployed worker is a worker held in reserve, entitled to approximately his full previous earnings for the full duration of his availability for active duty. With the threat from increased efficiency thus eliminated, we attain a national incentive economy under which effective efforts can be concentrated upon increasing efficiency continuously.

COORDINATED ADVANCES IN PRODUCTION AND IN WAGES AND WORKING CONDITIONS

With full social security, incentive programs can operate to make increased efficiency directly profitable to both workers and businesses. One such program could be based upon bipartisan boards in industries giving continuing business and labor majority approval. A board (which would have nothing to do with bargaining between businesses and workers) would have the duty of working continuously with engineers to improve the efficiency of its industry. Government financing of necessary capital additions would be made available at rates based upon risk. After the businesses had had the savings from these improvements available for a year, the labor members of a board would have the right to order advances in wages or working conditions in the industry equal in cost to 80 percent of recurrent savings and 50 percent of temporary savings.

Under such an incentive program wages and working conditions can advance continuously, not out of profits or increased prices but out of increased efficiency.

With full social security, increased efficiency leads to increased production. If any business increases its efficiency without proportionately increasing its production, it lays off some workers and adds the amount of their wages to its profits and to the wages and working condition of its remaining workers while the workers laid off draw full unemployment compensation. The increased aggregate income is increased purchasing power, in response to which new production normally develops.

PARTIAL SOCIAL SECURITY IS NOT A PARTIAL SUBSTITUTE FOR FULL SOCIAL SECURITY

Partial social security has only slight economic effect. It lessens the effect of lay-offs on purchasing power but not on fear of impending deficient purchasing power. It does not end individual economic insecurity or hostility to increased efficiency.

MILITARY ASSISTANCE TO FOREIGN NATIONS

Mr. CONNALLY. Mr. President, on behalf of myself, the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], the Senator from Florida [Mr. PEPPER], the Senator from Rhode Island [Mr. GREEN], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Illinois [Mr. LUCAS], I introduce a bill to provide military assistance to foreign nations. I request that the bill be appropriately referred.

The VICE PRESIDENT. The bill will be received and lie on the table momentarily, until the Chair looks into the matter.

The bill (S. 2341) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations, introduced by Mr. CONNALLY (for himself and other Senators), was read twice by its title, and ordered to lie on the table.

DEVELOPMENT OF HYDROELECTRIC POWER IN NEW ENGLAND STATES—AMENDMENT

Mr. BRIDGES submitted an amendment intended to be proposed by him to the bill (S. 253) to provide for a comprehensive survey to promote the development of hydroelectric power, flood control, and other improvements on the Merrimack and Connecticut Rivers and such other rivers in the New England States where improvements are feasible, which was referred to the Committee on Public Works and ordered to be printed.

AMENDMENT OF FAIR LABOR STANDARDS ACT—AMENDMENTS

Mr. GILLETTE submitted amendments intended to be proposed by him to the bill (S. 653) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF CERTAIN PROVISIONS OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. MCCARRAN submitted two amendments intended to be proposed by him to the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, which were referred to the Committee on Finance, and ordered to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. MCMAHON submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: On page 15, line 5, after the word "responsibility" insert the following: ": *Provided further*, That not to exceed $2,700,000 of the amount herein appropriated may be transferred to the Department of the Navy for the acquisition, construction, and installation, at a location to be determined, of facilities (including necessary land and rights pertaining thereto) to replace existing Navy facilities at Arco, Idaho, which latter facilities are hereby authorized to be transferred by the Secretary of the Navy to the Commission for its purposes."

Mr. MCMAHON also submitted an amendment intended to be proposed by him to House bill 4177, making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

HOUSE BILL REFERRED

The bill (H. R. 3199) making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers, was read twice by its title, and referred to the Committee on Rules and Administration.

AMERICA AT THE CROSSROADS—ADDRESS BY COL. LOUIS JOHNSON

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an address entitled "America at the Crossroads," delivered by then Col. Louis Johnson, on September 8, 1941, at the Thirty-second Annual Convention of the International Claim Association, Atlantic City, N. J., which appears in the Appendix.]

HOW BEST CAN WE PRESERVE WORLD PEACE?—ADDRESS BY JOHN RODMAN

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD the winning address submitted by John Rodman, of Memphis, Tenn., in the Veterans of Foreign Wars oratorical contest, which appears in the Appendix.]

AN EXPERIENCE IN WASHINGTON—ARTICLE BY WILLIAM HAWLEY

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article entitled "An Experience in Washington," by William Hawley, editor of the Baldwin (Wis.) Bulletin, which appears in the Appendix.]

THE MAN WHO PAYS

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial entitled "The Man Who Pays," published in the Omaha (Nebr.) World-Herald, and a quotation from a speech by Senator Benjamin Harvey Hill in the United States Senate on March 27, 1878, which appear in the Appendix.]

MINDING OUR OWN BUSINESS—EDITORIAL FROM PITTSBURGH PRESS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Minding Our Own Business Still World's Best Plan," written by E. T. Leech, editor of the Pittsburgh Press, and published in the July 24, 1949, issue of that newspaper, which appears in the Appendix.]

CITATION FOR DEGREE OF DOCTOR OF LAWS CONFERRED UPON SENATOR MYERS AND HIS COMMENCEMENT ADDRESS AT LOYOLA UNIVERSITY

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD the citation for doctor of laws conferred upon Senator MYERS, and his commencement address at Loyola University, Baltimore, July 24, 1949, which appear in the Appendix.]

FINANCIAL AID TO BRITAIN—EDITORIAL FROM WALL STREET JOURNAL

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an editorial entitled "Sympton, Not Cause," relating to Senator KEM'S proposal respecting aid to Britain, published in the Wall Street Journal of July 27, 1949, which appears in the Appendix.]

PHONY WAR SCARES—EDITORIAL FROM THE WASHINGTON DAILY NEWS

[Mr. JENNER asked and obtained leave to have printed in the RECORD an editorial entitled "Phony War Scares," from the Washington Daily News of July 27, 1949, which appears in the Appendix.]

HOOVER COMMISSION RECOMMENDATIONS—COMMENTS BY ATOMIC ENERGY COMMISSION

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a statement which I have prepared and the comments of the Atomic Energy Commission respecting the Hoover Commission recommendations affecting that agency.

There being no objection, the statement and comments were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. McCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, released today a letter from Mr. David E. Lilienthal, Chairman of the United States Atomic Energy Commission, received in response to a request from the committee for comments concerning the application of recommendations of the Hoover Commission affecting the AEC.

The Chairman of the Commission states that many of the recommendations in the report on general management "have more particular application to the regular executive departments than to a new and relatively specialized agency such as the Atomic Energy Commission," pointing out that there is no independent statutory authority which has been granted to any of the divisions within the AEC, and there are no interruptions in the line of authority from the Commission and general manager down through the agency. He further states that "we believe that the special nature of the responsibilities of the AEC make it proper that it continue to report directly to the President" due to specific functions delegated to it by the Congress through the President.

In approving the report on personnel management, the Chairman states that it holds "great possibilities for improving and strengthening a merit system in the executive branch, and for enhancing the effectiveness of the Civil Service Commission to this end," and informed the committee that "the AEC inaugurated a new personnel policy on January 9, 1949, which endorses, through application, the philosophy and basic recommendations of Report No. 2 by placing the responsibility for good personnel management primarily on operating officials."

The Commission is also in full agreement with recommendations of Report No. 3, to consolidate and coordinate the housekeeping functions of government, stating that, "certainly the Federal Property Administrative Services Act of 1949 embodies a very complete adoption of these proposals, and should eliminate particularly the former confusions and delays attendant on procurement and property disposal through divers agencies."

Expressing general agreement with procedural recommendations in the report on budgeting and accounting, the Commission specifically approves recommendations 1 and 2, relative to the establishment of a performance budget, and for an immediate and complete survey by the Congress of appropriation structures. In commenting on certain recommendations of the task force report on accounting, the Chairman indicates that the AEC has already placed in effect budget and accounting system practices similar to those recommended, and makes the following observations:

"Benefits which should be obtained from their adoption, however, have been seriously limited by the complicated appropriations structure under which the AEC at present operates. The AEC has, therefore, after consultation with the Bureau of the Budget and the General Accounting Office, recommended to the House and Senate Appropriations Committees in connection with its 1950 appropriation on a merger with that appropriation of all prior fiscal year appropriations to the Commission. This merger of appropriations would enable the Atomic Energy Commission to prepare its budgets and account to the Congress for its expenditures on a sound program and cost-accounting basis rather than in terms of annual appropriations. We are hopeful that this merger of funds, which has been recommended by the Senate Appropriations Committee, will be adopted by the Congress."

The AEC is opposed to recommendation No. 10 of this report, calling for an Accountant General in the Treasury Department, stating that "we see considerable benefit in continuing the present joint program of the General Accounting Office, the Treasury Department, and the Bureau of the Budget to examine and overhaul the Government's accounting practices. We believe that substantial results have been achieved thus far by this joint program."

With reference to the report on Federal-State relations, approval is expressed to the proposed creation of a continuing agency to study and furnish information and guidance on Federal-State relations (recommendation No. 5). In this connection, the Commission states that:

"Problems that arise in this area out of AEC operations include the question of payment in lieu of taxes to local governments, the problem of financial aid to local school facilities bearing the burden of enrollment of children of AEC project employees, and law enforcement on project sites. The Atomic Energy Commission could benefit greatly from a study of these problems on a Government-wide basis."

In regard to the report on Federal research activities, the AEC strongly advocates approval of the proposal that "the President be granted authority to coordinate research and to strengthen interdepartmental committee organization for this purpose, and that a National Science Foundation be established," commenting that "enactment of the former recommendation seems to us essential to the planning of a long-range, coordinated Federal research program" which the Chairman states "would rescue Government conducted or sponsored research from the position of stepchild, which it presently occupies in numerous agencies."

The full text of the letter from Mr. Lilienthal follows:

UNITED STATES ATOMIC ENERGY COMMISSION,
Washington, D. C., July 22, 1949.

Hon. JOHN L. McCLELLAN,
Chairman, Senate Committee on Expenditures in the Executive Departments,
Senate Office Building.

DEAR SENATOR McCLELLAN: This is in further reply to your letter of May 23, requesting the comments of the Atomic Energy Commission relative to the reports of the Commission on Organization of the Executive Branch of the Government, legislative proposals resulting therefrom, and their actual or prospective application to the Atomic Energy Commission.

The reports of the Hoover Commission which seem to cut across the whole executive branch and bear particularly on the administration of the Atomic Energy Commission are five:

Report No. 1—General management of the executive branch,

Report No. 2—Personnel management,

Report No. 3—Office of General Services (supply activities),

Report No. 7—Budgeting and accounting, and

Report No. 18—Federal-State relations and Federal research.

Initially, we would like to emphasize the importance of the following principles underlying the reports, particularly report No. 1: (1) a direct line of responsibility from the head of an agency down through the organization, and direct responsibility of the agency head to the President; (2) the necessity of providing the agency head with authority commensurate with his responsibility, including authority to delegate authority and establish, within broad limits, the most effective internal organization; (3) the necessity of freedom from unduly detailed and rigid statutes and regulations controlling administrative procedures; (4) the necessity of consolidating presently overlapping and duplicative functions of different agencies of the executive branch.

Turning, with this background comment, to the specific recommendations of report No. 1, we have found many of them to have more particular application to the regular executive departments than to a new and relatively specialized agency such as the Atomic Energy Commission. For example, there is no independent statutory authority which has been granted to any of the divisions within the AEC, and there are no interruptions in the line of authority from the Commission and General Manager down through the agency. The Atomic Energy Act establishes four divisions and specifies that these divisions shall exercise such of the Commission's powers as the Commission may determine. Additional divisions have been created by the Commission to meet its needs. Recently, a new Division of Reactor Development has been established to meet the requirements of a new program.

A major recommendation of the first report is that agencies be regrouped and consolidated, as nearly as possible by purpose and function, into about one-third the present number, in order to reduce the unworkable number of agencies which divide their responsibilities and report independently to the President. We believe that the special nature of the responsibilities of AEC make it proper that it continue to report directly to the President. Moreover, the Atomic Energy Act specifically sets forth certain functions of the President in relation to the Atomic Energy Commission. The members of the Commission and the General Manager are appointed by the President, by and with the advice and consent of the Senate, and the President designates one member as chairman of the Commission. The act provides that the President shall be the ultimate arbiter in the event that the Military Establishment concludes that any action—proposed action—or failure to act of the Commission, in matters relating to military applications is adverse to the responsibilities of the military. The President determines at least once a year the quantities of fissionable material to be produced by the Commission. The President's approval is required before the Commission determines material other than uranium and thorium to be "source material"; also, the President has specific authority with respect to the production of atomic bombs, atomic-bomb parts, or other military weapons utilizing fissionable materials, and with respect to the transfer of fissionable materials or weapons from the Commission to the armed forces. He may also authorize the armed forces to manufacture or acquire equipment and devices utilizing fissionable material or atomic energy as a military weapon. Other sections of the act provide for reports to the President, the transfer of property to the Commission by the President, and the exemption of the Commission by the President from certain provisions of law relating to contracts.

Serious duplications by the Atomic Energy Commission of the functions of other agencies appear to be unlikely, in view of the

unique functions of the AEC, and the exclusive authority of the Commission to carry out most of the purposes named in the Atomic Energy Act.

Although it is not entirely clear from the reports, we assume it is not the intention of the reports to reduce the present multi-headed commissions and agencies such as AEC to a single head. The present five-man Commission and General Manager, serving as the chief administrative and executive officer of AEC, appear to constitute an organization consistent with the objectives of report No. 1.

With regard to legislation, we note that S. 942 and H. R. 2613 provide a highly desirable clarification of responsibility and authority within the executive branch. While many of their provisions appear to be covered by the authority of the President under the Reorganization Act of 1949, these bills, if enacted, would provide a well-defined background for both reorganization and future administration of the executive branch. Our understanding is that the "staff assistants" who would be appointed by the agency head, as provided by section 203 (b) of S. 942 and H. R. 2613, would not include the principal executive officer of an agency, such as our General Manager, who is appointed by the President, by and with the advice and consent of the Senate. This conclusion is supported by the description of such assistants by function contained in section 205.

We believe that the recommendations and philosophy of Report No. 2 on Personnel Management hold great possibilities for improving and strengthening a merit system in the executive branch, and for enhancing the effectiveness of the Civil Service Commission to this end. The proposals of both the majority and minority views in the report seem to us workable, and would represent a marked improvement over the present general pattern of personnel administration. The AEC inaugurated a new personnel policy on January 9, 1949, which endorses, through application, the philosophy and basic recommendations of Report No. 2 by placing the responsibility for good personnel management primarily on operating officials.

We are in full agreement with the recommendations of Report No. 3 of the Commission on Organization to consolidate and coordinate the housekeeping functions of government. Certainly the Federal Property and Administrative Services Act of 1949 embodies a very complete adoption of these proposals, and should eliminate particularly the former confusions and delays attendant on procurement and property disposal through divers agencies.

The Atomic Energy Commission is in general agreement with the procedural recommendations in Report No. 7 on Budgeting and Accounting. Three of the recommendations in that report would make significant contributions to the solution of important problems in the fiscal area. They are recommendation No. 1, which calls for the establishment of a performance budget, recommendation No. 2, which calls for an immediate and complete survey by the Congress of the appropriation structures, and recommendation No. 12, which endorses certain recommendations of the task force report on accounting. The Atomic Energy Commission has already placed in effect in its budget and accounting system practices similar to those recommended.

Benefits which should be obtained from their adoption, however, have been seriously limited by the complicated appropriations structure under which the AEC at present operates. The AEC has, therefore, after consultation with the Bureau of the Budget and the General Accounting Office, recommended to the House and Senate Appropriations Committees in connection with its 1950 appropriation a merger with that appropriation of all prior fiscal year appropriations to the Commission. This merger of appropriations would enable the Atomic Energy Commission to prepare its budgets and account to the Congress for its expenditures on a sound program and cost-accounting basis rather than in terms of annual appropriations. We are hopeful that this merger of funds, which has been recommended by the Senate Appropriations Committee, will be adopted by the Congress.

In connection with recommendation number 10 of Report No. 7 calling for an Accountant General in the Treasury Department who would prescribe general accounting methods, we would like to express our satisfaction with the close and helpful cooperation we have received from the General Accounting Office. Moreover, we see considerable benefit in continuing the present joint program of the General Accounting Office, the Treasury Department, and the Bureau of the Budget to examine and overhaul the Government's accounting practices. We believe that substantial results have been achieved thus far by this joint program.

In connection with that part of Report No. 18 of the Commission on Organization dealing with Federal-State relations, we are in agreement with recommendation No. 5, calling for the creation of a continuing agency to study and furnish information and guidance on Federal-State relations. Problems that arise in this area out of AEC operations include the question of payment in lieu of taxes to local governments, the problem of financial aid to local school facilities bearing the burden of enrollment of children of AEC project employees, and law enforcement on project sites. The Atomic Energy Commission could benefit greatly from a study of these problems on a Government-wide basis.

Our final comment pertains to that part of Report No. 18 concerned with Federal research activities. In this field there is the possibility that work sponsored or financed by AEC might well duplicate similar work undertaken by other agencies. Consequently, we heartily concur in the recommendations of the research section of Report No. 18 that the President be granted authority to coordinate research and to strengthen interdepartmental committee organization for this purpose, and that a National Science Foundation be established. Enactment of the former recommendation seems to us essential to the planning of a long-range, coordinated Federal research program. The latter recommendation, the establishment of a National Science Foundation, would be a recognition of the importance of science to government, and would rescue Government-conducted or sponsored research from the position of stepchild, which it presently occupies in numerous agencies.

We will be glad to prepare any further information you may wish from us.

We have not been advised by the Bureau of the Budget as to its views on the reports of the Commission on Organization or related legislation.

Sincerely yours,

UNITED STATES ATOMIC ENERGY COMMISSION,
DAVID E. LILIENTHAL.

NOMINATION OF GEORGIA LUSK TO WAR CLAIMS COMMISSION

Mrs. SMITH of Maine. Mr. President, I want to commend the nomination of Mrs. Georgia Lusk by the President to be a member of the War Claims Commission. The President could have made no finer appointment. He could have made no appointment which would be truly a recognition of the excellent public service that women can and have given.

Georgia Lusk is a symbol of conscientious and capable service in the Federal Government. It was my privilege to serve with her in the House of Representatives and I know first-hand of her splendid character and of her outstanding ability as a Federal legislator. I am equally confident that she can match her legislative performance with as excellent service in the executive department.

The women of America can well be proud of Georgia Lusk. They can be sure that her service will reflect the greatest credit upon them and will increase public confidence in the ability of women to perform important public service.

FOREIGN AID APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The Secretary will state the next committee amendment.

The next amendment was, on page 3, line 3, after the numerals, to strike out the comma and the words "of which not to exceed $125,000 shall be available for expenditures of a confidential character (other than entertainment) under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified."

The amendment was agreed to.

The next amendment was, on page 4, line 3, after the word "exchange", to strike out "$3,568,470,000" and insert "$3,628,380,000."

The amendment was agreed to.

The next amendment was, on page 4, line 4, after the words "of which", to insert "(1) the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Economic Cooperation Administration budget justification submitted to the Senate shall be available only for such financing, and (2)."

Mr. LUCAS. Mr. President, this is an amendment which was offered in executive session in the Committee on Appropriations, so I am informed. I am advised that there were no hearings on this amendment. I make the point of order against the amendment that it is legislation upon an appropriation bill. It is my understanding that notice was given on July 12 by the Senator from Arkansas [Mr. McCLELLAN] of a motion to suspend the rule. He thereby recognized the fact that it is legislation upon an appropriation bill.

The VICE PRESIDENT. Unless Senators wish to argue the point of order, the Chair is prepared to rule.

Mr. McCLELLAN. Mr. President, it is true that I filed the required notice under the rule, because I could not definitely know how the Chair might rule if the point of order were raised against this amendment. However, I invite the

attention of the Chair that this is an amendment to a legislative provision in the bill as the bill came over from the House.

Immediately following this language is the following language: "not to exceed $500,000." And the Senate committee has changed the amount to $200,000 "shall be available for expenditures of a confidential character."

Mr. President, this is a limitation. It is a restriction on the use of funds, and therefore it is just as much legislation as is the limitation or restriction which I would place upon the use of funds by this amendment. This is an amendment of a legislative provision, and I insist that the amendment is germane to the provision of the bill which it amends.

Mr. LUCAS. Mr. President, in reply, I may say I am not discussing the question of germaneness; I am discussing what seems to me to be very clear and plain. There can be no question about the language, which says:

(1) the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Economic Cooperation Administration budget justification submitted to the Senate shall be available only for such financing.

Clearly that is legislation upon an appropriation bill. The books are full of precedents to the effect that on an appropriation bill of this kind legislation cannot be added. I am certain that the point of order should be sustained.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. Would the point of order, if sustained at this point, send the bill back to committee?

The VICE PRESIDENT. It would not.

Mr. McCLELLAN. If the point of order is sustained, will a further point of order be in order against the whole bill?

The VICE PRESIDENT. Under the rule which was read yesterday, if any Senator makes a point of order against the whole bill on the ground that it contains legislative matter in violation of the rule, if the point of order is sustained the bill must go back to the committee. However, the point of order must be made against the entire bill, and not against any individual amendment.

Mr. McCLELLAN. That is the point I wished to have made clear. The whole bill is full of legislation; and if I may not have the opportunity to add further legislation, since it is more of a legislative bill than an appropriation bill, notwithstanding the amount in it——

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CORDON. I suggest that the language in question is in effect, if not in the usual terminology of a limitation, a limitation upon the expenditure of so much of the appropriated funds as may be measured by the amount of agricultural commodities indicated in the language, and nothing more.

Mr. McCLELLAN. Mr. President, that was my interpretation of the amendment. It is a limitation on an appropriation bill, and not legislation. But if the Chair holds that it is legislation, then I raise the question, first, of germaneness, because it is an amendment to a legislative provision of the bill, and I think if it is germane to that provision, it is properly in the bill.

The VICE PRESIDENT. Under the rule, ordinarily when a point of order is made against an amendment on the ground that it is not germane to the provisions of the bill, that question must be submitted to the Senate for decision. In this case the Senator who is sponsoring the amendment in opposition to the point of order is making the point that it is germane. While that presents the question in a little different form, the Chair feels that probably the proper interpretation of the spirit of the rule would require submission to the Senate of the question of germaneness.

On the question of whether or not the amendment is legislation, the Chair feels that under the precedents a limitation is in a sense a prohibition against the expenditure of certain parts of an appropriation. This amendment is a requirement that out of a general lump sum appropriation a certain amount shall be expended for definite purposes. Under the precedents that is legislation on an appropriation bill, because it changes existing law, the existing law being the ECA authority under which this appropriation is made. However, the question of germaneness must be submitted first, before the Chair passes on the other question. It may be unnecessary to pass on the other question, depending upon how the Senate decides the question of germaneness of this amendment. That question must be decided without debate.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Assuming that the amendment is germane, in view of the ruling just made by the distinguished Vice President, that would not prevent the Chair from holding that it is still out of order because it is legislation upon an appropriation bill.

The VICE PRESIDENT. If it is germane to a legislative provision already in the bill, and the Senate should so decide, that would preclude any ruling on the question as to whether or not it is legislation.

The question now is, Is the amendment germane to the provisions of the bill to which it is attached? That question must be decided without debate.

Mr. McCLELLAN. Mr. President, I ask for the yeas and nays.

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Bridges	Chapman
Anderson	Butler	Connally
Baldwin	Byrd	Cordon
Brewster	Cain	Donnell
Bricker	Capehart	Douglas
Downey	Johnston, S. C.	Myers
Dulles	Kefauver	Neely
Ecton	Kem	O'Conor
Ellender	Kerr	O'Mahoney
Ferguson	Kilgore	Pepper
Flanders	Knowland	Robertson
Frear	Langer	Russell
Fulbright	Lodge	Saltonstall
George	Long	Schoeppel
Gillette	Lucas	Smith, Maine
Graham	McCarran	Sparkman
Green	McCarthy	Stennis
Gurney	McClellan	Taft
Hayden	McGrath	Thomas, Okla.
Hendrickson	McKellar	Thomas, Utah
Hickenlooper	McMahon	Thye
Hill	Magnuson	Tobey
Hoey	Martin	Tydings
Holland	Maybank	Vandenberg
Hunt	Miller	Watkins
Ives	Millikin	Wherry
Jenner	Morse	Wiley
Johnson, Colo.	Mundt	Williams
Johnson, Tex.	Murray	Young

The VICE PRESIDENT. A quorum is present.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Am I correct in my understanding that insofar as the language contained in line 4 on page 4 of the bill is concerned, the question now before the Senate is whether that language is germane to the bill?

The VICE PRESIDENT. The question is whether it is germane to the provision of the bill to which it is added—not germane to the whole bill, but the part of the bill to which it is an amendment.

Mr. LUCAS. I understand that question is not debatable.

The VICE PRESIDENT. That is the rule.

Mr. LUCAS. Mr. President, I ask unanimous consent that it may be debated.

The VICE PRESIDENT. Is there objection?

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. RUSSELL. Does the request of the Senator from Illinois contemplate that the rule prohibiting debate on this matter shall be waived as to all Members of the Senate?

Mr. LUCAS. That is correct.

The VICE PRESIDENT. The Chair would so interpret the request.

Mr. RUSSELL. I wondered whether the Senator from Illinois requested unanimous consent that he debate it or that the whole rule be suspended.

The VICE PRESIDENT. The Chair understood that the request was that the question of germaneness be debated by the Senate.

Mr. RUSSELL. Then I have no objection.

Mr. McCLELLAN. Mr. President, reserving the right to object, I should like to submit a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Arkansas will state it.

Mr. McCLELLAN. If unanimous consent is granted for debate on this question, may the debate be had on the entire bill, or would the debate have to be restricted to this one issue?

The VICE PRESIDENT. The Chair would think that if the question of the germaneness of this one amendment is

to be submitted for debate, the debate would be limited to that one issue.

Mr. McCLELLAN. That is what I wished to determine.

Mr. President, I desire to submit another parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. Would a discussion or debate explaining the amendment and what it does be regarded as proper under the proposed unanimous-consent agreement, in order to determine the germaneness of the amendment?

The VICE PRESIDENT. Let the Chair state that when a parliamentary question is raised, which is to be passed on by the Chair, it is within the discretion of the Chair to decide whether he will listen to debate on the question; but the debate must be confined to the point of order on which the Chair is passing.

In this case the Senate has to pass on the question of germaneness, which is a parliamentary question on this particular amendment. If debate is to be had on the question of the germaneness of the amendment, which is a parliamentary question to be passed on by the Senate, rather than the Chair, the Chair would feel that the debate should be limited to that question.

The debate might involve discussion as to how it is related to the language of the bill to which it is added, how it is relevant or irrelevant, and so forth, as regards the question of germaneness.

Mr. LUCAS. Mr. President, I withdraw the unanimous-consent request for a moment, in order to submit another parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. I made a point of order against this language, on the ground that it was legislation on an appropriation bill. I cannot understand how another Senator can take me off my feet through an inquiry whether certain language is germane or not germane, and then have the Chair proceed to place the question of germaneness before the Senate, without first passing on the point of order which was made, by the Senator from Illinois and which seems to me to be the pending question before the Senate.

I should like to have the Chair's ruling on that situation, because to my mind this presents a most unusual and rather confused parliamentary problem.

The VICE PRESIDENT. The Chair will undertake to state that matter insofar as he can.

A while ago the Chair stated that under the rule as to the germaneness of an amendment, which requires that the question be submitted to the Senate, ordinarily the point of order is made that it is not germane. That, in the opinion of the Chair, might have been what the Senate had in mind when it adopted the rule. When that question is raised, it must be submitted to the Senate without debate. It has priority over other points of order, according to a decision of the Senate itself on a former occasion, where, under the same circumstances, a point of order was not made against the amendment on the ground it was not germane, but was made under the circumstances here, suggested by those who were supporting the amendment, that it was germane. On a yea-and-nay vote, the Chair was overruled by the Senate, the Senate itself holding that the question had to be submitted to the Senate, and that it had priority over other points of order.

The Chair based his ruling upon that one decision of the Senate, itself. The Chair does not feel that he can overrule that decision of the Senate itself on that point, although the Chair still is a little bit confused about how the sponsors of an amendment can make the point of order that it is germane, when nobody has made the point of order that it is not.

Mr. LUCAS. That is the point exactly, Mr. President, that I am trying to come to.

Mr. RUSSELL. Mr. President——

Mr. LUCAS. Just a moment.

Mr. RUSSELL. Mr. President, if the Senator from Illinois is going to debate this question without permitting anybody else to do so, I demand the regular order.

The VICE PRESIDENT. The Senator from Illinois submitted a further parliamentary inquiry to the Chair. The Chair is hearing the Senator, and the Chair will, on the point of order, hear all Senators who want to be heard.

Mr. RUSSELL. I thank the Chair.

Mr. LUCAS. I am sorry if I seem to have strayed a little from the point of order, but I was trying to hold to the text and to obtain from the Chair some information with respect to the precedents, in what seems to me to be a very unusual situation. I am not completely familiar with past decisions or precedents. Whatever the precedent has been, it seems to me that sooner or later it will be overturned.

I shall not take an appeal from the decision of the Chair at this time, but it is a very unusual situation for one who has made a point of order to be taken off his feet by someone who merely suggests that the amendment is germane, who does not even suggest to the Chair that the point of order of germaneness is raised, but merely participates in the colloquy, and the Chair immediately assumes germaneness to be an issue, and takes the Senator from Illinois from the floor.

Mr. President, I am going to withdraw my unanimous consent request. Let the Senate vote on whether the amendment is or is not germane, without debate.

The VICE PRESIDENT. The Chair would like to say in regard to this matter that it is an unusual situation, there can be no question about that. The Chair thinks the rule contemplated that a point of order would be made against an amendment on the ground of its not being germane, and that thereupon it would be submitted to the Senate. Unless the point of order is made against an amendment on the ground that it is not germane, it is not in question as to whether it is in order or not, and no amendment is questioned unless a point of order is made. No matter how much the rules of the Senate may be violated, if some Senator does not make a point of order, the Chair has no jurisdiction to pass upon the question at all. The Senate, however, passed on that matter on a former occasion, in 1943, and the Chair does not feel that he can arbitrarily overrule the decision of the Senate itself, whatever he may have thought of the decision at the time.

Mr. LUCAS. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. As I understood, the Chair stated a moment ago that, in the event the Senate holds the amendment to be germane, then the point of order on the question of its being legislation in an appropriation bill, cannot be considered.

The VICE PRESIDENT. The Chair will hear argument on that. Superficially that might seem to be so. If it is an amendment to a legislative provision in the House bill, and is germane to the legislative provision of the House bill, that would tend to cure the defect of being legislation on an appropriation bill, if separately presented.

Mr. LUCAS. I should want to argue that. But the net effect if that view is correct, is that the rule of germaneness by majority vote, regardless of what might happen, could nullify the rule respecting the two-thirds requirement in the case of legislation on an appropriation.

The VICE PRESIDENT. That might be.

Mr. WHERRY. Mr. President——

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Nebraska.

Mr. WHERRY. I should like to have a restatement by the Chair. The question I wanted to propound to the Chair was, in the event the issue of germaneness were determined favorably, the Senate holding the amendment to be germane, then a point of order against the amendment, as I understood the Chair, would not lie, because decision that it is germane would preclude the point of order raised by the Senator from Illinois as to its being legislation on an appropriation bill.

The VICE PRESIDENT. The Chair feels that undoubtedly on its merits as a single proposition this amendment is legislation on an appropriation bill. But if it is legislation added to a legislative provision of the House bill, to which it is germane, then the question of its being legislation on an appropriation bill is solved, if the Senate holds it to be germane.

Mr. WHERRY. So the vote on germaneness in reality would settle the issue of whether it is legislation on an appropriation bill; would it not?

The VICE PRESIDENT. The Chair thinks so. In other words, if this is a germane amendment to a legislative provision of the House bill, then the point of

order would not lie against it as legislation on the appropriation bill.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. I may suggest to the Chair that the provision of paragraph 4 of rule XVI applies only to amendments offered on the floor, and does not apply to amendments offered by the Committee on Appropriations. The Committee on Appropriations frequently puts into appropriation bills items which are not germane to the other provisions of the bill. It seems that paragraph 2 of rule XVI is intended to limit the Committee on Appropriations. In paragraph 2 there is no provision with respect to germaneness. I merely want to suggest to the Chair that the question of germaneness applies only to amendments offered on the floor of the Senate after the bill has been reported by the committee.

The VICE PRESIDENT. After consulting with the Parliamentarian the Chair is inclined to conclude as follows:

With respect to appropriation bills rule XVI provides:

> No amendment which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received, nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto—

The question is, What does the rule mean when it says, "No amendment shall be received"? Does it mean that no amendment shall be received on the floor of the Senate, or does it mean that no amendment shall be received by the Senate from the committee which has reported the amendments? The Chair is unable to escape the conclusion that, when the rule says "No amendment shall be received," it means no amendment shall be received by the Senate, and that that applies to committee amendments as well as to amendments offered from the floor. Therefore, the Chair thinks the point raised by the Senator from Ohio, while persuasive, is not well taken, under the precedents. The Chair, therefore, adheres to his original ruling.

Mr. McKELLAR. Vote.

Mr. RUSSELL. Mr. President, if the Chair will indulge me, I am not in the habit of arguing after the judge has ruled, but it appears to me that subsection 4 of rule XVI applies to all amendments, whether reported by the committee or offered from the floor. It derives from Jefferson's Manual.

The VICE PRESIDENT. It might be construed to mean that while no Senator can offer an amendment from the floor which is not germane or relevant, the committee itself could bring in such amendments and offer them ad infinitum. The Chair does not believe that is the meaning of the rule.

The question now is, Is the committee amendment under discussion germane? On this question the yeas and nays have been demanded.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Let us see whether the Senate wants the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The Senator from Massachusetts will state his parliamentary inquiry.

Mr. SALTONSTALL. While I think the answer is clear, I should like to have a statement from the Chair. The question before the Senate now is the question of the germaneness of the amendment. If the amendment is later declared by a majority vote to be germane, then there will be debate on the merits of the amendment, and another vote on the amendment. Is that correct?

The VICE PRESIDENT. If the Senate votes that the amendment is not germane, of course it is out; there are no more points of order with reference to it. If the Senate votes that the amendment is germane, it is subject to debate, like any other amendment.

The question is, Is the amendment germane?

Mr. McCLELLAN. Mr. President, a "yea" vote will sustain the germaneness of the amendment; will it not?

The VICE PRESIDENT. An affirmative vote is in favor of the germaneness of the amendment. A negative vote is against the germaneness of the amendment.

The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. McFARLAND] are absent on public business.

The Senator from Idaho [Mr. TAYLOR] and the Senator from Kentucky [Mr. WITHERS] are unavoidably detained.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from Nevada [Mr. MALONE] is detained on official business.

The result was—yeas 54, nays 32, as follows:

YEAS—54

Aiken	Ecton	Johnston, S. C.
Baldwin	Ellender	Kem
Brewster	Ferguson	Kerr
Bricker	Frear	Langer
Bridges	Fulbright	McCarran
Butler	George	McCarthy
Byrd	Gillette	McClellan
Cain	Gurney	McKellar
Capehart	Hendrickson	Martin
Chapman	Hickenlooper	Maybank
Cordon	Hoey	Miller
Donnell	Jenner	Millikin
Downey	Johnson, Colo.	Mundt
Murray	Smith, Maine	Watkins
Robertson	Stennis	Wherry
Russell	Taft	Wiley
Saltonstall	Thomas, Okla.	Williams
Schoeppel	Thye	Young

NAYS—32

Anderson	Ives	Morse
Connally	Johnson, Tex.	Myers
Douglas	Kefauver	Neely
Dulles	Kilgore	O'Conor
Flanders	Knowland	O'Mahoney
Graham	Lodge	Pepper
Green	Long	Thomas, Utah
Hayden	Lucas	Tobey
Hill	McGrath	Tydings
Holland	McMahon	Vandenberg
Hunt	Magnuson	

NOT VOTING—10

Chavez	Malone	Taylor
Eastland	Reed	Withers
Humphrey	Smith, N. J.	
McFarland	Sparkman	

The VICE PRESIDENT. On this question the yeas are 54, the nays are 32, and the Senate holds that the amendment is germane. The question is on agreeing to the amendment.

Mr. LUCAS. Mr. President, I raise the same point of order that I raised before, notwithstanding the vote of the Senate that the amendment is germane. I would like to know what it is germane to.

Mr. President, the language of the amendment is "the amount required to finance the procurement of surplus agricultural products * * * of the kinds and in the quantities set out in the Economic Cooperation Administration budget justification submitted to the Senate shall be available only for such financing," and so forth. There is not a single line or syllable about surplus agriculture products in the House bill.

The Chair has held, as I understood him to rule a moment ago, that this particular provision must be germane to a legislative provision which has been incorporated in the bill by the House. Notwithstanding the fact that the Senate has voted the amendment to be germane I seriously contend that the particular amendment is not germane to anything that was in the House bill appearing before this amendment was written in by the committee.

Mr. DONNELL. Mr. President——

Mr. LUCAS. One moment.

The VICE PRESIDENT. Is the Senator from Illinois addressing a parliamentary inquiry to the Chair?

Mr. LUCAS. Yes.

The VICE PRESIDENT. The Chair did not hold that the amendment was germane. The Senate voted that it was, and the Senate will have to decide what it is germane to. It is not a question for the Chair.

Mr. LUCAS. Mr. President, notwithstanding what the Senate decided, I am still making the point of order that the language we are now discussing is legislation upon an appropriation bill, and notwithstanding the fact that the Senate has declared that it is germane to something in the bill—nobody knows what—it is still subject to the point of order, because there is an absolute distinction between the question of germaneness of an amendment and the question of its being legislation upon an appropriation bill. It is still my studied

opinion that the mere fact that the Senate has ruled that it is germane does not automatically decide that this language in the bill does not deviate from existing law or is not legislation upon an appropriation bill. I still make the point of order that it is legislation upon an appropriation bill.

Mr. President, if by this method a Senator can come before the Senate and submit a question of germaneness upon every phase of an appropriation bill, or any other measure that is before the Senate, it will be possible to bypass absolutely the two-thirds rule, under which it is necessary to have a vote of two-thirds to sustain an amendment which proposes legislation on an appropriation bill. All a Senator would have to do, if he had a majority with him, would be to suggest that an amendment was germane, and if he could get the majority to say that it was germane, then there would be nullified and abrogated the two-thirds rule, which has been in existence at least ever since the Senator from Illinois has been a Member of the Senate, and was the rule long before that.

Mr. President, a dangerous precedent is being set. I submit we might just as well forget about the two-thirds rule if my point of order is not sustained.

Mr. President, notwithstanding the fact that the Senate has voted that the amendment is germane, I submit that action of the Senate in no wise affects the question of legislation upon an appropriation bill. There could be in an appropriation bill many things which are germane, which would be in an entirely separate category when it comes to the question of legislation on an appropriation bill.

Mr. ROBERTSON. Mr. President, as one Member of the Senate who expressed the opinion that the amendment was germane, I wish to say that my decision on that issue was based upon my understanding that the House had sent to the Senate a bill authorizing the appropriation of a given number of dollars to buy various supplies for the cooperative countries who hold membership in OEEC. When the Committee on Appropriations took testimony on the bill, we asked the Administrator to indicate to us what those supplies would be, and he indicated that some of them, quite a substantial number of them, would be farm supplies, that others would be machinery, that some would be loans, and some would be services. Therefore, I felt that when the distinguished Senator from Arkansas offered an amendment directing the Administrator to purchase the amount of farm supplies contemplated in the House bill, which the Administrator had indicated to us in his tentative estimate he was inclined to purchase, it was germane to the program we were considering.

I do not care to argue the new point, that the amendment is legislation on an appropriation bill. I have been proceeding on the assumption that it conformed to the Ramseyer rule, under which we can put into an appropriation bill legislation which limits the expenditure of funds. Whether this limits the expenditure of funds I would not like to say, for one reason because the Administrator has informed us that his estimates of the needs of the farm products were in the first place tentative, subject to revision as further crop reports come from Europe and, secondly, that they were based upon an estimate of approximately $4,000,000,000, and we have cut the total appropriation by more than $400,000,000. Therefore he claims that it would be very necessary for him to revise his tentative estimates, and perhaps give a lower allocation to wheat, corn, and cotton.

I wish to say in all frankness, Mr. President, that when I first discussed this problem before the Senate I clearly indicated my opposition to the amendment. I think it is entirely undesirable. But that is aside from the point of whether or not it is germane, or whether or not it falls within the rule that it is legislation improperly upon an appropriation bill.

We are aware of the fact that the Secretary of Agriculture thinks this is a bad amendment, that it will hurt our farmers instead of helping them. We are aware of the fact that all three major farm organizations have very explicitly gone on record against the amendment. We are aware of the fact that it could be used as propaganda by Communists, that, instead of carrying out a cooperative program to rehabilitate our allies in western Europe, we are using this relief as a dumping process for surplus farm products, a claim which we have always denied. They claimed all along that we were not really aiming to help western Europe, that we were afraid of a depression, that we wanted to move surplus products abroad, and that this was the means we had adopted for moving them.

Mr. President, I simply wanted to explain that in voting this amendment to be germane, and I thought it was, I in no sense committed myself on its merits, because I am very much opposed to it, and I hope the Senate will not adopt it, when it comes to vote on it.

The VICE PRESIDENT. The question is on the point of order raised by the Senator from Illinois.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Will the Senator wait a moment until the Chair makes a statement. The question is on the point of order raised by the Senator from Illinois, and the Chair thought the Senator from Virginia [Mr. ROBERTSON] was arguing the point of order rather than the merits of the matter. If the Senator from Nebraska wishes to argue the point of order——

Mr. WHERRY. Has the Senator from Illinois made a point of order? I did not hear the Senator from Illinois make a point of order.

The VICE PRESIDENT. Yes; he did make a point of order.

Mr. WHERRY. When I indicated I wished to make a parliamentary inquiry, I wanted to ask whether the Senator from Illinois had made a point of order. I did not hear him make a point of order that the item was legislation on an appropriation bill. If he has made such a point of order I should like to speak on it for a moment.

The VICE PRESIDENT. The Chair is ready to rule on the point of order.

Mr. WHERRY. Is the point of order not debatable?

The VICE PRESIDENT. It is debatable if the Chair desires to hear arguments on the point of order, but the Chair is ready to rule on the point of order, and does not feel that it is necessary to hear any further arguments on that point.

Mr. WHERRY. The majority leader was given plenty of time to present his argument in favor of the point of order. Therefore it certainly seems that equal opportunity should be afforded other Senators to answer the points he has made.

The VICE PRESIDENT. If the Chair is prepared to overrule the point of order made by the majority leader, what is the use of arguing?

Mr. WHERRY. That is not the point I make, Mr. President. When one Senator is recognized by the Presiding Officer to make a point of order and to present arguments in favor of his point of order, I certainly feel that equal opportunity should be afforded Senators who are opposed to the point of order.

The VICE PRESIDENT. The rule provides that it is in the discretion of the Chair to hear arguments on a point of order. The Senator from Nebraska is familiar with that rule.

Mr. WHERRY. Yes.

The VICE PRESIDENT. The Chair is ready to rule, and since the Chair assumed that the Senator from Nebraska was opposed to the point of order, the Chair felt it was not necessary to listen to argument against it.

Mr. WHERRY. The Chair anticipated what I was going to say?

The VICE PRESIDENT. Yes; he did.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. RUSSELL. Did not the Chair state before the point of order was raised that he was of the opinion that the point of order was not valid?

The VICE PRESIDENT. The Chair stated that if the Senate voted that this amendment was germane, that in itself eliminated any further point of order against it.

The Chair would like to make an observation. There are two rather apparently conflicting provisions of the rule. As the Chair said a while ago, it is a little unusual for the sponsors of an amendment to make the point of order that it is germane when no Senator had made the point of order that it is not germane. The decisions of the Chair are usually made on the points of order made against an amendment to or a provision of the bill. But under the precedent referred to, when a similar situation arose, the Senate voted on the question, and held that the matter was germane, although the point of order against its germaneness was not made.

There are two theories about the question of legislation on an appropriation bill and the limitation of language in an appropriation bill. Language that limits or prohibits the expenditure of money is a limitation. Language in the bill which affirmatively directs the executive department how to spend money is not a limitation. Under the rule which has been long upheld by precedents and decisions, in a general lump sum appropriation bill amendments directing that a portion of the money be spent for any specific purpose are not in order. But that point is not raised here. That is not before the Chair. It would be properly, in connection with a point of order against the amendment, on the ground that it is legislation on an appropriation bill.

The Chair, I think, indicated—if not, he would now—that he thinks this is legislation on an appropriation bill. Undoubtedly it is. But the question of the germaneness of that legislation to some other legislative provision in the bill had to be submitted to the Senate. The Senate has decided that it is germane. It is not for the Chair to say what it is germane to. The Senate decided it was germane to something, and that, of course, has to stand as the ruling of the Senate. Therefore, the Senate having decided that question in the affirmative, the point of order that it is legislation, and therefore in violation of the rules, must be overruled because the Senate held by its vote that if it is legislation—and by implication it might be held that the Senate voted that it is legislation, but that it is germane to some other legislative provision in the bill—the Chair is compelled to overrule the point of order made by the Senator from Illinois.

The Chair acknowledges the confusion by which this rule seems to be surrounded, growing out of a previous decision of the Senate, but the Chair cannot help that.

The question now is on the amendment itself.

Mr. PEPPER. Mr. President, will the Chair permit a parliamentary inquiry in connection with the ruling just made?

The VICE PRESIDENT. Yes.

Mr. PEPPER. So that Senators may be informed about the future course, does the ruling of the Chair mean that when the question of germaneness is raised by the proponent of an amendment and settled in the affirmative, that shall be held conclusively to mean that the decision of the Senate was that it was not only germane, but germane to a legislative provision which came over from the House of Representatives in the bill, and that, therefore, the question of the matter in issue being legislation is not subject to be raised as a point of order?

The VICE PRESIDENT. The Chair is inclined to the opinion—not rendering any decision, however—that if the question of the germaneness of any amendment to an appropriation bill is submitted to the Senate, and the Senate votes that it is germane, that ends it so far as any objection to it on the ground that it is legislation on an appropriation bill is concerned. That may be a ridiculous parliamentary situation, but that seems to be the consequence of the Senate's action.

Mr. PEPPER. Will the Chair allow a further observation on that point?

The VICE PRESIDENT. Yes.

Mr. PEPPER. It had seemed to the Senator from Florida that in the rule there were two questions presented, one the question of relevancy, which is decided, not by the Chair, but by a vote of the Senate. The second one is the question whether the subject involved is legislation on an appropriation bill. It did not seem to the Senator from Florida that the decision in the affirmative on the question of relevancy necessarily precluded the question of it being legislation on an appropriation bill, because, for example, the ruling on the question would be by a different tribunal. Under the rule itself, on the question of germaneness, the decision is by the Senate, but on the point of order as to whether the matter is legislation on an appropriation bill I had understood that the decision would be by the Chair. So they must be different questions. I had never understood that the question on the point of order as to a matter being legislation on an appropriation bill would be submitted without argument to the Senate for its decision. Therefore, they must be two separate questions, and I do not think it necessarily follows that the decision of one by the Senate necessarily precludes the decision of the other by the Chair, unless, as the question I put originally supposed, the affirmative decision of germaneness by the Senate is presumed conclusively to be a decision by the Senate that the issue is not only relevant, but relevant to a legislative provision which came over to the Senate from the House of Representatives.

The VICE PRESIDENT. The Chair would state that it has been held frequently by the Senate and by the Chair—by the Chair, at least—that where there is legislative matter in an appropriation bill coming over from the House a legislative amendment to that legislative proposal already contained in the House bill is in order if germane to that particular matter, and the question of its germaneness must be submitted to the Senate. That is wholly independent of the point that it is legislation, because that presupposes that it is legislation or that it is an amendment embodying legislation, and if it is not germane to any other legislative provision in the bill, and the Senate so decides, of course, that vitiates the amendment at once.

But if the Senate holds, which it has done in this case, that it is germane either to the language to which it is appended, or germane to the bill—because the rule itself deals with germaneness to the bill as well as to any particular part of the bill—if the Senate votes that it is germane, although legislation, if it is germane to any other legislative provision of the bill, the Chair does not see how he can overrule that decision of the Senate by deciding that, although the Senate has held that it is legislation and that it is germane, nevertheless the Chair can say that it is legislation on an appropriation bill, and therefore declare the amendment out of order. That would be in effect overruling the decision of the Senate.

Mr. PEPPER. The point I had in mind was that the Senate Committee on Appropriations might present some matter in the bill with respect to which the question of germaneness might arise, and the Senate might decide the question of germaneness itself; but I had not supposed that it would be conclusively presumed that, if it were germane to a legislative provision, it would not be subject to the point of order that it is legislation if, in the opinion of the Chair, it were not only germane but also legislation on an appropriation bill.

The VICE PRESIDENT. The question whether an amendment is germane to a legislative provision is for the Senate to decide. The Senate decided that this amendment was germane to a legislative provision of the bill as it came over from the House. When the Senate decides that it is legislation, but that it is germane to the bill, the Chair cannot throw the amendment out on a point of order that it is legislation, because the Senate has voted that, notwithstanding it is legislation, it is germane to a legislative provision of the bill.

Mr. PEPPER. The Chair did not suggest that under the rule the Chair did not submit to the Senate the question whether or not it is legislation.

The VICE PRESIDENT. The Chair does not have to submit that question.

Mr. PEPPER. Only the question of relevancy was involved in the decision of the Senate. It seems to me that under the rule a second decision, as to whether it is legislation on an appropriation bill, should be made by the Chair. In that case, even if it were relevant to a legislative provision, it would be subject to a point of order.

Mr. TAFT. Mr. President, I appeal from the decision of the Chair.

The VICE PRESIDENT. From what decision of the Chair does the Senator appeal?

Mr. TAFT. The decision overruling the point of order of the Senator from Illinois.

The VICE PRESIDENT. Such an appeal is in order. Does the Senator wish to argue the appeal?

Mr. TAFT. I appeal from the decision of the Chair for this reason: I am no strong partisan of either side so far as the amendment is concerned; but it seems to me that we are embarking on a course which will lead to the breakdown of the rule prohibiting legislation on appropriation bills. I think it is an excellent rule. I cannot see why a point of order cannot be made against an amendment on the ground that it is legislation, even though it may be germane.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. GEORGE. Is not this body entitled to amend an appropriation bill

sent over by the House of Representatives?

Mr. TAFT. The rule provides that—

No amendment which proposes general legislation shall be received to any general appropriation bill.

Mr. GEORGE. When the House has inserted a legislative provision——

Mr. TAFT. That is another question.

Mr. GEORGE. No; it is precisely this question.

Mr. TAFT. If the House has inserted general legislation, the amendment does not propose general legislation. The House has already done it, and we are developing in that field the question of further general legislation by amending the general legislation which the House has put in the bill. But it seems to me there can be no question about the result.

I do not see any relation whatever between the rule regarding general legislation and the rule regarding germaneness. The English is entirely separate.

No amendment which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received.

They are entirely distinct. There is no relation whatever between them so far as I can see. The question of germaneness is dealt with in one way by a vote of the Senate. Suspension of the rule regarding general legislation has always been by a two-thirds vote. If we want to insert general legislation in an appropriation bill, I see no possible argument for the claim that the two propositions are related, and that because an amendment is germane it is no longer general legislation. The two rules are entirely distinct.

I believe that if this precedent is established, it means an end to the rule which forbids general legislation on an appropriation bill. I think it is a very bad practice. It is done too much, and I do not think the practice should be extended. So I appeal from the decision of the Chair. I feel that the Senate itself should decide in this case. The question of general legislation is a point of order which can be raised regardless of how the Senate votes on the question of germaneness.

Mr. GEORGE. Mr. President, I wish to say a few words on this question. I believe it to be important. I think the question of whether an amendment is germane to something which is inserted by the House of Representatives is a complete answer to the point of order that it is legislation. Otherwise the hands of this body would be tied to leaving, just as the House sent it to us, a purely legislative matter which they themselves inserted in an appropriation bill. There can be no point of order as to what the House did on an appropriation bill. Our rules do not apply to the House. The House itself is the judge of its own rules, and when it sends us a bill which clearly contains legislative matter, though it be included in a general appropriation bill, then certainly if we cannot amend that legislative matter, we become an utterly useless part of the legislative process.

Mr. TAFT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Ohio?

Mr. GEORGE. I yield.

Mr. TAFT. The Senator is not suggesting, is he, that there is any general legislation put in this bill by the House of Representatives at any place?

Mr. GEORGE. Oh, yes.

Mr. RUSSELL. The amendment is right in the middle of it.

Mr. GEORGE. The amendment is in the very body of a legislative proposal inserted by the House. The ruling of the Chair is the only logical ruling that can be made. It is unnecessary to make the point that an amendment is germane. That is a defensive argument against striking the amendment, because the point has been made that it is legislative. What is the status of it? Here is a legislative matter. Let us concede that it is purely legislative, inserted by the House under its own rules. It comes to this body. A point of order is made to an amendment offered in the Senate that it is in the nature of legislative matter and cannot be included in a general appropriation bill. When that is urged, and that question is decided as the Chair properly resolved it in this case by submitting it to the Senate, that is the answer. Yes; it is legislative matter, but we are proposing to amend it. We must have the right to amend it, and therefore when it is determined to be a legislative matter by the Senate, the point of order that it is a legislative matter is, of course, of no force or effect. It seems to me it is too clear to admit of argument, and I do not think any other consistent rule could be adopted if this body is to be left free to legislate on what the other body of the legislative branch has itself inserted in the bill.

If the Senate inserted a legislative provision in a general appropriation bill, and if some Member of the Senate proposed from the floor to amend that legislative provision by another legislative provision or by some modification or change of it, certainly the point of order would be well taken because the whole thing would be subject to a point of order—that is to say, the whole amendment as first inserted by the Appropriations Committee, and also the proposal submitted by some Member from the floor to amend it.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TAFT. What is the provision of the House which amounts to legislation? All I can see is general authority to spend $3,600,000,000 for the purposes of the act.

The only legislation I can see is the statement "without regard to section 3651 of the Revised Statutes."

Mr. GEORGE. Mr. President, the Senator from Ohio is exactly in the same boat with the distinguished Senator from Illinois, and both of them are complaining that the umpire made a wrong decision. However, the Senate decided that it was relevant, that it was material, that it was germane. That is the end of the matter. The umpire decided against the Senator.

Mr. TAFT. Oh, no; the question is whether germaneness has the slightest connection with the point of its being legislation. The only legislative matter I can see that the House has inserted is the statement that this shall be done without regard to section 3651 of the Revised Statutes.

Simply because the House opened up that provision, I do not think we are entitled to go further and change all the other features of the Economic Cooperation Act in any way we choose, in violation of the rules of the Senate which say we shall not do so.

Mr. GEORGE. Mr. President, the Senator from Ohio is making a powerful argument against a decision which has just been made by the Senate—a decision that this amendment is germane. In this case germaneness is an absolute, positive defense. It is not a mere plea of "not guilty," meeting the issue on the merits, but it is a positive defense equivalent to any positive defense which might be offered in any court to any cause of action.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. McKELLAR. I wish to call the Senator's attention to the fact that the wording of the House bill was that—

and loss by exchange, $3,568,470,000—

And then this is added:

and (2)—

Thus connecting both of them together—

not to exceed $500,000 shall be available for expenditures of a confidential nature (other than entertainment) under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified.

That is legislation pure and simple. There can be no question about it.

What does it do, Mr. President? It gives the Administrator and even the Deputy Administrator certain rights which they do not now enjoy. That is legislation. No one can dispute it. It is there.

Mr. GEORGE. Mr. President, I thank the Senator for submitting the argument, but I do not think we need any argument. The issue has been submitted to the Senate, and the Senate decided that the amendment is germane. That answers the point of order that it is legislation.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. I hesitate to disagree with the distinguished Senator from Georgia, but he has just used the words "germane amendment." I voted in favor of holding the amendment to be germane, but I do not consider that I voted on the question of the amendment's being legislation on an appropriation bill.

I agree with the Senator from Florida and the Senator from Ohio that two questions are involved here, namely, the question of germaneness and the question of legislation on an appropriation bill.

This amendment is germane to an appropriation bill, but it is not necessarily in order if it is legislation on an appropriation bill. It seems to me that we can vote that it is germane to the appropriation bill and still have a question, to be presented to the Senate, as to whether it is legislation on an appropriation bill.

It seems to me that now the question of a point of order as to the amendment's being general legislation is open, even though it has been decided to be germane to an appropriation bill. The appropriation is the granting of funds for a present-day policy of government. A legislative amendment is a change in a policy of government. That is why legislation cannot be added to an appropriation bill.

This is germane to an appropriation bill, but not necessarily germane to a legislative provision.

I most respectfully say to the Senator from Georgia that he confuses the two points when he says that the question of germaneness and the question of legislation on an appropriation bill are one and the same thing.

Mr. GEORGE. Mr. President, I appreciate the admonition of my distinguished colleague and friend, the Senator from Massachusetts; but there can be no issue of germaneness, unless the amendment is germane to something inserted in the bill by the House of Representatives.

If the Senator's position were correct, then on any sort of an appropriation measure if we were to do anything by way of amendment to a part of the appropriation fund, that would be a germane amendment. But I do not think so.

If I may be pardoned for the comparison, let me say it is exactly comparable to a situation in which a person is indicted for murder. He might defend by saying "I am not guilty," or he might offer an affirmative defense that he was utterly crazy when he committed the act. In that event the authorities could not do anything to him, unless he subsequently recovered his sanity.

So, when someone makes the point of order here that an amendment is legislation on the appropriation bill, the answer is, if that point can be sustained, "Yes, it is; but it is absolutely germane to something already put in the bill."

Otherwise we would deliberately tie our hands; and the House could do whatever it pleased to do, but we could not touch that action on the part of the House except to vote it either up or down.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MYERS. Under the Senator's proposal, is it not possible for the Senate to determine whether the amendment is germane?

Mr. GEORGE. That is correct.

Mr. MYERS. As a result, we no longer give any effectiveness to the point of order that the proposal is legislation. Is that correct?

Mr. GEORGE. No; we do not give any effectiveness to the point of order, because the Senate has deliberately recorded itself contrary to its previous judgment of fact. Sometimes I have seen the Senate do that, I may say.

Mr. MYERS. But in the future, in connection with any similar provision, the Senate can say it is germane; the Senate can say that an amendment in the nature of legislation came to us from the House of Representatives, and, therefore, after such a vote, no longer can a point of order be raised as to whether the matter is legislation on an appropriation bill.

Mr. GEORGE. That is exactly true. But I do not mean to say that the Senate would so vote if there were no basis for such a vote.

In this case I think it is germane; but I would be most reluctant to assume that the Senate would ever say that something is germane if it had no possible basis upon which that statement could stand.

Mr. MYERS. It opens the door to that.

Mr. GEORGE. Yes; it opens the door. But the door is always wide open for us to vote as we please.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. ANDERSON. Following the suggestion made by the distinguished senior Senator from Ohio [Mr. TAFT] are we to understand now that the rule is that if an appropriation bill is before the Senate and the Senator from Arkansas [Mr. MCCLELLAN] proposes his economy amendment and asks whether it is germane, a mere vote of the Senate that it is germane would obviate the two-thirds rule under which the Senate has heretofore operated? Is that correct?

Mr. GEORGE. If the amendment were germane, and the Senate so held.

Mr. ANDERSON. If he so proposed, then the two-thirds rule would be out. Is that correct?

Mr. GEORGE. Yes; the two-thirds rule has nothing to do with it, if it is germane. But of course the Senate must make that decision.

Is the Senator willing to have the House write legislation in an appropriation bill, and then have the Senate foreclosed from amending it or changing it?

Mr. ANDERSON. No; but I would say to the Senator from Georgia that in the Senate I voted on an issue to which the two-thirds rule was applied. I refer to the economy motion made by a Senator on the other side of the aisle. The motion carried by a majority, but it did not receive a two-thirds vote. Now I understand that, the next day, all it would be necessary to do would be to ask that it be declared, by majority vote, to be germane, and then the motion could be adopted.

Mr. GEORGE. Yes, Mr. President; it is possible for the Senate to do that, if the Senate wishes to stultify itself. But I would not assume that the Senate would wish to do so. If the Senate wishes to do that, it may do it. There is no power on earth that can keep the Senate from casting a foolish vote or one wholly untenable, if it wants to do so.

Mr. President, it seems to me too clear to permit of argument that the appeal should be overridden, and the Chair should be sustained; otherwise we cannot preserve freedom of action in this body. One way of preserving our freedom of action is to be able to offer amendments so long as they are germane to something the House has embedded in the legislation we are asked to confirm or approve.

The VICE PRESIDENT. Let the Chair state that, as he understands, the debate is now proceeding on the appeal from the decision of the Chair.

Mr. LUCAS. Mr. President, the Senate of the United States is about to make one of the most far-reaching and momentous decisions from the standpoint of parliamentary law it has been called upon to make since I have been a Member. I always dislike to disagree with the very able and eminent Senator from Georgia, but, Mr. President, just so surely as we permit the ruling of the Chair to stand, we open the door in the future to all types and kinds of legislation to be proposed by the Appropriations Committee.

Mr. President, I do not say the Senate will ever stultify itself by doing that, but I say the door is wide open to turn over to the Appropriations Committee not only the appropriations which come before the Senate, but also the legislative policy of this great deliberative body. If this ruling is to be followed in the future, then the rule requiring a two-thirds vote before a legislative amendment could be added to an appropriation is to be disregarded. A majority will be able to write any type of legislation upon an appropriation bill it may desire. It has been done in the past. It will be done again. Every Senator knows that appropriation bills have come from the Appropriations Committee to the Senate without House legislation contained therein, and yet the Senate committee would seek to add legislation of its own upon the bill. I would not charge the committee members with stultifying themselves by so doing.

As Senators know hundreds of times the two-thirds rule has been invoked. But had they known the situation as developed today, all that would have been necessary to do would be for Senators merely to say "We do not think it is germane," followed by a majority vote sustaining the germaneness. As a result, the two-thirds rule would be gone, and the Appropriations Committee, powerful as it is now, would practically take over the Senate of the United States and run it. That is the trend, Mr. President, based upon all these amendments in the bill before us.

Mr. President, the Appropriations Committee has certain duties to perform. The committee has no right to write into an appropriation bill legislation of this

kind unless the two-thirds rule applies. The Senate should have the right to apply the rule, when the point is made that an amendment constitutes legislation upon an appropriation bill. Notwithstanding the one ruling in the past which the Chair cited, I maintain that that ruling should be overturned in the interest of orderly procedure in the Senate, in the interest of keeping the Appropriations Committee from becoming the one and only committee in this body that will control practically everything that comes along. If that committee can write this kind of legislation into an appropriation bill, I do not care what comes up next in the way of an appropriation; other types of legislation will be written into it, and the Appropriations Committee will be making all the legislation for the Senate of the United States.

Mr. ANDERSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from New Mexico?

Mr. LUCAS. I yield to the Senator from New Mexico.

Mr. ANDERSON. If there were a legislative bill to create funds for the taking of a census, would it be possible to put a poll tax rider on it?

Mr. LUCAS. It is possible to do anything, under this ruling. In other words, when a poll-tax rider is put on an appropriation bill, or a census bill, and the majority says it is germane—that makes it so.

Mr. WHERRY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. LUCAS. I yield.

Mr. WHERRY. But the Senate would make the determination of whether——

Mr. LUCAS. Of course, they would.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. Certainly.

Mr. WHERRY. I am having a hard time. Well, go ahead.

Mr. LUCAS. The Senator never had a difficult time with me.

Mr. ANDERSON. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. ANDERSON. Does the Senator not believe a majority might vote for the poll-tax rider?

Mr. LUCAS. The Senator knows, if a poll-tax amendment were tacked onto an appropriation bill, it would be voted to be germane. The great majority of people believe in anti-poll-tax legislation, and Senators would vote their political convictions, whether such an amendment were germane or not. Everybody knows that to be so.

Mr. WHERRY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. LUCAS. I yield.

Mr. WHERRY. Mr. President, does the Senator recall that before the vote was taken, the minority leader rose to address the Chair, and propounded a parliamentary inquiry?

Mr. LUCAS. That is correct.

Mr. WHERRY. The parliamentary inquiry was, if the Senate decided that the amendment was germane, whether that in itself made a determination of the point of order that had been made by the majority leader. Every Senator heard that parliamentary inquiry. The Chair said in his opinion the point of order made against legislation in the bill would be decided adversely, if the Senate voted that the amendment was germane.

Now, for the majority leader to say that the Appropriations Committee is taking over the Senate, when Members of the Senate heard and knew, when they voted on the question whether the amendment was germane, they would settle the issue, is certainly beside the point. It is not an issue at all. I am a member of the Appropriations Committee. I say to you, Mr. President, it is one of the finest committees in the United States Senate. [Laughter.] That applies to all its members. They all deserve praise. They have had great debates among themselves, and there have been some very close votes on certain issues, and on these amendments. But I ask, Mr. President, on the point made by the distinguished Senator from Georgia, are we going to permit the House of Representatives repeatedly to write legislation and limitations on appropriations bills and have no recourse ourselves?

Mr. MAGNUSON. Why does not the Senate committee cut out such matter.

Mr. WHERRY. Mr. President, may I continue?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. LUCAS. I yield.

Mr. WHERRY. As I was saying, is the House to be permitted continually to write legislation and limitations in appropriation bills without our being able to make a point of order against such provisions? Is our own right to be foreclosed, either in the Appropriations Committee or on the floor of the Senate, so that, instead of the Appropriations Committee being all powerful, their power is to dwindle until it has no rights and we are not event coequal with the House of Representatives? Are we not coequal with the House of Representatives? My position is that when the Senate voted on the question germaneness it voted with the full knowledge that the point of order would not lie, if there was any merit to the argument made before the vote was taken on the germaneness of the amendment. I think the point or order does not lie, and I shall therefore, vote to sustain the decision of the Chair.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. LODGE. Mr. President, I merely want to say to the Senator from Illinois that I think his argument in this instance is completely sound. During the years I have been in the Senate, going back to January 1937, I have come to appreciate the fact that the rule which requires a two-thirds vote for suspension, in order to attach legislation to an appropriation bill, is the one thing which stands between the Senate and chaos. It is the one thing which enables business to be transacted in an orderly way. If we nullify that rule, it means that there will be unlimited legislation on appropriation bills, and the President will be absolutely helpless to deal with the situation, because the only way he can cope with it is to veto appropriation bills and paralyze the operations of the Government. I say to the Senator from Illinois that if this Pandora's box is opened as it looks as though it might be today, every Senator will live to regret it.

Mr. PEPPER. Mr. President the issue now before the Senate is whether the decision of the Chair shall be sustained. I shall vote in favor of the appeal and against the decision of the Chair. In doing so it seems to me that all I shall be voting for is that when the question of germaneness is decided by the Senate, that vote does not preclude the Chair, when, subsequently, a point of order is made that the matter in controversy is legislation on an appropriation bill, from himself passing upon such a point of order.

I venture to suggest that the parliamentary way by which this matter would ordinarily have been handled would be this: The question of relevancy and germaneness to be decided by the Senate does not necessarily have to relate to something which came over from the House of Representatives. It might relate to a matter put into a bill by the Senate Appropriations Committee. The rule itself speaks in the alternative, as the Senator from Ohio has emphasized, about germaneness and about general legislation on an appropriation bill. As I mentioned a while ago, the rule of relevancy and germaneness is to be decided by the Senate, but the question whether a point of order should be sustained on the ground of legislation in an appropriation bill is decided by the Chair. Therefore they are, of necessity, two matters and two separate issues. All the Senator from Ohio [Mr. TAFT] invites us to do is to say that by the decision of the Senate on the matter of relevancy, when subsequently a point of order is made, the Chair is not precluded from passing his own judgment upon the validity of a subsequent point of order.

In this particular case the second and most important question is, What must the subject of legislation coming over from the House have been, and must the matter in issue be relevant to that legislative provision. That is what the Senator from Ohio pointed out awhile ago. Does the House of Representatives have the power of putting one legislative proposal in a whole appropriation bill, and has the Senate the power to put in any matter of legislative character merely because there is one in another part of the bill?

The Senator from Tennessee, the able chairman of the committee, read line 10 down to line 16 and claimed that was legislation incorporated by the House of Representatives. Suppose it is. We are talking about an amendment which goes from line 4 down to line 9. The two deal with entirely different subjects.

The legislation to which the able chairman called our attention deals with a confidential fund of $500,000 which the Administrator might employ. The Senator from Arkansas is offering legislation which deals with the subject of surplus farm commodities.

Mr. TAFT. Mr. President, will the Senator yie'd?

Mr. PEPPER. I yield.

Mr. TAFT. I thought this particular amendment was germane, and there was no suggestion that the germaneness related to what the House of Representatives had put into the bill in the way of legislation. The question was, Was it germane to the whole Economic Cooperation Administration? It seemed obvious to me that it was; but I certainly did not intend to vote on the question of whether this amendment and amendments which the House has put into the bill might be called general legislation.

So it seems to me the question we passed upon has no relation to what the House put into the bill. The Chair may rule, if he so desires, that the House has opened this particular subject, and he may find this is germane to what the House put in. But that is not the question on which the Senate voted. The Senate voted on whether the particular amendment was germane to the whole program. That is why I voted "yea." If I had been asked to vote on whether it was germane to some legislation the House placed in the bill, I should have voted "nay." That was not the question before the Senate.

Mr. PEPPER. That is the point I wanted to emphasize. The Chair did not present to the Senate the question whether the matter in issue was relevant to lines 10 to 16 of the appropriation bill. I wanted to suggest that the Chair is not precluded, by that rule of relevancy and the decision of the Senate in favor of relevancy in this case, from subsequently passing upon the point of order made by the able Senator from Illinois [Mr. LUCAS].

The VICE PRESIDENT. The Chair would like to say in that connection that it is not the duty of the Chair to point out to the Senate to what provision an amendment is germane or in what respect it is germane to the whole bill. The rule takes that entirely out of the hands of the Chair and submits it to the Senate, as to whether it is germane. The Senate must make up its own mind as to what provision it is germane to or whether it is germane to the whole bill. That is not one of the functions of the Chair, under the rule.

Mr. PEPPER. That is the point the Senator from Florida inquired about a while ago. Is it conclusively presumed when the Senate decides an amendment is relevant or germane, that it is not only germane or relevant, but it is also germane and relevant to a legislative provision in a bill which came over to the Senate from the House of Representatives?

I venture to suggest that that is a nonsequitur. It would seem to me once the question of germaneness is decided affirmatively by the Senate, then when the Senator from Illinois made the point of order that, assuming it to be germane, it is legislation on an appropriation bill, and therefore it is in violation of the rules of the Senate, the Chair would have to determine whether it was not only germane, as the Senate decided, but whether it was legislation on an appropriation bill. The Chair would have to look at the amendment in question to see whether the House of Representatives had put in a legislative provision on that particular subject, dealing with the matter of surplus agricultural commodities. If the House had put in an amendment or a provision dealing with the disposal of surplus agricultural commodities, then the Senate would certainly be at liberty, as the Senator from Georgia said, to alter a legislative provision sent to us by the House or Representatives; but then it would have been up to the Chair to have seen whether there was a legislative provision dealing with the subject, which came from the House of Representatives, dealing with a confidential fund. Then, if the Chair found that the House of Representatives had placed a provision in the bill dealing with surplus agricultural products——

Mr. WHERRY. Mr. President, may we have order?

The VICE PRESIDENT. The Chair pounds the desk and repeatedly asks the Senate to be in order, and the Chair obtains order. Then, as soon as a Senator begins to speak, disorder is resumed. The Chair hopes that the Senate will respect not only the Chair's desire to keep order, but will respect the rights of the speaker who has the floor, the Senator from Florida.

Mr. PEPPER. Mr. President, I was saying that the Senate having decided the matter of relevancy or germaneness in the affirmative, then it would seem to me that when the Senator from Illinois made the point of order that the subject in question was legislation on an appropriation bill, the rule contemplates that the Chair will look at the subject matter in question to see if there is a provision of a legislative character on that subject in the bill coming over from the House of Representatives. If the Chair should find that there is, then the Chair should hold, conformably to our precedents, that in spite of the fact that it was legislation, nevertheless, there was in the bill from the House of Representatives a basis for legislation on this subject, the Senate had adjudicated that it was germane, and therefore the point of order would be overruled.

If that is what the Chair wishes to hold, I think we would come out probably at the same place, but only if the Chair holds that the action of the House of Representatives legislating on confidential funds makes the Senate able to put in legislation on any subject without its being liable to a point of order.

I do not believe the Chair really intends to hold that the House can put a legislative provision in a bill dealing with any subject and that that opens the door completely to the Senate to deal legislatively with any other subject.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McCLELLAN. I ask the able Senator whether, if $200,000 of the $500,000, to which the Senator refers, as placed in a confidential fund by legislation, came over in the House bill, it does not come out of the appropriation with which we are dealing.

Mr. PEPPER. Certainly; everything comes out of the appropriation.

Mr. McCLELLAN. Very well. If the House can legislate to take a part of that appropriation and apply it for one purpose, cannot the Senate amend it to make a part of it apply to another purpose, and would not that be legislation on legislation that came over from the House, and therefore germane?

Mr. PEPPER. The House did not legislate on the subject on which the Senator calls on us to legislate—that is, agricultural surpluses. The House legislated on confidential funds for the Administrator to use, and I say to the able Senator that I do not see how he can take that subject, on which the House was legislating, and claim that that is legislation on the subject we are dealing with when they are entirely unrelated.

Mr. CONNALLY. Mr. President, I wish to say just a word on this matter. I am supporting the view of the Senator from Ohio, and I apologize to the Chair for not supporting his view.

The VICE PRESIDENT. The Senator does not have to apologize to the Chair.

Mr. CONNALLY. I always like to support the Chair when possible.

The VICE PRESIDENT. The Chair has decided the question as the rules are laid down, and as they have been interpreted from time to time as shown by the precedents. Every Senator has a perfect right to disagree with the Chair and to vote to overrule him.

Mr. CONNALLY. Certainly; I agree with the Chair—in that particular. [Laughter.]

Mr. President, when I was a young country lawyer——

Mr. WILEY. How long ago?

The VICE PRESIDENT. A Senator cannot interrupt another without rising to his feet.

Mr. CONNALLY. Not so long ago as the Senator from Wisconsin. When I was a young country lawyer frequently we would be discussing decisions, and an older lawyer would say, "Have you looked at the statute? Have you gone back and looked at the statute instead of theorizing about so and so, and so and so?"

Mr. President, I think this is a good time for us to look at the statute a moment. I read from subdivision 4 of rule XVI:

> No amendment which proposes general legislation shall be received to any general appropriation bill.

What does that mean? It does not say, "No amendment unless it is germane shall be received." It does not say "No amendment written in longhand shall be received," or "No amendment written on a typewriter shall be received," or that "No long amendment shall be received." It says, "No amendment which proposes general legislation

shall be received to any general appropriation bill." That is pretty plain language. It says that no amendment, none, no kind of an amendment. Then it proceeds. If the rule were going to stop there, that would be one thing. But something is added:

Nor shall any amendment not germane or relevant to the subject matter contained in the bill be received.

That is wholly a different matter. That relates to the bill. If one offers an amendment, under subdivision 4 it has to be germane, under this pronouncement of the rule. When we vote on whether an amendment is germane, we are voting under that angle of the rule, not as to whether it is legislation, but whether it is germane. It is proper for the Chair to submit the question, and it is for the Senate to decide whether it is germane. But it does not decide whether or not it is legislation.

Nor—

Here is another "nor," meaning in addition to and different from the subject which went before, because it says "nor." It does not say "and."

Nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto.

Mr. President, in all frankness, it seems to me that there are two angles to this matter. First—and it is put first in the rule—the primary objective of that provision is to take care of legislation. First, is it legislation? Yes. Well, then it is out. That is what the rule says, "No amendment."

Of course, some of the rulings and decisions may have had some modifying effect on that; but I am going back to the rule, I am going back to the statute, I am going back to Blackstone.

No amendment which proposes general legislation shall be received to any general appropriation bill.

That is for the Chair to decide. It says further:

Nor shall any amendment not germane or relevant to the subject matter contained in the bill be received.

It may not violate the first section of the rule, but if it does not, it still has to be germane to the language to which it is offered, and that is what we voted on, as to whether it was germane or not.

I submit, Mr. President, that the appeal is in the interest of the maintenance of this rule. If a bare majority of the Senate can declare something germane and therefore make it in order when the rule says it is not in order, we turn the Senate over to the whim, the caprice, the momentary passion, and the momentary prejudice of its Members, instead of holding on to the rules and the regulations as the Senate has known them over the years.

Mr. HOLLAND. Mr. President, it is with great diffidence that I advance one thought which it seems to me has not been brought into the debate. I do so with the utmost of respect for the Presiding Officer, for the distinguished Senator from Georgia, and for others who have expressed a contrary view.

It seems to me it is wholly clear from reading the rule that there are two separate questions, the one of germaneness "to the subject matter contained in the bill," and the other the question of whether or not "general legislation shall be received" to an appropriation measure.

Mr. President, the sole point I wanted to make is that there is no identity or sameness at all between the question of whether the proposed amendment includes new legislation and the question of whether it is germane. The fact that those two questions are entirely different may be shown with complete conclusiveness when it is remembered that the amendment might have dealt with an appropriation which had already been authorized but which was not at all consistent with the subject matter of the bill, in this case the appropriation bill for ECA.

Suppose the amendment had suggested the inclusion in the bill of an appropriation for an authorized project of reclamation in the West; or an authorized project dealing with the Panama Canal; or a project, already authorized, for the building of a new Federal building at some place in this Nation, having no relation at all to the ECA. It could not be suggested that new legislation was proposed, because it would not be new legislation. The project would have been authorized already, wholly subject to appropriation at the proper time, but nevertheless it would not have been germane to the subject matter of the bill then under consideration. How could it be said, by the most extreme stretch of the imagination, that the fact that the Senate would have ruled in such a case that that measure was germane, even if it were not at all, could have been the same in any sense as a ruling that it was or was not proposed new legislation?

Mr. President, the two questions are entirely separate and distinct, and I support entirely the position taken by my distinguished colleague, the senior Senator from Florida [Mr. PEPPER], by the Senator from Texas [Mr. CONNALLY], by the majority leader, the Senator from Illinois [Mr. LUCAS], and by the senior Senator from Ohio [Mr. TAFT]. I think we would get into a very difficult and dangerous position, from which we would have tremendous difficulty in extricating the Senate in the future, if we should hold that the question of germaneness was the same question as whether or not new legislation was presented.

Mr. President, they are two separate and entirely distinct issues, and a ruling on the one does not in any way involve a ruling or expression upon the other.

Before closing, I want to say that I fully and completely support the position of my distinguished colleague to the effect that the question of germaneness is addressed, by a provision of the rule, to the discretion of the membership of the Senate, and the other one involves a complete exclusion of a certain field from proper legislation, subject only to the ruling of the Presiding Officer, and subject, of course, to the rule that the Senate can waive its rules by a two-thirds vote of the Senate.

Mr. FULBRIGHT. Mr. Senator, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. FULBRIGHT. With regard to the point made by the Senator from Georgia that it is no defense on our part to say that we will be dominated by the House, is not the answer to that that we can strike anything the House puts in any bills? We do not have to accept what the House puts into bills. It is not necessary, is it, that we accept without an amendment anything the House puts into a bill? We are always at liberty to strike anything the House puts into a bill.

Mr. HOLLAND. The Senator is, of course, correct. By simple amendment, voted by a majority of the membership in attendance at any time such a matter can be stricken from the bill. But it is sought, by the ruling made by the distinguished Presiding Officer—and I say this with all respect to him—to hold a monstrous thing, namely, that the question of germaneness is the same question as the question of whether or not general legislation is proposed. The two things are as different as black is from white. They have no identity or sameness whatever.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. LONG. I should like to ask the Senator from Florida how he interprets the provision respecting germaneness. I have not heard it argued that this amendment was germane to any provision in the bill. It is my understanding that the House adopts legislation. The Senate only has the right to amend and change that legislation on an appropriation bill, insofar as the Senate amendment is germane to legislation inserted by the House. That would be my impression. In this case the House inserted certain general legislation. The Senate committee inserted other general legislation which had no relationship whatsoever to the House legislation. Now where is the germaneness between those two?

Mr. HOLLAND. In answer to the Senator from Louisiana the junior Senator from Florida would simply say that his understanding is that the question of germaneness is limited by the words in the rule "germane or relevant to the subject matter contained in the bill." That would mean the subject matter contained in the bill as it reaches the Senate.

Mr. LONG. Does the Senator see any subject matter in this bill that contains any germaneness to the amendment offered by the Senate committee?

Mr. HOLLAND. That is a question which has been decided by the majority of the Senate, and differently from the way the junior Senator from Florida would decide it.

The point I make, which is completely fundamental to the debate now taking place, which we must recognize if we are to give force and effect to the words and ideas in the rule, is that germaneness is not the same thing at all as the question

of whether or not new general legislation is involved. They are two separate items, two separate and distinct objectives, dealt with in a separate and distinct way under the rule, and we would, I think, creep into fundamental error which would be most mischievous in the future, if we should hold that the mere voting that a proposed amendment was germane would mean that the Senate was then and thereby excluding itself from consideration of the other question, and depriving its presiding officer of jurisdiction to pass upon a mandatory requirement of a rule which in the interests of sound legislation provides that no new legislation can be engrafted upon an appropriation bill.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. MAGNUSON. The senior Senator from Georgia made the point, as did the Senator from Arkansas, that if the ruling of the Chair was not sustained we would put ourselves in a position where we would be helpless to consider or to change House legislation which was put in an appropriation bill contrary to the House rules, with which I am familiar. Is not the fact that this legislation is before us, and was not knocked out by the House, probably the best reason not to have such a ruling as suggested here today? Otherwise the House will legislate contrary to its rules, and we, in the Appropriations Committee, will legislate contrary to our historic rules, and so the two committees will become two legislative committees.

I express this point: Why is it not the duty of the Senate Appropriations Committee, instead of trying to sustain such a rule, to protect themselves against House legislation that is contrary to House rules, long standing House rules? Why do they not knock out legislation which the House sends to the Senate on an appropriation bill, which is contrary to the rules of both Houses, that can be done in committee?

Mr. HOLLAND. If the remarks of the Senator are posed as a question I would simply say that I think the complete answer is that the Senate has the power at any time during the consideration on the floor——

Mr. MAGNUSON. Or in the committee.

Mr. HOLLAND. On bills coming from the House, or any other bill, to strike out words in a bill which it does not wish to have remain in the bill, whether it thinks that those words were placed in it in violation of the rule, or whether those words simply do not comport with the thinking of the majority of the Senate. The Senate has the complete right, of course, to change the phraseology of the bill during the course of its consideration.

Mr. RUSSELL. Mr. President, I speak with some trepidation after the arguments made by the distinguished Senator from Texas [Mr. CONNALLY] and the distinguished junior Senator from Florida. I would not speak on this occasion were it not for the precedents involved in this matter and my familiarity with them.

This is no new question in the Senate, Mr. President. It has been before this body on numerous other occasions. I happen to recall that in 1943 there was pending before the Senate the agricultural appropriation bill. As the chairman of the Subcommittee on Agricultural Appropriations, I was entrusted with the responsibility of handling that bill on the floor. I have just glanced briefly through the RECORD of the debate which then took place and of the points of order which were made at that time, and the parallel between the two cases is very striking. The Senator from Ohio [Mr. TAFT] has not changed his mind. He made exactly the same argument in 1943 that he has made upon the floor of the Senate today with respect to legislation on an appropriation bill.

The Senate on that occasion sustained the ruling of the Chair by a vote of 54 to 23, after discussion of the rules which covered one whole day's time.

Mr. President, with all due deference to those who have spoken on subdivision 4 of rule XVI, it very clearly covers two separate and distinct situations. The first sentence of the rule, which the Senator from Texas emphasized so eloquently, and with such force, provides that "no amendment which proposes general legislation shall be received to any general appropriation bill." That language is tied in with the argument that was made by the Senator from Illinois about the two-thirds rule. If a general appropriation bill comes before this body with no legislation in it, any amendment offered that contains any legislation falls under the inhibitions of the first sentence of subdivision 4 of rule XVI. It is subject to a point of order. The Chair would sustain it.

The only way the Senate can possibly consider it is on a motion to suspend the rule, which requires a two-thirds vote, that is, if legislative matters are offered de novo in the Senate of the United States. But if legislation be found in the bill which comes to the Senate from the House of Representatives, the first line of the rule, relating to general legislation and making it subject to a ruling of the Chair which would strike it down, and therefore require the operation of the two-thirds rule, does not apply. If there is legislation in the bill as it comes from the House, then the sole question that confronts the Senate of the United States when an effort is made to amend the House provision, is, first: "Has the House legislated in this bill?" Second: "Is the amendment which is offered in the Senate germane to the House legislative provision?"

Mr. President, no one would contend that the House has not legislated in this bill, not merely in small degree; but the House of Representatives sent this bill to the Senate shot through and through with legislative provisions. As a matter of fact, the greater part of the bill is purely legislative. It comes to us in that condition.

Now what are the Senate's rights in the matter? Can we not even offer any legislative amendment to the bill?

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. That is the very point that interests me. Does not the Senate have the right to strike all the language of the bill as it comes from the House?

Mr. RUSSELL. Yes.

Mr. FULBRIGHT. Can we not strike the whole bill and rewrite it?

Mr. RUSSELL. Of course, we can. If the Senate merely wishes to say, "We are going to content ourselves with taking out legislative provisions that the House has put in," we could do it. The committee could do it if sustained by the Senate. But sometimes it is highly desirable to have some legislation in an appropriation bill, and it happens in this case that some of these provisions are of tremendous importance to the ECA.

Mr. FULBRIGHT. Why were they not placed in legislation which was recently considered on that subject?

Mr. RUSSELL. I cannot answer that question.

Mr. FULBRIGHT. The purpose of the rule is to have legislation placed in a legislative bill, rather than in an appropriation bill.

Mr. RUSSELL. Yes, but without legislation in this bill the ECA would be terribly handicapped. The House went so far as to legislate and say that the whole $3,568,000,000 could be spent over a period of ten and a half months. It is purely legislation. It repeals laws that require the appropriations to be apportioned over a period of 12 months. It says the funds can be spent in ten months.

Mr. FULBRIGHT. Mr. President, if the Senator is correct, it seems to me we might as well eliminate the Foreign Relations Committee and set aside all that it has reported to us.

Mr. RUSSELL. Mr. President, I hope the Senator from Arkansas does not take anything I have said as a reflection on the Foreign Relations Committee. If there is any reflection on that committee, the Senator from Arkansas makes it himself, because he is saying that these things should have been provided for in the authorization for the ECA.

I am saying that the Economic Cooperation Administration, after examining all the administrative provisions enacted for its guidance, found they were insufficient, and went to the House of Representatives and requested these legislative provisions, and the House placed them in the bill. Whether they should have been handled by some committee other than the Appropriations Committee, I shall not undertake to discuss. But they now are before us in an appropriation bill.

Mr. FULBRIGHT. Of course, I do not wish to cast any reflection upon either committee. However, the logical result of the argument that there is no limit upon this power is certainly that it does away with the necessity for any legislative committee in this connection.

Mr. RUSSELL. Mr. President, I would be the last to argue that there is no limit on the power. Without a rule in the House of Representatives, a point of order would have stripped the bill of all these provisions.

I am not too familiar with the rules and practices of the House of Representatives, but I understand that if the House Committee on Rules gives a rule that is not subject to points of order, then a point of order cannot be made. Undoubtedly that was done in this case.

But whatever the reasons, the bill comes before the Senate with these legislative provisions. They were not stricken out in the House of Representatives on a point of order; and after they have passed the House, I do not believe a point of order can be raised against them in the Senate, because this matter comes to us from the other body, and we undertake to respect the rights of the other body.

So, whether they are for good or for evil, the legislative provisions are here. They were inserted by the House.

As I have understood the matter, we have only two things to decide. The first is whether these provisions are legislation. The other is whether the amendment offered by the Senator from Arkansas is germane to the legislative provisions which came to us in the bill as passed by the House. That matter might be debated.

I do not like again to undertake to canvass this entire subject and to show where these provisions are germane, after the Senate by vote has already determined that they are germane. I thought they were germane, and for that reason I supported the amendment.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. Yes, if the Senator will indulge me for a moment further.

In supporting the proposition that the amendment is germane, no Senator is committed to vote for the amendment. The distinguished Senator from Virginia, who voted that the amendment was germane, suggests that he will oppose the amendment, and I am glad to state that he opposed it most vigorously in the committee.

Now I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, since I think the Senate has taken a very bad step in ruling that this amendment is germane, will the Senator tell me in what way he considers it germane?

Mr. RUSSELL. I shall be glad to do so. I think the Senate should have some leeway in determining the germaneness of matters sent to it by the House of Representatives in an appropriation bill. According to the House provision, $3,568,470,000 can be exchanged by the Administrator, without regard to section 3651 of the Revised Statutes, to pay out of these funds any losses incurred by the exchange. There is no legislative restriction on it. That is a legislative matter relating to the entire appropriation. It gives the Administrator new powers, by legislation in an appropriation bill, powers that are not mentioned in the authorization bill for the ECA.

Mr. McKELLAR. Or anywhere else.

Mr. RUSSELL. It is neither in the ECA law or in any other law. But insofar as this act is concerned, it specifically repeals any other law, and of course that makes it legislation, entirely apart from the funds covered by this bill.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BREWSTER. I shall not make an argument about the amendment and the rule as applied to the amendment, inasmuch as very many wise men, Members of the Senate, have spoken about this matter. However, I have been impressed with the suggestion that this would confer an enormous and very dangerous power on the Senate because the Senate might determine the matter in almost any way it chose, and then Government might be in pandemonium.

In this connection, I should like to repeat some words of the late Senator Walsh, of Montana, whom I am sure all of us respect and honor. With regard to the question of legislation, he said:

> If a power is to be denied because it may be abused, government must cease.

It seems to me that has a certain relevancy here, when it is charged that if this power is lodged in the Senate, the power may be abused. Obviously the power must be lodged in men, and obviously men may abuse the powers given them. But if for that reason the power is to be denied, then government must cease.

It seems to me we must consider that point when we determine whether to sustain the ruling made by the Chair and when we consider the question of whether this power should be lodged in the Members of the Senate of the United States.

Mr. RUSSELL. Mr. President, I thank the Senator from Maine for his contribution.

The other provision of this bill which writes entirely new legislation, which undertakes to earmark a part of the specific appropriation to which the committee amendment relates, is the House provision setting up $500,000 of this fund for—

> Expenditures of a confidential character * * * under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified.

Mr. President, every line and every word I have just read is legislation. It is not to be found in the original ECA Act. It takes from this same fund $500,000 and earmarks it for a specific purpose, and it does so by means of bald legislation.

I think it could be argued with great force that the amendment proposed in the committee by the Senator from Arkansas is not legislation because it is a limitation upon an appropriation in a very strong sense of the word. In debating the question of the propriety of the Chair's ruling, I do not wish to be put into the position of conceding that the amendment is legislation in the first instance, because it merely limits a part of the funds provided under the budget estimates. I do not think it was legislation in the first instance; but, of course, for the purpose of this argument and this debate, I have to concede the point the Senator has made, namely, that it is legislation.

Mr. President, as I have said, this rule relates to several entirely separate propositions. One of them is where legislation is offered de novo. The second and third lines on this page relate to amendments which are offered as legislation, and the question is whether they are germane.

Mr. LONG. Mr. President, will the Senator yield at this point?

Mr. RUSSELL. I yield.

Mr. LONG. Does the Senator from Georgia see any germaneness between the amendment the committee has here offered and the legislation which was inserted in the bill by the House of Representatives?

Mr. RUSSELL. Of course, Mr. President, I understood the argument made by the distinguished Senator from Florida, who took the position that inasmuch as the House has legislated in regard to the $500,000, which has been earmarked for confidential purposes, we are confined in our deliberations, as a coequal body in the Congress of the United States, to dealing with the same matter which the House wrote into the measure. However, I shall never concede that the Senate is so circumscribed in its power.

Mr. LONG. Is it not true that although we are not limited, yet we must act within the limitations of our own rule which says we must vote to sustain a point of order as to legislation on an appropriation bill?

Mr. RUSSELL. Of course, Mr. President, the question of germaneness is something which every Senator must pass upon for himself, subject to the dictates of his own wisdom and his own conscience.

In my judgment, this amendment is germane because there are in the bill as passed by the House two legislative provisions which directly affect and control the expenditure of this part of the appropriation. The Senate provision likewise would influence and control the expenditure of this part.

If I may continue for a few moments, let me say there are some Members of the Senate who still recall the services of the former distinguished Senator La Follette, of Wisconsin. In my judgment, a finer parliamentarian than the distinguished Senator La Follette never served in this body.

When this identical issue was previously before the Senate, as appears on page 5546 of the CONGRESSIONAL RECORD of June 9, 1943, Senator La Follette discussed this matter at some length. After urging the Senators to dissociate themselves from the mere merits of the amendment involved, and to make their decision on the appeal from the decision of the Chair on the parliamentary situation which was presented to the Senate, he said:

> The issue at stake is the question of whether or not the Senate shall maintain its unbroken precedents holding that it has the right to explore any field of general legislation which the House of Representatives may have entered. That, Mr. President, is a vital question; it is a question of great, extreme

importance as affecting the power of the Senate.

Senator La Follette argued the matter at some length, saying that where the House of Representatives had legislated the Senate had the power to invade that field. He did not say the Senate had to work the exact row that was hoed by the House of Representatives, but he said the Senate had the power to invade the entire field.

Mr. President, the House of Representatives has dealt with two matters which vitally affect the expenditure of these funds; and I insist that under the rules the Senate has a right to deal with the expenditure of the funds, and that the decision of the Senate in declaring the amendment to be germane should be adhered to.

Of course, Mr. President, the question of the decision as to the germaneness of this amendment to legislation already in the bill places the distinguished President of the Senate in a position where the only ruling he could possibly make, as he has properly done, was to the effect that the question of whether it is legislation has now nothing to do with it.

The question was never raised, or was never seriously argued, that the House did not legislate in the bill. That is generally conceded. That led to one issue in regard to the amendment, as to whether it was germane. I may say to the distinguished Vice President, it so happens that in 1943 almost the same issue arose as to whether the proponents of an amendment could insist that it was germane to a provision of the House bill, and the parliamentary rulings and the discussion of the subject cover some 40 or 50 pages of the CONGRESSIONAL RECORD.

We should, Mr. President, as was said by the Senator from Wisconsin on that occasion, forget our personal prejudices and vote in conformity with the precedents of the Senate, and vote to sustain the right of the Senate as a coequal body in our scheme of Government to deal with these matters to the same degree the House has dealt with them.

Mr. LONG. Mr. President, it occurs to me, so far as the Senate being a coequal body with the House is concerned, we can simply change our method as to how we shall handle appropriation bills and have no limitation so far as the two-thirds requirement is concerned. We have that right, but we have not chosen to exercise it.

Mr. RUSSELL. Of course, the two-thirds rule was never intended to apply to conditions as they are today. The two-thirds rule was written specifically to permit the Senate, if it wished, in derogation of its own rules, to insert legislation in a general appropriation bill. It has no relation whatever to such a situation as confronts the Senate at this time.

Mr. President, some Members have spoken somewhat disparagingly of the efforts of the Committee on Appropriations. I have been a member of that committee for something like 16 years. I have found that when the Appropriations Committee agrees with a Senator, it is a very fine committee. If it happens to take any action contrary to the views of the individual Senator, the committee is most likely to be roundly abused for arrogating to itself such broad power. The Senate Appropriations Committee is said to be undertaking to set the policy of the Government of the United States, in cases where the action of the committee happens to be contrary to the opinion of the individual Senator. But I merely want to point out, Mr. President, that the Senate Appropriations Committee is a creature of the Senate, just as is every other committee of this body. The Senate Appropriations Committee can write no law. It cannot even appropriate any funds. It comes back to the Senate of the United States, and every action taken by the committee must be reviewed on the floor of this body. As to whether the committee has acted wrongly or rightly is a question to be worked out under the rules of the Senate, just as the action of any other committee is to be reviewed by the Senate of the United States.

True, indeed, there are special rules that apply to the Committee on Appropriations, rules which limit and restrict the committee much more than in the case of any other committee of the Senate, and properly so, because standing committees should preserve their powers and prerogatives. After all, the Senate Appropriations Committee can do nothing without the approval of a majority of the Members of this body.

Mr. STENNIS. Mr. President, will the Senator yield for a moment at that point?

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Mississippi?

Mr. RUSSELL. I yield.

Mr. STENNIS. I am very much interested in what the Senator is saying. Unfortunately I have been called out of the Chamber once or twice. As I understand, the Senator makes a very decided distinction between legislation de novo in the Senate side of the Capitol, and a situation in which we have legislation coming from the House.

Mr. RUSSELL. No, Mr. President; I only emphasize the distinction. The distinction has been made in the Senate since its earliest days, since the infancy of the Republic, and I doubt not that the Parliamentarian of the Senate could show the distinguished Senator from Mississippi innumerable cases which confirm every word I said, that rule XVI applies to two propositions, and applies to them separately. It applies in one instance to legislation de novo and in another to amendments which are offered to legislative provisions coming from the House.

Mr. STENNIS. That is the point I want to make. Of course the Senator from Georgia can see that point clearly, and he makes a strong argument. But the Senator does have an unbroken line of precedents sustaining his position, does he not?

Mr. RUSSELL. There is no question about that. I read the language of Senator La Follette for the purpose of emphasis, and I point out that on the same occasion, June 9, 1943, the Senate made identically the same exception, distinguishing between an amendment to a legislative provision in a House bill, and a general legislative proposition. It is very clear.

Mr. STENNIS. I wish to thank the Senator.

Mr. RUSSELL. Mr. President, I wish now to address myself very briefly to another suggestion which has been made here. Senators have said the ruling of the Chair sets a terrible precedent, and they look over to those of us who happen to hail from the southern part of the United States, who are opposed to some of the so-called civil-rights legislation. They intimate that it will be used as a precedent to pass all the civil-rights legislation on appropriation bills. Mr. President, I intend to express my views as a Senator. I feel impelled to do so without regard to the consequences, and I do not yield very readily to such implied threats as are carried in that suggestion. Of course the majority of the Senate of the United States in the last analysis can do whatever it wants to do. If a majority of the Senate were so corrupt, so devoid of any sense of honor or any instinct of patriotism as to desire to do so, they could fraudulently change the records of the Senate and make it appear that an amendment to the Constitution of the United States had been submitted to the States without the required two-thirds vote. Why undertake to frighten people with that argument, Mr. President? If the Chair ruled that a measure of the character referred to was legislation and should not be received as an addition to the appropriation bill, the majority of this body of course, if it were so devoid of conscience or reason or of principle or of the instincts of manhood, could override the decision of the Chair and by a simple majority could append such legislation to a general appropriation bill or to any other bill. There is no rule of germaneness that affects other legislation, and so amendments could be offered to them without even raising the point, if Senators saw fit to stoop to such depths as that, to take such unconscionable action as that, and to be guilty of conduct that would be so unworthy of one privileged to sit as a Senator in this Hall.

Mr. President, in my view, the ruling of the Chair was eminently correct, and if the Senate sees fit to overrule the decision of the Chair, it is reversing all the precedents of this body since the time of the writing of the Manual by Thomas Jefferson. There has always been a distinction between legislation offered in the first instance to an appropriation bill and legislation offered to amend legislation that is already contained in a House bill.

Of course, we have no rule of relevancy as to legislative measures that are reported by other committees. The opinion of the Chair should be sustained. If I were to venture into the realm of fancy I could imagine the Chair disliked very much to make the ruling he made, because he indicated by some of his gestures and by his words and by little mannerisms, which is about as far as the Vice President can go in expressing his opinion, that he would have liked very

much to be rid of this particular amendment. But he has done his duty as he saw it. He has made this ruling, based upon parliamentary law and the precedents of the Senate. Without regard to our views on the instant amendment, or its merits, as a parliamentary matter, it is the duty of the Senate to sustain the ruling of the Chair.

Mr. FERGUSON. Mr. President, if this matter were not so important to the Senate, in the opinion of the Senator from Michigan, he would not rise to address the Senate. But the precedents of the Senate are important. I have said on this floor before that the Senate can deliberately set aside its precedents if it desires to do so. That is the province of the Senate, and I think it is well that it is so. But I believe we ought to weigh well what we are doing.

I have great difficulty in following the ruling of the Chair, based on the words of the fourth paragraph of rule XVI, that the vote on the question of germaneness settled the question of the amendment being general legislation. In my opinion a reading of paragraph four of rule XVI will not sustain the ruling of the Chair. But I made a deeper search to ascertain whether there were some precedents which in effect amended and added to rule XVI, paragraph 4, and I believe that I find that to be the case. It has been said that all amendments proposing general legislation on an appropriation bill must have a two-thirds vote in order to be adopted. A reading of rule XVI, paragraph 4, discloses no such requirement. It is only by virtue of a precedent, which is read into rule XVI, that a two-thirds vote is required.

There is no mention, for instance, in rule XL, that a two-thirds vote is required. It would be well to read the rule, because these questions arise in the Senate from time to time:

Rule XL. No motion to suspend, modify, or amend any rule, or any part thereof, shall be in order, except on 1 day's notice in writing, specifying precisely the rule or part proposed to be suspended, modified, or amended, and the purpose thereof. Any rule may be suspended without notice by the unanimous consent of the Senate, except as otherwise provided in clause 1, rule XII.

So there is no two-thirds vote requirement by virtue of rule XVI. It is only by virtue of the precedents of the Senate that a two-thirds vote is required to suspend a rule. So I take for granted that if we are going to say that the two-thirds vote rule is involate, we should be very careful to see that no other precedent of equal dignity and importance, or which is equal in age, should be set aside. Why do I say that? Because I find that in 1936 this very question was before the Senate of the United States. I think we should go back and see what was ruled in 1936. I think we should be careful in the Senate to vote on merit rather than through emotion. It is not how I feel about the amendment offered by the Senator from Arkansas that is important. I may feel that I should vote against it when it comes up. I may feel that I would rather have it so that a two-thirds rule would be required to defeat it, because that would be on the side on which I wanted to vote, and therefore my vote would be more important in defeating it under a two-thirds vote requirement. But, Mr. President, we are dealing here with precedents of the Senate, and I say that if we deliberately overrule what the Chair had decided, we are doing the same thing we would do if we were to overrule him when he said a two-thirds vote was necessary, because precedents are involved other than the written rules of the Senate.

So, Mr. President, I want to go back and see what happened in 1936:

On May 29, 1936, the Senate had under consideration H. R. 12624, a deficiency appropriation bill, and the question was on agreeing to a reported amendment inserting a provision that no Federal project should be undertaken or prosecuted with funds provided in the bill unless and until an amount sufficient for its completion had been allocated and set aside therefor, and the President was authorized to restore to the Federal Administrator of Public Works out of the funds appropriated in said bill any sums which were, by order of the President, impounded or transferred to the Federal Emergency Relief Administration from appropriations theretofore made and allocated to public-works projects.

Mr. Robinson of Arkansas——

A predecessor of the able Senators from Arkansas—

proposed an amendment providing for the appointment of two boards—(1) the Florida Canal Board, and (2) the Passamaquoddy Board, which should review, respectively, the Atlantic-Gulf ship-canal project, Florida, and the Passamaquoddy tidal-power project, Maine; and prescribing certain duties of the said boards.

Mr. Adams made the point of order that the amendment proposed general legislation, that it was not germane to the reported amendment, and that it was therefore not in order.

Mr. Clark made the point of order that the amendment was general legislation, and under rule XVI, was not in order.

The Presiding Officer (Mr. Hatch) overruled the point of order made by Mr. Clark, from which ruling Mr. Clark took an appeal.

After a quorum call, the Presiding Officer made the following statement:

"The Senator from Missouri [Mr. Clark] made the point of order that the committee amendment amounted to general legislation. The Chair overruled the point of order made by the Senator from Missouri because title II"—

That is the whole title of this appropriation bill—

"because title II of the bill as it came from the House of Representatives contained many matters of general legislation, and in such a case the rule laid down by Vice President Marshall is stated thus"—

Here is where we get the precedent. It is stated by Vice President Marshall. I have checked with the Parliamentarian and he tells me there are many other precedents to the same effect, or I would not be here quoting only one precedent. I quote the rule as stated by Vice President Marshall:

" 'Notwithstanding the rule of the Senate to the effect that general legislation may not be attached to an appropriation bill, still when the House of Representatives opens the door and proceeds to enter upon a field of general legislation which has to do with a subject of this character, the Chair is going to rule—but, of course, the Senate can reverse the ruling of the Chair—that the House having opened the door, the Senate of the United States can walk in through the door and pursue the field.' "

It appears to the junior Senator from Michigan that that is a precedent, based on other and prior precedents, which is in accordance with what the Chair has ruled today. No; it is not in rule XVI, section 4; neither is the two-thirds rule to which I have referred, in relation to voting on general legislation.

What happened there is just about what is happening here. I read further:

In view of that ruling, the Chair announced that the point of order made by the Senator from Missouri was overruled. From the ruling of the Chair the Senator from Missouri has appealed to the Senate.

That is what the Chair has done today. He has overruled the point of order, saying that it is not general legislation because it applies to legislation in the House bill.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TAFT. I did not understand the Chair to say that. He said that, in his opinion, it was general legislation, but because the Senate had voted it was a germane provision, he would overrule the point of order of the Senator from Illinois. He did not put it on the ground that the House had opened the matter. The whole basis was on the fact that the Senate had voted it was a germane amendment, which to my mind, has nothing whatever to do with the question of whether the House put legislation into an appropriation bill or did not put it in, or whether it is general legislation or is not general legislation.

Mr. FERGUSON. I hope I have not misquoted the Vice President; but if I have misquoted him, I will go back to what he ruled. After all, we have become accustomed to following rulings rather than just what was said in connection with the ruling.

I take it that what happened this morning happened in the case to which I have been referring. I read:

In view of that ruling, the Chair announced that the point of order made by the Senator from Missouri was overruled. From the ruling of the Chair the Senator from Missouri has appealed to the Senate.

That is what is being done here today.

The decision of the Chair was sustained: Yeas 53, nays 19.

In regard to the point of order made by Mr. Adams against Mr. Robinson's amendment, the Vice President stated that, under the rule, the Chair did not have the right to determine the germaneness of an amendment, and thereupon submitted this question to the Senate, which decided the amendment was germane: Yeas 53, nays 21.

That will be found, Mr. President, in the Senate Journal, Seventy-fourth Congress, second session, page 333.

So I say to the Senate that we have before us a rule which has been varied and changed by precedent—or let me say that the precedent existed even with the adoption of the rule, and it has been followed since the adoption of the rule. So we find ourselves with a rule which appears to be that if an amendment is to House legislation—and that is what

the Chair has ruled—then it does not require a two-thirds vote, but merely a majority vote.

Mr. President, as I said before, we always find some jealousy in the Senate on the part of one committee as against another. We hear the Appropriations Committee criticised because it is trying to take over the jurisdiction of the entire Senate. Being a member of the Senate Appropriations Committee, let me say that not only do we not take over the jurisdiction of other committees of the Senate, but the other committees authorize appropriations before we can even vote on them.

Do other committees ever seek to take away the power of the Committee on Appropriations? Let me cite one example of which I spoke yesterday. Last May a committee, not the Appropriations Committee, authorized Mr. Hoffman to use a billion dollars borrowed from the Reconstruction Finance Corporation. That was to all intents and purposes appropriating a billion dollars, because what could the Committee on Appropriations do when it came before it? Certainly we always find that one committee will take some jurisdiction, or think it is taking some jurisdiction, from other committees. But, after all, the Senate does not have to accept what the committees do. The Senate makes the laws by its votes, rather than from a consideration of whether a matter came from a committee unanimously or by a vote of just one majority. A committee does not make legislation because it reports a bill unanimously. The Senate must vote.

As I said, Mr. President, when I rose, I believe it is very vital whether or not we are to follow precedents, or are to vote to set them aside, and from today on feel that we have a new precedent, to the effect that in case the House does legislate we in the Committee on Appropriations cannot hold hearings and vary a bill so as to come before the Senate with an amendment and have it acted on under the two-thirds rule. As I said before, I believe that the two-thirds rule is more sacred than the precedents which we are discussing here today, that the Committee on Appropriations has a right to amend an appropriation that comes from the House in an appropriation bill, and the Senate has a right to vote on it.

Mr. LONG. Mr. President, I wish to say only a few words on the subject before the Senate. Frankly, I believe I can speak without prejudice on it, because I am in favor of the substance of the amendment which we are considering. If the amendment of the Senator from Arkansas comes up for a vote, I propose to vote for it. I believe it is a good amendment. But we are to decide what the rules mean, and I am attempting to decide on what I believe the rules mean to me.

As I read rule XVI, subsection 4, I find that it provides:

> No amendment which proposes general legislation shall be received to any general appropriation bill.

At that point there is a comma, and for the purpose of that part of the rule I believe we could stop right there, because everything else deals with germane amendments to appropriation bills, involving the question whether an amendment is germane or not, dealing with matters which are not legislation on an appropriation bill. We could stop right there.

> No amendment which proposes general legislation shall be received to any general appropriation bill.

If we assume for one moment that the amendment of the Senator from Arkansas is legislation of this character, then we immediately have to concede that it shall not be received to an appropriation bill, under the rule. From there on we go into the subject of germaneness, and in that connection I wish to say that I believe that the matter of germaneness is an entirely different proposition from the question of whether it is legislative.

Then the rule proceeds:

> Nor shall any amendment not germane or relevant to the subject matter contained in the bill be received.

Mr. President, that is very plain. One may desire to amend an appropriation bill, not in a legislative matter, but may want to modify the manner in which the money is to be allocated or may want to change the amount.

If the amendment is not legislation, it must necessarily be germane, otherwise it could not be received.

From that point the rule proceeds:

> Nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto.

Let us look at that clause again:

> Nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto.

Here we come to a situation which in my opinion is before us now. We have an amendment which is legislative in character. It is amending a section in which the House has already inserted general legislation. Let us see what the rule says:

> Nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto.

We are amending a bill which the House has passed. What is the relationship between the amendment we are proposing and any legislative matter which the House is proposing? I see no relationship whatsoever so far as those such items are concerned. Therefore, Mr. President, I am constrained to believe that this amendment is legislation, and that the legislation is not germane to the legislation proposed by the House in this appropriation bill. Under this rule I believe we are permitted to modify and amend legislative amendments proposed by the House insofar as our legislative amendments are germane to the House amendments, but not to the extent that our amendments may be germane to any appropriations item in an entire general appropriations bill. Otherwise the Appropriations Committee, could completely take over the functions of the Armed Services Committee, for example, if the House inserted one minor legislative amendment in a general appropriations bill for all the armed forces.

I cannot reach the conclusion that this amendment is not legislative or that it is germane to any legislative provision in the bill to which my attention has been directed. It is true that this is a bill appropriating money for the European recovery program. The House legislative amendments do relate to the European recovery program which we propose to amend. But, we are now offered legislative amendments which although germane to the general appropriation bill are not related to the legislative amendments inserted by the House. Therefore, it would seem to me that the amendment is in violation of our rules, and that it is not germane to the legislation which has been inserted in the bill—and I am thinking of House provisions which are legislative in character. On the other hand, the committee amendment is legislation. So it would appear to me that it is absolutely in violation of the rules.

We have the right to suspend the Senate rules, we have the right to change them, and we have the right to insert new matter if we see fit, but it seems to me that we need a two-thirds majority to suspend the rules in order to insert such legislation as is proposed.

The VICE PRESIDENT. The question is on the appeal of the Senator from Ohio [Mr. TAFT] from the decision of the Chair.

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Morse
Anderson	Hill	Mundt
Baldwin	Hoey	Murray
Brewster	Holland	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Stennis
Downey	Langer	Taft
Dulles	Lodge	Taylor
Ecton	Long	Thomas, Okla.
Ellender	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tobey
Frear	McClellan	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Martin	Williams
Gurney	Maybank	Withers
Hayden	Miller	Young
Hendrickson	Millikin	

The question is on the appeal of the Senator from Ohio [Mr. TAFT] from the decision of the Chair overruling the point of order made by the Senator from Illinois [Mr. LUCAS].

Mr. McKELLAR. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CORDON. Mr. President, I am not going to delay the Senate for more than a moment or so. I should like to call attention to exactly what the Senate is doing when it votes on the appeal. Preliminary thereto I wish to address a parliamentary inquiry to the Chair.

The VICE PRESIDENT. The Senator will state it.

Mr. CORDON. If by the vote on the appeal the Chair is overruled in his position, then the effect of that vote will be to sustain the point of order made by the majority leader, and the decision of the Senate will have been that the so-called McClellan amendment is general legislation, and subject to the point of order?

The VICE PRESIDENT. If the decision of the Chair is overruled by the Senate, it will be equivalent to holding that the Chair was wrong in deciding that the point of order was not well taken and in overruling the point of order.

Mr. CORDON. And in that event the effect will be that the Senate has said that the amendment is legislation in an appropriation bill, and must come out of the bill, or go to a vote after two-thirds of the Senators present have set aside the rule?

The VICE PRESIDENT. The Chair thinks that that is substantially the effect of the vote of the Senate to overrule the decision of the Chair.

Mr. CORDON. Mr. President, as I have heard the argument on appeal, it is addressed not to the question of whether the amendment is legislation, but as to the correctness of the Chair's ruling on what is really a question of what application we shall make as to the provisions of paragraph 4 of rule XVI, which, first, prohibit general legislation as an amendment to an appropriation bill, and, second, legislation which is not germane to the bill.

Frankly, in my view, the Chair was wrong in his reasoning, if I may be so bold as to make the statement. But as to his decision the Chair was correct.

I call attention to the fact that the action taken in overruling the decision of the chair is a finding that the McClellan amendment is generally legislation on an appropriation bill. That is wholly separate and apart and has nothing to do with the question of whether a decision of germaneness carries with it a prohibition against bringing up the question of whether the same amendment is general legislation. They are two separate questions. So I simply call the attention of the Members of the Senate to the fact that when they vote on the appeal they are voting on the substantive proposition of whether the McClellan amendment is or is not legislation.

I call attention, Mr. President, to paragraphs 2 and 4 of rule XVI, wherein there is a prohibition against any amendment in the nature of a restriction upon an appropriation, but that the prohibition goes only to such restriction when the restriction comes into effect only upon the happening of some contingency. There is no prohibition against a restriction on an appropriation when it is absolute. The McClellan amendment is a restriction upon the use of appropriated funds. There is no contingency. The McClellan amendment simply restricts a certain portion of the money to a special use, or to no use if it be not used for that purpose. That is as far as it goes. Under those circumstances I hope the Senate will sustain the Chair. For that reason, and without reference to any question whether germaneness forecloses the other question of legislation upon an appropriation bill, I think the decision of the Chair should be sustained.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Am I correct in my understanding of the parliamentary situation that the question before the Senate is, Shall the decision of the Chair be sustained? A vote for sustaining the decision of the Chair is a "yea" vote, and a vote to overrule the decision of the Chair is a "nay" vote.

The VICE PRESIDENT. The Senator is correct.

In view of the importance of this vote, and the entire question, and without in any way arguing in behalf of his decision, the Chair feels that he ought to explain to the Senate what it is he decided.

Under the rule the question of germaneness may be brought up with respect to an amendment which does not contain legislation. The question of germaneness can be brought up on any amendment, in which case it must be submitted to the Senate for a decision.

Surrounding this particular amendment there are two questions, the question of germaneness and the question whether it is legislation on an appropriation bill. The ruling of the Chair was based upon interpretations of rule XVI, paragraph 4, over a period of years, which have modified the rule, just as decisions of courts modify statutes in many cases by interpretation.

At the time the Senate voted on the question of germaneness, the Chair felt that it was voting whether, notwithstanding the quality of the amendment as legislation, it was nevertheless germane and therefore in order. In a sense it was a sort of double-barreled vote—that it was germane, but legislation, apparently amending other legislative provisions of the bill. The Chair assumed that the Senate knew what it was doing when it voted that this amendment was germane, involving the question of legislation. That question having been passed upon by the vote of the Senate, the Senate recognizing the legislative character of the amendment, and having sustained its germaneness notwithstanding that character, the Chair therefore felt that subsequently a point of order on the ground that it was legislation did not lie. That was the basis of the Chair's decision.

The question is, Shall the ruling of the Chair stand as the judgment of the Senate? Senators who are in favor of sustaining the ruling of the Chair will vote "yea." Senators who are in favor of overruling the decision of the Chair will vote "nay."

The Secretary will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted "nay," when his name was called.

Mr. LONG. Mr. President, has it ever been decided that this amendment is actually general legislation?

The VICE PRESIDENT. The roll call is in progress. One Senator having voted, the question is not now open for discussion.

The roll call will proceed.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from Nevada [Mr. MALONE] is detained on official business.

The result was—yeas 38, nays 51, as follows:

YEAS—38

Baldwin	Hickenlooper	Millikin
Brewster	Hoey	Mundt
Bricker	Hunt	Robertson
Bridges	Jenner	Russell
Butler	Johnson, Colo.	Schoeppel
Cain	Johnston, S. C.	Smith, Maine
Capehart	Kem	Stennis
Chapman	McCarran	Thomas, Okla.
Cordon	McCarthy	Wherry
Ecton	McClellan	Wiley
Ellender	McKellar	Williams
Ferguson	Martin	Young
George	Maybank	

NAYS—51

Aiken	Hill	Murray
Anderson	Holland	Myers
Byrd	Ives	Neely
Connally	Johnson, Tex.	O'Conor
Donnell	Kefauver	O'Mahoney
Douglas	Kerr	Pepper
Downey	Kilgore	Saltonstall
Dulles	Knowland	Sparkman
Flanders	Langer	Taft
Frear	Lodge	Taylor
Fulbright	Long	Thomas, Utah
Gillette	Lucas	Thye
Graham	McGrath	Tobey
Green	McMahon	Tydings
Gurney	Magnuson	Vandenberg
Hayden	Miller	Watkins
Hendrickson	Morse	Withers

NOT VOTING—7

Chavez	McFarland	Smith, N. J.
Eastland	Malone	
Humphrey	Reed	

The VICE PRESIDENT. On this vote the yeas are 38, and the nays 51. So the ruling of the Chair does not stand as the judgment of the Senate.

Mr. LUCAS. Mr. President, I renew my point of order to the amendment on page 4, which I understand is the pending question. I make the point of order that it is legislation on a general appropriation bill.

The VICE PRESIDENT. The Senator from Illinois makes the point of order that the amendment referred to is legislation on an appropriation bill, and therefore in violation of rule XVI of the Senate rules.

Does the Senator from Illinois wish to discuss the point of order?

Mr. LUCAS. It has been discussed, Mr. President extensively. I am sure the Chair is thoroughly familiar with the language referred to and the issues involved. Not only is it legislation upon an appropriation bill, but it is also a limitation.

I make the point of order against it. There cannot be any question about it. The distinguished Senator from Arkansas gave notice, on July 12, that he

would move to suspend the rule, thereby recognizing, himself, that the provision is subject to a point of order.

The VICE PRESIDENT. Does the Senator from Arkansas wish to argue the point?

Mr. McCLELLAN. Mr. President, I merely wish to state that my filing of the notice that I would move to suspend the rule does not amount to conceding that I think the provision is subject to a point of order. In order to be prepared, under the rules, I had to file the notice one calendar day ahead, I believe. For that reason, I took the precaution of doing so, in order that the amendment might be brought up if the Chair so held.

Mr. President, I should like to propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. Following this point of order, if it is sustained, are other points of order to the bill in order?

The VICE PRESIDENT. The Chair cannot pass on that question until some point of order is made.

Mr. McCLELLAN. Very well.

The VICE PRESIDENT. Under the circumstances, the Chair feels he is compelled to sustain the point of order which is made against this amendment on the ground that it is legislation on an appropriation bill.

Earlier in the day the Senate by its vote decided that the amendment was germane to some legislative provision of the bill, but the Chair is unable to determine to what provision of the bill it is germane. Therefore that point is out.

Undoubtedly this amendment is legislation to an appropriation bill. Whether it is legislation offered to some legislative provision inserted by the House of Representatives, the Chair is unable to determine. That is a matter which is subject to some confusion.

Therefore the Chair sustains the point of order.

The Chair will state that the giving of notice of intent to file a motion to suspend the rule is not binding insofar as constituting a determination of the status of the provision in question. The Chair does not regard it as binding on that matter at all.

Mr. McCLELLAN. Mr. President, I make the point of order that the provisions on page 4, lines 17 to 21, inclusive; on page 5, beginning with line 8, through line 20 on page 6; on page 8, beginning in line 22, and continuing through line 2 on page 9; on page 9, beginning in line 4 and continuing through line 7; on page 12, in lines 4 through line 10; on page 12, from line 22 through line 7 on page 13; in section 202, on page 14, beginning in line 16 and continuing to line 8 on page 15, are amendments which are legislation on a general appropriation bill. I make that point of order.

Mr. LUCAS. Mr. President, I thought we were reading the bill amendment by amendment. I now submit a point of order against the point of order the Senator from Arkansas has just made, namely, that we should proceed with the bill and the amendments in order and should determine whether the points of order which have been raised by the Senator from Arkansas are to be sustained by the Chair or by the Senate. I think all these points of order are premature at this time.

The VICE PRESIDENT. The Chair would hear argument as to this matter. Of course the Chair has not carefully studied all the amendments which are now alleged to be legislation on an appropriation bill. In order to sustain the point of order raised by the Senator from Arkansas, the Chair would have to hold that all or some of the amendments are legislation on an appropriation bill and are in violation of the rule.

Under the rule, the Chair thinks the Senator can make a point of order against the entire bill on the ground that it contains many legislative propositions, and the Chair believes it is not necessary to read the bill page by page or to reach the amendments one by one, because when the rule provides that a point of order may be made against an amendment which itself is legislation, it also says that a point of order may be made against a bill if it contains items of legislation in violation of the rule.

If these are not legislative matters, of course, the point of order would not lie. If they are legislative matters, the Chair would like to know wherein they are.

Mr. McCLELLAN. Very well. I call the attention of the Chair to the amendment on line—

Mr. LUCAS. Mr. President, if the Senator will yield, in order to expedite matters, I will agree with the Senator from Arkansas that all the amendments he has pointed out constitute legislation on an appropriation bill. At the proper time when the amendments are reached in order I am prepared to make points of order. There can be no question about these amendments being legislation upon an appropriation, or a limitation in some way, or asking for affirmative relief, as I remember one of them does, and so forth.

The VICE PRESIDENT. Does the Senator from Illinois agree with the Chair's view that where a general appropriation bill contains numerous amendments which are in violation of the rule against legislation, a point of order may be made, under the rule, against the whole bill, and that it automatically goes back to the Appropriations Committee?

Mr. LUCAS. I do not think there is any question under rule XVI that a point of order of that kind can be made. Mr. President, the point of order made at this time, whereby the bill goes back to the Appropriations Committee, merely delays action on the ECA bill. I presume the committee could now, if it so desired, strike all the amendments from the bill and make it comply with the rule if they wanted to do that, without sending it back. It is perfectly all right with me, whatever the Appropriations Committee desires to do along that line. We have wasted a good deal of time, at least 2 or 3 days, upon the bill. I can stay here as long as anybody else, but at some time or other action must be taken on the ECA appropriation bill. I think the Senate is ready to act upon it today, and to act upon these amendments. I am not attempting to tell the Appropriations Committee what it should do, of course, but I believe it is an unwise course to send this bill back in view of all the debate we have had upon it up to this time. It seems to me the sooner we can get through with it and get it to conference, the better off we will all be, because a number of other appropriation bills are pending, and I presume probably this same situation will arise again. The question of germaneness will arise, and before we get through we will probably have all the appropriation bills back with the Appropriations Committee. I am glad I am not on that committee, because on it devolves a tremendous amount of work. It is perfectly all right with me, if they want to go back to work again.

The VICE PRESIDENT. As the Chair suggested a day or two ago in a situation of this sort, heretofore where there was a threat that a bill would automatically be returned to the committee under the rule, the committee has withdrawn the offensive amendments and offered them one at a time as floor amendments. The Chair has no control over that. That has been done heretofore. But if it is not desirable that the committee do that in this case, there is only one course open to the Chair, and that is to sustain the point of order of the Senator from Arkansas, which automatically returns the bill to the committee.

Mr. LUCAS. That is what I had in mind a moment ago, when I said it would do that very thing, because the Chair did make that statement a few days ago.

Mr. President, this is a tremendously vital appropriation bill, and I had hoped the Appropriations Committee might do that very thing, so that the Senate could proceed with it, in view of the fact that we have reached this advanced stage in the consideration of the bill and the various amendments thereto.

The VICE PRESIDENT. The Chair is not undertaking to suggest to the committee, but in order that the parliamentary situation may be understood, the offering of the identical amendments individually one by one would not send the bill back to the committee, in the event the Chair sustained points of order against them.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Florida will state it.

Mr. PEPPER. Is it possible to send the bill back to the committee with directions of the Senate to delete the amendments which have been made the subject of a point of order by the Senator from Arkansas, and to report the bill again to the Senate?

The VICE PRESIDENT. No; the bill is already back in the committee, automatically, on the ruling by the Chair that it contains legislative provisions. No motion is in order, in the view of the Chair, at this time, to instruct the committee with respect to anything in the bill.

The Chair would like to state to the Senate that he regrets deeply the legislative and parliamentary procedure

which results in the position in which the ECA bill finds itself. But as the Chair views it, there was no other ruling he could make under the rules of the Senate, in view of the admission of both sides that the bill contains legislative provisions.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Illinois will state it.

Mr. LUCAS. Is the decision of the Chair subject to appeal?

The VICE PRESIDENT. The Chair supposes that all decisions are subject to appeal, but, where the rule is so obvious, so automatic, of course, if the Chair were overruled on it——

Mr. LUCAS. Mr. President, I am not going to take an appeal. I merely made the inquiry.

The VICE PRESIDENT. The Chair supposes that any ruling of the Chair, except one or two set out in the rules, not involved in this matter, is subject to appeal.

Mr. MAGNUSON subsequently said: Mr. President, I had intended to make some remarks on the amendment which has now been ruled out by the Chair. I ask unanimous consent to place those remarks in the RECORD.

The VICE PRESIDENT. Is there objection to the request?

There being no objection, Mr. MAGNUSON'S statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON IN OPPOSITION TO ECA AMENDMENT, FREEZING FUNDS FOR SURPLUS AGRICULTURAL PRODUCTS.

Mr. President, on pages 4 and 8 of the bill making appropriations for foreign aid for the fiscal year ending June 30, 1950, there appears the following committee amendment: "The amount required to finance the procurement of surplus agricultural products (declared surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the ECA budget justification submitted to the Senate, shall be available only for such financing."

I am reliably informed that the effect of this amendment would be to freeze approximately one billion dollars of ECA fund. This is accomplished in the amendment by requiring the Administrator to use approximately this amount to finance agricultural products declared surplus by the Secretary of Agriculture. The use of the funds would be restricted in amounts to those products set forth in the justfications ECA presented to the Senate Appropriation Committee. In these justifications, ECA listed under food and agricultural imports the following items: bread grains, fats and oils, sugar, meats, dairy products, other foods, coarse grains, protein feeds, fertilizer, cotton, wool, other fibers, tobacco, and other agricultural products. You will note there are three catch-all categories in this list: "other foods," "other fibers," and "other agricultural products." The justification indicates that ECA estimates purchases of these commodities in fiscal 1950 will total $1,874,000,000 and that of this amount $1,673,000,000 will be spent in the United States.

We know from past experience, Mr. President, that the products included in the ECA justification most likely to be in surplus are the following: wheat, corn, tobacco, and cotton. These are what we might call the Big Four products. In my judgment it will be very detrimental, not only to the ECA program, but to all other agricultural products to give cotton, tobacco, wheat, and corn the extremely preferential treatment implied in this amendment.

I recognize there is a growing sentiment in this country for congressional action which will serve as a directive to the ECA Administrator, forcing him to in turn force Marshall plan countries to buy in the United States whenever a domestic product is in surplus. To a considerable extent this sentiment is understandable. Taxpayers of this country are providing ECA dollars, out of their pockets, and have a right to expect that maximum attention be given domestic economic conditions and to the plight of any particular industry.

In the Pacific Northwest, for example, the lumber and horticultural industries are in urgent need of export outlets. They are hard hit by the world-wide dollar shortage. They justifiably look to ECA, not only for sympathetic treatment, but for positive action. To date they have been granted a sympathetic ear but little by way of positive results has been forthcoming.

The ECA Admiinstrator is a competent businessman, one of the best our free-enterprise system has produced. Like any good businessman, he is trying to obtain the maximum return for every dollar he spends. In this case he is buying European recovery with the taxpayers dollars made available to him. His efforts in this regard are laudable, but I believe he must give increasing attention to the problems of those American industries which have a historical reliance upon exports—industries which are contributing their share of the tax dollars the Administrator is spending for European recovery.

Senators know I have taken this floor on many occasions to present, as forcefully as I know how, the problems presently confronted by the horticultural industry of this country. Let me repeat just a few of the facts I have previously presented. Prewar the apple growers of the Pacific Northwest consciously and systematically developed foreign markets. The whole industry is geared to exports. Approximately 30 percent of the total apple production was purchased by countries now participating in the Marshall plan. Today the dollar shortage has closed those markets. The only opportunity the industry has to reenter them is through participation in ECA. Last year only $9,600,000 was spent by ECA for fruits, other than dried fruits. The justification presented to the Senate Appropriations Committee this year includes only $9,400,000 for these fruits. That $9,400,000 includes canned fruits, juice concentrates, and fresh fruits. This is a mere drop in the bucket compared to prewar exports.

Before the war, exports of United States horticultural products ranked first in all United States food exports and third in all agricultural exports. Exportation was exceeded only by cotton and tobacco. In fourth place came wheat and flour. From these facts, it is readily understandable why I feel compelled to oppose the amendment. The amendment would virtually foreclose any possibility of the horticultural industry reentering its foreign markets on a basis even approaching prewar levels.

This industry, which prewar ranked first on the list of all food exports, would be relegated to insignificant participation in the ECA program.

That the horticultural industry faces an extremely difficult problem has been recognized by ECA, Department of Agriculture, the Senate Appropriations Committee, and the Senate itself. Senators will recall that other Senators and I sponsored an amendment to this year's authorization act, directing the Secretary of Agriculture to determine surpluses of horticultural products by "types, classes, and specifications." The objective of this amendment was to give the Secretary authority to take cognizance of the fact that the industry over the years has developed varieties of apples and pears, for example, peculiarly suited for the export trade. By virtue of the amendment, the Secretary can find that a surplus of export varieties exists, even though the entire crop may not be in excess of domestic requirements.

By adopting this amendment, the Senate gave recognition to the somewhat unique position of this industry. Later the industry presented its problem to the Senate committee considering the agriculture appropriations bill. On page 13 of its report, the committee stated: "The committee recognizes the unique position and need of this industry, arising from the temporary loss of long standing export markets and the inability of the fruit grower to reduce production without destruction of trees and tragic loss of capital investment in packing and other facilities."

The lumbering and horticultural industries have urged other Senators and I to offer amendments to this bill which would earmark certain funds for purchase of their products or, as an alternative, to offer an amendment which would direct the Administrator to force ECA countries to purchase lumber and horticultural products in this country exclusively, whenever there is a surplus.

I have refrained from taking such action. First, because as I have said before, I believe the Administrator is a sensible competent business man. He knows American industry, and within the framework of existing legislation has authority to handle these problems administratively. The European recovery program is a highly complex venture. The Administrator must have flexibility if he is to do the job the Congress and the country want him to do. I serve notice here and now, however, that unless greater attention is given by ECA representatives abroad to our domestic problems, I shall be among those supporting legislation requiring them to do so.

Second, I have refrained from sponsoring such amendments at this time because I believe it inconsistent to oppose the amendment I read at the beginning of these remarks and simultaneously sponsor an amendment earmarking funds for some other product. I believe all segments of our great agricultural industry should be placed on an equal footing. All segments of the industry should have equal opportunity to present their case to the Administrator and he, in turn, to the countries which are beneficiaries of this great venture.

Before concluding I wish to call your attention to several other facets of the problem I have been discussing. The horticultural industry and, in fact, all industries relying on exports, view with great alarm the many bilateral agreements which have been, and are being, negotiated by nations participating in ERP. Unless this tendency is reversed some United States commodities, like fruit, may be permanently excluded from normal European markets.

I recognize, Mr. President, this problem goes beyond the jurisdiction of ECA. I believe, however, that the Administrator and his representatives abroad can do much to counteract it. Certainly the attempt should be made.

Today ECA is the dominating influence in international trade. Without participation in that program, reestablishment and further development of the horticultural industry's European outlets is impossible. The same is true of other segments of agriculture who consciously and systematically developed foreign markets in the prewar era. Congress recognized the truth of these statements by including section 112 in the Economic Cooperation Act itself. This section authorizes the Secretary of Agriculture to use section 32 funds to aid in the reestablishment of export markets for perennial

horticultural crops and others, which may be declared surplus to our need.

The Administrator, by cooperating with the secretary in such an export program, can obtain for participating countries agricultural commodities at 50 percent of total cost. For some reason ECA has not taken full advantage of this very attractive program. I believe much greater use can and should be made of section 112. Here is another instance where Congress has given the Administrator an effective tool to work with, a tool which should be placed in the kit of all of our ECA representatives abroad and used.

I think it would be appropriate for the conferees in their report to include language along the lines implied in these remarks—language which would serve as a guide to the Administrator, when he is attempting to determine congressional intent through study of the legislative history of this bill. I urge those Senators who will represent this body at the conference table to give serious consideration to this suggestion.

Mr. President, for the reasons stated in these remarks, I oppose the amendment which appears on pages 4 and 8 of the pending bill. Again I want to make it clear, however, that unless greater attention is given to the problems of domestic industries by the Administrator, his representatives abroad, and the countries participating in ERP, I shall be among those sponsoring legislation making such action mandatory.

MILITARY RENTAL HOUSING (S. 1184)—CONFERENCE REPORT

Mr. MAYBANK. Mr. President, I submit the conference report on the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The clerk will read the report.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Forces installations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: ", except that where the Secretary of Defense or his designee in exceptional cases certifies and the Commissioner concurs in such certification that the needs would be better served by single-family detached dwelling units the mortgage may involve a principal obligation not to exceed $9,000 per family unit for such part of such property as may be attributable to such dwelling units"; and on page 18 of the Senate engrossed bill, line 22, after the word "defense", insert "or in the public interest"; and the House agree to the same.

BURNET R. MAYBANK,
JOHN SPARKMAN,
PAUL H. DOUGLAS,
RALPH E. FLANDERS,
HARRY P. CAIN,
Managers on the Part of the Senate.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4566) to revise, codify, and enact into law, title 14 of the United States Code, entitled "Coast Guard."

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 142. An act excepting certain persons from the requirement of paying fees for certain census data;

H. R. 459. An act to authorize the payment of employees of the Bureau of Animal Industry for overtime duty performed at establishments which prepare virus, serum, toxin, or analogous products for use in the treatment of domestic animals;

H. R. 585. An act for the relief of Jacob A. Johnson;

H. R. 1127. An act for the relief of Sirkka Siiri Saarelainen;

H. R. 1303. An act for the relief of Dr. Elias Stavropoulos, his wife, and daughter;

H. R. 1360. An act to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex.;

H. P. 2417. An act to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force Base, as a recreational facility;

H. R. 2474. An act for the relief of Frank E. Blanchard;

H .R. 2799. An act to amend the act entitled "An Act regulating the retent on contracts with the District of Columbia," approved March 31, 1906;

H. R. 2853. An act to authorize the Secretary of the Interior to issue duplicates of William Gerard's script certificates No. 2, subdivisions 11 and 12, to Blanche H. Weedon and Amos L. Harris, as trustees;

H. R. 3467. An act for the relief of Franz Eugene Laub;

H. R. 3512. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress and of the judicial branch of the Government whose employment is temporary or of uncertain duration;

H. R. 4022. An act to extend the time for commencing the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex., to July 31, 1950;

H. R. 4261. An act authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi;

H. R. 4646. An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes;

H. R. 4705. An act to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, from the government of the District of Columbia to the Administrative Office of the United States Courts, for budgetary and administrative purposes;

H. R. 4804. An act to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker;

H. R. 5508. An act to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; and

H. J. Res. 170. Joint resolution designating June 14 of each year as Flag Day.

APPROPRIATION FOR INDEPENDENT OFFICES, 1950

Mr. O'MAHONEY. Mr. President, in view of the fact that the ECA appropriation bill has been, by the ruling of the Chair on the point of order, sent back to the Committee on Appropriations, I desire, if the Senator from Illinois will yield for that purpose, to move that the Senate proceed to the consideration of Calendar No. 639, which is House bill 4177, the independent offices bill for 1950.

The VICE PRESIDENT. The Chair will state that when the Senate took up consideration of the ECA appropriation bill, it temporarily laid aside the unfinished business, which was the minimum wage bill. A motion now to proceed to any other bill would automatically, if agreed to, set aside the unfinished business.

Mr. O'MAHONEY. Mr. President, I would not desire to do that, so that my request, if I may state it as a unanimous consent request, is that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 639, H. R. 4177, which is the appropriation bill for the executive offices and sundry civil offices.

The VICE PRESIDENT. Is there objection to the request?

Mr. WHERRY. Mr. President, reserving the right to object, the unfinished business is the so-called wages and hours bill, is it not?

The VICE PRESIDENT. It is the minimum wage bill. Is there objection to the request?

There being no objection, the Senate proceeded to consider the bill (H. R. 4177) making appropriations for the executive offices and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

The VICE PRESIDENT. Does the Senator from Wyoming wish the committee amendments considered first?

Mr. O'MAHONEY. Yes, Mr. President. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, if I may suggest to the Senator from Wyoming, copies of the bill have not been distributed. We should like to have them before us as we proceed with the committee amendments.

The VICE PRESIDENT. The clerks will submit copies of the bill to Senators.

Mr. WHERRY. I thank the Chair.

The PRESIDING OFFICER (Mr. HOEY in the chair). The clerk will proceed to state the committee amendments.

Mr. O'MAHONEY. Mr. President, before that is done, I think I should acquaint the Senate with the fact that except for the appropriation bill for the National Military Establishment, the measure which the Senate is now considering carries the largest sum which has been reported in any other bill. Lest there should be any misunderstanding of the meaning of the size of the appropriation which is here reported, amounting to a little in excess of $7,636,000,000, or approximately one-fifth of the total budget submitted this year, I call to the attention of the Senate the fact that the items are largely war-connected expenditures of one kind or another. In other words, 80 percent of the appropriations contained in the bill deal in one way or another with the fact that we were in World War II and that we are now conducting national defense.

There is a very substantial appropriation for the veterans' services. There is another very substantial appropriation for atomic energy. There are numerous items in the bill which also deal with war-connected expenditures. Of the contract authorizations which are contained in the bill 100 percent have to do with defense or preparations for defense. The exact list is as follows:

For the American Battle Monuments Commission, $5,920,800.

For the Atomic Energy Commission, $702,930,769.

For the Displaced Persons Commission, $4,210,000.

The National Advisory Committee for Aeronautics, $53,710,000.

National Archives for World War II records, $150,000.

Philippine War Damage Commission, $184,800,000.

The Selective Service System, $9,000,000.

Veterans' Administration, $5,587,907,940.

If to those items there be added the appropriation of $66,575,474 for the Maritime Commission, in connection with new ships which are rated by their true carrying capacity, the total amount of war-connected expenditures in this bill is $6,615,204,983; and the contract authorizations for the American Battle Monuments Commission, the Atomic Energy Commission, the National Advisory Committee for Aeronautics, and, again, the Maritime Commission, total $452,189,628, making a 100-percent war-connected contract-authorization phase of the bill.

In addition to that, Mr. President, the bill covers 33 civilian agencies of the Government. Of the 33, 8 made no appeal to the Senate. Twenty-five of them did.

The Senate committee began its hearings on the 11th of May and was not able to report the bill to the Senate until July 8; so that practically 2 months were devoted by the subcommittee and the full committee to the consideration of this measure.

I thought, Mr. President, it was appropriate that this preliminary statement should be made with respect to the character of the bill.

I now ask that the committee amendments be considered.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Executive Office of the President—Bureau of the Budget," on page 4, line 23, after the word "elsewhere", to strike out the comma and "including the salary of the Director at $12,000 per annum so long as the position is held by the present incumbent."

The amendment was agreed to.

The next amendment was on page 5, line 8, after "(28 U. S. C. 2672)", to strike out "$2,983,040", and insert "$3,314,500."

Mr. BRIDGES. Mr. President, in this bill it will be seen that there is a whole series of increases, most of which have to do with additional personnel in the various bureaus and departments. There may be some exceptions, but, by and large, in this country today, the last thing we need in most of the departments is additional personnel. For that reason, I think there is no doubt that the great majority of the departments could get by with their existing personnel. To start with, I think the Bureau of the Budget is one department which could do so. The bill increases the number of personnel in the Bureau of the Budget by 53 individuals, from 481 to 534 persons. For that reason, in a parliamentary sense, I express myself in opposition to the committee amendment and in favor of the retention of the House figure.

Mr. O'MAHONEY. Mr. President, let me say that I appreciate the position of the Senator from New Hampshire. The subcommittee and the committee as a whole scrutinized these various items with great care. Some requests for additions were granted and some were rejected. Those which were granted were granted upon the conviction on the part of the committee that it would be in the interest of good government efficiency and, I may say, economy, that the increases should be allowed. That is particularly true with respect to the pending committee amendment dealing with the Bureau of the Budget. The Bureau of the Budget has been clothed with new functions. The Congress, at this very session, has enacted the bill authorizing the President of the United States, upon the recommendation of the so-called Hoover Commission, to reorganize the Government by submitting reorganization plans to be considered by the Congress. It is well known that that work is under the direction of the Bureau of the Budget.

Mr. BRIDGES. Mr. President, am I to gather from what the Senator says that the purpose of the Hoover Commission's report is to add new personnel? I thought it was to promote efficiency and to reduce expenses.

Mr. O'MAHONEY. The Senator knows there was no such inference to be drawn from anything I said, but I do say to the Senator that the recommendations of the Hoover Commission cannot be effectively carried out unless the Bureau of the Budget is staffed so as to do the work. This is the first time in my experience as a member of the Committee on Appropriations that the Bureau of the Budget has made any request of the Senate committee. I assure the Senator that the subcommittee and the full committee felt that this increase was altogether justified.

Mr. WHERRY. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I deeply appreciate the observations made by the chairman of the subcommittee. I happen to be a member of the subcommittee, and certainly the distinguished chairman and the members were very conscientious and hard-working as they tackled the provisions of the pending bill. Because of the fact that I have to be on the floor, I did not attend all the sessions of the subcommittee, and for that reason I wish to make it perfectly clear that I associate myself with the observations made by the Senator from New Hampshire. I believe that if we are to call a halt in the costs of the Government the time to start is when we make the appropriations. I, for one, feel that the Government has enough personnel. It is always possible to justify appropriations by saying that an agency can be more efficient, that this or that could be performed more efficiently, that there are certain things to be done, and that because the Hoover Commission says this or that, personnel must be added. We can take any department of the Government, and, under such a justification, add personnel.

Mr. President, there is much in what the Senator from Wyoming says relative to the personnel, but the personnel of this Bureau, if we take the figures which have been furnished us, numbers over 500. It seems to me that with that personnel, if the Hoover Commission work is as important as they think it is, they had better use some of the personnel now doing something else in order to do the work of the Hoover Commission, and keep the personnel lower, instead of increasing it.

Mr. President, I am ready not only to associate myself with the distinguished Senator from New Hampshire in his observations, but I am ready to vote to sustain the House amount, if an amendment is offered. I am not going to ask for it, because apparently the Senate is determined, as to many of these matters, to go along and do as the Senate always has done, raise every appropriation. We are asked to raise this appropriation nearly half a billion dollars over the House amount. True, some of it had to be done because of authorizations—and I say that with all respect to the chairman—which call for appropriations. But it is the old story, that after a bill comes

here, the Senate raises the appropriation of the other House. I wish to associate myself with the distinguished Senator from New Hampshire. I for one would not want to see the personnel increased, but kept at least where it is, or, if any change is made, decreased.

Mr. O'MAHONEY. Mr. President, I wish to say that the basis upon which my good friends make their argument does not exist. There is no increase of personnel, but there is increase of salaries, and I respectfully suggest that it was the Congress itself which ordained the raises in salary.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Just a moment. I wish to read from the justification which was presented to the committee. Among the reasons advanced were:

1. The Bureau of the Budget is responsible for achieving economy and efficiency throughout the Government; while the House reduction would save some funds in the Bureau's own expenditures, it would result in a much larger cost to the Government as a whole.

2. The House action ignores the recommendations of the Commission on Organization of the Executive Branch of the Government, which urged expansion, not contraction, of the work of the Bureau of the Budget.

I call to the attention of the Senator from New Hampshire and the Senator from Nebraska the fact that the Hoover Commission itself recommended the expansion of this Bureau.

Mr. President, I hope the Senate will grant the increase.

Mr. BRIDGES. Mr. President, so that there may be no misunderstanding, my personal check on this matter shows that there would be an increase of personnel by 53, from 481 to 534. That is a definite increase in personnel.

I am ready for a vote, and on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I wish to call attention to the fact that while it is true that this amendment would account for more personnel than the House provision, still the recommendation of the committee is for a lower personnel than was available under the appropriation bill passed by the last Congress.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Fulbright	Kerr
Anderson	George	Kilgore
Baldwin	Gillette	Knowland
Brewster	Graham	Langer
Bricker	Green	Lodge
Bridges	Gurney	Long
Butler	Hayden	Lucas
Byrd	Hendrickson	McCarran
Cain	Hickenlooper	McCarthy
Capehart	Hill	McClellan
Chapman	Hoey	McGrath
Connally	Holland	McKellar
Cordon	Hunt	McMahon
Donnell	Ives	Magnuson
Douglas	Jenner	Malone
Downey	Johnson, Colo.	Martin
Ecton	Johnson, Tex.	Maybank
Ellender	Johnston, S. C.	Miller
Ferguson	Kefauver	Millikin
Flanders	Kem	Morse
Mundt	Schoeppel	Thye
Murray	Smith, Maine	Tobey
Myers	Sparkman	Vandenberg
Neely	Stennis	Wherry
O'Conor	Taft	Wiley
O'Mahoney	Taylor	Williams
Russell	Thomas, Okla.	Withers
Saltonstall	Thomas, Utah	Young

The PRESIDING OFFICER (Mr. HOEY in the chair). A quorum is present.

The question is on the committee amendment on page 5, line 8, to strike out $2,983,050 and insert $3,314,500.

Mr. O'MAHONEY. Mr. President, I have been asked by Senators who have come to the floor in response to the quorum call to explain the amendment. It is a recommendation of the Appropriations Committee that the budget estimate for the Bureau of the Budget be allowed. That is an increase of $331,450. The increase has been criticized on the ground that it would increase the personnel. The fact is that it would leave the personnel of the Bureau of the Budget for the fiscal year 1950 exactly where it was placed for the fiscal year 1949. It does not increase the personnel over the number now employed by the Bureau. Of course, it does increase the personnel above that which was provided by the House figure.

The reason why the committee urges this increase is twofold. First, the Bureau of the Budget is clothed with the responsibility of checking upon the expenditures for all the Government agencies and bureaus. It has a tremendous job to do. If we are for economy this is the place where economy may be effectively administered.

In the second place we urge it because it harmonizes with the recommendation of the Hoover Commission. One of the recommendations of that Commission upon the reorganization of the executive branch of the Government was that the Bureau of the Budget should be expanded in order precisely to enable it to function more effectively in supervising the expenditures of all the Government bureaus and agencies. The committee has recommended the figure in the firm belief that it will permit economy, in the firm belief that failure to grant the increase will only have the effect of crippling the agency where efficient and effective administration of the expenditures of Government may be carried on. On behalf of the committee I wish to say that I hope the Senate may approve the committee amendment.

Mr. BRIDGES. Mr. President, in order that everyone may know it, I wish to say that in connection with this bill the question of additional personnel must be considered. I believe the average department or agency or bureau of Government has sufficient personnel today. The bill before us provides in all for a net increase of 14,740 employees over the House figure. I do not believe such an increase is necessary. In this amendment we are starting in on the Bureau of the Budget, for the increased amount would provide an increase of 53 employees over the House figure. I propose that the Senate reject the committee amendment and stand on the House figure, which will maintain the personnel in this bureau at 481, a sufficient number to do the job.

Mr. O'MAHONEY. Mr. President, I must respond to the comment of the Senator by pointing out that the bill as reported by the Senate committee overall does not provide for personnel for the year 1950 as many as the same bureaus had for 1949. The fact of the matter is that this provision decreases the personnel below the figures allowed in the last appropriation bill for these offices.

Mr. MAYBANK. Mr. President, is the increase caused by Public Law 900?

Mr. O'MAHONEY. No. That has to do with salary increases.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, line 8.

Mr. DONNELL. Mr. President, may I inquire whether my ears fail me? As I understand, there is a direct contradiction in statements of fact. Am I mistaken?

Mr. O'MAHONEY. There is no contradiction in statements of fact. What the Senator from New Hampshire [Mr. BRIDGES] means, I am sure—and it is true—is that in the case of the Bureau of the Budget we are providing more personnel than was provided in the House bill. The House cut the budget estimate. We are restoring the cut made by the House, but in so doing we are not increasing the personnel above that for 1949. We are providing exactly the same number of employees for the fiscal year 1950 as the Bureau of the Budget now has.

Mr. DONNELL. I thank the Senator. I could not understand how there could be any conflict on the question of fact between the two Senators.

Mr. WHERRY. Mr. President, will the Chair state what the issue is, and what a "yea" or "nay" vote means on this amendment?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, line 8. The amendment represents an increase, as provided by the Senate committee. A vote of "yea" would be a vote in favor of the increase, and a vote "nay" would be a vote against the increase.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Delaware [Mr. FREAR], the Senator from Florida [Mr. PEPPER], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Maryland [Mr. TYDINGS] are detained on official business.

On this vote the Senator from Minnesota [Mr. HUMPHREY], who would vote "yea," if present, is paired with the Senator from New Jersey [Mr. SMITH], who would vote "nay," if present.

I announce further that on this vote the Senator from Maryland [Mr. TYDINGS] is paired with the Senator from

Utah [Mr. WATKINS]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Utah would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness, and is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Minnesota "yea."

The Senator from New York [Mr. DULLES] is detained on official business.

The Senator from Utah [Mr. WATKINS] is detained on official business, and is paired with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from Utah would vote "nay" and the Senator from Maryland "yea."

The result was announced—yeas 51, nays 33, as follows:

YEAS—51

Anderson	Hunt	Miller
Chapman	Ives	Morse
Connally	Johnson, Colo.	Murray
Cordon	Johnson, Tex.	Myers
Douglas	Johnston, S. C.	Neely
Downey	Kefauver	O'Conor
Ellender	Kerr	O'Mahoney
Fulbright	Kilgore	Russell
George	Long	Saltonstall
Gillette	Lucas	Smith, Maine
Graham	McCarran	Sparkman
Green	McClellan	Stennis
Gurney	McGrath	Taylor
Hayden	McKellar	Thomas, Okla.
Hill	McMahon	Thomas, Utah
Hoey	Magnuson	Thye
Holland	Maybank	Withers

NAYS—33

Aiken	Ferguson	Martin
Baldwin	Flanders	Millikin
Brewster	Hendrickson	Mundt
Bricker	Hickenlooper	Schoeppel
Bridges	Jenner	Taft
Butler	Kem	Tobey
Byrd	Knowland	Vandenberg
Cain	Langer	Wherry
Capehart	Lodge	Wiley
Donnell	McCarthy	Williams
Ecton	Malone	Young

NOT VOTING—12

Chavez	Humphrey	Robertson
Dulles	McFarland	Smith, N. J.
Eastland	Pepper	Tydings
Frear	Reed	Watkins

So the amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Council of Economic Advisers," on page 5, line 24, after "(28 U. S. C. 2672)", to strike out "$300,000" and insert "$340,000."

ADDITIONAL CIRCUIT AND DISTRICT JUDGES—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, inasmuch as the Senator from Michigan [Mr. FERGUSON] is now on the floor, I wish to state that there is at the desk a conference report on the bill known as the judges' bill. I ask unanimous consent that the report may be taken up at this time.

The PRESIDING OFFICER. The report will be read.

The report was read.

(For conference report, see House proceedings of July 26, 1949, pp. 10217–10219.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. McCARRAN. Mr. President, I understand that the Senator from Michigan wishes to be heard on this matter.

Meantime, I move that the report be adopted.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

Mr. FERGUSON. I did not sign the conference report, and I think an explanation of my position is due. The reason why I did not sign the report is that in recent years there has been a development which gives great concern to all who cherish the ideals and traditions of justice. It is a debasement of the courts in the mind of the public.

Fundamentally there appears to be involved the fact that in the administration of justice we are having appointed to the bench, men who lack the broad vision which we have traditionally associated with the courts, or men whose vision is restricted by the nature of their experience before ascending the bench.

Senate bill 1871, which was passed by the Senate last night, indicates how the Senate feels about Government employees who leave the Government service to go into private business. I call attention to that measure because it is along the same line that I wish to speak today. Last night we said, in effect, that an employee of the Reconstruction Finance Corporation cannot be employed, until a period of 2 years had passed, by anyone who borrowed money from the Reconstruction Finance Corporation while that person was serving in that agency of the Government.

In the report we are now considering there was inserted—and it was the desire of the Senate at one time that such a provision be placed in this bill relating to the appointment of judges—a provision that anyone who feels that the judge is not qualified to serve in a certain case because he had formerly worked for a certain Government department, may file an affidavit to that effect, and then a new judge or a new trial before another court can be had.

Here is what I think has developed in the administration of justice: We are discovering that the Government departments have literally thousands of lawyers. When the President appoints Federal judges, through the Office of the Attorney General, we find that the Department of Justice, the FBI, and various other Government agencies are supplying the judges for the United States. In other words, the matter is becoming a political one, rather than of trying to get men of judicial caliber.

The able chairman of the Judiciary Committee, the Senator from Nevada [Mr. McCARRAN] realized this situation, and he suggested a provision that those who are to be qualified to accept these appointments should actually be practicing law, and should have done so for a number of years in the courts, rather than in the Government departments.

Mr. President, that bill was passed by the Senate. However, the House Committee would not agree to it. I thought the Senator in charge of the bill, the able chairman of the Judiciary Committee [Mr. McCARRAN] hit upon a proper solution of the problem. Here is what he tried to do:

Section 144 was amended by Public Law 72 of the Eighty-first Congress by substituting the words "in any case" for "as to any judge" at the end of the next to last sentence.

The present section 144 reads as follows:

> Whenever a party to any proceeding in a district court makes and files a timely and sufficient affidavit that the judge before whom the matter is pending has a personal bias or prejudice either against him or in favor of any adverse party, such judge shall proceed no further therein, but another judge shall be assigned to hear such proceeding.
>
> The affidavit shall state the facts and the reasons for the belief that bias or prejudice exists, and shall be filed not less than 10 days before the beginning of the term at which the proceeding is to be heard, or good cause shall be shown for failure to file it within such time. A party may file only one such affidavit in any case. It shall be accompanied by a certificate of counsel of record stating that it is made in good faith.

What the able Senator from Nevada, the chairman of the Judiciary Committee, had in mind was to include a provision that in case for 10 years prior to the commencement of such proceedings a judge had been employed in an agency of the executive branch of the Government of the United States which is a party to such proceedings, an affidavit could be filed setting forth those facts, and then the judge would not be permitted to proceed further therein, but another judge would be assigned to hear the proceeding. In other words, it would give an opportunity to the lawyer, and, I may say, to the litigant, to have his case tried by a judge who had not served in the Government department. We find literally hundreds of instances, more so in Washington than elsewhere, of cases being tried by a judge who had no experience in the practice of law, or as a judge, but who had merely worked in the legal department of a certain bureau. He was the judge that would be chosen to hear the proceeding with which the bureau itself was concerned. The able Senator from Nevada included a provision that, if a man had been employed in that department within 10 years, an affidavit could be filed, and a new judge obtained. Why not? If we are to have justice administered by those who are not prejudiced and who are not biased, we should be willing to put into the law a provision that a judge must not only be free of prejudice and bias, but, like Caesar's wife, he must be above suspicion. I think justice will then be more respected. We will have more concern over it. People will be better satisfied, if we place in the law a provision of that kind. My two colleagues on the conference committee were anxious to have the bill enacted, knowing judges are needed, but I say we must be careful what kind of judges

are appointed and that they are not selected alone from the various departments of the Government. We want men of experience in the broad field of law, men who understand the philosophy of the law and who understand the American people and American institutions.

Since that amendment was not retained in the conference report I felt in conscience that I could not sign the report, because I believed the able Senator from Nevada had hit upon something which would be beneficial to America in the administration of justice, and I felt that I should state to the Senate my reason for not signing the report.

Mr. McCARRAN. Mr. President, I shall not detain the Senate. I concur in the remarks of the able Senator from Michigan. I think something should be done, but, after giving the matter mature consideration, I saw that by my proposed amendment I was going to defeat the major objective of the bill, namely, the designation and appointment of some 27 additional circuit and district judges throughout the United States. I thought we could meet the provision I had in mind by general legislation rather than by an amendment to the bill.

The Senator is right when he says I was anxious. I was anxious and at the same time apprehensive. I am apprehensive of what is going on. I dislike the idea of appointing judges from departments of the Government to sit in the courts of the District of Columbia, where 9 out of 10 litigants must come if they have grievances to be aired as against the departments, and where they must come to secure their rights. In many cases they must appear before a judge who may have been appointed from the very department against which the suit is pending.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Michigan?

Mr. McCARRAN. I yield.

Mr. FERGUSON. I wonder whether the Senator would feel that he could join with the Senator from Michigan, or, rather, that the Senator from Michigan could join with the Senator from Nevada, in general legislation somewhat to the same effect, and whether, if such legislation were enacted, he could see any reason why this bill should not go through in its present form?

Mr. McCARRAN. I may say to the Senator from Michigan, I will gladly join in general legislation to fix the qualifications of judges, or to fix the grounds upon which their disqualifications may be brought to the attention of the judge himself.

Mr. FERGUSON. I appreciate that. I am glad to have that assurance.

Mr. McCARRAN. I did not want to defeat the principal objective of the bill by adhering to my amendment. I did not lose interest in my amendment, and I do not give up the principle, in any sense of the word.

Mr. FERGUSON. I appreciate that word from the Senator.

The PRESIDING OFFICER. The question is upon agreeing to the motion of the Senator from Nevada [Mr. McCARRAN] to agree to the conference report.

The motion was agreed to.

APPROPRIATIONS FOR INDEPENDENT OFFICES, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the subhead "Council of Economic Advisers," on page 5, line 24, after "(28 U. S. C. 2672)", to strike out "$300,000" and insert "$340,000."

Mr. BRIDGES. Mr. President, this amendment has to do with the Council of Economic Advisers. I think the item approved by the House was $300,000, which, as I recall, was the amount provided last year for this agency. The amendment adds $40,000 and increases the personnel by four. This I admit is a small amount, but, in view of certain decisions and recommendations the Council of Economic Advisers have made, I do not know that they need additional assistants. I think they are fully staffed and equipped at the present time. Therefore I favor the retention of the House figure.

Mr. O'MAHONEY. Mr. President, one of the reasons for this increase is that the last Congress, with the approval of my very able and amiable friend from New Hampshire, increased the salaries of all Government employees. The Pay Act of the Eightieth Congress added $550,000,000 to the expenditures of the Government for the fiscal year 1950. This is as good a place as any in which to call attention to that fact, and also to the fact that other bills which were enacted last year have added to the obligations of the Government more than $2,000,000,000. On this particular item, because of the pay increase and automatic increases and essential classifications, the Council of Economic Advisers had to seek a deficiency appropriation, which was granted. In other words, of the $40,000 which is now proposed, $13,400 is to fulfill the obligations of the Pay Increase Act and to provide for automatic increases in essential classifications; $26,600 is needed to add to the number of economists and secretaries. The increased recommendations were made to the committee by Dr. Nourse, chairman of the council. I trust the amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is the demand sufficiently seconded?

The yeas and nays were not ordered.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Millikin
Anderson	Hendrickson	Morse
Baldwin	Hickenlooper	Mundt
Brewster	Hill	Murray
Bricker	Hoey	Myers
Bridges	Holland	O'Conor
Butler	Hunt	O'Mahoney
Byrd	Ives	Robertson
Cain	Jenner	Russell
Capehart	Johnson, Colo.	Saltonstall
Chapman	Johnson, Tex.	Schoeppel
Connally	Johnston, S. C.	Smith, Maine
Cordon	Kefauver	Sparkman
Donnell	Kerr	Stennis
Douglas	Knowland	Taft
Downey	Langer	Taylor
Dulles	Lodge	Thomas, Okla.
Ecton	Long	Thye
Ellender	Lucas	Tobey
Ferguson	McCarthy	Vandenberg
Flanders	McClellan	Watkins
Frear	McKellar	Wherry
George	McMahon	Wiley
Gillette	Magnuson	Williams
Graham	Malone	Withers
Green	Martin	Young
Gurney	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment appearing at the bottom of page 5, which increases the appropriation for the Council of Economic Advisers from $300,000 to $340,000.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The request is obviously sufficiently seconded. The yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. McFARLAND] are absent on public business.

The Senator from Arkansas [Mr. FULBRIGHT], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Nevada [Mr. McCARRAN], the Senator from Rhode Island [Mr. McGRATH], the Senator from Virginia [Mr. ROBERTSON], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained on official business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

I announce that on this vote the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Minnesota would vote "yea" and the Senator from New Jersey would vote "nay."

I announced further that if present and voting, the Senator from Rhode Island [Mr. McGRATH] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness and is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Minnesota "yea."

The Senator from Missouri [Mr. KEM] is detained on official business.

The result was announced—yeas 40, nays 39, as follows:

YEAS—40

Anderson	Holland	Morse
Chapman	Hunt	Murray
Connally	Johnson, Colo.	Myers
Cordon	Johnson, Tex.	O'Conor
Downey	Johnston, S. C.	O'Mahoney
Ellender	Kefauver	Robertson
Frear	Kerr	Russell
George	Long	Saltonstall
Gillette	Lucas	Sparkman
Graham	McClellan	Stennis
Green	McKellar	Taylor
Hayden	McMahon	Withers
Hill	Magnuson	
Hoey	Maybank	

NAYS—39

Aiken	Ferguson	Millikin
Baldwin	Flanders	Mundt
Brewster	Gurney	Schoeppel
Bricker	Hendrickson	Smith, Maine
Bridges	Hickenlooper	Taft
Butler	Ives	Thye
Byrd	Jenner	Tobey
Cain	Knowland	Vandenberg
Capehart	Langer	Watkins
Donnell	Lodge	Wherry
Douglas	McCarthy	Wiley
Dulles	Malone	Williams
Ecton	Martin	Young

NOT VOTING—17

Chavez	McCarran	Reed
Eastland	McFarland	Smith, N. J.
Fulbright	McGrath	Thomas, Okla.
Humphrey	Miller	Thomas, Utah
Kem	Neely	Tydings
Kilgore	Pepper	

So the amendment was agreed to.

Mr. ROBERTSON. Mr. President, the amendment on which the Senate just voted relates to a proposal to cut $40,000 from an appropriation bill which carries more than $7,000,000,000. I am not opposed to the saving of as little as $1, if it can properly be made. But the committee has, after mature consideration of the subject, decided that the additional $40,000 over the House figure was proper.

Mr. President, it requires about 20 minutes for a quorum call and about 20 minutes for a roll call. There are 70 or perhaps more than 70 amendments in the bill. If, on relatively minor issues of this kind, we are to have a yea and nay vote, and devote 40 minutes to each item, it will require 60 hours to complete action on the amendments to the bill. On the basis of a 5-hour day and a 5-day week that will mean a little more than 2 weeks; while the authority of these agencies to function under the temporary joint resolution passed by Congress in June expires next Sunday night.

Now we have messed up the detail, if Senators will excuse the expression, respecting ECA. I hope very much that Senators who wish to make a personal record for economy will make that record without forcing a yea-and-nay vote, requiring in all about 40 minutes on every minor amendment to the bill to which they object.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the title "Independent Offices—American Battle Monuments Commission," on page 7, line 15, after the word "of", to strike out "one" and insert "three", and at the beginning of line 16, to strike out "vehicle" and insert "vehicles, including one at not to exceed $2,500".

The amendment was agreed to.

The next amendment was, under the heading "Atomic Energy Commission", on page 9, line 6, after the word "the", to strike out "unobligated balances" and insert "unexpended balances, as of June 30, 1949."

The amendment was agreed to.

The next amendment was, under the heading "Civil Service Commission," on page 10, line 8, after the word "Columbia", to strike out the comma and "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents"; in line 22, after the word "exceed", to strike out "$40,000" and insert "$60,000"; in line 24, after "(54 Stat. 767)", to insert "not to exceed $500,000 for allocation to the Federal Bureau of Investigation as required for investigation of applicants for certain positions when requested by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff."

The amendment was agreed to.

The next amendment was on page 11, line 9, after the word "amended", to strike out "$14,000,000" and insert "$16,250,000."

Mr. BRIDGES. Mr. President, the amendment relative to the Civil Service Commission increases the personnel over the House figure by 485 individuals. I think Senators will all agree that the Civil Service Commission has a responsible job. Nevertheless after the House committee held hearings on the subject it arrived at a figure of 3,414 employees. The House committee decided that was a sufficient number of employees to do the job adequately and well. I believe the Senate would be justified in retaining the House figure.

I wish to speak for a moment about what the distinguished Senator from Virginia [Mr. ROBERTSON] said, because I know he wants the full story told. There is no intention, so far as I am concerned, to try to force the Senate into 60 hours of consideration of the various items contained in the bill. In this bill, however, the Senate committee has increased the House figure by more than $500,000,000, and added some 15,000 personnel over the House figure. If we believe at all in economy, and if we believe the departments have sufficient personnel to carry on their work properly, it is well to have discussed the issues involved in some of the items of the bill. I believe the particular amendment now pending which would increase by 485 the number of employees provided by the House figure for the Civil Service Commission, is not justified. Therefore I hope the Senate amendment on page 11, line 9, will not be agreed to.

Mr. O'MAHONEY. Mr. President, I beg to advise the Senator from New Hampshire that again there is a slight mistake in the interpretation which he has placed upon the action of the committee. It is true again that the appropriation recommended by the committee increases the personnel beyond that which would be available under the bill as it passed the House. But the bill recommended by the Senate committee provides for personnel 278 less in number than the Civil Service Commission has this year. So, far from increasing the personnel, the committee has decreased the personnel of the Civil Service Commission below that which it has already under the appropriation bill which was passed last year.

The reason why the committee recommended the increase on which the Senate is requested to vote, as found in the committee amendment on page 11, line 9, is that the House committee report made it clear that in connection with the reduction it made, it was expecting the Civil Service Commission to save money by absorbing this personnel, by permitting the various executive agencies and departments of government to conduct their own decentralized examinations. If that were not done the cost would be much greater than the increase which is allowed in the Senate committee bill.

The committee held hearings upon this matter. It was clearly demonstrated that to cut this appropriation to the amount provided by the House bill—and the Senate committee has not restored the entire amount—would only mean to transfer the holding of certain examinations to certain supposed expert boards in executive departments and agencies, and such boards would have to do the work which the Senate committee felt could be more efficiently and properly done by the Civil Service Commission.

Mr. President, in the light of the clear fact that the personnel is not so large as it was last year, I hope that the increase recommended by the committee may be approved.

Mr. FERGUSON. Mr. President, I think the amendment now under consideration presents a clear example of whether the Federal Government desires actually to cut expenditures. We come now to the question of the number of employees. The able Senator from Virginia [Mr. BYRD] has from time to time pointed out that every day there are added to the public pay roll, in Washington and in other parts of the country, 315 Government employees.

The minute Congress says, "We want to take away from you a certain amount of cash," we find the Civil Service Commission saying that all it would mean would be that an equal number or greater number would have to be hired in some other department. No one has ever though about the possibility of cutting down the amount of work which is being done in the various departments, which represents waste and extravagance. No one has ever thought that an employee might even do more work, resulting in a need for fewer employees. That is never thought of. It is always said, "The work will go into another department, and more men will have to be employed there.

This amendment represents an increase of $2,250,000. To some that is peanuts. Some Senators feel that we should not even discuss an increase of $2,250,000 on the floor of the Senate.

Mr. President, the other day we discussed an increase of $140,000. We discussed it on the floor of the Senate for a long time when the proposal was made to place on the pay roll of the watchdog committee about ten more employees. It was perfectly all right to discuss that question for hours. But when it comes to taking an employee off the national pay roll, where patronage in the executive branch of the Government is involved, it is said, "You are taking too much time on the floor of the Senate."

What would happen if we were to increase this appropriation by $2,250,000? We would increase the number of personnel over the House figures by 485.

Is this a small department? Consider how it has grown, from 3,414 employees to 3,899. Certainly it has an estimate from the budget for 4,069 employees. In 1949 it had 4,178. So if we make this cut we shall need 485 fewer employees on the pay roll of the Civil Service Commission.

Mr. President, I hope that Congress will become economy-minded, even if it is only to the extent of $2,250,000, because we must attempt to balance the budget, and this is one place where we can start.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 11, line 9.

Mr. BRIDGES. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I desire again to emphasize what I said a moment ago, that there is no economy in the proposed reduction. That was clear from the presentation which was made to the committee. It would result in duplicating a great deal of the work. Let me read this statement, which was submitted to the committee:

> Generally speaking, boards of civil service examiners in Federal field establishments recruit applicants and conduct examinations for positions which exist primarily in their respective establishments. Conversely, the Commission recruitment and examining resources are expended on examinations for filling positions which are common to many agencies, and servicing agencies too small to support a board of examiners. If examinations were completely decentralized, numerous identical examinations would be announced by hundreds of boards of examiners, with resulting waste of time, effort, and money in holding such examinations, and confusion to the public.

Mr. President, I could spend an hour going into detail. The figures were before us. Not to allow this money would only create confusion and waste. Decentralization would cause duplication. The committee amendment is an amendment in the interest of economy, and it should be adopted.

Mr. FERGUSON. Mr. President, I wish to say in reply to the able Senator from Wyoming, in charge of the bill, that this is a typical example of a department which says, if we take any money from it, or adhere to the House figure, "It will cut out one of the most vital and important functions we have."

They never think of trying to get more work out of their employees, or cutting out extravagance. They tell us that a reduction in the appropriation would cut out certain very vital and important work and put it into another department, where it would cost more money. I should like to know how the other department is going to get the money if we do not appropriate it. Let the departments absorb reductions by eliminating extravagance and inefficiency instead of interfering with the most vital parts of their programs, as they say in their testimony.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 11, line 9. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Iowa [Mr. GILLETTE], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from New Jersey would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Minnesota would vote "yea."

The Senator from Missouri [Mr. KEM], the Senator from Washington [Mr. CAIN], the Senator from Indiana [Mr. CAPEHART], and the Senator from Pennsylvania [Mr. MARTIN] are detained on official business.

The result was announced—yeas 38, nays 41, as follows:

YEAS—38

Anderson	Hunt	Murray
Chapman	Johnson, Tex.	Myers
Connally	Johnston, S. C.	O'Conor
Cordon	Kefauver	O'Mahoney
Downey	Kerr	Pepper
Ellender	Lucas	Robertson
Fulbright	McCarran	Saltonstall
George	McClellan	Smith, Maine
Graham	McGrath	Sparkman
Green	McKellar	Taylor
Gurney	McMahon	Thomas, Utah
Hayden	Magnuson	Withers
Hill	Maybank	

NAYS—41

Aiken	Dulles	Holland
Baldwin	Ecton	Ives
Brewster	Ferguson	Jenner
Bricker	Flanders	Johnson, Colo.
Bridges	Frear	Knowland
Butler	Hendrickson	Langer
Donnell	Hickenlooper	Lodge
Douglas	Hoey	Long
McCarthy	Schoeppel	Watkins
Malone	Stennis	Wherry
Millikin	Taft	Wiley
Morse	Thye	Williams
Mundt	Tobey	Young
Russell	Vandenberg	

NOT VOTING—17

Byrd	Humphrey	Neely
Cain	Kem	Reed
Capehart	Kilgore	Smith, N. J.
Chavez	McFarland	Thomas, Okla.
Eastland	Martin	Tydings
Gillette	Miller	

So the amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Panama Canal Construction Annuity Fund," on page 13, line 8, after "(48 U. S. C. 1373a)", to strike out "$5,304,870" and insert "$5,894,300."

The amendment was agreed to.

The next amendment was, under the subhead "Civil-Service Retirement and Disability Fund," on page 13, line 13, after "(5 U. S. C. ch. 14)", to strike out "$295,533,700" and insert "$328,393,000."

The amendment was agreed to.

The next amendment was, under the subhead "Canal Zone Retirement and Disability Fund," on page 13, line 19, after "(48 U. S. C. 1371n)", to strike out "$899,100" and insert "$999,000."

The amendment was agreed to.

The next amendment was, under the subhead "Alaska Railroad Retirement and Disability Fund," on page 13, at line 25, before the word "which", to strike out "$193,500" and insert "$215,000."

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, on what page is the clerk now reading the committee amendments?

The PRESIDING OFFICER. The clerk is about to read the first committee amendment on page 14. The last amendment read was on page 13.

Mr. DOUGLAS. I should like to ask for an explanation of the increase provided in line 13, on page 13.

Mr. O'MAHONEY. Mr. President, this increase is required in order to carry out the statutory requirement of having the Civil Service Commission maintain the retirement fund out of which the retirements of civil servants are paid. As everyone knows, under the retirement law, deductions are made from the salaries of employees, and the deductions are matched by the Government.

This appropriation is a matching appropriation, to balance the retirement fund in compliance with that law. It is an obligation of the Government which we felt could not be avoided.

Mr. DOUGLAS. I should like to inquire of the distinguished Senator from Wyoming why it was that the House committee did not catch this item.

Mr. O'MAHONEY. The House committee simply made a straight slice.

The PRESIDING OFFICER. The amendment to which the Senator has referred has already been adopted and stands adopted unless the Senate wishes to return to its consideration.

Otherwise, the clerk will state the next amendment of the committee.

The next amendment was, under the heading "Displaced Persons Commission," on page 14, line 11, after the word "amended," to insert "purchase (not to exceed 30), and."

The amendment was agreed to.

The next amendment was, under the heading "Federal Communications Commission," on page 15, line 23, after the word "Columbia", to strike out "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents."

The amendment was agreed to.

The next amendment was, on page 16, line 8, after the word "binding", to strike out "$6,525,000" and insert "$6,633,000."

Mr. BRIDGES. Mr. President, this amendment has to do with the Federal Communications Commission which, of course, performs an important function.

The House provided for personnel of 1,332 for the Commission. This amendment would increase the number of personnel to 1,349.

I do not believe any Member of the Senate wishes to handicap the Federal Communications Commission in any way or prevent it from doing a good job. I think the personnel of 1,332 allowed by the House of Representatives is adequate for that Commission, and it seems to me that the increase provided by the Senate committee is unwarranted.

Therefore, I hope the Senate committee amendment will be rejected.

Mr. O'MAHONEY. Mr. President, again it is true that the Senate committee allowed an increase in the personnel—in this case, an increase of 17 above the number allowed by the House of Representatives. But even with that increase, this measure allows for the Federal Communications Commission a personnel of 49 less than the Commission has at this moment. So again we are presenting a provision for a decrease in personnel, not an increase.

As the Senator from New Hampshire has stated, the Communications Commission performs a very important service. Every day requests are made to the Communications Commission for additional services. By the use of the radio in Red Cross work, in police work, in maritime work, in every avenue of radio communication and the transmission of information, the work of the Communications Commission is increasing. The committee, Mr. President, felt that to deny the increase which we recommended would seriously impede the work of the Commission. I trust that the increase may be allowed.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Iowa [Mr. GILLETTE], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Oklahoma [Mr. THOMAS], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. WITHERS] are detained on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from New Jersey would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] who is absent because of illness is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Minnesota would vote "yea."

The Senator from Washington [Mr. CAIN] and the Senator from Missouri [Mr. KEM] are detained on official business.

The result was announced—yeas 40, nays 39, as follows:

YEAS—40

Anderson	Holland	Morse
Chapman	Hunt	Murray
Connally	Johnson, Tex.	Myers
Cordon	Johnston, S. C.	O'Mahoney
Downey	Kefauver	Pepper
Ellender	Kerr	Robertson
Frear	Long	Russell
Fulbright	Lucas	Saltonstall
George	McCarran	Sparkman
Graham	McGrath	Taylor
Green	McKellar	Thomas, Utah
Gurney	McMahon	Young
Hayden	Magnuson	
Hill	Maybank	

NAYS—39

Aiken	Flanders	Martin
Baldwin	Hendrickson	Millikin
Brewster	Hickenlooper	Mundt
Bricker	Hoey	Schoeppel
Bridges	Ives	Smith, Maine
Butler	Jenner	Taft
Byrd	Johnson, Colo.	Thye
Capehart	Knowland	Tobey
Donnell	Langer	Vandenberg
Douglas	Lodge	Watkins
Dulles	McCarthy	Wherry
Ecton	McClellan	Wiley
Ferguson	Malone	Williams

NOT VOTING—17

Cain	Kilgore	Smith, N. J.
Chavez	McFarland	Stennis
Eastland	Miller	Thomas, Okla.
Gillette	Neely	Tydings
Humphrey	O'Conor	Withers
Kem	Reed	

So the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the heading "Federal Power Commission", on page 16, line 19, after the word "Columbia", to strike out the comma and "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents"; in line 21, after the word "exceed", to strike out "$220,000" and insert "$230,000"; on page 17, line 2, after the word "newspapers", to strike out "$3,650,000" and insert "$3,763,000"; in line 3, after the word "amount", to strike out "not to exceed $2,122,000 shall be available for personal services in the District of Columbia exclusive of", and in line 5, after the figures "$10,000", to insert "shall be available."

The amendment was agreed to.

The next amendment was, on page 17, line 14, after the word "binding", to strike out "$325,000" and insert "$337,000", and in the same line, after the amendment just above stated, to strike out the comma and "of which amount not to exceed $130,000 shall be available for personal services in the District of Columbia."

The amendment was agreed to.

The next amendment was, under the heading "Federal Trade Commission", on page 17, line 19, after the word "Columbia", to strike out the comma and "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents."

The amendment was agreed to.

The next amendment was, on page 18, line 2, after the figures "$700", to strike out "$3,450,000" and insert "$3,639,000."

Mr. BRIDGES. Mr. President——

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LUCAS. Will there be some debate on this amendment?

Mr. BRIDGES. Yes, there will be.

RECESS

Mr. LUCAS. Mr. President, it is now 10 minutes to 6, and in view of the fact that there will be some debate on this amendment, and probably another roll call, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Thursday, July 28, 1949, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 27, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, James P. Wesberry, LL. D., offered the following prayer:

Almighty and everlasting God, supreme lover of the universe and mighty ruler of the destiny of nations, Thou hast most graciously preserved and prospered us. Thou hast raised up these the leaders of our Nation's safety. We humbly beseech Thee to hear us as we express our gratitude for them and for Thy never-failing goodness and abundant blessings upon our Nation.

Make us, we pray Thee, Heavenly Father, in each passing moment of this congressional day, deeply conscious of the guidance of Thy holy hand. Give us an abiding cognizance of our accountability to Thee that Thy will may be done through us. And this we humbly ask in the name of Him who is the desire of all nations. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 142. An act excepting certain persons from the requirement of paying fees for certain census data;

H. R. 459. An act to authorize the payment of employees of the Bureau of Animal Industry for overtime duty performed at establishments which prepare virus, serum, toxin, or analogous products for use in the treatment of domestic animals;

H. R. 585. An act for the relief of Jacob A. Johnson;

H. R. 1127. An act for the relief of Sirkka Siiri Saarelainen;

H. R. 1303. An act for the relief of Dr. Elias Stavropoulos, his wife, and daughter;

H. R. 1360. An act to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex.;

H. R. 2417. An act to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force Base, as a recreational facility;

H. R. 2474. An act for the relief of Frank E. Blanchard;

H. R. 2799. An act to amend the act entitled "An act regulating the retent on contracts with the District of Columbia," approved March 31, 1906;

H. R. 2853. An act to authorize the Secretary of the Interior to issue duplicates of William Gerard's script certificates No. 2, subdivisions 11 and 12, to Blanche H. Weedon and Amos L. Harris, as trustees;

H. R. 3467. An act for the relief of Franz Eugene Laub;

H. R. 3512. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress and of the judicial branch of the Government whose employment is temporary or of uncertain duration;

H. R. 4022. An act to extend the time for commencing the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex., to July 31, 1950;

H. R. 4261. An act authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi;

H. R. 4646. An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes;

H. R. 4705. An act to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, from the government of the District of Columbia to the Administrative Office of the United States Courts, for budgetary and administrative purposes;

H. R. 4804. An act to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker;

H. R. 5508. An act to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; and

H. J. Res. 170. Joint resolution designating June 14 of each year as Flag Day.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1288. An act for the relief of certain officers and members of the crew of the steamship *Taiyuan*;

H. R. 1466. An act for the relief of Daniel Kim;

H. R. 1472. An act for the relief of the Olympic Hotel;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa;

H. R. 2290. An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams;

H. R. 2850. An act for the relief of Denise Simeon Boutant; and

H. R. 4566. An act to revise, codify, and enact into law title 14 of the United States Code, entitled "Coast Guard."

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 88. An act to amend section 60 of an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended;

S. 204. An act for the relief of Eugenio Maisterrena Barreneche;

S. 555. An act for the relief of Eiko Nakamura;

S. 586. An act for the relief of certain civilian personnel employed by the Navy Department, for expenses incurred incident to temporary duty performed at the Navy Yard, Philadelphia, Pa., in 1942;

S. 787. An act for the relief of William (Vasilios) Kotsakis;

S. 939. An act to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress;

S. 1026. An act for the relief of Roman Szymanski and Anastosia Szymanski;

S. 1128. An act to amend the act entitled "An act to regulate the practice of podiatry in the District of Columbia";

S. 1166. An act for the relief of Toriko Tateuchi;

S. 1350. An act to provide for two judges of the Juvenile Court of the District of Columbia, and for other purposes;

S. 1525. An act to provide for the appointment of a deputy disbursing officer and assistant disbursing officers for the District of Columbia, and for other purposes;

S. 1834. An act for the relief of the widow of Robert V. Holland;

S. 1870. An act prohibiting the sale in the District of Columbia of rockfish weighing more than 15 pounds;

S. 1871. An act to amend the Reconstruction Finance Corporation Act to prohibit the employment of certain personnel of the corporation by organizations receiving loans or other financial assistance therefrom;

S. 1949. An act to authorize the lease of the Federal correctional institution at Sandstone, Minn., to the State of Minnesota;

S. 2030. An act to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions; and

S. Con. Res. 51. Concurrent Resolution favoring the suspension of deportation of certain aliens.

EXTENSION OF REMARKS

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include a speech. It is possible that this speech may exceed the limit, but I do not think it does. Notwithstanding that it may exceed the limit I ask consent that the extension may be made.

The SPEAKER. Notwithstanding the excess, without objection, the extension may be made.

There was no objection.

MINIMUM-WAGE LEGISLATION

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUCAS. Mr. Speaker, the chairman of the Committee on Education and Labor, the gentleman from Michigan [Mr. LESINSKI] has made the statement that his minimum-wage bill, H. R. 3190, will be called up under his resolution, introduced for the purpose of going around the Rules Committee, on August 8. I understand there is some question as to what will be called up, because the postal pay-raise bill is due to be considered at the same time.

If on August 8 the House bill covering minimum wages is called up, I intend to offer a substitute bill, H. R. 4272, that has been prepared by a number of Members and which contains some very important provisions, one of which is the flexible minimum-wage provision. This section in the bill was prepared in the main by the gentleman from Arkansas [Mr. HAYS] and the gentleman from Pennsylvania [Mr. MCCONNELL]. It ties minimum wages in our law to the cost of living index so that wages will go up in time of inflation and go down in time of deflation. There will be stabilized employment. It is the best answer I have ever heard for a legal, equitable, and fair minimum wage.

Mr. Speaker, may I call the attention of the Members of the House to a booklet entitled "The Question of a Flexible Statutory Minimum Wage" which has been prepared by Dr. Gustav Peck of the Library of Congress, and I would request every Member to get a copy and read it. Here you will see that flexibility is an attribute much to be desired in minimum-wage legislation.

EXTENSION OF REMARKS

Mr. MULTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. GORSKI of New York asked and was given permission to extend his remarks in the RECORD and include an editorial entitled "Labor."

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include an address delivered at the University of Alaska by Hon. HENRY M. JACKSON.

Mr. MANSFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include remarks made by United States Reclamation Commissioner Michael W. Straus on July 22, 1949, at the ground-breaking ceremonies for the Canyon Ferry Dam on the Missouri River near Helena, Mont., and in the other to include an article taken from the Government Standard of July 8,

1949, also a Marine poem, and also approval of the Marine Corps Reserve Officers Association of the bills S. 2177 and H. R. 5403.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a statement.

COMMITTEE ON THE JUDICIARY

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on the bill H. R. 3113.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the Subcommittee on Monopoly of the Committee on the Judiciary may be permitted to sit during the rest of today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

UNITED STATES SHOULD NOT WITHDRAW FROM BERLIN

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the United States should go slow on moving the bulk of its military government officials out of Berlin, the reported plan of Mr. McCloy, the high commissioner, and reducing the military force for policing. The cold war may last as long as 20 years, and by being prepared for a cold war of that duration we are adopting the best way to avoid a hot war.

As Americans we like to button things up and get them finished, and this may be the reason for the projected Berlin-to-Frankfurt move, but the maintenance of our forward positions in Berlin, Vienna, Trieste, Japan, and Korea is one of the most significant guaranties to the democratic peoples of the world that we mean what we say in terms of the respect for international obligations and a determined opposition to conquest by permitting Communist infiltration. Let us not nullify the great victory for freedom of the Berlin air lift by a short-sighted move out of Berlin on grounds of administrative efficiency—valid as they may be.

EXTENSION OF REMARKS

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD.

Mr. TOLLEFSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. PHILLIPS of California asked and was given permission to extend his remarks in the RECORD and include a statistical table.

Mr. FULTON asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

RESTORATION OF THE HOME

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I rise to commend to your attention the address of His Holiness, Pope Pius XII, to an audience of women in Rome on July 24, in which he urged that they halt the spread of immorality among youth. His Holiness particularly stressed the need for the restoration of the home on a moral basis, and he decried influences in our public life which are contributing to what he termed the growing sensuality of youth. I think that every Catholic priest, Protestant minister, and Jewish rabbi could perform no greater service than to join the Pope in a movement to reestablish our moral structure.

The prime force in the destruction of morals today is political materialism. It travels under many names—communism, statism, socialism, and totalitarianism—but wherever it travels it spreads the same fundamentally false precept that man is secure if he has the physical necessities of life. Actually, materialism produces the most insecure people that the world has ever seen. We have only to look at Russia and the other Communist-dominated nations whose people have achieved not the security they sought but an existence ridden by fear and want. Until we again realize that a sound moral structure is the backbone of civilization, and our greatest security, the world is going to undergo unprecedented suffering.

I believe that every thinking American should rally to the Pope's call. The moral decay has infected our youth because it first infected the parents of those youths. Until a moral resurgence sweeps the face of the globe, the fate of our children and our children's children is going to be a bitter one.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

[Mr. HAND addressed the House. His remarks appear in the Appendix.]

THE PENTAGON BUILDING

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning I journeyed over to the Pentagon Building and received from the Army Department officials the usual cooperation and helpfulness. In one of yesterday's papers it was stated that the administration was about to divulge Russia's war aims against us. I could not help but feel while at the Pentagon Building that with practically all our armed forces' records and personnel there if Russia planned to drop an atomic bomb on the building it would wipe out most of the finest and highest trained officers of our armed forces. I believe, as a matter of defense, that the armed forces departments should be separated and located in different areas. It is claimed they were merged and placed in one building for economy and efficiency. In the end it would cost less and be safer for national defense if they were decentralized.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a table.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

CONTINUATION OF SESSIONS OF CONGRESS BEYOND JULY 31, 1949

Mr. MARTIN of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN of Massachusetts. Mr. Speaker, I rise to propound an inquiry to the Speaker and the majority leader.

Three years ago in response to a wide public demand the then Democratic Congress passed what was known as the reorganization bill. The purpose of the legislation was to initiate legislative reforms. The bill was warmly supported by the press, magazines, labor leaders, business executives, eminent educators, and students of public affairs. One of the reforms particularly stressed was the establishment of a fixed date for the adjournment of Congress.

In that bill was a paragraph, which I read:

SEC. 132. Except in time of war or in a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day (Sundays excepted) in the month of July in each year unless otherwise provided by the Congress.

You will note that this is mandatory language, subject only to emergencies. Unless the House is ready to accept the flimsy excuse that 4 years after the ending of a shooting war we are still at war, there are only two other ways we can continue legally to legislate after August 1. One is through the passage of a concurrent resolution, and the other the proclaiming by the President of an emergency. There may be emergencies at this time, and if so, I would like to have them specified.

As I stated, there has been talk of keeping the Congress in session on the pretext we are in war. Technically that, of course, is true, but I submit, Mr. Speaker, that will not ring true with the American people. It is doubtful from the progress we are making toward the ending of the war that we will ever reach the time when the war shall be officially ended. Certainly there will never be peace if we are obliged to get the consent of Russia.

I further submit that to continue without a resolution will place in jeopardy legislation which we pass after August 1. The Supreme Court only the other day in the Christoffel case said a tribunal that is not competent is no tribunal. It might say in this instance that a Congress sitting without a legal right to sit is not qualified to enact legislation. Surely we are playing risky and throwing a "cloud" over our work.

Now, as to the war-emergency excuse. The President and the Congress have both given adequate evidence that they do not believe there is now an emergency. This has been indicated through the frequent relaxation of emergency controls.

President Truman, in his message to Congress on February 19, 1947, said:

To the Congress of the United States:

During the year and a half that have elapsed since the defeat of our last enemy in battle we have progressively eliminated the great majority of emergency controls over the Nation's economy. The progress of reconversion now makes it possible to take an additional step toward freeing our economy of wartime controls.

Accordingly I am recommending that the Congress repeal certain temporary statutes still in effect by virtue of the emergencies proclaimed by the President in 1939 and 1941, and I have requested the executive departments and agencies to cease operations under powers derived from certain permanent statutes that are effective only during emergencies, to the extent that such operations are related to the 1939 and 1941 emergencies.

Note that he ordered those powers should be suspended which were effective only during emergencies.

The recommendations I here present for the consideration of the Congress will, if accepted, materially assist in further freeing the country of war controls and will help make possible an early ending of the emergencies. I have under continuing study the question of terminating the emergencies proclaimed in 1939 and 1941, and intend to take action as soon as circumstances permit.

In my recent message to the Congress on the state of the Union I outlined the following program with respect to the termination of emergency and wartime powers:

"Two groups of temporary laws still remain: The first are those which by congressional mandate are to last during the 'emergency'; the second are those which are to continue until the 'termination of the war.'

"I shall submit to the Congress recommendations for the repeal of certain of the statutes which by their terms continue for the duration of the 'emergency.' I shall at the same time recommend that others within this classification be extended until the state of war has been ended by treaty or by legislative action. As to those statutes which continue until the state of war has been terminated, I urge that the Congress promptly consider each statute individually, and repeal such emergency legislation where advisable."

Accordingly, I now submit recommendations with respect to more than 100 laws which are affected by the limited emergency declared September 8, 1939, or the unlimited emergency declared May 27, 1941.

In the case of those statutes that remain in force until termination of the war, I have directed the executive departments and agencies to assist the Congress in its consideration of these statutes, individually, by making available full information concerning them to the appropriate congressional committees. The work done on this subject in the Seventy-ninth Congress by the Committee on the Judiciary of both Houses, with the assistance of the Office of War Mobilization and Reconversion, the Department of Justice, and other Government agencies, should offer valuable aid to the Congress in accomplishing the task which remains. At a later date it may prove desirable to send a further communication to the Congress concerning these statutes.

Emergency laws dealt with in this message fall into five broad classes: (a) Temporary statutes which are no longer needed, and which consequently should be repealed forthwith; (b) permanent statutes under which operations related to the 1939 or 1941 emergencies have been or are being discontinued, but which should remain for possible use during future emergencies; (c) statutes appropriating funds, which should, when the funds are no longer required be handled by recission of funds rather than by repeal of the statutes; (d) statutes which should be temporarily extended by the Congress pending consideration of permanent legislation or other disposition as indicated below; (e) statutes which should continue in force for the period or purpose stipulated.

In appendixes to this message the statutes under reference are enumerated according to the above classifications.

It will be observed there is no mention of this particular restriction in Congress adjournment. Furthermore, I am informed that the committee which framed this resolution in 1946 came very nearly omitting the reference to emergencies. It was only included by the House as an extreme precautionary measure. At the time the reorganization bill was adopted there was no emergency in their minds, and we are now 3 years later.

On January 1, 1947, the President said:

Although a state of war still exists, it is at this time possible to declare, and I find it to be in the public interest to declare, that hostilities are terminated.

Then he went on to talk about the controls that should be eliminated.

The President on February 19, 1947, sent another message to the Congress, and he said:

During the year and a half that have elapsed since the defeat of our last enemy in battle, we have progressively eliminated the great majority of emergency controls over the Nation's economy. The progress of reconversion now makes it possible to take an additional step toward freeing our economy of wartime controls.

Accordingly, I am recommending that the Congress repeal certain temporary statutes still in effect by virtue of the emergencies proclaimed by the President in 1939 and 1941, and I have requested the executive departments and agencies to cease operations under powers derived from certain permanent statutes that are effective only during emergencies, to the extent that such operations are related to the 1939 and 1941 emergencies.

The recommendations I here present for the consideration of the Congress will, if accepted, materially assist in further freeing the country of war controls and will help make possible an early ending of the emergencies. I have under continuing study the question of terminating the emergencies proclaimed in 1939 and 1941, and intend to take action as soon as circumstances permit.

In my recent message to the Congress on the state of the Union I outlined the following program with respect to the termination of emergency and wartime powers:

"Two groups of temporary laws still remain: The first are those which by Congressional mandate are to last during the 'emergency'; the second are those which are to continue until the 'termination of the war'.

"Accordingly, I now submit these recommendations."

You will note from that the President had progressively ended war controls because the emergencies were over.

Mr. Speaker, I bring this up, I assure you, not in any partisan manner; not in any manner except to clarify the situation, that we may know properly where we stand. I want to remove if possible the cloud over our legislative acts. I believe that this can only legally be assured through the adoption of a resolution by both branches of the Congress. The fact it is so easy for Congress to continue its session by resolution is sufficient reason that emergency wartime proposals should not be utilized to keep Congress in session. If the Congress by any chance was in such a position that it could not help itself, there might be some reason to defend the restriction. Congress is here. Congress could simply pass a resolution extending it indefinitely or to a given date. But I submit, Mr. Speaker, that not only for today but for the years to come, unless we exercise common sense and reason we will go on indefinitely being deprived of one of the essential reforms of the reorganization act because we are at war.

Mr. Speaker, I submit this question to you with confidence in your integrity. I do it as a contribution to orderly procedure and in an effort to clarify a grave doubt.

The SPEAKER. The Chair is prepared to answer the parliamentary inquiry of the gentleman from Massachusetts. The gentleman from Massachusetts was kind enough to advise the Chair on last Monday that he intended to raise this question so that the House might have an interpretation for its guidance.

Section 132 of the Legislative Reorganization Act of 1946 provides:

SEC. 132. Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day (Sundays excepted) in the month of July in each year unless otherwise provided by the Congress.

It is indisputable that we were on August 2, 1946, the time the Legislative Reorganization Act was passed, in a state of war, and that the national emergencies declared by the President on September 8, 1939, and May 27, 1941, were still in effect. That same state of affairs continues today. The state of war still exists, and the national emergencies declared by the President still exist.

That fact—that the state of war and national emergencies have continued to exist—has been recognized on numerous occasions. Following the passage of the

Legislative Reorganization Act the President on December 31, 1946, issued his proclamation declaring the cessation of hostilities of World War II. At that time the President stated that his proclamation did not effect the termination of the national emergencies or of the state of war.

The Supreme Court on at least two occasions since the passage of the Legislative Reorganization Act, and as recently as February 1948, recognized the distinction between the termination of hostilities and the termination of the war itself.

In *Fleming* v. *Mohawk Wrecking & Lumber Co.* (331 U. S. 111), decided in 1947, the Supreme Court unanimously upholding the exercise of authority by the President under title I of the First War Powers Act of 1941, which the President was authorized to use only in matters relating to the conduct of the present war, said:

> The cessation of hostilities does not necessarily end the war power.

In *Woods* v. *Miller Co.* (333 U. S. 138), decided in 1948, the Supreme Court again, and once more unanimously, upheld the constitutionality of the Housing and Rent Act of 1947 as a valid exercise by the Congress of its war powers, saying:

> Whatever may be the consequences when war is officially terminated, the war power does not necessarily end with the cessation of hostilities.

The Congress itself in enacting Senate Joint Resolution 123, Eightieth Congress, a year after the passage of the Legislative Reorganization Act, recognized the continued existence of the state of war and of the emergencies.

It will be recalled that Senate Joint Resolution 123, which became Public Law 239 of the Eightieth Congress, provided that with respect to a number of specified statutory provisions the war and the emergencies should be considered terminated. But the central principle—that the state of war and the national emergencies continued to exist—was clearly recognized and reinforced.

The Chair is not aware that either the Congress or the President has taken any step whatever which would have the effect of terminating World War II as such or the national emergencies as such. For the foregoing reasons it is clear that section 132 of the Legislative Reorganization Act has no effect at this time because in its own words it is not effective "in time of war or during a national emergency proclaimed by the President."

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. I assume, of course, from the response of the Speaker that we are to continue with the session after August 1, with no further action in the way of a resolution by the Congress.

The SPEAKER. That would be the interpretation of the Chair, that it would not be necessary to pass a concurrent resolution for the continuance of the Congress beyond the 1st of August.

Mr. HALLECK. Then, Mr. Speaker, since it is apparent that we are going to go beyond the 1st of August, I wonder if the Speaker can give us any information as to when we may reasonably expect that the work of the House of Representatives may be concluded in order that we may be in a little better position to make our plans for the rest of the year and, I believe, to make some determinations as to the legislative program. I understand, that it may well be that the Speaker is not in any position at this time to say anything to us about this matter about which I am inquiring, but I can see around me what I am sure is a lot of interest in the matter about which I have inquired. I am quite sure that my colleagues will join with me in expressing the hope that very shortly we can come to the end of the labors of this session and get back home.

The SPEAKER. The Chair may say, in response to the inquiry of the gentleman from Indiana, that anything he may say about the length of this session would be only the expression of a hope.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Mr. Speaker, if the Supreme Court should decide that the war has terminated, would that not vitiate every law that we would pass from now on without passing a resolution?

May I say to the Speaker that I am somewhat alarmed at a recent decision of the Supreme Court setting aside the conviction of a man for committing perjury before a committee of the House on the ground there was not a quorum present. Suppose the Supreme Court should go off on a similar tangent and decide that the war has been terminated, would that not vitiate any legislation we might pass unless we passed a resolution to continue the session, as the law provides, and would it not be a simple matter to bring in a resolution extending the regular session as provided by law and thus eliminate that danger?

The SPEAKER. Of course, the Chair is not in position or not of a disposition to guess or prognosticate on what the Supreme Court of the United States will do.

Mr. RANKIN. I would not impose that burden on the Chair, of course.

The SPEAKER. But if and when that time comes the Congress could by its own action clear up those things.

Mr. RANKIN. The trouble is, Mr. Speaker, that after we have legislated for 6 weeks more, and I think we will be here until the middle of September, if the Supreme Court were to hold that the war had terminated and that we were sitting without authority, it might affect every law that we would pass in the next 6 weeks.

The SPEAKER. The Chair would think that the Supreme Court of the United States reads the CONGRESSIONAL RECORD.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. Mr. Speaker, we all appreciate that this is a very vital question, that it is a question of law and in the final analysis has to be decided by the Supreme Court of the United States.

The Chair has made his ruling and that ruling is binding upon the House and can only be challenged in the courts.

This question gave me some concern and on yesterday I asked the American Law Division of the Legislative Reference Service to prepare a brief for me on the questions involved. That brief was delivered to me a few minutes ago. I have not had time to thoroughly digest it. Some of the brief is not in keeping with what my views were; however, I may possibly be wrong.

Inasmuch as this is a legal proposition to be decided by the law and the precedents, I think the entire membership of the House is entitled to the conclusion of this agency which the Congress has set up in the Library of Congress for the express purpose of advising the Congress as to what the decisions indicate, as well as its conclusions.

I therefore ask unanimous consent, Mr. Speaker, that the opinion rendered by Mr. Frank B. Horne, American Law Section, of July 26, be included at this point in the RECORD.

The SPEAKER. Would the gentleman be willing to have that inserted in the Appendix of the RECORD?

Mr. MICHENER. If the Speaker desires, I would be willing, but inasmuch as this whole question is so vital and should all be considered together, I believe it should be inserted at this point. I may say to the Chair that the opinion is not at variance with the ruling which the Speaker has made, even though it is not in keeping with my preconceived views.

The cases to which the Speaker has referred are cited as well as many others. I think it would be for the benefit of all those interested to have these views at one spot in the CONGRESSIONAL RECORD. Of course, I shall be pleased to abide by whatever the Speaker says.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not object, I would like to say to the gentleman from Michigan, and to the House, that it seems to me that the wise thing to do is to pass a continuing resolution immediately. I do not think there would be any particular objection to it, and it would eliminate the danger of having the laws we pass during the rest of the session set aside by the Supreme Court.

Mr. MICHENER. There is no question about that. I was on the Reorganization Committee, and the intent and the purpose was to fix a final and a definite date which would control the annual sine die adjournment unless the Congress, in its wisdom, decided otherwise before the date specified, on the 31st day of July in each year, arrived. The Speakers ruling holds that we are still at war technically, that an emergency declared by the President in 1937 and another one declared in 1941 still exists. Therefore, the only solution, if we want to adjourn, is to pass a resolution of adjournment, fixing the date. That will remove all doubt.

The SPEAKER. As to the request of the gentleman from Michigan, of course, the gentleman from Michigan knows that the Chair has no more respect for

any other Member of the House than he has for him, but the Chair would prefer, if the gentleman does not object, that the matter he speaks of be extended in the Appendix of the RECORD.

Mr. MICHENER. Mr. Speaker, may I suggest, in view of what I said, that if it is not objectionable, that the decision be inserted immediately preceding the ruling of the Chair? It is not at variance with the ruling; it is amplifying.

The SPEAKER. The Chair, of course, would not object to that himself.

Mr. HOFFMAN of Michigan. I object, Mr. Speaker.

The SPEAKER. But the Chair thinks that that would hardly be the place for it to go.

Mr. VORYS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. VORYS. The Chair has given an expression of his views, but is this not the case, that the only way in which the Chair could rule on the point would be if a point of order were made after July 31 to some action of the House on the ground that the House is not in session? The Chair cannot rule in advance.

The SPEAKER. The Chair assumes that the gentleman from Massachusetts [Mr MARTIN] made his parliamentary inquiry today in order to obviate a thing like that.

PERMISSION TO ADDRESS THE HOUSE

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[Mr. JUDD addressed the House. His remarks appear in the Appendix.]

REORGANIZATION PLANS

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to ask a question of the gentleman from Minnesota.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, is it the position of the gentleman from Minnesota that unless such a resolution, putting into effect the reorganization plans of the President prior to August 19, is passed, and later there should be a court decision that the Congress had no right to sit after July 31, then, by waiting until August 19 any reorganization plan that might be submitted by the President would be ruled illegal, and chaos would be created in the Government.

Mr. JUDD. That is right, because the 60 days would not have expired.

Mr. BROWN of Ohio. Under the Reorganization Act, of course, unless 60 days of a session do expire, the reorganization plans do not become effective?

Mr. JUDD. That is right.

PARLIAMENTARY INQUIRY

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. There is some confusion in the minds of some of us as to whether the opinion referred to by the gentleman from Michigan [Mr. MICHENER] was to be printed at that point in the RECORD or in the Appendix. May I have a statement as to where it is to go?

The SPEAKER. The Chair submitted the request of the gentleman from Michigan [Mr. MICHENER]. If anyone objected, the Chair did not hear it.

Mr. HOFFMAN of Michigan. There was an objection, Mr. Speaker.

The SPEAKER. Did the gentleman himself object?

Mr. HOFFMAN of Michigan. Yes; I think it should go in the Appendix.

The SPEAKER. The gentleman objects to its appearing in the RECORD at that point.

MILITARY RENTAL HOUSING

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Forces installations, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1127)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: ", except that where the Secretary of Defense or his designee in exceptional cases certifies and the Commissioner concurs in such certification that the needs would be better served by single-family detached dwelling units the mortgage may involve a principal obligation not to exceed $9,000 per family unit for such part of such property as may be attributable to such dwelling units"; and on page 18 of the Senate engrossed bill, line 22, after the word "defense" insert "or in the public interest."

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
Managers on the Part of the House.

BURNET R. MAYBANK,
JOHN SPARKMAN,
PAUL H. DOUGLAS,
RALPH E. FLANDERS,
HARRY P. CAIN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Under the Senate bill the mortgage could involve a principal obligation of not to exceed an average of $8,100 per family unit. The House amendment provided in addition that where the Commissioner finds in exceptional cases that there is a need for larger-sized family units in any project the mortgage may involve a principal obligation in an amount not to exceed $9,000 per family unit. The conference agreement retains the $8,100 figure generally but provides that where the Secretary of Defense or his designee and the Commissioner certify that the needs would be better served by single-family detached-dwelling units the mortgage may involve a principal obligation of not to exceed $9,000. In addition it is provided that utility of related service may be furnished where the furnishing thereof is in the public interest as well as in cases where it is in the interest of national defense.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, this is the conference report we attempted to bring up yesterday by unanimous consent. It was objected to at that time because the report had not been printed. The amendments agreed to by conferees were minor amendments, and were explained at that time.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, the conference report before us is on a bill which was considered in the House under a suspension of the rules. Therefore, it could not be amended. The bill provides for the building of military housing involving millions and millions of dollars. It is a gigantic program. Despite the talk about the abolition of segregation and discrimination in the armed forces these conditions still exist. There is nothing in this bill protecting Americans against these conditions. Here we are providing for the building of military housing with the money of all the taxpayers, Negro and white, and no provision is made for protection against discrimination and segregation in this housing program. There is absolutely no guaranty against discrimination and segregation in this military-housing program which is of such gigantic proportions.

Since we could not offer such an amendment in the House, because the bill was considered under suspension of the rules, there is only one recourse left to those of us who believe in guaranteeing housing against conditions of segregation and discrimination, and that is to recommit this conference report to the Committee of Conference as a protest and in the hope that that body, as the

third legislative body of this Congress, will write those guaranties which are consistent with the desires of the American people to abolish segregation and discrimination, particularly in the armed forces.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. GAMBLE. Mr. Speaker, I have no requests for time.

Mr. SPENCE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. MARCANTONIO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MARCANTONIO. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MARCANTONIO moves to recommit the conference report on S. 1184 to the committee of conference.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 52, nays 289, not voting 91, as follows:

[Roll No. 145]

YEAS—52

Biemiller	Havenner	Marcantonio
Blatnik	Holifield	Morgan
Buckley, Ill.	Howell	Norton
Burke	Jackson, Wash.	O'Brien, Mich.
Carroll	Jacobs	O'Hara, Ill.
Cavalcante	Javits	O'Sullivan
Chudoff	Karsten	Rhodes
Crosser	Kee	Roosevelt
Davenport	Kelley	Sadowski
Dawson	King	Sullivan
Dollinger	Klein	Tauriello
Douglas	Lesinski	Wagner
Feighan	Linehan	Welch, Calif.
Fulton	McCarthy	Wier
Furcolo	McGrath	Yates
Gorski, N. Y.	McGuire	Young
Granahan	McSweeney	
Granger	Madden	

NAYS—289

Abbitt	Battle	Buchanan
Abernethy	Beall	Burdick
Addonizio	Beckworth	Burleson
Albert	Bennett, Fla.	Burton
Allen, Calif.	Bennett, Mich.	Byrnes, Wis.
Allen, Ill.	Bentsen	Cannon
Allen, La.	Bishop	Carlyle
Andersen, H Carl	Blackney	Carnahan
	Boggs, Del.	Case, N. J.
Anderson, Calif.	Boggs, La.	Celler
Andresen, August H.	Boiling	Chesney
	Bolton, Md.	Chiperfield
Andrews	Bolton, Ohio	Christopher
Angell	Bonner	Church
Arends	Bosone	Clemente
Aspinall	Boykin	Cole, Kans.
Auchincloss	Brambiett	Colmer
Bailey	Breen	Combs
Baring	Brooks	Cooley
Barrett, Wyo.	Brown, Ga.	Cooper
Bates, Ky.	Brown, Ohio	Cotton
Bates, Mass.	Bryson	Cox
Crook	Jones, N. C.	Poulson
Curtis	Karst	Preston
Dague	Kean	Price
Davis, Ga.	Kearns	Priest
Davis, Tenn.	Keating	Quinn
Davis, Wis.	Keefe	Rabaut
Deane	Kennedy	Rains
DeGraffenried	Kerr	Ramsay
Delaney	Kilday	Rankin
Denton	Kirwan	Rees
D'Ewart	Kruse	Regan
Dolliver	Kunkel	Rich
Dondero	Lane	Richards
Donohue	Lanham	Riehlman
Doughton	Larcade	Rivers
Doyle	LeCompte	Rodino
Durham	LeFevre	Rogers, Fla.
Eberharter	Lemke	Rogers, Mass.
Elliott	Lind	Sadlak
Ellsworth	Lodge	St. George
Engel, Mich.	Lucas	Sanborn
Evins	McConnell	Sasscer
Fenton	McCormack	Scott, Hugh D., Jr.
Fernandez	McCulloch	
Fisher	McDonough	Scrivner
Flood	McMillan, S. C.	Scudder
Forand	McMillen, Ill.	Secrest
Frazier	Mack, Ill.	Simpson, Ill.
Fugate	Mack, Wash.	Simpson, Pa.
Gamble	Macy	Sims
Garmatz	Magee	Smith, Kans.
Gary	Mahon	Smith, Va.
Gathings	Mansfield	Smith, Wis.
Gavin	Marsalis	Spence
Gillette	Marshall	Staggers
Golden	Martin, Iowa	Steed
Gordon	Martin, Mass.	Stefan
Gore	Mason	Stigler
Gorski, Ill.	Merrow	Stockman
Gossett	Meyer	Sutton
Graham	Michener	Taber
Grant	Miles	Tackett
Gregory	Miller, Md	Talle
Gross	Miller, Nebr.	Teague
Hagen	Monroney	Thomas, Tex.
Hale	Morris	Thompson
Hall, Edwin Arthur	Morrison	Thornberry
	Morton	Tollefson
Hand	Moulder	Towe
Harden	Multer	Trimble
Hare	Murdock	Underwood
Harris	Murray, Tenn.	Van Zandt
Hart	Murray, Wis.	Velde
Harvey	Nelson	Vinson
Hays, Ark.	Nicholson	Wadsworth
Hébert	Noland	Walsh
Heffernan	Norblad	Weichel
Herlong	Norrell	Welch, Mo.
Heselton	O'Brien, Ill.	Werdel
Hill	O'Hara, Minn.	Wheeler
Hinshaw	O'Konski	Whitaker
Hobbs	O'Neill	White, Calif.
Hoeven	Pace	Whitten
Hoffman, Mich.	Passman	Whittington
Holmes	Patman	Wickersham
Hope	Perkins	Wigglesworth
Horan	Peterson	Williams
Hull	Pfeiffer, William L.	Willis
Jackson, Calif.		Wilson, Okla.
James	Philbin	Wilson, Tex.
Jenison	Phillips, Calif.	Winstead
Jenkins	Phillips, Tenn.	Wolverton
Johnson	Pickett	Wood
Jonas	Plumley	Woodruff
Jones, Ala.	Poage	Worley
Jones, Mo.	Polk	Zablocki

NOT VOTING—91

Barden	Ford	Lynch
Barrett, Pa.	Gilmer	McGregor
Bland	Goodwin	McKinnon
Brehm	Green	Miller, Calif.
Buckley, N. Y.	Gwinn	Mills
Bulwinkle	Hall, Leonard W.	Mitchell
Burnside		Murphy
Byrne, N. Y.	Halleck	Nixon
Camp	Hardy	O'Toole
Canfield	Harrison	Patten
Case, S. Dak.	Hays, Ohio	Patterson
Chatham	Hedrick	Pfeifer, Joseph L.
Chelf	Heller	
Clevenger	Herter	Potter
Cole, N. Y.	Hoffman, Ill.	Powell
Corbett	Huber	Redden
Coudert	Irving	Reed, Ill.
Crawford	Jennings	Reed, N. Y.
Cunningham	Jensen	Ribicoff
Davies, N. Y.	Judd	Rooney
Dingell	Kearney	Sabath
Eaton	Keogh	Scott, Hardie
Elston	Kilburn	Shafer
Engle, Calif.	Latham	Sheppard
Fallon	Lichtenwalter	Short
Fellows	Lovre	Sikes
Fogarty	Lyle	Smathers
Smith, Ohio	Vorys	Wilson, Ind.
Stanley	Vursell	Withrow
Taylor	Walter	Wolcott
Thomas, N. J.	White, Idaho	Woodhouse

So the motion to recommit was rejected.

The Clerk announced the following pairs:

General pairs until further notice:

Mrs. Woodhouse with Mr. Latham.
Mr. Miller of California with Mr. Coudert.
Mr. Lyle with Mr. Leonard W. Hall.
Mr. Mills with Mr. Reed of New York.
Mr. Powell with Mr. Wilson of Indiana.
Mr. Joseph L. Pfeifer with Mr. Smith of Ohio.
Mr. Hardy with Mr. Herter.
Mr. Irving with Mr. Crawford.
Mr. Chatham with Mr. Lovre.
Mr. Davies of New York with Mr. Nixon.
Mr. Engel of California with Mr. Potter.
Mr. Camp with Mr. Vorys.
Mr. Burnside with Mr. Case of South Dakota.
Mr. Bland with Mr. Cunningham.
Mr. McKinnon with Mr. Fellows.
Mr. Hedrick with Mr. Goodwin.
Mr. Buckley of New York with Mr. Jennings.
Mr. Byrne of New York with Mr. Jensen.
Mr. Ribicoff with Mr. Canfield.
Mr. Murphy with Mr. Hardie Scott.
Mr. Mitchell with Mr. Halleck.
Mr. Fallon with Mr. Eaton.
Mr. Fogarty with Mr. Walcott.
Mr. O'Toole with Mr. Hoffman of Illinois.
Mr. Keogh with Mr. Taylor.
Mr. Lynch with Mr. Cole of New York.
Mr. Patten with Mr. Brehm.
Mr. Sikes with Mr. Elston.
Mr. Smathers with Mr. McGregor.
Mr. Stanley with Mr. Kilburn.
Mr. Walter with Mr. Lichtenwalter.
Mr. Huber with Mr. Patterson.
Mr. Jones of Alabama with Mr. Reed of Illinois.
Mr. Green with Mr. Gwinn.
Mr. Gilmer with Mr. Judd.
Mr. Barrett of Pennsylvania with Mr. Kearney.
Mr. Chelf with Mr. Withrow.
Mr. Dingell with Mr. Short.
Mr. Redden with Mr. Shafer.
Mr. Harrison with Mr. Vursell.
Mr. Rooney with Mr. Ford.

Mr. JACKSON of Washington changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, a few moments ago I asked that an opinion from the Legal Department of the Library of Congress be inserted in the body of the RECORD. I was uncertain as to whether or not my request was granted. I am advised that the gentleman from Michigan [Mr. HOFFMAN] objected. Therefore, I ask unanimous consent,

after having spoken to the gentleman from Michigan [Mr. HOFFMAN], that this document may be inserted in the Appendix of the RECORD and that I may have permission to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INSECTS AND PLANT DISEASES

Mr. KERR. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 327, making an additional appropriation for control of emergency outbreaks of insects and plant diseases.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. TABER. Mr. Speaker, reserving the right to object, is it proposed that this will be taken up in the House as in Committee of the Whole? This will require some explanation.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. Mr. Speaker, I ask unanimous consent that House Joint Resolution 327, making an additional appropriation for control of emergency outbreaks of insects and plant diseases, be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. KERR]?

Mr. PHILLIPS of California. Reserving the right to object, will that mean we will have an opportunity to discuss the matter?

The SPEAKER. It will be considered under the 5-minute rule.

Is there objection?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That the following sum is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1950:

DEPARTMENT OF AGRICULTURE

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

For an additional amount for "Control of emergency outbreaks of insects and plant diseases", $1,500,000.

Mr. KERR. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the joint resolution before you provides the amount of $1,500,000 for the control of emergency outbreaks of insects and plant diseases under the Department of Agriculture. This amount is made necessary principally as a result of emergency outbreaks of grasshoppers in the States of Wyoming and Montana and in certain scattered areas in the States of Nevada, California, Arizona, Texas, Kansas, Colorado, and Nebraska.

Witnesses testified that of the amount of $1,495,000 appropriated for the fiscal year 1950, nearly the entire amount had been expended in fighting the infestation in these areas. The rate of expenditure at the present time, according to testimony, is in the neighborhood of $200,000 a day on the days that bait is purchased which, however, is only three or four times a month. Contract obligations for the hiring of aircraft used in spreading the bait is about $30,000 a day.

On the basis of these expenditures, it is believed that the amount recommended will carry the Department through the grasshopper season. An area of 2,700,000 acres has already been treated, and approximately the same number of acres still remain to be treated.

The committee was surprised to learn of the small contributions made by the affected States, and we have, accordingly, informed the Department that greater efforts must be made to secure State and county assistance. The States of Wyoming and Montana, for instance, have appropriated only the amount of $200,000 for this purpose. While approximately 60 percent of the area already treated and to be treated is public domain and a responsibility of the Federal Government, nonetheless, members of the committee feel where the work is done in the interest of the States, counties, and private ranches that additional financial assistance should be insisted upon.

This is the heaviest infestation of grasshoppers experienced for a number of years, and it is believed that a wise expenditure of the amount recommended will decrease the population sufficiently to minimize the destruction this year and reduce the hatching and render the control of this pest easier the following year.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield.

Mr. H. CARL ANDERSEN. How much was requested by the budget for this particular job?

Mr. KERR. Three million five hundred thousand dollars.

Mr. H. CARL ANDERSEN. That was my understanding. I am asking that for the information of the House. Our Appropriations Committee has allowed only $1,500,000. Is it the gentleman's understanding that it is entirely within the rights of the Department of Agriculture whether they can spend this entire $1,500,000 on grasshopper control, or are they forced to expend one-third of it, as some of us believe, in other controls?

Mr. KERR. There is no legislative restriction with respect to that. The Department of Agriculture, which has this under control, can spend it wherever the infestation is worst.

Mr. H. CARL ANDERSEN. Does the gentleman feel this is a sufficient amount of funds to do this job?

Mr. KERR. Well, we felt that way about it.

Mr. H. CARL ANDERSEN. The Department said they needed $3,500,000.

Mr. KERR. Yes; that was the amount.

Mr. H. CARL ANDERSEN. May I say with reference to your remarks as to the States and counties affected making appropriations, of course, we know that the hatching grounds are out there in the West, and we in Minnesota, Iowa, and Nebraska are not interested in these flights of grasshoppers coming east. It is really in our States, though, that they do the damage after they leave the breeding grounds back there in Wyoming and Montana. Naturally our people are awake to the fact that the menace is there.

Mr. KERR. The gentleman realizes, of course, that these infested areas are problematical; sometimes they break out where you do not expect them. The committee thought that this $1,500,000 was sufficient to take care of it.

Mr. H. CARL ANDERSEN. My sole purpose in asking these questions of the gentleman from North Carolina has been that I want in the RECORD for the other body to see the question of whether or not this sum is sufficient. I would like to have that gone into very thoroughly when the other body does consider this particular appropriation.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. TABER. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, there was appropriated in the first deficiency bill which was passed on the 24th of May $1,750,000 to be used to get them started on this grasshopper operation. There was also appropriated $1,495,000 in the regular agriculture bill which became law on the last of June. Down to the 22d of July Dr. Rohwer told us that they had expended that amount, $1,250,000, for bait and that they had spent out of the $1,450,000, $1,116,000 for grasshopper control, and for other activities $116,130. The activities for grasshopper control would total in connection with this particular drive that they have on in Wyoming and Montana where the heft of this trouble is, according to their estimates on page 18 of the hearings, $1,195,000. There were some other activities in which they wanted to engage in other States, but they were smaller activities. We felt that if we gave them $1,500,000 that that should carry them through, and it was for that reason that the committee recommended this amount. The House, of course, must realize that a department is never satisfied with what it gets; the sky is the limit with them, and even if the break-down does not add up to what they wanted they still want it. But I really feel that if we give them this amount of money that that is all they will need to carry the job along and do it right. When you consider this matter you have to take into consideration that they will have had probably a million and a half dollars more than they used altogether for every activity last year and this should permit them to go a long way.

Mr. BARRETT of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wyoming.

Mr. BARRETT of Wyoming. Is it not a fact that the officials of the Bureau of Entomology and Plant Quarantine testified that the infestation is much worse than they anticipated when they appeared before the gentleman's committee in May?

Mr. TABER. I think that is probably so. That is why they are planning to

spend $1,195,000 in cleaning up this infested area in Montana and Wyoming.

Mr. BARRETT of Wyoming. The hearings have been made available just a moment ago and I have not had an opportunity to read them, but according to my information the intensity of grasshoppers is considerably greater than anticipated, and also the infested areas cover nearly 3,000,000 more acres than originally expected. We had no cold rains during the spring and practically every grasshopper hatched and, consequently, the situation got out of control. It took twice as much bait per acre, and, of course, it took more time and money than anyone could possibly anticipate. I doubt if the job has been half completed.

Mr. TABER. They said it was half covered and they expected to cover the rest of it with that amount of money.

Mr. BARRETT of Wyoming. I have conferred with the officials of the Department on numerous occasions and I have been informed that at least $2,500,000 will be needed to do the job. These grasshoppers have done immeasurable damage in Wyoming and Montana, but there is great danger to the entire Mountain States area because these grasshoppers, when matured, can fly upward of 300 miles and, thereby, infest new areas. While I appreciate the action of this committee, nevertheless, I had hoped the appropriation would be larger.

Mr. TABER. Yes, but they went into a lot of other things, too, which they had the money for already.

Mr. BARRETT of Wyoming. I want to clear up one other item, if the gentleman will permit. The chairman of this committee, Judge KERR, said that the State of Wyoming had appropriated $110,000 to assist in this program. Is it not a fact that each of the counties in the infested area has assisted in this program and the individual ranchers or farmers, whether they had privately owned land or Government land, have contributed in addition at the rate of 10 cents an acre for the application of this poison bait on their land?

Mr. TABER. I think there are some payments by the counties and by the individual landowners. Some of it is in the nature of work that is furnished by the farmers.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BARRETT of Wyoming. May I say to the gentleman that this program was carried out only where every landowner in blocks up to 20,000 acres joined in paying for every acre that was poisoned, where the counties paid for mixing and loading the bait into airplanes and where the States cooperated; so that the fact of the matter is that the States, the counties, and the individuals have done everything that they have been asked to do to carry out this program.

This infestation is the worst since 1934 and the people of Wyoming have cooperated in every way possible to put the program over. The spreading of bait by airplanes has proved very effective. I may say to the gentleman that the Department proposes to require a higher contribution from the ranchers to be assisted with the funds made available by this appropriation. I assume that is being done because the State funds have been exhausted.

Mr. TABER. They did not tell us anything about that.

Mr. BARRETT of Wyoming. I am sure that is the fact.

Mr. TABER. It may be.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Montana.

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. D'EWART. Mr. Speaker, I am glad the Appropriations Committee has reported this special appropriation to continue the campaign against grasshoppers in the States of Montana and Wyoming where the infestation this year is extremely heavy.

In the affected areas, many thousands of acres of rangeland have been seriously damaged by the insects. As serious as this condition is, the damage the insects can do to croplands in other areas if they are not exterminated before they begin their migration is of even greater importance.

It is unfortunate that an underestimation of the extent of the infestation has brought about a temporary halt in the eradication campaign due to the exhaustion of funds available for the work. It is important that the additional funds contained in this measure be made available at the earliest possible opportunity. Once the insects begin to lay eggs and to migrate, it is too late to prevent an even more serious infestation next year.

I note that the committee in its report is somewhat critical of the efforts made by the States of Montana and Wyoming and by local interests. I might say in this connection that the legislature of the State of Montana appropriated $50,000 to be matched by the counties to fight grasshoppers. This appropriation was made before the extent of the infestation was known. The State legislature recessed in March and the State has had no opportunity to make additional appropriations for this purpose, if it were warranted to do so.

I believe the farmers and ranchers in the area are to be commended for the part they have taken in this work. I have no exact figures to offer, but it is known that many hundreds of them have assessed themselves from 10 to 24 cents per acre to spread the poison bait on their lands. Some of them have been pleased to have the help of the Federal Government in this campaign. Some of them have told me they could do a better job without Federal interference.

The work of eradicating these insects is extremely important and I hope that this appropriation, which is needed so badly right now, will be approved by the Congress.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Nebraska.

Mr. STEFAN. As I understand it, of this $1,500,000 65 percent will be used for the eradication of grasshoppers. I am also assured by members of the committee, in answer to some inquiries that have been made of me, that in addition to grasshoppers this money will be used for the eradication of the Mormon cricket, which is nothing more nor less than a larger grasshopper. Is that true?

Mr. TABER. That is within the range of this appropriation. The Department has the authority to move in on all of these things. The title of the appropriation is "Control of emergency outbreak of insect and plant diseases" so that it would cover those items.

Mr. STEFAN. As I understand it, the situation is not as acute as it was in 1931, 1932, and 1934 when there was a grasshopper plague in most of the States of the Middle West. The purpose of this program is to eradicate the grasshoppers which are now in the adult state in order to stop them from flying from their present location.

Mr. TABER. That is what we were told, that the concentrated infestation is in eastern Wyoming and eastern Montana. I think, as a matter of fact, it is northeastern Wyoming and southeastern Montana.

Mr. STEFAN. The report indicates it is also prevalent in some parts of Nebraska.

Mr. TABER. Well, it may spread over into the edges a little, but according to the map it did not indicate very much.

Mr. STEFAN. And the committee felt that $1,500,000 would be sufficient to stop the grasshoppers going into other locations.

Mr. TABER. That is right.

Mr. STEFAN. And you did not need the amount of money at the time this infestation was in approximately 24 States.

Mr. TABER. That is correct.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. PHILLIPS of California. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I have considerable doubt of the propriety of bringing a bill of this kind before the Congress without an opportunity for full discussion and without a full understanding of it. I address myself particularly to the Representatives, Mr. Speaker, of some of the Southern States.

The program for the elimination of grasshoppers—and in that classification is included the Mormon cricket—began about 1935, and has been a fairly successful program. This year there was a much greater infestation than before. It is not an emergency situation in the sense that nobody knew about it because the gentleman from Montana [Mr. D'EWART], who is sitting directly in front

of me, appeared, I recall, before the Senate subcommittee in connection with the third deficiency appropriation bill, so that I think there is time or should be time for us to find out just what we are doing.

I shall vote for the bill. I do not think—and what I say could easily be confirmed—I do not think there will be the mathematical division of the funds between the objectives that has been expressed upon this floor today, either by the chairman or by other members of the committee.

These programs are carried out in conjunction with the State, and I rise, Mr. Speaker, to state that I am very much in favor of that. I have never held the idea which may be expressed as a theory that if the neighbors have chickenpox, and when your children get chickenpox, you should not spend anything on it because they got it from the neighbors. I have argued in my own State regarding contributions from that State in connection with insect infestations against which, I believe, the States should make larger contributions.

I want to point out, particularly to the gentlemen from Louisiana, Florida, North Carolina, Georgia, Alabama, and other Southern States, that there will not be the money in this bill which I think they believe is in the bill for the continued operation of the white-fringe-beetle program or Hall scale. Hall scale is pretty well under control. The white-fringe beetle has been under control recently. It is a root borer that is very damaging to cotton, potatoes, and some other crops. My point is that I am not objecting to the bill, but I want it thoroughly understood that, in my opinion, there will not be the money in this bill, when it is divided, to take care of the control of grasshoppers, or, if it is used for that, then the money will not be there for the carrying on of the annual program which has been carried on in the Southern States against the other insects which are recited in the bill.

Mr. STEFAN. Mr. Speaker, if the gentleman will yield, has the gentleman found out yet what a white-fringe beetle is?

Mr. PHILLIPS of California. Yes. The gentlemen had a pretty good idea in the committee meeting, but thought we should have more information.

Mr. NICHOLSON. Mr. Speaker, if the gentleman will yield, why does not the gentleman from California specifically state, then, that this is for grasshoppers and not for the pest controls that we have in other sections?

Mr. PHILLIPS of California. The gentleman from California is discussing a resolution which has been printed and is before the Congress. About $1,000,000 of this money will be used, perhaps, on the infestation of grasshoppers.

Mr. Speaker, I desire to use only an additional fraction of a minute to bring to the Members of the House something which is new in these discussions. We have new infestations in the United States which are increasingly dangerous and which are not insects. I am now taking the matter up with the gentleman from Mississippi [Mr. WHITTEN], with the gentleman from North Carolina [Mr. COOLEY], and with the gentleman from New York [Mr. TABER], and the gentleman from Kansas [Mr. HOPE], and others who are interested in this, to see if we can devise a definition which covers some of the pests which are more dangerous than ever before, without opening wide the doors to unlimited and uncontrolled appropriations.

I think it should be made a matter of record today that in my belief it will not be possible to divide the money satisfactorily as it is proposed by the subcommittee reporting House Joint Resolution 327.

Mr. KERR. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

COAST GUARD

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4566) to revise, codify, and enact into law, title 14 of the United States Code, entitled "Coast Guard," with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 18, line 6, under the heading "§ 186. Civilian instructors", strike out "instructions" and insert "instructors."

Page 22, under "425. Retiring boards." insert:

"SPECIAL PROVISIONS

"431. Personnel of former Life Saving Service.
"432. Personnel of former Lighthouse Service.
"433. Personnel of former Bureau of Marine Inspection and Navigation and Bureau of Customs."

Page 41, after line 4, insert:

"SPECIAL PROVISIONS"

Page 41, after line 4, insert:

"§ 431. Personnel of former Life Saving Service

"(a) If any keeper or member of a crew of a Coast Guard station shall be so disabled by reason of any wound or injury received or disease contracted in the Coast Guard in the line of duty as to unfit him for the performance of duty, such disability to be determined in such manner as shall be prescribed in the regulations of the Coast Guard, he shall be continued upon the rolls of the Coast Guard and entitled to receive his full pay during the continuance of such disability, not to exceed the period of 1 year, unless the Commandant shall recommend, upon a statement of facts, the extension of the period through a portion or the whole of another year, and said recommendation receive the approval of the Secretary of the Treasury as just and reasonable; but in no case shall said disabled keeper or member of a crew be continued upon the rolls or receive pay for a longer period than 2 years.

"(b) Any individual who served in the former Life Saving Service of the United States as a keeper or surfman, and who on account of being so disabled by reason of a wound or injury received or disease or loss of sight contracted in such service in line of duty as to unfit him for the performance of duty was continued upon the rolls of the service for an aggregate period of 1 year or more under the provisions of subsection (a) of this section, and who ceased to be a member of such service on account of such disability, which disability has been continuous up to and including April 14, 1930, shall, upon making due proof of such facts in accordance with such rules and regulations as the Secretary of the Treasury may prescribe, be awarded compensation for such injury at the rate of 100 percent of the pay he was receiving at the time of his separation from such service, such compensation to commence from April 14, 1940, and continue during his natural life. No such individual shall receive a pension, pay, or other allowance under any other law of the United States for the same period for which he receives retired pay under the provisions of this section.

"(c) No agent, attorney, or other person engaged in preparing, presenting, or prosecuting any claim under the provisions of subsection (b) of this section shall, directly or indirectly, contract for, demand, receive, or retain for such services in preparing, presenting, or prosecuting such claim a sum greater than $10, which sum shall be payable only on the order of the Secretary of the Treasury; and any person who shall violate any of the provisions of this subsection, or shall wrongfully withhold from the claimant the whole or any part of retired pay allowed or due such claimant under said subsection, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall, for each and every offense, be fined not exceeding $500 or be imprisoned not exceeding 1 year, or both, in the discretion of the court."

Page 41, after line 4, insert:

"§ 432. Personnel of former Lighthouse Service

"(a) Any person of the former Lighthouse Service commissioned as an officer in the Coast Guard shall be an extra number in his grade and in the grades to which he may be promoted. He shall take precedence (1) with other officers commissioned in his grade from the former Lighthouse Service as the Secretary of the Treasury may determine, and (2) with other line officers in his grade in accordance with the respective dates of their commissions in such grade. He shall be eligible for promotion, if otherwise qualified, at such time as the officer in a regular number in line of promotion next above him on the seniority list becomes eligible for promotion; or if there be no such officer in his grade, he shall be eligible for promotion, if otherwise qualified, when a vacancy occurs in the next higher grade. An officer so commissioned shall be assigned to duty for which he is specially qualified, and professional examinations for promotion given to such officer shall embrace only subjects which pertain to the duty to which he is assigned.

"(b) Each vacancy (1) hereafter occurring in the extra numbers of such officers; (2) existing on August 5, 1939, in positions in the Lighthouse Service formerly held by personnel eligible for such commissions; and (3) created by the retirement, resignation, death, or separation from the service for any other cause, of such personnel who do not possess the qualifications prescribed by the Secretary of the Treasury, or who, being qualified, do not accept a commission thereunder, shall operate to increase by one the total authorized number of line officers of the Coast Guard.

"(c) All persons of the former Lighthouse Service commissioned, appointed, or enlisted in the Coast Guard shall be subject to all laws and regulations for the government of the Coast Guard, and nothing contained in this title shall be construed to prevent the application to any of such persons of laws and regulations concerning the military discipline of commissioned and warrant officers and enlisted men of the Coast Guard.

"(d) In computing length of service, for the purpose of retirement in the Coast Guard, of any person of the former Lighthouse Service commissioned, appointed, or enlisted in the Coast Guard, there shall be included all service computable for retirement under the provisions of section 763 of title 33; and after July 1, 1948, in computing longevity for the purpose of pay of such person there shall be included all service of such person in the Lighthouse Service.

"(e) No person so commissioned, appointed, or enlisted in the Coast Guard shall suffer any reduction in the total of the annual compensation and allowances which he was receiving on the date of his commission, appointment, or enlistment. Upon his retirement from active duty in the Coast Guard, the retired pay of any person so commissioned, appointed, or enlisted, shall not be less than an annuity computed in accordance with the provisions of section 763 of title 33, substituting, however, for purposes of such computation, the annual compensation which he was receiving on the date of his commission, appointment, or enlistment in the Coast Guard for the average annual pay received by him for the last 5 years of service.

"(f) Notwithstanding any other provision of law, the civil-service classification laws and titles II and III of the Federal Employees Pay Act of 1945 shall not apply to civilian keepers of lighthouses and to civilians employed on lightships and other vessels of the Coast Guard.

"(g) Under regulations prescribed by the Secretary of the Treasury, the Coast Guard may prescribe the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard, but such personnel may be called upon for duty in emergency circumstances or otherwise at any time or all times. The existing system governing the pay of such employees may be continued or changed except that overtime compensation, night differential, and extra pay for duty on holidays shall not be paid to such employees. In lieu thereof additional annual compensation may be authorized, which may be prescribed either as a fixed differential or as a percentage of the basic compensation otherwise applicable to such employees. In no case shall basic compensation exceed $3,750 per annum, except that nothing contained in this subsection shall operate to decrease the basic compensation of any person employed by the Coast Guard on the date of enactment of this subsection, and in no case shall additions thereto exceed 25 percent of such basic compensation. Provision may be made for compensatory absence from duty when conditions of employment result in confinement because of isolation or in long periods of continuous duty; and provisions may likewise be made for extra allowance for service outside of the continental limits of the United States.

"The additional compensation authorized herein shall be included in any computation of compensation for purposes of the Lighthouse Service Retirement Act."

Page 41, after line 4, insert:

"§ 433. Personnel of former Bureau of Marine Inspection and Navigation and Bureau of Customs

"(a) Included in the 2,250 commissioned officers authorized by section 42 of this title shall be 453 extra numbers to which the President is authorized to appoint only the personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs who on March 1, 1942, held the civil-service rating of CAF–9 or P–3, or above. In the event that any person from among the personnel eligible to fill such extra numbers does not qualify, or who, being qualified does not accept a commission, the extra numbers not so filled shall be reserved pending the separation of such persons from the Coast Guard by retirement, transfer, resignation, death, or other cause. Upon such separation, each vacancy so reserved, and each vacancy created by the unavailability for appointment of such personnel, or by the retirement, resignation, death, or other separation from the active military service of the Coast Guard of such personnel, shall increase by one the authorized number of line officers, and decrease by one the authorized number of extra numbers.

"(b) Any person commissioned from the personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs who on March 1, 1942, held civil-service rating of CAF–9 or P–3, or above, shall be an extra number in any rank to which he may be promoted. He shall be eligible for promotion, if otherwise qualified, at such time as the regular line officer who is his running mate becomes eligible for promotion, and shall be examined only with respect to those qualifications which pertain to his specialty.

"(c) No personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs who were transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, shall be required to undergo further professional, physical, or mental examinations as a prerequisite to original commissioning, appointment, or enlistment, and the physical standards for such personnel while serving in the Regular Coast Guard shall not be greater than those applicable generally to civilian employees under civil-service laws and regulations.

"(d) Any personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, who enlist in the Coast Guard shall be subject to the provisions of subsections (c), and (e)–(h) of this section.

"(e) Accrued military leave of any personnel of the former Bureau of Marine Inspection and Bureau of Customs transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, who are members of the Coast Guard Reserve or the Naval Reserve on active duty, and who are commissioned, appointed, or enlisted, shall be credited to them upon such commissioning, appointment, or enlistment.

"(f) In computing length of service for purposes of retirement of personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, who are commissioned, appointed, or enlisted, there shall be included, in addition to all service now or hereafter creditable by law, all service as a civilian employee of the United States within the purview of sections 691, 693, 698, 707, 709–715, 716–719, 720–725, 727–729, 730, 731, and 733 of title 5, such service to be classified as commissioned, warrant, or enlisted depending upon which status the person assumes upon his entry into the Regular Coast Guard. Service covering the same period shall not be counted more than once.

"(g) Any such person shall not be entitled to any retirement benefits under any laws relating to the retirement of civilian personnel of the Federal Government, but shall be entitled upon claim therefor to a return of the total contributions made by him to the retirement fund with interest thereon and, in addition, to eligibility for retirement benefits provided by law for members of the Regular Coast Guard, he shall, if his total service in the Federal Government, civil plus military, is 15 years or over, be entitled, upon reaching the statutory retirement age for military personnel of the Regular Coast Guard, to retirement pay amounting to 75 percent of his active-duty pay at the time of such retirement; and, in the administration of applicable laws for physical disability retirement, a disability shall be deemed to have been incurred incident to Coast Guard service if the cause of such disability is not due to vicious habits, intemperance, or misconduct.

"(h) No personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs transferred from those bureaus to the Coast Guard by Executive Order 9083 and by Reorganization Plan No. 3, effective July 16, 1946, who are commissioned, appointed, or enlisted in the Coast Guard shall suffer any reduction in annual compensation, including allowances, below the compensation applicable to his permanent civil-service position at the time of such commissioning, appointment, or enlistment, exclusive of overtime compensation, and the civil-service status, tenure, seniority, and compensation of any such person who for any reason is not commissioned, appointed, or enlisted under the provisions of said sections shall not be impaired by reason of said sections."

Page 49, line 2, strike out all after "device," down to and including "ribbon," in line 6.

Page 49, line 2, under the heading "§ 496. Time limit on award; report concerning deed", strike out "Coast Guard commendation ribbon."

Page 49, line 2, under the heading "§ 497. Honorable subsequent service as condition to award", strike out "Coast Guard commendation ribbon."

Page 81, strike out all of section 11 and insert:

"SEC. 11. The sixth paragraph under the heading 'Miscellaneous' in the act approved March 2, 1923 (ch. 178, 42 Stat. 1385; 10 U. S. C., sec. 717; 14 U. S. C., sec. 121b; 33 U. S. C., sec. 862a; 34 U. S. C., sec. 912; 42 U. S. C., sec. 65), is amended to read as follows:

" 'Nothing contained in any existing laws, or regulations or orders promulgated in pursuance of law, shall authorize on or after July 1, 1922, the issue of heat or light in kind to any person in the Army, Navy, Marine Corps, Coast and Geodetic Survey, and Public Health Service while such person is receiving an allowance for rental of quarters under the provisions of the Pay Readjustment Act of 1942, approved June 16, 1942 (ch. 413, 56 Stat. 359; 37 U. S. C., sec. 101 et seq.), as amended.' "

Page 81, strike out all of section 12 and insert:

"SEC. 12. Section 2 of the act approved June 21, 1930 (ch. 536, 46 Stat. 793; 10 U. S. C., sec. 1028b; 14 U. S. C., sec. 167b–2; 34 U. S. C., sec. 399d), is amended to read as follows:

" 'SEC. 2. All persons who have served honorably in the Army, Navy, or Marine Corps of the United States during war shall, when not in the active military and/or naval service of the United States, be entitled to bear the official title and upon occasions of ceremony to wear the uniform of the highest grade held by them during their war service.' "

Page 81, strike out all of section 13 and insert:

"SEC. 13. The first sentence of the act approved May 25, 1933 (ch. 37, 48 Stat. 73; 10 U. S. C., sec. 486a; 14 U. S. C., sec. 15a; 34 U. S. C., sec. 1057a; 46 U. S. C., sec. 1126a), as amended, is further amended to read as follows:

" 'That the superintendents of the United States Naval Academy, the United States Military Academy, and the United States Merchant Marine Academy may, under such rules and regulations as the Secretary of the Navy, the Secretary of the Army, and the

United States Maritime Commission, respectively, may prescribe, confer the degree of bachelor of science upon all graduates of their respective academies, from and after the date of the accrediting of said academies by the Association of American Universities.'"

Pages 81 and 82, strike out all of section 14.

Page 82, line 3, strike out "15" and insert "14."

Page 82, line 28, strike out "16" and insert "15."

Page 82, line 37, strike out "17" and insert "16."

Page 83, line 8, strike out "18" and insert "17."

Page 83, line 12, strike out "19" and insert "18."

Page 83, line 31, strike out "20" and insert "19."

Page 83, line 35, strike out "21" and insert "20."

Page 84, in second table, under heading "Statutes at Large", third column, strike out "2–6, 8–10" and insert "2–10."

Page 84, in second table, under heading "Statutes at Large", fifth column, strike out "55" and insert "55–58."

Page 84, in second table, under heading "U. S. Code", second column, strike out "105, 106, 195" and insert "105, 106, 178, 195."

Page 84, strike out "[12] Only the fifth paragraph under the heading 'Life-Saving Service'." and insert:

Page 86, in its proper sequence, insert:
"1930—Apr. 14----| 148 | 1, 2 | 46 | 164, 165 | 14 | 178a, 178b."

Page 86, in first column of table, strike out "1930—."

Page 86, strike out:
"July 30------| 647 |------| 50 | 550 | 14 | 167c."

Page 86, in third column of table, strike out "1, 4, 5" and insert "----------"

Page 86, in fifth column of table, after "1216" insert ", 1217."

Page 86, in seventh column of table, strike out "10f, 20b, 20c," and insert "10f–10h, 20b, 20c, 50, 180, 181."

Page 87, in third column of table, under "6, 7", insert "8–15."

Page 87, in fifth column of table, strike out "409" and insert "409–413."

Page 87, in seventh column of table, after "6c,", insert "6e, 6f."

Page 87, in seventh column of table, after "21a", insert ", 21b, 35d, 50e, 121d, 182, 183."

Page 87, under "1947—July 23----" insert "July 30----| 393 |----------| 61 | 674 | 14 | 178a."

Page 87, under "June 22----", insert:
"June 24----| 627 |----------| 62 | 644 | 14 | 180."

Page 87, under "June 29----", insert:
"1949—June 29----| 277 |----------| 63 | ----------|----|----------"

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ASSISTANCE FOR LOCAL SCHOOL AGENCIES ON FEDERAL RESERVATIONS OR IN DEFENSE AREAS

Mr. McSWEENEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 292 and ask for its immediate consideration.

[12] Only the fifth paragraph on this page, reading 'The Secretary of the Treasury may change the serial numbers of the several districts as may be necessary to conform to the provisions of this act.'"

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3829) to provide assistance for local school agencies in providing educational opportunities for children on Federal reservations or in defense areas, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. McSWEENEY. Mr. Speaker, I retain one-half hour for my own use and yield one-half hour to the gentleman from Massachusetts [Mr. HERTER].

Mr. Speaker, this resolution makes in order the consideration of the bill H. R. 3829.

As a former school teacher I am deeply interested in this legislation. It merely provides a continuation of a program we have already had in this country, that is, of augmenting the funds for schools in those sections of our country where either we have a very large amount of nationally owned land or where we have a number of school children attending the neighborhood schools from military installations or other public works.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Does this bill specify the actual localities, or it is a general appropriation?

Mr. McSWEENEY. It is a general appropriation.

Mr. KUNKEL. It will be allocated by the administrative authority?

Mr. McSWEENEY. It will be allocated to the different sections where it is actually found to be needed.

Mr KUNKEL. Last year it applied to specific localities.

Mr. McSWEENEY. I think specific locations were mentioned last year, but were not in the bill. This is a general appropriation to take care of the growing needs because of the increased size of many of our military and other installations.

Mr. KUNKEL. I have some of those in my district. I checked the report and could not find the specific reference.

Mr. McSWEENEY. No specific reference is in there. We have one in Ohio in which I am especially interested, and I know that my distinguished colleague from Ohio [Mr. BREEN] is also interested in it. It is in Dayton. Mr. BREEN has done everything possible to solve this problem and he is enthusiastically supporting this bill. At that point a number of additions to the schools are necessary because of the extra number of people who have been allocated to that great air installation in Ohio at Dayton.

Mr. COMBS. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. COMBS. There seems to be a little misunderstanding with reference to the question of the gentleman from Pennsylvania about specific communities being designated in the law last year. Those community situations which he speaks of were in connection with special appropriations obtained by the Army and Navy for some of their installations which were specifically named. But this type of legislation in the last Congress, just as this is, is general.

Mr. McSWEENEY. That was a different bill entirely.

Mr. COMBS. I just wanted to clear that up.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. NICHOLSON. Is any money given by this bill to the town of Bourne for the additional school population that the camp brings in there?

Mr. McSWEENEY. Yes, that is the provision. It gives to the location wherever the camp brings in a special number of children an additional amount to that locality. Under the Smith-Hughes Act, which we know is in operation, it now takes care of children in an agricultural group who are studying for agricultural purposes, but makes money available for general help and help in agriculture.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. SMITH of Wisconsin. How long is it expected that this program will continue?

Mr. McSWEENEY. I do not know how long we will have to continue it, but we do have considerable dislocation of school children because of the movement of our Army, Navy, Air Force, and so on, and by reason of the additional acquisition of lands by the Government for irrigation and other purposes which make it necessary for us to augment the local funds for school purposes.

Mr. SMITH of Wisconsin. Is not the time going to come when these communities will be able to take care of themselves?

Mr. McSWEENEY. When these people are allowed to make some contribution through some method. We have in Ohio a method by which they can pay tuition. In other States they may not have such a program.

Mr. SMITH of Wisconsin. Was there any showing at all that there is an attempt by these local communities to take care of the situation?

Mr. McSWEENEY. These communities have overtaxed themselves, I may say to the gentleman, and they have tried in every way to absorb these youngsters and take care of them and meet this situation as an emergency problem to give them an education.

I yield to the distinguished gentleman from Michigan [Mr. LESINSKI], chairman of the committee.

Mr. LESINSKI. I understand according to the testimony that in the State of Oklahoma the original school district had 126 children in its taxable unit and when the Government installations came in and the Government bought up 80 or 90 percent of that land, they brought in something like 2,600 children to this particular school district and naturally the facilities which were able to take care of 127 children could not absorb 2,600 school children, and that is why these additional funds are necessary.

Mr. McSWEENEY. I thank the distinguished chairman for the contribution.

Mr. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. KENNEDY. In reply to my colleague, the gentleman from Massachusetts [Mr. NICHOLSON] in the bill that we have before us I do not think any of the money goes to Massachusetts. There are a number of different agencies to which money is given, but referring to this bill, I do not think any money is given to Massachusetts. Is that not correct?

Mr. McCONNELL. Mr. Speaker, if the gentleman will yield, may I state that no money goes to Massachusetts.

Mr. KENNEDY. Then that is the answer to the question asked by the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. McSWEENEY. I had a very interesting interview with Charles Tarzinski, principal of the North Ridge High School in Dayton. He is a conscientious teacher trying to absorb these youngsters and trying to give to them some semblance of an education. The facilities are overtaxed and he is looking forward to this aid to make it possible for these youngsters to have better facilities so that they can get an education.

Mr. LODGE. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. LODGE. The Chance-Vought division of the United Aircraft Corp. has moved from Stratford, Conn., to Dallas, Tex., thereby throwing some 7,000 skilled workers out of work and adding seriously to the problem of unemployment in the entire Stratford-Bridgeport-Milford area. All during the time that the plant operated in Stratford the children of the workers went to schools supported exclusively by the taxpayers of Stratford. No aid at all was received under this legislation. Furthermore, having removed this plant from Stratford, the Federal Government has left not only thousands of parents unemployed but it has also left to the town of Stratford the burden of educating the children of these parents who formerly received their incomes from the now empty plant. This is truly a war casualty. This is the direct result of a Government decision. If the Government has a responsibility in Texas and in Kansas, why not in Connecticut? Under the theory here advanced the great State of Texas will receive not only the enormous benefits accruing from the presence of the Chance-Vought plant but will also receive school aid, while the towns of Stratford and Milford and the city of Bridgeport are deprived not only of the plant but of any opportunity for receiving school aid for the children of workers who have lost their jobs because of this Government decision. My question is—is any of the money authorized in this bill going to schools which will be attended by children of workers who will now be employed by the Chance-Vought division of the United Aircraft Corporation in Dallas, Tex.?

Mr. McSWEENEY. I would imagine they would come under the provisions of the bill as it applies to children of people employed in work for the Government of the United States. May I refer the gentleman to the distinguished chairman of the committee, who has heard all the testimony on this bill, the gentleman from Michigan [Mr. LESINSKI]. This will take care of the migration of employees of any aircraft, or other corporation interested in the production of materials entirely for the use of the United States Army and entirely for the Navy or entirely for the use of the Government.

Mr. LODGE. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. LODGE. Then the taxpayers of Stratford, Conn., aside from losing this great industrial facility, aside from the resulting unemployment, aside from the depressing impact on many other businesses because of the loss of purchasing power of these thousands of workers, now are going to have to contribute in taxes to the school support of the children of workers employed in Dallas, Tex., at that plant.

Mr. McSWEENEY. Did they make their school facilities of a size predicated upon the needs for this aircraft group?

Mr. LODGE. All I can say is that I understand that the State of Connecticut has at least during the past 2 years received no funds under this act, and it is not proposed that it will.

Mr. McSWEENEY. I do not know what they have done in the past with regard to it.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield to my distinguished colleague of the Rules Committee.

Mr. COLMER. I think it should be understood that this bill is a continuation of the Lanham Act funds for these distressed communities that had their population swollen tremendously as a result of the installation of these Federal installations, and that is the purpose of this legislation.

Mr. McSWEENEY. It is merely a continuation of an old policy that we have had.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield again?

Mr. McSWEENEY. I yield.

Mr. NICHOLSON. We had this bill before us last year. We had two large Army camps in Massachusetts, Camp Devens and Camp Edwards. We never got any money; that is, the towns surrounding those two Army camps, from the Federal Government. The only reason I am asking is that last year we had a roll call on it and there were very few who voted against it, as I remember it; but why should these communities take care of these two Army camps in Massachusetts, permanent camps, take care of the children in the schools in those camps, and then you offer money to some other camps and we do not get any in Massachusetts, and, as was pointed out by the gentleman from Connecticut [Mr. LODGE], they do not get it either.

Mr. WHEELER. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. WHEELER. Was an application made by the authorities to the Federal Works Agency for aid?

Mr. NICHOLSON. No, I do not think so. If this application for aid for children connected with these camps or their parents is necessary, then I do not have any objection to it.

Mr. McSWEENEY. The application has to be made, of course.

Mr. LESINSKI. There was an application made. There is a possibility that the Army, out of certain appropriations they have, may have made a gift to that particular school district. We are going to try to make a study this fall, to bring all of these agencies within one group, with a general law, so that the Appropriations Committee can deal with it itself and we do not have to bring in this type of legislation every year.

Mr. LODGE. Mr. Speaker, will the gentleman yield further?

Mr. McSWEENEY. I yield.

Mr. LODGE. I would like to ask the gentleman whether in his opinion he thinks it is fair and equitable for the citizens of Stratford, Conn., which is a community of hard-working people of moderate means, having been deprived of this important business, which involves some 7,000 workers, now to be called upon to contribute to a school in a community like Dallas, which my friends from Texas tell me is a wealthy community?

Mr. McSWEENEY. All of those inequalities arise in a matter of this kind. I do not see how we can take care of it in this present legislation. The facilities you have for those youngsters will probably be absorbed in the needs of your growing community.

Mr. LODGE. I know I speak for my friend and colleague Congressman SADLAK, of Connecticut, when I say that the people of Bridgeport and Stratford are having a very difficult time since the removal of this plant, and this will be an additional burden on them.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. LUCAS. The gentleman from Connecticut may be concerned about Stratford, but I do not think he should penalize the citizens of Texas because the children of people in Connecticut have been moved to Texas.

Mr. LODGE. That is not exactly the fact. Only 1,500 workers have been brought to Texas from Connecticut and many of those have returned to Connecticut.

Mr. LUCAS. Just a minute. Surely the gentleman does not want to penalize the schools of Texas simply because some of the schools cannot afford to continue educating these children whether they come from Connecticut or Texas; he

would not want them to have to close up; and that is the case. These war-incurred programs have brought children into the district where there are simply not enough school facilities in the area and where the schools would have been forced to close after 6 months if they had not had assistance last year. The principal purpose of this bill is to provide education for children who would not get it if we did not provide this help.

Mr. LODGE. Mr. Chairman, will the gentleman yield further?

Mr. McSWEENEY. I yield.

Mr. LODGE. May I reply to the gentleman from Texas. First I am interested to find out from the gentleman that these particular schools in Dallas will receive aid. Second, while of course I am very fond of my good friends from Texas and have no desire to deprive the children of Texas of schooling, I would like to point out that the people in Stratford did not get any such aid, and Stratford, I may say, is not a community composed of people of large incomes.

Mr. McSWEENEY. Did they make application for it?

Mr. LODGE. That I do not know.

Mr. McSWEENEY. They would be entitled under the law to make application for it.

Mr. LODGE. They should not be punished for their self-sufficiency, for their unwillingness to ask for Government aid. I do not want to penalize the people of Dallas, but neither do I want to penalize the people of Stratford beyond the degree to which they have already been penalized by the removal of the Chance-Vought airplane factory to Dallas. I think it is penalizing them when in addition to having lost this industry they are taxed to support the children of these workers in Dallas.

Mr. McSWEENEY. Do you, in Connecticut, not find that it works out that the stronger sections take care of the weaker sections of the State in the school program? It is the same with the Nation; there will be other groups who will be taxed to support these crowded emergency areas.

Mr. LODGE. I favor that general principle, but I was not aware that the Dallas, Tex., community needed and desired financial support from the people of Bridgeport and Stratford. In this case there seems to me to be double injury, for not only has Stratford lost this industry, one of its main supports, but its people must now pay taxes to support these children in the schools of Dallas. It would appear that if the Government helps a community by placing a plant there then that community is entitled to Government aid, whereas if the Government removes a plant, then no aid is forthcoming.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield to my distinguished colleague from Michigan with whom I have served for many years.

Mr. DONDERO. I think the spirit and principle of the bill is to provide temporary aid to children in military installations in these distressed districts where the load had become so heavy that the local board of education because of the war effort had to have outside assistance. I believe there are 148 districts in the United States that are so affected, and it is simply to take care of these few districts where the difficulty and crowded condition was created by the Government itself that this relief is proposed. It is relief that should be given.

Mr. McSWEENEY. I believe as does the gentleman from Michigan, that it is a Government obligation. It is not an expenditure; it is an obligation of the Government to share the load created by conditions brought on by the war effort.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. GOLDEN. Does this bill deal only with the war increase of school enrollment or does it deal also with increase caused by the undertaking of public works?

Mr. McSWEENEY. Public works, as well. It deals with those conditions wherever because of conditions brought about by Government programs there has been an overburdening and overtaxing of the school facilities.

Mr. GOLDEN. That is what I want to bring out. In my district a dam has been built across the Cumberland River. It is creating a lake 110 miles long and this has flooded out many schools, and it also has reduced the taxable property. I want to know if this bill would take care of such situations.

Mr. McSWEENEY. The gentleman is correct; the bill is designed to meet that kind of situation.

Mr. McCONNELL. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield.

Mr. McCONNELL. I wish to say in connection with this general discussion, that in determining the school districts to receive Federal assistance, the General Services Administration considers the amount of taxable property that has been taken away from them by Government activities of a defense nature. Then they also look to see whether the taxable property in the school district is adequate to cover the increased enrollment due to the defense activities. If they find it is inadequate they will allot only the necessary amount to make up the deficit which occurs because of insufficient local and State funds. That is the amount allotted to them. For instance, there is no assurance that Dallas, Tex., will get additional money. They may have the necessary taxable property to take care of the increase in enrollment needs. In the district represented by our distinguished colleague from Connecticut [Mr. LODGE], it may be they have had enough taxable property to take care of the increased enrollment.

Mr. McSWEENEY. May I say to the gentleman from Connecticut that he may need those added facilities as we do in every other locality and you may be released from a lot of pressure on your local school facilities.

Mr. LODGE. I believe I am right in saying, that if a plant is owned by the Navy or by any of the Government agencies it would be tax-exempt. The Chance-Vought plant in Stratford, Conn., is owned 20 percent by Chance-Vought and 80 percent by the Navy and by a multiplicity of agencies. No one has been able to determine the exact title at this point but it is still in the hands of the Government. Therefore it is largely a nontaxable item.

Mr. McSWEENEY. The gentleman's assumption is probably correct.

Mr. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. I think it is important to stress that some of this is needed in places where there are private plants that were set up, where no Government plant or property is involved, where a private plant came in and brought a number of people in, yet 5 years afterward we are paying money for a situation caused not by Government seizure of property but by a private plant bringing in people to work.

Mr. DONDERO. In my particular area, the Detroit area, it was the result of a great influx of people coming in to work in connection with the war effort. Now, when the war is over they remain. With them came their children and in spite of everything the school board can do for them, they have the problem of keeping a roof over the children and giving them an education.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield to the gentleman from Georgia.

Mr. COX. Mr. Speaker, I would like to call the attention of the House to the presence in Washington this week of a most distinguished citizen of Japan. He is the Honorable Tetsu Katayama, the first postwar Prime Minister to be elected under his country's new constitution. He is also the chairman of the Social Democratic Party of Japan. He is the first Christian premier in Japanese history.

Mr. Katayama is accompanied by Mr. Shigeru Uyehara, Mr. Shinzo Takahashi, executive editor of Mainichi, the Tokyo newspaper, and Mr. Masaru Fujimoto, assistant foreign editor of Mainichi.

These citizens, who are on their way back to Japan from Europe, are among the 18 delegates whom General MacArthur authorized to represent Japan at the World Assembly for Moral Re-Armament at Caux-sur-Montreux, Switzerland, in June. The House will recall its action under House Resolution 232 whereby five Members of this body were appointed as a special committee under the chairmanship of our distinguished colleague, the gentleman from Georgia [Mr. PRESTON], to attend as observers this same conference.

Mr. Speaker, I believe that all of us are concerned with the ideological conflict in which the world now finds itself engaged. The United States has inevitably been thrust into a position of leadership in this conflict. On Monday, July 25, 1949, the President signed the historic North Atlantic Pact, which was ratified by the Senate last week. This treaty has thus become, under the United States Constitution, the supreme law of the land. We are now being asked to consider a far-reaching military-assistance program to implement the pact in its security objectives. In addition to

these measures, we also have before us the question of further appropriations to maintain the life-giving momentum of the Marshall plan.

It is eminently fitting, Mr. Speaker, that we should be thus engaged. But I should like again, as distinguished Members of both this body and the Senate have done before me, to underline the preeminently important phase of our domestic, and foreign policy to which we still need to give more traction, namely, the ideological sphere—the world-wide battle for the minds, wills, hearts, allegiances, and souls of the millions. There are other ideologies, Mr. Speaker, hardly democratic and hardly Christian, which are doing a far superior job than we are doing in this ideological competition. I submit, Mr. Speaker, that we neglect this part of our fight at our peril, for it underlies all else that we do. Without it all forms of material rehabilitation must fail.

It is for these reasons that the House action to send observers to the World Assembly for Moral Rearmament was a significant step. We need all the study we can absorb as to how to improve the ideological arm of our policy. I hope the House may have the benefit of a further, documented report on the observations of the Preston committee.

It is for these reasons also that the visit of these distinguished Japanese to our Nation's Capital is significant. Japan needs our help. The situation in the Far East is perhaps more serious than that in other sectors of the world. The sands are running out, and if we are not able to help Japan maintain itself as a bastion of freedom, we may find ourselves unable to withstand the tide.

I expect the other Members were impressed, as I was, by the dispatches earlier this month reporting the return of 10,000 repatriated Japanese war prisoners from the continent of Asia to their homeland. These were not the bedraggled, browbeaten prisoners one might expect. They were well fed, physically fit, disciplined, and thoroughly indoctrinated and trained fighters for a dynamic totalitarian idea. Doubtless they have their commission to conquer Japan with that idea.

When I read these reports, I asked myself, "What are we doing to match that type of planning?" I had to answer, "Not enough."

Here are a group of outstanding Japanese, in positions of influential leadership in their country, who have seen a different idea—a democratic ideology—and who are beginning to point the way to comparable training for that ideology.

Mr. Katayama and his associates have had a most cordial reception in the countries they have visited since leaving the conference in Switzerland, namely, in Germany, France, and Great Britain, where they have been received officially by cabinets and by industrial leaders representing both labor and management. They have thus increasingly become members of the fraternity of democratic nations. I feel that we in the United States should give them every warmth of encouragement in the difficult tasks which confront them on their return to their native land; and I suggest that appropriate ways and means be found, both here on Capitol Hill and in the executive departments, to show our appreciation and understanding and our help in their fight for a peace-loving and democratic Japan.

Mr. McSWEENEY. Mr. Speaker, I now yield 30 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, so far as I know, there is no objection to this rule. I think the RECORD ought to show one thing, however, and that is that the report of the committee and the bill itself do not correspond. The report of the committee, I imagine through error, indicates that this is a 2-year $10,000,000 program, which is not the fact, as I understand from members of the committee. The amendment as printed in the report so states. The bill itself makes provision only for a single year and $7,500,000.

Mr. LESINSKI. There was a technical error made. There is a supplementary report filed which corrects the amount.

Mr. HERTER. I am glad it has been corrected so there will be no confusion.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Georgia.

Mr. PACE. Does the gentleman understand the pending bill has for its primary purpose relief of a case of this kind, where the Government during the war went into an agricultural area and established a large air base. A small town grew up where the Government owns half of the property in the town, where the taxable property is insignificant, where the Government has brought in from every State of the Union expert craftsmen with their families and their children, where the taxable property would not run the school for over 3 or 4 months, yet those children are there in large numbers, thousands of them, and they must be educated. The taxable property is inadequate if it were to be entirely confiscated at 100 percent of its value. It would not be sufficient to carry on the necessary educational facilities. In an instance of that kind relief would be afforded under this legislation.

Mr. HERTER. I think the gentleman is correct. I think the Lanham Act, which originally provided funds for the years from 1941 to 1946, made provision for the very emergency that the gentleman speaks of.

Mr. PACE. This bill does, too.

Mr. HERTER. This bill continues that, although I think it has been pointed out that the original Lanham Act proposals have been stretched a little to take care of certain areas where, through sudden congestion, the moving of a large population, whether because of private industrial expansion or governmental defense plant, emergency aid is given.

Mr. PACE. But this would cover a defense establishment.

Mr. HERTER. Yes; as a matter of fact, this bill actually extends the amount of aid that is given. It is expected that some 25 or 30 new school districts will be taken in under this bill beyond those helped in the past.

Mr. PACE. The gentleman recognizes that where the Government has acquired a high percentage of property that is now nontaxable that something needs to be done about it; either that the Government make contribution in lieu of taxes, or else make a contribution toward the educational facilities.

Mr. HERTER. I agree. I think probably the better course is to make the contribution in lieu of taxes, which is a better principle of government.

Mr. Speaker, I now yield 5 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, this legislation is not new. It has been before the Congress for several years, and many of us had hoped that the time would come when it would be terminated, but it does not seem that that desired end is in sight. There are 148 school districts in the United States affected and which received assistance under a previous bill. The report shows that there are 25 or 30 more districts which may come in under the provisions of this bill. Last year we granted $6,000,000 for this purpose. Many of these school districts are in distress through no fault of their own, but because of the activity of the Federal Government. It is a problem resulting from the aftermath of war. I have in mind one school district in the Detroit, Mich., area which I think is typical of other districts in the United States: That school district is on the very edge of Detroit. It is in very close proximity to the industrial area. During the war thousands of people moved into that area because of the war effort. When the war was over, most of them remained. With those people who were engaged in the war effort came their families and their children, and this school district, in Livonia Township, Wayne County, Mich., found itself in a position where it had more children than it had taxable property to support. The school board and the people of the district have exhausted every possible legal means to provide adequate school facilities for those children. I have met with members of the board—they have come to Washington for help. Today they are not able to do it. This help that they are getting from the Federal Government is in the nature of aid in lieu of taxes to tide them over. They have even purchased or otherwise obtained from the Federal Government temporary houses or barracks—moved them together and made schoolrooms out of them. They were barracks used for troops and workers during the war. They did that in an effort to provide adequate facilities to take care of the children. Certainly, under those conditions the Federal Government owes an obligation that we cannot very well evade.

I am for this bill and hope that it will pass without any opposition. But, I also want it known that I would not like to see this kind of program become permanent legislation. It should be ended at the first possible opportunity. Perhaps the States will have to provide these school districts with additional funds or raise the bonding limits to a greater extent than they have now in order to provide sufficient money to care for them-

selves. That may be the solution in my State and other States affected. Here is a school district. The problem has baffled them; the problem is overwhelming. What would you do if you were a member of that board and you used every legal means at your command to provide facilities? You would do just what they are doing now. They have appealed to us to help them solve their problem temporarily. I hope the House will support this measure and continue it for 1 year more. As explained by the gentleman from Massachusetts [Mr. HERTER] it provides for $7,500,000 for 1 year and not $10,000,000 each year for 2 years.

That is about all I have to say about this. I feel that there is a Federal obligation here which we should meet.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. SMITH of Wisconsin. I am for this legislation, but it does seem to me that we ought to give some thought to the fact that we are expanding this program, we are not confining it. We are taking in 25 or 30 more school districts. It seems that it is much easier for these people to come to the Federal Government for the money than to go to their own State legislatures. Why is not that done?

Mr. DONDERO. I think there is great force and merit in what the gentleman says. The only way I can explain it is that undoubtedly, because of new installations of a military nature on the part of our Government, new problems have been created which we must meet. I am not a member of the committee.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Georgia.

Mr. PACE. When the Federal Government comes in and acquires property and removes it from the tax rolls of both the local authorities and the State, the Federal Government, which brought about the condition, should make the contribution, not the State authorities. It has made the State less able to contribute than it was before that was done.

Mr. DONDERO. It becomes a Federal responsibility.

Mr. PACE. That is right.

Mr. COMBS. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Texas.

Mr. COMBS. With reference to the inquiry about the enlargement of this program, the only enlargement that occurs under this bill is to take care, as has been pointed out, of some new situations that have been brought about by Government activities. To illustrate, there is now under construction out near Pocatello, Idaho, which is just one I happen to remember, a large installation that has something to do with atomic energy development. It is a big installation that the Government is putting in there. The Government is removing property from the tax rolls and moving in there people whose children must be taken into that little country community. That is one of the new communities coming under the act.

Mr. HERTER. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Speaker, fortifying what the gentleman from Michigan has said about the condition in Michigan, may I confirm that the same condition exists in some of the rural areas with which I am familiar. When the Government established great camps, or bought land for military facilities, for an artillery range for example, it often bought the very poorest land; sparsely settled. It was the kind of land we should have acquired. So the facilities that were available for the localities to provide for the schooling of an influx of children were entirely inadequate. The situation described by the gentleman from Michigan is identical with many situations with which I am familiar in the South.

This legislation is necessary, there is no question about it. I do not want to prolong the discussion but merely want to say that we have parallel situations growing out of inadequate facilities where people have strained themselves to meet the new demands. In one of these little districts with which I am familiar where the war population has remained and congested conditions have continued, the people voted a tax of 45 mills a larger part of which is for school purposes, but still even with other taxes, they cannot meet the situation. The State contributes through its equalization fund to these districts. There is no question about the States having extended themselves in an effort to meet the emergency situation. Since the condition was created by the Federal Government, it is our responsibility. I am convinced that this is meritorious legislation and the principle of the Lanham and Landis Acts should be continued.

Mr. McSWEENEY. Mr. Speaker, the same situation as has been referred to exists in Ohio. My distinguished colleague from Ohio, an earnest worker [Mr. BREHM], is working out a situation in Dayton similar to this. He is very much interested in this bill.

Mr. Speaker, I now yield such time as he may desire to my distinguished colleague from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, there really is no room for confusion about this legislation. It is just a repetition of what we have been doing both during the war and subsequent to the war in helping the communities, whose populations were swollen as the result of the Federal installations, to take care of those children. Many of us have instances such as have been related here by the gentleman from Michigan, the gentleman from Arkansas, and others. Certainly, in response to the inquiry made by the gentleman from Georgia [Mr. PACE], this legislation is aimed at taking care of just such a situation as he mentions. A number of us have been sponsoring this legislation over the period of the past 3 or 4 years including the distinguished gentleman from Texas [Mr. COMBS], as well as the author of this bill, the gentleman from Minnesota [Mr. WIER], myself, and others.

Mr. Speaker, this is a very essential piece of legislation. The question involved simply is whether or not these children are going to receive educational benefits under this program as the gentleman from Michigan pointed out a moment ago. So far as the obligation of the community or the State is concerned, there is none; this is a Federal obligation which was brought about by the Federal Government moving in there. I have a couple of illustrations of that type myself, but I shall not burden the House with them.

Mr. Speaker, I hope the legislation will be unanimously passed.

I yield back the balance of my time.

Mr. McSWEENEY. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Speaker, there is a great need in many townships and boroughs around the city of Pittsburgh for this legislation. The plants during the war were expanded. These people who worked in these plants are still living there, in many cases in federally placed war-housing projects. The plants now have been converted to peacetime uses and there are these large populations badly in need of adequate school facilities. In particular, in Moon Township, south of Pittsburgh, there is a desperate need for assistance to schools according to information given me by J. A. Allard, supervising principal. The Federal Government with the State and county authorities in Pittsburgh have combined to make one of the largest airports in the world just southwest of Pittsburgh in Allegheny County, which is now being used by the Army. That development has taken much taxable land from the taxing authorities. Therefore, I am supporting this legislation to help these local governments to assist them in meeting this immense burden which was not of their own making. The program of aid to such school districts has worked well and should be continued.

Mr. McSWEENEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I want to cite the situation in Alameda in my home city in California, a community with a prewar population of some 36,000 people. It now has a population of about 90,000 people. During the war period the Federal Government built ships in Alameda—lots of them. It took fee title to shipyards previously in private ownership, thus reducing the tax base of the city; it built the biggest naval air station on the west coast in Alameda. Today 54 percent of that land area of the city is owned by the Federal Government. Within the area of the naval air station there are a number of permanent homes for the staff. Their children, in these homes, use the school facilities of the city of Alameda. In addition, the Navy owns some 621 housing units occupied by personnel at the naval air station, and the city receives not 1 cent in taxes or the school district 1 cent of contribution toward its functions from these houses in which reside a substantial number of children. What I have said with reference to Alameda can be applied to the city of Richmond in Contra Costa County and the

Richmond school district. These other instances that have been cited make it imperative that this legislation be passed.

Mr. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield.

Mr. KENNEDY. In California, which was hardest hit by the war, they have done more in that State to solve this problem and they are asking only $30,000 under this program and all the rest will come out of their own State funds. That should be an example to all the other States.

Mr. MILLER of California. That is correct.

Mr. HERTER. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Speaker, perhaps one of the best illustrations as to the need for H. R. 3829 is the situation at north Chicago, Ill., in my district. North Chicago, Ill., adjoins the Great Lakes Naval Training Station. The Great Lakes Naval Training Station Center and the Veterans' Administration have removed 50 percent of the taxable area in Shields Township where the north Chicago school is located, while supplying 50 percent of the pupils to be educated. Because the Government still owns all that land, because of the increase of the school population, there is no possibility of the local school district taking care of the situation. It prevents an impossible financial burden. This bill is very necessary and I hope it will pass.

Mr. HERTER. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Speaker, I very much favor this legislation. As the Members of the House know, Washington is one of the three Pacific Coast States which has had a tremendous increase in population since 1940. This of necessity has thrown unequal burdens on many of our school districts and the operation of this legislation has served to help bring equity to many difficult problems incurred therewith.

Mr. HERTER. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Speaker, under this bill, H. R. 3829, to assist local school agencies in providing educational opportunities for children residing (a) on Federal reservations or on other federally owned property, or (b) within the boundaries of local school agencies overburdened financially by defense-incurred school enrollments or reductions in the school revenues resulting from the acquisition or ownership of land by the United States, the General Services Administrator is authorized to make contributions to such local school agencies for the operation and maintenance of their school facilities.

There are in my district a number of schools that fall within the purview of this legislation, which are direly in need of and are entitled to contributions from the Federal Government.

For instance, in the Sausalito School District, located in Marin County, Calif., there are three military reservations, namely, Fort Baker, Fort Barry, and Fort Cronkhite. The children from these reservations attend the public schools and the Government is not contributing in any way to the support of these schools. There is also located in this same school district, a Federal housing unit, constructed to house workers at the Marin shipyards. There are approximately 1,000 children living in this project who attend the local schools and the total amount of money which is forthcoming to the district is approximately $16 per child. This sum amounts to less than 20 percent of the actual cost in providing schooling for these children.

I trust that through the passage of this bill, it may be possible for the Government to reimburse these school districts in a more substantial manner. Without a doubt the same condition exists in many other parts of the country and I desire to express myself as being wholeheartedly in favor of this legislation. I trust it may receive the favorable vote of the Congress.

Mr. HERTER. Mr. Speaker, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Speaker, in my State we have a large number of Government installations and we have met with a very serious situation in attempting to find housing and school facilities. This bill is very satisfactory to my district, and I am glad to support it. The war brought many new families and school children into our State who settled in war installations or near them. School facilities were made wholly inadequate. Many school districts did not have funds or taxing ability to provide facilities and teachers for this heavy influx of school population. Oregon has the largest increase in population since the war of any State in the Union. The Federal Government owns much of the land in many Oregon districts, thus depleting the tax rolls. Federal financial help is necessary to meet this critical situation. I will support this bill, Mr. Speaker.

Mr. HERTER. Mr. Speaker, I yield such time as she may desire to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON of Ohio. Mr. Speaker, the funds authorized in this measure—H. R. 3829—for the years 1950 and 1951 are very necessary to one of the school districts in my congressional district. During the war the Government acquired considerable land in this particular community for defense-plant operation, affecting materially the tax collections by removing the property from the tax list. Federal assistance was provided under the Lanham Act for such school districts from 1940 to 1946 as a war measure. Since 1946 we have continued this aid through special appropriations annually.

The property taken for the defense program has not been returned to taxable status so that these schools are still suffering from lack of adequate local income due to the war program. Naturally, since 1940 school enrollments have increased because of the moving of war workers and their families into the community. Most of them are still there. This is the situation that exists in the village of Brooklyn, a suburb of Cleveland, and I hope that this measure may pass so that communities so affected may continue to have the relief so necessary because of Federal war activities within their boundaries.

I urge the House to act favorably.

I ask unanimous consent to revise and extend my remarks at this point, Mr. Speaker.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HERTER. Mr. Speaker, I yield such time as he may desire to the gentleman from Kentucky [Mr. GOLDEN].

Mr. GOLDEN. Mr. Speaker, I very much favor H. R. 3829. A few moments ago I inquired of the members of this committee that brings this legislation before Congress as to whether or not it was the meaning and intent of this act to provide Federal aid to school districts where congestion and increases in school population had been brought about by the Federal Government acquiring large bodies of land for flood-control projects, public works, and national forests and where the property acquired by the Federal Government had been permanently removed from the tax rolls of the States, counties, and school districts. I was assured here on the floor of the House that this bill would cover and take care of that sort of a situation.

The Members of the House will realize that this bill, in the first section thereof, on page 2, not only provides for Federal aid to school districts where the increase in school population has been brought about by the location of defense or war plants in any locality, but beginning with line 19 on page 2, the bill further provides that where reductions in the school revenues result from the acquisition or ownership of land by the United States, then in that situation Federal aid can be granted to such districts for school purposes. Furthermore, in the concluding paragraph, number 6 of the bill, found on page 4, the act provides that the term local school agency means any public school district, county, city, town, political subdivision, public agency, or State agency operating and maintaining public school facilities.

With these plain provisions appearing in the bill and with the Republican and Democratic Members of this great committee that has brought this legislation before Congress stating that Federal aid to schools can be had by localities where additional burdens have been placed upon the school districts by the Federal Government acquiring large bodies of lands for reforestation, public works, dams, flood control, and knowing that it will take care of the situation in my congressional district in Kentucky, I shall strongly support this measure.

In the Ninth Congressional District of Kentucky the Federal Government has acquired several thousand acres of the best farm land in four or five counties for flood control, and the Federal Government is now building the Wolf Creek Dam across Cumberland River. To give Members of Congress some conception of the huge proportions of this project, knowing that most of you are familiar with Norris Dam in the Tennessee Valley, I wish to say that Norris Dam is

approximately 1,800 feet across while Wolf Creek Dam in my district of Kentucky is more than 5,000 feet across. This will create an inland body of water almost entirely in my congressional district more than 110 miles long and in many places in excess of 6 miles wide. It will cover up some of the best farm lands in Russell, Wayne, Clinton and Pulaski Counties. These lands will be removed from taxation. It has caused a great additional burden upon the school districts. Even though our people are taxed very heavily in Kentucky for school purposes, much above the average in the United States, we do not have sufficient remaining property to tax for school purposes to take care of our school children.

In addition to this, the Federal Government has acquired hundreds of thousands of acres in my district in the counties of McCreary, Whitley, Jackson, Clay, Bell, Harlan, and Rockcastle for reforestation purposes and for national parks. These lands have all been removed from State, local and school taxation.

I introduced in Congress a bill to provide that the Federal Government, when it takes land and property for public use, shall pay the tax equivalent back to the States, counties, and school districts. I think such legislation should be passed and I was called as the first witness before the great Committee on Public Lands of this Congress, and they are now considering that measure.

I find in the legislation under consideration that it is the belief of this great committee that brings forth H. R. 3829, that we are now debating, that where the Federal Government takes land and property for any purpose and thereby creates additional burdens upon schools because the tax revenues have been reduced, that it is the responsibility and the obligation of the Federal Government to replace those funds through Federal aid to the schools.

While this is a temporary measure for 1 year only, I strongly advocate that it should be made permanent. Furthermore, I think that more money than $7,500,000 should be appropriated for this worthy purpose.

Because of all of these reasons, I urge my colleagues to vote favorably on this measure and I shall do so myself. It is my opinion that it will benefit many other localities and communities throughout America as it will my own congressional district, and I again urge all of my colleagues to vote for the passage of this legislation.

Mr. McSWEENEY. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. PRESTON].

Mr. PRESTON. Mr. Speaker, I fear that the sum of money set up in the bill is highly inadequate. My recollection is that under the Lanham Act there were approximately $6,000,000 available for this program. This bill adds only $1,500,000 to that amount. According to my construction of this bill, it opens the proposition to many areas that were not qualified under the provisions of the Lanham Act, and I think very properly so.

I can cite as an example a situation in the State of Georgia where the Government purchased 280,000 acres of land in one body, second only to the Louisiana Purchase in size. When this land was purchased they even took a half of a particular county—just cut it in half. That land is still owned by the Government, and they are using it for National Guard training only. It is not occupied by our Regular forces at all, but yet the Government has title to all this land. Certainly those people, where half of the county has been taken off the tax rolls, are entitled to some relief and, of course, they would come under the provisions of this bill.

I would like to ask the gentleman from Michigan, chairman of the committee, whether he contemplates that $7,500,000 will anywhere near meet the needs of the various communities that will come under the provisions of this bill?

Mr. LESINSKI. The testimony shows that it will be enough, but we will make a study of the entire situation this fall, and I have already appointed a committee. We will see if we cannot combine all of the different affected school districts into one.

The SPEAKER. The time of the gentleman from Georgia [Mr. PRESTON] has expired.

Mr. HERTER. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Speaker, I do not have any idea of trying to kill this bill this year, but I think we ought to make some study of this proposition. As I pointed out when I asked the gentleman from Ohio a question, Massachusetts, or the towns around these Army camps, have never received a cent. We kind of thought that it was our patriotic duty to educate the children of the soldiers or other people who may have been employed in our districts in a wartime capacity, and we did it. But when I come here, as I did 2 years ago, and again last year, and all these bills come up and I find that some States are getting all the money and the others none, I think there is something wrong with the principle.

Mr. WHEELER. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. WHEELER. I wish to ask the gentleman whether the localities in his district have made application for relief, and also to remind him that the chairman of the committee has just advised the House that his committee intends to make a complete and thorough study of this situation this fall with a view of reporting back to the House at the end of that study something which will take care of the whole situation.

Mr. NICHOLSON. I agree that the study is an excellent thing. The only reason I wanted this time was to say that Massachusetts from 1775 to 1949 has done her share of taking care of the Federal Government to the best of her ability without asking for any handouts from the Federal Government or anybody else.

Mr. LESINSKI. The testimony shows that if a school district did not make an application naturally it would not get relief.

Mr. NICHOLSON. I do not think we did during wartime because we thought it was our duty to educate the children of the men who were in these camps fighting for us.

Mr. WHEELER. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. WHEELER. The gentleman just referred to this as a handout. Does the gentleman feel that when the Federal Government moves into a district and take an appreciable amount of the taxable property from the tax books and then makes payment in lieu thereof that it is a handout?

Mr. NICHOLSON. Such a transaction is not a handout.

Mr. WHEELER. That is exactly what this legislation proposes to do.

Mr. NICHOLSON. I do not see that it does.

Mr. HERTER. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Speaker, as the gentleman from California [Mr. MILLER] said, we face a very acute problem in California. In my district I now have 10 military, naval, and Air Force installations and many of our school districts are overburdened with the large number of Federal employees' children from these various military installations who are and must be educated by our school districts. Some of the districts are utterly helpless in trying to handle the financial problem involved in the situation. They have not the bonding capacity, they have not the taxing capacity to take care of the educational requirements of these children. The extra load which has been thrust upon them cannot be met. I therefore hope that this bill will pass and that we may work out some permanent pattern later whereby the Federal Government will assume part of the financial responsibility of taking care of the children of military personnel in these various installations as long as they continue to have children who need education from our local California school districts. No group of public officials, in any layer of government, have done a finer job than our California school district trustees.

Mr. McSWEENEY. Has the gentleman from Massachusetts any further requests for time?

Mr. HERTER. I have no further requests for time.

Mr. McSWEENEY. Mr. Speaker, I move the previous question on the resolution.

CALL OF THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Does the gentleman insist on his point of order?

Mr. SMITH of Wisconsin. I do, Mr. Speaker.

The SPEAKER. A quorum is not present.

Mr. McSWEENEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 146]

Barden	Fogarty	Patterson
Barrett, Pa.	Ford	Perkins
Bates, Mass.	Gilmer	Pfeifer,
Bland	Goodwin	Joseph L.
Bolling	Gossett	Potter
Boykin	Green	Powell
Brehm	Gwinn	Price
Brooks	Hall,	Ramsay
Buckley, N. Y.	Leonard W.	Redden
Bulwinkle	Hardy	Reed, Ill.
Burnside	Harrison	Ribicoff
Byrne, N. Y.	Hedrick	Riehlman
Canfield	Heller	Rooney
Case, N. J.	Hoffman, Ill.	Scott, Hardie
Case, S. Dak.	Jennings	Scott,
Celler	Jensen	Hugh D., Jr.
Chatham	Kearney	Shafer
Chelf	Kilburn	Short
Clevenger	Kilday	Sikes
Cole, N. Y.	Lemke	Smathers
Corbett	Lichtenwalter	Smith, Ohio
Coudert	Lovre	Stanley
Cunningham	McGrath	Stigler
Davenport	McGregor	Taylor
Davies, N. Y.	McKinnon	Thomas, N. J.
Davis, Wis.	Macy	Thomas, Tex.
DeGraffenried	Marshall	Towe
D'Ewart	Mitchell	Vinson
Dingell	Morris	Vursell
Durham	Morton	Walter
Eaton	Murdock	Williams
Elston	Murphy	Withrow
Fallon	Murray, Tenn.	Wolcott
Fellows	O'Toole	
Fisher	Patten	

The SPEAKER. On this roll call 331 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON PUBLIC LANDS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on Public Lands may sit during the session of the House this afternoon during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ASSISTANCE FOR LOCAL SCHOOL AGENCIES ON FEDERAL RESERVATIONS OR IN DEFENSE AREAS

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. LESINSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3829) to provide assistance to certain local school agencies overburdened with war-incurred enrollments where such agencies received similar assistance during any prior fiscal year.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3829, with Mr. WORLEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Michigan [Mr. LESINSKI] is entitled to recognition for 30 minutes and the gentleman from Pennsylvania [Mr. MCCONNELL] is entitled to recognition for 30 minutes.

Mr. LESINSKI. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, it is the purpose of H. R. 3829 to assist local-school agencies in providing educational opportunities for children living (a) on Federal reservations or other federally owned property or (b) within the boundaries of local-school agencies overburdened financially by defense-incurred school enrollments or reductions in the school revenues resulting from the ownership of land by the United States.

Under this bill, the General Services Administrator is authorized to make grants to such local school agencies for the operation and maintenance of their schools.

This bill would authorize the appropriation of $7,500,000 for the fiscal year ending June 30, 1950.

During the period between 1940 and June 30, 1946, Federal funds were made available by Congress under the provisions of the Lanham Act to assist in the construction and maintenance and operation of school facilities in war-congested areas where they were needed, in order that war activities would not be hindered. In 1947, Congress amended the Lanham Act and authorized assistance to these schools for the fiscal year of 1947.

Again in 1948 Congress continued, on a temporary basis, to grant this assistance.

In 1948, evidence was submitted to Congress to show that some of these schools which had been receiving funds were still in need of assistance, and that due to the renewal of activity at certain defense installations or the operation of new defense plants, a few additional schools would be in need of assistance. For this purpose, Public Law 839 was passed, authorizing an appropriation of $6,000,000 for the fiscal year of 1949.

Your committee is convinced that there is a continued need for Federal assistance in this field. One hundred and forty-eight schools received aid during the last fiscal year, and it is estimated that there will be 25 or 30 additional school districts that will be in need during the coming fiscal year because of further expansion of defense installations and other Federal Government activities.

Your committee considered that $6,000,000, the amount spent in fiscal 1949, will be necessary to take care of the same schools in fiscal 1950, and that an additional $1,500,000 will be necessary to take care of the new school districts which it is anticipated will need help. These figures together make a total authorization of $7,500,000.

Under the provisions of H. R. 3829, as amended by the committee, the General Services Administration is authorized to make contributions for the maintenance and operation of schools during the fiscal year ending June 30, 1950, to those local school agencies in providing school services for children residing on Federal reservation or other federally owned properties, or those school districts overburdened financially by defense-incurred school enrollments or by reductions in school revenues resulting from the acquisition or ownership of land by the United States. The bill further provides that the amount of Federal assistance for the school year to any school district be limited to the amount of the actual deficit in the school agency's maintenance and operation budget during the year. Your committee believes that these provisions are sufficient safeguards to assure that this Federal assistance will be made available only to those school districts where activities of the Federal Government have caused such a serious financial burden that they cannot finance normal school programs with their own resources. The Federal assistance is necessary in order that the children living in these communities can have the benefits of a normal school program.

The committee has considered the various bills proposed to provide a permanent method of meeting the needs in those areas where the Federal Government has caused the problem. The committee feels that the objectives of such bills are sound, but that there is not sufficient information now available on which to base legislation that would establish a permanent method of meeting this need. A subcommittee has been appointed to study this problem at first hand, and to make specific recommendations to the full committee at the next session of Congress for a permanent program.

This bill passed the committee by a vote of 24 to 1. I feel it is a meritorious one and I hope the bill will pass unanimously.

Mr. Chairman, I now yield 5 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I do not know as I can add much to the many comments that were made by about 20 Representatives here when the rule was being considered. From the observation of members of the Labor Committee, the situation is quite alike all around the country. There were about 15 bills introduced from various parts of the country dealing with this subject. A number of Members of the House appeared before the Committee on Labor and supported this legislation.

Mr. Chairman, I introduced a bill early in the session due to a very critical situation which existed just outside of Minneapolis and St. Paul, created in the early days of the war by the Government coming into consolidated school district No. 23 in Minnesota and taking out of that school district about five square miles of property. In my case, consolidated school district No. 23, which is about 12 to 15 miles outside of Minneapolis and St. Paul, found itself confronted in the early days of the war with the Federal Government coming in there and creating, erecting, and taking over property to the extent of about five square miles. At one time during the war that plant employed about 12,000 war workers. In addition to that, north of the plant just referred to, and up on the Mississippi River about 10 miles away, the Government came in and constructed a Navy installation known as the Northern Pump Co., employing about 5,000 people. Again they took out a hunk of about four square miles of taxable property, leaving the school district in a very critical financial condition.

Someone has mentioned here about these communities or the States taking care of the districts within the State or within the counties themselves. Someone has mentioned the millage proposition. Let me show you what this school district did in trying to meet the problem. They had a schoolhouse in that district that took care of about 40 to 50 pupils. Today there are close to 500 children seeking educational facilities from the school.

I have before me a report from the Federal Works Administration under Mr. Fleming at that time. This school district No. 23 has attempted to solve its own problem without Federal assistance, going beyond the average assessment of taxes. The tax levy in 1943 and 1944 was 47.6 mills, but that has increased to 180 mills in 1947 and 1948. Even considering the fact that there is a very low assessed valuation in this district, that is a real high tax levy. So no one here in Congress can point the finger to this school district in not doing its duty, and I do not think they can point the finger at a great many more school districts in our Nation and say they have not gone the limit in trying to provide for their own means of education.

In the final analysis let me say to you that those people were in hopes that they would not have this problem for some time. But in my case the Federal Government is maintaining the Twin Cities ordnance plant as a rehabilitation plant for transport facilities, so they have a large force employed there. The Northern Pump Co. is being maintained by the Navy as a storage depot.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. McCONNELL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I rise in support of this bill, H. R. 3829, which is to provide assistance to school districts in areas that have been congested due to defense activities. Now, let us see if we can cover the past history on this quickly.

Mr. Chairman, early in 1940, when this country had begun to gird for war, large segments of our population began to shift to certain areas where war workers were needed in the defense effort. Since available production facilities were not sufficient to meet the demands of national defense, new factories had to be built. Often these were in sparsely populated areas where there were not sufficient housing facilities to take care of the workers. To cope with this situation, the Government built temporary houses. The children of the workers living in these houses attended the existing schools in the area—which, of course, imposed an additional expense on the school district. Since the Federal Government owned the houses in which the new students lived, the school districts could not meet the added expense by the usual method of taxing the parents' property. It was obvious that the Federal Government had at least a moral obligation to help the school districts meet their new problem.

In the fall of 1940 Federal funds were given to these school districts under the Lanham Act. Since the primary purpose of the Lanham Act was to aid in the prosecution of the war, assistance to community facilities except schools under it was discontinued June 30, 1946. However, as most of us are unpleasantly aware, the war had not ended in 1946—the shooting had merely stopped. The cold war was blowing hot in some places—and defense activities continued. The problem of the schools in defense areas also continued.

In 1946, Congress provided $7,000,000 to assist the schools until June 30, 1947. When that bill was passed we were told that the Government would dispose of the temporary houses—and that the occupants would move to taxable property. This, of course, would have made it possible for the school districts involved to meet the added expense of the increased number of students. Because of the housing shortage—the Government did not remove the temporary shelters. Another $5,000,000 was authorized to assist the schools through June 30, 1948—but only $4,500,000 was appropriated. But in 1948—the cold war still continued—so did defense activities—and so did the school-enrollment problem in defense areas. Another $6,000,000 was authorized to carry the program through June 30 of this year. This bill would authorize $7,500,000 in aid to the schools during the present fiscal year ending June 30, 1950.

The amount of Federal funds needed varies from year to year—depending upon the number of school districts in which population has increased because of defense projects. During the peak of the war, 400 school districts received Federal funds—last year only 147 school districts needed the money. Next year, the General Services Administration estimates that approximately 175 school districts will need help from the Federal Government. The increase is due to further expansion of defense installations in 25 to 30 school districts during the past year.

This bill does not provide a hand-out to a favored few school districts. In determining what districts will receive Federal funds, the General Services Administration first looks to see what school districts are losing tax money because of the large amount of land and buildings the Government owns in the district. Second, it is ascertained whether there is enough taxable property in the school district to meet its financial needs. If it is decided that the school district actually needs the money—and that there is a moral duty on the Government to make up some of the deficit—then the school district may be eligible for funds.

As a matter of fact, most of the communities which would receive funds under this bill have levied taxes to the limit set by law. State funds have been increased substantially to help the local school districts meet their needs without Federal assistance—but still many schools have not sufficient money to operate more than 5 or 6 months a year. In view of these circumstances, I believe this bill should be passed.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from North Dakota.

Mr. BURDICK. Would the provision of the present law cover a situation like we have in North Dakota where, in a congested Indian reservation, the Indian Department has gone out into the various counties and bought up Indian lands which were untaxed, and depleted the resources of the county?

Mr. McCONNELL. This bill would not cover that.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. HOFFMAN of Michigan. A somewhat similar situation exists with reference to temporary housing in the Fourth Michigan Congressional District. My question is, What if any move is being made to take care permanently of this school situation? Are we to have these people in the same localities permanently and their children educated at Federal expense? It is like the surplus property situation. We have not been able to get rid of surplus properties. Will there ever be an end to this program?

Mr. McCONNELL. If the gentleman will notice, we have limited this bill from 2 years to 1 year, and put a $7,500,000 figure in the bill. Our thought is this: The present bill is purely a temporary extension measure. The chairman has already stated that the subcommittee which he has appointed will conduct a study of this entire program, which we hope will lead to legislation of a permanent nature in order to take care of this problem. As long as the defense activities of this country continue and as long as large areas of a school district are not available for taxable purposes for the school district, I believe aid will have to be continued in some form.

Mr. HOFFMAN of Michigan. That is a move in the right direction and I congratulate the gentleman. This morning we heard some discussion about the continuation of the war. Now, if we continue to be at war, technically, that prevents our adjournment, I understand, and is this provision for the schools to run on indefinitely?

Mr. McCONNELL. I would say as long as we are committed to a high degree of defense activity in America due to world conditions we will need some type of assistance to school districts where the defense activities deprive them of the necessary revenue to handle increased enrollment.

Mr. HOFFMAN of Michigan. If Michigan's distinguished representatives in the other body are correct in their attitude toward foreign relations, this is not temporary at all, this will be permanent.

Mr. McCONNELL. It is likely to be permanent into the immediately foreseeable future. I would not want to guess at some indefinite time.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from California.

Mr. JOHNSON. As I understand it, this covers a situation such as I am thinking about that is repeated many times in my district, where no land was taken for defense purposes out of the area of the school district but, because of defense installations near there, the children of the servicemen and civilian

employees in the defense establishments poured into that district, beyond the power of the little local district to raise enough taxes to take care of them. Is that correct?

Mr. McCONNELL. That is right.

Mr. JOHNSON. I wish to compliment the distinguished gentleman from Pennsylvania and the chairman and the rest of the members of the committee on bringing this bill out. We have a very acute and serious problem in my State along this line.

Mr. McCONNELL. I think it is only fair to point out again that most of the communities surveyed which we found were eligible for help were taxing themselves to the very limit of the law. Also, they were receiving substantial aid in many cases from the States in which they were located. However, in spite of that, there were many school districts which, if they did not receive this Federal aid, would not be able to operate for longer than 5 or 6 months of the school year.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from New York.

Mr. KEATING. Knowing the way the gentleman thinks about problems of government, I feel sure he is as concerned as I am with the fact that this amount is, for the next year, $7,500,000 as against $6,000,000 the year before. In other words, is it going to increase in the future? Is that what we can expect?

Mr. McCONNELL. That is a difficult question to answer, because it would depend on the international situation. We have stepped up our defense efforts during the past year. The additional districts provided for are due to increased defense activities.

Mr. KEATING. They have actually added districts to which help is being given next year as compared to last year.

Mr. McCONNELL. That is correct. About 25 to 30 districts have been added over those that were in last year ending June 30, 1949.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. LODGE. I would like to ask my good friend, the gentleman from Pennsylvania, whether or not it is a fact that the State of Connecticut has at no time received any aid under this act and that it is not anticipated that the State of Connecticut will receive any under the present legislation?

Mr. McCONNELL. I am not sure about that. Connecticut did not receive any aid during the past 2 years, but I do not know whether the State received any aid under the Lanham Act during the years 1940–46. If anyone knows the answer to that, I wish he would volunteer to give us that information. I do not know. But I do know that during the past 2 years Connecticut did not receive any aid. The States of Rhode Island and Maine are the only two States in New England during the past 2 years that received any aid under this type of legislation.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. KELLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I was opposed to this bill in committee in the first place because each year from 1947 on we have been promised that this program would come to an end. But it again came up in 1949, and was rushed through. And, since the 1949 bill was rushed through in a very short time, I was opposed to that. The second reason for my opposition was because of the language on page 2 of this bill, paragraph (b) in line 17, it reads, "within the boundaries of local school districts overburdened financially by defense-incurred school enrollments."

That applied to places where there was a private defense plant in school districts where there was no federally owned housing or Government property. I felt that 5 years after the war in an area where there was a private plant with no federally owned property, it was high time that the school district or the State take over the burden of supporting this project. If we are going to support States merely because they have an increase in population in some area of the State we can be doing that for the rest of our lives. I contacted the administrator of the General Services Administration and asked him what would happen to the program if we struck out this language. He replied in the following manner:

> May I state that I am in accord with your objective in this matter; however, changes in the language of the proposed authorizing legislation may go further than I believe is your intention. Certain school districts immediately adjacent to military or atomic energy installations may not be eligible under the changes proposed.
>
> In the administration of these programs since the termination of the war the number of cases to which you refer have gradually decreased, until at the present time, for the Government fiscal year 1949, there are only five school districts which might fall in the category to which you refer. I feel that with the presently proposed authorization wording we will be able to accomplish the objective. In all probability the present five cases will be further reduced or perhaps entirely eliminated during the Government fiscal year 1950.
>
> The amount of appropriated funds allocated to the five cases referred to above was approximately $180,000 for the school year 1948–49.

For this reason I will withdraw my objection, and I will not propose an amendment to strike out those two lines.

I do think it is important for the Committee on Education and Labor to investigate this whole field carefully. We now have almost 12 agencies that are giving money along these lines. No one knows how much is given or what duplication is taking place. So I think it is important for the subcommittee to investigate this field carefully and bring out a full report at the beginning of next year.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has expired.

Mr. McCONNELL. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman, when I became a member of the Committee on Education and Labor I fully intended to join my colleague, Mr. Ellsworth Buck, and oppose this legislation for schools of this type throughout the United States. Having been an educator, I felt that the communities where these installations were involved could well readjust their programs to take care of the increased load.

I have personally conducted a very careful study and I, too, have now become educated to the fact that it is of necessity that the Federal Government has an obligation in these particular instances.

One reason why I was opposed to this legislation was because I felt the program might be controlled by the Federal Government. Having been a great advocate against Federal control of education in any phase of the program, I am now convinced that there is no Federal control in any instance or in any of our communities where this money is being allocated. The members of the committee should be fully aware of the fact that the United States Office of Education does not go out and seek the community where this money is to be given. No money can be granted out of the Federal Treasury unless the program of that particular community has first the approval of the superintendent of public instruction of the State within which that community is located. We have had 21 schools this past year that were eligible for these funds which have not applied. Those schools would not be eligible until they made proper application to their own State authorities.

Further, I think the Committee on Education and Labor will find, when they investigate this whole program, that the problem which this Congress faces in the future will be to build proper school rooms to house the children of these workers on a Federal project in order that they may have suitable and adequate places for their education.

Mrs. HARDEN. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. Yes, I yield to the gentlewoman from Indiana.

Mrs. HARDEN. In my district there are 32 children whose parents are living on the Federal penitentiary agency. Those people have been told that they cannot attend the public schools in that township unless the parents pay tuition for them, or they are reimbursed by the Government. Will this bill include those children?

Mr. KEARNS. I would answer the lady by saying that if they make proper application through the great State of Indiana, then the United States Commissioner's office will send their man out to fully study the problem, and if it warrants it they will receive the money. Yes.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield.

Mr. KEATING. This is not intended in any way to be critical of helping a district such as the one just referred to by the gentlewoman from Indiana. My understanding of the Federal-aid bill here has been that it was intended to

help those conditions where a war situation had created a case where the school district could not take care of the children; and I just wonder, as a general proposition, whether it is intended to go beyond the war-incurred situation. I am afraid it is. That is one of the reasons why I hesitate in supporting the bill, because I fear it is a further extension of Federal aid in new areas.

Mr. KEARNS. I would answer the gentleman from New York by saying that in many places they have not the taxable dollars for the support of their schools, even then they have not applied for this money, though a distressed area. I have noted that it is the little crossroads places, the small communities where the taxable dollar is not to be found for school purposes, that is the type of community that needs this relief rather than the metropolitan centers.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. McCONNELL. Mr. Chairman, I yield the gentleman from Pennsylvania three additional minutes.

Mr. KEARNS. At the minority table here I have pictures taken out at Midwest City, Okla. I wish some of the Members opposed to this bill would take enough time to look at some of those pictures depicting the undesirable conditions of the schools of that small, but I think admirable, community out in the great State of Oklahoma.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield.

Mr. HOFFMAN of Michigan. Did the gentleman make any investigation to see whether the State of Oklahoma could take care of that situation?

Mr. KEARNS. I notice the gentleman from Oklahoma [Mr. MONRONEY] on his feet. I am sure he can answer the gentleman and I yield to him for that purpose.

Mr. MONRONEY. I know from my own knowledge that this little city of Midwest is completely up to the limit of its taxable rate. It has raised its valuation about three times, to the point where it is practically the highest evaluated assessed valuation area in the State of Oklahoma, and that it has bonded itself to the limit authorized and where it has drawn from the State treasury for weak-school aid all the aid that is allowable under our law, yet they need further aid in educating these thousand school children that are there because of activities of the Federal Government.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. I yield.

Mr. HOFFMAN of Michigan. That is all very well, but that is not an answer to my question. Cannot the great State of Oklahoma—and it has great wealth from oil—cannot the great State of Oklahoma take care of this situation?

Mr. MONRONEY. I am trying to say that the State of Oklahoma has helped. The State of Oklahoma has appropriated in the neighborhood of $20,000,000 for aid to weak schools, and this school district has had all the aid from this fund that is allowable under our law.

Mr. HOFFMAN of Michigan. These poor, weak people down there in Oklahoma. I thought everybody in Oklahoma was wealthy.

Mr. MONRONEY. We have some very, very poor land in the State of Oklahoma, a great deal of it, also some very wealthy oil land, but not all of Oklahoma is underlaid with oil.

Mr. HOFFMAN of Michigan. I thought everybody in Oklahoma was wealthy.

Mr. MONRONEY. The gentleman from Michigan is absolutely correct, that the State should do all it can, but in this instance the State has, and still it is not enough.

Mr. HOFFMAN of Michigan. We have the same overcrowded condition in Michigan. I do not need to remind the gentleman that war industries moved into the Fourth District of Michigan with foundries and defense industries. But now these people who worked in the foundries and had these wartime jobs are out and are living on the land of the local taxpayers. These men are out of jobs so they cannot send the children to school.

Mr. KEARNS. Mr. Chairman, I cannot yield further. It is true that we have many places in the United States of America where we have these overcrowded conditions caused entirely by governmental activities. The Federal Government certainly owes a duty to aid in these instances.

Mr. HOFFMAN of Michigan. But there are many other instances in which the States themselves should make a greater effort to take care of their own overcrowded condition.

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. LUCAS].

Mr. LUCAS. Mr. Chairman, I think I can bring this proposition down to where we may clearly understand the situation. Let us assume a school district comprising 5,000 acres of taxable land and the Federal Government comes in and buys up 4,000 acres of that land, then places on the 4,000 acres two or three hundred families with children. Is it fair for that school district, which originally comprised 5,000 acres of taxable land, to educate the children living on the Federal property which pays no taxes? That is the question. This is a direct consequence of the war.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. I yield to the gentleman from Connecticut.

Mr. LODGE. May I point out that in Stratford, Conn., where the Chance-Vought plant was located, the plant was tax exempt, yet the taxpayers of Stratford paid for the schooling of the children of the workers. How does the gentleman reconcile that with the statement he has just made?

Mr. LUCAS. I think it is commendable that the citizens of Stratford educated the children of the workers of that plant, and I commend the gentleman for being concerned about the matter. I do not think the gentleman should criticize Texas, however, because some of his people moved from Connecticut to another State.

Mr. LODGE. I do not see why the people of Stratford, after having been deprived of those facilities, should have to pay for the schooling of children in Texas, when the city of Dallas is a far wealthier community than Stratford.

Mr. LUCAS. I am placed in a rather anomalous position in defending Dallas because I am not from Dallas; however, I am familiar with the situation. In answer to the gentleman from Connecticut, the question is simply this, whether or not those children will receive an education. This Chance Vought plant is located at Grand Prairie, Tex., outside of Dallas. The superintendent of schools down there has told me that had not the Federal Government participated in the program last year, even before the Chance Vought plant went in there, their schools would have been open only 6 months this last school year.

Mr. LODGE. I understand the children of the workers of the Chance-Vought plant in Dallas will go to schools which will receive aid under this legislation?

Mr. LUCAS. I cannot answer the gentleman's question. I think it is possible they will go to a school which will receive assistance under this program. They must go to school somewhere, whether it is in Stratford, Dallas, or Grand Prairie. Someone has to provide for their education. It is not the fault of the people of Grand Prairie that these children have been brought in there. Some taxpayers have to pay the cost of the education.

Mr. LODGE. I agree with the gentleman. I want the children to go to school just as much as the gentleman does, and I have the highest regard for the people of Texas, but does the gentleman think the people of Stratford and Bridgeport should have to pay for the education of these children?

Mr. LUCAS. It is all a part of our war effort. We all want to do everything that is possible to protect our country. If they choose to put up a war plant in one county rather than in another, the people of the other county should be glad that the Government will do all it can to protect our country. I do not in this instance, of course, question the wisdom of the authorities in moving this industry to Texas.

Mr. LODGE. I know what the people of Texas have done to protect America, but I want to assure the people of Texas that I do not want our people in Stratford to be penalized additionally by the removal of this plant.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. I yield to the gentleman from Michigan.

Mr. LESINSKI. I suppose the misunderstanding between the gentleman from Texas and the gentleman from Connecticut arises from the size of any given school district and the amount of taxable property in any particular school district. This has nothing to do with the school district. Eighty percent of the land of a school district may be taken away. That school district must account for its own district. It has nothing to do with another school district.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I am sure that if the city of Dallas finds it has enough taxes for school purposes it will probably not apply for this money, even though there are children there from Connecticut being educated.

Mr. LUCAS. I think that would be the case everywhere. If the school district can provide for itself, and for its own children, it will not apply for these school funds.

This is a Federal responsibility, gentlemen, and we must face it. The local school districts should not be expected to provide educational facilities, school teachers' salaries, and the other costs of operating a school for the children of the workers at a war plant, when that plant pays no taxes, without assistance from the Federal Government which in the first place created the condition. There are two such distressed school districts in my home county, and I say to you that unless the Federal Government affords us such assistance as is provided in this bill, then there will be hundreds of children who will not receive even a minimum of training during the next school year. We must pass this bill.

Mr. McCONNELL. Mr. Chairman, I yield 4 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, I am not sure how this proposed legislation will affect other communities. I am going to explain rather briefly how it applies to two projects in my congressional district. One is a comparatively large school district of Planeview approximately 12 miles outside Wichita, Kans. The other project is the Beechwood district 7 miles from the city limits of Wichita. Both of these installations were built by the Government in order to provide housing for workers in war plants. The Boeing Airplane Co., as you know turned out the famous B–29 planes, as well as other planes. Beechcraft and Cessna likewise built hundreds of planes under war contracts. Thousands of persons were engaged in war work and were housed in temporary housing built by the Government. Schools were provided and shopping centers were provided by the Government.

Most of the housing is still there. I think there were about 18,000 people in Planeview during the war period. Incidently Boeing has reopened and employs about 10,000 workers engaged again in building war planes. Many of the workers live in Planeview.

There are approximately 3,000 students enrolled in Planeview schools. It takes $490,000 to operate these schools. Beechwood is smaller. The enrollment is a little more than 200 in the grades. As I understand the situation high school is not maintained at Beechwood. It takes about $39,000 to run Beechwood schools. Planeview is asking for about $180,000 of the total of $490,000 to run the schools for a year. Beechwood will need approximately $14,000 of the $39,000 I have mentioned.

Mr. Chairman, the Federal Government is presently collecting rents from this temporary housing at Planeview, consisting of 2,980 units, the sum of about a million dollars a month, or $12,000,000 a year. So, all we are asking is that the Government turn back 15 percent of the rents collected from a housing project, owned and operated by the Government.

It should be clear that since the Government owns the housing, that is rather cheaply, there is little tax that can be collected locally. There is some income from the township and the county and there is a substantial contribution from the State of Kansas. It is possible the State should do more but we are collecting from the State all that can be collected under the law.

Mr. Chairman, we are not asking for so-called hand-outs. All we ask is that the Government turn back part of the rent collected to supplement the taxes paid by the people in local communities. This is one of the problems you are going to face in the Government housing business. So, so far as my area is concerned I see no reason why, under the circumstances, we are not entitled to a return of a part of these rents to help take care of a deficit that must be paid. Some mention was made as to the people who live in these housing units. I am informed 65 percent of the residents are veterans and their families.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. REES. I will be glad to yield to the distinguished gentleman from Michigan.

Mr. DONDERO. I am in sympathy with what the gentleman says. My State of Michigan paid in about $2,500,000,000 in income taxes last year. Give us back just 10 percent of that, and we will not be here asking for any money under a bill like this. I think the gentleman's State would be in exactly the same position.

Mr. REES. I appreciate the gentleman's observation. Of course, we do not have the large automobile factories in our State. Nevertheless, I think we do pay our fair share of the income taxes.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Michigan who always gives the problems of government a lot of study and consideration.

Mr. HOFFMAN of Michigan. We do not have the billions of bushels of high-priced wheat, either.

Mr. REES. I regret that your great State does not produce wheat and other foods in abundance.

Mr. HOFFMAN of Michigan. I am glad you have it.

Mr. REES. We are glad we can share our food crops with people of other States. We buy your cars and sell you our wheat, corn, and other food. We are glad to help feed the people of Michigan and other areas.

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. COMBS].

Mr. COMBS. Mr. Chairman, I shall not take the full 5 minutes, and will be glad to yield to any Members who have not been able to obtain time to speak on this bill.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield to the gentleman from Arizona.

Mr. MURDOCK. I am in full support of this bill. I have in my congressional district several such school districts as have been described here.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD immediately following the remarks of the gentleman from Texas [Mr. COMBS].

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield to the gentleman from Louisiana.

Mr. BROOKS. I wish to thank the gentleman for his courteous attitude in being willing to yield, since I have not been able to get any time on this matter. Let me say this, however. The way the matter impresses me is that there is not a fair policy of distribution of these funds in many cases. For instance, I know in my area we have a heavy burden of war-incurred responsibility, yet our fiscal set-up is such that we are not able to participate in the program. Other areas I know of pay much less school taxes and are able to participate in the program and reap the benefits from it. Our area, because of our tax set-up, with a heavy burden of taxes, does not participate in the program. I think some new criteria might be worked out which would result in a more equitable distribution.

Mr. COMBS. I thank the gentleman from Louisiana. In view of his remarks, I think a brief explanation of the plan of distribution provided in the pending bill will be of some help. I think there is some misunderstanding about it.

The communities eligible are these, and I want the gentleman from Connecticut [Mr. LODGE] to listen to this also. In view of his remarks earlier in the debate, I think he, too, has misunderstood the proposition, and why his community probably did not get the aid.

I quote from the bill:

> That in order to assist local school agencies in providing educational opportunities for children residing (a) on Federal reservations or on other federally owned property, or (b) within the boundaries of local school agencies overburdened financially by defense-incurred school enrollments or reductions in the school revenues resulting from the acquisition or ownership of land by the United States—

Those are the communities that are eligible under this bill.

Let me say this to the gentleman from Connecticut: If the war plant he referred to that moved down to Texas was located in his city or near it, and if it was a Government war activity, as I assume it was at that time, and if his community was overburdened with increased school enrollment by reason of that, then all it had to do was make application for aid under the prior act, as under this act, and make that showing, and it would have received aid.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield to the gentleman from Connecticut.

Mr. LODGE. I am delighted to get this information from my good friend from Texas. Early this afternoon the gentleman from Ohio [Mr. McSWEENEY] said they would have been entitled to make application. I do not believe any community in the United States ought to be penalized because of its failure to make an application in this connection. I think it should be encouraged to be self-sufficient, and not be discouraged by being penalized because they do not want to ask for Government aid. That indicates a splendid civic spirit on the part of the people of Bridgeport and Stratford, that they did not make application.

Mr. COMBS. It is a fine spirit, but I do not see where the penalizing comes in.

Mr. LODGE. The penalizing comes in because they are now going to be called upon to pay taxes for the education of these children in communities that are now better off than they are.

Mr. COMBS. I want to make an explanation here that I think will be of interest. I do not know the situation at Dallas since the war plant to which the gentleman from Connecticut referred moved down there. Dallas is way north of where I live. But here is the thing that is not understood by some of the Members. When a plant such as this moves down to Dallas, say, actually it goes out in the country, entirely outside of Dallas, and builds its plant out in a little local school district. In every State a large part of the burden of public schools is borne by the local school community.

Take Texas for example. My State appropriates $55 for each school child in the State uniformly over the State. The average annual cost for public school operation for each child in Texas is $132. The difference between the $132 average cost for school maintenance and the $55 put up by the State falls entirely on the local community. Now, if this great Government installation goes into a small town or a little school district having only two or three hundred children, with only modest sources of revenue, and places several hundred children there that have to be educated, one of two things must happen. Either the local community must refuse to receive them into the schools or the school district must have aid from somewhere to keep the schools going for a full term of 9 months. I would like to use the town of Orange, Tex., as an example. There are about 2,500 children living in this Government housing. There is a great naval base there, a temporary naval storage basin. What happens is this: First, the State of Texas puts up $55 for every school child in Orange, including, of course, those living in Government housing. The city of Orange doubled its school valuations and levies a heavy burden of local school taxes, and this is added to the amount received from the State, and only the amount required to provide that the average amount of $132 per pupil is made up out of the Federal appropriations. So I think this is a fair method of distribution. The State and local people do share a large part of the burden of educating the children of these temporary residents. This bill provides no Federal hand-out. It merely recognizes the added burden placed on the local school districts by a Federal Government activity, and shares the expense accordingly.

Mr. MURDOCK. Mr. Chairman, I want to urge passage of this bill, H. R. 3829. Many school districts in my own State, as well as elsewhere, have found themselves in difficult financial condition because of war-swollen population. It is true that the war is over, but in many cases those families that came to my State of Arizona have remained, and therefore those schools are still in need of assistance in coping with this increased enrollment, especially in such cases where their present indebtedness has reached the limit allowed by law.

I have recently received statements from Superintendent Liem, of the Washington School District at Phoenix, and J. B. Sutton, superintendent of the Isaac School District, also in Phoenix, urging that I support this bill, and I know that the Amphitheater and the Sunnyside School Districts in Tucson are also concerned.

As a former school man myself, I have long been aware of the importance of adequate provision for the education of our young people, and I have in previous years supported legislation to grant relief to war-swollen school districts. I am glad to speak once again in behalf of such legislation as we are now considering.

Mr. McCONNELL. Mr. Chairman, I yield such time as he may require to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, I am in favor of this legislation and trust that the House will act favorably upon it. There is one point which was not made very clear in the discussion on the bill, and that is with reference to section 2, in which provision is made for a school district which may be affected by war-incurred population and might qualify in other respects, but nonetheless could not receive funds unless it had an actual or anticipated deficit. In determining the deficit the Administrator must also take into consideration the total revenues actually available to the district.

Mr. Chairman, as has been indicated by previous speakers, this bill would extend for another year the principles involved in the Old Lanham Act and the more recent Landis Act. Federal financial assistance would be made available to certain school districts whose enrollments have been increased by Federal defense activities and whose financial condition has thereby been overburdened to the point where deficits or anticipated deficits exist.

In many instances the Federal Government has acquired property within the school districts to such an extent that a great amount of taxable property has been removed from the local tax rolls. Revenues for school districts have thereby been decreased, while the expenses have increased because of increased enrollments. The Federal Government, therefore, has an obligation to those districts to supplement the revenues thereof. The Government can do this by making payments in lieu of taxes or appropriating funds pursuant to this legislation. Now, it is true that in many instances payments are already made in lieu of taxes, but an examination of these payments as presently made will indicate that they are not sufficient to offset the increased expenditures made necessary by the swollen defense-incurred population. This legislation makes possible the equalizing of this discrepancy.

Not all school districts with war-incurred or defense-incurred school enrollments can qualify. There must exist an overburdened financial condition to the extent of a deficit or anticipated deficit. Furthermore, in determining such deficit the Administrator must take into consideration the total income of the local district actually available to it. In other words, the district must, to all practical extent, exhaust local finance resources.

There are eight such districts in my congressional area who urgently need this assistance. As I have stated, this is a Federal obligation, and the bill should be passed.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield.

Mr. KEATING. We keep on hearing about defense establishments as the basis for all of this legislation. But, as I read it—and I could be in error—it does not apply solely to defense-created areas, but to any area where there is property or land owned by the United States which brings about this situation. Am I not right in that understanding?

Mr. TOLLEFSON. That is my understanding of it, but, as the gentleman from Massachusetts [Mr. KENNEDY] mentioned a moment ago, there are only five districts affected which do not have defense activities, and their participation has, according to FWA, been in the process of being reduced.

Mr. KEATING. In other words, there are only five now receiving aid which do not come in the defense category?

Mr. TOLLEFSON. That is my understanding.

Mr. KEATING. But it could be extended beyond that under this wording, could it not?

Mr. TOLLEFSON. Under this wording it could be, but within the provisions of section 2 of the bill.

Mr. KEATING. Therefore, in that respect it is an extension of the previous law which was limited only to defense areas; is that not right?

Mr. TOLLEFSON. That is correct, except that as a matter of practice those districts are, as I mentioned, being gradually reduced in their participation.

Mr. KEATING. In this law for the first time, however, it is possible to give aid to those districts. In other words, it appears to be an extension. I am glad to be corrected if I am in error.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield so that I may answer that?

Mr. TOLLEFSON. I yield.

Mr. LESINSKI. That is why I brought out the matter of the State of Oklahoma, where, in one of the school districts, the Government bought 90 percent of the land. There was only a small

township left with 126 school children. Then, when the Government took this land, it brought in 2,500 children who had to go to this particular school. This is Government-owned land and the school cannot afford to keep these children unless this aid is given.

Mr. KEATING. If the gentleman will yield further, so that I may put another question to the gentleman from Michigan, I appreciate, of course, a particular situation which may exist in the district of a gentleman from Oklahoma or any other district, but my point is that this law as now written is an extension of Federal aid beyond previous legislation.

Mr. LESINSKI. No; I am sorry, it is not. It is not an extension of any other legislation. I think the gentleman has the wrong information there. There is no extension unless it is war-incurred.

Mr. KEATING. I understood under the old law the only school districts which were aided were those where there was a situation created by defense industry or some defense plant, whereas, as this law is worded at the present time, it extends aid not only to such areas but to any area where there is Federal building and Federal installations, whether they are for national defense or any other purposes.

Mr. LESINSKI. That is not true. That is not the way we understand it. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. GRANT].

Mr. GRANT. Mr. Chairman, I asked for this time in order to propound a question to the committee.

This legislation is a departure from the legislation we had on this subject last year, in that the legislation at that time provided for a sum not exceeding $120 per child when the Secretary of the Army finds that the schools, if any, available in the locality, are unable to provide adequately for the education of those school children. That law provided that they must have lived on the military installation. The present bill provides that they can live on the installation or outside of the installation in certain cases.

I have a letter from the superintendent of education of Montgomery, Ala. I may say that Montgomery, Ala., is a city which is vitally interested in this legislation because of the fact that we have two large air fields in that city—one on one side and one on the other side. He states that the present bill, H. R. 3829, is a bill which contributes to deficit financing by local school boards, and that under Alabama law they cannot operate a deficit. Before doing so they would have to cut salaries and cut everything else possible.

I wish to ask the chairman, or some member of the committee, just how the public-school system of Montgomery, Ala., may benefit under this bill, taking into consideration the fact that deficit financing is prohibited by the State of Alabama. I see that my time is about to expire and I will therefore request this information a little later when more time is available.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. LESINSKI. Mr. Chairman, I yield the balance of the time to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I would like to straighten out one or two questions about this bill.

In the first place, no school district that can possibly get along without this Federal money would care to come to the Federal Government for it. For instance, we are passing very late this year the authorization to take care of those schools for the next year. That means that every teacher in those schools does not know whether they will have employment for the next year or not.

It will still be dependent upon the action of the Appropriations Committee in granting these funds. This is an emergency life line to those small school districts which have the impact of war enrollment that they cannot possibly meet.

I am talking about the Midwest city, a small municipality about 7 miles from Oklahoma City.

Oklahoma City cannot absorb this school district because of its territorial location being too far away to integrate with the Oklahoma City school system.

In Oklahoma City we perhaps take care of almost half of the war impact of the Mid-West Air Depot installation and we do not mind, Oklahoma City does not need Government help, because we have got a tax base in Oklahoma City where we can handle that.

But here is a little community across the street from this air installation where more than six or seven thousand people live and sleep. There are no taxable business establishments there. The entire business is across the street—about $20,000,000 worth of business installation, all Government-owned which is completely tax-exempt, and which absorbs 90 percent of that school district.

If this were a privately owned plant, as in the case in some places in the country, where some industry owned that plant, we would not be here asking for any Government help. The ad valorem tax rate in such a case that would work on that fifteen or twenty million dollars investment and would probably give you the best schools in the world in that kind of a defense area. Where the Government owns this land and creates the immense pupil load, we are not asking for a handout; we are merely asking that Uncle Sam not take a free ride on these very small independent school districts.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired, all time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the first section of the act entitled "An act to provide assistance to certain local school agencies overburdened with war-incurred, or postwar national-defense-incurred, enrollments", approved June 29, 1948 (Public Law 839 of the 80th Cong.), is hereby amended to read as follows:

"That the Federal Works Administrator is authorized to make, in the same manner as heretofore authorized, during the fiscal year ending June 30, 1949, contributions for the operation and maintenance of school facilities to local school agencies requiring assistance that (a) are still overburdened with school enrollments caused by war activities and the transition from war to peacetime conditions and have received during the fiscal year ending June 30, 1948, or during any prior fiscal year, Federal contributions administered by the Federal Works Administrator for the operation and maintenance of their school facilities, or (b) have become overburdened with defense-incurred school enrollments as the result of the reactivation or expansion of any defense establishment or the operation of any new defense establishment."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That in order to assist local school agencies in providing educational opportunities for children residing (a) on Federal reservations or on other federally owned property, or (b) within the boundaries of local school agencies overburdened financially by defense-incurred school enrollments or reductions in the school revenues resulting from the acquisition or ownership of land by the United States, the General Services Administrator is authorized to make contributions to such local school agencies for the operation and maintenance of their school facilities as provided in this act.

"SEC. 2. The total contributions for any school year to any local school agency overburdened financially by a defense-incurred school enrollment or reductions in school revenues caused by the acquisition or ownership of land by the United States shall not exceed the actual deficit, as determined by said Administrator that without such contribution would be incurred in such school year by the local school agency in the operation and maintenance of its school facilities: *Provided, however,* That in determining such deficit the said Administrator shall take into consideration the total income of the local school agency actually available for the maintenance and operation of its school facilities in such school year and the total costs incurred by the local school agency in such school year for the maintenance and operation of its school facilities.

"SEC. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1950, $7,500,000 to carry out the purposes of this act.

"SEC. 4. In the administration of this act, no department, agency, officer, or employee of the United States shall exercise any supervision, direction, or control over the personnel, curriculum, or program of instruction of any school, local school agency, or school system of any State.

"SEC. 5. The said Administrator is authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act, and to make payments in advance, or in any other manner deemed necessary to accomplish the objectives of this act.

"SEC. 6. As used in this act, the term 'local school agency' means any public school district, county, city, town, political subdivision, public agency, or State agency operating and maintaining public school facilities; the term 'State' means any State, Alaska, Hawaii, Puerto Rico, or the Virgin Islands."

Mr. BROOKS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not opposed to this bill, but I am opposed to the method used in the distribution of the funds appropriated under this bill. I am opposed to the criterion put out by the Department in handling these matters. I would appreciate it if the chairman will help to clear this matter up. I come from an area where, as in the case of the gentleman from Alabama [Mr. GRANT], there is a real live problem in education. Under our school system, we are not allowed to run deficits. We have State control of the educational system. I invite the chairman to comment on the situation.

Mr. LESINSKI. I suggest that the gentleman from West Virginia [Mr. BAILEY] can aid the gentleman.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. BAILEY. The matter of deficit financing does not enter into the matter under this bill. It may be that the State of Louisiana or the State of Alabama prohibits deficit financing by school boards, but under modern procedures, the superintendent of the school board prepares a school budget and on finding that they do not have sufficient funds from local and State-aid allocations to operate at the necessary level they make application through their State superintendent of schools for aid from this fund. They must first show that they face a deficit.

Mr. BROOKS. The gentleman from West Virginia wants to be helpful. The gentleman states that they have to make a showing that they have a deficit. Under our law, they cannot have a deficit.

Mr. BAILEY. There is no deficit financing at all. All they need do is to make the showing that without this aid there will be a deficit. They can govern their budget accordingly and there is no deficit financing involved.

Mr. BROOKS. I worked on this matter for a period of over several months last summer where we had a deficit situation coming up. We were told that until a deficit was incurred there was no possibility of getting any money. But our people are prohibited from incurring a deficit, so you cannot say we have a deficit. We do not have a deficit. But until we show we do have a deficit, we are not eligible to file an application for the money. I know communities that are paying a far less percentage of taxes for educational purposes which are participating in this program. Because our people do not show a deficit in the operation of their educational systems, regardless of the degree of effort on their part, they are not eligible.

Something should be worked out so that a community which bears a heavy load, like some of them in Louisiana, may participate in the program without having to show that a deficit has been incurred in violation of the law.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Michigan.

Mr. LESINSKI. That is the reason I had a committee appointed, so that we could study all these matters. Every school district has its problem and a complete study must be made before any additional legislation can be passed.

Mr. BROOKS. We have at least one parish in Louisiana in which is situated an air base where hundreds of students go to school. It is a rural parish, a poor parish, but regardless of the showing we made, and I think we made a good one, this parish has not been able to participate because it cannot show that a deficit has been incurred.

Mr. GRANT. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Alabama.

Mr. GRANT. I think the suggestion made by our colleague from West Virginia will be very helpful in clearing this matter up. I hope in interpreting this legislation the appropriate department will be governed by the suggestion he has made. If not, it is going to mean that in a situation such as the gentleman from Louisiana has and such as I have in the State of Alabama, we will not get any funds for the next fiscal year.

Mr. BROOKS. I may say to the gentleman from Alabama that is the situation. Regardless of the needs of the school, the State of Louisiana in effect does not participate in the program. In parts of the State these needs are substantial and those districts should not be overlooked so far as participation in this program is concerned.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last two words.

Mr. HOFFMAN of Michigan. Mr. Chairman, we were first told this program is a temporary one, then later on the admission was made that it is to be a permanent program.

We have a somewhat similar situation in the Fourth Congressional District of Michigan. During the war a large number of workers were brought into that district. They were housed in so-called temporary housing which we are now told is going to be indefinitely extended from year to year; no time limit fixed as to its expiration. Unfortunately, those people who came in there, a thousand or more of them, were housed in these so-called temporary housing projects—they worked in the steel plants and foundries. Some of them are now out of jobs. Naturally there was not sufficient room in the schools for their children. The children should be—they will be schooled—we all admit the necessity, but they are not, and the parents, the fathers and mothers, are out of jobs. There is no prospect they are all to have a job. To a large degree defense work is out. So there should be some remedy for the situation.

What are we to do about it? Are we going to continue the temporary war housing indefinitely? Are we to keep the several thousand people in these small communities from now on to the end of time? Or should it be made possible for them to get back to the localities from whence they came?

I have listened and I have read many of the things which have been said by the distinguished representatives from Michigan over in the other body and they have been extremely solicitous about people in other lands, including the so-called displaced persons. I think that the House Committee on Education and Labor or some other committee might well come up with a bill which would have to do with the displaced persons in America, some displaced persons in my own district, some displaced persons in Texas, and other places.

I sympathize with the gentleman from Texas who spoke a little while ago. It is unfortunate that so many children are without school facilities. Something really constructive must be done about it. I did not hear any complaint from localities when those great plants went down there and the enormous pay rolls were in operation; nothing was said about that. But, now that the situation has changed and the war is over and employment is dropping down, do you see the point—they did not save money enough to take care of the schools and the housing—and both must be had. But we cannot support all the war workers for whom jobs are not available in the cities to which they moved—there must be some readjustment. I am serious in this. Is it not about time that we do something for the displaced persons here in America and get those people in those communities who have no jobs there either back in the business where they were or back to the land from whence they came?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman understands we are still fighting a cold war with hot money, are we not?

Mr. HOFFMAN of Michigan. I know that it is going to make taxpayers get real hot from hard work if they are to get the dollars necessary to give housing to war workers who moved to the defense centers to give schooling to their children—when there no longer are jobs open in those communities.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CARNAHAN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there is still urgent need for legislation which will provide assistance to school facilities which are heavily overburdened as the result of the recent defense effort. H. R. 3829 is a continuation on the part of the Federal Government to assist local communities in providing school facilities for many children who are not permanently a part of the community involved. We have examples of such communities in Missouri. Fort Leonard Wood, a large Federal installation, has placed upon one of our local school districts a burden which the local district does not have the wealth base to carry. The Federal Government has heavy property holdings in the area and the children from the reservation must be taken care of in the local schools. This situation is definitely not a local problem; it is a Federal problem. This legislation is necessary to meet a Federal obligation to children who otherwise would not get adequate schooling. I see no objection to the bill and I shall vote for it.

Mr. WILSON of Texas. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I was off the floor attending a committee meeting when, I understand, the gentleman from Connecticut referred to a war plant in Dallas and the fact that some 700 or 800 families moved out of some district in Connecticut down to the thriving metropolis of Grand Prairie, Tex. During the war the RFC spent $50,000,000 building North American Aviation plant at

Grand Prairie, Tex., some 12 or 15 miles west of Dallas. Fifty thousand people worked in that plant building airplanes for war use. After the war the War Assets Administration took over that plant as a surplus plant and it was transferred to the Navy. Of course, airplane construction stopped, but recently Chance-Vought from Connecticut leased the plant on a contract from the Navy. The title to the plant is still in the Navy. Therefore no taxes can be charged. The city of Grand Prairie that had grown from 2,500 people to 30,000 people overnight had these school children on hand. This plant occupied fully half of the school district land on which they depended for school money. I certainly favor this bill, because it was certainly no fault of Grand Prairie's that they turned up with 3,000 school children instead of 300, and that they are all still there. The small number of families that moved from Connecticut, some 800, while they added a few school children to that number, I would say it was very few. There are some 2,500 or 3,000 school children there who will have only from 4 to 5 months school per year, with the school district charging the maximum amount it can charge under the law, $1.50 per hundred tax rate, unless it gets part of this money to carry on the activities of that school. So regardless of whether Connecticut lost several hundred families and Grand Prairie took on several hundred families, or whether the gentleman from Connecticut likes it or not, those are the facts. This school needs something like $75,000 or $80,000 in order to carry on a 9-months school term. Certainly the gentleman from Connecticut, just because these fine people had the good judgment to move from the cold and austere climate of his State to the warm and congenial atmosphere of Texas, that they should be penalized by having no schools.

Mr. Chairman, I think this bill is absolutely essential and necessary, and should be passed as an emergency matter.

Mr. MILES. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. MILES. Mr. Chairman, I rise more to seek information than to make comment on the bill. In New Mexico, where the Government moved in and took over 5,000,000 acres of land, and brought in a great many school children, some of them are living on Federal land and they will have to be transported to school. The town of Alamogordo, near this project, is bonded to the limit. They do not have the capacity to take care of the people they do have. Under this bill, I do not see what arrangements are made to take care of them. At a little town near Los Alamos the same condition exists. They could not put another pupil in the schoolroom they have. No provision is made to construct buildings there or on Federal land where these projects are located. I do not know whether or not there is any other legislation pending to take care of such matters.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MILES. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman from Nebraska [Mr. CURTIS] has a bill pending to provide funds for construction work.

Mr. MILES. I thank the gentleman.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WORLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3829) to provide assistance to certain local school agencies overburdened with war-incurred enrollments where such agencies received similar assistance during any prior fiscal year, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. NICHOLSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The bill was passed.

The title was amended so as to read: "A bill to provide assistance for local school agencies in providing educational opportunities for children on Federal reservations or in defense areas, and for other purposes."

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. THOMPSON (at the request of Mr. LUCAS) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. DAVENPORT asked and was given permission to extend his remarks in the RECORD.

Mr. MACK of Washington asked and was given permission to extend his remarks in the RECORD.

SPECIAL ORDER GRANTED

Mr. DAVENPORT. Mr. Speaker, I ask unanimous consent that I may address the House for 2 minutes today, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

TRUMAN'S RED HERRING BECOMING ODORIFEROUS

Mr. HOFFMAN of Michigan. Mr. Speaker, ever since the House Un-American Activities Committee, under the leadership of Martin Dies, in June of 1938, began to turn the light of publicity on the Communists in the Federal Government, the administration has vigorously opposed the work of that committee.

Under Roosevelt, Communists were entertained at the White House, the Dies committee's work was subjected to a continuous fire of criticism. The loyalty and patriotism of Members of Congress who saw and pointed out the danger to our Government arising from the Communists' infiltration into labor unions, schools, churches, yes, and into the Federal Government itself, was challenged.

Some of us who had the courage to challenge the administration's program of suppression of free speech, its adherence to a program tending to protect the enemies of our Government, were summoned before a grand jury proceeding under the direction of the infamous William Power Maloney, who is characterized by the United States Supreme Court as a "pettifogging shyster" and who later was convicted in a local court of either drunken or disorderly conduct.

For 2 years and more that grand jury, whose existence was due to the deceptive, disreputable, cowardly conduct of the Washington Post's representative, Dillard Stokes, smeared loyal Americans who were attempting to expose the country's enemies, to call attention to the fact that there was a move on foot to haul down the Stars and Stripes and unfurl in its stead the flag of a one-world union.

When the House Committee on Un-American Activities was successful, as it was, in making public those who in the administration were betraying our Government, the Department of Justice could no longer escape prosecuting a few of the country's enemies.

To serve its own selfish ends, advance its own political interests, the Truman administration has continued to give aid and comfort to the Communists within our borders, while asking and getting billions of dollars of the taxpayers' money to, so it said, fight Communists abroad.

Bridges and Browder, top-notch Communists and long known as such, for years have been pampered, coddled, and protected.

More than once has President Truman characterized the efforts of those of us who would expose and prosecute the Reds, referred to our activities as a "red herring."

The administration was successful in its fight to force off of the House Committee on Un-American Activities the gentleman from Louisiana, F. EDWARD HÉBERT, and the gentleman from Mississippi, JOHN RANKIN, both vigorous effective enemies of communism. But it was unable to destroy the record these gentlemen left behind them.

At last, no longer able to cover up the Communists within the administration, it prosecuted one of the little fish, Judith Coplon, and she was convicted. A bigger fish, one right in the State Department itself, one who was able to call as character witnesses two Justices of the United States Supreme Court, one who was able to cite as his former associates and endorsers men prominent in international affairs, one who was so influential that when he was no longer able to escape indictment and public trial someone high in authority saw to it that he was tried before a friendly, sympathetic judge who overstepped all bounds of legal propriety by so conducting himself as to aid in his defense.

Hiss is the man who was tried before a friendly judge who went out of his way to hamper the prosecution, to aid the defense. Hiss is the man whose attorney was permitted to take unfair advantage of witnesses who appeared for the prosecution, of the attorney who tried the case for the Government, the Honorable Thomas F. Murphy. Murphy, forced to battle not only the defense battery of attorneys but the presiding judge himself, made a magnificent up-hill fight and convinced at least 8 of the 12 jurors that Hiss was guilty of perjury.

The efforts of the House of Representatives, through its committee, to expose the Communists who are in positions of authority in the Federal Government, in positions where, in the event of war, they could hamper our Nation's efforts, have, I repeat, more than once been characterized by President Truman as a "red herring."

But in the light of facts as they are developing, it is apparent that, in the words of the man on the street, Truman's red herring begins to stink and some of the odor, in spite of his efforts, is sticking to the President's fingers.

It is about time that Mr. Truman forgets some of the methods of the corrupt Pendergast political machine to which he owes the major part of his advancement and quits trying, through his utterances, to protect the country's enemies. He seems to have forgotten that Lincoln told us that you cannot fool all the people all of the time.

The people have been patient with this little man in a big job, but there is a limit to their patience and they are no longer swallowing the Presidential smear story that Reds and Red influences in the Federal Government, in labor unions, and elsewhere, are negligible.

If we are to fight communism, we must fight it not only abroad but here at home, and when I say home, I mean right here in Washington. The administration and the State Department have overlong been able to cover up, conceal, and deodorize Communists and near-Communists in their own household.

The scheme to kill probes protecting some of the country's enemies is retold in an article by Willard Edwards, a factual writer of the Chicago Tribune, in its issue of Monday, July 18, 1949. A copy of that article, with certain names deleted to comply with House rules, is attached herewith and made a part hereof:

SCHEME TO KILL PROBES TRACED TO HIGH PLACES—PROMINENT PEOPLE STILL CLING TO HISS

(By Willard Edwards)

WASHINGTON, July 17.—From the lips of Alger Hiss last August 25, in the midst of the hot controversy over his alleged complicity in a Soviet underground organization, came a revelation of the formidable forces which he could summon to his defense.

Behind the current campaign to choke off both a congressional inquiry into the recent perjury-espionage trial of Hiss and a further probe of communism in the Government lies the influence of prominent persons, a survey has revealed

Administration leaders are determined to avoid any hearings which might further scandalize the public, emphasizing the realization that the Federal structure was permeated with Communist supporters and informants. They have the dictum of President Truman that such inquiries are "a red herring" and "postwar hysteria."

ATTITUDES UNCHANGED

A previous article listed nearly 50 individuals, well known in the Government, the diplomatic, and the financial worlds who have displayed by their actions their faith in the 44-year-old State Department official of the 1936–1946 period. Hiss moved on to the presidency of the $11,000,000 Carnegie Endowment for International Peace.

A split by the jury, 8 to 4 for conviction, after 6 weeks of listening to evidence and 29 hours of deliberation, has not changed the attitude of these supporters, so far as could be learned.

To this group of persons can be added others equally prominent, bringing the total count to more than 100, whose sympathies with the accused Soviet informant are in the record.

When Hiss testified before the House Committee on Un-American Activities last August 25, 22 days and a number of hearings after Whittaker Chambers, confessed Russian spy, named Hiss as his confederate, he was in a belligerent mood. He said the Chambers charges were inconceivable and he challenged the committee to call a number of living personages of recognized stature who would vouch for him.

There were many names of note in the list which he then produced. In the more than 10 months since he made these names public, not one has chosen to disavow Hiss' assertion that they would attest to his highest rectitude.

HEAD LIST

The list was headed by the names of ——— and ———. Both had been delegates to the San Francisco conference which drafted the United Nations Charter and were closely associated with Hiss, secretary general of the conference. The association continued at the first general assembly of the United Nations at London in 1946.

Hiss noted that ——— had known him as far back as 1934 when ——— a member of the Senate Munitions Industry Investigating Committee on which Hiss served as general counsel.

Hiss next listed ———, now deceased, and ———, members of the House Foreign Affairs Committee, who had also attended the San Francisco and London conferences where Hiss played a leading part.

"Next," Hiss told the committee, "former Secretaries of State Cordell Hull, Edward Stettinius, James Byrnes, and Under Secretaries Joseph Grew, Dean Acheson, and William Clayton."

Hiss served under all these officials. Grew was Ambassador to Japan, 1932–41: Director of the Office of Far Eastern Affairs and Under Secretary, 1942–45. Clayton was Commerce Secretary, 1942–45 and went to the State Department first as assistant, later Under Secretary in charge of Economic Affairs, in 1945. He formerly headed Anderson, Clayton & Co., cotton brokers, and the Clayton family controls 40 percent of the stock of the firm which has made vast profits on the European recovery plan.

Hiss then nominated Mrs. Eleanor Roosevelt, wife of the late President, as a member of the San Francisco, London, and New York UN delegations, who was fully acquainted with his work and character. She was one of those, he said, intimately associated with his career.

Hiss named four of those who were later to appear as character witnesses at the trial: Supreme Court Justice Reed, former Solicitor General Charles Fahy, Admiral Arthur J. Hepburn, and Stanley K. Hornbeck, former State Department official. A notable omission from the list was Justice Frankfurter.

ORIGINAL SPONSOR

In previous testimony, Hiss had been most reluctant to name Frankfurter as his original sponsor in the Government.

Harold Stassen, former Governor of Minnesota, and aspirant to the Republican nomination for the Presidency last year, who was a delegate to the San Francisco Conference, was included in the Hiss list of supporters and also the following:

Rear Adm. Harold Train, member of the Dumbarton Oaks delegation; Frank Walker, former Postmaster General and a member of the American delegation to the UN Assembly at London; Federal Judge Homer Bone, former Democratic Senator from Washington; Federal Judge Jerome Frank, former general counsel of the AAA; Isaiah Bowman, member of Dumbarton Oaks delegation; Lt. Gen. Stanley Embick, and Gen. Muir Fairchild, of the Air Force, both members of the Dumbarton Oaks delegation; Henry Fletcher, former Assistant State Secretary and Dumbarton Oaks delegate; Green Hackworth, former legal adviser, State Department, now a judge of the International Court of Justice at The Hague; former Assistant State Secretary Breckinridge Long; Edwin Wilson, Hiss' predecessor as Director of the Office for UN Affairs, later Ambassador to Turkey; and Chester Davis, Administrator of the AAA while Hiss was there, now president of the Federal Reserve Bank at St. Louis.

SAYRE ALSO NAMED

Hiss named former Assistant State Secretary Francis B. Sayre as another who would vouch for him. Hiss was assistant to Sayre in the January–April 1938 period when the stolen documents disappeared from the State Department. Sayre is now a UN delegate. He did not appear at the trial.

"These are the persons best able to testify concerning the loyalty with which I performed the duties assigned me," Hiss challenged the committee. "Ask them if they ever found in me anything except the highest adherence to duty and honor."

When he entered the Government in 1933, Hiss quickly associated himself with the leftist group. One of his closest friends was Lee Pressman, a Harvard classmate, with whom he served on the editorial staff of the Harvard Law Review. Hiss and Pressman were joint assistants to Jerome Frank, AAA general counsel from 1933 to 1935.

Agriculture Secretary Wallace, 14 years later the Progressive Party candidate for President with Communist endorsement, fired Frank and a number of other legal staff members in a 1934 row over the distribution of cotton benefit payments. He

did not fire Hiss or Pressman who were deeply involved in the dispute.

REFUSES TO TESTIFY

Pressman, later general counsel for the CIO, and one of the Wallace campaign managers last year, refused to testify before the House Un-American Activities Committee concerning either his Communist Party affiliations or his acquaintance with Hiss. In answer to a question about his relationship with Hiss, he said the answer might be self-incriminating. He had been named by Chambers as one of the members of the Communist underground organization to which Hiss also belonged.

In the AAA with Hiss at the time were Nathan Witt, Charles Kramer, and John Abt, all named as Communist agents by Chambers. Hiss admitted his friendship with Abt went back to his earlier law career in New York and conceded his close associations with Kramer and Abt. Witt, Kramer, and Abt pleaded possible self-incrimination in refusing to answer questions about Hiss.

Other members of the Communist apparatus in Washington, Chambers testified, were J. Stevens, alias Alexander Stevens, alias Boorstein, identified as the No. 1 underground agent for the Soviet Union, who also pleaded possible self-incrimination in refusing to testify concerning Hiss; Donald Hiss, Alger's brother, later a State Department official; Harry Dexter White, later a prominent Treasury official who died suddenly after a committee appearance; and Harold Glasser.

TELLS OF MEETINGS

Underground meetings were held, Chambers said, at the Washington apartment of Henry Collins, a Harvard classmate of Hiss. Hiss said he and Collins had known each other since boyhood. He admitted acquaintance with White but not with Stevens. He declared, emphatically, that he knew nothing of any communistic activities by any of those named. Collins pleaded possible self-incrimination when questioned about Hiss.

Elizabeth Bentley, another self-confessed Communist agent, had testified that Lauchlin Currie, White House administrative assistant, and Frank V. Coe, Treasury employee, among others, were Communist informants. Hiss said he knew both well and had a high regard for Currie.

Among the State Department officials with whom Hiss was intimately associated was Laurence Duggan, who fell to his death from a New York City skyscraper window last December shortly after his questioning by the FBI on Communist activities. Whether Duggan's death was suicide, murder, or an accident has never been established.

OTHER ASSOCIATES

Hiss' friends and associates in the Government, inquiry established, also included the following:

Benjamin V. Cohen and Thomas Corcoran, the legal team which wrote much New Deal legislation and who were favorites of the late President Roosevelt; Sumner Welles, former State Under Secretary; A. A. Berle, former Assistant Secretary of State who received the first report from Chambers concerning Hiss in 1939 and said he later opposed Hiss and Acheson as the pro-Russian leaders in the State Department; David K. Niles, White House assistant; Archibald MacLeish, the poet who enjoyed a brief State Department career; Nelson A. Rockefeller, Assistant State Secretary for American Republic Affairs; William Benton, former Assistant State Secretary for Public Affairs; Spruille Braden, Assistant Secretary, late Ambassador to several Latin-American Republics.

MEMBERS OF COMMITTEE

The committee for the Marshall plan which, according to its chairman, former War Secretary Robert P. Patterson, Hiss organized with Clark Eichelberger, had the following executive committee members:

Hugh Moore, treasurer, manufacturer; John H. Ferguson, executive director; State Secretary Acheson; Winthrop P. Aldrich, banker; Frank Altschul, banker; James B. Carey, national secretary of the CIO; David Dubinsky, president of the International Ladies Garment Workers union; Allen W. Dulles, lawyer; Herbert Feis, former State Department official; former New York Governor, Herbert H. Lehman; Frederick C. McKee, business executive; Arthur W. Page, business consultant, bank and corporation director; Philip D. Reed, corporation executive; Herbert Bayard Swope, editor and turfman; and Mrs. Wendell L. Willkie.

A glimpse of Hiss' intimate circle in New York was afforded at the trial in the appearance of Dr. Carl Binger, a psychiatrist, who was prepared, after observation of Chambers in the witness chair, to testify that the Government's chief witness was mentally unsound.

Binger's testimony was not permitted although a long hypothetical question, summing up the misdeeds of Chambers' life, was read in the presence of the jury. Judge Samuel H. Kaufman's decision also prevented a cross-examination of Binger. The Government was prepared to show that Binger was a close friend of the Hiss family and to inquire into Binger's own affiliations and activities which FBI investigators had uncovered.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks and include a newspaper clipping.)

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. TABER] is recognized for 15 minutes.

THE NATIONAL ECONOMIC SITUATION AND THE PRESIDENT'S PROGRAM

Mr. TABER. Mr. Speaker, in the past 2 weeks this Nation was treated to some of the most amazing political speeches ever made by a President of the United States. The inconsistencies and misstatements of fact were so numerous as to defy analysis and the most charitable remark that can be made—if charitable we must be at this critical period—is that President Truman has no grasp whatsoever of the present national economic situation.

We are confronted with the prospect of a $50,000,000,000 drop in national income. We are faced with growing unemployment and we have a mounting national debt. But Mr. Truman is not disturbed about this. His remedy is deficit financing, public works, more subsidies and a bigger and more costly bureaucracy. Mr. Truman has been sold the idea that an increase in Federal spending for subsidies, gratuities and public works of from $3,000,000,000 to $10,000,000,000 will take the place of the $50,000,000,000 drop in the national income.

Anyone who knows anything about economics realizes that this will not work. The Roosevelt administration tried pump-priming in the form of made-work on vast public projects, leaf-raking, widespread subsidies and gratuities all through the 1930's and we had continued unemployment, depression, recession, and no prospect of coming out of those chaotic conditions until World War II broke and Federal spending increased from $75,000,000,000 to $100,000,000,000 a year for the operation of the war. This did bolster the national economy and brought about full employment, high prices, the black market and a host of political profiteers—and do not ever underestimate the vast number of Socialist New Dealers who pocketed fortunes on politically inspired war contracts. But that is another story.

It has become increasingly obvious that Socialist planners, who were the spark plugs behind the Roosevelt era of deficit financing, have succeeded in getting control of the Truman administration. We are hearing the same economic double talk on deficit financing and Government spending. Some of the cliches are worn with age and usage, but they still carry that siren promise of something for nothing, which is capable of luring the unsuspecting into supporting those insidious foreign ideologies which permeate the thinking of the Truman administration.

The President would have the American people believe that he can give the farmer high prices, labor high wages, subsidize housing, education, socialize medicine, control costs and production of business and industry; make fabulous loans and gifts to foreign countries, finance global relief and rehabilitation, arm Europe for another war, and at the same time assure the man in the street of a better living, with more goods, at lower prices.

These suggestions are preposterous, fantastic, and an insult to the thinking and integrity of every adult American.

The New Deal or Fair Deal politicians—call them what you will—they are the crafty manipulators of what has been referred to as the "welfare state"—have consistently shown a deep-seated contempt for the intelligence of the American public. It seems to be an accepted theory among these planners that the rank-and-file Americans do not think—they only feel, and as long as the architects of socialism in this country can stifle thinking on the part of the public, and substitute the feeling of security and bounty, they can and will remain in power. We, in Congress, can get at the truth if we but seek it, and if we are truly concerned with the future welfare of this country, we must alert the public to this conspiracy against them. Personally, I do not care enough about retaining my seat in the Congress to lie, cheat, and deceive my constituents.

We presently have a national debt of over $250,000,000,000. If the Truman program continues, that debt will increase in the next year by $8,000,000,000 to $10,000,000,000 and the result will be more inflation, reduced purchasing power of the dollar, and the ultimate complete destruction of our economic system. That is very evidently what the social planners want to bring about. They will destroy free enterprise and the opportunity of the individual American to make something of himself in this world. They will place our workingman in a position where his wages are fixed by a dictator at the top and the farmer where his prices are fixed in the same way. Labor unions will be destroyed. All

prices, wages, and the amount that the individual citizen can eat will be fixed by a dictator. The dictator will be advised by incompetent economists who will make a mess out of the whole thing.

America has become great because her people worked harder than any other in the world. When we get to the point where we are absolutely controlled by the Government the situation of our workingman and the farmer will be tightened up just like it has been in England and everyone will have less and less as the days go by.

It is time for the people of America to wake up. Italy, France, and England are in the control of the Socialists, and the United States—the only large free nation in the world—is told that it must feed them all.

You do not have to take my word for it that the Truman administration has set out to copy Britain's Socialist form of government. Mr. Bevin himself told us so the other day. He frankly stated that Britain has had the welfare state for 3 years and that Mr. Truman is only now embarking on the same road. Mr. Bevin said this with pride; I repeat it with a feeling of shame that what has failed in Britain is now regarded as necessary for America.

The welfare state in Britain has bankrupted the British and without American assistance, their people would starve. I want to say to Mr. Bevin that if the welfare state is foisted on the American people our own economy will be lowered to the point where we no longer can give Britain any assistance and not Britain alone, but two nations—Britain and the United States—may go down together. What are Mr. Bevin and Mr. Truman trying to do—make us as helpless as Britain?

Even without the impossible burdens of the welfare state the financial position of the United States is weak indeed. Let me add a few words about Government bonds. The American people own over $250,000,000,000 of Government bonds. Every time this administration engages in deficit financing and reckless spending the value of those Government bonds is materially reduced. The Truman subsidies and gratuities will, in the long run, depreciate the value of every Government bond now being held and regarded as the savings and old-age security of millions of American families.

How can a President pose as the friend of the workingman, the farmer, and the small-business man when he is jeopardizing their savings, their bonds and their security itself by such financial quackery.

What the President and his henchmen have set before the American people is a simple choice between two ways of life. They are asked in effect to choose between the Republic in which individual freedom and free enterprise and collective bargaining are guaranteed or the socialist state with a dictator in which the Federal bureaucracy determines the citizen's status and activity from the cradle to the grave. That is the choice before the American people today.

We, in Congress, must have the courage to vote our convictions. We know beyond any question of doubt that appropriations can be trimmed. We know from the facts and figures brought before this body that the bloated Federal bureaucracy can be reduced. Rescissions can be made.

I want the American people to know that this Congress has the power to save billions of tax dollars. Congress is going to vote whether we shall have free enterprise and an opportunity for collective bargaining on the part of the workingman or whether we are going to go socialistic or communistic with a dictator at the top.

If we give in to the dictator bloc, we will destroy the opportunity that the American people have built for themselves and future generations. If we remain true to our trust and fight for the liberties of the American people we can save them.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS of California. I think the gentleman has made an admirable statement and I thank him personally for it. I believe the gentleman has in mind the situation of the appropriation bills at the present time. What is the result of a comparison between the appropriation bills this year and the bills of the Eightieth Congress?

Mr. TABER. We, of course, have only the record of the House to go by; there the appropriations run nearly $5,000,000,000 above what they were last year, and they are only a little below the budget.

Mr. PHILLIPS of California. If the gentleman will yield further, that would justify the statements in the papers that we are now actually engaged in deficit spending.

Mr. TABER. We will be just as soon as these appropriations become available. Some of the larger ones, of course, are not available because they have not been passed, and they involve the embarking upon new enterprises.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. WHITE of Idaho. The gentleman spoke about the British starving unless they had further assistance from this country. Did he ever check on the unmined gold reserves of the British Empire in South Africa or the unmined diamond reserves of South Africa?

Mr. TABER. They have reserves; there is no question about it, reserves to a large amount, but they are not using them for that purpose. The South Africans were smart enough to get out from under the dictator bloc in Great Britain and establish themselves as a separate dominion, and they are not contributing in a substantial way to the welfare of the British.

Mr. WHITE of Idaho. The British still have Singapore and the Malay Peninsula. Does the gentleman take into consideration the rubber and mineral reserves of the Malay Peninsula?

Mr. TABER. They are not getting too far with that. Of course they do have control of them.

Mr. WHITE of Idaho. My records from the Bureau of Mines, as I recollect them, show that the British had $8,000,000,000 of gold reserve in South Africa and also very substantial reserves in the Malay Peninsula.

Mr. TABER. They probably own those things but they are not using them for that purpose.

Mr. WHITE of Idaho. Recent press reports are to the effect that tremendous new discoveries are being made in South Africa, very rich discoveries.

Mr. TABER. I expect that is so, but that does not do us any good.

Mr. WHITE of Idaho. Indeed it does not.

The SPEAKER. The time of the gentleman from New York has expired.

EXTENSION OF REMARKS

Mr. RABAUT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article by Mr. Lawrence E. Smith entitled "Nothing Quiet Along the Potomac."

Mr. SCUDDER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Santa Rosa Herald for the week of July 8, 1949, entitled "Has the Need Passed?"

The SPEAKER. Under previous order of the House the gentlewoman from Massachusetts is recognized for 10 minutes.

ERECTION OF A STATUE IN HONOR OF THE ARMY MEDICS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have introduced a bill which would authorize the erection of a statue to honor the medics of the last war as well as other wars. Every other branch of the Military Establishment has been honored by a statue or a building or something of the sort but the medics have never received any national honor by Congress.

The medics are the enlisted men of World War II who went unarmed into the thick of the fighting, picked up the wounded and the dead and made numberless trips into the very center of battle. A good many of them lost their arms and their legs, their faces and bodies were horribly maimed, and many of them died.

I believe the House will want to do honor to them and that it will pass legislation providing for the erection of this very fine contemplated statue.

The bill is as follows:

H. R. 5772

A bill to provide for the erection of a memorial to the enlisted men of the Medical Department of the Army who served in World War II

Be it enacted, etc., That the Secretary of the Army is authorized and directed to erect on a suitable site in front of the Pentagon Building in Arlington County, Va., a memorial to the enlisted men of the Medical Department of the Army who, during World War II, displayed such heroism in saving the lives of comrades wounded on the field of battle. Such memorial shall consist of a three-figure statue in bronze the model for which has been created by the sculptor, Nicolaus Koni.

SEC. 2. There is authorized to be appropriated not to exceed the sum of $95,000 to carry out the provisions of this act.

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. DAVENPORT] is recognized for 2 minutes.

HON. MARY T. NORTON

Mr. DAVENPORT. Mr. Speaker, there is an appalling misstatement contained in the CONGRESSIONAL RECORD of Tuesday, July 26, and I wish to quote from that statement made on the floor of this House, an insult which was hurled at one of the most valued and valuable Members of this body, whose record goes back over 25 years of fine service to her country.

Mr. Speaker, it is not so much that the Members of the House may be influenced by these irresponsible and insulting remarks. Every Member of Congress has a deep respect and warm affection for the gracious gentlewoman from New Jersey, Mrs. MARY NORTON. Certainly the biting and bitter words, so ungracious, so uncalled for, must have hurt the gentlewoman; but we can rest assured that no Member of this body would even begin to consider the insulting remarks of the gentleman from Mississippi seriously. The thing we have to bear in mind is that the CONGRESSIONAL RECORD has a wide circulation: Tens of thousands of copies go out to a vast reading audience from coast to coast. High school and college students all over the Nation read this publication. And we cannot expect these readers to know what we do know: That the unfortunate remarks of the gentleman from Mississippi are unfounded and misleading.

Here is what the gentleman from Mississippi said on the floor of the House, Tuesday, July 26:

> It is very amusing to hear the chairman of the committee get up here and deliver a moral lecture to the people in the Southern States when we remember that that individual has probably been here as a result of the wishes of Boss Hague, of New Jersey, probably one of the most corrupt political leaders in America.

Mr. Speaker, knowing the time-honored southern custom of chivalry toward women, many of us were shocked to hear the esteemed chairman of the House Administration Committee referred to as "that individual." Surely that does not follow the pattern of southern chivalry. As to the attempt to smear the gentlewoman from New Jersey [Mrs. MARY NORTON] with that "Boss Hague political corruption nonsense," we believe that to be downright unfair and contemptible. First of all we are not convinced that Hague was "one of the most corrupt political leaders in America."

Secondly, we are sure that Mr. Hague never at any time attempted to exert any influence over MARY NORTON'S long and distinguished career in Congress.

We all have at times made remarks in the heat of argument that we repented after our tempers cooled off. I prefer to believe that the gentleman from Mississippi, Hon. JOHN RANKIN, will lose no time in making the proper amends to the very distinguished gentlewoman from New Jersey.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HINSHAW, for 10 days, on account of official business.

SENATE BILLS AND A CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 88. An act to amend section 60 of an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended; to the Committee on the Judiciary.

S. 204. An act for the relief of Eugenio Maisterrena Barreneche; to the Committee on the Judiciary.

S. 555. An act for the relief of Eiko Nakamura; to the Committee on the Judiciary.

S. 586. An act for the relief of certain civilian personnel employed by the Navy Department, for expenses incurred incident to temporary duty performed at the Navy Yard, Philadelphia, Pa., in 1942; to the Committee on the Judiciary.

S. 787. An act for the relief of William (Vasilios) Kotsakis; to the Committee on the Judiciary.

S. 939. An act to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress; to the Committee on Public Lands.

S. 1026. An act for the relief of Roman Szymanski and Anastosia Szymanski; to the Committee on the Judiciary.

S. 1128. An act to amend the act entitled "An act to regulate the practice of podiatry in the District of Columbia"; to the Committee on the District of Columbia.

S. 1166. An act for the relief of Toriko Tateuchi; to the Committee on the Judiciary.

S. 1350. An act to provide for two judges of the Juvenile Court of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 1525. An act to provide for the appointment of a deputy disbursing officer and assistant disbursing officers for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 1834. An act for the relief of the widow of Robert V. Holland; to the Committee on the Judiciary.

S. 1870. An act prohibiting the sale in the District of Columbia of rockfish weighing more than 15 pounds; to the Committee on the District of Columbia.

S. 1871. An act to amend the Reconstruction Finance Corporation Act to prohibit the employment of certain personnel of the corporation by organizations receiving loans or other financial assistance therefrom; to the Committee on Banking and Currency.

S. 1949. An act to authorize the lease of the Federal correctional institution at Sandstone, Minn., to the State of Minnesota; to the Committee on the Judiciary.

S. Con. Res. 51. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 142. An act excepting certain persons from the requirement of paying fees for certain census data;

H. R. 459. An act to authorize the payment of employees of the Bureau of Animal Industry for overtime duty performed at establishments which prepare virus, serum, toxin, or analogous products for use in the treatment of domestic animals;

H. R. 585. An act for the relief of Jacob A. Johnson;

H. R. 1127. An act for the relief of Sirkka Siiri Saarelainen;

H. R. 1303. An act for the relief of Dr. Elias Stavropoulos, his wife, and daughter;

H. R. 1360. An act to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex.;

H. R. 2417. An act to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force base, as a recreational facility;

H. R. 2474. An act for the relief of Frank E. Blanchard;

H. R. 2799. An act to amend the act entitled "An act regulating the retent on contracts with the District of Columbia," approved March 31, 1906;

H. R. 2853. An act to authorize the Secretary of the Interior to issue duplicates of William Gerard's script certificates No. 2, subdivisions 11 and 12, to Blanche H. Weedon and Amos L. Harris, as trustees;

H. R. 3467. An act for the relief of Franz Eugene Laub;

H. R. 3512. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress and of the judicial branch of the Government whose employment is temporary or of uncertain duration;

H. R. 4022. An act to extend the time for commencing the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex., to July 31, 1950;

H. R. 4261. An act authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi;

H. R. 4646. An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes;

H. R. 4705. An act to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, from the government of the District of Columbia to the administrative office of the United States courts, for budgetary and administrative purposes;

H. R. 4804. An act to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker;

H. R. 5508. An act to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; and

H. J. Res. 170. Joint resolution designating June 14 of each year as Flag Day.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Thursday, July 28, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

805. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved; to the Committee on the Judiciary.

806. A letter from the Attorney General transmitting a letter on the case of Georgios L. Maronitis or George Maronitis, File No. A-6777243 CR 23920, requesting that it be withdrawn from those now before the Congress and returned to the jurisdiction of the

Department of Justice; to the Committee on the Judiciary.

807. A letter from the Secretary of Defense, transmitting a proposed bill entitled "A bill to provide for the organization of the Army and the Department of the Army, and for other purposes"; to the Committee on Armed Services.

808. A letter from the Secretary, Department of Agriculture, transmitting a draft of a bill entitled "A bill to permit payment by means of regular salary installments in lieu of payments in a lump sum for all accumulated and accrued annual leave to career employees who are affected in a reduction-in-force program"; to the Committee on Post Office and Civil Service.

809. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to amend the act of May 26, 1936, authorizing the withholding of compensation due Government personnel"; to the Committee on Expenditures in the Executive Departments.

810. A letter from the Secretary of State, transmitting a draft of a proposed bill entitled "A bill to authorize the carrying out of provisions of article 7 of the treaty of February 3, 1944, between the United States and Mexico, regarding the joint development of hydroelectric power at Falcon Dam on the Rio Grande, and for other purposes"; to the Committee on Foreign Affairs.

811. A letter from the Acting Comptroller General of the United States, transmitting the report on the audit of Federal Deposit Insurance Corporation for the fiscal year Expenditures in the Executive Departments and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KERR: Committee on Appropriations. House Joint Resolution 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases; without amendment (Rept. No. 1132). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 3480. A bill to authorize the Commonwealth of Kentucky to use for certain educational purposes lands granted by the United States to such Commonwealth for State park purposes exclusively; without amendment (Rept. No. 1133). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 5557. A bill to provide for coordination of arrangements for the employment of agricultural workers, admitted for temporary agricultural employment from foreign countries in the Western Hemisphere, to assure that the migration of such workers will be limited to the minimum numbers required to meet domestic labor shortages, and for other purposes; without amendment (Rept. No. 1134). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee on Public Lands. H. R. 5725. A bill to stimulate the exploration for strategic and critical ores, metals, and minerals; with amendment (Rept. No. 1135). Referred to the Committee of the Whole House on the State of the Union.

Mr. LYLE: Committee on Rules. House Concurrent Resolution 102. Concurrent resolution to provide for the attendance of a joint committee to represent the Congress at the Eighty-third and Final National Encampment of the Grand Army of the Republic; without amendment (Rept. No. 1136). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 300. Consideration of H. R. 4007, a bill to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947; without amendment (Rept. No. 1137). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS:

H. R. 5783. A bill to establish a United States Air Forces Academy; to the Committee on Armed Services.

By Mr. BUCHANAN:

H. R. 5784. A bill to require legislative representatives to register and report, to require those raising or spending money for legislative representatives to register and report, to provide a penalty, and for other purposes; to the Committee on the Judiciary.

By Mr. CROSSER:

H. R. 5785. A bill to amend the Interstate Commerce Act, as amended, with respect to common or contract carriers by conveyor belt or other similar device; to the Committee on Interstate and Foreign Commerce.

By Mr. DOYLE:

H. R. 5786. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HERLONG:

H. R. 5787. A bill to make inapplicable to future actions and proceedings section 200 (1) and (2) of the Soldiers' and Sailors' Civil Relief Act of 1940, relating to default judgments; to the Committee on Armed Services.

By Mr. HUBER:

H. R. 5788. A bill to amend the Servicemen's Readjustment Act of 1944 to extend the period during which readjustment allowances may be paid; to the Committee on Veterans' Affairs.

By Mr. KEARNS:

H. R. 5789. A bill to authorize the appropriation of funds to assist in more adequately financing education in the elementary and secondary schools of States found to be needy, and for other purposes; to the Committee on Education and Labor.

By Mr. KLEIN:

H. R. 5790. A bill to provide more adequate and effective rent control until June 30, 1951, and for other purposes; to the Committee on Banking and Currency.

By Mr MORTON:

H. R. 5791. A bill to authorize the appropriation of funds to assist in more adequately financing education in the elementary and secondary schools of States found to be needy, and for other purposes; to the Committee on Education and Labor.

By Mr. NOLAND:

H. R. 5792. A bill to extend to July 25, 1950, the time within which readjustment allowances may be paid under section 700 of title V of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. RODINO:

H. R. 5793. A bill to amend title 18 of the United States Code with respect to employment of deportable aliens in certain cases; to the Committee on the Judiciary.

By Mr. VINSON:

H. R. 5794. A bill to provide for the organization of the Army and the Department of the Army, and for other purposes; to the Committee on Armed Services.

By Mr. WERDEL:

H. R. 5795. A bill to authorize the appropriation of funds to assist in more adequately financing education in the elementary and secondary schools of States found to be needy, and for other purposes; to the Committee on Education and Labor.

By Mrs. WOODHOUSE:

H. R. 5796. A bill declaring the continuing policy and responsibility of the Federal Government to promote maximum employment, production, and purchasing power and setting forth ways and means of achieving these objectives; to the Committee on Banking and Currency.

By Mr. YATES:

H. R. 5797. A bill declaring the continuing policy and responsibility of the Federal Government to promote maximum employment, production, and purchasing power and setting forth ways and means of achieving these objectives; to the Committee on Banking and Currency.

By Mr. KERR:

H. J. Res. 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases; to the Committee on Appropriations.

By Mr. JUDD:

H. J. Res. 328. Joint resolution providing that Reorganization Plans Nos. 3, 4, 5, 6, and 7 of 1949 shall take effect at the close of August 19, 1949; to the Committee on Expenditures in the Executive Departments.

By Mr. JENKINS:

H. Con. Res. 112. Concurrent resolution providing for adjournment sine die of the two Houses of Congress; to the Committee on Rules.

By Mr. BEALL:

H. Res. 299. Resolution to authorize an investigation of flood control on Georges Creek in Allegany County, Md.; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANFIELD:

H. R. 5798. A bill for the relief of Federick Joseph Reeve; to the Committee on the Judiciary.

By Mr. CARROLL:

H. R. 5799. A bill for the relief of the Acme Finance Co.; to the Committee on the Judiciary.

By Mr. HARE:

H. R. 5800. A bill for the relief of Benjamin T. Gaines; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 5801. A bill for the relief of Mrs. Anna Soldester; to the Committee on the Judiciary.

By Mr. JOSEPH L. PFEIFER:

H. R. 5802. A bill for the relief of Antonio Simonetti; to the Committee on the Judiciary.

By Mr. WICKERSHAM:

H. R. 5803. A bill for the relief of Benny Eduard Ulsfeldt; to the Committee on the Judiciary.

SENATE

THURSDAY, JULY 28, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Paul H. Groseclose, D. D., minister, Andrew Chapel, Colesville Methodist Church, Silver Spring, Md., offered the following prayer:

Heavenly Father, we rest and rejoice that we have such merciful evidence of Thy loving care. Continue to dwell richly with us, gracious Lord, by giving us firmness under resistance, hope in despondency, and consolation in affliction. O bring us into the realization that we

are wholly dependent on Thee and cannot reach the heights of manhood without Thee. Harmonize our emotions and keep them right. May they never be allowed to chill, wither, or rob the bloom and beauty of the immortal soul. We pray, our Father, that our tempers may be kindly, just, and considerate of all men of every race, color, and creed. Arm us with the fruits of the Spirit such as love, joy, and peace. We pray in the name of our Lord Christ. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, July 27, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On July 26, 1949:

S. 255. An act to amend section 205 of the Interstate Commerce Act, relating to joint boards;

S. 447. An act to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles;

S. 1279. An act to amend the Federal Airport Act so as to provide that minimum rates of wages need be specified only in contracts in excess of $2,000; and

S. 2010. An act to extend for 1 year the authority of the Administrator of Veterans' Affairs respecting leases and leased property.

On July 27, 1949:

S. 897. An act for the relief of William Henry Tickner; and

S. 1405. An act to provide for the admission to, and the permanent residence in, the United States of Poon Lim.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bill and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 3829. An act to provide assistance for local school agencies in providing educational opportunities for children on Federal reservations or in defense areas, and for other purposes;

H. J. Res. 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases; and

H. J. Res. 329. Joint resolution amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1184. An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes;

H. R. 4566. An act to revise, codify, and enact into law title 14 of the United States Code, entitled "Coast Guard"; and

H. R. 4963. An act to provide for the appointment of additional circuit and district judges, and for other purposes.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Hunt	Myers
Bricker	Ives	Neely
Bridges	Jenner	O'Conor
Butler	Johnson, Colo.	O'Mahoney
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Sparkman
Donnell	Knowland	Stennis
Douglas	Langer	Taft
Downey	Lodge	Taylor
Dulles	Long	Thomas, Okla.
Ecton	Lucas	Thomas, Utah
Ellender	McCarran	Thye
Ferguson	McCarthy	Tobey
Flanders	McClellan	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Malone	Williams
Gurney	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	
Hickenlooper	Millikin	

Mr. MYERS. I announce that the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The PRESIDING OFFICER (Mr. MCGRATH in the chair). A quorum is present.

ORDER FOR RECESS FROM 6:30 TO 8 P. M. TODAY—LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, I desire to make a brief announcement for the benefit of Members of the Senate.

As Senators know, we are now discussing the independent offices appropriation bill, and we should, I take it, conclude that this afternoon or late this evening.

A few days ago I suggested that we hold two night sessions this week, one on Tuesday and one on Thursday. I have conferred with the distinguished minority leader, and we have agreed that the Senate should take a recess at 6:30 tonight until 8 o'clock, and then come back and work a couple of hours more. I ask unanimous consent that the Senate stand in recess from 6:30 until 8 o'clock tonight.

Mr. WHERRY. Mr. President, reserving the right to object—and I am in total sympathy with the announcement—I should like to ask the distinguished majority leader if the Senate will continue with the appropriation bill, or whether it is his intention to set it aside and take up the calendar.

Mr. LUCAS. We will continue with the appropriation bill, and call the calendar later.

While I am on my feet, I will make this further announcement: There has been some talk about holding Saturday sessions, but in view of the fact that we are having two night sessions, and rather long sessions during the day, I feel that there is no need for Saturday sessions, so that Senators may make their arrangements accordingly.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. McMAHON. Mr. President, reserving the right to object, I should like to ask whether it is firm that we recess at 10 o'clock. The Senator from Illinois said we would work a couple of hours.

Mr. LUCAS. No——

Mr. McMAHON. I do not think we ought to remain here later than 10 o'clock. When 10 o'clock comes, I think we ought to go home.

Mr. LUCAS. The Senator from Connecticut may be right. I think we remained in session until 10 or a little later the other evening. I do not want to be arbitrary.

Mr. McMAHON. I do not think we should stay in session until midnight. The other night we remained in session until 11 o'clock. It makes a long day.

Mr. LUCAS. I can understand how some of the older Senators might object, but I cannot understand why a young man like the Senator from Connecticut should object to staying up until 11 o'clock at night.

Mr. McMAHON. I do. I hope we can get away by 10 o'clock.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, the distinguished majority leader stated that the calendar would be called later. Does he anticipate that it may be called this week?

Mr. LUCAS. No; perhaps the first part of next week.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate be permitted to introduce bills and resolutions, present petitions and memorials, and have matters printed in the Appendix of the RECORD without debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred, as indicated:

WITHHOLDING OF COMPENSATION DUE GOVERNMENT PERSONNEL

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the act of May 26, 1936, authorizing the withholding of compensation due Government personnel (with accompanying papers); to the Committee on Expenditures in the Executive Departments.

PAYMENT FOR ACCUMULATED AND ACCRUED ANNUAL LEAVE

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of December 21, 1944, to permit payment for accumulated and accrued annual leave either out of any unobligated balances of appropriation for the fiscal year in which the notice of separation is given or out of the appropriations current at the time

separation is effected (with an accompanying paper); to the Committee on Post Office and Civil Service.

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General of the United States, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation, as well as a list of the persons involved, together with a detailed statement of the facts and pertinent provisions of law as to each alien and the reason of ordering suspension of deportation (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of Georgios L. Maronitis or George Maronitis from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted by him to the Senate on June 15, 1949; to the Committee on the Judiciary.

AUDIT REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Federal Deposit Insurance Corporation, for the fiscal year ended June 30, 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

AMENDMENT OF SECOND SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION ACT, 1943

A letter from the Administrator, Federal Works Agency, transmitting a draft of proposed legislation to amend the "Second Supplemental National Defense Appropriation Act, 1943," approved October 26, 1942 (56 Stat. 990, 999), and for other purposes (with an accompanying paper); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the New Hampshire Dental Hygienists' Association, Inc., of Nashua, N. H., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

By Mr. HILL:

A joint resolution of the Legislature of the State of Alabama; to the Committee on Foreign Relations:

"House Joint Resolution 24

"Whereas war is now a threat to the very existence of our civilization, because modern science has produced weapons of war which are overwhelmingly destructive and against which there is no sure defense; and

"Whereas the effective maintenance of world peace is the proper concern and responsibility of every American citizen; and

"Whereas the people of the State of Alabama, while now enjoying domestic peace and security under the laws of their local, State, and Federal Goverments, deeply desire the guarantee of world peace; and

"Whereas all history shows that peace is the product of law and order, and that law and order are the product of government; and

"Whereas the United Nations, as presently constituted, although accomplishing great good in many fields, lacks authority to enact, interpret, or enforce world law, and under its present Charter is incapable of restraining any major nations which may foster or foment war; and

"Whereas the Charter of the United Nations expressly provides, in articles 108 and 109, a procedure for reviewing and altering the Charter; and

"Whereas the State of Alabama has already gone on record officially as supporting the principles of federal world government by passage of the Madison and Sullivan resolution in 1943; and

"Whereas many other States have memorialized Congress, through resolutions by their State legislatures or in referenda by their voters, to initiate steps toward the creation of a world federal government; and

"Whereas, several nations have recently adopted constitutional provisions to facilitate their entry into a world federal government by authorizing a delegation to such a world federal government of a portion of their sovereignty sufficient to endow it with powers adequate to prevent war: Now, therefore, be it

"*Resolved by the house of representatives (the senate concurring)*, That the Legislature of the State of Alabama favors the strengthening of the United Nations and transforming it into a federal world government, with powers to make and enforce laws to promote peace and full power to prevent war among nations;

"That the secretary of the State of Alabama is hereby directed to transmit copies of this resolution to Senators LISTER HILL and JOHN J. SPARKMAN, and to Congressmen FRANK W. BOYKIN, GEORGE M. GRANT, GEORGE W. ANDREWS, SAM HOBBS, ALBERT RAINS, EDWARD DEGRAFFENREID, CARL ELLIOTT, ROBERT E. JONES, JR., and LAURIE C. BATTLE, and to the President of the United States and the Secretary of State.

"Approved July 18, 1949."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 450. A bill to amend the Civil Aeronautics Act of 1938, as amended, by providing for the delegation of certain authority of the Administrator, and for other purposes; with amendments (Rept. No. 803);

S. 2201. A bill amending section 2 of the act of March 3, 1901 (31 Stat. 1449), to provide basic authority for the performance of certain functions and activities of the National Bureau of Standards, and for other purposes; without amendment (Rept. No. 795);

S. 2240. A bill to authorize certain personnel and former personnel of the United States Coast Guard and the United States Public Health Service to accept certain gifts tendered by foreign governments; without amendment (Rept. No. 796);

H. R. 242. A bill to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy; without amendment (Rept. No. 797);

H. R. 4829. A bill to authorize the President to appoint Paul A. Smith as representative of the United States to the Council of the International Civil Aviation Organization without affecting his status and perquisites as a commissioned officer of the Coast and Geodetic Survey; without amendment (Rept. No. 798); and

H. R. 5365. A bill to provide for the transfer of the vessel *Black Mallard* to the State of Louisiana for the use and benefit of the department of wildlife and fisheries of such State; without amendment (Rept. No. 799).

By Mr. GREEN, from the Committee on Foreign Relations:

H. R. 4406. A bill to provide for the settlement of certain claims of the Government of the United States on its own behalf and on behalf of American nationals against foreign governments; with amendments (Rept. No. 800).

SENATORIAL ELECTION CONTESTS IN MICHIGAN AND WEST VIRGINIA (S. REPTS. NO. 801 AND 802)

Mr. MYERS. Mr. President, from the Committee on Rules and Administration, I report two original resolutions, and I submit reports thereon. I ask unanimous consent for their immediate consideration.

Mr. LODGE. Mr. President, could the Senator enlighten us as to the nature of the resolutions or reports?

Mr. MYERS. I may say these are reports on the election contests in West Virginia and Michigan. They are unanimous reports from the Committee on Rules and Administration and, rather than send them to the calendar, I thought we might be able to get immediate consideration of the reports and resolutions.

The PRESIDING OFFICER. Is there objection to the request?

Mr. LODGE. Of course, there is no objection so far as I personally am concerned, because I am a member of the committee that considered them, but there may be Senators who are not on the committee who would like a chance to take a look at them, and I think therefore they should go to the calendar.

Mr. MYERS. I have consulted with the minority leader, and I have consulted with several other Senators. I believe the Senator from California, a member of the subcommittee, is agreeable to having them considered at this moment.

Mr. LODGE. If there is no desire that they go to the calendar, then I shall not demand it.

Mr. KNOWLAND. I should say they are unanimous reports both of the subcommittee and of the full Committee on Rules and Administration.

Mr. LODGE. I personally understood that to be the case, but I was speaking in the interest of Members who are not on the committee. If there is no demand, however, that they go to the calendar, then I certainly shall not object to having them taken up.

The PRESIDING OFFICER. The clerk will read the first resolution.

The first resolution (S. Res. 141) was read as follows:

Resolved, That HOMER FERGUSON is hereby declared to be a duly elected Senator of the United States, from the State of Michigan, for the term of 6 years, commencing on the 3d day of January 1949, and is entitled to be seated as such.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

The PRESIDING OFFICER. The clerk will read the next resolution.

The resolution (S. Res. 142) was as follows:

Resolved, That HARLEY M. KILGORE is hereby declared to be a duly elected Senator of the United States, from the State of West Virginia, for the term of 6 years, commencing on the 4th day of January 1947, and is entitled to be seated as such.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

Mr. LODGE. Mr. President, I should like to ask the Senator from Pennsylvania whether, with the two resolutions, there are reports?

Mr. MYERS. The reports are attached.

Mr. LODGE. So those reports are now public property, are they not?

Mr. MYERS. They are.

Mr. LODGE. Mr. President, I hope the ladies and gentlemen of the press will give their attention to these reports, because, in addition to clearing completely the two Senators in question, they contain facts regarding the administration of election laws in certain parts of the country which should be of interest to the citizens of those States.

REPORT OF PERSONNEL AND FUNDS BY COMMITTEE ON RULES AND ADMINISTRATION

Pursuant to Senate Resolution 123, Eightieth Congress, first session, the following report was received by the Secretary of the Senate:

JULY 9, 1949.

REPORT OF COMMITTEE ON RULES AND ADMINISTRATION—SUBCOMMITTEE ON PRIVILEGES AND ELECTIONS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eightieth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from January 1, 1949, to June 30, 1949, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Arthur R. Breor, chief investigator, Jan. 1 to 24	$6,087.78	$445.84
Francis D. Carrigan, investigator, Feb. 1 ($5,529.08)	6,025.66	2,489.95
Joan Burch, assistant clerk, Mar. 1 to June	3,542.74	1,328.49
Betty DuJack, stenographer, Jan. 1 to Feb. 5	4,122.09	400.75
Kelso Elliott, assistant counsel, off Apr. 30	8,669.10	2,189.68
Edward R. Fitzgerald, investigator, off May 30	6,025.66	2,108.94
Mary L. Green, assistant clerk, off Jan. 31	4,122.09	343.50
Janet M. Hartzell, stenographer, Mar. 3 to June 30	3,625.51	1,188.34
Grace E. Johnson, clerk to subcommittee	6,087.78	3,343.86
H. P. Kiley, investigator ($6,025.66)	7,010.05	3,340.94
Joseph F. Langan, investigator, Jan. 1 to 24	6,025.66	401.70
James E. Lynch, investigator, Feb. 1 ($6,439.48)	7,484.09	2,857.20
Joseph V. McCann, investigator, Jan. 1 to Feb. 15	6,025.66	753.19
Gerald W. Ohrn, investigator, Jan. 1 to 24	5,280.79	348.60
Lena G. Orme, secretary ($3,542.74)	4,122.09	1,964.44
Sue Patterson, stenographer, Feb. 14 to June 30	3,542.74	1,348.17
George J. Shillito, chief investigator, Jan. 24 to May 9	8,511.09	2,624.37
Sam H. Still, Jr., investigator, May 30 ($4,949.73)	6,025.66	2,331.33
William P. Reed, investigator, Jan. 1 to 24	5,529.08	368.59
Drew J. T. Okeefe, assistant counsel, June 1 to 30 (must reimburse for Turner Smith $2,576.21 to Department of Justice to June 30, from Apr. 1, 194) (gross per annum $10,300)	8,669.10	722.42

Funds authorized or appropriated for committee expenditure, balance Jan. 1, 1949	$65,063.00
Amount expended (salaries, $31,600.30; expenses, $5,769.20), total	37,369.50
Balance unexpended	27,693.50

FRANCIS J. MYERS,
Chairman, Subcommittee on Privileges and Elections.

CARL HAYDEN,
Chairman, Committee on Rules and Administration.

GRACE E. JOHNSON,
Clerk.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports were submitted:

By Mr. KEFAUVER, from the Committee on the District of Columbia:

Edith H. Cockrill, of the District of Columbia, to be judge of the juvenile court of the District of Columbia, to fill a new position.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Two hundred and thirty-nine postmasters.

By Mr. CONNALLY, from the Committee on Foreign Relations:

Executive D, Eightieth Congress, second session, a consular convention between the United States and Costa Rica, signed at San Jose on January 12, 1948 (Ex. Rept. No. 12).

CONVENTIONS WITH NORWAY RELATING TO DOUBLE TAXATION—REMOVAL OF INJUNCTION OF SECRECY

Mr. CONNALLY. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive Q, Eighty-first Congress, first session, a convention between the United States of America and Norway for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on June 13, 1949, and Executive R, Eighty-first Congress, first session, a convention between the United States of America and Norway for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on estates and inheritances, signed at Washington on June 13, 1949, and that the conventions, together with the President's messages be referred to the Committee on Foreign Relations, and that the President's messages be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the injunction of secrecy will be removed, and the conventions, together with the President's messages, will be referred to the Committee on Foreign Relations, and the messages from the President will be printed in the RECORD. The Chair hears no objection.

The messages from the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the convention between the United States of America and Norway for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on June 13, 1949.

I also transmit for the information of the Senate the report by the Secretary of State with respect to the convention, together with the explanatory memorandum enclosed therewith.

The convention has the approval of the Department of State and the Treasury Department.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 28, 1949.*

(Enclosures: (1) Report of the Secretary of State, with enclosed memorandum; (2) convention with Norway, signed June 13, 1949, relating to taxes on income.)

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the convention between the United States of America and Norway for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on estates and inheritances, signed at Washington on June 13, 1949.

I also transmit for the information of the Senate the report by the Secretary of State with respect to the convention, together with the explanatory memorandum enclosed therewith.

The convention has the approval of the Department of State and the Treasury Department.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 28, 1949.*

(Enclosures: (1) Report of the Secretary of State, with enclosed memorandum; (2) convention with Norway, signed June 13, 1949, relating to taxes on estates and inheritances.)

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. FULBRIGHT:

S. 2342. A bill to discharge a fiduciary obligation to Iran; to the Committee on Foreign Relations.

By Mr. HUNT:

S. 2343. A bill for the relief of Andreas Balafoutis; to the Committee on the Judiciary.

(Mr. MAYBANK introduced Senate bill 2344, to amend the Reconstruction Finance Corporation Act, as amended, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

AMENDMENT OF RECONSTRUCTION FINANCE CORPORATION ACT

Mr. MAYBANK. Mr. President, I introduce for appropriate reference a bill to amend the Reconstruction Finance Corporation Act.

This legislation has been discussed with the chairman of the subcommittee and officials of the Reconstruction Finance Corporation, and hearings will be held beginning Tuesday morning, August 2, at 10:30.

I ask unanimous consent that an explanatory statement by me of the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred, and, without objection, the explanatory statement will be printed in the RECORD.

The bill (S. 2344) to amend the Reconstruction Finance Corporation Act, as amended, introduced by Mr. MAYBANK, was read twice by its title, and referred

to the Committee on Banking and Currency.

The explanatory statement presented by Mr. MAYBANK is as follows:

STATEMENT BY SENATOR MAYBANK

I have today introduced a bill to amend the Reconstruction Finance Corporation Act, as amended.

In his Midyear Economic Report to the Congress of July 11, 1949, the President recommended the enactment of legislation to extend the maximum time limit now fixed by law on the maturity of loans to business made by the RFC in order to permit the Corporation to extend financial assistance to business ventures which are economically sound and urgently needed in an expanding economy, but which require long periods of time to develop and produce earnings that will permit orderly amortization of debt.

Section 1 of the bill which I have introduced will effectuate the President's recommendation by repealing the various maturity limitations now provided in section 4 (b) (2) of the RFC Act. This will leave the question of maturities to the sound discretion of the Board of Directors of the RFC, to be determined in the light of the circumstances of the particular case in the same manner as the Board determines the other specific terms and conditions with which the borrower must comply. Prior to 1947, there were no statutory limitations on the maturity of RFC business loans or loans to aid in the financing of public projects and experience has indicated the desirability of restoring to the Corporation its former flexibility in this regard.

The present RFC Act, in section 4 (c), imposes a limitation of $2,500,000,000, on the total amount of investments, loans, purchases, and commitments made subsequent to June 30, 1947, pursuant to section 4, which the Corporation may have outstanding at any one time. Section 4 (c) also imposes a limitation of $200,000,000 on loans for the construction of public projects such as bridges, tunnels, turnpikes, drainage and irrigation works, waterworks, sewage-treatment plants, port-development projects, etc.

Section 2 of the bill which I have introduced amends section 4 (c) in several respects. First, it makes the limitation applicable to all loans made and securities and obligations purchased by the RFC, whether such loans and purchases are made pursuant to section 4 of the RFC Act or pursuant to other provisions of law. Second, the limitation would include outstanding loans which were made prior to June 30, 1947. The limitation does not now apply to such loans, which aggregate approximately $1,100,000,000. Third, the specific limitation of $200,000,000 on loans for the construction of public projects would be eliminated. While this limitation on public-project loans seemed reasonable when it was imposed, recent developments indicate that it should be removed lest it serve as an arbitrary barrier to the extension of financial assistance for the construction of worth while, carefully planned projects which are urgently needed throughout the country and which would strengthen our entire economy. Fourth, the over-all limitation would be fixed at $5,000,000,000, which would apply to all business loans, including railroad loans, public-project loans, assistance to financial institutions, secondary market operations through the Federal National Mortgage Association, and catastrophe loans. This limitation would not apply to loans or advances which the Corporation is directed to make; for example, the temporary $1,000,000,000 advance recently made to ECA pursuant to the direction of Congress, as provided in section 114 of the Economic Cooperation Act of 1948, as amended.

This bill will have the effect of permitting greater flexibility in the lending activities of the RFC, and will provide the Corporation with adequate lending authority to carry out its basic purposes of assisting in the maintenance of economic stability and the promotion of maximum employment and production. In addition, the broadening of the section 4 (c) limitation to include loans made prior to as well as subsequent to June 30, 1947, will serve the desirable purpose of enabling the Corporation to simplify its accounting and auditing procedures in connection with the limitation.

PAY, ETC., OF MEMBERS OF ARMED SERVICES AND OTHER SERVICES—AMENDMENT

Mr. JOHNSON of Colorado submitted an amendment intended to be proposed by him to the bill (H. R. 5007) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes, which was ordered to lie on the table and to be printed.

APPROPRIATIONS FOR NATIONAL MILITARY ESTABLISHMENT—AMENDMENT

Mr. HUNT submitted an amendment intended to be proposed by him to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

INCREASED RATES OF COMPENSATION OF CERTAIN HEADS OF EXECUTIVE DEPARTMENTS—AMENDMENTS

Mr. O'CONOR. Mr. President, I submit for appropriate reference two amendments intended to be proposed by me to the bill (S. 498) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and I request that they be printed and lie on the table for consideration of the Senate at the time when the bill is brought up for vote.

In order that Members of the Senate may be informed of the facts underlying the amendments, I ask unanimous consent to have printed in the RECORD a brief statement by me.

The PRESIDING OFFICER. The amendments will be received, printed, and lie on the table; and, without objection, the statement presented by the Senator from Maryland will be printed in the RECORD.

The statement presented by Mr. O'CONOR is as follows:

STATEMENT BY SENATOR O'CONOR

The general counsel for the Department of the Treasury, by statute the chief legal officer of that Department, is a Presidential appointee subject to confirmation by the Senate. In addition to being charged with the supervision of all the legal activities of the Treasury Department, he is authorized by statute and Executive order to act as Secretary, in the absence of the Secretary of the Treasury, to the same extent as an Assistant Secretary of the Treasury.

The assistant general counsel for the Bureau of Internal Revenue (popularly known as the chief counsel of the Bureau) is also appointed by the President with the advice and consent of the Senate. The salary for each of these positions is $10,330 per annum.

The general counsel of the Department is charged with the supervision and coordination of one of the largest legal staffs of the Government, dealing with most important functions in the domestic and international fiscal and economic fields and related administrative and enforcement activities. There are over 500 lawyers under his general supervision in all the various branches and activities of the Treasury Department. These include such administrative units as the Bureau of Internal Revenue, the Bureau of Customs, Coast Guard, Office of International Finance, Bureau of Public Debt, and Comptroller of the Currency, as well as the many other activities of the Treasury Department.

The chief counsel of the Bureau of Internal Revenue is charged with all the legal problems attendant upon the collection of over $40,000,000,000 annually in revenues. Fair and effective administration of our complex tax laws places upon his shoulders a responsibility in this field second only to that of the Commissioner of Internal Revenue. By statute he is charged with direct responsibility for the supervision and coordination of a staff of over 400 lawyers in the Bureau of Internal Revenue, located in Washington and in many field offices throughout the country.

The responsibilities of the general counsel of the Treasury Department and the chie counsel of the Bureau of Internal Revenue are acknowledged as being among the greatest of any of the legal offices of the Government, requiring for effective administration a degree of technical competence and administrative ability greater than most any of the professional positions in the private practice of law which bring personal recompense many times over the $10,000 salaries now awarded those positions.

HOUSE BILL AND JOINT RESOLUTIONS REFERRED

The following bill and joint resolutions were each read twice by their titles, and referred, as indicated:

H. R. 3829. An act to provide assistance for local school agencies in providing educational opportunities for children on Federal reservations or in defense areas, and for other purposes; to the Committee on Labor and Public Welfare.

H. J. Res. 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases; and

H. J. Res. 329. Joint resolution amending an act making temporary appropriations for the fiscal year 1950, and for other purposes; to the Committee on Appropriations.

ALLEGED INVASION OF SOVEREIGN RIGHTS BY REGULATION OF MONEY SPENT ABROAD—ARTICLE FROM NEW YORK WORLD-TELEGRAM

[Mr. KEM asked and obtained leave to have printed in the RECORD an article entitled "Sovereign Rights Not Necessarily Invaded if We Have Say on How Much Is Spent Abroad," written by Ralph Hendershot and published in the New York World-Telegram of July 27, 1949, which appears in the Appendix.]

THE BRITISH MEDICAL CARE PLAN—REPORT BY JOHN G. HILL

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a report entitled "Has Britain Shown That Health Insurance Can Work?", written by John G. Hill, director of research, health and welfare council of Philadelphia, Pa., which appears in the Appendix.]

SPEECHES BEFORE AMERICANS FOR DEMOCRATIC ACTION, FULL EMPLOYMENT CONFERENCE

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a series of speeches delivered before the Americans for Democratic Action, Full Employment Conference, held in Washington, D. C., on July 19, 1949, together with a resolution adopted at that conference, which appear in the Appendix.]

THE EXCISE TAX ON FURS

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a letter received by him from Mr. Alfred A. Greenhood, of Baltimore, Md., relative to the excise tax on furs, which appears in the Appendix.]

ADDITIONAL APPROPRIATION FOR CONTROL OF EMERGENCY OUTBREAKS OF INSECTS AND PLANT DISEASES

Mr. McKELLAR. Mr. President, the House has passed House Joint Resolution 327, making an additional appropriation for control of emergency outbreaks of insects and plant diseases. The joint resolution makes provision for an additional appropriation for control of grasshoppers. The joint resolution came to the Senate from the House a short time ago. The Senate Appropriations Committee has considered the joint resolution and, at the request of the Secretary of Agriculture, has increased the amount carried in the measure from $1,500,000 to $3,500,000.

I now report the joint resolution favorably from the Committee on Appropriations, with an amendment, to strike $1,500,000 and insert $3,500,000, and I submit a report (No. 794) thereon.

By reason of the urgency of the situation, I now ask unanimous consent that the House joint resolution, which has just been reported from the committee be immediately considered.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

Mr. WHERRY. If I correctly understand, this is the so-called emergency grasshopper relief bill.

Mr. McKELLAR. It is.

Mr. WHERRY. The House has passed the joint resolution and it came to the Senate, and was referred to the Committee on Appropriations, and reported from the committee with an amendment; and by reason of the emergency of the situation, and the need for additional money, the distinguished chairman of the Committee on Appropriations is asking for immediate consideration?

Mr. McKELLAR. That is true.

Mr. WHERRY. Mr. President, I have no objection.

Mr. LUCAS. Mr. President, will the Senator from Tennessee yield to me?

Mr. McKELLAR. I yield.

Mr. LUCAS. I want to commend the Committee on Appropriations for its prompt action on the measure and to endorse the request of the chairman for immediate consideration. I do not know what the situation is in other States with respect to the grasshopper pest, but, insofar as my State of Illinois is concerned, the situation is very serious. I am very happy that the Senate committee has taken action to increase the amount for the control of this pest.

Mr. McKELLAR. I thank the Senator from Illinois, and I express the hope that the joint resolution may be considered immediately and passed.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases, which had been reported from the Committee on Appropriations with an amendment on page 1, line 9, after the word "diseases", to strike out "$1,500,000" and insert "$3,500,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

Mr. McKELLAR subsequently said: Mr. President, I move that the Senate insist on its amendment, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. McCARRAN, Mr. O'MAHONEY, Mr. GURNEY, Mr. CORDON, and Mr. YOUNG conferees on the part of the Senate.

FOREIGN-AID APPROPRIATIONS—NOTICE OF MOTION TO RECONSIDER VOTE

Mr. KNOWLAND. Mr. President, on page 10278 of the CONGRESSIONAL RECORD of yesterday appears the vote by which the Senate did not sustain the ruling of the Chair. The RECORD will show that I voted on the prevailing side. At this time I serve notice that I shall move to reconsider the vote by which the ruling of the Chair was not sustained.

DEPARTMENT OF COMMERCE—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point as a part of my remarks a statement which I have prepared, including comments by the Department of Commerce on the Hoover Commission recommendations as they affect that Department.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. McCLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. McCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, released today a summary of a 70-page report compiled by thhe Department of Commerce, strongly endorsing recommendations of the Hoover Commission which affect that Department.

The report is in general agreement with the Hoover Commission objective of embracing all of the activities of the Federal Government relating to the development of industry, transportation, and commerce within the Department of Commerce. The Secretary of Commerce, in submitting the report, stated that such proposal is "in accord with sound principles of Federal organization and would lead to the many improvements which would come from a major grouping of similar functions and purposes. * * * It is in line with the original purposes laid down by the Congress at the time the Department was created."

The report is divided into seven basic categories, transportation, the merchant marine, civil aviation, highway transportation, railroad transportation, commercial fisheries, and departmental management.

Commenting on the proposed consolidation of most of the nonregulatory transportation functions in the Department, the report concurs with the findings of the Hoover Commission, stating that:

"Adoption of the general program advanced by the Commission would result in a far greater degree of unity both in policy formulation and in the administration of transportation functions that exists at the present time. It should be pointed out, however, that in our judgment the complete adoption of the Hoover Commission recommendations would not automatically result in completely unified national transportation policy.

"* * * In the absence of any proposal for a separate Department of Transportation we are also inclined to believe that the Department of Commerce probably represents the most appropriate agency for the location of these functions. This Department has as one of its major purposes the mandate to foster and promote the domestic and foreign commerce of the United States. In carrying out this legislative mandate the Department already engages in a variety of transportation activities and is at the same time analyzing the entire transportation system of the country from the standpoint of determining how well it meets the needs of commerce. These existing activities are certainly closely related to the over-all planning and programing functions which the Hoover Commission considers essential activities for the enlarged Department of Commerce which it proposes."

The report cites but one exception, that of the National Advisory Committee for Aeronautics which transfer the Department believes cannot be sustained on logical grounds. The Secretary stated that inasmuch as almost all of the research now conducted by the NACA is for military purposes, and since it is unlikely that any future work will have civilian air transport application, there seems little reason to transfer this organization to the Department. The suggestion is also made that further study be given the problem of organizing Federal scientific research before any change is made in the current status of the NACA.

The Department opposes a portion of the recommendation which leaves with the Civil Aeronautics Board a review function over the promulgation of air-safety regulations. The Department feels that these functions should be transferred to the Department in their entirety in order that the possibility of overlapping be reduced, commenting as follows:

"The Department is of the opinion that the Civil Aeronautics Administration is the proper agency to promulgate air-safety regulations. It has a large and well-qualified technical staff stationed throughout the United States, its territories and possessions. The staff is in everyday contact with all phases of the industry, is familiar with all types of operating problems, and is currently dealing with the latest technical developments in the field. This specialized, current, and practical knowledge would make it possible for the Civil Aeronautics Administration to promulgate workable, effective, and timely air-safety regulations. * * *"

The Department expresses apprehension relative to the adoption of the Hoover Commission recommendations dealing with subsidies, but, in connection with the proposed concentration of over-all route programs for air, land, and water transportation, proposes to "perform a critical evaluation of all promotional activities of the Federal Government to evolve a balanced program." In summing up its position, the Department states:

"Entrusting the general planning and programing function to the Department is desirable, but fulfillment of these functions probably would involve difficulties with the regulatory commissions so long as the granting of shipping subsidies is left in the hands of the Maritime Commission and the granting of airline subsidies is left to the Civil Aeronautics Board. * * * While the Department is willing to accept the recommendations of the Hoover Commission and appear before the regulatory agencies in support of the general plans and programs which it evolves, it would like to point out that there would not necessarily result a unified and coordinated program with respect to the granting of subsidies. The regulatory commissions might in general follow policies which were in substantial accord with the program suggested by the Department, but it is equally possible that they might adopt quite different and conflicting policies. As a result the prospects of achieving a balanced promotional program are greatly diminished and the possibility of difficulties between the Department and the regulatory commissions is enhanced. In fact, there might develop sharp conflicts of view between the Department supporting a balanced transportation program and the individual regulatory commissions adopting policies calculated to favor the particular area of transport over which they have jurisdiction."

The transfer of the Coast Guard, the business operations of the Maritime Commission, and the marine functions of the Bureau of Customs to the Department of Commerce is supported. The following extract from the report indicates the Department's views:

"Close relationships with units already in the Department or proposed for transfer to the Department lend support to the view that the Coast Guard might appropriately be lodged in the Department. In reaching this decision we recognize that the Coast Guard performs some auxiliary activities of value to the Treasury Department, and stands in readiness to perform a variety of functions for the Military Establishment in time of war. Since the bulk of the Coast Guard's activities, however, have a close and intimate connection with transportation it appears preferable to place that agency with other transportation organizations rather than to leave it in the Treasury Department or to transfer it to the National Military Establishment. So long as the organization of the Coast Guard is maintained substantially without change, a transfer during time of war to the National Military Establishment could be effected without difficulty. * * *"

The Department agrees with the Hoover Commission that most of the functions now supervised by the Maritime Commission are of the character for which unified administration and direction is desirable, commenting on the proposed transfer, as follows:

"The various operating functions, in particular those in connection with the huge Government-owned fleet, can certainly be administered to greater advantage by a single administrator than by a board. The Department thinks that these functions might well be placed within the jurisdiction of the over-all transportation agency of the Government. The same conclusion applies to the training functions of the Commission and this conclusion is strengthened if, as is also proposed, the activities of the Coast Guard be transferred to the Department. This follows since there should be a close relationship between the training of seafaring personnel conducted by the Commission and the maintenance of employment standards for this personnel by the Coast Guard."

The Department likewise supports the recommendation for a study of the marine functions of the Bureau of Customs with a view to consolidation with other marine functions within the Department, as follows:

"A preliminary review of the activities of the Bureau of Customs suggests the possibility that certain of the functions which it performs might be consolidated with either those of the Coast Guard or with the functions transferred from the Maritime Commission. The Department is inclined to believe that the section of marine administration, the section of admeasurement, and the section of publications and documents might be transferred in whole or in part without any serious interference with the basic work of the Bureau of Customs. Accordingly, we endorse the idea of having a study made by an impartial group, such as the Bureau of the Budget, with a view to determining which, if any, of these functions appropriately belong in the new transportation organization."

The recommendation which would create within the Department a Bureau of Highway Transportation, to be composed of the Public Roads Administration and the motor carrier safety functions of the Interstate Commerce Commission, is endorsed, as follows:

"The basic activity of the Public Roads Administration—sponsoring the development of an adequate system of public roads through a Federal grant-in-aid program—is parallel to the major activities of the Civil Aeronautics Administration; that is sponsoring and promoting the development of an adequate system of airports through a grant-in-aid program and the actual establishment of airway facilities. The Department is convinced that it is desirable to group these related promotional activities under unified policy and budgetary controls and accordingly agrees with the recommendation of the Hoover Commission that the Public Roads Administration be lodged in the Department. * * * It might also be noted that safety work in the motor-transport field has virtually no connection with the basic task of economic regulation entrusted to the Interstate Commerce Commission. Accordingly, this function could be transferred from the Commission without interfering with the Commission's normal operations."

The Department also supports the creation of a new Bureau of Railroad Transportation composed of the railway safety functions, the car-service functions, the railroad-consolidation-planning functions of the Interstate Commerce Commission, and the Office of Defense Transportation. Its conclusions are as follows:

"Preparation of a basic consolidation plan might well be entrusted to the Department, which has over-all responsibility for national transportation programing, and which has particular responsibility for planning route patterns for land, air, and water transport. Since these responsibilities have been recommended for the Department and since the Department has already agreed that it represents the most appropriate agency for the centralized coordination of these planning functions, the Department also believes that it should have the initial responsibility for planning railroad consolidations."

The Department agrees that a considerable part of the fisheries functions has to do directly with commercial operation and international agreements, but points out that it is difficult to distinguish between the commercial aspects of these activities and the conservation aspects, and suggests that further study of the Government fishery activities is necessary before these functions are separated.

In a chapter on Program and Organization for Commodity Research the Commission goes into considerable detail relative to the present program of the Department in which it states that it recognizes the need for commodity studies by other agencies (as recommended by the Hoover Commission task force report), and concludes that when consideration is given to all factors involved in commodity problems, it is not desirable to have them centralized in one agency due to the basic pattern of the Government and the statutory authority of existing agencies which would make it impossible to find personnel with a knowledge of all factors involved. It concludes that, a departmental committee would make a positive contribution only as sparked by forceful Bureau of the Budget leadership through the exercise of its budget responsibility and authority in order to control the functions to be performed by the commodity staffs in each agency, and states that planning will begin immediately on how most efficiently to achieve the goal suggested by the Commission.

The Department report also includes complete discussions relative to the Foreign Affairs role and relationships of the Department (ch. VIII), in which it comments on certain recommendations contained in the Hoover Commission report on foreign affairs, and in chapter IX, on Program and Organization of the Department's Field Service, submitting detailed account of its field office operations and comments specifically relating to the task force reports on Federal Field Services, pointing up certain conflicts between task force reports of the final report of the Hoover Commission relative to the redistribution of personnel and the closing down of some of the field offices.

Chapters X and XI give specific details on Organization for Departmental Management and Proposed Organization Structure of the Department, covering 17 pages of the over-all report.

Concluding the report on departmental management, the Department strongly supports recommendations having to do with strengthening the authority of the Secretary to determine the precise use and assignments of his assistants, but takes exception to the Hoover Commission recommendation that the activities of the Department be grouped into two broad categories, transportation and industrial and commercial activities. The Department contends that this proposal oversimplifies the administrative and policy problems inherent in managing an organization of this type, and that it would be more desirable to organize and staff the Department with Bureau chiefs responsible for each of the major operating functions. The Secretary suggests the creation of four assistant secetaries, one for each of the areas of transportation, international activities, domestic economy, and scientific and technical services, and reiterates that, regardless of the necessity for modification of the top management organization of the departments, the Secretary should always remain free to determine his own organization pattern and personnel assignments.

The remainder of the report (ch. XII) includes Comments on Recommendations in Other Hoover Commission Reports in which is incorporated discussions relative to the Department's relationships with, and the effect the Hoover Commission recommendations would have upon, the Department's contacts with the National Security Resources Board, National Security Council, and other agencies. This section of the report also includes analyses of Federal

statistical activities, the transfer of CAA construction activities, coordination and strengthening of Federal scientific research, interdepartmental and over-all coordination, industrial advisory committees, and relations with the Export-Import Bank, and the Reconstruction Finance Corporation.

The summary of the views of the Department of Commerce follows:

"SUMMARY OF THE VIEWS OF THE DEPARTMENT OF COMMERCE ON THE REPORT OF THE HOOVER COMMISSION CONCERNING THE DEPARTMENT OF COMMERCE

"INTRODUCTION

"The Department of Commerce concurs, as a matter of principle, with the objective of the recommendations contained in the Hoover Commission report on the Department of Commerce to the effect that this Department should embrace the activities of the Government in the development of industry, transportation, and commerce. This objective is in accord with sound principles of Federal organization and would lead to the many improvements which would come from a major grouping of similar functions and purposes. Furthermore, it is in line with the original purposes laid down by the Congress at the time the Department was created.

"ADVISABILITY OF PROPOSED CONSOLIDATION OF TRANSPORTATION FUNCTIONS

"In its analysis of the present transportation activities of the Federal Government, the Hoover Commission reached a number of conclusions which served as the basis for its recommendation that most of the nonregulatory transportation functions should be consolidated in the Department of Commerce. Two essential points were drawn from these conclusions, namely, the need for a consistent and unified policy with respect to transportation and the need for unified implementation and administration of transportation activities which the Government has decided to perform.

"A substantial share of the Government's nonregulatory transportation functions is already performed by the Department of Commerce and we are in agreement with the general findings and recommendations of the Hoover Commission which would consolidate all, or nearly all, such activities in this Department.

"The one major exception is that proposing the transfer of the National Advisory Committee for Aeronautics to the Department, as we do not believe this proposal can be sustained on logical grounds. We also oppose that portion of the recommendation which leaves with the Civil Aeronautics Board a review function over the promulgation of air-safety regulations and suggest that consideration be given to enlarging the safety-regulation power to be transferred so as to vest final authority in the Department. In addition, we believe that a more unified and coordinated program with respect to the granting of subsidies to the transportation services would result from transferring this function to the Department.

"With these few exceptions, we are in thorough agreement with the underlying purpose of the Commission's recommendations. We believe with the Commission that implementation of the recommendations would result in the provision and promotion of total transportation requirements to meet the expanding needs of commerce and the national defense at a minimum cost to the taxpayer. Immense strains have been put upon our transportation facilities in recent years and will be again in the event of war. Military transportation requirements must be integrated with civilian needs. Wartime transportation requirements must therefore be carefully calculated, taking into consideration the probability that their disruption would be a primary objective of any potential aggressor. These vital considerations point clearly to the urgent need for coordinated planning, promotion and administration of our transportation functions.

"PROPOSALS CONCERNING THE MERCHANT MARINE

"The Hoover Commission proposals to transfer the Coast Guard, the business operations of the Maritime Commission and the marine functions of the Bureau of Customs to the Department of Commerce have the support of the Department. There are already many areas of contact and cooperation between the constituent agencies of this Department and the agencies proposed for transfer. The transfer would enhance these relationships and make for the maximum degree of unity in the formulation of marine transport policy and in the administration of marine transport functions.

"The various operating functions of the Maritime Commission, and particularly those in connection with the huge Government-owned fleet, should be placed within the jurisdiction of the over-all transportation agency of the Government. The same conclusion applies to the training functions of the Commission and this conclusion is strengthened by the proposal to transfer the activities of the Coast Guard to this Department, since there should be a close relationship between the training of seafaring personnel by the Commission and the maintenance of employment standards for this personnel by the Coast Guard.

"Nearly all of the activities of the Coast Guard now concern marine or aviation safety. It is our belief that the purposes of the Commission report, unified policy and administration, can be more nearly achieved in the safety field than in any other functional area pertaining to the over-all transportation activity of the Government, except that of mobilization planning. To this end we support transfer of the Coast Guard to the Department, but believe that the organization should be maintained substantially without change in order that a transfer to the National Military Establishment in time of war could be effected without difficulty.

"The Department is inclined to believe that certain of the functions of the Bureau of Customs might be consolidated with other marine functions proposed for transfer to the Department. We endorse the idea of having a study made by an impartial group, such as the Bureau of the Budget, to determine which, if any, of these functions belong in the new transportation organization.

"PROPOSALS CONCERNING CIVIL AVIATION

"The Commission proposed the establishment within the Department of a Bureau of Civil Aviation which would include the present activities of the Civil Aeronautics Administration together with some additional safety functions now performed by the Civil Aeronautics Board. The new bureau would also include the National Advisory Committee for Aeronautics which would lose its independent status. In contrast to most of the other recommendations of the Hoover Commission, the Department believes those concerning aviation require some qualification.

"We take particular exception to the proposal to transfer the National Advisory Committee for Aeronautics to the Department. Virtually all the research now conducted by the committee is for military purposes, and it appears unlikely that work to be undertaken in the near future will have direct application for civilian transport purposes. For this and other reasons we suggest that further study be given to the entire problem of organizing Federal scientific research before any change is made in the independent status of the committee.

"We also believe that the function of promulgating air-safety regulations should be transferred to the Department in its entirety and that the function of investigating major aircraft accidents, left with the Civil Aeronautics Board, should be clearly defined to reduce possible overlapping of responsibility to the smallest possible area. Likewise, we believe the transfer of the subsidy granting power to this Department should be considered.

"PROPOSALS CONCERNING HIGHWAY TRANSPORTATION

"The Commission suggested the creation within the Department of a Bureau of Highway Transportation, which would encompass the Public Roads Administration and the motor carrier safety functions of the Interstate Commerce Commission.

"The basic purpose of the Public Roads Administration is the promotion and development of a better highway system. Its program is entirely administrative and promotional in character and its activities are obviously transportation functions which should be grouped with related activities in other fields of transport.

"The motor carrier safety functions of the Interstate Commerce Commission are also of an administrative or promotional nature and might well be placed under unified administrative control. The effect of this transfer, together with other proposals made by the Commission, would concentrate in this Department nearly all the transportation safety activities of the Federal Government.

"PROPOSALS CONCERNING RAILROAD TRANSPORTATION

"It was proposed by the Commission that the railway safety functions, the car service functions, and the railroad consolidation planning functions of the Interstate Commerce Commission, together with the functions of the Office of Defense Transportation, be transferred to the Department of Commerce to a new Bureau of Railroad Transportation.

"The proposal to transfer the railway safety functions is similar to the proposal to transfer the motor carrier safety functions. The Department believes these functions can be performed with greater efficiency under an over-all transportation agency such as the Department of Commerce would be under the proposals.

"The Department assumes that the proposed transfer of the car service functions would be restricted to activities concerning the maximum utilization of equipment and would not include control over questions of discrimination between shippers which is quasi-judicial in character and presumably should be left under the control of the Interstate Commerce Commission. The utilization functions belong with the functions of the Office of Defense Transportation and should be transferred to the department.

"There has been little activity in the railroad consolidation planning field for a number of years. Consequently, this recommendation involves a re-creation in the department of a function which formerly represented one of the continuing functions of the Commission. This proposal should be approved if other transportation functions are transferred to the Department of Commerce.

"The basic functions performed by the Office of Defense Transportation appropriately belong in the general transportation framework and should most logically be placed in the Department having the primary concern for assuring that sufficient transportation equipment and facilities are available to meet the needs of commerce.

"PROPOSED TRANSFER OF DIVISION OF COMMERCIAL FISHERIES

"A considerable part of the fishery functions has to do directly with commercial operations and international agreements and is clearly related to the work of the Department of Commerce.

"Important as the directly commercial operations are, it is extremely difficult to distinguish between these activities and those

bearing upon conservation programs. Because of this, we feel that further study of the Government's fishery activities is required to determine whether the commercial operations are separable and whether there are distinct advantages of separation. If so, we would be in agreement with their transfer to the Department.

"ORGANIZATION FOR DEPARTMENTAL MANAGEMENT

"The Commission recommended that the present positions of Under Secretary and two Assistant Secretaries be retained in the Department and that an Administrative Assistant Secretary be added. We agree on the advisability of establishing this latter position. The duties of these officers would be assigned by the Secretary who, it is also recommended, should have explicit authority from Congress to organize and control his organization.

"We should like to emphasize this recommendation for organization flexibility as made in the report on the Department of Commerce and affirmed in the report on general management of the executive branch. This clear authority of the Secretary to determine the precise use and assignments of his assistants is indispensable to sound departmental management.

"The report further proposed that the operations of the Departmen' be grouped into two broad services for each of which there would be an Assistant Secretary—one for transportation, and one for industrial and commercial activities. This proposal, we feel, oversimplifies and does not adequately meet the administrative and policy problems inherent in managing an organization with as great a functional diversification as would exist in the proposed and enlarged Department of Commerce.

"We believe that the Department should be so organized and staffed that the major operating functions are carried on by the bureau chiefs and that these officers should, at least for formal purposes, be considered as being ultimately responsible directly to the Secretary. Under this concept, the Under Secretary, as chief deputy, would be in the supervisory line and the Assistant Secretaries would be largely removed from the administrative field to serve in functional, or advisory and consultative, capacities. We further believe that in order to bring adequate top management to the enlarged department it would be necessary to have four Assistant Secretaries covering the areas of transportation, international activities, domestic economy and scientific and technical services.

"Further study, changing concepts, and actual experience in administration will doubtless cause modification in the top management organizations of the various departments. We wish to reiterate, therefore, that the Secretary should be free to determine his own way of organizing the Department and making personnel assignments. It is particularly important that these matters not be written into law."

MILITARY ASSISTANCE TO FOREIGN COUNTRIES—REFERENCE OF MESSAGE FROM THE PRESIDENT AND BILL

The PRESIDING OFFICER (Mr. McGRATH in the chair). The Chair asks unanimous consent of the Senate that, without such action being established as a precedent, the bill and message received yesterday from the President of the United States relating to foreign military assistance be, and it is hereby, referred to the Committee on Foreign Relations and the Committee on Armed Services for joint consideration and study, including the holding of hearings if deemed advisable, and that the said committees, acting through the chairman of one of said committees, shall at the earliest practicable time, by bill or otherwise, submit their recommendations to the Senate.

Mr. CONNALLY. Mr. President, yesterday several Senators, including myself, introduced the military assistance bill. We would like to have the agreement include not only the message, but the bill.

The PRESIDING OFFICER. The Chair included both the bill and the message.

Is there objection to the unanimous-consent request?

Mr. WHERRY. Mr. President, reserving the right to object to the unanimous-consent request, I should like to ask the Senator in charge of the legislation if the unanimous-consent request includes complete reference. Does this mean only hearings, or is this a reference to both committees, which are to act in conjunction, not only with respect to hearings, but also recommendations? Are both committees to have complete charge and jurisdiction of the bill?

Mr. TYDINGS. That is correct.

Mr. WHERRY. That is, of course, going beyond the jurisdiction of either one of the committees. It is a precedent, is it not?

Mr. TYDINGS. When I obtain the floor I shall be glad to make an explanation.

The PRESIDING OFFICER. The Chair would like to answer the question after he has had an opportunity to confer with the Parliamentarian.

Mr. WHERRY. I ask that my reservation of objection remain in full force and effect until an explanation is made.

Mr. VANDENBERG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. VANDENBERG. Does this mean that when the committees vote they will vote separately? Or are they to vote in total?

Mr. TYDINGS. In total.

The PRESIDING OFFICER. The Chair would have to be advised by Senators who are sponsoring the legislation.

Mr. VANDENBERG. The agreement is scarcely intelligible except as it carries such information.

The PRESIDING OFFICER. The request, as stated by the Chair, does not make clear how the committees are to vote.

Mr. WHERRY. Mr. President, I am reserving the right to object until an explanation is made.

Mr. TYDINGS. Mr. President, when I obtain the floor I shall be glad to make an explanation.

The PRESIDING OFFICER. The Chair now submits the unanimous-consent request to the Senate, that the reference be made as previously stated.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Maryland.

Mr. TYDINGS. Mr. President, if I may be allowed to have the memorandum of the proposed unanimous-consent request, I shall endeavor to explain it, and then Members who wish to object will, of course, have the right to do so, but in the meantitme there will be opportunity for discussion.

I should like to preface what I have to say with the very sincere observation that I have the very highest regard, respect, and admiration for the Committee on Foreign Relations of the United States Senate. That committee, during the last 10 years particularly, has rendered outstanding service. I do not think the country will ever be able to pay in full the debt it owes to the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG], both of whom have served as chairman of the committee and who have labored long and in many places, both in this country and outside, to promote the welfare and friendly relations of the United States during times of war and, more particularly, times of peace. So what I shall say today is not in any wise directed in any way as criticism of the Foreign Relations Committee.

The other day, the President sent to the Congress a bill, the title of which I shall read:

An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations.

"An act to promote the foreign policy." What in the world is there in our foreign policy that is to be promoted by the giving of arms to any other country. The only and single justification for one bullet or one gun that belongs to the American people being given to any other country is the ultimate defense of the United States of America. If it cannot be laid on that line, it cannot be put on any line under the sun. We do not promote friendly relations per se and in an abstract manner by giving arms to foreign countries; we do it as a part of a general plan, which we have recently approved, which has for its core and its base the defense of the United States of America. We are not obligated by any treaty, by any executive agreement, to furnish a single bullet or a single gun to any country on earth; and it has been so stated by both the proponents and the opponents of the North Atlantic Pact. But there is an international connotation to this whole arms implementation program, and I would be the last to deny it, because we are dealing with foreign governments and, through them, with the military establishments of such countries as we shall give arms to. That brings this whole matter into the field of international relations.

These arms must come from the United States. The Senator from Maryland I think is well advised when he says that a part of these arms will come from our military surpluses, a part, a small amount, of course, will come probably from our reserves, and other parts will be perhaps in the form of money to supplement the armed programs of our potential allies in time of war. That will be the basis, I apprehend, of the arms implementation program.

Mr. President, when we start to take arms from our surpluses or to take arms from our reserves, we bring the question of internation defense into play, not

only externally, but internally; for the question must turn finally on whether 10,000 machine guns in the hands of our potential allies, to make them strong and able to resist attack and to preserve the integrity of the North Atlantic security countries, are not better there for our own defense than they would be in the arsenal at Aberdeen, Md., or at Rock Island, Ill., or wherever we may have such implements stored.

Therefore, I want to pay my respects to the chairman of the Foreign Relations Committee. I went to him with some of the arguments to which I am briefly referring today, and suggested to him that, since this bill dealt primarily with the defense of the United States and the Committee on the Armed Services of the Senate was charged by law, above every other committee in the Congress, with preserving the defense of the United States of America, I thought it would be a happy solution if, without friction and acrimony and bickering, we could sit down together as men mutually interested in a great enterprise, in which his great committee would play a principal part and our committee would play a principal part, to see if we could not evolve a program for the help of our country, both at home and abroad, which would accomplish exactly that purpose.

I now want to read from the law:

> Committee on Armed Services, to consist of 13 Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
>
> Common defense generally.
>
> The War Department and the Military Establishment generally.
>
> The Navy Department and the Naval Establishment generally.
>
> The Air Department and the Air Establishment generally.

In heaven's name, if this proposition does not relate to the defense of the United States of America, then we have no right to take a single gun or bullet and send it anywhere beyond the shores of the United States of America. There is no treaty obligation that we send guns; there is no executive obligation that we send the guns. If we do send them, we shall send them solely predicated upon the premise that the defense of the United States of America is preserved and strengthened and enlarged and made impregnable by the program we shall approve. On no other terms can such a program be adopted.

The Foreign Relations Committee, according to law, shall consist of 13 Senators—

> To which committee shall be referred all proposed legislation, messages, petitions, and other matters relating to * * * relations of the United States with foreign nations generally.

I do not want to be technical or narrow, but I submit this is not a matter of foreign relations; it is a matter of defense for the United States of America. We have no treaty that demands or requires or obligates us to furnish arms. We have no executive agreement that compels us to do so as a matter of good faith. In adopting the North Atlantic Fact, which was in the pure field of international relations, we were motivated from beginning to end by the thought that it was a covenant for defense, which was properly considered solely by the Committee on Foreign Relations. But when we come to promote and provide for the defense of the United States of America, Mr. President, whether we provide guns internally or furnish them externally, that is a matter affecting the defense of America, and the Armed Services Committee, which has labored long in the vineyard of national defense, should not be sidetracked or deprived of an equal voice in its consideration.

I give to the Foreign Relations Committee preeminence in the field of knowledge and understanding and know-how in regard to international relations. My service on that committee, of which I am a new and humble member, has created in my mind an admiration of the comprehension which the members of the Committee on Foreign Relations have of the whole panoply of international dealings. I hope I may with modesty say, likewise, that a long contact with the defense of America—the guns we have, the planes we have, the ships we have, what these guns, planes, and ships will do, where they are, the condition they are in, the men that are necessary to operate them and utilize them in war—is of some value also; and in that field I feel that we on the Armed Services Committee are preeminent, whereas the Committee on Foreign Relations—I say this with no disrespect of the committee—is not well informed in that field. Perhaps the Foreign Relations Committee could not tell us how many men or officers we have in the three services or how many planes we have or what the performance of the planes is or where our bases are or what our research and development program is, or many other things involving various phases which dovetail into the whole plan of our defense. So much for that.

I simply wish to pay my respects again to the chairman of the Foreign Relations Committee, who so affably and, I think, patriotically rose above the pettiness which sometimes grips us here when we seek the jurisdiction of a bill. I was instructed by my committee to fight for the complete jurisdiction of this bill, but I told the chairman of the Foreign Relations Committee that I was reluctant to do so, and I asked whether we could meet together with his committee, rather than to quarrel over the jurisdiction, and whether we could divide the responsibility for this measure. To that suggestion, after some hesitation, he agreed.

Mr. President, I repeat the Armed Services Committee is charged with the defense of the United States of America. I submit that the title of this bill was adroitly drawn so as to short-circuit, if you please, the Armed Services Committee, when it says "To promote the foreign policy of the United States."

Mr. President, when have we ever promoted our foreign policy by sending arms abroad? We have sent arms abroad only for our own defense, not as a matter of foreign policy per se. Under lend-lease, we sent arms abroad to keep the war away from us. Who is going to say what arms shall be sent? Is the Secretary of State going to say it, or is the Under Secretary of State, or the man in charge of western European affairs, or the man in charge of eastern European affairs going to say it? No, Mr. President; General Bradley, General Vandenberg, and Admiral Denfeld will confer with their counter members from the other countries, I should imagine, and then will evolve some general plan; and the State Department will do nothing but take the plan, after it is evolved, and try to give it execution, because obviously the State Department will not know A from Z about it, in my humble judgment.

Having read the law, I am going to make an appeal to my fellow Members about this arms implementation program. I do not know what the program will be when it comes to the Senate for final action. I do not know whether I shall be in favor of it or against it. Basically I like the idea of it, assuming that it is balanced and sound and approved by our military experts who head our three great armed-service establishments.

But I am thinking of a remark made by the newcomer to the Senate, the able junior Senator from New York [Mr. DULLES], in his address on the North Atlantic Pact, when he said, in answer to a question, I think, that we must not lose sight of the fact that the peoples of the western European nations in becoming signatories to the North Atlantic Security Alliance thereby committed themselves voluntarily to bearing the first cruel, bloody shock that would come from an aggressor if the North Atlantic security neighborhood were invaded.

Mr. President, who are the people who are going to bear this first cruel, bloody shock—and it is nothing more than the naked truth to refer to it in that way. Let us look at one of the larger nations, France. France had 600,000 men killed and missing in World War II, although France was a belligerent in that war for only a relatively short period of time. Six hundred thousand men killed and missing are a good many more than we had, Mr. President. France had 6,000 bridges, large and small, destroyed. France was occupied for 4½ years, during which time the French were allowed no army in France, no arms. All their arms were confiscated, all their military establishment was disintegrated. Finally the day of deliverance came. When it did come, France found many of her towns and cities in ruins, her industry destroyed, her merchant marine gone, her great navy a shambles, and her army nonexistent, its arms all gone, and its great Maginot Line a monument to the folly of attempting to beat a rattlesnake by standing still.

Taking into consideration the economic side of this matter, the world, through the able leadership of our great General Marshall and others, realized that, quite aside from military matters, we had to revitalize these people, recreate their self-respect, give them the means to live a good life, in order to secure their democratic institutions, their way of life, and also in order to win a

great friend in the civilized community of nations.

So the Senate, with some reluctance, because we were giving away the money of our own people, adopted the ECA plan to help revitalize these countries. The very fact we took that action showed, quite apart from the military aspect, that they were unable to carry on, without some help at once, at least the ordinary business pursuits which enable men and nations to live in democracy and freedom. So we generously appropriated the money.

France had had no army for 4½ years, except the scattered army in the provinces; and during that period France had been devoid of weapons, and her entire World War philosophy had been destroyed with the surrender of the Maginot Line. France now comes of age again, without arms, but with a great reservoir of manpower. There are 450,000 men in the French Army. I believe France is taking 250,000 men into the army each year, giving them a year's training, and then putting them into the reserves. But if they do not have the equipment they need or in some cases bread to eat or the necessary farm equipment and other equipment needed on the economic side, how can France produce the weapons with which to give the necessary training in order to develop the military strength which is necessary in that great country, without some wise help from those who can provide it?

God knows, Mr. President, I hope another war will not come. I am an advocate of world disarmament. I have spoken many times on this floor for world disarmament, saying that whenever we can get the other countries to agree to a sound plan for world disarmament, under proper inspection, both before, during, and after, we should proceed to establish it. But we have had very little luck in that field, and in this interim period the bold proposition comes down to this: Do the boys of America, or their mothers and the fathers, want the United States to have to do all the fighting, to take on whoever it may be, singlehandedly, or do they want strong allies who will stand with them and share the brutal responsibility and the heavy toll in some time of future aggression? That is how simple it is—whether we think more of our guns than we do of our sons. If we do not help the nations which we have already almost unanimously said are in such economic plight that they cannot stand, even in an economic way, without help, if we do not help them in the military field, which must thrive on taxation and on prosperity, then we shall have no allies. We shall have committed ourselves to a partnership in which we are the only working partner, because we refuse to get the assistance, the help, the strength, the vitality, the might, the resistance, the psychology, and the over-all integration which we might have had by even a pittance in the way of military help.

Yes, Mr. President, I would be opposed, as I believe the whole Senate would be opposed, to recklessness in furnishing arms abroad, even to members of the North Atlantic security alliance. I want to see the plan well worked out. I want to see it integrated. Knowing the huge financial burden of military preparedness, I should like to see each of those countries do what they can best do, rather than to try to duplicate what some other nation can do best, so that when we furnish our money, our efforts, and our arms by such an arrangement, we are not going to have to rely on the others entirely, but rely on ourselves and, in a measure, on the others, to build a fortress so strong that no power on God's earth would have the hardihood to attack it without knowledge of certain defeat.

I am for the program if it is a sound one—and I believe a sound one will evolve—because it means the difference, perhaps, between peace and war. Some advocates like to think the atomic bomb is the answer to everything. God knows it is a big answer, but there are a few questions that even it cannot answer. If an aggressor comes from eastern Europe toward the Atlantic, if we go behind him and bomb his cities, kill his people, and destroy his war potential, we cannot, with atomic bombs, destroy the great industrial cities where our friends and allies lie or stand or live. We would turn them all over to the enemy by such a process, perhaps, as nearly occurred when the British shelled the French Fleet in World War II. We have to be careful about such things. Neither do I want to see the enemy come when one little country, such as England, is standing alone, battling desperately for its life, and then to see American boys, by the hundreds of thousands, going over to that little isle and being trained for one or two or three years, and then taking the awful hazard of having to cross the water and land on a beach already occupied by the enemy. If we have European allies without sufficient arms, that is exactly what will occur.

Mr. President, I have gone a little further afield than I intended, to argue blindly for a program. That is not my purpose; and if I have violated my statement that I did not wish to attack a program per se, I retract what I have said until the program itself comes before us. I do so for one purpose only. There is not a Member of this body—and I know them all well—who is not interested in the defense of the United States of America. There is not one of us who has a store of knowledge now which is adequate to pass upon any such program. We have got to find out what the other countries associated with us can and cannot do; how much we can rely on them, even if we give them certain arms; how long they can hold off; what damage they can do; how soon we can come to their rescue, and many other things. Those questions are in the field of logistics, and not in the field of legislation. We must call in the ablest men in our Military Establishment and have them advise and counsel with us before we adopt the final program.

We all love peace. No man likes a program of this kind for itself. He takes it only for its ultimate objective, which is peace, after he has reasoned deeply upon it.

I ask those of my colleagues who are here, who may initially be opposed to the whole proposition, to withhold judgment until we can call in General Bradley, Admiral Denfeld, General Vandenberg, and General Gruenther and have them tell us, in numbers, in facts, in figures, and in logistics whether our own country will be better off with this program or whether it will be worse off, and then let us vote on the question.

I have been somewhat concerned in reading that some of my colleagues, on my side of the aisle, have already passed judgment on the program before hearing from any of our military experts. I know they have done it in good faith. I believe some of them will recant. My plea today is that judgment be withheld in the interests of the boys of our own country. We do not want to be the only Nation capable of fighting if world war III breaks out. At this time we are the only one, outside of one other.

In closing, Mr. President, I thank the Senate for giving me this opportunity to be heard. I thank my friend and colleague, the Senator from Texas for the magnanimous, broad-minded, and patriotic way in which he acceded to my request, which I think is founded on good law, on good Senate rules, and on good sense, besides. I want to say to him that when the two committees meet, although I happen to be his senior by a slight bit, I shall move that he be made the permanent chairman of the two committees, if the unanimous-consent request is agreed to, because I think magnanimity and cooperation such as he has exhibited are worthy of a return in all the abundance of which we are capable.

I should like to say to the members of the Armed Services Committee, a number of whom are on the floor at this time, that I feel that we can make a great contribution to the whole program; and when we have a program backed by the military advice of men who have proved in time of war that they know what it is all about, I hope the Senate will say yes or no, but not before all the evidence is in.

Mr. CONNALLY. Mr. President, I shall take but a moment of the time of the Senate. I have listened with a great deal of interest to the remarks of the Senator from Maryland. My view is that, technically, this is a matter for the Foreign Relations Committee, because, while it deals with arms, it affects the relationship of our country to other countries. Because some matter in connection with it might refer to something else, such as the wheat agreement, it does not rob it of its international character. But, in view of the fact that this question is one which intimately and particularly deals with arms, I, after a conference with the Senator from Maryland, did not further resist the reference of the matter jointly to the Foreign Relations Committee and the Armed Services Committee.

If the Committee on Foreign Relations had jurisdiction, we would necessarily have to call in for hearing the military

experts and the heads of the military and naval departments. In view of the fact that the Committee on Armed Services has already accumulated a vast store of information along the lines of the proposed legislation, by reason of its contact with the whole military problem, I thought it would probably be in the interest of the public welfare and in the interest of the Senate to have joint meetings of the two committees with respect to the legislation. Therefore, so far as lies within my authority, I have agreed to the unanimous consent request which has been proposed.

I shall not enter into any speech on the subject in an effort to convince Senators about the program. That is for their consideration after the committees shall have reported back to the Senate. Senators know that there is in the treaty which we recently ratified, article 3, which reads as follows:

> In order more effectively to achieve the objectives of this Treaty, the Parties, separately and jointly, by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack.

Realizing the intimate relationship between what we may do in the way of furnishing arms to the foreign countries and our own national self-defense under the obligations of the treaty, it seemed to me a very vital question was presented, and I was not averse to having the aid and advice and cooperation of the Armed Services Committee.

Mr. President, I wish to second the suggestion that Senators withhold any definite commitments on this problem. Let us examine it. Let us consult the best authorities there are about how much we can spare before we deplete or endanger our own means of self-defense and protection, how we can comply with our obligations to contribute to the collective self-defense of the Atlantic area without injuring the possibility of our own self-defense.

The point was suggested also that the first impact of any attack in Europe would be on the small and the weak countries. All of us know that a determined attack by a great power would sweep over these nations, and make them conquest victims, unless they had help. Then our problem would be their liberation. How much better it would be for us to furnish proper amounts of arms so that they could at least hold the line for a period until we could prepare and come to their rescue. Liberation would bring many of the horrors of war itself. It would bring occupation by hostile armies.

Mr. President, without taking more time of the Senate at this moment, I join in the request which has been handed down by the Chair.

Mr. GURNEY. Mr. President, will the Senator yield for a question?

Mr. CONNALLY. I yield.

Mr. GURNEY. Is it the understanding of the Senator from Texas that in the joint committee hearings, and in voting on parts of the program and on the final bill, there will be a full vote, 13 votes to each committee, 26 votes altogether, taken absolutely on every question?

Mr. CONNALLY. That is my present attitude in the matter.

Mr. GURNEY. Would that mean, for example, that the Senator from Maryland would have two votes?

Mr. CONNALLY. Oh, no.

Mr. TYDINGS. Mr. President, will the Senator from Texas yield?

Mr. CONNALLY. I yield to the Senator from Maryland.

Mr. TYDINGS. I think the unanimous consent request answers the very proper question of the Senator from South Dakota. When the two committees are constituted in fact one committee, to consider jointly the questions presented, each member of the committee—which would mean 25 members, because the Senator from Maryland is in the happy position of being on both the committees—there would be 25 votes, and each member would vote.

Mr. GURNEY. Does the request so provide?

Mr. TYDINGS. It is so framed that no other interpretation than the one I have given is possible, in my opinion. If the Senator would like to have me read it and point that out, I should be glad to do so.

Mr. GURNEY. I have not heard it. There was so much confusion when it was first offered that I could not hear it, and I should like to hear it.

Mr. TYDINGS. Will the Senator from Texas yield to me a moment?

Mr. CONNALLY. I yield.

Mr. TYDINGS. I should like to read the request a little slowly, and I think the meaning I have imported to it would appear to be the proper one from the reading of it. It reads:

> That without such action being established as a precedent, the bill and message from the President of the United States relating to foreign military assistance be, and it is hereby, referred to the Committee on Foreign Relations and the Committee on Armed Services for joint consideration and study, including the holding of hearings if deemed advisable, and that the said committees, acting through the chairman of one of said committees, shall at the earliest practicable time, by bill or otherwise, submit their recommendations to the Senate.

I do not see how any other meaning could flow from that than the one I have given.

Mr. GURNEY. Nor do I, and certainly not if both chairmen on the floor today will state that that is the understanding, that there shall be 25 votes on any question which may come up on this matter.

Mr. CONNALLY. Mr. President, I have stated very frankly that that is my attitude, but I do not care to give any hard-boiled opinion on it. It seems to me that when we use the word "joint" it means the entire body of the two committees. It does not say that they shall consider questions separately, and that each group shall vote as a committee, but it says "joint." It means the memberships of both committees are, for the purposes of this resolution, more or less merged into one committee. That is my view.

Mr. President, I yield the floor.

Mr. VANDENBERG. Mr. President, so that I may be sure I understand, I should like to ask the Senator whether it is his interpretation, as apparently it is that of the Senator from Maryland, that this in effect constitutes a new and select committee, which will act as a unit not only in exploration and study and hearing, but also in actually writing the law and in actually voting upon the net result.

Mr. CONNALLY. That is true. It is a variation of our rule. It is asking unanimous consent that for the purposes of the legislation desired these two committees be one committee.

Mr. VANDENBERG. Mr. President, I wish to make an observation when the Senator has concluded.

Mr. CONNALLY. Very well.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. VANDENBERG. Mr. President, this is, of course, no time to debate the fundamental issue which was presented so eloquently by the distinguished Senator from Maryland. Certainly I am one of those who completely agree with him and with the Senator from Texas that Senators should maintain open minds so that there can be a totally honest assessment of the facts which are subsequently submitted. I respectfully suggest, however, that the emphasis which the Senator from Maryland put upon the situation gave a rather complete priority to the proposals which have been sent down to us. I quite agree that they should be the basis of consideration, but I respectfully suggest to the able Senator from Maryland that one can entirely agree with the analysis which he made, and the more one agrees with him, the more one may wish to be sure that the bill is written on such a sound and solid basis that it stands some chance of conclusive action in the remaining days of this session, so as to avoid the final tragedy of a total default in respect to no legislation at all.

Mr. LODGE. Mr. President, I have been in favor of military assistance to Europe ever since the end of the war. I do not suppose any Member of the Senate has been more earnestly in favor of it than I have been, and as time passes I become more strongly in favor of it than ever. So I approach this whole subject from the standpoint of getting action, getting action intelligently, and getting action promptly. I have neither the taste nor the capacity to get into a long hair-splitting argument on jurisdiction. That takes a type of training and of outlook I do not possess. I do say in a very friendly spirit to my friend the Senator from Maryland, that I do not think the membership of the Foreign Relations Committee is completely ignorant of military matters, as I think he feels we are, and I do not think it is quite correct to say that when the end of the war came the French had no army. They made a tremendous effort. They had——

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. TYDINGS. I think if the Senator will look at my remarks as they will appear in the RECORD tomorrow, he will find that I said "except outside of France."

Mr. LODGE. No; they had eight divisions in France.

Mr. TYDINGS. Yes; but I am talking about the occupation period.

Mr. LODGE. I thought the Senator meant at the end of the war.

Mr. TYDINGS. No; I said during the occupation period. Their armies had been taken away. They had no army except outside of France during the occupation period.

Mr. LODGE. I, of course, accept the Senator's correction. I understood the Senator to say the French had no army in France at the end of the war. Of course there were many French troops who fought very well, and who were of great help to the United States.

Mr. President, I do not have a very hopeful view about the outcome of this experiment. I wonder why we did not try it in the case of the international wheat agreement and send that agreement to the Committee on Agriculture and Forestry and the Committee on Foreign Relations, jointly That would have been an equally appropriate thing to do.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. TYDINGS. I do not think any committee in Congress is charged with looking after wheat, but I do think the Committee on Armed Services is charged specifically by law with providing for the defense of the United States of America, for its Army, its Navy, and its Air Force. I do not think there is the slightest analogy between the two illustrations which the Senator uses to sustain his position.

Mr. LODGE. It seems to me that the production of wheat relates to agriculture, and that the Committee on Agriculture and Forestry is supposed to take cognizance of such a matter It seems to me that is as plain as the nose on one's face. I believe it would have been exactly the same thing without any shred of difference to have referred the international wheat agreement to the Committee on Agriculture and Forestry and the Committee on Foreign Relations. But, as I said, I do not care to argue those points.

There are four ways of dealing with this matter. One is to send it to the Committee on Armed Services. One is to send it to the Committee on Foreign Relations. One is to send it to both committees together. The other is to send it to a committee of 13 Senators selected from both committees. Now we have decided to choose the third one of those four possibilities.

I shall not repeat the argument which has been made for sending it to the two committees. There is one added factor. This action completely preserves the prestige of all parties. But I think from the standpoint of getting the job done, of going into some of these very fundamental factors as carefully as they ought to be gone into, experience will show that in trying to avoid a jurisdictional dispute and trying to preserve everyone's prestige, we will have set up something which is largely unworkable.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. TYDINGS. I should like to make an observation, and I do not believe the Senator from Massachusetts will disagree with me. If I may be permitted to make the observation, with a little humility, I believe that the fact that the Armed Services Committee, together with the great Committee on Foreign Relations are considering this proposition jointly should give it a greater rather than a diminished status.

Secondly, I should like to say to the Senator from Massachusetts that an exploratory investigation made by the Senator from Maryland into certain tentative phases of this matter indicates that we will probably have to take some of our reserves temporarily—not a large number—in order to provide for this program. I think the Senator will agree that those of us who are charged by law with the defense of the United States should not sit idly by and see our reserves taken away without having any voice in saying whether or not it is wise to do so.

Mr. LODGE. No; I have never said that. I say that 26—or 25 men, since the Senator from Maryland is a member of both committees—is an unwieldy number to do this particular kind of work.

Mr. TYDINGS. Mr. President, will the Senator yield for one observation?

Mr. LODGE. I want to complete this statement, and then I shall yield. The Senator knows what happens in the Senate. We come into a committee meeting at 10:30 or sometimes at 10 o'clock, and a witness appears before the committee. He talks for three-quarters of an hour, and then usually the chairman interrogates him, and often makes a few speeches of his own, which are not interrogation. That runs along for three-quarters of an hour. The result is that even with a committee of 13 members, it is very seldom that the members who have very little seniority on the committee are reached during the morning session. Then if someone like the Secretary of State, the Chief of Staff of the Army, the Chief of the Navy appears before the committee, men who cannot spend all their lives before the committee, the low-ranking members of the committee are in the position of either insisting that the witness come back at a later session or also not ask any questions. Perhaps that is just as well, because sometimes the questions are not particularly pertinent. But the fact is a committee, consisting of 13 members, can hardly get very far in questioning a witness during a morning session, when some of the senior members of the committee take up as much time as they do. Perhaps at times it is just as well that more questions are not asked; but with 26 members on a committee the hearing may well result in a farce.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. TYDINGS. I will say to the Senator from Massachusetts that I am in complete disagreement with him in what he has just said. One of the motivating factors in making the suggestion to the Senator from Texas was to avoid a long antagonistic jurisdictional fight on the floor of the Senate because the members of the Armed Services Committee, knowing that the chairman of that committee was a member of the Foreign Relations Committee also, served notice upon him that they would fight to the death on the Senate floor to secure jurisdiction over this bill. The fact that the two committees can get together and act jointly, in my opinion, will result in a cut in the time element, so that only 10 percent of the time that otherwise might be used will be taken.

Mr. LODGE. I will say to the Senator from Maryland what I have said many times before—that in the years I have been here I have never gotten into a jurisdictional dispute, and I never shall. I am not saying that this matter should not go to the Armed Services Committee.

I have very little club spirit or "old school-tie spirit" in my make-up. I say experience has proved that 26 men form too large a group to handle such a question as this, and the result will be to bring out a half-baked, hammer-and-tongs proposition, which when it reaches the floor will be full of holes, and will be subject to rewriting and amendment on the floor of the Senate. In my opinion, that is an extremely poor way of doing things. I say that because it is physically impossible for 26 men to give the proper study and consideration and the prolonged analysis needed.

The Senator from Maryland said very frankly that the attempt is made to avoid a jurisdictional fight on the Senate floor. Perhaps it is sometimes better not to have such a jurisdictional fight on the Senate floor, and sometimes it is better to have such a fight, perhaps. Under the proposal a jurisdictional fight on the floor is being avoided, there will be a saving in prestige, but a structure will be put up which will be so large and unwieldy as to be unable to do the job.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. KEFAUVER. I wish to call to the attention of the Senator from Massachusetts that in the House of Representatives all the major committees have 26 or 27 members. The Appropriations Committee has, I believe, 39 or 40 members. I know the situation that exists in the House. The committees get along all right and expedite the handling of legislation very well on that side.

Mr. LODGE. The Senator from Tennessee also knows that the Rules Committee in the House, which is a star-chamber committee, reduces most Representatives to the importance of rear-rank privates, and the Senator also knows that everyone in the House wants to come to the Senate, and no Member of the Senate wants to go to the House. The reason for that is that the committees of the House are so large that the individual Representative often does not count for anything.

Mr. KEFAUVER. Mr. President, will the Senator yield further?

Mr. LODGE. I yield.

Mr. KEFAUVER. Mr. President, I will say to the Senator from Massachusetts

that there are sitting close around me several members of the Armed Services Committee and several members of the Foreign Relations Committee, who have served in the House. We have had a small caucus, and some of us want to assure the distinguished Senator that if the two committees are set up jointly we will act more or less like House Members, and not ask a great many questions or very lengthy questions.

Mr. LODGE. I will believe that when I see it. I do believe it insofar as the Senator from Tennessee is concerned. Moreover I will go the Senator from Maryland one better. Many members of the Senate Armed Services Committee have a very real grasp of foreign affairs. The Senator from Tennessee is one of them. I would not feel at all bad if the bill went to the Armed Services Committee. I object to a committee of 26. I think it is unworkable.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to.

Mr. O'MAHONEY. Mr. President, the pending business is the independent offices appropriation bill——

Mr. SALTONSTALL. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. TYDINGS. Mr. President, will the Senator withhold the suggestion of the absence of a quorum until I can submit a conference report which I believe will take only a moment?

Mr. SALTONSTALL. Certainly.

SECURITY ACT AMENDMENTS OF 1949—CONFERENCE REPORT

Mr. TYDINGS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'National Security Act Amendments of 1949'.

"SEC. 2. Section 2 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 2. In enacting this legislation, it is the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security; to provide three military departments, separately administered, for the operation and administration of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force, with their assigned combat and service components; to provide for their authoritative coordination and unified direction under civilian control of the Secretary of Defense but not to merge them; to provide for the effective strategic direction of the armed forces and for their operation under unified control and for their integration into an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the armed forces nor an armed forces general staff (but this is not to be interpreted as applying to the Joint Chiefs of Staff or Joint Staff).'

"CHANGE IN COMPOSITION OF THE NATIONAL SECURITY COUNCIL

"SEC. 3. The fourth paragraph of section 101 (a) of the National Security Act of 1947 is amended to read as follows:

"'The Council shall be composed of—

"'(1) the President;

"'(2) the Vice President;

"'(3) the Secretary of State;

"'(4) the Secretary of Defense;

"'(5) the Chairman of the National Security Resources Board; and

"'(6) The Secretaries and Under Secretaries of other executive departments and of the military departments, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board, when appointed by the President by and with the advice and consent of the Senate, to serve at his pleasure.'

"CONVERSION OF THE NATIONAL MILITARY ESTABLISHMENT INTO AN EXECUTIVE DEPARTMENT

"SEC. 4. Section 201 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 201. (a) There is hereby established, as an Executive Department of the Government, the Department of Defense, and the Secretary of Defense shall be the head thereof.

"'(b) There shall be within the Department of Defense (1) the Department of the Army, the Department of the Navy, and the Department of the Air Force, and each such department shall on and after the date of enactment of the National Security Act Amendments of 1949 be military departments in lieu of their prior status as Executive Departments, and (2) all other agencies created under title II of this Act.

"'(c) Section 158 of the Revised Statutes, as amended, is amended to read as follows:

"'"SEC. 158. The provisions of this title shall apply to the following Executive Departments:

"'"First. The Department of State.

"'"Second. The Department of Defense.

"'"Third. The Department of the Treasury.

"'"Fourth. The Department of Justice.

"'"Fifth. The Post Office Department.

"'"Sixth. The Department of the Interior.

"'"Seventh. The Department of Agriculture.

"'"Eighth. The Department of Commerce.

"'"Ninth. The Department of Labor."'

"'(d) Except to the extent inconsistent with the provisions of this Act, the provisions of title IV of the Revised Statutes as now or hereafter amended shall be applicable to the Department of Defense.'

"THE SECRETARY OF DEFENSE

"SEC. 5. Section 202 of the National Security Act of 1947, as amended, is further amended to read as follows:

"'SEC. 202. (a) There shall be a Secretary of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. *Provided*, That a person who has within ten years been on active duty as a commissioned officer in a Regular component of the armed services shall not be eligible for appointment as Secretary of Defense.

"'(b) The Secretary of Defense shall be the principal assistant to the President in all matters relating to the Department of Defense. Under the direction of the President, and subject to the provisions of this Act, he shall have direction, authority, and control over the Department of Defense.

"'(c) (1) Notwithstanding any other provision of this Act, the combatant functions assigned to the military services by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof shall not be transferred, reassigned, abolished, or consolidated.

"'(2) Military personnel shall not be so detailed or assigned as to impair such combatant functions.

"'(3) The Secretary of Defense shall not direct the use and expenditure of funds of the Department of Defense in such manner as to effect the results prohibited by paragraphs (1) and (2) of this subsection.

"'(4) The Departments of the Army, Navy, and Air Force shall be separately administered by their respective Secretaries under the direction, authority, and control of the Secretary of Defense.

"'(5) Subject to the provisions of paragraph (1) of this subsection no function which has been or is hereafter authorized by law to be performed by the Department of Defense shall be substantially transferred, reassigned, abolished or consolidated until after a report in regard to all pertinent details shall have been made by the Secretary of Defense to the Committees on Armed Services of the Congress.

"'(6) No provision of this Act shall be so construed as to prevent a Secretary of a military department or a member of the Joint Chiefs of Staff from presenting to the Congress, on his own initiative, after first so informing the Secretary of Defense, any recommendation relating to the Department of Defense that he may deem proper.

"'(d) The Secretary of Defense shall not less often than semiannually submit written reports to the President and the Congress covering expenditures, work and accomplishments of the Department of Defense, accompanied by (1) such recommendations as he shall deem appropriate, (2) separate reports from the military departments covering their expenditures, work and accomplishments, and (3) itemized statements showing the savings of public funds and the eliminations of unnecessary duplications and overlappings that have been accomplished pursuant to the provisions of this Act.

"'(e) The Secretary of Defense shall cause a seal of office to be made for the Department of Defense, of such design as the President shall approve, and judicial notice shall be taken thereof.

"'(f) The Secretary of Defense may, without being relieved of his responsibility therefor, and unless prohibited by some specific provision of this Act or other specific provision of law, perform any function vested in him through or with the aid of such officials or organizational entities of the Department of Defense as he may designate.'

"DEPUTY SECRETARY OF DEFENSE; ASSISTANT SECRETARIES OF DEFENSE; MILITARY ASSISTANTS; AND CIVILIAN PERSONNEL

"SEC. 6. (a) Section 203 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 203. (a) There shall be a Deputy Secretary of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate: *Provided*, That a person who has within ten years been on active duty as a commissioned officer in a Regular component of the armed services shall not be eligible for appointment as Deputy Secretary of Defense. The Deputy Secretary shall perform such duties and exercise such powers as the Secretary of Defense may prescribe and shall take precedence in the Department of Defense next after the Secretary of Defense. The Deputy Secretary shall act for, and exercise the powers of, the Secretary of Defense during his absence or disability.

"'(b) There shall be three Assistant Secretaries of Defense, who shall be appointed from civilian life by the President, by and

with the advice and consent of the Senate. The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of Defense may prescribe and shall take precedence in the Department of Defense after the Secretary of Defense, the Deputy Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force.

"'(c) Officers of the armed services may be detailed to duty as assistants and personal aides to the Secretary of Defense, but he shall not establish a military staff other than that provided for by section 211 (a) of this Act.'

"(b) Section 204 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 204. The Secretary of Defense is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such civilian personnel as may be necessary for the performance of the functions of the Department of Defense other than those of the Departments of the Army, Navy, and Air Force.'

"CREATING THE POSITION OF CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND PRESCRIBING HIS POWERS AND DUTIES

"SEC. 7. (a) Section 210 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 210. There shall be within the Department of Defense an Armed Forces Policy Council composed of the Secretary of Defense, as Chairman, who shall have power of decision; the Deputy Secretary of Defense; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Chairman of the Joint Chiefs of Staffs; the Chief of Staff, United States Army; the Chief of Naval Operations; and the Chief of Staff, United States Air Force. The Armed Forces Policy Council shall advise the Secretary of Defense on matters of broad policy relating to the armed forces and shall consider and report on such other matters as the Secretary of Defense may direct.'

"(b) Section 211 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 211. (a) There is hereby established within the Department of Defense the Joint Chiefs of Staff, which shall consist of the Chairman, who shall be the presiding officer thereof but who shall have no vote; the Chief of Staff, United States Army, the Chief of Naval Operations; and the Chief of Staff, United States Air Force. The Joint Chiefs of Staff shall be the principal military advisers to the President, the National Security Council, and the Secretary of Defense.

"'(b) Subject to the authority and direction of the President and the Secretary of Defense, the Joint Chiefs of Staff shall perform the following duties, in addition to such other duties as the President or the Secretary of Defense may direct:

"'(1) preparation of strategic plans and provision for the strategic direction of the military forces;

"'(2) preparation of joint logistic plans and assignment to the military services of logistic responsibilities in accordance with such plans;

"'(3) establishment of unified commands in strategic areas;

"'(4) review of major material and personnel requirements of the military forces in accordance with strategic and logistic plans;

"'(5) formulation of policies for joint training of the military forces;

"'(6) formulation of policies for coordinating the military education of members of the military forces; and

"'(7) providing United States representation on the Military Staff Committee of the United Nations in accordance with the provisions of the Charter of the United Nations.

"'(c) The Chairman of the Joint Chiefs of Staff (hereinafter referred to as the "Chairman") shall be appointed by the President, by and with the advice and consent of the Senate, from among the Regular officers of the armed services to serve at the pleasure of the President for a term of two years and shall be eligible for one reappointment, by and with the advice and consent of the Senate, except in time of war hereafter declared by the Congress when there shall be no limitation on the number of such reappointments. The Chairman shall receive the basic pay and basic and personal money allowances prescribed by law for the Chief of Staff, United States Army, and such special pays and hazardous duty pays to which he may be entitled under other provisions of law.

"'(d) The Chairman, if in the grade of general, shall be additional to the number of officers in the grade of general provided in the third proviso of section 504 (b) of the Officer Personnel Act of 1947 (Public Law 381, Eightieth Congress) or, if in the rank of admiral, shall be additional to the number of officers having the rank of admiral provided in section 413 (a) of such Act. While holding such office he shall take precedence over all other officers of the armed services: *Provided*, That the Chairman shall not exercise military command over the Joint Chiefs of Staff or over any of the military services.

"'(e) In addition to participating as a member of the Joint Chiefs of Staff in the performance of the duties assigned in subsection (b) of this section, the Chairman shall, subject to the authority and direction of the President and the Secretary of Defense, perform the following duties:

"'(1) serve as the presiding officer of the Joint Chiefs of Staff;

"'(2) provide agenda for meetings of the Joint Chiefs of Staff and assist the Joint Chiefs of Staff to prosecute their business as promptly as practicable; and

"'(3) inform the Secretary of Defense and, when appropriate as determined by the President or the Secretary of Defense, the President, of those issues upon which agreement among the Joint Chiefs of Staff has not been reached.'

"(c) Section 212 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 212. There shall be, under the Joint Chiefs of Staff, a Joint Staff to consist of not to exceed two hundred and ten officers and to be composed of approximately equal numbers of officers appointed by the Joint Chiefs of Staff from each of the three armed services. The Joint Staff, operating under a Director thereof appointed by the Joint Chiefs of Staff, shall perform such duties as may be directed by the Joint Chiefs of Staff. The Director shall be an officer junior in grade to all members of the Joint Chiefs of Staff."

"CHANGING RELATIONSHIP OF THE SECRETARY OF DEFENSE TO THE MUNITIONS BOARD

"SEC. 8. Section 213 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 213. (a) There is hereby established in the Department of Defense a Munitions Board (hereinafter in this section referred to as the "Board").

"'(b) The Board shall be composed of a Chairman, who shall be the head thereof and who shall, subject to the authority of the Secretary of Defense and in respect to such matters authorized by him, have the power of decision upon matters falling within the jurisdiction of the Board, and an Under Secretary or Assistant Secretary from each of the three military departments, to be designated in each case by the Secretaries of their respective departments. The Chairman shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $14,000 a year.

"'(c) Subject to the authority and direction of the Secretary of Defense, the Board shall perform the following duties in support of strategic and logistic plans and in consonance with guidance in those fields provided by the Joint Chiefs of Staff, and such other duties as the Secretary of Defense may prescribe:

"'(1) coordination of the appropriate activities with regard to industrial matters, including the procurement, production, and distribution plans of the Department of Defense;

"'(2) planning for the military aspects of industrial mobilization;

"'(3) assignment of procurement responsibilities among the several military departments and planning for standardization of specifications and for the greatest practicable allocations of purchase authority of technical equipment and common use items on the basis of single procurement;

"'(4) preparation of estimates of potential production, procurement, and personnel for use in evaluation of the logistic feasibility of strategic operations;

"'(5) determination of relative priorities of the various segments of the military procurement programs;

"'(6) supervision of such subordinate agencies as are or may be created to consider the subjects falling within the scope of the Board's responsibilities;

"'(7) regrouping, combining, or dissolving of existing interservice agencies operating in the fields of procurement, production, and distribution in such manner as to promote efficiency and economy;

"'(8) maintenance of liaison with other departments and agencies for the proper correlation of military requirements with the civilian economy, particularly in regard to the procurement or disposition of strategic and critical material and the maintenance of adequate reserves of such material, and making of recommendations as to policies in connection therewith; and

"'(9) assembly and review of material and personnel requirements presented by the Joint Chiefs of Staff and by the production, procurement, and distribution agencies assigned to meet military needs, and making of recommendations thereon to the Secretary of Defense.

"'(d) When the Chairman of the Board first appointed has taken office, the Joint Army and Navy Munitions Board shall cease to exist and all its records and personnel shall be transferred to the Munitions Board.

"'(e) The Secretary of Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions.'

"CHANGING THE RELATIONSHIP OF THE SECRETARY OF DEFENSE TO THE RESEARCH AND DEVELOPMENT BOARD

"SEC. 9. Section 214 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 214. (a) There is hereby established in the Department of Defense a Research and Development Board (hereinafter in this section referred to as the "Board"). The Board shall be composed of a Chairman, who shall be the head thereof and who shall, subject to the authority of the Secretary of Defense and in respect to such matters authorized by him, have the power of decision on matters falling within the jurisdiction of the Board, and two representatives from each of the Departments of the Army, Navy, and Air Force, to be designated by the Secretaries of their respective Departments. The Chairman shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $14,000 a year. The purpose of the Board shall be to advise the Secretary of Defense as to the status of scientific research relative to the national security, and to assist him in assuring adequate provision for research and development on scientific problems relating to the national security.

"'(b) Subject to the authority and direction of the Secretary of Defense, the Board shall perform the following duties and such other duties as the Secretary of Defense may prescribe:

"'(1) preparation of a complete and integrated program of research and development for military purposes;

"'(2) advising with regard to trends in scientific research relating to national security and the measures necessary to assure continued and increasing progress;

"'(3) coordination of research and development among the military departments, and allocation among them of responsibilities for specific programs;

"'(4) formulation of policy for the Department of Defense in connection with research and development matters involving agencies outside the Department of Defense; and

"'(5) consideration of the interaction of research and development and strategy, and advising the Joint Chiefs of Staff in connection therewith.

"'(c) When the Chairman of the Board first appointed has taken office, the Joint Research and Development Board shall cease to exist and all its records and personnel shall be transferred to the Research and Development Board.

"'(d) The Secretary of Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions.'

"COMPENSATION OF SECRETARY OF DEFENSE, DEPUTY SECRETARY OF DEFENSE, SECRETARIES OF MILITARY DEPARTMENTS, AND CONSULTANTS

"Sec. 10. (a) Section 301 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 301. (a) The Secretary of Defense shall receive the compensation prescribed by law for heads of executive departments.

"'(b) The Deputy Secretary of Defense shall receive compensation at the rate of $14,500 a year, or such other compensation plus $500 a year as may hereafter be provided by law for under secretaries of executive departments. The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall each receive compensation at the rate of $14,000 a year, or such other compensation as may hereafter be provided by law for under secretaries of executive departments.'

"(b) Section 302 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 302. The Assistant Secretaries of Defense and the Under Secretaries and Assistant Secretaries of the Army, the Navy, and the Air Force shall each receive compensation at the rate of $10,330 a year or at the rate hereafter prescribed by law for assistant secretaries of executive departments and shall perform such duties as the respective Secretaries may prescribe.'

"(c) Section 303 (a) of the National Security Act of 1947 is amended to read as follows:

"'(a) The Secretary of Defense, the Chairman of the National Security Resources Board, the Director of Central Intelligence, and the National Security Council, acting through its Executive Secretary, are authorized to appoint such advisory committees and to employ, consistent with other provisions of this Act, such part-time advisory personnel as they may deem necessary in carrying out their respective functions and the functions of agencies under their control. Persons holding other offices or positions under the United States for which they receive compensation, while serving as members of such committees, shall receive no additional compensation for such service. Other members of such committees and other part-time advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed $50 for each day of service, as determined by the appointing authority.'

"REORGANIZATION OF FISCAL MANAGEMENT TO PROMOTE ECONOMY AND EFFICIENCY

"SEC. 11. The National Security Act of 1947 is amended by inserting at the end thereof the following new title:

"'TITLE IV

"'PROMOTION OF ECONOMY AND EFFICIENCY THROUGH ESTABLISHMENT OF UNIFORM BUDGETARY AND FISCAL PROCEDURES AND ORGANIZATIONS

"'*Comptroller of Department of Defense*

"'SEC. 401. (a) There is hereby established in the Department of Defense the Comptroller of the Department of Defense, who shall be one of the Assistant Secretaries of Defense.

"'(b) The Comptroller shall advise and assist the Secretary of Defense in performing such budgetary and fiscal functions as may be required to carry out the powers conferred upon the Secretary of Defense by this Act, including but not limited to those specified in this subsection. Subject to the authority, direction, and control of the Secretary of Defense, the Comptroller shall—

"'(1) supervise and direct the preparation of the budget estimates of the Department of Defense; and

"'(2) establish, and supervise the execution of—

"'(A) principles, policies, and procedures to be followed in connection with organizational and administrative matters relating to—

"'(1) the preparation and execution of the budgets,

"'(ii) fiscal, cost, operating, and capital property accounting,

"'(iii) progress and statistical reporting,

"'(iv) internal audit, and

"'(B) policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense; and

"'(3) establish uniform terminologies, classifications, and procedures in all such matters.

"'MILITARY DEPARTMENT BUDGET AND FISCAL ORGANIZATION—DEPARTMENTAL COMPTROLLERS

"'SEC. 402. (a) The Secretary of each military department, subject to the authority, direction, and control of the Secretary of Defense, shall cause budgeting, accounting, progress and statistical reporting, internal audit and administrative organization structure and managerial procedures relating thereto in the department of which he is the head to be organized and conducted in a manner consistent with the operations of the Office of the Comptroller of the Department of Defense.

"'(b) There is hereby established in each of the three military departments a Comptroller of the Army, a Comptroller of the Navy, or a Comptroller of the Air Force, as appropriate in the department concerned. There shall, in each military department, also be a Deputy Comptroller. Subject to the authority of the respective departmental Secretaries, the comptrollers of the military departments shall be responsible for all budgeting, accounting, process and statistical reporting, and internal audit in their respective departments and for the administrative organization structure and managerial procedures relating thereto. The Secretaries of the military departments may in their discretion appoint either civilian or military personnel as comptrollers of the military departments. Departmental comptrollers shall be under the direction and supervision of, and directly responsible to, either the Secretary, the Under Secretary, or an Assistant Secretary of the respective military departments: *Provided*, That nothing herein shall preclude the comptroller from having concurrent responsibility to a Chief of Staff or a Chief of Naval Operations, a Vice Chief of Staff or a Vice Chief of Naval Operations, or a Deputy Chief of Staff or a Deputy Chief of Naval Operations, if the Secretary of the military department concerned should so prescribe. Where the departmental comptroller is not a civilian, the Secretary of the department concerned shall appoint a civilian as Deputy Comptroller.

"'PERFORMANCE BUDGET

"'SEC. 403. (a) The budget estimates of the Department of Defense shall be prepared, presented, and justified, where practicable, and authorized programs shall be administered, in such form and manner as the Secretary of Defense, subject to the authority and direction of the President, may determine, so as to account for, and report, the cost of performance of readily identifiable functional programs and activities, with segregation of operating and capital programs. So far as practicable, the budget estimates and authorized programs of the military departments shall be set forth in readily comparable form and shall follow a uniform pattern.

"'(b) In order to expedite the conversion from present budget and accounting methods to the cost-of-performance method prescribed in this title, the Secretary of each military department, with the approval of the President and the Secretary of Defense, is authorized and directed, until the end of the second year following the date of enactment of this Act, to make such transfers and adjustments within the military department of which he is the head between appropriations available for obligation by such department in such manner as he deems necessary to cause the obligation and administration of funds and the reports of expenditures to reflect the cost of performance of such programs and activities. Reports of transfers and adjustments made pursuant to the authority of this subsection shall be made currently by the Secretary of Defense to the President and the Congress.

"'OBLIGATION OF APPROPRIATIONS

"'SEC. 404. In order to prevent overdrafts and deficiencies in any fiscal year for which appropriations are made, on and after the beginning of the next fiscal year following the date of enactment of this Act appropriations made to the Department of Defense or to the military departments, and reimbursements thereto, shall be available for obligation and expenditure only after the Secretary of Defense shall approve scheduled rates of obligation, or modifications thereof: *Provided*, That nothing in this section shall affect the right of the Department of Defense to incur such deficiencies as may be now or hereafter authorized by law to be incurred.

"'WORKING-CAPITAL FUNDS

"'SEC. 405. (a) In order more effectively to control and account for the cost of programs and work performed in the Department of Defense, the Secretary of Defense is authorized to require the establishment of working-capital funds in the Department of Defense for the purpose of—

"'(1) financing inventories of such stores, supplies, materials, and equipment as he may designate; and

"'(2) providing working capital for such industrial-type activities, and for such commercial-type activities as provide common services within or among the departments and agencies of the Department of Defense, as he may designate.

"'(b) The Secretary of the Treasury is authorized and directed to establish on the books of the Treasury Department at the request of the Secretary of Defense the working-capital funds established pursuant to the authority of this section.

"'(c) Such funds shall be—

"'(1) charged, when appropriate, with the cost of stores, supplies, materials, and equipment procured or otherwise acquired, manufactured, repaired, issued, and consumed and of services rendered or work performed, including applicable administrative expenses; and

"'(2) reimbursed from available appropriations or otherwise credited for the cost of stores, supplies, materials, or equipment furnished and of services rendered or work performed, including applicable administrative expenses.'

"Reports of the condition and operations of such funds shall be made annually to the President and to the Congress.

"'(d) The Secretary of Defense is authorized to provide capital for such working-capital funds by capitalizing inventories on hand and, with the approval of the President, by transfer, until December 31, 1954, from unexpended balances of any appropriations of the military departments not carried to the surplus fund of the Treasury: *Provided*, That no deficiency shall be incurred in any such appropriation as a result of any such transfer. To the extent that such methods do not, in the determination of the Secretary of Defense, provide adequate amounts of working capital, there is hereby authorized to be appropriated, out of any moneys in the Treasury not appropriated for other purposes, such sums as may be necessary to provide adequate working capital.

"'(e) Subject to the authority and direction of the Secretary of Defense, the Secretaries of the military departments shall allocate responsibility within their respective military departments for the execution of functions which each military department is authorized by law to perform in such a manner as to effect the most economical and efficient organization and operation of the activities and use of the inventories for which working-capital funds are authorized by this section.

"'(f) No greater cost shall be incurred by the requisitioning agency for stores, supplies, materials, or equipment drawn from inventories, and for services rendered or work performed by the industrial-type or commercial-type activities for which working-capital funds are authorized by this section, than the amount of appropriations or funds available for such purposes.

"'(g) The Secretary of Defense is authorized to issue regulations to govern the operation of activities and use of inventories authorized by this section, which regulations may, whenever he determines the measures set forth in this subsection to be required by the needs of the Department of Defense, and when such measures are authorized by law, permit stores, supplies, materials, and equipment to be sold to, and services to be rendered or work performed for, purchasers or users outside the Department of Defense. In such cases, the working-capital funds involved may be reimbursed by charges against appropriate appropriations or by payments received in cash.

"'(h) The appraised value of all stores, supplies, materials, and equipment returned to such working-capital funds from any department, activity, or agency, may be charged to the working-capital fund concerned and the proceeds thereof shall be credited to the current appropriations concerned; the amounts so credited shall be available for expenditures for the same purposes as the appropriations credited: *Provided*, That the provisions of this subsection shall not permit credits to appropriations as the result of capitalization of inventories authorized by subsection (d) of this section.

"'MANAGEMENT FUNDS

"'SEC. 406. The Act of July 3, 1942 (56 Stat. 645, c. 484), as amended, is hereby further amended to read as follows:

"'"(a) For the purpose of facilitating the economical and efficient conduct of operations in the Department of Defense which are financed by two or more appropriations where the costs of the operations are not susceptible of immediate distribution as charges to such appropriations, there are hereby established the Navy Management Fund, the Army Management Fund, and the Air Force Management Fund, each within, and under the direction of the respective Secretaries of, the Departments of the Navy, Army, or Air Force, as the case may be. There are authorized to be appropriated from time to time such funds as may be necessary to accomplish the purposes of the funds.

"'"(b) The corpus of the Navy Management Fund shall consist of the sum of $1,000,000 heretofore transferred to the Naval Procurement Fund from the Naval Emergency Fund (17X0300), which amount, and all balances in, and obligations against, any accounts in the Naval Procurement Fund, are hereby transferred to the Navy Management Fund; the corpus of the Army Management Fund shall consist of the sum of $1,000,000, which shall be transferred thereto from any unobligated balance of any appropriation available to the Department of the Army; the corpus of the Air Force Management Fund shall consist of the sum of $1,000,000, which shall be transferred thereto from any unobligated balance of any appropriation available to the Department of the Air Force; in each case together with such additional funds as may from time to time be appropriated to any of said funds. Accounts for the individual operations to be financed under the respective management funds shall be established only upon approval by the Secretary of Defense.

"'"(c) Expenditures may be made from said management funds from time to time for material (other than material for stock) and for personal and contractual services under such regulations as may be prescribed by the Secretary of Defense: *Provided*, (1) That no obligation shall be incurred against any such fund which is not properly chargeable to available funds under an appropriation of the department within which the fund is established or, whenever necessary to effectuate purposes authorized by this Act to funds of another department or agency within the Department of Defense, and (2) that each fund shall be promptly reimbursed from the appropriate appropriations of such department for all expenditures properly chargeable thereto. Nothing herein or in any other provision of law shall be construed to prevent advances by check or warrant, or reimbursements to any of said management funds from appropriations of said departments on the basis of the estimated cost of a project, such estimated cost to be revised and necessary appropriation adjustments made when adequate data become available.

"'"(d) Except as otherwise provided by law, amounts advanced to the management funds under the provisions of this Act shall be available for obligation only during the fiscal year in which they are advanced: *Provided*, That nothing contained in this Act shall alter or limit the authorized period of availability of the funds from which such advances are made. Final adjustments of advances in accordance with actual costs shall be effected with the appropriate funds for the fiscal year in which such funds are advanced.

"'"(e) The portion of the Naval Appropriation Act, 1945 (58 Stat. 301, 310), relating to the Naval Procurement Fund is hereby repealed."

"'ADJUSTMENT OF ACCOUNTS

"'SEC. 407. (a) When under authority of law a function or an activity is transferred or assigned from one department or agency within the Department of Defense to another such department or agency, the balances of appropriations which are determined by the Secretary of Defense to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be transferred to, and be available for use by, the department or agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established on the books of the Treasury Department, of the department or organization to which such function or activity is transferred, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund. Balances transferred to existing accounts shall be subject only to such limitations as are specifically applicable to such accounts and those transferred to new accounts shall be subject only to such limitations as are applicable to the appropriations from which they are transferred.

"'(b) The number of employees which in the opinion of the Secretary of Defense is required for such transferred functions or activities may, with the approval of the Director of the Bureau of the Budget, be deducted from any personnel maximum or limitation of the department or agency within the Department of Defense from which such function or activity is transferred, and added to any such personnel maximum or limitation of the department or agency to which such function or activity is transferred.

"'AVAILABILITY OF REIMBURSEMENTS

"'SEC. 408. To carry out the purposes of this Act, reimbursements made under the authority of the Economy Act (31 U. S. C. 686), and sums paid by or on behalf of personnel of any department or organization for services rendered or supplies furnished, may be credited to authorized replacing or other accounts. Funds credited to such accounts shall remain available for obligation for the same period as the funds in the account so credited and each such account shall constitute one fund on the books of the Treasury Department.

"'COMMON USE OF DISBURSING FACILITIES

"'SEC. 409. To the extent authorized by the Secretary of Defense, disbursing officers of the Departments of the Army, Navy, and Air Force may, out of accounts of advances available to them, make disbursements covering obligations arising in connection with any function or activity of any other department or organization within the Department of Defense and charge upon vouchers the proper appropriation or appropriations of the other department or organization: *Provided*, That all said expenditures shall subsequently be adjusted in settlement of disbursing officers' accounts.

"'REPORTS OF PROPERTY

"'SEC. 410. The Secretary of Defense shall cause property records to be maintained in the three military departments, so far as practicable, on both a quantitative and monetary basis, under regulations which he shall prescribe. Such property records shall include the fixed property, installations, and major items of equipment as well as the supplies, materials, and equipment held in store by the armed services. The Secretary shall report annually thereon to the President and to the Congress.

"'REPEALING AND SAVING PROVISIONS

"'SEC. 411. All laws, orders, and regulations inconsistent with the provisions of this title are repealed insofar as they are inconsistent with the powers, duties, and responsibilities enacted hereby: *Provided*, That the powers, duties, and responsibilities of the Secretary of Defense under this title shall be administered in conformance with the policy and requirements for administration of budgetary and fiscal matters in the Government generally, including acounting and financial reporting, and that nothing in this title shall be construed as eliminating or modifying the

powers, duties, and responsibilities of any other department, agency, or officer of the Government in connection with such matters, but no such department, agency, or officer shall exercise any such powers, duties, or responsibilities in a manner that will render ineffective the provisions of this title.'"

"MISCELLANEOUS AND TECHNICAL AMENDMENTS AND SAVING PROVISIONS

"SEC. 12. (a) The National Security Act of 1947 is amended by striking out the term 'National Military Establishment', wherever it appears in such Act, and inserting in lieu thereof 'Department of Defense'.

(b) Section 207 (a) of the National Security Act of 1947 is amended to read as follows:

"'SEC. 207. (a) Within the Department of Defense there is hereby established a military department to be known as the Department of the Air Force, and the Secretary of the Air Force who shall be the head thereof. The Secretary of the Air Force shall be appointed from civilian life by the President by and with the advice and consent of the Senate.'

"(c) Section 207 (b) of the National Security Act of 1947 is repealed.

"(d) The first sentence of section 208 (a) of the National Security Act of 1947 is amended by striking out the word 'under' and inserting in lieu thereof the word 'within'.

"(e) Section 308 (b) of the National Security Act of 1947 is amended to read as follows:

"'(b) As used in this Act, the term "Department of Defense" shall be deemed to include the military departments of the Army, the Navy, and the Air Force, and all agencies created under title II of this Act.'

"(f) The titles of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Under Secretaries and the Assistant Secretaries of the Departments of the Army, Navy, and Air Force, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board, shall not be changed by virtue of this Act, and the reappointment of the officials holding such titles on the effective date of this Act shall not be required. It is hereby declared to be the intention of Congress that section 203 (a) of the National Security Act of 1947, as amended by section 6 of this Act, shall not be deemed to have created a new office of Deputy Secretary of Defense but shall be deemed to have continued in existence, under a new title, the Office of Under Secretary of Defense which was established by the Act entitled 'An Act to amend the National Security Act of 1947 to provide for an Under Secretary of Defense', approved April 2, 1949 (Public Law 36, Eighty-first Congress). The title of the official holding the Office of Under Secretary of Defense on the effective date of this Act shall be changed to Deputy Secretary of Defense and the reappointment of such official shall not be required.

"(g) All laws, orders, regulations, and other actions relating to the National Military Establishment, the Departments of the Army, the Navy, or the Air Force, or to any officer or activity of such establishment or such departments, shall, except to the extent inconsistent with the provisions of this Act, have the same effect as if this Act had not been enacted; but, after the effective date of this Act, any such law, order, regulation, or other action which vested functions in or otherwise related to any officer, department, or establishment, shall be deemed to have vested such function in or relate to the officer or department, executive or military, succeeding the officer, department, or establishment in which such function was vested. For purposes of this subsection the Department of Defense shall be deemed the department succeeding the National Military Establishment, and the military departments of Army, Navy, and Air Force shall be deemed the departments succeeding the Executive Departments of Army, Navy, and Air Force.

"(h) Section 208 (e) of the National Security Act of 1947 is amended by substituting the word 'three' for the word 'two' appearing therein.

"(i) Reorganization Plan Numbered 8 of 1949, which was transmitted to the Congress by the President on July 18, 1949, pursuant to the provisions of the Reorganization Act of 1949, shall not take effect, notwithstanding the provisions of section 6 of such Reorganization Act of 1949."

And the Senate agree to the same.

MILLARD E. TYDINGS,
RICHARD B. RUSSELL,
VIRGIL M. CHAPMAN,
STYLES BRIDGES,
CHAN GURNEY,
LEVERETT SALTONSTALL,
Managers on the Part of the Senate.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
LESLIE C. ARENDS,
GEORGE J. BATES,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. LODGE. Mr. President, I do not object to considering it, but I want to know what is in it, and when we are to have printed copies.

Mr. TYDINGS. Mr. President, the conference report is basically the Senate bill. The amendments made by the House are minor. The Senator will recall that there were four titles in the bill as it passed the Senate. The Senator will also recall that when the House acted on the bill it struck out three-fourths of the provisions, and acted only on one-fourth of it, with respect to which it took the Senate version. Then we struck out the language of the House bill when it came to the Senate and substituted the Senate bill. The Senate bill became the subject of the conference. The amendments are minor and the conference report is unanimously agreed to by conferees on the part of both the House and Senate.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BALDWIN. As the Senator knows, I am a member of the Armed Services Committee, but was not one of the conferees. I am particularly interested to know whether or not any of the Senate provisions in the title of the bill which had to do with administration, and which contained most of the recommendations of the Hoover Commission, were subjected to major change, or any change. Was any change made in that particular part of the bill?

Mr. TYDINGS. There was not. I will say to the Senator that there was some change in wording here and there, but in my opinion the new wording is more comprehensive than the wording in the original bill. We eliminated the specification, and put in a generalization so large that it included the specification and more. So we have the Hoover report pretty much in toto.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. TYDINGS. Mr. President, I ask that the conference report lie on the desk until Senators have an opportunity to examine it. I do not want to try the patience of the Senator from Wyoming [Mr. O'MAHONEY], who has already yielded an hour and a half of his time without complaint, so I ask that the conference report lie on the desk.

Mr. LODGE. Mr. President, does this mean that we are precluded from asking questions about it?

Mr. TYDINGS. No. It will not be laid before the Senate for final action until the Senator has had an opportunity to become familiar with it.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Hunt	Myers
Bricker	Ives	Neely
Bridges	Jenner	O'Conor
Butler	Johnson, Colo.	O'Mahoney
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Sparkman
Donnell	Knowland	Stennis
Douglas	Langer	Taft
Downey	Lodge	Taylor
Dulles	Long	Thomas, Okla.
Ecton	Lucas	Thomas, Utah
Ellender	McCarran	Thye
Ferguson	McCarthy	Tobey
Flanders	McClellan	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Malone	Williams
Gurney	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	
Hickenlooper	Millikin	

The PRESIDING OFFICER. A quorum is present.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 18, in line 2, which will be stated.

The CHIEF CLERK. On page 18, in line 2, it is proposed to strike out "$3,450,000" and insert "$3,639,000."

Mr. O'MAHONEY. Mr. President, with respect to this amendment, I think I should point out that the House of Representatives cut the appropriation $289,000 below the amount of the budget estimate, in the belief that it would be possible to effect economies by the reduction of personnel in the administrative functions of the Federal Trade Commission. The representations which were made to our committee—and I think they were amply supported by the evidence, and as disclosed by the questioning—were to the effect that this reduction in personnel

would seriously impede the work of the Commission; it would have the effect of reducing the number of persons employed by approximately 86 less than the number presently employed. The House stated in its report that it was intended by the reduction not in any way to affect the antimonopoly work of the Commission. In other words, the House recognized, as I think the Senate does, the importance of the antimonopoly work of the Commission.

However, an examination of the facts showed that a reduction of the personnel below the number presently employed by the Commission would inevitably interfere with the antimonopoly work because it would require that approximately 32 persons be dropped from the Division of Legal Records. That Division is like the office of the clerk of a court. Of course, if the cases are not properly recorded and filed, and if there is not a sufficiently efficient and well-manned office of the clerk of a court, naturally the work of the court cannot properly be kept up. The committee was convinced that that would be the effect in the Federal Trade Commission.

Likewise the reduction would mean the loss of more than 60 or 65 persons employed in the stenographic pool.

The Federal Trade Commission adopted, some time ago, as a measure of economy, the practice of having officials whose duty it is to prepare documents, write letters, prepare memoranda of various kinds and pleadings in various cases, to draw upon the stenographic pool rather than to have each office equipped with a separate and distinct stenographer. So, obviously, the result of compelling a reduction in the stenographic pool would be to impair the effectiveness of the Commission. So the committee felt there should be a restoration. We did restore, not the full amount requested by the Commission, which was $289,000; we gave them only $189,000, which is still $100,000 below the budget estimate.

Mr. President, during the hearings I addressed several questions to the representatives of the Federal Trade Commission with respect to the status of the antimonopoly work. If it were possible, I would have supported an increased appropriation for the antimonopoly work, because I think there are many important investigations the Commission should carry on.

Mr. KEFAUVER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Tennessee?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. I should like to ask the Senator, the chairman of the subcommittee, whether, even with the amount appropriated by the Senate committee, that would only give the Federal Trade Commission 655 positions, whereas the amount appropriated for 1949, by the last Congress, gave them 681 positions?

Mr. O'MAHONEY. I am inclined to believe, from the figures we have had, that the present authorization is for 676. The House bill reduced that to 590, and we increased it to 660, which is still 16 positions below the present staffing of the Commission. For myself, I think that is too narrow a margin, but the committee felt that it should approve only $189,000 instead of $289,000.

Mr. KEFAUVER. I should like to ask the Senator a further question. The Federal Trade Commission requested the Bureau of the Budget to authorize or to approve $5,753,000, so what has been recommended by the Senate committee is almost $2,000,000 less than the amount requested by the Federal Trade Commission of the Bureau of the Budget, is it not?

Mr. O'MAHONEY. The budget estimate was $3,739,000. But the Senator is speaking of the amount the Commission requested the Bureau of the Budget to allow, is he not?

Mr. KEFAUVER. That is correct.

Mr. O'MAHONEY. My recollection is they asked for about $700,000——

Mr. KEFAUVER. The figure is $5,073,000.

Mr. O'MAHONEY. I asked Mr. Edwards, Director of the Bureau of Industrial Economics of the Federal Trade Commission, what was the specific request, in dollars and cents, and in the number of positions, which was made by the Federal Trade Commission to the Bureau of the Budget, for increased antimonopoly case work. The amount was $792,000. The Bureau of the Budget did not allow that. That was for three programs it was desired to carry on—investigations into collusive restriction of production, the collusive use of geographic price formulas, and the restriction of production by fixing quantity limits. But the Bureau of the Budget felt, in view of the other demands upon the Treasury of the United States, that expansion of the antimonopoly work should not be allowed, and did not allow it, but allowed practically the sum the Commission had this year.

Mr. KEFAUVER. In reading over the testimony in the hearings, I gained the distinct impression that the scope of the work of the Federal Trade Commission, or at least the things which the Federal Trade Commission should do in order to help to prevent monopoly and to preserve a free-enterprise system, was rapidly increasing, and that, even with the full amount recommended by the Bureau of the Budget, the work of the Federal Trade Commission would be considerably handicapped, particularly in its antimonopoly program. I ask the distinguished Senator whether he also did not gain that impression from a review of the work being done by the Federal Trade Commission?

Mr. O'MAHONEY. I may say to the Senator, so far as I am personally concerned, I should like to see the work of the Federal Trade Commission in its antimonopoly studies and actions supported to a greater extent than it is supported in the appropriation bill. But we are confronted by a condition of realities, and in view of the large expenditures needed for national defense, for international obligations, and so forth, I can understand the position of the committee in holding down this appropriation. I may say to the Senator I sought the full budget amount in the subcommittee, but the subcommittee decided to recommend only $189,000 instead of $289,000.

Mr. KEFAUVER. As the Federal Trade Commission is one of the two departments, the Department of Justice being the other, charged with the enforcement of the antitrust laws and with the prevention of monopolies and the keeping healthy of our competitive system and giving small businesses an opportunity, it seems to me that the amount proposed to be appropriated, while large, still, in comparison with other appropriations, is a very small investment for the great work of the Federal Trade Commission is doing.

Furthermore, the records seems to show that the number of employees the Federal Trade Commission has had, since about 1942, when they had 741 employees, has been reduced to about 100 less than the Federal Trade Commission had in 1942, and at the same time the work and the scope of the activities and duties of the Federal Trade Commission have been increasing all the time. Does the Senator agree with that statement?

Mr. O'MAHONEY. There can be no doubt about that. With the progress of economic concentration in the United States, the work of the Federal Trade Commission naturally increases. The testimony before our committee showed, for example, that some of the studies which have been carried on there demonstrate that even toward the end of 1948 the profit status of small-business concerns was rapidly deteriorating, and many small businesses were in a loss group.

I call the Senator's attention to a colloquy between the Senator from Nebraska [Mr. WHERRY] and Mr. Edwards.

Mr. Edwards had testified that the Commission obtains figures from large companies. "The Federal Trade Commission," he said, "is the only agency in the Government that gets the figures from the small companies. The small companies and large companies do not give the same results." I am reading from page 209 of the Senate hearings. Mr. Edwards continued:

I showed a chart this morning which indicated that in part; and I will show another chart, which is in some ways simpler and more representative, this afternoon.

These are the annual rates of profits by groups of corporations of different sizes, as shown by this reporting program. For the year 1947, the total profit is measured in the solid black line; and for 1948, the same over here. You will see that the total profits shown go slightly up between the 2 years. In the year 1947, the size group which had the largest rate of profit was the middle-sized group of corporations; and from them, profit rates went down as the corporations became smaller, and also as they became larger.

Senator WHERRY. When you say "middle group," about how large would that be?

Mr. EDWARDS. That is the group from $1,000,000 to $5,000,000.

Senator WHERRY. You say the greatest profit came from that group?

Mr. EDWARDS. The greatest rate of profit, I meant.

Senator FERGUSON. That is capitalization, I assume.

Mr. EDWARDS. This is profits on investment.

Senator FERGUSON. On the capital?

Mr. EDWARDS. Yes, sir.

In other words, the testimony shows that corporations with capital investment of less than a million dollars are rapidly getting into a poorer condition; and one of the reasons the Federal Trade Commission should be equipped to handle this matter is to be found in the situation, as I see it, of the small-business corporations.

Mr. KEFAUVER. Mr. President, I fully agree with the Senator, but I should like to call his attention to the colloquy on page 184 between the Senator from Virginia [Mr. ROBERTSON] and Mr. Davis, the Acting Chairman of the Federal Trade Commission. Mr. Edwards had said, with reference to the amount of work of the Commission:

It is substantially higher. I would have to check the percentage.

Senator ROBERTSON. I think it is correct. In physical volume it is about 75 percent.

Is it not true that your work is greater now than it was in 1941?

Mr. DAVIS. I think it is.

Senator ROBERTSON. Is it not true that during the war there was an inevitable trend to concentration of business in the hands of the big corporations at the expense of the smaller corporations?

Mr. DAVIS. Yes; that is true.

Senator ROBERTSON. Is it true that we are now in a period of falling economy in which competition is going to be greatly increased?

Mr. DAVIS. I think the tendency will be that way.

Senator ROBERTSON. Is it not true that small business and the consumer generally face a greater threat from a monopolistic trend than they have at any time in recent years?

Mr. DAVIS. Well, I think now that that is true.

Then he goes on with an explanation.

It seems to me, in reading the record, from the viewpoint of preserving competition and giving small business a chance, that instead of taking the amount the Bureau of the Budget submitted, the committee and the Senate should consider and vote for an even higher amount.

I have an amendment pending to give the Federal Trade Commission an increased appropriation, because I think it is a good investment, from the viewpoint of competition, in protecting small businesses, and in dollars returned to the Government. I think that in tax revenues to the Government it will yield great dividends.

I appreciate very much the attitude of the distinguished Senator from Wyoming in his explanation of the work of the committee.

Mr. O'MAHONEY. The Senator is getting me in sort of a trap. I am here representing the committee which has cut the appropriation for the Federal Trade Commission $100,000 below the budget estimate. The committee amendment is on page 18, line 2. I assume the Senator suggests that he has an amendment to that amendment?

Mr. KEFAUVER. Yes; I have such an amendment.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. MAYBANK. I want to say to the Senator from Tennessee that I voted for the additional amount requested, but we were defeated in the subcommittee. I am placed in the same situation as the Senator from Wyoming occupies.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LANGER. I wonder if the Senator is aware of the fact that the Committee on Post Office and Civil Service heard the Chairman of the Federal Trade Commission, who testified that there were literally hundreds of cases held up during the war and that, as a matter of fact, the Commission needed much more help than it actually had. Is the Senator aware of the fact that various cases could not be tried during the war, and that the work has piled up until some of the cases are 8 or 9 years old?

Mr. KEFAUVER. I think that is a fact.

Mr. LANGER. I want to associate myself with the distinguished Senator from Tennessee in saying that certainly the appropriation for the Federal Trade Commission should be increased.

Mr. MURRAY. Mr. President, I also wish to associate myself with the distinguished Senator from Tennessee. It seems to me the policy of determining the expansion or contraction of the Federal Trade Commission should be in the Senate, and that we should determine whether it is more important to the country to provide sufficient funds for the Federal Trade Commission to carry on the program of undertaking to curb monopoly than it is to effect small savings by cutting down appropriations for the Commission.

Mr. O'MAHONEY. The Senator is repeating the argument made in the subcommittee.

Mr. MURRAY. Is there an amendment being offered at this time?

Mr. KEFAUVER. I shall offer an amendment when I have an opportunity.

Mr. DOUGLAS. Mr. President, it is very rarely that I rise to ask for an increase in an appropriation.

Mr. O'MAHONEY. I am glad to see the Senator from Illinois in that position today. I am sure the great logic of the Senator will support his position.

Mr. DOUGLAS. I assure the Senator that this is an infrequent occurrence, and I do not expect to repeat it very often in future, but I think in this particular instance, when the Federal Trade Commission has a larger volume of work than it had before the war, with considerably fewer employees, the least we can do is to increase the total to the amount recommended by the Bureau of the Budget.

I am very glad the Senator from Tennessee has raised this question, and I should like to associate myself with him in the matter.

Mr. KEFAUVER. I thank the Senator.

Mr. President, to the committee I offer the amendment, which is on the clerk's desk, and I ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Tennessee to the committee amendment.

The CHIEF CLERK. On page 18, line 2, it is proposed to strike out "$3,639,000" and insert "$3,739,000."

Mr. KEFAUVER. Mr. President, my amendment would bring the appropriation up to the budget estimate, which is almost $2,000,000 less than the Federal Trade Commission requested of the Bureau of the Budget, and will give the Commission——

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. AIKEN. I was simply going to make the statement, Mr. President, that although I have been voting consistently in favor of lower figures in appropriations for independent offices, I believe that here is one instance in which the slight increase provided by the amendment of the Senator from Tennessee is entirely justified. I think the Federal Trade Commission is one Government agency which is a real safeguard to the general public, which of course is the consuming public. I believe adequate funds should be provided for that particular agency. As we go a little further along in the bill I shall be able to point out how the slight amount requested, and as increased by the amendment of the Senator from Tennessee, can save approximately 20 times as much through another provision of the same bill.

Mr. MORSE. Mr. President, will the Senator yield

Mr. KEFAUVER. I yield.

Mr. MORSE. Do I correctly understand that the Senator is proposing an increase in the appropriation for the Federal Trade Commission?

Mr. KEFAUVER. In the amount of $100,000, so as to bring it up to the budget estimate.

Mr. MORSE. Has the Senator, by any chance, placed in the RECORD figures in regard to the personnel of the Federal Trade Commission during the past several years?

Mr. KEFAUVER. I have the figures, and I had intended to ask unanimous consent that they be placed in the RECORD following my remarks, together with a short statement which I have prepared.

Mr. President, I ask unanimous consent that the figures be placed in the RECORD following my remarks, together with a brief statement, which is self-explanatory.

There being no objection, the figures and statement were ordered to be printed in the RECORD, as follows:

APPROPRIATIONS FOR FEDERAL TRADE COMMISSION

Any shortcoming of the Federal Trade Commission which may be pointed out in this report should not be allowed to obscure the highly salient fact that the appropriations to the Federal Trade Commission, even if the agency were devoting all its time to handling the most significant antitrust cases, would be insufficient to allow it to fulfill its function in helping to reverse the trend of concentration.

The unfavorable odds against which the staff of the Federal Trade Commission must work is nowhere more glaringly illustrated

than by the case against the Cement Institute. In this case only three Commission attorneys participated in the trial, yet they were opposed by lawyers from 41 law firms, many of them among the largest and most successful in the country. Press releases, according to the Federal Trade Commission, have appeared to the effect that the defendants in this case spent in excess of $5,000,000—$5,000,000 against three Commission attorneys. Five million dollars represents twice as much money as the entire Federal Trade Commission receives in 1 year. * * * The Federal Trade Commission lost this case against the Cement Institute by a 2-to-1 decision in the circuit court of appeals.

Appropriations are so important to an effective antitrust program that it is worth reproducing below the budget history of the Federal Trade Commission for the last 10 years:

Statement of the estimates of appropriations and the appropriations of the Federal Trade Commission for the fiscal years 1938 to 1947 inclusive

	Estimate submitted to the Bureau of the Budget	Amount approved by the Bureau of the Budget	Appropriated by Congress
Fiscal year—			
1938	$2,601,600	$1,981,000	$1,981,000
1939	2,462,681	2,180,700	2,180,700
1940	2,792,100	2,324,000	2,324,000
1941	2,802,431	2,300,000	2,300,000
1942	2,867,870	2,360,000	2,360,000
1943	3,147,681	2,302,474	2,050,250
1944	2,715,444	2,043,000	1,943,000
1945	2,781,145	2,095,900	2,054,070
1946	3,715,720	2,224,000	2,173,833
1947	3,572,223	2,619,400	2,239,120
Supplemental estimates based on plan of reorganization	2,551,209	[1] 857,000	330,000
Total (1947)	5,123,432	3,476,400	2,569,120

[1] FTC comment: "The Budget decided that under the reorganization plan full-time staffing, as represented by the Commission's estimates, was not practicable during 1947 because of flow of work and recruiting problems, and therefore approved an equivalent amount of $850,000 (plus $7,000 for printing) for part-time staffing for 1947."

Two facts stand out: (1) With the exception of the 1947 appropriation, Congress in each of the 10 years gave the Federal Trade Commission practically the amount approved by the Budget Bureau. Therefore, as far as the Federal Trade Commission's budget for the last 10 years is concerned, the Budget Bureau must be held, in the first instance, responsible for the agency's limited appropriation. (2) The Budget Bureau made very substantial reductions in the amounts originally requested by the Federal Trade Commission.

The Budget Bureau always musters good reasons for cutting an agency's appropriation. The consistent cuts by the Budget Bureau indicate more clearly than any amount of words either (a) lack of awareness of the importance of antitrust activity to the maintenance of the competitive enterprise economy, or (b) a belief that the Federal Trade Commission's activities were not sufficiently significant to the antitrust program to warrant additional funds. If the latter was the reason, it is no answer to slash the agency's budget. Instead, the Budget Bureau should undertake as the Executive's general manager, to bring about the administrative improvements necessary to enable the Commission to properly carry out its functions. The Budget Bureau in their report to the committee indicated that they are now working with FTC with a view to bringing about administrative improvements. (United States Versus Economic Concentration and Monopoly, committee print, Committee on Small Business, House of Representatives, 79th Cong., pp. 29–30.)

The Federal Trade Commission appropriations

	Amount	Number of positions
1948 appropriation	$2,955,000	572
1949 appropriation plus pay-raise supplemental	3,621,000	684
1950:		
A. FTC request to Budget Bureau	5,753,000	1,087
B. Budget Bureau authorized request to Congress	3,739,000	681
C. Appropriation passed by House	3,450,000	600
D. Appropriation recommended by Senate committee	3,639,000	685
All-time high in employment, March 1942		741

EXCERPT FROM ADDRESS BY HON. ESTES KEFAUVER, MEMBER OF CONGRESS, "NEEDED CHANGES IN LEGISLATION," AT AMERICAN ECONOMIC ASSOCIATION CONVENTION, DECEMBER 30, 1947, IN CHICAGO

It has become more or less of an accepted tradition in speaking about the requirements for an effective antitrust program to begin one's remarks with an invocation for appropriations—a tradition which has become well established and one which I see no reason to change. Actually, the facts concerning appropriations for the antitrust agencies are even worse than most of you have probably been led to believe. As chairman of the Monopoly Subcommittee of the House Small Business Committee during the last session of Congress, I had an opportunity to make a fairly thorough investigation of this whole subject of appropriations, the results of which are printed in the staff report of this subcommittee (which, unfortunately, is now out of print).[1]

Rather than take up your time with a detailed exposition of the findings of that report, I would like to call your attention to just a few simple figures—the requests made by the antitrust agencies to the Bureau of the Budget, the amounts approved by the Bureau of the Budget for submission to Congress, and the amounts actually appropriated by Congress. During the 10-year period, 1938–47, the requests by the Federal Trade Commission to the Bureau of the Budget averaged $3,101,019 a year; the amount approved by the Bureau of the Budget for presentation to Congress averaged $2,328,727; and the amount appropriated by Congress averaged $2,193,597. During the period, 1939–47, the requests by the Antitrust Division of the Department of Justice to the Bureau of the Budget averaged $1,986,077; the amount approved for submission to Congress by the Budget Bureau averaged $1,517,472; and the amount actually appropriated by Congress averaged $1,634,517—actually more than the amount approved by the Budget Bureau. To quote the report:

"Two facts stand out: (1) With the exception of the 1947 appropriation, Congress in each of the 10 years gave the Federal Trade Commission practically the amount approved by the Budget Bureau. Therefore, as far as the Federal Trade Commission's budget for the last 10 years is concerned, the Budget Bureau must be held, in the first instance, responsible for that agency's limited appropriation. (2) The Budget Bureau made very substantial reductions in the amounts originally requested by the Federal Trade Commission."

The report went on to state that:

"The Budget Bureau always musters good reasons for cutting an agency's appropriation. The consistent cuts by the Budget Bureau indicate more clearly than any amount of words either (a) lack of awareness of the importance of antitrust activity to the maintenance of the competitive enterprise economy, or (b) a belief that the Federal Trade Commission's activities were not sufficiently significant to the antitrust program to warrant additional funds. If the latter was the reason, it is no answer to slash the agency's budget. Instead, the Budget Bureau should undertake, as the Executive's general manager, to bring about the administrative improvements necessary to enable the Commission to properly carry out its functions." (p. 30).

In regard to the Antitrust Division, the report stated:

"Here again, as in the case of the Federal Trade Commission, one finds that when sharp cuts are made they are made by the Budget Bureau. As a matter of fact, in 4 of the 9 years reported on, Congress appropriated more money to the Antitrust Division than has been approved by the Budget Bureau." (p. 51)

It may surprise you to know (a) that the total amount received by the Federal Trade Commission and the Antitrust Division, combined, is less than the appropriation for the Securities and Exchange Commission whose functions of course are much more limited and restricted than those of the antitrust agencies; (b) that the annual appropriations for the two antitrust agencies, combined, would have been sufficient to carry on the war effort for a period of about 30 minutes; and (c) that the Federal Trade Commission has now the overwhelming total of eight economists, as does the Antitrust Division, to survey the entire economy, prepare economic reports for Congress, discover the areas of possible monopolistic practices, determine the relative significance and economic importance of the multitude of possible infractions of the law, develop economic data required on individual antitrust actions, and survey the results, from an economic point of view, of the effectiveness of the agencies' actions, for as the monopoly subcommittee report pointed out: "There is oftentimes a great difference between a legal victory and an economic victory." (p. 26)

The fundamental importance of appropriations to any antitrust program cannot be overstressed. Year in and year out the Congress has added to the number of existing antitrust laws, particularly those administered by the Federal Trade Commission. Yet funds have not been provided to carry on these increased responsibilities. As a result, the Federal Trade Commission has been forced to spread its regular appropriations over a wider and wider number of functions, thereby making it impossible for the Commission to do an effective job on any one of the laws under its administration. There is, I believe, no purpose in continuing this practice of increasing the number of statutes to be enforced, if the means of enforcing them are not also provided.

The former economic adviser to the Federal Trade Commission has stated: "An annual appropriation of $150,000,000 for the Antitrust Division of the Department of Justice and $100,000,000 for the Federal Trade Commission will not be too large if monopoly is to be driven out of business."[2]

Mr. MORSE. Mr. President, do I correctly understand from the Senator from

[1] Seventy-ninth Congress, Staff Report to the Monopoly Subcommittee of the House Small Business Committee, United States versus Economic Concentration and Monopoly, 1946.

[2] Willis J. Ballinger, By Vote of the People, Charles Scribner's Sons, 1946, p. 308.

Tennessee that he is satisfied that the Federal Trade Commission will carry out the President's program as submitted by the President to Representative CELLER, for example, in regard to greater monopoly control, and that the Commission will need more funds in order to employ additional personnel?

Mr. KEFAUVER. The Senator is correct.

Mr. MORSE. I am very happy to support the Senator's amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was under the heading "Federal Works Agency—Office of the Administrator," on page 18, line 18, after the word "expenses", to strike out "$300,000" and insert "$325,000."

The amendment was agreed to.

The next amendment was, on page 19, line 2, after the word "exceed", to strike out "$15,500" and insert "$20,000"; and in line 4, after the word "year", to insert "including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project."

The amendment was agreed to.

The next amendment was, on page 19, after line 24, to insert:

Conservation of securities: For expenses necessary for the conservation of the Federal Government's interest in bonds and other obligations in the custody of the Federal Works Administrator, issued for the construction of Public Works Administration projects, including personal services in the District of Columbia and travel expenses; $30,000, to be derived by transfer from the appropriation for Public Works Administration liquidation in the Independent Offices Appropriation Act, 1949.

The amendment was agreed to.

The next amendment was, under the subhead "Public Buildings Administration," on page 21, line 10, after the word "Columbia," to strike out the comma and "including the salary of the Commissioner of Public Buildings at $12,000 per annum as long as the position is held by the present incumbent."

The amendment was agreed to.

The next amendment was, on page 23, line 16, after the word "conductors", to strike out "$31,140,000" and insert "$32,750,000."

The amendment was agreed to.

The next amendment was, on page 24, line 9, after the word "premises", to strike out "$23,968,800" and insert "$24,963,800."

Mr. MAYBANK. Mr. President, I should like to have the attention of the Senator from Wyoming [Mr. O'MAHONEY].

On page 7 of the bill occurs an amendment which was adopted last evening and which included the expenses of the American Battle Monuments Commission. Knowing that it is always rather hard to have deficiency bills brought to the attention of the committee and of the Senate, and in many instances there has been neglect on the part of some departments to request deficiency appropriations, I call the attention of the Senator from Wyoming at this time to the fact that it may be necessary for the American Battle Monuments Commission, through no fault of their own, to ask for a deficiency appropriation later.

In order that the Senator may know the reasons why that will be done, I wish to say that the American Battle Monuments Commission, I am advised by the Secretary of the Commission, has recently had three additional cemeteries turned over to it in foreign lands, and within the next 8 to 12 months 5 additional cemeteries will be turned over to it, making a total of 8 which will be placed in its care.

During the past few years, under the law, the Army, through the Quartermaster General, has operated these cemeteries, I wish to make the record clear that it is through no fault of the Battle Monuments Commission, or the Secretary, or any of those connected with the Commission, that the proper appropriations were not requested, but under the conditions which exist it will be necessary for the Commission to come to Congress later for a deficiency, when it can figure out the amount of money which will be needed to continue the operation of these cemeteries, principally in foreign lands, which have previously been operated by the Army.

Mr. O'MAHONEY. Mr. President, I am glad the Senator from South Carolina has alluded to this subject. Since the pending bill was reported to the Senate I have received word indirectly from General Marshall that several cemeteries are about to be turned over to the American Battle Monuments Commission by the Army authorities. When that is done, it will become the obligation of the Commission to provide for their care and upkeep. But there is nothing that can be done about it in this bill, because there is no budget estimate as yet. In due course I assume the request will be made of the Bureau of the Budget for an appropriation, and when the budget estimate is sent to the Congress, the appropriate committees both of the House and the Senate will pay attention to it.

However, I think it is worth saying that this illustrates that many of the obligations which the Federal Government must now meet are altogether new obligations which never were undertaken in the past. The pending bill itself carries $5,920,800 for the American Battle Monuments Commission, a new expenditure, but one which the Congress of the United States and the people of the United States felt was wholly desirable because the people of America do not want to have the cemeteries in which their sons are buried go unattended.

Mr. MAYBANK. Mr. President, it was by the consent of the mothers and the fathers of the men who lost their lives that the bodies were allowed to remain in these cemeteries overseas, with the distinct understanding that the Congress would erect proper markers and care properly for the graves. The point I wish to emphasize—and the Senator has ably assisted me—is that it will be necessary to submit to the Appropriations Committees a request for a deficiency appropriation insofar as the Battle Monuments Commission are concerned, so that the additional cemeteries may be properly maintained.

Mr. O'MAHONEY. The Senator is not asking for an amendment now?

Mr. MAYBANK. No; because the budget has not been prepared, but I merely wanted to make the record clear that there would be a deficiency.

Mr. FERGUSON. Mr. President, I ask unanimous consent that the action on the amendment on page 23, line 16, be reconsidered, because I think it should be considered with the item on line 9, page 24. Does the chairman of the committee have any objection to that?

Mr. O'MAHONEY. No, I have no objection to that at all. These are the two appropriations which deal with the maintenance and upkeep of public buildings in the District of Columbia and in the field. The same considerations apply to both.

Mr. FERGUSON. That is correct. I ask unanimous consent that the vote by which the amendment on page 23, line 16, was agreed to be reconsidered.

Mr. O'MAHONEY. I hope the Senator will not ask that the appropriation be reduced.

Mr. FERGUSON. Yes; I am going to do that.

Mr. O'MAHONEY. I ask unanimous consent that the vote by which the committee amendment was agreed to be reconsidered in order that the Senator from Michigan may present his case.

Mr. FERGUSON. It applies to both items.

The PRESIDING OFFICER (Mr. O'CONOR in the chair). Is there objection to the request of the Senator from Wyoming? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered.

Mr. FERGUSON. Mr. President, referring now to the item on page 23, line 16, $32,750,000, I wish to speak at the same time on the item on page 24, line 9, because one relates to the employees in connection with buildings inside the District of Columbia, and the second item to employees in connection with buildings outside the District of Columbia.

It appears that it is now the desire of the Senate Committee on Appropriations to increase the appropriation for taking care of public buildings in the District of Columbia from the amount the House allowed, $31,140,000, to $32,750,000. This of course would be applied to personnel. In other words, it is now proposed that there be an increase of 430 in the personnel, the guards and various employees engaged in repair and other work in buildings in District of Columbia. It appears that the personnel would be increased from 9,670 to 10,100. It is true that the budget estimated that they needed 10,670, which was the number employed in 1949.

Mr. President, I come back to what I had to say about this matter yesterday.

We find that the Federal Government is increasing the number on the pay roll by some 350 people a day, and the whole question before the Senate is, How can we afford to increase the personnel year by year, instead of cutting it down, as private establishments are required to do because of their incomes?

There is no question involved in this case like that in the last case. I think the increase of 70 employees in the Federal Trade Commission shows the same trend. If the increase in the Federal Trade Commission had been used solely to handle monopolies, that would have been one thing, but when we consider the history of what has happened, so far as the executive branch of the Government is concerned, in the matter of looking after monopolies, I think there should be more action on the part of the Commission than has been evidenced. The item we have before us has nothing to do with controlling monopolies, which are rampant throughout the United States, or with personnel to investigate such monopolies. The employees involved are policemen, guards, and persons who keep the buildings in repair. If there ever was a time when we could do with less policemen, with less guards in our public buildings, it is now.

What do the departments do whenever Congress tries to cut the number of their employees. It was stated in this connection with this item that the guards and other employees were needed to prevent fires. It was said, "We do not have fire insurance. Therefore, we have to spend this amount of money on guards to prevent fires. If the Members of the United States Senate take one man off our pay roll the buildings will burn down." I simply cannot see that such a great danger exists. Ninety percent of our public buildings are absolutely fireproof. It is stated that there is probably one fire each day in each building. Someone may flip a cigarette into a wastebasket, and the wastebasket catches fire; but the employees are in the office; the individual who flips the cigarette into the wastebasket is in the office and can help put out the fire. Oh, no, it is necessary, so it is said, that two or three guards stand outside every door and that two or three guards stand inside every door so as to be ready to take action in case someone flips a cigarette into a wastebasket and it catches fire.

Mr. President, request is made for 430 more employees in buildings in the District of Columbia. The House gave the subject due consideration and felt that, because of the Government's deficit, we should not employ these 430 individuals and pay them by means of deficit spending. That is what it amounts to—deficit spending.

Let us consider the request of the Public Buildings Administration with respect to the remainder of the country, outside the District of Columbia, which is the next amendment. The House provided $23,968,800 for the remainder of the United States, outside the District of Columbia. The Public Buildings Administration was not satisfied with that amount. It wants to make surveys. It asks for $24,968,800, which would mean an increase in the personnel of 350. That makes a total increase for the whole country of 780 employees. They want to add this personnel, not for the purpose of fighting monopoly, not to take care of the backlogs such as existed in connection with the Federal Trade Commission, but they want this personnel to make surveys.

Mr. President, the time has come when it seems all that is necessary in order to get money out of the Treasury of the United States, through action of the Senate, and even of the House, is to say that it is needed for one of two purposes. One purpose is the making of a survey, and the other the conducting of research. I hope that the Senate Appropriations Committee and the House committee will at some time have the various departments spell out in black and white for them what the surveys which have been conducted in such great number have ever meant to the people of the United States.

In 1946 I made a little survey of my own. I asked the various departments to give me a statement of what the research bodies had really done with the $880,000,000 appropriated for such purposes by the Congress of the United States. I did not receive one satisfactory answer. The departments could not point to one thing the survey or research bodies had done of value for the people of the United States during the previous year.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LANGER. We hear a great deal about the Eightieth Congress. In the Seventy-ninth Congress the Senator from Virginia [Mr. BYRD] and I asked that a fund of $200,000 be appropriated so as to make an investigation to find what could be done by way of cutting personnel. We said we believed the personnel in the Government could be cut by several hundred thousand if a proper investigation were made. The Congress did not appropriate that amount of money. Do I correctly understand that there are more than 9,000 employees now working for the Public Buildings Administration?

Mr. FERGUSON. Yes. I have previously given the figures.

Mr. LANGER. How many employees are there inside the District of Columbia?

Mr. FERGUSON. Under the House figures the number would be 9,670. Under the Senate committee amendment the number would be 10,100. Outside the District of Columbia it is sought to increase the number of employees from 8,046, which is the number in 1949, to 9,276. The Public Buildings Administration wants to increase the number by 1,230.

Mr. President, I hope the Senate will feel that this is a place where a cut can properly be made. The cut would be a small one. We are here dealing with only a few million dollars. I realize that anyone who takes the floor of the Senate and talks about saving thousands of dollars or millions of dollars is apt to be criticized, not only by the Members of the Senate, but by persons outside the Senate, because he is dealing in what some consider to be small figures. But I say that each one of these items must have the scrutiny of the United States Senate if we are going to get back on the right road. What is the right road? The right road is to avoid deficit spending. If we cannot cut down on persons employed to make surveys, on police officers and guards in the public buildings, on what can we cut down? We hear it said that we cannot cut down on appropriations for investigation and checking of monopolies. I believe we must have better protection against monopolistic practices in the United States; in my judgment, there are items, such as the one we are considering, in connection with which cuts can be made.

Mr. O'MAHONEY. Mr. President, I cannot allow the remarks of the Senator from Michigan to carry the implication that the Senate Committee on Appropriations has been unmindful of the need for economy. I certainly cannot allow his words to carry the implication that the committee on the independent offices appropriation bill was unmindful of the need for economy.

Mr. FERGUSON. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. Yes; certainly.

Mr. FERGUSON. I think that is absolutely true. But they have been nonactive in the matter of economy. They have not been unmindful, but they have been nonactive.

Mr. O'MAHONEY. Mr. President, I do not want the Senate to reach the same conclusion that the Senator from Michigan has now expressed, because I want to say for myself and for every member of the committee that the committee has been mindful of the necessity for economy and has been active in consideration of these various items.

So far as the chairman of the subcommittee himself is concerned, he attended every meeting of the committee from the 11th of May until the bill came out of the full committee. The appropriations which we are presenting to the Senate are below the budget figures. So if anyone says that the committee has been either unmindful or inactive, the record does not substantiate that statement.

Let us now take the item which is before us.

Mr. BRICKER. Mr. President, will the Senator yield to me for a moment?

Mr. O'MAHONEY. I yield.

Mr. BRICKER. Mr. President, I ask unanimous consent that the subcommittee of the Committee on Banking and Currency dealing with the coal problem may hold hearings this afternoon during the session of the Senate, beginning at 2:30 o'clock.

Mr. O'MAHONEY. Mr. President, reserving the right to object, I wish the circumstances under which the Senator is laboring permitted members of the Senator's committee to be present and to consider these various appropriations; but I know that that is out of the question. It is absolutely essential that members of the committee be given permission to hold hearings during the session of the Senate, because so many items must be considered and so much work must be done.

I allude to that subject only to illustrate the fact that many a day during the hearings of this subcommittee the chairman of the subcommittee sat alone listening to the testimony. So I use the request of the Senator from Ohio as a vehicle to convey to my colleagues on the floor of the Senate my own belief that the matters contained in this appropriation bill have been studied, and that when I speak about the conditions in connection with this bill, I speak after having examined the testimony.

I have no objection to the unanimous consent request.

Mr. BRICKER. Mr. President, I appreciate the statement of the Senator from Wyoming. I also join with him in regret that we shall not be able to be present at all times during the discussion of this very important measure, on which he has labored so long and so hard. This morning only one Senator was present during the hearing. There is one witness who desires to return to his home, and we wish to take his testimony. I do not think it will require very long.

The PRESIDING OFFICER. Without objection, the request is granted.

Mr. O'MAHONEY. Mr. President, the full committee has approved the action of the subcommittee increasing this appropriation by $1,610,000 above the amount allowed by the House; but the Public Buildings Administration asked for an increase of $2,740,000. So the figure which we are presenting, and which the Senate approved just a moment ago, before the reconsideration, is below the budget figure by $1,850,000. So I submit that the record shows that the committee has been active, and that the committee has been mindful of the need for economy.

Why did we increase this appropriation? Was it because of a desire to throw the money of the taxpayers out the window? Not at all. It was because of our conviction that it was essential that the Public Buildings Administration should have this money if it is to do the job which the Congress has committed to it. The evidence before our committee shows that there are rents to be considered. There are facilities to be considered. There is fuel to be provided. There is upkeep and maintenance. Of course, there is guarding and cleaning, and all that sort of thing, but that is not the important matter.

The Senator from Michigan talks about surveys. It becomes necessary for the Public Buildings Administration to make surveys when the Congress passes a new bill creating a new agency, and authorizes the new agency to employ people. For example, the last Congress created the Displaced Persons Commission, requiring new personnel and some place to go. I could go through the list of bills passed by Congress last year, the year before, and this year, placing responsibilities upon this agency to secure space in the District of Columbia and outside the District of Columbia. I could point out the fact that this agency has been handed the responsibility for taking care of the surplus buildings which were constructed or rented during the war, and which must be taken care of.

There is such a thing as false economy; and I think that is precisely what the trouble is with respect to the criticism of certain items in this bill. As I pointed out when I presented the bill to the Senate yesterday, 86 percent of the appropriations contained in the bill are war-connected appropriations. More than $5,000,000,000 of the appropriations contained in this bill are for the Veterans' Administration. That is where the great expenditures are coming. I submit that it is impossible to balance the budget by cutting out the expenditures of essential civilian agencies of the Government, of which this is one.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAYBANK. I invite attention to the testimony of Mr. Reynolds, that 6.13 percent of the total estimates for the Public Buildings Administration is accounted for by the passage of Public Law 900 by the last Congress.

Mr. O'MAHONEY. Yes. Of course, the effects of the salary increase bill are scattered throughout this legislation.

The following is a description of the work of the agency for which appropriations are provided on page 23, line 16:

> This estimate is for a service operation in providing for the space necessary to house the functions of the executive branch, and such space requirements are dependent on the action of the Congress in decreasing or increasing the size of the Federal establishment. We have again reviewed the needs for space. A request of $350,000 for 200,000 net square feet of additional leased space was made to meet increasing space requirements of the National Military Establishment and the needs of the Veterans' Administration in setting up an insurance-policy-dividend-payment program. We are hopeful now of partially meeting these demands through the further consolidation of the National Military Establishment in the Pentagon and other buildings presently occupied by that activity and the requirements of the Veterans' Administration through reductions made in other activities of that Administration.

And so it goes. The testimony before the committee was convincing that an increase ought to be allowed. I should add that the House committee, even when it made this reduction, spoke in the highest terms of the administrative efficiency and qualifications of General Fleming, Federal Works Administrator, and Mr. Reynolds, who is the head of this particular agency, as well as Mr. MacDonald, the head of the Public Roads Administration, the appropriation for which we shall reach in a moment. The House committee pointed out that these men are career men, and that they have done fine work. I have no hesitation in saying to the Senate that I do not believe that General Fleming or Mr. Reynolds would have put his signature to a request for a budget estimate or would have appeared before our committee defending such an increase if he had not honestly and patriotically been convinced that it was necessary. I have no doubt that these gentlemen are just as desirous of economy in Federal expenditure as is any member of the committee or of the Senate.

Mr. President, I hope that these appropriations may be approved as recommended by the committee.

Mr. FERGUSON. Mr. President, the able Senator from Wyoming has indicated that this amendment would reduce below the budget figure the number of personnel in public buildings in and out of Washington.

Mr. O'MAHONEY. Mr. President, I did not say that. The fact is that in one segment there will be a reduction in personnel. Under this appropriation personnel in the Public Buildings Administration in the District of Columbia will be reduced by 570 below the number of persons now employed. That would be accomplished by the appropriation recommended by the committee. But with respect to the appropriation for activities outside the District of Columbia, the number of places authorized in the appropriation bill is larger than the number presently employed, but that is because the obligations are larger.

Mr. FERGUSON. The Senator from Michigan was talking about the budget figures. I am satisfied that the RECORD will show that when the able Senator from Wyoming rose after the Senator from Michigan had spoken, he indicated that the budget figures were higher than the figures which the Senate is now considering, and higher than the figures which the House considered.

Mr. O'MAHONEY. In dollar figures, yes.

Mr. FERGUSON. Let us look at the budget figure. The budget figure was made last fall. The budget figure was made by the executive branch of the Government when we were talking about inflation, when we were talking about raising taxes to get more money, plenty of money, with no deficit spending in mind.

But now we are in July of 1949, and we know the income of the citizens of the United States is shrinking daily. We know we are going daily into deficit spending. Yet Senators stand on the floor of the Senate and say the budget figures are what we should consider.

I am not accusing Mr. Reynolds or General Fleming of any fraud in this case. But do Senators realize that those two gentlemen were dealing in terms of more than 19,000 employees—more than the number of soldiers in a division of the Army—who are said to be necessary in order to take care of the public buildings? Do Senators think General Fleming or Mr. Reynolds knows what the employees in the various buildings are doing? I admit that those two gentlemen have to walk past almost an army of employees when they enter any of those buildings, just as they must when they come here to the Capitol or the House or Senate Office Buildings and see the number of guards and employees who are connected with the several public buildings of which we have charge. No, Mr. President, I say that when they are dealing with 19,000 employees, they take the words of those who are below them.

What do we find? Sitting beside me here in the Chamber is the Senator who

last year was the chairman of the Senate Civil Service Committee. Today he is the ranking minority member of that committee, the Senator from North Dakota [Mr. LANGER]. He knows that in the civil-service system the pay of the higher ranking employees is determined by the number of employees under them. Of course, if there are 19,000 persons taking care of the public buildings, that means there are just that many more good jobs, for, as I have said, the salaries of the supervisory employees are based on the number of employees under them, and increase when the number of employees under them increases. I say these are two items on which we can make reductions without interfering with the service to the people of the United States generally or to the veterans in particular. Such reductions will not result in preventing a nurse from taking care of a soldier who is ill and confined to a hospital bed; but these reductions will take political jobs away from some persons who otherwise would have them or get them by virtue of patronage, and the purest kind of patronage.

Mr. President, I wish to restate the figures, because I think all Senators should know what is involved in this matter. The House provided $31,140,000 for the personnel to operate the public buildings in the District of Columbia. The Senate committee voted to increase that amount to $32,750,000. That would result in increasing the personnel by 430 persons. The House figures would provide for a personnel of 9,670, and the Senate committee figures would provide for a personnel of 10,100.

Outside the District of Columbia, the House figures would allow an appropriation of $23,968,800. The Senate committee voted to increase that figure to $24,968,800. That would increase the personnel outside the District of Columbia by 350 and would increase the personnel from 8,376 to 8,726, or a total increase of 780 employees, as compared to the number under the 1949 appropriation bill.

So, Mr. Pressident, on each of these two amendments I ask the Senate to vote not to allow the Senate committee's figures, but to allow the figures voted by the House of Representatives. In other words, I ask the Senate to reject the Senate committee's amendments.

Mr. O'MAHONEY. Mr. President, the Senator from Michigan made an allusion which I think requires a simple denial. I know of no patronage involved in appointments of any employees to the Public Buildings Administration. These positions are under the Civil Service. There was not a line of testimony before our committee to the effect that these are patronage employees. They are not patronage employees.

We know what patronage employees are here in the Senate, where we appoint our staffs without regard to the Civil Service. But that is not the question in this case. If anyone should get the idea that the employees of these administrations are political, patronage employees who are appointed to political, patronage jobs, I wish to say clearly that there is not a line in the record to support such a charge.

With respect to the allegation, which is implicit in what the Senator from Michigan has said, that the Appropriations Committee has been neglectful, that it has not been mindful of the necessity for economy in appropriations, I wish to cite three facts which are here involved.

On page 21 of the bill, in line 15, there is an appropriation item carried by the House of Representatives for the general administrative expenses of the Public Buildings Administration. The officials came before our committee and requested that that item be increased by $250,000. They made a persuasive plea for that increase. However, the increase was not allowed. That, I think, justifies my statement that the committee has not been neglectful.

Again let me say that with respect to the item on page 23, the amount recommended for that item by the Senate committee is below the amount of the budget recommendation by $1,850,000. This recommendation is made by your committee, not upon the basis of any representations which were made last December, but on the basis of testimony which was given in open public hearing before the Subcommittee on Independent Offices Appropriations here in the Capital of the United States since the 11th day of May. In other words, this is current judgment by the committee appointed by the Senate to bear the responsibility of making these recommendations.

With respect to the second item on page 24, in line 9, let me say that the Public Buildings Administration requested an increase of $2,663,200 above the amount allowed by the House of Representatives. Your committee, having carefully considered the evidence, decided not to go that far, but to provide for an increase of $1,000,000, instead of an increase of $2,663,000.

Mr. President, I am trying to convince the Senate that the committee in charge of this bill has been careful with the taxpayers' money, and that its recommendations are made only out of the conviction that these appropriations are necessary to enable the Public Buildings Administration to do the job which has been entrusted to it by the Congress.

Mr. FERGUSON. Mr. President, I feel that the Senate committee has not been unmindful of economy. The Senate committee sat and heard witnesses. But anyone who has served on the Appropriations Committee realizes that when the representatives of the various governmental agencies come to the Appropriations Committee, the situation is like that involved in a broken-vessel case in equity. All the witnesses are on one side.

No one attempts to call witnesses who would say whether this policeman or that policeman is needed at some particular door of a certain public building, or whether three or four policemen are needed there, or whether it would be perfectly satisfactory to lock the door at night and have only one guard around it. In other words, all the statements made in the hearings are self-serving statements, as has been indicated.

I do not suppose the Senate is naive enough to believe that because there is some kind of civil service, there is no patronage. All I have to do is point to the postmasters. They are under the civil-service system. But, of course, we have patronage in the post offices. I have known of a post-office case in which, as I recall, seven different examinations were given in order that patronage might be served.

So, Mr. President, I am not criticizing the committee. I am saying that many Senators feel we ought to have economy. Many of them have said so upon this floor. Here is a case where we can really decide that we want economy, because I feel that not one of the proposed additional employees is material or necessary for the service of the people of the United States. They are in and out of the buildings, in the District of Columbia, and outside the District. Let us vote economy instead of merely talking economy.

Mr. WILLIAMS. Mr. President, I do not think there is a Member of the Senate who has not, during the past 3 months, at some time or other, stood upon the Senate floor to make an eloquent plea for economy. Every Senator preaches economy. Every Senator claims he wants to balance the budget.

On the 28th of June, 62 Senators signed their names to a petition addressed to both the majority leader and the minority leader, in an effort to bring about the consideration of Senate Joint Resolution 108, which would call upon the President of the United States to make a 5-percent cut in all appropriation bills.

I may say I am going to support this joint resolution, if that is the only way we can effect economy, but I think it is a cowardly way to proceed, for the Senate to try to "pass the buck" to the President. It is a cowardly procedure for us to pass appropriation bill providing increases, so we can go back home and tell everybody we voted for their pet appropriations, and then vote for a joint resolution calling upon the President to make a 5-percent cut, so that we can go back home and tell the same people we voted for economy. I think we should stand up and be counted on these yea-and-nay votes. On the next two votes we can put into effect exactly what 62 Senators have said they wanted the President of the United States to do; that is, to make a 5-percent cut by simply voting against the increase proposed by the committee amendment.

In order that the taxpayers may know the difference between voting economy and merely giving it lip service, I ask unanimous consent to have inserted in the RECORD immediately following my remarks a copy of the petition to which I have referred, together with the names of the 62 Senators who boast that they are on record as favoring a 5-percent cut. If we are really sincere in wanting to reduce Government expenditures and balance the budget, then let us start voting accordingly.

The PRESIDING OFFICER. Is there objection to the request?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

To the Honorable SCOTT W. LUCAS, majority leader of the Senate, and to the Honorable KENNETH S. WHERRY, minority leader of the Senate:

The undersigned Senators respectfully request that the majority leader of the Senate, Senator LUCAS, and the minority leader of the Senate, Senator WHERRY, so arrange the schedule of the business of the Senate that Senate Joint Resolution 108, entitled "Joint resolution to reduce expenditures in Government for the fiscal year 1950, consistent with the public interest," shall be made at the earliest practicable date the unfinished business of the Senate, so that said resolution may receive full consideration of the Senate and be brought to a vote on final passage.

Democrats: JOHN L. MCCLELLAN, MILLARD E. TYDINGS, VIRGIL H. CHAPMAN, BURNET R. MAYBANK, JAMES O. EASTLAND, KENNETH MCKELLAR, A. WILLIS ROBERTSON, WALTER F. GEORGE, HARRY F. BYRD, G. M. GILLETTE, CLYDE R. HOEY, E. C. JOHNSON, SHERIDAN DOWNEY, SPESSARD L. HOLLAND, J. ALLEN FREAR, JR., PAUL H. DOUGLAS, G. L. WITHERS, TOM CONNALLY, PAT MCCARRAN, J. W. FULBRIGHT, JOHN C. STENNIS, OLIN D. JOHNSTON, ELMER THOMAS, JOHN SPARKMAN.

Republicans: STYLES BRIDGES, KENNETH S. WHERRY, CLYDE M. REED, CHAN GURNEY, EDWARD J. THYE, JOHN W. BRICKER, ANDREW F. SCHOEPPEL, ROBERT C. HENDRICKSON, JOHN J. WILLIAMS, OWEN BREWSTER, WILLIAM F. KNOWLAND, ZALES N. ECTON, ROBERT A. TAFT, ALEXANDER WILEY, CHARLES W. TOBEY, JOE MCCARTHY, RAYMOND E. BALDWIN, JAMES P. KEM, HOMER FERGUSON, EDWARD MARTIN, EUGENE D. MILLIKIN, W. E. JENNER, RALPH E. FLANDERS, MARGARET CHASE SMITH, BOURKE B. HICKENLOOPER, KARL E. MUNDT, GEORGE W. MALONE, IRVING M. IVES, HOMER E. CAPEHART, LEVERETT SALTONSTALL, HUGH BUTLER, FORREST C. DONNELL, MILTON R. YOUNG, H. ALEXANDER SMITH, HARRY P. CAIN, H. C. LODGE, JR., ARTHUR V. WATKINS.

Mr. BRIDGES. Mr. President, on this amendment, I ask for the yeas and nays.

Mr. O'MAHONEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Anderson	Hill	Morse
Baldwin	Hoey	Mundt
Brewster	Holland	Murray
Bricker	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Conor
Byrd	Johnson, Colo.	O'Mahoney
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Robertson
Chapman	Kem	Saltonstall
Chavez	Kerr	Schoeppel
Connally	Kilgore	Smith, Maine
Cordon	Knowland	Sparkman
Donnell	Langer	Stennis
Douglas	Lodge	Taft
Downey	Long	Taylor
Dulles	Lucas	Thomas, Okla.
Ecton	McCarran	Thomas, Utah
Ellender	McCarthy	Thye
Ferguson	McClellan	Tobey
Flanders	McGrath	Tydings
Fulbright	McKellar	Vandenberg
Gillette	McMahon	Watkins
Graham	Magnuson	Wherry
Green	Malone	Wiley
Gurney	Martin	Williams
Hayden	Maybank	Withers
Hendrickson	Miller	Young

The PRESIDING OFFICER. A quorum is present. On the pending amendment the Senator from New Hampshire has asked for the yeas and nays.

The yeas and nays were ordered; the legislative clerk proceeded to call the roll and Mr. AIKEN voted "nay" when his name was called.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Will the Presiding Officer please state the form of the amendment which is now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 23, line 16, striking out the figures "$31,140,000" and substituting therefor the figures "$32,750,000".

Mr. DOUGLAS. A "yea" vote will therefore be a vote to increase the appropriation provided by the House and a "nay" vote will be a vote to hold to the House appropriation. Is that correct?

The PRESIDING OFFICER. A "yea" vote will be in support of the committee amendment, for the increase.

Mr. FERGUSON. Mr. President, I could not hear the first part of the Senator's question. May I have it repeated?

Mr. DOUGLAS. I merely wanted to find out the form in which the amendment is before the Senate, so that we may know what a "yea" vote means and what a "nay" vote means.

The PRESIDING OFFICER. The Chair stated a "yea" vote is in favor of the committee amendment, increasing the amount provided by the House.

The PRESIDING OFFICER (Mr. O'CONOR in the chair). The Chair stated that a yea vote is in favor of the committee amendment, and a "nay" vote is in opposition to the committee amendment.

Mr. TOBEY. Mr. President, it is very important that the Senate know what it is doing.

Mr. GREEN. Mr. President, I was not able to hear the Chair's statement. Will the Chair state the amendment for the information of the Senate?

The PRESIDING OFFICER. The Chair will announce that the question is now on agreeing to the committee amendment appearing on page 23, line 16, to strike out the figures "$31,140,000" and substitute therefor "$32,750,000." A "yea" vote is in favor of the increase as recommended by the Senate committee, and a "nay" vote is in opposition thereto.

The Secretary will proceed with the call of the roll.

The legislative clerk resumed and concluded the call of the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senators from Georgia [Mr. GEORGE and Mr. RUSSELL] and the Senator from Tennessee [Mr. KEFAUVER] are unavoidably detained.

On this vote the Senator from Minnesota [Mr. HUMPHREY], who would vote "yea" if present, is paired with the Senator from New Jersey [Mr. SMITH], who would vote "nay" if present.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Minnesota would vote "yea."

The result was announced—yeas 41, nays 46, as follows:

YEAS—41

Anderson	Johnson, Tex.	Murray
Chapman	Johnston, S. C.	Myers
Chavez	Kerr	Neely
Connally	Kilgore	O'Mahoney
Cordon	Long	Pepper
Downey	Lucas	Robertson
Ellender	McCarran	Saltonstall
Fulbright	McClellan	Sparkman
Gillette	McGrath	Taylor
Graham	McKellar	Thomas, Okla.
Green	McMahon	Thomas, Utah
Hayden	Magnuson	Withers
Hill	Maybank	Young
Hunt	Miller	

NAYS—46

Aiken	Hendrickson	Mundt
Baldwin	Hickenlooper	O'Conor
Brewster	Hoey	Schoeppel
Bricker	Holland	Smith, Maine
Bridges	Ives	Stennis
Butler	Jenner	Taft
Byrd	Johnson, Colo.	Thye
Cain	Kem	Tobey
Capehart	Knowland	Tydings
Donnell	Langer	Vandenberg
Douglas	Lodge	Watkins
Dulles	McCarthy	Wherry
Ecton	Malone	Wiley
Ferguson	Martin	Williams
Flanders	Millikin	
Gurney	Morse	

NOT VOTING—9

Eastland	Humphrey	Reed
Frear	Kefauver	Russell
George	McFarland	Smith, N. J.

So the committee amendment was rejected.

Mr. O'MAHONEY. Mr. President, I am so convinced that the vote of the Senate just now in rejecting the committee amendment was not in the interest of economy, and so convinced that the Public Buildings and Grounds Administration ought to have an increase, that I am going to make a motion to increase the appropriation by a million dollars instead of by $1,610,000, as was recommended by the committee.

Let me point out that the Public Buildings Administration asked for an increase of $2,740,000. The committee did not allow that. It allowed only $1,610,000, which was $1,850,000 below the budget. The amendment which I now offer would be $2,460,000 below the budget.

Mr. President, I make the motion. I do not, however, ask for the yeas and nays. I hope it may be decided by a rising vote.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

Mr. FERGUSON. Mr. President, if I understood the Senator from Wyoming

correctly, what he desires to do now, since the Senate has refused to allow——

Mr. O'MAHONEY. An increase of $1,610,000.

Mr. FERGUSON. He is proposing to add $1,000,000.

Mr. O'MAHONEY. One million dollars instead of $1,610,000.

Mr. FERGUSON. Mr. President, exactly the same principle is involved. The Senate turned down the figure which would have authorized a personnel of 430 for buildings inside the District, and the chairman of the subcommittee desires that they be allowed to employ something over 200.

Mr. President, it has been figured out that what we propose is exactly a 5-percent cut from the budget, and I think the Senate just voted economy, as Senators have been advocating. It has been pointed out, however, that 62 Senators have signed a petition to have brought up a bill to have the President cut the budget 5 to 10 percent, and here we have an opportunity to cut the budget exactly 5 percent. We did so cut the budget, where we did make a cut. Now we are asked to increase by 2½ to 3 percent.

Mr. President, I hope the Senate will continue to vote economy rather than just talk economy. This is a case where we can vote economy.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment.

Mr. FERGUSON. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Georgia [Mr. RUSSELL] and the Senator from Utah [Mr. THOMAS] are unavoidably detained.

On this vote the Senator from Minnesota [Mr. HUMPHREY], who would vote "yea" if present, is paired with the Senator from New Jersey [Mr. SMITH], who would vote "nay" if present.

I announce further that on this vote the senior Senator from Utah [Mr. THOMAS], who would vote "yea" if present, is paired with the junior Senator from Utah [Mr. WATKINS], who would vote "nay" if present.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] who is absent because of illness is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Minnesota would vote "yea."

The junior Senator from Utah [Mr. WATKINS], is detained on official business and is paired with the senior Senator from Utah [Mr. THOMAS]. If present and voting, the junior Senator from Utah would vote "nay," and the senior Senator from Utah would vote "yea."

The result was announced—yeas 39, nays 48, as follows:

YEAS—39

Anderson	Johnson, Colo.	Miller
Chapman	Johnson, Tex.	Murray
Chavez	Johnston, S. C.	Myers
Connally	Kefauver	Neely
Cordon	Kerr	O'Mahoney
Downey	Kilgore	Pepper
Ellender	Long	Robertson
Gillette	Lucas	Saltonstall
Graham	McCarran	Sparkman
Green	McGrath	Taylor
Hayden	McKellar	Thomas, Okla.
Hill	McMahon	Withers
Hunt	Maybank	Young

NAYS—48

Aiken	George	Martin
Baldwin	Gurney	Millikin
Brewster	Hendrickson	Morse
Bricker	Hickenlooper	Mundt
Bridges	Hoey	O'Conor
Butler	Holland	Schoeppel
Byrd	Ives	Smith, Maine
Cain	Jenner	Stennis
Capehart	Kem	Taft
Donnell	Knowland	Thye
Douglas	Langer	Tobey
Dulles	Lodge	Tydings
Ecton	McCarthy	Vandenberg
Ferguson	McClellan	Wherry
Flanders	Magnuson	Wiley
Fulbright	Malone	Williams

NOT VOTING—9

Eastland	McFarland	Smith, N. J.
Frear	Reed	Thomas, Utah
Humphrey	Russell	Watkins

So Mr. O'MAHONEY's amendment was rejected.

SECURITY ACT AMENDMENTS OF 1949—CONFERENCE REPORT

Mr. TYDINGS. Mr. President, I call up the conference report on the bill known as the Security Act amendments of 1949, which is at the desk, and ask for its present consideration.

The PRESIDING OFFICER. The Chair will say that the conference report has previously been laid down, and after some debate, was temporarily passed over.

The question now is on the consideration and adoption of the conference report.

Mr. LODGE. Mr. President, will the Senator from Maryland in a word give us the principal differences between the conference report and the unification bill?

Mr. TYDINGS. In view of the fact that there is quite a full attendance of Senators at this time, and in order to avoid repetition of questioning, I should like to say that when the Senate passed the unification bill some time ago and it went to the House it contained four titles. The House returned the bill with only one title in it, striking out the other three titles, which really dealt with unification, and retaining only that feature which had to do with the comptroller and financial aspects of the Unification Act.

When the bill was taken up by the conferees the basis of the conference, however, was the bill as it had passed the Senate, and that is the bill which is before us now, with probably some 28 amendments, most of which are purely clarifying amendments. In my judgment, they constitute, for the most part, an improvement. They do not represent everything that the Senate conferees would like to have had, but I think it only fair to say that 90 percent of the propositions in dispute were resolved in favor of the position taken by the conferees on the part of the Senate.

Mr. LODGE. Will the Senator permit me to ask him whether it is true that the conference report provides for three Assistant Secretaries of Defense in place of special assistants, as heretofore provided?

Mr. TYDINGS. It provides for three Assistant Secretaries.

Mr. LODGE. I regard that as an improvement over what was previously done. Will the Senator tell me what, if anything, was done on the matter of transferability of personnel?

Mr. TYDINGS. We had a transfer provision in the Senate version, which permitted transfer of an officer, for example, from one branch of the service to another, assuming that the secretaries of the two branches concerned agreed. The House conferees and certain of the Senate conferees objected to that largely because of a fear that Marine Corps officers or Naval officers or Army officers might all want to transfer to the Air Force, and, therefore, as this was not a transfer bill but a unification act, we decided to leave that question for further study, which is now being made in the House of Representatives. It was one of the recessions made by conferees on the part of the Senate.

Mr. LODGE. May it be anticipated that this subject will receive consideration at some time in the future?

Mr. TYDINGS. I believe it may be anticipated that it will. I think the only reason why it was not done at this time was that we did not have and had not taken sufficient testimony to warrant a sound approach to this particular proposition in the bill.

Mr. LODGE. Mr. President, I have only one more question. I thank the Senator for his patience. In what respect does the conference report change the language of the bill insofar as the chief or presiding officer of the Joint Chiefs of Staff is concerned?

Mr. TYDINGS. I am glad the Senator asked that question, because it is one of the interesting and controversial propositions in the bill. The House, of course, took no action at all on that point. It provided for no presiding officer over the Joint Chiefs of Staff. As the Senator will recall, the Senate bill provided for a presiding officer for the Joint Chiefs of Staff. The conference report provides for a presiding officer for the Joint Chiefs of Staff. He is given no vote. He must be confirmed by the Senate. All the Joint Chiefs of Staff, including the chairman or the presiding officer, are advisers to the President on matters pertaining to the military per se.

Mr. LODGE. Let me say, Mr. President, that the conference report, which I have studied since the noon hour, impresses me as being a forward step on the road to true unification. I hope that as time goes by the apprehensions which have been expressed in some quarters that when the Military Establishment is unified the risk is run of having military control of the Government, will disappear. Obviously the best way for the civilian to control the military is to unify

the military, so that the military can be watched, and it cannot play one off against the other.

I hope also that the fears which have been expressed that unification cannot be had except at the expense of the morale of the existing services will also disappear, because I believe we must secure unification, and we will have better unification if we retain the esprit de corps and the morale of the old services.

But in the case of the United States, it is a case of unify or perish. This is a matter which involves the lives of our young men. It involves the question of victory or defeat if we ever have another war. So I hope the progress which has been made in the understanding of this issue will continue.

Mr. TYDINGS. I thank the Senator from Massachusetts. Speaking for every member of the conference on both sides of the aisle, and in both Houses, I believe that this is perhaps the best bill for unification that could possibly be evolved at this time. There were many things which might occur to us which I do not believe could be put in the bill. I think we have reached the point where we have an approximation to a good bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. AIKEN. Will the Senator from Maryland advise the Senate as to how the Chairman of the Joint Chiefs of Staff is appointed, and whether there is any requirement that he be civilian or military, or whether that is left to the discretion of the appointing officer?

Mr. TYDINGS. Of course, the chiefs of the three branches of the service, the Army, the Navy, and the Air Corps, make up the Joint Chiefs of Staff. Then there is a presiding officer, appointed from military life, who is the presiding officer for 2 years only.

Mr. AIKEN. Is he appointed by the Secretary of Defense or by the President?

Mr. TYDINGS. He is appointed by the President and confirmed by the Senate, as an additional precaution.

Mr. AIKEN. He has no vote?

Mr. TYDINGS. He has no vote.

Mr. AIKEN. He makes a report for the Joint Chiefs of Staff, to the Secretary and to the President.

Mr. TYDINGS. That is correct.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SALTONSTALL. I ask the Senator from Maryland to say a word about the unification bill as agreed to by the conference committee, with relation to the reorganization plan suggested by the President.

Mr. TYDINGS. If the Senate will bear with me for a moment, Senators will remember that only 2 or 3 days ago the President of the United States sent to Congress a reorganization plan for the Military Establishment. In the conference we had that plan before us. That plan largely followed the unification bill as it originally passed the Senate several months ago. We took from the President's reorganization plan such proposals as seemed to us to be an improvement on what we had already decided to do. Therefore I can answer, in sum, that in many respects this bill is the President's reorganization plan, which was largely the Senate plan to begin with; but it is improved as experience and further examination show it should be, and some of the features of the President's suggestion were not adopted.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a further question?

Mr. TYDINGS. I yield.

Mr. SALTONSTALL. The Senator stated to my colleague [Mr. LODGE] that there were three Assistant Secretaries of Defense. One of those Secretaries is the comptroller, who is to be confirmed by the Senate.

Mr. TYDINGS. That is correct. We have made one of the Assistant Secretaries of Defense the fiscal officer, so to speak, for the defense establishment. He is in charge of budgetary, financial, and comptroller matters. In addition to him, there are two other assistants.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MORSE. As the lone dissenter on the Armed Services Committee with respect to the Senate bill, I wish to commend and congratulate the Senator from Maryland for the excellent leadership which he has afforded the Senate through the conference hearings in respect to this conference report. I think the conference report bill is in a great many respects superior to the Senate bill.

I wish to associate myself with the point of view of the Senator from Massachusetts [Mr. LODGE] with regard to the need for further improvements in the bill, and therefore I wish to serve notice that, come the next session of Congress, I shall reintroduce the amendments which I offered in this session of Congress, and which were voted down, because I think that until the principles of those amendments are adopted we cannot possibly have the maximum in unification which we need in the Military Establishment.

Mr. TYDINGS. I thank the able Senator from Oregon for his remarks as a member of the committee. He has served on our committee in a very helpful capacity.

I should like to make one further observation. This bill is not what everyone who is for unification would like to have, but it is a very good bill. I think anyone who is familiar with it will say so. Furthermore, I think I owe it to the Senate to say that so far as I know there is no provision of this bill which has met with the disapproval of any of the three Chiefs of Staff of the three armed branches of our service.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. VANDENBERG. Is it a correct conclusion from the Senator's response to the Senator from Massachusetts [Mr. SALTONSTALL] that the President's reorganization plan will now be rejected?

Mr. TYDINGS. We have placed in the conference report a provision which rejects—I do not like to use that word—it makes unnecessary, if I may use the softer word, the President's reorganization plan, because primarily that plan was the Senate unification bill as we originally passed it. Therefore we have that same proposal, with such improvements as time, the President, and all other factors have been able to contribute to the total.

Mr. VANDENBERG. It is not sufficient for us to say that it is unnecessary. We must reject it. Is not that correct?

Mr. TYDINGS. We have put a provision in the conference report bill which makes the President's reorganization plan invalid.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. PEPPER. Will the able Senator kindly specify succinctly and generally what the authority of the Secretary of Defense is?

Mr. TYDINGS. The Secretary of Defense has general authority over the Military Establishment, to effect economies, to eliminate overlapping and duplication in the services, and generally to manage the services and direct them.

But we have carefully separated the military administration from the civilian administration. The Secretary has over-all authority in operating the Army, the Navy, and the Air Force, so far as concerns the men and officers who actually compose those services. We leave those things largely up to the military people.

Mr. PEPPER. They, in turn, being accountable to the Commander in Chief.

Mr. TYDINGS. To the Commander in Chief and to the Secretary.

Mr. PEPPER. If the Senator will allow this observation, I voted for the unification bill, and I am heartily in accord with the principle. However, I think it must not be forgotten that what we have done gives great power to one man. I am sure that it is within the contemplation of the Congress that he will use that power with an awareness of the solemn obligation which he owes to the country and to the several services involved.

It strikes me that there is this distinction between the future Military Establishment and the three services of the past: Formerly the Secretaries were members of the Cabinet. They had the ear and the association of the President. Each one had access, I assume, to the President's ear and to his council. They had equal access to the Congress, without having to go through anyone, I suppose, except the Commander in Chief or the Bureau of the Budget. It was the Congress which finally made the decisions as to what the several services got.

I assume that under this law there is vested in one man the power to make directives. We have seen in the press statements to the effect that members of the various services have been precluded from issuing press releases, from writing magazine articles, or from expressing to the public their opinion about military, naval, or air policy.

I am sure that no man who will have the confidence of the Commander in Chief and of the Senate would desire to

suppress anyone's initiative and enterprise, or the expression of honest sentiments by men who have the safety of our country at heart. At the same time, I say that it is a great power which we place in one man, if he may determine, before the question ever gets to the Bureau of the Budget, what each service shall have, or what it may ask for, or even how it may appeal to public opinion with regard to what is in the public interest and to the greatest advantage.

That also is a great power. If he can tell his people who may appear before Congress and what they shall say, and shut the mouths of honest advocates of certain military policies, even before the American Congress, that, too, is a very great power, which no one man has possessed in the past.

I merely wish to say that we are making a solemn decision here. This power must be exercised tenderly by its possessor. Certainly no branch of the service should feel that it is precluded from an honest advocacy of what it believes to be for the best interest of the United States.

Mr. TYDINGS. I heartily agree with all the Senator from Florida has said, in philosophy. I may say that I do not believe that the dangers which he senses, and which might be inherent in the bill, will ever come to pass, for this reason:

First of all, as a matter of practical mechanics and administration, there is never a bill affecting the Air Corps that we do not call for the Secretary of the Air Force and his Chief of Staff, General Vandenberg. There is never a bill affecting the Navy that we do not call for the Secretary of the Navy and his Chief of Staff. The same is true of the Army. That brings those gentlemen in direct contact with the Armed Services Committee.

As the Senator also knows, when appropriations come up affecting the Air Corps, for example, the Secretary of Air, together with such officers, civilian and military, as he may deem necessary, come before the Appropriations Committee. The only place where they could be short-circuited, so to speak, would be in some directive which was beyond legislation or some order of that sort. As they were the final points of danger, we felt, and so did the Secretary, that the right to come to Congress or to the President was an inherent right, and that we had not in any way abridged it. In the case of the military, we specifically provided that any one of the Chiefs of Staff, in addition to the Chief of the Chiefs of Staff, could go to the President if there were a controversy affecting the integrity or standing or capacity of any one of the armed services or its ability to perform its role and mission.

Mr. PEPPER. I thank the able Senator. I certainly know that so long as he occupies the position he now does, this power will never be abused.

Mr. TYDINGS. We have been careful to write in every restriction we could.

Mr. PEPPER. Mr. President, I have the greatest respect for and confidence in the Secretary of Defense. I have no information about this matter except what I have read in the newspapers, but I have read that the Secretary of Defense has sent to the Secretary for Navy what appears to be a rather peremptory order to stop the construction of what has been called a supercarrier.

Mr. TYDINGS. Mr. President, will the Senator from Florida permit me to clear up that myth for once and all, here in public?

Mr. PEPPER. Yes; I think that would be a great service to everyone.

Mr. TYDINGS. In the first place, the Congress never authorized the building of the supercarrier. We said that in the discretion of the President, he could or could not have it built. I think quite often we have fallen into the error of believing—particularly if we have not read the legislative measure, and I had to read it, in order to see for myself—that we had commanded or ordered or legislated the building of the carrier. Actually, we left that matter to the discretion of the President. The matter was referred by him to the Joint Chiefs of Staff for Army, Navy, and Air Force. My information is—and I think it is reliable—that two of those gentlemen did not favor the building of the carrier, but the third one did. The controversy was carried to the Secretary of Defense, and was carried by him to the President. Although I have no right to speak for the President, and although I have no first-hand information on this subject, yet I believe the cancellation was made with the President's approval, if not by his direct order. In any event, it was totally within his discretion, as the Congress passed the act, to determine whether he would or would not allow the carrier to be built.

Mr. PEPPER. Mr. President, what troubled me more than anything else was the manner in which it is said the Secretary of Defense had that action taken.

Mr. TYDINGS. I merely state that in the handling of this matter there was room for improvement, and I believe that in the handling of this incident there is a lesson for everyone, and there is not likely to be a repetition of the mechanics of this incident in the future.

Mr. PEPPER. Mr. President, if our discussion today has had that salutary effect, so that hereafter the Secretary for the particular service involved will at least not be precluded from discussing the matter with the Secretary of Defense in an honorable and fair way, I think we have made a worth-while contribution.

Mr. TYDINGS. He has that right, under this bill.

Mr. PEPPER. I wanted to have that matter clarified, so that in the future what the Senator has stated will be possible.

Mr. TYDINGS. I should like to repeat that the military chief of the Army, the Navy, or the Air Force will have the right to go to the President or to the Congress at any time he wishes, under the provisions of this measure.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SALTONSTALL. Apparently there is some doubt in the minds of some Members as to whether the President's reorganization plan is specifically rejected by this measure.

Mr. TYDINGS. I would appreciate it if the Senator would read the language relative to that matter. That will give him a better answer than I could give offhand.

Mr. SALTONSTALL. Subsection (i) states:

> Reorganization Plan No. 8 of 1949, transmitted to the Congress by the President on July 18, 1949, pursuant to the provisions of the Reorganization Act of 1949, shall not take effect, notwithstanding the provisions of section 6 of such Reorganization Act of 1949.

Mr. TYDINGS. The Senator from Massachusetts will recall that the concluding phrase there means that this particular plan cannot take effect. But, inasmuch as the President has this power for the three more years, I believe, he could send us another plan, which we could either accept or reject. We were careful to use that particular language in order to reject this plan only. Its rejection was not made because we were opposed to it, but because we had adopted 90 percent of it, for, in fact, the President had taken almost his whole plan from the Senate bill, in the first place.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. PEPPER. I ask the Senator to yield because I know it is in the public interest to allay any fears as to these matters.

I understand that some steps have been taken so as to allay any fears that the Marine Corps can be abolished.

Mr. TYDINGS. The Marine Corps cannot be abolished, either under this measure or under any other measure which has been passed, without an act of Congress directing or authorizing that to be done.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LODGE. Does the Senator from Maryland know of any person anywhere in the National Defense Establishment who would wish to abolish the Marine Corps?

Mr. TYDINGS. The Senator from Maryland, so long as he is in the Congress, will resist any attempt to abolish the Marine Corps, because it has been of tremendously valuable assistance to the United States and is worth millions or billions of dollars to our country.

Mr. LODGE. To my mind the talk of abolishing the Marine Corps is one of the wonders of the age, for it is completely without justification.

Mr. TYDINGS. I agree entirely.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. FERGUSON. I should like to inquire about Reorganization Plan No. 8.

Mr. TYDINGS. It has been abolished under the measure.

Mr. FERGUSON. I wonder whether that can be done in this manner.

Mr. TYDINGS. It can be.

Mr. FERGUSON. I understood it was to be done by concurrent resolution, rather than by an act of Congress, a bill, because the President would not have to sign a concurrent resolution rejecting or approving his plan.

Mr. TYDINGS. There are three reasons why I believe it is rejected by this measure, let me say.

First of all, I am so certain that the President is pleased with this unification bill, because it is 90 percent of the proposition he sent to the Congress, which was our proposition to begin with, that I feel sure he will sign it.

In the second place, our legislative counsel, who is very able—Mr. Simms—ably assisted by his counterpart in the House of Representatives, thinks we have approached it in a thoroughly proper way.

In the third place, as to the prestige which may be involved, an act of Congress, as I am sure the Senator from Michigan will agree, will have more binding effect than will a joint resolution of the Congress, although there is actually very little difference.

Mr. FERGUSON. My point is purely a matter of law.

Mr. TYDINGS. I understand that. In other words, the Senator wishes to inquire whether the Congress really has to pass a resolution on this subject, or whether this purpose can be subserved by the passage of an ordinary bill or act of Congress.

Mr. FERGUSON. Yes, because when we do not act upon the reorganization plan, it becomes law.

Mr. TYDINGS. If we are in session.

Mr. FERGUSON. Yes; and it would become law as of that date. So, in effect, that would be a subsequent act to what we are doing today. I wonder whether we can proceed in this way.

Mr. TYDINGS. In order to allay the fears of the Senator from Michigan, let me say to him that at his suggestion I shall have the matter reexplored; and in the event there is any doubt at all that this method will be efficacious, we will have a resolution brought from our committee and presented to the Senate for adoption.

Mr. FERGUSON. That is what I am concerned with, so that we shall not find that by passing this bill we shall automatically have voted in the President's reorganization plan.

Mr. TYDINGS. I shall charge myself with that duty.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MORSE. I am very glad to hear the statement the Senator from Maryland has made regarding the Marine Corps, for, as he will recall, when the debate was in progress on the bill, there was a proposal in which the Senator from Massachusetts and the Senator from Oregon joined, which would have had the effect of making it possible to transfer for special detail military personnel, including Marine Corps personnel, and also making possible the joint use of military property. But the Senator from Massachusetts and the Senator from Oregon made perfectly clear that the amendment did not affect the roles and missions of the Marine Corps, because, as the Senator from Maryland has pointed out, the only way the roles and missions of any branch of the service, including the Marine Corps, can be affected is by a special act of Congress. The Senator from Maryland will recall that both Senators made as clear as the English language will permit it to be made clear that under the amendment there was no intention to transfer the Marine Corps, and that furthermore that would be impossible because a specific act of Congress would be required, if that were to be done.

Mr. TYDINGS. That is correct. I may say, in furtherance of trying to put this ghost to sleep for all time, that I do not think there is a single member of the House Armed Services Committee or of the Senate Armed Services Committee, or, so far as I know, any single Member of Congress, who contemplates any legislation, or the support of any legislation, which would abolish the Marine Corps. Why this bugaboo keeps rising up, when nobody has offered a bill or is suggesting doing it, I am at a loss to know.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MALONE. I understood the Senator from Maryland to refer to the heads of the separate departments—Army, Navy, and Air Corps.

Mr. TYDINGS. The Chiefs of Staff.

Mr. MALONE. I misunderstood. I understood first that the heads of the departments, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Corps, could go direct to the President, regardless of the Secretary of Defense. I was going to ask if that included their coming to the Congress independently as they always have.

Mr. TYDINGS. It does, and I may say to the Senator I am glad that he asked that question, because I think it is worthy of this additional comment about what has happened. A man who is a civilian in one of the three defense departments has a certain liberty in coming to Congress and talking with Members of Congress and coming before committees that a member of the armed services does not enjoy, for he is in an organization which is under strict orders and discipline. Therefore, we have worded the bill so that no one of the three services could be put into a strait-jacket, if they felt their particular branch was not receiving the consideration to which it was entitled. The bill provides that they may go to the President or any place else, to complain, if they think a complaint is necessary.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. TYDINGS. The Senator understands why there is a great difference between a civilian head and a military man who wears the uniform and is under orders of the Commander in Chief. I yield to the Senator from Nevada.

Mr. MALONE. I understand the difference. I frankly confess I have never posed as an expert as to what particular kind of defensive or offensive tactics or equipment should be adopted and employed—but of one thing I am fully convinced—four men cannot direct—it must have one head. That is what happened to our friend, Jim Forrestal—a lack of unification, everybody in the Department running wild and offering advice to Congress and to the President. I brought it up because, even if he be a civilian and can bypass the Secretary of Defense and come to Congress and to the President, offering independent advice, it is not good—can they do that under this bill?

Mr. TYDINGS. That is correct.

Mr. MALONE. He can come to Senators and he can appear before committees without the knowledge of the Secretary of Defense. Is that correct?

Mr. TYDINGS. That is correct.

Mr. MALONE. As I understand, he can do that, without the consent of anybody and without consulting anybody.

Mr. TYDINGS. That is correct.

Mr. MALONE. Then, in my opinion, it is a mistake.

Mr. TYDINGS. I think there is a good deal to be said on both sides of the question, but the committee frankly erred on the side of not wanting to cut off these men, for fear we would be charged with creating a dictatorship.

Mr. MALONE. Mr. President, if the Senator will yield, I should like to make a further comment in the form of a question. None of us, least of all the junior Senator from Nevada, knows exactly what should be done for national defense, but I have confidence in the present Secretary of Defense and in the Military Establishment set up through legislation in which the Senator from Maryland had an important part. But from whom are we to get authentic information? Are we to get it from the Joint Chiefs of Staff and the Secretary of Defense, or can just anybody barge in with their conflicting advice, as they always have.

Mr. TYDINGS. I may say to the Senator, in that regard, we are permitted to call upon anybody in uniform in the Defense Establishment, to come before any committee of Congress, and to honor any letter or request for information that is sent to the department.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. MALONE. It is not a question of whom we shall call. If I invite someone to my office, I understand he is to be permitted to come, and the same is true with respect to the Senator from Maryland and with respect to committees. But I do not believe that the heads of departments should continue their free, unlimited, and, I may say, uncoordinated advice as in the past; the place to offer their advice is to the Chiefs of Staff and to the Secretary of Defense, then come officially with a properly coordinated story.

Mr. TYDINGS. I see what the Senator is particularly addressing his questions to. The point escaped me at first, when he asked the question. What he is asking me is, if we allow this privilege, can one of them come before Congress and attempt an undermining operation, so to speak.

Mr. MALONE. Yes; and can they continue as they have in the past?

Mr. TYDINGS. I do not think that would be possible, unless some committee of the House or Senate asked the individual to come. Otherwise, he would have to resign in order to make his protest.

Mr. MALONE. That is perfectly satisfactory. All the junior Senator from Nevada is interested in is to know the objectives in case of an emergency, and how they intend to reach such objectives. I am not the least interested in any particular arm of the services nor in personalities, but I do want to know that the best brains available have been utilized and that they have reached a decision and what Congress must do to make it possible to carry out the plans.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. DOUGLAS. I compliment the Senator from Maryland upon his assurance there is no danger that the Marine Corps will be dissolved.

Mr. TYDINGS. There is not the slightest danger of that.

Mr. DOUGLAS. That is what friends of the Marine Corps feared. We were not afraid the Corps would be abolished, but we were afraid the functions of the Corps would be stripped from it, and that it would be reduced merely to guard and housekeeping duties. I wonder whether the Senator from Maryland could give us any assurance on that subject.

Mr. TYDINGS. The Senator can rest assured. We shared his apprehension, but did not share all the fears we heard expressed. So, whether they were sound or unsound, we said we would write into this bill certain language which would make impossible even an indirect approach to the fear and apprehension the Senator has expressed that there might be a means whereby the Marine Corps' function could gradually be sapped away, so that it would be only a deck-duty or deck-guard outfit. We have specifically provided that its roles and its missions cannot be affected in any way, even by transfer on a temporary basis. The Senator may take my word for it that we have gone out of our way by additional language to reemphasize everything I told him before.

Mr. DOUGLAS. Did the Senator consider the possibility of establishing the strength of the Marine Corps at 6 percent of the combined strength of the Army, the Air Force, and the Navy?

Mr. TYDINGS. That would have to come up in a separate bill, which we have before our committee, and is not properly, if I may say so, a part of this bill. The strength of the unit is not considered in this bill.

Mr. DOUGLAS. But will the Senator give assurance the Marine Corps will not be reduced to mere guard and housekeeping duties?

Mr. TYDINGS. Valuing my word, I may say to the Senator in answer to his question, I foresee not the slightest diminution in the glory, the traditions, and the future of the United States Marine Corps. I am proud to make that statement.

Mr. DOUGLAS. I thank the Senator very much.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. The question recurs on the committee amendment on page 24, line 9, to strike out "$23,968,800" and insert "$24,968,800."

Mr. FERGUSON. Mr. President, I should like to say a word in connection with this amendment. It is the same kind of an amendment we have previously passed upon, except that I think it is more important, because it adds 1,230 employees over the 1949 figure. The House figure provided for 350 fewer employees than the Senate committee is now suggesting. It has been fully debated. The amendment relates to buildings outside the District of Columbia. They are similar to those inside the District.

I think the Senate should vote to reject the amendment.

Mr. O'MAHONEY. Mr. President, I shall not burden the Senate with any discussion of this amendment, except to say—and I wish that this statement might be heard by every Member of the Senate—the committee, in making its recommendations to the Senate, has reduced the total appropriation in the bill by 5.2 percent below the budget figures. This particular amendment is below the budget figures. The Public Buildings Administration asked for an increase of $2,663,200. The committee denied that increase, and granted only $1,000,000. But there is a budget cut of 5.2 percent, which is, I understand, in compliance with the recommendations made in the petition signed by some 62 Senators. Here is a compliance with that suggestion.

I hope the committee amendment will be adopted.

Mr. WILLIAMS. Mr. President, in order that the RECORD may be kept straight, let me say that I think the Senator from Wyoming is a little bit confused. In 1949 the Senate authorized 8,046 employees for the same agency The House amendment provided for 8,276 employees, or an increase of 230 more than last year. Even if the Senate rejects the committee amendment and cuts this agency 5 percent, we would still be providing 230 more employees for the same agency than were provided last year.

Mr. O'MAHONEY. Mr. President, the Senator from Wyoming is not confused. He is perfectly well aware of what the personnel situation is. I have said, and I repeat, that the recommendation made by the committee is below the budget figure. There can be no question about that. Of course, there has been an increase in personnel, but that is by reason of the fact that the Congress of the United States, by law, has placed additional burdens upon the Public Buildings Administration with respect to the handling of buildings outside the District of Columbia. We give them, with one voice, additional duties to perform; we then, by law, increase salaries by $550,000,000, and then by another action we undertake to deny the appropriations necessary to enable the agency to perform the functions it is obligated and directed, under the law, to perform.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Maybank
Anderson	Hickenlooper	Miller
Baldwin	Hill	Millikin
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Humphrey	Murray
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Pepper
Chapman	Johnson, Tex.	Robertson
Chavez	Johnston, S. C.	Russell
Connally	Kefauver	Saltonstall
Cordon	Kem	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Sparkman
Downey	Knowland	Stennis
Dulles	Langer	Taft
Ecton	Lodge	Taylor
Ellender	Long	Thomas, Utah
Ferguson	Lucas	Thye
Flanders	McCarran	Tobey
Fulbright	McCarthy	Vandenberg
George	McClellan	Watkins
Gillette	McKellar	Wherry
Graham	McMahon	Wiley
Green	Magnuson	Williams
Gurney	Malone	Withers
Hayden	Martin	Young

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment of the committee on page 24, line 9.

Mr. FERGUSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Rhode Island [Mr. MCGRATH], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Oklahoma [Mr. THOMAS] are unavoidably detained.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The result was announced—yeas 38, nays 49, as follows:

YEAS—38

Anderson	Hunt	Miller
Chapman	Johnson, Tex.	Murray
Chavez	Johnston, S. C.	Neely
Connally	Kefauver	O'Mahoney
Cordon	Kerr	Pepper
Downey	Kilgore	Russell
Ellender	Long	Saltonstall
Gillette	Lucas	Sparkman
Graham	McCarran	Taylor
Green	McKellar	Thomas, Utah
Hayden	McMahon	Withers
Hill	Magnuson	Young
Humphrey	Maybank	

NAYS—49

Aiken	Gurney	Morse
Baldwin	Hendrickson	Mundt
Brewster	Hickenlooper	O'Conor
Bricker	Hoey	Robertson
Bridges	Holland	Schoeppel
Butler	Ives	Smith, Maine
Byrd	Jenner	Stennis
Cain	Johnson, Colo.	Taft
Capehart	Kem	Thye
Donnell	Knowland	Tobey
Douglas	Langer	Vandenberg
Dulles	Lodge	Watkins
Ecton	McCarthy	Wherry
Ferguson	McClellan	Wiley
Flanders	Malone	Williams
Fulbright	Martin	
George	Millikin	

NOT VOTING—9

Eastland	McGrath	Smith, N. J.
Frear	Myers	Thomas, Okla.
McFarland	Reed	Tydings

So the amendment of the committee was rejected.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). The next committee amendment will be stated.

The next amendment was, under the subhead "Public Roads Administration," on page 27, line 23, after the word "means", to strike out "including the salary of the Commissioner of Public Roads at $12,000 per annum so long as the position is held by the present incumbent, and."

Mr. BRIDGES. Mr. President, I should like to address a question to the chairman of the subcommittee. I wonder if in the interest of saving time the chairman of the subcommittee is willing, with respect to all items of the bill which involve increase in personnel, to have them voted on en bloc? The motion of the Senator from New Hampshire would be to reduce such items, to bring them back to the House figures, leaving out the item dealing with the Housing Expediter, a matter which should be discussed, and the provision for the Veterans' Administration, which has to do with getting out Government life-insurance dividends?

Mr. O'MAHONEY. Mr. President, I will say that I cannot quite agree with the premise which the Senator lays down. In most of these cases the amendments reported by the committee do not involve any increase of personnel. The Senator speaks of an increase of personnel with respect to the relation between the bill as reported by the Senate committee and the bill as passed by the House. When I speak of personnel I speak of the relationship between the bill as reported by the Senate committee and the present personnel as authorized in the appropriations passed at the last session of Congress for the fiscal year 1949.

For example, in a moment we will come to the item relating to the Public Roads Administration. I do not think that item should be determined upon the basis of personnel. So I hope the Senator will not pursue that course, but that we may proceed with the consideration of the items.

Mr. BRIDGES. I understand the Senator would not consider that proposal?

Mr. O'MAHONEY. I am afraid I cannot do so.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 27, line 23.

The amendment was agreed to.

The next amendment was, on page 31, line 8, after "(58 Stat. 838)", to strike out "$373,491,000" and insert "$390,000,000."

The amendment was agreed to.

The next amendment was, in line 14, after the word "and", to strike out "$225,000,000" and insert $241,509,000."

Mr. DOUGLAS. Mr. President, I wonder if we may have an explanation of the increase in the items for Public Roads?

Mr. O'MAHONEY. I shall be very glad to make an explanation. The reduction in the House bill was a percentage reduction. Of course, it went far below the budget estimate. The restoration which the committee has recommended is still below the budget estimate. The Public Roads program was initiated in compliance with an act of Congress for the post war rehabilitation of roads throughout the United States. I know of no expenditure by the Federal Government which is more productive of new business, of new revenue to the Government, of employment and of improved economy generally, than that for public roads.

Mr. DOUGLAS. Will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. Am I correct in my understanding that the estimate made by the Bureau of the Budget in the fall of last year, was $400,000,000?

Mr. O'MAHONEY. Yes.

Mr. DOUGLAS. And that the amount recommended by the Senate committee is $390,000,000?

Mr. O'MAHONEY. Yes; $10,000,000 below the budget.

Mr. DOUGLAS. Or a cut of only 2½ percent. In view of the fact that the general price level has fallen by approximately 7 percent since then, is it not possible for the committee to make a larger reduction than $10,000,000 in the appropriation, and still receive the same amount of service which would have been possible under the amount called for in the budget estimate made 6 months ago?

Mr. O'MAHONEY. The figure is far below the authorization, far below the need. I think it would be a great mistake to make any further cut from that which the committee has made.

There is great unemployment throughout the United States. There is no expenditure which does more to alleviate unemployment by creating substantial productive employment than this. The automobile industry, the manufacture of trucks, the manufacture of passenger cars, the refining of oil, the servicing of cars, all sorts of business and industry are promoted by the construction of the Federal-aid highways. Such construction provides revenue for the Government. To reduce this program at a time when we are receiving reports of increased unemployment would, in my opinion, be a most short-sighted and uneconomic action.

Mr. DOUGLAS. Mr. President, will the Senator again yield?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. Is it not true that approximately the same defense can be made for virtually every other item in the budget? Cannot every item be defended on the ground that it gives employment?

Mr. O'MAHONEY. Oh, no.

Mr. DOUGLAS and Mr. HOLLAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I yield first to the Senator from Illinois.

Mr. DOUGLAS. Cannot every item be defended on the ground that every dollar expended by the Federal Government gives employment?

Mr. O'MAHONEY. I shall try to reply to the Senator from Illinois before yielding to my colleague from Florida.

There are many items in this bill in connection with which we have recommended no increase, though increases were requested. There are items in the bill in connection with which we will recommend reduction. When we come to the national service life insurance, for example, I shall recommend a reduction of some $202,000,000 below the budget estimate, because I believe it is not an essential expenditure at this time. But expenditures of public money for the construction of public roads are essential and they are productive. There is a difference between a productive expenditure and a purely ministerial expenditure.

Mr. DOUGLAS. Mr. President, will the Senator yield for one further question?

Mr. O'MAHONEY. Yes, indeed; I am very happy to yield.

Mr. DOUGLAS. Certainly the fall in prices since the time the budget was drawn has been more than 2½ percent, the percentage of the cut made by the Senate committee in its recommendation.

Mr. O'MAHONEY. Yes; but the Senator is proceeding from the assumption that the program should be limited. I say to the Senator that the program of the Bureau of Public Roads has not yet begun to approximate the need of the country.

Mr. DOUGLAS. May I then point out to the Senator from Wyoming that what he is in effect arguing is that a larger volume of construction with $390,000,000 should be carried out than was contemplated by the Budget Bureau when it made its estimate of $400,000,000?

Mr. O'MAHONEY. I acceded to the action of the committee in cutting $10,000,000 below the $400,000,000, because I believed that with the $390,000,000 we might be able to carry out the $400,000,000 program; but I am not altogether certain that that will be possible.

Mr. DOUGLAS. But that is sixteen and one-half million more than the amount appropriated by the House.

Mr. O'MAHONEY. Oh, yes; the Senator is quite correct.

Mr. HOLLAND, Mr. LANGER, and Mr. THYE addressed the Chair.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I yield first to the Senator from Florida, who was first on his feet.

Mr. HOLLAND. Mr. President, I should like to address a question to the distinguished Senator. Is it not true that this particular item represents the Federal contribution to a cooperative effort with the States?

Mr. O'MAHONEY. Yes.

Mr. HOLLAND. In that effort joint State-Federal budgets have been worked out. It would constitute a decided breach of faith on the part of the Federal Government to cut the amount provided for and prescribed by the cooperative budget.

Mr. O'MAHONEY. The Senator, as a former governor of the State of Florida, is thoroughly familiar with the plan under which the Federal aid highway program is carried out. It may be well to state it. In the first instance, the State highway department submits to the Public Roads Administration its requests. Those requests are sifted by the Public Roads Administration. Some are approved and some are rejected. When the program is approved, the State proceeds to draw up plans in conformity with the regulations of the Public Roads Administration. Then the contracts are let to public bidding, and the work is begun. In the meantime—and this operation requires several years—the obligations of the Federal Government and of the States begin to pile up. So, of course, unwise cutting of these appropriations would undermine the capacity of the Federal Government to meet the obligation which has been assumed.

Mr. THYE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Minnesota.

Mr. THYE. The Senator from Wyoming is entirely correct in his statement that there is a great deficit in highway construction because of the war restrictions, which delayed highway construction during the war years. Likewise, the States were restricted. The States were under restrictions so far as cement and reinforcing steel were concerned. They accumulated balances. Practically all States with which I am familiar have large highway funds awaiting the day when the restrictive measures would be lifted. The restrictive measures have been lifted, and the States have the funds with which to match Federal funds. It is for that reason that this Federal appropriation is absolutely necessary, and should be supported, because there is a deficit in highway construction the Nation over.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. Is it not also true that the cost of building roads has increased about one-third over the cost 8 or 9 or 10 years ago?

Mr. O'MAHONEY. Of course, the cost of construction is much greater now than it was prior to the war.

Mr. LANGER. Not only that, but this program also includes a plan for secondary roads, which we did not have 8 or 9 years ago.

Mr. O'MAHONEY. The Senator is quite correct.

Mr. LANGER. I associate myself with the Senator from Minnesota. We certainly need every dollar we can get for roads in farming areas.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. To supplement what the Senator from Wyoming has said, Mr. MacDonald, Public Road Administrator, who I believe is one of the best Federal officials and one of the fairest and more honorable men I know in the Federal Government, makes this statement, which I think answers the Senator from Illinois [Mr. DOUGLAS] more specifically. He said in substance before the committee:

> The approved programs are based upon the apportionment, that is correct. We make the apportionment under the formula approved by Congress, to each State. The State then proceeds to submit the program of projects to take up the individual amounts that go into their programs. There is a lag at the present time of about 24 or 25 months. It is the only way that an aid program could possibly be carried into effect.

I think the Senator from Wyoming will agree with me that this is a program which stretches over the future, by at least 2 years. As to the question of costs as compared with costs a few months ago, that really does not enter into consideration in connection with this appropriation to nearly so great an extent as it does with respect to some of the other items, because of the lag.

Mr. HUNT. Mr. President, will my colleague yield to me?

Mr. O'MAHONEY. I yield.

Mr. HUNT. I should like to ask my distinguished colleague if he is aware of the fact that park approach roads have a backlog of $175,000,000 worth of projects.

Mr. O'MAHONEY. That was the testimony which was given before our committee.

Mr. HUNT. I am sure that my colleague understands that in this bill there is only $7,500,000 available for that purpose.

I should like to ask my distinguished colleague one further question. Is it not a fact that the people throughout the United States are misguided in thinking that the 1½-cent gasoline tax collected by the Federal Government goes for the building of highways?

Mr. O'MAHONEY. That is correct. That money goes into the general Treasury, as I understand.

Mr. HUNT. Does my colleague know that in the past 10 years that amount has exceeded by 33 percent all the money poured back into the States for highway construction?

Mr. O'MAHONEY. My colleague will confirm my statement, I am sure, that in our small State—small in terms of population, but great in beauty and great in area, and great in its production—there is collected every month more than half a million dollars, if not $600,000, in gasoline taxes, which money goes back into the building of roads.

Mr. HUNT. Every cent goes back into the building of roads. Twenty-five percent is returned to cities and counties, but that must go into highways and into secondary roads.

Mr. O'MAHONEY. Many times when we go down the Federal-aid highways of Wyoming we see cars from Illinois on the way to Yellowstone National Park, to Grand Teton Park, to the oil fields of Wyoming, and the coal fields of Wyoming. Is not that a fact?

Mr. HUNT. That is certainly a fact.

Let me ask my colleague another question. Is he aware of the fact that during the frontier days celebration the count of cars shows that the greatest number of cars in Cheyenne are from the State of Illinois?

Mr. O'MAHONEY. That is true.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CHAVEZ. My little share in this debate is as follows: I am sorry that the Committee on Appropriations did not see fit to go beyond the Budget Bureau and recommend to the Senate that it appropriate what was authorized, which was $450,000,000 a year for 1950 and 1951. The Congress at its next session will have to take some action, because the backlog which the Senator from Wyoming has so well described exists. Highway construction is greatly in arrears. Highways took a terrible beating because of the war. As a matter of fact, highway authorities from the State of Illinois and from the State of New York, two heavily populated States, recommended an authorization of $1,000,000,000, not $450,000,000. So I am sorry that, notwithstanding the authorization of $450,000,000, and the fact that we are in arrears, the appropriation recommended is $60,000,000 less than the authorization.

Mr. O'MAHONEY. I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. I should like to ask the Senator from Wyoming two questions, but before I do so I wish to say that the people of Illinois have always had a very high opinion of Wyoming and its distinguished representatives. We gave to Wyoming the distinguished junior Senator [Mr. HUNT]. It is always a great pleasure for our citizens to go West and broaden their minds and cultivate their spirits in Wyoming.

I should like to ask two questions. The distinguished Senator from Wyoming stated that we could not cut these appropriations below $390,000,000, because authorizations had been made in advance. I should like to ask him who made those authorizations—the Public Roads Administration or the United States Congress.

Mr. O'MAHONEY. The United States Congress made the authorizations.

Mr. DOUGLAS. In previous years.

Mr. O'MAHONEY. Yes. Then the Public Roads Administration, carrying out the authorization and carrying out the provisions of the appropriation acts, incurred the obligations with the States to which the Senator from Florida [Mr. HOLLAND] has alluded.

Mr. DOUGLAS. Then do I correctly understand the Senator from Wyoming

to say that once an authorization has been made, the Congress must appropriate sums in equal amount?

Mr. O'MAHONEY. Of course not.

Mr. DOUGLAS. It is obvious that an authorization does not bind us to make an appropriation in equal amount.

Mr. O'MAHONEY. Of course I did not say that. But I say that when the Government of the United States assumes an obligation, it should meet the obligation. The Senator from Illinois should not confuse the word "obligation" with the word "authorization."

Mr. DOUGLAS. Mr. President, I can slap my hands together as loudly as the Senator from Wyoming can; and I shall say in reply that if we are going to try to reduce expenses, this is the place to begin to do it.

Mr. O'MAHONEY. Mr. President, this is the place in which to begin to create unemployment and to reduce business, if that is what Senators desire to do.

Mr. DOUGLAS. Mr. President, I should like to ask the Senator from Wyoming whether the question asked by the able junior Senator from Wyoming is quite to the point. He spoke of our taking in more money from gasoline taxes than we pay out in expenditures on public roads, and I thought he inferred that the gasoline taxes are earmarked for public-road construction.

I have always thought that our revenue system is one in which all revenues go into the general Treasury and are mixed together, and are not specifically earmarked for special purposes.

I submit that the question is not how much we take in from gasoline taxes, as compared with how much we spend for roads, but the question is the general fiscal situation of the Government.

I know that making appropriations for public roads is a very popular thing, and I know that any Member of Congress who proposes to cut appropriations for public roads loses votes. I know that perfectly well. But if we are going to try to reduce expenses, I submit we need more than a 2½-percent cut in appropriations.

I shall not ask for a yea-and-nay vote on this amendment; I shall not try to put any Member of the Senate on the spot. But I shall move to strike out the addition proposed by the committee and permit to stand the amount of the appropriation made by the House of Representatives. I now make that as a motion.

Mr. CHAVEZ. Mr. President, I ask for the yeas and nays.

Mr. O'MAHONEY. Mr. President, I wish to say to the Senator from Illinois that it is not necessary for him to make such a motion. All he has to do is vote against the committee amendment. The amendment provides for the increase which has been under discussion. All the Senator needs to do is to vote "no."

Mr. WHERRY. Mr. President, on this question I ask for the yeas and nays.

Mr. THYE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. THYE. I wish to say that I cannot agree with the junior Senator from Illinois when he says this is one place where economies can be made. Ours is a growing economy, Mr. President. We have a greater population today than we had at the conclusion of the war. At the conclusion of the war there was a deficit in highway construction because of the fact that during the war we had to forego such construction. Considerable amounts of State funds are waiting for matching funds on the part of the Federal Government for the construction of roads.

We must construct highways. We must construct highways that are needed in the United States, not only in my State, but in every other State of the Union. The highway system which this fund will assist in building is not only one which aids and strengthens our economy, but it aids us in the safety measures we must take, in case we ever again are confronted with a situation comparable to the one we have just experienced during the years of the recent war.

I say this is a very worthy appropriation, Mr. President. If we attempt to bring about economy here, it will be a short-sighted step.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McKELLAR. I wish to say that I was in the House of Representatives many years ago—in 1915 or 1916, as I recall—when the first Federal-aid road bill was enacted into law. Mr. MacDonald, the present head of the Public Roads Administration, has been with that administration all along, and during most of his service with it he has been its head. It is one agency of the Government which, so far as I can recall, has never been subjected to any real criticism. I cannot recall ever having heard any real criticism of it. The money appropriated for this purpose has been wisely and beneficially spent. It has probably done more good than has any other expenditure, in the way of contributing to the growth and prosperity of the Nation and the happiness of the people. The bills by which funds have been appropriated for this purpose probably have contributed more to the happiness and prosperity of the people than has any other bill ever passed by the Congress.

Mr. President, I hope the Senate will vote for the small increase that is recommended in this case by the committee, as compared with the amount of the appropriation made by the House of Representatives. I think it is wise. I think it is the best thing possible for the people of the United States at this time. I hope the amendment will be adopted.

Mr. O'MAHONEY. Mr. President, I yield the floor.

Mr. TAYLOR. Mr. President, I should like to say that I certainly hope the Senate will agree to the committee amendment. Funds for roads are definitely needed.

In Idaho, with the Republican State administration, we find that the situation is—as it usually is when we have a Republican administration—that the roads are in deplorable shape. [Laughter.] In fact, the roads in Idaho are so bad that when Bing Crosby went across the State recently, he said he did not see how Lewis and Clark ever crossed the State at all. [Laughter.]

So if the Senator from Illinois will stop and think for a moment, I am sure he will realize that, as a Democrat, he does not wish to add to the troubles we already have in Idaho because of the Republican State administration. Certainly we should vote to add at least these funds to the amounts available for building roads.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. Without objection, the amendment is agreed to.

SEVERAL SENATORS. The yeas and nays, Mr. President.

The PRESIDING OFFICER. The yeas and nays are requested.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Did not the Chair rule?

The PRESIDING OFFICER. The Chair ruled that the amendment was agreed to. However, inasmuch as the yeas and nays were previously requested, and now have been additionally requested, without objection, the vote by which the amendment was agreed to will be reconsidered. Is there objection? The Chair hears none.

Mr. DOUGLAS. I ask for the yeas and nays, Mr. President.

The yeas and nays were ordered.

Mr. WHERRY. What is the amendment upon which we are about to vote?

The PRESIDING OFFICER. It is the committee amendment in line 14, on page 31.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], and the Senator from Arizona [Mr. McFARLAND] are absent on public business.

The Senator from New Mexico [Mr. ANDERSON], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. GRAHAM], the Senator from Rhode Island [Mr. McGRATH], and the Senator from Oklahoma [Mr. THOMAS] are unavoidably detained.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

I announce further that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. GRAHAM], the Senator from Arizona [Mr. McFARLAND], the Senator from Rhode Island [Mr. McGRATH], the Senator from Mississippi [Mr. EASTLAND], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If

present and voting, the Senator from New Jersey would vote "yea."

The Senator from Connecticut [Mr. BALDWIN], the Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Utah [Mr. WATKINS] are detained on official business.

The result was announced—yeas 61, nays 20, as follows:

YEAS—61

Aiken	Hunt	Mundt
Cain	Ives	Murray
Chapman	Johnson, Colo.	Myers
Chavez	Johnson, Tex.	Neely
Connally	Johnston, S. C.	O'Conor
Cordon	Kefauver	O'Mahoney
Downey	Kerr	Pepper
Dulles	Kilgore	Russell
Ecton	Langer	Saltonstall
Fulbright	Lodge	Smith, Maine
George	Long	Sparkman
Gillette	Lucas	Stennis
Green	McCarran	Taft
Gurney	McCarthy	Taylor
Hayden	McClellan	Thomas, Utah
Hendrickson	McKellar	Thye
Hickenlooper	Magnuson	Wiley
Hill	Maybank	Withers
Hoey	Miller	Young
Holland	Millikin	
Humphrey	Morse	

NAYS—20

Bricker	Ferguson	Martin
Bridges	Flanders	Robertson
Butler	Jenner	Schoeppel
Byrd	Kem	Vandenberg
Capehart	Knowland	Wherry
Donnell	McMahon	Williams
Douglas	Malone	

NOT VOTING—15

Anderson	Frear	Smith, N. J.
Baldwin	Graham	Thomas, Okla.
Brewster	McFarland	Tobey
Eastland	McGrath	Tydings
Ellender	Reed	Watkins

So the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the subhead "Bureau of Community Facilities," on page 34, line 9, after the figures "$367,000", to strike out the colon and the following proviso: *"Provided,* That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000."

Mr. TAFT. Mr. President, I ask that the amendment be divided.

Mr. O'MAHONEY. Mr. President, there is a mistake in the submission of the amendment. There are two amendments here, one dealing with water pollution, in two items, and there is another in lines 10 and 11, which has to do with the proviso. It has nothing to do with water pollution. That is a separate amendment, and I think it should be disposed of first.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 34, beginning in line 9, it is proposed to strike out the words *"Provided,* That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000."

Mr. TAFT. Mr. President, I am interested in the next amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 34, beginning in line 12, to strike out down to and including line 2, on page 35, as follows:

Grants for plan preparation, water pollution control: For grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control as authorized by section 8 (c) of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), $400,000.

Administrative expenses, water pollution control: For expenses necessary to carry out the administrative functions of the Federal Works Agency under the provisions of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), as authorized by section 8 (e) of said act, including personal services in the District of Columbia; travel; hire of passenger motor vehicles; health service programs as authorized by law (5 U. S. C. 150); and exchange of books; $100,000.

Mr. TAFT. Mr. President, I desire to oppose the committee amendment. The committee has stricken out all the money provided for the financing of grants-in-aid to cities, States, and other subdivisions, in connection with the administration of the Stream Pollution Act. The committee has entirely eliminated the money which is to be used for grants to States, and it has also eliminated all the administrative expenses of the Public Works Administration to administer the act, although the administration had $75,000 last year and is proceeding in a very preliminary way with the administration of the act.

The Stream Pollution Act was passed last year. I think it was sponsored jointly by the then Senator from Kentucky, now the Vice President, and myself, and I think it was finally passed after approximately 10 years' effort, or 20 years' effort. I do not recall how long it may have been. In any event, it was finally passed by Congress and simply provides for Federal cooperation. There are loans authorized, but no grants except for this one purpose. The pollution of our rivers and our harbors in all parts of the country has steadily increased. Not only has there been a substantial and steady increase in sewage in the rivers but there has been a steady increase in industrial waste which, throughout all the industrial sections of the country, is threatening to make the water practically undrinkable and is interfering seriously with the development of all water projects. It is also interfering seriously with the health of the people.

The committee struck this provision out on the ground that it was a new program. The only thing in the committee's report with relation to it is a statement to the effect that the committee is of the opinion that the work can readily be postponed without serious consequences.

The amount of money involved is small and it is not a case in which the work can be postponed. It is not like starting on a new project to improve something which we have had for a long time. It involves the whole field of water pollution, as to which conditions are becoming constantly worse. We are much worse off than we were 5 years ago. Unless we begin this work promptly, the rivers and harbors throughout the Nation will steadily deteriorate. The entire elimination of these two provisions will postpone the whole program for a year. The amount involved is really for preliminary work.

In one sense it is not a State-aid program, because the Federal Government itself is made a partner under the terms of the law, and properly so. The Federal Government has a direct interest in interstate streams, and without Federal cooperation it is almost impossible to secure the necessary result.

Take, for instance, the city of Cincinnati, which is located in the southwest corner of the State of Ohio. All the sewage of the city flows into the States of Indiana and Kentucky. Naturally, there is no particular incentive on our part to stop the pollution in other States. On the other hand, the water of the Ohio River at Cincinnati is completely polluted by the industrial waste put into it higher up, in West Virginia and in Kentucky. So it is a matter in which the Federal Government has an interest, and in which it was properly made a partner. It is receiving the full cooperation of the States. There are various interstate compacts. There are 10 States, from Virginia to Illinois, which have entered into a compact and are taking joint action in connection with the project, but they cannot accomplish the desired result without the help of the Federal Government. Last year the Congress thoroughly approved of the program by the passage of the bill. I feel, therefore, that there is no reason to delay the program.

I should be perfectly willing to have the final amount settled in conference, but I think the committee should at least be willing to restore some part of the appropriation. I do not think we should stop the work started in the administration of the program under the Public Works Agency. I do not think we should completely turn down the proposal for the assistance of States and localities in working out the plans necessary for a comprehensive survey, because it does not do any good to operate in only one State or one city; there must be a complete program. The Federal Government serves a very useful purpose by being a partner and proceeding with the work.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FERGUSON. The Senator from Michigan knows the importance of this particular item, because of his knowledge of the waters of the Great Lakes. I wonder whether the Senator from Ohio would feel it would be satisfactory if the Senate would agree to take to conference an appropriation of $200,000?

Mr. TAFT. I suggest that. If the committee would be willing to take $200,000 on the first item and one-half on the other, and let the matter be worked out in conference, I would be agreeable.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. I should like to inquire of the Senator from Ohio if the appropriation which he seeks would serve

to construct facilities to prevent pollution of water, or if the appropriation which he is requesting would be simply to aid in the preparation of additional plans.

Mr. TAFT. The first item is under 8 (c) of the Water Pollution Control Act. The total sum authorized in that bill was $1,000,000. The budget reduced it to $500,000, and the House reduced that amount to $400,000.

Mr. DOUGLAS. Is it for the preparation of plans?

Mr. TAFT. That is all. It is for grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control, including architectural and economic investigations, studies, surveys, designs, the drawing of plans and specifications, and other actions preliminary to the starting of the entire program.

Mr. DOUGLAS. Was the Senator from Ohio in the Chamber earlier in the afternoon when the Senator from Michigan made a very eloquent attack upon the spending of additional sums of money for the preparation of plans? I listened to him with a great deal of interest and approval, and I am somewhat surprised that that Senator from Ohio now proposes an additional appropriation of $400,000 for further plans.

Mr. TAFT. It is not a WPA or relief proposition or a make-work program. It is a proposal to get an over-all plan started for the elimination of stream pollution throughout the United States. The Federal Government has just as much interest in it as have the States. The Federal Government comes in as a full partner. The streams which are involved are interstate streams, in which the Federal Government is as much interested as are the States and cities themselves. Therefore it seems to me, Congress having approved the entire policy, that we should not now suddenly undertake, through failure to appropriate, to reverse a policy established at the last session of Congress. Whatever is reasonable is satisfactory to me. I suggest that half the amount might be considered, and the exact amount worked out in conference. That would be entirely agreeable to me if it is agreeable to the chairman of the committee.

Mr. DOUGLAS. Is it not true that the Seventy-ninth Congress provided for cooperative action between the Federal Government and the localities in the preparation of plans to guard against stream pollution?

Mr. TAFT. The Eightieth Congress.

Mr. DOUGLAS. Was there not an act in the Seventy-ninth Congress?

Mr. TAFT. No. We tried to get it through, and my recollection is we got it through the Senate, but it was held up in the House, in the Seventy-ninth Congress and also in the Seventy-eighth.

Mr. BRICKER. Mr. President, I wish to emphasize what has been said by my colleague in regard to the necessity of beginning the plans for prevention of stream pollution. It has been a serious problem in our State, as the President of the Senate well knows. We started the movement between Kentucky, Ohio, Pennsylvania, and Illinois, some 10 or 15 years ago, which resulted finally in an interstate compact, which Virginia joined last year, I believe, at the urgent insistence of the two Senators from Virginia.

The situation is more serious than most people realize. In the city of Cincinnati, the home city of my colleague, at the present time three-quarters of every gallon of water that goes through the water system has been previously through sewerage systems in cities to the north and to the east of Cincinnati in the Ohio River Valley. If it were not for the neutralizing acid waste from the industrial firms in the great industrial centers of Pittsburgh, Youngstown, Wheeling, and other cities, we would be facing a very serious epidemic situation every year along the Ohio River.

In years gone by I have participated in the contest involving the city of Chicago, the home of the Senator from Illinois who has just made his comments on this matter. They were dumping into the Illinois River, through the drainage canal, millions of gallons of sewage every hour of every day of the year.

A serious situation is being created on the streams of our country, and the local communities seem unwilling, or may be incapable, of solving the problem in the interest of public health and welfare.

It was even necessary to take the city of Chicago to the Supreme Court at least twice in contempt proceedings in order to get them to comply with the mandate of the court fixing the amount of water that could be drained from the Great Lakes to wash out the sewage from the city of Chicago.

The States have been unwilling or unable to cope with this situation, and a movement has been started, through an interstate compact in the Ohio River Valley, which promises much for the health and welfare of the communities.

I join with my colleague in urging that the program be continued.

Mr. DOUGLAS. Mr. President, the junior Senator from Ohio has made certain references to the city from which I come. Is the Senator from Ohio aware of the fact that the Sanitary District of Chicago is floating bonds of several hundred million dollars, and that now it has virtually eliminated the dumping of sewage, that we have gone to great expense to deal with this situation, as we should have done, and that therefore the Senator from Ohio is bringing up something that is 20 years old, and which has been virtually rectified in the period since that to which he referred?

Mr. BRICKER. The situation has not been completely rectified, and it was necessary for the lake States to take the city of Chicago to the Supreme Court of the United States to enforce a mandate of the court. The city was cited for contempt of the mandate of the Supreme Court. The lake States have engaged in joint efforts to compel local communities to do the things which are necessary to be done in the interest of public health, but which they are unable to do without assistance.

Mr. DOUGLAS. Is it not a fact that the city of Chicago has complied fully with the mandate of the Supreme Court? I do not like these left-handed aspersions on my city.

Mr. BRICKER. It is neither left-handed nor an aspersion. It is a statement of fact. If the Senator has lived there as long as I think he has, he ought to remember well that the city was cited three times for contempt by the Supreme Court. I tried one of the cases myself, and we got an order out of the Supreme Court holding the city guilty of contempt.

Mr. DOUGLAS. I am sure the Senator from Ohio, to be perfectly honest—and he is perfectly honest—should complete his statement by saying that the city of Chicago has fully complied with the decisions of the Supreme Court, and I want the RECORD to show that.

Mr. BRICKER. After two or three citations they have complied.

Mr. TAFT. Mr. President, this bill does not provide for the Federal Government to put up any money in large sums to build sewage-disposal plants. It merely provides that it shall help make the plans. It then provides that it shall make loans of small amounts. The city of Cincinnati is spending $17,000,000 on its sewage-disposal projects, and the plans will be prepared by that city, but in order that the activities may be coordinated, and in order that remedial steps, particularly where there is uncontrolled industrial waste, may be taken by the smaller communities, which are located throughout all the Ohio River sections, it is absolutely essential there should be some Federal participation.

The distinguished Vice President, who now presides over the Senate, and I were the authors of the law, and I am certain he will bear me out in my statements.

Mr. O'MAHONEY. Mr. President, I have listened with a great deal of interest to everything the Senator from Ohio has said, and he has made a most persuasive argument. The Congress of the United States has authorized this expenditure, and it ought to be made.

Mr. President, I made that same argument yesterday and today over and over again. The Senator from Ohio and his colleagues upon the other side marshalled together in a solid phalanx to say "No, we want to economize."

Appropriation after appropriation has been recommended by the Committee on Appropriations to enable the Government agencies to carry out obligations imposed upon them by law, and Senators rise on the other side of the aisle and say, "No; these obligations should not be carried out. We must economize. Are we not hurrying on to deficit spending? Why, then, should we spend another dollar that can now be saved?"

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly I yield to the amiable leader of the budget cutters, the amiable, the able, the distinguished Senator from New Hampshire, who says, "Let us not engage in deficit spending. Let us forget the obligations which Congress has imposed by law upon the executive agencies, and let us cut

off the appropriations so that we may make a record vote."

I yield, of course, and most gladly.

Mr. BRIDGES. I merely want to say to the Senator that he attributed the economy move to this side of the aisle, and I wish to take credit on this side of the aisle for calling for all the votes, but may I point out that we have had some very able help from the other side of the aisle.

Mr. O'MAHONEY. The Senator misunderstood me. I do not give the credit to the Senator from New Hampshire for economy. I say the Committee on Appropriations deserves the credit for economies, because I say to the Senator from New Hampshire that many of the votes which he cast here today and yesterday to reduce expenditures were not in the interest of economy and not in the interest of saving money for the taxpayers, but were in the interest only of postponing to some future date the obligations which the Government imposed by law.

Oh, no, I do not give the Senator from New Hampshire any credit at all for seeking to economize. The Senator from New Hampshire is making a record. He is calling for yea-and-nay votes. He is calling for them now so as to make a record and go before the people and say, "See how we have saved the money of the taxpayers," because he well knows that memories are short, and that next year or the year after, or perhaps in the closing months of this session, when we pass the deficiency appropriation bills, we will be putting in the very items which are now being cut out.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRIDGES. Oh, Mr. President, I say the Senator from Ohio made a very persuasive argument. It is true that the law under which this appropriation was asked by the President of the United States in his budget message was the result of a bill introduced jointly by the present distinguished Vice President of the United States, who was then a Senator from Kentucky, and the Senator from Ohio [Mr. TAFT], the head of the policy committee of the Republican Party.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I will yield in a moment. The bill was introduced in order to meet a very serious problem of water pollution. There can be no doubt, as the Senator from Ohio [Mr. TAFT] has said, that the correction of water pollution by one municipality will do no good at all with respect to water pollution as it affects another city farther up the stream. The water pollution must be fought upon all the interstate streams of the United States. There is no question about that. It is an interstate problem.

I am merely pointing out, Mr. President, the inconsistency, and I am saying this in the hope that if I yield upon this matter, if I accede to the request and grant my acquiescence to an appropriation for $200,000 for this matter, in the remainder of the consideration of this bill both Senators from Ohio, the senior Senator and the junior Senator, and other Senators who are talking so eloquently in behalf of Federal spending for water pollution, may give a little credit to the Senator from Wyoming for the recommendations which he makes in the Senate on behalf of the Committee on Appropriations.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I now yield to the Senator from Vermont.

Mr. FLANDERS. A few moments ago, in the course of the remarks of the Senator from Wyoming, he made a remark which gave me a very great deal of concern. He used the phrase "in the closing month." There was an "s" on the end of that word; "In the closing months of this session." I should like to know if that is official.

Mr. O'MAHONEY. There is nothing official about anything I say, save when I speak for the Appropriations Committee on the independent offices appropriation bill, and then I officially speak in the interests of efficiency and economy and the discharge of public responsibilities.

Mr. FLANDERS. I thank the Senator from Wyoming.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, the Senator proposed to make a deal with me. Perhaps I could make a deal with him. I am willing to accept 45 percent of the budget figure on this item, and half the House figure. Is the Senator willing to make the same allowance on his side?

Mr. LANGER. Mr. President, I object to the distinguished Senators making any deals on the floor of the Senate. [Laughter.]

Mr. TAFT. I object to a complete elimination of the project. I think it is a very different and distinct matter when the committee entirely eliminates a project which has already been started. I will never vote to cut any of the appropriations presented by the Senator, on behalf of the Appropriations Committee, below half of the House figure. Will the Senator accept my suggestion?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Florida.

Mr. PEPPER. I listened to the remarks of the able Senator from Wyoming and to the rather severe remarks he made. Does the Senator not recall that some old Senator wise in the ways of the world said sometime ago that there are times when a man has to rise above principle?

Mr. O'MAHONEY. I could tell a funny story about that which I heard from the tongue of the distinguished Senator from Vermont who, when he was visiting the city of Philadelphia during a presidential campaign not so long ago was riding in a taxicab from the railroad station to the hotel, and, in accordance with custom he, if I understood the story correctly, spoke to the taxicab driver to inquire of him what was going to happen in the presidential election. The taxicab driver said, "Why, Roosevelt will carry Philadelphia." "How can that be?" asked the Senator from Vermont. "Is not Philadelphia a Republican city?" "Yes," said the taxicab driver, "and I am a Republican. But there comes a time when we have got to do our duty and vote right and forget principle." [Laughter.]

The VICE PRESIDENT. May the Chair inquire what is before the Senate at the moment?

Mr. TAFT. I asked the Senator from Wyoming whether he would be willing to restore the amount to about perhaps half the figure and take it to conference.

Mr. O'MAHONEY. If I were to follow the pattern which has been set for me by the distinguished Senator from New Hampshire [Mr. BRIDGES] I would say, "Let us have the yeas and nays from this question. Let us put it to the test. Let us have the vote." I am not going to do that, Mr. President. I say that as the representative of the Appropriations Committee upon the floor I must point out to the Senate that here is an expenditure which is altogether new. Because it was a new expenditure, because we have not fought with stream pollution throughout the history of the Government on the Federal front, the committee said, "We will let that appropriation go to the next Congress, or into the future." I suggest that the Senator from Ohio offer his amendment and let the amendment be presented to the Senate. The amendment before the Senate, of course, is the committee amendment which strikes out the whole item.

Mr. TAFT. Mr. President, in the committee amendment on page 34, line 17, I offer an amendment to strike out "$400,000" and to insert "$200,000"; and on page 35, line 2, to strike out "$100,000" and insert "$50,000."

Mr. O'MAHONEY. And to restore the other language.

Mr. TAFT. The amendment would have to be, I take it, first to amend and then to reject the committee amendment.

Mr. O'MAHONEY. No. I will say that the committee amendment strikes out all the language from line 12, on page 4, to line 2, on page 35. The Senator is asking for the rejection of the committee amendment with the understanding that he will offer an amendment including the House language, and substituting $200,000 for $400,000, in line 17, on page 34, and substituting $50,000 for $100,000 in line 2 on page 35.

Mr. TAFT. Yes. I thought perhaps the better way would be to offer the amendment to strike out $400,000 and insert $200,000 and in the next paragraph to strike out $100,000 and insert $50,000, and then to offer an amendment to reject the committee amendment. However, that is immaterial.

Mr. O'MAHONEY. That is immaterial.

The VICE PRESIDENT. The suggestion of the Senator from Ohio would be the most direct way to reach it.

Mr. TAFT. Yes. I offer the amendment to the committee amendment, in line 17, on page 34, to strike out "$400,000" and insert "$200,000"; and on page 35, line 2, to strike out "$100,000" and insert "$500,000."

The VICE PRESIDENT. The question is on the amendment of the Senator from Ohio to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on the committee amendment, as amended.

The amendment, as amended, was rejected.

Mr. TAFT. I thank the distinguished Senator from Wyoming.

Mr. O'MAHONEY. Does the Senator from Ohio intend to offer the amendment which he offered in the committee for the construction of a research laboratory at Cincinnati?

Mr. TAFT. No; I shall not offer that amendment at this time. The authorization bill is so confused that I think the amendment involves questions which have to wait, I think, until next year.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, under the heading "General Accounting Office," on page 35, line 5, after the word "elsewhere", to strike out "$31,743,000" and insert "$34,169,000."

Mr. BRIDGES. Mr. President, this is an amendment dealing with the General Accounting Office. The amendment increases the appropriation from $31,743,000 to $34,169,000. It provides for an increase in personnel over the House figure of 800 individuals. I think it speaks for itself. The General Accounting Office is a very important office. Generally speaking it does a good job. There is no need of increasing the personnel over the House figure by 800 individuals. I hope the Senate amendment will be rejected, and that we will return to the House figure.

Mr. O'MAHONEY. Mr. President, how soon I am rewarded for my acquiescence. Here is an amendment which has been put in the bill by the committee at the request of the General Accounting Office, which is, in fact, an arm of the Congress of the United States, which is equipped to conduct independent investigations of the obligations which the Government of the United States must meet.

This is an office which saves the United States Treasury millions of dollars every year. When the Comptroller General appeared before our committee he pointed out that it was the first time in his official career as head of the General Accounting Office that he had appeared before any committee of Congress to ask for an increased appropriation. His testimony before us was that the reduction made by the House would seriously cripple the work of the General Accounting Office.

I sincerely urge the Senator from New Hampshire not to insist upon a vote on this amendment. The committee was unanimous with respect to this item, as it was with respect to the succeeding amendment. This is an expenditure definitely and clearly in the interest of economy, because it enables the General Accounting Office to meet the task which is thrust upon it by the great obligations of expenditure which this Government must meet. I hope the Senator from New Hampshire will withdraw his resistance to this amendment.

Mr. AIKEN. Mr. President, I hope that this appropriation for the General Accounting Office may be approved as reported by the committee. Under Public Law 601, the Reorganization Act, the Congress put seven duties upon the General Accounting Office. This additional appropriation, as I understand—or a part of it, at least—is to enable the General Accounting Office to carry out those duties under section 206 of the act of August 2, 1946, which it is supposed to do in accordance with the directions of the Congress. I think the General Accounting Office has been very zealous in doing its best to see that the intent of the Congress is carried out in the matter of expenditure by the executive agencies. I do not think it can be too zealous in that respect. I hope that the full appropriation recommended by the committee will be approved.

Mr. O'MAHONEY. Mr. President, let me say that this committee amendment is under the budget by $1,101,000.

Mr. WILLIAMS. Mr. President, there is no single governmental agency or department for which I have greater respect than I have for the General Accounting Office. I think it has done a wonderful job. I recognize it as an arm of Congress, and I feel that we should give it the proper amount of money.

On the other hand, I am reminded of the fact that 62 Members of this body have signed a petition calling on the President of the United States to cut appropriations. We have asked that they be cut a minimum of 5 percent. In drafting that resolution we did not exempt a single one of the Federal-aid programs, with many of which we were sympathetic. We did not except the General Accounting Office. We did not except anything. We merely called upon the President of the United States to cut the over-all budget 5 percent.

I say that if we mean what we say, if we want the budget cut 5 percent, then we should vote accordingly. If we do not want it cut 5 percent, or if we want to make exceptions, let us merely vote for the appropriations and do away with the resolution. I do not see any point in standing before the people and saying that we want to cut the budget 5 percent if we do not want to answer these roll calls.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. O'MAHONEY. The Senator is aware, is he not, that this bill represents a reduction of 5.2 percent below the budget? In other words, we have already made the cut.

Mr. WILLIAMS. I recognize that, but I point out the fact that that same excuse has been used in connection with the other votes. The resolution to which I referred was place in the RECORD on June 28, 6 or 7 months after the budget was figured. We did not call on the President to cut 5 percent below the budget. We asked him to cut 5 percent below what we as Members of Congress have the nerve to stand up and vote for.

I do not believe that we should be unnecessarily hard on the General Accounting Office. Instead of calling for the defeat of the committee amendment, I ask the Senator from New Hampshire if he will accept a modification calling for a flat 5 percent reduction in the General Accounting Office budget, which would be in line with what 62 Members of the Congress have said they want to do. I wonder if the Senator from New Hampshire would be willing to go along with a flat 5 percent cut below the $34,169,000, which would be placing upon the General Accounting Office exactly what we are calling upon the President to place upon not only the General Accounting Office, but all other departments of the Government.

Mr. BRIDGES. Mr. President, I am willing to go along with the suggestion of the Senator from Delaware. I think that would allow the General Accounting Office a modest increase, along the line of what the Senator from Vermont and the Senator from Delaware have suggested. That would arrive at a figure of $32,460,550, rather than an item of $31,743,000, as in the House figure. Is that correct?

Mr. WILLIAMS. That is correct.

Mr. President, I offer an amendment to the committee amendment on page 35, line 5, to strike out the figure in the committee amendment, "$34,169,000", and insert the figure "$32,460,550", which would represent a 5-percent cut in the appropriation recommended by the committee. That would mean that we would be voting to carry out exactly what we are calling upon the President of the United States to do, because we did not except the General Accounting Office at that time, regardless of how much respect we have for it.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The CHIEF CLERK. On page 35, line 5, in the committee amendment, it is proposed to strike out "$34,169,000" and insert "$32,460,550."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the committee amendment on page 35, line 5.

Mr. HOLLAND. Mr. President, I think the views of the junior Senator from Florida on the various proposed economy amendments will stand up in comparison with those of almost any other Senator. I am perfectly willing to have them compared with the views of any other economy-minded Senator. In connection with this matter, I think we would be practicing false economy if we were to reduce the amount recommended by the committee.

This year I had the experience of serving as a member of the Committee on Agriculture and Forestry of the Senate. That committee was engaged in an earnest effort to find out just what the financial situation of the Commodity Credit Corporation funds, vital as they are to agriculture in this Nation, might be.

We examined representatives of the General Accounting Office. I am sure

that the Senator from Vermont [Mr. AIKEN], the senior Senator from Minnesota [Mr. THYE], and other Senators on the other side of the aisle who, like myself, are members of that particular committee, will remember this instance.

This fund amounts to more than $4,000,000,000 a year, as I recall. Notwithstanding the fact that it is so vital to agriculture, and to the Nation as a whole, and notwithstanding the fact that it is a fund with respect to which we ought to be able to get quick and certain information as to the details of its handling, notwithstanding the fact that there were no charges of fraud and no questions of that nature to disturb the committee, but only a desire to find out what were the actual facts with reference to the handling of that fund, we were amazed to find that the General Accounting Office was 3 years behind in the auditing of that fund, and that it was working just as hard as it could with the personnel it had which could be assigned to that particular objective. Notwithstanding that fact, as I recall, they were then working on the year 1945.

We were unable to get up to date information as to the handling of that important fund. It was necessary for the committee to have such information, if it could get it, in order that we might intelligently act upon legislation then pending before us with reference to certain changes which were suggested in the functioning of the Commodity Credit Corporation.

I note that since I began these remarks the junior Senator from Iowa [Mr. GILLETTE] has entered the chamber. He likewise serves on the Committee on Agriculture and Forestry.

When an arm of the Government which was created to inform and advise the Congress on the technical subject of how the funds of the United States are being handled by the executive agencies of government reports to us, as it did on that occasion, that it is simply unable to cope with a problem of that magnitude with the personnel which it has, and very earnestly implores members of the Appropriations Committee to assist in making available a larger staff so that that heavy problem can be handled adequately, I say to the Senate that it is poor economy to turn a deaf ear to a request of that kind coming from an agency which, I repeat, is created out of the wisdom of Congress and because of a sincere effort of Congress to be well advised as to how the finances of the people of the United States are being handled.

So I strongly hope the committee's recommendation on this matter, already reflecting, as it does, a reduction of more than 5 percent below the amount of the budget figures, will not be turned down, but, to the contrary, will be agreed to, so that it may be said that the Senate has, at least in large part, recognized the justice of the request for additional personnel for the arm of the Government created by the Congress to serve and advise us in this important field.

Mr. O'MAHONEY. Mr. President, it is quite evident that we cannot reach a decision on this matter without having a quorum call. I hesitate to suggest the absence of a quorum at this time, because the Appropriations Committee was summoned to meet at 5 o'clock to consider the continuing resolution which now is necessary and also to discuss the ECA bill. Inasmuch as the majority leader announced earlier in the day that at 6 o'clock, which is only half an hour from now, he would move to have a recess taken until 8 o'clock this evening, I ask the distinguished Senator from Pennsylvania if he thinks it would be agreeable to take a recess now, half an hour earlier.

The VICE PRESIDENT. The Chair is reminded that an order was entered that the Senate take a recess at 6:30. That was ordered by unanimous consent.

Mr. GEORGE. Mr. President, let me suggest to the Senator from Wyoming that we postpone the consideration of this amendment, by unanimous consent, and proceed to consider other provisions of the bill.

Mr. MYERS. Mr. President, I may say to the Senator from Wyoming that I have consulted with the majority leader, and he has no objection to the Senator's suggestion.

The VICE PRESIDENT. Of course, that could be done only by unanimous consent.

Mr. O'MAHONEY. Mr. President, inasmuch as the order has been entered, perhaps the suggestion the Senator from Georgia has made is the proper one to be followed. Obviously I hesitate to suggest the absence of a quorum at this time, for that would take the Members of the Appropriations Committee away from the most important meeting they are having now.

The VICE PRESIDENT. Without objection, the pending amendment will be passed over temporarily; and the clerk will state the next committee amendment.

Mr. WILEY. Mr. President, before that is done, I should like to ask the Senator to yield for a question.

Mr. O'MAHONEY. I am very happy to do so.

Mr. WILEY. I have been very much intrigued with the way the distinguished Senator from Wyoming has fought for the things he thinks are proper in this bill. I am particularly interested in knowing whether among the duties of the General Accounting Office is the duty—if it is not one of its duties, it seems to me the General Accounting Office should have the duty imposed upon it by law—not simply of rendering an accounting, not simply of examining the pro and cons in regard to the expenditure of money, but the function or duty of making recommendations in regard to how the Government can operate more efficiently. Should not that be one of its duties?

Mr. O'MAHONEY. Mr. President, a little later in the course of the consideration of this bill it is my intention to call attention to a report which has been filed within the month by the General Accounting Office with respect to the administration of the Maritime Commission. I have read that report. I have found in it what seems to me to be very pertinent and effective suggestions for the improvement of the administration of the operations of the Maritime Commission. That matter involves legislation. So that does precisely what the Senator from Wisconsin has inquired about.

I have another letter, to which I shall call the attention of the Senate at the appropriate time, with respect to the Veterans' Administration appropriation for the national service life insurance fund. There the General Accounting Office has pointed out to us that an item in the budget, which has been approved by the Appropriations Committee, of $202,000,000 to pay interest upon the reserve fund out of which the insurance losses are paid, is unnecessary at this time. Although required by law, in the opinion of the General Accounting Office the law should be amended. That matter is under consideration, I think, or will be presently by the appropriate legislative committee. Since the appropriation does not seem to be essential, with the consent of members of the Appropriations Committee whom I have consulted, I am going to ask that $202,000,000 be cut from the appropriation.

Those are two evidences, within the month, of the valuable work which is done by the General Accounting Office.

Mr. WILEY. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WILEY. Those are two evidences; but there seems to be a general impression, as I think the Senator from Wyoming will agree, that there is a great deal of waste of effort and considerable duplication of effort in many of the departments and agencies of the Government.

I had in mind that various large industries or large industrial concerns employ what are called efficiency experts, men whose job it is, when the income of the particular industry or concern is decreasing and when it cannot balance its budget, to determine where corners can be cut and where efficiency can be injected into the picture.

In the almost 11 years I have served in the Senate, I have not known of such suggestions by any agency of the Government, although the Senator from Wyoming has just given us two instances of that sort.

Mr. O'MAHONEY. Let me give another instance. When the legislative reorganization bill was passed by the Seventy-ninth Congress, it contained a section—section 206, if my memory serves me correctly—providing that it should be the duty of the General Accounting Office to conduct current expenditure analyses in the executive branch of Government. I felt that that was a perfectly splendid recommendation. I was sorry that when Mr. Warren, the Comptroller General, appeared before the joint meeting of the Appropriation Committees at the beginning of the Eightieth Congress, and suggested his willingness to assume this duty, it was deemed not desirable to undertake the work at that time. In any event, it was not done.

But in the consideration of this bill, I offered to the committee an amendment providing for an appropriation of $800,000. It will be the next amendment but one to be considered. That amendment would authorize the General Accounting Office to conduct these current expenditure analyses. I offered the

amendment in the belief that we could get much better economy and a much more intelligent view of what is the expenditure situation in the executive departments of the Government by not only clothing the General Accounting Office with the power—as we have done in the Legislative Reorganization Act—but also equipping it with the personnel to enable it to do that work. I trust that when that item comes before the Senate, as it will in a few minutes, it will have the support of the Senator from Wisconsin.

Mr. WILEY. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WILEY. I have nothing but respect for the Senator's judgment, and I think he speaks very well on this subject.

Of course there is a vast difference between an accountant's job and the job of one who can take the facts as he sees them and can observe the personnel on the job and can see where efficiency can be injected into the picture. Probably I have not made the differentiation sufficiently clear.

Mr. O'MAHONEY. The Senator from Wisconsin has made it very clear, and that was precisely what was in my mind when I discussed the matter with Mr. Warren and, I may say, with the Senator from Michigan [Mr. FERGUSON], who is in complete accord with this amendment. So we wrote into the amendment this proviso:

Provided, That the Comptroller General of the United States is authorized to employ all personnel under this appropriation without regard to the civil-service laws, rules, and regulations.

The purpose was to enable the Comptroller General to secure employees who could sit down with the heads of the agencies. The purpose was to give him the authority to employ, not bookkeepers or accountants alone, but persons who understood bookkeeping and accounting and all of that, but who also had a much broader view of the responsibilities of Government and of the problems of management in a big enterprise.

Mr. WILEY. Mr. President, if the Senator will yield further, there has been a rule in Government, as the Senator well knows, by which the salaries in certain agencies have gone up in accordance with the number of personnel employed. What we need is an efficiency expect to go into an agency to see whether employees are falling over one another, or whether there are employees who do not seem to have work to perform. We need, of course a checking of accounts to see that money is properly disbursed and proper dollar value is received, but, if we are really running into a period when there must be a curtailment of overhead, the curtailment should be brought about in the places where the taxpayer's dollar is not earning a dollar's worth in return. I cannot speak from my own experience, but I have had brought to my attention a number of instances in which businessmen have returned from bureaus and departments and told of employees sitting around, smoking cigarettes, and doing nothing. I personally knew of one instance concerning a girl who resigned some years ago after sitting around for 5 months, during which time one letter was dictated to her. Her conscience would not permit her to continue in the position. Those are things I have in mind. I do not know whether they are generally prevalent or not, but I think the Congress owes an obligation, with the increasing public debt, to see that the General Accounting Office understands that its function—if it is its function—is not simply to check accounts, but to employ efficiency personnel to see whether the Government is operating efficiently.

RECESS

Mr. O'MAHONEY. That is what would be done by the amendment.

Mr. President, while I have been standing here, engaging in this colloquy with the Senator from Wisconsin and others, numerous Senators have come to me, indicating they are going off the floor to have a little supper, dinner, or whatever they may want at this time.

Mr. WILEY. Who is buying it?

Mr. O'MAHONEY. Apparently, themselves.

Mr. President, there seems to be no profit in continuing the session at the moment, and therefore I ask unanimous consent that the Senate may stand in recess until 8 o'clock, as was originally intended.

Mr. BRIDGES. Does the Senator mean, until the time we were originally supposed to come back?

Mr. O'MAHONEY. That is correct—until the time set, 8 o'clock.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Thereupon (at 5 o'clock and 44 minutes p. m.), the Senate took a recess until 8 o'clock p. m.

EVENING SESSION

On the expiration of the recess, the Senate reassembled, and was called to order by the Vice President.

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Humphrey	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Stennis
Downey	Langer	Taft
Dulles	Lodge	Taylor
Ecton	Long	Thomas, Okla.
Ellender	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tobey
Fulbright	McClellan	Vandenberg
George	McKellar	Watkins
Graham	McMahon	Wherry
Green	Magnuson	Wiley
Gurney	Malone	Williams
Hayden	Martin	Withers
Hendrickson	Maybank	Young
Hickenlooper	Millikin	

The VICE PRESIDENT. A quorum is present. House bill 4177, the independent offices appropriation bill, is before the Senate.

CONTINUATION OF CERTAIN APPROPRIATIONS

Mr. McKELLAR. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside so that I may report a joint resolution from the Appropriations Committee and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Tennessee temporarily to lay aside the pending appriation bill? The Chair hears none, and it is so ordered.

Mr. McKELLAR. From the Committee on Appropriations, I report favorably with an amendment the joint resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes, and I submit a report (No. 804) thereon.

The House has passed this joint resolution continuing the pay of certain Government employees for the next 31 days, to August 31, 1949. The Senate committee has placed in the joint resolution an amendment to strike out "August 31, 1949," and insert in lieu thereof "August 15, 1949." I now ask unanimous consent for the present consideration of the joint resolution, so it may be acted upon tonight, because it will have to go to conference.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes, which had been reported from the Committee on Appropriations with an amendment, on page 1, line 7, to strike out "August 31, 1949" and insert "August 15, 1949."

The VICE PRESIDENT. The question is on the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 329) was read the third time and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendment, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of OKLAHOMA, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the executive office and sundry independent executive bureaus,

boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on the amendment of the Senator from Delaware [Mr. WILLIAMS] to the committee amendment on page 35, line 5.

Mr. O'MAHONEY. Mr. President, the committee recommended that the appropriation for salaries in the General Accounting Office should be raised from $31,743,000, as passed by the House, to $34,169,000. The argument was made in support of this increase that the General Accounting Office is an arm of the Congress, that its function is to audit the Government accounts, and make recommendations to the Congress. The committee felt that the increase should be granted.

Before the recess I pointed out that the Comptroller General, Mr. Lindsay Warren, appeared before the committee and strongly urged a larger increase than the committee allowed. He pointed out that this was the first time in his experience as Comptroller General that he had appeared before an Appropriations Committee of the Congress asking for an increase in appropriation. The committee was of the opinion that the increase in the appropriation would be money well spent, properly to equip the General Accounting Office to supervise and survey the various expenditures of Government.

Prior to the recess I pointed out that there are before the Senate now, to be presented later in detail, reports and recommendations from the General Accounting Office which will unquestionably save money if they are followed out. For example, there is a letter with respect to the national service life insurance fund raising a legislative question with respect to the appropriation for interest upon the reserve fund. I was so impressed with that letter that it will be my purpose when the item is reached in the consideration of the bill to ask the Senate to follow the recommendation of the Comptroller General. If that is done, it will mean a saving of more than $202,000,000.

There is also before the committee a report from the General Accounting Office with respect to the operations of the Maritime Commission. This report, which will be filed and made a part of the Record, urges a change of policy with respect to the method by which the differential subsidy under the maritime law is fixed. The Comptroller General and the General Accounting Office have recommended that provision should be made for public hearings when the evidence is taken upon which this differential subsidy is fixed.

The point I make, of course, is that this is evidence of the constructive and economical work performed by the General Accounting Office.

It was testified before the committee that from 1940 down to the time just before our hearings began this year, the General Accounting Office had collected or caused to be collected and paid into the Treasury of the United States more than $635,000,000, almost two and one-half times the total cost of the operation of the Office. The collection figure for the last fiscal year was approximately $107,000,000. For the current fiscal year to April 30 the figure is more than $76,000,000. So on the record it seems to be perfectly clear that this is a completely justifiable increase of appropriations. Mr. President, that is the recommendation of the committee.

Before the recess the Senator from Delaware [Mr. WILLIAMS] made a motion to amend the committee amendment by reducing the sum to $32,460,556, which I understand was a computation he had made by deducting 5 percent from the budget estimate. My feeling is that the committee amendment should be adopted.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the committee amendment on page 35, line 5.

Mr. WILLIAMS. Mr. President, I should like to say a few words in reply to the Senator from Wyoming before the vote is taken on the amendment. First, I want to repeat what I said before the recess was taken this evening, namely, that there is not an agency or office in government for which I have a higher respect than the General Accounting Office. On the other hand, that does not mean that we cannot cut appropriations for the General Accounting Office. If we are going to take the attitude that we will cut appropriations 5 percent for all the executive branches of the Government but under no circumstances can we make any cuts in any agency or office that affects the Congress of the United States, then we shall not get very far in the way of reducing appropriations. If we are to make effective cuts in appropriations we should make the cuts apply to all agencies, even though they may affect ourselves.

I agree with the Senator from Wyoming that the recommendations of the Comptroller General are very important to the Congress and would result in saving the Government a great deal of money if the Congress would pay attention to them. But I call the Senator's attention to the fact that the recommendations to which he refers regarding the Maritime Commission, which were included in the letter received from the Comptroller General—and I am glad to note that some attention is being paid to it—were contained in a report submitted to Congress 4 or 5 years ago. I have in my hand now a report on the Maritime Commission, submitted by the Comptroller General and dated June 30, 1945. I may say that I secured this report from the Archives through the Secretary of the Senate. It has never been printed as an official document. It has never been used by the committee, and the Congress paid no attention whatever to it. So I believe that our great concern should be not because the General Accounting Office is not getting more reports to Congress, but because of the inaction of Congress with respect to the reports when they do arrive.

This report calls attention to numerous cases of fraud, overpayments, and charges of other kinds, which may or may not have been turned over to the Department of Justice. I doubt if any other Member of Congress knows. The report was not even recognized to the extent of having it printed. I wish to read a couple of statements from page 5. The report says:

> The Commission—

That is, the Maritime Commission—

> failed to make reports of cases involving fraud or irregularities to the General Accounting Office in accordance with the requirements of General Accounting Office Regulation No. 50, as amended.
>
> The files of the Maritime Commission in February 1947, disclosed 171 cases of alleged fraud.

The cases are itemized. We in Congress have paid no attention whatsoever to the report. I think instead of talking about increasing the appropriation for the General Accounting Office, which has done a good job with the funds we have been allowing them, we had better pay a little more attention to the reports when they get here, and see that they are put to some use.

I have another report before me which Congress never thought enough of to have printed. This is an official document——

Mr. BRIDGES. How many cases of fraud did the Senator say were cited in the report to which he referred?

Mr. WILLIAMS. I read from the report:

> The files of the Maritime Commission in February 1947, disclosed 171 cases of alleged fraud.

I am not saying that some of these cases might not have been clarified. I do not know; but if anyone else knows, I should be glad to be informed.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. The reports of the General Accounting Office showing fraud, collusion, wastefulness, and inefficiency in the Maritime Commission date back to 1942, if not earlier than that. So far as I know, no one in the Commission has ever been called to account for any of those things which the General Accounting Office said were done wrongfully, illegally, or wastefully.

Mr. WILLIAMS. I think that is correct. We have been letting these reports come up here, and have taken no action.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. TOBEY. One Member of this body who called them to account was the Senator from Vermont [GEORGE AIKEN]. He got very little support in the Senate when the scandals were shown up.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. I wish to ask the Senator if he knows that the Committee on Expenditures in the Executive Departments, under the Senator from Vermont [Mr. AIKEN], last year went into

the affairs of the Maritime Commission and made a report indicating extravagance, wastefulness, and so forth. Naturally the committee would not go into the criminal actions. They had all been investigated, and it is assumed that they were turned over to the Attorney General. But so far as the Senator from Michigan knows, there has been no check-up to ascertain whether there were prosecutions, or whether the money was ever recovered from the various people.

Mr. WILLIAMS. I wish to read another report which was sent down by the Comptroller General, with regard to the Maritime Commission. This report was submitted on March 31, 1948, and included the period ending June 30, 1947. Mr. Warren said:

> There was a lack of adequate control over the expenditures of appropriated funds during the fiscal year 1947, which resulted in at least one instance of payments exceeding the amount appropriated for a specific purpose.

Congress has done nothing about it; yet here a violation of the law was cited to us.

Continuing to read from the report:

> The accounting records for the fiscal years 1946 and 1947 have not been completely recorded or adjusted to the facts. On the whole, the accounting records were in even worse condition than in the prior years.

Surely there is nothing wrong with the job which has been done by the GAO on their available funds. They have done their job well without benefit of this proposed increase. We in Congress are the ones who have fallen down.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. O'MAHONEY. If I correctly understand the Senator from Delaware, he is arguing that because the General Accounting Office pointed out patent frauds in the administration of the Maritime Commission, the General Accounting Office now should suffer a penalty in the reduction of its appropriation. I desire to point out that largely as a result of the very reports to which the Senator has alluded, not only did the Senator from Vermont [Mr. AIKEN] bring the matter to the attention of the Senate upon the floor, but the President of the United States has appointed a new head of the Maritime Commission. He has placed General Fleming, who in the Federal Works Agency and in numerous other positions has demonstrated remarkable capacity as an efficient administrator, at the head of the Maritime Commission. I submit that this is no reason for penalizing the General Accounting Office or rejecting the recommendation of the Appropriations Committee.

Mr. WILLIAMS. I should like to ask the Senator from Wyoming what the President did with the man whom he removed from office because he was incompetent. Was he promoted or transferred to some other agency, or was he held responsible for these irregularities?

Mr. O'MAHONEY. I am sure I do not know about that. The man removed has not to my knowledge been given any other appointment.

Mr. WILLIAMS. I think that we should know. Merely appropriating extra money to the GAO will not clear up these corrupt agencies. That is our job.

I should like to read from another report which came from the Comptroller General, and which was never considered of sufficient importance to the Congress to be printed or receive any attention. I have said many times on the floor of the Senate that the corporations and executive agencies of the Government needed some attention by the Congress to see that they were living within the law. We should take some action when any irregularities are called to our attention.

The report on the Commodity Credit Corporation was mentioned by the Senator from Florida [Mr. HOLLAND] this evening. He pointed out that the General Accounting Office was 4 years behind in getting that audit report up here. I wish to point out that that report, according to the statement of the General Accounting Office, was prepared and ready for submission to Congress about the 31st of December 1946; but under the law the General Accounting Office was required to forward it to the Department of Agriculture for verification. It was held in the Department of Agriculture and never returned until sometime this year. The mere addition of extra men in the General Accounting Office will not correct this. What we need is a good housecleaning in the Departments who, according to these reports, are not keeping their records straight.

It is claimed in many of these reports by the GAO that it is not so much because of lack of auditors that they are not getting reports up here as it is lack of cooperation on the part of the executive branches in our Government. In the case of the Commodity Credit Corporation it was stated by Mr. Warren that the primary handicap in rendering the report sooner was lack of cooperation on the part of the Department of Agriculture. In that report we were told that the sum of $366,000,000 had not been accounted for. Apparently the Members on that side of the aisle are not too much concerned about this discrepancy. The General Accounting Office said that the trouble in auditing the Commodity Credit Corporation was not a shortage of auditors but lack of sufficient appreciation on the part of the managers of the Commodity Credit Corporation of their responsibility even to have books from which a report could be rendered to the taxpayers. The manager of the Corporation did not feel that the Corporation was supposed to make a report, and many of the accounts are still not reconciled. We might add $100,000,000 to the appropriation for the General Accounting Office, but until the agencies themselves are forced to keep records which can be properly audited, we shall never get an audit that is any good.

Here is another interesting report made by the General Accounting Office, which was submitted to the Senate:

> MY DEAR MR. PRESIDENT: There is transmitted herewith for the information of the Senate a report concerning the conversion of two price-minus contracts between the United States Maritime Commission and Froemming Bros., Inc., to a selective-price contract. The report shows that this action resulted in a financial loss to the Government of nearly $400,000. The report also shows that by reason of accounting methods employed by the contractor, acquiesced in by the Maritime Commission, a possible saving of over a million dollars was lost to the Government.

Apparently no one thought it was of sufficient importance to do anything about it. The report has been lying in the Archives for the past several months.

Here is another report——

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MAGNUSON. I regret that I was not in the Chamber when the Senator was speaking about the report with regard to the Maritime Commission, with which I am familiar. I understand that the Senator intimated that it is a report about which no one has done anything.

Mr. WILLIAMS. No——

Mr. MAGNUSON. I wish to inform the Senate, including the Senator from Delaware, that the Senate Committee on Interstate and Foreign Commerce is very familiar with that report. It has been submitted to us within the past 30 days. It is now in the hands of a special subcommittee, which is in process of investigating the entire maritime situation in the United States, including the Maritime Commission.

Also, many of these reports by the General Accounting Office have been submitted to the Committee on Expenditures in the Executive Departments, and from time to time attention has been called to them.

The very fact that the General Accounting Office has done this during the past 3 and 4 years has led, in my opinion, and in the opinion of the committee—I do not speak for all the members of the committee, but I speak for myself in that respect—to a complete revolutionizing of the administration of the Maritime Commission in the past 18 months.

I merely wished to inform the Senator that if he is alluding to the fact that no one has done anything about the report, I can tell him that the report is in process of being combed very thoroughly.

Mr. WILLIAMS. What I was pointing out——

Mr. MAGNUSON. Because of the General Accounting Office, many factors have been brought to light. I must admit that there has been a great deal of mismanagement in the Maritime Commission, which the Senate will hear about in due time.

Mr. BRIDGES. Mr. President, will the Senator yield to me for a question?

Mr. WILLIAMS. I yield, and then I will reply to the Senator from Washington.

Mr. BRIDGES. Will the Senator from Washington indicate whether any of the 171 cases of fraud alleged in the report have been prosecuted by the Department of Justice?

Mr. MAGNUSON. I may say that the use of the term "fraud" is somewhat of

a misnomer. Of course, there is such a thing as fraud that can be prosecuted, and then there is mismanagement that can be termed fraud by some persons who are investigating such matters.

Mr. BRIDGES. These were cases of alleged fraud.

Mr. MAGNUSON. If the Senator will read the report, I think he will find that as to the 171 cases mentioned, there would be some question in the Senator's mind as to whether there was actual criminal fraud which could be prosecuted.

The General Accounting Office frequently says to the departments, "You have been given funds for purpose A, and the law says they shall be used for purpose A, but you have used the funds for another, quite different purpose."

The funds probably are legally and wisely used; but the minute there is a different interpretation in the General Accounting Office, the term "fraud" is used, because the department in question violates what the General Accounting Office regards as the congressional directive.

In all those cases I doubt whether criminal fraud will be found to appear at any time, even if the cases are thoroughly combed. Of course, we on the committee have gone into them in some detail.

Mr. BRIDGES. At least they involve violations.

Mr. MAGNUSON. Technical violations, possibly, I would say.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield, but I still am waiting to reply to the Senator from Washington myself.

Mr. AIKEN. When I said a little while ago that nothing has been done about these charges on the part of the General Accounting Office against the Maritime Commission, I was not strictly correct, because in the last 3 or 4 years the committees of both the House and the Senate have paid attention to them. Last year our own Committee on Expenditures had a staff of approximately seven or eight people working from the time Congress adjourned until almost the first of January, making management survey, in cooperation with the General Accounting Office. As a result, last summer the Commission began to reorganize.

Unfortunately, the Congress cannot go all the way in bringing these people to account. We do not have authority to take them into court and have them tried in court. I do not know that any of them have ever been called to account by the Department of Justice for the wrongs they have committed, according to the General Accounting Office. But it would not be quite true to say that the Congress has done nothing.

I admit that from the time when I first began to call these reports to the attention of the Senate, for a few years there was very little response to my efforts. But during the last 3 or 4 years, more has been done; and I feel that the Committee on Expenditures, which was really set up 2 years ago for the first time in a workable form, has performed a very valuable function.

I wish to say that since General Fleming has assumed the Chairmanship of the Commission, things have been getting better. However, there is still a great deal of room for improvement.

Mr. WILLIAMS. Mr. President, I should like to read into the RECORD again, in order to clarify the point raised by the Senator from Washington, what the General Accounting Office states regarding fraud. What I shall read is not my statement, but the statement received by the Congress from the General Accounting Office:

On page 5 of one of the reports it is stated:

> The Commission failed to make reports of cases involving fraud or irregularities to the General Accounting Office in accordance with the requirements of General Accounting Office Regulation No. 50, as amended.
>
> The files of the Maritime Commission in February 1947 disclosed 171 cases of alleged fraud.

The General Accounting Office breaks down those cases as follows:

Kick-backs	$100,941.98
Overcharges	772,321.12
Commissions	55,848.02
Theft of Government property	3,338.45
Diversion of labor and/or material	17,922.28
Pay-roll padding	446,987.73
Irregularities in termination claims	282,936.80
Surplus sale irregularities	99,643.09
Defective material and equipment	332,923.00
Others, miscellaneous	76,017.03

Or a total amount of $2,188,879.50.

There is a footnote by the General Accounting Office to the effect that they think possibly the Government will recover $1,000,000.

Now I call the attention of the Senator from Washington that what we are discussing here are not mere technical violations.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MAGNUSON. Of course what the Senator has been saying is correct. However, that is not a question of fraud for which the Maritime Commission is responsible. What the General Accounting Office is talking about there are cases occurring during the war, during the period of the wartime construction of ships, at which time the Maritime Commission contracted for shipbuilding in the amount of hundreds of millions of dollars. In some cases there might have been a conspiracy between some employees. Of course there were thousands of employees at that time, perhaps employees of the Maritime Commission or perhaps employees of competing contractors.

No doubt those records involve cases where a ship inspector may have done something wrong. All of those are individual cases which have been called to the attention of the prosecuting authorities in the local communities where such things occurred; and in those cases there have been some prosecutions.

If the Senator from Delaware will examine the record, he will find that many cases arising as a result of wartime operations in connection with the great shipbuilding program were prosecuted. What he has read is absolutely correct.

The great complaint which the General Accounting Office has against the Maritime Commission is that the Congress in a very complex and comprehensive law gave the Maritime Commission certain moneys to be used by it for the construction of ships, for the improvement of ship design, for shipping operations, and for similar operations. The Maritime Commission's interpretation of that law involved a different interpretation than that made by some of the lawyers of the General Accounting Office.

Mr. WILLIAMS. But, Mr. President, I should like to point out that we are not talking about the interpretation of laws. And I doubt very much that the Senator from Washington has even read this report which I have here.

Mr. MAGNUSON. I am talking about the Government departments.

Mr. WILLIAMS. Any man in the Maritime Commission, having any position of authority, certainly knows better than to interpret kick-backs, overcharges, thefts of Government property, and similar offenses as minor affairs; if he does not, he is not competent to hold his job.

Mr. MAGNUSON. I do not think they are minor. But in view of the great amount of shipbuilding which occurred during the war, operations involving hundreds of millions of dollars, I am sure that in some shipyards someone was engaging in some kick-backs, and someone may have been stealing in some way or other, here or there. We found that in practically every activity which was conducted during the war. But that is not the fault of the Maritime Commission or of the General Accounting Office.

Mr. WILLIAMS. Mr. President, I am not finding fault with the General Accounting Office. I am congratulating the General Accounting Office on the thoroughness of the job it did in reporting this to the Senate. I still do not know why the appropriate committee has not taken some action.

Mr. MAGNUSON. Of course, I think it did an excellent job on these matters.

Mr. WILLIAMS. Every time irregularities are pointed out in any of the Government agencies, immediately reference is made to the wartime operations, and the war is cited as an excuse for all such irregularities. The war does not excuse fraud.

The report to which I have been referring is accompanied by a letter of April 10, 1947. Again, a letter dated March 31, 1948, together with another report from Mr. Warren, of the General Accounting Office, stated that the books of the Maritime Commission were even in worse shape than they were before in the prior years. Instead of improving, the affairs of the Maritime Commission are getting worse.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. GEORGE. The Senator from Delaware is indicting the General Accounting Office and General Lindsay

Warren for failure to have other agencies of the Government carry out their duties.

Mr. WILLIAMS. No, Mr. President; on the contrary, I am praising the General Accounting Office for the good work it has done in calling the situation to our attention. If there is any indictment at all, it should be against us as Members of the Congress for our failure to see that the situation was cleared up. I think the General Accounting Office has done a wonderful job, and I might say they did it without the benefit of the increased appropriations now being requested by the committee.

Mr. GEORGE. Then I do not see the relevancy of the Senator's criticisms, when they are presented in connection with an appropriation which is urged for the General Accounting Office. If someone else has been derelict in duty, it is not the responsibility of the General Accounting Office.

Mr. WILLIAMS. The point is this: With the appropriations which have been made to the General Accounting Office in the past, they have been doing a wonderful job, a very much better job than we in Congress have done in following up their recommendations. They have been able to submit reports to us on time. Reports which have not reached us on time from the General Accounting Office have been late as the result of a lack of cooperation on the part of the executive branch of the Government and I submit an increased appropriation for the GAO will not correct that situation.

Mr. GEORGE. Mr. President, what the Senator is saying may be entirely true, but I do not see how that is quite pertinent, when we are called upon to consider an appropriation for a very efficient officer of the Government.

Mr. WILLIAMS. Mr. President——

Mr. GEORGE. If the Senator from Delaware will permit, I do not want to interfere with his statement, but let me say to him that I happen to know something about the General Accounting Office. In the first place, I have regarded Mr. Warren, from the time he served in the House, as one of the ablest public servants in the United States.

Mr. WILLIAMS. I agree with the Senator on his ability. But that is not the question upon which we are voting.

Mr. GEORGE. I have not qualified that opinion at all. I wish to remind the Senator, as he must know if he has followed closely the history of the General Accounting Office, that General Warren has not hesitated to take issue even with the Chief Executive, and with every single branch under the President's Cabinet, when the occasion demanded it, many times at his cost. He has been really a fearless public servant.

The Senator is now referring to wartime contracts. I want to make this statement on that point: Shortly before the war came to an end, the Senate authorized the appointment of a special committee on postwar economic policy and planning. A committee was created, and, since I offered the resolution, I was named its chairman. It was a committee of 10 Senators, as I recall, appointed by the Vice President. One of the bills recommended by that committee to the Congress and passed by the Congress was the Contract Settlement Act, an act for the clearance of plants, for the cancelation of war contracts, and for settlements under war contracts. If I do say so myself—and the credit goes to other members of the committee, not to myself—that was one of the constructive steps that kept this country from really having 8,000,000 unemployed, as Mr. Robert Nathan, who is now making his latest report on steel and on the steel controversy, warned us might happen. Even the Vice President of the United States said we were bound to have an unemployment of 8,000,000, and he thought perhaps more.

The administration of this plant-clearance, war-contract cancelation, Contract Settlement Act, fell very largely into the hands of the Comptroller General of the United States. Of course I cannot go into details at the moment, but I think I should say in behalf of a really great public servant that I have personal knowledge that literally hundreds of millions of dollars were saved upon war contracts through the vigilance and diligence of the Comptroller General and his office.

Mr. WILLIAMS. Mr. President——

Mr. GEORGE. If the Senator will pardon me, I know that such things as have been mentioned occurred because many of the contractors complained to me, as the head of the committee. In every instance I said, "Make your peace with the Comptroller General. If he is right, and if you are not entitled to full settlement, you should not receive all that you claim." I should not want to make a statement I could not verify, but I unhesitatingly say that hundreds of millions of dollars—I am not sure that it did not run into the billions of dollars—were actually saved.

Whether the Attorney General prosecuted, or whether any other branch of the Government acted, I do not know; but I do know that Mr. Warren and his office, in every case where he thought there was fraud, withheld payment, compelled adjustments, and saved to the Government literally hundreds of millions of dollars on all sorts of war contracts. I think I should make this statement, in justice to Mr. Warren.

I desire now to make another statement. The Comptroller General is distinctly and definitely a creature of the Congress, and is in fact an arm of the Congressional power in the Government, though not exclusively such. Of course he is appointed by the President. He is amenable in certain ways to the Chief Executive, but nevertheless his office and his whole function is to aid and assist the Congress of the United States. If anybody is derelict, it is the Congress, the Senate as well as the Members of the House. Certainly dereliction should not be charged to Mr. Warren. Whether this particular appropriation that is requested is justified entirely, I do not undertake to say; but I do undertake to say it would be most unfair and most unjust to hold General Warren responsible for a failure of the executive branch of the Government, particularly when such action upon our part would constitute the severest indictment of the legislative branch of the Government that can be imagined or formulated. So, in no event should he be held responsible for our failure.

Mr. WILLIAMS. Mr. President, I do not know whether the Senator was present when I began speaking, but I made it very plain that anything I was saying was in no sense to be interpreted as a criticism of Mr. Warren or the General Accounting Office. There is not a man in the executive branch of the Government for whom I have a higher respect. I agree with everything the Senator from Georgia has said regarding his ability, but just because we respect the man does not mean that we should give him an extra $3,000,000.

Mr. GEORGE. I do not think the Senator should attempt to cut off his water, then, because somebody else has failed.

Mr. WILLIAMS. But, merely because we think a man is doing a wonderful job, does not necessarily mean we cannot cut the appropriation for his office. We still propose to allow him more than he ever had prior to 1942.

Mr. GEORGE. That is true, and I do not think the appropriation is either too large or too great. But I do say that the appropriation should not be reduced for the reasons advanced by the Senator from Delaware.

Mr. WILLIAMS. I was merely pointing out that the Comptroller General had been doing a wonderful job and that he had been doing that job with the employees he had, and therefore I did not see why the committee should again increase the appropriation for his office $3,000,000 more than the House considered necessary.

Mr. O'MAHONEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Wyoming?

Mr. WILLIAMS. I yield.

Mr. O'MAHONEY. I sought to interrupt because of the statement the Senator made at this particular point, namely, that the Comptroller General is doing this work with the staff he has. As a matter of fact, the reports are piling up because he does not have a sufficient staff. That is the statement he personally made to our committee. More than that, the staff of the General Accounting Office—and the Senator from Massachusetts will recall his testimony, I am sure, because he inquired of Mr. Warren—the staff has been reduced by more than 6,000, and if this amendment offered by the committee is rejected, he will have to cut off 1,200 more.

What the Senator from Georgia has said is perfectly accurate. It does not go quite far enough. Not only did the Comptroller General save millions under the Contract Settlement Act; not only did he, since 1940 recover $635,000,000 by way of collections from accounts; but he was responsible largely for the Government Corporations Act, which was introduced by the Senator from Virginia [Mr. BYRD], and in two instances alone, the Federal Prisons Industries Corporation and the Panama Railroad Corporation, the work of the Comptroller and his staff has resulted in the payment of dividends

amounting to $22,000,000 to the Government of the United States. I submit it is very poor acknowledgment of remarkable services to cut down the appropriation and the staff of such an able public servant as that.

Mr. FLANDERS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Vermont?

Mr. WILLIAMS. I yield.

Mr. FLANDERS. Mr. President, I want to be sure that I understand the point which the Senator from Delaware is trying to make. I will state the point as I have understood it, and then ask the Senator if I am correct in my understanding.

If I am correct in my understanding, the Senator from Delaware is making the point that the General Accounting Office now is furnishing us with more cases than we follow up.

Mr. WILLIAMS. That is correct.

Mr. FLANDERS. He is asking why we should continue to provide the General Accounting Office with facilities for following up cases much faster than we can pay attention to them. Is that the point the Senator is trying to make?

Mr. WILLIAMS. That is the point, plus the fact that the General Accounting Office, to my knowledge, is up to date, as nearly as it could be, on the reports. With respect to the reports as to which it is behind in its work, it is not the fault of the General Accounting Office, but is the fault of other Government agencies for not furnishing the adequate information as they are required to do under the existing law.

I know that after the war the General Accounting Office was given the extra job of auditing war contracts. But that job is over, the reports are here now before Congress and have been for several months.

Besides I call your attention to the fact again that we are not proposing to put this agency out of business, we will still be leaving them more employees than they ever had before the war or before 1942 and we will be giving them more money than the House considered necessary.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. Mr. President, I should like to say a word in regard to the employees of the General Accounting Office. In some of the instances in which we have increased appropriations and I voted with the committee, I was not absolutely clear. This case, I think, is the clearest one we have. In 1946 the General Accounting Office had 14,904 employees. It now has 9,450, or a decrease of 5,454 employees in 3 years. If a 10-percent cut should be applied, there would be a further reduction of 1,200 employees. If I correctly understand the Senator's amendment, approximately 600 more employees would have to be dropped.

During the past 5 years the General Accounting Office has voluntarily turned back to the Treasury $13,000,000 from appropriations. As the Senator from Wyoming has said, in the past 3 years it has collected $635,000,000, and has this year already collected $76,000,000.

It seems to me it is one office that has made an extremely good case for an increased appropriation. We gave it only about half the amount it requested.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield. But first I say that the Senator from Massachusetts is wrong in that you say you gave them only half the amount requested. If the full committee amendment is adopted you are giving them all.

Mr. BREWSTER. Mr. President, I should like to ask the Senator from Massachusetts as to the comparison of the Federal budget of 1946 and that of this year. It seems to me it makes a great deal of difference as to how much accounting there is to do.

Mr. SALTONSTALL. I cannot answer the Senator's question.

Mr. BREWSTER. Is it not true that there were enormously inflated expenditures in the war years, when we were spending as much as $80,000,000,000 to $100,000,000,000 a year. We are now spending approximately $40,000,000,000. Does it not make a great deal of difference how much accounting there is to do in a job of that character?

Mr. SALTONSTALL. I think so. As to the amount of collections the office has turned back into the Treasury, there is always the problem that the department responsible does not get credit for it on its own books. The question of additional collections for the Internal Revenue brings up a similar problem.

Mr. BREWSTER. I have the very highest regard for Lindsay Warren, with whom I served in the House. I think he is one of the best officials the Government has. But I do not think that means that any given amount should be appropriated. In view of the very great reductions in Federal expenditures, I think we might very well go along that line.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KNOWLAND. Should not this point be considered? Because of the heavy expenses of the war years, unless the General Accounting Office is able to carry on its investigations, the statute of limitations is likely to run very quickly, if it has not already run in a great many cases? Therefore, it seems to me we may be getting toward the jumping-off place where the General Accounting Office cannot find any fraud or other similar situations existing, and we may lose a good opportunity of rectifying the situation.

Mr. WILLIAMS. The audit of the war years has been completed and is in the possession of the Senate besides. The statute of limitations has already expired, so far as the war years are concerned. The war is over, and I do not think we should compare the personnel of the Office at this time with what was required during the year in the postwar years. I repeat, if we adopt this amendment and reduce the number of employees 5 percent, the General Accounting Office will still have approximately 50 percent more employees than it had at any time before the war.

Prior to 1942, which was a war year, it never had as many employees on the pay roll at any time as it will have even if the reduction is made. In 1942 the expenses of the Government were just as great as they are today; in fact, they were greater. If at some time we do not begin to cut back the number of Federal employees, we shall never balance the budget. Before the war started, the General Accounting Office had between 4,000 and 5,000 employees, not 8,000 or 9,000 as they now request. I am speaking of the years 1938 and 1939. We are still giving the office double what it had before. I feel that if Congress is really sincere in its desire to balance the budget, we may as well vote for these cuts. In the resolution which was signed by 62 Members of the Senate requesting the President to cut the budget 5 percent there was no exception made for the General Accounting Office or any other agency. We were very bold in endorsing that resolution, placing the responsibility on the President, yet when we call the roll here on cutting any individual agency we hesitate.

We are planning to tell the President we wanted him to cut every department of the Government 5 percent. If we meant that, then let us adopt this amendment. If we did not mean it, and want our pet agencies exempted, then let us write such exemptions in the resolution proposed and be frank about it. I think it is very cowardly to vote for the full appropriations here, then later call on the President to do the job we are not men enough to do. There are many amendments to be proposed to this bill calling for reductions. It is our opportunity to tell the country whether or not we ever intend to balance this Federal budget.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the committee amendment.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was, on page 35, line 8, after the word "only", to strike out "$1,423,800" and insert "$1,582,000."

The amendment was agreed to.

The next amendment was, on page 35, after line 8, to insert:

Agency expenditure analysis: For necessary expenses to carry out the provisions of section 206 of the act of August 2, 1946 (Public Law 601), including personal services in the District of Columbia or elsewhere, printing and binding, and the procurement of services authorized by section 15 of the act of August 2, 1946 (Public Law 600), $800,000, to be immediately available: *Provided*, That the Comptroller General of the United States is authorized to employ all personnel under this appropriation without regard to the civil-service laws, rules, and regulations.

The amendment was agreed to.

The next amendment was, under the heading "Housing and Home Finance

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Agency—Office of the Administrator," on page 36, after line 2, to strike out:

Salaries and expenses: For necessary expenses of the Office of the Administrator, including a health service program as authorized by law (5 U. S. C. 150), $1,200,000.

And in lieu thereof to insert the following:

Salaries and expenses: For necessary expenses of the Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings of organizations concerned with the work of the Agency; payment of tort claims pursuant to law (28 U. S. C. 2672); a health service program as authorized by law (5 U. S. C. 150); purchase of one passenger motor vehicle for replacement; and dissemination of the results of research and studies undertaken pursuant to title III of the Housing Act of 1948, notwithstanding the provisions of 39 United States Code 321b; $1,200,000.

The amendment was agreed to.

The next amendment was, under the subhead "Public Housing Administration," on page 37, line 12, after the word "housing", to strike out the following additional proviso: "*Provided further*, That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies."

The amendment was agreed to.

The next amendment was, on page 37, after line 21, to insert:

OFFICE OF THE HOUSING EXPEDITER

Salaries and expenses, Office of the Housing Expediter: For expenses necessary to carry out the functions of the Office of the Housing Expediter, including personal services in the District of Columbia; attendance at meetings of organizations concerned with rent control; hire of passenger motor vehicles; printing and binding; purchase of newspapers (not to exceed $10,000); services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); not to exceed $5,000 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and health service program as authorized by law (5 U. S. C. 150); $24,075,000: *Provided*, That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

Mr. BRIDGES. Mr. President, this item has to do with the Housing Expediter. The particular question has to do with rent control, primarily. When the House passed the bill the Rent Control Act was not yet in effect, and this item was not put into the appropriation bill until it came to the Senate. The Senate committee recommends $24,075,000. The top peak in personnel this year, for rent control, is 4,947. The figure recommended by the committee calls for an increase in personnel of 553. If I correctly understand the situation, eventually rent control will be on its way out. There are certain areas of the country which are being controlled, and certain hotels were recontrolled, but there is no reason why the Housing Expediter cannot do his work with the existing personnel, which numbers 4,947 persons, or why he should need 553 additional employees.

For that reason, Mr. President, I move that the appropriation reported by the committee be cut $2,407,500 to $21,667,500, which is a 10-percent cut.

I take that figure because 553 is slightly more than 10 percent of the personnel.

Mr. President, I think my proposal is a fair one, and on the amendment I ask for the yeas and nays.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment on page 38, line 9, it is proposed to strike out "$24,075,000" and to insert "$21,667,500."

The VICE PRESIDENT. On this question the Senator from New Hampshire asks for the yeas and nays.

The yeas and nays were ordered.

Mr. CAPEHART. Mr. President, I am a member and possibly the president of the Silent Senators Club. Some 2 or 3 months ago, Senators will remember, I organized the Silent Senators Club on the floor of the Senate. Since that time I have had very little to say, and I rather suspect that the organization we created that night has been helpful to the United States Senate. In spite of the fact that it may not seem that we have accomplished very much since then, at least we have had less talk than we had, at least we have had less talk on the part of many Senators. We have had no filibuster.

Mr. President, I possibly should not be talking tonight, but I wish to ask this question: When are we going to live within our income?

The VICE PRESIDENT. The Senate will please be in order, on the left and the right particularly. [Laughter.]

Mr. CAPEHART. When are we going to live within our income, Mr. President? When are we going to have the courage in the United States Senate and the United States Congress to appropriate no more money than we reasonably can anticipate collecting in revenue?

I signed the petition, along with 61 other Senators, to direct the President of the United States to reduce expenditures from 5 to 10 percent, and I am frank to tell my colleagues that when I signed it and became a party to it I felt rather sheepish, as we say in Indiana. I felt as though I was a party to passing the buck to the President of the United States to do something which I personally did not have the courage to do myself. My only reason for signing it was that we at that time passed on four or five appropriation bills, and it was impossible to withdraw them or reconsider them.

I ask the President of the Senate, how long can he as an individual expect to keep out of the hands of the sheriff if he spends more money each day and each week and each month and each year than he takes in?

The VICE PRESIDENT. Does the Senator want the Chair to answer that question? [Laughter.]

Mr. CAPEHART. I do not, because I know the answer. The answer would be that the sheriff would catch up with him just as soon as he was unable to pay his bills.

What are we thinking about? How long can we continue as a Government to spend more money than we take in each year? How long can we continue year in and year out to incur a deficit?

Mr. President, why have we not the courage to appropriate only the amount of money which we reasonably anticipate we are going to receive in revenue? There is not a Senator on the floor who would run his business as we run the business of the Government. Is there a single Senator here who would deliberately and intentionally in any given month or any given year spend more money than he anticipated he was going to have in revenue?

What are we thinking about? When do we expect to balance the budget? When do we expect to live within our income? What is wrong with the American people, through their Congress, saying to the United States and to the people throughout the world, "We expect that we are going to have X amount of money to spend in a given year or a given period," and then set about in an intelligent way to allocate the available money to this department and that department, to this branch of the Government and the other branch of the Government.

Why do we legislate in a hodge-podge way? There is not a Senator on the floor tonight who knows how much money the Congress is going to appropriate. There is not one here who knows, and there is not one here who would run his own business or his own private affairs on the basis of not knowing how much he was going to spend and not knowing what his personal income was going to be.

Mr. President, I say that, unless we stop this foolishness, sooner or later we are going to run out of money. I say—and I can talk from experience—that there is nothing worse in this world than to have more liabilities than assets. I have experienced it, and I suspect some of my colleagues have. Why should we deny that a government is any different from an individual, or a company, or a corporation, or an institution? Why do we do what we do here tonight, and why have we done what we have been doing all year? Why do we appropriate more money than our income?

I appreciate that there are those who hold the philosophy that deficit spending is a good thing. How much deficit spending? When are we going to stop this practice? When are we going to stop the growth of this great Government of ours? Are we at war? If so, whom are we fighting? When are we going to do the thing which every Senator on the floor of the Senate and every Member of the United States Senate knows we should do? Why do we argue about these things?

Let me put it this way: I care not whether we spend $40,000,000,000, whether we spend $50,000,000,000, whether we spend $60,000,000,000, I care not how much money we spend if it is properly

spent so long as our revenues at least equal that which we spend. I am by nature a great spender. I have spent a lot of money in my time. I love to spend money. I doubt if there is a man on the floor of the Senate tonight who loves to spend money any more than I do. But I learned from bitter experience that one cannot spend more than he takes in without getting into trouble. Why do we do it?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CAPEHART. My question is, When are we going to balance the budget?

Mr. PEPPER. Will the Senator yield?

Mr. CAPEHART. I will yield in a moment. I see many Senators smiling. Go ahead and smile. It is perfectly all right with me. Go ahead and laugh at what I am saying. It is all right with me. But I am saying to the Senate that if the time ever comes in the United States when the American people lose confidence in the money of the Government and in their Government, Senators will not laugh. They can shake their heads and say, "It cannot happen in America," but I will stand here and list 25 things, possibly, which have happened in the past 20 years which 25 years ago many said could not happen here.

Mr. President, we had better consider this matter seriously, because it is a serious matter. There is not a Senator who knows how much money Congress is going to appropriate for the fiscal year. There is no way of knowing how much we are going to appropriate, the way Congress is now handling appropriation bills.

Mr. President, I ask again: Why do we not cut expenses? Why do we not reduce the budget? Why is it necessary to have a budget today of more than $40,000,000,000, when the war is more than 4 years behind us? Why is it necessary to have more than 2,000,000 Federal employees?

Mr. President, I have the highest respect in the world for Mr. Warren. I think he has done remarkable work. I am not standing before the Senate tonight to speak about the pending amendment. I know Mr. Warren has done a remarkably fine job. But the war is over. When he was handling war appropriations which ran up to almost $100,000,000,000 a year he needed a great many employees. In my opinion he did not then have a sufficient number of employees.

Mr. President, why is it so difficult to cut appropriations? Many persons hold to the philosophy that the Federal Government should spend $40,000,000,000 in order to maintain our economy on a high level and to avoid unemployment. Would it not be much better to cut the appropriations, to cut the cost of Government back to the point where it should be cut, keeping the Federal Government within its tax revenue, but, if it should become necessary, appropriate money for the purpose of so-called pump priming? It may become necessary to appropriate money in order to deal with unemployment, and I have no objection to appropriating money for that purpose only. I would not object to money being appropriated and spent for such a purpose.

Mr. President, why do we hide the cost of Government in a dozen or more appropriation bills?

My question is: When are we going to balance the budget? When are we going to live within our income? When are we going to discontinue appropriating on a hodge-podge basis? When are we going to follow the provisions of the Reorganization Act, which specifically state, if I understand them correctly, that the Congress shall arrive at a reasonable anticipated Federal income figure for the specific year and appropriate money accordingly? Why is it necessary to have the fights and the arguments which occur on the floor of the United States with respect to appropriations?

Is there a single Senator here tonight—if there is I wish he would stand up—who thinks that our Government, as it is constituted, and under the private enterprise system can continue year in and year out, and year in and year out to spend more money than it receives in revenue, and pile onto the debt, which stands today at the figure of approximately $252,000,000,000, billions and billions and billions of dollars more? Where is the limit? How high a debt can this Nation afford? Is it $260,000,000,000? Is it $275,000,000,000? Is it $300,000,000,000? Is it $350,000,000,000? Is it $400,000,000,000? Have we completely forgotten thrift? Have we completely forgotten debt? Are we some day going to repudiate the national debt?

Mr. President, I feel very deeply and sincerely on this subject. I say to the Members of the Senate that unless we stop spending more money than we take in each year, some of these days—Senators many shake their heads if they want to and laugh about it—Congress will be considering some sort of a fiscal policy which will be very unpleasant. Congress must come to it if we do not change our policy.

As I said a moment ago, Mr. President, I care not how much money we spend, if we have the money to spend. I should like to give the people of Europe billions of dollars. I should like to give everybody money. I should like to see people everywhere have a higher standard of living. I should like to give money for the purpose of raising the standard of living for all people and so, I suppose, would every other Senator. But I want to caution Senators and say that if we are not careful we will create in the United States a situation which will be harmful to those we are trying to help. It is not a matter of whether we should do all the things that are being advocated. We might well afford to indulge in some of them; many of them, if not all of them, may be desirable; but if we do not place a limit to the amount of money we spend, if we place no limit on the amount of our appropriations, we will injure the people we are trying to help.

Mr. President, I wish I had a blackboard before me tonight on which I could present a graphic illustration of what I have in mind. If I had a blackboard before me I would draw a line down the center of it, and on the left side of the line I would write down all the governmental expenses, and I would write down all the people who are dependent upon the Government. I should like to write on the left side of the line also all the things that are being advocated today to be done by the Federal Government.

On the other side, the right side of the line, I should like to write down the people and the institutions that must make the money to pay the taxes to support the group on the other side of the line. I say to the Senate that if we are not careful, the group on the left side of the line will become so numerous, their demands will become so great, and the cost of satisfying their demands will become so great, that those on the right side of the line, meaning those who are working and producing and paying taxes, will become unable to support those on the left side of the line. When that time comes, the thousands, and tens of thousands, and hundreds of thousands of people on the left side of the line who are deserving of help, who ought to be helped—and I want to help them—are going to lose, are going to be injured, because our Government will run out of money.

Mr. President, I shall not argue about the pending amendment or any particular amendment. I shall not argue about this particular bill or the other particular bill. As president of the Silent Senators Club, I have possibly talked too much already. I am not criticizing any individual Senator. I may be wrong in my position. I may be old-fashioned. Perhaps more money can be spent each day and each month and each year than the Government takes in, without the Government eventually going broke. I do not know about that.

When I look about me, Mr. President, and see the intelligence displayed on the faces of Members of the Senate, when I look at the Members of the House of Representatives and see the intelligence displayed on their faces, and when I meet officials of the administration and see the intelligence displayed on their faces—when I look around and see so much intelligence displayed, I wonder what, after all, we are all thinking about. If we are not careful how we appropriate and spend money, it is my personal opinion that we will hurt the people we are trying to help.

Please keep in mind the imaginary blackboard I have described. Those on the left of the line drawn down the center of the blackboard are people we are trying to help. Those on the right of the line are those who provide the funds with which help can be extended to those on the left side of the line.

Mr. President, I was going to make a motion in connection with the pending appropriation bill and every other appropriation bill from this time on, to recommit each bill to the Appropriations Committee with instructions to deduct 5 percent from each appropriation bill. I have decided not to make such a motion.

I for one, as a signer of the petition, with 61 other Senators, asking the President to make a cut in the appropriations, am certainly not proud of myself. In signing that petition I am passing the buck to the President of the United States to cut expenses. The responsibility is here. It is not with the President

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of the United States. The President is supposed to spend the money which the Congress appropriates. Why do we pass the buck to the President?

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CAPEHART. In a moment I shall be very happy to yield.

Why do we pass the buck? Why do we not have the courage to reduce expenditures and balance the budget? When are we going to do it? It is said, not this year. Are we going to do it next year, or the year following? When are we going to do it? The war has been over for 4 years, and yet this year we will appropriate more than $40,000,000,000. Our State, county, city, and township governments are increasing their appropriations year in and year out. For the first time in its history the State of New York has made appropriations in excess of $1,000,000,000. For the first time in its history the appropriations of the State of California have exceeded $1,000,000,000. Property taxes throughout the State of Indiana are increasing. What is the end going to be?

Think of the blackboard. Think of the line in the center. Think of those on the left who are trying to live off those on the right, and say to yourself, "How long will it be before there will be so many on the left side of the line living off those on the right side of the line that those on the right side of the line can no longer support those on the left side of the line?" When that time comes, we shall be in trouble.

Mr. President, I apologize to the Senate for taking so much time, but I am sincere. As I have said, I care not how much money we spend, if we have it. I should be delighted to see a national income of $400,000,000,000 a year. I should be delighted to be able to spend $75,000,000,000. The point is that we do not have it. Some day we may have it. In my opinion the best way to get it is for the Federal Government never to spend a dollar more than it takes in in taxes. That is the way to build confidence in business. Taxes come from business. They come from the people. They do not come from any other source. They cannot come from any other source. They come from the people of the United States, who must earn them. They must make a profit before they can pay taxes. If we are to load down the people who are working and must pay the taxes, with so many people on the left side of the line, and make taxes so high and put such a great burden on those on the right side of the line, we shall break the backs of the people on the right-hand side, and they will not be able to pay it.

I do not want to argue about individual amendments. I am perfectly willing to leave that to the administration and the Appropriations Committee. We cannot determine those questions on the floor of the Senate. But there is one thing we should know; there is one thing we do know; there is one thing we learned in the first grade when we went to school; and that is that two and two make four. We should have learned, and we did learn, that we cannot spend more than we take in without getting into trouble. We shall eventually go bankrupt if we continue to do so. There is no other answer. We learned that in the first grade in school. It is taught in every school in the 48 States.

I can think of nothing that would be finer for the American people than to have the word go out that the Congress has decided that tax revenues for the fiscal year ending June 30, 1950, are expected to be X amount, and that we are not going to spend one penny more than that, but are going to balance the budget and live within our income.

Perhaps I am wrong. Senators may smile about it or laugh about it, or do anything they care to do about it. But let me say in closing that if we do not stop it, the day will come when the Congress of the United States will be considering a fiscal policy for the United States which will be very unpleasant, and will be a repetition of what has happened in other nations. Then it will be too late.

Mr. President, I apologize for taking so much time.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] to the committee amendment on page 38, line 9.

Mr. O'MAHONEY. Mr. President, I desire to make a comment or two with respect to the pending appropriation. At the same time, I wish to compliment the Senator from Indiana [Mr. CAPEHART], who has just taken his seat, for the evident sincerity with which he spoke.

I wish to say to him and to other Members of the Senate that the Senate Appropriations Committee has not passed the buck to the President of the United States with respect to this item, nor, so far as I know, with respect to any other item. The budget recommendation which came to the Senate for the Office of the Housing Expediter was $26,750,000. The amount which the committee recommended was $24,075,000. The amount which we cut from the budget was $2,675,000, or exactly 10 percent. With respect to this particular item we have already done precisely what has been recommended. The Bureau of the Budget asked for 10 percent more than we granted. So I say that on the record we have not passed the buck.

We are asking for 90 percent of the budget recommendation to carry out a law which the Congress enacted this year. In passing that law the Congress understood that there were many complications. The Congress understood that there would be evictions. The Congress understood that there were landlords who, under rent control, would suffer; and precisely because that burden was recognized, in that law the Congress provided for the personnel to do the work involved. According to the testimony produced before our committee, 86 percent of the additional personnel provided for in this appropriation are for the purpose of handling problems of evictions, and for local assistants. This is what was said:

> We have said many times that eviction control is the heart of rent-control enforcement. Yet we must not delay the processing of legitimate eviction actions. Accordingly, we estimate that to process eviction petitions promptly and to handle the thousands of complaints brought into the open by eviction control will require 815 people.

The problem with which the committee was confronted was simply this: Shall we provide the funds to enable the Housing Expediter, whose office was created by order of the Congress, to carry out the responsibilities which the Congress, by majority vote, imposed upon him? The committee had no jurisdiction to say, "No; we will defeat the law by denying the appropriation." That is not our function. Of course, if the Senate wants to do it, that is something else.

This reminds me of what I conceive to be an incorrect assumption which has been made by many people who talk as the Senator from Indiana has just talked—and very sincerely, too, as was quite apparent. We talk of the war as though it were over; but the war is not over. The war cannot possibly be over until the peace is written. We have our occupation forces in Germany; we have our occupation forces in Japan. Who proposes to bring them back? Who proposes to withdraw them? We had the Berlin episode with the Berlin air lift. We appropriated for it; we bore that expense. That was an obligation of the Government. We carried it on because we felt that was the only way to prevent the advance of communism. That was our responsibility.

It is true that the budget which was submitted to us this year called for an expenditure of almost $42,000,000,000—$41,900,000,000. That is true. But how many Members of the Congress and how many of the people have stopped to realize that of that sum 76 percent goes to four war-connected categories, namely, national defense, international obligations and payments, veterans' benefits and payments, and interest upon the national debt? Out of this budget, there is only $9,900,000,000 for the civilian departments and agencies of the Government. So we have $32,000,000,000, upon one side, to be used to carry on the activities to bind up the wounds of war and to wage the peace, and, on the other side, we have $9,900,000,000 to carry on the normal activities of Government.

Mr. President, I wish to say to the Senate that these four categories I have mentioned have risen in cost 1,200 percent since 1939, 10 years ago. They have risen 1,200 percent because the Congress year after year since the fighting stopped has voted the authority to do these things.

Is it to be said that Congress is blind or that the administration is blind to this burden? Here on this very floor this afternoon the Senate agreed to the conference report on the armed forces unification bill, which was the result of the studies of the Hoover Commission. What was its purpose? Its purpose was to reduce the cost of the national defense. That bill was passed by the Congress in the conviction that if it became law, the expenditures for national defense might be reduced by $1,000,000,000.

When the Armed Services Committee reported that bill, it did so because it wanted to decrease the cost of national

defense, one of the items which have increased in cost 1,200 percent since 1939. I could point to many others.

But, Mr. President, bear in mind that while these four categories have increased in cost at that tremendous rate, the other categories, the civilian departments and agencies, have increased in cost only 40 percent. I say "only 40 percent" merely by way of comparison. But I wish Senators to realize that the principal cause of that increase has been that wholesale prices have doubled and the wages and salaries of Government employees have, in many cases, tripled since 1939; and the Congress voluntarily, and out of the conviction that it was necessary, increased them.

The danger we confront is that by indiscriminate cutting of the appropriations for the civilian departments and agencies of Government, we shall reduce the capacity of the Government to function in such a way as to maintain the economy.

Consider, for example, some of the new expenditures—for instance, the expenditures for civilian aviation, for building airports, and for providing safety facilities in connection with aviation operations. No one but the Government will provide such facilities and engage in that work. If the Government did not do that, it would be utterly impossible to maintain the aviation industry. Similarly, I could point to comparable operations in every one of the various civilian agencies of the Government.

All day yesterday and all day today we have been struggling over appropriations having to do with some of the civilian departments and agencies of the Government, and we have been seeking to balance the budget by cutting those appropriations. Mr. President, the Members of the Senate could eliminate every dollar of the $9,900,000,000 of appropriations proposed in the budget this year for the civilian domestic activities of the Government, but there would still be $32,000,000,000 of appropriations needed to carry on the cost of war and peace, and that would be 3½ times greater that the entire cost of the Government 10 years ago, in 1939.

The war categories of which I have spoken, which have increased in cost 1,200 percent in 10 years, and which now constitute 76 percent of the entire Federal budget, constituted only 29 percent of the entire Federal budget 10 years ago.

So, Mr. President, I say that when we present these items dealing with the operations of the civilian departments and agencies of Government, we should not assume that by means of making excessive cuts we shall be able to balance the budget.

In the case of the particular item now before us, the Appropriations Committee, because it sincerely desires to keep the cost of the Government down, has cut the appropriation 10 percent below the amount of the budget estimate.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am very glad to yield.

Mr. CAIN. I should like to ask the distinguished Senator from Wyoming why in his opinion there should be a larger number of employees in the Office of the Housing Expediter for the coming fiscal year than for the fiscal year just passed?

Mr. O'MAHONEY. Because the Housing Expediter is doing many things this year which were not done last year, because of the fact that rent control is coming to an end, because of the fact that landlords seek to obtain higher rents, because of the problem of evictions, because of a number of other problems which the Senator from Alabama [Mr. SPARKMAN] can discuss much more ably than I can since he was on the committee which reported on those matters. We may have some differences of opinion between ourselves as to whether that should be done; but the Appropriations Committee was not confronted with that question. The Appropriations Committee was confronted with the law and the necessity of enforcing the law.

Mr. CAIN. Let me suggest that I raise this question because I have been and am a member of the Banking and Currency Committee which has had the subject of rent control under serious consideration for several years. Against that background, I should like to ask the Senator what has been the net result of the operations of the Housing Expediter since the Rent and Housing Act was passed on April 1 of this year. Can the Senator from Wyoming indicate to the Senate how many community areas or portions of areas have been completely decontrolled since April 1 of this year?

Mr. O'MAHONEY. The evidence before our committee was that 108 communities had been decontrolled. How many have been decontrolled since that time, I do not know.

Mr. CAIN. I think it is safe to say that in a general way approximately 175 areas have been completely decontrolled since April 1 of this year.

Against that knowledge, I raise the realistic question, why is it necessary to have more people to operate a job which obviously requires much less to be done in connection with it, as of the present time? I think it is agreed by every member of the Banking and Currency Committee, as it was agreed by Mr. Woods, that his job is essentially that of liquidating an operation which the American people and National Government want to get rid of at the earliest possible moment.

I suggest that in providing for that office 553 additional employees, as proposed for the coming fiscal year, we are but encouraging the maintenance of an operation which all of us wish to get rid of, and an operation which is getting rid of itself, so to speak.

Mr. O'MAHONEY. Mr. President, let me say to the Senator that we had evidence on that very subject. The areas which had been decontrolled when the Housing Expediter appeared before our committee were described by him as being fringe areas. That operation involved a small number of employees. He told of at least one case in which, after there had been decontrol, application was made to resume control. That was America's decision. The Senator is quite right.

Let me read this from the statement:

> On the credit side of the ledger is the matter of the various types of decontrol under the new act. On my own initiative I have taken 108 decontrol actions throughout the country. These were semirural and fringe areas and involved only 35 employees. I cannot tell exactly how many more of these actions may be justified before the expiration of the present act. Probable savings in salary and expenses have been considered in the preparation of the budget.

Mr. President, let me say at that point, by way of interpolation, I think we cannot assume that Mr. Tighe Woods, the Housing Expediter, will not continue voluntarily to decontrol when the conditions appear justifiable. I submit if on his own initiative he has decontrolled or had decontrolled, when he appeared before the committee, 108 areas, then it is not surprising to me that the Senator from Washington tells me that now about 175 have been decontrolled. In other words, the Senator gives testimony that Mr. Woods is continuing decontrol where the conditions warrant.

Mr. CAIN. There are several ways, I should like to suggest to the Senator from Wyoming, by which areas and communities may become decontrolled. The Housing Expediter has authority within his organization to decontrol an area. It is likewise true, fortunately, that the communities and States now have authority to decontrol, whether or not the office of the Housing Expediter is in agreement. I am delighted to compliment Mr. Woods with reference to those areas he has decontrolled in recent months, but I simply cannot see, from my own point of view, why he needs a substantial addition to his present personnel in order to get on with the performance of his job, which he and the various States are presently doing reasonably well.

The Senator from Wyoming mentions that Mr. Woods testified, generally speaking, that the decontrol actions were in the fringe areas. I suggest that in the immediate months which lie ahead, some very large American communities will either be decontrolled because of the action of the Housing Expediter, or they will request through their governors decontrol for themselves. If I am not mistaken, the city of Spokane, Wash., which can hardly be considered to be on the fringe of any other community, since it has a population of approximately 150,000 American citizens, is to be decontrolled as of August 1 of this year.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CAIN. Certainly.

Mr. O'MAHONEY. Tighe Woods testified:

> We have only one standard of decontrol; that is to get out of a particular area or portion of an area when the demand for rental housing has been reasonably met.

I think the members of the committee, when they approved this appropriation for 90 percent of the budget estimate, did so because they were convinced that Mr. Woods was telling us exactly how he felt and exactly what he would do.

I should like to add another word. I have been in a position to observe Government employees ever since early in

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the year 1917. I have only words of highest praise for the patriotism and the diligence of the American citizens who come to Washington to work for their Government. During wartimes, I have found, as I am sure everybody else has found, among the men and women working for the Government a high degree of efficiency and loyalty. Certainly the Congress of the United States must have felt so when last year it passed the Pay Increase Act, which added $550,000,000 to the cost of the Government of the United States for the fiscal year 1950. I do not believe we can save money by criticizing these employees and talking as though they are all time wasters and salary grabbers who do nothing for the compensation they receive.

Mr. CAIN. So far as I know, the junior Senator from Washington has not made any such charge.

SEVERAL SENATORS. Vote! Vote!

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAIN. I should merely like to complete the answer, if I may, in response to the observation made by the Senator from Wyoming. The junior Senator from Washington has not cast any reflections, directly or otherwise, on the personnel of the Office of the Housing Expediter. I have raised the simple question, Why is it necessary to have more men and women in that operation to do less work? I submit to the Senate we have not yet been provided with sufficient information to justify increasing the reasonably substantial group of admittedly reliable and competent workers the Congress granted the Office of the Housing Expediter one short year ago.

Mr. BRICKER. Mr. President, I do not care to discuss the issues of the rent-control law. Those were decided some 3 or 4 months ago. But I recall that at the time of that vote most of us voted in the belief that this would be the last year for the rent-control law extension. Practically every one of the Senators, I think, voted for this year's extension in the hope that this would be the last year of rent control, from the Federal Government level. There are only a few spots in the United States, as there were then, that yet have any imperative situation. Those either have or could have State and local rent-control laws adequate to their needs.

At that time it was brought to the attention of the Senate that many of the employees of this agency were engaged in stirring up trouble against the owners of property, on behalf of the tenants, until one court was forced to dismiss hundreds of cases because the owners of small property did not have sufficient money to hire counsel, and it had become an annoyance to the court to pass upon the details of the cases which were brought to the court in an attempt to make it a collection agency as against the property owners and in favor of the tenants. That being true, it would seem that the Administration was overstaffed at that time.

What is the situation since? Not only have many areas been decontrolled but there has been an increase, the largest increase, I think, in the history of the country, in housing facilities, both houses for sale and, we are glad to say, some few houses and apartments for rent; so the problem is less acute than it was when the bill was passed.

What is the evidence of the activities of this agency since the enactment of the law? Only this afternoon I read the forms which have been proposed to property owners by the Housing Expediter under the fair-net-return provision of the law. I said at the time the bill was passed that that provision was unintelligible. If it is, the forms sent out under it are more so. They are complicated and confusing. Of course, many persons will be required to interpret, plan, print, and circulate them in the various areas of the country. That is one of the methods by which the demand for more employees was built up for this agency, which ought to be passing out instead of being increased and enlarged.

Not only that, Mr. President, but since the enactment of the law the housing agency has been engaged in political propaganda, throughout the Nation, I presume. I know whereof I speak when I say that the local office in the city of Cleveland, Ohio, sent representatives to councils in suburban areas to induce them not to pass decontrol resolutions. They were on the Government pay roll, and, of course, they were among the number the Expediter wants to continue on the pay roll. The Expediter himself, on a recent occasion, in the State of Texas, when the Texas Legislature passed a decontrol resolution for the entire State, took an airplane and went to the Governor's office to try to induce him to veto the resolution of the State Legislature of Texas to decontrol the whole State of Texas. In my judgment, it is certainly outside the contemplation of the Senate or of the House, in the enactment of the law, that the funds appropriated should be used by the Expediter in order to propagandize local authorities to continue rent control so that he might enlarge the department and, no doubt, come back next year with a request for additional funds, and possibly more employees. On the basis of the number of employees he has and the amount of business the agency has, including traveling around the country on this propaganda activity, he will make the claim that it is necessary to continue the law another year.

We are now 5 years past the war, Mr. President, and this law is continued only under the authority that Congress has during a war and in the rehabilitation era succeeding the war, according to decisions of the Supreme Court of the United States. We have certainly reached the time when we should be considering getting rid of war controls—this is one of the last, it is true—rather than enlarging them and extending them.

So, Mr. President, in my judgment, the motion of the Senator from New Hampshire not only should be agreed to, but I shall be very happy to fight for a further decrease in the personnel in this agency, which, in my judgment, and, I think, in the judgment of every Member of the Congress who voted for the bill, is and ought to be a dying agency of the Government, no longer hanging on to a war power for the building up of its personnel, but, rather, going out of business in the interest of the public.

Mr. SPARKMAN. Mr. President, I have no desire to extend the debate, but I believe some things should be brought out in connection with this proposed amendment.

I believe, along with the able Senator from Ohio—and I have stated it on the floor of the Senate many times—that this year's extension of the rent-control law in all likelihood represents the last extension of rent control as a Federal matter of legislation. I have stated that many times, and I believe it is the feeling the committee had when it reported the rent-control bill this year.

I pay my respects to the Senator from Washington [Mr. CAIN] and the Senator from Ohio [Mr. BRICKER], because they have been absolutely consistent all along in their belief that rent control should not be extended this year. They worked and voted against it. But the President and the Congress saw fit to extend it.

I should like to call the attention of Senators to the fact that when we extended rent control we directed the Housing Expediter to place in every rent-control office in the country an extra man, and we defined what his duties should be; we enumerated his duties. We did not leave it discretionary with the Housing Expediter. He is not placing employees there because it wants to, but he is doing it because Congress told him to do it. Congress wrote it into the law.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. FERGUSON. Will the Senator read the provision which specifies that an extra man shall be placed in each office to perform certain functions?

Mr. SPARKMAN. I do not have the law before me, but I will tell the Senator, in substance, what it provides. The committee wrote it into the law and the Senate confirmed it. We directed that one person in every rent-control office should be detailed to the job of assisting landlords and tenants in filing claims for adjustments.

Mr. FERGUSON. That does not mean an extra man. Any man on the job could do it. For instance, the men who went to the town councils to persuade them not to pass ordinances of decontrol could have been doing that particular job. We did not provide that the Expediter should hire an extra man over and above the employees he had in the office. We said that certain functions were to be performed. It was up to him to perform them through the employees he had in the office.

Mr. SPARKMAN. If the Senator will read the debates, he will find that we many times referred to the fact that we were detailing a man in each office to do this job.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. KILGORE. As a matter of fact, while we did not specifically say these men should be hired, an extra duty was cast upon each office.

Mr. SPARKMAN. That is correct.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. SPARKMAN. Let me proceed for a moment. If we laid down an extra duty we would have to assume that there was an extra man already at work in the office. It was our thought that there would be in every rent-control office a man who would help landlords and tenants. That was part of the philosophy behind the rent-control law as it was written this year. We believed there were numerous landlords, particularly small ones, who were not receiving a fair deal under rent control, and, for the first time during the history of rent control, we provided that rents should be such as to enable landlords to do more than merely to break even. That is what the law provides.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MAYBANK. I merely want to read the law which the Banking and Currency Committee wrote, and I want to show that the House insisted upon it and put it in the House bill:

> In order to help assure fair adjustments for tenants and small landlords the Housing Expediter is authorized and directed to designate for every defense rental area an officer whose function shall be to assist tenants and small landlords by (a) informing them concerning the conditions under which rent adjustments may be obtained; (b) helping in the preparation of applications for rent adjustments; and (c) providing them with such other information and services as may be necessary and appropriate.

That, Mr. President, was in the bill which the Congress passed, which the conferees agreed to, and which the President signed. That is the reason why additional employees are, in my judgment, necessary.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. FERGUSON. It certainly does not provide for extra men. It assigns an extra duty.

Mr. SPARKMAN. The Senator from Michigan can assume that if he wishes, but we who wrote the law assume the other. I believe, when the Senate voted and when the House of Representatives voted, they also assumed it. We assigned additional functions and said that the Expediter should designate the men whose functions would be to do that specific thing.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MAYBANK. In the conference the House of Representatives claimed that they wanted to protect the small landlords. If we had not accepted that amendment I doubt if we would have been able to have the conference report agreed to.

Mr. SPARKMAN. Mr. President, it was a part of the very heart of rent control that we were putting a man into each office to help get these adjustments.

Let us see something of what has been done since the law was passed. The Housing Expediter is asking for this man in each office, and the number he is asking for is 508.

Mr. CAIN. Will the Senator yield for a question?

Mr. SPARKMAN. Let me finish this thought, unless the Senator's question is in line with what I am discussing.

Mr. CAIN. I think it is in line with what the Senator is saying.

Mr. SPARKMAN. I yield to the Senator from Washington.

Mr. CAIN. If I understood the Senator from Alabama correctly, he said this means that the Housing Expediter is asking for X number of additional men.

Mr. SPARKMAN. Five hundred and eight.

Mr. CAIN. But that does not preclude the Expediter from selecting from among any number of these 508 offices the particular individual whom he charges, perhaps for the first time, with doing a reasonable job. The only reason why we wrote that provision in the law was that, distressingly but truly, we found that the Expediter was not giving the service for which he and his employees were being paid.

Mr. SPARKMAN. I admit that we found that the small landlords did not have the bookkeepers, and the well-kept records, the financial records, the accountants, and the lawyers, to enable them to make their claims, and therefore we directed the Expediter to put these men in the local offices; and that is what he is trying to do.

Mr. BRICKER. Mr. President, will the Senator yield for just one question?

Mr. SPARKMAN. I yield.

Mr. BRICKER. Was it not considered in the committee of which the Senator and I both were members that we had taken away from the Expediter a considerable amount of the business arising from determining which were distress cases, and the duty of deciding upon individual cases of landlords and tenants, and that therefore there would be a good bit of relief in the matter of employees, and that we centered upon one formula for the landlord, which was the formula of net-operating income? Therefore the process would be simplified; there would be an over-all formula, which would be applied to the country at large; there would not be the need for all the employees; and therefore the Expediter could designate one of those who had heretofore been engaged in passing upon the distress cases to spend his time on helping the small landlord, who was really a distress case.

Mr. SPARKMAN. No, Mr. President, I cannot agree with the Senator from Ohio.

Mr. BRICKER. That was discussed at the time, was it not?

Mr. SPARKMAN. I should like to call the able Senator's attention to the fact that we specifically provided that the fair net operating income formula did not displace hardship cases, and they are still giving relief in hardship cases, just as they have been doing throughout. They were supplemental.

Mr. President, I desire to move along and complete the very brief statement I wish to make. But let me say that within 6 weeks after the rent-control law went on the statute books, the Expediter's office had given out over a million applications for rent adjustments. It is necessary for those applications to be processed just as fast as they can be, that help be given to the landlords in filling out the applications, and for relief to be granted just as fast as possible. We have called on the Expediter for a report as to the progress which has been made.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LUCAS. May I inquire as to how long the Senator will speak?

Mr. SPARKMAN. If I were left to my own wishes I think I could finish in about 5 minutes. Of course, I cannot yield for questions and finish within that time.

The VICE PRESIDENT. The Senator has control of that.

Mr. LUCAS. My only reason for making the inquiry was that I more or less agreed with Senators that when the hour of 10 o'clock arrived we would take a recess.

Mr. SPARKMAN. That will not interfere with me.

Mr. LUCAS. Would the Senator be willing to resume his remarks tomorrow?

Mr. SPARKMAN. I should be very glad to comply with that arrangement.

Mr. HOLLAND. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield to the Senator from Florida.

Mr. HOLLAND. I note in the report of the committee that the statement of the Housing Expediter upon which the committee's action was predicated was made in May of this year. I happen to know that in the case of my own State most of the defense rental areas have been decontrolled since that time by action of the legislature. I am informed by other Senators on the floor that there have been a great many decontrols in their States since that time. I wonder if the Senator would be willing to let the matter go over until tomorrow, and to advise the Senate at that time, from the rent data available, as to just what the situation is.

Mr. SPARKMAN. I shall be very glad to try to get that information up to the very latest date.

Mr. MORSE. Mr. President, I ask unanimous consent to offer at this time two amendments to the pending appropriation bill so that they may be printed.

The VICE PRESIDENT. The amendments will be received and printed, and will lie on the table.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

INVESTIGATION OF APPOINTMENT OF CERTAIN EXAMINERS UNDER ADMINISTRATIVE PROCEDURE ACT

Mr. JOHNSTON of South Carolina submitted the following resolution (S.

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Res. 143), which was referred to the Committee on Post Office and Civil Service:

Resolved, That the Committee on Post Office and Civil Service, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to activities of the Civil Service Commission in determining qualifications for appointment of examiners under section 11 of the Administrative Procedure Act, including the activities of any advisory committee appointed by the Commission pursuant to such section. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations as it may deem desirable.

INCREASED RATES OF COMPENSATION OF CERTAIN HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS—AMENDMENT

Mr. GEORGE (for himself and Mr. MILLIKIN) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, which was referred to the Committee on Post Office and Civil Service, and ordered to be printed.

REORGANIZATION PLAN NO. 1—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the body of the CONGRESSIONAL RECORD the text of a statement which I have prepared on the subject of Reorganization Plan No. 1.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

One of the most important issues facing us at the present time is in connection with the President's reorganization plans.

I have already indicated my strenuous opposition to Reorganization Plan No. 2 which would transfer the unemployment compensation and employment service functions from the Federal Security Agency to the Labor Department. Naturally, like my colleagues, I am most familiar with that particular plan because it has been up for consideration in the past, and we have turned it down flatly, as I am hoping we will do now.

Another plan requiring our close scrutiny is Plan No. 1 on which hearings will conclude tomorrow in the Senate Executive Expenditures Committee. Since this is the first time the plan has come up, many of my colleagues, like myself, have not had the opportunity to complete our review of the question. Let me, however, state that I am very skeptical of many features of the plan.

In addition I want to report that groups in my State have already expressed their active opposition on the basis of grounds which appear to me to be very strong.

In particular, the physicians of my State have expressed their vigorous objection to the plan. It is obvious that the plan is not in accord with the recommendations of the Hoover Commission for the setting up of an independent health agency headed by a professional career director general. Naturally, the physicians of my State do not want politics to control American medicine, and I join with them in their position. I should like to quote from some messages which I have received on this very day:

From Markesan, Wis.:

"The medical profession asks you to fight for the passage of the recommendations of the Hoover Commission, setting up a separate Department of Health."

From Chippewa Falls, Wis., an eminent physician expresses his strong opposition to the elevation of the present director of the Federal Security Agency to a cabinet post and states:

"We doctors favor the Hoover Commission plan of public health."

I could cite many other telegrams which I have received from all over my State.

Suffice it to say that I feel that the objections of the medical profession, as well as other groups, must receive our most careful consideration. These are the men who, after all, have done so magnificent a job in tending to the health of our people. They know our medical problems best.

Surely the Congress should not lightly dismiss their expert views on a subject to which they have devoted their lives.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 10 o'clock and 6 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 29, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received July 28 (legislative day of June 2), 1949:

WAR CLAIMS COMMISSION

The following-named persons to be members of the War Claims Commission:

Daniel F. Cleary, of Illinois.
Mrs. Georgia L. Lusk, of New Mexico.
David N. Lewis, of New York.

UNITED STATES MARSHAL

Jones Floyd, of Arkansas, to be United States marshal for the western district of Arkansas. Mr. Floyd is now serving in this office under an appointment which expired May 18, 1949.

IN THE AIR FORCE

The following-named persons for appointment in the United States Air Force in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 308, Public Law 625, Eighteith Congress (Women's Armed Services Integration Act of 1948):

To be majors

Dorothy Bernstein	Elizabeth Johnston
Bertha Breskin	Bestrice Landry
Frances S. Cornick	Elizabeth L. Muenchinger
Rosalie R. Feldman	Virginia Mynard
Dixie E. Harmon	Dorothy E. Salipante
Agnes M. Hoffman	Ilae M. Tucker
Margaret D. Horn	

To be captains

Mildred R. Bachman	Maimie P. Oliver
Kathleen M. Berry	Mary C. Ryan
Gladys F. Erwin	Frances E. Scafide
June Everett	Dora E. Skelton
Dorothy M. Foxworth	Doris M. Smith
Marilynn Fritz	Myrl D. Stiles
Massye E. Goins	Beatrice Tarnoff
Margaret Graham	Charlotte E. Temple
Maudie E. Johnson	Edith M. Toffaletti
Genevieve J. Larges	Kathryne M. Walls
Gladys M. Nelson	

To be first lieutenants

Margaret M. Banfill	Fannie A. Griffin
Kathleen J. Curtin	Barbara M. Hadley
Betty T. Etten	Jeanne M. Holm
Elnora L. Garlow	Helen M. Horvath
Lois C. Jones	Mary C. Lynn
Doris E. Jordan	Ione C. Severson
Bertha R. Kaeppel	Peggy J. Wier
Norma M. Loeser	Betty L. Woods
Ruth A. Lucas	Helen C. Wyatt

The following-named persons for appointment in the United States Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law, 38?. Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

Carey T. Harrison	Norman C. Kramer
Thomas A. Horst, Jr.	Harold S. Viall

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel, subject to qualification therefor as provided by law:

Bernard H. Kirk	Jacob G. Goldberg
George R. E. Shell	Robert O. Bisson
James H. Brower	William K. Lanman, Jr.
Ernest R. West	Martin A. Severson
Howard J. Turton	Herbert C. Freuler
Thomas J. Colley	John T. L. D. Gabbert
Walter Asmuth, Jr.	Ewart S. Laue
Alpha L. Bowser, Jr.	LeRoy Hauser
William K. Enright	Richard W. Hayward
Harvey C. Tschirgi	John O. Holmes
Lyle H. Meyer	William F. Whitaker
Daniel W. Torrey, Jr.	William K. Pottinger
Avery R. Kier	Robert L. Denig, Jr.
Thomas J. Noon	James C. Bigler
Warren E. Sweetser, Jr.	James G. Smith
Wallace T. Breakey	Forest C. Thompson
Lewis H. Delano, Jr.	

The following-named officers of the Marine Corps for temporary appointment to the grade of colonel, subject to qualification therefor as provided by law:

Eustace R. Smoak	Elmore W. Seeds
Sidney S. Wade	Alexander G. Bunker
Guy M. Morrow	Jack R. Cram
Paul E. Wallace	Henry C. Lane
James F. Climie	Hamilton D. South
James M. Masters, Sr.	Robert G. Ballance
William A. Kengla	John P. Condon
Wilbur J. McNenny	Ralph K. Rottet
Robert O. Bowen	Victor H. Krulak
James L. Beam	George C. Ruffin, Jr.
Joslyn R. Bailey	Harold O. Deakin
Ethridge C. Best	Samuel R. Shaw
Donald W. Fuller	Henry W. Buse, Jr.
William M. Hudson	Robert E. Hommel
Edward L. Hutchinson	Frank C. Tharin
Reynolds H. Hayden	Harry W. G. Vadnais
Clyde R. Nelson	John W. Sapp, Jr.
Joseph L. Dickey	Lawrence B. Clark

The following-name officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

George J. Waldie, Jr.	Crawford B. Lawton
Paul S. Treitel	Marshall J. Hooper
Clifford B. Drake	Howard J. Rice
Charles R. Baker	Hulon H. Riche
Robert E. Snider	James O. Bell
Robert H. Armstrong	Paul T. Johnston
Wallace H. Robinson, Jr.	Orville V. Bergren

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel, for limited duty, subject to qualification therefor as provided by law:

Ira Brock
Edward J McCabe
Frederick Dykstra

The following-name officers of the Marine Corps for temporary appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

Walter F. Cornnell	Harry W. Taylor
Elliott Wilson	Karl W. Kolb
Bernard T. Kelly	Stoddard G. Cortelyou

William H. Souder, Jr.	Alexander R. Benson
Andre D. Gomez	John H. Jones
George B. Kantner	John F. Holt
Harry T. Milne	Thomas J. O'Connor
Tolson A. Smoak	Clyde P. Ford
Daniel S Pregnall	Marlin C. Martin, Jr.
Robert J. Oddy	Robert D. Shaffer
Virgil W. Banning	Walter E Lischeid
Richard W. Wyczawski	Albert H. Schierman
Fred J. Frazer	William P. Kaempfer
Franklin B. Nihart	Dale H. Heely
Howard A. York	Elbert D. Graves
David Ahee	Kenneth C. Houston
Edward V. Finn	William S. McLaughlin
Winsor V. Crockett, Jr.	Kermit C. Zieg
Victor J. Croizat	Frank E. Hollar
Ernest C. Fusan	Charles J. Prall
Charles E. Warren	Russell D. Rupp
Roy J. Batterton, Jr.	Eugene H. Strayhorn
Earl E. Anderson	James "N" "M" Davis
Robert D. Taplett	John R. Bohnet
Wilson F. Humphreys	John A. Copeland
Victor J. Harwick	John L. O'Connell
Earl A. Cash	Richard L. Boll
Herbert P. Woodbury	Robert D. Kennedy
Wade H. Hitt	Elbert S. Maloney, Jr.
Phillip B. May	Andrew I. Lyman
Robert H. Houser	Finley T. Clarke, Jr.
Paul M. Jones	Robert L. Smith
Tillman N. Peters	Clifton M. Craig, Jr.
Allen T. Barnum	Alfred L. Owens
Robert A. Merchant, Jr.	Charles J. Bailey, Jr.
Walter L. Eddy, Jr.	Gordon R. Lockard
Hugh J. Chapman	Robert R. Davis
John E. Decher, Jr.	Joe B. Russell
John L. Donnell	Richard S. Johnson
Leyton M. Rogers	Nathan C. Kingsbury

The following-named officers of the Marine Corps for permanent appointment to the grade of major, subject to qualification therefor as provided by law:

Robert S. Hudson	Lester Miller
Howard W. Bollmann	Richard E. Sullivan
Alexander M. Hearn	Virgil T. Wills
Dan H. Johnson	Earl J. Stearns
William H. Costello	Frank W. Harrington
Norman O'Bryan	Dave E. Severance
Edmund W. Berry	Harold E. Nelson
Alton W. McCully	Frederick Simpson
George U. Smith	Don P. Wyckoff
James R. Dyer	Sanford B. Hunt, Jr.
Wilbur F. Evans, Jr.	Thomas S. Witherspoon
Leslie J. Parnell	John R. Stone
Alfred H. Peterson	Douglas E. Haberlie
Philip T. Kujovsky	Robert Hall
Clarence T. Risher, Jr.	Roy H. Elrod
"J" "E" Estes	William H. Nuckols, Jr.
Henry Brzezinski	William H. Rankin
Joseph L. Abel	James W. McIlwain
Kenneth B. Boyd	
Edward H. Voorhees	

The following-named officers of the Marine Corps for permanent appointment to the grade of major, for limited duty, subject to qualification therefor as provided by law:

Cecil E. Anderson
Floyd M. McCorkle

The following-named officers of the Marine Corps for temporary appointment to the grade of major, subject to qualification therefor as provided by law:

Leo S. Maddy	Paul L. Pankhurst
Robert V. Burns	Lynn E. Midkiff
John S. Chambers, Jr.	Judson C. Richardson, Jr.
Charles J. Keen	Charles H. Woodley
John D. Lines, Jr.	Richard Hey, Jr.
William E. Vorhies	George P. Blackburn, Jr.
Gilbert Percy	Ben L. Hoover
Thomas H. Hughes, Jr.	Edwin H. Simmons
Eugene G. McIntyre	Edgar D. Webber
Austin Wiggins, Jr.	David W. Bridges
Robert W. Hengesbach	George W. Carrington, Jr.
Joseph P. Lynch	Thomas M. Fields
Albert L. Clark	Richard H. Jeschke, Jr.
Gerard M. Shuchter	
Edwin E. Shifflett	
Paul H. Kellogg	
James H. Phillips	

John P. McNeil	John Marston, Jr.
Ralph J. Parker, Jr.	Eugene J. Robinson
Arthur M. Hale	Dennis P. Casey
Robert A. Scherr	Samuel "C" Roach, Jr.
Grover C. Williams, Jr.	William L. Gunness
John A. Hood	Robert L. Rathbun
William E. Vance	Thomas J. Cushman, Jr.
Murray Ehrlich	John J. Windsor
John V. C. Young	Thomas M. Forsyth, Jr.
Claude L. Whitlock	Willis L. Fairbanks
Leslie Menconi	Robert F. Steinkraus
Warren B. Partain	John Skinner, Jr.
Steve J. Cibik	Elswin P. Dunn
James L. Jones	Robert H. Brumley
Robert C. Woten	Oscar C. Hauge, Jr.
Warren H. Keck	Walter W. Turner
James P. Treadwell	William D. Armstrong
Elzia M. Cable	George M. Warnke
Robert E. Lorigan	Wesley R. Christie
Albert M. Roebuck	Charles H. LeClaire
Donald V. Nahrgang	George W. Ellis, Jr.
Harold T. Clemens	Fred E. Haynes, Jr.
Roy H. Thompson	William L. Bates, Jr.
Robert S. Wilson	Robert M. Calland
Michael F. Wojcik	

The following-named officers of the Marine Corps for permanent appointment to the grade of captain, subject to qualification therefor as provided by law:

Lyle S. Stephenson	Thomas T. Tulipane
Hayward M. Friedrich	John F. Driftmier
Joseph L. Boll	Henry Mayer
Earle W. Belknap, Jr.	Erskine B. Crew
George W. Poulson	Gordon I. Feid
Gilbert R. Templeton	Otis W. S. Corman
Donald F. Draeger	Jerry E. A. Miller
Carl A. Doll	Charles S. Brown
Boris J. Frankovic	William P. Elzey, Jr.
Glennon A. Johnston	James C. Riffle
Alan B. Lemlein	Ernest J. Berger
Sam A. Dressin	Earl H. Falk
James E. Victor, Jr.	John J. McShane
Bruce A. Rushlow	Paul L. Robinson
Robert C. Knauf	Emil Skocpol
Carlton K. Perkins	Robert L. Simmons
Cornelius Scheffer	George B. Farish
Joseph L. Svejkosky	William D. Smart
Berry P. McRobert	John R. Brodrick
James W. Judy	Albert T. Lavers
Norman R. Stanford	Christopher M. Canan
Byron C. Turner	William "S" McCaslin, Jr.
Gordon D. McPherson	Roy C. Gray, Jr.
James C. Camp, Jr.	Ralph E. Bowen
Paul B. Watson, Jr.	Edward L. Lewis, Jr.
Robert L. Allen	Elmer R. Daniels, Jr.
John W. Beckett, Jr.	Francis E. Blake
Arthur D. Challacombe, Jr.	Robert A. Owens
George R. Rupp	Edward J. Miller
Kenneth G. Meyer	Arthur L. LaRoche, Jr.
Jack H. Wilkinson	Walter E. Trantham, Jr.
Roy L. Anderson	John J. Howe
Howard L. Hean	Edward J. Artnak
Clarence W. Tuxbury	George L. Haggerty
Dale W. Hansen	Charles S. Vonhorn
Robert T. Bell	William E. Lesage
Deane M. Barnett	Charles I. Campbell, Jr.
Norman W. Gourley	Robert I. Nelson
Guy M. Cloud	William E. Swetnam
Jesse T. Hastings, Jr.	Nolan E. Tucker
Walter E. Carr	William F. Simpson, Jr.
James C. McFerran III	Fred B. Rogers
William Biehl, Jr.	
Godfrey Muller	
Wayne Johnson	

The following-named officers of the Marine Corps for permanent appointment to the grade of captain for limited duty, subject to qualification therefor as provided by law:

Woodrow W. Brown
Virgil R. Martin
Adolph J. Kutilek

The following-named officers of the Marine Corps for temporary appointment to the grade of captain, subject to qualification therefor as provided by law:

James M. Jefferson, Jr.	Henry K. Bruce
Vivian M. Moses	Phillip G. Dyer

Raymond Dewees, Jr.	Gordon V. Hodde
Norman L. Hamm	Willard D. Colllup
Robert F. Shields	Doil R. Stitzel
James H. Magill	Cleveland C. Barry
Frederick J. Helling, Jr.	William R. Morrison
Clark E. Merchant	Arnold B. Capps
Paul M. Ruffner	Dwight F. Johns, Jr.
Harris L. Whynaught	Ralph P. Mawyer
Charles A. House	Frank E. Seabeck
James H. Rinehart	Elbert P. Veuleman
Charles E. Dove	Thomas M. Sagar
Ernest I. Melin	Jack Dunlap
John N. Orr	Edward B. Eisenhardt
Robert M. Healy	Homer B. Pettit, Jr.
James C. Harrington	Edward D. Oglesby
Harry D. Scott	Charles J. Irwin, Jr.
LeRoy C. Barton	Lewis J. Cox
Gaylord C. Greenfield	Clarence E. Schwaneke
James McDaniel	John C. Johnston
Milford V. Seaman	Eugene N. Bennett
George W. Piland, Jr.	John N. Wester
Leland R. Smith	Darrell L. Ritter
Vernon E. Ball	Raymond R. Davis
James L. Lillie, Jr.	William H. Quick III
Ernest A. Mitch	Howard D. Campbell, Jr.
Henry Hart	Marvin R. Russell
Lester G. Harmon	Johnnie C. Vance, Jr.
Gene "W" Morrison	Charles E. Gocke, Jr.
William C. Carlson	Dewey H. Jackson
Roger M. Sanders	Robert "L" Willis
Thomas E. McCarthy	John M. Whitcomb
George W. Callen	Emmons S. Maloney
David H. Kennedy	Warren L. MacQuarrie
William L. Traynor	William G. Mars, Jr.
Robert E. Woerner	Albert F. Dellamano
Kevin Cochrane	William Farrell
Boyd "M" Phelps	Harry E. Nevill
Robert W. Lebo	John A. Brown, Jr.
Bryce Howerton	William E. Culp
William C. Bell	James W. Brayshay
William E. Zane.	David S. Reid III
Archie J. Clapp	Kenneth W. Maust
Donald A. McMillan	Clyde H. Slaton, Jr.
Carl Coon	William "J" Webster
Ray D. Rushlow	Delmer O. Morris
Richard E. Oderwald	Henry N. Schwendimann
Richard M. Taylor	Oliver W. Curtis
Walter E. Magon	John Strickland, Jr.
James H. McRoberts	Frank M. Hepler
John G. Heidrick	Oliver O. Arnold
Russell G. Arndt	Wendell M. Waskom
Joseph W. Malcolm, Jr.	William F. Guss
Carl M. Viner	Robert R. Roy
James V. Holcombe	Harding H. Holloway
Alden McBarron	Robert E. Wellwood
Albert W. Simmons	Thomas C. Billings
Charles B. Armstrong, Jr.	David O. Takala
Murray O. Roe	Byron J. Costello
Clifford W. Buckingham	Arvene J. Kugler
Byron M. Burbage	John T. Molan
Richard M. Moore	James K. Johnson
Karl B. Witte	Robert W. Baker
Edward J. Geishecker	Mont L. Beamon
Royce M. Williams	Rodney D. McKitrick
Walter T. McMillin	Don M. Hinshaw
Frank P. Moran	Leonard A. Miller
Arthur R. Causer	Brett E. Roueche
James C. Frew	Joseph O. Lynch
John L. Read	Walter Sienko
Jack E. Perry	Paul "F" Bent
Benjamin A. Fornonzini, Jr	Robert "J" Vroegindewey
William T. Witt, Jr.	Paul L. Hirt
Thomas A. Coleman	John D. Ross
Alfred F. Garrotto	James A. Feliton
George T. Lovelace	Ralph M. Sudnick
Rupert C. Wesley, Jr.	Charles W. Fitzmaurice
Charles L. Schroeder	Edward J. Orem
Howard C. Veach	Robert E. McNew
John McManus	Welby W. Cronk
Dean Wilker	Homer E. Tinklepaugh
Dellwyn L. Davis	Joseph R. Arnaud
Thomas E. Archer	William H. Anderson
Robert J. Larsen	William E. Barber
George W. Ross	Phillip A. Terrell, Jr.
Burks A. Via	Harold "E" Bryant
Kenneth R. McCoy	

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Thomas J. Norman, Jr.
Walter W. Vatcher
William "L" Beach
John F. Cox
John J. Leogue
William E. Brown
Joseph Keller
Karl T. Keller
Earl W. Cassidy
Donald C. Mitchell
James E. Graaff
Raymond E. Wase
Raymond E. DeMers
Malcolm G. Moncrief, Jr.
Otis E. Millenbine
Alexander J. Gillis, Jr.
George L. Winneberger, Jr.
Robert G. Klein
Gerald J. Maire
William W. Eldridge, Jr.
Richard A. Polen
George A. Parant
Herbert C. Reed
Edward W. Turcotte
Lloyd B. Dochterman, Jr.
Edward H. Rice
Charles W. Weitzel, Jr.
Daniel R. Kingsley
Albert H. Risner
Richard E. Moody
Boyce L. Lassiter
George L. Wineriter
William M. Sigler, Jr.
Walter B. Patton
Bevan G. Cass
Thomas F. McGraw, Jr.
Albert C. Schoner
Dwight E. Mayo
Robert W. Hohl
Richard J. Schriver
Robert B. Clay
John W. Walker
John E. Shields
Roscoe R. St. John
David G. Swinford
William J. Longfellow
Richard A. Bauer
Norman G. Ewers
Roger A. Morris
Harold O. Jones
Raymond M. Smith
Oliver R. Davis
Nolan A. Green
John P. Kelley
John T. Moore
James P. Bell, Jr.
William Shanks, Jr.
Dean W. Lindley
James W. Nelson
George J. King
William M. Russ
Willmar M. Bledsoe
Laurence "H" Woods
Richard H. Kern
Norris D. Allen
Hardy V. Huffstutter, Jr.
William C. McGraw, Jr.
Dee E. Ezell
Floyd K. Fulton, Jr.
Edward P. Stamford
James S. Ashman
Charles J. O'Malley
Kenneth A. Anderson
Lewis L. Miller
Clayton R. Ingraham, Jr.
Jack J. Howlett II
Robert M. Fraser, Jr.
Rex C. Denny, Jr.
Arthur E. Phillips
Clyde R. Jarrett
John J. Hilburn, Jr.
Rockwell M. Rutledge
Eugene V. Goldston
John J. Filippo
Frederic T. Watts, Jr.
Norman W. Flinn, Jr.
Robert R. Klingman
William J. Nichols, Jr.
Jack Lee
Edward N. Lefaivre
William C. Parker, Jr.
Gordon R. Reier
Austin C. Fitzgerald
William H. Drewitz
George H. Smith
Joe M. Prater
Harold L. Sharkey
George Bezbezian
Amil K. Clark
Robert G. Williams
Daniel H. Linebaugh
James A. Hoey, Jr.
Clifford E. McCollam
Robert A. McMullen
Charlie J. Dunkley
John A. Hughes
Roger B. Thompson
Neil E. Barber
John J. Rausch
Lester D. Flory
Francis G. Miller
Lucian C. Gifford
John J. Dalton
Samuel F. Leader
Patrick H. Mucciaccio
Alfio B. Ferazzi
Cornelius Overstreet
Charles A. MacCrone
"C" "L" Haney

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Harold R. Mackey
George F. Good III
Kenneth R. Snyder
Lemuel C. Shepherd III
Reuel W. Stephens, Jr.
Robert L. Gover, Jr.
Foster W. Blough
George A. Babe
Elmer J. Anderson.
Joseph Koler, Jr.
William F. Young
Lawrence J. Bradley
Thomas C. Shanahan
Elvin R. Coon, Jr.
Donald F. Hillmer
Ewald A. Vomorde, Jr.
Philip H. Ronzone
Robert A. Foyle
William J. Vetter, Jr.
Ralph G. Dekle
Frederic A. Gessner
John J. Bozek
William M. Vanzuyen
Jack M. Lerond
Donald L. Hall
Charles R. Munn, Jr.
Arthur C. Beverly
Howard E. Reese
Michael L. Cannon
Robert J. McNicholas
George L. Peters
Louis Baeriswyl, Jr.
Wilber F. Taylor
Richard D. McClintic
William R. Medlock
Roma T. Taylor, Jr.
William H. Macklin
James G. Webster
Charles F. King, Jr.
Bertram F. Pryor
Sidney H. Hilliard, Jr.
Neal E. Hefferman
Joseph L. Davis
William R. Lipscomb
Jack R. Hansen
Guenther W. Lenffer
Charles A. Merrill
Earl R. DeLong
Joris J. Snyder
Lewis R. Webb
John F. Miniclier
John E. Quigley
William A. McClelland
William T. Hickman
Nicholas A. Canzona
Chew E. Lee
James A. Horn
Alvin W. Burri
Robert E. Barde
John E. Dolan
Donald L. Mann
James H. A. Flood
Carl Pedersen, Jr.
Clair "F" Runyan
Charles W. Cox
Robert V. Anderson
Albert C. McLean
Bruce Magruder, Jr.
Robert G. Work
Lee D. Martin
Charles W. Blyth
Willard G. Orth
Samuel L. Grier
Jack A. Cohoon
Henry J. Witkowski
Paul Kessler
Weldon L. Keating
Alfred L. Leidy
Richard M. Ulf
Gene M. McCain
Michael J. Vrabel
Alfred L. Perry, Jr.
Joseph M. Brent
Gordon S. Baxter
William L. Hewetson
Kenneth E. Rice
Richard R. Miller
Robert M. H. Dupuy
John R. Barnard
Robert E. Hill
William A. Harris
John C. Alexander
Raymond J. Elledge
Chester E. Tucker
Kenny C. Palmer
Robert J. Perrich
Stanley H. Carpenter
Gerald B. Zwetzig
Joseph R. Cross
Harold B. Wilson
Charles R. Stephenson III
Albert J. Richter
Robert J. Laws
Gayle K. Broussard
Donald E. Gilman
Herbert J. Blaha
James F. Gallagher
William C. Patton
Stanley T. Moak
Joseph F. McPartland
John "S" McNulty, Jr.
Nye G. Rodes, Jr.
David A. Rapp
Burl B. Bevers
James A. Sloan
Robert J. Daeschler
William T. Walker
Raymond P. Coffman, Jr.
Frank T. House, Jr.
Robert H. Wilson
Robert E. Eastman
Roy J. Edwards
Arthur F. McGrail, Jr.
John B. Jones, Jr.
Robert M. Erbland
William T. Sweetman
Richard A. Savage
Paden E. Woodruff, Jr.
Robert O. Peck
Merton R. Ives
Perry T. Brixey
Paul Weiler
Clifford J. Peabody
Joseph N. Eagle
Robert J. O'Shea
James A. Strickland
Austin B. Middleton, Jr.
Daniel B. Hunter
George K. Vronch
Stanley A. Myzienski
George R. Brier
Jack B. Shaffer
Harry L. Rogers, Jr.
Walter O. Day
William D. Hall
Michael M. Spark
Wayne E. Richards
Edward B. Meyer
Robert E. Parrott
Eduardo O. Coli
Jack O. Arford
Edward A. Parnell
Hermann Heinemann
Jean R. Griffith
Donald F. Swanda
William Plaskett, Jr.
Jack D. Sheldon
Ernest K. Davis
Grady L. Yoder
George W. Campbell
Daniel F. Kennedy, Jr.
Thomas N. Green
Joseph A. Schimmenti
Stewart B. McCarty, Jr.
Marion W. Morrisset
Austin S. Parker
Robert D. Savard
Donald W. Dowlearn
Ordeen M. Knight
Charles D. McMichael
"R" "J" McNerney, Jr.
Richard W. Phifer
Robert A. Steinway
George C. Schatteman
William A. Dicus, Jr.
Patrick McGrotty
Leland E. Ziegler
Harold H. Johnson, Jr.
Joseph A. Piedmont, Jr.
William C. Carr
Irwin J. Vanderswag
Thomas M. O'Reilly
Herman W. Ashlaw
Bertram H. Curwen, Jr.
Ira P. Norfolk
Grady P. Mitchell, Jr.
Robert T. Hanifin, Jr.
Edward L. Nadeau
Walter D. Maskall
Paul Mazzuca, Jr.
James S. Hecker
Paul R. Joyce
Donald R. Segner
Robert C. Whitebread
Jack L. Reed
William J. Schreier
Chester J. Krist
Elmer H. Keshka
William J. White
Robert T. Miller

The following-named officers of the Marine Corps for permanent appointment to the grade of commissioned warrant officer, subject to qualification therefor as provided by law:

George S. Nelson
John M. McCarty
Gene F. Wightman
Edward E. Gibbon
John E. Curtis
Robert K. Adams
James H. Edmonson
William B. Greear, Jr.
Buford Bialock
Frederick L. Weatherby
Carl Omasta
Robert J. Plumbley
Thomas E. Reaves
James M. Hays
William B. Sweetser
Henry H. Schroder
Arnold V. Allen
William H. Amos
Arnold W. Stogner
Joseph A. Williams
John A. Harper
William R. Myers
George T. Edwards
Ray Graham
James H. Kates
Joseph F. Barry
Richard A. Carlson
Daniel W. Merrill
James L. Hoffman
Richard C. Overby
Charles P. Johnson
George Alexander
Perry R. Fillingim
William B. Kohl
Andrew F. Marshall
Almon D. Embrey
George Cicala
John A. Scarborough
Aloysius C. Gidlewski
Harlice H. Green
Harold Sobol
Paul Carter
Beauford Griffin
Frank R. Roberson
Jose Llera
Kenneth G. Arnold
Carroll W. Horton, Jr.
Clifford J. Fields
Audra F. Ridenour
Meade H. Warthen
Lawrence W. Reed
Edward C. Needham
James M. Riley, Jr.
James C. Smith
Donald D. Amick
Walker R. Lynch
Jerry A. Harness
Arthur E. Treadwell
James "C" Eiland
Novis I. Rains
Jerry K. Butler, Jr.
Warren B. Jones, Jr.
Paul V. Lloyd
Jack R. Nielsen
Maurice O. Bennette
Sargent Goen
Edward C. Schmidt
Jessie R. Collins
Charles A. Cole, Jr.
Clyde D. Therrien
Raymond E. Lewis
Glenn L. Kemp
William T. Faulk
Charles C. Jensen
James F. Sparrow
John B. Beard
William B. Edmondson
Roland D. Vary
Bill E. Parrish
Kermit R. Jensen
Thomas G. Taylor
Edward S. Norris
William J. Heacox
George "W" Graves
Samuel R. Coffey
Joseph E. Clement
John A. Wright
Claude A. Fisher
Hans DeJong
Paul F. Honeycutt
Edward O. Smith
Ewing B. Harvey
Clayton D. Sketoe
Murray G. Dowler

The following-named woman officer of the Marine Corps for permanent appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

Julia E. Hamblet

The following-named woman officer of the Marine Corps for permanent appointment to the grade of major, subject to qualification therefor as provided by law:

Pauline B. Beckley

The following-named women officers of the Marine Corps for permanent appointment to the grade of captain, subject to qualification therefor as provided by law:

Jeanne Fleming
Ben A. Day
Margaret S. Ordemann
Frances A. Denbo
Kathleen J. Arney
Jeannette I. Sustad
Margaret L. Stevenson
Mary J. Fischer
Mary J. Hale

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 28, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, James P. Wesberry, LL. D., offered the following prayer:

We give Thee thanks, our Father, for all who serve our Nation and especially for those who share in the work of this great legislative body. Strengthen Thou them as they bear the burdens of

the day. Grant Thy tender and gracious care to any who are sick and the comfort and peace of Thy love to those who sorrow. Watch over our loved ones by day and by night. Be Thou the companion of all who travel on errands of business for our Government. Keep and guide the representatives of our country in far-away lands. Refresh those who are on vacation. Lovingly and gratefully we praise Thee for our beloved Chaplain whose Christlike ministry in our midst brings comfort and cheer to our hearts and blessing to our Nation. Let Thy richest benediction rest upon him, upon us, and our Nation today, we pray in Jesus' name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4963) entitled "An act to provide for the appointment of additional circuit and district judges, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1184) entitled "An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 50–4.

TEMPORARY APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the joint resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That Public Law 154 (81st Cong.), making temporary appropriations for the fiscal year 1950, and for other purposes, is hereby amended by striking out, in section (c) thereof, "July 31, 1949" and inserting in lieu thereof "August 31, 1949."

Mr. CANNON. Mr. Speaker, this is a continuing resolution, providing temporary appropriations for the fiscal year 1950. It is the second continuing resolution making appropriations for the new fiscal year and is made necessary by the failure of the other body to dispose of the appropriation bills messaged over from the House and now pending on the other side.

The House passed all the major supply bills and messaged them to the Senate prior to April 15. As of this date—considerably more than 3 months later—only eight of the appropriation bills, six of the annual supply bills and two deficiency bills, have become law.

One bill, the civil functions appropriation bill, is in conference but, on motion of the Senate conferees, further conference on it has been suspended pending action on the foreign aid and armed services appropriation bills.

Five of the bills—Interior, military, independent offices, foreign aid, and the third deficiency bill—are awaiting passage by the Senate. Of these five bills, the foreign-aid bill has been recommitted to the Senate Committee on Appropriations, the independent offices bill is now under consideration on the floor of the Senate, the Interior and military bills have been reported and are now on the Senate calendar awaiting action on the floor. The third deficiency appropriation bill has not yet been reported by the Senate committee.

The House is marking time awaiting action on the part of the Senate and is ready to cooperate on all appropriation measures not yet disposed of.

The continuing resolution now before the House is identical with the joint resolution previously agreed to in every respect except the date. The joint resolution passed June 29, 1949, continued current appropriations to July 31, 1949. The pending joint resolution extends the date to August 31, 1949. It is to be hoped that final action can be taken on all 1950 supply bills by the middle of August or soon thereafter.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Does the gentleman have in mind the conversation I had with him this morning about the ECA?

Mr. CANNON. May I say to the gentleman that I looked into the matter to which he refers very carefully and consulted the authorities, and am assured that this resolution takes care of foreign aid and no special mention is required in order to make it applicable or effective.

Mr. McCORMACK. The only information I have is that I was informed yesterday by the majority leader of the Senate that a Mr. Rice, if I am not mistaken, or someone over there in the Legislative Counsel's office, has given an opinion that the last continuing resolution did not cover ECA.

Mr. CANNON. We consulted Mr. Rice and he informs us that he was misunderstood. In his opinion no further language is necessary to make it applicable to ECA funds. We also had an opinion some time ago from the General Accounting Office, which assures us that the joint resolution applies to ECA as fully as to all other affected agencies.

Mr. McCORMACK. In other words, my friend states that this resolution applies to ECA appropriations and continues them the same as the other appropriations?

Mr. CANNON. I think there can be no doubt about it.

Mr. McCORMACK. It is the intention that it should so apply, is that correct?

Mr. CANNON. That is entirely correct.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does this resolution include the $624,000,000 additional that Great Britain is asking for ECA?

Mr. CANNON. This joint resolution includes support of all Government agencies at the rate provided for the fiscal year 1949.

Mr. RICH. She is asking for $624,000,000 additional, I noticed in yesterday morning's paper. The gentleman is not in favor of giving Great Britain $624,000,000 to keep that socialized government going?

Mr. CANNON. The gentleman understands that the pending resolution applies only to appropriations which have been made in former supply bills. It is a continuation of past appropriations. The gentleman realizes it has nothing to do with any future proposed appropriations.

Mr. RICH. Under ECA you have already given Great Britain over a billion dollars in the appropriation bill that passed the House.

Mr. CANNON. I have given no more than has been given by the gentleman from Pennsylvania, who supported the appropriations passed by the last Congress.

Mr. RICH. No, the gentleman from Pennsylvania was against it. I want the gentleman to know I am against it, and I want it in the RECORD that I am against it.

Mr. CANNON. But when these appropriation bills were passed in the last Congress the gentleman voted for them.

Mr. RICH. I am standing up here now fighting. I am against socialism and I am against keeping any government in power that is Socialist. I am against keeping any government in power that is Communist. I am for free governments of all the people all over the world. I do not want the gentleman or anybody else to say that I am trying to support the socialized Government of Great Britain, because I am against it.

Mr. CANNON. I am certain when the subjects to which the gentleman refers come before the House we shall be glad to hear the gentleman. They have nothing to do with the present resolution.

Mr. RICH. I do not want ECA to be included in this because I do not want you to appropriate money that is going to keep any government in power that is

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socialistic. I would not give 1 cent to keep this country in power if it were socialistic. I would run away from it. But I hope and I am sure the American people are never going to let it go socialistic. I am going to do everything in my power to keep that from happening.

Mr. CANNON. We are always glad to hear the gentleman when he speaks on subjects before the House.

Mr. TABER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I feel the House should have a picture of just what the situation is with reference to the bills to which this resolution relates.

The civil functions appropriations bill was passed by the House on the 29th day of March. It was passed by the other body on the 20th of May and went to conference on the first of June. It is still in conference. We have had many sessions, but no results.

The next bill covered is the Interior Department appropriations bill which was passed by the House on March 30. It was reported to the other body on July 13, almost 3 weeks ago, and has not yet been taken up by the other body.

The National Military Establishment appropriations bill passed the House on the 13th of April, was reported to the other body on the 22d of July, a week ago, and has not yet been taken up by the other body.

The independent offices appropriations bill, which passed the House on the 14th of April, was reported to the other body on July 8, and was taken up by the other body yesterday afternoon and is before them at the present time. When that bill will go to conference, I do not know.

The foreign aid, or ECA appropriation bill, which passed the House the 26th of May, was up before the other body and was recommitted to the Appropriations Committee of that body on yesterday.

The third deficiency appropriation bill, which passed the House on the 24th of June has not yet been reported to the Senate.

This is the first time, Mr. Speaker, that I have ever known it to be necessary to pass a second continuing resolution. I do not know how many more such resolutions we are going to have to pass. The Democratic majority is in control of both Houses of Congress and this failure to pass ordinary routine appropriation bills demonstrates the constitutional incapacity of the Democratic Party to govern.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. HALLECK. In view of the extensions that have been had, why not just make this extension until next January so that we can adjourn and go home and give the country a little chance?

Mr. TABER. That would interfere with the routine operations of the other body and give them so much rope that they would think they do not have to agree to a conference report.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. With reference to the ECA, I see that the other body voted yesterday 41 to 37 to increase the amount for Great Britain by $624,000,000. Then they voted to send the bill back to committee. That is going to be 42 percent of all of the ECA. Forty-two percent of all the money you are spending is for no other purpose than to keep a Socialist government going.

Mr. TABER. Well, there is another purpose. There is the purpose of keeping Great Britain bankrupt and keeping her in such condition as well as her people, that they cannot support themselves on a permanent basis.

Mr. RICH. That is a fine statement. I agree with the gentleman exactly. If it was not for America, they would have to go to work, would they not?

Mr. TABER. They would have to go to work, and that is not what they are doing.

Mr. RICH. It would be a good thing for somebody to make them go to work and earn their own way and show what socialism means to them. It means bankruptcy to any nation in my language. I am sick and tired of taxing the American people who work hard to pay Great Britain for their socialism. Socialism is a menace to any nation. Great Britain has already proven it.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEAMSHIP "TAIYUAN"

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1288) for the relief of certain officers and members of the crew of the steamship *Taiyuan*, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 17, strike out "and."

Page 2, line 19, strike out "$3,675:" and insert "$3,675;" and

"Vincent Foster, care of J. P. Bowman, Standard Oil Co. of California, marine department, San Francisco, Calif., the sum of $2,310."

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

OLYMPIC HOTEL

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1472) for the relief of the Olympic Hotel, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 4, after "pay," insert ", out of any money in the Treasury not otherwise appropriated."

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DANIEL KIM

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1466) for the relief of Daniel Kim, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 4, after "canceled.", insert "Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Korea for the first year that such quota is available."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CHRISTINE KONO

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1625) for the relief of Christine Kono, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the tile of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Christine Kono, the Dutch-Japanese fiancée of Charles Kramer, a citizen of the United States and an honorably discharged veteran of World War II, and that Christine Kono may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Christine Kono is coming to the United States with a bona fide intention of being married to Charles Kramer, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Christine Kono, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Christine Kono, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Christine Kono, as of the date of her entry into the United States, upon the payment by her of the required fees and head tax."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TEIKO HORIKAWA AND YOSHIKO HORIKAWA

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2084) for the relief of Teiko Horikawa and Yoshiko Horikawa, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, in the administration of the immigration and naturalization laws, provisions of section 13 (c) of the Immigration Act of 1924, as amended, which exclude from admission to the United States persons who are ineligible to citizenship, shall not apply to Teiko and Yoshiko Horikawa, minor twin stepdaughters of David Bailey Carpenter, a World War II veteran who married Yoshi Horikawa Higo, a Japanese national and the mother of such minor stepdaughters, on August 6, 1947, and for the purpose of the immigration and naturalization laws Teiko and Yoshiko Horikawa shall be considered to be the natural-born daughters of their stepfather, David Bailey Carpenter."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DENISE SIMEON BOUTANT

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2850) for the relief of Denise Simeon Boutant, with a Senate amendment thereto, and concur in the Senate amendmnt.

Th Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, notwithstanding the provisions of law which makes ineligible for permanent residence persons who are racially ineligible to citizenship, the Attorney General shall record the lawful admission for permanent residence of Denise Simeon Boutant, now Denise Simeon Boutant Peterson, who is the legal wife of William S. Peterson, a United States citizen, as of December 1948, at which time she was temporarily admitted into the United States."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include an article showing the honor list of the dead and missing for the State of Mississippi during the recent World War.

Mr. ADDONIZIO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. KILDAY asked and was given permission to extend his remarks in the RECORD.

ACTING CHAPLAIN DR. JAMES P. WESBERRY

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, during the well-deserved vacation of our beloved Chaplain of the House, Dr. James Shera Montgomery, our Acting Chaplain is Dr. James P. Wesberry.

It is a great privilege to have Dr. Wesberry serve with us in the House of Representatives in the high capacity of Acting Chaplain. I feel sure that I am joined in this sentiment by every Member of the House.

Dr. Wesberry is the beloved pastor of Morningside Baptist Church in Atlanta, which pastorate he has filled for the past 6 years.

At the present time Dr. Wesberry and the congregation of that church are engaged in building a new church and educational plant on a beautiful 14-acre lot in the heart of one of Atlanta's loveliest residential areas. The plant will ultimately cost approximately half a million dollars.

Dr. Wesberry is a native of South Carolina, having been born at Bishopville, S. C., April 16, 1906, the son of William McLeod Wesberry and Lillian I. Galloway. He received his education in the public schools of Columbia, S. C., and received degrees of bachelor of arts and master of arts from Mercer University, Macon, Ga. He received the degree of bachelor of divinity and master of sacred theology from Andover Newton Theological School, Newton Center, Mass. He was a special student at Harvard University in 1931, and attended summer conferences at the Union Theological Seminary in New York City. He is a graduate of the Yale School of Alcohol Studies, and was awarded the honorary degree of doctor of laws by the Atlanta Law School.

Dr. Wesberry was ordained as a minister of the gospel at the age of 23 on September 5, 1929, by the Park Street Baptist Church of Columbia, S. C.

He was a pastor of rural churches while a student at Mercer University, and during his last two years at that University was pastor of Soperton Baptist Church, Soperton, Ga. During that time a new church was erected at Soperton.

Dr. Wesberry also was pastor of the South Medford Baptist Church, at Medford, Mass., while a student in the seminary. His first pastorate after graduation was the Kingstree Baptist Church, Kingstree, S. C.

He served as pastor of the Bamberg Baptist Church, Bamberg, S. C., for 11 years, and since March 1, 1944, has been the pastor of Morningside Baptist Church in Atlanta.

Dr. Wesberry has received special recognition for his active efforts in many fields of endeavor. Early in life his unusual ability began to be recognized. He was student manager of athletics in the Columbia High School in 1924 and 1925. He was editor in chief of the Columbia, high school magazine. He served as assistant scoutmaster while in high school.

At Mercer University he was elected master Mercerian, the highest honor bestowed by the student body and faculty of Mercer University, receiving this honor in 1930.

He was president of the South Carolina Baptist Ministers' Conference, and chairman of the committee on order of business for the South Carolina Baptist Convention in 1943.

He was a moderator of the Barnwell Baptist Association, and since 1944, he has served in the capacity of trustee of Mercer University.

He has served as vice president of the home mission board of the Southern Baptist Convention since 1944, and is a member of its executive committee. He is a former member of the radio committee of the Southern Baptist Convention. He served in May 1949 as a member of the committee on boards and of the committee on committees, at the last meeting of the Southern Baptist Convention in Oklahoma City.

His fellow ministers in Atlanta have elected him to the position of president of the Atlanta Baptist Ministers' Conference, which position he fills at the present time.

He was vice president and chairman of the committee on order of business of the Georgia Baptist Convention in 1947.

Dr. Wesberry is recognized not only for his active efforts in church and ministerial work, but is likewise recognized for his fine civic work.

He is at present chairman of the trustees of the educational foundation of the Atlanta Lions Club. He is chairman of the trustees of the Atlanta extension of Mercer University, and professor of New Testament. He is also at present the national president of Alpha Chi Omega Divinity Fraternity.

He is a past president of the Bamberg (S. C.) Lions Club, and a past chaplain of the South Carolina State Lions convention.

During the Second World War Dr. Wesberry served as chaplain, holding the rank of captain, in the South Carolina Home Defense Guard for Bamberg County. He is chairman of the radio committee of the Georgia Baptist Convention, and is a past member of the executive committee of the Georgia Baptist Convention.

Dr. Wesberry is also known and recognized for his fine work as an author and writer. He is the author of the Life and Work of William Screven, First Southern Baptist Preacher, and is a writer of programs for the Young Peoples' Training Union Quarterly of the Southern Baptist Convention. He is a contributor of editorials, articles, and sermons to various other magazines.

It has been my privilege to know Dr. Wesberry intimately for almost the entire length of his period of service in

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Atlanta. I have known him as a consecrated, sincere, and effective worker in all fields of Christian service.

His selection as Acting Chaplain of this body, I feel, brings honorable recognition to the Fifth Congressional District of Georgia, where he lives and serves. I know that during his period of service here as Acting Chaplain he will endear himself to all those with whom he comes in contact, and the example of his Christian life will inspire us to apply ourselves with renewed faith and energy to the difficult tasks which we face here.

HON. MARY T. NORTON

Mr. HOWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWELL. Mr. Speaker, on Tuesday of this week while I was necessarily absent from the House briefly, the gentleman from Mississippi [Mr. RANKIN] made an unfair and unwarranted attack on the motives and abilities of my distinguished colleague from New Jersey [Mrs. NORTON]. It seems that anyone who disagrees with the views of the gentleman from Mississippi, his views on human rights and decent legislation is Communist-inspired, and any organization that supports that type of legislation is a Communist-front organization. I know that virtually every Member of this House has nothing but the highest regard for my distinguished colleague from New Jersey [Mrs. NORTON] and they know that she has served usefully and in a very splendid manner for 25 years or more in this House. Everyone I know respects her and resents this type of attack.

I sincerely hope the gentleman from Mississippi will see fit to make an apology to the distinguished gentlewoman from New Jersey.

EXTENSION OF REMARKS

Mr. FALLON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD in two instances, in the first to include an address by the Solicitor General of the United States, notwithstanding that it may exceed the limit; and in the second to include an editorial by Mr. Frank Aiken.

The SPEAKER. Without objection, the extensions may be made.

There was no objection.

Mr. FRAZIER asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in today's Washington Post.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include a certain newspaper article.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD asked and was given permission to address the House for 15 minutes today following the special orders heretofore entered.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report on the bill (H R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, from the Committee on Interstate and Foreign Commerce.

The SPEAKER. And also that minority views may be filed, if there be any?

Mr. HARRIS. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MINIMUM-WAGE BILL

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUCAS. Mr. Speaker, as I advised the House yesterday, the gentleman from Michigan [Mr. LESINSKI] has stated that he was going to call up the bill H. R. 3190, the minimum-wage bill, on August 8, under his rule. I wish to advise you again that I am going to offer as a substitute, H. R. 4272, a bill which has been prepared by a number of Members of Congress and which will be offered for your consideration. I invite each of the Members to get a copy of H. R. 4272 and study the bill so that he may understand its provisions and understand that it is a good, clean bill protecting the small businesses of the Nation. If there are any questions I shall be pleased to answer them.

PERMISSION TO ADDRESS THE HOUSE

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. CHURCH addressed the House. His remarks appear in the Appendix.]

NATIONAL SERVICE LIFE INSURANCE REFUNDS TO VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, for one reason or another the national service life insurance refunds have not been paid to the veterans. I took this matter up with the President and have received the following letter from him:

THE WHITE HOUSE,
Washington, July 27, 1949.

Hon. EDITH NOURSE ROGERS,
House of Representatives,
Washington, D. C.

MY DEAR MRS. ROGERS: Replying to yours of the 22d, space in Washington is the most unobtainable thing there is. I can't even find space enough for my own personal secretaries to transact their business.

The State Department is scattered all over town in 22 buildings, and that is true of every other department in the Government. I regret that situation but it isn't of my making—I have to take the situation as I find it and do the best I can with it.

I naturally appreciate your interest in the disbursement of the veterans insurance refunds and I am glad you are interested, for I am very much interested in it myself, and hoping that the matter can be worked out promptly.

Sincerely yours,

HARRY S. TRUMAN.

Mr. Speaker, it seems to me that all departments in Washington ought to be willing to give up space in order that the money due the veterans may be returned to them at once. We have heard much about the streamlining and reorganization of the Government, but we know the records show the departments are expanding.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article by Mr. King entitled "Deficit Financing and Shrinking Dollars."

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix of the RECORD.

PEACE AND HOW IT MAY BE OBTAINED

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore (Mr. GORE). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, on yesterday you made the statement in the House of Representatives that we are still in a state of war. I wonder if that statement caused the President to send down here a request that we appropriate $1,400,000,000 to arm a lot of countries that have been spoken of as the North Atlantic Pact nations. Are you going to arm those countries? What are we going to arm them for? More war? If you want war that is the way to get it. Prepare for war, arm the countries and you get war.

The way to secure peace in this world is to stop talking about war. Stop spending for war. Get that power and spirit away from the President and then let us talk peace and we will have peace in the world. That is the only way you are going to get it. Work for peace and you get peace. Prepare for war and you will get war.

Here is another thing, Mr. Speaker. We owe $253,000,000,000 according to the Treasury statement of July 25. We have not $1,400,000,000 to spend arming a lot of these countries in Europe. I say let us get down to the proposition of talking peace. Again I ask you where you get the $1,400,000,000 to arm Europe. The only way to get the money is to tax our people; our people now holler, "Stop taxing us, reduce our taxes," and I am for that.

Peace be unto you.

Peace be with us for evermore—is my fervent prayer.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

[Mr. HAYS of Arkansas addressed the House. His remarks appear in the Appendix.]

IS OUR NATION FACING MORAL DECAY?

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, twice recently two outstanding figures, one the leader of a great religious faith and the other the chief of our Army, have sounded a warning of the moral decay facing our Nation and the world which should be heeded by all.

Pope Pius XII declared that morality is in retreat and called upon the women to fight against the sensuality of youth which is endangering civilization. He warned, as he has in the past, of the dangers of communism, which fastens its roots on the shattered home when parents fail in their duty to practice moral life and properly care for their offspring.

General Bradley, in his warning to the Nation asserted that the greatest single cause for delinquency in citizenship can be traced to the declining sense of responsibility in the home, the church, and the school. He said that the family is the basic unit of our society and that is where the responsibility begins.

Here we have a world church leader and a qualified military official telling us in strong words of the moral decay facing the people today. When warnings come from men of this stature, they cannot be ignored. There is a great suffering ahead for the world unless there is a moral and spiritual revival. We must halt the infection of moral decay in the homes which has spread to the youth which is walking hand-in-hand with the crass materialism of modern political philosophy. The plea of the Pope and the warning of General Bradley must not go unheeded, for if it is not heeded the forces of Marx, Stalin, and Lenin will reap the harvest.

I ask unanimous consent to extend my remarks and have printed in the RECORD General Bradley's article which appeared in the Reader's Digest.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include a short editorial.

Mr. DAGUE asked and was given permission to extend his remarks in the RECORD in two instances and include an editorial in each.

NO APOLOGY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I was not facetious a while ago when I was asking the name of the individual who was up here attacking me. I asked all the Members around me what his name was, and none of them could tell me. I finally found out it was the gentleman from New Jersey [Mr. HOWELL].

Day before yesterday the bill you passed here, of which many of you are utterly ashamed, was heralded in the Communist Daily Worker as the Marcantonio bill. I said that the other day and I say it now, the gentleman from New Jersey [Mr. HOWELL] voted with the gentleman from New York [Mr. MARCANTONIO].

On yesterday about the most ridiculous movement I have ever known to be made in this House was made by the gentleman from New York [Mr. MARCANTONIO] to bury, you might say, the military housing bill, and only a few Members followed the gentleman from New York's [Mr. MARCANTONIO'S] leadership. One of those few was a man by the name of HOWELL from New Jersey. I presume it is the same gentleman who was up here attacking me a few moments ago. I have no apology for what I said in the debate on day before yesterday.

Whenever any Member attacks the people I represent, that Member may expect to hear from me in no uncertain terms.

That is what happened day before yesterday; and I have no apology for what I said.

1950 WHEAT ACREAGE ALLOTMENT

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. D'EWART. Mr. Speaker, the 1950 acreage allotments on wheat announced by the Secretary of Agriculture are a serious blow to the agricultural economy of the State of Montana.

The Secretary has announced that the 1950 production of wheat will be restricted to 82.9 percent of the acreage in production this year in the Nation as a whole.

This is a sizable reduction, but for the State of Montana he has announced a 1950 acreage allotment of only 76.4 percent of the 1949 figure.

This means that Montana wheat farmers, who this year have 5,579,000 acres planted in wheat, will be permitted to have only 4,265,806 acres in 1950, a decrease of 23.6 percent.

In Montana, where county and farm allotments are now being decided, there is considerable resentment against the Secretary's decision. I think this resentment is justified.

Montana is one of the large wheat-producing States of this country. Wheat is a principal item in our agricultural economy, and agriculture is the principal item in our State economy. Such a drastic cut in wheat acreage will have a damaging effect on the entire State.

I cannot understand how the Agriculture Department arrived at this terrific reduction for my State, unless it could be that the Department has overlooked the significant fact that the lands used for raising wheat in Montana are not generally suitable for any other crop. There cannot be an easy change to another crop, as there could be in New York, Iowa, or Missouri, States which have similar reductions.

If we cannot grow wheat on our land, the land must lay idle. Montana farmers who already are suffering the effects of a serious drought in the eastern section of the State, an almost unprecedented grasshopper infestation in the southeastern section, and the general decline in prices which has occurred with particular severity in the crops in which we specialize, cannot be expected to accept without protest a Government decree which will further cut their income, especially when it appears to be unfair and all out of proportion to the importance of the matters involved.

I realize that there is little hope that the Department of Agriculture, having once spoken, will review its decision. I wish it were possible to have them do so, and I wish to be on record as protesting what appears to be an unwarranted injury to the farmers of Montana.

NATIONAL DEFENSE PROGRAM

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, before they take off for Europe it is essential that the Army, Navy, and Air Force leaders indicate to the House Committee on Foreign Affairs just what parts of our national defense program they are prepared to forego or curtail in order to make arms and equipment available to the Atlantic Pact nations.

We cannot add a billion and a half dollars, or even half that, on the already staggering figure of $15,910,000,000 which we have appropriated for defense purposes for the next fiscal year. This record peacetime figure is already nearly 40 percent of our total budget. It must not be increased.

Our military leaders have indicated that there is a definite and urgent need for this program to implement and make effective the Atlantic Pact. That may be so. The best use of the defense dollar may be made by allotting a part of it to the arming of our friends among the western democracies. We must insist, however, that our National Defense Establishment undertake the selective

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process of pointing out what part of present plans they consider less important to our national security and, therefore, worthy of elimination or deferment.

Military assistance to Europe can only be justified if it lightens the budgetary load on the United States for other items of defense.

EXTENSION OF REMARKS

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. SCUDDER asked and was given permission to extend his remarks in the RECORD and include an article from the New York Times of July 26.

Mr. HALE asked and was given permission to extend his remarks in the RECORD and include an article by Stewart Alsop.

Mr. ELLSWORTH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in the RECORD in two instances and include in one an address made by Mr. Sprague, a native of Texas, before the Fort Worth Chamber of Commerce, and in the other the remarks made by Representative DEANE recently before the Home Rule Committee.

Mrs. HARDEN asked and was given permission to extend her remarks in the RECORD and include an editorial which appeared recently in the Indianapolis Star.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the RECORD and include a letter from Professor Newman.

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD and include an address by Mr. T. M. Medford, of Salem, Oreg.

Mr. JAMES asked and was given permission to extend his remarks in the RECORD.

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include various articles.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include a speech he delivered before the Disabled American Veterans.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a letter from the mayor of the city of Manitowoc, Wis.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD.

CONTINUATION OF SESSIONS OF CONGRESS BEYOND JULY 31, 1949

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, I am sure every Member of the House was much interested in the discussion yesterday between our distinguished former Speaker [Mr. MARTIN] and our distinguished Speaker [Mr. RAYBURN]. The Reorganization Act of 1946 provides "Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day in the month of July in each year unless otherwise provided by the Congress."

Mr. MARTIN claimed that under this law Congress should adjourn before the 31st day of July. Speaker RAYBURN maintained that our country was still at war in view of the fact that peace treaties had not been signed by all the countries against whom we were fighting in the Second World War.

The language in the law is "in time of war." This does not mean in the time while peace negotiations were being carried on. Furthermore it is very probable that we will never enter into a peace treaty with Germany. If the position of the gentleman from Texas [Mr. RAYBURN] is sustained we will always be at war with Germany.

The Speaker's ruling may bring serious consequences because the constitutionality of any law passed in this session of Congress after July 31 might be questioned in court. The claim would be that Congress was not legally in session.

There is a way out of this dilemma.

Congress should immediately pass a concurrent resolution to cover this situation.

On yesterday I introduced such a resolution which reads as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Saturday, August 20, 1949, and that when they adjourn on said day they stand adjourned sine die.

This or some similar resolution should and could be passed immediately.

NATIONAL DEFENSE

Mr. NICHOLSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. NICHOLSON. Mr. Speaker, I listened with a great deal of interest to the gentleman from Pennsylvania. He is absolutely right. If we are in a state of war and we have to stay here all summer and fall, let us appropriate the money for the defenses of this country. We have to fight the wars anyway. We fought the last one with our money, and the first one. As I remember the history of the war, it was the Americans that landed in Africa, in Italy, in France, and in the Pacific Islands. So let us look out for ourselves here instead of trying to carry on the battle of everybody else. As the gentleman pointed out, we owe $252,000,000,000. If we are going to go in debt again, let us do it for the United States.

FEDERAL EXPENDITURES

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, a recent suggestion by Budget Director Frank Pace that a simplified budget summary be issued next January is commendable. The idea is to boil down the 1,400-page budget into a 30-page summary and in such simple terms that the average citizen will be able to understand it.

Director Pace also suggests that President Truman make a major address on the budget later this summer. With a deficit of $1,800,000,000 for the fiscal year ending June 30, 1949, and a possible deficit of $5,000,000,000 plus for the next year, the President will have much to talk about.

But it occurs to me that we should have something more than talk. And commendable though reducing the physical budget to 30 pages may be, I believe the average citizen, who might thereby be able to understand it, would be much, much more interested in seeing a boiling down of the actual figures of the budget. Except for the brief period of 1947–48 the Federal Government is still engaged in deficit financing. When and where is this spending going to stop? The average citizen wants to know—judging from the mail which his Congressman receives. He wants his Government to begin practicing some economy. He wants the Hoover Commission recommendations put into effect. And he wants some tax relief.

Yet what do we find? In a single month in 1949 our Government spends as much as the $3,500,000,000 total cost of 4 years of the Civil War.

In the last four peacetime years, 1946–49, the Federal spending was $177,000,000,000. This exceeds the $167,000,000,000 spent during the entire 152 years following George Washington's inauguration as President of the United States. Just think of it. Is it any wonder that the average citizen is more interested in boiling down the budget figures than in reducing the size of the book which contains them?

I am quite certain he is not going to be satisfied with talk about the budget—by the President or anyone else. He wants some action and that right soon.

ARMY WASTE

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, I hold in my hand a copy of the Oneonta Star paper of New York of Friday, July 8, 1939, and I read:

This is an inspection by the Chief of Army Engineers.

The inspection group arriving at Keyes Airport in the general's DC–3 Army transport

was met by three Government cars sent from Baltimore, Md., to transport the party to the dam.

That is 350 miles. It probably would cost to send those cars up, including the per diem of the chauffeurs and the mileage and the maintenance and all that sort of thing, from $400 to $500.

In brackets in the article is this statement:

[An Oneonta taxi firm estimated that the party, which required three cars, and took 1 hour and 45 minutes, could have been provided local transportation at a cost of slightly more than $10.]

Mr. Speaker, this is a sample of the way the bureaucrats are wasting the money of the people of the United States.

HON. CHARLES R. HOWELL

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I would like to say a few words of praise about the gentleman from New Jersey [Mr. HOWELL]. Our colleague, who is in his first term here, is making an outstanding record for himself. He is very faithful in attendance on the floor of the House and with his committee meetings. He takes part in all the functions of the House of Representatives. If the gentleman from Mississippi [Mr. RANKIN] was sincere in saying he did not know who the gentleman from New Jersey was, he must be one of the very few Members of Congress who does not know.

Mr. RANKIN. Mr. Speaker, a point of order. I demand those words be taken down. A man cannot stand on the floor of the House and accuse another of insincerity.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read as follows:

Mr. HAYS of Ohio. If the gentleman from Mississippi [Mr. RANKIN] was sincere in saying he did not know who he was, he must be one of the very few Members of Congress who does not know.

Mr. RANKIN. Mr. Speaker, I withdraw the point of order. That does not violate the rules. I thought he said I was insincere.

The gentleman from Ohio [Mr. HAYS] just said that if he had voted yesterday he would have voted with Mr. MARCANTONIO on that radical motion to bury the military housing bill.

So that settles the matter.

The SPEAKER. Without objection, the point of order is withdrawn.

There was no objection.

EXTENSION OF REMARKS

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD in three instances and include certain editorials and printed matter.

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD on the Sabine-Neches waterway project, and also in another instance and include certain extraneous matter.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this time in order that I may ask the majority leader with reference to the program for next week and the balance of this week, if he is prepared to tell us.

Mr. McCORMACK. I will be very glad to announce the program as far as I am able to.

Monday, of course, is Consent Calendar day. There are 11 bills to be considered under suspension of the rules. An important one, H. R. 5598, a pension increase of service-connected disability cases. I have agreed with the gentleman from Mississippi [Mr. RANKIN] that if there is to be a roll call on that bill, I will try to have it put over until Tuesday.

Mr. Speaker, I ask unanimous consent that upon termination of the debate on the bill H. R. 5598 on Monday next that final action be taken on the bill on Tuesday.

Mr. RANKIN. That is perfectly agreeable, Mr. Speaker. The bill will be taken up under suspension, and if there is a roll call, which undoubtedly there will be, it will be put over until Tuesday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MCCORMACK]?

There was no objection.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. VINSON. I wish to make the same request with reference to the conference report on the unification bill. In the event the conference report is submitted with reference to the unification bill, if it is called up on Monday and there is a roll call, that the vote will be taken on Tuesday.

Mr. McCORMACK. Yes. I may state to the House that the gentleman from Georgia [Mr. VINSON], told me that the conferees have agreed on the unification bill for the armed services. Of course, the Senate must act first. As we are going to adjourn tonight until Monday, that would come up on Monday. I would suggest to the gentleman that in the event of a roll call final action on that matter be taken on Tuesday.

I ask unanimous consent now, Mr. Speaker, that if there is a roll call on the adoption of the conference report on the unification bill, and I assume there will be, because the amendments of the Senate are far-reaching and important and the Members of the House may want to go on record, that the final action be taken on Tuesday.

The SPEAKER. Will the gentleman permit the Chair to make a suggestion. If we do not finish these bills that are on the calendar to be considered under suspension on Monday, they will all have to go over for 2 weeks. I was wondering if it would not be better to say that in all probability, unless we get through with those 11 suspensions on Monday, the conference report would not come up until Tuesday.

Mr. McCORMACK. Monday, the Consent Calendar will be called, and 11 bills will be called up under suspension of the rules, the one of very substantial importance being H. R. 1558, to provide a pension increase in service-connected cases.

We hope to adjourn today over to Monday.

The SPEAKER. I think it would probably save some time if the Chair's suggestion were followed.

Mr. VINSON. Mr. Speaker, it will be perfectly satisfactory to me to call up the conference report on Tuesday.

Mr. McCORMACK. I withdraw my consent request, Mr. Speaker.

The bills to be called up under suspension are:

H. R. 4446, the Administrative Practitioners Act.

S. 1076, Migratory Bird Hunting Stamp Act.

H. R. 1746, restoration and management, fisheries projects.

H. R. 5535, Philippine Rehabilitation Act of 1946.

H. R. 5730, Institute of Inter-American Affairs.

H. R. 4403, recreational facilities.

H. R. 3282, Indians—liquor law.

H. R. 4548, Fort Logan, Colo., National Cemetery.

H. R. 3788, Vermejo reclamation project.

H. R. 163, construction of canals in Sacramento Valley.

Following that we will take up H. R. 29 under a rule. If taken up on Monday but not concluded, its consideration will be continued on Tuesday; if not reached on Monday it will be the first order of business on Tuesday, following the Private Calendar.

The Private Calendar will be called on Tuesday.

For the balance of the week other bills will be considered if rules are reported on them. I may say that the House has been far ahead of the Rules Committee. However, if rules are reported, the following bills will be called up for consideration:

H. R. 5472, public works, rivers and harbors bill.

H. R. 5330, Korean aid.

H. R. 1758, Natural Gas Act amended.

H. R. 5738, amends Agricultural Adjustment Act of 1938—cotton acreage.

Conference reports may be called up at any time.

That program depends on what the House may receive through the generosity of the Rules Committee; all of them are dependent upon whether or not rules are reported. There are certain things we would like to dispose of and the quicker we can do so the quicker the House can get through and be in position to take 3-day recesses. I make this statement in all frankness to the House, that I am looking forward to being in a position, if certain bills are disposed of, if the Committee on Rules makes their consideration in order, when we can take 3-day recesses. We have

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a rivers and harbors bill, the consideration of which is waiting on the pleasure of the Committee on Rules. As a matter of fact appropriations have already been made, some of which are dependent on authorizations contained in that bill. The bills have been reported. It is to be hoped that the Rules Committee will cooperate so the House can express its will, that is all. Let the House do the expressing of its will. Then we are in a very good position to take some 3-day recesses in the not-too-remote future.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. NICHOLSON. In the matter of the suggestion of the gentleman from Massachusetts that votes go over until a later date, I want to refer to what happened on Monday last when certain matters came in here upon which some of us wanted to have a record vote, but we were advised that some agreement had been entered into preventing that. I do not propose to let that happen any more. I think we ought to get along with the business of the House and expedite it in every way possible.

The SPEAKER. That is one of the reasons for the consideration of these bills under suspensions.

Mr. McCORMACK. We are only trying to expedite the business of the House.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. LUCAS. May I ask the gentleman from Massachusetts if he will inform the House, if he can, what procedure will be followed on August 8 when we have two privileged bills due to come up for consideration?

Mr. McCORMACK. That is a matter for the Speaker and the majority leader would not venture an opinion. I may say that I would never invade the jurisdiction of anyone, particularly our beloved Speaker. The question of who will be recognized is a matter of recognition for the Speaker to determine. I am sure if the gentleman will confer at the right time with the Speaker—and this is 2 weeks off—knowing the Speaker as I do and knowing him as the gentleman does, he will probably receive adequate information. I shall not attempt to answer the inquiry.

The SPEAKER. The time of the gentleman from Indiana has expired.

ADJOURNMENT FROM THURSDAY TO MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. HOEVEN. Mr. Speaker, reserving the right to object, and I shall not object at this time, but I want to serve notice that hereafter for the balance of this session I shall object to the long week-end recesses of the House until we have completed our business for this session. As long as we have to sit here and sweat it out during the heat of a Washington midsummer we should devote our time to the business of the House, so that we may adjourn at the earliest opportunity. I say this in all kindness: It seems that the policy of conducting the business of this House throughout the past several years has been for the benefit of the Members of the House who live along the Atlantic seacoast so they can join their families over the long week ends and attend to their business affairs. Those of us who live out in the Midwest and the far West scarcely ever get home during sessions of the Congress and I think some consideration should be given those of us who come from that part of the country. So, Mr. Speaker, I shall not object to the present request, but I do want to serve notice that the gentleman from Iowa for one is going to object to such requests during the remainder of the session.

Mr. McCORMACK. Mr. Speaker, may I say to the gentleman that any thing he says does not disturb me in the least, but in justice to the Members of the House may I say that the leadership on both sides of the House have been very cooperative. The reason for these week-end adjournments is not for the convenience of any particular Members who live in particular areas nearby. That is purely an incidental matter and I think the House should know that. However, when the House has performed a real week's work I have always felt that we can go over from Thursday to Monday to enable the Members to do their office work, for instance. All of us are busy. We are not loafing and when the Members get a real week's work in I have felt that the membership of the House deserves the recess.

Also, may I say that when we have adjourned from Thursday to Monday it has always been because we have had no business to transact; otherwise the House would have met on Friday, and then adjourned until Monday. I agree with the basic purpose of the gentleman's objection, but I think that explanation should be made to show that we always sit on Friday when there is business to be transacted. Of course, nobody objects to adjourning from Friday to Monday. The only time we have gone over from Thursday to Monday is when we have not had any business to transact. We will dispose of a bill that will come up shortly and there is no other rule that we can call up today or tomorrow, so that if we did meet tomorrow we would simply meet and adjourn. That is why I made the statement that I hope the Rules Committee will be generous and I think the significance of my remarks was caught by every Member present.

Mr. HOFFMAN of Michigan. Mr. Speaker, further reserving the right to object, I was on my feet to join in this move when the gentleman from Iowa rose back there. What the majority leader says about working in your office is all right, but over the years I have noticed that when we got along to the last of the session—and sometimes we used to stay here until 10 or 11 o'clock at night—the legislation was not given very much consideration. Instead of being in the offices, I noticed that some of these Members——

Mr. McCORMACK. The gentleman was talking about a Democratically controlled House when he said that they worked late?

Mr. HOFFMAN of Michigan. Sure, in 1937, 1940, and along in there.

Mr. McCORMACK. Well, all right; we will not go into that.

Mr. HOFFMAN of Michigan. I will not quarrel with the gentleman. I think what these gentlemen from the west coast, and even some up in Maine and out in Michigan, are objecting to, is that so many of these gentlemen from New York and around here, dig out Thursday and go home and engage in business, and they come back on Tuesday. I know what I am talking about, and we do not like it any more.

Mr. McCORMACK. I said that I have no business for tomorrow; therefore I asked that we go over until Monday. We have not wasted a Monday. I put bills on for Monday that we have to take up, which run over to Tuesday, Wednesday, and Thursday. They are bills on which there is not much controversy, so why not put them on and clean them up?

Mr. HOFFMAN of Michigan. That is my point. Why not bring them in here and get them out of the way?

Mr. McCORMACK. If the gentleman will help me with the Committee on Rules we will get them out.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. HOFFMAN of Michigan. Mr. Speaker, I had not quite finished. May I have 1 second more, or 2? When the gentleman from Massachusetts was talking about the Committee on Rules, the gentleman from Illinois, the chairman of the Committee on Rules, was sitting right there by him and I heard him say—I am not so far away—I heard him say that he was waiting for the President.

Mr. McCORMACK. He was what?

Mr. HOFFMAN of Michigan. I heard him say that he was waiting for the President.

Mr. McCORMACK. Well, you see, the gentleman did not hear correctly what he said.

Mr. HOFFMAN of Michigan. Oh, yes, I did. The gentleman was talking and I was listening.

Mr. McCORMACK. I was talking about a particular bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. WOLVERTON. Mr. Speaker, further reserving the right to object, I make this reservation for the purpose of inquiring of the majority leader why, in the enumeration of the bills that are now before the Committee on Rules on which action is hoped for, he did not mention the National Science Foundation bill. Was there a reason for eliminating that?

Mr. McCORMACK. Oh, we have been trying to get that out just as vigorously as we could and as we can. We are very anxious to get that rule out.

Mr. WOLVERTON. I am pleased to hear that. That is in line with what the gentleman said with reference to the other bills.

Mr. McCORMACK. What I said was not meant to exclude other bills, but I

just simply referred to some as an illustration.

Mr. WOLVERTON. I am very glad to hear that.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SIGNING OF ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found duly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EIGHTY-THIRD AND FINAL NATIONAL ENCAMPMENT, GRAND ARMY OF THE REPUBLIC

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Concurrent Resolution 102 and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there is hereby created a joint committee which shall be composed of five Members of the Senate to be appointed by the President of the Senate, and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The committee shall select a chairman from among its members.

SEC. 2. The joint committee shall represent the Congress at the Eighty-third and Final National Encampment of the Grand Army of the Republic, to be held at Indianapolis, Ind., from August 28 to September 1, 1949.

Mr. LYLE. Mr. Speaker, I am pleased to have the honor of calling up this resolution. There was a time when it would have been most unusual for a member of my State to handle a resolution concerning an encampment of Union soldiers. Time has erased all ill feeling and we now have in our hearts only respect for the great Americans who fought on both sides of the Civi. War.

One of Texas' great Senators, the Honorable TOM CONNALLY, likes to tell the story of a southern boy who came home after the war and was chided about having said the South could whip the Yankees with cornstalks. "Well," he said, "I did tell you that and it's true. But you know, they wouldn't fight with cornstalks."

Inevitable as it is, Mr. Speaker, we regret the passing of all but a few of the grand old men. They will have seen their eighty-third and final national encampment. This Congress could do no less in honor of these great Americans than to send representatives to this final encampment.

Again, I say, Mr. Speaker, I am pleased to have the honor of handling this resolution.

Mr. ALLEN of Illinois. I have no request for time at the moment, Mr. Speaker.

Mr. LYLE. Then, Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. JACOBS], the author of the resolution.

Mr. JACOBS. Mr. Speaker, I am the author of this resolution. First, I want to endorse wholeheartedly the remarks of my distinguished colleague from Texas. We are all happy that the bitterness that existed at the close of the War Between the States is now a thing almost past. I have the same feeling toward those old soldiers who wore the gray as I do for those who wore the blue uniform in that war.

This final encampment of the Grand Army of the Republic is being held in my district, in the city of Indianapolis, where the first encampment was held 84 years ago. As the gentleman from Texas said, it is a fitting tribute to those few who tarry on this side of the river, in the late evening of their lives before they join the larger encampment of their comrades on the other side, that we send representatives of the Congress of this great Union to this, their final encampment in this world. There are but a few of them left, I think 29. There probably will be only six or eight who will be able to attend this encampment. As a greeting and a final tribute to those who fought in the war to preserve the Union I ask that you approve this resolution. Thank you.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Speaker, I am extremely proud to be the namesake and grandson of a Confederate veteran. In view of that fact, it may seem odd to some of you that I rise in support of the resolution now before the House for consideration. I think the resolution is a grand gesture and furthermore that it is indicative of an attitude nurtured by many of us who during the last three quarters of a century have realized and enjoyed the benefits guaranteed to us as a result of the War Between the States.

Many people do not appreciate the real purpose and influencing motive of that war. Many people do not appreciate the courage and valor with which the Confederate soldiers fought. He was willing to sacrifice his life to save a principle of government in which he believed; a principle of States' rights without unnecessary Federal intervention. Many people do not appreciate that those poor soldiers returned to their homes only to find them in shambles and ruined. They had nothing, they were penniless. Their currency was more worthless than a Chinese yen is today. However, they met their fate with a determined vigor and through the past 75 years the South has prospered to a degree that it is now the most outstanding section of our country. Such prosperity and progress is demonstrative of good citizenship and sound political philosophy.

Most of us regret that there was bloodshed, but we should all be proud that the most unfortunate war in the history of our country solidified our United States and gave rebirth to a philosophy of government that has promoted our youthful Nation to the pinnacle of honor and freedom for all men throughout the world.

Most people do not realize that the gallant soldiers of our Confederacy have never been permitted to enjoy the benefits of hospitalization, pensions, and so forth, that have been afforded the veterans of all the other wars of our country. Yet they did as much to give you and me a free country as did any of the veterans of the other war.

It is a late date, but not too late for our great Government to express its appreciation to those fine gentlemen for their part in uniting our States. Consequently, I intend to introduce within the next few days a bill that will afford them a pension or cash benefits during the remainder of their lives. There are only a few. Their honor is great, and they may not desire to receive it at this time. However, I think it is only proper that our Government offer it.

I do not know whether the Confederate veterans will hold another reunion. I hope they do, because I want to attend as a member of a delegation from this Congress. To the members of the Grand Army of the Republic on their reunion, I offer my sincere best wishes and many happy returns of the day.

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. HARE. I would be delighted to yield to the gentleman.

Mr. JACOBS. I have the honor of being descended from both Confederate and Union soldiers. I am proud of it, and I endorse what the gentleman says in reference to our unity 100 percent.

Mr. HARE. That is very generous of the gentleman.

Mr. PETERSON. Mr. Speaker, will the gentleman yield?

Mr. HARE. I am delighted to yield to the gentleman.

Mr. PETERSON. I think at this time it would be apropos to place in the RECORD the statement that the gentleman represents a county which contributed seven major generals to the Confederacy. Is that not true?

Mr. HARE. That is correct.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

EXPERIMENTAL SUBMARINES

Mr. SABATH. Mr. Speaker, I call up House Resolution 300, and ask for its immediate consideration.

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The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4007) to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this rule makes in order the bill H. R. 4007. This is a bill to amend the act of May 16, 1947, which authorized an appropriation of $30,000,000 for the construction of two submarines.

The bill before us increases that appropriation by $11,000,000. This notwithstanding that the Navy engineers and experts all testified that the cost of construction of these two experimental submarines would not be more than $12,000,000 or $13,000,000 each, or a total of $25,000,000.

Personally, I was under the impression that the Navy had sufficient unexpended funds that could easily be used for the additional cost that they claim these two submarines would cost. I could not understand why it is that after 2 years, when material costs have been reduced, it is necessary to spend $11,000,000 additional on these two submarines.

Is it possible that they have some new gadgets to install in these submarines. I feel that the men assigned to the hazardous duty in these vessels should have all comforts and safeguards provided for them, and they are entitled to them in order to insure adequate protection of both life and limb, but I do not feel the submarines should be equipped with the most expensive fittings. Of course, the Navy gentlemen claim there are new devices that they desire to use for the completion of the submarines.

I am not going to set myself above the experts in the Navy Department. In view of the fact that the chairman of the committee and especially the chairman of the subcommittee and these Navy gentlemen felt that favorable consideration should be given to this bill for an increase of $11,000,000, we reported the rule.

But once more I want to call attention to the fact that not only the Committee on Armed Services but other committees should be more careful in reporting bills that call for additional millions of dollars of appropriations. The country is commencing to complain, and my Republican friends, who criticize so continuously that we appropriate large sums of money and are spending more money than we should, are the very ones who advocate, urge, and vote for all these appropriations, and additional expenditures.

However, I feel that the rule should be adopted. I feel that the bill will be passed. Of course, when it comes to spending money I know nearly all of the Republicans will vote for it.

Before I conclude my remarks, Mr. Speaker, I am in honor bound to answer some statements that have been made by our extremely efficient, capable, sincere, honest, and hard-working majority leader, who kindly criticizes the Rules Committee for inaction and says that the House it way ahead of the Rules Committee. If the House is ahead on account of the failure of the Rules Committee to report some of the bills, so is the country. Had we reported all the bills that have been recommended by some of the committees, an additional five or six billion dollars would have been appropriated, and in most instances I think unnecessarily. I do not only advocate economy, but I am trying to practice it.

Of course, the Committee on Rules, as constituted, is not in accord on all matters. Each and every member of that committee has his own ideas, beliefs, and viewpoints, and rightly so. Unfortunately, we cannot always agree on all-fours in reporting rules. Had the leadership given me one or two additional progressive members for my committee, my task would be easier and more cooperative action could be obtained. If such were the case we could have reported more of the bills that are pending and which the President and the administration desires.

I hope I will be able to report rules on some of the pending requests before the Committee on Rules sometime next week. Some of the pending requests for rules are: the Korea-aid bill—we have held several hearings on this measure. It is a bill that involves $150,000,000 and there are many outstanding Members who feel it is not justifiable to spend this money at the present time.

The National Science Foundation bill is pending in committee. I know that the President and others are desirous of obtaining a rule thereon and I am trying my best to comply with their requests, but I do not have the votes and I cannot club the membership into voting out a rule when they feel they want more time to study and consider same.

Unfortunately, some gentlemen who were especially interested in the rivers and harbors bill insisted that a vote be taken on the granting of a rule notwithstanding that the hearings on this bill were not completed. Consequently, by a majority vote of the Committee on Rules, the motion to grant a rule was defeated. As long as I am a member of the Rules Committee and its chairman, I shall not deny any Member of the House his right to be heard, whether it be in favor of or in opposition to any bill. That was my position yesterday, that was my position the day before yesterday, and it shall continue to be my position. I am not going to deny any Member the right to be heard before the Committee on Rules even if it takes a day or two longer. Sometimes I am obliged to call two or three meetings in 1 day.

We also have the reforestation bill which calls for the expenditure of perhaps a million dollars plus. That has been delayed. There is a liquidation trust bill and a rehabilitation bill which we should act on favorably because it means $46,000,000 for the Treasury of the United States.

Then there is the Engle mining bill which will cost perhaps three to four hundred million dollars. Personally, I feel that some bill to relieve these small independent miners in the West should receive consideration because the money appropriated will eventually come back to the Treasury of the United States and it would also result in our obtaining strategic materials such as copper, zinc, lead, and also one or two other important minerals that we are obliged to import at higher prices than we could obtain them if these small mines were permitted to operate. If these mines do not obtain some aid from the Government, they will be obliged to close and by closing they will be ruined because the water will seep in and it will cause a tremendous loss to the small-mine owners, as well as to the country at large.

Then we have a very important bill involving the State of California, which would permit the harnessing of the waters of the San Joaquin and Sacramento Rivers. This will make available for farming 300,000 or 400,000 acres of land for the production of additional crops and at the same time it will save that section of the country from the danger of a shortage of water.

I am extremely desirous that the Committee on Ways and Means bring in the bill to amend the Social Security Act, and, of course, I know that many Members are anxiously waiting to vote for the minimum-wage bill. However, with respect to that bill, in view that a discharge resolution has been introduced and is in order, the bill is scheduled to be considered by the House on Monday, August 8. This consideration has been made possible under the rule which I introduced and which passed the House early in the session, providing that if the Committee on Rules did not act on a request for a hearing within 21 calendar days, the chairman of the committee reporting the bill would be privileged to call the bill up for consideration after the expiration of 21 days. However notwithstanding the statement of the majority leader who has inferred that we are delaying the House in legislating, I wish to say in justice to the Committee on Rules that it has reported this session, 82 rules making in order the consideration of various bills and 6 resolutions giving investigatory and subpena power to legislative committees of the House. This is a greater number of rules than has been reported by any previous Committee on Rules in any one session of the House.

Consequently, I feel that the statement of the gentleman from Massachusetts is not exactly justifiable, although I know that he has the best interest of the membership at heart, notwithstanding what some of the gentlemen on the other side may say. He does desire that the House should as speedily as possible complete its business so that we may take recesses for 3 days at a time and at the same time that our action may encourage the other body also to go to work instead of filibustering on important measures, that it may get busy and complete the legislative programs so that the Congress can adjourn as speedily as possible.

Personally, as to adjournments over Fridays or over week ends, let me say that there may be a few Members from the East or nearby districts who desire to go home, but these are Members who are not afraid to go home. They go home and meet the people and find out the viewpoint of the people and learn what the people desire. That is the reason they go home, and at the same time, perhaps, to enjoy a little cooler weather than we are experiencing here.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I am sorry indeed that my very dear friend from Illinois manifests such a sensitive disposition. He knows, of course, the fond affection I have for him, and my remarks were not directed toward him. But then, again, his loyalty to the Committee on Rules comes to the surface. So we grant the gentleman our complete blessing and absolution for the defense. The fact remains, however, I may say to my dear friend, that we have no business for tomorrow. The fact remains that I had to put many bills on the calendar of suspensions for Monday. To most of them there is no objection except that in some instances they go beyond the $1,000,000 rule. But I am doing so merely to try to get some action. I could have used Monday for other purposes. For instance, we could have begun consideration of the rivers and harbors bill, or the cotton quota bill, Korea bill, or some of these other bills. These bills should be brought to the floor of the House that the House may express its will upon them.

There are three or four important bills that must come up. A lot of others can go over until next year. I think we should get through with these important bills. Then we can commence a series of 3-day recesses and it might, as the gentleman said, inspire quick action elsewhere to bring about an early adjournment. All that I have in mind is the best interest of every Member of the House and of the other body, as a matter of fact, in trying to speed up this work. As far as I am concerned, I could stay here all year, but I recognize that the Members have worked hard and are entitled to a vacation. I apologize to nobody in stating that we are entitled to a vacation, but there is certain legislation that must be considered. So the gentleman cannot answer the fact that we have no business. There is only one rule out of the Rules Committee outside of the one we are now considering and that is the one relating to parity prices on tung oil and honey. That will come up for consideration on Monday or Tuesday. I put that off so that we would have some sort of a program next week and in the hope the committee will report out some bills so that we can bring up real business.

Mr. SABATH. May I say to the gentleman from Massachusetts, I do not feel that I need any defense, for if he would search his heart I am certain the gentleman would conclude that there is no man here more desirous of expediting the business of the House than I. This is the underlying reason for the creation and the existence of the Committee on Rules. Besides expediting legislation we withhold consideration of ill-advised and unnecessarily expensive legislation and appropriations.

Personally, I do not feel that I need any defense for my own actions, for as I said before, if I had a majority on the Rules Committee which is the policy committee of the House, I could have reported without any unnecessary delay, rules on legislation in which the President and the administration is interested.

Notwithstanding the friendly admonition of the gentleman from Massachusetts, the majority leader, and other gentleman from time to time, to the effect that the Rules Committee is not a legislative committee and is usurping a power not theirs, I wish to state were it not for the fact that we have some lopsided committees who report bills in the interest of and affecting the local economy of their own districts, States, or section and upon which they request rules for consideration, the Committee on Rules would not be obliged to withhold action on those bills which their committees report which are in the interest of the entire country.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman will recall, of course, that I had the great privilege of serving on the Committee on Rules. I have watched the operation of the Committee on Rules, and I would just like to say to the gentleman that from my standpoint I would not be too apologetic about the fact that every now and then the Committee on Rules does not report out rules on some of the bills that are brought there. I think that by reason of its action in that regard through the years the Committee on Rules has served the best interests of the Congress and the country.

Mr. SABATH. Yes; it was my pleasure to have served with the gentleman from Indiana [Mr. HALLECK] on the committee of which I am chairman, and I thank the gentleman for his statement.

The gentleman from Massachusetts [Mr. McCORMACK] states that he is here continuously. So am I. As a matter of fact, I have not been away for a single day and with the exception of one evening, I work nearly every evening, many times until 1 or 2 o'clock in the morning, going over bills and resolutions and reports so that I could inform the House from time to time of their contents. Nearly all of the Members are extremely busy. It is not like when I came to this House when we did not have anywhere near the amount of work that we have now. Realizing that fact, I am trying to be of service to the membership of the House, to both sides, obtaining and giving information that I can impart to the membership, preparing reports and arranging for the scheduling of hearings to the best of my ability. So, I am doing all I can. Unfortunately, my committee is so constituted, as I said before, that I cannot always get the votes for the bills that the administration desires or that some committee has reported.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Illinois.

Mr. CHURCH. I want to compliment the gentleman for the statement he has made. I want to compliment the gentleman because I believe he is forthright; I believe he is saying what the people back home are demanding. I think he has shown excellent judgment. He has pointed out in one case an attempt to save $150,000,000. I want to congratulate the gentleman on his forthrightness and his courage in this respect.

Mr. SABATH. I thank the gentleman.

Now, let me say this to the majority leader and to the Members present, that there are different ways to bring up bills outside of going to the Committee on Rules. We have the Unanimous-Consent Calendar, we have suspension day, and above all we have Calendar Wednesday. When I came to the House 43 years ago Calendar Wednesday was the only day that a committee could bring up bills, whether the Speaker liked it or not. At that time Uncle Joe Cannon, who had the reputation of being the "czar of the House" and whom I respected for his great ability, though he was a Republican, from my personal observation I was satisfied he had perfect vision in the evenings, but who, during the day when the House was in session could only see out of his left eye—the Republican eye; he could never see the Democratic side, and no one could be recognized therefrom. But under the Calendar Wednesday rule which he tried to abolish but which we finally succeeded in saving, we have safeguarded the Member's interests and if we did not get unanimous consent, either then or today, every Wednesday the bills that were on the calendar that were not reported by the then reckless, indifferent, and useless Rules Committee, could be called up on Calendar Wednesday. As a matter of interest, the Rules Committee in those days was composed of three members and was dominated and controlled by Uncle Joe Cannon, who was its chairman and Speaker of the House.

In view of the statement made, I do not feel that I should be placed in the position that I, as chairman of the committee, have not done my duty. I want

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to assure you that I have done everything in my power to help the House to continue to expedite legislation, as I said before, and that has always been my position, and that the Committee on Rules should aid in every way to help bring about early consideration of legislation that the country demands and is entitled to.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. WHITE of Idaho. May I say to the gentleman, who is a Member of long standing and the chairman of the Committee on Rules, that I commend the good work of that committee and its chairman for its discernment and protection of the people and the Congress from hasty and ill-considered legislation in its handling of the matters that have come before it.

Mr. SABATH. I thank the gentleman, who was one of the Members who desired to present important evidence on the rivers and harbors and flood-control bill. I think the majority of the Members feel that I have tried to do my duty.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from California.

Mr. HOLIFIELD. I, too, want to compliment the gentleman on his fine work as chairman of the Committee on Rules. May I point out that the gentleman does not exercise dictatorial control over the Committee on Rules on either side of the aisle, and that there have been differences of opinion on the Democratic side, when certain members of the Committee on Rules teamed up with the Republicans to withhold certain legislation from the floor. I see no reason for this great alarm because there has been, shall we say, a switch of tactics and the other group at this time sees fit to vote with our good friends the Republicans. What is sauce for the goose is sauce for the gander. I know the gentleman has no control over this situation, and I certainly do not think he should be criticized for it.

Mr. SABATH. I thank the gentleman. Of course I cannot blame some of the members on the other side, because frequently they come to my rescue and my aid, which I frequently need, and for which I am thankful. I want to express my appreciation for their cooperation from time to time, but I would hope that they would cooperate with me more frequently than they have. Of course, they have their own views, their own ideas, their own beliefs. I have tried for years to change their views to make them feel that the Democratic principles and policies are the best for the Nation, but I have not been able to convince them all. I hope I will be able to convince a few more in the near future.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. MURRAY of Wisconsin. I surely do not want to get in between on the gentleman's controversy, but I just want the RECORD to show that in my tenure here the gentleman from Illinois has been one of the most fair-minded men in the House. I never have presented anything to his committee but what he has given me every cooperation.

I know the gentleman is familiar with the greatest playground of America, northern Wisconsin, and I know he would like to come up into northern Wisconsin and spend a few days there.

Mr. SABATH. I would be only too pleased to go to that land of milk and honey. They have plenty of milk there, in which the gentleman has always been interested, and, of course, others have some honey, so I can call it the land of milk and honey. Some people say "business before pleasure," but my duties here come before the pleasure of availing myself of the gentleman's invitation. I am therefore obliged to deny myself this privilege and pleasure of visiting the great State of Wisconsin, which borders on the great State of Illinois, but I shall do so sometime because I know the people of Wisconsin are good people.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. DONDERO. May I say to my good friend from Wisconsin that after Michigan is considered his State comes first.

I also wish to pay tribute to the chairman of the Committee on Rules. I have been before his committee many times in the last 17 years, and have always observed that every Member is treated with uniform kindness and consideration.

Mr. SABATH. I thank the gentleman from Michigan and others who have spoken so kindly of me and I wish to say further, that in my experience, the Members of the Rules Committee from the State of Michigan have always been extremely fair, straightforward and conscientious men, namely the gentleman from Michigan [Mr. MICHENER], and the gentleman who preceded him, Mr. Carl Mapes.

In conclusion, Mr. Speaker, let me say that I appreciate sincerely all the remarks made here today and I hope that I shall continue to maintain the confidence of you gentlemen as well as that of the House.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I also want to compliment our young chairman of the Committee on Rules for the excellent work he has done in that capacity. He is unquestionably one of the hardest working and one of the most faithful Members of the House. Inasmuch as he has explained this resolution so thoroughly, I do not think we have to go into it any further.

Mr. Speaker, I now yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER pro tempore [Mr. BONNER]. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, the President of the United States is now weighing his choice to fill the vacancy which exists on the Supreme Court. The judiciary branch of the Government has traditionally been considered to be beyond the realm of politics. Until the advent of the New Deal, Republican and Democratic Presidents alike had made a conscientious effort to maintain a political balance in their appointments to the Federal judiciary which would insure proper representation of all political views. I must, however, take note that since 1933 the trend has been toward placing the Federal judiciary on a spoils basis, a trend which has been deplored not only by the legal experts, students of jurisprudence, and lawyers, but by thinking people everywhere. Presidents Roosevelt and Truman during their tenure have named 10 men to the Supreme Court; 9 of those 10 have been Democrats. President Truman provided the single exception when he named Justice Burton, a Republican. Of the last 189 Federal judgeships, 182 of them have been Democrats, only 7 were Republicans. The Senate in its wisdom and in its response to the overwhelming demand by the American people, may have killed President Roosevelt's ill-famed court-packing bill in 1937, nevertheless the Federal courts have been packed steadily during the last 17 years, with the result that as of today the Federal judiciary is top-heavy with Democrats.

Mr. Speaker, I would like to point out to this House, and I will insert a table in the RECORD supporting my figures, that at no time in this century was the Court as unbalanced in favor of one political party as it is today. From 1900 until 1909, there were seven Republicans and two Democrats on the Supreme Court, from 1910 to 1916, six Republicans and three Democrats; from 1917 to 1921, five Republicans and four Democrats; from 1922 to 1932, six Republicans and three Democrats; from 1933 to 1937, five Republicans and four Democrats; in 1938, four Republicans and five Democrats; in 1939 to 1940, three Republicans and six Democrats; from 1941 to 1946, two Republicans and seven Democrats; and for the past 3 years, one Republican and eight Democrats. Thus, it can be seen that the historic proximate 6 to 3 ratio has been discarded by the last two occupants of the White House.

Mr. Speaker, I urge upon President Truman, in the interests of maintaining the integrity of our basic institutions, and preserving proper political representation on them, that he name an outstanding Republican jurist to the Supreme Court vacancy which now exists. To do less, would be an admission that the highest Court of the land is being turned into a political instrument in violation of all fundamental principles of our great Republic and against the fundamental philosophy of equal justice for all.

Justices of the Supreme Court 1900–49

Year	Chief Justice	Associate Justices								
1900	Melville W. Fuller (D).	David J. Brewer (R).	Henry B. Brown (R).	George Shiras, Jr. (R).	Horace Gray (R).	John M. Harlan (R).	Rufus W. Peckham (R).	Joseph McKenna (R).	Edward D. White (D).	
1901	do	do	do	do	do	do	do	do	do	
1902	do	do	do	do	do	do	do	do	do	
1903	do	do	do	do	Oliver W. Holmes (R).	do	do	do	do	
1904	do	do	do	William R. Day (R).	do	do	do	do	do	7R 2D
1905	do	do	do	do	do	do	do	do	do	
1906	do	do	do	do	do	do	do	do	do	
1907	do	do	William H. Moody (R).	do	do	do	do	do	do	
1908	do	do	do	do	do	do	do	do	do	
1909	do	do	do	do	do	do	do	do	do	
1910	do	do	do	do	do	do	Horace H. Lurton (D).[1]	do	do	
1911	Ed. White (D).	Chas. Hughes (R).	Willis Van Devanter (R).[1]	do	do	do	do	do	Joseph R. Lamar (D).[1]	
1912	do	do	do	do	do	Mahlon Pitney (R).[2]	do	do	do	6R 3D
1913	do	do	do	do	do	do	do	do	do	
1914	do	do	do	do	do	do	do	do	do	
1915	do	do	do	do	do	do	James C. McReynolds (D).	do	do	
1916	do	do	do	do	do	do	do	do	do	
1917	do	Louis D. Brandeis (D).	do	do	do	do	do	do	John H. Clarke (D).	
1918	do	do	do	do	do	do	do	do	do	5R 4D
1919	do	do	do	do	do	do	do	do	do	
1920	do	do	do	do	do	do	do	do	do	
1921	do	do	do	do	do	do	do	do	do	
1922	William H. Taft (R).	do	do	do	do	do	do	do	do	
1923	do	do	do	George Sutherland (R).	do	Edward Sanford (R).	do	do	Pierce Butler (D).[3]	
1924	do	do	do	do	do	do	do	do	do	
1925	do	do	do	do	do	do	do	do	do	
1926	do	do	do	do	do	do	do	Harlan F. Stone (R).	do	6R 3D
1927	do	do	do	do	do	do	do	do	do	
1928	do	do	do	do	do	do	do	do	do	
1929	do	do	do	do	do	do	do	do	do	
1930	do	do	do	do	do	do	do	do	do	
1931	Charles Hughes (R).	do	do	do	do	Owen J. Roberts (R).	do	do	do	
1932	do	do	do	do	do	do	do	do	do	
1933	do	do	do	Benjamin Cardozo (D).	do	do	do	do	do	
1934	do	do	do	do	do	do	do	do	do	5R 4D
1935	do	do	do	do	do	do	do	do	do	
1936	do	do	do	do	do	do	do	do	do	
1937	do	do	do	do	do	do	do	do	do	
1938	do	do	Hugo L. Black (D).	do	do	do	do	do	do	4R 5D
1939	do	do	do	Stanley Reed (D).	William O. Douglas (D).	do	do	do	do	3R 6D
1940	do	Felix Frankfurter (D).	do	do	do	do	do	do	Frank Murphy (D).[4]	
1941	do	do	do	do	do	do	do	James F Byrnes (D).	do	
1942	Harlan Stone (R).	do	do	do	do	do	Robert H. Jackson (D).	do	do	
1943	do	do	do	do	do	do	do	Wiley Rutledge (D).[5]	do	2R 7D
1944	do	do	do	do	do	do	do	do	do	
1945	do	do	do	do	do	do	do	do	do	
1946	do	do	do	do	do	Harold H. Burton (R).	do	do	do	
1947	Fred Vinson (D).	do	do	do	do	do	do	do	do	3D
1948	do	do	do	do	do	do	do	do	do	1R
1949	do	do	do	do	do	do	do	do	do	

Addenda: In the following cases (as indicated by reference figures) there was a vacancy on the Court as of Jan. 1. Therefore, the Justice (or Justices) appointed after Jan. 1 was (were) named. These men were appointed on the dates noted below: [1] Jan. 3. [2] Mar. 18. [3] Jan. 2. [4] Feb. 5. [5] Feb. 15.

Mr. ALLEN of Illinois. Mr. Speaker, I yield back the balance of my time.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. BROOKS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4007) to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4007, with Mr. BONNER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Louisiana [Mr. BROOKS] is recognized for 30 minutes.

Mr. BROOKS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I think this is an extremely important measure. It is not complicated. The facts are rather simple and very understandable, and I think it is an extremely important bill.

In 1946 this Congress passed an authorization bill under the terms of which we authorized the construction of 4,000 tons of submarines at a cost not to exceed $30,000,000. The Navy came back to our committee about 2 months ago and indicated that the $30,000,000 authorized for the construction of these two submarines would not be sufficient for that purpose and asked that the ceiling be taken off of the amount of authorization so that the submarines could proceed to construction. The committee decided not to take the limit off but to change the limit from $30,000,000 to $41,000,000 as the maximum amount to be authorized for the construction of these two experimental submarines.

The reason for the change was twofold. According to the witnesses who appeared before the subcommittee, of which I am chairman, the increased cost is due to labor and material, and to the improvement in design. Those two features are the reasons for the increased cost.

The Navy had no adequate basis on which to figure the cost of the submarines, other than the basis of what it cost to do this work in 1944 and 1945. That was the period when we did some submarine construction and we knew what it would cost. So when these two

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experimental-type submarines, called prototype submarines, were considered, the estimate of cost was set on the basis of what it had cost in 1944 and 1945. That estimate would have given a cost of twelve or thirteen million dollars per submarine, and that would figure approximately twenty-four or twenty-five million dollars. The committee originally set a maximum of $30,000,000 as being the ultimate cost of the two submarines.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. REES. Does that mean that the cost of $30,000,000 in 1945 and 1946 has increased to $41,000,000 for the same general type of ship?

Mr. BROOKS. No. It was due to two factors: The increased cost of labor and materials, and improvement in the design of the submarine since that time. I will go into that in detail.

Since the end of the war we have come into possession of the secrets which were used by the Germans in the course of their submarine construction. We all know that Germany reached a high point in submarine construction. We now have available the secrets which they used in their submarine design and construction. In addition to that, our own laboratories have shown improvement in equipment and submarine design.

It is the purpose of this bill to permit the construction of experimental types of submarines of the most modern design. As a result of it, the hull has to be changed; the type of equipment placed in the submarine is improved, the idea being improvement for increased depth and increased speeds of the submarines.

All of those things together indicate clearly that there is an increased cost in the building of this type of submarine.

Now you say, why could that not have been anticipated? The reason is this, that these are submarines of experimental type. If they were standard types of ships, you might estimate the cost fairly accurately, but when you are building something which is experimental in nature, it is almost impossible to estimate the cost.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. BROOKS] has expired.

Mr. BROOKS. Mr. Chairman, I yield myself five additional minutes.

Mr. COX. As I recall, at the hearing yesterday one of the experts before the Committee on Rules on the gentleman's application for a rule made the statement that the engines used in the present-day experimental submarines cost 300 percent more than the engines that were used in the conventional type of submarine in the Second World War.

Mr. BROOKS. That statement is correct; and I thank the distinguished gentleman from Georgia [Mr. Cox] for repeating it here. These two submarines are fashioned after the schnorkel-type submarine made famous by the Germans, and the design is very much changed from the standard type of submarine which we used in the Second World War.

Let me say in conclusion that we need these submarines in our Navy. I believe that aircraft development and submarine development are fundamental to our defense. The keels of these submarines have been laid, one at Portsmouth, N. H., and the other at the Electric Boat Co. in Connecticut. The work is going to be retarded if we do not now authorize this increased amount, and I think it would be little short of folly for us to abandon our effort to go ahead with improved types of submarines so that we can meet the perils of the future which we can all see in the program of the Soviets in developing submarine warfare.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Louisiana yields back 3 minutes.

Mr. ANDERSON of California. Mr. Chairman, I yield myself such time as I may require.

The CHAIRMAN. The gentleman from California is recognized.

Mr. ANDERSON of California. Mr. Chairman, I can think of nothing that is more important in these modern days of technical development than the work that is being done in the matter of undersea craft. It is important that these vital research projects continue. This bill comes to you not only with the unanimous report from the subcommittee, but likewise from the full Committee on the Armed Services.

Mr. Chairman, I have no requests for time on this side.

I hope the bill will be speedily enacted.

Mr. BROOKS. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I shall not take much of the time of the Committee on this bill in the matter of these two ships. I should like to call your attention to the fact that the subcommittee held hearings on the bill and reported it out expeditiously because we knew it would be national suicide for us not to continue expeditiously the construction of this type of warcraft. There is no type of warcraft in the world today to compare with the new type of submarine. We know that the Germans had the schnorkel type submarine, but we have made an improvement on that.

The ordnance alone on these ships costs over $16,000,000. These things are highly secret, highly necessary to our defense, and highly necessary to our national existence. I know the Committee will pass this bill without one dissenting vote.

Mr. BROOKS. Mr. Chairman, I have no further requests for time. I ask that the bill be read for amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the act of May 16, 1947 (61 Stat. 96), is hereby amended by deleting the following: "; *Provided*, That the cost of the vessels, the construction of which is authorized by this act, shall not exceed $30,000,000," and substituting in lieu thereof a period."

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 1, line 4, strike out the words "deleting the following" and insert in lieu thereof the words "amending the proviso to read as follows."

Page 1, lines 6 and 7, strike out all after the word "exceed" and insert in lieu thereof the following: "$41,000,000."

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4007) to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947, pursuant to House Resolution 300 reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMMITTEE ON ARMED SERVICES

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until Friday midnight to file a conference report on the bill H. R. 5632.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. YATES asked and was given permission to extend his remarks in the RECORD and include extraneous material.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, instead of speaking for 5 minutes this afternoon, I ask unanimous consent that I may address the House for 5 minutes on Monday next after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. PHILLIPS] is recognized for 30 minutes.

THE REPUBLIC OF MEXICO SHOULD PAY THIS SMALL BILL

Mr. PHILLIPS of California. Mr. Speaker, you will recall that I suggested, Tuesday afternoon of this week, when I asked that this special order be reset for today, that I wished to discuss a matter

which was rather small in itself, but which involved a larger principle. You will agree, as I said then, that when you or I, or any other citizen of the United States, goes to his bank to ask for a loan, one of the factors which the lending agency will take into consideration will be his previous record of paying his debts.

I have been convinced also, over the years, that small items often contribute to the success or failure of what seem to be larger events. The small item I will discuss this afternoon involves the Republic of Mexico, our neighbor to the south, and a debt owed a well-known citizen of my district. I have no desire to create an international incident; in fact, Mr. Speaker, my desire is to prevent an international incident. I think that will be obvious as I discuss the subject.

On November 22, 1930, which you will observe, Mr. Speaker, was 18 years and 8 months ago, the Hulse-Anderson Tractor and Equipment Co., of El Centro, Calif., confirmed by letter—a photostat of which I have in my hand—a contract with the state of Baja California, for 1 Caterpillar 60 tractor, and 2 Caterpillar 30 tractors. These tractors were new, the latest model, and in first-class condition when delivered. There are other details of the contract which are not important at the moment; for example, a stipulation that the seller was to provide an instructor for a reasonable length of time, to instruct the representatives of the buyer in the care and operation of the equipment.

The Governor of Baja California at the time was General Arturo Bernal. His signature, approving the contract, is on the letter which represented the contract instrument, and there is also a notation that the contract number was 343. The total price of the equipment, according to the contract, was to be $9,640.

The next item that I submit is a statement dated December 31, 1937, which you will observe is 7 years later, showing the accounting to that date. Two payments amounting to $4,500 had been received against the contract price, but the balance at that time, plus interest, plus a supplementary account for parts purchased during the intervening 7 years, left a balance still due, on December 31, 1937, of $8,262.42.

No further payment has been made on the account.

This is not a disputed account. The original contract bears the signature of the Governor of Baja California, General Bernal. Payments made against the contract confirm the debt. In order to assure myself that there was no dispute regarding the debt, I asked State Senator Ben Hulse, one of the parties to the contract, as recently as June of this year, to write a letter to the American consul at Mexicali, and ask him again to take up the matter with the present Governor of Baja California for a statement regarding the debt. I submit, as one item of the material for my file, a letter dated June 24, 1949, from Mr. George H. Zentz, the American vice consul at Mexicali, and from that letter I now quote the following:

> Since the administration of Bernal, there have been six other Governors, who apparently have been totally disinterested in the Government's obligation to you. Lic. Castro—

I interrupt to explain that this indicates Licenciado Elias Castro, Lieutenant Governor of the Northern Territory of Baja California, with whom Mr. Zentz talked, in the absence of Governor Gonzale—

> Lic. Castro stated that the present Territorial Government recognizes this obligation and it is their hope and intention to pay off this indebtedness along with certain other commitments made by Bernal, but when they will be able to meet with it is still problematical.

Under the Constitution of Mexico, the governor of a state or territory, is appointed by the President of the Republic, and is responsible to him. The debt of a state is not necessarily the debt of the Republic, but there is an obligation placed upon the Republic, to see that the debt of a state, owed to an individual of another nation, is not permitted to drag for 18 years. You can visualize a similar siuation, under which a citizen of, shall we say, France, sold farm equipment to the State of California, or any other State, and the State, after making payment for several years, simply discontinued further payments. The matter would immediately be presented by the Ambassador of France, to the State Department, and from there to the Governor of California, and every effort would be made to see that a just and acknowledeged debt was paid promptly. This would be particularly true if the debt were as small as is the debt I am now talking about. All parties concerned would realize that a small incident of this kind could develop itself, if left unchecked, into an incident of larger proportions, to the great embarrassment of the two countries involved. That is the situation we face here.

I may say, Mr. Speaker, that I have a great deal of material here regarding this case. I have no desire to burden the RECORD with it. The debt was originally incurred in an ordinary business transaction between the governor of Baja California and the agent in the area for the Caterpillar Tractor Co. I wish to pass on to more recent incidents in the situation.

When I came back to the Eighty-first session, I brought the file back with me, and I decided that perhaps the best way to bring the matter to a conclusion would be to suggest to the Chairman of the Export-Import Bank of Washington that an informal, and entirely friendly, question should be raised with the representatives of the Republic of Mexico, in connection with any loans which might be requested of that bank. I wrote a letter outlining the situation. Actually, I never mailed that letter, nor did I mail copies of it, as I intended, to the chairman of the subcommittee of the Committee on Appropriations, which handles the appropriations for the Export-Import Bank, nor to the chairman of the subcommittee which has the appropriation for the State Department. The reason I did not mail the letter, nor other letters on the subject that I had written, including letters to the State Department, was a suggestion which seemed to me to keep this out of the field of possible international complications. A friend of mine, Mr. W. G. Herron, was in my office at the time I was dictating the letters, and I discovered that he knew personally the present Ambassador of Mexico to Washington, Señor de la Colina. I may add that we in California have a very high regard for the present Ambassador, Señor de la Colina, who at one time was the consul general for Mexico on the west coast, and who went through some of the troubled days of the depression with us. None of us in the California delegation would want to do anything to embarrass him. Mr. Herron asked me at that time if I would be willing to withhold the letters and let him talk the matter over personally with the ambassador. I was not only glad to do that, but suggested that he actually consider himself a representative of Senator Hulse in the transaction, so as to make it less formal than it would be if a Member of the Congress of the United States were involved. I can only add that apparently Ambassador de la Colina has made every possible effort to get the debt paid, but that, as of this moment, it still remains unpaid.

The relations between the United States and the Republic of Mexico, in my part of the world, have always been very friendly. If you will picture a small community with the international line running through the middle of it, on one side the United States, on the other side Mexico, with people passing back and forth through the gates with a minimum of inconvenience and control, then you will get something of the picture of the life we lead there. We have a high regard for the Mexican people, and I think those who live south of the border have that same regard for us.

Our friends who live on the Canadian side of the northern line make a great deal of the fact that there is no fence between the United States and Canada. I may say that although technically there is a fence between Mexico and the United States at certain border points, in fact there is no fence, as it has long since been punched full of holes and rotted away. The Immigration Service has been helpful in persuading the State Department to start to rebuild that small section of the fence between Mexicali and Calexico, for a distance of about 4 miles, which lies in the actual city boundaries, but all along the border, outside of the immediate city transfer points, there is in effect no fence. We have never thought we needed one.

I am firmly convinced that a borrower, coming to a lending agency and asking for a loan, should have a record of paying not only big debts, but small debts. I am equally of the opinion that a debtor is entitled to a chance to clear a record, which may be questioned, particularly in

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some small item, and I have a firm feeling that in all probability the only reason this debt has not been paid is that it has not yet come somehow to the attention of the proper authority in the Republic of Mexico who will see that it is paid, and at once.

The point I am making is that our relations have always been excellent, and I do not want anything to disturb that relationship.

I have observed over many years of experience that little things like this have a habit of growing into very big things, so I take this rather formal way of calling the attention of the State Department, the necessary agencies of this Government, the Ambassador of this country to Mexico, and the Ambassador of Mexico in this country, to the fact that I believe it is now time for them to see that a small debt is wiped out, that the good relations may be continued, and that the good credit of the Republic of Mexico may not be in any way clouded. For that reason I have brought the matter in this way before you and before the Congress of the United States.

DISCRIMINATION IN THE BUREAU OF ENGRAVING AND PRINTING

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I have here a copy of a newspaper, the Pittsburgh Courier, which shows on page 2 a picture of a group of people walking in front of the White House. It is a picket line. I understand that this picket line has been in front of the White House for the past 2 weeks. The pickets are in the main Negroes. There are signs asking President Truman to take Jim Crow off the American dollar and enforce FEPC at the Bureau of Engraving and Printing of the Treasury Department.

Upon an inquiry, I learned that the reason for this picket line was a most basic one. I learned that some 1,800 women, the vast majority of whom are Negroes, are being denied permanent employment in the jobs that they now hold in this agency because of arbitrary application of the war-service regulations. Many of these women have been employed in these jobs for as long as 7 or 8 years. I learned that these women are picketing the White House because they have been denied the same treatment that has been accorded a group of white workers, the plate printers in the same agency, who secured their permanent status simply by filling out a form for the Civil Service Commission. In other words, they are picketing the White House against racial discrimination. Moreover, I learned that the agency has stated that beginning on August 1 it will start its lay-offs and continue at the rate of 50 dismissals every 2 weeks until the task has been accomplished. They are to be replaced with new, untrained workers at great expense to the American taxpayer.

I have heard for many years of the vast discrimination and Jim Crow in this agency. I understand that the agency's treatment of its Negro veterans of World War II is a shame and a disgrace to this Nation. I learned that even among the women being dismissed that one of them is the widow of a veteran killed in combat in the European theater. These workers have taken their problems to every level of Government with the hope of settlement but they have only been met with evasion and denials. It is conceivable, therefore, that they would, as a last resort, utilize their legal right as citizens of the United States to seek redress of their grievances from their Government by the peaceful method of picketing. What is inconceivable to me is that as this newspaper story states that inquiries by the press at the White House brought forth statements of no comments either on the picket line or on the situation. What is also inconceivable is that the Secretary of Treasury, shortly before his trip to Europe, hastily called a press conference and issued blanket denials that these workers had any grievances. Ironically one of the Secretary's own aides refuted this denial to the press that same day.

We have heard a lot of talk from the President of the United States and from both major parties about the question of civil rights. The time has now passed when statements about civil rights are sufficient. The time is here for action and not words. The best place to begin the application of civil rights for this administration would be among its own employees. The Government must set the example for private industry and all other sections of the Nation insofar as fair-employment practice is concerned. I am, therefore, introducing Mr. Speaker, a resolution calling for an investigation of the situation at the Bureau of Engraving, including the dismissal of these hundreds of women, at this time by Congress. Deeds, not words, will convince the people of this Nation that this Government means business about the constitutional rights of all its citizens for equality of employment and the other civil rights.

The SPEAKER pro tempore (Mr. YATES). Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 15 minutes.

PROGRESS IN GOVERNMENT REORGANIZATION DURING THE EIGHTY-FIRST CONGRESS

Mr. HOLIFIELD. Mr. Speaker, Government reorganization has become a watchword of the American people. They want Uncle Sam to put his house in order. The Federal Government is said to be the biggest enterprise on the face of the earth. As stockholders in that enterprise our citizens demand that modern techniques of management be applied for efficient and economical operation. This is a common-sense demand. It stems not from a desire to see essential services of Government reduced, but from a recognition that the vast, complicated, and unwieldy structure of Government must be overhauled to permit the better performance of these services.

President Truman and the Congress are alert to the need for carrying on the public business with greater efficiency and economy. As chairman of the Subcommittee on Executive and Legislative Reorganization of the House Expenditures Committee, I am pleased to report, Mr. Speaker, that substantial progress has been and is being made during the present session of the Congress in reorganizing the executive branch of the Federal Government. Four enabling statutes have been passed which permit the President and several of the executive departments and agencies to proceed with necessary changes in organization and other important legislation is pending. Eight reorganization plans have been submitted by the President to take effect within 60 days of submission, if not disapproved by either House of Congress.

The job of reorganization cannot be done overnight. We are dealing for the most part with departments and agencies that have grown through many years and in many directions. Some date back to the early days of the Government.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. NICHOLSON. I would like to ask the gentleman why, when it says in the reorganization plan that the Congress should adjourn on the 31st of July, and when as a matter of fact it is mandatory, because the word "shall" is used—why is that not done, if this is such a good proposition?

Mr. HOLIFIELD. I understand the gentleman's question. He is referring to the Reorganization Act of 1946 which was a reorganization of the Congress of the United States. I am referring to the Executive Reorganization Act, which is a different act entirely. I prefer not to confuse that with my remarks at the present.

Others have grown up in response to some particular need of the times. All must be examined now and regrouped by major purpose or activity into workable departments which the President can adequately supervise. Wherever possible, duplicating, overlapping, and otherwise unnecessary parts of the governmental structure must be eliminated. Within and among many departments, lines of authority must be redrawn and clearly defined in accord with up-to-date concepts of administration.

In the course of this vast undertaking, numerous studies must be made to insure that basic changes in the structure of government are solidly grounded and capable of meeting present and future needs. Here the work of the Hoover Commission is immensely helpful. Its factual findings and recommendations serve to guide both the President and the Congress in effecting major reorganizations in government. Not the least of its contributions has been to stimulate a greater public interest in public administration.

However, the reports of the Hoover Commission are only the beginning of

this reorganization job. In certain important matters the Commission refrained from making recommendations. Sometimes the members of the Commission could not agree among themselves or with the findings of the task forces that were set up to make specialized studies. The Commission has ended its work and wound up its affairs. Final responsibility as to the wisdom or the feasibility of specific reorganizations lies with the President and the Congress. Accordingly, it is necessary to examine the Hoover Commission reports and studies with a fine-tooth comb, and to supplement or revise them where sound policy dictates.

Considering first the legislative side of reoganization progress, the four reorganization statutes, in order of their enactment, are the following:

First. Public Law 73, enacted May 26, which strengthens the staff of the Secretary of State and prepares the way for integration of the Foreign Service and other personnel of the State Department.

Second. Public Law 36, enacted June 2, which provides for an Under Secretary of Defense. This is a first step in better organization of the armed forces. As the Members well know, additional legislation creating a Department of Defense and proposing major changes in the conduct of the National Military Establishment has been passed in different form by each House. To overcome this impasse and present an alternative, President Truman has submitted a reorganization plan on the military, but legislative action is more appropriate. I hope we can proceed quickly to a satisfactory fulfillment of this urgent legislative task on the military side. In terms of dollar savings, military unification is a large part of the reorganization job. Considering that the armed services now spend about $15,000,000,000 annually, or one-third of the Federal budget, estimated savings of one and one-half billion dollars a year can be reasonably expected in this field.

Third. Public Law 109, enacted June 20, which directs the President to prepare and transmit to Congress reorganization plans by which agencies may be regrouped, coordinated, consolidated, or otherwise altered—with certain limitations—to promote economical and efficient operation. This law, titled the "Reorganization Act of 1949" is the basic enabling legislation. It permits the exercise of Presidential initiative in reorganization activities. Plans may be submitted by the President up to April 1, 1953, and each such plan will have the effect of law after 60 days, unless a constitutional majority in either House of Congress disapproves. Counting all the recommendations of the Hoover Commission equally, it has been estimated that about 25 percent of the whole reorganization program can be put into effect through Executive action provided for in this law.

Fourth. Public Law 152, enacted June 30, which establishes in the executive branch an agency called the General Services Administration. This law, known as the "Federal Property and Administrative Services Act of 1949" deals with the so-called housekeeping functions of the Federal Government. The purchase, storage, and disposal of property, the keeping of records, the management of buildings, and other internal services are brought together under one roof. The new agency takes in the War Assets Administration, the Federal Works Agency, the Bureau of Federal Supply—from the Treasury—the Office of Contract Settlement—also from the Treasury—and the National Archives. Some 27,000 employees are involved in this transfer. The Citizens Committee on the Hoover Report refers to this move as "one of the largest consolidations in Government history."

I am very proud to say, Mr. Speaker, that the law creating the General Services Administration represents careful study and intensive work on the part of our Subcommittee on Executive and Legislative Reorganization. Here is created the legislative framework for changes that will effect large economies in the Government's housekeeping activities. It has been estimated that in supply activities alone $250,000,000 can be saved by proper integration. The huge inventory of Federal supplies in warehouses and storage points, value at more than $27,000,000,000, possibly can be reduced by $3,000,000,000. Although such estimates always can be debated, it is clear that Uncle Sam as a buyer, user, mover, and seller of goods valued in the billions, should go about his daily business far more efficiently than is now the case. In such fields as records and traffic management, now within the General Services Administration, further substantive legislation to amplify the basic statute will be necessary to insure the maximum benefits of reorganization in housekeeping services, and such legislation is now in course of preparation by our subcommittee.

Promptly upon signing the Reorganization Act of 1949, President Truman submitted to the Congress—June 20—seven reorganization plans. The eighth plan was submitted July 18.

Reorganization Plan No. 1 creates a new Department of Welfare and absorbs the functions and programs of the Federal Security Agency.

Reorganization Plan No. 2 transfers to the Department of Labor the Bureau of Employment Security and related services, now in the Federal Security Agency, and the functions of the Veterans' Placement Service Board.

Reorganization Plan No. 3 transfers to the Postmaster General the functions of all subordinate officers and agencies of the Post Office Department and authorizes him to delegate appropriate functions to subordinate officers.

Reorganization Plan No. 4 transfers the National Security Council and the National Security Resources Board to the Executive Office of the President.

Reorganization Plan No. 5 provides for unified direction by the Chairman of the United States Civil Service Commission of the executive affairs of the Commission.

Reorganization Plan No. 6 makes the Chairman of the United States Maritime Commission the executive and administrative officer of the Commission and vests in him responsibility for the appointment of its personnel and the supervision and direction of their activities.

Reorganization Plan No. 7 transfers the Public Roads Administration to the Department of Commerce.

Reorganization Plan No. 8 constitutes the National Military Establishment an executive Department of Defense and vests in the Secretary of Defense direction, authority, and control over the Department.

It will be noted that the reorganization plans submitted by the President and the legislation enacted or pending in the Congress during 1949 have had two major objectives. These are:

First. Improvement in the general management of the executive branch.

Second. Improvement of the organizational arrangements for the achievement of particular purposes or programs of the Government.

Thus, in the category of changes designed to strengthen general management are Reorganization Plan No. 4 for the transfer of the National Security Council and the National Security Resources Board to the Executive Office, and Reorganization Plan No. 5 for the internal organization of the Civil Service Commission. The Federal Property and Administrative Services Act effects a major statutory reorganization in line with the first objective, for it streamlines property administration in the Government and establishes for the first time a General Services Administration charged with various housekeeping functions.

With regard to particular purposes and programs, Reorganization Plan No. 1 will achieve a long-approved objective by converting the Federal Security Agency into a Department of Welfare, and Reorganization Plan No. 3 will substantially improve the internal organization of the Post Office Department. Reorganization Plan No. 2 will take the first step in the direction of strengthening the Department of Labor.

Of considerable significance is Reorganization Plan No. 6, designed to strengthen the office of the Chairman of the United States Maritime Commission. This agency is by far the largest of those commonly designated as regulatory commissions, and the plan providing for its reorganization is a major step toward establishing a framework for efficient internal administration in the conduct of the Government's merchant marine and shipping responsibilities.

On the legislative side we have the act strengthening the authority of the Secretary of State and providing him with additional top-level assistance in the conduct of foreign affairs.

Proposed amendments to the National Security Act, including the changes contained in Reorganization Plan No. 8 would improve the capacity of the Secretary of Defense to carry out his responsibility for the direction of the military departments. The amendments would have the effect of establishing a Department of Defense in place of the existing

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confederated National Military Establishment.

In addition, legislation strengthening the authority of the Postmaster General and providing for the more flexible administration of the Post Office Department has been recommended by the President and is now under consideration by the Congress.

The reorganization plans and legislation which I have mentioned constitute but a partial summary of the reorganization activity launched during 1949. They do indicate, however, the major directions in which progress is being made. If the reorganization plans are allowed to become effective, and if the pending legislation relating to the National Military Establishment and Post Office Department is enacted, the achievements in better management of the Government will be a source of gratification to executive officials, Members of Congress, and the public. Nevertheless, certain major areas touched upon by the Hoover Commission in its reports will remain for further consideration and appropriate action. The principal problem areas toward which attention may well be directed in future months are five in number:

First. Integration of transportation agencies.

Second. Assignment of responsibility for public works planning and construction.

Third. Integration of natural resources activities.

Fourth. Disposition of lending and finance functions.

Fifth. Organization of the medical activities of the Government.

The only reorganization action now pending which relates to any of the preceding five problem areas is Reorganization Plan No. 7 which will transfer the Bureau of Public Roads to the Department of Commerce. Further action must be based on the most careful preparatory investigation and planning. Fundamental reorganizations in these fields affect many agencies of the Government.

It is difficult to estimate the economies which will result from the reorganization legislation and plans which can become effective during this year. As the President has pointed out, the enactment of a law or the approval of a reorganization plan does not of itself produce efficiency or reduce expenditures. However, the ground work is laid for improved administration which over a period of time may lead to substantial economies. How large those savings eventually will prove to be will become evident only after the new organizational arrangements have been in existence for a considerable period of time.

The Commission on Organization of the Executive Branch recognized that the precise magnitude of savings to be derived from changes in administration cannot easily be determined in advance. Very rarely, therefore, did the Commission in its official reports attempt to set forth in dollars and cents the economies expected to result from proposed reorganizations. Mr. Hoover has, however, occasionally referred to specific savings which task forces of the Commission estimated as likely to follow certain recommended changes. He has stated that a minimum of $3,000,000,000 per year could be saved if the recommendations of the Commission on Organization were put into effect. Reorganizations believed to contribute most of the attainment of this $3,000,000,000 in savings are summarized as follows:

Reorganization of the National Military Establishment	$1,500,000,000
Revamping of Federal personnel policies	600,000,000
Reorganization of supply services	250,000,000
Reorganization of the Post Office Department	300,000,000
Improved records management	16,000,000
Reorganization of the Agriculture Department	44,000,000
Total	2,710,000,000

The $290,000,000 of additional savings included in the $3,000,000,000 estimate presumably are to result from reorganizations of other aspects of the business of the Federal Government.

It is of particular interest to note that legislation already passed or pending and reorganization plans now before Congress deal with every one of the six major savings areas listed above except the Department of Agriculture. This does not mean, of course, that the 1949 reorganization program will lead to cover two and one-half billions in economies. It does, however, indicate that attention is being directed to those areas in which observers have concluded that major savings can be attained.

In a fundamental sense, the task of achieving efficient and responsible administration in an organization as complex as the executive branch of the Federal Government is never ending. Changes in the domestic economic situation, in our relations with foreign powers, and in the demands made by the people upon their Government may render obsolete organizational patterns well adapted to the needs of an earlier day. Reorganization, therefore, is not simply a task for 1949 or for 1950. It is a task toward which the President and Congress must unceasingly devote their attention. If both the legislative and executive branches possess the authority and procedures necessary for the swift but orderly adaptation of organizational arrangements to changed conditions, and if they are constantly alert to deficiencies as they appear, it will be possible to assure that high quality of administration which the Nation must have. Both the program of the administration and the actions of Congress during 1949 give encouraging evidence that the need for constant attention to the organization of the executive branch is fully understood.

Mr. Speaker, in order that the Members may have further information on the background and objectives of the eight reorganization plans submitted to Congress by the President, I have prepared individual statements on these plans.

Mr. Speaker, I ask unanimous consent that these statements be included with my remarks at this point in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

(The statements referred to are as follows:)

REORGANIZATION PLAN NO. 1 OF 1949

The purpose of this plan is to establish a Department of Welfare which will take its place among the principal executive departments, performing the functions and conducting the programs now administered by the Federal Security Agency.

The affairs of the department are to be administered by a Secretary of Welfare, appointed by the President with the advice and consent of the Senate. Provision also is made for one Under Secretary and three Assistant Secretaries to be appointed by the President subject to Senate confirmation.

To fix responsibility and clarify lines of authority, all functions of the Federal Security Agency are vested in the Secretary of Welfare, who may delegate appropriate authority to any officer, employee, or to any bureau or other organizational unit of the department.

Reorganization Plan No. 1 accords basically with the Hoover Commission recommendation that a new executive department be created to administer education and welfare activities, and conforms to the Commission's general policy of placing full legal authority and responsibility in the head of the department.

It should be noted that this plan culminates a long history of effort and activity looking to the establishment of a department of welfare. For a quarter century Presidents, special commissions, and students of government have made specific recommendations to that effect. President Harding proposed the establishment of a welfare department in a message to Congress early in 1923. Similar recommendations were made about that time by the Joint (Congressional) Committee on Reorganization of Government Departments and by William F. Willoughby, director of the Institute for Government Research (now the Brookings Institution).

In 1932 reorganization orders submitted to Congress by President Hoover proposed the grouping of education, health, and welfare activities in one of the existing departments.

In 1937 both the President's Committee on Administrative Management and the Brookings Institution in its report for the Senate Select Committee To Investigate the Executive Agencies of the Government (Byrd committee) recommended the creation of a department of welfare to administer these activities. President Roosevelt had the same recommendation in a message to Congress on January 12, 1937, and Senator Robinson introduced a reorganization bill including a provision for a department of welfare.

In 1939 Reorganization Plan No. 1 submitted to the Congress by President Roosevelt provided the nucleus for a department of welfare by bringing together in the Federal Security Agency the previously scattered agencies in charge of welfare activities. The Director of the Budget has recently pointed out that a department of welfare undoubtedly would have been created at that time had not the Reorganization Act of 1939 specifically forbidden the creation of executive departments by reorganization plan.

In 1945 the Joint Committee on the Organization of Congress proposed the establishment of a department of social welfare as a means of improving and coordinating relationships between the executive and legislative branches. The following year Reorganization Plan No. 2 submitted to the Congress by President Truman transferred additional welfare activities to the Federal Security Agency.

The Director of the Budget has noted that of eight comprehensive plans for the reorganization of the executive branch developed by

responsible officials and agencies within the last 30 years, six have concentrated the functions as to education, health and welfare in a single department—five of them in a new department devoted exclusively to these activities—and the other two plans have provided for a new department in charge of the greater part of these functions.

According to the Director of the Budget: "It has long been recognized that in practice the Federal Security Agency is a department in virtually all respects except in name and official status, and that the failure to give it its appropriate title and rank is anomalous and unfortunate."

As evidence of the magnitude and importance of this agency, it is pointed out that the agency has more than 35,000 employees and total annual expenditures of more than $2,000,000,000. Thus the Federal Security Agency outranks three departments in size of personnel and a majority of the civil departments in expenditures. Excluding payments for grants-in-aid and insurance benefits, it still exceeds several departments in volume of expenditures.

Acceptance by the Congress of Reorganization Plan No. 1 of 1949 will mark the end of a long series of efforts to establish a Department of Welfare, which many observers agree with President Truman is long overdue.

REORGANIZATION PLAN NO. 2 OF 1949

The purpose of this plan is to strengthen the Department of Labor by transferring to it two major labor programs—employment security and veterans' placement.

The Bureau of Employment Security (including the United States Employment Service and the Unemployment Insurance Service) would be transferred from the Federal Security Agency to the Department of Labor. This Bureau administers the activities of the Federal Government with respect to employment services and unemployment insurance, including activities which involve mainly the review and apportionment of grants-in-aid, approval of State plans and grants, the conduct of research and developmental activities, and the provision of advice and assistance to the State agencies which actually conduct the services.

The functions of the Veterans' Placement Service Board, created under the Servicemen's Readjustment Act of 1944, would be transferred to the Secretary of Labor, and the Board abolished. Although the veterans' employment service functions through the regular employment service, its policies are now determined by an independent board. In order to simplify the administration of the Service and insure the fullest cooperation between it and the general employment service, the elimination of the Board is proposed.

In his message accompanying Reorganization Plan No. 2, President Truman stated:

"One of the major needs of the executive branch is a sound and effective organization of labor functions. More than 35 years ago the Federal Government's labor functions were brought together in the Department of Labor. In recent years, however, the tendency has been to disperse such functions throughout the Government. New labor programs have been placed outside of the Department and some of its basic functions have been transferred from the Department to other agencies.

"In my judgment, this course has been fundamentally unsound and should be reversed. The labor programs of the Federal Government constitute a family of interrelated functions requiring generally similar professional training and experience, involving numerous overlapping problems, and calling for strong, unified leadership. Together they form one of the most important areas of Federal activity. It is imperative that the Labor Department be strengthened and restored to its original position as the central agency of the Government for dealing with labor problems."

The Hoover Commission unanimously recommended that the Bureau of Employment Security be transferred to the Labor Department.

The dependence of an efficient employment service upon the work of other agencies within the Department of Labor has been emphasized by the Hoover Commission, the President, and the Director of the Budget. Statistical studies on wages, hours, and employment, vocational-counseling aids, information on labor standards and working conditions, analyses of the employment problems of women, learners, and other special groups, are among the Labor Department services which tie in directly with employment-service work. In turn, the employment-office system is expected to furnish up-to-date information on employment and labor-market problems.

Unemployment compensation, the other program of the Bureau of Employment Security, also is closely related to employment service. The Hoover Commission and the President have pointed out that although it is a form of social insurance, unemployment compensation has greater connection, administratively, with job-finding activities than with old-age and survivors' insurance and public-assistance programs administered by the Federal Security Agency.

The purpose of unemployment compensation is to tide workers over limited periods until suitable employment can be obtained. The more effective the employment service, the less drain is made on the compensation fund. In the States this interdependence is recognized by making the same agency responsible for handling employment service and unemployment compensation work. The Director of the Budget has testified that it is very difficult to separate the two programs in the budgets on which Federal grants are based. Furthermore, many States, including such large industrial States as New York, Massachusetts, Pennsylvania, and Illinois, have the employment service and unemployment compensation programs administered by their labor departments.

The Veterans' Employment Service is not abolished by Reorganization Plan No. 2, but responsibility is fixed in the head of the department by which the service will be administered after transfer of the Bureau of Employment Security.

At the present time we have an independent Veterans' Placement Service Board determining policies for the Veterans' Employment Service which by law is administered by the United States Employment Service within the Bureau of Employment Security. The Chairman of the Board also appoints the Chief of the Veterans' Employment Service. A Bureau of Veterans' Reemployment Rights, originally in the Selective Service System, and now within the Department of Labor, has responsibilities for assisting veterans to find employment. By abolishing the Veterans' Placement Service Board, responsibility for the policies of the Veterans' Employment Service is concentrated in the officer supervising its administration (the Secretary of Labor under the proposed reorganization), thereby eliminating what the Hoover Commission called an "anomalous administrative arrangement".

In sum, the Bureau of Employment Security, including employment service and unemployment compensation activities, and functions relating to veterans' placement all have a logical place in the Department of Labor, as proposed by Reorganization Plan No. 2.

REORGANIZATION PLAN NO. 3 OF 1949

The purpose of this plan is to make a first step in strengthening the organization of the Post Office Department by giving the Postmaster General authority to organize and control his Department.

The functions of all subordinate officers and agencies of the Department, including the functions of each Assistant Postmaster General, the Purchasing Agent, the Comptroller, and the Bureau of Accounts, are transferred to the Postmaster General. He is authorized to delegate to subordinates, designated by him, such of his functions as he may deem appropriate.

To provide the Postmaster General with top-level assistance in running the huge business of the Post Office Department, the plan establishes the positions of Deputy Postmaster General and four Assistant Postmaster Generals comparable to the positions of Under Secretary and Assistant Secretaries in other departments.

The plan also establishes an Advisory Board for the Post Office Department, composed of the Postmaster General, the Deputy Postmaster General, and seven other members representing the public who shall be appointed by the President with the advice and consent of the Senate.

This plan accords with the basic recommendations made by the Hoover Commission in its first and subsequent reports that subordinate officials should not have separate authorities; that is to say, the head of the agency should have full authority to organize and control his department. The Advisory Board for the Post Office Department also follows the Hoover Commission recommendations.

In his accompanying message President Truman pointed out that Reorganization Plan No. 3 puts into effect those of the Hoover Commission recommendations that can be accomplished under the provisions of the Reorganization Act. Further legislation, which the President has proposed, will be necessary to effect other recommendations of the Commission and to place the operations of the Post Office Department on a more business-like basis.

The need to improve the efficiency of the Post Office Department is documentated by the Hoover Commission, which points out that a mass of archaic laws and regulations hamper the work of the department, and that its methods of budgeting and appropriation are entirely unsuited to a business operation of this kind and size.

The Commission reported that the Post Office Department's total deficit in 1947 was $253,000,000 or 20 percent of revenues; in 1948 the deficit was $310,000,000 or 22 percent of revenues; and in 1949 the deficit is estimated at $500,000,000, or more than 30 percent of revenues.

Changes in the organization of the Post Office Department were considered as long ago as 1896 when President Cleveland recommended certain improvements to gain the full benefit of the immense sums expended in its administration. From time to time various changes have been suggested to improve the work of the department, leading up to the present reorganization plan and legislative recommendations made by the President.

REORGANIZATION PLAN NO. 4 OF 1949

The purpose of this plan is to improve the staff assistance to the President by transferring the National Security Council and the National Security Resources Board to the Executive Office of the President.

Since the creation of the Executive Office of the President, the Congress has further recognized the need for more adequate central staff and created two new important staff agencies—the National Security Council and the National Security Resources Board.

The National Security Council was established under Public Law 253, July 26, 1947, to advise the President with respect to the integration of domestic, foreign and military

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policies relating to the national security. In addition to performing such other functions as the President may direct, it is the duty of the Council—

1. To assess and appraise the objectives, commitments and risks of the United States in relation to our actual and potential military power, in the interest of the National security, for the purpose of making recommendations to the President in connection therewith.

2. To consider policies on matters of common interest to the departments and agencies of the Government concerned with the national security, and to make recommendations to the President in connection therewith.

The National Security Resources Board was established by the same act; it is composed of the chairman, who is appointed from civilian life by the President with the advice and consent of the Senate, and such heads or representatives of the various departments and agencies as the President may designate. The Board advises the President concerning the coordination of military, industrial and civilian mobilization, including effective use of manpower, civilian economy adjustments, war production and procurement, unified action of war agencies, the relationship between potential supplies and requirements of war goods, etc., strategic and critical materials, and relocation of industries.

In performing these functions, the Board is required to utilize to the maximum extent the facilities and resources of other government agencies. Reorganization Plan No. 4 accords with specific recommendations of the Hoover Commission. In submitting the plan, President Truman stated:

"Since the principal purpose of the National Security Council and the National Security Resources Board is to advise and assist the President and their work needs to be coordinated to the fullest degree with that of other staff arms of the President, such as the Bureau of the Budget and the Council of Economic Advisers, it is highly desirable that they be incorporated in the Executive Office of the President. The importance of this transfer was recognized by the Commission on Organization of the Executive Branch of the Government, which specifically recommended such a change as one of the essential steps in strengthening the staff facilities of the President and improving the over-all management of the executive branch."

REORGANIZATION PLAN NO. 5 OF 1949

The purpose of this plan is to provide a unified administrative direction by the Chairman of the United States Civil Service Commission, while at the same time retaining the advantages of the bipartisan three-member commission.

The plan provides that the President shall from time to time designate one of the Civil Service Commissioners as presiding head of the Commission with the title of Chairman. The Chairman shall, in turn, appoint an executive director under the classified civil service. The titles of President of the United States Civil Service Commission, Secretary of the Commission, Executive Director and Chief Examiner are abolished. The functions of the Chairman are listed as follows:

1. The functions of the President of the Commission.

2. The functions of the Executive Director and Chief Examiner, and of the Secretary of the Commission.

3. The functions of the Commission, with certain specified qualifications, with respect to the appointment of personnel employed by the Commission.

4. The functions of the Commission with respect to the direction of employees of the Commission, the supervision of all activities of such employees, and the distribution of work among them.

5. The functions of the Commission with respect to directing the preparation of budget estimates and with respect to the use and expenditure of funds.

6. The functions of the Commission with respect to executing, administering, and enforcing the civil-service rules and regulations, and such other activities as classification and retirement, with certain specified exceptions.

The plan recognizes that day-to-day administrative operations should be separated from the regulatory, deliberative, and appellate functions of the Commission. It leaves with the Commission final authority with respect to:

1. Formulation of civil-service rules and regulations.

2. Hearing and action on all types of appeals.

3. Administration of statutes relating to political activity.

4. Investigation of all matters pertaining to the civil service.

5. Recommending measures to the President to promote the more effectual accomplishment of the objectives of the Civil Service Act and rules.

The plan carries out a major recommendation of the Hoover Commission that the Chairman should be given full responsibility for the administrative direction of the work of the Civil Service Commission. It also follows in line both with developments in recent years in the States and cities, and with recommendations made from time to time for improving the personnel organization of the Federal Government.

Back in 1923 the Joint (Congressional) Committee on the Reorganization of Government Departments recognized that the Civil Service Commission must retain the Commission form of organization and continue in independent status, because much of its work was quasi-judicial in character. However, the need for a chief administrative officer, acting as Chairman of the Commission, was pointed out by President Hoover in a message to Congress of February 17, 1932. President Roosevelt's Committee on Administrative Management recommended the establishment of a Civil Service Administrator together with a nonsalaried Civil Service Board.

President Truman's message accompanying Reorganization Plan No. 5 described the changes in Federal personnel activities which justify its approval:

"The Civil Service Commission was established in 1883 as a three-member body to aid the President in making the civil-service rules and to administer a comparatively simple civil-service system. Each commissioner was made equally responsible under the law for performing the functions assigned to the Commission and the three members functioned as a body in the management of the agency.

"Sixty-six years ago the new agency conducted a single major operating program—the recruitment and examination of candidates for admission to the civil service. Eight executive departments then constituted the entire executive branch. The total Federal employment was about 110,000. That is less than are now employed by any one of the five largest executive agencies.

"Today the work of the Commission is vastly different, reflecting the great changes in the Government itself and the progress that has been made in personnel management, both in Government and private business. To this original job of recruitment and examination, acts of Congress have subsequently added many other operating programs. Two of them in particular involve large-scale operations: The administration of the civil-service retirement system and the administration of the Classification Act. This augmented program applies today to a government about 20 times as large as that of 1883, employing men and women drawn from almost every American occupation and profession. The statutory structure of the Civil Service Commission itself, however, has not been adjusted over the years to its changing functions."

As the President further pointed out, the need for this reorganization stems from the Government-wide importance of the civil-service administration. Almost every agency and department is intimately affected, and competence and morale among employees determines the effectiveness of the Government's work. "It is essential," the President said, "that the Commission which directs that system should be effectively organized to discharge its responsibilities."

REORGANIZATION PLAN NO. 6 OF 1949

The purpose of this plan is to strengthen the administration of the United States Maritime Commission by making the Chairman the chief executive and administrative officer of the Commission and vesting in him responsibility for the appointment of its personnel and the supervision and direction of their activities.

The plan transfers from the Commission to the Chairman the functions of the Commission with respect to the following matters:

1. The appointment and supervision of all personnel employed under the Commission.

2. The distribution of business among such personnel and among organizational units of the Commission.

3. The use and expenditure of funds for administrative purposes.

The plan accords with the general recommendation of the Hoover Commission that responsibility for the internal administration of regulatory commissions should be vested in their chairmen.

The United States Maritime Commission was created by the Merchant Marine Act of 1936 which sought to further the development and maintenance of an adequate and well-balanced American merchant marine, to promote the commerce of the United States, to aid in the national defense, and for other purposes.

The act directs that the Commission shall be composed of five members appointed by the President and confirmed by the Senate for staggered terms of 6 years. The Chairman is designated by the President, but the Commission may elect one of its members as vice chairman and is authorized to appoint and fix the salaries of a secretary, a general counsel, and other officials and employees.

On February 7, 1942, under authority of the First War Powers Act, by Executive Order 9054, the President established the War Shipping Administration within the Office of Emergency Management. Certain functions, duties, and powers were transferred from the Maritime Commission to the War Shipping Administration; these powers were transferred back to the Maritime Commission when the War Shipping Administration ceased to exist on September 1, 1946.

In discussing the background of this plan, the President pointed out in his accompanying message: 'Unlike other major regulatory commissions, the Maritime Commission is responsible not only for the performance of important regulatory functions but also for the administration of large and complex operating and promotional programs. Whereas the budgets of most regulatory agencies amount to only a few million dollars annually, the expenditures of the Maritime Commission exceed $130,000,000 a year. As a result of the war the Commission is the owner of a fleet of over 2,300 ships aggregating more than 23,000,000 dead-weight tons."

During the war period, while the abovementioned transfer of functions under the

First War Powers Act was in effect, the Chairman of the Commission, as War Shipping Administrator, was made directly responsible for the administration of several major operating programs of the Commission. This arrangement, the President observed, proved its value under the stress of war. About a year after the end of the fighting, however, it was terminated and the organization reverted to its prewar pattern.

Following wartime experience, independent studies stressed the need for concentrating in a single official a large part of the Commission's work. In 1948 the Commission appointed a general manager, which resulted in considerable improvement but, as the President noted, "it has not extricted the Commission from administration to the degree which is desirable." Summarizing the advtnages of the present plan, the President stated:

"It leaves in the Commission as a body the performance of regulatory functions, the determination of subsidies, and the determination of major policies. Thus, it utilizes the Commission for the type of work for which such a body is best adapted. At the same time the plan places under a single official the day-to-day direction of the work of the staff within the policies and determinations adopted by the Commission in the exercise of its functions. This will provide more businesslike administration and help to overcome the delays, backlogs, and operating difficulties which have hampered the agency. At the same time by freeing the members of the Commission of much detail, the plan will enable them to concentrate on major questions of policy and program and thereby will obtain earlier and better considered resolution of the basic problems of the agency."

REORGANIZATION PLAN NO. 7 OF 1949

The purpose of this plan is to transfer the Public Roads Administration (now the Bureau of Public Roads) from the General Services Administration to the Department of Commerce.

This plan carries out a specific recommendation of the Hoover Commission.

The three major reasons for transferring the Public Roads Administration to the Department of Commerce may be summarized as follows:

1. The Department of Commerce is charged by its organic law with the responsibility for promoting transportation and commerce, and the Public Roads Administration, as an agency concerned with the sound development of the Nation's highway system, is directly related to basic responsibilities of the Department of Commerce.

2. The General Services Administration would be unduly burdened in the performance of its central serving functions by retaining the Public Roads Administration, which contains a major Federal program not primarily related to servicing the executive agencies.

In the past fiscal year the Public Roads Administration has expended approximately $444,000,000, of which some 93 percent is in the form of grants to States. The Public Roads Administration develops standards, reviews projects and State programs, and conducts research. It is believed that to burden the General Services Administration with supervision of this huge and important but unrelated program, would weaken the attention and drive otherwise given to its central area of responsibility, and substantially dilute the major purpose behind the establishment of such an agency.

It is noteworthy that when the Federal Property and Administrative Services Act of 1949 was considered, both the House and Senate Expenditures Committees indicated that inclusion of the Public Roads Administration in the transfer of the Federal Works Agency to the General Services Administration was provisional, pending decisions on the consolidation of transportation agencies.

3. The Federal Works Agency, which has had supervision over the Public Roads Administration since 1939, is not a major Federal agency for construction activities or for grants and loans to State and local governments for non-Federal public works. It has been a customary practice of the Congress and the President to assign public-works activities to various Federal agencies in terms of the major program objectives of those agencies. The bulk of direct Federal works (involving direct Federal construction) has been and is being conducted outside of the Federal Works Agency (the only major direct works program in that agency in recent years is public buildings). The Army Corps of Engineers, the Bureau of Reclamation, the Bonneville Power Administration in the Department of Interior, the Tennessee Valley Authority, the Atomic Energy Commission, and the Veterans' Administration (veterans' hospitals) all have major Federal works programs dwarfing in total the amount centered in the Federal Works Agency. In addition, other agencies have lesser programs for direct Federal works—for example, the Coast Guard in the Treasury Department, the National Advisory Council on Aeronautics, the Alaska Railroad, and the American Battle Monuments Commission.

The assignment in relation to specific agency program objectives is even more sharply evident with respect to Federal grants and loans to State and local governments for non-Federal public works. The airport program is assigned to the Civil Aeronautics Administration in the Department of Commerce, the hospital program to the Public Health Service in the Federal Security Agency, rural electrification to the Department of Agriculture, and housing to the Housing and Home Finance Agency. An exception to this functional pattern is the Bureau of Community Facilities of the General Services Administration (formerly of the Federal Works Agency) in making advances for State and local work planning, and this appears to be due to the fact that this program has no single functional basis but rather is primarily concerned with the possibility of a general emergency public-works program.

Whatever decisions may be subsequently made with respect to the reorganization of the Department of Commerce to integrate transportation activities, or with respect to the assignment of responsibilities for public works planning and execution, Reorganization Plan No. 7 is a logical first move. Noting that the Congress and President Roosevelt were guided by the statutory concept of the Commerce Department's responsibilities toward transportation in transferring to the Department the Civil Aeronautics Administration and the Inland Waterways Corporation under the Reorganization Act of 1939, President Truman stated: "A careful review of the structure of the executive branch reveals no other department or agency in which the Public Roads Administration can be so appropriately located."

REORGANIZATION PLAN NO. 8 OF 1949

The purpose of this plan is to establish a Department of Defense and to clarify and strengthen the responsibility and authority of the Secretary of Defense.

Specific proposals included in the plan are the following:

1. Changes the name of the National Military Establishment to the Department of Defense, and constitutes it an executive department.

2. Gives the Secretary of Defense full control over the organization and administration of the Department and authorizes him to delegate authority to subordinates.

3. Provides for a civilian Deputy Secretary of Defense to assist the Secretary of Defense and to serve in the latter's absence.

4. Provides for three Assistant Secretaries of Defense, drawn from civilian life to perform such activities as the Secretary of Defense may designate.

5. Changes the name of the National Security Council to the Armed Services Policy Council, and makes certain changes in its composition.

6. Establishes the office of Chairman of the Joint Chiefs of Staff, and prescribes the duties thereof.

7. Provides that the Munitions Board and the Research and Development Board shall each, upon request, assist the Secretary of Defense in the performance of his duties.

8. Establishes in the Department of Defense a Personnel Policy Board, prescribes its composition and outlines its duties; i. e., establishment of personnel policies for both military and civilian personnel, coordination of appropriate activities of the Department of Defense with respect to personnel matters, and liaison with the various executive departments and other agencies of the Federal Government for the correlation of personnel activities.

The plan conforms to the basic recommendation of the Hoover Commission that within the National Military Establishment full authority and accountability should be centered in the Secretary of Defense, empowering him to establish policies and programs, to delegate authority where appropriate, and to control the service departments.

Since the Reorganization Act of 1949 prevents the President from abolishing an executive department as such, the plan formally retains executive status for the three service Departments, making them subject, however, to the "direction, authority, and control of the Secretary of Defense," who becomes the head of the Department of Defense.

The Hoover Commission recommendation for a Chairman of the Joint Chiefs of Staff is also embodied in the plan, except that the Chairman is to be appointed by the President with Senate confirmation, rather than by the Secretary of Defense.

Another recommendation of the Commission, that an Under Secretary of Defense and three Assistant Secretaries be established is also included in the plan, except that the plan changes the name of the Under Secretary to Deputy Secretary of Defense.

Other recommendations of the Commission to the effect that the Secretary of Defense should have full control over the preparation and execution of the military budget and should establish uniform budgetary and accounting practices throughout the Military Establishment are not included in the plan, inasmuch as they have been substantially agreed to by both Houses of Congress.

The problem of the organization of the military has been a major concern for more years than most of the people now living can recall. As far back as 1885 President Cleveland called attention in his annual message to the startling abuses and waste in the Navy Department. Practically every President since then has commented on the need for various improvements in organization of the military departments.

In 1922 the Joint (Congressional) Committee on Reorganization recommended the coordination of the Military and Naval Establishments under a single Cabinet officer as the Department of National Defense, with three Under Secretaries for Army, Navy, and National Resources. In 1945 the Joint Committee on the Organization of Congress also recommended the setting up of a Department of National Defense.

After various minor improvements through reorganization plans in 1946 and 1947 the National Security Act of 1947 was passed, providing for the setting up of the National Defense Establishment, and taking a further

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step in the direction of the unification of the three services into a single defense establishment. As President Truman has pointed out, this act failed to provide for a Department of Defense and for a fully responsible official with authority adequate to meet his responsibilities whom the President and Congress could hold accountable. Lacking also were the basis for an organization and staff adequate to achieve the most efficient and economical defense program and to attain effective and informed civilian control of the armed forces.

On March 5, 1949, the President recommended to the Congress that the National Security Act of 1947 be amended to strengthen and clarify the position of the Secretary of Defense and to provide him with more adequate staff assistance, on the basis of experience gained under the act, the recommendations of the first Secretary of Defense, and the extensive study made by the Hoover Commission.

Legislation substantially embodying the President's recommendations was passed in the Senate, but only a limited part dealing with financial and budgeting matters was accepted in the House. As an alternative to a limited legislative and unsatisfactory program for military reorganization the President submitted Reorganization Plan No. 8 on July 18, which would accomplish the major organizational changes represented in the Senate bill. The President expressed in his accompanying message a clear preference for direct legislative action to achieve the desired reorganization.

EXTENSION OF REMARKS

Mr. HOEVEN (at the request of Mr. HALLECK) was given permission to extend his remarks in the RECORD and include an address.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4566. An act to revise, codify, and enact into law title 14 of the United States Code, entitled "Coast Guard"; and

H. R. 4963. An act to provide for the appointment of additional circuit and district judges, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1184. An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT AND JOINT RESOLUTION

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 142. An act excepting certain persons from the requirement of paying fees for certain census data;

H. R. 459. An act to authorize the payment of employees of the Bureau of Animal Industry for overtime duty performed at establishments which prepare virus, serum, toxin, or analagous products for use in the treatment of domestic animals;

H. R. 585. An act for the relief of Jacob A. Johnson;

H. R. 1127. An act for the relief of Sirkka Siiri Saarelainen;

H. R. 1303. An act for the relief of Dr. Elias Stavropoulos, his wife, and daughter;

H. R. 1360. An act to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex.;

H. R. 2021. An act to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia;

H. R. 2417. An act to authorize the Secretary of the Air Forces to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force Base, as a recreational facility;

H. R. 2474. An act for the relief of Frank E. Blanchard;

H. R. 2799. An act to amend the act entitled "An act regulating the retent on contracts with the District of Columbia," approved March 31, 1906;

H. R. 2853. An act to authorize the Secretary of the Interior to issue duplicates of William Gerard's script certificates No. 2, subdivisions 11 and 12, to Blanche H. Weedon and Amos L. Harris, as trustees;

H. R. 3467. An act for the relief of Franz Eugene Laub;

H. R. 3512. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to authorize the exemption of certain employees of the Library of Congress and of the judicial branch of the Government whose employment is temporary or of uncertain duration;

H. R. 4022. An act to extend the time for commencing the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex., to July 31, 1950;

H. R. 4261. An act authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi;

H. R. 4646. An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes;

H. R. 4705. An act to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, from the government of the District of Columbia to the Administrative Office of the United States Courts, for budgetary and administrative purposes;

H. R. 4804. An act to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker;

H. R. 5508. An act to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; and

H. J. Res. 170. Joint resolution designating June 14 of each year as Flag Day.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 18 minutes p. m.), under its previous order, the House adjourned until Monday, August 1, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

812. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the fiscal year 1950 for the Department of Justice (H. Doc. No. 281); to the Committee on Appropriations; and ordered to be printed.

813. A letter from the Comptroller of Currency, Treasury Department, transmitting the annual report of the Comptroller of the Currency for the year of 1948; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOBBS: Committee on the Judiciary. H. R. 3113. A bill to amend title 28 of the United States Code, "Judiciary and Judicial Procedure," and incorporate therein provisions relating to the United States Tax Court, and for other purposes; without amendment (Rept. No. 1138). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. H. R. 5526. A bill to authorize the President to provide for the performance of certain functions of the President by other officers of the Government, and for other purposes; with amendment (Rept. No. 1139). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 1758. A bill to amend the Natural Gas Act approved June 21, 1938, as amended; with amendment (Rept. No. 1140). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 329. Joint resolution amending an act making temporary appropriations for the fiscal year 1950, and for other purposes; without amendment (Rept. No. 1141). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee of Conference. H. R. 5632. National Security Act Amendments of 1949; without amendment (Rept. No. 1142). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McDONOUGH:

H. R. 5804. A bill to prohibit the establishment of a valley authority in any State that would be substantially affected thereby, until the people of the affected areas of such State have voted affirmatively for such valley authority; to the Committee on Public Works.

By Mr. MARTIN of Massachusetts:

H. R. 5805. A bill to amend the act of August 28, 1937, which relates to development of facilities for water storage and utilization in order to promote conservation in arid and semiarid areas, so as to extend such act to all areas of the United States; to the Committee on Agriculture.

By Mr. MULTER:

H. R. 5806. A bill to amend the Home Owners' Loan Act of 1933 with respect to mutual savings banks; to the Committee on Banking and Currency.

H. R. 5807. A bill to provide additional compensation, in lieu of overtime pay, for certain Federal employees engaged in criminal law-enforcement work; to the Committee on Post Office and Civil Service.

By Mr. RODINO:

H. R. 5808. A bill to repeal the retailers' excise taxes on luggage, jewelry, furs, and toilet preparations, and to terminate the war tax rate on the transportation of persons; to the Committee on Ways and Means.

By Mr. SPENCE:

H. R. 5809. A bill to amend the Reconstruction Finance Corporation Act, as amended; to the Committee on Banking and Currency.

By Mr. STOCKMAN:

H. R. 5810. A bill relating to the furnishing of accommodations at Klamath Falls, Oreg., for the United States District Court for the District of Oregon; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 5811. A bill to amend section 1007, title 18, United States Code, with respect to exemption of nonfraudulent transactions under certain circumstances, and for other purposes; to the Committee on the Judiciary.

By Mr. CHURCH:

H. Con. Res. 113. Concurrent resolution providing for adjournment sine die of the two Houses of Congress; to the Committee on Rules.

By Mr. MARCANTONIO:

H. Con. Res. 114. Concurrent resolution calling for investigation of specific charges of discrimination against Negro employees of the Bureau of Engraving and Printing of the Treasury Department; to the Committee on Rules.

By Mr. HOFFMAN of Michigan:

H. Res. 301. Resolution disapproving of Reorganization Plan No. 2 of 1949; to the Committee on Expenditures in the Executive Departments.

By Mr. WHITTINGTON:

H. Res. 302. Resolution providing for consideration of H. R. 5472, a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 5812. A bill to readmit Mr. Angelo Monica to United States citizenship; to the Committee on the Judiciary.

By Mr. LANHAM:

H. R. 5813. A bill for the relief of Haralson County Hospital; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 5814. A bill for the relief of Jan Karszo-Siedlewski; to the Committee on the Judiciary.

By Mr. O'BRIEN of Illinois:

H. R. 5815. A bill for the relief of Sidney Terry, an individual trading as Midwest Painting Service; to the Committee on the Judiciary.

By Mr. TOWE:

H. R. 5816. A bill for the relief of Reginald Hratchia Devletian; to the Committee on the Judiciary.

SENATE

FRIDAY, JULY 29, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, we rejoice that daily we are the beneficiaries of Thy bountiful providence.

We pray that the assurance of Thy continuing care and goodness may inspire our minds and hearts with a more vivid sense of social responsibility.

Make us eager to share our blessings, and may they become contributions in our hands with which we shall seek to minister to needy and struggling humanity.

Help us to feel and understand that the question, "Am I my brother's keeper?" must be answered conclusively in the affirmative.

In Christ's name we pray. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 28, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 28, 1949, the President had approved and signed the act (S. 1429) for the relief of Lacey C. Zapf.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 4007) to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 102) to provide for the attendance of a joint committee to represent the Congress at the eighty-third and final national encampment of the Grand Army of the Republic, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Anderson	Hill	Morse
Baldwin	Hoey	Mundt
Brewster	Holland	Murray
Bricker	Humphrey	Myers
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Jenner	O'Mahoney
Cain	Johnson, Colo.	Pepper
Capehart	Johnson, Tex.	Robertson
Chapman	Johnston, S. C.	Russell
Chavez	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Stennis
Downey	Langer	Taft
Dulles	Lodge	Taylor
Ecton	Long	Thomas, Okla.
Ellender	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tobey
Frear	McClellan	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Malone	Williams
Gurney	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Arizona [Mr. McFARLAND] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, submit petitions and memorials, and present routine matters for the RECORD, as though the Senate were in the morning hour, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORT ON SURPLUS PROPERTY DISPOSAL IN FOREIGN AREAS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of State, transmitting, pursuant to law, the fourteenth and final report on the disposal of United States surplus property in foreign areas, dated July 1949, which, with the accompanying report, was referred to the Committee on Foreign Relations.

BOWMAN COUNTY (N. DAK.) WATER CONSERVATION DISTRICT

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Board of Commissioners of Bowman County, N. Dak., relating to the establishment of a Bowman County Water Conservation District.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Resolved, That the Bowman County Board of Commissioners hereby requests that the Water Conservation Commission of the State of North Dakota create a Bowman County Water Conservation District, and take all necessary steps toward that end.

Attest:

SUE V. McINTYRE,
County Auditor.
O. J. SOREIDE,
Chairman, Board of County Commissioners.

SUGGESTED AMENDMENT OF DISPLACED PERSONS ACT

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted at the national convention of the American Aid Societies for the Needy and Displaced Persons of Central and Southeastern Europe, New York City, N. Y., relating to amendment of the Displaced Persons Act.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas there are many hundred thousand of our kinfolk among the refugees and expellees now in Germany and Austria, who are excluded from the care of the IRO because of their German ethnic origin; and

Whereas these people were again for that reason excluded from consideration as displaced persons by the DP Act of 1948, although they have fled or were deported from

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their homelands because of their religious beliefs, cultural traditions, or national origin; and

Whereas discrimination on account of race, creed, or nationality is inconsistent with the great and noble traditions of these United States: Therefore be it

Resolved, That this convention of the American Aid Societies goes on record to request our Senators to amend Public Law 774 to include those of our relatives and friends who were deported or fled from the countries of their birth because of their religious beliefs, their racial or their national origin; and be it further

Resolved, That as a means to this end, section 12 of the act, which gives these people a token of recognition, be broadened to admit not less than 54,000 of them on the same basis as other DP's, without unfair and irregular reduction of the German and Austrian quotas, in the spirit of the following amendment to correct the discrimination of subsection (b), section 2, of Public Law 774: "*Provided*, That 'displaced person' shall also mean any person who otherwise complies with the requirements of annex I of the constitution of the IRO who solely because of his ethnic origin has been excluded from the concern of the IRO by subsection (a) section 4, part II of annex I of the constitution of the IRO."

ADJUSTMENT OF RATES OF ANNUITIES FOR CERTAIN RETIRED EMPLOYEES

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Retired Federal Employees Association of New Orleans, Louisiana, favoring the enactment of House bill 5096, to adjust the rates of annuities for certain employees retired under the Civil Service Retirement Act of May 29, 1930, as amended, prior to April 1, 1948.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Whereas an amendment to the Civil Service Retirement Act, which became effective April 1, 1948, changed the method of computing the annuity granted to retired Federal employees, and which gave an increase in annuity to those who retired after that date, but denied this increase to those who had over 35 years of service, but who were retired before April 1, 1948; and

Whereas those employees retiring immediately after April 1, 1948, and granted the increased annuity had not contributed any higher percentage of salary to the retirement fund than those who were retired prior to that date, and were denied the increased annuity; and

Whereas a similar condition was set up by the amendment of January 24, 1942, of the Civil Service Retirement Act, but as soon as the unjust situation and discrimination was explained to Congress, corrective legislation was enacted; and

Whereas there has been introduced in the House of Representatives bill H. R. 5096; this bill proposing to correct the existing discrimination against employees with long service, but who were retired before April 1, 1948: Therefore be it

Resolved, That the Retired Federal Employees Association in regular session on this seventh day of July 1949, at New Orleans, La., do endorse and favor enactment into law, bill H. R. 5096, and urge our Representatives in Congress, from the State of Louisiana, to support and use every endeavor to have this bill reported favorably by the House Post Office and Civil Service Committee, and passed by the House of Representatives in the immediate future; and be it further

Resolved, That the secretary of the association transmit a copy of this resolution to each Member of the House of Representatives from the State of Louisiana, and to each member of the House Post Office and Civil Service Committee.

PROHIBITION OF LIQUOR ADVERTISING

Mr. LANGER. Mr. President, I present for appropriate reference a resolution adopted by the Allegany County convention of the WCTU of the State of Maryland in Kingsley Methodist Church, on June 23, 1949, and signed by sundry citizens of that State, praying for the enactment of Senate bill 1847, to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes, and I ask unanimous consent that it be printed in the RECORD, together with the signatures attached.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, with the signatures attached, as follows:

The Allegany County convention of the WCTU of the State of Maryland, meeting in Kingsley Methodist Church on this 23d day of June 1949, through their legislative director offer the following:

"*Be it resolved*, That as a convention we stand for and work for Senate bill S. 1847 which was introduced into the Senate by Senator WILLIAM LANGER, of North Dakota, May 20, 1949, by voice, letter, petition, telegrams to the Senators TYDINGS and O'CONOR, United States Senate."

Legislative Committee of State and County: Lelia M. Yates, Chairman; Bessie Grim, Assistant Chairman; Mrs. V. Yeager, Mrs. Edgar A. Shoemaker, Mrs. M. A. Keesecker, Mrs. J. H. Miller, Mrs. Grace M. Brant, Mrs. W. A. Judy, Mrs. C. L. Beard, Mrs. John S. Cook, Mrs. Elva Sharp, Mrs. C. W. Wigal, Mrs. Bessie Henry, Mrs. W. C. Wilson, Mrs. Lena Bucy, Mrs. Elias Miller, Miss Ruth Leamon, Mrs. S. A. Nichols, Mrs. Lottie Rollins, Mrs. H. J. Gurley, Mrs. A. R. Miller, Mrs. J. E. Devore, Miss Ellen Rinker, Mrs. Emma Reynad, Mrs. Ora Penner, Mrs. May Beall, Mrs. B. Rodenhauser, Miss M. B. Shomo, Mrs. Leona Messick, Mrs. L. H. Wood, Mrs. Herman Curry, Mrs. Charles H. Wagner, State President of WCTU; Mrs. E. W. Yates, State Legislative Director; Mrs. E. A. Yates, Mrs. Viola Miller, Mrs. Raymond Shade, Mrs. Blake Barnes, Mrs. Thomas H. Highland, Mrs. M. A. Keesecker, Mrs. C. R. Britt, Mrs. R. E. Hopcroft, Mrs. Edward Metz, Mrs. Russell Brant, Mrs. Ray Morland, Mrs. Leona Messick, Mrs. John Leasure, Mrs. Bessie Henry, Mrs. Rose Wigfield, Mrs. Herman Curry, Mrs. Esther Keyser, Mrs. Helen Arrington, Mrs. Stanley Leasure, Mrs. Dana Zehrbach, Sr., Mrs. Thelma Mirckl, Miss Ruth Leamon, Mrs. Anna Smith, Mrs. Helen Robinette, Miss Lottie Rollins, Mrs. L. H. Wood, Mrs. J. E. Miller, Miss Idella Couter, Mrs. Fred Couter, Mrs. Lulu Pyles, Mrs. May Beall, Miss Ellen Rinker, Miss M. B. Shomo, Mrs. Dallie Pettie, Mrs. Cleo Dunlop, Mrs. Elizabeth Llewellyn, Mrs. Sarah Shanholtz, Mrs. Jessie Buhrman, Mrs. C. A. Wigal, Mrs. Cecilia Brady, Mrs. C. Kreger, Mrs. Frank Blume, Mrs. Sam Nichols, Mrs. John Zimmerman, Mrs. Roy Hinkle, Mrs. Bertie Hamilton, Mrs. E. W. Yates, Miss E. A. Yates.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'CONOR, from the Committee on the Judiciary:

S. 1033. A bill to further amend the Philippine Rehabilitation Act of 1946; with an amendment (Rept. No. 805).

By Mr. McGRATH, from the Committee on the District of Columbia:

S. 973. A bill to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia; without amendment (Rept. No. 808);

S. 1126. A bill to amend the Boiler Inspection Act of the District of Columbia; with amendments (Rept. No. 806); and

H. R. 2886. A bill to provide for the killing of starlings in the District of Columbia; with amendments (Rept. No. 807).

By Mrs. SMITH of Maine, from the Committee on the District of Columbia:

S. 2028. A bill to permit the Board of Education of the District of Columbia to participate in the foreign-teacher-exchange program in cooperation with the United States Office of Education; with amendments (Rept. No. 809).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 1825. A bill to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops; without amendment (Rept. No. 810); and

H. R. 91. A bill to provide for a research and development program in the Post Office Department; without amendment (Rept. No. 811).

LEONA ANDREWS DOUGHERTY

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution, and ask unanimous consent for its immediate consideration. This is the usual resolution.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 144) was read as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Leona Andrews Dougherty, widow of William Birch Dougherty, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

EXPENDITURE FROM CONTINGENT FUND BY JOINT COMMITTEE ON FOREIGN ECONOMIC COOPERATION

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 145) was read, as follows:

Resolved, That the Joint Committee on Foreign Economic Cooperation is authorized, from August 1 to 15, 1949, to expend from

the contingent fund of the Senate an amount equal to the unobligated balance of the appropriation for the said committee for the fiscal year ending June 30, 1949, less the amount expended or obligated during the month of July 1949, under authority of Senate Resolution 131, agreed to June 30, 1949.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. JENNER. Mr. President, I should like to have an explanation of the resolution.

Mr. HAYDEN. Mr. President, this is what is known as the so-called "watchdog committee," which was created by the last Congress to follow up the European recovery expenditures. It is necessary to carry it on in this manner.

Mr. LUCAS. Mr. President, will the Senator elaborate a little on just what this resolution does?

Mr. HAYDEN. It does just what is provided in the first amendment adopted to the ECA bill. It continues the "watchdog committee" for another 15 days. We have already continued it for 30 days, and the Senate has continued it, so far as the Senate is concerned, for the entire year. Some of the personnel are now in Europe.

Mr. LUCAS. The Senate voted to continue it for a year, but the bill is now back before the Committee on Appropriations, and I do not consider that the Senate has continued it for a year.

Mr. HAYDEN. By a decisive vote the Senate decided to continue it for 30 days, and this will continue it for 2 weeks more.

Mr. LUCAS. I am sure it will be done, but I disagree with the Senator that it has been done.

Mr. HAYDEN. It has not been finally done, but the Senate voted to continue it.

Mr. LUCAS. The Senate may change its mind when another bill comes before it.

Mr. HAYDEN. I hope not.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

JOINT COMMITTEE OF CONGRESS ON THE LIBRARY

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 146) was read as follows:

Resolved, That Mr. STENNIS, of Mississippi, be, and he is hereby elected a member on the part of the Senate of the Joint Committee of Congress on the Library, vice Mr. LONG, of Louisiana.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, July 29, 1949, he presented to the President of the United States the enrolled bill (S. 1184) to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. GEORGE (by request) introduced Senate bill 2345, to amend the Internal Revenue Code and the Code of the District of Columbia with respect to the taxation of the salaries of employees of international organizations, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. MORSE:

S. 2346. A bill for the relief of Kuo Chin Lu; to the Committee on the Judiciary.

By Mr. IVES:

S. 2347. A bill for the relief of Freidoun Jalayer; to the Committee on the Judiciary.

By Mr. HAYDEN:

S. 2348. A bill to increase the annual authorization for the appropriation of funds for collecting, editing, and publishing of official papers relating to the Territories of the United States; to the Committee on Rules and Administration.

By Mr. JENNER:

S. 2349. A bill for the relief of Ho Paak-Sui; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina (by request):

S. 2350. A bill to amend the act of August 8, 1946, relating to the payment of annual leave to certain officers and employees; and

S. 2351. A bill to simplify and consolidate the laws relating to the receipt of compensation from dual employments under the United States, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PEPPER (for himself, Mr. MURRAY, and Mr. AIKEN):

S. 2352. A bill to provide for research in child life and for grants to States for maternal and child health and crippled children's services; to the Committee on Labor and Public Welfare.

(Mr. LANGER introduced Senate Joint Resolution 122, establishing a joint committee to investigate alleged discrimination against Negro employees in the Bureau of Engraving and Printing, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

TAXATION OF SALARIES OF EMPLOYEES OF INTERNATIONAL ORGANIZATIONS

Mr. GEORGE. Mr. President, by request, I introduce for appropriate reference a bill to amend the Internal Revenue Code and the Code of the District of Columbia with respect to the taxation of the salaries of employees of international organizations, and I ask unanimous consent to have printed in the RECORD a letter addressed to the Vice President from Secretary of State Dean Acheson, and a memorandum prepared in the State Department explaining the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the letter and memorandum will be printed in the RECORD.

The bill (S. 2345) to amend the Internal Revenue Code and the Code of the District of Columbia with respect to the taxation of the salaries of employees of international organizations, introduced by Mr. GEORGE (by request), was read twice by its title, and referred to the Committee on Finance.

The letter and memorandum presented by Mr. GEORGE are as follows:

JULY 25, 1949.

The Honorable ALBEN W. BARKLEY,
President of the Senate.

MY DEAR MR. VICE PRESIDENT: There is transmitted herewith a draft of proposed legislation to amend provisions of the Internal Revenue Code and of the District of Columbia Code relating to the taxation of personal incomes. The proposed legislation would exempt from Federal income tax the salaries and emoluments received by United States nationals from their official employment by public international organizations, in those cases where the individual pays a staff assessment to the international organization under a plan the rates of which the President of the United States finds to be substantially equivalent to those of the Federal income tax. The legislation would also exempt the salaries and emoluments of all employees of international organizations from the District of Columbia income tax.

The proposed legislation is, at this time, directed principally to the tax status of employees of the United Nations. With respect to that organization, there is already before Congress the Convention on Privileges and Immunities of the United Nations, which if acceded to by the United States would achieve, inter alia, the results sought by the proposed legislation. While the Department has urged congressional approval of the Convention as a whole, special factors relating to the tax problem make prompt action on this matter particularly urgent. The Department of State has therefore decided to single out the tax matter and urge on the Congress the particular importance of legislative action on this subject during the current session.

The background of this problem and the previous action in Congress with regard to the tax provision of the convention on the privileges and immunities are set forth in the enclosed memorandum. Briefly, the problem at which the proposed legislation is directed results from the fact that officials on the Secretariat of the United Nations are presently paying to the United Nations a staff assessment under a plan adopted by the General Assembly. The rates of assessment are, in general, slightly higher than the rates which would apply to these salaries under the Federal income tax. Secretariat officials who are not citizens of the United States are exempt from the Federal income tax, and in effect pay an approximately equivalent "tax" to the United Nations. Unless the proposed legislation is enacted, however, United States nationals on the Secretariat will be paying their staff assessment in addition to their regular income-tax payments to the United States. The tax burden to United States nationals employed by the United Nations would therefore be twice as great as that borne by other employees of the United Nations, and twice as great as that of other United States nationals earning equivalent salaries.

The proposed legislation would exempt from tax the official salaries of United States nationals employed by international organizations, if they are paying an assessment to the organization, under a plan the rates of which the President finds to be substantially equivalent to those of the Federal income tax. The bill further provides, however, that while such official salary is not to be taxed, it shall be included in gross income for the purpose of determining the rate of tax applicable to income from other sources received by such individual.

The enclosed draft legislation covers United States nationals employed by all public international organizations. At present

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the provision would have no application since no other organization has instituted a staff assessment plan of the kind in operation in the United Nations. Other public international organizations in which the United States participates, however, and particularly those with headquarters in the United States or in Canada, have been concerned by the same problem and these organizations are now considering staff assessment plans of their own. The exemptions proposed would apply only to a public international organization designated by the President as entitled to enjoy the benefits of the International Organizations Immunities Act, Public Law 291, Seventy-ninth Congress, and only if such organization adopts a plan which the President deems acceptable and finds to be generally equivalent to the national tax.

The proposed legislation would also exempt employees of public international organizations, whether aliens or United States nationals, from the District of Columbia tax. This result would be achieved by section 18 (b) of the General Convention on Privileges and Immunities of the United Nations and, with regard to other international organizations, would be covered by similar provisions in the Convention on Privileges and Immunities of the Specialized Agencies, as to which the Department plans to ask Congress to grant the President authority to accede to the convention on behalf of the United States. Many employees of international organizations with headquarters in the District of Columbia, are, in effect, presently exempt from the District tax because they do not come within the residence requirements of the taxing statute. While the United States nationals among them pay taxes to their home States, the aliens pay no local taxes at all, and this provision would help remove the discrimination between aliens and United States nationals on the staffs of international organizations.

With regard to State taxes, the Department has decided, in view of the urgency of the matter, not to request the exemption at this time so as to avoid questions which may impede the passage of the legislation. In addition, it is expected, as authorities of the State of New York have indicated with regard to the United Nations, that local authorities will follow the action taken by Congress with regard to Federal taxes.

In order to protect the interests of the United States nationals employed by international organizations, and to avoid the serious embarrassment to the Government of the United States, when the General Assembly meets again in September, in the event that legislation to protect United States nationals in the United Nations Secretariat against double taxation is not in effect, I strongly urge prompt action by the Congress on the proposed legislation.

A similar communication is being sent to the Speaker of the House of Representatives.

The Department has been informed by the Bureau of the Budget that there is no objection to the presentation of this proposal to the Congress for its consideration.

Sincerely yours,

DEAN ACHESON.

MEMORANDUM

The question of taxation of the salaries received by United States nationals from public international organizations has been a source of serious concern to this Government since the United Nations began operations in 1946. As indicated, the question has been before the Congress as the result of a request from the Department of State that the Congress give consideration to the passage of a joint resolution authorizing the President to accede to the general convention on privileges and immunities of the United Nations on behalf of the United States. In the Eightieth Congress this convention was approved by the Senate with a reservation on the section dealing with tax immunity (S. J. 136). It was also reported out favorably by the House Foreign Affairs Committee as part of H. R. 6802, Eightieth Congress, without such a reservation, but the House of Representatives did not complete action. The convention was resubmitted to the new Congress on January 3, 1949.

Section 18 (b) of the general convention on privileges and immunities would exempt officials of the United Nations from taxation on the salaries and emoluments paid to them by the United Nations. This provision would apply to the salaries of all officials of the United Nations and would grant exemption from Federal as well as local taxes. Under existing law, section 116 (h) (1) of the Internal Revenue Code exempts alien employees of public international organizations from the Federal income tax alone.

When the first part of the first session of the General Assembly examined the peculiar nature of employment by the Secretariat of the United Nations and established the basic conditions of service for this group of international public servants representing approximately fifty nationalities, it decided unanimously (the United States abstaining) that there is no alternative to the proposition that exemption from national taxation for salaries and allowances paid by the organization is indispensable to the achievement of equity among its members and equality among its personnel. This conclusion was clearly justified. Equal treatment for a staff consisting of nationals of different countries is impossible so long as employees are subject to varying national tax systems. Some of the staff would pay income taxes, others would be immune. Those who paid taxes would pay at varying rates. If, pending the granting of the desired immunities, the organization reimburses its employees for amounts paid by them in income taxes, as the United Nations and other international organizations have done, there is created an inequity among member states, all of whom must contribute to a budget which is made larger by the amount of taxes received by some of them from their nationals who are employed by the organization.

The reason for the Senate reservation on section 18 (b) of the general convention, as stated in the report of the Committee on Foreign Relations (Rept. No. 559, 80th Cong., p. 6), was that "the committee considered it undesirable to create within the United States a group of nationals not subject to the normal responsibilities of citizenship." H. R. 6802, however, as reported out by the House Foreign Affairs Committee, was based on new developments with regard to this matter as set forth on pages 16–18 of House Report No. 2291, Eightieth Congress. The House Foreign Affairs Committee concluded as follows:

"In the committee's view, the United Nations' point of view regarding tax immunity is based upon an unchallengeable concept of equal compensation for equal work among its servants of whatever nationality. Counter to this is an equally valid American concept that all American citizens have equal obligations to support the public institutions of the United States through levies upon their incomes. The most desirable approach is that which preserves both of these points of view. By waiving the reservation regarding tax immunity, the bill clears the way for the staff-contribution plan of the United Nations. Through the operation of this plan, all servants of the United Nations, those of other nations as well as those of American citizenship, will be required to pay a portion of their salaries into the general fund of the United Nations. The money thus contributed will go to defray the expenses of an international public undertaking. The incidence of the levy will be equal among all employees of equal status. The rate will undoubtedly be somewhat higher than under United States income-tax laws prior to the reduction voted at this session of Congress. The committee believes that the approach of outright waiver is preferable to any complex formula which would count contributions to the employee-contribution fund as if they were income taxes paid to a foreign government."

Subsequent to the report of the House Foreign Affairs Committee the General Assembly adopted a staff-assessment plan effective as of January 1, 1949. Assessments are based on rates which are somewhat higher than those required by the United States Federal income tax, are progressive, and provide deductions in recognition of differing family and dependency status. Assessments are treated as general income thus assuring that employees of the organization contribute indirectly through the payment of national taxes.

The General Assembly also renewed its request that member governments grant immunity or, in view of the new staff-assessment system, take other action to protect their nationals from double taxation. (The United States and Canada are the only members who tax United Nations' salaries.) On November 18, 1948, it passed the following resolution without opposition:

"The General Assembly,

"Desiring to achieve both equity among the member states and equality among members of the staff of the Organization, and noting that certain members have not yet taken the necessary action to that end,

"Requests

"That members which have not acceded to the Convention on Privileges and Immunities of the United Nations or which have acceded to it with reservation as to its article 18 (b), take the necessary action, legislative or other to exempt their nationals employed by the United Nations from national income taxation with respect to their salaries and emoluments paid to them by the United Nations, or in any other manner to grant relief for double taxation to such nationals."

In the letter transmitting the General Convention to the Eighty-first Congress, the Department of State stated as follows:

"In view of the general policy of the United States to give its full support to the United Nations, it is the opinion of the Department of State that this Government should comply with recommendations of the General Assembly wherever it can do so without prejudice to overriding considerations affecting the vital interests of the United States. For this reason, the Department hopes that the Congress will not insist on a reservation that tax immunity should be inapplicable to United States nationals."

Failure of congressional action at this session to grant the exemptions in question would result in a payment by United States nationals on the staff of the United Nations of two taxes, one to the United States and one to the International Organization, both at approximately the same rate. The tax burden to United States nationals employed by the United Nations would therefore be twice as great as that on other employees of the United Nations, and twice as great as that of other United States nationals earning equivalent salaries. If, in order to relieve the United States nationals of half of this burden, the United Nations feels compelled to reimburse United States nationals for the tax they pay to the United States, the General Assembly will undoubtedly be critical of the United States which was a moving force in the establishment of the staff assessment plan, and might request the United States to contribute to the United Nations an additional sum to cover the amounts expended in reimbursement of United States nationals. Such an additional assessment

has been suggested in past sessions of the General Assembly.

REORGANIZATION PLAN NO. 1 OF 1949

Mr. FULBRIGHT (for himself, Mr. TAFT, and Mr. HUNT) submitted the following resolution (S. Res. 147), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 1 transmitted to Congress by the President on June 20, 1949.

CODIFICATION OF ARTICLES OF WAR, ETC.—AMENDMENT

Mr. KEM submitted an amendment in the nature of a substitute intended to be proposed by him to the committee amendment to the bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a uniform code of military justice, which was ordered to lie on the table and to be printed.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 102) to provide for the attendance of a joint committee to represent the Congress at the Eighty-third and Final National Encampment of the Grand Army of the Republic was referred to the Committee on Armed Services.

ADDRESS BY GOVERNOR DEWEY AT FIRST ANNUAL CONFERENCE ON AMERICAN FOREIGN POLICY

[Mr. IVES asked and obtained leave to have printed in the RECORD the address delivered by Gov. Thomas E. Dewey at the first annual conference on American foreign policy at Colgate University, Hamilton, N. Y., July 28, 1949, which appears in the Appendix.]

ADDRESS BY SECRETARY FOR THE AIR FORCE AT TENNESSEE AMERICAN LEGION CONVENTION

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an address delivered by the Secretary for Air Force, Hon. W. Stuart Symington, before the State of Tennessee American Legion Convention, at Chattanooga, Tenn., on July 25, 1949, which appears in the Appendix.]

AID TO BRITAIN—ARTICLE BY GEORGE R. BROWN

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article dealing with American aid to Britain, written by George R. Brown and published in the Washington Times-Herald of July 29, 1949, which appears in the Appendix.]

THE LONGSHOREMEN'S STRIKE IN HAWAII—EDITORIALS AND NEWSPAPER COMMENT

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "Food From Japan," published in the Honolulu Advertiser of July 25, 1949, and three other editorials published in the Honolulu Advertiser of July 21, 1949, together with comments from other newspapers, which appear in the Appendix.]

COLUMBIA RIVER BASIN DEVELOPMENT—STATEMENT BY BEN STONG

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a statement by Ben Stong, of the National Committee on Resources, regarding the Columbia River Basin development, which appears in the Appendix.]

PROPOSED COLUMBIA VALLEY ADMINISTRATION—LEGAL OPINION BY RALPH L. ALBAUGH

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a letter dated July 12, 1949, from Ralph L. Albaugh to Ben Johnson, chairman of the Idaho Agricultural Council, regarding the proposed law creating the Columbia Valley Administration, which appears in the Appendix.]

WORLD FEDERATION—STATEMENT BY SENATOR HUMPHREY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a statement entitled "World Federation," prepared by him, which appears in the Appendix.]

TRIAL EXAMINERS—ARTICLE FROM THE MACHINIST

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "Key United States Trial Examiners Must Now Win Approval of Corporation Lawyers," published in the July 21, 1949, issue of the Machinist, which appears in the Appendix.]

TRIBUTES TO RADIO STATION WGN, CHICAGO

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD a statement prepared by him paying tribute to radio station WGN, of Chicago, for its service during the past 25 years in furthering the cause of culture and music, together with congratulatory telegrams sent to that station by Governor Stevenson, of Illinois, Mayor Kennelly, of Chicago, and others, which appear in the Appendix.]

REDUCTION OF ARMAMENTS AND OPPOSITION TO UNIVERSAL MILITARY TRAINING—LETTER FROM PAUL N. POLING

[Mr. LANGER asked and obtained leave to have printed in the RECORD a letter addressed to him by Paul Newton Poling, secretary of the Board of Christian Education of the Presbyterian Church of the United States of America, which appears in the Appendix.]

ATLANTIC TREATY BUT NO ARMS—EDITORIAL FROM ST. LOUIS GLOBE-DEMOCRAT

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Atlantic Treaty But No Arms," published in the St. Louis Globe-Democrat for July 20, 1949, which appears in the Appendix.]

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. PEPPER, the Committee on Labor and Public Welfare was authorized to meet during the session of the Senate this afternoon.

On request of Mr. GEORGE, the Committee on Foreign Relations was authorized to hold a meeting today during the session of the Senate.

FEDERAL COMMUNICATIONS COMMISSION—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point as a part of my remarks a statement which I have prepared, including a letter from Rosel H. Hyde, Acting Chairman of the Federal Communications Commission, commenting upon the Hoover Commission's recommendations as they affect that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. MCCLELLAN, chairman, Senate Committee on Expenditures in the Executive Departments, released today a letter from Mr. Rosel H. Hyde, Acting Chairman, Federal Communications Commission, with reference to the application of the various recommendations in the reports of the Hoover Commission which directly or indirectly affect the FCC.

Mr. Hyde states that "in the opinion of the Federal Communications Commission, the Commission on Organization has made a considerable contribution toward good government by simply recognizing that the independent regulatory commissions do have a definite place in the Federal system," pointing out that it has been the general custom in the past to classify the peculiar functions of regulatory commissions under broad divisions of the Government, which has led "to recommendations that they be placed by force into an organizational pattern in which they would not fit."

The Commission endorses the recommendation (No. 1) in the report on regulatory agencies that administrative responsibility be vested in the Chairman of the Commission, pointing out that over a period of years the Federal Communications Commission has gradually evolved a system under which the Chairman takes the initiative on administrative matters, aided by an executive officer who directs the coordination on budget, planning, and personnel work, as recommended by the Commission on Organization.

General approval is expressed in regard to recommendation No. 2, that any uncertainties in the present statutes be removed to provide that members of the Securities and Exchange Commission, the Federal Power Commission, and the Federal Communications Commission be removable only for cause, and No. 3 relating to the amendment of statutes to provide that a Commissioner upon the expiration of his term continue to hold office until his successor has been appointed and qualified, concluding that "we feel that such a provision (recommendation No. 3) would tend to avoid disruptions in the program of the Commission with respect to its regulatory duties which relate to a highly technical and complex field."

Mr. Hyde also records his approval of recommendations providing for increases in salaries of Commissioners and top staff members, contending that "not enough emphasis is usually given in the case of regulatory commissions to the importance of the services and industries subject to their regulation. * * * The Federal Communications Commission has responsibilities vital to the interests of the public and the welfare of the Nation." He concludes with a general endorsement of recommendation No. 6, that the statutes be amended so as to permit commissions to delegate routine, preliminary, and less important work to members of the staffs under their supervision, stating that "Section 5 of the Communications Act of 1934, as amended, already covers this delegation."

The full text of Mr. Hyde's letter follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D. C. June 13, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, United States Senate, Washington, D. C.

DEAR SENATOR MCCLELLAN: This letter is in reply to your letter of May 23, requesting a report from us relative to the application of the various recommendations in the reports of the Commission on Organization of the

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Executive Branch of the Government which directly or indirectly affect the Federal Communications Commission. In the opinion of the Federal Communications Commission, the Commission on Organization had made a considerable contribution toward good government by simply recognizing that the independent regulatory commissions do have a definite place in the Federal system. Too often in the past the peculiar functions of the regulatory commissions and the consequent difficulty in classifying them under any broad divisions of the Government have led to recommendations that they be placed by force into an organizational pattern in which they would not fit.

This Commission is in agreement with recommendation No. 1 that administrative responsibility be vested in the chairman of the Commission. Over a period of years in the Federal Communications Commission, a system has gradually evolved in which the chairman takes the initiative on administrative matters. Administrative Order No. 8 (copy attached), setting forth this principle, has recently been adopted. It should also be noted that this Commission has an executive officer who aids on general administrative matters and who also directs and coordinates the budget, planning, and personnel work as recommended by the Commission on Organization.

We are also in agreement with recommendation No. 2 that any uncertainties in the present statutes be removed to provide that the members of the Securities and Exchange Commission, the Federal Power Commission, and the Federal Communications Commission be removable only for cause.

The members of the Federal Communications Commission concur with recommendation No. 3, "that the statutes be amended to provide that a commissioner upon the expiration of his term, continue to hold office until his successor has been appointed and qualified; subject, of course, to the general statutes on hold-over appointments." We feel that such a provision would tend to avoid disruptions in the program of the Commission with respect to its regulatory duties which relate to a highly technical and complex field.

We have gone on record several times for salary increases for Commissioners and top staff members. In this connection we would like to add one comment which does not directly bear upon the report of the Commission on Organization. That comment is that in the consideration of salaries of Federal officials, not enough emphasis is usually given in the case of regulatory commissions to the importance of the services and industries subject to their regulation. The Federal Communications Commission is not large in terms of number of employees, having a total complement of 1,350, but as the licensing authority for all non-Government radio communications services and the regulating authority for all carriers engaged in interstate and foreign communications services, it has responsibilities vital to the interests of the public and the welfare of the Nation.

This Commission is in general agreement with recommendation No. 6, that the statutes be amended so as to permit commissions to delegate routine, preliminary, and less important work to members of the staffs under their supervision. In the Federal Communications Commission in particular, however, section 5 of the Communications Act of 1934, as amended, already covers this delegation.

ROSEL H. HYDE,
Acting Chairman.

ECONOMIC COOPERATION ADMINISTRATION—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including a letter from Paul G. Hoffman, Administrator of the Economic Cooperation Administration, commenting upon the Hoover Commission recommendations as they apply to that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, released today a letter frfom Mr. Paul G. Hoffman, Administrator of the Economic Cooperation Administration, with reference to the various recommendations and textual discussions in the reports of the Hoover Commission as they affect that Administration.

This is the twentieth in a series of releases issued by the Senate Committee on Expenditures in the Executive Departments, setting forth the views and comments of 25 separate Federal agencies. Additional releases will be issued by the committee as reports from Federal establishments are received, including the Department of the Interior, Post Office Department, and the Department of the Treasury.

In commenting on the Hoover Commission report on foreign affairs, Mr. Hoffman states that, "I believe the general organizational concepts of the Commission with regard to foreign affairs are sound. * * * The establishment and successful operation of ECA as a separate agency, working in close collaboration with the State Department as well as other agencies, seems to me to indicate the wisdom of the suggested arrangement." He does, however, raise some question relative to the recommendations with respect to the authority of the Diplomatic Mission Chief, which "would appear to suggest the need for some change in the existing arrangements between ECA and State in the participating countries," contending that while on paper the arrangement appears cumbersome, "in practice it has worked well," and concluding that "I would find my responsibility for conduct of the ECA program greatly complicated by any change in these arrangements."

The comments of the Economic Cooperation Administration relative to the administration of overseas affairs were covered in a previous release by the committee (Release No. 81-1-85) on July 25, 1949 (CONGRESSIONAL RECORD, p. 10054).

Mr. Hoffman also endorses the general recommendations contained in the Hoover Commission report on general management, stating that "the application of these principles in ECA has worked well," pointing out that under the Foreign Assistance Act the administration has had wide latitude to organize ECA, to appoint its staff, and to control its administration, and that "without this latitude the job would have been very much more complicated." He also indicates that relations with the field service maintained by the ECA are handled by a Special Assistant for Overseas Administration in the Office of the Director of the Administration who "keeps a watchful eye out to see that appropriate arrangements are made for guiding and servicing the overseas establishments," but that maximum authority has been delegated to the discretion of field representatives.

In commenting on the personnel management recommendations Mr. Hoffman maintains that special provisions in the statutory authority of ECA, which provides for 25 positions which can be paid rates from $10,000 to not in excess of $15,000, has saved the Government money by "enabling the agency to emphasize quality rather than quantity," and concludes that the specific recommendations with respect to pay "are in the right direction."

With regard to the report on budgeting and accounting, relating to the strengthening of the administrative management work of the Bureau of the Budget, the maintenance of the central accounts of the Government, and the development of accounting systems for use throughout the Government, Mr. Hoffman comments that "I don't know how a business could operate under such diffused arrangement," as they presently exist, and concludes that "strengthening the Treasury Department in this respect appears logical." He also endorses a recommendation providing for a simple or business-type of audit, and suggests that there should be some way to simplify a system which required a GAO audit in detail of each transaction which the ECA Controller has already audited.

Mr. Hoffman also adds an endorsement of the report on general services. He states that "We have in ECA successfully grouped together these functions of supply, records management, and space which are proposed for the Government-wide Office of General Services. While the method of operation of the proposed office would necessarily be different, I see no reason why such an arrangement should not work well for the Government as a whole."

The full text of Mr. Hoffman's letter follows:

ECONOMIC COOPERATION ADMINISTRATION,
Washington, D. C., July 13, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, United States Senate, Washington, D. C.

MY DEAR SENATOR: This letter is in response to your request of May 23, 1949, for a report relative to the various recommendations and textual discussions in the reports of the Commission on Organization of the Executive Branch of the Government which affect the Economic Cooperation Administration. Each report affecting ECA is discussed separately. While the Commission made no study of ECA's organization, it has made a number of recommendations which would affect ECA if adopted.

FOREIGN AFFAIRS

Based upon my experience in ECA, I believe the general organizational concepts of the Commission with regard to foreign affairs are sound. The establishment and successful operation of ECA as a separate agency, working in close collaboration with the State Department as well as other agencies, seems to me to indicate the wisdom of the suggested arrangement.

The recommendations of the Commission with respect to the authority of the Diplomatic Mission Chief would appear to suggest the need for some change in the existing arrangements between ECA and State in the participating countries. The present arrangements under ECA's basic act have, in my observation, worked very smoothly. These place responsibility on the Chief of the Diplomatic Mission for "assuring that the operations of the special mission (ECA) are consistent with the foreign-policy objectives of the United States," and provide for appeal to the special representative, to the Secretary of State, and to the Economic Cooperation Administrator if differences are not resolved. While on paper this arrangement appears cumbersome, in practice it has worked well. I would find my responsibility for conduct of the ECA program greatly complicated by any change in these arrangements. In any case, it would certainly not appear wise to make basic statutory changes in the organization of a short-term agency such as ECA, unless there were compelling

reasons for such changes. To my knowledge there are no such reasons.

OVERSEAS ADMINISTRATION

I am interested in the Commission's recommendation that Congress direct a comprehensive study of the problems of administration of overseas programs.

With respect to the Commission's suggestion that ECA and other agencies having overseas programs be included in an Administration of Overseas Affairs, I have two comments: First, as indicated above, it would appear unwise to make any basic statutory changes in the organization of a short-term agency such as ECA, more or less in midstream. Second, the proposed combination in one agency of such functions as government of Territories, the American Battle Monuments Commission, and Philippine Rehabilitation, and the kind of economic dealing with sovereign states carried on by ECA appears somewhat anomalous. Because of the vastly differing relative importance of these programs in United States foreign policy and the diversity of functions involved, this consolidation in one agency could readily result in loss of sufficient emphasis on the major tasks.

GENERAL MANAGEMENT OF THE EXECUTIVE BRANCH

In general, ECA has been able, because of freedoms permitted it under its authorizing and appropriation acts, to follow most of the basic principles suggested by the Commission in its recommendations on general management of the executive branch, and particularly those dealing with departmental management. The application of these principles in ECA has worked well.

Under the Foreign Assistance Act, the administration has had wide latitude to organize ECA, to appoint its staff, and to control its administration. Without this latitude the job would have been very much more complicated.

The staff organization of ECA corresponds closely to that recommended in the report, even though the names of the offices are not identical.

Paralleling the recommendations of the report, we have given emphasis to the organization and management function.

While we do not have a field service comparable to those of agencies operating in the United States, we do have the Office of the Special Representative in Paris, and the European country missions, as well as missions in China and Korea. In the spirit of the Commission's reports, we have delegated maximum discretion to the field. Instead of providing a central control office in Washington, through which business in the field is regulated, we have encouraged direct dealing by the divisions in Washington with their opposite numbers in the field. A special assistant for overseas administration in the Office of the Director of Administration keeps a watchful eye out to see that appropriate arrangements are made for guiding and servicing the overseas establishments.

PERSONNEL MANAGEMENT

I believe the Commission's recommendations with respect to pay are in the right direction. ECA has had the advantage of 25 positions which can be paid rates above $10,000 per year but not in excess of $15,000. This provision has enabled us to recruit staff of a caliber we simply could not have obtained under usual Federal pay rates. The result has been, I am sure, to save the Government money by enabling the agency to emphasize quality rather than quantity.

BUDGETING AND ACCOUNTING

ECA has had the benefit of a simple appropriation structure. It seems to me this should work as well for other agencies which apparently now have very numerous detailed and restrictive appropriations.

In connection with the recommendations for strengthening the administrative management work of the Bureau of the Budget, I should like to report that ECA has drawn heavily upon this part of the Bureau. Three of our key officials were secured from the Bureau and a number of its experts have been made available to us on a temporary basis. If the Bureau were equipped to provide equivalent service to all agencies, it would in this way make an important contribution to governmental operations.

If I understand the report correctly, there is at present no single place in the executive branch for the maintenance of the central accounts of the Government, the development of accounting systems for use throughout the Government, and the preparation of financial reports. I don't know how a business could operate under such a diffused arrangement. Strengthening the Treasury Department in this respect appears logical. With respect to auditing, it would appear that there should be some way to simplify a system which required the GAO to audit in detail each transaction which the ECA controller has already audited. The Commission's recommendation for a simple or business-type of audit appeals to me.

OFFICE OF GENERAL SERVICES—SUPPLY ACTIVITIES

ECA would be serviced by the proposed Office of General Services, so the suitability of the proposed Office is of interest to us. We have in ECA successfully grouped together those functions of supply, records management, and space which are proposed for the Government-wide Office of General Services. While the method of operation of the proposed Office would necessarily be different, I see no reason why such an arrangement should not work well for the Government as a whole.

Sincerely yours,

PAUL G. HOFFMAN,
Administrator.

TRIBUTE TO THE LATE ALEXANDER F. WHITNEY—ARTICLE BY JAY FRANKLIN

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, a very beautiful article written by Jay Franklin on the life and work of Alexander F. Whitney.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE, THE PEOPLE: THE END OF THE RUN

(By Jay Franklin)

The sudden death of Alexander F. Whitney, president of the Brotherhood of Railway Trainmen, removes from public life one of the great servants of the American people. Had he devoted the same talent and energy to the making of money as he did to the security and welfare of the men on whom the economic life of the Nation depends, he would have died a multimillionaire. Instead, his memorial is found in the great body of railway labor whom he led and whose interests he promoted.

Even in his late seventies, when most public men become either living monuments or stuffed shirts, he had a gaiety, a lightness of touch, combined with determination and courage, that set him apart from the scowling huskies who had long supplied cartoonists with their raw material for attacks on the right of working people to organize and bargain for their common interests.

He had, as his secret weapon in the long struggle for welfare, a great fund of moral courage, derived largely from his boyhood as the son of a poor Methodist preacher in rural mid-America. This courage carried him through the bravest single episode in our recent public life: his decision to support wholeheartedly for reelection President Truman, who had handled him roughly in the railway strike of 1946 and whom Whitney had vowed to defeat. For self-conquest of this kind is rare in any walk of life and there are few men who dare acknowledge publicly that their previous public position was in error.

It is hard for me to write dispassionately of A. F. Whitney. He was not only a political associate of mine for many years but was also a warm personal friend. He did not give his word or his friendship lightly, for when he gave it he went all the way. In one of my last talks with him, he told me that never again would he have any part in calling a Nation-wide strike of railway workers. He recognized that the public convenience and necessity was, in fact, paramount and that the welfare of the brotherhoods could not be promoted by placing them in antagonism to the public interest, no matter how justified their grievances.

During the last campaign, he made the greatest single contribution to President Truman's victory. He recalled the brotherhood's ace negotiator, Walter Munro, from the wage conference with the operators at Chicago, in order to be on hand to give advice and serve as liaison with the White House. This, in effect, meant the sacrifice of several cents an hour, at a time when every cent meant millions of dollars. He believed, quite justifiably, that the reelection of an administration which was friendly to labor would serve as greater protection to the workers than any specific wage agreement.

His passing marks the end of a career which was as typically American as that of Henry Ford or Harry Truman. As a poor boy he had to make his way and he rose to the top and held his position, by his own efforts and because he was wise enough to realize that power in a democracy depends on making yourself useful to large numbers of people.

Here was a big man who did a big job and was fighting, gaily and gallantly, to the very end of the long run. He died as such men should die, quite suddenly, while still active and interested in the work which lay before him. The world is the poorer when men like him leave it, though in this case his legacy speaks for itself in the existence of a stable, noncommunistic, middle-of-the-road, middle-class organization of the men and women whom we all need to keep the country moving, working, and living.

APPROPRIATIONS FOR FOREIGN AID

Mr. HAYDEN. Mr. President, I submit a unanimous-consent request, and ask that it be read.

The VICE PRESIDENT. The Secretary will read the request for the information of the Senate.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, in connection with H. R. 4830, the Foreign Aid appropriation bill for 1950, the majority and minority leaders of the Senate be, and they are hereby, authorized to fix a time for the consideration of the motion entered on July 28, 1949, by the Senator from California [Mr. KNOWLAND] to reconsider the vote of the Senate sustaining an appeal by the Senator from Ohio [Mr. TAFT] from a decision of the Vice President overruling a point of order made by the Senator from Illinois [Mr. LUCAS] that, notwithstanding the question of germaneness of an amendment of the Committee on Appropriations relating to the purchase of surplus agricultural products had been decided by the Senate in the affirmative, it was nevertheless in order to make a point of order

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against the amendment as being general legislation on an appropriation bill.

Ordered further, That the entering of the motion to reconsider the said vote shall in no wise interfere with the right or authority of the Committee on Appropriations in the meantime to consider said bill and to report same to the Senate, or with the right of the Senate to proceed to its consideration: *Provided, however,* That in this connection all points of order be, and they are hereby, waived with respect to any amendments that may be reported or offered by the said committee or that may be offered from the floor, and that all such amendments shall be considered upon their respective merits.

Ordered further, That final action upon the motion to reconsider shall in no way be deemed to affect any action taken by the Senate in the meantime on the said appropriation bill, and that it shall have effect only as a precedent of the Senate.

Mr. HAYDEN. Mr. President, I may state that the proposed unanimous-consent agreement was drafted by the Parliamentarian at the suggestion of the Senator from Nebraska [Mr. WHERRY]. In the first paragraph it is proposed to hold in status quo, so to speak, the motion made by the Senator from California [Mr. KNOWLAND] to reconsider the vote by which the ruling of the Chair was overruled on an appeal by the Senator from Ohio [Mr. TAFT].

Holding that in abeyance, the second part of the proposed unanimous-consent agreement is that the Committee on Appriations shall proceed with the consideration of the European recovery bill and bring it back to the floor of the Senate, that all points of order against legislation on an appropriation bill will be waived, and that the bill, with the amendments, may be taken up on its merits—in other words, may be passed by a majority vote. That is the sum and substance of the proposed unanimous-consent request.

Mr. LUCAS. Mr. President, reserving the right to object, I invite the attention of the distinguished Vice President and Members of the Senate to the fact that on Wednesday, July 27, when the Senator from Illinois made the point of order that a certain amendment to the bill was legislation on an appropriation bill, in the first instance that point of order was not acted upon, but later the Senator from Arkansas [Mr. MCCLELLAN] made the point about germaneness, and the Senate passed upon that question. Later the distinguished Vice President ruled that in view of that fact, the point of order which the Senator from Illinois made that the amendment was legislation on an appropriation bill was not well taken. Then the Senator from Arkansas raised a different point of order, which caused the bill to be sent back to the Committee on Appropriations.

In the event a motion to reconsider that vote is made, the Senator from Illinois will make the point of order against the motion to reconsider, that there is nothing before the Senate to reconsider.

Mr. HAYDEN. That is contemplated in this proposed agreement.

Mr. LUCAS. I do not think it is contemplated at all in the proposed agreement.

Mr. HAYDEN. It is clearly understood in the Committee on Appropriations that until the bill gets back to the Senate, there can be no motion to reconsider.

Mr. LUCAS. But the Senator from California has already given notice of a motion to reconsider. Yesterday he rose and said:

> Mr. President, on page 10278 of the CONGRESSIONAL RECORD of yesterday appears the vote by which the Senate did not sustain the ruling of the Chair. The RECORD will show that I voted on the prevailing side. At this time I serve notice that I shall move to reconsider the vote by which the ruling of the Chair was not sustained.

In other words, the Senator from Illinois contends that that is an academic question now, because the Senate has nothing before it to reconsider.

Mr. HAYDEN. The Committee on Appropriations understands that perfectly; but if the bill is brought back to the Senate by the committee, a motion to reconsider will be in order. We ask that that whole procedure be held in abeyance, and that we take up the bill and dispose of it, and then come back to the motion to reconsider. That is the purpose of the proposed unanimous-consent agreement.

Mr. LUCAS. Perhaps the Appropriations Committee understands it now, but certainly the Senator from California thought he was acting in good faith under the rule when he gave notice yesterday that he would move to reconsider.

The point I intend to make at the proper time, and it is a very important parliamentary point, is that once the Chair ruled that this bill should go back to the Appropriations Committee, that was the end of the matter, so far as the Senate was concerned, until the bill comes back again from the Appropriations Committee to the Senate, and especially in view of the fact that the bill went back to the committee on a different point of order than the one the Senator from California seeks to have the Senate reconsider the vote upon.

Mr. HAYDEN. Nevertheless, the motion to reconsider cannot be taken up in the Senate until the bill comes back from the committee.

In this unanimous-consent agreement we propose to lay that proceeding aside and to go on with the bill.

In this connection I may add that I have talked with the junior Senator from Nebraska [Mr. WHERRY], who is the ranking minority member of the Committee on Rules and Administration. I have also conferred with the Vice President and with the Senator from Ohio [Mr. TAFT]. All of us agree that the rule with respect to what can be done by the Senate in regard to legislation inserted by the House of Representatives in an appropriation bill is not clear, and we are going to make an effort to remove that vagueness.

There is also the question of the utter futility of sending the bill back to the committee. That should be reconsidered. This very question of germaneness should be reconsidered by the Senate.

I can assure the Senate that the Senator from Nebraska and I, as members of the Committee on Rules, will confer with other Senators and will see if we can straighten out some of our archaic rules, so that the Senate may proceed without interruption.

Mr. LUCAS. Mr. President, I am totally in agreement with the Senator as to the chaos occurring under the rules, as we have seen the situation develop in connection with this matter. However, the point in connection with the proposed unanimous-consent agreement is not what we are going to do in the future in connection with a possible change in the rules, but it is what we are going to do now about waiving all points of order with respect primarily to the two-thirds rule as to the writing of legislation into an appropriation bill.

Mr. HAYDEN. Mr. President, if the Senator wishes to know my own feeling, let me say that we are very much behind in the enactment of all the appropriation bills, and we cannot get action upon them promptly unless something along the line we have suggested is done; at least, that is the easiest way to get prompt action, and that is why the agreement has been proposed.

Among the appropriation bills yet to be acted upon by the Senate are the independent offices appropriation bill, which is the pending business at this time, the Interior Department appropriation bill, and the military department appropriation bill. All these bills are jammed up. I am trying to get action taken on them, and the method we propose will result in action.

Mr. LUCAS. Mr. President, I share the Senator's desire, but I hope he is not saying to the Senate that unless we follow the procedure he suggests, we will not have action taken on the ECA appropriation bill. That would seem to be the implication.

Mr. HAYDEN. I say that the way we propose is the easiest way.

Mr. LUCAS. That may be, but at the same time it seems to me that the way now proposed would do quite a good deal of violence to some of the very important rules of the Senate.

Mr. HAYDEN. I am primarily interested in speed, so far as I am concerned.

Mr. WHERRY. Mr. President——

The VICE PRESIDENT. Has the Senator from Illinois concluded?

Mr. LUCAS. Mr. President, I still reserve the right to object.

The VICE PRESIDENT. Very well.

Mr. WHERRY. Mr. President, I wish to concur in what the Senator from Arizona has said with respect to the unanimous-consent request. The Senator from Tennessee [Mr. MCKELLAR] appointed a subcommittee to wait upon the majority and minority leaders and also upon other Senators who are interested in the motions which have been made.

This request is in two parts. The first part simply leaves in status quo every right the Senator from California [Mr. KNOWLAND] has in reference to the notice

he served on the Senate that he would move to have the vote reconsidered whenever the bill is returned to the Senate. This part of the request reserves every right every Senator has with respect to what is encompassed in the parliamentary situation relative to what has been done in connection with the history of this bill. That is the purpose of the first part of the proposal, the idea being, as the Senator from Arizona has said, that it is most important to expedite the passage of these bills, if we can possibly do so.

The second part of the unanimous-consent request is the one about which I think there might be some issue. It simply provides that the right to raise a point of order against any amendment to this bill which we have not yet considered shall be waived and that the bill shall be taken up where we left off considering it, including the McClellan amendment. It waives the right to exercise or assert points of order and to call for a two-thirds vote by way of suspending the rule. If we do that, we shall take up the amendments on their merits. Any Senator who objects to that, certainly should not join in the proposed unanimous-consent agreement.

To my mind, the agreement covers the only point at issue as to the ECA appropriation bill. Of course, it would have to be made to apply to any other bill which was desired to be considered

Mr. President, how else can we proceed in this matter? I have given this subject a great deal of thought, and some of the other members of the committee have likewise done so, as have some of our best parliamentarians.

Of course the Appropriations Committee could strip the bill of all amendments, and could report it to the Senate as a skeleton bill; and then Senators could offer the amendments from the floor—under the theory, which is maintained by the majority leader, that there should be a two-thirds vote to suspend the rule before any amendment involving legislation could be considered in connection with an appropriation bill.

But, Mr. President, if that is done, we shall be here a long time, because this is not the only appropriation bill carrying amendments proposing legislation. We have three or four more bills coming up that are just as controversial as they can be. No one knows what will happen in connection with those bills. If, in order to prevent the bill from being sent back to the committee for reconsideration, we have to offer from the floor all the amendments which the committee already has gone over so thoroughly and has considered so carefully, I think the Senator from Arizona, who has had so much experience with these matters, and the Senator from Tennessee [Mr. McKELLAR], the chairman of the committee, who has also had very long experience with these matters, will agree that in that case we shall be here for some time. Certainly there can be no question about that.

That was why I joined in the unanimous-consent proposal—to try to expedite the handling of the appropriation bills.

Mr. BYRD. Mr. President, I think the last course the Senator has mentioned is the only one we can pursue, namely, to strip the appropriation bills of all amendments or parts which relate to legislation.

I wish to be frank about the matter, and to say that I shall be compelled to object to the proposal.

Mr. WHERRY. Does the Senator from Virginia mean he will object to the proposed unanimous-consent agreement?

Mr. BYRD. Yes; because I think a very important matter is involved, namely, the Appropriations Committee is attempting to write legislation into an appropriation bill. It was never contemplated that that could be done by majority vote, but only by two-thirds vote.

Now the Senator is proposing that we proceed in a way in which we have not proceeded heretofore; for many years an entirely different procedure has been observed. In other words, the Senator from Nebraska proposes that the Senate act by majority vote on amendments proposing legislation on appropriation bills.

Mr. WHERRY. My suggestion relates to the ECA appropriation bill. Of course, as a matter of fact we are doing that every day. In the independent offices appropriation bill we were doing that yesterday on item after item.

Mr. BYRD. But we are not doing it when a point of order is made.

Mr. WHERRY. We were doing it on the theory that most of the amendments are limitations or are otherwise acceptable.

Mr. President, it seems to me we must be consistent. If we are going to have points of order made in regard to the ECA appropriation bill and require the committee to strip all the amendments from that bill, that will mean that, as the bill is returned to the floor of the Senate, a two-thirds vote will be required before any amendment containing legislation can be considered in connection with that bill. If we are going to pursue that course in connection with the ECA appropriation bill, certainly that procedure should be followed in connection with all the other appropriation bills, because if such amendments are regarded as legislation on the ECA appropriation bill, similar amendments must be regarded as legislation on other appropriation bills.

However, in connection with the independent offices appropriation bill we have been adopting amendment after amendment, for instance, the one on page 19, but no points of order have been made as to them.

If the majority leader is going to insist on his right to say when he believes the Senate should impose the two-thirds rule, then we shall have to be consistent and apply it to all appropriation bills. If that is done it is going to take a long time to have adopted the amendments to all the appropriation bills, and any Senator, if he does not have his amendment agreed to, may make a point of order against the bill, and thus all the bills may be recommitted to the committee.

Mr. BYRD. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. WHERRY. I yield.

Mr. BYRD. The minority leader may take that position; but other Members of the Senate do not believe there should be legislation on appropriation bills, and I happen to be one of them. Unless some very material question were involved, I doubt whether a Senator would be justified in making a point of order, but in this particular bill, Mr. President, there are at least four or five very vital amendments, which constitute legislation on an appropriation bill. The Senator does not contend, I imagine, that heretofore we have acted on such amendments by a majority vote when a point of order has been made.

Mr. WHERRY. No.

Mr. BYRD. That is the responsibility of individual Senators.

Mr. WHERRY. That is correct.

Mr. BYRD. It is not the responsibility of the majority leader.

Mr. WHERRY. I am not quarreling with that argument. I stated the proposed unanimous-consent agreement would apply to the ECA bill.

Mr. BYRD. It would establish a precedent, Mr. President, and I want to be very frank in saying I shall object to it. I think it is wrong. I do not believe we should write legislation on an appropriation bill by a majority vote. Where a vital question is affected as in this instance, I, for one, intend to object to such a proposal.

Mr. WHERRY. Does the Senator want to reserve his right to object?

Mr. BYRD. I serve notice that I am going to object.

Mr. ROBERTSON and Mr. TAFT addressed the Chair.

The VICE PRESIDENT. The Senator from Nebraska has the floor. On a reservation, the Chair will recognize the Senator from Virginia in his own right, as soon as the Senator from Nebraska has finished.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. ROBERTSON. I, of course, share the views of the senior Senator from Virginia, that it is not a desirable practice for the Appropriations Committee to write legislation on an appropriation bill, or to attempt to do so. The distinguished minority leader will no doubt recall that when the McClellan amendment was presented to our committee, I made a parliamentary inquiry. I asked the Chairman whether a member of the committee was privileged to make a point of order that the amendment was legislation on an appropriation bill and therefore was improper for the committee to consider. The Senator will recall that, no doubt. He will also recall that the Chairman advised me not to make the point of order, but that, if I did, it would

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be overruled. I then said, "I have no real objection to the committee considering this and other amendments on their merits, so far as I am concerned." I thought it was in violation of the rules of the Senate, but we have a very friendly relationship in the Appropriations Committee, and we were only seeking to do what we thought was best for the country. The amendments were adopted, and we face a very serious problem of whether we shall announce to all the world that what we have said was a vital and important component part of our program to preserve the peace shall be left without funds, day after tomorrow.

Mr. LUCAS. A continuing resolution has been adopted.

Mr. ROBERTSON. Even with the continuing resolution, it is not in my opinion a very happy solution of the problem. The Appropriations Committee I understand would like to bring the ECA bill back to the Senate promptly, if we can get an agreement in this emergency to let the amendments come before the Senate, for this time and, as I understand, without constituting a precedent, in view of the conflicting opinions as to what we are doing, and in that way expedite action on the bill.

Under those circumstances, Mr. President, I very much hope the senior Senator from Virginia will not object. I agree with him in principle, but we face a very serious emergency, and if it be clearly understood that this is not to be a precedent, I hope the Senator will agree that we may take up the ECA bill, pass it, let it go to conference, where all the differences may be ironed out, so that this important legislation may be enacted into law.

Senators who are members of the Appropriations Committee will recall that we have on our military supply bill some legislation. One feature relates to the Renegotiation Act. It is a very vital principle.

Mr. BYRD. Mr. President, if the Senator will yield, why was it the Appropriations Committee wrote legislation on the bill? This action has created this controversy. The Senate has not created it. Why was it the committee wrote what is clearly legislation on this particular bill? If they had not done that, the situation which now confronts us would not exist. Why did not the 21 members of the committee vote against every one of them?

Mr. ROBERTSON. I was only 1 of the 21.

Mr. BYRD. In this instance, the Appropriations Committee exceeded its authority. My colleague will agree to that, will he not?

Mr. ROBERTSON. They were adopted over my vigorous protest.

Mr. BYRD. But the committee exceeded its authority in including amendments which would be subject to a point of order, and the Senate under the rules can only approve such legislative amendments by a two-thirds vote.

Mr. WHERRY. Mr. President, I want to yield the floor, because I think the presentation has been made in all its aspects. I should like to say one or two more things in conclusion, however. I am not arguing the point of order. I am not arguing what right the Senate has or does not have. I admit all the things which have been said by the distinguished Senator from Virginia, but I say that every appropriation bill which comes out of the Senate and every appropriation bill which comes out of the House, if you please, contains legislation. If we were to take this bill and strip it of all the legislation the House wrote into it, there would not be very many pages of it left. That is true of every appropriation bill that is reported. The question is asked, why are such amendments written into the bills? The reason is that some of the very Senators who are on the floor at this moment come to the committee and request the committee to write them in, and, after a vote is taken, the amendments go in the bill. Certainly there is a difference between an amendment which Senators have passed upon and incorporated in the bill as a committee amendment, and an amendment which is merely offered from the floor of the Senate. That is what the committee is for. Very wisely, the committee has considered the amendments and adopted them only after a vote.

I agree with the distinguished Senator from Virginia that the two-thirds rule should be sustained in attacking especially amendments which are simply riders, containing provisions which are in no wise germane to the subject. In such cases, certainly the two-thirds rule should be applied. But in this instance the committee has adopted the amendments, just as the provisions were adopted by the House. We cannot even raise a point of order against any House provisions, though we can move to amend a House provision. In the Senate we do exactly what is done in the House, but when the bill comes before the Senate, it is claimed we have exceeded our authority. Such procedure has been followed for many years.

If Senators do not approve the amendments, they can, of course, vote them down. I do not want to be unfair about it. I do not want to misrepresent anything. I agree that if the unanimous consent request is granted, the right to make points of order and to require a two-thirds vote will be relinquished; the amendments will be considered on their merits, and determined by majority vote. I am only asking, however, for that to be done on the ECA bill. But I point out that it is not the only appropriation bill. There are those who are vitally interested in the ECA bill, because of the impact they say a failure to pass it may have. That is why I am pleading to have the bill again reported to the Senate with a minimum loss of time. But, if we are going to apply the general rule because there is legislation on an appropriation bill, I submit to the distinguished senior Senator from Virginia, it should not be applied to every amendment. If it is it ought to be applied to amendments to every appropriation bill until the rules are changed.

Mr. TAFT. Mr. President, if the Senator will yield, it has always been applied to every bill. Legislation on an appropriation bill has always been subject to a point of order. If the point of order is not made, the amendment goes through. But it has always been subject to a point of order. How is this bill different from any other bill? I cannot understand the Senator's position.

Mr. WHERRY. I am not going to argue the rule.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. In a moment. I may say to the distinguished Senator from Ohio, the other day, when the Parliamentarian was asked this question by the junior Senator from Nebraska, "If we vote favorably on the question of the germaneness of the amendment, do we at the same time settle the issue of whether a point of order lies against it?" The Parliamentarian said, "Yes." The Senate voted on that question, at least, with the interpretation placed upon it by the Parliamentarian, and it seems to me that, to come back and argue it now, is a double-barreled proposition. The Senate, by that particular vote, settled the issue.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. In a moment. I should like to finish this observation. I shall then be glad to yield to any Senator. I think there is a good deal of merit in this double-barreled proposition. I agree with the Senator from Ohio that probably this right should be preserved, but if it is, certainly there must be a change of the rule, even though this practice has been followed heretofore. We continually violate the rule when we place legislation on appropriation bills. It goes through on its merits, time and time again. Senators do not want to raise a point of order, because the bill may be one which they desire to have passed. It may be that no point of order will be made against the bill; but if we start from the beginning and go to the end, we shall find that appropriation bills are littered with legislation written in by the House.

I shall be glad now to yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I call the attention of the Senate to the fact that in this particular bill, beginning on page 2, over half of the provisions on that page involve legislation. On page 3 practically two-thirds is legislation. The bill has been examined by the Parliamentarian, so I am speaking with authority. The first five lines on page 3 are legislation. Lines 18 to 20 are legislation. Practically all of page 5 is legislation. Three-fourths of page 6 is legislation. All of page 7 is legislation. All of page 8 is legislation. Approximately half of page 9 is legislation. Page 10 is all legislation, and page 11 is all legislation. Practically seven-eighths of the provisions of this bill involve legislation. Seven-eighths of it has been placed in the bill by the House. It is the most remarkable situation I have ever confronted since I have been a Member of the Senate.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. McCLELLAN. Mr. President, I desire to make a brief statement. It was certainly never contemplated or foreseen by me, at the time I sponsored this amendment, that any such parliamentary situation as this would develop. But since it has developed, I think there is a far greater and more important issue involved than the merits or lack of merits of the amendment. It was my purpose, because a point of order was made against this particular amendment, which I very much favor and should like an opportunity to present to the Senate on its merits, to have a majority of the Senate decide whether it is right or wrong, wise or unwise, to have it incorporated in the bill. But we are confronted with the situation which the able chairman of the Appropriations Committee has just now pointed out to the Senate. We are compelled by our rules to take by a majority vote the legislation written into the bill by the House. The bill comes to the Senate from the House loaded with legislation, and a majority vote is all that is required to eliminate it from the bill, and not a two-thirds vote, and it is not subject to a point of order. If the Senate does not want to remain under those shackles, so far as legislation is concerned, then we should strictly enforce the rules.

All I want is to have the rules work both ways. If the position of the able Senator from Virginia [Mr. BYRD] is correct, then let us send all the appropriation bills back to the committee and strip them of legislation which the House put in. Let us have equal rights with the House of Representatives. I am casting no reflections upon anyone, but under the rule as it is today one Senator, if he does not like an amendment, can require a two-thirds vote.

I have no personal concern as to whether the amendment which I have offered is defeated—if defeated by a majority and not a two-thirds majority. The amendment has been maligned, misrepresented, and distorted by some of the press and others in its interpretation, intent, and purpose. All I wanted to do was to present it to the Senate on its merits and let the Senate act on it.

There are other legislative provisions in the bill besides this amendment. They were placed in the bill by the committee. When we appropriate billions of dollars to give away, taxing the American people to pay for it, we cannot anticipate at the time of the authorization just what the conditions will be at the time the appropriation is made. How could I know, how could other Members of the Senate know, that there would be a request to authorize and justify the expenditure of this tremendous amount of money for food products that are now in surplus over here? How could we know that a request of justification would be presented saying that $2,000,000,000 worth of agricultural products in surplus would be needed? We did not anticipate it. If we are to be hamstrung so that we cannot guard, protect, and safeguard the interests of this country and the money we are exacting from the taxpayers of the Nation, if we cannot protect them in an appropriation bill unless two-thirds of the Senate agree to protect them, we are simply doing an injustice to the American people.

Mr. President, my amendment has been criticized as being "dumping." Is it dumping? This amendment does not require foreign nations to take one pound of cotton or one grain of wheat which they do not need; but we either dump these surplus products which they say are needed, in justification for the expenditure of the taxpayers' money, or we are going to dump millions of dollars which we exact from the taxpayers, through deficit spending, because the dollars are not in the Treasury. It will have to be borrowed and added to the national debt. Think of it. This amendment has been misrepresented and distorted. There has been a propaganda campaign operating against it, but if we study the amendment it will be found that it does not require the foreign nations to take one thing they do not need and have not said they wanted, and it does not require them to take the quantities suggested. It simply provides that the money is available for that purpose only. It prevents them from practicing, whether intentionally or not, a fraud upon the Congress of the United States to get money out of our taxpayers by saying they want and need it for agricultural products, and after they get it spend it for something else. They say, "We need food; we are hungry." My amendment says, "All right; we will give it to you, but for that purpose only."

It has been said that we are wrecking the program. I think this is a very vital amendment, but if the rules of the Senate prohibit the receiving of an appropriation bill from the committee containing legislation, and if objections are to be made to such amendments on the ground that they are legislation in an appropriation bill, in order to require a two-thirds vote, I want to go back to the base rule which says such a bill shall not be received. So let us not receive them when they contain such provisions. If that is the program, I shall move to strike out every legislative provision the House has written in. Then we will find out how this rule operates and how the Congress can protect the American taxpayers under such a rule. We will have a two-thirds legislative government instead of a majority government.

Mr. President, it is not fair, because one administration or agency propagandizes, as one has been propagandizing against this particular amendment, to invoke the rule, and not expect it to be invoked against the whole bill.

Mr. President, I say, but not as a threat—I do not mean it that way—that if the integrity of the rules of the Senate is to be preserved, then when any appropriation bill comes in with legislation in it I shall feel compelled to suggest that, under the rule, it go back to the committee.

The VICE PRESIDENT. The question is, Is there objection——

Mr. WHERRY. Mr. President, I think I had the floor when I yielded to the Senator from Arkansas.

Mr. LUCAS. Mr. President, I do not think the Senator from Nebraska can continue to hold the floor and farm out the time. There are other Senators who desire to speak in their own time.

The VICE PRESIDENT. The Chair has been indulgent, because he felt that the Senate wanted to have this matter discussed.

Mr. WHERRY. Does the Chair think the Senator intended to take me off the floor after I agreed to yield?

The VICE PRESIDENT. Technically, probably the Senator could not hold the floor, but the Chair is not going to invoke the rule.

Mr. WHERRY. My reason for holding the floor was that the Vice President said something relative to some remark I made. I shall be glad to yield to any other Senator, or, if the Vice President would like to address a question to me, I should like to answer.

The VICE PRESIDENT. No; the Chair had something in mind at the time which he has not forgotten.

Mr. BYRD and Mr. TAFT addressed the Chair.

The VICE PRESIDENT. The Senator from Virginia is recognized.

Mr. TAFT. Before the Senator objects, I wonder if he would permit me to make a statement.

Mr. BYRD. Mr. President, I should like to make a brief reply to the Senator from Arkansas.

The Senator from Virginia did not precipitate this matter. It was done by my esteemed and able friend, the Senator from Arkansas. He made a point of order, I think, against five or six amendments in the bill, which he claimed constituted legislation on an appropriation bill, and upon his point of order the bill was sent back to committee.

There is a very vital principle involved in this question which I do not think we should overlook, namely, that the Committee on Appropriations is not a policy-making committee. That is recognized, as indicated by the fact that they are not permitted to report legislation to the Senate and have it adopted except by a two-thirds vote. The other committees establish the policies of the Government. They say what is authorized for appropriation, and the Committee on Appropriations is merely to recommend appropriations in accordance with such authorizations. That has been the principle upon which the Appropriations Committee and upon which the Senate has been organized, and upon which it has operated for so many years.

Members of the Senate well know that the Committee on Appropriations has the right to restrict an appropriation, but it has not the right to enter into a new field of legislation. I think that is a vital question because, with the power the Committee on Appropriations has, if we give it the right to recommend legislation and have it adopted by a majority vote, we are virtually turning over the committee organization of the Senate to the Committee on Appropriations.

As I said, I did not bring about this situation. I agreed with the Senator from Arkansas that the amendments proposed legislation, and he made the

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point of order, and had the bill sent back to the committee.

Let me suggest that the way to extricate ourselves from the situation which confronts us is to strip the bill of the legislation, bring it back to the Senate, and then submit the legislative proposals to a two-thirds vote. The question is whether we shall adopt legislation on an appropriation bill by a majority vote or a two-thirds vote.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. McCLELLAN. Does the Senator mean that we should strike out all legislative provisions inserted by the House?

Mr. BYRD. I agree with that. I did not agree with the Senator from Arkansas when he said a few minutes ago that the Senate was compelled to accept legislation written into an appropriation bill by the House. There is no compulsion on the Senate.

Mr. McCLELLAN. I said by majority vote.

Mr. BYRD. I understood the Senator to say that the Senate was compelled to accept legislation. Let us not forget that legislation is put into an appropriation bill by the House under the rules of the House. There are certain procedures through which they must go, as Senators who have served in the House know. They have their rules, and we have our rules. Our rule is specific, namely, that no legislation shall be written into an appropriation bill except by a two-thirds vote. The motion now pending is to set aside that rule in one specific case, it may be true, but if we agree to this we have established a precedent, namely, that of adopting legislation on an appropriation bill by a majority vote.

I have no desire to delay the proposed legislation at all; but as one Senator who feels bound by the rule as to legislation, I expect to exercise my privilege to raise objection to the unanimous-consent agreement, because I believe it is the duty of the Senate to adhere to the basis on which it is organized, namely, that the Committee on Appropriations is not a policy-making committee. If they had the right to originate legislation and to say what items should be authorized for appropriation, the rest of the Senate would practically abdicate its entire power to the Committee on Appropriations. That is not the way the Senate was organized, it is not the way it has been operated. Ever since I have been a Member of the Senate any Senator has had a right to object to any legislation on an appropriation bill. I have seen vote after vote taken, when a two-thirds vote was required to insert legislation.

Mr. President, I do not desire to foreclose debate, but I expect to make my objection to the unanimous-consent request.

Mr. TAFT. Mr. President, I made the motion to appeal from the decision of the Chair the other day, so I think I should state my conception of what the vote of the Senate meant when we voted the other day. I do not think those who voted had any intention whatsoever to reverse the rules of the Senate as I have known them since I have been a Member of the Senate. We have pursued a perfectly uniform practice. Everyone has agreed what the rule has been. Everyone has agreed that if an item of new legislation is brought in on an appropriation bill, a point of order may be made against it. I think everyone has agreed—although here there is some slight difference—that if the House has inserted new legislation it has opened the door on that particular subject, and therefore a Senate amendment dealing with that particular subject is in order without being subject to the two-thirds rule.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. TAFT. Certainly I yield to the Senator from Virginia.

Mr. BYRD. The Senator speaks of the House inserting legislation in an appropriation bill. That cannot be done except by unanimous consent, unless a special rule is brought in to authorize it.

Mr. TAFT. I understand that, but the ruling that has been made in the Senate for many years has been that if the House has dealt with a subject in new legislation we may amend that particular subject.

I think the Senator from Georgia [Mr. RUSSELL] goes much further. He says, in effect, that if the House has opened a matter at all and dealt with it by a legislative provision, the Senate can go on with any legislative provision, that the door has been open.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Georgia.

Mr. RUSSELL. The Senator by his statement stretches my interpretation of the rule somewhat.

Mr. TAFT. I meant to indicate only that the Senator took a somewhat broader view of what opening the door means than I do.

Mr. RUSSELL. Up until the vote on Wednesday, the rule was that if any legislative proposition were offered de novo on the floor of the Senate, or was brought in by the committee, it was subject to a point of order, and before it could be brought to a vote it was necessary to suspend the rule by a two-thirds vote. If the House has legislated in an appropriation bill with respect to any subject, any Senate amendment that is germane to the House legislation is in order and is not subject to a point of order. That has been the procedure in the Senate since time immemorial. Innumerable rulings to that effect have been made, all of which were overthrown by the action of the Senate Wednesday.

Mr. TAFT. Mr. President, I should like to finish my statement, if the Senator does not mind. I am glad to yield for a question, but I should like to conclude my statement.

Mr. RUSSELL. I shall not interrupt the Senator further.

Mr. TAFT. The Senator states the rule substantially as I understand it, and I think substantially as the Vice President understands it, because I have discussed it with him. I think the Senator from Georgia has a somewhat broader idea than I would have respecting what can be brought into the Senate under that rule. As I understood his ruling the other day the distinguished Vice President feels that the amendments we have been considering are new legislation, in spite of the fact that the House did adopt some legislative provisions dealing with the ECA.

The motion I made was not against that ruling or any attempt to overturn that ruling, or overturn the rulings of the previous Presiding Officers of the Senate. I objected to the action which was taken after the Senate had voted that something was germane to the bill, not necessarily to the House language, for there is nothing in the rule that says germaneness relates to the House language. The only reason the words "germane or relevant" were written into the rule is that in most bills anything can be put into them regardless of germaneness or relevancy. It is only on appropriation bills that anything which is entirely legislation cannot be attached. Whether it is new legislation or not, the fact that it is not relevant shuts it out of an appropriation bill.

When I voted that the amendment was germane I voted that it was germane to the bill. I did not consider the question whether it was germane to the particular House legislative provisions in the bill. When the Senate voted that an amendment was germane to the bill, and the Chair ruled that such action settled the question of its being new legislation, I protested.

So I do not think there is any great difference of opinion here. Quite an unusual situation was created by the Senator from Arkansas [Mr. McCLELLAN] when he invoked paragraph 2 in order to send the bill back to the committee. I think such a rule ought to be repealed. We should not have such a rule, and I am perfectly willing to vote to repeal it. The Senate committee cannot always judge correctly whether a particular provision is new legislation or not. Simply because the committee makes a mistake in thinking that a matter is not new legislation, and then the Chair rules it to be new legislation does not in my opinion justify sending the bill back to the committee.

Mr. President, I do not know why we should not proceed as we have always proceeded. Let the committee bring in a bill and let a point of order be made, if any Senator wants to make it on the ground that he considers it to be legislation on an appropriation bill, of course if such a point of order is not made, the item is adopted. Most legislation on appropriation bills goes through because Senators do not care enough about particular matters to raise a point of order respecting them.

Mr. President, 2 or 3 months ago certain Senators moved to cut appropriations in various appropriation bills 10 percent. Immediately objection was raised that that was legislation on appropriation bills, and those who made the motions could not have them sustained, because a two-thirds vote was required to sustain such motions. That is a perfectly proper provision in the

rules. We should not abrogate that provision. But, Mr. President, I believe it is going pretty far to suggest that there be entered into a general-consent agreement that every amendment to this particular bill should be in order. In that respect I agree with the Senator from Virginia [Mr. BYRD].

The statement has been made that perhaps we can obtain an agreement from Senators who might want to make a point of order, not to make such a point of order. That might be all right. But I doubt whether it would be proper to attempt to reach a unanimous-consent agreement that anything in the bill or any amendment which may be offered to it, shall be considered to be in order, regardless of its being not germane or regardless of being new legislation. I think that would be going pretty far. Perhaps we can work out something that will not go quite that far.

I may say further that I do not believe that the motion to reconsider, made by the distinguished Senator from California, is in order when the bill is not before us. There may be a question about that. Certainly if we proceeded under the second part of the unanimous-consent request and passed the ECA bill, there would be no purpose whatever in taking the time of the Senate to consider the motion to reconsider. I should not like to agree to the first part of the unanimous-consent request by which the motion should be reconsidered and passed upon after the ECA bill is passed. That is also an extraordinary proposal.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. I used to believe I possessed a certain amount of ability to secure unanimous consent. Does the Senator suggest that it would meet his approval that a unanimous-consent agreement be entered into?

Mr. TAFT. Mr. President, it seems to me the proper procedure would be for the Appropriations Committee to report the bill again, and ask that the rule be waived, which would require a two-thirds vote, and if we can persuade the Senators who are opposed, perhaps the Senator from Michigan and the distinguished majority floor leader will not raise points of order to the particular provisions in question. I think it might be well if the Senator could secure a unanimous-consent agreement to that effect.

Mr. WHERRY. The Senator means to get the consent of those who sponsor amendments and those who might desire to oppose them; to see if they might agree?

Mr. TAFT. If the distinguished Senators from Michigan and Texas would say, "We are willing to vote on these items on the basis of their merits," I do not see how any other Senator could object. The Senators in question may be willing to have that done. I believe it is not appropriate to ask that any amendment which may be presented to a bill be considered.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FERGUSON. I should like to know whether the appeal from the decision of the Chair acted to stay recommittal of the bill?

The VICE PRESIDENT. It did not. The bill is in the committee now.

Mr. LUCAS. Mr. President, I should like to make one further observation in respect to what has been said on this very important question. It seems to me it would be a rather strange procedure if the Appropriations Committee brought out a bill and then the Senator from Arkansas [Mr. MCCLELLAN] or any other member of the Appropriations Committee should immediately raise the point of order that it contained legislation on an appropriation bill, and the bill should then be recommitted. It is a little difficult for me to understand how members of the Appropriations Committee could vote to report a bill from the committee, knowing that when it came to the floor of the Senate some Member of the Senate was going to make a point of order against it which would mean recommittal. If such a practice were to be continued we would never get anywhere with respect to appropriation bills. Such a procedure however is all right with the Senator from Illinois.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MCCLELLAN. The Senator agrees, does he not, that such procedure is proper and in accordance with the rules of the Senate?

Mr. LUCAS. Yes, certainly I agree with that statement. But it is also the rule of the Senate that the Appropriations Committee shall not report legislation on an appropriation bill. If the Appropriations Committee reports legislation on an appropriation bill and it comes to the Senate, and a member of the Appropriations Committee raises a point of order against the legislation he has voted to report from the committee, that to me would be a strange and very unusual procedure upon the part of a Senator.

Something has been said about the Senate being in session for a long, long time considering appropriation bills. That is perfectly all right with the Senator from Illinois. I hope it will not be true that the Senate will spend a long time on appropriation bills. The Senator from Virginia, and other Senators who are vitally interested in the rule, are attempting to preserve the integrity of the rule upon what seems to me and other Senators to be vital, far-reaching and important amendments connected with the ECA program. Many people have an interest in the ECA program. Some individuals may not have an interest in it. But great masses of people are vitally interested in the ECA program.

So far as the question of time is concerned, I suppose continuing resolution after continuing resolution could be adopted, one after the other. The Chamber in which we meet is about the coolest place I have found since I have been in the Senate. It is cooler in this Chamber than it is in Illinois, and if the Senate desires to stay here interminably and consider appropriation bills or any other bills, the Senator from Illinois will be very happy to accommodate Senators who desire to remain.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. I do not desire to trespass for more than a moment on the time of the Senate. It seems to me, however, to be perfectly clear that the Senate would be very unwise to agree to such a provision as is under discussion. The language of the unanimous-consent request is as follows:

> In this connection all points of order be, and they are hereby, waived with respect to any amendments that may be reported or offered by the said committee or that may be offered from the floor, and that all such amendments shall be considered on their respective merits.

Mr. President, under that language the compulsory health-insurance bill, the fair-labor-standards bill, the fair-labor-practices bill, the civil-rights bill, or any other bill that any Senator might desire to attach as an amendment to this bill could be offered, and we would have waived any right to object to it. It would have to be discussed on its merits.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

Mr. BYRD. Mr. President, I should like to make a brief explanation. I have no desire to delay this legislation. I will cooperate in any other reasonable plan to bring the bill back to the Senate; but in the form in which the request has been submitted, I must object.

The VICE PRESIDENT. The Chair would like to take advantage of this situation to make some observations.

The Chair is only interested in the preservation of the integrity of the rules and in their proper interpretation and application. The Chair is sure that all Senators feel the same way. Once before the Chair has quoted Henry Van Porter, in the Amos and Andy program, "We are all brothers in the lodge." [Laughter.] We are interested in orderly procedure. The Chair wants to do whatever he can to help the Senate out of the predicament in which it finds itself.

In the first place, the Chair has never understood why, in the Senate, the question of germaneness must be submitted to the Senate without debate. In the House the Speaker passes on the question of germaneness, and he may hear as much debate as he is willing to hear, until he has been convinced one way or the other, that an amendment is in order or is not in order. There is always the right of appeal from his decision. But under this rule, if the question of germaneness is raised, the Chair must submit it to the Senate without debate. Senators come into the Senate Chamber after having been in committees or in their offices. A roll call is in progress, and they have not heard any discussion for or against the germaneness of an amendment, but they are required to vote on it. The Chair feels—and that is his own individual opinion—that that is a bad rule.

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The Chair—whoever the Vice President may happen to be, or the President pro tempore, if there is no Vice President—should pass upon the question of germaneness, and allow every Senator to argue whether an amendment is germane. Every Senator should have the right to make up his own mind, and then have the right of appeal if he does not agree with the ruling of the Chair. So much for that.

The Chair agrees with the Senator from Ohio [Mr. TAFT], who has heretofore expressed his view, that this rule, providing that automatically a bill shall go back to the committee if it contains legislative matter, is a bad rule. It was adopted in order to operate as a restraint against the Committee on Appropriations, as a sort of penalty in the event it reported appropriation bills containing legislation. If a point of order were made against a bill on that ground, it would go back to the committee. It was supposed that that would operate to restrain the committee from reporting legislation in appropriation bills. Whether it has done so, the Chair expresses no opinion.

Whether or not that rule has accomplished its purpose, it could bring about the creation of a ridiculous situation in the Senate and in the committee. In the present case, if the bill were brought back with the same amendments in it, any Senator could make a point of order against the bill, and it would go back to the committee. That could go on ad infinitum, and ad nauseam, until both the Senate and the committee would be in a ridiculous situation.

We know that a quorum is always presumed to be present unless a point of order is made that a quorum is not present. It is the view of the Chair that all amendments reported in a bill, and all amendments offered from the floor, are presumed to be in order unless a point of order is made against them; and when the point of order is made against them on the ground that they are a violation of any rule, the Chair passes on the point of order, and his decision is always subject to appeal.

The other day, in regard to the question of germaneness of the McClellan amendment, the Chair followed a ruling of Vice President Wallace. The Chair feels that that ruling was utterly illogical. The Chair might have been justified in overruling it. The substance of it was that although no Senator made a point of order against the McClellan amendment on the ground that it was not germane, the mere suggestion by the sponsor of the amendment that it was germane, when no Senator made the point that it was not, required the Senate to vote on the question.

In the opinion of the Chair that creates an illogical situation, because an amendment is supposed to be germane unless some Senator makes the point that it is not. As the Chair observed at the time, it was supposed to be germane, because it was supposed to be an amendment to some House provision containing legislation. Otherwise it could not have been germane. The Senate was supposed to know what it was doing when it voted that it was germane.

Based upon the action of the Senate, the Chair decided that the further point of order, which had been previously made by the Senator from Illinois [Mr. LUCAS] lapsed because of the decision of the Senate on the question of germaneness of the amendment itself. That decision was overruled by the vote of the Senate, and probably wisely so. It may enable the Senate to extricate itself from this situation, whereas if the Chair had been sustained, the Senate might not be able to extricate itself.

As the Chair interprets the vote of the Senate overruling his decision, it left the point of order made by the Senator from Illinois good against the amendment, on the ground that it was legislation on an appropriation bill, in violation of the rule. The Chair did not mean to hold, and the Chair does not now interpret the vote of the Senate overruling his decision to mean, that the Senate may not take advantage of its rule against legislation on an appropriation bill, when an amendment is not an amendment to a specific legislative provision in the House language.

The Chair agrees with the decision of Vice President Marshall that when the House opens a door—not all doors, but one door—the Senate can walk into that door and make amendments which are germane to the House provision, and that when such an amendment is reported by the committee or offered on the floor, and any Senator makes the point of order that the amendment is not germane to the House legislative provision, that question must be submitted to the Senate for a vote.

But when the House adds to an appropriation bill a provision that is legislative, on any subject, and it comes to the Senate, the Chair does not believe, and did not mean to hold, and does not now interpret the vote of the Senate to mean, that Senators cannot make points of order against legislation dealing with other things not dealt with in the House legislative provision. If anyone interested got the impression that that was what the Chair meant, or that that was the opinion of the Chair as to what the Senate meant, and that Senators would be forbidden from making points of order against legislative amendments in the Senate if such amendments did not relate to and were not germane to a legislative provision in the House language, that was a mistaken impression, and the Chair does not wish to let that impression prevail.

Mr. McKELLAR. Mr. President, I should like to say a word or two on this question. I assure the Senate that the Senate Committee on Appropriations has no desire whatsoever to hold this bill up or retard its progress. I believe that every member of the committee would be delighted to get all the appropriation bills through promptly. We have worked very hard this year. We have worked night and day on appropriation bills. We have done our very best to get them through as rapidly as possible. There are two or three such bills on the calendar yet to be considered by the Senate, and some are in process of consideration.

So far as the committee is concerned it will make every effort to get the ECA bill back to the Senate as soon as possible.

On the other hand, I am very sorry to hear my brother Senators suggest that the committee is trespassing upon their preserves. The procedure for handling appropriation bills has been established for many years—many generations, for that matter. It has been in existence as long as I have been a Member of this body.

By reason of sending the bill back to the committee, because of the position the Senate has taken, we have gotten ourselves into a very bad predicament. Since it happened, we have had two full committee meetings, with the largest attendance we have had in the committee this year. At those meetings this matter was discussed, and we tried to iron it out. The committee appointed a subcommittee consisting of the Senator from Arizona [Mr. HAYDEN], the Senator from New Hampshire [Mr. BRIDGES], and myself, to take up the matter with our leaders and see if we could get them in accord on some method by which we could consider this bill in the Senate and pass it. We want to pass it. The committee is tremendously interested in getting this bill passed as soon as possible. The committee did not send it back to the committee, but the whole matter was precipitated by my good friend the Senator from Illinois [Mr. LUCAS], when he took the position he did about the bill.

Mr. President, ordinarily appropriation bills go through promptly, as all Senators know. For instance, let us consider for a moment the independent offices appropriation bill, now the unfinished business. Ordinarily it is passed by the Senate in approximately 30 or 35 minutes. But this time it was argued all day, day before yesterday, and all day yesterday, up until a late hour last night; and it is not yet through the Senate. I do not know what trouble has arisen.

I appeal to my brother Senators to have some consideration for the Appropriations Committee, which is trying its best to do its duty faithfully and well. That is all we want.

We think all these questions might easily be voted upon and that we might agree to some procedure regarding them.

I wish to say that my friend the Senator from New Hampshire [Mr. BRIDGES], who preceded me as chairman of the committee, has been in hearty cooperation in the endeavor to work out a settlement. The other members of the committee have, for the most part, joined in trying to work out a settlement. We are not trying to impinge upon the rights of other committees at all. I hope that even yet some method can be decided upon so as to get this measure on the statute books.

The VICE PRESIDENT. By unanimous consent, if that may be given, the Chair would like to add an observation in regard to the effect of sending the bill back to the committee. Incidentally,

the Chair would like to commend the Senator from Tennessee and all other members of the committee for their industry and hard work on the committee. The Chair thinks that committee is one of the most, if not the most, industrious and hard working committees in the Senate or in any other body.

The effect of sending the bill back to the committee under this rule is to place it in the same status it occupied before it ever was reported to the Senate in the first place. When it returns to the Senate, it returns de novo; everything which has been done on it in the Senate heretofore or was in process of being considered by the Senate is undone because of the procedure of sending it back to the committee. All amendments which were agreed to are then disagreed to, and must be acted on again when the bill is returned to the Senate.

The Chair is not passing on the question of the motion of the Senator from California to reconsider the vote by which the Chair's ruling the other day was overturned, although on the surface it would seem to be an academic question at this time, because when this bill returns to the Senate it returns under the same circumstances as those which surrounded it when it was first reported to the Senate. It must be considered again, page by page, just as it was in the first place.

The Chair suggested the other day a remedy for this situation, which he may have been presumptuous in suggesting. It was a very simple one, namely, that the bill be brought back to the Senate without the amendments. That has been done before; when a bill was returned to the committee, the committee reported it again, but without the amendments; and they were offered ad seriatim from the floor; and points of order were decided against them individually. That avoids the danger of having the bill returned to the committee again for the same reason which compelled its return this time.

Mr. BYRD. Mr. President, I wish to have my good friend, the Senator from Tennessee [Mr. McKELLAR], the chairman of the Appropriations Committee, whom I love very dearly, understand that I made no criticism whatsoever of the Appropriations Committee. That committee has a perfect right to bring in an amendment proposing new legislation on an appropriation bill, provided the committee moves to suspend the rule and to have a two-thirds vote taken on that question. So what I said is no criticism whatever of the committee. I admire the committee. The committee has done fine work, and especially has my friend the Senator from Tennessee, the able chairman of the committee.

My purpose is only to preserve the rules of the Senate. That is why I made the objection.

The VICE PRESIDENT. Objection having been made, the proposed unanimous-consent agreement is not agreed to.

Mr. LUCAS. Mr. President, I should like to say a word in regard to what the Senator has just said. We have made some progress on the ECA appropriation bill. In the opinion of a great many Senators, the fact that there was no disagreement on the amendment providing for a 10-percent cut, which amendment was adopted, is very significant, for that is the most important concession which has been made on this bill in the Senate.

So far as I am concerned and, I think, so far as all other Members of the Senate interested in this measure are concerned, we shall go along with what the Senate has done up to the McClellan amendment. In other words, I can assure the Senator from Tennessee that if the bill as next reported includes the work we have done thus far, up to the point of the McClellan amendment, I am certain it will be concurred in by the Members of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] to the committee amendment on page 38, line 9. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

Mr. O'MAHONEY. First, Mr. President, I should like to say that when we recessed last night, we were discussing the amendment with respect to the Housing Expediter. The debate which was occurring when we took the recess last evening revolved around the question of what extent decontrol had proceeded throughout the country under the Rent Control Act of 1949.

The chairman of the subcommittee pointed out that the committee, having before it a new budget estimate, had reduced that estimate by a flat 10 percent.

We pointed out the testimony of the Housing Expediter that there had been only a few decontrol orders, and that those orders affected fringe communities, and that they would not involve very many employees.

The distinguished Senator from Alabama [Mr. SPARKMAN], who had charge on the floor of the Rent Control Act of 1949, was explaining the provisions which had been written into that act; and it was agreed among us, as the recess was taken, that perhaps it would be of great value if inquiry were made of the Housing Expediter for the latest information with respect to the progress of decontrol.

That information is now before us. There has been only a slight expansion of decontrol. The savings which are estimated to be accomplished by the dismissal of employees not needed to carry on the work amount to less than $700,000. By means of the 10-percent reduction the committee has already made a saving of more than $2,700,000; that is to say, we have made a reduction of $2,000,000 in excess of the saving which could be accomplished by the reduction of personnel.

The Senator from Alabama has been in personal conference with the officials of the Office of the Housing Expediter, and I am sure he is prepared to discuss for the Members of the Senate the facts which have been presented to us.

Mr. SPARKMAN. Mr. President, in keeping with the suggestion made before we recessed last night by various Members of the Senate, and more particularly by the Senator from Florida [Mr. HOLLAND] who is now the Presiding Officer, I got in touch this morning with the Office of the Housing Expediter and asked for the very latest information as to decontrol actions that have been taken. By the way, at the time the hearings were held, 108 decontrol actions had been taken, involving, according to the testimony in the hearings at that time, 79 employees. To this date, the number of employees involved is 200. So, in line with the suggestion the Senator from Wyoming has just made, not only did the $2,500,000 cut which was made by the committee cover the $666,000 in savings which will be effected by reason of the reduction of the 200 employees, but there was taken into consideration at that time nearly half this number, because 79 had already been let out, and I think it is reasonable for us to assume that nothing was included in the budget estimate as presented by the Expediter at that time, for those 79. However, Mr. President, moving on, I should like to refer to the offices that have been closed to this date.

Mr. BYRD. Mr. President, will the Senator yield on that point?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Virginia?

Mr. SPARKMAN. I yield.

Mr. BYRD. The Office of the Housing Expediter, on May 31, 1948, had 4,569 employees, and on May 31, 1949, 4,916. The bill provides 5,500, an increase of 600, without budget authorization, and without any protest being made by the House of Representatives. Is that correct?

Mr. SPARKMAN. I do not understand the Senator's reference to the budget authorization. There certainly was budget authorization in the request.

Mr. BYRD. I mean the recommendation.

Mr. SPARKMAN. Oh. Yes, when the request was presented to the Senate committee, it was presented with a budget clearance, as I understand, for 1,543 additional employees.

Mr. BYRD. There would be a total employment of 5,500; is that correct?

Mr. SPARKMAN. It would be a total of 5,500; that is correct.

Mr. BYRD. Did the Bureau of the Budget approve that?

Mr. SPARKMAN. That is correct.

Mr. BYRD. But does this increase by 600 employees the number provided through the action of the House?

Mr. SPARKMAN. This was not before the House at all. This was a supplemental estimate.

Mr. BYRD. I understand, but it increases the number of employees, compared to the number in the House bill, by 600, does it not?

Mr. SPARKMAN. That is correct, because this increase was not before the

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House. There was no budget estimate in it at that time.

Mr. BYRD. I was wondering why the employees could not be transferred from some other department. We are adding 300 a day, every day in the year, which adds to the pay roll about $1,500,000 a day. If 600 more were needed, as indicated by the bill, why could they not be transferred, if they are not needed, from some other bureau?

Mr. SPARKMAN. Of course, that question is not involved here.

Mr. BYRD. The Bureau of the Budget has the right to make the transfers.

Mr. SPARKMAN. The question involved here is whether this number of employees should be authorized for this particular agency. The purpose of my discussion is to show why the increase is needed. As I stated last night before we recessed, it is not an arbitrary increase requested by the Housing Expediter. It is an increase which Congress itself directed him to make. In the Rent Control Act of this year, we directed him to have a man in every rent-control office to assist landlords, small landlords in particular, in filing their claims, and to assist tenants. That calls for 508. We likewise amended the law with reference to evictions, and directed the Housing Expediter to tighten up on the control of evictions. In order to carry out that mandate of Congress, he has recommended the addition of 815 employees, who, he says, will be required.

There was considerable criticism in the course of the hearings, because surveys had not been made throughout the country as frequently as they should have been. Members of the committee insisted such surveys be made every quarter, and the Housing Expediter was pretty severely criticized in the matter. He is asking for 28 employees for the purpose of making those surveys, I might go on, to break it down, to show the total number requested.

But, Mr. President, getting back to the decontrol actions which have been taken, let me say, in region 1, no offices have been closed. In region 2, none have been closed. In region 3, none have been closed. In region 4, 10 offices have been closed, involving 49 employees, with a total saving for the fiscal year 1950 of $171,974. In region 5, there have been 25 offices closed, 69 employees affected, with a total savings for the fiscal year of $234,074. In region 6, there have been three offices closed, with seven employees affected, and with a total savings of $27,578. In region 8, five offices have been closed, with 32 employees affected, and with a total savings of $113,750. Since this statement was made up, four additional offices in region 4 have been closed, with 14 employees involved, and with a total savings of $47,456. That makes a total of 47 offices closed, with 171 employees affected, and with a total savings of $594,832.

Only this morning we were informed of additional offices which are to be closed. Those matters are pending. In Kansas, there are two, at Great Bend and Arkansas City, involving three employees in the first, two in the second. In Oklahoma there are six—at Stillwater, Shawnee, Ponca City, Muskogee, Enid, and Ada, each affecting two employees. In Utah, Provo City, two employees. In the State of Washington, Spokane, 10 employees. That gives a total of 29 employees, with a total savings of $71,280, which brings the grand total to 200 employees affected, with a savings of $666,112.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAIN. I wanted to inquire whether the Senator has just made reference to the fact that the Spokane office is shortly to be closed.

Mr. SPARKMAN. That is true; with 10 employees to be affected, and with a savings of $38,992.

Mr. CAIN. I thank the Senator.

Mr. SPARKMAN. In addition to that, Mr. President, there are these pending actions:

Dade County, Fla., by State legislature action, effective September 1, 1949.

Topeka, Kans., effective September 14, 1949.

Dallas County, Tex., effective September 14, 1949.

Orange County, containing Laguna Beach—I assume that must be California—effective October 1, 1949.

Austin, Tex., effective September 1, 1949.

Jacksonville, Fla.—the effective date is not given—and St. Augustine, Fla.

Those include all the actions planned for any early date.

Mr. President, I have been given a list of every decontrol action which has been taken, with its effective date. I think it might be informative to the Senate to have it placed in the RECORD at the end of my remarks, and I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPARKMAN. There is a breakdown showing in detail the number of employees in each individual office, together with the amount of savings, as well as the total. I ask unanimous consent that the table be placed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. SPARKMAN. Mr. President, I said last night that the Office of the Housing Expediter had been pretty well overrun with work since the enactment of the rent-control law this year. I stated that Mr. Woods had said that within the first 6 weeks, as I recall, of the life of the new law over a million applications had been given out for adjustments. We proposed that expeditious consideration should be given to those applications and that early action should be taken on them, and with that in mind we said that in each office there should be an employee who would have the explicit job of helping landlords to make out their applications.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAIN. I have been impressed by the fact that since the law of 1949 became effective, more than a million forms for adjustments of rent in one way or another have been submitted throughout the country. Will the Senator from Alabama inform the Senate how many of those forms have been returned to the Office of the Housing Expediter for action? I think therein lies the substance of this controversy at the moment.

Mr. SPARKMAN. I cannot say how many have been submitted, but I have a statement which shows the number for May and June; and, as the Senator will recall, the so-called fair net operating income formula was not put into effect until the early part of May; I think it was May 2, but I am not sure.

Mr. CAIN. May I ask the Senator how many applications were submitted during the months to which he has just referred?

Mr. SPARKMAN. There were 33,034.

Mr. CAIN. I have been told, and I stand ready to be corrected, that 33,000 returned forms represent all the forms which have been submitted to the Office of the Housing Expediter, which indicates that we are not very much concerned with the million forms which were dispatched and sent out to tenants and landlords, but we are concerned with the workload resulting from those forms which have been submitted, properly filled out. I submit that 33,000 do not represent a very heavy work load.

Mr. SPARKMAN. Mr. President, that number represents the number submitted during the months of May and June to the various area offices. Of that number, by June 25, 10,000 had been processed. A total of 2,270, or 22.6 percent, were granted, with an average monthly increase of $11.42.

Mr. President, I ask unanimous consent that a statement from the Office of the Housing Expediter, giving an analysis of petitions for rent increases under the fair net operating income formula, with tables attached, be included in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. SPARKMAN. Mr. President, I should like to remind the Senator from Washington of something he said in the course of the hearings. Mr. Dupree, who was testifying before the subcommittee for the Housing Expediter's office, read to us the language which had been proposed by the House committee in reporting the bill, in which it was proposed to establish this assistance. I am reading from page 126 of the hearings, if the Senator would like to follow it. The language is exactly the same as that which was adopted in the Senate bill, which was agreed to in the conference report, and as the President signed it. After it was read, the Senator from Washington said this:

Senator CAIN. Mr. Dupree, on paper, that is a marvelous series of words. Now we have to find a way to make it work, because I am reminded of the fact that in your radio script you thought there was one such person to conduct a survey in each of the areas covered in this bill, but that they were there in name only. I tell you that here is one Senator who would vote any amount of money if there is to be a law to put enough people on to do that.

That is all in the world we are asking for here.

By the way, with reference to the survey question, as to which the request is for 28 persons to be employed, I should like to remind my friend, the Senator from Washington, of the very thorough going-over he gave Mr. Woods, as may be seen from page 86 through page 92 of the hearings, because Mr. Woods had not made a survey of each rental area in the United States each 3 months, as he had expressed the hope that he might be able to do if Congress should give him a sufficient number of employees. He is now asking for 28 employees to enable him to do what the Senator from Washington was insisting that he do.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. Yes; I yield.

Mr. CAIN. The Senator from Alabama has called to my attention some testimony with which I remain most familiar. What I am extremely conscious of is that the junior Senator from Washington and other Senators interrogated Mr. Woods, the Federal Housing Expediter, very closely because Mr. Woods, through one of the branches of his organization—what I would term his "radio propaganda division," had told the American people, through radio scripts distributed all over America, that such surveys as those to which the Senator from Alabama has just referred had in fact been made, when the evidence submitted was that they had not been made. We were determined to find out from Mr. Woods why he had told the people of the country that the Housing Expediter's office was providing service which, in fact, was not being extended to the tenants and landlords of America.

Let me add to my friend, the Senator from Alabama, that I was as serious at that time as I am now, when I said to Mr. Woods:

> I will vote any amount of money which is required to give good service under the coming Rent and Housing Act of 1949.

Although I may be wrong, my considered judgment at this time, after studying the testimony which was submitted to the Appropriations Committee, and remembering the testimony which was submitted to the Banking and Currency Committee, is that the Office of the Housing Expediter can do both an adequate and competent job in 1949 if the pending amendment is adopted.

Mr. SPARKMAN. Mr. President, I wish to correct the RECORD with reference to what the Senator from Washington said. In the radio script to which he refers, Mr. Woods did not say the surveys had been made, but that under their program they hoped to make them every quarter. If the Senator remembers, Mr. Woods told us that he had to give up that hope because he was not able to get the amount of personnel it was necessary to have in order to do it. The Senator from Washington criticized him rather severely for not having made the survey.

Mr. CAIN. Mr. President, I am certain that the Senator from Alabama and I are not far apart in this particular instance. I recall again that in a very definite way I was critical of Mr. Woods for having in that instance told the American people who listened to the radio that he was going to do something without having the means with which to do it, or without having turned to the Congress for the moneys which were required to accomplish the objective he told everyone who cared to listen would be met by his office.

Mr. SPARKMAN. Mr. President, I do not wish to belabor this point, but I believe that in the interest of accuracy in this matter it would be well for me to read into the RECORD the statement Mr. Woods made. He said:

> And to that effect I might add that, in our getting ready for our budget presentation, and in lining up the duties and functions of our field, we are getting instructions ready to tell them that where formerly it was customary to make a 6-month survey of every defense-rental are for decontrol purposes, they must arrange their staff and make arrangements to cut that time in half, so that we will have a current decontrol survey on every area in the country, regardless of whether we have a board there or not, and that is to be done every 3 months.

I call attention to the fact that in the very beginning he based his statement upon the budget presentation, and in the testimony he gave us he said he did not get the required personnel.

Mr. BRICKER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HOLLAND in the Chair). Does the Senator from Alabama yield to the Senator from Ohio?

Mr. SPARKMAN. I yield.

Mr. BRICKER. I note that at the end of this section dealing with the Housing Expediter there is this provision:

> *Provided*, That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

I turn to Executive Order 9841 and find no section 204 (e). There is a section 204 which says that "Executive Order No. 9765 of March 15, 1946, as modified by Executive Orders Nos. 9726 and 9809, is revoked."

It is not clear in my mind just the meaning of that proviso. I wonder if the Senator can explain it.

Mr. SPARKMAN. I am not a member of the Committee on Appropriations, and I was not familiar with the language the Senator has pointed out.

Mr. BRICKER. Unless I misinterpret the language, it is practically meaningless.

The PRESIDING OFFICER. If the Chair may suggest to the Senator from Ohio, the Chair thinks that "section 204 (e)" is coupled with the Emergency Price Control Act.

Mr. BRICKER. Rather than Executive Order 9841? It says "cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e)"—

The repeal of the former Executive order might be considered that transfer, and I wanted it explained.

Mr. O'MAHONEY. Mr. President, this was exactly the language which was in the bill a year ago.

Mr. BRICKER. I do not know what was in the bill a year ago.

Mr. O'MAHONEY. This is it.

Mr. BRICKER. But I do not know the meaning of it. I wonder if the Senator will explain it.

Mr. O'MAHONEY. Let us read it:

> *Provided*, That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

Mr. BRICKER. Now I turn to that Executive order, which brings up the question I had in mind. There is no section 204 (e) in it.

Mr. O'MAHONEY. No; there are two things which are mentioned, the Executive order, and section 204 (e) of the Price Control Act of 1942.

Mr. CAIN. Mr. President, would the provision to which the Senator is presently addressing himself have anything to do with the veterans' emergency housing program which the Office of the Expediter was charged by law with administering and protecting in the last several years?

Mr. SPARKMAN. While the Senator from Wyoming is looking something up, I may say I think this proviso has to do with several cases which had been started, fraud cases, perhaps, in the administration of the Veterans' Act. This keeps alive those prosecutions. I think that is the explanation.

Mr. CAIN. Mr. President, if I may make an observation to the Senator from Wyoming and the Senator from Alabama, I think the Senator from Ohio has a valid point, because I have been led to believe that the responsibility of the Office of the Housing Expediter with reference to the veterans' emergency housing program is in liquidation, and that his responsibilities as of now are extremely minor.

Mr. SPARKMAN. That is true. Yet I believe that in the hearings on the pending bill the Expediter testified that there were, I think, 855 cases. I will not vouch for the figure offhand.

Mr. CAIN. I think that if the Senator from Alabama will turn to page 1065 of the hearings on the independent offices appropriation bill for 1950 he can read Mr. Woods' reflections on this subject, which indicate that the OHE has no further responsibility under the program.

Mr. SPARKMAN. That is true, and if the Senator will go on down the page to Mr. Madigan's testimony, near the bottom of the page, he will find this language:

> This deduction here for this veterans' program is really a nonrecurring item and we are taking it out so as to come down to a base figure. We will not have that in the next fiscal year, as Mr. Woods indicated earlier, except for this 895 uncompleted cases.

Mr. CAIN. They are merely cleaning it out, then, as I understand, and after they get rid of the 855 cases they will liquidate their responsibility.

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Mr. SPARKMAN. That is correct.

Mr. CAIN. I thank the Senator.

Mr. SPARKMAN. My understanding is that the language referred to here keeps alive those cases as to which there may be complaints or prosecutions already begun or to be begun. It merely prolongs the life of them so as not to jeopardize the rights of either side.

Mr. CAIN. That happens to be my understanding, but I thought the Senator from Ohio had a natural inquiry on that point.

Mr. SPARKMAN. It seems to me that the confusion arises from the fact that there is merely a comma after the executive order number, when probably there should be the word "and."

Mr. BRICKER. The Senator from Wyoming has explained it to me.

Mr. SPARKMAN. If the Senator from Ohio did not understand, I think we have it cleared up, that it relates to the pending claims and complaints with reference to veterans preference cases.

Mr. BRICKER. I understand that is the subject matter, but as the bill now reads it is practically meaningless unless the word "and" is inserted.

Mr. SPARKMAN. I agree with the Senator that the word "and" certainly shall be in it.

Mr. President, I have no inclination to prolong the debate on the amendment. I wish to add merely that we have passed a rent-control law which we hope may have a reasonable opportunity to function in the way in which we intended it should, that is, to give relief in the cases where relief is needed, to give protection to tenants who might otherwise be evicted, and also to make surveys so that decontrol can be put into effect where it should be.

I submit to the Senate that in the hearings before the committee Mr. Woods told about the Decontrol Act, the number of employees who are already being let off, the number he anticipated letting off, and whereas he estimated the new employees at that time to be 1,543, as brought out by the distinguished Senator from Virginia a few minutes ago, the total increase amounts to only about 600 over and above what the House agreed to. This particular new matter was not before the House committee at all. The committee even following that reduced the total amount to go to the Expediter's office by 10 percent. I believe the office has had a fair cut, and that the Expediter ought to be given this minimum number of employees in order that the rent-control law may be allowed to function as the Congress intended that it should function.

EXHIBIT 1

Decontrol actions, Office of the Housing Expediter, by States, counties, defense-rental areas, and principal cities, Apr. 1 to July 28, 1949

State	County	Defense-rental area	Principal cities	Action	Effective date
					1949
Alabama	Pike	Troy	Troy	Agency initiative	Apr. 1
Arizona	Cochise	Fort Huachuca	Bisbee, Lowell	do	Apr. 8
	Coconino	Prescott-Flagstaff	Flagstaff, Williams	do	Apr. 5
	Gila	Phoenix-Salt River	Miami, Globe	Rent advisory board recommendation; agency initiative.	Apr. 2
	Mohave	do	Kingman	Agency initiative	Apr. 8
	Navajo	Winslow	Winslow, Holbrook	do	Do.
	Pima	Tucson	Tucson	Local option	June 16
	Santa Cruz	Fort Huachuca	Nogales	Agency initiative	Apr. 8
	Yavapai	Prescott-Flagstaff	Prescott	do	Do.
	Yuma	Yuma	Yuma	do	Do.
Arkansas	Calhoun	Camden	Hampton	do	Apr. 5
	Camden	do	Camden	Local option	June 6
	Dallas	do	Fordyce	Agency initiative	Apr. 5
	Garland	Hot Springs	Hot Springs	do	June 24
	Independence	Walnut Ridge	Batesville	Local option	July 7
	Lonoke	Little Rock	Lonoke	Rent advisory board recommendation; agency initiative.	Apr. 26
	Nevada	Camden	Prescott	Agency initiative	Apr. 5
	Prairie	Pine Bluff	DeValls Bluff	do	Do.
	Pulaski	Little Rock	Little Rock	Rent advisory board recommendation; agency initiative.	Apr. 26
	Saline	do	Benton	do	Do.
	Hot Springs	Malvern	Malvern	Agency initiative	July 28
California	Marin	San Francisco Bay		do	Apr. 8
	Sonoma	do		do	Do.
	San Bernardino	San Bernardino		do	Do.
	Los Angeles	Los Angeles	City of Covina only	Local option	July 26
Florida	Bradford	Starke	Starke	Agency initiative	May 5
	Brevard	Banana River	Titusville, Melbourne	do	Apr. 5
	Broward	Fort Lauderdale	Fort Lauderdale, Hollywood	Local option	June 24
	Dade	Miami	Miami Beach, Coral Gables	do	June 8
	Hillsborough	Tampa	Tampa	State legislature	July 5
	Jackson	Marianna	Marianna	Agency initiative	May 6
	Polk	Polk	Lakeland	State legislature	July 7
	Palm Beach	Palm Beach	West Palm Beach, Lake Worth	Local Option	June 9
	Pinellas	St. Petersburg	St. Petersburg	Agency initiative	May 5
	St. Lucie	Fort Pierce	Fort Pierce	do	July 13
	Seminole	Sanford	Sanford	do	June 30
	Volusia	Daytona Beach	Daytona Beach	do	May 13
Georgia	Colquitt	Moultrie	Moultrie	Local option	June 16
	Grady	Bainbridge-Cairo	Cairo	Agency initiative	Apr. 5
	Peach	Macon	Fort Valley	do	Do.
	Spalding	Griffin	Spalding	do	Do.
	Sumter [1]	Americus	Sumter	do	Do.
	Thomas	Thomasville	Thomasville	do	Do.
Idaho	Ada	Boise	Boise	Rent advisory board recommendation; agency initiative.	Apr. 28
Illinois	Coles (portion)	Mattoon		Agency initiative	Apr. 5
	Jefferson (portion)	Mount Vernon		do	Do.
	Logan (portion)	Springfield-Decatur		do	Do.
	Morgan (portion)	do		do	Do.
Indiana	Huntington (portion)	Anderson		do	Apr. 1
	Wabash (portion)	do		do	Do.
	DeKalb (portion)	do		do	Do.
	Grant	do	Marion	Local option	June 16
	Lawrence (portion)	Columbus		Agency initiative	Apr. 1
	Monroe (portion)	Bloomington		do	Do.
	Shelby (portion)	do		do	Do.
	Johnson	Columbus	Franklin	Local option	July 27
	Wabash	Anderson	Wabash	do	July 28
Iowa	Cerro Gordo (portion)	Mason City		Agency initiative	Apr. 8
	Jefferson (portion)	Fairfield		do	Do.
	Webster (portion)	Fort Dodge		do	Do.
Kansas	Montgomery	Parsons	Independence-Coffeyville	Local option	May 6
	Barton	Great Bend	Great Bend	do	June 30
	Douglas (effective Sept. 14, 1949).	Topeka-Lawrence	Lawrence	do	July 13
	Ford	Dodge City	Dodge City	do	July 8
	Franklin	Topeka-Lawrence	Ottawa	do	June 10

[1] Recontrolled June 3, 1949, RAB recommendation.

Decontrol actions, Office of the Housing Expediter, by States, counties, defense-rental areas, and principal cities, Apr. 1 to July 28, 1949—Continued

State	County	Defense-rental area	Principal cities	Action	Effective date
					1949
Kansas—Con.	Gray	Dodge		Agency initiative	July 8
	Lyon	Emporia	Emporia	do	July 5
	McPherson	Salina	McPherson	do	June 24
	Dickinson	do	Abilene	do	Do.
	Riley	Junction-Manhattan	Manhattan	do	Do.
	Shawnee (effective Sept. 14, 1949)	Topeka-Lawrence	Topeka	Local option	July 13
	South Hutchinson (city) Reno	Hutchinson	Hutchinson	do	June 15
	Neosho	Chanute	Chanute	do	June 7
	Wilson	do	Neodesha	Agency initiative	Do.
	Cowley	Butler-Cowley	Arkansas City	Local option	July 20
	Russell	Great Bend	Russell	do	July 28
	Stafford	Stafford	Stafford	Agency initiative	Do.
Kentucky	Mercer (portion)	Harrodsburg		do	Apr. 8
	Scott (portion)	Frankfort		do	Do.
	Trigg	Clarksville, Tenn	Cadiz	do	July 13
Louisiana	Rapides Parish	Alexandria-Leesville	Alexandria	Rent advisory board recommendation; agency initiative.	Apr. 25
Maine	Washington	Eastport		Agency initiative	June 28
Maryland	Alleghany	Cumberland	Cumberland	do	Apr. 5
	Anne Arundel (portion)	Baltimore		do	Do.
	Calvert (entire)	Patuxent		do	Do.
Michigan	Dickinson	Escanaba-Marquette	Iron Mountain	do	Do.
	Marquette (portion)	do		do	Do.
	Eaton (portion)	Lansing		do	Do.
	Gogebic	Ironwood		do	Do.
Minnesota	Blue Earth (portion)	Mankato		do	Apr. 8
	Brown (portion)	New Ulm		do	Do.
	Freeborn (portion)	Albert Lea-Faribault		do	Do.
	Olmstead (portion)	Rochester		do	Do.
	Otter Trail	Fergus Falls	Fergus Falls	do	Do.
	Rice	Albert Lea-Faribault		do	Do.
	Steele	do		do	Do.
	Wesceca	do	Weseca	do	Do.
	Mower	Austin		do	Do.
Mississippi	Gulfport (city) Harrison	Biloxi-Pascagoula	Gulfport	Local option	July 7
	Harrison (portion)	do		Agency initiative	May 13
	Jackson	do	Pascagoula	do	Apr. 25
	Ocean Springs (city) Jackson	do	Ocean Springs	Local option	July 7
Massachusetts	Plymouth	Eastern Massachusetts	Towns of Lakeville, Carver, Marion, and Rochester only.	Agency initiative	July 18
Nebraska [2]					
Nevada	Clark (portion)	Las Vegas		do	June 29
New Jersey	Burlington (portion)	Southern New Jersey		Agency initiative	Apr. 1
New Mexico	Eddy, city of Artesia	Carlsbad	Artesia	Local option	June 6
	Lea	do	Hobbs	do	June 15
	Roosevelt	Clovis	Fortales	do	June 24
North Carolina	Granville	Oxford	Oxford	Agency initiative	Apr. 5
	Henderson	Hendersonville	Hendersonville	do	Do.
	Iredell	Salisbury	Statesville	do	Do.
	Perquimans	Elizabeth City	Hartford	do	Do.
	Richmond	Laurinburg	Rockingham	do	Apr. 8
	Robeson	do	Lumberton	do	Do.
	Scotland	do	Laurinburg	do	Apr. 5
	Vance	Henderson	Henderson	do	Do.
North Dakota	Burleigh (portion)	Bismarck-Mandan		do	Do.
	Cass (portion)	Fargo-Moorhead		do	Do.
	Clay (Minn.) (portion)	do		do	Do.
	Grand Forks (portion)	Grand Forks		do	Do.
	Morton (portion)	Bismarck-Mandan		do	Do.
	Stutsman (portion)	Jamestown, N. Dak		do	Do.
Ohio	Darke	Dayton	Greenville	do	Apr. 8
	Delaware (portion)	Delaware County		do	Do.
	Huron (portion)	Sandusky-Port Clinton		do	Do.
Oklahoma	Atoka	McAlester	Atoka	do	June 23
	Caddo	Oklahoma City	Anadarko	do	June 15
	Canadian	do	El Reno	Local option	Do.
	Craig	Chateau	Vinita	do	July 8
	Creek	Tulsa	Bristow	do	Do.
	Grady	Oklahoma City	Chickasha	do	June 7
	Haskell	McAlester		Agency initiative	June 28
	Hughes	do	Holdenville	Local option	Do.
	Kay-Ponca City	Ponca City	Ponca City	do	July 8
	Latimer	McAlester	Wilburton	Agency initiative	June 28
	McIntosh	do	Eufaula	do	Do.
	Muskogee	Muskogee	Muskogee	Local option	July 14
	Oklahoma, city of Bethany	Oklahoma City	City of Bethany	do	Do.
	Payne, city of Cushing	Stillwater	Cushing	do	June 28
	Pittsburgh	McAlester	McAlester	do	May 23
	Pontotac	Ada	Ada	do	July 8
	Pottawatomie	Shawnee	Shawnee	Local option	July 14
	Seminole, city of Maud, city of Wewoka.	Ada	Wewoka	do	Do.
	Tillman	Frederick	Frederick	do	Do.
	Texas	Guymon	Guymon	do	July 18
	Payne	Stillwater	Stillwater	do	July 27
	Garfield	Enid	Enid	do	Do.
	McClain	Oklahoma City	Purcell	do	Do.
Oregon	Benton (portion)	Corvallis		Agency initiative	Apr. 5
	Clatsop (portion)	Portland-Vancouver		do	Do.
	Douglas (portion)	Douglas		do	Do.
	Lane (portion)	Lane County		do	Do.
	Linn	Corvallis		do	Do.
	Tillamook	Portland-Vancouver	Tillamook	do	Do.
	Willamette (portion)	Salem		do	Do.
Pennsylvania	Butler (portion)	Altoona-Johnstown		do	Apr. 8
	Fayette (portion)	Pittsburgh		do	Do.
	Greene (portion)	do		do	Do.
	Somerset (portion)	do		do	Do.
	Washington	do	Washington	do	Do.

[2] On Apr. 8, 1948, acting on his own initiative the Housing Expediter decontrolled the following in the State of Nebraska: Clay County, Hastings DRA, Buffalo County, Kearney DRA; Redwillow, McCook DRA; Madison County, Norfolk DRA; Lincoln County, North Platte DRA; Cheyenne County, Sidney DRA; and portions of Dakota County, Sioux City, Iowa, DRA; Hall County, Grand Island, DRA; and the cities of Alliance in Box Butte County and Scottsbluff, Gering and Mitchell in Scotts Bluff County. Subsequent to Apr. 8, 1949, the Legislature of the State of Nebraska, over the veto of the Governor enacted legislation decontrolling the State, effective not later than Nov. 15, 1949. In the meantime certain organizations of veterans in Nebraska have stated that it is their intention to secure 10,000 signatures on a petition to vote on this act in the 1950 elections. In the event the necessary signatures (10,000), are secured the effect of the legislation will be held up until the action can be voted on. The combined veterans' groups are working toward this end.

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Decontrol actions, Office of the Housing Expediter, by States, counties, defense-rental areas, and principal cities, Apr. 1 to July 28, 1949—Continued

State	County	Defense-rental area	Principal cities	Action	Effective date
South Carolina	Colleton	Charleston	Walterboro	Agency initiative	1945
	Dorchester	do	Summerville	do	Do.
	Marlboro	Laurinburg, N. C.	Bennettsville	do	Do.
South Dakota	Brown (portion)	Aberdeen		do	Do.
	Clay (portion)	Vermillion		do	Do.
	Fall River (portion)	Provo-Hot Springs		do	Do.
	Lawrence (portion)	Rapid City-Sturgis		do	Do.
	Lincoln	Sioux Falls	Canton	do	Do.
	Lyon (Iowa)	do	Rock Rapids	do	Do.
	Meade (portion)	Rapid City-Sturgis		do	Do.
	Pennington (portion)	do		do	Do.
	Rock (Minn.)	Sioux Falls	Luverne	do	Do.
	Turner	do	Parker	do	Do.
Tennessee	Carrol	Jackson-Milan-Humboldt	Huntingdon	Local option	June 14
	Crittendon (Ark.) (portion)	Memphis		Agency initiative	Apr. 5
	Crockett	Dyersburg		do	Apr. 8
	Dade (Ga.)	Chattanooga		do	Apr. 5
	Fannin (Ga.) (portion)	Copperhill-McCaysville		do	Do.
	Gibson, city of Humboldt	Jackson-Milan-Humboldt	Humboldt	Local option	June 21
	Henry	Paris	Harris	Agency initiative	July 13
	Knox	Knoxville	Knoxville	Local option	June 14
	Loudon	Lenoir City	Lenoir City	do	July 13
	Polk (portion)	Copperhill-McCaysville		Agency initiative	Apr. 5
	Roane, city of Rockwood	Knoxville	Rockwood	Local option	June 29
	Stewart	Clarksville		Agency initiative	July 13
	Sullivan, city of Kingsport	Bristol-Kingsport	Kingsport only	Local option	Do.
Texas [1]	Angelina	Eatex	Lufkin	Agency initiative	Apr. 1
	Bandera	San Antonio		do	Do.
	Bowie	Texarkana		do	Do.
	Brazos	Bryan	Bryan	Local option	June 29
	Carson	Borger		Agency initiative	June 10
	Chambers	Houston		do	Apr. 1
	Comal	San Antonio	New Braunfels	Local option	June 20
	Dallas	Dallas	Dallas	do	June 23
	Denton	Fort Worth	Denton	Agency initiative	Apr. 1
	Ector	Midland-Odessa	Odessa	Local option	June 10
	Ellis	Corsicana	Waxahachie only	do	June 23
	Fannin	Sherman-Dennison	Sherman	Agency initiative	June 20
	Gray	Borger	Pampa	Local option	June 10
	Grayson	Sherman-Dennison	Bonham	do	June 20
	Harrison	Marshall	Marshall	do	June 23
	Hidalgo, city of Mission	Lower Rio Grande Valley	Mission	do	June 20
	Hunt	Greenville	Greenville	do	July 7
	Jackson (portion)	Matagorda Bay		Agency initiative	Apr. 1
	Kaufman, city of Kaufman	Corsicana	Kaufman	Local option	July 7
	Kendall	San Antonio	Boerne	Agency initiative	June 20
	Lampasas	Killeen-Temple	Lampasas	do	Apr. 1
	Liberty, city of Liberty	Houston	Liberty	Local option	June 10
	Midland	Midland-Odessa	Midland	do	Do.
	Miller (Ark.)	Texarkana	Texarkana	Agency initiative	Apr. 1
	Nacogdoches	Eatex	Nacogdoches	do	Do.
	Navarro	Corsicana	Corsicana	Local option	June 23
	Nolan	Sweetwater	Sweetwater	do	May 21
	Potter	Amarillo	Amarillo	do	May 6
	Randall (portion)	do		Agency initiative	Apr. 1
	Rusk	Eatex	Henderson	do	Do.
	San Patricio	Corpus Christi	Taft	do	Do.
	Tarrant, village of Westworth	Fort Worth		Local option	July 13
	Titus	Marshall	Mount Pleasant	do	June 23
	Wichita, city of Electra	Wichita Falls	Electra	do	June 7
	Wilson	San Antonio	Floresville	Agency initiative	June 20
	Gregg	Longview	Longview	Local option	Do.
	McLennan	Waco	West only	do	Do.
	Harris	Houston	Cities of La Porte and Pasadena only.	do	Do.
	Panola	Eatex	Panola	Agency initiative	July 28
	Walker	Huntsville	Huntsville	do	Do.
Utah	Carbon	Price	Price	do	July 13
	Duchesne	Vernal	Duchesne	do	Do.
	Uintah	do	Vernal	Local option	Do.
	Utah	Provo	Utah	do	July 7
Virginia	Arlington (portion)	Alexandria-Arlington		Agency initiative	May 18
	Northampton	Cape Charles	Cape Charles	do	Apr. 8
Washington	Snohomish, town of Marysville	Everett		Local option	June 28
	Thurston	Olympia	Tumwater only	do	July 20
	Spokane	Spokane	Spokane	Rent advisory board recommendation; agency initiative.	July 26
West Virginia	Gallia (Ohio) (portion)	Point Pleasant-Gallipolis		Agency initiative	Apr. 5
	Meigs (Ohio) (portion)	do		do	Do.
	Washington (Ohio) (portion)	Parkersburg		do	Do.
	Wetzel (portion)	Wheeling-Steubenville		do	Do.
Wisconsin	Ashland	Ashland	Ashland	Agency initiative	July 5
	Buffalo	Mondovi-Durand	Alma	do	Do.
	Columbia	Madison	Portage	do	Do.
	Chippewa (portion)	Eau Claire		do	Do.
	Deer (remaining portion)	Sturgeon Bay	Sturgeon Bay	do	Do.
	Dunn	Eau Claire	Menominee	do	Do.
	Manitowoc (portion)	Manitowoc		do	Do.
	Monroe	Sparta	Sparta	do	Do.
	Pepin	Mondovi-Durand	Durand	do	Do.
	Portage (remaining portion)	Wausau		do	Do.

[1] The State of Texas has enacted legislation decontrolling the State effective 90 days after the closing of the State legislature.

In addition to the States of Texas and Nebraska, which were mentioned specifically above, the following State actions have been taken:

Alabama: The legislature has passed a State decontrol bill effective May 10, 1950. Under the law the Governor may amend a bill within the 6 days he has to sign or veto. Governor Folsom amended the bill by making it in effect a local-option bill—that is, giving the cities the right to decontrol (presumably after next May 10). Proponents of State decontrol say the Governor waited too late; others say he acted in time. No decision has been announced to date.

Wisconsin: The State legislature passed a bill (a) ending Federal rent control immediately; (b) instituting State control, to terminate next June 1; and (c) providing immediate blanket increase of 15 percent for those who signed leases, and 30 percent for those who did not. The Governor has until July 30 to veto.

EXHIBIT 2

Offices closed or to be closed because of decontrol actions impact on fiscal year 1950 budget, as of July 29, 1949

	Employees	Annual salaries	Reduction in personnel	Potential savings, 1950
As per details shown on attached charts			171	$594,832
Additional offices, closings pending:				
Kansas:				
Great Bend	3	$11,745		
Arkansas City	2	6,137		
Oklahoma:				
Stillwater	2	7,179		
Shawnee	2	7,479		
Ponca City	2	7,179		
Muskogee	2	6,902		
Enid	2	6,577		
Ada	2	7,129		
Utah: Provo City	2	7,806		
Washington:				
Spokane	10	38,992		
	29	107,125		
Rents and utilities		7,500		
Travel expense		5,000		
Cost of maintaining offices on annual basis		119,625		
Cost during fiscal year 1950:				
For active duty of employees	$17,855			
To pay terminal leave	26,782			
Rents and utilities	1,875			
Travel expenses	833			
Disposition of records	1,000	48,345	29	71,280
Potential savings fiscal year 1950 in personnel and money (computed as of July 29, 1949)			200	666,112

Offices closed because of decontrol actions

Region	Number of offices closed	Employees	Annual cost of maintaining offices: Salaries	Rent, utilities, etc.	Travel expense	Total annual cost	Cost during fiscal year 1950: Active duty salary	Terminal leave	Rent, utilities, etc.	Travel expense	Disposition, records and equipment	Total cost fiscal year 1950	Savings, fiscal year 1950
Summary, July 14, 1949:													
Region I	None												
Region II	None												
Region III	None												
Region IV	10	49	$188,504	$13,080	$3,056	$204,640	$6,551	$24,768	$779	$137	$431	$32,666	$171,974
Region V	25	69	243,574	18,816	8,729	271,191	8,140	25,219	795	387	2,504	37,045	234,074
Region VI	3	7	23,883	2,070	2,323	28,276		698				698	27,578
Region VIII	5	32	111,989	13,346	2,580	127,915	2,273	11,505	287	50	50	14,165	113,750
Total	43	157	567,950	47,312	16,688	631,950	16,964	62,190	1,861	574	2,985	84,574	547,376
Summary, July 29, 1949, Region IV (additional)	4	14	54,563	6,270	1,344	62,177	5,235	8,577	418	146	345	14,721	47,456
Total	47	171	622,513	53,582	18,032	694,127	22,199	70,767	2,279	720	3,330	99,295	594,832

Offices closed because of decontrol actions

REGION IV

Location of office	Date closed	Employees	Annual cost of maintaining office: Salaries	Rent, utilities, etc.	Travel expense	Total annual cost	Cost during fiscal year 1950: Active duty salary	Terminal leave	Rent, utilities, etc.	Travel expense	Disposition records and equipment	Total cost fiscal year 1950	Savings fiscal year 1950
Laurinburg, N. C	May 15, 1949	1	$3,853	$552	$339	$4,744							$4,744
Thomasville, Ga	do	1	4,730	444	182	5,356							5,356
Griffin, Ga	do	1	2,574	588	285	3,447							3,447
Knoxville, Tenn	July 31, 1949	14	54,666	4,056	111	58,833	$4,258	$14,449	$338	$9		$19,054	39,779
St. Petersburg, Fla	June 30, 1949	8	29,192	2,148	594	31,934		1,155			$101	1,256	30,678
Daytona, Fla	July 30, 1949	3	9,477			9,477	186	1,158			90	1,434	8,043
West Palm Beach, Fla	do	6	26,201	3,000	833	30,034	276	720	250	69	100	1,415	28,619
Fort Lauderdale, Fla	do	8	30,017	2,184	292	32,493	1,623	5,004	182	24	40	6,873	25,620
Moultrie, Ga	do	1	2,574	108	420	3,102	208	277	9	35	100	629	2,473
Miami, Fla. (part)	June 30, 1949	6	25,220			25,220		2,005				2,005	23,215
Totals as computed July 14, 1949		49	188,504	13,080	3,056	204,640	6,551	24,768	779	137	431	32,666	171,974
Lakeland, Fla	July 30, 1949	2	8,433	1,548	360	10,341	843	1,902	55	30	75	2,905	7,436
Gulfport, Miss	Aug. 10, 1949	2	6,727	870	300	7,897	750	1,098	84	25	25	1,982	5,915
Tampa, Fla	Aug. 15, 1949	8	32,099	2,820	540	35,459	2,687	5,248	142	67	210	8,354	27,105
Fort Pierce, Fla	Aug. 31, 1949	2	7,304	1,032	144	8,480	955	329	137	24	35	1,480	7,000
Total as computed July 29, 1949		63	243,067	19,350	4,400	266,817	11,986	33,345	1,197	283	776	47,387	219,430

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REGION V

Location of office	Date closed	Employees	Annual cost of maintaining office: Salaries	Rent, utilities, etc.	Travel expense	Total annual cost	Cost during fiscal year 1950: Active duty salary	Terminal leave	Rent, utilities, etc.	Travel expense	Disposition records and equipment	Total cost fiscal year 1950	Savings fiscal year 1950
Denton, Tex	Apr. 29, 1949	1	$2,498	$72		$2,570							$2,570
Nacogdoches, Tex	May 5, 1949	1	4,605	72	$345	5,222					$24	$24	5,198
Texarkana, Tex	do	2	7,831	852	36	8,719		$405			65	470	8,249
Tyler, Tex	do	2	7,204	829	912	8,945							8,945
Alexandria, La	do	2	6,526	1,732	60	8,318		435			230	665	7,653
Little Rock, Ark	May 26, 1949	8	30,495	2,566	420	33,481		512			434	946	32,535
Amarillo, Tex	June 9, 1949	6	21,661	420	1,488	23,574		1,948			287	2,235	21,339
Independence, Kans	do	1	2,649	343		2,992					73	73	2,919
Sweetwater, Tex	June 30, 1949	1	2,574	87	84	2,745					62	62	2,683
Marshall, Tex	do	1	2,799	546		3,345					45	45	3,300
Camden, Ark	July 6, 1949	2	8,061	1,764	528	10,373	$93				126	219	10,154
Chanute, Kans	July 8, 1949	2	6,137	654	660	7,451	141	613	$55	$55	124	988	6,463
Chickasha, Okla	July 9, 1949	1	2,649	312		2,961	61	955	26		60	1,102	1,859
Midland, Tex	July 14, 1949	1	3,175	978		4,153	122	720	82		163	1,087	3,066
Odessa, Tex	do	1	4,229	1,440	168	5,837	163	997	120	14	53	1,347	4,490
Pampa, Tex	do	3	12,561	204	300	13,065	483	2,770	17	25	134	3,429	9,636
Bryan, Tex	July 20, 1949	3	11,583	852	60	12,495	624	1,220	71	4	37	1,956	10,539
Sherman, Tex	do	5	19,300	1,812	1,428	22,540	1,035	335	151	119	45	1,685	20,855
Hobbs, N. Mex	July 21, 1949	1	2,574			2,574					86	86	2,488
Coffeyville, Kans	do	2	6,376	300	84	6,760	153	970	25	7	69	1,224	5,536
Waxahachie, Tex	July 22, 1949	1	2,799	624		3,423	172	123	52		10	357	3,066
Dallas, Tex	do	15	51,182	600	852	52,634	3,148	10,872	50	71	44	14,185	38,449
McAllister, Okla	July 29, 1949	3	12,159	696	684	13,539	982	667	58	57	120	1,884	11,655
Manhattan, Kans	do	1	2,284	313		2,597	184	48	26		123	381	2,216
Hot Springs, Ark	do	3	9,638	748	420	10,806	779	1,629	62	35	90	2,595	8,211
Total, as computed July 14, 1949		69	243,574	18,816	8,729	271,119	8,140	25,219	795	387	2,504	37,045	234,074

REGION VI

Scottsbluff, Nebr	May 12, 1949	4	$13,830	$1,476	$1,149	$16,455		$698				$698	$15,757
North Platte, Nebr	May 14, 1949	2	7,555	504	1,146	9,205							9,205
Norfolk, Nebr	Apr. 29, 1949	1	2,498	90	28	2,616							2,616
Total as computed July 14, 1949		7	23,883	2,070	2,323	28,276		698				698	27,578

REGION VIII

Phoenix, Ariz	Apr. 20, 1949	15	$52,837	$7,885	$1,200	$61,922		$1,963				$1,963	$59,959
Bisbee, Ariz	May 13, 1949	2	7,429	243	300	7,972		1,825				1,825	6,147
Winslow, Ariz	do	2	7,080	364	420	8,464		544				544	7,920
Boise, Idaho	June 22, 1949	5	14,510	1,413	360	16,283	$314	1,191				1,505	14,778
Tucson, Ariz	July 18, 1949	8	29,533	3,441	300	33,274	1,959	5,982	$287	$50	$50	8,328	24,946
Total as computed July 14, 1949		32	111,989	13,346	2,580	127,915	2,273	11,505	287	50	50	14,165	113,750

EXHIBIT 3

ANALYSIS OF PETITIONS FOR RENT INCREASES UNDER THE FAIR NET OPERATING INCOME FORMULA FOR MAY AND JUNE 1949

You will recall that in my testimony before the Banking and Currency Committees of the Senate and the House I pointed out the difficulties of attempting to provide for rent adjustments based upon a return on value. The Congress then considered but finally abandoned the return-on-value concept. The Housing and Rent Act of 1949 prescribed that the Housing Expediter in making individual adjustments should observe the principle of maintaining maximum rents so far as practicable, at levels which will yield a fair net operating income from such housing accommodations.

I gave considerable thought to the problem of applying the principle of fair net operating income and concluded that the most practicable and equitable method would be to adopt as a standard the ratio of net operating income to gross income for landlords generally.

I should like to point out that this provision is intended only to grant adjustments to those marginal cases where the ratio of net operating income is below that of landlords generally. This limits, of course, the number eligible for adjustment to those in a substandard operating position. In passing, I should like to point out that I have instructed our area offices in the processing of these petitions to examine those cases which would have to be denied on the basis of the fair net operating income provision, to determine whether or not an increase should be granted under any other adjustment ground. In this connection I might mention that I have recently liberalized other adjustment provisions to take into account increased costs incurred by the landlord.

During May and June 1949 a total of 33,034 fair net operating income petitions were filed in area offices, 24,416 of which were for small structures and 8,618 for large structures. By June 25, 10,062, or 30.5 percent of the petitions filed had been processed. A total of 2,270 petitions, or 22.6 percent of the number processed, were granted. These petitions covered 9,172 dwelling units, which received an average monthly increase of $11.42, or 15.8 percent above the previous rents. It should be noted that the percentage of petitions granted will probably be greater for the pending petitions, since it was possible to deny quickly those petitions which showed no justifiable increase on the figures as submitted by the landlord, while additional time is required in the processing of petitions which showed prima facie evidence of not earning a fair net operating income.

OBSERVATIONS

1. Processing of this type of petition has been very slow, especially in the larger offices. At the present rate of processing it would take 4 months to issue orders on all the petitions filed to date. This is in contrast to the 30-day to 6-weeks processing time of other types of petitions. I believe that this situation can be corrected only by substantially increasing the personnel in these metropolitan offices until the processing becomes current.

2. In using this type of formula there are exceptional cases where rent increases exceed 50 percent. A break-down of the figures shows that 5½ percent of rent increases granted in small structures exceeded 50 percent, with one-half of 1 percent of the grants being in excess of 100 percent. In large structures 2 percent of all grants were in excess of 50 percent, with no increases above 80 percent. We are analyzing on an individual basis all of these cases, to determine whether these results indicate the need for some modification of the formula.

3. The average percentage rent increase is greater in small structures that in the large (20.3 percent as against 14.7 percent), but the actual dollar increases are less in the small structures than in the large structures (average monthly increase in small structures, $7.28 per month; average monthly increase in large structures, $14.09).

4. Forty-six percent of the increases granted in small structures were 15 percent or less; 59 percent of the increases granted in large structures were 15 percent or less.

5. Sixty-three and three-tenths percent of all increases granted were for units with rents between $30 and $74.99 per month. Only 8 percent of the increases affected tenants paying less than $20 per month, and only 9.6

percent affected tenants paying above $75 per month. In other words, most of the rent increases are in the medium rent ranges and are not concentrated in either the low-rent or high-rent units.

6. The increases have not been limited to the large centers of population. Approximately 40 percent of the increases granted for small structures were in cities of less than 100,000 population, while 32 percent were in cities of over 500,000 population. In the case of large structures, 25 percent of the increases granted were in cities of less than 100,000 population, while 49 percent were in cities of over 500,000 population. Increases for small structures were granted in 410 cities in 45 States; increases for large structures were granted in 88 cities in 26 States.

CONCLUSION

It is still too early to draw any final conclusions as to the effect of the fair net operating income provision. The next 60 to 90 days should present a more complete picture. In the meantime, we plan to make minor modifications as we gain experience through the processing of larger numbers of petitions.

PERCENTAGE DISTRIBUTION OF INCREASES UNDER SECTION 5 (A) (18), SMALL STRUCTURES, MAY AND JUNE 1949

Fifteen percent of the increases were under 10 percent.

Thirty-one percent of the increases were between 10 and 15 percent.

Nineteen percent of the increases were between 15 and 20 percent.

Twelve percent of the increases were between 20 and 25 percent.

Eight and one-half percent of the increases were between 25 and 30 percent.

Seven percent of the increases were between 30 and 40 percent.

Three percent of the increases were between 40 and 50 percent.

Two percent of the increases were between 50 and 60 percent.

Two percent of the increases were between 60 and 100 percent.

One-half of 1 percent of the increases were over 100 percent.

PERCENTAGE DISTRIBUTION OF INCREASES UNDER SECTION 5 (A) (18), LARGE STRUCTURES, MAY AND JUNE 1949

Thirty-two percent of the increases were under 10 percent.

Twenty-seven percent of the increases were between 10 and 15 percent.

Eighteen percent of the increases were between 15 and 20 percent.

Ten and one-half percent of the increases were between 20 and 25 percent.

Four percent of the increases were between 25 and 30 percent.

Four and one-half percent of the increases were between 30 and 40 percent.

Two percent of the increases were between 40 and 50 percent.

Two percent of the increases were between 50 and 60 percent.

Percentage distribution of units by monthly rents in fair net operating income petitions granted

Monthly rent range	Percent of units		
	Small structures	Large structures	Small and large structures
Under $10	0.6	2.9	1.9
$10 to $19.99	8.4	4.4	6.1
$20 to $29.99	15.6	6.3	10.2
$30 to $39.99	20.3	15.8	17.7
$40 to $49.99	22.9	27.4	25.5
$50 to $59.99	13.8	24.6	20.1
$60 to $74.99	10.3	7.9	8.9
$75 to $99.99	5.7	3.0	4.1
$100 and over	2.4	7.7	5.5

Percentage distribution of fair net operating income petitions granted by size of city—May and June 1949

City size population	Percent of all petitions granted	
	Small structures [1]	Large structures [2]
Under 10,000	8.8	5.7
10,000 to 24,999	10.0	4.4
25,000 to 49,999	13.0	6.0
50,000 to 74,999	4.6	6.3
75,000 to 99,999	4.3	3.0
100,000 to 199,999	9.2	5.7
200,000 to 299,999	4.3	6.0
300,000 to 399,999	5.9	9.0
400,000 to 499,999	7.3	4.1
More than 500,000	32.6	49.8

[1] Small-structure petitions were granted in 410 cities in 45 States.

[2] Large-structure petitions were granted in 88 cities in 26 States.

Mr. CAIN. Mr. President, late last night the senior Senator from New Hampshire [Mr. BRIDGES] offered an amendment, which is now pending, which would reduce the amount of money appropriated for the Office of the Housing Expediter by $2,500,000 from the figure reported by the committee. If the amendment prevails, it will mean, in fact, that the Office of the Housing Expediter will be authorized and able to maintain a staff of employees and workers just as numerous and large as that staff had been in the fiscal year 1948. If the amendment is adopted, it will mean that the committee's request to add 553 workers to the total of 4,973 workers who were employed by the Office of the Housing Expediter in 1948 will not be agreed to.

The question before us to determine, I think, is whether or not in the opinion of the Senate the Office of the Housing Expediter can do an adequate and a competent job in liquidating his operation in the fiscal year 1949–50 as he was able to do with a fuller operation in 1948.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. CAIN. I am pleased to yield to the Senator from Utah.

Mr. WATKINS. I think I heard the Senator from Washington mention last night that some 175 communities had been decontrolled. Is that an up-to-date figure respecting what has taken place since the passage of the act of 1949?

Mr. CAIN. As of last night it was the most current figure I could then obtain. This morning my office checked with the Office of the Housing Expediter in Washington, D. C., and we were informed that from April 1 through yesterday, July 28, exactly 274 decontrol actions have occurred under the Housing and Rent Act of 1949. These 274 actions can be broken down—and the Senator will find this interesting, I think—in the following manner: 182 actions were originated by the Housing Expediter; 88 came under local-option clause of the law of 1949; 2 actions were undertaken through State responsibility; 2 actions resulted from local advisory board recommendations.

It has been estimated, not by any Senator I know of, but by the Office of the Housing Expediter, that some 700,000 rental units have been released from rent control by these actions since the 1st of April of this year.

It can likewise be safely presumed that many other decontrol actions are in process of decision at the local level, and the Housing Expediter, by process of law, is constantly reviewing the possibility of further action on his own initiative.

I trust that answers the question of the Senator from Utah.

Mr. WATKINS. It answers it partly. Does the Senator have any information as to the number of employees of the Housing Expediter who will not be needed now by reason of the decontrol of this large number of units and communities?

Mr. CAIN. No. I would only be guessing, and I think it would be a bad guess. A few minutes ago the Senator from Alabama mentioned, I think, the number of employees who have already been released or dismissed as the result of these decontrol actions, and I wonder if the Senator from Alabama would satisfy the inquiry of the Senator from Utah.

Mr. SPARKMAN. Yes, Mr. President, if I may answer that question, I shall do so. In all the actions taken and all the actions which are pending now, the number of employees involved is an even 200. Let me say that does not sound right when one considers the large number of decontrol actions taken. I believe the Senator from Washington said 182 actions?

Mr. CAIN. I quoted the figure of 274, covering 700,000 American families.

Mr. SPARKMAN. Yes, that is true. Remember that of the 274 actions taken, in many instances one action may cover nothing more than one county, whereas three or four more counties are under the jurisdiction of the rent control office; or perhaps one town may be involved in an action, whereas there may be two dozen towns included in the local unit. In such an instance there would be no one individual affected in that rent control office. One rent control office might have two employees. The office could not let one go just because decontrol action was taken with respect to a small portion of the district. It is true, there have been 762,000 units decontrolled, but there are still under control nearly 14,000,000 units.

Mr. WATKINS. Mr. President, I ask unanimous consent to ask a question of the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Utah has requested unanimous consent to address a question to the Senator from Alabama who does not have the floor. Is there objection? The Chair hears none, and it is so ordered.

Mr. WATKINS. Does the Senator from Alabama have any information on the number of communities or States at the present time that are in the process of decontrol?

Mr. SPARKMAN. I placed in the RECORD a few minutes ago a record brought right up to date.

Mr. WATKINS. What does that record show with respect to the State of Utah?

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Mr. SPARKMAN. I read one from Utah.

Mr. WATKINS. The reason I am asking the question is that, according to the press accounts from my State——

Mr. SPARKMAN. Oh, yes; one of them I read from Utah was Provo.

Mr. WATKINS. According to the press of my State of recent date, practically all the communities of the State of Utah will be decontrolled within from 30 to 60 days, which, of course, except for the matter of liquidation and taking care of the records, will make it unnecessary to have all the employees they now have in Utah.

Mr. SPARKMAN. And the leave that the employees will be entitled to. But I wonder if the Senator from Utah knows how many employees there are in the whole State of Utah in the Office of the Housing Expediter.

Mr. WATKINS. I do not know now, but they at one time had a young army.

Mr. SPARKMAN. The chances are there are not a dozen employees in the whole State of Utah now. The statement I have shows that Provo City has just been decontrolled or will be shortly.

It also shows that the four counties in Utah, Carbon County, Duchesne County, Uintah County, and Utah County will be decontrolled.

Mr. WATKINS. I may inform the Senator that within the past few weeks, since those figures were made up, Salt Lake City and Ogden, Utah, the only large communities left are in process of decontrol. City councils have acted favorably, and the Governor has indicated he would approve their action.

Mr. SPARKMAN. Apparently that action is not available to us yet.

Mr. WATKINS. That will take the entire State out of control.

Mr. SPARKMAN The figures are brought up to date, and the chances are there will not be a dozen employees affected. However, in connection with everything that has been done so far and everything that is in the mill so far as the Expediter's office is concerned, there are 200 employees affected, and 79 of those had already been let out before the Expediter appeared before the committee, and those 79 were taken care of in the request that was made this year; in other words allowance was made for them.

Mr. WATKINS. Can the Senator inform us now how many employees the Housing Expediter has assigned to rent control in the entire United States?

Mr. SPARKMAN. The Senator from Washington gave the figure a few moments ago of the number of employees the Expediter had during the fiscal year 1949.

Mr. CAIN. In the fiscal year 1948–49 the number at the peak of employment was 4,973.

Mr. WATKINS. Was the figure given as to the number now employed?

Mr. CAIN. Roughly, several hundred less than that. But if the pending amendment prevails, the resulting moneys to be appropriated to the Office of Housing Expediter will permit him to maintain as large a force as he was able to maintain last year at his peak of employment.

Mr. SPARKMAN. What was the figure which the Senator gave?

Mr. CAIN. I used the figure of 4,973.

Mr. WATKINS. I thank both the Senator from Alabama and the Senator from Washington.

Mr. CAIN. Mr. President, I should like to give the Senator from Utah this additional information. As of this moment, I think the Office of Housing Expediter employs 4,525 on his staff throughout the Nation.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. SPARKMAN. I think I can answer the question in this way: There is a very specific allowance for personnel in the appropriation. Whereas the appropriation in 1949 allowed for a total of 4,947, the budget this year estimated a need for 5,663. The appropriation which the Senate committee has recommended would allow a total of 5,500, which is an increase of 553 over last year. Let me say again that under the direction of Congress one man is to be put in every rent control office to help the landlords and tenants process their claims. For that alone the Housing Expediter has asked for 508 assistants.

Mr. CAIN. Mr. President, I think it is very certain that there is one fact upon which we in the Congress can all agree, and that is that the sooner rent control runs its course and is disposed of, the better off all of us will be, and the happier we shall be. Our job this afternoon is therefore a simple one, namely, to determine whether or not the liquidation of the Office of Housing Expediter can safely and competently be carried out with the moneys which are involved in the pending amendment. I invite the attention of the Senate to the fact that since April 1, the day on which the Rent and Housing Act of 1949 become effective, we have been decontrolling units at the rate of 9,000 a day. There is every reason to believe that that rate of decontrol will accelerate rather than decrease.

I hold in my hand two memoranda which have just been handed to me as coming from the Office of the Housing Expediter in Washington. The first is dated Thursday, July 28, 1949, and reads as follows:

Housing Expediter Tighe E. Woods today removed from Federal rent control all trailers and trailer spaces in California. He based his action on a survey made by the OHE which showed that the demand for this type of housing accommodation has been reasonably met in California.

I hold this memorandum to be reasonably important, because I believe it to be a fact that the State of California has had a greater increase in its population in recent years than has any other State in all of America. If the Office of Housing Expediter can safely begin to remove rent controls from the State of California, it stands to reason and follows that other States will the more rapidly be decontrolled in the immediate future because of what has happened in California.

I make reference to a second memorandum from the Office of the Housing Expediter, which I hold in my hand. The memorandum is dated July 29, 1949, which is today, and reads in part as follows:

Housing accommodations operated by educational or charitable institutions used in carrying out their educational or charitable purposes have been exempted from Federal rent control effective immediately, Housing Expediter Tighe E. Woods announced today. An example of housing accommodations exempted from control by today's action is an apartment used by a university and rented by it to married students or faculty members and their families. College dormitories had previously been exempted from the rooming-house regulation.

I think the Senate is aware of the fact that when there was great need for continuance of rent control in America Senators gave serious consideration to providing protection for married students living on university campuses or in university facilities. Here is an instance—a very happy one, too—by our Federal Housing Expediter that the time has come when all such controls can be safely lifted from the American scene.

During the course of the discussion which we have had this afternoon, and which began last night, on the pending amendment, it became very apparent to me and some other Senators that the reasoning used to justify the $24,075,000 item recommended by the committee is subject to serious question and doubt. I simply do not know how such an appreciable increase in personnel—for the increase to be denied by the pending amendment is 11 percent—in the Office of the Housing Expediter can be justified when the law which that agency has administered is in its death throes, as was so readily admitted last night by the distinguished Senator from Alabama [Mr. SPARKMAN]. Like a great many other Senators, I have very carefully read the record of the discussion of last night.

I have no desire to prolong the debate on the amendment offered by the Senator from New Hampshire [Mr. BRIDGES], but I ask any fair-minded person to be the judge as to whether an increase in personnel over the number required to administer the Housing and Rent Act of 1948 can be rationalized, speaking in terms of pure logic and reason, when the functions, operations, administrative problems, and every other conceivable reason for increase are less onerous under the law of 1949.

In addition to some very obvious arguments that liquidation of rent control is presumed by June 30, 1950, and that decontrol of rental areas is progressing rapidly and smoothly, several other sound arguments come readily to mind. I remind the Senate that the 15-percent voluntary increase provision which was continued in the two previous rent-control laws is no longer in operation. Petitions for 15 percent voluntary increases—and they numbered in the millions—were handled largely at the local level. I think it can safely be assumed that the personnel who handled the processing of such leases are obviously relieved from other administrative duties.

We do want a single person in every rent office charged with the responsibility for giving the tenants and landlords good service.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. BRICKER. Is it not altogether reasonable that the man who is in the best position to help the landlord and to advise him as to his rights would be a man experienced in the details of this program throughout the year? Would he not be already in that office? There would be no need—in fact, it would be a deterrent to carrying out the objectives of the law—to bring in men from the outside and appoint new men to those jobs.

Mr. CAIN. I agree with what the Senator from Ohio has just said. I have endeavored to establish what I think is sound reasoning, that as we have taken away certain duties from the personnel situated in local offices throughout the country, in the name of good common sense we should direct such personnel to remain where it is, in order to give better service to the citizens of the community.

Mr. BRICKER. Is it not the judgment of the Senator from Washington that under the new law there is much less of detail work not only on the part of the home office, but on the part of the district offices of the Expediter, than there was under the previous law, with its various requirements?

Mr. CAIN. That is my best judgment. It is for that reason that I think the pending amendment should be supported.

One last word, Mr. President. The Housing Expediter, during a great deal of the testimony which he submitted to the Committee on Banking and Currency, quite freely, I thought, admitted that he no longer uses the old means of granting relief in hardship cases which existed prior to the 1949 law. I think I was incorrect in stating that these admissions were made during the hearings held by the Banking and Currency Committee. Mr. Woods made them at a later date, as a result, as I understand, of his experience with the new law of 1949.

So far as I have been able to determine, only two avenues exist for rental increases by landlords. The first of these is the well-known provision for fair operating net income. The second has been put into operation, and relates to the proving of increased capital cost. Of course, this means that approximately 15 different types and ways of securing hardship relief which existed under the terms of the 1948 law, are, as a practical matter, according to the observations made by Mr. Woods, no longer administered. If this be true—and Mr. Woods should know his business in that instance—sound administration would surely dictate that those who previously had been handling these hardship cases should be relieved of those duties, as they have been relieved, and should turn their attention to carrying out the added responsibilities or the different responsibilities which were imposed upon the office of the Housing Expediter by virtue of the terms of the Housing and Rent Act of 1949.

Mr. President, I trust that the amendment to the committee amendment will be approved.

ALLEGED DISCRIMINATION IN BUREAU OF ENGRAVING AND PRINTING

Mr. LANGER. Mr. President, the White House is being picketed. It has been picketed for about a week, I believe, by certain employees of the Bureau of Engraving and Printing.

I regret most deeply the necessity of making these remarks on the subject of discrimination against Negroes in the employ of the Federal Government. Many of us who are interested in seeing the Government set an example to the Nation and the world in the matter of democracy had hoped that this sore spot would be eliminated by the issuance of an Executive order of the President in 1948. Unfortunately, this does not seem to be the case.

Today, more than a year after this Executive Order 9980 was issued, serious charges of discrimination have been made, in particular against the Bureau of Engraving and Printing of the Treasury Department. These charges have met with no refutation in specific terms by the Federal officials involved. Nor am I dealing here with vague and unsubstantiated allegations. I have received innumerable complaints from individual employees of this Bureau, from organizations representing them, and from responsible and trustworthy private citizens, of unquestioned reputation, who have made their own investigation of the situation. Not only that, but there have been extensive hearings on this subject by a committee of the House; and these hearings also verify the existence of a grave problem.

What are the exact charges? Here they are.

First. There are nearly 2,000 printers' assistants at the Bureau, almost all of them Negro women. They have been serving on a war-service status, many of them for 6 and 7 years, rendering loyal and efficient service. Yet they were recently forced to compete with nearly 15,000 outsiders, none of them with comparable experience, in one of those civil-service examinations which have practically no relation to the job to be done. Consequently, many of these Negro women with their training and experience will shortly be displaced—thrown out of their jobs. At the same time, printers, who are not Negroes, who have been on war-service status did not have to compete in an assembled examination. They merely filled out a job-application form and were immediately qualified for permanent status.

Second. An examination was recently announced for apprentice printers, open only to veterans of the last war. Some 30 or 40 Negro veterans qualified for this examination, which meant that after serving a 4-year apprenticeship, some of them might finally have been eligible to become printers. The examination was cancelled shortly after this fact became apparent.

Third. None of the responsible supervisory, professional, or clerical positions at the Bureau are filled by Negroes; and none of the skilled crafts and trades jobs, particularly printers, are occupied by a Negro, this despite the fact that the Treasury Department boasts more than half of the employees of the Bureau of Engraving are colored. Of the more than 3,000 Negro employees, less than 10 hold bona fide supervisory or clerical positions.

Fourth. It is significant that segregation is practiced at the Bureau of Engraving on a much wider scale than in almost any other Federal agency in Washington. There are segregated work areas, segregated lockers, and segregated sanitary facilities.

These are serious charges indeed, Mr. President. If they are false, those who have made them should be exposed before the bar of public opinion. If they are true, the situation should be corrected at once, and those responsible for it should be made to answer for their acts.

There is only one way to get at the facts here. That is by some kind of fair hearing where the charges can be brought and the answers to them be made forthcoming. Frankly, I do not understand why Federal officials have avoided such a process, which is even possible within the framework of Executive Order 9980. If I were a Government official publicly charged with such acts, in violation of the Constitution I had sworn to uphold, I would welcome every possible means of proving my innocence. Failure to do so can only carry with it some implication of guilt.

Since the Treasury officials have persisted in maintaining a screen of denial without proof, I suggest that the Congress has an obligation to the people to uncover the facts. I, therefore, introduced a joint resolution for that purpose. Passage of the joint resolution will arm the public and the Congress with the real truth underlying the situation as to discrimination in the Government. Nothing less than the full truth will serve.

The joint resolution reads as follows:

Whereas the United States Government has an announced policy of nondiscrimination toward all of its employees regardless of race, religion or color, in accordance with our Constitution; and

Whereas specific charges of discrimination against Negro employees, including veterans of World War II, have been made against the Bureau of Engraving and Printing of the Treasury Department;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That a special committee composed of members of the Post Office and Civil Service Committee of both Houses be established and directed to conduct an immediate investigation of these charges.

SEC. 2. The special committee shall be constituted by the appointment of three members of the Senate Post Office and Civil Service Committee and three members of the House Post Office and Civil Service Committee, in each case to be appointed by the chairman of the committee.

SEC. 3. The special committee shall be empowered to hold such hearings and to take such testimony as may be necessary to secure a complete investigation.

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The joint resolution (S. J. Res. 122) establishing a joint committee to investigate alleged discrimination against Negro employees in the Bureau of Engraving and Printing, was read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. LANGER. Mr. President, in corroboration of the statements I have made concerning discrimination, I propose to offer proof.

DISCRIMINATION IN THE BUREAU OF ENGRAVING AND PRINTING, TREASURY DEPARTMENT

The Bureau of Engraving and Printing of the Treasury Department is the agency which prints the paper money, stamps, and Government bonds for the United States Government.

The Bureau employs about 6,000 workers, of whom, according to the Secretary of the Treasury, a little over half are Negro. While exact figures are not available, we know from reliable estimates that all but about 10 of the 3,000 Negro workers are employed as unskilled and semiskilled helpers. This means that avenues of advancement, to positions of a supervisory nature or as skilled crafts workers, have been firmly barred to Negroes. Thus there is not a single one of the 500 plate printers, the key position in the Bureau, who is a Negro.

No responsible authority has argued that the exclusion of Negroes from supervisory and skilled positions is due to their inferior ability or training. In fact, such an argument cannot successfully be advanced, since among the 3,000 colored employees of the Bureau there are many who are college graduates or are trained and experienced craftsmen.

Consequently, the absence of Negroes in the higher-paid positions at the Bureau can be attributed only to the long-time existence of a fixed policy of systematic exclusion of Negroes, a policy maintained and enforced by the officials of the Bureau of Engraving and Printing.

It is of primary importance to recognize the fact that a discriminatory policy of this kind can be maintained in effect in the Federal Government without any violation of law or civil-service regulations. There are many sincere persons, sympathetic to the antidiscrimination cause, who say "What you ought to do is get a good case—find a Negro who applied for a job, who is the person best qualified for that job, and who was told that his application was turned down because of his color."

Now, the fact is that none of these points can ever be proved. In the first place, a man cannot apply for a job unless he knows that a vacancy exists. In most Government agencies, including the Bureau of Engraving and Printing, no announcement is made of a vacancy. It is simply filled by the management, either from the outside or by promoting another employee.

In the second place, the only way a person can be proved to be the best qualified of all applicants is by comparing his record with those of others. An applicant for a promotion has no access to the records of competing applicants. In the third place, no one is ever told explicitly that he was rejected for promotion because of his race or color. Finally, even if there were a case where all these circumstances existed, a Negro would be extremely reluctant to make a protest because of fear of reprisal.

There follows below a description of some of the more glaring inequities which exist at the Bureau of Engraving and Printing. It will be noted that in these instances, involving, in our opinion, discrimination on a mass scale, no effective general remedy can be found through representations involving single individuals. They all involve a broad pattern.

Mr. President, I want to prove my charge of discrimination so that there cannot be the least possible doubt about it. If we, in the District of Columbia, at the seat of government, want to permit a situation of that kind to continue, a situation in which veterans of World War II even cannot get a square deal, I want the Senate and our executives to do so with their eyes open, but with the people of the country knowing exactly what is going on.

1. THE APPRENTICE PRINTERS' EXAMINATION

In the summer of 1948 the Bureau of Engraving and Printing announced a departmental examination for apprentice printers. This examination was to be open only to employees of the Bureau who are veterans, and who comply with certain rigid qualifications. About 30 Negro employees of the Bureau of Engraving and Printing met these qualifications. The holding of the examination would have meant that these men would become apprentice printers, and that subsequently many or all of them could become printers. We should realize that there is not a single Negro printer among the 500 men employed at the Bureau in that capacity—not 1 printer among 500, Mr. President.

The examination was canceled after being officially announced. We have excellent reasons for understanding that the reason for the cancellation was to prevent the possibility of a Negro becoming a plate printer. The stated reasons for cancellation is that there are enough printers available, so that with the modernization of equipment there is no need to train apprentices. This statement cannot be reconciled with the following facts: First, all plate printers at the Bureau are working 54 hours per week, or 14 hours of overtime every week at time and one-half rates. Second, we have a communication from Civil Service Commissioner Frances Perkins which says in part:

> For several years we have not been able to recruit all the plate printers the Bureau needs. We have, in fact, recently authorized a temporary appointment for an available plate printer the Bureau was lucky enough to pick up.

Bureau officials have argued that while there may be a shortage of printers now, there will be no such shortage 4 or 5 years hence, and that men who become apprentices now will not become full-fledged printers for several years.

It may or may not be possible to predict today whether more printers will be needed in 1953. What is certain, however, is that whether or not more printers will be needed at that time, there still will be no Negro printer because of the cancellation of this examination. Between now and 1953 many of the printers now employed will leave the service for one reason or another. The Bureau's cancellation of the apprentice printers' examination means that in this turn-over also no Negro will become a printer. The gates are closed and locked as far as the Negro is concerned.

2. THE PRINTERS' ASSISTANTS

The job of printers' assistant at the Bureau, together with the related occupations of tissue separator and operative, are all restricted to women. There are about 1,800 employees now in this category; of these, 1,600 are colored. Most of the present incumbents have had several years of experience in this work at the Bureau. The work involved, though low-paid, involves considerable dexterity, perception, attention and speed, and on-the-job experience is of the utmost value.

In order to follow the issues in the case, it is necessary to review the history of the civil service during the war.

I might add, Mr. President, that I am very glad I am the ranking Republican member of the Committee on Post Office and Civil Service, because of the fact that it gives me an insight into these people, and I learn to know them. I know what a miserable deal they have been receiving at the hands of some of the Federal officials.

From March 15, 1942, until 1946, all jobs were filled on a war-service—nonpermanent—basis. This was done so that at the end of the war competitive examinations for the positions could be held, with full opportunity for competition available to those who had been in the armed forces during the war and had thus been unable to compete. We have always been in complete support of this obviously fair policy.

The great majority of the printers' assistants, and a number of printers, are in this war-service status. It should be noted that many printers' assistants were actually appointed from civil-service competitive-examination registerers, but since their appointments came after March 15, 1942, they do not have permanent status.

In the summer of 1948 a civil-service competitive examination was announced for printers' assistants. All of these jobs were thrown open to competition. However, the examination was restricted to women, and in view of the low pay for the job, it is doubtful that more than a handful of the 15,000 who took the examination were women veterans. Thus the essential principle underlying the transfer of war-service to permanent jobs—that is, allowing veterans to compete—is virtually not applicable here.

All that has happened is that thirteen or fourteen thousand people, with experience neither in the armed forces nor in Government, are being given an opportunity to take these jobs. Their opportunity is even greater than normal, since the examination, having little or no relation to the actual job, was of a nature best adapted to recent school graduates.

Meanwhile the plate printers who had the same war-service status found it

necessary only to fill out a job application, Form 57, on an unassembled examination basis. In effect, their examination was noncompetitive.

Now, of course, it is argued that plate printers have traditionally been hired on the unassembled examination basis, while printers assistants have always had to compete in open assembled examinations. That is so; although it may be open to question whether there has been some element of discrimination even in that system. But the main point is that this business-as-usual approach completely ignores the problem of discrimination. It ignores the existence of Executive Order 9980.

This is an instance where two governmental policies arrive at conflicting results. According to the war-service policy, followed blindly, the printers assistants jobs must be thrown open to all comers. On the other hand, application of Executive Order 9980 would dictate special consideration for the printers assistants at the Bureau, either by blanketing them into permanent status or by giving them the same kind of unassembled test as that taken by the printers, based entirely on training and experience.

The printers assistants group is the only group of workers of its kind employed by the United States Government. Moreover, since only one or two private firms are engaged in the printing of currency, this group of workers becomes practically the only group of workers of its kind in the country.

These are additional reasons for requesting the granting of permanent status to these workers as has been granted to the plate printers by executive action.

3. THE GENERAL FAILURE TO PROMOTE NEGROES

As shown above, among the nearly 500 plate printers, the main skilled craft, at the Bureau, there is not one Negro. There are no Negro carpenters. There are no Negro electricians or electricians' helpers. There are but a handful of Negroes, fewer than a dozen, to our knowledge, employed in any kind of clerical or professional positions, or as guides. There is believed to be one Negro employed as an assistant supervisor of a small all-Negro unit. The supervisor is white. We can only repeat that the training and education of the Negro group at the Bureau is such that this situation must result from a discriminatory personnel policy.

One particular example may serve to illustrate the point. One of the operations at the Bureau is that of drying the money after it comes off the presses. This is done in a series of drying rooms. In some of these rooms the temperature ranges from 95° to 120° all during the working day, in winter. In the summer it is more. There are about 70 men engaged in this "dry box" work. About 60 are Negro, 10 are white. Apparently, then, there is no policy of assigning only colored workers to this unhealthy and unpleasant job. On further investigation, however, it turns out that in general white workers only work in the "dry box" a few months, and then move up to more rewarding work. The Negro employees stay in the "dry box" for many years.

4. SEGREGATION

While there may be arguments as to whether segregation is an unfair employment practice, it is significant that segregation is practiced at the Bureau to a greater extent than at almost all other Federal agencies in Washington. There are segregated work areas—large rooms where all white workers sit on one side and colored workers doing the identical job sit on the other—segregated locker rooms; and segregated washrooms and toilets. You need only take the official guided tour of the Bureau of Engraving and Printing to see all this with your own eyes. To the Negro employee, this segregation seals his conviction that there is inequality of job treatment and job opportunity.

Mr. President, for the benefit of the Senate, I wish to comment on President Truman's fair-employment order.

The issuance by President Truman in July 1948 of Executive Order 9980 was expected by most people, including the employees at the Bureau, to bring about a drastic change in the situation. Today, more than a year later, it is apparent that there has been no change.

The election is over, Mr. President. The Negro voters have cast their votes. The order accomplished its purpose.

We cannot say whether this is due to the absence of enforcement provisions in the order, to the lack of funds for any investigating staff for the Fair Employment Board of the Civil Service Commission, or simply to the unwillingness of officials to comply either with the spirit or letter of the order.

We know that to date only about 10 cases have been heard by the Fair Employment Board. This in itself would be unimportant if the Board were in a position to eliminate discrimination on a mass scale, such as at the Bureau. That, however, is impossible in light of the Board's own regulations, which restrict appeals solely to individual personnel actions.

How nonsensical that is, Mr. President.

Therefore, these few cases represent the main body of the effective actions of the Board to date. This can be compared with perhaps 150,000 Negro Government employees, to say nothing of tens of thousands from other minority groups.

This statement can best be concluded by citing the brief facts about a few individual Negro employees at the Bureau, whose employment history will serve to illustrate the general problems of large groups of workers there.

Frederick Wiggins went to work at the Bureau in 1936 as a messenger. He was appointed from the elevator operator examination list. In 1940 he was promoted to skilled helper. In December 1942 he volunteered and entered the Navy, serving with distinction in the Pacific in 1945. Today, 3½ years later, he is still a skilled helper in the bindery section, although he has had years of training outside the Bureau in linotype, composing-room work, and printing-press operation. What is more, he is one of the veterans who applied for the scheduled apprentice plate printer examination, only to learn that the examination will not be given. It certainly looks as though Mr. Wiggins will never have the opportunity to become a printer at the Bureau unless there is a complete change in the way they do things.

Grahame Burrell has been working at the Bureau since 1918—31 years. He is also a CM–2 helper. For the last 13 years he has been in the bindery section of the surface division, where he developed new procedures for increasing efficiency and production. Was he promoted for this? Not exactly. Three months ago, after he asked for a reclassification of his job and recognition of his special skill, he was told that he was doing a woman's work, and his responsibility was taken away—after 13 years, mind you.

Ethel C. Perritt is a printer's assistant. Mrs. Perritt took and passed a regular civil-service examination as a printer's assistant. She was appointed from this list, but her appointment did not come through until a few days after March 15, 1942. Consequently, she is a war-service appointee, and had to take the examination all over again in 1948, competing with 15,000 others. This was after 7 years of experience, and after she had once been appointed from an examination list. Meanwhile, Mrs. Perritt sees printers, who are her supervisors, given permanent status by simply filling out an application form, without taking a regular assembled examination.

Margaret Gilmore, a widow of a World War I veteran, is a high-school graduate and has had 6 months of normal-school training. Her first Government job was in the Bureau of Engraving and Printing from 1919 to 1924. She took office in 1919, 30 years ago. I might add that I know all these people. They have all been in my office. They come to my office, together with hundreds of others, because I am the ranking minority member of the Committee on Post Office and Civil Service.

Mrs. Gilmore returned to Government work again in 1930 as census enumerator in St. Louis, Mo. While in St. Louis, she was a precinct captain and president of the Parent-Teachers Association of Giddings Grade School for 3 years. Mrs. Gilmore returned to Government work in Washington, D. C., in 1933, and worked at the Census Bureau as a clerk until her reappointment in the Bureau of Engraving and Printing. She is now permanently employed at the Bureau, with 15 years of service to her credit, including all Government work. She is now classified as an operative CM–2, which is as far as she has been allowed to advance.

Roland B. Cooper is a skilled helper. He has worked at the Bureau since 1941. He went from there to the Navy in 1944, and there he completed the course in the electricians' mate school, and also qualified as an electrician striker. He has done electrical work, but never at the Bureau, for 15 years, in addition to having a thorough schooling in electricity. When he returned from the Navy in 1945, he applied for a job as an electrician or

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an electrician's helper at the Bureau. To this day he has never had a chance at the job. I repeat, not one single Negro has been appointed to any one of these jobs. Meanwhile, other men, many of them undoubtedly with less experience and less qualified, have been appointed.

So I say, Mr. President, my sympathy is entirely with the folks who are picketing the White House in an effort to get justice. It is evident from the examples I have given how bad conditions are, and any Senator can see for himself by walking to the Bureau of Engraving and Printing. I think the situation is disgraceful. I do not know what good the picketing is going to do, but I sincerely hope that someone in authority in the Government will see to it that these poor people get a square deal.

Finally, Mr. President, let me say that my only regret is that the Senate Committee on Post Office and Civil Service, composed, as it is, of Republicans and Democrats, has not really done something about this matter, because I am entirely confident from the conversations I have had with members of the committee that the overwhelming number of them believe that these civil-service employees are not getting justice at the hands of the United States Government.

CONDITIONS AMONG AMERICAN NEGROES—LETTER FROM FRED C. KING

Mr. MARTIN. Mr. President, I desire to call to the attention of my colleagues a letter which represents the best spirit of Americanism as opposed to the corrupting influence of communism. It is a convincing answer to the Paul Robesons and others of that stripe who have repaid with base ingratitude the advantages they gained under the American system of freedom and opportunity.

The letter tells of the progress of a Pennsylvania family—a Negro family—who rose from the most humble circumstances to places of dignity and usefulness through their own efforts. The letter was addressed to Mr. George I. Bloom, my administrative assistant, who was raised in the small town of Burgettstown, Pa. It was written by Mr. Fred C. King, another Burgettstown boy, who is now principal of the largest Negro school in Duval County, Fla. Three of his brothers and a sister have earned college degrees, and another brother is a student at Princeton University.

I submit, Mr. President, that this man, a highly respected educator, is far better accredited as a spokesman for the American Negro than Robeson or any other Communist.

I will not take the time of the Senate to read the entire letter, but I would like to quote from it as follows:

> It has touched me greatly to hear the remarks and assertions of Paul Robeson. As an educator it is my firm conviction that Robeson does not in any way, shape, or form represent my race. Such a man cannot speak for my people.
>
> We who have sacrificed so much to attain a democratic way of life, resent this basic philosophy and attitude. We question why a man who has risen to heights and whose children have risen on the principles of American democracy should laud communism or love of the country whose very background and basic philosophy is in direct opposition to Christianity and of all laws of nature.

Mr. King's letter concludes as follows:

> Can you picture a Negro or Negroes having the opportunities that have come to us and our people in any communistic country in the world?
>
> I can say, conclusively, that I wish I could speak to each one of my people individually and tell them what is happening in other parts of the world so that they could appreciate the values of American opportunity and forget about the Robesons who have been ingrates to America.

Mr. President, the values to which Mr. King refers cannot flourish in an atmosphere of hatred and prejudice. Racial and religious bitterness have no place in the American way of life. They give encouragement to the Communists. They give aid and comfort to the subversive elements working for the destruction of American freedom and the American system of government.

Mr. President, I ask unanimous consent to have the text of Mr. King's letter inserted in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DAVIS STREET JUNIOR HIGH SCHOOL,
Jacksonville, Fla., July 21, 1949.

The Honorable GEORGE BLOOM,
Assistant to Senator Martin of Pennsylvania, Washington, D. C.

DEAR MR. BLOOM: It has been some time since we have been retrospective in what has happened to us since I left Pennsylvania. It is my opinion that you would be interested in the progress that we have made here in the country of opportunities.

In this great crisis, where so many of my people have been hoodwinked by the wiles of communism, I feel that this letter is only fitting to show that regardless of circumstances, every individual has an opportunity to achieve great heights according to his ability.

It has touched me greatly to hear the remarks and assertions of Paul Robeson. As an educator, it is my firm conviction that Robeson does not in any way, shape, or form represent my race. Such a man cannot speak for my people.

We, who have sacrificed so much to attain a democratic way of life, resent his basic philosophy and attitude. We question why a man who has risen to heights and whose children have risen on the principles of American opportunity, would laud communism or love of the country whose very background and basic philosophy is in direct opposition to Christianity and of all laws of nature.

You are already familiar, more or less, with the family background. My father was educated in the trade school in the old Tuskegee Institute in Tuskegee, Ala. He migrated with the family to West Virginia as an itinerant coal miner. Hardly making enough money to support three children—Melvin, Edward, and me, and our mother—we moved to Pennsylvania. He worked in the coal mines of Pennsylvania until the strikes forced him out of work, and at Burgettstown, he secured work as a trackman.

At that time, during the late twenties, wages were 30 cents per hour and oftentimes my father only worked 3 days per week. During the depression, he was laid off and no income whatsoever was coming in. (Incidentally, we had three more children added to the family, which made a total of five boys and one girl.)

In the beginning, we were all educated in the public school of Burgettstown and graduated from Union High School. The task of going to college was one of work during the summer, and school and work during the winter for each one of us.

Since leaving Burgettstown, I have had such varied experiences educationally, socially, and politically, that I can readily appreciate and give loyal support to the ideals and principles of our country.

Educationally, I have a bachelor of science degree in education from State Teachers College, Cheyney, Pa.; a masters of education degree from the University of Pittsburgh with a major in school administration. I have studied toward the doctor of philosophy degree at the University of Pittsburgh, Penn State, and Temple University.

Relative to my experience, I have served as principal in Selma, Ala. (1939–40); instructor of education at Edward Waters College, Jacksonville, Fla.; visiting summer professor for Hampton (1942) under Acting President Lanier; director of workshop at Albany State College during the summer of 1943; summer professor of psychology and school administration at Bethune-Cookman College (1945–46).

I have served as principal in Duval County for the past 7 years and am now principal of the largest Negro school in Duval County. The enrollment is 1,560 students. I am also owner and director of the F. Douglass Vocational and Business School in Jacksonville, an institution approved by the State and Veterans' Administration for the training of veterans in business and tailoring.

My contacts have been wide and varied with national as well as international professional acquaintances.

A break-down of my brothers' and sister's experiences are similar to mine:

Melvin King: Bachelor of science degree in clinical psychology, also premedical, Penn State College. Now matriculating at University of Pennsylvania Medical School.

Edward King: Bachelor of science degree, Delaware State College; master of arts degree in social work, Atlanta University. Presently in charge of group activities for the urban league in Grand Rapids, Mich.

Bernice King Singleton: Bachelor of arts degree, Alabama State College; further study at the University of Pittsburgh and Teachers College, Montgomery, Ala. Married. No children.

Robert King: Studied at Delaware State College, Dover, Del.; A. and T. College, Greensboro, N. C.; bachelor of arts degree in retail buying from Boston University. Now employed in New York City.

Curtis Roy King: Enrolled at Princeton University. Has attended University of Pittsburgh.

I think this covers, generally, what we have done without too many details.

Can you picture a Negro or Negroes having the opportunities that have come to us and our people in any communistic country in the world? I can say, conclusively, that I wish that I could speak to each one of my people individually and tell them what is happening in other parts of the world so that they could appreciate the values of American opportunity and forget about the Robesons who have been ingrates to America.

With kindest personal regards, I am,

Respectfully yours,

FRED C. KING.

TRIBUTE TO THE LATE ALEXANDER FELL WHITNEY

Mr. PEPPER. Mr. President, the issue of July 25 of the Trainman News, official weekly publication of the great Brotherhood of Railroad Trainmen, is a memorial issue to the memory and the honored life of the late and lamented president of the Brotherhood of Railroad

Trainmen, Alexander Fell Whitney, who was called by the Heavenly Father to his eternal rest on the morning of the 16th of July.

I ask unanimous consent that page 1 of that issue, being a tribute from the organization to their departed chief, pages 4 and 5, being a statement of the life and career and a recital of some of the great accomplishments of President Whitney together with an account of the funeral services of the president, and page 8, being a statement of some of the tributes paid to this great chieftain, appear at the conclusion of my remarks in the body of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. President, the life of Alexander Fell Whitney is an American epic. Rising from the humble circumstances of being the son of an itinerant Presbyterian minister in the State of Iowa, he gained prestige, position, and power in this great Nation. He was the friend, the confidant, and the counsellor of presidents.

But, Mr. President, in no moment of his exaltation did he lose the common touch or cease to fight for the common man. At 15 years of age he entered upon his life's occupation, railroading, and for three score and one years it was his happy work. At 23 years of age he first became identified with the order of the Brotherhood of Railroad Trainmen. At 55 years of age, in 1928, he rose to the presidency of that organization, one of the greatest labor organizations. At 76 years of age he was still the proud president of that union of nearly one-quarter of a million strong American railroad employees.

All his life, Mr. President, Alexander Fell Whitney was the champion of good causes and the devoted supporter of those who labored for their accomplishment. He was an unselfish man, however, for he spent his energy, poured out his great strength, not only for those causes directly identified with his own organization or even with the cause of labor generally. Whatever was for the betterment of human beings, whatever gave a larger opportunity for the good life, whatever offered greater satisfaction and enjoyment of legitimate character for men, women, and children, for the family, those were the things that challenged the full support of the great heart, the tremendous capacity, the devoted loyalty of Alexander Fell Whitney.

Mr. President, he was a man with a faith. He spoke of that faith in his own words. He said:

I believe—

This is the caption of his statement of his own creed:

I BELIEVE

I believe in my fellow man who produces for the common good of all;

I believe in rewarding him for his skill, effort, courage, and industry according to his merits, needs, and the wealth he creates for the Nation;

I believe that my fellow worker should receive for his productivity, sufficient food, shelter, clothing, opportunity for education and spiritual uplift, human recognition, and access to the pursuit of happiness—for himself and his family;

I believe in a divine providence which creates all men equal and inspires hope in a life hereafter;

I believe that all men are not treated equal and that they should organize to achieve social and economic justice;

I believe that the leaders of organized workers should be their servants—strong in the strength of many and wise in the choice of direction;

I believe in democracy and a free labor movement.

Mr. President, when President Whitney was suddenly taken to his great reward, after his long and gallant labor, the President of the United States spoke of him partially in these words:

A fearless and faithful champion of human rights has been lost.

The Vice President of the United States said:

He was a great American and a great friend not only of those who labor but of the entire American people.

His successor as acting president of the Brotherhood of Railroad Trainmen, Hon. W. P. Kennedy, said these words of him:

I knew A. F. Whitney for more than 39 years. All during that time he was a warm personal friend and a man for whom I had boundless admiration. No one realizes more than I how great a contribution he made to the growth and influence of our Brotherhood and how deeply he will be missed. His life will be an inspiration for all of us and I will always honor and revere his memory.

The noblest eulogy of all was delivered in the Senate earlier this week by the Senator from West Virginia [Mr. NEELY]. The beauty of his words could not have been bettered, and their eloquence could not have been surpassed. They sprang from the warm heart and the noble sentiment of our great colleague, who not only labored with, but loved, President Whitney. With those sentiments I associate myself with all my heart, as did other Senators when they were so movingly expressed here.

Mr. President, A. F. Whitney was a noble person, a devoted husband, a loving father, an unfailing friend. He was grand in stature as he was in spirit. When his towering figure came into the presence of a group it was easy to see that that was the head of the table. He had a shock of beautiful gray hair, clear and strong eyes, massive countenance and features. There was something about him that men naturally admired, revered, and followed. He could be like an old prophet, Mr. President, in his condemnation of the betrayer of a cause he thought to be right and just, but the harp of David never sang more sweetly than could be the tenderness of his words, the gentleness of his compliment upon those who he thought had righteously led any good cause in which he believed.

His great organization under his wise and bold leadership contributed immeasurably to the progress of labor and all who bear the burdens of toil. He himself, Mr. President, in the whole labor movement was like Moses leading the children of Israel out of bondage. And, like Moses, he came not to the promised land, but to its borders and verge at the end of his days. He could not say upon his passing that labor had achieved all that he aspired to, all that he had fought for, all that he believed in, but, Mr. President, he could die with the satisfaction that it was nearer to those great goals than it would ever have been had it not been for the magnificent accomplishments of Alexander Fell Whitney.

He was honored by his country, sometimes in domestic office and counsel, sometimes to represent our Nation in international conferences. In war and in peace, he was ever the patriot, ever striving to make America a greater, a better, and a nobler land for its people.

And so, Mr. President, many of us who knew him, enjoyed his friendship, worked with him, admired and loved him can say, as does this fitting cartoon in the Trainman News depicting Alexander Fell Whitney on the rear of a train moving heavenward while we still on earth stand lamenting behind:

We will never forget you, Brother Whitney.

We can also say, in the words of the old hymn, to the Heavenly Father who has taken him:

Father, to Thy gracious keeping
Leave we now Thy servant sleeping.

EXHIBIT 1

[From the Trainman News of July 25, 1949]

FAREWELL, CHIEF; WE WILL KEEP THE FAITH

When the history of these trying times is written, A. F. Whitney will be recorded as one of labor's great all-time champions and a stalwart gladiator in the struggle to perfect a dynamic democracy.

He has now taken his place alongside Samuel Gompers, John Mitchell, Eugene V. Debs, and all the other immortals who gave their lives in the service of those who toil for a living.

President Whitney believed in the dignity of labor and his entire life was devoted to protecting that dignity and enhancing the role of working men and women and their unions in the affairs of their country.

He was a strong man and every sinew of his forceful being was put to use for the men and principles he believed and represented. That Homeric strength was felt wherever he went and in whatever cause he espoused. It fed into the veins of those who fought democracy's battle beside him and gave courage and heart to his associates during dark and difficult days.

The loss to the Brotherhood of Railroad Trainmen is incalculable. Every member knows the indelible mark our late militant chief left on the organization he served so long, so nobly, and unselfishly.

In fact, railroad workers throughout the United States and Canada will remember above all else that A. F. Whitney represented their interests with steel-rail persistence and that when his name headed a negotiating committee they were sure of a powerful voice in court.

That feeling was not confined to rail labor. All workers knew that the President of the Brotherhood of Railroad Trainmen would use the full influence of his office and the persuasive power of his personal will, and it was mighty, to gain a fuller, fairer share of the fruits of their labor and a more important part in the functioning of democracy.

No monument of steel or granite need be erected to A. F. Whitney's honor. His shining record of achievement for Brotherhood members during his more than a half century of union leadership will stand as an enduring tribute to his life and make his memory forever an inspiration to labor and liberals everywhere.

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President Whitney was proud of the brotherhood and during his last few years it was a source of deep satisfaction that the BRT under his stewardship had grown into one of the world's most powerful labor organizations and certainly one of the most influential.

Our duty to him is to carry on in his tradition to perfect, as our new president has said, "an expanding, militant" brotherhood.

Farewell, chief; we will keep the faith. You well performed your duty to your country and your union.

HIS LIFE—INSPIRATION TO ALL

I knew A. F. Whitney for more than 39 years. All during that time he was a warm personal friend and a man for whom I had boundless admiration. No one realizes more than I how great a contribution he made to the growth and influence of our brotherhood and how deeply he will be missed. His life will be an inspiration for all of us and I will always honor and revere his memory.—W. P. Kennedy.

PRESIDENT WHITNEY DEVOTED LIFE TO LABOR AND LIBEFAL CAUSES—HE WAS F. D. R.'S FRIEND, WHITE HOUSE ADVISER

CLEVELAND.—The chief has fallen, but his deeds will ne'er be forgotten because the fruits of his labor were so abundant.

Those words and similar expressions of profound devotion and respect fell from the lips of thousands of brotherhood members after news of the unexpected death of President A. F. Whitney, 76, spread throughout the United States and Canada to cast a pall of gloom over laboring men and women, liberals and progressives and freedom-loving peoples everywhere.

The death of Mr. Whitney, 21-year militant president who led the BRT he loved so dearly through many a crucial battle, struck a heavy blow in the ranks of all segments of organized labor.

Their battles for justice and decent working conditions were his to the end.

His passing was felt deeply by all the Nation's forward-moving forces.

Their crusades to win a richer and fuller life for one and all alike were his to the end.

A feeling of dejection quickly enveloped 300 grand lodge employees who remember president Whitney as a tireless worker who spent a full day at his office in the Standard Building, except when urgent business frequently called him to all parts of the Nation, and usually departed for home with a brief case full of important documents to be handled at home during the evening hours.

Mr. Whitney, whose rise to the top post in the brotherhood's officialdom was rapid because of his great ability, died at 1:54 a. m. Saturday, July 16, in his home, 23012 W. Lake Road, Bay Village, following a heart attack.

He awoke at 1:15 a. m. and complained to his wife, Mrs. Dorothy May Whitney, of severe pains in his chest. She immediately hastened to the phone to summon a physician and to notify one of his close friends, BRT Vice President Joseph P. Cahill, of his sudden illness. On her return to his bedside, President Whitney was dead.

In a few hours telegrams by the hundreds and personal phone calls expressing condolences poured into the Whitney residence and grand lodge offices from persons in all walks of life.

President Whitney, apparently in the best of health, worked a full day at the office Friday, July 15, and affixed his signature to several letters, rather than have them carried over to Monday morning, as he put on his coat and prepared to leave the office for the day.

He had dinner and chatted with friends in the evening, and had all intentions of participating in the boat ride and picnic of grand lodge employees at Cedar Point the following day.

News of his death dampened the spirits of the 175 picnickers who gathered at the E. Ninth Street pier for the outing, but the boat ride went on as President Whitney would have wished.

Mr. Whitney was born April 12, 1873, in Cedar Falls, Iowa, a son of the Rev. and Mrs. Joseph L. Whitney, and the eldest of six children.

Seven years later, his father, a circuit-riding, Presbyterian minister, took his family to Nebraska but they returned to Iowa soon after when drouth and hail wiped out the crops on their homestead farm.

President Whitney had little formal schooling and had to work from early morn until late at night to help the family eke out a bare existence on the farm.

His knowledge was broadened widely by words of wisdom from his liberal-minded father and he became an avid reader.

When he reached 15 years of age, young Whitney decided to desert the farm for a railroad career and he set out to become a news butcher on Illinois Central Railroad, running between Dubuque and Sioux City, Iowa.

He invested the only $2 he had in the world in a basket of fruit and candy and hopped aboard an eastbound train at Cherokee, Iowa, with his wares.

HE GOT THE JOB

A conductor demanded his ticket and the hustling youth quickly replied:

"What ticket? I'm the news butcher."

He walked away and continued to hawk his goods as the dumbfounded conductor scratched his head.

The incident was reported to the concessionaire when the train arrived in Dubuque, Iowa, and, contrary to what was expected, he expressed admiration for the boy's resourcefulness, took him home for a tasty Sunday dinner and hired him for his first steady job.

A year later, the news butcher job came to an end when young Whitney walked into the office of Trainmaster F. B. Harriman of the Illinois Central at Cherokee, Iowa, and applied for a brakeman's position.

"How old are you?" queried Harriman.

"Twenty-one," retorted Whitney, as he stretched to make himself look the part he wanted to play.

"All right, report for work in the morning," said the trainmaster, as he chuckled.

A. F. Whitney had his start in the railroad career that was to bring him fame as president of the Brotherhood of Railroad Trainmen's 216,000 members and one of the Nation's outstanding citizens and leaders.

He realized from the very inception of his railroad career that the workers never would receive just treatment from their employers unless they molded their strength into a common weapon to press their fair demands.

JOINED LODGE 138

He lost little time in joining G. E. Boynton Lodge 138, Eagle Grove, Iowa, March 1, 1896, and thus started his distinguished brotherhood career that was to bring innumerable benefits to railroaders in the United States and Canada and members of their families.

His ability soon was spotted, and after serving 138 several years as president and local grievance chairman he was elected general chairman on Chicago & Northwestern Railway System and held that office from 1901 to 1907.

Triumphs down the line for this fearless union warrior brought him new responsibilities, bigger jobs.

He was named chairman of Western Association General Committee of ORC and BRT in June 1902, and held that office until September 1903, when he was named secretary-treasurer of the group. He resigned the latter office July 15, 1907.

President Whitney was a member of the board of trustees from August 1, 1905, to July 31, 1907.

He was elected vice president in May 1907 and served in that capacity until January 12, 1928, when he was named general secretary and treasurer by the board of directors.

Mr. Whitney assumed the helm of the brotherhood when he was elected president by the 1928 convention, succeeding W. G. Lee.

He was reelected overwhelmingly by successive conventions—the last time by the 1946 convention in Miami Beach, Fla.

A new kind of labor philosophy was displayed by the brotherhood as soon as A. F. Whitney assumed the presidency.

BROUGHT NEW BRT CONCEPT

Out the window went the old, long-accepted concept that the BRT was not concerned with what happened to the rest of organized labor.

A new conviction that the brotherhood's interests were synonymous with those of all other branches of labor came to the forefront.

"Any person or force that seeks to destroy and injure the cause of organized labor is the enemy of the Brotherhood of Railroad Trainmen," President Whitney declared.

"And any person or force that seeks to benefit the lot of the exploited worker is a friend."

He said that organized labor would never achieve any measure of social justice for its members unless it employed the same weapons used by the forces endeavoring to atomize labor unions.

He immediately announced that the brotherhood would employ its collective strength to elect men to national office who would fight for legislation guaranteeing to workers a fair share of the fruits of their labor, security against unemployment and old age, and decent working conditions.

Living evidence of the wisdom of the new concept of unionism promoted by President Whitney since 1928 is contained in the strength and standing of the Brotherhood of Railroad Trainmen as one of the mightiest, wealthiest, and most influential labor unions in the world today.

That labor's welfare is closely tied up with political affairs of the Nation was always expounded by President Whitney and he encouraged the members of his large, expansive union and its ladies' auxiliary to join hands with other segments of labor to elect to office friends of working men and women.

HE TRAVELED WIDELY

He made many jaunts to all parts of the country to prod BRT-LA participation in elections and opened his full fire on legislators and new office seekers who had shown through their deeds and expressions to be enemies of the workers.

Mr. Whitney was a regular caller at the White House where he went to offer advice on labor and social legislation and oftentimes was summoned there by Presidents for his viewpoints on important issues.

Mr. Whitney considered the Democratic Party the people's party and he supported it to the maximum of his ability.

The Brotherhood leader had great love for the late President Franklin D. Roosevelt whose New Deal program raised the living standards of the American people to new highs.

Mr. Whitney placed his shoulders to the wheel and backed President Roosevelt and his following of liberal legislators in the Democratic Party.

President Whitney was deeply grieved when Mr. Roosevelt died suddenly in 1945 and those in close association with the late BRT chieftain knew of the effect it had upon him.

His undying support of Roosevelt was inherited by President Truman when he became to the Nation's Chief Executive.

PRESS WRONG, AFW RIGHT

Mr. Whitney campaigned strongly for President Truman's election last fall.

During the election drive when the kept-press and the pollsters were literally shouting from the housetops that President Truman didn't have a chance against GOP standard bearer Thomas E. Dewey, Mr. Whitney stuck by his side and worked harder than ever for a Truman win.

The brotherhood president rejoiced in Truman's smashing triumph over Dewey.

A vociferous foe of the Taft-Hartley slave-labor law from the time of its enactment in 1947, President Whitney crusaded for its repeal right up to his death.

He set his guns on Senators and Congressmen who favored the iniquitous law and supported the recent Taft amendments. Through the columns of Trainman News he kept members posted on the activities of the antilabor, pro-big-business lawmakers and of the program the BRT had embarked upon to remove them from office.

He fought long and hard for national health insurance, Federal aid to education, increased social-security benefits, housing legislation, public power development, safety legislation, and other measures for the welfare of the people.

Mr. Whitney shortly before his death announced that the brotherhood would seek increased Railroad Retirement' Act benefits.

OFFERED LABOR POST

During his outstanding career, he was offered important Federal posts, including Secretary of Labor, but he declined to accept, preferring to devote his full time and capabilities to the brotherhood.

He was a member of Progressive Citizens of America for some time, but resigned that organization when it supported Henry Wallace for President on a third party ticket, assailing "* * * the ineptness of a third party move at this time."

He was a member of the national executive committee of Americans for Democratic Action and played a leading part in its activities with such prominent ADA'ers as Senator HUBERT HUMPHREY (Minnesota) and Gov. Chester Bowles, of Connecticut.

He served as chairman of the Railway Labor Executive Association from 1932 to 1934.

His interest in promoting pan-American peace led the late F. D. R. to appoint him one of the delegates to represent the United States at the Inter-American Conference for the Maintenance of Peace as Buenos Aires in 1936.

During that year he also served in his own community as chairman of the Good Neighbor League of Northern Ohio and in 1937 was a member of the Committee on Unemployment Census. He was director of the American Civil Liberties Union in 1938.

In 1938, Mr. Whitney authored the book, Main Street—Not Wall Street, and during his career contributed many articles to newspapers and magazines. He was called upon to participate in many forums.

He served as labor consultant to Gens. Brehon Somervell and C. P. Gross in December 1943, during Federal administration of the railroads.

Mr. Whitney was a member of Bay Presbyterian Church, Bay Village; Masons, Modern Woodmen, and Elks.

He had an outstanding record of home-front service during World War II.

As a member of the labor committee, he appealed to B. R. T. and L. A. members for Red Cross funds and for blood for the Red Cross donor service. The appeal was met generously.

BACKED WAR BOND DRIVES

He encouraged support of all war-bond drives. Grand lodge alone bought more than $16,000,000 worth.

He was a member of the national labor-management committee of the Office of Defense Transportation.

Mr. Whitney's first wife, the former Grace E. Marshman, whom he married September 7, 1893, died in 1923. He married Dorothy May Rowley, of Chicago, July 2, 1927.

Besides his wife, he is survived by two sons, Brig. Gen. Joseph Lafeton Whitney, Air Force Reserve; and Everett A. Whitney, both of Chicago; a daughter, Mrs. Richard J. Olson, Chicago; two sisters, Mrs. Etta Benson, Staples, Minn.; and Mrs. Charles De Garme, Early, Iowa; eight grandchildren and one great-grandchild.

He was a lover of animals and birds and at one time or another kept many of them on the spacious grounds that surround his beautiful Spanish-type villa overlooking Lake Erie.

Deer still roam the grounds.

I BELIEVE

(By A. F. Whitney)

I believe in my fellow man who produces for the common good of all.

I believe in rewarding him for his skill, effort, courage, and industry according to his merits, needs, and the wealth he creates for the Nation.

I believe that my fellow worker should receive, for his productivity, sufficient food, shelter, clothing, opportunity for education and spiritual uplift, human recognition and access to the pursuit of happiness, for himself and his family.

I believe in a divine providence which creates all men equal and inspires hope in a life hereafter.

I believe that all men are not treated equal and that they should organize to achieve social and economic justice.

I believe that the leaders of organized workers should be their servants, strong in the strength of many and wise in the choice of direction.

I believe in democracy and a free labor movement.

RESOLUTION

Whereas the Great Ruler of the Universe, in His infinite wisdom, has seen fit to call from our midst one of our most beloved associate officers; and

Whereas in the passing of Brother Alexander Fell Whitney, who was a continuous member of G. E. Boynton Lodge No. 138, Eagle Grove, Iowa, since March 1, 1896, and president of the Brotherhood of Railroad Trainmen since July 1, 1928, we lost a most wise and able counselor and distinguished labor leader, one who worked unceasingly with unselfish devotion for the best interests and welfare of the membership and his fellowmen; and

Whereas Brother Whitney departed this life suddenly on July 16, 1949, in the midst of perpetuating his many notable achievements in behalf of the membership he so ably represented; and

Whereas Brother Whitney was beloved, honored, and respected as a true friend, and his many accomplishments will long be remembered by all who knew or came in contact with him; and

Whereas Brother Whitney for many years served as a member of the board of directors of the Brotherhood of Railroad Trainmen, with credit to himself and honor to his organization; and

Whereas we now bow in humble submission to the inevitable will of Him who does all things well: Therefore be it

Resolved, That we, the board of directors of the Brotherhood of Railroad Trainmen, of which Brother Whitney was chairman, deeply mourn his loss, and that we extend our most sincere heartfelt sympathy to the family of Brother Whitney in their bereavement; and be it further

Resolved, That this resolution be incorporated in the minutes of the special meeting of the board of directors of the Brotherhood of Railroad Trainmen held this 19th day of July 1949, and that it also be carried in the Trainman News, in token of our great admiration and respect for Brother Alexander Fell Whitney and our sincere regret at his passing.

BROTHERHOOD OF RAILROAD TRAINMEN,
W. P. KENNEDY,
President,
Chairman, Board of Directors.
D. A. MACKENZIE,
General Secretary and Treasurer,
Secretary, Board of Directors.

TWO THOUSAND ATTEND RITES FOR STRICKEN CHIEF

CLEVELAND.—An estimated 2,000 persons from all walks of life, including many notables in public limelight, turned out last Monday to pay final respects to President A. F. Whitney at funeral services in Lakewood Methodist Church.

Several hundred stood outside on the church grounds as services were conducted by the Reverend Floyd E. Ewalt, pastor of Bay Presbyterian Church, Bay Village, of which Mr. Whitney was a member, assisted by the Reverend Dr. Harold F. Carr, pastor of Lakewood Methodist Church.

Col. Louis Johnson, Secretary of Defense; James Roosevelt, son of the late President Roosevelt; and Michael J. Galvin, Under Secretary of Labor; were among the dignitaries present.

The greatest tribute that could be paid President Whitney, the Reverend Mr. Ewalt said in a brief eulogy, was that he was a true leader of the workingman.

"True leadership is reared in a home where religion is the first concern. In such a home Mr. Whitney was born and reared," the Presbyterian pastor declared.

Mourners included Frank P. Douglass, Chairman of National Mediation Board; Col. Carroll Cone, vice president of Pan-American Airways; Alvanley Johnston, BLE grand chief engineer; J. P. Shields, first assistant grand chief, BLE; Lawrence V. Byrnes, assistant grand chief, BLE; H. F. Hempy, general secretary and treasurer, BLE; and Paul Smith, editor of BLE Journal; Walter J. Tuohy, Chesapeake & Ohio president; Charles R. Hook, Jr., Chesapeake & Ohio vice president; L. L. White, Nickel Plate president; C. J. Goff, assistant president, B. L. F. and E.; Walter E. Jones, general secretary and treasurer, B. L. F. and E.; and Ray Scott, editor and manager, B. L. F. and E. Journal; G. E. Leighty, president, ORT; and Tracy E. Herrick, vice president, Cleveland Trust Co.

Dr. Dewey Anderson, executive director of Public Affairs Institute, Washington, which the brotherhood founded; Benton J. Strong, National Farmers Union; Edward T. Bickford and Julius G. Lurhsen, Railroad Retirement Board; Ray T. Miller, former Cleveland mayor and BRT attorney; Don W. Hornbeck, attorney; A. E. Stevenson, former executive secretary, Cleveland Industrial Union Council (CIO); Appellate Judge Joy Seth Hurd and Common Pleas Judge Roy C. Scott.

Leo Richards, Solicitor's office, Post Office Department, Washington; C. F. Wiegele, general manager, New York Central; L. W. Horning, New York Central, vice president; R. F. Welsch, executive secretary, Western Association of Railways; Edwin C. Mathias, vice

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president and general counsel, Great Northern Railways; Hallan Huffman, assistant general counsel, Great Northern, and Ernest Howard, business agent, Waiters and Hotel Workers (AFL).

BURNS ATTENDED

Many labor leaders in the Cleveland area also attended the rites for the late Brotherhood president, including Jack Burns, Cleveland Federation of Labor, and Chan Harbour, postal clerks (AFL).

Seven BRT officials were active pallbearers: A. J. Kelly, Dominion legislative representative; U. D. "Boomer" Hartman, general chairman, Pennsy Lines West; Vice President Joseph P. Cahill; S. C. Lush, manager, Legal Aid Department; Frank Aldrich, general chairman, Missouri Pacific; Boyce Eidson, field supervisor, and Frank Goodman, field supervisor.

Honorary pallbearers included:

Vice President Alben W. Barkley; John R. Steelman, Presidential assistant; Senator Claude Pepper, of Florida; Labor Secretary Maurice J. Tobin; James Roosevelt; Franklin D. Roosevelt, Jr.; Alvanley Johnston, BLE grand chief engineer; William Green, AFL president; Philip Murray, CIO president; Robert R. Young, C. & O. chairman; R. J. Bowman, chairman, C. & O. executive committee; Senator J. Howard McGrath, chairman, Democratic National Committee; Leslie Biffle, Senate Secretary; Congressman McCormack, Senator Matthew M. Neely, of West Virginia; Senator Paul H. Douglas, of Illinois; and Charles Ross, White House press secretary.

Senator Joseph C. O'Mahoney, of Wyoming; Senator Hubert Humphrey, of Minnesota; Secretary of Defense Johnson; Senator Wayne Morse, of Oregon; Congressman Michael A. Feighan, of Ohio; Frank P. Douglass, chairman, National Mediation Board; Colonel Cone, vice president, Pan American Airways; Samuel F. Pryor, executive vice president, Pan American; Attorney Ray T. Miller; and James G. Patton, president, National Farmers Union.

Martin Clement, president, Pennsylvania Railroad; L. W. Hordning, NYC vice president; John W. Barriger, president, Monon; Charles R. Hook, Jr., C. & O. vice president; G. E. Leighty, ORT President; Alan Haywood, CIO vice president; Tom Davis, BRT counsel; Edward B. Henslee, BRT counsel; Walter Shroka, personnel manager at Grand Lodge; A. H. Riani, BRT auditor; Joseph T. Steadham, BRT Texas legislative representative; Walter E. Jones, B. L. F. & E. general secretary and treasurer; and H. F. Hempy, BLE general secretary and treasurer.

FARICY, HONORARY PALLBEARER

Francis McElroy, BRT counsel; J. J. Gillick, vice president, Milwaukee Road; W. T. Faricy, president, Association of American Railroads; H. E. Jones, executive secretary, Eastern Railroads' Conference Committee; Dan Loomis, chairman, Western Carriers' Conference Committee; Herbert Enochs, Pennsylvania Railroad; William Jeffers and E. J. Conners, Union Pacific Railroad; H. H. Benton, chairman, Southeast Carriers' Conference Committee, and James A. Farley, former postmaster general.

All grand lodge officers also served as honorary pallbearers.

Interment, Lakewood Cemetery, Rocky River, where the Reverend Mr. Ewalt and the Reverend Father E. J. Ahern, pastor of St. Christopher's Church, Rocky River, conducted services at the grave.

Brotherhood services were held Sunday night, July 17, at the Daniels Funeral Home, 15800 Detroit Avenue, Lakewood, with General Secretary and Treasurer D. A. MacKenzie, then acting president, in charge. Beautiful flor l pieces from all parts of the United States and Canada were in profusion.

"FEARLESS CHAMPION HAS BEEN LOST"—PRESIDENT TRUMAN WIRES SYMPATHY TO BROTHERHOOD IN CHIEF'S DEATH

"A fearless and faithful champion of human rights has been lost."

With these words, President Truman expressed the thought in the mind of thousands of persons who wired sympathy to Mrs. Whitney and the brotherhood in the death of President A. F. Whitney.

Said Mr. Truman:

"A fearless and faithful champion of human rights has been lost to the American scene in the sudden taking of Mr. Whitney. Happily to the last he was active in a life prolonged in the full summit of its powers many years beyond the average.

"Although a hard fighter in any cause which he considered just, he came through his many battles singularly free of the spirit of vindictiveness or revenge. He saw all things in their due proportion and became in a high degree the exemplar of the philosopher's teaching that a foolish consistency is the hobgoblin of little minds.

"To you and to all of his sorrowing family, I offer this assurance of heartfelt sympathy."

Wires from labor leaders expressed also the feeling of a great loss to the Nation and the workingman in Mr. Whitney's passing. CIO President Philip Murray, AFL President William Green, CIO Auto Workers President Walter Reuther, National Farmers Union President James G. Patton, B. L. F. and E. President D. B. Robertson, Amalgamated Clothing Workers President Jacob Potofsky, and ILGWU President David Dubinsky were among the many labor leaders to wire their feelings of sympathy.

Among those in public life to wire were Vice President Alben W. Barkley; Secretary of Defense Louis Johnson; Attorney General Tom Clark; Gov. Chester Bowles, of Connecticut; Gov. Dan E. Garvey, of Arizona; former Senator Robert F. Wagner and his son; Representative Robert Crosser; Senator Hubert H. Humphrey; Senator Wayne Morse; United States House Majority Leader John W. McCormack; Representative Franklin D. Roosevelt, Jr.; and W. A. Harriman, Roving Ambassador, who cabled from Paris.

Wires came also from Ralph Budd, Burlington Railroad president; W. A. Johnston, Illinois Central president; F. G. Gurley, Santa Fe president; C. A. Major, Lehigh Valley president; W. T. Faricy, Association of American Railroads president; and G. Metzman, New York Central president.

Also from Grand President Mary Gorman, BRT Ladies' Auxiliary; Charles A. Crowder, editor Flora Sentinel; J. Carroll Cone, president, Pan American Airways.

MOURN WHITNEY

The following excerpts from the stream of telegrams received in Cleveland illustrate the great respect felt for Alexander Fell Whitney throughout the Nation:

Vice President ALBEN W. BARKLEY: "I am deeply shocked and grieved to learn of Mr. Whitney's death. He was a great American and a great friend not only of those who labor but of the entire American people.

"I mourn his death and wish to express my sympathy to his family, his friends and to the great order which he headed."

Secretary of Defense Louis Johnson: My deepest sympathy in the passing of the chief. He was a great American and a loyal friend."

Attorney General Tom Clark: "The passing of Chief Whitney is a distinct shock to me. I join with the rest of the Nation in mourning this great loss. He was an outstanding citizen. He rendered valiant service to the cause of labor and to Americanism. I know that your great brotherhood will remain steadfast in maintaining the noble principles so dear to the heart of President Whitney."

W. A. Harriman, Roving Ambassador: "Please accept personal expression of deepest sympathy in great loss to you, to the American labor movement and the industry."

Gov. Chester Bowles, Connecticut: "Certainly the working people of this country have lost a true friend, as have I. When he made the long trip to my inauguration, I was more than grateful and proud to have him by my side."

Gov. Dan Garvey, Arizona: "His many friends in Arizona are deeply grieved by the news of the passing of A. F. Whitney. The BRT, and organized labor as a whole, have suffered a great loss by his death * * * deepest sympathy."

Former Senator Robert F. Wagner: "Please accept my deepest sympathy. I treasure the long years of association with your husband and know that all America shares your loss."

Robert F. Wagner, Jr.: "I was deeply shocked at news of your loss. I join with American labor in extending to you our sincere sympathy."

Representative ROBERT CROSSER: "Am shocked to learn of the passing of your distinguished husband. Please accept my sincere sympathy."

Senator HUBERT H. HUMPHREY: "I was profoundly shocked to learn of the death of my good friend and your great leader. His vision and courage coupled with his fighting progression and faith in democracy made him one of our outstanding citizens."

Senator WAYNE MORSE: "I am greatly shocked and grieved by the death of your husband. Labor has lost a great general in the battle for labor's rights and the people of the country have lost a stanch defender of our democratic way of life. All of us in my office join in expressing to you our deepest sympathy."

Majority Leader JOHN MCCORMACK: "I am deeply grieved to learn of your great sorrow in the death of your beloved and distinguished husband who was my valued friend."

FRANKLIN D. ROOSEVELT, Jr.: "My sincere condolences to you upon the death of your husband. He was not only a great labor leader but a great American."

Senator J. HOWARD MCGRATH: "Alexander F. Whitney was a great leader of the labor union movement, a great crusader for the cause of progressive liberalism in American government and a great patriot and distinguished citizen * * *. His career will long serve as an inspiration to his countless friends and admirers."

Secretary of Labor John W. Gibson: "Deepest sympathy on the passing of a great leader who devoted many years to valuable public service. He will be greatly missed."

John R. Steelman, assistant to the President: "I have been honored to call him my friend for several years, and regarded him most highly in all ways. * * * I know literally hundreds of those who have been close to him join you in mourning his loss."

Charles G. Ross, Presidential secretary: "My warmest sympathy to you."

William Boyle, Jr., Democratic National Committee: "A. F. Whitney held high stature as a great leader of labor, a hard fighter for liberalism and good citizenship and his service in all those fields will long serve as an inspiration to his fellow Americans. I am proud to have known your husband and to have been on his side in the liberal fight."

Senator ESTES KEFAUVER: "The workingman has lost a great and valuable friend. * * * He personified the very best in labor statesmanship."

India Edwards, women's division, Democratic National Committee: "He was a great American."

Wires were also received from Frank J. Delany, Post Office Department Solicitor; Senators Paul H. Douglas, Joseph C. O'Mahoney, M. M. Neely, Kenneth McKellar, Lister Hill; Representatives Helen Gahagan Douglas, John A. Blatnik, John McSweeney, Eugene D. O'Sullivan; Maj. James P. Holmes, Federal Mediation and Conciliation Service; C. D.

O'Brien, National Labor Bureau; Charles M. LaFollette, national director, Americans for Democratic Action; and John M. Redding, director of publicity, Democratic National Committee.

LABOR SORROW VOICED

CIO President Philip Murray: "The CIO desires to express its great sympathy to you and your associates over the untimely passing of your beloved leader. Throughout life he has rendered a great service to his constituency and to his country.

"I have had a great personal admiration for Mr. Whitney as a man and for his works and deeds. His passing creates a void in the labor movement which will be difficult to fill."

Walter P. Reuther, UAW president: "Brother Whitney's untiring service to the labor movement and to the cause of progress in America has reflected great credit both on him and the great organization he led for so many years * * * (his) dedication to right and justice had the effect of moving his country and its people further along toward a better America and a better labor movement."

The wire from Reuther, signed also by Emil Mazey, secretary-treasurer UAW, represented a resolution adopted by UAW executive board.

William Green, AFL president: "I was tremendously sorry when I learned of the death of your husband, Brother Alexander Whitney. He was an uncompromising fighter for labor and for the promotion of human welfare and the worker's interests. All of them have sustained a great loss as the result of his passing. I extend to you and your family my sincere sympathy in the loss you have sustained."

James G. Patton, NFU president: "Farm people mourn with the BRT the loss of A. F. Whitney. He was a great leader, not only in your movement but also in our total American democracy. Our loss as farm people is especially great because he knew and did things about the common problems and objectives of farmers and workers."

D. B. Robertson, B. L. F. and E. president: "I was shocked to learn of the sudden passing of President Whitney. The B. L. F. and E. expresses to the BRT deep regret in the loss of their leader."

David Dubinsky, ILGWU president: "Profound sorrow on the sudden and untimely death of your president, A. F. Whitney."

Jacob Potofsky, Amalgamated Clothing Workers general president: "He made an outstanding contribution not only to the welfare of his union but also to the entire labor movement."

D. L. Behncke, Air Line Pilot's Association president: "He is one of the great men of the splendid family of the railway labor brotherhoods."

James B. Carey, CIO secretary-treasurer: "We are shocked to hear of your sudden loss and the death of our friend Al."

League for Industrial Democracy: "Accept heartfelt sympathy of members of the league. * * * The able, courageous, and socially visioned President Whitney of your brotherhood was a tower of strength to all movements for social advance."

Signed by John Dewey, Nathaniel M. Minkoff, Mark Starr, Joseph Schloffberg, and Harry W. Leidler of the league.

Wires were also received from Joseph D. Keenan, director, Labor's League for Political Education; Allan S. Haywood, CIO vice president; B. Peppercorn, manager, Amalgamated Clothing Workers of America; Eric Peterson, general secretary-treasurer, IAM; Fred N. Aten, president, and Michael Fox, secretary, Railway Employees Department, AFL; Robert Bryon, president, and L. M. Wickiein, secretary-treasurer, Sheet Metal Workers International Association; Morris Piezer, international president, Max Perlo, secretary-treasurer, and Ernest Marah, director, Organized United Furniture Workers of America; R. F. Walsh, international president, International Alliance Theatrical State Employees & Moving Picture Operators of the United States and Canada; H. A. Bradley, president, and Louis Belkin, general counsel, International Chemical Workers, AFL, and Phil Hannah, secretary-treasurer, Ohio State Federation of Labor.

RAILROAD OFFICIALS

G. Metzman, NYC president: "Deepest sympathy in your bereavement."

Ralph Budd, Burlington president: "Sincere sympathy in your sorrow. * * * We will certainly miss him as a friend and associate."

F. G. Gurley, SF president: "Deepest sympathy. I have known him for many years and enjoyed working with him. He was a great fellow."

W. A. Johnston, IC president: "It is with deep regret that I learned * * * of the passing of your husband. You have my deepest sympathy."

C. A. Major, LV president: "Sincere sympathy on the loss of your distinguished husband, whom I have had the pleasure of knowing for several years."

W. T. Faricy, AAR president: "He and I have been friends for 15 years and he will be missed very greatly by all of us who knew him."

J. G. Luhrsen, RRB member: "His loss will be keenly felt by his many associates who have long esteemed him for his exceptional accomplishments."

John T. Scott, NMB: "Your friends of the NMB board and staff mourn with the BRT the passing of a truly great American."

J. J. Noonan, NMB mediator: "Labor has lost a great leader and I a great friend."

Wires were also received from C. M. Yoke, president, Pittsburgh & Lake Erie Railroad; D. P. Loomis, chairman, Association of Western Railways; H. E. Jones, executive committee, Bureau of Information, Eastern Railways; J. M. Fitzgerald, vice chairman, committee on public relations, Eastern Railroad Presidents' Conference; C. S. Lake, retired C. & O. vice president; R. M. Drysdale, Jr., executive vice president, Federation for Railway Progress; J. M. Oram, chief of personnel, Pennsylvania Railroad; C. R. Young, director, personnel, Illinois Central; A. J. Bier, executive committee, Bureau of Information, Southeastern Railways; H. A. Enochs, Pennsylvania Railroad vice president, and G. W. Eastland, Northwestern Newsliner editor.

Mary Gorman, LA grand president: "Deepest sympathy to entire Grand Lodge of BRT."

Other ladies' auxiliary officers to wire were Mrs. Fona Whipple, grand executive board chairman; Mrs Sadie McKey, grand secretary and treasurer; Mrs. Lola Placey, first vice grand president, and Alice C. Cole, deputy grand lodge officer.

C. A. Crowder, editor, Flora Sentinel: "We may share the pride his pure Americanism as it has been demonstrated throughout his life. His masterful defense of freedom of the press at Flora, Ill., July 4 will always live in my heart.

"The BRT and the American people have lost an imaginative, inspiring, fighting leader. You must close ranks and put through issues dear to his heart."

Jim Mead, former United States Senator: "His service for his fellowman will be universally missed."

Wires also came from M. J. Murphy, former chief clerk of the BRT under President Lee; A. J. Hayes, AAR counsel; T. E. Bickers, NMB mediator; Dr. W. B. Wells, a personal friend of A. F. Whitney; Dr. C. E. Duvall, also a personal friend, and Sister Gerald, a Catholic nun and personal friend of Mrs. Whitney.

Also A. G. Trimble, president, Trimble & Co.; Rober M. Adams, Burke Williamson, J. A. Williamson, of Chicago; Richard Fondiller and staff; J. Frank Burke, Standard Broadcasting Co.; K. K. Card, Colorado Springs (Colo.) Chamber of Commerce; and W. von Zeble, president of William von Zeble & Co.

A continuous stream of wires and letters flowed in from grand lodge offices, members, and officers of the many lodges throughout the United States and Canada. Countless messages expressing grief in the loss of a great leader are still coming into grand lodge

UNIFORM CODE OF MILITARY JUSTICE—AMENDMENT TO THE BILL (H. R. 4080)

Mr. KEM. Mr. President, I ask unanimous consent to submit, out of order, an amendment to House bill 4080, to establish a uniform code of military justice.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. KEM. Mr. President, since my service in the Army during World War I, I have been interested in efforts to improve the court-martial rules for the armed services, particularly in eliminating inequities and possibilities of miscarriages of justice.

In the Eightieth Congress, my amendment to the Selective Service Act, providing for revision of the court-martial rules for the Army and Air Force was approved. That amendment was based on extensive studies by various organizations and individuals, both military and civilian, including prominent judges and lawyers. The efforts of these organizations and individuals represented the most comprehensive study of military justice that has ever been conducted in the history of our country.

That amendment was adopted by Congress and has been the established procedure for Army and Air Force courts-martial for nearly a year. Its working, in actual practice, has received high praise from many sources, including enlisted personnel and the so-called Army and Air Corps "brass."

I would like to review in general terms the changes made last year in the Army court-martial system.

First. Enlisted men were authorized to sit as members of courts-martial.

Second. Officers were subjected to trial by special courts-martial.

Third. It prohibited the unlawful influence of courts-martial or the members thereof.

Fourth. Warrant officers were authorized to sit as members of courts-martial.

Fifth. It provided that an accused, if he so desires, may have counsel at the pre-trial investigation.

Sixth. Authority to grant a bad-conduct discharge was granted to general and special courts-martial.

Seventh. The review and appellate provisions were strengthened and improved.

Eighth. A lesser punishment than death or life imprisonment for murder or rape was provided.

Ninth. A lesser punishment than dismissal from service for officers drunk during time of war was provided.

Tenth. The authority of commanding officers under the one hundred and fourth Article of War was increased so far as it pertains to officers but not to enlisted men.

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Eleventh. A separate Judge Advocate General's Corps was established for the Army, but not for the Air Force.

These changes were designed to correct the following five basic defects in the court-martial system:

First. Punishments imposed by courts-martial were not uniform for the same offense under similar circumstances.

Second. Members of courts-martial were subject to "command" influence in arriving at findings and imposing sentence.

Third. Punishments varied in degree for officers and enlisted men. Because officers could not be tried except by general courts-martial, and because punishment for officers under Article of War 104 was limited to captains and lieutenants, and as to extent of punishment, officer personnel frequently was permitted to escape disciplinary action.

Fourth. Qualified defense counsel was too frequently not made available to persons being tried by courts martial, e[illegible]n for capital offenses.

Fifth. Appellate procedure was inadequate.

The extensive hearings held since the war disclosed that the system of justice in the Navy is as much in need of improvement as was that of the Army. The same five defects are present in the Navy system and are in need of correction. They can be corrected, insofar as is possible for legislation to regulate the human element involved, by the adoption for the Navy of the same system now in effect for the Army.

However, we have pending before us a measure which would wipe out the changes of last year and which would eliminate all existing court-martial rules and procedures for all services, and, in the name of unification, start all over again, completely from scratch, and write a completely new set of rules and procedures.

Mr. President, I contend this is unnecessary.

One of the main purposes of unification was simplification.

To abolish all existing rules and start out with a completely new set, certainly would not contribute to that end. To the contrary, it seems to me, this would introduce a complication that is entirely unnecessary.

There is no question that a unified code of courts-martial rules is desirable. But the simple, direct, and satisfactory way to accomplish the desired end is to extend to the Navy the revised rules already provided for the Army and Air Force.

To that end I am today introducing an amendment in the nature of a substitute for House Bill 4080, the proposal now pending. My amendment would extend to the Navy the revised and liberalized rules and regulations under which the Army and Air Force are now operating.

My amendment also proposes that there be established a separate Judge Advocate General's Corps in the Navy and in the Air Force. Such a corps for the Army was provided last year and is now in effect.

We now have a good system of military justice for the Army. It has been tried. Rather than junk what we have and enter into a field of confusion, let us make this improved system applicable to all three services. We then will have the unification desired.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1950, and for other purposes.

Mr. PEPPER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Martin
Anderson	Hendrickson	Maybank
Baldwin	Hickenlooper	Millikin
Brewster	Hill	Morse
Bricker	Hoey	Mundt
Bridges	Holland	Murray
Butler	Humphrey	Myers
Byrd	Hunt	O'Conor
Cain	Ives	O'Mahoney
Capehart	Jenner	Pepper
Chapman	Johnson, Colo.	Robertson
Chavez	Johnson, Tex.	Russell
Connally	Johnston, S. C.	Saltonstall
Cordon	Kefauver	Schoeppel
Donnell	Kem	Smith, Maine
Douglas	Kerr	Sparkman
Downey	Kilgore	Stennis
Dulles	Knowland	Taylor
Ecton	Langer	Thomas, Okla.
Ellender	Lodge	Thye
Ferguson	Long	Tobey
Flanders	Lucas	Tydings
Frear	McCarran	Vandenberg
Fulbright	McCarthy	Watkins
George	McClellan	Wherry
Gillette	McKellar	Wiley
Graham	McMahon	Williams
Green	Magnuson	Withers
Gurney	Malone	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] to the committee amendment on page 38, line 9. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 38, line 9, in the committee amendment, it is proposed to strike out "$24,075,000" and insert "$21,667,500."

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The LEGISLATIVE CLERK proceeded to call the roll, and Mr. AIKEN voted in the affirmative when his name was called.

Mr. BRIDGES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BRIDGES. On this question, a "yea" vote would bring about a reduction in the amount of the appropriation, and a "nay" vote would be for the full amount of the figure in the committee amendment.

The PRESIDING OFFICER. A "yea" vote is for the amendment offered by the Senator from New Hampshire, which would reduce the amount from $24,075,000, as stated in the committee amendment, to $21,667,500.

Mr. O'MAHONEY. Mr. President, there is so much disorder that Members of the Senate are not aware of the nature of the vote which is being taken. Therefore, I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Senator will state it.

Mr. O'MAHONEY. What is the amendment now before the Senate?

The PRESIDING OFFICER. The amendment before the Senate is the one proposed by the senior Senator from New Hampshire [Mr. BRIDGES] to the committee amendment on page 38, in line 9. The amendment of the Senator from New Hampshire to the committee amendment would reduce the amount of $24,075,000, as it appears in the committee amendment, to $21,667,500.

Mr. O'MAHONEY. So those who desire to sustain the committee amendment should vote "nay" upon this question; and those who desire to vote for an additional cut will vote "yea"; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. CAIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CAIN. What Federal office does the amendment cover?

The PRESIDING OFFICER. The amendment pertains to the Office of the Housing Expediter.

The clerk will resume the calling of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Rhode Island [Mr. MCGRATH] are absent on public business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

The Senator from West Virginia [Mr. NEELY] and the Senator from Utah [Mr. THOMAS] are detained on official business.

The Senator from Rhode Island [Mr. MCGRATH] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Rhode Island would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from West Virginia [Mr. NEELY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from West Virginia would vote "nay," and the Senator from New Jersey would vote "yea."

I announce further that if present and voting, the Senator from Utah would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from West Virginia would vote "nay."

The Senator from Ohio [Mr. TAFT], who is necessarily absent, is paired with the Senator from Rhode Island [Mr.

McGRATH]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Rhode Island would vote "nay."

The result was announced—yeas 45, nays 42, as follows:

YEAS—45

Aiken	Gurney	Mundt
Baldwin	Hendrickson	O'Conor
Brewster	Hickenlooper	Russell
Bricker	Hoey	Saltonstall
Bridges	Jenner	Schoeppel
Butler	Johnson, Colo.	Smith, Maine
Byrd	Kem	Thye
Cain	Knowland	Tobey
Capehart	Langer	Tydings
Cordon	Lodge	Vandenberg
Donnell	McCarthy	Watkins
Ecton	McClellan	Wherry
Ferguson	Malone	Wiley
Flanders	Martin	Williams
George	Millikin	Young

NAYS—42

Anderson	Hill	McMahon
Chapman	Holland	Magnuson
Chavez	Humphrey	Maybank
Connally	Hunt	Morse
Douglas	Ives	Murray
Downey	Johnson, Tex.	Myers
Dulles	Johnston, S. C.	O'Mahoney
Ellender	Kefauver	Pepper
Frear	Kerr	Robertson
Fulbright	Kilgore	Sparkman
Gillette	Long	Stennis
Graham	Lucas	Taylor
Green	McCarran	Thomas, Okla.
Hayden	McKellar	Withers

NOT VOTING—9

Eastland	Miller	Smith, N. J.
McFarland	Neely	Taft
McGrath	Reed	Thomas, Utah

So, Mr. BRIDGES' amendment to the committee amendment was agreed to.

The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, under the heading "Interstate Commerce Commission," on page 39, line 16, after the word "binding", to strike out "$9,321,000" and insert "$9,621,000."

Mr. BRIDGES. Mr. President, this amendment affects the Interstate Commerce Commission. As we all know, the Interstate Commerce Commission is an important Commission, with important duties. But it is adequately staffed. The House appropriated $9,321,000, which provides a staff of 1,906 for the Commission. The Senate committee added to that, increasing the personnel by 60. I think the provisions made by the House are adequate, and I hope the Senate committee amendment will not be adopted.

Mr. O'MAHONEY. Mr. President, again the Senator from New Hampshire neglects to point out that the recommendation of the Bureau of the Budget was for a smaller personnel than the number presently employed. The House decreased the personnel below the Budget estimate, and while the Senate amendment has increased it, it has still not increased it to the number required by the budget estimate.

But, Mr. President, there is a very much more important factor to be considered. The budget estimate was $508,300 above that which was allowed by the House. The Appropriations Committee has restored only $300,000 of the reduction. So the committee amendment is still below the budget figure. I urge this amendment upon the Senate in the firm conviction that it is an amendment which will be productive of income to the Government, and which will be beneficial to the economy. I can illustrate that by the fact that the testimony clearly shows that the Bureau of Motor Carriers now has before it not less than 2,499 applications from businessmen who desire to obtain certificates of convenience and necessity to operate motorbus lines, and whose applications have been pending before the Commission because the personnel of the bureau is not sufficient to pass upon them. The evidence before the committee was clear that in many instances these applications of men who want to engage in business enterprises have been pending for 7 months.

With respect to personnel, the Bureau of Motor Carriers suffered a reduction during the war because employees went to war, and it was utterly impossible for the Interstate Commerce Commission to recruit employees in sufficient number to do the work which was to be done, or in sufficient number to use the appropriations which were made. But now there is the opportunity of securing employees who can pass upon the applications.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Kansas?

Mr. O'MAHONEY. I yield.

Mr. SCHOEPPEL. Has it not been the practice on the part of the Interstate Commerce Commission to have joint hearings with the State commissions, in a number of those cases?

Mr. O'MAHONEY. I think that may be true.

Mr. SCHOEPPEL. Does not that obviate the necessity of having straight hearings on the part of the Interstate Commerce Commission?

Mr. O'MAHONEY. No, indeed; that is not my understanding at all. Let me read to the Senate the testimony which was presented. Mr. Blanning, testifying with respect to the background, said:

We have a total of 3,500 cases in the Bureau at present not decided; 2,499 of those, of the application cases, are in the Section of Complaints, which is the section that hears cases and prepares reports.

We receive approximately between 250 and 300 new applications a month.

I injected this:

If you have 2,499 applications pending which on the average cannot be handled in less than 7 months, and if the applicant cannot operate until you do handle his case, it follows, does it not, that there is a lot of idle capital, and perhaps a lot of idle equipment, or perhaps a lot of delayed purchase of equipment and, of course, delayed handling of business which the applicant thinks is there waiting to be done if only permission can be granted?

Mr. BLANNING. That is true, and we are continually receiving complaints about the inability to obtain service within a reasonable time after the need for the service arises.

There is other testimony with respect to the reduction of employees during the war years.

During that period, this backlog had accumulated. For example, in 1941 we had 1,402 people in the Bureau. That was not any too many.

The next year we had 1,209, which was a loss of 200.

The next year we had 1,153, a loss of 200 more.

The appropriation kept on going down, so that next year they recommend 732 employees, whereas in 1941, when we got into this trouble, we had 1,400. Of the 1,402 people we had in 1941 approximately 240 were transferred to other sections of the Commission.

In other words, they propose to give us for next year approximately 430 less people than we had in 1941, at the beginning of the war.

They have 3,500 cases pending.

Then there is the Bureau of Valuation, in which valuations are made of the property of common carriers, railroads as well as motorbus lines. It also makes valuations of the property of pipe lines, a duty vested in the Commission by operation of law.

My point is that the amendment of the Senator from New Hampshire is a crippling amendment. The committee itself has not done enough, as I see it. We have restored only $300,000 of the requested $508,000, and the Commission is still below the budget estimate. The Interstate Commerce Commission is performing an essential service, and this restoration should be made.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. RUSSELL. May I ask the distinguished Senator from Wyoming whether, if the committee amendment is agreed to, there will be fewer employees in the Interstate Commerce Commission than there were in the past fiscal year.

Mr. O'MAHONEY. That is correct.

Mr. RUSSELL. Even if the amount is restored, there will be fewer employees?

Mr. O'MAHONEY. That is correct.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MALONE. I should like to inquire whether the distinguished Senator knows that it is still permissible under the rules and regulations of the Interstate Commerce Commission to request a member or members of a State commission to hold hearings in the nature of an examiner's hearing, and to submit a report to the Interstate Commerce Commission?

Mr. O'MAHONEY. I understand that to be the case.

Mr. President, I was interested in the statement made in the hearings regarding complaints. I inquired of Commissioner Mahaffie:

Do you have any complaints from Members of Congress?

He said:

Oh, yes; we do.

I said:

Will you please look over your records and let me know, so that the information may be printed in the RECORD, how many complaints you are receiving from Members of Congress?

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The information was later furnished to the committee and it appears in the record. This is it:

During the past year, 30 Senators and 50 Representatives have inquired in writing concerning the status of motor-carrier applications for operating authority pending before the Commission. In addition to the inquiries made by letter, many others were made and answered by telephone.

During the 12 months which ended May 30, 1949, 3,337 applications for motor-carrier operating authorities were filed and 135 cases which had been decided were reopened for further hearing or reconsideration.

On June 3, 1949, there were 2,420 of such applications pending. Of these 736 were awaiting the assignment of a hearing or further hearing. Some had been ready for assignment for 3 or 4 months. The average time these applications had been filed prior to June 3, 1949, was approximately 2 months. With an adequate staff this average time could be cut to less than 1 month.

Mr. President, in the interest of expediting the necessary work of the Commission, I hope the amendment may be adopted.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 39, line 16.

Mr. DONNELL. Mr. President, may we have the amendment stated?

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 39, line 16, it is proposed to strike out "$9,321,000" and insert in lieu thereof "$9,621,000."

The VICE PRESIDENT. The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. O'CONOR. The senior Senator from Maryland [Mr. TYDINGS] is absent on official business. If he were present, on this question he would vote "yea."

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Rhode Island [Mr. MCGRATH] are absent on public business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

The Senator from West Virginia [Mr. NEELY] is detained on official business.

The Senator from Rhode Island [Mr. MCGRATH] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Ohio would vote "nay."

The Senator from West Virginia [Mr. NEELY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from New Jersey would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from West Virginia would vote "yea."

The Senator from Ohio [Mr. TAFT], who is necessarily absent is paired with the Senator from Rhode Island [Mr. MCGRATH]. If present and voting, the Senator from Ohio would vote "nay," and the Senator from Rhode Island would vote "yea."

The Senator from Maine [Mr. BREWSTER] and the Senator from Oregon [Mr. CORDON] are detained on official business. If present and voting, the Senator from Oregon [Mr. CORDON] would vote "yea."

The result was announced—yeas 45, nays 40, as follows:

YEAS—45

Anderson	Humphrey	Murray
Chapman	Hunt	Myers
Chavez	Johnson, Tex.	O'Conor
Connally	Johnston, S. C.	O'Mahoney
Downey	Kefauver	Pepper
Ellender	Kerr	Robertson
Fulbright	Kilgore	Russell
Gillette	Long	Saltonstall
Graham	Lucas	Sparkman
Green	McCarran	Stennis
Gurney	McClellan	Taylor
Hayden	McKellar	Thomas, Okla.
Hill	Magnuson	Thomas, Utah
Hoey	Maybank	Withers
Holland	Morse	Young

NAYS—40

Aiken	Frear	Martin
Baldwin	George	Millikin
Bricker	Hendrickson	Mundt
Bridges	Hickenlooper	Schoeppel
Butler	Ives	Smith, Maine
Byrd	Jenner	Thye
Cain	Johnson, Colo.	Tobey
Capehart	Kem	Vandenberg
Donnell	Knowland	Watkins
Douglas	Langer	Wherry
Dulles	Lodge	Wiley
Ecton	McCarthy	Williams
Ferguson	McMahon	
Flanders	Malone	

NOT VOTING—11

Brewster	McGrath	Smith, N. J.
Cordon	Miller	Taft
Eastland	Neely	Tydings
McFarland	Reed	

So the committee amendment was agreed to.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, under the heading "National Advisory Committee for Aeronautics," on page 41, line 14, after the word "Committee", to insert "including."

The amendment was agreed to.

The next amendment was, on page 42, line 4, after the words "in all", to strike out "$38,710,000" and insert "$43,610,000."

Mr. BRIDGES. Mr. President, this amendment deals with the National Advisory Committee for Aeronautics. Our country and the other countries of the world, are interested in aeronautics. I am sure all the Members of this body are interested in aeronautics. A good deal of the work connected with aeronautics has to do with research and development. Such work is being done in the United States by the Air Force, by the Navy, and by the National Advisory Committee for Aeronautics. That committee is doing good work. But until the time arrives when we can review the whole situation, and do away with the duplication which exists, I believe the position the House took in not allowing increases in personnel of this committee to be sound. The work has to be done either by the Air Force, the Navy or the committee. The work, however, should not be duplicated. Instead of having the committee branch out, it should, I believe, remain at its present standing until we have had an opportunity to review the picture and to determine the question of who shall do what. The increase in the appropriation calls for an increase in the personnel of 700 individuals. Those individuals will be civilians. It means an increase in the personnel from 6,700 to 7,400. That is the increase which would result if the Senate committee figure were adopted instead of the House figure. The number of employees provided this year is 7,096. I believe we should hold to the House figure for I think the basis of the House report is sound.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McMAHON. Is the Senator able to advise us as to how much jet-plane experimentation is involved in this appropriation?

Mr. BRIDGES. No.

Mr. McMAHON. Can he state how much of a bearing this appropriation has on our development of jet planes?

Mr. BRIDGES. I cannot tell the Senator. The Senator from Connecticut knows as well as I do that this type of research work is being done by the Air Force, the Department of the Navy, and by the National Advisory Committee for Aeronautics. The Senate committee went into the matter to some extent. The House committee went into it very thoroughly. There is no disposition on my part to curtail the activities of the National Advisory Committee for Aeronautics. However, I feel that expansion of the work of the Committee should be limited until the work done by the three organizations is reviewed, and then we may be able to determine where elimination of duplication is possible.

Mr. McMAHON. Is the Senator from New Hampshire able to assure the Senate that the reduction he proposes to make will not in any way harm our program of jet development? As I understand, the organization in question—I may be wrong, for I do not know too much about it—is the center—the parent organization that has to do with the development of jet planes. Before I vote on the question, I should like to have some authoritative information as to the effect the proposed cut would have, and whether it would jeopardize our development of jet planes, in which I am much interested, as I am sure the Senator from New Hampshire is.

Mr. BRIDGES. I cannot give the Senator positive assurance, but I personally would not be advocating the cut if I thought it would interfere with our jet-plane program. I cannot give any absolute guaranty that it will not, but it is my belief that it will not.

Mr. McMAHON. Can the Senator refer me to any testimony which was taken by the committee upon this subject?

Mr. FERGUSON. Mr. President, on what we call the side slips, on page 219, is the testimony. I have been trying to go over it hurriedly. As I recall, there was nothing said about jet planes. I think the work connected with jet planes

is mostly done, if not entirely done, by the Air Force and by the Navy.

Mr. McMAHON. What is this Committee doing if it is not developing jet planes?

Mr. FERGUSON. The National Advisory Committee for Aeronautics is acting under an old law of 1915 which provides that it is "to supervise and direct the scientific study of the problems of flight with a view to their practical solution."

The House committee in its report says that a review of that legislation should be made by the regular standing committees of the Congress so as to line up what the Air Force, the Army, and the Navy should do in the line of aeronautics. There is a duplication of work between the three organizations. The Committee is really known as the civilian experimental or research department. The House committee report on page 25 says:

> In view of this situation, the committee recommends that the legislative committee having jurisdiction over this agency (Armed Services) should completely review the legislative background of NACA with a view to enacting a comprehensive basic law authorizing the various activities and construction programs which it regards as necessary.

Air tunnels are involved in this program; but under the Air Corps, which is a part of the Military Establishment, are air tunnels which are in effect duplications. The House committee reviewed this question very carefully and wrote a report indicating that they believed that in this instance the budget estimate should be cut, until a survey can be made and it can be determined who should do this kind of work.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I have not the floor. I should like to make this observation. I suppose it would be very praiseworthy to make a reappraisal of the situation, but I am interested also in seeing to it that during the coming year we do not lose headway in jet propulsion. The Senator from California is on his feet. He is a member of the Armed Services Committee, and perhaps we might be able to get some authoritative information from him.

Mr. KNOWLAND. Mr. President, if the Senator will yield for a moment, the same question which has arisen in the mind of the Senator from Connecticut has also arisen in the mind of the Senator from California. Within the past 3 or 4 weeks I made a trip to the Langley Field plant of the National Advisory Committee for Aeronautics. From what I saw there, and what was discussed there, I believe that they have eliminated any duplication of effort as between this activity and that carried on by the Army and the Navy.

I was greatly impressed with the need of this country maintaining supremacy in the matter of wind tunnels. Most of the wind tunnels which we have are in the subsonic area. As Senators know, there is a bill now on the calendar, which has not been passed, which provides for the construction of both transsonic and supersonic wind tunnels.

I believe all of us read in the newspapers not very long ago of the military review in Moscow, where the Russians flew before the eyes of the foreign military observers some very fast Soviet jet planes. That should put all of us on notice that we cannot afford to be second best in the matter of air power. I think almost as important as air power itself is keeping this country well in advance in the field of development of air power and the investigation of its scientific aspects. Unless we keep two or three jumps ahead, our sons are likely to have to fight in jet fighter planes or some other type of planes which are a few miles an hour slower than the ones which a potential aggressor may have, which would put them at a great disadvantage.

From what I saw at the Langley Field establishment, and from what I was told of the other establishments, I am highly dubious, without more adequate testimony, about making a reduction from the committee figure. I have generally supported reductions, because I think it is essential that we make reductions wherever we can; but this is one place which I think may vitally affect the national defense; and I am not willing, on the testimony given, to vote for a reduction in this item at this time.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. I should like to say to the Senator from California that it was the item about which he spoke, coming from Moscow, that moved me to question this reduction. I also have in mind the speed of the Jap Zeros at the beginning of the war, and what that did to many of our slower ships. I am inclined to agree with the Senator from California, and I thank him very much for enlightening me on the subject.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. I should like to supplement what the Senator from California and the Senator from Connecticut have said. I refer to page 893 of the House hearings, where it will be found that the House committee went thoroughly into the question of duplication as between the Army, the Navy, and Air Corps. It will be found that there is testimony to the effect that there are committees working on that problem. Dr. Hunsaker, the head of this agency, states as follows:

> We have an agreement between the NACA, Army, Navy, and Commerce Departments called a national aeronautical research policy determining the relative areas of interest, and in that statement, basic and general research in the aeronautical sciences is agreed to be the function of the NACA.

I believe it will be found that a great deal of the duplication has been eliminated.

I voted for this increase because it represented about half of the increase requested. The purpose of it is to start the new research facilities which have been built. Having built those research facilities, it seems to me that we should start them and build the utilities and provide the equipment to conduct experiments with high-speed airplanes in the supersonic-speed field.

Mr. KNOWLAND. Mr. President, will the Senator yield to me?

Mr. FERGUSON. I yield.

Mr. KNOWLAND. I think it might be well to read into the RECORD at this time from the side slips of the Committee on Appropriations:

> Personnel services: An increase of $5,709,773 is requested under this object of expenditure to permit an increase in total staff from 7,179 to 8,500 employees. The additional employees are required to permit (1) the staffing of newly completed research facilities, (2) increased utilization of existing facilities, particularly those providing research information in the transonic and supersonic speed ranges, (3) an expansion of the pilotless aircraft research program at the Wallops Island Station and of the high-speed aircraft research program at the Muroc Station, and (4) a small increase in the NACA headquarters' staff to insure the efficient planning, implementing, and coordination of research programs.
>
> The majority of the additional personnel requested are required for research in the transonic and supersonic speed ranges. Since high-speed aircraft must operate safely and efficiently throughout the entire speed range, the need for personnel for research in the high-speed ranges cannot be met by the reassignment of personnel presently engaged in research on low-speed problems. Not only are the new or high-speed problems added, the old or low-speed problems become more acute because of the special configurations that are required for aircraft capable of operating at transonic or supersonic speeds.

Mr. BRIDGES. Mr. President, the House takes the position that—

> The number of personnel provided NACA in recent years has increased tremendously and the committee is of the opinion that its operations have now reached a leveling-off place and that employees required in connection with the operation of newly constructed projects should be secured through a redistribution of personnel from less urgent activities.

As I stated, there is no intention so far as I am concerned of hampering in any way research and development in these fields. However, I point out that various departments are covering the same ground. We are talking about unification of the armed services. We are talking about the Hoover Commission reports. Sooner or later we must clearly define who does what, and stop this duplication. No one wants to cut down research or development, but there is a point at which we can have several departments or agencies doing the same identical thing.

In that connection the House figure is $38,710,000. The figure recommended by the Senate committee is $43,610,000. I offer an amendment to the committee amendment, to strike out the figure "$43,610,000" and insert the figure "$41,010,000," which would allow this organization an increase of approximately $2,300,000 over the House figure, but would still not equal the Senate committee figure. It would allow this agency to put on some additional employees—probably between 350 and 400—and proceed with the work. In the meantime, next year we could do as the House recommends, and have a thorough survey of this problem, defining the division of labor among the various departments without duplication and without overlapping.

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Mr. CHAPMAN. Mr. President——

The PRESIDING OFFICER (Mr. RUSSELL in the chair). Does the Senator from New Hampshire yield to the Senator from Kentucky?

Mr. BRIDGES. I yield the floor.

Mr. CHAPMAN. Mr. President, I wish to say that I think the development of aviation, important as it is now, is something which we cannot put off until next year. The three laboratories—the one at Langley Field, Va.; the one at Moffett Field, Calif.; and the one at Cleveland, Ohio—have done a magnificent job in aeronautical engineering, especially in the field of speed, as developed in the tests conducted at those laboratories and fields. For example, consider the one in California. In the recent war, the tests conducted there suggested changes in the shape and conformation of airplanes, and those changes resulted in speed increases which averaged several miles an hour in the case of all combat planes the United States had in the war. Those laboratories are employing some of the best aeronautical engineers the world has produced. Some of the best scientific brains in the country are engaged in those experiments. The vast and rapid development of aviation in all the ramifications of aeronautical engineering is such that one laboratory or two laboratories or three laboratories are not sufficient to do what should be done if we are to have the most effective Air Force in the world; and, Mr. President, nothing is more vital to the safety of our country than that we have the best Air Force in the world. I believe a grave mistake would be made if the Senate were to vote to cut the amount recommended by the committee.

Mr. KNOWLAND. Will the Senator yield for a question?

Mr. CHAPMAN. I yield.

Mr. KNOWLAND. I should like to ask the Senator from Kentucky if it is his understanding that not only is it necessary to have wind tunnels available and to have experiments made in the subsonic area, which is where the bulk of our planes are now, but it is also necessary to have extensive experimentation conducted in the transsonic and supersonic areas, and considerable numbers of persons must be engaged in that work, for the employees at the laboratories cannot very well be conducting experimentation in the subsonic area at the same time they are conducting experimentation in the transsonic or supersonic areas. Is not that correct?

Mr. CHAPMAN. The Senator from California is entirely correct, Mr. President.

There are a great many experiments which must be conducted at the same time if we are to have the Air Force it is our duty and responsibility to have. I have been to all three of the laboratories, at different times, and I have seen the work being conducted there.

Mr. KNOWLAND. Mr. President, if the Senator will further yield, let me inquire if it is not also correct that although generally speaking we are now going into the transonic area and are looking to pilotless aircraft, yet we cannot discuss here in the Senate Chamber the aircraft speeds which were discussed in the subcommittee of which I am a member, although it can be said that such aircraft are going to get up to "mach number" speeds; and unless we keep three or four jumps ahead, we may find that our country is lagging behind at a very critical time in our history.

Mr. CHAPMAN. I believe it to be true that if all members of the Senate had received the information which was imparted to the members of the committee, there would not be a vote against this item.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. GURNEY. Is the Senator from Kentucky acquainted—and if he is not, I should be glad to read what we have in the report—with the fact that last year our appropriation for the same item was $38,652,000? So even with the amendment offered by the Senator from New Hampshire to the committee amendment, we shall still be allocating approximately $3,000,000 or $4,000,000 more than was provided last year.

Later on in the bill it will be noticed that this committee is given $10,100,000 for new construction and new equipment. Of course, a portion of the $10,000,000 is to pay for old contract authority. But there is about $2,700,000 of new money for new construction and new equipment. In addition, as we see in line 25, we give them new contract authority of $10,000,000.

So even with the amendment of the Senator from New Hampshire to the committee amendment, a total of approximately $55,000,000 will go to this committee for research and experimentation for next year. I think that is a sizable amount.

Mr. CHAPMAN. The budget estimate was $9,990,000 more than the bill as passed by the House provides.

Mr. GURNEY. That is correct.

Mr. CHAPMAN. The bill as reported by the Senate committee provides $4,900,000 more than the bill as passed by the House provides. In other words, the Senate committee's recommendation constitutes approximately half the difference between the budget estimate and the amount appropriated by the House of Representatives.

Mr. GURNEY. That is correct. Our committee went about half way in between.

Mr. TOBEY. Mr. President, as I understand, the Senator from Kentucky has said that a part of the appropriations requested is to go for wind tunnels. Let me point out that if we were to supply the tunnels, from the last few days of experience in the Senate it is obvious that there is a superfluity of wind around here which we could also provide. [Laughter.]

Mr. CHAPMAN. Mr. President, I think it would be a great mistake to handicap or hamper in any way the splendid work being done in these laboratories.

Mr. O'MAHONEY. Mr. President, I am grateful to the Senate from Massachusetts [Mr. SALTONSTALL], the Senator from California [Mr. KNOWLAND], the Senator from Connecticut Mr. [McMAHON], and the Senator from Kentucky [Mr. CHAPMAN] for the very excellent statements they have made in support of the committee amendment.

I think I should tell the Senate that much of the testimony which prompted the committee to act as it did was received in executive session. To those of us who were gathered there in the subcommittee, there were presented models and drawings of some of the planes upon which the research work is being done. I am confident that no Member of the Senate could have participated in those hearings without coming away convinced that it would be a great mistake to reduce the appropriation below the amount now recommended. The committee did vote to reduce it below what was requested by those witnesses; we did so because we realized that there was abroad in the Congress a desire to cut appropriations, regardless of the object of the appropriations.

Mr. President, I was never more serious in my life than I am now when I say to the Senate that in my judgment one of the most important appropriations we can make in the interest of the national defense is the appropriation to maintain the research work of the National Advisory Committee for Aeronautics. The great advantage Hitler had was due to the fact that he had research in advance. Germany did not hold back in utilizing science for warfare. I hope we shall not hold back now in utilizing science for national defense.

I am aware of the fact that many Members of Congress are inclined to think that when they cut an appropriation, they are cutting the amount of money to be expended by bureaucrats. Because of that knowledge, I wish to call the attention of the Members of the Senate to the fact that this committee is composed of 17 of the most noted scientific experts in areonautical research in the United States. This is not a Government bureau in the sense to which Members of the Senate refer when they talk of bureaucrats. I say that without any reflection upon the devoted and able men and women who work in the various agencies and bureaus of the Government of the United States; but we were given evidence which convinced the committee that this appropriation should be increased over the amount provided by the House of Representatives.

As the Senator from California has pointed out, the increased number of personnel are needed in order to operate facilities which already have been provided, but are not yet in operation. We must do that. We cannot hold back.

With respect to the supersonic wind tunnels, let us remember that the development of aircraft in the future will be in the supersonic area. The Senator from California has appropriately reminded us of the demonstration of jet planes recently under the Soviet power. The United States of American won the leadership of the air during World War II. Now we are clipping the wings of the aviators who won the victory. We have cut down the recommended appropriations for the Army Air Forces, and now it is proposed to cut down the

appropriations for aeronautical research.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. In a moment. I wish to say to the Senator from New Hampshire there appeared before the Appropriations Committee not only the chairman of the National Advisory Committee for Aeronautics and some of its scientists, but also an admiral of the Navy and an officer from the Army Air Forces. There is coordination. There is no duplication. There is every effort to have this work carried on, and the request for the appropriation is substantiated both by the Navy and the Army and by the Air Forces.

With respect to the wind tunnels, let me read this:

Utility services: Approximately 70 percent of the $1,222,617 increase requested for this purpose is required for the purchase of electric power to permit full-year operation of the Ames 6- by 6-foot supersonic wind tunnel, the Lewis 8- by 6-foot supersonic wind tunnel, the nearly full-year operation of the repowered Langley 16-foot transsonic and 4- by 4-foot supersonic wind tunnels, and the initial operation of other smaller facilities. The balance of the increase is required for more intensive utilization of existing facilities, particularly those providing data in the transsonic and supersonic speed ranges.

The requests which were made on behalf of the committee totaled $9,990,000 above what was allowed by the House. Some of this amount was for personal services, some for utility services, some for supplies and materials, some for equipment, and for miscellaneous, $422,100. We cut $5,000,000 from those requests, and my own feeling is that we gave them none too much.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs upon agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 42, line 14, after the word "committee", to insert "including the acquisition of that part of Wallops Island, Accomac County, Va., not presently owned by the Government, and not to exceed 1 acre in the vicinity of Wallops Island, Accomac County, Va., adjoining land heretofore acquired by the Government"; and in line 19, after the word "year", to strike out "$10,000,000" and insert "$10,100,000."

The amendment was agreed to.

The next amendment was, under the heading "National Archives," on page 43, after line 14, to insert:

Salaries and expenses, war records: For expenses necessary for the preparation of guides and other finding aids to records of the Second World War, including personal services in the District of Columbia; arranging, titling, scoring, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings); printing and binding; a health service program as authorized by law (5 U. S. C. 150); and payment of tort claims pursuant to law (28 U. S. C. 2672); $150,000, of which not to exceed $15,000 shall be available immediately.

The amendment was agreed to.

The next amendment was, under the heading "National Capital Housing Authority," on page 44, line 5, after the word "Act", to strike out "$31,410" and insert "$34,900."

The amendment was agreed to.

The next amendment was, under the heading "National Capital Park and Planning Commission," on page 44, line 26, after the word "act", to strike out the following proviso:

Provided, That not exceeding $25,000 of funds available during the current fiscal year may be used for personal services.

And in lieu thereof to insert the following:

Provided, That not exceeding $29,000 of the funds available under the above appropriation during the current fiscal year may be used for regular and part-time personal services of the Commission, excepting services by contract.

The amendment was agreed to.

The next amendment was, on page 45, after line 6, to strike out:

District of Columbia redevelopment project planning: For printing and binding of a comprehensive plan prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $20,000.

And in lieu thereof to insert the following:

District of Columbia redevelopment project planning: For the preparation of a comprehensive plan to be prepared in accordance with the act of August 2, 1946 (60 Stat. 790), $50,000.

Mr. O'MAHONEY. Mr. President, with respect to this amendment, beginning in line 11, and going through line 14, this suggestion was made as a compromise with respect to the proposal which was made by the distinguished Senator from Nevada [Mr. McCARRAN] with respect to slum clearance in the District of Columbia. It has been discovered since the committee amendment was adopted that the plans for which provisions are made here have already been made, so that the $50,000 here provided is not necessary. I therefore ask that the committee amendment be rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the heading "Securities and Exchange Commission," on page 47, line 7, after the word "Columbia", to strike out the comma and "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents."

The amendment was agreed to.

Mr. MYERS subsequently said: Mr. President, have we considered the Securities and Exchange Commission amendment on page 47, in line 7?

The PRESIDING OFFICER. The committee amendment was considered and agreed to.

Mr. MYERS. I ask unanimous consent that we may return——

Mr. O'MAHONEY. Mr. President, may I suggest to the Senator from Pennsylvania we are operating under the order, taking up the committee amendments first. The amendment which the Senator is interested in would be taken up as an amendment from the floor.

Mr. MYERS. And we may return to that, after all the committee amendments have been acted upon. Is that correct?

The PRESIDING OFFICER. Under the rule which was adopted when the bill was first taken up, the committee amendments must be considered first.

The clerk will state the next committee amendment.

The next amendment was, under the heading "Selective Service System," on page 48, line 2, after "(5 U. S. C. 150)", to strike out "$4,500,000' and insert "$9,000,000."

The amendment was agreed to.

Mr. DOUGLAS subsequently said: Mr. President, may I ask what was done with the committee amendment on page 48, line 2, increasing the appropriation from $4,500,000 to $9,000,000?

The PRESIDING OFFICER. The amendment was agreed to.

Mr. DOUGLAS. I did not hear that action taken. I ask unanimous consent that the vote by which the amendment was agreed to may be reconsidered, in order that I may have a statement by the chairman of the committee as to why the increase is needed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered. The amendment is now before the Senate.

Mr. O'MAHONEY. Mr. President, with respect to the Selective Service System, attention should be called to the fact that the law is still upon the statute books, and that it is necessary under that law for those who are enforcing it to conduct a registration of the young men who are affected by the law. It is true that no draft is being made now, no selectees are being called to the colors. But the young men who come within the specified ages as set forth in the law must be registered, and therefore there must be the local boards, and there must be much more than a skeleton personnel.

The estimate as submitted by the Bureau of the Budget was $16,700,000, as compared with an appropriation last year of $25,000,000. The House committee reduced the appropriation to $9,000,000, and on the floor of the House, by amendment, it was reduced again to $4,500,000. Representatives of the Selective Service System appeared before our committee and asked us to increase the appropriation by $12,200,000. We did not do that, but we did go back to the $9,000,000 recommended by the House committee.

Mr. DOUGLAS. If the distinguished Senator from Wyoming will yield, I ask

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him whether the estimate or recommendation of the Budget Bureau for $16,700,000 was not based on the assumption that we would have universal military training?

Mr. O'MAHONEY. No; I do not think it was. That is not my understanding.

Mr. DOUGLAS. The President's budget carried an item of $16,700,000 extra for universal military training. The budget estimate was submitted on the assumption that universal military training would go into effect, was it not?

Mr. O'MAHONEY. The original budget estimate was adjusted to the President's recommendation of $16,700,000, on the assumption there would be no draft of men in 1950. It has since been cut twice, on that assumption, first, to $9,000,000, and then to $4,500,000. The budget estimate was based on the belief that $16,700,000 would be needed to carry on the operation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the heading "Smithsonian Institution," on page 50, line 3, after the word "grounds", to strike out "$1,057,700" and insert "$1,087,700."

The amendment was agreed to.

The next amendment was, under the heading "Tariff Commission," on page 50, line 16, after "(5 U. S. C. 55a)", to strike out "$1,200,000" and insert "$1,275,000."

The amendment was agreed to.

The next amendment was, under the heading "United States Maritime Commission," on page 51, line 21, after the word "Commission", to strike out "$62,380,424" and insert "$63,054,424."

Mr. WILLIAMS. Mr. President, the Senate is proposing to appropriate for the Maritime Commission $63,054,424, or approximately $1,250,000 more than was provided in the House bill. I, therefore, move that the figure "$63,054,424" be stricken out and that the figure "$59,901,703" be substituted therefor. This represents a 5-percent decrease in the committee's proposal for the Maritime Commission. It would affect approximately 400 of the personnel, leaving the Maritime Commission three times as much personnel as it had at any time prior to the war. In March 1941, it operated with 1,875 employees, representing less than half the number which it is now requesting. In 1938 it operated all departments with 1,073 employees, or 25 percent of the number of employees it will have after the adoption of this amendment. I feel constrained to request that the number be reduced further than that, in view of the argument made by the Senator from Wyoming last night when it was decided that the General Accounting Office had done such a magnificent job, and in view of the fact that the Maritime Commission is doing such a lousy job with the money we are appropriating for it.

Mr. O'MAHONEY. Mr. President, in all rationality I want it clearly understood that the increased personnel is not to go into the administrative office in Washington. As I think the table before the Senators shows, there is an increase of personnel in shipyards and in warehouses, but the principal increase is in the reserve fleet. The reserve fleet is important. I think much can be said in criticism of the operations of the contract activities, the differential subsidies, and the contract authorities which the Maritime Commission has. Later on, by authority of the committee, I shall offer a legislative amendment with respect to contract authority, so as to make certain that when we issue contract authority to the Maritime Commission it shall not be issued as a blank check, but that the Maritime Commission will be compelled to exercise a great deal more care than has been exercised in the past, by reporting to the Congress. I should like to read to the Senate the amendment on contract authority which will presently be offered, in order to deal with this subject. But there can be no doubt that the Maritime Commission does perform an important function, and we should be careful to see that that function is adequately carried out.

The legislative amendment which I shall presently propose on behalf of the committee reads as follows:

No part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, or to start any new ship construction the currently estimated cost of which exceeds by 10 percent the estimated cost included therefor in such budget.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. To what section of the bill does that amendment apply?

Mr. O'MAHONEY. Page 52, line 23.

Mr. WILLIAMS. We are not discussing that amendment.

Mr. O'MAHONEY. No; I am only indicating what the committee has done in its effort to hold down appropriations.

Mr. WILLIAMS. I should like to point out that what we are discussing is the subject of personnel of the Maritime Commission. The amendment the Senator is referring to has nothing to do with that.

Mr. O'MAHONEY. That is correct; but we are endeavoring to place some restrictions, real restrictions, upon the exercise of contract authority, and therefore the committee has been seeking to promote economy.

I have pointed out with respect to personnel that the increase of personnel provided for in the bill is not in the item which the Senator is discussing, but will be for the reserve fleet, for the shipyards, and for warehouses.

Mr. WILLIAMS. Mr. President, the Senator from Wyoming is somewhat confused. According to the committee report, the House is providing for 4,313 employees. The Senate is trying to increase that number by 231. I have in my hand the report of the Civil Service Commission which is supposed to include all paid employees, both inside and outside continental United States. Under the Maritime Commission are found the employees to whom the Senator has referred.

In 1941 there were 1,875 employees, as compared with the 4,000 we are asked to give the Commission at this time. In 1938 the Maritime Commission operated all its departments with 1,073 employees, or 25 percent of the number of employees it will have after the adoption of this amendment. It is true that the Commission has fewer employees than it had during the war, but I should like to remind the Senator from Wyoming that the war is over, and the Commission surely cannot expect in peacetime to maintain the wartime level of employment.

Mr. O'MAHONEY. Mr. President, I am very glad the Senator from Delaware has made that statement, because it amply demonstrates that the word "confused" should not be applied to the Senator from Wyoming, but to the Senator from Delaware.

Mr. WILLIAMS. Does the Senator from Wyoming contend that the war is not over?

Mr. O'MAHONEY. The increase in the reserve fleet is because vessels which were utilized during the war are now placed in the reserve fleet and are under the care of the Maritime Commission. Therefore the personnel had to be increased for that purpose.

The committee amendment will have the effect of increasing the number of personnel from 4,313 to 4,554; that is to say, 241. That is an increase above the House figure. The increases are in the following categories:

Shipyards, from 96 to 104; warehouses, 150 to 162; reserve fleet, 2,019 to 2,240.

So the Senator will see that the increased personnel for the reserve fleet amounts to 221, and the other increases are in shipyards and warehouses. So the increase is not, as I stated at the beginning, in the item which the Senator from Delaware has been discussing.

Mr. WILLIAMS. I am not discussing the increase, necessarily I am discussing the over-all picture of the Maritime Commission. If the amendment be adopted, reducing the amount 5 percent, the Commission will still have approximately 2½ times as many employees as it had at any time prior to the war, and four times as many as it had in 1938. It will have more employees than it had 6 months after the war started. Certainly if we are ever going to cut back expenditures, now is the time.

The Senator from Wyoming last night emphasized the fact, and I am somewhat inclined to agree with him—the Senate agreed, anyway—that the General Accounting Office should have its full requested appropriation because it had done such a fine job. We all recognize that the Maritime Commission has done one of the worst jobs of any department in Washington. The General Accounting Office has stated that the books of the Maritime Commission were in the worst shape it had ever found them. The year before that it was stated that they were worse than they had ever been up to that time. I think it is about time we put a check on the Maritime Commission. There is so much confusion

there that if we can get rid of some employees, so that each one will know what his job is, it might be possible to improve the situation.

With the adoption of the amendment the Maritime Commission, over all, will have 2½ more employees than it had prior to the war. I certainly hope the Senate will adopt my amendment.

Mr. O'MAHONEY. Mr. President, the committee has reduced the appropriation and the authority. On page 52, line 22, it will be observed that the House gave the Commission contract authority in the amount of $70,125,000. The committee reduced that to $50,000,000.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. I should like to point out to the Senator once again that we are not discussing the amendment on page 52, line 22. We are discussing the amendment on page 51, line 21, involving the appropriation which covers employees. When we reach the next page, we will discuss that amendment.

Mr. O'MAHONEY. Mr. President, what the Senator says gives the impression that the committee has been increasing these appropriations. I want the Senate to know that on the over-all we have made a reduction in the amount of money which will be at the command of the Maritime Commission during the next fiscal year.

Mr. WILLIAMS. Mr. President, the Senator from Wyoming just made an excellent argument for the amendment I have proposed, because he says that on the following page he is going to propose a reduction in the amount of money which the Commission will have to spend; yet on page 51 he is going to give them more employees and spend less money.

Mr. O'MAHONEY. That is in the administrative field, which will be necessary, in the judgment of the committee, to carry on functions which cannot be avoided.

Mr. WILLIAMS. I still urge that the Senate adopt the amendment, and I do so particularly in view of the fact that the bill has been on the Senate calendar since July 8, and during this time 62 Members of the Senate have gone on record as favoring a 5-percent cut, exactly what I am proposing by my amendment. There is nothing in the resolution 62 Members of the Senate signed which suggests that appropriations be cut in all the departments except the Maritime Commission. No; we want to cut the Maritime Commission appropriation also.

Again, we are all trying to get on the band wagon, so to speak, by favoring a reduction in excise taxes. I want it to appear in the RECORD that, in my opinion, in answering the roll calls on the pending bill, we are voting on the prospective taxes which will be levied because if we cannot reduce these appropriations, it is idiotic to talk about reducing taxes.

AUTHORIZATION TO REPORT THE ECA APPROPRIATION BILL DURING RECESS

Mr. HAYDEN. Mr. President, at the request of the Senator from Tennessee [Mr. MCKELLAR] I ask unanimous consent that the Committee on Appropriations may have authority to report back to the Senate H. R. 4830, the bill making appropriations for foreign aid, during the recess of the Senate between now and Monday.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, there will be no objection voiced by me, but I should like to ask the acting majority leader how long he thinks it will take to get action on the bill, if the Senate may care to take a recess. If he has contacted the chairman of the Committee on Appropriations, I should like to have him tell us how long it is expected the committee will sit tonight. I make the inquiry because some of us are very much interested in getting the ECA bill in shape to report back.

Mr. MYERS. The Senator from Wyoming, as well as the minority leader, the Senator from Nebraska, are members of the Committee on Appropriations, and desire to attend the meeting which was called for about 5 o'clock. The majority leader has suggested that the Senate take a recess at 5:30.

The PRESIDING OFFICER. No objection being interposed, the unanimous consent request of the Senator from Arizona is agreed to.

Mr. WHERRY. Mr. President, does the Senator from Wyoming expect a vote between now and 5:30 o'clock on the pending amendment or any other amendment?

Mr. O'MAHONEY. I am not going to ask for any vote.

Mr. WHERRY. Some of the Senators who desire to go to the meeting of the Committee on Appropriations wondered whether there would be a vote.

Mr. FERGUSON. I am satisfied there will be a vote, because the Senator from Delaware is anxious for a vote.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Mr. AIKEN. Mr. President, I should like to have some information in connection with the appropriation for the Maritime Commission. On the top of page 53 I read this language:

Provided further, That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the fiscal year 1950 in such amounts as may be necessary, in the wise discretion of the Commissioners in all the circumstances, for use in acquisition and completion of the vessels *Mariposa* and *Monterey*, or either of them, as authorized in the said Supplemental Independent Offices Appropriation Act, 1949.

Mr. President, in reading the House committee report on the pending bill I find the following statement on page 32:

In continuing this provision the committee wishes to make it clear that action taken is left to the discretion of the Commissioners, and that in acquiring the *Monterey* or the *Mariposa* or both from Oceanic and in their sale to another United States-flag operator it is to be understood that the Commission may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvements to the vessels or both, but that it may not "bail out" Oceanic for its managerial mistakes.

I see nothing in the text of the bill relating to the bailing out, or any prohibition against bailing out Oceanic because of managerial mistakes. Can the Senator from Wyoming advise the Senate what those managerial mistakes referred to may be?

Mr. O'MAHONEY. Mr. President, the Senator from Vermont has addressed an inquiry to me with respect to the provisions in the bill dealing with the reconversion and improvement of the vessels *Mariposa* and *Monterey*. I am very happy the Senator has raised this question, because it aroused my interest in the hearings of the committee.

I have not seen the report from which the Senator read, but I listened to the language, and it is familiar to me. I am sure it is the report of the subcommittee he is quoting. The language to which the Senator referred, the warning against bailing out the owners, was in the subcommittee report, but it did not appear in the final report which came to us.

We checked upon this matter—and the Senator will find the evidence upon it—and because of that we did two things. We inserted the word "wise" in line 8, page 53, and the words "in all the circumstances" in the same line, so that there is an injunction in the bill which calls to the attention of the Maritime Commission the necessity of using its wise discretion in all the circumstances for the use and acquisition and completion of the vessels *Mariposa* and *Monterey*.

Mr. President, it appears that these two vessels, which were the property of the Oceanic Steamship Co., which in turn is a subsidiary of the Matson Line, were used by the Government during the war. They were, after the war, to be returned to the owners, that is to say the Oceanic Steamship Co. The owners were entitled to have them reconditioned, that is to say restored to the condition in which they were previously. It was desired, however, to have some improvements made. The bids apparently were secured by the Maritime Commission to have this work done at the Newport News shipyard at the price of about eight and one-half million dollars each.

Mr. AIKEN. Eight million two hundred thousand dollars each. That was the firm bid.

Mr. O'MAHONEY. That was the firm bid by the east-coast shipbuilding company, a well-equipped company. But the owners wanted the work to be done in the shipyards of the Matson Line on the Pacific coast. The work was undertaken and the cost greatly exceeded not only the bid which was offered by the east-coast shipbuilders, but exceeded the estimates of the Matson Line and the Oceanic Steamship Line itself, so that they

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were compelled to abandon the rehabilitation and reconversion and improvement.

An effort was made thereafter to have one of these vessels turned over to the Oceanic Co. for the amount of work which had already been done, and then that the Maritime Commission should take back the other ship, thereby relieving the owners of the burden of the managerial mistakes to which the Senator refers.

The Senate committee, in order to make certain that it should not be overlooked, wrote this paragraph into the report:

> The Senate committee has taken note of the report of the House committee concerning the ships *Mariposa* and *Monterey*. This committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of the United States in all such negotiations.

But as chairman of the committee I undertook to go a step further, and I wrote a letter to General Fleming, the Chairman of the United States Maritime Commission. I shall read the letter into the record. It will be in response to the inquiry of the Senator from Vermont. The letter was dated July 13, 1949, addressed to Maj. Gen. Philip B. Fleming, Chairman, United States Maritime Commission, Washington, D. C., and is as follows:

> DEAR GENERAL: You will recall my telephone conversation with you shortly after the hearings on the independent offices appropriation bill at which witnesses for the Maritime Commission were heard. I called your attention at that time to the testimony with respect to the reconversion and improvement of the ships *Mariposa* and *Monterey*, which was given both before the House and the Senate subcommittees.
>
> It was with this in mind that the Senate committee has written into its report, on page 10, the following paragraph:
>
> "The Senate committee has taken note of the report of the House committee concerning the ships *Mariposa* and *Monterey*. This committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of the United States in all such negotiations."

Then I proceed in the letter:

> In addition to the foregoing, the committee amended the paragraph of the bill dealing with the acquisition and completion of the two vessels by inserting the word "wise" before the word "discretion" and the words "in all the circumstances" after the word "Commissioners," so that the sentence reads:

Then I set it forth as it appears in the bill. The letter continues:

> The purpose of these amendments was to emphasize the concern of the committee with respect to the action that may be taken for the restoration, improvement, or purchase of one or both of these vessels.
>
> It is my understanding that the cost of reconversion and improvement of the two vessels was so vastly in excess of original estimates and bids that the work was finally abandoned and that there has now been some discussion of applying the unpaid balance upon one of the vessels and having the Maritime Commission purchase the other. It is my understanding, further, that under the law the Maritime Commission may not acquire any vessel in these circumstances unless it has a known purchaser. Without such a purchaser a vessel now acquired by the Maritime Commission would in all probability have to be laid up with other vessels now in the reserve fleet.
>
> The committee did not have sufficient time to hold a detailed hearing upon the matter and I therefore take the liberty of calling your attention to the circumstances which led the committee to amend the bill and to make the statement contained in the report.
>
> Sincerely yours.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. Does the Senator from Wyoming believe that that letter is sufficiently binding to prevent the Maritime Commission from bailing out the steamship company?

Mr. O'MAHONEY. Mr. President, I believe the Maritime Commission has been put sufficiently on notice so there is no danger of that.

Mr. AIKEN. Does not the Senator from Wyoming understand that three of the five members of the Maritime Commission are apparently in favor of bailing out this steamship company, and that one of them has already asked to have the matter reopened?

Mr. O'MAHONEY. I was not aware of that.

Mr. AIKEN. Furthermore, does not the Senator understand that when these two ships, the *Mariposa* and the *Monterey* were returned to Oceanic there was a flat allowance made by the War Shipping Administration on each vessel which ran between $5,000,000 and $6,000,000 for each one?

Mr. O'MAHONEY. I do not have the figures in mind. What the Senator says bears out what I said in the letter to General Fleming. The circumstances are as the Senator describes them, but what the exact figures were I do not know.

Mr. AIKEN. The War Shipping Administration made an allowance of $6,000,000 on each vessel, and the ship company at that time expressed itself as being very well pleased with the deal. Then bids were called for, for the reconversion of the vessels plus some improvements which the company desired for itself. The Newport News Shipbuilding Co. bid $8,200,000 on each of the vessels for reconverting them and fixing them up with improvements. Incidentally both ships are 18 years old. However, rather than let this firm contract to have the work done for $8,200,000 for each ship, the Oceanic turned the business over to——

Mr. O'MAHONEY. To the Matson Line shipyard.

Mr. AIKEN. The United Engineering Co., which is a subsidiary of the Matson Line, and as the work progressed—it was about two-thirds completed on one of the boats and one-third completed in the other—it was found that it was going to cost, not the $8,200,000 which had been bid by the Newport News Co., but more than $15,000,000 per boat in the way the work was being done.

Mr. O'MAHONEY. Mr. President, I may say to the Senator that there are specific provisions of law already existing which I think must guide the Commission. One of these is section 215 of the Merchant Marine Act of 1936. Then there is section 502 (g) of the 1936 act, and section 501 (c). These sections provide the specific conditions under which the Maritime Commission may acquire vessels. It may not do it unless it has a present contract of resale so as to protect the Government.

Mr. SALTONSTALL. Mr. President, will the Senator from Wyoming yield?

Mr. AIKEN. In a moment. What I am trying to do is to get into the RECORD the information from the Senator from Wyoming, so as to make it impossible for the Maritime Commission to dip into the United States Treasury for $10,200,000, which is what it would amount to, and make a present of it to the Oceanic Steamship Line, or a subsidiary of the Matson Line.

Mr. O'MAHONEY. Mr. President, I think the committee, in the bill and in the report, has said exactly what the Senator from Vermont has been saying, but in more diplomatic and less blunt language.

Mr. AIKEN. Almost any language is more diplomatic than what the Senator from Vermont uses.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TOBEY. I merely wish to point out for the benefit of the Senate that the language which the distinguished Senator from Vermont used is typical Vermontese. He uses language to convey thought, not to conceal it. There is truth and integrity behind Vermont language, and there is a punch in it.

Mr. O'MAHONEY. We will all agree to that.

Mr. AIKEN. I thank the Senator from New Hampshire.

I should like to ask this question, which the Senator from Wyoming has already partially answered: Does the statement made by the committee mean that the Maritime Commission cannot use Government funds to purchase one or both of the vessels, unless the Commission has a simultaneous sale therefor?

Mr. O'MAHONEY. Precisely. It must carry out the law.

Mr. AIKEN. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. Does the language of the committee mean that there can be no further donations by the Commission for putting vessels into operation, except perhaps a construction differential subsidy allowance on such improvements as may be added to the vessel in the event the Commission buys it for sale to another operator?

Mr. O'MAHONEY. That is my judgment. I do not wish to use the word "further." I do not want to assume that there have been any gifts. We have not investigated that question. Certainly the committee is against any gifts.

Mr. AIKEN. Let me quote from the Senate committee report:

> The Senate committee has taken note of the report of the House committee concerning the ships *Mariposa* and *Monterey*. This

committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of United States in all such negotiations.

Is it a fair assumption that the Senate committee agrees with the view of the House subcommittee, from whose report I first read?

Mr. O'MAHONEY. So far as the present spokesman of this committee is concerned, that is precisely our view.

Mr. AIKEN. If the Maritime Commission uses any number of millions of dollars in bailing out this steamship line from a predicament into which it got itself involved, it will be acting directly against the intent of the Congress.

Mr. O'MAHONEY. That is my view.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. I merely wish to add my word to that of the Senator from Vermont. The chairman of the subcommittee will recall that he and I had an interview with Mr. Marshall, manager of the Maritime Commission. He had a very thorough understanding of the problems involved in the *Mariposa* and *Monterey* cases. He stated to us very emphatically that there would be no gift, that there would be no money put in unless there was a contract of resale. I certainly came away from that meeting, where the Senator from Wyoming and I were with Mr. Marshall for more than an hour, with the firm conviction that there would be no Government money wasted.

Mr. O'MAHONEY. I am very happy that the Senator from Massachusetts has reported that conversation to the Senate. Mr. Marshall assured us personally that the Commission had no intention of doing anything except that which is outlined here.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. I merely wish to make sure that the RECORD is clear with respect to one item. If the United States Government puts a certain amount of money into these two vessels, as has been indicated, there must be a sale for them. Must the Commission have a sale under such conditions that it will not lose anything it has put in?

Mr. O'MAHONEY. The provision of law which governs such transactions is, I believe, section 502 (g) of the Maritime Act of 1936. As I understand, that section provides that a vessel may not be bought unless there is a simultaneous opportunity for resale to another United States flag operator.

Mr. FERGUSON. But the resale does not mean at a price such that there will not be any loss.

Mr. O'MAHONEY. Oh, no; there is no subsidy involved in such a resale, as I understand.

Mr. FERGUSON. That is what I wanted to be sure of—that in case of such resale there will be no subsidy.

Mr. O'MAHONEY. That is certainly my understanding of the law. I am frank to say that I have not read the law today.

Mr. MAGNUSON. That is correct.

Mr. O'MAHONEY. The Senator from Washington, who is a member of the Committee on Interstate and Foreign Commerce, says that that is a correct interpretation.

Mr. FERGUSON. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. I should like to make a few remarks on the amendment before I leave to attend an Appropriations Committee meeting.

Mr. O'MAHONEY. In view of the fact that we have agreed to take a recess at 5:30, and the fact that it is quite obvious that we would have to have a quorum call, I was about to say that I shall ask the Senate not to vote on the amendment now, but take a recess.

Mr. FERGUSON. Then I can obtain the floor on Monday.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. MAGNUSON. I should like to have the attention of the Senator from Michigan also.

I think the RECORD should show that in this particular case, which is a matter about which most of us know, there is an obligation on the Government to recondition these ships to a certain degree and return them; but the argument is over the amount.

Mr. O'MAHONEY. That is just what the Senator from Vermont wants to know. He wants to know whether the Federal Government is going to put in a great amount of money, and then give the vessels back to the line. Is not that correct?

Mr. AIKEN. That is entirely correct. As I understand, it would cost the Federal Government $10,200,000 more than it has already allowed the company, in order to do that.

Mr. FERGUSON. So we would suffer a direct loss of $10,200,000.

Mr. AIKEN. That is correct.

Mr. FERGUSON. That is what the Senator from Vermont wants to be assured will not happen.

Mr. AIKEN. The thing that concerns me is learning that one of the Commissioners has already asked to have the case reopened, so as to revise the redelivery settlement contract between the War Shipping Administration and the Oceanic Co., to enable the Commission to do things which it ought not to do.

Mr. FERGUSON. That is the reason why the Senator from Michigan asked the Senator from Wyoming if there could be a differential which would amount to a subsidy.

Mr. MAGNUSON. Under the law that could be done; but I feel just as the Senator from Massachusetts and the Senator from Wyoming feel. This matter has been so much in the limelight that I cannot believe the Commission would make any such arrangement with this company without consultation not only with Members of Congress, but with the President of the United States himself. Under the law the Commission could do some of the things of which the Senator from Vermont is fearful; but I have sufficient faith in General Fleming to believe that nothing of that kind could happen.

Mr. FERGUSON. I hope the Senate takes some action in this bill which will prohibit such a thing, because the past experience of the Senator from Michigan—and I am sure that of the Senator from Vermont—is such that we know that the Maritime Commission has often had a disregard for the law. I think the record clearly shows that to be so.

Mr. AIKEN. Mr. President, I should like to express full confidence in General Fleming, but I have a great deal of fear that he may be in the minority on the Commission in this particular case. That is why I believe that the Senate should tie this provision down so as to make sure that the majority of the Commission cannot take $10,000,000 or more of tax money and virtually make a present of it to a steamship company.

Mr. O'MAHONEY. Mr. President——

Mr. AIKEN. These ships are within 2 years of reaching the retirement age. They are 18 years old. Under the law they will have no cash value after they are 20 years old.

Mr. O'MAHONEY. Mr. President, as I have said before, I quite agree with the statements of the Senator from Vermont. The committee did not write a legislative amendment, because the committee is aware of the rule against legislation upon an appropriation bill. Therefore, so far as the subcommittee was concerned, when we knowingly proposed any legislation we filed notice of a motion to suspend the rule. Three such notices were filed by the chairman.

In this connection it was deemed that the admonition in the report of the House subcommittee, the admonition in the report of the Senate committee, and the change of language in the bill itself, as reported by the committee, coupled finally with the letter from the chairman of the subcommittee to the chairman of the Maritime Commission, would make certain that the law would be carried out.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAGNUSON. I think possibly the better procedure would be to have the Senate Committee on Interstate and Foreign Commerce, which is aware of this situation, also send a communication to the Maritime Commission suggesting that before any proposal is acted upon by the Maritime Commission with respect to these two vessels the proposal be subject to the scrutiny not only of the legislative committee of the Senate, but also of the appropriations subcommittee.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am happy to yield.

Mr. SCHOEPPEL. Is the Senator conversant with the memorandum which was directed to the Maritime Commission by Commissioner Raymond McKeough?

Mr. O'MAHONEY. Yes; I have been aware of it; I have seen it. Mr. McKeough appeared before the committee and testified there.

Mr. SCHOEPPEL. If it is a memorandum dated July 18, 1949.

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Mr. O'MAHONEY. Yes; I have seen that memorandum.

Mr. President, I should like the RECORD clearly to show that I am not only familiar with the memorandum, but Commissioner McKeough appeared with the Commission at the hearings; and in response to inquiries by the chairman of the subcommittee, he gave the subcommittee information with respect to the situation. I am confident that Commissioner McKeough agrees completely with everything the committee has done, and desires to protect the United States from any waste of funds.

Mr. DOUGLAS. Mr. President, I should like to inquire of the Senator from Wyoming if it is not a fact that in connection with the action the Maritime Commission took, and for which I think the Commission has very properly been criticized, there was one member who constantly dissented from the decisions of the Maritime Commission, and sought at all times to protect the interest of the public. I refer to the Honorable Raymond S. McKeough, who is a distinguished citizen of the State of Illinois. Is it not true that Commissioner McKeough was a constant dissenter from the policies of the Maritime Commission which have been criticized here this afternoon?

Mr. O'MAHONEY. Whether he was a constant dissenter, I do not know. I cannot testify as to whether Commissioner McKeough was constantly dissenting. I think he probably has done some cooperating, too. But I am satisfied that he was a dissenter with respect to some of the suggestions which have been made with respect to the *Monterey* and the *Mariposa*, which have been criticized today and have been criticized by the committee.

I am very happy to know that the Senator from Illinois, who comes from the same State which Commissioner McKeough represented in the House of Representatives with honor and distinction for several terms, rises to call attention to the sterling character of the service he has rendered.

THE FALL FILM FESTIVAL

Mr. MYERS. Mr. President, I am about to suggest that the Senate proceed to consider executive business. We agreed that the Senate would take a recess at about 5:30 p. m. today. I understand that the Senator from Oregon [Mr. MORSE] has a few remarks he wishes to make at this time. I now yield to him.

Mr. MORSE. Mr. President, I should like to call the Senate's attention to the proposal for a fall film festival to be celebrated in October in every State, city, village, and hamlet of the United States.

We all know the great role that the motion-picture producers, distributors, and exhibitors played during the war. They worked together, side by side; the big, the small, the affiliated, and the unaffiliated worked for a common objective. They sold war bonds, made and distributed pictures for our armed forces, and sponsored, created, and supplied the lifeblood of the entertainment for the USO camps. They demonstrated that all the different segments of this great industry can and do work together for the good of America.

It is proposed that in October we witness, for the first time in the history of this country, a renaissance of motion pictures. Gael Sullivan, who is executive director of the Theatre Owners of America, has proposed that during that month the five major motion-picture producers release two of their top productions, and that each of the smaller producers release one of its best pictures, to be shown throughout the United States during the film festival. Mr. Sullivan proposes to coordinate the film festival activities, a committee which would have among its members every important segment of the industry. The committee consists of the following:

Eric Johnston, Motion Picture Association of America.

Ellis Arnall, Society of Independent Motion Picture Producers.

Max Youngstein, Associated Motion Picture Advertisers, Inc.

Abe Montague, vice president and sales manager, Columbia Pictures, Inc.

William Rogers, general manager of sales distribution, Loew's, Inc.

Andrew W. Smith, Jr., vice president in charge of domestic distribution, Twentieth Century-Fox.

Ted R. Gamble, chairman of the board, Theatre Owners of America.

Abram F. Myers, general counsel and chairman of the board, Allied States Association of Motion Picture Exhibitors.

Rotus Harvey, president, Pacific Coast Conference of Independent Theatre Owners.

The proposal for a fall film festival has been greeted everywhere with enthusiasm. I wish to add my voice to those who not only approve but affirmatively support and champion the idea. We have a right to be proud of the great pictures which we have produced in America. The pictures of no other country can compare with them. These pictures—whether adaptations from literature or original stories, whether comedy or tragedy, or whether historical or fictional—represent a cross-section of America, and were produced in a free-enterprise system. They were produced for our entertainment and education. During the month of October, all America will have the opportunity, once again, to see the best 20 of these pictures.

I think America is fortunate in having a man of Mr. Sullivan's vision and drive in this important industry. In the fall film festival he has presented not only a new idea but a new vision—a vision of a festive occasion when America will reenjoy the best of its creative talents.

At this point, I should like to include in my remarks Mr. Sullivan's memorandum on the fall film festival, and I wish to state that I hope all my colleagues in the Senate will make it a point to go to the movies frequently during that month, while they are back home, when all of us shall have an opportunity to see the best that has ever been produced in motion pictures.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

NO TIME FOR JITTERS

This is no time for the motion-picture industry to get the jitters, no time for finger pointing by anyone in production, distribution, or exhibition at who is to blame for the slump in box office.

This is the time for planning, production, and promotion—planning to do when we can't do what we are doing now—producing a continuing quality of product that appeals to an America that has grown more aware and selective, promoting appeals for theater attendance that avoids the hokum and extravagant ballyhoo of the carnival barker.

America as a nation has grown up. The instincts of our people in selecting food, clothing, housing, and leisure-time pursuits has matured.

When the market dwindles for any product the executives directing the enterprise ask why.

Separating the major factors from the minor it will be found in most cases that the quality of the product has fallen short of a consistent par, or the methods of exploitation are outdated and uninspired.

What's to be done?

We know the formula—it's as simple to state as it is difficult to achieve. Better product, plus better exploitation, plus better theaters equal better box office.

We also know that until an industry comes to grips and engages in actual combat in the economic arena of America with dynamic competition it still has the facts of life to learn.

It is true that competition within the motion-picture industry is intense, but it is likewise true that no matter who got the public's dollar it still reached the pockets of someone in the industry. The weak, the mediocre, the good, and the strong all received their share. There was enough for all.

For almost a generation there has been relatively few with whom we were compelled to divide the public's leisure hours and its spare dollars. It was all ours.

Now something is happening and the lobby sale of popcorn is a woeful answer. In recent years other forms of night entertainment have started to lure the millions seeking escape from the humdrum of daily existence.

Night baseball, night football, night racing are taking in millions in revenue that formerly went to motion pictures. Furthermore, who can measure the impact of television with its free visual entertainment upon the motion-picture industry?

THE TIME FOR ACTION IS HERE

Our statisticians have recently assembled many unpleasant charts and graphs, showing that the motion-picture industry is taking in less money, much less money in relation to national income, than it ever has before.

The march of events has decreed that the manufacturer of films and the dealers selling the public must go out and fight for the consumer's dollar, just as aggressively, just as resourcefully as the manufacturers and dealers of tires or washing machines.

When we place a truly fine picture upon the screen we give the audience value that cannot be matched in any other field of human enterprise. But when we fail to do this millions turn away from us, perhaps regretfully, toward other forms of entertainment.

BOX OFFICE WILL BE WHAT WE MAKE IT

Under the pressure of competition from other types of entertainment and the increasing scarcity of money for any purpose other than life's prime needs, we must of necessity reassess the creative capacities of our industry and bring to the strayed millions of American moviegoers, new, brilliant reasons for returning them to our theaters in numbers like the wartime peaks.

Back of our hope and dream for a bigger and better box office in motion pictures is the cold, clear fact that 60,000,000 persons in this country seldom, in fact rarely, go to the movies.

This is the new market we must fight for. It is obviously no push-over job. Most of these millions are 40 years of age and older, and are in the middle-income bracket. They are dollar conscious, discriminating, and do not hold their leisure time cheaply. It will take good pictures to bring them to the theater as has been proved by box office results from several recent hits based on segments of real life.

BRINGING STRAYED MILLIONS HOME

All of us understand the problems involved in making good pictures. It does not lie within the capacity of our industry to produce one masterpiece after another, and frankly, although we can hope for the millenium, we do not expect it. We deeply appreciate the skill, the genius, and the many rare gifts that must blend in perfect combination to produce a top quality picture.

Unfortunately the public is not so understanding.

It is our belief that the hour has come when we can with great reward, act as an industry in a planned, concentrated drive to recapture and hold these wayward millions.

It is our opinion, the efforts of no single producer acting alone, has sufficient hitting power to create the deep, broad revival we all seek. But with all producers, distributors, and exhibitors acting in planned unison, here we have an almost magical strength, here we have the means of staging a great exploitation, backed by top performance on a magnificent scale.

Let us by advance planning arrange for a Nation-wide film festival period when more people can see more fine pictures than in any previous period in our entire colorful history.

Let us resell on an imposing scale the beauty, the laughter, the wisdom, the profound and vast understanding we have of human emotions and aspirations as portrayed on our screens.

PLAN FOR INDUSTRY-WIDE FILM FESTIVAL

To establish significant importance to an event in the minds of a hundred million people requires exploitation on a heroic scale. No single producer, no distributor, no exhibitor can accomplish this alone.

But with producers, distributors, and exhibitors acting as a solid group with their sales plans concentrated and coordinated, great impact will be achieved.

It is proposed that the month of October 1949 be set up as a gala festival period during which time we people in the motion-picture industry, on the basis of merit and the backing of intense exploitation will win millions of new and reestablish millions of old friends for our product.

To do this, all the men in the seats of power are asked to relax at least temporarily a number of time-worn methods * * * and give to this festival the stimulus of new broad horizon thinking.

1. Each of the five major studios would release two of their top productions through their own channels of distribution. Each of the smaller producers would release one high-grade picture. As a result up to 20 good pictures would be made available for the film festival.

2. Instead of the usual 250 or 300 prints of each feature being released during this period the number should be doubled. Make it possible for the maximum number of people to see top-quality pictures during the festival. To do this, distributors and exhibitors should relax the usual clearance so that every theater playing "A" pictures would be able to show a fair share of the festival pictures during October.

3. Exhibitors will take liberal space in newspapers beginning in September, heralding the dawn of a new era in motion pictures and that the fall film festival is overwhelming proof of our industry's capacity to do great and human things.

4. A showman's committee would be formed is each State and exchange area. It would make available the best exploitation techniques for civic, commercial, and social acceptance.

5. During the period of the festival itself, producers and distributors are asked to double their normal monthly advertising budgets, using half of the expended amount for local advertising campaigns, the cost of which will be shared by local exhibitors showing the pictures.

6. Simultaneous premieres of festival features should be arranged in key cities throughout the country, with exhibitors provided with suitable promotional material, and stars appearing in the pictures asked to make as many personal appearances as possible to stimulate interest in the showings.

We are confident that this spectacular promotion based on an era of fine pictures will supply the spark needed to set in motion the return of millions of persons to our theaters. It will reestablish the theatergoing habits of the countless many who have turned to other forms of entertainment. It will furnish eloquent evidence that our industry when confronted with a job to do can plan together, work together, and succeed together.

Fortunately our industry is richly endowed with men of great ability. The motion-picture field has within it the brains, the resourcefulness, the organizing qualities to take hold of this festival idea and convert it into a living, driving force. Here is our idea of a group of men who would make an ideal festival committee:

PROPOSED COMMITTEE TO COORDINATE FALL FILM FESTIVAL

Eric Johnston, Motion Picture Association of America.

Ellis Arnall, Society of Independent Motion Picture Producers.

Max Youngstein, Associated Motion Picture Advertisers, Inc.

Abe Montague, vice president and sales manager, Columbia Pictures, Inc.

William Rogers, general manager of sales distribution, Loew's, Inc.

Andrew W. Smith, Jr., vice president in charge domestic distribution, 20th Century-Fox.

Ted R. Gamble, chairman of the board, Theatre Owners of America.

Abram F. Myers, general counsel and chairman of the board, Allied States Association of Motion Picture Exhibitors.

Rotus Harvey, president, Pacific Coast Conference of Independent Theatre Owners.

We have arrived at a point of moving forward or standing still. The chain reactions of confidence can offset the chain reactions of fear.

The leadership of this industry has a surplus of courage and vision but it must be translated into concentrated and constructive action.

The thinking and the doing that can create this festival of motion pictures can be sparked in a matter of hours—the pay-off will last for months.

Playing your part in this challenging endeavor has a triple compensation:

1. You have helped to advance a great industry.

2. You have participated in the financial rewards.

3. You have developed a greater appreciation by millions of Americans of one of their most sustaining forms of entertainment and enlightenment.

Let the leadership of production, distribution, and exhibition prove it can be done. Let's take off our coats and go to work.

EXECUTIVE SESSION

Mr. MYERS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. STENNIS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. THOMAS of Utah, from the Committee on Labor and Public Welfare:

Philip M. Kaiser, of Virginia, to be Assistant Secretary of Labor.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

Mr. MYERS. Mr. President, at the request of the minority leader, the distinguished Senator from Nebraska [Mr. WHERRY], I request that we pass over the nominations contained on page 1 of the Executive Calendar.

The PRESIDING OFFICER. Without objection, that will be done.

The clerk will proceed to state the nominations appearing on the subsequent pages of the Executive Calendar.

CONCILIATION COMMISSION FOR PALESTINE

The Chief Clerk read the nomination of Paul A. Porter, of Kentucky, to be representative of the United States of America on the Conciliation Commission for Palestine.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The Chief Clerk read the nomination of Richard H. Britt to be lieutenant, junior grade, in the United States Coast Guard.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Robert D. Fuller to be lieutenant, junior grade, in the United States Coast Guard.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

JUVENILE COURT OF THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Edith H. Cockrill, of the District of Columbia, to be judge of the Juvenile Court of the District of Columbia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. MYERS. Mr. President, I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc; and, without objection, the President will be notified forthwith of all confirmations of nominations made today.

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Mr. WHERRY. Mr. President, in order that there may be no mistake or misunderstanding in regard to the order, I wish to state that I understand that the order was that the nominations on page 1 of the Executive Calendar be passed over.

The PRESIDING OFFICER. The Chair so understood; and without objection, that was done.

NOMINATION OF PHILIP M. KAISER TO BE ASSISTANT SECRETARY OF LABOR

Mr. PEPPER. Mr. President, the Senator from Utah [Mr. THOMAS] has reported, from the Committee on Labor and Public Welfare, the nomination of the Honorable Philip M. Kaiser, of Virginia, to be Assistant Secretary of Labor. May I say by way of explanation that the able Senator from Oregon, a member of that committee, is now on the floor. The committee considered the nomination this morning, and the nomination is unanimously reported to the Senate.

Inasmuch as we may not have a call of the Executive Calendar on Monday afternoon, and inasmuch as the office to which Mr. Kaiser has been nominated is a most important one, and he should proceed with the discharge of his new duties at the earliest possible time, I wonder whether there would be objection to having the nomination considered at this time.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, I hoped that the distinguished Senator from Florida would not request consideration at this time, in view of the statement I made last week in regard to nominations. I must insist that all nominations take the regular order for the remainder of the session. I think that is the only way to proceed in regard to all nominations. I wish the RECORD to show that I have no objection at all to the confirmation of this nomination, and I should like to accommodate the Senator from Florida. But after the statement which has been made—and I think the acting majority leader will agree with me—it is clear that the regular procedure on these nominations should be followed.

RECESS TO MONDAY

Mr. MYERS. Mr. President, as in legislative session, I move that the Senate now stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 41 minutes p. m.) the Senate took a recess until Monday, August 1, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 29 (legislative day of June 2), 1949:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be surgeon (equivalent to the Army rank of major), effective date of acceptance:

Milton W. Gwinner

To be scientist (equivalent to the Army rank of major), effective date of acceptance:

Keith J. Perkins

Senior dental surgeons to be dental directors (equivalent to the Army rank of colonel):

James F. Lewis
Thomas L. Hagan
James S. Miller

Senior scientists to be scientist directors (equivalent to the Army rank of colonel):

Howard L. Andrews.
Heinz Specht
G. Robert Coatney

IN THE MARINE CORPS

The below-named officer for appointment to the permanent grade of first lieutenant for limited duty in the Marine Corps:

Paul Adams

CONFIRMATIONS

Executive nominations confirmed by the Senate July 29 (legislative day of June 2), 1949:

CONCILIATION COMMISSION FOR PALESTINE

Paul A. Porter to be representative of the United States of America on the Conciliation Commission for Palestine which was established by resolution of the General Assembly of the United Nations December 11, 1948.

UNITED STATES COAST GUARD

To be lieutenant (junior grade)

Richard H. Britt
Robert D. Fuller

JUVENILE COURT OF THE DISTRICT OF COLUMBIA

Edith H. Cockrill to be judge of the juvenile court of the District of Columbia. (New position.)

POSTMASTER

HAWAII

Emil W. Balthazar, Makawao.

IDAHO

John J. Delo, Soda Springs.

MASSACHUSETTS

Clara E. Dion, Northbridge.
Lawrence Soule, Norwell.
Earle O. Phillips, Rochester.
Walter Paul Lech, Thorndike.
Altha M. Shay, Westminster.
Ruby M. Durkee, West Peabody.

MICHIGAN

Frank G. Sibal, Jr., Albion.
Manard W. Hunt, Clarksville.
George M. Jacoby, Deford.
George A. Stahl, Dowagiac.
Calvin B. Talheim, Evart.
Percy T. Morden, Hazel Park.
Beatrice Gissberg, Hulbert.
Lionel R. Haight, Mount Pleasant.
Guyles M. Dame, Northport.
Horace P. Wheeler, Omena.
Monroe G. Dunlap, Oxford.
Hal O. Fry, Potterville.
Edward J. Stimac, Trimountain.

MINNESOTA

Harold C. Berg, Atwater.
Dennis J. Peterson, Audubon.
Charlotte C. Keniston, Champlin.
Alton L. Nelson, Chokio.
Beatrice V. Martinson, Conger.
Oscar G. Brustad, Crookston.
David G. Polzin, Dover.
Paul P. Wade, Frazee.
Percy C. Miller, Granite Falls.
Harland E. Estensen, Hancock.
Max H. Casey, Jordan.
Lester V. Borneman, Karlstad.
Harold S. Rolland, Kensington.
Oswald J. Hoese, Mayer.
Thomas E. McGowan, Millville.
Charles J. Tomasek, Milroy.
Ella V. Closner, Pine Island.
Gene A. Landwehr, Sedan.
Floyd J. Lepper, Verndale.

MISSOURI

Donald V. Raney, Chula.
Vivian R. Thornhill, Gray Summit.
Robert G. Simpson, Herculaneum.
Roy Southern, Newburg.

MONTANA

Howard F. Lemm, Twin Bridges.

NEW JERSEY

Anthony C. Collura, Jamesburg.

NEW YORK

David E. McCarthy, Alden.
Walter S. Commerdinger, Jr., Nesconset.
Florence M. Ripple, Poestenkill.
Bessie C. Paddock, Westernville.

NORTH DAKOTA

Richard S. Rhoades, Killdeer.
Roy R. Just, New Salem.
Doyle W. Gordon, Regent.

OHIO

Darrell L. West, Albany.
Donald E. Weber, Apco.
Lydia M. Crawford, Arcadia.
Wiley K. Connor, Belle Center.
Kathryn W. Moore, Bellefontaine.
Lee A. Andrews, Birmingham.
Robert E. Jacoby, Blanchester.
Elmer C. Marburger, Bolivar.
Jerald J. Leiber, Brookville.
Helen M. Murphy, Centerville.
Alta C. Singer, Jr., Chesapeake.
Charles H. Steinhauser, Clarksburg.
Helen Milner, Clarksville.
Howard H. Kirkendall, Continental.
Clinton R. Schafer, Darrowville.
Francis Wayne Roof, Delroy.
Doris A. Kempf, East Sparta.
Andrew T. Kalis, Fairpoint.
Charles F. Roberts, Fayetteville.
Harry L. Flesher, Frankfort.
Evelyn R. Brunson, Grand River.
Emmett W. Todd, Grove City.
John O. Jackson, Harrison.
Ernest P. Wise, Jefferson.
Howard W. Brown, Kelleys Island.
John W. Fulton, Jr., Kinsman.
John S. Southard, Linworth.
Charles C. Marcinko, Long Bottom.
Curtis L. Ford, Mansfield.
James M. Cligrow, Mechanicsburg.
Harry E. Dickerson, Milan.
James E. Brake, Milford Center.
Helen M. Rodocker, Mount Eaton.
Robert A Mitchell, New Madison.
Joseph S. Bosko, New Milford.
John H. McCarthy, North Lawrence.
Donald W. Wilson, Ostrander.
Frank Koenig, Otway.
Helen M. Riley, Payne.
Robert A. Clark, Phalanx Station.
Morley F. North, Randolph.
Lavada A. Myers, Rio Grande.
Helen T. McCall, Rogers.
Mary A. Bedwell, Rossmoyne.
Frank B. Shuffelton, St. Marys.
Norman C. Juchum, Strongsville.
Carl Palmer, Uniontown.
Clarence L. Nickels, Wellsville.
William E. Smith, Woodsfield.
David C. Bradfute, Xenia.

PENNSYLVANIA

LeRoy A. Starr, Adamsdale.
John H. Neese, Adamsville.
Robert N. Lankard, Alexandria.
Walter W. Petrick, Bridgeville.
Harland H. Hardesty, Bruceton.
Roy P. Rentschler, Centerport.
Peter T. Keenan, Cheltenham.
Kenneth C. Hart, Cochranton.
Richard M. Blomquist, Cogan Station.
Bessie S. Robinson, Concordville.
John N. Chernick, Cornwall.
Donald C. Fitzsimmons, Corsica.
George E. Meyers, Cowansville.
William T. Peters, Davisville.
Robert B. Jewart, Dayton.
Anna L. Leonard, Delmont.
Norman L. Pennington, Dilliner.
Roy K. Hartman, Dilisburg.

Anthony E. Ott, Duncansville.
Karl H. Sitler, East Prospect.
Anthony P. Mazanek, East Vandergrift.
Catherine E. Henderson, Eddington.
Sheridan L. Hower, Elysburg.
Hall Krone, Etters.
Francis E. Hellerick, Fountainville.
Arthur H. Christy, Hollidaysburg.
Cort Paul Specht, Jacobs Creek.
Mary C. DeCurtis, Jamison.
Roy M. Hoffman, Jeannette.
Edna M. Albright, Kempton.
George M. Lehr, Kintnersville.
William H. Stewart, Merion Station.
Ruth M. Tritch, Middletown.
Helen E. Wheeler, Millerton.
J. Elizabeth Chapman, Montgomeryville.
John E. O'Brien, Montrose.
Donald B. Taylor, Morwood.
Louis Joseph DePaul, Mount Pocono.
Harry S. Welsh, Murrysville.
Michael A. Rechichar, Nemacolin.
Robert S. Burns, Newtown.
Steward R. Stauffer, Palm.
Edward C. Maholtz, Penfield.
Clarence E. Nichelson, Perryopolis.
George W. Lauck, Pine Grove Mills.
Wilmer Swartz, Pipersville.
Francis T. Tracey, Pittston.
Arthur H. Miller, Point Marion.
Charles Ferry, Jr., Port Trevorton.
John F. Royce, Prospect Park.
Frances R. Hoover, Railroad.
Elizabeth Morris, Republic.
Clyde L. Dewald, Schuylkill Haven.
Bertha M. Davis, Solebury.
Florence M. Bittinger, Springs.
Ida M. Christie, Starford.
Fred H. Rhodes, Stroudsburg.
Rose A. Ganly, Tower City.
Ethel P. Eastburn, Unionville.
Anna Nock Kristofect, United.
Playford W. Reed, West Leisenring.
Earl C. Sterner, West Newton.
Lewis E. Hatch, Whitemarsh.

SOUTH CAROLINA

Clifford C. Stewart, Abbeville.
George S. Orpin, Drayton.
Edwin W. Nunnery, Great Falls.
Bennie Harmon Maybin, Hickory Grove.
Eleanor S. Nunamaker, Irmo.
Ray C. Page, Sellers.

VIRGIN ISLANDS

Wilbert R. Armstrong, Christiansted.

WASHINGTON

Daniel F. Coulter, South Bend.

WISCONSIN

Arthur N. Yousten, Almena.
Stephen A. Odenbrett, Benet Lake.
Elmer A. Koerner, Birnamwood.
Harland S. Emerson, Blue Mounds.
Calvern K. Smith, Boyceville.
Joseph J. Ecker, Brillion.
Roger L. Miller, Brussels.
David A. Dugal, Cadott.
Willard F. Ehrhardt, Caledonia.
Francis H. Kartman, Cassville.
Jerome A. Moore, Catawba.
Eugene C. Loos, Elkhart Lake.
Elliott M. Hodgins, Fish Creek.
Eugene P. Naze, Forestville.
Albert S. Mravik, Gilman.
Kathryn E. Leib, Greenvalley.
John M. Ross, Hammond.
Stanley F. Hamilton, Hancock.
Robert M. Riley, Hartford.
George A. Schickert, Hubertus.
Eugene A. Taylor, Iola.
Leonard B. Kitowski, Junction City.
Vincent J. Adomaitis, Kennan.
Norbert G. Vanevenhoven, Kimberly.
Joseph A. Wirka, Madison.
Edward W. Rantala, Maple.
Winfield Fred Coffey, Marinette.
Floyd H. Brandenburg, Marion.
Rodney O. Helbling, Merrillan.
Martin C. Weber, Jr., Merton.
Harry A. Nohr, Mineral Point.
Harry A. Walters, Monticello.
William H. Ruppert, Mukwonago.
Valeria Lauerman, Muscoda.
Albert F. Czarnecki, Muskego.
Lester B. Schneider, New Holstein.
Clarence W. Sauld, Niagara.
Mary A. Reichl, Newburg.
Joseph T. Daley, North Lake.
Joseph W. Wilson, Osceola.
Hildred S. Cory, Palmyra.
Edward E. Donovan, Phillips.
Henry Jacobson, Jr., Pigeon Falls.
Harry P. Walker, Jr., Plainfield.
George J. Sterling, Plover.
August G. Buehler, Port Edwards.
William J. Gallagher, Reedsburg.
Lester M. Byrns, Rhinelander.
Irving S. Lund, Rock Falls.
Dennis J. Wanserski, Rosholt.
Harold A. Stromberg, Sarona.
Earl R. Means, Schofield.
Jerome R. Morris, Seneca.
Roman N. Bowser, Sheboygan Falls.
William L. Hanley, Stanley.
Gerald Bergerson, Strum.
Ruth R. Walker, Sturtevant.
Norbert G. Lamoureux, Tony.
Roy M. Hopkins, Troy Center.
Raymond R. Behling, Vesper.
Robert W. Lueck, Jr., Watertown.
John C. O'Connell, Waupun.
Chester J. Bush, Weyerhauser.
Robert J. Kiernan, Whitewater.
Elona M. Sarbacker, Wilmot.

SENATE

MONDAY, AUGUST 1, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Albert J. McCartney, LL. D., director of the Chicago Sunday Evening Club, Chicago, Ill., offered the following prayer:

Once more, O God, in whose hands is the governance of the people, we stand in reverence at the opening of another day. Amid the rush and tumult of these concluding sessions help us to think clearly, to speak sincerely, and to act with dispatch. Guard us against careless or needless legislation and make us ever sensitive to the demands of justice and common sense. So may we merit Thy divine approval and the tribute of a grateful people: "Well done, good and faithful servants of the Republic." So may Thy kingdom come and Thy will be done on the earth as it is done in heaven. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 29, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On July 29, 1949:

S. 276. An act to authorize a project for the rehabilitation of certain works of the Fort Sumner irrigation district in New Mexico, and for other purposes.

On August 1, 1949:

S. 584. An act for the relief of Rudolf A. V. Raff; and

S. 1330. An act to authorize the sale of certain allotted inherited land on the Winnebago Reservation, Nebr.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Millikin
Anderson	Hoey	Morse
Baldwin	Holland	Mundt
Brewster	Humphrey	Murray
Bricker	Hunt	Myers
Butler	Ives	Neely
Byrd	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Robertson
Chavez	Kefauver	Russell
Connally	Kem	Saltonstall
Cordon	Kerr	Schoeppel
Donnell	Kilgore	Smith, Maine
Downey	Knowland	Sparkman
Dulles	Langer	Stennis
Ecton	Lodge	Taft
Ellender	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	Magnuson	Thomas, Utah
Frear	Malone	Thye
Fulbright	Martin	Tydings
George	Maybank	Vandenberg
Gillette	McCarran	Watkins
Graham	McCarthy	Wherry
Green	McClellan	Wiley
Gurney	McGrath	Williams
Hayden	McKellar	Withers
Hendrickson	McMahon	Young
Hickenlooper	Miller	

Mr. MYERS. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The VICE PRESIDENT. A quorum is present.

REPORT ON MILITARY ASSISTANCE TO GREECE AND TURKEY—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 284)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

Transmitted herewith is the seventh quarterly report on United States military assistance to Greece and Turkey. This report covers the period from January 1 to March 31, 1949. Military assistance to Greece and Turkey was inaugurated under the authority of Public Law 75, Eightieth Congress, and was continued under the authority of title III of Public Law 472, Eightieth Congress, known as the Greek-Turkish Assistance Act of 1948. Responsibility for United

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States assistance in the economic rehabilitation of Greece begun under Public Law 75 was transferred to the Economic Cooperation Administration on July 1, 1948, pursuant to Public Law 472, title I.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 1, 1949.*

REPORT OF UNITED STATES ATOMIC ENERGY COMMISSION (S. DOC. NO. 101)

The VICE PRESIDENT laid before the Senate a letter from the Chairman and members of the United States Atomic Energy Commission, transmitting, pursuant to law, the semiannual report of the Commission, which was referred to the Joint Committee on Atomic Energy and ordered to be printed as a Senate document, with illustrations.

FOREIGN AID APPROPRIATIONS—REPORT OF A COMMITTEE FILED DURING RECESS

Pursuant to the order of the Senate of July 29, 1949,

Mr. McKELLAR, from the Committee on Appropriations, to which was recommitted the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, reported it on July 30, 1949, with amendments, and submitted a report (No. 812) thereon.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate be permitted to submit petitions and memorials, introduce bills and resolutions, and incorporate matters in the Appendix of the RECORD without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, LEGISLATIVE BRANCH, SENATE (S. DOC. NO. 102)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $5,000, for the legislative branch, Senate, fiscal year 1950 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT OF FEDERAL BUREAU OF NARCOTICS

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, the annual report of the Federal Bureau of Narcotics, for the calendar year ended December 31, 1948 (with an accompanying report); to the Committee on Finance.

REPORT ON WAR CONTRACT TERMINATIONS AND SETTLEMENTS

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, the twentieth and final quarterly report on War Contract Terminations and Settlements, for the period April 1 through June 30, 1949 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON SETTLEMENT OF CLAIMS FOR DAMAGES CAUSED BY NAVAL VESSELS

A letter from the Secretary of the Navy, transmitting, pursuant to law, a report on payment of claims for damage occasioned by naval vessels, for the fiscal year ended June 30, 1949 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT ON SETTLEMENT OF CLAIMS FOR DAMAGES CAUSED TO NAVAL VESSELS

A letter from the Secretary of the Navy, transmitting, pursuant to law, a report on payment of claims for damage occasioned to naval vessels, for the fiscal year ended June 30, 1949 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

SETTLEMENT AND DEVELOPMENT OF ALASKA

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to aid the settlement and development of Alaska (with an accompanying paper); to the Committee on Interior and Insular Affairs.

LAWS ENACTED BY LEGISLATIVE ASSEMBLY AND MUNICIPAL COUNCIL OF ST. CROIX, V. I.

A letter from the Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Legislative Assembly and the Municipal Council of St. Croix, V. I. (with accompanying papers); to the Committee on Interior and Insular Affairs.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of Gulezar Tarpinian, nee Derderian, from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted by him to the Senate on May 1, 1949; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

S. 1382. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico; with an amendment (Rept. No. 813).

By Mr. MAGNUSON from the Committee on Interstate and Foreign Commerce:

S. 2080. A bill to authorize the regulation of whaling and to give effect to the International Convention for the Regulation of Whaling signed at Washington under date of December 2, 1946, by the United States of American and certain other governments, and for other purposes; with amendments (Rept. No. 814).

By Mr. MCCARRAN, from the Committee on the Judiciary:

S. 48. A bill to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges traveling while attending court or transacting official business at places other than their official stations, and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile; with an amendment (Rept. No. 817);

S. 51. A bill to amend title 28, United States Code, section 962, so as to authorize reimbursement for official travel by privately owned automobiles by officers and employees of the courts of the United States and of the administrative office of the United States courts, at a rate not exceeding 7 cents per mile; without amendment (Rept. No. 816);

S. 874. A bill for the relief of Elza Friedrych; with an amendment (Rept. No. 818);

S. 938. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; with an amendment (Rept. No. 819);

S. 2125. A bill conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones and others; with an amendment (Rept. No. 820);

H. R. 637. A bill for the relief of Mrs. Harriett Patterson Rogers; without amendment (Rept. No. 821);

H. R. 1279. A bill for the relief of George Hampton; with an amendment (Rept. No. 824);

H. R. 1679. A bill for the relief of Mrs. Skio Takayama Hull; without amendment (Rept. No. 822); and

H. R. 2602. A bill for the relief of John B. Boyle; without amendment (Rept. No. 823).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 2432. A bill restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes; with an amendment (Rept. No. 826).

By Mr. MILLIKIN, from the Committee on Interior and Insular Affairs:

S. 1385. A bill providing that excess-land provisions of the Federal reclamation law shall not apply to certain lands that will receive a supplemental water supply from the San Luis Valley project, Colorado; without amendment (Rept. No. 825).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution, and I submit a report (No. 815) thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 58) favoring the suspension of deportation of certain aliens, was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6492271, Alcantar, Raymundo.

A-3721543, Almida, Leandro or Leandro Rodriguez Almida or Leandro Armeida.

A-6495123, Alvarez, Maria Arias or Maria Arias.

A-6261669, Anastasiadou, Theodora or Theodora Anastasiandes.

A-5988380, Arias-Preciado, Cipriano.

A-6846914, Atilano, Juana or Juana Atilano de la Rosa.

A-5839718, Bacica, Sime Fran or Sam Frank Bacica.

A-5109817, Barreira, Joao Domingues.

A-6546518, Bartley, Anthony Charles.

A-5333848, Beinner, Leah or Leah or Lillian Stein or Lele Staigrud.

A-1650494, Bouza y Franco, Luciano or Luciano Bouza Franco or Luciano Boyza Franco or Luciano Bouza or Bonza.

A-4739891, Cackowski, Joseph John.

A-6200602, Callaghan, June (nee Tipping).

A-5587493, Carlson, Charles Egiert or Charles Karlson.

A-6852439, Cervantes, Feliciano Zavala or Antonio Zavala Cervantes or Feliciano Cervantes-Zavala or Antonio Cervantes.

A-6767387, Chaghlassian, Hagop.

A-6339958, Chesimard, Paule Bertrand (nee Saffache).

A-9530561, Choi, Juam or Choi Jum or Chan Choy or Chui Cham.

A-3536893, Chu, Philip Mei.

A-3536891, Chu, Esther Li Tang.

A-5549658, Cioch, John or Jan.

A-6006860, Clarke, Alton Hiott Alva.
A-6261654, Coukos, Maria (nee Varberidou).
A-2907854, Cox, Thomas or Tom Cox.
A-5796775, Critikos, Anthony Alexander.
A-6038532, Czaplicki, Dominika (nee Lojewska).
A-5207949, Dagnino, Giuseppe.
A-3296513, DaSilva, Manuel Henriques.
A-5340066, Davidian, Azneve or Azneve Yeghazarian or Egazarian or Azneve Kuderian.
A-5570904, De Gonzalez, Rafaela Lozoya.
A-6852437, De La Rosa, Eleno or Eleno De La Rosa-Cervantes or Elano De La Rosa.
A-4359977, De Meo, Raffaele Joseph or Ralph (or Joe) de Meo.
A-7759673, Donohue, Alicia Margarita (nee Barrales).
A-6212825, Dornheim, Kurt or Kenneth Dorn.
A-9559586, Emcken, Carl Christian.
A-5280548, Evanoff, George Demo.
A-6160996, Evans, Leslie Anthony or Leslie Anthony Legg.
A-6712268, Fagundes, Helio Avelar or Helio Da Silva.
A-3878487, Falkner, Mabel (nee Cowan).
A-6445935, Firth-Hand, John Frederick.
A-5627404, Floris, Theodore (alias Gust Panos).
A-6719403, Freeman, Terence (alias Terence Maduro).
A-6261624, Georgiades, Kalliroe George (nee Kalliroe Kakoutis).
A-5341034, Goes, Jacinto or Jacinto De Goes or Jesse Goes.
A-5244395, Halkias, Michael Thomas.
A-6706836, Hanson, James Alfred or James A. Hanson or James Hanson.
A-9671376, Heckman, Anders August.
A-7538664, Hernandez, Junior, Alfred William or Alfredo Guillermo Del Corazon De Jesus or Hernandez Y Sariol or Alfred Hernandez, Junior.
A-6572460, Hernandez-Navarro, Jose.
A-6808580, Janczewski, Marian or Marian Jackowski or Jancio Grom.
A-5442645, Jenkins, Edward or Isidore Dubrofsky.
A-6142586, Jensen, Pascuala Aguinaldo.
A-7595300, Junghans, Carl Friedrich Walter.
A-6207397, Kaufman, Ray nee Radowitz or Ray Radowitz Kaufman.
A3184268, Konstantinos, Constantinos Psarelles or Gust Psarelis.
A-6261607, Koukoltsios, Constantine.
A-5587049, Lahm, Ludwig or Ludvig Lahm or Louis Lahm.
A-6834450, Lapadat, Julian.
A-9686520, Lau, Chik or Chick or Lau Kan.
A-6091756, Lau, Chok, also known as Harry Chok or Harry Chok Lau.
A-6301469, Lau, Lai Yung Wong also known as Lau Wong Yung Lai or Lai Yong (Yung) Wong or Wong Lae Yung or Daisy Wong.
A-4693214, Lau, Wai Chuen Lillian.
A-6262000, Lind, Egil Frode or Frode Lind or E. Frod Lind or E. Frode Lind.
A-6727225, Lind, Signe Marie or Signe Marie Soerrile or Sorlie.
A-5722312, Lopez, Alejo or Alejo Lopez Lopez or Jose Guvarra.
A-5100890, Lorenz, Agnes (nee De Freitas).
A-1443403, Luciano, Carlo.
A-6844307, Magallanes-Perez, Julio.
A-5247053, Mancuso, Francesco.
A-5688547, Manning, Raymond Fred or Raymond Frederick Leaford Manning or Raymond or Ray Frederick Manning.
A-5128723, Marrale, Antonino or Antonio Marrale.
A-6208487, Masongsong, Buenaventura Garcia.
A-6208562, Masongsong, Luisa Lopez or Maria Luisa Lopez Masongsong, or Maria Luisa Moreno.
A-9695404, Mercier, Louis Lucien.
A-5156871, Mielke, Willy Paul or William Paul Mielke.
A-6783385, Mitchell, Pamela Lillian.
A-6783386, Mitchell, Peter John.
A-4335098, Molaro, Luigi.
A-5069586, Moldenhauer, Christian Henry (alias Christ Moldenhauer).
A-4341326, Monarez-Granados, Alfredo or Alfred Monje.
A-6701884, McCornack, Vera Noelle.
A-5678670, Nicholoff, Petra (nee Stoyanoff).
A-9695884, Olsen, Erling Stoltenberg.
A-6171443, Palmer, Chrysanthe or Chrysanthe Coulouvari (nee Menti).
A-6827646, Papamanolakis, Aristides or Aristides Demitrios Papamanolakis.
A-6245751, Paul, Evdoxia or Evdoxia Sitapolous, Evdoxia Sotopoulou.
A-5894675, Prado-Ruiz, Ramon or Ramon Prado or Raymond Prado.
A-5665013, Racanelli, Michelangelo (Michael Angelo) or Michael Angelo Ragnelle.
A-6844310, Rivera-Marquez, Andres or Andres Marquez-Rivera.
A-7735232, Rivera-Ortiz, Jose Jesus Pedro or Pedro Rivera-Ortiz.
A-6752701, Robiolle, Jean (John) Georges.
A-5149179, Rosellini, Guido (alias James Roll).
A-6245749, Saragiotis, Despina (nee Despina Ioannis Demarelis).
A-6248901, Savrides, Sophia (nee Sophia Kritharides).
A-1802003, Schraps, Paul Kurt.
A-6432281, Shang, Ting Lin.
A-3652526, Shang, Lily Wen Shun Tang (nee Wen Shun Tang or T'ang or Talitha).
A-5226632, Shee, Tom or Tom Tiu Gook.
A-5974147, Shimizu, Teisuki Taro or Taro Smeesu or Frank Shimizer or William Smeesu or William Sato or William T. Smeesu.
A-6287437, Slater, Gerald Frederick.
A-6138457, Snook, Eugene Mayton.
A-5728144, Sobek, Tomas Juraj or Thomas George Sobek.
A-4687618, Soong, Ts An or Tsau A. Soong.
A-7580708, Soong, Ji Ing or Ji Ing Woo Soong (nee Woojih Iung).
A-6393393, Soto, Apolonio.
A-3316850, Soto, Dolores.
A-6295306, Soto-Arvizu, Jorge or Juan Carrion-Gonzalez.
A-6861483, Soto-Patino, Felisiano or Feliciano Patino-Soto.
A-5897131, Sucic, Ferdinand.
A-3309754, Sutcliffe, Daisy Elizabeth (nee Sewell).
A-4860775, Ting, Johannes, or John Ting.
A-3659501, Torrisi, Pietra Giovanna.
A-3356915, Tsao, Makepeace Uho.
A-6887120, Tsembeli, Nicholas John.
A-6605104, Ungar, Theodore.
A-6108968, Urrutia, Elmer, or Elmer Urrutia Y Herrera or Elmer Urrutia Herrera.
A-5279822, Valdes, Maria Luisa (nee Gutierrez or Luisa M. Valdes or Valdis nee Maria Luisa Gutierrez or Maria Luisa Valdes or Guiterrez or Gutierrez or Luisa Maria Valdes or Maria L. Valdes or Maria L. Vda De Valdes or Maria Luisa Gutierrez Vda De Valdes or Ma Luisa Gutierrez Valdis, and others).
A-6595198, Valladaves, Roberto Ignacio.
A-9042913, Vallianos, Georgios or George Vallianos.
A-5194404, Vasquez, Adolfo Duarte or Adolfo Vasquez.
A-3101808, Vasu, George Elay.
A-6844271, Vega, Eusebio.
A-6844272, Vega, Ramon.
A-6403040, Velasquez-Rapia, Jesus.
A-3868924, Vrahnas, George Andrew (alias Harry Panos).
A-6357987, Vrakas, Galliroe Constentine or Kalliroy Vrakas or Mangas (nee Zahariadou).
A-6064645, Watters, Luz Costales or Luz Abraham or Luz Costales.
A-6063022, Weidmann, Emilia Santos or Emilia Santos.
A-5554370, Yager, Henry or Hyman Yager and Henry William Yager.
A-6274068, Yang, Ju Chin.
A-5202493, Young, Kenneth Chung Kuen or Yeung Pak Chi or Kai Chong Yeung.
A-6677869, Ziebell, Detlev Guenter.
A-6453741, Ziemak, Marian Cybulski.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

Knox T. Hutchinson, of Tennessee, to be Assistant Secretary of Agriculture.

By Mr. MCCARRAN, from the Committee on the Judiciary:

John S. Denise, Sr., of Washington, to be United States marshal for the western district of Washington, term expires July 2, 1949; and

Jones Floyd, of Arkansas, to be United States marshal for the western district of Arkansas.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 2353. A bill relating to the tribal and individual affairs of the Osage Indians in Oklahoma; and

S. 2354. A bill to amend the act entitled "An act relating to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma, and for other purposes," approved August 4, 1947 (61 Stat. 731); to the Committee on Interior and Insular Affairs.

By Mr. TYDINGS:

S. 2355. A bill to provide for the establishment of an additional service academy, and for other purposes; to the Committee on Armed Services.

(Mr. JOHNSTON of South Carolina introduced Senate bill 2356, to amend paragraph 1, section 5, of the Civil Service Retirement Act of May 29, 1930, as amended, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. McCLELLAN:

S. 2357. A bill to amend the act of May 26, 1936, authorizing the withholding of compensation due Government personnel; to the Committee on Expenditures in the Executive Departments.

By Mr. BUTLER (for himself and Mr. WHERRY):

S. 2358. A bill to change the name of Medicine Creek Reservoir in Frontier County of the State of Nebraska to Harry Strunk Lake; to the Committee on Interior and Insular Affairs.

By Mr. LANGER:

S. 2359. A bill for the relief of Giacomo Verni, Vincenzo Picicci, Dominico Novielli, Lugi Rizzi, and Bartolomeo Verni; to the Committee on the Judiciary.

By Mr. BREWSTER:

S. 2360. A bill to amend the Federal Airport Act so as to authorize appropriations for projects in the Virgin Islands; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNEY:

S. 2361. A bill to provide for the acquisition of McCornack General Hospital, Pasadena, Calif., by the Veterans' Administration, and for other purposes; to the Committee on Finance.

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By Mr. KEFAUVER:

S. 2362. A bill to provide for flight experience for certain students in the senior high schools of the District of Columbia; to the Committee on the District of Columbia.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

Mr. JOHNSTON of South Carolina. Mr. President, I introduce for appropriate reference a bill to amend the Civil Service Retirement Act. In effect the bill stops a loophole in the Civil Service Retirement Act existing at the present time. I imagine Senators read in the newspapers a few days ago an item to the effect that certain persons might enter the employment of the legislative branch of the Government for a few months and then subsequently draw enormous amounts of money upon retirement.

The bill (S. 2356) to amend paragraph 1, section 5, of the Civil Service Retirement Act of May 29, 1930, as amended, was read twice by its title and referred to the Committee on Post Office and Civil Service.

BUDGET AND ACCOUNTING PROCEDURES—AMENDMENTS

Mr. McCARTHY submitted amendments intended to be proposed by him to the bill (S. 2054) to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes, which were referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENT

Mr. JENNER submitted an amendment intended to be proposed by him to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code, which was ordered to lie on the table and to be printed.

AMENDMENT ON INTERNAL REVENUE CODE—AMENDMENTS RELATING TO REPEAL OF WAR EXCISE TAXES

Mr. GURNEY. Mr. President, I submit amendments intended to be proposed by me to the committee amendments to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code, which I request be printed and lie on the table, and I ask unanimous consent that a statement on the amendments I have prepared and the amendments be printed in the body of the RECORD.

I request that the members of the Finance Committee particularly take a look at the amendments. I hope that their experience in considering revenue bills in the last few months will give them some understanding of the point I make in my statement respecting the amendments, which deal with wartime excise taxes. I hope I may receive favorable consideration from that committee on the amendments.

The VICE PRESIDENT. The amendments will be received, printed, and lie on the table, and, without objection, the statement and amendments will be printed in the RECORD.

The statement presented by Mr. GURNEY is as follows:

STATEMENT BY SENATOR GURNEY

I am sure our Finance Committee has had under consideration the general subject matter of my amendments.

At this time I would like to make just a very brief statement as to the general objective of the amendments and to give the reasons which have prompted me to submit them.

In brief, the amendments would repeal all the wartime excise taxes which were approved in the revenue bill of 1943. In my opinion, the repeal of these taxes at this time is not only desirable, it is vital to the economic health of our country. I am sure that all Senators will recall the circumstances surrounding the origin of these taxes. Back in 1943, at the height of the war, it was necessary for Congress to establish a tax policy which would produce as much revenue as possible for the successful financing of the war, and it was also necessary to discourage consumer buying as a means of conserving needed materials and curbing inflation. Excise taxes fit beautifully into those requirements and to a large extent served the purpose for which they were intended.

At the time the revenue bill of 1943 was passed, however, the American people were told that these excise taxes were a temporary expedient made necessary by the demands of an all-out, two-front war. And the American people accepted this additional tax burden uncomplainingly. Now, however, we are almost 4 years past VJ- and VE-days, and the wartime excises are still with us. I think it is high time that Congress redeem the pledge that was made to the American people in respect to the temporary nature of these taxes.

Furthermore, as we all know, business is in the doldrums, production is falling, and unemployment is mounting. As I have pointed out, during the war excise taxes proved to be a very effective device for slowing down consumer buying. The proven efficiency of these taxes to slow down consumer buying is precisely the reason they should be discarded now. Removal of wartime excise taxes could easily be just the stimulus that is needed to reverse the present recessionary trend in business.

The lifting of wartime excises would, of course, first give an impetus to business in the affected industries. I am sure, however, that very soon the increased business being done in a few industries would chain-react throughout the American business community, increasing production, stabilizing employment, and restoring confidence.

I know it is argued that wartime excise taxes produce a substantial sum of each money which is needed to help reduce the Government deficit. We shouldn't lose sight of the fact, however, that increased business activity has the twin effects of increasing corporate income taxes and reducing the cost of our unemployment insurance program. I think it is very doubtful that the repeal of wartime excise taxes would have any appreciable effect on total Government revenues.

I realize that other suggestions for dealing with excise taxes have been put forth during this session of Congress. I believe that all of them, however, deal with the problem on a piecemeal basis.

Personally, I feel that all wartime excise taxes are unfair and discriminatory and that they slow down activity in any industry unfortunate enough to be shackled with them.

Therefore, I believe that the only logical, consistent, and equitable course we can follow is to remove all wartime excise taxes through an outright repeal of the general Revenue Act of 1943.

That is what my amendments are designed to do. If, in the development of our legislative agenda, it becomes apparent that some other appropriate bill is called up for debate ahead of H. R. 3905, I will ask that my amendments be added to such a bill.

The amendments submitted by Mr. GURNEY are as follows:

On page 2, beginning with line 17, strike out all down to and including line 12 on page 4, and insert in lieu thereof the following:

"SEC. 3. Repeal of war excise taxes and war excise tax rates imposed by the Revenue Act of 1943.

"(a) Section 1650 of the Internal Revenue Code (war tax rates of certain miscellaneous taxes), as amended, is hereby amended by inserting immediately after the words 'Revenue Act of 1943' the following: ', and ending on the first day of the first month which begins more than 20 days after the date of the enactment of the Excise Tax Reduction Act of 1949,'.

"(b) Sections 1651 (retailers' excise tax on luggage, etc.), 1652 (leases, conditional sales, existing contracts, etc.), and 1653 (articles classifiable under more than one section) of the Internal Revenue Code are hereby repealed.

"(c) Section 302 (b) (2) of the Revenue Act of 1943 (period applicable to increase of tax with respect to billiard and pool tables and bowling alleys), as amended, is hereby amended by striking out the period at the end thereof and inserting in lieu thereof the following: ', and continuing through June 30, 1950.'

"(d) Section 309 (b) of the Revenue Act of 1943 as amended, is hereby amended by inserting immediately after the words 'Revenue Act of 1943, the following: ', and ending on the first day of the first month which begins more than 20 days after the date of enactment of the Excise Tax Reduction Act of 1949,'.

"(e) The term 'rate reduction date' as used in chapter 9A of the Internal Revenue Code (relating to war taxes and war tax rates) means the first day or the first month which begins more than 20 days after the date of enactment of this act.

"(f) The provisions of subsection (b) shall be effective on and after the first day of the first month which begins more than 20 days after the date of enactment of this act.

"SEC. 4. Short title.

"This act may be cited as the 'Excise Tax Reduction Act of 1949'."

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. McKELLAR. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 11, line 4, after the word "concerned", insert the following: ": *Provided further*, That when the Department of the Army, under the authority of the act of March 3, 1911, as amended (10 U. S. C. 1253), furnishes subsistence supplies to personnel of civilian agencies of the United States Government serving in Germany, payment therefor by such personnel shall be made without regard to the 10 percent additional

charge required by said act, but payment for subsistence supplies by such personnel shall be at the same rate as is paid by civilian personnel of the Department of the Army serving in Germany."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 4830, making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 11, line 4, after the word "concerned", insert the following: ": *Provided*, That when members of the armed forces are employed primarily for the purpose of this appropriation, the mileage and other travel allowances to which they may be entitled shall be paid therefrom."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 4830, making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 5, line 3, after the date "1950", insert the following: ": *Provided further*, That the list of limited and prohibitive industries scheduled for destruction in, or removal from, Germany shall be reviewed and the Administrator of the Economic Cooperation Administration shall seek to obtain the retention in Germany of such plants on this list as would best serve European recovery if left in Germany."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 4830, making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BRIDGES. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 5, after line 12, insert the following: "The Administrator shall utilize such amounts of the local currency allocated pursuant to section 115 (h) of Public Law 472, Eightieth Congress, as amended, as may be necessary, to give full and continuous publicity through the press, radio, and all other available media, so as to inform the peoples of the participating countries regarding the assistance, including its purpose, source, and character, furnished by the American taxpayer: *Provided*, That quarterly reports for the fiscal year 1950 shall be made to the Congress by the Administrator of the program undertaken pursuant to this section."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 4830, making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

COLUMBIA VALLEY ADMINISTRATION

[Mr. CORDON asked and obtained leave to have printed in the RECORD two statements discussing the proposed Columbia Valley Administration, one by Robert Ormond Case, entitled "Democracy on the Retreat," and the other by Assistant Secretary of the Interior, C. Girard Davidson, entitled "Managing the Federal Investment in the Northwest," made before the Oregon Bankers Association convention, Portland, Oreg., June 7, 1949, which appear in the Appendix.]

FEDERAL POWER POLICY FOR PACIFIC NORTHWEST—STATEMENT BY H. G. WEST

[Mr. CAIN asked and obtained leave to have printed in the RECORD a statement in behalf of the need for a Federal power policy for the Pacific Northwest, by H. G. West, executive vice president of the Inland Empire Waterways Association, which appears in the Appendix.]

SALE TO PERMANENTE METALS CORP. OF CERTAIN ALUMINUM PLANTS, ETC.—LETTER FROM ADMIRAL PAUL A. MATHER

[Mr. CAIN asked and obtained leave to have printed in the RECORD a letter from Admiral Paul A. Mather, of the War Assets Administration with regard to the sale to the Permanente Metals Corp. of certain aluminum plants and facilities, which appears in the Appendix.]

FUTURE FARMERS OF AMERICA—STATEMENT BY SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a statement prepared by him regarding the Future Farmers of America, which appears in the Appendix.]

SOCIALIZED MEDICINE—EDITORIAL FROM MINNEAPOLIS STAR

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "'Socialized' Medicine?" from the Minneapolis Star of July 6, 1949, which appears in the Appendix.]

THE OHIO FARM BUREAU FEDERATION

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a fact sheet regarding the Licking County Farm Bureau, of Licking County, Ohio, which appears in the Appendix.]

RECIPROCAL TRADE AGREEMENTS AND THE WORLD TRADE PROBLEM—ADDRESS BY NORMAN BURNS

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an address on the subject "Reciprocal Trade Agreements and the World Trade Problem," delivered by Norman Burns, before the State Planning and Development Agencies, Washington, D. C., July 27, 1949, which appears in the Appendix.]

THE RECONSTRUCTION FINANCE CORPORATION—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask to have printed in the RECORD at this point a statement prepared by me, containing comments of the Reconstruction Finance Corporation on the recommendations of the Hoover Commission affecting the Reconstruction Finance Corporation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

The Reconstruction Finance Corporation, in a 17-page commentary to Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, expressed vigorous dissent to every specific recommendation of the Hoover Commission which applied to the Corporation. Referring to recommendations (Nos. 8 and 18, Federal Business Enterprises Report) which suggest that Congress review the power to make direct loans and restrict such power in nonemergency periods, the RFC states that it is "regrettable that the Commission has departed the field of organization and has entered the controversial field of political economy with its own particular philosophy of the kind and type of service the Federal Government should provide." Such an excursion, the RFC maintains, "detracts from the objectivity and impartiality of the report," as it is "no proposition addressed to the organization of the executive branch," and contends that—

"It deals directly with considerations of the highest public policy and political philosophy concerning the place, function, and extent of participation of the Federal Government in the affairs of the national economy. Thus, although the Commission is somewhat concerned that the power to make direct loans 'opens up opportunities for waste, favoritism, and corruption' without seriously suggesting that there has been any, the principal burden of its recommendation is that 'direct lending should be absolutely avoided except for emergencies' and should be replaced by a program of guaranteeing loans made by private or other established agencies. Accordingly, with respect to RFC, 'the Commission believes it is preferable that the Corporation be reorganized to guarantee loans made by private banks.'"

Asserting that Congress only recently decided this issue, after extended investigations and hearings, and that the Commission was well aware of such decision, the RFC asserts that it is "permissible to conclude that the Commission has a somewhat predisposed view of this matter, and that its recommendations amount to an unsupported suggestion that the Congress now substitute the Commission's policy for the one it deliberately developed and laid down a little over a year ago."

The RFC sets forth in detail the background and the basic facts upon which the

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present policies were established by Congress, and then explains the application of its program to existing conditions, stating that "in recent months normal sources of credit have been perceptively retracting," that "the number of applications for RFC loans in certain areas of the country have increased more than 100 percent since the first of the year," and that "there is every indication that the trend will continue to increase during the foreseeable future," elaborating as follows:

"The demand arises from the need of large and small business enterprises for working capital, machinery and equipment, inventory loans and interim construction financing. Recently compiled reports (June 1949) from RFC's 31 loan agencies throughout the country reveal significant trends in the reasons increasingly assigned for the unavailability of usual commercial bank credits; bank's reserve limitations; voluntary reduction in ratio of outstanding loans to deposits; loans contrary to bank's established policy; unascribed reasons. Particularly noticeable are the number of loans declined by private banks because of the length of maturity requested by the borrower. In this connection there is considerable evidence of a growing tendency on the part of commercial banks in certain areas to handle short-term paper only, withdrawing in favor of factoring houses on longer credits which, in their turn and despite their higher interest rates, have begun to withdraw from the market. Extension of loans is being refused at maturity. Many established lines of credit are not being renewed. With increasing frequency, essentially sound enterprises, in need of financial assistance have no recourse other than RFC. Unmistakably there are warning signs."

Challenging the Commission's recommendation that direct loans, not elsewhere available, be made only when an emergency exists, the RFC concludes that this "is equivalent to maintaining that the sluiceways should not be opened until the countryside is in drought." Such policy, the RFC believes, has in the past led to disaster.

Alleging that a loan-guarantee program is no substitute for direct loans, the RFC sets forth its views as follows:

"As an alternative to direct lending the Commission proposes that the Congress should provide a program for the guaranty of loans made by private or other established agencies. But it is difficult to see in what manner the substitution of a guaranty program would answer the needs fulfilled by a direct lending program. Government guaranties of loans made by private institutions would not, alone, provide additional private credit resources since there would be no occasion for guaranty beyond the limits of such resources. It may be that such guaranties would induce private sources to make loans which they would not otherwise consider sound, but the bank's resources available for loans would not thereby be increased. Indeed, by encouraging bankers to invest only where, because of the guaranty, no risk was involved, the end result might well be a decrease in the private resources available for making loans to those enterprises which would not normally be required to furnish guarantors.

"Factual experience gained in the Administration's program to stimulate home building and new construction by financial aid to borrowers through FHA and VA insured mortgages supports the conclusions that a guaranty program would not fulfill the needs of the economy. That program did not sufficiently expand the available resources of credit. As lending institutions throughout the country invested in such mortgages to the limit of their resources, credit sources would have been exhausted had not RFC, through FNMA, supplied a secondary market for the absorption of such securities, thus freeing funds for additional investments.

The RFC groups three recommendations (No. 3, Treasury Department; No. 11, Federal Business Enterprises; and No. 15, Department of the Interior) which provide for vesting in the Secretary of the Treasury the supervision of the operations of the RFC, placing the Federal National Mortgage Association under the Administrator of the Housing and Home Finance Agency, and transferring the operation of the Government tin smelter of Texas City, Tex., to the Bureau of Mines, to which it takes exception. While agreeing with the broad objective of the Commission, to group agencies with related functions, the Corporation contends that:

"In general we agree with the broad objective of the Commission to organize as many of the agencies of the Government into the executive departments as possible and to place related functions in the same or closely related agencies grouped together under one department. This fundamental concept of like purposes as distinguished from methods utilized to achieve a given purpose should in our opinion, govern the entire reorganization activities. It must be borne in mind, however, that while this formula affords a practical rule of thumb there will be certain agencies or activities which are not readily susceptible of such classification or grouping. A separate status or different treatment for such agencies would be a proper exception to and not a violation of the rule. In the three recommendations quoted above, we believe the Commission has departed from its own principles."

The Corporation maintains that the supervision of RFC operations by the Treasury involves "a strained and mistaken application" of the organization formula "rather than a recognition of the essentially different purposes served by the RFC and the Treasury Department," and sets forth its position, as follows:

"The mere fact that in the performance of its duties, the RFC makes direct loans to private individuals and institutions and is a 'moneyed' corporation, is insufficient reason to put it in the Treasury Department. Such reasoning confuses means and ends and does violence to the standard of similarity of 'major purposes' which the Commission laid down for itself. Indeed, the making of loans is but one of several techniques by which the Corporation aids in financing various segments of the economy. With RFC's broad social and economic purposes the functions of the Treasury Department in collecting revenues, acting as custodian of public funds, managing the public debt, etc., would appear to have little, if anything, in common."

The RFC concludes its comments on this proposal by stating that if the RFC is subjected to the "overriding policies and objectives of the essentially different purposes of the Treasury Department, the broad social and economic purposes served by the Corporation will be impaired," which it contends is in contrast to the purposes of the RFC as declared by the Congress.

Detailing its objections to a transfer of the Federal National Mortgage Association to the Housing and Home Finance Agency, the RFC contends that FNMA "is not a housing activity" and, therefore, its grouping with housing activities in a single agency is not proper. The Corporation states that "its primary purpose is to provide a reservoir of credit which private lending institutions can tap by the sale of mortgages already insured or guaranteed by the Government when their own portfolios require it," concluding that:

"Except for its original invested capital FNMA operates entirely upon money borrowed from the RFC and is administered as a subdivision of the Corporation, its activities being very similar in purpose and in administrative requirements to the other lending activities of the RFC. The recent passage of Senate Joint Resolution 114, increasing FNMA's mortgage purchasing authority by $500,000,000, and the proposed S. 2246, which, in addition to its purchasing authority, would authorize FNMA to make direct loans to veterans for home building, serves to emphasize the essentially banking aspects of the functions which FNMA performs—functions intimately connected with RFC's regular business and hardly to be characterized as 'housing activities.'"

As to the proposed transfer of the Government tin smelter to the Bureau of Mines, the RFC contends that this is "essentially a business enterprise and as such requires the application of business and other skills entirely foreign to the Bureau of Mines," and that this recommendation is apparently "based upon the premise that this is a technical operation which should be allied with the research and technical service of the Bureau of Mines." The Corporation contines that "while the Bureau of Mines might well review the operations of the smelter so far as they concern the results of experimental work involving technical processes we feel that the over-all operations should continue to be considered as a business enterprise."

At this point the RFC also takes exception to recommendation No. 14 (Department of the Interior report), which provides in connection with its financing that the RFC should secure reports from the proposed Mineral Resources Services of the Department of the Interior on the ground that it "has always followed the practice of using to the extent consistent with efficiency and economy the services available from other governmental agencies, including the Bureau of Mines, and of coordinating its activities with those of such agencies." The Corporation contends that to shift this program to the Bureau of Mines would result in no savings inasmuch as the personnel of RFC involved in this activity also have other duties, and further, that all of the operating experience of the RFC would be lost if it were transferred.

In part II of its report the RFC comments on the Hoover Commission across-the-board reports dealing with general management, personnel management, budgeting and accounting, and general services, and some additional objections relative to other sections of the report on Federal business enterprises.

The Corporation is in accord with the general purposes of recommendations 2 through 7, inclusive, of the latter report, except for slight reservations under recommendation No. 6, wherein it does not "agree with the implication in item (a) that the Corporation's capital, fixed by Congress, should in effect be considered as interest-bearing debt," and also to recommendation No. 7, stating that "there seems to be no reason why expenses should not be paid from income if the activity in question is an income-producing one and a proper accounting is made." With reference to recommendation No. 1 of this report, relative to the lending powers of Government corporations, the RFC states that it does not agree with item (d) that capital additions should be expended from appropriated funds on the basis that the Government Corporation Control Act provides for congressional approval of all expenditures made from corporate funds. They also object to item (e), which it states "raises a fundamental accounting principle—where interest is an element of the cost of construction it should be so recorded; however, where interest is not such an element it should not be recorded"; and to item (f) with respect to advisory boards, contending that "a full-time

board of directors, exercising executive controls, is essential to the proper conduct of its affairs."

The RFC also points out that recommendation No. 10 (f) of this report, regarding the Defense Homes Corporation, has been effectively accomplished by congressional transfer of that Corporation's assets and liabilities to RFC for liquidation.

The Corporation concurs with the principles established under the report on general management of the executive branch, with slight reservations, some of which are set forth in part I, wherein it emphasized "the importance of having the major purpose of each department and agency of the Government well defined by the Congress and concurred in by the Chief Executive, and of having these purposes constantly in mind in the grouping of the departments."

The RFC states that it is generally in accord with the principles set forth in the Commission's report on personnel management, but points up certain position deviations from strict regulations as regards appointments to the higher grades of professional, scientific, and administrative positions, and expresses some difference of opinion with regard to recommendations 5 and 23, stating that "we consider that the methods prescribed under these recommendations do not give adequate consideration to veterans' preference or seniority of career employees." It also points out certain inconsistencies in recommendations 4 and 22 relative to a proposed simplified efficiency rating system, stating that "paragraph (b) of this recommendation indicates the purpose for which the simplified rating should not be used, but does not specify a purpose for which it should be used." The Corporation concludes by stating that the application of many of the principles advocated in the Hoover Commission's report "will require further study and development of detailed procedural recommendations," and expressing its view that the question of overstaffing or understaffing an agency operation (recommendation No. 27) should be left to the Bureau of the Budget and the individual agency rather than assigned to the Civil Service Commission.

In expressing general agreement with the report on Budgeting and Accounting, except for necessary deviations required in the operations of the RFC in specialized fields which would not permit strict conformity with specific recommendations, the Corporation concludes with a general endorsement of the proposal (recommendation No. 10) to establish in the executive branch of the Government a central accounting office with the functions of prescribing general accounting methods applicable to all departments and agencies of the Government, to which it makes four reservations, in order to insure conformation with existing practices as they relate specifically to Government corporations under which the RFC operates.

With respect to recommendation No. 13, relating to the payment of fidelity bond premiums by Federal employees, the RFC states that "it is difficult to understand why the Commission failed to recommend a self-insurance program on the part of the Government or a program under which the Government would insure accountable officers for a premium of about 10 percent of that now being paid."

The Corporation does not comment on the report on the Office of General Services other than to state, "we believe that the better features of the Commission's report on this subject have been incorporated in the Federal Property and Administrative Services Act of 1949 (Public Law 152)."

In response to a specific inquiry addressed to it by the chairman of this committee, the RFC stated that "most of the organization and procedural reforms recomended by the Commission * * * have for sometime been in effect of the RFC. * * * The greater economies that have been effected are undoubtedly the result of action of the Congress. Substantial economies can nevertheless be attributed to the administrative policies of the RFC. The proportion, however, would be conjectural."

The letter from the Chairman of the Reconstruction Finance Corporation, transmitting the report, follows:

RECONSTRUCTION FINANCE CORPORATION,
Washington, July 27, 1949.

Hon. JOHN L. MCCLELLAN,
United States Senate, Washington, D. C.

DEAR SENATOR MCCLELLAN: Under date of May 23, 1949, you requested this Corporation to furnish your committee with its comments with respect to the application of the various recommendations and textual discussions in the reports of the Commission on Organization of the Executive Branch of the Government insofar as they related directly or indirectly to this Corporation. We have endeavored to comply with your request in the enclosed report of this Corporation.

In part I thereof we have dealt at length with those recommendations of the Commission which affect Reconstruction Finance Corporati . with particular significance. They are recommendation No. 8 of the Commission's report on Federal Business Enterprises to the effect that the direct lending power of the Government in nonemergency periods be restricted or alternatively that a guarantee program of loans made by private banks be substituted therefor; recommendation No. 18 in the same report that Congress review the Reconstruction Finance Corporation in the light of recommendation No. 8; recommendation No. 11 in the same report that Federal National Mortgage Association, a wholly owned subsidiary of Reconstruction Finance Corporation be transferred to the Housing and Home Finance Agency; recommendation No. 3 in the Commission's report on the Treasury Department that Reconstruction Finance Corporation be transferred to that Department and recommendation No. 15 in the Commission's report on the Interior Department that the operation of the Government-owned tin smelter at Texas City, Tex., be transferred to the Bureau of Mines. It is interesting to note that no recommendations were made with respect to the synthetic rubber manufacturing plants operated by Reconstruction Finance Corporation.

In part II of the report we present our views on the other recommendations contained in the Report on Federal Business Enterprises, Budgeting and Accounting, Personnel Management, Management of the Executive Branch, and Office of General Services—Supply Activities, insofar as they have general application to this Corporation. Other recommendations which are not applicable to RFC are not covered either in general or indirectly in this report.

As is more fully set out in the attached report, we have indicated many of the recommendations contained in the various reports of the Commission have been effected within Reconstruction Finance Corporation either by administrative action or by recent legislative administration (Public Law 548—80th Cong., approved June 28, 1945). In view of the fact that substantial savings in administrative expenses are effected by the above legislation, which, among other things, divested Reconstruction Finance Corporation of most of its extraordinary wartime powers and of most of its nonlending operations other than the operation of the Government's tin smelter at Texas City, Tex., and the synthetic-rubber program, pursuant to the Rubber Act of 1948, it would be difficult to establish what proportion of the total savings involved is attributable to administrative action; undoubtedly it has been substantial.

We will, of course, be happy to furnish any supplemental information or detail that your committee may require.

This report has not been cleared with the legislative committee of the Bureau of the Budget, but a copy has been transmitted to it.

Very truly yours,
HARLEY HISE, *Chairman.*

(The full text of the comments of the Reconstruction Finance Corporation is available at the office of the Senate Committee on Expenditures in the Executive Departments, room 357, Senate Office Building.)

ECA APPROPRIATIONS—LETTER FROM AMERICAN FARM BUREAU FEDERATION

Mr. MCCLELLAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a copy of a letter which I have received from the American Farm Bureau Federation, under date of July 29, 1949, signed by John C. Lynn, assistant director, Washington office, together with my reply thereto, dated July 30, 1949. The letters relate to a pending amendment to the ECA appropriation bill which was discussed in the Senate when the bill was before us.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., July 29, 1949.

Hon. JOHN L. MCCLELLAN,
United States Senate,
Washington, D. C.

DEAR SENATOR MCCLELLAN: The American Farm Bureau Federation is deeply concerned over the status of the ECA appropriation for 1949–50. We have endorsed and vigorously supported the ECA program from its conception based on the premise that this was a recovery program for western Europe. It is our sincere belief that the program, thus far, has accomplished much toward the recovery of the participating countries and we are very desirous to see this progress continued. We favor strict economy in Government expenditures, however, we doubt the advisability of a further cut in ECA at this time.

We strongly urge your support of the provisions in the House bill which would permit the expenditure of the $3,568,470,000 within 10½ months if the President of the United States or the Administrator of ECA find that conditions make this necessary. We have full confidence that Administrator Hoffman will keep his pledge not to use an unnecessary dollar.

We believe that the European countries working through their own organization, OEEC, must assume the major responsibility for their recovery. We must maintain the right to pass upon and approve all plans for recovery presented by the European countries but the United States has consistently demanded that formulating these plans and executing them is the primary responsibility of the participating nations.

The McClellan amendment now being considered by the Senate, we think, abandons these principles. The American Farm Bureau Federation is very much interested in solving the agricultural surplus problems of this country, however, we feel it would be a serious mistake for us to assume the responsibility of dictating to European nations what they must buy and thereby lessen their responsibility for consummating their own plans. We believe the most effective way to insure permanent markets for our agricultural products is to provide adequate funds for the continued recovery of western Europe.

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We hope you will consider these points in making your decision on the appropriations for the European recovery program.

Sincerely yours,

JOHN C. LYNN,
Assistant Director, Washington Office.

UNITED STATES SENATE,
Washington, D. C., July 30, 1949.

Mr. JOHN C. LYNN,
Assistant Director,
American Farm Bureau Federation,
Washington, D. C.

DEAR MR. LYNN: Your letter of July 29 regarding the ECA appropriations for 1949–50 has just been received. I have noted with interest your comments and your Bureau's announced position with reference to this program.

I also note your opposition to the amendment that I am sponsoring. You say that your organization endorsed and has vigorously supported the ECA program from its inception based on the premise that this was a "recovery program for western Europe." True, the general objective of the program is "recovery" but there can be no recovery without survival while such recovery is in process, and, therefore, as must be conceded, a large part of the expenditures involved are for relief. At least, such expenditures as are made for food and other agricultural products that are necessary for sustenance pending recovery are expenditures in the nature of relief.

There is no objection to the participating countries themselves assuming the major responsibility for their recovery, as you suggest, and I agree with you that "we must maintain the right to pass upon and approve all plans for recovery presented by those countries." You say the United States has consistently demanded that formulating these plans and executing them are the primary responsibilities of the participating nations. With that, I agree.

In formulating their plans for 1949–50, the participating countries have represented to the ECA, and the ECA in turn has represented to the Congress that certain specified quantities and kinds of agricultural products, now in surplus here, will be required to carry out the program. We are proceeding on the assumption that these representations were made in good faith and are substantially correct. That they may not be wholly accurate may well be conceded, but to the extent they are accurate, or to the extent that the participating countries find they really need and must be supplied agricultural products which we have in surplus, my amendment to the bill simply says, "We will give you the dollars with which to buy such of these products as you may need and require up to the amount you have indicated. But we will not give you dollars for this purpose and permit you to buy these products in other countries while we have a surplus of them here, nor will we give you the dollars and permit you to divert and expend them for some other purpose."

What is wrong with that? If they find they do not need the products in kind and quantities that they have represented to the ECA they will need and that the ECA has represented to the Congress they will need (and they contended that these were the very minimums necessary), they can simply buy less. The amendment does not require them to take the full amount of any commodity but simply says the money appropriated that would be required to purchase these commodities shall be available only for that purpose.

Some editorial writers and commentators have charged that this amendment is a "dumping" provision. It is no more a "dumping" provision—in fact, it is less so than is the entire program. If the term "dumping" can be applied to agricultural commodities, then with equal force it is applicable to the total dollar expenditure involved in the entire program. If we do not dump these surplus agricultural commodities that we have, and they claim they need and want, then the only alternative is to dump billions of dollars out of the United States Treasury, which we do not have, and which must be borrowed and added to the national debt. Is that what you recommend?

Some have expressed the fear that such action as my amendment provides will tend to destroy future American markets. That is absurd. The giving of dollars to them to patronize agricultural markets of other countries would have a far greater tendency toward destroying our future markets than would be had by requiring them to spend here such money as we may provide for the purchase of agricultural commodities of the kinds and quantities of which we have a surplus.

I have undertaken to consider the points you raised and the above are my views.

I have always held in high esteem the American Farm Bureau. Almost without exception I have supported its policies because I believed they were sound and in the interest of agriculture generally and the Nation as a whole. I deeply regret to be in disagreement with you on this particular issue but I am fully convinced that my position is justified, and I accord to you most respectfully the right to disagree with me.

With kindest regards, I am,

Sincerely yours,

JOHN L. MCCLELLAN.

THE MEANING OF COMING LABOR DAY, 1949

Mr. WILEY. Mr. President, I send to the desk a statement on Wisconsin labor in connection with forthcoming Labor Day, 1949, on which I ask unanimous consent for printing at this point in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Another Labor Day will soon be at hand. Once again, on September 5, we will pause to pay tribute to America's workingmen and workingwomen without whom this Nation could not exist. Without them, it could not enjoy the freedom and high standard of living which we have always taken for granted.

Of course, as on every Labor Day, there'll be a lot of "jawing"—a lot of fancy words spoken by way of endorsement of labor's role. Laboring folks know, however, that the thing that really counts is not mere words however sincere—because words, after all, are pretty cheap—but actions. I would like to set forth, therefore, some steps which I believe are in the best interests of working men and women and as a matter of fact, in the best interests of all segments of Wisconsin and American society.

Yes, let's analyze the meaning of Labor Day, 1949—not in highfaluting, meaningless jabber—but in terms of real deeds.

JUSTICE FOR WORKERS

On Labor Day, it is up to all of us to rededicate ourselves by actions to assure a fair break for our State's and Nation's toilers—for the guy in the overalls sweating at the corner gasoline station or working behind a costly machine tool, for the fellow in the food processing plant, the foundry, the printing shop, the electrical shop, the furniture shop, or in textiles, clothing, lumber, aluminum, automobile, or leather goods. Yes, for the manual toiler or the white-collar worker in any of the other varied enterprises which stamp "made in Wisconsin" on goods respected throughout the globe.

PROBLEM OF UNEMPLOYMENT

This year a cloud will be over labor—a cloud of unemployment—a shortened workweek, less take-home pay, less money to buy the necessities of life and give one's wife and kids all the things we want to. The problem of unemployment is not, however, a subject for us to start making charges and accusations about. Don't let anyone kid you. American businessmen are just as deeply concerned about this problem as are unions or nonunion workers. After all, employers stand to lose their life savings if unemployment continues and a depression develops. It is up to labor, management, government, and agriculture to pitch in and demonstrate teamwork to lick this problem. We have got to find the markets for Wisconsin products so that there will be full employment. Ninety percent of Badger manufactures are shipped outside the State—that means there must be purchasing power elsewhere to buy them.

EVIL RESULTS OF UNNECESSARY STRIKES

Let that, therefore, be our number one aim—achieving teamwork so as to insure purchasing power and continuous production. The laboring man knows that where production is broken by unnecessary strikes, everybody is hurt and nobody is helped except the Communists or other alien-minded agitators. With unnecessary strikes, laboring men lose pay envelopes that they cannot make up for years and years, no matter how much wages are increased. Management loses profits (and let's remember that part of those profits must go toward developing new machinery and replacing old machinery, repairing worn out plants and doing other things that are necessary if businesses are to continue).

Yes, when unnecessary strikes occur, stockholders lose dividends and they are unwilling to invest their money. Failure to invest money means that there will be fewer jobs. With unnecessary strikes, the farmer finds that the city folks can't buy the food he produces. With unnecessary strikes, the Government loses tax revenue. Let's recognize those facts and try to achieve unbroken production to the greatest extent possible.

CHOOSING CONSCIENTIOUS CANDIDATES IN 1950

2. Another constructive step for working men and women is to start thinking in terms of a wise use of the ballot in 1950. When a working man or woman goes into the election booth, he or she is completely free and independent. No "wise-guy" labor official can control the free American worker in the casting of his or her ballot.

Don't, therefore, let anybody scare you into casting your ballot for any individual who is not really a believer in our free American system. Don't let anybody force you to contribute $1 or $2 or more for candidates who aren't really interested in your welfare, but are only interested in agitating, in promoting strife, discord. Don't be a sucker in voting for a Congress which would be the slave of a few labor racketeers or parlor pinks or Reds.

Do you want a Congress which takes orders from a few labor bigshots, a Congress which is just a Charley McCarthy for a few rough characters entrenched in key labor spots? Or do you, as I'm sure you do, want a free Congress—a liberty-loving Senate and House—which takes orders from no one, but which tries to serve the best interests of the honest rank-and-file worker, the little-business man, the housewife, the farmer and everyone else? The choice is yours, my friends.

WORKERS FIGHT UNION BOSSES' POLITICAL STOOGES

I would like to quote from a letter which I just received this morning from Milwaukee:

"I just returned from a 2-day session of a labor organization * * *. They are preparing money and political machinery to

defeat (free enterprise candidates like yourself) in the next election. Of course you had friends there who opposed such a policy * * *. Some definite action should be prepared to combat such a procedure, and I stand willing with other men sympathetic to you to lend any aid possible."

There is a message straight from the heart of a Wisconsin worker. I have received many other messages similar to it and I am tremendously grateful for such communications. This isn't just a personal matter. The thing that I am interested in is to make sure that in the 1950 election, Senators and Representatives will be reelected and elected, who believe as I do, in our American way of life and who don't want racketeers' stooges to be placed in high public office.

I know what it is to come up from the ranks of labor. I know what it is to work 11 hours a day for 15 cents an hour. I know that the men in topnotch positions in Wisconsin businesses these days have, in countless instances, come up the hard way, by sweat and toil. I know that these businessmen are interested in labor's legitimate rights.

WORKERS SUPPORT TAFT-HARTLEY LAW

3. Another way by which labor can demonstrate self-interest is to make sure that it doesn't fall for the "baloney" about the alleged evils of the Taft-Hartley law. That law has been terribly smeared. It has been called every name in the book. Yet every public-opinion poll taken among workingmen shows that they overwhelming support its provisions.

Laboring men, for example, don't want Communists to control unions. They don't want racketeers to misuse union funds. They don't want "goons" to cause violence in disputes. They don't want "featherbedding"—they don't like anyone to receive money which they don't really earn.

The honest American laborer believes in an honest day's work for an honest dollar. He believes that no strike should be allowed in key public utilities or a Nation-wide industry which could paralyze this whole country. Laboring men, for example, don't believe that any man, whether he be a worker or a manager, should have the right to close an electric utility plant, plunging a while city into darkness, depriving hospitals of light as well as causing complete break-down of industry because of lack of electric power.

Laboring men recognize that the Taft-Hartley law prevents all of these things. It prevents Red control of unions, prevents swindling of labor funds. That is why laboring men believe in and support the Taft-Hartley law with certain modifications in order to iron out inequities.

WHAT TWO WISCONSIN WORKERS SAY

Read what a woman worker in Milwaukee wrote me a few days ago:

"I've been a union member for over 31 years. * * * I'm in favor of the Taft-Hartley law. There were many abuses by labor leaders that needed correction. * * * Unions should be restricted as to unfair labor practices."

Here is what another Wisconsin worker writes:

"DEAR SENATOR WILEY: I work in a union shop and today was handed a postcard addressed to you and told to sign it and return to the union officials for checking and mailing. This card asked for the repeal of the Taft-Hartley law. We had no choice but to sign the card or get in bad with our union officials. My feeling in the matter is that this law needs changing, but that if repealed, it should be replaced by a law protecting the union and nonunion laboring men from dictatorship of the union officials. I believe that the workingman should have the right to join or not to join a union."

I could quote from many other messages from Wisconsin workers saying in effect: "More power to you, Senator. Protect our rights from the racketeering big shots. Retain the Taft-Hartley law."

Well, now, what else, should we plan for and fight for on Labor Day, 1949, and every other day of the year?

TAXES ARE CUTTING TAKE-HOME PAY

Here's an item—a big item—tax reduction. Laboring men recognize that if business is paralyzed by heavy taxes, it cannot possibly expand and create new jobs or for that matter, keep old jobs. Right now, every American workingman is giving around 1 day out of every week to the Government in Federal taxes. Right now, in fact, taxes in our country take up over 30 percent of the whole national income. The Federal Government is gobbling up so much taxes that the State and localities in Wisconsin find that they have no items to tax to support their own operations.

Workingmen recognize these facts. They have written to me endorsing the tax repeal legislation which I have introduced—the legislation to end taxes on leather goods, furs, jewelry, cosmetics, telegrams, household appliances, and hundreds of other items. They know these taxes cause unemployment.

A union official in West Bend, Wis., writes: "I want to personally thank you for your effort for the repeal of the tax on personal leather goods. You are on the right track for our jobs in the leather factory that I am an employee of will benefit greatly by that bill. I consider a billfold not a 'luxury' item and cannot and have not ever seen why they were taxed. The repeal of the tax I'm sure will mean a greater sale in billfolds and that is what we all want in this country—our products to be sold. That way there will be work for us and other people like ourselves connected with the leather industry and industry on a whole. I would appreciate it very much if you could send me a copy of your bill."

A musicians' union secretary in Kenosha emphasizes importance of tax relief:

"Please rest assured that we are behind you 100 percent in trying to eliminate this entertainment tax. I know that the American Federation of Musicians will be extremely grateful to you and we take our hats off to you for rendering a great service to the American public."

Right along the line of tax reduction, workingmen recognize, too, that economy is necessary in Government operations. So long as we have a $44,000,000 budget, we are going to have heavy taxes. Therefore, workers support necessary cuts in Government appropriations wherever possible. Federal economy means less taxes which means more jobs.

These, then, and other actions are necessary if we are to pay a real tribute to American labor in 1949 and any other year.

The fellows in overalls today wore military and naval uniforms but a few years ago. They love this wonderful country—they've fought and bled for it. They want their kids to grow up and prosper in it—in the free American way.

DEBUNKING THE SMEAR WORDS

They recognize that the labor racketeers will smear the men who believe in free enterprise. The bigsters will call them "anti-labor," "reactionary," and every other smear word, even though the men they smear came up themselves from the ranks of labor.

CONCLUSION

Let's not be a sucker for smear artists. Let all of us who believe in America—who believe in decent wages, decent hours, decent working conditions, fair taxes, stand together for a strong, united America on Labor Day and every day.

ARMY, NAVY, AND AIR FORCE NOMINATIONS

Mr. TYDINGS. Mr. President, I ask unanimous consent to submit from the Committee on Armed Services favorable reports on certain routine appointments and promotions in the Army, Navy, and Air Force, to which no single objection has been made. The report is made by unanimous vote of the committee.

The VICE PRESIDENT. Without objection, the report will be received.

Mr. TYDINGS. Mr. President, I ask that the nominations be considered at this time, that they be confirmed, and that the President be immediately notified.

The VICE PRESIDENT. Is there objection to the request of the Senator from Maryland? The Chair hears none, and, without objection, the nominations are confirmed en bloc, and the President will be notified at once.

ADJUSTMENT OF LINEAL POSITIONS OF CERTAIN NAVAL OFFICERS

Mr. TYDINGS. Mr. President, the Secretary of the Navy this morning called my attention to a situation which I hope will incline the Congress to take immediate action on a bill now on the calendar, House bill 5238. This bill has already been passed by the House and been reported unanimously from the Committee on Armed Services of the Senate. Its title is "To authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes."

It so happens that we created some time ago what is known as the limited-duty officer. Some of these men are enlisted men. They are specialists in particular fields. Their commissions will expire on the 7th of August unless House bill 5238 is enacted prior to that time. In view of the fact that the bill has been passed by the House, that it comes to the Senate with the unanimous support of the Armed Services Committee of the Senate, and in view of the further fact that these men are specialists, and are already holding these positions temporarily, and for the further reason that the commissions will expire on the 7th of this month, I ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, I understood the distinguished Senator from Maryland to say that the bill had the unanimous support of the members of the Armed Services Committee of the Senate?

Mr. TYDINGS. That is correct.

Mr. WHERRY. A second question. As I understand, these men are specialists, and hold temporary commissions?

Mr. TYDINGS. That is correct. They are limited-duty officers in specialties.

Mr. WHERRY. Unless their terms are extended, through the passage of the bill, for a year, they will go back to the enlisted ranks, and we might lose their services as specialists.

Mr. TYDINGS. Their commissions expire by law on the 7th of August, this month.

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Mr. WHERRY. How many men are involved?

Mr. TYDINGS. Two hundred and fifty.

Mr. WHERRY. Does the Senator know any situation in the Army which is comparable?

Mr. TYDINGS. I do not. These men are in the Navy.

Mr. GURNEY. Mr. President, I join the Senator from Maryland in asking unanimous consent for immediate consideration of the bill.

The VICE PRESIDENT. Is there objection to present consideration of the bill?

There being no objection, the bill (H. R. 5238) to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. KERR, Mr. RABAUT, Mr. TABER, and Mr. WIGGLESWORTH, were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1288. An act for the relief of certain officers and members of the crew of the steamship *Taiyuan;*

H. R. 1466. An act for the relief of Daniel Kim;

H. R. 1472. An act for the relief of the Olympic Hotel;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa; and

H. R. 2850. An act for the relief of Denise Simeon Boutant.

LEGISLATIVE PROGRAM—COMMENTS BY VICE PRESIDENT ON CERTAIN PARLIAMENTARY RULINGS

Mr. WHERRY. Mr. President, may I ask the distinguished majority leader what the legislative program will be after the passage of the independent offices appropriation bill?

Mr. LUCAS. Mr. President, the Senate will proceed with consideration of the independent offices appropriation bill as the pending business before the Senate. The ECA appropriation bill has just been reported by the Appropriations Committee. It contains some provisions to which at least certain Members of the Senate desire to give some consideration before we take up the bill. However, the Senate may displace the independent offices appropriation bill with the ECA bill sometime later this afternoon, because the ECA is completely out of money, and it is necessary that we take action to dispose of that bill with all convenient speed.

The VICE PRESIDENT. The Chair would like to ask the indulgence of the Senate for a moment. The Chair spent Saturday and Sunday examining the CONGRESSIONAL RECORD and the decisions and opinions and votes of the Senate on matters which were before the Senate last week on points of order, trying to clarify his own mind as to what the rule is with regard to germaneness and also with regard to legislation.

The Chair also feels that he owes former Vice President Wallace an apology for the remark he made describing a decision of his as being illogical. It turns out, after an examination of the RECORD, that the present occupant of the Chair, being then a Senator from Kentucky, took the same position in the debate that Vice President Wallace took in his decision. The Senate overruled the decision of the Chair. The present occupant of the Chair was misinformed, and thought the Chair had ruled as the Senate finally ruled. That is why the present occupant of the Chair made the remark he did. The Chair is sorry about it. But in the interchange of views and conversations between Senators and the Parliamentarian while the Chair has two ears, he can hear only one thing at a time.

The Chair has not yet made up his mind to his own satisfaction as to how clear or muddy this rule is. The Chair would like to read the bill, as it has been reported again, and reread some of the debates on the matter, so that he may be more prepared if points of order are made, to pass upon them without too much delay. It would be an accommodation to the Chair if the ECA bill were not taken up at the moment—perhaps not until tomorrow. The Chair realizes how important it is that the legislation be passed, but it is also important that we clarify the tangled situation in regard to what the rules mean.

Mr. WHERRY. Mr. President, may I inquire of the distinguished majority leader, in the event the ECA bill is not taken up today, what appropriation bill might be taken up this afternoon?

Mr. LUCAS. It is my understanding, from the Senator from Wyoming [Mr. O'MAHONEY] that we will not finish the independent offices appropriation bill this afternoon. If that is the case, we will surely consider the ECA bill before we finish the independent offices appropriation bill.

Mr. O'MAHONEY. Mr. President, that statement was made by the Senator from Wyoming, Mr. President, only by reason of the experience the Senator has had during the past 3 days.

Mr. LUCAS. Mr. President, I am sure the Senator from Wyoming is justified in drawing that conclusion.

Mr. O'MAHONEY. I was led to hope Friday that perhaps we might proceed more speedily in the further consideration of the bill; but that remains to be seen.

Mr. WHERRY. If I may ask another question of the majority leader, has he yet planned whether there will be night sessions this week?

Mr. LUCAS. Mr. President, I seriously doubt whether we will have any night sessions this week. We had two night sessions last week and I do not think we accomplished too much as a result of those night sessions.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Delaware [Mr. WILLIAMS], to the committee amendment, on page 51, line 21, to strike out "$63,054,424", and insert "$59,901,703."

Mr. O'MAHONEY. Mr. President, the committee in reporting this amendment increasing the amount available for salaries and expenses from $62,380,424, as passed by the House, to $63,054,424, has increased the appropriation by only $674,000. Even with that increase, the amount allowed by the committee is 12 percent below the budget estimate. It is in figures below the budget estimate by $9,086,966, the estimate of the Budget Bureau having been $72,141,390. The amendment by the Senator from Delaware, which would reduce the appropriation to $59,901,703, amounts to a cut of almost 17 percent, or $12,239,687. I submit that a reduction of 17 percent, which is 5 percent more than the reduction of 12 percent already made by the committee, is just a little too much.

In view of the fact that General Fleming has been made Chairman of the Maritime Commission and is now applying his undoubted abilities as an administrator, and in view of the fact that he has already established a record for economy in the Federal Works Administration, of which he was the head, it would seem to me to be a little excessive to deprive him of the personnel and facilities with which he might be expected to carry on an efficient and effective administration.

I grant, and the committee has felt, that there are savings to be made in the administration of the Maritime Commission. The committee will propose amendments as soon as this one is disposed of. I have already called attention to the fact that there is an amendment to the contract authority. On Friday last we had a long discussion about the handling of the *Mariposa* and the *Monterey*. My position is that we should not make the very steep cut suggested by the Senator from Delaware on this item, but should be content with the cuts which are presented elsewhere.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. If the amendment of the Senator from Delaware is adopted, how much will be cut from the appropriation for the training of young men at Kings Point, Sheepshead Bay, and the other schools?

Mr. O'MAHONEY. The amendment will not affect those items at all; they are provided for at a different place in the bill.

Mr. LANGER. On page 54?

Mr. O'MAHONEY. Yes; and that is a different item.

Mr. LANGER. Then, the amendment proposed by the Senator from Delaware does not affect that item at all?

Mr. O'MAHONEY. No.

Mr. LANGER. What does it affect?

Mr. O'MAHONEY. It affects the salaries and expenses of the administrative authority of the Maritime Commission, in its headquarters.

Mr. LANGER. I thank the Senator.

Mr. WILLIAMS. Mr. President, if the Senator from Wyoming has finished, I desire to obtain the floor. First, I ask for the yeas and nays on this amendment.

Mr. FLANDERS. Mr. President, I should like to make some inquiries before the voting occurs.

Mr. O'MAHONEY. I shall be very happy to answer any questions I can.

Mr. FLANDERS. I have been very much interested in changing what has seemed to be the Maritime Commission's policy of paying too much attention to old types of luxury transportation across the North Atlantic, and not paying enough attention to the possibilities of developing something equivalent to coach-type railway service across the North Atlantic.

There have been before the Maritime Commission proposals for reconditioning two of the vessels in the Pacific service for this cheaper form of mass transportation across the North Atlantic. I should like to inquire whether, so far as the Senator from Wyoming knows, the appropriation as provided by the House of Representatives permits that project to go ahead.

Mr. O'MAHONEY. Let me say to the Senator from Vermont that that problem is involved, not in this item, but in the contract authorization which is to be found on page 52, in line 22. The House granted contract authority for new ship construction in the amount of $70,125,000. The Senate committee has reduced that amount to $50,000,000. As justification for the $70,000,000 figure, it was proposed by the Maritime Commission that two vessels of the type to which the Senator refers should be constructed for transportation along the Pacific coast of the trailers which so frequently are carried behind motortrucks on the highways. Under this proposal, these two vessels would be constructed in such a way as to afford, so we were told, rather rapid transportation of trailers up and down the Pacific coast. The committee, in making the flat reduction to $50,000,000, did not attempt to make allocation as to the use of the fund among the three purposes which were mentioned in the justification: The construction of these two vessels, the construction of two vessels to ply between New Orleans and Central America, and the construction of two vessels to ply in the trade between New York and South America. Under this amendment the Commission would act according to its discretion in that matter.

Mr. FLANDERS. The amendment I have in mind relates, not to new construction, but to applying certain safeguards with respect to existing vessels which have been in the Pacific service. I am much concerned with not putting an end to the possibility that those two ships may be reconditioned and safeguarded.

Mr. O'MAHONEY. The contract authorization which is carried in the paragraph beginning in line 12, on page 52, includes new ship construction and the reconditioning and betterment of other vessels, as authorized by title V of the Merchant Marine Act.

Mr. FLANDERS. Is the reduction in the amount of a little more than $20,000,000 solely in connection with the vessels to which the Senator has referred?

Mr. O'MAHONEY. The contract authority which was requested by the Commission was in the amount of $85,000,000, and in the justification it was specified that it would cover the following vessels: The two passenger-carrying vessels to operate in the trade from New York to the Caribbean; two reefers to operate between the Gulf of Mexico and Central America; two passenger-trailer vessels to operate between San Francisco and Los Angeles; a cargo prototype vessel in conjunction with the Navy; a second prototype vessel capable of conversion; a reserve for contract design work with outside naval architects; and miscellaneous betterments, which were not outlined. The total was $85,000,000.

The reduction to $50,000,000 meant that the eliminated $35,000,000 would have to be allocated according to the discretion of the Commission.

Mr. FLANDERS. I am not quite clear in my own mind about this matter, but probably a conference or discussion with General Fleming would be required, in order to ascertain whether this particular matter will be shelved.

Mr. MAGNUSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Washington?

Mr. O'MAHONEY. I yield.

Mr. MAGNUSON. In connection with the matter to which the Senator refers, I think both he and I are familiar with the situation. It is my understanding that if the betterments appropriation is sustained, then the Maritime Commission will be in such a position that it will be highly improbable that they will go ahead and allow the so-called betterments for the two ships to which the Senator from Vermont has reference. If, however, there should be a compromise in conference between the House and Senate figures on betterments, the Senate having cut the appropriation to a very small sum, then the possibility of doing what I know the Senator from Vermont has in mind remains with the Commission.

On the other two matters, as to which the Senate cut the authority below the original figure, the Senator from Wyoming can correct me, but as I recall, the original authority requested was in the amount of $82,000,000.

Mr. O'MAHONEY. Eighty-five million dollars.

Mr. MAGNUSON. Eighty-five million dollars. The House cut that to $70,000,000, and the Senate cut it to $50,000,000.

Mr. WILLIAMS. Mr. President, if the Senator will yield, I wonder whether the Senator from Washington is aware of the fact that the provision of the bill which he is discussing now is not the amendment which is before the Senate.

Mr. MAGNUSON. I understand that, but I wanted to clarify my understanding of what is planned to be done, if the Senate cut remains. The Maritime Commission had planned, as the Senator from Wyoming has pointed out, to construct the two ships for the Grace Line, that is, the combination passenger and cargo ship for the Caribbean and South American service, and the construction for the Standard Fruit Co., to operate between New Orleans and Central America. They allow for two reefers. They also had two plans for the prototypes referred to by the Senator from Wyoming, and they had a new plan for the construction of combination sea trailer ships, which are somewhat revolutionary in maritime matters. But if the Senate cut remains, is is my understanding they would go ahead with the two reefers for the South American trade and the combination passenger-cargo ships for the Caribbean and South American trade, and further, that they would not go ahead with the cargo prototype, in the sum of $5,000,000, and the Navy prototype auxiliary, in the sum of $10,000,000, and probably they would have to abandon for the year the plans for the two revolutionary type of ships which haul truck trailers up and down, which it was proposed to try to operate between Los Angeles and San Francisco. The betterment program which the Senator from Vermont is talking about will be seriously curtailed if the Senate committee's figure remains.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Michigan?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. Mr. President, the able Senator from Wyoming has indicated this morning that the amendment of the Senator from Delaware would make too severe a cut, and would be 17 percent below the budget estimate. I merely want to remind the Senator of the fact that when the Committee on Expenditures in the Executive Departments last year made an investigation of the Maritime Commission, they estimated that there could be a 20-percent cut, and that as a reasonable estimate the savings that should result would be about 20 percent of the administrative expenses of the agency, or about $2,000,000 a year.

Mr. President, it is clear that the House understood this situation, and that the appropriation passed by the House is not too small. The Senator from Delaware proposes a greater cut. I thought

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the House figures were lower, but 5 percent does involve a greater cut, the difference being about 2 percent.

The committee is also of the opinion that many of the other divisions in this agency are greatly overstaffed, and it is supported in its stand by the recently published report of the Senate Committee on Expenditures in the Executive Departments, which recommended that appropriations for this function be reduced approximately 20 percent during the next fiscal year.

Mr. O'MAHONEY. Mr. President, will the Senator yield on that point?

Mr. FERGUSON. I am glad to yield.

Mr. O'MAHONEY. Of course, I think that is precisely what has been done. I call the attention of the Senator to the fact that the appropriation for 1949—that is, for the present fiscal year—the appropriation which was made by the last Congress for the Maritime Commission was $101,988,751, almost $102,000,000. The budget estimate, for the fiscal year 1950, is only $75,870,380. Now what the Senator from Delaware proposes is not a reduction of 17 percent below the appropriation for 1949, it is not the 20-percent reduction to which the Senator from Michigan alludes, but it is a 17-percent reduction from the $75,000,000, which represents a reduction already made by the Budget Bureau in compliance with the recommendation of last year's Committee on Expenditures in the Executive Departments.

Mr. WILLIAMS. I ask for the yeas and nays on my amendment to the committee amendment.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I should like to point out to the Senate, before the vote is taken, that but very little of the discussion which we have heard on the floor of the Senate this morning was related to the pending amendment. The discussion has been on amendments which will come up later this afternoon.

I also desire to point out to the Senate that any vote which may be taken on this amendment will not affect in any way the new ship construction, nor the State marine schools, nor the maritime training. They are in no way affected; but the amendment which is before the Senate affects only the personnel subsidies and miscellaneous expenditures of the Maritime Commission.

When we vote on this amendment which proposes a 5 percent reduction in the appropriation for the administrative purposes of the Maritime Commission, the Commission will still have a larger personnel by two and a half times than it ever had prior to the war. It will have more than 4,000 employees for administrative purposes. In March 1941, they only had 1,875 employees to take care of the same duties. In March 1938 they operated with 1,073 employees. Therefore I see no reason why we should not cut this appropriation. If the 62 Senators who signed a petition calling upon the President for a 5 percent cut meant what we said then let us vote accordingly. In that petition we made no exception. Besides everyone agrees that this department, the Maritime Commission, is one of the most extravagant agencies in Washington.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. O'MAHONEY. I was merely going to suggest to the Senator that he is mistaken when he says they are performing the same duties now that they were performing previously. That is not the fact. Additional duties have been placed upon the Maritime Commission, as for example, as shown in the memorandum on personnel, the increased reserve fleet, the warehouses and the shipyards. These are new functions which must be performed. During the war, we built a very much larger fleet, which the Maritime Commission has to handle and care for. I submit it cannot possibly handle them with the same personnel it had before the war.

Mr. WILLIAMS. There is nothing being said about cutting them back to the prewar figure. We will still leave them over 4,000 employees. What we are proposing to do is to allow the Maritime Commission two and a half times as many employees as it had in 1941, four times as many employees as it had in 1938. I never said there was not a change in its duties, but I do say that the number of employees has been increased more than the duties of the Commission.

The Senator from Wyoming paid a compliment to the Honorable Lindsay Warren for the good job he has done in calling our attention to the inefficiency of the Maritime Commission, and in that I agree. Yet when we read the reports of Mr. Warren, pointing out time and again that there is waste, extravagance, and inefficiency in the Maritime Commission, we do nothing about it. It is time we cut out this extravagance. I merely want to read a summary Mr. Warren made regarding the execution of one agreement by the Maritime Commission.

The General Accounting Office, I quote—"considers the execution of the amended charter to have been beyond the authority of the War Shipping Administration and the payments made thereunder to have been a wasteful, extravagant, and illegal expenditure of public funds."

This is one of the many reports I shall discuss at a later date.

I say we can cut this appropriation. Sixty-two Members of the Senate joined in a resolution which calls for a 5-percent reduction in the appropriations.

They did not except the Maritime Commission, and I cannot believe they intended to except it.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. MAGNUSON. Mr. President, I do not want to make any specific issue of the number of personnel in the Maritime Commission. I entirely agree with the conclusions reached by the Comptroller General in his investigation of that Commission, and with the conclusions reached by the Hoover Commission in its examination of the administration of the Maritime Commission. Certainly there is a great deal of room for improvement in that Commission. Those of us who have a deep interest in maritime matters were in hopes that the appointment of General Fleming, who has the reputation of being one of the most able administrators the Government has ever had, would bring about a reorganization of the administrative functions of the entire Maritime Commission, and that there would be some important changes.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WILLIAMS. Does the Senator not agree with me that if General Fleming puts into effect the efficiency we expect of him, we can achieve at least a 5-percent reduction in the cost of the administration of the Commission?

Mr. MAGNUSON. I do not know. The Senator from Delaware is quoting from reports dealing not with personnel, but with administrative mismanagement in connection with funds, mismanagement in connection with interpreting the laws of Congress, and the lack of a general maritime policy. I desire to point out to the Senate that ships flying the American flag have been deteriorating and going to seed so rapidly since World War II that the maritime situation of the Nation is in serious jeopardy.

Of course, we did not expect to retain the wartime level of our merchant marine, but it is deteriorating very rapidly, and other nations are building up their merchant marine. We are in a serious situation. It has been so bad that the Committee on Interstate and Foreign Commerce appointed a subcommittee to look into the question. After the committee, of which the Senator from Vermont [Mr. FLANDERS] is a member, had looked into some of the management and administrative features, we received from the Senate the sum of almost $50,000 to proceed with the work which we are now doing. We find many factors which need to be changed.

There are 48,000 unemployed seamen walking the streets of the Nation today, and they have been in that situation for almost 18 months. Something must be done. Our merchant marine needs to be revived, to have a new spirit and a new approach to the problem. The Commission may need these employees. The fact that it would mean four times as many as it had in 1938 is no argument at all. We had no merchant marine just previous to World War I. In World War II we had a fleet greater than that of the combined fleets of the world. We still have most of that fleet. If the Senate deems it wise to squeeze down the Maritime Commission, thus preventing it from going ahead and keeping pace with the fleets of the rest of the world, all right. If that be done, we shall slip back to the same position we occupied after World War I. It cost us nearly $7,000,000,000 to bring back our merchant marine to a comparable position with that of the rest of the world, so we could participate in World War II. We have ships stored in various places.

This proposed reduction, as I interpret it, would seriously handicap those who have charge of the ships. There are caretakers in charge of the ships, and the ships should be watched properly. I am warning the Senate that unless something is done to revitalize our merchant

marine, unless we pay more attention to our reserve fleet, which is materially deteriorating in various rivers and harbors, we shall awake in the next two or three years, as we did in 1921, when the American flag was completely off the seas, and find ourselves in a similar situation.

The proposed cut would affect persons who are the caretakers and who do the work of safeguarding the condition of our great reserve fleet. Many of the ships should be repaired; many of them should be brought into the shipyards. We should have the guidance of the men whom the Senator from Delaware would cut from the bill. Our reserve fleet is 16 times greater than the fleet we had in 1938, and more than 6 times greater than in 1941. We must take care of it. I feel that if General Fleming comes before the committee and says, "This is what we need to take care of our reserve fleet," he knows what is needed in an administrative way.

The proposed cut would seriously handicap us in the future and affect the present condition of the reserve fleet of the Nation, which is now the greatest in the world. We want to keep it so.

I hope the Senator from Delaware will leave the discretionary authority in regard to efficient administrative operation of the Maritime Commission to the new Commissioners who have been appointed, and in whom I have every confidence. If they do not need these men, General Fleming will say so. It is a serious matter.

Mr. WILLIAMS. Mr. President, I merely want to point out that the speech which the Senator from Washington has made pertains to other sections of the bill. The adoption of my amendment would not affect the new construction of the fleet in any way. According to the Comptroller General of the United States, the Maritime Commission is the most inefficient bureau in Washington, because of inefficiency, waste, and extravagance. If we do not pay some attention to such a situation of what use are these reports?

Mr. MAGNUSON. Mr. President, I am not confused, and I was not confused in what I was atempting to tell the Senate regarding the merchant marine. I appreciate the fact that the Senator's amendment deals with personnel, but it is my understanding that if his amendment is adopted, the Maritime Commission would have to reduce the caretaker personnel of our vast reserve fleet. I think that is a very serious question. I believe it is a matter which General Fleming, Mr. Coddaire, and Mr. Carson should have jurisdiction of, and it should be left to them.

Mr. WILLIAMS. Mr. President, there is the possibility of the Maritime Commission deliberately making the cuts in departments where they should not be made in an effort to embarrass Congress. The same threat has been made in the past by the heads of other bureaus, I think it is time we served notice on them now that should they take this arbitrary action, merely because we attempt to cut their appropriations, then they themselves will be looking for new jobs.

Mr. O'MAHONEY. Mr. President, I hope I may have the attention of the Senator from Delaware, because it is quite clear from a reading of the bill that the Senator is mistaken in what he seeks to do.

The Senator said a moment ago that the reduction which he proposes is intended to reduce the administrative expenses for personnel. Have I not correctly stated what the Senator thinks he is doing?

Mr. WILLIAMS. No; I said as to all salaries, subsidies and other miscellaneous expenditures.

Mr. O'MAHONEY. For administrative expenditures?

Mr. WILLIAMS. For salaries and other expenses.

Mr. O'MAHONEY. For administrative purposes; that is correct.

Mr. WILLIAMS. Administrative purposes are covered; yes.

Mr. O'MAHONEY. That is where the Senator is mistaken. I shall now show to him precisely why and how he is mistaken.

This appropriation for salaries and expenses does not include the item for administrative expenses, so far as the increase is concerned. The Senator will see that in line 21, following the figures, the language is, "within limitations as follows." Here are the limitations: There is a limitation on administrative expenses. The committee did not increase those expenses by a single penny. Where, then, did the increase come from? It came, not in administrative expenses, not in new shipyard construction, not in reconditioning and betterment; it came on page 53, in the item on line 13, for the maintenance of shipyard facilities. There was an increase from $409,700 to $443,700. That is a part of the increase of $674,000 which we allowed on page 51, line 21. It is not an addition.

Then in line 14 we increased the "Operation of warehouses" appropriation from $461,550 to $501,550. That was another increase of personnel in the appropriation, a part of the $674,000, and it was made necessary by the increased duties of the Maritime Commission in handling the maintenance of shipyard facilities and the operation of the warehouses.

Finally, on page 54, line 6, we increased the limitation for reserve fleet expenses from $6,534,800 to $7,134,800

These three limitations were increased. They are not additional appropriations; they are increased limitations. But they are taken care of in the $674,000 increase which we granted in the appropriation which the Senator now seeks to amend.

I assure the Senator, with the greatest sincerity and the utmost accuracy, that if his amendment is agreed to it will be necessary to reduce the personnel for handling the maintenance of shipyard facilities, the operation of warehouses, and reserve fleet expenses, all three of which items are vastly greater now than they ever were heretofore.

Mr. WILLIAMS. Mr. President, I still point out, and repeat what I said before, that we are voting on the over-all personnel allowed to the Maritime Commission, and the question whether or not we will reduce it to 4,100, which would be two and one-half times what they had at any time since the war.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The question is on the amendment offered by the Senator from Delaware to the amendment of the committee.

Mr. AIKEN. Mr. President, when the Senate recessed last Friday night we had just concluded the discussion concerning the language in the provision on the top of page 53 which provided "That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction," and so forth.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. O'MAHONEY. I call attention to the fact that we are apparently about to have a vote on the amendment which the Senator from Delaware has offered. Would the Senator from Vermont be good enough to postpone the discussion of the amendment to which he has just referred—and I know he is interested in it—until after we have a vote on the amendment of the Senator from Delaware?

Mr. AIKEN. I shall be glad to postpone the discussion of the matter to which I desire to allude, because some other evidence has come to light since the subject was discussed Friday night which I think requires further clarification. I shall be glad to withhold the discussion until after the matter of the appropriation has been acted on.

Mr. HILL. Mr. President, if I may have the attention of the distinguished chairman of the subcommittee, as he has said, the President reduced the budget estimate and the recommendations for the Maritime Commission by 45 percent.

Mr. O'MAHONEY. Below the appropriation for fiscal year 1949.

Mr. HILL. The Committee on Appropriations recommended a 20-percent reduction.

Mr. O'MAHONEY. And the Budget Bureau recommended 25 percent.

Mr. HILL. But the President went the committee 5 percent better, not only made it a 20-percent cut, but made it a flat 25-percent cut. The committee itself has made a very substantial reduction in the over-all appropriations.

Mr. O'MAHONEY. A 12-percent reduction in this particular item. So, as the committee report comes before the Senate, it is about 37 percent below the appropriation for fiscal year 1949.

Mr. HILL. Mr. President, as the distinguished chairman of the subcommittee has said, the amendment on which the Senate is about to vote has nothing to do with contracts, or with the construction of ships, or with the payment of subsidies, or what may be called the general policies of the Maritime Commission. The amendment before us deals with the question of warehousing, the preservation of material that belongs to the Government which must go into warehouses, and the preservation of the ships, in which the Government has millions and billions of dollars invested.

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The distinguished Senator from Washington referred to General Fleming, the head of the Maritime Commission, a man whom I regard as one of the most devoted and ablest public servants we have in our Government. I wish merely to take a moment to call the attention of the Senate to what the Maritime Commission said about the necessity for appropriating these funds to provide for proper warehousing. I read from the hearings on page 809, where the Commission said:

> Prior to fiscal year 1948 the majority of the materials and equipment received for storage and handling were either new or in good condition prior to their receipt. Now an entirely different condition exists since most of the property to be warehoused is coming from strip-ship, reconversion, and repair activities, as well as withdrawals of property previously declared to the War Assets Administration. Practically all such materials and equipment have been in use either aboard vessels or stored outside for many months and substantial quantities have become rusted and corroded. Therefore, it is necessary to dismantle much of this machinery and equipment, remove rust, corrosion, and water, coat with proper preservation compounds, oil or grease, and reassemble for long-term storage.

In other words, if we do not provide these funds, then this property, these materials, this equipment, which belongs to the Government of the United States, will not be properly treated, will not be in condition for preservation, and properly warehoused. The same condition that applies to the warehousing of the materials and equipment applies also to the ships themselves.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. KNOWLAND. I have listened to the discussion between the Senator from Delaware and the able chairman of the subcommittee, and, frankly, on this item I am in doubt, for the reason that, while the Senator is very persuasive in the argument he has made, at the same time I do not believe we had a break-down from the Senator from Delaware or anyone else as to the number of the employees who are covered by this item who will be doing the type of work the Senator from Alabama is discussing, and the number of employees who will be office employees of the Maritime Commission, which is the point raised by the Senator from Delaware. Perhaps if we could get some light thrown on the subject of the number of employees who will be engaged in the type of work to which the Senator from Alabama refers, it might enlighten the Senator from California and others on the floor of the Senate as to the votes we should cast.

Mr. O'MAHONEY. Mr. President, will the Senator from Alabama yield to me on that point?

Mr. HILL. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. If the Senator from California will look at page 51 of the bill, in line 21, he will see that we have increased the appropriation for salaries and expenses from $62,380,424 to $63,054,424, an increase of $674,000. That is plainly written. Then the remainder of that sentence carries the words "within limitations as follows." Then we look to the three items in the limitations which account for the $674,000. The first item is on page 53, line 13, where, for the maintenance of shipyard facilities, there was an increase of $34,000, from $409,700 to $443,700. On line 14 there was an increase of $40,000, from $461,550 to $501,550. On page 54, line 6, there was an increase for the reserve fleet expense from $6,534,800 to $7,134,800. If we add the $34,000 increase in line 13, page 53, to the $40,000 increase in line 14, page 53, to the $600,000 increase in line 6, on page 54, we have a total increase of $674,000, which is precisely the figure which appears in the amendment which the Senator from Delaware discussed.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KNOWLAND. The Senator has perhaps not quite understood my point. No doubt it is my fault.

Mr. HILL. I think I know what the Senator has in mind. I heard his question. The Senator from Wyoming, I believe, was busy at that time. Not a single one of the additional personnel provided for in the amendment will be used in Washington or in any office, or in administrative work, unless perhaps the administrative work is done in a shipyard or warehouse, or unless the personnel is with the reserve fleet. Of this personnel 244 in number will be used as follows: 8 in shipyards, 12 in warehouses, and 221 with the reserve fleet, putting the ships in which the Government has hundreds of millions of dollars, in moth balls, protecting and preserving them; putting material and equipment away in warehouses, cleaning it properly, removing rust and erosion from it, and putting it in oil and grease, or whatever preservative may be used so as to preserve this property.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KNOWLAND. The point I want to clarify in my mind, and I think other Senators on the floor would like to have clarified, is this: Of this double the number the Commission had at any time prior to the war, how many of this personnel are engaged in purely administrative work, and how many are engaged in the work of taking care of the reserve fleet, and the rest of it? I think the Senator from Delaware has made a very pertinent point, if that is pure administrative overhead. On the other hand, if they are conducting work which is highly essential, such as the Senator from Alabama is talking about, then I would be inclined to go along with him and not vote for the reduction. But I should like some justification as to the necessity of approximately double the number of employees the Commission had at any time prior to World War II. I think that is a matter which needs to be cleared up.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Delaware.

Mr. WILLIAMS. In reply to the question asked by the Senator from California, I point out that the amendment with which we are dealing seeks to reduce the amount proposed in the Senate committee amendment by about three million dollars. Of the $63,000,000 provided by the committee amendment, only $8,000,000 applies to the functions which have been described by the Senator from Alabama and the Senator from Wyoming. For instance, with respect to the maintenance of shipyard facilities, all that is proposed to take care of that item in its entirety is $443,700. For the operation of the warehouses, which has been mentioned, $501,550. That is the maximum amount which has been claimed necessary. Now there are in addition reserve-fleet expenses, $7,134,800. In other words, of the $63,000,000, $8,000,000 is given for these functions, which leaves $55,000,000 for the other functions of the Maritime Commission.

All the argument that has been made against the proposed cut of $3,000,000 out of a total of $63,000,000, is to describe the wonderful job that is being done with the $8,000,000 portion of the bill. The rest of the money going for administrative purposes, subsidies, and the other functions. No one denies but that they can be cut three million. Either we are going to cut these appropriations or else there is going to be no reduction in the wartime rate of taxes. As we vote on these proposed cuts we are in effect deciding the question of "Will there be a reduction in the wartime excise taxes at this Congress?"

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. SALTONSTALL. I disagree most heartily with what the Senator from Delaware has just said. What he has said, so far as it goes, is correct; but when he says that all the rest of it is left for the administrative facilities of the Maritime Commission——

Mr. WILLIAMS. And other functions.

Mr. SALTONSTALL. And other functions—I call the attention of the Senator from California and of other Senators to the fact that of the remainder, $26,875,000 is for new ship construction, reconditioning, and betterments, and $18,218,000, in round figures, for operating—differential subsidies. I will not say almost all, but a great deal of both those items is already under contract, contracts in private yards and in other places where ships are being built. It has nothing to do with the administrative operation of the Maritime Commission. The committee, as the Senator from Wyoming has said, and as other Senators have said, has not changed the items for administrative expenses at all. The committee has left them at $8,950,142. So I say most respectfully to my colleague from Delaware that of the other functions which he says apply, the largest item, namely, $44,000,000, covers new ship construction, reconditioning and betterment, and operating—differential subsidies.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I will yield to the Senator from Vermont in a moment. I wish to say that the Senator from Massachusetts

is absolutely correct in what he has just said. In answer to the question of the Senator from California, I will say there are 1,950 employees in what we might call administrative work of the Maritime Commission. If the amendment is agreed to there will be 4,554 employees altogether with the Commission, with 1,950 in administrative work.

What the amendment involves is only one proposition, that is, funds for increase of some 241 personnel. Of these 241 personnel, none of them are to be in the administrative work, none of them are to be in Washington, all of them are to be either in shipyards, warehouses, or with the reserve fleet.

As I said before, 8 will be in shipyards, 12 in the warehouses, for the care and preservation of the materials and equipment coming in there, and 221 for the proper conditioning or the preservation of the reserve fleet.

I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I should like to ask the Senator from Alabama or any other Senator who can answer the question, whether in this appropriation there are included funds for the construction of a so-called superliner or luxury liner, about which we have been reading?

Mr. O'MAHONEY. Mr. President, that is included in the contract authority item under the amount carried in line 22 of page 52, which the committee reduced from $70,125,000 to $50,000,000.

Mr. AIKEN. And that includes the appropriation for the construction of a new superliner? Is that going to take most of that appropriation? I am not too familiar with this matter, but I have read and heard much about the expectation of the Commission to spend very large amounts in subsidizing the construction of a luxury liner.

Mr. O'MAHONEY. I beg the Senator's pardon. The luxury liner has already been contracted for under authority previously granted. The only item in this bill which affects that is under the cash appropriation, not the contract authority; the cash appropriation under which the contracts which have already matured may be liquidated.

Mr. AIKEN. Has there been any controversy between the Comptroller General and the Maritime Commission over the validity of spending large amounts on the construction of a superliner?

Mr. O'MAHONEY. It is my understanding that there is reference to that in the report which was transmitted to the President of the Senate under date of July 11, 1949, by the Comptroller General, Mr. Lindsay C. Warren. This particular report has been made the subject of hearing and investigation by the Committee on Expenditures in the Executive Departments in the House, and by the Committee on Expenditures in the Executive Departments in the Senate. It involves a problem of policy.

Mr. AIKEN. How much money is involved? Does the Senator from Wyoming know that?

Mr. O'MAHONEY. It is a rather large sum. I think it is somewhat in excess of $70,000,000 or $75,000,000. The total cost, I think, is about $75,000,000.

Mr. AIKEN. That is the amount of the subsidy, or is that the cost of the ship?

Mr. O'MAHONEY. It is the estimated cost of the ship.

Mr. AIKEN. The subsidy will be half that amount?

Mr. O'MAHONEY. The differentials are quite high. General Warren suggested in his report that there should be legislation to require open public hearings by the Maritime Commission when it is gathering evidence upon which to base its estimate of the differential cost of construction. With that recommendation I am inclined to agree. But again it is a matter of legislation. It is not a matter for the Appropriations Committee to consider, and, as a matter of fact, the report did not come to us until after the subcommittee had acted.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. SALTONSTALL. I would simply say to the Senator from Vermont—I think I am correct, and I think the Senator from Wyoming will agree with me—that the construction subsidy is 40 percent; and on top of that there would be an operating subsidy, after the ship is constructed. So 40 percent of approximately $75,000,000 is the construction subsidy.

Mr. HILL. Mr. President, I simply wish to emphasize that the pending amendment has nothing whatever to do with any subsidy in maritime contracts, any payments, any general policies of the Maritime Commission. This amendment deals only with the preservation of the materials and equipment through proper warehousing and the preservation of the ships in the reserve fleet, through putting the ships in moth balls, by taking the steps necessary to protect these materials and this equipment and these billions of dollars' worth of ships. Not to take this action, not to adopt the Senate committee amendment, surely is to waste all this valuable property which we have, and which has been paid for by the taxpayers of the United States. Not to adopt the committee amendment is to be penny-wise and pound-foolish.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware to the committee amendment on page 51, in line 21, to strike out "$63,054,424" and insert "$59,901,703."

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. It is understood that the yeas and nays have already been ordered.

The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Capehart	Dulles
Anderson	Chapman	Ecton
Baldwin	Chavez	Ellender
Brewster	Connally	Ferguson
Bricker	Cordon	Flanders
Butler	Donnell	Frear
Cain	Downey	Fulbright
George	Langer	O'Mahoney
Gillette	Lodge	Pepper
Graham	Long	Robertson
Green	Lucas	Saltonstall
Gurney	McCarran	Schoeppel
Hayden	McCarthy	Smith, Maine
Hendrickson	McClellan	Sparkman
Hickenlooper	McGrath	Stennis
Hill	McKellar	Taft
Hoey	McMahon	Taylor
Holland	Magnuson	Thomas, Okla.
Humphrey	Malone	Thomas, Utah
Hunt	Martin	Thye
Ives	Maybank	Tydings
Jenner	Miller	Vandenberg
Johnson, Colo.	Millikin	Watkins
Johnson, Tex.	Morse	Wherry
Johnston, S. C.	Mundt	Wiley
Kefauver	Murray	Williams
Kem	Myers	Withers
Kilgore	Neely	Young
Knowland	O'Conor	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS] to the committee amendment on page 51, in line 21. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll: and Mr. AIKEN voted "yea" when his name was called.

Mr. WILLIAMS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. A vote for a 5 percent reduction in this appropriation would be a vote "yea." Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. O'MAHONEY. Mr. President, I submit that that was not a parliamentary inquiry, because it carried its own answer.

The PRESIDING OFFICER. The clerk will resume the calling of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Oklahoma [Mr. KERR], and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

I announce that on this vote the Senator from Oklahoma [Mr. KERR] is paired with the Senator from Illinois [Mr. DOUGLAS]. If present and voting, the Senator from Oklahoma would vote "nay" and the Senator from Illinois would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the senior and junior Senators from New Hampshire would vote "yea."

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The result was announced—yeas 30, nays 56, as follows:

YEAS—30

Aiken	Frear	Mundt
Brewster	Fulbright	Schoeppel
Bricker	Hendrickson	Smith, Maine
Butler	Hickenlooper	Taft
Cain	Jenner	Thye
Capehart	Kem	Vandenberg
Donnell	McCarthy	Watkins
Dulles	Malone	Wherry
Ecton	Martin	Wiley
Ferguson	Millikin	Williams

NAYS—56

Anderson	Hunt	Miller
Baldwin	Ives	Morse
Chapman	Johnson, Colo.	Murray
Chavez	Johnson, Tex.	Myers
Connally	Johnston, S. C.	Neely
Cordon	Kefauver	O'Conor
Downey	Kilgore	O'Mahoney
Ellender	Knowland	Pepper
Flanders	Langer	Robertson
George	Lodge	Saltonstall
Gillette	Long	Sparkman
Graham	Lucas	Stennis
Green	McCarran	Taylor
Gurney	McClellan	Thomas, Okla.
Hayden	McGrath	Thomas, Utah
Hill	McKellar	Tydings
Hoey	McMahon	Withers
Holland	Magnuson	Young
Humphrey	Maybank	

NOT VOTING—10

Bridges	Kerr	Smith, N. J.
Byrd	McFarland	Tobey
Douglas	Reed	
Eastland	Russell	

So Mr. WILLIAMS' amendment to the committee amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 51, line 21.

Mr. FERGUSON. Mr. President, I hope the Senate will see fit, even though the 5-percent cut which was proposed has been rejected, to adopt the House figure, which was $62,380,424. The Senate increased the appropriation to $63,054,424. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I merely desire to suggest that the committee hopes that the committee amendment will be agreed to. It adds $674,000 to the appropriation. The figure was included by the committee, much below the budget, merely because the committee was convinced that it was necessary in order to carry out new functions imposed upon the Maritime Commission, as for example, the care of the reserve fleet.

The PRESIDING OFFICER. The yeas and nays having been ordered on the committee amendment, the clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted "nay" when his name was called.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Am I correct in understanding that a vote of "nay" will be a vote to adopt the House figure, and that a vote of "yea" will be a vote to adopt the Senate's increased figure?

The PRESIDING OFFICER. A "nay" vote is against the committee amendment, and will leave the figure as it came from the House.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

If present and voting, the Senator from Illinois [Mr. DOUGLAS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the senior and junior Senators from New Hampshire would vote "nay."

The result was announced—yeas 45, nays 43, as follows:

YEAS—45

Anderson	Kefauver	Myers
Chapman	Kerr	Neely
Chavez	Kilgore	O'Conor
Connally	Knowland	O'Mahoney
Cordon	Langer	Pepper
Downey	Lodge	Russell
Ellender	Long	Saltonstall
Graham	Lucas	Sparkman
Green	McCarran	Stennis
Hayden	McGrath	Taylor
Hill	McKellar	Thomas, Okla.
Humphrey	Magnuson	Thomas, Utah
Hunt	Maybank	Tydings
Johnson, Tex.	Morse	Withers
Johnston, S. C.	Murray	Young

NAYS—43

Aiken	George	Martin
Baldwin	Gillette	Miller
Brewster	Gurney	Millikin
Bricker	Hendrickson	Mundt
Butler	Hickenlooper	Robertson
Byrd	Hoey	Schoeppel
Cain	Holland	Smith, Maine
Capehart	Ives	Taft
Donnell	Jenner	Thye
Dulles	Johnson, Colo.	Vandenberg
Ecton	Kem	Watkins
Ferguson	McCarthy	Wherry
Flanders	McClellan	Williams
Frear	McMahon	
Fulbright	Malone	

NOT VOTING—8

Bridges	McFarland	Tobey
Douglas	Reed	Wiley
Eastland	Smith, N. J.	

So the committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

Mr. FLANDERS. Mr. President, I should like to offer an amendment to line 15 on page 52. Would such an amendment be in order at this time?

The PRESIDING OFFICER. The Senator's amendment would not be in order at the present time, because the committee amendments were ordered to be considered first.

The clerk will state the next amendment.

The next amendment was, on page 52, line 22, after the word "exceed", to strike out "$70,125,000" and insert "$50,000,000."

The amendment was agreed to.

The next amendment was, on page 53, line 8, after the words "in the", to insert "wise."

Mr. AIKEN. Mr. President, when the Senate took a recess last Friday evening, the provision at the top of page 53 had been under discussion and elaborated upon by the Senator from Wyoming. It makes certain funds of the Maritime Commission available for the acquisition and completion of the vessels *Mariposa* and *Monterey*, in the wise discretion of the Commissioners in all circumstances. The Senator from Wyoming gave it as his opinion that this provision was so worded that it would preclude a majority of the Maritime Commission from using a substantial sum of money for bailing out the Oceanic Steamship Line or any of its affiliates to the extent of approximately $10,000,000. Since Friday evening it has been called to my attention that in one of the supplemental appropriation bills there is language which might permit the Maritime Commission still to bail out the Oceanic Steamship Co., in spite of the language of this provision. Therefore I should like to inquire of the Senator from Wyoming whether there is any factual basis for the report which I have received?

Mr. O'MAHONEY. Mr. President, I was of the opinion, when I responded to the question of the Senator from Vermont, on Friday, that the money would have to be expended under the terms of the existing Maritime Act, and I recited, on Friday evening, the specific section of the act which, in my opinion, would obtain. It is true that the language which came to us from the House provided that the Commission could act under the authority of the supplemental Independent Offices Appropriation Act of 1949, which, of course, is the law which was passed at the last session of the Congress.

I have before me that precise provision, and I should like to read it into the RECORD:

Provided further—

This proviso appeared in the item of new ship construction, including reconditioning and betterment, which is precisely the item with which we are now dealing—

Provided further, That the Commission may expend amounts to acquire the vessels *Mariposa* and *Monterey* and materials and equipment in conjunction therewith, on hand or committed for, and expend the amounts necessary to complete the vessels, if acquired for the development and maintenance of the commerce of the United States and for the use of the United States in time of war and national emergency, from any amounts made available within this limitation.

When I read that proviso the words "in time of war and national emergency" impressed themselves upon my mind, and I felt that, since this is not a time of war and is not exactly the time of national emergency which that phrase usually connotes, no additional authority beyond the wartime act as amended was granted. But as I reread it this morning, after having had the matter called to my attention, I am afraid that I was wrong, because the conditional phrase is "if acquired for the development and maintenance of the commerce of the United States and for use of the United States in time of war and national

emergency." It is true that the Maritime Commission in much of its work is providing shipping space for the transportation of troops in the event a national emergency might develop, so if we give the prospective interpretation to the words "in time of war and national emergency," instead of the present, I now say that, in my judgment, this is legislation which changes and broadens the authority of the Maritime Commission.

Mr. AIKEN. Is the provision in the supplemental appropriation bill legislation?

Mr. O'MAHONEY. Yes.

Mr. AIKEN. In order to make sure that the Maritime Commission, by majority vote, does not spend $10,000,000 in bailing out the company referred to through the acquisition of the two ships mentioned, it would be necessary to strike out the provision on page 53 of the bill, would it not?

Mr. O'MAHONEY. I think it would; or to write in a provision to the effect that the money should be expended under the provisions of the Maritime Act, as amended.

Mr. AIKEN. Mr. President, it seems to me that if that proviso in the supplemental appropriation act is legislation, the proviso which we are now considering, on page 53 of the bill, is also legislation.

Mr. O'MAHONEY. Without question, it is.

Mr. AIKEN. Therefore I should like to make the point of order——

Mr. O'MAHONEY. Let me ask the Senator, please do not make such a point of order. Move to strike it out, and the chairman of the committee will not say a word. I do not want this bill to go back to the committee.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. KNOWLAND. Calling attention to the colloquy which occurred on July 29, appearing at page 10435 of the RECORD, the able Senator from Vermont was quoting from what apparently was the House report, on page 32. I have a copy of the House report, and I should like to read the language which appears on page 32 of the report which I have. I quote:

> The committee has continued available during the fiscal year 1950 the funds and contract authorization for 1949, and also has made available funds and contract authorization for the fiscal year 1950 for use in acquisition and completion of the vessels *Mariposa* and *Monterey* or either of them. This authority was provided in the 1949 act but it has not yet been made use of. In continuing this provision, the committee wishes to make it clear that action taken is left to the discretion of the Commissioners, and that in acquiring the *Monterey* or the *Mariposa* or both from Oceanic and in their sale to another United States flag operator, it is to be understood that the Commission may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvement to the vessels or both.

That is quite different language from that read by the able Senator from Vermont, which apparently speaks of "bailing out."

Mr. O'MAHONEY. I think I can explain that, Mr. President. The language which the Senator from Vermont read was from the report of the subcommittee, and that phrase dealing with bailing out did not appear in the final report.

Mr. KNOWLAND. Mr. President, I merely wish to say that, in the first place, I do not think the report of a subcommittee can change the law, even by implication, and I rather doubt very much whether a colloquy on the floor can change a statute. The Commission either have the power or they do not have the power to take the action. I doubt very much the wisdom of attempting to tie the hands of a Government agency. It may be that there is legitimate room for criticism in regard to many activities of the Maritime Commission, or other Commissions. If there is, the proper way to proceed is to amend the basic act, but not try to amend it through an appropriation bill, or through imposing restrictions by colloquies on the floor of the Senate.

Mr. AIKEN. Mr. President, the quotation read by the Senator from California was read by the Senator from Vermont last Friday, but at the end of it was this statement:

> but it may not bail out Oceanic or its managerial mistakes.

Evidently the full committee struck out the last part of the last sentence in making its report to the House.

Those managerial mistakes were pointed out on Friday. It was shown that the Maritime Commission turned back these two ships to the company with a cash allowance of almost $6,000,000 to go with each one; that the company secured bids for reconverting them, plus improvements which they themselves wished to make; that the bids were submitted by the Newport News Co. of $8,200,000 for each ship, but instead of giving the job to the Newport News Co., the Oceanic Co. gave the business to one of its own affiliates, United Engineering; that as the work proceeded it appeared that the cost of reconverting each of these ships would be over $15,000,000, and work was stopped on them. As I understand, the Government was told it would have to take the responsibility for laying the men off, unless it came forward with more money and bailed out the steamship company, the Oceanic, which is a subsidiary of the Matson Line.

One of the Commissioners has made an effort to reopen the case in order to bail out the steamship company, and the purpose of what I am doing here, and what I think others are doing, is to make it impossible for the United States Maritime Commission to bail out this company to the extent of $10,200,000 because of mistakes of its own. That is why I moved to strike out this provision.

The PRESIDING OFFICER. The Senator from Vermont asks unanimous consent that he be permitted to amend by striking out certain words, and that the amendment be taken up ahead of the committee amendments. Is there objection?

Mr. CORDON. Mr. President, I have no objection to the Senator from Vermont making the motion, but I desire to be heard before it is voted on. If that is the understanding, I have no objection. Otherwise I object and ask for the regular order. I have no objection to the matter being brought up at this time if it may be open to debate.

Mr. AIKEN. It will be open to debate, as I understand.

The PRESIDING OFFICER. That is correct. It there objection to the motion being taken up out of order?

Mr. O'MAHONEY. Mr. President, I wish to point out to the Senator that the committee amendments are before the Senate.

Mr. AIKEN. Then, Mr. President, if there is any objection to bringing this matter up at this time, I raise the point of order that the amendment is legislation on an appropriation bill.

Mr. O'MAHONEY. I hope the Senator will withdraw the point of order.

The PRESIDING OFFICER. A point of order against the House text in a bill is not in order.

Mr. AIKEN. Yes; but there is also certain legislation in words added by the Senate committee. "In all the circumstances" was added by the Senate committee, and also the adjective "wise" was added before the word "discretion."

Mr. O'MAHONEY. Mr. President, in order to make the matter clear, I am merely suggesting to the Senator that he withhold his motion until after we have disposed of the committee amendments. In view of the fact that the Senator from Oregon [Mr. CORDON], who is one of the members of the Committee on Appropriations, indeed, one of the members of the subcommittee, desires to present a point of view with respect to the matter, I am wondering whether the Senator from Vermont would not be willing to let the matter go over so that the committee amendments may be considered in regular order, and then, of course, his motion could be taken up.

Mr. AIKEN. If I may be permitted to make the motion to strike out the proviso, I shall withdraw the point of order.

Mr. O'MAHONEY. I hope that motion may be made.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. If the Senator from Vermont passes this matter at the present time, and waits until after the amendments are all adopted, would his point of order lie?

Mr. O'MAHONEY. Oh, yes; if we passed the matter over.

Mr. FERGUSON. That is the question.

The PRESIDING OFFICER. The Senator would be in position then to make a motion to strike out language.

Mr. FERGUSON. Striking out is different from raising a point of order and sending the bill back to committee. The Senator from Michigan is inquiring whether the Senator from Vermont could then, with the same effect, make the point of order, and send the bill back to the committee because of legislation in the bill.

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Mr. O'MAHONEY. Mr. President, if I may be heard——

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. O'MAHONEY. I point out to the Senator from Michigan and to the Senator from Vermont that, as the Senator in charge of the bill, I shall ask that the two committee amendments shall be passed over at this time, so that the Senator from Vermont may make his motion to strike out the proviso. I am quite willing that he should make the motion now, with the understanding that it may be considered after the committee amendments have been disposed of.

Mr. AIKEN. Mr. President, if I may have unanimous consent to do so, I make the motion now that the proviso beginning on line 2, page 53, and running through line 12, page 53, be stricken from the bill.

The PRESIDING OFFICER. The Chair will ask the Senator to restate his motion.

Mr. AIKEN. I move that the proviso beginning in line 2, page 53, and running through line 12, page 53, be stricken from the bill.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The committee amendments would take precedence over the Senator's motion.

Mr. O'MAHONEY. Mr. President, I have already announced that I am quite willing to have the committee amendments passed over. The Parliamentarian apparently did not hear my statement. So the unanimous-consent request, if I may restate it, is that the committee amendments on page 53, in lines 8 and 9, may be passed over at the present time, and that the Senator from Vermont may be permitted to make his motion to strike out all the proviso beginning in line 2, page 53, and ending in line 12 thereof. I have no objection to that.

Mr. AIKEN. I have no objection to that.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. If the motion of the Senator from Vermont is defeated, and the language is not stricken out, has the point of order to the bill that the language is legislation on the bill been waived? Can a point of order be made at any time before the bill is passed, even though there has been a vote taken on the particular provision?

The PRESIDING OFFICER. If the amendments are agreed to, of course, a point of order would not lie thereafter. But a point of order can be made when the amendments are actually offered. When the committee amendments are actually taken up for adoption a point of order can be made.

Mr. FERGUSON. If they are disagreed to, can a point of order still be made that they constitute legislation on an appropriation legislation bill.

The PRESIDING OFFICER. If the amendments are defeated they would not be a part of the bill. Would the Senator want to attack some of the House language?

Mr. AIKEN. Mr. President, as I understand, if the amendment which I propose is defeated, then the additional wording added by the Senate committee to the wording of the House proviso would be in order at that time and subject to a point of order. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. O'MAHONEY. Mr. President, in order to make this matter crystal clear, I make an additional unanimous-consent request, and that is, in the event the amendment of the Senator from Vermont shall be defeated he may still have the authority to make the point of order.

Mr. AIKEN. I thank the Senator.

The PRESIDING OFFICER. Does the Senator from Vermont adopt the additional wording to the unanimous-consent request?

Mr. AIKEN. I agree to that on my part. I cannot agree for any other Senator.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that the committee amendment be passed over without action now and without prejudice to the Senator from Vermont to make any points of order he may see fit to make? The Chair hears none. The next committee amendment will be stated.

Mr. AIKEN. Mr. President, as I understood, the unanimous-consent agreement was to the effect that I might make the motion at this time to strike out this paragraph.

Mr. O'MAHONEY. I understood the Senator had made his motion.

The PRESIDING OFFICER. That is correct. The Chair was in error. That is the pending matter now, is it not?

Mr. O'MAHONEY. No; it was understood that the Senator would be permitted to make his motion, and then it would go over until after the committee amendments are disposed of.

Mr. AIKEN. I did not understand that it would go over until after the committee amendments were disposed of, because it would have been in order anyway after the committee amendments were disposed of. I think it is better to make a point of order that this is legislation on an appropriation bill.

Mr. O'MAHONEY. Mr. President, may I beg the indulgence of the Senator from Vermont?

Mr. AIKEN. The Senator from Wyoming does not have to beg the Senator from Vermont for anything.

Mr. O'MAHONEY. Well, I do want a little indulgence. I am merely trying to get the bill disposed of in what I conceive to be the most expeditious manner. Notice has been given by the Senator from Oregon that he intends to debate the motion. It was for that purpose that I made the various suggestions which I thought the Senator from Vermont had accepted, the purpose being so that we might proceed with the committee amendments, because several of them are without objection, and can be disposed of readily. For example, the next three amendments have already been disposed of by implication by two yea-and-nay votes. Now, if we do not get them agreed to promptly, within the next 5 or 6 minutes, then the Senate will have to debate the whole thing all over again.

The PRESIDING OFFICER. Permit the Chair to understand to what words the point of order of the Senator from Vermont is directed?

Mr. AIKEN. To the adjective "wise" before the word "discretion", in line 8, page 53, and the words "in all the circumstances" in line 9, as modifications of legislation inserted in the bill by the House.

The PRESIDING OFFICER. It occurs to the Chair that the word "wise" does not add anything to the meaning of the language. All discretion is supposed to be wise. And "in all the circumstances," unless some limitation is placed on the language, means "in all cases."

Mr. SALTONSTALL. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the Senator from Vermont if not the simplest thing to do would be for him to withdraw his motion to strike out the words "wise" and "in all the circumstances"? I call attention to the fact that the subcommittee worked on this matter for some time. It wanted to allow the paragraph to remain in the bill, but wanted to provide further protection, and tried to insert words which would provide further protection; so it inserted these words. The Presiding Officer has just stated that the retention of the words would not mean much; that they would not add anything to the meaning of the language.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Does the Chair have the right to interpret legislation? Does the Chair have the right to indicate that a word does not mean anything in a bill?

The PRESIDING OFFICER. The point the Chair had in mind was that the point of order would not lie because the word does not add anything to the meaning.

Mr. FERGUSON. Is it the Chair's opinion that the word "wise" does not add anything to the meaning of the language?

The PRESIDING OFFICER. Yes; that is the Chair's idea.

Mr. FERGUSON. My parliamentary inquiry is as follows: Is it within the province of the Chair to say that a word inserted deliberately by the committee does not add anything to the meaning of the words already in the bill?

The PRESIDING OFFICER. The Chair was merely passing on the point of order as to whether or not the amendment was legislation. The Chair is of the opinion that it is not legislation.

Mr. FERGUSON. The Chair is of the opinion that it does not mean anything or does not add anything or change anything in the bill.

The PRESIDING OFFICER. That is correct.

Mr. O'MAHONEY. Mr. President, may I have the floor?

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. O'MAHONEY. Mr. President, there comes a time——

Mr. AIKEN. Mr. President, there are a dozen other places in the bill where there is definitely legislation.

Mr. O'MAHONEY. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senator from Wyoming has the floor.

Mr. O'MAHONEY. There comes a time when parliamentary discussion only confuses those who listen. We can sit here all afternoon making parliamentary inquiries as to whether this or that is in order, and whether this or that is legislation. The Senator in charge of the bill, with the desire to be wholly practical, has suggested to the Senator from Vermont merely that he withhold an amendment which is not a committee amendment until the committee amendments are disposed of.

Mr. AIKEN. Mr. President——

Mr. O'MAHONEY. I will say to the Senator that my own thought is that his amendment ought to be carried; and when it is proposed by him in the proper order the Senator from Vermont will find the Senator from Wyoming supporting his motion. But in the meantime let us get on with the bill and dispose of the committee amendments. The Senator from Vermont loses nothing by allowing the matter to go over. But if the Senator is unwilling to do that, the alternative, of course, is for him to exercise the unanimous consent which has already been granted him to make his motion to strike, and let debate be held on that motion. If he does that, the effect, of course, will be to delay action on the committee amendments, I think to the detriment of the expeditious handling of the bill. That is the only reason the Senator from Wyoming made the suggestion for postponement.

Mr. AIKEN. Mr. President, I have no objection to acting upon the committee amendments so far as they relate to the Maritime Commission. However, I would not wish to agree to delay making this motion or having it acted upon until all the committee amendments in the appropriation bill have been acted upon.

Here is a case in which I verily believe that certain members of the Maritime Commission are attempting to turn over $10,000,000 of the taxpayers' money to a steamship company which is not entitled to it. It is time to stop that kind of business in the Maritime Commission, as well as other agencies of the Government.

It is my intention, if the Chair rules that these additional words inserted in the proviso by the Senate committee do not warrant a point of order, to make a point of order later in the bill, on page 60, where there is definitely legislation included in the bill. If I wait until all the committee amendments have been acted upon, the point of order will not be in order, so far as I can see, if the legislation has already been accepted by the Senate.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. O'MAHONEY. The Senator is mistaken in that, because the Senator from Wyoming, as part of the unanimous consent, has agreed that the committee amendments shall be passed over. Therefore the issue of whether or not they are legislation will not be before the Senate until the Senator from Vermont makes his motion to strike; and when he makes his motion to strike, it will include the word "wise" and the words "in all the circumstances," which were introduced by the committee.

Mr. AIKEN. If all the other committee amendments are acted upon, and the legislative provisions of this appropriation bill are approved by the Senate, the Chair may rule that the word "wise" and the words "in all the circumstances" do not warrant a point of order.

Mr. O'MAHONEY. But the Senator overlooks the fact that already, by unanimous consent, those words have been withdrawn, and the Senator has been given the right, by unanimous consent, to make his motion. What more can he want?

Mr. AIKEN. The Senator wants action on his motion; and I do not see why action on the motion should not be had before we leave the Maritime Commission appropriation.

Mr. O'MAHONEY. The reason for it is that it is not the regular order. The Senate has already determined that the regular order is to proceed with the committee amendments.

Mr. AIKEN. I have not heard any such decision.

Mr. FERGUSON. Mr. President, as the Senator from Michigan understands the idea of the Senator from Vermont, he has this in mind: That if he passes this particular item in the bill at this time, and goes on, and all the other matters are passed on, he will end up, at the time consideration of the bill is concluded, with this one question before the Senate; and if he loses on that issue, he cannot take advantage of the various other points of order in the bill. If he could get unanimous consent——

Mr. O'MAHONEY. That was the unanimous consent which was granted.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. What is the unanimous censent? Does it give the Senator from Vermont protection on the other items in the bill which might be considered legislation, and against which he may wish to raise points of order?

Mr. AIKEN. Mr. President, I want to know whether the Senate is going to vote to make it possible for one steamship company to get $10,000,000 of public money which does not belong to it? If the Senate intends so to vote, I intend to make a point of order on page 60, and a dozen other pages in the bill where there are clearly legislative proposals in an appropriation bill. I have no desire to delay action on the bill, but that, frankly, is my purpose in asking consideration of the motion I made, and a vote on it at this time, before the committee amendments have been acted upon and approved, which would make the point of order out of order.

The PRESIDING OFFICER. As the Chair undertands, unanimous consent has already been given for the lines under discussion to be passed without prejudice with respect to raising points of order, offering amendments, or anything else. That would necessarily mean that any other sections of the bill would be subject to amendments or points of order as we come to them, just as though no unanimous consent agreement had been made.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. Is it not a fact that the adoption or rejection of the committee amendments will have no effect whatever upon any other item in the bill which has not been acted upon?

The PRESIDING OFFICER. The Chair thinks that is correct.

Mr. O'MAHONEY. So any motion or point of order may be made with respect to any other part of the bill which has not been acted upon under the committee amendments?

The PRESIDING OFFICER. The Chair thinks that is correct.

Mr. AIKEN. Mr. President, I make the point of order as to the bill, because of the amendment proposed by the committee on page 60, from line 11 through line 17. There is no question that that is legislation.

Mr. CORDON rose.

Mr. O'MAHONEY. Mr. President, I hope the Senator will not make that point of order. I assure him that he is defeating his own purpose. The effect of that point of order is to send the entire bill back to the committee, as was pointed out in the case of the ECA bill. I ask the Senator to make his fight upon the issue he has raised, and to stand upon his motion to strike certain language. That is reasonable.

Mr. AIKEN. Mr. President, that is what the Senator from Vermont desires. He desires to make a fight on this effort to give away $10,000,000 of the taxpayers' money, but he wants to make that fight now, while he has a chance to win it, and not wait until that chance has gone by.

Mr. O'MAHONEY. Mr. President, in view of that statement by the Senator from Vermont, I shall give up all my great labors to persuade the Senate to follow the regular order in a parliamentary way, and I shall ask unanimous consent that, despite the rule of procedure that the committee amendments should be first considered, the Senator from Vermont may now make his motion to strike the language on page 53 of the bill, beginning in line 2 and ending at the end of line 12, and that debate may now proceed upon that motion.

The PRESIDING OFFICER. The request is that unanimous consent be granted the Senator from Vermont——

Mr. AIKEN. Mr. President, I understood that I had made the motion. I think the RECORD will show that I have already made such a motion, under the unanimous-consent agreement.

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The PRESIDING OFFICER. The Chair thinks so. Perhaps it ought to be restated.

Mr. O'MAHONEY. Mr. President, I am not making a motion. I am merely asking unanimous consent that the regular order may be waived so that the motion may be debated. I hope the Chair will put the request.

The PRESIDING OFFICER. The other unanimous-consent request was that it be carried over, the Chair understands.

Mr. O'MAHONEY. That is correct.

The PRESIDING OFFICER. The Senator from Wyoming requests unanimous consent that the regular rule requiring committee amendments to be considered first be waived, and that the Senator from Vermont [Mr. AIKEN] be permitted to move to strike out lines 2 through 12, on page 53 of the bill, and that that motion be disposed of before further proceedings are had on the bill. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, I move that the proviso on page 53, beginning in line 2 and extending through line 12 on the same page, be stricken from the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Vermont.

Does the Senator from Vermont wish recognition?

Mr. AIKEN. No; I have no particular desire to speak first on this matter.

The PRESIDING OFFICER. The Senator from Oregon [Mr. CORDON] had requested recognition.

Mr. CORDON. Mr. President, this situation points out again some of the very grave deficiencies in our methods of procedure on the floor of the Senate. I rather doubt that there are half a dozen Members of this body who have glanced at, much less read, the exhaustive hearings held on this bill in the House of Representatives, or have glanced at, much less read, the companion hearings held on it by the Appropriations Subcommittee of the Senate. As a result, we are ill-equipped indeed to act with the considered judgment which should accompany any action varying the conclusions of the committee which has, by virtue of its being so charged by the Senate, gone into these various matters.

Mr. President, it is unfortunate that time is at such a premium that the Members of the Senate cannot equip themselves to pass on major questions when they reach the floor of the Senate. Yet we know that we do not have sufficient time, that minutes themselves are precious to us.

With reference to the matter now at hand, Mr. President, I very frankly say to the Chair and to my colleagues on the floor of the Senate that I am not equipped to go into all the matters connected with what may be a most important matter to the Government, and unquestionably is one of great importance to those who hold title to these two ships.

Mr. President, I am not here as a champion for the shipowners. I frankly say I do not know where the equities of this matter rest. It is odd, to me, that we should have the question before the Senate, and that it should rest upon the curious proposition of whether the United States Senate shall legislate in favor of one member of the Maritime Commission against the other members, and thus put its seal of approval upon a conclusion reached by a minority. How, under the circumstances, as a matter of fact, can the Senate inquire at all into the merits of the question? Mr. President, it is something that is beyond me.

I am on my feet only because I received from the Matson Navigation Co. a statement with reference to these two ships. Frankly, Mr. President, I do not know that the statement is correct. On the other hand, I do not know that it is incorrect. But it comes from the Matson Navigation Co., over the signature of the managing agent of that company. I feel that even a steamship company—regardless of whatever presumptions may be raised for or against it in various minds—has its right to be heard on the floor of the Senate, along with a member of the Maritime Commission. So I shall read the statement. It is dated May 16, 1949, and reads as follows:

"MARIPOSA" AND "MONTEREY"

The passenger liners, *Mariposa* and *Monterey*, were placed in the service between the Pacific coast and Australia in 1932. They were constructed at a total cost for both of approximately $16,600,000 without any subsidy aid, but with a construction loan from the United States Shipping Board. The loan was paid off in full by 1942.

The vessels were turned over to the Government for wartime use in December 1941. They carried in excess of 370,000 military personnel and received the highest commendation from military authorities as all-purpose transports.

The Government's obligation to restore these vessels to a condition suitable for commercial operation was embodied in letter agreements between War Shipping Administration and the company, executed in 1946. The extent of the Government's obligation was fixed at roughly $5,650,000 per ship.

The company agreed to accept this amount in full settlement of the Government's obligation. The sum was not paid outright, however, but was conditioned upon the reconversions being completed. These two ships together, with the *Lurline*, owned by Matson, were the only vessels treated in this manner, and this policy of installment payments was later rejected by the War Shipping Administration.

The company has received one-third of the amount payable on the *Monterey*, and two-thirds of the amount payable on the *Mariposa*, or a total of one-half of the amounts due on both vessels.

The actual cost of rebuilding these vessels so far exceeded the estimates that the company was forced to suspend further work in July 1947. Excluding the amounts received from the Government, the company has expended to date over $12,500,000 of its own funds on physical reconversion.

For over a year the company has endeavored to find a solution to this problem with the Maritime Commission.

Public Law 862—Eightieth Congress (Independent Offices Appropriation Act for the fiscal year 1949) provided "That the Commission may expend amounts to acquire the vessels *Mariposa* and *Monterey* and materials and equipment in conjunction therewith on hand or committed for and expend the amounts necessary to complete the vessels, if required for the development and maintenance of the commerce of the United States and for use of the United States in time of war and national emergency, from any amounts available within this limitation."

H. R. 4177 (Independent Offices Appropriation Act, fiscal year 1950)—

Which is the bill now before us, Mr. President—

reaffirmed and strengthened the Commission's authority to take action with respect to these vessels. The pertinent language read as follows: *"Provided further*, That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the fiscal year 1950 in such amounts as may be necessary, in the discretion of the Commissioners, for use in acquisition and completion of the vessels *Mariposa* and *Monterey*, or either of them, as authorized in the said Supplemental Independent Offices Appropriation Act, 1949."

In submitting its report to the House, the committee made the following statement: "The committee has continued available during the fiscal year 1950 the funds and contract authorization for 1949, and also has made available, funds and contract authorization for the fiscal year 1950, for use in acquisition and completion of the vessels *Mariposa* and *Monterey* or either of them. This authority was provided in the 1949 act but it has not yet been made use of. In continuing this provision, the committee wishes to make it clear that action taken is left to the discretion of the Commissioners, and that in acquiring the *Monterey* or the *Mariposa* or both from Oceanic and in their sale to another United States flag operator, it is to be understood that the Commission may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvements to the vessels, or both."

The proposals submitted by Oceanic contemplate (1) the completion of the *Mariposa* and her operation under the ownership of Oceanic in the essential service between the Pacific coast of the United States and Australasia, and (2) the completion of the *Monterey* and her operation by American President Lines in the essential service between the Pacific coast and the Far East. American President Lines has offered to enter into a long-term charter for the *Monterey* if completed by the Commission in accordance with the company's specifications.

The *Lurline*, a sister ship, has been rebuilt and is now operated by Matson between the Pacific coast and the Hawaiian Islands. The Coast Guard has stated that she has a normal economic life of at least 15 years from the date that she reentered service, and a similar ruling would apply to the *Mariposa* and *Monterey* when completed.

The *Mariposa* and the *Monterey* are now immobilized in semifinished condition at San Francisco. In view of the cost of shifting these vessels in their present conditions, it is highly probable that contracts for their completion by a shipyard would be awarded to a west coast company, thus providing employment for upward for 3,000 men for a year.

The merchant marine is woefully deficient in first-class passenger liners. The passenger capacity of the two unfinished Oceanic vessels represents 50 percent of the existing passenger capacity of liners with a speed of 20 knots or over operating under the United States flag.

I call attention to the last statement:

The over-all financial loss to Oceanic under either proposal heretofore submitted to the

Commission would be from eight to ten million dollars.

Mr. President, again I say I do not know all the facts in connection with this matter. I call attention to the statement that was made by the owners of the ships for themselves and their subsidiary Oceanic, because I feel that their views should be before the Senate when it acts on the matter.

In conclusion I call attention only to this further factor: The greatest crime, so far as I can see, that has been committed by the owners of these ships is that they turned the ships over to the Government to haul troops in time of war. The greatest crime committed by the ships was that they hauled the troops. These people ask now only that the ships be put in shape to continue the kind of service they were engaged in before the war. Whatever intervening factors there may be are without my knowledge. I have done my duty in presenting to the Senate the views of the owners as they have been presented to me.

Mr. AIKEN. Mr. President, the statement which the Senator from Oregon has read as having been received from the Matson Steamship Co. has been very interesting, but I heard nothing at all read and no argument given which proves to me that the Matson Steamship Line or any of its subsidiaries is entitled to over $10,000,000 from the United States Treasury to pay for what was clearly one of their own, quoting the House, "managerial mistakes." The fact seems to be that when the war broke out Oceanic chartered these two passenger vessels, the *Mariposa* and the *Monterey* to the War Shipping Administration, and during the war the WSA converted them to troop ships. When the vessels were returned to Oceanic in 1946 they were returned "as is," but the War Shipping Administration made a flat allowance on each vessel in excess of $5,000,000—I believe it was nearer $6,000,000 each—for reconverting such vessels to their commercial status, with the understanding that one-third of this allowance would be paid when the work was started, one-third when half completed, and the remainder upon completion. Apparently those payments have been made as agreed upon when the work was started, one-third when the work was begun on each vessel, and I believe one vessel is over half completed, and another third has been paid upon that, as stated by the Senator from Oregon. However, Oceanic decided to reconvert that vessel and also to add certain improvements at its own expense. It is my understanding these improvements would normally cost $2,000,000 or $3,000,000 per ship. The Oceanic Co. obtained bids for the job of adding improvements and making the reconversion. The Newport News Co., which is one of the most substantial and best equipped shipbuilding companies in the world, bid $8,200,000 on a fixed-price basis. Oceanic rejected this bid and gave both jobs to a repair company, the United Engineering, which is also wholly owned by the Matson Line. By the time the job was about 60 percent completed on the *Mariposa* and 30 percent on the *Monterey* it was found that it would cost $15,000,000 or more to complete each vessel, as against Newport News bid of $8,200,000. The work was stopped, and the company began to look for a bail-out from the Government.

This story is told very completely in a memorandum to the United States Maritime Commission prepared by one of its members, Raymond S. McKeough, under date of July 18, 1949, and I think I can do no better in explaining the situation than to read Commissioner McKeough's memorandum to the Commission. It is my understanding that after the Oceanic Line requested its bail-out, Commissioner Carson, West Coast Commissioner of the Maritime Commission, gave a memorandum to the full Commission under date of July 6, and in substance recommended acceptance of Oceanic——

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. AIKEN. I yield.

Mr. KNOWLAND. I am not clear in my own mind in view of the statement the Senator made prior to this, whether he is reading from the statement of Commissioner McKeough or whether it is his own statement he is now making about the bail-out.

Mr. AIKEN. I have not been reading from the Commissioner's statement up to this time, but I think I had better begin at once, so that my statement and his statement may not be mixed. The following is the Commissioner's statement:

THE CASE OF THE STEAMSHIP "MARIPOSA" AND THE STEAMSHIP "MONTEREY"

Reference is made to Commissioner Carson's memorandum of July 6, 1949, in substance recommending acceptance of the Oceanic Steamship Co.'s proposal of September 15, 1948. I recommend disapproval for the following reasons:

1. Oceanic, claiming that the cost of reconverting the *Mariposa* and *Monterey* and of the improvements Oceanic decided to make has expanded beyond its financial ability, and that operation of two passenger ships in the Australian trade is unwarranted, asks the Commission, and Commissioner Carson so recommends, for four concessions:

First, the Commission is to reopen and revise the redelivery settlement contract between the War Shipping Administration and Oceanic so as to pay Oceanic for the completion of the *Mariposa* not only what is still due under the contract for the *Mariposa*, approximately $1,900,000, but also the remaining two-thirds, approximately $3,800,000, of what W. S. A. agreed to pay for the reconversion of the *Monterey*, while at the same time waiving the completion of the *Monterey*.

Second, the Commission is to take over from Oceanic the one-third completed *Monterey* for which Oceanic says it has no use, plus all materials delivered or ordered, for approximately $4,800,000, the book value of the vessel and the full cost of the material.

Third, the Commission is to grant Oceanic a 10-year extension of its operating subsidy contract modified to require operation of the *Mariposa* only, under special waiver in view of her advanced age.

Fourth, the Commission is to permit diversion of the *Mariposa* from Oceanic's Australia service to the Hawaii service of the Matson Steam Navigation Co., Oceanic's parent, for four or more round trips each year.

It is easy to see how the question of "bail-out" arose, although Commissioner Carson says on page 10 of his memorandum of July 6 that whether "* * * mitigation of the terms of the agreement must perforce be deemed a release from its own (Oceanic's) improvidence * * * is not the question before us." The existing contracts, Oceanic's difficulties, and its proposal for Commission action to extricate it out of this situation, in my judgment, put this question very much before us. Whether or not the motive of those favoring Oceanic's proposal is the desire to release it "from its own improvidence," the effect would be just that.

2. Oceanic voluntarily and freely entered the contracts under which the Government would pay it approximately $11,300,000 if Oceanic reconverted the two ships. There is no claim or even hint of "duress." I am told by Captain Conway, War Shipping Administrator, when the contracts were entered into, that it is his recollection that Oceanic avidly sought the contracts and did not at all object to their terms.

Oceanic began the reconversion. Whatever the reasons—the award of the contracts to a repair yard, likewise a subsidiary of Matson, with rejection of the fixed price bid of the Newport News Shipbuilding & Dry Dock Co. no doubt was a major factor—Oceanic-Matson found that the cost would exceed estimates. Moreover, the prospects of the Australian passenger service appeared more doubtful. Aware of the Government's anxiety about the state of the United States-flag passenger ship fleet, and of West coast shipyard labor's desperate need for work, Oceanic halted the reconversion work and told the Nation and the Commission that work would not be resumed under the agreed terms, but only if the Government would double and triple its cash contribution by paying Oceanic for one ship what Oceanic had freely accepted as the proper payment for two ships and by taking the second ship and all materials off Oceanic's hands without loss to Oceanic, thereafter, if the Government desired, completing the second ship at its own (Government's) expense at an additional cost of $10,000,000 or more, throwing in for a "bargain" a request for a 10-year operating subsidy contract for greatly reduced service but with special accommodation for Matson, the parent.

All this with the implication that, if the proposal were not adopted, the Commission, not Oceanic, would have to bear the responsibility for nonrestoration of Oceanic's two ships and the resultant loss to shipyard employment, the American merchant marine, and the national defense. I protest both the approach and the terms offered by Oceanic which I consider unwarranted from the viewpoint of the interests of the United States Government.

3. The proposal under discussion is Oceanic's second. When it was first discussed last September, I pointed out that it was even more unfavorable than the first proposal which the Commission unanimously rejected on July 1, 1948. This still applies. Under the first proposal, as shown by the staff committee memorandum of May 17, 1948, to the Commission, the latter would have acquired both vessels for $10,827,000 whereas under the present proposal, the Commission would acquire only one vessel with a cash outlay of approximately $10,200,000.

4. The Commission is now being told in essence that it may reopen the contracts, indeed any contracts, and change their terms at its discretion, provided such action in its opinion would substantially benefit the Government. The Commission is also told in the legal memorandum attached to Commissioner Carson's memorandum of July 6, 1949, that its " * * * discretionary power is not dependent upon its being wisely exercised."

There is much I would like to say about this amazing thesis, but in the interest of brevity I merely call attention to the fact

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that the Appropriations Committee of the Senate of the United States vetoed this concept in the case of the *Mariposa* and *Monterey*. In recommending continued authority for the Commission to acquire and complete Oceanic's ships, the Senate Committee not only pointedly admonished the Commission to "protect the interests of the United States in all such negotiations" (page 10 of Rept. No. 639, July 8, 1949), but inserted in the bill proper the very word "wise" before the word "discretion."

We may be told that this has little "legal" weight, but I for one cannot conceive that this and the rather unusual congressional admonitions and qualifications in both the House and the Senate reports are anything except warning signals which the Commission cannot brush aside with impunity. I may add that both the House and the Senate committees made it quite clear that the appropriation authority granted the Commission is no directive to acquire the *Mariposa* or *Monterey*, or both. It is an administrative matter for which the Commission remains responsible; the Congress merely made it possible for the Commission to deal with the matter on its merits.

Apparently Mr. McKeough anticipated the passage of the bill, including the provision which is now under discussion.

5. Commissioner Carson recommends that the Commission reopen a settlement and reverse a decision made by its predecessor in office, the War Shipping Administration. In his decision of July 21, 1936, 16 Comp. Gen. 51 (A-66863), the Comptroller General, based on a long line of court decisions, said:

"It is a principle of long standing that an officer of the Government may not reopen a settlement or reverse a decision made by his predecessor in office except upon production of new and material evidence, or to correct manifest mistakes of fact such as errors in calculation, or for fraud or collusion."

None of the conditions listed in the Comptroller General's decision are present in our case. Commissioner Carson does not refer to this decision but on page 9 of his memorandum of July 6 concludes that approval of Oceanic's proposal by the Commission would be "* * * not subject to review as to the exercise of its authority by the courts or an accounting officer of the Government."

In other words, if the Commission decides to give this $10,000,000 to the Matson Line, neither Congress nor the Comptroller General of the United States will have anything to say about it.

Commissioner McKeough continues:

The opposite is true. Any further payments under the W. S. A. contracts involved, whether or not they are rewritten, would have to come from the special fund set up in the Treasury Department for the payment of obligations incurred by the War Shipping Administration prior to January 1, 1947, which includes redelivery obligations with respect to privately owned vessels used by the Government during the war.

As to such payments, the Congress has superimposed the authority of the Comptroller General over that of the Commission by requiring the Comptroller General's certification of the propriety of vouchers presented by the Commission to the Treasury Department. In the case of the *Mariposa* and *Monterey*, there is good reason to assume that the Comptroller General, regardless of what he may do in other cases, will very carefully review the propriety of Commission revision of the W. S. A. contracts to the substantial financial advantage of the other party: In his letter of July 31, 1947, the Comptroller General questioned the propriety of even the existing W. S. A. settlements of the *Mariposa* and *Monterey* redeliveries.

Thus already on record, the Comptroller General holds full veto power over the action recommended by Commissioner Carson.

6. The Commission is told that Oceanic's proposal is substantially advantageous to the Government. I do not believe it is.

First, we are told, the proposal is advantageous because it would assure the completion of reconversion of the two ships which the existing contracts did not assure. I do not quite see how agreement to complete the *Mariposa* could serve as a consideration, under the proposal, of payment by us of approximately $5,600,000, inasmuch as completion of the *Mariposa*, under the existing *Mariposa* contract, would already be the consideration of our paying Oceanic approximately $1,800,000.

Commissioner Carson's recommendation, moreover, would assure completion of the *Mariposa* only. There are no recommendations as to the completion and disposal of the *Monterey*. Under the present contracts, the cost to the Commission, from here on, for the completion of the *Mariposa* would be approximately $1,800,000. If the ship is not completed, there will be no further cost to the Government. Under Commissioner Carson's recommendation, the total cost to the Commission would be approximately $10,200,000, or nearly six times as much. I do not believe that a prudent businessman would pay $8,400,000 for assurance of completion.

Such a contribution to private enterprise for the purpose of persuading it to restore its own property would be a new type of subsidy of which the 1936 act says nothing. Were it not for the assumption that the Government is anxious to have Oceanic complete the *Mariposa*, the proposal, not only to raise the ante, but to sextuple it, I believe, would never have been made in serious vein.

7. True, the Commission, by the increased total payment to Oceanic, in addition to assuring completion of the *Mariposa*, would also acquire the unfinished hulk of the *Monterey*. However the Commission is not in the business of buying up old passenger ships, and particularly incomplete ones, in order to take them off their owners' hands, except under title V of the 1936 act, in trade-in on new construction which Oceanic does not propose.

The Commission already owns several old passenger ships such as the *Washington* and the three good-neighbor ships, as well as some new ones including the *President Wilson*, *President Cleveland*, and *LaGuardia* none of which, unfortunately, it has been able to sell. To add to that—unwanted—Government-owned fleet still another old ship, particularly what is in reality only one-third of a ship, is advantageous neither to the Government nor to the merchant fleet.

On the other hand, were the Commission to complete the *Monterey*, the Government's investment in that ship would exceed $18,400,000 made up of approximately $3,800,000 to be paid under the proposal to Oceanic as balance of the *Monterey* contract, about $4,600,000 purchase price, and $10,000,000 plus for completion. With the cost of building a fully up-to-date new passenger ship of similar size estimated at between $20,000,000 and $25,000,000, investment of over $18,400,000 in a ship which is already almost overage, surely would be neither wise discretion nor substantially advantageous to the Government.

Nor does the proposed payment of $4,600,000 for the hull of the *Monterey* and materials appear to have been properly computed. There is no provision for deduction of the depreciated construction subsidy paid—by the Maritime Commission's own testimony—through the mail contracts under which the *Mariposa* and *Monterey* were built (see hearings on H. R. 5130, merchant marine bill, 1939, pp. 204 to 207 and 225, Committee on Merchant Marine and Fisheries, March, April, May 1939).

There is likewise no provision for the proper deduction, from the cost of the materials of $3,021,000, which is to be subject only to verification of quantity and cost, of at least part of the Commission's initial payment of approximately $1,900,000 under the *Monterey* contract. To pay in effect twice for some of the same materials would hardly be advantageous to the Government.

8. Most important, however, is the fact that the Commission has no buyer for the *Monterey*. The American President Lines, Ltd., at one time considered purchase, but now proposes only to charter the *Monterey* for the short span of 3 years, at the end of which she will be 21 years old. In the face of contractual obligations to buy or build new passenger ships, American President Lines did not so far agree to purchase the modern *President Cleveland* or *President Wilson* in spite of their extremely low statutory sales price.

The Government is not in the business of acquiring old incompleted passenger ships and reconstructing them at high cost for the purpose of short-term chartering. The seven passenger ships which the Commission already owns and to which I have previously referred not only remain unsold so far but could only be chartered at rates under which the Government's investment in these ships is not being recovered.

When the acquisition of the *Mariposa* and *Monterey* was first authorized, the then Chairman of the Commission assured the House Appropriations Committee that no funds would be spent for the ships unless recovery of such funds were assured. In reporting our 1950 appropriation, the House committee, as quoted on page 5 of Commissioner Carson's memorandum of July 6, 1949, went to great lengths to limit our discretion with respect to the Government's contribution in the resale of the vessels.

The President, himself, in 1948 ruled out construction of vessels except under firm sales contract. (See letter from the President dated April 15, 1948, to the Chairman of the Commission.) He just extended this injunction to the 1951 budget (letter of July 1, 1949, from the Director, Bureau of the Budget). I cannot conceive that he would be more favorable to the purchase of unfinished hulls by the Commission and their reconstruction, except under firm resale contract.

With this history, plus the Senate's extraordinary admonitions already mentioned by me, I do not see how the Commission can justify acquiring the *Monterey* without securing first a binding contract for her resale to another American operator.

9. A prudent businessman who owns unimproved properties would improve them instead of acquiring, at high cost, additional unimproved property, especially if no buyer is in sight for either.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Michigan.

Mr. DONNELL. Mr. President, may we have order?

The VICE PRESIDENT. The Senate will be in order, in the rear.

Mr. FERGUSON. I hope the Chair's admonition will be clear in the RECORD.

The VICE PRESIDENT. The Chair is speaking collectively, not individually. [Laughter.]

Mr. FERGUSON. Mr. President, I ask the Senator from Vermont if it is his understanding, and if the facts are, that the vessel, the *Monterey*, will be repaired by the United States Government, that is, by the Maritime Commission? The title at the present time is in the Maritime Commission as I understand. Is it

the understanding of the Senator from Vermont that the United States Government will make these repairs to the extent of about $15,000,000, and that there is no sale of that vessel, but merely an operating lease to a company for 3 years?

Mr. AIKEN. That is my understanding, except I believe the title is now with the Oceanic Lines, since the ship was turned back with an agreement to pay them $5,700,000, approximately, for the cost of reconversion.

Mr. FERGUSON. But when the full repair cost of $15,000,000 is paid, then the Government would own the ship, yet may not be able to sell it at any price, but merely lease it to a line to operate it for a period of 3 years?

Mr. AIKEN. According to Commissioner McKeough's statement, the Government would have an investment of $18,500,000 in it, and I do not understand that there is any sale prospects or even charter prospects in sight for it.

Mr. FERGUSON. I wish to read from Commissioner McKeough's testimony on page 673 of the House committee hearings, which bears out the idea that there is only a charter prospect:

> There is another factor involved, in that the present operating subsidy contract with the Oceanic Co. provides for the operation of two passenger-type vessels from the west coast of the United States to Australia and New Zealand. If this particular dealing—and incidentally the fixed 55 percent is the first knowledge I have that any such fixed percentage has been agreed to in the way of split of the costs predicated on a firm commitment made by the American Presidents Line to the Oceanic. It is wholly in the nebulous state of negotiation and discussion between those two companies.

That would indicate that there is not a firm contract to sell.

Mr. AIKEN. That is correct. The indications are that the Government will have invested $18,500,000, with no prospect in sight of recovering any material part of that money. Furthermore the President Line, which some time ago discussed the purchase of the ship, has since refused to purchase better ships for less money.

Mr. FERGUSON. Is the Senator familiar with this statement by Commissioner McKeough in the testimony he gave before the House committee, appearing on page 672:

> I for one am perfectly willing to be of every possible accommodation to the company, provided that in that willingess I am not asked to go beyond what I would be expected to be able to come before the Congress and justify as a prudent bit of business on the part of the Government in attempting to accommodate the management, which has apparently made a very bad guess and looks now to the Government to be angelic and Santa Claus to accommodate them and bail them out of their mistake.

Is the Senator from Vermont familiar with that language?

Mr. AIKEN. I am not familiar with the language, but it sounds like the statement of a conscientious public servant who was attempting to protect the interests of the United States.

Mr. FERGUSON. Am I to understand now that the Senator believes that if the language in question remains in the bill, the Congress will authorize the Commission to make the repairs, paying out a large sum of money, almost $30,000,000, for the repairs—the Government has already spent much of that sum—and then find itself in a position where it will not have a sale for one vessel, and will be able to sell the other vessel at any price it believes it should sell it for, and the United States Treasury is to furnish all the money in that connection?

Mr. AIKEN. I think the statement of the Senator from Michigan is substantially correct, that the wording of the provision which we are now trying to strike out of the bill would permit the Maritime Commission to make this unwise and unwarranted expenditure of Government funds, because of a bit of legislation which was incorporated in the Supplemental Appropriations Act of 1949. That is agreed to also by the chairman of the subcommittee of the Senate Appropriations Committee, the Senator from Wyoming [Mr. O'MAHONEY], our colleague.

Mr. FERGUSON. The Presiding Officer who was in the chair at the time, ruled, on the basis of a parliamentary inquiry, that the insertion by the Senate committee of the word "wise" does not add anything to the language, and that it is merely in the discretion of the Commission as to what it should do. As I understand, the Senator from Vermont now has information to the effect that three of the Commissioners would be willing to spend this money and cause the loss to the United States Government of about $10,000,000, whereas two of the Commissioners would not go along with that method of expenditure.

Mr. AIKEN. While I have not interrogated the members of the Commission, we know for a fact that one of them is in favor of making this expenditure, one is opposed, and it is reported that the Commission might vote 3 to 2 to make this wrongful expenditure of United States funds.

Mr. FERGUSON. Is it therefore not true that the Senate of the United States should not place the language in question in the bill, because that would permit the board to vote to expend this money? After we put the language in the bill it will be entirely within the discretion of the board as to what it will do with the two vessels and how much money it will expend?

Mr. AIKEN. That is my opinion. In view of the fact that the Chair ruled that the word "wise" had no meaning, I believe the majority of the Commission might regard that an encouragement to proceed and bail out the steamship line.

I will conclude reading the statement in about 5 minutes.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. O'MAHONEY. I ask the Senator from Vermont to yield at this moment because of the colloquy which has just taken place. The committee amendments at this point, weak and ineffectual though they may be, were offered by the chairman of the subcommittee after the matter had been discussed. They seemed at the time to be the largest concession that could be obtained, in view of all the testimony which had been offered at that point. But I want to have the record quite clear that I completely agree with the suggestion of the Senator from Vermont that the whole language should be stricken from the bill. I do not think we should take any chance with a Government loss due to rather unwise contracts with the owners of the *Mariposa* and the *Monterey* in all the circumstances which have been disclosed in the testimony both before the House committee and before the Senate committee and in the records of the Commission itself.

Mr. AIKEN. I thank the Senator from Wyoming. I am sure we can have no wiser authority to look to on this particular matter than the Senator from Wyoming.

I will conclude reading Commissioner McKeough's memorandum to the Maritime Commission:

> For the Government to invest over $18,500,000 in acquiring and completing the *Monterey* would not be advantageous. The same sum invested in either the *Washington* or any of the three "good-neighbor ships," vessels of similar size and age as the *Monterey*, all of which the Government already owns, and all of which require reconstruction for long-term operation, would obviously reach much further and produce greater value both for the Government and the merchant marine.
>
> It is by no means certain, however, that the long-range interest of the American merchant marine would benefit from the restoration and modernization at substantial cost to the Government of passenger ships approaching 20 years of age. The merchant marine needs new ships.
>
> 10. It has been suggested that even if the *Monterey* cannot be resold, her acquisition would serve our national defense. Apart from Presidential and congressional injunctions against investment in vessels except for resale, the Commission is not in the business, and has no mandate under the law, to buy old passenger ship hulls for their possible defense value.
>
> The Bureau of the Budget recently declined to approve added funds for the repair even of real naval auxiliaries already Government property. The Comptroller General, in his report on construction subsidies, severely criticized this Commission's spending for national defense and recommended amendment of the 1936 act so as to let the Defense Department pay for defense features. I do not believe that the national defense could serve to justify acceptance of Oceanic's proposal.
>
> 11. As another major additional contribution by the Government, one of Commissioner Carson's recommendations provides that the Commission grant Oceanic what amounts to a new, vastly modified 10-year operating subsidy contract.
>
> This recommendation disregards the Commission's established procedure for the handling of operating subsidy matters. There is no staff report, review, or concurrence. There are no findings as required under title VI of the 1946 act. There are no facts presented to warrant such findings. Although Oceanic's financial plight is the basic premise of the entire proposal, no question is asked, no answer provided as to its financial qualifications for an operating subsidy. The proposed revised service, six sailings a year, is less than one-half the sailings declared necessary in the Commission's trade route report of 1946. No replacement program is provided for in spite of the age of

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the *Mariposa*. The entire matter of an operating subsidy is disposed of with a few cursory recommendations.

This, I submit, is not the proper way of dealing with one of the major responsibilities of the Commission.

12. In my opinion, it is doubtful, to say the least, that the proposed six sailings per year constitute a regular service eligible for operating subsidy. To my knowledge, there is no subsidized service with so few sailings. In 1946 the Commission announced that 13 annual sailings are required for this service. This figure has not yet been revised. Oceanic's prewar contract provided for 13 sailings.

No facts are presented to show that the proposed reduction to less than half is substantially advantageous to the Government. If Oceanic is unable or unwilling to provide adequate service, maybe some other operator will.

13. Moreover, six round trips are not the maximum service which the *Mariposa*, even as a single ship, would be able to make in the Australia service: For part of the year, the *Mariposa*, Commissioner Carson recommends, is to work for her real owner, the Matson Co., sole owner of Oceanic.

Under the old contract, the *Mariposa* and *Monterey* had the privilege of calling at Hawaii en route to and from Australia, thus providing a major convenience for Matson. The Commission is now to permit Matson, however, to use the *Mariposa* outright for a minimum of four (i. e., possible more) round voyages solely between California and Honolulu. I pointed out in my memorandum to the Commission of November 30, 1948 (S. S. *Mariposa* and S. S. *Monterey* of the Oceanic Steamship Co.), approved by the Commission on December 14, 1948, that Matson "* * * needs additional tonnage for the Hawaiian passenger trade where its present passenger service is handicapped in its competition with the airplane by the infrequency of the ocean service permitted by the single S. S. *Lurline*." This suggestion was brushed aside, but it is a fact that frequency of service is a major requirement, particularly on those routes on which air-line competition is especially keen. Significantly, Matson was reported during May to have newly initiated a passenger service to Hawaii, necessarily limited, on 15 of its freighters. Matson's need for additional passenger tonnage, of course, is attested to also by the proposal for the periodic use of the *Mariposa* in its Hawaiian service.

Thus, Oceanic's proposal, if adopted, would not only be a bail out, but also a device to give Matson the benefit of a spare ship for the Hawaii tourist season—maintained with Government subsidy in the Australia trade during the Hawaii off season. This may be very advantageous to the Matson Co. and may permit it to give better service to Hawaii with minimum risk and minimum cost and at the expense of the subsidized Australia service, but it is certainly not substantially advantageous to the Government. In my opinion, it would misuse the subsidy system for the private gain of a nonsubsidized carrier.

CONCLUSION

The proposal of the Oceanic Steamship Co. is as unacceptable today as it was when first broached in September 1948. We must believe in the sanctity of contracts freely entered into. Here we have Oceanic tell the Government of the United States that it will let its two ships remain unfinished unless the Government signs on the dotted line. If it is desirable to put these two ships into operation with additional help, the question must be asked, At what price? The price which Oceanic asks, in my opinion, is extortionate. The prudent businessman would not pay it, and the Commission will not pay it if it uses wise discretion.

It does not do for Matson to remember that it owns Oceanic when Matson wants something of Oceanic, such as the use of the *Mariposa* as a spare ship for the Hawaii season, but to look the other way when Oceanic needs help.

Matson must be willing to help and Oceanic must be willing to help. Any additional assistance from the Government must be through and within the 1936 act. In my aforementioned memorandum of November 30, 1948, I have pointed out the way to possible solutions of Oceanic Matson's dilemma.

Such solutions must be equitable. So far, Oceanic's proposals have not been equitable. The commission, therefore, should deny the proposal submitted in Commissioner Carson's recommendations identified as item No. 1, on the commission's agenda of July 19, 1949.

R. S. McKEOUGH,
Commissioner.

That is the statement of one of the commissioners of the Maritime Commission. I believe he is telling the truth; and on the strength of that truth, I feel that the Senate would be very vulnerable if it voted this provision into the appropriations bill, which would permit the Maritime Commission to expend more than $10,000,000 of public funds in order to bail out from its own inexcusable mistakes a steamship line.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FULBRIGHT. I do not quite understand what the status of the matter would be if this language were stricken out. What would happen to the ships? As I understand, the Government has already paid approximately $5,700,000.

Mr. AIKEN. No; it has not paid it. One-third was to be paid when the work was started, one-third when the work was two-thirds completed, and one-third on completion. As I understand, one-third has been paid on both ships.

Mr. FULBRIGHT. One-third of what?

Mr. AIKEN. One-third of the total, which I understand amounts to $5,700,000 per ship, has been paid. The work on the *Mariposa* has been two-thirds completed, and they have received another third of the allowance, but the work on the *Monterey* is only one-third completed. Therefore they have been paid only $1,900,000. If the work were completed, Oceanic would be entitled to two more payments of similar size. But the main point is that Oceanic called for bids for doing this work, and the Newport News Co. made firm bids of $8,200,000 per ship. Instead of letting the work to the Newport News Co., which would have included not only the reconversion paid for by the Government, but additional improvements decided by the company, Oceanic then let the work to an affiliated company on the west coast, which is also a subsidiary of the Matson Line. As the work progressed it appeared that instead of costing around $8,000,000, the amount bid by Newport News, the cost was going to be more than $15,000,000 per ship. The company quit work and asked the Government to bail them out of the trouble into which they themselves had gotten.

Mr. FULBRIGHT. What happens if the Government does not complete this payment?

Mr. AIKEN. As I understand, the *Monterey*, which is only a third of a ship at the present time, is 18 years of age, and would become over-age in its 21st year. Under the act of 1936 it would have no legal value at that time. I think the *Mariposa* is also 18 years of age. If the company can complete the *Mariposa*, with the help of the Matson Line, if it can get it, that may take care of the situation. Otherwise I think the responsibility of the United States Maritime Commission toward those two ships would be ended. They already have several ships in better condition, so they could repair the other ships for far less money, if they desired to repair ships and put them into the passenger trade.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CORDON. Does the memorandum of Commissioner McKeough appear in any of the hearings on the bill, to the Senator's knowledge?

Mr. AIKEN. I do not recall whether there is reference to it in the House hearings or not.

Mr. CORDON. I fail to find it in the Senate hearings.

When the Senator was made aware of the memorandum of the Commissioner, did he make any inquiry of the other Commissioners as to what their views on the subject were?

Mr. AIKEN. I have just received this memorandum from Commissioner McKeough. I know for years he has been attempting to restore order and a reasonable degree of efficiency in the Maritime Commission. I think that will be much easier now that General Fleming has become chairman of the Commission. It might be said that the Maritime Commission has been just about the last word in inefficiency and wrong doing among all United States agencies.

I have hopes that General Fleming, with the help of Commissioner McKeough—unfortunately I do not know the other Commissioners very well; I have met two of the others, but one of them I have never met—may be chairman in fact, and may restore order and provide the Government with the kind of work which we have every right to expect from a well-organized Commission.

Mr. CORDON. Mr. President, do I correctly understand the Senator from Vermont at least to imply, if not to charge, that the other members of the Maritime Commission are dishonest?

Mr. AIKEN. If the Senator wishes the truth, I think Commissioner Carson is trying to get this $10,000,000 for the West Coast Steamship Line, and I do not think they are entitled to it.

As to Commissioners Coddaire and Mellen, I do not know.

Mr. CORDON. Mr. President, will the Senator yield for a further question?

Mr. AIKEN. I yield.

Mr. CORDON. Has the Senator given Commissioner Carson the opportunity, which I am sure the Senator would want to afford everyone who might be so charged, to speak for himself?

Mr. AIKEN. I think Commissioner Carson has every right in the world to speak for himself.

Mr. CORDON. Has he the right here?

Mr. AIKEN. No; I do not think Commissioner Carson should have the right to speak on the floor of the Senate.

Mr. CORDON. The Senator feels that it is proper to make that charge against him, when he cannot be heard?

Mr. AIKEN. I am not making a charge. I am making a statement of fact: That Commissioner Carson has requested a reopening of this case in order to give the Matson Line $10,000,000, to which I do not believe they are entitled.

Mr. CORDON. But if I correctly understand the Senator—and let me say I have no knowledge of this matter—he has not seen fit to inquire of any other member of the Commission as to his views as to the truth, falsity, correctness, or inaccuracy of the ex parte statement of Commissioner McKeough. Is that correct?

Mr. AIKEN. Rather than call other members of the Maritime Commission here, I prefer to rest upon the authority of the senior Senator from Wyoming [Mr. O'MAHONEY], who is chairman of the subcommittee, and who says he thinks we should strike this provision out of the bill.

Mr. CORDON. Has the Senator taken the trouble to look at the hearings held by the Senate committee?

Mr. AIKEN. I have read many hearings on the Maritime Commission affairs. I have received complaints by the hundreds on the Maritime Commission since 1941. I had a staff of eight people making a management study of the Maritime Commission for about 6 months last year; and I am convinced that what Commissioner McKeough was saying was undoubtedly the truth.

Mr. CORDON. Has the Senator found any testimony in the Senate Appropriations Committee hearings on this subject? If he has, he has found more than I have found.

Mr. AIKEN. I have not read these hearings, and there would not be time now.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. Has the Senator said anything today which has not been said time and time and time again by the Comptroller General?

Mr. AIKEN. I think the Comptroller General has said what I said time and time and time again, to quote the Senator from North Dakota.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. LANGER. Has not the senior Senator from Vermont time and time and time again risen on this floor and put the written criticisms by the Comptroller General in the RECORD, and gone into the minutest detail regarding the activities of the Maritime Commission?

Mr. AIKEN. The Senator is correct; I have done so.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MAGNUSON. In the interest of the RECORD—and I am quite familiar with this situation, too—I wish to say that I am sure the Senator did not mean to impugn the personal honesty of the members of the Commission. There is nothing as to that in any of these records. The question of illegality in such cases has always been a question of the use of a fund to a greater degree than the Comptroller General has thought Congress intended it to be used.

In the building of the superliner, for instance, about which we have heard, the Congress said the Maritime Commission could give 33⅓ percent. They did agree to some 40 percent, because of the so-called military betterments. There was no provision as to that. The Comptroller General thought that circumvented the will of Congress.

But I think the Senator from Vermont will agree with me when I say that I do not know of any testimony at any of these hearings or investigations before the Senate or House committees to show that anyone in the Maritime Commission, either past or present, has been personally dishonest. The question of honesty, of legality or illegality, was always a question of the interpretation of the Maritime Commission Act.

Mr. AIKEN. Commissioner Carson, from the coast probably thinks it is perfectly ethical and legal for him to get this $10,000,000 for the Oceanic or the Matson Steamship Co. if he can. What I hope to accomplish is to make it illegal for the Maritime Commission by majority vote to contribute this $10,000,000 to the Oceanic Line.

Mr. MAGNUSON. I agree with the Senator.

Mr. AIKEN. I say to the Senator from Washington, that as the act is interpreted, the Maritime Commission can commit almost every known crime and still be fairly well within the law. Certainly something should be done about that. That is the situation under the interpretations which have been given to the law. I do not think it was intended by those who formulated the original law that the Maritime Commission could do all the things it has done through interpretations in later years.

Mr. MAGNUSON. As a matter of fact, I think the Senator will agree with me that the law needs a thorough overhauling, as it applies to administrative practices and as it applies to our entire Maritime Commission policy. I say that is exactly what the Senate Committee on Interstate and Foreign Commerce is doing, namely, making a report on the whole matter with a view to suggesting at the next session various proposals along the lines we have been discussing. I think the Senator from Vermont agrees as to the desirability of that matter. There is no question that some of these matters involve mismanagement. For instance, under the present law the Chairman of the Maritime Commission is chairman only in name.

Mr. AIKEN. That is correct.

Mr. MAGNUSON. As a matter of fact, for all practical purposes he is just like any other member of the Commission. The Chairman should have authority to knock some heads together down there and get things done. The situation as it now exists should be changed. Even if we strike out this language, the present law, subject to certain conditions as to what shall be paid for the purchase of the ship, is rather wide open in regard to what should be done.

Mr. AIKEN. It has been interpreted in many different manners.

Mr. MAGNUSON. Yes.

As I have said before, I have great confidence in General Fleming and in Mr. Coddaire, who has just recently been appointed.

As for Commissioner Carson, I do not know what his activities in this matter are. Of course, I agree with the Senator from Vermont.

Commissioner Carson has not been there so very long. However, under his suggestions a new practice is being adopted in the Commission, by which they now have a general manager.

Mr. AIKEN. That is correct.

Mr. MAGNUSON. His sole duty is to see that administrative knots are untied, so that affairs will run more smoothly.

Mr. AIKEN. In fairness to Commissioner Carson, let me say that at the time when the management study was being made under my direction last year, he was most cooperative, as indeed were the other Commissioners. It was under the recommendation of the Senate Committee on Expenditures in the Executive Departments that the Maritime Commission did reorganize its structure.

Now, I think the first thing to do is to approve the reorganization plan sent to this body 6 weeks ago by the President. That will make the Chairman of the Maritime Commission Chairman in fact, not Chairman in name only. Then the maritime law should be clearly overhauled and rewritten in such way, if possible, that it cannot be misinterpreted and misapplied. But in the meantime I think this provision that will permit the "bailing out"—and I think the House subcommittee used the right word; "bailing out" is a process which has been frequently used in the Government since I have been a Member of the Senate—should be stricken from the bill, so as to make it impossible for that to be done.

Mr. KNOWLAND. Mr. President, if the Senator will yield, I did not quite get his answer to the question asked earlier by the Senator from Oregon. Does the Senator from Vermont know whether or not Commissioner McKeough appeared before either the House committee or the Senate committee to give testimony along the line of that ex parte statement?

Mr. AIKEN. I believe somebody quoted from his testimony before one committee or the other; I think it was the House committee. As I remember, both Commissioner Carson and Commissioner McKeough appeared before the House committee.

Mr. WILLIAMS. Mr. President, if the Senator from Vermont will yield, the Senator from Washington [Mr. MAGNUSON] pointed out that there had been no charges made by the General Accounting Office as to any of the officials of the

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Maritime Commission or the War Shipping Administration. I was wondering whether the Senator from Vermont remembers the report on the Maritime Commission, dated October 30, 1947, addressed to "The Congress":

In the course of the regular audit of the accounts containing expenditures by the War Shipping Administration there has been disclosed a transaction which I consider properly should be brought to the attention of the Congress. Not only does that transaction appear to involve an excessive and highly improper expenditure of public funds but the indications are that the Government officials responsible for the action wholly and unconsciously disregarded the interests of the United States to an almost unbelievable extent.

It is one of the many reports I shall discuss on the floor of the Senate at a later date. It is a copy of a report signed by the Honorable Lindsay C. Warren.

Mr. AIKEN. I thank the Senator.

Mr. FERGUSON. Mr. President, I wonder whether the Senator from Wyoming will answer a question for the RECORD, because I think it should be made clear. The question is this: If the Senate strikes out, beginning with the word "Provided" on page 53, line 2, down to and including the semicolon at the end of line 12, the Commission would not be permitted under the general law to use the money for the purposes set forth in the language which would be stricken out. Is that correct?

Mr. O'MAHONEY. That is my understanding. The appropriation act which was passed in the last session of the Congress, for the fiscal year 1949, contained the first provision I have been able to find which refers to the *Mariposa* and the *Monterey*. That provision which I have read today——

Mr. FERGUSON. I am familiar with it.

Mr. O'MAHONEY. Gave to the Maritime Commission additional authority with respect to the *Mariposa* and the *Monterey*, which it does not have under the Maritime Act, as amended. Since the provision in the pending bill is based upon the appropriation bill of the last Congress, as is set forth there, it provides for the use of funds and contract authority. The elimination of this paragraph, as I see, would deprive the Commission of any of the special authority which was granted it last year in the 1949 independent offices bill, and of course, it would strike from this bill any authority, and therefore the authority the Senator is concerned about would no longer exist.

Mr. FERGUSON. I thank the Senator.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 755. An act to extend the time for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

S. 803. An act to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard armory and for training the National Guard or for other military purposes;

S. 1136. An act to amend the Canal Zone Code, and for other purposes;

S. 1137. An act to revise and codify laws of the Canal Zone regarding the administration of estates, and for other purposes;

S. 1278. An act to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high intensity lighting on CAA-designated instrument landing runways;

S. 1285. An act to authorize progressive partial payments to sponsors under the Federal Airport Act program;

S. 1459. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended;

S. 1577. An act to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944; and

S. 2030. An act to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes, and it was signed by the Vice President.

COMPLICATIONS RESULTING FROM DELAY IN ACTING ON ITO CHARTER

Mr. MILLIKIN. Mr. President, I should like to bring to the attention of the Senate a story appearing in the New York Times of today, with the heading "United States embarrassed at Paris parley." The subheading is, "Stalling tactics seen at Annecy because of Congress' delay on Habana Charter." The story is by Michael L. Hoffman and bears the dateline, Annecy, France, July 31. The story reads as follows:

The delay in congressional action on the charter of the International Trade Organization is placing the United States Government in increasing difficulty as it seeks to protect United States interests in the rapidly changing world trade situation.

I think the Senate should be impressed with the fact that at least the primary cause of any delay is entirely in the executive department of this Government, which is promoting the meeting at Annecy. The executive department of the Government has been in position since a year ago last March to submit ITO to the Congress for action. The Congress last year extended the Reciprocal Trade Agreements Act 1 year on the theory that within that time the proposed charter of International Trade Organization would come before us for consideration in relation to the counterpart provisions of the Geneva Agreement of 1947, to which the executive department has attempted to commit us without congressional approval.

The executive department held the charter for ITO from March, 1948, until April 1949. By April, 1949, when ITO was submitted to the Congress the administration's extension bill for the Reciprocal Trade Agreements Act had passed the House, had been considered in the Senate Finance Committee, had been reported favorably by the Senate Finance Committee, and had been placed on the Senate Calendar for action. The State Department, which is the active agency in these matters, knew that the Foreign Relations Committee, to which ITO was referred, was so overloaded with work that there was not a chance for action during this session of Congress.

So we have the remarkable spectacle of an international conference having been promoted by the State Department which is now stalling at Annecy because of its own stalling prior to Annecy, and which it now attributes to Congress. The story goes on to say:

United States negotiators here are not only hammering out new tariff agreements with nearly a dozen countries but also seeking to minimize damages to United States trade and economic interests from various forms of restrictions and discrimination applied by other countries suffering from the shortage of dollars. The United States team does not know whether to speak loudly in defense of American interests on the assumption that the Habana Charter ultimately will become a law—

Mind you, please, Mr. President, under the general provisions of the Geneva Agreement, we have already agreed, according to the claim of the State Department, to abide by the principles of the proposed Habana Charter but nevertheless American representatives are sitting around the conference table at Annecy, and, according to the reporter—

The United States team does not know whether to speak loudly in defense of American interests on the assumption that the Habana Charter ultimately will become a law, speak softly so as not to make commitments it may not be able to keep, or stall. At the moment it is believed to be stalling on most issues.

Imagine, Mr. President, our sending a team to some foreign country for an international negotiation, which spends its time stalling on the issues which it has promoted before that conference and which can be resolved, according to its prior claims, by the power residing in the general provisions of the Geneva Unilateral Trade Agreement.

The article goes on to say:

Two of these issues before the contracting parties to the general agreement on tariffs and trade (the body representing signatories of the General Tariff Agreement of 1947) are intimately related to the United States position in the face of the British crisis and specifically to the United States position in the coming September discussions with the British and the Canadians, on the outcome of which the whole future of world trade seems to all of Europe to depend.

The first is that the British suddenly proposed to bring into force that part of the Habana Charter that would govern international commodity agreements.

That is a polite word for "international cartels"—

The British seem to believe such action would speed up the negotiation of agreements like the recently concluded wheat

agreement that would provide price support for some of the principal sterling-area exports, such as rubber, tin and jute.

That, Mr. President, is a polite way of saying that we should pay more for rubber, tin, and jute. The article goes on to say:

United States representatives are not quite clear why the British want chapter VI of the charter to be activated for this purpose when commodity agreements can be negotiated without any new machinery, but nevertheless the question has been raised.

I may add that the British also have agreed, under the general provisions of the Geneva agreement, to abide by the principles of the proposed Habana Charter, which have not been approved by the Congress and which the administration concedes must be approved by the Congress, in order to become effective.

The article goes on as follows:

The United States administration, it is felt here, apparently cannot make up its mind what to do.

In a preceding paragraph we find that they do not know whether to speak loudly in defense of American interests, or whether to stall, and they have decided to stall. We now find that they cannot make up their minds what to do. Is not that a grand negotiating team to send to an international conference to represent us? We are left with the warming hope of victory by indecision.

The article further states as follows:

It is pictured as not wishing to give ammunition to congressional critics who have charged that the administration is trying to put the charter into force prior to congressional approval.

Mr. President, there is no charge about it. The explicit language of the general provisions of the Geneva multilateral trade agreement, entered into 1947, purports to pledge us to adhere to the proposed Habana Charter. The State Department, of course, is aware of what is in that agreement.

The article goes on to say:

On the other hand, the United States, as the foremost buyer of most world commodities, has definite interest in having any agreements reached conform more or less to the Habana Charter principles to prevent their becoming mere price-rigging schemes directed against United States buyers.

We have already agreed, if the agreement is valid, which it is not, to abide by the principles of the Habana Charter. I continue reading:

The second issue is whether to use the machinery of the contracting parties to bring together the major trading countries for a thorough multilateral effort to prevent the world's being split interminably into dollar and nondollar areas. European and United States trade experts privately agree that no other existing organization provides a suitable framework for discussing the roots of the dollar problem.

Here again the United States delegation doesn't know exactly what line to take. At first the United States welcomed the suggestion that part of the Geneva agreement providing for dealing with the general disequilibrium in world trade be brought into play. Second thoughts in Washington—again according to United States sources here—based on the fear of doing anything before Congress acts on the charter, have led United States representatives to abandon support of the proposal to start the secretariat working in preparation for a general conference to tackle international trade disequilibrium.

As a matter of fact, such a secretariat is already working on the agenda for the next meeting, if one should ever be held, on the proposed ITO.

The article goes on to say:

Yet it is clear to European and United States experts here that if the United States went into the September discussions with the British without some positive suggestions for dealing with the crisis in world trade—

Mark this, please—

the British would have no alternative to protective action, the chief sufferer from which would be the United States.

The British are maintaining overvalued sterling; they are maintaining their preferences; they are promoting bilateral agreements; they engage in government monopolies and cartels; they have import licenses, and if they can invent any additional discrimination against our trade it would be a masterpiece of ingenuity. I am not "twisting the lion's tail"; I think many of the things they do are required to be done because of their situation; but think of the utter naïveté, to say that the British would have no alternative to protective action, when they already have taken every protective action in the book.

I read further:

Nobody close to these problems believes Congress really wants the United States to act on the basis of any other principles than those of the Habana charter—

Of course, very few people in the United States know what is in the Habana charter; and the more assiduously students study it, the less they know what is in it—

but the United States Government, it is held, cannot at the moment take any leadership on the basis of those principles.

This is true for the principles are all destroyed by the exceptions.

If our delegation at Geneva is holding out optimistic hopes that Congress will throw its hat into the air with enthusiasm when, if ever, ITO comes before it, I respectfully suggest they had better put the damper on that. In my humble judgment, it will not be approved by the Congress.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Vermont to strike out the proviso on page 53.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was, on page 53, line 13, after the word "facilities", to strike out "$409,700" and insert "$443,700."

The amendment was agreed to.

The next amendment was, on page 53, line 14, after the word "warehouses", to strike out "$461,550" and insert "$501,550."

The amendment was agreed to.

The next amendment was, on page 54, line 6, after the word "expense", to strike out "$6,534,800" and insert "$7,134,800."

The amendment was agreed to.

The next amendment was, on page 55, line 3, after the word "Commission", to strike out "$6,586,000" and insert "$3,151,050."

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. I should like to see the amendment of the Senate rejected and the amount proposed by the House reinserted. If the amount proposed by the House is reinserted, there must be a corrective amendment in line 20 on page 54, and in line 1 on page 55. I have an amendment which will accomplish that result and add four words to the end of the line to make another corrective statement which occurs in the Senate committee's report. My parliamentary inquiry is, Is such an amendment in order at this time, or is it a personal amendment?

The VICE PRESIDENT. It would be in order to amend the committee amendment at this time. It would not be in order to offer an amendment which involves House language not involved in the committee amendment.

Mr. SALTONSTALL. If the House amount is restored, then the language I have in mind will be necessary automatically.

The VICE PRESIDENT. If the House language is restored by defeating the pending committee amendment, then at another time an amendment to correct the House language would be in order.

Mr. SALTONSTALL. May I ask the chairman of the subcommittee if he has any objection to considering these amendments at this time, for in substance they really involve a rejection of the committee amendment?

Mr. O'MAHONEY. Mr. President, I would have no objection, of course, but I should like to call the attention of the Senate to the fact that we have here a budget recommendation to make a reduction in the amount of the appropriation by $3,257,000, and the subcommittee has reported a reduction in the appropriation of $3,257,000. Many Members of the Senate all day today, all day Friday, all day Thursday, and for a substantial portion of Wednesday, have been voting for reductions of appropriations. Now the Senator from Massachusetts proposes to increase the appropriation, to go above the budget estimate, and to add $3,750,000 to Federal spending. I shall be very glad to call attention to the fact when the opportunity is presented, but of course I have no objection to the handling of the matter en bloc, in the interest of expediting action.

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Mr. SALTONSTALL. Then, Mr. President, in order that there may be no question, I ask unanimous consent that the amendments may be considered at this time.

The VICE PRESIDENT. The Senator from Massachusetts offers amendments which the clerk will state, and the Senator asks unanimous consent that they be considered en bloc. Is there objection? The Chair hears none, and the clerk will state the amendments.

The CHIEF CLERK. It is proposed on page 54, line 20, to strike out "$1,628,500" and to insert in lieu thereof "$3,065,000;" on page 55, line 1, to strike out "$60,000" and insert in lieu thereof "$100,000;" and on page 55, line 3, to strike out "$3,151,050" and insert in lieu thereof "$6,586,000, including the pay of cadet midshipmen and other trainees."

Mr. SALTONSTALL. Mr. President, I offer this amendment in behalf of the Senator from Florida [Mr. HOLLAND], the Senator from Alabama [Mr. SPARKMAN], the Senator from Connecticut [Mr. BALDWIN], the Senator from New York [Mr. IVES], the Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. LODGE], the Senator from Vermont [Mr. FLANDERS], the Senator from Florida [Mr. PEPPER], the Senator from Mississippi [Mr. STENNIS], the Senator from Maine [Mrs. SMITH], and possibly some other Senators.

Mr. President, as the Senator from Wyoming has said, the budget recommendation was $3,151,050. The House allowed the full amount requested by the Commission, $6,586,000. The amendment I offer is to reinsert the amount allowed by the House, namely, $6,586,000.

The additional amount is $3,453,072, made up as follows:

Allowance for expenses of 1,590 cadet-midshipmen, 880 in the 2 Federal schools and 710 in the 4 State maritime academies	$1,434,572
Allowance for expenses of 3,950 trainees at the U. S. Maritime Service Schools at Sheepshead Bay, N. Y., Alameda, Calif., and St. Petersburg, Fla	636,000
Reduction in staff of 452 persons from 1,004 down to 552 persons to operate the same units as in fiscal year 1949 with 1,104 persons, 100 of whom have already been released. Such an operation is impossible	1,382,500
Total	3,453,072

The difference of $18,122 involves minor adjustments.

Mr. President, if my amendment should be agreed to, the appropriation would still be 15 percent under the $7,744,000 appropriated for 1949, and it would represent the original request of the Budget Director.

Mr. President, in the subcommittee I voted first for the amendment as reported by the committee. Then I found that by doing so I had eliminated the pay of the cadets at the Massachusetts State school and all the other State schools and the Federal school, and as one who has always supported and believed in this training, I went to the Senator from Wyoming, advised him of the predicament in which I found myself, and told him I must reserve my right to offer this amendment on the floor, which I now do.

In substance, the amendment would allow a cadet $65 a month. A cadet has to buy his own uniforms and his own books. They pay for their own laundry, dry cleaning, and so forth. This also restores the pay for the other trainees at the maritime service schools in varying amounts from $125 for officers who go for upgrade training, $75 for experienced unlicensed personnel for upgrade training, and $65 per month for the trainees at St. Petersburg, Fla., for unlicensed skilled positions.

If this allowance is not restored, the Superintendent informs me that about one-half of the cadet-midshipmen at Kings Point would withdraw because of the taking away of the allowance, and they do not feel that they can secure trainees at the other units without the payment of allowances. My amendment would also restore the allowance of 75 cents a day for subsistence at the four State maritime academies.

As I have said, the $1,682,500 is to permit these schools to be administered with a personnel of 1,004. This is 100 less in personnel than was available last year, but I am told they can get along with that number.

My amendment on page 55, line 1, strikes out $60,000 and inserts in lieu thereof $100,000. The purpose of this amendment is to transfer to the Public Health Service a sufficient amount of money to cover the medical service rendered by them to the training schools. This is an actual reduction of $25,000 from the 1949 budget.

The two amendments on page 54, line 20, and line 1, page 55, are made necessary because of the House amendment made on the House floor, and the other two changes were not made in order to cover the correction when the figure was increased.

Mr. President, for these reasons, very briefly stated, I hope the amendment will be agreed to. We need to keep our ships going in times of peace in case we need them in time of war, and we cannot train people overnight. The four State schools and the Federal school, and the unlicensed schools in Florida and California, are long established institutions. I hope the Senate will adopt the amendment.

Mr. MAGNUSON. Mr. President, I rise in opposition to the amendment, and I do so fully agreeing with the last statement of the Senator from Massachusetts; but this is a case of cutting the cloth to fit the suit.

As this matter came before the House committee and was examined very thoroughly, I understand the House committee adopted the same amount for this maritime training the Senate committee now has in the bill, and that the amendment similar to the one now pending was presented on the House floor to increase the amount. The graduates of these schools have been pretty active lobbying for the increased amount.

I do not say the schools have not been good, and that we do not need some semblance of the training they afford, but it seems to me it would be a great waste of money to increase the amount over and above what the two committees thought might be the real value of the schools to maritime training.

The United States Coast Guard, on inquiry from me and our subcommittee, reported that there are 120,000 licensed marine officers in the United States at the present time.

There are jobs in the active fleet today for only 14,900 officers. In other words, almost 105,000 licensed merchant marine officers who may wish to ply their trade, are out of jobs now, with no possibility of having them in our present fleet.

There are more than 850,000 certified unlicensed seamen in the United States at the present time. There are jobs in the active fleet for only 64,000 unlicensed seamen.

During the first 2 weeks of this month, July, 57 chartered American flag vessels were returned from active duty to the laid-up fleet. It is estimated that the total for this month, August, will be more than 100.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. I would say to the Senator, without disputing the figures he has given at all, that in one of the unlicensed training schools at St. Petersburg, Fla., the total number of unskilled, unlicensed personnel to be graduated in 1950 is 600 to fill 6,000 expected replacements. In other words, the turnover, even with the reduced number of places, is so great that the graduates of this unlicensed training school represent only about 10 percent of the vacancies. In the officers' schools there are approximately 390 men to fill approximately 2,000 positions.

Mr. MAGNUSON. I ask the Senator from Massachusetts where those 2,000 positions are coming from.

Mr. SALTONSTALL. Those positions for officers are turn-over positions. My information comes from Admiral Knight, who is the superintendent for the Maritime Commission of all these schools. As I understand, by reason of the fact that men become overage and quit, there are numbers of vacancies every year. As an example, in a school in Maine to which Admiral Knight went for the graduation ceremonies on July 2 of this year, of 47 graduates, 33 had jobs as soon as they received their diplomas, and 14 more were promised jobs prior to September. So every one of those boys who graduated will have a job prior to September.

Mr. MAGNUSON. Mr. President, I must suggest that Admiral Knight's figures, which are somewhat self-serving for what he has been openly lobbying, are quite optimistic, because seamen are going out of work every single day. In the maritime hiring halls in New York, in Boston, and on the Pacific coast certified seamen have been sitting around for months looking for jobs.

As I said before, in July alone 57 chartered ships were laid up, and it is expected that 100 will be laid up this

month, so another 4,200 maritime jobs will evaporate in the month of August alone. That condition has been steadily continuing. The outlook for the next few years is equally bleak in this employment situation.

Mr. STENNIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Washington yield to the Senator from Mississippi?

Mr. MAGNUSON. I yield.

Mr. STENNIS. When the Senator uses the expression "maritime jobs," what does he mean?

Mr. MAGNUSON. I mean seamen, personnel and officers.

Mr. STENNIS. What percentage of the appropriation is going to train what the Senator calls "seamen"? Does the Senator know the figure?

Mr. MAGNUSON. I do not have the percentage figure. I should say there are 4,000 to be trained.

Mr. STENNIS. Are seamen distinguished from maritime officers?

Mr. MAGNUSON. The graduates would be officer cadets. There are seamen also.

Mr. STENNIS. When the Senator says there are some 100,000 maritime men looking for jobs, will the Senator be more specific? Will the Senator say how many of those looking for jobs are trained as the graduates of these schools are trained?

Mr. MAGNUSON. There are 120,000 merchant marine officers in the United States. In the active fleet today there are only 14,900 employed.

Mr. STENNIS. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. STENNIS. The Senator gives the figure 120,000. Does not that figure represent men who were in the merchant marine service during the war, as a part of the war service, and who now have gone back into civilian life and are employed in civilian life, just as many of those who were in the Army are now employed in civilian life?

Mr. MAGNUSON. Yes. There is a great inactive unemployed pool of qualified merchant marine who were not only seamen but merchant marine officers. As a matter of fact, 120,000 of them have kept their merchant marine and their officers' and seamen's papers alive, who are available to this pool. Many of them have gone back to other jobs, because there are only 14,900 jobs now available in the active fleet.

Mr. STENNIS. Mr. President, will the Senator yield further?

Mr. MAGNUSON. Yes.

Mr. STENNIS. Of the 120,000 how many are actually looking for jobs in the merchant marine?

Mr. MAGNUSON. We did not poll the 120,000. But I suspect of the 120,000 who have kept alive their seamen's papers and who are licensed merchant marine officers, probably well over 14,500 are looking for that type of employment.

Mr. STENNIS. That is merely the Senator's supposition.

Mr. MAGNUSON. I do not have the figures.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. FERGUSON. The Senator says he has not polled these particular 120,000 individuals.

Mr. MAGNUSON. No.

Mr. FERGUSON. I wonder if the Senator knows whether the individuals who would be educated at these two institutions, or three institutions, as the case may be, would want jobs as seamen, and how could they secure jobs?

Mr. MAGNUSON. The jobs are not there for them. That is the answer to that question.

Mr. FERGUSON. So they would join, then, as I understand the Senator, this unemployment roll or pool. Therefore, instead of having 120,000 or whatever the figures were which the Senator gave, there would be in addition also the number of the graduates? Is that correct?

Mr. MAGNUSON. Yes; that is correct.

Mr. FERGUSON. Some of these schools will continue. Is not that true?

Mr. MAGNUSON. Yes; because, of course, there is a need to continue these schools in a small way because we need a younger element, younger people. But I think we are attempting to train and put into a pool more men than we actually need, because here are these men who are available, and are looking for jobs.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. MAGNUSON. Yes.

Mr. FERGUSON. Will not the amount appropriated keep these schools operating so that if the time comes when we need additional men for these services we can increase the enrollment of the schools and go right ahead training men?

Mr. MAGNUSON. My understanding is that this amount would keep the schools alive, and we could expand them.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I shall yield in a moment. I want to answer the question of the Senator from Michigan further. In proof of that fact, I have the figures of the graduates of the officers cadet corps also. In 1949, of the class that graduated, I suppose, last year, 19 were serving in the merchant marine. Seven were serving in the Army Transport Service. Seven went into the United States Navy. Two went into the United States Army. Six—and they were trained before—were war casualties. So only 41, or 34 percent of that class, were able to secure Government positions.

Of the class that graduated in 1948, 53, or 44 percent of the class, were able to secure Government positions.

Of the class that graduated in 1947, 55, or 64 percent of the class, were able to secure Government positions.

Of the 121 graduates in the 1941 class, United States Merchant Marine Cadet Corps, 23 of the list are qualified masters—only 23.

Of 100 qualified seamen who graduated in 1947, only 16 served on vessels.

A check of the shipping experience of the last 100 qualified graduates of the United States merchant marine service for the calendar year 1947, made by the United States Coast Guard, shows that 84 men have never shipped with the American merchant marine in the foreign or coastal trades despite the large public expenditure to train them for the industry. Of the 16 who had some shipping service subsequent to their graduation, only 9 remained in the industry in 1949. These seamen were all in the merchant marine prior to joining the school.

A check of 120 graduates of the Merchant Marine Cadet Corps in 1941 shows that only 23 are still serving in the American merchant marine.

Furthermore, Mr. President, the National Maritime Union reports that it has in the hiring halls 42,000 seamen available for 22,000 jobs. Those men are actually looking for jobs. The masters, mates, and pilots, the inland-water group, has 12,891 licensed officers on its rolls; and if they did not want employment in this field they would have their names taken off the rolls. They have 12,891 on the rolls, and approximately 5,000 jobs for 12,891 masters, mates, and pilots.

The marine engineers report that they have 2,000 licensed marine engineers on the beach waiting for jobs. Some of them have been waiting from 3 to 9 months. This is a report for July. Most of the graduates of these cadet schools never get into the maritime industry because of the great surplus of manpower.

The House Appropriations Committee reached the same conclusion and recommended the same figure as that recommended by the Senate Appropriations Committee. It cut the maritime training budget in half. The figure which we are discussing represents the figure upon which both committees agreed.

I do not disagree with the necessity of having an adequate manpower pool of licensed marine officers and seamen, but I respectfully submit that all the reports we have on the maritime situation show that there is an overabundance of available officers and seamen actually walking the streets looking for jobs. It seems to me that we would be doing an injustice to these young men by putting them into such a manpower pool, because they would find they could not get jobs because the work was not available. We would only be adding to the unemployment.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALDWIN. I ask the Senator if he knows whether or not the appropriation for the Naval Academy has been reduced this year?

Mr. MAGNUSON. I do not know.

Mr. BALDWIN. I understand that it has not. Does the Senator know whether or not the appropriation for the Military Academy has been reduced this year?

Mr. MAGNUSON. I do not know.

Mr. BALDWIN. I understand that it has not been reduced. Does not the Senator believe that under all the circumstances——

Mr. PEPPER. Or the Coast Guard Academy?

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Mr. BALDWIN. Yes. Does the Senator know whether or not the appropriation for the Coast Guard Academy has been reduced?

Mr. MAGNUSON. I do not know.

Mr. BALDWIN. I do not know, but perhaps the Senator from Florida does. I ask unanimous consent that I may ask the Senator from Florida if he knows whether or not the appropriation for the United States Coast Guard Academy has been reduced this year?

Mr. PEPPER. I do not know.

Mr. MAGNUSON. I will answer the Senator from Connecticut by saying that those cases are not parallel. The number of men we can train at Annapolis or West Point is wholly inadequate to meet the present need for officers in the Army and Navy.

Mr. BALDWIN. Why?

Mr. MAGNUSON. Because we have to get Reserve officers.

Mr. BALDWIN. Because we need a big Army and a big Navy.

Mr. MAGNUSON. Yes.

Mr. BALDWIN. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Washington yield to the Senator from Connecticut?

Mr. MAGNUSON. I yield.

Mr. BALDWIN. Does not the Senator believe that for that reason we also need to lay our preparations now for a big merchant marine in case of war?

Mr. MAGNUSON. I agree to that statement.

Mr. BALDWIN. Does not the Senator recall that in the last war we had to take some very green men? Does not the Senator also recall that when we were looking for masters and mates of ships to rove the seas in the last war we had to take some very old men who went back to sea again, but who were really not physically qualified to go? They went at a great sacrifice. Does not the Senator agree with me that if we are to maintain the Naval Academy at a high level, the Military Academy at a high level, and the Coast Guard Academy at a high level, then as one of the most important complements to our entire defense system, we must maintain the merchant marine, or at least make preparation to maintain it? Does not the Senator agree with me in that respect?

Mr. MAGNUSON. I do not agree with the Senator at all. I do not believe that the two situations have anything in common. We are not eliminating this training. We are trying to cut the cloth to fit the suit. So far as the Naval Academy is concerned, it cannot supply enough men to meet the personnel demands of the Navy for officers to supply the present needs of the Navy. The Military Academy cannot turn out enough officers to meet the present personnel needs of the Army for officers. The Coast Guard Academy is turning out about as many as are needed. We are not proposing to eliminate this training. This is a case of training a group of young men for an industry which already has available three or four times the number of men needed for the jobs.

I think we would be doing them an injustice. Money would be wasted. I believe that a sufficient number of men can be trained with the $3,151,050 appropriation to meet the need for young men going into this service. To increase the appropriation would be to do a disservice to many licensed men now looking for jobs. In the present situation there are 120,000 merchant marine officers in the country, and only 14,900 jobs available. We should be only adding to the troubles we now have. Among the masters, mates, and pilots, more than 5,000 are registered in hiring halls and looking for jobs. Only 2,000 jobs are available.

This situation is not parallel to the situation as it affects the Military Academy and the Naval Academy. The service academies cannot graduate enough men. The demand is greater than the supply. That is why we have the Reserve system, under which men can go to college and, after graduation, get commissions in the Army and Navy.

Mr. BALDWIN. Does not the Senator agree with me that the reason we do not have enough facilities to train a sufficient number of officers is that we need a big establishment, and are building up a big establishment, and consequently there is a shortage? If we get into a situation in which it becomes necessary to defend our Nation, we are going to need men in the merchant marine, just as we needed them before. They are going to be just as important as the officers we are providing for the Army, the Navy, and the Marine Corps.

Mr. MAGNUSON. There can be no question about that, of course. But we could multiply our present merchant marine by eight times the present number of American-flag ships, and we would still have plenty of men to man them.

Mr. BALDWIN. Does not the Senator agree that his figure of 120,000 includes a great many men who would not be physically able to meet the requirements?

Mr. MAGNUSON. That may be true.

Mr. BALDWIN. In the event of a war, a great many men would want to go into some other branch of the service.

Mr. MAGNUSON. There can be no question about that. The fact is that after receiving this training, not more than 50 percent have ever gone into the merchant marine.

Mr. BALDWIN. A large number of men graduated each year from the Naval Academy and from the Military Academy do not continue in the service.

Mr. MAGNUSON. The Senator knows that there is a rule that they must remain in the service for at least 2 years. The Senator knows further that over a period of 25 years, say, the over-all percentage of those who leave the service after the Government has spent many thousands of dollars training them is less than 4 percent. In this case, even when jobs were available, never more than 50 percent went into the merchant marine.

I do not believe that the Senator from Connecticut anticipates that our merchant marine is to be increased to any great extent. Our job is to keep it as it is. It will be difficult enough to keep the American merchant marine at the level where it is, without looking for a great increase. It is deteriorating every day. Many things are happening. The Congress must act on the merchant-marine situation in Panama, where only foreign crews are being used. There is great unemployment today in the American merchant marine. It is not the result of the present recession in business. It has been going on for 2 years in the maritime industry. This proposal would merely add to it. It would do a great injustice to a young man who says to himself, "That is what I want to make my career. The Government is going to train me." If he were coming out of the academy today, unless he had some special influence or connection, I doubt whether he could get a job as an officer on an American ship.

Mr. BALDWIN. Would not the Senator agree that such a young man takes no greater chance than any other young man going to school? A man may graduate from MIT and not get a job.

Mr. MAGNUSON. We are not talking about private schools. The Government is paying for this training. Certainly any man takes a chance, even if he pays his own way.

Mr. BALDWIN. Does not the Senator agree with me that there are not so many opportunities for young men as there might be? One of the most useful things we could do would be to employ them by giving them some kind of training, as against a future emergency. Does not the Senator agree to that?

Mr. MAGNUSON. The Senator is asking me to agree to too many things. There are plenty of men available for every demand today in the maritime industry.

Mr. BALDWIN. Today. That is the important word in the Senator's statement.

Mr. MAGNUSON. That has been true ever since the war. This appropriation provides for the training of some, because we need some young men. The Government is going to pay for their training, and when they complete their training they will be seeking jobs. They are not going to be able to find jobs under present conditions. If the Senator has any illusion about the American merchant marine doubling in the next 5 years, he is much more optimistic than I am. I think we are going to have a difficult job keeping on the seas the American-flag ships we have today.

Mr. STENNIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Mississippi?

Mr. MAGNUSON. I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I looked into this question in the beginning, because one of the schools affected is located in the State of Mississippi. After getting into the subject, I found one of the most interesting and I think, relatively, one of the most important questions that is going to come before the Senate.

The question is whether or not the United States Government is to supervise and superintend directly the teaching and training of the more important marine officers in the American merchant marine. The American Legion

magazine has called this training program the fourth basic arm of our military program. I do not believe that anyone would suggest that we curtail the activities of the Military Academy, the Naval Academy, or the Coast Guard Academy.

Most of the opposition to this proposal is inspired by the CIO Maritime Union. The budget recommendation is $6,586,000, the very figure for which we are asking today for this purpose. Later, after presumably looking fully into the question, they changed their minds and recommended the figure now written into the bill.

This same matter was carried to the floor of the House of Representatives, and at that time the House voted to place in the bill the appropriation we are now asking for.

This matter relates to the supplying of key officers for the merchant marine. Either the Government will see to the training of such key officers, or else they will come from the unions or from various other sources. Of course, Mr. President, I am not one to raise the cry of "communism" very readily, but it is true that one of the methods the Communists have adopted, as I understand, is to endeavor to obtain control of the shipping industry throughout the world.

Mr. President, this matter relates to a full 4-year course of training, not a 6-months period of training for seamen, for instance. Most of the money now in question will go to those who will enroll in the full 4-year course. Before doing so, they must be high-school graduates, and then they have to pass an entrance examination almost equal to the one required for entrance to the Naval Academy. The trainees are screened by Naval Intelligence, and during the training they are instructed by men who have to be the equal of college faculty members. That is why so much money is required. This course leads directly to a Bachelor of Science degree. The young men who are trained to become eligible to be the higher officers in the merchant marine are paid $65 a month during their course of training. At Annapolis and at West Point the young men who are trained are paid $78 a month. At the Coast Guard Academy the pay is $78 a month. The Government pays $50 a month to the young men enrolled in the Naval ROTC courses at colleges throughout the Nation.

Let me point out that we have an itemized statement in regard to how the money will be spent. The merchant marine cadets do not make any profit from this money. With the money that is paid them, they must provide their own uniforms, their text books, certain fees, their laundry, and other expenses. After all, $65 a month is a very small compensation under such circumstances.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. MAGNUSON. Of course the committee amendment, if adopted, will not change the purposes for which the money will be used, but it simply will reduce the number of young men who will be able to engage in that training.

Mr. STENNIS. The primary purpose of the money requested is to pay $65 a month to the trainees, and also to pay the officers or faculty members who will instruct them.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. PEPPER. I thought the Senator from Washington suggested that some of the trainees would still receive trainee pay. However, I am sure the Senator from Mississippi means that the effect of the committee amendment, if adopted, will be that no trainee, whether in the first year at St. Petersburg, or in subsequent years of training at Pass Christian, in the Senator's State, or in training at Kings Point, or whether he is taking upgrading courses, or any other courses, will receive any trainee pay. I understand that the effect of the committee amendment, if adopted, will be that no officer or private, as it were, engaged in such training will receive any trainee pay. So it is not a question of cutting down the payments to be made to some of the trainees; but the amendment, if adopted, will cut out the entire payment for all.

Mr. STENNIS. Yes; under the amendment there would not be any payment of $65 a month to the trainees.

Mr. PEPPER. Yes; and, similarly, there would be no pay to the officers in charge of the training.

Mr. STENNIS. Yes.

Mr. President, as compared to the training given to stewards and seamen, who train for only 6 months, the training we are now discussing is far different and far superior. There is no comparison between such 6-month periods of training and the training given the men we are now discussing, who are trained to be officers. The rest of the money will go to their instructors—their professors, as it were. Of course, highly trained men are required, in order to be competent to serve as the faculty to instruct the classes of trainees who, upon graduation, will obtain a bachelor of science degree. Those who instruct such trainees have to perform the equivalent of a college instruction job.

Reference has been made to 120,000 men in the maritime industry without employment. However, I think such a reference is properly comparable to statements that at one time there were great numbers of men in the Army, but they are not now in the Army, and that therefore the Army has a great backlog of available trained men, and does not need to engage in any further training. Of course, very few of the men who have been in the Army are now looking for jobs in the Army.

My opinion is that we must maintain a continuous course of training, in order to have trained personnel available and to have them fed into the ships, to man the ships. I think that is particularly true in the case of the officers who occupy the key positions. We now have the academies for training such men. Those academies are maintained along the lines of the Naval Academy at Annapolis and the Military Academy at West Point and the Coast Guard Academy at New London.

Certainly, Mr. President, if we do not supervise the training of these men, these positions will be occupied by men coming from other sources, and many of them will be subject to certain isms.

I think $3,000,000 is of very small consequence in this connection, as compared to what we are spending for the Army, the Navy, and the Coast Guard in the entire defense program, about which we speak in terms of billions of dollars. Yet in this case we are urged by some to neglect what the American Legion has called the fourth basic arm of our entire military program.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. BALDWIN. It is quite apparent that the Senator from Mississippi has made a thorough investigation of this matter. Will he say that if the pay in question is taken away from the cadets, the result will be to completely decimate the program for the training of maritime service officers?

Mr. STENNIS. Yes; I entirely agree that that will be the result. These young men have to have some money with which to maintain themselves during the 4 years of hard, rigorous training.

Of course, the purpose of the 4-year course is to train these young men to be highly skilled, highly trained officers, technical engineers, and so forth. If the young men who are asked to engage in that training are told they will not be paid, we can anticipate the type of young men who will respond to such an invitation. On such terms, the course of training simply will not attract the type of men who, because of the country's needs, and in the interest of the country's welfare, should receive the training. Under such circumstances, the course of training will not attract the type of young men we would like to attract when they leave high school and are ready to go out into life.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. MAGNUSON. I am sure the Senator does not mean to say that many of the men already available—for instance, the masters, mates, and pilots, whom the trainees would necessarily have to supplant—are believers in various of the isms to which the Senator has referred.

Mr. STENNIS. Oh, no. But I say there is a determined effort on the part of the Communists to obtain control of shipping everywhere in the world.

Mr. MAGNUSON. Of course, this matter has no connection with that, in my opinion.

It seems to me we should realize that the cost of training men in the Army and the Navy far exceeds the cost of training these men. However, the merchant marine cadets are to be trained in order to be available for a service for which there is a great oversupply of personnel. I wish the Senator from Mississippi had exact information as to the

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number of unemployed persons now available for service in the maritime industry, persons who are trained for such jobs, but for whom no jobs are available. Another thing, there is no requirement that the young men we are training at Government expense shall go on and work for the Government. In the Military Establishment less than 4 percent of the men trained have left, as I recall the figures, over the 25-year period. Only half of the graduates of the merchant marine academies, even when jobs were available, went into the merchant marine.

Mr. STENNIS. Mr. President, one point further. The Senator from Washington says we have so many unemployed. I challenge the statement there are so many unemployed of the type who would take advantage of this college training and to whom we would pay $65 a month while training for important positions in future years.

Mr. MAGNUSON. But they are all American citizens who are looking for jobs. We have a report that in the past 6 months, in the over-all maritime picture, which includes seamen and even cadets, 48,000 have been put out of work because of the lay-up of the ships in the past 7½ months.

Mr. STENNIS. I ask the Senator who gave him that record?

Mr. MAGNUSON. We get the reports from all the hiring halls from which all the crews are recruited.

Mr. STENNIS. That is the maritime union, is it not?

Mr. MAGNUSON. Some of the merchant marine unions—masters, mates and pilots, engineers, and so on; some CIO, several AFL, and some independent.

Mr. STENNIS. How many of the 48,000 are qualified to do the work for which the cadets we are paying $65 a month are trained?

Mr. MAGNUSON. They all have masters', mates', and pilots' licenses.

Mr. STENNIS. How many of them have the degree or the equivalent of the degree that is given by the merchant marine schools?

Mr. MAGNUSON. I do not know how many have that. Some of them came up the hard way.

Mr. STENNIS. That is all right, that is a good way to come up. But does the Senator know how many of the 48,000 are trained?

Mr. MAGNUSON. Some of them came up the hard way, and the Government did not pay for their education. But they are qualified masters, mates, and pilots, men who are qualified in many ways, and there are more of them than the industry can take. That is my point. I do not object to training. If we needed all these men in the industry I should be in favor of doubling the appropriation. But the hard facts are that we have all kinds of qualified men. In the officers' class at least, even if we cut in half the number of men, 120,000, who have gone some place else, we have 3 or 4 qualified men for each job that is available. Some of them are just as well qualified as the men who come out of the academies.

Mr. STENNIS. I am sure they are.

Mr. MAGNUSON. Some of them have learned by experience. Some of them have become American citizens. They have come principally from the Nordic countries, and they are men who are instinctively good seamen—masters, mates, and pilots. They take to the sea like ducks take to water. There is not a future for the trainees in the United States merchant marine. In view of all the unemployment, the spending of money to train young men who cannot find employment in the merchant marine is not justified.

Mr. STENNIS. I come back to my original point. I base this plea on the ground that the American Government can well direct and supervise the teaching of the men, and had better do so, in order to be sure at all times of a sufficient number of men to fill the key places in the maritime service.

There is one further point I want to call to the attention of the Senate. The first year of the 4-year course is conducted in what may be called more or less preliminary schools. The second year they spend at sea, and this is virtually without cost to the Federal Government. The shipping interests themselves pay all that expense. The third and fourth years are then spent in the finishing schools leading to a B. S. degree. The graduates are commissioned. I think it is well to note that this is not merely a wartime program. It was established in 1948.

Mr. PEPPER. Mr. President, although it may not have been the intention of the author of the amendment, I am advised no later than this noon by Admiral Knight of the Maritime Commission, who is the officer in charge, that the effect of the committee amendment would be to destroy the maritime training program. I believe no one who appreciates the value of the maritime service to the defense of the country wants to accomplish that purpose.

Why do I say that, Mr. President? Simply because the cut from $6,586,000 for this item, allowed by the House of Representatives, to $3,151,050, would require the closing of the unlicensed personnel training school at St. Petersburg, Fla., and the closing of the school where cadets get their first year of training at Pass Christian, Miss. It would require reducing to one-half the personnel of the Kings Point Training School at Kings Point, where the cadets are given the last 3 years of their 4-year cadet training. Furthermore, Mr. President, taking the trainee pay away from the unlicensed personnel in the St. Petersburg training school and away from the cadets in the cadet schools would simply mean in all probability that there would not be any students in either one of those schools to take training. I am advised by Admiral Knight that if some hardy cadets did stay at Kings Point taking cadet training, there would not be enough administrative and instructor personnel to make the training worth while in order to train those who might happen to remain there.

So, Mr. President, it will be seen that the actual effect of the amendment is to destroy the training program of the maritime service and to stop completely the flow of available skilled officers and unlicensed personnel to run the merchant marine of the United States of America.

But, Mr. President, it would go further than that. The able Senator from Mississippi was absolutely right that the impulse for cutting out this training comes from the CIO union. There are few Senators in this body who have been more loyal to the cause of labor than the senior Senator from Florida, and I have no apology to make for it to anybody. I voted for them because I thought they were right. But as I have told them, I say to my colleagues, Mr. President, they are wrong, they are short-sighted if not selfish in trying to destroy this salutary program which means so much to the defense of the United States of America. I said their diligence has been a sort of boomerang that has come back to them.

There is another aspect to this program in which they are interested. In fact, they want all the programs to assume the same character; they do not want them to do anything except to upgrade seamen; in other words, their own members. That is being done at two other places, at Sheepshead Bay, N. Y., and at Alameda, Calif. The trainees who are being upgraded at Sheepshead and at Alameda, Calif., also get, if they are enlisted men, $65 a month; officers, $125 a month. But this amendment cuts that out, too. It means that those men while they are off their ships, not getting any remuneration, not being employed, are not going to get a dime for subsistence while they are taking the 6-month course in order to enable them to be upgraded, and to become better officers and better unlicensed seamen.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. The Senator is speaking about upgrading. The Senator, I know, realizes that there are 3,300 men already in the maritime industry who are in these schools, where the Government is helping them to be upgraded.

Mr. PEPPER. Exactly—as distinguished from an annual output of 390 officers and 600 trainees of unlicensed character in the whole cadet and unlicensed seamen training program.

Mr. President, to recapitulate, the language of the committee amendment on page 54, line 20, is: "(exclusive of pay of cadet midshipmen and other trainees)."

There would not be a dime to pay a trainee at St. Petersburg, Fla., where the station is designed to train the unlicensed personnel that go into the engine rooms and onto the decks and into the steward's department. There would not be a dime left to pay a trainee at Pass Christian, Miss., where they get the first year's training as cadets. There would not be a dime for training at Kings Point, where they get the last 3 years of their cadet training. There would not be a dime for Sheepshead, where they upgrade seamen who

are already there, as well as officers; nor a dime at Alameda, Calif., to pay the subsistence of the officers and the seamen who are being upgraded there.

Mr. President, the conclusion is that to take away that trainee pay, in the first place, will stop trainees from attending the schools. Most of them do not have the money. Without any subsistence while they are taking the training, they would prefer to go along as they are, with less efficiency, than to try to subsist without any trainee pay while in school.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BALDWIN. Would the Senator agree with me that if we were to stop this trainee pay for a year, as this bill would do, as to both the cadet training and the upgrading training, the organization and the personnel having the training in charge would be completely dissipated?

Mr. PEPPER. That is correct.

Mr. BALDWin. If we stop it this one year, and then desire to renew it for some other year, it would be at least a year, or possibly another year after that, before we got the whole matter rolling again. So, if it is stopped this year, would not the Senator agree with me that we would be stopping it for at least 2 or possibly 3 years?

Mr. PEPPER. Mr. President, there can be no doubt about that. If it is once stopped, I am confident that it will never be started again until a national emergency comes upon us; and then we would rush in and try to reestablish it, with all the inefficiency, expense, and loss to the United States such a program would entail.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. I do not disagree with the Senator. If I thought this amendment would stop it, I would be in entire agreement with him. But I wonder if the Senator does not think, in view of the unemployment situation and the deterioration of the merchant marine, some of which is necessary, that we should cut the cloth to fit the suit?

Mr. PEPPER. That is not what is being done here. The amendment would reduce the number of administrative personnel, by 452 out of 1,004. Let me tell Senators about the present situation. There were only 1,104 in the total administrative personnel. That was cut 100. That left 1,004 in the whole administrative program.

Mr. MAGNUSON. To train how many men?

Mr. PEPPER. There are 600 a year coming out of the school at St. Petersburg. They have just half as many instructors per man as they have in the Coast Guard Academy. At Annapolis and in the Coast Guard Academy there is one instructor for each trainee, whereas, in the maritime-training program there is one instructor for every two trainees. I received those figures only a few hours ago from Admiral Knight. So the schools carry twice as great a load as that which is carried by comparable institutions.

Mr. MAGNUSON. Mr. President, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. MAGNUSON. The Senator mentioned the fact that in part of the opposition was inspired by the CIO. Of course the CIO maritime unions are vitally interested. I should like to have the record straight, so far as the Senator's statement is concerned. I have heard from all types of persons employed in the maritime industry. I am sure the Senator appreciates that in my section of the country there is no CIO maritime industry. The persons affected are the Masters, Mates, and Pilots Organization, of the AFL. On the Pacific Coast the seamen's organization is an AFL union.

Here is a man who has made his living and supported his family by going to sea. He may be an officer, a warrant officer, or an ordinary unlicensed seaman. He has found in the past few years that there are not sufficient jobs available. He says, "The Government is using my money to train more men than are needed, more than can be used in the industry." Whether he belongs to a union or not, he has a legitimate question to ask.

In the second place, he says, "It is not comparable to the academies, because there is need for officers in the armed services." I think he has a right to question it. He did not get paid to go to a school. He says, "If the Government is paying money to train men, they will come to an industry in which I have a most difficult time finding a job." If he belongs to the CIO, the A. F. of L., or any other union, he has a right to ask that question.

Mr. PEPPER. The Senator is completely correct; he does have that right. I meant that the only persons who had contacted me were representatives of unions speaking for their members. Of course an individual out of employment would see the matter from a relative point of view. He would be thinking about himself. But I doubt that the Senate has any right to limit its vision to an individual, when we are dealing with an essential adjunct to the security of the United States and when we are talking about a part of the national defense. Many times in the course of this Nation's history there have been more Army and Navy officers than were needed for active duty. But did we close down West Point and Annapolis? If the merchant marine is an essential part of the National Military Establishment, as it were, then, Mr. President, is it not an analogous principle to argue that we should not close down the institutions in which we train members of the merchant marine, including officers?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. Did the Senator bring out the fact that we are getting a "double shot"—that is, by training men for service in the merchant marine, we also train them for Reserve officers in the Navy?

Mr. PEPPER. I thank the Senator for emphasizing that point. They are naval reservists.

Obviously there will be some ebb and flow in the number of unemployed at certain times, and there may be times when practically all the men and officers will be on active duty, but are we going to close the institutions in which we train competent men to carry on this program? It is not a wartime program. It was authorized in 1936, if I recall correctly, and was implemented in 1938. The schools were distributed over the country. The program was formulated; staffs were recruited and trained. They are going institutions. I have had a better opportunity to observe what is being done at St. Petersburg, Fla., than I have in other States. The men are taught discipline, personal cleanliness, and a sense of responsibility, together with some regularity and responsibility of habit and conduct. They are also placed on the *American Mariner*, a merchant vessel, where they are taught actual seamanship. They go on cruises in Caribbean waters and up the Atlantic coast. They are taught the duties of seamen by experience as well as by instruction. Men come from all over the country to file applications because they want to enter the maritime service. The men are generally of a high-class type of character. We hear of very little trouble among them. They have impressed themselves upon the citizens as being somewhat analagous to members of the armed services.

They wear a uniform, just as officers do. They receive 6 months' training. I am told by the maritime service that 80 percent of the men go readily into jobs because they have been trained.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. The figures which I have received are exactly the opposite.

Mr. PEPPER. I have consulted Admiral Knight, who is in charge of the program. He gave me the figures today. I think he knows what he is talking about. I do not think he would misrepresent the facts. The men go into the Army Transport Service, into the oil trade, and into other places where responsible types of men are wanted. The Senator will not find a large percentage of these men on the beach, as they say, because they have skill and training and the confidence which they are anxious to obtain. Of course that is all the more true of the cadet officers.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Washington.

Mr. MAGNUSON. I have a letter dated July 25 from Admiral Knight, and here are the figures he gave me. He says that 41, or 34 percent, of the class of 1949 are employed, 53, or 44 percent, of the class of 1948, and 55, or 46 percent, of the class of 1947. These are the figures from Admiral Knight himself. I do not know whom he is fooling.

Mr. PEPPER. Nor do I, but I asked him the question, and he said 80 percent

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of the men were at this moment employed.

Mr. MAGNUSON. I ask unanimous consent that Admiral Knight's letter may be printed in the RECORD at this point.

Mr. PEPPER. The Senator is very welcome to have that done.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BUREAU OF MARITIME SERVICES,
UNITED STATES MARITIME COMMISSION,
Washington, D. C., July 25, 1949.

Mr. EDW. STERN,
Office of Senator Warren G. Magnuson,
Senate Office Building,
Washington, D. C.

DEAR MR. STERN: In accordance with our telephone conversation Friday, we are sending you a copy of the original list of 100 qualified seamen graduates for the calendar year 1947, showing under each name the record of service that we have developed.

Those that have no record shown are men who were graduated and returned to their homes upon graduation. In many cases it was understood that they expected to accept employment on the Great Lakes. Undoubtedly all of them did not do this, but some of them certainly did. There are no records available to us from which we can establish the actual number that did accept employment on the Lakes.

Sincerely yours,
TELFAIR KNIGHT,
Chief, Bureau of Maritime Services.

1941 graduates, U. S. Merchant Marine Cadet Corps

RECORD OF GRADUATES IN YEARS 1947, 1948, AND 1949

1949:	
Serving in merchant marine	19
Serving in Army transport service	7
U. S. Navy (approximately 8 years' service)	7
U. S. Army (approximately 7 and 3 years' service)	2
War casualties	6
Total or 34 percent of class	41
1948:	
Serving in merchant marine	31
Serving in Army transport service	7
U. S. Navy (approximately 7 years' service)	7
U. S. Army (approximately 6 and 2 years' service)	2
War casualties	6
Total or 44 percent of class	53
1947:	
Serving in merchant marine	33
Serving in Army transport service	7
U. S. Navy (approximately 6 years' service)	7
U. S. Army (approximately 5 years' and 1 year's service)	2
War casualties	6
Total or 46 percent of class	55

Records cover only those serving in American offshore vessels which do not include coastwise, domestic, and Great Lakes vessels. The men included in the armed services served actively in the merchant marine prior to being commissioned in the Navy or the Army.

Mr. PEPPER. Mr. President, what about fairness to the men taking this training? They have been coming into these schools rather by invitation, even into the unlicensed schools, because this service has been seeking them. What about the boys who went there 12 months ago, to take a 6 months' training course, all of a sudden to be advised they will not receive their remuneration? That means, of course, that, in a fashion, at least, a contract of the Government has been broken with those men. It is all the more explicit in the case of the cadet personnel. How are those men selected? Every one of them is chosen by competitive examination. A quota is given to every State. I believe that according to population the number of places available for cadets is allocated to the 48 States.

Then in every State there is a competitive examination, and only on the basis of that competitive examination are the cadets chosen. It is a 4-year course for which they are taking the examination. They go into the school expecting to be able to complete the 4-year course, just as much as a man goes to Annapolis or to West Point or to the Coast Guard Academy at New London, Conn., for a given period.

Mr. President, having admitted those boys into that program, with that understanding, can the Congress rightly cut off their compensation, and leave them stranded in the schools, expected to make their own way, or, otherwise, to go home? Is that keeping faith with these men? I believe it is $75 a month the men get in the defense academies. Would Congress feel free, in the military service appropriation bill, to cut off the compensation those men get? They have enrolled in the maritime training academies just as the cadets have enrolled in the academies at New London, Annapolis, and West Point.

Mr. President, let me present the case of another class. I have here a letter dated July 14 of this year. It is a copy of a letter sent to the Senator from Wyoming [Mr. O'MAHONEY] by the State Department. It reads:

JULY 14, 1949.

The Honorable JOSEPH C. O'MAHONEY,
Chairman, Subcommittee on Independent Offices, Senate Committee on Appropriations, United States Senate.

MY DEAR SENATOR O'MAHONEY: Under the authority of Public Law 701, Seventy-ninth Congress, there are at the present time 12 nationals of certain other American republics engaged in a course of study at the Merchant Marine Academy at Kings Point, N. Y.; and under authority of Public Law 370, Seventy-ninth Congress, 69 Philippine nationals are also undergoing a course of training at the same institution. These foreign nationals accepted the appointment to the Academy on the understanding that, among other things, they would receive a monthly cash allowance of $65 to provide for such items as uniforms, books, equipment, and incidental expenses. In the case of the Latin-American program provided under Public Law 701, the students are designated by the President of the United States on the basis of formal diplomatic negotiations with the countries concerned; and in the case of the Philippine program the designations are made by the President of the Philippine Republic.

I am now informed that the Senate Appropriations Committee has eliminated from the budget of the United States Maritime Commission all provision for the payment of such monthly allowances to cadet-midshipmen attending the Academy, including, of course, the foreign nationals herein referred to.

It is realized that no agency of the Government can make commitments which involve the expenditure of funds beyond the fiscal year for which appropriations are available but in this instance nationals of other governments have proceeded to the United States under officially sponsored and authorized programs and their governments will find it difficult to understand the proposed change in the financial arrangements. I believe that if the monthly allowance is withdrawn from these foreign students, it may be necessary for them to terminate their studies and return to their respective countries, with a resulting loss of prestige for the United States and impairment of our relations with those countries.

It is my understanding that Senate debate on this matter is imminent and the Department would appreciate any action on your part which you might consider appropriate in the light of the circumstances referred to hereinabove, particularly with respect to those nationals who have already begun their courses of study.

Sincerely yours,
ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

It will be noted from the letter, Mr. President, that there are 12 from the American Republics and 69 from the Philippines.

Mr. President, I have here a copy of a letter which was sent to the able senior Senator from Texas [Mr. CONNALLY], the chairman of the Committee on Foreign Relations, on the same date, which I read:

MY DEAR SENATOR CONNALLY: There is enclosed a copy of a letter which has been addressed to Senator O'MAHONEY in his capacity as chairman of the Subcommittee on Appropriations which heard testimony on the independent offices appropriation bill of 1950.

If, in the circumstances set forth, you might feel justified in supporting the Department's position, I shall very much appreciate your taking any action that you may consider appropriate.

Sincerely yours,
ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

Mr. President, does the Congress feel that we can with propriety breach, as it were, certainly an implied commitment to these American Republic students, who are appointed by the President of the United States, and come here to take the training we invited them to take, and an implied commitment to these students from the Philippines appointed by the President of the Philippine Republic, who come here under a public law and beginning their courses? Are we free now to withdraw the subsistence pay which they were led to believe they would receive, a part of which they have already received upon their coming here?

The same thing, in principle, applies to our domestic cadets. These boys see a notice in the newspaper, a notice on the bulletin boards at the Federal building, "Make yourself a cadet. Train for the maritime service. Aid the national defense. Competitive examination," and the like. Under the accepted rules and standards, they take the competitive examination. At least one of the boys wins. The one who wins is chosen by

the officials having to do with that subject, as a cadet, to go to Kings Point, N. Y., or Pass Christian, Miss. He enters upon his training, and we in the Congress take away the subsistence pay which makes it possible for him to subsist while he is there. The school furnishes the instruction and certain compensation, but it is not sufficient to provide for the cadet's upkeep. I doubt if it would be quite right for the Congress to interrupt this program, at least after those who are there enter. The same thing applies on a lesser scale to the boys who come to the St. Petersburg unlicensed school to take a 6 months' course. They may have given up some other job, have chosen the sea for their career, and they come and stay 1 or 2 months and are notified they will no longer receive any subsistence pay.

Mr. President, I put the matter upon a larger basis than that. I say we are mistakenly impairing an essential arm of the national security. Look what we have already done to this program. In 1947 there were 2,200 in the administative personnel, and we cut it. In 1948 the administrative and all the other supervisory personnel, including the maintenance personnel, was cut down to 1,225, nearly a 50 percent cut. In 1949 we cut it again to 1,104. They have already voluntarily cut it to 1,004, whereas it was 2,200 in 1947. It has been cut to 1,004. In other words, if the $6,586,000 item which the House inserted were retained, it would still represent a 15 percent cut under the 1948 appropriation. Is not that enough? Is not that a fair share of the savings? If we do not intend to abolish the program is not a 15 percent cut in last year's appropriation a reasonable cut in the training program? That reduction will be made, even if they get the whole amount the Senator from Massachusetts is asking, and what the House officially provided.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. If the committee amount should prevail, the school will be forced to cut about 452 employees, or the number of employees will be cut absolutely in half, and the school will not be able to continue in operation.

Mr. PEPPER. Exactly. Admiral Knight told us this morning that they would have to let out immediately 452 of their 1,000 employees. That means, he told us, that they will have to close the schools at St. Petersburg and at Pass Christian. Their personnel would be cut down to the point where they would have to close. The cadets at Pass Christian would be moved to Kings Point. What would happen at Kings Point? There are 475 employees at Kings Point, including instructors. Voluntarily they have cut the number to 425. The bill would cut the number down to 237.

Moreover, Kings Point would have to take on all the cadets who are now at Pass Christian. Admiral Knight said, "We simply cannot operate under such circumstances."

Even now, Mr. President, the merchant marine academies have one instructor for every two trainees, whereas the Navy and the Coast Guard have one instructor for 1 trainee. So already it seems to me that there has been too small a number of employees in the merchant marine schools.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FERGUSON. Is the Senator correct in his figures? He spoke of the Navy and the Coast Guard having one instructor for each trainee.

Mr. PEPPER. I should not have said one instructor for each trainee. What I refer to is the total personnel of the school, including administrative force, instructor personnel, managerial and supervisory personnel and others.

Mr. FERGUSON. If there were one instructor for each trainee, there would be only one trainee in an instructor's class.

Mr. PEPPER. The personnel at the school includes, of course, cooks and waiters, fire wardens, janitors, and all other employees.

I offer that as a standard of comparison to show that the merchant marine schools are not overstaffed in the administrative personnel employed.

I have already sought to recapitulate.

The trainee pay of $65 a month for the first year for the unlicensed seamen at St. Petersburg would be cut. The same statement applies to the trainees at Kings Point, N. Y.

Furthermore, let Senators remember it is also proposed to cut out completely the trainee pay of the seamen who are being upgraded in the training schools at Sheepshead and at Alameda, Calif.

Something else would be done which I was about to omit to mention. Four States conduct State school training programs—California, New York, Maine and Massachusetts. Altogether, I am told, 710 are trained in those four State schools. But because of the contribution the States make, Admiral Knight tells me that they also are to be cut out of the $65 a month.

If the school at St. Petersburg is cut out, if the personnel at Pass Christian is reduced from 425 to 237 administrative, supervisory, and instructor personnel, it will mean an added burden on the school at Kings Point because of the increase in the number of cadets who will have to be trained at Kings Point. Why might we not as well destroy the program outright as to emasculate it by taking away so much support from it?

Much is said about unemployment. As I said a little while ago, the purpose of the training is to continue to prepare young men to become unlicensed seamen and officer personnel, for the Maritime Service, to bring a more competent personnel into that important function in our national defense.

Mr. President, we have 2,000 ships in mothballs. Who knows when those ships will have to be put into active service? A Senator has said, "Yes, but there are many men unemployed and looking for jobs in this service." How many reserve officers have we? If that is a valid argument, why not use the personnel we had in the war to lead the armed forces, and shut down West Point and Annapolis and the Coast Guard Academies for a while until the surplus of available men has been used up?

Mr. President, I believe every Senator has had the same experience I have had. Young men are pleading with us to help them get into the Regular Army. There is a great surplus of men wanting to get back into the Air Force, the Navy, the Army. There are simply hundreds of thousands of fine officers who made splendid careers in the war, who want to get into the Regular Army. Are we cutting out the appropriation for West Point, for Annapolis, and for New London, simply because these men want to get back into active service? West Point, Annapolis, and New London have something the services need. I say, Mr. President, the same thing is true of the maritime training program.

It required a long time for us to recognize the importance of our merchant marine. Whenever we once build it up we are almost as certain in a little while thereafter to let it deteriorate into a dangerous weakness. That always seems to be the tendency between wars. We got into the war. We realized in World War I that we did not have enough ships. We had to rely on the British to transport men and material. We came out of World War I with a determination that never again would we allow the merchant marine to deteriorate to the point of danger. And so in 1936 we passed an act to encourage and to develop the merchant marine. An essential part of that service was not simply inanimate ships, but also the men to man those ships. Of course, the better they are trained, the better the men are, the more effective are the ships.

If we should ever have another war American ships will have to carry the material and men necessary to win the war. The men of the merchant marine are needed to operate the ships. In view of the creditable service, in view of the record of achievement of the maritime training program I cannot believe the Senate will destroy the provision made for the continuation of that service by our sister body, the House of Representatives, and thus impair the national defense.

Mr. IVES. Mr. President, the hour is late, and I shall be very brief in the statement I have to make. As a matter of fact, the very eloquent remarks of the able Senator from Florida [Mr. PEPPER], the able Senator from Mississippi [Mr. STENNIS], and the able Senator from Massachusetts [Mr. SALTONSTALL], who preceded me, have covered the situation very thoroughly. However, there is one thing which seems to stand out in this connection, which I do not think has been emphasized to any great extent in the debate thus far.

Quite obviously, as has been pointed out, the effect of the proposed cut would be to destroy virtually all maritime training as we have had it in this country. Mr. President, if that is what we want to do, it seems to me that this is a very bad way by which to do it.

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The effect of the elimination of the $65 allowance alone in itself is utterly discriminatory. It means very definitely that the young man who does not have as much as the next young man cannot secure this training. In fact, if he is in the institution already he may have to leave. I understand that at Kings Point between 50 and 60 percent of the trainees would have to leave if the proposed cut were to be made.

Further than that, I should like to know what quality training the remainder would receive if the staff were to be cut in half at Kings Point.

If we are going to make such a cut, let us make it on the level. Let us know what we are doing. If in our wisdom in the two Houses of the Congress we decide that we want to eliminate maritime training in our country, if we want to drop this great service at a time when we are trying to build up a preparedness program, at a time when we are talking about establishing in this country a new academy to train for the Air Service—if that is what we want to do, let us have a clear program definitely before us that will do it, so that we shall know we are doing it, and will not be doing it in the manner now proposed.

Mr. HOLLAND. Mr. President, I dislike to take further time of the Senate with this matter, but there are two or three observations which I should like to make, which I think might add to the facts which will be in the record of this matter which will go to conference, at any rate, regardless of the attitude of the Senate as expressed here. I hope the Senate will take the action which is suggested in the amendments offered by the senior Senator from Massachusetts [Mr. SALTONSTALL], which amendments will not only restore the budget amount, but which will correctly distribute that budget amount in a way in which it was not correctly distributed in the amendment which was voted on the floor of the House. The fact of the matter is that the House committee cut the whole program, and that in its effort to undo that injury the House voted back, on the floor, the entire budget amount, but voted it in a block sum which does not correctly represent the needs of the program. So regardless of what action is taken here, this question will go to conference. I hope it will go to conference with the approval by the Senate of the amendment suggested by the Senator from Massachusetts [Mr. SALTONSTALL], not only would restore the correct amount, but which for the first time, so far as this legislation goes, would correctly distribute that amount among the three objectives, that is, the payment of monthly expenses to the students, the allowance for instruction and other personnel, and the allowance for an appropriate health program, which must come into this picture in a separate part of the budget.

I happen to know, and have known for many years, the distinguished officer who commands the maritime training program, and who is charged with the direction of it. Admiral Telfair Knight came originally from Jacksonville, in the State of Florida, but for many years he has been serving our Nation in the maritime service. I went to him with two particular questions which had been disturbing me, and which may have disturbed other Members of the Senate. The first was this: "Admiral, have you realistically faced the fact that we are through with the war? Although we continue this program as a matter of necessity, because it is of vital importance to our Nation to remain prepared, have you cut down the program in accordance with the fact that we are not now still in the war?"

He said, "I will be glad to give you the facts." He has given them in this paragraph, which I wish to place in the RECORD. I quote Admiral Knight:

"The maritime-training program is one which has been consistently curtailed since the war, and its operating personnel has been steadily reduced. In 1947 the staff consisted of 2,200 persons." (That was after the war, and it was less than it had been at the height of the war.) "In 1948 this was sharply reduced to 1,225. In 1949 the number was cut to 1,104, and the number has now been reduced, as of June 30, 1949, to 1,004."

The number has been reduced to 1,004, as against 2,200 as recently as 1947. I wish I could say that the rest of the programs of the Nation had been reduced as realistically as has this particular very important program.

The next question I addressed to Admiral Knight was this: "For my information—and I hope for the information of the Senate—indicate why it is necessary to have 1,004 men in a program which trains at any stated time only 2,650 men and officers."

It has that many going to school at any one time. Why is it necessary to have 1,004 instruction personnel to handle the instruction of 2,650 students? These are the facts which Admiral Knight gave me in that connection:

He stated that the 1,004 included not only the instruction personnel, but all the other personnel who are necessarily assigned for maintenance, for the operation of training ships, for security, for commissary and fiscal duties, and for housekeeping purposes. I asked Admiral Knight to tell me the proportion of the 1,004 represented in the various activities, and he gave me these figures:

For maintenance, security, commissary, and fiscal, approximately 60 percent. That is about 600 out of a personnel of 1,004. I think it unnecessary to call the attention of the Senate to the fact that a large number of men would be required not only to man training ships, but to police the quarters, operate the commissary, and do all the other things which are necessary in keeping the records, and so forth, of an organization of this kind. It seems to me that they have been quite careful in budgeting only 600 men to do all the work which comes within those categories in connection with this important program, which, incidentally, is being carried on at six different institutions.

The second point he makes is that approximately 30 percent are assigned to straight instruction, or about 300 out of 1,004. I think that is not a disproportionate number, particularly when we consider the figures for the Military and Naval Academies, where one man for each student is assigned covering all these categories. Certainly 30 percent for instruction, or 300 men for the instruction of 2,650 students, is less than the number which would be found at the other service institutions. There is no question about it. Moreover, those institutions are consolidated. Each is at one location, whereas this activity is carried on at six different places.

The third grouping, of 10 percent, is assigned for administrative and instruction work. They have some administrative duties and some instructional duties.

Admiral Knight called my attention to something which I had not previously heard, and which I pass on to the Senate at this time. In addition to the institutions which are operated in connection with this important work, there are correspondence courses for the benefit of officers and men who are serving aboard ship. Thirty-five men are assigned to that particular branch of instruction. I do not believe that any of us would feel that 35 was an excessive number of personnel to be assigned, out of 300, to carry on correspondence-school activities for the thousands of officers and men who are in the personnel of the merchant marine of the United States.

Admiral Knight also mentioned that there were other small blocks of personnel included within the 1,004, which, probably, Members of the Senate may have overlooked. Ten are assigned in the enrolling offices, where young men who may be particularly interested in such a career enroll for training.

Nine are assigned to the medical program, and two to the specialists' school operated at New Orleans, leaving only 78 at headquarters in Washington. By the way, the number of 78 represents a reduction of 7, beginning with last July 1.

I do not believe that any case is made here for an extravagant operation. On the contrary, it seems to me that it is a realistic and economical one, in which the effort has been made to cut the cloth to fit the pattern. I do not feel that under any circumstances are we justified in jumping at the conclusion, as some would have us do, that this is an extravagant operation.

So far as both Senators from Florida are concerned—and I am sure my senior colleague will support me in this statement—much as we would like to have continued in operation the institution at St. Petersburg, because it is interesting and valuable to the community, we would not want it continued if in the collective judgment of Members of Congress it were not an important adjunct to the training facilities of our Nation, contributing to the rendition of an important and necessary service to our Nation. I am sure that every Senator, regardless of whether his own State happens to be affected or not, wants to look at the larger problem of whether or not the program is necessary for our national security.

It is my considered opinion that there is an absolute necessity for continuing this program. I am happy to hear from some of the most conservatively inclined

people in my State and elsewhere, and from some of the most conservatively inclined institutions throughout the Nation, that in their judgment this program is something important which, in the interest of national defense, national prosperity, and national security, should be continued.

For instance, Mr. President, I now quote from an editorial appearing in the New York Herald Tribune of Monday, July 18. I do not believe any of us would consider the New York Herald Tribune an ultraliberal source or a source which does not insist on economy. In this editorial, which is a very clear and concise statement, that important newspaper declares unqualifiedly in favor of the continuation of this program. I shall read it for the benefit of the Senate:

ERROR IN COMMITTEE

A recent action of the Senate Appropriations Committee in cutting off pay allowances of $65 a month for cadets attending the United States Merchant Marine Academy and the State maritime academies in New York, Maine, Massachusetts, and California appears ill-advised and discriminatory. Out of their allowances cadets must pay for uniforms, textbooks, various fees, dry cleaning, laundry, and a host of other expenses. Deprived of the funds, it is conceivable that a great many would be forced to resign unless their families are in a position to meet such expenses.

All those now in attendance at the five schools entered with the understanding that the allowance would be continued until they were graduated. The Government should not now default on such an agreement. Cadets at the United States Military Academy and at the United States Naval Academy receive similar allowances and no move has been made to discontinue these—as no move should be—because of the need of educating new officers for our armed services.

The recent war proved the need of a strong merchant marine and a strong reservoir of men to man it. The Senate committee's ruling, if enacted into law, will have the effect of narrowing the field of selection of potential candidates to those whose finances will permit attendance.

I wish to call particular attention to that point. Here the New York Herald Tribune says what is so obviously a fact, namely, that the cutting off of these allowances will restrict the number of young men who can attend these institutions to those who are relatively well to do and who come from families who can supply their expenses during their training, and it will make training at the academies impossible for young men who come from families that are less well to do and are unable to pay their expenses during their training.

I continue to read from the editorial:

Some friends of the maritime schools predict that such procedure would mean their end. It certainly is not in keeping with democratic procedure. The full Senate should correct the committee's error at once.

Mr. President, it seems to me a most important principle is involved in this matter. I thought my distinguished colleague was particularly sound in referring to the international implications of this program, under which, as shown by the letter from the Assistant Secretary of State, 69 young men have been admitted to this training from the Philippine Republic and 12 from the various Latin-American nations—not by action of the heads of this program, but by action of the Congress, represented by the Senate and the House of Representatives, which voted, because it thought it was wise to do so, to extend the services of these training facilities to young men from some of our neighbors and friends who do not have comparable facilities for training. The letter from the Assistant Secretary of State clearly calls attention to the fact that, of course, having proceeded under the directions of the ela wand in the way set forth by the act of Congress, there is nothing that honorable men would wish to consider doing except to go through with the commitment which has been made, now that we have asked the President of the Philippine Republic to assign 69 young men for such training, and now that they are here at the academies, receiving the training, and now that we have asked various agencies of our Latin-American neighbors, through our diplomatic channels, to assign some of their young men to be trained at our institutions, and advised them and assured them that throughout such training they would receive the same expense allowance that United States citizens at such academies receive, namely $65 a month, throughout the training.

Mr. President, there may be some question as to whether that was a wise course to adopt; but so far as I am concerned, it was a wise course, for in view of the situation existing in the Western Hemisphere, leadship must be provided by the United States. This is not the only field in which the United States is providing leadership. Certainly the Congress must have thought it wise to make this arrangement. Otherwise the Congress would not have passed the acts under which the selections for such training were made and under which the training is now being given.

Mr. President, now that we have proceeded thus far, is it the part of wisdom and is it fair to contemplate—in the midst of the training of the 81 young men who have been assigned to these academies by our friendly neighbors—cutting off the money necessary for their support, the allowances which we assured them would be available to them throughout their training?

Mr. President, I close by stating that it seems to me every Senator will wish the proposition to stand, of course, not on the basis of whether his State is affected, but solely on the basis of whether it is wise, having in mind the welfare of the United States, to continue the program—not in the degree in which it was conducted during wartime, but in the degree provided by the appropriation.

Mr. President, I am sure it would be foolish for us to cut off this activity. We must remember that in the two World Wars into which we have unhappily been forced, one of the serious difficulties which we encountered was the lack of an adequate merchant marine and the lack of adequate trained personnel to operate the ships. In that connection, I assume that many other Senators have had the experience I have had: In three instances, I saw boys being hauled from the water while suffering from burns from which some of them did not recover. They received those burns because they were operating ships carrying oil, a commodity which is vital to our country's civilian or military operations at any time. Those ships were, in some instances, carrying oil from the Gulf coast to the east coast, and in many cases they were carrying oil from the Gulf coast to Europe.

Mr. President, we are not offering these young men a sinecure. The life in that service is not a soft life. On the contrary, it is a life filled with danger. From the bitter experience we have had in two World Wars, we have learned that the service they perform is intimately connected with our chance to survive, our chance to succeed. In the past we have found ourselves hopelessly unprepared. Obviously, Mr. President, when we are spending billions of dollars for developments in the fields of atomic energy, jet propulsion, guided missiles, and every other conceivable sort of defensive machinery, and for many kinds of training, we would be foolish indeed if we overlooked the lesson we should have learned from the last two wars, namely, that the tramp steamer and oil tanker constitute a vital element in our ability to sustain our armies and our friends overseas and to proceed quickly to victory, in the event that war comes again.

Solely from that standpoint, Mr. President, if we are to consider only one reason for this program, I say we would be most unwise not to provide for the necessary continuation of this activity.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. BALDWIN. Will the Senator agree that it is just as important to train young men in seamanship and navigation and engineering as it is to train young men in other services necessary to our defense?

Mr. HOLLAND. I certainly agree.

Mr. BALDWIN. And will the Senator also agree that the young men trained in the maritime academies receive training which enables them, while in these services, to constitute an effective adjunct to the Navy and other branches of our armed services in time of war—in other words that, as a result of such training, they qualify for far more than seamanship, navigation, and engineering?

Mr. HOLLAND. That is entirely true. I think it has already been brought out that a substantial percentage of the graduates of these schools or academies helped to man the Army transport service during the war, and many of them are still in that service. All the graduates of these schools are available either to the Army, the Navy, or the Coast Guard, in any of their branches of service.

I think the Senator has already brought out that point—that these men are available, not only for the merchant marine service, but also for the Army, the Navy, the Coast Guard, and other

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activities vital to the welfare of our Nation. Some of those services were mentioned a while ago, including the private merchant shipping service, particularly certain tanker service, which is not a part of the organized merchant marine.

I thank the Senator for his inquiry.

Mr. PEPPER. Mr. President, before the Senator concludes, I should like to know whether we are in agreement that the total number of unlicensed personnel turned out each year at St. Petersburg is 600, and the total number of cadets turned out in both schools and all the other institutions is 390 officers. In other words, the total number—390 officers and 600 unlicensed personnel—is all that the whole program is feeding into the pool of available personnel for such service, so they could not have any very material effect on the number of unemployed persons available for that service.

Mr. HOLLAND. Mr. President, I appreciate the question. This morning I asked Admiral Knight for the specific figures, and I now have them. In the case of the St. Petersburg school, the figure the Senator has stated is correct, namely, 300 young men are trained there at a time, and there are 2 courses a year, or a total of 600 trained each year. Two hundred are turned out at Sheepshead Bay; 135 at Alameda; 710 at the four excellent State schools which receive, as I recall, $50,000 a year from this appropriation, if it is made; and 1,312 at the 3 other agencies, namely, Pass Christian Institute, at Pass Christian, Miss., Kings Point; and as a result of the training on the merchant ships themselves, which is going on constantly as a part of this program, making a total of 2,650 in school at any one time.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. PEPPER. The Senator has given in the case of the cadets the number of schools. Has the Senator the figures to show the number turned out each year as graduates?

Mr. HOLLAND. The number of officers turned out is 390 from all the schools.

Mr. PEPPER. Three hundred and ninety officer personnel and six hundred unlicensed personnel, or a total of nine hundred and ninety are turned out in a year; is that correct?

Mr. HOLLAND. That covers the officers from all schools and the unlicensed personnel from St. Petersburg—not those who are upgraded. And, Mr. President, since the distinction is made, I may say, while I fully approve the fact that 390 should be turned out, when turned out they are not only commissioned to serve in the merchant marine but also as Reserve officers of the Navy. But I think it is important to turn out some sergeants, too, for use in the Army, and the institutions which turn out men who can serve as cooks and bakers and oilers below deck, and to serve in the trained capacities in the mess, are of importance, and it is highly necessary that they be trained. I asked Admiral Knight what were the various groups that were turned out as the result of the training of enlisted men. He said they were in three classifications—able seamen for deck service, cooks and bakers for participation in the mess service, and firemen, water tenders, and oilers for service below deck.

Mr. MAGNUSON. Mr. President, I do not want to prolong this discussion, and I appreciate the hour is getting late, but this is a matter I think should be cleared up. The junior Senator from Florida has made an excellent statement regarding the efficiency of the schools. I may say to him, that has never been in controversy. The schools are fine. There is only one question involved here: that is, whether it is worth while to train men as merchant seamen and merchant-marine officers, make them Reserve officers and then keep them in moth balls, as it were, in the event something may happen and we can use them. In that event, of course, a larger appropriation, or whatever amount of appropriation the Senate might deem wise, would be in order.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. Let me finish stating the question. If it is the intent to continue the program because of the needs of a peacetime American merchant marine, then the program represents false economy and should be gradually discontinued. I shall read the figures. The Senator mentioned St. Petersburg. I shall put into the RECORD the unemployment in Jacksonville of these identical trained men. The latest report from Jacksonville shows that there are out of work 12 masters, 7 chief mates, 9 second mates, and 8 third mates, who have been looking for work approximately 6 months. That is from Jacksonville. I have a report from Savannah, and from Charleston, S. C., where they have only had two assignments during the last 6 months. There is a report of five masters, two chief mates, five second mates, and nine third mates available, and they have only had two assignments in the last 6 months. Galveston reports 20 masters, saying it is impossible to estimate the waiting time because of the very few vacancies available. Mobile reports 17 masters out of work, many of them waiting an indefinite period, except that they have been released for vacations or trips. There have been shipped only 10 permanently assigned persons in the past 6 months, 63 second mates, and 80 third mates

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. PEPPER. Has the able Senator from Washington any figures showing how many officers in the Army, Navy, and the Air Force, who led men gallantly and completely in the service, are out of work and would like to return to the regular service, notwithstanding we are continuing to train men in the Army, the Navy, and the Air Force?

Mr. MAGNUSON. I may say to the distinguished Senator from Florida there are many of those who were officers during the war who would like to go back into the military services. They suddenly discovered after they got out that they enjoyed a much nicer situation in the Army or Navy and would prefer to reenter the service. But that is not a comparable situation. An important principle is involved. When we talk about the Army, Navy, and Coast Guard we are training men for Government service. We are paying for their training. We may have a surplus in some years, and in other years there may be a real need. But those who are trained in the regular academies are in a different position. There is always a need for them, because they receive much more specialized training than the average Reserve officer who goes to college. We are talking about training men for private industry. If we carried it to the extreme——

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MAGNUSON. In a moment. Let me finish. If we carried this to the ultimate, we had just as well say we are going to pay for the training of doctors or certain skilled craftsmen. We do not even do that when there is a scarcity. But here we are training men for maritime service. I say, if it is desired to keep them in reserve, that is fine, but if we are training them to fill the needs of the present American merchant marine, or its needs as we can foresee them within the next 4 or 5 years, we are training men who are going to be disappointed. The jobs are not available. There is a surplus. I think a very important question is involved. We do not propose to take away the facilities. If I were a young man and wanted to go to sea and to become an officer in the merchant marine, I could go to one of these schools, just as I could go to a different kind of school if I wanted to become a doctor, a lawyer, or a tradesman. I could go to a trade school. The unlicensed seaman is sent practically to a trade school. But here we are training a large number of men who eventually will be sorely disappointed. If it is desired to train them, if it is desired to spend money to have a great merchant marine reserve, to put most of them in moth balls as it were, then perhaps in the judgment of Senators we should appropriate more money. But if we are doing it to supply the needs of the American merchant marine, I think we are doing an injustice.

I can give figures from every port in the country. This information does not come from the CIO. We receive reports, and we keep a list. The information comes from labor organizations and from shippers. There are men on the beach in number far above the need. Do Senators say there are only 390 officers turned out each year? We have berths for only 14,000 officers in the American merchant marine. In 10 years there would be a doubling of the number of officers immediately available. We have 120,000 listed. Surely all of them are not going back to sea, and surely, if there are 120,000 available licensed masters

and mates listed in this country for employment, and only 14,000 can be employed, if there are turned out each year an additional 390, who are probably even better trained academically—I do not know whether they would be more capable, but surely they would be better trained—I think it will be doing them a disservice, and I think it will be doing the merchant marine a disservice in view of the unemployment situation.

Mr. PEPPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Florida?

Mr. MAGNUSON. The men can go to the academies. They are available to them, just as they would be available to me. I could go and be trained. I agree with the Senator from Florida there is a closer connection between the merchant marine and the Military Establishment than between ordinary trades, but the merchant marine is still a private industry, and until the Government takes it over, the schools are in a different category from the Military, Naval, and Coast Guard Academies.

Mr. PEPPER. Mr. President, if the Senator will allow me just a moment——

Mr. MAGNUSON. I yield the floor.

Mr. PEPPER. Very well. If the Senator from Wyoming will allow me I should like a moment to reply to what the able Senator from Washington has said, but in the first place, may I ask the able Senator from Wyoming, is there carried in the merchant-marine section of the pending bill any subsidy for the merchant marine?

Mr. O'MAHONEY. Of course, the appropriation for the Maritime Commission does carry the funds from which the operating differential subsidies and the construction subsidies are paid.

Mr. PEPPER. In other words, Mr. President, the Senator from Washington has spoken as if this were related to private employment, as if it were not associated with public service. When I asked the question as to how many former officers of the armed services were unemployed and would like to get back into the regular service the Senator did not have the figures. Notwithstanding the number, we are still operating academies at New London, West Point, and Annapolis. So I think we should continue to operate the academies which are training cadets and unlicensed personnel for the merchant marine. Why? Because we subsidize the merchant marine, and we subsidize the construction and operation of ships through the Public Treasury. This is done because we realize that the merchant marine is essential. There are 2,000 ships tied up. Yet this bill carries a subsidy to improve and increase the training of young men for the merchant marine. Why? Because we think we may need those ships in case of an emergency, and we shall need the personnel to operate the ships.

So, Mr. President, it is not a fair analogy to say that the Army, the Navy, and the Coast Guard personnel work for the Government, while these men in the merchant marine academies work for private employers. When these ships went into service in wartime to carry our men it was because we could not carry them all on cruisers and battleships. We do not carry the sinews of war on ships of the Navy or the Coast Guard; they are carried by the merchant marine. The ships are manned by civilians, and competent seamen and competent officers must be on those ships if they are to be effective in their operation.

Mr. President, I have here a letter addressed by Admiral Knight to the Senator from Massachusetts [Mr. SALTONSTALL]. I do not know whether the able Senator put it into the RECORD. It refutes a statement which appeared in a newspaper. A certain gentleman stated:

"A sample study of the last 100 qualified seamen graduated by the United States maritime service in 1947 shows that 84 never shipped aboard vessels in the American merchant marine subsequent to their graduation. Of the 16 who did ship, only 9 remain in the industry today."

The facts are that a careful check of this list made by us against all available records, admittedly incomplete, shows that of the 100 graduates, 58 shipped out on merchant vessels operated with merchant crews by the Army Transport Service, 16 shipped out on other merchant vessels, and 1 is deceased, making a total of 75 out of the 100 who actually did ship out on merchant vessels.

So, Mr. President, these men have been going into the merchant marine.

Mr. BREWSTER. Mr. President, I desire to take a very brief time to associate myself with the Senators who have supported the amendment of the Senator from Massachusetts in favor of providing for merchant marine training. I speak from historical, sentimental, and personal interests. I speak from historical interest because I think the State of Maine claims to have been the State of origin of the American merchant marine, since a vessel was built there in 1604 named the *Virginia*.

I speak from a sentimental interest because ever since that time many ships have been built in Maine and many sons of Maine have followed the sea.

I have a personal interest, because I taught school for a year at the place at which the Maine Maritime Academy is now located. The four States in which these academies are located have demonstrated by the contribution of their own resources that they believe in the training of their young men for the sea. I would suggest to our friend from Washington that I am sure he would not discontinue the training of young men in agriculture because of the fact that enormous agricultural surpluses are now inundating us, and it would be as logical to suggest, "Why train any more farmers when we obviously have more than we need?"

Mr. MAGNUSON. There is no connection between the two propositions. We do not train farmers at Government expense.

Mr. BREWSTER. We do not?

Mr. MAGNUSON. No.

Mr. BREWSTER. I think the Senator had better read the history of legislation in 1867 which founded the land-grant colleges for training young men in agriculture. The distinguished Senator from New Hampshire [Mr. BRIDGES] received his training in such a college. That is still true in my own State and in the State of Washington. Young men are still being trained with the assistance of funds provided for that purpose.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MAGNUSON. In this case we are talking about paying the students while they are attending school. We do not pay anyone undergoing training to be a farmer while he is attending school. It is true that many of our universities were helped by State and Federal Governments, or by taxpayers' funds, and the facilities were made available. But we do not pay the students subsistence while they are attending school.

Mr. BREWSTER. We are training a great many men at Federal expense, not only in agriculture but in many other fields. Take, for instance, the textile field. We are training thousands of our young men at Federal expense under the GI Act. Why bring these men up to a vacuum? Why train them to do a thing for which there is no need?

The maritime academies of this country are of great significance, as the Senators from Florida have so forcefully and eloquently pointed out. The Senator from Washington and I are now members of a Subcommittee on the Merchant Marine, studying means by which it may be built up. I am not ready to admit that our merchant marine again is going to disappear from the seas. If it is to continue, and if world commerce is to continue, if the American flag is to carry our commerce, we must constantly train young men for the service. If we are going to close the door and say that no more young men shall enter, then we shall have pronounced the doom of our merchant marine.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MAGNUSON. Of course there has been no contention on the part of the Senator from Washington that we should close the door. We are talking about whether we should inaugurate a policy of paying money to young men to go to these schools—they can go, any way; they do not have to be paid to go—and put them into a peacetime field. Even if we doubled and quadrupled our merchant marine, we apparently would have enough qualified men. It is a question of whether we should pay them to be trained for this peacetime activity. There is no argument about their efficiency.

Mr. BREWSTER. It has certainly been found both practicable and desirable, if not necessary, that the program contemplated at the present academies should be carried out in order to get the personnel we desire. It is true that some of the men might be able to carry on, but they would be those who have the parental resources adequate for it. But it seems unfortunate to close the door on every young man who is interested in the

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sea but who is unable, under the circumstances, to carry on, as hundreds of persons have testified before the committee in our hearings.

Mr. O'MAHONEY. Mr. President, will the Senator yield for an inquiry not having to do with the argument, but in order to determine the possibility of reaching a vote?

Mr. BREWSTER. I yield.

Mr. O'MAHONEY. There has been a general understanding all afternoon that at 6 o'clock the Senate would take a recess. We have made a little progress today with the bill, and this amendment is the last one relating to the Maritime Commission. If we are able to get a vote upon the amendment tonight, the next items have to do with the Veterans' Administration. I am persuaded that they may be handled rather expeditiously and that there are no other committee amendments which are likely to be controversial. I think the Senator from Maine is probably the last speaker, is he not?

Mr. BREWSTER. I expect to terminate my discussion within the next 2 or 3 minutes.

Mr. O'MAHONEY. If that is the case, then, the Senator from Wyoming will ask for a vote upon the amendment of the Senator from Massachusetts immediately thereafter.

Mr. BREWSTER. Mr. President, I wanted to place in the RECORD, in answer to the suggestion that these young men will have no opportunity, the figures of our own Maritime Academy for the past year. We have graduated in the past 10 years 628 students. One hundred and forty-seven of the total number of graduates now hold licenses in the top grades in the maritime service. This year 47 students have graduated. What is to me very significant is that 28 of those immediately went into top positions in the merchant marine, 5 went to the Navy for another year of training, and 146 are promised good positions in the marchant marine by the 1st of September. It seems to me that is in some measure an answer.

Mr. President, I realize the difficulty of those who are unemployed. That is true not only of the merchant marine, but in many other fields, and I do not think that is a sufficient reason for our discontinuing the training of young men in each generation as they come along, leaving the problem of the maintenance of the American merchant marine, and its building, to what I believe will be the very constant interest of the Senator from Washington, and of all others who recognize what the American merchant marine has meant to us in war as in peace.

Mr. President, I hope the amendment will prevail.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Massachusetts, being considered en bloc, by unanimous consent. [Putting the question.] The "ayes" appear to have it.

Mr. O'MAHONEY. I ask for a division.

The Senate proceeded to divide.

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Holland	Morse
Baldwin	Humphrey	Mundt
Brewster	Ives	Neely
Bricker	Jenner	O'Mahoney
Butler	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Saltonstall
Chapman	Kefauver	Schoeppel
Cordon	Kem	Smith, Maine
Donnell	Kilgore	Sparkman
Downey	Knowland	Stennis
Dulles	Langer	Taft
Ellender	Lodge	Taylor
Ferguson	Long	Thye
Flanders	Lucas	Watkins
Frear	McClellan	Wherry
George	McKellar	Williams
Gurney	McMahon	Withers
Hendrickson	Magnuson	Young
Hickenlooper	Martin	
Hill	Maybank	

The PRESIDING OFFICER (Mr. FREAR in the chair). A quorum is present.

Mr. O'MAHONEY. Mr. President, this matter has been debated at length all afternoon, so I shall not take any unnecessary time to explain the issue.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, the issue is simply this. A budget estimate was received reducing by $3,257,000 the appropriation for the maritime training academies. The subcommittee and then the full Committee on Appropriations endorsed the budget decrease. It would save $3,257,000.

The Senator from Massachusetts has offered an amendment to reject the budget estimate decreasing the appropriation, and to raise the appropriation to $6,586,000, which is the amount by which the bill passed the House. The House committee, I must say, however, reported the same figure that the Senate committee has reported. The increase was made upon the floor of the House. The amendment of the Senator from Massachusetts also includes two technical amendments by which the item on page 54, line 20, is increased from $1,682,500 to $3,065,000, and by which the item on page 55, line 1, is increased from $60,000 to $100,000. These amendments are necessary if the Senator's amendment to increase the main appropriation in line 3 of page 55 is adopted. Senators who desire to sustain the amendment of the Senator from Massachusetts will of course vote "yea." Those who wish to sustain the recommendation of the committee will vote "nay."

Mr. SALTONSTALL. Mr. President, I will be equally brief or even briefer than the Senator from Wyoming. The amendment is sponsored by the Senators from Florida [Mr. PEPPER and Mr. HOLLAND], the Senator from Alabama [Mr. SPARKMAN], the Senator from Connecticut [Mr. BALDWIN], the Senator from New York [Mr. IVES], the Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. LODGE], the Senator from Vermont [Mr. FLANDERS], the Senator from Mississippi [Mr. STENNIS], the Senator from Maine [Mrs. SMITH], and myself, and possibly other Senators would like to sponsor it.

The amendment would permit the maritime training schools sponsored by the Federal Government at Kings Point, and in Mississippi, the noncommissioned officers maritime school in Florida and the school in California, to continue to exist.

If the amendment does not prevail, the cadets and noncommissioned officers will not be able to receive any pay while they are in training. Many cadets cannot afford to go to the schools without the $65 a month with which to buy their uniforms, have their laundry done, and with which to buy their books. Rejection of our amendment will make it impossible for them to go to the training schools. It puts back into the budget $1,434,000 to allow these cadets to be paid. It puts back into the bill $636,000 for the expenses of noncommissioned trainees. It puts back into the bill $1,382,000 to permit an adequate staff, which is reduced from last year, to carry on the work of these schools.

If the amendment is adopted, the appropriation will be 15 percent under the appropriation for 1949. It was the original Budget Director's request. I hope the amendment will be adopted.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. PEPPER. Is not the amount of the amendment of the Senator from Massachusetts on this item exactly the same amount which came over from the House?

Mr. SALTONSTALL. I answer the question of the Senator from Florida by saying it is the exact amount which was adopted on the floor of the House.

Mr. LONG. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. LONG. Is not the issue involved pretty much as follows: If the amendment to the committee amendment is not adopted, it will simply mean that a poor man's son cannot train to be a merchant marine officer? Is not that what it means?

Mr. SALTONSTALL. I agree with the Senator that such will be the result. It will also virtually mean the closing of our merchant marine training schools.

Mr. FERGUSON. Mr. President, I believe this is a place in the bill where we can practice some economy. The committee has seen fit in this case to cut the appropriation, because we do not need the men at the present time. By the proposed cut we will not close down the schools.

It has been stated during the colloquy that the proposed action would interfere with the foreign policy of our Nation, because Congress passed a law which permits 12 students from Latin-American countries to come to the United States and attend these schools. Therefore it is contended that we would break faith

with these foreign nations if we do not continue to pay the students they send to the training schools. These students can go to Kings Point and obtain the same education that an American boy can obtain. The argument that by the proposed reduction we will keep 12 students from other countries from attending the schools is not a valid one. That argument would imply that the United States owed the students in question educations for jobs which do not exist today.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. HOLLAND. I do not believe the Senator wants to misrepresent the situation.

Mr. FERGUSON. Not at all.

Mr. HOLLAND. There are 12 students from South American countries and 69 from the Philippine Republic who are in these schools under acts passed by the Congress of the United States.

Mr. FERGUSON. The students from the Philippine Islands are provided for under the Rehabilitation Act we passed in connection with the Philippines. The Philippine students can receive compensation under that act, as I understand, but not under the pending bill. We do not need all these employees at these schools at the present time. I hope the Senate will at this time practice economy by sustaining the committee.

The PRESIDING OFFICER. The question is on the amendments en bloc, offered by the Senator from Massachusetts [Mr. SALTONSTALL] for himself and other Senators, on page 54, line 20, to strike out "$1,628,500" and to insert in lieu thereof "$3,065,000"; on page 55, line 1, to strike out "$60,000" and insert in lieu therof "$100,000"; and in the committee amendment on page 55, line 3, to strike out "$3,151,050" and insert in lieu thereof "$6,586,000, including the pay of cadet midshipmen and other trainees."

The yeas and nays have been ordered, and the roll will be called.

The roll was called.

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. HUNT], the Senators from Oklahoma [Mr. KERR and Mr. THOMAS], the Senator from Nevada [Mr. MCCARRAN], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS], the Senator from Georgia [Mr. RUSSELL], and the Senator from Utah [Mr. THOMAS] are unavoidably detained.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Illinois [Mr. DOUGLAS] is paired on this vote with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Illinois would vote "nay," and the Senator from Mississippi would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the junior Senator from New Hampshire [Mr. TOBEY] would vote "yea."

The Senator from Montana [Mr. ECTON], the Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The result was announced—yeas 33, nays 31, as follows:

YEAS—33

Baldwin	Hendrickson	Long
Brewster	Hickenlooper	McMahon
Capehart	Hill	Pepper
Chapman	Hoey	Saltonstall
Cordon	Holland	Schoeppel
Donnell	Ives	Smith, Maine
Dulles	Johnson, Tex.	Sparkman
Ellender	Johnston, S. C.	Stennis
Flanders	Kefauver	Thye
George	Knowland	Withers
Gurney	Lodge	Young

NAYS—31

Aiken	Kem	Mundt
Anderson	Kilgore	Neely
Bricker	Langer	O'Mahoney
Butler	Lucas	Robertson
Cain	McClellan	Taft
Downey	McKellar	Taylor
Ferguson	Magnuson	Watkins
Frear	Martin	Wherry
Humphrey	Maybank	Williams
Jenner	Millikin	
Johnson, Colo.	Morse	

NOT VOTING—32

Bridges	Hayden	O'Conor
Byrd	Hunt	Reed
Chavez	Kerr	Russell
Connally	McCarran	Smith, N. J.
Douglas	McCarthy	Thomas, Okla.
Eastland	McFarland	Thomas, Utah
Ecton	McGrath	Tobey
Fulbright	Malone	Tydings
Gillette	Miller	Vandenberg
Graham	Murray	Wiley
Green	Myers	

So the amendments offered by Mr. SALTONSTALL for himself and other Senators were agreed to en bloc.

Mr. SALTONSTALL. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. IVES. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion by the Senator from New York [Mr. IVES] to lay on the table the motion of the Senator from Massachusetts [Mr. SALTONSTALL] to reconsider the vote by which the amendment was agreed to.

Mr. TAFT. I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. HUNT], the Senator from Nevada [Mr. MCCARRAN], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are unavoidably detained.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Illinois [Mr. DOUGLAS] is paired on this vote with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Illinois would vote "nay," and the Senator from Mississippi would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] who is absent because of illness is paired with the Senator from Vermont [Mr. AIKEN] who is detained on official business. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Vermont would vote "nay."

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the junior Senator from New Hampshire [Mr. TOBEY] would vote "yea."

The Senator from Oregon [Mr. CORDON], the Senator from Montana [Mr. ECTON], the Senator from Vermont [Mr. FLANDERS], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The result was announced—yeas 35, nays 30, as follows:

YEAS—35

Baldwin	Hoey	McMahon
Brewster	Holland	Pepper
Capehart	Ives	Russell
Chapman	Johnson, Tex.	Saltonstall
Donnell	Johnston, S. C.	Schoeppel
Dulles	Kefauver	Smith, Maine
Ellender	Kerr	Sparkman
Fulbright	Knowland	Stennis
Gurney	Lodge	Thye
Hendrickson	Long	Withers
Hickenlooper	McCarthy	Young
Hill	McClellan	

NAYS—30

Anderson	Kem	Morse
Bricker	Kilgore	Mundt
Butler	Langer	Neely
Cain	Lucas	O'Mahoney
Downey	McKellar	Robertson
Ferguson	Magnuson	Taft
Frear	Malone	Taylor
Humphrey	Martin	Watkins
Jenner	Maybank	Wherry
Johnson, Colo.	Millikin	Williams

UNIVERSITY OF MICHIGAN LIBRARIES

NOT VOTING—31

Aiken	Gillette	O'Conor
Bridges	Graham	Reed
Byrd	Green	Smith, N. J.
Chavez	Hayden	Thomas, Okla.
Connally	Hunt	Thomas, Utah
Cordon	McCarran	Tobey
Douglas	McFarland	Tydings
Eastland	McGrath	Vandenberg
Ecton	Miller	Wiley
Flanders	Murray	
George	Myers	

So the motion to lay on the table was agreed to.

Mr. LUCAS. Mr. President, I move the Senate now stand in recess——

Mr. O'MAHONEY. Mr. President, before the Senator makes that motion, I desire to say that this morning the Senator from Nevada [Mr. MALONE], who, on the first day of the consideration of this bill, voted with the prevailing side against a committee amendment to increase the appropriation for the Civil Service Commission; and the Senator from Iowa [Mr. GILLETTE], who was not present, both advised me that they desire to move that the vote on that amendment be reconsidered. I should have told the Senator from Iowa that he could enter his motion last week. But by virtue of the long discussion on several of the amendments, I did not get a chance to do so.

I merely request unanimous consent now that either of those Senators may have an opportunity, if they so desire, to enter a motion to reconsider that vote.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, do I correctly understand that if consent is given, those two Senators will be allowed 2 days—from when?

Mr. O'MAHONEY. The 2 days have gone. I mean that they might have that opportunity tomorrow, if they desire.

Mr. WHERRY. At any time tomorrow?

Mr. O'MAHONEY. Yes.

Mr. WHERRY. That is all right with me.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECESS

Mr. LUCAS. Mr. President, I move the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 32 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, August 2, 1949, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate August 1 (legislative day of June 2), 1949:

IN THE ARMY

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of section 515 of the Officer Personnel Act of 1947:

To be brigadier generals

Col. Carter Weldon Clarke, O11682, United States Army.

Col. Halley Grey Maddox, O12852, United States Army.

Col. James Clyde Fry, O15023, United States Army.

Col. William Shepard Biddle, O15180, United States Army.

Col. Gerson Kirkland Heiss, O15092, United States Army.

The following-named officer for appointment, by transfer, in the Regular Army of the United States without specification of branch, arm, or service:

First Lt. Eugene Miles Perry, Jr., O56272, Medical Service Corps, United States Army.

The following-named officers for promotion in the Regular Army of the United States under the provisions of sections 502 and 510 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion

To be colonels

Amos Tappan Akerman, O16060.
Alfred Harold Anderson, O28805.
Lewis William Anderson, O50904.
Conrad Stanton Babcock, O16104.
Donald Janser Bailey, O16174.
Frank Troutman Balke, O38592.
Ernest Andrew Barlow, O6116.
James Durwood Barnett, O16234.
Raymond Miller Barton, O16185.
Julian Henry Baumann, O16326.
Wilmer George Bennett, O16141.
Wiliam Henry Bigelow, O16110.
John Franklin Bird, O16179.
Claude Aubrey Black, O16235.
Lucien Eugene Bolduc, O16137.
Alvin Truett Bowers, O16107.
Claude Franklin Burbach, O16184.
William Lloyd Burbank, O16186.
Luther Gordon Causey, O16336.
Charles Cavelli, Jr., O16165.
Lindsay Patterson Caywood, O50898.
John Loomis Chamberlain, Jr., O16117.
Earl Richardson Chase, O28811.
George Avery Chester, O16345.
Robert Pepper Clay, O16212.
Haskell Hadley Cleaves, O16253.
Joseph Pringle Cleland, O16239.
Hubert Merrill Cole, O16144.
Raymond Cecil Conder, O16131.
Harry Wells Crandall, O16238.
Marcel Gustave Crombez, O16198.
Charles Randolph Currier, O50901.
Joseph Blair Daugherty, O16252.
John William Davis, O16223.
Miles Merrill Dawson, O16079.
James Joseph Deery, O16123.
Pierre Bacot Denson, O16278.
Alfred Boyce Devereaux, O16138.
Samuel Adrian Dickson, O16219.
Wellington Dallas Dillinger, O50902.
Alexander Andrew Dobak, O16203.
Donald Dunford, O16267.
Floyd Ellsworth Dunn, O16261.
Carl Rueben Dutton, O16048.
Ira Kenneth Evans, O16215.
August William Farwick, O16276.
Russell Thomas Finn, O16237.
Benjamin Cobb Fowlkes, Jr., O16087.
Frank Gilbert Fraser, O16090.
John William Gaddis, O16200.
Gerald Edward Galloway, O16043.
John Frederick Gamber, O16115.
Michael John Geraghty, O16263.
Henry George Gerdes, O39513.
George Arthur Grayeb, O16152.
Francis Martin Greene, O28803.
Joseph Claron Grubb, O41393.
Haydon Young Grubbs, O16154.
Harry Herman Haas, O41385.
William O'Connor Heacock, O16093.
Earl William Heathcote, O28800.
Carl Warren Holcomb, O16082.
Ernest Victor Holmes, O16100.
Armand Hopkins, O16083.
Albert Aaron Horner, O16254.
Robert Lee Howze, Jr., O16055.
Raymond Elisha Hoyne, O28804.
John Randolph Jeter, O16342.
Edwin Lynds Johnson, O16158.
Ragnar Edwin Johnson, O28813.
Clifford Allen Kaiser, O28801.
Thomas Joseph Kane, O41386.
Edwin Bascum Kearns, Jr., O16224.
Leo F. Kelly, O50895.
Leland Berrel Kuhre, O16056.
Samuel Mason Lansing, O16277.
Harry Clifton Larter, Jr., O16206.
Nelson Leclair, Jr., O28797.
Ralph Augustus Lincoln, O16097.
Gilbert Edward Linkswiler, O16098.
Leon Jacob Livingston, O39512.
William Eldred Long, O16221.
George Patrick Lynch, O16226.
Alan Francis Stuart Mackenzie, O28806.
Henry Beane Margeson, O16181.
Arthur Lawrence Marshall, O38593.
Milo Howard Matteson, O16127.
George William McClure, O28794.
George Henry McManus, Jr., O16170.
John Meade, O16338.
Harrod George Miller, O16044.
Ray Carl Milton, O41390.
James Wilbur Mosteller, Jr., O16168.
Aubrey Strode Newman, O16099.
Meredith Cornwell Noble, O16169.
Randolph Gordon Norman, O39515.
William Henry Nutter, O16095.
William Wheeler O'Connor, O16348.
Godwin Ordway, Jr., O16208.
Raymond Burkholder Oxrieder, O16042.
George Bateman Peploe, O16246.
Arthur Superior Peterson, O16268.
Frank Andrew Pettit, O16092.
William Everton Pheris, O16202.
Wilson Potter, Jr., O28798.
Branner Pace Purdue, O16149.
Curtis D. Renfro, O16248.
Lewis Ackley Riggins, O16111.
Nicholas Joseph Robinson, O16175.
Walter John Rosengren, O41392.
Harry Earl Rucker, O41381.
Ralph Randolph Sears, O16269.
Theodore Anderson Seely, O16344.
Paul Maurice Seleen, O16139
Ronald Montgomery Shaw, O16103.
Donald Hubbell Smith, O16334.
Wayne Carleton Smith, O16207.
Leslie Wright Stanley, O38594.
Clyde Eugene Steele, O16159.
Henry Ewell Strickland, O16140.
Ernest Avner Suttles, O16275.
Samuel Johnson Taggart, O41388.
Percy Walter Thompson, O16315.
Carl Frederick Tischbein, O16119.
Kenneth William Treacy, O16052.
David Henry Tulley, O16075.
Warren Nourse Underwood, O16078.
Charles Howard Valentine, O16325.
Rinaldo Van Brunt, O16225.
Clarence McCurdy Virtue, O16322.
Whitfield Wannamaker Watson, O28802.
William Andrew Weddell, O16340.
Gustavus Wilcox West, O16146.
Henry Randolph Westphalinger, O16130.
Thomas Byrd Whitted, Jr., O16167.
George Kenyon Withers, O16049.
William Holmes Wood, O16135.

IN THE NAVY

Capt. Ralph J. Arnold, Supply Corps, United States Navy, for temporary appointment to the grade of rear admiral in the Supply Corps of the Navy.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 1 (legislative day of June 2), 1949:

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

Col. Roy Hartford Parker, O12565, chaplain, for appointment as Chief of Chaplains, United States Army, and for appointment as major general in the Regular Army of the United States, under the provisions of section 15, National Defense Act, as amended, and title V, Officer Personnel Act of 1947.

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenants

Robert B. Ellert, JAGC, O1336195.
Donald S. O'Neil, JAGC, O2017744.
Oliver R. Wells, JAGC, O414055.

To be second lieutenants

Maxwell A. Cook, MSC, O659257.
John L. Payne, Jr., MSC.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Billy J. Adams, O409620.
Thomas E. Adams, Jr., O1312628.
Virgil S. Adkins, Jr., O1100669.
John R. Ahern, O529557.
Karl E. Akin, O534642.
David B. Alexander, O438049.
Robert A. Allen, O540193.
Robert L. Ariail, Jr., O390475.
Nemesio A. Armstrong, O404338.
Albert M. Avery, Jr., O541129.
Rudolph A. Axelson, O468345.
Alfred A. Baeuchle, O519262.
William E. Bates, Jr., O550204.
John B. Baxley, O534925.
James E. Beckett, O533536.
Warren G. Beer, O462264.
Adolph L. Belser, O545494.
Milton M. Berry, O390481.
Robert C. Blair, O534924.
Peter J. Blumenthal, O514909.
Edgar W. Boggan, O413150.
Richard F. Brown, O425660.
Everts R. Buchanan, O401722.
Thomas C. Burns.
Harry L. Bush, O394111.
Donald A. Butler, O397708.
Louis A. Caraplis, O1825732.
Robert H. Carlson, O1304018.
William R. Carraway, O516360.
Herbert T. Casey, Jr., O536295.
William M. Castellini.
Edward V. Cerny, O426661.
Ernest W. Christ, O467792.
Edward H. Church, O407879.
Joseph F. Cobb, O733826.
George R. Cody, O422178.
Thomas H. Collins, O519364.
Robert J. Cook, O515019.
John E. Coon, O1046400.
John J. Crockett, O410336.
Paul V. Culbertson, O436577.
William D. Daily, O418019.
Albert F. Dawson, O386685.
William M. DeLoach, O1591091.
Charles M. Di Ciro, O960046.
John B. DeMarcus, O1322136.
Paul E. Donnelly, O410337.
William E. Donnett, O1794921.
Marlboro R. Downes, O525368.
Howard W. Durham, O517220.
Albert P. Eickhoff, O1166055.
John R. Emery, O534080.
Harris Emmons, O553449.
Lloyd R. Evans, O439228.
Romaine S. Foss, O1111062.
Marvin D. Fuller, O772157.
Ephraim M. Gershater, O465138.
Donald L. Gilliatt.
Louis O. Giuffrida, O959260.
Leo N. Goche, O1179411.
Robert E. Good, AO671420.
William I. Gordon, O524057.
Harold K. Graves, O521191.
Robert W. Greer, O466475.
Thomas J. Hallman, AO559870.
Robert E. Hammerquist, O540921.
Kenneth R. Hampton, O463401.
Clifford P. Hannum, O403934.
Richard E. Harris.
Ray A. Harrison.
Phillip E. Hassman, O425781.
Norvell H. Hawkins, O545148.
Robert J. Heckendorn, O1174885.
Glenn B. Helmick, O444804.
Walter Hettlinger, O1320630.
Walter Hibbard, Jr., O460565.
John S. Huff, O446837.
Quentin L. Humberd, O465212.
John W. Hussey, O1048030.
Charles A. James III, O537781.
Russell B. Jones, Jr., O551980.
Edwin B. Junge, O465936.
Phillip P. Katz, O430360.
Paul J. Kay, O1080117.
Robert J. Kirk, O1116469.
Monroe Kirkpatrick, O1181928.
Travis M. Kirkpatrick, Jr., O1058570.
Albert C. Knapp, O1823887.
Bruce R. Knowlton, Jr., O439391.
Arthur H. Kuhlman, Jr., O527813.
Victor J. Layton, O1114613.
Earl R. LeVier, O468890.
Mose E. Lewis III, O539794.
Albert W. Litschgi, O453269.
Theodore Liana, Jr., O1643808.
Theodore F. Locke, Jr., O446960.
Elwood G. Lodle, O1044017.
Robert J. Loe, O1176706.
Wesley T. Long, O1053702.
John H. Longbottom, O521708.
Hugh J. Lynch, O546871.
Robert E. Lynch, O1060539.
Robert C. MacLane, O403125.
John H. Maddox, O532144.
Christopher S. Maggio, O512801.
Donald B. Malmberg, O537706.
Clarence H. Manly, Jr., O534351.
Alexander F. Mariconda, O404416.
William R. McNeil, O1046889.
John L. Meakin, O418337.
John A. Mercer, Jr., O519936.
David W. Meyer, O520356.
Wilburn E. Milton, O1287386.
Henry D. Mitman, O545505.
John J. Montgomery, O551094.
Walter A. Moore III, O534210.
Thomas G. Morehead, O410211.
Allen L. Myers, Jr., O465106.
Vernon L. Nash, Jr., O1944765.
Robert E. Nath, O678308.
Stephen A. Nemeth, O388069.
William R. New, O1297926.
William C. O'Kelley, O465955.
Brian B. O'Neill, O1101606.
Robert H. Parks, O537439.
Quentin Pease, O448953.
Anthony Pecoraro, O1114705.
Robert G. Penny, O535353.
Richard A. Perkins, O467880.
John W. Pierce, O460582.
William L. Prout, O512748.
Arnold Rathlev, O428220.
Clyde E. Reed, Jr., O517885.
Kenneth R. Rees, O541542.
Richard G. Rhodes, O405098.
Thomas B. Richey, O409522.
James C. Rives, O412993.
John F. Roberts, O1170170.
Charles W. Root, O426648.
Ralph R. Rusche, O549610.
George C. Russell, Jr., O436707.
Charles L. Ryan, Jr.
James H. Sanders, O402540.
Paul Sanders, Jr., O537452.
George W. Sandrock, O1050899.
James B. Saum, O545158.
Joshua Segal.
Gervies L. Semmens, O424810.
Charles C. Semple, O1061548.
Jarvis K. Shaffer, O1309329.
Milton M. Silverstein, O1043500.
Martin J. Slominski, O1291341.
Clayton J. Smith, O822832.
Samuel L. Smith, O462894.
Frank G. Snow, O485948.
Leo E. Soucek.
Virgil M. Stone, O1576708.
Lewis S. Swinehart, Jr., O388856.
Neely M. Swomley, O436906.
James M. Templeman, O1649000.
Thomas E. Tennant, O536759.
James E. Townes, Jr., O544554.
William H. Vail, O543217.
Alexnder Vorobery, O1019696.
Billy H. Watson, O413812.
Charles L. Weaver, O386719.
Donald C. Weaver, O1288828.
Herman Webel, Jr., O1102114.
Henry N. Weggeland, Jr., O1177231.
Wolfred K. White, O465229.
Charles W. Whittington, O507473.
William G. Williamson, O733008.
Altus L. Woods, Jr., O391880.
Glen A. Yake, O1102126.
Lewis H. Youngblood, Jr., O467883.

The following-named persons for appointment in the Women's Army Corps, Regular Army of the United States, in the grade specified, under the provisions of Public Law 625, Eightieth Congress:

To be majors

Ethel W. Middleton, L400247.
Aileen M. Witting, L800147.

To be captains

Elenor P. Abbott, L304627.
Andrea M. Aiken, L210165.
Eunice Barzynski, L607442.
Alice R. Bradford, L201220.
Elinor J. Connor, L700085.
Ann Cummings, L117862.
Victoria P. Dunn, L1000456.
Eleanor N. Eckles, L700017.
Joan Ellis, L201484.
Aida G. Esposito, L300022.
Nan M. Everhart, L303678.
Sylvia Falkovic, L502149.
Esther E. Falzgraf, L602953.
Leta M. Frank, L308681.
Irene B. Groff, L306132.
Margaret H. Harlow, L909315.
Hope Harrin, L800505.
Rosemary Hart, L702080.
Isabella M. Henry, L802065.
Kathlyn C. Hilton, L105589.
Lela A. Hopfe, L704134.
Aida H. Ingraham, L906451.
Erma D. Keener, L412130.
Dorothy Krueger, L609385.
Margaret N. Lassetter, L403178.
Julia J. Mulcahy, L500318.
Sonja A. Munter, L202900.
Emily C. Newell, L310466.
Muriel Outwater, L200258.
Martha F. Schuchart, L700106.
Teresa R. Scullion, L405383.
Florence Shulman, L210215.
Mary E. Sicks, L600128.
Ruth N. Simerly, L403224.
Mildred E. Smith, L104164.
Lois M. Sproull, L604899.
Elsie L. Weible, L900558.
Nellie M. Young, L702479.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named officers for promotion in the Regular Army of the United States, under the provisions of section 107 of the Army-Navy Nurses Act of 1947:

To be captains, Army Nurse Corps

Ruth Agnew, N914.
Catherine Barbara Bean, N1378.
Florence M. Christman, N1098.
Mildred O. Conin, N748.
Patricia L. Crocker, N1386.
Helen Elizabeth Cundiff, N1670.
Dorothy M. Cunningham, N1390.
Elsie F. Easterling, N1093.
Margaret Catherine Farley, N747.
Margaret Cecelia Flynn, N1382.
Helen Marie Hays, N750.
Bernice Isabel Heath, N1385.
Maralee Ruth Hodgson, N1380.
Betty Jane Hughes, N1583.
Mary P. Kent, N1671.
Ruth A. Kruger, N1387.
Marietta Levy, N1384.

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Alice M. Linhares, N912.
Etta Mildred Lowe, N1379.
Gertrude I. Mahn, N752.
Mamie Sue May, N1097.
Irene Ethel Miller, N1581.
Ruth Theodora Mills, N1580.
Mary Cecelia Murphy, N908.
Anne Loretta Nodziak, N1582.
Mary Patricia Reilly, N913.
Rosalie M. Requist, N1672.
Lucille D. Russell, N911.
Rosemary Slavin, N751.
Maude Morrin Smith, N1096.
Catherine Curtis Stein, N1099.
Margaret Ruth Stonaker, N1091.
Isabelle A'ma Tarutis, N1090.
Ruth Elizabeth Tucker, N1381.
Mary Elizabeth Vaughan, N1669.

To be captains, Women's Medical Specialist Corps

Edyth Hildegard Emerson, R10047.
Evelyn Folmar, R10079.
Catherine S. Hooper, J5.

UNITED STATES AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be captains

Abernathy, Julian Ray, Jr., AO39227.
Ammon, Robert Harvey, AO54074.
×Anderson, George Stewart, AO36367.
Ashman, Richard Charles, AO46877.
Askew, George Washington, Jr., AO47387.
Bair, Joe Clarence, AO54115.
Beers, Robert LeRoy, AO39220.
Bender, Carroll Joseph, AO47355.
Bledsoe, John Denton, AO54066.
Bodnyk, Metro, AO52939.
×Brady, Roland Hamilton, Jr., AO40904.
Brandenburg, Warner Otto, AO54095.
Butler, Floyd Nunn, AO54047.
Byers, John Robert, AO37722.
Byrne, Joseph Paul, AO54064.
Carpenter, George Walter, AO36296.
Carter, Herbert Eugene, AO47324.
Cave, Richard Thomas, AO54084.
Cercek, John Frank, AO47420.
Christensen, Edward Michael, AO54065.
Clower, Freeling Horace, AO54053.
Collins, Edward Matthew, AO54038.
Coogler, Arthur Cornwell, AO54077.
Copeland, James Ralph, AO35488.
Creighton, Vernon Francis, AO36291.
Crites, Doyle LaVerne, AO46475.
×Crow, Roy Hammond, AO47461.
Crump, James Blanchard, AO47293.
Cummins, Frank Roger, AO47294.
Davies, Edwin Robert, AO47452.
Deardon, Russell Wendell, AO54043.
×Del Vecchio, Dino, AO47407.
Dews, Charles Allen, AO36341.
Dougherty, David Gardner, AO47406.
Douglas, James David, Jr., AO54070.
Dryer, Melvin George, AO47448.
×Dunn, James, Jr., AO47428.
Edwards, William Howell, AO47715.
×Fletcher, Edward Carleton, AO54112.
Fondaw, Sidney Glen, AO47436.
Froehlich, Vernon Walter, AO36299.
Frymire, William Dale, AO54099.
Gallagher, Kenneth Francis, AO47368.
Gubser, Burlyn Ross, AO54054.
Hanson, Kermit Theodore, AO36292.
Harrison, William Carl, Jr., AO47300.
Haslett, Hugh John, AO47319.
Heggenberger, Robert Walter, AO47301.
×Heinzel, Roy Henry, AO46770.
Hendricks, Clyde Vernon, AO47411.
Henner, Ernest Samuel, Jr., AO40891.
Heyl, Rodney William, AO54061.
Hibbert, John Alfred, AO47402.
Hill, Benjamin Wood, AO47391.
Holeman, Harry Gerald, AO47439.
Holley, James Taylor, AO54041.
Holt, Warner Jenella, AO45384.
×Hugunin, Guy Jackson, Jr., AO47315.
×Iddins, Donald Jennings, AO47426.
Iovine, Guy Thomas, AO47312.
Jackson, Frank Rogers, AO47291.
James, David Marshall, AO47434.
Johansen, Martin Christian, AO47451.
×Jones, Donald Pershing, AO47378.
Jones, James Melton, Jr., AO47335.
Jordan, Raymond Vincent, AO54113.
Judas, Maxwell Vincent, AO47310.
Kelly, Frank Albert, AO47370.
Kissell, William George, AO47458.
Kivipelto, Oiva, AO40903.
Kraemer, Richard Howard, AO47357.
Kral, William, AO47409.
Kramer, Vernon Jerome, AO47302.
Kuchenbecker, John Edward, AO47388
Ladd, Robert Byard, AO47379.
Leonhardt, Herbert Victor, AO47433.
Linden, Eric Oscar, AO54056.
Litchfield, Robert Latta, AO47444.
×Livingston, Clyde McRay, AO47336.
Looney, William Alvin, AO47306.
McAllister, Allen Marshall, AO47353.
McClanahan, James Clifton, AO54103.
McClure, John Edward, AO36385.
McKinley, James William, AO36360.
McKinnon, Edwin Lawrence, AO47431.
×MacLean, Lynwood Alva, Jr., AO47463.
Madole, William Harley, AO47325.
Meier, Clifford Henry, AO54118.
×Michaud, Leonard P., AO54086.
Moleski, George Ignatius, AO47322.
×Moran, Daniel James, Jr., AO47413.
Moranville, Bill Harold, AO47414.
Morley, Rudyard Carl, AO47415.
Nelsen, Maynard Peter, AO36400.
Novinski, Norbert Lawrence, AO37125.
Ogburn, George Horace, Jr., AO54097.
Parker, John Frederick, AO54082.
Peck, Douglas Thomas, AO47441.
Perry, Stanley Lowell, AO54105.
Phelps, Bernard Alvin, Jr., AO47392.
Phipps, Charles Everette, AO47342.
Provancha, George James, AO47371.
Rice, Arthur Edwin, AO47364.
Richardson, Rolland LeRoy, AO36310.
Ritchie, De Ward, AO47383.
Roach, Harry Edwin, Jr., AO48022.
Ruddick, Lynn Willkom, AO54081.
Rust, Henry Buddington, AO54110.
Sanxter, Donald LaVern, AO47416.
×Schultz, Adrian Joseph, AO47418.
Scott, Dale Wilson, AO54093.
Scoville, Curtis Lee, AO47442.
Seaman, Clarence Orand, AO54091.
Shelton, Walter Scott, Jr., AO47466.
Sherman, Fred Peter, AO36289.
Slaker, Kenneth Waverly, Jr., AO54111.
Smith, Carl Clay, Jr., AO47403.
×Smith, George Robert, AO36396.
×Smith, Robert Gerald, AO47329.
Smith, Roger Harold, AO54088.
Sollars, John Alexander, AO47338.
×Stahl, Benjamin Abraham, AO54107.
Stankowski, John Frank, Jr., AO54067.
Stewart, James Arthur, AO36326.
Sullivan, Francis Charles, AO47351.
Symington, Thomas Alexander, Jr., AO47447.
×Tahsequah, Meech, AO35606.
Taylor, Gardner Wade, 2d, AO47424.
Tedrowe, Thaddeus William, AO47295.
Templin, Jack Donald, AO47404.
Thatcher, William Charles, AO47460.
×Thomas, Parry Lloyd, AO54045.
Thompson, John Robert, Jr., AO36293.
Thorvaldson, Joel Dixon, AO47443.
Thurlow, Everett Beach, AO47341.
Todt, Donald Clare, AO47465.
Trojan, Joseph Ernest, AO47311.
Tuten, Wilson Parker, AO36272.
Van Marter, William Howard, AO36269.
Wagner, Paul Campbell, AO47384.
×Waldher, Eugene Nicholas, AO53730.
Walker, Edwin LeClaire, Jr., AO54201.
Warren, James David, AO47290.
Washer, Larche Mecom, AO54109.
Wilcox, Lawrence Randolph, AO36398.
Williams, Dave Weldon, AO46368.
Williams, Edgar Grant, AO54104.
Williams, Joe Charles, AO54098.
Williamson, Philip Joseph, AO47432.
×Wilson, George Henry, AO47380.
Wilson, Harold Homer, AO53001.
Winchester, Charlton Whitfield, Jr., AO36264.
Winningham, Porter Lee, AO47430.
Woodard, Roger Clinton, AO47305.
Worthington, Arthur Wagner, AO47350.
Yahr, Raymond Richard, AO46773.
Yaworski, John, AO54080.
Yehle, Vernon Keith, AO40889.
×Zais, Richard Andrew, AO47396.
Zwink, Wayne Ernest, AO47462.

(NOTE.—These officers will complete 7 years' service for promotion during the month of July. Dates of rank will be determined by the Secretary of the Air Force.)

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be captains

Adair, Philip Reed, 11927A.
×Adams, William Pierman, Jr., 11810A.
Albert, George Dearborn, 11917A.
Anderson, Alfred Ivan, 11863A.
Anderson, Conrad Austance, 11888A.
Anderson, David Samuel, 11954A.
Baker, Dexter Kingsley, 11929A.
Baker, Ellsworth Albert, 11862A.
Beller, Albert Joseph, 11892A.
Bergeson, Harold Max, 11809A.
Bissonnette, Alfred Gilbert, 11916A.
×Bolen, Robert Joseph, 11948A.
×Boswell, Benedict Arden, 11895A.
Boyle, Francis Thomas, 11845A.
Brazee, Donald Francis, 11803A.
×Brittle, Kent Heath, 11886A.
Broach, William Gardner, Jr., 11820A.
Brockhouse, Frederick Willard, 11790A.
Bruson, George Francis, 11813A.
Bumgarner, Amon Grant, 11818A.
Burns, Carlton Lee, 11841A.
Burns, Richard Lee, 11840A.
Byington, Telford Smith, 11928A.
Carkeet, John Lamar, Jr., 11950A.
Carmody, Francis Charles, 11910A.
Carter, Joseph Watkins, 11855A.
Clampitt, William Arthur, 11938A.
×Clark, James Francis, Jr., 11806A.
×Cogswell, Robert Whitney, 11889A.
Coleman, David Harold, 11819A.
Cook, Robert Frederick, 11800A.
Corrigan, Thomas Francis, 11953A.
Cote, Elmer Lee, 11865A.
×Cox, William Thomas, Jr., 11802A.
×Crahan, Francis Edward, 11825A.
Cuddington, James Cedric, 11951A.
Culp, Alben Barkley, 11894A.
Ducat, Kenneth Holberg, 11941A.
Dupont, Rene George, 11836A.
Edington, Leonard Edward, 11875A.
Edwards, Clifford E., 11912A.
×Elarth, Vernon Homer, 11851A.
Emrich, Daniel Carl, 11824A.
Esch, Maurice Eugene, 11873A.
Felice, Carman Paul, 11816A.
Fisher, Jay N., 11926A.
Fortney, Robert Stewart, 11815A.
Gibson, William Melvin, 11874A.
Good, Arnold Noble, 11918A.
Grinsted, Albert Hugh, Jr., 11901A.
Grove, Francis Miller, 11852A.
Guelich, Frank James, 11799A.
Guernsey, Harold Jackson, Jr., 11806A.
Haines, Carroll Eugene, 11868A.
Hall, John Jay, 11933A.
Halloran, James Paul Stacy, 11955A.
Hamby, Malcolm Conner, 11880A.
Hange, Richard Harold, 11914A.
Hennon, Leo Joseph, A11914A.
Harrison, Robert Burfoot, 11949A.

Hayes, Leland Ray, 11792A.
Hein, Gordon Einer, 11942A.
×Henderson, Daniel Eli, Jr., 11828A.
Henderson, Vernon, Jr., 11899A.
Hirshberg, Sidney Stuart, 11838A.
Hockin, Robert Arnold, 11871A.
×Hughes, William Austin, 11833A.
Ilmanen, Ralph Werner, 11913A.
Isbell, Thomas Winn, Jr., 11956A.
Johnson, George Lowder, 11870A.
Jones, Dean A., 11893A.
Kimbrough, Donovan, 11919A.
×Klein, Junior Fremont, 11939A.
Korger, Harold Francis, 11856A.
Kuhn, Francis LeRoy, 11943A.
LaBerge, Vincent Robert, 11915A.
Lairmore, Glenn Emmett, 11905A.
Laridon, Loren Brooks, 11853A.
Leenerts, Gordon Jerome, 11945A.
LeFrancis, Richard George, 11937A.
Lethers, Edward William, 11831 A.
LeVan, Jay Edwin, 11839A.
Long, John Barrett, 11885A.
Marsden, Roy Franklin, 11921A.
×Marshall, George Lewis, 11909A.
Maxwell, George S., 11896A.
McAusland, Douglas George, 11795A.
McCauley, Lon Albert, Jr., 11787A.
×McDonald, Gorman A., 11791A.
McElroy, Wilson Freeman, 11908A.
×MacKay, John Alexander, 11812A.
Mercogliano, Albert Paul, 11861A.
Moffat, Harold Larson, 11931A.
Murphy, James Joseph, 11957A.
Myers, Horace Herman, 11923A.
×Myers, Robert Arthur, 11881A.
Nagel, James Paul, 11882A.
Nance, Ernest Theodore, 11904A.
×Nealon, Robert Joseph, 11794A.
Newstrom, Carroll Marion, 11850A.
O'Brien, Alden Walton, 11872A.
O'Carroll, Thomas Kane, 11898A.
Okey, Joseph Theodore, 11887A.
Otis, James Dwight, Jr., 11821A.
Overstreet, Jack Stone, 11857A.
×Pallo, John, 11891A.
Pearson, Samuel Leroy, 11897A.
Phillips, Arthur Garfield, Jr., 11817A.
Pinson, Claude Carrol, 11900A.
Poindexter, William Ranstead, 11843A.
Poulson, Raymond Peter, 11867A.
Prout, Donald George, 11949A.
Pryor, Gaillard Stoney, 11906A.
Ralph, John Henry, 11911A.
Ramirez, Norbert Donald, 11924A.
Ray, Robert Jackson, 11823A.
Renner, Robert Nelson, 11879A.
Richardson, Glen Wehrly, 11848A.
Roberts, Thomas Carlisle, 11859A.
Robinson, Hunter Rudolph, 11788A.
Salmon, Delbert, Jr., 11834A.
×Sampson, George Archibald, 11858A.
Santala, Eugene Walfred, 11940A.
Sapp, Roger Elias, 11789A.
Schaitel, Leonard Jacob, 11907A.
Schlabs, Frank Wayne, 11832A.
Schnauber, Louis George, 11793A.
Shiver, Arthur Marvin, Jr., 11844A.
Simpkins, Alan Patrick, 11814A.
Snell, Lester, Daniel, 11878A.
×Solomon, Edward Thomas, 11811A.
Sparks, Belmont Earl, 11846A.
Squillace, Dominick Paul, 11864A.
Stevens, Howell Edward, 11902A.
Stine, Donald Arthur, 11837A.
Streit, William Fred, 11932A.
Stumpf, Oscar Joseph, 11826A.
Tenold, Leslie Alvin, 11835A.
Thompson, Arnold Frederick, 11883A.
Tissue, Jimmie Lee, 11822A.
Van Noy, Glen Scott, 11920A.
Vetter, Lawrence Edward, 11829A.
Wagner, James Bertram, Jr., 11947A.
×Wakeman, Coyd Victor, 11922A.
Walker, James Osborne, Jr., 11804A.
Walker, Samuel Augustus, Jr., 11807A.
Watkinson, Arlie Gerald, 11884A.
Wilkerson, Harold Houston, 11801A.
Wilson, Ernest Ben, 11930A.
Wood, George Ray, 11860A.
Wright, Hanford Ralph, 11827A.
Wright, John Wesley, Jr., 11934A.
×Wyckoff, Frank Marvin, 11935A.
Yraceburn, Joseph Raymond, 11805A.

(NOTE.—These officers will complete 7 years' service for promotion during the month of August. Dates of rank will be determined by the Secretary of the Air Force.)

IN THE NAVY

Vice Adm. Russell S. Berkay to have the grade, rank, pay, and allowances of a vice admiral while serving under a Presidential designation as a task fleet commander.

Rear Adm. Charles T. Joy to have the grade, rank, pay, and allowances of a vice admiral while serving under a Presidential designation as Commander, Naval Forces, Far East.

The following-named midshipmen (aviation) to be ensigns in the Navy from the 3d day of June 1949:

John E. Abbott	Edward J. Klapka
Winston A. Ableson	Robert E. Kolp
Keith R. Bare	Victor G. Kreck
Joseph Brecka, Jr.	Edward V. Laney, Jr.
Lawrence M. Brennan	Joseph L. Lepage
Keith A. Brice	Robert L. Leydon
William D. Bridge	James P. McCarthy, Jr.
Tommy L. Burgess	Thomas M. McDonough
George E. Burgi	David K. McKinley
Richard B. Campbell	Paul E. Martin
Robert C. Cary	Robert W. Maughmer
Richard J. Gejka	Roger J. Miller
Vincent A. Dauro	Richard P. Munger
Richard DeCharms IV	Louis C. Page, Jr.
William M. Derrick	Robert L. Parkman
Albert E. Doles	William E. Patton
Robert J. Duffy	James R. Pavelle
Nelson W. Eaton	Thomas H. Peters
Kenneth E. Enney	Oscar J. Proesel
Robert A. Erickson	Herbert A. Riebeling
Harry N. Farnsworth	Joseph M. Robinson
Arthur S. Fusco	Lawrence I. Seim
Joseph A. Gawrys	Harvey K. Sims
Bruce A. Gilbert	James J. Sparks
William M. Golding	Francis W. Stack
Robert W. Greene	Charles E. Stalzer
Robert E. Haines	Roy L. Stone, Jr.
John Hall	Cleo E. Swartz
Richard M. Hill	Ralph J. Touch
Charles R. Hodgson	Peter A. Tufo
William A. Hooper	Joseph J. Voda
James E. Hyde	Delbert N. Wade
Gilbert Jacobsen	William B. Wallace
George E. Jacobsen, Jr.	Robert T. Westman
Donald A. Jeffers	Norvell E. Wicker III
John W. Jones	George H. Willey
Francis S. Jutras	John J. Wilson, Jr.
Paul T. Karschnia	

Midshipman Robert E. Dobelstein (aviation) to be an ensign in the Navy from the 3d day of June 1949 in lieu of ensign in the Navy as previously nominated and confirmed, to correct spelling of name.

The following-named (civilian college graduates) to be ensigns in the Navy from the 3d day of June 1949:

Talmadge S. Baggett	Richard W. Kincade
Robert F. Bahlman	Charles E. Langton, Jr.
Lawrence E. Beecher	William H. Mayo
Robert J. Bixler	Byron H. Miller
David H. Bialock, Jr.	John B. Neims
Robert A. Buck	Paul H. Nikoloff
James V. Burton	Johnny W. Orrill
Donald M. Cherno	Charles H. Peters
Robert S. Collins	William G. Pfaff
Cecil G. Derryberry	Homer K. Richards, Jr.
William E. Dewey	Franklin O. Ritter
Leslie R. Downs	David M. Rowlands
DeVon "E" Edrington	Harold L. Seligmiller
Raymond R. Fletcher, Jr.	Paul V. Steffan
Richard E. Galloway	Daniel B. Stiegman
Edward S. Gary	Charles C. Stockton, Jr.
Jesse F. Griffith	Robert G. Sullivan
Robert A. Guyer	Richard C. Teckenbrock
Harold E. Hamilton	Richard C. Watts
William F. Hubbard, Jr.	Joseph K. Yochum
Downing L. Jewell	

The following-named (civilian college graduates) to be ensigns in the Supply Corps of the Navy from the 3d day of June 1949:

David A. Bowdoin	Everett M. Patton
Robert P. Kopotic	Joseph H. Pollock

The following-named (civilian college graduates) to be ensigns in the Civil Engineer Corps of the Navy from the 3d day of June 1949:

Howard I. Bacon
Wallace F. Forbes
Thomas W. Rappsilber

Robert DeW. Phillips (civilian college graduate) to be a lieutenant in the Dental Corps of the Navy.

The following-named to be ensigns in the Nurse Corps of the Navy:

Mary J. Bees	Lurain C. Lenz
June L. Bell	Nancy A. McGonagle
Bernadette M. Bernath	Margaret T. McVicker
Jeanne L. Boileau	Mary G. Malone
Theresa A. Bradfield	Rose M. Malus
Pauline E. Dinwoodie	Jessie A. Ragsdale
Rosemary Durand	Alice M. Salhoff
Theresa D. Dyer	Rachel M. Schulke
Margaret E. Erkert	Elizabeth J. Scott
Audrey L. Fleeger	Agnes K. Tait
Jane V. Hilaire	Mary M. Wentzel
Janice L. Howe	Viola M. Wilson
Carolyn M. Johnston	Florence M. Zulli
Betty Z. Kline	

The following-named officer to the grade of lieutenant (junior grade) in the line of the Navy, limited duty only, in lieu of ensign in the line of the Navy, limited duty only, as previously nominated and confirmed:

Robert Gilmour, Jr.

The following-named officer to the grade of ensign in the line of the Navy, limited duty only, in lieu of lieutenant (junior grade) in the line of the Navy, limited duty only, as previously nominated and confirmed:

Edwin R. Jenks

Midshipman Lowry W. Norris (aviation) to be ensign in the Navy from the 3d day of June 1949 in lieu of ensign in the Navy as previously nominated and confirmed, to correct name.

Arthur Zinn, Jr., (civilian college graduate), to be a lieutenant (junior grade) in the Dental Corps of the Navy.

The following-named to be ensigns in the Nurse Corps of the Navy:

Charlotte A. Allen	June L. Keller
Jean M. Backhus	Helen A. Melton
Hilda M. Comer	Shirley L. Phleger
Ethel M. T. Johnson	Anne M. Ruane
Judith R. Keith	Margaret J. Sullivan

The following-named officers to the grades indicated in the line of the Navy, for limited duty only, subject to qualification therefor as provided by law:

LIEUTENANT COMMANDERS

William A. Mahan
Joe R. Moring
Robert S. Selby

LIEUTENANTS

Charles C. Allen	Edward J. Kratochvil
Samuel B. Arnold	James H. McDonald
Clarence J. Barry	Norman F. Mennecke
Herbert C. Carroll	Gilbert W. Rappeit
Harry W. Enabnit	Crissie C. Sanders
Vardy D. Garvey	Lloyd V. Sternberg
Ralph H. Habecker	Francis J. Woznack
Zacharie T. Hampton	

The following-named officers to the grade indicated in the Supply Corps of the Navy, for limited duty only, subject to qualification therefor as provided by law:

LIEUTENANTS

Charles C. Alexander	George L. Owen
Robert W. H. Darrow	Joseph J. Snapp
Adolph Mathews	

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IN THE MARINE CORPS

The below-named officers for appointment to the temporary grade of major in the Marine Corps:

Harold C. Borth	Albert I. Haas
Irvin V. Masters	Nathan Segal
Melvin E. Mosier	William V. Schwebke
Carlton G. Cole	

The below-named officers for appointment to the temporary grade of captain in the Marine Corps:

William E. Bateman
Erving F. White
Carl W. King

The below-named officers for appointment to the permanent grade of major for limited duty in the Marine Corps:

Frederick Belton	Lee E. Roberts
John G. Johnson	Stephen Lesko
Emanuel Yalowitz	James D. Ludvigson
Marvin L. Ross	Irvin V. Masters
William E. Word	Carlton G. Cole

The below-named officers for appointment to the permanent grade of captain for limited duty in the Marine Corps:

Irving N. Kelly	Lloyd O. Williams
Frederick M. Steinhauser	Ben Sutts
	George R. Eargle
John W. Webber	Willis R. Lucius
Richard Burgess	George W. Torbert
Gilbert McConville	Cecil T. Carraway
Theodore A. Petras	Alexis A. Jedenoff
William L. Woodruff	Clyde T. Waller

The below-named officers for appointment to the permanent grade of first lieutenant for limited duty in the Marine Corps:

Russell C. White	James B. Seaton
Kenneth A. Walsh	George J. Hanft
Douglas K. Morton	Joseph W. Utz
Edwin M. Clements	Roy H. Biey
Reginald M. George	Donald L. Shenaut
Eugene Anderson	Albert F. Rinehart
Stephen K. Pawloski	Anthony J. Roscoe
Matthew J. Kruszewski	Samuel F. Leader
	Fred K. Thornton
Elmer R. Wirta	Ruthledge S. Sasser
Richard W. Sinclair	Edgar A. McKean
Ray M. Burrill	

The below-named officers for appointment to the permanent grade of second lieutenant for limited duty in the Marine Corps:

William V. Schwebke	Wilburn C. Allen
Robert L. Neef	Ray H. Bishop
Elbert L. O'Banion	James B. Darnell
Robert J. Vroegindewey	Cederic A. Fevurly
	Sidney W. Cooley
Doyle Grimes	Alfred E. Montrief
Clifford A. Youngs	Haldon E. Lindfelt
Harold G. Schrier	Harley L. Grant
James G. G. Taylor	Ralph B. Neal

The below-named enlisted man for appointment to the permanent grade of second lieutenant for limited duty in the Marine Corps:

John L. Self

The below-named officer for appointment to the permanent grade of first lieutenant for limited duty in the Marine Corps:

Paul Adams

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 1, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. James P. Wesberry, LL. D., offered the following prayer:

May it please Thee, our Heavenly Father, who art nearer to us than breathing and closer than hands or feet, to unite our thoughts, aspirations, and dreams in doing with all of our might that which pleases Thee most. Forgive us of our sins. Deliver us from fear and distrust. Lift Thou the burdens from our hearts, soothe the anxieties of our minds, and give us calmness of soul. Teach us that true happiness is found in service to our fellow man and guide us into another week of generous and faithful service for our Nation and for Thee. This we ask in the name of Him who was servant of all and who showed us by His own life that the greatest in God's kingdom is he who serves the most. Amen.

Mr. HALLECK. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Mr. Speaker, I make the point of order that the House is not legally in session. I make it at this time because I am quite sure that the point should be made before the Journal is read.

I make the point of order for the reason that under the Reorganization Act recently passed by the Congress which is now the law of the land, it is provided that Congress shall adjourn on the last day of July unless the Nation is at war, or there is a national emergency proclaimed by the President; or unless the Congress determines otherwise.

The Congress has not determined otherwise. No action has been taken by the Congress in line with the provisions of the Reorganization Act. I insist, Mr. Speaker, that there is no such state of war existing, and there is no such national emergency declared by the President existing as contemplated by the Reorganization Act, which would avoid the necessity of the Congress acting affirmatively as provided in the act if we are to be legally in session.

Mr. Speaker, I am, of course, familiar with the Speaker's response of last week to the inquiry addressed to the Chair by the minority leader, the gentleman from Massachusetts [Mr. MARTIN]. Being so convinced, however, that there should be no cloud whatever upon the legality of the action of the Congress that may hereafter be taken, and because I am convinced that the only way to remove any threat to such legality is for the Congress to act affirmatively, I am constrained at this time to raise the point of order.

The SPEAKER. The Chair is prepared to rule.

In response to the parliamentary inquiry propounded by the gentleman from Massachusetts [Mr. MARTIN] on last July 27, the Chair stated what the Chair thought and still thinks is the law: that the Congress is legally in session. The Chair therefore overrules the point of order made by the gentleman from Indiana.

Mr. CHURCH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. CHURCH. Mr. Speaker, I make a further point of order. This goes beyond what the Speaker has ruled with reference to the point of order just made by the gentleman from Indiana [Mr. HALLECK]. First, let me say that there is nothing to prevent the President from calling a special session today, or any day, to begin immediately.

Mr. Speaker, I make the point of order that the House is not legally in session, that when the House adjourned last Thursday and the Senate adjourned last Friday the adjournment constituted a sine die adjournment pursuant to section 132 of the Legislative Reorganization Act of 1946.

Mr. Speaker, in view of the fact, not merely that Congress has not by concurrent resolution adjourned, but in addition thereto, that the President has not yet called us today or on tomorrow into special session, I raise this further point of order and insist on my objection with respect to every measure before the Congress.

While the Speaker has ruled that no formal action is necessary to prevent a sine die adjournment as provided by section 132 of the Legislative Reorganization Act of 1946, there is nonetheless some doubt as to the validity of our proceedings. The ruling of the Speaker can be challenged in the courts should occasion arise where any of the measures we pass should be challenged.

In order to remove all possible doubt as to the validity of our proceedings after the last day of July, I had hoped that the leadership would bring in a formal resolution. Such action not having been taken, I believe that the President should call a special session. He should do this in order to give formal legal status to our proceedings. He should do this in order that the question may never arise at some future date as to the validity under our Constitution of what we may attempt to do in the coming days that it is proposed we continue in session.

I repeat that there is nothing to prevent the President from calling a special session today to begin immediately.

Mr. Speaker, I do this with a view to certainty and for the dignity of this Congress. The people who sent us here, expect the Congress to legislate, and not a President and not a Speaker. I do this in all seriousness in order that the President may, before the day is over, instanter, now, call us in special sesison.

I make that point of order.

The SPEAKER. In response to the point of order, the Chair has already held that the Congress is legally assembled and in session; therefore, there is no reason for the President to call a special session of the Congress at this time.

The Chair overrules the point of order.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 147]

Abbitt	Biemiller	Bonner
Addonizio	Blackney	Brehm
Bailey	Bland	Buckley, N. Y.
Barrett, Pa.	Bolling	Case, N. J.
Bates, Ky.	Bolton, Ohio	Celler

Chatham	Harrison	Pfeifer, Joseph L.
Chesney	Hart	Pfeiffer, William L.
Chudoff	Havenner	Philbin
Clevenger	Hedrick	Plumley
Cole, Kans.	Heffernan	Potter
Cooley	Heller	Powell
Corbett	Herter	Quinn
Cotton	Hinshaw	Reed, Ill.
Coudert	Hoffman, Ill.	Richlman
Davenport	Hope	Rivers
Davies, N. Y.	James	Rodino
DeGraffenried	Jenison	Roosevelt
Delaney	Jennings	Scott, Hardie
Dollinger	Jones, Mo.	Sikes
Donohue	Kearns	Simpson, Pa.
Douglas	Kennedy	Smith, Ohio
Durham	Keogh	Smith, Wis.
Eaton	Kilburn	Stanley
Elston	Klein	Stigler
Evins	Kruse	Taber
Fogarty	Latham	Taurlello
Frazier	Lefevre	Taylor
Fugate	Lichtenwalter	Thomas, N. J.
Fulton	Lodge	Towe
Gamble	McGrath	Walsh
Garmatz	McGregor	Welch, Calif.
Gary	McGuire	Whitten
Gavin	Marcantonio	Wickersham
Gilmer	Martin, Mass.	Wilson, Okla.
Goodwin	Mason	Winstead
Gore	Meyer	Withrow
Gorski, N. Y.	O'Brien, Mich.	Wolcott
Granahan	O'Hara, Ill.	Wood
Green	O'Neill	Woodhouse
Hale	Patman	
Hand	Patten	
Hardy	Patterson	

The SPEAKER. Three hundred and six Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The Journal of the proceedings of Thursday, July 28, 1949, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On July 26, 1949:

H. R. 2104. An act relating to orders to banks doing business in the District of Columbia to stop payment on negotiable instruments payable from deposits in, or payable at, such banks; and

H. J. Res. 298. Joint resolution to provide for on-the-spot audits by the General Accounting Office of the fiscal records of the Office of the Sergeant at Arms of the House of Representatives.

On July 28, 1949:

H. R. 3901. An act to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia.

On August 1, 1949:

H. R. 4646. An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the following titles:

H. J. Res. 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases; and

H. J. Res. 329. Joint resolution amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5632) entitled "An act to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes."

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1950

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 329, amending an act making temporary appropriations for the fiscal year 1950, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the joint resolution and the Senate amendment, as follows:

Line 7, strike out "August 31, 1949" and insert "August 15, 1949."

Mr. HALLECK. Mr. Speaker, reserving the right to object, I do not see the ranking minority member of the Committee on Appropriations on the floor at the moment. I wonder if the gentleman from Missouri will explain the Senate amendment.

Mr. CANNON. Mr. Speaker, the joint resolution, as it passed the House, continued funds for the agencies affected until August 31, 1949. The Senate amendment changes the date from August 31 to August 15.

Of course, the House is glad to cooperate with the Senate in any proposition to expedite the enactment of the supply bills.

I am, therefore, proposing that the House agree to the Senate amendment with the least possible ceremony and without delay.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CONTROL OF EMERGENCY OUTBREAKS OF INSECTS AND PLANT DISEASES

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON, KERR, RABAUT, TABER, and WIGGLESWORTH.

M. L. MELETIO

Mr. SHORT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, today one of the most courteous, faithful, and efficient employees of the House is resigning after more than 30 years' service as an employee of the House of Representatives.

Mr. M. L. Meletio as a young man attended Smith Academy, and Washington University, in St. Louis. For some time he was connected with the Meletio Seafood Co., founded by his grandfather; he was also owner and publisher of a profitable and influential weekly newspaper in St. Louis County, president of the Broadway Businessmen's Association, and was most successful in many business ventures.

After the loss of his wife and two children in a tragic fire he felt perhaps he would be happier in newer surroundings and accepted an invitation from former Congressman Fred Essen to come to Washington on a 2 weeks' vacation. Mr. Meletio turned down an offer to become chairman of the State Prison Board of Missouri and also an offer to be made chairman of the election board of St. Louis County in order to come to Washington to take a minor position.

As so often happens to people who come here intending to spend only 2 weeks or a brief period, he has spent more than 30 years, serving us diligently not only as pair clerk but also as elected Doorkeeper in the Eightieth Congress. He was quiet, unassuming, unselfish, dignified, and tried to treat all alike.

It is with regret, of course, that he leaves his many warm friends here in the House and I am sure that the Members are going to miss Mr. Meletio. He has been my close, personal friend for 20 years and I am sure all Members join me in wishing him and his charming wife good health, good fortune, and Godspeed until the end of the perfect day.

Mr. HALLECK. Mr. Speaker, I am glad to concur in what the gentleman has said about our very good friend, Mel Meletio. In my opinion he has been one of the most useful, helpful assistants and employees that I have ever come across in my time in the Congress. I am sure we are all sorry to see him go; at the same time we wish him every happiness and every success in the future.

Mr. RANKIN. Mr. Speaker, I join the gentleman from Missouri [Mr. SHORT] and the gentleman from Indiana [Mr. HALLECK] in everything they have said about Mel Meletio.

I have been here practically ever since Mr. Meletio came to the Congress. There are few Members of the House who have more dealings with the men who work behind the desk here than I do.

I want to say what I have said time and time again, and that is that I have never known a more efficient, a more courtecus, a more affable or more conscientious employee of the Federal Government than our distinguished friend, Mel Meletio.

I am sorry indeed that he is leaving the service.

Mr. BROWN of Ohio. Mr. Speaker, I take great pleasure in joining with the

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gentleman from Missouri and others in wishing Godspeed to our friend and very efficient public servant, Mel Meletio, who severs his connection with the House of Representatives today after more than 30 years of splendid, efficient service. He not only served as pair clerk for many years, but he has also served as the Chief Doorkeeper of the House of Representatives. He takes with him into retirement the friendship and the best wishes of all of us who have known him throughout his many years of service in the House.

Mr. SHORT. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks at this point in the RECORD on Mr. Meletio.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

M. L. MELETIO RETIRES

Mr. ARENDS. Mr. Speaker, I wish to inform the House that today brings to a close the services of one of our faithful employees who has been with us since Armistice Day in 1918, beginning his career on the Hill as clerk to the Honorable Frederick Essen, a Republican Representative in the Sixty-fifth Congress from St. Louis, Mo., This gentleman has served us faithfully and well and is deserving of his reward that he is now receiving. I refer to our own M. L. Meletio, whom we all called "Mel."

Mr. Meletio, as I have stated, came here as a clerk to a Member of Congress and since that time has served in the following capacities:

Clerk to Congressman Frederick Essen, November 11, 1918, to March 3, 1919.

Deputy Sergeant at Arms in charge of pairs from May 20, 1919, until December 7, 1931.

Minority employee, December 8, 1931, until January 3, 1947.

Doorkeeper of the House of Representatives from January 4, 1947, until January 3, 1949.

Minority employee from January 4, 1949, until he retired at the close of business on yesterday, July 31, 1949.

Mr. Speaker, I know that all of his many friends are happy to hear of this good news and are wishing for our good friends the best of health, the good luck he deserves and, most of all, that he may live and enjoy his life to follow for a long time to come. So I say to you, Mel, "Good luck, Godspeed, and many life's blessings be bestowed upon you for many years to come."

PERMISSION TO ADDRESS THE HOUSE

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. SHAFER addressed the House. His remarks appear in the Appendix]

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. ALLEN of Illinois addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Southern Pines Electric Power Association, Taylorville, Miss.

Mr. RANKIN. Mr. Speaker, several days ago I was given permission to extend my remarks in the RECORD and to include a list, by counties, of the Army men from Mississippi who lost their lives in the recent war. I did not want to confine this merely to my district, and therefore I inserted the list for every county in the State.

It comes back this morning with a statement that it exceeds the limit saying that it will cost $1,160. As a matter of fact, the cost will only be for the extra paper and the ink. This is something that other Members will want to do. I could limit this list to my own district, but other Members could take it up piecemeal and put their lists in. So, I ask unanimous consent that the list may be inserted regardless of the cost.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. WILLIAMS asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. JONES of North Carolina asked and was given permission to extend his remarks in the RECORD in two instances and include in one an article on the current textile situation by Mr. J. A. Daly, staff writer of the Charlotte News, and in the other an article entitled "Mountain Educators" from the Charlotte Observer.

Mr. MORRIS asked and was given permission to extend his remarks in the RECORD and include a release dated July 27, 1949, from the Department of the Army, Office of the Chief of Special Services, Information Division, entitled "Army Barber Shop Quartets Planned in New Program."

Mr. ALBERT asked and was given permission to extend his remarks in the RECORD and include an article from a magazine.

Mr. TACKETT asked and was given permission to extend his remarks in the RECORD and include an editorial from the Arkansas Gazette of July 29, 1949.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Gary Post-Tribune.

Mr. McSWEENEY asked and was given permission to extend his remarks in the RECORD and include a letter from the Reverend Father Edward S. Hannon, of Wooster, Ohio.

Mr. CROOK asked and was given permission to extend his remarks in the RECORD and include a letter from Ralph C. Phillippe, Indiana State director, Farmers Home Administration, on the subject of what the Bankhead-Jones Farm Tenant Act has meant to Indiana.

Mr. GRANT asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three instances and to include in the first a tribute to the late beloved Associate Justice Frank Murphy by the distinguished journalist and writer, Blair Moody, and in the second a similar tribute by a distinguished lawyer of Detroit, Aaron Kurland. The third extension deals with America and the DP's, and I wish to include an item appearing in this morning's Washington Post which I deem to be an eloquent statement of the facts as regards the unfortunate DP's and America's relative inactivity in this connection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, at some pains I have condensed an article on the French assignats, the story of inflation in France. I have been informed by the Public Printer that this will exceed two pages in the RECORD and will cost $220, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

SPECIAL ORDER GRANTED

Mr. LANE asked and was given permission to address the House for 10 minutes today, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. POLK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. POLK addressed the House. His remarks appear in the Appendix.]

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. YATES addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. KELLEY asked and was given permission to extend his remarks in the RECORD and include excerpts from a newspaper item.

MINIMUM WAGE LEGISLATION

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUCAS. Mr. Speaker, on Monday next when the minimum wage bill comes before the House we will have the choice of doing one of two things. First we can extend the present act and clarify its verbiage so that we may all understand exactly what it means. For 11 years that act has not received clarification at the hands of the Congress and business is crying for such clarification; or two, we can adopt the Lesinski bill, H. R. 3190, which embraces an entirely new philosophy, and extend the coverage of the act until the Federal Government exercises power over the operation of every business in the land. I hope that the Members of the House will join with me in bringing some stability to business and industry in this country as well as stability in our own Government and stand behind the Lucas bill, H. R. 4272.

EXTENSION OF REMARKS

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD in five instances and include several excerpts.

Mr. PRICE asked and was given permission to extend his remarks in the RECORD and include an editorial from the East St. Louis (Ill.) Journal.

PERMISSION TO ADDRESS THE HOUSE

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

[Mr. LARCADE addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDER GRANTED

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent that on tomorrow, after the completion of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

EXTENSION OF REMARKS

Mr. FALLON asked and was given permission to extend his remarks in the RECORD and include an address by the Solicitor General of the United States, notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing, and is estimated by the Public Printer to cost $400.

Mr. GATHINGS asked and was given permission to extend his remarks in the RECORD and include certain assertions made by the ECA and the answers to those assertions on the question of hardwood lumber exports.

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the RECORD and include a statement about radio station WHO of Des Moines, Iowa.

Mr. CHURCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Chicago Tribune.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and include therewith an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. KEEFE addressed the House. His remarks appear in the Appendix.]

THE UNITED STATES SUPREME COURT

Mr. BOGGS of Delaware. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. BOGGS of Delaware. Mr. Speaker, as a member of the Judiciary Committee of the House of Representatives, I wish to direct attention to the announcement of the President that it is his intention to appoint the Attorney General, Mr. Clark, to the existing Supreme Court vacancy. The people of our country recognize the deep significance of a judicious and proper appointment to this Court. They recognize that if our check-and-balance theory in the Federal structure is to be maintained, there must be a proper balance upon this high Court. The American people recognize that if our Federal-State system is to be preserved, there must be a proper balance upon this Court. Private citizens throughout the land recognize that if our competitive free-enterprise system is to continue to flourish, there must be a proper balance upon this Court. Citizens of both major political parties recognize that if the basic principle of equal justice for all is to be preserved, there must be a proper balance on our Supreme Court.

With the Court already weighted with a membership primarily from one political party; with the Court already weighted with a membership reflecting the Federal executive background; with the Court already weighted with a membership of the Federal Government background; with the Court having more and more cases brought to it in which the Government is a party, many people doubt that the appointment of another executive department official, as able as he may be, will be conducive to complete confidence in the Court and the proper balance which is so necessary for the preservation of our fundamental traditions and the administration of equal justice for all.

The SPEAKER. The time of the gentleman from Delaware has expired.

EXTENSION OF REMARKS

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the Appendix of the RECORD and include several editorials.

Mr. HILL asked and was given permission to extend his remarks in the RECORD and include a petition supporting H. R. 2136.

Mr. HILL asked and was given permission to extend his remarks on the subject of metal mining.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD.

Mr. PHILLIPS of Tennessee asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include an article from the Washington News.

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. MACK of Washington asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a statement by Mr. Gerald Bogan on the subject Trial Run a Success.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

[Mr. MARTIN of Iowa addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. CANFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include newspaper articles.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and include extraneous matter in each.

Mr. JAVITS asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and to include in each extraneous matter.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous matter.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD in two separate instances.

Mr. RICH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Los Angeles Times of June 15, by Kyle Palmer, entitled "Hawaiian Relief, Courtesy of Bridges."

SPECIAL ORDER GRANTED

Mr. PHILLIPS of California asked and was given permission to address the

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House for 25 minutes on Monday next, following the legislative business of the day and any special orders heretofore entered for that date.

ENGLAND AND ECA

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I notice in the newspapers that the Socialist Labor Government in England is criticizing Churchill for making speeches, the Government claiming that the speeches interfere with American aid to them under ECA. Let me say that so far as I am concerned it is no affair of mine what Churchill says in any way. He does not influence me because I am against ECA relief and I want the Socialist Government of England to know it. We are only keeping them going with our taxpayers' money. They can condemn Churchill and say of him what they please; that is their concern, not mine. But when the Congress of the United States wants to tax my people back in my district to the tune of more than four billions a year to pay the bill of a Socialist English Government, then somebody most decidedly is interfering with America and that is my business, and I think it is the business of the Congress of the United States. The Congress of the United States has no business sending all this money over there under ECA without the consent of the people of this country. Our people want certain things here but we cannot give them what we would like to because we have not the money. Yet you Members of Congress vote billions for foreign aid and arms. It is not right. Stop it.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—SECOND QUARTERLY REPORT ON UNITED STATES MILITARY ASSISTANCE TO GREECE AND TURKEY (H. DOC. NO. 284)

The SPEAKER laid before the House the following communication from the President of the United States which was read, and together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

Transmitted herewith is the seventh quarterly report on United States military assistance to Greece and Turkey. This report covers the period from January 1, 1949, to March 31, 1949. Military assistance to Greece and Turkey was inaugurated under the authority of Public Law 75, Eightieth Congress, and was continued under the authority of title III of Public Law 472, Eightieth Congress, known as the Greek-Turkish Assistance Act of 1948. Responsibility for United States assistance in the economic rehabilitation of Greece begun under Public Law 75 was transferred to the Economic Cooperation Administration on July 1, 1948, pursuant to Public Law 472, title I.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 1, 1949.*

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

RESIDENT COMMISSIONER FROM THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 2988) to provide for a Resident Commissioner from the Virgin Islands, and for other purposes.

Mr. DEANE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CERTAIN BENEFITS FOR ANNUITANTS WHO RETIRED UNDER THE CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930, PRIOR TO APRIL 1, 1948

The Clerk called the bill (H. R. 4295) to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948.

Mr. CUNNINGHAM. Mr. Speaker, as I have stated before, this bill involves entirely too much money to be considered on the Consent Calendar; therefore, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore (Mr. MILLS). Is there objection to the request of the gentleman from Iowa?

There was no objection.

MUSEUM AT KLUKWAN, ALASKA

The Clerk called the bill (H. R. 2012) to authorize the erection and operation of a museum at Klukwan, Alaska.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

RARE AND PRECIOUS METALS EXPERIMENT STATION, RENO, NEV.

The Clerk called the bill (H. R. 2386) to provide for the establishment and operation of a rare and precious metals experiment station at Reno, Nev.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PRACTITIONERS BEFORE ADMINISTRATIVE AGENCIES

The Clerk called the bill (H. R. 4446) to protect the public with respect to practitioners before administrative agencies.

Mr. CUNNINGHAM. Mr. Speaker, this bill is listed on the suspension calendar; therefore, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

COOPERATION WITH FEDERAL, STATE, AND LOCAL AGENCIES, OF THE RECREATIONAL USES OF LANDS AND WATERS

The Clerk called the bill (H. R. 4403) to facilitate the administration by the Secretary of the Interior, in cooperation with other Federal, State, and local agencies, of the recreational uses of lands and waters within reclamation, flood-control, power, and other Federal reservoir projects.

Mr. BYRNES of Wisconsin. Mr. Speaker, this bill is listed to be taken up under suspension and I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

VERMEJO RECLAMATION PROJECT, NEW MEXICO

The Clerk called the bill (H. R. 3788) to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico.

Mr. FORD. Mr. Speaker, this bill is likewise coming up under suspension today. It involves too much money to be on the consent calendar; therefore, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INDIAN LIQUOR LAWS

The Clerk called the bill (H. R. 3282) to repeal certain acts of Congress, known as Indian liquor laws, in certain parts of Minnesota.

Mr. CUNNINGHAM. Mr. Speaker, this bill is also to be considered under suspension of the rules and, therefore, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

NATIONAL CEMETERY AT FORT LOGAN, COLO.

The Clerk called the bill (H. R. 4548) to provide for the utilization as a national cemetery of surplus Army Department owned military real property at Fort Logan, Colo.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice as it is coming up today under suspension of the rules.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MIGRATORY BIRD HUNTING STAMP ACT

The Clerk called the bill (S. 1076) to amend the Migratory Bird Hunting

Stamp Act of March 16, 1944 (48 Stat. 451; 16 U. S. C. 718b), as amended.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, it too being listed for consideration under suspension of the rules.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

FISH RESTORATION AND MANAGEMENT PROJECTS

The Clerk called the bill (H. R. 1746) to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

INSTALLATION OF HIGH-INTENSITY LIGHTING ON CAA-DESIGNATETD INSTRUMENT-LANDING RUNWAYS

The Clerk called the bill (S. 1278) to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high-intensity lighting on CAA designated instrument-landing runways.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 10 of the Federal Airport Act is amended by adding the following new subsection:

"(e) To the extent that the project costs of an approved project represent the cost of installation of high-intensity lighting on runways designated instrument-landing runways by the Administrator, the United States share shall be not to exceed 75 percent of the allowable costs of such installation."

SEC. 2. Subsection (a) of section 10 of such act is amended by striking out "and (d)" and inserting "(d), and (e)."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. HARRIS. Mr. Speaker, in connection with this bill, S. 1278, I think it is important to have the following information as to data in support of it as introduced by Senator MCCARRAN to amend the Federal Airport Act to increase the Federal share of the project construction costs of high intensity runway lighting installations from 50 to 75 percent, and summarizing the importance of high-intensity runway lights to both military and civil aviation.

The Civil Aeronautics Administration is now installing a system of air-navigational aids agreed upon jointly by the Air Force, Navy, and Civil Aeronautics Administration. This system of air-navigational aids is deemed necessary by the military services for national defense and by civil aviation interests for a national commercial air transportation system for interstate commerce. This system is based on the recommendations of the Radio Technical Committee for Aeronautics in their SC–31 report and is generally referred to as the common system.

The common system includes the installation of integrated landing aids on instrument runways at important airports. These integrated landing aids furnish pilots with assistance which permits them to land and take-off planes from airports during bad weather and low-visibility conditions. The operation of planes from airports under these conditions is extremely important for national defense and for maintaining schedules of our commercial air transport system.

The three component parts of the integrated landing aids are, first, the electronic-instrument landing system, commonly known as ILS; second, high-intensity approach lights; and, third, high-intensity runway lights. All three components are considered essential elements of installations now being made at civil airports to implement the SC–31 report.

The CAA is now installing and maintaining with 100 percent Federal funds, two of the three necessary components of the integrated landing aids. Thus, at no cost to a municipality, the Federal Government is now engaged in installing approximately 140 instrument landing systems, together with the associated approach lights. However, under the present provisions of the Federal Airport Act, the installation of high-intensity runway lights has not fared so well. At the present time, the Federal Government can participate only 50 percent in the cost of installing high-intensity runway lights—the essential component—and does not contribute anything to the cost of maintaining these high-intensity runway lighting systems.

Inasmuch as the installation cost of a high-intensity runway lighting system is approximately $60,000, many sponsors are financially unable to put up their share. Also, high-intensity runway lighting systems cost more to maintain than other types. Consequently, sponsors and municipalities are reluctant to assume the cost of installing high-intensity runway lighting systems since these lights primarily serve the national aviation interests—both military and civil—and are only of secondary importance to the local communities. This has resulted in seriously hampering the development of our national navigation system.

In view of the foregoing facts, the most logical solution would be to increase the Federal share of the cost of the high-intensity runway lighting systems under the Federal Airport Act to 75 percent. With the Federal Government assuming this larger share of the initial cost, the remaining installation cost (25 percent) would then be more in line with what the sponsors are prepared to spend for a lighting system which would fulfill their local requirements under normal operations. In addition, if the Federal Government assumed this larger share of the installation costs, the sponsors would be more willing to undertake the additional maintenance cost required for the high-intensity runway lights.

Statistically, the proposed bill, S. 1278, presents this picture:

High intensity runway lighting systems cost approximately $60,000. The Federal Government's share of this cost would be $45,000 and the sponsor's share $15,000. It is estimated that approximately 140 airports should be equipped with high intensity runway lights to implement the SC–31 report. At the present time, about 40 airports have high intensity runway lights installed, leaving about 100 airports still to be equipped. It is proposed to accomplish these installations over a 3-year period. On the basis of increasing the Federal Government's share to 75 percent, the additional cost of installing high intensity runway lights at 100 airports amounts to $1,500,000 for the 3-year period or at the rate of $500,000 per year.

At the 40 airports where high intensity runway lights have been installed, they have proved to be of tremendous value to pilots making landings and take-offs under restricted visibility conditions. These lights have greatly increased the safety and dependability of scheduled operations at the 40 airports where they are installed. Pilots and air lines using the new high intensity runway lights have been universally enthusiastic about their effectiveness. The following are typical reactions of pilots and air line personnel.

From T. S. Jobson, flight manager, United Air Lines, Los Angeles:

It is my opinion that high intensity runway lighting is one of the outstanding advancements in air safety. There are only about half a dozen other developments that can be included in the same class. Without discrediting in any way the high value of the instrument landing system and fido, it is my opinion that both are crippled when high intensity runway lights are not installed. It is a shame that our major airports on the west coast are still without this extremely valuable aid to air safety.

From Western Air Lines, by a pilot on its inland division:

I'd rather land in a naif-mile visibility with high intensity runway lights than with 3 miles visibility without these lights. Ordinary lights blend with other lights in the locality but high intensity lights stand out and are unmistakable.

From E. Aden, chief pilot, Monarch Air Lines:

The Bartow lights (i. e., high intensity runway lights) should definitely increase the safety factor and reliability of air line operations out of any airport.

From A. S. Mooney, Jr., regional chief pilot, Western Air Lines:

I consider the high intensity runway lights at the Salt Lake Airport one of the greatest improvements to the airport during the past 10 years. They have added a high degree of safety to all landings and take-offs during low ceilings and visibilities.

From K. W. McKay, captain, division 2, Western Air Lines:

I feel that the high intensity runway lights installed at the Salt Lake Airport is one of the best improvements we have had toward

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safer landings and take-offs during bad weather with low ceilings and visibility. They really do a job of penetrating the soup when it is needed most.

From William R. Larzelere, captain, division 2, Western Air Lines:

The new high intensity runway lights recently installed at Salt Lake Airport are one of the best and biggest improvements toward making my flying with the air line safer in both low visibility landings and take-offs.

In the foregoing reactions it should be noted that all have stressed the increase in safety brought about by the use of high intensity lights on the runways. They represent typical reactions based on the use of the lights over a period of time. In the following data are given on-the-spot reactions of pilots as they approach for a landing on a runway lighted by high intensity runway lights. These are actual pilot comments as radioed to the tower during the approach.

Reactions of pilots received from chief airport traffic controller at Raleigh-Durham tower:

Capital flight 500, advised the lights are marvelous in stuff like this. They really are the berries. Weather measured ceiling 600 overcast lower broken, visibility 2½, light rain, fog, overcast measured 800.

Capital flight 506, advised this field has the best set-up for instrument landings of any he operates into and that the lights are so wonderful that I want to congratulate you. Weather indefinite 300, visibility 1½, light rain, fog.

Eastern flights 636, 633, and 574, advised they could not have completed landings under these conditions at any other field into which they operate because the lights made the landings possible. E633 added that the lights tripled the visibility. Weather, ceiling indefinite 200, scattered clouds 100, visibility three-fourths, rain, fog.

Reactions of pilots received from chief airport traffic controller at Charleston Municipal Tower, S. C.

Eastern Air Lines flight 661, (night) ceiling indefinite zero, obscuration, visibility three-sixteenth mile, fog, smoke; lights were on the number 2 position, aircraft was passing over the field at 4,000 feet, with a solid layer of stratus below. Pilot requested that the lights be turned to position number 5, pilot said, I can see the tower, I cannot see each individual light but I can see the outline of the runway.

NC-79987, DC-3 (day), ceiling measured 1,400 feet, overcast, visibility 1 mile, fog; pilot reported about 2 miles out with the field in sight, the visibility lowered from 2 miles to 1 mile and pilot lost sight of the field. The lights were not on at the time the pilot reported the field in sight, however, as soon as the visibility dropped and the pilot advised that he had lost sight of the field, the lights were immediately turned on to full intensity. The pilot located the field and landed without having to make an instrument approach, after landing, he said, "Tower, I certainly appreciated those lights, they are visible above and through the smoke layer which is laying over the field."

Delta Air Lines flight 370, (day), ceiling measured 300 feet, overcast visibility 3 miles, fog; pilot made an ILS approach and said, "Those lights sure do show up, tower, they certainly are a great aid in finding the runway after breaking contact during daylight hours, under adverse weather conditions.

It should be noted that the above comments not only show the pilots' enthusiasm for these lights, but also demonstrate their usefulness for both day and night operations during bad weather. This same enthusiasm for more and better high intensity runway lighting installations has been evidenced in the official publication of the Air Line Pilots Association.

CONTROL OVER INDIAN TRIBAL FUNDS

The Clerk called the bill (H. R. 4025) to transfer control over Indian tribal funds to the Indian tribes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of existing law, the tribal funds now on deposit or hereafter placed to the deposit of any recognized Indian tribe, band, pueblo, or other Indian municipal corporation, in the United States Treasury, shall be available for such purposes as may be designated by the tribal council or other recognized authority of such tribe, band, pueblo, or other corporation: *Provided*, That any expenditure so made shall be in accordance with any applicable provisions of any tribal constitution or charter: *And provided further*, That any requisition made upon the United States Treasury for tribal funds other than current income which has accrued within the 2 years preceding the requisition shall be effective only upon approval by the Commissioner of Indian Affairs or his representative.

With the following committee amendments:

Page 1, line 3, strike out "notwithstanding any" and insert "subject to."

Page 1, line 7, after the word "available", insert "for expenditure or advance."

The committee amendments were agreed to.

Mr. MORRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRIS: Strike everything after the enacting clause and insert the following: "That, notwithstanding any other provision of existing law, the funds now on deposit or hereafter placed to the credit of any Indian tribe in the United States Treasury, shall be available for expenditure or for advance to the tribe for such purposes as may be designated by the governing body or other authorized official of the tribe, and approved by the Secretary of the Interior: *Provided*, That any expenditures so made shall be in accordance with the applicable provisions of the tribe's constitution and charter."

Mr. MORRIS. Mr. Speaker, this amendment is agreed to by the author of the bill, the gentleman from Montana [Mr. D'EWART], and in conference with the Bureau of Indian Affairs it was given their approval. I feel certain that every member of the committee would approve the language used here, but we did not have time to go back to the committee with the amendment. This amendment puts a safeguard in the language heretofore used in that the Secretary of the Interior must give approval before the funds that belong to the tribes are available for use. This bill gives the Indian tribes the right to use their own money without having to come to Congress each time for appropriations. The one material change in the bill by this amendment is that before tribal funds may be used, it must have the approval of the Secretary of the Interior.

As I say, the Bureau of Indian Affairs approves it, the author of the bill approves it, and, as chairman of the Subcommittee on Indian Affairs of the Committee on Public Lands, it meets with my approval. I think it is a good amendment.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Oklahoma [Mr. MORRIS].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRICE SUPPORT FOR TUNG NUTS AND HONEY

The Clerk called the bill (H. R. 29) to amend the Agricultural Adjustment Act of 1939, as amended, to provide parity for tung nuts, and for other purposes.

Mr. SUTTON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AMENDMENT OF PHILIPPINE REHABILITATION ACT OF 1946.

The Clerk called the bill (H. R. 5535) to amend the Philippine Rehabilitation Act of 1946.

Mr. CUNNINGHAM. Mr. Speaker, the report accompanying this bill does not comply with the Ramseyer rule. Therefore I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

COMPENSATION OF FOURTH-CLASS POSTMASTERS

The Clerk called the bill (H. R. 5168) to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2030, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the last proviso in section 1 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925, as amended (39 U. S. C., sec. 60), is amended to read as follows: "*Provided*, That any post office so advanced shall be retained in the class to which advanced until July 1 of the calendar year following the calendar year in which it was so advanced, at which time it shall be assigned to the appropriate class upon the basis of its receipts for the preceding calendar year."

SEC. 2. Section 2 of the act entitled "An act to place postmasters at fourth-class post offices on an annual salary basis, and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof," approved March 29, 1944 (58 Stat. 130), is amended by inserting before the period at the end thereof a colon and the following: "*And provided further*, That when a newly established office of the fourth class has been advanced to a higher salary rate, the postmaster's salary shall not again be adjusted until July 1 of the calendar year following the calendar year in which such office was established, except that this proviso shall not be construed to prevent the advancement prior to such date of any such office to a higher class when the receipts of a preceding quarter warrant such advancement."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 5168) was laid on the table.

AMEND SECTION 6 OF CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (S. 1459) to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end of the first paragraph thereof the following: "Such time limitation may also be waived in the case of an officer or employee whose disabling condition is essentially chronic, deteriorative, or progressive in nature and can reasonaly be assumed to have existed at date of separation, but the application in such case must be filed with the Civil Service Commission within 1 year after the date of separation; in the case of any such person heretofore separated from service, application may be filed within 6 months after the effective date of this act."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DECLARE THE UNITED STATES HOLDS CERTAIN LANDS IN TRUST

The Clerk called the bill (S. 1323) to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title to the lands and the improvements thereon, lying and situated within the State of New Mexico, which have been acquired by the United States under authority of title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), section 55 of title I of the Act of August 24, 1935 (49 Stat. 750, 781) the Bankhead-Jones Farm Tenant Act (50 Stat. 522, 525) and subsequent emergency relief appropriation acts administrative jurisdiction over which has heretofore been transferred by the President from the Secretary of Agriculture to the Secretary of the Interior, to be administered through the Commissioner of Indian Affairs for the benefit of the Indians, by Executive Orders Nos. 7792, 7975, 8255, 8471, 8696, and 8472 and that title to the public domain lands and improvements thereon, lying and situated within the State of New Mexico, which were withdrawn in aid of proposed legislation by the Secretary of the Interior on December 23, 1938, and May 31, 1939, and now in use by Pueblo or Canoncita Navajo Indians, excepting those portions thereof used by the United States for administrative purposes, is hereby declared to be in the United States of America in trust for the respective tribes, bands, or groups of Indians occupying and using same as a part of their respective existing reservations, subject to valid existing rights. The remainder of the aforesaid land is hereby declared to be a part of the public domain of the United States and shall be transferred by the Secretary of the Interior to the Bureau of Land Management for administration under the provisions of the Act of Congress of June 28, 1934, generally known as Taylor Grazing Act (48 Stat. 1269, as amended). The boundaries and descriptions of the areas to become Indian lands and those which are to be transferred to the Bureau of Land Management are set out in sections III and IV, respectively, of the memorandum of information which is attached to and a part of the report of the Secretary of the Interior to the Senate Committee on Interior and Insular Affairs on S. 1323, Eighty-first Congress, first session, and such boundaries and descriptions are hereby adopted as part of this act and shall be published in the Federal Register.

SEC. 2. For the purpose of consolidation of Indian lands the Secretary of the Interior is hereby authorized, under such regulations as he may prescribe, to exchange any lands or interests therein, including improvements and water rights with the consent of the Pueblo or Navajo tribal authorities for other lands, water rights, and improvements of similar value in the area set apart for the Pueblos and Canoncito Navajos or in the areas hereby declared to be public domain or within any public domain within New Mexico. Title to all lands acquired under the provisions of this act shall be taken in the name of the United States in trust for the respective Pueblo Indians and the Navajo Canoncito group.

SEC. 3. The lands for each Pueblo or Navajo group shall be administered the same as other trust or restricted Indian lands, subject to regulations prescribed by the Secretary of the Interior for the protection and conservation of the soil, proper utilization of the land, and other purposes.

SEC. 4. The funds now on deposit in the United Pueblos Agency in "special deposits" which have accrued from issuance of livestock-crossing permits and fees collected for grazing permits on the lands which have been under the jurisdiction of the Department of the Interior shall be expended or disbursed for the benefit of the Indians under such rules and regulations as the Secretary of the Interior may prescribe.

With the following committee amendments:

Page 3, line 8, insert "*Provided* That before said boundaries and descriptions are published in the Federal Register as herein provided, the Secretary of the Interior may correct any clerical errors in section III of said memorandum of information, and shall revise the same so as to define the areas on that portion of the lands conveyed by this Act and known as Bell Rock Mesa used and occupied respectively by the Laguna Pueblo Indians and the Canoncito Navajo Indians.

Page 4, line 3, strike out all of section 3.

Page 4, line 8, strike out "4" and insert "3."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PUERTO RICO

The Clerk called the bill (H. R. 5207) to amend section 50 of the Organic Act of Puerto Rico.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 50 of the Organic Act of Puerto Rico (U. S. C., title 48, secs. 797 and 798) is hereby amended to read as follows:

"SEC. 50. Except as otherwise provided in this or any other Act, the salaries and office expenses of all officials of Puerto Rico, including deputies, assistants, and other help, as well as the chief justice and associate justices of the supreme court, shall be such and so paid out of the revenues of Puerto Rico as shall from time to time be appropriated by the Legislature of Puerto Rico approved by the Governor; and if the legislature shall fail to make an appropriation for such salaries, the salaries theretofore fixed shall be paid without the necessity of further appropriations therefor: *Provided*, That the said salaries of the chief justice and associate justices of the supreme court shall not be less than the salary payable to the United States district judge of the District of Puerto Rico as now and hereafter fixed by the Congress of the United States. All said salaries of the chief justice and associate justices shall be paid in equal monthly installments. In addition to his annual salary, the Governor shall be entitled to the occupancy of the buildings heretofore used by the chief executive of Puerto Rico, with the furniture and effects therein, free of rental.

"Until otherwise prescribed as provided in this section, the annual salary of the chief justice of the supreme court shall be $15,500 and the annual salary of each associate justice of the supreme court shall be $15,000.

"Where any officer, during such time as his salary is fixed by this act, is required to give a bond, the premium thereof shall be paid from the insular treasury."

With the following committee amendments:

Page 2, line 5, after "therefor", strike out the remainder of line 5 and all of lines 6, 7, 8, and 9 down to and including "States."

Line 17, strike out "$15,500" and insert "$10,500."

Line 18, strike out "$15,000" and insert "$10,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROADS ON INDIAN RESERVATIONS

The Clerk called the bill (H. R. 5232) to amend the Road Act of May 26, 1928 (45 Stat. 750), authorizing appropriations for roads on Indian Reservations.

Mr. CUNNINGHAM. Mr. Speaker, this bill violates subsection (e), section 4, of Public Law 834, which is known as the 1948 Road Act. If it were passed in its present form it might cause considerable difficulty in the present administration of the Public Road Act. Therefore, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

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OAHE DAM AND RESERVOIR, MISSOURI RIVER DEVELOPMENT

The Clerk called the bill (H. R. 5372) to authorize the negotiation, approval, and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Oahe Dam and Reservoir, Missouri River development, and for other related purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Chief of Engineers, Department of the Army, jointly with the Secretary of the Interior, representing the United States of America, are hereby authorized and directed to negotiate contracts containing the provisions outlined herein separately with the Sioux Indians of the Cheyenne River Reservation in South Dakota and with the Sioux Indians of the Standing Rock Reservation in South Dakota and North Dakota, through representatives of the two tribes appointed for this purpose by their tribal councils, and the contracts so negotiated shall be subject to the approval of the Indian parties in interest as follows: (1) In the case of allotted lands, inherited interests in allotted lands, and lands covered by exchange assignments, there shall be secured the assent in writing of the owners or holders thereof, representing 60 percent of the total acreage of the lands in the taking areas of the two reservations, respectively; (2) in the case of tribal lands and interests within the taking area within the Cheyenne River Reservation the assent of the tribe shall be given in accordance with the constitution and bylaws of the Cheyenne River Tribe; and (3) in the case of tribal lands and interests within the taking area within the Standing Rock Reservation the assent of the tribe shall be given by a majority of the adult members of the Standing Rock Sioux Tribe.

SEC. 2. The contracts made pursuant to section 1 of this act shall—

(a) convey to the United States the title to all tribal, allotted, assigned, and inherited lands or interests therein belonging to the Indians of each tribe required by the United States for the reservoir to be created by the construction of the dam across the Missouri River in South Dakota, to be known as Oahe Dam, including such lands along the margin of said reservoir as may be required by the Chief of Engineers, United States Army, for the protection, development, and use of said reservoir: *Provided*, That the date on which the contract is signed by Chief of Engineers, United States Army, and the Secretary of the Interior shall be the date of taking by the United States for purposes of determining the ownership of the Indian, tribal, allotted, and assigned lands conveyed thereby to the United States, subject to the determinations and the payments to be made as hereinafter provided for;

(b) provide for the payment of—

(1) just compensation for lands and improvements and interest therein, including values above and below the surface, conveyed pursuant to subsection (a);

(2) costs of relocating and reestablishing the members of each tribe who reside upon such lands; and

(3) costs of relocating and reestablishing Indian cemeteries, tribal monuments, and shrines located upon such lands;

(c) provide adequate protection for the rights of individual members of each tribe who may refuse to join in the approval of the said contract;

(d) provide for the preservation of any treaty rights of the tribe in regard to fishing, hunting, and trapping, insofar as may be practicable under the physical conditions existing when the Oahe project is completed;

(e) provide for nonexclusive access rights to the Oahe Reservoir and for the reservation to the said Indians of the use of the land between the water line and the taking line insofar as the same may be consistent with the operation and control of the Oahe project;

(f) provide a schedule of dates for the orderly removal of the Indians and their personal property situated within the taking area of the Oahe Reservoir within the respective reservations: *Provided*, That the Chief of Engineers shall have primary and final responsibility in negotiating concerning the matters set out in the foregoing paragraphs (a) and (b) hereof.

SEC. 3. To assist the negotiators in arriving at the amount of just compensation as provided herein in section 2 (b) (1), the Secretary of the Interior or his duly authorized representative shall have prepared an appraisal schedule on an individual tract basis of the tribal, allotted, and assigned lands, including heirship interests therein, located within the taking areas of the respective reservations. In the preparation thereof, he shall determine the fair market value of the lands, giving full and proper weight to the following elements of appraisal: Improvements, severance damage, standing timber, mineral rights, and the uses to which the lands are reasonably adapted. He shall transmit the schedules to the representatives of the tribes appointed to negotiate a contract and to the Chief of Engineers, United States Army, and the said schedules shall be used as a basis for determining the amount of just compensation to be included in the contracts for the elements of damages set out in section 2 hereof.

SEC. 4. The specification in sections 2, 3, and 5 hereof of certain provisions to be included in each contract shall not operate to preclude the inclusion in such contracts of other provisions beneficial to the Indians who are parties to such contracts.

SEC. 5. The Secretary of the Interior is hereby directed to cause an investigation to be made under the direction of the Commissioner of Indian Affairs, and to report to the Chief of Engineers and the Indian parties to the said contracts within 12 months from the date of enactment of this act, as to what special and particular provisions should be made in said contracts to rehabilitate the Indians, both as groups or tribes and as individuals, and to compensate them for additional losses resulting from the construction and operation of said dam or the abrogation of any treaty obligation of the Government not covered by section 2 hereof, together with estimates of cost thereof. Such report shall include, but not be limited to, recommendations with respect to damages, tangible and intangible, for which said Indians should be compensated, which, when agreed to by the Indian parties hereto, shall be incorporated in said contracts. It shall include recommendations as to action to be taken to provide (a) for the complete rehabilitation and adjustment of said Indians in all tribal and individual matters and affairs; (b) for the future economic, social, and religious life and new fields of endeavor of said Indians; (c) for all necessary interim aid to said Indians; (d) for continuation of the economic, social, religious, and community life of said Indians; (e) for the reestablishment of a sound economic base for the future of said Indians; (f) for the readjustment and consolidation of individual land holdings of said Indians; (g) for the reservation of a block of power for sale and distribution by the respective tribes for use of such power on the respective reservations, to be delivered at such point or points on the respective reservations and at such voltage as may be determined by the Secretary of the Interior: *Provided*, That estimates or allowances for the power so reserved shall not exceed the lowest wholesale rate or rates, applicable to the same class of service, made available to other customers receiving power from the Oahe Dam: *Provided further*, That the transmission and distribution system necessary for the delivery of such block of power to the customers of such respective tribes shall be constructed from time to time as needed by such tribes, with funds made available therefor by the United States without cost to the respective tribes: *Provided further*, That the rates for the sale of the power by the respective tribes shall be subject to approval by the Secretary of the Interior: *Provided further*, That until such time as the respective tribes shall require all the electrical power reserved to them, any amount in excess of that actually required by the said respective tribes shall be available to the Secretary of the Interior for sale or disposition off the respective reservations; and (h) to compensate adequately the respective tribes and individual members thereof for all breaches of their treaties with the United States; for the abrogation of section I (c) of article IV of the constitution and bylaws of the Cheyenne River Sioux Tribe of South Dakota adopted in accordance with section 16 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984), arising out of the construction of and operation of Oahe project: *And provided further*, That the Secretary of the Interior shall have primary and final responsibility in negotiating concerning the matters set out in this section.

SEC. 6. The contracts negotiated and approved pursuant to this act shall be submitted to the Congress within 18 months from and after the date of enactment of this act.

SEC. 7. Nothing in this act shall be construed to restrict the orderly prosecution of the construction or delay the completion of the Oahe Dam to provide protection from floods on the Missouri River.

With the following committee amendments:

Page 4, line 20, strike out the period and insert in lieu thereof a semicolon and add the following: "(g) provide for the final and complete settlement of all claims by the Indians and tribes described in section 1 of this act against the United States arising because of construction of the Oahe project."

Page 7, line 17, strike out the word "and."

Page 7, line 18, strike out the words "to compensate adequately" and insert in lieu thereof the words "for adequate compensation to."

Page 7, line 25, strike out the colon and insert in lieu thereof a semicolon and add the following: "and (i) for reimbursement to the respective tribes for expenses necessarily incurred in the negotiation of the contracts."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Oahe Dam and Reservoir, Missouri River development, and for other related purposes."

A motion to reconsider was laid on the table.

CANAL ZONE

The Clerk called the bill (S. 1137) to revise and codify laws of the Canal Zone regarding the administration of estates, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title 2 of the Canal Zone Code, approved June 19, 1934 (48 Stat. 1122), is amended by adding in article I of chapter 6 thereof a new section numbered 84, reading as follows:

"84. Payment for accumulated or accrued leave upon death: Upon the death of any officer or employee of the Panama Canal or the Panama Railroad Company on the Isthmus of Panama, any compensation which may be payable on account of his accumulated and current accrued leave, under the conditions of employment prescribed by authority of section 81 of this title, as amended, shall be paid, upon the establishment of a valid claim therefor, in the following order of precedence:

"First, to the beneficiary or beneficiaries, if any, lawfully designated by the employee under the retirement act applicable to his service; and

"Second, if there be no such designated beneficiary, to the estate of such deceased employee: *Provided*, That any such payment shall be subject to the deduction, as provided in section 83 of this title, of all amounts due from the employee for supplies and services to the extent only, however, that other compensation due to the employee is insufficient for such purpose."

SEC. 2. Title 2 of the Canal Zone Code is amended by adding in chapter 9 thereof two new sections numbered 181 and 182, respectively, and reading as follows:

"181. Regulations relative to alcoholic beverages: The President is granted continuing authority to make regulations in respect to the sale and manufacture of alcoholic beverages within, and the importation thereof into and exportation thereof from, the Canal Zone, including the authority to prescribe licenses and fees for the sale and manufacture of such beverages.

"182. Violation of regulations; punishment: Any person who shall violate any provision of such regulations shall be punishable by a fine of not more than $500, or by imprisonment in jail for not more than six months, or by both, and in addition the license of such person may be revoked or suspended as the President may by such regulations prescribe."

SEC. 3. Section 303 of title 2 of the Canal Zone Code is amended to read as follows:

"303. Revocable licenses covering lands outside of town sites: Whenever the Governor of the Panama Canal deems such action to be necessary to, or in the interests of, the Government of the United States and of the efficient operation, maintenance, sanitation, government, and protection of the Panama Canal and Canal Zone, the Governor is authorized, either in person or through such officer as he may designate, to issue revocable licenses covering the use of tracts of land situated outside of town sites in the Canal Zone. The terms and conditions of licenses issued under authority of this section shall be as prescribed by the Governor, except that the said licenses shall be revocable at the pleasure of the Governor and that, upon revocation of a license hereunder, the licensee shall, immediately or upon such reasonable notice as the Governor may prescribe, vacate the licensed area, remove therefrom all improvements which he may have placed upon the licensed area, and restore the licensed area to a condition satisfactory to the Governor, and shall not be entitled to indemnification for the value of such improvements: *Provided, however*, That licenses heretofore issued by authority of the Governor, and still in force, covering the use of tracts of land for agricultural purposes are ratified and confirmed in accordance with the terms and conditions applicable to them, respectively, and that upon the revocation of any of such licenses the terms and conditions applicable to which are such as to provide for compensation to the licensee in the reasonable value of the improvements made by him on said tract, to be determined in such manner as the Governor may direct, the compensation is authorized so to be determined and to be paid out of any moneys heretofore or hereafter appropriated for such purpose, except that no compensation shall be paid in the case of any license which is revoked on account of a material breach by the licensee of the terms and conditions applicable to his license, or where the licensee shall have abandoned the license, or in case of the death of the licensee."

SEC. 4. Section 225 of title 3 of the Canal Zone Code is amended to read as follows:

"225. Continuance after original license period: The right to continue to do business for the calendar year and the successive calendar years, after the calendar year during which the original license was issued shall be contingent upon compliance with such provisions of this chapter as are applicable to corporations licensed under this chapter, upon the payment of a license fee of $10, payable in advance, on January 1 of each year, and upon the designation of a new process agent before March 1 if the process agent theretofore designated has ceased during a preceding calendar year to reside within the Canal Zone."

SEC. 5. Title 4 of the Canal Zone Code is amended by inserting therein a new chapter numbered 27A, embracing sections 1470a to 1470f, and reading as follows:

"CHAPTER 27A—DISPOSITION OF ESTATES WITHOUT ADMINISTRATION

"Sec.

1470a. Setting aside estates not exceeding $1,000 in value; inclusion of application in petition for probate or letters.
1470b. Same; separate petition prior to hearing of petition for probate or letters.
1470c. Same; petition after filing of inventory.
1470d. Same; notice of hearing.
1470e. Same; decree setting aside.
1470f. Same; denying petition and instead acting on petition for probate or letters.

"SEC. 1470a. Setting aside estates not exceeding $1,000 in value; inclusion of application in petition for probate or letters: If the decedent leaves a surviving sponse or minor child or minor children, and the net value of the whole estate, over and above all liens and encumbrances of record at the date of death and not including the property excepted from administration under section 649 of title 3, does not exceed the sum of $1,000, the person petitioning for the probate of the will or for letters of administration may add an allegation to that effect to the other allegations of the petition, with a specific description of all of the decedent's property, a list of all the liens and encumbrances of record at the date of death, and an estimate of the value of the property, and may include, in the prayer, an alternative prayer that if the court finds that the net value of the whole estate, over and above all liens and encumbrances of record at the date of death and not including the property excepted from administration under section 649 of title 3 does not exceed $1,000, the same be set aside to the surviving spouse, if there be one, and if there be none, then to the minor child or minor children of the decedent. When such allegation is included in the petition, the petition shall be verified, and the notice of hearing shall include a statement that a prayer for setting aside the estate to the surviving spouse or minor child or minor children, as the case may be, is included in the petition.

"CROSS-REFERENCE

"Settlement by public administrator without regular administration of estates less than $250, see section 1703 of this title, as amended.

"1470b. Same; separate petition prior to hearing of petition for probate or letters: If the person petitioning for probate of the will or for letters of administration does not include such an allegation as is provided for by the next preceding section, the surviving spouse, if there be one, and if there be none, the guardian of the minor child or minor children, may, at any time prior to the hearing of such petition, file a verified petition setting forth the matters mentioned in the next preceding section, and pray that the estate be set aside for the use of the surviving spouse or minor child or minor children. If the hearing of the original petition is set for a day more than 10 days after the filing of the petition herein provided for, the latter shall be set for hearing at the same time as the former; if not, it shall be set for hearing at least 10 days after the date on which it is filed, and the former petition shall be continued until such date.

"1470c. Same; petition after filing of inventory: If the decedent leaves a surviving spouse or minor child or minor children, and upon the filing of the inventory of the estate it appears that the net value of the whole estate, over and above all liens and encumbrances of record at the date of death and not including the property excepted from administration under section 649 of title 3, does not exceed the sum of $1,000, the personal representative of the decedent or the surviving spouse or the guardian of the minor child or children may file a verified petition showing the value of the estate to be no greater than as aforesaid, and the clerk shall fix a day for the hearing thereof.

"1470d. Same; notice of hearing: When a petition is filed under section 1470b or section 1470c of this title, the clerk shall give notice of the hearing for the period and in the manner required by section 1463 of this title.

"1470e. Same; decree setting aside: If, upon the hearing of any petition provided for by this chapter, the court finds that the net value of the estate, over and above all liens and encumbrances of record at the date of the death of the decedent and not including the property excepted from administration under section 649 of title 3, does not exceed the sum of $1,000, and that the expenses of the last illness, funeral charges, and expenses of administration have been paid, it shall, by decree for that purpose, assign to the surviving spouse of the decedent, if there be a surviving spouse, or, if there be no surviving spouse, then to the minor child or children of the decedent, if any, the whole of the estate, subject to whatever mortgages, liens, or encumbrances there may be upon said estate at the time of the death of the decedent. The title thereto shall vest absolutely in the surviving spouse, if there be a surviving spouse, or if there be no surviving spouse, in the minor child or children subject to whatever mortgages, liens, or encumbrances there may be upon said estate at the time of the death of the decedent, and there must be no further proceedings in the administration, unless further estate be discovered.

"1470f. Same; denying petition and instead acting on petition for probate or letters: If the court finds that the net value of the estate exceeds $1,000, or that there is neither a surviving spouse nor minor child, it shall act upon the petition for probate or for letters of administration in the same manner as though no petition to set aside the estate had been included, and the estate shall then be administered in the usual manner."

UNIVERSITY OF MICHIGAN LIBRARIES

SEC. 6. Section 1703 of title 4 of the Canal Zone Code is amended to read as follows:

"1703. Estates less than $250: Whenever the public administrator shall file with the clerk of the district court a statement that the value of any estate, of which he has taken charge, is less than $250, there shall be no regular administration on such estate unless additional estate be found or discovered; and the public administrator may, after the payment of the expenses of the last illness of the deceased, and the funeral charges, pay out and deliver such estate to the surviving spouse of the decedent, if there be a surviving spouse, or, if there be no surviving spouse, then to the minor child or children of the decedent, if any, or, if there be neither a surviving spouse nor minor child, then to such creditors, heirs, or other persons as may appear in the judgment of the public administrator to be legally entitled thereto, and the title to such estate shall vest absolutely in the person or persons to whom the same is paid out and delivered as provided in this section."

SEC. 7. Title 5 of the Canal Zone Code is amended by adding in article 8 of chapter 11 thereof a new section numbered 573 and reading as follows:

"573. Regulations for fire protection; violations: The Governor of the Panama Canal is granted continuing authority to make regulations for prevention of, and protection against, fires in the Canal Zone: *Provided, however,* That no regulation made under this section shall have force or effect within the boundaries of any military or naval reservation in the Canal Zone, unless prescribed with the concurrence of the officers commanding the military and naval forces in the Canal Zone, as to the reservations within their respective jurisdictions. Any person who shall violate any of the regulations prescribed under this section shall be guilty of a misdemeanor."

SEC. 8. Title 5 of the Canal Zone code is amended by adding in article 10 of chapter 14 thereof a new section numbered 812 and reading as follows:

"812. Injuring or tampering with motor vehicle, launch, or aircraft: Every person who, without the consent of the owner of any motor vehicle—

"(a) willfully injures or tampers with such motor vehicle or the contents thereof;

"(b) breaks or removes any part or parts of or from such motor vehicle;

"(c) climbs into or upon such motor vehicle whether it is in motion or at rest, with intent to commit any malicious mischief, or injury or other crime; or

"(d) manipulates or attempts to manipulate any of the levers, starting mechanism, brakes, or other mechanism or device of such motor vehicle while the same is at rest and unattended,

is guilty of a misdemeanor. As used in this section the term 'motor vehicle' shall mean and include any automobile, motorcycle, other motor vehicle, motorboat, or launch, or aircraft."

SEC. 9. The following statutes or parts of statutes are repealed:

(a) Canal Zone Code, title 2, chapter 17, article 2, which article includes sections 331 to 333 of said title 2;

(b) Canal Zone Code, title 4, sections 1467 and 1468;

(c) The act of May 3, 1932, entitled "An act to authorize the modification of the boundary line between the Panama Canal Zone and the Republic of Panama, and for other purposes" (ch. 162, 47 Stat. 145; 48 U. S. C. 1304a to 1304c);

(d) The act of June 19, 1934, entitled "An act authorizing the President to make rules and regulations in respect to alcoholic beverages in the Canal Zone, and for other purposes" (ch. 657, 48 Stat. 1116; 48 U. S. C. 1314b to 1314d).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CANAL ZONE CODE

The Clerk called the bill (S. 1136) to amend the Canal Zone Code, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, I should like to have someone from the committee explain the objection by the General Accounting Office to this bill. The comment, as stated in the report, is not clear but is as follows:

With one minor exception, relating to the establishment of a maximum limitation on the settlement of claims under section 17 of the Panama Canal Code, the bill has the complete concurrence of the General Accounting Office.

Can the gentleman tell me what the objection is?

Mr. O'TOOLE. The objection was subsequently withdrawn.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title 2 of the Canal Zone Code is amended by adding in chapter 1 thereof three new sections numbered 16 to 18, and reading as follows:

"16. Acquisition or construction of structures, equipment, and improvements: The Governor of the Panama Canal is authorized, within the limits of available funds, to purchase or otherwise acquire equipment, and within the Canal Zone to purchase or otherwise acquire, construct, repair, replace, alter, or enlarge any building, structure, or other improvement, when in his judgment such action is necessary for the operation, maintenance, sanitation, or civil government of the Panama Canal or Canal Zone.

"17. Claims for losses of or damages to property: Authority is hereby conferred upon the Governor of the Panama Canal, or his designee for the purpose, to consider, adjust, determine, and settle claims for losses of or damages to property arising from the conduct by the Panama Canal of authorized business operations, or arising from the maintenance, operation, improvement, or enlargement of capacity of the Panama Canal or from the sanitation or civil government of the Canal Zone: *Provided, however,* That this section shall not apply to claims cognizable either under section 10 of this title, as amended, or under the Federal Tort Claims Act.

"Any award made to any claimant pursuant to this section shall be payable out of any moneys appropriated or made available for the maintenance and operation, sanitation, and civil government of the Panama Canal and Canal Zone; and the acceptance by the claimant of any such award shall be final and conclusive on the claimant, and shall constitute a complete release by the claimant of such claim against the United States.

"18. Disaster relief: In the event of emergency arising because of disaster or calamity by flood, hurricane, earthquate, fire, pestilence, or like cause, not foreseen or otherwise provided for, and occurring in the Canal Zone, or occurring in the Republic of Panama in such circumstances as to constitute an actual or potential hazard to health, safety, security, or property in the Canal Zone, the Governor of the Panama Canal is authorized to expend available funds and to utilize or furnish materials, supplies, equipment, and services for relief, assistance, and protection."

SEC. 2. Chapter 4 of title 2, Canal Zone Code, which chapter is now entitled "Business Operations" and consists of sections 51 and 52 of said title 2, is amended to read as follows:

"CHAPTER 4—BUSINESS OPERATIONS; SALES AND SERVICES

"Sec.

"51. Authorization for establishment and operation of various facilities.

52. Organization and conduct of any such facilities by Panama Canal as 'business operations.'

53. Receipts from such operations, sales, and services; expenditure and reinvestment; reports.

54. Exception of Canal Zone postal service.

"SEC. 51. Authorization for establishment and operation of various facilities: (a) In connection with the operation, maintenance, sanitation, and civil government of the Panama Canal and Canal Zone, the President is authorized to establish, maintain, and operate, through the Panama Railroad Company, or otherwise, docks, wharves, piers, drydocks, shops, yards, marine railways, salvage and towing facilities, dredging facilities, construction facilities, fuel-handling facilities, motor-transportation facilities, civil air terminals, power systems, water and sewer systems, warehouses, storehouses, hotels, a printing plant, living quarters and other buildings, and any other necessary facilities and appurtenances, for the purpose of providing, at reasonable prices, fuel, electric power, water, equipment, supplies and materials generally, repairs, labor transportation, quarters, space in buildings, wharf and like services, hotel and restaurant services, and services generally, including recreational services, and for the purpose of assembling, assorting, storing, repairing, and selling scrap and other byproducts of manufacturing and shop operations, and materials, supplies, and equipment purchased or acquired for the construction, improvement, operation, maintenance, sanitation, or civil government of the Panama Canal or Canal Zone and which are obsolete, unserviceable, or no longer needed. The sales, services, equipment, supplies, and materials hereinbefore referred to may be made or furnished to vessels, to agencies of the Government of the United States, to the Panama Railroad Company, to employees of the Government of the United States or of the Panama Railroad Company, and to any other governments, agencies, persons, corporations, companies, or associations eligible to make or receive such purchases, services, supplies, or materials under the laws prevailing at the time and the policies heretofore or hereafter adopted consistently with such laws.

"(b) In the event the President has heretofore elected, or shall at any time hereafter elect, to maintain and operate through the Panama Railroad Company any of the facilities and appurtenances referred to in this section or section 52 of this title, theretofore maintained and operated by the Panama Canal, the President is authorized to transfer to the Panama Railroad Company all or as much as may be determined to be necessary of the personnel, property, records, related assets, contracts, obligations, and liabilities of or appertaining to the said facility and its appurtenances, and such transfer shall be deemed to have been accepted and assumed by the Panama Railroad Company without the necessity of any act or acts on the part of the said corporation except as otherwise stipulated in provisions of law applicable to the said corporation.

"52. Organization and conduct of any such facilities by Panama Canal as 'business operations': The President may cause any or all of the facilities and appurtenances referred

to in paragraph (a) or (b) of section 51 of this title to be organized and conducted by the Panama Canal as 'business operations', and in such case the aggregate net profit if any accruing from the conduct of such business operations shall annually be covered into the Treasury of the United States.

"53. Receipts from such operations, sales, and services; expenditure and reinvestment; reports: The moneys received by the Panama Canal from the operations authorized by sections 51 and 52 of this title, and from pilotage, quarantine, immigration, and like services, from rentals, from damage claims, and from any and all other sales made and services rendered, but not including tolls, taxes, court fees, or fines, may be expended or reinvested under the several heads of appropriation for the Panama Canal, without being covered into the Treasury of the United States except as provided in section 52 of this title; but, except as otherwise provided in this section, such funds shall be subject to the provisions of law relating to public funds of the United States. Monthly reports of such receipts and expenditures shall be made to he President and annual reports shall be made to the Congress.

"54. Exception of Canal Zone Postal Service: The provisions of sections 51 to 53 of this title shall have no application to operations of the Canal Zone Postal Service."

SEC. 3. Title 2 of the Canal Zone Code is amended by adding in article 1 of chapter 6 thereof a new section numbered 85 and reading as follows:

"85. Special training of employees: The Governor of the Panama Canal is authorized, within the limits of appropriations made therefor, to provide for special training in the United States or elsewhere of any employee of the Panama Canal when in the judgment of the Governor such special training will be of material benefit to the work of the Panama Canal and the special training of such employee would be more advantageous than the hiring of other available personnel having the specialized skill or experience desired. During the period of such special training the employee may be paid his regular compensation and his travel expenses in accordance with the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended, subject to recovery by the United States of such costs or an equitable portion thereof, as determined by the Governor, in case the employee fails to complete such training or is separated from the service except for reasons beyond his control within one year following the completion of the period of training."

SEC. 4. Title 2 of the Canal Zone Code is amended by adding in article 3 of chapter 6 thereof a new section numbered 124 and reading as follows:

"124. Employees injured prior to September 7, 1916; appliances; lump-sum payments: The Governor of the Panama Canal is authorized to purchase artificial limbs or other appliances for persons who were injured in the service of the Isthmian Canal Commission or of the Panama Canal prior to September 7, 1916, and to make payments in lump sums not exceeding the amounts authorized by the Act of September 7, 1916, as amended (U. S. C., title 5, ch. 15), to alien cripples who are now a charge upon the Panama Canal by reason of injuries sustained while employed in the construction of the Panama Canal."

SEC. 5. Title 6 of the Canal Zone Code is amended by adding in chapter 27 thereof a new section numbered 906 and reading as follows:

"906. Clothing and money for discharged prisoners: On the discharge of a prisoner from any penal institution in the Canal Zone such prisoner may, in the discretion of the Governor of the Panama Canal, be furnished with such suitable clothing as may be authorized by the Governor, and an amount of money not exceeding $20."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PURCHASE OF CERTAIN PROPERTY IN MORGAN COUNTY, OHIO

The Clerk called the bill (H. R. 3071) to authorize the Secretary of the Army to purchase certain property in Morgan County.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized and directed to acquire through purchase, condemnation, or otherwise, and to pay compensation, for all right, title, and interest, including easements and any and all other appurtenant rights and privileges which the Morgan County Farm Bureau Cooperative Association has in and to a tract of land, comprising 7.29 acres, more or less, located in Morgan township, Morgan County, State of Ohio; said property consisting of a mill building, appurtenant works, together with certain rights and water privileges granted to Robert McConnell, a predecessor in title, by the State of Ohio, by deed dated October 31, 1839.

SEC. 2. In his discretion, the Secretary of the Army may authorize the owner to remove any improvements on the property: *Provided*, That appropriate reduction of the salvage value thereof shall be made from the purchase price.

SEC. 3. Funds appropriated for the maintenance and improvement of river and harbor works may be expended to carry out the purposes of this act.

With the following committee amendment:

Page 2, line 3, after "Ohio" strike out ", by deed dated October 31, 1839." and insert a period.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUISVILLE MARINE HOSPITAL, JEFFERSON COUNTY, KY.

The Clerk called the bill (H. R. 3197) relating to the sale of the old Louisville Marine Hospital, Jefferson County, Ky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the Surplus Property Act of 1944, or of any other law, the Federal Works Administrator is hereby authorized, in his discretion, to sell all that tract or parcel of land described as a certain tract, piece, or parcel of land situated in Jefferson County, Kentucky, in the town of Portland, now included in the city of Louisville, and known and described on the plan or map of Portland by the number 18, and bounded by High Street, now Northwestern Parkway, on the north, the Portland Turnpike or Avenue on the south, by a sixty-foot street on the west, now Twenty-third Street, and by a sixty-foot street on the east, now Carter Street, and containing a front on High Street, now Northwestern Parkway, of four hundred and ninety-seven feet, a front on the Portland Avenue or Turnpike of four hundred and seventy-five and one-half feet, and front on the west of eight hundred and thirty-eight feet, and a front on the east of six hundred and ninety-three feet, containing eight acres one-quarter and seventeen poles, be the same more or less, title to said property having been acquired by the United States of America by deed dated November 3, 1842, and recorded in deed book 60, page 67, in the office of the clerk of the county court of Jefferson County, Ky.

Together with all buildings, structures, and improvements thereon (known as the old Louisville Marine Hospital), in the manner and subject to the terms and conditions provided in the act entitled "An act to authorize the sale of Federal buildings," approved August 27, 1935, as amended (U. S. C., 1940 ed., title 40, sec. 345b): *Provided*, That the deed of conveyance of such surplus real property—

(a) shall provide that all such property shall be used and maintained for the purpose for which it was conveyed for a period of not less than 20 years, and that in the event that such property ceases to be used or maintained for such purpose during such period, all or any portion of such property shall in its then existing condition, at the option of the United States revert to the United States; and

(b) may contain such additional terms, reservations, restrictions, and conditions as may be determined by the Administrator to be necessary to safeguard the interests of the United States.

With the following committee amendments:

Page 1, line 3, strike out the words "of the Surplus" and the partial word "Prop-."

Page 1, line 4, strike out the partial word "erty" and the words "Act of 1944, or."

Page 1, line 4, after the word "the", strike out the words "Federal Works."

Page 1, line 5, after the word "Administrator", insert the words "of General Services."

Page 1, line 5, after the word "sell", insert the words "to the City of Louisville, Ky."

Page 1, line 8, change the "c" in the word "city" from lower case to upper case.

Page 2, line 19, after the word "August", change the figure "27" to "26."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 5465) to amend section 4 (e) of the Civil Service Retirement Act of May 29, 1930, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 (e) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by substituting a colon for the period at the end thereof and adding the following: "*Provided*, That in cases of officers and employees paid on a fee basis, the maximum 'basic salary, pay, or compensation' which may be used for the purposes of this act shall be $10,000 per annum."

SEC. 2. This amendment shall become effective April 1, 1948.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRAILLE WRITERS

The Clerk called the bill (H. R. 3637) to permit the sending of Braille writers to or from the blind at the same rates as

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provided for their transportation for repair purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the fifth paragraph of Public Law 270 of the Seventy-seventh Congress, approved October 14, 1941, is amended to read as follows:

"The Postmaster General may in his discretion extend this rate of 1 cent per pound or fraction thereof to reproducers for sound-reproduction records for the blind, or parts thereof, to Braille writers and other appliances for the blind, or parts thereof, which are the property of State governments or subdivisions thereof, or of public libraries, or of private agencies for the blind not conducted for private profit, or of blind individuals, under such regulations as he may prescribe."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIGO PLANT NEAR TERRE HAUTE, IND.

The Clerk called the bill (H. R. 4442) to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system.

The SPEAKER pro tempore (Mr. MILLS). Is there objection to the present consideration of the bill?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1745, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the War Assets Administrator be, and he hereby is, authorized and directed to transfer to the control and jurisdiction of the Attorney General, for use in connection with the United States penitentiary at Terre Haute, Ind., all of that tract of land containing approximately 1,472 acres, more of less, including all improvements thereon, being a portion of the Vigo plant, formerly the Vigo ordnance plant of the Department of the Army, near Terre Haute, in Vigo County, State of Indiana, now occupied and used for farming operations by the Bureau of Prisons of the Department of Justice under a revocable permit, dated the 21st day of July 1947, duly issued by the Department of the Army, which permit more particularly describes the land as follows, to wit: Beginning at a point where the center line of Sullivan Road intersects the center line of Boyll Road; thence east along the south lines of section 5, township 10 north, range 9 west, and section 4, township 10 north, range 9 west, to a point on the center line of the Boyll Road which is one thousand three hundred and twenty feet west of the southeast corner of section 4, township 10 north, range 9 west; thence due north five hundred and eighty-five and twenty-five one-hundredths feet; thence east one thousand four hundred and eighty-five feet; thence north seventy-four and seventy-five one-hundredths feet; thence east one thousand three hundred and twenty feet to the center line of Seventh Street Road; thence north along center line of Seventh Street Road to the center section line of section 3, township 10 north, range 9 west; thence east along center section line of section 3, township 10 north, range 9 west, to the east line of section 3, township 10 north, range 9 west, being the center line of United States Highway No. 41; thence north along the center line of United States Highway No. 41 to the intersection of the south line of section 34, township 11 north, range 9 west, and section 35, township 11 north, range 9 west, being also the center line of the township line or Bates-Harlan Road; thence west along the center line of said Bates-Harlan Road to a point which is approximately three thousand five hundred and sixty feet east of the northeast corner of section 5, township 10 north, range 9 west, being also the center line of the Sullivan Road; thence south and southwesterly along the center line of Sullivan Road to its intersection with the center line of Boyll Road, being the place of beginning and containing one thousand four hundred and sevety-two acres, more or less.

SEC. 2. There is excepted from the transfer provided for in this act that certain railroad right-of-way used and occupied by the Department of the Army, across the northerly part of the lands above-described.

SEC. 3. The transfer provided for in this act shall be effected without reimbursement or transfer of funds.

Mr. TRIMBLE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRIMBLE: Page 1, line 3, strike out "War Assets" and insert "General Services."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 4442) was laid on the table.

SHAWNEETOWN BRIDGE

The Clerk called the bill (S. 755) to extend the time for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That, notwithstanding the proviso to the first section of the act entitled "An act to revive, reenact, and amend the act entitled 'An act authorizing the county of Gallatin, State of Illinois, its successors and assigns, to construct, maintain, and operate a bridge across the Ohio River at or near the city of Shawneetown, Gallatin County, Ill., to a point opposite thereto in the county of Union, State of Kentucky,' approved July 18, 1939," approved June 26, 1946, the times for commencing and completing the construction of a bridge across the Ohio River, at or near Shawneetown, Ill., authorized to be built by the county of Gallatin, State of Illinois, by an act of Congress approved July 18, 1939, which act was extended by an act of Congress approved July 2, 1940, and was revised, reenacted, and amended by an act of Congress approved June 26, 1946, are hereby extended 1 and 3 years, respectively, from the date of approval of this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ST. LOUIS-EAST ST. LOUIS BRIDGE

The Clerk called the bill (H. R. 3478) to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Delmar Boulevard and Cole Street in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the time for completing the construction of a bridge across the Mississippi River, at or near a point between Delmar Boulevard and Cole Street, in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill., authorized to be built by the city of East St. Louis, Ill., by an act of Congress approved August 7, 1946, is hereby extended 3 years from August 7, 1949.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLINTON-FULTON BRIDGE

The Clerk called the bill (H. R. 5048) to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1577, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act approved December 21, 1944, authorizing the City of Clinton Bridge Commission to acquire, construct, maintain, and operate a bridge or bridges, including approaches thereto, across the Mississippi River at or near the cities of Clinton, Iowa, and Fulton, Ill., be, and the same is hereby, revived and reenacted: *Provided*, That this act shall be null and void insofar as it authorizes the construction of a bridge or bridges unless the actual construction thereof be commenced within 3 years and completed within 5 years from the date of approval hereof: *And provided further*, That section 5 of said act, approved December 21, 1944, is hereby amended to read as follows:

"SEC. 5. The commission and its successors and assigns are hereby authorized to provide for the payment of the cost of such bridge, or bridges as may be acquired, reconstructed, or constructed, as herein provided, and approaches (including the approach highways, which, in the judgment of the commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the necessary land easements and appurtenances thereto, by an issue or issues of negotiable serial bonds of the commission, bearing interest, payable semiannually, at the rate of not more than 6 percent per annum, the principal and interest of which bonds shall be payable solely from the funds provided in accordance with this act, and such payments may be further secured by mortgage

of the bridge or bridges. All such bonds may be registered as to principal alone or both principal and interest, shall be payable as to principal within not to exceed 25 years from the date thereof, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the commission may determine, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge or bridges, acquired or constructed, and approaches and the land easements, and appurtenances used in connection therewith, when added to any other funds made available to the commission for the use of said purposes. The commission may reserve the right to redeem any or all of said bonds before maturity in such manner and at such price or prices not exceeding 105 and accrued interest as may be fixed by the commission prior to the issuance of the bonds. The commission when it deems it advisable may issue refunding bonds to refinance any outstanding bonds at maturity or before maturity when called for redemption: *Provided*, That such refunding bonds shall mature within not to exceed 20 years from the date thereof and shall not exceed in principal amount the principal amount of outstanding bonds replaced by such refunding bonds. The commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the commission in respect to the acquisition, construction, maintenance, operation, repair, and insurance of the bridge or bridges, the conservation and application of all funds, the security for the payment of the bonds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law.

"Said bonds may be sold at not less than par after public advertisement for bids to be opened publicly at the time and place stated in such advertisement and at the price bid which will yield the greatest return to the commission for the bonds to be sold. Such advertisement for bids shall be published at least once each week for four consecutive weeks in a newspaper or financial journal having recognized circulation among bidders for bonds of the type and character offered. The price to be paid for the bridge or bridges acquired hereunder shall not exceed the reasonable value thereof as determined by the commission at the time of acquisition. The cost of the bridge to be constructed as provided herein, together with the approaches and approach highways, shall be deemed to include interest during construction of the bridge and for 12 months thereafter, and all engineering, legal, financing, architectural, traffic-surveying, condemnation, and other expenses incident to the bridge and the acquisition of the necessary property, including the cost of acquiring existing franchises and riparian rights relating to the bridge. If the proceeds of the bonds shall exceed the cost as finally determined the excess shall be placed in the fund hereafter provided to pay the principal and interest of such bonds. Prior to the preparation of definitive bonds the commission may, under like restrictions, issue temporary bonds or may, under like restrictions, issue temporary bonds or interim certificates without coupons, of any denomination whatsoever, exchangeable for definitive bonds when such bonds that have been executed are available for delivery."

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 5048) was laid on the table.

PRINCE GEORGES COUNTY NATIONAL GUARD ARMORY

The Clerk called the bill (S. 803) to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard Armory and for training the National Guard and for other military purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Public Housing Commissioner is authorized and directed to convey by quitclaim deed, without consideration, to the State of Maryland, for use as a site for a National Guard Armory, a tract of land in Prince Georges County, Md., described as follows: Beginning at a concrete monument on the north right-of-way line of Southway—a road within the corporate limits of the town of Greenbelt, Prince Georges County, Md.—the plane coordinates of the said beginning point being north thirty-eight thousand five hundred and seventy-six and eighty-one one-hundredths, east thirty-five thousand seven hundred and seven and sixty-nine one-hundredths—said coordinates are developed from triangulation station "Cedar" whose coordinates are north forty-three thousand five hundred and seventeen and seventeen one-hundredths, east thirty-five thousand two hundred and eighteen and fifty-six one-hundredths—and the bearings given are true grid bearings—bearing from triangulation station "Cedar" to reference monument numbered 3 for station "Cedar" north six degrees thirty-eight minutes nine seconds east, thence leaving the said north right-of-way line of Southway north no degrees no minutes no seconds east seven hundred and thirty-eight and nineteen one-hundredths feet to a concrete monument; thence due east one hundred and seven and thirty-one one-hundredths feet to a concrete monument; thence south fifty-four degrees seven minutes fifty seconds east four hundred and one and six one-hundredths feet to a concrete monument; thence south seventy-six degrees forty-eight minutes thirty seconds east two hundred and thirty feet to a concrete monument; thence south no degrees forty-four minutes no seconds west two hundred and seventy-seven and three one-hundredths feet to a concrete monument on the north right-of-way line of Southway; thence with the said north right-of-way line of Southway and along the arc of a curve to the right whose components are: Arc six hundred and eighty-three and nine one-hundredths, radius one thousand three hundred and thirteen, delta twenty-nine degrees forty-eight minutes thirty seconds, tangent three hundred and forty-nine and forty-six one-hundredths, chord six hundred and seventy-five and forty-two one-hundredths, chord bearing south seventy-five degrees five minutes forty-five seconds west to the point of beginning; containing eight and three one-hundredths acres exactly. The United States shall be saved harmless from or reimbursed for such costs incidental to the conveyance as the Commissioner may deem proper.

SEC. 2. The land authorized to be conveyed by the first section of this act shall be used by the grantee for purposes of a site for a National Guard Armory and for training the National Guard or for other military purposes, and the conveyance of such land shall contain the express condition that if the grantee shall fail or cease to use such land for such purposes, or shall alienate or attempt to alienate such land, title thereto shall, at the option of the United States, revert to the United States.

SEC. 3. Sections 1 and 2 of this act shall not be effective until the Governor of the State of Maryland shall certify in writing to the Secretary of Defense that such land is needed by the State of Maryland for the purposes of a site for a National Guard Armory and for training the National Guard or for other military purposes and that such land is suitable for such purposes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVERSION OF NATIONAL BANKS INTO STATE BANKS

The Clerk called the bill (H. R. 1161) to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAWFORD. Mr. Speaker, reserving the right to object, this is a bill in which a number of us are interested. As late as this morning questions were referred to the Comptroller of the Currency in connection with the report which he filed on the bill last week. The Comptroller has not had a chance to further reply to date, and I ask unanimous consent therefore, Mr. Speaker, that the bill be passed over without prejudice.

Mr. KUNKEL. Mr. Speaker, if the gentleman will yield, I ask unanimous consent to have an explanation of this bill inserted at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KUNKEL. Mr. Speaker, the purpose of H. R. 1161 is to permit national and State banks to combine or consolidate under a State charter in exactly the same way in which they are now permitted to consolidate or combine under a national bank charter.

Today a State bank can convert into or consolidate with a national bank by obtaining the approval of the Comptroller of the Currency, unless forbidden to do so under the law of the State in which it is located. However, a national bank has no statutory right to convert into a State bank or consolidate with a State bank under the latter's charter.

National banks have always been free to leave the national banking system and enter the State system. They could only do so by the liquidation of the national bank and the transfer of its assets to an existing or newly-organized State bank. Until recent years, this was merely a formality. With our high taxation today, liquidation of the capital structure frequently constitutes a taxable gain of sufficient size to force the boards of directors to choose the national charter in order to save taxes. Furthermore, there is an intense dislike on the part of bankers generally for the word "liquidation" as well as the trouble of liquidating. The net result has been to establish a one-way exit, whereby, in nearly every case of consolidation, a State

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bank disappears and the assets of the national bank system are correspondingly increased. The proposed law enables a national bank to convert into a State bank under a State charter and thus continue the banking business under a State system, rather than a national system without the present likelihood of diminishing the net capital structure through payment of taxes. It confers no advantage on the State system. It establishes exact equality.

Why was no provision made for this when the National Bank System was first created? Mr. Foley, Assistant Secretary of the Treasury, testified that, so far as anyone has been able to find out, this question was never even considered at that time. It was then felt that the National system would ultimately displace the State systems and would, in the words of Secretary of the Treasury Chase: "root out the heterogeneous local banks." All information available indicates that this was a historical accident. Since the dual banking system has developed, since it has proved advantageous and is considered desirable by most qualified students, some action of this nature must be taken if it is to be preserved.

A former colleague, D. Emmert Brumbaugh, secretary of banking of the State of Pennsylvania, has been the leading figure in bringing this proposal before the Congress. In the fall of 1946, the State banking system in Pennsylvania suffered a heavy loss from the foregoing situation. Two State banking institutions with assets totaling over $1,000,000,000 merged with national banks under national charters. This represented about 20 percent of the total assets of the State banking system in Pennsylvania. To protect itself in the future, the Pennsylvania Legislature enacted into law on June 21, 1947, a special act providing simply that the authority in State banking law for a State banking institution to merge into, consolidate with, or convert into a National banking association shall have no effect whatsoever unless like authority is provided in National banking law for a national bank to merge into, consolidate with, or convert into a State banking institution. Some other States have passed similar laws: more States are considering similar laws. If this situation were allowed to continue, mergers between State and national banks might eventually be stopped in all 48 States, unless this law were passed. In times of depression, it would often be desirable to combine smaller national banks with strong State banks or vice versa. If this bill is not passed, then there will be a strong tendency to freeze the dual banking system in the now existing status quo. The only process of merger available would then be through liquidation of both the State and the national banks which would be a liquidation rather than a merger with all the difficulties attendant upon liquidation. Therefore, it is important to pass this at this session of Congress.

There was formerly a similar discrimination in Federal law against State savings and loan associations. This was corrected last year by Public Law 895 of the Eightieth Congress of the same nature.

All the interested Government departments and agencies have been consulted and have signified that they have no opposition to this bill. These include the Treasury Department, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency. The Federal Reserve Board expressed no opposition last year, but this year requested that action be deferred when hearings were first contemplated. A month or so later the Federal Reserve Board withdrew this request and stated that there was no objection on their part to favorable consideration. The bill has the approval of the National Association of Supervisors of State Banks, the American Bankers Association, the Independent Bankers Association, and the Pennsylvania Bankers Association. No witnesses appeared in opposition at the hearings this year. I urge immediate passage of the bill.

On this bill we have had the Comptroller of the Currency, the Secretary of the Treasury, and every interested Government agency have all been before our committee and all have testified that they have no objection to the bill. This bill has been hanging fire for several years. It is quite an important bill in its implications because if it is not passed it can stagnate any consolidation of banks between State and national banks in any State in the country.

I would like very much, and I know the chairman of our committee would, as well as all the members of our committee, to see this bill enacted into law during this session of the Congress. The bill will have to go to the other body even after it passes the House.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I yield to the distinguished chairman of the Committee on Banking and Currency, the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, all of the interested agencies of the Government were in favor of this bill. The Comptroller of the Currency does not oppose the bill. It merely gives to national banks the privilege to consolidate or convert into State banks without having to go through liquidation. This, of course, is already provided by statute where State banks desire to convert into or merge with national banks. It is a bill that has been generally approved. I think it is essential that it should be passed at this time.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield further?

Mr. McCORMACK. I yield.

Mr. KUNKEL. I might state further that retaliatory legislation is being passed by the States, which, in general, says that, if this objection which we are curing in this bill is not ended, then there can be no conversion either way without liquidation by State banks converting into national banks. That is creating a bad situation throughout the country, as I think the gentleman from Massachusetts [Mr. McCORMACK] will readily agree. All the State banking supervisors have given this bill their approval.

Mr. McCORMACK. Unless my friend, the gentleman from Michigan [Mr. CRAWFORD] has rather fixed views, I hope he will permit this bill to go through.

Mr. CRAWFORD. If the bill cannot be passed over without prejudice at this time, I will have to object to consideration of the bill.

Mr. McCORMACK. I do not think I said anything that would justify the gentleman's taking that position. I simply said that if the gentleman had no fixed convictions I hoped he would not press his unanimous-consent request. I personally looked into this bill. I looked into it rather critically. I found out that the Treasury Department approved the bill last year as well as this year. The Board of Directors of the Federal Reserve at first disapproved the measure, but subsequently they withdrew their objection. The Federal Deposit Insurance Corporation stated it was not opposed to the bill. The secretary of all banking in the State of Pennsylvania, also representing the American Bankers Association—it is rather strange to see me on this side—the National Association of Supervisors of State Banks, the Independent Bankers Association, the Pennsylvania Bankers Association, the Superintendent of Banking of New York, all support this measure. The Treasury Department said that this bill would provide such a method of conversion without approval of the Comptroller of the Currency.

Under the law of the State in which the national bank was located, a State bank may, without approval of any State authority, convert into or merge or consolidate with a national bank in accordance with the Federal law, with certain restrictions aimed at preventing undue reduction of capital funds in the process of conversion or consolidation. In other words, it provides a more equitable two-way conversion street for National and State banks. The record shows no opposition to the measure. That is the evidence I have before me.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield further?

Mr. McCORMACK. I yield.

Mr. CRAWFORD. It does not provide for a two-way conversion. This deals with the question of conversion of national banking associations into State banks.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SPENCE. The State banks now have that privilege. This was to make it a two-way street; to give to the national banks the same privilege the State banks now have.

Mr. McCORMACK. My understanding is that the State banks already have that privilege by law. This is simply to extend the two-way street to the national banks.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield further?

Mr. McCORMACK. I yield.

Mr. KUNKEL. The national banks have always been free to leave the national banking system, but they could do so only by liquidation of the assets. We had testimony to show that there was no reason at all for not permitting this; that it was a historical accident that that provision was left out of the original law shortly after the Civil War—but in this day of high taxation, if you have to

liquidate a bank, then you run into a large capital-gains tax in many instances, so that as a practical matter it forces the State bank to come under the national bank charter.

Mr. McCORMACK. The gentleman from Michigan [Mr. CRAWFORD] I think should be interested in the observation which the gentleman from Pennsylvania is making.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. DONDERO. There is nothing in this bill that makes it mandatory or compulsory? It is purely voluntary?

Mr. McCORMACK. That is correct.

Mr. KUNKEL. That is correct. However, you have to get approval from the same people, both State and National, and you also have to have authority from the board of directors—go through all the regular procedure that you did before. It is entirely up to the two banks to decide which charter they wish to work under; they may choose voluntarily.

Mr. McCORMACK. It is a healthy situation to have exist from the point of view of good competitive banking activities.

Mr. KUNKEL. Let me phrase it a different way: The present situation is distinctly unhealthy because with the States passing these laws making it impossible for the State banks to go the other way you are stagnating all consolidations throughout the whole United States. I may say that the State of Pennsylvania in 1947 passed a retaliatory act. Other States have passed them, and still other States are considering the passage of them. That is why we want to get this bill through quickly.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CRAWFORD. The gentleman from Pennsylvania has just this minute put his finger on the real trouble with this bill. Theoretically this bill is to clear up a lot of difficulty as between national bank laws and State banking laws. I had not intended to take time on this bill today, expecting to have time in general debate when the bill was considered, in which to state the other side of the case.

Here is a bill presumably designed to clear up a lot of these difficulties. When the bill was before the committee last year, the chairman will remember, we appeared, presented our case, and there was no great objection to it. This time I had no notice that the bill was going to be reported by the committee; I had no notice that hearings were held, and after the bill was reported I immediately took the matter up with the clerk of the committee and the committee with the Department. The Comptroller of the Currency filed with the chairman of the committee a report. This was only last week. This morning I filed by telephone a rebuttal. The general counsel of the Comptroller's office said in substance, well now, you have raised points that may be in order, but what is the policy of the Comptroller of the Currency? I said I did not know what his policy was, that I was talking about the policy of the Congress. I asked him what was wrong with the amendment I offered. He wanted today to discuss the question with Department officials and to think it over. I told him the matter was coming up on the Consent Calendar. In the meantime, however, the Comptroller thinks it over. The chairman is in no position to accept my amendment because the committee has not passed on it. If, therefore, the bill cannot go over, I will have to object, Mr. Speaker. There is a lot to this question.

The SPEAKER. Is there objection to the request of the gentleman from Michigan that the bill be passed over without prejudice?

There was no objection.

PUBLIC AIRPORTS SERVING NATIONAL PARKS, ETC.

The Clerk called the bill (S. 1283) to authorize the Secretary of the Interior to acquire, construct, operate, and maintain public airports in, or in close proximity to, national parks, monuments and recreation areas, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCRIVNER. Mr. Speaker, reserving the right to object, this bill places in the hands of the Secretary of the Interior powers so far-reaching and of such wide scope with no limitation on the amount of the obligation to be entered into except by appropriation that I feel constrained to ask that the bill be passed over without prejudice.

Mr. BECKWORTH. Mr. Speaker, will the gentleman withhold his motion to give me an opportunity to explain the bill?

Mr. SCRIVNER. Mr. Speaker, I withhold my request for the time being to permit the gentleman to make a statement.

Mr. BECKWORTH. Mr. Speaker, reserving the right to object, I think the gentleman from Kansas has a misconception as to the meaning of this bill. The Secretary of the Interior already has authority to build or to initiate plans to build airports in national parks, in cooperation with the CAA.

All this bill does is to give to the Secretary of the Interior the opportunity to build airports in close proximity to national parks rather than inside of national parks. It, of course, does not take away the power the Secretary now has to build in cooperation with the CAA airports within national parks. It does grant the additional power to build the airports in close proximity. What does that mean? Every town that would perhaps benefit to some extent by this bill insofar as the procuring of an airport is concerned is privileged today to sponsor an airport, if it desires. On the other hand, since the Airport Act was passed some 3 years ago, the Department of the Interior in cooperation with CAA could build an airport paid for altogether by Federal funds.

What happens in this case, however, is that the town cooperates with the Department of the Interior and the CAA, and they all do the job rather than the Department of the Interior and the CAA doing it. This is a money-saving bill; it would permit the towns to pay a part of the cost which ordinarily would be paid in full by the United States Government. I repeat the town comes in and pays a part of the money.

What happens with reference to the operation of the airport? If the Secretary of the Interior goes into a national park and builds an airport the Government has to pay the full cost of the operation of the airport, whereas in this instance the town in close proximity to the park will doubtless operate the airport instead of the Government, thereby saving money. I may say very honestly to the gentleman that not a penny of additional money can be spent under the terms of this legislation than can be spent under the terms of the law as it stands today.

Mr. ENGLE of California. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from California.

Mr. ENGLE of California. It is a fact that the Government now has the power to build airports under the CAA as provided by the National Airport Act. All this does is to bring about cooperation of the Secretary of the Interior?

Mr. BECKWORTH. Which means that the municipality will be paying a part of the expense, whereas in the other instance the Secretary of the Interior through the Department of the Interior and CAA will be paying all of it.

Mr. SCRIVNER. What, if anything, has been done toward referring this bill to the Public Lands Committee? You are taking in an awful lot of territory in this bill.

Mr. BECKWORTH. The Committee on Interstate and Foreign Commerce is the committee that wrote the original Airport Act.

Mr. SCRIVNER. I do not know how many cities or towns this involves because the report does not say; but there are many instances where public lands will be involved.

Mr. BECKWORTH. There is no objection and has been no objection made from any source to this legislation. I may say the gentleman from Massachusetts [Mr. HESELTON] wanted to be sure that in no instance could the Federal Government obtain land on which to build an airport without the consent of the Governor or the consent of the municipality. That amendment was adopted and when it was adopted not one iota of objection came from any source thereafter. I want to repeat what I said a moment ago, this bill will actually save money insofar as the building of airports in connection with national parks is concerned. Why do I say that?

Mr. SCRIVNER. If the gentleman will yield further, there is no possibility for the gentleman to give me the details of this, as well as give the details to the other Members of the House.

Mr. BECKWORTH. What details does the gentleman want?

Mr. SCRIVNER. I could take an hour here and ask the gentleman a hundred questions about the power of this bill and what it gives. The gentleman says it

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does not give them much power. But right at the beginning it authorizes the Secretary of the Interior to plan, acquire, establish, construct, enlarge, improve, maintain, equip, operate, regulate, and protect airports in the continental United States in or in close proximity to national parks.

Mr. BECKWORTH. The first power the gentleman read, the Secretary of Interior already has. He has the power to build these airports in national parks now. All this does is extend that power. Doubtless sometimes it is necessary because the structure of the land is such in the park to build an airport costing more than it should cost, with this legislation the Secretary of Interior could go out a few miles from the park and find smooth land. The gentleman, of course, may object, but he is objecting to a bill that will save the Government money and this is not giving the Secretary of the Interior any power he does not already have with reference to the building of airports in the parks.

Mr. SCRIVNER. Mr. Speaker, I renew my request that this bill be passed over.

The Speaker pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

PROGRESSIVE PARTIAL PAYMENTS TO SPONSORS

The Clerk called the bill (S. 1285) to authorize progressive partial payments to sponsors under the Federal Airport Act program.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 14 of the Federal Airport Act is amended to read as follows:

"SEC. 14. The Administrator, after consultation with the sponsor or sponsors with which a grant agreement has been entered into, shall determine at what times, and in what amounts, payments shall be made under this act. Payments under a grant agreement, in an aggregate amount of not to exceed 90 per centum of the United States share of the total estimated allowable project costs of the project, may be made from time to time in advance of accomplishment of the airport development to which such payments relate, provided, that the sponsor certify to the Administrator that the aggregate of expenditures to be made from such advance payments will not at any time exceed the cost of the airport development work which has been performed up to that time. If the Administrator determines at any time that the aggregate amount of payments made under a grant agreement exceeds the United States share of the total allowable project costs of the project, the United States shall be entitled to recover such excess. If the Administrator finds that the airport development to which the advance payment relate has not been accomplished within a reasonable time or such development is not completed, the United States shall be entitled to recover such part of such advance payment for which the United States received no benefit. Payments under a grant agreement shall be made to such official or officials or depository, authorized by law to receive public funds, as may be designated by the sponsor or sponsors, entitled to such payments."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 6 OF THE FEDERAL AIRPORT ACT

The Clerk called the bill (H. R. 4239) to amend section 6 of the Federal Airport Act.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TRANSFER OF FORT DES MOINES TO IOWA

The Clerk called the bill (H. R. 4569) authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the officers of the United States having jurisdiction over the following-described lands situated in Polk County, Iowa, and known as Fort Des Moines, Iowa, are authorized and directed to convey by quitclaim deed without consideration all right, title, and interest of the United States in and to such lands, together with all improvements thereon, to the State of Iowa:

The west half of section 34 and the east half of section 33, all in township 78 north, range 24 west, fifth principal meridian.

With the following committee amendment:

Page 2, line 1, after "meridian", insert ", subject to the provisions of sections 2 and 3 hereof.

"SEC. 2. The United States reserves the right to use, without cost therefor, buildings Nos. 58, 59, 60, 61, 62, 63, 64, and 86, situate on the aforesaid land, so long as they shall be required for military purposes.

"SEC. 3. The State of Iowa shall furnish all necessary sewerage facilities for the aforesaid buildings without cost to the United States, and shall furnish electricity and water for the aforesaid buildings at the prevailing rate in the locality, or at cost, whichever is lower, so long as said buildings shall be used by the United States for military purposes."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUANCE OF CERTAIN PUBLIC-IMPROVEMENT BONDS BY HAWAII

The Clerk called the bill (H. R. 4686) to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DEANE. Mr. Speaker, reserving the right to object, and I shall not object, but this bill and the five following relate to the issuance of a total of $42,925,000 of bonds by Hawaii. I wonder if some member of the committee would explain the bills, to this extent, that at no time will this become an obligation of the Federal Government.

Mr. PETERSON. Mr. Speaker, will the gentleman yield?

Mr. DEANE. I yield to the gentleman from Florida.

Mr. PETERSON. These bills are for the purpose of consenting to the passage of revenue bills which have been passed by the Territory of Hawaii. They merely authorize the Territory to create their own obligations, and in no sense will they ever be an obligation of the Federal Government.

Mr. DEANE. I withdraw my reservation of objection, Mr. Speaker.

Mr. CUNNINGHAM. Mr. Speaker, further reserving the right to object, and I do not intend to object, I would like to ask the gentleman from Florida a question: In the event that statehood should be granted to the Territory of Hawaii, would the United States Government be assuming the obligations of the Territory, and if so, would these bonds be a part of the obligation to be assumed?

Mr. PETERSON. No. This will not be part of the debts of the United States. When a State comes into the Union, under the provisions of law they usually require the payment of the Territorial debts by the new State. The gentleman from Iowa may recall that at the time his State and my State came into the Union as sister States, one of the first things that was required was that provision be made for the payment of the Territorial debt.

Mr. CUNNINGHAM. May I ask the gentleman with reference to this and the five succeeding bills this question: They are, as I understand, to be revenue bonds sold to the public, and the owners of the bonds will get their pay and their interest through the receipt of taxes collected by the Territory, is that correct?

Mr. PETERSON. That is correct.

Mr. CUNNINGHAM. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, during the years 1949 to 1955, inclusive, the Territory of Hawaii is authorized and empowered to issue, any provision of the Hawaiian Organic Act or any other act of Congress to the contrary notwithstanding, public-improvement bonds in such amounts as will not cause the total indebtedness of such Territory to exceed $50,000,000. Any extension of the total indebtedness of such Territory beyond $50,000,000 shall be made solely in conformity with the Hawaiian Organic Act.

SEC. 2. All bonds issued pursuant to section 1 shall be serial bonds payable in substantially equal annual installments, with the first such installment maturing not later than 5 years from the date of issue and the last such installment maturing not later than 30 years from such date.

SEC. 3. Bonds shall not be issued pursuant to section 1 without the approval of the President of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZE HAWAII TO ISSUE SEWER BONDS

The Clerk called the bill (H. R. 4966) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Legislature of the Territory of Hawaii, any provisions of the Hawaiian Organic Act, of any laws of the Territory of Hawaii, or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general-obligation bonds in the sum of $4,500,000 for the purpose of enabling it to construct sewerage systems in the city of Honolulu.

SEC. 2. The bonds issued under authority of this act may be either term or serial bonds, maturing, in the case of term bonds, not later than 30 years from the date of issue thereof, and in the case of serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years and the last installment to mature not later than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

SEC. 3. Act 270 of the Session Laws of Hawaii 1949, pertaining to the issuance of sewer bonds, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of such Territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvements authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUE PUBLIC IMPROVEMENT BONDS IN HAWAII

The Clerk called the bill (H. R. 5490) to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public improvement bonds.

There being no obection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Legislature of the Territory of Hawaii, any provisions of the Hawaiian Organic Act, or any laws of the Territory of Hawaii, or of any act of this Congress to the contrary notwithstanding, may authorize the county of Kauai, Territory of Hawaii, to issue general-obligation bonds in the sum of $725,000 for the purpose of enabling it to make public improvements in that county.

SEC. 2. The bonds issued under the authority of this act shall be serial bonds maturing in substantially equal annual installments, the first installment to mature not later than 5 years from the date of the issue of such series, and the last installment not later than 30 years from the date of such issue. Such bonds may be issued without approval of the President of the United States.

SEC. 3. Act 382 of the Session Laws of Hawaii, 1949, pertaining to the issuance of public-improvement bonds, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of such Territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvements authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN PUBLIC PARK IMPROVEMENT BONDS IN HONOLULU

The Clerk called the bill (H. R. 4967) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Legislature of the Territory of Hawaii, any provision of the Hawaiian Organic Act or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general-obligation bonds in the sum of $500,000 for the purpose of enabling it to construct improvements to Kapiolani Park, a public park and playground in the city of Hononlulu.

SEC. 2. The bonds issued under authority of this act may be either term or serial bonds, maturing, in the case of term bonds, not later than 30 years from the date of issue thereof, and, in the case of serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years and the last installment to mature not later than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

SEC. 3. Act 285 of the Session Laws of Hawaii 1949, pertaining to the issuance of bonds for the construction of such said public-park improvements for and in the city of Honolulu, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of such Territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvements authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.

With the following committee amendment:

Page 2, line 12, after the word "act", insert "285."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING HAWAII TO ISSUE FLOOD-CONTROL BONDS

The Clerk called the bill (H. R. 4968) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Legislature of the Territory of Hawaii, any provisions of the Hawaiian Organic Act, of any laws of the Territory of Hawaii, or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general-obligation bonds in the sum of $1,200,000 to acquire, construct, reconstruct, improve, better, extend, and maintain projects or undertakings for the control of and protection against flood and floodwaters, including the power to drain and rehabilitate lands already flooded in the city of Honolulu.

SEC. 2. The bonds or obligations herein authorized to be issued shall be coupon in forms, shall bear interest at a rate not to exceed 5 percent per annum, and shall mature serially over a period of not to exceed 30 years, with or without the privilege of prior redemption as the board of supervisors may by resolution determine. If sold to the Government of the United States or any agency or instrumentality thereof, said bonds or obligations may be sold at private sale at not less than par and accrued interest to the date of such sale. No election shall be necessary to authorize such bonds or other obligations, which may bear such date or dates, may be payable at such place or places, and may carry such registration privileges as to either principal and interest or as to principal only as the treasurer of said city and county of Honolulu, with the approval of the board of supervisors thereof, may provide. Except where inconsistent with the provisions of this act, the provisions of chapter 117 of the Revised Laws of Hawaii 1945 shall apply to bonds and other obligations used under this act. Such bonds may be issued without the approval of the President of the United States.

SEC. 3. Act 273 of the Session Laws of Hawaii 1949, pertaining to the issuance of flood-control bonds, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of such Territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvements authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PUBLIC IMPROVEMENT BONDS, HAWAII

The Clerk called the bill (H. R. 5459) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Legislature of the Territory of Hawaii, any provision of the Hawaiian Organic Act or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general obligation bonds in the sum of $1,000,000 for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings.

SEC. 2. The bonds issued under the authority of this act shall be serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years from the date of the issue of such series and the last installment to mature not later than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

SEC. 3. Act 375 of the Sessions Laws of Hawaii 1949, pertaining to the issuance of bonds authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to

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prohibit the amendment of such Territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvement district proceedings contemplated by this act for the disposition of unexpended moneys realized from the sale of said bonds.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PLUMAS COUNTY, CALIF.

The Clerk called the bill (H. R. 4641) to authorize the Secretary of Agriculture to accept title to certain land owned or to be acquired by the county of Plumas, State of California, and in exchange therefor to convey to Plumas County certain land owned by the United States in said county.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and hereby is, authorized to accept on behalf of the United States title to a tract of land owned or to be acquired by the county of Plumas, State of California, situate in sections 7 and 18, township 28 north, range 7 east, Mount Diablo meridian, near the Chester Airport in said county, containing twenty-one and two hundred and sixty-two one-thousandths acres, more or less, and in exchange therefor to convey to the county of Plumas, State of California, all right, title, and interest of the United States in and to a tract of land situate in the county of Plumas, State of California, within the said sections 7 and 18, township 28 north, range 7 east, Mount Diablo meridian, containing one hundred forty-four and nine hundred and seventy-six one-thousandths acres, more or less, being a portion of the parcel of land known as the Chester Airport, and the tract of land so accepted by the Secretary of Agriculture shall, upon acceptance, become part of the Lassen National Forest and subject to the laws, rules, and regulations applicable to national-forest lands acquired under the act of March 1, 1911 (36 Stat. 961), as amended.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANGOSTURA UNIT, MISSOURI BASIN PROJECT

The Clerk called the bill (H. R. 2538) to authorize completion of the land development and settlement of the Angostura unit of the Missouri Basin project, notwithstanding a limitation of time.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture may complete the land development and settlement of the Angostura unit of the Missouri Basin project situated in Custer and Fall River Counties, S. Dak., to which, for this purpose only the provisions of section 5 of the act of July 16, 1943 (57 Stat. 566, 567), shall be, and the same are hereby, extended and shall be in full force and effect to the same extent as though the requirements thereof had been completed prior to June 30, 1947.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NORBECK WILDLIFE PRESERVE

The Clerk called the bill (H. R. 3926) to rename a game sanctuary in the Harney National Forest as the Norbeck Wildlife Preserve, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That from and after the approval of this act, that portion of the Harney National Forest in the Black Hills of South Dakota heretofore known as the Custer State Park Game Sanctuary and adjoining or in the vicinity of the Custer State Park and the Mount Rushmore National Memorial reservation and referred to in the act of June 5, 1920 (Public Law 258 of the 66th Cong., 41 Stat. 986), as amended, and the act of June 24, 1948 (Public Law 747 of the 80th Cong., 62 Stat. 580), shall be known and designated as the Norbeck Wildlife Preserve and that all records, surveys, maps, and public documents of the United States and of the State of South Dakota in which Custer State Park Game Sanctuary is referred to shall be held to refer to the Norbeck Wildlife Preserve.

SEC. 2. That portion of the Mount Rushmore National Memorial reservation which lies in the northeast quarter of the southeast quarter of section 19 and the southwest quarter of section 20 and the northwest quarter of the northwest quarter of section 29, township 2 south, range 6 east, of the Black Hills meridian, Pennington County, S. Dak., in all approximately 175 acres, more or less, embracing Iron Mountain and the so-called Iron Mountain Road is hereby restored to the Harney National Forest and made a part of the Norbeck Wildlife Preserve.

SEC. 3. The Secretary of Agriculture, in his discretion, is authorized to permit the placing upon Iron Mountain without cost to the Government a suitable plaque to commemorate the notable service to conservation of Peter Norbeck, a former Governor of, and United States Senator from, the State of South Dakota.

With the following committee amendment:

Page 2, line 7, strike out all of section 2 and insert a new section 2 as follows:

"SEC. 2. That portion of the Mount Rushmore National Memorial reservation which lies in the west half of the west half of section 17; and the southeast quarter of the northeast quarter, and the east half of the southeast quarter of section 18; and the northeast quarter, and the northeast quarter of the southeast quarter of section 19; and the northwest quarter, and the southwest quarter of section 20; and the northwest quarter of the northwest quarter of section 29; and the north 135 feet of the west 145 feet of the south half of the southeast quarter of the northwest quarter of the southeast quarter of section 7; township 2 south, range 6 east, of the Black Hills meridian, Pennington County, S. Dak., in all approximately five hundred five and twenty-five one-hundredths acres, more or less, embracing Iron Mountain and the so-called Iron Mountain Road and the so-called Grizzly Creek Campground is hereby restored to the Harney National Forest and made a part of the Norbeck Wildlife Preserve."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CANCELLATION, ADJUSTMENT, AND COLLECTION OF CERTAIN OBLIGATIONS DUE THE UNITED STATES

The Clerk called the bill (H. R. 5592) to authorize the cancellation, adjustment, and collection of certain obligations due the United States, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, may I ask some member of the Committee on Agriculture if the Department has issued any statement on this bill? I note from reading the report that it involves directly and indirectly about $109,000,000. I should like to get some information as to the position of the Department on this matter.

Mr. PACE. It is my understanding that the subcommittee handling this legislation conferred with the Department. The Department has made no specific recommendations but has no objection to the enactment of this measure. On examination of the bill the gentleman will observe that in good part these are old obligations created back in 1936. The Department has about exhausted its efforts to collect these emergency loans, and at this time it is costing more money to try to collect them than is being collected. The committee deems it advisable to authorize their cancellation.

Mr. McCORMACK. The gentleman makes the statement that the subcommittee conferred with the Department and the Department has no objection?

Mr. PACE. That is correct.

Mr. McCORMACK. This bill involves a very large amount of money to be passed by unanimous consent, but on that statment of the gentleman I withdraw my reservation of objection.

Mr. DEANE. Reserving the right to object, Mr. Speaker, and I shall not object, I can advise the membership of the House that these emergency loans to the rural folks of this country reveal a remarkable operation. Of a total of $575,934,570 loans made from 1918 to May 31, 1949, $466,428,681 of the principal has been collected. This is 81 percent of the total. May I say that the Farmers Home Administration of the Department of Agriculture, under Mr. Dillard Lasseter, has made a remarkable record. This bill, Mr. Speaker, should pass, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the obligations to the United States arising out of loans to farmers under the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1937, and for other purposes," approved January 29, 1937; loans identified or referred to in sections 5 (b), 5 (c), and 5 (d) of Executive Order Numbered 6083, dated March 27, 1933; and all other emergency crop production, feed, seed, drought, and rehabilitation loans by the Secretary of Agriculture or the Farm Credit Administration; loans made out of the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended, and any other claims of the several Regional Agricultural Credit Corporations, including the Regional Agricultural Credit Corporation of Washington, District of Columbia; and loans or claims arising out of transactions with the Resettlement Administration, the Farm Security Administration, the Farmers Home Administration, the several State rural

rehabilitation corporations, or the Administrator of the Resettlement Administration or the Secretary of Agriculture under the transfer agreements with the several State rural rehabilitation corporations; shall be canceled, adjusted, or compromised in the following manner:

(1) All such loans or claims made or arising prior to January 1, 1936, are hereby canceled and any judgments in favor of the United States arising out of such loans or claims are hereby satisfied.

(2) All such loans or claims made or arising on or after January 1, 1936, and prior to January 1, 1942, shall be collected in accordance with the tenor of said obligations and may be compromised, adjusted, or canceled by the Secretary of Agriculture pursuant to section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended, or under the act entitled "An act to authorize the Secretary of Agriculture to compromise, cancel, or adjust claims to the United States, and for other purposes," approved December 20, 1944, or other authority, except that, without regard to the repayment ability of the debtor or the value of the security, there shall be accepted on behalf of the United States, in discharge of the total obligation, any bona fide cash offer of the principal balance remaining unpaid at the time of the offer on any of said loans or claims which were mature and past due on January 1, 1949, if such an offer is made prior to the institution of suits for the enforcement of said obligations.

(3) All loans and claims described in this section not included in items 1 or 2 above shall be collected, liquidated, compromised, or adjusted in accordance with the provisions of existing law, and the provisions of section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended, and the act of December 20, 1944, are extended to apply to loans made out of the revolving fund created by section 84 of the Farm Credit Act of 1933 and any other claims of the several regional agricultural credit corporations.

SEC. 2. The Secretary of Agriculture shall, within the means available, take all steps necessary to collect, liquidate, compromise, or adjust all loans or claims described in section 1, items (2) and (3), which were mature or past due on January 1, 1949, within 2 years of the effective date of this act.

SEC. 3. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act, including the employment of persons and means in the District of Columbia and elsewhere.

With the following committee amendment:

Page 1, line 8, strike out "6083" and insert "6084."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HARRIS asked and was given permission to extend his remarks in the RECORD following the passage of the bill S. 1278, and include therein information summarizing the importance of high intensity runway lights to both civil and military aviation.

KENTUCKY STATE PARKS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 332, the bill (H. R. 3480) to authorize the Commonwealth of Kentucky to use for certain educational purposes lands granted by the United States to such Commonwealth for State park purposes exclusively.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision of the act entitled "An act to authorize the transfer of certain lands in Hopkins County, Ky., to the Commonwealth of Kentucky," approved July 3, 1935 (Public Law No. 196, 74th Cong.), or any express condition in the conveyance of lands made by the United States to the Commonwealth of Kentucky pursuant to such act, which limits to State park purposes exclusively the use of the lands so conveyed, the Commonwealth of Kentucky is authorized to use the Dawson Springs State Park, which comprises such lands, for the use and benefit of the University of Kentucky: *Provided*, That if such lands are used for purposes other than for State park purposes pursuant to such act of July 3, 1935, or for the use and benefit of the University of Kentucky as provided in this act, title thereto shall revert to the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CHINESE STUDENTS IN THE UNITED STATES

Mr. KEE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5602) to strengthen and encourage the democratic forces in China by authorizing the Secretary of State to provide for the relief of Chinese students in the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. RANKIN. Mr. Speaker, reserving the right to object, I would like to hear the gentleman's explanation of this bill.

Mr. KEE. Mr. Speaker, some years ago arrangements were made between this country and the Government of China, under which a number of students were, from time to time, sent from China to study in American schools and universities. The expenses for these students were borne by the Chinese Government. Recently, on account of unfortunate conditions in China, all payments of expenses both for living, tuition, and all other costs to these students in America, have been suspended, so that the students are now in this country at these various institutions and are stranded for want of funds.

We have in America at the present time about 4,000 Chinese students. They are distributed throughout 480 universities and colleges. They are without funds and are hopelessly stranded. They cannot even work to earn a living. They cannot secure jobs because under the immigration laws they are prevented from competing in the labor market. Therefore, some time ago the ECA diverted $500,000 from the funds allowed for the relief of China and devoted it to an attempt to take care of some of these students. The $500,000 are inadequate. It is estimated that in order to take care of the students for the ensuing year, it will cost in the neighborhood of $4,000,000. This bill does not appropriate nor authorize a single dollar out of the funds in the Treasury to carry out its purpose. If the House will remember, some time ago we passed an act here authorizing the ECA Administrator to continue the relief program in China through the expenditure of about $54,000,000 of nonexpended balances of the appropriations which have theretofore been made for Chinese relief. Of that $54,000,000, we only earmarked about $8,000,000 for what is known as the agricultural program. Therefore, we have about $46,000,000 in the account that is so far unobligated. Out of that $46,000,000 already appropriated for relief to China and unobligated, it has been determined $4,000,000 can be allotted to take care of these Chinese students.

This bill will not involve a single additional dollar's cost. The bill is approved not only by the Department of State, but it also has the approval of Hon. Paul Hoffman, Administrator of the ECA. I sincerely hope that the measure will be stamped with the approval of the House.

If there is any further information any Member would like, I will be glad to yield.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. KEE. I yield.

Mr. JUDD. Mr. Speaker, it ought to be emphasized with regard to this program that it is already in operation but on a too-limited scale—only about an eighth as much as needed. Here are almost 4,000 Chinese students in this country, more than half of them partially or totally stranded. They are about the only remaining bridge we have with a quarter of the inhabitants of the globe. Unquestionably they are the best bridge we can have with China for the future. Inasmuch as this money is going to be used for some sort of aid to China it was the unanimous feeling of the committee that there was no other purpose for which up to $4,000,000 of it could be spent that would be as advantageous both to China and to our own interests in the long run as to help take care of these students who, through no fault of their own, are stranded here. They cannot go back right now, even if they had the money, unless they are willing to join the Communists, which we do not want, or be liquidated by the Communists if they refuse to join. The amount allocated by the bill for this purpose should be about enough to carry all worthy and genuinely needy students through to their next education objective. If a boy needs 6 months or a year, or in some cases even more, to get his doctor of philosophy or his master's or bachelor's degree, or a girl her nurse's training certificate, this will carry the individual through to that next objective, and then assist them to get home. If we do not enable them to stay in school, they lose their student status and the Immigration Service picks them up and spends money out of other funds to send them home labeled as undesirable aliens. They go

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home perhaps bitter, because, when they see us spend the money to send them home as if unworthy, they cannot understand why we could not spend the money to allow them to finsh their education and then go home in honor. I do not know any place where we could spend this amount to better advantage than to allocate from the funds already appropriated for aid to China sufficient money for the specific purpose of helping these students meet their next educational objective, and go home with a feeling of profound gratitude and good will toward the United States and with a determination to work with the forces in China which are favorable to us. That is especially important at a time when nobody can deny that events in Asia are going very strongly against us and our interests.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice so that we can study it.

The SPEAKER. The question is whether or not unanimous consent will be given for its consideration. It is not on the Consent Calendar.

Mr. RANKIN. I ask unanimous consent that it be passed over without prejudice. Otherwise, I am going to object to it.

The SPEAKER. That request is not in order, because the bill is not on the Consent Calendar.

Mr. RANKIN. Then I object, Mr. Speaker, to its present consideration.

INTERNATIONAL EXPOSITION AT PORT-AU-PRINCE, HAITI

Mr. KEE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the House joint resolution (H. J. Res. 297) authorizing Federal participation in the International Exposition for the Bicentennial of the Founding of Port-au-Prince, Republic of Haiti, 1949.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. RANKIN. Mr. Speaker, I have been to Haiti and I know something about Port-au-Prince. I think the Members ought to have an opportunity to study these bills. They ought to be put on the Consent Calendar in the regular way or be brought up under a rule.

I am going to object to the present consideration of the resolution.

The SPEAKER. The objection is heard. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

TO INCREASE COMPENSATION FOR WORLD WAR I PRESUMPTIVE SERVICE-CONNECTED CASES, ETC.

Mr. RANKIN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5598) to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct."

The Clerk read the title of the bill.

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I demand a second.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That part of the second proviso of section 28, Public Law No. 141, Seventy-third Congress, March 28, 1934 (48 Stat. 524; U. S. C., title 38, sec. 722), which limits payment of compensation thereunder to 75 percent of the payments otherwise authorized, is hereby repealed, and the Administrator of Veterans' Affairs is hereby authorized and directed to pay 100 percent of the compensation otherwise authorized under Public Law No. 141, Seventy-third Congress.

SEC. 2. That Veterans Regulation No. 3 (a), as amended, is hereby amended by adding thereto a new paragraph to read as follows:

"II. Any ex-service person shown to have active tuberculosis which is compensable under Public Law No. 2 and the Veterans Regulations promulgated pursuant thereto, who in the judgment of the Administrator of Veterans' Affairs has reached a condition of complete arrest, shall be rated as totally disabled for a period of 2 years following such date of arrest, as 50 percent disabled for an additional period of 4 years, and 30 percent for a further 5 years. Following far advanced active lesions the permanent rating shall be 30 percent, and following moderately advanced lesions, the permanent rating, after 11 years, shall be 20 percent, provided there is continued disability, dyspnea on exertion, impairment of health, and so forth; otherwise the rating shall be zero percent: *Provided*, That this act shall not be construed as requiring a reduction of compensation authorized under any other law or regulation: *Provided further*, That no compensation shall be payable under this act for any period prior to its enactment: *And provided further*, That the total disability rating herein provided for the 2 years following a complete arrest may be reduced to 50 percent for failure to follow prescribed treatment or to submit to examination when requested."

SEC. 3. (a) That subparagraphs (a) to (j), inclusive, of paragraph II, part I, Veterans Regulations No. 1 (a), as amended, are hereby amended to read as follows:

"(a) If and while the disability is rated 10 percent the monthly compensation shall be $15.

"(b) If and while the disability is rated 20 percent the monthly compensation shall be $30.

" (c) If and while the disability is rated 30 percent the monthly compensation shall be $45.

"(d) If and while the disability is rated 40 percent the monthly compensation shall be $60.

"(e) If and while the disability is rated 50 percent the monthly compensation shall be $75.

"(f) If and while the disability is rated 60 percent the monthly compensation shall be $90.

"(f) If and while the disability is rated 70 percent the monthly compensation shall be $105.

"(h) If and while the disability is rated 80 percent the monthly compensation shall be $120.

"(i) If and while the disability is rated 90 percent the monthly compensation shall be $135.

"(j) If and while the disability is rated as total the monthly compensation shall be $150."

(b) Paragraph IV of part 1 of Veterans Regulation No. 1 (a), as amended, is hereby amended by striking out "widow with one child, $100 (with $15 for each additional child)" and inserting in lieu thereof "widow with one child, $105 (with $25 for each additional child);".

SEC. 4. That the compensation now payable under the act of July 2, 1948 (Public Law No. 877, 80th Cong.), for certain veterans with service-connected disabilities who have dependents, be amended to include persons whose service-connected disability is rated not less than 50 percent.

SEC. 5. That paragraph VIII of Veterans Regulation No. 10, as amended by Public Law 439, Seventy-eighth Congress, is hereby further amended by striking out the period and substituting a colon therefor and adding the following: "*Provided, however*, That disease, injury, or death incurred without willful misconduct on the part of the service person shall be deemed to have been incurred in line of duty if the sentence of the court martial did not involve an unremitted dishonorable discharge or if the offense for which convicted by civil court did not involve a felony as defined under the laws of the jurisdiction where the service person was convicted by such civil court."

SEC. 6. The increases provided by this act shall be effective from the first day of the second calendar month following the date of enactment of this act.

Mr. RANKIN (interrupting the reading of the bill). Mr. Speaker, I ask unanimous consent that further reading of the bill be dispensed with, the bill to be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The gentleman from Mississippi is recognized for 20 minutes, and the gentlewoman from Massachusetts [Mrs. ROGERS] will be recognized for 20 minutes.

Mr. RANKIN. Mr. Speaker, I yield myself such time as may be necessary to make an explanatory statement.

Mr. Speaker, this bill was reported by the Veterans' Committee by a unanimous vote. On a roll call there was not a single vote against it. The bill is supported and endorsed by the American Legion, by the Veterans of Foreign Wars, by the Disabled American Veterans, and by the AMVETS, the four great veterans' organizations of World Wars I and II that have been chartered by the Congress of the United States.

Section 1 of this bill restores the so-called presumptive cases of World War I to 100-percent compensation, instead of 75 percent. There are some 20,000 cases involved, 95 percent of which are either tuberculosis or neuropsychiatric cases. There are also some paralysis cases, and a few other diseases, that were covered by the presumptive law of 1924.

Section 2 provides additional periods of time in which compensation may be drawn for arrested cases of tuberculosis. It makes mandatory present Veterans' Administration regulations with several liberalizing features.

Section 3 (a) creates a new disability payment schedule based on $150 for total

disability and $15 for 10-percent disability. This is in lieu of the present schedules of $138 for total disability and $13.80 for 10-percent disability.

We think that under the circumstances, with the high costs of living, these changes are justified.

Subsection (b) of section 3 increases the rate for a widow with one child from $100 to $105 a month, and increases the rates for additional child from $15 to $25.

Section 4 amends the Dependency Allowance Act to provide that those veterans 50 percent or more disabled shall receive an additional allowance for dependents. This section keeps the schedule of payments at the same level, but reduces the disability requirements to 50 percent in lieu of the present 60 percent. This makes it possible for all veterans 50 percent or more disabled to receive additional compensation for their dependents.

Section 5 liberalizes the line of duty requirement with respect to a disability incurred in confinement under sentence of court martial or civil court where the offense did not involve a dishonorable discharge or conviction of a felony to provide that such veterans or their dependents shall receive the benefits to which they would otherwise be entitled.

The cost for the first year is estimated at approximately $112,000,000.

Mr. Speaker, that is the bill before us. I hope it passes by a unanimous vote.

I reserve the balance of my time.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this bill is long overdue. Many of these TB cases have not been getting enough to eat as a result of the inadequate compensation. It will serve a very fine purpose and right a wrong.

I am extremely glad that we are passing legislation for the disabled veterans because it is more difficult to secure passage for disabled veterans than it is for the able-bodied.

Mr. Speaker, the so-called omnibus bill before us today is the result of long and comprehensive hearings and study by the Committee on Veterans' Affairs of 21 bills relating to the several sections of H. R. 5598.

No less than 11 open hearings were held, at which testimony was heard from representatives of the American Legion, Veterans of Foreign Wars, Disabled American Veterans, and Amvets, as well as officials from the Veterans' Administration. These hearings are available in a 317-page pamphlet and I urge upon the membership the study of this testimony.

Section 1 of the bill restores World War I presumptive cases to full compensation of 100 percent in lieu of the present 75 percent of the prevailing rates. As many of the older members recall, when the Economy Act—Public Law No. 2, Seventy-third Congress—was passed, these presumptive cases were cut off entirely from the compensation rolls. One year and 8 days later Congress recognized the cruel and disastrous effect of this action and restored these service-connected cases to 75 percent of the rates prevailing for other disabled veterans. This was embodied in Public Law No. 141, Seventy-third Congress. Under the provisions of the law any World War I veteran who contracted disability prior to January 1, 1925, would be presumed to have incurred the disability in service. According to estimates furnished by the Veterans' Administration, 20,450 presumptive cases would be affected by the bill. Of these approximately 8,300 are tuberculosis cases, 9,550 are neuropsychiatrics of various types, and 2,600 are cases with other disabilities. Cost figures, which were obtained from the Veterans' Administration, show that the first-year cost of this section would be $4,691,000, and they note that the cost would decrease each year thereafter.

Section 2 of the bill sets up new standards for compensating any ex-service person shown to have service-connected tuberculosis and whose condition, in the judgment of the Administrator of Veterans' Affairs, has reached a state of complete arrest. The following rates are provided: Total disability up to 2 years; 50 percent for the balance of 5 years; and 30 percent for a further period of 5 years. This is a much-needed adjustment of existing regulations and would be of inestimable value in restoring the morale and advancing the recovery of those veterans who are battling this dread disease. The cost of this section of the bill is small, it having been estimated at approximately $700,000 a year.

Section 3 increases the awards payable for service-connected disabilities. As originally presented to the Committee this proposal was for a 25-percent increase in all monthly rates of compensation and pension payable under any public laws or regulations to veterans and the dependents of veterans of World War I and World War II, except the increased rates for death compensation provided under Public Law No. 868, Eightieth Congress, dated July 1, 1948. This was considered to be an equitable increase to meet the rise in the cost of living. However, after much testimony and debate, both in open hearing and in executive session, the committee voted to reduce the percentage of increase, and the overall ratio of increase called for in this section as presented for your consideration is but 8.7 percent over existing rates. This section of the bill applies to service-connected cases only. Under present laws the wartime rate for total disability is $138; this bill increases it to $150 per month. Proportionate increases are made for the nine degrees of partial disability. The Veterans' Administration estimates that subsection (a) would cost $84,432,000 for the first year, and would affect 2,024,000 veterans. Subsection (b) would increase the wartime rate of compensation for a widow with one child from $100 to $105 and the rate for each additional child, with widow, from $15 to $25. The similar peacetime rates for death compensation would be increased to 80 percent of the stated new wartime rates. The cost of this subsection is estimated at $7,368,000 for the first year and would affect approximately 58,000 cases. The combined cost of subsections (a) and (b) of section 3 would approximate $91,800,000 for the first year.

Section 4 of the bill amends Public Law No. 877 of the Eightieth Congress, which Members will recall provided additional compensation for the dependents of those veterans having a 60 percent or more service-connected disability. This section would lower the 60 percent requirement to 50 percent and the first-year cost would approximate $15,406,300.

Section 5 liberalizes line of duty requirements with respect to a service person whose disease, injury, or death was incurred without willful misconduct while in confinement under sentence of court martial or civil court, unless sentence involved an unremitted dishonorable discharge or the offense for which convicted involved a felony. At the present time such veterans and their dependents are barred from receiving compensation. The Veterans' Administration has advised that they are unable to furnish an estimate of cost, but the number affected would not be large. The enactment of this section would correct many distressing and apparent inequitable cases, some of which were cited to the committee as examples of obvious injustices. In the past many narrow constructions of the statute have been practised, and the enactment of this section would clarify the interpretation considerably.

Section 6 simply provides that the act shall be effective from the first day of the second calendar month following enactment.

Taking the bill as a whole, the cost for the first year would be $112,597,300, broken down as follows:

Sec. 1	$4,691,000
Sec. 2	700,000
Sec. 3 (a)	84,432,000
Sec. 3 (b)	7,368,000
Sec. 4	15,406,300
Total	112,597,300

Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Speaker, I take this time only to affirm what has been said by the chairman of the Committee on Veterans' Affairs and by the distinguished ranking minority member of that committee and to express my opinion that this represents reasonable legislation on behalf of that group of veterans to which our Nation owes its primary and greatest obligation.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD and that all Members may have five legislative days in which to extend their remarks in the RECORD on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. PRICE. Mr. Speaker, I am happy to see this legislation come up for approval in the House today, although I would like to see legislation before us carrying a more adequate increase in compensation for veterans now drawing service-connected disability.

However, I feel the committee is to be commended for its work in making some greatly needed adjustments that will favor the presumptive service-connected cases of World War I veterans.

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Much injustice was done these presumptive case veterans in the past. This legislation restores World War I presumptive cases to 100 percent compensation instead of the present 75 percent.

Further, the legislation increases the time within which compensation may be drawn for arrested TB.

The increased allowances also go to widows and children and there are other benefits which the chairman of the committee has explained to the House.

The measure will increase the compensation in service-connected cases about 8 percent. As I have stated, I wish a more adequate increase could be approved, but I certainly shall give my full support to this measure and I am confident the overwhelming majority of the House will vote in favor of this bill.

Mr. NOLAND. Mr. Speaker, I am strongly in favor of the veterans benefits bill, H. R. 5598, which provides increases in compensation for service-connected disability cases and for widows and children. This legislation is very meritorious, and attempts to alleviate in some measure the discrepancies now existing between the cost of living and the rate at which disability pensions have been set.

This bill provides for an increase from $138 for total disability to $150. It should be pointed out that at the time the $138 figure was set for total disability the cost of living index stood at 138. At the present time the cost of living index stands at approximately 169. Without doubt, the increase to $150 per month is meritorious because of the great increase in the cost of living. This bill also provides for increased benefits for widows and children which I strongly supported in the committee.

Other benefits contained in this omnibus veterans' benefit bill provide for a restoration from 75 percent to 100 percent for presumptively service-connected TB cases from World War I. This legislation would restore World War I TB cases to the position which they occupied before the enactment of the Economy Act of 1933, which reduced their benefits.

In addition, this bill provides for minimum ratings and minimum lengths of time for service-connected cases of TB. These provisions are extremely important because these veterans have more opportunity to recover from TB before being forced by economic conditions to exert themselves in normal employment.

For these reasons, I strongly favor the passage of this legislation which will eliminate many of the discrepancies now existing in compensation to service-connected veterans cases.

Mr. DOYLE. Mr. Speaker, I am in favor of the important and worthy objectives of this bill which has come out of the Veterans' Affairs Committee with the unanimous report in favor thereof.

It should be noted that the major veterans' organizations, as well as the representatives of our Veterans' Administration here in Washington, testified emphatically in support of this bill.

I am glad to see that there is a conclusive presumption to the effect that persons who entered active service before November 11, 1918, shall be presumed to then have been in sound condition when examined, accepted, and enrolled for service, excepting as to those defects or infirmities of which a record was made. Furthermore, it also provides that it shall be presumed that any ex-serviceman shown to have had, prior to January 1, 1925, a neuropsychiatric disease or tubercular disease, or similar disease developing in 10 percent degree of disability shall be presumed to have acquired this disability in active service. There are other presumptions which are sound in the interest of equity and justice to the veterans. And I am glad to see the provision to protect the veterans who are shown to have active tuberculosis which is compensable under Public 2 of the Seventy-third Congress.

For these veterans who have such terrible diseases and have reached a condition of complete arrest, under this bill, shall be rated as totally disabled for a period of 2 years following the date of such arrest and as 50-percent disabled for an additional period of 4 years, and 30-percent disabled for a further 5 years. And the Government is protected by the provision that this total disability rating for 2 years following complete arrest may be reduced to as low as 50 percent if the veteran does fail to follow prescribed treatment or if he fails to submit to examination when directed.

Then section 3 of the bill provides reasonable increases for certain disabilities and death compensation rates. These are timely. For existing total disability is increased from $138 to $150 per month with proportionate increases for the rated 9 degrees of partial disability. These new rates represent an increase of about 8.7 over existing rates for similar degrees of disability. This is little enough. This same beneficent section of 3B provides for an increase in the wartime compensation or rate of death compensation for a widow with one child; it up it from $100 to $105 per month, plus $25 each month for each additional child, in lieu of the $15 which is presently the law.

I do not here have time to discuss the bill in full, but I bespeak for its unanimous approval by the House.

Mr. RANKIN. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, may I ask if the gentlewoman from Massachusetts has any other requests for time?

Mrs. ROGERS of Massachusetts. I have no requests for time. There are Members who wish to extend their remarks at this point. I yield back the balance of my time.

Mr. RANKIN. Mr. Speaker, we have no requests for time on this side. It is the understanding now, and this was agreed to by unanimous consent on last Thursday, that we would take up the bill and discuss it this morning and that the vote on it would be postponed until tomorrow and be the first order of business. Is that the Chair's understanding?

The SPEAKER. That is correct.

Mr. RANKIN. Then, Mr. Speaker, with that understanding, we will take the bill up for a vote tomorrow.

AMEND THE MIGRATORY BIRD HUNTING STAMP ACT

Mr. THOMPSON. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1076) to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended, is further amended by deleting "$1" as it appears therein and inserting in lieu thereof "$2": *Provided*, That the moneys derived from the sale of such stamps shall be spent only upon specific appropriation by the Congress.

SEC. 2. Subsection (a) of section 4 of said act is further amended by deleting the period and inserting in lieu thereof a colon and the following: "*Provided*, That in the discretion of the Secretary of the Interior not to exceed 25 percent at any one time, of any area acquired in accordance with the provisions of this act, may be administered primarily as a wildlife management area not subject to the prohibitions against the taking of birds, or nests or the eggs thereof, as contained in section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1222; 16 U. S. C. 715i), as amended, except that no such area shall be open to the shooting of migratory birds when the population of such birds frequenting the area or in the migrations utilizing such area is on a decline, nor prior to July 1, 1952, or the date upon which the same has been fully developed as a management area, refuge, reservation, or breeding ground, whichever is later."

The SPEAKER. Is a second demanded?

The Chair hears none.

Mr. THOMPSON. Mr. Speaker, the legislation under consideration is S. 1076, originally a companion measure of H. R. 3711, the purpose of which is to amend the Migratory Bird Hunting Stamp Act of 1934. The act and its effect are well known to duck hunters all over the Nation.

But for the benefit of those who may not be familiar with it, I would like to trace briefly the origin of the idea.

Ducks habitually nest and breed in northern Canada and Alaska. In the fall of the year, together with their young, they migrate south and spend the winter on the Gulf coast, the South Atlantic coast, or Mexico. On the way, there must be resting places where a duck can sit down, get a drink of water, and spend the night, or maybe several nights, before taking up his trek to the South.

In the early thirties we had some very serious drought years. Breeding grounds dried up, and many of the natural sanctuaries on which the ducks were accustomed to light, going to and from winter quarters, were also dried up and, therefore, unusable.

At the same time, there was a continuing encroachment on the natural breeding grounds and resting places caused by the expansion of agriculture.

Duck hunters, seeing the game rapidly diminishing each year, began studying the problems of propagation and protection of the duck population. Obviously a closed season would not correct the situation.

State conservation departments, willing as they were to do their part, were powerless to act because the migration of waterfowl is not only interstate but international in its scope.

The States were not in a position to carry out the terms of an already existing treaty with Canada nor to negotiate a similar treaty concerning migratory waterfowl with Mexico.

The duck hunters, acting generally through conservation organizations and similar associations of sportsmen, concluded that the only answer was through rehabilitation of the nesting areas and the reestablishment of adequate sanctuaries for the ducks to rest on their migrations. They were perfectly willing to pay the cost of the conservation program and they had no desire to permanently burden the nonhunting general public with a levy of taxes.

There is a very interesting story to the effect that some apparently elderly and obviously poor hunter wrote in on a drug-store tablet and suggested to one of the conferences that the way to raise the money was to issue a stamp and attach it to everybody's hunting license provided he intended to hunt waterfowl. The idea took hold and was sponsored by the famous cartoonist, Ding Darling, of Iowa, who was once head of the biological survey.

Mr. Darling drew the design for the first duck stamp and donated it to the cause. In subsequent years, well-known artists have drawn the designs and furnished them, always without cost, to the Federal Government. This was the sportsmen's answer to their own problem.

It has been successful and the duck population has increased considerably. However, it is a fact well known to all duck hunters that it is still not up to a satisfactory point. The duck hunters, therefore, began again to hold meetings which started some 2 year ago.

The 1934 act provided that 90 percent of the proceeds should be spent for the purchase of inviolate sanctuaries for nesting, rest, and similar purposes.

Ten percent of the proceeds was applied toward law enforcement and management. One of the unsatisfactory features of the whole law was the lack of sufficient funds for enforcement purposes. Another very serious problem came through the very natural tendency of hunters to buy up available property around the sanctuaries so that they would get a shot at the poor old duck as he was coming in to rest or as he was leaving after his rest. If a wealthy man were looking for a place to hunt and could afford to buy such a piece of property, of course, that is the very one that he would purchase. You would do the same thing if you wanted to start a club and sell memberships or if you wanted to rent out some good blinds.

The man with the Sears, Roebuck shotgun and a few shells, but who had paid for his duck stamp like the wealthy man, was getting less and less opportunity to do some hunting.

Accordingly the conservationists and sportsmen decided among themselves that they would raise the price of the duck stamp from $1 to $2, and that they would purchase some additional sanctuaries, presumably located to a large extent on the fringes of those already established. This, they believe, would provide sufficient sanctuaries to permit the duck population to further increase and it is hoped that it will soon reach a point sufficient to permit additional hunting, increase of bag limits, extension of open seasons, and so on. If that point is reached, then it seems to the sportsmen that it would be logical to open to public hunting a very limited part of these newsly acquired sanctuaries.

This would give the man with the Sears, Roebuck shotgun an opportunity to come in and do some choice hunting. It would control the hunting area in a manner that is not generally done in a private club. It would break up, to some extent at least, the hogging of the good shooting by private individuals and clubs.

This is the duck hunter's solution to his own problem.

It has the endorsement, so far as I know, of all the sportsmen's publications and of every sportsmen's conservation group. It is recommended by the Department of the Interior, and the Department has furnished me with information indicating that 46 of the 48 States are on record in favor of it. Of the remaining 2, it is my understanding that neither objects to it but have simply not recorded themselves in favor.

I hope that this sportsmen's plan to raise the money with which to finance their program will meet with the approval of the House of Representatives.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

UNITED STATES AID IN FISH RESTORATION

Mr. THOMPSON. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 1746) to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to cooperate with the States through their respective State fish and game departments in fish restoration and management projects as hereinafter set forth: No money apportioned under this act to any State, except as hereinafter provided, shall be expended therein until its legislature, or other State agency authorized by the State constitution to make laws governing the conservation of fish, shall have assented to the provisions of this act and shall have passed laws for the conservation of fish, which shall include a prohibition against the diversion of license fees paid by fishermen for any other purpose than the administration of said State fish and game department, except that until the final adjournment of the first regular session of the legislature held after passage of this act the assent of the Governor of the State shall be sufficient. The Secretary of the Interior and the State fish and game department of each State accepting the benefits of this act shall agree upon the fish restoration and management projects to be aided in such State under the terms of this act, and all projects shall conform to the standards fixed by the Secretary of the Interior.

SEC. 2. For the purpose of this act the term "fish restoration and management projects" shall be construed to mean projects designed for the restoration and management of all species of fish which have material value in connection with sport or recreation in the marine and/or fresh waters of the United States and include—

(a) Such research into problems of fish management and culture as may be necessary to efficient administration affecting fish resources.

(b) The acquisition of such facts as are necessary to guide and direct the regulation of fishing by law, including the extent of the fish population, the drain on the fish supply from fishing and/or natural causes, the necessity of legal regulation of fishing, and the effects of any measures of regulation that are applied.

(c) The formulation and adoption of plans of restocking waters with food and game fishes according to natural areas or districts to which such plans are applicable, together with the acquisition of such facts as are necessary to the formulation, execution, and testing the efficacy of such plans.

(d) The selection, restoration, rehabilitation, and improvement of areas of water or land adaptable as hatching, feeding, resting, or breeding places for fish, including acquisition by purchase, condemnation, lease, or gift of such areas or estates or interests therein as are suitable or capable of being made suitable therefor, and the construction thereon or therein of such works as may be necessary to make them available for such purposes; the term "State fish and game department" shall be construed to mean and include any department or division of department of another name, or commission, or official or officials, of a State empowered under its laws to exercise the functions ordinarily exercised by a State fish and game department.

SEC. 3. To carry out the purposes of this act, there is hereby authorized to be appropriated an amount equal to the revenue accruing from tax imposed by section 3406 of the Internal Revenue Code, effective October 1, 1941, on fishing rods, creels, reels, and artificial lures, baits, and flies for the fiscal year ending June 30, 1947, and each fiscal year thereafter. The appropriation made under the provisions of this section for each fiscal year shall continue available during the succeeding fiscal year. So much of such appropriation apportioned to any State for any fiscal year as remains unexpended at the close thereof is authorized to be made available for expenditure in that State until the close of the succeeding fiscal year. Any amount apportioned to any State under the provisions of this act which is unexpended or unobligated at the end of the period during which it is available for expenditure on any project is authorized to be made available for expenditure by the Secretary of the Interior in carrying on the research program of the Fish and Wildlife Service in respect to fish of material value for sport and recreation.

SEC. 4. So much, not to exceed 8 percent, of each annual appropriation made in pursuance of the provisions of section 3 of this act as the Secretary of the Interior may estimate to be necessary for his expenses in the conduct of necessary investigations, administration, and the execution of this act and for aiding in the formulation, adoption, or administration of any compact between two or more States for the conservation and management of migratory fishes in marine or fresh waters shall be deducted for that purpose, and such sum is authorized to be made available therefore until the expiration of the next succeeding fiscal year. The Secretary of the Interior, after making the aforesaid deduction, shall apportion the remainder of the appropriation for each fiscal year among the several States in the following manner; that is to say, 40 percent in the ratio which the area of each State including coastal and Great Lakes waters (as determined by the Secretary of the Interior) bears to the total area of all the States

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and 60 percent in the ratio which the number of persons holding paid licenses to fish for sport or recreation in the State in the second fiscal year preceding the fiscal year for which such apportionment is made, as certified to said Secretary by the State fish and game departments, bears to the number of such persons in all the States; but in the event that the licenses to fish in any State are combination hunting and fishing licenses, the number of fishing-license holders shall be limited to 50 percent of the number of such combination licenses certified to the Secretary of the Interior by the State fish and game departments: *Provided*, That such apportionments shall be adjusted equitably so that no State shall receive less than 1 percent nor more than 5 percent of the total amount apportioned to all of the States: *Provided further*, That where the apportionment to any State under this section is less than $4,500 annually, the Secretary of the Interior may allocate not more than $4,500 of said appropriation to said State to carry out the purposes of this act when said State certifies to the Secretary of the Interior that it has set aside not less than $1,500 from its fish-and-game funds or has made, through its legislature, an appropriation in this amount for said purposes. Any sum not allocated under the provisions of this section shall be made available for expenditure by the Secretary of the Interior in carrying out the provisions of the fisheries-research program of the Fish and Wildlife Service with the States.

SEC. 5. For each fiscal year beginning with the fiscal year ending June 30, 1948, the Secretary of the Interior shall certify to the Secretary of the Treasury, and to each State fish and game department, the sum which he has estimated to be deducted for administering and executing this act and the sum which he has apportioned to each State for such fiscal year. Any State desiring to avail itself of the benefits of this act shall notify the Secretary of the Interior to this effect within 60 days after it has received the certification referred to in this section. The sum apportioned to any State which fails to notify the Secretary of the Interior as herein provided is authorized to be made available for expenditure by the Secretary of the Interior in carrying out the provisions of the fish-research program of the Fish and Wildlife Service.

SEC. 6. Any State desiring to avail itself of the benefits of this act shall, by its State fish and game department, submit to the Secretary of the Interior full and detailed statements of any fish-restoration and management project proposed for that State. If the Secretary of the Interior finds that such project meets with the standards set up by him and approves said project, the State fish and game department shall furnish to him such surveys, plans, specifications, and estimates therefor as he may require: *Provided, however*, That the Secretary of the Interior shall approve only such projects as may be substantial in character and design, and the expenditure of funds thereby authorized shall be applied only to such approved projects and if otherwise applied they shall be replaced by the State before it may participate in any further apportionment under this act.

Items included for engineering, inspection, and unforeseen contingencies in connection with any works to be constructed shall not exceed 10 percent of the cost of such works. If the Secretary of the Interior approves the plans, specifications, and estimates for the project, he shall notify the State fish and game department and immediately certify the fact to the Secretary of the Treasury. The Secretary of the Treasury shall thereupon set aside so much of said appropriation as represents the share of the United States payable under this act on account of such project, which sum so set aside shall not exceed 75 percent of the total estimated cost thereof. No payment of any money apportioned under this act shall be made on any project until such statement of the project and the plans, specifications, and estimates thereof shall have been submitted to and approved by the Secretary of the Interior.

SEC. 7. When the Secretary of the Interior shall find that any project approved by him has been completed or, if involving research relating to fish, is being conducted, in compliance with said plans and specifications, he shall cause to be paid to the proper authority of said State the amount set aside for said project: *Provided*, That the Secretary of the Interior may, in his discretion, from time to time, make payments on said project as the same progresses; but these payments, including previous payments, if any, shall not be more than the United States pro rata share of the project in conformity with said plans and specifications. Any constructive work and labor in each State shall be performed in accordance with its laws and under the direct supervision of the State fish and game department, subject to the inspection and approval of the Secretary of the Interior and in accordance with the rules and regulations made pursuant to this act. The Secretary of the Interior and the State fish and game department of each State may jointly determine at what times and in what amounts payments as work progresses, shall be made under this act. Such payments shall be made by the Secretary of the Treasury, on warrants drawn by the Secretary of the Interior against the said appropriation to such official or officials, or depository, as may be designated by the State fish and game department and authorized under the laws of the State to receive public funds of the State.

SEC. 8. To maintain fish-restoration and management projects established under the provisions of this act shall be the duty of the States according to their respective laws: *Provided*, That beginning July 1, 1950, maintenance of projects heretofore completed under the provisions of this act may be considered as projects under this act: *Provided further*, That not more than 25 percent of the allocation from Federal funds in any one year after July 1, 1950, may be set aside for such maintenance projects. Title to any real or personal property acquired by any State, and to improvements placed on State-owned lands through the use of funds paid to the State under the provisions of this act, shall be vested in such State.

SEC. 9. Out of the deductions set aside for administering and executing this act the Secretary of the Interior is authorized to employ such assistants, clerks, and other persons in the District of Columbia and elsewhere, to be taken from the eligible lists of the civil service; to rent or construct buildings outside of the District of Columbia; to purchase such supplies, materials, equipment, office fixtures, and apparatus; and to incur such travel and other expenses, including publication of technical and administrative reports, purchase, maintenance, and hire of passenger-carrying motor vehicles, as he may deem necessary for carrying out the purposes of this act.

SEC. 10. The Secretary of the Interior is authorized to make rules and regulations for carrying out the provisions of this act.

SEC. 11. The Secretary of the Interior shall make an annual report to the Congress giving detailed information as to the projects established under the provisions of this act and expenditures therefor.

SEC. 12. The Secretary of the Interior is authorized to cooperate with the Alaska Game Commission, the Division of Game and Fish of the Board of Commissioners of Agriculture and Forestry of Hawaii, the Commissioner of Agriculture and Commerce of Puerto Rico, and the Governor of the Virgin Islands, in the conduct of fish restoration and management projects, as defined in section 2 of this act, upon such terms and conditions as he shall deem fair, just, and equitable, and is authorized to apportion to said Territories, Puerto Rico, and the Virgin Islands, out of money available for apportionment under this act, such sums as he shall determine, not exceeding $25,000 for Alaska, and $10,000 each for Hawaii, Puerto Rico, and the Virgin Islands, in any one year, which apportionments, when made, shall be deducted before making the apportionments to the States provided for by this act; but the Secretary shall in no event require any of said cooperating agencies to pay an amount which will exceed 25 percent of the cost of any project. Any unexpended or unobligated balance of any apportionment made pursuant to this section shall be available for expenditure in the Territories, Puerto Rico, or the Virgin Islands, as the case may be, in the succeeding year, on any approved project, and if unexpended or unobligated at the end of such year is authorized to be made available for expenditure by the Secretary of the Interior in carrying on the research program of the Fish and Wildlife Service in respect to fish of material value for sport recreation.

The SPEAKER. Is a second demanded?

The Chair hears none.

Mr. THOMPSON. Mr. Speaker, I yield to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, ever since the passage of the Robertson-Pittman Act in 1937, providing Federal aid to State game restoration projects by earmarking the sportsmen's excise tax on sporting arms and ammunition, the conservationists of America have been hopeful that the Congress would enact a companion measure for Federal aid to State fishery restoration projects by earmarking the excise tax of 10 percent on fishing rods, creels, reels, and artificial lures, baits and flies.

Sport fishing, in continental United States waters, is progressively getting worse. Stream-improvement work is needed, more investigations are required, and cooperative management programs are essential if the vastly increased number of anglers are given the opportunity to pursue their sport. In 1933 the 48 States sold 4,858,058 fishing licenses. Last year 14,582,739 such licenses were purchased by sportsmen, an increase of 300 percent. To supply fish in angling waters to meet this greatly increased demand has challenged the State fish and game departments. This excise tax was enacted as a war revenue-raising measure. It will produce about $3,000,000 paid into the United States Treasury by the sportsmen who buy the tackle mentioned above.

The bill places emphasis on stream improvement, management, and recreation rather than upon hatchery work, although the latter is not barred.

Seventy-five percent of the total cost of a project is to be paid out of this earmarked fund and the States pay the other 25 percent out of their own fishing-license revenues.

Each State is allocated a portion of the money so earmarked under a formula which takes into consideration the area of the State as compared with the total area of all of the States and the number

of paid fishing licenses issued by the State as compared to the total number of fishing licenses issued in all of the States. Only 8 percent of the earmarked fund is available to the Fish and Wildlife Service for administration of the act. The other 92 percent goes directly to the State or fishery-restoration projects.

The philosophy behind this bill is that it adds no new tax burden to the people of the United States. The revenues accruing from this excise tax which are paid by the fishermen themselves are applied to a much-needed and worth-while program for the rehabilitation of their sport and each project when completed, including lands, buildings, and equipment, belongs to the State. It is one of the most constructive measures for the preservation and restoration of sport fishing ever to be introduced in the Congress and takes its stand in importance with the Migratory Bird Treaty Act and the Robertson-Pittman Act. It will do for fisheries what the Robertson-Pittman Act has done for game.

In previous sessions of the Congress opposition to this bill was voiced by the Association of Fishing Tackle Manufacturers. At the annual meeting of this organization, which is composed of all sport-fishing manufacturers, held in Chicago early in June of this year, seemingly all misunderstanding was dissolved and a resolution was passed supporting this measure. This wiped out, so far as is known, the last vestige of opposition to this bill.

This and similar bills have been before the Congress for 10 years. The millions of sportsmen and the conservation groups throughout the country earnestly hope that the Congress will give its stamp of approval to this bill, the benefits from which will greatly improve the recreation of millions of people in the out-of-doors. It offers some assurance to our posterity that this depleted natural resource, offering so much pleasure to the sportsmen of today, might be preserved and perpetuated for our sons and for their grandsons in the ever-increasing volume and number of game fish.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. As I understand, this bill is not only going to provide for research but will provide for propagation. The funds coming in under this bill will, in cooperation with the States, be applied to the propagation of fish. Will a major portion of the funds derived from this source be used for that purpose?

Mr. DINGELL. By all means. A great deal of latitude is given to the States. They can use it pretty much as they please. All but the 8 percent reserved for administrative purposes will go to the States.

Mr. Speaker, this is a companion bill to the Robertson-Pitman Act. It has the well-nigh universal support of the millions of sportsmen, including men and women who do not fish with rod and reel, and by that I mean those who are interested in wildlife, like migratory birds. They are anxious to bring to the fishermen the benefits of this proposal, so that we may increase the number of game fish.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Michigan.

Mr. DONDERO. Coming from the good State of Michigan, like my good friend, may I say that this bill is of great interest to the people of our State. May I ask what amount of money is expected to be realized from this legislation?

Mr. DINGELL. Approximately $3,000,000.

Mr. DONDERO. It provides for a tax of 10 percent upon fishing equipment?

Mr. DINGELL. That is an already existing tax.

Mr. DONDERO. I think it is a good bill.

Mr. DINGELL. I thank the gentleman.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. BYRNES of Wisconsin. I asked the gentleman to yield only to state for the RECORD what I told the gentleman outside the floor of the House, that when this bill came up on the Consent Calendar it was necessary for the Consent Calendar objectors to ask that it be passed over without prejudice because of the amount of money involved. As the individual who asked that the bill be passed over and not considered on the Consent Calendar, may I say to the gentleman that as far as the merits of the bill are concerned I am in hearty accord with the bill. It was only because of the amount of money involved that we had to ask that the bill not be considered on the Consent Calendar.

Mr. DINGELL. I appreciate the attitude of the gentleman from Wisconsin. I know he favors the objective of this bill.

The SPEAKER. The question is, will the House suspend the rules and pass the bill?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

AMENDING THE PHILIPPINE REHABILITATION ACT OF 1946

Mr. KEE. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5535) to amend the Philippine Rehabilitation Act of 1946.

The Clerk read as follows:

Be it enacted, That subsection (e) of section 311 of the Philippine Rehabilitation Act of 1946 is amended by adding at the end thereof the following sentence: "The authority contained in subsection (a) of section 302 and subsection (a) of section 303 shall continue in effect until June 30, 1951. Appropriations pursuant to section 301 for carrying out the purposes of these sections may be continued available until June 30, 1951."

The SPEAKER. Is a second demanded? [After a pause.] The Chair hears none.

The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

EXTENDING THE INSTITUTE OF INTER-AMERICAN AFFAIRS

Mr. MANSFIELD. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1250) to amend the Institute of Inter-American Affairs Act, approved August 5, 1947, with an amendment which I send to the desk.

The Clerk read as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Institute of Inter-American Affairs, created by Public Law 369, Eightieth Congress, shall have—

"(a) Succession until June 30, 1955; and

"(b) Authority, within the limits of funds appropriated or specific contract authorizations hereafter granted to it, to make contracts for periods not to exceed 5 years and not to extend beyond June 30, 1955, in any case.

"SEC. 2. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums, not to exceed $40,000,000, as may from time to time be necessary to carry on the activities of the Institute during the period ending June 30, 1955, and the appropriations hereby authorized shall be in addition to appropriations pursuant to authorizations granted in Public Law 369, Eightieth Congress."

The SPEAKER. Is a second demanded? [After a pause.] The Chair hears none.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, the bill H. R. 5730 concerns the operations of the Institute of Inter-American Affairs.

It gives it approximately five more years of authorization.

It specifically gives it forward contracting authority—subject to the time limits of its charter and to 5 years in any particular contract and to the limitation of appropriations of specific contract authorizations in appropriation bills.

It gives the Institute an appropriation authorization of $40,000,000 spread over the five additional years.

Before discussing these three items in this bill, I want to say a word about the Institute itself.

You will recall that it was set up originally as one of five Delaware corporations established by the Coordinator of Inter-American Affairs. Their job was to carry out cooperative assistance programs with Latin America as part of our wartime good-neighbor policy aiming to keep and encourage the solidarity of this hemisphere.

Three of the corporations expired and do not concern us here. Two of them—the Institute and the Inter-American Education Foundation, Inc., were continued under one corporate charter as a Federal corporation under legislation enacted August 4, 1947.

It may be well to recall that that legislation was approved unanimously by a subcommittee of the Committee on Foreign Affairs, unanimously by the full committee, unanimously by the House, unanimously by the Senate Committee

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on Foreign Relations, and then unanimously by the Senate itself. There were, however, one or two who had their doubts in the House. To conciliate them and enable the legislation to get by on a unanimous-consent procedure, the charter was shortened from 5 to 3 years.

Were it not for that circumstance, we would not be having to legislate on the Institute at this time.

However, the characteristic of unanimity seems still to prevail with regard to the Institute in this Congress. Legislation to extend its corporate life was reported unanimously by the Senate Committee on Foreign Relations and approved unanimously by the Senate.

A companion bill was approved unanimously by a subcommittee of your Committee on Foreign Affairs and then by the full committee—also unanimously.

I believe the House will also act unanimously on this measure. I would be absolutely certain of this if all the Members had been able to familiarize themselves with this Institute and its work as some of us on the Committee on Foreign Affairs have.

This is one bill that we do not have to ask the House to approve on the basis of what the people in the executive branch have told us about the matter.

In this case we are asking your approval on the basis of our own direct evidence.

Four of the present members of the Committee on Foreign Affairs went to South America during the winter months of 1948 to see the way the Institute operated in the field. In addition, two of the members served a year ago last spring as members of the United States delegation to the International Conference of American States meeting at Bogota.

In both instances these members were able to make the acquaintance of some of the operating people themselves. They were able to see the physical evidence of Institute projects. They had opportunities to discuss the Institute's problems and accomplishments with our ambassadors in a dozen Latin-American countries. They discussed the Institute's work with foreign ministers and with chiefs of state in several of the Latin-American Republics.

Finally—and this is perhaps most important of all—they were able to talk about the meaning of the Institute to our Latin-American friends in many conversations with private citizens of both high and lowly station in the countries concerned.

I know that none of the others who went out into the field to gather the evidence will contradict me when I say that we come before the House perfectly sure in our own minds—

First. That this is a good program.

Second. That the people working in it are patriotic Americans who believe in their mission, who are technically sound, and who in every way do credit to this Nation in their service abroad.

Third. That every one of our Ambassadors in Latin America is not only approving of this program but indeed enthusiastic about it as one of the most useful and valuable instruments of our foreign policy in Latin America.

Fourth. That the Latin-Americans themselves are warmly appreciative of our interest in them and of the benefits accruing to them under this program, a point that is fully evidenced in our report where it deals with the manner in which the participating governments have manifested their willingness to shoulder more and more of the commitments involved in this cooperative undertaking.

Fifth. That the program is showing concrete results in bettering the standard of living, in providing more sustenance, in saving lives, and in pointing the way to improved techniques of education in many Latin-American countries.

In summary, this program is one in which we get our money's worth, without doubt, in an improved standard of life in our neighborhood, in a growing interchange of culture with our friends to the south, in the greater solidarity of the American hemisphere, and in a rich harvest of national and individual good will.

We are asking for the 5-year extension first, because we believe the program deserves to be continued not only as a gesture toward our friends but also in our own national interest, and second, because any lesser extension would be impractical. These programs call for long-range planning in the fields of education, public health, sanitation, and agricultural work. To attempt to crowd the planning and execution into a smaller period would be economically self-defeating. It would sacrifice efficiency and results. It would save nothing.

We are asking for general contract authorization because such authorization is characteristically a part of this sort of long-range, concrete operations. The Congress struck out contract authorization for the Institute in recent appropriation acts, although such authorization was granted for earlier operations of the Institute. The discontinuance may have been justified on the ground that the Institute has, under existing law, been nearing its liquidation. But that argument does not hold if we are, as I believe we should, to give the Institute a new lease on life by extending its charter to June 30, 1955, instead of August 4, 1950.

We are asking for an over-all appropriation authorization of $40,000,000. This is, I grant you, an increase over current and recent Institute operations, which, under current appropriations and residual funds, have been at the rate of about $5,700,000 a year. However, the level of a preliquidation stage is not a proper level by which to determine the level for an extended operation.

I should point out that the average of $8,000,000 a year proposed in the committee's bill is 20 percent below that proposed by the President. It is 17½ percent below the general level of operations since the inception of the programs here concerned.

There is a level below which such programs should not be cut. It is necessary to maintain a rounded operation. By that I mean it is necessary that one part of the undertaking should not be carried on while another integrally related part is neglected. I shall give you an obvious example. To help cut down the death rate in a poverty-stricken area but neglect to teach its people how to produce more food is self-defeating. Or to teach a people to improve their schools but neglect to teach them how to produce the greater abundance necessary to sustain the improvement is a mockery.

Taking such factors into account, the subcommittee came to the conclusion that $8,000,000 was the reasonably minimum level. The full committee agreed. We trust the House also will agree.

Mr. CHIPERFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHIPERFIELD. Mr. Speaker, the bill (H. R. 5730) now before us extends the tenure of the Institute of Inter-American Affairs.

Under present legislation its charter would expire August 4, 1950. This bill proposes to extend its authority for an additional 5 years. It would also authorize the Institute appropriations for 5 years not to exceed $40,000,000 and properly restricted forward contracting authority within the limits of this extension of its charter. The $40,000,000 authorized is 20 percent less than was requested by the Institute for that period.

It is well to review briefly the genesis of the program which it is now proposed to extend and, in a measure, to expand.

It started as a World War II proposition. It was one among several programs put into operation by the Coordinator of Inter-American Affairs. That was at a time when cooperation with Latin America was of critical importance to us as a wartime measure.

Shortly after this program was inaugurated I was extremely critical of it. It seemed to me it was not well planned or well coordinated. I kept hearing of incidents which indicated lack of sound judgment and extravagance on our part. In many instances at the beginning of the program we were required to assume 100 percent of its cost. That these incidents were occurring at that time is borne out by the report of the General Accounting Office.

There were some regrettable examples of laxity in operations incident to the wartime operations. As I have indicated some of these have been brought out in an audit report by the General Accounting Office. These are matters well past now, however. We of the subcommittee of the Committee on Foreign Affairs who studied the questions in cooperation with the subcommittee of the Committee on Expenditures in the Executive Departments, led by the able gentleman from Virginia [Mr. HARDY], came to the conclusion that these matters did not require any revision of the law and that the important thing was to see that they did not happen again—and that an administrative tightening of the auditing process within the Institute itself was all that was required. Mr. Myer, president of the Institute, has been made aware of the committee's

views, and I believe the matter will be corrected.

All that is beside the main tenor of the remarks I wish to make, however.

I wish to recall to the Members of the House that this Institute was extended as a peacetime proposition by legislation written and sponsored by a distinguished former Member, Mr. Bartel Jonkman, of Michigan.

I recall the action on the Jonkman bill during the first session of the Eightieth Congress. I recall that it was enacted only in the last hours of the last day of the session. Its passage was the work primarily of one man, who stayed on the job indefatigably to get it through.

Mr. Jonkman happened to head a subcommittee of the Committee on Foreign Affairs to which the question of the Institute of Inter-American Affairs was assigned for review. As he told his colleagues then, he approached the question skeptically and yet with an open mind. After several exhaustive hearings he expressed himself as convinced that the program of the Institute was a worthwhile proposition from the standpoint of the interests of the American people and their Government. He gave the program his full support. He wrote the bill in collaboration with other members of the subcommittee concerned. The work was chiefly his, however. At that time Mr. Jonkman was acting on what the lawyers call second best evidence. He was judging from the testimony of others and from the written record. Later he was able to go to Latin America and see for himself the work of the Institute in the field. He returned from that trip, during which he had spent many days in rigorous field inspections, convinced of the correctness of his judgment in having supported the Institute in the first place.

While I personally was unable to inspect as many of the projects as those who were given specific assignments, because of my duties as chairman of the subcommittee on this strenuous trip of 24,290 miles which was covered in 25 days, I have no reason to disagree with their conclusions.

Our committee in general met many of the people who do the actual work of the Institute in the field. We got to know them. We saw them at their work. We discussed their plans and problems with them. They are good Americans. They represent their country well. They are people of sound technical accomplishment. They believe in what they are doing. They have profound faith in the mission of the Institute of Inter-American Affairs as a means of helping Latin America find its way to a better standard of living, to a sounder economic basis of its developing democracy, and to a richer understanding of the common contributions which this Nation and their nations can make to the life of the hemisphere.

No law can be better than the people who enforce it. No program can be better than the quality of the people who put it into effect. I believe there is an earnest attempt on the part of the personnel concerned to do a good job and I believe this legislation is thoroughly consistent with the interests of the United States and of our neighbors as well.

Personally I would much rather see the $450,000,000 which it is proposed to pour into Korea in the next 3 years, spent over a 40- or 50-year period in the countries to the south of us. There is a far greater assurance that it would be to our best interest.

There are three phases of the present programs which appeal to me. First, they are now being confined to health and sanitation, agricultural rehabilitation, and education. From these types of programs I believe we can get good results. Second, each year as the programs progress the host or recipient countries are assuming more and more of the financial burden of these projects. You can make an analysis of the progress already made from the table contained in an excellent report of this committee, prepared by Mr. Bert Marshall of our staff. And third, the 5-year extension allows continuity in these programs and extended planning which it is impossible to do under a 1-year program.

I want to say also that we talked to the Ambassadors in the countries concerned. I would understate the case if I were to tell you that they approved of this program. Their support of it went invariably to the point of enthusiasm. In that connection, I wish to quote part of a statement made for the Committee by Ambassador Nathaniel P. Davis, our envoy to Costa Rica. It reflects the general view of our ambassadors:

> In frankess, I must admit that I went to Costa Rica somewhat skeptical as to the advantage of such programs to the American taxpayer. With equal frankness, I must say that after intimate contact with, and close observation of the work * * * in Costa Rica, I am convinced that it is making a more direct, tangible, and speedy contribution to the carrying out of American foreign policy in that part of the world than any other United States Government activity presently operating in Costa Rica. The advantages are threefold. First, by assisting in the improvement of agricultural methods for the small farmer, it is contributing to improving his economic position, which bears a direct relationship to political stability. Second, the school-lunch program contributes toward breaking down unhealthy dietary practices, thus contributing to the physical health of the people. Since it is obviously very much to the interest of the United States to have economically sound and politically stable neighbors on the American Continent, the work * * * toward that goal is of obvious importance. Third, and perhaps fully as important as the first two reasons, although less tangible, is the good will toward the United States being built up at the grassroots level, through * * * activity which, as indicated, reaches the small farmer throughout the country rather than the wealthier people of the towns. The farmers are well aware of the fact that [this] is a cooperative effort of the Governments of Costa Rica and the United States. They are also well aware of the fact that its direction and management and a major portion of its enthusiasm is American. On at least four occasions, on two of which I was personally present (once conspicuously on the platform and once a member of the audience) the President of Costa Rica in an address to the farmers pointed out that, whereas the Communists and others hostile to the United States had a great deal to say about Yankee imperialism, they could see with their own eyes that the Americans were not filling the country with concession hunters or soldiers, but rather with agricultural experts and advisers to help the people of the country to improve their lot through their own efforts and hard work.
>
> There is no doubt in my mind that the efforts of the United States in this undertaking are very much appreciated by the Government and by the people of Costa Rica. They make very definitely for good will, and they are contributing successfully and importantly to the improvement of the living conditions and raising the economic level, which are essential foundations for a prosperous and stable nation in our own community of American States.

Finally, let me say a word about the convincing evidence adduced by our field trips. During these trips we were able to discuss the work of the Institute with members of the native populations sharing in its benefits. We inspected perhaps a dozen projects.

We saw, for example, the work of the Institute as it bears on the work of the rural schools of Guatemala. We were able to compare the operations of a school where American leadership and techniques have been put into effect with the work of schools where they are still following the ancient and restricted concepts of common education belonging to another century. By that evidence we were able to see the reality behind the enthusiasm with which the leaders of our educational program there described the plans and accomplishments to us.

We witnessed the work of a health institute in Santiago, Chile. We got direct evidence of its work in teaching sanitation methods, methods of caring for children, and methods of protecting food against spoilage and contamination. The Institute is active in the most basic concerns. That is an important thing to bring out about the Institute in general. It does not work in the rarefied altitudes of intergovernmental planning. It does not relate to the activities of planners, bureaucrats, economists, and the like. It it working among the people. Its work is on the level of common humanity.

We noted this, also—that in every case the name of the United States and the name of the country concerned are united on the cornerstones and letterheads of the Institute. Its work and our contribution to it in particular are generally understood. We tried that out in discussions through interpreters with the people on the streets. It was made plain and indisputable to us that the people of Latin America know of the work of the Institute, know our part in it, and accept it in the pattern of our common friendship.

We count these peoples as among our oldest and most steadfast friends. This legislation gives us another opportunity to let our Latin-American neighbors know that in the press of problems elsewhere in the world and amid the vast demands being made upon our economy, we are not forgetting the interests of the American hemisphere.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

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Mr. MANSFIELD. Mr. Speaker, I offer a motion, which I send to the Clerk's desk.

The Clerk read as follows:

Motion offered by Mr. MANSFIELD: Amend the title so as to read: "Extending the Institute of Inter-American Affairs."

The motion was agreed to.

A similar House bill (H. R. 5730) was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks in the RECORD on the two bills just passed.

COOPERATION WITH FEDERAL, STATE, AND LOCAL AGENCIES OF THE RECREATIONAL USES OF LANDS AND WATERS

Mr. PETERSON. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 4403) to facilitate the administration by the Secretary of the Interior, in cooperation with other Federal, State, and local agencies, of the recreational uses of lands and waters within reclamation, flood-control, power, and other Federal reservoir projects, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to administer, through the National Park Service or such other agencies of the Department of the Interior as he may select, in accordance with the provisions of this act, the recreational uses of land and water areas within such reclamation, flood control, power, and other Federal reservoir projects, as the Secretary may designate: *Provided, however,* That if the project is under the primary jurisdiction of a Federal agency other than the Department of the Interior, such administration shall be undertaken only with the prior assent of the head of such agency, and shall be subject to such conditions as such other agency may prescribe to insure the accomplishment of the primary purposes of the project: *Provided further,* That the provisions of this act shall not apply to projects under the supervision of the Department of the Army.

SEC. 2. The Secretary of the Interior, in administering recreational uses of lands and waters under this act, is authorized (a) to issue such rules and regulations as he may deem necessary or proper to provide for and control public recreational uses of such areas; (b) to construct and to accept donations of rights-of-way for such roads and such approach roads under the conditions contained in the act of April 9, 1924 (43 Stat. 90), as amended by the act of January 31, 1931 (46 Stat. 1053; 16 U. S. C., secs., 8–8c), as may be needed or used primarily to carry travel to and from such areas for recreational purposes; (c) to sell or dispose of timber, upon such terms and conditions as he may deem appropriate, whenever in his judgment the cutting of timber is required in order to control tree damage by fire, insects, or disease, or otherwise to promote the recreational uses of such areas, (d) to grant, under such terms and conditions as he may deem appropriate, permits and leases for the use of such areas in providing accommodations for facilities for the public, or in accomplishing other recreational purposes, for periods not exceeding 20 years; (e) to authorize permittees or lessees to execute mortgages and issue bonds, shares of stock, or other evidences of interest in or indebtedness upon, or to assign their rights, properties, and franchises; (f) to protect, improve, and maintain such lands or water areas for recreational uses, and to acquire land and interests in land, with the approval by appropriate resolution of the local taxing authority, in such manner as he shall consider to be in the public interest, with such funds as may be made available to him or to the agency responsible for the administration of the reclamation, flood control, power, or other reservoir project, and the costs of such improvements, land, and interests in land shall not be required to be reimbursed or returned under the Federal reclamation laws or other statutes applicable to the particular project; (g) to issue revocable permits within designated areas for agricultrual, grazing, and other purposes under such nondiscriminatory terms and conditions as he may determine to be not inconsistent with the use of project areas for recreational purposes; and (h) to enter into agreements with State or local governmental agencies concerning all phases of the administration, development, and protection of the recreational areas, lands, and facilities established or developed pursuant to this act, when he shall consider it advisable to do so; and, with the prior approval of the head of the agency administering the particular reclamation, flood control, power, or other Federal reservoir project in connection with which a recreational area or other recreational uses of lands are permitted in accordance with this act, the Secretary is authorized to transfer, convey, or to arrange for the transfer or conveyance to other Federal, State, or local governmental agencies, upon terms and conditions which are in the public interest and are consistent with the principal purposes for which the project was constructed, any land, improvements, or appurtenances thereon comprising a portion of the said recreational areas. Revenues received by State and local governmental agencies in connection therewith shall be devoted by them to the cost of operating, maintaining, administering, improving, or enlarging the same or shall be paid over to the United States and shall be available for expenditure by the Secretary for those purposes. Revenues received by him or by other Federal agencies in connection with his or their operation and administration of such lands and waters, and of structures and facilities related thereto, shall, to the extent found appropriate by the Secretary in the light of expenditures therefor from the reclamation funds, be covered into that fund; the remainder shall be deposited in the Treasury as miscellaneous receipts.

SEC. 3. Any violation of any of the rules and regulations authorized by this act shall be punishable by a fine of not more than $500 or imprisonment for not exceeding 6 months, or both.

SEC. 4. The provisions of the acts of February 6, 1905 (33 Stat. 700), and March 3, 1905 (33 Stat. 861, 873; 16 U. S. C., sec. 10), are hereby extended to the employees of the Department of the Interior charged with the protection of the land and water areas the recreational uses of which are administered under this act.

SEC. 5. Funds heretofore or hereafter appropriated for the investigation, construction, operation, and maintenance of reservoir projects, the recreational uses of which are designated for administration hereunder, shall be available to carry out the purposes of this act; and there is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions hereof.

The SPEAKER. Is a second demanded? [After a pause.] The Chair hears none.

The question is on the motion of the gentleman from Florida to suspend the rules and pass the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

REPEALING CERTAIN ACTS OF CONGRESS KNOWN AS LIQUOR LAWS IN CERTAIN PARTS OF MINNESOTA AND WISCONSIN

Mr. MORRIS. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 3282) to repeal certain acts of Congress, known as Indian liquor laws, in certain parts of Minnesota, as amended.

The Clerk read the bill as follows:

Be it enacted, etc., That hereafter in the States of Minnesota and Wisconsin the provisions of section 1154 of title 18, United States Code, shall apply only to transactions within the "Indian country" as defined in section 1151 of said title 18.

The SPEAKER. Is a second demanded?

Mr. REES. Mr. Speaker, I demand a second.

Mr. MORRIS. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. The gentleman from Oklahoma is recognized for 20 minutes.

Mr. MORRIS. Mr. Speaker, I think we might conserve our time and be more expeditious just by reading the short explanation of the bill as it appears in the report:

The purpose of this bill as amended is to enact legislation removing certain restrictions against Indians in parts of the States of Minnesota and Wisconsin. No appropriation of Federal funds is required.

A similar bill was passed by the House in the Eightieth Congress. The Senate Committee on Interior and Insular Affairs reported the bill but upon the motion of Senator O'Daniel, of Texas, it was sent back to committee so that a general bill might be prepared. The Eightieth Congress adjourned before further action was taken.

In 1947 the Minnesota State Legislature repealed discriminatory liquor laws as they applied to Indians in the State. However, the State cannot eliminate discrimination against its Indian citizens while the Federal legislation to be repealed by this bill remains in effect.

More than two generations have passed since the original laws were enacted to protect the Indians against exploitation by unscrupulous white traders. During that time, most of the Indians of Minnesota have demonstrated that they are fully competent and dependency restrictions have been lifted.

Enactment of this bill will not affect the ban on sale of liquor to Indians on reservations.

At hearings held before a subcommittee of the Committee on Public Lands, it was testified that the Indians themselves as well as the State government of Minnesota strongly urge the passage of this bill. Since a like situation obtains in Wisconsin, the bill was amended by the committee to include that State. No opposition to the bill has been entered by the residents of either Minnesota or Wisconsin who are familiar with the Indian problems there.

The Department of the Interior has no objection to H. R. 3282, although it would prefer a general law. The bill has been amended to contain language suggested by the Department.

Then pertinent comments from the Department follow in the report.

As I see it, this is not a prohibition question at all. It does not involve the

ordinary liquor laws, as I see it. There is no extension whatsoever of liquor on Indian reservations. There is no right given for further permission of the use of intoxicating liquors, in the general sense of the term. The only purpose of this bill is to put the Indian on the some plane exactly as the white man off the reservation; in other words, where liquor may be sold legally. If a white man might legally purchase intoxicating liquor, then the Indian is permitted to do so, in those two States.

The Department has asked that a general bill be introduced involving the whole United States. We discussed that matter at some length, both in the subcommittee and in the full committee. I think perhaps it was the consensus of opinion, at least it was the final determination, that probably sort of a trial would be made in these two particular States where the demand seems to be greatest, that these restrictions be removed, and see how it works there, so that there could be no possibility of making a general mistake along this line.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield for a question; yes.

Mr. REES. Does the gentleman mean that this will be sort of a trial balloon, let us say, in two States, to see whether it will operate successfully, and if it does to apply it in others?

Mr. MORRIS. No; I would not put it that way at all, but in these particular jurisdictions, in these two States, the demand has been made—it seems to be an unusually great demand—that this ban be lifted. I am going to ask the author of the bill, the gentleman from Minnesota [Mr. MARSHALL] to take time enough to tell you how the present law operates in his State; then I am going to ask the gentleman from Wisconsin [Mr. O'KONSKI] to tell you how it operates in Wisconsin. When you have the entire picture before you you will of course all be in a position to properly dispose of it.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. MARSHALL], the author of the bill.

Mr. MARSHALL. Mr. Speaker, for some time this matter has been somewhat of a controversy. It has been a controversy because of some of the conditions which it causes in our fine State of Minnesota. It has become almost impossible over the years for people who are strangers to tell Indians from some of the tourists who come into Minnesota. Because of that it creates a great problem as far as law enforcement is concerned. It causes a great deal of trouble as far as trying to maintain any sort of control over the Indian who desires liquor in Minnesota He has found it possible in years past to get all the liquor he wants. That is so today. Several years ago, in 1947, in fact, a law was passed in the Minnesota State Legislature by men who were familiar with the problem which provided that because of the difficulty of handling this matter and because we did not wish our Indian Americans to be discriminated against that restrictions should be removed from the sale of liquor off of the reservations. This does not in any way change the restriction against the sale of liquor on the reservation; no liquor can be sold on an Indian reservation. But as tourists come into the State from adjoining States; Kansas, for instance, people of Kansas come in and want to get some Minnesota blueberries; they sometimes bring a quart of whisky with them to trade with the Indians for berries. I do not know that that argument will have any bearing on the objection that I know will be made to the bill presently by the gentleman from Kansas, but I assure him that he and his fellow Kansans can get blueberries much cheaper than by resorting to that sort of thing. It does, however, create a terribly mean situation. I received a letter from a veteran of World War II, a part of which I wish to read to you, because I think this somewhat typifies the whole situation:

> I am 29 years old, a veteran of 3½ years' service in the Navy, a graduate of a 2-year business school course, and at present am a senior at the University of Minnesota, but if I should choose to enter a bar with another individual of any other race, who has no education, no job, but the price of a drink, he would get the drink and I would be refused, purely because of my race. Does that make sense? To me, it is discrimination in the highest degree.
>
> I am but one of the many Indians who are in similar circumstances. I could name many others, who are graduate lawyers, doctors, businessmen, etc., and all of us have been embarrassed at one time or another because of the present Federal legislation.

This is a real source of embarrassment. Oftentimes people are not able to determine who are Indians and who are not Indians. There have been many instances in Federal law enforcement where this has been a real problem, where some innocent person has been forced to go to a considerable amount of trouble and difficulty in order to prove that he was innocent of any wrongdoing.

May I say to the Members of the House that we in Minnesota are very proud of our Chippewa Indian Tribe. Some of our Chippewa Indians are among the very finest citizens of Minnesota. One of our very able attorneys in Minnesota is a member of the Chippewa Tribe, a real credit to the Nation and a real American.

These Chippewa Indian boys of ours who fought in the armed services should have proven because of their valor in combat that the time of discrimination, petty discrimination, small discrimination, should forever be removed from the statute books of this country.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. REES. Mr. Speaker, this legislation is not good for the country. It is not good for anyone. It should not be passed. It is my opinion we ought not to use the time of the membership of the House when there are so many problems of national concern, to determine whether two States in the Union shall step aside from the general law and grant them the special privilege of selling liquor to Indians.

About the only excuse given by the chairman of the committee who brings the bill to the floor of the House is that this legislation be tried out and find out how it operates in two States. If the operation seems satisfactory then more States may be included.

This legislation has been submitted on other occasions. It has appeared on the Consent Calendar a number of times. It has heretofore been defeated, except it once passed the House, went to the other body and was not considered.

Someone said a while ago that this bill offers an opportunity to put Indians on the same basis as other Americans. We have heard that statement on other occasions. I can give you many different ways by which you can help the Indians and give them opportunities that are provided the ordinary American citizen without including this sort of legislation.

I have never yet heard of any great demand from the people of this country for the enactment of this legislation or legislation similar thereto. As a matter of fact, I can hardly believe that the people of the great State of Minnesota and the great State of Wisconsin, both outstanding progressive States, would want this kind of legislation put on the statute books.

Let us look at this proposed legislation. Let us ascertain, if we can, what is contemplated. It is a simple bill in form. There are only a few lines. It says that hereafter in the States of Minnesota and Wisconsin, just two, the provisions of section 1154 of title 18, United States Code, shall apply only to transactions within the "Indian country" as defined in section 1151 of said title 18.

Now, what are the provisions in section 1154? Let me read them to you. They are reports that accompany this bill—

> (a) Whoever sells, gives away, disposes of, exchanges, or barters any malt-spirituous, or vinous liquor, including beer, ale, and wine, or any ardent or other intoxicating liquor of any kind whatsoever, except for scientific, sacramental, medicinal, or mechanical purposes, or any essence, extract, bitters, preparation, compound, composition, or any article whatsoever, under any name, label or brand, which produces intoxication, to any Indian to whom an allotment of land has been made while the title to the same shall be held in trust by the Government, or to any Indian who is a ward of the Government under charge of any Indian superintendent, or to any Indian, including mixed bloods, over whom the Government, through its departments, exercises guardianship, and whoever introduces or attempts to introduce any malt, spirituous, or vinous liquor, including beer, ale, and wine, or any ardent or intoxicating liquor of any kind whatsoever into the Indian country, shall for the first offense, be fined not more than $500 or imprisonment not more than 1 year, or both; and, for each subsequent offense, be fined not more than $2,000 or imprisonment not more than 5 years, or both.

Now, that is the law. What you are supposed to do here is to suspend that law insofar as two States are concerned. That is all wrong on the face of it.

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Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman from New York.

Mr. KEATING. Does the gentleman know of any other precedent in any statute suspending it as to two States only?

Mr. REES. No; there is no precedent at all. That is admitted. This proposed legislation came before the House on several occasions. It was submitted by the distinguished Member from Minnesota who is not presently here. It was objected to and did not go through, but finally it did go through the House, either by suspension or by unanimous consent and it got over in the other body, and when it got over there why they saw fit to hold it up, and it was held up by the distinguished Senator from Texas who suggested that if the bill was any good at all for one State, then why not bring in a general bill and try it out. So, the least you could do would be to bring out a general bill under a rule and debate the thing pro and con. Let us find out whether it is a good thing or not.

Someone said a while ago that here was a chance to put the Indians on the same basis as other Americans. Oh, we heard that over and over again. I could give you 40 different ways by which you could help the Indians out and give them the opportunities that are given the ordinary American citizens without including this sort of legislation.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Minnesota.

Mr. McCARTHY. I just wanted to state that we are trying to put the Indians on the same basis as the citizens of Kansas.

Mr. REES. Oh, that is rather interesting, just because the State of Kansas saw fit to lift what is known as the prohibitory law, he feels this legislation should apply in Kansas. We have Indians in Kansas, too, but we certainly do not want this legislation. This legislation, I think, was proposed by a group of people who want to sell a little more liquor and want to sell it to Indians. They make the slim excuse—and it is the only reason given so far—that it is rather confusing up in Minnesota to tell the difference between an Indian and a white person. The only excuse given otherwise is that the Indian wants to be given similar treatment to that of a white man. They say it is difficult to tell an Indian from a white man, and therefore we ought to sell liquor to the Indians.

Mr. POULSON. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman from California.

Mr. POULSON. Does the gentleman think that the legitimate liquor dealers can sell as much liquor to the Indians as the bootleggers are today?

Mr. REES. I am not familiar with bootleggers. I do not know anything about bootleggers. If they are selling liquor to the Indians in violation of the law, then they ought to be prosecuted. That is all I can say about that.

Mr. POULSON. I agree with the gentleman.

Mr. REES. But that is no excuse for this legislation.

Mr. BRYSON. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman from South Carolina.

Mr. BRYSON. Is there any evidence in the record or before the Congress to indicate that the Indians themselves want this legislation?

Mr. REES. The only thing that I know about was a rather pathetic letter read by the gentleman from Minnesota a moment ago from some Indian who said he was not being permitted to buy liquor and therefore there was discrimination. I do not think it is for the best interests of the Indian in any event. We do not have printed copies of the hearings on this bill, so I do not have the testimony. The sponsors of the legislation thus far have not submitted further statements on behalf of the Indians.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. REES. I shall be glad to yield to the gentleman from Minnesota.

Mr. MARSHALL. I would like to say to the distinguished gentleman from Kansas that in Minnesota we have difficulty determining who might have Indian blood and who might not have Indian blood. Minnesota has become a great tourist State, and when people from the adjoining States who have been out in the sun and have been darkened, as you are when you are in the wheat fields in Kansas, come to Minnesota, we cannot differentiate between them and Indians in our State.

Mr. REES. I am surprised. Now, you can see how absurd the argument for the bill becomes. The excuse being that the people of Minnesota cannot tell an Indian from a Kansan. If that is the only excuse the gentleman has for proposing this legislation, I would say he ought to withdraw it.

Mr. Speaker, this is an opening wedge. As the distinguished gentleman from Oklahoma said a little while ago, "We thought we would try it out in these 2 States. One State was included last year now it is suggested that the great neighboring State of Wisconsin—I cannot think Wisconsin wants in on it. The only reason for the passage of this measure is to give the liquor dealers a chance to sell more liquor.

Think for a moment what the general effect of liquor is on the Indians. It is bad enough on white people, but it is even worse on the Indians. You ought not to ask this Congress to exempt 2 States from the law of the land that has been in effect for years and years.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. REES. I hope the distinguished gentleman from Idaho will not suggest that his State be included in this bill.

Mr. WHITE of Idaho. I just want to ask the gentleman a question.

Mr. REES. I will be glad to yield for that purpose.

Mr. WHITE of Idaho. Why single out the Indians? You let the Japanese, Chinese, and colored folks buy liquor. Why do you discriminate against the Indians? Does not the gentleman know the Indian is progressing, that he is becoming a citizen?

Mr. REES. The Indian is making wonderful progress. This is one place where we should not keep him from making this progress. This is poor legislation and should not be passed.

Mr. WHITE of Idaho. I am in support of the bill.

Mr. REES. I can understand that certainly is the gentleman's high privilege.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman from New York.

Mr. KEATING. Does not the gentleman believe that if we are going to be presented with such legislation it should be Nation-wide, so that we can decide it as a Federal matter and not related to 2 States alone?

Mr. REES. If you are in favor of this kind of proposal, if you are in favor of this policy, then bring legislation to the floor of the House after full and complete hearings and make it general, and find out whether or not this House wants to adopt this kind of policy.

To me, the excuses or reasons that have been given so far are certainly unfounded. The bill should not be passed.

Mr. Speaker, I yield 4 minutes to the gentleman from South Carolina [Mr. BRYSON].

Mr. BRYSON. Mr. Speaker, if I recall correctly, the distinguished gentleman who was the predecessor of the author of this bill customarily introduced a similar bill every year. Those of us on our side of the Chamber were quite delighted in the fact that the author of the bill has succeeded the former chairman of the Committee on Ways and Means. Personally I am sorry to see that he is in this instance, at least, following in the footsteps of his distinguished predecessor. Who knows but that the former chairman of the Committee on Ways and Means might be with us today had he not persisted in introducing bills like this.

Mr. Chairman, I am surprised to learn that you cannot tell an Indian from a Kansan or a Minnesotan. I have always been told that you can always tell an Indian; you cannot tell him much but you can tell him. I am sure that all of us recognize the Indians as our wards in a sense. They are probably truer Americans in the strictest sense than we ourselves are, because they are the aborigines, they were here when Columbus set foot on this land. I am sure, as we have protected them as far as we could in the past, we would not now intentionally place a stumbling block in their path. We do not have many Indians in my section of the country. The Indians we do have are the Cherokees. Unfortunately they did not negotiate a treaty with the Government of the United States, consequently they are now wards of our State, and the only funds they receive come from the State.

Our State is still trying to protect them. Although many of you have entirely different views regarding liquor from that which I have, I am sure you would not be selfish enough to do anything which would halt the admitted progress that the Indians are making.

Already the liquor people are penetrating the very sacred circles of every home in the land, through the press and radio, when they are permitted to do so. I have some evidence in my possession now which indicates that soon an application will be made for the liquor interests to broadcast their programs by television so that they may further demonstrate the finesse and technique of when and how to take a drink. Personally I cannot see any need for this legislation. I doubt that it is constitutional. We all know that when a general law is sufficient to take care of a situation we are not permitted to enact special legislation.

This is legislation for two States and discriminates against 46 other States. Surely we can engage ourselves in far more important and necessary legislation during these closing hours of this session of the Congress than in violating the Constitution. Only last week we tried to send up a trial balloon. Gentlemen stood in the well of the House and pleaded with all their might and ardor for a trial program of a great bill which was before the Congress. Lo and behold, it is getting to be a habit. They want us to send up another trial balloon.

The SPEAKER. The time of the gentleman has expired.

Mr. MORRIS. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the question is very simple. It is whether or not we are going to discriminate against one particular group of our citizens in regard to what they shall drink. That is all there is to it. The prohibition question is not involved here. It is a question of whether or not we are going to say to some particular group that everybody else can have intoxicating liquor in this jurisdiction, but that they cannot have it. As I see it, that is the only question. I respect those gentlemen who are opposing the bill. I always respect anyone who sincerely opposes anything that I may be advocating. But I think their arguments are very weak and very unsound. The reason this bill is brought up for these two particular States is that the demand is greater there, it seems, than any other place. There is a demand all over the United States to do away with this discriminatory law, but the demand here is far greater, it seems, than any other place. That is a very simple question. Let us approach it from that standpoint and I believe you will agree with us that this bill should pass.

I am going to yield the balance of my time to the gentleman from Wisconsin [Mr. O'KONSKI] whose State is also affected.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield to the gentleman for a question.

Mr. KEATING. Does not the gentleman feel there is an element of discrimination in the passage of this legislation against those who sell liquor in other States in creating a condition where they commit a crime, but the liquor sellers in the States of Minnesota and Wisconsin are relieved?

Mr. MORRIS. I admire the gentleman very much and realize that he is sincere, but let me ask in all candor do you want to offer an amendment to make it the same all over the United States? Do you think it is discriminatory, and do you want to bring in a general bill, all over the United States?

Mr. KEATING. I think that is the way we should approach it.

Mr. MORRIS. Perhaps it should be. Many others think so. But if it is good legislation it is certainly good for these two States.

The SPEAKER. The gentleman from Wisconsin [Mr. O'KONSKI] is recognized.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I have the utmost respect and regard for the gentleman from Kansas. I yield.

Mr. REES. The gentleman from the great State of Oklahoma, who just left the floor, where they have Indians by the thousands, has not up to this time offered an amendment to include the State of Oklahoma.

Mr. O'KONSKI. I would like to say to the gentleman from Kansas that I admire him immensely. However, I think he represents a philosophy toward temperance which is outmoded in this modern century. In fact, he no longer even represents the sentiment of citizens of his own State of Kansas in his thinking. Why, after 78 years of this noble experiment, the people of Kansas found out that prohibition laws serve only to benefit the bootlegger, and they have discarded prohibition laws and have joined the fold of the other great States of the Union. Although they are 77 years behind the times, it should be positive proof how miserable the failure is to try to regulate temperance by laws.

The question has been raised, "Why single out Wisconsin and Minnesota?" I will tell you briefly why.

Ever since Wisconsin became a State of the Union we have had a very definite goal in that State toward assimilating the Indians into the regular society, without discrimination, without rancor, showing no impartiality and no favors. For instance, at the present time we are even working in the direction that the Federal Government get out of Indian education altogether in the State of Wisconsin. We are working to place even that under State jurisdiction. We want to do that job ourselves because we understand the Indian. Indians in Wisconsin are attending the public schools, alongside white children, and with white children. Indians today are working in the factory alongside white people. Indians are working on farms and in gardens alongside white people. Indians are going to colleges and universities along with white people. Some of the best people and finest citizens in my district are Indians. A few are graduates of Harvard and Yale Universities and other great American universities.

These American citizens are not what they used to be. They have become a regular part of American society. They have made spectacular progress in becoming a regular part of America. They are American citizens first and Indians by birth only.

The question has been raised by the gentleman from Minnesota that it is hard to distinguish between an Indian and a white person, particularly somebody coming from Kansas, as was so lightly injected into this debate. That does not seem as light an argument as you would think. Do not forget, Mr. Speaker, that the Indian Bureau and many State and Federal courts have interpreted the laws that if a person has one sixty-fourth Indian blood in his make-up he is considered an Indian. In other words, we have a situation in the State of Wisconsin where a man or woman may be sixty-three sixty-fourths white and one sixty-fourth Indian, and yet, under this vicious law, he or she is considered an Indian. So you will find there are a great number of white people who are predominantly white denied the privilege of buying or drinking liquor. I challenge the best of detectives to distinguish by appearance between a white and one who is one-third, one-fourth, or one sixty-fourth Indian. Gentlemen, you can see from this how obnoxious this liquor regulation by the Federal Government is. It is impossible to enforce; it is un-American to try to enforce it. Let us act American toward those who are American and act and think American.

We have very few Indians in Wisconsin and Minnesota, and we have been very successful in assimilating them into American society. We are proud of our Indians, their progress, and their respect for our laws and our way of life. I wish I had the time to impress upon you how foolish this Federal law is that permits Japs, Negroes, and Chinese to buy and consume liquor in America, but not the American Indian.

Let me give you just one illustration of a true experience of an American Indian who came back from the wars with one arm shot off. He was decorated with about every decoration available. I think he even had the Congressional Medal of Honor. He came back to northern Wisconsin, and they had a great reception for him. They took him over to the American Legion hall where they had a great banquet for him. They toasted him, and they all could drink wine except the Indian who was being toasted. The hero could not drink to his own toast, because it is against the law. They all had their beer and liquor in celebration of the homecoming of this great American hero, an American Indian. What a travesty on our American form of government. What a silly and stupid law which says to the American Indian, "You can die for us on the field of battle, but you cannot drink even a toast to yourself, because you are an Indian."

Well, after the celebration was over, this hero went to a town nearby. Incidentally, he was accompanied by a very fine, lovely, respectable white girl, whom he later married. He went over to these other taverns where they were all celebrating and patting him on the back and telling him what a great hero he was. This Indian hero begged for just one glass of beer. After considerable pleading, the proprietor of the establishment felt sorry and beckoned the returned hero aside. The proprietor said to the returned decorated hero:

I am sorry. All these other fellows are having a good time, but I cannot sell you

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anything. It is against the Federal law. But I'll tell you what I'll do. You go back into the kitchen with your girl friend, and I will not sell you any liquor, but, even if I have to go to jail, I will give you a bottle of beer.

They went to the kitchen and the Indian hero drank his first bottle of beer. Believe it or not, that proprietor was reported and was arrested for furnishing liquor to an Indian. That is how vicious and un-American the present Federal liquor laws operate in Wisconsin. That is the problem we face in northern Wisconsin. We have no Indian problem as such; we do not consider them as a class apart. There are only a few Indians in our great State, something like 12,000 or 15,000 in a State with a population of over 3,000,000. So you can see how difficult it is to discriminate against such a small minority group. This bill will be a further step in the direction we are striving, that is, trying to do away with the Indians as a class in Wisconsin and Minnesota. We want to assimilate them into our regular American society. We ask them in all cases to respect the laws of their State, of their county, of their community. They do, and we feel that they should be treated as equals when it comes to getting a little liquor if they want it. Oh, yes, there are still those who say, "Indians can't handle liquor." That is no argument in this day and age. I know Indians in northern Wisconsin who can handle liquor a whole lot better than white people I know. The Indians of today are educated. They will not become demoralized by removing this restriction; they respond to their teaching and surroundings and are worthy. We want them to feel not the stigma of restriction but the inspiration of decency, and manhood, and womanhood that becomes an American citizen.

I hope the membership will not object to the passage of this bill. We think it will work. We believe it will help us wipe out the Indian problems as such and remove them as a special problem or class. They are elements of American society, they are products of our school system, they submit themselves to rules and regulations and become good citizens. Why deny someone who is one sixty-fourth Indian some of the privileges that we extend to every other citizen of the United States of America?

Any other individual, be he Chinaman, Jap, colored, or what-not, does not suffer discrimination with regard to the liquor laws of our Nation. The only race discriminated against is the Indian, and the States of Wisconsin and Minnesota want to wipe out this vicious statutory provision. I hope you will pass this bill.

Just a few minutes ago a bill was brought before this House to give $46,000,000 to Chinese students in America. The Indians in Wisconsin and Minnesota pay taxes to raise this $46,000,000. With this $46,000,000 which will be given to Chinese students they can buy beer, whisky, wine, champagne; yes, all the liquor they can handle. There are no laws against it. But the American Indian who fights and bleeds for America under present laws cannot even drink a glass of beer. Just what promise does this Congress hold out to Americans as against foreigners? If this Congress refuses to pass this bill and others like it of concern to American citizens I have grave concern over the future of America.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. REES. Mr. Chairman, in response to the very pleading address delivered by the gentleman from Wisconsin, wanting to put the Indians on a basis with white people, I would suggest to him that if he would look around in the State of Wisconsin, just the same as I can look around in the State of Kansas and the gentleman from Oklahoma can look around in his own State, and the same in Minnesota, or wherever it is, you will find a good many other places where you can put the Indian on a basis of equality with the white man in a whole lot more honorable way than by selling him liquor in violation of present statutes that have been in effect for a great many years.

Secondly, I want to repeat that we are talking here about selling liquor to Indians in only two States. To me, that sounds incredible even from those who favor such legislation. I have not heard of any great demand from citizens or Members asking that their States be included.

I can well understand there are some cases where liquor dealers and operators have called attention to the fact they have had some difficulty probably in selling liquor in certain communities; but those one sixty-fourth cases and one thirty-second cases mentioned by the gentleman from Wisconsin are few and far apart.

The Members of the House should defeat this legislation. It is not good for the Indians, it is not good for the two States that think they want it, except the liquor dealers, and certainly it is not good for America. Let us defeat this proposition once and for all.

Mr. KEATING. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. REES. I yield to the gentleman from New York.

Mr. KEATING. I ask this in view of the suggestion made by the gentleman from Oklahoma. Do I understand correctly that an amendment to this bill under the present procedure would not be in order?

The SPEAKER. It would not be in order.

Mr. REES. I may say that any Member of this House had a chance to offer an amendment in the committee when the bill was being considered if he wanted his State included. My information is no Member from any other State appeared before the committee asking that his State be included in the legislation we are considering today.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. In the State of Wisconsin the State officials, the Members of our State Legislature, the leaders of churches, the leaders of the veterans groups and labor organizations have made no objection to this bill whatever. Public opinion in the State of Wisconsin is unanimously for it, likewise in the State of Minnesota. In some States that may not be so.

Mr. REES. I appreciate the statement of the gentleman from Wisconsin whose people belong to all walks of life. Wisconsin is a fine progressive State. It may be they are in favor of this legislation. I am quite sure the gentleman would not be here championing it except that he believes the people of his great State think it is good legislation. Some of us take a different view.

Mr. MORRIS. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman, one of the distinguished Members of the House, a gentleman who is well versed on Indian affairs.

Mr. MORRIS. I thank the gentleman from Kansas and may I say that I certainly have a high regard and respect for the gentleman's integrity and for his sincerity in this matter.

Mr. REES. For which I am grateful to the gentleman.

Mr. MORRIS. In view of the parliamentary inquiry of the gentleman from New York (Mr. KEATING), whether it would be in order to amend the bill, I should like to withdraw the suggestion I made earlier. I did not intend by anything I said to be sarcastic nor did I intend to put the gentleman on the spot.

Mr. REES. The thing I was trying to get across a while ago is the fact that the gentleman from Oklahoma represents a good many Indians and there are Members from other States who represent many Indians, but none, so far as I can ascertain, saw fit to ask that his State be included when the matter was being considered by the committee.

The SPEAKER. All time has expired. The question is on suspending the rules and passing the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. REES. Mr Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 131, nays 169, not voting 132, as follows:

[Roll No. 148]

YEAS—131

Addonizio	Burke	Eberharter
Allen, Calif.	Burnside	Engle, Calif.
Anderson, Calif.	Byrne, N. Y.	Fallon
Andrews	Camp	Feighan
Aspinall	Canfield	Fernandez
Bailey	Carnahan	Flood
Baring	Carroll	Forand
Beall	Cavalcante	Ford
Bennett, Mich.	Celler	Furcolo
Bentsen	Clemente	Gordon
Bishop	Cox	Gorski, Ill.
Blatnik	Crawford	Grant
Bolling	Crook	Hagen
Bolton, Md.	Crosser	Hall, Leonard W.
Bosone	Dawson	Halleck
Breen	Denton	Havenner
Buckley, Ill.	D'Ewart	Hays, Ohio
Burdick	Dingell	

Hébert	Mack, Ill.	Rodino
Herlong	Madden	Rooney
Howell	Mansfield	Sadlak
Huber	Marsalis	Sadowski
Jackson, Calif.	Marshall	Shafer
Jackson, Wash.	Merrow	Smathers
Jacobs	Miles	Spence
Javits	Miller, Calif.	Staggers
Karst	Mitchell	Sullivan
Karsten	Morgan	Thomas, Tex
Kee	Morris	Thompson
Kelley	Morton	Trimble
Kennedy	Moulder	Underwood
Kilday	Multer	Vorys
Kirwan	Noland	Wagner
Kruse	O'Brien, Ill.	Walter
Lane	O'Hara, Minn.	Weichel
Larcade	O'Konski	Welch, Mo.
Lemke	O'Sullivan	White, Idaho
Lesinski	O'Toole	Wier
Lind	Peterson	Willis
Linehan	Price	Wilson, Ind.
Lynch	Rabaut	Worley
McCarthy	Ramsay	Yates
McCormack	Regan	Young
McSweeney	Rhodes	Zablocki

NAYS—169

Abernethy	Gossett	Nixon
Albert	Graham	Norblad
Allen, Ill.	Granger	Norrell
Allen, La	Gregory	Pace
Andersen, H. Carl	Gwinn	Perkins
	Hall, Edwin Arthur	Phillips, Calif.
Angell		Phillips, Tenn.
Arends	Harden	Pickett
Auchincloss	Hare	Poage
Barden	Harris	Polk
Barrett, Wyo.	Harvey	Preston
Bates, Mass.	Heselton	Priest
Battle	Hill	Rankin
Beckworth	Hobbs	Reed, Ill.
Bennett, Fla.	Hoeven	Reed, N. Y.
Bland	Hoffman, Mich.	Rees
Boggs, Del.	Holifield	Ribicoff
Boggs, La.	Holmes	Rich
Bramblett	Horan	Rogers, Fla.
Brooks	Hull	Rogers, Mass.
Brown, Ga.	Irving	St. George
Brown, Ohio	Jenison	Sanborn
Bryson	Jenkins	Scott, Hugh D., Jr.
Buchanan	Johnson	
Burleson	Jonas	Scrivner
Burton	Jones, Ala.	Scudder
Byrnes, Wis.	Jones, N. C	Secrest
Cannon	Judd	Sheppard
Carlyle	Kean	Simpson, Ill.
Case, S. Dak.	Kearney	Sims
Chelf	Keating	Smith, Kans.
Chiperfield	Keefe	Steed
Christopher	Kerr	Stefan
Church	Kunkel	Stockman
Cole, Kans.	Lanham	Sutton
Cole, N. Y.	LeCompte	Tackett
Colmer	Lovre	Talle
Cooper	Lucas	Teague
Cunningham	Lyle	Thornberry
Curtis	McConnell	Tollefson
Dague	McCulloch	Van Zandt
Davis, Ga.	McDonough	Velde
Davis, Tenn.	McKinnon	Vinson
Davis, Wis.	McMillan, S. C.	Vursell
Deane	McMillen, Ill.	Werdel
DeGraffenried	Mack, Wash.	Wheeler
Dolliver	Macy	White, Calif.
Dondero	Magee	Whittington
Doughton	Mahon	Wigglesworth
Doyle	Martin, Iowa	Williams
Elliott	Michener	Wilson, Okla.
Ellsworth	Miller, Md.	Wilson, Tex.
Engel, Mich	Miller, Nebr.	Winstead
Fenton	Mills	Wolverton
Fisher	Monroney	Wood
Gathings	Murray, Tenn.	Woodruff
Gillette	Murray, Wis.	
Golden	Nicholson	

NOT VOTING—132

Abbitt	Clevenger	Fogarty
Andresen, August H	Combs	Frazier
	Cooley	Fugate
Barrett, Pa.	Corbett	Fulton
Bates, Ky.	Cotton	Gamble
Biemiller	Coudert	Garmatz
Blackney	Davenport	Gary
Bolton, Ohio	Davies, N. Y.	Gavin
Bonner	Delaney	Gilmer
Boykin	Dollinger	Goodwin
Brehm	Donohue	Gore
Buckley, N. Y.	Douglas	Gorski, N. Y.
Bulwinkle	Durham	Granahan
Case, N. J.	Eaton	Green
Chatham	Elston	Gross
Chesney	Evins	Hale
Chudoff	Fellows	Hand
Hardy	Martin, Mass.	Riehlman
Harrison	Mason	Rivers
Hart	Meyer	Roosevelt
Hays, Ark.	Morrison	Sabath
Hedrick	Murdock	Sasscer
Heffernan	Murphy	Scott, Hardie
Heller	Nelson	Short
Herter	Norton	Sikes
Hinshaw	O'Brien, Mich.	Simpson, Pa.
Hoffman, Ill.	O'Hara, Ill.	Smith, Ohio
Hope	O'Neill	Smith, Va.
James	Passman	Smith, Wis.
Jennings	Patman	Stanley
Jensen	Patten	Stigler
Jones, Mo.	Patterson	Taber
Kearns	Pfeifer, Joseph L.	Tauriello
Keogh		Taylor
Kilburn	Pfeiffer, William L.	Thomas, N. J.
King		Towe
Klein	Philbin	Wadsworth
Latham	Plumley	Walsh
LeFevre	Potter	Welch, Calif.
Lichtenwalter	Poulson	Whitaker
Lodge	Powell	Whitten
McGrath	Quinn	Wickersham
McGregor	Rains	Withrow
McGuire	Redden	Wolcott
Marcantonio	Richards	Woodhouse

So (two-thirds not having voted in favor thereof) the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh and Mr. Joseph L. Pfeifer for, with Mr. Bonner against.

Mr. Heffernan and Mr. Gorski of New York for, with Mr. McGregor against.

Mr. Tauriello and Mr. Roosevelt for, with Mr. Gavin against.

Mr. Marcantonio and Mr. Klein for, with Mr. Lichtenwalter against.

Mr. Chudoff and Mr. Walsh for, with Mr. Passman against.

Mr. Davenport and Mr. Granahan for, with Mr. Hinshaw against.

Mr. Murphy and Mr. Dollinger for, with Mr. Potter against.

Mr. Donohue and Mr. Philbin for, with Mr. Brehm against.

Mrs. Norton and Mrs. Douglas for, with Mr. Short against.

Mr. Barrett of Pennsylvania and Mr. Green for, with Mr. Simpson of Pennsylvania against.

Mr. Quinn and Mr. Delaney for, with Mr. Hope against.

Mr. Biemiller and Mr. O'Neill for, with Mr. Meyer against.

General pairs until further notice:

Mr. Whitten with Mr. Martin of Massachusetts.

Mr. Morrison with Mr. Eaton.

Mr. Whitaker with Mr. Elston.

Mr. Garmatz with Mr. Case of New Jersey.

Mr. Rains with Mr. Taber.

Mr. Sikes with Mr. Towe.

Mr. Harrison with Mr. Hardie Scott.

Mr. Richards with Mr. James.

Mr. Stanley with Mr. Hand.

Mr. Stigler with Mr. Coudert.

Mr. Rivers with Mr. Corbett.

Mr. Chesney with Mr. Patterson.

Mr. Davies of New York with Mr. Riehlman.

Mr. Evins with Mr. Kearns.

Mr. Fogarty with Mr. Withrow.

Mr. McGuire with Mr. Taylor.

Mr. McGrath with Mr. Smith of Wisconsin.

Mr. Heller with Mr. Jennings.

Mr. Hart with Mr. LeFevre.

Mr. Hardy with Mr. Kilburn.

Mr. Hays of Arkansas with Mr. Wadsworth.

Mr. Wickersham with Mr. Mason.

Messrs. BYRNE of New York and MCSWEENEY changed their vote from "nay" to "yea."

Messrs. HOLIFIELD and VAN ZANDT changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

AUTHORIZING CONSTRUCTION OF EXPERIMENTAL SUBMARINES

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1505) to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947, and its immediate consideration.

The Clerk read the title of the bill.

Mr. VINSON. Mr. Speaker, on Thursday last the House passed a similar bill. At that time I was not aware of the fact that the Senate had passed the bill just referred to. That is the reason I make this unanimous-consent request.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso contained in the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947 (61 Stat. 96), is hereby amended by striking out "$30,000,000" and inserting in lieu thereof "$41,000,000."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE VERMEJO RECLAMATION PROJECT, NEW MEXICO

Mr. PETERSON. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 3788) to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico, as amended.

The Clerk read as follows:

Be it enacted, etc., That, for the purposes of irrigating approximately 7,200 acres of semiarid lands in Colfax County, N. Mex., controlling floods, and providing for the preservation and propagation of fish and wildlife and for recreational facilities, the Secretary of the Interior, through the Bureau of Reclamation, is authorized to construct, operate, and maintain the Vermejo reclamation project and, in so doing, to acquire lands and interests in lands, to rehabilitate, repair, improve, and replace existing works of the Maxwell Irrigation Co., and to acquire, upon terms and conditions satisfactory to him, such assets of said company or any successor in interest as may be required or proper for carrying out the purposes of the project or for protecting the investment of the United States therein.

SEC. 2. The Vermejo reclamation project shall, except as is otherwise herein provided, be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), to which laws this act shall be a supplement: *Provided*, That costs of the project which are properly attributable to the preservation and propagation of fish and wildlife, the provision of recreational facilities, sediment control, and flood control shall not be reimbursable, returnable, or payable in advance: *Provided further*, That repayment of the reimbursable costs thereof shall be accomplished, under a contract or contracts satisfactory to the Secretary, at the maximum rate which, in his judgment, is consistent with the repayment ability of the contracting organization and, in any event, within the useful life of the project.

SEC. 3. As conditions precedent to construction of any of the works herein authorized, there shall be established pursuant to

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the laws of the State of New Mexico an organization with powers satisfactory to the Secretary, including the power to tax property, both real and personal, within its boundaries (which boundaries shall include the lands to be benefited by the project works) and the power to enter into a contract or contracts with the United States for payment of the reimbursable costs of the project and there shall have been executed a contract or contracts for the payment of said costs.

SEC. 4. The Secretary is authorized to enter into arrangements with appropriate Federal, State, or local agencies for the construction, operation, maintenance, administration, and management of the recreational and fish and wildlife facilities authorized by this act.

SEC. 5. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act.

The SPEAKER. Is a second demanded? The Chair hears none. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

AUTHORIZING SACRAMENTO VALLEY IRRIGATION CANALS

Mr. ENGLE of California. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 163) to authorize Sacramento Valley irrigation canals, Central Valley project, California.

The Clerk read the bill, as follows:

Be it enacted, etc., That the entire Central Valley project heretofore authorized under the act of October 26, 1937 (50 Stat. 844, 850), and the act of October 17, 1940 (54 Stat. 1198, 1199), is hereby reauthorized and declared to be for the purposes of improving navigation, regulating the flow of the San Joaquin River and the Sacramento River, controlling floods, providing for storage and for the delivery of the stored waters thereof, for construction under the provisions of the Federal reclamation laws of such distribution systems as the Secretary of the Interior deems necessary in connection with lands for which said stored waters are to be delivered, for the reclamation of arid and semiarid lands and lands of Indian reservations, and other beneficial uses, and for the generation and sale of electric energy as a means of financially aiding and assisting such undertakings, and in order to permit the full utilization of the works constructed to accomplish the aforesaid purposes.

SEC. 2. The features herein authorized shall include an irrigation canal, generally known as the Tehama-Colusa conduit, to be located on the west side of the Sacramento River and equipped with all necessary pumping plants and appurtenant works, beginning at the Sacramento River near Red Bluff, Calif., and extending southerly through Tehama, Glenn, and Colusa Counties so as to permit the most effective irrigation of the irrigable lands lying in the vicinity of said canal and supply water for industrial, domestic, and other beneficial uses for these lands in Tehama, Glenn, and Colusa Counties or such alternate canals and pumping plants as the Commissioner of Reclamation and the Secretary of the Interior may deem necessary to accomplish the aforesaid purposes.

The features herein authorized shall also include an irrigation canal, generally known as the Chico canal, to be located on the east side of the Sacramento River and equipped with all necessary pumping plants and other appurtenant works, beginning at the Sacramento River near Vina, Calif., and extending through Tehama and Butte Counties to a point near Durham, Calif., so as to permit the most effective irrigation of the lands lying in the vicinity of said canal and supply water for industrial, domestic, and other beneficial uses for these lands lying within Tehama and Butte Counties or such alternate canals and pumping plants as the Commissioner of Reclamation and the Secretary of the Interior may deem necessary to accomplish the aforesaid purposes.

SEC. 3. In locating and designing the works authorized for construction by section 2 of this act, the Secretary of the Interior and the Commissioner of Reclamation shall give due consideration to the reports set forth in Bulletins Nos. 13 and 26 of the Division of Water Resources of the Department of Public Works of the State of California, and shall consult the local interests to be affected by the construction and operation of said works, through public hearings or in such other manner as in their discretion may be found best suited to an expression of the views of such local interests.

SEC. 4. The provisions of the reclamation law, as amended, shall govern the repayment of expenditures made for the works herein authorized for construction, and the Secretary of the Interior is directed to cause the operation of said works and repayment thereof to be coordinated and integrated with the operation of and repayment schedule for the existing features of the Central Valley project in such manner as will effectuate the fullest and most economic utilization of the land and water resources of the Central Valley of California for the widest possible public benefit.

The SPEAKER. Is a second demanded? The Chair hears none.

The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

PROVIDING FOR RELIEF OF CHINESE STUDENTS IN THE UNITED STATES

Mr. KEE. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5602) to strengthen and encourage the democratic forces in China by authorizing the Secretary of State to provide for the relief of Chinese students in the United States.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of State is hereby authorized to provide, under such regulations as he may prescribe, necessary expenses of tuition, subsistence, and return passage to China for selected citizens of China determined to be in need of such assistance and enrolled during the academic year 1948-49 as full-time students in good standing in accredited colleges, universities, or other educational institutions in the United States approved by the Secretary of State for the purposes of this act.

SEC. 2. There are hereby authorized to be appropriated, for the fiscal year ending June 30, 1950, out of funds made available to the President under section 12 of the act of April 19, 1949, entitled "An act to amend the Economic Cooperation Act of 1948" (Public Law Numbered 47, Eighty-first Congress), such sums, not to exceed $4,000,000 in the aggregate, as may be necessary to carry out the purposes of this act.

The SPEAKER. Is a second demanded?

Mr. JUDD. Mr. Speaker, I demand a second.

The SPEAKER. Without objection a second will be considered as ordered.

There was no objection.

Mr. KEE. Mr. Speaker, as I attempted to explain to the House at one time this afternoon, this bill authorizes the allocation of $4,000,000 from funds already appropriated by this Congress to the Economic Cooperation Administration for relief to China. The sum, so allocated will be used for the relief of approximately 4,000 Chinese students now practically stranded in America.

You will recall that some time ago this Congress passed an act authorizing an extension of time in which the unexpended balance of $54,000,000 already appropriated for relief to China could be expended under the management of the ECA. Of the amount unexpended, so far as I know, there was no more than $8,000,000 that was earmarked and set aside for the Chinese agricultural program. That would leave something like $46,000,000, depending upon what other obligations have been entered into since in connection with the program for relief of China. This bill was approved by the State Department and also approved very strongly in a letter addressed to myself as chairman of the Committee on Foreign Affairs by Mr. Hoffman, the Administrator of ECA. It would as I have stated set aside $4,000,000 out of the unexpended balance of relief money to China for the aid of about 4,000 Chinese students who are now attending universities and colleges in the United States under arrangements made some years ago with the Government of China. Because of conditions in China, the expenses of these students are no longer being paid by their Government. For a long time China, because of adverse conditions in that country, has been in arrears in paying these expenses. The students are distributed among 408 colleges and universities throughout this country. They are now in dire want. They are at a standstill for want of funds. This bill will continue them in their studies in the universities and colleges and pay for it out of money we have already appropriated for the relief of China. Those who are engaged in certain studies would be permitted to go ahead and finish their studies, and others, as they completed certain courses, would be sent home to China, with their expenses paid.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Pennsylvania.

Mr. RICH. It seems to me the expenditure of this money to educate these Chinese here in America is a whole lot better than for us to spend millions and hundreds of millions of dollars shipping arms to the Chinese to keep that war going. In my judgment, aiding China now would be just the same thing as to aid the countries of Europe in the North Atlantic pact. I cannot for the life of me see how the Committee on Foreign Affairs is ever going to recommend $1,400,000,000 to arm all these countries in Europe, if you are going to try to stop communism. You are only trying to kill the people not only in Europe but in all those countries over there. They will be fighting their heads off. If you do the same thing when you get that bill up

here, you will be doing a real service to this country.

Mr. KEE. I agree with the gentleman that the program with reference to the education of the Chinese students is a very, very fine program. They are now in a bad situation through no fault of their own. This is a fine way in which we can aid them.

Mr. JUDD. Mr. Speaker, the only question to be decided here is, how can we spend a portion of the money that has already been appropriated for aid to China to the greatest advantage from the standpoint of the United States. These students are here. Doubtless there are a few Communist agents among them, but they are almost all admirers and friends of our country and our way of life, or they would not have come here to study. They would have gone to Russia. Over 2,000 of them are partially or totally without resources. Either their own currency has depreciated so that it is of no value in our currency, or there is no way of getting money here from China. We either have to arrest them and send them back as undesirable aliens and spend our money that way, or we have to give them a chance to finish their education here, and then try to work out means by which they can get back to China as missionaries for the democratic way of life in a country which is being almost wholly swamped by communism.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Pennsylvania.

Mr. RICH. It seems to me that to educate these Chinese and get them back to China and let them try to run communism out of their own country is a wise thing, but I just do not like the idea of our trying to use up some of the money that has already been appropriated. It seems as if we are always trying to find some way to get rid of the American taxpayer's dollar. I do not like that feature of the bill. It is worth while to educate these fellows, and I want to see them educated. I want to see them go back to China. We want to get rid of a lot of people here that are undesirable. I am not thinking of the Chinese as much as I am of a lot of the Communists here, that want to change our form of government. I want to spend every dollar that is necessary to fire everybody who wants a Socialist or Communist form of government in this country back home to some country where they have that kind of government.

Mr. JUDD. This bill gives you and those Members of Congress who are so violently anti-Communist, and I count myself among them, one of the best chances you have had to do something about it. What would the Russian commies give to have 4,000 outstanding American students to put through their universities and training institutions and send back to America, to work here for their way of life against ours? We do not have to woo or persuade these men. They are here because they are already on our side. It is both generous and good sense to give them a chance to finish their education and get back into China where they can work from the inside against these forces which are opposed to and determined to destroy everything the gentleman and I believe in and stand for. So I am glad to know that he is going to vote for this bill because it provides a means of using this money to the greatest advantage.

Mr. RICH. I do not know of anybody who has tried to help the Chinese more than the gentleman from Minnesota [Mr. JUDD]. I think he has done a great deal of good. He has gone over there and tried to help and assist them in every way that he could. The only trouble is that we are here trying to get rid of $4,000,000 more. That is the feature that I said I do not like. I want to help you help the Chinese.

Mr. JUDD. I am trying even more to help the United States. We are in a war unto the death. We need all that we can get on our side. This is about the only bridge that we have left to reach one-quarter of the human beings on this planet. We ought not to destroy it, when it does not cost a dime of additional money to hold and even strengthen it.

Mr. RICH. I want to help you on this bill.

Mr. JUDD. Good.

Mr. RICH. But I want the Committee on Foreign Affairs to remember this: These things that the Committee on Foreign Affairs are recommending for America to go out and do in a lot of these foreign countries are just a lot of poppycock. You ought to stay at home here and look after America. You are trying to run the whole world and the business of everybody in the world. You should not do that.

Mr. KEE. If the gentleman claims that the Committee on Foreign Affairs is introducing poppycock bills, I wish he would publish a list of them.

Mr. RICH. You should look after America.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. O'KONSKI. I think the American people should know what is in store for them and that the RECORD should show that by a recent vote we denied American Indian students a glass of beer and then turned right around and voted $46,000,000 for Chinese students.

Mr. JUDD. It is $4,000,000 out of money already appropriated that will be allocated for this particular purpose, which the committee after examining the situation, thoroughly decided unanimously would be of the greatest advantage to our country.

Mr. RICH. Will not the education of these Chinese students do the Chinese a great deal more good than a glass of beer being poured down the throats of these Indians?

Mr. JUDD. That would seem a reasonable conclusion. I would like to append a statement received this morning from an organization in the Boston area which is doing a superb job of providing voluntary assistance to Chinese students, opening homes, loaning money, and providing odd jobs. This program is to supplement, not replace, the aid the student can get from all other sources.

AID FOR CHINESE STUDENTS IN THE UNITED STATES

Remission by Congress of the Chinese Boxer Indemnity payments brought here, from 1911 to 1927 alone, 1,100 students who returned to build up good will for America in China, probably the best investment in the history of our relations with Asia.

Today there are about 7,700 students here—almost an entire academic generation of China's most promising scholars at the graduate level. Following disastrous inflation of their currency and subsequent exchange restrictions, over 2,000 are in acute distress. The men themselves, the universities in which they are enrolled, and the academic communities in which they live have alike strained every reasonable resource to meet their need, but the problem is now beyond local solution. It is moreover today an urgent one since the need for food recurs daily, and jobs are less plentiful than a year ago.

It is surely enlightened self-interest for us to see to it that these men carry home, not bitter memories of dependence on precarious private charity or loans, or competition for jobs amidst prejudice and fear, but gratitude for timely protection and appreciation for the moral as well as the material values of our way of life. This is our surest and our cheapest method of defeating Russian influence in China.

H. R. 5602, drafted by the Committee on Foreign Affairs and unanimously reported by it to the House (Rept. No. 1039) meets all requirements of the situation. It authorizes the Secretary of State to provide necessary expenses of tuition, subsistence, and return passage to China for selected citizens of China determined to be in need, who are enrolled as full-time students in good standing in accredited colleges or universities in the United States. It makes available for this purpose, up to June 30, 1950, $4,000,000 out of funds already appropriated to the Economic Cooperation Administration.

The prompt passage of this bill by joint resolution of the Congress will be hailed as constructive statesmanship of a high order by university authorities throughout the country.

Respectfully submitted.

CHARLES S. GARDNER,
President, the Far Eastern Association,
Cambridge, Mass.

CHINESE IN REPRESENTATIVE UNIVERSITIES

The following tabulation is neither complete, consistent, nor exact but it suggests the magnitude of the problem. The Chinese are proud and do not readily reveal their own troubles. Thus the 97 cases of distress recorded for Greater Boston is certainly an understatement.

University	Total enrollment	Acute distress
Greater Boston colleges	234	97
Harvard	70	50
Yale	57	30
Columbia and Teachers College	220	156
Michigan	200	90
Chicago	70	
Illinois	113	
Wisconsin	100	64
Minnesota	167	79
Washington	109	40
California	91	60
Southern California	32	18

Michigan has 175 tuition loans outstanding, 60 for the spring semester, besides current food assistance to 90. Dr. Gale remarks that Ann Arbor is a small community. He

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doesn't see how it is possible to ask it to do more.

Dean Hamilton, of Illinois, after outlining admirable organized effort, says, "The situation is utterly impossible in Champaign-Urbana. Our businessmen and service clubs in a community of 13,000 are helpless."

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken and there were—yeas 255, nays 46, not voting 131, as follows:

[Roll No. 149]

YEAS—255

Addonizio	Dondero	Kilday
Albert	Doyle	King
Allen, Calif.	Eberharter	Kirwan
Allen, Ill.	Elliott	Kruse
Anderson, Calif.	Ellsworth	Kunkel
Angell	Engel, Mich.	Lane
Arends	Engle, Calif.	Lanham
Aspinall	Fallon	Larcade
Auchincloss	Feighan	LeCompte
Bailey	Fernandez	Lesinski
Barden	Flood	Lind
Baring	Forand	Linehan
Barrett, Wyo.	Ford	Lyle
Bates, Mass.	Furcolo	Lynch
Battle	Gathings	McCarthy
Beall	Gillette	McConnell
Beckworth	Golden	McCormack
Bennett, Fla.	Gordon	McCulloch
Bentsen	Gorski, Ill.	McDonough
Bishop	Gossett	McKinnon
Bland	Graham	McSweeney
Blatnik	Granger	Mack, Ill.
Boggs, Del.	Gregory	Mack, Wash.
Boggs, La.	Gwinn	Macy
Bolling	Hagen	Madden
Bolton, Md.	Hall,	Magee
Bosone	Edwin Arthur	Mahon
Boykin	Hall,	Mansfield
Bramblett	Leonard W.	Marsalis
Breen	Halleck	Marshall
Brooks	Harden	Martin, Iowa
Brown, Ga.	Hare	Merrow
Brown, Ohio	Harris	Michener
Buchanan	Harvey	Miller, Calif.
Buckley, Ill.	Havenner	Miller, Md.
Burke	Hays, Ohio	Mills
Burleson	Hébert	Mitchell
Burnside	Herlong	Monroney
Burton	Heselton	Morgan
Byrne, N. Y.	Hill	Morris
Canfield	Hobbs	Morton
Cannon	Hoeven	Moulder
Carnahan	Holifield	Multer
Carroll	Holmes	Murray, Tenn.
Case, S. Dak.	Howell	Murray, Wis.
Cavalcante	Huber	Nicholson
Celler	Hull	Nixon
Chelf	Irving	Noland
Chiperfield	Jackson, Calif.	Norblad
Christopher	Jackson, Wash.	Norrell
Church	Jacobs	O'Brien, Ill.
Clemente	Javits	O'Sullivan
Colmer	Jenison	O'Toole
Combs	Jenkins	Perkins
Cooper	Jensen	Peterson
Cox	Johnson	Phillips, Calif.
Crook	Jones, Ala.	Phillips, Tenn.
Crosser	Jones, N. C.	Poage
Cunningham	Judd	Polk
Curtis	Karst	Poulson
Dague	Karsten	Preston
Davis, Tenn.	Kean	Price
Davis, Wis.	Kearney	Priest
Dawson	Keating	Rabaut
Deane	Kee	Reed, Ill.
DeGraffenried	Keefe	Regan
Denton	Kelley	Rhodes
D'Ewart	Kennedy	Ribicoff
Dingell	Kerr	Rich
Dolliver	Kilburn	Rodino
Rogers, Fla.	Smith, Wis.	Wagner
Rogers, Mass.	Spence	Walter
Rooney	Staggers	Weichel
Sabath	Stefan	Welch, Mo.
Sadlak	Sullivan	Werdel
Sadowski	Sutton	Wheeler
St. George	Talle	White, Calif.
Sanborn	Teague	Whittington
Sasscer	Thomas, Tex.	Wier
Scott,	Thornberry	Wigglesworth
Hugh D., Jr.	Tollefson	Williams
Scudder	Trimble	Wilson, Tex.
Short	Underwood	Wolverton
Sims	Van Zandt	Worley
Smathers	Vorys	Yates
Smith, Va.	Wadsworth	Zablocki

NAYS—46

Abernethy	Fisher	Reed, N. Y.
Allen, La.	Grant	Rees
Andersen,	Gross	Scrivner
H. Carl	Hoffman, Mich.	Secrest
Andrews	Horan	Sheppard
Bennett, Mich.	Jonas	Simpson, Ill.
Bryson	Lemke	Smith, Kans.
Burdick	Lovre	Stockman
Byrnes, Wis.	Lucas	Tackett
Camp	McMillen, Ill.	Velde
Carlyle	Miller, Nebr.	Vursell
Cole, Kans.	O'Hara, Minn.	Winstead
Crawford	O'Konski	Wood
Davis, Ga.	Pace	Woodruff
Doughton	Pickett	Young
Fenton	Rankin	

NOT VOTING—131

Abbitt	Granahan	Patterson
Andresen,	Green	Pfeifer,
August H.	Hale	Joseph L.
Barrett, Pa.	Hand	Pfeiffer,
Bates, Ky.	Hardy	William L.
Biemiller	Harrison	Philbin
Blackney	Hart	Plumley
Bolton, Ohio	Hays, Ark.	Potter
Bonner	Hedrick	Powell
Brehm	Heffernan	Quinn
Buckley, N. Y.	Heller	Rains
Bulwinkle	Herter	Ramsay
Case, N. J.	Hinshaw	Redden
Chatham	Hoffman, Ill.	Richards
Chesney	Hope	Riehlman
Chudoff	James	Rivers
Clevenger	Jennings	Roosevelt
Cole, N. Y.	Jones, Mo.	Scott, Hardie
Cooley	Kearns	Shafer
Corbett	Keogh	Sikes
Cotton	Klein	Simpson, Pa.
Coudert	Latham	Smith, Ohio
Davenport	LeFevre	Stanley
Davies, N. Y.	Lichtenwalter	Steed
Delaney	Lodge	Stigler
Dollinger	McGrath	Taber
Donohue	McGregor	Tauriello
Douglas	McGuire	Taylor
Durham	McMillan, S. C.	Thomas, N. J.
Eaton	Marcantonio	Thompson
Elston	Martin, Mass.	Towe
Evins	Mason	Vinson
Fellows	Meyer	Walsh
Fogarty	Miles	Welch, Calif.
Frazier	Morrison	Whitaker
Fugate	Murdock	White, Idaho
Fulton	Murphy	Whitten
Gamble	Nelson	Wickersham
Garmatz	Norton	Willis
Gary	O'Brien, Mich.	Wilson, Ind.
Gavin	O'Hara, Ill.	Wilson, Okla.
Gilmer	O'Neill	Withrow
Goodwin	Passman	Wolcott
Gore	Patman	Woodhouse
Gorski, N. Y.	Patten	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Additional general pairs until further notice:

Mr. Whitten with Mr. Martin of Massachusetts.
Mr. Morrison with Mr. Herter.
Mr. Patman and Mr. Lichtenwalter.
Mr. Patten with Mr. Towe.
Mr. Abbitt with Mr. Taber.
Mr. Passman with Mr. Hardie Scott.
Mr. Rivers with Mr. Eaton.
Mr. Bonner with Mr. Cole of New York.
Mr. Hays of Arkansas with Mr. Corbett.
Mr. Stanley with Mr. Case of New Jersey.
Mr. Sikes with Mr. Brehm.
Mr. Harrison with Mr. Latham.
Mr. Stigler with Mr. McGregor.
Mr. Gilmer with Mr. Meyer.
Mr. Gary with Mr. Elston.
Mr. Rains with Mr. Riehlman.
Mr. Tauriello with Mr Coudert.
Mr. Garmatz with Mr. Hinshaw.
Mr. Gorski of New York with Mr. Kearns.
Mr. Barrett of Pennsylvania with Mr. Wilson of Indiana.
Mr. Green with Mr. Hand.
Mr. Granahan with Mr. Patterson.
Mr. Davenport with Mr. Gavin.
Mr. Evins with Mr. Simpson of Pennsylvana.
Mr. Fogarty with Mr. Potter.
Mr. Murphy with Mr. Gamble.
Mr. Vinson with Mr. Hope.
Mr. Walsh with Mr. James.
Mr. Whitaker with Mr. Taylor.
Mr. McMillan of South Carolina with Mr. Wolcott.
Mr. Hedrick with Mr. Withrow.
Mr. Redden with Mr. Welch of California.
Mr. Wickersham with Mr. Nelson.

Mr. ALLEN of Illinois and Mr. ELLSWORTH changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

COMMITTEE ON RULES

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file reports from the Committee on Rules.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CERTAIN EMPLOYEES OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 303) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, etc., That, effective August 1, 1949, there shall be paid out of the contingent fund of the House, until otherwise provided by law, additional compensation per annum, payable monthy, to the messenger at the Speaker's table the sum of $400 basic.

That, effective July 1, 1949, there shall be paid out of the contingent fund of the House, until otherwise provided by law, compensation at the basic salary rate of $5,000 per annum for the employment of the assistant disbursing clerk, to be designated by the minority leader subject to the approval of the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. KARST (at the request of Mr. PRIEST) was given permission to extend his remarks in the RECORD.

Mr. PETERSON asked and was given permission to extend his remarks in the RECORD.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include certain resolutions.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MITCHELL. Mr. Speaker, within 2 months the Nation's children again return to school. Crowded beyond health and safety limits into dilapidated and unsafe school buildings, millions of our children are today receiving makeshift educations. The buildings in which they are attempting to study fall far below even the minimum standards the United States can tolerate for its greatest national asset—its children.

From a humanitarian viewpoint befitting this Nation, and from a practical viewpoint recognizing our best interests, our children must be given a better education in better schools. To help achieve that objective, I have introduced H. R. 5718, which would authorize funds for a comprehensive survey of actual national school needs and for State-wide school-construction program planning. The proposal would provide for emergency and long-range school construction, both of which are seriously needed.

The increased national birth rate is one of the major reasons for the school shortage. The Census Bureau has determined that in 1957, the school population will be greater by 8,000,000 than it was in 1948. By 1951, only 3 years away, there will be 2,400,000 more school children than in 1948.

A second reason for crowded schools is the great population shift during the recent war. West Coast States were particularly affected by large-scale migration. My State of Washington increased 43.3 percent in a period of 8 years, while California increased 45.2 percent and Oregon 49.2 percent. This has resulted in severely overcrowded schools.

But the factor that has created the greatest problem in schools in Washington State is the Federal Government's defense and other activities. Whole towns and cities have sprung up to support these Federal projects and have placed an impossible burden on local schools. For example, the Federal Works Agency found that in the State of Washington 3,100,407 more square feet of schoolroom floor space is needed to provide adequately for the State's children, about one-third of this, or 1,502,367 square feet of floor space, is needed primarily because of Federal activities.

In Bremerton, which is the location of the Puget Sound Navy Yard and various related activities, there is dire need for 40 new classrooms to add to or to replace basement, obsolete, and temporary Federal building space now in use at a high maintenance cost.

It is estimated the school population increase will make necessary an additional 67 classrooms, while in 1950–51 Bremerton will need 118½ rooms. Here, as in other places, the property tax limit has long since been reached. The Federal Government is the school district's only possible source of aid.

The schools on Bainbridge Island are equally crowded. The district is bonded to its legal limit. A special building-fund levy of 20 mills was voted in 1948, 28 mills in 1949, and 28 mills has been voted for 1950. The local elementary school is only partially constructed. Even when completed, the building will care for only a 2-year school population increase.

The National Education Association, after surveying representative communities in 1947, found that one out of four cities were teaching children in buildings officially condemned. In fact, one out of every five schools now in use was built in the 1800's. This partially explains why fires in our Nation's outmoded schools cost more than $1,000,000 in a single month of 1948. Three thousand Seattle children are attending elementary schools in portable or temporary buildings. Surely it is our obligation to provide better school facilities than these.

Although the educational responsibility rests primarily with State and local communities, Nation-wide factors have combined to create a national problem that local communities are unable to meet financially. Measured coldly in dollars and cents, our national purse can better afford to alleviate this situation than to let it continue another year.

The bill I am introducing, H. R. 5718, would attack the school shortage on several fronts. First, it would provide for $5,000,000 in Federal funds to be used by State education agencies for a survey of public-school-building needs. Second, it would authorize an appropriation to the States for the construction of public elementary and secondary schools. And third, it would meet the special school-building needs of areas burdened with defense and other Federal activities through the authorization of immediate funds.

In my proposal, H. R. 5718, the total authorization is left to the discretion of Congress; however, in the first fiscal year, 70 percent of the first $100,000,000 plus 10 percent of any amount in excess of $100,000,000 is set aside for emergency construction. Following the first year, the Federal grants would be defined according to a carefully devised formula based on the per capita income of a State and the number of its children. School building would be constructed by the local authorities under certain standards formulated by the Federal Security Administration. The Federal Security Administration, which includes the Office of Education, is authorized to enter into an agreement with the General Services Agency for technical construction advice.

We are faced today with a problem involving our Nation's greatest wealth: the youth of our land. We must give this problem the attention which it so keenly merits. It is our opportunity and obligation to provide our children with adequate schools. This is simple justice.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

COTTON ACREAGE ALLOTMENTS

Mr. LYLE. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a rule on the cotton acreage allotment bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. ELLIOTT asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

VETERANS' INSURANCE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I inserted in the CONGRESSIONAL RECORD the other day a letter written to me by the President of the United States saying that the congested conditions in Government departments are not of his doing.

So I am now trying to see if some of the Government departments will not help him get the space for his own secretarial staff and also for the payment of the veterans' insurance, which is long overdue. I believe something can be worked out so that the insurance can be paid promptly. I think at the moment they do not need any additional space, and that they could go ahead with what they have. Some of the officials of the Veterans' Administration say that they have enough space. General Gray states that they do not have. The Treasury Department, I am informed, can give some space, if the War Assets Administration cannot give them all the space the Veterans' Administration requires for the payment of these premiums.

Therefore these checks should be going out very promptly because Mr. Breining of the Veterans' Administration has the necessary personnel.

VETERANS' HOUSING

Mr. Speaker, in speaking at the American Legion meeting at Boston last Friday, I said in part.

You are all familiar with the fight we carried on during the spring and summer of 1948 to assure the provision of adequate housing for veterans of World War II through the Veterans' Homestead Act of 1948. That bill, suggested in the first instance by the American Legion, you may recall, was unanimously approved by the Committee on Veterans' Affairs of the House of Representatives, of which I was then the chairman. You are all aware that despite the efforts exerted on its behalf by the members of our committee and the friends of the veterans, the bill failed to reach the floor of the House of Representatives and was allowed to lie dormant at the close of the legislative session.

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Being aware of the splendid contribution that the veterans homestead bill could have made toward the solution of the housing plight of our veterans, I reintroduced it at the opening of the present legislative session; but I have been unable to secure favorable committee action upon it.

Consequently I am somewhat amazed, after such action has been accorded to my bill, to find that its provisions have been substantially reincarnated and adopted in the housing bill on which hearings are now being conducted by the Banking and Currency Committees of each House of Congress—H. R. 5631 and S. 246. Perhaps I should be encouraged to have my judgment thus vindicated; perhaps I should feel elated that the seeds sown last year by dint of such hard labor are bearing fruit.

The main elements of the measure I and others labored over are in section 111 of the present bill. It provides, in lieu of the direct loans which my bill featured, for loans fully insured by the Federal Government and 100 percent eligible for purchase by the Government-supported secondary market in the Federal National Mortgage Association. The loans are repayable over a 40-year term and bear 4 percent interest plus a one-half percent insurance premium payable to the Federal Housing Administration. These terms may be compared with the less than 3 percent money which my bill would have provided for veterans' homesteads. Such financing will be available to nonprofit cooperative associations both for the construction of homes for the occupancy of their members or for outright sale to such members. These latter features differ in no substantial way from that which I had proposed. The salient difference, which is somewhat disturbing to me, is that whereas my bill imposed a measure of price control for the protection of the veteran, the present bill does not attempt to afford any price protection but confines its restrictions to maximum unit costs and loan amounts. Another salient feature of the present bill which departs from the homestead bill is the lack of effective preference for veterans in the measure now under consideration. The homestead bill assisted only veterans. The membership of the nonprofit cooperative associations may consist of either veterans or nonveterans under the new bill. The only preference to veterans is that the cooperatives are allowed a somewhat higher unit cost and can get a slightly higher loan depending on the percentage of veterans in the membership group.

Another part of the bill—title IV—goes much further than those who rejected the Veterans' Homestead Act of 1948 showed themselves willing to go to afford assistance to our veterans of World War II. This title proposes that to provide housing for all middle-income families that the Government make direct loans to housing cooperatives on a 60-year-term basis at 3 percent interest. These units provided under this measure can be rented by the cooperative association to families of moderate income who cannot afford to pay the rents at which comparable dwellings in new privately financed rental housing are currently being made available in their localities. The only measure of consideration which it is proposed to afford veterans of World War II in the occupancy of units provided under this law is that preference shall be given to the families of veterans and of deceased veterans. But it is apparent upon reading the veterans' preference section of the bill that the persons who devised it were merely paying lip service to the idea of veterans' preference—because the preference section immediately goes on to say that any cooperative may organize and enjoy the extremely favorable financing benefits thus afforded by the Federal Government regardless of whether or not there are any veteran members in the cooperative.

In other words, it is most distressing to me to see so many people apparently going along with all of the ideas of favorable financing to cooperative housing which we labored so diligently to try and get exclusively for World War II veterans last year—to see these groups now willing to extend those benefits without any substantial preference or advantage given to World War II veterans who need that preference most.

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized.

JOBLESS VETS NEED 52–20 HELP

Mr. LANE. Mr. Speaker, unemployment is above normal. Many of its victims are veterans of World War II. The Secretary of Commerce has just completed a visit to New England, his first stop on a Nation-wide survey to get the facts on unemployment and to collect suggestions that will help to provide employment.

New England is seriously affected by the cut-back in jobs. In the area of greater Lawrence, Mass., one of the leading textile cities of the world—population 125,000—unemployment claims reached a high of 24,000 this year and are currently running at a rate of about 19,877. These figures do not include those out of work who are not covered by unemployment benefits.

The recession in textiles began early last fall, over three-quarters of a year ago. The figures cited above do not reveal the number of people who have reached the end of the rope, insofar as benefits are concerned, or those who are nearing this precarious position.

What are they going to do while there are no jobs available for them? Live on air or burden the corner grocer with a credit which he cannot carry?

There are those who, dealing with this problem of which they have no visceral knowledge, fall back on statistics. They point to the graphs and the charts and assure the unemployed that these ups and downs occur frequently in American economic history. Do not interfere, they caution. Let nature take its course. What goes down must come up. Sure, after a person drowns he finally comes up—too late. Business can defer some of its needs, but men, women, and children cannot postpone indefinitely the need for eating three times each day.

Melodramatic? Emotional?

Then where is the food coming from when there is no work and no income?

Statistics waves his hand vaguely toward welfare, charity, friends, relatives. Is this a solution? For once, statistics fails himself. He has no neat, precise, and infallible answer.

The worst will be over by next spring, he says. Maybe he is right. But in the meantime what is to happen to those human beings who cannot get work and who have no income? Statistics has not yet found a way for them to hibernate some place where there is no landlord to pay, in a state of suspended animation, living off the fat of their own bodies, conveniently put away until such time as he can use them again.

But the people have other ideas. In every country of this world, they are waking up to the fact that every adult person is entitled to a job. There is no such thing as overproduction when millions cannot get a chance to earn the necessities of life. It is the problem of distribution which must be solved.

You and I, as Americans, believe in our productive system. On the facts, there is no other system in the world which can remotely challenge it. But why, why, cannot it do a better job of distribution?

In each of the years from 1931 to 1940, inclusive, the number of unemployed in the United States ranged from 10 to 25 percent of the civilian labor force. And it took a war to put those people to work.

Millions of Americans tightened their belts during the 1930's. They will not endure it again for the simple reason that, in this great and productive Nation, there is no justification for such deprivations. Only by economic reforms can we avoid a repetition, and we must avoid it if this Nation is to preserve its freedoms.

We have made a start in this direction, but it is not sufficient. They say that half a loaf is better than none, but what happens when the half loaf is gone and there is still no work? Why should some people be covered by unemployment compensation, and others have no such protection whatever? Why does a highly productive economy fail to provide enough jobs for its people who are its customers?

It would be the most ironic and senseless tragedy in all history if we permitted the American system with its great accomplishments and its even greater potentialities to destroy itself by its neglect of a minor weakness.

That weakness is unemployment, which is another name for failing to provide ordinary opportunities for our people.

In this statement, I must confine myself to one aspect of that issue and it concerns the predicament of our unemployed veterans. Unemployment compensation, in the broad meaning of the word, is under the control of the States, and any increase or extension of benefits beyond the weekly range is a question

for the respective State legislatures to decide.

In order to help veterans, the Congress passed the veterans' readjustment allowance, effective since September 1944. Under its provisions, veterans out of work received Federal pay up to $20 per week for 52 weeks. This gave rise to the abbreviated description of it as the 52-20 law.

The bill also included self-employment allowances, paying $100 per month for not more than 10⅔ months for unemployed agricultural workers and others working for themselves who earn less than $100 a month.

The World War II veteran total at the end of May 1949 was 15,163,000. Of this number, 899,737 had exhausted their full benefits. Somewhat more than half of the veteran population, or 8,770,000, were helped in varying degrees by this special program. Six hundred and fifty thousand veterans were drawing benefits when the veterans readjustment allowance legislation expired on Monday, July 25, 1949.

Although the door has closed for most veterans, a few will continue to be eligible for benefits. These include:

First. Veterans who have been discharged from the armed forces since July 25, 1947, following a period of war service. Their benefits were to continue for 2 years from the date of discharge or the official end of hostilities, whichever was the latest.

Second. Veterans who enlisted or reenlisted under the Voluntary Recruitment Act, between October 6, 1945, and October 5, 1946, and whose benefits continue for 2 years from the date of expiration of the period of enlistment. Some of these veterans signed up for as long as 6 years.

Taking my home State of Massachusetts for an example, the following figures show the amounts paid as unemployment allowances to veterans during May 1949, the total amounts paid to date, the number of those who used up their 52 weeks during May, and the total number to that date who have exhausted their benefits:

Amount paid	$1,406,777
Total payment	$134,935,211
May	1,204
Exhausted benefits	41,141

The Senate Labor Committee has unanimously approved a year's extension of this law, as urged by President Truman, but modified some of the original rights. One amendment would require veterans to file claims under State employment laws first. This was in line with the President's recommendation that benefits should not be available to those eligible to compensation under State laws, except where necessary to bring State payments up to the Federal level, or where State benefits are used up.

The committee also eliminated a section of the original law which provides benefits to self-employed veterans.

The committee was also of the opinion that State laws of waiting periods should apply to the Federal program. If the individual State required a veteran to wait 2 weeks before becoming eligible for benefits, he would have to wait that long also for Federal grants. If there were no waiting period under State law, Federal aid would commence as soon as the veteran established the fact that he was unemployed.

However, it is doubtful whether a similar bill will be approved by the House Veterans' Committee.

I believe, therefore, that we should take such action as will bring this issue to a vote before Congress adourns.

Many of the men and women who fought for us are in distress. They want jobs above all else, but when our system fails in its primary duty to provide such jobs, these veterans demand that their families shall not suffer for this failure.

By September, scarcely a month away, 75,000 Massachusetts unemployed will have exhausted their compensation benefit eligibility, and a large proportion of these are veterans.

They will be thrown on municipal welfare rolls, a humiliating and embittering experience for the recipients, and a dangerous burden for the cities and towns.

I assert again that this is a problem which cannot be put over until next year. At St. Lo, Anzio, and the Coral Sea, our young men and women did not postpone the job which had to be done then. Neither can we, on this much less difficult responsibility which faces us. It is obligatory that we extend the title V provision of the GI bill of rights otherwise known as the veterans' readjustment allowance.

Think of the legion of mature veterans who came out of college in June with no credits under the unemployment insurance laws of the States and no jobs to go to.

Think of those who went to work after the war but were unable to accumulate sufficient benefits under the Unemployment Compensation Act and were the first to be laid off because they did not have seniority. Remember where they were while others were piling up seniority.

This is not a bonus.

This is a part of that cushion which is necessary to prop up our economy in time of weakness.

This puts temporary purchasing power into the hands of those who need it and deserve it.

All veterans organizations are united in favor of extending the readjustment allowance, and they are joined by many others who believe that Government must step in, when, as long as, and to the degree that free enterprise is unable to provide jobs.

In all conscience we cannot adjourn until the 52-20 law is revived, bringing life and hope to the hundreds of thousands of veterans who need this economic insurance, not next year, or the year after, but today.

Think and act on a measure which is not the responsibility of the States, but solely that of this Congress.

Save the families of our unemployed veterans from further and unnecessary hardships before we recess.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. JOHNSON, from August 4 to August 8, inclusive, on account of official business.

To Mr. FUGATE (at the request of Mr. BURTON), for Monday and Tuesday, August 1 and 2, on account of official business.

To Mr. HARDY (at the request of Mr. BURTON), for Monday and Tuesday, August 1 and 2, on account of official business.

To Mr. GARY (at the request of Mr. BURTON), for Monday and Tuesday, August 1 and 2, on account of official business.

To Mr. STIGLER (at the request of Mr. ALBERT), from August 1 to August 9, on account of official business.

To Mr. O'HARA of Illinois (at the request of Mr. GORDON), for an indefinite period on account of illness.

To Mr. STANLEY (at the request of Mr. BURTON), for Monday and Tuesday, August 1 and 2, on account of official business.

To Mr. HARRISON (at the request of Mr. BURTON), for Monday and Tuesday, August 1 and 2, on account of official business.

To Mr. ABBITT (at the request of Mr. BURTON), for Monday and Tuesday, August 1 and 2, on account of official business.

To Mr. PASSMAN (at the request of Mr. ALLEN of Louisiana), for 1 week, from August 1 to August 6, on account of official business.

To Mr. BATES of Kentucky (at the request of Mr. GREGORY), for 1 week, from August 1 to August 6, on account of official business.

REDUCTION OF VETERANS PERSONNEL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I know my colleague from Massachusetts is very much distressed, as I am, that the Veterans' Administration has cut its personnel in the regional offices very heavily. Many of the personnel are being brought to Washington from district offices, thereby creating more unemployment in our local offices. I know the gentleman deplores that situation just as I do.

Mr. LANE. The gentlewoman from Massachusetts is quite right. It is just adding to the unemployment rolls in Massachusetts.

Mrs. ROGERS of Massachusetts. I desire to compliment the gentleman from Massachusetts very highly on the excellent statement he has made in reference to this matter.

SECURITY ACT AMENDMENTS OF 1949—CONFERENCE REPORT AND STATEMENT

Mr. VINSON, from the committee of conference, submitted a conference report and statement on the bill (H. R.

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5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1288. An act for the relief of certain officers and members of the crew of the steamship *Taiyuan;*

H. R. 1466. An act for the relief of Daniel Kim;

H. R. 1472. An act for the relief of the Olympic Hotel;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa;

H. R. 2850. An act for the relief of Denise Simeon Boutant; and

H. J. Res. 329. Joint resolution amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on July 29, 1949, present to the President, for his approval, bills of the House of the following titles:

H. R. 4566. An act to revise, codify, and enact into law, title 14 of the United States Code, entitled "Coast Guard"; and

H. R. 4963. An act to provide for the appointment of additional circuit and district judges, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Tuesday, August 2, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

814. A communication from the President of the United States, transmitting an estimate of appropriation to pay claims for damages and judgments rendered against the United States, as provided by various laws, in the amount of $568,054.44 (H. Doc. No. 283); to the Committee on Appropriations and ordered to be printed.

815. A letter from the Secretary of Defense, transmitting a draft of a bill entitled "To provide for the establishment of an additional service academy, and for other purposes"; to the Committee on Armed Services.

816. A letter from the Assistant Secretary of State, transmitting a letter acknowledging receipt of Mr. Robert's letter of July 20, 1949, transmitting a signed engrossed copy of House Resolution 174, which requests the Secretary of State to cause an immediate study to be made of the effect on the domestic fishing industry of the increasing imports of fresh and frozen fish; to the Committee on Merchant Marine and Fisheries.

817. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "To aid the settlement and development of Alaska"; to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1143. For the disposition of sundry executive papers. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1144. For the disposition of sundry executive papers. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1145. For the disposition of sundry executive papers. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1146. For the disposition of sundry executive papers. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1147. For the disposition of sundry executive papers. Ordered to be printed.

Mr. COOLEY: Committee on Agriculture. H. R. 5738. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; without amendment (Rept. No. 1148). Referred to the Committee of the Whole House on the State of the Union.

Mr. CARLYLE: Committee on Post Office and Civil Service. S. 1977. An act to extend the time within which legislative employees may come within the purview of the Civil Service Retirement Act; without amendment (Rept. No. 1149). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee on Public Lands. S. 1647. An act to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533); with an amendment (Rept. No. 1150). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 5473. A bill to provide for the rehabilitation of the Gros Ventre and Assiniboine Tribes of Indians on Fort Belknap Reservation, Mont., and for other purposes; without amendment (Rept. No. 1151). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 5570. A bill to promote the rehabilitation of the Chippewa Cree Tribe of Indians of the Rocky Boy's Reservation, Mont., and for other purposes; with an amendment (Rept. No. 1152). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 5489. A bill to ratify and confirm Act 251 of the Session Laws of Hawaii, 1949; without amendment (Rept. No. 1153). Referred to the House Calendar.

Mr. CROOK: Committee on Post Office and Civil Service. S. 974. An act to amend the Veterans' Preference Act of 1944 with respect to certain mothers of veterans; with an amendment (Rept. No. 1154). Referred to the Committee of the Whole House on the State of the Union.

Mr. CARNAHAN: Committee on Foreign Affairs. H. R. 5731. A bill to discharge a fiduciary obligation to Iran; without amendment (Rept. No. 1155). Referred to the Committee of the Whole House on the State of the Union.

Mr. McSWEENEY: Committee on Rules. House Resolution 294. Resolution to amend the Rules of the House to provide that the Delegate from Alaska shall serve on the Committee on Merchant Marine and Fisheries; without amendment (Rept. No. 1156). Referred to the House Calendar.

Mr. LYLE: Committee on Rules. House Resolution 304. Resolution for consideration of H. R. 5738, a bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; without amendment (Rept. No. 1157). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 305. Resolution for consideration of H. R. 1161. A bill to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes; without amendment (Rept. No. 1158). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 5817. A bill to provide for the completion as expeditiously as possible of the examination and survey of the Sabine River, Tex., for flood-control and other purposes; to the Committee on Public Works.

By Mr. BOGGS of Louisiana:

H. R. 5818. A bill to amend section 2000 (a) (2) of the Internal Revenue Code relating to taxes on tobacco and tobacco products; to the Committee on Ways and Means.

By Mr. DAWSON:

H. R. 5819. A bill to amend the act of May 26, 1936, authorizing the withholding of compensation due Government personnel; to the Committee on Expenditures in the Executive Departments.

By Mr. FERNANDEZ:

H. R. 5820. A bill to facilitate the admission of certain foreign workers desiring to perform agricultural work in the United States; to the Committee on Agriculture.

By Mr. HARE:

H. R. 5821. A bill to provide for the payment of pensions to persons who served in the military or naval service of the Confederate States of America and to the widows of such persons; to the Committee on Veterans' Affairs.

By Mr. HOBBS:

H. R. 5822. A bill to amend the Legislative Reorganization Act of 1946, as amended, with respect to the presence of a quorum in meetings of committees of Congress; to the Committee on Rules.

By Mr. HOFFMAN of Michigan:

H. R. 5823. A bill to authorize the President to determine the form of the national budget and of the departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. KLEIN:

H. R. 5824. A bill to provide Federal Government aid for the readjustment in civilian life of returning World War II veterans; to the Committee on Veterans' Affairs.

By Mr. LUCAS:

H. R. 5825. A bill to amend title 18 of the United States Code with respect to the concealment of lien or liens on motor vehicles or aircraft; to the Committee on the Judiciary.

By Mr. MILES:

H. R. 5826. A bill to provide for the conveyance of certain property in the village of Deming, N. Mex., to such village for use as a public housing project; to the Committee on Banking and Currency.

By Mr. PATMAN:

H. R. 5827. A bill to provide for the completion as expeditiously as possible of the examination and survey of the Sabine River, Tex., for flood control and other purposes; to the Committee on Public Works.

By Mr. PHILLIPS of California:

H. R. 5828. A bill to facilitate the admission of certain foreign workers desiring to

perform agricultural work in the United States; to the Committee on Agriculture.

By Mr. PRIEST:

H. R. 5829. A bill to authorize the construction and equipment of a research laboratory building for the National Bureau of Standards, Department of Commerce; to the Committee on Interstate and Foreign Commerce.

H. R. 5830. A bill to amend the provisions of the State Public Health Service Act relating to grants to States for State and local health work, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. REED of New York:

H. R. 5831. A bill to exempt certain volatile fruit-flavor concentrates from the tax on liquors; to the Committee on Ways and Means.

By Mr. TALLE:

H. R. 5832. A bill to provide for the use of the assets of State rural rehabilitation corporations held in trust by the Secretary of Agriculture pursuant to transfer agreements with such corporations; to the Committee on Agriculture.

By Mr. TEAGUE:

H. R. 5833. A bill relating to full-time institutional trade and industrial training for veterans; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H. R. 5834. A bill to provide for the establishment of an additional service academy, and for other purposes; to the Committee on Armed Services.

By Mr. BATTLE:

H. R. 5835. A bill to provide for research in child life and for grants to States for maternal and child health and crippled children's services; to the Committee on Interstate and Foreign Commerce.

By Mr. BRAMBLETT:

H. R. 5836. A bill for the relief of the city of King, Calif.; to the Committee on the Judiciary.

By Mr. CURTIS:

H. R. 5837. A bill to change the name of Medicine Creek Reservoir in Frontier County of the State of Nebraska to Harry Strunk Lake; to the Committee on Public Lands.

By Mr. KENNEDY:

H. R. 5838. A bill to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, in reducing the inequalities of educational opportunities through public elementary and secondary schools, to provide for essential auxiliary school services for all school children, for the general welfare and for other purposes; to the Committee on Education and Labor.

By Mr. GRANGER:

H. R. 5839. A bill to facilitate and simplify the work of the Forest Service, and for other purposes; to the Committee on Agriculture.

By Mr. REED of New York:

H. R. 5840. A bill relating to the income tax treatment of military personnel who were taken as prisoners of war while serving in China; to the Committee on Ways and Means.

By Mr. MACK of Illinois:

H. J. Res. 330. Joint resolution authorizing the presentation of a statue of Abraham Lincoln to the Government of Venezuela; to the Committee on Foreign Affairs.

By Mr. MACK of Washington:

H. Con. Res. 115. Concurrent resolution relative to a special session of Congress; to the Committee on Rules.

By Mr. KLEIN:

H. Con. Res. 116. Concurrent resolution authorizing the printing of additional copies of the statement offered by Jackie Robinson, of New York, before the Committee on Un-American Activities; to the Committee on House Administration.

By Mr. LESINSKI:

H. Res. 306. Resolution to provide funds for the Committee on Education and Labor; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 5841. A bill for the relief of Magnus Viggo Agustsson; to the Committee on the Judiciary.

By Mr. BARRETT of Pennsylvania:

H. R. 5842. A bill for the relief of Mrs. Hudea Aida Goldberg; to the Committee on the Judiciary.

By Mr. BREEN:

H. R. 5843. A bill for the relief of Emil Blomfeld; to the Committee on the Judiciary.

By Mr. CHURCH:

H. R. 5844. A bill for the relief of Henrietta N. Jordan; to the Committee on the Judiciary.

By Mr. COLE of New York:

H. R. 5845. A bill for the relief of Francis J. Cleary, captain, United States Navy, retired; to the Committee on Armed Services.

By Mr. DAGUE:

H. R. 5846. A bill for the relief of Mrs. Lillian Coolidge; to the Committee on the Judiciary.

By Mr. JACKSON of Washington:

H. R. 5847. A bill with respect to national service life insurance in the case of the late Herbert Adolphson; to the Committee on the Judiciary.

By Mr. KARST:

H. R. 5848. A bill for the relief of Clarence Sudbeck; to the Committee on the Judiciary.

By Mr. McKINNON:

H. R. 5849. A bill for the relief of Samuel M. Kornegay; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5850. A bill for the relief of Miss Marguerite Deutsch; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 5851. A bill for the relief of Mrs. Toshiko Keyser; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1350. By Mr. CARROLL: Petition of Donald D. Pullen and 440 other signers, all residents of Colorado, that H. R. 2135 and H. R. 2136 be given the earliest possible consideration by Congress; to the Committee on Ways and Means.

1351. By Mr. JUDD: Petition of Miss Mary L. Stewart and other citizens of Minneapolis, Minn., in support of H. R. 2428 and a Senate counterpart of that measure; to the Committee on Interstate and Foreign Commerce.

1352. By Mr. LARCADE: Petition of the Acadia Parish Association of Commerce, of Crowley, La., to the Congress of the United States, relative to a transcontinental highway; to the Committee on Public Works.

1353. By Mr. MACK of Washington: Petition of Western Forest Industries Association regarding the proposed Forest Practices Act, S. 1820; to the Committee on Agriculture.

1354. Also, petition of Textile Workers Union of America, Local 188, Washougal, Wash., with reference to regulations on ECA lumber purchases; to the Committee on Foreign Affairs.

1355. Also, petition of Western Forest Industries Association recommending the revision of the Federal mining laws; to the Committee on Public Lands.

1356. Also, petition of Western Forest Industries Association urging an expansion and acceleration of the forest access road program; to the Committee on Public Works.

1357. By Mr. RICH: Petition of Lycoming County Medical Society in opposition to compulsory health measures as exemplified in S. 1679, national health bill; to the Committee on Interstate and Foreign Commerce.

1358. By the SPEAKER: Petition of Mrs. Retta Herrmann and others, of Croydon, Pa., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1359. Also petition of Ivy I. Eisenhart and others, Shamokin, Pa., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1360. Also, petition of Mary E. Babcock and others, Bristol, S. Dak., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1361. Also, petition of Mrs. Jennie M. Hoyt, Miami Townsend Club, No. 1, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1362. Also, petition of Mr. and Mrs. George Fuller and others, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1363. Also, petition of Edna M. Dreyer and others, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1364. Also petition of Mr. J. J. Matson and others, Orlando, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1365. Also, petition of E. D. Kent and others, Orlo Vista, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1366. Also, petition of W. H. Singletary and others, Pinecastle, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1367. Also, petition of J. B. Gardner and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1368. Also, petition of Mrs. Laura Squires and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1369. Also, petition of R. C. Swope and others, Sanford, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, AUGUST 2, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. John R. Gray, minister, St. Stephen's Parish Church, Glasgow, Scotland, offered the following prayer:

Almighty and Eternal God, who hast given to those who speak our tongue a common love of justice and mercy, of freedom and democracy, prevent us from being quite unworthy of those who have suffered and died for these things in days gone by. Teach us humbly to seek Thy will for us, and for our world, and grant us the grace and strength to do it. Help us fearlessly to speak the truth as Thou shall grant us to see the truth, even if we

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thereby lose the poor virtue of an apparent consistency, or the cheap accolade of popularity. This we ask for the sake of Him who is the way and the truth and the life, even Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 1, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On August 1, 1949:

S. 266. An act modifying a limitation affecting the pension, compensation, or retirement pay payable on account of an incompetent veteran without dependents during hospitalization, institutional or domiciliary care;

S. 811. An act to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration; and

S. 1080. An act for the relief of James A. Gordon.

On August 2, 1949:

S. 256. An act to amend the Interstate Commerce Act, as amended.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1505) to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947.

The message also announced that the House had passed the bill (S. 1745) to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 6, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended;

S. 1250. An act to amend the Institute of Inter-American Affairs Act, approved August 5, 1947; and

S. 1323. An act to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 163. An act to authorize Sacramento Valley irrigation canals, Central Valley project, California;

H. R. 1746. An act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes;

H. R. 2538. An act to authorize completion of the land development and settlement of the Angostura unit of the Missouri Basin project, notwithstanding a limitation of time;

H. R. 3071. An act to authorize the Secretary of the Army to purchase certain property in Morgan County;

H. R. 3197. An act relating to the sale of the old Louisville Marine Hospital, Jefferson County, Ky.;

H. R. 3478. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Delmar Boulevard and Cole Street in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 3480. An act to authorize the Commonwealth of Kentucky to use for certain educational purposes lands granted by the United States to such Commonwealth for State park purposes exclusively;

H. R. 3637. An act to permit the sending of Braille writers to or from the blind at the same rates as provided for their transportation for repair purposes;

H. R. 3788. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico;

H. R. 3926. An act to rename a game sanctuary in the Harney National Forest as the "Norbeck Wildlife Preserve," and for other purposes;

H. R. 4025. An act to transfer control over Indian tribal funds to the Indian tribes;

H. R. 4403. An act to facilitate the administration by the Secretary of the Interior, in cooperation with other Federal, State, and local agencies, of the recreational uses of lands and waters within reclamation, flood-control, power, and other Federal reservoir projects;

H. R. 4569. An act authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa;

H. R. 4641. An act to authorize the Secretary of Agriculture to accept title to certain land owned or to be acquired by the county of Plumas, State of California, and in exchange therefor to convey to Plumas County certain land owned by the United States in said county;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5207. An act to amend section 50 of the Organic Act of Puerto Rico;

H. R. 5372. An act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Oahe Dam and Reservoir, Missouri River development, and for other related purposes;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings;

H. R. 5465. An act to amend section 4 (e) of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public improvement bonds;

H. R. 5535. An act to amend the Philippine Rehabilitation Act of 1946.

H. R. 5592. An act to authorize the cancellation, adjustment, and collection of certain obligations due the United States, and for other purposes; and

H. R. 5602. An act to strengthen and encourage the democratic forces in China by authorizing the Secretary of State to provide for the relief of Chinese students in the United States.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5238) to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Humphrey	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Smith, N. J.
Donnell	Knowland	Sparkman
Douglas	Langer	Stennis
Downey	Lodge	Taft
Dulles	Long	Taylor
Ecton	Lucas	Thomas, Okla.
Ellender	McCarran	Thomas, Utah
Ferguson	McCarthy	Thye
Flanders	McClellan	Tobey
Frear	McFarland	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Malone	Williams
Gurney	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	
Hickenlooper	Millikin	

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate may be permitted to offer bills, joint and other resolutions, submit petitions and memorials, and present routine matters for the RECORD, as though the Senate were in the morning hours, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

GREETINGS TO FORMER PRESIDENT HOOVER ON HIS SEVENTY-FIFTH BIRTHDAY ANNIVERSARY

Mr. SMITH of New Jersey. Mr. President, I have a very pleasant responsibility today in offering a concurrent resolution. I hope all the Members of the

Senate will listen while I present it, and make a short statement in connection with it.

The VICE PRESIDENT. In view of the unanimous consent agreement, the Chair will ask unanimous consent that the Senator from New Jersey may make a brief statement in connection with the concurrent resolution he will present. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMITH of New Jersey. I thank the Vice President.

Mr. President, the Members of this body are to me a unique group.

We wrestle with each other on partisan issues. We even differ, and often publicly, within our own partisan ranks.

But there is ever an atmosphere of good sportsmanship and cordial friendship, and it is this something in our atmosphere which offsets many of the difficulties and frustrations that sometimes beset us.

Mr. President, I am making this statement because of the concurrent resolution I am about to offer and for the immediate consideration of which I shall ask unanimous consent. It is on a subject on which I am confident there will be unanimous accord among us all.

On August 10 next, the only living ex-President of the United States, the Honorable Herbert Hoover, will be 75 years of age. The Honorable CHRISTIAN A. HERTER, Representative from Massachusetts, and I, are introducing today simultaneously in the Senate and House of Representatives concurrent resolutions extending congratulations to our ex-President, Mr. Hoover, and wishing him many more years of useful public service.

Representative HERTER and I are among those who since World War I have been closely associated with Mr. Hoover in his world-wide humanitarian undertakings and accomplishments. We have had the privilege of knowing first hand the eagerness with which he has sought the welfare of his fellowmen. Because of this experience we feel privileged and honored in presenting this concurrent resolution to our respective Houses of Congress.

This concurrent resolution of birthday greetings is introduced by me in behalf of myself and the Senator from Illinois [Mr. LUCAS], representing the majority, and the Senator from Nebraska [Mr. WHERRY], representing the minority.

The concurrent resolution, which I shall presently send to the desk, reads as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby extends to the Honorable Herbert Hoover, our only living ex-President, its cordial birthday greetings on his seventy-fifth birthday and expresses its admiration and gratitude for his devoted service to his country and to the world; and that the Congress hereby expresses its hope that he be spared for many more years of useful and honorable service: And be it further

Resolved, That the Secretary of the Senate transmit a copy of this resolution to Mr. Hoover.

Mr. President, I send the concurrent resolution to the desk and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The Secretary will read the concurrent resolution.

The legislative clerk read the concurrent resolution (S. Con. Res. 59).

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and unanimously agreed to.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the delegates to the twenty-ninth annual convention of Civitan International, at Washington, D. C., favoring the so-called Hoover plan for Government reorganization; to the Committee on Expenditures in the Executive Departments.

A resolution adopted by the executive council, International Association of Machinists, Washington, D. C., urging Congress to either lower the retirement age in the social-security law or act to protect older workers against unfair and unjust discrimination because of age; to the Committee on Finance.

A telegram in the nature of a petition from the Chinese Emergency Relief Association of St. Louis, Mo., signed by Chung Mon Hung, president, and Yee Hing, secretary, praying that the principle of nonrecognition be used against the Communist regime in China; to the Committee on Foreign Relations.

A resolution adopted by the Polish Falcons of America, of Pittsburgh, Pa., relating to the Polish boundaries and the giving to the Germans of certain Polish lands; to the Committee on Foreign Relations.

A resolution adopted by the Board of Supervisors of the City and County of Honolulu, T. H., favoring the enactment of legislation exempting the Territorial and city and county pensioners from paying Federal income taxes; to the Committee on Interior and Insular Affairs.

A resolution adopted by the delegates to the twenty-ninth annual convention of Civitan International, at Washington, D. C., protesting against any manifestation of subversive influence against our forms of government; to the Committee on the Judiciary.

A telegram in the nature of a memorial from the Board of Civil Rights Congress, of New York, N. Y., signed by George Marshall, chairman, remonstrating against the confirmation of the nomination of Tom Clark as a Justice of the Supreme Court of the United States; to the Committee on the Judiciary.

The memorial of the Stockton Annex Veterans' Association, of Stockton, Calif., remonstrating against the enactment of Senate bill 660, granting nonveteran employees of civil service with 10 years' service, equal rights with veterans; to the Committee on Post Office and Civil Service.

A letter in the nature of a petition from the Women's Democratic Study Club, of Long Beach, Calif., signed by Mrs. Walt Williams, corresponding secretary, praying for the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Dry Ridge Lions Club, of Dry Ridge, Ky., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Acadia Parish Association of Commerce, of Crowley, La., favoring the enactment of legislation providing a transcontinental highway from Jacksonville, Fla., to Los Angeles, Calif.; to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY:

From the Committee on Interior and Insular Affairs:

H. R. 2869. A bill to authorize an appropriation in aid of a system of drainage and sanitation for the city of Polson, Mont.; without amendment (Rept. No. 828).

From the Committee on Labor and Public Welfare:

S. Res. 140. Resolution to investigate the field of labor-management relations; without amendment (Rept. No. 827), and under the rule, referred to the Committee on Rules and Administration.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

H. R. 1516. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide annual automatic within-grade promotions for hourly employees of the custodial service; without amendment (Rept. No. 829); and

H. R. 2944. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide survivorship benefits for widows or widowers of persons retiring under such act; with an amendment (Rept. No. 830).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Labor and Public Welfare:

Milton W. Gwinner, and sundry other candidates for appointment and promotion in the Regular Corps of the Public Health Service.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

S. 2363. A bill to provide for a preliminary examination and survey for the construction of a channel, and other improvements for the Saugus River, Mass.; to the Committee on Public Works.

By Mr. MILLIKIN (for himself and Mr. JOHNSON of Colorado):

S. 2364. A bill to provide for the utilization as a national cemetery of surplus Army Department owned military real property at Fort Logan, Colo.; to the Committee on Armed Services.

UNIVERSITY OF MICHIGAN LIBRARIES

By Mr. HUNT:

S. 2365. A bill to provide for placing under the Classification Act of 1923, as amended, certain positions in the municipal government of the District of Columbia; to the Committee on the District of Columbia.

PRINTING OF MANUSCRIPT ENTITLED "A DECADE OF AMERICAN FOREIGN POLICY: BASIC DOCUMENTS, 1941–49"

Mr. CONNALLY submitted the following concurrent resolution (S. Con. Res. 60), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That the manuscript entitled "A Decade of American Foreign Policy: Basic Documents, 1941–49," prepared at the request of the Senate Foreign Relations Committee by the staff of the Committee and the Department of State, be printed as a Senate document, and that 1,000 additional copies shall be printed for the use of the Committee on Foreign Relations of the Senate.

HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. CONNALLY submitted the following resolution (S. Res. 148), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Foreign Relations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

NATIONAL HEALTH INSURANCE AND PUBLIC HEALTH PROGRAM—AMENDMENTS

Mr. MAGNUSON submitted amendments intended to be proposed by him to the bill (S. 1679) to provide a program of national health insurance and public health and to assist in increasing the number of adequately trained professional and other health personnel, and for other purposes, which were referred to the Committee on Labor and Public Welfare and ordered to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 163. An act to authorize Sacramento Valley irrigation canals, Central Valley project, California;

H. R. 3480. An act to authorize the Commonwealth of Kentucky to use for certain educational purposes lands granted by the United States to such Commonwealth for State park purposes exclusively;

H. R. 3788. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico;

H. R. 4025. An act to transfer control over Indian tribal funds to the Indian tribes;

H. R. 4403. An act to facilitate the administration by the Secretary of the Interior, in cooperation with other Federal, State, and local agencies, of the recreational uses of lands and waters within reclamation, flood-control, power, and other Federal reservoir projects;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5207. An act to amend section 50 of the Organic Act of Puerto Rico;

H. R. 5372. An act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Cahe Dam and Reservoir, Missouri River development, and for other related purposes;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings; and

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, T. H., to issue public improvement bonds; to the Committee on Interior and Insular Affairs.

H. R. 1746. An act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 2538. An act to authorize completion of the land development and settlement of the Angostura unit of the Missouri Basin project, notwithstanding a limitation of time;

H. R. 3926. An act to rename a game sanctuary in the Harney National Forest as the Norbeck Wildlife Preserve, and for other purposes;

H. R. 4641. An act to authorize the Secretary of Agriculture to accept title to certain land owned or to be acquired by the county of Plumas, State of California, and in exchange therefor to convey to Plumas County certain land owned by the United States in said county; and

H. R. 5592. An act to authorize the cancellation, adjustment, and collection of certain obligations due the United States, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 3071. An act to authorize the Secretary of the Army to purchase certain property in Morgan County;

H. R. 3197. An act relating to the sale of the old Louisville Marine Hospital, Jefferson County, Ky.;

H. R. 3478. An act to extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Delmar Boulevard and Cole Street, in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.; and

H. R. 4569. An act authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa; to the Committee on Public Works.

H. R. 3637. An act to permit the sending of braille writers to or from the blind at the same rates as provided for their transportation for repair purposes; and

H. R. 5465. An act to amend section 4 (e) of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

H. R. 5535. An act to amend the Philippine Rehabilitation Act of 1946; and

H. R. 5602. An act to strengthen and encourage the democratic forces in China by authorizing the Secretary of State to provide for the relief of Chinese students in the United States; to the Committee on Foreign Relations.

MOUNTING COST OF GOVERNMENT—STATEMENT BY SENATOR O'CONOR

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a statement by him regarding the mounting cost of government, which appears in the Appendix.]

RURAL TELEPHONES—STATEMENT BY SENATOR KERR

[Mr. KERR asked and obtained leave to have printed in the RECORD a statement made by him before the Committee on Agriculture and Forestry relative to rural telephones, which appears in the Appendix.]

RURAL ROADS—STATEMENT BY SENATOR KERR

[Mr. KERR asked and obtained leave to have printed in the RECORD a statement made by him before the Committee on Public Works relative to rural roads, which appears in the Appendix.]

STUDY COMMISSION ON ARKANSAS-WHITE AND RED RIVER BASINS—STATEMENT BY SENATOR KERR

[Mr. KERR asked and obtained leave to have printed in the RECORD a statement made by him before the Committee on Public Works relative to a study commission on the Arkansas-White and Red River Basins, which appears in the Appendix.]

OLD HANDS RUN GERMANY AGAIN—ARTICLE FROM UNITED STATES NEWS AND WORLD REPORT

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article entitled "Old Hands Run Germany Again," reported from Frankfurt, Germany, and published in the United States News and World Report of July 29, 1949, which appears in the Appendix.]

THE FARM PARITY QUESTION—EDITORIAL FROM ST. PAUL (MINN.) PIONEER PRESS

[Mr. THYE asked and obtained leave to have printed in the RECORD an editorial entitled "Football of Politics," published in a recent issue of the St. Paul (Minn.) Pioneer Press, which appears in the Appendix.]

SMOKE SCREEN OR WHAT?—ARTICLE BY THOMAS F. LAMON

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article entitled "Smoke Screen or What?" written by Thomas F. Lamon, and published in the Brandywine Record, Wilmington, Del., on July 27, 1949, which appears in the Appendix.]

BIG GOVERNMENT CAN SAVE MONEY BY DEALING WITH SMALL BUSINESSMEN

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial enentitled "Could Be Better" published in the South Bend Tribune of South Bend, Ind., which appears in the Appendix.]

MOSCOW'S PEARL HARBOR—EDITORIAL FROM WASHINGTON DAILY NEWS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "Moscow's Pearl Harbor," published in the Washington Daily News on August 2, 1949, which appears in the Appendix.]

AT WHAT SHOULD A FARM BILL AIM?—EDITORIAL FROM CHRISTIAN SCIENCE MONITOR

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "At What Should a Farm Bill Aim?", published in the Christian Science Monitor of August 1, 1949, which appears in the Appendix.]

NEW SEAWAY PROPOSAL—EDITORIAL FROM CUMBERLAND (MD.) TIMES

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "New Seaway Proposal," published in the June 6, 1949, issue of the Cumberland (Md.) Times, which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF HON. TOM C. CLARK, OF TEXAS, TO BE AN ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, August 9, 1949, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Tom C. Clark, of Texas, to be an Associate Justice of the Supreme Court of the United States, vice Frank Murphy, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. LUCAS the Committee on Labor and Public Welfare was authorized to sit during the session of the Senate today.

HOOVER COMMISSION RECOMMENDATIONS—COMMENTS BY ATTORNEY GENERAL CLARK

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement prepared by me and the comments of Attorney General Clark with reference to the Hoover Commission recommendations as they would affect the Department of Justice.

There being no objection, the statement and comments were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

The Attorney General in a letter released today by Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, relative to the effect recommendations of the Hoover Commission would have on the Department of Justice, stated that "while the Hoover Commission did not submit a separate report on the Department of Justice, I favor the specific recommendations it made concerning this Department." Mr. Clark endorsed recommendations which would have the effect of cutting down the number of agencies reporting directly to the President, simplify existing executive regulations, and provide for the repeal of statutes which cause rigid control over administrative practices and impede progress in the development of good management. The Attorney General also favors:

"(1) the establishment of a clear line of authority as between and within the various executive agencies; (2) the decentralization into the operating agencies of budget and accounting functions as well as the recruitment and management of personnel; (3) the establishment of a top career position in each agency to provide continuity; (4) decentralization to the field of certain activities and consolidation in appropriate cases of departmental field offices; and (5) uniformity in regional and headquarters offices of various departments and making available to regional offices pooled administrative services."

In commenting on the personnel management report, the Attorney General approves decentralization from the Civil Service Commission to departments of recruiting and training of professional and specialized personnel, and cites the Federal Bureau of Investigation as an example of the value of such decentralization. As to the procedure for separation of incompetent employees outlined in this report, the Attorney General feels that in spite of the Hoover Commission's statement that its proposal would be a simple and clear-cut procedure, the Commission's recommendations would be equally as complicated as the present procedures and subject to the same delays, and indicates that further study is desirable.

The Attorney General agrees with the recommendations relative to the overhauling of the efficiency rating system, stating that the "position of the Commission on this matter seems well taken"; is of the opinion that more emphasis should be placed on efficiency and outstanding performance and less on length of satisfactory service with respect to reduction-in-force regulations; and that provisions for granting additional within-grade salary increases for outstanding services should be liberalized.

The Attorney General "agrees with the Commission that considerable progress can be made in revamping the present appropriation structure and changing the date of the budget submission," elaborating as follows:

"There is not enough flexibility to enable the head of a department or agency to consider the best possible utilization of the funds appropriated to his particular agency. I agree with the recommendation that the Office of the Budget should place greater emphasis on developing policies and standards to cover the preparation of estimates and less on the review by its own staff of the departmental estimates. The agency heads should have some power to make transfers between appropriations not only to achieve more efficient operation but to create economies through flexibility of funds."

The Department of Justice also agrees that the General Accounting Office should be restricted to auditing functions, and all accounting activities should be centered in the executive branch, commenting that "a great deal can be done to simplify and improve the reporting and accounting system in the Government."

The full text of the letter from the Attorney General follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., July 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: In reply to your request of May 21, I am pleased to make the following comments relative to the reports of the Commission on Organization of the Executive Branch of the Government.

GENERAL MANAGEMENT

While the Commission did not submit a separate report on the Department of Justice, I favor the specific recommendations it made concerning this Department.

The recommendations which have to do with cutting down the number of agencies reporting directly to the President; the simplification of executive regulations; and the repeal of statutes which cause rigid control over administrative practices and impede progress in the development of good management in the executive agencies, appear to be wise. I also favor the proposals which deal with—

1. The establishment of a clear line of authority as between and within the various executive agencies;

2. The decentralization into the operating agencies of budget and accounting functions, as well as the recruitment and management of personnel;

3. The establishment of a top career position in each agency to provide continuity;

4. Decentralization to the field of certain activities and consolidation in appropriate cases of departmental field offices; and

5. Uniformity in regional and headquarters offices of various departments and making available to regional offices pooled administrative services.

PERSONNEL MANAGEMENT

It would appear that the decentralization from the Civil Service Commission to the departments of the recruitment and training of professional and specialized personnel peculiar to the needs of the department would contribute greatly to efficient operation. The Federal Bureau of Investigation has been most successful in the recruitment and training of its personnel and in the establishment of a fine career service.

This department agrees with the recommendation calling for drastic changes in the present efficiency rating system and the position of the Commission on this matter seems to be well taken.

Changes should be made in the reduction-in-force regulations so that the better employees will be retained while those of lesser efficiency will be dropped. While some weight should be given to length of satisfactory service, greater emphasis should be placed upon efficiency and outstanding performance.

The recommended procedure for separation for incompetence, while designated by the Commission as simple and clear-cut, would be equally as complicated as the present procedures and subject to the same delays. It would seem that further study should be given to this matter in order to actually simplify the procedures for involuntary separations.

With respect to the granting of within-grade salary increases, the Department agrees with the conclusions of the Commission and goes further in recommending that the provisions for granting additional increases for outstanding services should be liberalized.

OFFICE OF GENERAL SERVICES—SUPPLY ACTIVITIES

It appears wise to have a centralized organization to establish general policies on procurement services and to exercise some centralized control. However, I have some question whether actual purchasing, except in items of general use, should be centralized.

There is no doubt that existing statutes and regulations should be simplified by repeal or modification in order to provide greater flexibility in Government purchasing and service activities. This is a specialized field, and a great many of the problems under this heading could be solved by improved management and careful selection of specially qualified personnel.

BUDGET AND ACCOUNTING

This department agrees that considerable progress can be made in revamping the present appropriation structure and changing the date of the budget submission. There is not enough flexibility to enable the head of a department or agency to consider the best possible utilization of the funds appropriated to his particular agency. I agree with the recommendation that the Office of the Budget should place greater emphasis on developing policies and standards to cover the preparation of estimates and less on the review by its own staff of the departmental estimates. The agency heads should have some power to make transfers between appropriations not only to achieve more efficient operation but to create economies through flexibility of funds.

This Department agrees that the accounting functions belong in the executive branch

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of the Government and that the General Accounting Office should be restricted to auditing functions. A great deal can be done to simplify and improve the reporting and accounting system in the Government. The simplification in appropriation structures would help in reducing accounting requirements. This Department has tried where possible to improve its accounting operations; however, such efforts have been restricted by regulations imposed by the several agencies now having authority in this field.

There appears to be justification for eliminating the practice of sending millions of expenditure vouchers and supporting papers to Washington and for establishing a spot-sampling process at the various places where the expenditure vouchers and papers are administratively checked. Judging from the success this Department has experienced with on-the-spot audit of pay rolls the extension of this procedure to all accounts and vouchers would be a great improvement.

Adopting some or all of the recommendations of the Commission would result in considerable savings but I am in no position at this time to say how much.

Sincerely,

TOM CLARK,
Attorney General.

OUR POLICY IN CHINA AND THE FAR EAST

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two editorials from the New York Times, one of Friday, July 29, 1949, entitled "The Clash on China Policy," and the other entitled "Toward a Far Eastern Policy," from the issue of Sunday, July 31, 1949.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of July 29, 1949]

THE CLASH ON CHINA POLICY

At the same time yesterday that Governor Dewey was making a frontal attack on what he described as the administration's "no policy at all" in respect to China, Secretary Acheson was indicating to the House Foreign Affairs Committee that this policy would not be changed. Governor Dewey called for prompt military aid to the Government of China to save it from being engulfed by the Communists. Secretary Acheson said that "in the judgment of everyone who has studied the matter, military assistance to China is not feasible at the present time."

Secretary Acheson's "everyone" obviously does not take in Governor Dewey. There is a direct clash of opinion and judgment here on one of the most vital aspects of our foreign policy and that clash might well be made the first item on the agenda of the new advisory group that Secretary Acheson proposes to set up to examine our Asiatic policies. The systematic examination of our policies will be pointless unless it leads to some sort of action. At the same time the proponents of action would agree that it should be based on sound examination.

The most hopeful thing in the program that Mr. Acheson announced was his statement that the consulting group would work closely with the proper congressional committees. This would be an improvement. Mr. Acheson must be aware of the fact that there is widespread dissatisfaction in Congress with our present course in the Far East. The Senate has indicated several times that it would like to take the lid off the Asiatic question but has been obliged to bow to pressure from the administration. Similarly there has not been even a pretense of keeping our bipartisan foreign front so far as the Orient is concerned. The very creation of this new advisory group indicates a defensive attitude in the State Department and this attitude has been the response to criticism that arises not out of expressed differences of opinion so much as out of mistrust because no opinions were exchanged.

The plan to call in nongovernmental consultants may or may not inspire public confidence. It will depend on who the consultants are. If they are persons who have associated themselves in the past with some of the apparent points of view in the Department their presence will suggest that they are mere window dressing for more of the same. More of the same is something that the Congress and a large part of the public definitely do not want.

Public confidence will likewise be affected one way or the other by the tone of the forthcoming white paper. If, as the Chinese fear, it turns out to be chiefly a recapitulation of the by now threadbare accusations against the Government of China in an effort to justify the various actions or inactions of the past there will be the same feeling of futility and mistrust that evoked Governor Dewey's attack. If there is to be a paper on China, it ought to be a white paper, not a whitewash paper. If there is to be a policy on China, it must be concerned primarily with the possibilities of the future rather than the mistakes of the past.

It is on those possibilities that Governor Dewey and Secretary Acheson have clashed. What can be done, and what ought to be done? "It is my firm conviction," Governor Dewey said, "that with a small fraction of what a new war would cost we could provide the skills and resources which we might reasonably hope could still save China." Secretary Acheson does not share that conviction or that reasonable hope.

Manifestly, then, the first job of this new advisory group ought to be to explore, not discard, the basis for Governor Dewey's conviction. That should be done at once, for if any action is to be taken it should be taken quickly. The Chinese Communists have shown no inclination to wait for the dust to settle or to wait until the minutiae of policy are subjected to interminable analysis. Time is not on our side in China.

[From the New York Times of July 31, 1949]

TOWARD A FAR-EASTERN POLICY

The announcements concerning the formation of an advisory group to study our Asiatic policy have emphasized that the study will be on a broad regional basis. It is felt, presumably, that only in that way can we escape being trapped in fruitless controversy at a number of specific points. Obviously this will not meet the demand for prompt and effective action, but it should lay the basis, over a period, for wise and consistent courses.

There is reason for gratification in the fact that men of real distinction have been chosen to act as advisers. None of them is a far-eastern specialist, but the public is likely to feel that a board composed of Ambassador at Large Philip C. Jessup, Raymond B. Fosdick, former president of the Rockefeller Foundation, and Dr. Everett Case, president of Colgate University, should be able to bring discretion, wisdom, and breadth of vision to the task.

At the moment, however, there are, in addition to the broad regional problems involved, a number of specific sore spots that require treatment. From the large point of view, east Asia has two big related problems: First, how to stop Communist aggression; and, second, how to effect a general and substantial increase in standards of living. Naturally, a long-range policy will undertake to deal with those problems as well as to express our desire for peace, prosperous trade, and political growth. But in the meantime we will also be obliged to meet some difficult situations.

In China, for example, our diplomatic and consular officials are, at this instant, virtual prisoners of the Communists. Other American citizens are in grave peril. Manifestly, the whole idea of our staying in China along with the Communists and seeing how we would work things out is bankrupt. Something else has to be done, and it won't wait for a regional survey.

Similarly, we are confronted with the urgent need for assistance to Korea if the Republic is to survive. That is part of the broad and long-range policy of opposing Communist aggression, but it is also a focal point of instant danger.

Fortunately, not all the immediate problems are as critical as these. The forthcoming visit of President Quirino, of the Philippines, will raise some questions about our relation to the Philippine Republic and what further assistance we can and should give. The recent talks between President Quirino and President Chiang Kai-shek will doubtless be reviewed, perhaps to our embarrassment.

At some other points in Asia there is a notable decrease in tension. In Indonesia, for example, the formal cease fire has been fully agreed upon. We have been gravely concerned about the whole Indonesian problem, its relation to the Netherlands economy and to ours, to the European aid program and to the United Nations. In that region now much progress has been made, peace is being restored, and the Dutch and the Indonesians are going forward with their plans for a conference on sweeping political changes.

In the same week a cease-fire line has been agreed upon between Pakistan and India in the Kashmir dispute, and there are better prospects for an ultimate settlement than there seemed to be a short time ago. The situation is one for continuing concern, but the outlook is improving. In Burma, on the other hand, there is profound disorder and the threat of even greater trouble if the Chinese Communists can get to the Burma border.

Some of these situations will have to be met on a day-to-day rather than a long-term basis. They are, nevertheless, reflections of problems that may be approached from a regional viewpoint and with a definite set of principles. The naming of this new consultative group is in itself a confession that we have not had such a viewpoint nor followed such principles in the recent past.

THE STRIKE IN HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a brief editorial entitled "A Truth for Americans," published in the Omaha Evening World-Herald of July 30, 1949. It deals with the strike in Hawaii.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A TRUTH FOR AMERICANS

London's Communist-fomented dock strike has ended and the strikers are back at work. But before the incident passes into history it would be worth while for the American people to have a long look at the facts of the case.

The strike grew out of dispute between two Canadian unions—the Canadian Seaman's Union, which is Communist-dominated and allied with Harry Bridges' International Longshoreman's and Warehouseman's Union (CIO), and the Seafarers International Union (AFL).

Two ships handled by the Seafarers dropped anchor in London. The Communist Seaman's Union promptly declared them "black"—that is, operated by strikebreakers.

Communists among the London dockers persuaded their fellow workmen that anyone who went near the Canadian ships would be betraying one of the basic canons of working class loyalty. Port employers demanded, with perfect legality, that the Canadian ships be unloaded in their turn. The Communists twisted this into a "lock-out." Soon London's 15,000 dockers were idle.

Cabinet ministers of the Labor Government, many of them trade-unionists themselves, pleaded with the dockers to go back to work. So did the officers of the Transport Workers Union, to which the dockers belong. The strikers preferred to heed the Communists.

The Labor Government, which in 1946 had repealed Britain's Trade Disputes Act, on the ground that labor had become completely responsible, was then compelled to go to King George for a declaration of emergency. The Labor-dominated Parliament upheld the Government with only four dissenting votes—those of Communists or fellow-travelers. The Government sent troops to unload ships, and the strike finally collapsed.

Harry Bridges' strike that has tied up Hawaii for almost 3 months is part and parcel of the same business. Because the Truman administration, unlike the British Labor Government, has taken no firm stand, the strike continues and Hawaii is prostrate.

Plainly, there is an international Communist conspiracy to seize control of shipping and port facilities, and to use that control in the interest of communism's holy land, Russia. Plainly, if the democratic nations are not to find themselves strangled at some critical time, they will have to do something about it.

So long as labor unions, in critical areas and industries, permit themselves to be bamboozled by Communist leadership, the so-called right to strike should be limited by public authority.

That is a truth which a majority of the Members of Congress evidently understand, but which the Truman administration, for reasons of politics, refuses to face.

ADMINISTRATION OF CERTAIN INDIAN LANDS IN NEW MEXICO

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1323) to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes, which were, on page 3, line 7, after "Register", to insert a colon and the following proviso:

Provided, That before said boundaries and descriptions are published in the Federal Register as herein provided, the Secretary of the Interior may correct any clerical errors in section III of said memorandum of information, and shall revise the same so as to define the areas on that portion of the lands conveyed by this act and known as Bell Rock Mesa used and occupied respectively by the Laguna Pueblo Indians and the Canoncito Navajo Indians.

On page 3, to strike out lines 20 to 24, inclusive, and on page 3, line 25 to strike out "4" and insert "3."

Mr. ANDERSON. Mr. President, I move that the Senate concur in the House amendments. I should like to add not to exceed 20 or 30 words of explanation.

Mr. WHERRY. Mr. President, is this a unanimous-consent request?

The VICE PRESIDENT. No. The motion is in order.

Mr. WHERRY. Is this a conference report?

The VICE PRESIDENT. No. It is a message from the House of Representatives with regard to House amendments to a Senate bill.

Mr. WHERRY. I have no objection.

Mr. ANDERSON. Mr. President, the second amendment, striking out section 3 of the bill as it passed the Senate, was adopted by the House committee solely for the reason that the basic law relating to the administration of trust lands gives the Secretary sufficient authority to administer the lands covered by the bill in the same manner as other Indian lands are administered. It was feared that the last part of the section might be interpreted as vesting additional or broader authority in the Secretary of the Interior.

I renew my motion that the Senate concur in the House amendments.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, yesterday I made the statement that we would probably displace House bill 4177 with the ECA appropriation bill. However, I learn from talking with the Senator from Wyoming [Mr. O'MAHONEY] who is in charge of the independent offices appropriation bill, that he is of the opinion that we may be able to dispose of that bill early this afternoon. We have reached page 57, as I understand, and are now ready to consider the appropriation for the Veterans' Administration.

It is my hope that the Senate may speed up matters a little with respect to this appropriation bill. I find that we have been almost 5 days on this one bill. While I do not underestimate the importance of this measure—and all appropriation bills are important—Senators are constantly asking me, "When are we going home? When are we going to adjourn?"

We are now about 5 weeks behind on appropriation bills alone, and it looks as though we shall be another 2 weeks on appropriation bills. Certainly we must get the appropriation bills out of the way before we can seriously discuss the question of an early adjournment.

I hope we may be able to finish this bill with all convenient speed. We took practically all afternoon yesterday on one amendment. Perhaps it was necessary to do that. I am not trying to tell the Senate what it should or should not do. I am only making an elemental plea for a little speed, if we can possibly obtain it. I do that in view of the number of Senators who are continually asking me about an early adjournment. I do it especially in view of what one Senator said recently to the press about the Senate being "slap-happy" and "punch-drunk." He said that we ought to have a "seventh inning stretch." I do not know what he means by all that. Perhaps he will explain it to us some time when he returns to the Senate. As I understand, he has not been here since he made that statement. I should like to have him elaborate on it a little, because I am sure that there are a number of Senators who would like to comment on that subject whenever he makes his valedictorian address on that very important topic.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. It is the understanding, then, that when the Senate concludes consideration of House bill 4177, it will proceed with the foreign aid bill?

Mr. LUCAS. The Senator is correct. I do not like to displace the independent offices appropriation bill, and I am sure that the distinguished Senator in charge of the bill [Mr. O'MAHONEY] would like to see us finish it before we take up the ECA bill.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, under the heading "Veterans' Administration," on page 58, line 2, after the word "equipment", to strike out "$820,673,940" and insert "$845,073,940."

Mr. O'MAHONEY. Mr. President, I feel that we have now reached the point in the consideration of this bill where we may speedily dispose of what remains. I think there is very little of a controversial character left so far as the committee amendments are concerned. There may be some amendments offered from the floor. I have been given to understand that some Members of the Senate will desire to offer amendments; but even so, I doubt whether they will be of a character which will provoke debate.

Mr. President, in the original consideration of this bill the committee recommended an appropriation of $845,073,940, on page 58, in line 2, for administration, medical, hospital, and domiciliary services. After the committee report was made, however, an additional estimate in the amount of $16,000,000 was received by the committee. That additional estimate was called to the attention of the Appropriations Committee, and the chairman was authorized to report the amendment with an increase of $16,000,000 in the budget estimate. So the amount in line 2 on page 58 should read "$861,073,940." I offer that as an amendment to the committee amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment on page 58, line 2.

Mr. O'MAHONEY. Mr. President, before we proceed to the consideration of this amendment, in view of the importance of this item in the bill, I desire to invite the attention of Senators to the fact that the independent offices appropriation bill, which carries amounts in excess of $7,636,000,000, carries also an appropriation of $5,603,907,940 for the Veterans' Administration alone. In other words, the appropriation for the

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Veterans' Administration accounts for the great buk of the huge sum carried in this bill.

In order that Senators may know how important that is, and how far-flung the activities of the Veterans' Administration are, I wish the RECORD to show that there are in 47 States and in the District of Columbia 130 veterans' hospitals. There are 70 regional offices. Every State in the Union, including the District of Columbia, has such an office. There are 461 Veterans' Administration offices scattered throughout the United States, with officers in charge. There are 13 domiciliary homes and centers. In all, the total number of field stations now open is 711. These activities are scattered throughout the United States. I think the figures themselves give one a comprehension of the complete coverage of this facility.

There were under hospital treatment, as of May 31, 1949, 107,866 patients. These patients are under treatment for all types of disease, including neuropsychiatric. The domiciliary care is one of the important functions of the Veterans' Administration.

The reason for this additional appropriation of $16,000,000, which is offered by authority of the committee, is in order to service the new hospitals which presently will be opened.

The Director of the Bureau of the Budget in his letter of July 15 to the Senator from Wyoming said:

The additional 16,000,000 now requested will provide for the average employment of 5,000 for the medical, hospital, and domiciliary activities which will permit the Veterans' Administration to retain the nearly 5,000 persons now employed in those activities in excess of the number provided for in the 1950 budget. In other words, it will permit the retention of those employees who are now experienced and trained and will allow for a gradual and orderly redistribution of personnel to staff approximately 10,000 new beds to become available by June 30, 1950, as a result of the completion of the construction of new hospitals.

Mr. President, I ask unanimous consent that a copy of the letter of the Director of the Bureau of the Budget to the chairman of the subcommittee, together with a copy of his letter to the chairman of the full Appropriations Committee, may be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed the RECORD, as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., July 15, 1949.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: With my concurrence and the approval of the President, the Veterans' Administration is submitting to you a request for the restoration of $16,000,000 to the appropriation, "Administration, Medical, Hospital, and Domiciliary Services." The requested restoration will increase the amount now in the bill before the Senate from $845,073,940 to $861,073,940. However, the increased amount is $8,406,060 less than the amount included in the President's budget.

The additional $16,000,000 now requested will provide for the average employment of 5,000 for the medical, hospital, and domiciliary activities which will permit the Veterans' Administration to retain the nearly 5,000 persons now employed in those activities in excess of the number provided for in the 1950 budget. In other words, it will permit the retention of those employees who are now experienced and trained and will allow for a gradual and orderly redistribution of personnel to staff approximately 10,000 new beds to become available by June 30, 1950, as a result of the completion of the construction of new hospitals.

Sincerely yours,

FRANK PACE, JR.,
Director.

Senator KENNETH MCKELLAR,
Chairman, Senate Appropriations Committee, Washington, D. C.

MY DEAR SENATOR: With the concurrence of the Director of the Bureau of the Budget and the approval of the President, I am requesting that the amount of $16,000,000 be added to the amount for "Salaries and expenses" in the appropriation bill now pending before the Senate; this amount to be used specifically for staffing additional hospital beds which are scheduled to become available before June 30, 1950. Page 670 of the hearings on the independent offices appropriation bill before the Senate subcommittee lists the hospitals and the scheduled opening dates. These hospitals will provide a total of 10,306 beds in addition to existing hospitals and will make available during the 1950 fiscal year an average of 4,891 new beds.

The budget estimate for the medical-, hospital-, and domiciliary-care program as originally approved by the President and as presented to the Congress requested $566,666,400 for this program. This amount of money would provide average employment of 110,356 persons. The additional amount of $16,000,000 herein requested will permit employment of 5,000 persons above the number included in our original estimate for a total average employment of 115,356 persons. Actual employment at May 31 in the medical-, hospital-, and domiciliary-care program was 115,085 employees on the basis of full-time workers.

The increase requested herein will permit the Veterans' Administration to retain employees now experienced and qualified for hospital and medical care and will permit the transfer of such experienced workers from existing hospitals to new hospitals as they are opened. Thus a reduction of staff in the medical-care program will be avoided and later recruitment and training of new employees to staff the additional new beds as they become available will be unnecessary.

I am convinced that great efficiency of operation can be secured by this method and certainly employee morale and maintenance of the standards of medical care can be retained at a high level.

The additional amount of $16,000,000 for this appropriation will increase the amount now in the bill before the Senate (p. 58, line 2) from $845,073,940 to $861,073,940 for the appropriation entitled "Administration, medical, hospital, and domiciliary services." The original request approved by the President and presented to the Senate was $869,480,000. The present request is $8,406,060 less than the amount included in the President's budget.

Your cooperation in securing adoption of an amendment to H. R. 4177 to carry out this request will be sincerely appreciated.

Sincerely yours,

CHARLES R. GRAY, JR.,
Administrator.

Mr. O'MAHONEY. Mr. President, I express the hope that the committee amendment will be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment to the committee amendment on page 58, in line 2.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. GILLETTE. Mr. President, pursuant to the unanimous consent of the Senate which was obtained yesterday by the Senator from Wyoming, I send to the desk, on behalf of the Senator from Nevada and myself, a motion to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

The VICE PRESIDENT. The motion will be entered.

Mr. O'MAHONEY. The motion will be entered and will be taken up later in the day, I believe.

Mr. GILLETTE. Very good.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, on page 59, line 1, after the word "manner", to strike out the comma and "and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso"; and on page 59, line 4, after the amendment just above stated, to insert a colon and the following additional proviso: *"Provided further*, That at least one of such representatives shall be assigned to and reside in each State."

The amendment was agreed to.

The next amendment was, on page 60, line 10, after the word "occupation", to strike out "shall not be considered avocational or recreational" and insert "shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation."

The amendment was agreed to.

The next amendment was, on page 61, line 21, after the word "amended", to strike out "$49,374,000" and insert "$467,450,000."

Mr. O'MAHONEY. Mr. President, on this amendment I feel it incumbent upon me to call the attention of the Senate to the fact that under date of July 15, the Comptroller General of the United States filed with the Congress a report in which it was held, with a lengthy argument, that the amount of the budget estimate included in this item, $210,420,000, which is for interest on the reserve fund, is not necessary under the present status of the law. I also have a letter from Mr. Clark, of the Veterans' Administration, in which he very vigorously disputes the position taken by the Comptroller General. In view of the fact that here is a controversy between the Comptroller General and the Veterans' Administration as to whether there actually is legal authority to pay this interest in the amount of $210,420,000, it was

the intention of the chairman of the subcommittee to ask that that amount be deducted from the increase. However, since coming to the floor of the Senate today, I have talked with the chairman of the Finance Committee, which has legislative jurisdiction of that matter. I understand that the Senator from Georgia desires to comment upon this interest feature.

Mr. GEORGE. Mr. President, I shall make only a brief statement. If it were possible to withdraw this amount from the bill without seriously impairing the Veterans' Administration program, I would of course gladly concur in that procedure.

There have arisen or have existed some differences of opinion between the Comptroller General and the legal department of the Veterans' Administration regarding an item of interest. That came about in this way: Originally, after the passage of the legislation, a trust fund known as the national service life-insurance fund was set up to carry on the vast insurance program of the veterans. It was some time before it could be determined the amount that fund needed to be reimbursed by the United States to cover the extra losses due to military and naval hazards. Also there were certain amounts due the fund by way of interest because of the reimbursement being belated. So, it is necessary in order for the Government to carry out its part of the contract and keep the fund actuarily sound, that the Government pay to the fund the full amount of its obligation and this debt should be discharged at this time.

Mr. President, it is true that the proposed distribution of dividends by the Veterans' Administrator could not be made anyway until after the turn of 1950. It will be at least the middle or perhaps the end of January or perhaps February before these dividends can be distributed physically. I am referring to the physical difficulties involved. But the distribution cannot be made on the present schedule unless this item is passed and the money is available for transfer into the fund.

As a part of their compensation, the Government undertook to pay the life-insurance premiums on $10,000 of Government insurance during the period aviation cadets and students were in a flying status.

The Comptroller General seems to be of the opinion that there is no express authority for the payment of interest. Actually, Mr. President, the Comptroller General is in error on that point. I have great respect for that office, but I read to the Senate a simple committee statement in relation to this matter made when the act was amended:

> There was no misunderstanding of the intent and effect of such amendment. The Report No. 1705, Seventy-ninth Congress, second session, to accompany H. R. 6371, said:
>
> "Section 11 of the committee amendment amends section 607 (b) of the National Service Life Insurance Act of 1940, as amended, to authorize calculations of the value of life contingencies and liabilities thereunder to be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. Experience has demonstrated that the American Experience Tables of Mortality are inadequate for calculations of liability involving payment of life annuities and that such calculations should be based on some other table if the amount transferred from the national service life insurance appropriation to the national service life insurance fund under the provisions of section 607 (b) is to be sufficient to reimburse the national service life insurance fund for the liability in case the death of the insured results from injury or disease traceable to the extra hazard of military or naval service."

The original act, dealing with national service life insurance, required all calculations to be based upon the American Experience Table of Mortality, with interest at 3 percent. By the August 1, 1946 amendment it was provided—

> That where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe, with interest at the rate of 3 percent per annum.

There, Mr. President, is the express authority for the payment of interest. I think there can be no reasonable doubt about it.

But since the distributions cannot be made anyway until 1950, the two appropriate legislative committees of the Congress would have ample opportunity to go into this question and to recommend the appropriate action, if it should be determined that interest should not be paid to the veterans.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Georgia yield to the Senator from Massachusetts?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Is there not also involved another question, which perhaps is not a matter of serious concern, in connection with the withholding of some of this money at the present time? As I understand the discussion or difference of opinion, a veteran who takes out a policy under which the beneficiary receives a monthly payment for life gets 15.3 percent more, or $1,153, as I recall, on the principal of the policy, whereas under a one-payment policy in the event of death, the beneficiary will receive $1,000. That is also involved in the question concerning the American Experience Mortality Table. Is that a legal question, involving a change in the law, or does it enter into the question of this payment at the present time?

Mr. GEORGE. It comes into any question of the distribution of dividends, and of course, it would have to be taken into consideration. I think the whole difficulty arises from the fact that in the old United States Government life insurance of World War I, which was continued to the 8th day of October 1940, there was an express provision for the use of a specified mortality table. That provision of law has been faithfully followed. In subsequent legislation it was provided that for the purpose of reimbursing the fund the mortality table or tables should be such as the Administrator himself might prescribe, again with interest at the rate of 3 percent per annum.

The Comptroller General takes the rather broad position that a different mortality table should have been used for the calculation of annuities. But I do not think the facts justify the criticism in that regard. It has been assumed the payment of dividends to the policyholders or to the beneficiaries, in case of the death of the insured, is a wholly voluntary act upon the part of the Administrator. Such is not at all the case. It is not optional with the Administrator. He has a legal duty to perform and his discretion is purely a legal one in contrast to a personal discretion. He must, of course, ascertain periodically, the condition of the trust fund. In most States the commercial insurers are charged with doing so annually. So the Administrator found it necessary, in due course to ascertain the condition of the trust fund.

I digress to say that dividends are not payable at all under the appropriation made by this act. Dividends are payable only out of the trust fund, in which there is now a net balance over and above all liability upon existing policies of nearly $3,000,000,000 if the Government meets its contractual obligation. The one item here involved which would go into the trust fund is this appropriation which has to do with losses traceable to the extra hazards of military and naval service and interest on deferred transfers.

Mr. SALTONSTALL. Mr. President, will the Senator yield? If he has finished with his explanation, I have one more question I should like to ask.

Mr. GEORGE. I am glad to yield.

Mr. SALTONSTALL. Does not the Comptroller General make another point in connection with the $210,000,000? He made the point as to whether the Government owed interest from the time a war casualty died to the time the money was paid into the insurance fund, and whether the Government owed the interest, or whether it paid into the insurance fund the face amount, as I understand, of the insurance policy. That also was involved, as I understood, in the amount, whether payable at 3 percent or at 2½ percent. The Senator from Georgia says it is payable at 3 percent as clearly expressed. My question is, Is the law clear, and is there any question involved as to whether any interest is due for that period?

Mr. GEORGE. I think the law is clear. Let me say, in the Lynch case, a case that originated in Georgia, the Supreme Court of the United States finally ruled that Government life-insurance policies were contracts, and that the insured or beneficiary, as the case might be, had a contractual interest in them, and it was beyond the power of Congress to take away the right given to the insured or his beneficiary, although the Congress might change the remedy. But if the change of remedy amounted to a denial of the right, the legislative act under consideration was held to be faulty, the Court having found it did deny the right. So I do not think there is any question but that this interest, which represents an element entering into the determination of the dividend but is only a part of it, is properly included in the amount to be transferred to the fund. I think there is no doubt that

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the Administrator is proceeding to calculate it at the proper rate of interest and from the proper date.

Mr. SALTONSTALL. It is from the date of the death rather than from the date the amount is paid by the Government into the fund. Is that correct?

Mr. GEORGE. Yes; I think the Administrator is therein following the law faithfully; but it of course is a question the legislative committee of the Congress would have full time to go into before the dividends are disbursed. It is important to get the matter straight in the pending bill, so far as practicable, in order that the Administrator may be enabled to proceed with the calculations.

It is provided in a later amendment on the same page that no part of the fund shall be used to pay dividends on policies on which the Government itself paid the premiums. As I said a few moments ago, these premiums were paid by the Government as a part of the serviceman's compensation and then only while they were undergoing flight training. Before and after such period of actual flying training the serviceman had the premiums deducted from his pay on the very same policy on which the Government paid the premiums when he was in a flight training status.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield.

Mr. O'MAHONEY. I may say that after the bill was reported by the committee, members of the committee had considerable discussion about the matter. It is a legislative amendment, but the members of the committee of whom I speak do not think it is of great importance. I shall have no objection, if the amendment is eliminated from the bill.

Mr. GEORGE. I should ask that it be disagreed to.

Mr. O'MAHONEY. Yes.

Mr. GEORGE. I would not make the point of order, so as to jeopardize the bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more question?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Has the Senator completed his statement?

Mr. GEORGE. I think I have completed it.

Mr. SALTONSTALL. Then, as I understand the Senator from Georgia, for whose judgment I have profound respect, he believes the committee in charge of the independent offices appropriations bill should not give weight to the Comptroller General's letter in criticism of the Veterans' Administration upon the two points in question. Is that correct?

Mr. GEORGE. I would not put it in just that way. I would say, if weight is to be given to it, the appropriate legislative committee of the Congress will have ample time in which to look into the question thoroughly and to recommend legislation, if legislation is indicated or necessary. But I am inclined to think the Veterans' Administration has properly interpreted the law and is properly applying it.

Mr. SALTONSTALL. I agree with the Senator from Georgia. Certainly we do not want to do anything to prevent the calculation or the payment of the dividend the first of the year. But the question which was in my mind, brought out by the Comptroller General, was as to whether the entire $210,000,000 of interest would ultimately be due. We know, of course, some of it will become due at some time and will have to be paid by the Government into the fund. But the only question in my mind was, whether all of it would become due, and if all of it would not become due, and the dividend could be paid and the funds remain intact, whether it would be wise to hold it up until next year.

Mr. GEORGE. I do not think it would be wise. My considered judgment is that the entire amount is a liability to the fund which the Congress must necessarily pay into the fund or make up, and it should be done now. In fact, the whole amount was due July 1, 1949. It should be immediately appropriated because it enters into the calculation of the total dividends which will be distributed to the veterans.

I say that, Mr. President, after some considerable investigation of the subject, because my first impression was that it was more or less in the nature of a permissive authority vested in the Administrator and that it was a benefit to the veterans never contemplated by the veterans themselves. But it is not a permissive authority, as appears upon a careful examination of the act dealing with this whole matter. It is something the Veterans' Administrator was obliged to do in order to carry out his duty and this appropriation is necessary to keep this fund in a healthy condition. In other words, in order for the fund directly to represent its true condition and take care of all the reserves and all the contingent liabilities the fund requires that the Government meet its obligations fully and on time just as it requires the insureds to pay their premiums timely.

Mr. SALTONSTALL. Mr. President, will the Senator further yield?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. If the Senator from Georgia has made a study and is satisfied, then I, for one, certainly believe that the Subcommittee on the Independent Offices appropriation bill should give weight to his judgment and should not take a chance, so to speak, on the integrity of the fund by failing to appropriate the amount which the Comptroller General's suggestion would lead us to believe would be sufficient at this time.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. O'MAHONEY. I desire to call attention to the statements contained in the report of the Comptroller General. These appear on page 7 of his mimeographed letter.

May I ask, Mr. President, that this document may be made a part of the RECORD, together with the response to the letter by Mr. O. W. Clark, Deputy Administrator of the Veterans' Administration, who takes the position of the Senator from Georgia.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, July 15, 1949.

The Congress:

There recently has been submitted to the Congress a communication transmitting revised estimates of appropriation for the fiscal year 1950 involving a net increase of $239,399,000 for the Veterans' Administration in the form o amendments to the budget. (S. Doc. No. 78, May 20, 1949.) One segment of this revised estimate consists of an appropriation increase of $412,590,000 for the national service life insurance appropriation which was explained in letter of the Director of the Bureau of the Budget, dated May 18, 1949, as follows:

"The Veterans' Administration has now completed studies relative to the excess mortality cost traceable to the extra hazard of military or naval service where life contingencies are involved, as authorized by the National Service Life Insurance Act, as amended. The additional amount required to be transferred from the national service life insurance appropriation to the national service life insurance trust fund in this connection is $202,170,000, and there must also be provided an amount of $210,420,000 to cover interest which would have been earned by the fund if it had been possible to make all reimbursements on time."

The Congress approved a similar request, involving $300,000,000 (not involving payment of interest, however) in the First Deficiency Appropriation Act of 1947 (61 Stat. 62). Accordingly, a total of $712,590,000 is involved in the matter being brought to your attention by this report. This sum is analyzed as follows:

A. The amounts estimated by the Veterans' Administration as being needed to reimburse the NSLI fund for extra-hazard (that is, war) death claims where settlement options selected result in a need for a principal sum that on the average, actually exceeds the face of the insurance policies involved:		
Approved in the First Deficiency Appropriation Act of 1947 (61 Stat. 62)	$300,000,000	
Request now pending before the Congress (S. Doc. No. 78)	202,170,000	
		502,170,000
B. The amount of interest as estimated by the Veterans' Administration which would have been earned by NSLI fund from date of death in individual extra-hazard cases to date of transfer of the money from NSLI appropriation to the NSLI fund (S. Doc. No. 78)		210,420,000
Total		712,590,000

As to part A:

In brief summary, a perhaps unintended defect in the law relating to cases where the beneficiaries select a life income settlement results in the payment of about 15 percent more than the face amounts of their policies. This is because the law calls for the use of an outmoded mortality table which does not reflect actual current experience. While the amount of each monthly payment is figured from the table, the comparative longevity of the beneficiaries results in many more payments, in the average case, than the table was based upon. In

practice, therefore, the Veterans' Administration must set aside and put out at interest in each case about $1,153 for each $1,000 of insurance bought, paid for and matured. The actual effect is to discriminate in favor of cases where the beneficiary selects a life income instead of a lump-sum payment, to reduce the dividend otherwise due other policyholders and (in the cases of deaths due to war hazard) to charge the appropriation excessively.

The situation which has resulted in the current request for $202,170,000 and the earlier request for $300,000,000 for the NSLI appropriation was created by a defect in section 602 (e) of the NSLI Act, which provided for use of the same mortality table for calculating premiums and annuities, and did not prescribe a modern and more accurate annuitants' table for calculating annuities for male and female lives.[1] Section 602 (e) requires use of the American Experience Table of Mortality (with interest at 3 percent) in all insurance calculations under the act. The act provided for settlement options involving life contingencies (that is, payments at a fixed rate for the lifetime of the beneficiary) thereby creating an immediate need for appropriate annuity tables for male and female lives, based on current mortality experience with annuitants. Since the act provided for only one table in all calculations, namely, the American Experience Table of Mortality, and that without distinction between male and female lives, such obsolete table of mortality has been used in calculating settlement options involving life contingencies. The effect of such use of the American Experience Table is to select a monthly income rate for life based on a table that reflects a higher mortality rate than the current experience, thus resulting in paying out to beneficiaries over the years a sum (exclusive of interest) greater than the face[2] of the policies being settled. The amount of such excess above the face of the matured policies is determined by relating the monthly income rate, determined on the basis of the American Experience Table of Mortality and 3 percent per annum, to the lower mortality rate shown in the approved National Service Life Insurance Beneficiary Mortality Table which assumes a much lower mortality rate than is assumed in the 1937 Standard Annuitants Table. A brief comparison is given as follows:

Rate of mortality per thousand

Age	American experience table	NSLI beneficiary mortality table		1937 standard annuitants table	
	Male and female	Male	Female	Male	Female
30 years	8.43	1.73	1.42	2.07	1.56
35 years	8.95	2.43	2.38	2.98	2.07
40 years	9.79	3.75	3.57	4.36	2.98
45 years	11.16	5.33	4.42	6.36	4.36
50 years	13.78	7.71	5.42	9.29	6.36

[1] In the case of annuities it is necessary to distinguish between male and female lives because the mortality rates among females are much lower than among males and because a much more substantial proportion of annuities issued are on female lives than is true in the case of life insurance. It has been found, however, that the difference between the mortality of male and female annuitants can be represented with sufficient accuracy by taking for females the male mortality rate for an age 4 or 5 years younger.

[2] Hereinafter, when reference is made to the "face of the policy," it is to be interpreted as meaning "the face of the policy, less the reserve." The reserve on these policies is nominal in amount as most of them are 5-year term policies.

By using the NSLI beneficiary mortality table to calculate the Government's liability, the cost to the Government is even greater than it would have been if the 1937 standard-annuitants table had been used. Also, it is estimated that policies settled under the NSLI beneficiary-mortality table receive an additional amount equal to an average of 15.3 percent above the face amount of the policies. In other words, on a policy of $1,000 the Veterans' Administration pays out of the fund a principal sum of $1,153, plus interest on that sum.

Since the Government bears the cost of extra-hazard deaths (sec. 607 (b) of the act) by transfers from the NSLI appropriation to the NSLI fund, it now appears that this extra 15.3 percent above the face amount of such policies is likewise to be borne by the Government because of the obsolete mortality table authorized for use under section 602 (e) of the act for settlements with beneficiaries. This situation develops when recognition is given to a need for transferring more money into the NSLI fund than the face of the policies involved, to avoid having the fund bear a portion of the extra hazard costs as it assumes the liability for the monthly income to the beneficiaries. The monthly income rate to the beneficiary is based on one mortality assumption (American Experience Table without adjustment for current experience and without adjustment for male and female lives), but such monthly income rate actually will continue for a much longer period of life than is assumed in the American experience table of mortality.

In summary, one table (American experience table of mortality) sets the monthly rate to be paid to the beneficiary but another table (the NSLI beneficiary mortality table) estimates the number of years the beneficiary will be paid such rate, thereby determining on extra hazard cases the liability of the appropriation to the fund. Such liability, in all instances, exceeds the face amount of the policy.

The amount transferred from the NSLI appropriation to the NSLI fund from October 1, 1940, to October 1, 1948, to cover the face amount of matured policies, on death claims determined by Veterans' Administration to be due to the extra hazard of military and naval service is $3,278,575,601. It is estimated by the Veterans' Administration that the additional amount required to reimburse the fund for the excess payments referred to (when the above claims are valued on the mortality table approved by the Administrator pursuant to section 607 (b) of the act) is $402,170,000 (approximately 15.316 percent of $3,278,575,601).

The Veterans' Administration has estimated the average at 15.316 percent but to be more specific there are given below certain examples prepared by the Veterans' Administration:

Female beneficiary age—	Amount of monthly income provided by each $1,000 of insurance under option 3 (American Experience Table, sec. 602 (e))	Value of income on prescribed mortality table, section 607 (b)
30 years	$3.97	$1,169.67
50 years	5.39	1,227.94
70 years	8.51	1,211.89
80 years	9.55	1,086.62

The use of the American Experience Table of Mortality for calculating settlements involving life contingencies on non-extra-hazard cases results in the NSLI fund bearing the excess average cost of 15.316 percent of such non-extra-hazard cases also. Accordingly, the beneficiary in either extra-hazard or non-extra-hazard cases who receives a settlement under option 1 (dump-sum settlement) receives the face amount of the policy, while other beneficiaries selecting life income options receive more than the face amount of the policy. This arrangement appears to create an inequity between beneficiaries selecting lump-sum settlements and those selecting settlements involving life contingencies.

A revision of section 602 (e) of the act as it applies to future settlements on a life contingency basis appears to be the area for possible remedy. There should be provisions for using the same annuity table, a modern annuitants table reflecting current mortality among male and female annuitants, under the authority of both sections 602 (e) and 607 (b). Such consistency in the initial act would have made unnecessary the prior appropriation of $300,000,000 and the current appropriation request of $202,170,000. Accordingly, the following statutory language is recommended as a remedy for the mortality table problem as it relates to the future:

"Section 602 (e) of the National Service Life Insurance Act of 1940 (54 Stat. 1009) is hereby amended by adding at the end thereof the following: '*Provided*, That with respect to insurance re-instated or purchase on or after the date of this amendment, any calculations involving life income settlements or annuities on such policies that mature, shall be made on the basis of an annuitants mortality table approved by the Administrator of Veterans' Affairs, with interest at the rate of 3 percent per annum, which shall reflect current annuitants' mortality experience on male and female lives: *And provided further*, That with respect to these policies, later maturing by reason of the extra hazard of military or naval service, there shall be transferred from the national service life insurance appropriation to the national service life insurance fund, pursuant to section 607 (b) hereof (54 Stat. 1012), the face amount of the policy less the related reserve.

As to part B:

There also appears to be need for review and consideration of the question as to whether or not there now exists a legal liability on the part of the Government under the NSLI Act of 1940, to appropriate the requested amount of $210,420,000 (S. Doc. No. 78), particularly since the Government has borne the cost of administration in connection with the insurance program, and the NSLI fund has been invested in 3-percent interest-bearing obligations of the Government, whereas the average interest rate for interest-bearing obligations of the United States is only about 2.2 percent.[3] The $210,420,000 represents estimated loss of interest earnings due to varying delays in making transfers from the NSLI appropriation to the NSLI fund of the face amount ($3,278,575,601) of the insurance on deaths traceable to the extra hazard of military or naval service and the additional delay in transferring the excess value ($502,170,000) of the benefits over the face amounts on all extrahazard cases. Unless specifically provided by law, it has been the policy of the Government not to pay interest to creditors on sums not promptly paid to such creditors. (See for example the letter of June 4, 1813, by the then Comptroller of the Treasury and the committee report thereon, 26 Annals of Congress 794, and see also *United States* v. *North American Co.*, (253 U. S. 330).) In view of such policy, the failure of the act to require the payment of such amounts and the fact that the fund apparently has a surplus of approximately $2,800,000,000, serious doubt would appear to exist as to the propriety of the appropriation of such sum or the need therefor. Furthermore, it is understood that the Veterans' Administration proposes to calculate the estimated loss of interest earnings from the date of death, making no allowance

[3] An interest difference to date of over $148,000,000.

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whatsoever for a reasonable average time in which transfer of moneys should or could have been made from the appropriation to the fund. I have serious doubt that this class of obligation against the NSLI appropriation was ever contemplated in the original framing of the act or in the subsequent amendments thereto. If, however, it be the purpose of the Congress to adopt a policy of bearing even this ultimate and rather refined element of the cost of the extrahazard cases (possibly in line with the language of sec. 607 (a)), it would be necessary to amend section 607 (b) and change the measure or formula for the transfer of funds by adding (after the first sentence) the words: "plus interest, at the rate applicable to moneys in the fund, from the date of maturity to the date of transfer." Whether, as a matter of policy, that change should be made is not a subject upon which I feel called upon to make a recommendation, but I am convinced that without such change the present law does not call for this item to be borne by the NSLI appropriation.

In view of the extra costs developed on the basis of an obsolete mortality table for annuitants; the high interest rate paid on the invested fund; the administrative expenses being borne by Federal appropriations; the forthcoming special dividend payments of possibly $2,800,000,000; and the substantial implication of such factors on the Federal budget, the matters involved are deemed of sufficient importance to be brought to the attention of the Congress.

Respectfully submitted,

LINDSAY C. WARREN,
Comptroller General of the United States.

VETERANS' ADMINISTRATION,
Washington, D. C., July 20, 1949.

Hon. KENNETH MCKELLAR,
Chairman, Appropriation Committee, United States Senate, Washington, D. C.

DEAR SENATOR MCKELLAR: I have been furnished a copy of a communication addressed to the Congress by the Comptroller General of the United States under date of July 15, 1949, in which he comments on, and makes certain recommendations including amendatory legislation covering the basis for computing modes of settlement under national service life insurance, and the matter of interest on amounts due the national service life insurance fund because of excess mortality due to the extra hazards of military or naval service.

The provision of the law directing the utilization of the American experience table of mortality for calculating annuity payments to beneficiaries on national service life insurance was purposeful and had as its object the making available of annuities to beneficiaries on a basis similar to that granted under the United States Government life insurance program. It was very carefully considered before its adoption. As a matter of national policy it was deemed important that the payment of this insurance should be in installments over the whole period of life rather than in one sum. This mode of settlement was deliberately made advantageous and attractive as an inducement to the acceptance of this type of settlement. As indicative of the congressional attitude in this regard, payments in this form for beneficiaries thirty or more years of age were statutorily compulsory during the war period, and until the passage of the amendatory act of August 1, 1946. Such a method of settlement was adopted so as better to fit it in as an integral part of the veterans' benefit system.

As to any policies outstanding, since the mode of settlement is a part of the contract, obviously it could not be altered except by mutual agreement and the Comptroller General appears to recognize that fact but his letter suggests that as a condition precedent to the reinstatement of any policy that has lapsed the contract terms be modified as to the settlement provision. The right of reinstatement carries with it the right to put back in force the old contract and not one that has been reformed by the insurer. The courts have held in connection with the reinstatement of United States Government life insurance that it is not a novation, and unquestionably would so hold as to national service life insurance.

There is absolutely no basis for the charge of discrimination against beneficiaries receiving lump-sum settlements, since the opportunity of receiving a life annuity is open to every beneficiary and no one is obliged to receive insurance paid as a death settlement in one lump sum, except when the installments would amount to less than $10,000 if made over a 12-month period.

But even as to new policies under a prospective amendatory act, I am opposed to any change which would diminish the amount of benefits payable to annuitants, or which will encourage any insured or beneficiary to select a settlement in one lump sum rather than in installments over the whole period of life.

The Comptroller General raises a question as to whether or not there now exists a legal liability on the part of the Government under the National Service Life Insurance Act of 1940, as amended, to appropriate the sum of $210,420,000 to cover the estimated loss of interest earnings to the national service life insurance fund because of delays in transfers from the national service life insurance appropriation to the fund of the difference between the reserve and the present value of insurance where the liability due to the extra hazards of military or naval service is assumed by the Government.

The original act (sec. 602 (c)) required all calculations to be based upon the American Experience Table of Mortality with interest at 3 percent. It was determined, as a result of experience and actuarial studies that on extra hazard of military and naval service cases the requirement of the fund for the liability of the Government for the difference between the reserve and the present value of the insurance where refund life annuities were elected would be insufficient if said table were used and hence would improperly drain the trust fund. The Veterans' Administration recommended and the Congress enacted an amendment to section 607 (b) of the act reading:

"Where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum."

There was no misunderstanding of the intent and effect of such amendment. The Report No. 1705, Seventy-ninth Congress, second session, to accompany H. R. 6371 said:

"Section 11 of the committee amendment amends section 607 (b) of the National Service Life Insurance Act of 1940, as amended, to authorize calculations of the value of life contingencies and liabilities thereunder to be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. Experience has demonstrated that the American Experience Tables of Mortality are inadequate for calculations of liability involving payment of life annuities and that such calculations should be based on some other table if the amount transferred from the national service life insurance appropriation to the national service life insurance fund under the provisions of section 607 (b) is to be sufficient to reimburse the national service life insurance fund for the liability in case the death of the insured results from injury or disease traceable to the extra hazard of military or naval service."

The United States Government is here acting in two roles, as a trustee, and in the capacity of sovereign. Certainly it should not exhibit a lower standard in dealing with itself as a trustee than would be expected and required of an individual in similar circumstances. If there can be said to be any fault for the transaction not sooner being consummated, it obviously attaches to the Government and not the policyholders. Therefore, should such a situation serve to penalize the policyholders and divest them of that which is rightfully due them? It appears to me that they have every right as veterans, and especially since in this instance the Government is also acting in the role of trustee, to expect their interests honorably to be safeguarded. The entire purpose of this reimbursement is to make whole the national service life insurance fund and save it from any losses traceable to the extra hazards of military and naval service. That principle is so plainly stated in the law, and is of such long standing as to be incontrovertible as the policy of the Congress, and as a part of the contracts of insurance. In administering the trust under national service life insurance interest is a very important element and is responsible in a large measure for the favorable installments and other benefits payable. A goodly portion of the amounts received by beneficiaries as monthly installments is represented by the interest factor. The fund in making payments to beneficiaries on behalf of the Government in the extra hazard cases includes interest in calculating the installments payable. All that the interest item here under discussion does is to pay to the national service life insurance fund an amount sufficient to permit the Government to carry out its specific statutory promise not to burden policyholders with any losses traceable to the extra hazard of military or naval service. Assuming but without admitting that there may be technicalities or methods by which the Government might escape its obligations, it is incomprehensible to me that the Congress would ever want to place itself in the position of breaking faith with its veterans and their beneficiaries by repudiating a clear promise, amounting to a plain moral if not indeed a legal duty.

As to the allusion to the average interest rate for obligations of the United States being 2.2 percent, may I point out that for the most part the deposit element of the policyholders' equities represents long-time investments and the 3 percent interest received by the National Service Life Insurance Fund is not out of line with that paid on Government savings bonds held to maturity.

I believe that for the Government of the United States now to attempt to evade its obligation under these contracts would not only be of questionable constitutionality but would be unconscionable and disingenuous. Such an avoidance of an obligation, voluntarily assumed, to be sure, but not without adequate consideration, if practiced by an individual or a private insurer, assuming it could be legally accomplished, would be put in no other category than that of sharp practice.

Finally, the letter questions the table adopted by the Veterans' Administration under the discretion vested in the Administrator by section 607 (b) as amended by the act of August 1, 1946, supra. The very purpose of the amendment recommended by the Veterans' Administration and enacted into law was to reimburse more nearly adequately the trust fund for liabilities of the Government. The table adopted was constructed with the advice of actuaries of international reputation and wide experience and was deemed the most accurate one for the purpose of measuring such liability; to

adopt another table at this date could be justified only on a clear showing of error.

I consider it my duty to bring to your attention the above facts.

Sincerely yours,

O. W. CLARK,
Deputy Administrator for and in the absence of the Administrator.

Mr. O'MAHONEY. Mr. President, I desire to call attention to the fact that in the view of the Comptroller General there is a desirability for a review of the question whether there is a legal responsibility on the part of the Government under the National Service Life Insurance Act to make this appropriation of $210,420,000 submitted in the budget estimate to cover the interest. The Comproller calls attention to the fact that this interest is at the rate of 3 percent. Mr. Clark called attention to the fact that the report of the committee which submitted the original law referred to 3 percent interest; but it appears that the average rate of interest on Government securities is only 2.2 percent. So this appropriation of approximately $210,000,000 is $148,000,000 more than the average rate of interest which is paid upon Government obligations. The Comptroller says that in view of the fact that there is a surplus of approximately $2,800,000,000 in the fund—and I now directly quote him—

Serious doubt would appear to exist as to the propriety of the appropriation of such sum or the need therefor. Furthermore, it is understood that the Veterans' Administration proposes to calculate the estimated loss of interest earnings from date of death, making no allowance whatsoever for a reasonable average time in which transfer of moneys should or could have been made from the appropriation to the fund.

My thought in calling this item to the attention of the Senate is that if the reduction is made, the conference committee could go fully into the question. Of course, in the meantime, the Finance Committee, the Ways and Means Committee of the House, or the Veterans' Committee——

Mr. GEORGE. The Veterans' Committee.

Mr. O'MAHONEY. The Veterans' Committee would have ample time to be in position to make reports to the Senate and the House.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. FERGUSON. Is it the contention of the Senator from Georgia that the act specifically provides for the payment of this interest?

Mr. GEORGE. Yes; it does.

Mr. FERGUSON. I have read the letter of the Comptroller General and I thought he had come to the conclusion that there was very serious doubt and that there probably should be covering legislation to authorize this particular payment.

Mr. GEORGE. The amendatory legislation specifically provides for interest at the rate of 3 percent being paid in connection with amounts being transferred to the fund to reimburse it for extra hazard losses. If interest were not included, the Government would not be fully meeting its obligation.

I think the Comptroller General was wrong in thinking that this section does not authorize interest. Let me read it from the act of August 1, 1946, which was passed after due deliberation by the Senate Finance Committee and which also had considerable study by the Veterans Affairs Committee of the House. It contains this provision:

Where life contingencies are involved in the calculation of the value of such benefits of insurance hertofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe—

Here is the important provision—

with interest at the rate of 3 percent per annum.

This provision was deliberately made a part of the act. The original act itself had provided for a 3-percent-interest allowance to the insurance fund, but on August 1, 1946, in an act which involved the rewriting of a great many of the provisions of the National Service Life Insurance Act of 1940, this express provision was included. It was a deliberate inclusion, and I fail to see how the Administrator could, in calculating the solvency of the insurance fund, do anything other than include interest if the Government's agreement to bear all losses traceable to the extra hazards of military and naval service is to be carried out.

Mr. FERGUSON. I was wondering whether the act provided that the Government should pay to the insurance fund the amount plus 3 percent. I think that was the matter about which the Comptroller General was speaking. The question was whether it was provided that the beneficiary should be paid from the insurance fund the amount plus 3 percent.

Mr. GEORGE. I think the Comptroller General did have something like that in view; but the only way to keep the fund solvent, and the only way the Administrator himself can know as to the solvency of the fund is faithfully to follow the law. So the act expressly requires him to calculate the interest at 3 percent. Of course the Government, paying into the fund this amount of money, might say that the average rate has been so and so; but the right of the insured has matured.

I called attention to two cases. The first one was the case of White against the United States, in which it was held that these insurance policies were contracts. The other was a case which originated in my own State of Georgia, Lynch, Wilner against the United States, 292 United States 571. It went to the Supreme Court of the United States, where it was expressly held that these insurance policies were contracts and that Congress did not have the power to take away the right of the insured, or of the beneficiary, as the case might be, although it might deal with the remedy given to him. In the latter case it was held that the insured was entitled to take under the policy because it was a contract, and that the insured had the rights of a contractor.

Mr. FERGUSON. I think that is good law, and it is as it should be. But I wondered if it was not true, that rather than pay this interest now, when there is no absolute provision for the payment of interest, it would be better to pass substantive law authorizing the payment, so that we would not establish a precedent under which various agencies might start to pay interest on debts from the United States Government to third persons, when no interest was provided for in the statute. In certain income tax rebates we have provided by statute that a percentage of the interest, even as much as 6 percent, should be paid, and in a case like this, if we are not careful we will establish a precedent whereby the different agencies, without coming to Congress, will start to pay interest on any indebtedness of the United States Government. I think we should be careful about that, and pass an act authorizing this specific interest. Then we could take care of it by a deficiency bill, or in a supplemental bill. I am all for keeping the fund solvent. I think it should be kept solvent.

Mr. GEORGE. In my opinion we would not be creating any precedent because it is my judgment that the law very specifically authorizes the payment of this interest. I went into that question before the Senator came into the Chamber, and suggested that in order to distribute dividends next year it is necessary for calculations to be made now on all policies. It must be borne in mind that in the neighborhood of 20,000,000 policies were issued from the beginning of the operation of the act in 1940. There are now about 7,000,000 policies outstanding, payable to perhaps more than 6,000,000 people, some holding more than one policy. The total number of policies must be taken into account by the Administrator if he is to make proper distribution of dividends. In other words, he has to calculate the exact amount due to each insured, or, in the case of the death of the insured, to his beneficiary.

Let me read the Senator an excerpt from the National Service Life Insurance Act of 1940, as amended:

SEC. 604. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this part, to be known as the national service life insurance appropriation, for the payment of liabilities under national service life insurance. Payments from this appropriation shall be made upon and in accordance with awards by the Administrator.

Then this is provided:

SEC. 605. (a) There is hereby created in the Treasury a permanent trust fund to be known as the national service life insurance fund. All premiums paid on account of national service life insurance shall be deposited and covered into the Treasury to the credit of such fund, which, together with interest earned thereon, shall be available for the payment of liabilities under such insurance, including payment of dividends and refunds of unearned premiums. Payments from this fund shall be made upon and in accordance with awards by the Administrator.

Then a further provision:

(b) The Administrator is authorized to set aside out of such fund such reserve amounts

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as may be required under accepted actuarial principles, to meet all liabilities under such insurance; and the Secretary of the Treasury is hereby authorized to invest and reinvest such fund, or any part thereof, in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund.

Then the further provision:

SEC. 607. * * *.

(b) Whenever benefits under such insurance become payable because of the death of the insured as the result of disease or injury traceable to the extra hazard of military or naval service, as such hazard may be determined by the Administrator, the liability for payment of such benefits shall be borne by the United States in an amount which, when added to the reserve of the policy at the time of death of the insured, will equal the then value of such benefits under such policy. Where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. The Administrator is authorized and directed to transfer from time to time from the national service life insurance appropriation to the national life insurance fund such sums as may be necessary to carry out the provisions of this section.

In the act of August 1, 1946, itself the rate of interest is specified at 3 percent per annum.

So, Mr. President, my statement is largely for the purpose of asking that there be no reduction in the amount going into this fund which covers the interest. A subsequent provision the distinguished Senator from Wyoming has already indicated he would withdraw because it is definitely legislation, but I stated to him that I would not make the point, but only ask that the provision be stricken, because it does change the law, and it changes it in a way in which Congress would have no authority to change it.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Perhaps this is reiteration, but at the risk of reiteration let me say that the Senator has just read the law, and he stated that the law specifically provided for 3 percent interest. But it is not yet clear in my mind, if it is clear in the Senator's mind, that the law says that that rate of interest shall be paid from the date of the death, or the date when the money is paid by the Government on war casualty risks into the insurance fund. Do I make myself clear?

Mr. GEORGE. I think so. I expressed my belief that the Administrator was correctly following that course. But I had not quite completed what I intended to say to the distinguished Senator from Michigan, namely, that since no disbursement of dividends can be made from this fund until 1950, the appropriate legislative committees would in the meantime have opportunity to examine all the questions raised and to make suitable recommendations if it were found that in any respect the Administrator was disbursing funds in excess of the amounts which should be disbursed as dividends. The basic philosophy of the law is that the Government bear all losses due to the extra hazards of military and naval service. This whole item has to do exclusively with such losses. Actually to carry out its part of the contract the Government should have paid the money over to the fund when the fund became obligated to pay on the policy so that the fund could have immediately invested the money and thereby earned interest on it. The fund was precluded from so investing the money at interest because the Government was delinquent in making the transfer of funds. If this appropriation for interest which is now under consideration is made it will simply place the fund in the same position that it would have been in had the Government met its obligation when it was due.

Mr. FERGUSON. Mr. President, I hope the Senator will not press his point of order on the proviso at the bottom of page 61. It appears to the Senator from Michigan that, if a man has not paid in a premium, and the Government has paid it, where there is a dividend the Government should get the premium returned and the man who did not make the payment of premium should not receive it.

Mr. GEORGE. Mr. President, I am sorry I can not agree with the Senator in that regard. It seems to me that very clearly the Government took these policies for the aviation cadets, and they were the only class who were paid by the Government.

Mr. FERGUSON. That is correct in the case of aviation cadets.

Mr. GEORGE. Except a limited class of veterans who actually were killed in action or died in service before they had time to get their insurance. It was a mere gratuity, and of course there would be no dividends paid to their estates. Somtimes a man in service did not have ample opportunity to take out his insurance, perhaps it had not been explained to him, and in many instances thousands of young men, after being sent to the Pacific area, were soon in the front line, and they did not have proper opportunity after the outbreak of war and before being plunged into action to make application for insurance. We decided that in those instances the Government would give them minimum insurance policies. They were mere gratuities, and of course there are no dividends payable to their estates. But here is a provision in the law which I do not think we can overlook. I quote an extract from Public Law 698, Seventy-seventh Congress:

SEC. 5. Aviation cadets will be issued Government life insurance in the amount of $10,000, effective from the date of reporting for active duty, and premiums on such insurance shall be paid during the period of their active duty from current appropriations as provided in section 13 of this act. Upon discharge, release from active duty, or other termination of aviation cadet status, such insurance may be continued at the option and at the expense of the individual concerned.

I paraphrase from Public Law 698, Seventy-seventh Congress:

During the period of active duty aviation cadets will be issued Government life insurance in the amount of $10,000, the premiums of which shall be paid out of current appropriations provided in section 13 hereof. Upon discharge or upon any completion of active duty aviation cadets will have the option of continuing such policies at their own expense.

In view of the fact that these policies were issued during the time the trainee was occupying the status of aviation cadet it seems to me this is a very clear obligation upon the part of the Government made to induce enlistments in that hazardous service, and that the men actually acted upon that inducement.

I remind the Senator from Michigan also that there cannot be more than from $10,000,000 to $20,000,000 involved at the outside out of a total of $2,800,000,000.

I think the language should be stricken for the reason I have already stated. If it is not stricken, all the Administrator can do is to go through some 20,000,000 accounts and try and pick out the five or six hundred thousand accounts on which the Government paid one or more monthly premiums, and adjust those policies upon which the Government itself paid any premiums. But it seems to me the Government obligated itself to give this insurance to the men who went into training as aviation cadets, and that it was a part of their terms of employment by the Government. That appears to me to be very clear. If that is true, the courts would finally decide that the Congress could not take away such a vested right. Then, and in such event, everything which would have been administratively done in carrying out the amendment would have to be undone and at great cost to the taxpayer.

So I hope the Senator from Michigan will allow this provision to be stricken, because it, along with the other provision with reference to the payment into the fund of interest, can be studied before any disbursements are made. In the meantime the Administrator would, of course, have completed his calculations and would be ready in 1950, but certainly not before late in January, to make actual disbursements of these dividends.

Mr. FERGUSON. Mr. President, I think the RECORD should be clear as to how the Senator from Michigan feels, and why he feels as he does respecting these two provisions. I shall speak about the last provision first. The Senator from Michigan has no desire whatever to impair the obligation of the contract between the Government and those who are insured. As I read the law it is clear that the repayment of a part of a premium to a veteran who never paid the premium, is simply not legally correct nor morally correct so far as the Government is concerned.

This is what happened: Those who were in charge of fixing the amount of premium on these policies used a certain mortality table. That mortality table was entirely wrong and fallacious. The Veterans' Administration now finds that it can return half or more than half of the premiums paid in by the insured. How such a mistake could have been made is difficult to understand, but that is what happened in these cases. Now the time has come when it is learned that the mortality tables which were used

were wrong, and the Veterans' Administration finds in its fund an excess of money, and feels that it can repay it to those who paid the premiums. A part of the premiums were paid by the United States Government itself. The Senator from Michigan feels that the amount of the premium, if it was for 2 months or 3 months or 4 months, or for whatever period of time the premium was paid in, which was greater than was necessary to carry the policy for that length of time—and that is exactly what has now been discovered; the amount of money paid in for premiums was in excess of that necessary to carry the policy—should be returned to the person who made the payment on the policy.

In the case of these cadets the United States Government paid the premium. Therefore, for the length of time the Government carried the cadets—and as I understand the books are set up so it is not difficult to ascertain that length of time, because it can easily be ascertained what payments were directly made by the Government—the excess in premiums paid during that period of time should be returned to the Government. There is a possibility that it will amount to $50,000,000. The Senator from Georgia thinks the amount may be $20,000,000 or $30,000,000.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. The Senator is talking about the second amendment, and not about the one which is now under consideration?

Mr. FERGUSON. Yes; I am talking about the second amendment, which is legislation.

As I understand the Senator from Georgia, he expects that there will be no payments made by the Veterans' Bureau until such time as the legislative committees could act, which would be in January or February of next year. But if the provision appearing at the bottom of page 61 and the top of page 62 is stricken from the bill, we have no assurance that in the meantime the amount will not be calculated and paid to one who never paid in a premium.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. The Senator knows that in the first discussion of this matter I quite agreed with the Senator from Michigan in the committee. In fact, I offered the amendment for the purpose of making it unnecessary for the Government to pay dividends upon those policies on which the Government itself paid the premium. But further examination, upon representation of the Veterans' Bureau, and the reading of a case or two of law, made it clear that the payment of the premiums in the case of these cadets was made by the Government in compliance with the law, so that the Government under the law assumed the responsibility for paying the premiums. The payment of the insurance claims upon death to the beneficiaries, or the payment of dividends, when it is found that the premiums were excessive, result from contractual obligations under the decisions of the courts. It seems to be clear that the repayment is a part of the contractual obligation of the United States Government. Therefore, I became convinced that in the circumstances, since this is legislation, and since I originated the amendment, I would not object to the suggestion of the Senator from Georgia that the amendment be disagreed to.

Mr. FERGUSON. Has the Senator from Wyoming any particular case interpreting the statute to mean that these payments were by way of salary or by way of compensation?

Mr. O'MAHONEY. That precisely was the case, under the law. Because of the extra hazard undertaken by these aviation cadets, the Government agreed, as compensation to them for that extra hazard, to pay the premium.

Mr. FERGUSON. If the Senator from Michigan thought that this was compensation to the cadet, he would not want to breach that contract; but he did not so understand it.

Mr. GEORGE. Mr. President, I invite attention to the fact that even in municipal law there is no such thing as a volunteer in insurance. Benefits go either to the insured or to his named beneficiary; and one who voluntarily pays a premium never takes any interest in the policy by virtue of that fact alone. He must be the insured or he must be named as a beneficiary. So the United States Government would in any circumstances be a mere volunteer.

I invite the attention of the Senator from Michigan to this language in the law. I think it covers the case. This is taken from the act of April 15, 1935, Public Law 37, Seventy-fourth Congress, with reference to Government life insurance. I should like to read two excerpts. The first reads as follows:

Aviation cadets—

They are the only ones for whom the Government paid out anything.

Mr. FERGUSON. That is correct.

Mr. GEORGE. I read from the act:

Aviation cadets will be issued Government life insurance in the amount of $10,000, effective from the date of reporting for active duty, and premiums on such insurance shall be paid during the period of their active duty from current appropriations as provided in section 13 of this act. Upon discharge, release from active duty, or other termination of aviation cadet status, such insurance may be continued at the option and at the expense of the individual concerned.

Another quotation:

During their period of active duty aviation cadets will be issued Government life insurance in the amount of $10,000, the premiums on which shall be paid out of current appropriations as provided in section 7. Upon discharge or upon completion of active duty, aviation cadets will have the option of continuing such policies at their own expense.

It seems to me very clear that it was a part of their contract of service in this particular branch of the service, so long as the aviation cadet occupied a flight-training status. The policy went to him in recognition of the Government's assumption of the extra hazard of the particular service which he was called upon to render.

Mr. FERGUSON. Would the Senator say from reading that part of the statute that in case a cadet had been killed, we will say, after being in the service 3 months, 4 months, or 6 months, and his estate, or the beneficiaries in the policy had been fully paid and the contract closed, his estate is now entitled to this rebate or dividend?

Mr. GEORGE. I should say so, if there is a dividend. The dividend is in part made up of what was, in effect, a charge in excess of the amount which in the light of experience gained after the issuance of the insurance would have been adequate to carry the risk. We have learned much about longevity. Medical science has made great contributions in this war. As a result, the premium assumed by the Government, as a part of the aviation trainees' compensation has been shown to be somewhat more than adequate. Nevertheless, when we write a solemn law and say, "This is what the aviation cadet is entitled to receive," specifying the amount of the policy and specifically declaring that the Government is to carry the policy while he is in a training status, it seems to me that then he becomes entitled to whatever benefits the policy carries. The Administrator may not make this calculation on the basis of the payments made subsequent to the termination of the cadetship, so to speak.

Mr. FERGUSON. That is what the Senator from Michigan thinks should be done.

Mr. GEORGE. I should like to see the Administrator free to make calculations on a sound legal and actuarial basis so that starting next year he can make disbursements of dividends. I believe that the Veterans' Administration would have to calculate anything that accrued under a policy and pay it to the legal owner of the policy, who would be the insured, or in the event of his death, the beneficiary. I do not believe that the volunteer doctrine applies at all in the general field of insurance.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. WILEY. I have followed the argument of the distinguished Senator, and I think I agree with him. I wish to raise only one question. I came into the Chamber rather late, and I heard the statement of the Senator from Michigan [Mr. FERGUSON] as to premiums. I raise this question:

Assuming—as the view seems to be now—that the legitimate premium is $15, and by mistake I, a volunteer, pay in $30. Later it is discovered that the legitimate premium is $15. Where does the other $15 go?

Mr. GEORGE. I should say that it was a mistake or accident on the part of the party who paid it in, who owned it. But that is not this case. The Government itself said, "We will issue this policy for a stated amount. We will take care of the premium," and the policy was issued. Subsequently, after the cadetship ended and the commissioned officer went into service, he continued to pay premiums, and is now entitled to whatever dividends may be declared

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upon the policy. The Government made monthly payments of the premiums on the policies from the appropriations for the pay of the Army and the Navy which gives added force to the reasoning that these premiums constituted a part of the trainees' compensation.

Mr. O'MAHONEY. Mr. President, I have before me a copy of a letter which was written to the Senator from Georgia [Mr. GEORGE] by the Veterans' Administration. It was written to him as the chairman of the committee having legislative jurisdiction over this question. A copy of the letter was sent to me by Administrator Gray. I confess that the letter convinced me. The argument in the letter is set forth very cogently, and in very brief form. Administrator Gray says:

> But there is a more fundamental question—whether the Congress has the power to impound the dividends. That, of course, depends upon who owns them. If they belong to the United States, the language of the bill is apt, and the result is within the power of the Congress; if they belong to the insured, or the beneficiary in a matured policy, then the result would be a taking of property at least without just compensation and arguably without due process.
>
> It is my opinion the dividends are the property of the insured, or of the beneficiary; and the regulations of the Veterans' Administration, having the effect of law if not inconsistent with the statute, so held in accord with practice and precedent (both administrative and judicial) over many years. The reasons are:
>
> (a) The insurance policies are contracts (*White* v. *U. S.*, 270 U. S. 175);
>
> (b) The Government is bound by such contracts (*Lynch, Wilner* v. *U. S.*, 292 U. S. 571);
>
> (c) Congress, while it may change the means of enforcing (i. e., may withdraw the right to sue), may not constitutionally take away, or impair, the rights under such contracts (ibid.);
>
> (d) It has been held uniformly by the courts that the proceeds of insurance policies, including dividends, belong to the insured (or the beneficiary) even though the premiums were paid by a third party;

In the face of that, I felt that I should not object to the rejection of the committee amendment.

Mr. FERGUSON. Mr. President, I would agree with the Senator from Wyoming that if the payments were made as a consideration to the veteran, they should be returned to him, because he should not lose his consideration. But as the Senator from Michigan read the act providing for the issuance of this free insurance to the aviation cadet for a certain period, during the time when he was a cadet, when it was discovered that in the furnishing of insurance to the cadet the Government paid in an extra amount of premium not required to carry the policy for that length of time, the Federal Government rather than the veteran himself should get back that which had been paid in, unless it could be said that it was a consideration to him to induce him to join the service. If it was, then he should certainly get it.

However, I do not take the two citations which have been read as showing anything else than that the insurance was a contract, and that while we can take away the remedy, we cannot take away any substantive rights.

Mr. O'MAHONEY. It is a contract precisely because the free insurance, that is to say, the insurance upon which the Government paid the premiums, was given to the aviation cadet, and only to the aviation cadet, as a consideration for the extra hazard he was undertaking.

Mr. FERGUSON. The Senator from Michigan is not convinced up to this time that it was a consideration. If he came to that conclusion from the act, then there is no doubt that the veteran would be entitled to it.

Mr. O'MAHONEY. It involves clearly a matter of legislation, and for that reason, since the chairman of the committee which has legislative jurisdiction takes the very strong position which he does, which is the same position as that taken by the Veterans' Administration, I feel that we may very well reject the committee amendment.

Mr. FERGUSON. If the able chairman of the Finance Committee would in the meantime consider all ramifications of this matter and should come to the conclusion that legislation was essential in order to make sure that the Government got back the money, that would be one thing. But if it were to be determined that it was not essential and if the money was not paid out in the meantime—let us say not before we return here in the fall, at which time the legislative body could act on such legislation—then there would be no reason not to take it up then. Do I correctly understand that is what the chairman of the committee has in mind?

Mr. GEORGE. Yes; except that I wish to amend that by saying that I have in mind bringing it before the whole Finance Committee and there canvassing the matter very carefully, and probably having the Veterans' Administrator come before us, and probably having the Comptroller General come before us, because if this money does properly belong to the Government, we do not want to pay it out.

I do not know how long it will take to get action on this matter. That will depend on how long the Senate is in session. But of course no disbursements can be made until January. So that will provide ample opportunity to have this matter fully considered.

That is the reason why I object to the proviso.

Mr. FERGUSON. Under the circumstances, this being purely a legal proposition, and inasmuch as this is legislation on an appropriation bill, and therefore subject to a point of order, which can return the bill to committee, as we have discovered in the last few days, I have no objection to the deletion of this proviso from the bill.

Mr. O'MAHONEY. The Senator is referring to the committee amendment which begins in line 24, on page 61; is he not?

Mr. FERGUSON. That is correct.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that, out of order, that amendment may be considered at this time.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be stated.

The LEGISLATIVE CLERK. On page 61, in line 24, after the word "act", it is proposed to insert a colon and the following additional proviso: "*Provided further*, That no part of this fund shall be used to pay insurance dividends to any policyholder whose premiums were paid by the United States Government and that such dividends that may accrue shall be deposited in the Treasury as miscellaneous receipts."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 61, in line 21, which has previously been stated.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Independent Offices—General provisions," on page 65, line 16, after the word "agencies", to strike out the colon and the following additional proviso: "*Provided further*, That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended."

Mr. WILLIAMS. Mr. President, there is pending a motion to reconsider the vote taken by the Senate on the committee amendment appearing on page 11, in line 9. I understood that it was expected that that motion would be called up after action on all the committee amendments is taken. However, some Members of the Senate will have to be away later in the day, and they have requested that the motion be taken up at this time, because a roll call will be required. I have conferred with the chairman of the committee about this matter, and he is agreeable.

Therefore, I ask unanimous consent that at this time, before action on the remaining committee amendments is completed, the Senate consider the motion offered by the Senator from Iowa [Mr. GILLETTE] and the Senator from Nevada [Mr. MALONE] to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

Mr. O'MAHONEY. Mr. President, I understand that this probably will be the last yea-and-nay vote on any of the committee amendments. Therefore, I think it is desirable, in the interest of expediting action on the bill, that such unanimous consent be granted; and I hope it will be granted.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

Mr. O'MAHONEY. Mr. President, I join in suggesting the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bridges	Chapman
Anderson	Butler	Chavez
Baldwin	Byrd	Connally
Brewster	Cain	Cordon
Bricker	Capehart	Donnell

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Dulles	Kerr	Pepper
Ecton	Kilgore	Robertson
Ellender	Knowland	Russell
Ferguson	Langer	Saltonstall
Flanders	Lodge	Schoeppel
Frear	Long	Smith, Maine
Fulbright	Lucas	Smith, N. J.
George	McCarran	Sparkman
Gillette	McCarthy	Stennis
Graham	McClellan	Taft
Green	McFarland	Taylor
Gurney	McGrath	Thomas, Okla.
Hayden	McKellaar	Thomas, Utah
Hendrickson	McMahon	Thye
Hickenlooper	Magnuson	Tobey
Hill	Malone	Tydings
Hoey	Martin	Vandenberg
Holland	Maybank	Watkins
Humphrey	Miller	Wherry
Hunt	Millikin	Wiley
Ives	Morse	Williams
Jenner	Mundt	Withers
Johnson, Colo.	Murray	Young
Johnson, Tex.	Myers	
Johnston, S. C.	Neely	

The PRESIDING OFFICER. A quorum is present. The question before the Senate is on agreeing to the motion to reconsider the vote by which the committee amendment appearing on page 11, line 9, was rejected.

Mr. FERGUSON. Mr. President, I assume the motion is debatable.

The PRESIDING OFFICER. It is.

Mr. FERGUSON. The amendment on page 11 of the independent offices appropriation bill relates to the Civil Service Commission. The House of Representatives placed in the bill the sum of $14,000,000 for salaries and expenses of the United States Civil Service Commission. The Senate Committee on Appropriations recommended an amendment increasing the amount to $16,250,000. A vote was taken by the Senate, and the Senate decided upon the sum of $14,000,000. In other words, it rejected the proposed increase of $2,250,000 and returned to the House figure.

It was a matter purely of personnel. The Commission had grown from 3,414 employees to 3,899, and the Bureau of the Budget proposed 4,069. In 1949 it had 4,178. If the Senate retains the House figure, the Civil Service Commission will have 485 fewer employees than it has at the present time.

Mr. President, there is a statute of the United States which prohibits any department from lobbying. Here is a case which is crystal clear as to what happened from the day the Senate of the United States acted on this amount of money. The Civil Service Commission has undertaken to lobby the Senate of the United States to restore the amount. Senators have been called from the floor by employees of the Civil Service Commission and told, in effect, that if the sum of money recommended by the committee is not restored certain employees will be discharged. That is not all that has been done. Senators of the United States have been called by persons back home in their States who were connected with the Veterans' Bureau, and have been told that disabled veterans would be discharged in the event the Senate of the United States does not restore this amount.

Should we expect such things from a bureau which is under the Congress of the United States? Should we expect that it would stoop so low as to threaten disabled veterans with discharge so that such disabled veterans would go to their Senators and try to have the amount restored to enable the Commission to operate as it feels it should operate and not as the Senate of the United States believes it should operate?

Mr. President, I do not suppose there has been a more flagrant case of lobbying in violation of the statute than is this particular instance. The Senate acted, and now we find that the heat has been put on. The whole question is, Can the Senate of the United States stand the heat from any pressure group? So far as the Senator from Michigan is concerned, it makes no difference whether the pressure group is a bureau of the United States Government or any other group, he is not going to allow the pressure to be put on him and to be threatened with the statement that disabled veterans will be discharged unless we restore this sum.

Mr. LONG. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LONG. Does the Senator actually know that specific employees were threatened with discharge unless the Senate restored this amount to the bill?

Mr. FERGUSON. The Senator from Michigan has been advised that Senators have been called from the floor—at least one Senator—and told that by an employee. Other Senators have advised the Senator from Michigan that they have received calls from their home States, from veterans, indicating that this sum had to go back into the bill, or disabled veterans would lose their jobs.

Mr. LONG. I will say that the Senator from Louisiana was approached by labor organizations, but I do not believe I have been approached by any representatives of the Commission itself. Does the Senator know that any representative of the Commission itself was contacting Senators in this connection?

Mr. FERGUSON. The Senator from Vermont can speak for himself on this subject.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. In the past few years we have seen an almost complete breakdown of the Civil Service Commission. I hope the Senator from Louisiana is in a position to do something about it. First, it was because of the war. The Commission was required to qualify long lists of persons overnight, and it broke down. The situation became so bad that the Hoover Commission, after a very complete study of the subject, has recommended that each Government agency hire and fire its own help, subject only to general qualifications and examinations by the Civil Service Commission.

I do not recall, Mr. President, whether I was present when the cut was made from $16,250,000 to $14,000,000. I will say, however, that the next day I received a call from an employee of the Veterans' Administration saying that they wished very much to have the amount restored, because if the cut stood, the Civil Service Commission planned to eliminate a large number of employees who were qualifying veterans. In other words, they had been given to understand that if the cut stood, the Civil Service Commission would apply it where it would hurt the most, namely, on the veterans.

I received a telegram from one of the veterans' agencies in my home State, protesting this cut for the same reason. A few minutes ago I was called from the floor and found an employee of the Civil Service Commission waiting for me outside; in fact, there were two. One was a constituent. They asked to have the cut restored. I told them in no uncertain terms that they were violating the lobbying law, and I told them to go back and tell the Civil Service Commission that if it did not stop this lobbying the whole group should be impeached. Of course, the Senate cannot do that. I think it is a very contemptible proceeding to threaten the dismissal of men and women engaged in qualifying veterans unless the amount is restored to the bill. The evidence is very strong that the Civil Service Commission is back of this lobbying activity. In so doing it is violating the law which Congress has enacted. It has gone too far.

I am not inclined to divulge the names of the persons who have called me and talked to me. I am not the only Senator who has been called by an employee from his home State. The inference is that he might lose his job if we do not restore this sum.

Again I say it is a most contemptible proceeding, and the Civil Service Commission should be called to account for indulging in such practices. Certainly it should not have the amount restored after the activity to which it has reduced itself.

VETERANS' PREFERENCE

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MALONE. Mr. President, there have been some very grave accusations made here. I want to say that I do not fear so-called lobbyists. If a lobbyist representing the veterans has some information I do not have, I am glad to see him. If I am not competent to separate the wheat from the chaff and to terminate the conference without being unduly influenced, then I should not be here.

I joined in the motion to reconsider, for the reason that I know something about veterans' preference, and I am sincerely interested in it. I have not received any telegrams from home in connection with the matter. They probably know nothing about any action. I am glad to have information from anyone who has more information than I have. I do not fear lobbying on any matter. I think there may be some Members of the Senate who know that by this time. I have been here only 2½ years, but I vote as I think proper when the time comes, and I hope that I never have a closed mind on any important subject.

What veterans' preference means, if it means anything, is that when a veteran is fully qualified for a job he receives a certain advantage number of rating points. It means nothing, unless

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someone supervises it, as we all know, having learned the hard way.

Mr. President, I was State engineer of Nevada and Colorado River Commissioner in 1930 and 1931 when the Boulder Dam contracts for construction were being let. It is now called Hoover Dam. There were many veterans out of work at that time. I am the one who initiated the veterans' preference and insisted that such a clause be put into contracts let by the Secretary of the Interior. I say I insisted on it. I was told that if the veterans' preference was put into the contract they could not get bids from contractors. I said, "Let us try it." It was done and before we were 60 days on the job the contractors said they liked it. The American Legion and the Veterans of Foreign Wars took the brunt of it. I had been department commander and knew the veterans in the area. After 60 days it was said that if it had not been for the personnel supervision exercised by a representative of the veterans they could not have operated it as efficiently as it was operated. The veterans got the job when they were as well qualified as other applicants. We found also that unless there was supervision, the veterans' preference meant nothing.

Mr. President, we have had two other epidemics of economy in this country in the past 15 years. The first one was in 1934, when the veterans' compensation was slashed across the board without rhyme or reason. I did not agree with the method then, and I do not agree with it now; unless it is done in a businesslike way and people understand what they are doing, only hardship can result. The people did not understand it since it came under the guise of economy. The only place where there was any economy in 15 years up to 1949 was in the veterans' compensation cut across the board in 1934.

Recently we had a report from a man whom I greatly admire, ex-President Hoover. I knew him before he was President. I liked him then, and I like him now. But the only economy we have had since 1934 was in appropriations for veterans' hospitals. And there they did not make sense. It was a hasty ill-advised move not well thought out and I am against that kind of economy. I was against it when it was suggested, and I am against it now, unless it is handled in a businesslike way, so that we can know where the disabled veterans out of the 18,500,000 boys and girls are to be cared for. We have a veterans' hospital in Reno, Nev., and there are not anywhere near enough beds for the veterans who need them in the area served by that unit—we need another unit in southern Nevada—near Las Vegas. Distances are great out in the open spaces. My State of Nevada is nearly 600 miles by 400 miles wide.

Mr. President, my reason for joining in the motion to reconsider is that I have voted for all the economy suggestions that have been made, and I am still for economy, but I have looked into the pending matter, which I had not had the time to do previous to the first vote, and I ask my colleagues to think over what the reduction in the appropriation means to the veterans' preference set up by Congress if the system is not properly supervised.

Mr. President, there are in this country 18,500,000 veterans, men and women. They lost anywhere from 2 to 5 years from their civilian occupations or school. Some of them were injured, some were not. Some are crippled, but can handle certain available jobs.

According to the law which was passed by the Congress and signed by the President, every one of those veterans is entitled to a certain number of points of preference, according to the service he rendered. Unless there is proper supervision when the law is being carried out, we might as well wipe it off the books. There are many people in this country who would like to wipe it off or make it ineffective.

Mr. AIKEN. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the Senator from Vermont.

Mr. AIKEN. Does the Senator have any information showing that it is necessary to make this cut at the expense of the veterans?

Mr. MALONE. Yes; I have.

Mr. AIKEN. Does the Senator know that it is necessary to make a reduction in the provisions affecting the veterans? If he does, he has more information than I have after several months' work on the Hoover Commission.

Mr. MALONE. I do not understand the Senator. Will he repeat his statement?

Mr. AIKEN. I say, Does the Senator from Nevada know that it is going to be necessary to take this cut out of the veterans' appropriations?

Mr. MALONE. I know it is going to take money out of that part of the Civil Service Commission that holds examinations and the rating of veterans' preferences, and if it is taken out, proper hearings cannot be held by the central board. $1,750,000 is a part of the money that goes to such boards and includes the work for a veterans' preference.

Mr. AIKEN. I do not believe it is necessary to take one single person away from the list of qualified veterans work.

Mr. MALONE. If the Senator has more information, let us have it.

Mr. AIKEN. I think I have.

Mr. MALONE. Let the Senator put it in the RECORD.

Mr. AIKEN. There will be quite a lot of it.

Mr. MALONE. Put it in. There is room for it. The RECORD takes everything. I put my information in the RECORD and am ready to debate it.

Mr. AIKEN. Let the Senator from Nevada put his evidence in the RECORD that this cut would have to come out of the veterans.

Mr. MALONE. I have put it in the RECORD and explained exactly how it effects the veterans' preference.

Mr. AIKEN. It is not satisfactory.

Mr. MALONE. It may not be to the Senator; it is to me—$1,750,000 goes to the division including the boards holding the necessary hearings. If the Senator wants me to read some more of it, I shall read it, but I think it is all right here. If there is information to the contrary I should be the first to vote against the provision. If the Senator has any information that it does not come out of the division containing the boards that hold the hearings. To reduce this appropriation would mean that each department would hold its own hearings on fitness and veterans' preferences rating, and it would mean two or three or four times the expense in the long run, over the method now in use.

It is easy enough to say more men will not be put on, but the Senator and I know they do put them on, and he and I know that deficiency bills are brought up every year, and are passed with very little comment.

Mr. WILLIAMS. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the Senator from Delaware.

Mr. WILLIAMS. Did I understand the Senator from Nevada correctly to say that $1,750,000 of this appropriation would go to the veterans?

Mr. MALONE. No; it goes to the Civil Service Commission, which conducts the hearings for all the devisions of the Government.

Mr. WILLIAMS. Does the Senator realize that what he is proposing to do is to put $2,250,000 back into this appropriation in order to give this particular project he favors $175,000?

Mr. MALONE. No; I do not think that is entirely correct.

Mr. WILLIAMS. According to the Senator's own figures, about 10 percent of this appropriation goes to take care of functions which he has described, and in which he is most interested. Based upon that, they are getting a cut of about $175,000. Therefore what the Senator is asking us to do is to restore to the appropriation $2,250,000 in order that the Civil Service Commission will not take $175,000 away from the veterans' functions.

Mr. MALONE. It is possible that I do not have all the information. It may be strictly true that it is also used to pay the salaries and expenses of all of the hearings including the veterans' division of the board supported by the $1,750,000. All the hearings held by the entire Civil Service Commission, which passes on this subject, may be financed by the million and three-quarters appropriation. Therefore the cut curtails the necessary work in this connection.

Mr. WILLIAMS. No; I agree with the Senator that it does not apply merely to the one subject, but the Senator himself said $1,750,000 of this whole appropriation goes to take care of the veterans' portion of the appropriation. That is about 10 percent.

Mr. MALONE. I did not intend it that way.

Mr. WILLIAMS. How did the Senator intend it? What the Senate did the other day was to cut the appropriation about 10 percent, which would mean, if the action were upheld and it were passed down the line, that it would be a cut of about 10 percent all through. In order to restore the $175,000 of the proposed cut, the Senator is asking the Senate to put $2,250,000 back into the fund, and

the Civil Service Commission then will have an additional salary fund of a little over a million dollars.

Mr. MALONE. I do not understand that it operates that way. If we could earmark the $1,750,000, or the necessary amount, for the work, I would agree, but unfortunately it is not earmarked, and it is probably impractical to consider such procedure at this late date. In lieu of such centralized hearings and veterans' listings for all the departments, it is suggested in the report that each department of Government handle its own business, which would mean that for the entire country perhaps as many as 2,000 boards would be set up to hold such hearings. In other words, if a veteran in Nevada, or New Jersey, or Delaware, wanted a job, there would be about 150 boards in his area to which he would have to apply, but if it were centralized, as it now is, he would be taken care of by putting his application before one board, so that he would be available and be on the list, and he would not have to worry about 150 other boards, which he could not find in the first place and probably could not contact the proper person in the second place.

Mr. WILLIAMS. Did I understand the Senator correctly to say that the portion of this bill in which he is most concerned is that pertaining to the veterans' section?

Mr. MALONE. Mr. President, I am particularly concerned in the work the Civil Service Commission does in connection with the hearings affecting the veterans' preferences. I think it is impossible to isolate that item and say that numerous separate boards can be set up to hold the hearings particularly for veterans. The centralized board holding the hearings on the applications needs to hold them only in one place.

I have had particular experience, I may say to the Senator from Delaware, in the veterans' preference field over the years. I have also paid particular attention to the construction of veterans' hospitals since World War I. I have resented bitterly the 1934-across-the-board cuts on disabled veterans' compensation and the 1949 slash on veterans' hospitals with no public investigation or sense to them at all. I think the same situation applies now.

I do not think there is a Senator on the Senate floor who understood what he was voting for when the vote was taken. I admit I did not until I looked carefully into the matter. I bitterly resent it being said that a veteran does not have the right to call a Senator off this floor or come to his office and discuss the very subject in which he is most proficient—including disabled veterans' compensation, hospital capacity, and veterans' preference for work for his Government under a law passed by the Congress of the United States—personally, I am glad to have them come to see me.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. AIKEN. The Senator realizes, of course, that the cut in the veterans' hospitals was due to an Executive order issued by the President?

Mr. MALONE. I do understand that; but it was encouraged through the report that was made by a commission, and I do not like that.

Mr. AIKEN. But the President made that cut.

Mr. MALONE. I do not like it any more because he made it than if the Commission had made it directly. I simply do not like tinkering with it without proper hearings and investigation—it was set up in a day and it should not be upset in a few hours.

Mr. AIKEN. I do not think anyone objects to the use of any funds which are available to provide this service for veterans. I, for one, maintain that the Civil Service Commission can perform this function without taking the funds out of the veterans. I am resentful that they have apparently asked veterans to lobby for them and practically threaten them to lessen this service unless they get the cut restored. When they send those employees here to lobby—of course the employees say they were not sent, and it would not do for them to say they were sent—they are asking such employees to violate the law. It is possible to furnish this service to the Veterans' Administration with the money which is made available. They do not have to take the money out of the veterans. But they are following the practice of other Government agencies when their appropriations are cut, by applying the cut where it will hurt most. I am perfectly willing to earmark a part of this money, a sufficient part of it, to perform this service for the veterans, if the Senator from Nevada will feel any better about it, because the money can be saved elsewhere.

Mr. MALONE. Mr. President, it requires a long time for an expert to make a watch—but a very short time for an amateur to destroy it. I should like to ask the Senator a question in my own time. My information is that these hearings are held by the Civil Service Board; that the veterans preferences and the veterans' applications are handled by the veterans' division of the Civil Service Board. This is a centralized agency. I agree that the veteran should not have to go to 175 boards in the Senator's State or in my State or in any other State to put in his applications, and chase these fellows all over the country, because there are a lot of them who were too busy to go to any war, and they bitterly resent the veterans' preference. I have worked to nullify it since the Congress set it up. I ask the Senator if he does not know that what I have said is a fact at this time.

Mr. O'MAHONEY. Mr. President, I wonder if the Senator——

Mr. MALONE. I will yield to the Senator from Wyoming in a minute. I have asked a question of the Senator from Vermont and I should like to have it answered.

Mr. AIKEN. How that work is done at this particular time I cannot say. I know everyone favors the work being done adequately. But I know from months of study of the Civil Service Commission that they are wasting a great deal of money through inefficiency, and that they can save a good deal of money. As a Government agency they have pretty well broken down.

Mr. MALONE. Mr. President, I do not doubt that what the Senator says is true, but it is happening in every agency, and there is no way of stopping it without a complete change.

Mr. AIKEN. That is correct. It has been the practice of all these agencies, when their appropriations have been cut, such as was the case with the Customs Bureau 2 years ago, to make the cuts apply where it will hurt the Members of Congress most.

Mr. MALONE. I agree with that statement.

Mr. AIKEN. I think it is time Congress stood up on its hind legs and told the various Government agencies they cannot do that. If the Senator from Nevada wishes to earmark a sufficient amount of this fund to have this service properly performed for the veterans, if he will determine exactly what the amount should be, I shall be very glad to support him, because I am sure the increase in this particular place can be saved in other places.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MALONE. I will yield to the Senator from Wyoming in a moment.

I will say to the Senator from Vermont that I doubt if it is possible to do what he has suggested at this late date. If we started to earmark certain funds, say certain amounts, for this and that purpose in a department, it would require the time of half the Members of the Senate to supervise such a program, while the other half of the Senate would handle the general business of the country. The Senator from Vermont knows that to be true as well as I do. I believe the cuts which were made in the compensation to veterans in 1934 and the cuts in the veterans' hospitals in 1949 were made without any rhyme or reason. Now it is proposed to make ineffective the veterans preference in the same manner. The only thing left to the veterans is this little 10 points preference. I am going to stand up in defense of that right until any attempt to change it makes some sense. There are 18,500,000 veterans in this country, many of whom are handicapped through their war experience—they gave up from 2 to 5 years of their lives in the service of their country, and they are entitled to the preference that the Congress has provided for them.

Mr. AIKEN. No one disagrees at all with what we owe the veterans. The question we are now discussing is the Civil Service Commission and not the Veterans' Administration.

Mr. O'MAHONEY. Mr. President——

Mr. MALONE. Mr. President, do I have the floor?

The VICE PRESIDENT. The Senator from Nevada has the floor.

Mr. MALONE. I want to say in answer to that statement, that I believe I could have discussed the matter much more calmly if the insinuation had not been made on the Senate floor, first that anyone upholding the proper administration of the veterans' preference was susceptible to lobbying by the veterans. I

say that if we are not able to take care of ourselves when we receive information from someone who may have more accurate information that we have on a subject, then we should not be in the Senate. I have worked on the proper administration, including the construction of disabled-veterans' hospitals for 30 years, and feel I do have first-hand information.

Mr. AIKEN. Will the Senator from Nevada explain where any such accusation came from?

Mr. MALONE. I should like to have the record of what the Senator put into the RECORD at the start of the debate read.

Mr. AIKEN. Did the Senator see any signs on the part of the Senator from Vermont that he had been influenced by the lobbying?

Mr. MALONE. I did not know about that. I merely said there was an accusation and insinuation made here that I did not like.

Mr. AIKEN. There was no such accusation made by the Senator from Vermont.

Mr. MALONE. The Senator from Michigan [Mr. FERGUSON] made some such accusation, at least, I so understood.

Mr. FERGUSON. The Senator from Michigan was not speaking about the Senator from Nevada.

Mr. AIKEN. The Senator from Nevada is in error if he believes any accusation of susceptibility to lobbyists was made.

Mr. FERGUSON. What I was trying to accomplish——

Mr. MALONE. Of course, I do not mean to imply that the Senator accused the junior Senator from Nevada of being influenced, but there was a general blanket insinuation that the veterans were influencing Senators in this connection and that they were not being guided by the facts of the case.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. O'MAHONEY. Mr. President, I wanted to say to the Senator from Nevada that one does not have to depend upon anything one hears by way of personal lobbying or over any telephone to know what the facts are in this case. I came here as chairman of the subcommittee in charge of the bill defending an increase of $2,500,000 which we made in this appropriation. That amendment was defeated by 3 votes on the 27th of July, 38 Senators having voted for the increase and 41 having voted in opposition to it.

The facts which were before the Committee on Appropriations and which I tried, perhaps inadequately, to present upon this floor show that what the Senator from Nevada has been saying is absolutely correct. The justification for allocation of the United States Civil Service Commission's salaries and expenses shows that of the various projects which are carried on by the Civil Service Commission, examining, placement, and veterans' preference is No. 1; investigation is No. 2; personnel classification is No. 3; retirement is No. 4; service records is No. 5; Federal Personnel Council is No. 6; adjudication of veterans' and other appeals is No. 7; executive and administrative services is No. 8. Then comes miscellaneous services.

Of all those, the largest item is the item of examining, placement, and veterans' preferences. For the fiscal year 1949 there was appropriated for this particular project $5,631,000. The House of Representatives reduced that amount by $2,317,000. In other words, it reduced by 40 percent the appropriation for examinations under which veterans' preferences are made. The committee felt that that was an excessive reduction. There can be no question in the world that such a reduction would necessarily have the effect of making it much more difficult for the Civil Service Commission to grant the veterans' preference which is effected by law.

The budget estimate for this item was $17,520,000, and the House reduced it to $14,000,000—a reduction of $3,520,000. One of the effects of that reduction, according to the statement by the House committee, would be the decentralization of examinations by which the various departments and agencies of Government would undertake to conduct their own examinations. Our committee felt that the result would inevitably be to increase the expense and decrease the efficiency. So I say to the Senator from Nevada that the issues here are plainly issues upon facts. If there is any guilt upon the part of any civil servant of the United States, whether he be an employee in a subordinate role, or whether he be a member of the Commission, that is a personal guilt. Let such person be charged and brought before the Committee on Post Office and Civil Service. But let us make a differentiation in our minds, in all logic and reason, between the necessity for an appropriation to do the work which Congress has required the Commission to do and the personal guilt of some unnamed official—some unnamed employee—who may have been guilty of lobbying.

A little while after the Senator from Vermont came to me and said there was lobbying, a card was sent in and I was invited out by a gentleman. I went out to see him. He was Mr. Moulton, executive secretary of the Federation of Government Employees. I asked him, "Are you a Government employee calling to lobby me on this bill?" He said, "I am not a Government employee. I am an employee of the association."

It may be that some of the other charges of lobbying may be without foundation, too. I do not know; but I ask Members of the Senate to distinguish clearly between the two issues.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. O'MAHONEY. The Senator from Nevada [Mr. MALONE] has the floor.

Mr. MALONE. Mr. President, I thank the Senator from Wyoming. I think he has made a very thorough explanation. So far as I am concerned, the record is clear. I am for economy, but I believe we were wrong in our first action. It is not economy to have these examinations thrown out among three or four hundred, or fifteen hundred boards, as the facts seem to indicate might happen. Furthermore, it is not carrying out the spirit and intent of the veterans' preference law to allow such hearings and ratings to go by default. Personally I am extremely interested to see that that particular law is made effective, because veterans have had disadvantages which others who did not go to war did not suffer.

I am glad now to yield to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I should like to see if I have this problem straight in my own mind. If I correctly understand the problem, if we disallow the $2,317,000 the Civil Service Commission will be unable to handle the examinations and 2,000 or more divisions or departments of government will set up their own examining boards, which will average about 3 people to each board, at a cost of about $5,000 each. The disallowance of this $2,317,000 might well cost the Government $40,000,000. Am I correct in that statement?

Mr. O'MAHONEY. I would not guess at the amount it might cost, but I think it would be vastly in excess of the increase which the committee recommends.

Mr. CAPEHART. Is it not a fact that if we eliminate this increase in the appropriation, the Civil Service Commission will be unable to conduct the examinations?

Mr. O'MAHONEY. The House committee specifically directed the Commission to decentralize. Let me read from the report. I read from page 10 of the report of the House committee:

> Figures presented by the Commission were to the effect that in excess of 50 percent of placements during the next fiscal year will be made as a result of examining and recruiting work to be performed by the agencies. The committee is of the opinion that this is a conservative estimate and that a much larger percentage of this work could be performed by the departments with resulting economy and efficiency. This procedure would be in line, also, with the recommendations of the committee in providing a reduction in funds for the fiscal year 1950.

In other words, the House committee, in cutting $2,317,000 from this very item for examinations and veterans' preferences, was directing decentralization to the departments and agencies. The result is bound to be, with respect to veterans, that agency A will have one rule for veterans' preference, agency B will have another, and agency C still another. There will be no uniformity.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. MALONE. I yield.

Mr. CAPEHART. Furthermore, is it not a fact that each agency then will set up its own board, which might well consist of three or more people?

Mr. O'MAHONEY. The Senator is correct. That would increase the expense. We would have deficiency appropriations for an additional $2,500,000. At least, that was the judgment of the committee. If we want to decentralize, if we want to adopt some other method of handling the Civil Service Commission, we should do so through legislation which is considered by the appropriate legislative committee,

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and it should not be done by means of a slash in the appropriation.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. MALONE. I yield.

Mr. CAPEHART. Is it not a fact that it would cost the Government more money to eliminate the $2,317,000 and have decentralization than it would to allow the appropriation recommended by the committee?

Mr. O'MAHONEY. I have no doubt of it in my own mind. That was the way the committee felt.

Mr. MALONE. Mr. President, I have completed my statement. I am sorry that I did not first approach the subject in a calmer frame of mind; but Mr. President, please understand that this subject is one in which I have been interested in since World War I. The statements thus indicating that veterans should not discuss a subject so vital to them with a Senator simply irritated me.

The Congress of the United States worked out a method so that, other things being equal, we could favor a man securing a civil-service job who had lost 2 or 3 years of his life and perhaps an arm or leg, in the service, in filling a job for which he is fully qualified. We have no brief for anyone who is not fully qualified. I sincerely believe that the appropriation asked for would accomplish that purpose. I have no means of knowing whether it would require exactly $2,300,000, or a little more or a little less for the job. At least, however, that is the estimate. Of course, there is no way of segregating the amounts at this late date.

We want to see the many years of precedent in veterans preference made effective. If there should be a change in the law let Congress change it, but do not attempt to nullify it through lack of organization to carry it out.

Let us carry out the spirit and the intent of Congress when the Veterans' Preference Act was passed—and that is when a veteran is qualified for the job, let him have it.

Without the proper machinery to make it effective the act is of no consequence.

Mr. HUMPHREY. Mr. President, I shall be very brief in my remarks. I join with the Senator from Nevada in his statement with reference to the restoration of the full amount for the Civil Service Commission.

I listened to the greater part of the remarks of the distinguished chairman of the subcommittee handling the independent offices appropriation bill. I think we ought to take one or two factors into consideration.

First of all, there has been a great deal of condemnation of the Civil Service Commission. I submit to my colleagues that while the Civil Service Commission has irked me at times, and while I have recognized inadequacies in the handling of some of the cases which come to the Civil Service Commission, as was pointed out, many thousands of temporary war appointees had to be processed by the Commission. Following the cessation of hostilities, the same thousands of Federal employees had to be reprocessed in terms of examinations for permanent positions.

To be sure, in handling the large number of employees which the Civil Service Commission has been required to handle, there have been mistakes. Those mistakes have brought forth a flood of criticism upon the Commission.

However, it is the policy of the Government to maintain the merit system. It is the policy of the Government to have a civil-service system. It is further the policy of the Government to have a veterans' preference system. To weaken the Civil Service Commission at this time, either in its merit system or in its veterans' preference system, would be to abrogate the established policy of the Congress; in fact, the policy of the Nation.

I have heard comments about the Civil Service Commission doing lobbying. I am confident that many of us have received telephone calls. Some of us have received letters and telegrams. I have not been privileged to receive letters and telegrams. However, I will say, for those who have been advocates of the restoration of the Senate committee's figure in the civil-service appropriation, that if they have lobbied they have done so openly and aboveboard. They have been clean-cut about it. Those who have talked to me have not been from the Civil Service Commission. They have been friends of mine who are interested in personnel policies in the Government.

I point out that other kinds of lobbying go on in Washington which are much more subtle than that conducted by those who are interested in the civil service. It is the kind of lobbying, if you please, by which Senators are taken out to dinner or are offered the pleasantries and the sociability of all the nice things that come in a great metropolitan city such as Washington. But let me point out that the poor friends of the civil servants are not capable of taking us out to dinner or offering us the higher types of sociability of this city. The kind of lobbying that has come to the Senator from Minnesota is this: We learn that there is a program for the reform of the civil-service system. That program is to be established under a recommendation of the President. To take away the funds at this time would be definitely to weaken the program which is in the offing.

Another point, Mr. President: When the Government agencies start to decentralize, so that there are experts in every agency, we can say of the Civil Service that it is in its last days, because the only way the Civil Service can operate is as a nonpartisan, impartial, disinterested agency removed from the various other agencies of government. So long as the department heads, the secretaries and assistant secretaries, who direct the policies of the agencies are going to have the say as to recruitment, as to the Board of Examiners, then we can be sure that high-class, objective, impartial civil-service recruitment is through.

I do not wish to make these remarks sound as though I am thoroughly pleased with the Civil Service Commission, because I am not. It presents a problem of personalities, a problem of basic law. It is connected with the fact that the Congress of the United States has repeatedly amended the Civil Service Act since away back in the 1800's; it is related to the fact that the Congress never has reviewed the entire civil-service program until the Hoover Commission made its report.

As I said, Mr. President, the President has his reorganization plan, which I think is meritorious. Frankly, I shall support it. More than that, I wish to proceed to review the entire basic law pertaining to the civil-service structure of the Government. I call upon my colleagues to support the Senate committee's recommendations. I was not here on the day when this amendment was voted upon.

I also point out that the Civil Service Commission does much more than recruitment and classification, as was so well stated by the Senator from Wyoming. It also handles matters of adjudication, matters of claims, matters of pensions. The same Congress that now is prepared to take away $2,250,000 from the Civil Service Commission is the Congress which time after time imposes upon that Commission new responsibilities—the responsibilitie of investigation, the responsibilities of handling the retirement and the pension funds, the responsibilities of adjudication, the responsibilities of handling veterans' preference. The Congress continuously imposes new responsibilities upon the Civil Service Commission, and then says to the Commission, "We will cut back your funds."

Mr. President, there may be those who think this is economy, but I do not think it is. The greatest waste we can have in government is to permit the faulty recruitment of improper personnel. If there is any waste in the Government today, it is either because we have recruited too many people who are incompetent or because we have had incompetent people doing the recruiting. That is not a matter of dollars in the budget, but it is a personnel problem. I submit that the Civil Service Commission should be strengthened, not weakened; and in strengthening it we should at least encourage it by giving it a proper appropriation.

The amount we are now considering is below the budget estimate. I think the figure is $1,230,000 below the budget estimate. The House of Representatives in its proposal and in its committee report did with this item of the bill what it has done with other items. In other words, the House has not taken into consideration the full nature of the service. In the ECA bill, as it came from the House of Representatives, the House recognized that it was not appropriating sufficient money for the ECA; but the House said, in effect, "Perhaps we shall have a deficiency appropriation for the ECA." Mr. President, the very first bill I voted on in the Senate was a deficiency appropriation bill for the Veterans' Administration. So let us stop kidding ourselves. Are we going to have a deficiency appropriation at the end of the year, or

are we going to appropriate sufficient funds now? To be sure, Mr. President, it is nice for Senators to be able to say to their constituents, upon their return home, "We reduced the appropriations." But that does not mean anything if later there is a deficiency appropriation.

Mr. President, I want the Civil Service Commission to be given the benefit of the doubt in connection with its work, and not have the Congress intrude upon it by way of legislation.

The VICE PRESIDENT. The question is on agreeing to the motion to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

Mr. MORSE. Mr. President, I had not intended to speak on this matter, until I listened to the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Nevada [Mr. MALONE], and the Senator from Minnesota [Mr. HUMPHREY].

So far as I am concerned, I have heard nothing from those distinguished Senators which would justify a reversal of the action taken by the Senate on the civil-service item, because I think all those Senators have been speaking on the basis of a false assumption, namely, that the proposed restoration is necessary in order to give the veterans the assistance which the Senator from Nevada says will be denied them unless the money is restored to the bill.

Mr. President, I am not worried about lobbying tactics. I think it is the individual responsibility of each one of us to judge these matters on the basis of the facts, as we find the facts to be. I have no doubt that the Civil Service Commission has been lobbying, but I do not think any of us are going to stop it or any other Government agency from lobbying. I have no doubt about that because I have talked to some of the people who represent labor and veterans' organizations and who have been sent to me in an attempt to get me to change my vote on the Civil Service Commission item. But they were told in no uncertain terms that my vote would not be changed, because I thought their major premise was wrong.

Mr. President, what has the Civil Service Commission done in its attempts to secure a reconsideration of this cut? What fallacious propaganda has it given to those who are urging us to reconsider this cut? Its representatives have talked about the one thing which they think will most easily frighten the politicians. We are now told that the veterans will be hurt if this money is not restored to the bill. But, Mr. President, I deny that the veterans need to be hurt. I deny it because I say that when the Civil Service Commission takes the money the Congress already has appropriated to it, it will have sufficient money in its budget to give the veterans the service they are entitled to receive from the Commission. Of course the Commission must get rid of some of the red tape that has characterized its functioning. If it frees itself from its own red-tape inefficiency, it will be able to give the veteran the service to which he is entitled under the appropriation now provided in the bill without the restoration of the cut. I, for one, will not tremble, and my knees will not shake, if the Commission sends a group of people to tell us that if we do not vote for this item, we shall hurt the veterans. I say to the veterans' associations of the country that they should not swallow that "bunk," because they are not doing a good service to the veterans in permitting the Civil Service Commission to get by with that fallacious argument. They should join us in insisting that the Civil Service Commission spend its money wisely, economically, and efficiently. It has enough money in this bill as it now is to do for the veterans what the Commission is now telling the veterans it will not do if the cut stands. The Commission should receive a resounding "no" vote from the Senate this afternoon and then receive direct instructions to see to it that it so uses the money appropriated as to give the very service to the veterans that it now says it will not give unless the cut is restored.

What the Civil Service Commission needs to do is to get rid of its own spoils system and red tape. I do not know of any other agency in the Government that has so encumbered and tied itself up in unnecessary red tape as has the Civil Service Commission. If any Senator thinks the administrative policy of the Civil Service Commission is resulting in a true merit system, he has an idea of a merit system far different from mine. The Civil Service Commission in its red-tape policies is defeating the purpose of a merit system in Federal service. I am not going to vote for any more money for the Commission until we accomplish the end which the Senator from Minnesota says he is so anxious to accomplish; but I want to tell the Senator from Minnesota he will not clean up the Civil Service Commission by voting it more money. All he will do by that is to encourage them in the tactics they have used in this instance. What the veterans' organizations ought to be doing is to get back of those of us who have the courage to serve notice on the Civil Service Commission that its day for house cleaning has come.

The Civil Service Commission now has authority to bring about improvement in its own administrative efficiency, so as to give to veterans the services which the Commission tells us they are going to take away from the veterans unless Senators yield to this sort of pressure. The junior Senator from Oregon will vote "no" to any such tactics as that, and he serves notice on the Civil Service Commission it had better get busy, clean house, make the economies it is capable of making within its present budget, and give the veterans the service which I say the Senator from Nevada [Mr. MALONE] fallaciously argues will be taken away from veterans if we do not restore this cut of $2,000,000. It will not be taken away from the veterans if the Civil Service Commission does the job it can do within its own budget limitations at the present time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I wonder whether the Senator from Oregon would be interested in knowing that the junior Senator from Minnesota has not heard from a single veteran in reference to the civil-service budget, nor has he talked to a single labor representative about the Civil Service Commission budget.

Mr. MORSE. I am speaking of those to whom the junior Senator from Oregon has talked.

Mr. HUMPHREY. I wonder whether the Senator from Oregon would care to know that the interest I have in the Civil Service Commission and its activities is this: In order to conduct a tremendous amount of reprocessing of papers and of applications and of adjudication of preference rights, the Commission has to be properly staffed, and that, under the appropriation recommended to the Senate by the committee, staff has already been cut, I think, by almost an additional 200 employees below what it was last year.

Mr. MORSE. I merely want to say to the Senator from Minnesota that when the personnel of the Civil Service Commission starts performing the work for the pay they are presently getting, there will be plenty of time to do the job that needs to be done. If we are going to talk about economy, we should not talk about economy only in terms of dollars. We should talk about economy in terms of rendering service for the dollars now paid. There can be great improvement in the Government agencies in regard to rendering service for the dollars now paid. When Government agencies start performing full service for the dollars now being paid, they will be able to do the important work which they are telling the Senate they cannot do unless they are given more money. I do not mean to charge that all Government employees do not do ample work for their pay. My own experience in Government service convinced me that thousands of Government workers actually overwork. However, that same opportunity for observation of Government departments convinced me that there is much inefficiency, loafing, and waste of time in many Government departments. Economy of time as well as of money is needed in operating our Government departments, including the Civil Service Commission.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MALONE. I heartily agree with many of the things which the Senator from Oregon has said; but I should like to ask him a simple question: Is he insinuating by his speech that anyone who is opposed to this cut has been influenced by someone?

Mr. MORSE. Of course I am making no such insinuation. I am simply telling the Senator from Nevada——

Mr. MALONE. The Senator left the matter of influence open-ended.

Mr. MORSE. Just a moment. I am simply telling the Senator from Nevada what has been said to me. I assumed from what the Senator from Nevada said that he was protesting because the Senator from Vermont [Mr. AIKEN] stood

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upon the floor of the Senate and objected to certain lobbying tactics which were being used. I do not object to such lobbying tactics. I am merely attempting to make it clear in the RECORD that lobbying tactics have been used on me in this instance. They have been used on me ever since I have been in the Senate. I can tell off the lobbyists when they are wrong, just as I know the Senator from Nevada can tell them off. In this instance I told them off, and I told them I was not going to vote for restoration of the $2,000,000, because I am satisfied that the Civil Service Commission can do this job within the money which has already been provided.

Mr. MALONE. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Nevada?

Mr. MORSE. I yield.

Mr. MALONE. I should like to read a short excerpt from a memorandum. We get our information from various sources. We merely want to be sure it is correct information.

In section B, under the heading "Duplication would result," page 52, of the memorandum on House bill 4177, the independent offices appropriation bill for 1950, for the use of the Senate, it says:

DUPLICATION WOULD RESULT

(b) Generally speaking, boards of civil-service examiners in Federal field establishments recruit applicants, and conduct examinations for positions which exist primarily in their respective establishments. Conversely, the Commission's recruiting and examining resources are expended on examinations for filling positions which are common to many agencies, and servicing agencies too small to support a board of examiners. If examinations were completely decentralized, numerous identical examinations would be announced by hundreds of boards of examiners, with resulting waste of time, effort, and money in holding such examinations, and confusion to the public. For example, in the city of Chicago there are about 80 regional offices of various agencies. All of them need stenographers and typists. At present, a resident of Illinois interested in a stenographer's position in Chicago files one application in the Commission's regional office. If this examination were decentralized, the applicant would have to file an application with each board of examiners in the Chicago area in order to be assured of the same consideration. This situation would be duplicated in every large city in the country, including Washington, D. C.

Mr. President, if the Senator will yield for a minute further my information has been gained from many sources. It has been gained from reading the bill, and from experience in veterans' preference in the State of Nevada, and other areas, since the beginning of the veterans' preference on the Boulder Dam (now Hoover Dam) for which I was chiefly responsible. When I started my address I said a few things because of the accusations made against veterans lobbying her that I probably should not have said, but I had risen because I had joined in the motion to reconsider after due deliberation and after digging up all the information I could get. I am perfectly satisfied that what the Senator says about there being a great deal of money wasted is absolutely true. I am also satisfied there is no way under the present system and under the present board for us to do anything about it this year. It cannot be earmarked without much additional study. I am intensely interested in the millions of veterans in this country, disabled and otherwise, who have been given a certain number of points of preference by legislation passed by this Senate and the House and signed by the President in past years, having their rights preserved, and to me this is not the place to start to cut appropriations at this time without proper and detailed consideration.

Mr. MORSE. I may say to the Senator from Nevada I differ with him in his last statement of conclusion. I am perfectly satisfied that the Senator from Nevada himself could go into this agency if given the authority under the existing powers of the Commission, and within 30 days, under the administrative power now reposed in the Commission, bring about the economies which would make it possible to do the job they are representing will not be done unless they get the extra $2,000,000.

Mr. MALONE. Mr. President, will the Senator yield for a further question?

Mr. MORSE. I say we ought to insist that they bring about those savings first rather than continue to add to their budget funds, which I think will only make it possible for them to continue what I think is a very inefficient operation.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. MALONE. I fully agree with everything the Senator says except as to how to do it at this time. I see no way of keeping the veterans or any other class of people from being discriminated against, if they really want to do it. I am not even sure the Commission is doing a good job with the additional $2,300,000, or whatever the sum is. But I have looked into it, I have satisfied myself that without it they have a legitimate excuse not to do it. Many people of course talk to me in my office and out of it; I see everybody. I do not have the fear of lobbyists other people profess to have. I do not complain to anybody. As I have said before on the floor of the Senate, if I am not capable of separating the wheat from the chaff, when people come with information to me, then I do not think I am proving myself to be a good Senator.

Mr. MORSE. My only difference with the Senator from Nevada is the Commission I think has money now in sufficient amount to do the job if they have the will to do it. I hardly believe the Senator from Nevada disagrees with me about that; he merely does not think they are going to do it with the money presently available to them, and therefore, until we can conclude an investigation of their policies, the Senator is going to vote for a restoration of the $2,000,000. He is satisfied they have enough money now to do it, if they have the will to do it. I shall not vote for the restoration.

Mr. MALONE. Mr. President, if the Senator will yield, I should like to ask him another question.

Mr. MORSE. I yield.

Mr. MALONE. I fully agree that there probably is sufficient money for a competent commission to do the job. I do not think, however, in view of the usual inefficiency in government which we are unable to correct at this time, there is enough money to get it done.

Mr. MORSE. I understand the Senator's point of view, but we have got to start some time to force them to become efficient, and I think this is a good time to start.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BALDWIN. Does the Senator understand that this particular item is the item which contains an appropriation for holding examinations?

Mr. MORSE. That is my understanding.

Mr. BALDWIN. Does the Senator know that time and time again, under the present civil-service system—and this has been brought out in meetings and hearings of the Committee on Post Office and Civil Service—examinations have been held, repeatedly, over and over again, in order to list at the top of the register and assure the appointment of a politician who was not able to pass the examination? Does the Senator know that there are post offices which have been occupied by temporary postmasters for 11 years while repeated efforts have been made to build up someone who could not pass the examination, in the hope that others who can will either die off, move away, or be discouraged, as they ultimately are, and give up the ghost?

Mr. MORSE. The Senator's statement illustrates what I mean when I speak about the spoils system in the civil service.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. I should like to give the Senator a particular instance. There was a man in the Department of Agriculture named Hobart Crone. I am not averse to using his exact name. By some unfortunate circumstance, he progressed to a reasonably good position in the Bureau of Agricultural Economics. No one desired to retain him, after a while, because it was found that he was unsuited for the position, as is sometimes the case with some very fine persons. He went to the war, and it was unnecessary to recommend his discharge. He returned from the war and demanded back his position. An effort was made, unsuccessfully, to parcel him around to other bureaus of the Department, and it was finally decided that the Production and Marketing Administration should take him. They struggled with him, and some of the top officials of the Production and Marketing Administration pleaded with me to take the load off them. They included the Administrator and other persons. They said they could not take this man because he had

demanded a job held by a woman, a war-service employee, who had probably done the most outstanding job in that Administration. I gave instructions that they were not to dismiss her. I finally found, after taking it as far as I could, that the Civil Service Commission could replace persons who were not efficient and could overrule orders of the Secretary of Agriculture. The woman was displaced, and this man was put into her job. I think that did more to destroy morale in the Department of Agriculture than did anything I had ever seen. I can refer the Senator to many other cases.

Mr. MORSE. The Senator has just cited not an isolated case, but a common case. We cannot have a system of merit unless it is possible to get rid of the incompetents who get into the system. The taxpayers are entitled to have discharged from service persons not sufficiently competent to earn the money the taxpayers pay them. I cannot reconcile any other rule with a merit system. I think that what we are building up in this country is a so-called civil-service system which makes it almost impossible to get the incompetents out of Government. We hear much said about young people not going into Government service. One of the reasons why so many of them are being discouraged from going into Government service is that the present system makes it possible to keep too many incompetents in high positions under the Civil Service, which certainly is no incentive to an able, ambitious young man or woman. The Civil Service Commission should assume responsibility for eliminating incompetents from Government service. It should devise a fair procedure for testing the competency of Government workers. It should not pass the buck to some outside group of officials who may be subject fairly or unfairly to attack as to bias as appears to be the case now raging at the Civil Service Commission over examiners. I think it is unfair to the McFarland committee to give them the power of decision which the Commission at least started out to give them. I think we have the right to insist that the Commission set up a Government board on competency and see to it that fair procedure is adopted which will protect the industrious and competent workers but get rid of the incompetent and the loafers.

That is why I say to the Senator from Minnesota that I completely agree with him that there is a need for a thorough and complete overhauling of the Civil Service Commission procedures. I am not going to vote for any more money for the Commission until that is done.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. In view of the Senator's attitude on the Civil Service Commission—and I may say I know of cases similar to that cited by the Senator from New Mexico—I wonder if he recognizes that under the House committee report, in making this budget cut, the House committee did not say that the work of the Civil Service Commission would be curtailed, but that the recruitment, the adjudication, and the number of examinations would be placed in other agencies.

I should like to ask the Senator from Oregon this question: Since there is no prohibition as to the nature of the work, since there is no curtailment as to the amount of the work, and no curtailment as to the number of persons who will be employed in personnel work, I wonder whether he believes it is a sound policy for the agencies themselves to do this work, when they are more in politics than the Civil Service Commission will ever be.

Mr. MORSE. I wonder.

Mr. HUMPHREY. I wonder if it would be a sound policy.

Mr. MORSE. I wonder about that assumption.

Mr. HUMPHREY. Does the Senator think it would be sound policy for them to do the recruitment?

Mr. MORSE. I am open to conviction on that point. I shall be glad to listen to more argument on that point. If we go along with the House and approve the House policy, with the type of veteran examinations being called for, I say the Civil Service Commission can do that work within the money now in the bill.

Mr. HUMPHREY. I was going to recommend to the Senator, if he will yield for a further comment, that possibly what we should have, in view of his very logical and persuasive argument—and may I say "almost thou persuadest me"—is a prohibition somewhere in the statute, or somewhere within the appropriation bill, if we can get two-thirds of the Members to vote for it, against any transfer of functions to the agencies. That would give us real economy and force the Civil Service Commission to do what the Senator wants it to do, to tighten up, to get rid of some of its deadwood, and abandon some of the practices which they have used to hold deadwood on the job. I cannot see that we are making any accomplishment at all. All we are doing is to take from the Civil Service Commission a part of the money and transferring it to other agencies and saying, "Now, you do it, and you will be called names for a while, rather than the Civil Service Commission."

Mr. MORSE. I think the Senator and I can agree on an amendment to that effect.

Mr. AIKEN. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Chair feels constrained to admonish the Senate that unless we make more progress in discussing the bill, the Chair will have to enforce the rule against Senators yielding for anything other than questions.

Mr. AIKEN. Mr. President, I simply wanted to make a statement in regard to the matter brought up by the junior Senator from Minnesota, namely, decentralizing the hiring of employees. In the study made by the Hoover Commission it was found that when a department desired to hire additional help, the average length of time it took the Civil Service Commisson to hold an examination and qualify that help was 7 months. If an agency wanted help in a hurry, it could not get employees qualified, unless the rules were waived. But the average length of time it takes to qualify employees for any agency of the Government is 7 months. If that is efficiency, my definition of the word is incorrect. That is one of the primary reasons why the Hoover Commission recommended decentralization of hiring, so that if an agency had to have help in a hurry it could do its own hiring.

Mr. HUMPHREY. Is it not true, however, that one of the reasons for that situation is that the Commission has a backlog of hundreds of thousands of cases?

Mr. AIKEN. I do not know.

Mr. HUMPHREY. It is perfectly legitimate on the floor of the Senate or of the House to whiplash every agency of the Government. The Civil Service Commission is no more inefficient than are the Maritime Commission, the Interstate Commerce Commission, and the Federal Trade Commission. They are just about equal in efficiency.

Mr. AIKEN. That is a question.

Mr. WHERRY. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Vermont has the floor.

Mr. AIKEN. Let me say further to the Senator from Minnesota that I think the agency of the Government which has the best personnel relations is the Tennessee Valley Authority. That agency hires and fires its own help. It would have been impossible for it to have made the enviable record it has made if it had to depend upon the Civil Service Commission to do the hiring and approve the firing of its employees.

Mr. CAPEHART. Mr. President, it seems to me that we have gotten completely away from appropriations and have gone into the merits or demerits of the Civil Service Commission. I shall not argue the merits or demerits of that, or whether they are doing a good job or not. The fact remains that the Civil Service Commission is either going to handle the examinations, or some 2,000 agencies are going to do it. If 2,000 agencies do it, they are going to have to have possibly 3,000 people to do it, at an average cost of four or five thousand dollars a year. We could save $2,500,000 if we wanted to permit the 2,000 agencies to do it, and by so doing, in my personal opinion, we would add anywhere from ten to fifteen or twenty or twenty-five million dollars additional expense on the 2,000 agencies.

Mr. President, that is all there is to it. I wish there were some way by which we could revamp the Civil Service Commission and make it efficient, and eliminate the red tape. I think it is a very inefficient organization. But that is not the problem, that is not the legislation before us. Nor are lobbyists the problem before us. Not a single person has talked to me about the matter. I have not had a telephone call about it. I feel rather embarrassed, and feel that I have been rather neglected. Other Senators seem to catch the lobbyists. I do not seem to catch them.

The whole problem is, are we to save $2,000,000 in one spot, and spend anywhere from 10 to 25 million in another direction? That to me is the entire

problem, and if I am wrong, I wish someone would correct me.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Iowa [Mr. GILLETTE] to reconsider the vote by which the committee amendment on page 11, line 9, was rejected.

Mr. FERGUSON. Mr. President, I think the question last asked by the Senator from Indiana can be answered. What the Congress does is to appropriate in this bill a lump sum of money for the Civil Service Commission, outside of a few allotments, $560,000, and $500,000. The number of personnel it would decrease is 485.

Let me tell the Senate what happens, what has happened for a long time, and what happened when there was an attempt to cut the appropriation of the Treasury Department.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CAPEHART. Is it not a fact that the House in its report told the Civil Service Commission to eliminate its own boards, and permit some 2,000 agencies to do the work? Is not that exactly what is going to happen if we eliminate this $2,000,000?

Mr. FERGUSON. No; the Civil Service Commission can apply this cut wherever it desires to apply it, except as indicated in the legislation itself.

It was indicated here this morning that the only cut to be made is a cut against veterans. Here we have the Civil Service Commission itself crying out for the veterans, but the evidence, as indicated by the Senator from Connecticut, is that for 11 years veterans have been kept out of jobs just because the Civil Service Commission did not apply the proper rules. That is as I understand it. This is the very agency which comes here today and indicates a cut of the Civil Service Commission appropriations will militate against the veterans.

Mr. President, the same argument was applied when we tried to reduce the appropriation for customs officers, by a cut in the Treasury Department budget. What did the Treasury do? They notified the border patrol in every State in the Union that they were going to lay off employees in the border patrol. In came telegrams and telephone calls, "What are you going to do in Congress—open the border? We will have no more patrol. Are you going to open the border to all kinds of smuggling?"

They did not seem to comprehend that they could discharge some other employees, and the evidence indicated that they had on the pay roll some 8 or 10 men in the upper brackets who were not doing a tap of work, and who could have retired long before, some of them 80 years of age. They never thought of taking any of those employees off the pay roll. No, they had to take off the border patrol, so that there could be smuggling across every border in the United States.

Mr. AIKEN. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. Does the Senator recall that after hearings and investigations, and after collaboration with the Secretary of the Treasury the Customs Bureau was reorganized, after which they found they could do more work and could restore the border patrol and the port patrol, and when they came before the Committee on Appropriations of the next Congress they asked for less money than they had the year before?

Mr. FERGUSON. That is correct.

Mr. AIKEN. Does not the Senator recall that a few years ago an effort was made to curtail expenditures of the Post Office Department? I am not too familiar with the case, but I recall that when the appropriation was cut the Post Office Department laid off the afternoon mail carriers, so that the greatest possible inconvenience was caused the public.

Mr. FERGUSON. They did not lay off all the afternoon mail carriers. I know of one case in Flint, Mich., where they laid off the mail carirers who delivered mail in the morning, about the time of the opening of law offices and business places, so that a stream of telephone calls and telegrams came to the Senator from Michigan to the effect that the 8 and 8:30 mail, which had been delivered at that time for years, was going to be discontinued because the Senator from Michigan had joined others in voting to reduce the postal appropriations. It was found that in the Senator's State the important deliveries came in the afternoon, whereas in certain sections of the State of the Senator from Michigan they came in the morning.

Mr. O'MAHONEY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I ask the Senator to indulge me. About 2 hours ago I inadvertently granted unanimous consent to the request of the Senator from Delaware that this matter might be taken up out of order. I had the understanding that that would probably be in the interest of expediting action upon the bill. I suggest to the Senator from Michigan and to all other Senators that no more votes are to be made one way or the other, I think the decision has been arrived at, and I ask the Senator from Michigan when he thinks we may reach a vote on this item.

Mr. FERGUSON. The Senator from Michigan would say, so far as he is personally concerned, in about 5 minutes or less.

Mr. WHERRY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Nebraska.

Mr. WHERRY. I am rather interested in the comment made by the distinguished Senator from Wyoming. I ask the distinguished Senator from Michigan whether it is not also true that yesterday, when request was made for unanimous consent, after the time had gone by for even entering a motion to reconsider, the unanimous consent was granted. I did not object, because I feel that everyone should have his day in court, and if there was any evidence to be submitted, I was perfectly willing to receive it. But I feel that inasmuch as that unanimous consent was granted yesterday, which could have been blocked without the proponents of this measure having an opportunity to advance any new evidence, consideration should be given to that fact. I do not see much new evidence, myself. For 2 hours we have been listening to debate. We have heard some great speeches about lobbying; but we know all about that. I myself am not invited to as many dinners as most people talk about. I guess I am hard. No one comes in to see me any more. At any rate we have had a lesson about lobbying. I believe the distinguished Senator from Michigan in summing up will give us the meat in the coconut, but I will say that I feel that in the final analysis nothing really new has been presented. I hope the distinguished Senator from Michigan will sum up the argument on his side of the case. I wish to say, however, that when I gave my consent to the unanimous-consent request, I felt that any Senator who could bring in new evidence on the subject should be given the opportunity to do so. I feel that no new evidence which would justify reconsideration of the vote has been submitted.

Mr. FERGUSON. Mr. President, I believe no new evidence has been presented which should cause the Senate to change its decision respecting this item. It is a lump-sum appropriation. The cut in question would cause a decrease of 485 employees in the Civil Service Commission.

The Civil Service Commission has tried to indicate to the Congress, and particularly to the Senate, that the cut will affect only the Veterans' Preference Act and the examinations so far as the veterans are concerned. The Senator from Michigan finds nothing in the record about that, except one item which appears on page 53 of the side slips:

Cost of decentralized program proposed by the House compared to the Budget proposal.

* * * * *

Veterans' Federal Employment Service, $238,047.

Instead of $2,250,000 being cut from the veterans' service, the amount would be merely $238,047, and certainly out of the sum of $14,000,000, the Civil Service Commission could arrange so as to spend that full amount for veterans' services.

Mr. AIKEN. Will the Chair state the question?

The VICE PRESIDENT. The question is on the motion of the Senator from Iowa [Mr. GILLETTE], for himself and the Senator from Nevada [Mr. MALONE], to reconsider the vote disagreeing to the committee amendment on page 11, line 9.

Mr. GILLETTE, Mr. MALONE, and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. WHERRY. Mr. President, I have been requested to suggest the absence of a quorum.

The VICE PRESIDENT. The Senator can do so in his own right.

Mr. WHERRY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names.

Aiken	Hill	Millikin
Anderson	Hoey	Morse
Baldwin	Holland	Mundt
Brewster	Humphrey	Murray
Bricker	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Robertson
Connally	Kefauver	Russell
Cordon	Kem	Saltonstall
Donnell	Kerr	Schoeppel
Douglas	Kilgore	Smith, Maine
Downey	Knowland	Sparkman
Dulles	Langer	Stennis
Ecton	Lodge	Taft
Ellender	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
Fulbright	McClellan	Tobey
George	McFarland	Tydings
Gillette	McGrath	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Martin	Withers
Hickenlooper	Maybank	Young

The VICE PRESIDENT. The question is on the motion of the Senator from Iowa [Mr. GILLETTE], for himself and the Senator from Nevada [Mr. MALONE], to reconsider the vote by which the committee amendment on page 11, line 9, was rejected.

The Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Idaho [Mr. MILLER] are detained on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The result was announced—yeas 46, nays 44, as follows:

YEAS—46

Baldwin	Ives	Murray
Cain	Johnson, Tex.	Myers
Capehart	Johnston, S. C.	Neely
Chapman	Kefauver	O'Mahoney
Connally	Kerr	Pepper
Cordon	Kilgore	Robertson
Downey	Langer	Saltonstall
Ellender	Lucas	Smith, Maine
Gillette	McCarran	Sparkman
Graham	McFarland	Stennis
Green	McGrath	Taylor
Gurney	McKellar	Thomas, Okla.
Hayden	McMahon	Thomas, Utah
Hendrickson	Magnuson	Withers
Hill	Malone	
Humphrey	Maybank	

NAYS—44

Aiken	Hickenlooper	Mundt
Anderson	Hoey	O'Conor
Brewster	Holland	Russell
Bricker	Hunt	Schoeppel
Bridges	Jenner	Taft
Butler	Johnson, Colo.	Thye
Donnell	Kem	Tobey
Douglas	Knowland	Tydings
Dulles	Lodge	Vandenberg
Ecton	Long	Watkins
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	Martin	Williams
Fulbright	Millikin	Young
George	Morse	

NOT VOTING—6

Byrd	Eastland	Reed
Chavez	Miller	Smith, N. J.

So Mr. GILLETTE's motion, for himself and Mr. MALONE, to reconsider the vote disagreeing to the committee amendment on page 11, line 9, was agreed to.

The VICE PRESIDENT. The question recurs on agreeing to the committee amendment, on page 11, line 9. [Putting the question.]

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on public business.

The Senator from New Mexico [Mr. CHAVEZ] is detained on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from Oregon [Mr. CORDON], who is detained on official business. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Oregon would vote "yea."

The result was announced—yeas 51, nays 40, as follows:

YEAS—51

Anderson	Hunt	Miller
Baldwin	Ives	Murray
Cain	Johnson, Tex.	Myers
Capehart	Johnston, S. C.	Neely
Chapman	Kefauver	O'Conor
Connally	Kerr	O'Mahoney
Downey	Kilgore	Pepper
Dulles	Langer	Robertson
Ellender	Lucas	Saltonstall
Gillette	McCarran	Smith, Maine
Graham	McFarland	Sparkman
Green	McGrath	Stennis
Gurney	McKellar	Taylor
Hayden	McMahon	Thomas, Okla.
Hendrickson	Magnuson	Thomas, Utah
Hill	Malone	Tydings
Humphrey	Maybank	Withers

NAYS—40

Aiken	Hickenlooper	Mundt
Brewster	Hoey	Russell
Bricker	Holland	Schoeppel
Bridges	Jenner	Taft
Butler	Johnson, Colo.	Thye
Byrd	Kem	Tobey
Donnell	Knowland	Vandenberg
Douglas	Lodge	Watkins
Ecton	Long	Wherry
Ferguson	McCarthy	Wiley
Flanders	McClellan	Williams
Frear	Martin	Young
Fulbright	Millikin	
George	Morse	

NOT VOTING—5

Chavez	Eastland	Smith, N. J.
Cordon	Reed	

So the committee amendment was agreed to.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Independent offices—General provisions," on page 65, line 16, after the word "agencies", to strike out the colon and the following additional proviso: *"Provided further,* That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended."

The amendment was agreed to.

The next amendment was, on page 65, after line 19, to strike out:

SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this act.

The amendment was agreed to.

The next amendment was, on page 65, line 24, to change the section number from "109" to "108."

The amendment was agreed to.

The next amendment was, on page 66, line 6, to change the section number from "110" to "109."

The amendment was agreed to.

The next amendment was, on page 66, after line 12, to strike out:

SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 125, or a part thereof, full time, part time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, on page 67, after line 2, to insert:

SEC. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: *Provided,* That this prohibition shall apply to employees who devote 50 percent or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, on page 67, after line 20, to insert:

SEC. 111. None of the sections under the head "Independent offices—General provisions" in this title, except section 102, shall apply to the Housing and Home Finance Agency, the Inland Waterways Corporation, or the Tennessee Valley Authority.

The amendment was agreed to.

The next amendment was, under the heading "Housing and Home Finance Agency," on page 70, line 19, after the word "for," to strike out "administive" and insert "administrative."

The amendment was agreed to.

The next amendment was, on page 71, at the beginning of line 20, to strike out "$21,860,750" and insert "$22,860,750."

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The amendment was agreed to.

The next amendment was, on page 73, line 23, after the word "Congress", to strike out the colon and the following additional provisos: *"Provided further,* That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsection 505 (a) and (b) of the act of October 14, 1940, as added by the act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further,* That any application for such relinquishment and transfer shall be filed with the Administrator within 120 days after the approval of this act."

The amendment was agreed to.

The next amendment was, under the subhead "Corporations—General provisions," on page 77, after line 6, to strike out section 203, as follows:

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 125, or a part thereof full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

And insert in lieu thereof a new section 203, as follows:

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: *Provided,* That this prohibition shall apply to employees who devote 50 percent or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, under the heading "Title III—General provisions—Departments and agencies," on page 80, after line 3, to strike out:

SEC. 303. Appropriations for the executive departments and independent establishments for the current fiscal year available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821–833), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided,* That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall, in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed.

The amendment was agreed to.

The next amendment was, on page 80, line 20, to change the section number from "304" to "303."

The amendment was agreed to.

The next amendment was, on page 81, line 11, to change the section number from "305" to "304."

The amendment was agreed to.

The next amendment was, on page 81, line 16, to change the section number from "306" to "305."

The amendment was agreed to.

The next amendment was, under the subhead "Corporations," on page 82, line 4, to change the section number from "307" to "306."

The amendment was agreed to.

The next amendment was, on page 83, line 1, to change the section number from "308" to "307."

The amendment was agreed to.

The next amendment was, on page 83, line 8, to change the section number from "309" to "308."

The amendment was agreed to.

The next amendment was, on page 83, line 14, to change the section number from "310" to "309."

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 111. An act for the relief of Mrs. Pearl Shizuko Okada Pape;

S. 317. An act for the relief of Margita Kofler; and

S. 905. An act for the relief of John Sewen.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Mr. O'MAHONEY. Mr. President, I offer two technical amendments on page 39 of the bill. I send the amendments to the desk and ask that they be stated.

The VICE PRESIDENT. The amendments will be stated.

The CHIEF CLERK. On page 39, line 16, it is proposed to strike out $35,000 and insert in lieu thereof $100,000.

On page 39, line 17, it is proposed to strike out $3,556,039 and insert in lieu thereof $3,656,039.

Mr. O'MAHONEY. Mr. President, these are two technical amendments. They do not add anything to the bill. The committee amendment which was adopted by a yea-and-nay vote was intended to give the Interstate Commerce Commission the funds with which to carry on pipe-line evaluation and the work of the Bureau of Motor Carriers, but the limitations were not changed. These amendments merely change the limitation.

The VICE PRESIDENT. The question is on agreeing to the amendments which have been offered by the Senator from Wyoming.

The amendments were agreed to.

Mr. O'MAHONEY. Mr. President, by authority of the committee, I have three legislative amendments to offer. The first of these is on page 10. It relates to the appropriation for the Atomic Energy Commission. I offer this amendment, and send it to the desk and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, line 5, it is proposed to strike out the period and insert a colon and the following:

Provided further, That no part of this appropriation or contract authorization shall be used—

(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project whenever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committees of the Senate and the House of Representatives and the Joint Committee on Atomic Energy; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed $500,000; and, as used herein, the term 'construction project' includes the purchase, alteration, or improvement of buildings, and the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further,* That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

Mr. O'MAHONEY. Mr. President, briefly the purpose of the amendment is

to provide for a closer supervision by the Bureau of the Budget and by the Congress of the United States over the expenditure of funds which are granted to the Atomic Energy Commission by way of contract authority. Without the amendment, when contract authority is granted then the agency to which the authority is granted has practically unrestricted powers to exercise it in any way that satisfies its discretion. It is intended here to make clear that if a budget estimate is submitted for a contract authority for a construction job, submission shall be the controlling factor. In other words, the agency shall not then be free to abandon the project which was presented to the Congress in the budget and adopt another. That is the explanation of paragraph A.

Then:

(B) to start any new construction project, the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project whenever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget.

Also, unless the submission is made to the Director of the Bureau of the Budget and by the Director of the Atomic Energy Commission to the Appropriations Committee of the Senate and the House and the Joint Committee on Atomic Energy.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I wish to preface my question by stating that I am for this amendment. Why is the amendment offered from the floor rather than being included in the bill by the committee?

Mr. O'MAHONEY. Because it is a legislative amendment, and I filed notice, asking for a suspension of the rule.

Mr. WHERRY. Does the Senator mean to say that other amendments in the bill are not subject to points of order?

Mr. O'MAHONEY. I beg the Senator's pardon.

Mr. WHERRY. Does the Senator mean to say by offering the amendment in this way that there are no legislative amendments in the bill itself?

Mr. O'MAHONEY. Oh, not at all.

Mr. WHERRY. Will the Senator advise me whether he thinks the insertion on page 19 of the bill is a legislative amendment?

Mr. O'MAHONEY. I will examine it. Does the Senator refer to the amendment "of which not to exceed $20,000 shall be available for administrative expenses," and so forth?

Mr. WHERRY. Yes.

Mr. O'MAHONEY. No; I think that is not legislative.

Mr. WHERRY. I refer to the clause "including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project."

Mr. O'MAHONEY. No.

Mr. WHERRY. The Senator thinks that is a limitation? Is that correct?

Mr. O'MAHONEY. I think that is a limitation.

Mr. WHERRY. What about the amendment beginning on line 25, on page 19?

Mr. O'MAHONEY. That is a provision that came to the Senate from the House.

Mr. WHERRY. No; I refer to the provision in italics starting on page 19, line 25.

Mr. O'MAHONEY. I beg the Senator's pardon. That amendment relates to the authority for conservation of securities, which was provided for in a previous act of Congress. The amendment merely continues it.

Mr. WHERRY. Is it legislation? I am merely asking the distinguished Senator a question in order that I may understand the situation. It seems to me the amendment beginning on line 25, page 19, is legislation and is subject to a point of order, and I think throughout the bill there are probably 20 other amendments which are also legislative, and subject to points of order. I wonder what difference there is. I wonder why the amendments the Senator is now proposing were not all put in the bill?

Mr. O'MAHONEY. The committee asked that the rule be suspended with respect to these three items, because they were the only three items, which in the judgment of members of the committee, were legislative in character. The question was not raised with respect to any of the others.

Mr. WHERRY. I merely wanted to point out to the distinguished Senator from Wyoming and to Members who are on the floor that House bill 4177 contains many legislative amendments. These three, of course, are amendments which are of particular interest, and I am glad they are before us the way they are. But so far as points of order are concerned, I point out that there are probably at least a score of amendments in House bill 4177 which are legislative in character, on which points of order based solely upon the legislative character of the amendments could be sustained.

The VICE PRESIDENT. The Chair would state that points of order on the ground of legislation cannot be made against legislative provisions which come to the Senate in the House bill.

Mr. WHERRY. If the Chair is replying to my remarks, I may say I understand that perfectly.

The VICE PRESIDENT. The Chair thought the Senator was referring to provisions in the House bill.

Mr. WHERRY. The amendments I am talking about are amendments the Senate committee wrote into the bill.

The VICE PRESIDENT. But it is now too late for points of order to be made against them.

Mr. WHERRY. I am not asking that a point of order be made against any of the amendments. Had I intended to make a point of order, I should have made it when the amendment came up.

Mr. O'MAHONEY. I understand.

Mr. WHERRY. Had I wanted to make a point of order against the bill which was reported by the committee, I would have done so when the bill was taken up. But, Mr. President, the point I make is, there are at least 20 amendments in the bill of a legislative character, against which points of order in my mind could have been made. The points of order were not made.

Mr. KEFAUVER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Tennessee?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. I want to ask the Senator whether this is a provision applicable only to the Atomic Energy Commission and its construction projects.

Mr. O'MAHONEY. Yes; but there is another one that refers to the Maritime Commission, which I shall offer in a few moments.

Mr. KEFAUVER. Does not the distinguished Senator feel that if this is a healthy and worth-while provision for the Atomic Energy Commission's projects, it should be encompassed in the legislation submitted to cover the Interior, the Corps of Engineers, and all other agencies of the Government?

Mr. O'MAHONEY. I quite agree with the Senator. I think all contract authority should be subjected to a great deal more scrutiny than has been the case in the past. Yes, indeed, I agree with the Senator.

Mr. KEFAUVER. I should like to ask the Senator another question. Suppose the Atomic Energy Commission starts a project and then through the development of technology it is found advisable to transfer or to transform the project into a different kind of project or building or institution, whatever the project may be. In that event this would deter them from doing so; that is, they would be required to go on and complete the project they had started, would they not?

Mr. O'MAHONEY. Oh, no. The amendment was carefully drafted so as to provide against such a contingency. That, of course, would be wasteful.

Mr. KEFAUVER. Such a contingency will be avoided under provisions of this amendment, will it?

Mr. O'MAHONEY. I read from page 2 of the amendment, beginning in line 16:

That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

It was the 15-percent clause which was inserted after a conference, and with the knowledge of the Atomic Energy Commission.

Mr. KEFAUVER. As I read the 15-percent clause, it actually modifies subsection (A) and (B), and also (C). Is that correct?

Mr. O'MAHONEY. No, because the proviso in line 17, specifically exempts community facilities, within the parenthesis.

Mr. KEFAUVER. Then, may I also ask the distinguished Senator, does he not

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think it is rather delicate to require what might be the revealing of some secret which we would not want to have revealed, if the Atomic Energy Commission had to submit a detailed explanation to the Bureau of the Budget and to the Committees on Appropriations of the Senate and the House?

Mr. O'MAHONEY. No, I am sure no secret information would be revealed. The Bureau of the Budget now goes into these matters in a great deal of detail.

Mr. KEFAUVER. Mr. President, will the Senator yield for another question?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. Does this amendment meet with the approval of the Atomic Energy Commission?

Mr. O'MAHONEY. The Atomic Energy Commission sat with us. We consulted them. I would not say that it has been formally approved by the Commission, but it does not and has not objected to me to the amendment in its present form.

Mr. KEFAUVER. The fear I have, I may say to the Senator, is this: Of course, we want all the economy that can be had, and we want the Atomic Energy Commission to keep within the estimates to the extent possible. But we must realize that we are dealing with a new and somewhat unknown development, and I dislike to see anything done which might retard the progress and development of new ideas, new methods, and the putting them into effect by the Atomic Energy Commission.

Mr. O'MAHONEY. I share the Senator's ideas.

Mr. KEFAUVER. It seems to me the Atomic Energy Commission is the wrong agency with which to start this kind of program.

Mr. O'MAHONEY. I have just stated I shall offer one with respect to the Maritime Commission in a moment.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McMAHON. I should like to say to the Senator from Tennessee that the way the amendment was originally drawn was not satisfactory to many of the members of the Joint Committee on Atomic Energy, and we did have a consultation not only with the members of the Commission, but with the Senator from Wyoming, who spoke on behalf of his subcommittee. In that way this language was worked out. Under it I believe the Commission can function without loss of efficiency, and with the result of giving both the Appropriations Committee and the Joint Committee more information than we have heretofore had as a matter of right.

I must say, on behalf of the Joint Committee, at least on behalf of myself, that the way in which the amendment was first worded was very unsatisfactory. But it has now been changed, and I think it is satisfactory at this time. I think we can all live under it without impairment of the efficiency of the atomic-energy program.

Perhaps I should at this time call the attention of the Senate to a couple of lines in the report of the Senate Committee on Appropriations which I should not want to let pass without making an adverse comment. I dislike criticizing the report of a committee, but I call attention to the fact that in the House report the House committee said:

> It is the understanding of the committee—

That is, the House Appropriations Committee—

> that diversions may be made from one program to another to meet emergencies or essential changes in a program which may develop since the committee hearings on the bill.

That is a provision which we must have and need to have in the atomic-energy program, because essentially it is a program which changes very rapidly, and we cannot have it solidified and put into a position in which changes cannot be made in accordance with developments made in scientific progress.

What I should like to refer to is the Senate committee's report. It says:

> In allocating the reductions the Commission is directed to make no change provided in the budget estimate for these programs.

The committee was referring to programs of procuring and processing source and fissionable materials and of weapons production, as well as that portion of the reactor program dealing with military needs. The committee says:

> In allocating the reductions the Commission is directed to make no change provided in the budget estimate for these programs.

It would be a very unhealthy thing if that request should be carried out in the atomic-energy program.

I call attention particularly to this language in the committee report:

> Curtailment of activity is thus recommended to be made in other fields of Commission operations, such as administration, community programs, biology and medicine, physical research, and to such aspects of reactor development as are not immediately necessary for national security.

Of course, it is impossible to break down programs of the Commission and say, "These are for military purposes, and these are for peacetime purposes," because the reactor program is primarily designed for war purposes. Incidentally, out of there may, and I hope will, come much good in the future for peacetime research and peacetime use. But to say that reactor development can be restricted to wartime is like saying, "I shall buy an automobile and never go down anything but the main street." We are depriving ourselves of the use of something that is useful when we speak of the reactor program in those terms.

I should also like to call attention to the fact that the committee refers to the fields of biology and medicine, and physical research. To think that those fields have no effect on the military program is not in accordance with the facts, because the atomic results we have today have accrued by reason of the research which has taken place in this country within the past 15 years, and, of course, the research we have today, tomorrow, and in the coming fiscal year will have a very definite impact upon the future of weapons production, both as to quality and quantity.

As for biology and medicine, they are thought by the committee to be of solely peacetime interest. If, God forbid, there shall ever be an atomic attack on this country, the extent to which our biological and medical research is promoted and advanced may have everything to do with the ability of the people of the United States successfully to defend themselves against such an attack.

The point I desire to make, Mr. President, is that when we take a part of the program and say, "This is for military purposes, and this is for peacetime purposes," it is absolutely impossible and it cannot be done.

I think the appropriation, as it now stands, will carry the Commission through, in view of the unobligated balances which exist because of the impossibility of the Commission's spending in this fiscal year the money which was appropriated so lately in the year through the deficiency appropriation, but I do want to make the point about the impossibility of treating the program as the Appropriations Committee wishes to do and saying, "Make all your cuts in this field, and do not make any cuts in the military field." It simply cannot be done.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. KEFAUVER. I should like to ask the Senator if he does not think we are entering upon a very bad policy in making the Director of the Bureau of the Budget an umpire with reference to a great part of the atomic-energy program.

Mr. McMAHON. At the present time the Commission has to go to the Bureau of the Budget with its requests just as do all other departments of the Government. I believe that with the daily access which the joint committee has to the Commission, and vice versa, it would be impossible for the Director of the Budget—and I am sure he would not want to do it—to impair its activity without its coming to the attention of the joint committee.

Mr. KEFAUVER. As I see it, it places in the discretion of the Director of the Bureau of the Budget the decision as to whether a new construction project may be started, even though there may be an urgent necessity for it, by virtue of wartime developments or essentials in connection with our defense. It places in the discretion of the Bureau of the Budget the right to veto the Atomic Energy Commission if it desires to start a new project, even though the cost may exceed the estimated cost by only $10. The Director of the Bureau of the Budget could veto it if he did not want to send a recommendation and a detailed description of the project to the Congress. Moreover, if the Atomic Energy Commission started a project and found in the public interest it should be diverted into something which would be more effective and useful, and the Director of the Budget was not in favor of it, he would have an absolute veto power over the Commission's conducting that project. I think this will result in diffusion of responsibility between the Atomic Energy Commission and the Director of the

Budget and that the Director is given too much of a final say over a matter which should be decided upon by the Commission. The Commission has done a good job. Why water down and negative their responsibility? The Director of the Bureau of the Budget cannot be an authority on atomic energy. The step about to be taken will create confusion and lead us into trouble inevitably.

Mr. O'MAHONEY. Mr. President, if the Senator will yield to me, I merely wish to point out that, as the Senator from Connecticut has said, the Atomic Energy Commission must submit all its requests to the Bureau of the Budget. It was not exempted from the budget law.

This does not impose a new obligation. It merely indicates what the committee thought was a danger that the Atomic Energy Committee might change its plans without notice to the appropriating power in the Executive or in the Congress. The provision for submission to the Bureau of the Budget was made for the specific purpose of making it clear that an appeal could be made for Presidential authority.

Mr. KEFAUVER. Mr. President, I had always understood that appropriations for the Atomic Energy Commission, by their very nature, had to be more or less general in description, without designating so many million dollars for the building of K27 or so many millions for K30, or whatever the particular project might be, that is, that the Atomic Energy Commission had a general fund out of which they could carry on many operations.

Mr. O'MAHONEY. The Senator was mistaken in that thought.

Mr. KEFAUVER. Throughout the years I have had that idea.

Mr. O'MAHONEY. The Senator is quite mistaken. I hold in my hand the House committee report, page 6 of which contains a list showing the distribution of the cash appropriations, what the budget estimate was, what the committee recommended, and how much the reduction was. For example, the budget estimate for cash appropriations was for $365,000,000. That was what the House considered. It covered eight different categories—source and fissionable material, weapons, reactor development, physical research, biology and medicine, community program, and administrator services. And then transfer to Public Health Service. Each of these categories was separately considered by the Bureau of the Budget, with a great deal of detail. I could show the Senator the budget estimates presented to the committee, a thick volume, going into the objects of expenditure in the greatest detail.

The House committee made reductions of some $31,337,000 below the budget estimates. So both the budget and the committee of the House, as well as the committee of the Senate, went into the matter in great detail.

We had executive sessions, in which no record was kept, when there were off-the-record discussions, in which the Atomic Energy Commission detailed to us at great length, its most important and most secret programs.

Mr. KEFAUVER. Mr. President, I had always understood, and I thought it was greatly to the credit of the chairmen, and the ranking minority members of the appropriations committees, that in the beginning tremendous sums were authorized, appropriated, and set aside to the President to carry on the various atomic energy projects with most of the Members of Congress not really knowing very much about what the money was being used for.

Might we not get into another period, or is there not a possibility that we might, in the atomic energy program, when we might need to carry out that sort of procedure again, if we should become involved in an emergency?

Mr. O'MAHONEY. I would say that if such a time should come we would have no difficulty in adjusting ourselves to it. I am confident that the amendment which has been suggested by the committee is sound in all respects, and I know that the Atomic Energy Commission is satisfied with it. I may say to the Senator that in the drafting of the amendment I personally consulted not only representatives of the Atomic Energy Commission, and representatives of the Bureau of the Budget, but the Chairman of the Joint Committee on Atomic Energy.

Mr. KEFAUVER. May I ask whether any of these three sections applies to the securing of uranium or fissionable material on the part of the Atomic Energy Commission?

Mr. O'MAHONEY. No; they relate to construction.

Mr. KEFAUVER. How about construction for the purpose of procuring uranium or fissionable material?

Mr. O'MAHONEY. I know of no such construction.

Mr. KEFAUVER. Mr. President, I have a feeling that if this sort of limitation is to be inaugurated, we are starting it with the wrong agency, and from that point of view I want it known that I am voting against it.

Mr. LUCAS. Mr. President, I should like to ask the Senator from Wyoming a question. Any project the estimated cost of which exceeds $500,000 must be submitted to the Bureau of the Budget, to the Committees on Appropriations of the Senate and the House, and to the Joint Committee on Atomic Energy. Is that correct?

Mr. O'MAHONEY. That is correct; that is to say, the limitations on contract authority are not intended to apply to small jobs. The purpose is——

Mr. LUCAS. I understand the purpose. But, should the Atomic Energy Commission decide that a project was to cost, let us say, $10,000,000, and it was absolutely essential, a project as to which the Atomic Energy Commission alone should have certain information dealing with atomic secrets, even as to the kind of a building to be erected, if it were necessary to detail all the facts in reference to it, probably some secrets would be disclosed involving the atomic activities of the Government.

Mr. O'MAHONEY. I think there is very little likelihood of any such development. I point out again to the Senator, as I said earlier, that the Atomic Energy Commission now goes to the Bureau of the Budget with respect to all these items. The purpose is merely to prevent a change from the plans which have been submitted to the Bureau of the Budget, and have been approved by the Congress, without notice to either or both.

Mr. LUCAS. Mr. President, if it were necessary to go through the Bureau of the Budget, through the respective Appropriations Committees, and then through the Joint Committee on Atomic Energy, it seems to me it would be a long time before the hearings would be completed on any sort of project costing over $500,000; there would be a long delay.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified, proposed by the Senator from Wyoming on behalf of the committee.

Mr. KEFAUVER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. O'MAHONEY. Mr. President, by authority of the committee, I send forward another contract authority amendment. This is one dealing with the Maritime Commission.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 52, line 23, after the word "That," it is proposed to insert "no part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, or to start any new ship construction the currently estimated cost of which exceeds by 10 percent the estimated cost included therefor in such budget, unless the Director of the Bureau of the Budget specifically approves the start of such ship construction and the Director shall submit forthwith a detailed explanation thereof to the Committees on Appropriations of the Senate and of the House of Representatives; and, as used herein, the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further*, That."

Mr. O'MAHONEY. Mr. President, the reason for the amendment is that the appropriation bill as already approved carries an item of $50,000,000 of contract authority to be expended by the Maritime Commission. The purpose of the amendment, as in the case of the Atomic Energy Commission, is to throw a few salutary restrictions about the expenditure of that fund. It is an amendment designed to promote economy and to prevent waste.

Mr. MAGNUSON. Mr. President, I understand that is the same type of amendment as that placed in the Atomic Energy Commission provision.

Mr. O'MAHONEY. It is.

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Mr. MAGNUSON. The purpose of the committee in offering it is to place a road block in the way of unusual expenditures which might exceed the budget estimates, and involve some violation of the contract authority. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. MAGNUSON. I ask the Senator from Wyoming the same question that was asked on the matter previously considered. Does the Senator feel that this type of legislation, which is similar to the other, should be subject for consideration as permanent legislation?

Mr. O'MAHONEY. Oh, yes; I do. Here is the proposition: We grant contract authority for $50,000,000. When the agency asks for that it presents to the Congress a justification. The Maritime Commission in this instance has set out a list of the type of vessels it would like to construct. That was its present idea. That was the idea upon which it sold the Bureau of the Budget the estimate which was made; that was the idea upon which it sold the committee on the recommendation the committee makes. Now, after having secured the authority, let us say the Commission desires to change its mind. If it does, we merely ask to be notified.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TOBEY. Is this $50,000,000 the only appropriation for the Maritime Commission?

Mr. O'MAHONEY. Oh, no.

Mr. TOBEY. How much is the total appropriation?

Mr. O'MAHONEY. I will give the Senator that figure in a moment. This amendment deals only with contract authorization. We approved an appropriation of $63,054,424, which included new-ship construction, but not the authority which included the operating-differential subsidies, the operation of warehouses, maintenance of shipyards, and maritime training. That was another item.

Mr. TOBEY. How does this $50,000,000 contract authority compare with the same item of a year ago?

Mr. O'MAHONEY. While I am having that checked I will say to the Senator that the House authorized $70,125,000 for the purpose. The Senate committee reduced the amount to $50,000,000. The House grant was, as I recall, below the budget. The contract authority for last year was $75,000,000.

Mr. TOBEY. Is the Senator now speaking familiar with the modus operandi of the members of the Commission in their conduct of the job in the past 2 or 3 years?

Mr. O'MAHONEY. To a reasonable degree.

Mr. TOBEY. Particularly as it was called to the attention of the Senate by my colleague the Senator from Vermont [Mr. AIKEN].

Mr. O'MAHONEY. The matter which was called to our attention by the Senator from Vermont has been taken care of. The Senator from Vermont [Mr. AIKEN] yesterday moved that certain provisions of the bill be eliminated. His motion was carried.

Mr. TOBEY. I am very glad of that. The point I would make is that, as I know and as the Senator from Wyoming knows, the members of the Commission have been as far apart as is Dan from Beersheba in respect to many of the matters that have been considered and decided by the Commission. There has been some bad blood in the Commission. But now we have the saving grace of having a new chairman, a real man, General Fleming, and not the least of his attributes is that he comes from the hills of New Hampshire. Does the Senator realize that?

Mr. O'MAHONEY. The Senator from Wyoming has already commented very favorably upon that.

Mr. TOBEY. We who come from that State always try to get in a plug for it.

Mr. O'MAHONEY. And may I now talk about Wyoming?

Mr. TOBEY. Indeed the Senator may.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] on behalf of the committee, on page 52, line 23.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I now offer the third and last legislative amendment. This amendment deals with the appropriations made in the bill under which atomic energy fellowships are granted.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 63, after line 23, it is proposed to insert a new paragraph, as follows:

SEC. 102. (a) No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided*, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Mr. O'MAHONEY. Mr. President, this amendment is based upon an amendment which has been carried in every appropriation bill for several years, dealing with the payment of Government salaries to persons who belong to organizations which advocate the overthrow of the Government by force or violence. The committee found that even though the Atomic Energy Commission itself does not and has not selected the individuals who obtain these fellowships, inasmuch as the money they receive, the stipend they receive, comes out of the Treasury of the United States, there should be no distinction in the method of handling; that they should be required to submit to the same oath and under the same conditions.

In drafting this amendment we referred to the provision of the Atomic Energy Act, which specifically requires that no person may be employed by the Atomic Energy Commission who has access to restricted data unless the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of such person, that reasonable grounds do not exist that such a person is disloyal.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HICKENLOOPER. To what amendment is the Senator referring? The one I have refers to the fellowship program.

Mr. O'MAHONEY. Yes; that is the amendment now pending.

Mr. HICKENLOOPER. I understood the Senator to say a moment ago that it referred to the employment of persons by the Commission.

Mr. O'MAHONEY. No; I said it was drafted upon the basis of the provisions of the Atomic Energy Act.

Mr. HICKENLOOPER. I misunderstood the Senator.

Mr. O'MAHONEY. We took the language from that act.

Mr. MORSE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Oregon?

Mr. O'MAHONEY. I will yield in a moment. Let me add this statement: Of course, there was considerable comment about the amendment after it was announced, by educators and by others. Dr. Bronk, head of the National Research Council, which in the past has made the selection of the individuals who were to have the fellowships, appeared before the committee. The fear was expressed that an amendment of this kind would have some deterrent effect upon young students who might apply for fellowships. I desire to point out that as the amendment is written it does not require an FBI investigation of those who merely apply to the research council. It requires an investigation only with respect to those who are recommended for appointment. In other words, the amendment takes the precaution of requiring that the Atomic Energy Commission, after a check by the FBI, shall make a finding with respect to the loyalty of persons to whom its funds will be paid in order that they may carry on their fellowship studies.

I now yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I wonder if the Senator will make a clarifying statement as to his intent with respect to the language beginning in line 6 of page 1:

Or with respect to whom the Attorney General finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States.

It is not the intention of the Senator, I assume, that this language should be subject to the interpretation that after the Federal Bureau of Investigation has submitted a report the Commisison does not at that point have the duty to pass its own judgment on whether or not the individual is the type of person who is disloyal.

Mr. O'MAHONEY. The Commission is the authority which designates the individual who will receive the fellowship. The Commission, therefore, must make a specific finding.

Mr. MORSE. The Senator is aware of the fact, is he not, that one of the concerns of educators who have protested the Senator's amendment is that they feel that in administration it may amount only to an investigation by the FBI, whose report will then be pro forma accepted. Educators feel that it would be an unfortunate precedent if we had in effect only the decision rendered by the FBI, in view of the fact that we do not have access to the sources of the FBI information, and do not have an opportunity to subject to cross-examination the confidential informants who put into the FBI files all sorts of testimony, much of it hearsay, much of it rumor, and sometimes very malicious and damaging information, without any basis of fact.

Mr. O'MAHONEY. I assure the Senator that I have very carefully checked into the operations of the FBI. I feel that that organization, in the work it has carried on in connection with the loyalty program, and under other provisions of law, particularly the provisions of the Atomic Energy Act itself, has been very careful in observing the rights of individuals. The FBI has not given out any of this hearsay evidence or testimony, but it has made its reports to the respective agencies, and the responsibility lies with those agencies.

With respect to the Atomic Energy Act, provision was there made with respect to employees. I have heard no criticism of the activity of the FBI. It has made its investigation. It has made its report to the Atomic Energy Commission, and the Atomic Energy Commission has made the finding.

I believe that there is no ground for the apprehension which has been felt—reasonable though it may be on the part of many—that there will be any abuse by the FBI of its powers, or that the Commission will act without exercising its own independent judgment.

Mr. MORSE. Mr. President, I should like to dwell on this point, if I may, because I think it should be very clear in the RECORD at the time we act on this amendment. I wish to make it very clear that I think it is very important that we continue the investigative powers of the FBI.

Mr. O'MAHONEY. I am very glad to hear the Senator make that statement.

Mr. MORSE. I do not see how we can protect the security of the country if we do not entrust to the FBI the job of tracking down reports, and even rumors, in regard to questions concerning the loyalties of people who are given Federal appointments or who are to be the beneficiaries of Federal scholarships, for example. But I think there is one point, if I correctly understood the Senator, which we should make clear. I think it is true that there necessarily must, and I think should, go into the file of the FBI in the case of any individual, whom for the purpose of this discussion we will call Mr. X, all the information which the FBI collects about him, including hearsay and rumor, as well as the type of evidence which the FBI knows can be verified in fact.

With that material in the file I think it is very important at that point to provide adequate safeguards so that when the Government agency concerned comes to render its judgment—as I understood the Senator to say it would be required under his amendment to render—it will render its judgment only on evidence.

I have had a little familiarity with FBI reports in connection with the Government position which it was my fortune to hold at one time. I wish to say to the Senator that I think it is very important that when we get a report from the FBI we should know whether or not we are getting a report which is based upon evidence, or whether it is a report which simply sets forth the fact that within the jacket or file of the individual in the FBI there are a series of allegations concerning the individual. So I should like to know what is to be the basis of the FBI report to the Commission which grants these fellowships. If they are simply going to report, "Our investigation shows that allegations or charges have been made against Mr. X," and the Commission acts upon the basis of such a report, I say the educators then have cause for concern

If, on the other hand, we can have assurance that the Commission is going to have submitted to it only evidence, not rumors, not allegations, not unsupported charges, but evidence as to the disloyalty of Mr. X, then I do not think any possible injury can be done an innocent person under this type of amendment. But I do not agree with the Senator if he means to say that when an FBI report is presently received, it may contain a great deal of material which he and I as lawyers know would not stand up as evidence in a court. I think the Coplan case itself would provide us with plenty of examples of what I am referring to.

Mr. O'MAHONEY. I am glad the Senator used the word "court." We are not dealing here with a trial. We are dealing with an act on the part of a government agency bestowing a great favor upon a student by giving a student a fellowship to pursue certain studies. No one has a vested right in a government job. No one has a vested right in a grant of a fellowship; and the Atomic Energy Commission, in approving the recommendations which are made to it, may make its decision upon any set of facts it cares to take into consideration, just as a Senator, in appointing his own staff, will render his decision as to whether or not to employ a certain person upon facts or circumstances which may have no evidentiary value at all. The appointment of a fellow is not to be compared at all with the trial of an individual upon the basis of loyalty.

I have heard no attack which has been worthy of the name upon the procedures which have been followed by the FBI. As the Senator from Oregon has well said, he believes that if the FBI undertakes to gather information it must in all justice take whatever lead comes to it. The evaluation of that matter is not a task which the Department of Justice wants to take upon itself, because in that event we would be putting into the power of the Department of Justice the authority to exercise responsibility for the departments and agencies of Government. In the loyalty examinations the Department of Justice and the FBI have carefully refrained from coming to any conclusion or making any recommendations. They have made no recommendations to the Atomic Energy Commission under the Atomic Energy Act. They have merely reported what they have found. They will make no recommendations under this amendment. The responsibility for the payment of the fellowship stipend to the individual recommended for the fellowship will depend solely upon the Atomic Energy Commission.

Mr. SALTONSTALL and Mr. MORSE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wyoming yield; and, if so, to whom?

Mr. O'MAHONEY. The Senator from Oregon was pursuing this question. If he cares to allow the Senator from Massachusetts to ask a question, I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I wish to suggest something to the Senator from Wyoming which will emphasize the point. When we were considering this question in the subcommittee, did we not, in stressing this point, get an affirmative statement from a member of the Atomic Energy Commission that the Commission could not delegate to any group of college professors or anyone else the authority for choosing on the basis of the evidence? The Commission could get the advice of the college professors, but the decision as to who should have the fellowship was a decision for the Commission alone, and could not be delegated.

Mr. O'MAHONEY. I am very glad the Senator has called the attention of the Senate to that fact. It is the representation which was made.

Mr. MORSE. Mr. President, I hope the Senator will understand that my purpose is to clarify the record so that we shall know what the amendment means.

Mr. O'MAHONEY. I understand.

Mr. MORSE. I think we shall save time by proceeding in this way.

The Senator from Wyoming has pointed out quite correctly that no one has any right to a Federal position or, in this instance, to a Federal scholarship. But I wish to say that I hope every citizen of the United States will always be protected in his right to have his reputation protected from any procedure which might place an unfair blemish upon it,

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because I know of nothing which is more valuable to a person than his reputation and to be protected from false charges.

I wish to examine this amendment from the standpoint of its operation, because it is no better than the way it will operate.

I should like to know from the Senator from Wyoming whether, after the FBI makes its investigation—and I think it should make an investigation—the FBI then will submit to the Commission which grants the scholarship the contents of its files on the investigation, or whether it will simply submit to the Commission a statement that an investigation has been made and that the investigation shows that the loyalty of Mr. X is thrown into question by certain allegations which have been made by certain informants whose identity the FBI does not choose to disclose to the Commission. In other words, I am asking whether the Commission is to be deprived of the evidence or whether the Commission will have presented to it the evidence on the basis of which the findings of the FBI are made.

Mr. O'MAHONEY. Speaking for myself, I should dislike to have the FBI make any selection of the material which it was going to report, because if it did do so, it would be exercising discretion. In this case the discretion rests with the Commission. I should like to see the Commission have all the material, whatever its evidentiary value may be, the FBI has gathered.

Mr. MORSE. Including the source?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. Is it not the privilege of the Commission to require the entire record of the FBI as a part of its report? Otherwise, it would not be acting on the basis of the investigation.

Mr. O'MAHONEY. I should think so. The Commission must have whatever files the FBI has, in order to make an investigation as outlined in the amendment.

Mr. MORSE. Mr. President, will the Senator yield to me?

Mr. McMAHON. Mr. President——

Mr. O'MAHONEY. Mr. President, if the Senator from Oregon will pardon me for a moment, I should like to yield at this time to the Senator from Connecticut, who has to leave the Chamber in a few minutes. I am sure he will make a worth-while contribution, as he always does.

Mr. MORSE. Certainly.

Mr. McMAHON. Mr. President, let me say that I support the position of the Senator from Wyoming that the FBI should turn over to the Commission everything it procures in pursuance of its investigation.

Likewise, I agree with the Senator from Oregon as to the duty of the members of the Commission, under this amendment, as reasonable men to weigh the evidence which is presented to them.

What the Senator from Oregon is contending, I think, is that information secured from anonymous sources, from persons labeled as "T–1" or "T–2," should be evaluated by the Commission on the basis that reasonable men would use in giving any evaluation to such matters in connection with an investigation or examination of their own affairs.

Mr. MORSE. Mr. President, the Senator from Connecticut raises the next question I have had in mind, which I had begun to state, namely, whether the report of the FBI to the Commission not only will set forth the content of the evidence and information collected, but also will state the source of it. I think the Senator from Connecticut as a lawyer will agree with me that the source of it will in large measure determine the weight to be given it.

Mr. McMAHON. Mr. President, I should like to say to the Senator from Oregon that, as I understand the situation, reports from the FBI frequently contain references to information which has been given by confidential informers known as A, B, C, D, E, F, or G, let us say. Frequently the only way in which the FBI can obtain it will not divulge the source of the information.

For myself, and contrary to the position of some Members of the Senate that any derogatory information submitted by the FBI or which may be contained in an FBI report ipso facto and by its ipsi dixit forever bars from employment the person thus reported upon, I wish to speak definitely against any such proposition. It seems to me that it then becomes the duty of the Commission, which has the whole file referred to it, to evaluate the reports. If I were on the Commission and saw reports from T–1, and T–2 and T–3, I am frank to say that I would not pay much attention to such confidential reports, but I would pay attention to testimony listed in the file by persons who were identified and whose information I could evaluate. In other words, we must weigh the importance of such information as against the importance of permitting the FBI to maintain the confidential aspect or nature of its informants.

I understand that the Senator wishes to have the information from T–1 and T–2 and T–3 sent to the Commission. Is that correct?

Mr. MORSE. I think it is very unfair to send to the Commission information which the Commission cannot check for reliability. I think the FBI should use its sources, because in that way I think it can obtain information which it can use in court, or, in this instance, before the Commission. But I wish to say that we need to be on guard, even in loyalty cases, against permitting the use of evidence from sources we cannot check because of the contention that to allow us to check on the sources would result in disclosing the identity of the informants, and thus would deprive the FBI of informants which it would not then in the future be able to use.

All I am cautioning against—and certainly there is no Member of this body who wishes to get at disloyalty any more than I do—is that in this country we must constantly be on guard against the use of procedures which themselves can develop into serious abuses.

I have no objection to having the FBI use informants whose names the FBI does not wish to disclose, but I do object to having the FBI take evidence collected by such informants and use it before tribunals which have the discretionary duty of passing judgment upon the guilt or innocence of a person in respect to his loyalty to our country because I think that is subject to dangerous abuse.

I do not see why the FBI cannot take the information which it obtains from one of its secret agents—and it should have secret agents—and put that information into channels where it can be used without the necessity of disclosing the identity of the informant. However, if that cannot be done, then, as every good police department knows, sometimes, because it is impossible to use the best type of evidence which it is wished to use in a case, the next best type of evidence is used, which certainly will be better than subjecting a person to a charge which he cannot answer, or as to which he cannot defend himself, because he cannot discover the nature of the charge.

I think we should make perfectly clear that under this amendment, first, the Commission itself will exercise the judgment as to disloyalty; second, that its judgment will be exercised only on a record which the FBI submits to it, which record discloses the sources of the information, because, although the Senator from Wyoming says no student has the right to a fellowship, it seems to me he does have a right, if he is the type of brilliant young man eligible for a fellowship, not to be taken by his Government up to the point where it becomes known that he is being considered for a fellowship—and we cannot stop that information from leaking out—and then, if he is denied a fellowship, have the rumor go abroad that the denial was because he was not found loyal to his Government, when he did not have a chance to answer the evidence which was submitted against him before the Commission by secret information collected by the FBI, the source of which would not be disclosed. I say it is unfair to any American boy to blot his life with that type of charge, without his having an opportunity to answer the source of the information which caused the Commission to take action against him.

That is all I am pleading for. I want the investigations to be made. I want the Commission to deny a fellowship to any boy or girl who in the opinion of the Commission is not loyal to our Government. But I do not want the Commission to act on behind-the-curtain secret information which cannot be brought out into full daylight. That is what I am pleading for. If the Senator from Wyoming would only say that, when the report goes from the FBI to the Commission, it shall contain only the information based upon a source the FBI is willing to disclose, then I think we are giving everybody the protection to which he is entitled.

Mr. O'MAHONEY. Mr. President, frankly I could not make the last statement suggested by the Senator from Oregon. With everything else he says I

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am willing to agree, but I am not willing to say that there should be excluded from the consideration of the Atomic Energy Commission any information which the FBI has from a source which it is unwilling to disclose. I cannot agree to that.

Mr. FERGUSON. Mr. President, if the Senator will yield, I think we should appreciate that the President of the United States has within his control whatever information would be furnished by the FBI—that is, the Department of Justice—to the Commission, and I assume that the action of the Atomic Energy Commission in such a matter is of such importance that the President of the United States will not exclude from the Commission data on which it can base its judgment in determining the fitness of its employees.

The President of the United States has excluded from Congress certain information in loyalty tests, but he has done that because he claims the executive branch of the Government is not subject to investigation by the Congress. That, however, is not the case we have before us. We have here the executive branch of the Government itself being called upon by Congress to make an investigation, and for the executive branch itself to determine from the facts it obtains. I can see a reason why the President may say to the Joint Committee on Atomic Energy—I do not think he has ever said this in the case of the Atomic Energy Commission—"We will not let you see the files of the FBI." I am informed that the Atomic Energy Commission has never had any difficulty in seeing FBI files. It has not been treated on the same basis as a regular investigating committee of the Congress. But, be that as it may, even the President may exclude the information from the joint committee.

I am taking it for granted that when we say that the FBI is to make an investigation and report to the Atomic Energy Commission, the President will see to it, in view of the importance of this subject, that all the information the FBI has obtained goes to the Commission, and the Commission will then determine whether the person in question should obtain one of the fellowships.

The second paragraph of the amendment contains this proviso:

Provided, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

In other words, if a person who belongs to such an organization, or who advocates the overthrow of the Government, obtains a job, then the Attorney General would be able to prosecute him under this section of the act, and the Attorney General would have all the evidence; because after all the Attorney General is in complete control of the FBI. The Federal Bureau of Investigation is an agency in the Department of Justice, and the Department would have all the evidence.

So I take it this amendment is sufficiently broad. In fact it authorizes the executive branch of the Government, that is to say, the President, to make such an investigation and then to pass upon the loyalty or disloyalty of a person before he is given a fellowship.

Mr. KEFAUVER. Mr. President, I am certain that all the Members of the Senate have the same objective in view of not awarding scholarships to any person who advocates or who is a member of an organization that advocates the overthrow of the Government, and on the other hand that no one wants to do an injustice to a student who has applied for a fellowship. In order to get the legislative history, which I think is rather important—I wonder whether I could ask the distinguished Senator from Wyoming a question or two.

Mr. O'MAHONEY. Certainly.

Mr. KEFAUVER. As I understand, the necessity for this legislation is that the holders of the fellowships are not considered to be employees and therefore they do not come under the general loyalty test applicable to other employees of the Government.

Mr. O'MAHONEY. The Senator is correct.

Mr. KEFAUVER. I wonder then why it would not serve the purpose to define the holder of a fellowship simply as an employee of the Government, and let him come under the general procedure which has been so well established. That is the way I had rather see this problem handled.

Mr. O'MAHONEY. Apparently the committee did not think of that approach. They felt that this was the best way to handle it and to have it deal expressly with the Atomic Energy Commission.

Mr. KEFAUVER. As I understand, the Commission, of course, makes the final determination upon the evidence submitted.

Mr. O'MAHONEY. That is correct.

Mr. KEFAUVER. But can the Commission consider other evidence than that submitted by the FBI?

Mr. O'MAHONEY. Oh, certainly.

Mr. KEFAUVER. That is, the Commission has a right, I take it——

Mr. O'MAHONEY. The Commission is not confined by anything in the amendment to consider only what it gets from the FBI.

Mr. KEFAUVER. Then the Commission, if it had a quasi-adverse report from the Federal Bureau of Investigation, one that might be cleared up by an examination of the party involved, would have a right to call the prospective fellowship holder in for examination and for investigation, for the purpose of clarifying some matter in the FBI report, is that correct?

Mr. O'MAHONEY. Nothing in the amendment would prohibit that.

Mr. KEFAUVER. They would have a right to do that, would they?

Mr. O'MAHONEY. That is my understanding, unless it is prohibited by the Atomic Energy Act; and I do not think it is.

Mr. KEFAUVER. The language of line 7, page 1, seems to be somewhat restrictive, "upon investigation and report by the Federal Bureau of Investigation."

Mr. O'MAHONEY. That merely means that there shall be such a report.

Mr. KEFAUVER. I was afraid that might be interpreted as meaning that that would be the sole report they would have to go by. I am glad to know that is not the case.

Mr. O'MAHONEY. Oh, no; I assure the Senator that is not the case.

Mr. KEFAUVER. Another question I wanted to ask was whether an applicant for a fellowship, who receives an adverse report, has, under the administrative procedure, the right to appeal.

Mr. O'MAHONEY. I would not know of any right in any applicant for a preferment to appeal from a decision, any more than there would be a right on the part of an applicant for a position in a Senator's office to appeal from the Senator's rejection of his application.

Mr. KEFAUVER. Whether it be a right or not, I wondered whether the Senator had considered that the Administrative Procedure Act would apply to a ruling by the Commission that student A was not eligible for a fellowship. I would like to see a provision inserted whereby a scholarship holder could have a hearing or an appeal to answer charges made against him.

Mr. O'MAHONEY. I think it would not apply.

Mr. FERGUSON and Mr. PEPPER addressed the Chair.

The VICE PRESIDENT. Does the Senator from Tennessee yield; and if so, to whom?

Mr. KEFAUVER. I yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, I should like to say, in relation to the kind of case which has been cited, that the Atomic Energy Commission has very important functions to perform. One of its functions is to guard the secret of the making of atomic bombs and secrets in connection with atomic energy. I should hate to see the Senate of the United States transfer that very vital task to an appeal board.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. The Senator does not think, does he, that this amendment will do anything to guard any secrets in connection with nonsecret fellowships? The ratio of nonsecret to secret fellowships is 3 to 1. Does the Senator believe we are going to guard any secrets by investigating a number of young people who are engaged in laboratories around the country in nonsecret fields?

Mr. FERGUSON. No. I do not know why the Senator should ask that question.

Mr. McMAHON. I thought the Senator said the amendment was designed to keep secrets.

Mr. FERGUSON. Certain fellowships involve access to atomic secrets.

Mr. McMAHON. Yes; and they are covered under the present law, because anyone who has access to secret data

must, under the provisions of the act, be investigated by the FBI. The young people who have fellowships in nonsecret work study biology, chemistry, and physical science, in the laboratories of the country, and the amendment would provide that they be investigated before they are retained on the poy roll.

Mr. FERGUSON. Coming back to the proposition of trying to distinguish between those who work upon secret and nonsecret data, the Appropriations Committee discovered in the hearings that the line of demarcation between secret and nonsecret was such that the Commission itself does not want to take the responsibility of determining what was secret and what was not secret. I do not think there is a member of the Appropriations Committee who does not understand that the Commission does not want to take that responsibility.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. Let me remind the Senator from Michigan that one of the members of the Commission testified before the committee and indicated his doubt as to where the division was between secret and nonsecret data. In the case of isotopes which are exported there was a great debate as to whether we were opening the door to the dissemination of information which should have been kept secret. Certainly I cannot determine what is secret and what is nonsecret. I see no difference between those persons who have access to secret data in a weapons plant and those who have access to isotopes in a biology laboratory. I do not see that they stand in a different category.

Mr. FERGUSON. Mr. President, the testimony was just as the able Senator from Wyoming has stated it. The line of demarcation is impossible to be drawn. Therefore the committee felt that the way to treat all these fellowships was on one basis, so there would be no distinction. There was a reason for it. One man may work in a school on secret material; another may work on what might be classified as nonsecret work, but the two men are working as scientists, both fellows under the United States Government. It was impossible to say what was secret work and what was not secret work. So the committee did the best thing it could do, and the only safe thing for it to do, and that was to put them all on the same basis.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. Of course, Mr. President, to be absolutely logical, I shall not oppose this amendment, especially in view of the colloquy which took place between the Senator from Oregon [Mr. MORSE], the Senator from Wyoming [Mr. O'MAHONEY], and myself; but I should like to point out to the Senate that what we are doing is imposing a test upon students who are the beneficiaries of the Treasury of the United States which we do not impose on any grant we give to students in any other field or in any university. For instance, we do not require the recipients of GI scholarships to be investigated. We do not require any student in a land-grant college to be investigated, and I hope we never shall.

I should like to point out that if we were to be absolutely logical we would require an FBI investigation of every employee of every contractor who is working for the Commission. We require FBI investigations of persons who have access to secret data. It is not required of those who do not have such access. For instance, the General Electric Co. has X number of employees who have been investigated by the FBI because they have access to secret data. There are hundreds of employees at other locations and at other installations of the Commission who do not, under the law, have to be examined by the FBI. I rather regret that the emphasis is on the scientific-minded young men whom we desperately need to train. I do not want, by my acquiescence, to cast any shadow upon them as indicating that I believe they are peculiarly not loyal to the Government, in opposition to thousands of contractors' employees who work for the greatest corporations in the country and who have a better opportunity to be disloyal and to corrupt the program than do young men who are working in laboratories and who do not have access to secret data.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Michigan has the floor.

Mr. FERGUSON. I should like to answer the Senator from Connecticut by merely citing what the testimony showed. The testimony showed that the young men holding fellowships and dealing with the substance of the work of the Atomic Energy Commission discovered at times in their scientific research certain very secret information. The evidence showed that they were required to report to the Commission the fact that they had discovered such very secret information with reference to how atomic energy works and how it may be controlled, and so forth. So we are dealing with an entirely different field from that involving contractors, who may have a man digging a ditch who has no access to any secret information.

Mr. McMAHON. Yes; but he might break into a building and steal something.

Mr. FERGUSON. That might happen, and that is why we have the security safeguards around the plants, so as to keep anyone from breaking in and stealing material. But at least he would have to steal something; whereas in the case of fellowships we hand it to him and let him work on it. In the case of isotopes, it may be that one could develop the same thing from the isotope as from some of the other substances.

Mr. MAYBANK. Mr. President, when the Army operated these plants, were not the employees of every contractor checked?

Mr. FERGUSON. I understand they were checked.

Mr. MAYBANK. Of course, they were.

Mr. McMAHON. Mr. President, they were checked, I will say to the Senator from South Carolina, by the Security Division of the Engineering Branch. With the passage of the act under which the Commission is operating, it was required that everyone who came into the program, or everyone who had access to secret data, everyone who was already employed, should be reinvestigated. As a result of that reinvestigation, the Commission has found it necessary, in the 2½ years which have passed, to discharge some people because they did not meet the standards of loyalty, character, and association.

Mr. MAYBANK. That was testified to us in executive session.

Mr. McMAHON. That applied particularly to the characters and associations of some of the employees.

I wish to point out again, before we depart from this subject, that the nonsecret fellows, truly, in my opinion, should not be supported by the Atomic Energy Commission. They should be supported by the National Science Foundation, and I hope that when the National Science Foundation comes into existence—and I trust the bill creating it will be passed at this session—then the necessity for investigations of nonsecret fellows will disappear. I have reluctantly been going along with this amendment on the theory that the law as it is now, without the amendment, takes care of the fellows in restricted work, and that after this year the fellows in the nonsecret fields will be taken over by the National Science Foundation.

Mr. DONNELL. Mr. President, in the hope that I may have the ear of the Senator from Wyoming, I should like to make an observation, with the further hope that he will give me the light which I am seeking. The pending amendment starts out by prohibiting the use of any part of the appropriation contained in the title for conferring a fellowship on any person, and so forth. It then contains on the second page a proviso which takes up quite a different subject, namely, the penal provision with respect to any person who shall accept employment "the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title."

The information I should like to have is this: Does the Senator from Wyoming consider that it would be appropriate, or inappropriate, to insert in line 6 on page 2, immediately following the word "employment," the words "or a fellowship," and immediately following the comma next following the word "stipend" the word "grant" and a further comma, so that the penal provision would read as follows:

> That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment or a fellowship the salary, wages, stipend, grant, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony.

Mr. O'MAHONEY. I should have no objection to that amendment. I think it merely restates what we have already tried to state, but if the Senator wants to offer it as an amendment to the committee amendment, I shall have no objection.

Mr. DONNELL. Mr. President, I respectfully offer the amendment to the amendment.

Mr. FERGUSON. Mr. President, the reason why that language was not inserted was that the word "stipend" was the language used in the committee to describe the sum of money which went to pay a fellow.

Mr. DONNELL. I should have no objection to leaving out the word "grant," but I think the general expression, or the frequent expression, with respect to money going to the holder of a fellowship, is "grant." Therefore I respectfully move that the amendment be amended by inserting in line 6, on page 2, after the word "employment", the words "or a fellowship," and after the word "stipend" and the comma the word "grant" and a comma.

The VICE PRESIDENT. Without objection, the amendment to the amendment is agreed to.

Mr. PEPPER. Mr. President, I am personally very much pleased that the Senator from Tennessee called attention a few moments ago to the language in lines 6, 7, and 8, on page 1, which might justify the assumption that it was the intention of the bill that the Commission should be governed only by the testimony and the report of the FBI, because the language reads:

> No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Attorney General finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States.

Had the record not been made very clear, it seems to me that that language might have justified the Commission in inferring that it was the intent of the Congress that it should be bound by the recommendations of the FBI in this matter. I am glad to have the assurance of the able Senator in charge of the bill that it is not intended to limit the witnesses or the information which the Commission may receive merely to what is furnished by the Federal Bureau of Investigation. They have a perfect right to make an inquiry which satisfies them, and to hear any other evidence which the Commission may desire to hear bearing upon the subject, and make a decision thereon.

Mr. O'MAHONEY. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. O'MAHONEY. I desire to amend only one word which the Senator used. He used the word "recommendation" with reference to the FBI.

Mr. PEPPER. I should have said "report."

Mr. O'MAHONEY. The amendment gives no authority to the FBI to make a recommendation.

Mr. PEPPER. It does give authority to make an investigation and report.

Mr. O'MAHONEY. That is correct.

Mr. PEPPER. I imagine the report would be in the nature of a recommendation, or conclusion, at least.

Mr. O'MAHONEY. No; I hope that they will make no conclusion. They will make their investigation and report. The final, complete responsibility rests with the Commission, and it may receive any information from any other source. We are only saying, "You must get some information by an investigation and report of the FBI."

Mr. PEPPER. Mr. President, I regret very much that the Senator from Wyoming did not seem disposed to accept the suggestion made by the Senator from Tennessee a moment ago that we merely provide that those recommended for these scholarships should be treated as employees of the Atomic Energy Commission and subject to the same rules and regulations to which other employees are subject. If that were done, there is already a prescribed procedure they follow with respect to employees, and, as I understand, there is a board which functions in respect to that matter. It would have seemed to me very much better merely to have assigned the recipients of the scholarships to the category of employees, which include the employees even for the most secret work, and they could all be dealt with similarly. But the Senator did not seem disposed to accept the suggestion, and neither the Senator from Tennessee nor I was inclined to offer the amendment as an amendment to the floor.

Mr. President, I wish to say just this last word. The Senator from Michigan a while ago talked about the gravity of these secrets, and he laid great stress upon the protection of the security of the Republic. This Nation was founded upon the philosophy of the protection of the individual, and I think today, especially when we get into the sacrosanct field of atomic energy, there is a tendency to forget the civil rights of the citizen, and to subordinate every private interest to what is presumed to be the public security.

Mr. President, the character of a young man is a fragile thing, and it may be that upon some ill report a young man with a brilliant future may be condemned for the rest of his life to frustration and defeat, and to be considered disloyal to his country. That may result simply because a police agency—and the FBI, excellent as it is, is nothing more—may report some hearsay remark that a person with some ax to grind may make about the family, or the friends, or the association, or a chance remark of a young man in one of the irresponsible periods of his life.

There is no right of appeal given in the amendment to a young man who wins this honor but is denied it because the FBI says something against him that may cause the Commission to consider that he is not a fit subject. He is condemned without a hearing, unless they choose to give him a hearing, notwithstanding that his merits or even his character may justify the trust and the award which otherwise he would receive.

I have only this to add, Mr. President. In 1938 I was in Nuremberg, and sat in at the Nuremberg Conference. Herman Goering was presiding. Hitler, Ribbentrop, and others in that galaxy of evil geniuses sat on the platform. Near to me was a man who could speak German as well as English. As the speakers spoke from time to time to an audience of 22,000 Nazis, the man would give us a sort of running summary of what the speakers were saying. One man was speaking, and the man who was interpreting for us said the speaker was the head of the department of justice, as it were, of Germany. I noticed the humor with which his remarks was received. I noticed how the audience laughed and seemed delighted at the derision that I could tell was contained in his utterances. Finally I asked the gentleman who was telling us something of what was said, what it was the audience was laughing at, and what was the point the speaker was making. "Why," he said "he is ridiculing the obsolete and archaic and outmoded Anglo-American jurisprudence and all it implies. He is pointing out that in the Nazi state they have set up the people's court to protect the public interest, while in England and in America a man cannot be convicted unless there is a written statute on the books denouncing as a crime what he has done, but under the enlightened and advanced procedure devised by the Nazis, the peoples court could judge a man to be a criminal, whether he had violated any written statute or not." That is what they called enlightened.

We have many technicalities in our courts, and many people complain about them; and the law's delay has been obnoxious from the time we set up our juridical system, but Mr. President, the emphasis is upon the welfare of the individual. There are many criminals who go free because of a technicality in the criminal law. But it is a part of the American philosophy that when we are dealing with the lives of the citizens of our country it is better for many guilty men to go free than for one innocent man to be hanged. Yet today, in the penumbra of atomic energy, the reputation of an innocent man can be hanged and there is hardly anyone who dares defend him without himself being smeared for trying to speak for another's civil rights. I think this is an illustration of it. Any Senator on this floor who votes against the amendment could be made the object of an evil attack by any sinister enemy he had, to the effect that he, the Senator, was protecting the Communists, whereas he was merely trying to protect the rights of Americans in their enjoyment of American liberty.

This kind of thing is subject to the gravest of abuse. Whenever we turn the civil liberties of America over to the tender mercies of any police agency it is a dangerous encroachment upon the protections we have drawn so long around our people.

I do not suppose in this era there is anything we can do about it except let this hysteria run its course and let the innocent suffer with the guilty in the larger interest we are trying to protect. But, Mr. President, it has not been the general philosophy of this country; and

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when these excursions are made into this dangerous territory certainly the advocates of these measures should throw around our people every possible safeguard against abuse which can be devised.

Mr. O'MAHONEY. Mr. President, no one could speak more eloquently, I am sure, than the Senator from Florida, in defense of civil rights. I echo every word he has said with respect to the dignity of the individual and the right of the individual, under our system, to be protected. I approve of everything the Senator has said. But we are confronted with a condition of fact which may easily make it difficult for any individual anywhere to preserve his liberty unless we take proper safeguards against the infiltration of those who would destroy our system.

What greater contribution can a young scientist make to the American ideal of living and the American theory of government, and the freedom for individuals we are trying to protect here, than by willingly subjecting himself, maybe to some annoyance, maybe to some misunderstanding, maybe to some wrong even, so that those agents of totalitarian power whom we know to be seeking to obtain the information in question in order to use it against freedom, may not secure it?

I say to my colleagues of the Senate that the student of America who is conscious of the great opportunity that is presented in America, the student who is conscious of the great objectives which the founders of this Nation had in mind, will not want to run the risk of having that structure torn down by the infiltrators from totalitarianism just because perhaps someone may suffer.

There is many a boy who lost his life in the war unnecessarily and wrongfully, but the sacrifice was made for the common good.

I say to the Senate that the record before us shows that the loyalty investigation of Government employees, which was required by Executive order of the President of the United States, has been carried on with exemplary care to avoid the infringement of civil rights. I say that the work of the executive agency in carrying on this loyalty investigation was made necessary by the facts before us. I think it is a matter of great pride to every American, and particularly to every Member of Congress, that the results of that investigation demonstrate that only an infinitesimal number of those who have been employed by the Government have been in any degree or sense disloyal. But we had evidence before us, Mr. President, that there were those who were disloyal, and the committee felt that it could not take the responsibility of opening the door for a continuation of that type of attack upon everything for which the Government of the United States stands.

Mr. President, I believe the amendment should be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. FERGUSON. Mr. President, I simply cannot let pass the remarks made by the distinguished Senator from Florida [Mr. PEPPER]. He has indicated, in a way, that what the Senator from Michigan has said——

Mr. PEPPER. Mr. President, if I said anything to reflect upon the Senator from Michigan, I certainly did not intend it. I was speaking about the point of the argument, but I certainly did not intend to in any sense of the word a reflection upon the Senator from Michigan. If I unintentionally said anything that was offensive to the Senator, I apologize to him. I was addressing myself to the argument, and I do not retract what I said with respect to that; but if I said anything which in any sense of the word could be regarded as offensive, I apologize.

Mr. FERGUSON. I am going to reply to the argument, or the insinuation that the Senator from Michigan may not be interested in the civil rights of the individual. The Senator from Michigan wants to protect the rights of the individual. He wants to protect the rights not only of citizens, but of all the people who are residents of the United States. He feels that the one way to protect them is to have something in the law concerning atomic energy which will protect them. The United States Government has assumed the obligation, on behalf of all the citizens of the United States, to provide for the national defense. There are a few left who believe that if those who are opposed to the fundamental principles and institutions of our Government had the atomic bomb, if they had the know-how and the capacity to make the atomic bomb, we would not be in a cold war today. We would be in a hot war. So the Government of the United States owes an obligation to the citizens of the United States to see that the secrets of the atomic bomb are not given to anyone else. That is all we are trying to accomplish by this amendment.

Certainly there are rights of the individual; there are rights of groups of citizens; but when we come down to the fundamental principle of atomic energy and what it can be used for, we know that it could take from the Government and from the people their liberties if knowledge of it were possessed by others. I think the time has come for the Government of the United States to step in and say that at least we are going to protect, so far as possible, the individual citizen from being destroyed by someone who would use this weapon for his destruction.

That may be said by some to be taking away individual liberties and civil rights. But it is plain that no one has a civil right to a fellowship to study and conduct research in atomic energy; and if he has no civil right or any other right to work in that particular field, how can it be said that he has been deprived of anything when we give to the executive branch of the Government the authority to say whether or not he should be employed in that particular field? That is all we are doing by this amendment.

So let us not become hysterical over the civil rights of the individual. In this particular case we are dealing with a very dangerous weapon, one with respect to which the Congress has seen fit to grant the Government a monopoly, prohibiting anyone from obtaining information concerning it except those to whom the executive branch wishes to give such information.

So I hope we may take the broad view, the protection of each and every individual, including women and children, the mothers and fathers back home, who are not here to protect themselves. Let us do all within our power to see that so far as the Congress is concerned, no enemy of the United States shall obtain this information.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] as amended.

Mr. TAYLOR. Mr. President, I agree with the Senator from Florida when he says that anyone opposing this amendment subjects himself to slander and unfair accusations as to his loyalty and devotion to this country. Nevertheless, I wish to make it plain that I am opposed to the amendment. I could make a point of order against it and ask for a yea-and-nay vote. I do not intend to do so, because I do not think it would alter the situation. So I have nothing to gain by rising to speak. I have no serious hope of stopping the amendment.

Mr. President, I have talked with atomic scientists. I know that they do not want the amendment. They feel that it would hurt the program. Scientists are not going into the program because of these investigations, and the onerous conditions attached to employment with the Atomic Energy Commission.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a question with respect to the last statement he has made, about scientists not going into the program?

Mr. TAYLOR. I yield.

Mr. HICKENLOOPER. The record shows that there is no shortage of scientists in the program. There are more scientists in the program today than ever before. Each plant in the atomic energy program has very little difficulty in getting scientists, according to the testimony of the commissioners themselves and the plant managers. So wherever the Senator gets his information that scientists are not going into the program today, that source of information is not informed on the facts and the record.

Mr. TAYLOR. I am happy to have the correction from the Senator from Iowa. Of course, there are scientists and scientists. I recently read an article by Dr. Harold Urey. Certainly he is a reputable scientist. He is one of the men who perfected the atomic bomb. He made the statement that all the hullabaloo of investigation and character assassination was hurting the atomic energy program. I think I can take his word. His statement was published in the press. It was not made in any secret conference.

Mr. President, I feel that the hysteria which has seized the country is playing

into the hands of our enemies. I feel that we are really letting the Russians run the show for us. We are adopting their methods. I think our greatest weapon against totalitarianism is the freedom we have. We are sacrificing that freedom in the name of fighting totalitarianism, and I cannot go along with such a policy. I want the RECORD to show that I am opposed to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY], as amended.

The amendment, as amended, was agreed to.

Mr. McMAHON. Mr. President, I call up for consideration an amendment which was submitted a few days ago, providing for the use of $2,700,000 of the amount appropriated in this bill for transfer to the Navy Department for use in connection with the Arco, Idaho, site.

The VICE PRESIDENT. The amendment offered by the Senator from Connecticut will be stated.

The LEGISLATIVE CLERK. On page 10, line 5, after the word "responsibility", it is proposed to insert the following: "*Provided further*, That not to exceed $2,700,000 of the amount herein appropriated may be transferred to the Department of the Navy for the acquisition, construction, and installation, at a location to be determined, of facilities (including necessary land and rights pertaining thereto) to replace existing Navy facilities at Arco, Idaho, which latter facilities are hereby authorized to be transferred by the Secretary of the Navy to the Commission for its purposes."

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I yield.

Mr. FERGUSON. Does this amendment increase in any way the appropriation, or is it merely a transfer?

Mr. McMAHON. It is merely a transfer. It provides authority for the Commission to take out of the funds Congress has appropriated this amount of money to reimburse the Navy for the installations the Navy is giving up at Arco.

Mr. FERGUSON. I thank the Senator.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I yield.

Mr. WHERRY. Those funds will be taken out of the appropriations for the Atomic Energy Commission; will they?

Mr. McMAHON. Oh, yes.

Mr. WHERRY. They will not be taken out of the total appropriations carried in this bill?

Mr. McMAHON. It is very definitely to be taken out of the appropriations for the Commission.

Mr. WHERRY. I thank the Senator.

Mr. FERGUSON. Mr. President, will the Senator yield to me again?

Mr. McMAHON. I yield.

Mr. FERGUSON. Let me say that I hope the Senator from Wyoming will take this amendment to conference, so that it may be dealt with there.

Mr. O'MAHONEY. I hope that may be done.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. McMAHON].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, there are two items which are in the nature of a committee amendment, but actually are not. I have here a letter from Assistant Secretary of State Ernest A. Gross, calling attention to the fact that the committee in its report had deleted an item for the implementation of Public Law 865, of the Eightieth Congress, approved on July 1, 1948, providing for medical care and treatment for certain veterans in the Philippines. His letter states:

> This item included $9,400,000 for construction of hospitals and $3,285,000 for hospitalization as authorized in Public Law 865.

Both these items were budgeted. I shall offer them as amendments, but I ask that they may be taken to conference, where the Senate conferees will be free to go into the matter.

At this point I ask that the amendment be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 62, after line 10, it is proposed to insert a new paragraph, as follows:

> Grants to the Republic of the Philippines: For payments to the Republic of the Philippines of grants in accordance with the act of July 1, 1948 (Public Law 865), for (a) construction and equipping of hospitals, $9,400,000, to be immediately available and to remain available until expended, and (b) expenses incidental to medical care and treatment of veterans, $3,285,000.

Mr. O'MAHONEY. Mr. President, in connection with the amendment, I ask unanimous consent to have printed at this point in the RECORD the letter I have received from the Assistant Secretary of State.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, July 12, 1949.

The Honorable JOSEPH C. O'MAHONEY,
United States Senate.

MY DEAR SENATOR O'MAHONEY: The Department understands that the Committee on Appropriations of the Senate has reported out the Independent Offices appropriation bill (H. R. 4177) but that the committee report has deleted an item for the implementation of Public Law 865 of the Eightieth Congress approved on July 1, 1948, providing for medical care and treatment for certain veterans in the Philippines. This item included $9,400,000 for construction of hospitals and $3,285,000 for hospitalization as authorized in Public Law 865. The Veterans' Administration was not able to have this item included in the original budget for 1950, but it was sent to the Senate by the President in Senate Document No. 44 as a budget amendment.

The Department on June 7 concluded an agreement with the Philippine Government for the implementation of Public Law 865 and is now in receipt of a telegram from our Chargé in Manila stating that press stories on the possibility of eliminating this item have reached Manila. The Chargé feels that failure to include these funds in the current bill would be a severe set-back to the veterans' program in the Philippines and that it would be particularly unfortunate in view of the recent favorable publicity accorded at the signing of the agreement. The agreement of June 7 included a safeguarding clause which provided that implementation of the act would be subject to the availability of appropriations, but the failure to make the necessary funds available to do so will nevertheless place this Government in an embarrassing position. There is widespread feeling in the Philippines that the provisions of Public Law 865 did not discharge in full our obligations to Philippine veterans and the Department has been under considerable pressure to support additional legislation for the extension of further benefits to Philippine veterans, and it is a matter of record that Public Law 865 as finally enacted carried out only in part recommendations which had been sent to the Congress by the President.

As a result of this feeling and the further fact that the people of the Philippines are seriously disturbed by recent events in the Far East, the failure to make appropriations available to carry out the agreement of June 7 and the provisions of Public Law 865 could have very serious repercussions. It might be interpreted in the Philippines and perhaps elsewhere to indicate a lessening of interest on the part of the United States Government and a withdrawal of support from elements which had heretofore demonstrated friendly feelings toward the United States. A further complicating factor in this situation is the fact that in November of this year a Presidential election is to be held in the Philippines, and this action might be seized upon by people not friendly to the United States who would claim that it was futile to look forward to close association with the United States Government which could not be depended upon to carry out agreements to which both the Congress and the administration were committed.

For the foregoing reasons the Department looks upon this matter as one of considerable urgency and hopes that it will be possible to restore this item in the appropriation bill.

The Department has noted that on July 8 you filed a motion to suspend the rules to introduce certain amendments to the bill on the floor and expresses the hope that you will find it possible under the rules to introduce also the attached proposed amendment, which would accomplish the purposes desired. Owing to the urgency of the matter it has not been possible to secure formal concurrence from the Veterans' Administration and the Bureau of the Budget, but this proposal has been discussed informally with both agencies, and the Department is authorized to state that the foregoing meets with their approval.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. As a member of the subcommittee and also of the full committee, I ask if the Senator will state whether any justification was made for this item?

Mr. O'MAHONEY. Oh, yes; there was testimony in justification.

Mr. WHERRY. I did not hear it.

Mr. O'MAHONEY. The Eightieth Congress passed a law specifically granting this.

Mr. WHERRY. I understand that.

Mr. O'MAHONEY. And the justification was that in compliance with that law, we were to build the hospital, and that this estimate is the estimate of what

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the cost will be, and that the $3,285,000 is the estimate of the expenses incident to medical care and treatment of the veterans.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. Was the Bureau of the Budget consulted about this item?

Mr. O'MAHONEY. The Bureau of the Budget submitted the estimate, but we cut it out.

Mr. WHERRY. What did the House of Representatives do?

Mr. O'MAHONEY. My recollection is that this was not considered by the House of Representatives.

Mr. WHERRY. Why was it not considered by the House of Representatives, if there was a budget estimate? Did the budget estimate come here after the House had passed the bill?

Mr. O'MAHONEY. The House did not consider all the budget estimates. Let me read the letter from the Assistant Secretary of State.

Mr. WHERRY. First, let me inquire whether the Budget Bureau recommended the amount to the House of Representatives. I should like to ask about this, because I think both the Senator from Wyoming and I are trying to accomplish the same thing.

Mr. O'MAHONEY. The budget estimate did not go to the House. It came to the Senate and was submitted in Senate Document 44, which called for grants to the Republic of the Philippines in the amount of $12,685,000.

Mr. WHERRY. Mr. President, if the Senator from Wyoming will yield further, let me say I understand that the answer is or must be, from the Senator from Wyoming, that the budget estimate was not submitted to the House of Representatives.

Then I ask this question: Was that because the evidence was not ready at the time?

Mr. O'MAHONEY. I understand that to be the fact.

Mr. WHERRY. Then the budget estimate was prepared and was presented to the Senate. Is that correct?

Mr. O'MAHONEY. The Senate committee considered it, but did not vote to adopt the amendment. But after that action, the chairman of the subcommittee received this letter, in which it is pointed out that on June 7 the State Department had concluded with the Philippine Government an agreement for the implementation of Public Law 865 of the Eightieth Congress; and the letter states that the State Department "is now in receipt of a telegram from our chargé in Manila stating that press stories on the possibility of eliminating this item have reached Manila. The chargé feels that failure to include these funds in the current bill would be a severe setback to the veterans' program in the Philippines and that it would be particularly unfortunate in view of the recent favorable publicity accorded at the signing of the agreement."

So, Mr. President, I submit that if we are permitted to take the item to conference, the conferees will be free to go into the matter there in more detail.

Mr. WHERRY. Did that letter come after the subcommittee acted?

Mr. O'MAHONEY. Yes; it is dated July 12.

Mr. WHERRY. So it is new evidence, evidence which was not before the subcommittee. Is that correct?

Mr. O'MAHONEY. Precisely.

Mr. WHERRY. And it is on the basis of that new evidence that the chairman of the subcommittee believes the amendment should be adopted and taken to conference. Is that correct?

Mr. O'MAHONEY. Yes. This came after the full committee made its report. I pointed out that I was not familiar with the amendment, that the letter had been received, and that I would offer the amendment with the understanding that it be reviewed in conference. Before making the presentation of the amendment here, I presented the letter to the senior minority member of the committee.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. What is the total amount?

Mr. O'MAHONEY. The total is $12,685,000, of which $9,400,000 is for construction and equipping of the hospital, and $3,285,000 is for expenses incident to medical care.

Mr. WHERRY. Mr. President, I shall not resist in any way this suggestion by the chairman of the subcommittee, now that the new evidence is before the Senate. I remember distinctly that in the committee we did not vote for the appropriation which was requested by the agency and by the Bureau of the Budget.

I point out that although after 5 days we have been able to save approximately $20,000,000 by reducing the appropriations carried by this bill, yet, on the other hand, at this time in 5 minutes or so we are about to restore to the bill appropriations in the amount of approximately $12,000,000, on the basis of evidence which was not before the committee when the committee voted to report the bill.

Mr. O'MAHONEY. The Senator from Nebraska is quite correct.

Mr. WHERRY. It seems that many of the efforts for economy will thus be defeated.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Wyoming [Mr. O'MAHONEY].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, the last amendment which the chairman of the subcommittee will offer is one to correct a typographical error, by correcting the spelling of the word "classification", on page 75. I offer the amendment and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 75, in line 7, it is proposed to strike out the misspelled word "Clasification" and insert in lieu thereof "Classification."

The VICE PRESIDENT. Without objection, the correction will be made.

Mr. KILGORE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, before the period in line 5, it is proposed to insert a colon and the following: "*Provided further*, That no part of this appropriation shall be used for the acquisition of natural gas for use as fuel at the atomic energy installation at Oak Ridge, Tenn."

Mr. KILGORE. Mr. President, in support of the amendment, let me say the Oak Ridge plant is now equipped for coal. It will cost considerable money to change over to gas. Had the plant been constructed so as to use both gas and coal, or to use gas as an auxiliary fuel in the installations there, I would not seriously object. But it seems to me, in view of the existing coal-burning plant at Oak Ridge, it is a shame to bring gas there.

Moreover, in the closing paragraph of the report the committee sustains me in regard to this matter. It is the Commission's idea, not the Joint Committee's idea.

Mr. WHERRY. Mr. President——

Mr. O'MAHONEY. Mr. President, I ask the Senator to wait just a moment, if I may have the floor.

Let me say that I am reluctant to raise the point of order, but I am afraid this amendment is subject to the point of order that it is legislation on an appropriation bill. Therefore, I feel required to raise that point of order.

Mr. WHERRY. Mr. President, does the Senator from Wyoming say he is making a point of order against this amendment?

Mr. O'MAHONEY. Yes.

Mr. KILGORE. Mr. President, I think it is a limitation.

Mr. WHERRY. The point of order has been made, and of course it must be ruled upon.

The VICE PRESIDENT. The Chair is constrained to suggest that although the amendment may be in the nature of an amendment changing the effect of a present law, it is a prohibition against an expenditure for a certain purpose.

Mr. O'MAHONEY. Mr. President, it undertakes to control the exercise of discretion by the Commission.

The VICE PRESIDENT. That is true, but the Chair cannot pass on the wisdom of that.

The Chair must pass on the point of order. The Chair rules that the point of order seems not to be well taken.

The question is on agreeing to the amendment of the Senator from West Virginia.

Mr. WHERRY. Mr. President, I should like to ask about this matter. I am not sure whether the distinguished Senator from West Virginia has the information, but, as I recall, in the Small Business Committee, at the time when the company was to supply the fuel, we made a great effort to get the steel for this pipe. Has any of the pipe been laid?

Mr. KILGORE. I do not know.

Mr. WHERRY. I am interested in ascertaining how much money, if any, has been spent by us for the pipe line. I should like to know how much steel

went into it. Also I should like to know whether the amendment, if adopted, will cause us to abandon the pipe line, thus causing considerable loss.

Mr. KILGORE. We are not building a pipe line at all.

Mr. WHERRY. But the company is. Is the United States going to pay the company?

Mr. McMAHON and Mr. MAYBANK addressed the Chair.

The VICE PRESIDENT. Does the Senator yield; and if so, to whom?

Mr. WHERRY. I yield first to the Senator from Connecticut, and then I shall yield to the Senator from South Carolina.

Mr. McMAHON. Mr. President, the pipe line is under construction in accordance with the terms of a contract which has been entered into between the Tennessee Natural Gas Pipe Line Co. and the Atomic Energy Commission, under which the Commission agrees to take a certain amount of gas over a period of years. The corporation has been granted its certificate of convenience and necessity by the Federal Power Commission, and the pipe has been pretty well put into the ground.

I may say to the Senator, the Joint Committee on Atomic Energy was advised a year or more ago of the fact that this contract was anticipated and was proposed by the Commission; that is, they were going to enter into it. There was no manifestation of approval or disapproval by the joint committee in the Eightieth Congress, and the Commission went ahead and entered into the contract. After the contract got pretty well along and when protests were received, I, as chairman, appointed a subcommittee. The subcommittee went into the matter and came to the conclusion that reliance should be had on coal alone.

Since that time, speaking only for myself, there has been a great deal of testimony heard. I do not mean that I have heard it alone, but I have heard the testimony, and my individual judgment at this time is, first, that we have gone far along the road in setting up contractual rights, and, second, the case made by the Commission in its presentation was such as to persuade me that I should not inject my judgment in place of their judgment that a supplementary and auxiliary fuel was desperately necessary, in view of the vital character of this installation.

I can sympathize with the Senator from West Virginia in his desire to see that coal produced in that region should be used in the plant; but it is my understanding there is no intention of cutting off the use of coal entirely, but it will be more or less a 50–50 proposition. However, I do believe the situation is such now as to make very unwise the adoption of this amendment.

Mr. KILGORE. Mr. President, will the Senator from Nebraska yield for a question to the Senator from Connecticut?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from West Virginia?

Mr. WHERRY. I will yield in a moment, but first I want to yield to the Senator from South Carolina, because he rose once before.

Mr. MAYBANK. I merely wanted to answer the Senator's question about the allocation of steel. The Senator brought that out. The steel was allocated by the Department of Commerce, and it is still under allocation by that Department.

Mr. WHERRY. I am now glad to yield to the Senator from West Virginia.

Mr. KILGORE. I ask the Senator from Connecticut: What authority has he for the statement that both fuels will be used? The Senator knows that the two types of fuels are not interchangeable in boilers or in heaters. It is impossible to burn coal today and gas tomorrow. Entirely different facilities must be provided, otherwise a tremendous amount of gas could be wasted.

Mr. McMAHON. That is true. Of course we have more than one boiler plant in that area, as the Senator knows.

Mr. KILGORE. Yes.

Mr. McMAHON. I will be frank and say that probably more gas will be used than coal.

Mr. KILGORE. Is it not correct to say it will be nearly all gas? In fact, is not the contract of such an enormous size that there is a guaranty to pay back within 5 years in profits to the company $6,000,000, and that it will necessitate the exclusive use of gas?

Mr. McMAHON and Mr. KEFAUVER addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; if so, to whom?

Mr. WHERRY. Mr. President, I do not want to indulge the Senate in colloquy. I will ask a question, or answer one, after which any Senator may have the floor in his own right. I want to get back to this contract. I should like to know whether, in the event of our voiding the contract or violating its provisions through refusing to take gas, the United States becomes liable for the payment of reparations as a result of cutting off the gas?

Mr. McMAHON. Mr. President, is the Senator asking me?

Mr. WHERRY. I am asking the Senator from Connecticut.

Mr. McMAHON. In my opinion there is a valid contractual right on behalf of the gas company, and I think the United States would definitely be liable in damages upon the cancellation of the contract at this time.

Mr. WHERRY. Would that be because, in order to comply with the contract, the company has gone ahead and installed gas pipe?

Mr. McMAHON. That is correct.

Mr. WHERRY. Does the Senator have any idea as to how many miles of gas pipe have been installed? Can the distinguished Senator from Tennessee tell me that?

Mr. KEFAUVER. I may say to the Senator that about 4 or 5 days or a week ago my information was they had about 50 miles of pipe actually laid. They have purchased the right-of-way, and they have dug their ditch for probably 50 or 60 miles or more. The total distance I believe is about 115 or 120 miles. It is at least half laid.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. CONNALLY. Mr. President, I happen to be a member of the Joint Committee on Atomic Energy, and I sat in the hearings on this subject when the matter was before the committee. I want to say a very splendid case was made with respect to anticipated savings. The witnesses also pointed out the progress which had been made in connection with adopting this plan. I think it would be most unwise to adopt this amendment, and to wreck what has been done, in order to undertake to use some other fuel. I think it would be most unwise.

Mr. FERGUSON. Mr. President, will the Senator from Nebraska yield to me, in order that I may ask the Senator from Texas a question?

Mr. WHERRY. I am glad to yield. I intended to yield the floor in a minute, but I am glad to yield to the Senator to enable him to ask a question of the Senator from Texas.

Mr. FERGUSON. Did not the subcommittee find that the pipe-line and gas installation should not be proceeded with?

Mr. CONNALLY. I cannot advise the Senator as to that. I do not know.

Mr. FERGUSON. Mr. President, would the Senator from Connecticut care to answer that question?

Mr. McMAHON. I was not a member of the subcommittee myself, but the subcommittee found, in its judgment, that it was unwise to do so. I must say to the Senator, the subcommittee did not have as much evidence as later came before the full committee in the course of the investigation that we have been conducting. I am delighted that the Senator from Texas reminded the Senate, and incidentally myself, of the amount of money which is going to be saved by the use of gas. I think it will run about $750,000 a year, if I am not mistaken.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. Just a moment. I yielded to the Senator from Texas.

The VICE PRESIDENT. The Senator will suspend until the Senate is in order. Senators will resume their seats. The Senator from Nebraska has the floor. To whom does the Senator yield?

Mr. WHERRY. I yield to the Senator from Texas.

Mr. CONNALLY. I believe the question propounded by the Senator from Nebraska a little while ago was whether, in the event the program undertaken by the Commission is abandoned, there will be financial recourse against the Government of the United States. Was that the Senator's question?

Mr. WHERRY. That is correct.

Mr. CONNALLY. There will be, of course, if the United States Government has any integrity and any moral conviction. It will of course cost money.

Mr. WHERRY. If I may, I ask the Senator, in the event this is done, what will it cost the Government? Can the Senator tell me?

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Mr. CONNALLY. I cannot answer that question.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. KEFAUVER. The testimony given in the hearings shows that if this is done, the Government will save $1,200,000 a year by reason of the difference in the price of the fuel it will use.

Mr. WHERRY. The Senator means, if gas is used, does he not?

Mr. KEFAUVER. If gas is used to the extent planned, the Government will save $1,200,000 a year.

Mr. WHERRY. Does the Senator mean as compared to the use of coal?

Mr. KEFAUVER. That is correct.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. McKELLAR. Mr. President, I desire to say that it is unquestionably true that at least $1,000,000 a year will be saved by the use of gas. Besides, it can be more economically administered than can coal. It is absolutely necessary for this great undertaking to have connection with a gas line. In addition to that, if the contract be broken, the United State Government will have to pay damages. For those reasons, I hope the Senate will not adopt this amendment.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HICKENLOOPER. Mr. President, being a member of the Joint Committee on Atomic Energy, I should like to state my recollection of the situation for the record.

A year or so ago the Commission reported to the joint committee that the installation of this pipe line, which will cost approximately $10,000,000, was absolutely essential in the interests of national defense. The Commission made a strong representation to that effect. The joint committee took the word of the Atomic Energy Commission that that statement was correct. Later, near the end of last year, complaints began to come in that misrepresentations had been made on that score. After the Senator from Connecticut [Mr. McMAHON] became chairman of the joint committee, he appointed a subcommittee to look into the question. The subcommittee found, and reported unanimously, that the installation of the gas line was not necessary in the interests of national defense, that it was only a matter of convenience, and the subcommittee unanimously opposed the construction of the pipe line.

That subcommittee report, which is on file, was submitted to the entire Atomic Energy Committee which, in turn, formally, without a dissenting vote, voted approval of the report. The subcommittee was appointed prior to the beginning of the building of the pipe line, and prior to the issuance of the certificate of convenience and necessity. That certificate was issued after the subcommittee had been appointed and while it was still holding its hearing.

The agency which passes on the issuance of certificates of convenience and necessity said it granted a certificate to the Tennessee Gas Co. solely on its representation that it was vital in the interest of national defense. Our subsequent investigation and the report of the subcommittee found that was not true, that there is ample storage for coal, that there is ample conveyance to get the coal in, and that the gas line is not at all essential in the interest of national defense. The record so shows.

However, immediately upon the issuance of the certificate of convenience and necessity the contract between the Atomic Energy Commission and the Tennessee Gas Co. went into effect, and construction of the pipe line was started, even while the subcommittee was investigating the complaints which had been received. It is my information that approximately half of the pipe line has been constructed by this time and the right-of-way for the rest of it has been acquired.

I think the gas line is not essential. I do not agree that it will effect a substantial saving to the Government. I do agree that, based upon present gas rates, but not upon assured gas rates in the future, there is an indicated saving of a substantial amount of money each year for the Government.

I do not know whether the Senator from Tennessee [Mr. KEFAUVER] has the record of the hearings, but in the hearings of the joint committee it appears that a slight increase in the price of gas, considering the volume used, will put the price of gas above the price of coal. We do not know that the price is going to be increased, but a certain small increase per cubic foot will increase the cost of the gas over the cost of coal, so that the question of whether it is a long-range saving to use gas is a speculative question at this time. It is not an assured fact.

But we come to the dilemma to which the Senator from Nebraska has referred. I do not have the figures, and I do not know where they can be found, but it is my judgment that since we have been proceeding so far with the construction of the gas line—and I agree with the Senator from Texas that if it is stopped at this time the Government will be liable for a whale of an amount of money in damages, and I assume that the Senator from Tennessee [Mr. KEFAUVER] has the correct figures when he states that approximately 50 miles of the line has been built of a 117-mile pipe line, a $10,000,000 proposition—based on that figure we probably will stand a three- to four-million-dollar damage loss if we cancel the contract. I do not know that to be a fact, but I assume the probability of it. It may have gone so far that it would be unwise economy for us to cancel the contract. It is a dilemma in which I hate to see the Government placed, but it is a situation which we have to face. I feel that the pipe line should never have been built. But that is what has been done, and that is the condition at the moment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. I should like to ask whether or not this contract has a firm price for gas for any period of time, or can the price be raised?

Mr. HICKENLOOPER. I cannot recall the exact terms of the contract. I believe they can be very easily obtained. I think it is one of the sliding-scale contracts based upon general prices of gas delivered at the valvehead at various places and dependent somewhat upon the price in the gas fields, the source, regulatory acts that may enter in, unforeseen taxes, and matters of that kind. I think it is a perfectly standard contract form. I do not think there is anything wrong with the terminology of it. I think the so-called savings are purely speculative.

Mr. FERGUSON and Mr. LONG addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and, if so, to whom?

Mr. WHERRY. I shall be glad to yield for a question.

The VICE PRESIDENT. The Senator from Nebraska has the floor.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. WHERRY. I yield for that purpose.

Mr. FERGUSON. Is it true that the Atomic Energy Commission contracted in such manner that by putting the price of the pipe line into the price of the gas it would not be necessary to come to Congress for an authorization to do this particular work?

Mr. HICKENLOOPER. My understanding is that the cost of the pipe line is to be paid out of the price of gas over the next 3 or 4 years. It is not a direct appropriation, but there would be a damage penalty if the contract were canceled.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I have before me the contract which was entered into between the East Tennessee Natural Gas Co. and the Atomic Energy Commission. There is no right to change the rate which the gas company will charge for gas until the expiration of 3 years from the date of the first delivery. Then there is the usual clause concerning renegotiation and what not.

Mr. HICKENLOOPER. Sometimes it is the "what not" that causes the trouble.

Mr. KEFAUVER. There is a clause concerning renegotiation. There is also a provision that the amount paid depends upon the amount of gas used.

I may say in this connection, Mr. President, that the East Tennessee Natural Gas Co. is not a company that was formed for the particular purpose of entering into this contract. This is not a large, Nation-wide company. It is a small corporation, owned by people living in Tennessee. They have a contract for the furnishing of gas to the city of Nashville. About a year ago they received a tentative certificate of convenience and necessity for building a gas line from near the Kentucky and Tennessee line down to Oak Ridge, Knoxville, and Alcoa, and then also the company received a certificate to build a

line from near the Mississippi line, where the Tennessee gas and transmission line comes from Texas on up to the Appalachian region, to furnish gas to Chattanooga and the adjacent region of southeastern Tennessee.

The East Tennessee Natural Gas Co. entered into this contract with the Atomic Energy Commission in June 1948. The transaction was reported to Congress and it has been fully publicized in the newspapers for more than a year. They made an application a long time ago for a certificate of convenience and necessity and they received a tentative or conditional certificate. The matter was brought up about the certificate being issued only recently. That refers to the final certificate.

The company has gone to a great deal of trouble and expense in securing an allotment of steel pipe in order to have the pipe available. It has arranged all its financing, and I might say this runs into the millions of dollars. It finally started this project.

Regardless of the original merits or demerits of gas or coal—and I think the Atomic Energy Commission intends to use both at Oak Ridge, to save money if it can—it wants to have both sources of power available. It is certainly not in keeping with the dignity of the Federal Government to authorize one of its departments or corporations to enter into a valid contract, as it did more than a year ago, no complaint being made about it until after they arranged their financing, secured their certificate of convenience and necessity, and laid and built more than half the pipe, and secured the right-of-way for the other part, and then have the contract abrogated.

In my opinion, in good conscience the Government should go through with this contract. As matters now stand, the Government will save $1,200,000 a year. It will still use much coal. If the rates for gas go up after a period of 3 years, the Commission will use more coal or it may use coal almost exclusively. As I see it, the Government has everything to gain and nothing to lose by carrying out this contract, into which it entered in good faith, and which this company entered into in good faith, relying on the ability of the Government to carry out its agreement. Perhaps if this issue had been raised earlier a different decision should have been reached, but both parties have proceeded too far to terminate it now.

Mr. WHERRY. Mr. President, I could not understand why an amendment was offered to change over to coal, in view of the fact that so much work had been done on a pipe line to supply this activity in the interest of national defense. Now we find that after the work has been done, there is a proposition here to change over to coal.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. WHERRY. Not for a moment; then I shall yield.

I have much sympathy for the Senator from West Virginia. This is the first time I have known the conditions. We have not gone into this matter. I have worked diligently to get all the facts since the amendment was offered, but it is a fact that in the report the joint committee said on May 23, 1949, that the Commission's action had been taken without consultation with the National Security Resources Board. That was before the contract was entered into between the Atomic Energy Commission and the contracting company. So I suppose the Senator from West Virginia has a point there. But that still does not solve the dilemma we are in, because 50 or 60 miles of the pipe line has been built, and another 50 or 60 miles of pipe line is to be built, according to the contract, and when it is all over, several million dollars will have been spent.

Whether or not we can get a cheaper gas rate, or coal will be down in price, I do not know. I was mayor of a town once which had that problem before it. One year gas would be cheaper, another year higher. Usually the price of coal went up and down with the price of gas. Perhaps that will happen in this case; I do not know.

Certainly if we violate this contract, the Government will have to spend some money to make good the loss sustained. That is a certainty. Whether or not we could save enough over 20 years by using coal instead of gas to meet that expenditure I do not know.

Personally I am strong for carrying out my contracts. I think when one enters into a contract he should perform all its conditions, if possible. It seems to me we will have to go ahead and complete the contract. We will violate our contract if we turn to coal. Perhaps we will turn back to coal some time.

It seems to me that on the evidence submitted there is confusion. I do not see how one can intelligently vote on the amendment offered by the Senator from West Virginia at this time, although he might have a good case.

Now I am glad to yield to the Senator from West Virginia.

Mr. KILGORE. Mr. President, I merely wish to correct the able minority leader in one respect. The Oak Ridge plant has been in operation for a great number of years, and has been using coal. The proposal is not to change over to coal, and I want the RECORD to so show. The distinguished minority leader has been constantly saying I was asking for a change over to coal.

The Senator from Nebraska does not need to sympathize with me, because my State does not sell any coal to this plant, it comes from Tennessee, and it is the workers in Tennessee who will be thrown out of their jobs. I am sympathizing with them.

I am not asking that a contract be abrogated, but I did want to bring up the point that the effort to get by the report of a congressional committee, to beat the gun by getting the chips on the table in a hurry, is something which should not be passed by without a little admonishment.

Mr. WHERRY. I agree with the Senator in that conclusion. It seems to me that the evidence which has just been submitted shows that the Commission entered into the contract after the report was made, and they did not consult the National Security Resources Board.

If I said they had to change over from gas to coal, or coal to gas, I will correct the RECORD to fit the conditions which have been submitted by the distinguished Senator from West Virginia. But a contract has been made to use gas, and whether there is a change from coal to gas or gas to coal, I have no idea what it will cost. We are in an understandable state of confusion as to what the cost will be. My opinion is that the Commission will not save as much money over 20 years as is represented, whether coal is used or gas is used.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from West Virginia [Mr. KILGORE].

The amendment was rejected.

Mr. McGRATH. Mr. President, I send to the desk an amendment, and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 70, line 23, after the first comma it is proposed to insert the following:

Expenses (including personal services) in connection with the termination or liquidation of accounts carried on the books of the corporation.

Mr. McGRATH. Mr. President, this amendment is probably unique among those which have been offered to the pending bill. It is an amendment which seeks to get back into the Treasury of the United States several hundred million dollars as quickly as it can be gotten back, and probably that could be accomplished within the next fiscal year.

The amendment applies to the appropriation for the Home Owners' Loan Corporation, which is a Government agency seeking to get out of business; and that in itself is unique.

The Home Owners' Loan Corporation is trying desperately to liquidate. It is trying to liquidate its holdings in its field while the real-estate market is as good as it is at this time for the type of property which is represented in its mortgages. It has sold a considerable number of its mortgages. It has remaining on the books some 200,000 loans which will cost it approximately $5 apiece, or something less than $5 apiece, for the additional clerical work necessary to get the titles to these properties in proper order so that they may be transferred to other banking institutions or other institutions that may wish to bid on them either singly or en bloc.

Under the bill as reported by the committee the agency does not have the funds and is not permitted the funds with which to do this necessary clerical work which some day must be done. Without this amendment it would seem to me the Corporation is stopped here and now from continuing its efforts to liquidate. If it does liquidate, the value of its loans is something in excess of, I believe, $200,000,000. When these mortgages are sold the Corporation's debt to the Treasury will be paid. I think, Mr. President, that here is a chance to do a really good financial job for the Treasury.

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. MAYBANK. I should like to say that the subcommittee of the Apropriations Committee handling this item voted to appropriate the money, but the full committee struck it out. I am in thorough sympathy and accord with the Senator from Rhode Island when he says that the funds provided for by the amendment could be used to liquidate the Home Owners' Loan Corporation. Not only would it result in paying back to the Treasury what it owes, but many private banks would also participate to the extent in which they are interested in the loans.

Mr. McGRATH. Mr. President, the Senate should not intentionally want to put itself on record as preventing, by the failure to authorize an expenditure of something less than one million dollars, an agency of this kind from going out of business. We hear much talk about bureaus and bureaucracy in government. Now we have here a good chance to get rid of one agency.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. FERGUSON. The subcommittee has been endeavoring for years to try to get the Home Owners' Loan Corporation to dispose of its mortgages. Do I understand that the Senator's amendment would provide for an extra appropriation of one million dollars?

Mr. McGRATH. No; I may say to the distinguished Senator from Michigan that, as I understand the amendment, it is a sort of an authorization making it possible for the agency to spend whatever may be necessary in order to liquidate the mortgages which it is able to liquidate within the next fiscal year. The cost of liquidation is estimated at something less than $5 per mortgage. The Corporation has 200,000 mortgages. So if the Corporation were to liquidate all its mortgages within the next fiscal year—and there is a possibility that that could be done—the cost would be, as Senators can readily see, about $1,000,000.

Mr. FERGUSON. Mr. President, I understand we have given the Corporation about $10 to service each one of the mortgages. So if the Corporation is able to dispose of the mortgages at $5 or less apiece it would appear that the Corporation would not need any further appropriation.

Mr. McGRATH. Whether the Corporation can do that under the servicing appropriation I am not able to say.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McGRATH. I am glad to yield. I am sure the distinguished chairman of the subcommittee knows much more about the subject than I do.

Mr. O'MAHONEY. May I have the attention of the Senator from Michigan? The amendment which the Senator from Rhode Island has offered does not carry any money at all. It simply authorizes the Home Owners' Loan Corporation, within the appropriation which has been allowed, to undertake the expense if the money is available, in order to proceed with liquidation.

Mr. FERGUSON. The Senator from Michigan is in sympathy with that and has advocated such procedure for 3 years, but we have never been able to get the Corporation to sell the mortgages. I call the attention of the Senate to the fact that if it costs $5 or less to sell one of the mortgages and close it out, and it costs $10 to service the mortgage for a year, the Corporation should be able to close out the mortgages during the year and not come back for any further money for servicing.

Mr. O'MAHONEY. That is our hope.

Mr. McGRATH. It is hoped the Corporation may be able to do so. The amendment does not ask for additional money.

Mr. IVES. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. IVES. I should like to raise a point with the able Senator from Rhode Island. In effect the cost would not be any more one way than it would the other, as I understand. The amendment of the Senator from Rhode Island would merely allow the Home Owners' Loan Corporation to expedite the liquidation of the Corporation.

Mr. McGRATH. Some day the Corporation will have to be liquidated. Some loss may be suffered if the liquidation is made in a declining market. Some of the properties under mortgage are not of the best, nor are the properties in the best of condition. New housing is being built throughout the United States, and as the Corporation sells its mortgages it may lose some money on the principal.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. WHERRY. The amendment provides for an authorization, however, which might entail appropriations later on?

Mr. McGRATH. It may be that a deficiency appropriation will be asked for, but at the present time the amendment merely provides for getting the titles to the properties in order.

Mr. O'MAHONEY. The Home Owners' Loan Corporation operates with its own funds, and we are authorizing them to use their receipts for the purpose of expediting the liquidation.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. McGRATH].

The amendment was agreed to.

Mr. LONG. Mr. President, on behalf of myself, the junior Senator from Alabama [Mr. SPARKMAN] and the the junior Senator from Mississippi [Mr. STENNIS], I offer an amendment on page 53, line 2, to strike out "September 30" and insert in lieu thereof "December 31".

Mr. O'MAHONEY. I understand the purpose of the amendment is to extend the period from September 30 to December 31 within which this contract authority may be exercised.

Mr. LONG. That is correct. The time provided is so brief that many of the shipyards cannot proceed with the construction of ships.

Mr. O'MAHONEY. Mr. President, I am willing to accept the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Louisiana on behalf of himself and other Senators.

The amendment was agreed to.

Mr. MORSE. Mr. President, I call up two amendments, lettered "F" and "G," and ask that they be stated.

The VICE PRESIDENT. Does the Senator from Oregon desire that the two amendments be considered en bloc?

Mr. MORSE. I do.

The VICE PRESIDENT. The amendments will be stated.

The LEGISLATIVE CLERK. On page 10, before the semicolon in line 12, it is proposed to insert a comma and the following: "which are not available in the Federal service."

On page 12, before the period in line 16, it is proposed to insert a comma and the following: "or for the compensation or expenses of any member of a board of examiners who has not filed an affidavit that he is not, and within the fiscal years 1948 or 1949, has not been, pecuniarily or otherwise interested in any proceeding before any agency (as defined in section 2 of the Administrative Procedure Act), or any other proceeding to which the United States is a party."

Mr. MORSE. Mr. President, I hope the Senator from Wyoming will agree to take these two amendments to conference. I have a brief explanation to make of them.

Although there may be serious question as to the legality of its action, the Civil Service Commission has publicly contended that under authority granted by the Administrative Procedure Act it delegated to a nongovernmental group the power to determine whether or not incumbent and applicant hearing examiners for governmental agencies possessed requisite qualifications. Mr. President, shortly thereafter a question was raised as to the legality of this action, and it was suggested that the Commission obtain an opinion from the Attorney General sustaining the legality of its action. Had it done so, I think a rather unfortunate incident, about which I shall comment very shortly, could have been avoided. But, so far as I know, the Commission never saw fit to ask the Attorney General to give it an opinion on its original action.

Serious allegations have been made by a number of responsible attorneys and organizations not only as to the questionable legality of the delegation of power by the Commission, but also as to the impartiality of the Board of Examiners to which this power was delegated.

Mr. President, I wish to make perfectly clear that I raise no question as to the impartiality of the board of examiners. For example, I know the distinguished justice of the California Supreme Court, Justice Edmonds, very well. I know of no judge of my acquaintance in the entire United States for whom I have a higher regard than Justice Edmonds of the California Supreme Court. In fact, I want to say that he is the type of judge who in my opinion would do great credit on the United States Supreme Court

itself. So I am discussing this matter quite separate and distinct from the question of the individuals who were selected to form this board, individuals who were selected from outside the Government service.

Among other things, the attorneys who challenge the action of the Commission, allege that the Commission has, in effect, placed the power to control the entire administrative judiciary in the hands of a few non-Government officials.

I have made some investigation of this matter. I am persuaded that my amendments should be adopted.

The Commission's action also has formally been brought to the attention of the Senate in the form of a memorial, seeking full investigation of the Civil Service Commission's conduct, by more than 2,000 practitioners before the Interstate Commerce Commission. That memorial has been referred to the Senate Committee on Post Office and Civil Service.

Without passing upon the merit of the allegations, it is clear that a serious question has been raised which we cannot in wisdom ignore.

Even if the allegations should, after full investigation, prove untrue, this body must protect the integrity of the administrative judiciary.

Furthermore, I desire to point out that the amendment I propose is merely in reaffirmation of a principle clearly enunciated in the body of the appropriation bill itself, on page 12, lines 4 to 10. There a specific exception is noted to sections 281 and 283 of title 18, United States Code. And my proposal is also in reaffirmation of Executive Order 9830, which became effective May 1, 1947, which authorized the Commission to establish committees of expert examiners already in Federal service, and permitted the use of outside groups only where qualified examiners were not available in Federal service.

Mr. President, I am delighted to submit my statement of explanation for the RECORD on the statement of the Senator from Wyoming [Mr. O'MAHONEY], who has just whispered in my ear, that he will be glad to take my amendments to conference. I always settle on such a basis.

The VICE PRESIDENT. The Chair is glad that the art of whispering has been revived in the Senate.

The question is on agreeing to the amendments offered by the Senator from Oregon [Mr. MORSE].

The amendments were agreed to.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article published in today's Washington News. The article is entitled "Entire Board Quits in Row With CSC."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENTIRE BOARD QUITS IN ROW WITH CSC

(By John Cramer)

The so-called McFarland Board, which helped the Civil Service Commission conduct its recent exam for Government hearings examiners, has resigned en masse in an angry dispute with the Commission over the handling of the exam, the News learned exclusively today.

The board, composed of outstanding attorneys and judges, was set up 2 years ago as an unpaid group of consultants to pass on the qualifications of hearings examiners—the Government officials who sit as judges when the legality of Federal administrative regulations are challenged.

The board's letter of resignation was submitted last week by Chairman Carl McFarland, Washington attorney.

It follows a long undercover dispute between the board and the Commission over alleged bungling by the Commission—and alleged manipulation of exam grades by Civil Service officials.

Both Mr. McFarland and Civil Service officials confirmed the resignations last night, but neither would divulge details of the dispute.

BYPASSED BOARD, CHARGE

From other sources, however, it was learned that the McFarland Board had accused Commission underlings of ignoring the board's recommendations; of failing to consult it on matters on which it should have been consulted—and of adjusting examination grades without consulting the board.

In one case, it was alleged, subordinate Commission officials insisted on giving an ineligible rating to a hearings examiner who had been rated eligible by the McFarland Board.

In another, an examiner whom the board had declined to rate "eligible" was given this rating by Commission subordinates.

ADJUSTED BY UNDERLINGS

In still other cases, it was alleged, grades of individual examiners were adjusted upwards by subordinate Commission officials, thereby greatly increasing their chances for eventual promotion. (Under Civil Service rules for hearings examiners, all eventually will be placed on a promotion register on which their ranks will be determined by their exam ratings).

The McFarland Board claimed that these and other Civil Service Commission abuses had rendered its work virtually worthless and threatens to destroy the integrity of the entire hearings examiner system.

CSC OFFICIALS DENY IT

Civil Service officials emphatically denied the board's charges.

Along with Mr. McFarland, board members included D. L. Edmonds, associate justice of the California Supreme Court; Joseph W. Henderson, Philadelphia; Laurence M. Hyde, associate justice of the Missouri Supreme Court; Willis Smith, North Carolina, former president of the American Bar Association; Joseph W. Henderson, Philadelphia, also a former Bar Association president and now acting president of Bucknell University, and Wilson M. Mathews of Civil Service.

Mr. Mathews was not a party to the mass resignation.

Justice Reynolds was reported even more incensed than other board members by alleged Commission bungling and abuses.

CONTROVERSY WAS SECOND

The board's mass resignation followed on the heels of an earlier controversy in which it was bitterly attacked by the hearings examiners.

The examiners accused the board of political, racial, and economic bias in its rating of examiners.

These accusations were not made when the board originally was appointed—but were first heard after the board gave ineligible ratings to almost one-third of the 250 incumbent hearings examiners.

RERATED ALL EXAMS

When the examiners launched their widely publicized campaign of protest, the Commission rerated all exams—and gave eligible ratings to a majority of those previously rated ineligible.

Result is that only about 10 percent of the 250 incumbent examiners now are in the ineligible group—and most of them still have appeals pending before the Commission's Board of Appeals and Review.

The Commission's unofficial explanation at the time was that there had been a misunderstanding about the standards to be applied in the exam.

The McFarland Board, CSC explained, had taken its instructions from ex-Civil Service Commissioner Arthur S. Flemming, who had specified that candidates must be eminently well qualified in order to pass the exam.

By contrast, CSC pointed out, the actual published standards for the exam were somewhat lower—specifying only that successful candidates must possess adequate experience and demontrate ability to conduct hearings.

OBJECTED TO OVERRULING

The McFarland Board did not object to the new and lower standards.

What the board did object to was the alleged constant overruling of its recommendations by CSC underlings.

That and the alleged manipulation of exam grades.

Mr. PEPPER. Mr. President, I wish to invite the attention of the Senator from Wyoming to line 2 on page 58——

Mr. WHERRY. Mr. President, may I inquire, if the Senator will yield, whether it is the intention of the majority leader to continue in session this evening until the bill is finished?

Mr. O'MAHONEY. Mr. President, the bill is about to be finished.

Mr. WHERRY. Is there to be a record vote?

Mr. O'MAHONEY. I have no desire to call for another record vote. I have called for very few of them. There have been 16. I think that is enough for a good bill such as this.

Mr. PEPPER. Mr. President, I am not going to ask for a record vote.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FERGUSON. Whether or not there will be a record vote depends upon what the Senator from Florida asks us to add to the bill.

Mr. PEPPER. As I say, I am not going to ask for a record vote. I do not know what other Senators intend to do.

The VICE PRESIDENT. The Senator from Florida may proceed.

Mr. PEPPER. Mr. President, I ask the attention of Senators to line 2 on page 58. That is the figure in which the appropriation is made for administration, medical, hospital, and domiciliary services for the veterans' hospital system.

The VICE PRESIDENT. That is a committee amendment which was agreed to earlier in the day.

Mr. PEPPER. Yes. I am going to ask that the vote by which it was agreed to be reconsidered.

Mr. O'MAHONEY. Mr. President, it is my understanding that what the Senator wants to do is to add some $8,406,060 to the item which has been approved by the Senate.

Mr. PEPPER. No. The amount I wish to add is the amount recommended by the Director of the Veterans' Administration. I have it evidenced by two letters.

Mr. O'MAHONEY. That is the same thing.

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Mr. PEPPER. That would be a total of $48,000,000 over what the Senate committee recommended. I believe the Senator from Wyoming recommended an addition of only $16,000,000, so it would be the difference between $16,000,000——

Mr. O'MAHONEY. This afternoon the Senate, on the recommendation of the committee, and acting at the suggestion of the Director of the Budget, restored $16,000,000 of the budget estimate, but that is $8,406,060 less than the amount which the Senator from Florida is now urging.

Mr. PEPPER. Mr. President, if the Senator will allow me, my amendment was to add $48,000,000.

Mr. O'MAHONEY. Then the Senator is going above the budget estimate.

Mr. PEPPER. Oh, yes; of course.

Mr. WHERRY. Mr. President——

The VICE PRESIDENT. The amendment cannot be offered unless the Senate reconsiders the vote by which the committee amendment was agreed to.

Mr. PEPPER. Mr. President, I move that the vote by which the committee amendment on page 58, line 2, was agreed to, be reconsidered, and I wish to be recognized to address myself to the motion.

Mr. WHERRY. Mr. President, does not that require unanimous consent?

The VICE PRESIDENT. No. The Senator from Florida is moving to reconsider the vote by which the committee amendment on page 58, line 2, was agreed to.

Mr. WHERRY. Mr. President, I suggest to the distinguished Senator in charge of the bill that it is now 6:20. I submit that this is not the proper time, after Senators have left, to make a motion to reconsider the vote. I am not saying that the distinguished Senator from Florida is not perfectly within his rights in doing so, but I think he will agree with me that at this late hour Senators who might have made up their minds on this particular issue should be here to vote on it.

Mr. O'MAHONEY. Mr. President, the reason I address myself to the Senator from Florida is that I recognize exactly the condition which has just been described by the Senator from Nebraska. It would be utterly impossible to bring to the floor at this time Senators who are concerned about this item. I point out to the Senator that the committee has gone a long way toward meeting the need for funds for this purpose. The Bureau of the Budget has been trying to keep expenditures down. We are all interested in providing hospital care for veterans. The Senator's suggestion would not only restore $8,000,000 plus which the Bureau of the Budget recommended to us be not allowed, but would go above the budget estimate. The truth of the matter is that a point of order would lie against an amendment which is not supported by a budget estimate, when the standing committee has not recommended it.

Let me say to the Senator that the objective which he seeks to serve can much better be handled before a committee in connection with one of the deficiency bills than it can be handled here at this time. We can finish consideration of this bill tonight. We have been on it for 5 days. We have had 16 yea-and-nay votes. The chairman of the subcommittee has been in attendance throughout. Several other members of the committee, including minority members, have been faithful in their attendance. We have undertaken a tremendous task. I hope the Senator from Florida will not, by pursuing this motion to reconsider, compel us to go over another day, and thereby block again consideration of the ECA appropriation bill.

Mr. McKELLAR. Mr. President, may I express the hope that the Senator will not offer his amendment tonight?

Mr. PEPPER. Mr. President, if the Senator will allow me, I had no other way to gain the floor, I felt, except to make the motion, or give notice of making the motion.

Mr. President, I will accede to the request of Senators, but I wish to add just one word. I am a little reluctant, even when it is a question of propriety, at the end of a long day, to commit myself to something which will mean that the veterans of this Nation's wars will not have enough doctors, nurses, and technicians, and enough other personnel to give them the care they require. I say that that is a matter which should have some weight upon the conscience of this Congress.

The Senator from Wyoming is correct. The Budget Bureau did not allow this $48,000,000, but the reason I bring this question up is that I am chairman of the Veterans' Subcommittee of the Senate Committee on Labor and Public Welfare. We have jurisdiction directly over the hospital program of the veterans. We have conducted hearings in this general field, and I feel some sense of duty and obligation in that position to do what I can to see that the veterans get the necessary medical, hospital, and other care which they require.

Let me read what the Veterans' Administrator says about this question:

> Under the funds now appropriated in the bill for this program—

All that has been added is $16,000,000, and not $48,000,000, as requested by the Veterans' Administrator—

> Under the funds now provided in the bill for this program, there are anticipated delays in opening additional beds for use as they become available, and either a lessening of the quality of medical care now being furnished—

An alternative which the Administrator has stated he will not follow—

> or the closing of beds now in use, in order to maintain present standards of care. The budget estimate for the medical, hospital, and domiciliary-care program as submitted to the Congress provides 8,331 less personnel than was actually authorized in this program on April 25 of this year.
>
> * * * * *
>
> Present construction schedules call for the completion and opening of 10,306 additional standard hospital beds between the dates of May 1, 1949, and June 30, 1950. This total number of new beds will provide an increase in average capacity of 4,891 beds during that period and will require $15,871,573 to staff and operate these beds at the average costs contained in our budget estimates.
>
> The amount of $48,000,000 in addition to providing staff for new hospital beds as they become available will permit maintenance of a personnel-to-patient ratio for hospitals of approximately one employee to one patient for all hospitals combined.

Then he goes on to say that the effect of this appropriation is going to require one of two things. This is what he says:

> It will be noted from the preceding table that the budget estimate as submitted and as passed by the House would provide a ratio of 0.895 employees per patient for all hospitals and a ratio of 0.795 employees per patient if domiciliary care is included. Addition of the requested $48,000,000 will permit continued operations at the present level and permit a ratio of 1.034 employees per patient at hospitals thus avoiding a reduction of staff at existing hospitals or closing of beds in order to retain operating ratios at approximately the present level.

Listen to this sentence from the Director of the Veterans' Administration:

> I am firmly convinced that the only alternative I will have, in the event sufficient funds are not made available, is to close certain existing beds and to defer the opening of new beds rather than reduce the standards of medical care. I believe neither the Congress nor the veterans desire any reduction in the quality of care available to the sick or disabled veterans.
>
> The addition of $48,000,000 to the Budget estimate covers only personal service requirements in order to keep staffing standards for doctors, dentists, nurses, and attendants at the level we believe to be necessary. The hearings on the independent offices appropriation bill before the Senate committee presented a table which showed a comparison of funds for 1950 fiscal year with the amount available during the current year for medical, hospital, and domiciliary care. It will be noted that the bill as passed by the House provided, for 1950, 96.8 percent of the amount available for 1949, although the estimated bed capacity and patient load for 1950 will be 106.5 percent and 103.7 percent, respectively, of the 1949 fiscal year figures. With the additional $48,000,000—

And they put in $16,000,000—

> the funds available for the 1950 fiscal year will be 105 percent of the 1949 funds or an increase of 5 percent in money to operate an increase of 6.5 percent in the average number of beds and an 8.7 percent increase in the estimated average number of patients.

Mr. President, I know the hour is late, I know the able Senator from Wyoming has done a herculean job, for which I commend him, and I know the Senate is tired; but I doubt very seriously whether we should be so tired as to end our action on this bill with the result, as stated to us by the Director of Veterans' Affairs, that the lack of provision of adequate funds will mean either an impairment in the standards of medical care in the veterans' hospitals or a curtailment in the number of beds which will be available to the veterans of this country.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. Has this evidence been submitted to the committee?

Mr. PEPPER. It was submitted to the committee by the Veterans' Administrator himself, and I have the page number of the record of the hearings where he testified.

But the committee has felt that it should follow the recommendations of the Bureau of the Budget; and the Bureau of the Budget cut down the appropriation to such an extent that the Veterans' Administration could not adequately staff the hospitals which have the new beds; I refer to the hospitals which are coming into construction this year.

So we have the spectacle of empty veterans' hospital beds, because after the beds are available, there are not enough doctors and technicians and nurses to provide the veterans with service according to the decent standards of medical care.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. WHERRY. I wish the distinguished Senator from Florida to know that I am not objecting to his motion to reconsider the amendment at this time. I merely say that if an argument is to be made, it will be perfectly agreeable to me to have this matter go over until tomorrow morning.

I wish the Senator to know that I, too, am in favor of giving proper treatment to the veterans, and I think we have done a good job with the Veterans' Administration.

But if there is any new evidence or anything else the Senator from Florida wishes to place before the Senate, I wish to have it submitted to the Senate. I desire to go on record in favor of having that done, because in this bill we are appropriating nearly $850,000,000 for the care and treatment of veterans; but if that is not enough, and if there is any new evidence which should be considered, I will take just as much time as any other Senator will take in order to make sure that proper consideration is given. If, however, there is a desire to have a long discussion of this item, I think we should go over until tomorrow, and then see whether there is evidence to warrant the proposed increase of the appropriation.

Mr. PEPPER. Mr. President, it seems to me that the Senator from Wyoming could take to conference this item which the Veterans' Administration has requested of his committee; and then, as between the failure of the House of Representatives to allow any of the requested $48,000,000 and an appropriation of $48,000,000 which would be voted by the Senate in this case, at least the conferees could reconcile the difference and could come to a fairer allowance than the allowance the House has made.

Of course if an item of $16,000,000 is taken to conference, half of that will have to be sacrificed in connection with the conference, whereas the Director of the Veterans' Administration says the full $48,000,000 is needed. I am not willing to have the Senate compromise in regard to the care of the veterans without at least letting the Senate know what it is doing.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. Of course, the Senator from Florida recalls the extensive hearings which were held in regard to the construction of veterans' hospitals, and I am sure he recalls that the Bureau of the Budget, as a result of executive order, directed that a reduction of 16,000 beds be made in the number previously undertaken to be provided for veterans. That directive was given on the ground that those beds could not be properly staffed or serviced. Is not that correct?

Mr. PEPPER. That is correct.

Mr. HUMPHREY. Yet was it not the testimony before the committee, from every witness who testified there, that if no new hospital beds are to be provided, because of the elimination of the 16,000 beds, at least it is absolutely essential that every bed now available be adequately staffed, so as to provide adequate medical care? Is not that correct?

Mr. PEPPER. That is correct.

Mr. President, we have built the hospitals. Yet this very afternoon, when I I talked to Dr. Magnuson on the telephone and asked him whether the facts set forth in the letter from General Gray are correct, Dr. Magnuson told me that he could not adequately staff the beds.

Mr. President, is that economy? We have spent the money required for the building of the hospitals and to make the beds available. Yet the splendid doctor who is in charge of that branch of the Veterans' Administration tells us that we have not provided sufficient money to permit the staffing of the beds we have made available.

Mr. MAYBANK. Mr. President, I wish the RECORD to show that in South Carolina the situation is that there is only one bed for every 332 veterans, as compared to a national average, under the revised program, of one bed for every 129 veterans. I ask unanimous consent to have printed in the RECORD a statement regarding the situation in South Carolina. This statement was presented at the hearings, in connection with remarks of the Senator from Florida, the Senator from Minnesota, and other members of the committee.

I do not know what the answer is, but it appears to me that in some sections of the country too much hospitalization is provided, whereas in many other sections of the country insufficient hospitalization for veterans is provided, and that there has been discrimination against certain States and certain veterans.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SOUTH CAROLINA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949 201,000
VA authorized standard beds 606

	State	National
Veterans per bed:		
Jan. 5, 1949	332	178
Original construction and expansion program	200	117
Revised construction and expansion program	332	129

Hospitals eliminated

Location	Type	Beds
Greenville	GM	200
Columbia	GM	[1]200

[1] Columbia, addition.

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Greenville	200 GM	$303,000
Columbia (addition)	200 GM	19,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Columbia	GMS	700

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Navy 100
Civil and State 273
Combined total 373

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized 9,129
Hospitalization in State 7,205
Hospitalized in other States 1,924
Veterans discharged outside State 1,925

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,278	971	711	632
Columbia, VA hospital	612	497	466	451
Fort Jackson, regional office	666	474		
Non-VA hospitals			245	201

Awaiting admission, Feb. 28, 1949

Columbia 98
Fort Jackson, regional office ..... --

Veterans awaiting admission to hospitals, Feb. 28, 1949—area (Atlanta): South Carolina

Length of waiting period:
1 to 60 days 714
61 to 120 days 168
121 to 180 days 61
Over 180 days 65
Total awaiting 1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds operating
		Full time	Part time	Full time	Part time	Full time	Part time	
Columbia	GMS	40	13	121	0	4	0	700

Staff required for hospital eliminated

	Columbia	Greenville
Number of doctors	16	16
Number of nurses	48	48
Number of dentists	1	1
Number of technicians	18	18

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Comments regarding staffing of hospitals—eliminated

Greenville, GM: Can be very readily staffed.
Columbia, GM: Can be very readily staffed.

Comments

South Carolina

The Veterans' Administration estimates South Carolina to have a veterans population of 201,000. With this large veterans population the State has only one hospital. A 700-bed general medical and surgical hospital at Columbia. As a result as of January 5, 1949, this State had only 1 bed for every 332 veterans as compared to a national average of 1 bed to every 178 veterans. The original construction and expansion program contemplated a 200-bed addition to the present hospital at Columbia and new construction of a 200-bed general medical and surgical hospital at Greenville. This would have raised the available bids for veterans in South Carolina of from 1 bed for every 200 veterans as compared to 1 bed to every 117 veterans as the national average on the original construction program and this would be a little over half of the national average. Under the revised construction program both the addition at Columbia and the new hospital at Greenville are scheduled for elimination. It again brings South Carolina back to 1 available bed for every 332 veterans as compared to a national average of 1 bed for every 129 veterans on the national revised construction program.

The 700-bed hospital at Columbia is required to take patients for a big area in both North and South Carolina as well as to provide hospital facilities for adjoining areas. It is estimated therefore that the total veteran population to be served by the proposed expanded hospital at Columbia and the new hospital at Greenville would be too heavy, roughly 375,000 veterans.

The hospital at Columbia has a standard bed capacity of 606 beds but is operating with an authorized capacity of 700. Because of this and its limited facilities in caring for this large number surgery is being done at practically all hours of the day. It has been reported that this hospital has been operating with a waiting list which officially ran from 100 to 150 per day. The Veterans' Administration reports that the Navy has available 100 beds for veterans in South Carolina. In addition, the Oliver General Hospital (Army) in Augusta, Ga., furnishes an additional amount. It was estimated that South Carolina was using an available 200 beds a day in these two service hospitals in South Carolina and Georgia that, "I can tell you as Governor of the State that we have more than 300, nearer 400 veterans in civilian hospitals occupying beds there who cannot get in a veterans' hospital." He reports that a great many veterans have not even applied and has personal knowledge of some who understood there was a long waiting list and were delaying their applications until there was an opportunity to be admitted. He also stressed that his State had less than one-half of the national average of beds available for its veterans as the Veterans' Administration had nationally.

The testimony clearly indicates that there is no problem in staffing these hospitals and this is borne out by official reports by the Veterans' Administration. As of December 31, 1948, the plans and specifications for the Greenville project were listed by the Veterans' Administration as being 100 percent complete.

Mr. MAYBANK. Mr. President, let me say that since 1944 we have been informed that a hospital for veterans would be built in South Carolina or that some other assistance would be given the veterans in South Carolina. However, nothing of the sort has been done. The money for that purpose was appropriated for the Veterans' Administration under General Hines, and of course later another general was in charge of the Veterans' Administration, and subsequently another general was in charge of it. However, nothing of that sort has been done.

Mr. PEPPER. Mr. President, I remember very well the statement which was made at the hearing, showing a very grave need for additional veterans' hospital facilities in South Carolina.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. O'MAHONEY. Mr. President, I rise merely to suggest to the Senator from Florida that immediate action upon this matter is not required, and the original suggestion which I made to him that it should be brought up under a deficiency bill is sound. I will show the Senator why I think so. I have in my hand a letter which I have already put in the RECORD earlier in the day, from the Administrator, General Gray, to the chairman of the full committee, the Senator from Tennessee [Mr. MCKELLAR]. I read these two paragraphs, in connection with the increase of $16,000,000 which we have already granted:

> The increase requested herein will permit the Veterans' Administration to retain employees now experienced and qualified for hospital and medical care and will permit the transfer of such experienced workers from existing hospitals to new hospitals as they are opened. Thus a reduction of staff in the medical-care program will be avoided and later recruitment and training of new employees to staff the additional new beds as they become available will be unnecessary.
>
> I am convinced that greater efficiency of operation can be secured by this method and certainly employee morale and maintenance of the standards of medical care can be retained at a high level.

It is my contention, I may say to the Senator, that if this is done in accordance with what the Senator has already approved, which I feel confident will be approved in the conference, there will then be ample opportunity on a deficiency bill, when the need arises, for the Senator to advance in his own inimitable and eloquent manner the considerations which he is laying before us now.

Mr. PEPPER. Mr. President, since about 10,000 new beds are to come into construction during this fiscal year, I am glad to have the friendly interest of the able Senator from Wyoming in the proposal to add personnel as the need becomes manifest. In view of the assurances I have had from the chairman of the subcommittee, that an effort to increase this appropriation will receive sympathetic consideration hereafter in a deficiency appropriation, I shall withdraw my motion to reconsider at the present time.

Mr. O'MAHONEY. I may say to the Senator I was personally very deeply interested in this matter, and I made arrangements for employees of veterans' facilities to come to Washington and testify at the Appropriation Committee hearings. I discussed this matter not only with the Veterans' Administration but also with the Bureau of the Budget, and I think the additional $16,000,000 which the Budget Bureau has approved will be provided.

Mr. PEPPER. Very well. Mr. President, just one more word. The Senate continued the authorization of $237,000,000 for the construction of veterans' hospitals. I see Senators on the floor who testified before our committee in aid of the construction of the new hospitals, which have been built, but which were curtailed by Executive order and by the Veterans' Administration to the extent of 16,000 veterans' hospital beds. The House of Representatives renewed the contract authorization of $237,000,000 net, which had previously been rescinded, which would authorize the restoration of the 16,000 beds which were estimated by Executive order and by the action of the Administrator of the Veterans' Administration.

The House committee, in its report, specified that it was left up to the President to build these facilities with 16,000 beds or such number of them as he felt were needed. Some of us felt that the Senate should have incorporated along with this appropriation a directive to the President to build the hospitals, because it was felt they were needed.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. PEPPER. I shall yield in a moment, if the Senator will allow me to complete this statement. The committee recognized it would be legislation on an appropriation bill and therefore subject to a point of order. We have therefore not offered the amendment, which we once contemplated offering. Since we are continuing the authorization to the executive department to build the hospitals, 24 in number, and to provide 16,000 beds altogether, I think it is well for the RECORD to show the sentiment of those Senators who feel that the Senate should go ahead with this construction program.

Mr. DONNELL. Mr. President, will the Senator yield for an inquiry?

Mr. PEPPER. I yield.

Mr. DONNELL. I inquire whether the plan now contemplates a reduction with reference to the St. Louis hospital from 1,000 beds to 500?

Mr. PEPPER. As I recall, it does.

Mr. DONNELL. I further inquire whether a reduction is contemplated in the original plan as to the number of general medical and surgical beds at Kansas City?

Mr. PEPPER. I understand that to be so.

Mr. DONNELL. I may say to the Senator, in connection with St. Louis, we have a rather interesting and peculiar situation there. As the Senator doubtless recalls, we have the Jefferson Barracks Hospital, which today, or at any rate at the time of the testimony, and according to the information I have now accommodated 676 persons; that is to say, it had 676 beds. It was proposed that the St. Louis Hospital, to be constructed in St. Louis, should have 1,000 beds. Under the plan by which the St. Louis hospital is reduced from 1,000 beds to 500, and by which the Jefferson Barracks Hospital is to be converted from a

general medical and surgical hospital to a neuropsychiatric hospital, we will lose 676 beds on the one hand at Jefferson Barracks Hospital, and we will gain only 500 beds in the St. Louis Hospital. Therefore, under the plan which I understand is now contemplated, we will actually lose 176 beds for general medical and surgical purposes in St. Louis.

I am not certain as to whether the change-over at Kansas City means an alteration from 495 general medical and surgical beds and 250 tuberculosis beds, a total of 745. I am not certain, I say, whether the plan contemplates 500 tuberculosis beds, and a reduction to no general medical and surgical beds, but it is my impression that a cut is planned. I ask the Senator from Florida whether a reduction of some kind is planned at Kansas City?

Mr. PEPPER. It is. That is my recollection.

Mr. DONNELL. Mr. President, I am very glad indeed the Senator has called attention to these facts on the floor of the Senate, and while I should like, if the hour were not so late, to emphasize a little more fully the situation that exists both in St. Louis and in Kansas City, as a Senator from Missouri and knowing something, at any rate, particularly of the situation in my own home section immediately around St. Louis, and something, generally speaking, from the testimony with respect to Kansas City, I want to put myself on record very decidedly as being in hope that the St. Louis hospital may have the 1,000 beds instead of 500, and that there shall be no reduction from the original plan in Kansas City. I thank the Senator.

Mr. PEPPER. I thank the Senator for his statement.

The VICE PRESIDENT. Does the Chair correctly understand that the Senator from Florida withdraws his motion to reconsider?

Mr. PEPPER. In view of the assurances I have had from the chairman of the subcommittee, the Senator from Wyoming [Mr. O'MAHONEY], that an effort to increase this appropriation will receive sympathetic consideration hereafter in a deficiency bill, I withdraw my motion.

Mr. MYERS. Mr. President, I desire to associate myself with the views expressed by the Senator from Florida and other Senators, because I believe that, particularly in Pennsylvania, we have been discriminated against. With a veteran population, as shown by the committee report, greater than that of any other State except New York, we have lost a total of 1,400 beds in the curtailment program. In fact, while the national average is 178 veterans per bed, we have in Pennsylvania an average of 347. With the revised construction program, which would have helped us to some extent, we would still be far behind the national average. Because of the revised program, we have in Pennsylvania an average of 183, while the national average is 129.

I think the committee sets forth in its report the situation with regard to Pennsylvania as admirably and as well as could be expressed by anyone, and therefore I ask unanimous consent that there may be printed at this point in the RECORD the Pennsylvania summary together with the comments of the subcommittee of the Senate Committee on Labor and Public Welfare, appearing on pages 62 to 65 of the committee report.

The VICE PRESIDENT. Is there objection?

There being no objection, the summary and comments were ordered to be printed in the RECORD, as follows:

PENNSYLVANIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	1,426,000
VA authorized standard beds	4,108

	State	National
Veterans per bed:		
Jan. 5, 1949	347	178
Original construction and expansion program	155	117
Revised construction and expansion program	183	129

Hospitals eliminated

Location	Harrisburg.
Type	GM.
Beds	200.

Estimated obligation incurred by Government, hospital eliminated

Location	Harrisburg.
Type	200 GM.
Amount	$347,000.

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Philadelphia	GM	1,000	500
Pittsburgh	NP	1,200	750
Do	GM	1,250	1,000

Estimated obligation incurred by Government, hospital altered

Location	Type	Amount
Philadelphia	500 GM	$249,000
Pittsburgh	1,000 NP	106,000
Do	750 GM	186,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Coatesville	NP	2,119
Lebanon	NP	501
Aspinwall	GMS	943
Butler	GMS	984
Total		4,547

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army	175
Navy	620
Marine	20
Total	815
Civil and State	355
Combined total	1,170

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	26,467
Hospitalization in State	22,838
Hospitalized in other States	3,629
Veterans discharged outside State	3,631

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	4,509	3,153	2,366	1,836
Coatesville, VA hospital	40	110	28	24
Lebanon, VA hospital	70	242	174	139
Aspinwall, VA hospital	575	743	708	584
Butler, VA hospital	133	299	309	227
Philadelphia, regional office	318	294		
Pittsburgh, regional office	780	523		
Wilkes-Barre, regional office	432	171		
Philadelphia Naval Hospital	2,161	771		
Non-VA hospitals			1,137	862

Awaiting admission, Feb. 28, 1949

Aspinwall	364
Butler	311
Coatesville	834
Lebanon	115
Philadelphia, regional office	
Pittsburgh, regional office	4
Wilkes-Barre, regional office	
Grand total	1,628

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Philadelphia): Pennsylvania

Length of waiting period:	
1 to 60 days	712
61 to 120 days	355
121 to 180 days	228
Over 180 days	855
Total awaiting	2,150

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Coatesville	NP	51	38	108	0	4	0	2,119
Lebanon	NP	21	0	64	0	2	0	448
Aspinwall	GMS	77	49	198	5	4	2	943
Butler	GMS	26	0	146	0	4	0	984
Total		175	87	516	5	14	2	4,470

Staff required for hospital eliminated

Harrisburg:	
Number of doctors	16
Number of nurses	48
Number of dentists	1
Number of technicians	18

Additional staff required for hospitals altered in size

	Philadelphia	Pittsburgh (GMS)	Pittsburgh (NP)
Number of doctors	27	24	8
Number of nurses	97	85	19
Number of dentists	3	3	1
Number of technicians	46	33	11

Comments regarding staffing of hospitals

Altered in size: Philadelphia (GM), Pittsburgh (GM), Pittsburgh (NP): These three hospitals which have been altered in size are located in communities where there are medical schools and no difficulty in staffing.

Eliminated: Harrisburg (GM): Moderately difficult to staff.

Comments

Pennsylvania

The Veterans' Administration estimated a veteran population for this State of 1,426,000. A number of witnesses testified to the fact that Pennsylvania, with a larger veteran

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population than any other State but New York, had been discriminated against over the years by having assigned to it less bed capacity than the States of New York, Illinois, California, Massachusetts, and Ohio. The new construction program was designed to some extent to correct this disparity. As of January 5, 1949, Pennsylvania had only 1 bed for each of the 347 veterans as compared to a national average of 178. The revised construction program would contemplate 1 bed for every 183 veterans as compared to a national average of 129. Witnesses further brought out that the cut in bed construction now recommended for the State of Pennsylvania is disastrously out of line with the national average and, worse still, when compared with other large cities. Out of the total original bed allocation for new construction of 4,450 beds allocated to Pennsylvania, 1,400 beds are scheduled to be eliminated, or more than one-third of the total originally scheduled for the State. Likewise, it was brought out that a careful perusal of the records will indicate that Pennsylvania is again being penalized 9 percent of the total number of beds curtailed nationally. Extensive waiting lists are reported in all types of cases, i. e., the general medical and surgical, the neuropsychiatric, and the tubercular groups in the proposed construction of the general medical and surgical beds as certain tubercular facilities are to be provided.

It was reported by contact with the Veterans' Administration officials, the Commonwealth department of health as well as the Pennsylvania League that from 3,000 to 5,000 cases of veterans suffering from active tuberculosis were remaining home with their families due to lack of Veterans' Administration or local beds. The number of veterans now confined in State, municipal, and county mental institutions showed a total of 1,190 with over 300 tubercular cases in these institutions. Approximately 400 veterans of the neuropsychiatric description are now being held by State, civil, and police authorities because of the nonavailability of beds in either of the Veterans' Administration or local neuropsychiatric institutions. Because of lack of proper facilities in Pennsylvania for the care of all types of cases of tuberculosis, neuropsychiatric, and general medical and surgical cases, it is necessary to hospitalize many of these cases in other States, thereby creating a longer distance of travel for the patient in addition to causing undue hardship and inconvenience to the families wanting to visit their loved ones.

The hospitals involved in the revised construction program consist of a reduction of the general medical hospital at Philadelphia from 1,000 to 500; a general medical and surgical hospital at Pittsburgh from 1,250 to 1,000, and a neuropsychiatric hospital at Pittsburgh from 1,200 to 750. In addition, a general medical and surgical hospital at Harrisburg of a 200-bed capacity is scheduled for elimination. It is noted therefore that the largest reduction of beds—1,200, is contemplated in Philadelphia and Pittsburgh, 500 and 700, respectively—the two largest cities in Pennsylvania. Testimony revealed that there are five medical centers, medical colleges in the city of Philadelphia alone, and in addition in Pittsburgh there are two of the greatest medical centers in the world. Also, there is now under construction in Pittsburgh as a result of a grant from the Mellon Estate, a graduate school of medicine, which is scheduled to be one of the few graduate schools of medicine in this country. In addition, it is brought out that as regards the hospital at Harrisburg scheduled for elimination that there are approximately 2,000 physicians in that neighborhood and that there would be no difficulty in staffing that hospital. There are two class A dental schools in Pennsylvania. Due to the great medical centers in Philadelphia and Pittsburgh there has been no difficulty in recruiting all types of medical and other types of personnel and the Veterans' Administration has stated that in regard to the staffing of the hospitals reduced in size, i. e., the general medical and surgical hospitals at Philadelphia and Pittsburgh and the neuropsychiatric hospital at Pittsburgh that "the above hospitals are located in communities where there are medical schools and there would be no difficulty in staffing these beds." As regards staffing the hospital at Harrisburg it would be "moderately difficult" to staff. As of December 31, 1948, the plans for the Harrisburg hospital were stated by the Veterans' Administration to be 95 percent complete, the Pittsburgh general medical and surgical hospital 100 percent complete, the Pittsburgh neuropsychiatric hospital 78 percent complete, and the Philadelphia, Pa., general medical and surgical hospital 73 percent complete.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. I should merely like to call to the attention of Senators, in connection with the State-by-State analysis of subcommittee hearings, to which the Senator from Florida has referred in his remarks, that this is an example of, and may serve to correct, what one may call the miscalculation of the Bureau of the Budget. The Bureau is not infallible, it is not sacrosanct, and the record of the subcommittee as shown in this general report of the subcommittee investigating the hospital construction program of the Veterans' Administration shows without the shadow of a doubt that from every single State where there was a curtailment of the program there was without exception a witness, and every witness testified as to the dire need of this program. South Carolina was mentioned a while ago. There are over 200,000 veterans in that State, with just one Veterans' Administration hospital; that is all—just one hospital. Every one of the States had a waiting list that went far beyond any of the estimates submitted by the Veterans' Administration or by the Bureau of the Budget.

I think, when doctors appeared before the committee from the Veterans' Administration and frankly admitted that there was need for these hospital units and they were worried about being able to staff them, I should reemphasize for the record, and I feel it is my responsibility as a member of the committee to do so, that the Veterans' Administration said that the one thing we must have is complete medical care for every available hospital which is constructed at this time. Since we are not going to build the 16,000 beds, we must be completely sure that there is to be no denial of the technicians, doctors, and nurses who are so desperately needed.

Mr. President, I commend the reading of this pamphlet to every Senator, because the problem will plague us next year. With 16 or 18 States cut out, we shall be faced with the problem for years to come. The veterans are getting older and will become more disabled, and there will be greater necessity for hospital beds than ever before.

Mr. PEPPER. Mr. President, I see among the distinguished Senators who appeared before the committee, the distinguished senior Senator from Tennessee, chairman of the Senate Appropriations Committee, the Senator from Ohio [Mr. TAFT], the Senator from Michigan [Mr. FERGUSON] and other Senators who made strong statements for the record as to the need for facilities. Since all Senators are not at this late hour present, let me say that our subcommittee prepared a short summary of testimony given before the subcommittee for each State.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator can yield only for a question. The Chair must enforce the rule.

Mr. PEPPER. Mr. President, I ask unanimous consent to have placed in the body of the RECORD, following my remarks, the summary for the remainder of the States.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

[Excerpts from summary and analysis by Subcommittee of Senate Committee on Labor and Public Welfare of hearings on proposed curtailment of veterans' hospital construction program, 81st Cong., 1st sess.]

II. STATE-BY-STATE ANALYSIS OF SUBCOMMITTEE HEARINGS

CALIFORNIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949 ... 1,346,000
VA authorized standard beds ... 7,924

	State	National
Veterans per bed:		
Jan. 5, 1949	170	178
Original construction and expansion program	127	117
Revised construction and expansion program	129	129

Hospital eliminated

Location ... San Diego.
Type ... GM.
Beds ... 200.

Estimated obligation incurred by Government, hospital eliminated

Location ... San Diego.
Type ... 200 GM.
Amount ... $129,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Livermore	TB	458
San Fernando	TB	378
Palo Alto	NP	1,464
Los Angeles:		
GMS unit	GMS	1,440
NP unit	NP	2,149
Oakland	GMS	800
San Francisco	GMS	440
Van Nuys	GMS	1,509
Total		8,633

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—other Government

Army ... 175
Navy ... 1,375
Marine ... 50
Total ... 1,600
Civil and State ... 132
Combined total ... 1,732

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized ... 48,181
Hospitalization in State ... 46,706
Hospitalized in other States ... 1,475
Veterans discharged outside State ... 1,506

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	9,572	5,811	5,400	4,720
Livermore, VA hospital	16	44	31	57
San Fernando, VA hospital	14	51	40	38
Palo Alto, VA hospital	61	104	60	70
Los Angeles, VA hospital	1,960	987	1,264	1,153
Oakland, VA hospital	1,066	561	633	568
San Francisco, VA hospital	442	338	382	333
Van Nuys, VA hospital	1,459	945	939	880
Los Angeles, regional office	2,498	1,639	------	------
San Diego, regional office	521	380	------	------
San Francisco, regional office	1,535	762	------	------
Non-VA hospitals	------	------	2,051	1,621

Awaiting admission, Feb. 28, 1949

Livermore	33
Los Angeles	357
Oakland	72
Palo Alto	313
San Fernando	76
San Francisco	----
Van Nuys	62
Los Angeles, regional office	42
San Diego, regional office	----
San Francisco, regional office	----
Grand total	955

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (San Francisco): California

Length of waiting period:	
1 to 60 days	442
61 to 120 days	229
121 to 180 days	115
Over 180 days	360
Total awaiting	1,146

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Livermore	TB	14	1	62	0	2	0	458
San Fernando	TB	19	5	69	0	2	0	365
Palo Alto	NP	29	46	76	0	4	0	1,464
Los Angeles	GMS	76	144	389	9	5	0	3,463
Oakland	GMS	47	8	139	0	3	0	712
San Francisco	GMS	10	84	95	0	3	0	374
Van Nuys	GMS	53	115	325	5	6	0	1,437
Total	------	248	403	1,155	14	25	0	8,273

Staff required for hospital eliminated

San Diego:	
Number of doctors	16
Number of nurses	48
Number of dentists	1
Number of technicians	18

Comments regarding staffing of hospital.

San Diego, GM: No difficulty in staffing.

Comments

San Diego

Statistics prepared by the University of California and the State Department of Veterans' Affairs showed 350,000 World War II veterans from out of State had taken residence in California since VJ-day. Conservative estimates show veteran population of California now to be 1,700,000.

Veteran population in this State shows higher percentage of disabled veterans than the national average; also the highest percentage of total and permanent disabled veterans, i. e., 12.63 percent of Nation's total.

In the need for general medical and surgical beds emphasis was placed on the fact that this State had one of the highest number of bed contracts authorized with other Government (military and Public Health) hospitals than any State in the Union (1,700 beds) or 33 percent of such bed utilization by the VA nationally. Testimony was also offered to the effect that some military hospitals in that State were now being closed, others were scheduled for closing with consolidation of military beds in the remaining hospital, thereby causing a present and eventual shortage of such available military beds for veterans' use.

The estimated veteran population of San Diego County was given as 160,000. The nearest VA hospital (Los Angeles) is 175 miles distant. The number of VA patients hospitalized in San Diego Naval Hospital on February 20, 1949, was 238, and exceeded the contract utilization for 200 beds in that hospital. The San Diego area contains a great number of retired military personnel, as well as many disabled veterans attracted there by reason of climatical and other considerations.

Site for this proposed hospital has been acquired; all the test borings had been made; the bids had been called for, and the lowest bidder had been announced a few days prior to the order canceling construction of the hospital.

DISTRICT OF COLUMBIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	137,000
VA authorized standard beds	335

	State	National
Veterans per bed:		
Jan. 5, 1949	409	178
Original construction and expansion program	126	117
Revised construction and expansion program	164	129

Projects altered in size from present plans

Location	Washington, D. C.
Type	GM.
Beds	From 750 to 500.

Estimated obligation incurred by Government—Hospital altered

Location	Washington, D. C.
Type	500 GM.
Amount	$1,600,000.

Existing VA hospitals in State

Hospital	Mount Alto.
Type	GMS.
Authorized beds	335.

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army	50
St. Elizabeths	150
Total	200

Veterans hospitalized in VA and non-VA Hospitals, fiscal year 1948

Total hospitalized	6,360
Hospitalization in State	1,972
Hospitalized in other States	4,388
Veterans discharged outside State	4,389

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,606	934	281	271
Washington, D. C., VA hospital	283	158	258	251
Washington, D. C., regional office	1,323	776	------	------
Non-VA hospitals	------	------	23	20

Awaiting admission, Feb. 28, 1949

Mount Alto	214

Veterans awaiting admission to hospitals, Feb. 28, 1949—area (Richmond): District of Columbia

Length of waiting period:	
1 to 60 days	592
61 to 120 days	243
121 to 180 days	188
Over 180 days	259
Total awaiting	1,282

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
District of Columbia	GMS	19	24	94	20	3	0	335

Staff required for hospital altered in size

Washington, D. C.:	
Number of doctors	15
Number of nurses	50
Number of dentists	1
Number of technicians	20

Comments regarding staffing of hospital, altered in size

Washington, D. C., GM. Located in community where there are medical schools; no difficulty in staffing.

Comments

District of Columbia

The District of Columbia, with an estimated veteran population of 137,000 as of January 5, 1949, had only 335 Veterans' Administration beds available, so that in the District of Columbia there was only 1 veteran bed available to every 409 veterans residing here, as compared to a national average as of that date, January 5, 1949, of 1 bed per 178 veterans. In the original construction and expansion program it was contemplated to erect a 750-bed general medical and surgical hospital in the Washington, D. C., area. This would have brought the ratio of veterans per bed to 1 bed per 126 veterans, which would have been very close to the national average of 1 bed per 117 veterans under this original construction program. It is now contemplated under a revised program to reduce this new general medical and surgical hospital in this area from 750 to 500 beds. If this alteration in size is carried through it will leave the District of Columbia with 1 bed per 164 veterans, as compared to a national average of 1 bed per 129 veterans.

The District of Columbia has a veteran population in the metropolitan area considerably larger than many States. The District of Columbia so far as veterandom is concerned, is rather peculiarly situated in that many veterans from all over the country come to Washington to see about their claims, and many of these ill men become so ill while they are in Washington that it is necessary to hospitalize them in veterans' beds here. Likewise, because of this geographic location and because of shortage of veterans' beds in the adjoining States of Maryland and Virginia, the present 335-bed general medical and surgical hospital at Mount Alto, Washington, D. C., carries a large patient load from Maryland and Virginia, so that only about half its capacity is for District patients. The same would be true in the new construction planned for Washington, D. C. Also, the present veterans' hospital at Mount Alto, Washington, D. C., contains one of the three Veterans' Administration diagnostic centers, and many veterans from the eastern territory of the

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United States are hospitalized there because of special diagnostic studies necessary because of difficulty arising out of the proper adjudication of their claims.

For many years there have been large waiting lists of seriously ill District patients awaiting hospitalization. Frequently it is impossible to get even an emergency case admitted. Many District veterans have had to be hospitalized in veterans' hospitals in distant States because of this shortage of hospital beds for all types of cases. This is particularly true of the mental cases. The proposed 750-bed new construction in the Washington, D. C., area was planned to contain a neuropsychiatric unit which would help to relieve the urgent needs of hospitalizing acute medical emergencies in the mental field.

Most testimony was introduced showing that there is not a need for the full 750 beds. Assurance was given that this hospital could readily be staffed with a full-time staff of competent medical, nursing, and other personnel. These are readily available in every recognized specialty of medicine. This is confirmed by the Veterans' Administration which, when asked regarding their comments regarding the staffing of this hospital, have replied that the hospital is "located in a community where there are medical schools. No difficulty in staffing."

FLORIDA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	300,000
VA authorized standard beds	1,268

	State	National
Veterans per bed:		
Jan. 5, 1949	237	178
Original construction and expansion program	127	117
Revised construction and expansion program	237	129

Hospitals eliminated

Location	Type	Beds
Gainesville	NP	1,000
Tallahassee	GM	100

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Gainesville	1,000 NP	$1,006,000
Tallahassee	100 GM	244,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Bay Pines	GMS	440
Coral Gables	GMS	450
Lake City	GMS	378
Total		1,268

Contracts with Army, Navy, Public Health Service and other Federal hospital beds for use of veterans—Other Government

Navy	185
Civil and State	20
Combined total	205

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	13,164
Hospitalization in State	11,277
Hospitalized in other States	1,887
Veterans discharged outside State	1,893

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,307	1,066	1,262	1,010
Bay Pines, VA hospital	515	239	294	233
Coral Gables, VA hospital	868	468	353	322
Lake City, VA hospital	306	175	256	190
Miami, regional office	152	8	------	------
Pass-A-Grille, regional office	470	466	------	------
Non-VA hospitals	------	------	359	265

Awaiting admission—Feb. 28, 1949

Bay Pines	67
Coral Gables	44
Lake City	80
Miami, regional office	9
Pass-A-Grille, regional office	3
Grand total	203

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Atlanta): Florida

Length of waiting period:	
1 to 60 days	714
61 to 120 days	168
121 to 180 days	61
Over 180 days	65
Total awaiting	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Bay Pines	GMS	24	1	94	0	4	0	430
Coral Gables	GMS	20	14	94	1	2	0	391
Lake City	GMS	20	1	64	0	2	0	363
Total		64	16	252	1	8	0	1,184

Staff required for hospital eliminated

	Gainesville	Tallahassee
Number of doctors	33	10
Number of nurses	81	26
Number of dentists	3	1
Number of technicians	56	18

Comments regarding staffing of hospitals

Gainesville, NP: Difficult to staff properly.
Tallahassee, GM: Moderately difficult to staff.

Comments

Florida

Testimony given revealed that the fact that Florida as a State occupied a very unique position. First of all, its population is stated to have grown from the census report of 1940 of 1,900,000 to an estimate now with the Census Bureau of 2,400,000. It was stated that the growth in veteran population has been greater and out of proportion to the general growth of the State, thereby producing an acute problem insofar as the hospital needs of veterans are concerned. It was further brought out that as a transient State Florida's population expands from 2,000,000 to 3,000,000 people during the winter and a conservative estimate that 20 percent of these are veterans would result in approximately 250,000 to 400,000 veterans residing in Florida every winter. It was further brought out that a large number of the veterans who migrate to Florida either seasonally or permanently do so because of climatic conditions. It was felt that inasmuch as the Veterans' Administration is a Federal agency it follows that these veterans are as much a responsibility as a permanent resident of the State. Many of these sick veterans who come to Florida in order to recover from an illness or to alleviate chronic disabilities at times become so sick as to need veterans' hospital care often in emergency situations and get permanent hospitalization. As a result they tremendously overtax the present inadequate existing Veterans' Administration hospital facilities. The actual population statement with reference to Florida veterans in itself does not tell the story because of this added out-State load. Correspondence introduced from Veterans' Administrator, General Gray, states:

"I realize that the ratio of veterans' beds to population is somewhat lower in Florida than in some other States—however, we were faced with a directed reduction of 16,000 beds."

It was brought out that Florida also occupied a further unique position in the family of States due to the fact that it is a virtual appendage to their part of the North American Continent being situated in three sides and does not have available to it beds in neighboring States, except to the north. Because of this, Florida actually needs a greater number of beds per veteran capita than would be needed by most other States. It was brought out that veterans had to travel hundreds and well in excess of a thousand miles to obtain hospitalization outside of the State.

Relative to the elimination of the proposed 1,000 NP hospital at Gainesville, it was brought out that Florida had no veterans' hospital equipped to handle mental disorders. Because of this, it has been necessary to hospitalize Florida veterans with mental disorders outside of the State. As of March 14, 1949, 709 Florida veterans suffering from neuropsychiatric disorders were reported by the Veterans' Administration as being hospitalized in 7 neuropsychiatric hospitals in 5 States (Alabama, Georgia, Louisiana, Mississippi, and Tennessee). For the families of veterans to be able to visit them they had to frequently travel 1,500 miles with at least a 2-day trip. State's facilities were reported as inadequate. It was reported that Florida had only one State institution caring for mental cases. This hospital was reported to be built for 3,000 patients but at the present was carrying a load of 4,500 patients and still had a large waiting list of patients, veteran and nonveteran, awaiting admission. As a result, many emergency cases had to be committed to jails, although they were not criminals, for safekeeping.

At the present time, it was reported that 35 veterans were confined to jail awaiting admission to mental hospitals, 40 others certified as in need of hospitalization in a Veterans' Administration hospital, and 65 awaiting admission to a State mental hospital but not admitted because of lack of facilities, making a total of 140 Florida veterans now awaiting hospitalization for their mental disorders but unable to obtain same because of lack of facilities. The acuteness of the situation was attended to by a meeting of county judges of Florida on February 12, 1949, who, at that time, were on record as maintaining that the Congress and the Veterans' Administration provide hospital facilities in the State for mentally ill war veterans. It was reported that the jurists took this action after discussion with the chief attorney in Florida of the Veterans' Administration. One member of the congressional delegation from Florida testified that while he was acting as a county judge he had to keep veterans in jail from 3 to 6 weeks before he could get them into a veterans' hospital. Testimony was introduced showing veterans committing acts of violence and in one instance a news article, dated March 8, 1949, was mentioned wherein a mentally afflicted veteran unable to get

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needed care fatally stabbed his wife. There was a unanimity of opinion of all witnesses appearing stressing the emergency need for adequate NP facilities for the State. It was reported that the proposed location of this neuropsychiatric hospital at Gainesville was in a location 68 miles from Jacksonville, Fla., a city of approximately 250,000 population, with certified specialists in every branch of medicine who would be available on a consultant basis and sufficient to set up a medical residency program. The two cities are connected by several high-speed highways, making the hospital readily accessible to visiting medical consulting specialists.

Testimony of a past president of the Florida State Medical Association indicated that the Governor of Florida had recommended that a medical school be established in Gainesville in connection with the University of Florida. He reported that a board, chief of which was president of the University of Louisiana Medical School, canvassed the entire State and recommended that a medical school be established in Florida and that it be located in Gainesville. This board was convened at the direction of the legislature and Governor of Florida, and worked with the State board of control. This witness further stated that the Alachua County Medical Society offered their services for all general medical and surgical patients admitted to such a hospital, if built. It was further brought out that the University of Florida, with approximately 10,000 students and an additional 1,500 or more staff, was located in Gainesville. The witness further reported that he had a personal commission from the president of the University of Florida offering the facilities of the university and the faculty to help in the operation of a veterans' hospital when established in Gainesville. Also that Gainesville was located in north central Florida and easily accessible to other parts of the State by good roads and two railroads.

A report from the parole commission from the State penitentiary, Raiford refers to the fact that 514 World War II veterans were committed to that prison in 1947, and 440 in 1948, and that on February 15, 1949, there were 1,395 World War II veterans in the State penitentiary. In their report the board expressed an opinion that a very large percentage of them were definitely affected by their war experiences and, in many instances, there was a direct connection. Continuing, the parole commission made the following statement:

"Certainly there is a great need for a Veterans' Administration neuropsychiatric hospital here in Florida, and I feel that a great many of the number listed above would not be in prison had they been in such a hospital where they belong."

Tallahassee, Fla.

This hospital was orginally designed by the Veterans' Administration to contain 200 general medical and surgical beds. Subsequently, it was reduced to 100 beds with the other 100 beds being assigned to Thomasville, Ga., approximately 30 miles away.

There is no Veterans' Administration hospital to serve a 550,000 population within a 100-mile radius of Tallahassee. This city is centrally located in northern Florida, 211 miles from Pensacola; 175 miles to Jacksonville. It is stated that there are eight main highways leading into the area. The Florida State University is located in Tallahassee and it was testified to, that the president of that university has been very cooperative with the city in the construction of their hospital. Construction of a nursing school in connection with the hospital and the Florida State University is contemplated and the president of the Florida State University has stated that his faculty would be available for the Veterans' Administration hospital as well as the local city hospital. Testimony was introduced from the president of the Leon County Medical Society stating that there is adequate medical personnel locally to staff a 100-bed veteran hospital and assurance was given that the members of that society would cooperate with such project.

It was brought out that on January 12, 1949, the veterans' hospital in Miami (Coral Gables) had 100 approved applications for hospitalization pending and because of lack of beds these applications had to be referred to the Veterans' Administration hospital at Memphis, Tenn., due to the fact that there was no opportunity for hospitalization for these general medical and surgical cases in Florida in the very near future. It was also brought out that the Veterans' Administration in 57 of the 67 counties in Florida during the last 20 months had spent well over $300,000 to pay for hospitalization of veterans in private, State, and municipal hospitals. The theory was advanced that this money could very well have been spent in the building of adequate general medical facilities of the Veterans' Administration in Florida. It was expected that this expenditure will increase in the years to come unless adequate beds were provided. If this is done, the States and cities could then take care of their own citizens who frequently lack adequate beds.

It was brought out that on January 15, 1946, after this site was selected by the Veterans' Administration, the then mayor of Tallahassee assured the Veterans' Administration that the city would comply with their requirements regarding water lines, electric facilities, expansion of sewage and disposal systems, and necessary paving. The city acting in good faith spent $21,000 on the extension of water mains to the area and $15,000 in electric installations with additional service lines to the area. In addition, necessary paving improvement cost approximately $6,000 in all. It was testified to that the city spent, in direct charges on this project, the amount of $42,800 and indirectly paid $50,000 and $60,000, it being testified that the water line leading to the area cost alone over $25,000. That was primarily built for the feeding of the hospital area. In addition, the county has learned of a contract for $15,000 for paving the streets on the north boundary of the area in which work was expected to be completed within the month.

GEORGIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	341,000
VA authorized standard beds	2,381

	State	National
Veterans per bed:		
Jan. 5, 1949	143	178
Original construction and expansion program	82	117
Revised construction and expansion program	85	129

Hospitals eliminated

Location	Type	Beds
Americus	TB	250
Thomasville	GM	100

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
Americus	250 TB	$331,000
Thomasville	100 GM	0

Projects altered in size from present plans

Location	Atlanta.
Type	GM.
Beds	From 750 to 500.

Estimated obligation incurred by Government, hospital altered

Location	Atlanta.
Type	500 GM.
Amount	Proposed donation.

Existing VA hospitals in State

Hospita	Type	Authorized beds
Atlanta	TB	225
Augusta	NP	1,350
Chamblee	GMS	750
Dublin	do	200
Total		2,525

Contracts with Army, Navy, Public Health Service and other Federal hospital beds for use of veterans—other Government

Army	175
Marine	50
Total	225
Civil and State	250
Combined total	495

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	14,377
Hospitalization in State	11,386
Hospitalized in other States	2,991
Veterans discharged outside State	2,992

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,414	1,235	1,324	1,150
Atlanta, VA hospital	15	21	40	20
Augusta, VA hospital	208	122	124	110
Chamblee, VA hospital	689	494	583	547
Dublin, VA hospital	179	195	177	165
Atlanta, regional office	1,323	403		
Non-VA hospitals			400	305

Awaiting admission, Feb. 28, 1949

Atlanta	95
Augusta	89
Chamblee	
Dublin	
Atlanta, regional office	
Grand total	184

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area: Atlanta Ga.

Length of waiting period:	
1 to 60 days	714
61 to 120 days	168
121 to 180 days	61
Over 180 days	65
Total awaiting	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Atlanta	TB	11	0	42	0	2	0	225
Augusta	NP	20	15	81	0	3	0	1,350
Chamblee	GMS	17	50	127	2	5	0	667
Dublin	GMS	9	0	38	0	2	0	200
Total		57	65	288	2	12	0	2,362

Staff required for hospitals eliminated

	Americus	Thomasville
Number of doctors	15	10
Number of nurses	44	26
Number of dentists	1	1
Number of technicians	20	18

Additional staff required for hospital altered in size

Atlanta:	
Number of doctors	15
Number of nurses	50
Number of dentists	1
Number of technicians	20

Comments regarding staffing of hospitals

Atlanta, GM: Altered in size; located in community where there are medical schools, no difficulty in staffing.
Americus, TB: Eliminated; difficult to staff properly.
Thomasville, GM: Eliminated; difficult to staff properly.

Comments

Americus, Ga.

This 250-bed tuberculosis hospital has been eliminated. Testimony from individuals representing Georgia and the surrounding State, in fact, Nation-wide, testified to the general shortage of tuberculosis beds. It was brought out that there was a very definite need for a tuberculosis hospital not only to serve Georgia but to serve Florida and Alabama and a section of Mississippi. Facilities for treating tubercular veterans in this area are at Memphis, Tenn., and Oteen, N. C., and a recent conversion of a veterans' hospital at Atlanta, Ga. It has an authorized bed capacity of 225 beds. As of December 31, 1948, there was a waiting list in this veterans' hospital at Atlanta of 108 tuberculosis cases, 87 of those had been on the waiting list for more than 40 days. The Veterans' Administration, after an exhaustive survey and study of Georgia, Florida, and Alabama, determined that a tuberculosis hospital was needed, and after considering some 42 sites, selection was made at Americus.

Americus is located 140 miles south of Atlanta and is centrally located to serve the southeastern area. After this site had been selected the city of Americus, at the request of the United States engineers, provided certain facilities which so far has cost the city government and the people of this community approximately $65,000. A 25-acre tract was bought and paid for and deeded to the United States Government. The city then ran special sanitary sewers and enlarged the water mains and the fire department and proceeded with this work at the instance of the Corps of Engineers and several communications directly from the construction department set up dates for inviting of bids. Originally bids were to be invited in May of 1948. It was later found necessary to revise the plans and at the time of the President's recommendation for cut-back the date for inviting bids on this project was set for January 9, 1949. The plans were listed as 99 percent complete at that time. In addition, the State of Georgia, with this hospital plan in mind, is now constructing at Lake Blackshear, 20 miles from this hospital site, a 2,000-acre State park, which has already been named Veterans' Memorial State Park.

As regards staffing, it was brought out that Americus has a good medical center. The doctors at the community had agreed to be on the staff if called upon for any of their services. A bond issue has just been voted in Americus for a new hospital to add 80 additional beds to the existing hospital and in order to clear a hurdle that might exist locally about nurses a nurses' training school is to be provided for training nurses locally.

Atlanta, Ga.

This project originally called for 750 general medical and surgical beds and was reduced to 500 merely because of the state of necessity to reduce the general construction program by approximately 16,000 beds. There is general agreement that these beds are badly needed and there is no difficulty whatsoever anticipated in the staffing of these beds.

ILLINOIS

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	1,213,000
VA authorized standard beds	8,543

	State	National
Veterans per bed:		
Jan. 5, 1949	142	178
Original construction and expansion program	118	117
Revised construction and expansion program	127	129

Hospital eliminated

Location	Decatur.
Type	GM.
Beds	250.

Estimated obligation incurred by Government—hospital eliminated

Location	Decatur.
Type	250 GM.
Amount	$329,000.

Projects altered in size from present plans

Location	Chicago.
Type	GM.
Beds	From 1,000 to 500.

Estimated obligation incurred by Government—hospital altered

Location	Chicago.
Type	500 GM.
Amount	$987,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Danville	NP	2,025
Downey	NP	2,982
Dwight	GMS	286
Hines	GMS	3,253
Marion	GMS	176
Total		8,722

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Marine	75
Civil and State	1,173
Combined total	1,248

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	28,568
Hospitalization in State	25,020
Hospitalized in other States	3,548
Veterans discharged outside State	3,548

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	5,088	3,301	3,198	2,777
Danville, VA hospital	72	127	109	111
Downey, VA hospital	78	149	150	93
Dwight, VA hospital	184	182	176	152
Hines, VA hospital	3,350	2,113	2,469	2,175
Marion, VA hospital	275	210	193	159
Chicago, regional office	1,129	520	------	------
Non-VA hospitals	------	------	101	87

Awaiting admission, Feb. 28, 1949

Danville	37
Downey	34
Dwight	90
Hines	366
Marion	55
Chicago	------
Grand total	582

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Chicago): Illinois

Length of waiting period:	
1 to 60 days	656
61 to 120 days	186
121 to 180 days	50
Over 180 days	145
Total awaiting	1,037

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Danville	NP	14	9	82	0	3	0	1,926
Downey	NP	34	17	138	0	5	0	2,524
Dwight	GMS	12	3	37	0	1	0	226
Hines	GMS	53	283	514	0	12	0	3,154
Marion	GMS	14	2	38	0	2	0	176
Total		127	314	809	0	23	0	8,006

Staff required for hospital eliminated

Decatur:	
Number of doctors	9
Number of nurses	57
Number of dentists	3
Number of technicians	35

Additional staff required for hospital altered in size

Chicago:	
Number of doctors	27
Number of nurses	97
Number of dentists	3
Number of technicians	46

Comments regarding staffing of hospitals

Decatur, GM: Eliminated; difficult to staff properly.
Chicago, GM: Altered in size; located in community where there are medical schools, no difficulty in staffing.

Comments

Chicago

A contemplated 1,000-bed general medical and surgical hospital is scheduled for reduction in size to 500 beds. It was the general agreement that the need for the additional 500 beds did exist and, likewise, that there would be absolutely no difficulty in staffing these beds. Cook County serves approximately 750,000 veterans. It was testified to that even if these 500 beds were restored here and the 250 general medical and surgical beds restored at Decatur that there would still not be enough of these beds to take care of the present and anticipated needs.

It was further testified to that the Hines Hospital has served Cook County for many years, as always, but too small for the load they were required to assume. In addition, it was brought out that this is not only a general medical and surgical hospital but is also a diagnostic center for all of the Midwest and that veterans are being sent there from all parts of the central part of the country to receive diagnostic services and specialized medical care. Likewise, the Veterans' Administration has the Hines Hospital, a very large tumor clinic, with patients being sent there from many States for specialized attention.

Decatur, Ill.

This project of a 250-bed general, medical, and surgical hospital has been recommended

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for abandonment. This city is located in central Illinois and the area contemplated to be served is stated to care for potentially over 2,000 veterans who now have to go a distance of over 300 miles from Marion to Dwight but no hospital in between these two places. It is stated that there are 33 counties of Illinois without a close Veterans' Administration hospital and this works a great hardship, especially on acute cases and those requiring emergency attention. Greater Decatur itself is stated to have a population of 80,000.

Testimony brought out the fact that Decatur, Ill., holds a unique position in being the only city in America on two occasions unanimously selected for the site of a veterans' hospital by the Federal Board of Hospitalization. Originally it was so selected in 1940 to serve Decatur and the surrounding area but this proposed site was subsequently transferred to Marion, Ill. Studies in 1943, 1944, and 1945 revealed a great need of further general, medical, and surgical beds in this area and again Decatur was recommended for the site of a hospital to serve this area.

The need for general, medical, and surgical beds in this area does not appear to be questioned. Instances were cited of veterans on the waiting list for a considerable period of time dying before they could be admitted. The Veterans' Administration, which originally proposed this site, is now stating that witnesses from that area, however, have testified that there are sufficient specialists, consultants, and general practitioners to properly staff the hospital. Likewise, it was brought out that there are many nurses graduating from large recognized nurses' training schools in Illinois and Missouri who are now working away from their homes in the Decatur area who would be glad to come back home and work in this proposed hospital.

It was further brought out that private and public institutions in the State are unable to take care of the existing hospital load because they are already filled to capacity. 11,073 veterans are now hospitalized in civil and State hospitals. Approximately 1,300 of the presently authorized Veterans' Administration hospital beds in the State are of wartime construction. These are at Hines (Vaughn) and Downey (Great Lakes)

The Veterans' Administration official waiting list for February 28, 1949, is given as 582. The director of rehabilitation of a service organization stated his figures showed 609 and "That is a very conservative figure." It was brought out that in February 1949, 4,000 veterans applied for hospital treatment but only 2,900 could be admitted because of lack of beds or because they were not urgent cases and, consequently, were not placed on the official waiting list. It was also brought out that there are no Army hospitals in Illinois where beds are available.

The Decatur site was purchased January 17, 1946, and plans were in preparation. It was testified to that personnel, including professional men, are ideal. Surveys have definitely proven this. Decatur has a considerable number of outstanding men of the medical profession. The Veterans' Administration hospital would have been a part of a new medical center being contemplated.

KENTUCKY

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 320,000
VA authorized standard beds..... 2,914

	State	National
Veterans per bed:		
Jan. 5, 1949	110	178
Original construction and expansion program	78	117
Revised construction and expansion program	83	129

Projects altered in size from present plans

Location..... Louisville.
Type..... GM.
Beds..... From 750 to 500.

Estimated obligation incurred by Government, hospital altered

Location..... Louisville.
Type..... 500 GM.
Amount..... $8,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Outwood	TB	376
Lexington	NP	1,220
Fort Thomas	GMS	308
Louisville	GMS	100
Total		2,014

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

Civil and State..... 67

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized..... 14,196
Hospitalization in State..... 10,728
Hospitalized in other States..... 3,468
Veterans discharged outside State..... 3,368

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,047	1,066	863	831
Outwood, VA hospital	37	53	34	39
Lexington, VA hospital	136	113	128	107
Fort Thomas, VA hospital	46	34	30	26
Louisville, VA hospital	1,639	857	665	657
Louisville, regional office	189	9	.....	.....
Non-VA hospitals	.....	.....	6	4

Awaiting admission, Feb. 28, 1949

Outwood..... 71
Lexington..... 11
Fort Thomas..... 0
Louisville..... 292
Louisville, regional office..... 0
Grand total..... 374

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus) Kentucky

Length of waiting period:
1 to 60 days..... 1,080
61 to 120 days..... 338
121 to 180 days..... 86
Over 180 days..... 101
Total awaiting..... 1,605

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Outwood	TB	11	1	29	0	2	0	318
Lexington	NP	10	10	57	0	2	0	1,230
Fort Thomas	GMS	6	0	23	0	2	0	308
Louisville	GMS	28	62	201	0	4	0	1,000
Total		55	73	310	0	10	0	2,856

Additional staff required for hospital altered in size

Louisville:
Number of doctors..... 15
Number of nurses..... 80
Number of dentists..... 1
Number of technicians..... 20

Comments regarding staffing of hospital altered in size

Louisville, GM: Located in community where there are medical schools; no difficulty in staffing.

Comments

Kentucky

The testimony reveals that the State has a large veteran population with 29,014 Veterans' Administration beds authorized for the State while, during the fiscal year of 1948, over 20,000 veterans of Kentucky received hospital treatment. The program calls for a reduction of general-medical beds in Louisville from 750 to 500 which is a loss of 250 beds. However, the testimony points out that this proposed new hospital is to replace a 1,000 temporary bed in Louisville which is of temporary construction and has been referred to as very flimsy in construction and one which needs immediate replacement. The replacement hospital of 750 beds means a loss of 250 beds from the present bed allocation and by reducing the new hospital by 250 beds would mean a loss of 500 beds to Louisville instead of the 250 as indicated by a mere reduction of the 750-bed hospital to 500 beds. The present hospital at Louisville is overcrowded and has waiting lists and apparently can only take care of emergency cases. It should be borne in mind that Kentucky is surrounded by the States of Indiana, Illinois, Tennessee, Ohio, and West Virginia and invariably receive a large number of veterans from those States in the Kentucky hospitals. The testimony also indicates that State institutions are wholly inadequate to provide assistance to veterans and have a serious problem of taking care of the citizens of the State.

The Veterans' Administration selected and acquired by donation a site in the city of Louisville to locate the new hospital. It proceeded with the necessary engineering and architect plans at considerable cost and was at a point where actual construction of the project could begin with minimum delay.

MICHIGAN

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 788,000
VA authorized standard beds..... 3,165

	State	National
Veterans per bed:		
Jan. 5, 1949	249	178
Original construction and expansion program	164	117
Revised construction and expansion program	191	129

Hospitals eliminated

Location	Type	Beds
Grand Rapids	GM	200
Detroit	TB	500

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
Grand Rapids	200 GM	$369,000
Detroit	500 TB	513,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Fort Custer	NP	2,140
Dearborn	GMS	1,117
Total		3,265

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army	200
Marine	75
Total	275
Civil and State	1,451
Combined total	1,726

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	11,786
Hospitalization in State	10,413
Hospitalized in other States	1,373
Veterans discharged outside State	1,378

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,862	1,412	1,165	947
Fort Custer, VA hospital	26	43	60	52
Dearborn, VA hospital	861	732	693	555
Detroit regional office	975	637	------	------
Non-VA hospitals	------	------	412	340

Awaiting admission Feb. 28, 1949

Grand total	420
Dearborn	209
Fort Custer	211
Detroit regional office	---

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus): Michigan

Length of waiting period:	
1 to 60 days	1,080
61 to 120 days	338
121 to 180 days	86
Over 180 days	101
Total awaiting	1,605

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Fort Custer	NP	13	15	60	0	3	0	2,148
Dearborn	GMS	28	86	205	0	7	2	976
Total		41	101	265	0	10	2	3,124

Staff required for hospital eliminated

	Grand Rapids	Detroit
Number of doctors	16	24
Number of nurses	48	71
Number of dentists	1	2
Number of technicians	18	35

Comments regarding staffing of hospitals—Eliminated

Detroit, TB: Can be very readily staffed.
Grand Rapids, GM: Can be very readily staffed.

Comments

Michigan

Although the Veterans' Administration has estimated the veteran population of Michigan as 788,000, testimony from the Governor of the State brings out that in the past decade there has been a tremendous growth of population in the State and that the latest estimation of veterans in Michigan is 835,000. Other testimony introduced stressed the fact that the 788,000 veterans in the Veterans' Administration figures does not take into consideration the transient veterans who migrate to heavy industrial sections. Hospital projects scheduled for elimination in this State are the Grand Rapids hospital with a 200-bed general medical and surgical capacity and the proposed hospital at Detroit, Mich., with a 500 TB bed capacity. The need for beds is very acute in both the State and in the Detroit area. The Governor of the State testified to a serious crisis existing in the State in providing a number of hospital beds for its nonveterans, as well as veterans. He brought out because no Veterans' Administration facilities are provided in Michigan for tubercular veterans the State has had to assume a large portion of the financial responsibility for the care of approximately 600 veterans now hospitalized in State, county, or private sanitaria. He further brings out that many veterans who are residents of Michigan and are being treated in Veterans' Administration facilities are being so treated in veterans' hospitals in several other States. The nearest Veterans' Administration facilities for tubercular patients are at Dayton, Ohio, or Milwaukee, Wis. There are approximately 450 such patients.

He brings out that this did not include the many veterans needing tubercular care who have refused hospitalization because it required separation from their families for a long period of time and considerable distance from their homes; also, those who have gone to these out-of-State facilities do not stay the full time required and return home before being cured. It also brings out the crowded urban conditions, and the shortage of facilities. This area has 50 to 60 percent of the total number of tubercular cases in the State and has a death rate of twice that of the remainder of the State. Oral testimony before the committee by the commissioner of health, Detroit, Mich., revealed a serious crisis regarding adequate facilities for cases of tuberculosis in Wayne County in which Detroit is located. Of 900 patients in Michigan dying of tuberculosis last year, 600 were from Wayne County. He brings out that there has been a large waiting list of urgent cases needing hospitalization which would be materially reduced if the veterans were cared for in their own hospitals. He further verifies the fact that tubercular veterans hospitalized at Dayton and Milwaukee leave early before treatment is completed because of their homesickness or inability to have their families visit them on account of the long distance. At the time of his testimony he cited an urgent waiting list of 125 to 150 patients needing hospital care at once who now must wait and to assure prompt care for all patients, veterans and nonveterans, 300 additional tuberculosis beds are needed for Wayne County alone. He stressed that the care of the veterans near their own homes is essential to securing cooperation and remaining in the hospital until treatment is completed.

As regards staffing the health commissioner stated that while there was in the past a difficulty in staffing a definite change in the securing of nursing and other personnel, it has changed for the better in the past few months and he now has been able to open beds which were closed because of shortage of staffs. Other testimony indicated that an independent survey would show that there would be sufficient doctors, nurses, technicians, etc., to staff this proposed tubercular hospital, if and when erected. Attention was invited to the medical colleges located in the city of Detroit whose medical and other personnel would be available in such staffing. The Veterans' Administration has stated that this hospital could be very readily staffed. As regards the Grand Rapids general medical and surgical hospital the Governor of the State brought out that unless this hospital is built there would be no veterans' facilities provided for approximately 200,000 veterans living in the 30 counties of western Michigan. He brings out that there is a lack of sufficient hospital beds for the general public. As regards staffing it was brought out that Grand Rapids has a highly developed medical program and is the home of many nationally known medical experts in special lines. These would be available for proper staffing of this proposed hospital. Further information was submitted by the State service officer of a national service organization that in a recent visit to the subregional office at Escanaba that the manager of that veterans' office had advised him that they had more than twice the applications on file that would be necessary to staff this hospital, both professional and lay and services. The Veterans' Administration has indicated that this proposed hospital can be readily staffed.

MINNESOTA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	382,000
VA authorized standard beds	2,144

	State	National
Veterans per bed:		
Jan. 5, 1949	178	178
Original construction and expansion program	142	117
Revised construction and expansion program	153	129

Hospitals eliminated

Location	Duluth.
Type	GM.
Beds	200.

Estimated obligation incurred by Government, hospital eliminated

Location	Duluth.
Type	200 GM.
Amount	$274,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
St. Cloud	NP	1,387
Minneapolis	GMS	1,046
Total		2,433

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State	215

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	10,371
Hospitalization in State	9,092
Hospitalized in other States	1,279
Veterans discharged outside State	1,285

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,628	988	935	822
St. Cloud, VA hospital	28	27	36	31
Minneapolis, VA hospital	1,368	891	848	745
Minneapolis, regional office	232	70	------	------
Non-VA hospitals	------	------	51	46

Awaiting admission, Feb. 28, 1949

Minneapolis	290
St. Cloud	54
Minneapolis, regional office	--
Grand total	344

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Paul): Minnesota

Length of waiting period:	
1 to 60 days	671
61 to 120 days	280
121 to 180 days	88
Over 180 days	162
Total awaiting	1,201

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Minneapolis	GMS	139	3	252	8	5*	0	1,014
St. Cloud	NP	7	1	59	0	2	0	1,387
Total		146	4	311	8	7	0	2,401

Staff required for hospital eliminated

Duluth:	
Number of doctors	16
Number of nurses	48
Number of dentists	1
Number of technicians	18

Comments regarding staffing of hospitals, eliminated

Duluth, GM: Difficult to staff properly.

Comments

MINNESOTA

As of January 5, 1949, Minnesota with its estimated veteran population of 382,000 had 1 Veterans' Administration hospital bed available for every 178 veterans which was the same as the national average as of that date. Due to the expanded veteran population following World War II, the original construction and expansion program of hospital construction resulted in there being set up a contemplated average of 1 veteran for every 117 hospital beds. Under the original construction and expansion program, considering the 200-bed general medical and surgical hospital to be erected at Duluth, would have given Minnesota 1 bed per 142 veterans. This would have been below the national average. However, in the revised construction and expansion program, the hospital at Duluth is scheduled for elimination and this would bring the veterans' beds available in Minnesota to 1 bed for every 153 veterans as compared to a national average in the revised construction program of 1 bed per 129 veterans.

Another factor to be considered in further reducing the available veterans' beds to Minnesota veterans is that the present general medical and surgical veterans' hospital at Minneapolis is a highly specialized hospital and serves as a specialized medical and surgical treatment center for veterans in Iowa, Nebraska, North and South Dakota. There are no Army, Navy, or Public Health Service beds available to the Veterans' Administration in Minnesota. Because of the shortage of veterans' beds and the fact that the veterans' hospital at Minneapolis (Fort Snelling) has not been adequate in the past to meet the needs of all veterans of Minnesota. It was testified to that the construction of the proposed hospital at Duluth is essential.

The construction of the Duluth hospital was planned to serve 66 counties in Minnesota, North Dakota, Wisconsin, and upper Michigan, with an estimated veteran population from 51,000 to 75,000. It is now necessary for certain very sick veterans to travel by bus, from a train, ambulance, or private conveyance a distance as much as 250 miles in Minnesota to reach the veterans' hospital at Minneapolis. Due to the severe winter and the fact that the hospital beds are in greater demand at that time, it is often impossible for a veteran in the Duluth area to get to an existing veterans' hospital bed even if same is available. Such a hospital, if constructed, would serve an area which is now quite inaccessible to existing or contemplated veterans' hospitals. Because there are no veterans' hospital facilities readily available to even urgent service-connected cases, there are now 50 veterans in private hospitals in the city of Duluth. All of the hospitals in Duluth are filled and some of them are planning forced emergency expansion. Some of the hospitals such as St. Luke's have Quonset huts set up on the lawn to take care of their emergency cases. Even if the Duluth hospital is built the average bed available per veteran for that area would still be below the national average of veterans' beds per patient and would result in one hospital bed for every 275 veterans in that area as compared to the national average of 129. As far as staffing is concerned, congressional and other witnesses appearing before the committee report that they have prospective assurance from doctors that enough facilities would be available in Duluth to man the proposed hospital there. It is reported that there are plenty of medical and nursing talent available within a few minutes drive from the proposed site. Detailed information was introduced to show that Duluth is recognized as a medical center with necesary professional and technical talent conducive to the operation of a veterans' hospital. On the other hand the Veterans' Administration has commented that as regards staffing it would be difficult to staff this proposed hospital properly.

MISSISSIPPI

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	225,000
VA authorized standard beds	1,891

	State	National
Veterans per bed:		
Jan. 5, 1949	119	178
Original construction and expansion program	98	117
Revised construction and expansion program	119	129

Hospitals eliminated

Location	Type	Beds
Mound Bayou	GM	200
Tupelo	GM	200

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Beds
Mound Bayou	200 GM	$231,000
Tupelo	200 GM	279,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Gulfport	NP	1,098
Biloxi	GMS	238
Jackson	GMS	750
Total		2,086

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State	90

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	10,784
Hospitalization in State	7,524
Hospitalized in other States	3,260
Veterans discharged outside State	3,261

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,327	997	766	633
Gulfport, VA hospital	69	74	62	72
Biloxi, VA hospital	200	119	141	127
Jackson, VA hospital	980	738	557	429
Jackson, regional office	78	66	.....	.....
Non-VA hospitals	.....	.....	6	5

Awaiting admission, Feb. 28, 1949

Biloxi	.....
Gulfport	7
Jackson	302
Jackson, regional office	.....
Grand total	309

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Dallas): Mississippi

Length of waiting period:	
1 to 60 days	1,084
61 to 120 days	449
121 to 180 days	221
Over 180 days	536
Total awaiting	2,290

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Gulfport	NP	17	1	74	0	2	0	1,098
Biloxi	GMS	18	[illegible]	42	0	3	0	238
Jackson	GMS	28	20	97	0	3	0	570
Total		63	23	183	0	8	0	1,906

Staff required for hospital eliminated

	Mound Bayou	Tupelo
Number of doctors	16	16
Number of nurses	48	48
Number of dentists	1	1
Number of technicians	18	18

Comments regarding staffing of hospitals

Mount Bayou, GM: Difficult to staff properly.
Tupelo, GM: Difficult to staff properly.

Comments

Mississippi

The testimony shows that the general medical 200-bed hospital at Tupelo is to be eliminated. Yet, the location of this proposed hospital is located in an ideal area because it is almost 200 miles from Jackson, some 112 miles from Memphis and about 120 miles from Birmingham, Ala. It is a sort of a halfway ground from two good cities. It should be kept in mind that Mississippi is a long State and means that this area is handicapped in the distance veterans must travel

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for the purpose of obtaining hospitalization. The State is 360 miles in length and approximately 120 to 200 miles in width. The testimony further shows that there are two permanent hospitals located on the Gulf coast area with one temporary hospital in Jackson which leaves the northern area of the State without hospital facilities. The biggest problem is the fact that the Jackson hospital cannot continue to operate indefinitely as there must be some permanent construction to replace this institution.

With reference to the Mound Bayou general medical 200-bed hospital proposed to be eliminated, it was pointed out that this hospital is designated for Negroes. Mound Bayou is located in the second largest Negro area in the State. This area has its Negro insurance companies, doctors, and leaders of the State who want the hospital and want it located at Mound Bayou and would take great pride in assisting in staffing this hospital with Negro doctors and nurses.

The State institutions cannot adequately care for the citizens of the State and many veterans attempting to receive treatment have been forced to be placed in jails awaiting hospital treatment.

MISSOURI

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	484,000
VA authorized standard beds	1,412

	State	National
Veterans per bed:		
Jan. 5, 1949	343	178
Original construction and expansion program	124	117
Revised construction and expansion program	154	129

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Kansas City	GM and TB to all TB.	745	[1] 500
St. Louis	GM	1,000	500

[1] Originally planned for 495 GM and 250 TB beds, now 500 TB beds.

Estimated obligations incurred by Government, hospital altered

Location	Type	Amount
Kansas City	500 GM	$50,000
St. Louis	500 GM	166,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Excelsior Springs	TB	251
Springfield	TB	600
Jefferson Barracks	GMS	676

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Marine	60
Civil and State	3
Combined total	63

Veterans hospitalized in VA and non-VA hospitals—Fiscal year 1948

Total hospitalized	15,810
Hospitalization in State	6,587
Hospitalized in other States	9,223
Veterans discharged outside State	9,224

Applications for hospitalization, admissions, and discharges—January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,204	1,107	910	861
Excelsior Springs, VA hospital	21	33	31	31
Springfield, VA hospital	125	127	132	98
Jefferson Barracks, VA hospital	1,273	889	674	672
St. Louis, regional office	374	56		
Kansas City, regional office	411	2		
Non-VA hospitals			73	60

Awaiting admission—Feb. 28, 1949

Excelsior Springs	9
Springfield	16
Jefferson Barracks	60
Grand total	85

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Louis): Missouri

Length of waiting period:	
1 to 60 days	385
61 to 120 days	45
121 to 180 days	8
Over 180 days	5
Total awaiting	443

Medical personnel employed in existing VA hospitals—assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Excelsior Springs	TB	9	0	33	0	1	0	244
Springfield	TB	10	0	71	0	1	0	467
Jefferson Barracks	GMS	84	0	130	2	5	0	681
Total		103	0	234	2	7	0	1,392

Staff required for hospital altered in size

	Kansas City	St. Louis
Number of doctors	15	27
Number of nurses	49	97
Number of dentists	1	3
Number of technicians	20	46

Comments regarding staffing of hospitals—Altered in size

Kansas City, GM and TB: Located in communities where there are medical schools and no difficulty in staffing.

St. Louis, GM: Located in communities where there are medical schools and no difficulty in staffing.

Comments

Missouri

The Veterans' Administration's estimated veteran population is given as 484,000. Information furnished by the Government of the State indicates the veteran population of Missouri to be in excess of 6,000. Information furnished by the State service officer of Missouri is to the effect that according to figures obtained from the adjutant general's office, approximately 170,000 veterans of World War I were paid State bonuses by Missouri and according to Missouri accurate figures obtained Missouri has a total of 640,000 veterans of all wars. Projects scheduled for alteration in size from present plans are a proposed general medical and surgical hospital of 1,000 beds at St. Louis, Mo., scheduled for reduction of 500 such beds and a hospital at Kansas City, Mo., originally planned for 495 general medical and surgical beds and 250 TB beds now scheduled for a reduction from the 745 combined beds to 500 TB beds.

It was brought out that the large centers of veteran population of Missouri are located in St. Louis and adjoining counties are in the vicinity of Kansas City and its adjoining counties. These are the two locations involved in the hospital construction cut-back.

Testimony was brought out that the Veterans' Administration plans to convert the present Veterans' Administration hospital at Jefferson Barracks to a neuropsychiatric hospital when the new general medical and surgical hospital is completed in St. Louis. This, therefore, would result in an actual reduction of general medical and surgical beds than is now available in this area. At the existing Jefferson Barracks veterans' hospital, it is brought out that they have an average daily emergency waiting list of 133 veterans in addition to the many P–10's being transferred there from other hospitals to reduce the present general medical and surgical beds and, therefore, work an unjust, undue, and unnecessary hardship on the veterans of Missouri and Illinois who now largely use this hospital.

The veteran population of the 38 counties of the eastern half of Missouri now officially designated as the area served by the present hospital at Jefferson Barracks is stated to serve, according to Veterans' Administration figures, a veterans population of 290,000 in addition to 37 counties in Illinois also included in this area and containing 190,830 veterans. The combined total of veterans thus served by this hospital is 489,830 with 60 percent of the veterans hospitalized from Missouri. This hospital now is averaging 900 admissions a month and is able to operate at the present bed capacity of 676 by utilizing sunrooms and other space for such much-needed beds. At the present time, 2,500 veterans in the State of Missouri are hospitalized outside of the State with the number broken down as 1,300 mental patients and 1,200 tuberculosis and general medical and surgical cases. This would seem to justify the proposed conversion of Jefferson Barracks to a neuropsychiatric hospital but with a loss of general medical and surgical beds in St. Louis, together with the elimination of all of the proposed general medical and surgical beds at Kansas City. The emergent general medical and surgical situation which has existed in Missouri, since prior to 1941, is expected to become more urgent and critical. There appears to be, therefore, no question as to the emergency needs for the proposed beds irrespective of their type or classification.

As regards staffing, both of the hospitals in Kansas City and St. Louis are located in communities where there are medical schools and this is recognized by the Veterans' Administration, who have indicated because of this that there would be no difficulty in staffing. In addition, the large number of fine hospitals and nurses' training schools in these areas would provide a large reservoir of nursing personnel to draw from, as well as the ability to recruit the necessary civilian staff for other needed positions.

The record contains a telegram from the president of the Jackson County Medical Society, covering the greater Kansas City area, pledging their wholehearted support of the medical profession of this area to staff the hospital from the local profession and

to form the consultant group to administer the best care to the veterans. At the St. Louis area, it was brought out that application for positions as resident doctors are triple as regards the openings available. It was also brought out that the doctors who made these applications at the present general medical hospitals at St. Louis stated they would not accept positions elsewhere. With this large reservoir of applications from doctors in excess of the openings available no difficulty should be experienced in adequately staffing a 1,000-bed general medical and surgical hospital at St. Louis and that number is one that appears to be urgently needed. There are two medical schools in St. Louis, i. e., the Washington University and the St. Louis University, who have been responsible for an excellent consultant staff, as well as producing a condition where applications for residents are tripled to that of the positions available.

NEW YORK

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949 — 2,047,000
VA authorized standard beds — 9,369

	State	National
Veterans per bed:		
Jan. 5, 1949	218	178
Original construction and expansion program	118	117
Revised construction and expansion program	127	129

Hospital eliminated

Location — New York.
Type — Rehabilitation.
Beds — 1,000.

Estimated obligation incurred by Government, hospital eliminated

Location — New York.
Type — 1,000 rehabilitation.
Amount — $6,000.

Projects altered in size from present plans

Location — Syracuse.
Type — 500 GM.
Beds — From 1,000 to 500.

Estimated obligation incurred by Government, hospital altered

Location — Syracuse.
Type — 500 GM.
Amount — $288,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Castle Point	TB	607
Sunmount	TB	564
Canandaigua	NP	1,713
Northport	NP	2,702
Batavia	GMS	294
Bath	GMS	466
Bronx	GMS	1,627
Brooklyn	GMS	400
Saratoga Springs	GMS	50
Staten Island	GMS	1,500
Total		9,923

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

Navy — 300
Marine — 30
Total — 330
Civil and State — 1,081
Combined total — 1,411

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized — 28,223
Hospitalization in State — 29,590
Hospitalized in other States — 1,367
Veterans discharged outside State — 1,381

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	6,498	3,924	2,934	2,701
Castle Point, VA hospital	1	29	41	31
Sunmount, VA hospital	35	80	35	37
Canandaigua VA hospital	11	11	22	18
Northport, VA hospital	15	154	41	41
Batavia, VA hospital	169	177	244	201
Bath, VA hospital	152	219	260	259
Bronx, VA hospital	2,282	992	897	869
Brooklyn, VA hospital	246	196	185	193
Saratoga Springs, VA hospital	43	45	90	77
Staten Island, VA hospital	234	323	606	548
Albany, regional office	243	209	------	------
Brooklyn, regional office	582	357	------	------
Buffalo, regional office	605	385	------	------
New York, regional office	1,519	635	------	------
Syracuse, regional office	361	112	------	------
Non-VA hospitals	------	------	513	427

Awaiting admission, Feb. 28, 1949

Batavia	151
Bath	191
Bronx	353
Brooklyn	108
Canandaigua	255
Castle Point	258
Northport	1,380
Saratoga Springs	16
Staten Island	312
Sunmount	234
Albany, regional office	
Brooklyn, regional office	
Buffalo, regional office	2
New York, N. Y., regional office	258
Syracuse, regional office	
Grand total	3,518

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (New York): New York

Length of waiting period:

1 to 60 days	740
61 to 120 days	173
121 to 180 days	99
Over 180 days	208
Total awaiting	3,518

Medical personnel employed in existing VA hospitals—assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Castle Point	TB	22	4	65	0	20	0	613
Sunmount	TB	14	1	64	3	3	0	501
Canandaigua	NP	18	3	84	0	2	0	1,713
Northport	NP	63	7	67	0	40	0	2,702
Batavia	GMS	27	27	69	0	2	0	294
Bath	GMS	32	1	81	0	0	0	466
Bronx	GMS	211	97	365	0	8	1	1,627
Brooklyn-Manhattan	GMS	19	8	68	0	2	0	351
Saratoga Springs	GMS	3	0	9	0	1	0	50
Staten Island	GMS	101	4	242	0	6	0	1,365
Total		510	152	1,114	3	30	1	9,682

Staff required for hospital eliminated

New York:
Number of doctors — 54
Number of nurses — 191
Number of dentists — 7
Number of technicians — 92

Staff required for hospital altered in size

Syracuse:
Number of doctors — 27
Number of nurses — 97
Number of dentists — 3
Number of technicians — 46

Comments regarding staffing of hospitals

Eliminated—New York City, rehabilitation: Could be very readily staffed.

Altered—Syracuse, GM: Located in community where there are medical schools; no difficulty in staffing.

Comments

New York

New York has a veteran population, according to VA figures, of 2,047,000. Existing Veterans' Administration hospitals in New York draw a large number of patients from neighboring States that also have large veteran populations, and an admitted waiting list of 15,063 general medical and surgical cases; this, in addition to others not on the official waiting list.

The projects scheduled for elimination consist of the 1,000-bed general medical (chronic and rehabilitation) hospitals scheduled for the metropolitan New York area and the proposed hospital as Syracuse, which project is scheduled for alteration in size from 1,000-bed general medical and surgical to one of 500 beds. It is understood that provisions have been made for a certain number of beds for TB and NP cases in these general medical hospitals. There is a great shortage of all types of beds in the State, both Government and civilian. Testimony revealed that there are at the present time no State or municipal hospitals in the entire State that have beds available to veterans because they are jammed to capacity and beyond capacity. Beds at other Government hospitals are very limited. The Army advised the committee that it had no beds allocated for the veterans in the State of New York. The United States Public Health Service has only 30 beds allocated for veterans at its Buffalo hospital. The Navy has 300 beds allocated at its St. Albans Hospital. The schedule for closing of the Brooklyn Naval Hospital is going to place an additional burden on the St. Albans Naval Hospital which may result in a reduction of the 300 beds available there at present for veterans.

Also, the State of New York is scheduled to have returned to it the Halloran Hospital on Staten Island when construction has been completed on a 1,000-bed general medical and surgical hospital in New York City. This will eliminate the 1,500 presently authorized general medical and surgical beds in Staten Island and will result therefore in a net loss. Likewise, the present hospital at Brooklyn (Manhattan Beach) is also scheduled for return to the Federal Government (United States Public Health Service) beyond completion of the 1,000-bed general medical and surgical hospital at New York City. This will result in a further loss of the 400 general medical and surgical beds authorized here. Thus, with the completion of a 1,000-bed general hospital in New York City and with the return of this State and Federal hospital, it is contemplated that there will be a net loss of 1,900 beds for the New York City area. The restoration of the 1,000-bed chronic general medical and surgical hospital in New York now proposed for elimination would provide a type of hospital for the release of chronic cases now occupying general medical and surgical beds in the existing Veterans' Administration hospitals and in this way would take up only in part the net loss of 1,900 beds as mentioned. Actually the restoration of the 1,000-bed chronic general medical and surgical hospital in the New York area and the restoration of the 500 beds scheduled for reduction at Syracuse would still leave a net reduction of general medical and surgical beds with a capacity of 400 less than is now available. The needs are therefore quite apparent.

As regards staffing all evidence pointed to the fact that in the State of New York and

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especially in the two locations mentioned sufficient medical nursing and other services to man these hospitals would be readily available. Further, they report they could very readily staff the previously proposed 1,000-bed chronic general medical and surgical hospital in the New York area.

NORTH CAROLINA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 406,000
VA authorized standard beds..... 2,412

	State	National
Veterans per bed:		
Jan. 5, 1949	168	178
Original construction and expansion program	76	117
Revised construction and expansion program	104	129

Hospital eliminated

Location	Type	Beds
Charlotte	GM	500
Salisbury	NP	921

Estimated obligation incurred by Government, hospital eliminated

	Type	Amount
Charlotte	500 GM	$374,000
Salisbury	921 NP	1,030,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Oteen:		
Oteen Division	TB	996
Swannanoa Division	TB	1,000
Fayetteville	GMS	416
Total		2,412

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army..... 50
Civil and State..... 1,813
Combined total..... 1,863

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized..... 13,647
Hospitalization in State..... 8,407
Hospitalized in other States..... 5,240
Veterans discharged outside State..... 5,243

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,555	916	721	608
Oteen, VA hospital:				
Oteen Division	84	127	98	64
Swannanoa	451	207	269	261
Fayetteville, VA hospital	718	336	310	238
Winston-Salem, regional office	302	246	-----	-----
Non-VA hospitals	-----	-----	44	45

Awaiting admission, Feb. 28, 1949

Fayetteville..... 63
Oteen..... 88
Swannanoa..... 169
Winston-Salem, regional office..... -----
Grand total..... 320

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Richmond): North Carolina

Length of waiting period:
1 to 60 days..... 592
61 to 120 days..... 243
121 to 180 days..... 188
Over 180 days..... 259
Total waiting..... 1,282

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Oteen	TB	42	2	171	0	7	0	1,500
Fayetteville	GMS	20	0	65	0	3	0	338
Total		62	2	236	0	10	0	1,838

Staff required for hospital eliminated

	Charlotte	Salisbury
Number of doctors	33	30
Number of nurses	105	59
Number of dentists	3	2
Number of technicians	51	48

Comments regarding staffing of hospitals—eliminated

Charlotte, GM: Can be very readily staffed.
Salisbury, NP: Difficult to staff properly.

Comments

North Carolina

It should be noted that North Carolina has only two veterans' hospitals within the State. One a TB hospital at Oteen and the other a general medical at Fayetteville. At Salisbury the proposed 921-bed NP hospital has been eliminated. The State has no NP hospital for veterans. The testimony reveals an emergency need for this type of hospital within the State. The State has made every effort to provide State mental facilities and the existing State facilities are not adequate to provide care for mental veteran patients. Veterans suffering from mental disorders are sent to Roanoke, Va., or Augusta, Ga. Salisbury is ideally located within the State near medical schools located at Winston-Salem which will make recruitment of medical staff easier and provided more expert treatment for patients. Veterans suffering from mental disorders and awaiting admission to hospitals have been placed in jail within the State because no beds have been available. The plans for the hospital were 80 percent complete at the time the order was announced to eliminate this hospital from the program. Salisbury is in the center of veteran population in the State, there being almost 500,000 veterans living within a radius of 120 miles. The city made plans to furnish water, sewerage, street facilities, and all additional services required for this hospital. A considerable amount of money was spent by the city on this project.

At Charleston a 500 general-medical bed hospital has been eliminated. The testimony indicates there would be no difficulty in staffing the general-medical hospital in this area. It is ideally located as there is good bus, railway, and air transportation to the city as well as many paved highways entering the city. They have waiting lists for admission to the hospitals in this State, and due to the lack of available space in beds only emergency cases can be handled.

OHIO

Estimated veteran population, Jan. 5, 1949..... 983,000
VA authorized standard beds..... 4,380

	State	National
Veterans per bed:		
Jan. 5, 1949	224	177
Original construction and expansion program	111	119
Revised construction and expansion program	144	128

Hospital eliminated

Location..... Toledo
Type..... NP
Beds..... 1,000

Estimated obligation incurred by Government, hospital eliminated

Location..... Toledo
Type..... 1,000 NP
Amount..... $825,000

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Cincinnati	GM	750	500
Cleveland	GM	1,000	500
Do	NP	1,250	1,000

Estimated obligations incurred by Government, hospitals altered

Cincinnati	500 GM	Proposed donation,
Cleveland	500 GM	$622,000.
Do	1,000 NP	$264,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Brecksville	TB	264
Chillicothe	NP	2,187
Cleveland	GMS	1,000
Dayton	GMS	1,316
Total		4,767

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Marine..... 120
Civil and State..... 309
Combined total..... 429

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized..... 18,291
Hospitalization in State..... 15,828
Hospitalized in other States..... 2,467
Veterans discharged outside State..... 2,474

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,623	1,911	1,544	1,393
Brecksville, VA hospital	14	38	35	33
Chillicothe, VA hospital	62	50	51	47
Cleveland, VA hospital	698	908	846	708
Dayton, VA hospital	614	520	459	477
Cincinnati, regional office	299	170	-----	-----
Cleveland, regional office	936	135	-----	-----
Non-VA hospitals	-----	-----	153	128

Awaiting admission, Feb. 28, 1949

Brecksville..... 81
Chillicothe..... 37
Cleveland..... 362
Dayton..... 341
Cincinnati, regional office..... -----
Cleveland, regional office..... -----
Grand total..... 821

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus): Ohio

Length of waiting period:	
1 to 60 days	1,080
61 to 120 days	338
121 to 180 days	86
Over 180 days	101
Total awaiting	1,605

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Brecksville	TB	9	0	33	0	1	0	264
Chillicothe	NP	12	2	62	0	3	0	2,187
Cleveland	GMS	15	2	201	0	5	0	1,000
Dayton	GMS	65	52	188	3	5	0	1,004
Total		181	56	484	3	14	0	4,455

Staff required for hospital eliminated

Toledo:	
Number of doctors	33
Number of nurses	81
Number of dentists	3
Number of technicians	56

Additional staff required for hospital, altered in size

	Cincinnati	Cleveland (GM)	Cleveland (NP)
Number of doctors	15	27	8
Number of nurses	50	97	19
Number of dentists	1	3	1
Number of technicians	20	46	11

Comments regarding staffing of hospitals

Eliminated—Toledo, NP: Difficult to staff properly.

Altered—Cincinnati (GM), Cleveland (GM), and Cleveland (NP): These three hospitals are located in communities where there are medical schools—no difficulty in staffing.

Comments

Ohio

Testimony shows that Ohio has an extremely large veteran population and only has 4,380 authorized standard beds for veterans. Under the program, Toledo would lose a proposed 1,000-bed NP hospital. The State has one large VA NP hospital at Chillicothe, which is overcrowded and has waiting lists. It is pointed out that in order to be admitted to this hospital it is necessary for prospective patients to be determined insane, in other words to be probated before they can be admitted. There are over 1,000 service-connected veterans in the State mental institutions and the need for this additional NP hospital has clearly been established. Toledo is 30 miles from any available veterans' facility and is one of the outstanding examples of a medical research center not connected with a medical college. There are approximately 250,000 veterans in this area to be served by this hospital. The specialists and consultants and research facilities with laboratories are available in Toledo on a pro rata basis to a larger degree than they are in places where there is a medical college. The plans for this hospital at Toledo were 97 percent complete as of the time the cut-back order was issued. The testimony indicates a great need for restoration of the beds which would be taken away from the Cincinnati and Cleveland hospitals. Cincinnati would lose 750 beds and Cleveland would lost 250 beds. The present Veterans' Administration hospitals in Ohio have no vacant beds and have an accumulated waiting list and even emergency cases have more difficulty in being admitted. There is no difficulty in staffing the hospitals in the Cleveland and Cincinnati areas. The northern half of the State of Ohio shows a ratio of one bed to each 236 veterans. It should be pointed out that geographically, Toledo is ideally situated to maintain a veterans' hospital. It has excellent transportation and is near a State mental facility. It has a greater proportionate number of doctors per person for consultation and staffing. Veterans in the State of Ohio have long days of waiting for admission to hospitals. It should be pointed out that Cincinnati donated the ground for the proposed hospital and the Government has spent a considerable amount of money in this area.

OKLAHOMA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	297,000
VA authorized standard beds	606

	State	National
Veterans per bed:		
Jan. 5, 1949	490	178
Original construction and expansion program	126	117
Revised construction and expansion program	269	129

Hospitals eliminated

Location	Norman.
Type	NP.
Beds	750.

Estimated obligation incurred by Government, hospital eliminated

Location	Norman.
Type	750 NP.
Amount	$605,000.

Projects altered in size from present plans

Location	Oklahoma City.
Type	GM.
From	1,000 to 500.

Estimated obligation incurred by Government, hospital altered

Location	Oklahoma City.
Type	500 GM.
Amount	$97,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Muskogee	GMS	386
Oklahoma City	GMS	220
Total		606

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State	25

Veterans hospitalized in VA and non-VA hospitals, fiscal year

Total hospitalized	9,326
Hospitalization in State	6,779
Hospitalized in other States	2,549
Veterans discharged outside State	2,547

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,040	659	582	535
Muskogee, VA hospital	342	401	316	269
Oklahoma City, VA hospital	213	226	231	243
Muskogee, regional office	211	8	------	------
Oklahoma City, regional office	274	24	------	------
Non-VA hospitals	------	------	35	23

Awaiting admission, Feb. 28, 1949

Muskogee	103
Oklahoma City	35
Muskogee, regional office	14
Oklahoma City, regional office	2
Grand total	154

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Louis): Oklahoma

Length of waiting period:	
1 to 60 days	385
61 to 120 days	45
121 to 180 days	8
Over 180 days	5
Total awaiting	443

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Muskogee	GMS	18	11	72	2	3	0	343
Oklahoma City	GMS	20	0	46	2	1	0	220
Total		38	11	118	4	4	0	563

Staff required for hospital eliminated

Norman:	
Number of doctors	25
Number of nurses	54
Number of dentists	2
Number of technicians	45

Additional staff required for hospital altered in size

Oklahoma City:	
Number of doctors	27
Number of nurses	97
Number of dentists	3
Number of technicians	46

Comments regarding staffing of hospitals

Altered—Oklahoma City, GM: Located in community where there are medical schools and no difficulty in staffing.

Eliminated—Norman, NP: Moderately difficult to staff.

Comments

Oklahoma

The Veterans' Administration's estimate of veteran population in this State is stated to be 287,000, according to testimony given by members of the congressional delegation and other witnesses. It was stated that Oklahoma has between 300,000 and 350,000 veterans.

The recommended alteration and the hospital construction program contemplates the alteration in size from a 1,000 general medical and surgical bed to a 500-bed such hospital at Oklahoma City and the complete elimination of the 750 neuropsychiatric hospital at Norman. Both of these hospitals are located either adjacent to or near medical schools. They are at a distance of 18 miles apart. Another factor to consider is that the University of Oklahoma has a student population of 12,000 with a large number of these as veterans. There are only two Veterans' Administration hospitals in existence at the present time in the State. Both are in the general medical and surgical category. These are the 386-bed hospital at Muskogee and a 220-bed unit at Oklahoma City. The latter is a domiciliary hospital and occupies a former Army hospital (Will Rogers) and is stated to be in very bad physical condition. This hospital is very expensive to operate and it is expected that it will not be possible to continue it much longer. Taking the total of these 606 beds, it is found as of January 5, 1949, Oklahoma had only 1 bed per 490 veterans as compared to a national average of 1 bed per 178 veterans. If the revised construction and expansion program as contemplated is not altered but the original construction as planned is restored, Oklahoma will have only 1 hospital bed per 269 veterans as compared to a national average of 129. This would make it one of the lowest bed ratio per veteran in the country.

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It was brought out that as a result of the revised construction program of the Veterans' Administration that Oklahoma lost 75 percent of its authorized hospital construction as compared to a national average hospital elimination of only 11 percent. Likewise, it is recorded that the Army, Navy, and Public Health Service has no hospital facilities available in Oklahoma for veterans. Oklahoma has no neuropsychiatric hospital in the State. The Veterans' Administration maintains only 39 emergency beds for NP cases with 11 at the Will Rogers Hospital at Oklahoma City and 28 at the hospital at Muskogee. These handle only emergency cases in the immediate territory until such time as they can be transferred to a Veterans' Administration mental hospital outside of the State. The State's largest neuropsychiatric hospital is also located at Norman. This hospital is said to be overcrowded. The need for neuropsychiatric care in Oklahoma is very great. It was brought out that a recent review of 107,000 files showed that about 6 percent of such veterans needed and applied for medical and hospital treatment. The Oklahoma regional office of the Veterans' Administration reveals that there are about 6,800 veterans with service-connected mental disabilities and that approximately 35 percent of some 90,000 cases on file show nonservice-connected mental disabilities. As a result practically the only facilities available for veterans with mental disabilities exist outside of the State. Testimony was introduced to show a considerable number of veterans with neuropsychiatric disabilities in Oklahoma being placed in jail for safekeeping until they could be provided with necessary hospital facilities. The nearest Veterans' Administration neuropsychiatric hospitals serving Oklahoma are the ones at Waco, Tex.; North Little Rock, Ark.; and Topeka, Kans. These are, respectively, 375, 330, and 280 miles from Oklahoma. Accordingly all veterans who will accede to hospitalization outside of the State, or whose relatives will allow such treatment outside of the State, have to receive such care at considerable distance. Considerable difficulty is involved in transferring such ill men even if beds are available. However, even though the three hospitals above-mentioned are intended to serve Oklahoma, it was found that immediately upon learning of the elimination of the proposed hospital at Norman, contact was made with the registrars of the hospitals in question, with replies from such Veterans' Administration hospitals as follows:

"At Waco it was reported that the hospital was full and only emergency cases were taken. It was necessary for this hospital to send their overflow load to the Public Health Hospital at Fort Worth, Tex. At North Little Rock, Ark., the registrar stated they could not accept any cases except only a few emergency cases. They had a waiting list of 58. At Topeka, Kans., the registrar reported a waiting list of 150 and again information was obtained they could only take emergency cases. '* * * * and furthermore we cannot take those violent types of cases which are placed in locked wards, none whatsoever. If you have a case that requires confinement we cannot accept now.' "

This illustrates the extreme and emergent need of adequate veterans' beds for neuropsychiatric cases. An attempt was then made to obtain beds at the State and community level. The State hospital had a so-called veterans' ward with a capacity of 35. They were caring for 235 on this ward with an overflow of 35. The total bed capacity for mental patients in the State of Oklahoma is 5,989. It was found that the State hospitals were carrying 6,663 patients, and in view of this overcrowding beds were not readily available even at the State level for veterans suffering with a mental illness and requiring hospitalization. The only alternative was to confine the more urgent cases of those who could not be controlled in local jails.

A letter received from the superintendent of the Central State Hospital at Oklahoma, where this medical superintendent had served for 50 years and felt himself familiar with the needs of Oklahoma veterans for neuropsychiatric hospitalization and treatment, strongly urges the proposed expansion program for construction of the 750-bed neuropsychiatric hospital at Norman. He brings out the urgency of the present need and the fact that this need will increase until the peak year is reached between 1965 and 1970. This physician recites the number of trained neuropsychiatric personnel of these institutions, a number of which are on the faculty of the school of medicine of the University of Oklahoma and conduct courses in psychiatry and neurology at that institution for medical students. Currently, an arrangement is being worked out with the university medical school for further training of their staff and he assures the committee "that our staff of psychiatrists, neurologists, psychologists, and technicians will be available for consultation purposes." He brings out that the hospital is filled to capacity at this time and that, "We are unable to take additional veteran patients in this unit and I know there are a great number of veterans in this area in need of mental treatment who are being denied hospitalization because of overcrowded conditions in all the neuropsychiatric hospitals in the southwestern area of the United States."

Attention was also invited to the fact that at the University of Oklahoma at Norman they have in their graduate school as one of its main departments the school of psychiatry and a member of the board of regents in Oklahoma in testifying before the committee felt that the faculty of this school could be used advantageously in the proposed neuropsychiatric hospital at Norman and stated:

"The university pledges its entire support and cooperation to staff such a hospital. Also the university school of medicine is increasing the size and scope of its teaching in psychiatry, all to the end that it will be better prepared to staff these hospitals when completed."

Other testimony was also introduced to show the availability of medical, nursing, and other professional services at Norman, as well as in Oklahoma City. The professor of surgery at the University of Oklahoma School of Medicine, accompanied by the executive secretary of the Oklahoma State Medical Society, showed that in a breakdown of medical psychiatrists there was a total of 19 psychiatrists in the area involved and of these 10 were in the active practice of psychiatry, and "all have indicated a willingness to serve the Veterans' Administration in an attending or consulting capacity. Eight of these physicians are members of their respective specialty board." This witness also brought out an improvement in the nursing situation with more nurses graduating and being available and the same holding true for laboratory and X-ray technicians. The Veterans' Administration has indicated that it would be only "moderately difficult" to staff this NP hospital.

As regards the reduction in size of the general medical and surgical hospital at Oklahoma City from 1,000 to 500, the testimony produced there showed a definite need for these beds. Furthermore, the proposed hospital is located adjacent to the State University Medical School, whose staffing facilities will be readily available. They are already cooperating with the Veterans' Administration in the operation of the domiciliary hospital (Will Rogers) of 220 beds at Oklahoma City. There is no question as to the sufficiency and availability of medical, nursing, and other staffing. The Veterans' Administration has reported regarding this hospital that it is located in a community where there is a medical school and no difficulty is expected in staffing. Further, as regards the hospital eliminated at Norman, it was brought out that approximately $3,000,000 has already been expended and it should not be wasted but rather utilized to construct the originally planned facility. This expense consists of purchasing of the site valued at approximately $2,000,000 and an addititonal $700,000 already spent by the Veterans' Administration in the preparation of plans, specifications, and other technical data. At the time of the announced elimination of this hospital in general the plans were reported as being 100 percent completed by the Veterans' Administration and they were ready to award the contract in February, which is now proposed for elimination. Testimony brought out showed that this proposed hospital was to serve a large geographical area.

OREGON

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	192,000
VA authorized standard beds	989

	State	National
Veterans per bed:		
Jan. 5, 1949	194	178
Original construction and expansion program	143	117
Revised construction and expansion program	168	129

Hospital eliminated

Location	Klamath Falls.
Type	GM.
Beds	200.

Estimated obligation incurred by Government, hospital eliminated

Location	Klamath Falls.
Type	200 GM.
Amount	$297,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Roseburg	NP	670
Portland	GMS	510
Total		1,180

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

OTHER GOVERNMENT	
Civil and State	117

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	6,635
Hospitalization in State	4,726
Hospitalized in other States	1,909
Veterans discharged outside State	1,914

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,171	573	477	410
Roseburg, VA hospital	30	35	33	28
Portland, VA hospital	794	513	420	367
Portland, regional office	347	25		
Non-VA hospitals			24	15

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Awaiting admission, Feb. 28, 1949

Portland	45
Roseburg	-----
Portland, regional office	-----
Grand total	45

Veterans awaiting admission to hospitals, Feb. 28, 1949

AREA (SEATTLE): OREGON

Length of waiting period:	
1 to 60 days	289
61 to 120 days	131
121 to 180 days	48
Over 180 days	55
Total awaiting	523

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Roseburg	NP	9	0	30	0	1	0	670
Portland	GMS	43	0	104	0	2	0	502
Total		52	0	134	0	3	0	1,172

Staff required for hospital eliminated

Klamath Falls:	
Number of doctors	16
Number of nurses	48
Number of dentists	1
Number of technicians	18

Comments regarding staffing of hospitals

Klamath Falls, GM: Moderately difficult to staff.

Comments

Oregon

The Veterans' Administration estimates a veteran population in this State of 192,000. The only new Veterans' Administration hospital construction planned for this State was the 200-bed general medical and surgical hospital at Klamath Falls. This is in southern Oregon and northern California, a vast area approxmiately 400 miles to either Portland or San Francisco, the existing hospitals now serving this area. It was brought out that this district embraces an area about the same area of eight States and the District of Columbia. These are eight States on the eastern seaboard, namely, the States of Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, Maryland, and in addition the District of Columbia. Due to the great distance required in traveling to the nearest veterans' hospitals it has been reported that a number of veterans have died en route to such hospital. It is stated that in this area there are at least 50,000 veterans involved. This area is reported to have a much larger ratio of veterans to the population, than in most places of the country due to two factors:

(1) The Government has made the homesteading of public lands in this domain subject to veterans' preference and

(2) Klamath Falls contains a colony of ex-marines who have settled there because of climatic considerations in the after-care of tropical diseases incurred in the service. Other factors in producing an above-average portion of veterans is the fact that there were six military installations in this area during the war and many veterans migrated there after the war either because of marriages contracted with residents of that area or climatic and other considerations.

To illustrate the high percentage of veterans, it is reported in one community of 900 population—that of Twolake, Calif.—that veterans make up 91 percent of the additional military population. It was brought out also that there are more ex-marines in Klamath Falls than in Portland, Oreg., a city 10 to 15 times the size of Klamath Falls. The existing hospital for general medical and surgical cases at Portland, Oreg., and San Francisco, Calif., are 718 miles apart, with small veterans' hospitals at Boise, Idaho, and Reno, Nev., serving only to limit the boundary of this area. The Army, Navy, and Public Health Service have no hospital facilities available in Oregon for veterans at all. It was revealed that despite the increase in the population of veterans in that area of 40 percent in 1940, there would not be a gain in a single part in that area for the care of veterans.

It was reported that the Government had already spent $150,000 on the proposed site and other expenses. Also that the city of Klamath Falls and the county of Klamath Falls have spent an additional $12,000 in the development of the site for the hospital when it was proposed to be built. The construction of an access road by the city and county was agreed upon as one of the conditions of constructing this hospital. Also that the county court had obligated itself to provide perpetual maintenance of this road leading to the approved hospital site.

As regards staffing, it was brought out that there was a fine group of doctors who are now practicing in the city, including specialists in many diseases. A letter from the Klamath County Medical Society was received showing that "the officers of the society have continued a policy of its membership to determine their reaction (to the proposed hospital)." The policy discloses that the members of this society are unanimously in favor of the proposal and they are also of the opinion that Klamath Falls is the logical location for such a hospital from a medical point of view. The members of the society are particularly impressed with the results achieved at the Klamath Falls marine barracks and the treatment and rehabilitation of servicemen suffering from tropical diseases as well as to the medical and surgical conditions. They believe that no small part of this has been due to the favorable local physical conditions, such as the absence of extremes of temperature and humidity; the very high proportion of cloudless days throughout the year; and the invigorating effect of the higher altitude. The Veterans' Administration comment in regard to the staffing of the hospital shows that it considers it only "moderately difficult" to staff this proposed hospital.

TENNESSEE

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	361,000
VA authorized standard beds	4,662

	State	National
Veterans per bed:		
Jan. 5, 1949	77	178
Original construction and expansion program	59	117
Revised construction and expansion program	77	129

Hospitals eliminated

Location	Type	Beds
Chattanooga	GM	500
Memphis	NP	1,000

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Chattanooga	500 GM	$441,000
Memphis	1,000 NP	1,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Memphis	TB	300
Murfreesboro	NP	1,307
Memphis	GMS	1,750
Mountain Home	GMS	605
Nashville	GMS	700
Total		4,662

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State	18

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	13,903
Hospitalization in State	12,795
Hospitalized in other States	1,108
Veterans discharged outside State	1,108

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	3,329	2,113	2,041	1,945
Memphis, VA hospital	78	65	46	31
Murfreesboro, VA hospital	70	62	63	66
Mountain Home, VA hospital	446	369	324	282
Nashville, VA hospital	896	675	579	579
Memphis (Kennedy) General	1,513	936	1,016	973
Nashville, regional office	326	6	-----	-----
Non-VA hospitals	-----	-----	8	9

Awaiting admission, Feb. 28, 1949

Memphis	64
Memphis (Kennedy)	31
Mountain Home	112
Murfreesboro	23
Nashville	179
Nashville, regional office	-----
Grand total	409

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Atlanta): Tennessee

Length of waiting period:	
1 to 60 days	714
61 to 120 days	168
121 to 180 days	61
Over 180 days	65
Total awaiting	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Memphis	TB	11	0	44	1	2	0	300
Murfreesboro	NP	11	0	42	0	3	0	1,043
Memphis (Kennedy)	GMS	103	4	243	0	7	0	1,446
Mountain Home	GMS	22	1	88	0	4	0	523
Nashville	GMS	42	33	112	2	3	0	600
Total		189	38	529	3	19	0	3,912

Staff required for hospital eliminated

	Chattanooga	Memphis
Number of doctors	33	33
Number of nurses	105	81
Number of dentists	3	3
Number of technicians	51	46

Comments regarding staffing of hospitals—

Chattanooga, GM: Difficult to staff properly.
Memphis, NP: Difficult to staff properly.

Comments

Tennessee

The Veterans' Administration estimated the veteran population of this State to be 361,000. Witnesses appearing called attention to the large number of soldiers who trained in Tennessee due to the maneuvers held in that State and who since have come back and married in Tennessee and are now residing there. The actual veteran population is given as at least 395,000. The needs for veterans' hospital beds for cases of all types continues critical in the State. It was reported that daily veterans are being sent to veterans' hospitals by their local physicians as emergency cases only to be returned home and placed on the waiting list due to shortage of beds.

Tennessee at the present time has five veterans' hospitals. It was brought out that because of the location of three of them that although the beds are charged to Tennessee they are used freely by veterans from neighboring States. Veterans' Administration statistics during the fiscal year 1948 showed that the hospitals in Tennessee discharged 23,315 veterans and of that number 10,520 were from other States—Alabama, Arkansas, Georgia, Florida, Kentucky, Mississippi, Missouri, North Carolina, South Carolina, and Virginia.

There are no Army, Navy, or Public Health Service beds available for Tennessee. In the revised construction program it is contemplated to eliminate a 500-bed general medical and surgical hospital scheduled to be built at Chattanooga and a 1,000 neuropsychiatric hospital scheduled for Memphis.

As regards the neuropsychiatric load it was brought out that an acute need for such additional beds exists. State institutions are already overcrowded with an ever-increasing demand from civilians needing treatment in Memphis. The University of Tennessee Medical School is located in Memphis and it was felt that because of this there would be no difficulty in staffing the proposed hospital. The Veterans' Administration, however, reports that it will be difficult to staff this hospital properly.

Chattanooga is centrally located between Nashville and Atlanta and if the proposed hospital was built there it would reduce the coverage maintained by the Thayer and Lawson hospitals now serving this area. The nearest veterans' hospital to Chattanooga is at Mountain City Home which was originally constructed as an old soldiers' home. This is 125 miles from Chattanooga. The next nearest veterans' hospital is that of Murfreesboro which is 140 miles from Chattanooga. This, however, is a neuropsychiatric hospital. The hospital at Atlanta, Ga., is 125 miles away.

At the time of the announcement of the revised construction program it was reported that the plans and specifications of the Chattanooga hospital had been completed and were ready for the contractor to prepare bids.

As regards staffing witnesses testified that the fact of recruiting nursing and attendant personnel at Chattanooga would be easy. Also that the Chattanooga hospitals are fully staffed with a surplus of such professional talent. Further that, "Chattanooga is blessed with an excellent complement of specialists in the clinical and surgical field who would be available on a consulting basis." The Veterans' Administration, however, reports that it would be difficult to staff this hospital properly.

In the over-all staffing of both of these hospitals the testimony invited attention that Tennessee, with Vanderbilt University Medical School in Nashville and the University of Tennessee Medical School at Memphis graduating 132 doctors each semester, and "with the proper effort put forth by the medical service to obtain the services of these doctors, and by using part-time consultants and residents, the 1,500 additional beds in Tennessee could be staffed without any difficulty by the time the hospitals were built."

TEXAS

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	896,000
VA authorized standard beds	5,083

	State	National
Veterans per bed:		
Jan. 5, 1949	177	178
Original construction and expansion program	118	117
Revised construction and expansion program	127	129

Hospitals eliminated

Location	Type	Beds
El Paso	NP	500
Houston	NP	[1] 1,000

[1] Houston—canceled, with beds replaced by VA taking over Houston United States Naval Hospital.

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
El Paso	500 NP	$456,000
Houston	1,000 NP	1,604,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Legion	TB	695
Waco	NP	2,214
Amarillo	GMS	187
Dallas	GMS	366
Houston	GMS	500
McKinney	GMS	1,000
Temple	GMS	1,000
Total		5,962

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

OTHER GOVERNMENT

Army	550
Navy	420
Marine	30
Fort Worth	450
Total	1,450
Civil and State	94
Combined total	1,544

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	33,336
Hospitalization in State	31,177
Hospitalized in other States	2,159
Veterans discharged outside State	2,162

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	4,103	3,222	2,644	2,386
Legion, VA hospital	57	30	46	40
Waco, VA hospital	226	105	71	121
Amarillo, VA hospital	339	166	155	134
Dallas, VA hospital	470	375	323	322
McKinney, VA hospital	390	438	384	363
Temple, VA hospital	181	349	257	240
Dallas, regional office	553	391	------	------
Houston, regional office	778	482	------	------
Lubbock, regional office	184	156	------	------
San Antonio, regional office	925	730	------	------
Non-VA hospitals	------	------	1,408	1,166

Awaiting admission, Feb. 28, 1949

Amarillo	317
Dallas	149
Legion	31
McKinney	264
Temple	489
Waco	16
Dallas, regional office	-----
Houston, regional office	-----
Lubbock, regional office	-----
San Antonio, regional office	-----
Waco, regional office	-----
Grand total	1,266

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Dallas): Texas

Length of waiting period:	
1 to 60 days	1,084
61 to 120 days	449
121 to 180 days	221
Over 180 days	536
Total awaiting	2,290

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Legion	TB	21	0	59	0	2	0	380
Waco	NP	22	4	89	0	4	0	1,996
Amarillo	GMS	10	4	33	0	2	0	187
Dallas	GMS	43	38	74	0	2	0	354
McKinney	GMS	68	50	105	0	4	0	622
Temple	GMS	38	0	123	0	2	0	745
Total		202	96	483	0	16	0	4,284

Staff required for hospitals eliminated

	El Paso	Houston
Number of doctors	19	33
Number of nurses	52	81
Number of dentists	2	3
Number of technicians	37	56

Comments regarding staffing of hospitals

El Paso, NP: Moderately difficult to staff.
Houston, NP: Could be readily staffed.

Comments

Texas

In this State the revised construction and expansion program proposed the elimination of only NP beds. This involves the complete elimination of the proposed 500-bed neuropsychiatric hospital at El Paso and the elimination of a new 1,000-bed neuropsychiatric hospital planned for Houston with a cancellation of this new construction at Houston partially replaced by the Veterans' Administration taking over the Houston United States Naval Hospital. The witnesses appearing at the hearings indicated that there is proposed to activate 500 general medical and surgical beds at this former naval hospital at Houston and it was urged that action be taken to restore the additional 500 beds eliminated at Houston.

Witnesses appearing stressed that Texas is by far the largest State in the Union in size. It has a very large population and distances to be covered are very great. The nearest veterans' NP hospital to the El Paso area is that of Waco, more than 600 miles to the east. If the proposed hospital at El Paso is erected, it would serve an area of a 600-mile radius that is now without NP facilities.

Although the Veterans' Administration gives the estimated veteran population of Texas as of January 5, 1949, as 896,000, it was brought out that on the basis of selective-service figures and other factors such as a large number of veterans who trained in Texas during the war, eventually migrating and, "we have conservatively a million or more veterans in Texas today."

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The neuropsychiatric situation has been very acute in Texas for a very long period of time. Testimony was introduced that many veterans needing emergency neuropsychiatric hospital care are being kept in local jails for their own safety and that of the community. Objection was raised to the fact that, "it is pretty rough on the family, especially the mothers who try to visit these boys, and they go up and see them behind bars amongst hardened criminals, and they are not allowed to visit except on every other Saturday, which is not conducive to better morale for the boy. In fact, we are so terribly ashamed of it that we even hate to see anybody go up there except a few of the veterans." A statement from one of the county judges of El Paso was introduced and the record which states:

"When a veteran becomes noisy, unmanageable, or violent, either in the home or in public places, he is placed in the county jail, where he is exposed to the ridicule and taunts of marijuana fiends, drunkards, drug addicts, and so forth. This experience aggravates his condition, and sets him back from 6 to 8 months, and jeopardizes his chances for recovery."

At the present time the Veterans' Administration has a contract authority with the United States Public Health Service hospital at Fort Worth, Tex. It is brought out that this institution was built as a narcotic farm and objection was raised to hospitalizing veterans suffering from mental disability in such an environment. The erection of the hospital at El Paso would serve to eliminate this situation.

The only other facilities available other than the Waco Veterans' Hospital and the United States Public Health Service Hospital at Fort Worth are located at tremendous distances. These are as follows with mileage given from El Paso—Fort Lyons, Colo., over 600 miles; Gulfport, Miss., 1,200 miles and a few cases at Los Angeles, Calif., which is 800 miles. It was brought out that even in these hospitals it is difficult to have a case admitted and as a result veterans have to remain in county jails over periods of some 6 to 10 weeks.

Testimony was introduced to show that El Paso County has already incurred costs of $379,725 in preparation for the construction of a hospital at El Paso. The money was expended on the basis of assurance to the community that the proposed hospital would be located there.

As regards staffing the proposed hospitals at El Paso and Houston the Veterans' Administration has commented that El Paso would be "moderately difficult" to staff and that Houston insofar as neuropsychiatric beds are concerned, "could be readily staffed." Introduced into the record was a telegram from the president of the El Paso Medical Society endorsing the NP hospital at El Paso on the basis of need and stating that approximately 40 doctors of medicine would be available for fee basis work.

EXHIBIT A.—*Table showing the percent of completion and design of hospitals on Dec. 31, 1948, effected by the cut-back program*

CANCELED OR ELIMINATED

	Type	Percent
Americus, Ga	TB	100
Charlotte, N. C	GM	75
Chattanooga	GM	100
Columbia, S. C	GM	0
Decatur, Ill	GM	98
Detroit, Mich	TB	100
Duluth, Minn	GM	98
El Paso, Tex	NP	100
Gainesville, Fla	NP	99
Grand Rapids, Mich	GM	100
Greenville, S. C	GM	100
Harrisburg, Pa	GM	95
Houston, Tex	NP	100

EXHIBIT A.—*Table showing the percent of completion and design of hospitals on Dec. 31, 1948, effected by the cut-back program*—Continued

CANCELED OR ELIMINATED—continued

	Type	Percent
Klamath Falls, Oreg	GM	58
Memphis, Tenn	NP	0
Mound Bayou, Miss	GM	100
New York, N. Y	GM Chr	0
Norman, Okla	NP	100
Salisbury, N. C	NP	82
San Diego, Calif	GM	100
Tallahassee, Fla	GM	100
Thomasville, Ga	GM	0
Toledo, Ohio	NP	97
Tupelo, Miss	GM	100

REDUCED

Atlanta, Ga	GM	0
Chicago, Ill	GM	11
Cincinnati, Ohio	GM	65
Cleveland, Ohio	GM	10
Do	NP	0
Kansas City, Mo	GM, TB	86
Louisville, Ky	GM	90
Oklahoma City, Okla	GM	33
Philadelphia, Pa	GM	73
Pittsburgh, Pa	GM	100
Do	NP	78
St. Louis, Mo	GM	88
Syracuse, N. Y	GM	35
Washington, D. C	GM	15

Mr. DONNELL. Mr. President, I ask unanimous consent to read a very few sentences to the Senator from Florida and ask him if the statement is not, in his judgment, justified by the testimony which was given before the committee. It is from the summary of the subcommittee filed with the Committee on Labor and Public Welfare. From page 46 I read as follows:

At the present time 2,500 veterans in the State of Missouri are hospitalized outside of the State, with the number broken down as 1,300 mental patients and 1,200 tuberculosis and general medical and surgical cases. This would seem to justify the proposed conversion of Jefferson Barracks to a neuropsychiatric hospital but with a loss of general medical and surgical beds in St. Louis, together with the elimination of all the proposed general medical and surgical beds at Kansas City. The emergent general medical and surgical situation which has existed in Missouri, since prior to 1941, is expected to become more urgent and critical. There appears to be, therefore, no question as to the emergency needs for the proposed beds, irrespective of their type or classification.

Mr. PEPPER. Mr. President, that statement is justified by the record.

I notice my colleague on the floor at this time. In our State there was a 1,000-bed neuropsychiatric hospital which was cut out by Executive order. There is not such a hospital now in the entire State of Florida. The State service officer testified at the hearing that on a given day there were 35 veterans in jail, who were mental cases, but there was no NP veterans' hospital in which they could be hospitalized.

I want Senators to understand the legal effect of what we are doing. We are providing $237,000,000 in contract authorizations which will allow the building of hospitals. If Senators are interested in the building of these hospitals they are in position to indicate their interest.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. O'MAHONEY. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. O'MAHONEY, Mr. RUSSELL, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. FERGUSON, Mr. BRIDGES, and Mr. CORDON conferees on the part of the Senate.

FOREIGN AID APPROPRIATIONS

Mr. McKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 4830, making appropriations for foreign aid for the fiscal year 1950.

Mr. WHERRY. I have no objection.

There being no objection, the Senate proceeded to consider the bill (H. R. 4830), making appropriations for foreign aid for the fiscal year 1950, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

EXECUTIVE SESSION

Mr. MYERS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. MYERS. Mr. President, I ask that the Senate pass over page 1 of the Executive Calendar and the first nomination on page 2 of the calendar.

The VICE PRESIDENT. Without objection, those nominations will be passed over, and the clerk will read the next nomination on the calendar.

DEPARTMENT OF AGRICULTURE

The Chief Clerk read the nomination of Knox T. Hutchinson, of Tennessee, to be Assistant Secretary of Agriculture.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The Chief Clerk read the nomination of Jones Floyd to be United States marshal for the western district of Arkansas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John S. Denise, Sr., to be United States marshal for the western district of Washington.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and without objection, the President will be immediately notified of the confirmation this day made.

RECESS

Mr. MYERS. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, August 3, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 2 (legislative day of June 2), 1949:

SUPREME COURT OF THE UNITED STATES

ASSOCIATE JUSTICE

Tom C. Clark, of Texas, to be an Associate Justice of the Supreme Court of the United States, vice Frank Murphy, deceased.

DEPARTMENT OF JUSTICE

ATTORNEY GENERAL OF THE UNITED STATES

J. Howard McGrath, of Rhode Island, to be Attorney General of the United States, vice Tom C. Clark.

IN THE NAVY

The following-named officer for permanent appointment in the line of the Navy in the grade hereinafter stated:

ENSIGN

Marder, Martin D.

The following-named officers for permanent appointment in the Supply Corps of the Navy in grades hereinafter stated:

LIEUTENANT (JUNIOR GRADE)

Bandish, Bernard J.

LIEUTENANT

Foley, John A.

The following-named officer for temporary appointment in the Supply Corps of the Navy in the grade hereinafter stated:

LIEUTENANT COMMANDER

Foley, John A.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 2 (legislative day of June 2), 1949:

DEPARTMENT OF AGRICULTURE

Knox T. Hutchinson to be Assistant Secretary of Agriculture.

UNITED STATES MARSHALS

Jones Floyd to be United States marshal for the western district of Arkansas.

John S. Denise, Sr., to be United States marshal for the western district of Washington.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 2, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. James P. Wesberry, LL. D., offered the following prayer:

Merciful Father, Lord of Lords and King of Kings, whose loving kindness is extended to all, look, we humbly pray Thee, with gracious favor, upon all whom Thou has placed in authority in our Government. Grant Thy special blessing upon our President, the Vice President, our Speaker and all the Members of the Congress. If it please Thee, our Father, give to each of them an understanding heart that they may discern between good and evil, governing our Nation according to the laws of Thy kingdom which is from everlasting unto everlasting. Thus, may justice and peace reign throughout our land that we may show to all the nations of the earth, that Thou, O Lord, art God alone. Through Jesus Christ our Lord. Amen.

LEGALITY OF SESSION OF CONGRESS

Mr. CHURCH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. CHURCH. Mr. Speaker, I make the point of order that the House is not legally in session, and again cite section 132 of the Reorganization Act passed by the Congress. Today, Mr. Speaker, the situation is different in one particular from the situation on yesterday, when the two points of order were raised by the gentleman from Indiana [Mr. HALLECK] and myself.

Mr. Speaker, section 132 reads as follows:

CONGRESSIONAL ADJOURNMENT

SEC. 132. Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day (Sundays excepted) in the month of July in each year unless otherwise provided by Congress.

Mr. Speaker, I emphasize the words in parenthesis "Sundays excepted." If through any interpretation the words "Sundays excepted" give legality to the session of yesterday, then, Mr. Speaker, that interpretation could not carry that legality to include today. Therefore, I renew my point of order that the House is not legally in session, for the reasons stated by the gentleman from Massachusetts last July 27 and by the gentleman from Indiana and me on yesterday, and in addition for the reason that I have just stated, namely, that the words "Sundays excepted" cannot carry a legal session into today. Mr. Speaker, the President can instanter call a "special session" to meet immediately, and thereby remove the doubt as to the legality of the future proceedings of the Congress.

The SPEAKER. The Chair is ready to rule.

The Chair makes the statement again that on July 27, in response to the parliamentary inquiry propounded by the gentleman from Massachusetts [Mr. MARTIN], the Chair held, and he so holds today, that the Congress is in legal session.

The point of order is overruled.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5238. An act to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes.

TO INCREASE COMPENSATION FOR WORLD WAR I PRESUMPTIVE SERVICE-CONNECTED CASES, ETC.

The SPEAKER. The unfinished business before the House is the question on the motion to suspend the rules and pass the bill (H. R. 5598) to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct."

The question was taken.

Mr. RANKIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present. Other Members want to be here, and therefore, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken and there were—yeas 359, answered "present" 3, not voting 70, as follows:

[Roll No. 150]

YEAS—359

Abernethy	Curtis	Huber
Addonizio	Dague	Irving
Albert	Davies, N. Y.	Jackson, Calif.
Allen, Calif.	Davis, Ga.	Jackson, Wash.
Allen, La.	Davis, Tenn.	Jacobs
Andersen, H. Carl	Davis, Wis.	James
Anderson, Calif.	Dawson	Javits
Andresen, August H.	Deane	Jenison
Andrews	DeGraffenried	Jenkins
Angell	Delaney	Jennings
Arends	D'Ewart	Jensen
Aspinall	Dolliver	Johnson
Auchincloss	Dondero	Jonas
Bailey	Donohue	Jones, Ala.
Barden	Doughton	Jones, Mo.
Baring	Douglas	Jones, N. C.
Barrett, Pa.	Doyle	Judd
Barrett, Wyo.	Eberharter	Karst
Bates, Mass.	Elliott	Karsten
Battle	Ellsworth	Kean
Beall	Engel, Mich.	Kearney
Beckworth	Engle, Calif.	Kearns
Bennett, Mich.	Evins	Keating
Bentsen	Fallon	Kee
Biemiller	Feighan	Keefe
Bishop	Fellows	Kelley
Bland	Fenton	Kennedy
Blatnik	Fernandez	Keogh
Boggs, Del.	Fisher	Kerr
Boggs, La.	Flood	Kilburn
Bolling	Forand	Kilday
Bolton, Md.	Ford	King
Bosone	Fulton	Kirwan
Boykin	Furcolo	Klein
Bramblett	Garmatz	Kruse
Breen	Gary	Kunkel
Brehm	Gathings	Lane
Brooks	Gavin	Lanham
Brown, Ga.	Gillette	Latham
Brown, Ohio	Golden	LeCompte
Bryson	Goodwin	Lemke
Buchanan	Gordon	Lichtenwalter
Buckley, Ill.	Gorski, Ill.	Lind
Bulwinkle	Gorski, N. Y.	Linehan
Burdick	Gossett	Lodge
Burke	Graham	Lovre
Burleson	Granahan	Lyle
Burnside	Granger	Lynch
Burton	Grant	McCarthy
Byrnes, Wis.	Green	McConnell
Camp	Gregory	McCormack
Canfield	Gwinn	McCulloch
Cannon	Hagen	McDonough
Carlyle	Hale	McGuire
Carnahan	Hall, Edwin Arthur	McKinnon
Carroll	Hall, Leonard W.	McMillan, S. C.
Case, N. J.	Halleck	McMillen, Ill.
Case, S. Dak.	Hand	McSweeney
Cavalcante	Harden	Mack, Ill.
Celler	Hare	Mack, Wash.
Chelf	Harris	Macy
Chesney	Hart	Madden
Chiperfield	Harvey	Magee
Christopher	Havenner	Mahon
Church	Hays, Ohio	Mansfield
Clemente	Hébert	Marcantonio
Cole, Kans.	Heffernan	Marsalis
Cole, N. Y.	Heller	Marshall
Colmer	Herlong	Martin, Iowa
Combs	Herter	Merrow
Cooley	Heselton	Michener
Cooper	Hill	Miles
Corbett	Hobbs	Miller, Calif.
Cotton	Hoeven	Miller, Md.
Cox	Hoffman, Mich.	Miller, Nebr.
Crawford	Holifield	Mills
Crook	Holmes	Mitchell
Crosser	Horan	Monroney
Cunningham	Howell	Morgan
		Morris
		Morrison

Morton	Regan	Teague
Moulder	Rhodes	Thomas, Tex.
Multer	Ribicoff	Thompson
Murray, Tenn.	Rich	Thornberry
Murray, Wis.	Richards	Tollefson
Nelson	Riehlman	Trimble
Nicholson	Rivers	Underwood
Nixon	Rodino	Van Zandt
Noland	Rogers, Fla.	Velde
Norblad	Rogers, Mass.	Vinson
Norrell	Rooney	Vorys
Norton	Sabath	Vursell
O'Brien, Ill.	Sadlak	Wadsworth
O'Hara, Ill.	Sadowski	Wagner
O'Hara, Minn.	St. George	Walter
O'Konski	Sanborn	Weichel
O'Neill	Sasscer	Welch, Mo.
O'Sullivan	Scott, Hardie	Werdel
O'Toole	Scott,	Wheeler
Pace	Hugh D., Jr.	Whitaker
Patten	Scrivner	White, Calif.
Perkins	Scudder	White, Idaho
Peterson	Secrest	Whittington
Philbin	Shafer	Wickersham
Phillips, Calif.	Sheppard	Wier
Phillips, Tenn	Short	Wigglesworth
Pickett	Simpson, Ill.	Willis
Poage	Simpson, Pa.	Wilson, Ind.
Polk	Sims	Wilson, Okla.
Poulson	Smathers	Wilson, Texas
Preston	Smith, Kans.	Winstead
Price	Smith, Wis.	Withrow
Priest	Spence	Wolcott
Rabaut	Steed	Wolverton
Rains	Stefan	Wood
Ramsay	Stockman	Worley
Rankin	Sullivan	Yates
Redden	Sutton	Young
Reed, Ill.	Tackett	Zablocki
Reed, N. Y.	Talle	
Rees	Tauriello	

ANSWERED "PRESENT"—3

Bennett, Fla.	Lucas	Williams

NOT VOTING—70

Abbitt	Gore	Pfeifer,
Allen, Ill.	Gross	Joseph L.
Bates, Ky.	Hardy	Pfeiffer,
Blackney	Harrison	William L.
Bolton, Ohio	Hays, Ark.	Plumley
Bonner	Hedrick	Potter
Buckley, N. Y.	Hinshaw	Powell
Byrne, N. Y.	Hoffman, Ill.	Quinn
Chatham	Hope	Roosevelt
Chudoff	Hull	Sikes
Clevenger	Larcade	Smith, Ohio
Coudert	LeFevre	Smith, Va.
Davenport	Lesinski	Staggers
Denton	McGrath	Stanley
Dingell	McGregor	Stigler
Dollinger	Martin, Mass.	Taber
Durham	Mason	Taylor
Eaton	Meyer	Thomas, N. J.
Elston	Murdock	Towe
Fogarty	Murphy	Walsh
Frazier	O'Brien, Mich.	Welch, Calif.
Fugate	Passman	Whitten
Gamble	Patman	Woodhouse
Gilmer	Patterson	Woodruff

So (two-thirds voting in favor thereof) the motion to suspend the rules was agreed to, and the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Whitten with Mr. Martin of Massachusetts.

Mr. Murphy with Mr. Taber.

Mr. Larcade with Mr. Towe.

Mr. Wickersham with Mr. Eaton.

Mr. Bonner with Mr. McGregor.

Mr. Abbitt with Mr. Potter.

Mr. Stanley with Mr. Taylor.

Mr. Harrison with Mr. Woodruff.

Mr. Fugate with Mr. Hoffman of Illinois.

Mr. Smith of Virginia with Mr. Gamble.

Mr. Hardy with Mr. Elston.

Mr. Gilmer with Mr. Allen of Illinois.

Mr. Stigler with Mr. Meyer.

Mr. Passman with Mr. Hope.

Mr. Sikes with Mr. Hinshaw.

Mr. Patman with Mr. Le Fevre.

Mr. O'Brien of Michigan with Mr. Patterson.

Mr. Quinn with Mr. Hull.

Mr. Byrne of New York with Mr. Plumley.

Mr. Hays of Arkansas with Mr. William L. Pfeiffer.

Mr. Joseph L. Pfeifer with Mr. Gross.

Mr. Fogarty with Mr. Coudert.

Mr. Staggers with Mr. Blackney.

Mr. Chudoff with Mr. Smith of Ohio.

Mr. Davenport with Mr. Welch of California.

Mr. Roosevelt with Mr. Mason.

Mrs. Woodhouse with Mrs. Bolton of Ohio.

Mr. WILLIAMS. Mr. Speaker, on this vote I am recorded as voting "yea." In view of the fact that I am a veteran with a service-connected disability who may be affected by this legislation, I withdraw my vote of "yea" and ask that I be recorded as voting "present."

Mr. BENNETT of Florida. Mr. Speaker, I make the same request, for the same reason.

The result of the vote was announced as above recorded.

The doors were opened.

NATIONAL SECURITY ACT AMENDMENTS OF 1949

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1142)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'National Security Act Amendments of 1949'.

"SEC. 2. Section 2 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 2. In enacting this legislation, it is the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security; to provide three military departments, separately administered, for the operation and administration of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force, with their assigned combat and service components; to provide for their authoritative coordination and unified direction under civilian control of the Secretary of Defense but not to merge them; to provide for the effective strategic direction of the armed forces and for their operation under unified control and for their integration into an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the armed forces nor an armed forces general staff (but this it not to be interpreted as applying to the Joint Chiefs of Staff or Joint Staff).'

"CHANGE IN COMPOSITION OF THE NATIONAL SECURITY COUNCIL

"SEC. 3. The fourth paragraph of section 101 (a) of the National Security Act of 1947 is amended to read as follows:

"'The Council shall be composed of—

"'(1) the President;

"'(2) the Vice President;

"'(3) the Secretary of State;

"'(4) the Secretary of Defense;

"'(5) the Chairman of the National Security Resources Board; and

"'(6) The Secretaries and Under Secretaries of other executive departments and of the military departments, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board, when appointed by the President by and with the advice and consent of the Senate, to serve at his pleasure.'

"CONVERSION OF THE NATIONAL MILITARY ESTABLISHMENT INTO AN EXECUTIVE DEPARTMENT

"SEC. 4. Section 201 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 201. (a) There is hereby established, as an Executive Department of the Government, the Department of Defense, and the Secretary of Defense shall be the head thereof.

"'(b) There shall be within the Department of Defense (1) the Department of the Army, the Department of the Navy, and the Department of the Air Force, and each such department shall on and after the date of enactment of the National Security Act Amendments of 1949 be military departments in lieu of their prior status as Executive Departments, and (2) all other agencies created under title II of this Act.

"'(c) Section 158 of the Revised Statutes, as amended, is amended to read as follows:

"'"SEC. 158. The provisions of this title shall apply to the following Executive Departments:

"'"First. The Department of State.

"'"Second. The Department of Defense.

"'"Third. The Department of the Treasury.

"'"Fourth. The Department of Justice.

"'"Fifth. The Post Office Department.

"'"Sixth. The Department of the Interior.

"'"Seventh. The Department of Agriculture.

"'"Eighth. The Department of Commerce.

"'"Ninth. The Department of Labor."

"'(d) Except to the extent inconsistent with the provisions of this Act, the provisions of title IV of the Revised Statutes as now or hereafter amended shall be applicable to the Department of Defense.'

"THE SECRETARY OF DEFENSE

"SEC. 5. Section 202 of the National Security Act of 1947, as amended, is further amended to read as follows:

"'SEC. 202. (a) There shall be a Secretary of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. *Provided*, That a person who has within ten years been on active duty as a commissioned officer in a Regular component of the armed services shall not be eligible for appointment as Secretary of Defense.

"'(b) The Secretary of Defense shall be the principal assistant to the President in all matters relating to the Department of Defense. Under the direction of the President, and subject to the provisions of this Act, he shall have direction, authority, and control over the Department of Defense.

"'(c) (1) Notwithstanding any other provision of this Act, the combatant functions assigned to the military services by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof

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shall not be transferred, reassigned, abolished, or consolidated.

"'(2) Military personnel shall not be so detailed or assigned as to impair such combatant functions.

"'(3) The Secretary of Defense shall not direct the use and expenditure of funds of the Department of Defense in such manner as to effect the results prohibited by paragraphs (1) and (2) of this subsection.

"'(4) The Departments of the Army, Navy, and Air Force shall be separately administered by their respective Secretaries under the direction, authority, and control of the Secretary of Defense.

"'(5) Subject to the provisions of paragraph (1) of this subsection no function which has been or is hereafter authorized by law to be performed by the Department of Defense shall be substantially transferred, reassigned, abolished or consolidated until after a report in regard to all pertinent details shall have been made by the Secretary of Defense to the Committees on Armed Services of the Congress.

"'(6) No provision of this Act shall be so construed as to prevent a Secretary of a military department or a member of the Joint Chiefs of Staff from presenting to the Congress, on his own initiative, after first so informing the Secretary of Defense, any recommendation relating to the Department of Defense that he may deem proper.

"'(d) The Secretary of Defense shall not less often than semiannually submit written reports to the President and the Congress covering expenditures, work and accomplishments of the Department of Defense, accompanied by (1) such recommendations as he shall deem appropriate, (2) separate reports from the military departments covering their expenditures, work and accomplishments, and (3) itemized statements showing the savings of public funds and the eliminations of unnecessary duplications and overlappings that have been accomplished pursuant to the provisions of this Act.

"'(e) The Secretary of Defense shall cause a seal of office to be made for the Department of Defense, of such design as the President shall approve, and judicial notice shall be taken thereof.

"'(f) The Secretary of Defense may, without being relieved of his responsibility therefor, and unless prohibited by some specific provision of this Act or other specific provision of law, perform any function vested in him through or with the aid of such officials or organizational entities of the Department of Defense as he may designate.'

"DEPUTY SECRETARY OF DEFENSE; ASSISTANT SECRETARIES OF DEFENSE; MILITARY ASSISTANTS; AND CIVILIAN PERSONNEL

"SEC. 6. (a) Section 203 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 203. (a) There shall be a Deputy Secretary of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate: *Provided*, That a person who has within ten years been on active duty as a commissioned officer in a Regular component of the armed services shall not be eligible for appointment as Deputy Secretary of Defense. The Deputy Secretary shall perform such duties and exercise such powers as the Secretary of Defense may prescribe and shall take precedence in the Department of Defense next after the Secretary of Defense. The Deputy Secretary shall act for, and exercise the powers of, the Secretary of Defense during his absence or disability.

"'(b) There shall be three Assistant Secretaries of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. The Assistant Secretaries shall perform such duties and exercise such powers as the Secretary of Defense may prescribe and shall take precedence in the Department of Defense after the Secretary of Defense, the Deputy Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force.

"'(c) Officers of the armed services may be detailed to duty as assistants and personal aides to the Secretary of Defense, but he shall not establish a military staff other than that provided for by section 211 (a) of this Act.'

"(b) Section 204 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 204 The Secretary of Defense is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such civilian personnel as may be necessary for the performance of the functions of the Department of Defense other than those of the Departments of the Army, Navy, and Air Force.'

"CREATING THE POSITION OF CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND PRESCRIBING HIS POWERS AND DUTIES

"SEC. 7. (a) Section 210 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 210. There shall be within the Department of Defense an Armed Forces Policy Council composed of the Secretary of Defense, as Chairman, who shall have power of decision; the Deputy Secretary of Defense; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Chairman of the Joint Chiefs of Staffs; the Chief of Staff, United States Army; the Chief of Naval Operations; and the Chief of Staff, United States Air Force. The Armed Forces Policy Council shall advise the Secretary of Defense on matters of broad policy relating to the armed forces and shall consider and report on such other matters as the Secretary of Defense may direct.'

"(b) Section 211 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 211. (a) There is hereby established within the Department of Defense the Joint Chiefs of Staff, which shall consist of the Chairman, who shall be the presiding officer thereof but who shall have no vote; the Chief of Staff, United States Army, the Chief of Naval Operations; and the Chief of Staff, United States Air Force. The Joint Chiefs of Staff shall be the principal military advisers to the President, the National Security Council, and the Secretary of Defense.

"'(b) Subject to the authority and direction of the President and the Secretary of Defense, the Joint Chiefs of Staff shall perform the following duties, in addition to such other duties as the President or the Secretary of Defense may direct:

"'(1) preparation of strategic plans and provision for the strategic direction of the military forces;

"'(2) preparation of joint logistic plans and assignment to the military services of logistic responsibilities in accordance with such plans;

"'(3) establishment of unified commands in strategic areas;

"'(4) review of major material and personnel requirements of the military forces in accordance with strategic and logistic plans;

"'(5) formulation of policies for joint training of the military forces;

"'(6) formulation of policies for coordinating the military education of members of the military forces; and

"'(7) providing United States representation on the Military Staff Committee of the United Nations in accordance with the provisions of the Charter of the United Nations.

"'(c) The Chairman of the Joint Chiefs of Staff (hereinafter referred to as the "Chairman") shall be appointed by the President, by and with the advice and consent of the Senate, from among the Regular officers of the armed services to serve at the pleasure of the President for a term of two years and shall be eligible for one reappointment, by and with the advice and consent of the Senate, except in time of war hereafter declared by the Congress when there shall be no limitation on the number of such reappointments. The Chairman shall receive the basic pay and basic and personal money allowances prescribed by law for the Chief of Staff, United States Army, and such special pays and hazardous duty pays to which he may be entitled under other provisions of law.

"'(d) The Chairman, if in the grade of general, shall be additional to the number of officers in the grade of general provided in the third proviso of section 504 (b) of the Officer Personnel Act of 1947 (Public Law 381, Eightieth Congress) or, if in the rank of admiral, shall be additional to the number of officers having the rank of admiral provided in section 413 (a) of such Act. While holding such office he shall take precedence over all other officers of the armed services: *Provided*, That the Chairman shall not exercise military command over the Joint Chiefs of Staff or over any of the military services.

"'(e) In addition to participating as a member of the Joint Chiefs of Staff in the performance of the duties assigned in subsection (b) of this section, the Chairman shall, subject to the authority and direction of the President and the Secretary of Defense, perform the following duties:

"'(1) serve as the presiding officer of the Joint Chiefs of Staff;

"'(2) provide agenda for meetings of the Joint Chiefs of Staff and assist the Joint Chiefs of Staff to prosecute their business as promptly as practicable; and

"'(3) inform the Secretary of Defense and, when appropriate as determined by the President or the Secretary of Defense, the President, of those issues upon which agreement among the Joint Chiefs of Staff has not been reached.'

"(c) Section 212 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 212. There shall be, under the Joint Chiefs of Staff, a Joint Staff to consist of not to exceed two hundred and ten officers and to be composed of approximately equal numbers of officers appointed by the Joint Chiefs of Staff from each of the three armed services. The Joint Staff, operating under a Director thereof appointed by the Joint Chiefs of Staff, shall perform such duties as may be directed by the Joint Chiefs of Staff. The Director shall be an officer junior in grade to all members of the Joint Chiefs of Staff.'

"CHANGING RELATIONSHIP OF THE SECRETARY OF DEFENSE TO THE MUNITIONS BOARD

"SEC. 8. Section 213 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 213. (a) There is hereby established in the Department of Defense a Munitions Board (hereinafter in this section referred to as the "Board").

"'(b) The Board shall be composed of a Chairman, who shall be the head thereof and who shall, subject to the authority of the Secretary of Defense and in respect to such matters authorized by him, have the power of decision upon matters falling within the jurisdiction of the Board and an Under Secretary or Assistant Secretary from each of the three military departments, to be designated in each case by the Secretaries of their respective departments. The Chairman shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $14,000 a year.

"'(c) Subject to the authority and direction of the Secretary of Defense, the Board shall perform the following duties in support of strategic and logistic plans and in consonance with guidance in those fields provided by the Joint Chiefs of Staff, and such other duties as the Secretary of Defense may prescribe:

"'(1) coordination of the appropriate activities with regard to industrial matters, including the procurement, production, and

distribution plans of the Department of Defense;

"'(2) planning for the military aspects of industrial mobilization;

"'(3) assignment of procurement responsibilities among the several military departments and planning for standardization of specifications and for the greatest practicable allocations of purchase authority of technical equipment and common use items on the basis of single procurement;

"'(4) preparation of estimates of potential production, procurement, and personnel for use in evaluation of the logistic feasibility of strategic operations;

"'(5) determination of relative priorities of the various segments of the military procurement programs;

"'(6) supervision of such subordinate agencies as are or may be created to consider the subjects falling within the scope of the Board's responsibilities;

"'(7) regrouping, combining, or dissolving of existing interservice agencies operating in the fields of procurement, production, and distribution in such manner as to promote efficiency and economy;

"'(8) maintenance of liaison with other departments and agencies for the proper correlation of military requirements with the civilian economy, particularly in regard to the procurement or disposition of strategic and critical material and the maintenance of adequate reserves of such material, and making of recommendations as to policies in connection therewith; and

"'(9) assembly and review of material and personnel requirements presented by the Joint Chiefs of Staff and by the production, procuremen', and distribution agencies assigned to meet military needs, and making of recommendations thereon to the Secretary of Defense.

"'(d) When the Chairman of the Board first appointed has taken office, the Joint Army and Navy Munitions Board shall cease to exist and all its records and personnel shall be transferred to the Munitions Board.

"'(e) The Secretary of Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions.'

"CHANGING THE RELATIONSHIP OF THE SECRETARY OF DEFENSE TO THE RESEARCH AND DEVELOPMENT BOARD

"SEC. 9. Section 214 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 214. (a) There is hereby established in the Department of Defense a Research and Development Board (hereinafter in this section referred to as the "Board"). The Board shall be composed of a Chairman, who shall be the head thereof and who shall, subject to the authority of the Secretary of Defense and in respect to such matters authorized by him, have the power of decision on matters falling within the jurisdiction of the Board, and two representatives from each of the Departments of the Army, Navy, and Air Force, to be designated by the Secretaries of their respective Departments. The Chairman shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $14,000 a year. The purpose of the Board shall be to advise the Secretary of Defense as to the status of scientific research relative to the national security, and to assist him in assuring adequate provision for research and development on scientific problems relating to the national security.

"'(b) Subject to the authority and direction of the Secretary of Defense, the Board shall perform the following duties and such other duties as the Secretary of Defense may prescribe:

"'(1) preparation of a complete and integrated program of research and development for military purposes;

"'(2) advising with regard to trends in scientific research relating to national security and the measures necessary to assure continued and increasing progress;

"'(3) coordination of research and development among the military departments, and allocation among them of responsibilities for specific programs;

"'(4) formulation of policy for the Department of Defense in connection with research and development matters involving agencies outside the Department of Defense; and

"'(5) consideration of the interaction of research and development and strategy, and advising the Joint Chiefs of Staff in connection therewith.

"'(c) When the Chairman of the Board first appointed has taken office, the Joint Research and Development Board shall cease to exist and all its records and personnel shall be transferred to the Research and Development Board.

"'(d) The Secretary of Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions.'

"COMPENSATION OF SECRETARY OF DEFENSE, DEPUTY SECRETARY OF DEFENSE, SECRETARIES OF MILITARY DEPARTMENTS, AND CONSULTANTS

"SEC. 10. (a) Section 301 of the National Security Act of 1947 is amended to read as follows:

"'SEC 301. (a) The Secretary of Defense shall receive the compensation prescribed by law for heads of executive departments.

"'(b) The Deputy Secretary of Defense shall receive compensation at the rate of $14,500 a year, or such other compensation plus $500 a year as may hereafter be provided by law for under secretaries of executive departments. The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall each receive compensation at the rate of $14,000 a year, or such other compensation as may hereafter be provided by law for under secretaries of executive departments.'

"(b) Section 302 of the National Security Act of 1947 is amended to read as follows:

"'SEC. 302. The Assistant Secretaries of Defense and the Under Secretaries and Assistant Secretaries of the Army, the Navy, and the Air Force shall each receive compensation at the rate of $10,330 a year or at the rate hereafter prescribed by law for assistant secretaries of executive departments and shall perform such duties as the respective Secretaries may prescribe.'

"(c) Section 303 (a) of the National Security Act of 1947 is amended to read as follows:

"'(a) The Secretary of Defense, the Chairman of the National Security Resources Board, the Director of Central Intelligence, and the National Security Council, acting through its Executive Secretary, are authorized to appoint such advisory committees and to employ, consistent with other provisions of this Act, such part-time advisory personnel as they may deem necessary in carrying out their respective functions and the functions of agencies under their control. Persons holding other offices or positions under the United States for which they receive compensation, while serving as members of such committees, shall receive no additional compensation for such service. Other members of such committees and other part-time advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed $50 for each day of service, as determined by the appointing authority.'

"REORGANIZATION OF FISCAL MANAGEMENT TO PROMOTE ECONOMY AND EFFICIENCY

"SEC. 11. The National Security Act of 1947 is amended by inserting at the end thereof the following new title:

"'TITLE IV

"'PROMOTION OF ECONOMY AND EFFICIENCY THROUGH ESTABLISHMENT OF UNIFORM BUDGETARY AND FISCAL PROCEDURES AND ORGANIZATIONS

"'*Comptroller of Department of Defense*

"'SEC. 401. (a) There is hereby established in the Department of Defense the Comptroller of the Department of Defense, who shall be one of the Assistant Secretaries of Defense.

"'(b) The Comptroller shall advise and assist the Secretary of Defense in performing such budgetary and fiscal functions as may be required to carry out the powers conferred upon the Secretary of Defense by this Act, including but not limited to those specified in this subsection. Subject to the authority, direction, and control of the Secretary of Defense, the Comptroller shall—

"'(1) supervise and direct the preparation of the budget estimates of the Department of Defense; and

"'(2) establish, and supervise the execution of—

"'(A) principles, policies, and procedures to be followed in connection with organizational and administrative matters relating to—

"'(i) the preparation and execu ion of the budgets,

"'(ii) fiscal, cost, operating, and capital property accounting,

"'(iii) progress and statistical reporting,

"'(iv) internal audit, and

"'(B) policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense; and

"'(3) establish uniform terminologies, classifications, and procedures in all such matters.

"'MILITARY DEPARTMENT BUDGET AND FISCAL ORGANIZATION—DEPARTMENTAL COMPTROLLERS

"'SEC. 402. (a) The Secretary of each military department, subject to the authority, direction, and control of the Secretary of Defense, shall cause budgeting, accounting, progress and statistical reporting, internal audit and administrative organization structure and managerial procedures relating thereto in the department of which he is the head to be organized and conducted in a manner consistent with the operations of the Office of the Comptroller of the Department of Defense.

"'(b) There is hereby established in each of the three military departments a Comptroller of the Army, a Comptroller of the Navy, or a Comptroller of the Air Force, as appropriate in the department concerned. There shall, in each military department, also be a Deputy Comptroller. Subject to the authority of the respective departmental Secretaries, the comptrollers of the military departments shall be responsible for all budgeting, accounting, progress and statistical reporting, and internal audit in their respective departments and for the administrative organization structure and managerial procedures relating thereto. The Secretaries of the military departments may in their discretion appoint either civilian or military personnel as comptrollers of the military departments. Departmental comptrollers shall be under the direction and supervision of, and directly responsible to, either the Secretary, the Under Secretary, or an Assistant Secretary of the respective military departments: *Provided*, That nothing herein shall preclude the comptroller from having concurrent responsibility to a Chief of Staff or a Chief of Naval Operations, a Vice Chief of Staff or a

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Vice Chief of Naval Operations, or a Deputy Chief of Staff or a Deputy Chief of Naval Operations, if the Secretary of the military department concerned should so prescribe. Where the departmental comptroller is not a civilian, the Secretary of the department concerned shall appoint a civilian as Deputy Comptroller.

"'PERFORMANCE BUDGET

"'SEC. 403. (a) The budget estimates of the Department of Defense shall be prepared, presented, and justified, where practicable, and authorized programs shall be administered, in such form and manner as the Secretary of Defense, subject to the authority and direction of the President, may determine, so as to account for, and report, the cost of performance of readily identifiable functional programs and activities, with segregation of operating and capital programs. So far as practicable, the budget estimates and authorized programs of the military departments shall be set forth in readily comparable form and shall follow a uniform pattern.

"'(b) In order to expedite the conversion from present budget and accounting methods to the cost-of-performance method prescribed in this title, the Secretary of each military department, with the approval of the President and the Secretary of Defense, is authorized and directed, until the end of the second year following the date of enactment of this Act, to make such transfers and adjustments within the military department of which he is the head between appropriations available for obligation by such department in such manner as he deems necessary to cause the obligation and administration of funds and the reports of expenditures to reflect the cost of performance of such programs and activities. Reports of transfers and adjustments made pursuant to the authority of this subsection shall be made currently by the Secretary of Defense to the President and the Congress.

"'OBLIGATION OF APPROPRIATIONS

"'SEC. 404. In order to prevent overdrafts and deficiencies in any fiscal year for which appropriations are made, on and after the beginning of the next fiscal year following the date of enactment of this Act appropriations made to the Department of Defense or to the military departments, and reimbursements thereto, shall be available for obligation and expenditure only after the Secretary of Defense shall approve scheduled rates of obligation, or modifications thereof: *Provided*, That nothing in this section shall affect the right of the Department of Defense to incur such deficiencies as may be now or hereafter authorized by law to be incurred.

"'WORKING-CAPITAL FUNDS

"'SEC. 405. (a) In order more effectively to control and account for the cost of programs and work performed in the Department of Defense, the Secretary of Defense is authorized to require the establishment of working-capital funds in the Department of Defense for the purpose of—

"'(1) financing inventories of such stores, supplies, materials, and equipment as he may designate; and

"'(2) providing working capital for such industrial-type activities, and for such commercial-type activities as provide common services within or among the departments and agencies of the Department of Defense, as he may designate.

"'(b) The Secretary of the Treasury is authorized and directed to establish on the books of the Treasury Department at the request of the Secretary of Defense the working-capital funds established pursuant to the authority of this section.

"'(c) Such funds shall be—

"'(1) charged, when appropriate, with the cost of stores, supplies, materials, and equipment procured or otherwise acquired, manufactured, repaired, issued, and consumed and of services rendered or work performed, including applicable administrative expenses; and

"'(2) reimbursed from available appropriations or otherwise credited for the cost of stores, supplies, materials, or equipment furnished and of services rendered or work performed, including applicable administrative expenses.'

"Reports of the condition and operations of such funds shall be made annually to the President and to the Congress.

"'(d) The Secretary of Defense is authorized to provide capital for such working-capital funds by capitalizing inventories on hand and, with the approval of the President, by transfer, until December 31, 1954, from unexpended balances of any appropriations of the military departments not carried to the surplus fund of the Treasury: *Provided*, That no deficiency shall be incurred in any such appropriation as a result of any such transfer. To the extent that such methods do not, in the determination of the Secretary of Defense, provide adequate amounts of working capital, there is hereby authorized to be appropriated, out of any moneys in the Treasury not appropriated for other purposes, such sums as may be necessary to provide adequate working capital.

"'(e) Subject to the authority and direction of the Secretary of Defense, the Secretaries of the military departments shall allocate responsibility within their respective military departments for the execution of functions which each military department is authorized by law to perform in such a manner as to effect the most economical and efficient organization and operation of the activities and use of the inventories for which working-capital funds are authorized by this section.

"'(f) No greater cost shall be incurred by the requisitioning agency for stores, supplies, materials, or equipment drawn from inventories, and for services rendered or work performed by the industrial-type or commercial-type activities for which working-capital funds are authorized by this section, than the amount of appropriations or funds available for such purposes.

"'(g) The Secretary of Defense is authorized to issue regulations to govern the operation of activities and use of inventories authorized by this section, which regulations may, whenever he determines the measures set forth in this subsection to be required by the needs of the Department of Defense, and when such measures are authorized by law, permit stores, supplies, materials, and equipment to be sold to, and services to be rendered or work performed for, purchasers or users outside the Department of Defense. In such cases, the working-capital funds involved may be reimbursed by charges against appropriate appropriations or by payments received in cash.

"'(h) The appraised value of all stores, supplies, materials, and equipment returned to such working-capital funds from any department, activity, or agency, may be charged to the working-capital fund concerned and the proceeds thereof shall be credited to the current appropriations concerned; the amounts so credited shall be available for expenditures for the same purposes as the appropriations credited: *Provided*, That the provisions of this subsection shall not permit credits to appropriations as the result of capitalization of inventories authorized by subsection (d) of this section.

"'MANAGEMENT FUNDS

"'SEC. 406. The Act of July 3, 1942 (56 Stat. 645, c. 484), as amended, is hereby further amended to read as follows:

"'"(a) For the purpose of facilitating the economical and efficient conduct of operations in the Department of Defense which are financed by two or more appropriations where the costs of the operations are not susceptible of immediate distribution as charges to such appropriations, there are hereby established the Navy management fund, the Army management fund, and the Air Force management fund, each within, and under the direction of the respective Secretaries of, the Departments of the Navy, Army, or Air Force, as the case may be. There are authorized to be appropriated from time to time such funds as may be necessary to accomplish the purposes of the funds.

"'"(b) The corpus of the Navy Management Fund shall consist of the sum of $1,000,000 heretofore transferred to the Naval Procurement Fund from the Naval Emergency Fund (17X0300), which amount, and all balances in, and obligations against, any accounts in the Naval Procurement Fund, are hereby transferred to the Navy Management Fund; the corpus of the Army Management Fund shall consist of the sum of $1,000,000, which shall be transferred thereto from any unobligated balance of any appropriation available to the Department of the Army; the corpus of the Air Force Management Fund shall consist of the sum of $1,000,000, which shall be transferred thereto from any unobligated balance of any appropriation available to the Department of the Air Force; in each case together with such additional funds as may from time to time be appropriated to any of said funds. Accounts for the individual operations to be financed under the respective management funds shall be established only upon approval by the Secretary of Defense.

"'"(c) Expenditures may be made from said management funds from time to time for material (other than material for stock) and for personal and contractual services under such regulations as may be prescribed by the Secretary of Defense: *Provided*, (1) That no obligation shall be incurred against any such fund which is not properly chargeable to available funds under an appropriation of the department within which the fund is established, or, whenever necessary to effectuate purposes authorized by this Act to funds of another department or agency within the Department of Defense, and (2) that each fund shall be promptly reimbursed from the appropriate appropriations of such department for all expenditures properly chargeable thereto. Nothing herein or in any other provision of law shall be construed to prevent advances by check or warrant, or reimbursements to any of said management funds from appropriations of said departments on the basis of the estimated cost of a project, such estimated cost to be revised and necessary appropriation adjustments made when adequate data become available.

"'"(d) Except as otherwise provided by law, amounts advanced to the management funds under the provisions of this Act shall be available for obligation only during the fiscal year in which they are advanced: *Provided*, That nothing contained in this Act shall alter or limit the authorized period of availability of the funds from which such advances are made. Final adjustments of advances in accordance with actual costs shall be effected with the appropriate funds for the fiscal year in which such funds are advanced.

"'"(e) The portion of the Naval Appropriation Act, 1945 (58 Stat. 301, 310), relating to the Naval Procurement Fund is hereby repealed."

"'ADJUSTMENT OF ACCOUNTS

"'SEC. 407. (a) When under authority of law a function or an activity is transferred or assigned from one department or agency within the Department of Defense to another such department or agency, the balances of appropriations which are determined by the Secretary of Defense to be available and necessary to finance or discharge the function or activity so transferred or assigned may, with the approval of the President, be

transferred to, and be available for use by, the department or agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established on the books of the Treasury Department, of the department or organization to which such function or activity is transferred, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund. Balances transferred to existing accounts shall be subject only to such limitations as are specifically applicable to such accounts and those transferred to new accounts shall be subject only to such limitations as are applicable to the appropriations from which they are transferred.

"'(b) The number of employees which in the opinion of the Secretary of Defense is required for such transferred functions or activities may, with the approval of the Director of the Bureau of the Budget, be deducted from any personnel maximum or limitation of the department or agency within the Department of Defense from which such function or activity is transferred, and added to any such personnel maximum or limitation of the department or agency to which such function or activity is transferred.

"'AVAILABILITY OF REIMBURSEMENTS

"'SEC. 408. To carry out the purposes of this Act, reimbursements made under the authority of the Economy Act (31 U. S. C. 686), and sums paid by or on behalf of personnel of any department or organization for services rendered or supplies furnished, may be credited to authorized replacing or other accounts. Funds credited to such accounts shall remain available for obligation for the same period as the funds in the account so credited and each such account shall constitute one fund on the books of the Treasury Department.

"'COMMON USE OF DISBURSING FACILITIES

"'SEC. 409. To the extent authorized by the Secretary of Defense, disbursing officers of the Departments of the Army, Navy, and Air Force may, out of accounts of advances available to them, make disbursements covering obligations arising in connection with any function or activity of any other department or organization within the Department of Defense and charge upon vouchers the proper appropriation or appropriations of the other department or organization: *Provided*, That all said expenditures shall subsequently be adjusted in settlement of disbursing officers' accounts.

"'REPORTS OF PROPERTY

"'SEC. 410. The Secretary of Defense shall cause property records to be maintained in the three military departments, so far as practicable, on both a quantitative and monetary basis, under regulations which he shall prescribe. Such property records shall include the fixed property, installations, and major items of equipment as well as the supplies, materials, and equipment held in store by the armed services. The Secretary shall report annually thereon to the President and to the Congress.

"'REPEALING AND SAVING PROVISIONS

"'SEC. 411. All laws, orders, and regulations inconsistent with the provisions of this title are repealed insofar as they are inconsistent with the powers, duties, and responsibilities enacted hereby: *Provided*, That the powers, duties, and responsibilities of the Secretary of Defense under this title shall be administered in conformance with the policy and requirements for administration of budgetary and fiscal matters in the Government generally, including accounting and financial reporting, and that nothing in this title shall be construed as eliminating or modifying the powers, duties, and responsibilities of any other department, agency, or officer of the Government in connection with such matters, but no such department, agency, or officer shall exercise any such powers, duties, or responsibilities in a manner that will render ineffective the provisions of this title.'

"MISCELLANEOUS AND TECHNICAL AMENDMENTS AND SAVING PROVISIONS

"SEC. 12. (a) The National Security Act of 1947 is amended by striking out the term 'National Military Establishment', wherever it appears in such Act, and inserting in lieu thereof 'Department of Defense'.

"(b) Section 207 (a) of the National Security Act of 1947 is amended to read as follows:

"'SEC. 207. (a) Within the Department of Defense there is hereby established a military department to be known as the Department of the Air Force, and the Secretary of the Air Force who shall be the head thereof. The Secretary of the Air Force shall be appointed from civilian life by the President by and with the advice and consent of the Senate.'

"(c) Section 207 (b) of the National Security Act of 1947 is repealed.

"(d) The first sentence of section 208 (a) of the National Security Act of 1947 is amended by striking out the word 'under' and inserting in lieu thereof the word 'within'.

"(e) Section 308 (b) of the National Security Act of 1947 is amended to read as follows:

"'(b) As used in this Act, the term "Department of Defense" shall be deemed to include the military departments of the Army, the Navy, and the Air Force, and all agencies created under title II of this Act.'

"(f) The titles of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Under Secretaries and the Assistant Secretaries of the Departments of the Army, Navy, and Air Force, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board, shall not be changed by virtue of this Act, and the reappointment of the officials holding such titles on the effective date of this Act shall not be required. It is hereby declared to be the intention of Congress that section 203 (a) of the National Security Act of 1947, as amended by section 6 of this Act, shall not be deemed to have created a new office of Deputy Secretary of Defense but shall be deemed to have continued in existence, under a new title, the Office of Under Secretary of Defense which was established by the Act entitled 'An Act to amend the National Security Act of 1947 to provide for an Under Secretary of Defense', approved April 2, 1949 (Public Law 36, Eighty-first Congress). The title of the official holding the Office of Under Secretary of Defense on the effective date of this Act shall be changed to Deputy Secretary of Defense and the reappointment of such official shall not be required.

"(g) All laws, orders, regulations, and other actions relating to the National Military Establishment, the Departments of the Army, the Navy, or the Air Force, or to any officer or activity of such establishment or such departments, shall, except to the extent inconsistent with the provisions of this Act, have the same effect as if this Act had not been enacted; but, after the effective date of this Act, any such law, order, regulation, or other action which vested functions in or otherwise related to any officer, department, or establishment, shall be deemed to have vested such function in or relate to the officer or department, executive or military, succeeding the officer, department, or establishment in which such function was vested. For purposes of this subsection the Department of Defense shall be deemed the department succeeding the National Military Establishment, and the military departments of Army, Navy, and Air Force shall be deemed the departments succeeding the Executive Departments of Army, Navy, and Air Force.

"(h) Section 208 (e) of the National Security Act of 1947 is amended by substituting the word 'three' for the word 'two' appearing therein.

"(i) Reorganization Plan Numbered 8 of 1949, which was transmitted to the Congress by the President on July 18, 1949, pursuant to the provisions of the Reorganization Act of 1949, shall not take effect, notwithstanding the provisions of section 6 of such Reorganization Act of 1949.'

And the Senate agree to the same.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
LESLIE C. ARENDS,
GEORGE J. BATES,
Managers on the Part of the House.

MILLARD E. TYDINGS,
RICHARD B. RUSSELL,
VIRGIL M. CHAPMAN,
STYLES BRIDGES,
CHAN GURNEY,
LEVERETT SALTONSTALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

The House passed H. R. 5632 relating exclusively to fiscal and budgetary procedures and organizations in the National Military Establishment. The Senate amended H. R. 5632 by striking all out after the enacting clause and inserting in lieu thereof the provisions of S. 1843, a bill previously passed by the Senate relating to the entire subject of unification, including the fiscal and budgetary matters encompassed in H. R. 5632, on which Senate bill the House Committee on Armed Services had conducted extensive hearings.

SHORT TITLE

The Senate amendment prescribed a short title for the legislation, as follows: "National Security Act Amendments of 1949." The House bill contained no comparable provision. The conference agreement adopts the provisions of the Senate amendment.

STATEMENT OF POLICY

The conference agreement repeats the declaration of policy in the 1947 act, with amendments (1) that the military departments shall be "separately administered," (2) that the military departments shall be under the direction "of the Secretary of Defense," and (3) that there shall not be established "a single Chief of Staff over the armed forces nor an armed forces general staff."

NATIONAL SECURITY COUNCIL

The Senate amendment (1) added the Vice President to the National Security Council, (2) removed the Secretaries of the military departments, (3) authorized the President to add Executive Department Secretaries and Under Secretaries, and (4) authorized the President to add any other officials in the executive branch when confirmed therefor by the Senate. The House bill contained no comparable provisions. The conference agreement adds the Vice President to the

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Council, removes the Secretaries of the military departments, and authorizes the President to add, with Senate consent, Secretaries and Under Secretaries of other executive departments and of the military departments, and the Chairmen of the Munitions Board and the Research and Development Board.

DEPARTMENT OF DEFENSE

The Senate amendment converted the National Military Establishment into an executive department and converted the Departments of Army, Navy, and Air Force from executive departments into military departments without executive-department status. The House bill contained no comparable provision. The conference agreement accepts the Senate amendment with a minor, corrective change.

SECRETARY OF DEFENSE

The Senate amendment provided that the Secretary of Defense shall (1) be the principal assistant to the President in all matters relating to the national security, (2) be responsible for exercising direction, authority, and control over the Department of Defense (3) establish policies and programs for the Department of Defense, (4) exercise direction, authority, and control over the affairs of the Department of Defense, (5) take steps to eliminate unnecessary duplication and overlapping in such fields as he may deem proper, (6) perform the functions of the head of an executive department under title II of the Budget and Accounting Act of 1921, as amended, (7) delegate his functions to other officials or organizational entities of the Department without relieving himself of the responsibility therefor, and (8) transfer officers between the armed services when the affected military departments and the officer concerned consented thereto. The Senate amendment also provided that the Secretary of Defense could not reassign the combatant functions assigned to the military departments, that he could not make transfers, details or assignments of military personnel in a manner that would substantially affect or change the combatant functions, and that the military departments must be administered by their respective Secretaries under the control of the Secretary of Defense. The Senate amendment further amended existing law by deleting provisos giving the Secretaries of the military departments direct access to the Director of the Budget and the President and reserving to the departments all powers not expressly delegated to the Secretary of Defense. The House bill contained no comparable provisions. The conference agreement provides that the Secretary of Defense (1) shall be the principal assistant to the President in all matters relating to the Department of Defense and (2) shall have direction, authority, and control over the Department of Defense. The conference agreement further provides (1) that the combatant functions assigned by law to the respective military services shall not be transferred, reassigned, abolished, or consolidated; (2) that military personnel shall not be so detailed or assigned as to impair such combatant functions; (3) that department funds shall not be so used or expended as to effect the results prohibited in (1) and (2) above; (4) that the military departments shall be separately administered by their respective Secretaries; (5) that department functions authorized by law shall not be substantially transferred, reassigned, abolished, or consolidated until after the rendering of a report to the Committees on Armed Services; (6) that the act shall not be construed to prevent a military department Secretary or a member of the Joint Chiefs of Staff from presenting to the Congress, on his own initiative, after first so informing the Secretary of Defense, any recommendation relating to the Department of Defense that he may deem proper. The conference agreement provides further that the Secretary shall render semiannual reports to the President and the Congress, which reports shall contain, among other matters, itemized statements of the savings and eliminations of unnecessary duplications and overlappings accomplished pursuant to the act, and that the Secretary may delegate his functions without being relieved of his responsibility therefor. The conference agreement further provides that the authority to effect transfers of personnel between the Army and the Air Force shall be extended for an additional year.

DEPUTY SECRETARY OF DEFENSE

The Senate amendment changed the title of the Under Secretary of Defense to Deputy Secretary of Defense and gave him precedence over the military department Secretaries. The House bill contained no comparable provisions. The conference agreement conforms to Senate language except that the Deputy Secretary is given precedence in the Department of Defense next after the Secretary of Defense.

ASSISTANT SECRETARIES OF DEFENSE

The Senate amendment reiterated existing law providing three special assistants for the Secretary of Defense. The House bill contained no comparable provisions. The conference agreement establishes three Assistant Secretaries of Defense (one of whom shall be the Comptroller of the Department of Defense) in lieu of the special assistants, with precedence after the Secretaries of the military departments.

MILITARY STAFF FOR THE SECRETARY OF DEFENSE

The Senate amendment provided that the Joints Chiefs of Staff and the Joint Staff would be military staffs of the Secretary of Defense. The House bill contained no comparable provision. The conference agreement provides that the Joint Chiefs of Staff shall be the military staff of the Secretary of Defense.

CIVILIAN PERSONNEL

The Senate amendment authorized the Secretary of Defense, subject to civil-service laws and the Classification Act of 1923, to appoint and fix the compensation of civilian personnel required by the Department of Defense. The House bill contained no comparable provision. The conference agreement authorized the Secretary to appoint and fix the compensation of civilian personnel other than those in the military departments.

ARMED FORCES POLICY COUNCIL

The Senate amendment amended existing law pertaining to the War Council by adding as a member the Chairman of the Joint Chiefs of Staff. The House bill contained no comparable provision. The conference agreement changes the title of the War Council to Armed Forces Policy Council, and adds as members the Deputy Secretary of Defense and the Chairman of the Joint Chiefs of Staff.

CHAIRMAN OF THE JOINT CHIEFS OF STAFF

The Senate amendment established a Regular officer Chairman of the Joint Chiefs of Staff as the head thereof without a vote, appointed by the President, with Senate consent, for a 2-year term, subject to one reappointment in time of peace and to an unlimited number of reappointments in time of war. The Senate amendment further provided that the Chairman would have precedence, without military command, over all other officers of the armed services, that the Chairman, as such, should be the principal military adviser to the President and the Secretary of Defense, that he should perform such other duties prescribed by the President and Secretary of Defense, and that he should receive the highest pay authorized by law for a Chief of service. The House bill contained no comparable provisions. The conference agreement establishes a Chairman as the presiding officer, without a vote, of the Joint Chiefs of Staff, appointed by the President, with Senate consent, for a 2-year term, subject to one reappointment, with Senate consent, in time of peace, and to an unlimited number of reappointments in time of war. The conference agreement further provides that the Chairman shall have precedence, without military command, over all other officers of the armed services, that the Joint Chiefs of Staff shall be the principal military advisers to the President, the National Security Council, and the Secretary of Defense, that the duties of the Chairman shall be to serve as presiding officer in meetings of the Joint Chiefs of Staff, provide their agenda and expedite their business, inform the Secretary of Defense and the President, when necessary, of the issues upon which the Joint Chiefs of Staff fail to agree, and perform other duties as prescribed by the President or the Secretary of Defense. The conference agreement further provides that the Chairman, if a general or an admiral, shall be in addition to the present authorized number of generals or admirals, and that he shall receive the pay of the Army Chief of Staff plus such other special and hazardous duty pays to which he may be entitled.

DIRECTOR OF THE JOINT STAFF

The Senate amendment amended existing law by providing for Secretary of Defense approval of the appointment of the Director of the Joint Staff, and by increasing the Joint Staff from 100 to 210. The House bill contained no comparable provisions. The conference agreement provides for 210 officers on the Joint Staff and for the appointment of the Director by the Joint Chiefs of Staff.

MUNITIONS BOARD AND RESEARCH AND DEVELOPMENT BOARD

The Senate amendment vested the duties of the Boards in the Secretary of Defense and authorized the Chairmen, after consultation with the Boards and when prescribed by the Secretary, to perform such duties as the Secretary might prescribe. The House bill contained no comparable provisions. The conference agreement fixes the duties of the Boards in the Boards and gives the Chairmen the power of decision in respect to such matters authorized by the Secretary of Defense.

COMPENSATION

The Senate amendment amended existing law by prescribing (1) that the Deputy Secretary of Defense shall receive $14,500 a year and (2) that the Secretaries of the military departments shall receive $14,000 a year. The House bill contained no comparable provisions. The conference agreement amends existing law by prescribing (1) that the Deputy Secretary shall receive $14,500 a year or the compensation hereafter fixed by law for under secretaries of executive departments plus $500 a year, (2) that the military department Secretaries shall receive compensation at the rate of $14,000 a year or the compensation hereafter fixed by law for under secretaries of executive departments, and (3) that the Assistant Secretaries of Defense and the Under and Assistant Secretaries of the military departments shall receive $10,330 a year or the compensation hereafter fixed by law for assistant secretaries of executive departments.

CONSULTANTS

The Senate amendment amended existing law by authorizing not to exceed $50 a day in place of not to exceed $35 a day for members of advisory committees and part-time advisory personnel appointed by the Secretary of Defense, the Chairman of the National Security Resources Board, the Director of Central Intelligence, and the National Security Council. The House bill contained no comparable provision. The conference

agreement conforms to the language of the Senate amendment.

FISCAL PROVISIONS

The House bill established new budgetary and fiscal procedures and organizations in the National Military Establishment, and established a Comptroller in the Office of the Secretary of Defense and in each of the military departments. The Senate amendment contained comparable provisions and also the following provisions not included in the House bill: (1) Authority for the Secretary of Defense, with Presidential approval, to transfer and adjust appropriations within military departments so as to increase or decrease such appropriations by not more than 5 percent; (2) a requirement that no request for legislation authorizing appropriations for the military departments shall be transmitted to the Bureau of the Budget, the President, or the Congress without prior approval of the Secretary of Defense; (3) authority for the President to incur deficiencies to the extent that he may direct to meet requirements of the national interest or security which he may declare. The conference agreement conforms to the provisions of the House bill in these respects.

REORGANIZATION ACT

The conference agreement provides that, in view of the reorganization accomplished by this legislation, the President's Reorganization Plan No. 8, dated July 15, 1949, shall not take effect.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
DEWEY SHORT,
LESLIE C. ARENDS,
GEORGE J. BATES,
Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I hope every Member of the House will listen closely to what I have to say, because this is a very important piece of legislation.

I bring to the House a conference report that contains a very sound approach to the problems of unification.

Now, here is what the situation was in conference.

Last July 15 the House passed H. R. 5632. This bill contained only fiscal and budgetary provisions involving the National Military Establishment.

The Senate struck out all after the enacting clause of the House bill. It substituted therefor the provisions of the Senate unification bill as passed by the Senate on May 26. The Senate bill covered the entire question of unification, including the fiscal matters contained in the House bill.

Now, the House Committee on Armed Services held over 40 days of hearings on the Senate unification bill. The committee was in the process of voting out its version of that bill on July 12 when a decision was made at the last minute to postpone further action until the committee investigated the B–36 procurement program and related matters.

So what we took with us to conference was not only the Senate bill on all of unification and the House bill on the fiscal matters only; we also had the benefit of the House committee's final version of unification as it was on July 12 when the committee had planned to report it to the House.

Let me say now that this conference agreement contains almost verbatim the provisions of the House committee's Committee Print No. 2. So I believe the House conferees fared adequately in conference.

Now I will explain the conference report. These are the major items:

First, the powers of the Secretary of Defense.

Second, the Chairman of the Joint Chiefs of Staff.

Third, the conversion of the National Military Establishment into a Department of Defense.

I will not touch on the budgetary matters again now, since we dealt with that in our consideration of the House bill a few days ago. However, it is pertinent to say that the conferees agreed to the position of the House conferees in respect to these budgetary and fiscal matters, and took almost verbatim the provisions of H. R. 5632 as passed by the House a few days ago.

Now I ask the Members of the House to turn to section 5 of the conference report which is headed by the caption "The Secretary of Defense."

Subsection (a) repeats existing law, which provides that the Secretary of Defense will be appointed from civilian life with the consent of the Senate. Then in subsection (b) we say that the Secretary shall be the "principal assistant to the President in all matters relating to the Department of Defense."

The Senate receded to the views of the House conferees on this point. The Senate bill and existing law state that the Secretary shall be the President's principal assistant "in all matters relating to the national security." In our committee print we changed the "national security" to the "Department of Defense." The Senate receded. Obviously the Secretary of Defense is not the President's principal adviser in all matters related to the national security. The way the Senate had it, and the way it has been in existing law, the Secretary of State, the Chairman of the National Security Resources Board, the Director of the Central Intelligence Agency, the Federal Bureau of Investigation, and the other instruments of government which are involved as much in the national security as is the Secretary of Defense, were all left out.

Then the legislation provides that within certain limitations, which I will explain in just a minute, the Secretary of Defense "shall have direction, authority, and control over the Department of Defense."

This provision had the approval of the House committee and was in the Senate bill as well. It is endorsed by the Hoover Commission, the Eberstadt task force, the Secretary of Defense, and the President.

This sentence giving the Secretary direction, authority, and control is the heart of this legislation. I maintain that it does not give him more power than he has under existing law. What it does, however, is to clarify that power. No longer can there be any doubt that the Congress wants the Secretary of Defense to run the Department of Defense. In order that there can be no doubt as to what direction, authority, and control mean, I want to give you the definition of those words as contained in the third edition of Black's Law Dictionary.

"Direction" means "the act of governing, management, superintends."

"Authority" means "legal power; a right to command or act; the right and power of public office to require obedience to their orders lawfully issued in the scope of their public duties."

"Control" means "power or authority to manage, direct, superintend, restrict, regulate, direct, govern, administer, or oversee."

So under this law the Secretary of Defense is to have clear-cut authority to run the Department of Defense.

But in order to prevent any possibility of abuse of this vast power over our huge national defense program, the conferees wrote in certain limitations on the Secretary's authority, direction, and control. What we tried to do was to see to it that the Congress is kept in the picture and that the Secretary shall not take certain actions in certain fields in which the Congress has particular interest.

Our first limitation on the Secretary's power is this:

> Notwithstanding any other provision of this act, the combatant functions assigned to the military services by sections 205 (e), 206 (b), 206 (c), and 208 (f) hereof shall not be transferred, reassigned, abolished, or consolidated.

Now, this limitation on the Secretary specifically prevents him from taking any combatant function assigned to the Army, Navy, or Air Force and abolishing it, transferring it, consolidating it, or reassigning it. So he cannot abolish the Marine Corps. He cannot transfer marine aviation to the Air Force. He cannot put naval aviation into the Air Force. He cannot put the marines in the Army.

This provision was in substance in the Senate bill, but the House committee had rewritten it to tighten the language, and the Senate took the House committee version.

Next, we provide that military personnel shall not be so detailed or assigned as to impair such combatant functions. This means that the Secretary cannot do indirectly what we have prohibited him from doing directly. In other words, the Secretary cannot detail all marines to the Army, because that would violate the restriction we imposed in the limitation I have just discussed. But he can detail military personnel to perform activities with other services when this does not impair the combatant functions.

I want to point out here to the House that the Secretary cannot under any circumstances transfer military personnel from one military service to another. So he cannot merge the military personnel. The Senate bill permitted such transfers. On this point the Senate receded.

Next, we specifically provide that the Secretary shall not use the funds of the Department to effect the results we have prohibited otherwise. In other words, he is prevented from starving the marines to death, or by withholding funds, from putting naval aviation out of business. The provision was recommended by the

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President himself in his Reorganization Plan No. 8, and it was proposed in conference by the House conferees. It carries out the thought that the Secretary, although given the power to run the Department, shall not have the power to take action specifically contrary to the desires of the Congress in given fields.

Next, we tell the Secretary that he cannot substantially transfer, reassign, abolish, or consolidate any function of the Department of Defense which has been or is hereafter authorized by law until after he reports thereon to the Committees on Armed Services of the Congress.

Now, this is a very important limitation. Its purpose is to keep the Congress in the picture. Its purpose is to insure that before the Secretary so acts as to substantially affect or modify any statutory function of the Department of Defense, which includes the military departments, he must first tell the Armed Services Committees what he is going to do.

This is in line with the Legislative Reorganization Act of 1946, which imposes on the standing committees a "watchdog" function over the departments. So far as I am concerned, I trust the Secretary of Defense will construe this provision very closely so as to keep the Armed Services Committees fully advised. It is our intent that the Congress should be brought in on some of these matters before the Members read about them in the press or hear about them over the radio.

And if the Secretary proposes to accomplish things with which the Congress is not in sympathy, this provision insures that the Congress will have the opportunity to express its disapproval before the act is committed.

This provision was proposed by the House conferees. The Senate receded.

Next, the House conferees proposed, and the Senate accepted, a provision that the Secretaries of the military departments and the members of the Joint Chiefs of Staff can, on their own initiative, advise the Congress at any time of any recommendation relating to the Department of Defense that they may deem proper. The purpose of this provision is obvious. It is to insure that the vast responsibilities imposed upon these important administrative and professional heads are not handled cavalierly by the Secretary of Defense. Its purpose is to insure that if one of these important officials, the scope of whose responsibilities is greater than that of any other department head in the Government except the Secretaries of State and Defense, takes serious exception to action proposed by the Secretary of Defense, he cannot be prohibited from advising the Congress of his objections.

So what we are doing by this provision is simply to insure that the Secretaries of the military departments and the members of the Joint Chiefs of Staff will be free to answer questions before appropriate committees of the Congress. It leaves them free to give the committees, without fear of retribution in the Department of Defense, their personal views as to the effect any particular legislative or administrative action will have on the armed forces. Without such a provision we cannot legislate responsibly. Without such a provision the Congress cannot be kept in the picture and cannot perform its Constitution-imposed responsibility to provide for the common defense in view of the vast power over the armed forces held by the Secretary of Defense.

Next, we require the Secretary of Defense to report to the Congress semiannually instead of annually as provided in existing law. Moreover, we require the Secretary to submit separate reports from the military departments. And then, we require that he itemize the savings made under unification and explain what duplications and overlappings have been eliminated within the Department of Defense under the Unification Act.

There have been statements that from $500,000,000 to $2,000,000,000 or $3,000,000,000 will be saved through these changes in the unification law. Secretary of Defense Johnson, in particular, forecast a saving of $1,000,000,000 within a year from the date of enactment of this law, and a saving of $1,500,000,000 within 18 months from that date.

The purpose of the provision I have just mentioned is to insure that the Congress may know just what those savings are.

And here I want to invite the attention of the House to the sharp distinction between savings and reductions. The purpose of our provision in this law is not to obtain a list of reductions in appropriations, but to find out precisely how unification saves public funds as it has been advertised.

By savings we mean that without reducing the armed strength of the United States, less money will be required. By savings we mean that the same results can be achieved at less cost to the taxpayer. By savings we do not mean the closing of a navy yard at Charleston or Philadelphia unless such a closing still leaves the fleet adequately supported and the other navy yards' strength is not correspondingly increased. By savings we do not mean a reduction in the strength of military personnel or civilian personnel unless it leaves the armed forces capable of performing the same military missions they could support previous to such reductions.

I emphasize this point because, like all other Members of the House, I am anxious for substantial savings in the National Military Establishment. I think reductions can be made in many instances, and that this is a responsibility of the Congress as well as of the Secretary of Defense. But what we are told, and what we wish to know about as a result of this law, is precisely how unification can produce the same military results for far less money.

I certainly hope it can be done. But unlike many of my colleagues, and unlike many people downtown, I will not speculate on the extent to which such savings can be made.

Now let me tell you about the Chairman of the Joint Chiefs of Staff.

Naturally, this subject was controversial in both the House and Senate committees, because of the fear of a single Chief of Staff and of possible military dictatorship in the country.

Mr. Hoover and Mr. Eberstadt were particularly concerned about the Chairman of the Joint Chiefs of Staff. They wanted a Chairman, and recommended one, but they wanted his duties clearly defined and wanted it made clear in the law that he was not to be a single Chief of Staff.

The Senate proposed that this Chairman would be the principal military adviser to the President and the Secretary of Defense. Even though the Senate specified that the Chairman had to function as such when serving as the principal military adviser, nevertheless it was quite evident that had the Senate language been retained, the country would have had a de facto Chief of Staff over the armed services.

In respect to the Chairman, I am pleased to advise the House that the Senate took the language proposed by the House conferees with only the change that the Chairman shall not have the right to vote in the proceedings of the Joint Chiefs of Staff.

What the bill provides now is this:

First, the Chairman is appointed from among the Regular officers. In other words, he will be a career military man.

Second, he must be confirmed by the Senate.

Third, he will serve for a 2-year term but may have his term extended in time of peace by one additional term which also must have Senate confirmation.

Further, we provide that the Chairman shall be a nonvoting presiding officer of the Joint Chiefs of Staff, instead of the head as the Senate had proposed.

Fifth, we give the Chairman the pay and allowances of the Chief of Staff, and we give him precedence over the Joint Chiefs of Staff. The effect of this is to make the Chairman the foremost officer in the armed forces. He will precede the Joint Chiefs of Staff at all functions and will sit at the head of the table at the meetings of the Joint Chiefs of Staff. And by giving him the pay of the Joint Chiefs of Staff, we make it a desirable office for any member of the Joint Chiefs of Staff to seek.

Sixth, we spell out the duties of the Chairman, a point on which the Senate again receded.

We specify that the Chairman will serve as presiding officer of the Joint Chiefs of Staff—that he will provide the agenda for the meetings and see that their business is promptly prosecuted—and then, that he will advise the Secretary of Defense and also the President when necessary of the issues on which the Joint Chiefs of Staff are in disagreement.

Now, the most important provision of all of these is the language proposed by the House conferees that all of the Joint Chiefs of Staff as a body, including the Chairman, shall be the principal military advisers to the President, the National

Security Council, and the Secretary of Defense.

Our idea here was to make it certain that not the Chairman alone, as the Senate bill provided in substance, but all of the Joint Chiefs of Staff, shall be the principal military advisers. By this device we are trying as nearly as we can to prevent a single Chief of Staff concept from developing in the Pentagon or in the White House.

To tie this point down, the House conferees proposed that the declaration of congressional policy in the National Security Act be amended to provide that the Congress does not intend "to establish a single Chief of Staff over the armed forces nor an armed forces general staff."

We cannot make it any clearer than this as to what our intention is.

What we have provided is a man who will expedite the business of the Joint Chiefs of Staff and preside at their meetings. We intend nothing more, and we do not want him to be anything more than that. I believe we have tied the point down as tightly as we can in law. Happily, the Senate agreed fully with the House conferees.

The last major point I can discuss in this limited time is the conversion of the National Military Establishment into an executive department.

The Hoover Commission, in its report to the Congress, Secretary Forrestal, in his testimony before the Senate Committee on Armed Services, the present Secretary of Defense, Louis Johnson, and the President all have urged that the National Military Establishment be converted into a Department of Defense. Only Mr. Eberstadt's Task Force Report recommended against it. And, although it may be said that the Hoover Commission did not specifically recommend this conversion, what it did recommend was far more than this legislation provides. It was recommended by that Commission that all of the statutory authority now vested in the military departments be vested in the Secretary of Defense. The bill does not go this far, but it does create the Executive Department which is less drastic than what the Hoover Commission recommended.

Now this question all goes back simply to what the powers are of the Secretary of Defense.

When we give the Secretary of Defense direction, authority, and control, the question as to whether or not we will have an Executive Department becomes absolutely academic. The Secretary can do everything he needs to do without an Executive Department that he could do with an Executive Department, once you give him direction, authority, and control. In fact, the Department versus Military Establishment question has nothing to do with the statutory powers of the Secretary of Defense.

In view of these considerations, the House conferees accepted the Senate language on this subject. So far as the House conferees are concerned, we are in full agreement with my friend the gentleman from Ohio [Mr. CLARENCE J. BROWN], and our former colleague, Mr. Carter Manasco, both members of the Hoover Commission, in respect to the significance of direction, authority, and control. While this bill does not go quite so far as to give the Secretary of Defense all of the statutory authority the Hoover Commission recommends, I am sure that these distinguished men will agree that the establishment of the Executive Department is eminently sound, for it will go far toward expediting the progress of unification by creating a family spirit in the Pentagon.

There are other lesser matters in the legislation. We establish three Assistant Secretaries of Defense, one of whom shall be the Comptroller of the Department of Defense. We make the Joint Chiefs of Staff the military staff of the Secretary of Defense. We fix the duties of the Boards of the Department of Defense in those Boards rather than in the Secretary of Defense. We take the House language on the fiscal and budgetary provisions, and we substitute this legislation for the President's reorganization plan.

So in conclusion, let me say that I think we have an excellent piece of legislation.

Now, what will be its effect?

First, we hope these changes in the law will produce substantial savings in the national military organizations without impairing the fighting efficiency of our armed forces.

Second, we hope that these amendments to the National Security Act will bring about a much greater spirit of teamwork and cooperation and of common purpose in the Pentagon by making it clear that the old unification battle is over.

Third, we hope that it will help the three services view our national defense problems from more of a national viewpoint than from a viewpoint of service aggrandizement and preferential treatment.

Fourth, we hope that the amendments will keep the Congress in the picture and keep the Congress in a position to meet its constitutional responsibilities in respect to the national defense despite the great power of the Secretary of Defense over the armed forces.

And fifth, we hope and believe that these amendments give the Secretary of Defense, beyond any shadow of doubt, a clear-cut mandate from the Congress as to what his responsibility is in connection with the national defense.

Now, as I have said, having given him that blanket authority to run the three military establishments we impose by law certain limitations on that power, one of which is this:

> Notwithstanding any other provisions of this act, the combatant functions assigned to the military services by section 205 (c), 206 (b), 206 (c), and 208 (f) hereof shall not be transferred, reassigned, abolished, or consolidated.

In the act of 1947 there was set out in the sections I have just cited the combatant functions of the Army, the combatant functions of the Navy, the combatant functions of the Marine Corps, and the combatant functions of the Air Force. So we have said that those combatant functions shall not be transferred, reassigned, abolished, or consolidated.

This limitation on the Secretary—I repeat—keeps him from taking any combatant function assigned to the Army, the Navy, or the Air Force and abolishing it, transferring it, consolidating it, or reassigning it. So, I repeat: He cannot abolish the Marine Corps; he cannot transfer Marine aviation to the Air Force; he cannot put naval aviation in the Air Force; he cannot put the Marines in the Army. The House is very much concerned, and the country is very much concerned about that; so I desire to make the statement positive and clear that with the limitations that we have put in this bill every Member of the House and every citizen of the country can rest assured that he cannot transfer any of these functions which were assigned in the original act of 1947.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. COLE of New York. I know that the gentleman does not wish to mislead the House, and I am sure he would not do so intentionally, but will he not agree that while it is true that the President cannot do all of those things——

Mr. VINSON. The gentleman means the Secretary, does he not?

Mr. COLE of New York. I mean the Secretary. The gentleman has assured the Congress that the Marine Corps will not be transferred, that naval aviation will not be transferred by virtue of this act. Is it not correct that those very things may be done by the President under existing authority of law?

Mr. VINSON. The Members of the House should, of course, recognize the fact that this act ties only the hands of the Secretary of Defense. Under the Reorganization Act that Congress has passed, the President tomorrow morning or at any other time, notwithstanding this law, can send to the Congress a reorganization plan which would and could transfer these functions if the House did not disapprove the plan.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. BATES of Massachusetts. Having those thoughts in mind, I wonder if the chairman could tell the members of the committee why in conference we struck out the words "or any other act" that was in the House version of the bill and which the chairman of the committee on conference, Senator TYDINGS, said was going to be put back into the conference report? Why were they stricken out?

Mr. VINSON. I am sorry that the House conferees could not prevail upon the Senate conferees also to fix the law so that there would be no danger of the President doing tomorrow what we are prohibiting his doing today; but the Senate conferees refused to go along with the House conferees, and it takes two to make a bargain.

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Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Indiana.

Mr. HALLECK. I am glad to have heard the statement just made by the gentleman from Georgia. In connection with the combatant functions I wonder if the gentleman will clarify the intent of the law particularly for the friends of the Marine Corps who have insisted that certainly this Congress does not intend in any way to reduce the combatant ability or function of the marines? For this reason I assume that there is no intent to alter those functions of the Marine Corps concerning their responsibility in the amphibious operations, and that training and development for landing and shore operations continues to be a marine function. I wonder if the gentleman would care to comment on those characteristics?

Mr. VINSON. The act of 1947 gives to the Marine Corps amphibious operations. Under this law they cannot be transferred. I may say that I inserted in the RECORD a statement some months ago from Secretary Johnson to the effect that he had no intention of transferring the marines or marine aviation, and in addition to that, we have written as tight language on this point in this legislation as can be contrived.

In regard to the question raised by the gentleman from New York [Mr. COLE], under the Reorganization Act the President can come in here with Reorganization Plan No. 10, 15, or 20, and he may set aside what we say here that the Secretary of Defense cannot do, but I do not think the House for one moment would concur with the President if he sent up such a reorganization plan.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from South Carolina.

Mr. RIVERS. Will the gentleman agree this may impose a limitation on the provisions of the Reorganization Act?

Mr. VINSON. I tried to nullify the Reorganization Act, as far as the National Military Establishment was concerned, but I was defeated in that and we have a provision in here instead that nullifies Reorganization Plan No. 8 in view of this law.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. When the appropriation bill was considered, in which we first set up funds for a 70-group air force, the question came up of providing funds for similar planes for both the Navy and for the Air Force. At that time it was testified by the admirals who were before us that they themselves were determining what kinds they needed under their own concept of what their function or mission was. The gentleman has said that naval air cannot be transferred to the Air Force, but what I am wondering is who is going to determine where the dividing line is. What delineation is there between naval air and the Air Force?

Mr. VINSON. That has been worked out by conferences that were held at Key West and Newport. The roles and missions of the Air Force have been definitely established and the roles and missions of naval aviation have been definitely fixed.

Mr. CASE of South Dakota. The gentleman mentions the Key West conference. I remember distinctly asking Admiral Price and another admiral at the time whether or not their request for certain types of ships were approved by the Key West conference. They said, "No," they were not submitted to them, it was the Navy's own determination of what types they needed.

Mr. VINSON. The gentleman referred to ships.

Mr. CASE of South Dakota. I mean planes. I refer to them as ships but of course should not when speaking of the Navy.

Mr. VINSON. Airplanes?

Mr. CASE of South Dakota. Airplanes. Bombers, pursuit ships, fighters, and so forth.

Mr. VINSON. The roles and missions have been fixed by these two agreements. I imagine when we pass this more complete unification bill there will be more harmony and more definite and positive roles and missions than have existed in the past.

Mr. CASE of South Dakota. This does not provide for any final decision beyond what is interpreted by each component part of the service?

Mr. VINSON. Yes; the Secretary has direction, authority, and control, and as long as he does not disturb the combatant functions as fixed by the act of 1947, he can draw departmental orders to the effect that the naval functions is along certain strategic lines and the Air Force function is along strategic lines, and that does not violate the combatant functions at all.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. As I read this conference report, it seems to me that the joint committee of conference has done exceptionally good work. As I understand the report, it does put into effect the major recommendations, with one or two small exceptions, of the so-called Hoover Commission? It does throw into the law certain safeguards that were not contained in the Hoover Commission recommendation. However, if I am correct, it will permit practically all of the monetary savings and the other efficiencies that were called for in the Commission's recommendation; is that correct?

Mr. VINSON. The gentleman from Ohio, one of the authors of the Hoover Commission report, together with our former colleague from Alabama, Mr. Manasco, made certain recommendations, and we have carried out practically everything that the Hoover Commission recommended, with certain limitations and certain restrictions to prevent the bypassing of the Congress.

Mr. BROWN of Ohio. In other words, you have written in safeguards as to those matters which the gentleman has just described.

Mr. VINSON. That is right.

Mr. BROWN of Ohio. I would like to say one other thing: As I have studied this conference report and compared it with the President's Reorganization Plan No. 8 for the National Defense Establishment, it seems to me that the committee of conference has come closer to carrying out the recommendations of the Hoover Commission than the President's recommendation in the eighth reorganization plan.

Mr. VINSON. I would like to say that the gentleman from Ohio [Mr. BROWN], Mr. Manasco, and former President Hoover and his able Commission have rendered great service to the country in making the recommendations that they did in regard to the Department of Defense.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Illinois.

Mr. CHURCH. While the gentleman is speaking about the limitations and the powers of the Secretary of National Defense, let me say this: First I want to commend my former distinguished chairman for his statement——

Mr. VINSON. I thank the gentleman.

Mr. CHURCH. The gentleman will recall that I talked to him about this subject. The marines in my district are interested in not limiting the number by percentage of marines, and I call attention——

Mr. VINSON. I cannot go into that. That is not involved in the conference report. The Marine Corps is fixed at 20 percent of the strength of the Navy.

Mr. CHURCH. Is this better for them than 6 percent of all of the armed services or as provided in the Mansfield bill?

Mr. VINSON. Just a moment. Let me get this off my mind. Somebody has tried to get the Marines to talk about having 6 percent of the combatant strength of all three services. It will take legislation to do that, and I do not think the Congress will do it.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. I was very much disappointed to learn that instead of consolidating the Surgeon General of the Army and the Navy, we now have three surgeon generals instead of two, the Secretary of Defense having approved an order to allow the Air Corps to establish a separate surgeon general. I think there is more duplication now than ever before. If we could have one surgeon general, with one head, we could have done the job better than under this bill.

Mr. VINSON. This bill gives the Secretary direction, authority, and control to eliminate all duplications that he sees fit to eliminate, and the House, no doubt,

will have some very important information in a few days, just as soon as this bill passes, in regard to certain activities that will be consolidated and certain that will be put out of existence.

Mr. ENGEL of Michigan. The Secretary would have power to do that, would he?

Mr. VINSON. Oh, yes. As a matter of fact, he has ample authority to do that today, because the law specifically says, "to eliminate duplication in health matters."

Mr. ENGEL of Michigan. Why did he then approve the third surgeon general for the Air Force?

Mr. VINSON. I cannot answer that.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Michigan.

Mr. FORD. Although there are safeguards in this bill, as the gentleman has pointed out, what is there to prevent, when the 1951 fiscal budget comes before us, a reduction in force of the Marine Corps or naval aviation, for example?

Mr. VINSON. To do that the Congress must do it. He cannot take a block of people in the Army and put them in the Navy. He cannot take a group of naval officers or personnel and put them into the Army. He cannot transfer, because under the law today it cannot be done and we do not give him that authority.

Mr. HÉBERT. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. HÉBERT. I am sure that the gentleman does not want to leave the impression with the House that the fact that the Secretary has to make a report first to the Armed Services Committee of the House and the Armed Services Committee of the Senate that that is a stop-gap as far as carrying out any intended plan that he may have?

In other words, he can submit a report to the House today and accomplish that intent tomorrow morning?

Mr. VINSON. Of course, if he hands in a report to the Armed Services Committee today and says it will go into effect tomorrow—well, we are pretty active, and I think we know our rights.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. COOLEY. The gentleman has told us of the power of the Secretary of Defense and what he could not do; in other words, unification, consolidation, and elimination, and so forth. Would the gentleman please tell us some of the things that the gentleman contemplates he might be able to do?

Mr. VINSON. Any man who has authority, direction, and control must let his conscience guide him in most respects as to what he wants to do. We expect him to unify the services, to run the Department efficiently, and to bring about economy.

Mr. COOLEY. But the gentleman just explained to us that he is not allowed to unify the services.

Mr. VINSON. Of course, he is allowed to unify the services.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. CASE of South Dakota. What authority is left to the Secretary of Defense to transfer funds in the Defense Establishment?

Mr. VINSON. He does not have that as permanent authority.

Mr. CASE of South Dakota. What about that provision that he has the authority "to transfer and adjust appropriations * * * by not more than 5 percent"?

Mr. VINSON. That was in the budgetary provisions of the bill.

Mr. CASE of South Dakota. The Senate bill provided for a 5-percent transfer.

Mr. VINSON. A 5-percent transfer.

Mr. CASE of South Dakota. That is not in the bill?

Mr. VINSON. We struck that out. We want the Appropriations Committee to have close control, and they will give him that authority if they see fit to do so.

Now, Mr. Speaker, I yield 15 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, this piece of legislation vitally affects every individual here and every person in the United States.

Much as I like to yield, I will greatly appreciate, for the sake of clarity, coherence, and cogency, if Members will not interrogate me until I have concluded my brief remarks.

Mr. Speaker, it is unfortunate that this legislation, so extremely important, so heavily weighted with portents for the future of our armed forces and our national defense, cannot be more adequately discussed in the House of Representatives. It is indeed regrettable that the sum total of debating time that the House will have had on this very fundamental measure after this conference report is approved will be 1 hour and 40 minutes.

But we must be realistic. We have this job to do, and the thing to do is to get it done. May we do it well.

Just a word about the conference proceedings. I think this was one of the best conference meetings between the House and Senate I have attended since I have been a Member of Congress, and I did not come here yesterday. There was able and intelligent discussion and debate, and the conferees knew at all times very thoroughly what the issues were in their detail and what collateral problems the issues raised. There was not a single decision made in conference that was not knowingly made and, finally, made with the agreement of all of the conferees.

And let me say here and now that although I have had many occasions to praise the splendid, forthright and capable chairman of the Armed Services Committee, the gentleman from Georgia, CARL VINSON, who is beloved by us all, I want the House to know that in this conference I saw more clearly than perhaps ever before the unusual capacity of this remarkable man to whom the Nation owes so much.

It was CARL VINSON, Members of the House, who more than any other person in the Congress wrote this bill now before us.

It was CARL VINSON who contrived various thoughtful and wise reservations on the vast powers granted by this legislation.

And it was CARL VINSON, as usual, who had the capacity, energy, and sagacity to put forth the views of the House conferees and to carry them successfully against the views of the Senate.

Now what kind of a bill does the House have before it?

I say emphatically that it is as good a bill as can be agreed upon under the circumstances in which Congress has placed itself. By this I mean that there are some aspects of the legislation with which I am in disagreement. But, of course, this is always true after a conference between the House and Senate, and after the giving and taking necessary to write any basic provision of law. I do not like the vast powers granted to one man.

But as for the over-all, we have an excellent piece of legislation, one designed to clarify the authority and power relationships in the National Military Establishment, one calculated to bring economies in the armed forces where possible without injury to our readiness in time of emergency, one which will expedite Chiefs of Staff, our highest military body. In its totality the bill is good.

And the legislation effects these improvements without surrendering the power of Congress to the executive branch.

It does this by a number of very important reservations which the Members of the House will find in section 5 of the conference report. Read these reservations and see the smooth hand of CARL VINSON, and see what we have done in our vigorous effort not to divorce ourselves from our constitutional responsibility to provide for the common defense, to raise and support an Army and to provide and maintain a Navy.

We will at the same time greatly improve the position of the Secretary of Defense by the provisions of this bill. We will greatly facilitate the work of the Joint Chiefs of Staff. We will do this without letting the Chairman of the Joint Chiefs of Staff or the Secretary of Defense run rampant with their power.

That is the purpose of this legislation and that is what it does.

I am not going to treat each of the provisions of the legislation, because my distinguished chairman has very characteristically done this in the greatest detail.

But there are certain fundamental thoughts that I do wish to give to the House so that it will know precisely what the situation is.

I stood before this House only a week or two ago stating that the Congress is putting the cart before the horse in this legislation.

I still believe that.

I still believe that it is not sound legislation, that it is not correct principle of good government, that it is a shocking thing indeed, for the United States Congress to grant additional powers to an office, and—indirectly at least—by that

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act give a vote of confidence to the incumbent of that office, immediately before conducting an investigation of serious charges made against the individual occupying that office.

Let me make it clear and as positive as words will permit that I do not stand in judgment on any individual or individuals. I have not preferred charges against them; neither has the House of Representatives.

But I supported the resolution to require the B–36 investigation, as did all the Members of the House of Representatives. The public demanded it.

One week from today the House Committee on Armed Services will begin this investigation. I hope it will find everyone involved wholly innocent, wholly without blame, wholly justified in all of their acts involving the public and public funds. We are not digging dirt, we are not covering up.

Frankly, I have confidence in our officials and, above all other things, I still believe in the fundamental American principle that any man is innocent until he is proved guilty.

But, again I say that it is evidence of declining morality in our Government, in my opinion, to proceed by law to increase the power of the Secretary of Defense immediately previous to investigating him and his associates for past acts involving the use of public funds and Government contracts.

What we should do is to investigate first; legislate afterwards.

Now why do not we do that?

I will tell you why. It is simply because there is in the wind the President's Reorganization Plan No. 8 which will do what this legislation provides, and more, if this legislation is not enacted previous thereto.

I much prefer this legislation to the President's plan. The President himself has asked for legislation. He prefers statutory authority to Executive order. The Secretary of Defense has requested it. If it must be done, this is as sound a way to do it as possible under the circumstances, and for this reason I strongly support and urge wholeheartedly the prompt approval of this measure by the House of Representatives.

We must always temper our aspirations with practicality. Better half a loaf than no loaf at all. In place of withholding legislation and thereby indirectly giving approval to the President's reorganization plan, the only sensible thing to do is to enact this measure and thereby obtain as sound action on this basic subject as we possibly can.

I have one thing more to say in this general vein. As all Members of the House must be aware, I have been a staunch advocate of unification for many years—ever since it first became an issue in the Congress. I still believe in unification—not merger. I still believe that the Secretary of Defense, whether Louis Johnson or any other person, must have adequate authority if he is to be successful and is to be able to perform the responsibilities the Congress imposes upon him. The lack of authority helped kill James Forrestal. So emotionally, intellectually, by conviction, and consistent with my past attitudes, I endorse the concept and purpose of unification. May the Lord help us get it.

Nevertheless, I think the House should know and that the armed forces should know that our extensive and detailed hearings on this legislation for a month and a half have made it far less clear to me as to the value to be derived from unification than it ever was before. I am filled with doubts.

In spite of pleadings, I have never before listened to such strange wanderings and such imposing lack of substance as was presented on this legislation in support of its passage. There have been broad assertions, spurious assumptions, glittering generalities, and pious platitudes but few definite data or specific cases for its need.

Nevertheless, nearly all of us on the committee have come to the conclusion that there are good and sufficient reasons for the enactment of the legislation despite the insufficiency of the evidence. Strange indeed.

And as to savings under the law, I hope for them like all of you do. I am skeptical as to their achievement. Let me make it absolutely clear to the House that despite repeated efforts on the part of many of the members of the Armed Services Committee, we were never able to obtain an iota of evidence, not one shred of substance, that such savings would actually occur or in what areas such savings could be made. Reductions are not savings. The vast powers granted to a single individual under this act frighten me. Let us hope these powers are exercised wisely and never abused.

So we are being asked, as a measure of faith, to accept this legislation. I know when I am whipped. I am willing to go along, and I trust that the House will also. It is the best we can do now.

Under the circumstances, some of which I deplore as a firm believer in sound governmental process, let us complete the job at hand and approve this conference report.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Montana.

Mr. MANSFIELD. Am I correct in my assumption, after listening to the gentleman and the distinguished chairman of the Committee on Armed Services, that under this legislation the functions and duties of the Marine Corps are absolutely assured and, I might also say, insured insofar as it is possible for this Congress to do so?

Mr. SHORT. I can answer that positively in the affirmative. I asked Secretary Johnson repeatedly when he first appeared before our committee whether or not he could guarantee that the Marine Corps would not be swallowed up by the Navy or the Army and that the air arm of the Navy would not be consumed by the Air Force, and his answer was "Yes." Of course, we are going to maintain the identity and integrity of each branch of the services. I do not think any Member need worry about that.

Mr. MANSFIELD. And the only way in which anything could happen to the functions, duties, and responsibilities of the Marine Corps would be through a reorganization plan placed before this Congress by the President, which this Congress would have to veto within 60 days or it becomes effective. If that assumption is correct, and I believe it is, then I am certain that no Congress would ever stand for a revision or a lessening of the functions and duties of the corps.

Mr. SHORT. That is right. And, under the present legislation the Secretary of National Defense must report to the Committee on Armed Services of both Houses if any fundamental changes are to take place.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. VINSON. Mr. Speaker, I yield the gentleman one additional minute.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Illinois.

Mr. CHURCH. Does the gentleman's answer to the gentleman from Montana [Mr. MANSFIELD] apply also to the percentage of strength of the marines. I have talked to the gentleman from Montana [Mr. MANSFIELD] and he informs me that the strength of the Marine Corps is now over 6 percent of the over-all armed forces and that it has a statutory strength of 20 percent of the naval personnel.

Mr. SHORT. That is carried out under existing law. That is already established law, and I do not think any Secretary of Defense, I do not care who he is, would ever attempt or dare to try to abolish the Marine Corps. He would have all the American people on his neck. The marines have proved their worth and they are here to stay. We will see to that.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DICTATORSHIP UNDER ECONOMY AND EFFICIENCY LABEL

Mr. HOFFMAN of Michigan. Mr. Speaker, a dictator—Stalin—is the world's bogeyman. Mothers abroad not only frighten their children with the threat that Stalin will get them if they are not good boys and girls, but the greatest and most powerful Nation in all the world—the United States of America—spends billions upon billions of dollars, joins hands with bankrupt and quarrelsome nations in a military pact which binds it to endanger its solvency, sacrifice the lives of perhaps a million of its young citizens, bear the brunt of any war into which any one of those nations may involve it.

While many are opposed to Stalin and the Communists, the majority seem to feel and to oppose him and his policies because, it is said, he threatens the principles which have made us great and powerful, established and guaranteed our prosperity, our freedom, assured our advancement as individuals and as a nation.

Yes; we fear Stalin because he is a dictator, seeks to expand his power, and would, I repeat, destroy our prosperity, our happiness, and our freedom.

But, strange as it may seem, here at home, here in the Nation's Capital, we fail to recognize or to protect future generations against dictatorship.

During the past 16 years, the expansion of the power of the executive departments, of the head of those departments—the President of the United States—has been increased until today it is a threat to legislative constitutional government.

Rules, order, and regulations, and the interpretation put upon them, the manner in which they have been administered, rather than laws enacted by the Congress and interpreted and administered as Congress intended, overshadow and dictate the activities of our people.

And, within the executive department, the military clique, trained and proficient to grasp and exercise power, each day gains and exercises more control, not only over our military program, but over our civilian life.

These military men—and I question not their motives, because undoubtedly, like Stalin, they think they know best—are, in their field, in their sphere of action, would-be dictators, just as we are told that Stalin, on the world stage, is a would-be dictator.

Two years ago we were told by the administration spokesmen, the heads of the departments, that a unification bill was necessary if our national security was to be preserved.

Until near the close of the hearings which were held on that bill, the high-ranking officers of the Navy who served throughout the war on the high seas were denied the opportunity to present their views and, even when permitted to speak, it was quite evident that they were under restraint.

Officers representing the Marines were subjected to similar treatment, which became, in at least one instance, so offensive that General Edson, commanding the Marines, resigned from the service.

That bill, we were told, was designed to give the Nation economy and greater efficiency. It contained provisions which gave the military authority over what had always heretofore been considered civilian activities.

It laid the groundwork for a domination of civilian operations, by those in or connected with the Military Establishment, but apparently it did not go far enough and those who, within the armed services, are always seeking more power, greater authority, were not content; hence the present bill.

Mr. Speaker, on July 12 last, from the well of the House, it was my privilege to point out some of the dangers inherent in the unification bill, in the amendments which at that time, in the name of efficiency and economy, we were being so strongly urged to adopt.

Expressing faith and confidence in the Armed Services Committee and its members, I nevertheless called attention to the purpose of some of those who were supporting the legislation.

From the restrictions written into the bill in conference and so clearly outlined by the distinguished chairman of the committee, the gentleman from Georgia [Mr. VINSON], it is evident that the committee was fearful of the misuse of the power granted by the bill.

In conference, some of the grubs concealed beneath the apparently fair language of the original bill were exposed to view and an attempt was made to safeguard the people's interests.

But there is in my mind a doubt whether this or any other committee can bring home to the House or to the people of the country all the hidden meanings so skillfully concealed in the cleverly planned phrases that our ambitious military clique can have written into proposed legislation.

I have a distinct recollection of listening to General Eisenhower, when we were considering the Unification Act of 1947, give testimony designed to create the impression that no attempt was being made to lessen the functions or reduce the size or activities of the Marine Corps. His testimony created the impression that no one had ever had such a thought in mind.

At the very time he was testifying, I had before me a copy of the correspondence carried on on that subject between General Eisenhower and Admiral Nimitz and from that correspondence it was apparent that the Army made a sustained effort to reduce the size of the Marine Corps, to limit its missions.

It was also evident that there was a plan to reduce the Navy's air arm.

Notwithstanding the restrictions written into this bill in conference, it is my prediction that those in the armed services, seeking more power for themselves or for the branches of the services which they represent, will attempt, through a reduction of appropriations in the 1951 budget, to curtail the activities of the Marines and the Navy's air force.

I hope, as the years roll on, that someone will be able to arise on the floor of the House and point out that I was completely mistaken in my prediction.

You will note that the Pentagon or those speaking in its behalf have not given us any figures which would show the respective sums for which the armed services will ask in 1951.

In this connection, I should like to point out that, while the Congress, in the preamble of the bill, pays tribute to splendid principles, nevertheless there remain within the body of this legislation certain devices which, to my mind, can accomplish the same evils against which we protest.

The Congress of the United States has gone on record repeatedly ever since 1903 against the Prussian-type national general staff and against an all-powerful Chief of Staff of our armed forces, and the Congress went on record in 1947 against absolute "merger" of our armed forces. The Eighty-first Congress now proposes to go on record, again, against these dangers to our American way of life.

In the preamble of the National Security Act Amendments of 1949, Congress states its intention "not to establish a single Chief of Staff over the armed forces nor an armed forces general staff."

The preamble also states that it does not intend to "merge" the three services, but only to provide for their "coordination and unified control."

These are splendid sentiments, but are they enough?

Are they enough when we know that there is a small but powerful group of our military men who want one of their clique to wield the power of a single Chief of Staff? And when we have, even within our Congress, a few misguided men who have already proclaimed publicly that "next year" they will have a new bill before Congress for complete merger of our armed forces?

As much as we respect the purely "military" ability of men like General Bradley and General Vandenberg, I am shocked to hear them say before a congressional committee that they believe in a single Chief of Staff of all the armed forces. General Gruenther, Director of the Joint Staff, has given his opinion before the House Armed Services Committee that we would have a single Chief of Staff in 5 years.

Forewarned should be forearmed.

What good are pious sentiments if the opening wedges for a Nazi-Prussian consolidation of military power are already hidden in the law, ready for pressure-group hammers within the Eighty-second, Eighty-third, and Eighty-fourth Congresses?

These hidden wedges are there; make no mistake about that. But they are cleverly camouflaged and hidden from the Congress and from the people. The "Chief of Staff," against which we protest, is camouflaged as a "Chairman" of the Joint Chiefs of Staff and "merger" is camouflaged by being designated as "conversion."

But do not think that these fancy titles fooled either the Hoover Commission or the Eberstadt committee. Ex-President Hoover testified before the House Armed Services Committee that the expanded power of a "Chairman" of the Joint Chiefs of Staff would in practice "amount to the constitution of a single Chief of Staff."

And this House should never forget that the "major criticism" of the Hoover Commission was against the top rank and military precedence of the "Chairman."

Yet, under the bill now before the House, the "Chairman" has been given the exact top rank and precedence against which Mr. Hoover gave his warning.

The Eberstadt committee examined 245 witnesses who were almost unanimously opposed to "merger" or "conversion." Mr. Eberstadt in his testimony listed a total of seven points—all against the "conversion" of the Army, Navy, and Air Force into a single executive department. He even predicted that the next step would be the creation of a single military Chief of Staff.

Yet in spite of Eberstadt's warning the bill now before the House abolishes the three military "executive" departments and by "conversion" actually merges them into a single executive Department of National Defense.

Here in this bill are cleverly inserted, under attractive but misleading titles,

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the entering wedges for a vast consolidation of military power so greatly desired by the ambitious few and so hazardous to the people of this Nation.

A summary of the evidence presented to the committee on the question of whether the executive departments of the Army, the Navy, and the Air Force should be abolished and they be treated as subdepartments within a single executive Department of National Defense might show the following:

FOR THE CONSOLIDATION

1. Secretary of Defense Johnson testified he needed a single executive department in order to achieve efficiency and economy.

AGAINST THE CONSOLIDATION

1. Former Secretary of Defense Forrestal did not recommend a single executive department in his January 1949 report of "Desirable changes."

2. Neither the Hoover Commission nor Herbert Hoover in his statement specifically recommended this change.

3. The Eberstadt Task Force Report "considered and rejected merger of the three military departments into a single department."

4. Mr. Eberstadt testified before the committee that:

(a) The 245 witnesses who appeared "were practically unanimous in opposition to merging the three military departments into a single department."

(b) "In effect, it would merge the three military departments. * * *"

(c) This would be "contrary to the expressed (and unchanged) intent of declaration of policy of the National Security Act. * * *"

(d) "I know of nothing in the experience of the National Military Establishment to date which would indicate the necessity for such a step."

(e) "The act of 1947 * * * was conceived somewhat along the lines of our Federal Government."

(f) "G. E." and "Tel & Tel" are also set up on the federated principle (rather than as a single outfit) with a small group at the top concerned with major policy—not with operations. One big company would confuse problems of operation.

(g) "* * * sound principle not to make amendments unless the need * * * is at least reasonably demonstrated. * * * I don't * * * know of anything in the realm of practice as opposed to theoretical discussions which would indicate that this measure was needed or desirable."

(h) "* * * the Secretary's authority should be clarified and should be strengthened * * * that is quite a different thing than creating a single department * * * it is not essential to do that to clarify and strengthen the authority of the Secretary."

(i) "If you create one single department I would dare to prophesy that it is not very long before the logic of events will compel you to create a single Military Chief of Staff."

The CHAIRMAN. "That is the next step, isn't it?"

Mr. EBERSTADT. "That is the next step. That is the next and natural development."

President Hoover pointed to the danger which might grow out of so large a grant of power to one individual.

Listening to the request of the chairman of the committee, the gentleman from Georgia [Mr. VINSON], and to a similar request from the ranking minority member of the committee, the gentleman from Missouri [Mr. SHORT], it appeared that, while asking for our votes, each expressed grave doubts as to the wisdom of the legislation, a fear of the danger which might grow out of its enactment.

Neither seemed to be satisfied with it. Both apparently agree that needed economy could be effected without it if the heads of the various departments so desired.

Each apparently supported it because the administration and the armed services demanded its passage and because he thought the people had been sold the idea that it would give them greater efficiency and a portion at least of our much-needed economy.

My constituents may ask then, why, if I believe the bill is dangerous; if I am satisfied that it will give us neither efficiency nor economy, do I not vote against it.

The only answer I can make—and concededly it is a poor one—is that, in my opinion, not 20 votes will be against the bill; that any vote against it will by people in general and by governments abroad be considered as a vote against national defense, and so considered give encouragement to a potential enemy.

Like the gentleman from Georgia [Mr. VINSON] and the gentleman from Missouri [Mr. SHORT], the two ranking members on the committee, I may entertain a hope—though a slight one—that the bill will give the people a little economy, the country more efficiency, and that it is at the moment legislation which the people are demanding because they believe it will prevent waste. I will not at the moment deny them their wish nor will I deny to the armed services the opportunity which they say they want to give the overburdened taxpayer economy and perhaps increased efficiency.

Moreover, having against my better judgment again voted to give them an opportunity to make good on their promises, I shall watch their every maneuver, their every expenditure, with a jealous eye. Nor will I neglect any opportunity which may offer to point out from the well of the House any failure on their part to further the program for economy and efficiency.

Mr. VINSON. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Speaker, I realize that my voice is quite like that of the child in the wilderness. But, I confess that I am a bit different from my colleague the gentleman from Missouri [Mr. SHORT], who admitted that he knew enough to realize when he was licked, and therefore had decided to go along with this bill. I have not yet reached that point.

I do want to call your attention to a rather significant occurrence in connection with the recommendations that this conference report be adopted, as expressed by the chairman of the committee, the gentleman from Georgia [Mr. VINSON] and the ranking minority member, the gentleman from Missouri [Mr. SHORT]. Before referring to that, however, I do want to indicate my unhappiness in being unable to go along with these leaders of the committee. However, I feel so very deeply about this matter involving our national security and the granting of such tremendous powers to one man that I feel I must express myself, even though briefly and with futility.

I wonder if you realized and noted that when the chairman of the committee recommended that this bill, as reported in the conference report, be adopted by the Congress, he concluded in very emphatic and definite expressions by declaring it as being his opinion that this bill was not needed in order to clarify the powers of the Secretary of Defense or in order to accomplish the purposes of unification and effect the dollar savings claimed to be possible. The gentleman from Missouri, after he had recommended that the conference report be adopted, in his conclusion indicated that we were getting the cart before the horse; that we were being a bit hasty; that we were granting great powers to a particular individual who, for the moment, is implicated in an investigation by the Congress. At the same time the gentleman from Missouri [Mr. SHORT] expressed doubt that there would be any saving whatsoever under this bill. He indicated that there had been no blueprint submitted to the committee, no indication made by those who asked for these enlarged powers as to where the savings are going to be made.

"Unification" is the magic word that is going to bring us savings of billions of dollars each year. Well, now, laudable though that purpose is, and highly desirable though it may be, it is a fraud and a delusion to tell the American public that there can or will be savings of a billion or two billion or even $500,000,000 through this bill, which could not otherwise have been saved even without this act unless in some fashion our national security is weakened or placed in jeopardy.

I realize that my plea is futile. The country has been captivated by these glowing promises of savings of billions of dollars. Those who have expressed doubts as to the wisdom of granting this great power to the Secretary of Defense, are ready to take this final but revolutionary step, apparently solely upon the glittering hope that it may result in the saving of a substantial sum of money. I am not yet ready to place my stamp of approval upon this bill, which places far too great a power in the hands of any one man as Secretary of Defense and which has the seeds of undermining our national defense, even though the golden apple of ephemeral economy is held out before me.

Mr. Speaker, this Congress is proposing to modify the National Security Act of 1947. It is doing it under the guise of gaining efficiency, of running the services more economically, of making better unification.

Unification is getting to be like the word "mother." You can't question it—you have to approve of it however it is used. Anyone who wants to propose something about the services only has to shout "unification" and everyone, Republicans and Democrats alike, give it a pious benediction without a second look.

I say we had better start taking a second look at this event which we are blessing. It is time the Congress quit bowing and scraping everytime somebody whispers "unification."

Is this conference report "unification"? Of course not. It is merger. The very thing its preamble says we will not allow. We are merging the three services into a corporate monster of a single executive department. This is not my opinion alone, it is also the considered opinion of Mr. Ferdinand Eberstadt. Why are we doing this? Why are we playing this game with words? It is a simple answer. This holy word "unification" is supposed to mean economy.

What kind of economy? No one knows. There have been wonderful promises—like some people's campaign promises—of savings of a billion dollars. But nobody has ever described how a single penny can be saved. The administration has sent witnesses down here who sang a chorus that this merger meant economy. But never a word as to where. The best independent witness either House had, Mr. Eberstadt, said that this merger into one department would not give economy. Over 240 out of 245 witnesses that testified before his task force said that they were against it. If Congress is to be a deliberative assembly, what evidence is it going to take? Why are we Republicans and Democrats alike voting for this camouflaged merger?

Because it sounds so good to our ears we are going to put complete control of $15,000,000,000 in the hands of one man.

Is there economy in this one-man control of fifteen billions? Let us dispose of that fiction before we go any further. Will this merger give us efficiency or economy? I will answer my question with another one. Where is the businessman who is insane enough to want to have one-man responsibility for a business whose annual operating expenses are $15,000,000,000 a year? What businessman would claim that he could economically manage a business whose plants, property, and equipment, scattered all around the world, are worth dozens of billions?

The proposition is silly on the face of it. If it were any good all the big companies would have merged their operations long ago. They have to make money. They cannot plead emergencies and top-secret papers to get taxpayer's money. But no big company is run this way.

Yet here we are blindly approving it, because someone sings a siren song that merger, misnamed unification, means economy, not even looking at the proposition, or inquiring where are the blueprints or where are the figures. Show me a man who would claim efficiency from making one man responsible for a merger of United States Steel, General Motors, Du Pont, General Electric, Sears-Roebuck, and Ford into one organization, and I will show you a man no bank would loan a dime.

How will these savings be made? The simplest way, of course, by chopping out a few things.

I do not have to tell any newspaper reader where the chopping will be done. The targets will be the Marine Corps and naval aviation. Oh, I know there will be a few symbolic cuts, mostly on paper, at the Army and the Air Force. But the real whacks will come from the Marine Corps and naval aviation. Probably a couple of good hefty chops will be made at the National Guard, too, since the Pentagon General Staff is still trying to do away with the National Guard.

I challenge the Pentagon to produce their figures for the 1951 budget. There is not a doubt in my mind but what we will find that the Marine Corps and naval aviation are taking the biggest reductions of all. I know that the answer will be that those figures are secret. To that I say—think again. The Congress will have to debate and examine them, eventually they will be published in all the papers. So who are they keeping the figures from now? Only the American people and this Congress. It is time we stopped letting these people cover up everything that is a political "hot potato" by stamping "top secret" on it. That "secret" stamp is still making this Congress act like another rubber stamp.

This bill grants great power. This bill creates the framework upon which a military dictatorship may be fabricated. These enormous powers are such as no wise Secretary of Defense should desire and that no ambitious Secretary of Defense should have.

Mr. VINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. BATES.]

Mr. BATES of Massachusetts. Mr. Speaker, I believe that every member of the House Committee on Armed Services, who has wrestled with this problem over a period of many weeks, not to say months, and those of us who served on the committee of conference, still approaches the solution of this problem with a good deal of reservation. Much has been said in the press and much has been heard throughout the country about the possibility of saving not only a billion dollars, and some have estimated it as high as $2,000,000,000 if the so-called unification bill can be enacted into law.

I know the chairman of the committee himself has resisted to the very limit of his ability even the suggestion of unification which would have some aspects of merger involved in the whole transaction. But after these months of hearings and after the witnesses, who had given a great deal of time and thought to the subject of the reorganization of the Military Establishment, had appeared before the committee, including ex-President Hoover, and had so strongly advocated that something should be done to bring about efficiency in our military organizations, we finally and reluctantly, after writing many safeguards into the bill that would prevent the building up of a military dictatorship in this country, approved the measure.

There was one reservation I had in the committee of conference and I expressed myself very strongly about it. It has a bearing somewhat on what the future may be insofar as the unification or the merger of the three services is concerned under the so-called President's reorganization plan. It was my hope that the language in the House bill would be retained in conference, namely, that notwithstanding any other provision of this or any other act, which means that under the Reorganization Act, none of the functions assigned to the military service could be transferred, reassigned, abolished, or consolidated. But the words "or any other act" were stricken out in conference, although I frankly say the members of the House committee made every effort to keep them in the bill.

If this bill is enacted into law, the President may submit to Congress a reorganization plan of the military departments. Either of the two Houses of Congress must disapprove such a plan, otherwise it will have the force of law. If the words "or any other act" were kept in the bill, then Congress would have to take the initiative in the consideration of any reorganization plan. Notwithstanding the deletion of these words, the committee felt that the benefits in the tremendous savings that could be made as suggested by the Secretary of Defense and with the same efficiency, was certainly a worth-while objective. To save a billion dollars or more when you consider the tremendous tax burden the people of the country are laboring under today is important indeed.

I want to make it clear, however, that I am not in favor of the merging of the three departments or the interfering with the combat functions of any of the branches of the military services. There are ample safeguards in the bill in this respect. The bill as reported has the support of the Hoover Commission and also the widespread support of the people throughout the country. Is is my opinion that considerable savings can be made while at the same time maintain the high efficiency for the safeguard of the country. For this reason, I am in favor of this bill.

Mr. VINSON. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. SASSCER].

Mr. SASSCER. Mr. Speaker, this conference report is apparently going to be adopted, but as we take one further step in the eradication of individual services, let us see what happened since this postwar march for power started.

First. In the death of President Roosevelt, there was the loss of the intimate knowledge and appreciation of the Navy that he had gained as Assistant Secretary during World War I—an appreciation which contributed to the building up of our strong and essential Navy of World War II.

The next step was the stripping of the Navy from a service to an agency, and the reduction of the status of Secretary of Navy from a Cabinet rank. In the unification Mr. Forrestal, with his knowledge and appreciation of the Navy's importance, was made Secretary of Defense. He was present at the Key West meeting. He realized the importance of retaining the autonomy of the Navy which

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was protected under the terms of that agreement; and he saw what the forces, under the guise of unification but aimed at merger and subjugation, were doing to our national defense, and this great American was indeed a war casualty. He was as concerned as many of us over the plight of our Navy and Marine Corps.

Next, we see the scuttling of the supercarrier under amazing circumstances—circumstances that caused the sincere, forthright and able Secretary of the Navy, John L. Sullivan, to resign in self-respect and public protest. I am not a military expert, nor do I profess to be one, so what I say here about the carrier will be limited to the records and facts, and the opinion of the great Admiral Halsey, now retired and free to speak, who knows more about naval warfare than any other American. First the facts: Although Congress, pursuant to its obligations, had on two occasions authorized the construction of the carrier, by departmental order and without consulting naval operations, it was junked. Scuttling the carrier, whether wise or unwise, was done under the power of the Unification Act of 1947, a fact which bears out the fact that as far as administrative savings are concerned, there is ample power now vested in the Secretary of Defense. The scuttling of the carrier is not an economy measure but a further projection of the plans to strip the Navy and Marine Corps and their air arms.

As I said, I am not competent to personally argue the wisdom or lack of wisdom of the carrier, but I do wish you would read an interview by Admiral Halsey which appeared in the May 20 issue of the United States News, and inserted on May 17 in the CONGRESSIONAL RECORD under extension of remarks of my able colleague on the Armed Services Committee, the gentleman from New York [Mr. COLE]. Admiral Halsey not only stressed the importance of the mobility of carrier-based planes, but cited incidents and examples of the force and effect of carrier-based planes in the Pacific. He emphasized the fact that while the long-range bombers can do area bombing from high altitudes, it is only the low-range planes that can do pin-point and precision bombing—necessary for attack on ground troops, airfields, submarines, and so forth. He stated that 15,000 Japanese planes were destroyed by our naval aviation, chiefly from carrier planes. In answering the fixed concept and restricted-use theory as to weapons, which concept was part of the formula for the destruction of the supercarrier, Admiral Halsey said:

> The concept of what each weapon can or cannot do theoretically is very ridiculous. The only thing I can think of that is more ridiculous is the fact that you have a weapon and, through legislative or other act, you cannot use that weapon because it might interfere with the glory of some other person who has a similar weapon. I think the object in war is to strike with as many weapons as possible as often and as fast as possible. I think that is the surest and best way to terminate a war. I would go further than that, and say I do not think any weapon should be in any way restricted, whether it belongs to the Army, Navy, or the Air Force, or is used only for a special purpose. In other words, they should be used where they are most needed.

I shall not quote further, but may I again urge that you read the full context of that revealing interview.

While suppressing our Navy it is important to remember that it was the planes from a Japanese carrier that swept down on Pearl Harbor, the Philippines and Singapore, and that Great Britain has since admitted that she suffered serious losses because she thought only in terms of land defense, and neglected her naval air power. Do not let us make that mistake in America. And let us take stock before it is too late, for the chart lines are being fast drawn in that direction. The present policy is directed to that end, and if this philosophy is allowed to continue, it will not be long before our Navy, Marine Corps, and their aviation arms will be weakened and imperiled, and with it the security of our country.

In an AP story which appeared in the Baltimore Sun of June 4, last, it was stated that the Russians are, for the first time, building up a strong navy, and that Admiral Ivan Yumashev, navy commander in chief, emphasizes that the sea forces should be expanded. In this article we read that the Russian military leaders recently celebrated a Navy Day by calling for further strength of the Soviet sea power. It is ironical that their first Navy Day observance falls but a few months after the abolition of Navy Day in America, which had been celebrated each year since 1922 on October 27. It is probably trivial to mention this, but I refer to it merely as an example of one of the links in the chain that is aimed at the eradication of the autonomy of the Navy and Marine Corps. Certainly, there is no material Government saving accomplished in preventing the naval personnel from participating in exercises which have added much to the building up of the high spirit and efficiency of our Navy. Primarily the Navy League and Navy Day exercises are supported by public subscriptions from persons proud of our Navy and interested in keeping it strong.

We wonder if the recent cut in appropriations that resulted in the dropping of 159 of the 300 young ensigns, who under the Holloway plan had completed 2 years of college and their flight training, was motivated by the desire to reduce expenditures or stimulated by a philosophy of stripping the Navy of its aviation. Certainly at a time when the Nation's thoughts are directed to air power and the training in the Air Forces is being enlarged, it is hard to figure the economy in the throwing out of 150 aviators who had been screened from all angles and selected on a highly competitive basis, and who have completed half the required course—at a tremendous cost to the Government. When they finished their courses they would have been officers in the Regular Navy.

Next in the sequence of destroying the autonomy of the Navy, we have the removal of the privilege of a direct approach to the Executive, and the abolition of its status as an executive department. One of the sections of this conference report directed to power and not savings, which was insisted upon in the Department bill and now contained in the conference report, creates a Chairman of the Joint Chiefs of Staff. Although the person serving in this capacity would not have a vote, he would out-rank the Joint Chiefs of Staff of the Army, Navy, and Air Force, and those of us familiar with military discipline know that with that rank he would be the boss of the three services. That section is not directed to savings, but is a terrific concentration of potential power in the hands of one person. The pattern of world history is uniform in one phase: The spring-board of all dictators has been the complete concentration of all military power in the hands of one person. It is a dangerous course, and one which our Nation, even in its most trying times, has shied away from.

No one can deny that there is a fruitful field for the application of economy in the armed services, and no one can take issue with a program for unification directed to economy. The disturbing features of this progressive philosophy is not in the effort directed to administrative economy—over which there is no controversy, but in the steps directed to a concentration of power, and the absorption of the individual services. In the last war we had our individual services functioning with high efficiency under Joint Chiefs of Staff with unified area commands, and under that formula we won the war. Germany and Japan, in contrast, had completely merged services under the command and domination of the army, and they were both defeated. And while our No. 1 potential enemy is profiting by this lesson in expanding its navy, we, with a Navy second to none, are in the process of stripping it of its autonomy, pride, and efficiency.

You will find some factual information outlined in an article by David Lawrence, which appears in the Appendix of the CONGRESSIONAL RECORD, page A3367, under extension of remarks by the gentleman from Louisiana, Representative LARCADE, in which he states:

> Wars are won or lost at the planning stage—in the years that precede the actual combat. Hermann Goering insisted on unification of all armed services in Germany and on domination of the whole military establishment by his air force. To the cries of the German Navy for a fleet and for better submarines, he turned a deaf ear.

We undoubtedly would have had a longer and bloodier war had the German Navy not been pinched in its submarine production by the one dominant service. Goering was given carte blanche in developing his air force, and in spite of its unquestioned supremacy in those early days, Germany was never able to span that short distance of water. Many theories have been expounded as to why a landing was not effected, but as far as I know nothing has been proved. I merely cite another instance where the loser's navy was second best. And by the same token the Allies, with independent navies, were able to accomplish a much harder landing in reverse.

I repeat again, Mr. Speaker, that I am not arguing against a unification of the armed services as directed to savings, but I am attempting to show that the present Unification Act provides the necessary means to accomplish this economy. At the same time, I wish to caution against the dangers of the determined philosophy of this long-range program to strip down and eventually destroy the Navy and Marine Corps aviation, and to protest against a program that would reduce those proud services below an executive department to mere agencies in one big military bureau, and which would leave them in a status somewhat similar to the prewar Army Transport Service.

The gentleman from Georgia [Mr. VINSON] is one of the strongest and most able chairmen in Congress and is to be congratulated for his successful efforts in conference in retaining some of the important safeguards of the House bill. During the many years he served as chairman of the old Naval Affairs Committee, and since, he has devoted his life toward building a strong Navy and Marine Corps, and to him must be given much of the credit for the glorious achievements and outstanding record made by these services during the recent war. He and his committee exercised close congressional contact which contributed to the efficiency of the Navy and which helped to keep it free from any corruption or suspicion in the vast expenditure of public funds during the period of the prewar and war years.

A one-man rule is answerable to no one, and it is important that Congress keep alert in an effort to eradicate the philosophy that would, if continued, submerge any one of the armed services.

Mr. VINSON. Mr. Speaker, I yield the balance of the time to the distinguished gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, there has been a great deal of misgiving expressed in the course of the debate regarding this bill. To my mind there are entirely too many "doubting Thomases" in our midst. I think this is a good bill. It is a bill which has received much care, study, and attention during the last year or year and a half. It is a bill which comes to us with the recommendation of a nonpartisan commission, the Hoover Commission. This Commission is supporting this bill 100 percent. This is a bill which is supported by the testimony of outstanding witnesses, in whose judgment I have complete confidence. These witnesses told our committee this would save the United States a minimum of a billon dollars. Some witnesses said that it would save over a billion, and perhaps better than $2,000,000,000. I am perfectly willing to rely on the judgment of those distinguished Americans who testified before our committee and give this plan a reasonable opportunity to be tried. I believe the bill will accomplish just that thing. It will give our Government a well-ordered defense establishment. It will take the sprawling defense department, which now runs all through our Government, and unify it in a single Department of Defense. It will give the head of that Department the opportunity to work out efficient reforms and organize a businesslike administration of the Department of Defense. While it does that, it does not, Mr. Speaker, take from the several departments, including the Army, Navy, and Air Departments, the full protection which those departments ought to have in maintaining their separate identities and organization in the defense establishment. It has been said that no one gave us minute information as to where a dollar would be saved and where it might not be saved by this unification bill.

It has not been told you, but it is true that the Secretary of Defense offered to tell the committee in executive session just where he intended to make changes and just how he intended to save money.

He told the committee that by virtue of eliminating overlapping, duplication, and inefficiencies the sum of $750,000,000 would be saved our people.

That is all in the testimony. When they talk about doubting the effectiveness of this bill, I say I believe proper efficiency in this department of Government will bring about economies and savings and improvements which will effect reductions of tremendous amounts.

During the course of the war, Mr. Speaker, we were forced under stress of the emergency to work out a hurried unification. We unified our command in Europe and in the Pacific. Much to the surprise of many "doughting Thomases," this unification worked nicely and ran smoothly. It speeded up the prosecution of the war and brought victory with less expense and with less loss of life. It was hailed as a great victory asset. Now, with peaceful times returned to our land, some arise who doubt that the unification which worked in the armed forces so well in the times of emergency would work at present in our armed forces. I think it is entitled to a trial; and I believe the witnesses are correct who feel that an untold amount of money may be saved to our taxpayers by the passage of this measure giving reasonable unification of our armed forces.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THOMPSON. Mr. Speaker, the subject of unification of the armed services is one which has been very close to my heart for as many years as the problem has existed. I have had, since its inception, a great many misgivings. Some of them have been dispelled partly because those who were ambitious to gain tremendous personal power have relinquished their ambitions for one reason or another.

Quite frankly, the statements just made by the very able chairman of the Armed Services Committee have relieved me. He is an old friend, and our offices are just across the hall from each other. We frequently exchange views, and I have noted each of his reluctant steps toward this so-called unification.

In a few minutes, I am going to vote with him, very much against my own desires, and moved by the feelings that the measure must inevitably be passed; and that it has now been protected by the best safeguards that the gentleman from Georgia [Mr. VINSON] can provide. I cast my vote, knowing full well that the extravagant claims of money saving are misleading the general public and that it is very likely that someone will ultimately take a tremendous blame for the failure of at least this part of the unification scheme.

It is known to all who care to interest themselves that I am a United States marine of some 30 years of service either on active duty in two wars or as a Reservist—a militiaman. However, my interest in the armed services always included the other branches: Army, Navy, and Air, and I believe that I can understand the proper and essential functioning of each in its relationship to the other. Much has been said about the plan in the mind of the Secretary of Defense to do away with the Marine Corps. This, he has denied. There is no choice but to accept his denial and to assume that anyone who may have gathered from conversations with him that he planned the effective disposal of the Marine Corps as a vital fighting unit, evidently misunderstood him.

In his explanation a few moments ago, the gentleman from Georgia reassured me somewhat. I still wonder if in the back of some people's minds there is not the idea that the mission of the corps may be gradually restricted until it becomes merely the force to guard the navy yards and other naval establishments and to man the marine detachments on board ship. It will be interesting to watch from the side lines for this development.

I have no desire to further delay the inevitable. We will, of course, pass this unification measure on the part of a great many of us who have followed national defense very closely there will be tongues in cheeks. We hate to put this awful power in the hands of one man. We distrust a measure which must be sold to the public in the guise of fantastic claims of money-savings. Perhaps we should find comfort in the idea that the final passage of the bill and its enactment into law will do something for the morale of the armed services. Judging from members of the various branches with whom I have had contacts in recent months, the morale is presently at a serious low.

Anyhow, let us try it and hope for the best.

Mr. JOHNSON. Mr. Speaker, many of my Armed Services Committee colleagues have expressed doubt about the effectiveness of this bill, as agreed to by the conferees. They seem to be afraid that we have granted too much power in the Secretary of Defense.

I want to express my wholehearted support of this bill as it comes from the conference. It does give the Secretary much power. But it also hedges that power in rather strictly. It is a long

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step toward unification over the original unification bill. It does point in the direction of clothing the Secretary with power to at least partly match his responsibility. If we are going to have unification we must face the fact that the Secretary must be clothed with sufficient power to carry out his duties, or he may become merely the presiding head of warring factions in our defense organization.

Many of the powers he now has are phrased in such general terms that every step the Secretary may take toward unification can be challenged by someone on the ground that the language on which the Secretary relies to support his action can be interpreted more strictly and as not being specific enough to permit the action of the Secretary.

Why do I believe that we should clothe the Secretary with more power? Because I think we should make unification more realistic and more workable. Think of this: In the great war when out national safety and national life was at stake we had unification in every theater of combat. The stark necessity of protecting ourselves and doing every thing possible to insure success brought that about. Pearl Harbor dramatized the futility of dual control. Every great leader during the war supported unification publicly and openly. They knew it was the only way to get the maximum protection and results with our men and equipment.

That being so, why should we not learn from that lesson. What are our armed services for, but to give us a maximum of protection in times of strife and war. We cannot expect effective unification in war unless we perfect it in peace. Next time we may not have allies holding the enemy back and time in which to build the unification that we need for certain victory.

I do not believe that the economy talked about so much is the major or principal object of this legislation. The major objective, in my book, of this legislation is to get the best possible defense system to stop aggression and to win a war if it should come. I cannot make myself believe that welding our defense forces more closely together so they will make a more perfect team will result in a dangerous centralization of power. The President is essentially a civil officer. Not a day passes but he is impressed with the fact that he represents a great population of civilians. Going through the ordeal of a national campaign makes him feel the influence of the people—the civilian voters—very vividly. He will be a check on any Secretary who grabs for too much power, either by law or through administration. Congress will keep an eagle and a suspicious eye on any Secretary who acts like he wants to be or is a military dictator and curb him very quickly. The House is very close to the people and they certainly by nature and the force of election circumstances are daily impressed with the primacy of the civil over the military. We would never let any Secretary get very far on the road to military dictatorship without finding a way to place road blocks in his way and curb his power and his efforts. But giving him power, by statute, to weld our defense elements into a strong cable of national defense through an effective fighting team is not moving in the direction of military dictatorship.

If we are ever going to curb some of the duplications, the abuses, and the tendency to build and overemphasize small "defense empires" I believe logic drives us to the view that we must give the Secretary more power than he has now. He must be given sufficient tools to develop the fighting team to the highest degree of effectiveness during peace so it will be a winning team when it goes into action.

This bill as agreed to by the conferees is a step in that direction. Of course, the Secretary is going to do many things that those who have the fears they have expressed today will not approve. On the other hand, those who believe in more effective unification will probably applaud his conduct, but think it does not go far enough.

I have no criticism of anyone and their views on this problem. The results of this bill are problematical. But I think it is moving toward more security for our people and its institutions. To me, this step is merely a part of the evolution toward more effective unification and better national security. The better it is; the more efficient and effective it is, the less likely we are to have to use it. Barring unnecessary provocation—and we must be very careful not to give provocation—a well-knit fighting force, well trained and well equipped with the most modern weapons is the best antidote to aggression.

Those are some of the thoughts that pass through my mind as I look on this bill with favor.

Mr. FORD., Mr. Speaker, this bill has many fundamental faults, and as a result I must make several comments. I was in favor of the bill that originally passed the House several weeks ago, but at the same time I must admit I have always disapproved of S. 1269, better known as the Tydings bill. As was inevitable, the House and Senate conferees compromised the differences between the two proposals and as a result, we now have a bill before us containing some of the undesirable features in the original Tydings proposal.

I fully concur with the gentleman from New York [Mr. COLE] who stated that the word "unification" is beginning to have a holy meaning, just like the word "mother." In other words, anyone who speaks out against unification of the armed forces is committing an unforgivable sin. Further, the American press has seized upon, magnified, and made capital of many of the superficial antagonisms and manifestations of disagreement between the armed services of the United States without presenting to the American people the true and basic reason for interservice differences. I submit that the real basis for this bickering is a deep-seated conflict between those, both in the military and in civilian life, who favor a republican form of government and those who apparently believe in an extreme concentration of authority and power of decision in a very small and carefully selected cadre of officers known as the general staff. Apparently, we are being committed slowly but surely to the general-staff point of view, but I wish to go on record in opposition to those who believe in a general-staff theory and demand that those who favor that policy should be held accountable for any irresponsible or unfortunate results that may accrue. The general staff in Germany prior to the last war made a good impression in an unsavory political atmosphere. But when war and the true test came, the general-staff concept fell by the wayside. It would be most unfortunate if we should have a similar experience in the United States, and those who are driving us toward that end should be fully cognizant of the dangers that are ahead.

The idea of the Army General Staff Corps evidently germinated at about the same time as that for the establishment of the Army War College, which was founded under Secretary of War Elihu Root, by General Order No. 155 of November 17, 1901. However, little was done until the first War College Board met on July 10, 1902, under the supervision of Maj. Gen. S. B. M. Young, United States Army. One of the most important duties of the War College Board and General Young was planning the organization of the General Staff Corps. The General Staff of the United States Army began to function on August 15, 1903, and on November 1, 1903, the Army War College, immediately merged with this corps, began its first year of systematic operation under the general staff. This organization, neither American nor democratic in its scope or intent, was originally quite similar to and patterned after the Prussian General Staff. However, with the perfection attained by years of operation and by the distortion and perversion of opportunists it now assumes a role approaching that of military autocracy.

The official reorganization of the General Staff by General Order No. 14 on February 9, 1918, is a good illustration of how power has been continuously concentrated in the General Staff. In this shake-up the War Plans Division formerly associated with the War College at Fort McNair was established in the War Department with particular duties as follows:

First. Plan for organization of the Army.

Second. Study and determine types and quantities of equipment.

Third. Consider projects for national defense.

Fourth. Provide for training of the Army.

Fifth. Translate and compile foreign documents relating to military affairs.

Sixth. Compile, collect, and maintain complete military records.

Seventh. Propose military legislation for the Military Establishment.

Note particularly paragraph 7. There is reason to believe that most of this legislation in the past few years has emanated from certain groups within the Military Establishment. In my estimation the military should restrict themselves to proposing military legislation

for the Military Establishment, rather than proposing civilian legislation for the Military Establishment., The latter step has now or will shortly take place and I now wonder how long it will be before the military will propose civilian legislation for the civilian establishment. When that point comes this country will no longer live under a republican form of government but rather will be governed by a military dictatorship.

Much has been said about the question of whether or not we should have a single executive department of the Army, Navy, and Air Force. The proponents of a single executive department believe that the Army, Navy, and Air Force should become subdepartments of the Department of National Defense. This particular bill, which is aimed at that objective, has received much impetus because of certain general recommendations by the Hoover Commission concerning fiscal and procurement reform. Many citizens who believe in democracy have been "taken in" by the belief that this legislation will save this country $1,000,000,000 annually. There is little evidence to prove this point. Actually, the members of the Hoover Commission task force assigned to this problem were not entirely favorable to this specific kind of legislation. For instance, the late Secretary of Defense, James Forrestal, did not recommend a single executive department in his January 1949 report of desirable changes. Neither did the Hoover Commission itself, nor did former President Hoover in his statement specifically recommend this change. The Eberstadt task force report considered and rejected a merger of the three military departments into a single department.

In fact, Mr. Eberstadt, one of the foremost authorities on this problem, testified before the committee and stated that of the 245 witnesses who appeared before his task force, almost all were practically unanimous in opposition to merging the three military departments into a single department. Mr. Eberstadt commented that the Tydings bill or any similar bill would, in effect, merge the three military departments and that this would be contrary to the expressed and unchanged intent of the declaration of policy of the National Security Act. Mr. Eberstadt is quoted as saying, "I know of nothing in the experience of the National Military Establishment to date which would indicate the necessity for such a step. He further stated:

> If you create one single department I would dare to prophesy that it is not very long before the logic of events will compel you to create a single military Chief of Staff.

I simply recite the above to illustrate that many of the authorities are not as favorable to this kind of legislation as some would make you believe. It seems to me that we are being pushed headlong into a program without appreciating the consequences that is definitely dangerous to the future security and welfare of this country. It is most unfortunate that the American people have been deluded by the magic word "unification." It is my impression that by this step which we will probably take today we will go further down the disastrous path of military merger, which in the end may destroy the virility and effectiveness of our armed services. The American people have been lulled into a state of complacency and as a result, appear to favor, for the time being at least, legislation of this sort. It is with great regret that I note that many of my constituents approve of this legislation. As their representative I feel that I should be guided by their wishes and desires but personally I wish to go on record expressing my own disapproval of the general staff concept and if the future there are any further curtailments of a well-rounded armed-service program I will certainly use my best efforts to correct such a deplorable condition.

Mr. VINSON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. VINSON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 356, nays 7, not voting 69, as follows:

[Roll No. 151]

YEAS—356

Abernethy	Chiperfield	Gossett
Addonizio	Christopher	Graham
Albert	Church	Granahan
Allen, Calif.	Clemente	Granger
Allen, La.	Cole, Kans.	Grant
Andersen, H. Carl	Colmer	Green
	Combs	Gregory
Anderson, Calif.	Cooley	Gwinn
Andresen, August H.	Cooper	Hagen
	Corbett	Hale
Andrews	Cotton	Hall, Edwin Arthur
Angell	Cox	
Arends	Crawford	Hall, Leonard W.
Aspinall	Crook	
Auchincloss	Crosser	Halleck
Bailey	Cunningham	Hand
Barden	Curtis	Harden
Baring	Dague	Hare
Barrett, Pa.	Davies, N. Y.	Harris
Barrett, Wyo.	Davis, Ga.	Hart
Bates, Mass.	Davis, Tenn.	Harvey
Battle	Dawson	Havenner
Beall	Deane	Hays, Ark
Beckworth	DeGraffenried	Hays, Ohio
Bennett, Fla.	Delaney	Heffernan
Bennett, Mich.	Denton	Heller
Bentsen	D'Ewart	Herlong
Biemiller	Dollinger	Herter
Bishop	Dolliver	Heselton
Bland	Dondero	Hill
Boggs, Del.	Donohue	Hobbs
Boggs, La.	Doughton	Hoeven
Bolling	Douglas	Hoffman, Mich.
Bolton, Md.	Doyle	Holmes
Bosone	Durham	Horan
Boykin	Eberharter	Howell
Bramblett	Elliott	Huber
Breen	Ellsworth	Irving
Brehm	Engel, Mich.	Jackson, Calif.
Brooks	Engle, Calif.	Jackson, Wash.
Brown, Ga.	Evins	Jacobs
Brown, Ohio	Fallon	James
Bryson	Feighan	Javits
Buchanan	Fellows	Jenkins
Buckley, Ill.	Fenton	Jennings
Burdick	Fernandez	Jensen
Burke	Fisher	Johnson
Burleson	Flood	Jonas
Burnside	Forand	Jones, Ala.
Burton	Ford	Jones, Mo.
Byrne, N. Y.	Fulton	Jones, N. C.
Byrnes, Wis.	Furcolo	Judd
Canfield	Gamble	Karst
Cannon	Garmatz	Karsten
Carlyle	Gary	Kean
Carnahan	Gathings	Kearney
Carroll	Gavin	Kearns
Case, N. J.	Gillette	Keating
Case, S. Dak.	Golden	Kee
Cavalcante	Goodwin	Keefe
Celler	Gordon	Kelley
Chelf	Gorski, Ill.	Kennedy
Chesney	Gorski, N. Y.	Keogh
Kerr	Murray, Wis.	Simpson, Ill.
Kilburn	Nelson	Simpson, Pa.
Kilday	Nicholson	Sims
King	Nixon	Smathers
Kirwan	Noland	Smith, Kans.
Klein	Norblad	Smith, Wis.
Kruse	Norrell	Spence
Kunkel	Norton	Steed
Lane	O'Brien, Ill.	Stefan
Lanham	O'Hara, Ill.	Stockman
Latham	O'Konski	Sullivan
LeCompte	O'Neill	Sutton
Lesinski	O'Sullivan	Tackett
Lichtenwalter	O'Toole	Talle
Lind	Pace	Tauriello
Linehan	Patten	Teague
Lodge	Perkins	Thomas, Tex.
Lovre	Peterson	Thompson
Lucas	Philbin	Thornberry
Lyle	Phillips, Calif.	Tollefson
Lynch	Phillips, Tenn.	Trimble
McCarthy	Pickett	Underwood
McConnell	Poage	Van Zandt
McCormack	Polk	Velde
McCulloch	Poulson	Vinson
McDonough	Preston	Vorys
McGuire	Price	Vursell
McMillan, S. C.	Priest	Wadsworth
McMillen, Ill.	Rabaut	Wagner
McSweeney	Rains	Walter
Mack, Ill.	Ramsay	Weichel
Mack, Wash.	Rankin	Welch, Mo.
Macy	Redden	Werdel
Madden	Reed, Ill.	Wheeler
Magee	Reed, N. Y.	Whitaker
Mahon	Rees	White, Calif.
Mansfield	Regan	White, Idaho
Marsalis	Rhodes	Whittington
Marshall	Ribicoff	Wickersham
Martin, Iowa	Rich	Wier
Martin, Mass.	Richlman	Wigglesworth
Merrow	Rivers	Williams
Michener	Rodino	Willis
Miles	Rogers, Fla.	Wilson, Ind.
Miller, Calif.	Rogers, Mass.	Wilson, Okla.
Miller, Md.	Rooney	Wilson, Tex.
Miller, Nebr.	Sabath	Winstead
Mills	Sadlak	Withrow
Mitchell	Sadowski	Wolcott
Monroney	St. George	Wolverton
Morgan	Sanborn	Wood
Morris	Scott, Hardie	Woodruff
Morrison	Scott, Hugh D., Jr.	Worley
Morton		Yates
Moulder	Scrivner	Young
Multer	Scudder	Zablocki
Murdock	Shafer	
Murray, Tenn.	Short	

NAYS—7

Cole, N. Y.	Jenison	Sasscer
Gross	Lemke	
Hébert	Marcantonio	

NOT VOTING—69

Abbitt	Harrison	Potter
Allen, Ill.	Hedrick	Powell
Bates, Ky.	Hinshaw	Quinn
Blackney	Hoffman, Ill.	Richards
Blatnik	Holifield	Roosevelt
Bolton, Ohio	Hope	Secrest
Bonner	Hull	Sheppard
Buckley, N. Y.	Larcade	Sikes
Bulwinkle	LeFevre	Smith, Ohio
Camp	McGrath	Smith, Va
Chatham	McGregor	Staggers
Chudoff	McKinnon	Stanley
Clevenger	Mason	Stigler
Coudert	Meyer	Taber
Davenport	Murphy	Taylor
Davis, Wis.	O'Brien, Mich.	Thomas, N. J.
Dingell	O'Hara, Minn.	Towe
Eaton	Passman	Walsh
Elston	Patman	Welch, Calif.
Fogarty	Patterson	Whitten
Frazier	Pfeifer, Joseph L.	Woodhouse
Fugate		
Gilmer	Pfeiffer, William L.	
Gore		
Hardy	Plumley	

So the conference report was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Gore with Mr. Towe.
Mr. Frazier with Mr. Hope.
Mr. Murphy with Mr. Taber.
Mr. Whitten with Mr. Meyer.
Mr. Stanley with Mr. Coudert.
Mr. Harrison with Mr. Eaton.

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Mr. Gilmer with Mr. Hinshaw.
Mr. O'Brien of Michigan with Mr. McGregor.
Mr. Passman with Mr. Allen of Illinois.
Mr. Patman with Mr. Elston.
Mr. Richards with Mr. Wm. L. Pfeiffer.
Mr. Sikes with Mr. Potter.
Mr. Abbitt with Mr. Taylor.
Mr. Bonner with Mr. Blackney.
Mr. Fogarty with Mr. Mason.
Mr. Larcade with Mr. LeFevre.
Mr. Camp with Mr. Hoffman of Illinois.
Mr. Dingell with Mr. Hull.
Mr. Stigler with Mr. O'Hara of Minnesota.
Mr. Hedrick with Mr. Patterson.
Mr. Roosevelt with Mr. Plumley.
Mr. McGrath with Mrs. Bolton of Ohio.
Mr. Staggers with Mr. Welch of California.
Mr. Walsh with Mr. Davis of Wisconsin.

Mr. FORD changed his vote from "nay" to "yea."

Mr. HOFFMAN of Michigan changed his vote from "nay" to "yea."

Mr. LEMKE changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FRUIT-FLAVOR CONCENTRATES

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5831) to exempt certain volatile fruit-flavor concentrates from the tax on liquors.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subchapter E of chapter 26 of the Internal Revenue Code (miscellaneous general provisions relating to the tax on liquors) is hereby amended by adding at the end thereof the following new section:

"SEC. 3182. Volatile fruit-flavor concentrates.

"(a) Exemption. The provisions of this chapter (other than sections 2810, 2819, and 2823 and other than sections 2827 to 2830, both inclusive) shall not be applicable with respect to the manufacture, by any process which includes evaporations from the mash or juice of any fruit, of any volatile fruit-flavor concentrate if—

"(1) such concentrate, and the mash or juice from which it is produced, contains no more alcohol than is reasonably unavoidable in the manufacture of such concentrate; and

"(2) such concentrate is rendered unfit for use as a beverage before removal from the place of manufacture; and

"(3) the manufacturer thereof keeps such records, renders such reports, files such bonds, and complies with such other rules and regulations with respect to the production, removal, sale, transportation, and use of such concentrate and of the mash or juice from which such concentrate is produced, as the Commissioner, with the approval of the Secretary, may prescribe as necessary for the protection of the revenues imposed by this chapter.

"(b) Control after tax-free manufacture: If any volatile fruit-flavor concentrate (or any fruit mash or juice from which such concentrate is produced) containing one-half of 1 percent or more of alcohol by volume, which is manufactured free from tax under the provisions of subsection (a), is sold, transported, or used by any person in violation of the provisions of this chapter or regulations promulgated thereunder, such person and such concentrate, mash, or juice shall be subject to all provisions of this chapter pertaining to distilled spirits and wines, including those requiring the payment of tax thereon; and the person so selling, transporting, or using such concentrate, mash, or juice shall be required to pay such tax."

PURPOSE

Mr. REED of New York. Mr. Speaker, the purpose of this bill, H. R. 5831, is to exempt the manufacture of volatile fruit-flavor concentrates from the $9 per gallon tax on distilled spirits. The exemption would only apply if (1) the volatile fruit-flavor concentrates and the mash or juice from which it is produced contains no more alcohol than is reasonably unavoidable, (2) the concentrate is rendered unfit for use as a beverage before removal from the place of manufacture, and (3) the manufacturer keeps such records, renders such reports, files such bonds, and complies with such regulations respecting production, removal, sale, transportation, and use of the concentrate and of the mash or juice as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe as necessary for the protection of the revenue.

A manufacturer who violated the conditions of the exemption would subject himself to the taxes and penalties otherwise applicable under chapter 26 of the Internal Revenue Code in respect of such operations, and any person who sold, transported, or used any volatile fruit-flavor concentrate or the mash or juice from which it is produced in violation of chapter 26 of the Internal Revenue Code, or regulations promulgated thereunder, would subject himself to all the provisions of the chapter pertaining to distilled spirits and wines, including those requiring payment of the tax thereon.

GENERAL STATEMENT

As a result of a series of experiments covering several years, there has been developed by the Agricultural Research Administration of the Department of Agriculture a process for the manufacture of volatile fruit-flavor concentrates, especially apple concentrate, for use in flavoring foods and beverages. The process involves recovery of the volatile flavor from fruits or fruit juices and the concentration thereof by distillation in the manufacture of these volatile flavor concentrates. It has, however, been found to be impossible, for all practical purposes to limit the alcohol content to a maximum of one-half of 1 percent, although the presence of alcohol in the concentrated flavor is not deemed necessary nor desirable. Inasmuch, therefore, as the distillation process results in the production of a concentrated natural fruit flavor containing one-half of 1 percent or more of alcohol, the producer is classified as a distiller and the entire volume of the product is classified as distilled spirits taxable at the rate of $9 per gallon. The imposition of this tax makes the manufacture of the product commercially impracticable and is preventing the development of a promising new industry.

This proposed legislation has the approval of the Treasury Department, the Department of Agriculture, and the Bureau of the Budget.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON FOREIGN AFFAIRS

Mr. KEE. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may sit this afternoon and for the balance of the week during general debate.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, is that on the arms program? I object, Mr. Speaker.

EXTENSION OF REMARKS

Mr. COUDERT (at the request of Mr. REED of New York) was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include a letter sent by him to Hon. PAT MCCARRAN, with regard to the displaced persons bill.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include an address by Secretary of Agriculture Brannan.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include an editorial that appeared in the Birmingham News on July 27, entitled "Foreign Policy Endangered."

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LANE asked and was given permisison to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. RIVERS asked and was given permission to extend his remarks in the RECORD and include an address delivered by Admiral W. H. P. Blandy, commander in chief of the Atlantic Fleet.

Mr. WHITE of California asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. VORYS asked and was given permission to extend his remarks in the RECORD and include an article by Walter Lippmann.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. BOGGS of Delaware. Mr. Speaker, I ask unanimous consent to extend my remarks. On this matter I have consulted the Public Printer and he advises me the matter will cost a total of $200. Notwithstanding the additional cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

Mr. MACY asked and was given permission to extend his remarks in the RECORD and include a letter from a distinguished lawyer, Mr. Herman Todd, to the American Bar Association, and some preliminary remarks and an editorial from the Washington Post.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD in two instances and include letters.

Mr. FORD asked and was given permission to extend his remarks in the RECORD and include a speech made at the National Association of Reserve Officers at Grand Rapids.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. BATTLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BATTLE. Mr. Speaker, it has been four long months since the House of Representatives passed the bill to abolish the unjust tax on oleomargarine. Removing this discriminatory margarine tax is a duty and an obligation of the Eighty-first Congress. We have no alternative if we want to be fair in correcting the injustice which this tax has perpetrated.

It is a great disappointment to me that the United States Senate has not seen fit to take action on this long overdue measure. H. R. 2023, which passed the House on April 1, was reported favorably by the Senate Finance Committee and lain idle on the Senate calendar since April 28.

We must not allow this session to close with the margarine tax still in force. Although collections from the margarine taxes are only a fractional item in our national budget, they loom large in the family food allowance and contribute directly to the high cost of living. Not only that, but thousands of farmers in some 40 of our States producing cottonseed, soybeans, and other ingredients of margarine are victims of this same discrimination. Aside from the ethical question of correcting an injustice, the lifting of the present restrictions against margarine will bring three practical advantages:

First, the removal of restrictions against margarine will provide a wholesome, nutritious food for all income groups in these days when adequate nutrition is a crying need in America.

Second, it will provide a dependable source of income for many farmers in almost every State.

Last, it will save countless hours in the busy housewife's day, time now wasted by coloring margarine in the kitchen.

I call on the United States Senate to recognize this injustice and take immediate action to remove the discriminatory tax on oleomargarine.

TOWNSEND NATIONAL OLD-AGE AND DISABILITY-SECURITY PLAN

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, I want to call to the attention of my colleagues the fact that we have filed Discharge Petition No. 15 on H. R. 2135, the Townsend old-age and disability-security program. I introduced a companion bill, H. R. 2136 on February 2, 1949. Other identical bills were introduced by a number of our colleagues.

These bills have been pending before the Ways and Means Committee since the date of their introduction and no action has been had thereon. In view of the approaching adjournment of the Congress, we have filed Discharge Petition 15 as the only way left to secure consideration of old-age security legislation at this session of the Congress. I most sincerely urge every Member of the House who is interested in old-age security to sign this discharge petition in order that 218 names may be secured at an early date which will permit the bill to be called up for a vote in the House.

Under the existing old-age and survivors insurance the average benefits, according to the latest data I have, is $25.28 per month, which is only payable after the worker and the employer make contributions over a long length of time. On the other hand old-age assistance, which is not based on contributions but only on a claim of need, pays an average some $16 a month more than old-age and survivors insurance. There are many thousands of elderly people in the United States who are in dire need. They have been caught between the millstones of higher living costs and lower income and as a result many are suffering from malnutrition. They are unable with the meager payments they now receive to meet their modest requirements for food, shelter, clothing, and medicine.

It is indefensible that this great Nation is so niggardly with our old people. Rich as it is, blessed with abundant natural resources and the ability to produce the necessities of life not only in ample quantities for our own people but for gifts to foreign nations, over thirty billions since the war ended, we still permit the old people of America to suffer from the lack of the ordinary necessities for preserving their lives and meeting their modest requirements. We can remedy this if we will meet the problem forthrightly, sign Discharge Petition 15 on H. R. 2135 and bring it to the floor for debate and amendment. The bill will come up under open rule and any germane amendment which the majority membership desires can be made and we can thereby bring joy to the hearts of these old folks of America and perform our full duty.

Mr. Speaker, ex-President Hoover, Chairman of the Commission for Organization of the Executive Departments, on April 25, 1949, wrote to the Honorable ROBERT L. DOUGHTON, chairman of the Ways and Means Committee of the House, a letter on old-age security, from which I quote as follows:

[From the Appendix of the CONGRESSIONAL RECORD, p. A2438]

The following notes relating to the systems existing at present are based upon data collected by the Commission on Organization of the Executive Branch. That Commission did not deal with policy question to be determined by Congress. The views on policy expressed herein, therefore, are solely my own.

I wish to say at once that I strongly favor governmental provision for protection of the aged and their dependents.

The problem before the Nation is to obtain a workable system, with a minimum of administrative cost, a minimum of bureaucracy, adjusted to the economic strength of the country which gives an assurance of security to this group In my view, we have not yet found that system.

Mr. Speaker, the recommendations of Mr. Hoover are of great interest and particularly applicable to the discussion of H. R. 2135 and H. R. 2136. Mr. Hoover calls attention to the difficulties and inefficiencies in our present system of social security for the aged of America, and suggests that an entirely different system should be considered on a pay-as-you-go basis, which would avoid the huge costs of administration, avoid duplication, and would substitute some other form of taxation more simple and more direct for its support and which would give more positive security to the aged than the complicated system we now have, which would also obviate the existing indefensible trust fund. The legislation we propose, in our opinion, would meet these objectives.

H. R. 2136 is a self-financing noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to charity or prior contributions. It is Nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go system. Annuities will be paid currently out of currently raised revenues. Sums received by annuitants must be spent within 30 days. The existing system of old-age and survivors insurance and old-age assistance is abolished, together with the pay-roll tax for financing old-age and survivors insurance.

The Ways and Means Committee granted the proponents of this legislation 2 days' hearings before the committee March 14 and 15 of this year, but, as I said, no action has been taken by the committee. In common with many of our colleagues and many others, I appeared before the committee urging the approval of the legislation and at that time discussed its merits and objectives and compared it with the existing program of social security under old-age and survivors insurance, as well as old-age assistance. I will repeat here some of the arguments I made before the committee.

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Mr. Speaker, as a Member of Congress for over 10 years, I have been deeply interested in old-age and disability security, and am the author of H. R. 2136.

We in America can be justly proud of our achievements in the development of our industrial production which enables us to stand in the forefront of all nations in the ability to produce food, clothing, shelter, and other necessities of life in abundance, not only for our own people but to help other nations in need. This was a major factor in winning the war. However, with machine labor and mass production, we have found that the elderly people of America, by reason of the very success we have achieved in production, are outcasts and have been deprived of remunerative employment in their declining years.

Existing social and economic conditions force upon us the complex question of security for the individual in our modern industrial civilization. Since 1919 the number of self-employed individuals in the United States, including farmers, has remained fairly constant at about nine or ten million. During the same period the number of employees in the American labor force has risen from 32,600,000 to over 60,000,000, almost double. Since population has been increasing during this entire period, the percentage of self-employed persons in the United States has declined from about 22 percent in 1919 to about 16.6 percent in 1946. In other words, we are facing an age-old problem under rapidly changing conditions.

The young and vigorous are on the pay rolls of this machine age and the elderly citizens are relegated to the side lines. As a result of this maladjustment, we find the aged unemployed increasing in numbers and in want, and we are faced with the problem of social security to meet the needs for livelihood of this large group.

To meet this problem the Congress passed Public Law 271 in the Seventy-fourth Congress, setting up a social-security program not only for the aged, but for the blind, dependent, crippled children, and with certain assistance to maternal and child welfare and public health. The Seventy-sixth Congress made extensive amendments to the law, and as a result we now have two major programs governing social security—title I providing grants to States for old-age assistance, and title II setting up a program for Federal old-age and survivors insurance benefits. For 10 years now these laws have been in operation and we find that they fail, in many important particulars, to meet the problems we are seeking to solve in providing adequate social security for the aged and disabled.

The Advisory Council on Social Security to the Senate Committee on Finance made its report and recommendations last year. The council consisted of 18 outstanding leaders representing practically all segments of our industrial and social life. Their recommendations are significant in that they point out the deficiencies of the existing program for social insurance. The council found three major deficiencies in this old-age and survivors insurance program which I quote verbatim:

1. Inadequate coverage—only about three out of every five jobs are covered by the program.

2. Unduly restrictive eligibility requirements for old workers—largely because of these restrictions, only about 20 percent of those aged 65 or over are either insured or receiving benefits under the program.

3. Inadequate benefits—retirement benefits at the end of 1947 averaged $25 a month for a single person.

In order to remedy these deficiencies, this Advisory Council recommended that the coverage be extended to include the self-employed, farm workers, household workers, employees of nonprofit institutions, Federal civilian employees, railroad employees, members of the armed services, and employees of State and local governments, all of which are now excluded from the benefits of the act. The Council further recommended extending greater liberality in eligibility and increased benefits and survivors' protection. The findings of this Council clearly disclose that the present social security program is basically inadequate and must be completely overhauled or supplanted by a more effective program.

There were more than 100 bills pending in the Eightieth Congress proposing changes in the social-security law. Several sought to increase old-age and survivors insurance. Forty-one urged increases in old-age assistance. Thirteen dealt with aid to dependent children. These all pointed to the inadequacy of the present system and the need for drastic changes or the enactment of a new plan.

Mr. Speaker, I will discuss some of the failings of the present system of old-age security and compare it with the proposal embodied in H. R. 2135 and H. R. 2136.

The problem of caring for the aged, the disabled, and dependent children, as seen today in the eyes of proponents of the Townsend plan, and others, is that there are millions of such persons in need among us who are not now, and cannot in the future, be cared for in an honorable and just way by the present system of social security. Under this system, millions of old people receive either no support or hopelessly inadequate support. The system which has been set up is extremely complicated. To supply these deficiencies we propose H. R. 2135 and H. R. 2136.

In the Eighty-first Congress, several bills identical in language, propose the Townsend plan. They are H. R. 2135, BLATNIK; H. R. 2136, ANGELL; H. R. 2677, WITHROW; H. R. 2743, VAN ZANDT; H. R. 2792, PETERSON.

This is a self-financing noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to need or prior contributions. It is Nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go system. Annuities will be paid currently out of currently raised revenues. Sums received by annuitants must be spent within 30 days. The existing system of old-age and survivors' insurance and old-age assistance is abolished, together with the payroll tax for financing old-age and survivors' insurance.

United States Code title 26, section 1400–1432; title 42, section 401–410a; OASI is a self-financing contributory Federal retirement system under which the insured and their dependent survivors receive annuities as a matter or right in an amount which depends on the length of the period of membership in the system and the amount of wages received by the insured during such period. It is a system under which a reserve is built up against the accumulating liabilities for persons who will retire in later years. The reserve, however, is more in the nature of a contingency reserve than a full reserve. Individual accounts are kept for each worker.

United States Code, title 42, sections 301–306, 601–606, 1201–1206 contain provisions corresponding to those provided under the Townsend proposal.

This is a noncontributory State system, aided by Federal grants, under which payments are made to beneficiaries on a basis of need in an amount fixed by State law. The State programs, though they must conform to the requirements of title I of the Social Security Act, differ widely in type from State to State.

The philosophy and objectives of the Townsend proposal as compared with the philosophy and objectives of the existing system have much in common, but there are marked differences. The Townsend proposal would give recognition to the past labors of the aged and would offer them dividends from the wealth they helped to create. It would give this as a matter of right without any direct relation to specific monetary contributions. The existing old-age and survivors insurance program gives benefits as a matter of right but ties them to a principle of insurance—something that each prospective annuitant and his employer buys as he participates in the productive processes of the country. Finally, old-age assistance is provided to the aged who, because of the lateness of starting the program of old-age and survivors insurance or because of inadequate coverage or benefits, are in need and should be helped.

Townsend plan: Annuities should be offered with neither the stigma of charity nor the aroma of poverty. They should be offered as a matter of right as dividends from the national wealth the aged have helped to create. The system should be one to replace the complicated, arbitrary, and inequitable provisions of the existing law. It should be one which will have a stimulative effect upon our economy and one which will help to make available jobs to all the young who will replace the aged as the latter move into retirement at a decent standard of living.

Only noncontributory pensions will meet the needs of those now grown old who are in need because of past neglect in providing an adequate contributory retirement system. Since at the time the system was adopted most of the States were financially unable to assume the burden of so many aged who moved on to Federal relief rolls, it was deemed

proper to continue to provide Federal aid to States to provide relief to those aged who were in need.

Much of the argument in support of the Townsend plan stems from the limited coverage and inadequate benefits of the present system. For example, most of today's aged who are not working left the labor force before they could build up rights to benefits under OASI. And even among the young and still employed, under the present OASI system, there is no coverage for jobs in agriculture, domestic service in private homes, Federal, State, and local government employees, and workers in religious, charitable, and certain other nonprofit organizations, the self-employed, and others as well. About one-third of the workers engaged in employment are not covered by the system; and of the 78,700,000 living persons with OASI wage credits at the end of 1948, about 40,500,000 were neither fully nor currently insured on the basis of their wage records, and hence were not protected under the programs. In the Federal Security Agency, Social Security Administration, Annual Report, 1947, section 1, page 7, 18, 39, it is said:

Under our present provisions it would be possible for an individual to work at some time during the course of his working life in jobs covered by Federal old-age and survivors' insurance, the Railroad Retirement Act, the Civil Service Retirement Act, and the retirement plan of a State or locality. According to the length and timing of such employments, he might become eligible to receive retirement benefits under one or more or all of these plans. Another man, with similar earnings under several of the programs, may go through a working life without ever acquiring retirement rights under any. Conceivably the survivors of a worker who dies might be eligible for benefits under a Federal old-age and survivors insurance system as well as under a State workmen's compensation law and under general veterans' legislation. Another family, equally in need of income to replace the father's earnings, may have had no opportunity to gain protection under any of these programs.

No Federal provision is made to care for the disabled other than the needy blind. In the same report, pages 21 and 22, it is said:

The United States is unique among major industrial nations in its lack of a general disability insurance system. Compensation for wage loss due to incapacity is confined in this country to work-connected accidents or diseases in industry and commerce, to service in the armed forces, and to employment in the railroad industry or by Government. Two States provide benefits for temporary disability under arrangements similar to unemployment insurance and with the same coverage. In June 1947 these special systems, in the aggregate, reached very few of the 2,000,000 to 2,500,000 persons disabled on an average day and recently in the labor force, who but for their incapacity would be working or seeking work.

The Social Security Administration in this report, pages 1 to 63, concedes the limitations of the present law and strongly urges extension of coverage. The present law was and continues to be considered simply as a cornerstone of a structure which was to be expanded. Approach has been piecemeal and dictated by practical considerations. There has been the fear that in attempting to accomplish too much all would be lost.

The President's program for social security is embodied in two bills introduced in the House February 21, 1949, H. R. 2892 which sets up a comprehensive welfare program and H. R. 2893 which extends old-age and survivors insurance as to covered occupations and increases the monthly payments. It would extend coverage to an additional 20,000,000 persons and increase the social-security tax from the present 1 percent to 1½ percent on July 1, and to 2 percent next January 1. This tax would be applied against the first $4,800 of income, instead of the present $3,000. The OASI program would be broadened to cover farmers, self-employed, farm labor, domestics, members of the armed forces and some others. The maximum insurance benefit would be increased from the present $85 to $150 and the retirement age for women reduced to 60 years. It also covers a new program of disability insurance. H. R. 2892, the public welfare program would provide Federal aid for public assistance to be extended on the basis of per capita income in the States, the States with the lowest per capita income getting the largest share of Federal aid. Maximum payments in which the Federal Government would participate are set at $100 for a couple and $20 for each additional dependent.

Under the existing law under old-age and survivors insurance the average benefits are $25.28 per month according to the latest data available from social-security records. To obtain this payment the worker and the employer would have to make contributions over a long period of time. On the other hand the average of old-age assistance—not available to those under the retirement plan but given only on a claim of need—was some $16 more per month than the old-age and survivors' insurance payments. According to late figures payments in Colorado reached $78.29, in California $61.25, in Washington $60.33. It is thus shown that those receiving assistance who did not contribute to the program received very substantially more than those who through the years contributed taxes based on monthly incomes.

It is reported that recipients of relief now exceed by nearly 1,500,000 the insured workers who are drawing benefits. In the month of October last the number granted cash on the basis of need totaled 2,469,372 as against 1,016,303 retired workers receiving old-age insurance. This experience is directly opposite to that contemplated when the Social Security Act was enacted. It was believed that gradually all old-age beneficiaries would come under the provisions of the old-age and survivors insurance program and those receiving assistance on the basis of need would be gradually reduced and eventually eliminated.

Mr. Arthur J. Altmeyer, commissioner for social security, in an article appearing in the Social Security Bulletin for December 1948, said:

Today we have Federal old-age and survivors insurance and a railroad social insurance system that covers the risk of wage loss from old-age, premature death, temporary and permanent disability, maternity, and unemployment. We have unemployment insurance laws in all the States and Territories. We have 1,800 permanent full-time public employment offices. We also have temporary disability laws in three States, covering loss of wages due to nonindustrial accident and sickness. Besides these forms of social insurance, we have in effect federally aided State-wide old-age assistance programs in all the States, aid to dependent children in all States but one, and aid to the blind in all but four States. * * *

Benefits paid under the various forms of social insurance are for the most part inadequate. The increase in the benefits that have occurred have not kept pace with the increased cost of living. Moreover, as I have already indicated, only three States provide protection against loss of wages resulting from nonindustrial accidents and diseases. There is no protection under Federal old-age and survivors insurance against permanent total disability. There is no protection under either Federal or State law against the costs of medical care.

As far as the various forms of public assistance are concerned, the Federal Government has provided increased participation in the costs. This increased participation has enabled the States to provide more financial assistance to needy persons than they otherwise would have been able to do. Therefore, the increase in Federal participation is desirable in itself. At the same time, however, that more Federal participation has been provided in meeting the cost of public assistance, there has been a lopsided development of our total social-security system.

When the Social Security Act was passed in 1935, the basic idea was that contributory social insurance would be a first line of defense against destitution. It was expected that, as time went on, Federal and State Governments would have less and less of a burden under the public assistance laws. Today, however, the number of needy persons receiving public assistance is greater than it has been at any time since the passage of the Social Security Act. Moreover, the number of aged persons receiving public assistance is nearly twice as great as the number of persons receiving benefits under the Federal old-age and survivors' insurance system.

It is also true that the largest proportion of persons receiving what we call general assistance, as distinguished from old-age assistance, aid to the blind, and aid to dependent children, consists of persons who are suffering from physical disability. If our social insurance system covered disability, we would be able to reduce considerably the burden on States and localities for providing this general assistance.

A major defect in the present system is the smallness of individual payments and their inadequacy in providing a decent standard of living. As one of my colleagues has said, the old-age insurance program is allegedly based, in respect to the payments to the recipients, upon the contributions made by the workers, the employees, and their employers. A vast actuarial scheme has been set up, requiring the attention and deliberation of highly trained actuaries. Great shelves are being filled with volumes of statistics, weighted averages, median lines, maximums, minimums, involved and intricate forms. At the end, what happens? At the end, the average worker comes out with about $25 a month, far less than he would get if he were under the old-age assistance program. This plan actually contemplates that these actuarial calculations will become effective against a boy 16 years of

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age who is in a covered occupation, and that for 50 years, until he is 65 years of age, the Social Security Board will keep track of his employers and of the tax payments made from his wages; also of his wife, his children, his job, and his compensation; and then, as a result of those calculations, it will determine what that young man will receive 50 years from now. In other words, these actuarial calculators are now calculating whether 50 years from now that boy will get $10.50, or $19, or $20. In the next 10 or 20 years we are going to have crisis after crisis; what these crises may be, no one can readily predict; but certain it is that many of them will bring widespread economic dislocation. And here is a group of men who solemnly assert that by means of this actuarial system they are at this time determining how much workers will be paid—10 to 20 to 50 or even 100 years from now. The sad and pathetic aspect of it is that these payments will amount to only approximately $10 a month, which is the minimum, or up to approximately $60 a month, which is the maximum. As a matter of fact, these payments are so meager and so low that they nauseate and sicken the human heart.

Subject to particular attack has been the fact that the average payments under public assistance, for which a showing of need is required, exceed on the average payments under OASI toward which the beneficiaries have actually made payments as shown in the Social Security Bulletin, November 1947, pages 34 to 36, and in Social Security Bulletin, October 1947, page 33. It is also pointed out that it is rash to attempt to fix by statute and provide through reserves the payments that will be paid many years hence. Changes in the purchasing power of the dollar are so great that attempts of one generation to set minimum decent standards of living for succeeding generations cannot but prove fruitless and just waste motion.

It is not possible to estimate definitely the per capita annuity that would be available under the Townsend proposal should it be enacted. Its virtue is its elasticity, the monthly payments keeping pace with the purchasing power of the dollar. The tax formula could be changed by the Congress from time to time to meet the existing needs. Since the amount of the monthly payments for the beneficiaries depends upon the tax collected and the number of eligible citizens who apply for the annuities, it is not possible to determine with any degree of accuracy what these payments would be without knowing the national gross income and the number of recipients. However, amounts payable under the Townsend plan will be found by subtracting administrative costs from tax receipts and dividing by number of beneficiaries. Proponents of the plan have variously estimated the benefits that would be payable monthly.

At the present time old-age assistance payments are financed through congressional and State, and sometimes local, appropriations. No special Federal levy is made to finance the Federal share. Payments to the recipients are actually made by the States. The Federal contribution for payments to the aged and blind is three-fourths of the first $20 plus one-half of the remainder up to $50. It is three-fourths of the first $12 for each child, one-half of the next $15 for the first child and one-half of the next $6 for each additional child. The maximum Federal contribution is $50 for the aged and blind, $27 for the first dependent child, and $18 for each additional child.

Under the Townsend plan, each installment of the annuity received must be spent within the United States by the end of 30 days after its receipt. The proceeds from the sale of real property acquired through the use of money received as an annuity must be spent within 6 months. The purpose of this is to keep the money in circulation, stimulate the economy, and stabilize production. There is no comparable provision applicable to payments under OASI or public assistance.

ADMINISTRATION

Complications involved in the administration of old-age and survivors insurance are frequently pointed to as one of the arguments against that system. "Illusory," "sheer fraud," "swindle" are favorite epithets for attacking the reserve. A discussion of this appears in Legislative Reference Public Affairs Bulletin No. 46, 1946, Financing Social Security, pages 41–61. A more recent further attack has been made by John T. Flynn in his Our Present Dishonest Federal Old-Age Pension Plan, Reader's Digest, May 1947. This is reprinted in the CONGRESSIONAL RECORD, May 5, 1947, page 4485.

The great objection to the public assistance programs is that, being State administered, amounts paid vary greatly not only as between States but also as between localities within the same State. So far as the Townsend proposal is concerned, none of the foregoing would present a problem, but the proposal would have some problems of its own to be worked out. Some of the foregoing points I will now consider in further detail.

The Bureau of Internal Revenue is to collect the tax under the proposed Townsend plan law. Every person having a personal income in excess of $250 and all other persons or corporations having any gross receipts would be required to make monthly returns. Much of this work of collection could be eliminated if some method of collection at the source were devised. Another administrative problem would be the sending out of the checks each month to the pensioners. A similar problem is now being met under the Social Security Act.

Under old-age and survivors insurance, the Social Security Administration in the Federal Security Administration administers the payment of benefits, while the Bureau of Internal Revenue collects the tax. The cost of administering this program is now running around $50,000,000 per year. Total costs through 1947 were about 15 percent of benefits paid out and a little more than 2 percent of total receipts—taxes plus interest on assets. For the fiscal year 1947, administrative costs were in 2.5 percent of receipts and 9.6 percent of benefit payments. Part of the administrative chore is keeping the wage records of 78,700,000 living persons and determining the amount of benefit each—and his family—is entitled to if and when he or they becomes eligible for a benefit payment.

Though old-age and other public assistance plans are State administered, the Federal Government contributes to the administrative costs. The contribution is 5 percent of the grant for old-age assistance and one-half the cost of administering aid to dependent children and the blind. The total Federal and State administrative costs in the fiscal year 1947 ran approximately as follows: Old-age assistance, $50,026,000; dependent children $21,289,000; needy blind $2,396,000. The costs ran higher for the year 1948 but the break-down is not yet available.

The tax proposed to finance the Townsend plan is a gross income tax. Practically every argument that can be raised against this tax can be raised against nearly every other tax in force today. Two strong counterarguments, however, do exist against the so-called regressive nature of the proposed tax. The first is that no tax should be considered apart from the use to which the revenues derived are to be put. While sales taxes are objectionable the laudable purpose of this tax overcomes the objections. Second, experience demonstrates that the people of more than half the States have sales taxes dating back to the depression of the thirties. But to return to the first argument, it is apparent that persons in low-income groups will receive annuities in their old age at small cost. Persons in upper and high income brackets will have paid more for their annuities than the low-income groups. Yet, all will receive the same annuity. Therefore, instead of being regressive, the tax is in effect progressive. And further, it is not improper to suppose that the burden of the tax—to the extent they are not dissipated by the positive stimulus that currently paid annuities will have on the economy will be borne willingly by all in the realization that by paying a tax today they will guarantee themselves an honorable and just annuity when they too are disabled or reach the age of 60. All wages in excess of $250 a month would be taxed 3 percent. There would be no other deductions. The tax on wages and other income would be justified by this direct benefit of an annuity to every taxpayer upon qualifying.

Opponents of the proposed tax make a better case against the existing pay-roll tax which is used to finance old-age and survivors' insurance than they do against this proposal. The proposed levy avoids much of the inequity that exists in the present system, because it at least allows an exemption of $250 a month. Thus, analysis dispels most of the objections raised again the tax on wages. Furthermore it benefits all instead of a select few as under the Social Security Act—and protects the wage earner against the nazards of old age and disability.

On whom the burden of this proposed tax would fall it is not easy—or pernaps

even possible—to say with assurance of being right. The incidence would vary with changing economic conditions. Doubtless there would be some price rises. It is almost certain that at times merchants and manufacturers would willingly or unwillingly absorb some of the burden or pass it back to their employees in lower wages. There are times when merchants and manufacturers must take what they can get for their product. On the other hand, taxes may be regarded as an expense of doing business, and in the long run business must recover its expense or cease operations.

No proof has been—or perhaps can be—given to show that the proposed tax would increase the cost of living by an extreme and inconceivably unjust amount, and, as indicated above, no tax should be considered apart from the purpose to which the revenue obtained is to be put. It is not too much to hope that the continuous flow of consumer purchasing power which would arise from the spending of the annuities will so stimulate and stabilize production and provide full employment that business profits over the long run will so increase that they can absorb a large share of the tax. In any event, it is most likely that the tax would be widely diffused throughout the whole economic system with little chance of real burden on anyone. Further, any price rises that did occur would be insignificant as compared with price rises that have occurred without any such tax over the last few years. For example food prices have gone up more than 100 percent since 1939, all retail prices are up more than 60 percent, wholesale prices of farm products have tripled, grain and raw materials are up two and one-half times, while building material and semimanufactured articles have doubled. The disadvantage to small business and the stimulus to monopoly and big business are advanced as arguments against this proposed tax. However, big business operates on a smaller margin of profit and small business might be placed in a stronger competitive position by this tax.

Whatever merit there is to the objection raised, it must be remembered, however, that in a vast number of instances no such problems arise. There would be but a single turn-over in the matter of services, such as those furnished by physicians, barbers, mechanics, and so forth; and, so far as integration is concerned, and so far as the tax might tend to promote monopoly, then it becomes the function of the Department of Justice and other Government agencies to take such steps as will prevent undesirable mergers and consolidations.

It is claimed that other consequences to business of the proposed tax would be to promote uneconomical forms of doing business, geographical discrimination, and make virtually impossible operations on the stock and commodity markets. The tax would tend to be the important factor which would determine the method of business operations. Business would adjust itself to the necessities of the changed conditions.

It is perhaps impossible to devise a tax system that does not hurt one group more than another. Certainly our present system is replete with such instances. For example, the small unincorporated business is not taxed as a business at all. Each partner pays a tax only on his share of the earnings. On the corporation on the other hand, a tax is imposed on the income of the corporation and later, when dividends are distributed, the owners—stockholders—pay a further tax on their share of the earnings. It is not improbable that small business might benefit as a result of the changed methods of operation that would result—if we assume for the moment that changes would result. They would no longer have to have large sums tied up in inventory and goods in process. All these costs would be borne by the larger firm on whose goods the smaller firm worked. On the geographical discrimination argument, it is not the function of a tax system to provide equality in competition. As for the effect on stock and commodity market operations, to the extent that the tax curtailed gambling on the exchanges and the forcing up of prices through dealings in futures—as is commonly alleged—the tax would have directly beneficial effects upon the economy.

Proponents of the Townsend plan believe that the economy of the Nation will benefit by reason of the expenditure of the annuity within 30 days after its receipt. According to the bill—

(a) The annuity shall be spent within the confines of the United States, its Territories, and possessions,

(b) Each installment of the annuity shall be spent by the annuitant within 30 days after the time of its receipt.

(c) An annuitant shall not engage in any occupation, business, or other activity from which a profit, wage, or other compensation is realized or attempted, except that nothing in this title shall be construed to prohibit an annuitant from collecting interest, rents, or other revenues from his own investments. No annuitant shall support an able-bodied person in idleness except a spouse. * * *

(e) Any sum received by an annuitant which represents the proceeds of a sale of any real property acquired through the use of money received as an annuity under this title shall be expended by the annuitant within 6 months after the receipt of such proceeds of such a sale.

The thought behind this proposal is that in the years before the war people in general tended to hoard their earnings. Consumption did not keep pace with the ability of the economy to produce. The result was that we had underproduction, underconsumption, and unemployment. There will be no incentive for elderly people of limited income to hoard their meager earnings as the haunting fear of old age and destitution will have been removed. The proceeds of the tax will go to people who will move out of employment. They will be required to spend the proceeds of their annuities within 30 days. This will stimulate production, production will promote employment, the younger will move into jobs vacated by the aged, and we will have prosperity.

The old-age and survivors insurance program, being a contributory plan based upon contributions by both employers and employees, each paying a tax of 1 percent of the first $3,000 of wages, to be increased to 1½ percent in 1950 and 1951 and 2 percent thereafter, is, in effect, a tax on production and a burden on all citizens. The plan gives inadequate relief to those covered and is unjust to those not covered. These taxes go into what is called a trust fund which, on December 31, 1948, amounted to $10,721,714,000. The Government spends the trust funds as received for the regular expenses of government, and replaces the funds with Government securities bearing interest paid by the Government, which encourages deficit spending. It follows that when these funds are needed, in lieu of the bonds the Government will be obliged to levy another tax on all taxpayers to meet the demands upon the fund. Notwithstanding this huge balance in the trust fund on December 31, 1948, there had been paid to beneficiaries under the program up to that date, only $2,328,606,000. The cost of administering this program is now running approximately $50,000,000 a year. For the fiscal year 1948 administrative costs were 10.8 percent of the benefit payments. A major part of the heavy administrative work is in keeping the wage records of 78,700,000 living people and determining the amount of benefits each—including his family—is entitled to if and when he becomes eligible for benefit payments. To be fully insured for life a worker must have 40 calendar quarters of covered employment. Minimum benefits for a worker are $10 a month, and for a worker and his wife, $15. Maximum benefits currently paid are $45.20 for a worker and $67.80 for a worker and his wife. The average payments as of December 1943, were $25.40 for a worker and $38.10 for a man and his wife. This old-age and survivors insurance plan contemplates these actuarial calculations would become effective for a boy 16 years of age in a covered occupation and that for 50 years or until he is 65 years of age, the Social Security Board will keep track of his employers' and his tax payments made from his wages and other essential data covering the case, and based thereon will determine what he will receive in benefits 50 years from now which, according to present average payments, would be about $25 a month. With the ups and downs in the economic conditions of our Nation and the fluctuation in the value of the dollar, it is at once apparent that the whole scheme is unworkable and, in fact, offers little social security to our workers. These workers, who, with their employers have been taxed through the years and who are now receiving only an average payment of $25 a month, are receiving less than many of the old-age beneficiaries who pay no tax to the fund. In the meantime, the Federal Government is piling up a huge so-called reserve fund which, in reality, is only a paper fund as the actual moneys are expended as received by Government bureaus, and only I O U's are left in the fund.

All of these difficulties would be avoided by the enactment of legislation of the type we propose in H. R. 2135 and H. R. 2136 which, as I have said, is a pay-as-you-go plan and is financed from current receipts, to which all contribute who come within the tax formula. Particularly, it would eliminate the unsound reserve fund the bureaucratic spenders'

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paradise for inflation and deficit spending. Furthermore, our proposal would be elastic so that monthly annuities necessary to enable the recipient to maintain himself in decency and health, would be determined currently, based on existing conditions and tax revenues collected, and which would be adequate to meet necessary living expenses.

The old-age assistance program under the present social-security law is also wholly inadequate to provide a decent annuity to old people of our Nation who come within its provisions. It is a starvation allowance. There is little uniformity in the payments made in the several States. Many old-age annuitants are suffering from malnutrition and starvation. In my own home city this news item appeared:

Leonard Dow, 79, Lind Hotel, old-age pensioner who was found seriously ill in his room Friday, was taken to the emergency hospital. Attendants said he is suffering from pneumonia and malnutrition. He later was admitted to Permanente Hospital, where his condition is reported as critical. Dow is the third elderly person found this week in need.

If we are to preserve the American way of life and our economic and democratic processes under free enterprise, we must find a solution not only for our unemployment problems but also for the problems of providing adequate care for the aged and disabled. With an accelerating advance in technology in the postwar era, and with the commercial development of atomic energy presaging more rapid transitions in mass production, the social risks and hazards of unemployment and old age are increased. Rather than see workers pushed from active labor force, hit or miss, the logical policy to follow is one of selection. The older group has earned retirement. Many of them are not covered by the Social Security Act. By covering the entire group, the whole process of business activity will be stabilized. Retirement payments will provide continuous buying power, will provide the needed balance in market demand, and will help to provide mass consumption without which our mass-production economy cannot function successfully. It will lead the way to greater prosperity in our Nation.

It was by reason of these deficiencies in the old-age security program that those of us in the Congress interested in the problem introduced the Townsend legislation, which is embodied in H. R. 2135 and H. R. 2136. The aged, through no fault of their own, through the flat of industry, are denied a part in production. They toiled the longest in production and should not, when old, be deprived of taking part in consumption. They are the victims of an industrial system for which they are not responsible. Society owes a duty to these old folks, and it can only perform this duty by establishing a national-annuity system providing against the hazards of old age and disability. There are now millions among us, 60 years of age and over, who are not now being cared for in an honorable and just way by the present system of social security, and are receiving no support from any source or hopelessly inadequate support. Our plan would replace the complicated, arbitrary, and inequitable provisions of the existing law. It is financed by a gross income tax in which all participate. It is a pay-as-you-go system, and annuities will be paid currently each month out of currently raised revenues, and the sums so received by annuitants must be spent within 30 days. Under the plan the existing system of old-age and survivors insurance and old-age assistance will be abolished and a new program substituted therefor. This proposal gives recognition to the past labors of the aged and would offer them dividends from the wealth of American industry which they helped to create. Those annuities are provided for these self-respecting American citizens as a matter of right, without reference to need or prior contributions, and with neither the stigma of charity nor the aroma of poverty.

Mr. Speaker, again I most sincerely urge every Member of the House who is interested in doing justice to our old people during their declining years to sign discharge petition No. 15 and bring this legislation on the floor for full discussion and amendment and adoption.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. POULSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. POULSON. Mr. Speaker, my attention has been called to an article reprinted in the CONGRESSIONAL RECORD from the Arizona Republic, of Phoenix, signed by one J. H. Moeur, under date of July 14, 1949.

The article bitterly attacks the State of California, and has to do with the controversy between California and Arizona over the Colorado River.

In the statement preceding the article in the RECORD, Mr. Moeur is described as an official of the National Reclamation Association.

Now, my State of California is a member of that association and contributes money to its support. The association has memberships in the 17 western reclamation States. As a matter of fact, a man named J. Houer is a vice president of the association.

I should like to know this: Is this the same man?

If it is, I should like to know: Is Mr. Moeur speaking as an official of the National Reclamation Association? Has he a right to speak for that association about an inter-State controversy? Is he saying that the association stands against California in this vital fight?

I demand that the association answer these questions.

If Mr. Moeur is speaking for the association, and thus announcing that the association stands against California, I see no reason why California should remain a member. Why should California contribute money to an association that is fighting her? If this is the case, I shall immediately recommend that California withdraw from the association.

Let Mr. Moeur and the association state at once whether Mr. Moeur is speaking for the association and in the name of the association.

STATEHOOD FOR HAWAII AND ALASKA

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, the poll being conducted by the Hearst newspapers canvassing the entire membership of the Eighty-first Congress and now 85 percent complete will show that the overwhelming majority of the membership of both the House and the Senate favor statehood for Hawaii and Alaska without further delay.

This poll which is reaching every single Member of the Congress indicates that the Members are 2 to 1 in favor of the bill admitting Hawaii to the Union and more than 3 to 2 for the Alaska enabling bill at this session.

A great many of the Members of this Congress have answered affirmatively in the statehood poll because of their intimate knowledge of conditions in both Territories, aware that there is no better time than now to confer upon Hawaii and Alaska that status which has been their due for some time past and for which the people of those Territories have long petitioned. The subject has been thoroughly investigated on the ground by the appropriate committees. I have been both to Hawaii and Alaska on this very question when extensive hearings were held and abundant proof gathered to demonstrate the wisdom of the favorable reports made. I will admit I was skeptical before I went. I returned irrevocably convinced that statehood for these great Territories should be granted, not in a few years but right now. I am not alone in that belief as can readily be illustrated by the very poll now under way and almost completed.

Mr. Speaker, as indicated by that poll it is the hope of many Members from both sides of the aisle that they be allowed to stand up and be counted on this question. Both enabling bills have been reported to this House and both bills should be brought before us for immediate consideration.

The time has come when we can demonstrate to the people of the world our belief in the extension of full democracy to our lands at home, to demonstrate to the people of this country our firm backing of our political platforms and to demonstrate to the people of Alaska and Hawaii our faith in their future and our recognition of them as being politically, economically, and socially inseparable from the Union.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. COLE of New York. Mr. Speaker, I ask unimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE of New York. Mr. Speaker, the commanding officers of the Army, Navy, and Air Force are together in Europe on an unprecedented peacetime tour, described as a mission to review the military situation in western Europe. Not only is this joint tour by these highest ranking officers unprecedented but it is unnecessary.

It was a mistake for General Bradley, General Vandenberg, and Admiral Denfeld to make this trip. I cannot believe that such an idea originated in their minds. It sounds more like something concocted by the nonthinking planners of the Truman administration.

The European tour of these commanding officers smacks of saber rattling coming at a time when the Congress is debating the arms program for Europe. Their visit will make no friends for the United States. On the other hand, this joint mission will create more tension and will build animosities.

It has been announced that the American high command will talk with the military leaders of the Atlantic Pact nations. Never, in peacetime, has this Government ever sponsored such a move so lacking in diplomacy.

I ask just what information can General Bradley, Admiral Denfeld, and General Vandenberg secure on this display of big brass that could not have been sent by qualified subordinates in Europe? And if it was necessary to send an inspection group from the United States, would not it have been much more dignified for the three commanders to send their deputies or other qualified emissaries?

You can well imagine the reaction in the United States if Joe Stalin sent his top army, navy, and air force commanders to inspect the military set-up in any nation or combination of nations on the North American Continent.

I repeat this trip is not only unprecedented and unnecessary but it smacks of a lack of diplomatic sagacity and borders on the edge of a blunder.

AMENDING RULES OF THE HOUSE PROVIDING THAT DELEGATE FROM ALASKA SHALL SERVE ON COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. McSWEENEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 294 to amend the Rules of the House to provide that the Delegate from Alaska shall serve on the Committee on Merchant Marine and Fisheries.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read as follows:

Resolved, That rule XII of the Standing Rules of the House of Representatives is hereby amended to read as follows:

"RULE XII

"DELEGATES AND RESIDENT COMMISSIONERS

"1. The Delegate from Hawaii and the Resident Commissioner of the United States from Puerto Rico shall be elected to serve as additional members on the Committees on Agriculture, Armed Services, and Public Lands, and the Delegate from Alaska shall be elected to serve as an additional member on the Committees on Agriculture, Armed Services, Merchant Marine and Fisheries, and Public Lands; and they shall possess in such committees the same powers and privileges as in the House, and may make any motion except to reconsider."

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first bill on the Private Calendar.

ABRAHAM J. EHRLICH

The Clerk called the bill (H. R. 4789) to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

MRS. PEARL SHIZUKO OKADA PAPE

The Clerk called the bill (S. 111) for the relief of Mrs. Pearl Shizuko Okada Pape.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel the outstanding order and warrant of deportation, warrant of arrest, and bond, if any, issued in the case of Mrs. Pearl Shizuko Okada Pape, of Washington, D. C. From and after the date of enactment of this act, the said Mrs. Pearl Shizuko Okada Pape, who has resided in the United States since 1927, shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or such warrants and order have issued.

SEC. 2. Nothwithstanding any provision of the immigration laws, the said Mrs. Pearl Shizuko Okada Pape shall be considered as having been lawfully admitted into the United States for permanent residence as of May 23, 1927, upon the payment by her of the visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARGITA KOFLER

The Clerk called the bill (S. 317) for the relief of Margita Kofler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Department of Justice be, and is hereby, authorized and directed to record the lawful admission for permanent residence of Margita Kofler, who entered the United States at New York, September 21, 1946, and that she shall, for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted as an immigrant for permanent residence, upon the payment by her of the visa fee and head tax. Upon the enactment of this act, the Secretary of State shall direct the proper quota-control officer to deduct one number from the Yugoslav quota for the first year said Yugoslav quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN SEWEN

The Clerk called the bill (S. 905) for the relief of John Sewen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws John Sewen (also known as John Seven), formerly of Williams County, N. Dak., who was admitted to the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon the payment by him of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the proper immigration quota.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICHOLAS C. KALCOUTSAKIS

The Clerk called the bill (H. R. 2921) for the relief of Nichols C. Kalcoutsakis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Nicholas C. Kalcoutsakis as of November 16, 1947, the date on which he was lawfully admitted into the United States at the port of New York, N. Y. From and after the date of the approval of this act, and upon payment of visa fee and head tax, Nicholas C. Kalcoutsakis shall be deemed to be a lawfully admitted permanent resident of the United States.

SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Greece for the first year that such quota number is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AGNES TARJANI

The Clerk called the bill (H. R. 4040) for the relief of Agnes Tarjani.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of State is authorized and directed to cause an immigration visa to be issued to Agnes Tarjani, of Cinkota, Hungary, the adopted child of Mr. and Mrs. Janka Ziegler, of 3022 North Cicero Avenue, Chicago, Ill., permitting her immediate entry into the United States for permanent residence. Upon the issuance of such visa, the Secretary shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Hungary.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"For the purpose of the immigration and naturalization laws Agnes Tarjani, a native of Hungary, shall be considered the natural-born daughter of her adoptive parents, Mr. and Mrs. Dezidir Ziegler, citizens of the United States."

The committee amendment was agreed to.

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The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIKE CLIPPER

The Clerk called the bill (H. R. 584) for the relief of Mike Clipper.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mike Clipper, of King Cove, Alaska, the sum of $3,700, in full settlement of all claims against the Government of the United States as reimbursement for loss of his boat, *Dora*, at Cold Bay, Alaska, on September 20–21, 1942, while being towed by the *BSP–138* of the Army Transport Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOODY L. SMITHERMAN, JR., ET AL.

The Clerk called the bill (H. R. 1020) for the relief of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,500 to the legal guardian of Moody L. Smitherman, Jr., a minor, of Birmingham, Ala., and the sum of $245 to Moody L. Smitherman, of Birmingham, Ala. The payment of such sum to the legal guardian of said minor shall be in full settlement of all claims of said minor against the United States arising out of personal injuries sustained by said minor on April 1, 1944, when he was struck by a United States mail truck at the intersection of Georgia Road and Forty-eighth Street in Birmingham, Ala. The payment of such sum to Moody L. Smitherman, the father of said minor, shall be in full settlement of all claims of said individual against the United States arising out of medical expenses incurred by him on account of such personal injuries sustained by said minor: *Provided*, That no part of either of the sums appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim settled by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$1,500" and insert "$750."

Page 1, line 9, strike out "settlemen" and insert "settlement."

Page 2, line 1, strike out the figure "1" and insert in lieu thereof the figure "17."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill for the relief of the legal guardian of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman."

A motion to reconsider was laid on the table.

GUSTAV SCHILBRED

The Clerk called the bill (H. R. 1600) for the relief of Gustav Schilbred.

Mr. LICHTENWALTER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MRS. NORA JOHNSON

The Clerk called the bill (H. R. 3536) for the relief of Mrs. Nora Johnson.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Nora Johnson, of Chaseburg, Wis., the sum of $504. Such sum is equal to the compensation which the said Mrs. Nora Johnson would have received under existing law, for the year 1947, as the widow with a child of a World War I veteran, if her annual income for such year had not been in excess of the amount of annual income allowable in her case for receipt of such compensation. The annual income of the said Mrs. Nora Johnson for 1947 was determined to be in excess of such allowable amount by reason of payment to her on February 26, 1947, of the sum of $1,021.15 in settlement of her claim for accumulated annual leave of her deceased husband, Sam Johnson, an employee of the Post Office Department, although such claim was filed in September 1946 shortly after the death of her husband on March 19, 1946: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DORA M. BARTON

The Clerk called the bill (H. R. 4414) for the relief of Dora M. Barton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $15,000, to Dora M. Barton, of Saunderstown, in the town of North Kingstown, R. I., in full satisfaction for all claims against the United States for compensation for damages sustained as the result of an accident which occurred when her home was struck by a plane operating out of the United States naval air station, Quonset Point, R. I., on August 21, 1944.

With the following committee amendment:

On page 2, line 1, after 1944, insert a colon and the following: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be demeed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FELLA H. HOLBROOK

The Clerk called the bill (H. R. 5019) for the relief of Fella H. Holbrook.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Fella H. Holbrook, Oak Ridge, Tenn., the sum of $6,229.96. Such sum represents losses in compensation sustained, and expenses incurred, by the said Fella H. Holbrook (less the amount earned by him through other employment) as the result of his suspension without pay and subsequent removal from his position as administrative assistant, United States engineer office, Oak Ridge, Tenn. Such suspension and separation from the Federal service covered the period from November 23, 1946, to November 9, 1947, inclusive. The said Fella H. Holbrook was restored to a position of like seniority, status, and pay as of November 10, 1947, after a committee appointed to review the record in his case concluded that the evidence on record did not justify his removal: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HILDA LINKS AND E. J. OHMAN, PARTNERS, AND FRED L. KROESING

The Clerk called the bill (H. R. 5148) to confer jurisdiction upon the District Court for the Territory of Alaska to hear, determine, and render judgment upon the claim, or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the District Court for the Territory of Alaska to hear, determine, and render judgment in the same manner and to the same extent as against a private individual under like circumstances, except that the United States shall not be liable for interests or costs, upon the claim, or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, for any losses and damages sustained by Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, arising out of air flights or maneuvers of the United States armed forces occurring over or in the vicinity of the mink ranches conducted by the said Hilda Links and E. J.

Ohman, partners, and Fred L. Kroesing, at Anchorage, Alaska, or by virtue of any acts or actions of any and all officers, agents, or employees of the United States in connection with the operation of military aircraft or with the establishment and maintenance of military posts or bases in Alaska, or by all of said flights, maneuvers, acts, or actions: *Provided*, That the action in the District Court for the Territory of Alaska to establish such losses and damages may be instituted within 1 year from the date of the approval of this act, and the same right of appeal to the United States Circuit Court of Appeals for the Ninth Circuit from the judgment of the District Court for the Territory of Alaska shall be had as in other causes in that court.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. RICHARD E. DEANE

The Clerk called the bill (H. R. 5525) for the relief of Mr. and Mrs. Richard E. Deane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Richard E. Deane the aggregate sum of $5,000, in full settlement of all claims against the United States for the personal injury, the medical expenses, pain and suffering, loss of earnings, and property damage incurred by reason of the injuries and the property damage sustained by them as a result of being struck by an Army vehicle operated by Army personnel on Route 25, near the intersection with Lawrence Street, near Rahway, N. J., August 15, 1944, and said injuries and damage having been caused by the negligent operation of said Army vehicle so as to cause it to turn into the vehicle in which said Mr. and Mrs. Richard E. Deane were riding: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$1,341.85."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HILDE FLINT

The Clerk called the bill (H. R. 1871) for the relief of Hilde Flint.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, directed to cancel forthwith the outstanding warrant of arrest, order of deportation, warrant of deportation, and bond, if any, in the case of the alien Hilde Flint, of Los Angeles, Calif., and is directed not to issue any further such warrants or orders in the case of such alien, insofar as such further warrants are based on any unlawful entry of such alien into the United States prior to the enactment of this act. Hereafter, for the purposes of the immigration and naturalization laws, such alien shall be considered to have entered the United States in December 1947, the date of her last entry, and to have been lawfully admitted to the United States for permanent residence. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Austrian quota of the first year that such quota is available.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That in the administration of the immigration and naturalization laws Hilde Flint, of Los Angeles, Calif., shall be held and considered to have been lawfully admitted to the United States for permanent residence on December 15, 1947, the date of her actual entry into the United States, upon the payment by her of a visa fee of $10 and a head tax of $8.

"SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the German quota of the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KONSTANTINOS YANNOPOULOS

The Clerk called the bill (H. R. 4042) for the relief of Konstantinos Yannopoulos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Konstantinos Yannopoulos, of New York City, N. Y., shall be held and considered to have been lawfully admitted to the United States for permanent residence on the 15th day of August 1947, the date of his actual entry into the United States, upon the payment by him of a visa fee of $10 and a head tax of $8.

SEC. 2. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category from the first available Greek immigration quota.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JULIA (IOLE) M. STEFANI LENCIONI

The Clerk called the bill (H. R. 5276) for the relief of Mrs. Julia (Iole) M. Stefani Lencioni.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. WALTER. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Mrs. Julia (Iole) Stefani Lencioni, who lost her citizenship under the operation of section 401 (a) of the Nationality Act of 1940, as amended, may be naturalized by taking prior to 1 year from the enactment of this act, before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 335 of the Nationality Act of 1940, as amended.

SEC. 2. From and after naturalization under this act, Mrs. Lencioni shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF EMPLOYEES OF ALASKA RAILROAD

The Clerk called the bill (H. R. 219) to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That with respect to all claims which have been filed in or which within 1 year of the effective date of this act shall be filed in the Court of Claims of the United States, and notwithstanding any other provision of law, jurisdiction is hereby conferred upon said court to determine the full amounts which are due and owing to present or former employees of the Alaska Railroad for overtime work performed, under the provisions of section 23 of the act of March 28, 1934 (48 Stat. 522), from the effective date thereof, and render judgment upon such claims for the full amounts thus determined to be due and owing to any and all of said claimants.

SEC. 2. Judgments or decrees, if any, under this act shall be allowed for the full amounts found to be due, notwithstanding any bars or defenses or laches, or any provisions of law to the contrary.

With the following committee amendment:

Page 2, strike out Sec. 2, lines 6 to 9, inclusive.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN MORREN

The Clerk called the bill (H. R. 2457) for the relief of Helen Morren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Miss Helen Morren, of Richton, Miss., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and property damage sustained as the result of an accident involving a United States Army vehicle on the old United States Highway No. 24, near Camp Shelby, Miss., on November 4, 1944; *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$10,000" and insert "$5,711.35."

UNIVERSITY OF MICHIGAN LIBRARIES

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ZELMA INEZ CHEEK

The Clerk called the bill (H. R. 3252) for the relief of Mrs. Zelma Inez Cheek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Mr. Zelma Inez Cheek, of Falls Church, Va., out of any money in the Treasury not otherwise appropriated, the sum of $10,000 for injuries and disabilities acquired while serving as a Government employee, at the St. Elizabeths Hospital, Washington, D. C., during the years 1940 and 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek, of Falls Church, Va., for injuries and disabilities allegedly sustained while serving as an employee at the St. Elizabeths Hospital, Washington, D. C., during 1940 and 1941.

"SEC. 2. Provided that the United States shall be entitled to the benefits of all exemption and all limitation of liability and all defenses accorded by law to private parties, provided further, that the suit shall be filed within 1 year after the enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek."

A motion to reconsider was laid on the table.

CITY OF CHESTER, ILL.

The Clerk called the bill (H. R. 2365) for the relief of the city of Chester, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the claim of the United States against the city of Chester, Ill., for reimbursement of the cost of removing the wreckage of the old bridge over the Mississippi River at said city is hereby waived.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the city of Chester, Ill., is hereby relieved of all liability to pay the Department of the Army for the cost of removing the wreckage of the old bridge over the Mississippi River because of financial difficulties and inability to effect such removal."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOWN OF CRAIG, ALASKA

The Clerk called the bill (H. R. 322) to transfer funds to the town of Craig, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the judge of the district court for the first judicial division of Alaska is hereby authorized and directed to pay to the city treasurer of the incorporated town of Craig, Alaska, from a fund called fund "C" of said district court, the sum of $745.64, heretofore paid into said fund "C" by the New England Fish Co. as a license tax for the year 1947 on 18,641 cases of salmon packed or canned at the Libby, McNeill & Libby cannery located within the city limits of the incorporated town of Craig, Alaska.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Secretary of the Treasury is authorized and directed to pay out of the Alaska Fund to the city treasurer of the incorporated town of Craig, Alaska, the sum of $745.64 heretofore deposited into the said Alaska Fund by the clerk of the United States District Court for the First Judicial Division of the Territory of Alaska, said amount having been paid to the clerk by the New England Fish Co. as a license tax for the year 1947 on 18,641 cases of salmon packed or canned at the Libby, McNeill & Libby cannery located within the city limits of the incorporated town of Craig, Alaska."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARY A BAILEY

The Clerk called the bill (H. R. 695) for the relief of Mrs. Mary A. Bailey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Mrs. Mary A. Bailey, of Roswell, Tex., in full settlement of all claims against the United States for the death of her son, Malcom Joe Bailey, who was killed as a result of an accident involving a United States Army truck, in the town of Nash, Tex., on July 7, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$10,000" and insert "$5,250."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK HAEGELE

The Clerk called the bill (H. R. 733) for the relief of Frank Haegele.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Capt. Frank Haegele, Seal Beach, Calif., the sum of $40,000. The payment of such sum shall be in full settlement of all claims of the said Capt. Frank Haegele against the United States for the destruction of oyster beds destroyed by the acquisition and relocation of the sloughs by the ammunition depot of the Navy at Anaheim Landing, county of Orange, Calif., dredging for which started April 28, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That jurisdiction is hereby conferred upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Frank Haegele, of Seal Beach, Calif., for damages sustained as the result of the alleged destruction of oyster beds destroyed by the acquisition and relocation of the sloughs by the ammunition depot of the Navy at Anaheim Landing, county of Orange, Calif., dredging for which started April 28, 1944.

"SEC. 2. Suit upon such claim of Frank Haegele may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitation. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon, shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph twentieth of section 24 of the Judicial Code, as amended."

Mr. ASPINALL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: Page 3, line 1, strike out "paragraph twentieth of section 24 of the Judicial Code, as amended", and insert in lieu thereof "section 1346 of title 28 of the United States Code."

The amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Frank Haegele."

A motion to reconsider was laid on the table.

UNIVERSITY OF MICHIGAN LIBRARIES

EDGAR BARBRE

The Clerk called the bill (H. R. 1097) for the relief of Edgar Barbre.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edgar Barbre, Fields, La., the sum of $5,122.50, for damages, burial expenses, and hospital expenses, on account of the death of his minor son, Joseph Lee Barbre, resulting from an accident involving an Army ambulance which occurred on September 14, 1944, on Highway No. 171, near Newllano, La. Such sum is in full settlement of all claims against the United States resulting from said accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,122.50" and insert, "$3,122.50."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANGELINA MARSIGLIA

The Clerk called the bill (H. R. 2256) for the relief of Angelina Marsiglia.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LICHTENWALTER and Mr. SMITH of Wisconsin objected, and, under the rule, the bill was recommitted to the Committee on the Judiciary.

MRS. ELIZABETH MARY C. MANGLE

The Clerk called the bill (H. R. 4411) for the relief of Mrs. Elizabeth Mary C. Mangle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,990, to Mrs. Elizabeth Mary C. Mangle, 2567 Decatur Avenue, New York City 58, N. Y., in full settlement of all claims against the United States for personal injuries, hospital, medical, and other expenses, sustained as a result of an accident at the United States naval base in Bermuda, on October 11, 1946: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MABEL COLLIVER

The Clerk called the bill (H. R. 3499) for the relief of Mabel Colliver.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

EUNICE HAYES, ET AL.

The Clerk called the bill (H. R. 4564) for the relief of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines, Los Angeles, Calif., the sum of $93,160. The payment of such sum to the said Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines shall be in full settlement of all claims against the United States on account of the acts and omissions of the Department of War commencing in June 1942, in respect to the taking of possession and the use of, damage to, and failure to restore to its original condition, the real property owned by them and located at the southeast corner of Exposition Boulevard and Overland Boulevard in the county of Los Angeles, State of California: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert "That jurisdiction is hereby conferred upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines, of Los Angeles, Calif., for alleged damages sustained to their property at the southeast corner of Exposition Boulevard and Overland Boulevard, county of Los Angeles, Calif., as the result of the activities of the United States Army, in acquiring the property for military uses in June of 1942.

"SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon, shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph twentieth of section 24 of the Judicial Code, as amended."

Mr. ASPINALL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: Page 3, line 5, after the word "of", strike out "paragraph twentieth of section 24 of the Judicial Code, as amended" and insert in lieu thereof "section 1346 of title 28 of the United States Code."

The amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines."

A motion to reconsider was laid on the table.

HOWARD E. GIROUX

The Clerk called the bill (H. R. 1800) for the relief of Howard E. Giroux.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Howard E. Giroux, of Medford, Mass., the sum of $76. The payment of such sum shall be in full settlement of all claims of the said Howard E. Giroux against the United States for property damage and personal injury sustained in assisting on June 28, 1946, in the capture of an escaped naval prisoner: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 59. Concurrent resolution extending greetings to Hon. Herbert Hoover on his seventy-fifth birthday.

PARITY FOR TUNG NUTS AND HONEY

Mr. COLMER. Mr. Speaker, I call up House Resolution 289 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 29) to amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for

amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and pending that I yield myself 10 minutes.

Mr. Speaker, the bill H. R. 29 was originally introduced by me about 4 years ago to give a support price to tung oil. The Committee on Agriculture in its wisdom saw fit to place another provision in that bill providing for parity for honey. The two have no association whatever, but I have no criticism of that. I merely point that out by virtue of the fact that the two items are presented in this one piece of legislation.

HISTORY OF TUNG OIL

In the time I have allotted to me I shall discuss with your permission and, I hope, forbearance, the question of tung oil. Then I am going to yield to the distinguished gentleman from Utah [Mr. GRANGER] who will discuss the honey provision of the bill. I realize that there is a great deal of misinformation and lack of knowledge on the subject of tung oil.

Let me tell you what tung oil is and what it means. The word "tung" is Chinese. It comes from the heart-shaped foliage of the tung tree. The tung tree is a tree pretty much in the nature of and resembles the Japanese cherry tree that grows down here around the Basin in the city of Washington. Incidentally, when it is in bloom it would make the cherry blossoms of Washington look a little bit insignificant, displaying as it does a beautiful sight of nature.

The tung tree grows in China. It has been growing there for centuries. It has never been produced commercially in any other country than China, up until very recent years when we in America began to experiment with it through the Department of Agriculture and the Department of Commerce, when we began to realize its strategic nature and the necessity for this oil. It grows wild, but it is also cultivated domestically over there.

DOMESTIC CONSUMPTION

We consume in this country approximately 150,000,000 pounds of tung oil per annum. We have never produced as much as 20,000,000 pounds of tung oil in this country until this year, when we expect to reach that maximum of 20,000,000 pounds. Tung oil is used for what? Domestically, it is used as a drying oil in the finer paints and varnishes. Incidentally, it is a superior oil to the oil which we import from China. It has no substitute for certain uses. Why do we say it is a strategic war material? We say it is a strategic war material because the armed services commandeered every pound of oil which was produced in this country in World War II.

STRATEGIC WAR MATERIAL

During World War I we produced no oil. We were dependent upon China. On account of the congestion of shipping we could not get it in sufficient quantities. It was subsequent to World War I that the impetus under the Department of Agriculture and the Department of Commerce was begun to produce this tung oil. So important and so strategic was this material during the war that boys from my section of the country were released from the Army and sent back home in their uniforms to help gather the tung nuts to be crushed into tung oil.

USES

What is it used for? It is used to cover the inside of high-octane-gas tanks. It is used extensively in electrical equipment. It is used in great quantities by the Navy in all their electrical equipment, coils, and so forth. It is the best water repellent known to science. It is used to coat the bullets and ammunition fired by the boys who go to the front.

A newspaper reporter asked me this morning: "What is tung oil? What is it used for?"

I began to tell him about some of the things. "Oh," he said, "I know what you are talking about. When we landed out there in the Pacific we had to go through the water. That oil covered everything that we carried in the way of packs, and so forth, to keep them dry." It was used on their ammunition because it is a great water repellent. It is used as a covering for magnesium plates. It is used in time bombs. It is used as a necessary basis for marine paints; and used for many other things, including coating paint for the under belly of seaplanes that land upon the sea, because it resists water and enables them to get off more quickly.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. DONDERO. In the commercial field is it not true it is also used extensively in automobile paint?

Mr. COLMER. I appreciate my friend's contribution. I was talking about the strategic part of this oil and not the ordinary domestic use of it.

STOCK-PILING BILL

It is a necessary strategic war material. The Navy commandeered every pound of it that was produced during the war. The Munitions Board today has tung oil as a strategic war material. They are not stock piling it. Why? They put it on the strategic list to stock pile it, but they said, after a survey of the situation, that it was not necessary to stock pile it because they found that the domestic production in this country would approach the amount they would need in time of war, and therefore it was not necessary to stock pile it. So what you have in effect is a stock-piling bill where the Government does not buy it and store it, as it is doing to the extent of millions of dollars with other essential war commodities, but by giving it a support price.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. BROWN of Ohio. Is it not true that it is rather difficult to stock pile it because it does not keep so well as a stock-piling commodity and deteriorates over a period of time? It must be used rather promptly?

Mr. COLMER. I was informed by the Munitions Board when I took this matter up with them a couple of years ago that they were not quite sure whether it could be stock-piled or not. But if we could get it in this country, then there would be no necessity, because they could commandeer it if they needed it.

So if you give a support price for this oil, you are in effect stock piling, on an economical basis, this strategic material at a saving of millions of dollars to the already overburdened taxpayers.

The SPEAKER pro tempore. The time of the gentleman from Mississippi [Mr. COLMER] has expired.

Mr. COLMER. Mr. Speaker, I yield myself 5 additional minutes.

The gentleman from Michigan [Mr. DONDERO] referred to the use in paints. That is one of the domestic uses to which I referred a moment ago. It is the finest drying oil that is produced.

Mr. BYRNE of New York. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. BYRNE of New York. Is it not true that there is only one place in the United States that the scientists have found they can grow these tung trees? One place?

Mr. COLMER. I appreciate that contribution of my friend from New York.

Mr. BYRNE of New York. Is it not also true that you must have 60 inches of waterfall to sustain them?

Mr. COLMER. I thank my friend. I did not have time to go into all that. The Department of Commerce and the Department of Agriculture began as far back as 1900 to experiment with this commodity. They started out in Florida and in California, with the result that they found there was a little belt, approximately 100 miles wide, that extends along the Gulf coast of Mexico, from the borders of that great Gulf of 100 miles inland, through the States beginning with Georgia and running through to Texas. That is the only place in the United States where it has been found it could be grown profitably.

TWENTY-FIVE TO THIRTY CENT OIL, SEVENTY-FOUR TO EIGHTY DOLLARS TON FOR NUTS

There are a great many other things I would like to comment upon if time permitted, but let me just say this: This is an infant industry. It is an industry that was promulgated, and for a time flourished, as a result of the war. Tung oil has fluctuated in the past 10 years from around 19 cents to as high as 40 cents. Today it is approximately 21 cents a pound. This support price, as recommended by your Committee on Agriculture, would provide for a support price of around 25 cents a pound for the oil or $74 a ton for the nuts, as the committee reported out the bill.

AT THE MERCY OF CHINA AND RUSSIA

You are making an investment here in national defense. What is going to happen? We are at the mercy—hear me on this, if you will, and if anyone can deny this in the course of debate I would like to hear his denial—we are at the mercy of the only potential enemy that this country has for this strategic war material, and that is Russia. The great bulk

of our production comes from China. You know what is happening in China today; I do not have to tell you that: The Communists have control. What are we going to do? They are going to permit us to have this oil just so long as they see fit to let us have it. There is nothing they would like better than to see this industry destroyed in this country, and then when the proper time comes and we need it they can cut off the supply. I would like to know if anyone has the answer to that proposition.

If you do not give tung nuts a support price what is going to happen? These people have got their money invested in it; the industry is going bankrupt. That is what is going to happen, and when it goes bankrupt they are going to go out of business just like every other agricultural producer who cannot produce at a profit.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Speaker, I yield myself two additional minutes.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. AUGUST H. ANDRESEN. The same thing will happen to the tung nut industry in this country that has happened to the fur farming industry in which because of the shipment of furs into our domestic market the infant industry of fur farming has been destroyed.

Mr. COLMER. I quite agree with the gentleman. I thank him for his contribution.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. CUNNINGHAM. Can the gentleman tell us how long it takes to grow a tree to the productive stage?

Mr. COLMER. These trees will begin to bear, I may say to the gentleman from Iowa in about 5 years on a small scale; they will reach the height of their production in about 15 or 20 years.

Mr. HUBER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. HUBER. If tung oil is the chief ingredient of paints and the paint companies are all making a good profit why are not the tung producers being taken care of?

Mr. COLMER. I thank my friend for that question.

Mr. Speaker, as I said a moment ago, at least 80 percent of the tung oil used in this country is imported from China. We are up against the proposition of competing with Chinese coolie labor; that is the answer to it. The paint people, naturally, are going to buy their product as cheaply as they can get it.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. HAYS of Ohio. The gentleman apparently is basing his argument on protection from importation. We have the same problem in a lot of industries in Ohio where imported products are coming in from Communist countries and putting our own industries out of business; yet we passed by an overwhelming vote here an agreement to let them come in. What about that?

Mr. COLMER. I wish I had the time to answer the gentleman's question, but I cannot usurp all of the time.

Mr. Speaker, in the limited time left to me, I submit the following charts showing the imports, prewar consumption, and prices during the past 10 years for the information of the membership. They are as follows:

Imports

	Pounds
1943	68,000
1948	133,282,000

United States production

	Pounds
1943	5,310,000
1948	16,749,000

Domestic consumption

	Pounds
1943	12,047,000
1948	129,739,000

Prewar consumption

	Pounds
1933	103,859,000
1934	114,965,000
1935	128,022,000
1936	118,896,000
1937	150,157,000
1938	90,795,000
1939	105,596,000

Prices, New York

	Cents per pound
1939	21.0
1940	26.3
1941	32.2
1942	39.6
1943	39.0
1944	39.0
1945	39.0
1946	39.1
1947	30.5
1948	24.6

Current price, about 21 cents.

IMPORT DUTY PROTECTION

Mr. Speaker, the question has been raised and will be raised no doubt during the debate on other remedies—for instance, import duties. Obviously, if we had an import duty or a tariff on tung oil to protect our American farmers from the vicious competition with Chinese coolie labor, we would not need a support price; but we all know that the administration is sold on the reciprocal trade agreements and, in fact, favors free trade. We, also, know that, notwithstanding the fact that tung oil is the only oil that does not have an import duty on it, the administration is opposed to such a duty because of their desire to help China. I may say in this connection that more than 4 years ago I introduced a bill that would require an import duty of 5 cents per pound on tung oil imported into this country. I again introduced that bill at the beginning of this session (H. R. 30). I have discussed this matter with the officials of the State Department and other administration leaders, but always I have met with a rebuff; and you and I know that, in view of the philosophy of the present administration, there is no chance whatever of getting such a duty imposed. I might say in this connection that I now have pending before the House Agricultural Committee a bill (H. R. 4893) which would establish protection in the form of tariff parity on Chinese oil and other principal oils—including cottonseed oil, lard, inedible tallow, butter, grease, peanut oil, corn oil, soybean oil, linseed oil, tung oil, and marine oil—which are imported into this country in competition with our American farmers. In fact, I testified before the committee only last week in behalf of this bill; but I was forced to admit, in response to questions from the distinguished chairman, the gentleman from North Carolina [Mr. COOLEY] and others, that I had little hope of the President approving such a bill, if it were enacted into law. In fact, I believe he would veto it. Therefore, Mr. Speaker, I came to the conclusion many months ago that if we were to get any relief for this young industry we must do it in the form of a support price—hence my efforts have been directed largely to the enactment of this bill, H. R. 29.

CONTROLLED ACREAGE

Mr. Speaker, may I call the attention of the House to the fact that, as the bill will show, my bill, as originally introduced, provided for a support price of 90 percent of parity, or about 30 cents per pound for oil and about $90 per ton for nuts, without any restrictions on the amount produced; but the committee, in its wisdom, saw fit to amend my bill to confine the support price to the present acreage planted. Frankly, I do not like this. I think our veterans and others who want to engage in the growing of tung should have the opportunity to do so; but the committee restricted it to the present usage upon the theory that to have unlimited production would cost the Treasury too much money. In fact, they argued that it would cost many millions of dollars if the industry was expanded substantially. They argued that it was unfair to pick out tung oil among many other commodities with no support price and mandatorily to support tung unless there were some restrictions upon its production. The committee further argued that the only basis that they could, therefore, provide for a mandatory congressional support for tung was upon the theory that it was a strategic war material, and, since the armed services required about 20,000,000 pounds a year, they must confine the bill to the present acreage, which it is estimated, when the trees are fully matured, will produce about 80,000,000 pounds of oil per annum. I understand that an amendment will be offered to remove this restriction on the theory that it is monopolistic. Of course, I shall not oppose such an amendment, but will look with favor upon it. On the other hand, we must be realistic and see that the industry is not expanded to the extent that the cost of the support price would result in the repeal of the legislation.

CONCLUSION

Finally, Mr. Speaker, permit me to say in all humility that, recognizing what this program means to my section and to the country, I feel that we have now reached the crossroads of this infant industry for the salvation and promulgation of which I have contributed my all for the past 6 years.

UNIVERSITY OF MICHIGAN LIBRARIES

Today this House will say by its vote whether this infant American industry will survive or perish; whether my years of devotion and hard work to the cause will have been for naught; whether the industry will continue as a source of employment and revenue for the people of my section and whether the Government will have an ample supply of this strategic war material in the future, on the one hand, or whether the industry will go bankrupt, and the country will be dependent upon Russia, our only potential enemy in the world, on the other hand. Realizing this situation that the rest of the world may be dependent upon Russia in the final analysis, for this strategic material, Great Britain, I am informed by press reports, is now expending some $5,000,000 in an effort to promulgate this industry in one of her African colonies. I do not see how we can afford to do less, particularly when we are possibly lending or giving Great Britain the money with which to do this.

It is for this House to decide. I leave it in your sympathetic hands. I realize that from a political point of view it has little political appeal since it affects only a few southern States, but, on the other hand, I have confidence in the integrity, fairness, and patriotism of my colleagues in this House.

The SPEAKER. The time of the gentleman from Mississippi has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may need.

Mr. Speaker, House Resolution 289 makes in order the bill H. R. 29, introduced by the gentleman from Mississippi [Mr. COLMER].

This bill would permit the Secretary of Agriculture through the Commodity Credit Corporation to support the price of tung oil or tung nuts from which tung oil is manufactured and also to support the price of honey.

The bill has been reported by the Committee on Agriculture, I understand unanimously. The rule was reported by the Rules Committee unanimously. The rule provides for 1 hour of general debate on the bill.

The gentleman from Mississippi has explained rather thoroughly the importance of this bill, but if I might address myself to the subject for just a moment may I say that while there has been some legislative humor displayed in connection with this measure, it is one of the most important measures which has been before this House for a long time. It is not important just to those few counties, or to that little strip of land, along the Gulf coast where tung trees can be grown—and it is the only place on this continent that we can grow tung trees and produce tung oil—but it is of extreme importance to all of us.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Mississippi.

Mr. COLMER. I just want to point out again, as I did a moment ago, that Great Britain, realizing this situation and what it is with reference to this strategic material, is now expending some $5,000,000, according to press reports, trying to grow this product in Africa.

Mr. BROWN of Ohio. Mr. Speaker, I repeat, this measure is of utmost importance to every one of us. It is important to all of us because of the great value of tung oil to our national defense. It is also of especial importance to those of us who come from the northern part of the United States and have within our districts great industries that use tung oil. As the gentleman from Mississippi has explained, the great quantity, the great volume, of tung oil used in the ordinary processes of industry in this country comes from China. But it just so happened that the Japanese took over China a few years ago and we were soon at war. In 1 year during that time we were able to get only 68 pounds of tung oil from foreign sources. We were absolutely dependent upon our own domestic supply. The American Government has fostered, wisely I think, the planting of tung trees in this particular coastal area in southern United States where such trees would grow and develop, in order that we might have at least a little bit of a domestic supply to meet our needs in case of war. As the gentleman from Mississippi has so well explained, when war came, and even before war came, every single pound of tung oil that could be produced in this country was being produced on the orders of the United States Government, and every pound of it was being taken by the Government. Tung oil is not only used in the manufacture of high-grade paints and varnishes and, as the gentleman from Michigan mentioned, in the finish of automobiles and other products, but it is also of the utmost importance in time of war for the production and manufacture of delicate instruments. For instance it is the only liquid known to man that will coat and waterproof the fine wires which go inside of our bomb proximity fuses. My friends, some day it may be necessary for us to have a few of those proximity fuses to set off a bomb or so to save our civilization.

So this issue before us is something more than just a question of whether we are going to give price support to an agricultural product. The passage of this bill is of utmost importance to our national defense in time of war. I say to you very frankly, and I mean it from the bottom of my heart, that if you vote against the bill you are voting to endanger the safety and the security of the United States in the future, because Communist China can shut off the flow of tung oil to this country any time it desires to do so.

Whenever orders might come out of Moscow to shut off tung oil shipments to the United States of America you can rest assured, the way the world is right now, and especially as the result of the situation in the Orient, there would not be any tung oil reach this country, and it would not be very long until we would be in dire distress because of its lack. So, if you want to play Russia's game, just go ahead and have a lot of fun with this bill and try to kill this provision. This measure means a lot more to the United States than the top cost of $3,000,000 involved. I know whereof I speak, because some of these very important defense items I have mentioned are manufactured in Ohio, and I have been told by those who should know, and who do know something about the subject, that without tung oil and without a domestic source of supply—not a great supply, not enough to take care of all the needs of our paint manufacturers, no—but a domestic supply that will take care of our most important military needs in time of war, we might not be able to use the atomic bomb, and we might not be able to use much of the other electronic and electrical equipment so necessary in modern mechanized warfare.

So, I say to you, this bill is of the utmost importance. Let us lay aside everything else and think only of what is good for our country. I want to see the tung oil producers of these particular little strips or areas down along the Gulf coast treated fairly. Yes, that is important; for we want to be fair to every section of the country in all legislation; but far more important, if you please, is to protect our own lives, our own country, and our own future. We cannot afford to joke about this legislative matter and we cannot afford to play the "commie line" and vote against a bill such as this, because the small amount it may possibly cost is the best investment, in my opinion, and one of the most important investments we can possibly make. I have stood on this floor and fought for economy and voted against excessive appropriations, I have even fought against many Government supports. But, there are times when we have to spend a few dollars to protect the safety and the security of our people, and the future of this country, and this is one of those times.

Now, may I say a word or two about the rest of this bill. I come from a heavy agricultural area, as well as from a manufacturing section. I have been interested in agriculture. I have a farm or so of my own, and I know one thing, as every farmer in this House, and every authority on agriculture will tell you, that unless we have bees to pollinate our grasses, our clovers, and our alfalfas, that we are not going to have good alfalfa or good clover crops. When you do not have crops of that sort, good cover crops, in this country, then we will have terrific losses, of course, from eroded and washed-away land, as well as from the deterioration of land, and we will not produce the good grain and other crops that we need.

Mr. DONDERO. How about fruit?

Mr. BROWN of Ohio. And bees are very necessary to pollinate your fruits. I am not from the fruit country, but the gentleman from Michigan is absolutely right.

One of the best things we can do, as modern farmers are just beginning to learn, is what our forefathers did. Each had a stand or two of bees on the home farm in olden days, as the gentleman from Ohio well knows. The old-timers always had a few stands of bees around the homestead, for they were doing a good job pollinating the fruits, the grasses, and the clovers on their

farms, and they had good crops. Then, when the bees died out suddenly our crops began to deteriorate. The Committee on Agriculture of this House is to be congratulated on their wisdom and foresight in bringing out this legislation. This is one piece of legislation of the utmost importance to both agriculture and industry, as well as to our national defense. So, this is a good bill, and I hope it will pass without any difficulty.

Mr. McSWEENEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. McSWEENEY. In our neighboring city of Medinah, the A. I. Root Co. is very much interested in this problem. Because of the enormous number of bees in this country they do a tremendous business merely making beekeeper supplies.

Mr. BROWN of Ohio. Yes. But, I think above all else, as far as the honey program in this bill is concerned, is the benefits that the establishment of more and more bee stands and bees all over the country, and the keeping of more bees on farms, will bring to agriculture as a whole. We had better spend just a little money on this particular phase, and not quite so much on conserving the soil and trying to get alfalfa and clover to grow on barren land. If you want these crops to grow you have to pollinate them. So in my opinion, this is a good investment. I hope this rule will be adopted, and that the bill will be passed without a single dissenting vote or amendment.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Michigan.

Mr. CRAWFORD. First, may I say that with the exception of certain language I am going to point to in the bill, I think it is excellent, and I am certainly in favor of it. However, in lines 12 and 13 on page 2 appear the words "planted prior to the date of the enactment of this act." In my opinion, that language confers proprietary rights on those who planted prior to the date of the enactment of this Act.

Mr. BROWN of Ohio. That might possibly be so, but this is the reason, as I understand it and as it was explained before the Committee on Rules, for that particular language in the bill. We found in World War II that we did have, as a result of the expansion of production, just about sufficient acreage in tung nut trees in the southland to furnish our most important defense needs. The feeling in the Committee on Agriculture, as has been explained, was that the committee did not want to establish a program which would encourage other people, perhaps a great many people, to go into the production of tung nuts so that this program might grow into a costly thing; but that instead, they would guarantee that there would be a maintenance of the present orchards, so as to guarantee a supply in case of war.

I yield to the gentleman from Georgia [Mr. PACE], a member of the Committee on Agriculture, to explain the matter further.

Mr. PACE. May I add to what the distinguished gentleman has said, and in response to the question of the gentleman from Michigan, that it is the general policy of the committee and the Congress in providing support prices on commodities of this kind to have marketing quotas. Of course, in the marketing quota law on cotton, corn, wheat, and the other commodities, the acreage allotment is to the present producers, so to that extent the same criticism the gentleman makes here could be directed to any marketing quota law. The committee found it was not possible with a tree crop to have a limitation through acreage allotments.

Mr. BROWN of Ohio. A tree crop means long-range production.

Mr. PACE. You could not make them go cut a tree down. Therefore, to bring the production within reasonable limitations of supply, the committee adopted this measure as the only method we knew comparable with marketing quotas.

Mr. BROWN of Ohio. I hope that answers the gentleman's question as to the reason why this language was included.

Mr. CRAWFORD. If I may say so, it does not, because I do not join that philosophy at all. Such a policy runs contrary to every principle of freedom of enterprise in the country.

Mr. BROWN of Ohio. The gentleman and I are in general accord on the worth of the free-enterprise system. This legislation does not prevent the gentleman from Michigan or anybody else from planting all the tung trees he wants, and producing all the tung nuts and tung oil he wants. It simply says that the support price that will be maintained applies only to those orchards and those trees that are now in production. It is exactly the same proposition as we have in many other agricultural bills.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HAYS of Ohio. It may allow anyone to go into the business, but it certainly discriminates against them. The committee report says that the present bill does not provide price support except for the acreage of trees that have already been planted. It sets up a monopoly.

Mr. BROWN of Ohio. I just explained that. I am terribly sorry that I am not sufficiently brilliant of mind to put it in words that the gentleman could understand.

Mr. HAYS of Ohio. The gentleman understands, but it establishes a monopoly just the same.

Mr. BROWN of Ohio. The thought is that if you leave the matter wide open then everybody who wants to plant tung trees could go ahead and put them in. You do not even have that provision in the agricultural bills which the gentleman has supported by his votes.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. PACE. This is identical to what would happen next year on wheat.

Mr. BROWN of Ohio. That is right, and also with respect to cotton.

Mr. PACE. They are making acreage allotments to wheat growers and giving those allotments to people who are now growing wheat.

Mr. BROWN of Ohio. That is right. The allotment is based on the wheat that they have grown in the past.

Mr. PACE. Yet, anybody can grow as much wheat next year as they want to, but they do not get any price support.

Mr. BROWN of Ohio. That is the only difference.

Mr. PACE. It is identical with reference to these tung trees.

Mr. BROWN of Ohio. This is to maintain sufficient production to meet the needs of the United States in time of war. That is all there is to it.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield further?

Mr. BROWN of Ohio. I yield.

Mr. HAYS of Ohio. There is a difference here because the arguments of the proponents of this bill are that this is vitally necessary. The gentleman from Mississippi says that we produce only a small fraction of what this country needs and that the supply can be shut off at any moment.

Mr. BROWN of Ohio. No, no; the gentleman again did not follow me.

Mr. HAYS of Ohio. Yes, I follow the gentleman.

Mr. BROWN of Ohio. I guess I am so weak in the use of the English language that I cannot make it clear to the gentleman. But I will try to speak so the gentleman can understand. This will only guarantee the production of that tung oil which is needed in time of war and not that which anybody may want to use in making paint to paint a barn out in your district or mine. It is only to meet the military needs of this country in time of war for use by our National Defense Establishment, and not to cover all of our industrial needs. I think that it is wise. The committee has acted well in trying to hold down the cost and yet protect this country in its requirements for the Military Establishment.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CRAWFORD. Referring to the committee report at the bottom of page 4, item (3), it says:

> Following the conclusion of the war, supplies from China have been imported in greatly increased quantities, and the price of tung oil on the open market in the United States has dropped to a point where domestic producers are facing disaster.

Mr. BROWN of Ohio. That is right.

Mr. CRAWFORD. Is not the way to meet that to put an import quota on tung oil and a tariff?

Mr. BROWN of Ohio. I agree with the gentleman fully. He and I have the same ideas. But we do not have that situation. The only thing we can do is to move in the most practical and quickest way to protect this tung-oil industry and crop for the benefit of the national defense, and not to leave ourselves open to the mercy of the Communist forces from Moscow who can on tomorrow, if they want to, say, "No more tung oil for the United States," and cut off our supplies of it like one would turn off a faucet. I do not want that. I do not want to be beholden to Moscow for any of our national defense needs. That is the reason

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I voted for the stock piling of strategic materials and everything else which is necessary for national defense. I hope this resolution will be adopted, Mr. Speaker.

Mr. COLMER. Mr. Speaker, I yield 7 minutes to the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Speaker, I know the Members are anxious to dispose of this legislation, and it will not be my purpose to take a great deal of time.

Neither one of these bills was introduced by myself. I want to explain if I may, briefly, the reason these two commodities, with perhaps no association otherwise, are here. They are here because of the fact we have a number of bills dealing with these two subjects. It is the thought of the committee that rather than bring each one here by itself, it would be perfectly proper to bring them before the committee and have them disposed of together.

It is true this is very important legislation. If there is any disposition on the part of anybody to laugh this legislation out of existence, it would be most unfortunate, because of the importance of the legislation to the economy of the country. As the gentleman from Ohio and the gentleman from Mississippi said, this legislation is important to our national defense. I trust the legislation will be considered entirely on its merits.

Considerable has been said about the tung-nut provision in this bill. There are many facetious things that might be said about it, but as I said before, I think it is important, and I hope that there is no attempt to amend this bill to make it inoperative. I am for both provisions of the bill because I sat in the hearings and heard the evidence. I am as fully convinced as the gentleman from Mississippi [Mr. COLMER] and the gentleman from Ohio [Mr. BROWN], who have preceded me, that it is good legislation.

With reference to the honey-bee portion of this legislation, naturally every one of you have honey bees in his district. This bill is for the benefit of the little farmers. It is for the little man, without political influence and who cannot furnish lobbies to come here to Washington. Therefore, I am glad that there were Members of Congress who took the responsibility of representing this group. Regardless of the size and the amount they contribute to our economy, you cannot very well get along without either one of them.

Very shortly now we will come face to face with what we are going to do about our fruit trees and our vegetables. The evidence was clear before the committee that there is a tendency now to go out of the bee business entirely. It has been shown that in those areas where there are not sufficient bees, the production of certain crops is going down and down. During the war the same thing maintained in the honey business as maintained in the oil business. There was an upsurge in production and there was a great deal of honey produced. When the war was over and sugar was available honey became a drug on the market. These people want to stay in the business. They not only produce honey but they furnish the bees to pollinate the crops, and are entitled to the protection that we propose to give them under the provision of this bill. These are little items. You can talk about cotton and wheat and all those big crops which have political pressure groups behind them, but here is something that is just as fundamental and just as important, done by people who have no political influence.

Now, what has happened throughout the country to make assistance to the honeybee producers necessary? In the last 2 years we have developed insecticides. Unfortunately, in killing the insects and pests, we have also killed the honeybees. Something must be done for the producers of honey. I grant that this is not the entire answer to it. I hope the measure under discussion will assist in stimulating the production of bees. I could go to some length in talking about the necessity for this industry.

The gentleman from California [Mr. WHITE] and the gentleman from Louisiana [Mr. MORRISON], who sponsored these bills and furnished the evidence before the committee that convinced us that they had a good case, will explain the bill. I hope the membership will not only adopt this rule but will pass this bill unanimously, because I am sure that it is not only in the interest of future security but that it is also in the interest right now of agriculture in every State of the Union.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. WIER. Being a member of the Committee on Agriculture, I ask the gentleman this question: In connection with the planting and maintenance of these tung orchards in the four States bordering the Gulf of Mexico, did the gentleman have any information as to the ownership of the tung orchards, as to whether they were in the hands of individual growers or organized groups who would be helped by this legislation?

Mr. GRANGER. I may say to the gentleman from Minnesota that some are in the hands of small groups and others in the hands of large groups; but there is nothing we can do about it. All of our agriculture, for that matter, is in the hands of groups, some large, some small. There is no way I know of that we can discriminate against persons because they are either large or small operators.

Mr. Speaker, I urge the adoption of the rule and the adoption of the bill.

The SPEAKER. The time of the gentleman from Utah has expired.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The question was taken and the Chair announced that the ayes appeared to have it.

Mr. HAYS of Ohio. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Ninety Members are present. The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

Mr. COLMER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. COLMER. Is this a quorum call?

The SPEAKER pro tempore. This is an automatic vote on the resolution.

Mr. BROWN of Ohio. If the Chair will permit, this is an automatic roll call on the adoption of the rule.

The SPEAKER pro tempore. The gentleman from Ohio is correct.

The question was taken; and there were—yeas 335, nays 21, not voting 76, as follows:

[Roll No. 152]

YEAS—335

Abernethy	Crook	Heffernan
Addonizio	Crosser	Heller
Albert	Cunningham	Herlong
Allen, Calif.	Curtis	Herter
Allen, Ill.	Dague	Heselton
Allen, La.	Davenport	Hill
Andersen, H. Carl	Davies, N. Y.	Hobbs
Anderson, Calif.	Davis, Ga.	Hoeven
Andresen, August H.	Davis, Tenn.	Holmes
Andrews	Davis, Wis.	Horan
Angell	Dawson	Howell
Arends	Deane	Irving
Aspinall	DeGraffenried	Jackson, Calif.
Auchincloss	Delaney	Jackson, Wash.
Barden	Denton	Jacobs
Barrett, Pa.	D'Ewart	James
Barrett, Wyo.	Dollinger	Javits
Battle	Dolliver	Jenison
Beall	Dondero	Jenkins
Beckworth	Donohue	Jennings
Bennett, Fla.	Doughton	Jensen
Bennett, Mich.	Douglas	Johnson
Bentsen	Doyle	Jonas
Biemiller	Durham	Jones, Ala.
Bishop	Eberharter	Jones, Mo.
Blatnik	Elliott	Jones, N. C.
Boggs, Del.	Ellsworth	Judd
Boggs, La.	Engel, Mich.	Karst
Bolling	Engle, Calif.	Karsten
Bolton, Md.	Evins	Kearney
Bosone	Fallon	Keating
Boykin	Feighan	Keefe
Bramblett	Fenton	Kelley
Breen	Fernandez	Kennedy
Brehm	Fisher	Keogh
Brooks	Flood	Kerr
Brown, Ga.	Forand	Kilburn
Brown, Ohio	Ford	Kilday
Bryson	Furcolo	King
Buchanan	Gamble	Kirwan
Buckley, Ill.	Garmatz	Klein
Burdick	Gary	Kruse
Burke	Gathings	Lane
Burleson	Gavin	Lanham
Burnside	Gillette	Latham
Burton	Golden	LeCompte
Byrne, N. Y.	Goodwin	Lemke
Byrnes, Wis.	Gordon	Lesinski
Camp	Gorski, Ill.	Lichtenwalter
Canfield	Gorski, N. Y.	Lind
Cannon	Gossett	Linehan
Carlyle	Graham	Lodge
Carnahan	Granahan	Lovre
Carroll	Granger	Lucas
Case, N. J.	Grant	Lyle
Case, S. Dak.	Green	Lynch
Celler	Gregory	McConnell
Chelf	Gross	McCormack
Chesney	Gwinn	McCulloch
Chiperfield	Hagen	McDonough
Church	Hale	McGuire
Clemente	Hall, Edwin Arthur	McMillan, S. C.
Cole, Kans.	Hall, Leonard W.	McMillen, Ill.
Cole, N. Y.	Halleck	McSweeney
Colmer	Harden	Mack, Ill.
Combs	Hare	Mack, Wash.
Cooley	Harris	Macy
Cooper	Hart	Madden
Cotton	Harvey	Magee
Cox	Havenner	Mahon
Crawford	Hébert	Mansfield
		Marcantonio
		Marsalis

Marshall	Pickett	Sullivan
Martin, Iowa	Poage	Sutton
Martin, Mass.	Polk	Tackett
Merrow	Poulson	Talle
Michener	Preston	Teague
Miles	Price	Thomas, Tex.
Miller, Calif.	Priest	Thompson
Miller, Md.	Rabaut	Thornberry
Miller, Nebr.	Rankin	Tollefson
Mills	Redden	Trimble
Mitchell	Reed, Ill.	Underwood
Monroney	Reed, N. Y.	Van Zandt
Morgan	Rees	Velde
Morris	Regan	Vorys
Morrison	Rhodes	Vursell
Moulder	Rich	Wadsworth
Multer	Riehlman	Walter
Murdock	Rivers	Weichel
Murphy	Rodino	Welch, Mo.
Murray, Tenn.	Rogers, Fla.	Werdel
Murray, Wis.	Rogers, Mass.	Wheeler
Nelson	Rooney	White, Calif.
Nicholson	Roosevelt	White, Idaho
Nixon	Sadlak	Whittington
Noland	Sadowski	Wickersham
Norblad	St. George	Wier
Norrell	Sanborn	Wigglesworth
Norton	Sasscer	Williams
O'Brien, Ill.	Scrivner	Willis
O'Konski	Scudder	Wilson, Ind.
O'Neill	Secrest	Wilson, Okla.
O'Sullivan	Simpson, Ill.	Wilson, Tex.
O'Toole	Simpson, Pa.	Winstead
Pace	Sims	Withrow
Patten	Smathers	Wolcott
Perkins	Smith, Kans.	Wolverton
Peterson	Smith, Wis.	Wood
Philbin	Spence	Woodruff
Phillips, Calif.	Stefan	Worley
Phillips, Tenn.	Stockman	Zablocki

NAYS—21

Bates, Mass.	Holifield	Ribicoff
Christopher	Huber	Scott, Hardie
Corbett	Kean	Shafer
Fulton	Kearns	Tauriello
Hand	Kunkel	Wagner
Hays, Ohio	McCarthy	Yates
Hoffman, Mich.	Ramsay	Young

NOT VOTING—76

Abbitt	Hedrick	Quinn
Bailey	Hinshaw	Rains
Baring	Hoffman, Ill.	Richards
Bates, Ky.	Hope	Sabath
Blackney	Hull	Scott,
Bland	Kee	Hugh D., Jr.
Bolton, Ohio	Larcade	Sheppard
Bonner	LeFevre	Short
Buckley, N. Y.	McGrath	Sikes
Bulwinkle	McGregor	Smith, Ohio
Cavalcante	McKinnon	Smith, Va.
Chatham	Mason	Staggers
Chudoff	Meyer	Stanley
Clevenger	Morton	Steed
Coudert	O'Brien, Mich.	Stigler
Dingell	O'Hara, Ill.	Taber
Eaton	O'Hara, Minn.	Taylor
Elston	Passman	Thomas, N. J.
Fellows	Patman	Towe
Fogarty	Patterson	Vinson
Frazier	Pfeifer,	Walsh
Fugate	Joseph L.	Welch, Calif.
Gilmer	Pfeiffer,	Whitaker
Gore	William L.	Whitten
Hardy	Plumley	Woodhouse
Harrison	Potter	
Hays, Ark.	Powell	

So the resolution was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Whitten with Mr. Towe.
Mr. O'Brien of Michigan with Mr. Hugh D. Scott, Jr.
Mr. Larcade with Mr. Coudert.
Mr. Staggers with Mr. Eaton.
Mr. Vinson with Mr. Hope.
Mr. Chudoff with Mr. Taber.
Mr. Fogarty with Mr. Taylor.
Mr. Gore with Mr. Smith of Ohio.
Mr. Gilmer with Mr. Short.
Mr. Richards with Mr. Blackney.
Mr. Sikes with Mr. McGregor.
Mr. Rains with Mr. Mason.
Mr. Stanley with Mr. Patterson.
Mr. McGrath with Mr. Potter.
Mr. Hays of Arkansas with Mr. Elston.
Mr. Cavalcante with Mr. LeFevre.
Mr. Bonner with Mr. Hinshaw.
Mr. Harrison with Mr. O'Hara of Minnesota.
Mr. Abbitt with Mr. Fellows.
Mr. Hardy with Mr. Hoffman of Illinois.
Mr. Dingell with Mr. Welch of California.
Mr. Walsh with Mr. Meyer.
Mr. Patman with Mr. William L. Pfeiffer.
Mr. Passman with Mr. Hull.
Mr. Fugate with Mr. Plumley.
Mr. Whitaker with Mrs. Bolton of Ohio.
Mr. Stigler with Mr. Morton.

Mr. CANFIELD changed his vote from "nay" to "yea."

Mr. TAURIELLO changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

SPECIAL ORDER GRANTED

Mr. HORAN (at the request of Mr. BROWN of Ohio) was given permission to address the House for 20 minutes today, following the legislative business of the day and the other special orders hertofore entered for today.

BIRTHDAY GREETINGS TO EX-PRESIDENT HOOVER

Mr. HERTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 59, which is on the Speaker's desk.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby extends to the Honorable Herbert Hoover, our only living ex-President, its cordial birthday greetings on his seventy-fifth birthday, and expresses its admiration and gratitude for his devoted service to his country and to the world; and that the Congress hereby expresses its hope that he be spared for many more years of useful and honorable service; and be it further

Resolved, That the Secretary of the Senate transmit a copy of this resolution to Mr. Hoover.

The SPEAKER pro tempore (Mr. MONRONEY). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HERTER. Mr. Speaker, I ask unanimous consent to proceed briefly.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized.

Mr. HERTER. Mr. Speaker, I think all Members of the House heard the resolution as it was read by the Clerk.

On August 10 our only living ex-President, Herbert Hoover, will be 75 years of age. For the last 35 years he has devoted himself exclusively to the service of the people of the United States, either in a public or private capacity. I have no intention now of taking the time of the House to rehearse Mr. Hoover's entire career, for I believe it is known to all of us. I do feel, however, that it is only an appropriate resolution to pass at this time, it having already passed the other body. I may add that I introduced a similar resolution in the House today.

During recent years, in spite of his previous many, many years of devoted service, Mr. Hoover has given perhaps more vitality, energy, and ability to the service of the American people than any other great public figure. It seems to me only appropriate that at this time we should pay this tribute to a great American who certainly deserves it from all of us.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. I wish to join my good friend and colleague, the gentleman from Massachusetts [Mr. HERTER] in paying tribute to a great American. It has been my privilege to know Mr. Hoover intimately for more than a quarter of a century, and during all that period I knew the high motives and ambitions which prompted his great public service.

As Speaker of the last Congress it became necessary for me to designate several people to serve on what afterward came to be known as the Hoover Commission. I mention this to show how generous he was of his time and his ability where he could aid his country. I believed he could do a tremendous, worth-while service because of his wide knowledge of the Government. Mr. Hoover at the time was trout fishing in Idaho. He left the fishing and came to the telephone. I told Mr. Hoover that we had a great service, and I believed he alone could do it and arouse the attention of the country. Without an instant's hesitation he said, "If I can be of service to my country I want to do it."

That is the spirit of Mr. Hoover. In the twilight of his life, with no expectation of future reward, he was willing to undertake a laborious task which might rescue the country from serious financial difficulties. The country is fortunate in having such a splendid citizen as Mr. Hoover, and I am indeed happy to express my felicitations and best wishes on his seventy-fifth birthday anniversary.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, it is a pleasure for me, not only in showing the unanimity of opinion of the membership of the House on both sides of the aisle, but to express my personal views and to join with the distinguished gentleman from Massachusetts [Mr. HERTER], who has offered the resolution, and my distinguished friend from Massachusetts [Mr. MARTIN], minority leader, in congratulating former President Herbert Hoover and to extend our sincere wishes that God will bless him with many years of future life and happiness and of future service to our country.

If there is one office in our country that everyone with a rational mind respects, and fortunately most Americans possess a rational mind, it is the office of the President of the United States. No matter how much we might disagree with the judgment of the occupant of the office

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of President, we all thoroughly respect him. When former President Hoover occupied that office he rendered an effective service to our country in accordance with his policies. Many of us disagreed with him at the time, as we had a perfect right to disagree with his judgment; but I remember in my service here at that time that all Democrats respected him personally and respected him as the Chief Executive of our country.

He is the only living former President of the United States, and without regard to politics each and every one of us as individuals and as Americans can take pride in the fact he is with us and the fact he is continuing to render outstanding public service. We all join by unanimously passing this resolution in conveying to former President Hoover a message I know he will always value. He is a great American, he is a great man, and we Democrats join with our Republican colleagues in this public manifestation of congratulations and respect to former President Hoover in the passage of the pending resolution.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I wish to take a moment or so to join with the gentleman from Massachusetts [Mr. HERTER], who, by the way, served with Mr. Hoover during the days immediately following the First World War in taking relief to the hungry and distressed peoples of Europe; in supporting this resolution. I had the pleasure and the high privilege of nominating Mr. Hoover as chairman of the Hoover Commission, and of serving with him for 2 years on that commission. At the time the commission concluded its labors I attempted, in the House, in my feeble way, to pay tribute to this great American. I want to commend the gentleman from Massachusetts [Mr. HERTER], who has called up this resolution, our minority leader [Mr. MARTIN], who appointed Mr. Hoover to the Commission on the Organization of the Executive Branch of the Government, and who has been Mr. Hoover's lifelong friend, and especially do I want to commend the gracious and the generous words of our distinguished majority leader [Mr. MCCORMACK].

I know of no tribute or action that could be taken which would be more pleasing to Mr. Hoover than this deserved recognition by the Congress of the United States through the adoption of this resolution in appreciation of the great contributions he has made to his beloved country and to all humanity.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota.

There was no objection.

Mr. VORYS. Mr. Speaker, I recently was asked to give a list of the five greatest living Americans. I wrote down the name of Herbert Hoover, and then stopped. There were no other names I could add to a list he headed. He stands in a class by himself. I want to join in the tributes by my colleagues to this great and good man. God bless him.

Mr. McDONOUGH. Mr. Speaker, I am happy to join with the gentleman from Massachusetts [Mr. HERTER] in paying the proper respect and honor due to the Honorable Herbert Hoover on his birthday anniversary.

One of my very dear and most highly respected friends, Mr. Joseph Scott of Los Angeles nominated Mr. Hoover for President of the United States in 1928. He recently wrote me stating that it has taken the people of this Nation a long time to fully appreciate the greatness of Mr. Hoover who has always given his services freely and willingly to the United States and the world to bring about more orderly and efficient government and for the welfare and comfort of the people all over the world.

Mr. Hoover is a great statesman and has given us the benefit of his rare judgment and talents in reorganizing the Government through the Hoover Commission. He has shown his great unselfishness in directing the relief to the stricken nations of the world following World War I and II. We owe him much and it is fitting and proper that we render to him the honor due him on this occasion.

Mr. JENKINS. Mr. Speaker, there is little doubt that a great majority of the American people will agree with me when I say that former President Herbert Hoover is the greatest living American. I say this because those who in the past criticized him most severely never at any time challenged his integrity, his honor, or his Americanism. Further I say that Mr. Hoover is the greatest living American from the standpoint of knowledge of the Government and its complex and far-reaching activities. I feel safe in making this statement because Mr. Hoover is a man of great intellect and great natural ability. In addition to these fine natural qualities, he has devoted his time and energy to acquiring knowledge of the Government.

Mr. Roosevelt and Mr. Truman repeatedly paid him a great compliment by calling him to give Government service because they must have appreciated that he was the best qualified man in America to do the things they requested him to do.

Mr. Hoover has my most profound respect and I sincerely hope that he may be spared to live with us in America for many years to come.

Mr. MICHENER. Mr. Speaker, it is a privilege to join with my colleagues in congratulating former President Herbert Hoover on his seventy-fifth birthday. When Mr. Hoover entered the President's Cabinet as Secretary of Commerce, I was a Member of Congress. In those days he was affectionately known by his friends in the Department and in Government as the chief.

To know Herbert Hoover is to love and respect him. He is truly a great man. This country never had a more progressive or a better Secretary of Commerce. As President, he was efficient, fearless, and independent. His service came at an unfortunate time. I think it has been truly said that he has always been more of a statesman than a politician. History will so record him. I was here during his term as President and well remember when the economic wave struck our country. This was not President Hoover's fault, and today the country recognizes that fact.

It is most interesting to hear the distinguished majority leader's [Mr. MCCORMACK] appraisal of Mr. Hoover, and I am sure Mr. MCCORMACK's tribute is accurate and will mean much to Mr. Hoover. The entire country, regardless of political affiliations, is today paying tribute to this great man. It is well to scatter the flowers before the funeral and, as one humble Member of the House who served in Government with Mr. Hoover when he was Secretary of Commerce and when he was President, and knew him well, I am honored to be permitted to pay my tribute and to wish for him many more years of health, happiness, and usefulness.

Mr. WIGGLESWORTH. Mr. Speaker, it has been my privilege and good fortune to know former President Hoover ever since 1922 when I was serving in the Office of the Secretary of the Treasury.

I knew him as Secretary of Commerce. I knew him and saw him frequently as a member of the World War Foreign Debt Commission. I served in Congress 4 years while he was President of the United States.

I have known him over the intervening years and have seen the great contribution which he has made to humanity in America and in the world.

His outstanding record of public service is known to us all.

I am happy on this occasion to join in extending to this great American, on his seventy-fifth birthday, heartiest congratulations and all best wishes for every possible happiness in the years to come.

Mr. MCSWEENEY. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Ohio.

Mr. MCSWEENEY. Mr. Speaker, to what was said by the distinguished gentleman from Massachusetts I would like to add my commendation. I would like to say that Mrs. Hoover was a native of my home town of Wooster, Ohio. She came to us and gave us many inspirational helps in the past. She was interested in our college and our city. In President Hoover and Mrs. Hoover we had a personal interest and knew them not as public officials only, but we knew them as genial, kindly friends. I would like, therefore, just to add my humble tribute.

Mr. MARTIN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Iowa.

Mr. MARTIN of Iowa. Mr. Speaker, I want to join in this great tribute to a great American, Herbert Hoover. I commend the gentleman from Massachusetts

[Mr. HERTER] for bringing in this resolution and bringing the matter to the attention of the House at this time. I had the honor and the privilege of attending Mr. Hoover's seventy-fourth birthday celebration 1 year ago at his birthplace, West Branch, Iowa in my district, when 10,000 Iowans gathered together to help him celebrate the event. We heard him make a very inspiring talk on Americanism that impressed us tremendously. We were indeed happy and honored by the privilege of attending his seventy-fourth birthday anniversary celebration and to welcome him back to his birthplace. I join with the others in extending to former President Hoover on his seventy-fifth birthday the best wishes of the Iowa delegation in the House of Representatives for many more happy returns of the day.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from California.

Mr. PHILLIPS of California. Mr. Speaker, those of us who come from the west coast take particular pride and pleasure in supporting this resolution of affection and respect for our former President, Herbert Hoover.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. CROSSER asked and was given permission to extend his remarks in the RECORD on H. R. 1758.

PARITY ON TUNG NUTS AND HONEY

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 29) to amend the Agricultural Adjustment Act of 1939, as amended, to provide parity for tung nuts, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 29, with Mr. MCSWEENEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, during the war this country was practically cut off from its supply of tung oil from China, and as a result it was necessary to greatly expand tung nut production in this country.

Tung nuts are the source of tung oil, an almost indispensable ingredient of many important industrial products, such as paint, electrical insulation, and so forth. Tung oil is a strategic and critical war material and was designated as such in the President's list of critical war materials. Tung oil was so vital to our economy during the war that our Government found it necessary to require that the total domestic production be acquired by the Government and channeled into war uses.

In addition to further assure maximum production of tung nuts, an agricultural program was established under which farmers were paid a payment of $5 per acre for each acre in bearing tung nut trees.

In 1945 the Government put into effect a tung oil purchase program which reflected approximately 37 cents per pound for the oil. A tung oil price program was also put into effect in 1947. No price-support program has been in effect since that date.

As a result of the expansion of tung orchards during the war, there are at present about 275,000 acres in tung trees and production of tung oil has increased from 2,290,000 pounds in 1932, to 16,749,000 pounds in 1948. This production is still far below the amount required for domestic consumption.

During the war our imports fell to 68,000 pounds. Since the close of the war, however, imports of tung oil have increased so rapidly that the domestic price has been driven down to a point where producers will be forced to abandon the tung orchards unless they are given some form of price support. Imports increased from 68,000 pounds in 1943 to 133,282,000 pounds in 1948, and the price has declined from approximately 39 cents per pound to about 21 cents per pound.

The bill is designed to provide price support only for the acreage of trees which has already been planted. It is not the intent of the committee to encourage an expansion of production above present levels. The committee does feel, however, that tung nut producers who responded with increased production during the war should not now be put out of business merely because supplies are again available from China. Moreover, and of even greater significance, this bill will assure the production of a small but essential supply of a critical war material and serve as a safeguard to our economy in the event our supplies from China are again cut off. With China rapidly falling under Communist domination and control, it is more essential than ever before that this country not be placed in a position where it is entirely dependent upon supplies from China.

To summarize some of the reasons why this bill should be enacted, I call your attention to these facts.

Tung oil is a strategic and critical war material.

Tung oil production in the United States has increased approximately 700 percent to provide essential supplies which were no longer available from China.

Following the conclusion of the war, supplies from China have been imported in greatly increased quatities and the price of tung oil has dropped to a point where domestic producers are facing disaster.

Price-support operations have not been in effect since 1947, the year in which greatly increased quantities again became available from China.

Unless given support, the tung-nut industry faces complete collapse, with bankruptcy to the producers and the loss of a safeguard to the Nation provided by a domestic tung oil industry.

Flaxseed are now supported and linseed oil is a competing oil, or is used in connection with tung oil.

There is no duty on tung oil coming in to take the domestic oil market.

I should like to mention the fact that this bill deals not only with tung oil but with honey. Honey is likewise an important commodity, not because of the honey itself but because of the importance of the honeybee in the process of pollination.

More than 50 important crops in the United States depend upon bees and other insects for pollination.

In recent years powerful new insecticides, such as DDT, have made serious inroads on wild bees so that growers of many crops are now dependent on domestic bees for almost the whole pollination job.

Since the war, the price of honey has declined to the point where many beekeepers are now going out of business. The parity price of wholesale extracted honey was 17.6 cents per pound on July 15, 1949. In 1947 the season average price was 22 cents; in 1948 it declined to a season average of 14 cents; and on August 1, 1949, the price was about 9½ to 10 cents.

Producers of many crops are already suffering from lack of bee pollinators and unless there is immediate relief to the honey industry, many more beekeepers will go out of business during the coming winter.

The bill will give the industry price support at 60 to 90 percent of parity, which will be about 10½ to 15½ cents per pound.

Production of honey in the United States was about 206,000,000 pounds in 1948. Honey purchased in price-support operations can readily disposed of through school-lunch programs and elsewhere and it is not anticipated that the Government would have to buy any substantial portion of the crop in order to maintain the price at the support level.

I would like to call attention to the fact that at first it was assumed there would be no opposition to this bill. My recollection is that it was unanimously reported by the Committee on Agriculture, as well as by the Committee on Rules. For some reason some opposition seems to be developing to the bill for the reason that the committee inserted the word "honey" in the bill and sought to provide a support program for honey.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENSEN. I wish to compliment the chairman of the Committee on Agriculture and every member of that committee for including honey in this bill. Certainly there is no commodity in America today which is so important to the welfare and future of America as the honeybee; because without the honeybee, as the gentleman has just stated, we would soon perish as a people for the simple reason that the honeybee pollinates the seed and without pollination there would be no seed to grow. If anyone criticizes the committee for the inclusion of the word "honey" in this bill,

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I hope they will learn something about the value of the honeybee, because the gentleman has just explained that the price of honey has gone down to such an extent that it is becoming unprofitable to keep bees. For that reason our bee population has dwindled to a dangerously low level. I compliment the gentleman for including honey in this bill.

Mr. COOLEY. I thank the gentleman very much. I would like to call attention to the unfortunate situation that after we had assumed there would be no opposition to this bill and that there was more or less universal approval of it, we are now faced with the possibility that a point of order may be made against against the bill because the title was not amended so as to conform with the rules of the House.

But, let it be understood that whoever makes the point of order will be striking honey out of this bill and must take the responsibility for defeating a price support program for honey. Honeybees are just as important in other districts as they are in my district. The committee, after careful consideration, decided to provide a support program for honey so that the beekeepers of this Nation might stay in business. It would be unfortunate, it seems to me, if this program is defeated because of a point of order.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. PHILLIPS of California. Will the gentleman point out that it is not a matter merely of the sale of honey, but the fertilization of the fruit trees and that without the honeybees the fruit crops of the United States would be left without bees if we do not support the honey program.

Mr. COOLEY. I think the gentleman is entirely correct and I think most Members of the House, who have given any consideration to this subject, appreciate the fact that the honeybee is important to the agricultural economy of the Nation. I hope the point of order will not be made.

As evidence of the fact that these dilatory pleas are not meeting with the approval of the House we have but to look at the vote which was taken on the rule, 335 in favor of the adoption of the rule, and only 21 against the rule. It seems to me the House should be permitted to work its will on this legislation and that it should be passed by an overwhelming vote.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, in 1937 I came back from southeastern Europe with what I thought was a new commodity for California—the tung-nut industry—only to discover that while California has a climate which I should be glad to discuss with you at length, if you would like, it is not a climate as satisfactory as that of Louisiana or Florida or some of the other Southern States for the production of tung nuts. I did discover at that time its great value in this country, in industry. It is necessary that a bill of this kind be passed.

The inclusion of honey is just as necessary. Perhaps I might say more so, because it is so very necessary to every area in which fruits and many other agricultural products are produced. Without bees there is no fertilization. Without fertilization, we do not have agricultural fruits and commodities. Unless the owners of the bees can sell honey, they do not keep bees. That is a simple equation.

It is my belief, from the last 2 years' experience, that little money will be needed for a support price for honey. It may be, but I think very little. My observation has been that if there is a support price available, then the middleman, that is, the processors and the distributors of honey, will keep the price up. The sources of supply are rather concentrated. We are thus able to maintain a stable economy, which is necessary in bees and honey for the United States.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to my colleague from California.

Mr. JOHNSON. In 1947, they canned over 53,000,000 cases of fruit in California. If the bee population decreased very materially, it would greatly lower the production of agricultural products. It runs into millions and millions of dollars in our State.

Mr. PHILLIPS of California. I think some of our city friends are not familiar with all the facts about the bees and the birds. We have to have bees in order to give you folks the food you eat in the cities, and not only to supply you with the honey itself.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Michigan.

Mr. DONDERO. I think in addition to the importance of the honeybee, in the pollination of fruits and other crops that mankind needs, the honeybee sets a splendid example for us in its toil and ceaseless industry. They take care of the drones who will not work and dispose of them.

Mr. PHILLIPS of California. It is a good example.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I would like to say that this is important legislation. There is not any question in my mind but what we have about reached the end of the line when it comes to forgetting the American producers. We have reached the place where we must begin to respect and consider farm products and the industries of this country that are in difficulty because of the postwar period. If I should mention a tariff, I know a great many of you would begin to frown and you would begin to make remarks to me that it was bad business. So you open the door and you come in the back way, and here you have before you today a proposition that will protect the tung industry. I for one am in favor of protecting tung nuts. There is no reason in the world, and I say this without fear of contradiction, why we should buy a single pound of tung nuts from Communistic or any other part of China.

That is exactly what you are doing. If I had the time I would like to read the testimony given by a gentleman from the State Department when we asked him if he would protect these small American industries. It would be an eye-opener to every one of you. Of course he would not protect a single one of them. When I reminded him that cotton itself amounted to about 5 percent of all American agricultural products, and would he protect cotton? Of course he would not. He said, "You have your redress. You can take your grievances down to the Tariff Commission."

Then one of the members of the committee said, "When did the Tariff Commission ever offer any opportunity to correct any of the troubles that these agricultural products find themselves in because of the postwar era?"

Let me say another thing, honey finds itself in the same position. Someone mentioned honey in regard to agriculture. You would not, of course, have any plums without bees, but we will get into the fruit a little later. You would not have any alfalfa seed without bees. We have done such a great job of destroying insects—and that is true—that we have lost the assistance of insects in pollinating our plants, and about the only thing we have left are the bees. If you do not believe it look it up in your agricultural yearbook.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HILL. I am happy to yield to the gentleman from Michigan.

Mr. CRAWFORD. Under the 5-minute rule I plan to offer an amendment to strike out the language "planted prior to the date of the enactment of this act." We have this particular situation, that we are dependent upon China for our supply of tung oil, all except 10 percent; here is a bill presumably to protect the consumers and producers of this country. The situation should be reversed; we should be producing 90 percent of our tung oil and importing 10 percent. I hope the membership will go along with this amendment to encourage the growing of tung nuts in the United States.

Mr. HILL. They should be protected up to the limit of our consumption.

Mr. CRAWFORD. We should be independent at least to the extent of 35 percent.

Mr. HILL. The gentleman has anticipated what I was going to say. I myself expect to offer an amendment. I can see a smile on some of the Members' faces when I mention that I am going to offer an amendment, but we might just as well face it now as later, for it certainly will have to be faced, but perhaps the smiles and snickers will fade away when we come to paying the import fees. The truth is that foreign countries are producing more than ever today, they are producing over 100 percent of prewar and we have got to meet that competition

or lose our markets, and that is something I do not want to have happen.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield two additional minutes to the gentleman from Colorado.

Mr. HILL. Mr. Chairman, this amendment has to do with Angora rabbit wool. My amendment will be offered to page 4, line 11, following the words "including mohair" to insert the words "and Angora rabbit wool."

Let me give you the history of this product and show you how important it is to a segment of our population to whom we owe so much, our disabled veterans:

In 1947 a special subcommittee on fur whose chairman was the Honorable REID F. MURRAY, of Wisconsin, supported by the following Members: EDWIN ARTHUR HALL, New York; PAUL B. DAGUE, Pennsylvania; NORRIS COTTON, New Hampshire; WALTER K. GRANGER, Utah; JOHN L. MCMILLAN, South Carolina; THOMAS G. ABERNETHY, Mississippi; and E. L. BARTLETT, Alaska; held hearings on the fur situation from May 19 through 21, 1947. On page 120 of the hearings to page 141, inclusive, the hearings give some very important and enlightening information on the Angora rabbit wool production.

Mr. C. W. Orr, secretary and treasurer of the American Angora Rabbit Breeders Cooperative, Palmer Lake, Colo., gave some very interesting information and a detailed history of the rise and development of the industry. He was followed by Mr. John J. Riggle, National Council of Farmer Cooperatives, Washington, D. C., who also added much information to the statements made by Mr. Orr. Mr. Riggle was followed by Mr. Harold E. Dickison, secretary and legal counsel, Angora Advisory Council, Cleveland, Ohio. Mr. Dickison explained in detail how the Angora rabbit wool was produced, graded, and marketed. In addition to these gentlemen just mentioned, former Congressman J. Edgar Chenoweth and Congressman WESLEY A. D'EWART also appeared in support of legislation on this matter.

A brief history of the Angora rabbit wool production in the United States as reported by the Colorado Cooperative Council, Inc., 632 Cooper Building, Denver, Colo.—I quote:

As far back as 20 and 25 years ago, a sizable number of persons in this country were raising Angora rabbits, chiefly for pets and as a hobby. These people began to pluck or shear the hair or wool and to experiment in the making of yarns, and from these yarns began to make various articles of wearing apparel. These people began to find that in many respects this wool was a superior article, and as its use became more widespread, the breeding and development of larger Angora herds followed suit. This continued, particularly in Colorado, until growers began to be concerned about a system of marketing that would take care of their production and provide for them a price that would cover the cost of production with a margin of profit for their work.

The result was that about 1938 the American Angora Rabbit Breeders Cooperative, Inc., a nonprofit marketing association, was started with headquarters at Palmer Lake, Colo. The organization in its early days had a very small production, but their pioneering efforts demonstrate that by careful study of production, breeding, along with orderly marketing, it was possible to build a profitable industry. Their modest start of 11 members with an initial capital of $22 has grown to a membership of more than 7,000 breeders in every State of the Union and handling a very large percentage of all of the Angora wool produced in the United States.

This producer membership is made up of people in all walks of life who have investments running from a few dollars to several thousand dollars each. Many of them are people who because of age, physical handicap, or other reasons are unable to engage in very active work. This industry affords them an opportunity for a respectable living and in many, many cases prevents them from becoming objects of charity in their communities.

We think this story is typically American, and that the building of this small industry required as much initiative, vision, and effort as has gone into the building of many other American enterprises.

The success of the American Angora Breeders Cooperative led to the establishment of similar marketing organizations in other States, such as Montana, Ohio, and California. All of them enjoyed a measure of success and a contented membership until shortly after the close of the war in 1945. About that time they all began to run into difficulties which have increased until, at the present time, the industry is threatened with extinction.

Perhaps of all the organizations handling this commodity, the Palmer Lake group is better prepared to withstand adversity than any of the others because they have acquired facilities for processing their production and making both yarn and finished cloth. However, if the present trend continues they are not going to be very happy.

It appears that the first troubles the industry ran into stemmed from the effects of the reciprocal-trade agreements negotiated by our Government through the State Department. These agreements resulted in the importation of Angora wool from Canada, Mexico, Netherlands, Denmark, United Kingdom, Belgium, Italy, France, and Japan, at a price which meant ruin to the American producer.

The amount of wool imported each year at the low price for which it sold has a very adverse effect on the domestic price. The import price is very materially below the American cost of production. During the war years, our top grade wool sold as high as $15 per pound and that grade now should sell for around $10, if the American producer is to stay in business. In the matter of protection, it is our understanding that Angora rabbit wool is classified for duty purposes on the same basis as sheep's wool, and the same rate of price support prevails, as does the same rate of import duty.

As a matter of fact, Angora rabbit wool is in no sense comparable to sheep's wool. The price of Angora wool in order to make a reasonable profit must be at the present time $9 per pound, for the standard No. 1 grade. Sheep wool, to make the same ratio of profit, would be around 47 cents per pound. Therefore, the support price of 43 cents per pound is of no value to the Angora rabbit wool grower. The duty of 34 cents to 37 cents per pound is no protection at all. If the price support and duty were on a percentage basis instead of a definite amount per pound, we think we would be in much better shape. We believe Angora wool should have a comparable ratio or percentage with sheep wool.

If Angora rabbit wool were on a comparable percentage ratio, or 90 percent, it would give a support price of $9 instead of 42 cents.

We believe either one or all of three things must be done if this industry is to survive:

1. The imposition of an import tax on foreign wool to place it on a competitive basis with the American product.

2. The reclassification of Angora rabbit wool by the Department of Agriculture separating it entirely from misleading association with sheep's wool, with which it is not in competition.

3. The inclusion of Angora wool in the farm price support program.

This industry which can supply a comfortable income for so many partially disabled veterans, elderly people, widows with families to raise, should not be destroyed for the purpose of providing what we think, at best, is temporary relief to producers in European and Asiatic countries.

I wish to include as part of my remarks correspondence from Mr. Charles W. Orr, secretary-treasurer, American Angora Rabbit Breeders Cooperative, Palmer Lake, Colo.:

AMERICAN ANGORA RABBIT
BREEDERS COOPERATIVE,
Palmer Lake, Colo., July 4, 1949.

Hon. WILLIAM S. HILL, *Congressman,*
Committee on Agriculture,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN HILL: We attended a rabbit show and school held at the Agricultural College in your town of Fort Collins on Saturday. I was asked to be on the program to tell the growers all about the Angora rabbit business. Since the final outcome of any business depends on the market, I devoted my time to telling the growers about the market. They had a good school, some nice rabbits shown, and a good attendance.

We greatly appreciate your splendid support of our bill, H. R. 4549, for a support price on Angora wool. The bill is getting wide publicity in the State because of the low-priced Japanese wool, at $1.65 per pound, and that it is putting Colorado people out of business. At the annual meeting of the Colorado Cooperative Council, representing some 40,000 farmers, a resolution was unanimously passed to support bill H. R. 4549. The Congressmen supporting this bill were named individually and highly praised for their support of small industries. Those attending were told of your support of the bill. People do not like the idea of Colorado industries being forced to close down, and they are strong for those that are trying to prevent this.

We wish to call attention to bill H. R. 5345, the Pace farm bill, which was approved by the House Agricultural Committee on June 28. As we understand this bill, it carries the Brannan plan income-support standards. Substitutes for existing parity formula and authorizes production payments for price supports beginning January 1, 1950, on three classes of commodities.

The three classes of commodities are: (a) Class 1 commodities are corn, cotton, tobacco, wheat, peanuts, hogs, milk, butterfat, and shorn wool, including mohair, required to be supported at 100 percent of the new parity, etc.

We have been classified with wool, mohair, etc. Now, in this bill, H. R. 5345, they are saying shorn wool, including mohair. We would like an amendment to insert angora-rabbit wool. This would mean the support price we are after. It seems to us this amendment could be put in when this bill is brought up for action, or in some other way. We have suggested to Congressman MARSALIS that he should introduce this amendment. We would appreciate your talking the matter over with him as to the best method in which this could be done.

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If we could get three words inserted after the phrase shorn wool, including mohair and Angora rabbit, this would give us what we want. It would not give us immediate price support but it would place us in a position to know exactly where we stand after January 1950. It would stabilize our business. It seems to us this would be easier to pass, since this bill is already out of committee, and since Angora rabbit wool has been considered with sheep wool and mohair in other legislation.

If you have other ideas on how this could be done we would be glad to hear from you.

Sincerely,

CHARLES W. ORR, *Secretary.*

AMERICAN ANGORA RABBIT BREEDERS COOPERATIVE,
Palmer Lake, Colo., July 12, 1949.

Hon. WILLIAM S. HILL, *Member of Congress,*
Committee on Agriculture,
House Office Building,
Washington, D. C.

DEAR MR. HILL: We have received letters sent in to us by members and Angora wool growers saying that you have been giving splendid support to bill H. R. 4549 and that you are making a good fight to get our bill passed. We are writing to thank you and to let you know that we greatly appreciate your efforts to save our industry, which means so much to those people who are no longer able to go out in the world and compete, yet wish to be independent, self-supporting people. We are publishing this record of your efforts in order that others may know of your honest efforts to save American small business.

Sincerely,

CHARLES W. ORR, *Secretary.*

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, parity has become more familiar to the American farmer and to the American public in the last few years than it was some time ago. My conception of parity is cost of production and a reasonable profit guaranteed to the American farmer. I am going to vote for and back any legislation that is offered on the floor of this House which guarantees parity to any branch or to any group of American agriculture. I do not think this is an unfair position to take.

When I was in California last fall as a member of the Committee on Agriculture I observed the necessity for helping the beekeepers and honey raisers of that State just as much as I recognized the necessity of helping that great industry in the State of New York and in other parts of the country where it flourishes. Honey is a necessary food. It is nutriticus, it is something that we depend upon as an assistance to our natural sugar supply and it has already been stated how it helps the various legumes, clover and clover crops, of the country and it has also been demonstrated how it assists the fruit industry of our State and other States.

Mr. Chairman, I want to say one more word about parity. A lot of people come in and demand parity and it is granted until they get to the Northeast dairymen. We in the Northeast are enjoying about 60 percent of parity on the basis of what it is conceived of today. We ought to have $6 per hundredweight for our milk, then we would be arriving at somewhere near parity price or fair cost of production plus a reasonable profit.

I submit that we are in one of the most dangerous and tragic eras in upState New York today where we are suffering from the worst drought in history with a guaranty of about half the day production that we normally enjoy. It is going to be very serious indeed. If we were fortunate enough to enjoy parity—and it is continually being rubbed in on us up there that we are getting a great deal for our milk but actually we are getting about 60 percent of parity—we would be getting $6 a hundredweight for milk. We ought to have it. I hope the time will come when this House will recognize the fact that parity should be applicable not only to honey, tung nuts and rabbits, but also to the dairy farmers of upstate New York.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. MORRISON].

Mr. MORRISON. Mr. Chairman, this bill is one of the most important bills on agriculture that has come before Congress in this session. I urge every Member to vote for its adoption. This bill includes both honey and tung oil, and if this bill is not enacted disaster for the entire Nation will take place since both of the commodities are most important to our Nation as a whole.

First, I will take up tung oil.

TUNG OIL

As a Member of Congress from Louisiana, which is one of the largest producers of tung oil nuts in the United States, I would like to emphatically support this legislation to put a floor under the producer's price for tung oil nuts in order to save this tremendously important industry from disintegration and collapse.

The over-all average price of 19 cents per pound that the tung oil nut producer or farmer received for this season's crop will show a net loss of approximately $11.50 per ton of nuts. It is just a question of time as to how long the producer can last, and, whereas a few are in better financial condition than the vast majority of them, there are some that will have to abandon their tung orchards as a result of the terrific losses which they have already sustained.

When you consider that tung oil is a product that is of tremendous importance to our armament program and our national defense, and was so important during the past World War that the Government during the war purchased all available supplies in the United States for war purposes, it is unthinkable that the orchards should be allowed to die off.

While it is true that we are creating vast stock piles of other materials that are needed in the defense of this country, but which are only partially produced in this country and part of which are imported, I do not see how we can afford to overlook tung oil because if this Government bought the entire output of tung oil, which is approximately 400 train tank cars, and stock pile it, there could be no loss to the Government and the oil can be stored indefinitely. It would certainly be a tremendous asset.

Tung oil production is not like the production of other crops such as potatoes, or similar food crops, in that they can be planted in one season of the year and gathered within the same year and discontinued the next. Rather a tung orchard is similar in many respects to an industrial plant, in that it has to be built over a period of years from a foundation of a small tree which develops to full production in a period of 8 years—each year requiring definite care in the way of fertilization and mechanical cultivating. If a tung oil orchard is allowed to exist without any maintenance it will deteriorate faster than an industrial plant, and, in a few years, will be beyond recovery, and will not even have a scrap value as would an industrial plant.

When you consider that our main source of tung oil is China, and with conditions as they now exist in China, we should be deeply grateful to those pioneers who have put forth their money, energy, and service in developing this industry, which makes us independent of a source of supply outside our boundaries. We would be in a serious situation were we to be totally dependent upon China for all of our tung oil requirements.

Many years ago, when tung oil production was in the experimental stage in various Southern States, the Agriculture Department was most cooperative and encouraged people to buy land, clear land, and go to a tremendous expense in developing these tung orchards. However, since the war the United States Department of Agriculture has evidently lost interest, since they have done little, if anything, to aid one of the most distressed agricultural industries in America from financial ruin.

On the other hand, they have maintained several agricultural stations throughout the tung growing area and are, at this time, encouraging tung oil production.

From a common sense standpoint it is impossible for any group of farmers in any part of America to produce tung oil nuts at the present market price unless this bill is passed and thereby becomes a law. The catastrophe of the tung oil nut producers throughout the Nation will become more critical, and in a few years, instead of having 400 tank carloads of vital and necessary tung oil, we may find ourselves with none, and if present conditions in China continue we might not be able to import a single gallon of tung oil.

It is inconceivable that this great Nation of ours should let this vital agricultural industry disintegrate, and I feel sure that you Members of Congress will pass this legislation.

This bill also provides for a support price on honey.

HONEY

Mr. Chairman, in the great Midwestern States where the bulk of the honey has been produced in the past, conditions were such that crops ranged from zero to a few pounds. Beekeepers were discouraged and many had to find employment in other industries to provide a living for their families. During the fall very few provided winter protection

for their bees and as a result, with extreme winter conditions, the losses have been from 50 to 100 percent. It is in this large area where so much of our legume seeds are produced and without a normal supply of bees, legume seed for 1949 will be far less than in past years. Many fine orchards will have no bees available for pollination, as well as other important agricultural crops which depend on the honeybee.

The southern bee and queen producers have been seriously affected as a result of widespread bankruptcy which the North has suffered. The natural consequence has been serious price cutting, which is now far below cost of production. This will result in many southern producers going bankrupt this year, leaving another segment of our beekeeping industry wrecked. Only 10 percent of normal orders have been booked for spring delivery, which clearly indicates the lack of interest in stocking empty equipment in the North.

During the war, beekeepers obtained high priorities on scarce materials to assure the production of beeswax, honey, and to assure ample bees for pollination. Food and fiber are necessary in peace as well as in war and since preparedness is essential to national security, beekeeping should be recognized as an integral part of agricultural programs. The honeybee today is responsible for 80 percent of the pollination of agricultural crops and the drastic reduction in colonies will certainly have a serious effect on the farm crops. Our soil-conservation service is constantly at work to provide honeybees for the production of legume seeds which are scarce and expensive.

In south Louisiana, clover seed producers realize the need of bees in their fields and report large increases in seed yields when bees are available for pollination. Cattlemen also want bees for pasture improvement, as bees increase seed set and assure better stands of clover for early grazing. Truck farmers now appreciate the value of bees in the pollination of their diversified crops. Beeswax is used to coat engines for overseas shipment, coating shells, electric insulation, dental work, cosmetics, polishes, and many other uses.

The honeybees remove nothing from soils and much of our fine honey is produced from weeds and all honey would be lost if it were not for the honeybee. The beekeeping industry provides a large market for sugar, screen wire, nails, lumber, paint, labor, and last but not least, the beekeepers pay their shares of taxes. The large number of trucks, cars, and homes alone represents a large investment and a contribution to economic progress. It is the millions of dollars in increased crop yields which needs to be emphasized and this industry merits price support in order to survive and expand to take care of the ever growing need for the honeybee.

Unless Congress takes appropriate steps to remedy the present situation, the beekeeping industry will fall and with it will fall many agricultural crops. Subsidizing seed production without recognizing the role of the honeybee in increasing the yields is a waste of Government funds.

The beekeeping industry finds itself competing against subsidized sweets and under such conditions there is no chance for survival. Honey is a byproduct of the honeybee and nature provided the bee with the instinct to visit flowers to pollinate them so man could produce food. God gave us the honeybee for a specific purpose and gave some men the power to work with the bees so others might obtain the benefits. Today, man in his desire to make progress is unconsciously destroying the bees and will eventually suffer unless the honeybee is preserved and worked for the benefit of humanity.

It is now up to the Congress to decide if the beekeeping industry is to continue to function and become a profitable industry and only price support will revive interest in keeping bees.

I, therefore, urge the adoption of this bill.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, I rise in support of this bill. The tung-oil industry in our country is growing and there is room for great development. Tung oil is an important ingredient in our industrial enterprise, and I think it is the duty of the Nation to encourage the industry and thereby develop an important farm industry and at the same time make our country as nearly self-sustaining as possible with reference to that important ingredient.

Louisiana has been pioneering in the tung industry. The congressional district which I have the honor to represent has been experimenting with tung trees for a good many years. We have found that the tree grows splendidly and produces a very fine crop of nuts. We have had the unfortunate experience, however, of setting out a variety of trees that did not appear to be able to stand very much cold. The climate in my section is rather mild, but a great many of the trees, I am informed, were killed in the past year or so because of an unusual cold spell and this fact is going to necessitate our securing a variety of tung tree that is a little more hardy in this respect. But it seems to me that it is foolish for us not to develop this industry when we need the tung oil so badly and when we are now almost entirely dependent upon China for this product and China is in the hands of the Communists, for the most part. Wisdom and prudence, therefore, dictate encouragement of this industry upon the part of the Federal Government, and the best way I know to encourage that is to pass this bill.

I want to add here that the bill does not go as far as I would like to go. It covers only the trees that are already planted. I would like to see that provision stricken out of the bill. But that does not warrant one in opposing the bill simply because it does not go as far as we would like for it to go.

Now, a further word as to the question of the other element in this bill—honey. Honey is a necessary ingredient in the American diet. It is one of the most wholesome foods we have. But, as has been pointed out, the work of pollination by honeybees is probably far more important than the production of honey because it involves many of the important food crops of the Nation, including all fruits. I represent a district that ships thousands of packages of bees every year. These bees go to the sections of the North where it gets so cold that it is hardly profitable to keep the bees through the winter. The producers of honey in the North in many places find it better to buy new bees from the South every year, but the price of honey has so hurt the business of producing honey that the sale of package bees has been tremendously curtailed. The result is that the bee business in general is in very dire straits and certainly should be included in this bill. I therefore heartily approve this bill. I hope that it will be expanded, as I stated a moment ago, to include all tung trees, but even without that it is a step in the right direction and I will certainly support it.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. MARSALIS].

Mr. MARSALIS. Mr. Chairman, I want to thank the distinguished chairman of the Committee on Agriculture for his kindness in extending me this time in order to discuss an amendment which will be offered to this bill, an amendment which my distinguished colleague from Colorado [Mr. HILL] mentioned a few minutes ago.

I want to say to the chairman of the committee that, regardless of the outcome on this particular amendment, I can assure him that I am wholly in favor of the bill and would have been in favor of it as it is regardless of this particular amendment. But, I do feel that this is an amendment which is vitally needed at this time. The people in this industry are faced with much the same kind of a problem that faces your producers of tung nuts and of honey. This angora rabbit wool is an industry that is very vital to America and is of great importance. It is also an industry in which there are many small people engaged and it is also an industry that is in vital need of protection at this time.

I might say in addition that it is an industry which the Government encouraged during the war, because it was very much needed at that time.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. MARSALIS. I yield to the gentleman from Utah.

Mr. GRANGER. I want to congratulate the distinguished gentleman from Colorado for taking up the cause of the small farmers of this country. He is speaking about a commodity that is very important. It is raised by many disabled veterans, and I want to say to the gentleman that I have letters from all over this country from disabled veterans who are engaged in this industry. I certainly congratulate the gentleman for calling it to our attention, and so far as I am concerned, I will aid in the passage of this important measure.

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Mr. MARSALIS. I thank the distinguished gentleman from Utah for his remarks.

There is one thing that a lot of you people do not know about this Angora rabbit wool industry. Angora wool is not in competition with regular wool. It has about the same relationship to regular wool that magnesium or some other alloy has to steel. The products that are manufactured from this wool are usually in the form of a combination of Angora rabbit wool, perhaps 50 percent, sometimes 40 percent, and the rest regular wool. Sometimes the articles are made of part Angora rabbit wool and part rayon or silk. Then there are other combinations.

But during the war the Government found it necessary to use this Angora wool in connection with aviators' suits, helmets, gloves, and other equipment, because of the fact that this particular wool is some seven times as warm as in any other type of wool. It has certain insulating qualities which make it indispensable.

Prior to the war we were receiving sufficient Angora wool for home consumption in addition to our own production, then small, from England, from France, and from Japan. When the war came, this wool that was coming over here to supplement our own supply, was completely cut off. In the year 1943, when it was so badly needed, there were only 5 pounds of this wool shipped in. As I say, the Government then encouraged and asked these people, these small producers, to get busy and help them out in this situation, and they got busy.

There was an article in the November 1943 Collier's magazine entitled "The Rabbit Goes to War." It gave in detail the need, and urged people to get into this industry. These small people have gotten into this industry. At the end of the war there were some 14,000 people raising Angora rabbits. The price was good. At its peak during the war this wool, highest grade, sold for as high as $18 per pound. It is now being imported for as low as $3, $4, and $5 per pound, less than American rabbit raisers can produce it for.

Angora rabbits first appeared at Ankara—Angora, from which they take their name—Turkey, about 700 B. C., and were introduced into France by some French sailors who bought several at Ankara. When first discovered they were known as silk rabbits. They were first introduced in this country about 25 years ago and were raised chiefly for pets and as a hobby. Then the owners began to pluck or shear the wool and experiment in the making of yarn and from this yarn began to make various articles of wearing apparel. They found that in many way this wool was a superior article, and as its use became more widespread through breeding the development of larger Angora herds followed.

This continued, particularly in Colorado, until growers began to be concerned about a system of marketing which would take care of their production and provide for them a price that would cover the cost of production and a margin of profit. The result was that about 1938 the American Angora Rabbit Producers, Inc., a nonprofit marketing association, was started with headquarters at Palmer Lake, Colo. Starting with 11 members and $22, it has grown and expanded to a membership of about 7,000, some of whom live in every State of the Union, with a capital of around $50,000. There are four other cooperatives located in the States of California, Ohio, Montana, and New Jersey.

Subsequent to the war this wool began to be imported in large quantities from the following nations: Canada, Mexico, France, Italy, Denmark, United Kingdom, Japan, Argentina, Austria, and Belgium. This wool has been coming into this country at prices lower than the American grower can produce it with the result that native growers are being forced out of business. These growers, many of whom are physically handicapped because of age or some infirmity, are unable to engage in any active work but are able to take care of these rabbits. There are a number of widows with children who are self-supporting because of this industry. Many partially disabled war veterans, as well as aged people, have found this work suitable for them and also a means of livelihood.

Today, however, these people are in many cases being forced to sell their rabbits for meat. This business which flourished and prospered during the war years is now definitely in the doldrums, and unless some help is forthcoming in the very near future will become extinct.

In event of another war we are going to need Angora wool perhaps to a far greater extent than we did in the last as the next war may be fought in much colder climates. We cannot afford to permit this industry to perish and we cannot afford to overlook the need for helping the producers at this time. I urge upon the Committee that it most carefully consider the merits of this legislation and that it deal kindly with this most useful and productive industry.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, I am in favor of this legislation. My remarks will be confined to that part of the bill dealing with honey, of which there is much produced in Iowa. There are two things I would like to emphasize: One is that the honey industry is having a hard time financially; and, second, that the country needs the honey bee in pollination. For the past 3 or 4 years the price of honey has gone down to the point where it is no longer profitable. Many beekeepers find it impossible to obtain even their costs of production and as a result are disposing of their bees. It appears as if a price support for honey as provided in this bill is the only answer to this problem.

The honey bee plays a most important part in pollination. Almost 50 agricultural crops require insect pollination and bees are responsible for about 80 percent of such pollination activity. The wild honey bee is already extinct in many parts of the United States and the hives of domestic bees are rapidly disappearing from the American landscape. The disappearance of wild flowers and the reduced clover acreage are also contributing factors. In many parts of the country the hives of honey bees used in the business of producing honey are almost the only solution to the problem of the necessary cross-pollination of our perennial legumes and other seed crops. It therefore can readily be understood that if we are to have a bee population in the United States capable of doing the pollinating job, beekeepers must either receive direct payment for pollination done by their bees or they must receive an adequate return from the honey which they sell in order to make the operation of the hives profitable. H. R. 29 is definitely a step in the right direction, and I hope this legislation will prove of benefit to the honey industry.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, I am in full agreement with the many Members who have urged the passage of this legislation. From a national defense standpoint that portion of the bill providing a price support for tungnut oil is fully justified. I believe, in line with what the gentleman from Michigan [Mr. CRAWFORD] proposes, that such price support should cover not only the production of the trees now in existence or planted but also future plantings and the production of oil therefrom.

Of course, the solution to this problem is not via the price-support route. Instead our home producers should be protected against the importation of huge quantities of this oil at ridiculously low duty. The American producer should not be forced to compete with Chinese labor but unfortunately this administration urges free-trade practices which make it almost impossible for American producers to exist.

Mr. Chairman, coming as I do from Minnesota, my main interest in this legislation is that part relating to honey. The average person does not realize the importance of the honeybee to agricultural production. The cross-pollination afforded by the honeybee affects more thant 50 agricultural products including alfalfa and clover. Only a few years ago our Subcommittee on Appropriations for Agriculture appropriated $12,000,000 for 1 year's aid in the development of legume seeds. I contended, at that time, that if we would give our beekeepers a fair parity price for their product, the consequent encouragement to the industry would solve the problem of pollenizing our legumes.

Last year, Mr. Chairman, I was instrumental in helping to persuade ECA to export 12,000,000 pounds of honey as part of its program. This rich, nutritious food is far superior to many foods which cost a great deal more. The shipment of this honey to Europe was not only beneficial to the people who needed the food but also helped to sustain the honey price in Ameria. This legislation, giving a price support to the honey producer, is only fair and just to the thousands of people engaged in the production of this very necessary food.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I favor this bill. With the committee amendment, it provides for a support price for both tung nuts and honey. I hope the gentlemen who are opposing the bill will not take advantage of the opportunity to make a point of order on account of the title.

Mr. Chairman, two wrongs do not make a right, but in this case, with this legislation, particularly with reference to tung nuts, we are in a dilemma. What we really need is a proper and adequate tariff on tung oil instead of this kind of legislation, but we cannot get a tariff, we cannot get an import quota, because the administration in power has a policy against protecting an American industry; so the only thing we can do is resort to this type of legislation to protect this infant industry in the interest of the whole economy of the country.

In my case, if I have to make a choice in dealing with countries, I am going to choose dealing in behalf of the American citizens and to protect them even though it does cost us a little more money.

Having been here as a member of the Committee on Agriculture for many years, I was one of those who some years ago urged that new crops be developed in the United States, and the production of tung nuts was one of these crops. I think we should encourage the production of new crops in the United States, particularly those crops that are necessary to our economy.

Having lived through the last war, and knowing how difficult it was to get some of the strategic materials from the Far East, I think it should be a definite policy of this country to encourage the production of those vital products that have so much to do not only with our economy but for the protection of our country. I think this is one case where we can aid the economy of the country by supporting this legislation.

Mr. Chairman, there is of course a difference of opinion about the support-price program. It is an extensive program and it is an expensive program. It is a program that seeks to protect an important part of our American economy, the farmers of this country, who produce the food and the fiber that are used to satisfy the needs of the American people.

I urge the adoption of the bill as presented by the Committee on Agriculture.

Mr. WAGNER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. WHITE].

Mr. WHITE of California. Mr. Chairman, you have heard several Members speak about the importance of the honeybee. So that there will be no doubt in your mind I bring to your attention this letter which I shall read from the United States Department of Agriculture, Bureau of Entomology and Plant Quarantine. The letter is signed by Mr. Avery S. Hoyt, acting chief of the Bureau. The gentleman has apparently given the matter considerable thought. The letter is as follows:

It is perhaps difficult to overemphasize the importance of honeybees in the agricultural economy of the country. It is not commonly realized that if pollinating insects are excluded from such crops as alfalfa and red clover, for example, no seed is produced. The same is true of most of the legumes. Nearly all the deciduous fruits, almonds, and many of the small fruits, melons and cucumbers, onions, carrots, cabbage, cauliflower, and similar vegetables, are either dependent on insects for seed and fruit production or produce better when such insects are abundant. Inasmuch as 80 percent of all pollination is done by honeybees, they are truly indispensable.

Probably the reason why it isn't commonly understood that some 50 crops grown in the country are largely dependent on honeybees is because there were at one time enough native or ground nesting pollinating insects to do the job. People have not been much concerned about the pollination requirements of various crops. As agriculture developed and more land came under the plow, the numbers of these ground nesting bees became reduced through the destruction of their nests. The use of insecticides, burning fence rows and brush lands, and other agricultural practices, have added to the destruction of such insects.

The per-acre production of alfalfa and red clover seed, to mention only two of the legumes, has been steadily decreasing for a number of years. As recently as 1925 Utah produced 26,000,000 pounds of alfalfa seed. The current production of alfalfa seed in that State is less than 4,000,000 pounds. Similar reductions have occurred elsewhere. A good field of red clover should produce 8 to 10 bushels of seed per acre. The current production for the United States is less than 0.9 bushel. This reduction cannot be attributed entirely to lack of adequate pollinating insects, but it is one of the major contributing factors. No matter how well an insect-pollinated crop flourishes, an abundance of pollinating insects must be present at blooming time if seed or fruit is to be produced.

The native pollinating insects, mostly solitary bees and bumblebees, have received scant attention in this country. Means of increasing their numbers is not known. The result of this is that pollination is now and will be henceforth dependent upon honeybees.

The pollinating services of honeybees are worth many times their value as producers of honey and wax. The keeping of bees, however, depends upon the production of honey at a profit. The yields of many fruit and seed crops are, therefore, influenced very largely by the price of honey and its effect upon the welfare of the beekeepers.

You may have heard that the beekeeping industry is in a precarious condition. The beekeeper's outlay for labor, equipment, and supplies is higher than it has ever been. On the other hand, the price he is getting for honey is less than the cost of protection. As a result many beekeepers are going out of business. While the country can unquestionably get along with less honey, it cannot get along with fewer honeybees. There is comparatively little that beekeepers can do to better their condition. Beekeeping is so thinly scattered from coast to coast and border to border that beekeepers have never been able to organize effectively enough to tackle their problems in a concerted manner. Honey does not lend itself to packing and marketing by large food concerns. As a consequence, the industry has little financial backing.

Considering the agricultural economy of the country as a whole, some plans or means must be provided to maintain a thriving and vigorous beekeeping industry. Honey is really a byproduct of this industry; and, until the beekeeper is paid for pollination services performed by his bees, he must receive enough for his honey to encourage him to stay in business.

Sincerely yours,

AVERY S. HOYT,
Acting Chief of Bureau.

Mr. Chairman, I hope this bill will pass. It is an important and far-reaching piece of legislation.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield.

Mr. WHITE of Idaho. As a matter of fact the State of California, when they tried to propagate a certain species of dates, found it necessary to go to Asia for a certain species of ants, and they had to import them and colonize them in California so that they could pollinate these dates.

Mr. WHITE of California. Yes; I heard that, and I thank the gentleman for his contribution.

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I hold in my hand a tung nut. We have been discussing tung nuts for some time today, and I just wanted the membership to see what one looks like. It is much larger than a hickory nut. It is a little larger than a walnut and resembles the walnut. Inside is the kernel from which comes the oil that is really and truly a critical war material. I was asked a few moments ago why we should pass legislation to support the price on the oil that comes from this nut. I want to tell you that these growers whose groves are located in some seven States along the Gulf of Mexico were encouraged during the war to increase their production. They did just that. They were given incentive payments. Secretary of Agriculture, CLINTON P. ANDERSON, was in office at that time. Because of the need for this oil in the Military Establishment, the production was greatly increased. Today these growers are operating below the actual cost of production of their product.

Let me give you some figures. The cost of production of tung oil before the war was $27 to $32 per acre, and they derived from 21 cents to 28 cents a pound for their oil. Today it costs from $56 to $62 an acre. This is due to the fact that labor prices have gone up, and they have to put fertilizer on the land, and it is necessary to pay higher prices for farm implements. Today they get 21 cents a pound for tung oil, although during the war the oil sold for 40 cents a pound.

The gentleman from Mississippi [Mr. COLMER] has shown you the reason that this is a critical war material. He gave you seven or eight examples of uses of this commodity by the Navy. It is most important and necessary that we provide support for tung oil so that the growers can remain in business. There are also 12 processing plants which are in operation to crush the nuts. All in all, 15,000 are employed in the industry.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield.

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Mr. BREHM. Do you know how long it takes a tree to arrive at maturity and develop?

Mr. GATHINGS I understand it takes abcut 5 years.

There is none of this grown in Arkansas at all, but I was delighted to join the gentleman from Mississippi [Mr. COLMER] and others interested throughout the belt in support of this legislation.

Mr. BREHM. Is it true that you cannot stock pile the oil?

Mr. GATHINGS. I understand it is expensive to stock pile, but it is storable.

Mr. BREHM. But can be done?

Mr. GATHINGS. It can be done, yes——

Mr. BREHM. The rumor around here was that you could not stock pile it.

Mr. GATHINGS. Oh, yes. It is being done.

Price supports for the production of honey is most essential to American agriculture. I am wholeheartedly in favor of the honey provision in this bill as well as tung oil. Extensive hearings were held by the Committee on Agriculture on both tung oil and supports for honey. I would like to call your attention to the testimony of Mr. J. H. Davis, inspector of apiaries, State Apiary Board of Arkansas, found in the hearings on page 96 and following pages. Mr. Davis' testimony reflects the great need for the passage of legislation to protect the honeybee. Arkansas has taken the lead in recognizing the usefulness of the honeybee in increasing production, growing of legumes, the building up of our soils, and in the protection of the future of agriculture.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS of Louisiana. Mr. Chairman, while I represent a district that does not grow tung nuts, I trust this legislation will be adopted and I trust that my friend the gentleman from Ohio [Mr. HAYS] will not press his point of order because the legislation vitally affects two commodities which are important not only to our agricultural economy but to our security. The legislation has been carefully thought out; it has bipartisan support, and it is the only proper approach to this problem.

It has been suggested that both situations could be cured by the imposition of a tariff. It seems to me elementary that whereas only 10 percent of the production is domestic, the imposition of a tariff which would affect 100 percent of domestic consumption would be an uneconomic and unwise way to approach the problem. I trust that the legislation as drawn will be enacted.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. HAYS of Ohio. I cannot quite follow the gentleman's suggestion that it would be uneconomic, since it is going to cost $2,900,000 a year under this bill. Why would it not be more economical to protect it by a tariff instead of a subsidy?

Mr. BOGGS of Louisiana. I do not know where the gentleman got his figures.

Mr. HAYS of Ohio. I got them from the Department of Agriculture.

Mr. BOGGS of Louisiana. The gentleman states that it will cost $2,900,000 to protect these products under this formula of a parity support price. I may say to him that if he will simply multiply his $2,900,000 by 10 he would arrive at the cost under a tariff.

Mr. Chairman, the passage of the Colmer bill to provide supports for the tung-oil industry, in my opinion, is extremely important to our country. This bill assures to the grower of tung oil a fair price for his products and insures the maintenance of an industry which is vital to our country and its economy in peace and in war.

While the production of tung oil is limited to the Gulf States, the oil itself is important to our Nation.

During World War II every effort was made by the Government to stimulate the domestic production of tung oil. The oil was given priority of A–2, and every drop of it went to the armed services. In order to encourage the extension of tung acreage and oil output, the Department of Agriculture offered growers a bonus of $5 an acre to enlarge their tung orchards.

Tung oil is used in 800 manufacturing lines. It is used as a drying agent in printing inks, high-grade paints, varnishes, and lacquers, as a coating for the interior of food cans, in the manufacture of linoleum and as brake linings, and as a waterproofing for raincoats, tarpaulins, plywood, the underbodies of flying boats, and as a protective covering for bullets, guns, tanks, radar, and enclosed parts of bombs. There is no substitute for tung oil.

Since the conclusion of the war, the price of tung oil has dropped to the point where, unless a fair price is insured by the Government, our American industry, despite the many millions of dollars invested therein, is bound to collapse.

Eliminating the considerations of hardships which will accrue to every producer of tung if this legislation is not adopted, it would seem to me that the Members would support it without question because of its vital import to our Nation's security. The one source of tung oil besides the small American production is China. China is now largely—sad to say—under the domination of the Russian Communists, and, if we allow the American industry to die, we will find ourselves in a much more critical position insofar as tung oil is concerned than we were in respect to rubber early in 1942. In other words, Mr. Chairman, we would be relying on the Russians for the supply of one of our most strategic materials.

The adoption of this legislation will not be costly to the American taxpayers, but it will preserve an industry which is essential in peace and in war.

At the present price, it is impossible for any group of farmers anywhere in this country to produce tung oil, and in a short time, unless this legislation is adopted, we will find ouselves completely dependent upon a foreign source for tung oil.

Mr. WILLIS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Chairman, this bill, H. R. 29, has for its purpose the establishment of a price-support program for two highly specialized agricultural commodities, namely: tung nuts and honey. Although these commodities are unrelated in an agricultural sense, both of them are of tremendous importance to our national welfare.

Tung trees are native to China but as a result of farsighted experimentation by the Department of Agriculture, commencing about the year 1902, it was found that they could just as well have been indigenous to a limited belt along the Gulf of Mexico. They require specialized soil and climatic conditions and require a sandy, well-drained soil of an acid type. Although the trees must have about 60 inches of rainfall a year, they will not grow properly where the ground-water table is closer than 22 feet to the surface. These soil and climatic requirements are found in a belt about 100 miles wide extending along the Gulf of Mexico, roughly from the vicinity around Ocala, Fla., to Beaumont, Tex.

Tung nuts are the source of tung oil. The oil is an almost indispensable ingredient of many important industrial products, including paint, electrical insulation, and other commercial products. Because of its quality as a water repellent tung oil was used during the war for the protection of highly specialized and sensitive instruments.

Prior to the development of this infant industry our source of supply came exclusively from China, and for a time when the Japs made it impossible for us to reach the source of supply, the Military Establishment suddenly realized the importance of this product and the President of the United States officially designated tung oil as a critical war material.

We all know of the ambition of the Russians in the Orient, as witness the revolution in China. In the event of another world conflagration, which pray God we may avoid in the foreseeable future, we would see our source of supply of this critical war material shut out again. But we must plan for the worst.

The present bill is designed to provide price support only for the acreage of trees which has already been planted. It is not the intent of the sponsors of this legislation to encourage overproduction of tung trees and in view of this fact and the limited belt suited for production of this product the very small amount of money involved to provide price support is cheap insurance indeed.

Honey is only a small part of the valuable contribution honeybees make to the agricultural economy of the United States. Far more important than the value of the honey is the part the bees play in pollinating many crops. At

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least 50 or more of the most important agricultural crops require insect pollination and bees are responsible for approximately 80 percent of the pollination activity. Among the crops which are dependent upon pollinating insects for full production of fruit or seed are, apples, apricots, blackberries, cherries, cucumbers, muskmelons, peaches, strawberries, watermelons, alfalfa, clover, vetch, etc.

Along man's road to progress he too frequently leaves a blaze of destruction. Man finds it very difficult to improve upon the laws of Nature and he sometimes learns to his regret that he cannot violate the laws of Nature with impunity.

I can remember over 25 years ago that outstanding educator, philosopher, and naturalist of the South, Rev. Father Bievers, who at one time was president of Loyola University of the South, warned the people, especially in and around New Orleans, that the campaign then going on for the indiscriminate destruction of certain insects, particularly a type of ant, would result in great propagation of a far more destructive pest, the termite. His predictions have come true. We are now warned by those who are supposed to know what they are talking about that the widespread and indiscriminate use of DDT and other insecticides is bringing about a vast decrease in the wild bee population in the United States. This means that the greatest contribution of the bee to our agricultural economy, namely: pollinating activity, is being curtailed. One of the purposes of this bill is to encourage the scientific cultivation on the farm of the bees, not only for the production of honey but primarily for the preservation of the part which the wild bee plays in our agricultural economy.

Here again, as in the case of tung nuts, the importance of this bill is not so much the small cost involved, or the subsidizing of this industry as the opponents of the measure like to talk about, but the sustaining of our agricultural industry as a whole. Little benefit would we derive from our soil-conservation and soil-erosion programs if we do not maintain cross-breeding of plants and pollinizing methods thereof, which Nature herself has provided.

I, therefore, urge a favorable vote on this bill.

Mr. SIKES. Mr. Chairman, I have just returned from necessary public business in Florida in order to take part in the deliberations on H. R. 29. Unquestionably the facts are clear and the necessity for this legislation is obvious.

Tung oil is a vital commodity. Yet without this measure we may become entirely dependent upon foreign sources. The availability of tung oil would then be subject to the whim of a nation which now shows only hostility to our way of life. The measure in its present form is a much better bill than that reported to the House. Restrictions which were highly injurious to the avowed purpose of insuring a domestic supply of tung oil have now been removed.

While it is true that tung oil can be produced only in a limited part of the southeast, it as a commodity is valuable to the industry and to the defense of all of the Nation.

But also in this measure we include honey, a commodity which is produced throughout the Nation. It is a crop important to all farmers because of the part played by bees in pollination of so many farm crops.

So there is no sectionalism in this bill. Instead, it is, first of all, a defense measure. Second, it gives protection to American industry. Finally, it is of direct value to farmers throughout the Nation. There are no sound grounds upon which to contest its passage.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 153]

Abbitt	Harrison	Potter
Allen, Ill.	Hedrick	Powell
Angell	Herter	Quinn
Auchincloss	Hinshaw	Rabaut
Barden	Hoffman, Ill.	Reed, N. Y.
Bates, Ky.	Hope	Richards
Blackney	Hull	Sabath
Bland	Kee	Scott,
Bolling	Keefe	Hugh D., Jr.
Bolton, Ohio	Kennedy	Sheppard
Bonner	Klein	Short
Buckley, N. Y.	LeFevre	Sikes
Bulwinkle	Lyle	Simpson, Pa.
Cavalcante	McDonough	Smith, Ohio
Celler	McGrath	Smith, Va.
Chatham	McGregor	Staggers
Chudoff	Macy	Stanley
Clevenger	Marshall	Steed
Combs	Mason	Stigler
Coudert	Meyer	Taber
Dawson	Morton	Thomas, N. J.
Deane	Moulder	Thomas, Tex.
Dingell	Norblad	Towe
Douglas	O'Brien, Ill.	Vinson
Eaton	O'Brien, Mich.	Vorys
Elston	O'Hara, Ill.	Walsh
Engel, Mich.	O'Hara, Minn.	Welch, Calif.
Feighan	Passman	Whitaker
Fellows	Patman	Whitten
Fogarty	Patterson	Woodhouse
Frazier	Pfeifer,	Young
Fugate	Joseph L.	Zablocki
Gilmer	Pfeiffer,	
Gore	William L.	
Hardy	Plumley	

Accordingly the Committee rose; and Mr. MONRONEY having assumed the chair as Speaker pro tempore, Mr. MCSWEENEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 29, and finding itself without a quorum, he had directed the roll to be called, when 335 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. COOLEY. Mr. Chairman, I yield the gentleman from Alabama [Mr. GRANT] such time as he may desire.

Mr. GRANT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. GRANT. Mr. Chairman, I am supporting this bill because I believe that parity should be provided for tung nuts. Under present conditions it is difficult for tung-nut producers to harvest these nuts without a loss. It requires years of effort, investment, and hard work to bring tung-nut trees into production.

At the present time tung-nut oil is being imported from China. The cost of producing this oil with coolie labor is, of course, much cheaper than we can produce it here in this country. There is a definite need for some protection.

Aside from the present domestic use of tung oil, there is a very definite need of keeping alive the production in this country for war needs. Our imports from China could be cut off at any time and this Nation would drastically feel the effect of the loss of tung oil for the purpose of national defense.

For some years tung nuts have been produced in the Gulf region of my district. The growers have large sums invested in these groves and I believe that they are entitled to some help.

This bill also provides for a price support for honey. The proponents of this legislation are aware of the fact that, while honey in itself is not a national problem, at the same time the pollination performed by the bees is of vast importance. Many of the bee raisers of the Nation will be forced to go out of business unless they receive some help, and the only way for them to receive this help is through a price support of honey. There are several large commercial bee raisers in the northern part of my district, particularly in Lowndes County. These producers ship bees all over the United States. They are very much interested in this legislation, and I firmly believe that its adoption will benefit the Nation as a whole.

Mr. COOLEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, a moment ago there was some indication that the support of the tung-oil program would be very expensive. A member of our staff has just handed me a memorandum containing information from the Department which indicates that total losses on the entire program to date have amounted to only $311,591. Those losses occurred on the oil acquired under the 1947 program. All of this oil has now been disposed of. The total value handled was in excess of $2,000,000. No losses occurred under the prior support or wartime program.

Mr. Chairman, I have no further requests for time. In the event the point of order is made against the Committee amendment it would be our purpose to concede the point of order and then ask for the bill to be approved as originally introduced. It seems to me if that be the procedure the final action should be expedited and we should have it out of the way in a very few minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman recognizes, does he not, that by conceding the point of order he is striking honey from the bill? What will be the policy of the majority of the Committee on Agriculture in that event?

Mr. COOLEY. May I say that in view of the sentiment of the members of the

House Committee on Agriculture it would be my purpose to call that committee together within the next 2 or 3 days to report a bill providing a support price for honey. I regret very much that this parliamentary situation has arisen, but there is no way that I can prevent the point of order from being made.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield myself 2 minutes.

If I may have the attention of the chairman and those gentlemen who desire to make the point of order, it is my hope that the point of order will not be made. It is a technical point and, certainly, those who are interested in the welfare of agriculture as a whole deem it highly desirable and necessary at this time to keep honey in this bill.

Mr. COOLEY. The gentleman realizes, of course, that it is the right of any Member of this body to make a point of order against an item in a bill. I have no control over that. I had no reason to anticipate it because of the fact that the bill was unanimously reported by the committee and we were anticipating no opposition to it.

Mr. AUGUST H. ANDRESEN. That is correct; I recognize that any Member has the right to make it. It would, of course, be a technical objection that could be made to the bill, but I hope the aid which is necessary to a minor industry of agriculture may be given; and I hope that those who intend to make the point of order, on thinking about it, will withhold it and not press it at this time so that this legislation may be put through in its present form for the benefit of the country.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. DONDERO. The Chairman of the committee has indicated to the House what the tung-oil program will cost. Will he indicate what the honey program has cost, if anything?

Mr. COOLEY. Frankly, I do not have that information before me at the present time. Perhaps some other member of the committee, the gentleman from California [Mr. WHITE], for instance, may be able to answer the gentleman's question.

Mr. WHITE of California. I may say to the gentleman from Michigan that it has not cost anything, because there has been only a purchase program on honey up to now; they have never supported it at 60 to 90 percent of parity as is proposed in this bill.

Mr. DONDERO. I hope the bill passes as introduced.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HOFFMAN of Michigan. Why not recommit the bill and report it back with both tung nuts and honey in it in such a way that a point of order would not lie against it?

Mr. COOLEY. Honey could be handled in a separate bill.

Mr. AUGUST H. ANDRESEN. I may say to the membership that when the chairman of the Committee on Agriculture gives his word it is as good as his bond, and I will take it on that assumption at this time.

Mr. HOFFMAN of Michigan. I would not doubt the gentleman's word at all, but I was just wondering, because I have found that sometimes there are some things that a person cannot do.

Mr. COOLEY. This is one thing that the Chairman and the Committee cannot do, prevent any Member from making a point of order.

Mr. HOFFMAN of Michigan. I understand that; that is why I suggested that if the whole bill were voted down now another one could be brought in that would not be subject to a point of order.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Chairman, I rise in support of the amendment to provide price support for Angora rabbit wool.

The present plight of the producers of Angora rabbit wool is a sad example of what can happen to a small American industry when it is subjected to uncontrolled competition with an inferior foreign product produced under the low wages and with the cheap materials available in other parts of the world.

During the recent war hundreds of Americans were induced to go into the business of raising Angora rabbits for wool. They enjoyed a fair price and a good market for their product, and it played a part in the war effort by releasing other scarce materials for more pressing purposes. In my own State, at Malta, Mont., a large cooperative Angora rabbit wool organization was established, and was a fine small industry for that section. Wool was shipped to it from all over the West, where hundreds of disabled veterans, widows, retired farmers and workers and others had gone into the business of raising Angora wool as a steady and badly needed cash income. With the end of the war, the market was flooded with great quantities of Italian, French, Dutch, and Japanese Angora rabbit wool, at prices which undersold the American producers. In many instances the prices of foreign wool were actually less than American cost of production. Hundreds of Americans, men and women who could ill afford to lose this source of revenue, have now been forced out of business.

I endeavored in the Seventy-ninth Congress and again in the Eightieth Congress to provide some form of protection for these people from the great flood of foreign goods. I was unable to do so.

The situation is even more serious now, and I believe it is sound and wise to support this product as proposed in this amendment.

I have not had recent communication from honey producers in Montana. I know, however, that their product has suffered a considerable depression in price and that many of them have turned to other endeavors. Honey is an important commodity and I feel strongly that its inclusion in our agricultural support program is justified and necessary.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I have no further requests for time.

Mr. COOLEY. Mr. Chairman, I have no further requests for time; I suggest that the Clerk read the bill for amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Agricultural Adjustment Act of 1938, as amended (U. S. C., 1940 ed., title 7, ch. 35), is amended as follows:

In subparagraph (a) (1) of section 301 insert in the second sentence after the words "except tobacco" the words "and tung nuts", and add after the final sentence the following: "In the case of tung nuts such base period shall be the period January 1936 to December 1940."

In section 303 insert in the first sentence after the comma following the word "rice" the words "tung nuts" and a comma.

SEC. 2. The Commodity Credit Corporation is authorized and directed to support the price of tung nuts to producers at not less than 90 percent of parity through loans, purchases, or other operations.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That notwithstanding any other provision of law the Secretary of Agriculture, through the Commodity Credit Corporation, and other means available to him, is authorized and directed through loans, purchases, or other operations to support the price of honey, and of tung nuts produced on the acreage of tung nut trees planted prior to the date of the enactment of this act, at not less than 60 nor more than 90 percent of the parity price as calculated pursuant to section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Act of 1949. Appropriate adjustments may be made in the support price of honey or tung nuts for differences in grade, type, quality, location, and other factors.

"In carrying out the provisions of this act compliance by the producer with production goals and marketing practices (including appropriate marketing agreements and orders under the Agricultural Marketing Agreement Act of 1937) as prescribed by the Secretary, may be required as a condition of eligibility for price support."

Mr. HAYS of Ohio. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HAYS of Ohio. Mr. Chairman, since the committee amendment has no greater standing than any other amendment, the title of this bill is to amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts and for other purposes. I make the point of order that the inclusion of honey is not related to the bill and is, therefore, not in order.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Utah.

Mr. GRANGER. I trust the gentleman will not press his point of order. We are willing to concede the point would apply, but what we will have to do is take out the part of the bill that the gentleman I am sure is interested in.

Mr. HAYS of Ohio. In reply to that may I say that I am interested especially in opposition to a monopoly. I asked the chairman of the committee if he would agree to an amendment to strike out that section which sets up a monopoly and he said he would not accept it. Now, there is a monopoly in connection

with this thing and if we take honey out, then we revert to the original bill which does not have the monopoly section.

Mr. GRANGER. The gentleman could offer an amendment to strike that provision out and I am sure there is a lot of support for his amendment. He could do that under the rules of the House without destroying the very heart of the bill, the thing that agriculture generally is interested in.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from California.

Mr. PHILLIPS of California. If the gentleman is sincere in his statement that he wishes to strike out monopoly, with which I have a great deal of sympathy, then I wish to call his attention to the fact that by striking out the particular amendment he desires to strike out, he is furthering monopoly. There is probably no commodity in agriculture that is more subject to monopoly than honey because of the small number of processors and distributors and the limited areas in which honey is produced. A great problem the honey industry has had is the problem of monopoly. As was stated on the floor a few minutes ago, the way to maintain the price is not always to use money for support but simply to say that there will be a support price if the processors and handlers do not keep the price up.

Mr. HAYS of Ohio. The gentleman realizes that the chairman of the Committee on Agriculture has said he will bring in a bill on honey, and I will not object to it. Let honey stand on its own feet.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Ohio.

Mr. JENKINS. Does the gentleman know that the great State of Ohio, a portion of which he represents and a portion of which I represent, is the greatest State in the United States so far as the production of honey is concerned?

Mr. HAYS of Ohio. That is neither here nor there. I am not objecting to support for honey. I am objecting to a monopoly on tung production.

Mr. HOFFMAN of Michigan. Mr. Chairman, I desire to be heard in opposition to the point of order.

Mr. PHILLIPS of California. Mr. Chairman, I desire to be heard on the point of order also.

The CHAIRMAN. The Chair will hear the gentleman briefly.

Mr. HOFFMAN of Michigan. Mr. Chairman, as I understand it, and if my understanding is not correct I hope the chairman will correct me, the point is that honey is not related to the agricultural problem, is that it?

The CHAIRMAN. No; that it is not germane to the bill.

Mr. HOFFMAN of Michigan. I should think it is. I do not see how you are going to have any agricultural products at all unless you have the honey after the bees get through. You do not get pollinization of anything unless you have the bees, and honey is simply a by-product.

Mr. PHILLIPS of California. On the point of order, Mr. Chairman, the title of the Agricultural Adjustment Act is all-inclusive. It covers all types of agricultural products. It does not specify any one commodity. We have from time to time amended the act on the floor by the inclusion of other agricultural commodities. This title, to which objection is raised on the floor, says specifically, "To amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts, and for other purposes." The committee, in the final line on page 3, has specified an amendment to the title to include tung nuts and honey.

I respectfully submit that if a point of order were sustained on those grounds, it would throw a cloud upon any amendment offered to such an act of general nature having to do with agricultural products, and honey is an agricultural product.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Mississippi.

Mr. RANKIN. Mr. Chairman, I certainly want to back up the gentleman from California [Mr. PHILLIPS].

The opposition contends that honey is not covered in the title. The title says, "To amend the Agricultural Adjustment Act of 1938, as amended, to provide parity for tung nuts, and for other purposes."

"And for other purposes" is a very broad expression, and I submit it is broad enough to cover honey.

Further in the bill the title is amended. If you turn to page 3 the bill provides that the title be amended to read, "A bill to provide price support for tung nuts and honey, and for other purposes."

So, I submit that this provision is not subject to a point of order.

The CHAIRMAN. The Chair is ready to rule. The title of the bill does not control. It is the body of the bill that controls. When an individual proposition is added to another individual proposition by amendment, even though they are in the same class, they are not germane. The Chair sustains the point of order.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: On page 1, lines 8 and 9, and on page 2, lines 1 and 4, after the words "tung nuts" insert the words "and honey."

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes on his amendment.

Mr. AUGUST H. ANDRESEN. Mr. Chairman——

Mr. HAYS of Ohio. Mr. Chairman, a point of order.

Mr. AUGUST H. ANDRESEN. The point of order comes too late.

The CHAIRMAN. The gentleman from Ohio raised his point of order after the debate had started.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, this amendment meets the objection raised by the gentleman from Ohio, because it amends the original bill and includes honey in the same category with tung nuts. Therefore, Mr. Chairman, the point raised by the gentleman from Ohio that the committee amendment created a monopoly is not in the original bill that was introduced by the gentleman from Mississippi. We should give honey the same protection in this bill, and now the bill is properly before the Committee, and I call for a vote on my amendment which provides a 90-percent support for honey.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 2, line 12, after "trees", strike out the balance of line 12 and all of line 13 up to and including the word "act."

The CHAIRMAN. May the Chair state that the amendment offered by the gentleman from Michigan is not in order. The amendment is offered to the committee amendment. The Chair sustained a point of order against the committee amendment and it is no longer a part of the bill.

The Clerk will conclude the reading of the bill.

The Clerk read as follows:

SEC. 2. The Commodity Credit Corporation is authorized and directed to support the price of tung nuts to producers at not less than 90 percent of parity through loans, purchases, or other operations.

Mr. BENNETT of Florida. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am grateful for this opportunity to speak in behalf of H. R. 29, which would grant to the tung industry the price support without which its existence is threatened.

As a Florida Congressman, it is of interest to me that the life of the American tung industry was really begun in a Florida cemetery. Five of the first seedlings cultivated by the Division of Foreign Plant Introduction in the Bureau of Plant Industry were in 1905 dispatched to the superintendent of a cemetery at Tallahassee, Fla., where they were planted but given little attention. In the autumn of 1906 William H. Raynes, of that city, became interested in the neglected plants and was given permission to transplant them. Only one of the five trees survived, but that tree, still standing, serves as a monument to early pioneering efforts to establish the culture of the tung tree in the United States. Later a 40-acre plot near Tallahassee, planted from seedlings from the original tree, became the first bearing grove of tung trees in America. And in 1913 the Raynes tree furnished sufficient crop to make possible the first trial expression of tung oil in the United States.

Florida today has more than a historical or experimental interest in tung trees. National production of tung nuts in 1947 amounted to 53,200 tons, of which Florida contributed 11,000. In 1948 production in the United States rose to 67,200 tons, with Florida contributing 17,000 tons—or more than 25 percent.

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The Second District of Florida, which I represent, produces a little over 8 percent of the national tung-nut crop. In 1945 there were approximately 800,000 tung trees under cultivation in my district. Today there are about 7,500 acres in tung trees in my district. In the Second Congressional District of Florida there are seven tung groves, representing a total investment of over $2,000,000. Two of the four tung-crushing mills in Florida are located in my district. You can readily appreciate the impact that the present disastrous condition in this industry is having on the economy of the residents.

The Government encouraged the establishment of this industry and found it essential in time of war. We should not now let it deteriorate, not only because we should not let our economy suffer but also to protect our local supply of this vital war material.

The United States production of tung oil is still small, dangerously small, in view of its being a critical war material. In 1948 we imported 133,000,000 pounds of tung oil, while producing domestically only 15,000,000 pounds. Most of our imports have come from China.

A critical situation is with us now due to the flooding of the market with imported tung oil. The domestic price of tung oil has dropped to 18 or 19 cents per pound, and indications are that the real price may be about 17 cents and due for a greater drop. Meanwhile, the cost of care and cultivation and harvesting has risen. At 19 cents a pound the result is, I am told, a net loss to the tung grower of $11.79 per ton of production.

Tung oil before and since World War II has been used industrially chiefly as a drying agent in paints and varnishes or as a waterproofing agent. During World War II, however, its qualities of value to military equipment were soon discovered and the entire domestic supply of this oil was used by the armed services. Tung oil went to war in the following manners: Covering the inside of high-octane gas tanks; insulating electrical coils, covering magnesium parts, in time bombs, in the manufacture of all medical catheters purchased by the armed forces, as a necessary base for marine paints, and waterproofing shells and other ammunition. Its admitted superior qualities make tung oil a critical war material.

With China now on the verge of complete Communist domination, and with the huge imports of Chinese tung oil running down the domestic price to the point where American tung growers are close to insolvency, a serious situation would be upon us in the event of an outbreak of hostilities. It can reasonably be anticipated that the Chinese imports of tung oil will cease in the possible case of hostilities with Russia and even without hostilities under possible emergencies. If conditions continue as they are today with the American tung industry, production of tung oil—with the growers discouraged by a market for their product which does not meet production costs—will steadily decline. There is danger, too, that the fluctuation of tung oil in price and volume—caused by indiscriminate imports—will completely lose for the American growers their domestic market. As stated in the October 1947 Fortune:

American industrial consumers must have tung oil in steady volume and at prices both reasonable and reasonably stable. Otherwise they will learn to do without it altogether.

Thus discouragement on the part of both American growers and American tung-oil consumers may further reduce American production of tung oil. The result of these factors would be that the United States may not have available to it the supply of this critical war material which would be needed in event of war. Great Britain, following this line of thought, is protecting herself by spending $4,000,000 in the planting of tung trees in South Nyasaland, which it is expected will assure a supply of tung oil almost 15 times the amount previously obtained from this area. I believe we should similarly protect ourselves by granting price support to tung oil.

Mr. MAGEE. Mr. Chairman, I offer an amendment.

Mr. HILL. Mr. Chairman, I am a member of the committee, and I have had an amendment on the desk for an hour, on which I should like to be recognized.

The CHAIRMAN. The gentleman from Colorado is entitled to recognition.

The Clerk will report the amendment offered by the gentleman from Colorado.

The Clerk read as follows:

Amendment offered by Mr. HILL: On page 2, line 11, after "to support the price of", insert "Angora rabbit wool", and on page 2, line 18, strike out the words "honey or tung nuts" and insert in lieu thereof "such commodities."

Mr. HAYS of Ohio. Mr. Chairman, a point of order.

The CHAIRMAN. The Chair advises the gentleman from Colorado that the language to which his amendment is applicable is not part of the bill being considered by the committee. The situation is the same as with reference to the amendment offered by the gentleman from Michigan previously. The gentleman from Ohio [Mr. HAYS] made a point of order against the committee amendment and therefore that is not before the committee.

Mr. HILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have here a great number of petitions signed by hundreds of Angora rabbit growers in all parts of Colorado. While it might be interesting to read the names and addresses of these producers, I am sure it is not necessary to burden the RECORD with the petitions—so I will list the number of producers from each city and place them with my remarks. The petition reads as follows:

We, the undersigned, request your favorable consideration to amend the Agricultural Act of 1948 and the Agricultural Adjustment Act of 1938, as amended, to provide price support for Angora rabbit wool. Failure to give this support your sanction during this session of Congress means extinction of the industry in the United States.

This industry affords support to thousands of people past 65 years of age, partially disabled veterans, widows with families to raise, where the children can help with their support and have their mother at home. These people depend entirely on the sale of Angora rabbit wool for their livelihood. They are taxpayers. If this method of support is taken from them they are unable to compete in other fields and many of them become burdens on their neighboring taxpayers. The Angora rabbit breeders signing the petition by cities are numbered as follows:

Englewood	3
Littleton	9
Boulder	1
Pinecliffe	1
Castle Rock	1
Greenland	6
Larkspur	13
Fort Collins	1
Loveland	1
Hugo	2
Greeley	2
La Salle	18
Platteville	3
Colorado Springs	140
Monument	59
Palmer Lake	59
Peyton	5
Avondale	1
Beulah	3
Pueblo	11
Fruita	1
Denver	95

These are the Angora rabbit breeders in Colorado who feel something should be done to protect their industry from total and complete destruction by the imports of Angora rabbit wool from foreign countries.

Countries importing Angora rabbit wool into the United States, and average price per pound

Country of origin	Pounds imported—			Average price 1948
	1946	1947	1948	
Canada	2,676	1,822	5,837	$5.28
Mexico	5,050	4,470	10,899	6.25
Netherlands	441			
Denmark		4,893	10,200	7.00
United Kingdom	959	446	201	4.00
Austria			575	5.01
Belgium			1,700	3.00
France	12,273	8,477	23,847	8.02
Italy	39,271	7,723	68,800	5.62
Japan	7,360	2,960		
Total imports	68,030	30,791	122,159	
Estimated production in United States	83,850	102,000	75,000	

Imports of Angora rabbit wool from Japan for January to March, 1949, inclusive: Total 5,800 pounds averaging $4.31 per pound.

In section 22 of the Agricultural Adjustment Act you will find these words: "We said nothing about rabbits, we said Angora rabbit wool." But this is the language:

Whenever the President has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, or any price-support program * * * he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts.

* * * if the President finds the existence of such facts, he shall by proclamation impose such fees—

I shall not read further. We are not asking for anything except to be put in that category where the President has a right to go ahead and levy fees and say that while he is supporting the price he can charge these extra import fees which

would take care of the price-support expense of the angora rabbit wool.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely want to state for the record that that part of the bill to which I objected has been stricken from the bill. That was the part which would prohibit anyone who started in the tung-oil business after the enactment of this act from coming within the provisions of it. I objected to that because in my opinion, it was setting up a monopoly which could later, if the House saw fit, be carried into the raising of beef cattle, for example, or for the production of milk, or anything else. That was my objection. Since we are now considering the original bill as a result of the point of order which I made to the committee amendment, and since the amendment inserting honey in the bill has been adopted, the bill is substantially the same except that the monopoly section has been deleted.

Therefore I no longer have any objection to the bill.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. CRAWFORD. The gentleman has stated my objections to the bill. This bill proposed to confer a proprietary right to those now engaged in the production of tung nuts. Here was a critical item for which we depend on the Orient for 90 percent of our supply. With all the disturbed conditions in the Far East we should have 90 percent production in this country and depend on the Far East for not more than 10 percent. The bill just reversed the process. I hope when the bill comes back from conference it will not have that language reinstated which was stricken.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the distinguished gentleman from Mississippi.

Mr. COLMER. Mr. Chairman, in view of what has transpired here, I want to call the attention of the Members to the fact that the original bill, as introduced by me and others, had no such provision for limitation in it. But the committee in its wisdom saw fit to limit the protection, and for what seemed a good reason, I must confess.

But I want to say that personally, so far as I am concerned, as the author of the bill, I am very delighted with the action of the committee.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. JAVITS. Mr. Chairman, I think it should be called to the attention of the Committee of the Whole that in all this maneuvering flexible parity has been stricken out and we now have fixed 90 percent parity in this bill, a principle to which I am thoroughly opposed, but which apparently the committee of this House was opposed to, and I believe that the fair thing to those who voted for the rule is to let this bill go back to committee, to be recommitted, to be brought back with a flexible parity provision in it instead of taking advantage of this parliamentary situation by leaving this high 90 percent fixed parity in the bill, which the committee never intended and which no one who voted for the rule intended.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Will the Chairman advise as to what is now in the bill and what is out, so we will know what we are doing?

The CHAIRMAN. The part that is printed in roman.

Mr. HOFFMAN of Michigan. All the italics is out?

The CHAIRMAN. All the italics is out. That printed in roman type with lines through it is in the bill.

Mr. COOLEY. Mr. Chairman, I move that all debate on the bill do now close.

The motion was agreed to.

The CHAIRMAN. Under the rule, the Committee will now rise.

Accordingly the Committee rose; and Mr. MONRONEY having assumed the chair as Speaker pro tempore, Mr. MCSWEENEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 29, pursuant to House Resolution 289, he reported the same back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER pro tempore (Mr. MONRONEY). Under the rule, the previous question is ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. JAVITS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. JAVITS. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion offered by the gentleman from New York.

The Clerk read as follows:

Mr. JAVITS moves to recommit the bill to the Committee on Agriculture.

Mr. COOLEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 86, noes 128.

Mr. JAVITS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and fifty Members are present, a quorum.

Mr. JAVITS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Chair announced that the ayes appeared to have it.

Mr. JAVITS. Mr. Speaker, on this vote I demand the yeas and nays.

The yeas and nays were refused.

So the bill was passed.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that the title of the bill (H. R. 29) be amended to read as follows: "A bill to provide price support for tung nuts and honey, and for other purposes."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WAGNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Polish-American Journal of June 30, 1949, by Ludwik Lesnicki.

Mr. RODINO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. LODGE asked and was given permission to extend his remarks in three instances in the Appendix of the RECORD and include extraneous material.

Mr. SIKES asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. DAVENPORT asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MCCULLOCH asked and was given permission to extend his remarks in the RECORD and include an editorial.

SPECIAL ORDER TRANSFERRED

Mr. HORAN. Mr. Speaker, I received unanimous consent to address the House today for 20 minutes. I ask unanimous consent that that permission be transferred to tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ANNOUNCEMENT

Mr. DAVENPORT. Mr. Speaker, I was unavoidably detained in Pittsburgh and was not here to vote on the bill (H. R. 5598) to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct." Had I been present, I would have voted "aye" on this bill.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Mexico [Mr. FERNANDEZ] is recognized for 20 minutes.

NAVAJO-HOPI REHABILITATION BILL

Mr. FERNANDEZ. Mr. Speaker, John Collier has wired the conferees on the

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Navajo-Hopi rehabilitation bill, urging that they eliminate from the bill section 9, which makes the Navajos and Hopis, with certain important limitations, subject to the laws of the States wherein they reside, and which gives them access to the State courts for the enforcement of their rights and the redress of wrongs.

I dislike the necessity of talking about Mr. Collier, because, although many of us in Congress have for years disagreed with many of his views on Indian matters, there is no doubt but that he is utterly sincere in his interests and devoted to the cause of the Indians. He was Commissioner of Indian Affairs for more than a decade—from 1933 to 1945—and had been for more than a decade a student and critic of Indian affairs administration. Because of his vast knowledge on this subject, he is entitled to careful consideration when he speaks on such matters.

COLLIER HAD HIS CHANCE

Never in the history of Indian administration has one man been given for so long a period so much control and so great authority over the administration of Indian affairs, with so little progress in the assimilation and integration of Indians, as in the case of Mr. Collier; and no man ever displayed more courage in the administration of Indian affairs than Mr. Collier did during his term, courage so amazing, it appeared to many of us to be almost foolhardy. So far as the Navajos are concerned, the results have proved it was quite foolhardy.

Mr. Collier undertook to remake and reshape the Navajo reservation, and its life, to the model he had for years envisioned, and in so doing he had almost complete autocratic power with no rein to check him. The Navajo had no recourse whatever to the State courts, and no means to appeal to the Federal courts to protect himself, even if he had the legal right, which is doubtful.

For years Mr. Collier had directed the attention of the Nation to the Navajo reservation through his brilliant articles. Writing in the January, 1924, issue of Sunset Magazine, he called attention to the existence of "eleven hundred thousand sheep and goats" and "300,000 semi-wild horses and burros." He expressed amazement that this number of stock could be grazed there, when in portions of the reservation because of lack of drinking water, there were mile after mile of "prairie grass, knee-high," unused. Complaining bitterly, he pointed out:

> Obviously 300,000 deteriorated horses and wild burros are a luxury, not a necessity, for 36,000 Navajos, but the attempts to reduce their number have been ineffective.

As Commissioner, he got the opportunity of doing something about it, and with the kind of power and courage I have referred to, he succeeded marvelously. Along with horses and burros, he considered the goat the greatest offender in overgrazing, and within a few years he had killed or removed nearly every goat, the only supply of milk the Navajos had, but failed to provide in lieu of it any other source of milk supply. According to the records, there was not a single milk cow in the reservation as late as 1946, the year after he ceased to be Commissioner. Back in 1939, the Hopis had 4 dairy cows. By 1943, they had none. Over the protest of the Indians, he decimated all stock so ruthlessly that he set in motion a trend which has not yet been stopped. I do not know how many more than the 1,100,000 head of sheep and goats the Indians had at the time he took charge, but, as shown by the records, by 1939 these had been reduced to 789,936, and by 1946, there were only 524,339. By 1939, the Navajos had only 30,621 head of beef cattle, and by 1946 they had only 9,726. In 1947, it was admitted by the Indian Office at a hearing in the Senate that the reservation was now undergrazed.

COLLIER'S POLICY IN PART RESPONSIBLE FOR PRESENT PLIGHT

In lieu of the cabrito, produced from the goats for meat supply, they had recourse to the skinny, wild jack rabbit. Seeing one scampering across the prairie, the Indian would point and say, "Collier goat—all he left us." By that process, the grass-killing jack rabbit was also virtually exterminated—and this should be checked to Mr. Collier's credit, I presume.

But the Indian had to eat, and rabbits not being sufficient, he had to begin wringing the necks of the chickens that produced his eggs. By 1939, according to the records, they had 3,752 chickens in the reservation; by 1940, these were reduced to 1,735; by 1944, they had been reduced to 1,411; and by 1945, the year Mr. Collier left, they had none worth counting. The record shows zero under that heading.

This sudden and rash dislocation of his little economy forced the Navajo to slaughter his breeding ewes for food; it forced him to slaughter his sows, which he had been advised to breed for reproduction of food to supplement his diet. In 1944, they had, according to the record, 161 head of swine; by 1944, they had 109; and by 1945, they had none. Again the record shows zero under that heading. Not a pig, not a dairy cow, not a chicken in that vast reservation of 60,000 people by that time, so far as the records show. Mr. Collier had "seen his duty and done it," without regard for the economic forces he was setting in motion, and without adequate measures to counteract them. The trend has not yet been stopped.

Traveling along the highway, I witnessed a scene I dislike to describe, and would not do so if it were not necessary. A horse had been killed by an automobile, and a swarm of Navajos were skinning and quartering it for food.

I hate to say it, but there is no question that the plight of the Navajo people is in large measure traceable to the policies that Mr. Collier put into effect during his term of office. There was nothing the Indians could do. Their tribal courts, such as they are, could not help them, and they had no access to the State courts. Had they had such rights as other American citizens have to protect their property, some curb could have been put to this fanatic zeal. Unquestionably, adjustment in the grazing practices of the Indians was necessary and vigorous methods were required, but it could and should have been done through more gradual and democratic processes so as not to completely dislocate the Indian economy.

The same thing is true with respect to other policies which he put into effect in the reservation such as the day-school program into which millions of dollars were sunk with tragic futility. There is no time to go into that fiasco now, and it is unnecessary, for the Department has acknowledged its woeful mistake and has asked for a reversal of that policy in the present program.

SEGREGATION OR ASSIMILATION—WHAT IS THE OBJECTIVE?

Commissioner Collier believed he had a keen insight into the culture, life, and aspirations of the Indians in general, and the Navajo in particular, and said so in eloquent and convincing language over and over again before and after he became commissioner. He believes the Indians want, and he wants them, to be a little nation within a nation; he believes they desire to remain unassimilated Indians, proud of their ways and of their heritage; and he based his policies and he now bases his views on these facts which he has reiterated so often he really believes them. But others do not agree with him so readily. Davida Woener, in her book, Education Among the Navajos, at page 172, states:

> There have been those who have mocked the policy of teaching an Indian to be an Indian, and who have asked Commissioner Collier what he intended to convey when he said that the Navajo Indians must be returned to their savage dignity as a people. When Commissioner John Collier wrote that he would cherish the way of the Navajo, esthetes, adventurers, gamblers, sportsmen, and nature mystics—men without the peasant's submissiveness to work, or the bourgeoise idolatry toward it, he was answered by Mr. Matthew K. Sniffen that this was an almost fanatical misconception of Indian life and culture. Indeed, the essence of the Navajo philosophy has been that everything is hard to get, even the little things, and that if you're lazy you can't get anything.

In furtherance of his solicitude for returning Indians to the savage dignity as a people and to the splendor of esthetic starvation, years after he had deplored the lack of industry and economy in the Navajo Reservation, an order was promulgated by the Department of the Interior, which stands out as a monument to this sentimental balderdash. The order fairly reflects the thinking and the style of Commissioner Collier, who undoubtedly wrote it. It is described in a book entitled "Primer of Navajo Economic Problems," prepared by Dr. George A. Boyce, Director of Schools, Navajo Service, at pages 116 and 117:

> In the fall of 1937 the Secretary of the Interior issued an order declaring certain tracts in the United States to be known as roadless and wild areas. The following quotations from that order tell the purpose of those areas:
>
> "Mechanization is growing in America with unprecedented acceleration. Actvity after activity which for countless generations have been performed directly by manpower, and area after area which have been subject only to the forces of nature are now dominated by machinery. To millions of Americans this constitutes an unmitigated blessing.

"There are other millions who, while they appreciate the good which the machine can bring, also have an intense craving for another type of existence. They do not see why their life must be lived entirely in the world of machinery when there is ample space in this great country for another world as well. They cannot believe that with vast stretches which need not be used for the mechanical activities of our civilization, it is necessary to make every nook and corner of the country a part of the machine world and to wipe out all sizable traces of the primitive.

"From the standpoint of the Indians it is of special importance to save as many areas as possible from invasion by roads. Almost everywhere they go the Indians encounter the competition and disturbances of the white race. Most of them desire some place which is all their own. If, on reservations where the Indians desire privacy, sizable areas are uninvaded by roads, then it will be possible for the Indians of these tribes to maintain a retreat where they may escape from constant contact with white men.

"Consequently, I am establishing the policy that existing areas without roads or settlements on Indian reservations should be preserved in such a condition, unless the requirements of fire protection, commercial use for the Indian's benefit, or actual needs of the Indians clearly demand otherwise.

"Under this policy I hereby order that the following shall be established as roadless areas on Indian reservations:

"Three of these areas are on the Navajo Reservation, as follows:

"(1) Rainbow Bridge, 1,590,000 acres, including the northern portion of Kaibito district and adjoining Navajo Mountain district (district 2).

"(2) Black Mesa, 820,000 acres to the southeast of district 1.

"(3) Painted Desert, 525,000 acres to the south of district 1.

"Within the boundaries of these officially designated roadless and wild areas it will be the policy of the Interior Department to refuse consent to the construction or establishment of any routes passable to motor transportation, including in this restriction highways, roads, truck trails, work roads, and all other types of way constructed to make possible the passage of motor vehicles, either for transportation of people or for the hauling of supplies and equipment. Foot trails and horse trails are not barred. Superintendents of reservations on which roadless and wild areas have been established will be held strictly accountable for seeing that these areas are maintained in a roadless condition."

I asked Mr. Zimmerman at page 119 of the hearings on this program when it was before the Senate committee of the Eightieth Congress on S. 2363 last year, whether this order was still in effect, and his answer was, "So far as I know; yes."

Today it is admitted on all hands that these vast expanses of roadless reservation stand in the way of the progress of the Indians, and the Department asks $20,000,000 to build roads.

Let me quote again from Davida Woerner's book, Education Among the Navajos, and from the same page 172:

In October 1940 an anthropologist and coordinator in the Indian Service, Dr. Willard W. Hill, published untechnical comments on Navajo political structure with the hope that they would lead to a better understanding of the problems which administrators face. He pointed out that politically a Navajo tribe does not exist and that the Navajo have never functioned as a unit in concerted action. What cohesiveness occurs is due to a common linguistic and cultural heritage, to the occupation of a defined territory, and to a common designation for themselves * * * people. Dr. Hill found, also, that never have all of the Navajo been brought, even temporarily, under the leadership of a single individual or group for a common purpose. In part, this accounts for the Navajo failure to accept the fundamental principles of the new Indian policy, a policy which assumed above all else that Indian tribes had political cohesion and unity of action.

Notwithstanding that the Indians, despite Collier's pressure, voted overwhelmingly against their coming under the Wheeler-Howard Act, they were forced into that pattern of self-government, and Mr. Collier still insists that they should be permitted and required to govern themselves as a segregated little nation within a State. It is with this policy that I cannot agree, and I do not believe that the majority of the Congress agrees with any such policy. Because they do not agree, Mr. Collier became increasingly unpopular in the halls of Congress, and the unpopularity of his programs and policies has caused immeasurable harm to the Indians everywhere.

In my opinion, the Congress is demanding a policy of assimilation, a policy that will make the Indian as an individual, a self-respecting, self-sufficient American citizen with the same rights and obligations as other American citizens. Congress does not want them segregated into, and perpetuated as little nations within a nation.

This is indicated by the fact that in 1924 Indians were given full citizenship; that in all States, including New Mexico and Arizona, the Indians have acquired and exercised the right to vote; and that in this last war they were required to bear arms in the defense of their country.

When Mr. Collier insists that the Navajo Reservation, a group of 60,000 Indians, be denied their rights as citizens of the State and that they govern themselves and administer the enforcement of law and order in that vast reservation by themselves, he is doing them a disservice.

Furthermore, it is utterly ridiculous. In McKinley County, N. Mex., the Navajo voters are so numerous in proportion to the non-Indian voters that they could probably elect one of their own as sheriff, yet he would be administering laws to which he owes no allegiance. In each precinct they can elect one of their own as justice of the peace, yet he would be administering laws to which neither he nor any other resident of the precinct, outside of the trader, his family, and employees, would be subject. As voters, they have the right to serve as jurors and try cases under State laws to which they are not subject. It is fundamental that Indians cannot be good citizens of the Nation in the full sense of the word unless they are also good citizens of the State.

I have said that in view of his experience and background Mr. Collier's objections should be given careful consideration. Let us examine them in detail, and in order to better understand them, let me first read the section of the bill to which they are directed. That section reads as follows:

SEC. 9. From and after the effective date of this act, all Indians within the tribal or allotted lands of the Navajo and Hopi Reservations shall be subject to the laws of the State wherein such lands are located, and shall have access to the courts of such State for the enforcement of their rights and the redress of wrongs to the same extent and in the same manner as any other citizen thereof: *Provided, however,* That all classes and character of property now exempt from taxation shall continue to be and remain exempt from taxation by the State until otherwise provided by Congress; and that, until otherwise provided by Congress all Federal and tribal laws and regulations respecting the management, assignment, inheritance, or disposition of lands shall be recognized and enforced where such laws or regulations are in conflict with State laws: *Provided further,* That nothing herein contained shall be construed as authorizing the State to interfere in any manner with the administration of the school system as provided and administered by the Federal Government for such Indians, except that the respective State school curricula shall be installed and followed in the Navajo schools so far as feasible: *And provided further,* That nothing in this act provided shall be deemed to impair the terms and obligations of any existing statute or treaty between the United States Government and the said Indians, nor take away the jurisdiction now exercised by the Federal Government or the tribes, but in all cases the jurisdiction of the State, the Federal, and the tribal courts shall be concurrent.

COLLIER'S OBJECTIONS

I do not have an exact copy of the statement sent by Mr. Collier to the conferees, but I shall quote his objections from the Associated Press release carried by the press on July 20, 1949:

The former Indian Commissioner based his opposition to the State law amendment (section 9 in the bill) on four factors:

"1. The Navajo Council endorsed section 9 under conditions of very dubious persuasiveness. The Hopi pueblos have not endorsed it, have not been consulted at all and when informed certainly will oppose it.

"2. The Navajo Tribal Council acted under belief the entire program hinged on its approval of the amendment.

"3. Nothing but confusion and conflicting precedents would ensue. Headmen, principal men, priests, tribual courts, and administrators would be frustrated and palsied, and the development of effective self-governing institutions in the tribes would be aborted.

"4. The Navajo-United States treaty asserts and implies Federal law and Federal jurisdiction exclusively. The organic acts of the several States contain express guaranties of exclusive Federal jurisdiction."

Collier asserted that every appropriation authorized in the bill is already fully authorized under existing law.

It will be observed from the last paragraph of the press statement that Mr. Collier is opposed to the entire bill. With difficulty I restrain myself from further comment about that, but shall do so since it is not pertinent to the question under discussion.

Taking up first the two objections to section 9; first, that the Hopi pueblos "have not been consulted at all and when informed certainly will oppose it," and, second, that the Navajo Council endorsed it "under belief the entire program hinged on its approval of the

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amendment," it is my understanding that the Hopis are aware of the amendment, which later became section 9 of the bill and which was given great publicity in that area for 2 months, and have so far expressed no objection. In discussing the amendment when it was first under consideration, Mr. Collier's former colleagues and assistants in the Indian Office were quite clearly of the opinion that the Navajos would object to the amendment, and requested from the chairman of the committee opportunity to submit it to the annual council meeting which was to be held a few days hence. They were quite surprised when the Indian Council voted overwhelmingly in favor of the amendment. Had the Hopi Indians a governing body—which they have not—to whom the amendment could be submitted, Mr. Collier might likewise get the surprise of his life.

Before proceeding further, let me point out the further fact that the Hopis are a small group of about 4,000 people completely surrounded by the Navajos, who overlap into their little reservation. In fact, no one seems able to agree on where the boundaries of the Hopi Reservation really are. Consequently, if the Navajos are made subject to the State laws, the Hopis should be also; if the Navajos are not, then the Hopis should not. Otherwise, it would be difficult to determine whether the State had or had not jurisdiction of acts occurring on the disputed land, which is considerable, just as in allotted lands in New Mexico now it is necessary to have a surveyor to determine whether an act has taken place on allotted or State lands, which are interspersed, and which has resulted in no law enforcement at all. Had Collier been Commissioner, he would have insisted on a plebiscite of the Hopis, another of those futile acts which only lead to unrest and suspicion.

These two reservations have grown into each other through the years, despite the omnipotence of Mr. Collier, and I now pose a question to him: Which tribe has jurisdiction of acts between a Hopi and a Navajo, say an assault and battery case? In this area as in the allotted lands, section 9 would solve the riddle.

I think it is quite in order also to ask Mr. Collier if he consulted either the Navajos or the Hopis before assuming to speak for them in opposition to this provision. He has not, and he could not if he tried. The courage of his convictions, about which I spoke, has made him very much persona non grata in both reservations.

The amendment was suggested by me in my testimony before the House committee, and although it had support from some of the members of the committee, other members and the chairman as well as the Indian Office expressed fear that the adoption of the amendment might be misunderstood and might endanger the passage of the bill. No one, therefore, had ever expressed any opinion that the bill was dependent on the amendment as suggested by Mr. Collier, but quite the contrary.

If anything, the Navajos voted in support of the amendment at the risk of endangering the whole program, so positive are the majority of the Navajos that it is not only desirable but necessary for the future welfare of the Navajos.

MANNER IN WHICH AMENDMENT WAS PRESENTED

The Navajo Council met on Wednesday, June 8. Dr. Nichols, the present Indian Commissioner, in whom both Indians and non-Indians have great confidence, presented the matter to them, and from all reports I get, he did so in a most fair and objective manner. On that day he presented the provisions of the bill to the Indians, and bear in mind that section 9 was not then a part of it. He also discussed the amendment separately, and requested their views on it. The local daily carried big headlines, as follows: "Nichols claims funds for rehabilitation hasn't any strings." Under that the paper quoted Dr. Nichols as saying to the council:

"I think those people—

The Congress—

have been finally convinced that the Navajo reservation will not support 61,000 people and they must do something to help," said Commissioner Nichols. "I think they will do it with a spirit of generosity.

"The average white American has a little feeling of guilt toward the Indians. They know the Indians once owned the whole country. Now they have only small reservations. And they want to do what they can to see that no one is sick or starves in America.

"So I wouldn't be afraid they will want anything in return for this $90,000,000—if you can get it."

The paper does not quote the words used in presenting the amendment to the Indians, but from all reports I get, he did so fairly and objectively. It was explained that I had suggested the amendment to the committee, and so it became known there as the Fernandez amendment, although I am not a member of the committee. The Indians, of course, already knew that I advocated such a provision, as I have said so publicly and among groups of Indians who have talked to me about their need for the right to go into the State courts. They have complained to me that they cannot get justice in the tribal courts, and on matters over which the Federal courts have no jurisdiction they are helpless. They have often complained of crime and the lack of law enforcement.

My understanding is that Dr. Nichols, in presenting the amendment to the Navajo Council, expressed no opinion to them as to whether it was a desirable amendment or not, until a member of the Council pressed him for his opinion. I quote from the press report:

In answer to a question from one of the councilmen he—

Dr. Nichols—

said he was opposed to the amendment because he feared it would result in confused jurisdiction.

Whereupon, according to the newspaper reports, "Council Chairman Sam Ahkeah said the proposed amendment was 'words for a lawyer,'" and asked the Council to delay action until it could be discussed with their own counsel, he not being present at the time.

NAVAJO APPROVAL OF SECTION 9

The amendment was taken up by the council again on Thursday, June 9, with their lawyer present, and was thoroughly discussed that afternoon and that night. Objection was voiced by them to that portion of the amendment which exempts schools from State jurisdiction. They wanted even the schools to be under State law. It was pointed out to them that this was not possible since the Federal Government financed and administered the schools. They withdrew their objection on condition that the words "except that the respective State school curricula shall be installed and followed in the Navajo schools." They also requested the interpolation of words to the effect that nothing in the act should "be deemed to impair the terms and obligations of any existing statute or treaty between the United States Government and the said Indians." The council then voted 37 to 20 in favor of the amendment, and they sent me a telegram so stating and requesting that I include the statements proposed by them in my suggested amendment, which was done, and the committee approved that amendment and made it a part of the revised bill.

There is nothing, therefore, to justify Mr. Collier's assumption that the Indians were led to believe that they had to approve this amendment. The attitude of the commissioner who formally presented the proposed bill to them was to the contrary. They approved it notwithstanding the fact the commissioner did not favor it.

The Indians have often, and bitterly, complained of the lack of law enforcement in the reservation and of the system of schools provided by the Government. These same complaints were openly aired at the council meeting as reflected by the press reports of June 9, which I quote:

Members of the Navajo Tribal Council yesterday made it clear to Indian Commissioner John R. Nichols, that they wanted accredited schools on the reservation and enforcement of the law and order code. Several of the councilmen also declared the Navajo people would boycott the Watkins Navajo Institute being established at Brigham, Utah, at the former Bushnell General Hospital, as long as the new school is headed by Dr. George A. Boyce, former director of Navajo education.

The objection to Boyce was based on the Navajo education program which the councilmen said attempted to teach Navajo children to read the Navajo language rather than emphasizing the speaking and use of English.

The Navajo Indians are notoriously individualistic. They have been forced by circumstances of the Indian Office to accept tribal government, but they want to be good American citizens, they want to be one of us in the State, and they want to take part as citizens of the State. This is being denied them under the policies advocated by such influential men as John Collier.

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STATE JURISDICTION IN AID, NOT IN DEROGATION OF PRESENT JURISDICTION

His third objection is that "nothing but confusion and conflicting precedents would ensue," and that "headmen, principal men, priests, tribal courts, and administrators would be frustrated and palsied, and the development of effective self-governing institutions in the tribes would be aborted."

I am wondering what priests Mr. Collier is talking about. I can imagine the snicker of amusement which lighted the faces of the Indians when they read that in the Gallup Daily News. Maybe he got his tribes confused. He was speaking seriously, I am sure, but our Navajo Indians have quite a sense of humor.

I looked up the word "palsied" in the dictionary and find it to be, "infirmity in action; inefficiency; as the 'palsy of the administration.'" If that is what he meant, every trader and every Indian in the reservation knows that the tribal courts and the present administrators of law and order in the reservation are palsied already. State jurisdiction could not possibly make them any more so.

I do admit that they would be, in a sense, frustrated—frustrated in the desire of the tribal courts and administrators to be supreme. The Indian as an individual now has no recourse at all against the many little injustices perpetrated on him daily without any appeal whatsoever. That is not my complaint; it is the complaint of the Indians, especially the younger generation.

Self-governing institution in the tribes has been the dream of Mr. Collier, and if he were not such a stubborn man he would readily admit that his experiment, so far as law and order and the protection of the individual rights of the Indian are concerned, is a total failure.

To develop and strengthen tribal institutions in the management of the communal lands may be worthy of the effort; but insofar as they are intended to function in the enforcement of law and order and the government of the Indian citizens as such, they do not square up with our American ideals of justice. We would never permit arbitrary and dictatorial government over any white people. If it is not good for us, then why insist on requiring the Indians to stomach that kind of government. Given half a chance the Indians themselves will square their tribal government with democratic processes under State law.

This amendment does not take away their tribal government or their tribal jurisdiction; it merely gives them the additional aid of the State jurisdiction, just as a municipality may have its own municipal government and municipal code, but with its citizens subject also to the State laws and the State jurisdiction.

The amendment does give the Indian redress to the State courts, and does make it at least possible for him to obtain the writ of habeas corpus when illegally detained, and writs of mandamus, prohibition and injunction when and if he needs them for his protection from arbitrary acts of the tribal courts. The amendment also makes it possible for the State to step in when there is a flagrant violation of the law which is ignored in the reservation.

There has been some fear expressed that the State courts might be a bit harsh on the Indians who commit an act violative of the State laws but which they think is all right as an Indian custom. My experience as a prosecutor is that juries and the State courts are, if anything, overlenient when an Indian finds himself in trouble. That was demonstrated right there in Gallup, 25 miles away from the scene of the Council meeting. An Indian outside the reservation was caught doing what would have sent a white man to the penitentiary without mercy. After trial he came up for sentence before Judge James B. McGhee, one of the strictest judges in the State. I quote without comment, the press report on the case:

Roy Hill, 29, found guilty of rape of a minor on July 1, 1947, was given a suspended sentence of 2 to 3 years with admonition from the bench that "Indians who choose to live off the reservation must abide by the laws set up by the white man."

Hill, a Navajo, presented a defense based on the Navajo custom that a man marrying a widow also marries her oldest daughter.

DOES THE TREATY REQUIRE FOREVER EXCLUSIVE FEDERAL JURISDICTION?

Mr. Collier's fourth and last objection weakens his case, in that resort to it demonstrates the paucity of his arguments. He says that "the Navajo-United States treaty asserts and implies Federal law and Federal jurisdiction exclusively." If the treaty asserts it, why should it be implied. Mr. Collier knows no such thing is asserted by the treaty; and there is no reason for its being implied. The treaty was entered into when all that land was wild Indian country and solely a territory of the United States. The clause of the treaty to which he no doubt refers is the concluding part of article II of the treaty, which reads as follows:

The United States agrees that no persons except those herein so authorized to do and except such officers, soldiers, agents, and employees of the Government or of the Indians as may be authorized to enter upon the Indian reservation in discharge of duties imposed by law or the orders of the President shall ever be permitted to pass over, settle upon, or reside in the territory prescribed in this article.

This provision of the treaty signed back in the 1860's, was to give the Indians explicit assurance in those land-grabbing warfaring days that no white settlers would be permitted to squat on the reservation or to molest the Indians in their occupation of the land assigned to them. It has no bearing on what their relations would be with the State government which was not organized until half a century later. These treaties must be interpreted in the light of history and in relation to the problem then being settled.

Assuming, however, that it did assert exclusive Federal jurisdiction, surely Mr. Collier would not let a treaty stand in the way of granting the Indians, parties to the treaty, their desire to be full citizens of the State, insofar as it is possible, by submitting their persons to the jurisdiction of the State, especially when that desire has been expressed by majority vote of the self-governing institution he so much admires—the tribal Council. He did not let the treaty stand in the way of stepping in and confiscating the milk goats of the Indians, over their protests. The Congress did not let the treaty stand in the way of vesting State citizenship on the Indians—or did we vest that? Is not that why they are entitled to vote? The Congress did not let the treaty stand in the way of requiring the Navajos to bear arms.

As to the organic acts of the several States containing "express guaranties of exclusive Federal jurisdiction," such guaranties have reference to the lands occupied by Indians or Indian tribes. It has nothing to do with the Indians as individuals. Section 9 permits such exclusive jurisdiction to continue insofar as those lands are concerned. As I say, such guaranties have nothing to do with the Indians as individuals, unless interpreted as withdrawing such lands from the territory comprising the State so as to prevent the reservation from being a part of the State.

If the treaties and the compacts contained in the various State constitutions with respect to the land are to be interpreted as withdrawing the land from the territory of the State so that they do not constitute any part of any political subdivision of the State, that might lend force to Mr. Collier's argument. I will say this in his favor, that he is consistent in that it was with his acquiescence that Indians within reservations were not at first considered as coming within the social-security laws of the State. Certainly, if those provisions withdraw their reservation from the territory comprising the State, they are not entitled to be considered as being within a political subdivision of the State and would not be entitled to social security.

The fact is that Indians have long ago ceased, for all purposes, to be independent little nations, and everybody, including the Indians, who claim rights as State citizens are fully aware of that—everybody except Mr. Collier. As Indian Commissioner for 12 years he has had his chance of translating his theories into policies and of putting them into practice. The Congress, the country, and the Indians have had enough of that. It is time that we took some positive steps toward the final assimilation, education, and rehabilitation of the Indians as real citizens rather than perpetuate their segregation to the point of absurdity.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BURTON, for Tuesday, August 2, on account of official business.

To Mr. DEANE (at the request of Mr. COOLEY), for an indefinite period, on account of official business.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5238. An act to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on August 1, 1949, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1288. An act for the relief of certain officers and members of the crew of the steamship *Taiyuan*;

H. R. 1466. An act for the relief of Daniel Kim.

H. R. 1472. An act for the relief of the Olympic Hotel;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa;

H. R. 2850. An act for the relief of Denise Simeon Boutant; and

H. J. Res. 329. Joint resolution amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Wednesday, August 3, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

818. A letter from the Secretary of State, transmitting the fourteenth and final report of the Department of State regarding the disposal of United States surplus property in foreign areas, pursuant to the Surplus Property Act; to the Committee on Expenditures in the Executive Departments.

819. A letter from the Acting Secretary of the Treasury, transmitting the Annual Report of the Federal Bureau of Narcotics, for the calendar year ended December 31, 1948; to the Committee on Ways and Means.

820. A letter from the Acting Secretary of the Treasury, transmitting the Twentieth Quarterly Report on War Contract Terminations and Settlements, covering the period for April 1 through June 30, 1949; to the Committee on the Judiciary.

821. A letter from the Secretary of the Navy, transmitting a report showing claims for damage caused to United States naval vessels settled for the fiscal year 1948–49, pursuant to the act of December 5, 1945; to the Committee on the Judiciary.

822. A letter from the Secretary of the Navy, transmitting a report showing a list of claims for damage caused by naval vessels settled for the fiscal year 1948–49, pursuant to Public Law 417, approved July 3, 1944; to the Committee on the Judiciary.

823. A letter from the Secretary of the Interior, transmitting copies of certain legislation passed by the Legislative Assembly and the Municipal Council of St. Croix; to the Committee on Public Lands.

824. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on Shrewsbury River, N. J., with a view to improving the north branch of Blossom Cove and modifying the project for the south branch of the Shrewsbury River, requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted on February 1, 1946, and March 5, 1946 (H. Doc. No. 285); to the Committee on Public Works and ordered to be printed, with two illustrations.

825. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration on a review of reports on San Francisco Harbor and Bay, Calif., requested by a Resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on June 28, 1946 (H. Doc. No. 286); to the Committee on Public Works and ordered to be printed, with an illustration.

826. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration on a preliminary examination and survey of Hudson River, Fla., authorized by the River and Harbor Act approved on March 2, 1945 (H. Doc. No. 287); to the Committee on Public Works and ordered to be printed, with an illustration.

827. A letter from the Attorney General, transmitting a letter relative to the case of Gulezar Tarpinian nee Derderian, file No. A–1061965 CR 23340, and requesting that it be withdrawn from those now before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

828. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950, in the amount of $3,000,000 for the National Capital Sesquicentennial Commission (H. Doc. No. 288); to the Committee on Appropriations and ordered to be printed.

829. A letter from the Under Secretary of Agriculture, transmitting a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of May 1940; to the Committee on Agriculture.

830. A letter from the Comptroller General of the United States, transmitting a report of the activities of the General Accounting Office under section 16 of the Contract Settlement Act of 1944; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REED of New York: Committee on Ways and Means. H. R. 5831. A bill to exempt certain volatile fruit-flavor concentrates from the tax on liquors; without amendment (Rept. No. 1159). Referred to the Committee of the Whole House on the State of the Union.

Mr. HEFFERNAN: Committee on Armed Services. H. R. 210. A bill to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes; with an amendment (Rept. No. 1160). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. H. R. 4315. A bill to authorize the Secretary of the Army to proceed with construction at stations of the Alaska communication system; with an amendment (Rept. No. 1161). Referred to the Committee of the Whole House on the State of the Union.

Mr. JOHNSON: Committee on Armed Services. H. R. 5342. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment to the Boy Scouts of America for use at the Second National Jamboree of the Boy Scouts; without amendment (Rept. No. 1162). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 5368. A bill to authorize the Departments of the Army, Navy, and Air Force to participate in the transfer of certain real property or interests therein, and for other purposes; with an amendment (Rept. No. 1163). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services House Joint Resolution 230. Joint resolution authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of St. Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy; without amendment (Rept. No. 1164). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Education and Labor. H. R. 4453. A bill to prohibit discrimination in employment because of race, color, religion, or national origin; with an amendment (Rept. No. 1165). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FURCOLO:

H. R. 5852. A bill to provide for loans to enable needy and scholastically qualified students to continue post high school education; to the Committee on Education and Labor.

By Mr. RANKIN (by request):

H. R. 5853. A bill to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans; to the Committee on Veterans' Affairs.

By Mr. GRANAHAN:

H. R. 5854. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. RAMSAY:

H. R. 5855. A bill to provide for a grant to the Prisoners Relief Society for use in the rehabilitation of chronic alcoholics; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 5856. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Education and Labor.

By Mr. CROSSER:

H. J. Res. 331. Joint resolution directing the Civil Aeronautics Board to investigate and report to Congress with respect to problems related to the separation of the payment of compensation for services rendered in transporting mail by aircraft from the payment of subsidies to air carriers; to the Committee on Interstate and Foreign Commerce.

By Mrs. NORTON:

H. J. Res. 332. Joint resolution providing for the establishment of a Joint Senate and House Recording Facility; to the Committee on House Administration.

By Mr. HERTER:

H. Con. Res. 117. Concurrent resolution extending good wishes to former President Herbert Hoover; to the Committee on House Administration.

By Mr. O'HARA of Illinois:

H. Con. Res. 118. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign affairs.

By Mr. HESELTON:

H. Res. 307. Resolution to direct the Committee on Interstate and Foreign Commerce to recommend a national fuel policy; to the Committee on Rules.

By Mr. LESINSKI:

H. Res. 308. Resolution providing for the consideration of the bill (H. R. 4453) to prohibit discrimination in employment because of race, color, religion, or national origin; to the Committee on Rules.

By Mr. HOBBS:

H. Res. 309. Resolution relating to the presence of a quorum in committees and subcommittees of the House; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. ANDREWS:

H. R. 5857. A bill to provide for the conveyance of a certain war housing project to Tuskegee Institute, Tuskegee, Ala.; to the Committee on Banking and Currency.

By Mr. CHURCH:

H. R. 5858. A bill for the relief of J. Alfred Pulliam; to the Committee on the Judiciary.

By Mr. CLEMENTE:

H. R. 5859. A bill for the relief of Simone Papillo; to the Committee on the Judiciary.

By Mr. D'EWART:

H. R. 5860. A bill authorizing the Secretary of the Interior to issue a patent in fee to Frank Phelps; to the Committee on Public Lands.

By Mr. JONES of North Carolina:

H. R. 5861. A bill conferring jurisdiction upon the United States Court for the Western District of North Carolina to hear, determine, and render judgment upon the claim of Paul Rose, Jonas Ridge, N. C.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1370. By Mr. DAGUE: Petition of homemakers of Lititz, Pa., in support of H. R. 2428 known as the Bryson bill to prohibit advertising of liquor through newspapers and radio; to the Committee on Interstate and Foreign Commerce.

1371. By the SPEAKER: Petition of International Association of Machinists, Washington, D. C., relative to urging the Congress to either lower the retirement age in the social-security law or act to protect older workers against unfair and unjust discrimination because of age; to the Committee on Ways and Means.

1372. Also, petition of Civitan International, Birmingham, Ala., relative to being placed on record as being in complete accord with, and as giving unqualified support to the Hoover plan for Government reorganization; to the Committee on Expenditures in the Executive Departments.

1373. Also, petition of Texas State Branch, National Association of Postal Supervisors, San Antonio, Tex., relative to commending the officials of the Post Office Department, our National and State officers, and our Senators and Congressmen for their efforts in enacting beneficial legislation in our behalf; to the Committee on Post Office and Civil Service.

1374. Also, petition of Polish Falcons of America, Pittsburgh, Pa., relative to the western boundaries of Poland; to the Committee on Foreign Affairs.

1375. Also, petition of American Association of Social Workers, New York City, N. Y., relative to the coverage of social-security legislation; to the Committee on Ways and Means.

1376. Also, petition of Leon K. Sterling, Sr., clerk, city and County of Honolulu, Honolulu, T. H., relative to requesting the Congress of the United States of America to enact the necessary legislation exempting the Territorial and city and county pensioners from paying Federal income taxes; to the Committee on Ways and Means.

SENATE

WEDNESDAY, AUGUST 3, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Albert J. McCartney, LL. D., director of the Chicago Sunday Evening Club, Chicago, Ill., offered the following prayer:

God of the past, the present, and the future, as we assemble once again within these chambered walls, so vocal with the majestic voices of yesterday, we ask for the spirit of reverence, reverence for the very privilege of life itself, stamped as it is with Thy seal upon our inmost being, and vibrant with its manifold interests and its capacity for friendship. Give us a reverence in these tumultuous times through which we are passing, and in which in Thy providence we believe we have been called to high places of service and responsibility. Give us a reverence for one another, in thought, in speech, and gesture. May we be ever mindful of the anxieties and cares and burdens of one another. Give us reverence for the Government whose history and institutions it is our proud privilege to sustain. Remember our far-flung citizenry, scattered throughout the length and breadth of the land, and in distant parts of the earth. Especially do we pray for the million and more young men, mere lads that they are, in the military service of the Nation. Sustain all chaplains in whose hands rests the responsibility for the moral and spiritual welfare of these young men, far from home.

And now may we all address ourselves to the duties of this day with renewed reverence and zeal. In Jesus' name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 2, 1949, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 59) extending greetings to Hon. Herbert Hoover on his seventy-fifth birthday.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 29. An act to provide price support for tung nuts and honey, and for other purposes;

H. R. 219. An act to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed;

H. R. 322. An act to transfer funds to the town of Craig, Alaska;

H. R. 584. An act for the relief of Mike Clipper;

H. R. 695. An act for the relief of Mrs. Mary A. Bailey;

H. R. 733. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Frank Haegele;

H. R. 1020. An act for the relief of the legal guardian of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman;

H. R. 1097. An act for the relief of Edgar Barbre;

H. R. 1800. An act for the relief of Howard E. Giroux;

H. R. 1871. An act for the relief of Hilde Flint;

H. R. 2365. An act for the relief of the city of Chester, Ill.;

H. R. 2457. An act for the relief of Helen Morren;

H. R. 2921. An act for the relief of Nicholas C. Kalcoutsakis;

H. R. 3252. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek;

H. R. 3536. An act for the relief of Mrs. Nora Johnson;

H. R. 4040. An act for the relief of Agnes Tarjani;

H. R. 4042. An act for the relief of Konstantinos Yannopoulos;

H. R. 4411. An act for the relief of Mrs. Elizabeth Mary C. Mangle;

H. R. 4414. An act for the relief of Dora M. Barton;

H. R. 4564. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines;

H. R. 5019. An act for the relief of Fella H. Holbrook;

H. R. 5148. An act to confer jurisdiction upon the District Court for the Territory of Alaska to hear, determine, and render judgment upon the claim or claims of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska;

H. R. 5276. An act for the relief of Mrs. Julia (Iole) M. Stefani Lencioni;

H. R. 5525. An act for the relief of Mr. and Mrs. Richard E. Deane;

H. R. 5598. An act to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct"; and

H. R. 5831. An act to exempt certain volatile fruit-flavor concentrates from the tax on liquors.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	McMahon
Anderson	Hickenlooper	Magnuson
Baldwin	Hill	Malone
Brewster	Hoey	Martin
Bricker	Holland	Maybank
Bridges	Humphrey	Miller
Butler	Hunt	Millikin
Cain	Ives	Morse
Capehart	Jenner	Mundt
Chapman	Johnson, Colo.	Murray
Chavez	Johnson, Tex.	Myers
Connally	Johnston, S. C.	Neely
Cordon	Kefauver	O'Conor
Donnell	Kem	O'Mahoney
Dulles	Kerr	Pepper
Ecton	Kilgore	Robertson
Ellender	Knowland	Russell
Ferguson	Langer	Saltonstall
Flanders	Lodge	Schoeppel
Frear	Long	Smith, Maine
Fulbright	Lucas	Sparkman
George	McCarran	Stennis
Gillette	McCarthy	Taylor
Graham	McClellan	Thomas, Okla.
Green	McFarland	Thomas, Utah
Gurney	McGrath	Thye
Hayden	McKellar	Tobey

UNIVERSITY OF MICHIGAN LIBRARIES

Tydings	Wherry	Withers
Vandenberg	Wiley	Young
Watkins	Williams	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Illinois [Mr. DOUGLAS], and the Senator from Mississippi [Mr. EASTLAND] are absent on public business.

The Senator from California [Mr. DOWNEY] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators may be permitted to introduce bills and joint and other resolutions, submit petitions and memorials, and present routine matters for the RECORD as though the Senate were in the morning hour, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON COOPERATION IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE, UNITED STATES AND MEXICO

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of May 1949 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT ON ACTIVITIES OF GENERAL ACCOUNTING OFFICE UNDER CONTRACT SETTLEMENT ACT OF 1944

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of the activities of the General Accounting Office under section 16 of the Contract Settlement Act of 1944 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A letter in the nature of a petition from the Federal Bar Association, Washington, D. C., signed by James E. Palmer, Jr., president, endorsing the nomination of Tom C. Clark as an Associate Justice of the Supreme Court of the United States; to the Committee on the Judiciary.

Two telegrams in the nature of memorials from the Utah Civil Rights Congress, Salt Lake City, Utah, signed by Dorothy Adelle Knerr, executive secretary, and the United Electrical Radio and Machine Workers of America (CIO), of Philadelphia, Pa., signed by Henry Rhine, international representative, remonstrating against the confirmation of the nomination of Tom Clark as Associate Justice of the Supreme Court of the United States; to the Committee on the Judiciary.

A resolution adopted by the Wisconsin Dental Hygienists' Association, of Milwaukee, Wis., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

PROHIBITION OF LIQUOR ADVERTISING—PETITIONS

Mr. KILGORE. Mr. President, on behalf of the junior Senator from West Virginia [Mr. NEELY] and myself, and at the request of Mrs. Ethel C. McBee, an outstanding woman of West Virginia, I present for appropriate reference petitions from 918 citizens of Marion County, W. Va., praying for the enactment of Senate bill 1847, to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes.

The VICE PRESIDENT. The petitions will be received and referred to the Committee on Interstate and Foreign Commerce.

Mr. MARTIN. Mr. President, by request, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, without the signatures, a petition signed by 28 citizens of Lititz, Pa., praying for the enactment of House 2428, establishing penalties for advertising of alcoholic beverages.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, without the signatures, as follows:

PETITION FOR BRYSON BILL, H. R. 2428

LITITZ, PA., *July 28, 1949.*

We, the undersigned homemakers of Lititz, Pa., hereby petition against the advertising of liquor and ask you as our Congressman to give the Bryson bill, H. R. 2428, your support. It is obvious that advertising increases the sale of liquor and crime. We protest against it being advertised in our homes and through our radio.

PRAYERS-FOR-PEACE MOVEMENT

Mr. IVES. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by members of the Benevolent and Protective Order of Elks of the United States of America at a regular session of the annual meeting of the grand lodge, BPOE, Cleveland, Ohio, on July 13, 1949, approving the prayers-for-peace movement.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

PRAYERS-FOR-PEACE MOVEMENT

The following resolution was adopted by the members of the Benevolent and Protective Order of Elks of the United States of America at a regular session of the annual meeting of the grand lodge, BPOE, held in the city of Cleveland, Ohio, on the 13th day of July 1949:

"Whereas two dreadful wars and the present disconcerting international circumstances have left this world in confusion; and

"Whereas mankind seems unable to find a basis upon which to build a happier understanding among the nations of the earth: Be it

"*Resolved*, That we, the members of the Benevolent and Protective Order of Elks of the United States of America, a fraternal organization, at a regular session of the annual meeting of the grand lodge, BPOE, held in the city of Cleveland, Ohio, on the 13th day of July 1949, approve the prayers-for-peace crusade, which was originally proposed by the Honorable Herve J. L'Heureux, at a meeting of the William H. Jutras Post, of the American Legion, at Manchester, N. H., October 28, 1948, and which has received wide approval since that time; and be it further

"*Resolved*, That all members of the Benevolent and Protective Order of Elks are urged to participate in this movement by joining in 1 minute of prayer at 12 o'clock noon, each day; and that each of us, in his own way, will ask God to reveal to mankind the way to peace on earth and good will to all men, so that man's mind shall be receptive to God's way and we can thus speed this intelligent move toward peace through prayer."

This resolution was submitted by New York Lodge, No. 1.

JAMES E. MULCAHY,
Exalted Ruler.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

H. R. 5268. A bill to amend certain provisions of the Internal Revenue Code; with amendments (Rept. No. 831).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

S. 806. A bill authorizing the erection of a monument to Sacajawea; with an amendment (Rept. No. 833).

By Mr. McFARLAND, from the Committee on Interior and Insular Affairs:

S. 75. A bill authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes; with amendments (Rept. No. 832).

AMENDMENT OF PUBLIC HEALTH SERVICE ACT—REPORT OF A COMMITTEE—ADDITIONAL COSPONSORS OF BILL

Mr. PEPPER. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, with amendments, the bill (S. 1453) to amend the Public Health Service Act to provide grants and scholarships for education in the medical, dental, dental hygiene, public health, nursing, and sanitary engineering professions, and for other purposes, and I submit a report (No. 834) thereon.

I ask unanimous consent that the names of the Senator from Utah [Mr. THOMAS], the Senator from Alabama [Mr. HILL], the Senator from Illinois [Mr. DOUGLAS], the Senator from North Carolina [Mr. GRAHAM], the Senator from Ohio [Mr. TAFT], the Senator from Vermont [Mr. AIKEN], the Senator from New Jersey [Mr. SMITH], the Senator from Oregon [Mr. MORSE], and the Senator from Missouri [Mr. DONNELL] be added as cosponsors of the initial bill.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar, and, without objection, the names of the Senators stated by the Senator from Florida will be added as cosponsors of the bill.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 3, 1949, he presented to the President of the United States the following enrolled bills:

S. 755. An act to extend the time for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

S. 803. An act to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard armory

and for training the National Guard or for other military purposes;

S. 1136. An act to amend the Canal Zone Code, and for other purposes;

S. 1137. An act to revise and codify laws of the Canal Zone regarding the administration of estates, and for other purposes;

S. 1278. An act to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high-intensity lighting on CAA designated instrument-landing runways;

S. 1285. An act to authorize progressive partial payments to sponsors under the Federal Airport Act program;

S. 1459. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended;

S. 1505. An act to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947;

S. 1577. An act to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944; and

S. 2030. An act to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

One hundred and ninety-six postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOEY:

S. 2366. A bill for the relief of Edgar B. Grier; to the Committee on the Judiciary.

By Mr. FLANDERS (for himself, Mr. CAIN, and Mr. HENDRICKSON):

S. 2367. A bill to amend the National Housing Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. BREWSTER:

S. 2368. A bill for the relief of Elmer Stern and Elizabeth W. Stern; to the Committee on the Judiciary.

(Mr. MUNDT introduced Senate bill 2369, to require persons who obtain commissions for rendering assistance in the obtaining of Government contracts to register with the Congress, and to establish in the General Services Administration an Office of Contract Information, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. THOMAS of Oklahoma:

S. 2370. A bill permitting suit to be brought on the claim of Edward B. Massie against the United States; to the Committee on the Judiciary.

By Mr. FERGUSON:

S. 2371. A bill to provide for the disclosure of certain activities by Government contractors in the procurement of Government contracts, and for other purposes; to the Committee on the Judiciary.

By Mr. MCMAHON:

S. 2372. A bill to amend the Atomic Energy Act of 1946; to the Joint Committee on Atomic Energy.

By Mr. JOHNSTON of South Carolina:

S. 2373. A bill to credit for the purpose of determining eligibility for promotion all service performed by employees of the postal service who are transferred from one position to another within the service; to the Committee on Post Office and Civil Service.

By Mr. CHAVEZ (by request):

S. 2374. A bill to amend the Philippine Rehabilitation Act of 1946; to the Committee on Public Works.

By Mr. CONNALLY:

S. 2375. A bill to authorize the carrying out of the provisions of article 7 of the treaty of February 3, 1944, between the United States and Mexico, regarding the joint development of hydroelectric power at Falcon Dam, on the Rio Grande, and for other purposes; to the Committee on Foreign Relations.

REGISTRATION OF MANUFACTURING REPRESENTATIVES

Mr. MUNDT. Mr. President, the disclosures in the investigations in connection with the so-called 5 percenters has revealed many of the complications and confusions small-business men confront in securing Government contracts. I introduce for appropriate reference a bill which would require the registration of manufacturing representatives, and to set up an Office of Contract Information in the General Services Administration.

The bill (S. 2369) to require persons who obtain commissions for rendering assistance in the obtaining of Government contracts to register with the Congress, and to establish in the General Services Administration an Office of Contract Information, introduced by Mr. MUNDT, was read twice by its title, and referred to the Committee on the Judiciary.

HEARINGS BEFORE COMMITTEE ON ARMED SERVICES—ADDITIONAL EXPENDITURES

Mr. TYDINGS submitted the following resolution (S. Res. 149), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. THOMAS of Oklahoma submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3838) making appropriations for the Interior Department for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: On page 6, in line 13, strike the figures "$1,616,115" and insert "$4,000,000"; in line 14, strike the figures "$330,000" and insert "$525,000"; in line 21, strike the figures "$2,257,905" and insert "$5,000,000"; and at the end of line 21, strike the period, insert a colon, and add the following: "*Provided*, That of the funds herein appropriated for the Southwestern Power Administration, the sum of $2,383,885, in cash, and the sum of $2,742,095, in contract authority, shall not be committed or in any way obligated until after:

"(1) January 1, 1950; and

"(2) Unless prior to said date the following-named utility companies: Public Service Co., of Oklahoma, an Oklahoma corporation; Arkansas-Missouri Power Co., an Arkansas corporation; Arkansas Power & Light Co., an Arkansas corporation; Louisiana Power & Light Co., a Florida corporation; the Empire District Electric Co., a Kansas corporation; Oklahoma Gas & Electric Co., an Oklahoma corporation; Southwestern Gas & Electric Co., a Delaware corporation; Missouri Public Service Corp., a Delaware corporation; Missouri Utilities Co., a Missouri corporation; Gulf States Utilities Co., a Texas corporation; now operating in the States of Kansas, Missouri, Arkansas, Louisiana, Texas, and Oklahoma, each refuse and fail to execute a contract with the United States of America, represented by the Southwestern Power Administration, an agency of the Department of the Interior; such contract to provide, in substance, as follows: Said contracts to be duplicates of the contract heretofore entered into by the United States of America and the Texas Power & Light Co., for the sale, purchase, and transmission of power and electric energy, save such exceptions as are set out in (a) and (b) and as follows:

"(a) Said contracts to be subject only to such changes in dates, contracting parties, and such additional modifications as may be mutually agreed to by the said parties thereto; and

"(b) The rates for the sale and purchase of power and electric energy by the respective parties to be specified and set out in such contracts shall not be higher for similar services than the rates set out in the said Texas Power & Light contract hereinabove mentioned: *Provided further*, That the said rates so specified and set out in such contracts shall be approved by the Federal Power Commission: *And provided further*, That when the said contracts between the United States of America and the said utility companies mentioned herein are executed and delivered as provided here, no transmission line or lines, transforming and switching facility or facilities shall be constructed by the Government in the area allocated to the said Southwestern Power Administration save with special funds appropriated by the Congress for such line or lines and the necessary related facility or facilities."

Mr. THOMAS of Oklahoma also submitted an amendment intended to be proposed by him to House bill 3838, making appropriations for the Interior Department for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO FOREIGN-AID APPROPRIATION BILL

Mr. McCLELLAN submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: Page 4, line 2, after the word "which", insert the following: "(1) 90 percent of the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Economic Cooperation Administration budget justification submitted to the Senate shall not be available for any other financing."

Mr. McCLELLAN also submitted an amendment to be proposed by him to the bill (H. R. 4830) making appropriations

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for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of the amendment referred to, see the foregoing notice.)

Mr. McCLELLAN submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: Page 7, line 14, after the word "which", insert the following: "(1) 90 percent of the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Department of the Army budget justification submitted to the Senate shall not be available for any other financing, and (2)."

Mr. McCLELLAN also submitted an amendment intended to be proposed by him to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of the amendment referred to, see the foregoing notice.)

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENT RELATING TO INCOME-TAX TREATMENT OF COOPERATIVES

Mr. WILLIAMS. Mr. President, I submit an amendment intended to be proposed by me to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code, and I request that it be printed and lie on the table.

The amendment proposes to correct certain inequities in our present tax laws as related to cooperative corporations. The additional amount of revenue which the Treasury Department will derive from the amendment will offset the loss to the Treasury by the repeal of the wartime excise taxes as proposed in the amendment to the same bill submitted by the Senator from Colorado [Mr. JOHNSON]. All Senators recognize the wartime excise taxes cannot be repealed unless the Treasury derives additional revenue from some source to make up the deficit. It is my proposal that we can by taxing those who are now paying no taxes pass this saving on to the current American taxpayers by repealing some of the wartime excise taxes.

I ask unanimous consent that the amendment, together with an explanatory statement, be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table, and, without objection, the amendment and explanatory statement will be printed in the RECORD.

The amendment submitted by Mr. WILLIAMS is as follows:

SEC. —. Income tax treatment of cooperative corporations.

(a) Repeal of exemption of cooperatives from income tax on corporations: Section 101 (12) and (13) of the Internal Revenue Code are repealed.

(b) Imposition of income tax and computation of income—

(1) Technical amendment: Section 4 of the Internal Revenue Code is amended by inserting at the end thereof a new subsection reading as follows:

"(m) Cooperative corporations—Supplement V."

(2) Taxation of cooperatives: Chapter 1 of the Internal Revenue Code is amended by inserting after section 421 a new supplement reading as follows:

"SUPPLEMENT V—COOPERATIVE CORPORATIONS

"SEC. 431. Tax of cooperative corporations.

"(a) In general—

"(1) Cooperative corporation: For the purposes of this chapter the term 'cooperative corporation' means a corporation (A) that calls itself a 'cooperative' or 'co-op,' or (B) that represents to any persons or classes of persons which deal with it that their patronage will or may entitle them (i) to the payment, either actually or constructively, of patronage dividends, or (ii) to an equity interest in any of the corporation's assets, or (C) that is otherwise operated for the mutual benefit of persons or classes of persons that deal with it; but such term does not include a mutual insurance company or any corporation exempt under section 101.

"(2) Net income: In computing the net income of a cooperative corporation there shall be excluded patronage dividends paid or payable to patrons, but only if—

"(A) The activities of such corporation during the whole of the taxable year did not extend beyond (i) marketing commodities acquired solely from members, and transactions ordinarily and necessarily incident to such marketing, or (ii) selling goods or commodities to, or performing services for, members, and transactions ordinarily and necessarily incident to such sales or services;

"(B) The patronage dividends are paid in money exclusively not later than 60 days after the close of the taxable year, and there are no conditions either precedent or subsequent as to the application or use of such money by the members;

"(C) Such patronage dividends are derived exclusively from marketing commodities acquired from members, or the sale of goods or commodities to, or performance of services for, members, or from transactions ordinarily and necessarily incident to such marketing, sales, or services; and

"(D) Such patronage dividends are paid to each member solely on the basis of the amount of commodities acquired from such member or the amount of goods or commodities sold to, or services performed for, such member, as the case may be; and are not denied to any member because of the limited extent of his transactions, or conditioned upon his retaining or presenting evidences of his transactions.

"(3) Gross receipts: The gross receipts from the sales of goods or services used in computing the gross income of a cooperative corporation shall be determined without the exclusion or subtraction of any patronage dividends, paid or payable to patrons.

"(4) Cost of products bought from producers: In determining the cost to a cooperative corporation of products sold to it by a producer for resale (whether or not in their original form), only amounts other than patronage dividends, paid or payable to such producer on account of such sales, shall be used in computing such cost unless under regulations prescribed by the Commissioner with the approval of the Secretary, the corporation establishes that the application of this paragraph would more clearly reflect income, in which case the prevailing market price on sales of such products by producers, or the amounts, including patronage dividends, paid or payable in money on account of such sales, whichever is the lesser, shall be used in determining the cost to the corporation of such products so sold to it for resale.

"(5) Patronage dividend: For the purposes of this chapter the term 'patronage dividend' means an allocation or a distribution paid or payable (whether or not in money and whether described as a refund, rebate, price adjustment, or payment of a balance due under a marketing agreement) to member patrons or to member and nonmember patrons on some basis related to their sales to or purchases from the corporation during the taxable year, if (A) the allocation or distribution is conditional (i) upon profits or margins being earned by the corporation from all its operations or a class of its operations during its fiscal year, or (ii) upon income attributable to the resale of the producer's product along with products or a class or classes of products of some other producers less any deductions determination of which is within the discretion of the corporation, or (B) the amount of the allocation or distribution can be determined only with reference to the amount of the profits, margins, or income earned, or (C) the amount of the allocation or distribution can be determined only after declaration or payment of dividends on any class of stock of the corporation or only after the fixing of sums to be transferred to capital, reserves, or surplus.

"(6) Member of cooperative corporation: For the purposes of this chapter, a person shall be considered a member of a cooperative corporation only if such person is entitled to exercise voting rights and meets such requirements for membership as are prescribed by the cooperative."

(c) Information returns required of cooperatives: The Internal Revenue Code is amended by inserting between sections 148 and 149 a new section as follows:

"SEC. 148A. Information by cooperatives.

"(a) Payments of patronage dividends, refunds, or rebates: Every association organized and operated as a cooperative shall, when required by the Commissioner, render a correct return, duly verified under oath, of its payments of patronage dividends, rebates, or refunds, stating the name and address of each member in the association, and the amount of payments paid to each member and patron.

"(b) Accumulated earnings and profits: When requested by the Commissioner, every association organized and operated as a cooperative shall forward to him a correct statement of accumulated earnings and profits, including patronage dividends, rebates, or refunds allocated to, but not paid in cash to, members and patrons, and the names and addresses of members and patrons who would be entitled to the same if divided or distributed, and the amounts that would be payable to each."

(d) Taxable years to which applicable: The amendments and repeals made by this section shall be applicable only with respect to taxable years beginning after December 31, 1948.

The explanatory statement presented by Mr. WILLIAMS is as follows:

EXPLANATION BY SENATOR WILLIAMS OF PROPOSED AMENDMENT TO H. R. 3905 RELATING TO INCOME-TAX TREATMENT OF COOPERATIVES

I. IN GENERAL

Section 101 (12) of the Internal Revenue Code exempts from the income tax on corporations, farmers' fruit growers, or like associations organized and operated on a cooperative basis for the purpose of marketing the products of members or other producers, and turning back to them the proceeds of the sales, less necessary expenses, or for the purpose of purchasing supplies and equipment for the use of members or other persons at cost plus necessary expenses. The exemption is not denied to such an association because it (1) issues capital stock, provided the

dividend rate on the stock does not exceed 8 percent and provided substantially all of the voting stock is owned by producers who market their products or purchase their supplies through the association, or (2) accumulates reserves as required by State law or for any necessary purpose.

Section 101 (13) exempts from the income tax on corporations certain corporations organized by an association exempt under section 101 (12).

Under regulations issued by the Treasury Department and the Bureau of Internal Revenue, cooperatives (and other corporations) enjoy certain tax benefits, even though they are not exempt from the income tax by sections 101 (12) or 101 (13). Under these regulations a corporation may, under conditions prescribed by the Commissioner of Internal Revenue, exclude from gross income the amount of patronage dividends, refunds, or rebates paid or credited to members and patrons, or allocated to members and patrons, although not paid in cash.

It is the purpose of the proposed amendment (1) to tax what are at present exempt cooperatives on their income except patronage dividends paid in cash, and to require, as a condition for eligibility for deducting cash patronage dividends, that the cooperative restrict its operations to selling or buying for its members only; (2) to tax presently nonexempt cooperatives (and those cooperatives which do not restrict operations to selling or buying for their own members) on all income, including all income paid out or allocated as patronage dividends; (3) to make all cooperatives taxable on accumulated profits in the same manner as corporations are taxed under the present law (section 102 of the code); and (4) to require cooperatives to file information returns concerning accumulated profits, patronage dividends, and the interest of the members in the cooperative similar to the information returns at present required of corporations concerning dividends paid or declared, accumulated profits, etc. (sec. 148 of the code).

To accomplish these objectives, it was thought that the best approach would be to repeal outright the present tax exemption of cooperatives provided by sections 101 (12) and 101 (13), thus making cooperatives subject to the income tax on corporations, and then to write a new section into the code which allows a deduction from gross income for cash patronage dividends paid by a cooperative to its members and which prescribes the conditions under which such deduction is to be allowable.

In carrying out this approach to the objective it is unnecessary to amend the definition of gross income as presently contained in the code or to amend the provisions of the code relating to deductions and exclusions from gross income. It is also unnecessary to give special treatment to the problem of accumulated reserves of cooperatives. The present provision permitting exempt cooperatives to accumulate reserves for any purpose would be eliminated by the repeal of sections 101 (12) and 101 (13). All income not paid out in cash as patronage dividends would be taxable to any cooperative. Therefore section 102 of the code, which taxes profits of corporations accumulated above reasonable needs, would be applicable to excess profits accumulated by cooperatives.

II. SECTION-BY-SECTION ANALYSIS

(a) Subsection (a) of the proposed amendment repeals sections 101 (12) and 101 (13) of the Internal Revenue Code (relating to exemption of cooperatives and of corporations organized by exempt cooperatives from the income tax on corporations).

(b) Subsection (b) (1) is a technical amendment adding a reference in section 4 of the code to the new supplement to chapter 1 which is added by subsection (b) (2). Subsection (b) (2) adds a new supplement to chapter 1 of the Internal Revenue Code. This new supplement, which would become section 431 of the code, spells out in detail the definitions of "cooperative corporation" and "patronage dividends." It provides that, in computing the net income of a cooperative corporation, patronage dividends paid or payable to patrons shall be excluded if—

(1) the activities of the corporation are restricted to marketing commodities of its members or selling goods and commodities to, or performing services for, its members;

(2) the patronage dividends are paid in money not later than 60 days after the close of the taxable year and no restrictions are placed upon the use to which the members may put the money received;

(3) patronage dividends are derived exclusively from marketing commodities acquired from members or from selling goods or commodities to, or performing services for, members or from transactions ordinarily and necessarily incident to such marketing, sales, or services; and

(4) such patronage dividends are distributed to members solely on the basis of the amount of the transactions of each member with the cooperative and are not denied to any member because of the limited extent of his transaction or conditioned upon his retaining or presenting evidences of his transaction.

The new section stipulates that in computing the gross income of a cooperative corporation gross receipts from sales of goods or services shall be determined without the exclusion or subtraction of any patronage dividends. The new section also provides the basis for determining for tax purposes the cost to a cooperative of products sold to it by a producer for resale. Under the proposed new section a member of a cooperative would be any person who is entitled to vote in the cooperative and who meets the requirements of membership established by the cooperative itself.

(c) Subsection (c) of the amendment amends the code by adding a new section which requires cooperatives to file information, when required by the Commissioner, on (1) the amount of patronage dividend payments, (2) the name and address of each member of the cooperative, (3) the amount paid to each member or patron, (4) accumulated earnings and profits of the cooperative, including patronage dividends allocated but not paid to members or patrons, and (5) the names and addresses of members and patrons who would be entitled to such earnings and profits if distributed and the amounts payable to each.

(d) Subsection (d) of the amendment prescribes that the amendments made by this section shall be applicable only with respect to taxable years beginning after December 31, 1948.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred as indicated:

H. R. 29. An act to provide price support for tung nuts and honey, and for other purposes; to the Committee on Agriculture and Forestry;

H. R. 219. An act to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed;

H. R. 322. An act to transfer funds to the town of Craig, Alaska;

H. R. 584. An act for the relief of Mike Clipper;

H. R. 695. An act for the relief of Mrs. Mary A. Bailey;

H. R. 733. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Frank Haegele;

H. R. 1020. An act for the relief of the legal guardian of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman;

H. R. 1097. An act for the relief of Edgar Barbre;

H. R. 1800. An act for the relief of Howard E. Giroux;

H. R. 1871. An act for the relief of Hilde Flint;

H. R. 2365. An act for the relief of the city of Chester, Ill.;

H. R. 2457. An act for the relief of Helen Morren;

H. R. 2921. An act for the relief of Nicholas C. Kalcoutsakis;

H. R. 3252. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek;

H. R. 3536. An act for the relief of Mrs. Nora Johnson;

H. R. 4040. An act for the relief of Agnes Tarjani;

H. R. 4042. An act for the relief of Konstantinos Yannopoulos;

H. R. 4411. An act for the relief of Mrs. Elizabeth Mary C. Mangle;

H. R. 4414. An act for the relief of Dora M. Barton;

H. R. 4564. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines;

H. R. 5019. An act for the relief of Fella H. Holbrook;

H. R. 5148. An act to confer jurisdiction upon the District Court for the Territory of Alaska to hear, determine, and render judgment upon the claim or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska;

H. R. 5276. An act for the relief of Mrs. Julia (Iole) M. Stefani Lencioni; and

H. R. 5525. An act for the relief of Mr. and Mrs. Richard E. Deane; to the Committee on the Judiciary.

H. R. 5598. An act to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability- and death-compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct"; and

H. R. 5831. An act to exempt certain volatile fruit-flavor concentrates from the tax on liquors; to the Committee on Finance.

SENATORIAL ELECTION CONTEST, WEST VIRGINIA—CORRECTION OF SENATE RESOLUTION 142

Mr. MYERS. Mr. President, on July 28, 1949, the Senate agreed to Senate Resolution 142, declaring HARLEY M. KILGORE to be a duly elected Senator from the State of West Virginia. Through a clerical error, the date of the beginning of the term was stated as the 4th day of January 1947. Under the Constitution, of course, full terms of Senators begin on the 3d day of January in the odd years, and I ask unanimous consent that the vote on agreeing to the resolution may be reconsidered, that it may be amended by inserting the word "3d" in lieu of the word "4th" and that the resolution, as amended, be agreed to.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and the correction is made.

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LESSONS OF THE LEAGUE OF NATIONS—LETTER FROM SENATOR LODGE TO THE NEW YORK TIMES

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD a letter dealing with the League of Nations, written by Senator LODGE to the New York Times, and published in the issue of the Times of July 13, 1949, under the heading "Lessons of the League," which appears in the Appendix.]

THE UNWORRIED WEST—ARTICLE BY E. C. K. READ

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article entitled "The Unworried West," by E. C. K. Read, from the magazine Steelway for July 1949, which appears in the Appendix.]

RADIO SERVICE FOR OUTLYING AREAS

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a telegram dated July 27, 1949, from Les Biederman, of the Paul Bunyan Network, Traverse City, Mich., on the subject of radio service for outlying areas, which appears in the Appendix.]

DEFICIT FINANCING—NECESSITY FOR GOVERNMENTAL ECONOMY—EDITORIAL FROM THE PHILADELPHIA INQUIRER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "To Rescue United States From Red Ink: Curb Wild Spending," published in the Philadelphia Inquirer of August 2, 1949, which appears in the Appendix.]

STEEL FACTS—EDITORIAL FROM THE NEW YORK DAILY MIRROR

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Steel Facts," published in the New York Daily Mirror of July 27, 1949, which appears in the Appendix.]

STATEMENT BY JACKIE ROBINSON BEFORE HOUSE UN-AMERICAN ACTIVITIES COMMITTEE

[Mr. KILGORE asked and obtained leave to have printed in the RECORD the statement made by Jackie Robinson, Brooklyn Dodger baseball player, before the House Un-American Activities Committee on July 18, 1949, as published in the New York Times of July 19, 1949, which appears in the Appendix.]

THE GROWING ATTACK ON VETERANS' BENEFITS—ARTICLE BY PERRY BROWN

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article entitled "The Growing Attack on Veterans' Benefits," written by Perry Brown, national commander, the American Legion, published in the July 1949 issue of the American Legion Magazine, which appears in the Appendix.]

INCREASE IN AMERICAN LEGION'S REHABILITATION WORK—ARTICLE BY EDWARD A. HAYES

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article entitled "Legion's Rehabilitation Work Increased Fourfold—Cannot Continue To Operate in 1949 on 1919 Basis," written by Mr. Edward A. Hayes, past national commander, published in the August issue of the American Legion Magazine, which appears in the Appendix.]

BRITISH SOCIALISM PLANS THE NATION TOWARD DISASTER—EDITORIAL FROM THE SATURDAY EVENING POST

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled "British Socialism Plans the Nation Toward Disaster," from the Saturday Evening Post of August 6, 1949, which appears in the Appendix.]

THE PANAMA CANAL—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me, including comments from the Panama Canal Administration on the recommendations of the Hoover Commission reports as they affect that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

The Governor of the Panama Canal, Brig. Gen. F. K. Newcomer, in a report on Hoover Commission proposals submitted to Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, opposes the suggested inclusion of the Panama Canal with other areas in a transfer of responsibility for administration to a special secretary or to an Administration of Overseas Affairs, and contends that this recommendation fails to recognize significant differences from the other Territories and possessions, with which this report is primarily concerned (Rept. No. 18). The Governor believes that the major purposes of the Canal enterprise are best served under the present well-developed system of law and organization. General Newcomer points out that the present organization most satisfactorily meets the special problems, including relations with Panama and coordination with national defense activities, as an independent agency with full centralized responsibility and authority carried out under the President through the Secretary of the Army. In support of this view, he comments as follows:

"The existing and long-standing organizational position of the Panama Canal has been satisfactory and it is doubtful if it can be improved upon, in this office's opinion. It facilitates the close cooperation between the Panama Canal and the armed forces which is so necessary in connection with the national defense and at the same time avoids the conflicts that would be inevitable if a direct military control were to be imposed upon the civilian business operation of transiting commercial vessels from ocean to ocean or on the civil government of the Canal Zone. Military control, except in time of emergency is wholly incompatible with basic principles, recognized by the Commission, of government of a civilian population."

Another major objection is made to the Hoover Commission recommendation (No. 4 (c), medical activities) which would transfer to a United Medical Administration the four nonmilitary hospitals now operated by the Panama Canal in the Canal Zone. The governor feels that these health facilities are inextricably related to the major purposes of the Canal enterprise and are necessary to the centralized administration of that enterprise and the government of the Canal Zone. In summing up his position relative to this proposal, General Newcomer states:

"Withdrawal of such facilities from the control of the agency charged with the conduct of the Canal enterprise and government of the Canal Zone would, in the opinion of this office, be inconsistent with some of the Commission's basic principles of efficiency, centralization of authority, and grouping of activities according to major purposes in order to give a coherent mission to each agency. Superficially it of course appears reasonable that since they are medical activities they are properly for transfer to the proposed United Medical Administration; but a minimum of analysis and study leads clearly to the conclusion that, in the light of the unique status of the Canal enterprise and the Canal Zone, geographically remote from the United States and involving special considerations hereinbefore noted generally, the proposed transfer of health facilities would result in an undesirable split of authority and responsibility in respect to activities which as a practical matter are not properly separable from the other activities administered by the Panama Canal."

The Governor discusses in considerable detail the application of the Hoover Commission recommendations in its report on Federal business enterprises as they affect the Panama Railroad Co. He is in general accord, but stresses certain operating aspects which would require consideration before full application of the recommendations could be adopted, and pointing out that some phases of the suggested program have already been effectuated.

Commenting on Report No. 1, general management of the executive branch, the Governor feels that the present organization and control of the Panama Canal is in substantial compliance with the objectives of the Commission's recommendations. The line of authority is clear and the Governor holds full responsibility for the conduct of the Panama Canal under applicable statutes and executive orders, which, it is considered, now give the Governor adequate authority, as recommended by the Commission, relative to the administration of the agency, including appointment of personnel and use of appropriated funds. The Governor continued that improvement of the internal organization of the Panama Canal is currently being accomplished consistent with the Commission's views on such agency organization, including its recommendations for standard nomenclature.

With regard to Report No. 2 on personnel management, the Governor contends that administrative practices in this field are in substantial compliance with the objectives and recommendations of the Commission to the extent that they are applicable to the agency. Referring to Recommendations 16, 17, 18, and 20 of the Personnel Management Report, the Governor feels consideration must be given to local conditions in the Canal Zone in the establishment of any administration pay policy. The Panama Canal administration maintains that it should continue to be vested with authority to adjust any general administration policies and pay schedules to meet the needs of local conditions which differ in substantial respects from the conditions in the United States with which such general policies and schedules would be primarily concerned.

Commenting on Report No. 3, Office of General Services, Supply Activities, the Governor stated that:

"It is not understood that the recommendations or discussions relative to the operation and maintenance of public buildings were intended to affect the facilities in the Canal Zone now under the jurisdiction of the Panama Canal. Nor is it understood that the recommendations and discussion relative to traffic management were intended to affect in any way the operations of the present steamship line by the Panama Railroad Company as an essential carrier of supplies for Government agencies in the Canal Zone."

Concerning Report No. 7, Budgeting and Accounting, the Panama Canal favors the adoption of the performance budget.

The full text of the report from the Governor of the Panama Canal is on file in the office of the Senate Committee on Expenditures in the Executive Departments, room 357, Senate Office Building. The report contains several pages of historical background relating to the operations of the Panama Canal and the Panama Railroad Company and their status under governing

treaties and laws. The report also includes much data relative to employment conditions, and points up problems peculiar to the Canal enterprise, which the Governor maintains should be fully considered before any of the Hoover Commission recommendations are implemented by the Congress.

THE ST. LAWRENCE SEAWAY

Mr. WILEY. Mr. President, I send to the desk a statement which I have prepared on the subject of St. Lawrence seaway legislation. I ask unanimous consent that it be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR WILEY ON GREAT LAKES WATERWAY

One of the most serious disappointments to the people of the Middle West has been the failure thus far of the Eighty-first Congress to take action on St. Lawrence Seaway legislation The case for the seaway has been made so often and so well by so many governmental and nongovernmental authorities that no repetition on my part is necessary.

The opponents of the seaway continue, of course, to parrott their long disapproved fears and phony arguments, but the overwhelming mass of evidence which has been built up over the years belittles the opposition's sniping.

Last week a Senate Foreign Relations subcommittee was appointed on Senate Joint Resolution 99. Unfortunately, most of the membership on that subcommittee has not in the past been favorably inclined toward the seaway. We might rightly have hoped that the subcommittee would have utilized the services of certain Senators like Mr. THOMAS of Utah or Mr. HICKENLOOPER, of Iowa, who previously served with distinction on seaway subcommittees and who know this problem very well from every angle, but who are not now included on the new subcommittee.

It is our hope, however, that even Senators who have not previously been favorably inclined toward the seaway will vote to report it to the full committee and then to the full Senate in order that the Senate in turn may have the opportunity to vote on this issue.

Twenty members of the United States Senate, including myself, serve as cosponsors of Senate Joint Resolution 99. We have pointed out that it is completely ridiculous for America to lavish funds on huge public works projects abroad and at the same time continue to ignore so magnificent a natural waterway artery right here at home.

ADVANTAGES OF SEAWAY

We have pointed out that the Northeast needs, right now, the tremendous mass of electric power that would be generated by the power project. We have shown conclusively by the finest government estimates that the seaway will be a self-liquidating project which will not cost the Treasury a dime but which will pay itself off by power charges and ship tolls. We have demonstrated that our great Canadian ally to the north has nobly fulfilled a considerable proportion of her obligations under seaway arrangements and surely our own Nation will not be remiss in carrying through its part of the bargain.

FAVORABLE FACTORS FOR SEAWAY

Opponents of the seaway may think that they have hurt our cause because of the nature of the subcommittee that will be working on this issue. However, we can truthfully state that there are so many favorable factors brightening the chances for seaway approval that never before 1949 and 1950 has the outlook been so favorable for ultimate congressional approval.

We know what a terrific battle we must face but we know, too, that this seaway issue will never die until the deep water artery is complete.

No harm will be done to American railroads and railway workers under seaway legislation; no harm will be done to eastern and southern ports which have been so fearful about the alleged competition of the seaway. No harm will be done to America's coal miners or to related economic groups.

AMERICA WANTS THE SEAWAY

The seaway is by far the greatest single uncompleted public works project confronting this Nation. The people of the Northeast want it. The 50,000,000 people in the valley of the Great Lakes want it; citizens elsewhere in our Nation have indicated that they are desirous that the Middle West be given direct access to the oceans of the world.

We are somewhat disappointed that the first session will undoubtedly terminate without final action, but this fact will only serve to encourage us to fight twice as hard in the second session for this magnificent project which has been endorsed unqualifiedly and unanimously by Presidents of the United States, by great generals and admirals and engineers, by leading farm experts, electricity technicians, commerce officials and virtually every interested and disinterested group or individual who has ever studied this problem.

In this connection, as one indication of the feelings of the Middle West on this issue, I ask unanimous consent that there be printed at this point excerpts from an editorial published in a newspaper, the Eau Claire, Wis., Leader and reprinted by other newspapers in my State, such as the Waukesha Freeman.

"[From the Eau Claire Leader]

"THE SEAWAY FIGHT

"Senator ALEXANDER WILEY, of Chippewa Falls, is making a determined effort for the St. Lawrence seaway.

"When the Senator said that the administration is 'ducking' this question it was a good choice of words. Although Mr. Truman has endorsed construction of the proposed $1,000,000,000 seaway several times he has not gone much further. Perhaps he is powerless to do more. We are willing to give him the benefit of the doubt on this, on the record, and give him credit for his sincere support.

"It is true, however, as Senator WILEY points out, that the President has been sabotaged by indifference and apathy on the part of his alleged supporters.

"It is too late for decisive action at this session of Congress but the Senator promises a determined fight for passage at the session starting next January.

"We believe this question has been booted around long enough and that Congress should be obliged to reach a decision."

COMMUNIST EFFORTS TO DESTROY RELIGION

Mr. O'CONOR. Mr. President, to keep the record up to date with regard to Communist efforts to destroy all religion among the populations of the eastern European nations which have been absorbed into the Russian orbit, I invite the attention of the Members of the Senate to an Associated Press dispatch appearing in the Washington Post of yesterday from Bucharest.

The dispatch relates the newest move of the Communist-led Rumanian Government to eliminate religious activities of all kinds. Under an order issued August 1, all Roman Catholic welfare orders were given until August 15 to wind up their affairs.

The official announcement, as quoted by the Associated Press, said that Catholic nuns and monks are no longer needed for welfare work because the state now takes care of all such matters. The personnel of some 15 organizations engaged in hospital, charitable, and other social work was dissolved and the members were given 15 days to decide whether they would retire to homes set aside for them, enter old-age homes, or register for secular jobs at local employment service agencies.

I bring this matter to the attention of the Senate today because it is merely an extension of the antireligious and atheistic attitude of the Moscow-trained officials whose outrages against leaders of various religious bodies in Yugoslavia, Hungary, Rumania, and Poland have aroused horror and resentment here in the Congress and throughout the United States.

The Nation-wide condemnation which was expressed with regard to the trial and imprisonment of Cardinal Mindszenty, Archbishop Stepinac, Bishop Ordass of the Luthern Church, and more lately over the treatment of Archbishop Beran of Czechoslovakia, was useful in helping to impress upon the Communist leaders the world detestation of their acts.

Unless the free people of the world continue to take note and to express their disapproval of each succeeding step in this antireligious crusade, it is certain that those responsible will feel free to pursue their planned course without any regard at all to world opinion.

I ask unanimous consent to have the article from the Washington Post printed at this point as a supplement to my remarks.

There being no objection the article was ordered to be printed in the RECORD, as follows:

RUMANIA ENDS WELFARE WORK BY CATHOLICS

BUCHAREST, August 1.—Rumania's Communist-led government today gave all Roman Catholic welfare orders in the country until August 15 to wind up their affairs.

An official announcement said Catholic monks and nuns are no longer needed for welfare work, because the state now takes care of all their former functions.

It said the personnel of some 15 organizations devoted to charity, hospital, and other social work among Rumanian Catholics is dissolved as of today. Their members are given 15 days to decide on:

1. Retiring to three cloisters and two monasteries set aside for them.
2. Entering old-age homes.
3. Quitting clerical life and registering for regular jobs at local employment bureaus.

Catholic sources said the ban would affect about 1,400 nuns and 100 monks, all Rumanians except for about 20 foreigners. The Nursing Sisters of St. Vincent de Paul is one of the best known organizations. Most religious Rumanians belong to the Orthodox Church. But there are a number of Roman Catholic churches and religious centers.

(Vatican sources said that while the church had no notification of the action, it came as no surprise. One source said recently the Rumanian Government aims to wipe out the Roman Catholic faith from the ground up.)

The Government said the ban on the Catholic welfare orders was decided July 29, on the basis of a report by the Ministry of

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education holding that "all obligations arising from teaching, health, and public insurance fall, in accordance with the existing laws, entirely and exclusively upon the state."

RETIREMENT OF GEN. JACOB L. DEVERS

Mr. LODGE. Mr. President, on September 30 Gen. Jacob L. Devers, Chief, Army Field Forces, will retire from the United States Army at the age of 62. It would not be right for a man of his eminence to leave the active service of the Government without notice thereof being taken here in the Senate. Normally, this would most appropriately be done on the day of his retirement, but inasmuch as it is possible that we may not be in session at that time I am taking the liberty of speaking these few words now.

At the end of my remarks I will ask to have printed a complete biographical statement about General Devers. Let it be said now that during the war he commanded the armored force, from which all of our armored divisions sprang, that he was Commanding General of the European Theater of Operations, that he was Commanding General of the North African Theater of Operations, that he was Deputy Supreme Allied Commander, and that he ended the war as Commanding General of the Sixth Army Group, which was subsequently designated the Southern Group of Armies. You will remember that in the land battle for Europe, General Eisenhower worked through three commanders, the British General Montgomery, who commanded the Northern Group of Armies; General Bradley, who commanded the Central Group of Armies; and General Devers who commanded the Southern Group of Armies.

The Southern Group was based on the southern coast of France, was formed at Lyons, and moved through the Vosges Mountains into the Siegfried Line and down through southern Germany into Austria. It consisted of the American Seventh Army and the First French Army. Although they served on other fronts, there were under General Devers' orders also the French Army Detachment of the Alps, which occupied the Franco-Italian front, and the French Army Detachment of the Atlantic, which reduced the German pockets of resistance around Bordeaux and the estuary of the Gironde. General Devers, therefore, may be said to have commanded more French soldiers in combat than any other American in history. I shall not give the long history or analysis of the achievements of the Sixth Army Group, beyond stating that it achieved all its objectives and handled its third of the land battle for Germany in a superior way.

While the positions which General Devers held were of huge responsibility, and he has left his mark in innumerable ways on the Army, it is not of this that I wish to speak, but rather of his personal qualities. They were of an order which won the respect of all those who knew him and served under him, of whom I, for the last part of the war, was one of a very great many.

General Devers was 100 percent the military professional in the very finest sense of the term. His time was constantly spent, except for a few brief hours of sleep at irregular intervals, in doing the job of a general. A man of boundless energy, he demanded much of others, and drove everyone hard, but no harder than he drove himself. He had no favorites, no stable companion or crony to relieve the loneliness of high command. Like the captain of a ship, he had no sociability of any kind. His entire life throughout the war was the life of a soldier, and everyone was treated alike, and according to his utility in the scheme of things.

He never allowed himself to be overwhelmed with any detail which anyone else could do. He picked the best subordinates he could find, and gave them responsibility. He was the very opposite of self-centered, and he avoided publicity for himself. Because he was deeply interested in other men and had spent his life in studying them, he drew upon the experience of a lifetime when the war came and great responsibility was thrust on him in selecting those who were to help him. He organized his time for maximum effectiveness, and that left him free to do the things that only the General can do—the study of the essential situation, the broad plan for the future, and the almost daily personal intervention at the most difficult and critical point on the long front.

He gave his whole trust to the people in whom he once expressed his faith. He did not harass. He made each of his subordinates feel, as one of them once said, "that he was actually in business for himself," with the result that those who worked under him had a personal worry about the outcome which would never have been the case if they had been undergoing the rigid supervision of some martinet. Although a man of boldness, he had great common sense and a keen realization of what was possible. But he intended always to squeeze every last drop of possibility out of any situation—and this intention was aided by his very marked ability to make a little bit go a long way. Often meagerly provided with the tools necessary to do the job, General Devers was constantly making everyone double in brass when the situation required it.

He had imagination and a rare ability to understand the factors which are important in war, but which are not military in the strict sense of that much-abused word. He never made the mistake—which, alas!, was too often made—of thinking that at the high level of command the military and the political are entirely separate.

He had the knack of taking men who had not always been successful and, by making them understand that he expected the best of them, thereupon getting their best. When he assumed command of the French troops, he made the simple declaration: "I want the French to be successful"—which, of course, was in the best interests of the French and of ourselves, and which, incidentally, teaches a lesson in the field of military affairs in time of war which could well be applied to our thinking about foreign relations today.

He was willing to take responsibility. More than that, he would reach out for it when he felt it was his duty to do so. He disapproved of the subordinate commander who sat still and did nothing and waited for the enemy to do something to him. A favorite phrase of General Devers was that rather than sit still and be shot at it was better to do something, even at the risk of making a few mistakes, because you can make mistakes and then evolute. He was a man who was so fundamentally optimistic that it was impossible for him to take counsel of his fears. If there was one way for a subordinate to encourage displeasure, it was for him to show apprehension.

I believe it was the historian Herodotus who said, "I would rather be in the general's tent the night before the battle than to hear his speech the day after the victory." There were never any speeches after victories, but those who were in General Devers' tent the night before the battle can testify that being there was a reassuring experience. If the fathers and mothers of our young soldiers could have been there, too, they would have realized the infinite pains which were taken to achieve success and to minimize loss of life, and would thus have obtained precious confidence and reassurance.

Here is a soldier who commanded about 700,000 men in battle, who has been honored by every foreign government, and who has ended his career as Chief of the Army Field Forces, which is the fighting end of the Army. He is, indeed the very archetype of the man on whom the Nation completely and utterly depends when its life hangs in the balance. Yet, with all these honors and achievements, it can truthfully be said of him that he is not, in the words of St. Paul, "puffed up." Those who knew him in his early days when he was a major teaching military science at Princeton, or who knew him in other years of peace, saw him in World War II with many stars on his shoulders, but with the same humility, the same humanity, the same warm-hearted and selfless interest in his fellowman.

As he retires from active duty in the Army to a life which I am sure will be no less active and no less fruitful, he carries with him the best wishes of numberless Americans—and of many people in foreign lands—who hold him in high honor and affectionate regard.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a biography of General Devers which was prepared by the Department of the Army at my request.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

GEN. JACOB L. DEVERS, 02599, UNITED STATES ARMY

Jacob Loucks Devers was born on September 8, 1887, in York, in the heart of the Pennsylvania Dutch country, the son of Philip Knoderer Devers and the former Ella Kate Loucks, who were part Irish and part Pennsylvania Dutch. His father was a jeweler in modest circumstances and Jacob, the eldest of four children, grew up in one of the three-story, red-brick, two-family houses common to the locale.

Although there was little in his background to give any hint of the outstanding military career ahead, Jacob showed definite qualities of leadership as a boy. Always the

leader of school groups, his house was headquarters for the school team, and his stable the place where they kept their equipment. For 2 years he was captain of his high-school basketball team and at 125 pounds was the lightest member of its football team—a quick-thinking, hard-running quarterback. For 3 years was president of his class. He was also president of the debating society—an early recognition of his logical mind and power of persuasion. He was a good student, with his best subjects English and mathematics.

His appointment to West Point in 1905 came somewhat as a surprise; he had already decided to study engineering and had engaged a room at Lehigh University but quickly changed his plans. His Congressman grew tired of appointing men who failed at the Academy and was looking for a promising student. He heard of young Devers and asked his father if Jakie would care for an appointment. After seeing an Army football game the young man consented to give it a try.

While at West Point, although he never got over 140 pounds, Devers was a member of his class football team, earned the coveted Army "A" as a shortstop on the baseball team, was a member of the la crosse team, and was the captain of the Academy basketball team. He was described in the 1909 "Howitzer" (West Point yearbook) as "an exceedingly earnest youth * * * an enthusiastic worker." He graduated from West Point on June 11, 1909, and was commissioned a second lieutenant of field artillery.

Second Lieutenant Devers' first assignment was with the Fourth Field Artillery at Vancouver Barracks, Wash. He served with that regiment at Fort D. A. Russell (now Fort Francis E. Warren), Wyo.; then at San Antonio, Tex., and again at Fort D. A. Russell until December 1912. He took time out during his first assignment to get married. He was married at Lynhurst, Va., October 18, 1911, to Georgie Hayes Lyon, daughter of Frank Lyon, a Washington, D. C., lawyer.

He was next ordered to West Point as an instructor in the department of mathematics, where he served until August 1916. While there he began to develop into a crack Army polo player and also coached basketball and baseball in his spare time. It was during this period that he received his first of many promotions. On April 1, 1916, after almost 7 years' service, he was promoted to first lieutenant.

From West Point he was ordered to the Hawaiian Islands for duty with the Ninth Field Artillery at Schofield Barracks. During his tour in Hawaii he received his next two promotions, to captain on May 15, 1917, and to major (temporary) on August 5, 1917. His daughter, Frances, was born at Schofield during this period.

Returning to the United States in December 1917, he was assigned to Fort Sill, Okla., where he served as an instructor and as assistant director of the School of Fire until October 1918, as executive officer until March 1919, and as commanding officer of the First Field Artillery until May 1919. While at Fort Sill he received two more temporary promotions, to lieutenant colonel on July 30, 1918, and to colonel on October 24, 1918. Although he held important and responsible positions during this period he had a natural and understandable disappointment in not having been able to more directly participate in the war overseas.

After the war, however, Devers was slightly appeased by being ordered to Europe. He was sent to France in May 1919, and after attending the French Artillery School at Treves he served with the Army of Occupation in Germany. He remained there until August 1919, when he reverted to his permanent rank of captain.

After his return to the United States he was assigned to duty at West Point as an instructor of field-artillery tactics, serving there until September 1924. During this 5-year tour as instructor he received his promotion to permanent major on July 1, 1920.

From September 1924 to June 1925 he was a student officer at the Command and General Staff School, Fort Leavenworth, Kans., from which he was graduated as a "distinguished graduate."

Next ordered to the Field Artillery School at Fort Sill, Okla., he was director of the department of gunnery. While in this position he had an opportunity to prove his mettle; he took advantage of it and changed, simplified, and streamlined the entire system of the department. After his work was completed targets which had required 30 shots for adjustment now required but 6. When some elderly artillery officers questioned the new system's adaptability to fast firing, Devers dug their own records out of an old safe and bettered them with his poorest team. His improved firing techniques are still in use.

He assumed command of the First Field Artillery at the same post in April 1928 and commanded that regiment until July 1929, when he was transferred to Washington, D. C., for duty in the Office of the Chief of Field Artillery. He remained in that office until August 1932, when he was ordered to the Army War College, Washington, D. C., as a student.

Upon graduation from the Army War College in June 1933, Devers was ordered to Fort Hoyle, Md., with the Sixth Field Artillery. He served as executive officer of the First Field Artillery Brigade until May 1934 and then served with the Sixteenth Field Artillery at Fort Myer until March 1936. His promotion to lieutenant colonel came during this period of troop duty on February 26, 1934.

In March 1936 he was transferred to West Point for the third time in his career. During this tour he served initially in the headquarters and then became graduate manager of athletics in 1936. As such he was in charge of a $5,000,000 construction program. He was promoted to full colonel on July 1, 1938.

On leaving the Academy in June 1939 he was transferred to the Panama Canal Department as Chief of Staff. There he was put in charge of the mechanization of the Panama defenses. He again showed his executive ability by establishing extraordinary and uncommon teamwork both in the Army and between it and the Navy. This assignment as Chief of Staff broke the almost continuous service with the Field Artillery of this "dyed in the wool" artilleryman. From this time on he was marked for positions of increasing responsibility. On May 1, 1940, he was jumped over 474 other colonels and given the brigadier star.

President Roosevelt (who liked General Devers and called him "Jakie") then topped the promotion by naming him the senior Army member of the Board to locate the bases acquired in the destroyer deal with Great Britain. Given 3 hours to prepare for the take-off, the General was ready in 90 minutes. He pursued his hunt for locations by cruisers, airliner, patrol plane, and Army bomber; he covered territory from Newfoundland to Trinidad. Official red tape meant nothing to him, and since he was bent on getting the best base locations, he had the Governor of Bermuda declare an emergency so that he could travel by car through the island. He returned to the United States in July 1940, to assume command of the Washington Provisional Brigade. His responsibility in this position included the planning of the defense of the Capital City. He was promoted to major general (temporarily) on October 1, 1940, and on October 9, 1940, was assigned to command the Ninth Division, Fort Bragg, N. C. He was also named post commander at Fort Bragg, with orders to get a construction program started.

His task at Fort Bragg was a colossal one. He had to expand his forces from 20,000 to 69,000, oversee enormous building operations, and conduct an intensive training program for draftees and National Guard troops all at the same time. When he arrived at Bragg, he found the construction program bogged down in mud and Government directives. With his typical disdain for red tape that interfered with progress, he ignored cumbersome regulations and, by using and encouraging the unorthodox, he made a construction record which was unique. New buildings were going up at the rate of one every 32 minutes. A regiment was sent to camp ahead of schedule; to meet this emergency, Devers shifted 7,000 workers from other jobs. The barracks were completed in time but it was close—as the new men came in the front door, the workmen were leaving through the back door. One of the methods used to speed the slow-moving $40,000,000 construction program was to create teams of engineers and builders.

The ability he showed in his handling of the construction program he also showed in his handling of men. He possessed an uncanny ability for picking the right subordinates and for getting the most out of them. He had no use for "yes men" and gave preference to men with ideas, even if they varied from his own. He authorized tropical helmets for military police even though they were then nonregulation except in the tropics. On one occasion to solve a hot-water problem for soldier bathing, he ordered two locomotives hooked up to the camp's water system. In spite of the rapid expansion, he so improved morale that he virtually emptied the post guardhouse—from a population of 200 to 60. He was well aware of the value of good officer morale. He so importuned their wives to make them happy that "smile, children, here comes daddy" became a common directive in many family headquarters.

It was while at Bragg that General Devers inaugurated the "buddy system" for training new artillery battalions. Under this system each new battalion was adopted by an existing regiment, with the old unit providing its buddy with every assistance possible, particularly with critical equipment in short supply. Driving accidents were cut down, combat exercises started sooner, and night maneuvers were put on without a single casualty. At Fort Bragg it was a legend that General Devers never let a day go by without personally looking in on every operation. While at Fort Bragg he was made a permanent major general, on February 27, 1941.

His success at Fort Bragg in building one of the largest military cantonments in the world played a part in his next important and even more responsible and far-reaching assignment. On July 17, 1941, he was assigned as chief of the Armored Force, Fort Knox, Ky., with the mission of organizing, equipping, and training American armored units. With unrelenting zeal and energy, he set about accomplishing the gargantuan task of determining organizational structure for armored units, deciding on types of tanks and other equipment, spurring industry to accelerated production in the fact of limited time, and then supervising the training of armored units so that they would be ready to successfully engage in early combat with the then invincible Germans rattling forward in revolutionary blitzkrieg tactics. He had to make momentous and far-reaching decisions which, if wrong, would have given us a second instead of a first-rate armored force, with certain dire consequences. A pioneer in mechanization of the United States Army, Devers recognized prior to our entrance into World War II the important part that armor would play in deciding the conflict. Now, directly faced with the problem and in the historic position of determining a solution, he studied the situation intently and completely. He then made up

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his mind. Fortunately for us, the important decisions he made were entirely correct. The American Armored Force did a miraculous job in Europe. General Patton said, just before one of his famous assaults, "Thanks to Jake Devers, we are ready." When General Devers took command at Knox there were just four armored divisions. In the next 20 months he directed the activation, training, and equipping of 12 armored divisions. He was made a lieutenant general (temporary) on September 6, 1942. For his monumental work in the expansion, direction, and training of the armored force, he was awarded the Distinguished Service Medal with the following citation:

"For exceptionally meritorious and distinguished service rendered in the rapid expansion, direction, and training of the Armored Force. In a position of great responsibility with limited personnel, by great foresight, force of character, and outstanding executive ability, he directed the development of armored divisions, welding them into aggressive fighting units. As Chief of the Armored Force from July 17, 1941, to May 7, 1943, by his untiring efforts, he contributed materially to the training of the Armored Force, thereby insuring its early participation in battle."

As could be expected, General Devers was getting anxious to get overseas where the fighting was going on. His chance soon came. In May 1943 he was named commanding general of the United States forces in the European theater of operations. His big job here was to direct the maintenance and training of the American troops pouring into the British Isles preparatory to the invasion of Europe. He did another outstanding job.

On December 31, 1943 he was assigned to command the north African theater of operations. He next became Deputy to Gen. Sir Henry Maitland Wilson, who was named Supreme Commander of Allied Forces in the Mediterranean area when General Eisenhower went to England. This was an additional duty. He still remained commander of the United States troops in the area. He assisted in drawing up the plans for the invasion of southern France by United States Seventh Army, which took place August 15, 1944. In September 1944, he became commanding general of the Sixth Army group, which was composed of the American Seventh and the First French Armies. His accomplishments, from his arrival in England up to this period of combat command, are well described in the following citation to his award of the Oak Leaf Cluster to the Distinguished Service Medal:

"For exceptionally meritorious and distinguished service in a position of great responsibility. As commanding general, European theater of operations, from May 11, 1943, to January 8, 1944, during the period of accelerated debarkation of our troops in England preparatory to the invasiton of German-held Europe, Lt. Gen. Jacob L. Devers organized and directed the supply, maintenance, reception, and training of the United States Army forces. Under his direction, the strength and equipment of the Army Air Forces were more than trebled and the first combined bomber offensive against Germany was initiated and thereafter augmented. As commanding general, north African theater of operations, United States Army forces, from January 9, 1944, to October 22, 1944, General Devers' leadership was an important factor in the Italian campaign commencing with the break-through south of Rome and the advance to the Gothic Line culminating in the fall of Florence. He was responsible for the preparation of the United States forces for the landing in southern France, and for their supply and reinforcement during the rapid advance up the Valley of the Rhone. Later he assumed command of the Sixth Army group, including the French and American forces, in their advance of Belfort and the Vosges Mountain barrier. In all his commands he has displayed force, energy, and high qualities of leadership."

He led his Seventh Army into Austria, linking up with the Fifth Army forces from Italy, and on May 6, 1945, took the unconditional surrender of Army group "G" comprising all German forces in Austria, slightly less than 1,000,000 men. Goering, Kesserling, and von Rundstedt were included in his catch. Shortly before the surrender, on March 8, 1945, he was promoted to general (temporary). For this important period of his career he was awarded a second bronze Oak Leaf Cluster to the Distinguished Service Medal, with the following citation:

"Gen. Jacob L. Devers served in the highly important and responsible position of Commanding General, Sixth Army Group, from January 20 to May 9, 1945. In a series of slashing attacks beginning in late January 1945, the armies led by General Devers cleared the Colmar pocket and then pierced the formidable Siegfried Line west of the Rhine River. In conjunction with the Third United States Army, his forces inflicted heavy casualties in personnel and material on the enemy forces. Attacking across the Rhine River he drove rapidly to the east and then to the south and southeast, overcoming a series of fanatical delaying actions. By May 6 he had reached the Swiss border and the Brenner Pass, with spearheads deep into Austria south of Munich. The force, energy, and brilliant leadership displayed by General Devers throughout these operations are in accordance with the highest traditions of the military service."

With the war over he came home for a rest. He was given a tremendous ovation in York, Pa., where the people turned out en masse for General Devers' Day. Only three days after the celebration in York, on June 29, 1945, he was made Commanding General of the Ground Forces, succeeding General Stilwell. He assumed command of the Army Ground Forces at Headquarters in Washington, D. C., on July 24, 1945. (Earlier that month he assumed, in addition to his other duties, command of the Twelfth Army Group during the absence of Gen. Omar Bradley.) On October 1, 1945, General Devers moved his headquarters to Fort Monroe, Va. Early in March 1948, Army Ground Forces was redesignated Army Field Forces, and General Devers assumed the title of Chief, Army Field Forces.

His assignment as Chief, Army Ground Forces, now Army Field Forces, was a fitting and new honor, but again, one loaded with responsibilities. Making full use of his own and others' experience of the past war, he has accomplished much in his determined effort to keep the United States Army abreast or ahead of any other army in the world, in equipment, tactics and technique. Many of the improvements that have been made and the progressive charting of the future are due to the enthusiastic leadership and drive of General Devers. He will retire, effective September 30, 1949, after 44 years of energetic, enthusiastic, valuable, and outstanding service. His honors have been many. He deserves them all.

In addition to the award of the Distinguished Service Medal with two Oak Leaf Clusters, he has received the following military awards and decorations:

Navy Distinguished Service Medal, with following citation:

"For exceptionally meritorious service to the Government of the United States in a duty of great responsibility as Commanding General, Sixth United States Army Group, from October 29, 1944, to January 1, 1945. Keen minded and wholehearted in his coordination with the United States Navy, General Devers rendered invaluable assistance involving multiple and divers problems relative to the build-up following our invasion of the south coast of France and by his farsighted planning, dependable judgment, and alert cooperation in the handling of the troublesome complexities incident to the important amphibious operations contributed essentially to his overwhelming success. His forceful leadership, unfailing tact and outstanding professional skill throughout a period of intensive action reflects the highest credit upon General Devers and upon the United States Armed Services."

Bronze Star Medal; European Theater Ribbon, with five stars; American Theater Ribbon; Army of Occupation Ribbon; Victory Ribbon; American Defense. On his European-African-Middle East Theater Ribbon, he wears battle participation stars for the Naples-Foggia, southern France, Germany-Rhineland, Rome-Arno, and central Germany campaigns.

Brazilian Order of Military Merit, with rosette; British Knight Commander Order of Bath; French Legion of Honor, with rosette; French Croix de Guerre, with palm; Polish Order of Virtuti Militari; Chilean Star of Gold; Egyptian Grand Cordon of the Nile.

General Devers, in addition to other French honors, is an honorary citizen of Bordeaux, an honorary corporal of the French Army, and is authorized to wear the insignia of the French Moroccan Goums and of the Third Algerian Infantry Division.

He holds the following degrees: Bachelor of Science, United States Military Academy, 1909; Docteur Honoris Causa, University of Nancy, France, 1945; Doctor of Laws, honorary, Williams College, 1946; Doctor of Military Science, honorary, Norwich University, 1947.

AMENDMENT OF MIGRATORY BIRD HUNTING STAMP ACT

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1076) to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended, which were, on page 1, line 6, after "'$2'", insert *"Provided,* That the moneys derived from the sale of such stamps shall be spent only upon specific appropriation by the Congress"; and on page 1, line 11, strike out all after "acquired" down to and including "1949", in line 1 on page 2.

Mr. JOHNSON of Colorado. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

TRANSFER OF PORTION OF THE VIGO PLANT NEAR TERRE HAUTE, IND.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1745) to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system, which was, on page 1, line 3, to strike out "War Assets" and insert "General Services."

Mr. McCLELLAN. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF INSTITUTE AND INTER-AMERICAN AFFAIRS ACT

The VICE PRESIDENT laid before the Senate the amendments of the House of

Representatives to the bill (S. 1250) to amend the Institute of Inter-American Affairs Act, approved August 5, 1947, which were to strike out all after the enacting clause and insert:

That the Institute of Inter-American Affairs, created by Public Law 369, Eightieth Congress, shall have—

(a) Succession until June 30, 1955; and

(b) Authority, within the limits of funds appropriated or specific contract authorizations hereafter granted to it, to make contracts for periods not to exceed 5 years and not to extend beyond June 30, 1955, in any case.

SEC. 2. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums, not to exceed $40,000,000, as may from time to time be necessary to carry on the activities of the Institute during the period ending June 30, 1955, and the appropriations hereby authorized shall be in addition to appropriations pursuant to authorizations granted in Public Law 369, Eightieth Congress.

And to amend the title so as to read: "An act extending the Institute of Inter-American Affairs."

Mr. CONNALLY. I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. MCMAHON, Mr. GREEN, Mr. FULBRIGHT, Mr. WILEY, and Mr. LODGE conferees on the part of the Senate.

PROSPECTIVE CALL OF THE CALENDAR

Mr. WHERRY. Mr. President, a number of Senators are inquiring whether or not the majority leader intends to have the calendar called any time this week. I wonder if the distinguished majority leader can give us any information on that subject?

Mr. LUCAS. Mr. President, I hope we can reach a call of the calendar some time this week—possibly following the disposition of the pending measure.

MESSAGE OF GOVERNOR STAINBACK OF HAWAII TO THE LEGISLATURE OF THE TERRITORY OF HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the message of Hon. Ingram M. Stainback, Governor of Hawaii, to the Twenty-fifth Legislature, Territory of Hawaii, Special Session, 1949.

The VICE PRESIDENT. Is there objection?

There being no objection, the message was ordered to be printed in the RECORD, as follows:

Mr. President, Mr. Speaker, and members of the twenty-fifth legislature, I regret that it is necessary to convene you so soon after your recent adjournment. Only the most urgent necessity has induced this call. Apparently only this legislature can bring an end to the present progressive paralysis of our economy.

Hawaii, as you well know, is absolutely dependent upon shipping. Our very economic life depends upon keeping trade moving regularly without disruption because of disagreements between management and labor.

On this 87th day of the stevedoring strike, the attitude of the parties is such that no early solution can be seen other than through new legislation.

This dock strike is unique in Hawaii, and in America. No other labor dispute, here or on the mainland, can take place in which the actions of so few are so disastrous to so many.

Except for food, medicines, and other highly critical supplies, no ocean-borne commerce has entered the Territory during this period. There have been no exports whatever of sugar, pineapples, and other commodities. We are now in the height of the harvesting season for both sugar and pineapples. Some 300,000 tons, one-third of Hawaii's sugar crop, are now stored in warehouses, and plantations will soon be compelled to shut down harvesting because of lack of space to store sugar.

When the people on the mainland fail to get our products, they don't go without. Mainland people are getting plenty of sugar while ours has been piling up in local warehouses. Sugar has been moving to the Pacific Coast from Cuba and Puerto Rico for the first time in history. Mainland people are also getting plenty of canned fruit. They are getting pineapples from Mexico and Cuba, and when they can't get canned pineapples they eat other canned fruit.

Further, many of the plantations have practically exhausted their credit, as have many small businesses of the Territory, and unless relief comes soon, many of our enterprises will be forced out of business.

This prolonged strike has wrought incalcuable damage to the whole economy of the Territory. Wages have been cut, employees dismissed, businesses closed or threatened with closing, unemployment is growing, and today it is estimated that some 12 percent of the total labor force in the Territory is unemployed.

One of the best plans that we have counted on for the expansion of our economy, for the creation of more and better jobs in the Territory, has been the proposed development of the tourist business. However, this strike has already created an impression on the mainland that Hawaii is a bad place to which to come, a difficult place to get out of, and a place of turmoil, disorder, and violence. We will have to work years to correct this impression.

The stevedoring strike commenced at midnight, April 30, just as you were adjourning the twenty-fifth session of the legislature. The sole issue is whether wages should be increased under an existing contract which expires next March but has a wage reopening provision. Long before the strike, representatives of the employers and employees had been negotiating to settle their differences, and a representative of the United States Mediation and Conciliation Service had been in Honolulu for some time to assist them in their efforts.

Shortly after the strike commenced, when negotiations appeared to be lagging, I had separate talks with representatives of both parties and convinced them that in the public interest they should resume collective bargaining. At intervals throughout the strike, attempts have been made repeatedly by the Commissioners of the United States Mediation and Conciliation Service and by myself personally to induce the parties to agree upon some fair basis of settlement and to encourage further efforts at collective bargaining.

Immediately upon outbreak of the strike, I had conferences with the Commander of the Pacific Fleet to obtain the assistance of Government vessels for essential foods and vital necessities. I was promised, and we have been given, the utmost cooperation by the naval and military authorities. However, only surplus space on Government vessels has been allotted for such shipment of necessities, and there is no assurance as to how long and to what extent such surplus cargo space will continue.

On May 25, when it was apparent that the strike might be prolonged so as to cause shortages in food and other vital necessities, I appointed an Emergency Food Committee for the purpose of assuring a continued supply of food, medicines, and other critical commodities. This committee has acted promptly and efficiently. Up to the present time 10 relief ships have arrived and have been unloaded. However, I must point out to you that such shipments meet only a small percentage of the normal needs of the Territory and do not permit the movement of any products from the Territory. Further there is no legislative enactment which gives this committee legal status.

On June 15, after I had been advised by the Commissioners of the United States Mediation and Conciliation Service and was convinced by my own experience that all reasonable efforts for mediation had been tried and failed, I exercised the only statutory power that I had by appointing an emergency board of five disinterested persons to investigate the controversy and to make a report thereon, together with their recommendations. In an effort to assure that the board's recommendations would be acceptable to the parties and also to assure that the board would be composed of fair and disinterested persons, I appointed five able men, each of whom had been, in prior proceedings, named as an acceptable arbitrator to management and labor in settlements of disputes arising out of contracts between the very union to which these employees belong and business interests in the Territory.

This board devoted considerable time to the taking of testimony, considering the same, and filing its report and recommendations. It recommended that the stevedores go back to work upon being given a raise of 14 cents per hour. The employers, after protesting that the raise was not warranted, agreed to accept the recommendation, but the employees rejected the same, and matters have been at a standstill since, the employees insisting upon 32 cents an hour or arbitration of the wage dispute, and the employers insisting that the question can only be solved by collective bargaining.

The executive branch of your government has exhausted every possible avenue to secure settlement of this dispute. Our National Government has told us, both through the executive and legislative branches, that this is a local matter for us to settle here. The problem then is squarely up to this legislature to enact the laws that will permit the Territorial government to end this strike and to protect the people of Hawaii against a repetition.

At the last session of the legislature, in my message, I told you that I considered it desirable to strengthen the public utility labor acts to give greater protection to the public, that our law providing for mediation and fact-finding procedure had not been wholly successful. I also called attention to the fact that in a number of States, strikes in public utilities whose operation is necessary to health and safety, are absolutely forbidden.

I recommended that we take steps whereby we could prevent strikes that endangered the health and safety of the Territory. I wish to repeat that recommendation, and urge that a strengthened public utility labor act be extended to cover stevedoring companies.

While serious questions of labor and management are involved in this dispute, the greater question is the protection of the public as a whole from the hardships that exist when the lifeline of the Territory is cut, as it has been these last 3 months.

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Legislation in itself has never created good labor-management relations. While injunctions and cooling-off periods may delay strikes, they do not necessarily prevent them. Some of you have discussed with me a number of bills, many of which may be helpful and desirable. But we should take no chance on the effectiveness of new laws to be enacted to solve our problems. We must insure continued operation of shipping. We cannot do that unless the government itself takes over the stevedoring operations with its own employees or is empowered to do so whenever the necessity arises.

In recommending to you Government operation of our docks, most of which are already owned by the Territory, and of all stevedoring activities, I am not unmindful of the questions that arise in considering expanding of governmental activities. For those who see in government operation of our piers and longshore activity a threat to private enterprise, I submit that there is a far greater threat to private enterprise in this Territory if these operations are not immediately resumed and kept functioning. On the other hand, for those who would challenge government operation as a method of union busting, I point out that the welfare of half a million people of Hawaii is more important than the interests of a relatively small group of workers, and, further, that if the economic life of the Territory is destroyed, the position of the workman, union or nonunion, will be poor indeed. Employer and employee are members of one body. If labor is the hands, and management the head of Hawaii's economic life, ocean-going transportation is the jugular vein. If that is cut, both hands and head are sure to perish.

Stevedoring operations in island communities 2,000 miles away from the nearest mainland port are a public utility in every sense of the word. The free and uninterrupted flow of commerce to and from the mainland and world ports is vital to the people of Hawaii. Public ownership or public operation is not new in American democracy. The welfare of the people of Hawaii demands that their government now take steps not only to end this strangulation of our economy, but to protect them from future threats of continued labor-management difficulties in our dock operations.

If you should not be willing to take this step and provide for public operation of stevedoring in Hawaii, which I believe to be the soundest solution to this problem, at a minimum you should provide for a specific and definite means for ending this strike forthwith and preventing future ones. In this connection, I again call your attention to the action of some 15 States that prohibit strikes in certain public utilities essential to the health and safety of the community.

The threat has been made by certain labor leaders, both in the press and by cable to me, that if this Territory has the audacity to operate stevedoring on its own docks and with its own labor, this Territory will be blockaded by a refusal to unload such cargo on the coast. I am authoritatively advised that any such attempt will be a direct violation of the Federal Labor Relations Act, and we have every right to expect, and I am confident we will secure, the full support of the Federal Government to prevent this violation of its laws and attempted economic strangulation of this Territory.

Doubtless you have been and will be under intense political and group pressure. You will not be able to please all. It is very likely that any bills you may pass will probably contain certain features distasteful to both parties to this dispute. I am confident that you will let neither pressure of, nor vindictiveness against, any group influence your action, but that you will be guided solely by the interests of the public as a whole.

In conclusion, I wish to give you assurance of my wholehearted cooperation and that of the executive departments of the Territorial government, I wish to remind you that we will always welcome consultation with you, and hope that you may have a speedy and successful termination of your labors.

INGRAM M. STAINBACK,
Governor of Hawaii.

JULY 26, 1949.

FOREIGN AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

Mr. McKELLAR. Mr. President, I feel that at this time I should make a statement to the Senate concerning the ECA bill. I do not know whether I am given to too much talking or not. I do not believe I am. I am not going to talk a great while about it, but I wish to explain the bill in a general way.

The bill has been before the Senate committee for several months. I do not suppose that any bill in the history of the Senate has ever had more attention than this bill has had from the Appropriations Committee of the Senate. I hold in my hand the printed hearings, consisting of more than 1,000 pages of testimony. The committee went into the subject in the minutest detail, and heard all witnesses who wanted to be heard. The committee reported the bill to the Senate, and it was debated for several days. It was recommitted to the committee because there was legislation in the bill. My friend from Texas [Mr. CONNALLY] says there still is.

Mr. CONNALLY. Mr. President, that remark was off the record.

Mr. McKELLAR. I know it was, but I shall put it on the record. I think that is the proper place for it.

The bill as it came from the House was about nine-tenths legislation and about one-tenth appropriations. It contained all kinds of legislation exempting the ECA from the many laws which the Congress has heretofore enacted governing the careful administration of financial matters in the departments. It virtually turned this immense sum of money over to the ECA to dispose of as it saw fit.

The Senate committee did add some legislation to the bill. Before I come to that particular legislation, I wish to say first that as we all recall, the Senate agreed to certain amendments. We agreed to the amendment known as the McClellan amendment. We agreed to the "watchdog committee" amendment. Let me say a word about that. That was a very proper amendment. That committee has done fine work, and I believe everyone will agree that that amendment should have gone into the bill.

In the next place, the Senate restored to the Administrator $74,000,000 which had been eliminated by the committee. I was opposed to that amendment, but, of course, I accepted it when the Senate passed upon it.

That much was accomplished by the Senate. The next thing the Senate did, and the most important thing of all, I believe, was that it accepted the gross amount of the appropriation which had been fixed by the committee. That amount was $3,628,380,000. I was very happy that the Senate accepted that amount. I wish to say to the Senate in all frankness that that amount was not the amount which I originally favored. I favored a cut in this appropriation of about $800,000,000. I thought it would be wise. I thought it would be in the interest of the taxpayers, who include everyone. The laboring man and the farmer pay taxes, just as the rich man pays taxes. We all pay taxes.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McKELLAR. If the Senator will be good enough to wait a little while, I shall undertake to answer any questions which Senators may wish to ask. Let me make this statement of the history of what was done.

Those three things were the outstanding things which had been done when the bill went back to the committee. The committee had to consider it anew, and it did consider it anew, and reported the bill. The committee reported those things to which the Senate had agreed, just as the Senate had agreed to them; and at the proper time I shall ask unanimous consent that the amendments upon which we have already acted be accepted as the amendments of the Senate. I do not see how any Senator could possibly object. For example, the $74,000,000 restoration did not meet with my approval, but it met with the approval of the Senate, and I am perfectly willing that it should go in the bill. I think it ought to go in the bill, because the Senate has passed upon the question.

The same is true of the amount which was appropriated. It did not meet with my entire approval, but that was all right. The Senate passed upon it, and it ought to be done.

Let us consider another step the committee took. Three other items which were stricken out as a result of points of order on the ground that they contained legislation are reported in the bill as it is now before the Senate, and I wish to call attention to them. The first of those items is the amendment with respect to the purchase of surplus agricultural products by the Economic Cooperation Administration and the Department of the Army. That is commonly known as the McClellan amendment. As all of us know, it was very actively supported and strongly opposed. I think that amendment should be adopted.

Here we are about to give to the participating countries enormous sums of money. Let me at this point quote Prime Minister Attlee of Great Britain, in this connection. The other day he made a speech in answer to Mr. Churchill; and in the course of his speech he said, with a great deal of pride, it seemed to me:

> We did give aid to other countries—

He meant since the war, just as we have been doing—

> to the tune of 900,000,000 pounds.

Mr. President, that is $3,600,000,000. During that time we have given to Great

Britain approximately $5,000,000,000, in round numbers. Mr. Attlee says that during the same time Britain has given to other nations $3,600,000,000. Of course, I do not know whether she received bonds or notes, in exchange, from the other countries or whether she was giving them that money just as we are doing, giving it to them for nothing. At any rate, while Britain was giving $3,600,000,000 to other countries, she was receiving as gifts from the United States approximately $5,000,000,000-plus.

I think I should state here that it was reported by Mr. Hoffman that Britain has balanced her budget or has substantially done so. Of course our budget is not balanced. At the present time, with our budget unbalanced, with our public debt totaling the enormous sum of $252,000,000,000, if our farmers have on hand surplus agricultural products which they cannot sell, and when our Government is called upon, as it is, to give these enormous sums of money to foreign countries under these conditions, is it not reasonable, fair, and just for us to include in this bill a provision that where agricultural products, of which American farmers have a surplus, are required by the beneficiary countries a portion of our gifts to them shall be expended for such agricultural surpluses? Is there anything unfair about that? Is there anything unjustified about that?

Mr. President, I think the McClellan amendment is a proper amendment. I voted for it in the committee, and I expect to vote for it in the Senate. I shall do so with but one desire in the world, and that is to do the right thing. As I regard our situation, we are trustees for the people. I have always regarded the office of Senator as such; and when I was in the House of Representatives, I regarded the office of Member of the House of Representatives as primarily a trusteeship for those who elected the Members of that body, and generally for all the people of the United States, as we deal with legislation. I feel that we are trustees.

I believe it to be our duty, in managing our country's foreign affairs, to be fair and just to other nations, but at the same time to be fair and just to our own people. Our farmers pay taxes to the Federal Government, although indirectly in many cases, of course. Our laboring people to the same. All our people pay taxes to the Federal Government. Therefore, we should consider all our people in passing upon legislation. We are sent here to legislate for all the people of the United States, for the entire United States. So it seems to me that, in all good conscience, although we should be helpful to foreign nations and should be kind and considerate to them, and I wish to do so, yet at the same time we should be fair and just to our own people. That is exactly what the McClellan amendment will do.

Mr. President, I was tremendously interested while sitting here yesterday during the session which lasted for 6 or 7 hours to hear learned discussions in regard to adding a few more employees, where they are needed, or in regard to raising the salaries of some Government clerks, where that is needed. In those cases the amounts involved were comparatively nothing from a governmental standpoint. Yet today, with an already existing public debt of $252,000,000,000, it is proposed to make these lavish appropriations of billions of dollars for foreign aid without limit, without any laws governing the expenditure of these vast sums. Mr. President, why are we doing it? I am wondering why. It is incomprehensible to me that we should make these gifts without limitation. Of course, I am perfectly confident that there is not a Member of the Senate who believes these gifts will ever be returned to us in any manner, shape, or form. They are gifts. The committee does provide in this measure, I believe, that $150,000,000 is to be loaned, but I am not sure whether that amendment will be adopted. But most of this money, as we all know, represents gifts. Under those circumstances the committee inquired into the matter and went into every detail of it. Most elaborate proof was heard on the subject. The committee concluded that at the same time we were making these gifts we ought to be fair and just to our own people and look after their interests as well. That is all I can say about that feature of the case.

What is the next amendment? It has been said we brought back the same amendment. In substance it is the same amendment. But what did the committee do? I am not speaking as a parliamentarian; I do not claim to be an expert parliamentarian; I am merely one of 96 Senators, but I am talking to parliamentarians. We were very careful to call in the distinguished and splendid Parliamentarian of the Senate. I pause to say I do not believe any legislative body ever had a better parliamentarian than Charlie Watkins. We called in our legislative counsel and we went over with them the three amendments we have reported back about which Senators hear so much said to the effect that they are the same as those in the bill as originally reported. We again reported the amendment to which I have just referred, known as the McClellan amendment, and we reported two others.

The next is the amendment relative to granting assistance to Spain. Perhaps it is unnecessary, but I should like to tell my fellow members that I am not interested in the religious question. I am what is called in my section of the country an old-school Presbyterian. I do not know that any member of my family was ever a member of the Catholic Church, but I have the greatest veneration, admiration, and esteem for that church. The members of that church are as fine people as there are in the world, and catholicism is the religion of Spain. I do not hold that against Spain. But it is said Spain has a government which is not democratic. There are many other governments which are not democratic which are using our money. Why should we single out Spain? Under the advice of Mr. Watkins and our legal counsel we made a limitation as to Spain. Senators can vote it up or vote it down. My interest in it is the interest of America.

I have never been in a foreign business of any kind, but I asked some of the businessmen at Memphis who had dealings with Spain, who had sold to Spain products like tobacco and cotton, and they said Spain had paid for them in every instance, that her credit was good, that the Spaniards paid their debts. Under those circumstances, and particularly since Spain is behind the Pyrenees, so to speak, so far as we are concerned, she might be very helpful to us at some time if we got into trouble—the committee reported the amendment. I am not at all interested in the amendment except as a citizen of this Republic and as a man who wants to be fair and just to all nations. Spain, undemocratic as she is, is no more undemocratic than certain other nations with whom we deal every day. So, speaking for the majority of the committee, I express the hope that the amendment will be adopted. I am told it is in order. I have heard it is to be made the subject of parliamentary action upon the ground that it is legislation on an appropriation bill and should be stricken from the bill, but I hope it will not be. As I say, I am not an expert on such matters, but I merely feel that the limitations provided in the two amendments I have mentioned should be in the bill.

The third amendment we put back—and there are only three—would prevent the use by a participating country of local counterpart funds in cases where the country has failed to comply with the treaties of the United States. Why is not that a perfectly fair limitation? Let us consider it for a moment. Ever since I have been in the Senate—and that has been several years—we have fought for freedom of trade. We have fought against what are known as bilateral agreements between nations which would injure the trade of the United States. And yet such agreements are being made to the injury of our own people. Why in the name of heaven should an American legislature vote in favor of bilateral agreements and against the position we have maintained for generations? I am not sure, and I would have to verify this, but I think there was in the platform of both parties a plank favoring multilateral trade agreements and not bilateral trade agreements. I believe our Parliamentarian was right, I believe our legislative counsel was right, and I believe our committee was right in holding that these provisions were limitations on the appropriation and should be adopted. Mind you, Mr. President, there are only three of them. There have been some improvements in the language, but the only three amendments of any consequence are the three I have mentioned. Ordinarily those three amendments would be adopted by the Senate by unanimous consent. If it were not that this particular bill has gotten into a situation where strange things are being done, those three amendments ordinarily would be adopted without a word by the Senate.

I come to the next proposition: The committee has inserted a provision authorizing the Administrator of ECA—not taking anything out of his hands at all, but merely authorizing him—to borrow $150,000,000 from the Treasury to use as loans under the program. By the way, that is legislation, and that must

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receive a two-thirds majority. That will be offered on the floor of the Senate. It is not in the bill, and it will be necessary to obtain a two-thirds majority for it.

Then comes the amendment directing the use of counterpart funds for the purpose of giving publicity, through the press, radio, and all other available means, to the assistance being furnished by the American taxpayer. Ought that not to be done? It seems so to me.

Then there is the provision relating to what is known as GARIOA, under which we control the use of funds, as in Germany, Austria, and in other countries. Certainly it seems to me that amendment ought to be adopted, and I hope it will receive the necessary two-thirds majority.

The next amendment is the one authorizing employees of civilian agencies of the Government in Germany to use Army facilities for the purchase of subsistence supplies without the necessity of paying a 10-percent additional charge. Is not that fair to our own employees? That is another amendment that would be adopted by unanimous consent immediately, but for the insistence that every dime recommended by the Bureau of the Budget must be appropriated, that there can be no reduction at all, either as made by the House or as made by the Senate. Otherwise, that amendment would be adopted.

The next amendment is with respect to the production of nitrogenous fertilizer materials in Army plants. Is there any objection to that? I hope it will receive the vote of every Senator.

The committee also considered an amendment authorizing the use of $4,000,000 out of any unobligated balance made available under the China Aid Act, as amended, for necessary expenses of tuition, subsistence, and return passage to China of Chinese students. That amendment was offered by the Senator from California [Mr. KNOWLAND], and the committee directed that it be submitted to the Senate. Of course it is legislation, admittedly so. These six items which the committee has authorized will have to receive a two-thirds vote in order to be adopted.

The ECA submitted certain changes. As I have already stated, approximately nine-tenths of the bill is devoted to legislation.

Mr. President, I have overlooked a matter about which I should say a word or two. The Senate appropriated, in the first bill, for a period of 12 months. The House had appropriated for a period of 10½ months. That creates some difference in the figures, but I have given the Senate an outline of approximately what they amount to. We reduced the amount appropriated in this bill in a very small way. The reduction is approximately 3 percent, after we made allowance for a 10½-month appropriation and a 12-month appropriation. Indeed, when the committee agreed upon this bill I personally felt that the ECA had won a wonderful victory. It had turned down most of my suggestions. I assumed it would be delighted at a reduction of less than $4,000,000 out of the total of $6,322,000,000 requested. The reduction is a little more than $300,000,000. It seems to me to be such an infinitesimal cut that the ECA should accept it. Instead of that, what has happened? The most active lobby I ever heard of was started. For what reason? The ECA wants the last dime it requested. It asked for $6,322,000,000, and it wants the entire amount. It seemed to me a very small matter, relatively speaking—a matter of approximately $300,000,000. It will probably be reduced by the House. We all know that we must give and take; but I should think the ECA would be delighted to accept the bill as the committee has reported it.

There is one other thing to which I must refer, and that is the comment which has been made in the newspapers concerning our striking out the legislation inserted by the House. The Senate struck out, under its rules, all the legislation inserted by the Senate. It seemed to me and to the committee that it was wise to strike out the House legislation and let the entire bill go to conference and be worked out there. There is some of the House legislation which should, I think, remain, and some which should not remain. There is some of the Senate legislation which should remain, and some that should not remain. The conference can work it out. That would be the natural, ordinary, everyday thing to do.

The next question is, Did the committee act correctly in striking out that legislation? I think it did. The conference can work out a bill which the Senate can approve. I believe in my own heart that every member of the Appropriations Committee simply wanted to do what was proper in preparing this bill. We may have made mistakes. What person does not make mistakes? The Senate has corrected those mistakes, and I shall not take any more time of the Senate to discuss that matter. The amendments can be discussed when they come up for consideration. If the Senate agrees with me that they should go to conference, I think we shall have a bill which will be satisfactory even to the ECA, in my judgment. With the very small cuts which the House and Senate have made, it should be acceptable.

I am thinking of the interest of our own people in connection with this enormous appropriation. I am not discussing the subject of undue economy. I believe in just economy, and I ordinarily vote that way. When the Senator from Wyoming [Mr. O'MAHONEY] presented his bill, I voted for some increases, and I believe I was right when I so voted. I have no apology to make for it. I voted for increases in a number of appropriations. Some items in this bill are increased, in connection with the McClellan amendment, the McCarran amendment, and other amendments.

I want to say in behalf of the Appropriations Committee that I do not think any member of the committee is trying to boss anyone or trying to use influence to take away rights of other committees. There is a great deal of work connected with the Appropriations Committee. When I was a boy I used to think there could not be any greater happiness on earth than spending money. I never had any to spend, but I saw other persons spending money, and it seemed to me to be a wonderful thing to spend money. Since I have been a member of the Committee on Appropriations, for many, many years, I have learned that spending money is rather a hard job when a man is conscientious about it, and as God is my judge, I try to be conscientious about it. I try with all my heart. For more than 38 years my Government has been the principal interest in my life. I am proud to be a representative of a great Government like ours. I want to keep it as it is, or make it greater and better, stronger than it ever was before. I do not want recklessly to give away the people's money. I do not want to see it given away without let or hindrance. I do not want to see it spent for the purpose of building up greater industries in other countries, which might take away the business of our own people. I do not believe that we have the moral right to do it.

It is not pleasant for me to differ with people, but I do differ with those who want to take a shovel and shovel out the money of the American taxpayer and give it to all the world, to educate all the world, to give the world beefsteaks, and chickens, and ducks, and everything else people might desire. I believe in being fair and just to other people, but I want to be fair and just to the constituents I represent, to the American people whom I represent in part. That is my only purpose in standing here today and fighting for a reduction in this enormous appropriation, in fighting for restrictions on the expenditure of these enormous sums.

We must look at this matter carefully. I have no interest in it except that I want to do what is best for the good of our Government and our people. It may be that if we had a Communist government or a Socialist government, such as that in Great Britain, it might be different. They have taken over various industries in that country, and we are helping them, giving them billions of dollars with which to do it. Is that against communism, or is it helping communism along?

It is not our business what sort of governments the other countries have. I want them to have progressive governments, but it is not our business to furnish the money to see to it that any certain government is kept in power. I hope Senators will think of that when they consider the enormous sum we are now asked to appropriate.

Having said this much, I ask unanimous consent, Mr. President, the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered, in the order in which they come in the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The clerk will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the

heading "Title I," on page 2, after line 1, to insert:

LEGISLATIVE BRANCH

SENATE

Contingent expenses of the Senate

Joint Committee on Foreign Economic Cooperation, as authorized by Public Law 472, Eightieth Congress, as amended by Public Law 47, Eighty-first Congress, $344,000: *Provided*, That this appropriation shall be available for the fiscal year 1950, for the purpose provided herein.

The amendment was agreed to.

The next amendment was, under the heading "Funds appropriated to the President—Economic Cooperation," on page 2, line 16, after the numerals "1949", to strike out "including expenses of attendance at meetings concerned with the purposes of this appropriation (not to exceed $6,000); hire of passenger motor vehicles; maintenance and operation and hire of aircraft; payment of damage claims pursuant to law (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); rents in the District of Columbia; transportation of privately owned automobiles; entertainment (not to exceed $6,000); exchange of funds without regard to section 3651 of the Revised Statutes; and loss by exchange."

Mr. HAYDEN. Mr. President, I desire to inquire about the amendment beginning with the word "including," on line 16 and going down to the words "loss by exchange."

Mr. McKELLAR. What page?

Mr. HAYDEN. On page 2 of the bill, where it is proposed to strike out House language. It seems to me that is just ordinary language. It does not amount to much, except that it is necessary in order that the Administration may be carried on. The language reads:

Including expenses of attendance at meetings concerned with the purposes of this appropriation (not to exceed $6,000); hire of passenger motor vehicles; maintenance and operation and hire of aircraft; payment of damage claims pursuant to law (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); rents in the District of Columbia; transportation of privately owned automobiles; entertainment (not to exceed $6,000); exchange of funds without regard to section 3651 of the Revised Statutes; and loss by exchange.

Mr. McKELLAR. Mr. President, that is a House provision. Now may I make a parliamentary inquiry?

The VICE PRESIDENT. The Senator will state it.

Mr. McKELLAR. Could we let the amendments in which we strike out legislative provisions in the House text go over until after the remainder of the bill has been passed on?

The VICE PRESIDENT. The Chair would suggest to the Senator from Tennessee that if that request were agreed to, and Senate committee amendments striking out all legislative provisions of the House text should subsequently be agreed to, leaving no legislative provisions in the House text, any legislative provision in a Senate committee amendment would fall by the same rule, and there would not be anything for a legislative amendment to be attached to.

Mr. McKELLAR. That may be true, and I withdraw the suggestion.

Mr. HAYDEN. I was about to suggest to the chairman of the committee that this amendment beginning in line 16, page 2, and running through line 25, merely provides for routine things which are customarily granted. The amount of money involved is $6,000, including expenses of attendance at meetings, hire of motor vehicles, maintenance and operation and hire of aircraft, payment of damage claims pursuant to law, citing the law, rents in the District of Columbia, transportation of privately owned automobiles, exchange of funds without regard to section 3651 of the Revised Statutes, and loss by exchange. Those are routine provisions which it seems to me we could well adopt. The next amendment, on the top of page 3, the Senate has already passed on, striking out the language, and it ought to go out.

Mr. HILL. Mr. President, in that connection, is it not true that in a sense the Senate agreed to this language on page 1 when it proceeded to strike out the rest and residue of the language on page 3? Certainly in a sense the Senate agreed to the language on page 2 when the bill was before the Senate on a previous occasion, in striking out a part of the same paragraph on page 3, from line 1 through line 8. That was stricken out before. That was all a part of the same paragraph. In striking out the language on page 3, in a sense we agreed to the language on page 2. Is not that true?

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee permit me to ask him a question?

Mr. McKELLAR. I shall endeavor to answer the Senator's question.

Mr. KNOWLAND. I should like to ask the able chairman of the Committee on Appropriations, speaking as one of the members of the committee, whether upon further reflection and consideration it would not be advisable to leave the House language as it came to the Senate. I think there was considerable merit in what the committee did in bringing to the attention of the Senate the amount of legislative material in a bill of this kind, and Senators certainly can see that in view of the amendments which have been presented by the committee; but it seems to me it will be a more orderly procedure if we leave in the bill the language as it came from the House in regard to this legislation. Otherwise it is going to involve conference difficulties, and in the final analysis I think our judgment would be that the language here is perfectly proper. I think we served a good purpose in calling the matter to the attention of the Senate, but I should not like to see all this language stricken from the bill, because of the parliamentary situation in which we find ourselves involved.

Mr. McKELLAR. Mr. President, the Senator from California took that position in the committee, I recall, and supported it very strongly, as he always does his contentions. But the committee disagreed with him, and struck the language out. The committee not only disagreed in this instance, but in others.

Mr. LUCAS. Mr. President, can the Senator from Tennessee tell me the vote in the committee?

Mr. McKELLAR. I am advised by the clerk that by a show of hands the vote was 10 to 8.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. I yield.

Mr. WHERRY. Is it or is it not the intention of the distinguished chairman of the committee that the Senate take up in order, each of these amendments, regardless of what has been done before with respect to the House language? These are amendments which can either be voted up or down. Is it or is it not the intention of the chairman to submit each of the amendments in order, as they appear in the bill, and then have the Senate either disapprove or approve of the House language?

Mr. McKELLAR. I made a suggestion that they all be considered after the other amendments had been agreed to, but the Chair said that was not the proper procedure.

Mr. WHERRY. My understanding is that because of the withdrawal of the chairman's request that these particular amendments be considered after the others had been disposed of, each amendment will now be considered as it is reached in order, and all the Senate will do, of course, will be to vote up or down, or accept or not accept, the House language? We are dealing wtih the second committee amendment on page 2; is that correct?

Mr. McKELLAR. Yes.

Mr. WHERRY. What is the chairman's motion?

Mr. McKELLAR. I make no motion at all. The question is on agreeing to the amendment, whether the House language shall be voted in or out.

Mr. HAYDEN. That was what I suggested. This is a minor provision which should be agreed to.

Mr. McKELLAR. Yes. It deals with expenses in the District of Columbia. If the Senate votes it down it will be entirely satisfactory to me.

The VICE PRESIDENT. The question is on the committee amendment on page 2, to strike out the language beginning with the word "including" in line 16, down to and including the word "exchange;" in line 25.

The amendment was rejected.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, on page 3, line 1, after the numerals "$1,074,000,000", to strike out the comma and "of which not to exceed $125,000 shall be available for expenditures of a confidential character (other than entertainment) under the direction of the Administrator or the Deputy Administrator who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified."

Mr. HAYDEN. Mr. President, that language was stricken out by the Senate heretofore, and the committee amendment should be agreed to.

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Mr. McKELLAR. Yes; the committee amendment was agreed to by the Senate when the bill was before it last week.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 3, on line 1, after the numerals, to strike out down to and including the word "specified," in line 8.

The amendment was agreed to.

The next amendment was, on page 3, line 16, after the numerals "1950", to strike out "including expenses of attendance at meetings concerned with the purposes of this appropriation (not to exceed $30,000); purchase (not to exceed two) and hire of passenger motor vehicles; maintenance and operation and hire of aircraft; payment of damage claims pursuant to law (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); rents in the District of Columbia; transportation of privately owned automobiles; entertainment (not to exceed $25,000); exchange of funds without regard to section 3651 of the Revised Statutes; and loss by exchange."

Mr. HAYDEN. I think that amendment is in a somewhat different situation, Mr. President. The language beginning in line 16, down to and including the word "exchange" in line 1 on page 4 is practically a repetition of what the Senate previously adopted. But the amount of money immediately following had also been agreed to by the Senate. I think we should agree to the whole matter. That will clear it up.

Mr. McKELLAR. $3,628,380,000 is what the Senate agreed to before, and I hope the Senate will agree to it at this time.

The VICE PRESIDENT. That raises the question whether the language following the numerals in line 2, page 4, beginning with "(1) 90 per centum" is a part of the amendment which the Senator asks be agreed to, or whether it is a separate amendment.

Mr. McKELLAR. Mr. President, that is a separate amendment.

Mr. HAYDEN. Yes, that is a separate amendment; because when the bill was before the Senate previously the language in line 16 on page 3, beginning with the words "including expenses" and down to and including the word "exchange" in line 1, on page 4, were in the bill. The Senate then voted to strike out "$3,568,470,000", and to insert "$3,628,380,000".

I suggest that the Senate disagree to the committee amendment up to and including the word "exchange" in line 1, on page 4, and then agree to the committee amendment with respect to the money.

Mr. HILL. The Senator means to disagree to the committee amendment down to and including the word "exchange"?

Mr. HAYDEN. Yes. That will get us back to where we were.

Mr. McKELLAR. Yes, that will get us back to where we were previously.

The VICE PRESIDENT. So that the language on page 4, line 2, beginning with "(1) 90 per centum" is a separate amendment from that about which Senators are now speaking and will stand on its own merits.

Mr. HAYDEN. Yes; entirely so.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 3, line 16, beginning with the words "including expenses", down to and including the word "exchange" on page 4, line 1.

The amendment was rejected.

The next amendment was, on page 4, line 1, after the word "exchange", to strike out "$3,568,470,000" and insert "$3,628,380,000."

Mr. HAYDEN. We now should agree to the committee amendment on page 4, line 1, to strike out "$3,568,470,000" and insert "$3,628,380,000."

The VICE PRESIDENT. The question is on the amendment on page 4, line 1, to strike out "$3,568,470,000" and insert "$3,628,380,000."

The amendment was agreed to.

The next amendment was, on page 4, line 2, after the word "which", to insert "(1) 90 per centum of the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Economic Cooperation Administration budget justification submitted to the Senate shall not be available for any other financing."

Mr. WHERRY. Mr. President, this is the so-called McClellan amendment, is it not?

Mr. McKELLAR. It is.

Mr. WHERRY. In view of the fact that this is one of the controversial features of the bill, I suggest the absence of a quorum, so we may have as many Senators as possible present to vote on the amendment.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Holland	Morse
Baldwin	Humphrey	Mundt
Brewster	Hunt	Murray
Bricker	Ives	Myers
Bridges	Jenner	Neely
Butler	Johnson, Colo.	O'Conor
Cain	Johnson, Tex.	O'Mahoney
Capehart	Johnston, S. C.	Pepper
Chapman	Kefauver	Robertson
Chavez	Kem	Russell
Connally	Kerr	Saltonstall
Cordon	Kilgore	Schoeppel
Donnell	Knowland	Smith, Maine
Dulles	Langer	Sparkman
Ecton	Lodge	Stennis
Ellender	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
Fulbright	McClellan	Tobey
George	McFarland	Tydings
Gillette	McGrath	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Martin	Withers
Hickenlooper	Maybank	Young
Hill	Miller	

The PRESIDING OFFICER. A quorum is present.

Mr. McCLELLAN. Mr. President, I regret that it is necessary for me to proceed at this time, in view of the anticipation—I assume with reasonable certainty—that later a point of order will be made against the amendment we now are considering.

When the bill previously was before the Senate I had no advance information that a point of order would be made against the amendment. Therefore, I had not discussed it. I am quite certain that many Senators then, at least, did not know what this amendment proposes to do, except from what they might have gathered from newspaper reports and comments about it, most of which were in error. They misled the public and possibly some Members of this body regarding the merits of this amendment.

I hope a point of order will not be made against the amendment today, but I must anticipate that it will be, and if one is made, then I hope it will not be sustained. If it is sustained, then, with all due deference to the Presiding Officer, whoever he may be at the time, I hope the Senate in its wisdom will override the ruling of the Chair.

As I stated, a few days ago I never anticipated, I never once foresaw, that this simple effort to do something in the interest of the taxpayers of the Nation would provoke or bring about the situation and the parliamentary tangle which subsequently developed. At the time when the amendment was prepared, I thought I was simply limiting the expenditure of funds which were being appropriated in the bill. The amendment was intended then as a limitation. In my judgment it was a limitation then, and not legislation. In my judgment it is a limitation still, and not legislation. But if it is legislation on an appropriation bill, then its merits, its purpose, and its objective are still just as good and sound, and its enactment is still just as necessary for the protection of the American people and in their interest, as they are if it is simply a limitation.

Therefore, Mr. President, before we reach another parliamentary issue, I wish to discuss the amendment and in my humble way try to tell my colleagues what it proposes to do.

The adoption of this amendment requiring the ECA to purchase surplus agricultural commodities in the amount stated in the budget estimate will not result in dumping American agricultural surpluses. The word "require" as I use it in the amendment, does not mean that any participating country, will be compelled to purchase anything. It simply means that if the participating countries are going to spend the money we give them for agricultural commodities—commodities which they told the ECA they needed and wanted, and would buy if they were given sufficient funds—then we simply say, "Buy American surplus agricultural commodities." They are not required to spend one dollar of it, but if they need what we have in surplus, we preclude them from taking the dollars and buying those commodities from any other country. What is wrong with that? They have free dollars. If they want to patronize other markets, we do not control the free dollars. They can spend their own money in any markets they choose. It merely requires that 90 percent of ECA funds estimated for expenditure for surplus commodities shall be spent for no other purposes.

The 90 percent, of course, is a modification. Instead of the full amount, as the amendment was originally written, the 90 percent modification is to make it conform to the total appropriation.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. THYE. Does the Senator think it would have any psychological effect on the European countries if this were to become a dumping program or a subsidy to agriculture in the United States, rather than a recovery program for foreign countries?

Mr. McCLELLAN. No; I do not think so. I do not think it could have the slightest effect of that kind. We are not telling them they must buy anything they say they do not want and do not need. How, I ask in all sincerity, could it have such an effect? This Government already owns the commodities which are in surplus. We have already taken American tax dollars and bought the surpluses, or loaned 90 percent of the parity value on them. For either purpose, whether we absolutely own all of them now or have a vested interest of 90 percent of parity price in them, the result is the same.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. THYE. I am greatly concerned with the surplus which may be accumulated in the United States in the course of the next year. As of today, the Senate Agricultural Committee has given study to that very question, but I am vitally concerned with the fact that this is a European recovery program. I voted for it as such a year ago. I am greatly gratified by the accomplishment of that program. But I do not want imposed in the legislation such a restriction as is suggested which would make possible the lodging of charges against the United States by those who would use it for the purpose of discrediting our European recovery program activities. I fear the psychological reaction upon the beneficiaries of the European recovery program would be bad, because our so-called enemies across the sea, if we may refer to them as enemies, would use it to the utmost to discredit us in every conceivable manner. It would be claimed we used the European recovery program for the purpose of bailing ourselves out of a distressed agricultural situation rather than as an outright friendly action upon the part of the people of the United States in an effort to bring about recovery among the nations of western Europe, in order that they might speedily overcome the devastation and waste which the war had brought to their towns as well as to their countrysides. I am afraid we would do ourselves great damage by permitting the countries in Europe, such as Russia, if I may so speak, to charge that we are using the recovery program entirely for our own benefit rather than as an effort to stimulate European recovery.

Mr. McCLELLAN. I may say to the able Senator that such fear is wholly unfounded; it is unjustified. Russia is going to say every contemptible thing she can possibly conceive and express anyway, as she is doing all the time. If we say to them simply, "You say you need and you want bread; here is grain; we will give you the dollar and you can purchase it, but you will purchase what we have in surplus, instead of buying it from some other country? What psychological effect could it have that would be detrimental to the United States? The European countries need grain. To the extent that we provide them with food while they are recovering, to that extent it is a relief program—I care not what anyone may name it. European countries cannot recover unless their people are sustained while the recovery process is under way.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. THYE. I am quite aware of the fact that charges of the kind I have referred to have been made against us. But I doubt whether the countries which are friendly to us would believe what we said if we spelled it out in the act that the participating countries must in the event they need corn, wheat, or any other grains, or commodities, take it off our hands, if we declare we have a pound or a bushel in surplus.

Mr. McCLELLAN. No, it does not require them to take anything except what we actually have in surplus. They can spend their money anywhere they want to. But we are giving them the money on one basis: It is simply charity, nothing else. It is help, it is relief, it is aid. It is aid to stimulate their recovery. It is aid to sustain life. It is aid to sustain them while they make a fight for recovery. It is a gift, so far as we are concerned.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. McCLELLAN. I am glad to yield.

Mr. THYE. I think the Senator misunderstood my statement. I said if they could point to any language in the bill specifically spelling out that they should take the surpluses off the hands of the producers in the United States, they would say, "See, it is what I told you, those Americans, the people of the United States, were not so big-hearted that they were trying to help us here in the western European countries. They were trying to help themselves. Look at the language they have written into the bill, that if they have a bushel or a pound of surplus agricultural commodities, we must take it from them, rather than take it in exchange from one of the other European countries." We are engaged under the European recovery program in bringing about recovery. I can very easily see that it might be said to the people of France, "You cannot sell one of the participating countries any wheat, because the United States has a surplus of wheat, and they have it spelled out in the act that, whether it be England or the Scandinavian countries, they must take the surplus commodities from the United States rather than take them from France."

Mr. McCLELLAN. Let me say to the Senator, we are not furnishing any other country dollars with which to buy wheat from France.

Mr. THYE. I mean, when it is spelled out in the act, it could be used as a charge against us.

Mr. McCLELLAN. They are going to say something anyway. They are saying it. In my opinion, the time has come for some plain talk. The American people have an interest, too, that needs to be protected, and I am ready to say to France, and to all the other ECA countries, "Yes, we are going to help you, but in that process we are not going to weaken ourselves at home on the domestic front any more than is necessary." They will get just as much strength from wheat that is in surplus in this country, and they will go just as far toward recovery with the wheat they need that is in surplus in this country as they will if they buy Argentine wheat or if they buy wheat somewhere else. The end result is going to be the same, except that extra dollars are going to be borrowed to be given to them, to buy something this Government has already bought with taxpayers' dollars and has in surplus.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I shall be glad to yield.

Mr. YOUNG. I think the Senator remembers well that approximately 2 years ago the United States Government was supplying wheat to ECA countries for a little more than $3 a bushel. At the same time Argentina was selling her wheat for approximately $5 a bushel. At this time, instead of showing some appreciation for sacrifices on the part of the United States Government, England is dickering for wheat in Argentina and in the satellite countries. If I remember correctly, the original proposal of former President Hoover was to help those countries by giving them our surplus products. Am I correct in that statement? Does the Senator remember Mr. Hoover's position on that question?

Mr. McCLELLAN. I think that is correct. I see nothing wrong with that.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I shall be glad to yield to the Senator from Michigan.

Mr. VANDENBERG. Can the Senator give me the over-all amount which is involved in this transaction?

Mr. McCLELLAN. I am having some charts distributed, and if the Senator from Michigan will get one of the charts and follow it, I shall appreciate it. I have added another column to it since the 10 percent reduction.

The amounts shown in the first column are the amounts intended to be purchased in the United States, according to their estimates.

Mr. VANDENBERG. Their estimates as of what date?

Mr. McCLELLAN. Up to February of this year. That is my recollection of Mr. Hoffman's testimony. That is the amount they are going to purchase in the United States. I shall indicate just what the chart shows.

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In the first column there is shown the amount the participating countries have said they were going to buy in the United States if they received the money. That is on the basis of the full amount, however, and it will have to be reduced by 10 percent.

Mr. VANDENBERG. May I interrupt the Senator at that point?

Mr. McCLELLAN. Certainly.

Mr. VANDENBERG. Does the Senator contend that a 10 percent reduction in this figure offsets a 10 percent reduction in the total figure?

Mr. McCLELLAN. Not necessarily. If the Senator will permit me to explain this table I can follow the Senator better and the Senator can better follow me.

Mr. FLANDERS. Mr. President, may I inquire what the initials indicate?

Mr. McCLELLAN. That is what I wanted to explain. The first-column figures are the entire dollar purchases intended to be made of these products in the United States.

The next column, containing the initials "OWH", represents the purchases the participating nations say they are going to make with dollars in other Western Hemisphere countries.

The next column has really no effect on the result, but the initials "OPC" refer to other participating countries. It shows how much they might buy from other participating countries, but they were going to buy no agricultural products whatsoever from any other participating countries.

The initials "DOST" refer to dependent overseas territories.

The "ONP" represents other nonparticipating countries. It represents dollars they are going to spend in other countries not participating in the program.

The next column indicates the total dollar expenditures.

The total amount to be advanced by ECA is in the next column.

The next column shows the amount ECA is going to finance of goods which will be purchased in the United States.

The next column shows the dollars they are going to use to purchase these commodities; that is, non-ECA dollar purchases in the United States.

Then there is indicated the total amount financed by the ECA, which is $1,673,000,000. By reason of the modification to 90 percent, that will be $1,506,000,000.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Arkansas yield to the Senator from Michigan?

Mr. McCLELLAN. I shall be glad to yield.

Mr. VANDENBERG. Does the figure of $1,506,000,000 become the figure identified in line 2, page 4, of the Senator's amendment?

Mr. McCLELLAN. Yes; insofar, only, as the products are in surplus. Some of the products which those countries say they are going to buy are not surplus products.

Mr. VANDENBERG. I am asking for information. The Senator knows the very great respect I have for him and for everything he does, but I am finding it difficult to follow his logic in setting up his premise. Did I correctly understand the Senator to say that his amendment requires that if ECA beneficiary countries are going to buy agricultural surplus commodities, the only thing the amendment does is to require them to make the purchase in the United States?

Mr. McCLELLAN. Insofar only as they use ECA money to make the purchases.

Mr. VANDENBERG. Why is not that objective completely covered by section 112 of the existing law?

Mr. McCLELLAN. I do not understand the interpretation of that section; I cannot understand it. If that is already in the law, I can see no objection to my amendment.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. McKELLAR. Has it ever been used heretofore?

Mr. McCLELLAN. I cannot say.

Mr. VANDENBERG. Mr. President, will the Senator further yield?

Mr. McCLELLAN. I yield.

Mr. VANDENBERG. I should like to pursue my inquiry a little further, consecutively. It is my understanding that section 112 of the existing law requires that the purchase of any surplus agricultural commodities actually needed by the participating countries and paid for by ECA dollars shall be made only in the United States. If that be so, it seems to me it completely answers the definition which the Senator applies to his amendment.

Mr. McCLELLAN. I have not concluded the definition of the amendment. I have stated one phase of it. The other is that this money is not available for other purposes.

Mr. VANDENBERG. Precisely.

Mr. McCLELLAN. That is not in the present act to which the Senator has referred.

Mr. VANDENBERG. The question I was raising was against the Senator's statement that the amendment requires only that beneficiary countries take such agricultural surplus products as they themselves say they need and want.

Mr. McCLELLAN. That is correct.

Mr. VANDENBERG. It is at that point that I desire to submit a question to the Senator. If the Senator were to add that he is referring to a figure made last February in connection with a larger budget, when each of the beneficiary countries said that out of a larger budget they estimated they could use a certain amount of agricultural products, that would be one thing. The difficulty is that the general budget available to them having been reduced, they cannot freeze in one sector any other contemplated purchases as estimated last February. As I see it they must revise their entire estimate and eliminate that which they can best surrender; whereas it seems to me that the Senator's amendment is forcing them to freeze one item in the February budget, even though he takes off the 10-percent reduction, and does not allow them to reassess their need in the light of the resulting total sum available.

Mr. McCLELLAN. May I answer the Senator at this point?

Mr. VANDENBERG. Yes; I should be glad to have the Senator comment.

Mr. McCLELLAN. Whatever savings would result from this, that money has not been programed. They have not anticipated it; they have not expected it; it has not been programed. It would have to be programed later. They have not counted on this money, because they have made their estimates saying they were going to spend the money for one specific purpose. It has been reduced only 10 percent. That is the whole gist of this matter. There is not an agency of the Federal Government for which we appropriate money that we do not require to come before the Congress and lay down a plan of expenditure, indicating what the money is to be spent for. We do not permit them to get money to build one dam or to build one project and take it to build another. We appropriate the money for specific purposes, and I am saying in the amendment, "This is what you said you wanted, what you said you needed to recover, to sustain you while you recovered." I am merely saying, "We give exactly what you said you wanted," less 10 percent, as we said, in connection with the whole bill. "We do not compel you to take it, but you have represented to us that you wanted it for that purpose."

Someone has said they may make good crops and may not need all this money. Let us hope they do make good crops, and if they do and do not need all the money, they will take nothing they do not need, and we will keep the dollars in the American Treasury. Therefore it is in the interest of the taxpayers of the United States.

Mr. VANDENBERG. Mr. President, will the Senator yield further?

Mr. McCLELLAN. I am glad to yield.

Mr. VANDENBERG. I do not seem to be making much headway in making my point plain, which is probably my fault. Let me restate my proposition to the Senator.

Last February the ECA accumulated an illustrative budget, and they specifically stated it was an illustrative budget, because it is totally impossible to anticipate a fixed expenditure in detail under the ECA program. Its flexibility is essential to its utility.

Therefore, in the first place, I respectfully submit to the Senator that he is not fair in insisting that an illustrative budget of last February can be set down as the metes and bounds of subsequent distribution of ECA funds for 18 subsequent months. But even if the Senator did insist upon clinging to the illustrative budget of last February, this is the point I make to him: The illustrative division of that budget last February was on the basis of a 10 percent larger total sum than is now available. The Senator is saying that there must be a 10 percent horizontal cut down through this illustrative budget, whereas the fundamentally important consideration is that every ECA country, confronting a total

reduction of 10 percent in its ECA receipts, must refigure its total budget in order to determine where it can best absorb the 10-percent reduction. I submit that the Senator's amendment is forcing them to apply it in just one place, and foreclosing them from making any subsequent estimates which may more accurately reflect their subsequent requirements.

I submit again that if the Senator's only purpose is to require that ECA funds spent abroad for agricultural products shall be spent in the United States, that specific mandate is already spelled out in section 112 of the existing law. The trouble is that the Senator's amendment, in my humble judgment, goes infinitely beyond the objective which he describes, and to which I would have no opposition whatever. My difficulty is that the Senator's definition of his objective does not include the total result which flows from his amendment, because the total result which flows from it is the freezing of an ancient estimate which is no longer up to date.

Mr. McCLELLAN. Mr. President, if that is the only objection to it, it is certainly time for us to begin knowing what we are doing when we are appropriating money. If the ECA countries cannot take this 10 percent over-all cut and make the necessary readjustments in the program, such readjustments as to ensure that the program will not be wrecked, if they have to have every dollar of this money free of restriction so that they can simply do as they please with it, without any instruction or limitation from this Government through the Congress—if that is the kind of program it is—and if it takes that to make it succeed, then I do not believe it will ever be a success.

Mr. LUCAS. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am glad to yield.

Mr. LUCAS. Am I correct in my understanding that if this amendment should become the law, and if there were an extraordinarily good crop, let us say, of one commodity, and a short crop of another commodity, under the Senator's amendment the ECA Administrator would not be able to adjust the situation?

Mr. McCLELLAN. Oh, yes; he would have the money to buy the other commodity. These funds are not frozen to each individual commodity. They are frozen to the total amount that is required to buy them.

Mr. LUCAS. I did not so understand the amendment, and I am glad to have the explanation of the Senator.

Mr. McCLELLAN. In other words, if they had estimated they needed so much wheat, and they had a good crop of wheat and did not need that much, but had a short crop of corn and found it necessary to buy corn, the whole amount would be available for that commodity. That is my interpretation.

Mr. ANDERSON. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield to the Senator from New Mexico.

Mr. ANDERSON. The language is that it is determined by the kinds and quantities.

Mr. McCLELLAN. That fixes the amount; the kinds and quantities fix the amount. That is put in there to determine the amounts.

Mr. ANDERSON. Would not the Senator agree with me that if tobacco and cotton are set out in definite amounts and the need arises for more wheat, not one penny of the money set out in that illustrative budget for tobacco or cotton could be spent for wheat?

Mr. McCLELLAN. I do not agree; I think that the money is available to buy any of these commodities.

Mr. ANDERSON. The language is as plain as it could be.

Mr. McCLELLAN. I do not think the Senator gives a correct interpretation to it.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. McCLELLAN. I yield.

Mr. LUCAS. First I wish to state that I agree with the Senator from New Mexico as to the interpretation. I definitely believe the language freezes each and every one of the commodities in line with the estimate made last February, and if there is a long supply in one crop and a short supply in another, there is, under the amendment, no way by which that situation could be adjusted, if the ECA Administrator follows the proper interpretation of the amendment.

I wish to ask a question regarding the chart submitted by the Senator, but before going into the chart, and referring to the amendment, just what crops were in the budget justification estimate which is involved—the entire group that is shown on the chart?

Mr. McCLELLAN. That is what the ECA submitted, yes, when asked for a break-down.

Mr. LUCAS. This amendment definitely applies to surplus agricultural products?

Mr. McCLELLAN. Yes.

Mr. LUCAS. Suppose we do not have any surplus agricultural products.

Mr. McCLELLAN. Then it would not apply. The money would be available anyway.

Mr. LUCAS. There is a contingency involved in connection with the amendment. In the event we do not have any surplus agricultural crops the amendment could not apply.

Mr. McCLELLAN. It would apply. It would be the law.

Mr. LUCAS. There would be a contingency if we did not have any surplus agricultural products.

Mr. McCLELLAN. We may have many laws which do not operate in connection with every particular matter with which they deal. This provision is not contingent upon anything. It fixes the amount of money for the particular purpose if the crops are surplus. We do have a surplus now. The products are declared surplus, and there is no contingency about it.

Mr. LUCAS. Some crops may be declared to be in surplus now.

Mr. McCLELLAN. There is such surplus.

Mr. LUCAS. Tomorrow some contingency may arise so there will not be a surplus. The point I make is that in the event of such contingency——

Mr. McCLELLAN. We may make an appropriation to repair the Capitol. If the Capitol should burn before the money is spent to repair it, that is a contingency. The law would still be the law, however.

Mr. LUCAS. I am seeking to obtain information from the Senator, and to see if he agrees with me.

Mr. McCLELLAN. I do not know what the Senator wants me to agree to. Perhaps he wants me to agree that there may be a contingency connected with the matter and therefore it is subject to a point of order. I do not agree, however, that there is a contingency. I know the purpose for which the Senator from Illinois is interrogating me.

Mr. LUCAS. The Senator from Arkansas does not have to agree with me.

Mr. McCLELLAN. I do not agree with the Senator from Illinois.

Mr. LUCAS. I know how I feel, however, regarding the situation, and probably I shall argue the matter on a point of order a little later.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. VANDENBERG. Without regard to contingencies or points of order, but merely as a matter of simple interpretation, is it not a fact that if there were no surpluses the result of the Senator's amendment would be to reduce the total appropriation by $1,500,000,000?

Mr. McCLELLAN. No.

Mr. VANDENBERG. I think that is just as plain as the nose on my face.

Mr. McCLELLAN. It would not reduce the appropriation, except if we have surpluses to the extent that the countries involved do not buy what they said they would need. In that event the money would remain in the Treasury and that saving would be effected. That is the purpose of the amendment. That is what I seek to accomplish.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. ELLENDER. From the answer made by the Senator from Arkansas to a question propounded by our distinguished majority leader, am I to understand that the Administrator would have the right under the amendment to shift purchases, let us say, from bread grains to fats and oils?

Mr. McCLELLAN. I think he would.

Mr. ELLENDER. Will the Senator point out the language in his amendment which would permit such a substitution?

Mr. McCLELLAN. It provides that it shall be used for no other financing. That permits it to be used for such purpose as the Senator indicates.

Mr. ELLENDER. The amendment provides:

> Ninety percent of the amount required to finance the procurement of surplus agricultural products • • • of the kinds and in the quantities set out in the Economic Cooperation Administration budget.

Mr. McCLELLAN. That fixes the amount, 90 percent of the amount required.

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Mr. ELLENDER. Yes; of the amount, but also of the kinds and in the quantities fixed in the ECA budget.

Mr. McCLELLAN. Of the kinds and quantities they set out.

Mr. ELLENDER. Of the kinds and in the quantities fixed. I cannot follow the Senator when he states that such language would give the Administrator the right to shift from dairy products to fats and oils or vice versa.

Mr. McCLELLAN. He would still be buying surplus products.

Mr. ELLENDER. In amount but not——

Mr. McCLELLAN. The term "amount" is to fix the budget that was submitted to determine the amount that they were going to spend for agricultural commodities.

Mr. ELLENDER. But the Senator's amendment also uses the word "kinds" and also the words "in the quantities" set out and so forth.

Mr. McCLELLAN. The kinds they represented they were going to buy. It applies to the amount. That is the purpose of the language. The money would be available for buying agricultural products.

Mr. ELLENDER. I do not so interpret the language. I should like to ask the Senator another question. In the second column of the summary that the Senator has presented to us headed OWH—Other Western Hemisphere—there is the figure "$807,300,000," which indicates purchases to be made from other countries in the Western Hemisphere than the United States of food and agricultural imports. Will those purchases be made with dollars or with the currencies of the countries needing the commodities?

Mr. McCLELLAN. With dollars. All these purchases are dollar purchases.

Mr. ELLENDER. As I understand, the Senator does not in any manner try to dictate how free ECA dollars are to be spent?

Mr. McCLELLAN. How what are to be spent?

Mr. ELLENDER. The ECA dollars that are not obligated.

Mr. McCLELLAN. They are free dollars. We do not undertake to say how they should be spent anywhere.

Mr. ELLENDER. What would prevent these countries from decreasing their purchases with ECA free dollars, let us say, for wheat or cotton or tobacco and purchase something else they might need while they acquire the whole amount of agricultural commodities that is to be purchased for them with ECA obligated funds?

Mr. McCLELLAN. They have free dollars. The Senator understands they said they were going to buy more goods over here than ECA was going to finance.

Mr. ELLENDER. I understand, but suppose they choose to use those ECA free dollars to purchase other than grain, cotton, and tobacco and obtain from this country the entire amount of agricultural commodities that will be financed from ECA obligated funds, as provided in the Senator's amendment?

Mr. McCLELLAN. I do not know that I quite follow the Senator.

Mr. ELLENDER. The Senator sets out in his summary that the total amount for food and agricultural imports are, from the United States, one billion forty million and some-odd dollars, and from other Western Hemisphere countries, $807,300,000. That is correct; is it not?

Mr. McCLELLAN. That is correct.

Mr. ELLENDER. As I understand, the eight hundred and seven-odd million dollars worth of food and agricultural products can be purchased with so-called free dollars?

Mr. McCLELLAN. They can now.

Mr. ELLENDER. They can now?

Mr. McCLELLAN. Yes.

Mr. ELLENDER. What would prevent those countries from using those free dollars to buy less food and agricultural products from countries other than the United States and invest their free dollars in industrial or other commodities? Surely they will need more food and agricultural imports than the amount the Senator seeks to freeze by his amendment.

Mr. McCLELLAN. They can spend their free dolars for whatever they want to.

Mr. ELLENDER. So the Senator's amendment then could be bypassed and it would not accomplish the purpose he has in mind.

Mr. McCLELLAN. It does accomplish the purpose. As to agricultural commodities they cannot buy them in other countries.

Mr. ELLENDER. That is what I was asking the Senator and he stated that the free dollars could be used for whatever purpose the countries desired.

Mr. McCLELLAN. They could not buy them in other countries if they were in surplus here. They could not buy them with ECA dollars.

Mr. ELLENDER. Does the Senator say they could not buy them with free dollars from other countries?

Mr. McCLELLAN. They could buy them with whatever free dollars they have.

Mr. ELLENDER. How many free dollars, according to the Senator's statement, will these countries have?

Mr. McCLELLAN. I believe I have that information. The total dollar imports for all these countries are estimated at $6,314,000,000. That total of $6,000,000,000 would be financed by $3,716,000,000 ECA dollars, and they would have a balance of $2,598,000,000 free dollars. That is the total for all the participating countries.

Mr. ELLENDER. Now, as to those free dollars, these countries can buy whatever they desire from whatever country they wish; is that correct?

Mr. McCLELLAN. That is correct.

Mr. ELLENDER. Suppose in using those free dollars they buy less wheat, less sugar, less meat from us than the amount set out in the Senator's summary? Why could they not purchase in the United States the entire amount the Senator's amendment seeks to freeze, and decrease the purchases they contemplate to make with the free dollars, and buy whatever else they need from other countries?

Mr. McCLELLAN. I think they could do that.

Mr. ELLENDER. Then I ask, What is the object of the Senator's amendment? Would not the Senator's amendment be useless since it could be easily bypassed?

Mr. McCLELLAN. No; not if I correctly understand. It is hard to follow the Senator.

Mr. ELLENDER. I am sorry. I may not make my point clear. I have before me a statement evidently prepared by the distinguished Senator from Arkansas which shows that there are so many free dollars to be used by the ECA countries to purchase wherever or whatever they choose.

Mr. McCLELLAN. That is correct.

Mr. ELLENDER. They do not have to purchase grain with ECA free dollars to make up their requirements. They can purchase machinery or they can purchase anything they desire. If that is correct, what would stop them from utilizing those funds to buy commodities other than grain? The Senator has indicated in the last column of his summary the sum of $280,000,000 as being free dollars to purchase bread grains. Does not the summary show these figures?

Mr. McCLELLAN. $280,000,000.

Mr. ELLENDER. Yes. That is the figure in the last column to the right.

Mr. McCLELLAN. That is correct.

Mr. ELLENDER. Instead of buying $280,000,000 worth of grain, suppose they bought only $100,000,000 worth and used the $180,000,000 to buy something else, and relied on the full amount of ECA-financed purchases in the United States for their supply of bread grains?

Mr. McCLELLAN. They are going to spend so much, and ECA is going to finance up to a certain point.

Mr. ELLENDER. That is correct.

Mr. McCLELLAN. They can do what they please with their free dollars.

Mr. ELLENDER. I agree. Could they not spend all of the ECA-financed funds for the grains which the Senator sets out and buy less grains with their free dollars?

Mr. McCLELLAN. There is nothing compelling them to take anything at all.

Mr. ELLENDER. The point I am trying to emphasize is that the Senator's amendment, as I see it, may become ineffective and it could certainly be bypassed, as I have previously indicated. It will not accomplish the purpose the Senator has in mind because of the ability of ERP countries to buy whatever they please with their ECA free dollars.

Mr. McCLELLAN. There is no effort here to control the free dollars. We cannot control them and should not have any control over the free dollars.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. THYE. There is $587,400,000 earmarked for cotton, is there not?

Mr. McCLELLAN. Yes.

Mr. THYE. In the event the amendment were to prevail, insofar as the ECA budget is concerned, the appropriation which would be made available to ECA—$587,400,000—would have to be expended for cotton, and cotton only. If they did

not expend it for cotton, it would eventually have to revert to the Treasury unless it were otherwise disposed of. That is correct, is it not?

Mr. McCLELLAN. That is correct.

Mr. THYE. That is what I meant when I said that we are spelling out this proposal in the act. There is a provision in the ECA Act which makes it mandatory that any time the Secretary of Agriculture declares any commodity in surplus, ECA funds must be used to purchase the surplus. But in the Senator's amendment he proposes to spell that out specifically. He specifies cotton, wool, other fibers, coarse grains, protein feeds, fertilizer, and so forth. The participating countries must take those commodities in specific amounts.

Mr. McCLELLAN. This is the budget they prepared. It is called an illustrative budget.

Mr. THYE. The Senator's amendment would freeze the illustrative budget.

Mr. McCLELLAN. It would freeze the total which would be required to buy all these commodities. It would specify the amount to be used for agricultural commodities which are in surplus.

Mr. THYE. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator from Arkansas yield to the Senator from Minnesota?

Mr. McCLELLAN. I yield.

Mr. THYE. In the event they did not take the full amount in cotton, those dollars could not be used for any other purpose.

Mr. McCLELLAN. They could not be used for buying industrial products.

Mr. THYE. They could not be used for wheat.

Mr. McCLELLAN. I think they could. It is the amount that is frozen.

Mr. THYE. I do not believe the language in the Senator's amendment is clear. It refers to the ECA budget estimate submitted to the Senate.

Mr. McCLELLAN. That is in order to determine the amount. It is then required that that amount be spent here if the commodities are in surplus.

Mr. THYE. But the Senator's amendment specifically earmarks each item in accordance with the estimate submitted by the ECA Administrator. Each item is specified—bread grains, fats and oils, sugar, meats, dairy products, other foods, fertilizer, cotton, wool, and other fibers.

Mr. McCLELLAN. This is the illustrative budget; and in order to determine the amount, this chart was prepared by the ECA, giving us these figures, showing how they said they were going to spend the money.

Mr. THYE. But the Senator's amendment freezes each category.

Mr. McCLELLAN. It does not freeze each category. It freezes the amount for the purchase of commodities in surplus, but not in each category, in my opinion. They could use any of this ECA money, up to the amount that is required, to purchase commodities in surplus. They could use that money for the purchase of surplus commodities.

Mr. THYE. Only in the amounts spelled out. If the Secretary said there were so many bales of cotton available, and if he said that was surplus, those dollars would be frozen for the purchase of cotton in the amount specified in the budget submitted by the ECA.

Mr. McCLELLAN. When reference is made to the amount, it means the total amount. We could not write it out in dollars, and say "$1,500,000,000." We did not want to place that kind of limitation on the operations, because prices fluctuate, of course. But to the extent that the illustrative budget, as it is termed, shows that they said they needed money to buy——

Mr. THYE. Half of the illustrative budget is earmarked for cotton at the present time.

Mr. McCLELLAN. That is what they said they wanted. I did not fix the amount of cotton they said they wanted. But this amendment, referring to kinds and quantities, is to determine the amount of the limitation. Instead of saying "$1,000,000,000," we determine the amount in that way.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. CORDON. There is one factor which I have been unable to understand in connection with the mechanics of operation if this amendment is adopted. The amendment provides that 90 percent of the amount required to finance the procurement of surplus agricultural products, determined to be surplus by the Secretary of Agriculture, of the kinds and in the quantities set out in the Economic Cooperation Administration budget justifications submitted to the Senate shall not be available for any other financing.

My first question is this: I do not understand that the ECA budget justification sets out any purchase of surplus agricultural commodities. It sets out certain kinds and quantities of agricultural products to be financed in the United States and purchased by ECA funds, but not as surplus agricultural products. The Senator agrees with me to that extent, does he not?

Mr. McCLELLAN. That is correct; but as they are determined to be surplus—and many of them have already been determined to be surplus—this amendment would apply.

Mr. CORDON. My next question goes to the meat of the problem. There would be affected by the amendment approximately $1,673,400,000 in money, that being the total amount of food and agricultural imports to be financed from ECA funds.

Mr. McCLELLAN. What figure did the Senator use?

Mr. CORDON. One billion six hundred and seventy-three million four hundred thousand dollars.

Mr. McCLELLAN. With the 10-percent reduction it is $1,506,060,000.

Mr. CORDON. I have not applied the reduction. I am taking the larger figure. If the amendment were to be adopted, it would leave in effect an earmarking of that amount of money for a specific purpose, on condition that the products are declared surplus. The Senator agrees to that, does he not?

Mr. McCLELLAN. I agree that far—except that the products are already surplus.

Mr. CORDON. In any event, all the money is earmarked, and may not be otherwise spent?

Mr. McCLELLAN. That is correct.

Mr. CORDON. Assuming that all the items are not surplus, or have not been declared surplus—dairy products, for example, or fertilizer, protein feeds, fats and oils, sugar, and other items—assuming that those are not in surplus, or if they be in surplus in fact, have not been declared surplus by the Secretary of Agriculture, the money must still be held as earmarked, must it not, through to the end of the fiscal year? If it is not earmarked on a given day, it conceivably might be earmarked the next day. Does the Senator agree?

Mr. McCLELLAN Unless the ECA is going to spend all the money at once. Whenever any of our agricultural commodities become surplus, ECA funds to the extend required for the purchase of such surplus commodities in the quantities which the participating countries planned to purchase them, would become earmarked for that purpose.

Mr. CORDON. Will not the funds always be earmarked because of the fact that they may be required at some time during the fiscal year for that purpose?

Mr. McCLELLAN. So long as the commodity which the participating countries intend to purchase is not in surplus supply in the United States and has not been declared surplus, the funds will not be earmarked.

Mr. CORDON. Assuming that to be so, I think that is the very meat, gristle, and bone of this proposition, and it presents the danger which I apprehend in the amendment. The amendment does not indicate the time during the fiscal year when the particular agricultural product will become surplus or will be declared to be in surplus supply. The restriction or earmarking will apply, as I understand, not to commodities which are in surplus supply as of the date of the signing of the act, but to commodities which are surplus as of November, December, or January.

Mr. McCLELLAN. Of course, it is the purpose of the amendment to have the participating countries use the UCA funds for the purchase of agricultural commodities in surplus supply in the United States to the extent that such countries intended to buy those kinds of agricultural commodities.

Mr. CORDON. But the point I am getting at is this: When may the Economic Cooperation Administrator say as a matter of law that any of these dollars have become free dollars which may be used for purposes other than for the purchase of surplus agricultural commodities in the amounts specified?

Mr. McCLELLAN. As of the date when this bill becomes law, there would be an immediate earmarking of the amount of the ECA funds necessary for the purchase of United States agricultural surplus commodities of the kind which the participating countries have indicated they intend to purchase, and in

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the amounts they have indicated they intend to purchase them.

Mr. CORDON. Yes.

Mr. McCLELLAN. The remainder of the ECA funds would be free, not earmarked. But there would be an earmarking of whatever amount of the ECA funds would be required for the purchase of such surplus agricultural quantities, of the kinds the participating countries had indicated they desired to purchase, and in the quantities they had indicated they intended or desired to purchase them. That earmarking would occur at the time when the bill goes into effect.

Mr. CORDON. Would the Senator say, then, that the legal effect of the amendment, as he understands it, is the same as it would be if it read as follows:

Ninety percent of the amount required to finance the procurement of agricultural products which are in surplus supply as of the date of the enactment of this act, and are so declared by the Secretary of Agriculture.

Mr. McCLELLAN. I think that is correct. If I understand the Senator's question, I reply by saying that I think the amendment earmarks whatever amount of ECA funds would be required for the purchase of the quantities and kinds of surplus United States agricultural products—surplus as of the time of the enactment of the act—corresponding to the kinds and amounts of such agricultural commodities the participating countries say they want and need. That amount of money would immediately be earmarked for that purpose, and could not be spent for any other purpose.

Mr. CORDON. Mr. President, I am not familiar with the time when many crops are harvested, to the extent that I can anticipate when a declaration of the existence of a surplus might safely be made by the Secretary of Agriculture. However, I have one such crop in mind, namely, sugar. Sugar-beet production is rather a sizable agricultural industry in the West, and the sugar beets are harvested later than this time. The amount of sugar available is determined considerably later. What would be the effect of this amendment, as it relates to the earmarking of ECA funds for the purchase of sugar, if a surplus actually were created at a time following the enactment of this act?

Mr. McCLELLAN. Whenever sugar was declared surplus, any unexpended ECA funds would be earmarked to the extent required for the purchase of the amount of sugar which the participating countries had not been able to purchase up to that time, but had declared they wished to purchase or needed.

Mr. CORDON. Then, according to the view of the Senator from Arkansas, in any event the funds are to be earmarked for the purchase of the kinds and amounts of food indicated in the justification, even though they may be purchased elsewhere. Is that correct?

Mr. McCLELLAN. Even though they may be purchased elsewhere?

Mr. CORDON. Yes; elsewhere than in the United States.

Mr. McCLELLAN. We earmark only what is required for the purchase of the kinds and quantities of such crops, in surplus supply in the United States, which the participating countries have said they wanted. That is all the amendment would do.

Mr. CORDON. I am trying in my clumsy way to translate the language of the amendment into action and to apply the old rule that we test a law by what may be done under it, rather than by what is said as of the moment to be its purpose.

If we are to have available, for purchases in this country, the sums of ECA money necessary for the purchase of a surplus agricultural commodity, which surplus originates after the enactment of this measure, it would appear to me that we must earmark the funds and must hold them for at least the purchase of the kind of food mentioned in the justification, and in the amount mentioned in the justification, or else we cannot know what amount of the funds will remain available for use in the purchase of such surplus commodities.

Mr. McCLELLAN. I do not think the amendment goes that far; I cannot interpret it in that way.

When it goes into effect, it will earmark only the amount of ECA funds which will be required for the purchase of commodities which now are in surplus.

Mr. CORDON. Mr. President, if the Senator from Arkansas will yield for a further observation, let me say I hope he will give consideration to a clarification of the amendment to the extent of making it applicable only to food surpluses as of the date of the enactment of the act.

Mr. McCLELLAN. If a point of order is not made against the amendment, we might be able to give consideration to those matters.

Of course, it is not our purpose in offering the amendment to attempt to cripple this program. Our purpose is simply to protect the interests of the United States and at the same time do for the participating countries what they say they need us to do for them, insofar as these surplus agricultural commodities are concerned. That is what we are hoping and trying to do.

Mr. CORDON. Mr. President, if the Senator from Arkansas will further yield, let me say that I am in full sympathy with what he seeks to do. There can be no question in my mind as to his sincerity in attempting to do it. If I can find a way to help him do it, I wish to do so.

Mr. McCLELLAN. I appreciate that.

Mr. CORDON. But I wish to be sure that we know what we are doing, and that we do not do something we are not trying to do.

Mr. McCLELLAN. I understand.

Mr. DONNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Missouri?

Mr. McCLELLAN. I yield.

Mr. DONNELL. Perhaps the Senator desires to proceed.

Mr. McCLELLAN. I am glad to yield. I do not want to keep the floor all afternoon.

Mr. DONNELL. I should like to ask the Senator a question somewhat along the line the Senator from Minnesota was interrogating him a little while ago. I want to be sure I understand just what is contemplated by the amendment. Am I correct in understanding that under the Economic Cooperation budget justification, $1,673,400,000 are set out as the total food and agricultural imports?

Mr. McCLELLAN. No. That is the total that was going to be financed by ECA dollars.

Mr. DONNELL. I should have said by ECA dollars. Ninety percent of that would be $1,506,060,000, to which the Senator from Arkansas referred. That is correct; is it not?

Mr. McCLELLAN. That calculation was made by someone else, but I believe it to be correct.

Mr. DONNELL. I have it here, and I think it is $1,506,060,000, which is 90 percent of $1,673,400,000. I understand—and if I am wrong, I wish the Senator would correct me, though I am inclined to think he disagrees with me, from his discussion with the Senator from Minnesota—I understand the fair meaning of the language in this amendment, where it refers to "the kinds and in the quantities set out in the Economic Cooperation budget justification," to be as follows: I would understand that as we go down this tabulation, "bread grains, 465.1," when we earmark and set aside a total of $1,506,060,000 for the aggregate of food and agricultural imports, we are earmarking 90 percent of $465,100,000 for bread grains, making $418,600,000. Does the Senator agree with me on that?

Mr. McCLELLAN. To that extent the funds would be earmarked, if bread grains were in surplus.

Mr. DONNELL. Very well. I assume the Senator is considering that the ECA considers bread grains as including not only wheat but corn as well.

Mr. McCLELLAN. I assume it does.

Mr. DONNELL. Of course, in our country up to the present moment we cannot tell whether there is going to be a surplus when the corn crop is in, can we?

Mr. McCLELLAN. We could not tell as to other crops; no.

Mr. DONNELL. Now, drop down for a moment, to illustrate my point, to tobacco, $110,000,000, 90 percent of which would be $99,000,000. The Senator does not mean, does he, that if it develops that tobacco is the only item in all this list of food and agricultural products that shall prove to be in surplus, unlikely though that should be, that 90 percent of $1,673,400,000 or $1,506,060,000, could be devoted to purchasing tobacco, and would be required to be so devoted?

Mr. McCLELLAN. If that were all the only crop in surplus, that would be the only amount that would ever be frozen. Nothing would be frozen until there was a surplus.

Mr. DONNELL. If the Senator does not mind, I should like to state my understanding of the language. It may not be correct and it may be subject to debate, but I think the fair meaning of the language in line 5, page 4, of the act, where it uses the words "the kinds and in the quantities set out," and so forth, is that from the time the appropriation

bill passes, 90 percent of $1,673,400,000 is earmarked for food and agricultural imports, namely, $1,506,060,000. That amount is broken down, according to the justification on the sheet entitled "Economic Cooperation Administration," so that, to illustrate, on bread grains there is earmarked 90 percent of 465.1, namely, 418.6, and on fats and oils, 90 percent of 93.1, to wit, 83.79; and so on down the list.

Mr. McCLELLAN. Mr. President——

Mr. DONNELL. I should like to complete the thought. Subject to the Senator's correction if I am in error, it would seem to me under the language as set forth in the amendment, if there should prove to be no surplus of bread grains, taking that as a hypothesis, there could not be added to the amount for fats and oils which would be required to be purchased from surplus, the unexpended part of the 413.6 set aside for bread grains. As I see it, the fair meaning of this language, "the kinds and in the quantities set out in this page," and so forth, means that as to one of these particular items, bread grains, 90 percent of 465.1 is frozen for the purchase of bread grains, and if there should prove to be no surplus, that particular part would revert and would not be used by the ECA. Likewise, under this requirement, in the case of fats and oils—90 percent of 93.1—if there should prove to be no surplus in that item, I assume 83.79, which is 90 percent of 93.1, would revert and could not be used for the purchase of other items.

Obviously, we cannot tell from time to time whether dairy products are going to be in surplus, and I cannot conceive that the bill would fairly mean that we are to decide whether there is in surplus as of the date the bill goes into effect, because the bill runs for a period of a year, I believe. So, as we proceed down the list, it would appear to me that the $1,506,060,000 earmarked for "food and agricultural imports" are broken down into the respective components, and that as to each one, unless there shall prove to be a surplus in the aggregate amount specified as 90 percent of the amount set forth in this justification, there would be a reversion to the Treasury and the money could not be used for other purposes. So, if, for illustration, tobacco should prove by any possibility, which is doubtless an improbability, to be the only item in surplus, the only amount of this total of $1,506,060,000 which could be used at all under the Senator's amendment would be 99 for tobacco. Am I correct in that understanding?

Mr. McCLELLAN. I do not think so, if I understand the Senator from Missouri. I may say to him that none of these funds are frozen except where there is a surplus, and they can spend them anywhere they want; they can buy them anywhere they can find them in any market, anywhere. It is only when we have a surplus here that the amount necessary to buy the kinds and quantities the participating countries said they wanted would be earmarked, but as to the rest of the money, so long as there is no surplus, they can take the money and buy the products wherever they find them.

Mr. DONNELL. I understand. Mr. President, will the Senator yield for a further question?

Mr. McCLELLAN. I yield.

Mr. DONNELL. I understand that point. But it seems to me, when we realize the amendment will lie with the economic cooperation administration for administration, it means that $1,506,060,000 are earmarked for the total of food and agricultural imports, but the $1,506,060,000 are so broken down as to refer specifically to each one of the items, some 12 or 15, as I recall, under the heading of "food and agricultural imports," and that if there should fail to be a surplus in any one of them, the amount so frozen and set aside could not be expended for anything other than the particular item. That, I think, would be the reasonable interpretation of the language of the amendment.

Mr. McCLELLAN. That is not at all the correct interpretation of the amendment, in my judgment. It does not freeze those funds.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. MAGNUSON. Supposing the reverse to be true, that all the items mentioned in the justification were in surplus, would not all these funds then be frozen for those items in the same proportion as shown in the table?

Mr. McCLELLAN. That is correct; they would be frozen, yes.

Mr. MAGNUSON. Supposing another agricultural commodity which heretofore has not been declared surplus should become surplus in the coming year; could it then be included in any of these items.

Mr. McCLELLAN. Yes; when it is declared surplus, to the extent the money was available for its purchase.

Mr. MAGNUSON. If all the items on the list were in surplus, I understand the Senator's amendment would freeze the funds in proportion to the justification shown in the table. That does not include all agricultural products raised in the United States. Let us take apples and pears, or lumber, which is an agricultural product—supposing lumber were declared surplus in the coming year. Would lumber, apples, and pears not be included?

Mr. McCLELLAN. I do not think lumber is regarded as an agricultural commodity in the sense we use that term.

Mr. MAGNUSON. It is so used in our country.

Mr. McCLELLAN. Let us assume it is an agricultural commodity.

Mr. MAGNUSON. Let us take for example apples and pears.

Mr. McCLELLAN. They are agricultural commodities.

Mr. MAGNUSON. They would not be available. Their purchase would not be authorized with these funds; is that correct?

Mr. McCLELLAN. There is no breakdown of other products. I do not know what is included in the item "miscellaneous."

Mr. MAGNUSON. Would not the Director of ECA, if the Senator's amendment should be adopted, take it as a directive to continue to buy in the United States those products which the ECA theretofore bought, if they are considered agricultural products?

Mr. McCLELLAN. I do not know what is included under "other foods." I assume that is an abbreviation.

Mr. MAGNUSON. If an agricultural product not included in this table be declared surplus in the coming year, would it not be almost impossible for the ECA to purchase that product?

Mr. McCLELLAN. I do not know why it would be impossible.

Mr. MAGNUSON. The ECA would have no money, because the money would be frozen for the purpose of purchasing other products.

Mr. McCLELLAN. There is an estimated amount. What is in the complete break-down of the list, I do not know.

Mr. MAGNUSON. Suppose the breakdown does not include any agricultural product becoming surplus in the coming year——

Mr. McCLELLAN. I assume they have the information somewhere, although they did not give it in full in the budget which they submitted. There are probably many minor items included in the "other foods" item.

Mr. MAGNUSON. I am still trying to assume a case of a product which is not included and which would become surplus. Would it not be virtually impossible, if the funds are frozen, for ECA to purchase that product?

Mr. McCLELLAN. I do not think so.

Mr. DONNELL. Mr. President, will the Senator yield for another question?

Mr. McCLELLAN. I yield.

Mr. DONNELL. The Senator may say that this is an improbable assumption, and perhaps it is, but it illustrates the point which I have in mind. Suppose there should prove to be at no time during the operation of the appropriation bill a surplus in any one of the items under the head of "Food and agricultural imports" as to which there is set aside by the Senator's amendment $1,506,000,000; suppose there never is a surplus of any one of those items: The entire amount of money would not and could not be used under the terms of the Senator's amendment. Is not that correct?

Mr. McCLELLAN. It is available for purchase anywhere in the world.

Mr. DONNELL. But it would not be required to be used, under the terms of the Senator's amendment, for the purchase of commodities in our country?

Mr. McCLELLAN. That is correct.

Mr. DONNELL. So that as the $1,506,000,000 there would be a reverter because it could be used only for the purpose of buying in the United States the kinds and quantities——

Mr. McCLELLAN. Of those that are in surplus.

Mr. DONNELL. If none of them was in surplus, the money could not be used for anything else.

Mr. McCLELLAN. It would be available for expenditure wherever they wanted to expend it. It would not be frozen. There is nothing frozen and nothing that reverts, except as to commodities which are in surplus. The money would be available to purchase

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these commodities anywhere they could find them.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. McCLELLAN. I shall be glad to yield.

Mr. CAPEHART. Is it not a fact that the peaches, pears, and apples about which the Senator from Washington was speaking would fall into the category of other foods?

Mr. McCLELLAN. I should think so. Whether apples are actually listed in the complete break-down of products, I do not know.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. MAGNUSON. There is so much money for the purchase of agricultural products. If apples, pears, and peaches were not included, if these items were frozen, I do not see how they could be purchased if they were later on declared surplus.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. CAPEHART. Is it possible to get a list of the items which constitute "other foods"?

Mr. McCLELLAN. I assume it is like all other things. There are some miscellaneous items. I assume they were put in "other foods" to cover the whole matter.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. ANDERSON. The other foods referred to are clearly defined on page 839 of the hearings. They are rice, eggs, dried fruit, dry legumes, those items being produced in the United States, and cocoa beans and coffee, which are, of course, not produced in the United States.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. CAPEHART. It is evidently the intention of the Administrator never to buy any apples, peaches, or pears.

Mr. MAGNUSON. If it is not the intention, they have not bought them to date.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. LUCAS. Does the Senator agree with me that whatever estimate is submitted with respect to the various commodities which are in surplus, whether it be under specific headings or whether it be under "Other foods," it is not binding on the Administrator or anyone else? All he has done has been to give the information for the benefit of the committee, and if they want it to include apples, peaches, and pears, even though they were not mentioned in the hearing, the Administrator would have the money available to purchase them, but under the Senator's amendment he would be tied hand and foot.

Mr. McCLELLAN. No; I do not think that statement is correct.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. DONNELL. I understood the Senator to respond to one of my questions a moment ago to the general effect that if there should prove to be a situation in which none of the items listed under "Food and agricultural imports" should be in surplus, the $1,506,000,000 could be used to buy products anywhere the countries wanted to buy them.

Mr. McCLELLAN. That is correct.

Mr. DONNELL. Is it not true, however, that under the terms of the amendment, these funds, broken down as I have indicated under the various items of food and agricultural imports, are required to be set aside and frozen until the Administrator can ascertain whether there is a determination that any of these items is in surplus, and, consequently, until there is a determination as to whether, for instance, dairy products are in surplus, the amount set aside as 90 percent of the dairy products item cannot be used to buy anywhere else?

Mr. McCLELLAN. I think the Administrator can buy anywhere any of the items, and can spend any of this money for the purpose of buying them, so long as they are not declared surplus, but if they are declared surplus, then, to the extent of the amount stated as that which they intend to buy, the amount is frozen and is not available for any other financing except to buy those items which are in surplus.

Mr. DONNELL. Does the Senator, then, construe the amendment to mean that if on the date of the passage of this bill and its becoming law, if there were no surplus, the ECA could use all the money——

Mr. McCLELLAN. There would not be any of it frozen until some product were declared surplus.

I do not know that I have discussed all the points I wished to make, and I shall proceed further.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. FULBRIGHT. Supposing that 6 months after the law goes into effect the Administrator had purchased half of the amount set aside, and then a product becomes surplus; how much, then, would be available to purchase it? I am wondering how it applies.

Mr. McCLELLAN. Whatever they have purchased in some other country, whatever they lacked in quantity, to that extent the funds would be frozen. The only new burden placed on the ECA by the amendment is the requirement of a bookkeeping transaction. That is what it actually amounts to. The dollars we have already provided for buying these surplus crops are dollars which we made available to the Commodity Credit Corporation. If we let them have dollars with which to buy the crops which are in surplus, then those dollars go back into the Treasury, and reimburse the Treasury for the money we have already spent for the commodities. If we do not do that, then we have to go to the Treasury and get dollars and give them to the people of the ECA countries to spend. So, instead of reducing the national debt, or holding it at its present level, by making available to those countries in this manner commodities we have already bought, we merely borrow more money and add to the national debt, and give the ECA countries the money to spend wherever they want to.

Mr. MAGNUSON. Mr. President——

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Arkansas yield to the Senator from Washington?

Mr. McCLELLAN. I yield.

Mr. MAGNUSON. I did not follow the Senator in his first illustration. For a moment it sounded to me almost like the Townsend plan. As to the dollars the Commodity Credit Corporation gets, does it get them from moneys we appropriate?

Mr. McCLELLAN. They borrow it from the Treasury, as I understand. Is not that correct?

Mr. MAGNUSON. I do not know.

Mr. McCLELLAN. I believe we give them power to borrow money from the Treasury. That is my recollection.

In no instance does the amendment require or compel Europe, or any country in Europe, to take any commodity in excess of its reasonable needs. The press has tremendously misrepresented this proposition. It is stated that we are going to compel them to take what they do not need, that we are going to dump our surpluses on them. There is no truth in that. We do not compel them to take anything they do not need.

Mr. VANDENBERG. Mr. President, that is where I have such difficulty in following the Senator's statement. Does he not require them either to take what they said they wanted last February, even though they say in July they do not need it at all, or else sacrifice the entire sum involved?

Mr. McCLELLAN. Certainly we can keep the money in the Treasury if they find they do not need it and let us hope they find they do not need it, and let us keep more money in the Treasury. That is exactly what I am trying to do. That is exactly the purpose of the amendment. I do not feel they are under any compulsion as to this money.

Mr. VANDENBERG. I desire to find out what the Senator means when he says they are under no compulsion.

Mr. McCLELLAN. They do not have to buy one bit of the goods if they do not need them and do not want them.

Mr. VANDENBERG. Except as they said they wanted them in February and find out in September they do not need them.

Mr. McCLELLAN. They do not get the dollars to spend for something else, that is exactly correct, and that is what I am trying to bring about. They have given us a budget. It is not a performance budget, it is one that was to appeal to us, to show us, to try to convince the Congress that they needed so much money for the program. If they find they do not need it—and I hope they will find they do not need it—let us keep the money. They have not had two programs of expenditure. Then why should we let them build up a new program, or do something else they had not anticipated they would do, or which they had not represented to Congress they would do with the money if they got it?

Mr. VANDENBERG. In other words, if they decide in September that they have no use whatever for an item which

they listed in February, there is no compulsion whatever except that they take it—or else.

Mr. McCLELLAN. No compulsion at all. We do not want them to take anything they do not need. There is no compulsion. One may arrange for a loan or credit at a bank, or at a store. There is no compulsion on him to use the credit. If he does not use it, he does not get the goods. All we are saying here is, "You have represented to the ECA and to the Congress that this is your best judgment about what you are going to need this money for the coming year." That is it exactly. We have said, "We are willing to give you that much money, but you represent to us that you want so much of that money with which to buy certain commodities. We will let you have the money for that purpose, but if you do not use it for that purpose, we keep the money. We do not let you have it for some other purpose." That is exactly the purpose of the amendment.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the Senator from Nebraska.

Mr. WHERRY. As a member of the Committee on Appropriations, I wish to ask the Senator a question. Let us take the chart which the distinguished Senator passed around to the Members of the Senate. I have just been examining it since he passed it around. The first item is "Food and agricultural imports." In the left column the ECA countries are shown as anticipating that they will buy $1,040,000,000 worth of food in the United States in fiscal 1950. The last two columns equal that column on the chart.

Mr. McCLELLAN. I believe that is correct.

Mr. WHERRY. The next to the last column requires that if the Secretary of Agriculture determines that there is a surplus of any one of these commodities, then ECA is required to spend in the United States the amount in the second column from the right to purchase those goods in the United States.

Mr. McCLELLAN. That is correct.

Mr. WHERRY. That, by the way, is a justification under which the appropriation is finally made. We argued in the committee about the justification and the amount. ECA comes forward and says, "We want dairy products in the United States, and we are going to buy $55,100,000 worth." In the next to the right-hand column it is indicated they are going to use ECA dollars for the amount that is justified by the committee in setting out the needs under the justification, which is $46,900,000. The balance of it they buy in the United States with their own dollars. The ECA has not anything to do about it. Is that correct?

Mr. McCLELLAN. That is correct.

Mr. WHERRY. If ECA gets dairy products, let us say cheese, to such an extent that when the time comes to finance the $46,900,000 ECA needs only half that amount, under the Senator's amendment the ECA could not use the balance of the $46,900,000 for anything else. Is not that correct?

Mr. McCLELLAN. That is absolutely correct. That is exactly what the amendment does.

Mr. WHERRY. Where is there any compulsion there? If they did not need cheese, what would ECA compel them to do? Would we compel the United States taxpayer to put up $46,000,000 in money under the justification that they wanted cheese when they did not need cheese at all? That is exactly what is proposed. There is no compulsion at all.

Mr. McCLELLAN. If they find that they do not need it——

Mr. WHERRY. Why should we spend the money?

Mr. McCLELLAN. The compulsion is on American taxpayers. Some seem determined to spend this money anyway. I am trying to show that we are not going to spend it anyway. We say, "We are going to give it to you for what you said you needed or wanted, and not for something else. We are putting compulsion on the taxpayer of this Nation to foot the bill, to borrow dollars which you are going to spend whether you need it or not." That is exactly where the compulsion is.

Mr. WHERRY. Mr. President, there is one thing I should like to know, because I am trying to get the amendment analyzed. Food includes bread grains, fats, meats, and other foods. If ECA finds that it does not need the justification of $46,000,000 for cheese, is the ECA Administrator entitled to used it for any other food in that bracket?

Mr. McCLELLAN. I should say so.

Mr. WHERRY. That is what I want to know.

Mr. McCLELLAN. I think he can, because we freeze it only as to kinds, in order to determine the amount.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. WHERRY. Could the ECA Administrator use the $46,900,000 to buy feed and fertilizer?

Mr. McCLELLAN. I think he could.

Mr. WHERRY. There is where I would disagree with the Senator from Arkansas.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. VANDENBERG. If the Senator from Nebraska will read the RECORD, I believe he will find that for the past hour we have been discussing this particular subject, and the Senator from Arkansas has one view and the Senate has another.

Mr. WHERRY. I am not sure that I have another view, because I have not read the RECORD. But there is one thing I should like to ask the distinguished Senator from Arkansas. A Senator told me that he felt that section 112 of the basic act would accomplish the same purpose as the McClellan amendment seeks to accomplish.

Mr. McCLELLAN. If it is already in the law, what objection can there be to restating it?

Mr. WHERRY. In my opinion, it is not in the law.

Mr. McCLELLAN. I agree with the Senator in that statement.

Mr. WHERRY. Does the Senator recall the proposal made last year with respect to cheese?

Mr. McCLELLAN. I cannot say that I recall it.

Mr. WHERRY. Here is the difference between the McClellan amendment and what is contained in the present law. There is no penalty provided in the basic act. I have forgotten the date involved, but prior to the time the Secretary of Agriculture declared cheese to be in surplus, cheese was bought in Canada for allocation to certain European countries. After cheese was declared to be in surplus in the United States it was announced that the money must be used to buy cheese in the United States, and the allocation was made. But that was not done. ECA countries used their own money to buy cheese in Canada. Under the McClellan amendment they would be required to take the ECA dollars and buy the cheese for which they show a justification, if cheese is declared to be in surplus in the United States. I ask, what is wrong about that?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WHERRY. I am not through. I wish to ask the Senator from Arkansas another question.

Mr. McCLELLAN. Mr. President, the Senator from Nebraska desires to ask me another question.

Mr. SALTONSTALL. The Senator from Nebraska has asked if any Senator has objection to what he said, and I should like to make a statement on that point. However, I can do so later.

Mr. WHERRY. Mr. President, I shall be glad to defer now, if the Senator from Massachusetts wishes to reply.

Mr. SALTONSTALL. I should like to do so.

Mr. McCLELLAN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I will say to the Senator from Nebraska that if his interpretation is correct——

Mr. WHERRY. Interpretation of what?

Mr. SALTONSTALL. Of the McClellan amendment, that it would utterly deny the Administrator the discretion under section 105 (a) (1) of the act, which says that he "shall review and appraise the requirement of participating countries for assistance under the terms of this title."

Mr. WHERRY. The distinguished Senator from Massachusetts has made my argument. That is exactly what I contend.

Mr. SALTONSTALL. No; may I say this? Under the Senator's interpretation, the Administrator's discretion is frozen in February for the rest of the year.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. WHERRY. I ask the Senator if the basic act is not supposed to carry a prohibition, but does not provide for any penalty? Does the Senator mean to say that if they decide in February they want to use $50,000,000 to spend for cheese

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that later they can decide to spend it for anything else they want to? That does not make sense, if what we are trying to do is to protect ourselves in the matter of surpluses.

Mr. McCLELLAN. That is exactly what can be done as the law is now.

Mr. WHERRY. That is correct.

Mr. McCLELLAN. That is what I am trying to prevent. I think it is in the interest of the Nation that we not simply throw dollars away. Some people seem to feel that we must get rid of this money somehow. I do not feel that way about it, and I think the time has come when we should declare that we do not feel that way about it.

I wish to make a further observation. The spending of money in Europe to enable its people to recover, if it is not effective, if it is not securing results, is weakening us on the domestic front by that much, and unless we are building over there a strength comparable to the extent to which we are weakening ourselves here it will be a bad bargain in the end.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. WHERRY. Unless the McClellan amendment, or an amendment similar thereto, is adopted, to make the basic act effectual, the ECA countries can use their own money with which to buy cheese, whereas they came to the United States and asked to obtain $50,000,000,000 under a justification. For the life of me, I cannot see that it was the intention of the basic act, which is to protect our own production, that any such thing be done. That would not afford any protection at all.

Mr. McCLELLAN. Mr. President, total imports for Europe for fiscal 1950 are estimated at $20,150,000. This total includes goods purchased in dollars, and in other countries. A few moments ago I pointed out the amounts of the imports which were going to be purchased by dollars, or the dollar imports.

The total dollar imports are estimated at $6,314,000,000. This $6,000,000,000 total would be financed by $3,716,000,000 of ECA dollars. They have $2,598,000,000 of free dollars.

Total imports of food and agricultural products from the United States to be paid for in dollars total $2,171,000,000. This is the old figure. It has been reduced 10 percent now. Of which $1,673,000,000 are ECA funds and $497,000,000 are free dollars.

If the amendment is adopted and all food and agricultural commodities were declared in surplus, the effect would be that the European nations would have to import from the United States $1,506,000,000. The countries themselves, with ECA, have estimated that they will spend $3,465,000,000 in the United States and elsewhere on these same products. In other words, the amount of these goods for which dollars are to be spent would have to be scaled down more than 50 percent before this amendment would result in shipping to them dollar imports for which they have no need, assuming the most extreme conditions. If this amendment is adopted and the European nations subsequently reduce their requirements for any commodity in surplus, the result will be that they can reduce their own expenditures for that commodity, while the ECA expenditure would remain fixed. While it is true that the amendment can freeze certain ECA dollars, it has no effect upon freezing other dollar funds available to participating nations, and therefore does not freeze their economy in any detrimental sense.

Mr. President, I should like to comment briefly on some of the objections which have been made, principally by the press. The press and some commentators have, in my judgment, been very careless and reckless in some of the charges made against the amendment. They say that it would make the European recovery program a dumping ground for United States farm surpluses. It does not make it a dumping ground for any surplus. We are not compelling the ECA participating nations to take anything. We are not dumping anything. We are giving it to them. We are not committing any imposition on them. They say they need it. The Government owns it, in effect. It has it, and it is in surplus. We are permitting them to take our dollars and buy it from the agency of Government which has already bought it with taxpayers dollars. We are dumping nothing. We are giving other nations what they say they need to sustain life and bring about a recovery in their economy.

Some have said that the result of the amendment would be to convert the European recovery program into a dumping mechanism for American surpluses. If it is in the interest of our own country and our own taxpayers not to spend another dollar for the same thing we have already spent a dollar for, and have in possession—if that be called a mechanism, we need a little more mechanism in the administration and operation of our Government.

It has been said that this procedure is "pork barreling." Some of those who write articles can think of nothing else to write about. When we try to do something to protect the interests of this Government, when we build a project which is a productive project, it is referred to as "pork barreling." When we develop our rivers and harbors it is referred to as "pork barreling." If European nations are going to buy these products with our dollars, if it is "pork barreling" to require them to take the surpluses we have, then I say that we had better continue to do a little "pork barreling." The country will be better off.

European countries have said that they must have our help in order to recover. We are giving them that help. But if we are to see this program through, we must not so weaken ourselves and weaken our fiscal policy that we cannot carry it out. It does not make sense to borrow another $1,000,000,000 and put it in circulation over the world. Of course, the dollars will ultimately come back, but they will not come back into the Treasury. That is where they will go if this amendment is adopted. Some of the dollars will go back into the United States Treasury to the extent that other nations purchase these commodities.

It is said that this amendment would make the whole ECA program unworkable. That is simply absurd, except to the extent that it may be desired to operate the program without any controls, restrictions, or limitations. To that extent the amendment would make it unworkable. The European nations can still revise and plan. There is nothing to prevent them from doing that. The rest of the money is completely free. It is not frozen. European nations can make adjustments as they are required. But to the extent that they finally do not need these surplus products, that money remains in the Treasury.

Others have said that the amendment would require the European nations to purchase farm surpluses. It would not require them to purchase anything they did not want.

Others have said that the amendment would jeopardize our objective in Europe. How would it jeopardize our objectives? If we give the European nations the money, they are going to buy the commodities somewhere else. If that is what they wanted it for to begin with, how in the world does the amendment jeopardize our objectives in Europe? The people of European nations will get just as much strength from a grain of wheat which is bought from our surplus as they would get from a grain of wheat bought anywhere else. They would get just as much fiber from a bale of cotton bought from our surplus, and I assume that they would get just as much joy and pleasure from smoking American tobacco. They would get just as much strength and life-giving value from dairy products which come from America. How are our objectives jeopardized? The whole program can go on just as it has been planned. This amendment would not interfere with it, except to the extent that some of this money might be left in the Treasury.

It has been said that the Communists will use this amendment as propaganda. I say that we ought to have the courage to tell the participating nations that we are helping them. What is wrong with giving them the things of which we have the most, and which we do not need? How could that affect the psychology of the situation? Suppose Russia says that we are dumping our products? Russia cannot dump them. She does not have them. That is the answer. Under our free enterprise system and under our democracy America can produce surpluses. Russia cannot. Russia cannot supply the goods. That is the answer to the propaganda. If the character and moral stamina of the people of the ECA nations have so far deteriorated by this time that we could not give them that answer and make them appreciate it, then I have no hope of our ever placing them back on an economic status in which they would not fall for communism. After all, there is something for those people to do. There is a requirement of them. America cannot do it all.

So I say that this amendment is not a farm amendment. It is not an amendment for the relief of the farmers. The farmer is going to get his money anyway.

We have already guaranteed that. We are going to appropriate money, or authorize the lending of money from the Treasury to pay the farmer. He is going to get his money for his products anyway, surplus or no surplus. This amendment is in the interest of the taxpayers of the Nation. It is a taxpayers' program.

Mr. President, this amendment is a taxpayers' amendment. It will help the farmer, and it will help every taxpayer in the Nation just as much as it will help the farmer, because if by this process, which does no harm to any country, we can avoid having to borrow another billion dollars, we shall keep the United States just that much stronger, and thus the amendment will provide a billion dollars' worth of additional security for all the people of the United States.

Mr. President, that is what we are trying to do by this amendment. That is the only purpose we have in mind. We do not wish to put our Nation any further in debt than is absolutely necessary. I deny that any Senator on this floor can show that it is necessary for us to borrow and spend another billion dollars or another billion and a half dollars to carry out this program, when we can supply the goods these countries say they want from stocks we already have, which we already have paid for. The farmer has no more special interest in this amendment than has anyone else in the United States. Every wage earner, every businessman, every professional man, everyone who pays taxes, is interested in this amendment, Mr. President. After all, every consumer in the United States pays taxes, either directly or indirectly. This amendment is in the interest of all our taxpayers. It is in their interest that we take this precaution and employ this means of protection, which will not hurt the ECA program at all, but will save the United States a billion dollars or more.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I am glad to yield.

Mr. WHERRY. A moment ago, in a colloquy between the Senator from Arkansas and the Senator from Massachusetts, question arose as to the situation last February and also as to the situation which might confront us when the foods are needed in the United States. Let me ask a question about my understanding of what the amendment really does, because in this instance the Senate is proposing to appropriate $3,628,000,000 for use according to the needs of the participating countries: Should the Senate be willing to make the entire amount available for expenditure in the different brackets? I understand that the amendment will freeze only one part of the total amount of $3,628,000,000. If we do not do that, then the only other position Senators can take is that we wish to appropriate the entire $3,628,000,000 for this program, and we wish to permit the ECA Administrator to spend it just as he chooses. If we do not compel the ECA Administrator to use the money in accordance with the justifications, then we shall be saying to him, "Here is the money; use it in any way you want to."

That is the point I tried to get over to the Senator from Massachusetts.

The participating countries say they need the money, and we are willing to give it to them. But if we do, why cannot we say to them, "We are going to freeze, in accordance with the justifications, the amounts of this money which you say you intend to spend for these particular purposes. If you need it, spend it in that way. If you do not need it, then the money will remain in the Treasury of the United States."

Mr. President, if we do not do that, we shall be saying to those countries, in effect, "Here is the $3,628,000,000. Use it as you please."

Does not the Senator agree?

Mr. McCLELLAN. I agree.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. SALTONSTALL. I wish to ask two questions. First of all, why does the Constitution reserve to the Senate the right to advise and consent in regard to nominations, unless the purpose is to obtain the best possible men for service in Government positions? If we wish to obtain the best possible men, once we obtain them we must be prepared to rely upon their discretion and judgment, must we not?

Let me inquire also why we have imposed, under the language of the bill, the responsibility on the part of the ECA Administrator to view and appraise the program, if we are going to freeze large amounts to the funds appropriated?

Mr. McCLELLAN. After all, why should we handle these funds any differently than the funds we appropriate for the various departments and agencies of the Government? We in the Senate help in the selection of the best possible men to head the various departments. Those men are appointed by the President and confirmed by the Senate. Then we require them to present justifications for the expenditures they anticipate making in their departments. In view of that situation, why should we handle this matter differently? We already have the justifications in connection with these matters.

Furthermore, Mr. President, we should bear in mind the possibility of a change in the situation. Suppose the situation changes; suppose a review is made, and it is found that the situation has changed and that more money is needed. Congress will be in session. The adoption of this amendment will not ruin any program. I do not know how long Congress will continue in session now, but certainly Congress will be in session next January. Why not require the presentation of justifications for any further funds, such as another $500,000,000 or another $1,000,000,000. Why provide a blank check, and say, "Spend it in some way or other; get rid of it." Such an arrangement does not make sense to me, Mr. President.

I do not see that there is any such great emergency abroad that the money must be spent overnight. This money has not been programmed. The participating countries have not set aside a dollar of it for a single purpose abroad. They have intended to buy food with it. If the situation changes and if they want money for other purposes or if they wish to use some of this money for other purposes, why not have them do what any department of our Government does, namely, show us how they propose to spend the money, before we make additional money available to them for expenditure?

Mr. WHERRY. Mr. President, will the Senator yield.

Mr. McCLELLAN. I yield.

Mr. WHERRY. I should like to ask the Senator another question. No one has raised the issue—at least I have not—relative to the ability of the Administrator or anything of that sort? In fact, I think the RECORD is full of tributes which have been paid to Mr. Hoffman, and I think the Senator will agree that I have said time and time again that I think Mr. Hoffman is a good Administrator. I would not wish to handicap the Administrator. I should like to ask the Senator from Arkansas if he agrees with me about that.

Mr. McCLELLAN. I say that I have heard no criticism of the Administrator. Certainly I am not critical of him.

I can say to the Senator from Nebraska that if he were the Administrator or if the able Senator from Michigan were the Administrator or if any other Senator were the Administrator, I would still want this same provision placed in the bill. This is not a matter of personalities. Such restrictions are placed in the appropriation bills relating to the various governmental departments. Then why must this bill be considered sacred and altogether different from any other appropriation bill, and requiring altogether different treatment? Why are we afraid to let the Congress have something to say about the expenditure of these billions of dollars? Why are we afraid to write into this measure a restriction for the protection of the American people, a restriction to save our taxpayers money?

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. McCLELLAN. I yield.

Mr. WHERRY. I apologize for taking the time to ask a further question, but it bears further on the question just referred to by the Senator from Arkansas. Is it not a fact that in the Appropriations Committee we continuously review the appropriations; and is it not also a fact that all appropriations, domestic or otherwise, are approved under justifications? In fact, is it not true that many of the justifications earmark the funds for certain purposes, as, for instance, in the case of the Interior Department appropriations or appropriations for rivers and harbors? In other words, the earmarking of appropriations, under the justifications, is not an unusual procedure, is it?

Mr. McCLELLAN. There is nothing at all unusual about it.

Mr. WHERRY. If we were to refuse to adopt this amendment, would not the situation be just the same as if we were to say to the Interior Department, "We

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appropriate $500,000,000 for your use, and we do so without making any restrictions or earmarking or without placing any limitations at all upon the expenditure of the money. Here is the $500,000,000. It is given to you in one big sum, and you may spend it in any way you wish to."

Would not such a procedure be just as logical as a refusal to adopt this amendment?

Mr. McCLELLAN. That is correct. Even in the case of the National Defense Establishment, we do not proceed in that way. We earmark the appropriation. We know what we are going to spend it for. We have them come before us to testify they are going to buy so many airplanes and build so many ships, describing the kind and character. We require a justification for all those items. Even in regard to the national defense, we do not allow such great discretion as it is proposed to give to the ECA. I simply see nothing wrong with the amendment.

I did not mean to take up nearly this much time. Of course I have been compelled to, by reason of the questions. But I want to say a few more words in conclusion.

Mr. LUCAS. Mr. President, will the Senator yield for one more question?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Illinois?

Mr. McCLELLAN. I am glad to yield.

Mr. LUCAS. This is apparently a very important amendment. Am I correct in my understanding that no hearings were held by the committee on the amendment?

Mr. McCLELLAN. So far as I know, hearings were held continuously on the amendment and everything else pertaining to spending this money. If that is not a hearing on the amendment, I do not know what it would be. We have had testimony about everything in the bill so far as I know. If the Senator feels there have not been sufficient hearings, I may say I suggested the other day when the bill went back to the committee that we might resume hearings. I am perfectly willing to go back and resume them, if the Senator is unhappy about it.

Mr. LUCAS. I am not unhappy about anything, except I was trying to get the facts; that is all. It has been rumored that the amendment was written in by the committee, that no hearings were held on it, and that the Administrator had no opportunity to testify. I was merely endeavoring to ascertain whether that was true or false.

Mr. McCLELLAN. The amendment was offered in committee, that is true, but it was offered after the Administrator had testified and had been cross-examined over and over and over.

Mr. LUCAS. I am very happy to learn that.

Mr. McCLELLAN. The Senator did not say to me here the other day, "I am going to make a point of order against your amendment." The Senator gave me no advance notice. That is all right; it did not matter. Neither did I say to Mr. Hoffman, "Well, Mr. Hoffman, I am going to write an amendment to this bill and present it." I did not feel I had to ask him, when I wanted to have a little legislation considered.

Mr. LUCAS. I am very glad to know that hearings were held, because it satisfies my own mind that the rumor was inaccurate.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. McCLELLAN. I yield.

Mr. McKELLAR. I have in my hand over 1,000 pages of hearings, directly or indirectly referring as much to this amendment as to any other question, perhaps, except the total amount of the appropriation.

Mr. LUCAS. I thank the Senator.

Mr. McKELLAR. I am very sure every member of the committee—I see a number of them on the floor—will agree with me, and will agree with the Senator, that that is true.

Mr. McCLELLAN. I may say this—and I think every Senator knows it—that in considering legislation, when hearings are held and people come before the committee to testify, the committee does not know before the witnesses come what amendments may be offered. That is the purpose of the hearings. After hearing the witnesses, as we heard them, we then decided this amendment was proper, and we then offered the amendment.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from New Mexico?

Mr. McCLELLAN. I yield.

Mr. CHAVEZ. Is it not a fact that in committee, after the hearings, the amendment was put to a vote, noses were counted, and United States Senators who belonged to the committee, not the administrative assistants, voted for the amendment? Is not that correct?

Mr. McCLELLAN. That is absolutely correct. United States Senators voted for it, or it would not be in the bill.

I do not know what the ruling of the Chair will be. I do not want to take up more time. If a point of order is made to the amendment——

Mr. McKELLAR. Mr. President, will the Senator yield for a moment?

Mr. McCLELLAN. I yield for a question.

Mr. McKELLAR. Is it not a fact that when the amendment was adopted in committee, it was adopted by a vote of 13 to 4?

Mr. McCLELLAN. It is my recollection it was adopted by that vote.

While, as I say, I do not care to take up more time, I do want to take occasion to say now, so I will not necessarily have to take the floor again, that if a point of order against the amendment is sustained with all deference to the Chair, I shall feel compelled respectfully to appeal from the decision and ask the Senate to nullify it. The Senate can interpret its rules. Whatever the Senate says the rules are, that is what they are. This amendment is a limitation. It has no purpose on earth except to limit the use of funds. I am not the only one who interprets it as I do. I probably should not risk my judgment. I know there can be differences of opinion—honest differences of opinion, perhaps—as to whether this is legislation or simply a limitation. All I ask, if it is held to be a limitation, either by the Chair or by the Senate itself, is an opportunity to have the amendment voted on and a determination made of whether it shall become law, by a majority vote.

We have legislation in the bill. The bill came to the Senate with much legislation in it. As was said by the able chairman of the committee, or by another Senator, earlier in the day, one of the purposes of striking out many of the House provisions was simply to point up to the Senate how much legislation comes to the Senate from the House which is put in the bill by a majority vote of the House. In this instance it is necessary, decidedly necessary, for the Appropriations Committee or the Senate itself, in order to protect the interests of the Government and to protect the best interests of the taxpayers of the United States, to write some legislative provision in the bill, or at least a limitation. Under the existing rule—the Senate may want to keep it or change it, but that is something to be discussed at another time—we handicap ourselves by requiring a two-thirds vote, so oftentimes we cannot protect what a majority of the Senate believes to be the vital interests of the people of the Nation, unless we can get a suspension of the rule by a two-thirds vote.

I point out that the bill which now comes from the Committee on Appropriations with all the House legislative provisions stricken, is merely a sample of what can be done with practically every appropriation bill we handle. If a point of order is to be made touching a provision such as this, which simply seeks to limit the expenditure of money, and if there is other legislation like it, then why should not the rule apply to every appropriation bill? Why should not a point of order be made to the bill itself, and let it go back to the committee, and let the committee report the bills stripped to the bone? As it is, when we want to legislate by way of amendments, we have to have a two-thirds vote. In this case I say there is a doubt, but Senators, who are probably much more able than I, interpreted the original amendment before it was modified—one Senator in particular, who, in my opinion, will vote against the amendment on its merit—as being a limitation. The language is negative. Certainly in my judgment it comes within the rule, and where there is that much doubt, and where the interest of the American people is definitely involved—possibly $1,000,000,000 or more is at stake in this one amendment alone—then why not let the amendment be submitted and decided by the Senate by a majority vote? I would have no scruples about doing that when there is a question of doubt.

I do not think the situation is such as to warrant any Senator in being

greatly concerned about letting the amendment be submitted on its merits and decided by a majority vote. That is all I ask.

Whatever ruling the Chair may make, if it be a ruling that it is a limitation, I assume there will be an appeal from that decision. But I should like to urge my colleagues to let us submit the amendment, important as it is, so it may be either accepted and become law by majority vote of this body, or be rejected by a majority, and not require a two-thirds majority in order that we may legislate in connection with a bill which proposes to give away billions of American dollars.

Mr President, we want to preserve the integrity of the rules of this body, of course, but there are times when we waive rules, and this is a time when the Senate can very well afford to say this amendment as now written is in a form which is a definite limitation and therefore it merits consideration and adoption by a majority vote.

Mr. McCLELLAN subsequently said: Mr. President, I ask unanimous consent to place in the RECORD at the conclusion of my remarks earlier today the table to which reference was made in the discussion.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

EXHIBIT 1

Economic Cooperation Administration—summary: 15 participating countries [1]—estimated total dollar imports, 1949–50

[In millions of dollars, exclusive of transportation costs]

Item	United States	OWH	OPC and DOTS	ONP	Total	Total ECA financed	ECA financed in United States purchases [2]	Non-ECA dollar purchase in United States	90 percent ECA financed in United States purchases [2]
1. FOOD AND AGRICULTURAL IMPORTS									
Food	1,040.5	807.3	.....	60.4	1,908.2	842.5	677.2	363.3	609.4
Bread grains	745.1	390.2	.....	16.5	1,160.8	465.1	465.1	280.0	418.5
Fats and oils	135.9	59.1	.....	36.1	231.1	128.9	93.1	42.8	83.7
Sugar	.....	101.5	.....	.....	101.5	53.2	.....	.....	.....
Meats	9.2	102.0	.....	.....	111.2	67.2	7.3	1.9	6.5
Dairy products	51.1	17.9	.....	.....	69.0	62.8	46.9	4.2	41.6
Other foods	99.2	127.6	.....	7.8	234.6	65.3	64.8	34.4	58.3
Feed and fertilizer	315.0	174.5	.....	4.4	493.9	288.1	265.2	49.8	238.6
Coarse grains	279.3	118.1	.....	.....	397.4	231.2	231.2	48.1	208.0
Protein feeds	29.7	41.1	.....	.....	70.8	42.5	29.3	.4	26.3
Fertilizer	6.0	15.3	.....	4.4	25.7	14.4	4.7	1.3	4.2
Natural fibers	615.8	186.9	.....	15.5	818.2	607.8	597.5	18.3	537.7
Cotton	587.4	89.4	.....	2.3	679.1	569.1	569.1	18.3	512.1
Wool	21.2	90.0	.....	.....	111.2	21.2	21.2	.....	19.0
Other fibers	7.2	7.5	.....	13.2	27.9	17.5	7.2	.....	6.4
Tobacco	168.5	27.7	.....	.5	196.7	110.0	110.0	58.5	99.0
Other agricultural products	31.4	16.7	.....	.....	48.1	26.0	23.5	7.9	21.1
Total food and agricultural imports	2,171.2	1,213.1	.....	80.8	3,465.1	1,874.4	1,673.4	497.8	1,506.0
2. INDUSTRY IMPORTS									
Fuels	560.9	15.5	.....	45.1	621.5	550.4	532.4	28.5	.....
Coal	80.1	.....	.....	34.2	114.3	99.1	89.0	.....	.....
P. O. L.	480.8	15.5	.....	10.9	507.2	451.3	443.4	.....	.....
Industrial raw materials	461.2	891.4	1.0	82.6	1,136.2	637.4	342.8	118.4	.....
Iron and steel raw materials	9.2	18.3	.....	4.3	31.8	.....	.....	.....	.....
Iron and steel:									
Crude, semi and finished	99.4	7.8	.....	.....	107.2	.....	.....	.....	.....
Aluminum	.....	58.5	.....	.....	58.5	.....	.....	.....	.....
Copper	39.0	103.4	.....	.....	142.4	.....	.....	.....	.....
Lead	0.1	26.5	.....	0.3	26.9	.....	.....	.....	.....
Zinc	11.0	24.2	.....	.....	35.2	.....	.....	.....	.....
Tin	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other nonferrous metals	37.9	131.4	1.0	9.0	179.3	.....	.....	.....	.....
Paper and pulp	22.7	37.2	.....	18.2	78.1	.....	.....	.....	.....
Lumber	25.3	84.3	.....	30.7	150.3	.....	.....	.....	.....
Chemicals and carbon black	198.5	39.7	.....	15.8	254.0	.....	.....	.....	.....
Hides and skins	8.1	60.1	.....	4.3	72.5	.....	.....	.....	.....
Capital equipment	816.5	21.5	.....	2.0	840.0	593.6	584.9	231.6	.....
Agricultural machinery	69.8	8.1	.....	0.1	78.0	.....	.....	.....	.....
Machinery and equipment	745.7	13.4	.....	1.9	762.0	.....	.....	.....	.....
Other manufactures and raw materials	168.1	66.6	.....	16.6	251.3	61.1	53.6	114.5	.....
Total industry imports	2,006.7	695.0	1.0	146.3	2,849.0	1,842.5	1,513.7	493.0	.....
Total imports	4,177.9	1,908.1	1.0	227.1	6,314.1	3,716.9	3,187.1	990.8	.....

[1] Excludes Netherlands DOT, Indonesia, Portugal, Switzerland, Trieste, and Turkey.
[2] This amount is frozen in the McClellan amendment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMPSON, Mr. HARE, and Mr. WEICHEL were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4177) making appropriations for the Executive and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS of Texas, Mr. GORE, Mr. ANDREWS, Mr. CANNON, Mr. CASE of South Dakota, and Mr. PHILLIPS of California, were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 755. An act to extend the time for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

S. 803. An act to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard armory and for training the National Guard or for other military purposes;

S. 1136. An act to amend the Canal Zone Code, and for other purposes;

S. 1137. An act to revise and codify laws of the Canal Zone regarding the administration of estates, and for other purposes;

S. 1278. An act to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high-intensity lighting on CAA designated instrument-landing runways;

S. 1285. An act to authorize progressive partial payments to sponsors under the Federal Airport Act program;

S. 1459. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended;

S. 1505. An act to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947;

S. 1577. An act to revive and reenact, as amended, the act entitled "An act creating the city of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a

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bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944;

S. 2030. An act to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions; and

H. R. 5632. An act to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes.

FOREIGN AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

Mr. ANDERSON. Mr. President, the distinguished Senator from Arkansas said earlier this afternoon that he thought it was time to talk plainly about this matter, and I quite agree with him. I hope some of the experiences I have had in the past few years permit me to talk plainly about it.

The amendment quite clearly provides that the illustrative tables shall be used. I think it is important to look at the illustrative tables. They are carried on pages 838 and 839 of the hearings.

I desire to refer particularly to an incident which occurred some years ago; I think it was in 1946. It may have been in 1947. Somewhere within that period the British Government decided that it had to go on a new austerity basis, that it had to cut deeply into the habits of the British people and say to them that they could not have American tobacco. The dollar situation had deteriorated so greatly that it was found undesirable to have American tobacco using up their dollars as long as they needed wheat. That situation resulted in the immediate cancellation of shipping programs and the cancellation of orders for large quantities of tobacco. The tobacco was already packed in hogsheads and placed in warehouses, sometimes in Kentucky, in some instances in North Carolina, Virginia, and other States, but it was packed in a fashion to suit the British trade. Tobacco for the British trade is not packed as are American tobaccos, and therefore this great quantity of tobacco was not usable in the American trade.

Many persons streamed into the office of the then Secretary of Agriculture pleading with him to use his influence, if he had any, in Cabinet meetings, and with the President of the United States to compel the British Government to reconsider its determination not to use American tobacco.

It was forcefully pointed out that if that were not done immediately, we would have to cut tobacco quotas far more deeply than we had anticipated. That was the only argument presented to the Secretary of Agriculture as to why this tobacco should be shoved down the throat of the British Government.

We did not ship that tobacco. We left it in our warehouses. I am glad we did, because we need to claim foreign markets not on the basis of compulsion, but on the basis of the excellence of our products and the methods by which we sell them. The American soldier was the greatest cigarette salesman the American people ever knew. Somehow or other the countries of Europe which used to use Turkish and other types of tobacco, have been preferring more recently American tobacco. We should work with that tendency, and not against it.

If the Senators will turn to the illustrative tables it will be seen that tobacco is one of the commodities to be shipped to Europe. I fully agree with the interpretation placed on the bill by the distinguished senior Senator from Michigan [Mr. VANDENBERG] and by the distinguished Senator from Missouri [Mr. DONNELL], that it does prescribe that the exact kinds and quantities set out in these illustrative tables shall be used.

I have discussed the amendment with persons very much interested in the subject, long before a similar amendment appeared in the bill, and I know it was thought then that we should make it clear that the exact kinds and quantities should be purchased. I was not able to associate myself with that thinking, but I do know that the language, if placed before the Administrator, could be interpreted by him only as requiring that the very kinds and quantities set forth in these illustrative tables should be utilized. That calls for approximately $110,000,000 worth of tobacco. Tobacco is somewhat different from cotton in the matter of financing.

In the case of cotton, nearly 98 percent of the total quantity will be purchased from this country through ECA funds, while in the case of tobacco only 66⅔ percent of the total purchases will be made through ECA funds. The balance of it will be purchased through their own funds.

What this amendment says to the people of Europe is, "If you do not want $100,000,000 worth of American tobacco and will not spend $40,000,000 of your own money for an additional amount of tobacco, then the money reverts to the Treasury of the United States."

We realize that under those circumstances the British Government and other governments might take American tobacco, even if they did not want it, and while we would not be shoving it down their throats, we would be saying to them, "You will either take this, or the money comes back." No government facing its people and realizing that their liking for cigarettes is substantial would fail to say, "Well, this is money from ECA anyhow, and we shall be very glad to get the tobacco for you, even if we do not exactly need it."

That is not an unusual circumstance. Conditions do change. Let me remind the Senate that in the winter of 1946 there was a very severe freeze in France. France had estimated as carefully as it could the quantities of wheat it would need in the coming spring. The French estimates were wholly inadequate, because of the freeze. It was not because of the plantings by the farmers, but because the wheat, always planted late in the season, suffered destruction.

When that occurred we could not say to the French farmer, "Replant your field." Some French farmers were able to do that, but it was because they had tractor equipment. The number of farmers in France who have tractor equipment is very limited.

I visited two farms in France in the summer of 1947 and could see the results of that freeze. One would be a field that was perfect and which would produce a tremendous quantity of wheat. Next to it would be a farm on which no wheat was available. It depended on whether the farmer had a tractor equipped with headlights and could get his wheat planted in a short period, before another storm made it impossible to get into the field.

What happened? The French had to change completely their requirement for wheat. When they changed it, they had, as the distinguished Senator from Michigan has been pointing out, to change all the other requirements in their budget.

If we apply this limitation and say to the nations of the world that they must take many million dollars worth of tobacco, and if they do not do so the money will revert to the Treasury of the United States, we will absolutely deny the possibility that they can make substitutions as conditions develop in which they need more wheat and other products. It is easy to say we can give money to the Frenchman and let him plant his crop again. Unfortunately, the French plant a peculiar and particular type of wheat. They do not trust our winter wheat or our summer wheat. When we tried to supply them with additional seed wheat, it served only as food. They planted their own alternative type of wheat. Those factors make it necessary to calculate exactly how much of any product they wish to use.

There is another very important element in this bill, namely, the amount of cotton involved. I have great respect for my good friends in the cotton trade. They have been useful generally to this country and useful to the officials of the Department of Agriculture, but I think they have been incorrect in connection with this particular matter. They have been unwise in saying that 1,672,000,000 pounds of cotton shall be shipped and that the amount shall not be reduced except as the total over-all appropriation is reduced. That amounts to 3,344,000 bales, and 3,344,000 bales are a very substantial quantity of cotton. The carry-over of cotton yesterday, or on August 1st, the day to calculate the annual carry-over, was probably in the neighborhood of five million, six or seven hundred thousand bales. If it should happen that cotton orders should be canceled, then we can see the concern with which cotton farmers might face the situation, because adding 3,344,000 bales to what is already five million, six or seven hundred thousand bales, would give us about 9,000,000 bales carry-over, and we would be in serious trouble.

Mr. President, that is important in connection with prices also, because cotton support prices, as the law now stands, will be determined by the carry-over and the relationship of the carry-over to a normal supply. If we should reduce the purchases of cotton by three and a half

million bales, and we did not export four million bales as we have estimated, then we would greatly accentuate this development of extraordinary supply, and there might be a tendency for cotton prices to drop. Not only that, but cotton quotas would be affected, and that is why we must talk plainly about it. Cotton quotas and support prices are extremely important. Therefore I can understand writing in a provision requiring that the same kinds and quantities have to be used. In other words, it is said, "If you do not take the cotton we have set forth here in just these kinds and quantities, then the money reverts to the Treasury of the United States." I think that would be extremely serious. Therefore I wish to remind my colleagues that the farmers of this country, and I think with wonderfully inspired leadership, have decided they want no part of this kind of program.

We have heard comments here about what the radio commentators and the press have said about this matter. Why not talk about what the farmer has said about it? This is supposed to help farmers. What do they say? The farmers, through the American Farm Bureau Federation, through the National Grange, and through the National Farmers' Union, have said, "This is destructive to the best interests of farmers, and we want no part of it." The farmers realize that they do not get any lasting benefit out of doing business in this way. They want to develop foreign markets, and they want to keep foreign markets, and they do not want to spoil those markets by antagonizing the people who must thereafter be their friends.

Mr. VANDENBERG. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Michigan.

Mr. VANDENBERG. Before the Senator leaves the reference he has just been making, I wonder if he would not permit me to introduce into the RECORD the two-paragraph statement made by Mr. Allan B. Kline, president of the American Farm Bureau Federation; Mr. James G. Patton, president of the National Farmers' Union; and Mr. A. S. Goss, master of the National Grange.

Mr. ANDERSON. I would be very happy if the distinguished Senator from Michigan would do so.

The VICE PRESIDENT. The Senator from New Mexico asks unanimous consent that he may yield to the Senator from Michigan for the purpose of having certain material inserted in the RECORD at this point. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

The undersigned farm organizations are disturbed over an amendment to the appropriations bill having to do with ECA funds. We have supported the Marshall plan which is based on the two fundamental concepts that not until the war-torn countries of Europe effect economic recovery can stable prosperity and safety throughout the world be assured, and that European recovery must be the responsibility of Europeans themselves. Reserving the right to pass upon and approve all plans for recovery presented by the European nations, the United States has consistently demanded that formulating the plans and executing them is the primary responsibility of the participating nations.

The amendment in question abandons that principle and requires European nations to buy specified quantities of certain crops which may be in surplus here in the United States. Much as the farm organizations want to market our surplus crops, we feel that it would be a serious blunder for us to assume the responsibility of dictating to the European nations what they must buy, and thereby lessen their responsibility for consummating their plans. If they need these crops, we want them to buy them, but we do not want to see ECA funds used for purchases they do not need, and we do not want to see any lessening of the responsibility of the participating nations for executing their own plans successfully. We hope the amendment will be deleted before the bill passes the Senate.

Sincerely yours,

ALLAN B. KLINE,
President, American Farm Bureau Federation.

JAMES G. PATTON,
President, National Farmers' Union.

A. S. GOSS,
Master, the National Grange.

Mr. JENNER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Indiana.

Mr. JENNER. I believe the Senator stated the American farmer would lose his market if the proposed method of operation were not followed.

Mr. ANDERSON. No; I said that the American farmer would be faced with the possibility, if a new retrenchment program were started in any country, that his exports could be cut down, as they were in the case of tobacco by the British Government, but he would rather face that than try to compel those countries to take American tobacco and cotton whether they wanted it or not, and have the possibility of antagonizing subsequent friends.

Mr. JENNER. The distinguished Senator, as Secretary of Agriculture, has had great experience with the farmers, and I should like to ask him if he thinks that the present policy of England, with her barter system trade with Russia, whereby she is going to buy a million tons of rough grain from Russia next year, will aid and benefit the American farmer. Does the Senator think the American farmer likes that?

Mr. ANDERSON. No; I do not think the American farmer likes that, and I think there are many things going on in the world the American farmer does not like. But the signing of the international wheat agreement and the development of a friendly basis of international trade are evidences, I think, there are many things that appeal to the American farmer.

Mr. JENNER. Does the Senator think the barter system England has entered into with Russia, and the 88 trade pacts the European Marshall-plan countries have entered into with Russia, are conducive to the same feeling which the international wheat agreement, by which we are trying to create friendly markets, would accomplish?

Mr. ANDERSON. No, I do not. There are many things in the British policy to which I do not fully subscribe or which I fully support. I can only control the things which I do as a United States Senator, and contribute, as best I can, to what the United States Senate does. The experience I have had persuades me that the path proposed in this amendment is not the one to follow.

Mr. JENNER. As I understand, all these countries have laid down the specifications, have indicated their minimum requirements. If the requirements are based on the bare minimum they actually need, and we have a surplus of one of the commodities in this country, and the Government has to pay, in fact, for that surplus, and we are giving it to these countries, what possible harm could come from that kind of an operation?

Mr. ANDERSON. I have been trying to illustrate what does the harm, and I will illustrate it by another example. The statement I have made is that conditions change, and change rapidly, and it is impossible to anticipate in February of 1949 what may be the condition in January of 1950.

Let me refer again to the table of justifications on page 838, to which this whole matter is tied. At the bottom of the page is the item of pork to come from Canada. At the time this matter was prepared—and the budget was started last August, a year ago—it was not anticipated that supplies of pork in the United States would be dangerously high. But a very large corn crop, and a favorable corn-hog ratio, resulted in a situation in which we may have large surpluses of pork in the United States.

A grower testifying before the Senate Committee on Agriculture and Forestry a few days ago said that he felt that, regardless of what plan was adopted, or what supports were put into effect, hogs in the United States would drop to $12 a hundredweight even though they have a support price of something like $16.10. He said that the supply was going to be so great it would absolutely upset the market. Under those circumstances it would be the part of wisdom to export some pork to Europe, but under the terms of the amendment that would not be possible, because it would be necessary to adhere to what is set forth in this justification, and that makes no provision at all for the export of American pork.

I think the Administrator of ECA and his staff did the very best they could in making their estimates. They were never anxious to submit them in the first place. They calculated as well as they could, but conditions change, and they may now find it is impossible to live with those estimates, after a while. Therefore it is necessary to substitute something else.

Mr. WHERRY. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Nebraska.

Mr. WHERRY. There has been no change in the figures the ECA Administrator submitted to the Committee on Appropriations in July, from the figures submitted in February. I have been a member of the committee, and I have listened to all the evidence.

Mr. ANDERSON. I have not said there has been a change. I am saying that there may be great changes between the figures they submitted in February,

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and those we may have before us by January of next year.

Mr. WHERRY. The figures they submitted in July were the figures they collected last February. They have not changed between February and July, at least, because if they have, they would have come before the committee and asked for different justifications. Here it is August, nearly September, and a new session will convene early in January. So that if the recipient countries need the things the distinguished Senator is discussing, they have them enumerated here. If they do not need them, they do not spend the money. All they have to do is come back in January and say, "We have a surplus of this product, we do not have enough of this one."

The figures certainly have not changed since I listened to the testimony of the ECA, there has been no increase in the amounts at all, and they are using figures now, in August, which they handed in last February.

I wish to ask the Senator a question. Taking the argument the distinguished Senator is making, we have to assume that there will be a change, and up to now there has not been a change. So what right does the Senator feel he has to say that the justification should not stand upon the basis upon which it has been made?

Mr. LODGE. Mr. President, will the Senator yield?

Mr. ANDERSON. Let me first answer the Senator from Nebraska.

There is nothing in the experience of the Senate in the last few months which would persuade me that it would be easy to come in and get a change in a few days. We have been spending 5 days on an Independent Offices appropriation bill that once could pass in a few hours, so delay is the order of the day.

Mr. WHERRY. Certainly not if the evidence was not any different. If the evidence was different, and there was a need for a change, then I submit to the distinguished Senator his argument might be plausible on some of these matters. But at least until the middle of August there has not been an argument made by the Administrator to change one of the justifications respecting any of the figures.

Mr. ANDERSON. I agree. But I will say that one day, sitting in the office of the Secretary of Agriculture, I received a cable saying that the British did not want any more tobacco. I could not wait 3 or 4 or 5 months to come before Congress to have a change made. I had to cancel the order for tobacco on that 1 day. I believe the distinguished Administrator, Mr. Paul Hoffman, ought to have the same opportunity to make a change.

Mr. LODGE. Mr. President, in connection with the question of the Senator from Nebraska, if we are going to freeze all these expenditures, insofar as certain favorite surplus agricultural products are concerned, should we not, in order to be consistent, freeze everything which is in the bill?

Mr. WHERRY. That is all right with me.

Mr. LODGE. Should we not do away with the ECA and make it, frankly, a hand-out?

Mr. ANDERSON. I would say to the distinguished Senator from Massachusetts——

Mr. WHERRY. I think the Senator from Massachusetts has raised a very pertinent question, and I agree with him. I agree that if a justification is made in this bill it ought to be carried out, whether it is with reference to food or machinery or what not.

The VICE PRESIDENT. The Chair has all day been admonishing Senators that he is going to enforce the rules of the Senate. A Senator can yield only for a question. The Chair has been admonishing Senators on that point in the hope that Senators would observe the admonition. If Senators are not going to observe it, the Chair will enforce the rule and take any Senator who violates the rule off his feet. The Chair is trying to enforce the rules, in order that we may make some progress. That is the Chair's duty, as he conceives it. The Chair hopes that Senators will cooperate with him. The Chair is finding it very hard to induce Senators to do so.

Mr. WHERRY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska for a question?

Mr. ANDERSON. I yield.

Mr. WHERRY. I should like to answer the distinguished Presiding Officer's observations that if he means I am taking the floor improperly I shall endeavor to observe the rule. So I will ask the Senator from New Mexico if he will yield to me for a question.

The VICE PRESIDENT. The Chair had no reference to any particular Senator. He was speaking to all Senators.

Mr. WHERRY. Let me say in all seriousness that I respect the distinguished Senator from New Mexico. He has been the Secretary of Agriculture and speaks with authority. I deeply appreciate the information he has given to the Senate this afternoon. But I also want the Senator to know that, as a member of the Appropriations Committee, the questions I ask run to the method of appropriating money, not only the methods in the committee, but in the Senate itself. I say to the distinguished Senator that I agree with anyone who feels that the justifications should be carried down to the lower level, and that an amendment is in order, because I think that if we appropriate the total amount of $3,628,000,000 on the basis of the justification made, there should be no objection whatever to taking the next step.

I ask the distinguished Senator from New Mexico to consider the subject of cheese. Let us say the Administrator came before the Appropriations Committee and said, "Now here is the need. We must have $51,100,000 worth of cheese. We want ECA dollars for $46,900,000 worth of cheese. That is what we want for cheese. We have got to have cheese." Nearly 7 months have passed since the figures were made up, so I cannot see how there will be a big change in one day, but if they do not get the money for cheese, does the Senator believe that he should permit ECA to take that $50,000,000 and buy perfume with it?

Mr. ANDERSON. No. I would say to the distinguished Senator I would not be in favor of giving the Administrator instructions to buy perfume with it, and my knowledge of Paul Hoffman convinces me that he would not do so.

Mr. WHERRY. The Senator is now again speaking to the ability and integrity of the Administrator. I agree with the Senator as to that. I gave the Senator an example of something which would not happen. But just the same, that furnishes the basis of an argument. I again ask the Senator: If the need does not exist for cheese, does the Senator think the Administrator should spend the money for something outside the food category entirely?

Mr. ANDERSON. That would not worry me in the slightest. I think he ought to be allowed to use his discretion.

Mr. WHERRY. Does the Senator think we should appropriate the money on that basis?

Mr. ANDERSON. Yes. I think it is a wholly different program from the ordinary programs of the departments. I may point out the argument that was made to the effect that we do not give leeway of this kind to any other Administrator. We do give it to the Secretary of Agriculture. We give him $4,850,000,000 to use through Commodity Credit, and we do not specify any particular crop or any specified number of bushels for which he shall use it.

Mr. WHERRY. That has to do with the support prices for crops, as provided under basic law, the Steagall Act and so forth.

Mr. ANDERSON. It involves the whole use of the price-support power of the Commodity Credit Corporation. We do not say to the Secretary "You shall support 300,000,000 bushels of wheat; you shall support 1,000,000,000 bushels of corn, and so many bushels of soybeans, and if you do not support them that money reverts to the Treasury of the United States." We do not say that to him.

Mr. WHERRY. But when the Secretary comes before the Appropriations Committee he justifies his requests under the basic legislation.

Mr. ANDERSON. Yes.

Mr. WHERRY. That is the answer. The Secretary does not use such money for building battleships or something else.

Mr. ANDERSON. But, as I am trying to point out to the distinguished Senator, we justify it on the basis of specific things. We anticipate how much money may be needed for eggs; we anticipate how much may be needed for this, that, and the other thing, and then the situation may change, and we do not need it for the specified products at all, but we do need it for something different and should be allowed to so use it.

Mr. WHERRY. But it is not used to build battleships.

Will the Senator yield for one more question?

Mr. ANDERSON. I yield.

Mr. WHERRY. If the crop situation changes in Europe—and I agree with the distinguished Senator from New Mexico that it may—certainly if they do not need the crops in question, they do not need the money. That is all there is to it, is it not?

Mr. ANDERSON. Yes. That is the answer if they do not need them. But all I am trying to say this afternoon is that the limited experience I have had in trying to send foods to all parts of the earth convinces me that we need the greatest amount of freedom on the part of the Administrator. If he proves unworthy of his task, eliminate him, but while he serves, give him power to act.

I hope the Senator will indulge me while I say that early in the period following the last World War we called back into active service the man who knows perhaps more about the handling of food than anybody in the world, former President Hoover. He went on a trip around the world. As a result of his trip we changed the requirements before the International Food Board, or as then called, the Combined Food Board, of which I was Chairman. We changed the requirements of countries by substantial amounts because Mr. Hoover was able to figure out that certain indigenous supplies in the Near East that could be used for food and were not being used would become part of the world supply, so we changed the requirements in that respect.

I am not trying to say to the Senate that it should appropriate in any one particular fashion. But I say that the Senate should not tie down this appropriation to the exact amounts and quantities in the Economic Cooperation Administration budget justification.

Mr. WHERRY. One more question, and then I shall conclude. Has the Senator from New Mexico ever heard me express a doubt concerning the ability of Mr. Hoffman?

Mr. ANDERSON. No. On the contrary I have heard the distinguished minority leader speak very highly of him.

Mr. WHERRY. So as far as I am concerned I would feel perfectly at liberty to give Mr. Hoffman any privileges I would want to accord any other administrator.

Let me ask the Senator this final question: Let us say there is a justification for financial experts to go from one country to another; from the United States to another country, let us say, to learn about fiscal policies. Say the Administration was short $1,000,000 in its appropriation. If Mr. Hoffman did not use the $46,000,000 for cheese, does the Senator believe that we as Senators would be doing our duty if we were to appropriate the money and allow it to be used for the purpose I have just mentioned, if it were not authorized?

Mr. ANDERSON. No. I will say to the distinguished minority leader that if the project were not authorized, I think he ought to come back and consult the committees of the Congress. But if there were an emergency situation, I would certainly trust his judgment and allow him to go ahead, and I would expect him to go ahead whether the Congress of the United States had specifically passed upon the question or not, if it were within the general category of work expected to be done.

We are talking about supplying food. The distinguished Senator from Washington [Mr. MAGNUSON] asked a question with respect to apples and pears. The people of the Scandinavian countries and various other peoples of Europe are very fond of our dried fruits. There is a small provision for dried fruits. There is also a requirement that 1,000,000 hundredweights of rosin and nearly 1¾ million gallons of turpentine be sent from our naval stores to those countries. I suggest to the distinguished minority leader that it might be possible to substitute fruits for rosin and turpentine without destroying the program. But under the language of the amendment it could not be done. The Administrator must send 1½ million gallons of turpentine and a million hundredweight of rosin. I submit that that is not good administration.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. LODGE. I think I have a question which relates to that subject. Is it not true that all dollars come home eventually, and that, therefore, what we are doing by this amendment is taking a certain set of privileged individuals out of the free-enterprise system and giving them a preferred status, and letting the rest of the expenditures take their chance, on the very specious plea that this is helping business in this country? Actually, do not dollars always come home, anyway?

Mr. ANDERSON. I am not sure that all the dollars we are putting in this program will come home for a long time, but I feel absolutely certain that we must leave the language of the bill so that it will be possible in this legislation for the Administrator to go outside of any prescribed categories.

When the original hearings were held on ECA, the then chairman of the Committee on Foreign Relations was the distinguished senior Senator from Michigan [Mr. VANDENBERG]. The distinguished senior Senator from Texas [Mr. CONNALLY] was the ranking minority member of the committee. It was necessary for me to appear before that committee and testify. Representatives of many branches of the Government appeared. We testified to what we thought the countries of Europe might need over a period of 1, 2, 3, 4, or 5 years. We were questioned very closely, as the distinguished Senator from Massachusetts [Mr. LODGE] will remember, as to whether or not any meat was going to be sent to Europe in the next 4 or 5 years. It was not then contemplated that our domestic meat supplies would permit the exportation of American meat to Europe. Yet here we are, within a short period, anxious to find a market for our pork, anxious to move some fats and oils which were then scarce in the world because the surpluses are now so great that hog prices are affected by the great oversupply of edible fats.

Mr. WHERRY. Mr. President, will Senator yield?

Mr. ANDERSON. I yield.

Mr. WHERRY. That involved export licenses, did it not?

Mr. ANDERSON. Yes; it involved export licenses. I perhaps was not too greatly in sympathy with the policy which was invoked in connection with export licenses.

Mr. WHERRY. That is what kept the supply in this country, when fats began to accumulate to a great extent.

Mr. ANDERSON. Precisely. What I want to be able to do is to say to the Administrator of ECA that when a condition like that arises he can reverse the estimates he has previously filed, and say, "I am desirous of supplying additional quantities of a substance of which heretofore has been in short supply but which is now in surplus."

Mr. WHERRY. Mr. President——

Mr. ANDERSON. Mr. President, I have taken more time than I intended, but I am happy to yield again to the distinguished minority leader.

Mr. WHERRY. The figures which have been set up by Mr. Hoffman for justification are his figures, are they not?

Mr. ANDERSON. They are.

Mr. WHERRY. They did not come from the farmers of the country, did they?

Mr. ANDERSON. No; but they were made up after careful consultation with the Department of Agriculture.

Mr. WHERRY. And they represent needs over there.

Mr. ANDERSON. They were made up on the basis of needs abroad and the ability of the American farmer to supply them.

Mr. WHERRY. This is what the Administrator says they need to buy in the United States.

Mr. ANDERSON. I do not contradict that statement. I only point out that the man does not live who can guess the ultimate need. Along comes a disaster, and the whole condition changes overnight, or a great crop turns out, and the need for certain products no longer exists, and something else is required.

Mr. WHERRY. That might happen on this side of the water. But if we did not have a surplus the McClellan amendment would not apply.

Mr. ANDERSON. That is correct.

Mr. WHERRY. It might happen across the water that they would have more than they anticipated. If so, they would not need the money.

Mr. ANDERSON. I agree with that. They would not need the money for that specific purpose, but there might be another purpose, and it might be just as important to serve that purpose as it was to serve the need for rosin and turpentine.

Mr. WHERRY. It might be completely foreign to the estimates which were made at the time the approval of Congress was obtained.

Mr. ANDERSON. I would not say that it would be foreign.

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Mr. WHERRY. If it were included in the $3,628,000,000, the Senator would say that it would not be foreign?

Mr. ANDERSON. That is correct.

Mr. WHERRY. It is said that dollars always come back. I appreciate the Senator's answer that they do not always come back. If they do, at least some of them do not come back for a long time.

I should like to ask a question about meat. Let us assume that Great Britain did not buy the meat set out in the justification, but used her own dollars, or ECA dollars which she was not spending in this country in order to continue her economy, and made a barter arrangement with Argentina under which products Britain produced were bartered for meat, which has actually been done. Would those dollars come back to the United States during the life of that trade agreement?

Mr. ANDERSON. I do not think they would.

Mr. WHERRY. Is that a healthy condition for the farmer of the United States who is raising beef?

Mr. ANDERSON. I warn the distinguished minority leader that I am not an expert on foreign relations, but that does not change my fundamental viewpoint in the slightest.

Mr. WHERRY. Does the Senator believe that the British should still buy beef from Argentina?

Mr. ANDERSON. I have some reservations on the question of buying beef from Argentina. I do not think that is wholly bad, because it may change another international situation. We may be able to supply something else.

Mr. WHERRY. At the expense of the cattlemen of the United States.

Mr. ANDERSON. I have had occasion to talk to a few cattlemen who are not entirely broke, and have not been. I do not believe that the effect of the Argentine export trade is as great as some would lead us to believe.

Mr. WHERRY. The Senator is not now speaking for the cattlemen of the country. He does not mean to say that they are happy about the agreement between Argentina and Great Britain with relation to the exchange of beef, does he?

Mr. ANDERSON. No. The Senator from Nebraska recognizes that there has long been a question as to that argument.

Mr. CHAVEZ. Mr. President, will my colleague allow me to propound a question to the Senator from Nebraska?

The VICE PRESIDENT. It can be done only by unanimous consent. Is there objection? The Chair hears none.

Mr. CHAVEZ. The question I should like to propound is this: I am a little confused by the debate between my colleague and the Senator from Nebraska. As I get the point of the Senator from Nebraska, if so much money has been justified for the purchase of cheese, it is his idea that it should not be used for any other purpose.

Mr. WHERRY. That is correct.

Mr. CHAVEZ. Am I to understand from the Senator from Nebraska that if we allow this money to buy cheese, and Great Britain and the other countries do not want cheese, they can buy Argentine beef?

Mr. WHERRY. They can use it for anything they choose for which ECA funds are authorized. I certainly think that would include meat, if the position of the opponents is correct.

Mr. MAGNUSON. Mr. President, most of the afternoon has been consumed by arguments on the proposed amendment, rather than on the point of order which will be made. I had intended to make some remarks opposing the amendment on its merits, should it not be removed from the bill by means of a point of order, because throughout the agricultural commodity producing areas there is a great deal of opposition both to the amendment originally proposed by the Senator from Arkansas, and to the amendment now proposed, mainly for the reason that it is felt that regardless of how we consider either the original amendment or the revised amendment, they serve the same purpose and have the same intent, namely, they merely freeze a portion of the ECA funds for the benefit of a certain group of producers of agricultural products, and they tie the hands of the Administrator in such a way as to prevent him from making proper changes to take care of agricultural surpluses which may develop in other products, which are not set forth in the justifications. All the farm organizations, all the people to whom I have talked, all the horticultural interests, and other interests in the State of Washington and throughout the Pacific Northwest, are in opposition to this proposed amendment. They believe that under the present wording of section 112, in which certain amendments were placed at the last session of Congress to take care of other products—and I myself offered one of them—the ECA has adequately handled the situation, and those provisions have proved satisfactory and sufficient to give the Administrator authority to make the necessary adjustments from time to time, not only as to particular commodities, but as to types and grades, in the case of agricultural products which may become surplus in the United States. They feel that the act should remain as it is; that this amendment, if adopted, would be detrimental and, in effect, would restrict the operations under the program to the comparatively few items listed in the justifications.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. WHERRY. I should like to ask the distinguished Senator from Washington whether the present act prevented Britain from using ECA funds to buy cheese in Canada at a time last year when cheese was declared by the Secretary of Agriculture to be in surplus supply in the United States.

Mr. MAGNUSON. No; the present act did not.

Mr. WHERRY. The present act contains no enforcement provisions, I am sure the Senator from Washington will agree. The act contains no penalty, no provision of a means by which to enforce its provisions. I agree with the Senator from Washington that there is an admonition, but the act provides no way to enforce it; does it?

Mr. MAGNUSON. I agree that there is no way to enforce it. I do not think Mr. Hoffman could be put in jail or could be fined or could be removed from office, unless we felt he had broken the law.

Mr. WHERRY. In the case of cheese, it was not adhered to.

Mr. MAGNUSON. I did not know about that.

Mr. WHERRY. Does the Senator from Washington know about the purchase of 55,000,000 bushels of wheat in Canada in the last quarter of last year?

Mr. MAGNUSON. I know of several purchases of wheat. As to some, I agree; and as to others, I disagree.

But if we attempt to write into a legislative measure, provisions in regard to what should be done in each particular case, particularly if such provisions are attempted to be restricted to the items mentioned in the justifications, I am sure we shall do an injustice to other items which it might be desirable to have handled according to the discretion of the Administrator.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. MAGNUSON. I yield.

Mr. WHERRY. I was not directing my question to how the Senator felt about writing into the bill any requirements under the McClellan amendment. I was directing my question to the basic act which was passed. The provisions of the act did not prevent the Administrator from purchasing in Canada 55,000,000 bushels of wheat in the last quarter of the fiscal year 1949, when wheat had been declared surplus in the United States.

Mr. MAGNUSON. I do not think the act prevents him at all.

Mr. WHERRY. No. So, I may say to the distinguished Senator, there is nothing in the basic act, and there is nothing in the amendment, that does anything except admonish the Administrator that, if crops are surplus, he should buy the surpluses with ECA dollars. The McClellan amendment effectuates the basic act. It says that with the amounts now requested for wheat, wheat shall be purchased in the United States, when it is declared surplus, and when otherwise justified. So I simply want to call to the attention of the distinguished Senator, for whom I have the highest regard, the fact that the McClellan amendment is necessary in order to effectuate the basic act, in line with the observations which were being made by the distinguished Senator from Washington.

Mr. MAGNUSON. I do not think it is necessary at all. I think it is very restrictive. I know the argument about buying the wheat. It may be that too much wheat was allowed to be bought, and it may be that too much cheese was bought in Canada. But I know that the farmers in my community must also have a domestic market and that the people in Canada must be able to sell some of their products in order to buy American products. I know the countries of Europe must be able to sell products among themselves, otherwise their whole economy will fall.

The amounts involved may perhaps call for a reprimand of the Administrator, or for a change in his viewpoint, but

I say the amendment is an attempt to take a certain group of products and, whether the countries need them or not, to require the Administrator to freeze those products and ship them to those countries. Naturally, they are going to take them. If we are going to do this in respect to the whole bill, as the Senator from Massachusetts pointed out, then why not restrict all the products? Why not have the McClellan amendment made sufficiently broad to apply to all products, abolish the ECA, pass the bill, and ship everything to Europe?

Mr. WHERRY. That is, the Senator feels that all we should do is to appropriate the total amount and let the Administrator use his own judgment as to what he should do with the money; is that correct?

Mr. MAGNUSON. I think that must be done, to make the plan work. Mr. President, not to take any further time of the Senate, I ask unanimous consent that the remainder of my remarks on the amendment be placed in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

STATEMENT BY SENATOR WARREN G. MAGNUSON IN OPPOSITION TO ECA AMENDMENT FREEZING FUNDS FOR SURPLUS AGRICULTURAL PRODUCTS

Mr. President, on pages 4 and 7 of the pending bill, H. R. 4830, the following language appears: "90 percent of the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Economic Cooperation Administration budget justification submitted to the Senate shall not be available for any other financing."

This differs somewhat from wording in the original bill reported by the committee. The intent, however, is unchanged. In my judgment, therefore, all of the arguments against acceptance of the former committee amendment applies with equal force to this provision.

Various estimates have been made as to the amount of ECA funds this provision affects. Those estimates range from one to one and one-half billion dollars. The affect of the amendment is to freeze from one to one and one-half billion dollars. If adopted, this amendment would prohibit the Administrator from using that amount for any purpose whatsoever other than "To finance agricultural products declared surplus by the Secretary of Agriculture of the kinds and in the quantities set out in the ECA budget justification submitted to the Senate."

The committee has attempted to circumvent the objection previously raised by the Senate, namely that this is a legislative provision in an appropriation bill. In my judgment the committee has not been successful. It is the same old customer in a new dress.

The use of the funds I have referred to would be restricted in amounts to those products set forth in the justification ECA presented the Senate Appropriations Committee.

In those justifications, ECA listed under food and agricultural imports the following items: bread grains, fats and oils, sugar, meats, dairy products, other foods, coarse grains, protein feeds, fertilizer, cotton, wool, other fibers, tobacco, and other agricultural products. You will note there are three catch all categories in this list: Other foods, other fibers, and other agricultural products. The justification indicates that ECA estimates purchases of these commodities in fiscal 1950 will total $1,874,000,000 and that of this amount $1,673,000,000 will be spent in the United States.

We know from past experience, Mr. President, that the products included in the ECA justification most likely to be in surplus are the following: wheat, corn, tobacco, and cotton. These are what we might call the Big Four products. In my judgment it will be very detrimental, not only to the ECA program but to all other agricultural products to give cotton, tobacco, wheat, and corn the extremely preferential treatment implied in this amendment.

I recognize there is a growing sentiment in this country for congressional action which will serve as a directive to the ECA Administrator, forcing him to in turn force Marshall-plan countries to buy in the United States whenever a domestic product is in surplus. To a considerable extent this sentiment is understandable. Taxpayers of this country are providing ECA dollars, out of their pockets, and have a right to expect that maximum attention be given domestic economic conditions and to the plight of any particular industry.

In the Pacific Northwest, for example, the lumber and horticultural industries are in urgent need of export outlets. They are hard hit by the world-wide dollar shortage. They justifiably look to ECA, not only for sympathetic treatment, but for positive action. To date they have been granted a sympathetic ear but little by way of positive results has been forthcoming.

The ECA Administrator is a competent businessman, one of the best our free-enterprise system has produced. Like any good businessman, he is trying to obtain the maximum return for every dollar he spends. In this case he is buying European recovery with the taxpayers' dollars made available to him. His efforts in this regard are laudable, but I believe he must give increasing attention to the problems of those American industries which have a historical reliance upon exports—industries which are contributing their share of the tax dollars the Administrator is spending for European recovery.

Senators know I have taken this floor on many occasions to present as forcefully as I know how, the problems presently confronted by the horticultural industry of this country. Let me repeat just a few of the facts I have previously presented. Prewar the apple growers of the Pacific Northwest consciously and systematically developed foreign markets. The whole industry is geared to exports. Approximately 30 percent of the total apple production was purchased by countries now participating in the Marshall plan. Today the dollar shortage has closed those markets. The only opportunity the industry has to reenter them is through participation in ECA. Last year only $9,600,000 was spent by ECA for fruits, other than dried fruits. The justification presented to the Senate Appropriations Committee this year includes only $9,400,000 for these fruits. That $9,400,000 includes canned fruits, juice concentrates, and fresh fruits. This is a mere drop in the bucket compared to prewar exports.

Before the war, exports of the United States horticultural products ranked first in all United States food exports and third in all agricultural exports. Exportation was exceeded only by cotton and tobacco. In fourth place came wheat and flour. From these facts, it is readily understandable why I feel compelled to oppose the amendment. The amendment would virtually foreclose any possibility of the horticultural industry reentering its foreign markets on a basis even approaching prewar levels.

This industry, which prewar, ranked first on the list of all food exports, would be relegated to insignificant participation in the ECA program.

That the horticultural industry faces an extremely difficult problem has been recognized by ECA, Department of Agriculture, the Senate Appropriations Committee, and the Senate itself. Senators will recall that other Senators and I sponsored an amendment to this year's authorization act, directing the Secretary of Agriculture to determine surpluses of horticultural products by "types, classes, and specifications." The objective of this amendment was to give the Secretary authority to take cognizance of the fact that the industry over the years has developed varieties of apples and pears, for example, peculiarly suited for the export trade. By virtue of the amendment, the Secretary can find that a surplus of export varieties exists, even though the entire crop may not be in excess of domestic requirements.

By adopting this amendment, the Senate gave recognition to the somewhat unique position of this industry. Later the industry presented its problem to the Senate Committee considering the agriculture appropriations bill. On page 13 of its report, the committee stated: "The committee recognizes the unique postion and need of this industry, arising from the temporary loss of long-standing export markets and the inability of the fruit grower to reduce production without destruction of trees and tragic loss of capital investment in packing and other facilities."

The lumbering and horticultural industries have urged other Senators and I to offer amendments to this bill which would earmark certain funds for purchase of their products or, as an alternative, to offer an amendment which would direct the Administrator to force ECA countries to purchase lumber and horticultural products in this country exclusively, whenever there is a surplus.

I have refrained from taking such action. First, because as I have said before, I believe the Administrator is a sensible, competent businessman. He knows American industry, and within the framework of existing legislation has authority to handle these problems administratively. The European recovery program is a highly complex venture. The Administrator must have flexibility if he is to do the job the Congress and the country want him to do. I serve notice here and now, however, that unless greater attention is given by ECA representatives abroad to our domestic problems, I shall be among those supporting legislation requiring them to do so.

Second, I have refrained from sponsoring such amendments at this time because I believe it inconsistent to oppose the amendment I read at the beginning of these remarks and simultaneously sponsor an amendment earmarking funds for some other product. I believe all segments of our great agricultural industry should be placed on an equal footing. All segments of the industry should have equal opportunity to present their case to the Administrator and he, in turn, to the countries which are beneficiaries of this great venture.

Before concluding I wish to call your attention to several other facets of the problem I have been discussing. The horticultural industry and, in fact, all industries relying on exports, view with great alarm the many bilateral agreements which have been, and are being, negotiated by nations participating in ERP. Unless this tendency is reversed some United States commodities, like fruit, may be permanently excluded from normal European markets.

I recognize, Mr. President, this problem goes beyond the jurisdiction of ECA. I believe, however, that the Administrator and his representatives abroad can do much to counteract it. Certainly the attempt should be made.

Today ECA is the dominating influence in international trade. Without participation in that program, reestablishment and further development of the horticultural industry's European outlets is impossible. The same is true of other segments of agriculture

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who consciously and systematically developed foreign markets in the prewar era. Congress recognized the truth of these statements by including section 112 in the Economic Cooperation Act itself. This section authorizes the Secretary of Agriculture to use section 32 funds to aid in the reestablishment of export markets for perennial horticultural crops and others, which may be declared surplus to our need.

The Administrator, by cooperating with the secretary in such an export program, can obtain for participating countries agricultural commodities at 50 percent of total cost. For some reason ECA has not taken full advantage of this very attractive program. I believe much greater use can and should be made of section 112. Here is another instance where Congress has given the Administrator an effective tool to work with, a tool which should be placed in the kit of all of our ECA representatives abroad, and used.

I think it would be appropriate for the conferees in their report to include language along the lines implied in these remarks—language which would serve as a guide to the Administrator, when he is attempting to determine congressional intent through study of the legislative history of this bill. I urge those Senators who will represent this body at the conference table to give serious consideration to this suggestion.

Mr. President, for the reasons stated in these remarks, I oppose the amendment which appears on pages 4 and 8 of the pending bill. Again I want to make it clear, however, that unless greater attention is given to the problems of domestic industries by the Administrator, his representative abroad, and the countries participating in ERP, I shall be among those sponsoring legislation making such action mandatory.

Mr. MAGNUSON. Mr. President, in view of the importance of this matter, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Anderson	Hill	Morse
Baldwin	Hoey	Mundt
Brewster	Holland	Myers
Bricker	Humphrey	Neely
Bridges	Hunt	O'Conor
Butler	Ives	O'Mahoney
Byrd	Jenner	Pepper
Cain	Johnson, Colo.	Robertson
Capehart	Johnson, Tex.	Russell
Chapman	Johnston, S. C.	Saltonstall
Chaves	Kefauver	Schoeppel
Connally	Kem	Smith, Maine
Cordon	Kerr	Smith, N. J.
Donnell	Kilgore	Sparkman
Dulles	Knowland	Stennis
Ecton	Langer	Taylor
Ellender	Lodge	Thomas, Okla.
Ferguson	Long	Thomas, Utah
Flanders	Lucas	Thye
Frear	McCarran	Tobey
Fulbright	McCarthy	Vandenberg
George	McClellan	Watkins
Gillette	McFarland	Wherry
Graham	McGrath	Wiley
Green	McKellar	Williams
Gurney	McMahon	Young
Hayden	Magnuson	
Hendrickson	Maybank	

The VICE PRESIDENT. A quorum is present. The Senator from Illinois is recognized.

Mr. LUCAS. Mr. President, I rise for the purpose of making a point of order against the committee amendment requiring that a large portion of the ECA appropriation be expended only for surplus agricultural products. I should like to have it understood that in making the point of order against the amendment, which was offered by the distinguished Senator from Arkansas [Mr. McCLELLAN], and reported by the Appropriations Committee, it is in no wise to be construed as a personal effort on the part of the Senator from Illinois to do something which he does not conscientiously believe he should do, under the rules of the United States Senate.

As the Senator from Tennessee, the able and distinguished chairman of the Appropriations Committee, knows, I have a very deep and abiding affection for him and great respect for all the valuable work he has done over a long period of time as one of the able Senators who have been Members of this body. But, Mr. President, I believe and very deeply feel that the preservation of the integrity of the rules of the United States Senate is extremely essential. I know some Senators are probably thinking that no particular protest has been made against certain legislation contained in the bill as it came from the House of Representatives or against certain other legislation, possibly of a trivial character, which may have been reported by the Appropriations Committee; but no one can gainsay that this particular amendment is of sufficient importance that a point of order should be made against it, and let the Chair determine whether it complies with the rules or is in violation of the rules of the Senate. If Senators are not satisfied with the ruling of the Chair, they may, of course, under the rules, take an appeal from the decision of the Chair.

Mr. President, it is my firm opinion that this amendment is not only legislation on an appropriation bill, but that it also violates rule XVI as a restriction which is to take effect upon the happening of some contingency. I wish to read the rule as more or less of a foundation for the final conclusion I desire to make.

Paragraph 2 of rule XVI is as follows:

The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency.

Mr. President, the Senator from Illinois contends that this amendment violates both phases of the rule which I have just read.

Last week the distinguished Vice President ruled that the so-called agricultural amendment, which was attached to the original H. R. 4830, was legislation upon an appropriation bill. In order to make the record I should like to read the amendment first. It was as follows:

$3,628,380,000, of which (1) the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Economic Cooperation Administration budget justification submitted to the Senate shall be available only for such financing.

That amendment was held by the distinguished Vice President to be legislation on an appropriation bill.

The bill went back to the committee, and the committee reported an amendment which seeks the same objective, but attempts, through the process of a limitation, to so comply with the objection raised that it could be discussed and voted upon on its merits, rather than require the application of the two-thirds rule. The amendment is as follows:

$3,628,380,000, of which (1) 90 percent of the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Economic Cooperation Administration budget justification submitted to the Senate shall not be available for any other financing.

The amendment now before the Senate earmarking funds for procurement of agricultural surpluses at 90 percent of the ECA budget justification differs from the amendment which was referred back to the committee as legislation on an appropriation bill in only two respects. First, the new proposal specifies 90 percent instead of 100 percent of the budget estimates, and, second, instead of making funds available only for such financing—and I stress the word "only"—it is phrased so as to make them not available for financing of any other quantities.

Mr. President, this is a difference in form only. In my humble judgment, it is a distinction without a difference. Instead of going east, we go west. It is the same old face with a new dress. The substance and effect remain the same. What the proponents of the amendment sought to do affirmatively in the first instance, which was held legislation on an appropriation bill, they now seek to accomplish in a negative way.

Mr. President, what is legislation? Legislation is official action by Congress which creates new duties and obligations. Any official act which reverses or replaces the duly enacted laws of Congress is legislation. In other words, a policy established by law can be changed only by additional legislation.

The Senate rules referred to are intended to protect the established procedures of Congress. Congressional action which would substantially change the laws of the land or policies followed by the Executive under existing laws should be thoroughly considered by the legislative committees of Congress. This consideration is assured by the rules of the Senate which prevent legislation from being placed upon an appropriation bill.

The reason for the two-thirds rule, which must be invoked before legislation can be placed on an appropriation bill goes back to the very fact that each and every committee of the Senate constituted as a legislative committee should be the judge of legislation, and important legislation such as that now under discussion should be considered by a legislative committee. In other words, this amendment should have been considered by the Committee on Agriculture and Forestry of the Senate in the first instance because it directly pertains to agricultural products.

Now, Mr. President, let us consider this committee amendment, keeping in mind both the meaning of legislation and the purpose of this rule. This amendment makes new law. It creates new duties

and obligations with which the Administrator must comply. In effect, it repeals expressed provisions of the Economic Cooperation Act.

Section 112 (d) of the Economic Cooperation Act of 1948 which deals with surplus agricultural commodities clearly states that "in providing for the procurement of any such surplus agricultural commodity for transfer by grant to any participating country in accordance with the requirements of such country, the administrator shall insofar as practicable and where in furtherance of the purpose of this title, give effect to the following"—

In other words, the relief of American agricultural surpluses is clearly made subordinate to the basic purpose of the act, the meeting of the European recovery requirements. This amendment reverses this principle, and constitutes a fundamental change in the legislative intent. It is clear that the basic legislation envisaged even in the case of especially considered surplus agricultural commodities was not a law to relieve American agricultural surpluses, but an act to promote European recovery. This provision would shift the emphasis from fostering European recovery to providing special treatment for particular American agricultural surpluses. The inevitable result would be to change the nature of the program, imposing new duties and obligations upon the administrator, which are entirely different from those prescribed in basic law.

In other words, the broad discretionary authority of the Administrator under existing law would be circumscribed by this amendment, which sets forth new obligations and duties which the Administrator must follow. Can anyone doubt that a positive policy of action is laid down in this amendment? If so, it is obviously new legislation, even though in a negative way.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LUCAS. I should like to finish my statement, if I may.

Mr. McKELLAR. Very well.

Mr. LUCAS. Mr. President, the question of placing legislative amendments on appropriation bills has arisen on several occasions in the House of Representatives. The decisions of the Chair in several instances where this occurred are very illuminating. On October 4, 1925, this question was ruled upon in the House of Representatives. The Chair made these comments:

> A limitation may be placed upon an appropriation bill but it must be a limitation only. It must not in effect change existing law.

He also stated:

> In the final analysis the question is: Does the program carry matter, the effect of which is to change existing law, to make it unlawful, to do that which before was lawful?

One of the clearest statements on this question was made by the distinguished senior Senator from Texas when he was a Member of the House of Representatives in 1923. The statement is to be found in Hinds' Precedents, page 614, precedent No. 1606. On January 19 of that year the distinguished Senator from Texas, who was then a Member of the House of Representatives, rose and made this comment on the question of limitations:

> A limitation must be absolutely negative. It must be in the nature simply of a veto. It cannot direct the executive officer in the discharge of his duty under existing law. Whenever it does, it ceases to be a limitation and becomes legislation in violation of the rule.

The distinguished Speaker of the House at that time, as will be found on page 615 of Hinds' Precedents, precedent No. 1606, took the liberty to quote what the Senator from Texas had said upon the question at that particular time, and incorporated it in his opinion.

On January 6 of 1923, the same question was raised again in the House. In this instance the Chair in ruling in favor of a point of order made the following statement:

> Without endeavoring to lay down a hard and fast rule, the Chair feels the following tests may be helpful. * * * Is the limitation accompanied or coupled with a phrase applying to official functions and, if so, does the phrase give an affirmative direction in fact or in effect although not in form?

Mr. President, it was held to be legislation by the distinguished Presiding Officer of the House of Representatives at that time. The case before us is identical in that it gives an affirmative direction in a negative way. The Presiding Officer of the House of Representatives said that even though it was in negative form, nevertheless positive and permanent relief was sought. They were seeking by indirection what they could not do directly. Every lawyer knows the rule of law with respect to what I have just stated.

I continue to read from the ruling of the Presiding Officer in the House.

> Is it accompanied by a phrase which might be construed to impose additional duties or permit an official to assume an intent to change existing law?

There should be no doubt in anybody's mind that this amendment is legislation. As I stated earlier, the proposal before us would create new obligations and duties. It would curtail or modify existing powers and duties. It would definitely terminate old ones.

Mr. President, under the existing law the Administrator of this fund has unlimited and discretionary power, and the moment we tie him by this sort of a limitation, telling him what he can or what he cannot do, we change the basic law and change the duties and the obligations of the Administrator.

Mr. President, the clear intent of rule 16, as I have said earlier, is to assure thorough consideration by legislative committees of actions which would reverse programs and policies established under the law. If this purpose could be circumvented by merely stating an amendment in the negative, the rules of the body will become meaningless. From now on an important amendment to an appropriation bill can be phrased in the negative way. By framing it in the negative fashion, and seeking affirmative relief Senators will ask that it be classified as a limitation upon an appropriation.

On the other point of order with respect to the amendment being a restriction involving a contingency, I have this to say: I have read the rule.

In order to determine whether or not an amendment falls under this prohibition, consideration must be given to two factors. First, is the restriction which the amendment would impose not authorized by law? Second, is the restriction to take effect or cease to be effective upon the happening of an uncertain event? The pending amendment falls squarely under this prohibition.

The restriction contained in this amendment is not authorized by law. Nowhere in the Economic Cooperation Act is there a requirement that the Administrator must expend funds for the purchase of agricultural products in determined quantities and kinds, as is set forth in the amendment, and as set forth in the justification sheet which has been placed in the RECORD as an exhibit by the distinguished Senator from Arkansas. In fact, as I said before, and as I now repeat, under the basic law the Administrator is given a broad discretion.

It has been argued back and forth by the Senator from Nebraska [Mr. WHERRY] and other Senators that the Administrator has too much discretion under the original basic act, and that the reason they are submitting the amendment is to curtail that discretion. When the discretion of the Administrator provided for under the basic act is curtailed or limited by an amendment, his duties and obligations are limited, and therefore it becomes legislation upon a bill dealing with appropriations.

Our next inquiry must be, "Is this restriction to take effect or cease to be effective upon the happening of a contingency?" The answer to this inquiry is clear. The restriction contained in the amendment becomes effective only providing there are surplus agricultural products in the quantities and kinds refered to in the amendment.

In the exhibit presented by the Senator from Arkansas, there are 14 different contingencies involved. In other words, the ECA finances and the United States purchases are set forth. For example, bread grains, fats and oils, sugar, meats, dairy products, other foods, and so forth. All told there are 14 different categories. There must be surplus commodities in each one of these categories before the Administrator can act.

It has been said, Mr. President, that some of these products are in surplus today. That may be true. But what is in surplus today may not be in surplus tomorrow. The argument has been made over and over again before the Senate this afternoon that this kind of restriction limits the obligations and the duties of the Administrator by telling him exactly what kind of surplus commodities he can purchase, leaving apples and pears and other agricultural commodities completely out of the question. In other words, that would change his duties and obligations completely. That is

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the kind of a contingency that exists here with respect to each and every one of the commodities in question.

The contingent nature of this restriction becomes perfectly clear once we consider the true intent of the amendment. It is intended that ECA funds shall be channelized into the purchase of specific products. That this is its true intent is made clear by the fact that the recovery program is penalized if these funds are not expended for this purpose. If they are not so expended they will be taken away entirely from the ECA.

That is one of the purposes of the amendment, as was stated this afternoon. In other words, the Senator from Arkansas said that if there is no surplus in bread grains, the money appropriated for the purchase of bread grains returns to the Treasury, making it impossible for the Administrator to spend that money on any other commodity which might be in short supply.

The restriction which this amendment contains is one which in intent and purpose provides that a large and substantial portion of the ECA appropriation shall be expended for surplus agricultural products. Whether or not the intent and purpose of this amendment will be given effect is dependent upon whether or not there will be certain agricultural products in surplus. If such products are not in surplus this restriction in its proper sense does not become effective. In my opinion there is no escaping from the conclusion that this amendment amounts to a restriction not authorized by law to become effective upon the happening of a contingency.

It is not an answer to say that there is not a contingency for the reason that certain agricultural products have already been declared surplus. As I have said, what is surplus today may not be surplus tomorrow. Assume that a war were to break out tomorrow. There would probably not be a surplus in any crop which had been declared surplus by the Department of Agriculture up to now.

The word "contingency" has been used in legal terminology for centuries. Its meaning is perfectly clear. A contingency is an event which is uncertain. It is the opposite of that which is absolutely certain to occur. We have no assurance that any particular product will remain surplus or will be declared surplus. The declaring of agricultural items as surplus by the Department of Agriculture is beyond a doubt a contingency within the meaning of this section.

Mr. President, for the two reasons which I have submitted, I contend that this amendment is legislation upon an appropriation bill, as well as a restriction, in violation of rule XVI, section 2, involving a contingency, and that the point of order should be sustained.

Mr. McKELLAR. Mr. President, to demonstrate that this is not new law, I wish to read from the ECA Act itself, which was passed in April 1949. This is the language of it:

(2) In providing for the procurement of any such surplus agricultural commodity, the Administrator—

That is the ECA Administrator—

shall, insofar as practicable and applicable, and after giving due consideration to the excess of any such commodity over domestic requirements, and to the historic reliance of United States producers of any such surplus agricultural commodity upon markets in the participating countries, provide for the procurement of each class or type of any such surplus agricultural commodity in the approximate proportion that the Secretary of Agriculture determines such classes or types bear to the total amount of excess of such surplus agricultural commodity over domestic requirements.

Again:

(e) Whenever the Secretary of Agriculture determines that any quantity of any surplus agricultural commodity, heretofore or hereafter acquired by Commodity Credit Corporation in the administration of its price-support programs, is available for use in furnishing assistance to foreign countries, he shall so advise all departments, agencies, and establishments of the Government administering laws providing for the furnishing of assistance or relief to foreign countries (including occupied or liberated countries or areas of such countries). Thereafter the department, agency, or establishment administering any such law shall to the maximum extent practicable, consistent with the provisions and in furtherance of the purposes of such law, and where for transfer by grant and in accordance with the requirements of such foreign country, procure or provide for the procurement of such quantity of such surplus agricultural commodity. The sales price paid as reimbursement to Commodity Credit Corporation for any such surplus agricultural commodity shall be in such amount as Commodity Credit Corporation determines will fully reimburse it for the cost to it of such surplus agricultural commodity at the time and place such surplus agricultural commodity is delivered by it, but in no event shall the sales price be higher than the domestic market price at such time and place of delivery as determined by the Secretary of Agriculture, and the Secretary of Agriculture may pay not to exceed 50 percent of such sales price as authorized by subsection (f) of this section.

I have read that language to demonstrate to the Senate that what is proposed by the McClellan amendment is simply to carry out that law. It is not in derogation of the law. The purpose is to make the law effective. Therefore the Congress has a perfect right—indeed, it is the duty of the Congress—to fix a limitation on the money which is appropriated, so that the will of the Congress, as expressed in the law enacted by Congress and signed by the President, shall be carried out. Is not that good sense?

Mr. President, I am not much of a parliamentarian; indeed, I am a very poor parliamentarian; but if ever a Congress declared what it wanted an administrative official to do, Congress has done so in this instance so far as farm surpluses are concerned. Are we going to disregard what we have done before? Are we going to disregard the law? It is not a new law. It has been on the books for more than a year. The purpose of this amendment is to carry out the law, to make it effective.

This amendment is a limitation, pure and simple, on the money which is appropriated for a certain purpose. So, Mr. President, without going into the matter further, I express the hope that the Chair will hold that this limitation is simply a limitation on an appropriation bill, as specifically provided by the law, and that we may make the law effective by such a limitation upon the appropriation. In my judgment it ought to be done.

The VICE PRESIDENT. Are there any further arguments on the point of order?

Mr. McCLELLAN. Mr. President, I can add very little to what the able Senator from Tennessee has just said. I contend that this amendment would go into effect the minute the bill was passed. It would not await the happening of any contingency, because the surplus already exists. The amendment would immediately go into effect. It is not dependent upon the happening of some contingency. Certainly if there were no surpluses already declared, the existence of a surplus would be a contingency. But I ask Senators to examine the amendment. It goes into effect, and the money is restricted, when the bill is passed. There is no contingency which is about to arise, or which may some day arise, because the condition now exists. We are legislating in regard to a condition, not in regard to some future contingency. I submit that the contingency argument in reference to that part of the rule is not tenable.

As the able chairman of the Appropriations Committee has said, the amendment constitutes a limitation to make certain that the legislation which Congress already has enacted is enforced by means of withholding the money from use for any purpose except the one for which Congress has provided in the basic legislation that the Administrator shall use the money.

Mr. WHERRY. Mr. President, I should like to make one observation. I shall not dwell at all on the contingency argument.

I wish to speak about the observation the majority leader made relative to the fact that the McClellan amendment restricts the over-all authority of the Administrator which is provided in section 112 (d) (1). My contention is that it does not. I contend that the act admonishes the ECA Administrator as to what he shall do, but the McClellan amendment simply provides an effective way by which the act shall be carried out, and is not a limitation.

The paragraph reads as follows:

(1) The Administrator shall authorize the procurement of such surplus agricultural commodity only within the United States.

That is what the Administrator is directed to do. If there is a surplus, the ECA dollars are supposed to be spent in this country for that surplus agricultural product. That is the condition under which this law has been written. That is the safeguard which was placed in this act. It could apply to various commodities, including machinery, if that were desired. It is not limited to agricultural products. I think the Administrator should spend the amount of money which is justified for the purposes for which the money is appropriated.

The money should be spent for those purposes, and for no others.

Let us consider the practical effect of the McClellan amendment, as I understand it. The Senate knows that the Foreign Aid Act, as I have just mentioned it, and as pointed out by the Senator from Illinois, contains a provision which seemingly requires the use of ECA dollars for the purchase of surplus agricultural commodities. It relates only to surplus commodities. If there is no surplus, to my mind there is no contingency; and if there is no surplus, the McClellan amendment does not apply. But if there is a surplus, the basic act requires that the Administrator shall purchase the surplus from the farmers of the United States with the ECA dollars. However, no means of enforcement is provided in the act.

So, Mr. President, a careful reading of section 112, paragraph (d), and of section 112, paragraph (d) (1), convinces me that for all practical purposes in the act there is no guarantee that surplus agricultural commodities will actually be purchased with ECA dollars when the situation arises that we have surplus agricultural commodities in this country.

Let me illustrate my point specifically. Since the colloquy this afternoon, I have assembled the facts in regard to a recent instance which, in my judgment, has not received public recognition. The ECA authorized Britain to use $10,000,000 of ECA funds for the purchase of cheese in Canada during the last fiscal year. Following that authorization, cheese was declared surplus in the United States. As I understand section 112 of the authorization act, that declaration should automatically have brought that provision into full effect. If the provision means what it says, immediately the ECA should have seen to it that that money was used to buy cheese in the United States. But what actually happened was that Britain made arrangements to buy the cheese from Canada without the use of ECA dollars, and then the amount of ECA dollars previously authorized for the purchase of cheese was used by Great Britain for other purposes. That is exactly what happened.

So the intent of Congress in the basic law, which the distinguished Senator from Illinois has mentioned, was bypassed and circumvented. Instead of using the money to purchase the surplus cheese in the United States, Great Britain refused to buy cheese in the United States, but bought the cheese in Canada. Great Britain used her own money for that purpose, but used the ECA dollars for some entirely different purpose. That is exactly what happened.

All the McClellan amendment provides, in effect, is that if Great Britain needs the cheese—$49,000,000 worth, this time—there will be an effective way by which the basic law will now be carried into operation, namely, in the case here mentioned, the money allocated on the basis of the justification will have to be spent by the Administrator in the United States of America for cheese, and Great Britain cannot buy cheese elsewhere and then use the ECA funds for something else.

In the case to which I have referred, the United States ECA dollars which should have been used to buy United States cheese, were diverted to other purposes for the benefit of Great Britain, not for the benefit of the American dairymen or the American taxpayers, whose interests we thought we had protected in the basic ECA act.

Mr. President, what I say about this matter goes as well for every other authorization justified in connection with the ECA Act of last year, whether it be as to cheese, machinery, or something else. This amendment would apply to anything. It does not have to be limited in application to agricultural commodities, but it can be applied to anything covered by the bill.

As I see it, the McClellan amendment seeks in the most effective way possible to remedy this situation. Unless we are prepared to include in the bill a limitation on the use of ECA funds in the procurement of agricultural products which may become surplus in the United States—and, in fact, some of which are now in surplus—the United States farmer, the United States dairyman, and the United States taxpayer will suffer.

If the countries of Europe really need these commodities—although the opponents of this amendment make me a little suspicious that the countries of Europe do not need them—then why in the world do not those countries get these commodities in the United States with the ECA dollars we provide? The ECA dollars are our dollars, and the commodities are our commodities. Under the amendment, the countries of Europe will receive what they really need. I fail to see how anyone will be harmed by the amendment.

Defeat of the McClellan amendment will be a blow to the American farmer, Mr. President, and will be a blow he will not like. However, when the McClellan amendment is offered to help the American farmers get a fair share of the ECA funds, technicalities are raised; but they can only have the effect of injuring the American farmers and the American taxpayers, because if the foreign countries do not need this money, it should not be appropriated, but should be returned to the United States Treasury. If the participating countries do not need $51,000,000 worth of cheese, why should we justify the expenditure of ECA funds for the purchase of cheese and then permit the foreign countries to buy cheese in other countries and use the ECA money for other purposes?

Mr. President, I wish to answer the argument which has been advanced as to bilateral agreements, for instance, bilateral agreements with Russia for the purchase of coarse grains, and bilateral agreements with Argentina for the purchase of beef, with the result that ECA dollars are used to the detriment of the American producers of beef or grain. Even though American producers will be hurt in those ways unless we make provision to prevent it, some persons are reluctant to raise a hand to see to it that the ECA funds we provide are used for the benefit of American producers of commodities which are in surplus supply in the United States.

Of course Britain is very eager to get all the ECA dollars she can get. The amendment stipulates that if a participating country needs a given commodity, and if the commodity is in surplus supply in the United States, the participating country must buy it in the United States or else that country cannot use those ECA dollars for some other purposes. This is the crux of the whole issue, not only with respect to cheese or other foods, but with respect to every justification in the entire appropriation bill. The issue is just as simple as I have now stated it. I am satisfied that when this situation is made plain, the American farmers will understand it; and they will know where to place the blame as agricultural surpluses continue to pile up in this country and as prices go down and as the participating countries buy such products elsewhere, and then divert the ECA dollars to other uses.

Mr. President, as I have said, I shall not discuss the contingency proposition. Of course that argument could be made against general legislation at any time. It could be made against the entire bill, if that were desired, because the whole bill is predicated upon certain contingencies. That argument could have been raised against any of the appropriation bills, including the independent offices appropriation bill, in which there were at least 20 amendments which are dependent upon contingencies. Yet no Member of the Senate raised his voice in opposition to them on the ground that they constitute legislation on an appropriation bill. If in this instance Senators wish to rely upon a technicality, one which I think will harm the American farmers and taxpayers, then why is that this technical procedure has not been resorted to in other cases?

As I view the amendment, it simply provides a means whereby section 112 will assure the American farmer that when there is a surplus, the Administrator will use the ECA dollars to buy the surplus, under the justification, in the case of a participating country which wants such commodity. If that is not done, then there is no use of justifications, there is no use to put in a justification for anything. All we should do is appropriate $3,608,000,000, give it to the Administrator, and let him spend it as he chooses.

The same statement applies to every other appropriation bill. This is not an exceptional bill. It is for foreign aid, but it is not different in principle from a domestic bill. I would not for a moment consent, for example, that an appropriation for rivers and harbors should be authorized in the full amount without providing how the money shall be spent. This bill constitutes a complete and radical departure. If the argument is carried to its full and final conclusion, every Member of the Senate is voting, if he votes against the amendment, to do what? To provide only that a lump-sum appropriation be made, and to give the Administrator all the authority he wants to spend the money any way he sees fit.

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The VICE PRESIDENT. Is there any further argument on the point of order? If not, the Chair will rule.

The Chair would like to say that as a Member of the Senate and as a member of the Committee on Appropriations in 1948 he had some part in writing the agricultural provisions of the Economic Cooperation Act, and the Chair supposes he would be justified in relying somewhat upon his memory as to the reason for the inclusion of the provisions in the act itself. The act of April 1949 which amends the original act does not in any way deal with the agricultural situation, and therefore it is unnecessary to refer to it.

Since this matter arose last week, the Chair has been trying his best to arrive at a logical judgment as to what the apparently conflicting rules of the Senate mean with respect to the question which is now before him. It has not been an easy task to clarify some of the situations that arose last week, which are not before the Chair at this time. Nothwithstanding his part in the authorship of the agricultural provisions of the bill in 1948, his judgment from a parliamentary standpoint must be wholly aside from any convictions or opinions he may have as to the merits of the amendment. It is purely a parliamentary question and the Chair realizes that whatever his decision may be he may be overruled; which is the privilege of the Senate, for in the final analysis the Senate has the right to interpret its own rules.

In the agricultural provisions of the original act the Administrator is given wide discretion. In other words, whenever the Secretary of Agriculture declares any commodity to be surplus—and the law defines what a surplus is, which is also to govern the Secretary of Agriculture in determining when any commodity is surplus—the Administrator is given considerable discretion by the language, "That insofar as practicable and in pursuance of the objectives of this act." So that he is not hide-bound by the law. He is not bereft of discretion and judgment in determining to what extent the existence of a surplus is practicable for purchase under the Economic Cooperation Act and to what extent its purchase advances the purposes of the act itself.

There are certain modifications carried in three or four paragraphs of the original law which the Chair need not read, but which emphasize and broaden the Administrator's discretion, because he is required to give consideration to certain things which are set forth in paragraphs 1 and 2 of subsection 4 of section 112.

It being admitted that the Administrator has this discretion, and that it must be considered in connection with the practicability of the exercise of the power, together with its harmony with the purposes of the act itself, the question therefore is, Does the amendment which is now before the Senate change that discretion or lessen or modify the law under which he is supposed to act?

Undoubtedly any amendment which takes away from the Administrator any of the power which he now has is legislation. It restricts his discretion. It is not certain that he can, under this amendment, even consider the practicability of the purchase of agricultural products or whether their purchase is in consonance with the purposes of the act itself, because while the original amendment last week affirmatively required him to use a certain amount of money for the purchase of agricultural products, the amendment now before the Chair provides that unless he uses it for that purpose he canot use it at all.

It has been admitted on both sides in the debate today that one of the objects of the amendment is to prevent his expending the money for any other purpose except the purchase of these agricultural commodities. The Chair supposes that primarily it might be said the object is to provide for the purchase of American commodities in connection with the European recovery plan, in order to provide a market for certain agricultural commodities. But it has been admitted by the author of the amendment himself that one of the objects, and it may be a secondary object, is to prevent the Administrator from expending the money for any purpose unless he spends it for this purpose. In the opinion of the Chair, that is a fundamental change in the basic law under which the Administrator operates. It therefore violates the rule prohibiting the Committee on Appropriations from bringing in an amendment providing new or general legislation on an appropriation bill.

It is contended that notwithstanding it changes the law and therefore is new or general legislation, it is in order because it is a restriction or a prohibition against the expenditure of this money except for one definite purpose.

The amendment to rule XVI, which was referred to and quoted by the Senator from Illinois, was added to the rules by the Reorganization Act of 1946. It had not theretofore been a part of the rules. Section 2 reads:

> The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restrictions on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency.

Congress, by the passage of the Reorganization Act, evidently meant to restrict the Committee on Appropriations further than it had been theretofore restricted by the addition of this prohibition in the rules against even limitations, if they were in violation of existing law or if they were dependent upon the happening of some contingency.

Does this amendment fall within that prohibition? The Chair, in deciding the question, is not required to determine the wisdom of the budgetary justification of the Administrator in submitting the needs of ECA to the Congress, any more than he would be bound by budgetary estimates of the Directory of the Budget on which a point of order might be raised.

Is there a restriction or prohibition based upon a contingency? If so, what is the contingency? The only contingency which the Chair can think of at the moment would be the contingency as to whether there is a surplus of agricultural products—not all of the 14 products set out in the budgetary justification, but any of them. It would be difficult to foresee that the Secretary of Agriculture, during the life of this appropriation bill, might be able at all times to certify a surplus of agricultural products in all or any of the categories mentioned, because the conditions prescribed under which a product is declared surplus might change from month to month. It follows, therefore, that if during the year during which the appropriation is operative there should not be a surplus in any of the products mentioned in the justification, then the expenditure of the money, or part of it, would depend upon the fact that there was not a surplus of agricultural products in that particular field. If there is a surplus in all of them or in any of them at this time, and 6 months from today it should turn out that there is not a surplus, and the Secretary of Agriculture should certify to that fact, the Administrator would be governed by that certification, and the expenditure of the money would necessarily be governed by the certification as to a surplus that might exist at any time during the 12 months during which the appropriation is operative.

The Chair will say that in reaching his conclusions in this matter he has relied not only on his own judgment, but upon the advice of the Parliamentarian to whom alone he can go for parliamentary advice, and not to any one else, including the Legislative Drafting Service. The Chair has reached his conclusion by his own mental processes, feeble as they are, in conjunction with conferences constantly carried on with the Parliamentarian of the Senate. Based upon that judgment and that advice, the Chair is of the opinion that the amendment violates the provisions of the rule added by the Reorganization Act, that it does depend upon the existence of a contingency that may or may not happen within 12 months, and that, therefore, it is offensive to that part of the rule under which it is being considered.

The Chair, therefore, sustains the point of order that the amendment is in violation of the rule against legislation on an appropriation bill, and in violation of the rule that even a limitation or restriction cannot be imposed if it depends upon a contingency that may happen in the future.

Mr. McKELLAR. Mr. President, with entire good feeling and with the utmost respect for the Chair, I take an appeal from the ruling of the Chair.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. LUCAS. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McKELLAR. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator from Tennessee insist on a quorum call?

Mr. McKELLAR. Yes, Mr. President.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Anderson	Hill	Morse
Baldwin	Hoey	Mundt
Brewster	Holland	Myers
Bricker	Humphrey	Neely
Bridges	Hunt	O'Conor
Butler	Ives	O'Mahoney
Byrd	Jenner	Pepper
Cain	Johnson, Colo.	Robertson
Capehart	Johnson, Tex.	Russell
Chapman	Johnston, S. C.	Saltonstall
Chavez	Kefauver	Schoeppel
Connally	Kem	Smith, Maine
Cordon	Kerr	Smith, N. J.
Donnell	Kilgore	Sparkman
Dulles	Knowland	Stennis
Ecton	Langer	Taylor
Ellender	Lodge	Thomas, Okla.
Ferguson	Long	Thomas, Utah
Flanders	Lucas	Thye
Frear	McCarran	Tobey
Fulbright	McCarthy	Vandenberg
George	McClellan	Watkins
Gillette	McFarland	Wherry
Graham	McGrath	Wiley
Green	McKellar	Williams
Gurney	McMahon	Young
Hayden	Magnuson	
Hendrickson	Maybank	

The VICE PRESIDENT. A quorum is present.

The question before the Senate is, Shall the decision of the Chair stand as the judgment of the Senate? An affirmative vote is a vote to sustain the decision of the Chair; a negative vote is a vote to overrule the decision of the Chair.

Mr. LONG. Mr. President, what is the ruling of the Chair?

The VICE PRESIDENT. The ruling of the Chair is that the amendment is out of order, for the reasons which the Chair stated.

The Secretary will call the roll.

The roll was called.

Mr. SPARKMAN (after having voted in the affirmative). When this bill was before the Senate on a previous occasion I had an arrangement with the senior Senator from Mississippi [Mr. EASTLAND] that I would pair with him on the so-called McClellan amendment. It may be that within his understanding that pair still stands. If he were present I understand he would vote "nay" on the pending question. If I were free to vote, I would vote "yea." For the reason stated I withdraw my vote.

Mr. MYERS. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND] and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from California [Mr. DOWNEY], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

I announce further that if present and voting, the Senator from Illinois [Mr. DOUGLAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Kentucky [Mr. WITHERS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Nevada [Mr. MALONE] and the Senator from Pennsylvania [Mr. MARTIN] are detained on official business.

The result was—yeas 52, nays 32, as follows:

YEAS—52

Aiken	Hill	Morse
Anderson	Hoey	Myers
Baldwin	Holland	Neely
Byrd	Humphrey	O'Conor
Chapman	Hunt	Pepper
Connally	Ives	Robertson
Donnell	Johnson, Tex.	Saltonstall
Dulles	Johnston, S. C.	Smith, Maine
Flanders	Kefauver	Smith, N. J.
Frear	Kerr	Taylor
Fulbright	Kilgore	Thomas, Utah
George	Lodge	Thye
Gillette	Long	Tobey
Graham	Lucas	Vandenberg
Green	McFarland	Wiley
Gurney	McGrath	Williams
Hayden	McMahon	
Hendrickson	Magnuson	

NAYS—32

Brewster	Hickenlooper	Millikin
Bricker	Jenner	Mundt
Bridges	Johnson, Colo.	O'Mahoney
Butler	Kem	Russell
Cain	Knowland	Schoeppel
Capehart	Langer	Stennis
Chavez	McCarran	Thomas, Okla.
Cordon	McCarthy	Watkins
Ecton	McClellan	Wherry
Ellender	McKellar	Young
Ferguson	Maybank	

NOT VOTING—12

Douglas	Martin	Sparkman
Downey	Miller	Taft
Eastland	Murray	Tydings
Malone	Reed	Withers

The VICE PRESIDENT. On this vote the yeas are 52, the nays are 32, so the decision of the Chair stands as the judgment of the Senate.

Mr. McCLELLAN. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. Is it in order now to move to suspend the rules, pursuant to notice previously given, or must this amendment wait until action on the other committee amendments is had?

The VICE PRESIDENT. After advising with the Parliamentarian, the Chair is of the opinion that the amendment would come as an individual amendment now, and probably should await action on the committee amendments. But it will be in order.

Mr. McCLELLAN. It was my thought, however, that since a point of order had been made against the amendment and sustained, it would go out of the bill.

The VICE PRESIDENT. The Senator might ask unanimous consent to offer his motion to suspend the rules at this time. Is that what he has in mind?

Mr. McCLELLAN. I did not want to lose my right.

The VICE PRESIDENT. The Senator will not lose his right.

Mr. McCLELLAN. I was merely inquiring about that point.

The VICE PRESIDENT. The Senator will not lose his right.

The clerk will state the next committee amendment.

The next amendment was, on page 4, line 8, after the word "financing", to strike out "not to exceed $500,000 shall be available for expenditures of a confidential character (other than entertainment) under the direction of the Administrator or the Deputy Administrator, who shall make a certificate of the amount of each such expenditure which he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the amount therein specified."

Mr. HAYDEN. Mr. President, as originally presented to the Senate from the Committee on Appropriations the sum of $500,000, appearing in line 8, was reduced to $200,000. In order to perfect the amendment before it is voted on I offer an amendment in line 8, on page 4, to strike out "$500,000" and insert in lieu thereof "$200,000."

The VICE PRESIDENT. The clerk will state the amendment to the committee amendment.

The CHIEF CLERK. On page 4, line 8 in the committee amendment, it is proposed to strike out "$500,000" and insert "$200,000."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Arizona [Mr. HAYDEN] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. HAYDEN. Now I suggest the rejection of the committee amendment, as amended.

The VICE PRESIDENT. The question now is on the committee amendment, as amended, striking out "$500,000" and inserting "$200,000."

Mr. HAYDEN. No; the language now is to be stricken out of the bill.

The VICE PRESIDENT. The Senator is referring to the House language?

Mr. HAYDEN. Yes, the language of the House. Having reduced the amount from $500,000 to $200,000, I now suggest that the committee amendment, as amended, be rejected. That will leave the amount of $200,000.

Mr. McKELLAR. That is entirely satisfactory to me.

The VICE PRESIDENT. The question is on the committee amendment, as amended. [Putting the question.] The "noes" seem to have it.

Mr. WHERRY. Mr. President, I ask for a division. I do not believe the Members of the Senate heard all the colloquy which has just taken place.

The VICE PRESIDENT. Will the Senator from Arizona again make his suggestion, and will Senators be in order.

Mr. HAYDEN. I will explain to the Senate that when the bill was originally reported to the Senate, the House language remained in the bill, except that the Senate committee recommended that the sum be reduced from $500,000 to $200,000. So I first offered an amendment to perfect the amendment by reducing the amount from $500,000 to $200,000. If we now reject the committee amendment, as amended, the sum will remain at $200,000.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McCARRAN. By rejecting the committee amendment we restore or replace the language that has been stricken out by the committee.

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Mr. HAYDEN. We make the sum $200,000 instead of $500,000.

Mr. LODGE. Mr. President, was it the decision of the committee that this reduction be made?

Mr. HAYDEN. Yes.

Mr. LODGE. Was it the unanimous view of the committee?

Mr. HAYDEN. Yes.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LANGER. The same action was taken the other day, was it not?

Mr. HAYDEN. No; we did not get to this the other day.

Mr. McKELLAR. We did not get that far in the bill.

The VICE PRESIDENT. The question is on the committee amendment as amended. [Putting the question.] The "ayes" seem to have it. Apparently what the Senator from Arizona did not want to have done has been done.

Mr. HAYDEN. A negative vote is necessary.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Chair restate the question.

The VICE PRESIDENT. Without objection, the Chair will restate the question. The question is on the committee amendment, as amended by the amendment offered by the Senator from Arizona, striking out $500,000 and reducing the amount to $200,000.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. A negative vote means that the amendment carries?

The VICE PRESIDENT. A negative vote means that the House language is restored with the reduction from $500,000 to $200,000.

Mr. McKELLAR. Mr. President, I have no objection to that.

The VICE PRESIDENT. The question is on the committee amendment, as amended.

The amendment, as amended, was rejected.

ADDITIONAL APPROPRIATIONS FOR CONTROL OF EMERGENCY OUTBREAKS OF INSECTS AND PLANT DISEASES—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report on House Joint Resolution 327, making an additional appropriation for control of emergency outbreaks of insects and plant diseases, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The conference report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert, "$1,750,000"; and the Senate agree to the same.

CARL HAYDEN,
ELMER THOMAS,
JOSEPH C. O'MAHONEY,
MILTON R. YOUNG,
CHAN GURNEY,
GUY CORDON,
Managers on the Part of the Senate.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

STATEHOOD FOR ALASKA AND HAWAII—STATEMENT BY SENATOR MAGNUSON

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement which I present to the Senate regarding statehood for Alaska and Hawaii.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

As probably every Member of the Senate is aware, the Hearst newspapers have been making a current poll of the Congress to determine the thinking of all of its membership on the important subject of statehood for Alaska and Hawaii.

The showing made in this canvass, which is now virtually complete, is so overwhelmingly in favor of bringing these two great Territories into the Union that, in my opinion, it should command the attention of the Congress.

The sentiment of the Congress, as indicated by this unofficial poll, is about 3 to 1 in favor of statehood for Hawaii, and I understand that the showing made in favor of Alaskan statehood is almost as good. There has been a strong showing for immediate action. This is what might have been expected, since the Congress has studied the issue intensively for the past 10 years. I believe that in that time there has never been an adverse report submitted by one of its investigating committees. Eight such committees have made visits to the Territories; six to Hawaii and two to Alaska. They have returned to write into the records of the Congress about 4,000 pages of reports setting forth the qualifications of the two territories. I mention this because it is apparent, as this unofficial poll makes clear, that the membership of the two Houses of the Congress is familiar with the issue of statehood for both Territories, and is ready to act.

In the Eighty-first Congress, the House Public Lands Committee reported unanimously in favor of statehood for both territories. I believe that the Rules Committee of that body has not reported the bills, and that the legislation is static in the House. The Senate, however, does not lack responsibility, since the legislation which would have brought the great archipelago of Hawaii into the Union was approved by the House. In the Eightieth Congress the Senate failed to take action.

As the sponsor of one of the bills which would bring about Alaskan Statehood, and as an advocate of statehood for both Territories, I wish to remind the Senate that in May of 1948 the President of the United States submitted a special message to the Congress, urging that Alaska be brought into the Union speedily. It is my further recollection that in January of this year the President gave his personal assurances to the Delegate from Hawaii of his interest in seeing Hawaiian statehood through. I submit that this Congress can take this action expeditiously, and go down in history as the one that admitted two great States to the Union.

LEAVE OF ABSENCE

Mr. HICKENLOOPER asked and obtained consent to be absent from the sessions of the Senate beginning tomorrow, through Monday next.

RECESS

Mr. LUCAS. Mr. President, it is now 6:15. We have had a rather long afternoon, and have accomplished a great deal. I do not believe we can do anything more today. So I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Thursday, August 4, 1949, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 3, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. James P. Wesberry, LL. D., offered the following prayer:

Thou, O Holy Father, hast been our Nation's help in ages past; Thou art her hope for years to come and her shelter from every stormy blast. Through Thine eternal goodness Thou hast laid her foundations of religious and civil liberty. Thou hast given to us a great and goodly heritage of faith, freedom, and heroic sacrifice. It is our humble petition that we may be true to these ideals upon which Thou hast founded and preserved our Nation. May our Nation ever be, as she has been so gloriously in the past, the home of liberty, brotherhood, and justice for all. And to this end we dedicate the opportunities of this day. In the name of Him who came that we, through Him, might have life and have it more abundantly we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4177. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference

with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. RUSSELL, Mr. MCKELLAR, Mr. FERGUSON, Mr. BRIDGES, and Mr. CORDON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following title:

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended;

S. 1323. An act to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes; and

S. 1745. An act to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1250) entitled "An act to amend the Institute of Inter-American Affairs Act, approved August 5, 1947," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCMAHON, Mr. GREEN, Mr. FULBRIGHT, Mr. WILEY, and Mr. LODGE to be the conferees on the part of the Senate.

EXECUTIVE OFFICE AND SUNDRY INDEPENDENT EXECUTIVE BUREAUS APPROPRIATION BILL, 1950

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. THOMAS of Texas, GORE, ANDREWS, CANNON, CASE of South Dakota, and PHILLIPS of California.

LOWER SOURIS NATIONAL WILDLIFE REFUGE

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. THOMPSON, HARE, and WEICHEL.

PERSONAL ANNOUNCEMENT

Mr. BYRNE of New York. Mr. Speaker, on yesterday I was unavoidably detained and was not able to be present when the vote was taken on roll call 150. If I had been present I would have voted "yea."

COMMITTEE ON EDUCATION AND LABOR

Mr. KELLEY. Mr. Speaker, I ask unanimous consent that the subcommittee of the House Committee on Education and Labor may be permitted to sit today during the session of the House during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. DEGRAFFENRIED asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include two items.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD in two instances and include in one an editorial and in the other an editorial from the Washington Post of July 21.

MUNICIPAL COURT, DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to file a supplementary report on the bill (H. R. 1370) authorizing the appointment of three additional judges of the municipal court for the District of Columbia, describing the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments may be permitted to sit during the session of the House today during general debate.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, is that agreeable to both sides?

Mr. PRIEST. I was asked to make the request. I checked with the gentleman from Michigan, who is a member of the committee, and I assume it is agreeable.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Subcommittee on Health, Science, and Commerce of the Committee on Interstate and Foreign Commerce be permitted to sit during the session of the House today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

CONTROL OF EMERGENCY OUTBREAKS OF INSECTS AND PLANT DISEASES

Mr. KERR submitted the following conference report and statement on the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases:

CONFERENCE REPORT (H. REPT. 1166)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,750,000"; and the Senate agree to the same.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

CARL HAYDEN,
ELMER THOMAS,
JOSEPH C. O'MAHONEY,
CHAN GURNEY,
GUY CORDON,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment, namely:

Appropriates $1,750,000 for control of emergency outbreaks of insects and plant diseases instead of $1,500,000 as proposed by the House and $3,500,000 as proposed by the Senate.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

Mr. KERR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on House Joint Resolution 327.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report was agreed to.

UNIVERSITY OF MICHIGAN LIBRARIES

A motion to reconsider was laid on the table.

MINIMUM-WAGE LEGISLATION

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a table.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, there has been considerable interest in the so-called flexibility feature of the minimum-wage legislation, and at the request of a number of Members I shall include in my remarks a table showing how changes in the cost of living would affect the minimum. There is a controversy as to the amount, whether it shall be 75 cents or 65 cents or some other amount, but in any event it seems to me that it should be governed by the cost of living. If we had had such a provision when the 1938 act was adopted, we would now have a minimum of around 54 cents on one formula or 65 cents on another formula, and we would be spared this unfortunate controversy as to whether or not it is to go to 75 cents, which, in my judgment, is too high.

How changes in the Consumers' Price Index would affect the minimum wage if sec. 6 of H. R. 4272 were adopted

The minimum wage will be—	When the index is—	Percent change in index from 170.2 (average for 12 months ending Oct. 15, 1948)
Cents	*1935–39=100*	
50	130.9	−23.1
51	133.5	−21.6
52	136.2	−20.0
53	138.8	−18.4
54	141.4	−16.9
55	144.0	−15.4
56	146.6	−13.9
57	149.3	−12.3
58	151.9	−10.8
59	154.5	−9.2
60	157.1	−7.7
61	159.7	−6.2
62	162.3	−4.6
63	165.0	−3.1
64	167.6	−1.5
[1] 65	170.2	0
66	172.8	1.5
67	175.4	3.1
68	178.1	4.6
69	180.7	6.2
70	183.3	7.7
71	185.9	9.2
72	188.5	10.8
73	191.1	12.3
74	193.8	13.9
75	196.4	15.4
76	199.0	16.9
77	201.6	18.4
78	204.2	20.0
79	206.9	21.6
80	209.5	23.1

[1] Proposed 1949 minimum wage.

Mr. Speaker, the Legislative Reference Service has prepared a Public Affairs Bulletin entitled "The Question of a Flexible Statutory Minimum Wage." Gustav Peck, of the Library staff, has assembled all of the arguments, pro and con, for tying the minimum wage to the cost of living index. He also discusses other proposed methods for obtaining the necessary flexibility in a statutory minimum wage.

Mr. Peck's study will be of particular interest to Members who favor the principle of flexibility in minimum-wage legislation. When this legislation is considered by the House an amendment to the Lesinski bill establishing a rigid 75-cent minimum will be offered by the gentleman from Texas [Mr. LUCAS]. This amendment establishes the minimum at 65 cents but provides that it shall increase or decrease in relation to the consumer's price index. In no event shall the minimum be less than 50 cents an hour.

Under permission to extend my remarks, I wish to include in the RECORD the following excerpts from Mr. Peck's study:

The basic argument for a flexible minimum wage is the universal experience that prices and the cost of living do fluctuate and that a given amount of money—say, 75 cents per hour—has entirely different material content at different times. For instance, average hourly earnings in all manufacturing industries in 1938–39, when the 25-cent minimum rate became operative, were only 63 cents. The difference between those earnings and the average hourly earnings in the first half of 1949, which were $1.37, is 74 cents per hour. But this does not mean that the real earnings of the average factory employee have more than doubled. About 70 percent of this increase represents the lower buying power of the dollar now as compared with 1939. Only 22 out of the 74-cent increase represents the increase in the goods and services available to the average factory worker after a period of 10 years. The reverse would be true if the cost of living were to go down to the level of 1938–39. If that were to happen and money wages were to remain fixed, there would be an increase of approximately 70 percent in the real income of wage earners.

The question is not whether the receipt of such an increase in real income would be a good or bad thing in itself but rather whether a 70-percent decline in prices (and some concomitant decline in production) could support the payment of 75 cents per hour for the least skilled and least experienced workers, when average workers earn traditionally twice the minimum and skilled workers and mechanics three to four times the minimum.

Pegging minimum wages at a relatively high level before a general and substantial decline in prices and the cost of living, has never been experienced since the establishment of minimum wages by States and by the Federal Government. Our whole experience has been with statutory (or wage board) minimum wages lagging behind rising prices and actual wages and the belated efforts of wage boards and the Congress to fix statutory minimum wages at some higher point at which competition and higher prices had already driven minimum wages in most establishments.

* * * * *

In all previous periods of recession wage rates have not gone down as much as prices. This is likely to be true in any future business recession. Under these conditions the purchasing power of prevailing wages actually increases while unemployment grows. If the money wage at the minimum is pegged by a fixed statutory minimum wage, the buying power of those still employed at that wage would be higher yet; but it is reasonable to surmise that the squeeze on employment between fixed money wages and declining prices would be greater. Only a reversal of the price trend would lessen the squeeze on employment. Assuming also that the relationship between wages at the minimum and above the minimum will not be greatly altered, the squeeze on employment would, of course, be felt among all classes of labor.

The theory of a statutory minimum wage is to take out of competition and make compulsory the payment of a wage to the least experienced and least efficient workers high enough to enable them to purchase the common necessities of life. In State legislation a list of these necessities is agreed upon and then they are priced to determine the amount of money required to purchase these items. The minimum wage is set at this figure. The Federal law proceeded by less direct methods; but this too purported to establish a basic standard of real goods and services. The standards adopted are necessarily modest because it is not desired to raise price levels, to cause unemployment or to drive representative employers out of business. If it were not believed that a minimum wage to purchase a really high-level budget would do one or two or all three of these things, the minimum wage would be fixed at $1.50 per hour or $2 per hour or whatever was required to purchase the high-level budget.

Assuming, then, that a modest budget is agreed upon as a basis for minimum wages, if the cost of this budget declines, it is argued that the minimum wage should decline with it. The minimum wage should be adjusted downward because a lesser amount of money would be needed to purchase the minimum budget. Otherwise, the whole technique of working up budgets and pricing them and holding hearings on them is mere window dressing designed to push up rates and nothing else.

There would remain the practical question whether a decline of 1 or 2 percent in the cost of living would be sufficient to alter the situation, as well as whether the decline has been of sufficient duration to signalize a need for adjustment. But if the cost of living and the price level break sufficiently or go down steadily so that the items in the minimum budget cost, say, $26 per week rather than $30 per week, it is argued that it would be sound to reduce minimum wages from, say, 75 cents per hour to 65 cents per hour. This would be all the more necessary because an appreciable decline in the cost of living is normally associated with even sharper declines in the general price level and in production and profits. Under such conditions unless the minimum wage were reduced, making possible a downward adjustment of wages above the minimum, it might be impossible to make the requisite adjustments in costs and prices all along the line to enable industry to operate at a high level and to avoid mounting unemployment. Inflexible costs would be responsible for a contraction of industry and employment and this would feed upon itself until we were in the midst of a real depression.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 10 minutes on Thursday and Friday of this week at the conclusion of the legislative program of the day and following any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. BURDICK. Mr. Speaker, it remained for the Indians of California to give the Congress a little encouragement. They do not want any appropriations from Congress. I ask unanimous consent to extend their statement in the

RECORD and also to extend my own remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BOGGS of Delaware (at the request of Mr. MORTON) was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks and include therein some tables from the Department of Agriculture.

BRINED-CHERRY INDUSTRY

Mr. SCUDDER. Mr. Speaker, I want to call your attention to a situation that is threatening the life of an important industry on our west coast—California, Oregon, and Washington. It is a threat to the brined-cherry industry which employs many thousands of people who could not immediately shift to any other work.

Our State Department currently is negotiating a trade treaty with Italy. One of the items under discussion is brined cherries, which account for from 65 to 85 percent of the entire crop.

If the tariff on brined cherries from Italy is reduced, if Italy is allowed to further undercut this market, we will witness the destruction of an old-established American industry. We will see jobs wiped out and families left without income. Currently domestic cherry growers are not making production costs. They cannot stand this cheap foreign competition, and they should not be required to stand it. I am completely opposed to this tariff reduction. It is unjustified and it is unnecessary.

EXTENSION OF REMARKS

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in two instances, and in one to include a magazine article.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

[Mr. TOLLEFSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. FERNANDEZ asked and was given permission to extend his remarks in the RECORD and include an editorial on the subject of Federal aid to education.

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include a statement on the effect of a budgetary limitation on the program in biology and medicine of the Atomic Energy Commission.

Mr. VURSELL asked and was given permission to extend his remarks in the RECORD.

CONSOLIDATION OF NATIONAL BANKING ASSOCIATION WITH STATE BANKS

Mr. SABATH. Mr. Speaker, I call up House resolution (H. Res. 305) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1161) to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 154]

Bates, Ky.	Gore	Pfeiffer,
Bentsen	Gregory	William L.
Blackney	Hall,	Plumley
Bland	Leonard W.	Potter
Bolton, Ohio	Havenner	Powell
Buckley, N. Y.	Hébert	Quinn
Bulwinkle	Hedrick	Reed, Ill.
Byrne, N. Y.	Hinshaw	Richards
Carlyle	Hope	Scott,
Cavalcante	Hull	Hugh D., Jr.
Celler	Jennings	Secrest
Chatham	King	Short
Chudoff	Larcade	Smith, Ohio
Clevenger	McGrath	Staggers
Coudert	McGregor	Stanley
Davies, N. Y.	Mack, Ill.	Stigler
Deane	Marcantonio	Taylor
Dingell	Mason	Thomas, N. J.
Eaton	Morrison	Towe
Elson	Moulder	Vinson
Fallon	Murphy	Welch, Calif.
Fellows	Norton	White, Calif.
Fogarty	Passman	White, Idaho
Frazier	Patman	Whitten
Furcolo	Pfeifer,	Withrow
Gilmer	Joseph L.	Woodhouse

The SPEAKER. On this roll call 363 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONSOLIDATION OF NATIONAL BANKING ASSOCIATION WITH STATE BANKS

Mr. SABATH. Mr. Speaker, this rule makes in order the bill H. R. 1161 authorizing the national banks, if so required by the stockholders, to merge with State banks. As it is now the State banks have that privilege, but the national banks do not. This bill has been carefully considered by the great Committee on Banking and Currency and comes to us with a unanimous report. I feel there is really no need to fear that because of conditions it may be necessary for the national banks to merge with the State banks.

But up to the time we adopted the bank deposit insurance bill we did have many banks that went under, which were not reorganized and went out of business. But ever since we adopted the bank insurance law covering deposits, no national bank or State bank has been liquidated. I presume the Committee on Banking and Currency is acting at the request of some banks—there might be two or three banks in small communities, or small towns—that feel it might be to the best interest of the stockholders of the bank, and even the depositors, if the national banks were permitted to have the same privilege the State banks have.

Of coure, I am immensly pleased and confident that very few banks will be obliged to merge for these banks are and will continue to remain solvent, notwithstanding the charges that are being made from time to time as to conditions in this country.

Mr. Speaker, I greatly regret to observe some of my Republican colleagues who take the floor from day to day for the purpose of making alarming and exaggerated statements relative to unemployment and recession for the sole purpose of creating fear in the minds of the American people. It appears to me that these gentlemen do not realize that they are, by their remarks, giving aid and hope to those who would be benefited if a real recession were to occur. I feel that if these gentlemen were to read the financial reports of some of our outstanding corporations and other reports on general business conditions, they would cease and desist from their destructive tactics and statements because they are not borne out by the facts as published from day to day in the Republican press.

Here are some of the profit reports appearing in the press in the past few days:

Republic Steel Corp. profit for 6 months ended June 30 was $25,477,171 versus $16,938,390 in the same 1948 period.

Youngstown Sheet & Tube Co. net income for 6 months was $17,543,365 versus $12,033,330 in same 1948 period.

Portsmouth Steel Corp. net for 6 months ended June 30 was $3,898,583 versus $1,933,460 in same 1948 period.

International Business Machines Corp. earned $16,209,105 in 6 months ended June 30 versus $13,836,161 in same 1948 period.

General Motors Corp. earned $303,678,643 in 6 months ended June 30 versus $206,763,672 in same period in 1948.

Pressed Steel Car Co. net for 6 months ended June 30 was $1,526,881 versus $666,493 for same period in 1948.

Minneapolis-Honeywell Regulator Co. net for 6 months ended June 30 was $2,443,879 versus $1,684,670 for same period in 1948.

UNIVERSITY OF MICHIGAN LIBRARIES

National Biscuit Co. net income for 6 months ended June 30 was $11,058,475 versus $10,197,157 for same period in 1948.

Noranda Mines, Ltd., earned $6,855,000 in 6 months ended June 30 versus $4,012,000 for same period in 1948.

These are but a sample of reports being published daily of the very healthy profits of large corporations so far this year.

Only a few days ago, I read that the profits listed during the first 6 months of 1949 will exceed, yes, exceed, by 14 percent the largest profits for the same period in 1948, which were the greatest in the history of our country. Though dividends have increased slightly, many of the corporations withhold from 25 to 40 percent of the gross profits that should, by all right be paid to the shareholders in the form of dividends. By so distributing these large profits we will have that much more money in circulation, which will enter trade channels as the economists tell us, and thereby stimulate and increase business generally. This will in turn, increase the demand for labor and add to our total employment figure, which is well over the 60,000,000 mark.

I have in my hand a statement by the chairman of the board of directors of the National City Bank of New York, Mr. William Gage Brady, Jr., in which he asserts there is no depression in the United States. He states that the prices of some commodities have gone down somewhat, but that it is a good sign and that many business men had hoped that such a drop had occurred 2 years ago. Mr. Brady pointed out that some of the inventories have been reduced for the reason that manufacturers were obliged to pay exorbitant prices for raw materials and goods which they now desire to dispose of before purchasing easily available supplies, materials and goods at lower prices.

In this connection, we have today a greater amount of money on deposit in the banks of the country than ever before. In many instances, withdrawals for investments and expansions are being withheld until the stock market adjusts itself. This adjustment is needed because of the unprecedented report that last week 160,000 shares of stock were sold which were not owned by the sellers, in other words "sold short." Many of our investors do not know to what extent the professional gamblers will go.

I have requested the Securities and Exchange Commission many times in the past to furnish the American public with the names of these manipulators and short sellers so that this information may be given the publicity that it deserves. My requests have been in vain. It is my candid belief that these manipulators and others who alarm the country with exaggerated statements concerning the unemployment of about 4 percent of our workers, will not succeed in bringing about the recession that they so strongly desire, notwithstanding the aid of many on this floor and in other places who hope to accomplish this desire because it may help them politically. I deplore that there should be men anywhere who, in order to obtain a little political advantage should do so to the possible detriment of our country's economy, welfare, and solidarity.

Mr. Speaker, I feel our country is in splendid condition and fervently hope it will remain so and that the prosperity that we have enjoyed for these many years will continue to be ours. The recession scaremongers seem to be more interested in aiding their great "friends" the Nazi and Japanese.

Mr. Speaker, I wish to say that notwithstanding the 4 percent of persons unemployed, we still have 60,000,000 people in employment, as I said previously, more than were employed during the war.

Consequently, I hope these Republican gentlemen, instead of trying to create fear—and they are capable of doing that—will try to strive toward a goal of bettering conditions in our Nation along constructive rather than destructive lines. Healthy thinking is the only panacea. There is nothing to fear, and as our great President Franklin D. Roosevelt said, "We have nothing to fear except fear itself." This statement is not trite for it can and should be applied to our current thinking.

Mr. Speaker, I am confident that the bill before us will be explained more thoroughly by the able and distinguished gentleman, the chairman of the Committee on Banking and Currency, the gentleman from Kentucky [Mr. SPENCE] and by other members of his committee.

Therefore, in conclusion let me again urge and plead that every Member, instead of trying to create fear, should aid in trying to bring about the real prosperity which our country has enjoyed during the last 16 years under Democratic administration and will continue to enjoy under Democratic leadership.

I now yield 30 minutes to my colleague the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may desire; and I now yield to the gentleman from West Virginia [Mr. KEE].

Mr. KEE. Mr. Speaker, on yesterday I made a unanimous-consent request that the Committee on Foreign Affairs be permitted to meet in the afternoons for the balance of this week while the Congress was engaged in general debate. That request was objected to.

I wish to announce, however, that a resolution was passed at the first of this session giving the Foreign Affairs Committee the right to meet while the Congress was in session, and the committee will meet this afternoon. I announce this fact because some of the committee members may miss a quorum call on account of the meetings of the committee, but we will be present to vote upon any important matters that may come up for consideration.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Massachusetts for a unanimous-consent request.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, the House may have before it shortly H. R. 1758, a bill to amend the Natural Gas Act. A rule was requested this morning. In announcing the program for this week last Thursday, the majority leader stated if rules were reported on certain bills "they will be called up for consideration." One of the bills was H. R. 1758.

This bill comes to the House upon the recommendation of a majority of the Committee on Interstate and Foreign Commerce. The report, No. 1140, is now available. Because of the complicated nature of the problem involved, and because of the highly controversial features of this proposed legislation, I not only want to call the attention of the Members to the fact that they can obtain now a copy of the report, but also wish to provide in convenient form in the RECORD a summary of certain essential background. I believe this will be particularly useful to those Members who have not had an opportunity to familiarize themselves with this background.

First, I would like to point out that the report contains the minority views of six members of the committee, additional minority views of four more members of the committee, and additional minority views submitted by myself.

In the portion of the report which I filed, I called attention to the fact that H. R. 1758 deals only with one problem existing within the field of production, transportation, and distribution of natural gas, and to the fact that there were other interrelated problems in that field as well as similar problems in the field of production, transportation, and distribution of coal, electric power, and petroleum.

I referred to the extensive investigation undertaken by the Committee on Interstate and Foreign Commerce during the Eightieth Congress, and I want now to make further reference to that investigation. There were 2,692 pages of evidence submitted during the public hearings. These hearings extended over a period of 39 days—from December 12, 1947, to July 28, 1948. During the course of its efforts, the committee filed six reports. I will refer to them briefly.

House Report 1270: A preliminary report on the fuel investigation discussing current shortages, the over-all petroleum situation, the need for a study, suggestions as to its scope, and recommendations for the creation of a Joint Committee on Fuel Policy.

House Report 1321: A progress report discussing the action taken by the petroleum industry and various governmental agencies as a result of committee recommendations.

House Report 1438: Petroleum and the European recovery program. This report directs attention to the world-wide petroleum demand and supply situation; the reliance placed upon the Middle East as a source of crude supply; and the world-wide expansion of production, processing, and transportation facilities simultaneously required to furnish petroleum products needed.

House Report 2342: Petroleum prices and profits. This report, based on petroleum company replies to a committee

questionnaire, discusses the industry position with respect to current prices and profits.

House Report 2460: Current petroleum outlook. This report, the first submitted under the authority of House Resolution 595, passed on June 19, 1948, was intended to inform Congress of the near term outlook as it had been presented to the committee, and to bring up to date the committee's reporting on its activities in connection with the fuel investigation.

House Report No. 2470: Mexican petroleum. This is a detailed report of the result of an extensive investigation by the committee in Mexico, as well as with experts here from several departments of Government and Legislative Reference Service concerning the petroleum resources which might be expected from Mexico. It includes at pages 15, 16, and 17, 10 conclusions and recommendations of the committee, including recommendations with reference to consideration of financial assistance to Mexico.

I think the best statement available as to the purpose, intent, and scope, as well as to the objectives of the investigation, is contained in the following remarks of the gentleman from New Jersey [Mr. WOLVERTON] on December 12, 1947, when he was presiding as chairman of the committee. This statement is as follows:

I would like to make a short statement preliminary to hearing the first witness with respect to the purpose and intent and scope of the survey or study which the committee has begun.

The subject of fuel supply and demand which we shall begin to study this morning is of outstanding importance for the Nation's economy both in times of peace and in times of war. As a matter of fact, I cannot think of any problem which looms larger as far as our future prosperity and security are concerned.

When I say we are going to begin this study today, I do not mean to imply that this committee is a newcomer in the field of fuels. I refer you to the thorough study made of petroleum in all of its aspects by this committee in more recent years beginning with the Seventy-third Congress under the subcommittee chairmanship of William P. Cole, Jr., from Maryland, and ending with a final report submitted by Chairman Lea in December 1946. Again, in July 1947, this committee held hearings on petroleum, and the then threatening shortages. The committee is thus well prepared by its past studies for the current broad investigation into the supply and demand picture as it presents itself with respect to our principal sources of energy—petroleum, coal, electric power, and natural gas.

The committee proposes to divide its study into two parts, namely, the immediate fuel situation and the long-range situation with respect to each of the afore-mentioned sources of energy. It will attempt to get as accurate a picture as possible of the Nation's over-all requirements for fuel both in times of war and in times of peace, and the supplies of each fuel which are available to meet these demands. The committee will study each field in all of its aspects—reserves, production, processing, transportation, and distribution. Great care will be taken to distinguish in the case of each fuel between the immediate short-range problems and the long-range problems of supply and demand. Particular attention will be given by the committee to the problem of interchangeability of fuels and the production of fuels from alternative sources of supply.

In announcing the hearings a few days ago, I stated that the situation with respect to petroleum was truly alarming because of the tremendous increase in the demand for all petroleum products. Present and impending petroleum shortages will undoubtedly constitute a source of harassment for our comfort. Worse yet, they may constitute a potential source of danger to our security. However, even this dark cloud has its silver lining. The shortages which we are experiencing in many fields, including petroleum, constitute the living proof of the vitality and resilience of our capitalistic economy. In a sense it is truly a tribute to our economic system that in the face of widespread forecasts of mass unemployment and closed-down plants during the immediate postwar period, we now find it necessary to concern ourselves with the problem of how to secure the energy resources required to operate our expanding economy.

It is obviously impossible for those who are not members of the Committee on Interstate and Foreign Commerce to familiarize themselves with all of these extensive hearings and reports. However, I hope that these remarks will provide all members with an understanding of the very complex and highly important problems which should be thoroughly and carefully considered by the committee with a view to a comprehensive and careful report of its recommendations. With that in mind, I want also to include the following brief excerpt from the minority views which I have submitted to accompany H. R. 1758:

To enact H. R. 1758 without relation to its effect upon these other important phases of the natural energy resources would be unrealistic and inconsistent with the committee's recognition of the necessity of developing a comprehensive national fuel policy. It might well carry with it very serious results so far as the over-all public interest may be concerned in such a national fuel policy.

The majority report states:

"The resulting confusion and uncertainty (following the Interstate case) have been such that this committee feels it is imperative that the clarifying legislation here proposed be enacted into law without delay.

"This, I think, should be carefully weighed with the admitted confusion and uncertainty prevailing as to other aspects of any national energy resources policy and the imperative necessity of developing and recommending a sound national fuel policy

"I therefore dissent from the recommendation of the majority and urge that the bill be recommitted to the committee so that it may undertake this complete investigation and study with the objective of bringing before the House its recommendations in terms of the over-all problem now facing us."

In terms of this complete investigation and study, I think Members would be interested in a few excerpts from the reports.

In House Report No. 1438, February 27, 1948, the following paragraph is significant:

While the committee's over-all study is far from concluded, the committee has progressed sufficiently to be of firm opinion that as far as our national economy and our national security are concerned, no problem looms larger than the question of the adequacy of our energy resources. Inasmuch as petroleum and associated natural gas are major sources of the Nation's fuel and energy—in the last year or two contributing more than half of the Nation's total use while coal relatively has declined—the demand and supply of petroleum is of tremendous concern.

In House Report No. 2342, June 14, 1948, I call attention to the following paragraph:

The crucial issue with which your committee has been greatly concerned, is—are present petroleum prices and resulting high profits in the public interest because, among others, they enable the industry to overcome present shortages and might tend to stimulate more prudent use of petroleum products, or are they against the public interest and should Congress, therefore, take some remedial action? Your committee is not prepared to give its answer to this question in the present report. The answer to this question is an integral part of a national fuel policy which has yet to be developed—a fuel policy whose objective it is to assure the availability at all times of sufficient fuels and energy resources to meet the needs of the United States in times of peace and war. It is the purpose of your committee, after further study and investigation, to make specific recommendations toward the formulation of such national fuel policy, and your committee's answer to the question of whether current petroleum prices and profits are in the public interest, will be included in its policy recommendations.

This report has a great deal of interesting statistical detail as well as some very informatory replies from 20 of 21 integrated oil companies to whom identical questionnaries had been submitted.

In House Report No. 2460, August 13, 1948, I want to emphasize the following two paragraphs:

With the need for full and attentive examination of this subject so important to our national well-being and to our national defense, and for the formulation of a national fuel policy, your committee long has been impressed. In view of the dramatic rise in demand for petroleum products, natural gas, and electric power, and in view of the continued uncertainty surrounding our international affairs, there is no subject more vital or meritorious of immediate and intensive study.

It is with this in mind that your committee renewed hearings within the first week after the adjournment on June 19, and will continue to meet throughout the summer and fall in the hope that preliminary if not definite conclusions and recommendations to the Congress soon may be reached.

I also want to quote several paragraphs of the committee's observations on longer-range petroleum outlook. They are as follows:

The ascertainment of the multitudinous facts in the case, the analysis of the interdependence and interplay of myriad factors, the weighing of the validity of the many estimates and assumptions both economic and political which must be made, all are matters which the committee has been and is attempting to undertake in its pending examination of the fuel situation looking toward the formulation of a national fuel policy.

There are certain specific areas of further examination already emerging of great significance.

In the field of increasing our petroleum supplies is the question of the extent to which we have reached the place where we should or must become increasingly dependent upon outside sources for obtaining such supplies. This is a matter fully interwoven with international policies and our national-defense position.

The indication has been made to the committee that in a period of national emergency our demands for petroleum would exceed our presently available supplies by

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2,000,000 barrels a day. Clearly appropriate anticipatory steps must be taken to bring such vast discrepancy into balance.

It has been suggested to the committee, on the one hand, that the preservation of an assured supply available in the event of such emergency would well imply the maintenance and building up of domestic production with limited reliance upon foreign sources. It has also been suggested that the same emergency considerations would entail the maximum effort toward importations during non-critical times for current use, with accompanying storage for emergency periods, the best storage being stated to be right in the ground.

It is certain that whatever more or less permanent dependence is placed on imports, such dependence must be with reasonable certainty of their continuation.

Such dependence requires consideration, as well, of the means of transportation. Some indication has been given of differing estimates of our tanker position 2 or 3 years hence. The Navy is reported to urge construction of some 100 tankers above those planned by the industry.

This also means consideration, also, in any event, of a normal, healthy, maintained domestic industry. Just for example in this connection, is the possibility that the immediate larger supplies are the result of too closely approaching, or somewhat exceeding, the maximum efficient rates of production, with long-run detriment.

In the field of petroleum demand there are also many significant matters. Of great importance is the kind of petroleum-product consumption which we now may be encouraging, and the result in terms of meeting any such 2,000,000-barrel-a-day deficiency in total civilian and military demand by curtailment of less civilian demand for military use.

Previous committee reports have commented on statements by witnesses of our change from a "gasoline" to a "distillate" economy. The growth of home and industrial heating and fuel uses, of Diesel power, or jet fuel, and the like, had brought a number of uses of this part of the barrel into much greater play.

Numerous industry witnesses recently have suggested that the time has arrived when the Nation should appreciate that petroleum should not be expected to fuel the entire economy. The examination of this suggestion is basic to the formulation of any fuel policy. Involved are such matters as the trend in the uses just above mentioned, the possibilities of change in jet fuel specifications to mitigate dependence on the distillates, the efficiency of our internal combustion engines and fuel burners, the dependence of our transportation system on petroleum, and the many other items outlined in our first report of last January as comprising the scope of this investigation.

The complexity of the single problem involved in H. R. 1758 is well illustrated by the fact that the subcommittee on Petroleum and Federal Power held 5 days of public hearings, 2 days of hearings in executive session, 8 days of executive sessions considering the legislation, and the full committee devoted 3 days of executive session to this bill.

In further emphasis of the importance the Petroleum and Federal Power Subcommittee and the full committee attribute to this problem and to its overall study, it is of importance, I think, to note that the subcommittee held an executive session on March 22, 1949, to receive the testimony of Hon. Paul G. Hoffman, Administrator, Economic Cooperation Administration; on March 25, 1949, to hear Walter Levy, Petroleum Chief, Economic Cooperation Administration; on April 14, 1949, to hear Col. G. H. Vogel; on May 19, 1949, to hear Robert E. Friedman, Acting Director, Oil and Gas Division, Department of the Interior, and on July 12, 1949, to again hear testimony from Colonel Vogel.

Finally, I want to call specific attention to House Resolution 307, which I have introduced. It is as follows:

Whereas, in order to deal effectively with the problem of making petroleum and other fuels available in quantities adequate for an expanding economy and for the security of the United States, it is necessary to formulate sound national policies; and

Whereas the Committee on Interstate and Foreign Commerce undertook an extensive study of this problem under authority of House Resolution 595 of the Eightieth Congress, second session, but was unable to complete that study: Therefore be it

Resolved, That it shall be the duty of the Committee on Interstate and Foreign Commerce to formulate and recommend a national fuel policy adequate to meet the needs of the United States in times of peace and war, including recommendations for a national petroleum policy and the integration of such policy with policies relating to other fuels and energy resources except atomic energy and for such purposes the committee shall study the current and future fuel supply and demand of the United States and shall study methods of encouraging needed developments to assure the availability of fuels adequate for an expanding economy and the security of the United States.

SEC. 2. The committee shall make a report not later than the close of the present Congress. Such report may be made to the Clerk of the House if the House is not in session.

SEC. 3. For the purpose of carrying out the provisions of this resolution, the committee or any subcommittee thereof—

(1) is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether or not the House is in session, has adjourned, or has recessed, to hold such hearings, to require by subpena or otherwise the attendance of such witnesses and the production of such books, correspondence, memoranda, papers, and documents, and to take such testimony, as it deems necessary; and subpenas shall be issued over the signature of the chairman of the committee or by any member designated by him, and may be served by any person designated by such chairman or member;

(2) may utilize the services, information, facilities, and personnel of the various departments and agencies of the Government to the extent that such services, information, facilities, and personnel, in the opinion of such departments and agencies, can be furnished without undue interference with the performance of the work and duties of such departments and agencies;

(3) may seek information from such sources and conduct its studies and investigations in such manner as it dems advisable in the interest of a full and correct ascertainment of the facts.

The body of this resolution is identical with House Resolution 595 of the Eightieth Congress, second session, which was adopted unanimously on June 19, 1948. I had assumed that a similar resolution had been introduced during this session, but, in the preparation of my minority views on H. R. 1758, I discovered that there was no such resolution pending and I have therefore introduced it and am confident that it will meet with approval.

Mr. ALLEN of Illinois. Mr. Speaker, I understand this is a unanimous report from the Committee on Banking and Currency, although perhaps one or two amendments are to be offered. There is no objection to adopting the rule on this side. I have no requests for time and I reserve the remainder of my time.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1161) to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1161, with Mr. CARROLL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. SPENCE] will be recognized for 30 minutes, and the gentleman from Michigan [Mr. WOLCOTT] for 30 minutes.

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

The CHAIRMAN. The gentleman from Kentucky is recognized.

Mr. SPENCE. Mr. Chairman, this bill was reported by the Committee on Banking and Currency unanimously without going into executive session. The bill is approved by the Secretary of the Treasury, the Board of Governors of the Federal Reserve System, the Chairman of the Federal Deposit Insurance Corporation, and the Comptroller of the Currency; it is also approved by almost all of the banking commissioners of the States of the United States.

The bill provides for the conversion and the consolidation or merger of national banks with State banks when State law permits State banks to convert and merge or consolidate with national banks. It gives the national banks the same statutory privilege that State banks have had with reference to conversions, consolidations, and mergers in the various States. It merely makes the conversions, consolidation, and mergers of national and State banks a two-way street. It prevents the cumbersome, expensive process of liquidation of the national banks in order to become State banks. It furnishes ample protection to the stockholders and the depositors of the bank. It requires a vote of two-thirds of the stockholders of each class and the action of the majority of the board of directors to effectuate this purpose. Heretofore the consolidation of these banks was an expensive and cumbersome process, often involving delay; it involved the question of taxation and other questions that can be obviated by this procedure. I believe there is no objection to the bill; it came up the other day on the Consent Calendar and the

only objection to it was made by a Member who wanted to amend the bill with respect to branches which is relevant to the bill.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. WHITE of Idaho. This will permit the expansion of branch banking, will it not, permit the big banks taking in many of the existing State banks?

Mr. SPENCE. No; it does not permit the extension of branch banking; it merely permits the conversion, consolidation, or merger of a national bank with a State bank. The national bank surrenders its charter as such and becomes a State bank.

Mr. WHITE of Idaho. And the present law provides that a bank in a central city can acquire the State banks and have branches all over the State. That is what I want to know.

Mr. SPENCE. When they become State banks they become subject to the laws of the State where they operate. This bill neither enlarges nor diminishes their powers as State banks.

Mr. WHITE of Idaho. It extends the power of existing law to cover State banks and they can then become subordinate subsidiaries of a big bank. What it does is to extend branch banking.

Mr. SPENCE. It does not affect in any way branch banking. It merely gives national banks the power to merge or consolidate with a State bank.

Mr. WHITE of Idaho. The gentleman would not tell the Committee that if the national banks go out and absorb the State banks it does not affect the State banks.

Mr. SPENCE. The gentleman seems to be going the other way around. This is not a case of the national banks absorbing State banks. It is a matter of the national banks surrendering their charter and becoming a State bank.

Mr. WHITE of Idaho. As I read the bill, a national bank can absorb a State bank.

Mr. SPENCE. Mr. Chairman, I ask that the Committee adopt this bill. I do not think there is any objection from any responsible source to it.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, there has not been any partisanship in the consideration of this bill. An identical bill was passed by the Eightieth Congress, but, for some reason or other, it was not taken up in the other body. I understand that was not because there was any particular objection to the bill.

Some few years ago representations were made to the States by representatives of the Federal Government that if the State legislatures would provide for the conversion of State banks into national banks without the prior consent of the State banking officials, then the Federal Government in turn would enact legislation authorizing the conversion of national banks into State banks without prior consent of the Comptroller of the Currency. In keeping with that understanding this legislation was reported by the Committee on Banking and Currency unanimously last year, it was reported unanimously this year, and as I said previously, it passed the House last year in identical form.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Is it true that all the National banks, all the State banks, the FDIC, the Treasury Department, and the Federal Reserve Board appeared last year and this year for this bill?

Mr. WOLCOTT. I understand that is correct. All of the agencies of Government, the Comptroller's office having jurisdiction over the matter, the Treasury Department, the Federal Reserve, and FDIC all approved the bill.

As the chairman of the Committee on Banking and Currency has said, ample provision has been made for the protection of shareholders and ample provision is made to protect the State laws and the application of State laws in these cases. I do not think there should be any objection to the principles of the bill.

Mr. SPENCE. Mr. Chairman, I have no further requests for time.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, so far as I know the statements which have been made by the gentlemen from Kentucky and Michigan are correct with respect to the agencies of Government approving this bill. Here is a proposal which, in my opinion, will weaken the structure of the national banks in this country. This gives national banks a permit to convert themselves into State banks. This bill comes to us at a time when commercial banks in this country hold probably $60,000,000,000 or more of issues put out by the Federal Treasury. This bill comes to us at a time when the Government of the United States is again going into deficit financing. This bill comes to us at a time when there is no actual fighting war in progress, and under such conditions the people will not be as responsive to drives put on by the Treasury Department to purchase the issues of the Treasury as they would be if war was in actual progress.

Therefore, it is my personal judgment that the agencies of Government are in error in proceeding with a program which weakens the banking structure of the United States, and I say this because the Treasury of the United States will primarily have to depend upon the banks of this country for the sale of the new issues as well as many of the refunding issues which the Treasury will put out, as refunding issues which will have to be sold to take care of the $252,000,000,000 debt and its turn-over which the Treasury is constantly wrestling with.

The bill is presented to us on the thesis that it will create a two-way street, bringing the law into agreement where State banks may convert into national banks and where national banks may convert into State banks. Now, it is easy to understand why State banks would like to have this bill approved by the Congress. It is easy to understand how all the State banking organizations can bring pressure on the administration to induce the Government agencies to support a proposal of this kind.

There is a considerable contest in this country between State banks and national banks, because some people in the banking business fear that the dual banking system in this country is in jeopardy. Personally, I take no such theory seriously. I think the State banks have their place and I think the national banks have their place, and I wish to emphasize that I think the Congress of the United States and the Comptroller of the Treasury should look after the national banks and let the State banks look after themselves through the State legislatures of this country. Why should the State legislatures dominate the national banking scene, or why should the national banking scene dominate the State legislatures with respect to the kind of banks that the States want? Let us protect the dual banking system. Here you are getting very much confused on this whole issue in that this bill is brought in here, as I say, to create a two-way street and to help avoid the payment of Federal taxes.

Let us see what this bill and what some of these laws do to your communities. Suppose our friend over there represents national bank A, and he joins with national bank B, represented by our friend over here, and those two banks consolidate. The important thing to the communities involved is that those communities be permitted to continue to have access to the branch banks operating at time of consolidation and controlled by those two banks which consolidate. But, you know that all over this country in many instances where consolidations occur, the branches previously established in the communities and since 1927 and serving those communities, have closed up, and the people in the communities are deprived of those banking services. It happened in my home town of 100,000 population. It has happened in other places. It will continue to happen in other places.

Now, I take the position that the banks of this country have a responsibility to the communities in which they operate. I do not think that Congress should maintain laws on the books which force a bank which is properly capitalized under the approval of the Comptroller of the currency to close a branch which it has been operating in a community and force the people in that community to drive 10 or 15 or 25 or 30 miles to another bank simply because the law says that the branch must be closed, when it is properly capitalized, when it is properly supervised and when it is in absolutely sound condition. Therefore, I am going to offer an amendment to this proposal which will amend subparagraph (b) of title XII, United States Code, section 26,

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of our national banking laws. Subparagraph (b) is very short. I will read it to you:

If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, such converted or consolidated association may, with respect to any of such banks, retain and operate any of their branches which may have been in lawful operation by any bank at the date of the approval of the Act.

That is the law at the present time. We ought to amend that law further for the protection of our communities, for the protection of the community in my home town, by changing that language to read as I am now going to read it, and that will be the purpose of my amendment. Picking up that section of the law which I have just read, change it to read:

If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, or if the assets of a State or national bank are acquired by a national banking association, by purchase or otherwise, such converted or consolidated or purchasing association may, with respect to any of such banks—

That is your branches, now—

retain and operate any of their branches which may have been in lawful operation on the date of conversion, consolidation, or purchase, provided the Comptroller of the Currency is satisfied as to the adequacy of the capital funds.

What is wrong with that? That is fair treatment to your community. That does not open a single new branch anywhere. It continues the old branches in operation on the approval of the sufficiency of the capital structure by the Comptroller of the Currency.

Why do they object to that? This is why they object to it. The Comptroller of the Currency says, "Why, if you put an amendment like that into this bill, the State banking supervisory authorities are going to crawl over me and give me trouble." Your national banking supervisor is worrying about what some State banking supervisor is going to say to him. I said to him in substance this morning, "Listen, have not you any respect for the people in these communities where those branches have been operating? I submit why do you want the law to stay so that those communities will have to be without banking service until somebody, at some far-distant day or year, can maneuver around so you will give him a chance or permit him to reopen a bank in that community?"

We ought to think about these little people out in the small communities. I am not asking for a single new branch to be opened. The branches in effect at the date of the consolidation are in operation by the provisions of law by the approval of the banking authorities. My amendment will simply provide that those branches which are in operation at the time this law becomes effective may upon the approval of the Comptroller of the Currency as to the sufficiency or the adequacy of the capital continue to operate. That is just as simple as I can make it.

The CHAIRMAN. The time of the gentleman has expired.

If there are no further requests for time the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

DEFINITIONS

SECTION 1. (a) As used in this act the term "State bank" means any bank, banking association, trust company, savings bank (other than a mutual savings bank), or other banking institution which is engaged in the business of receiving deposits and which is incorporated under the laws of any State, any Territory of the United States, Puerto Rico, or the Virgin Islands, or which is operating under the Code of Law for the District of Columbia (except a national banking association).

(b) For purposes of merger or consolidation under this act the term "national banking association" means one or more national banking associations, and the term "State bank" means one or more State banks.

CONVERSION OF NATIONAL BANK INTO AND MERGER OR CONSOLIDATION WITH STATE BANK; PROCEDURE

SEC. 2. A national banking association may, by vote of the holders of at least two-thirds of each class of its capital stock, convert into, or merge or consolidate with, a State bank in the same State in which the national banking association is located, under a State charter, in the following manner:

(a) The plan of conversion, merger, or consolidation must be approved by a majority of the entire board of directors of the national banking association. The bank shall publish notice of the time, place, and object of the shareholders' meeting to act upon the plan, in some newspaper with general circulation in the place where the principal office of the national banking association is located, at least once a week for four consecutive weeks: *Provided*, That newspaper publication may be dispensed with entirely if waived by all the shareholders and in the case of a merger or consolidation one publication at least 10 days before the meeting shall be sufficient if publication for 4 weeks is waived by holders of at least two-thirds of each class of capital stock and prior written consent of the Comptroller of the Currency is obtained. The national banking association shall send such notice to each shareholder of record by registered mail at least 10 days prior to the meeting, which notice may be waived specifically by any shareholder.

(b) A shareholder of a national banking association who votes against the conversion, merger, or consolidation, or who has given notice in writing to the bank at or prior to such meeting that he dissents from the plan, shall be entitled to receive in cash the value of the shares held by him, if and when the conversion, merger, or consolidation is consummated, upon written request made to the resulting State bank at any time before 30 days after the date of consummation of such conversion, merger, or consolidation, accompanied by the surrender of his stock certificates. The value of such shares shall be determined as of the date on which the shareholders' meeting was held authorizing the conversion, merger, or consolidation, by a committee of three persons, one to be selected by unanimous vote of the dissenting shareholders entitled to receive the value of their shares, one by the directors of the resulting State bank, and the third by the two so chosen. The valuation agreed upon by any two of three appraisers thus chosen shall govern; but, if the value so fixed shall not be satisfactory to any dissenting shareholder who has requested payment as provided herein, such shareholder may within 5 days after being notified of the appraised value of his shares appeal to the Comptroller of the Currency, who shall cause a reappraisal to be made, which shall be final and binding as to the value of the shares of the appellant. If, within 90 days from the date of consummation of the conversion, merger, or consolidation, for any reason one or more of the appraisers is not selected as herein provided, or the appraisers fail to determine the value of such shares, the Comptroller shall upon written request of any interested party, cause an appraisal to be made, which shall be final and binding on all parties. The expenses of the Comptroller in making the reappraisal, or the appraisal as the case may be, shall be paid by the resulting State bank. The plan of conversion, merger, or consolidation shall provide the manner of disposing of the shares of the resulting State bank not taken by the dissenting shareholders of the national banking association.

SAME ENTITY

SEC. 3. The franchise of a national banking association as a national banking association shall automatically terminate when its conversion into or its merger or consolidation with a State bank under a State charter is consummated and the resulting State bank shall be considered the same business and corporate entity as the national banking association, although as to rights, powers, and duties the resulting bank is a State bank. Any reference to such national banking association in any contract, will, or document shall be considered a reference to the State bank if not inconsistent with the provisions of the contract, will, or document or applicable law.

CONTRAVENTION WITH STATE LAW

SEC. 4. No conversion of a national banking association into a State bank or its merger or consolidation with a State bank shall take place under this act in contravention of the law of the State in which the national banking association is located; and no such conversion, merger, or consolidation shall take place under this act unless under the law of the State in which such national banking association is located State banks may without approval by any State authority convert into and merge or consolidate with national banking associations as provided by Federal law.

CONSENT OF FEDERAL AGENCIES

SEC. 5. Section 12B (v) (4) of the Federal Reserve Act (title 12, U. S. C., sec. 264 (v) (4)), is amended to read as follows:

"(4) Without prior written consent by the Corporation, no insured bank shall (a) merge or consolidate with any noninsured bank or institution or convert into a noninsured bank or institution or (b) assume liability to pay any deposits made in, or similar liabilities of, any noninsured bank or institution or (c) transfer assets to any noninsured bank or institution in consideration of the assumption of liabilities for any portion of the deposits made in such insured bank. No insured bank shall convert into an insured State bank if its capital stock, or its surplus will be less than the capital stock or surplus, respectively, of the converting bank at the time of the shareholders' meeting approving such conversion, without prior written consent by the Comptroller of the Currency if the resulting bank is to be a district bank, or by the Board of Governors of the Federal Reserve System if the resulting bank is to be a State member bank (except a district bank), or by the Corporation if the resulting bank is to be a State nonmember insured bank (except a district bank). No insured bank shall (a) merge or consolidate with an insured State bank under the charter of a State bank or (b) assume liability to pay any deposits made in another

insured bank, if the capital stock or surplus of the resulting or assuming bank will be less than the aggregate capital stock or aggregate surplus, respectively, of all the merging or consolidating banks or of all the parties to the assumption of liabilities, at the time of the shareholders' meetings which authorized the merger or consolidation or at the time of the assumption of liabilities, unless the Comptroller of the Currency shall give prior written consent if the assuming bank is to be a national bank or the assuming or resulting bank is to be district bank; or unless the Board of Governors of the Federal Reserve System gives prior written consent if the assuming or resulting bank is to be a State member bank (except a district bank); or unless the Corporation gives prior written consent if the assuming or resulting bank is to be a nonmember insured bank (except a district bank). No insured State nonmember bank (except a district bank) shall, without the prior consent of the Corporation, reduce the amount or retire any part of its common or preferred capital stock, or retire any part of its capital notes or debentures."

CONTINUED DEPOSIT INSURANCE

SEC. 6. Section 12B (e) (2) of the Federal Reserve Act (title 12, U. S. C., sec. 264 (e) (2)), is amended by adding at the end thereof the following sentences: "A State bank, resulting from the conversion of an insured national bank, shall continue as an insured bank. A State bank, resulting from the merger or consolidation of insured banks, or from the merger or consolidation of a noninsured bank or institution with an insured State bank, shall continue as an insured bank."

EFFECT OF TERMINATION OF INSURANCE OF MEMBER BANKS

SEC. 7. The last sentence of section 12B (i) (2) of the Federal Reserve Act (12 U. S. C., sec. 264 (i) (2)), is amended to read as follows: "Except as provided in paragraph (2) of subsection (e) of this section, whenever a member bank shall cease to be a member of the Federal Reserve System, its status as an insured bank shall, without notice or other action by the board of directors, terminate on the date the bank shall cease to be a member of the Federal Reserve System, with like effect as if its insured status had been terminated on said date by the board of directors after proceedings under paragraph (1) of this subsection."

CONTINUED MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

SEC. 8. Section 9 of the Federal Reserve Act (title 12, U. S. C., sec. 321), as amended, is amended by inserting after the first paragraph thereof the following new paragraph:

"Upon the conversion of a national bank into a State bank, or the merger or consolidation of a national bank with a State bank which is not a member of the Federal Reserve System, the resulting or continuing State bank may be admitted to membership in the Federal Reserve System by the Board of Governors of the Federal Reserve System in accordance with the provisions of this section, but, otherwise, the Federal Reserve bank stock owned by the national bank shall be canceled and paid for as provided in section 5 of this act. Upon the merger or consolidation of a national bank with a State member bank under a State charter, the membership of the State bank in the Federal Reserve System shall continue."

SEPARABILITY CLAUSE

SEC. 9. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Mr. SPENCE (interrupting the reading ing of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, that it be printed in the RECORD at this point, and be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: On page 3, line 25, strike out "aprpaisers" and insert "appraisers."

The amendment was agreed to.

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the only thing that I can find of any significance in this bill is section 2, which reads as follows:

A national banking association may by vote of the holders of at least two-thirds of each class of its capital stock, convert into, or merge or consolidate with, a State bank in the same State in which the national banking association is located, under a State charter, in the following manner:

The remainder of the bill, so far as I can see, establishes safeguards and the procedure to be followed in making such a conversion or merger. I am not a bank expert. I wish I were. I have been studying the money question since I first received the nomination for Congress way back in 1930. Since taking up my duties at the Capitol I have not had much time to go into the technicalities of the banking business. But I do know there are a great many safeguards around the money of the depositors so far as the national banks are concerned. The business of the people in this country must depend on banking facilities. And I do know that not all such safeguards are enjoyed by depositors of State banks. There are many things involved in this bill and a bill such as this is quite important, yet we have in attendance about 40 Members on the Republican side, and about the same number on the Democratic side, and nobody is lifting his voice except one Member, the gentleman from Michigan [Mr. CRAWFORD].

In considering the technicalities involved in this bill it seems to me that it is tremendously important when we talk about changing over and allowing national banks to become State banks which may be used to build up a State-wide branch banking system. I do know there is an insurance feature on deposits which seems to be pretty well taken care of in this bill, but I am wondering about the conversion feature. I am wondering about the plan of allowing the national banks the privilege of rediscounting eligible paper with the Federal Reserve bank which operates to create money.

Back in the days of Woodrow Wilson, when the supply of money was quite stringent, it was decided that we would not longer depend on the supply of gold and silver to support our monetary system. But now we are going to change over and do business on the basis of the national wealth, whether it is wheat in a grain elevator, flour in a flour mill, cattle in a fattening yard, machinery in a shed, or any manufactured convertible asset. We are going to do business on those assets, the natural wealth of the country, by making the note secured by those assets, which were in the hands of the national banks and guaranteed by the national banks to the Federal Reserve bank, rediscountable and convertible into currency.

That is our present-day system used in creating money. Then, when the depression came along and the system failed, in the closing days of the Congress in 1930, we changed our money-creating plan. We made Government bonds eligible by law for rediscount. Now we have an inflated system of currency amounting to $29,000,000,000, most of it based on the collective credit of the American people, in the form of Government bonds.

The gentleman from Texas [Mr. PATMAN] has described to us over and over again the schemes that are worked by making a few bookkeeping entries, to turn the credit of the United States into money for the use and profit of the banks. I am wondering what plan is afoot here to let a national bank slide out of its responsibility and become a State bank. I am wondering just what is behind this bill. If anybody can make anything out of what the honorable chairman of the committee told us, he is a little ahead of me, because I was unable to do it. I do not understand what is intended, and what benefit these banks will receive.

One member of the committee told me, with a great deal of authority, no national bank would want to become a State bank. What are we doing with this bill if no national bank wants to become a State bank? The gentleman says it is a two-way street. When a national bank becomes a State bank there should be proper safeguards for the depositors of the community. I would like the chairman of this committee to give us a little clearer explanation of what is to be accomplished by the provisions of this bill.

The CHAIRMAN. The time of the gentleman from Idaho [Mr. WHITE] has expired.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD: On page 9, add a new section:

"SEC. 9. Section 9 of the Federal Reserve Act (title 12, U. S. C., sec. 36) (U. S. R. S. sec. 5155), subparagraph (b) as amended, is amended to read as follows:

"'(b) If a State bank is hereafter converted into or consolidated with a national banking association, or if two or more national banking associations are consolidated, or if the assets of a State bank or a national bank are acquired by a national banking association, by purchase or otherwise, such converted or consolidated or purchasing association may, with respect to any such banks, retain and operate any of their branches which may have been in lawful operation on the date of conversion, consolidation, or purchase: *Provided*, That the Comptroller of the Currency is satisfied with the adequacy of the capital funds.'"

Mr. CRAWFORD. Mr. Chairman, I do not care to further burden the House

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with argument. I think everyone present heard what I had to say a few moments ago.

This amendment, I repeat, is simply to provide that where banks consolidate, State banks with national banks or national banks with State banks, that the branches in operation at the time of the consolidation may be continued in operation, provided the Comptroller of the Currency says that the capital is adequate to protect the depositors who have their funds in those branch banks.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. WHITE of Idaho. In the event a national bank, with a number of branches, converts into a State bank, what becomes of those branches of the national bank? Suppose it has 10 or 15 branches?

Mr. CRAWFORD. Suppose the 2 banks have 15 branches in operation, under my amendment those branches then in operation may continue to operate, provided the Comptroller of the Currency says the capital is adequate to take care of them.

Mr. WHITE of Idaho. The parent company becomes a State bank. Those branches were branches of a national bank. Now there is no longer any national bank. It is a State bank. What becomes of those branches of the national bank?

Mr. CRAWFORD. Those branches may continue to operate as branches of the State bank.

Mr. WHITE of Idaho. They automatically become State bank branches instead of national bank branches?

Mr. CRAWFORD. They are a branch of the newly created bank, whether it be State or national, and this protects the communities in which the branch banks are located as they continue to operate.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. KEEFE. If the conversion or merger is to merge a national bank with branches into a State bank with branches would not the question be as to whether or not the national bank branches and their continued operation would be dependent upon the law of the State rather than upon any action taken by this Congress?

Mr. CRAWFORD. Certainly.

Mr. KEEFE. We could not legislate, could we, so as to permit the operation under State bank charter of branches that had previously been operated as national bank branches?

Mr. CRAWFORD. As I said a while ago, I am in favor of the State legislatures doing with their banks as they see fit, unconditionally. If a national bank becomes a State bank it, of course, falls under the supervision of the State law. All this amendment does insofar as the Federal supervision is concerned is that the Federal Congress says that those branch banks may continue to operate, and certainly we should not force the closing of those branches. If the State forces the closing of the branches that is the State's responsibility, not that of the Congress. That brings up the argument I made a while ago that the Congress can deal with the national banks and not be controlled by what the State wants to do with national banks; but the States should deal with the State banks and not be controlled by what the Congress would like to have the States do with State banks, if I make myself clear.

Mr. KEEFE. I may say to the gentleman from Michigan that under the provisions of existing law as I understand it with relation to the operation of branch banks where they recognize in the law the rights of the States, because under the law of Wisconsin we have a provision which prohibits the location of a branch bank within a certain distance of the operation of an existing bank, if a national bank seeks to obtain a charter for a branch bank it must comply with that provision of the State law before it can open it.

Mr. CRAWFORD. Very properly.

Mr. KEEFE. It impresses me, and I just do not understand it, it is a new thing to be thrown at one. If a State bank in my city desires to merge with a national bank and the national bank goes into a State charter and they each have branches, certainly the question as to the determination of the continued operation of those branches would be covered by the operation of State law and not Federal law. I would not want to vote for any amendment that would change that situation, and I have not sufficient knowledge of the gentleman's amendment to know whether or not it would affect that relationship.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Is there anything in the gentleman's amendment that would affect that relationship?

Mr. CRAWFORD. I cannot imagine how a State bank and a National bank can consolidate and form a State bank without the State bank at the same time coming under the absolute supervision of the State banking laws. If there is some legal way in which a State bank can operate without being under the supervision of State laws, then that is a question for lawyers to pass on, but I do not see how they can.

Mr. KEEFE. Am I correct in my understanding of the gentleman's amendment that he is seeking, as I understood by the gentleman's statement, seeking to insure to a local community that branch banks already in operation shall be continued in operation?

Mr. CRAWFORD. As far as the Congress of the United States has the authority to say so; that is exactly what I wish to do.

Mr. KEEFE. I do not want the Congress of the United States to have anything to say that would be in contravention of the acts of the Legislature of the State of Wisconsin with respect to the operation of State banks.

Mr. CRAWFORD. I do not know any way you can force State banks to operate strictly under the Federal laws or national banks to operate strictly under State law. Of course, under FDIC, Federal law prevails. So I want the Congress to clear the way so that the branch bank can operate insofar as our say-so goes.

Let us take the other side of the question. Suppose two national banks consolidate, or a State bank consolidates with a national bank and it becomes a national bank, why should the State have the power to say that that branch must close?

That is the relation.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. I call the gentleman's attention to section 4 which says:

> No conversion of a national banking association into a State bank or its merger or consolidation with a State bank shall take place under this act in contravention of the law of the State in which the national banking association is located; and no such conversion, merger, or consolidation shall take place under this act unless under the law of the State in which such national banking association is located State banks may without approval by any State authority convert into and merge or consolidate with national banking associations as provided by Federal law.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KUNKEL. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, first of all, I cannot see how this present bill could possibly weaken the National or the State banking systems. The gentleman from Michigan stated that we are in a period when it is necessary to have our banking system strong. But our banking system is composed of combined State and National bank systems, and any shift that occurs between the two would still leave the same net total resources at the disposal of the national banking system, no matter which direction the shift would be. Indeed, this bill has the effect of strengthening our over-all banking system because it provides a means whereby a strong National bank or a strong State bank can absorb a weak National bank or a weak State bank if the situation arose. That is the direction in which this bill is aimed, because, as it is now with the States passing laws which are retaliatory against the Federal Government and which insist upon reciprocity by the Federal Government before similar privileges are allowed by the States, the situation is building up where you will not be able to have any consolidation or any merger unless this bill is passed.

I feel the bill does distinctly strengthen our national banking system. Referring specifically to the amendment, I think the remarks and the questions asked by the gentleman from Wisconsin [Mr. KEEFE] clearly show that this amendment is highly complicated. It was not

submitted to our committee this year. I read the evidence presented by Mr. Stafford of a bank in Michigan along this line given at last year's hearings upon the assumption that the gentleman from Michigan's amendment is designed to accomplish the purpose outlined by Mr. Stafford. The amendment that is offered is directed at the National Banking Act. It does not attack the merits of this bill. It seeks to add something new to the bill. It may well be that if this suggestion were considered and given study, then the proposed addition made by the gentleman from Michigan might have some merit, but I am not in position to say now whether or not it does stand the test. The Comptroller of the Currency does not want to accept the amendment. Neither does the Secretary of the Treasury. Our committee has not studied it.

Mr. Chairman, this is a piece of legislation which should be passed at once if we are to prevent the growing up of a system whereby the existing banking structure of the country is frozen in its present form. Therefore, I feel for the sake of safety that we should defeat this amendment now and pass the bill in the form presented. Then I am sure that the chairman and the members of our committee will give this consideration when and if they have time to do so.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman says he thinks this bill will strengthen the national banking system.

Mr. KUNKEL. I said it would strengthen the banking system of the United States.

Mr. WHITE of Idaho. I do not understand how this could strengthen the national banking system.

Mr. KUNKEL. I did not say that in the first place. What I said was it would strengthen the banking system composed of the national banks and the State banks in the net position of the two.

Mr. WHITE of Idaho. I assume the gentleman is familiar with the safeguards enjoyed by the national banks, and their depositors, the reserve requirements, and all of those things that may not be required of State banks. If the State bank reserve requirements are lower than the national bank requirements, how does the gentleman think it will strengthen the banking system?

Mr. KUNKEL. The gentleman is making an argument in favor of a single banking system. It may be he favors a single banking system rather than a dual banking system. That idea has always had some support. But to date the dual banking system in this country has worked well. Certainly if we are going to abolish the dual banking system we should study the question carefully before we ever approach it. That question is not raised at all in this measure.

Mr. WHITE of Idaho. The gentleman will recall that during the last depression practically all the State banks went out of existence, and many of the national banks, with the reserve requirements, stood up.

Mr. KUNKEL. At that time I was not a Member of Congress, and I have not studied the statistics on the subject, so I would not care to comment on the gentleman's observation.

Mr. COTTON. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from New Hampshire.

Mr. COTTON. I would like to inquire of the gentlemar if his understanding of the amendment offered by the gentleman from Michigan is this: Is there any danger under that amendment that a State like my own, that absolutely prohibits by law any branch banks, might find itself in a situation where, under the operation of the law, branch banks would be permitted?

Mr. KUNKEL. In my judgment the amendment offered by the gentleman from Michigan would not do that, or could not do that.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. KUNKEL. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KUNKEL. But, in order to answer that question with any degree of certainty, we should have before our committee the State banking supervisors and the people from the banking system downtown. I do not think that we could afford to approve the amendment just on my offhand judgment on that point today when the question has not been studied by the committee and the proper witnesses have not been called in.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. My amendment categorically answers that question—to retain and operate any of their branches which may have been in operation on the date of conversion. There is no possible way on earth that they could possibly operate a branch under this amendment.

Mr. KUNKEL. That was not the gentleman's question.

Mr. COTTON. My question had reference to the national banks. Does not the amendment contemplate branch banks under a national banking system, and where a State that prohibited it might not find itself in the position where the national banks could have branch banks?

Mr. KUNKEL. In my opinion it could not.

Mr. MULTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, let us get this clearly in mind. If there is any national bank that wants to get out of the national banking system today, it may do so. However, it must follow a cumbersome method of liquidating and then transferring its assets to a new State bank; in other words, a national bank today, if it wants to become a State bank, may do so, and all it has to do is to get its charter from the State authorities, then liquidate its assets and turn over those assets to the State bank. All we do by this bill is to provide a simple method by which the national bank can convert into a State bank if its stockholders so desire, just as we permit a State bank to become a national bank, under the same process. That is what is meant by making this a two-way street. Today a State bank may become a national bank if it complies with all the rules and regulations and the law. Now we want to give the national bank the right to become a State bank without first having to liquidate and without having to pay unnecessary taxes in that connection.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. The thing that makes this legislation particularly necessary today is that our high rates of taxation and the capital-gains tax require the payment, in most cases of a capital-gains tax upon the liquidation of the assets of the bank. Therefore, if this law is not passed, it practically forces consolidation between the national and State bank to be under the national charter, assuming that the national bank's assets show a profit.

Mr. MULTER. Unless it is willing to deplete its capital by the payment of that tax, which it should not be required to pay.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. BROWN of Georgia. I suggest that the gentleman read the paragraph from the letter from the Treasury Department relative to branch banking. That clearly shows that the Crawford amendment is not desirable.

Mr. MULTER. The problem presented by the amendment offered by the gentleman from Michigan has been referred to the Treasury Department for its opinion. Under date of July 29 the Secretary of the Treasury advises the chairman of our Committee on Banking and Currency as follows:

> A provision of Federal law which might have this effect—

Meaning the effect of establishing branch bank systems in States that do not permit it or which limit it. I might say parenthetically that the problem of the gentleman from Michigan which prompts his amendment is peculiar to his State. His State permitted branch banking but saw fit to limit it. That is why in his particular community when a national bank was converted to a State bank, its branch banking facilities were limited under the State law. He wants to get around the State law by this amendment, and have us in this national Congress tell the State of Michigan what it can do. The Secretary of the Treasury says, as I am sure the gentlemen of this House say, that we should not do that. This is what the Secretary of the Treasury says:

> A provision of Federal law which might have this effect should be very carefully considered in the light of an understanding of

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the branch banking laws of each of the 48 States. Otherwise, objectionable inequalities between the rights of State and national banks with respect to branch banks might result. We think it would be unwise to attempt to deal with the subject of branch banking as a secondary phase of H. R. 1161, because any revision of the branch provisions of the National Bank Act should, as indicated, cover the whole field and call for thorough congressional study.

I think that should dispose of the gentleman's amendment.

The question is brought up about the sale of United States securities. Any State bank that wants to undertake the sale of those securities may do so. They have all been doing it. There is nothing in this provision that will stop them from doing it in the future as they have done in the past.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. WHITE of Idaho. Is it not a privilege to be a national bank? There is financial prestige that goes with being a national bank.

Mr. MULTER. That is very true. There is nothing in this bill that takes away that prestige or that privilege.

Mr. WHITE of Idaho. Can the gentleman conceive of any reason why a national bank would want to become a State bank, enjoying the privileges it does and the financial prestige it does and the safeguards it does as a national bank?

Mr. MULTER. All we are doing in this bill is saying to the stockholders, the owners of any national bank, "If you find sufficient reason to leave the national banking system and go into a State system, you can do it on the same basis and with the same rights as a State bank may come into the national system, subject to all the same safeguards." It does not affect the insurance of the FDIC or anything else. It is a matter we leave entirely to the owners of the national bank. "If you want to go into the State system, this is your way of doing it."

Mr. WHITE of Idaho. I have had the impression that most of the State banks would like to have the privilege of becoming national banks, but in many cases they cannot do it.

Mr. MULTER. They cannot do it, possibly, because they do not meet the Federal requirements. If they will meet those requirements they may do it.

Mr. WHITE of Idaho. The requirements of which the gentleman speaks are safeguards for the money of the depositors, and they add financial prestige to the national banks. Is that a fact?

Mr. MULTER. That is correct.

Mr. WHITE of Idaho. Can the gentleman conceive of any reason why a bank would want to give up those privileges to become a State bank?

Mr. MULTER. There are reasons, and we leave that to the discretion and the judgment of the owners and operators and managers of the bank. We are not going to tell the State bank, "You become a national bank," and we are not going to tell the national bank, "You become a State bank."

Mr. WHITE of Idaho. If the national banks avail themselves of the privileges of this bill, do they not weaken the security of their depositors?

Mr. MULTER. No; they do not. There is every safeguard here for the depositors. If the depositors and the stockholders do not like it when a majority of the stockholders say, "We are going to become a State bank," any stockholder who does not like it can get his full value and get out of the bank, and any depositor can immediately withdraw his deposit and put it into a national bank.

Mr. WHITE of Idaho. I desire to take this occasion to express my appreciation of the courtesy of the gentleman and his fine conduct in debate. I think we ought to have more of that kind of debate in the House.

Mr. MULTER. I thank the gentleman.

Mr. DOYLE. Mr. Chairman, I move to strike out the last word.

Mr. SPENCE. Mr. Chairman, if the gentleman will yield for a unanimous-consent request, I ask unanimous consent that debate on the bill and all amendments thereto be concluded in 15 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. DOYLE. Mr. Chairman, the reason I rise to speak briefly in opposition to this amendment and in support of the bill according to its original text is that some of the Members know I have had an unusual experience and stated they feel the House is entitled to receive my opinion about this important matter.

They know I have had the pleasure of being legal counsel for the superintendent of banks of my native State of California for some time and therefore profited by the knowledge of how State banks operate in my native State. They also know that I am presently one of the inactive officers of a national bank in process of organization, and have also had the experience of a goodly number of years of legal counsel for banking interests.

I think this amendment is in direct conflict with the stated purposes of section 2 of the bill. It is a dangerous amendment because it definitely, by its own language, projects the National Comptroller of Currency into the field of State banking administration. I read you a portion of the last sentence of this amendment. It is as follows:

> Provided the Comptroller of the Currency is satisfied as to the adequacy of the capital fund.

Right there, at the very instant that there is a consolidation of the banks, or a merger, you have the Comptroller of the Currency being charged with determining whether or not the capital structure is sufficient and adequate to continue maintaining that bank as a State bank immediately after a merger is consummated.

In other words, it is not the superintendent of banks of any State who determines whether or not the capital structure is adequate, but under this amendment you have the Comptroller of the Currency of the United States determining whether or not the capital structure is adequate to continue the bank as a State bank. This is inconsistent and incompatible with the declared purpose and objectives of this bill.

Under this bill, you have the Comptroller of the Currency the sole person determining whether or not the bank is sufficiently capitalized to go on and continue under the State banking system and laws.

The amendment itself is fully inconsistent with the purpose of the act. I am in favor of the act.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DOYLE. I yield to the gentleman from Michigan.

Mr. DONDERO. Would not that be controlled by State law the moment the National bank became a State bank?

Mr. DOYLE. Yes; but this amendment does not say it is controlled by State law. It is says that the sufficiency of the capital structure to continue as a State bank, shall be determined by the Comptroller of the Currency. That is a Federal function.

Mr. DONDERO. It should be the State law?

Mr. DOYLE. It should be the State officer and not the Comptroller of the Currency.

Mr. DONDERO. The State banking commissioner?

Mr. DOYLE. The State banking commissioner. In other words, it is not a question of a State bank merging into a Federal bank. It is a Federal bank merging into a State banking system. Yet under this provision you have as the person to determine whether the capital structure is sufficient to operate as a State bank, the Comptroller of the Federal Currency.

Mr. DONDERO. Suppose a bank had issued two types of stock, preferred and common, and the stockholders of the preferred stock refused to give their permission, up to two-thirds of the number. Could a merger take place?

Mr. DOYLE. I think not.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DOYLE. I yield.

Mr. CRAWFORD. I wonder if the gentleman's construction is correct. The language "provided the Comptroller of the Currency is satisfied as to the adequacy of the capital funds" was inserted in the amendment to meet the objection of the Comptroller of the Currency when he raised the question as to whether or not the capital would be adequate to continue the branches. That clause refers to the adequacy of the capital with respect to the branches; not with respect to the consolidation.

Mr. DOYLE. I do not mean to be supercritical, but, on a close study of this amendment, I think it is so indefinite and uncertain that it will cause nothing but confusion if it goes into the bill.

And, furthermore, I believe the effect of the gentleman's amendment would be to continue in operation in States where the laws do not permit and branches of the merging Federal bank which are in operation as branches at the time the

merger of the Federal bank into a State bank takes place. In other words, the branches could continue operating as a bank, even though the State law did not permit branch banking. Certainly the Federal Government does not want to step into that pair of shoes and undertake to permit and authorize branch banking if the State law itself does not specifically authorize and approve branch banking.

This bill is not intended to go into the field of branch banking, and I fail to see where the gentleman's offered amendment is germane to the subject matter of the bill itself. Section 2 of the bill on page 2 of the bill specifies, as follows:

A national banking association may, by vote of the holders of at least two-thirds of each class of its capital stock, convert into, or merge or consolidate with, a State bank in the same State in which the national banking association is located, under a State charter, in the following manner.

Then, in subdivisions (a) (b), on pages 2, 3, and 4 of the bill, the legal steps and procedures required to effectuate the merger of a national banking association into a State banking system in the same State in which the national banking association is located are set forth in detail. And it is to be noted that the national bank merging into the State bank thereupon yields up or forfeits its national bank charter and it, from that time on, operates under a State charter.

Mr. Chairman, no doubt your many colleagues of the House noted that in the early part of this debate on this amendment I immediately went to the Clerk's desk and asked and received the privilege of reading the exact text of the gentleman's proposed amendment. I did this so that I could fortify my hearing when the Clerk first read the amendment; and my reading of the exact text of the amendment confirmed my first hearing of it—which was that it had no place in, and, in fact, was out of tune and out of line with the worthy objectives and purposes of this bill itself. For, I repeat again, the amendment goes into the field of branch banking in the respective States and this bill itself has nothing to do with the subject of branch banking. This whole subject of branch banking should logically be taken up in a separate bill.

By the statement of the distinguished chairman of the Banking and Currency Committee, this amendment has not had due consideration by the Banking and Currency Committee which has the high responsibility of passing upon and recommending to this House matters affecting national banking associations and national banking laws. Certainly we should not write into our national banking laws any provision which has not had the most thorough consideration of our responsible House committee which deals with such subjects and which we must all admit is the best informed group in our House on such matters. The subject of branch banking has such extraordinary ramifications in our economic structure and fiscal policies in the various States and in the Nation that it would be ridiculously inefficient, in my humble judgment, to approve this amendment. I speak for its defeat. I also speak for the emphatic approval of the bill, H. R. 1161.

The CHAIRMAN. The time of the genteman from California [Mr. DOYLE] has expired.

The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman——

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. Yes, I yield.

Mr. NICHOLSON. Does not the gentleman feel that this bill gives certain banks the right to dodge their opportunity to pay taxes to the country?

Mr. O'HARA of Illinois. I am here, if the gentleman will bear with me, to present the viewpoint of the bankers of Chicago on the pending bill. I prefer at this time not to enter into any general debate on academic or other questions with the gentleman from Massachusetts.

Mr. Chairman, as the only member of the committee from the city of Chicago, I thought it my duty to send a copy of the bill to the large banks in Chicago and to request from them their judgment on this bill.

Replies have been received, and I know it will interest my colleagues to know that all of the bankers in Chicago very much approve of this bill.

Mr. Walter J. Cummings, chairman of the board of the Continental Illinois National Bank & Trust Co., of Chicago, writes as follows:

This bill, it seems to me, is eminently fair and well conceived. There is no question but that national banks should have the same privilege to merge or consolidate that State banks now enjoy.

Mr. Bentley G. McCloud, president of the First National Bank of Chicago, writes as follows:

As I understand it, the bill provides the mechanics by which a national bank can convert to or merge with a State bank; thereby giving a national bank essentially the same right that a State bank now has to convert to a national charter. We look with general favor upon the principle of providing this equalizing factor.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. No. I cannot yield at this time.

Mr. Paul S. Russell, president of the Harris Trust & Savings Bank writes:

We believe the proposed legislation offers desirable protection to our State banking system. At present State banks are discriminated against in that they cannot take over a national bank by merger or consolidation, whereas a national bank may take over a State bank. We believe our dual system of State and national banks is good for the banking business and our economy and that legislation to place them on an equal competitive basis is desirable.

Mr. Arthur T. Leonard, senior vice president of the City National Bank and Trust Co., writes:

I think this bill will be a very useful act if we should ever have a resumption of mergers in banking institutions, and it will avoid the many legal complications that were necessary in order to merge a national and a State bank.

Mr. Paul R. Wilkinson, president of the National Bank of Hyde Park in Chicago, writes:

I would like to go on record as saying that I consider this to be an important piece of legislation and strongly urge its enactment. The effect of this bill, if enacted, will be to preserve and strengthen our dual system of banking, and this, to my way of thinking, is important.

Mr. Walter J. Riley, president of the Chatham Bank of Chicago, writes:

We are in favor of H. R. 1161 passing, as this would make it easier for national banks to convert to State banks without liquidating.

Mr. Harry C. Hausman, secretary of the Illinois Bankers Association, states:

H. R. 1161, introduced by Chairman SPENCE, would permit national banks to consolidate with the State bank without a tax penalty. At the present time, if the State bank consolidates with the national bank the latter takes over all of the assets of the State bank and the stockholders are not charged with any capital gains. However, if the reverse is true the national bank must liquidate and the probable increment resulting out of such liquidating creates a tax obligation and as a result national banks are not converting to State charters. We feel that this situation is discriminating against our State bank system and should be corrected. As a matter of fact, I have talked this over with our State auditor, Hon. B. O. Cooper, who has indicated feeling of amending our State banking act so as not to permit a State bank to convert to a national unless it can be done on a reciprocal basis. We are in accord with the auditor's feelings.

Letters approving the proposed legislation also have been received by me from Mr. M. R. Baty, president of the South Shore National Bank, and Mr. Clarence A. Beutel, president of the South East National Bank.

As Chicago is an important banking center, I am sure my colleagues will be interested in knowing that the bill now under consideration appears to meet the unanimous approval of the bankers of that city. I might add that President Russell, of the Harris Trust Co., has sent me an opinion by Chapman & Cutler, the well-known firm of lawyers, who are the attorneys for that bank, which I am placing in the RECORD for consideration, not at this time, but later, when the bill is before the committee on the other side or in conference, as the suggestions of the learned and highly esteemed counsel, aimed at strengthening and clarifying the language of the bill, did not reach me until the bill had been reported out by our committee.

The letter of Chapman & Cutler, addressed to Harris Trust & Savings Bank, attention M. B. A. Brannen, reads:

GENTLEMEN: We are returning herewith H. R. 1161 together with the letter from Representative BARRATT O'HARA in respect thereof.

We believe the proposed act is appropriate to reach the end sought to be attained and that in general it follows the scheme already provided in the law in respect of conversions of State banks into national banks. We do, however, have the following comments to make, having in mind the fact that most likely amendments would occur in any event:

1. Beginning with line 20, on page 6, there is a provision which in substance and effect

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requires the consent of the named authorities if, in the case of a merger or consolidation of a national bank into a State bank, "the capital stock or surplus of the resulting or assuming bank will be less than the aggregate capital stock or aggregate surplus, respectively, of all the merging or consolidating banks." In effect this would seem to require the consent of the named authorities in almost each instance where two actually operating banks are to merge or consolidate, unless by chance the capital and surplus of the two institutions were almost exactly the same. Thus if the State bank had a capital of $5,000,000 and a surplus of $5,000,000 while the national bank had a capital of $5,000,000 and a surplus of $15,000,000, it follows that the national bank's stockholders would demand more stock in the resulting State bank, which would have the effect of capitalizing some of the previously existing surplus of the national bank, and as a further result the surplus of the resulting institution would be less than the aggregate surplus of the two merging banks, even though the aggregate of capital and surplus of the resulting bank was the same. If the statutory requirement were that the aggregate of capital and surplus of the resulting banks be the same as the aggregate of the capital and surplus before the merger or consolidation, the difficulty adverted to would not arise.

On the other hand, it may be that a question of legislative policy exists which caused the act to be drafted in the alternative, and respectively, as it is, for the general purpose of keeping a measure of control over the matter in Federal authorities.

2. We believe it would be well to expand on the provision of section 3 of the proposed act by affirmatively and expressly providing that all the rights, franchises, and interests of the national bank in and to every species of property, real, personal, and mixed, shall be deemed to be transferred to and vested in the resulting State bank, including appointments, designations, and nominations and all other rights and interests as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and in every other fiduciary capacity, in the same manner and to the same extent as were held and enjoyed by the national bank; provided, however, that as to trusts and other fiduciary relations the foregoing should be effective only to the extent not inconsistent with the provisions of the contract, will, or document, or applicable law.

Very truly yours,

CHAPMAN & CUTLER.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The chair recognizes the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Chairman, I heartily endorse the purposes of H. R. 1161.

I ask unanimous consent to revise and extend my remarks at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SADLAK. Mr. Chairman, this measure, H. R. 1161, providing for the conversion, merger, or consolidation of national banks into State banks, is a proposal which is of importance to the economy of our country and a measure which should have the unanimous support of the Committee and of the House when the debate on the measure is completed here in the Committee of the Whole House on the State of the Union. The measure provides for a simplified procedure by which national banks may convert into or merge with State banks. The need for this legislation is vitally necessary in my opinion and that opinion, Mr. Chairman, coincides with that of the Honorable Richard Rapport, bank commissioner of the State of Connecticut, who also is the chairman of the executive committee of the National Association of Supervisors of State Banks.

After careful diagnosis of this measure, its primary objective in which I am in agreement is the preservation of our dual banking system. I understand that the laws of many States provide for the conversion of State banks into National banks and also allow the merger of State banks with national banks where the resultant corporation is a national bank. The procedure for conversion or merger in the other direction, however, is, under Federal law, extremely complicated and difficult. This bill, as a matter of simple justice, provides reciprocal procedure and allows, by a simplified method, the procedure or merger of national or State banks in either direction, thus avoiding the present tax penalty which drives State banks into the national system or keeps national banks from entering the State system. The bill, as proposed, would not give either system an advantage over the other but would remove the present gross inequity.

Mr. Chairman, I would like to quote at this point from a letter which I received recently from Commissioner Rapport because in this it seems to me that he has hit at the very necessity for sections 1, 2, and 3 of the bill which provide for the equality of tax treatment, and I quote as follows:

Due to the present lack of legislation of the type proposed in H. R. 1161, there might be a heavy tax penalty in case a national bank wishes to convert into a State bank or in case a State bank and a National bank wish to merge and have the resulting corporation be a State bank. This is so because under present Federal law a national bank in such cases goes through voluntary liquidation involving a writing-up of any capital gains which may have accumulated in the capital structure of the national bank. These capital gains are held taxable to the stockholders under Federal income-tax statutes. This penalty results in a discrimination against the State banking system, and over a short period of time in the State of Pennsylvania recently this resulted in a loss of about a billion dollars in State-chartered bank totals and a corresponding gain in national bank totals in that State. The unfairness of this situation is seen in the fact that, when a national bank consolidates with another national bank and when a State bank consolidates with another State-chartered institution, it is on the basis of a merging of equals and there is no taxable gain. This all, in my opinion, is a discrimination against State banks and a weakening of the dual system of banking, which is so important to our country.

I further heartily endorse the passage of this bill because it provides a greater degree of equality as between national banks and State banks, and adequately protects both the depositors and the shareholders of a national bank, which converts into a State bank, or consolidates with the State bank under that bank's charter.

For the reasons which I have outlined, Mr. Chairman, I urge the favorable passage of H. R. 1161.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE] to close debate.

Mr. SPENCE. Mr. Chairman, while the amendment offered by my distinguished friend the gentleman from Michigan [Mr. CRAWFORD] may be germane, it is certainly not relevant or pertinent to the inquiry we are now pursuing. Branch banking has always been a highly involved and controversial question. The gentleman's amendment goes into the broad field of branch banking. This amendment has been submitted to the Secretary of the Treasury and both he and the Comptroller of the Currency disapprove it.

What would be the result of the operation of this amendment? It does not apply, as does the bill, to the conversion of national banks into State banks, but it goes the other way and applies to the conversion of State banks into national banks and provides that the branches that they have at the time of the conversion shall remain. What would be the result? The State bank might have four or five branches and it would merge with a national bank that has four or five branches; then, in violation of the objective of State laws and in possible contravention of the laws of the Federal Government, with certain exceptions, those branches must remain in operation.

This would be a violation of the spirit of branch banking in the dual banking system; it would bring nothing but confusion and chaos, and would destroy the orderly banking system. It was not very long ago that the question was whether the National Government had the power to establish national banks in a State; now we are saying to the National Government that they must maintain in the States the branches which the State bank has established irrespective of what the banking needs might require, or irrespective of what the future banking needs might require. Certainly you do not want that.

We have not had any committee consideration of this amendment; we do not know what the effect would be, but the people who have had the chance to study this matter most thoroughly and who have devoted all their time to the administration of the banking laws are opposed to it. I hope you will not do anything so drastic and so far-reaching as to adopt this amendment.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield for a question.

Mr. NICHOLSON. Does not this bill put the Federal Government into the banking business in competition with our own State banks and laws relative to running them, put them under Federal power down here in Washington?

Mr. SPENCE. The Federal Government has been in the banking business in the States since the time that John Marshall decided that they could go there. This bill does not change any of the fundamental laws of banking it merely gives the right to a national bank to convert into a State bank without going

through the expensive, lengthy, and cumbersome proceedings of liquidation and reincorporation.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield for a further question?

Mr. SPENCE. Mr. Chairman, I decline to yield further.

The CHAIRMAN. The time of the gentleman from Kentucky has expired; all time has expired. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and on a division (demanded by Mr. CRAWFORD) there were—ayes 4, noes 57.

So the amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twelve Members are present, a quorum.

Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CARROLL, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H. R. 1161) to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes, pursuant to House Resolution 305, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. NICHOLSON) there were—ayes 91, noes 1.

So the bill was passed.

A motion to reconsider was laid on the table.

COTTON ACREAGE ALLOTMENTS AND MARKETING QUOTAS

Mr. LYLE. Mr. Speaker, by the direction of the Committee on Rules, I call up House Resolution 304 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5738) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 155]

Bailey	Gilmer	Powell
Bates, Ky.	Gore	Quinn
Blackney	Gregory	Richards
Bland	Hedrick	Scott, Hugh D., Jr.
Bolton, Ohio	Hinshaw	Secrest
Boykin	Hope	Shafer
Brooks	Hull	Short
Buckley, N. Y.	Kirwan	Smith, Ohio
Bulwinkle	Larcade	Staggers
Carlyle	Lichtenwalter	Stanley
Cavalcante	McGrath	Stigler
Celler	McGregor	Taylor
Chudoff	Marcantonio	Teague
Clevenger	Mason	Thomas, N. J.
Cole, N. Y.	Murphy	Thomas, Tex.
Coudert	Norton	Towe
Dawson	O'Neill	Vinson
Deane	Passman	Walsh
Dingell	Patman	Welch, Calif.
Eaton	Pfeifer, Joseph L.	Whitaker
Elston	Pfeiffer, William L.	White, Calif.
Engle, Calif.	Phillips, Tenn.	Whitten
Fallon	Plumley	Wigglesworth
Fellows	Potter	Withrow
Fogarty		Woodhouse
Furcolo		

The SPEAKER. On this roll call 358 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. COLE of New York (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include an article.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the RECORD and include two articles.

Mr. EBERHARTER asked and was given permission to extend his remarks in the RECORD and include an article appearing in the New York Times.

Mr. HOEVEN asked and was given permission to extend his remarks in the RECORD and include a radio address by Mr. HILL, of Colorado.

COTTON ACREAGE ALLOTMENTS AND MARKETING QUOTAS

Mr. LYLE. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, this resolution makes in order consideration of the bill H. R. 5738 which prescribes marketing quotas and acreage allotments for cotton, wheat, and peanuts. It is of vital importance to the economy of our Nation and it is a highly technical bill. I think it would be well for the Members to listen closely to the debate on this matter by members of the committee who have studied the situation over the years.

Mr. Speaker, I reserve the balance of my time and I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, there is no objection on this side to the consideration of the bill. There might be some Members who are going to be opposed to it but there is no objection to the rule.

Mr. LYLE. Mr. Speaker, I yield 13 minutes to the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. Mr. Speaker, I do not pretend to be an authority on agriculture or on cotton, but I do say that the type of farmer I know something about is what might be termed the small family-sized farm. It is he who has a terrific stake in this legislation. Also we have some large farmers in our area. They have much at stake likewise; I feel I know something about their situation too; it is my desire to be fair and just with both, and all farmers.

I can remember very well how the quota system operated when we had it before. And may I say that I am for a farm program. I have never failed to support farm legislation and I expect to support farm legislation pertaining to cotton at this time, today. But when we adopt a farm program, a program of control, make no mistake about it, we are adopting a program of control and control it is. There is no question but what it is control once it is put on. Nobody will dispute that fact. Therefore when we adopt a program of control one important objective should actuate the membership of this House and that is that it be fair.

There are a lot more family-sized farms in this country than any other kind. I think this is a healthy situation and I want it to remain a healthy situation. The little family-sized farmer is the bulwark of many things that are good and fine and I make bold to say that we should examine his situation very carefully when we begin to write a program. We should see whether or not we are treating him as he should be treated. Likewise should have as our objective the giving of a fair and square deal to the big farmer. No one desires to do the wrong thing by any farmers.

I think we ought to be sure in the writing of legislation that the small family-sized farmer is definitely going to come out all right under a farm program. What happens if he does not come out all right? Suppose you give him an allotment that is so small that he cannot make enough dollars on the farm to remain there. What will he do? There is only one thing for him to do, and that is to leave.

The poor-land farmer, because of his situation, is the first man to leave the farm and the last man to return. He does not like to work poor land. It is a mistake to assume that a fellow works poor land simply because he likes to work poor land. He works poor land because that is the only land he can find to work.

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I repeat, I desire to state in the years I have been in Congress I have supported all of the agricultural legislation which has been designed to aid and help the farmers of this Nation. Indeed, I feel much constructive work has been done. Never have I had the viewpoint, however, that the programs we have had are perfect. Therefore, I am not reluctant to welcome changes which might be constructive and fair; constructive and fair to all farmers, little and large farmers, owners, and tenants; constructive and fair for the one-horse farmer and the mechanized farmer. Whether or not we shall have a program that will endure will be determined by the soundness, fairness, and justness of the program. Throughout the time I have been in Congress and even before I came here, because I come from a section where we do not have the most fertile land—we are improving our soil—and where our farms are small, I have feared the problems of the family-size farmer have not been given as much attention as they warrant. My impression whether I am correct or not has been that too often the problems of the family-size farmer have not been dealt with in a primary manner. By these statements I do not allege there has been a premeditated purpose to mistreat the family-size farmer; rather the fact he is not the most vocal of farmers is probably responsible for the lack of attention the difficulties he faces have received.

There are many small family-size farmers in the United States; however, I am of the opinion they are becoming fewer. No segment of agriculture deserves to receive more protection and help than the family-size farmer. It will be a sad day in this country when a competent family-size farmer, utilizing his own skills and those of his family, cannot go to the farm to earn a living through the toil of himself and that of his family. I feel it should be remembered that the family-size farmer, in the main, is not the one who is responsible for the great surpluses which from time to time have plagued agriculture. Why do I say this? The family-size farmer in the main raises his living at home. He consumes a great proportion of what he produces. Generally speaking, his money crop is very small; therefore, I repeat, it is not he who brings on the great surpluses.

For the past 8 years—since 1941—American agriculture has not been in a normal situation. Beginning in 1941 people left the farm to go into the Army, Navy, and Marine Corps. They left the farm to enter the merchant marine service and to work in the war plants. They tended to leave the poorer farms first; to them they are returning last. After the war there were many jobs. I fancy a rather sizable number of people who could be classified as to their vocation genuine farmers have really not been on the farm since 1941. With unemployment becoming more widespread some of these people who own farms and some who would ordinarily rent farms will be returning and will desire to work and cultivate small farms to earn as a minimum bread and beans, milk and medicine, blue shirts, and overalls. They will not come to the farms to make great profits but to earn livings. Shall these people be denied the privilege of earning these livings. The Agriculture Department in a letter I received seems to agree with my premise in this connection.

I quote from a July 15 letter I received from Secretary Brannan:

> Again speaking in general terms, the Department encourages the development and operation of family-sized farms. By family-sized farms we mean a unit on which the operator and his family perform the major portion of the farming operations. Differences in location, type of soil, type of farming operations, knowledge and ability of the operator, and other factors must be taken into consideration in judging what is a family-sized farm.
>
> We are wholly in accord with the principle that a farmer and his family are entitled to earn a living on a farm.

Note the above carefully. To take care of these people any quota program we adopt should be very flexible. Mind you, there are many genuine farmers in this country in my opinion who today are not pursuing agricultural pursuits. As a matter of fact, they were either compelled or invited to depart from agricultural pursuits. Any quota program should give in my opinion thorough consideration to the genuine family-size farmer. It should be definite he will have enough of the quota crop to assure him not a profit income but a living income.

In this connection one of the most unfortunate factors which has characterized quota programs in the past has been the fertility of the soil factor. In establishing individual quotas proper emphasis as I view it to the differences of the fertility of various soils has never been given. The Department uses in the main the acreage standard and has relied on the difficulties of the administration as one of the reasons why it would be impracticable to consider a quantity standard. Be it remembered nobody lives on the number of acres he cultivates. He lives on what the acres produce. If they produce a small amount, he lives on a small amount. If they produce a large amount, he lives on a large amount. I may be given 5 acres of cotton which will produce only one-fifth of a bale of cotton to the acre. Conceivably, my neighbor may be given 5 acres of cotton which will produce 1 bale to the acre. My cotton acreage allotment gives me the income from 1 bale of cotton—his cotton acreage allotment gives him the income from 5 bales of cotton. The paramount question which should be asked by a county committee in alloting acreage should be this—how fertile are the acres?

The significant thing is not how many acres a farmer is given but what the acres will produce. This cannot be emphasized too much.

There has been the theory advanced that if a person is farming poor land he should get off the land and move to a rich land area or cease to farm altogether. This is a wonderful theory which I would like to see possible of attainment. However, America was not built on such a theory. There have been many people who have received their start farming the most fertile land they could find which at best was poor land. People do not farm poor land just because they like to work poor land. There have been many people who have become big businessmen that began in relatively unprofitable businesses with obstacles surrounding those businesses. Those who do not understand the meaning of freedom of choice of vocation have at times gone so far as to say that if a person cannot do this, that, or the other, as the Government tells him he should not be in the business. There are those who contend if a person cannot find good land to farm he should not farm. The Creator of us all did not endow all parts of America with fertile land and those who are unfortunate enough to have to farm on unfertile land should not be blamed for a plight they did not bring upon themselves. Often I have heard it said that poor-land farmers should go into some other type of farming. Frequently it is said they should grow cattle, hogs, chickens, and milk cows. This always is a good suggestion provided they can get into such a farm situation. This is not as easy as it sounds.

Over and over it has been alleged that the small poor-land farmer must cease to grow cotton—that he cannot compete.

No one would contend I am sure that our present cotton program or the one proposed is designed to bring down the price the purchaser of the cotton must pay. The opposite is true; it is designed to keep the price of cotton up which places cotton in a poorer position to compete. I am for keeping cotton at a good price.

I quote two paragraphs from a letter written me February 16, 1949, by Mr. Loveland, Department of Agriculture:

> This is in reply to your letter of January 29, 1949, regarding whether the productive factors of the land should be given special consideration in establishing cotton allotments for farms. Representatives of the Cotton Branch in the Production and Marketing Administration recently discussed with you the suggestions set forth in your letter.
>
> The most serious problem facing the cotton economy of this country at this time is the competition with synthetics for the domestic market and the competition for export outlets. In both instances, the major factor involved is the cost of cotton production as compared with the cost of competitive commodities. Consequently, we believe that if cotton is to maintain its favorable position it must be done through the production of higher quality cotton at lower costs.

Also, I quote a part of a letter written me March 10, 1949, by the assistant to the Under Secretary:

> However, efforts have been made to place more emphasis on the productivity of the soil in establishing allotments. It is extremely difficult to use this approach for the reason that we must constantly try to keep the cost of cotton production at a minimum, in order that cotton can compete favorably with other competitive commodities.

Now I quote part of a paragraph from a letter written me June 8, 1949, by Secretary Charles Brannan:

> In connection with Mr. Payne's comments on the relatively low support levels for farm commodity prices during the 1930's, it must

be kept in mind that the price-support program was started at a time when prices were extremely low. A drastic increase in prices was purposely avoided, in order to raise commodity prices gradually to a level that would be fair to farmers.

On March 23 1949 Under Secretary Loveland, Department of Agriculture, wrote me a letter the pertinent part of which I quote.

We were stating that, in our opinion, low cost producers would be in a more favorable position, if it becomes necessary, for absorbing lower cotton prices in order to compete with other fibers for market outlets.

Obviously, the market price for a given quality of cotton at a particular time and place is the same, regardless of cost at which it was produced; however, cotton produced at lower costs will return the growers a wider margin of profit or lesser amount of loss.

I repeat, the real primary purpose of the cotton program as I see it could not be said to be the placing of cotton in a position to compete by bringing down the price of cotton.

I submitted substantially the following assumption to the United States Department of Agriculture not long ago. Assume a farmer with a family owns a 60-acre farm in east Texas. Assume he had farmed all his life until he left it in 1941 or 1942 and thereafter worked in a defense plant until the war was over and then in the reconverted peacetime plant until recently when he lost his job owning to a reduction in force. He could easily have been a sailor or soldier or merchant seaman. He now returns to his farm with his car, his furniture, and $1,000 in cash. Prior to his leaving the farm he had grown some cotton and some peanuts. Under a program of control, what would his farm program be? I have been interested in the answers I have received. I appreciate the time and attention the department has given the assumed set of circumstances I submitted to them. I quote them.

I quote from a letter written me June 17, 1949 by Secretary Brannan:

In your letter you give an example of a 60-acre east Texas farm which grew cotton and peanuts and had allotments in 1942. The owner was not in the armed services but worked in a defense plant until the war was over and then in private industry until he lost his job in December 1948. The owner now desires to return to this farm and earn a living. He has $1,000 in cash, his furniture and a car. Your request is for information on the other ways, the alternatives, he has for earning his living due to allotments and reduced acreages on cotton and peanuts.

The enclosed tabulation showing the present and adjusted farm organization for a 60-acre cotton farm applicable to southeast Texas may be used to illustrate the possible organization to meet the conditions you describe; i. e., operator returning to a unit after it has been out of crop production for the past 6 years. The illustration assumes that the operator would not receive more than 50 percent of a normal cotton acreage under an allotment program. He would be classified as a new grower. Expenses would include the purchase of additional livestock as well as the ordinary farm operating expenses. The $1,000 cash which the operator has available would be required to take care of farm operating expenses. This may mean that a special form of credit and management guidance during the adjustment period would be necessary. The income of the adjusted unit in this calculation would be approximately 85 percent of the present unit.

The operator would receive 50 percent of a normal cotton acreage under an allotment program?

I continue to quote from the June 17 letter of Secretary Brannan:

However, all units do not lend themselves equally well to adjustments through pro rata allotments. The result is that some units will be faced with smaller incomes. This will bring pressure by these operators to enlarge their business by purchase or lease of land with an allotment. * * * Otherwise the result is to divide the gross income for agriculture among more people and lower the per capita return. This would further widen the gap between farm and nonfarm workers. This may mean that in addition to giving guidance in setting up the most efficient and properly adjusted farm unit that an active program of retraining for adjustment out of agriculture and promotion of rural industry may be needed as a supplement.

The farm program suggestions which will be sent to you by Mr. B. F. Vance will undoubtedly provide a more specific formula applicable to the particular conditions you describe. In the meantime we hope that this will give you a key as to the over-all adjustment problem.

I now include the plan:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., June 17, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: In accordance with your telephone request we are supplementing our letter of June 3 regarding suggestions for sources of income for small east-Texas farmers who have returned to cotton and peanut farms from private employment. We are also incorporating the information on an alternative organization plan which Mr. P. F. Aylesworth supplied to you at your request.

In your letter you give an example of a 60-acre east-Texas farm which grew cotton and peanuts and had allotments in 1942. The owner was not in the armed service but worked in a defense plant until the war was over and then in private industry until he lost his job in December 1948. The owner now desires to return to this farm and earn a living. He has $1,000 in cash, his furniture, and a car. Your request is for information on the other ways, the alternatives he has, for earning his living due to allotments and reduced acreages on cotton and peanuts.

The enclosed tabulation showing the present and adjusted farm organization for a 60-acre cotton farm applicable to southeast Texas may be used to illustrate the possible organization to meet the conditions you describe; i. e., operator returning to a unit after it has been out of crop production for the past 6 years. The illustration assumes that the operator would not receive more than 50 percent of a normal cotton acreage under an allotment program. He would be classified as a new grower. Expenses would include the purchase of additional livestock as well as the ordinary farm operating expenses. The $1,000 cash which the operator has available would be required to take care of farm operating expenses. This may mean that a special form of credit and management guidance during the adjustment period would be necessary. The income of the adjusted unit in this calculation would be approximately 85 percent of the present unit.

This illustration may also serve to point up some of the problems encountered when it is necessary to impose allotments and quotas on producers of a commodity in which the production capacity is in excess of the market demand. Established producers as well as those returning to their units must find alternative enterprises to replace the income lost through reductions in the principal crop. Insofar as this can be accomplished there need be no appreciable change in the size or number of farms, only a shift in the pattern of production.

However, all units do not lend themselves equally well to adjustments through pro rata allotments. The result is that some units will be faced with smaller incomes. This will bring pressure by these operators to enlarge their business by purchase or lease of land with an allotment. This means that over all there must continue to be a shift of people out of agriculture and in these particular areas return of the people to the land must be on a replacement basis. Otherwise the result is to divide the gross income for agriculture among more people and lower the per capita return. This would further widen the gap between farm and nonfarm workers. This may mean that in addition to giving guidance in setting up the most efficient and properly adjusted farm unit that an active program of retraining for adjustment out of agriculture and promotion of rural industry may be needed as a supplement.

The farm-program suggestions which will be sent to you by Mr. B. F. Vance will undoubtedly provide a more specific formula applicable to the particular conditions you describe. In the meantime we hope that this will give you a key as to the over-all adjustment problem.

Sincerely yours,

CHARLES F. BRANNAN,
Secretary.

Alternative organization plan for 60-acre cotton farm

Item		Present	Adjusted
Crops and land use:			
Cotton	acres	25	12
Corn	do	15	15
Oats	do	3	9
Hay and forage	do	8	20
Other	do	4	3
Total		60	60
Livestock:			
All cattle	number	10	10
Milk cows	do	4	8
All hogs	do	4	6
Poultry	do	100	300
Proportion of cash receipts:			
Cotton	percent	57	30
Other crops	do	15	15
Cattle	do	3	3
Other livestock	do	6	12
Livestock products	do	16	37
Other	do	3	3

Also I include a letter to me written by Mr. Vance July 18, 1949, and a telegram Mr. Vance sent me July 18, 1949:

UNITED STATES DEPARTMENT OF AGRICULTURE,
College Station, Tex., July 18, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: As you were advised in a letter dated June 3 from Mr. A. J. Loveland, Under Secretary of Agriculture, your letter of May 12 has been referred to me for the development of a program that would offer some opportunity for a farmer just returning to an east Texas farm after having spent several years in off-farm employment.

We have spent some time studying the problem in the light of existing legislation having to do with farm allotments for cotton, peanuts, and other crops common to the area involved. Your letter has also been referred to the Department of Agricultural Education of the A. & M. College for study

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and comments. This department is directly concerned in the development of agricultural programs in the State since, among other things, the vocational agriculture service is one of its principal functions.

In general, we agree with the broad suggestions made in Mr. Loveland's letter of June 3 and are quoting below in its entirety the letter from Dr. E. R. Alexander, head of the Department of Agricultural Education, since we find his suggestions in substantial agreement with those in this office. In addition to the suggestions in the quoted letter, we believe the east Texas area offers an unsurpassed opportunity for the production of beef cattle and believe that any program outlined should include encouragement for this type of farm enterprise, probably in connection with other farm-income producing projects.

"The question asked by Congressman BECKWORTH relative to an approved farming program for small farmers in east Texas, suggests a number of problems that will have to be taken into account in the framing of legislation providing a plan for Government assistance to these farmers.

"The future of farming in east Texas cannot be clearly outlined at present, but it is possible to suggest probable events and trends which may be useful in the development of a long-range Government farm program. It seems to me that a farm program must be planned with four considerations in mind: (1) Long-range trends in world and national affairs, (2) regional economic developments, (3) current farm trends in particular regions, and (4) the present farm setup of the individual farmers—in this case, in east Texas.

"It is obvious that we cannot disregard world politics, international rivalries, and nationalistic aspirations. These factors, plus international trade agreements, may have a significant effect upon our opportunity to dispose of surplus agricultural commodities in world trade.

"Regional economic developments are of tremendous importance in their influence upon the farmer's opportunity to sell his products on the domestic market. It has been a reasoned personal opinion that the Gulf coast area of Texas and the South will become, in time, the center of the world's economic civilization. I have in mind the historical pattern of the movement of the economic centers of influence in the direction of unexploited natural resources. We recall the Tigris-Euphrates Valley, the Mediterranean, the European shores of the Atlantic, the American shores of the Atlantic, and, at present, the northern and northeastern sections of the United States with a contributary influence by the South. The predominating influence in the South lies in the Southwest, the source of sulfur, oil, and natural gas. As is commonly understood, South America contains the largest amount of unexploited natural resources. Since we in the United States have financial, distributing, manufacturing, and agricultural production know-how, it is reasonable to assume that the Gulf coast area will become the next center.

"With the development of large centers of population in the Gulf coast region, farmers will have an opportunity to find an expanding market for a great variety of agricultural commodities, which can be produced in east Texas. I am in agreement with Under Secretary Loveland that farmers of east Texas should be encouraged to increase the production of livestock and livestock products, including dairy and poultry. Rainfall records for this section indicate that farmers can develop pastures that will enable them to produce milk at a greatly reduced cost. Current prices of milk in Houston offer a most encouraging opportunity for the establishment and expansion of the dairy enterprise. It is interesting to note in passing that the June issue of Fluid Milk, USDA, a maximum price of $3.69 per hundred pounds was paid in Wisconsin as compared to $6.80 in Houston and Galveston, and $5.50 in Dallas. This margin of $3.11 makes it possible for handlers of whole milk to buy it and ship it in refrigerated trucks to the Houston market at a profit.

"In brief, my recommendation for the farming program in east Texas would be maximum assistance in soil and water conservation, pasture development, and the production and processing of forage crops. It is true that timber does offer a source of income to farmers, but I am advised by the State forest service that the counties of Angelina and Nacogdoches have a total of 344,000 acres of forest land in holdings of 3,000 acres and above. These two counties have a total of 75,750 acres in national forests. In Angelina county acres in forest land are in excess of 50 percent of agriculture land. In Nacogdoches, it is approximately 25 percent of total agriculture land. I think farmers should be encouraged to improve their handling of their forest, but, at present, I do not anticipate any considerable increase in income from this source."

It is regretted that a prompt reply could not be made to the Secretary's letter of June 3. I am glad to furnish our comments as given above and will furnish additional information as time and circumstances will permit.

Very truly yours,

B. F. VANCE,
Chairman, State Committee.

COLLEGE STATION, TEX., *July 18, 1949.*

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.:

Subject: Program for east Texas farm, your letter May 12.

Believe congressional action for governmental assistance and agricultural production controls should take into account long-rang trends in world and national affairs, regional economic developments, current farm trends in particular regions and a present production pattern for east Texas. The world situation must be considered, as international trade agreements have a significant effect on opportunities to dispose of surplus commodities in world trade.

Regional developments must be considered as these influence local markets for farmers' production. Believe Gulf coast area in time will become the center of domestic economic civilization and probably the center of world economic civilization because of its unparalleled natural resources. Feel that enlarged markets for milk, beef, poultry, vegetables, and other food crops offer much better agricultural enterprises in east Texas area because of this economic development than do cotton, peanuts, and some other crops that are in surplus supply, thereby bringing on production controls. Feel Government program for east Texas should include maximum assistance to soil and water conservation, pasture development, and the production of forage crops. Air-mail letter follows.

B. F. VANCE.

I include a letter written me by Mr. Aylesworth, Department of Agriculture, June 13, 1949:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., June 13, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: In accordance with our telephone conversation I am enclosing a tabulation showing the present and adjusted farm organization for a 60-acre cotton farm applicable to southeast Texas. This shows the direction the adjustment must take; but as for any hypothetical farm plan, revisions would be necessary in making application to specific farms.

This tabulation can be used to illustrate the possible organization for an operator returning to a unit after it had been out of crop production for the past 5 years. This illustration assumes he would receive 50 percent of the normal cotton acreage as an allotment for a new grower. The income on the adjusted unit would be approximately 85 percent of the old unit. Farm expenses would be approximately $1,000 and the cost of additional livestock to be purchased would be $2,000. This may mean that a special form of credit and management guidance during the adjustment period would be necessary.

This illustration serves to point up some of the problems encountered when it is necessary to impose allotments and quotas on producers of a commodity in which the production capacity is in excess of market demand. Insofar as producers of these commodities can find alternative enterprises to replace the income lost by reductions in the principal crop there will be no appreciable change in size or number of farms, only a shift in the pattern of production—usually crop to livestock production.

However, all units do not lend themselves equally well to adjustments through pro rata allotments. The result is that some units will be faced with smaller incomes. This will bring pressure by these operators to enlarge their business by purchase or lease of land with an allotment. This means that over-all there must continue to be a shift of people out of agriculture and in these particular areas return of the people to the land must be on a replacement basis. Otherwise the result is to divide the gross income for agriculture among more people and lower the per capita return. This would further widen the gap between farm and nonfarm workers. This may mean that in addition to giving guidance in setting up the most efficient and properly adjusted farm unit that an active program of retraining for adjustment out of agriculture and promotion of rural industry may be needed as a supplement.

The farm program suggestions which will be sent to you by Mr. B. F. Vance will undoubtedly provide a more specific formula applicable to the particular conditions you describe. In the meantime we hope that this will give you a key as to the over-all adjustment problem.

Sincerely yours,

PHILLIP F. AYLESWORTH,
Office of the Secretary.

Alternative organization plan for 60-acre cotton farm

Item		Present	Adjusted
Crops and land use:			
Cotton	acres	25	13
Corn	do	15	15
Oats	do	3	9
Hay and forage	do	8	20
Other	do	4	3
Total		60	60
Livestock:			
All cattle	number	10	10
Milk cows	do	4	8
All hogs	do	4	6
Poultry	do	100	200
Proportion of cash receipts:			
Cotton	percent	57	30
Other crops	do	15	15
Cattle	do	3	3
Other livestock	do	6	12
Livestock products	do	16	37
Other	do	3	3

Also I include three letters Mr. Loveland, Department of Agriculture, wrote

me June 3, 1949, July 7, 1949, and July 28, 1949:

DEPARTMENT OF AGRICULTURE,
Washington, July 7, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: In our letter of June 17 we attempted to point up some of the considerations and problems involved in the illustration you gave.

One of these is credit. The specific needs will depend on the number and price of livestock and operating expenses and can be answered only on an individual-case basis according to prices in the area and the needs of the operator.

The second has to do with the allotment on the farm. Under existing law the Secretary may set aside for new farms as much as 2 percent of the State cotton acreage allotments. As to peanuts, the acreage allotted to new farms in 1949 was eight-tenths of 1 percent of the national acreage allotment. We are uncertain of the acreage which may be reserved for establishing 1950 peanut allotments for new farms. The bills which have been introduced in this Congress to change the cotton and peanut marketing-quota provisions of the Agricultural Adjustment Act of 1938 would authorize a percentage of the national marketing quota or acreage allotment to be set aside for apportionment to new farms.

Another consideration is that of alternative operations. The bill introduced by Senator PEPPER, S. 1092, to provide for aid in industrialization of underdeveloped areas and for other purposes very clearly sets forth this approach. A similar bill along this line was introduced by Congressman BROOKS HAYS in the Eighteenth Congress. This is H. R. 2738.

The hypothetical farm plan was given as an illustration only in answer to a hypothetical situation. Any such plan would need to be revised and adjusted according to the specific farm unit involved. As previously stated, we have asked Mr. B. F. Vance to provide a more specific formula applicable to the particular conditions you describe. We believe this will furnish a much more satisfactory basis than to attempt to spell out further details as to prices, costs, and returns on the hypothetical illustration. Mr. Vance will undoubtedly also include material pertinent to the points you have raised regarding credit, allotments, and alternative operations.

Sincerely yours,

A. J. LOVELAND,
Under Secretary.

DEPARTMENT OF AGRICULTURE,
Washington, July 28, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This is in reply to your letter of July 20. It was necessary to make certain assumptions in addition to those stated in your letter regarding the kind of livestock to be purchased, the season in which the farmer started operations, and the use made of current receipts. First, it is assumed that the farmer would buy 8 milk cows, 6 feeder pigs, 200 hens, and 10 head of young beef cattle. Second, that the farmer would be starting now (July 1949) any buying livestock at prevailing prices in east Texas, and that he would have no farm-raised feed available for about another 12 months. And third, any income received from the sale of milk and eggs would be used for farm-operating expenses or family maintenance.

From those assumptions we have estimated that the farmer would need approximately $2,800 for the purchase of the livestock and an additional $1,600 for purchased feed for the next 12 months, or a total of $4,400.

Perhaps with very little pasture and no feed on hand the farmer might do well to delay the purchase of the 10 young beef cattle for another year or until he could build up his pasture and feed supply. By this means he could reduce the amount of capital required to $3,000. Unless the farmer already had machinery and tools he would also need to consider a minimum investment for this purpose.

Sincerely yours,

A. J. LOVELAND,
Acting Secretary.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, June 3, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This is in reply to your letter of May 12, 1949, requesting suggestions for sources of income of small east Texas farmers who have returned to cotton and peanut farms from private employment.

We are not immediately familiar with all of the local conditions in Texas which would have a bearing upon possible sources of income on the type of farm to which you made reference. Therefore, our suggestion to a person situated as explained in your letter would be to seek the advice and counsel of local agricultural agencies and other public service groups who are familiar with local conditions and who, through training and experience, could offer valuable advice in an instance such as you have mentioned.

Based upon general knowledge of the area to which you make reference, it would seem appropriate that a small farmer in that territory should consider the following types of activities which, in many instances, could be developed into a substantial income-supporting enterprise and thereby supplement the income he could obtain from the production of such amounts of cotton and peanuts as he might be able to produce. The production of livestock and livestock products, including dairy and poultry, is being carried on successfully by many farmers in that general territory. The production of forest products can be made a consistent source of supplemental income on most farms where the forests are systematically cared for. The production of some types of grass and legume seeds may be developed as a possible source of income since, in general, there are not sufficient amounts of these types of seed being produced to meet the needs. We realize in many areas there is a need for incomes, which can be made on small farms, to be supplemented with off-farm employment, and that the opportunities in this connection are often limited. The making available of such opportunities most often must be promoted by local people in group activities.

We are referring your inquiry to Mr. B. F. Vance, chairman, Texas Production and Marketing Administration Committee, and asking him to work out a specific farm program that could be adopted to situations you describe. Mr. Vance will reply to you directly.

Sincerely yours,

A. J. LOVELAND,
Under Secretary.

Also I include a letter Mr. Vance wrote me July 25, 1949, one July 27, and a letter written me July 22, 1949, by Mr. Wesley McCune, of the Department of Agriculture.

Under the plan, the farmer is given $900 worth of cotton:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
PRODUCTION AND
MARKETING ADMINISTRATION,
College Station, Tex., July 27, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: I have a copy of a letter addressed to you from Mr. Wesley McCune, executive assistant to the Secretary, dated July 22, to which was attached a copy of a crop and livestock plan for a 60-acre east Texas farm.

I see nothing materially wrong with the plan. The cost of livestock varies a great deal, depending upon the kind of cows, pigs, and poultry one desires to purchase.

Sincerely yours,

B. F. VANCE,
Chairman, State PMA Committee.

CROP PLAN

Crops	Acres	Production	Value
Cotton	13	3,000 pounds of lint	900
Corn	15	300 bushels	(1)
Oats	9	250 bushels	(1)
Hay and forage	20	20 tons	(1)
Other	3	Patches to produce food for family	
Total acres [2]	60	Total sales	900

LIVESTOCK PLAN

Kind of livestock	Number	To be produced	To keep	To sell	Value
All cattle	10	8	4	4	$300
Milk cows	8	1,600 pounds of butterfat	400 pounds	1,200 pounds	480
All hogs	6	To produce meat for family			
Poultry	200	1,000 dozen eggs	100 hens	800 dozen	400
Total value of livestock sales					1,400
Total value of all sales					2,300

[1] Home use.

[2] It is assumed that there would be pasture and woodland in addition to this and that the total farm might be 80 or 100 acres. However, on good land with proper fertilization and good management, the 9 acres in oat land and the 20 acres in hay and forage should produce ample hay and pasture for the livestock. It is doubtful whether 60 acres of average northeast Texas land will support a fair standard of living when operated as a general type of farming by the average farmer in that area. It might be necessary to buy some cottonseed meal or other such feed. It would also be necessary to buy $200 to $300 worth of chicken feed. We cannot give an accurate answer to the question as to cost of cattle, hogs, and chickens, but would make the following guess: Grade milk cows to produce 200 pounds of butterfat per year, $175 to $200 each; pigs at weaning time, $15 each; baby chicks, $15 to $20 per hundred.

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UNITED STATES DEPARTMENT
OF AGRICULTURE,
College Station, Tex., July 25, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: It is rather difficult to give figures on the cost of the livestock mentioned in your letter of July 20 since you did not specify the kind of livestock—whether grade, registered, or breeding stock. I am listing below what I consider to be a fair price for the livestock here in Texas. These figures are not that of the Department of Agriculture since I do not have those figures available:

8 good dairy cows	$1,600
6 hogs (5 bred gilts, 1 boar)	240
200 small pullets	100
10 stocker cows	1,500
Total	3,440
Feed for 1 year assuming pasture is available	2,720
Total	6,160

If you would like to have official figures from the Department, I would suggest that you contact the Bureau of Agricultural Economics in Washington. They should be able to give you average figures for the United States for dairy cows, beef cattle, chickens, and hogs. The above figures are my personal estimates of cost here in Texas.

Sincerely yours,

B. F. VANCE,
Chairman, State PMA Committee.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, July 22, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: In accordance with your telephone request, we are enclosing a specimen farm plan for a 60-acre farm that might be applicable to conditions in east Texas.

Assuming the operator has only $1,000 in cash of his own, it will be necessary for him to borrow some money on his livestock in order to start with full-scale operations as the initial cost of the livestock and poultry will be between $2,500 and $3,000. This does not include cost of preparing land, seed, and other initial expenses.

This is one of many variations of a farm plan for a 60-acre farm. In order to develop anything more than a crude outline it would be necessary for some qualified farm management specialist to interview the operator and personally observe the specific farm. Many factors are involved in developing a farm plan such as experience and ability of the operator and his family, type of soil and fertility, and availability of machinery and equipment, as well as markets and transportation.

In some areas a skillful operator could have a very satisfactory income from a 60-acre farm, but believing that was not the type of example you wanted, we have purposely set up an example which will show substandard income and living conditions. Even under most favorable conditions, an inadequate farm plant will not produce a satisfactory return for the operator any more than will an inficiently operated, undercapitalized business. Also, there is unemployment in labor when industry as a whole is enjoying prosperity.

We do not submit this hypothetical farm plan as a recommendation of the Department, but hope it satisfies your needs.

Sincerely yours,

WESLEY MCCUNE,
Executive Assistant to the Secretary.

XCV——675

But now let us see how many farmers can be helped by the Department of Agriculture.

I quote a letter Mr. Dillard Lassiter wrote me August 1, 1949:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Washington, D. C., August 1, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

MY DEAR LINDLEY: This is in reply to your telephone request this morning for information on our loaning activities of the past fiscal year and our plans for the forthcoming year.

During fiscal 1949 we made operating loans averaging $850 to approximately 43,000 new borrowers who were tenant farmers to enable them to purchase equipment, livestock, seed, fertilizer, and other farm operating needs. In addition we helped about 3,000 tenant farmers become owners with the aid of direct or insured land purchase loans that averaged $7,100.

During fiscal 1950 we estimate that we will make operating loans averaging $650 to approximately 45,000 tenant farmers who have not been assisted by this agency in the past. In addition about 4,000 tenant farmers will become owners with real estate loans averaging $7,100 provided or insured by this agency.

Farm and home management assistance which accompanies the loans has enabled borrowers to share in the improvements in farming methods that have been developed in recent years. Their loan repayment record continues to be excellent. Many have increased their equity and otherwise strengthened their financial position so that they are now customers of private and cooperative credit institutions and participate in all types of community development.

As you know the services of the Farmers Home Administration do not duplicate the assistance provided by any other agency. Loans are made only to farmers unable to obtain credit elsewhere and supervision is provided only to borrowers.

If at any time you need additional information concerning the programs of the Farmers Home Administration please let us know.

Sincerely yours,

DILLARD B. LASSITER,
Administrator.

What is the essence of what Mr. Lassiter says? In the first place, in 1949, 3,000 tenant farmers became owners. This 3,000 is well taken care of. In the next place, they loaned on an average of $850 to 43,000 new borrowers. This $850, however, is not the three, four, or five thousand dollars referred to in the plans which is needed. Suppose instead of helping the 43,000 to the tune of $850 you had helped them $4,000 each, more in line with the suggested plans, you could have helped far more than 9,000 farmers, or a total of some 12,000 farmers in all.

Now Mr. Lassiter says the service of the Farmers Home Administration do not duplicate the assistance provided by any other agency. Therefore, the number who could be helped under the plans would be very small.

It is obvious from all these communications that there is quite a wide area of indecision relating to the welfare of the farmer whose plight I describe.

Bear in mind, please, it has been only natural in the past for new cotton farms and farmers to come into the picture. The figures are:

1938	44,498
1939	49,918
1940	50,458
1941	39,099
1942	42,940
1943	18,939

Telling the type of farmer to whom I refer—one found so to be by his county committee—that there is not room for you to grow peanuts or cotton—enough to make him a living—but instead go borrow $6,000 and go into the livestock business—does not add up to me. It is much like telling a man not to put in a hamburger stand but a hardware store instead.

So where does this farmer who cannot borrow the $6,000 go? What does he do?

It will be recalled I quoted from a letter written me June 17, 1949 by Mr. Aylesworth, Department of Agriculture. I quote part of it again.

This means that over-all there must continue to be a shift of people out of agriculture and in these particular areas return of the people to the land must be on a replacement basis.

This sounds good. However, at this point I include a letter Dr. Nourse wrote me July 18, 1949:

EXECUTIVE OFFICE
OF THE PRESIDENT,
COUNCIL OF ECONOMIC ADVISERS,
Washington, D. C., July 18, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: In your letter of July 15 you put your finger right on a central problem with which we shall be confronted in the years just ahead. Specifically, I do not see too bright a prospect of industry absorbing 250,000 to 500,000 people from agriculture if the policies were such as to crowd these people out of farming. The tendency in industry itself is to economize on labor at present prices through the use of labor-saving equipment and methods. Hence, it becomes extremely important that neither farmers nor industrial workers price themselves out of a numerically adequate market if we are to accomplish the purposes of maximum production and employment; and equally necessary that management price its products and adjust and utilize its capacities so as to get maximum absorption of output in the relatively low-income market.

Sincerely yours,

E. G. NOURSE,
Chairman.

Also I include a letter the Secretary of Labor wrote me July 21, 1949:

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, July 21, 1949.

The Honorable LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BECKWORTH: This is in reply to your letter of July 7, 1949, regarding the possibility of employment of displaced farm workers in industry.

I did not intend to imply in my previous letter that industry could absorb substantial numbers of workers beyond the normal additions to the labor force in any one year. It was done during the war years but, of course, that was highly abnormal. The reference was to a gradual process over a period of

years as the economy expands through the growth of population and the raising of the standard of living. In the decades since 1929 agricultural employment has decreased by almost one-fourth while employment in nonagricultural activities has increased by more than a third.

It would be highly speculative to attempt to predict whether a half million or a million farmers could be absorbed in industry during the next year or two. If the current downtrend in industry continues, it will, of course, be difficult for such a large number to find nonagricultural jobs. On the other hand, if the trend is reversed, many displaced farmers may obtain employment.

Yours very truly,

MAURICE J. TOBIN,
Secretary of Labor.

Possibly a division of opinion exists as to the purpose of this legislation. I quote from a letter written me November 29, 1948, by Mr. B. F. Vance, department of agriculture, College Station, Tex. Mr. Vance is a very able, fair, and good man.

I am enclosing some suggestions of the Texas State PMA Committee affecting cotton-acreage allotments and marketing quotas for cotton. We feel that it is very important that the present legislation be amended in order that allotments will not be placed on farms where cotton is not being grown at the present time.

The peanut-quota program was rather successful along this line. Eight-tenths of 1 percent of the over-all peanut acreage in 1949 went to new farms.

The observation may be pertinent that some genuine cotton farms are not at the moment growing cotton and that some genuine cotton farmers, found so to be by the county agricultural committee, may not be growing cotton at this moment.

I repeat, when allotments are made, it is my contention two factors should receive attention—the number of acres and the fertility of the soil. Merely allotting a farmer a number of acres is not a sure way to limit production. Conceivably a farmer may double up on the use of commercial fertilizer and produce a third to a half additional to that of his normal production. The higher the profit from the crop, the more likely he is to do this.

I quote at this point from a letter written to me by Secretary Brannan July 14, 1949:

This is in reply to your letter of July 2, 1949, requesting an analysis as to the effect of H. R. 5392, June 29, 1949, on two specified types of cotton farms.

The allotments for these new growers would be based on the land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton.

The size of any farm allotment established pursuant to section 344 (f) of H. R. 5392, June 29, 1949, is influenced by the amount of the county allotment, the acreage of cropland on the particular farm, the acreage of cotton, and other basic crops on the farm and in the county, and county committee adjustments in cotton allotments for individual farms. Therefore, it is impossible to determine the actual allotment for any one farm until the national acreage allotment is established and State and county prorations are made and the cotton acreage history and other cropland uses are known for all eligible farms in the county.

At this point I desire to include a letter and a table sent me July 25, by the Secretary of Agriculture. The figures are the latest I have been able to get:

DEPARTMENT OF AGRICULTURE,
Washington, July 25, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This will acknowledge your letter of July 11, regarding the number of cotton farms in the United States.

The latest data available on the number of cotton farms are from the 1945 Census of Agriculture, which indicates that 1,217,547 farms were reported as having produced cotton in 1944. The average acreage of cotton per farm was 15.6, and the average number of bales per farm was 9.8.

Data from the Census of Agriculture did not provide a complete answer to the question concerning the number of cotton farms producing less than 3 and less than 5 bales of cotton. The Census of Agriculture does provide a break-down of cotton farms classified by the number of acres of cotton harvested. These data indicate that 208,354 farms reported less than 5 acres of cotton harvested in 1944. Production of cotton on these farms totaled 475,157 bales, or an average of about 2.3 bales per farm. The number of farms reporting 5 to 9 acres of cotton harvested was 392,919. Production on these farms totaled 1,911,511 bales, or an average of 4.9 bales per farm. This makes a total of 601,273 farms in these two groups. You realize, of course, that although these farms average 2.3 and 4.9 bales per farm, many of the farms in each group produce more than the average for the group, while others produce less than average.

I am enclosing a brief table from a special report on cotton farms, based on the 1945 Census of Agriculture. This table indicates the total of cotton farms classified by the number of acres of cotton harvested.

Sincerely yours,

CHARLES F. BRANNAN,
Secretary.

Cotton harvested in 1944: Farms reporting, acreage, and production, United States 1945 Census of Agriculture

Item	Farms reporting	Acres	Running bales (square)	Average number of acres per farm	Average number o bales per farm
United States total	1,217,547	18,961,891	11,838,351	15.6	9.7
Under 5 acres	208,354	627,054	475,157	3.0	2.3
5 to 9 acres	392,919	2,658,289	1,911,511	6.8	4.9
10 to 14 acres	268,498	3,047,558	2,198,558	11.4	8.2
15 to 19 acres	121,779	1,974,959	1,345,469	16.2	11.0
20 to 29 acres	101,489	2,294,572	1,436,644	22.6	14.2
30 to 49 acres	64,419	2,240,281	1,248,672	36.3	19.4
50 to 99 acres	41,782	2,737,903	1,341,714	65.5	32.1
100 to 249 acres	15,733	2,151,909	1,152,112	136.8	73.2
250 acres and over	2,574	1,129,366	728,514	438.8	283.0

Source: Special Report, Cotton Farms Classified by Acreage Harvested.

I desire to discuss these figures and some problems I propose to deal with when the committee considers amendments.

Obviously nobody has much idea what he is to receive. One of the ways to protect the little family-size farmer—perhaps a veteran—and any farmer for that matter is to give him a minimum baleage. I am in accord, too, with the minimum acreage provision except it should be amended to include all bona fide cotton farmers found so to be by their county agricultural committee. As a matter of fact this is the only kind of farmer I have been referring to or have in mind—a bona fide farmer, found so to be by his county agricultural committee. I have the utmost confidence in our county committees. However, they must abide by the law we write.

What minimum baleage should be established?

According to the 1945 Census of Agriculture there were 1,217,547 cotton farms having a total cotton acreage of 18,961,891 and the number of bales produced was 11,838,351. Two hundred and eight thousand three hundred and fifty-four cotton farms grew 5 acres of cotton or less; 392,919 cotton farms grew 5 to 9 acres of cotton; in other words 601,273 cotton farms—about 50 percent of the cotton farms—grew 9 acres of cotton or less. The average number of bales per farm for this group was less than 5 bales.

This 601,273 cotton farms grew 2,386,668 bales—about one-fifth of the total number of bales grown. This means in 1945 about 50 percent of the cotton farms grew about 20 percent of the cotton; the other 50 percent of the cotton farms grew about 80 percent of the cotton. In other words one-half got one-fifth—one-half got four-fifths. Let me repeat one-half of the cotton farms got one-fifth of the baleage; one-half got four-fifths of the baleage. Based on what the Census Department said in a letter written to me July 13, 1949, I quote:

Since the number of farms and the number of farm operators are the same, the number of cotton farmers in 1944 would also be 1,217,547.

This means one-half of the cotton farmers grew one-fifth of the bales and one-half of the cotton farmers grew four-fifths of the bales.

Apparently the Department of Agriculture does not disagree with this. I quote from a letter Mr. Ralph Trigg wrote me July 25, 1949.

In checking with the Census Bureau, Department of Commerce, for the data which you requested we were advised that they had recently supplied you their available information which was similar to that requested in the above-mentioned letter.

According to the 1940 census 50 percent of the cotton income went to 12½ percent of the cotton farms and 50 percent of the cotton income went to 87½ percent of the cotton farmers. If the census letter of July 13 is applicable to this data also, one-half of the cotton income went to one-eighth of the cotton

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farmers and one-half went to the other seven-eighths of the cotton farmers.

Note this, please, there were 1,217,547 cotton farms in 1944; there were 1,589,706 cotton farms in 1939—a difference of 372,159. Many of these nearly 400,000 cotton farms were not being farmed in 1944 because the operators were in the Army, Navy, Marine Corps, Coast Guard, Merchant Marine, or doing defense work. Too, in 1939 there were 22,809,870 acres—a difference compared with 18,961,891 in 1944 of 3,847,979. Many of these cotton acres were not worked because the workers were in some phase of war activity.

Definitely I feel we should establish a minimum baleage allotment to protect those in the main who are genuine cotton farmers, found so to be by the county agricultural committee, who were engaged in war work. I believe a four-bale minimum would be fair. No one will contend a four-bale cotton farmer is a big farmer. There were in 1944 1,217,547 cotton farmers. It would take some three million of them to grow that amount of cotton which was grown in 1944—some 2½ times more cotton farmers this number would be than we have today.

Now what would this mean according to the latest figures we have? It would mean if all the cotton farmers who grew less than five bales in 1944 were given this four-bale minimum in the future, if all of them grew their four bales they would grow only 2,405,092 as compared with what they grew in 1944—to wit, 2,386,668—a difference of 19,624 bales. You recall I said a moment ago that the Department of Agriculture is very indefinite as to what a farmer will get. This changes that indefiniteness to certainty as to a minimum for returned veterans and others who pursued war activities and all farmers for that matter, farmers found so to be by their own county agricultural committees.

Mr. CHRISTOPHER. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. CHRISTOPHER. Is not the allotment based on the land and not on the man who owns it?

Mr. BECKWORTH. The allotment is based on the land, but I say to you that is a very poor standard to use and it is doubly unwise to use as the only standard. The gentleman is a farmer. You may give me 5 acres. You may give another man 5 acres. But the fertility of the soil is so different that there is no comparison. You do not eat acres; you eat what is produced by that acreage. You do not buy food and clothing with acreage, but you buy with what the acres produce.

I say that is one of the fundamentals which should be considered. The most important question is: How fertile are those acres? That has never been considered as it should have been, in my opinion.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Speaker, the sentiments expressed here by the distinguished gentleman from Texas have motivated his entire service in the Congress. That is, his interest in the family-size small farm. It gives me pleasure to tell him that there has never been a bill, such as that now before the House, which concerns itself so much with the welfare of the family-size farm.

I may also say there has never been a bill presented to the House that is as liberal in authorizing allowances for new farms and small farms. Under this bill, for example, the gentleman's home State of Texas could have a maximum of 1,500,000 acres for the sole purpose of new farms and small farms.

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. BECKWORTH. How much of this is guaranteed to the kind of soldier boy that I just mentioned?

Mr. PACE. The soldier boy who has never produced any cotton?

Mr. BECKWORTH. I am talking about the soldier boy who, before he went into the war, was a cotton farmer altogether, but who, I will admit, has not since then produced any cotton.

Mr. PACE. If he went back home to the same farm, certainly he has a history on his farm and he would get an allotment.

Mr. BECKWORTH. Let us assume that there is no history on the farm.

Mr. PACE. If he has no history, then under the terms of this bill that question is left entirely to the State of Texas and the PMA committee of the county in which the veteran lives.

Mr. BECKWORTH. Percentagewise, what would the figure be?

Mr. PACE. We have not undertaken here to tell that veteran how much he gets. We do not tell him from Washington how much he gets. We have sent him home to deal with his own home people, and we have provided, I think, more than an adequate acreage to take care of him.

Mr. BECKWORTH. Is it not a fact that all that he would get you would have to take away from somebody else?

Mr. PACE. That is true of all quota laws. We have never found a way to give anything to one man without taking it away from another.

Mr. BECKWORTH. What if no equitable basis can be found by which you can take something away from somebody else?

Mr. PACE. Let me repeat: If the gentleman has a better system than to trust his own people to deal with their own soldiers, and that is the system set up in this bill, I wish the gentleman would tell us. We know of no better system.

Mr. BECKWORTH. The gentleman would not go so far as to say, though, that the local committee will not have to abide by the law regardless of how fair they would like to be?

Mr. PACE. I say that under this bill as much as 10 percent of the allotment made to the gentleman's great State, which will be at least 750,000 acres, and then as much as 10 percent of every allotment made to every county in his State, which would be another 750,000 acres, can be available to these veterans.

Mr. BECKWORTH. Irrespective of how far they desire to go, they would be bound by that law, and that would be as far as they could go.

Mr. PACE. If the gentleman would do us the kindness to read the bill—I rose to congratulate the gentleman for his interest in small farms, and to tell him that the committee had, so far as it could, recognized the sentiments expressed by the gentleman, and he will find it in the bill.

Mr. BECKWORTH. The gentleman deserves great commendation for that. I have read the bill, I may say to the gentleman.

Mr. PACE. The gentleman must remember that when he proposes to give a soldier an acreage allotment, a soldier who has never grown cotton, he must take it away from some other soldier who is growing cotton.

Mr. BECKWORTH. The gentleman does not want to misrepresent what I said. I said the soldier who grew cotton altogether as his pursuit and avocation before he went into the service. The gentleman would not call him a new farmer, would he?

Mr. PACE. I would say this to the gentleman, that I should think the gentleman would want to trust his own people in his own home county rather than somebody here in Washington.

Mr. BECKWORTH. I do, but I would make this further statement, that his own people and his own county committee can go no further than the law will permit them to go. Is that an accurate statement?

Mr. PACE. I say——

Mr. BECKWORTH. Is that an accurate statement?

Mr. PACE. Let me put it this way: May I repeat that in each State as much as 10 percent of the State allotment, and then in your home county as much as 10 percent of the county allotment, is authorized for these purposes; whereas, under existing law, not more than 2 percent was set aside. Very little could be done under the old law. Everything can be done under this bill.

Mr. BECKWORTH. Up to a given point.

Mr. PACE. Up to 20 percent of the allotment made to his State. If that does not satisfy the gentleman, I do not know what you are going to do with all of the other cotton growers in Texas. We certainly have some responsibility to them.

Mr. BECKWORTH. We do have.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Speaker, I asked for this time primarily to speak to the point raised by the gentleman from Texas [Mr. BECKWORTH].

To some extent the gentleman from Georgia [Mr. PACE] has answered the questions that were in my mind. I certainly want to endorse what the gentleman from Georgia [Mr. PACE] said in tribute to the gentleman from Texas [Mr. BECKWORTH] because the little farmer needs help and he has had an able advocate in the gentleman from Texas.

I believe, however, that in America there is room enough for the big cotton

farmer and the little cotton farmer, and that they must live together and fight together in the cotton economy that is going through such pronounced changes. I do not believe we can make some of our grave decisions wisely by basing them on a preference for the family-size farmer or the big operator. The goal that we must constantly keep in mind is the production of cotton under operations that make for efficiency; low-cost production cotton that leaves the markets preserved for us.

Some terrible things have been happening to the little farmers and catastrophe lies ahead if we allow the cotton situation to drift. If you live in that part of the cotton country where you cannot mechanize, where cotton must be grown at heavy expense, you will understand what I mean. So if we are right in conceding something to the economic factors, which I am speaking of, so we can meet competition of synthetics and low-cost production in foreign markets, if that is the correct, ultimate goal, then one concern we have in the transition is to see that in the process of reaching that goal we do not destroy the little farmer, the ones who cannot mechanize; who must, in other words, produce cotton at high cost.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. PACE. I would be interested to know what the gentleman considers a little farmer. A man has a 300-acre farm. He has 10 families as sharecroppers. Does the gentleman think we have to take care of the sharecroppers as well as some independent operator?

Mr. HAYS of Arkansas. Yes; indeed I do.

Mr. PACE. That is all written into this bill.

Mr. HAYS of Arkansas. I will be glad for the gentleman to have more of my time because I am anxious to know what his committee has produced.

The gentleman knows of the interest I have taken in the farmers who were squeezed out of our economy in the depression; those who had to have help from the Farm Security Administration. We helped almost a million of them. Nine hundred thousand farmers received rehabilitation loans.

In spite of my enthusiasm for the social goals that the gentleman from Texas [Mr. BECKWORTH] spoke of, the family-size farm and the preservation of small farmers, I realize that we cannot reach them at the expense of sound economic policy. We must develop a situation that permits the producer to stay in cotton up to his neck if he can produce cotton cheaply, and only the big or moderate-sized operators can do it. So what I want to do is to cooperate in this policy that I know the Committee on Agriculture is trying to work out, but to ask them to listen sympathetically that in this transition there must be some support for the little man, that he be permitted to grow a reasonable minimum and to get into other types of farming.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. SIKES. We are concerned about the little man who is starting to grow cotton for the first time. Particular attention has been called to the veteran who goes out to begin farming but who does not have a cotton quota. We have a growing population. Why in a growing country like this, a nation that is expanding, can there not be a quota set up to take care of people like that?

Mr. HAYS of Arkansas. If the cotton market were expanding I could answer "Yes"; and I would be happy to answer "Yes." But the cotton market is not expanding. We have a carry-over of 5,000,000 bales from 1948. While the rest of the economy may be expanding and there may be greater markets available for other agricultural products, the cotton market is not expanding. It is because of this particular fact that we must attend to both the social and economic factors of cotton farming.

Mr. SIKES. Does the gentleman say that from this time henceforth no new farmer can go into the production of cotton?

Mr. HAYS of Arkansas. No; we must work to find new uses for cotton, new markets for cotton, but we must avoid encouraging new production. Our aim is to work toward a situation of high yields and low costs so the farmers may produce all the cotton they can that is the objective we must have; otherwise we will either bankrupt the United States Treasury by artificially supporting a high price or if no supports destroy hundreds of thousands of little producers, and I am concerned about them.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. LYLE. Mr. Speaker, I believe all my time has expired. I therefore move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5738) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5738, establishing cotton-acreage allotments and marketing quotas, with Mr. HOLIFIELD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 30 minutes, and the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] for 30 minutes.

Mr. COOLEY. Mr. Chairman, I yield myself 2 minutes.

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. COOLEY. Mr. Chairman, this is an important bill and it seeks to deal with a very important problem which vitally affects the welfare of a large segment of our population. The bill before you is very technical and it might be difficult to understand, but all of its provisions have been well considered.

When this Congress met in January, actually before I was elected chairman of the House Committee on Agriculture, I appointed a Special Cotton Subcommittee and designated the gentleman from Georgia [Mr. PACE] as chairman of that subcommittee. Frankly, I doubt if any committee in the history of this Congress has worked more faithfully or more diligently than has this cotton subcommittee. Hearings were extensive and continued for weeks and months and just about everybody from everywhere was accorded an opportunity to appear and to be heard fully concerning the problems which were receiving the attention of the committee. Not only were extended hearings conducted here in Washington, but during the Eightieth Congress hearings were held by our committee in all of the major agricultural areas in the country. During the course of the hearings here a special invitation was extended to every Member of Congress representing a district in which cotton is grown to come before the committee for the purpose of presenting views concerning the problems facing the cotton farmers of the Nation.

A special day was set apart and Members of Congress were urged to attend. Now we bring before the committee a bill that was unanimously reported by the subcommittee and unanimously approved by the full committee, a bill that is highly technical and difficult to understand.

Mr. Chairman, in a moment I shall yield my entire time to the gentleman from Georgia [Mr. PACE], who has been responsible for directing the efforts of the subcommittee in the writing of this bill. It seems to me that the membership of the House should be willing to accept the work and the labor of our committee in presenting this bill as we have presented it today. To talk about the little grower and about protecting and providing for the little fellow, to talk about the new grower, as the matter has been discussed here, seems to me to indicate a lack of understanding of the measure that has been presented.

This bill makes rather liberal provision for both little growers and new growers and I hope that none of the provisions of this bill will be disturbed. Apparently the bill meets the general approval of those who are most familiar with the problems with which it deals. I, therefore, urge the Members of this House to give careful attention to the gentleman from Georgia [Mr. PACE] as he discusses the many provisions and explains the several sections of this important measure.

Mr. Chairman, I yield my entire time to the gentleman from Georgia [Mr. PACE], the chairman of the Cotton Subcommittee.

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Mr. PACE. Mr. Chairman, after a few brief general remarks I shall attempt to run through the bill and give you as best I can an analysis of it. Of course, this is not a new subject. We now have on the books, enacted in 1938, a marketing quota law for cotton. This bill simply amends that law and brings it up to date.

The need for amendment is principally due to two conditions. First, under the law as it is today, the Secretary could not allocate less than 27,500,000 acres to cotton when we have not planted that much cotton acreage in the country for the last 10 or 12 years. Therefore, it is necessary to give the Secretary some greater latitude than he has. For example, last year we planted but 23,000,000 acres, in 1947 21,000,000 acres, in 1946 18,000,000 acres, and in 1945 a little over 17,000,000 acres. So it would be rather fantastic to require the Secretary to allocate 27,500,000 acres.

The other need for amendment is to recognize developments during the last 10 years as to trends in the production of cotton. This has been particularly significant in the western area of the United States, where there has been a marked increase in the production of cotton, while in other sections there has been some decrease in its production. This legislation is necessary, taking into account this trend.

It is recognized that we will have marketing quotas on cotton next year. Of course, we all regret it, but we do recognize the necessity.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman states it is recognized that we will have marketing quotas. Now, as I understand it, the farmers must vote in favor of marketing quotas before they are put into operation; is that correct?

Mr. PACE. Of course. Speaking more exactly, I should say that the Secretary of Agriculture will on or before November 15 proclaim marketing quotas for cotton next year and they will go into effect if approved by two-thirds of the cotton producers.

On Monday of this week, the beginning of the new marketing year, we had on hand in this country 5,250,000 bales of cotton. We have in the field a crop in excess of 26,000,000 acres. The estimate as to production this year will not be available until next Monday, August 8, but it is anticipated that the production will be somewhere between 13,000,000 and 15,000,000 bales, which will probably give us a total supply of somewhere between 18,000,000 and 21,000,000 bales.

You have no doubt observed in the paper that on Monday the Government took over for the benefit of the producers better than 3,500,000 bales of cotton, that is, cotton on loan. The loans matured, and under the law it is taken over by the Commodity Credit Corporation. That is one of the reasons that this bill is here.

The Members of the Congress representing cotton-producing areas, and the producers themselves, realize that they cannot over a great period of time expect our Government to give them a fair support price and go to any enormous losses. Let me say this, and I think this needs to be understood by everyone, that you have now in matters of this kind a choice of three steps; that is, you can provide no support price for cotton or any other agricultural commodity. I am convinced that if under existing conditions that situation should be brought about, it would mean bankruptcy for agriculture in this country. Then you have on the other extreme, support prices with no provision for limiting production, that is just let the producer grow without limit. That extreme I think would mean bankruptcy for the United States Treasury. On the one hand no support will bankrupt the farmer; on the other hand support, with no limit on production, would bankrupt the Government. Therefore, I think it is the unanimous view of the House Committee on Agriculture, no doubt of the Senate Committee on Agriculture and the overwhelming majority of the Members of the House, that the middle ground is the only safe ground; that is, provide a reasonable support price to protect those who produce the food and fiber, with adequate provision for keeping production within reasonable limits according to the demand. That is the course this committee has followed; that is the course followed in this bill.

Now, very briefly I want to refer to the fact that cotton does have its problems. I want to say, Mr. Chairman, that cotton has problems that are worthy of the sympathetic consideration of every Member of the Congress. Whether you live in the cotton-producing area does not matter, because cotton is too important to the economic welfare of the entire Nation for anyone to be unmindful of its problems.

For example, I am not sure that it is understood by everyone that there are more people in the United States dependent upon cotton than any other agricultural commodity. By that I mean the families on the 1,500,000 cotton farms, people who work on those farms; the people who operate the gins to gin that cotton; the people who work in the warehouses to warehouse that cotton; the people who work on the railroads and trucks to transport that cotton; the cotton buyers and the cotton brokers who deal in cotton; the hundreds of thousands who work in the textile mills to process that cotton; the hundreds and hundreds of thousands who work in the retail establishments in the sale of cotton goods. Taking it all in all, there are more people in the United States dependent upon cotton and its products than any other commodity produced in the United States. That gives you some comprehension of the necessity for the sympathetic consideration of the city man, the country man, those in the North, the South, the East, and the West.

Mr. Chairman, I shall now hurriedly run through the bill and try to finish it in time to answer any questions that are propounded.

The bill provides that the Secretary shall proclaim marketing quotas whenever the supply of cotton is above normal. Therefore, the first thing you need to know is what is a normal supply of cotton. The normal supply of cotton is the consumption in the United States, the exports, plus 30 percent.

Mr. COOLEY. If the gentleman will yield, I would like to interrupt to call the attention of the Members to the summary which was published by the committee, and I will try to make available some of them so that they may be able to follow the gentleman in his discussion.

Mr. PACE. I do not think they can follow it that fast, but I thank the gentleman.

For example, it is estimated that the coming crop year, which began last Monday, the domestic consumption of cotton in the United States will be 8,000,000 bales, that the exports will be 4,000,000 bales, so your normal supply in that case would be 8,000,000, plus 4,000,000 for export, plus 30 percent. Thirty percent of 12,000,000 is 3,600,000. Therefore, the normal supply in that case would be 15,600,000 bales. The law provides in such case that whenever the supply exceeds that figure the Secretary shall proclaim quotas.

Then the bill says that when the Secretary fixes a quota he shall fix a quantity of cotton for the next year to bring about not more than a normal supply of cotton at the beginning of the next year. However, in our deliberations we decided there should be some limitation put on how low the Secretary could go in fixing quotas. The bill therefore provides that the Secretary cannot go lower than the acreage necessary to produce 10,000,000 bales, or lower than the acreage necessary to produce the consumption and exports of the previous year less 1,000,000 bales. This means that if the consumption and exports should drop down to 10,000,000 bales, then the next year the Secretary could not fix the quota as low as 9,000,000 bales; that is, the acreage necessary to produce that amount of cotton.

The bill provides, however, that next year the Secretary shall not allot less than 21,000,000 acres. That is done for this reason. Under strict application of the minimum quota of 10,000,000 bales, the average production in the last 5 years being 268 pounds per acre, 10,000,000 bales would require only about 17,889,000 acres. We feel that with 23,000,000 acres in cotton last year, and with over 26,000,000 acres in cotton this year, it would be too much of a shock to the cotton economy, too much of a shock to the cotton areas, to drop it drastically to below 18,000,000 acres in 1 year. Therefore, for next year the Secretary cannot go lower than 21,000,000 acres.

As the gentleman from Minnesota so well observed, of course, after he proclaims quotas it is up to the farmers to determine whether or not they want quotas. The act provides that they shall vote, and if two-thirds of them approve marketing quotas they shall go into effect.

If more than one-third disapprove, they shall not go into effect. Let me say in passing at this point, although I may refer to it later, if the farmers disapprove quotas, then they will not enjoy any support price at all.

The next question is that of allotting these 21,000,000 acres next year—we will use that as an example. That is, the allotments to the State, counties, and farms. There is language in the bill which seeks to take care of these trends and war crops in the last few years. There is in the bill what is known as the Memphis agreement, or the Western plan. Instead of writing into the bill the word "trends," when nobody can know what weight the Secretary would give to trends, we have sought in this bill to set up a special formula of how much acreage shall be allocated for the years 1950, 1951, and 1952. I am not going to try to go into details, because generally the result is that it gives special weight to increased plantings in the western areas during the last 2 years and also gives credit for war crops under Public Law 12. After that period then the allocation to the States is made on the basis of the acreage planted or regarded as planted in cotton for the preceding 5 years. After the years 1950, 1951, and 1952, the allocation to each State is made on that basis. That is to say, if your average acreage planted and regarded as planted in 5 years was so much and the national acreage was so much, then you get your percentage of the national average. The bill provides, as I mentioned a while ago in the discussion with the gentleman from Texas [Mr. BECKWORTH], that the State committee may reserve 10 percent of the State acreage allotment to adjust county allotments in counties adversely affected by abnormal conditions affecting plantings, for small farms and for new farms.

That thought was born, if I may put it that way, in the State of Texas. In 1946 we made a trip across the South holding hearings on cotton. In the State of Texas it was brought to our attention that there had been an enormous shift in the production of cotton in that area: That the high plains had actively gone into the production of cotton, and that they needed more. There was a western area that had gone into cotton; there was a southern area which had gone into cotton, and at the same time there were some areas in Texas that had practically gone out of cotton. The suggestion came to us from the chairman of the State PMA Committee of Texas, who said to me, as I rode in a car with him across the plains of Texas: "Mr. PACE, if you can find some way to give us some reserve acreage that our State committee can take and move around to take care of these situations, then our problems can be handled."

That is the way this idea of the 10 percent State reserve was born. It has been approved by the committee. Ths special reserve can be held by the State committee. It is designed to meet the situations where there are abnormal conditions affecting plantings, to take care of increases in the acreage for small farms and taking care of allotments for new farms.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield for a question?

Mr. PACE. I yield briefly to the gentleman.

Mr. BECKWORTH. The gentleman mentioned the State director in Texas.

Mr. PACE. Yes; I did.

Mr. BECKWORTH. He wrote me a letter the first of this year from which I would like to read one sentence, because it is on the very point about which the gentleman is talking. He says:

I am enclosing some suggestions of the Texas State PMA Committee: "We feel it very important that the present legislation be amended in order that the allotments will not be placed on farms where cotton is not being grown at the present time."

Mr. PACE. That is exactly right. That is exactly the reason that this provision is in the bill now.

Mr. BECKWORTH. That includes many veterans who went off to war.

Mr. PACE. That is right.

Mr. BECKWORTH. It includes many veterans who went off to war who were actual cotton farmers, and cannot go back to that.

Mr. PACE. It authorizes the State and county committees to consider their cases. I tried to tell the gentleman that a while ago. This State reserve may be used for any one or for all three of the purposes stated.

Then comes the question of allotments to the counties. After the State gets its allotment for the first 3 years—1950, 1951, and 1952—it is distributed to the counties on the basis of 4-year plantings, in order to take care of this western situation, and after that it is on the basis of 5-year plantings.

Now comes the question of the allotment to the individual farmers. The bill provides that you shall first allocate to the farms—to all farms, if you please—the smaller of the highest planted during the last 3 years or 5 acres. That is to say, if there is a farmer who has not been producing over 5 acres of cotton, he gets every bit of it. He is not cut one single inch. If he has been planting more than 5 acres, he gets 5 acres to start with. Then the bill provides that all the balance of the acreage in the county shall be allocated on the basis of a percentage of tilled soil. The method of determining the acreage of tilled land is set forth in the bill. After they have taken care of the small farms, he gets a percentage of what is left. Provided that nowhere in this bill, under general terms, can there be allocated to a farm more cotton than has been planted on the farm in the last 3 years. The only way he can get more is through this 10-percent reserve to the State and 10-percent reserve to the county. Through that he may get more cotton acreage than he has planted in the past 3 years.

I want to say, particularly to the gentleman from Texas [Mr. BECKWORTH] and the gentleman from Arkansas [Mr. HAYS], this bill provides that when there has been a reserve set up by the county committee, whatever it is, at least 30 percent of it must be used in increasing the acreage to farms with allotments of not exceeding 15 acres.

I said a while ago to the gentleman from Texas [Mr. BECKWORTH] that there never has been a bill brought to the Congress giving more consideration to the small operator than does this bill. We have gone just as far as we can go, because every man who has been growing cotton, big or little, has some rights that must be protected. We decided that the best way was to send it down home and let the folks work it out there.

Now the bill provides that all cotton grown in 1949 is out, and shall not be taken into account. That is, the amount planted in 1949 should not be taken into account. You will recall we passed a special act at the beginning of this session to outlaw the cotton acreage of 1949. This bill continues that. The bill provides that the Secretary can set up an administrative area in any county to take care of hardship cases. That is to say, if you have half a county with cotton farms and the other half has none, the Secretary can divide the county into two areas. That is to prevent hardships and keep from taking it from people who have always grown cotton and giving it to people who do not want it.

Mr. WHITTINGTON. That will be done by the State committee in connection with the county committee? The gentleman said the Secretary would do that.

Mr. PACE. That is right. I thank the gentleman for the correction.

The bill provides further that a man may underplant as much as 10 percent and still keep his full allotment. Many farmers do not want to overplant. At times they want to plant all the cotton they can and plant right up to their allotment, and then sometimes find they have overplanted. So we provide that if a man plants up to 90 percent of his allotment, he shall be credited in future years as if he had planted 100 percent.

There is a special provision in which the gentleman from Arkansas [Mr. GATHINGS] was very deeply interested and contributed very much in working out. The gentleman from Mississippi [Mr. ABERNETHY], and other Members also were greatly interested in this provision. It provides protection for that cotton farm acquired by the United States or a State. It provides two things: That if the farm was so acquired, as an airfield or any other war facility, and it comes back into agricultural production, that there shall be set up on that land a cotton acreage allotment, because it is an old cotton farm.

Then, secondly, it is provided that if a cotton farm was heretofore or is hereafter so acquired and the owner wishes to continue in the production of cotton and secures another farm in the same State, he may secure for his new farm a cotton-acreage allotment comparable with the other farms in the area where he purchased.

Those are two things that are helpful. They came out of our unfortunate experience in the peanut acreage allotment, where there is no comparable provision, and such farms received no acreage allotment at all.

I think everyone should understand the next provision: That the farmer who

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fails to cooperate and who overplants will not, in subsequent years, get any credit for his overplanting. If you allocate a man 50 acres and he plants a hundred, the next year and subsequent years, for purposes of allotment, he is treated as if he had just planted his allotment, 50 acres. I am sure you can realize the need for that.

The bill provides for the first time that all records having to do with agricultural allotments are open for inspection, and any cotton farmer in the United States can go to the county committee's office and not only check his own record but that of his neighbors in order to see that the county committee is doing a good job across the board.

There is a provision in the bill which sets out the method under which Public Law 12, Seventy-ninth Congress, the War Crop Act, shall be administered. It has been a matter of some controversy but the committee has finally agreed upon a method, and the rules and regulations as set out in the bill are fully explained in the committee report.

Many Members have asked—and please watch this very closely—how much cotton can a farmer sell free of penalty. A farmer can sell either the actual or the normal production of his alloted acreage. I will explain that further: He may sell without penalty either the actual or the normal; that means that a farmer who is allotted 10 acres but plants 15, does not have a good yield on the 15, but a yield that is not more than the normal yield on 10 acres can sell it all free of penalty; or if he stays within his 10 acres and he produces a heavy crop he can sell all he produces on his allotted acreage regardless of how many bales it is. I hope that is plain.

The bill provides that if you grow excess cotton, cotton in excess of the normal yield of your allotted acreage, you have to pay a penalty on the excess of 50 percent of the parity price. Parity price on cotton now is about 30 cents. Therefore if in this next year a farmer produces excess cotton, more than the actual or normal production on the allotted acreage, he will be required to pay a penalty of 15 cents a pound in order to sell it. Now, there is a way he can avoid that: He can put that cotton in storage and hold it there for a year or longer. Suppose the next year he has a poor crop; he can take out of storage enough cotton to make up the normal yield of the acreage allotted to him. Or another way he can use his stored cotton is to reduce the number of acres he plants under his allotment and pull cotton out of storage to make up the difference between what he grows and the normal production on his full allotment and sell it free of penalty. That is a new section.

There is a section in the bill dealing with long staple cotton, and there are definitions of "carry-over" and other terms.

One other thing I want to mention is a new provision in the bill, for which the gentleman from Mississippi [Mr. ABERNETHY], is largely responsible, setting up the method by which a farmer before he plants can get his land measured, and if he does so and plants on that measured acreage he can sell free of penalty all he produces on that acreage. Or if his land is measured after he plants and the acreage is claimed by the committee to be over, he can have it remeasured and if it proves to be within his allotment instead of being over, then the remeasurement does not cost him anything; but if the remeasurement shows that it is over, then he has to pay for the remeasurement.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. PACE. Mr. Chairman, we now come to two sections which do not relate to cotton.

These recognize trends in wheat and peanut acreage. The gentleman from Colorado [Mr. HILL] will no doubt take occasion to explain the wheat part of it. This takes care for 1950 of the rapid increase in the production of wheat in certain areas during the last 2 or 3 years. The same situation exists with reference to peanuts. There is a provision that no State can hereafter be cut below 60 percent of its 1948 peanut acreage. That is also taking account of trends.

In other words, we have tried to recognize and protect to some extent the producers where there has been an expanding acreage in either cotton, wheat, or peanuts during the last few years. The provisions are all comparable, and that is one of the fundamental objects of the bill.

Now I will be glad to answer any questions.

Mr. HAYS of Arkansas. I want to ask about the 21,000,000 acreage limitation. We have produced a carry-over with the 23,000,000 acres. The Department of Agriculture recommended a limitation of 20,000,000 acres.

Mr. PACE. No. The Department of Agriculture did not recommend any minimum. They wanted it to be left with the Secretary, but the committee could not go along with that.

Mr. HAYS of Arkansas. They asked for a limitation and to provide that it be not more than 20,000,000 acres.

Mr. PACE. I have no recollection of that. They did not compromise their position. I think the cotton farmers were entitled to a minimum.

Mr. HAYS of Arkansas. I was going to ask the gentleman to defend that figure if he could. I realize he does not have time to go into it fully. That is one thing in the report that caused me some concern because I know the gentleman agrees with me that we cannot get into a sound situation without some inconvenience both to the little man and to the big man.

Mr. PACE. The gentleman understands this bill is full of compromises. It is a compromise of 19 States as he understands.

Mr. HAYS of Arkansas. I do.

Mr. PACE. Frankly, this 21,000,000-acre minimum is justified and I am going down the line for it because you must take into account the economy of the various sections of the country. The 21,000,000 acres, in my judgment, is not too much, because only about 19,000,000 acres will likely be planted. You are going to give a lot of people cotton acreage who do not want it. Heretofore, take back in 1941 and 1942, there were always about 4,000,000 acres underplanted. I think the 21,000,000 acres is all right.

Mr. Chairman, under the permission granted me I include the following tables relating to the allotment, planting, harvesting, supply, consumption, price, export, carry-over, yields, and other information on cotton during the past several years:

Average national yield of cotton per planted acre and estimated national acreage required to produce 10,000,000 bales

AVERAGE UNITED STATES YIELD OF COTTON PER PLANTED ACRE

Year:	*Pounds*
1944	293.8
1945	246.4
1946	227.8
1947	264.5
1948	308.5
5-year average	268.2

NOTE.—The planted acreage necessary to produce 10,000,000 bales of 479.8 pounds each, based on the 1944–48 average planted yield per acre (268.2 pounds), would be approximately 17,889,000 acres.

Prepared in Cotton Branch, PMA, USDA, August 2, 1949.

Cotton: Average yield per planted acre of all cotton in the United States, by States, 1939–48

[Pounds per planted acre]

Year	Alabama	Florida	Georgia	North Carolina	South Carolina	Virginia	Arkansas	Louisiana	Mississippi	Missouri	Tennessee	Oklahoma	Texas	Arizona	California	New Mexico	All other States	United States
1939	182	70	225	294	342	188	313	315	291	552	297	138	157	512	645	512	463	233.5
1940	188	149	249	425	374	364	342	188	231	451	339	207	180	423	747	568	391	248.0
1941	215	131	163	329	162	374	336	143	284	546	421	201	161	344	549	420	596	227.2
1942	260	135	238	407	293	395	357	281	393	472	419	185	177	339	540	402	453	268.3
1943	283	178	251	336	291	345	285	360	351	376	326	119	171	308	563	462	394	250.6
1944	346	211	290	445	388	445	372	335	393	481	406	199	179	450	517	483	422	293.8
1945	322	203	255	362	332	397	322	227	327	321	369	116	143	363	531	432	248	246.4
1946	256	144	220	366	347	404	355	142	214	461	399	117	128	521	611	569	362	227.8
1947	297	213	244	331	295	369	293	289	316	338	354	137	197	495	690	543	336	264.5
1948	351	278	278	444	871	447	422	379	437	453	416	168	172	556	572	527	424	308.5

Source: Bureau of Agricultural Economics, USDA.
Prepared in the Cotton Branch, PMA, Aug. 2, 1949.

Cotton: Production of cotton in the United States, by States, 1939–48

[Thousands of 500-pound gross weight bales]

Year	Alabama	Florida	Georgia	North Carolina	South Carolina	Virginia	Arkansas	Louisiana	Mississippi	Missouri	Tennessee	Oklahoma	Texas	Arizona	California	New Mexico	All other States [1]	United States
1939	785	11	915	457	871	13	1,413	745	1,582	437	449	526	2,846	202	443	102	20	11,817
1940	779	21	1,010	739	966	25	1,501	456	1,250	388	509	802	3,234	195	545	128	18	12,566
1941	790	17	624	552	406	28	1,430	313	1,424	476	598	718	2,652	181	404	106	25	10,744
1942	925	16	855	727	699	34	1,485	593	1,968	417	625	708	3,038	193	402	111	21	12,817
1943	959	16	847	596	696	24	1,122	739	1,841	295	491	384	2,823	131	341	108	14	11,427
1944	1,006	13	810	710	864	29	1,394	620	1,937	411	562	634	2,646	136	327	116	15	12,230
1945	931	8	669	428	664	16	1,042	387	1,560	180	466	285	1,794	117	353	106	9	9,015
1946	822	6	557	440	697	17	1,281	247	1,047	307	520	262	1,669	158	458	142	10	8,640
1947	931	11	651	452	651	18	1,276	505	1,569	311	520	330	3,437	234	772	179	10	11,857
1948	1,197	15	745	678	871	24	1,982	756	2,353	506	670	374	3,150	328	968	236	15	14,968

[1] Includes Illinois, Kansas, and Kentucky.

Source: Bureau of Agricultural Economics, USDA.
Prepared in the Cotton Branch, PMA, Aug. 2, 1949.

Supply and distribution of cotton in the United States

[Thousands of bales]

Year	Supply			Distribution			Year	Supply			Distribution		
	Production, running bales [1]	Carry-over from previous year	Imports equivalent 500-pound bales [2]	Exports, running bales [1]	Consumption, running bales [1]	Stocks on hand at end of year		Production, running bales [1]	Carry-over from previous year	Imports equivalent 500-pound bales [2]	Exports, running bales [1]	Consumption, running bales [1]	Stocks on hand at end of year
1915–16	11,068	3,936	421	5,896	6,398	3,140	1933–34	12,664	8,165	141	7,534	5,700	7,744
1916–17	11,364	3,140	288	5,300	6,789	2,720	1934–35	9,472	7,744	106	4,799	5,361	7,208
1917–18	11,248	2,720	217	4,288	6,566	3,450	1935–36	10,420	7,208	152	5,973	6,351	5,409
1918–19	11,906	3,450	197	5,592	5,766	4,287	1936–37	12,141	5,409	249	5,433	7,950	4,499
1919–20	11,326	4,287	683	6,545	6,420	3,563	1937–38	18,252	4,499	158	5,595	5,748	11,533
1920–21	13,271	3,563	211	5,745	4,893	6,534	1938–39	11,623	11,533	132	3,325	6,858	13,033
1921–22	7,978	6,534	352	6,184	5,910	2,832	1939–40	11,481	13,033	159	6,191	7,784	10,564
1922–23	9,729	2,832	450	4,823	6,666	2,325	1940–41	12,298	10,564	188	1,112	9,722	12,166
1923–24	10,171	2,325	272	5,656	5,681	1,556	1941–42	10,495	12,166	267	1,125	11,170	10,640
1924–25	13,639	1,556	303	8,005	6,193	1,610	1942–43	12,438	10,640	170	1,480	11,100	10,657
1925–26	16,123	1,610	314	8,051	6,456	3,543	1943–44	11,129	10,657	139	1,138	9,943	10,744
1926–27	17,755	3,543	382	10,927	7,190	3,762	1944–45	11,839	10,744	190	2,007	9,568	11,164
1927–28	12,783	3,762	321	7,542	6,834	2,536	1945–46	8,813	11,164	343	3,613	9,163	7,326
1928–29	14,297	2,536	442	8,044	7,091	2,312	1946–47	8,517	7,326	270	3,544	10,025	2,530
1929–30	14,548	2,312	368	6,690	6,106	4,530	1947–48	11,557	2,530	244	1,968	9,354	3,082
1930–31	13,756	4,530	99	6,760	5,263	6,370	1948–49	14,626	3,082	[3] 175	[3] 4,700	[3] 7,800	[3] 5,250
1931–32	16,629	6,370	107	8,708	5,866	9,678	1949–50	----------	[3] 5,250	----------	----------	[3] 8,000	----------
1932–33	12,710	9,678	124	8,419	6,137	8,165							

[1] Round bales counted as half bales. [2] Less re-exports. [3] Estimated.

Source: Department of Agriculture, Production and Marketing Administration, Cotton Branch, Aug. 2, 1949.

Average mid-month prices received by farmers per pound for cotton in the United States, 1929–49 [1]

Year beginning Aug. 1:	Average farm price, cents
1929	16.8
1930	9.5
1931	5.7
1932	6.5
1933	10.2
1934	12.4
1935	11.1
1936	12.4
1937	8.4
1938	8.6
1939	9.1
1940	9.9
1941	17.0
1942	19.0
1943	19.9
1944	20.7
1945	22.5
1946	32.6
1947	31.9
1948	[2] 30.0

[1] Annual averages are crop-year average prices by States, weighted by sales, including an allowance for unredeemed loans at estimated average loan value.

[2] Average for 1948 is the unweighted average of United States farm prices for 11 months, August–June, with no allowance for unredeemed loan cotton.

Source: Bureau of Agricultural Economics, U. S. Department of Agriculture.
Prepared in Cotton Branch, PMA, Aug. 2, 1949.

Cotton: Acreage of all cotton in cultivation in the United States July 1, 1928–48

[Thousands of acres]

Year	Alabama	Florida	Georgia	North Carolina	South Carolina	Virginia	Arkansas	Louisiana	Mississippi	Missouri	Tennessee	Oklahoma	Texas	Arizona	California	New Mexico	Illinois	Kansas	Kentucky	United States
1928	3,532	121	3,375	1,648	2,136	79	3,425	1,873	3,954	360	1,071	4,174	17,409	206	223	128	1.8	1.7	19.8	43,737
1929	3,599	124	3,434	1,665	2,025	89	3,508	1,954	4,098	360	1,055	4,263	17,578	221	319	135	1.6	2.7	17.0	44,448
1930	3,596	150	3,464	1,460	1,967	92	3,577	1,983	4,163	391	1,152	4,009	16,689	210	273	133	1.5	2.6	16.4	43,329
1931	3,294	142	3,113	1,213	1,768	71	3,325	1,834	4,030	365	1,054	3,403	14,979	188	194	119	1.6	2.1	14.8	39,110
1932	3,059	105	2,702	1,261	1,678	71	3,436	1,702	3,846	418	1,080	3,171	13,592	114	124	114	2.1	.8	17.7	36,494
1933	3,150	119	2,870	1,302	1,811	75	3,501	1,767	3,791	468	1,151	4,078	15,623	161	223	129	3.8	1.4	23.4	40,248
1934	2,144	93	2,164	980	1,299	58	2,195	1,201	2,556	319	763	2,909	10,685	136	225	100	6.1	2.4	23.6	27,860
1935	2,252	91	2,172	939	1,369	53	2,178	1,278	2,762	325	757	2,427	10,964	160	220	94	3.6	1.0	17.9	28,063
1936	2,335	90	2,299	973	1,416	54	2,520	1,409	3,010	414	805	2,501	12,080	208	370	118	3.6	.9	20.5	30,627
1937	2,705	120	2,674	1,111	1,705	67	2,816	1,575	3,449	569	943	2,471	12,769	299	624	162	5.1	.9	24.4	34,090
1938	2,079	82	2,064	884	1,293	42	2,165	1,140	2,622	362	742	1,733	9,163	203	356	97	4.2	.5	16.3	25,018
1939	2,100	74	1,989	754	1,248	33	2,187	1,154	2,662	380	733	1,855	8,874	189	334	96	4.2	.4	16.0	24,683
1940	2,037	68	1,981	841	1,268	33	2,161	1,199	2,658	414	729	1,900	8,873	221	356	110	5.1	.6	16.4	24,871
1941	1,791	63	1,866	812	1,235	36	2,086	1,071	2,458	419	690	1,731	8,119	255	356	122	5.2	.5	14.8	23,130
1942	1,722	59	1,735	861	1,153	41	2,021	1,028	2,438	426	725	1,872	8,430	274	361	134	6.2	.5	15.7	23,302
1943	1,627	42	1,618	850	1,148	34	1,888	987	2,515	375	723	1,554	7,915	204	291	112	3.2	.2	13.7	21,900
1944	1,397	30	1,343	765	1,069	31	1,801	891	2,365	410	665	1,529	7,114	145	303	115	3.9	.3	13.1	19,990
1945	1,390	20	1,260	566	960	19	1,554	819	2,286	268	605	1,179	6,029	154	319	117	3.9	.3	13.2	17,563
1946	1,545	20	1,217	576	963	20	1,729	833	2,349	318	625	1,074	6,283	145	359	120	3.7	.1	10.0	18,190
1947	1,505	24	1,278	654	1,055	23	2,085	838	2,379	440	704	1,155	8,426	226	536	157	3.9	.2	10.8	21,500
1948 [1]	1,627	27	1,313	725	1,133	24	2,371	940	2,560	534	753	1,074	8,974	275	810	215	4.0	[2]	13.0	23,372

[1] Preliminary.
[2] Not available.

Source: Crop Reporting Board, Bureau of Agricultural Economics, USDA.
Prepared in Cotton Branch.

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Cotton: Acreage of all cotton harvested in the United States, by States, 1939–48

[Thousands of acres]

Year	Alabama	Florida	Georgia	North Carolina	South Carolina	Virginia	Arkansas	Louisiana	Mississippi	Missouri	Tennessee	Oklahoma	Texas	Arizona	California	New Mexico	All other States[1]	United States
1939	2,020	68	1,929	737	1,218	32	2,125	1,120	2,540	377	707	1,784	8,520	188	327	93	20	23,805
1940	1,961	65	1,935	829	1,234	32	2,061	1,130	2,500	408	715	1,822	8,472	220	348	107	22	23,861
1941	1,746	61	1,817	795	1,174	35	2,010	1,014	2,374	415	680	1,659	7,717	251	351	117	20	22,236
1942	1,702	56	1,714	846	1,139	40	1,970	1,001	2,392	420	715	1,785	8,044	271	355	130	22	22,602
1943	1,620	40	1,610	846	1,145	33	1,850	982	2,500	366	720	1,500	7,780	202	289	110	17	21,610
1944	1,393	29	1,335	750	1,060	30	1,774	884	2,325	405	660	1,480	6,950	144	301	114	17	19,651
1945	1,379	20	1,259	555	954	19	1,500	804	2,240	260	590	1,085	5,800	154	317	116	16	17,059
1946	1,530	20	1,210	570	960	20	1,700	800	2,220	310	620	1,020	6,000	145	358	119	13	17,615
1947	1,500	24	1,270	647	1,050	23	2,050	830	2,350	431	700	1,120	8,350	225	534	151	14	21,269
1948	1,630	25	1,280	725	1,120	26	2,220	950	2,560	526	770	1,025	8,600	231	804	209	17	22,768

[1] Includes Illinois, Kansas, and Kentucky.

Source: Bureau of Agricultural Economics, USDA.
Prepared in the Cotton Branch, PMA, Aug. 2, 1949.

Percentage of cotton acreage allotments by respective size groups, by States and the United States in 1941

State and region	Size of allotment group in acres																Total
	0.1 to 3	3.1 to 5	5.1 to 10	10.1 to 15	15.1 to 20	20.1 to 30	30.1 to 40	40.1 to 50	50.1 to 60	60.1 to 70	70.1 to 80	80.1 to 90	90.1 to 100	100.1 to 500	500.1 to 1,000	Above 1,000	
	Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Illinois	30.1	27.1	23.0	8.1	3.9	4.1	1.0	0.7	0.9	0.6	-------	0.4	-------	0.1	-------	-------	100
Missouri	14.0	14.9	17.6	14.2	10.6	10.2	6.7	3.3	2.2	1.5	0.9	.8	0.6	.4	0.1	-------	100
North Central	14.6	15.3	17.8	14.0	10.4	10.0	6.5	3.2	2.2	1.4	.8	.8	.6	2.3	.1	-------	100
Virginia	34.1	45.1	14.2	3.7	1.2	1.0	.4	.2	.5	-------	-------	-------	-------	-------	-------	-------	100
North Carolina	20.3	38.6	24.0	8.3	3.4	2.8	1.1	.5	.3	.2	.1	.1	-------	.3	-------	-------	100
Kentucky	49.5	29.7	12.0	2.9	1.8	1.3	.9	.6	.2	.2	.1	.2	-------	.6	-------	-------	100
Tennessee	18.5	28.8	25.6	11.6	5.6	4.7	2.0	1.0	.5	.4	.3	.2	.2	.6	-------	-------	100
East Central	20.8	35.3	23.9	9.2	4.0	3.3	1.4	.7	.4	.2	.2	.1	.1	.4	-------	-------	100
Alabama	8.8	24.4	32.3	15.3	7.2	5.9	2.3	1.1	.7	.4	.3	.2	.2	.9	-------	-------	100
Arkansas	8.4	22.9	28.6	16.9	7.3	7.1	2.8	1.6	1.0	.6	.4	.3	.3	1.7	.1	-------	100
Florida	19.4	40.6	26.5	7.3	2.9	2.0	.6	.4	.1	.1	-------	-------	-------	.1	-------	-------	100
Georgia	6.3	19.6	29.0	18.1	9.2	8.4	3.6	1.8	1.1	.7	.5	.3	.3	1.1	-------	-------	100
Louisiana	9.3	26.4	30.4	14.1	6.2	5.7	2.5	1.4	.9	.6	.4	.3	.2	1.5	.1	-------	100
Mississippi	8.2	26.0	29.4	14.4	6.9	6.1	2.7	1.4	.9	.6	.4	.3	.3	2.1	.2	0.1	100
Oklahoma	4.7	17.4	24.8	17.4	10.5	12.2	5.8	3.0	1.6	.9	.5	.3	.2	.7	-------	-------	100
South Carolina	10.1	23.8	28.2	15.7	7.9	6.8	2.8	1.5	.9	.6	.4	.3	.2	.8	-------	-------	100
Texas	3.6	9.0	15.4	16.1	10.7	15.0	9.6	6.2	4.4	2.6	1.7	1.2	.9	3.5	.1	-------	100
Southern	6.9	19.3	25.4	16.0	8.6	9.4	4.9	2.9	1.9	1.1	.8	.5	.4	1.8	.1	-------	100
Arizona	3.7	6.2	13.8	14.6	12.7	11.4	11.8	3.5	3.6	4.9	3.8	.9	.8	7.9	.2	.2	100
California	2.9	10.8	14.3	20.0	8.7	11.5	7.8	5.0	2.9	2.5	1.9	1.7	1.4	6.9	.6	.1	100
Kansas	18.4	12.2	20.4	4.1	6.1	18.4	12.2	8.2	-------	-------	-------	-------	-------	-------	-------	-------	100
New Mexico	9.6	10.6	20.4	16.0	11.1	12.8	4.3	4.6	2.9	1.8	1.1	1.0	.5	3.1	.1	.1	100
Western	5.3	9.6	15.8	17.7	10.2	11.8	7.9	4.5	3.1	2.9	2.1	1.3	1.0	6.2	.4	.2	100
Total	8.9	21.4	25.0	15.0	8.0	8.6	4.4	2.6	1.7	1.0	.7	.5	.4	1.7	.1	-------	100

Source: Agricultural Adjustment Agency.

Number of cotton acreage allotments by respective size groups, by States and the United States in 1941

State and region	Size of allotment group in acres																Total
	0.1 to 3	3.1 to 5	5.1 to 10	10.1 to 15	15.1 to 20	20.1 to 30	30.1 to 40	40.1 to 50	50.1 to 60	60.1 to 70	70.1 to 80	80.1 to 90	90.1 to 100	100.1 to 500	500.1 to 1,000	Above 1,000	
Illinois	208	187	159	56	27	28	7	5	6	4	-------	3	-------	1	-------	-------	691
Missouri	2,618	2,777	3,299	2,666	1,994	1,907	1,250	611	411	277	163	145	107	446	24	5	18,700
North Central	2,826	2,964	3,458	2,722	2,021	1,935	1,257	616	417	281	163	148	107	447	24	5	19,391
Virginia	3,859	5,099	1,606	414	140	117	42	17	5	6	5	-------	-------	8	-------	-------	11,318
North Carolina	24,916	47,440	29,519	10,223	4,134	3,390	1,382	661	409	244	141	123	82	340	12	3	123,025
Kentucky	1,587	962	386	94	57	42	28	20	6	6	3	5	2	18	1	-------	3,207
Tennessee	14,197	22,129	19,678	8,900	4,306	3,618	1,556	793	413	287	230	168	122	459	8	1	76,865
East Central	44,559	75,620	51,189	19,631	8,637	7,167	3,008	1,491	833	543	379	296	206	831	21	4	214,415
Alabama	15,929	44,009	58,295	27,572	12,906	10,534	4,098	2,021	1,228	771	572	442	309	1,560	60	9	180,315
Arkansas	11,384	31,199	38,935	23,018	9,935	9,600	3,738	2,490	1,292	775	497	450	402	2,329	203	57	136,004
Florida	2,430	5,100	3,323	916	358	248	70	57	18	10	3	4	1	15	-------	-------	12,553
Georgia	9,218	28,832	42,544	26,542	13,453	12,416	5,347	2,648	1,603	1,010	720	489	395	1,690	36	6	146,954
Louisiana	8,143	23,094	26,617	12,289	5,417	5,010	2,209	1,182	800	491	351	293	194	1,281	66	18	87,489
Mississippi	12,379	39,166	44,266	21,658	10,331	9,212	4,055	2,173	1,389	857	678	493	421	3,158	291	88	150,675
Oklahoma	6,295	23,121	33,058	23,117	14,064	16,269	7,726	4,053	2,138	1,188	663	426	309	901	14	2	133,344
South Carolina	10,514	24,660	29,233	16,288	8,216	7,022	2,877	1,541	881	627	423	313	206	844	17	1	103,663
Texas	12,306	30,640	52,524	54,868	36,545	51,173	32,933	21,335	15,072	8,895	5,728	4,175	3,202	11,906	278	62	341,642
Southern	88,598	249,821	328,795	206,268	111,225	121,484	63,053	37,000	24,421	14,724	9,735	7,085	5,439	23,690	959	242	1,292,539
Arizona	159	268	600	636	551	494	512	151	157	214	164	40	34	344	9	11	4,344
California	364	906	1,318	1,855	798	1,062	715	457	268	235	172	152	128	638	52	12	9,222
Kansas	9	6	10	2	3	9	6	4	-------	-------	-------	-------	-------	-------	-------	-------	49
New Mexico	439	485	933	732	508	585	196	210	133	82	50	46	23	142	5	5	4,574
Western	971	1,765	2,861	3,225	1,860	2,150	1,429	822	558	531	386	238	185	1,124	66	28	18,189
United States	136,954	330,160	386,303	231,846	123,743	132,736	68,747	39,929	26,229	16,079	10,663	7,767	5,937	26,092	1,070	279	1,544,534

Source: Agricultural Adjustment Agency.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 7 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I think every Member, if he has had some contact with agriculture, realizes exactly how complex this cotton situation is. Our colleague from Georgia [Mr. PACE] has done an excellent job in explaining this bill. But we must go back into history a little to a time before the war.

At that time, in the first year I was here, we had a parity subsidy program which showed that the cotton and wheat people had already received $3,000,000,000 by 1940. That was not a subsidy to the farmer in fact because it was a subsidy to the people who were using the wheat and using the cotton. If you are interested in following this cotton story through, I do not know of any better way of doing it than referring to the extension of my remarks on June 8 where you will find a 19-year study that has been made by the Bureau of Agricultural Economics. You will find there some idea of what the hourly returns for labor from various types of American agriculture have been.

I was very much distressed to see Members vote against the Gore bill for the reason that if you will analyze that table you will note that the 90 percent of parity on the different types of agriculture right straight through does not give the American farmer any more than 50 to 60 cents an hour for his labor. As you look at 1943, you will find that cotton, bringing practically parity prices at that time, showed 46 cents an hour labor return for that particular crop.

Now, I realize that the cotton economy is more or less distressed from more than one angle. One angle is that we have got the big operator starting in the cotton business, the same as he has in many other businesses. When you note the new $7,000,000 cotton farm out in California, where they raise a couple of bales to the acre, one can note what can happen to many of the people in the old cotton sections. You do not have to say "we need only 12,000,000 or 14,000,000 acres." That may be true, but we do not know what the weather is going to be. We must also remember that anything that will affect one part of the economy of this country will affect this whole country. Twenty-one million acres may look like a too high acreage. The Congress is in session pretty near all the time, or has been in the last few years, and if it is too much, there is nothing to stop us from changing it, because we are sure to always be in session.

So far as the cotton people are concerned, surely we have had exports. We have had them under the Marshall plan, last year representing around $300,000,000 or $400,000,000 worth. Now, how much longer that is going to be in the picture, no one knows, but at least, if we are going to cut this acreage of cotton down to 21,000,000 acres we have to do it gradually without causing economic disturbance throughout the cotton-producing areas.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Texas.

Mr. BECKWORTH. I notice that Oklahoma seems to have been dealt with a little differently. I meant to ask the gentleman from Georgia [Mr. PACE] but he did not have the time. What explanation is given of that, just for the information of the House?

Mr. MURRAY of Wisconsin. I will leave it to the gentleman from Georgia to answer that, to get it correct.

Mr. PACE. There is very little in the bill on that. Their whole problem is this. They went into wheat, they went into peanuts, and they went into cotton during the war. Now, wheat allotments are on a 10-year basis and peanuts and cotton on a 5-year basis. They lost 57 percent of their peanuts, they are losing at least 50 percent of their wheat, and it has become an economic problem, and I am sure the gentleman from Wisconsin feels that consideration should be given to the Oklahoma situation just like California and New Mexico and the other Western States.

Mr. MURRAY of Wisconsin. I do not want to get into trouble on both sides of the aisle. In my humble opinion, wheat was pretty well taken care of by the International Wheat Agreement. There is going to be a subsidy involved in that of around $75,000,000 to $80,000,000. If I remember correctly, it is 168,000,000 bushels of wheat that is going into the International Wheat Agreement. So, I just personally wondered why they had really wished to further indicate they wished to be in a preferred class. I am sure that my colleague, the gentleman from Colorado, the Honorable WILLIAM HILL, can and will give you various and sundry reasons why the people are entitled to additional acres of wheat.

But, there is one thing that these whole hearings have brought out. There is no use talking about a support program unless we have some control over production in the United States. There is no use talking about a control program unless we have some control over the amount of agricultural products that come into the United States.

Whether this is the right legislation or whether it is not, I call to your attention that this is the legislative way of approaching it. We are going to vote for this bill today or you are going to vote against it. I hope you are going to vote for it. Personally, I think it should be supported. I am willing to stand by it, but I do not want to come in here a year from now and I do not want anybody else to come in and try to criticize somebody down in the Department of Agriculture for what they do on cotton, wheat, or peanuts. It is our responsibility. I am willing to accept mine, and I want every Member here to accept his, so that next year someone does not get up and complain about what Mr. Brannan has done, because this is to be preferred to just passing the responsibility on to someone else. We are at least legislating, either rightly or wrongly, and we are doing it as representatives of the people. It is real representative government.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I intend to address my remarks to page 21 of this bill, but before doing so let me say just one word about my friend from the cotton section. As the good chairman of our committee, the gentleman from Georgia [Mr. PACE], knows so well, I tried to attend those meetings as regularly as I possibly could. In other words, whenever it was possible I was at the committee meeting, as the gentleman well knows. I know and I want to testify here this afternoon to the hard work that was done by the chairman and the subcommittee to bring about an agreement among all the various elements and sections of the United States that produce cotton.

Let me say that the first thing you noticed about all the Congressmen who worked on this was the fact that they wanted to try to agree, and at times you just felt that was an impossibility. Then you sat further and listened longer, and finally you found that there was, shall I say, an element of agreement that began to show. In a short while they came up with this legislation.

I do hope every man on this floor realizes what a difficult task it is when you find cotton grown in different sections of this country and you find it grown on different types of soil, and you find it grown under different conditions and farming practices.

Now we have reached the wheat section of this bill, and there again you are dealing with a very, very important crop. I would say that as far as you and I are concerned as people, one of the greatest crops we produce is wheat. We should not put wheat in jeopardy. That is exactly what some Members of the House would like to see done. If they support a program of cutting wheat completely down to where a man really could not make a living growing it, I say frankly to you that the children of this country would be short of bread. That holds true of cotton. I am convinced in my own mind that we have gone just about as far as we dare go in curtailing the cotton acreage. If we should happen to strike a year when the seasons say to us: "We are going to make everything as difficult as we possibly can," and after all, the seasons are out from under the control of the Department of Agriculture, we shall be in trouble. Let us keep in mind that we still, as farmers, must operate under the sunshine, in good weather and bad, and in spite of insects, and in spite of the elements. The greatest gambler in the world is the farmer. That holds true in producing cotton and it holds true in wheat.

We find that the acreage of wheat was increased—the only time in history since I have been able to remember, and I need not—this is the first time in our history that I can find where the price of wheat per bushel increased at the same time the farmers increased the acreage and the wheat seasons were favorable. Then we, as the Congress, would curtail the wheat acreage down until, if the seasons were unfavorable, we would have

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short crops and short production, not for 1 year but for 5, not for 5 years but for 10.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield two additional minutes to the gentleman.

Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. AUGUST H. ANDRESEN. Will the gentleman kindly explain the provision of the bill relating to wheat?

Mr. HILL. Yes; but I would need more time than 2 minutes.

If you will turn to page 21, section 5, you will find we have two divisions, section (A) and section (B). It says:

Notwithstanding any other provision of law—

That is where we get our authority—

farm acreage allotment of wheat for the 1950 crop for apy farm shall not be less than the larger of—

(A) 50 percent of—

(1) the acreage on the farm seeded for the production of wheat in 1949, and

In (A) you will find it says that 50 percent of the acreage of the farm seeded for the production of wheat this year.

I think I should explain that. In our territory you plant wheat 1 year and you harvest it the next year. I suppose everyone understands we are talking about winter wheat.

(2) any other acreage seeded for the production of wheat in 1948 which was fallowed and from which no crop was harvested in the calendar year 1949.

What we mean by fallowed is that you farm the crop 1 year ahead and you do not have any crop on the ground that you farm the year you plant it. I hope I have made myself plain.

(B) reads as follows:

(B) 50 percent of—

(1) the acreage on the farm seeded for the production of wheat in 1948, and

(2) any other acreage seeded for the production of wheat in 1947 which was fallowed and from which no crop was harvested in the calendar year 1948.

I think I can say this in illustration, in closing my short remarks: If you were a wheat farmer and you had a thousand acres of wheat, and you have farmed all of that wheat ground, by summer fallowing or otherwise, under this present regulation which the Secretary of Agriculture has issued curtailed wheat acreage and which will cut our production from 81,000,000 acres down to 68,000,000, this would allow wheat growers who have increased their acreage in 1947 and 1948 to take their thousand acres, divide it by two, which would give them 500 acres, and take 17 percent—we will use that as a round number—which would be the average national curtailment—take the 17 percent off of the 500 acres, this would give the farmer exactly the acres that he would be entitled to plant in 1949 and harvest in 1950.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and include some more illustrations, so that we will all understand what we mean when we say curtailing the acreage in the territory where the wheat acreage increases was, largely, in 1948 and 1949.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. AUGUST H. ANDRESEN. There was no disagreement amongst the wheat growers so far as this wheat provision in this bill is concerned, was there?

Mr. HILL. No; there was no disagreement amongst the wheat growers.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield such time as he may require to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I take this time to explain briefly the effect of this bill on my own State of Oklahoma.

The bill contains provisions which will increase acreage allotments in my State in cotton, wheat, and peanuts. To say that I am satisfied with these provisions would be far from true. I do appreciate, however, the fact that the committee has given special consideration to the needs of my State and has made some very important concessions to it.

Since this bill deals primarily with cotton, I shall begin with a discussion of that phase of the measure. While the bill was before the Committee on Agriculture, I sponsored a series of amendments designed to give additional cotton acreage to Oklahoma. First of all, I asked the committee to approve an amendment recommended by my colleagues, the gentleman from Oklahoma [Mr. MONRONEY] and the gentleman from Oklahoma [Mr. WICKERSHAM]. This amendment would have given a base to any State of not less than 75 percent of the acreage planted in 1942. This amendment would have given Oklahoma a base in 1950 and 1951 of 1,400,000 acres. The testimony of my colleagues, which appears in the committee hearings, makes it abundantly clear that our State needs and is entitled to the acreage contemplated by their amendment.

The committee rejected this proposal on the ground that it would throw acreage allotments in other States out of balance. I then offered an amendment, limited specifically to Oklahoma, basing our acreage on a percentage of our 1942 and 1943 production, which would have given us a base of 1,400,000 acres. It was my opinion then and it is my opinion now that if the new cotton areas are entitled to an allotment based on their most recent history, Oklahoma, as an old producing State is entitled to a percentage of its 1942 and 1943 production. It is impossible to examine existing legislation relating to our two other principal cash crops without being convinced of the justice of this proposal. The peanut-quota law protects the old grower and the wheat law gives him a large measure of protection. It is important in a multiple cash crop State, like Oklahoma, that there be some uniformity as between the various quota laws. Otherwise hardships are inevitable whenever acreage controls are in effect.

My next proposal to the committee would have given Oklahoma a base of a little over 1,300,000 acres. This amendment would have placed our State on a 5-year historical base beginning in 1943. This amendment was also rejected.

The committee did see fit, however, to give Oklahoma a 5-year history, beginning in 1944, by incorporating a provision applicable only to Oklahoma, similar to one contained in the Senate bill. The effect of this provision is to give to Oklahoma a base of 65,000 acres more than it would have received on a 4-year basis as applied to other States. The sum total of the effect of the cotton provisions on Oklahoma is, subject to adjustments for war crops, to give our State a base of 1,271,000 acres factored to a national base of 22,500,000 acres. H. R. 5738 contains a minimum limitation on the national allotment for 1950 of 21,000,000 acres. If this provision is retained in the act, Oklahoma's acreage will be just short of 1,200,000 acres in 1950, which figure represents the estimated plantings in our State as of July 1, 1949.

The national plantings this year have been estimated to be 26,300,000 acres. A cut-back to 21,000,000 acres will represent a reduction of nearly 20 percent. This, in my opinion, is all the traffic will bear. If the minimum is kept in the bill, it is my judgment that Oklahoma growers will be able to adjust their acreage to our 1950 allotment without undue hardships.

I do want to impress upon the committee, however, that cotton acreage is urgently needed in Oklahoma. During the war many of our farmers turned to vegetable crops and peanuts in eastern Oklahoma, and to increased wheat acreage in the western part of our State. In view of decreasing demands for vegetables and war crops generally, and of acreage limitations on wheat and peanuts, many of our farmers are going to find it impossible to turn to anything except cotton in order to make a living for their families.

This bill also contains a provision which will be of immense benefit to the peanut farmers of our State. This provision guarantees any State a minimum allotment of not less than 60 percent of its acreage harvested for nuts in 1948. The effect of this provision will be to give Oklahoma an increase in the statutory minimum allotment of 120,000 acres. It means that Oklahoma will not take any reduction in its acreage next year or in the years to come. This provision is absolutely indispensable to the future of the peanut industry in my State. I hope the House will see fit to accept it without any crippling amendments.

The bill also contains a provision important to the wheat farmers of our State. By giving credit for acreage which was summer fallowed in 1948 and 1949, my State will gain about 150,000 acres over the allotment which has already been announced by the Secretary of Agriculture.

I would like to call the attention of the committee to the fact that these provisions relating to wheat and peanuts in this bill, which is primarily a cotton bill, are necessary in order that Oklahoma and other States affected will receive in total allotments of our three principal crops enough acreage to enable our

farmers to make a living. Without these provisions the bill will be out of balance. I trust that no attempt will be made then to strike them from this legislation.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I think possibly one of the greatest contributions to this debate was the reference made by the gentleman from Texas, [Mr. BECKWORTH], to the family-size farms. There is no question in my mind but that the family-size farm is being threatened today.

In my recent trip to California I was concerned, and I should think the gentlemen from the cotton areas in the South would be concerned, about the growth of the large operators out in that State. I saw areas of one and two thousand acreas being operated by heavy machinery, by high-powered apparatus, yielding, according to the information that I received, tremendous amounts of cotton and other produce. It would seem to me that the family-size farmer of the South would be concerned over a situation of that kind.

I asked a little further about how they operated, and they told me that several operators could get together and have enough farm machinery and enough capital to outproduce any of the smaller farmers of the southern areas. I think that should be an object of concern. I do not like to see the day come when all this production will be in the hands of a few people, when the veteran is not able to get a break of any kind, and when the small-size farmer is deprived of even a fair living.

One thing is certain, that the family-size farmer cannot compete with this high-yield, high-pressure farm. He is not set up that way. It would take him a lifetime to buy the farm machinery necessary, even if he could get a group together to try to cooperate, and they would have great difficulty in competing with the men who are already set up so that they could go ahead and produce cotton at the tremendous rate they do in California.

This is no reference to sectionalism, and I do not pretend to know anything about cotton farming. The only thing I know is that your cottonseed is sent up from the South to feed the dairy cattle in the New York milk shed, which in turn produces milk to go to the big cities that we try to take care of. However, I do believe the gentleman from Texas, [Mr. BECKWORTH], has made a very pertinent point in his defense of the small family-size farm, whether it be a cotton farm or any other kind of farm. It is absolutely necessary that they survive, and I think it is our duty to help them in every way we can.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, it has been my great privilege to live in a cotton country, to grow cotton, to pick cotton, to work in cotton gins, to work around the compresses and oil mills, and to watch the economic flow of cotton out of this country to other parts of the world. I can understand why this bill is before us today, but I regret to say that in my opinion it is a sorry day in the history of this country. As we go into more and more accumulation of great economic forces, in the shape of commodities such as cotton, piling up vast inventories in which the funds provided by bondholders and taxpayers are invested, I can see the handwriting on the wall and understand why a marketing quota system is proposed. But that is tough on the little cotton grower who has anywhere from 1 to 12 or 15 children, and who in times of distress can do economically only one thing, namely, produce more cotton to keep up his income. He does not know anything else to do except to grow more cotton.

We get into international trade agreements, we form international alliances that fixes matters so that our people cannot dispose of their surplus crops, such as cotton, and thus you find that situation such as you have here today. I listened with great interest and great respect to the gentleman from Georgia [Mr. PACE]. I have some idea of the number of hours he has spent in recent years on cotton as all of these cotton programs have been developed from time to time, financed by the people and approved by the Congress, the allocation of these quotas. We say to a man, for instance, that if the necessary number of farmers growing cotton vote for it, that you, Mr. Grower, cannot sell cotton in the United States in excess of X number of bales unless you pay a penalty. As the gentleman from Georgia [Mr. PACE] said, it now would be something like 15 cents a pound. We are going to penalize a citizen of the United States who goes out and labors in the cotton fields in order to maintain the necessary subsistence for his wife and children because he grows a great economic force, such as cotton, which is probably one of the greatest crops ever grown on the face of the earth.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. BECKWORTH. Would the gentleman state to the Committee what chance the kind of man he is talking about would have ever to become a big cotton farmer, one of those little fellows who gets, we will say, a 12- or 13-acre allotment?

Mr. CRAWFORD. I believe the little cotton grower of the South has no chance whatever of becoming a big cotton farmer except by sheer accident. Under these cotton laws that we have approved here from year to year, I see no chance for him economically, socially, or otherwise, because he is beaten down by a marketing quota which says, "You may grow it, but if you sell it, I will penalize you 15 cents a pound."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. AUGUST H. ANDRESEN. Is it not a fact that, if it were not for the situation where the American taxpayers have financed the export of from 12,000,000 to 15,000,000 bales of cotton in the last 4 years, that a great part of that cotton would still be in the United States owned by the Federal Government?

Mr. CRAWFORD. I think it would have been here, but why would it have been here? That is the big question. Why have we substantially surrendered the cotton market of the world to somebody else? Are we going to surrender the wheat market of the world to somebody else? Are we going to surrender all of our great markets to somebody else? If so, how are you going to raise the necessary funds to finance these obligations we have assumed across the face of the earth? That is what we have got to think about.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

All time has expired. The Clerk will read the bill for amendment.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the bill be considered as read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The bill follows:

Be it enacted, etc., That sections 342 to 350, inclusive, of the Agricultural Adjustment Act of 1938, as amended, are amended to read as follows:

"NATIONAL MARKETING QUOTA

"SEC. 342. Whenever during any calendar year the Secretary determines that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of cotton produced in the next calendar year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the number of bales of cotton (standard bales of 500 pounds gross weight) adequate, together with (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year and (2) the estimated imports during such marketing year, to make available a normal supply of cotton. The national marketing quota for any year shall be not less than 10,000,000 bales or 1,000,000 bales less than the estimated domestic consumption plus exports of cotton for the marketing year ending in the calendar year in which such quota is proclaimed, whichever is smaller: *Provided*, That the national marketing quota for 1950 shall be not less than the number of bales required to provide a national acreage allotment of 21,000,000 acres. Such proclamation shall be made not later than November 15 of the calendar year in which such determination is made.

"REFERENDUM

"SEC. 343. Not later than December 15 following the issuance of the marketing quota proclamation provided for in section 342, the Secretary shall conduct a referendum, by secret ballot, of farmers engaged in the production of cotton in the calendar year in which the referendum is held, to determine whether such farmers are in favor of or opposed to the quota so proclaimed: *Provided*, That if marketing quotas are proclaimed for the 1950 crop, farmers eligible to vote in the referendum held with respect to such crop shall be those farmers who were engaged in the production of cotton in the

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calendar year of 1948. If more than one-third of the farmers voting in the referendum oppose the national marketing quota, such quota shall become ineffective upon proclamation of the results of the referendum. The Secretary shall proclaim the results of any referendum held hereunder within 30 days after the date of such referendum.

"ACREAGE ALLOTMENTS

"SEC. 344. (a) Whenever a national marketing quota is proclaimed under section 342, the Secretary shall determine and proclaim a national acreage allotment for the crop of cotton to be produced in the next calendar year. The national acreage allotment for cotton shall be that acreage, based upon the national average yield per acre of cotton for the 5 years immediately preceding the calendar year in which the national marketing quota is proclaimed, required to make available from such crop an amount of cotton equal to the national marketing quota.

"(b) The national acreage allotment for cotton for 1953 and subsequent years shall be apportioned to the States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, 79th Cong.) during the five calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed, with adjustments for abnormal weather conditions during such period.

"(c) The national acreage allotments for cotton for the years 1950 and 1951 shall be apportioned to the States on the basis of a national acreage allotment base of 22,500,000 acres, computed and adjusted as follows:

"(1) The average of the planted acreages (including acreage regarded as planted under the provisions of Public Law 12, 79th Cong.) in the States for the years 1945, 1946, 1947, and 1948 shall constitute the national base; except that in the case of any State having a 1948 planted cotton acreage of over 1,000,000 acres and less than 50 percent of the 1948 allotment, the average of the acreage planted (or regarded as planted under Public Law 12, 79th Cong.) for the years 1944, 1945, 1946, 1947, and 1948 shall constitute the base for such State and shall be included in computing the national base; to this is to be added (A) the estimated additional acreage for each State required for small-farm allotments under subsection (f) (1) of this section; (B) the acreage required as a result of the State adjustment provisions of paragraph (2) of this subsection; (C) the additional acreage required to determine a total national allotment base of 22,500,000 acres, which additional acreage shall be distributed on a proportionate basis among States receiving no adjustment under paragraph (2) of this subsection.

"(2) Notwithstanding the provisions of paragraph (1) of this subsection, the acreage allotment base for 1950 and 1951 for any State (on the basis of a national acreage allotment base of 22,500,000 acres) shall not be less than the larger of (1) 95 percent of the average acreage actually planted to cotton in the State during the years 1947 and 1948, or (2) 85 percent of the acreage planted to cotton in the State in 1948.

"(3) If the national acreage allotment for 1950 or 1951 is more or less than 22,500,000 acres, horizontal adjustments shall be made percentagewise by States so as to reflect the ratio of the national acreage allotment for 1950 and 1951 to 22,500,000 acres.

"(d) The national acreage allotment for cotton for 1952 shall be apportioned to States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, 79th Cong.) during the years 1946, 1947, 1948, and 1950, with adjustments for abnormal weather conditions during such period.

"(e) The State acreage allotment for cotton for 1950, 1951, and 1952 shall be apportioned to counties in the State on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, 79th Cong.) during the four calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed and for each year thereafter shall be apportioned to counties in the State on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, 79th Cong.) during the five calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed: *Provided*, That the State committee may reserve not to exceed 10 percent of its State acreage allotment (15 percent if the State's 1948 planted acreage was in excess of 1,000,000 acres and less than half its 1943 allotment) which shall be used to make adjustments in county allotments for counties adversely affected by abnormal conditions affecting plantings, or for small or new farms.

"(f) The county acreage allotment, less not to exceed the percentage provided for in paragraph 3 of this subsection, shall be apportioned to farms on which cotton has been planted (or regarded as having been planted under the provisions of Public Law 12, 79th Cong.) in any one of the 3 years immediately preceding the year for which such allotment is determined on the following basis:

"(1) There shall be allotted the smaller of the following: (A) 5 acres; or (B) the highest number of acres planted (or regarded as planted under Public Law 12, 79th Cong.) to cotton in any year of such 3-year period.

"(2) The remainder shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) so that the allotment to each farm under this paragraph together with the amount of the allotment to such farm under paragraph (1) (A) shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreages the acres devoted to the production of sugarcane for sugar; sugar beets for sugar; wheat, tobacco, or rice for market; peanuts picked and threshed; wheat or rice for feeding to livestock for market; or lands determined to be devoted primarily to orchards or vineyards, and nonirrigated lands in irrigated areas: *Provided, however*, That if a farm would be allotted under this paragraph an acreage together with the amount of the allotment to such farm under paragraph (1) (A) in excess of the largest acreage planted (and regarded as planted under Public Law 12, 79th Cong.) to cotton during any of the preceding 3 years, the acreage allotment for such farm shall not exceed such largest acreage so planted (and regarded as planted under Public Law 12, 79th Cong.) in any such year.

"(3) The county committee may reserve not in excess of 10 percent of the county allotment (15 percent if the State's 1948 planted cotton acreage was in excess of 1,000,000 acres and less than half its 1943 allotment) which, in addition to the acreage made available under the proviso in subsection (e), shall be used for (A) establishing allotments for farms on which cotton was not planted (or regarded as planted under Public Law 12, 79th Cong.) during any of the three calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton; and (B) making adjustments of the farm-acreage allotments established under paragraphs (1) and (2) of this subsection so as to establish allotments which are fair and reasonable in relation to the factors set forth in this paragraph and abnormal conditions of production on such farms: *Provided*, That not less than 30 percent of the acreage reserved under this subsection shall, to the extent required, be allotted, upon such basis as the Secretary deems fair and reasonable to farms (other than farms to which an allotment has been made under subsection (f) (1) (B)), if any, to which an allotment of not exceeding 15 acres may be made under other provisions of this subsection.

"(g) Notwithstanding the foregoing provisions of this section—

"(1) State, county, and farm-acreage allotments and yields for cotton shall be established in conformity with Public Law 28, Eighty-first Congress.

"(2) In apportioning the county allotment among the farms within the county, the Secretary, through the local committees, shall take into consideration different conditions within separate administrative areas within a county if any exist, including types, kinds, and productivity of the soil so as to prevent discrimination among the administrative areas of the county.

"(3) For any farm on which the acreage planted to cotton in any year is less than the farm acreage allotment for such year by not more than the larger of 10 percent of the allotment or 1 acre, an acreage equal to the farm acreage allotment shall be deemed to be the acreage planted to cotton on such farm, and the additional acreage added to the cotton acreage history for the farm shall be added to the cotton acreage history for the county and State.

"(h) Notwithstanding any other provision of this section, the county committee, upon application by the owner or operator of the farm, (1) may establish an allotment for any cotton farm acquired in 1940 or thereafter for nonfarming purposes by the United States or any State or agency thereof which has been returned to agricultural production but which is not eligible for an allotment under paragraph (1) or (2) of subsection (f) of this section, and (2) shall establish an allotment for any farm within the State owned or operated by the person from whom a cotton farm was acquired in such State in 1940 or thereafter for a governmental or other public purpose: *Provided*, That no allotment shall be established for any such farm unless application therefor is filed within 3 years after acquisition of such farm by the applicant or within 3 years after the enactment of this act, whichever period is longer: *And provided further*, That no person shall be entitled to receive an allotment under both (1) and (2) of this subsection. The allotment so made for any such farm shall compare with the allotments established for other farms in the same area which are similar, taking into consideration the acreage allotment, if any, of the farm so acquired, the land, labor, and equipment available for the production of cotton, crop rotation practices, and the soil and other physical facilities affecting the production of cotton. Allotments established pursuant to this subsection shall be in addition to the acreage allotments otherwise established for the county and State under this act, and the production from the additional acreage so allotted shall be in addition to the national marketing quota.

"(i) Notwithstanding any other provision of this act, any acreage planted to cotton in excess of the farm acreage allotment shall not be taken into account in establishing State, county, and farm acreage allotments.

"(j) Notwithstanding any other provision of this act, State and county committees

shall make available for inspection by owners or operators of farms receiving cotton acreage allotments all records pertaining to cotton acreage allotments and marketing quotas.

"(k) Notwithstanding any other provision of this section except subsection (g) (1), there shall be allotted to each State for which an allotment is made under this section not less than the smaller of (A) 4,000 acres or (B) the highest acreage planted to cotton in any one of the three calendar years immediately preceding the year for which the allotment is made.

"(l) Notwithstanding any other provision of law, the Secretary, in administering the provisions of Public Law 12, Seventy-ninth Congress, as it relates to war crops, shall carry out the provisions of such act in the following manner:

"(i) A survey shall be conducted of every farm which had a 1942 cotton acreage allotment, and of such other farms as the Secretary considers necessary in the administration of Public Law 12. This survey shall obtain for each farm the most accurate information possible on (a) the total acreage in cultivation, and (b) the acreage of individual crops planted on each farm in the years 1941, 1945, 1946, and 1947.

"(ii) An eligible farm for war-crop credit shall be a farm on which (a) the cotton acreage on the farm in 1945, 1946, or 1947, was reduced below the cotton acreage planted on the farm in 1941; (b) the war-crop acreage on the farm in 1945, 1946, or 1947, was increased above the war-crop acreage on the farm in 1941; and (c) the farm had a cotton acreage allotment in 1942.

"(iii) A farm shall be regarded as having planted cotton (in addition to the actual acreage planted to cotton) to the extent of the lesser of (a) the reduction in cotton acreage for each of the years 1945, 1946, and 1947, below the acreage planted to cotton in 1941, or (b) the increase in war crops for each of the years 1945, 1946, and 1947, above that planted to such war crops in 1941. However, the county committee may be given the discretion to adjust such war-crop credit when the county committee determine that the reduction in cotton acreage was not related to an increase in war crops, but the adjustment shall be made only after consultation with the producer.

"(iv) The Secretary, using the best information obtainable, and working with and through the State and county committees, shall use whatever means necessary to make an accurate determination of the credits due each individual farm, under Public Law 12.

"(v) The total of the war-crop credits due the individual farms in each county shall be credited to the county and the total of the war-crop credits due all of the counties in a State shall be credited to the State.

"(vi) The acreage credited to States, counties, and farms for the years 1945, 1946, or 1947, because of war crops, shall be taken into full account in the determination and distribution of cotton acreage allotments on a national, State, county, and farm basis.

"FARM MARKETING QUOTAS

"SEC. 345. The farm marketing quota for any crop of cotton shall be the actual production of the acreage planted to cotton on the farm less the farm marketing excess. The farm marketing excess shall be the normal production of that acreage planted to cotton on the farm which is in excess of the farm acreage allotment: *Provided*, That such farm marketing excess shall not be larger than the amount by which the actual production of cotton on the farm exceeds the normal production of the farm acreage allotment, if the producer establishes such actual production to the satisfaction of the Secretary.

"PENALTIES

"SEC. 346. (a) Whenever farm marketing quotas are in effect with respect to any crop of cotton, the producer shall be subject to a penalty on the farm marketing excess at a rate per pound equal to 50 percent of the parity price per pound for cotton as of June 15 of the calendar year in which such crop is produced.

"(b) The farm marketing excess of cotton shall be regarded as available for marketing and the amount of penalty and the amount of cotton to be stored or delivered pursuant to this section to postpone or avoid payment of penalty shall be computed upon the normal production of the acreage on the farm planted to cotton in excess of the farm acreage allotment. If a downward adjustment in the amount of the farm marketing excess is made pursuant to the proviso in section 345, the difference between the amount of the penalty or storage computed upon the farm marketing excess before such adjustment and as computed upon the adjusted farm marketing excess shall be returned to or allowed the producer.

"(c) The Secretary shall issue regulations under which the farm marketing excess of cotton may be stored. Upon failure to so store the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary, the penalty on such excess computed as provided in this section shall be paid by the producer.

"(d) Subject to the provisions of section 347, the penalty upon the farm marketing excess stored pursuant to this section shall be paid by the producer at the time and to the extent of any depletion in the amount so stored, except depletion resulting from some cause beyond the control of the producer or from substitution of cotton authorized by the Secretary.

"(e) The person liable for payment or collection of the penalty shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"AUTHORIZED REDUCTIONS IN STORAGE

"SEC. 347. (a) If the planted acreage of the then current crop of cotton for any farm is less than the farm-acreage allotment, the amount of cotton from any previous crop stored to postpone or avoid payment of the penalty shall be reduced by an amount equal to the normal production of the number of acres by which the farm-acreage allotment exceeds the acreage planted to cotton.

"(b) If the actual production of the acreage of cotton on any farm on which the acreage of the commodity is within the farm-acreage allotment is less than the normal production of the farm-acreage allotment, the amount of cotton from any previous crop stored to postpone or avoid payment of penalty shall be reduced by an amount which, together with the actual production of the then current crop, will equal the normal production of the farm-acreage allotment: *Provided*, That the reduction under this subsection shall not exceed the amount by which the normal production of the farm-acreage allotment, less any reduction made under subsection (a), is in excess of the actual production of the acreage planted to cotton on the farm.

"LONG STAPLE COTTON

"SEC. 348. (a) Unless marketing quotas are in effect under subsection (b) of this section, the provisions of this part shall not apply to cotton the staple of which is 1⅛ inches or more in length.

"(b) Whenever during any calendar year the Secretary determines that the total supply of the cotton specified in subsection (a) of this section for the marketing year beginning in such calendar year will exceed the normal supply thereof for such marketing year by more than 8 percent, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of such cotton produced in the next calendar year: *Provided*, That the Secretary may exempt from such quota any variety or kind of such cotton if he finds that the total supply does not exceed the normal supply thereof by more than 8 percent. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the quantity of such long staple cotton adequate, together with (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year and (2) the estimated imports during such marketing year, to make available a normal supply of such cotton. All provisions of the act relating to marketing quotas and acreage allotments for cotton shall, insofar as applicable, apply to marketing quotas and acreage allotments for such long staple cotton."

SEC. 2. (a) Section 301 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Subsection (b) (3) (B) is amended to read: "'Carry-over' of cotton for any marketing year shall be the quantity of cotton on hand in the United States at the beginning of such marketing year, not including any part of the crop which was produced in the United States during the calendar year then current."

(2) Subsection (b) (10) is amended (i) by deleting from subparagraph (A) the word "cotton" where it first appears and the language "40 percent in the case of cotton" and (ii) by adding a new subparagraph (C) as follows:

"(C) The 'normal supply' of cotton for any marketing year shall be the estimated domestic consumption of cotton for the marketing year for which such normal supply is being determined, plus the estimated exports of cotton for such marketing year, plus 30 percent of the sum of such consumption and exports as an allowance for carry-over."

(3) Subsection (b) (16) is amended by (i) striking from subparagraph (A) the word "cotton" and (ii) by adding a new subparagraph (C) as follows:

"(C) 'Total supply' of cotton for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of cotton in the United States during the calendar year in which such marketing year begins and the estimated imports of cotton into the United States during such marketing year."

(b) Section 374 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting "(a)" before the first paragraph and by adding the following new paragraph:

"(b) With respect to cotton, the Secretary, upon such terms and conditions as he may by regulation prescribe, shall provide, through the county and local committees for the measurement prior to planting of an acreage on the farm equal to the farm acreage allotment if so requested by the farm operator, and any farm on which the acreage planted to cotton does not exceed such measured acreage shall be deemed to be in compliance with the farm acreage allotment. The Secretary shall similarly provide for the remeasurement upon request by the farm operator of the acreage planted to cotton on the farm, but the operator shall be required to reimburse the local committee for the expense of such remeasurement if the planted acreage is found to be in excess of the allotted acreage. If the acreage determined to be planted to cotton on the farm is in excess of the farm acreage allotment, the Secretary shall by appropriate regulation provide for a reasonable time within which such planted acreage may be adjusted to the farm acreage allotment."

(c) Section 362 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

"Notice of the farm acreage allotment established for each farm shown by the

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records of the county committee to be entitled to such allotment shall insofar as practicable be mailed to the farm operator in sufficient time to be received prior to the date of the referendum."

SEC. 3. (a) Notwithstanding any other provision of law, Middling seven-eighths-inch cotton shall be the standard grade for purposes of parity and price support.

(b) Paragraph (9) of Public Law 74, Seventy-seventh Congress, is amended by striking out "cotton and".

SEC. 4. Subsection (c) of section 358 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the period at the end thereof and inserting a colon and the following new matter: "*Provided further*, That the allotment established for any State for any year subsequent to 1949 shall be not less than 60 percent of the acreage of peanuts harvested for nuts in the State in 1948 and any additional acreage so required shall be in addition to the national acreage allotment and the production from such acreage shall be in addition to the national marketing quota."

SEC. 5. Notwithstanding any other provision of law, the farm acreage allotment of wheat for the 1950 crop for any farm shall not be less than the larger of—

(A) 50 percent of—

(1) the acreage on the farm seeded for the production of wheat in 1949, and

(2) any other acreage seeded for the production of wheat in 1948 which was fallowed and from which no crop was harvested in the calendar year 1949, or

(B) 50 percent of—

(1) the acreage on the farm seeded for the production of wheat in 1948, and

(2) any other acreage seeded for the production of wheat in 1947 which was fallowed and from which no crop was harvested in the calendar year 1948,

adjusted in the same ratio as the national acreage seedings for the production of wheat during the ten calendar years 1939–1948 (adjusted as provided by the Agricultural Adjustment Act of 1938, as amended) bears to the national acreage allotment for wheat for the 1950 crop: *Provided*, That no acreage shall be included under (A) or (B) which the Secretary, by appropriate regulations, determines will become an undue erosion hazard under continued farming. To the extent that the allotment to any county is insufficient to provide for such minimum farm allotments, the Secretary shall allot such county such additional acreage (which shall be in addition to the county, State, and national acreage allotments otherwise provided for under the Agricultural Adjustment Act of 1938, as amended) as may be necessary in order to provide for such minimum farm allotments.

Mr. POAGE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I had not thought to speak on this bill because I had trusted that the Members would understand the necessity for it. I thought it might be passed without undue discussion. But I do think we should keep the record a little clearer than it seems to be right now.

The gentleman from Minnesota has called attention to the fact that certain of the products on which the Commodity Credit Corporation has made loans have been sold for European relief and for other purposes. The gentleman did not call your attention to the fact that on cotton the United States Government has, since the loan program began, made a profit or gain of $237,000,000. That is not $237,000,000 that the taxpayers had to pay, that is $237,000,000 the purchasers of that cotton paid; that the taxpayers did not have to pay. That is $237,000,000 that the purchasers of that cotton paid that made it possible for American taxpayers to pay that much less taxes. That is $237,000,000 deducted from the taxes the people of America had to pay. Most of that cotton was sold before the war began. That cotton accumulated, not during the recent years, but during the years back in the late thirties and the early forties. In recent years the United States Government has pooled loan cotton and the farmers have gained whatever increase in price there may have been. But in the early years of this program, when the United States Government took cotton at 12 cents and at 13 and 14 cents and sold it at 18 and 20 cents, the United States Government made a profit. It is on the books, and you cannot escape it. It did not come from charity and it did not come from the ECA; it came from regular commercial sales of cotton, and it amounted to approximately a quarter of a billion dollars.

I do not think it is proper to leave the record here indicating that the cotton farmers of America have been a weight around the necks of the taxpayers, because on the contrary they have been a life buoy around the taxpayers. They have relieved the taxpayers.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from North Carolina.

Mr. COOLEY. Also, he should not leave the impression with the House that the ECA program has been in effect a subsidy program for the farmer. Look at the hundreds of millions of dollars worth of industrial goods that have gone to ECA.

Mr. POAGE. Exactly. Only a very small percentage of ECA money has been spent on cotton. A very, very small percentage of it has gone for cotton.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. May I say to the gentleman that we earmarked a very substantial portion of that money to sell cotton or to use for the export of cotton, tobacco, and these other surplus items. The point the gentleman made about the Government's making money on a certain amount of cotton is true, but that was back prior to the war. What I am talking about is what happened after the war.

Mr. POAGE. The United States Government as of this moment has a profit of $237,000,000 in cotton transactions, up to the present date. The United States Government is not taking losses on cotton, as the very figures show that have been so misinterpreted in in the newspapers this morning. There were loans on approximately 5,500,000 bales of last year's crop of cotton. The figures you have been shown this morning, the very figure that some people have tried to indicate showed the Government was today carrying the burden of the cotton crop, actually show the Government does not have more than 3,500,000 bales of cotton today, which means that 2,000,000 bales of loan cotton have within the last 6 months been fed into the normal channels of trade. And these 2,000,000 bales have moved without loss to the Government. The farmer could not redeem this cotton without paying all that the Government had advanced including storage and transportation.

If the Government has acquired title to any of that cotton it did so at 90 percent of parity and all Government-owned cotton has been sold at parity or above because the law does not allow the Government to sell that cotton at less than parity. The plain facts are that more than 2,000,000 bales of cotton on which the Government loaned money last year has been moved into the channels of trade, and it has done so without loss to the taxpayers. The Government has not and is not now suffering a loss on cotton. It has not suffered a loss on wheat. I want to make perfectly plain to the membership of this committee that the Government has made a profit and has not sustained a loss on those two great basic storable commodities, cotton and wheat. Let no one mislead you by quoting paragraphs on potatoes, milk and eggs, and charging that cotton and wheat, those two great basic storable commodities, have not made a profit for the Government. They have not cost the Government anything.

I hope this committee will recognize however, that if we are to continue with such a successful program we must control the production. We cannot have unlimited production and have the Government supporting the price without going deeply in the hole. Cotton farmers do not ask Government support of unlimited production. This bill proposes to establish a program of restricted production which will be equitable between cotton growers and which will protect the taxpayers of the country.

Mr. BECKWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask some of the Members who are sponsoring this bill this question. It is in the form of an assumption, but I think a very real assumption.

Assume that a veteran 25 or 26 years of age never did anything except grow cotton on a cotton farm until 1942 when he went into the Army; assume he remained in the Army until 1946; assume that he took GI training to be a mechanic for 2 years and while doing so he did not farm; assume that he owns a 60-acre cotton farm which has had no cotton on it since 1942; assume that today he loses his job and goes back to that cotton farm which has not had cotton grown on it since 1942. The question is: will he be privileged to get 5 acres of cotton?

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. PACE. That depends, and I have tried to explain it to the gentleman, that depends entirely upon the State PMA committee of the State of Texas, and the county PMA committee in which that farm is located. He can, and will very likely get considerably more than 5 acres. It depends upon the amount

of acreage the State committee allocates to that county for new farms. If the State committee gives the county, for example, 500 acres for new farms every acre of it must go to new farms. Then, in addition to that 500 acres, the county committee may reserve 10 percent that can be used for new farms. So the allotment could be identical with like farms in the same area.

Mr. BECKWORTH. May I ask this further question: however, is it true or is it not true that the definite 5-acre minimum applies to him?

Mr. PACE. It does not.

Mr. BECKWORTH. That is my point. He has no assurance—no positive assurance. It is true enough that if the circumstances are such the members of the county committee are privileged to give him that allotment, he will receive it, but he has no definite assurance, none whatsoever by the terms of the bill that he will get 5 acres of cotton.

Mr. PACE. If the gentleman is leading down that road, let me tell him before he goes too far that if he proposes to offer an amendment to give every new grower 5 acres, then that may be about all the cotton that is grown in the United States.

Mr. BECKWORTH. You call this man a new grower?

Mr. PACE. He is a new grower if he has not grown any cotton in the last 3 years.

Mr. BECKWORTH. That is right, and that is what I understand the bill to mean.

Mr. PACE. If the gentleman proposes to give a minimum of 5 acres to every new grower who wants to get into the cotton-growing business, or to every veteran who wants to get in the cotton-growing business, then he will have to take a great deal of acreage away from those veterans who are now in the cotton business and very likely nobody in this country will get much more than a 5-acre allotment.

Now, if the gentleman wants to take the cotton farmers of Texas and cut every one of them down to 5 acres, that is his business.

Mr. BECKWORTH. I simply want to establish the fact as it is; that is, that this veteran who has grown far more cotton than he has done anything else, has no assurance, under the language of this bill, that he will get 5 acres of cotton; although, as the gentleman says, and I know he is fair, if there is enough left over in the 10 percent, of course he would get his part. On the other hand, if there should be in one particular county hundreds of these boys, they might end up with 2 acres or 3 acres instead of 5. I simply want to make that clear as a fact.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. RANKIN. When this program was put on in 1933, they simply squeezed the little farmer out. Instead of requiring the big planter to diversify, they cut down the acreage in proportion and squeezed the little farmer out of business. Any man who knows anything about cotton farming knows that on less than 5 acres, or even on 5 acres, a farmer cannot make enough money to pay his taxes.

Mr. BECKWORTH. I want to go one step further.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BECKWORTH. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BECKWORTH. I want to call attention to the problem this boy would face. I have here a letter from the Secretary of Agriculture. I quote a part of it:

> This means that over-all there must continue to be a shift of people out of agriculture. In these particular areas, return of the people to the land must be on a replacement basis.

I want to emphasize to the membership of the House that the Secretary of Agriculture has said that this means there must be an exodus, as it were, from the farms. For this veteran I assume that could be his lot.

Now, let us see what is going to happen when he undertakes to get into other forms of agriculture or industry. I have a letter here from Mr. Vance, our man in Texas, who is an able and fair man. He says it will cost some $6,000 for him to get into the cattle business, dairy, or beef cattle, in a small way, counting his feed needed. Obviously, very few of these boys can go into the cattle business. That is the only plan that has been advanced to him. Of course, they mention oats and things like that, as supplementary for feed. But let us assume he cannot get into any form of agriculture, and he becomes one of the fellows seeking a job. That is what I would do and what you would do if you were in his place. What does he run into then? I quote a letter of July 18 from Mr. Nourse:

> Specifically, I do not see too bright a prospect of industry absorbing 250,000 to 500,000 people from agriculture if the policies were such as to crowd those people out of farming.

That is a very definite statement. He does not see much chance for those fellows to get into industry now.

May I say that some oil companies in my district right now are discharging as high as 20 percent of their employees, if I get the data correctly. Some of those boys, incidentally, grew up on cotton farms, and know more about cotton farming than anything else. Why have they not gone back to the farms? Because they are poor-land farms. Then what does the Secretary of Labor say about the possibility of their going into other industry if they lose out? A man has to do something. If he cannot farm, he has to get into industry. Where is he going? This is what the Secretary of Labor says on July 21:

> It would be highly speculative to attempt to predict whether a half million or a million farmers could be absorbed in industry during the next year or two. If the current down trend in industry continues, it will, of course, be difficult for such a large number to find nonagricultural jobs. On the other hand, if the trend is reversed, many displaced farmers may obtain employment.

When is the trend going to be reversed? I say to you what is important to this Nation is to be sure you are not running people out of those vocations which they know most about, or preventing them from returning to those vocations they know most about and concerning which they are best qualified to pursue.

I repeat what I said about the Member of Congress who is a lawyer, who stays here 20 years, who goes back home and they say his town is overflowing with lawyers, that he should not undertake to practice law. His answer would be: "That is all I know." It is very conceivable and very possible that this veteran I mention will answer with reference to the cotton farm: "That is what I know most about; that is the way I can best make my living; please give me a chance to do that"; and it may be that there will not be enough acreage under the terms of this bill for him to have that chance.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. NICHOLSON. I wish to ask the gentleman if the Secretary of Labor comes from an agricultural district.

Mr. BECKWORTH. I believe the Secretary of Labor comes from Massachusetts.

Mr. NICHOLSON. I asked the gentleman if he came from an agricultural district. The gentleman is setting him up as a man who has the answers for the agricultural problems.

Mr. BECKWORTH. I assume that he does know something about the employment picture.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. CHRISTOPHER. If in the gentleman's opinion 10 percent of the allotted acreage is not enough for the men he seeks to protect, how much does the gentleman think would be enough?

Mr. BECKWORTH. I am not familiar with what percentage would be enough but I ask the gentleman if he were dependent on cotton and were cut down to 2 acres, would he like it?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COOLEY. Mr. Chairman, I wonder if we can reach an agreement on closing debate in 15 minutes?

Mr. BECKWORTH. Mr. Chairman, I have some amendments I would like to offer.

Mr. COOLEY. Then, Mr. Chairman, I suggest that the amendments be reported.

Mr. BECKWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BECKWORTH: On page 7, line 11, strike out the period and insert in lieu thereof a colon and the following: "*Provided, however,* That the allotment shall be a number of acres which will produce at least four standard bales of 500 pounds gross weight unless it can be conclusively shown by the county committee that (taking into consideration financial resources and available credit, available acreage, and other relevant factors) the operator

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of the farm, found so to be by the county agricultural committee, can engage in other practical farming activities on such farm which will assure him income from such farm for the calendar year in question (including his income from cotton produced in such year) at least equal to the income that four standard bales of cotton of 500 pounds gross weight, produced in such year, are calculated to yield."

Mr. COOLEY. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill. The bill deals with acreage allotments and marketing quotas. The amendment deals with farm income and provisions guaranteeing a certain farm income which is entirely foreign to anything that is now in this bill. The amendment deals with some sort of price insurance.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. BECKWORTH. Mr. Chairman, I submit this legislation deals altogether with cotton and with cotton allocations. The purpose of the legislation is to work out a cotton program and since the purpose of the legislation is to work out a cotton program the amendment is within the purview or scope of the bill.

The CHAIRMAN. The Chair has carefully considered the gentleman's amendment which evidently attempts to guarantee a certain amount of income to the particular individual to whom is given an allotment. The purpose of the bill is not the guaranteeing of an income, as outlined in the gentleman's amendment; therefore, the Chair is constrained to sustain the point of order made by the gentleman from North Carolina.

Mr. BECKWORTH. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. BECKWORTH: On page 16, after line 3, insert the following subsection:

"(f) The penalties provided for in this section shall not apply with respect to cotton produced by any veteran of World War II who is recognized by the county committee as being, or as previously having been, a cotton farmer if his total production of cotton during the year in which such cotton was produced did not exceed an amount equal to four standard bales of five hundred pounds gross weight. As used in this subsection the term 'veteran of World War II' means a person who served in the active military or naval service of the United States on or after December 7, 1941, and before September 3, 1945, and who has been honorably separated from such service."

Mr. BECKWORTH. Mr. Chairman, this is a very simple amendment. It would permit any veteran recognized by his county committee as being a cotton farmer to have four bales of cotton. May I advert to what the gentleman from Georgia [Mr. PACE] said about having confidence in them. I have confidence in them. I believe they know what a cotton farmer is and what he is not. I believe they would know how to draw the line. They have a very fine conception of what is going on in their own counties. This would permit those veterans identified as cotton farmers to have 4 bales of cotton. I may say that that kind of veteran, those people, will not be responsible for bringing about a great surplus of cotton in this country, but it will take care of a group of people, some of whom were not privileged to be growing cotton during the years that they would have to be growing cotton under the terms of this bill in order to qualify for a reasonable baleage of cotton.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from Georgia.

Mr. PACE. Does the gentleman have any conception of how many bales of cotton he is dealing with?

Mr. BECKWORTH. I think I have a pretty good conception.

Mr. PACE. All right. How many?

Mr. BECKWORTH. There are some statistics which the Secretary of Agriculture furnished me not so long ago—the latest I could get. The latest statistics that he has shows that 601,273 farms grew less than 5 bales on an average out of a total of 1,217,547 cotton farmers. Does the gentleman have any better or more accurate information than that? I do know that the gentleman keeps up with these matters in a very accurate way.

Mr. PACE. May I say to the gentleman that he was given every consideration and was invited to come before the committee and present his views, where these matters could be worked out, but the gentleman did not accept the invitation and give the committee an opportunity to analyze his views.

Mr. BECKWORTH. I may say in reply to that that I have talked with the gentleman, I have talked with the gentleman from North Carolina [Mr. COOLEY], with the gentleman from Mississippi [Mr. ABERNETHY], with the gentleman from Texas [Mr. POAGE], with the gentleman from Minnesota [Mr. ANDRESEN]; I have talked to many members of the Committee on Agriculture. I do not remember having spoken to the gentleman recently but he knows as well as I do that I have been interested in this problem all along and have discussed with him what I feel is a fair way to approach this matter. I said to nearly every member of the committee, through some tables published by the Census Department with which the Agriculture Department was familiar and which I mailed to several members of your committee, that according to the 1940 cotton program 50 percent of the cotton acreage went to seven-eighths of the cotton farmers and 50 percent of the cotton acreage went to one-eighth. I repeat, I sent to several members statistics which were worked up by the Census Department and the Department of Agriculture to establish that fact. I think my views are well known to the members of the House Committee on Agriculture. I do not see how they could not be.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from New York?

Mr. EDWIN ARTHUR HALL. I would just like to ask the gentleman if his amendment will aid the average veteran in his district to get a foothold and get back into farming and be an independent member of society rather than have to go to California and take a job as a laborer in some camp.

Mr. BECKWORTH. I will say this, it will not give him a bankable income or a big profit income in most instances, but it will give him a blue shirt and overalls income. It will take care of his essential school needs for his little children who are trying to go to school. Unless something like this is done, he has no assurance otherwise. We talk about 5 acres of cotton. The entire 5 acres may be so poor in some sections of this country that it will not make 1 bale of cotton. The 5 acres may be so fertile that it will make 5 bales of cotton. It is a most unrealistic approach to go and talk to a fellow as to how many acres he will have. I repeat what I have said many times, that you do not live on acres. You live on what they produce. You do not eat acres, but eat what they produce. Whatever income you get from what the acres produce and from nowhere else.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from Tennessee.

Mr. SUTTON. I would like to point out to the gentleman that there were 15,000,000 boys in the service in World War II. Four bales per individual would be 60,000,000 bales of cotton.

Mr. PACE. Mr. Chairman, I move to strike out the last word.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman from Texas has just made the observation that he has talked to me about this matter. I want to say that although we have officed next door for 7 months, he has not discussed this matter with me. He has not appeared before our committee, although the committee has been in session for several months. We sent him and all other Members a letter on the 1st day of July, and he wholly ignored it. He did pass me one day in the hall and asked how we were getting along with the cotton bill, and I told him we were working hard on it.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. PACE. I am sorry, I cannot yield. I will take care of that myself. I will say that the gentleman never indicated his amendment to me. I asked him about an hour ago what he proposed so that I could get in touch with the Department of Agriculture and find out the effect of his amendment, and the gentleman refused to tell me what the amendment was.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. PACE. I am sorry. I think all of us have an interest in the veteran, and I think we all have an interest in the small farmer. There are over 1,500,000 cotton farms and I doubt there are over 10 percent of them that do not have a veteran on them. I think the cotton farmers went to war just about as well as anybody else. There are mighty few cotton farms that do not have a veteran.

What the gentleman proposes to do—I say this just after glancing at the

amendment because I have had no opportunity to talk to the authorities since he declined to let me know what his amendment was going to be—is to exempt about 6,000,000 bales of cotton. That is the first thing he is going to do. Under this bill we authorize after next year an allotment of only 10,000,000 bales; consequently, the gentleman proposes to exempt 6,000,000 and leave only 4,000,000 bales for all of the other cotton acreage of the United States to produce—that is, assuming there is about one veteran on each cotton farm.

Mr. Chairman, this bill is the work of six long months. We issued two invitations to every Member of the House from cotton-growing districts. Many of them came before us. We considered sympathetically every proposal. Let me repeat that under Public Law 12, which I assume the gentleman from Texas has heard of——

Mr. BECKWORTH. I know much about it.

Mr. PACE. There is a special provision that if the boy on a cotton farm went to war and by reason of his service to his country the cotton history on that farm is not normal, then the Secretary of Agriculture is required to build up the allotment for that farm to make it normal. That takes complete care of the veteran who went into the service off the cotton farm and has gone back to the cotton farm.

What the gentleman from Texas is trying to do is take the boys in town, the boys that have gone into some other business, or boys that never had any interest in going back to a cotton farm, and guarantee them that they can get a few acres and put somebody out there farming them, and then can market four bales of cotton free of any allotment or penalties of any kind. They would not have to have any acreage allotment, it would be that much in addition. They would have a fixed right.

Let me repeat, we have gone into this veteran feature and lots of tears have been shed about the veteran, but do not forget that every time you give to a veteran you have to take from a veteran. Certainly there are 10 times as many veterans producing cotton today as the gentleman from Texas would aid by his amendment. If you are going to take from a veteran who is in the cotton business to give to a veteran who is not in the cotton business, then where are the scales of justice? Certainly his amendment applies only to the veteran who is not now in the cotton business and who did not choose to go back to cotton farming following his discharge from the service.

The amendment of the gentleman from Texas [Mr. BECKWORTH] would assure every veteran in the United States who lived on a cotton farm at the time he entered the service of the right to produce four bales of cotton. No matter what the veteran is doing now or where he is living. His amendment has no limitation on time and such veteran can wait 5 or 50 years before he claims his right to grow some cotton. Neither does the committee or the gentleman from Texas have any idea how much cotton would be added by his amendment nor how much acreage his amendment would take way from the farmers now growing cotton.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment is contrary to all the laws we have enacted dealing with acreage allotments and marketing quotas. It has been suggested many, many times that allotments should be made to individuals rather than to farms, yet it was never considered feasible and certainly it is not now feasible to make these acreage allotments to individuals, even though they be honorably discharged members of the armed forces, because when you do that you put a premium on the allotments which will be controlled by individuals. You can easily visualize numerous tenant farmers to whom an acreage allotment has been given selling the acreage allotments to some fellow who is going around buying them up and bringing them onto his farm. It just seems to me that this is a ridiculous sort of proposition.

I said in opening this debate that I doubted if ever in the history of this Congress a single subcommittee worked as hard on any one proposition as the gentleman from Georgia [Mr. PACE] and the other members of this special subcommittee have worked on this bill. They sought information throughout the length and breadth of America, they traveled on a bus during the Eightieth Congress, and then came back here in January, and on January 7 they started to consider cotton legislation. Then they came out with this bill.

I regret very much that our beloved and distinguished colleague, the ranking minority member of the committee, the gentleman from Kansas [Mr. HOPE] is not able to be with us today, because he is at home on account of the death of his father.

But the gentleman from Kansas [Mr. HOPE] was a member of the subcommittee and devoted many long hours to the consideration of this measure. It has his support. He voted for it in subcommittee and he voted for it in the full committee. Were he here today I am sure he would be here defending it at this moment. But here are 27 conscientious men, members of our Committee on Agriculture seeking information everywhere that information could be obtained, calling upon Members of Congress to come forth with their suggestions. Many Members of Congress did respond.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. COOPER. I merely want to state for the record that the gentleman from Georgia [Mr. PACE] and his subcommittee held an extensive hearing in Tennessee. They did me the courtesy of inviting me to sit with them throughout that hearing. I secured the attendance of some 50 or 60 witnesses from various counties of my district. They went into the question very thoroughly and sympathetically. They conducted the hearing very commendably on this very important subject.

Mr. COOLEY. I thank the gentleman.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ABERNETHY. I would like to add to that that I attended those hearings and similar hearings were conducted in Texas at two points, as well as in Mississippi and Georgia.

Mr. COOLEY. Mr. Chairman, it seems to be perfectly reasonable to ask the House to accept this bill as it has been reported. I do not suppose a bill more technical than this has ever been reported by the House Committee on Agriculture. However, it is technical because we have tried to be fair to every section of the country.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. AUGUST H. ANDRESEN. I would like to say that it was hard enough for the subcommittee to get together on this without trying to interfere with it at this time. I think the amendment should be voted down and the bill should be passed as it has been reported by the committee.

Mr. COOLEY. I appreciate the gentleman's contribution. May I say before I conclude I understand there are a series of amendments to be offered. The author of this amendment has some other amendments. I do not want to complain. He has a perfect right to ignore the Committee on Agriculture, but it does seem to me that I am justified in expressing a sincere regret that the gentleman was not able to come into the committee room to give to the committee the benefit of his thinking on this important subject. I certainly am not questioning his sincerity or impugning his motives; I am merely expressing regret that the gentleman did not come before our committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BECKWORTH].

The question was taken; and on a division (demanded by Mr. BECKWORTH) there were—ayes 5, noes 60.

So the amendment was rejected.

Mr. WICKERSHAM. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WICKERSHAM: On page 22, line 10, after the period insert a new section:

"SEC. 6. Notwithstanding any other provision of law, the county committees and State committees may allow exchanges between farmers of wheat acreage allotments for cotton acreage allotments, and vice versa; provided the total allotments of each commodity shall not be exceeded at the county or State level."

Mr. WICKERSHAM. Mr. Chairman, I offer this amendment for this reason: In Oklahoma particularly we have a no man's land area which grows either cotton or wheat, based on the season. There are three districts, in Oklahoma particularly, the Sixth, Fifth, and Seventh Districts, which are in a similar position. Many years we can grow cotton continually if we wish. In other years we can grow only wheat. Sometimes hail, drought, grasshoppers, green bugs, blight and other disasters require us to plant cotton where we had planned to

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plant wheat or to plant wheat where we ordinarily would have planted cotton.

I have asked some members of various PMA committees in the State; I have asked individuals in the Department of Agriculture and many farmers; and they think this is a good amendment. Some of them think it would be difficult to administer, but I know it would not be difficult to administer. It is very simple. If a farmer had a 50-acre cotton allotment and a 50-acre wheat allotment, he could trade it to another farmer for a 50-acre cotton allotment or a 50-acre wheat allotment. One of them could grow 100 acres of cotton and the other could grow 100 acres of wheat.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield.

Mr. COOLEY. Under the gentleman's amendment, how could you possibly have control of either of the two commodities? The cotton farmers of Oklahoma might all decide not to grow cotton, and in that event you might break down the wheat program.

Mr. WICKERSHAM. I beg the gentleman's pardon, because my amendment provides that neither the county acreage allotted to wheat can be exceeded nor the county acreage allotted to cotton exceeded. It also provides that neither the State allotment for wheat or cotton can be exceeded. It would be very simple to administer.

Mr. COOLEY. You mean that the allotment to wheat and the allotment to cotton cannot be exceeded? Certainly one of them could be exceeded.

Mr. WICKERSHAM. No, sir. Under my amendment neither one could be exceeded. It would provide that Farmer Jones could trade with Farmer Smith.

Mr. COOLEY. What is the advantage in that?

Mr. WICKERSHAM. It would let the farmer grow what he could grow that year.

Mr. COOLEY. One farmer can trade his allotment to another farmer?

Mr. WICKERSHAM. Yes, sir.

Mr. COOLEY. We have had a control program for years and years, and we have never heard of such a proposition.

Mr. WICKERSHAM. No, sir. I was not in Congress then. I spent 18 years on a farm, and I do not claim to know everything about farming, but I can take any two Democratic farmers, or Republicans either and show you how easy it would be for one farmer to exchange with his neighbor a cotton allotment for a wheat acreage allotment. On the other hand, he could trade wheat acreage for cotton acreage allotment. This would mean a great deal to these particular areas in southwestern Oklahoma.

I wish to call attention to the fact that the northern edge of my district grows only wheat. The central portion grows either wheat or cotton. The southern portion grows mostly cotton. I have the largest cotton-producing area in the State of Oklahoma in my district, and one of the largest wheat-producing areas.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield.

Mr. PACE. I am sure the gentleman does not expect the Congress to enact a bill to provide for one particular area. Why do you not provide that you could swap cotton acreage for any other crop anywhere in the United States? That would make the proposition just a hundred times worse.

Mr. WICKERSHAM. No. I have talked with State committee men and others, and they think this is a sound and worth-while amendment. I talked to a State committee man in my home town 3 days ago.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield.

Mr. COOLEY. The gentleman received an invitation to come before the committee?

Mr. WICKERSHAM. Yes, sir; and I did.

Mr. COOLEY. Did you present your proposition to the committee?

Mr. WICKERSHAM. I certainly did. Were you there?

Mr. COOLEY. And it was presented to the committee?

Mr. WICKERSHAM. Yes, sir; I presented it.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. COOLEY. Mr. Chairman, I move that all debate on the bill, and all amendments thereto, close in 10 minutes.

Mr. HESELTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HESELTON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and two Members are present, a quorum.

Mr. COOLEY. Mr. Chairman, I renew my motion.

The CHAIRMAN. The question is on the motion of the gentleman from North Carolina.

The motion was agreed to.

Mr. BECKWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BECKWORTH. Does the Chair expect to divide the time among those who were standing?

The CHAIRMAN. The Chair will do the best the Chair can to divided the 10 minutes among those who have amendments. There are four amendments at the Clerk's desk.

The question is on the amendment offered by the gentleman from Oklahoma.

The amendment was rejected.

Mr. POLK. Mr. Chairman. I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POLK: Strike out all of section 5 on page 21, lines 3 to 24, inclusive, and all of page 22.

The CHAIRMAN. The gentleman from Ohio [Mr. POLK] is recognized.

Mr. POLK. Mr. Chairman, a great deal of discussion has been held here this afternoon on the cotton situation, but we have neglected section 5, which relates to wheat. A few days ago I wrote a letter to one of my wheat farmers in Ohio and today I have his reply, which I would like to read to the House:

In reply to the question in your letter of July 30, 1949, in regard to H. R. 5738, provisions for granting additional wheat acreage to wheat growers who have increased their acreages of wheat quite rapidly in the past 2 or 3 years, will say that it is our opinion that the Ohio wheat grower, who has been growing wheat in his crop rotation for many years, would eventually lose about 10 percent of his allotment to the new Dust Bowl wheat growers and other farmers who were increasing their wheat acreage when they should have been holding it to their usual acreage.

If this provision passes, it will mean that every State where wheat is grown will have to go over its wheat listing sheets and increase the allotments of all growers whose 1949 wheat acreage was increased more than 50 percent of his normal acreage. This will cost thousands of dollars in Ohio alone and make the year-in-year-out wheat grower unhappy while it will make a very few in-one-year-and-out-the-next wheat growers happy.

Every acre added to any State by this bill means that much more wheat will be produced than is needed and will add to the burden of the Government in supporting the wheat price next year.

It also means that our storage facilities will be taxed still further by the production of this wheat which is not needed.

If the 17-percent national cut in wheat acreage for 1950 is made effective, Ohio growers will not have to reduce further in 1951. If this acreage is added on without regard to national needs, then Ohio growers will have to take another cut in 1951. Whatever that cut is will be the acreage Ohio will lose to the Western States and Michigan by the provisions of this bill.

It is quite difficult to estimate just how much Ohio would lose, since the State figures would be altered only by changes made on individual farms or ranches. Colorado, New Mexico, Texas, Kansas, and Michigan would benefit the most if my recollection of State figures are correct.

In other words, the provisions of section 5 will benefit the State of Colorado and other States in the Dust Bowl area, but it will mean that the acreage of wheat will be curtailed in the other wheat-growing areas.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. POLK. I yield.

Mr. PACE. The gentleman understands, I am sure, that this applies only for the one year 1950, and states that this shall be added to the national allotment. It will not cost the gentleman's State any acreage next year.

Mr. POLK. I would call the gentleman's attention to the fact that if the 17 percent national cut in wheat acreage for 1950 is made effective, Ohio growers will not have to reduce further in 1951. If this acreage is added on without regard to national trends, then Ohio growers will have to take another cut in 1951. Whatever that cut is will be the acreage Ohio will lose to the Western States and Michigan by the provisions of this bill.

It is a well-known fact that present wheat surpluses have been caused by excessive increases in wheat acreage in several Western States, particularly Colorado. In Colorado the 1935–44 average wheat acreage was 1,496,000 acres. The 1949 acreage in Colorado was 3,526,000, an increase of 2,030,000 acres. In Ohio the 1935–44 average wheat acreage was 2,097,000 acres. The 1949 acreage was

2,377,000, an increase of only 280,000 acres as compared with Colorado's 2,030,000 acres of increase.

Section 5 of this bill is for the relief of those Western States and I believe it should be stricken from the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. POLK].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BECKWORTH: Page 16, line 3, after the period insert the following subsection:

"(f) The penalty provided for in this section shall not apply with respect to cotton produced by any person who is recognized by the county committee as being a cotton farmer if his total acreage does not exceed 5 acres."

Mr. BECKWORTH. Mr. Chairman, this makes it definite that if the county committee recognizes a person as being a cotton farmer that person shall have 5 acres of cotton. The gentleman from Tennessee [Mr. SUTTON] spoke about 16,000,000 veterans. If he will read my amendment he will find that I said "if they are recognized by the county committee as being cotton farmers." Those from New York, for instance, could not be recognized by the county committee as being cotton farmers.

The gentleman from Georgia [Mr. PACE] spoke about 6,000,000 bales. On July 25 the Department of Agriculture wrote me a letter as to the number of farmers growing 5 bales or less on the average, and there were 601,273. If every one of them grew 4 bales of cotton that would be 2,405,092 bales, and not 6,000,000. I would appreciate it if in the gentleman's remarks he would show where he got this 6,000,000 figure. It would be interesting indeed when we consider the fact that I have here a letter from the Secretary of Agriculture, written on July 5, with the particular figures I have given.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from North Carolina.

Mr. COOLEY. How could the gentleman determine and how could the county committee determine whether a man is a cotton farmer?

Mr. BECKWORTH. How did the 6,000,000 bales come in?

Mr. COOLEY. The gentleman does not provide any way of determining whether a man grows cotton or not.

Mr. BECKWORTH. The county committee would know. I repeat, they are knowing men, and would, to the extent they have authority under the law, be fair and just in their decisions.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BECKWORTH].

The question was taken; and on a division (demanded by Mr. BECKWORTH) there were—ayes 12, noes 56.

So the amendment was rejected.

Mr. WICKERSHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WICKERSHAM: Page 5, line 15, strike out the period and insert a comma and the following: "or (3) 85 percent of the average acreage planted to cotton in the State in 1942 and in 1943."

Mr. WICKERSHAM. Mr. Chairman, my amendment merely provides that the acreage allotment shall not be less than an average of the 1942–43 acreage allotment, for this reason: In some States, for some years, we have not planted any cotton at all. In our State we have planted wheat, but we will go back to cotton.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I yield to the gentleman from Georgia.

Mr. PACE. Did the gentleman say not less than 85 percent?

Mr. WICKERSHAM. 85 percent of the average of 1942 and 1943.

Mr. PACE. Does the gentleman realize that taking the increased acreage since that time that you would increase the minimum allotment to 30,000,000 acres? What would you do with that much cotton?

Mr. WICKERSHAM. It would not amount to that much.

Mr. PACE. There were 27,500,000 acres allotted in 1942 and 1943. Take 85 percent of that, and take in this increased acreage in new areas and all of these farms that planted beyond their 1942 allotment, I am sure that 32,000,000 would be the minimum to be planted under the gentleman's amendment?

Mr. WICKERSHAM. I think the gentleman is slightly wrong. But, I call the committee's attention to the fact that years ago the State of Oklahoma had the second largest cotton acreage in the country. We have had it for years. We cut it in two once, and when the program came along we cut it in half again. I am for this program, and I hope the amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. GATHINGS. Mr. Chairman, I ask unanimous consent that the time allotted to me be transferred to the gentleman from Texas [Mr. MAHON].

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MAHON. Mr. Chairman, I am tremendously interested in this bill and I have carefully watched this legislation throughout the session. I believe that the congressional district which I represent will produce probably 2,000,000 bales of cotton this year. This will probably beat all other congressional districts in the United States for cotton production.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Arkansas.

Mr. GATHINGS. I disagree with the gentleman, because I think that in the First Congressional District of Arkansas you will find more cotton produced than any other congressional district in America.

Mr. MAHON. That is a matter for argument. When the bales are counted this fall we will have the answer. I know the gentleman from Mississippi [Mr. WHITTINGTON] also competes.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Incidentally, our cotton is very much better than that produced anywhere else.

Mr. BROWN of Georgia. Mr Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Since the gentleman addressing the House and the gentleman from Arkansas produce so much cotton, it looks like they ought to give us a little larger acreage in the States that do not produce quite so much and need this cotton acreage.

Mr. MAHON. I thank my friend from Georgia who I know is much concerned about this legislation affecting cotton. He suggests a point which I want to make. We might as well face the facts. This cotton acreage bill before us is not going to prove wholly satisfactory. There are going to be many disappointments and many hardships imposed on individual farmers, in my opinion. I have frequently urged the members of the committee to work out the very best possible program.

The farmer who put in new land to cotton in 1948 and 1949 will find himself in difficulty. I hope the 10 percent provision will to some extent meet this particular situation.

The truth is that it has been several years since we have had a cotton acreage control program and it is going to be difficult for cotton producers to go back to a program of a drastic reduction in acres.

I want to urge the committee to realize that this is not a perfect bill. The committee must continue its study of cotton acreage control programs and modify the present bill in the future in the light of further developments as they unfold.

I want to take advantage of this opportunity to thank members of the committee on Agriculture for visiting the Congressional District which I represent and for conducting hearings at Lubbock, Tex. I want to thank the committee for hearing witnesses from West Texas on the bill this year and for giving a sympathetic hearing to those of us in Congress who have from day to day discussed with the committee various aspects of the cotton program, and conveyed to the committee communications from cotton producers.

I trust that through the perfection of pending legislation a program may be finally agreed upon that will be reasonably acceptable to the producers of the Nation.

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In closing I should like to ask if the committee feels that this bill gives as much local management to the program as any other legislation we have had.

Mr. WORLEY. May I say to the gentleman that, since our districts adjoin, and I am familiar with the problem with which he is faced, I can assure him that this bill gives local committees more control than any bill we have ever had. Of course, it must be realized that despite our best efforts the bill is not a perfect answer to our problem. The legislation should be perfected from time to time.

Mr. MAHON. I thank my friend. I know of his diligent efforts and the efforts of his colleagues on the House Committe on Agriculture to do a good job.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HOLIFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5738) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, pursuant to House Resolution 304, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. PACE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1962) to amend the cotton and wheat marketing-quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PACE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PACE: Strike out all after the enacting clause of the bill S. 1962 and insert the provisions of the bill H. R. 5738 as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings by which the bill (H. R. 5738) was passed were vacated, and that bill was laid on the table.

Mr. PACE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on the bill H. R. 5738.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

COMMITTEE ON RULES

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

CORPORATE MANAGEMENTS' RESPONSIBILITY

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, the world, as you all know, is moving toward socialism. This is the direct result of two world wars which have played havoc with the economies of a great many nations, including our own.

This trend toward socialism does not find its source in the fact that socialism is the answer to any economic problem. We know for a fact that it does not, and history proves it also. This trend stems from the fact that people generally always look for the easy way out, and certain politicians always stand ready to capitalize on this human characteristic. They will promise most anything and everything to every group in order to gain power.

This is true of the United States, as well as in other countries. Even though socialism is proving a failure in Europe, we in the United States are being told that we should adopt socialistic practices and policies.

I say that it is time that every man in Congress who has a scrap of statesmanship in his make-up stand up and defend our free-enterprise system. Our own experiences have shown that it is the best system man has ever devised.

And I call on every other citizen of the country to do the same. I call particularly on the heads of corporations to stand with us here in Congress in making a determined fight to protect and preserve this system of ours.

These corporations, their officials, and their boards of directors are supposed to represent millions of stockholders, big and small, scattered throughout the entire United States. They know what is going on, and they have not only the right but the duty to acquaint their own stockholders with these developments.

For the free-enterprise system to function as it should, and as it has functioned in the past, it is necessary that we show to the Socialists in our midst what they actually are—enemies of the American way of life.

We also must make it clear to all of our citizens that every dollar that is spent by our Government, whether it be for subsidies to this or that group, or gifts to other nations, must come out of the pockets of the American people. We must make it plain that we cannot spend ourselves into prosperity, nor can we be prosperous by pitting one group of American citizens against another.

We must live up to our creed of "One for all and all for one."

The United States Government owes no man a living. We must all work to produce, if we as a nation are to be strong and prosperous, and if our children and our children's children are to be strong and prosperous.

The economic facts of life have become rather complicated in recent years due to our fast industrial growth, but they are not beyond understanding by the rank and file of our citizens.

We call upon our school systems to help educate the younger generation on these facts, but I call upon the heads of our corporations to help educate the grown-ups. This is something that has been neglected much too long, and I feel that unless something is done and done immediately, we too will have lost the greatest heritage of any people on the face of the earth.

EXTENSION OF REMARKS

Mr. HARRIS and Mr. BOYKIN asked and were given permission to extend their remarks in the RECORD.

Mr. PRICE asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. WHITE of Idaho asked and was given permission to extend his remarks in the RECORD in three instances and include certain excerpts.

Mr. PACE asked and was given permission to revise and extend his remarks on the bill H. R. 5738, and include certain tables relating to the planting and production of cotton.

The SPEAKER. Under previous order of the House the gentleman from Washington [Mr. HORAN] is recognized for 20 minutes.

RECIPROCAL TRADE AND AMERICAN PRODUCTION

Mr. HORAN. Mr. Speaker, the debate of yesterday and today on the tung nuts and the honey support price programs, and cotton acreage controls have brought out one fact that I would like to bring to the attention of the House.

It is clear now that we are going to hear about tariffs on imported goods in the next election. We should. We are going to find out how much of our unemployment here in America is directly—and viciously indirectly—caused by low-wage production from other countries taking our own markets unfairly. It is time we looked at it honestly and candidly. For there is a grave danger that a capricious lowering of tariffs, particularly on perishable agricultural products, will help bring about the same disastrous results that greedily high tariffs caused in the twenties.

First to feel these imports were the watch and fine instrument industries, then in textiles. Unemployment in New England is a part of the result. Then it was the china and glassware workers of the central east. Today many industries are feeling the effects of underpriced imports. The failures of the United Nations, our vacillating foreign policies, the

futility of ECA and the many-sided problems of the well-known "dollar shortage"—all have greatly aggravated the problem without giving any effective help in its solution.

On Monday our colleague the gentleman from California inserted in the Appendix of the RECORD a very illuminating article and a letter from one of the large fruit processors of the Pacific coast, Rosenberg Bros., who run driers and processors in California. In order to find out where our export markets have gone for dried fruits and other perishables which heretofore have gone abroad they sent their vice president in charge of exports to look over that situation. In his report he has this illuminating paragraph:

> If anyone had deliberately set out to conceive the most efficient plan for excluding the United States trade, and ours in particular, from Europe, they could not have found anything better, or as good. Every time we open our mouths, and I am told that our Government's representatives do so rarely at these meetings, we are told that this European self-sufficiency must be fostered to stop communism, and it does not seem to occur to anyone that the artificial maintenance of high prices which we could check, and are paying taxes to do so, is as sure a means to foster communism as anything one could dream of.

Our dollar is still sound. The trouble is that other countries do not have them. So they must barter with us—send us their goods—or not trade with us at all. The loans we make them can only be paid back by our accepting these goods—whether it means damage to our own producers or not.

What we need, of course, is international monetary stabilization—and an adjustment of our tariffs so that our standards of living, our wage scales, our farmer's parity, price and security programs, our taxing base and, indeed, the very solvency of our national life can be assured they have a future too. In short, the parity concept should be applied to reciprocal tariff policy, just as it is being applied to farm-price supports, minimum wages, and the various welfare programs.

Sure we have a great world responsibility—certainly we are the champions of western civilization. But because of these facts, we need to keep our own house in order; we need to protect our own home folks from unfair competition.

Now I have talked about this tariff business before. I have explained how the so-called reciprocal trade treaties are arrived at. I have explained why the State Department, with its striped-pants approach, dominates the treaty bargaining—not the Department of Agriculture or Commerce.

The new farm policy proposals have served to point up the dangers of these imports. The Truman administration has promised the farmer a fixed income from the Treasury and has also promised the consumer cheaper milk, bread, potatoes, and beefsteak, and so forth. They will, as they say, let "farm produce seek its own level" on the American market. They do not outline how this is to be done—excepting a veiled insistence that the forces of competition will drive down the market-place price of what the farmer has to sell. Obviously the most potent competitive force today is foreign production of agricultural goods.

There are many reasons why this is so. First, their production costs are lower; second, their transportation costs are lower; third, our wonderful market attracts them; and fourth, in the face of a depreciated currency here and abroad, our own tariff rates have gone down. This is important. Take a crop we know something about: Apples. In 1922—when two-bits was 25 cents—the tariff on apples was 25 cents per bushel of 50 pounds. In 1930 it was still 25 cents. In 1945, when 25 cents would buy about one-half as much, that tariff was reduced to 15 cents. And, in 1948, at Geneva, it was lowered to 12½ cents.

Maybe 25 cents was too high in 1930, although I do not think so—but there certainly ought to be some relationship between the rise in the cost of production and marketing of farm products—for labor, for modern freezing, storing, and transportation here in America—and the amount of the tariff, which, if it exists at all, stands as a recognition of the fact that he is entitled to at least some preference in his own markets.

To cut tariffs in half in the face of these doubling of costs here in America makes a sort of international orphan out of our American producer. Let us not forget that it is these high costs here that make our market good. Small wonder that the importation of apples is steadily increasing since the war while our exports are less than half what they were in the late thirties.

To me that is just one more reason why we should make certain that our American producer has first call on the American market to the fullest extent of his ability to supply it.

President Truman, in his inaugural address, made much of what he called "point four"—the exportation of American know-how to the backward countries of the world. Sounds good.

But we must remember that productive know-how can backfire on us unless we export the can-do that will also raise the standards of living in other countries so that they become better consumer markets. You would give an automobile to a Malay rice grower and he could not use it simply because his wages are too low to buy gas and parts. This know-how idea is not new. It has happened before.

Take another crop that can illustrate this: Pears. In the late twenties promoters in the San Negro Valley in the Argentinian Andes planted thousands of pear trees. They prospered. The climate and the soil were right. Soon the Argentinians were importing our know-how also. They bought our sorting, sizing, and packing-bin machinery, our conveyors, our cold-storage equipment—and prepared to compete with us, knowing full well that their lower costs would give them an advantage. We must remember that those production costs were lower only because they paid lower wages and kept their workers at a lower standard of living than that of American workers.

Up to then—but let us read here from the most recent summary of information from the United States Tariff Commission:

> Pears are grown in every part of the United States, but commercial production is centered in the three Pacific Coast States. These States account for more than two-thirds of the total commercial production of all pears and from 90 to 95 percent of the winter-pear crop. United States production of pears increased rapidly during the two decades before World War II, and, on the basis of present plantings and yield per acre, the output is likely to continue to increase. In the two postwar years, 1946 and 1947, annual production of about 1,700,000,000 pounds exceeded the average annual output of 1,500,000,000 pounds during 1937-39. Important in the expansion of the production of pears has been the development of winter varieties. In 1937-39 the output of these varieties amounted to 283,000,000 pounds annually, equivalent to 19 percent of total production and to three-fourths of the total exports; in 1946 and 1947 the output of winter varieties averaged 390,000,000 pounds a year, equivalent to 23 percent of the total production and to 65 percent of the exports.
>
> United States imports of fresh pears, very largely from Argentina, where the seasons of production are the reverse of those in the United States, averaged 3,200,000 pounds annually in 1937-39 and were 4,500,000 pounds in 1943. Following the war imports increased substantially and amounted to 17,000,000 pounds in 1946 and to somewhat over 7,000,000 pounds in 1947, most of which came from Argentina. Imports from Australia (also a Southern Hemisphere country) of no importance before the war, amounted to almost 2,000,000 pounds in 1946 and to 1,200,000 pounds in 1947. About two-thirds of the United States imports are entered during February and March, although in recent years there have been some imports as late as June. Imported pears compete with domestic pears held in cold storage which average about 50,000,000 pounds a year (18 percent of the domestic winter-pear crop.)

If we needed a clear example of just what is involved in this matter of point 4—the exportation of American know-how to the backward countries—it is clearly depicted in the example of Argentinian pears. I submit that the only conclusion is: To export productive know-how to a country which will not raise its own standards of living and broaden and raise the base of its wage scales, can be fatal to the country which exports that know-how.

Meanwhile the tariff rate for pears imported into this country has not changed since 1922 despite wide variations in the cost of producing pears here in the United States.

The reciprocal trade treaty idea is only good when it promotes exchanges of goods. That is what the word means.

Take the case of berries. In almost every case the importation of berries into the United States has shown a vast increase since the war, indicating our difficulties there. The tariff on fresh strawberries in 1922 was 1¼ cents a pound; in 1945, this was reduced to three-fourths of a cent; and at Geneva was further reduced to one-half cent for fresh strawberries coming in between periods of June 15 and September 15, and at other times of the year, three-fourths of a cent.

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The tariff duties on other berries show approximately the same figures. This year we have just witnessed a disastrous market for cherry growers. Despite this fact, we are actually importing fresh cherries into this country and enormous quantities of sulfured or brined cherries, especially from Italy.

The tariff rate on brined cherries was the same as it was in 1930. In the case of fresh cherries in their natural state, the tariff has been reduced from 2 cents in 1930 to ½ cent after the Geneva Conference.

Or, take the case of apricots, which like cherries have to be sold in their fresh state in a very rapid manner. Consequently they need to take the fullest advantage of the American market. The tariff on fresh or brined apricots remains the same as it was in 1922—one-half cent per pound. On dried apricots, the tariff has been reduced to 2 cents in 1930 to 1 cent following the Geneva Conference in 1948.

And here again on canned apricots the tariff remains unchanged from its rate in 1922.

The only reason we are talking farm policy at this time is because we recognize what the impact of world conditions means to our great American producer. But in the end it will mean but little if we presume to pay the farmer out of the Treasury and not take stock of what is going on in the world that directly affects him. To deny him anything but the fullest preference in his own markets is an injustice. If we are to discuss the modernization of the parity-price formula for the farmer who grows storable goods, we owe it to the producer of perishables to modernize our tariff formulas also. To modernize the tariff formula does not mean the building of a wall around America; it merely means the adjustment between what the American producer has to pay for what he buys in terms of labor, material, transportation, capital investment, and taxes to that which his competitor in other countries pays for the same things.

Give this break to the American producer and he will ask for nothing more, knowing that freedoms can only exist where his Government is vigilant about just these things.

It is time that we did hear more about tariffs. We should, for the security right now of America lies not in the nebulous nonsense that so often haunts the marble halls of Washington, D. C., but in the realistic things that deal with the rights of the American producer and his place in a chaotic but a reviving world.

(Mr. HORAN asked and was given permission to revise and extend his remarks and include extraneous matter.)

EXTENSION OF REMARKS

Mr. HESELTON asked and was given permission to extend his remarks in the RECORD and include his minority views on the bill H. R. 1758.

Mr. McCULLOCH asked and was given permission to extend his remarks in the RECORD and include a letter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WELCH of California (at the request of Mr. HAVENNER), indefinitely, on account of official business.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5632. An act to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 755. An act to extend the time for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

S. 803. An act to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard armory and for training the National Guard or for other military purposes;

S. 1136. An act to amend the Canal Zone Code, and for other purposes;

S. 1137. An act to revise and codify laws of the Canal Zone regarding the administration of estates, and for other purposes;

S. 1278. An act to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high intensity lighting on CAA designated instrument landing runways;

S. 1285. An act to authorize progressive partial payments to sponsors under the Federal Airport Act program;

S. 1459. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended;

S. 1505. An act to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947.

S. 1577. An act to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944; and

S. 2030. An act to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on August 2, 1949, present to the President, for his approval, a bill of the House of the following title:

H. R. 5238. An act to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes.

ADJOURNMENT

Mr. PRICE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.) the House adjourned until tomorrow, Thursday, August 4, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

831. A communication from the President of the United States, transmitting additional material in connection with supplemental estimates of appropriations and authorizations for the Housing and Home Finance Agency which were transmitted to the Congress on July 15, 1949 (H. Doc. 261), new or amended budget programs, in the form of amendments to the budget for the fiscal year 1950, reflecting the effects of enactment of the Housing Act of 1949 and also the effects of the military housing mortgage-insurance program to be initiated by the enactment into law of S. 1184 (H. Doc. No. 290); to the Committee on Appropriations and ordered to be printed.

832. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $715,000 for the Department of the Interior (H. Doc. No. 289); to the Committee on Appropriations and ordered to be printed.

833. A letter from the Acting Secretary of the Navy, transmitting a report showing claims considered, ascertained, adjusted, determined, and settled by the Department of the Navy for the period July 1, 1948 to June 30, 1949; to the Committee on the Judiciary.

834. A letter from the Secretary of Defense, transmitting a letter by the Secretary of the Army recommending the enactment of a proposed draft of legislation entitled "To authorize the Secretary of the Army, the Secretary of the Air Force, and the Secretary of the Navy to convey perpetual easements in conjunction with authorized construction projects involving relocation of roads, streets, railroads, and utilities"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS: Committee on the District of Columbia. H. R. 1370. A bill authorizing the appointment of three additional judges of the municipal court for the District of Columbia, prescribing the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes; with an amendment (Rept. No. 1065 (pt. II)). Ordered to be printed.

Mr. CANNON: Committee of conference. House Joint Resolution 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases; with an amendment (Rept. No. 1166). Ordered to be printed.

Mr. KENNEDY: Committee on the District of Columbia. H. R. 4394. A bill to amend sections 10, 11, and 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia;" without amendment (Rept. No. 1167). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. S. 1918. An act to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $3,000; without amendment (Rept. No. 1168). Referred to the Committee of the Whole House on the State of the Union.

Mr. KENNEDY: Committee on the District of Columbia. H. R. 3571. A bill concerning common-trust funds and to make uniform the law with reference thereto; with an amendment (Rept. No. 1169). Referred to House Calendar.

Mr. KENNEDY: Committee on the District of Columbia. H. R. 4393. A bill to

amend the Life Insurance Act of the District of Columbia; with an amendment (Rept. No. 1177). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 2015. A bill to authorize the Secretary of Agriculture to convey and exchange certain lands and improvements in Grand Rapids, Minn., for lands in the State of Minnesota, and for other purposes; without amendment (Rept. No. 1178). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 4090. A bill to extend the benefits of section 23 of the Bankhead-Jones Act to Puerto Rico; with an amendment (Rept. No. 1179). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 5601. A bill to authorize the exchange of certain lands of the United States situated in Iosco County, Mich., for lands within the national forests of Michigan, and for other purposes; without amendment (Rept. No. 1180). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 5679. A bill to authorize the transfer of certain agricultural dry land and irrigation field stations to the States in which such stations are located, and for other purposes; without amendment (Rept. No. 1181). Referred to the Committee of the Whole House on the State of the Union.

Mr. LYLE: Committee on Rules. House Resolution 310. Resolution providing for the consideration of the bill (H. R. 1758), to amend the Natural Gas Act approved June 21, 1938, as amended; without amendment (Rept. No. 1182). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 311. Resolution providing for the consideration of the bill (H. R. 5526), to authorize the President to provide for the performance of certain functions of the President by other officers of the Government, and for other purposes; without amendment (Rept. No. 1183). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 312. Resolution providing for the consideration of House Joint Resolution 297, joint resolution authorizing Federal participation in the International Exposition for the Bicentennial of the Founding of Port-au-Prince, Republic of Haiti, 1949; without amendment (Rept. No. 1184). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 298. Resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 1185). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Virginia: Committee on the District of Columbia. H. R. 4059. A bill to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution; without amendment (Rept. No. 1170). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 622. An act for the relief of Isaiah Johnson; without amendment (Rept. No. 1171). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1484. A bill for the relief of Mrs. Mary Capodanno, and the legal guardian of Vincent Capodanno; with an amendment (Rept. No. 1172). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 3498. A bill for the relief of the Gluckin Corp.; with an amendment (Rept. No. 1173). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 4563. A bill for the relief of Mrs. Sarah E. Thompson; without amendment (Rept. No. 1174). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5777. A bill for the relief of Joe D. Dutton; without amendment (Rept. No. 1175). Referred to the Committee of the Whole House.

Mr. VINSON: Committee on Armed Services. House Joint Resolution 281. Joint resolution to authorize the President to issue posthumously to the late John Sidney McCain, vice admiral, United States Navy, a commission as admiral, United States Navy, and for other purposes; without amendment (Rept. No. 1176). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Pennsylvania:

H. R. 5862. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. CELLER:

H. R. 5863. A bill for refund of customs duties to the preparatory Commission for the International Refugee Organization; to the Committee on the Judiciary.

By Mr. LYNCH:

H. R. 5864. A bill to repeal the tax on business and store machines; to the Committee on Ways and Means.

By Mr. PRIEST:

H. R. 5865. A bill to amend the Public Health Service Act to authorize assistance to States and political subdivisions in the development and maintenance of local public health units, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. REDDEN:

H. R. 5866. A bill to adjust and define the boundary between Great Smoky Mountains National Park and the Cherokee-Pisgah-Nantahala National Forests, and for other purposes; to the Committee on Public Lands.

By Mr. TOLLEFSON:

H. R. 5867. A bill authorizing certain works for the improvement of navigation, the control of floods, and the conservation and utilization of the waters of the Columbia River and its tributaries, and for other purposes; to the Committee on Public Works.

By Mr. HART:

H. R. 5868. A bill to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report; to the Committee on Expenditures in the Executive Departments.

By Mr. KENNEDY:

H. R. 5869. A bill to provide specific measures in furtherance of the national policy established in the Employment Act of 1946; to the Committee on Ways and Means.

By Mr. TEAGUE:

H. R. 5870. A bill to grant hospitalization to certain widows and children of deceased World War II veterans; to the Committee on Veterans' Affairs.

By Mr. McMILLEN of Illinois:

H. J. Res. 333. Joint resolution prohibiting the promulgation of certain rules and regulations of the Home Loan Bank Board published in the Federal Register on July 16, 1949, the same to become effective August 15, 1949; to the Committee on Banking and Currency.

By Mr. JACKSON of Washington:

H. Con. Res. 119. Concurrent resolution relating to the extension of transportation facilities from Prince George, British Columbia, Canada, to Alaska; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BAILEY introduced a bill (H. R. 5871) for the relief of Davina Teh-hsing Huang; which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII petitions and papers were laid on the Clerk's desk and referred as follows:

1377. By Mr. CASE of New Jersey: Petition of 72 residents of the Sixth Congressional District of New Jersey relative to Federal excise taxes on alcoholic beverages; to the Committee on Ways and Means.

1378. By Mr. RICH: Petition of Mrs. Viola L. Smith and other residents of Bradford, Pa., and vicinity, in opposition to H. R. 4643, Federal aid to education; to the Committee on Education and Labor.

SENATE

THURSDAY, AUGUST 4, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Albert J. McCartney, LL. D., director of the Chicago Sunday Evening Club, Chicago, Ill., offered the following prayer:

O Thou who knowest the way that we take, may we remember that the steps of a good man are ordered of the Lord. As Thy servants address themselves to the crowded calendar of another day wilt Thou fulfill to each one the promise "as thy days so shall thy strength be." If any amongst us are pressed down with some personal anxiety, or private sorrow, or distress of soul, encourage us to cast all our cares over upon Thee, Thou great burden bearer.

And now let Thy special blessing rest upon the Presiding Officer of this Chamber, upon the President of the United States and his household, and upon those into whose hands Thou hast placed the leadership of the people in this great hour. God save the state. We ask this in the name of Jesus our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 3, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on August 3, 1949, the President had approved and signed the act (S. 1742) removing certain restrictions imposed by the act of March 8, 1888, on certain lands

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authorized by such act to be conveyed to the trustees of Porter Academy.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 1962) to amend the cotton and wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2290) to provide for cooperation by the Smithsonian Institution with State educational and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams.

The message further announced that the House had passed a bill (H. R. 1161) to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 111. An act for the relief of Mrs. Pearl Shizuko Okada Pape;

S. 317. An act for the relief of Margita Kofler;

S. 905. An act for the relief of John Sewen;

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended;

S. 1745. An act to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system; and

H. J. Res. 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Frear	Kilgore
Anderson	Fulbright	Knowland
Baldwin	George	Langer
Brewster	Gillette	Lodge
Bricker	Graham	Long
Bridges	Green	Lucas
Butler	Gurney	McCarran
Byrd	Hayden	McCarthy
Cain	Hendrickson	McClellan
Capehart	Hickenlooper	McFarland
Chapman	Hill	McGrath
Chavez	Hoey	McKellar
Connally	Holland	McMahon
Cordon	Humphrey	Magnuson
Donnell	Hunt	Malone
Douglas	Ives	Martin
Downey	Jenner	Maybank
Dulles	Johnson, Colo.	Miller
Eastland	Johnson, Tex.	Millikin
Ecton	Johnston, S. C.	Morse
Ellender	Kefauver	Mundt
Ferguson	Kem	Myers
Flanders	Kerr	Neely
O'Conor	Smith, N. J.	Tobey
O'Mahoney	Sparkman	Tydings
Pepper	Stennis	Vandenberg
Robertson	Taft	Watkins
Russell	Taylor	Wherry
Saltonstall	Thomas, Okla.	Wiley
Schoeppel	Thomas, Utah	Williams
Smith, Maine	Thye	Young

Mr. MYERS. I announce that the Senator from Montana [Mr. MURRAY] is absent on public business.

The Senator from Kentucky [Mr. WITHERS] is absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate may present petitions and memorials, introduce bills and joint and other resolutions, and place routine matters in the RECORD, as though the Senate were in the morning hour, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF COTTON AND WHEAT MARKETING QUOTA PROVISIONS OF AGRICULTURAL ADJUSTMENT ACT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1962) to amend the cotton and wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, which was to strike out all after the enacting clause and insert:

That sections 342 to 350, inclusive, of the Agricultural Adjustment Act of 1938, as amended, are amended to read as follows:

"NATIONAL MARKETING QUOTA

"SEC. 342. Whenever during any calendar year the Secretary determines that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of cotton produced in the next calendar year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the number of bales of cotton (standard bales of 500 pounds gross weight) adequate, together with (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year and (2) the estimated imports during such marketing year, to make available a normal supply of cotton. The national marketing quota for any year shall be not less than 10,000,000 bales or 1,000,000 bales less than the estimated domestic consumption plus exports of cotton for the marketing year ending in the calendar year in which such quota is proclaimed, whichever is smaller: *Provided*, That the national marketing quota for 1950 shall be not less than the number of bales required to provide a national acreage allotment of 21,000,000 acres. Such proclamation shall be made not later than November 15 of the calendar year in which such determination is made.

"REFERENDUM

"SEC. 343. Not later than December 15 following the issuance of the marketing quota proclamation provided for in section 342, the Secretary shall conduct a referendum, by secret ballot, of farmers engaged in the production of cotton in the calendar year in which the referendum is held, to determine whether such farmers are in favor of or opposed to the quota so proclaimed: *Provided*, That if marketing quotas are proclaimed for the 1950 crop, farmers eligible to vote in the referendum held with respect to such crop shall be those farmers who were engaged in the production of cotton in the calendar year of 1948. If more than one-third of the farmers voting in the referendum oppose the national marketing quota, such quota shall become ineffective upon proclamation of the results of the referendum. The Secretary shall proclaim the results of any referendum held hereunder within 30 days after the date of such referendum.

"ACREAGE ALLOTMENTS

"SEC. 344. (a) Whenever a national marketing quota is proclaimed under section 342, the Secretary shall determine and proclaim a national acreage allotment for the crop of cotton to be produced in the next calendar year. The national acreage allotment for cotton shall be that acreage, based upon the national average yield per acre of cotton for the 5 years immediately preceding the calendar year in which the national marketing quota is proclaimed, required to make available from such crop an amount of cotton equal to the national marketing quota.

"(b) The national acreage allotment for cotton for 1953 and subsequent years shall be apportioned to the States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, 79th Cong.) during the five calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed, with adjustments for abnormal weather conditions during such period.

"(c) The national acreage allotments for cotton for the years 1950 and 1951 shall be apportioned to the States on the basis of a national acreage allotment base of 22,500,000 acres, computed and adjusted as follows:

"(1) The average of the planted acreages (including acreage regarded as planted under the provisions of Public Law 12, 79th Cong.) in the States for the years 1945, 1946, 1947, and 1948 shall constitute the national base; except that in the case of any State having a 1948 planted cotton acreage of over 1,000,000 acres and less than 50 percent of the 1943 allotment, the average of the acreage planted (or regarded as planted under Public Law 12, 79th Cong.) for the years 1944, 1945, 1946, 1947, and 1948 shall constitute the base for such State and shall be included in computing the national base; to this is to be added (A) the estimated additional acreage for each State required for small-farm allotments under subsection (f) (1) of this section; (B) the acreage required as a result of the State adjustment provisions of paragraph (2) of this subsection; (C) the additional acreage required to determine a total national allotment base of 22,500,000 acres, which additional acreage shall be distributed on a proportionate basis among States receiving no adjustment under paragraph (2) of this subsection.

"(2) Notwithstanding the provisions of paragraph (1) of this subsection, the acreage allotment base for 1950 and 1951 for any State (on the basis of a national acreage allotment base of 22,500,000 acres) shall not be less than the larger of (1) 95 percent of the average acreage actually planted to cotton in the State during the years 1947 and 1948, or (2) 85 percent of the acreage planted to cotton in the State in 1948.

"(3) If the national acreage allotment for 1950 or 1951 is more or less than 22,500,000 acres, horizontal adjustments shall be made percentagewise by States so as to reflect the ratio of the national acreage allotment for 1950 and 1951 to 22,500,000 acres.

"(d) The national acreage allotment for cotton for 1952 shall be apportioned to States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions

of Public Law 12, 79th Cong.) during the years 1946, 1947, 1948, and 1950, with adjustments for abnormal weather conditions during such period.

"(e) The State acreage allotment for cotton for 1950, 1951, and 1952 shall be apportioned to counties in the State on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, 79th Cong.) during the four calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed, and for each year thereafter shall be apportioned to counties in the State on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, 79th Cong.) during the five calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed: *Provided*, That the State committee may reserve not to exceed 10 percent of its State acreage allotment (15 percent if the State's 1948 planted acreage was in excess of 1,000,000 acres and less than half its 1943 allotment) which shall be used to make adjustments in county allotments for counties adversely affected by abnormal conditions affecting plantings, or for small or new farms.

"(f) The county acreage allotment, less not to exceed the percentage provided for in paragraph 3 of this subsection, shall be apportioned to farms on which cotton has been planted (or regarded as having been planted under the provisions of Public Law 12, 79th Cong. in any one of the 3 years immediately preceding the year for which such allotment is determined on the following basis:

"(1) There shall be allotted the smaller of the following: (A) 5 acres; or (B) the highest number of acres planted (or regarded as planted under Public Law 12, 79th Cong.) to cotton in any year of such 3-year period.

"(2) The remainder shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) so that the allotment to each form under this paragraph together with the amount of the allotment to such farm under paragraph (1) (A) shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreages the acres devoted to the production of sugarcane for sugar; sugar beets for sugar; wheat, tobacco, or rice for market; peanuts picked and threshed; wheat or rice for feeding to livestock for market; or lands determined to be devoted primarily to orchards or vineyards, and nonirrigated lands in irrigated areas: *Provided, however*, That if a farm would be allotted under this paragraph an acreage together with the amount of the allotment tc such farm under paragraph (1) (A) in excess of the largest acreage planted (and regarded as planted under Public Law 12, 79th Cong.) to cotton during any of the preceding 3 years, the acreage allotment for such farm shall not exceed such largest acreage so planted (and regarded as planted under Public Law 12, 79th Cong.) in any such year.

"(3) The county committee may reserve not in excess of 10 percent of the county allotment (15 percent if the State's 1948 planted cotton acreage was in excess of 1,000,000 acres and less than half its 1943 allotment) which, in addition to the acreage made available under the proviso in subsection (e), shall be used for (A) establishing allotments for farms on which cotton was not planted (or regarded as planted under Public Law 12, 79th Cong.) during any of the 3 calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton; and (B) making adjustments of the farm acreage allotments established under paragraphs (1) and (2) of this subsection so as to establish allotments which are fair and reasonable in relation to the factors set forth in this paragraph and abnormal conditions of production on such farms: *Provided*, That not less than 30 percent of the acreage reserved under this subsection shall, to the extent required, be allotted, upon such basis as the Secretary deems fair and reasonable to farms (other than farms to which an allotment has been made under subsection (f) (1) (B)), if any, to which an allotment of not exceeding 15 acres may be made under other provisions of this subsection.

"(g) Notwithstanding the foregoing provisions of this section—

"(1) State, county, and farm acreage allotments and yields for cotton shall be established in conformity with Public Law 28, Eighty-first Congress.

"(2) In apportioning the county allotment among the farms within the county, the Secretary, through the local committees, shall take into consideration different conditions within separate administrative areas within a county if any exist, including types, kinds, and productivity of the soil so as to prevent discrimination among the administrative areas of the county.

"(3) For any farm on which the acreage planted to cotton in any year is less than the farm acreage allotment for such year by not more than the larger of 10 percent of the allotment or one acre, an acreage equal to the farm acreage allotment shall be deemed to be the acreage planted to cotton on such farm, and the additional acreage added to the cotton acreage history for the farm shall be added to the cotton acreage history for the county and State.

"(h) Notwithstanding any other provision of this section, the county committee, upon application by the owner or operator of the farm, (1) may establish an allotment for any cotton farm acquired in 1940 or thereafter for nonfarming purposes by the United States or any State or agency thereof which has been returned to agricultural production but which is not eligible for an allotment under paragraph (1) or (2) of subsection (f) of this section, and (2) shall establish an allotment for any farm within the State owned or operated by the person from whom a cotton farm was acquired in such State in 1940 or thereafter for a governmental or other public purpose: *Provided*, That no allotment shall be established for any such farm unless application therefor is filed within 3 years after acquisition of such farm by the applicant or within 3 years after the enactment of this act, whichever period is longer: *And provided further*, That no person shall be entitled to receive an allotment under both (1) and (2) of this subsection. The allotment so made for any such farm shall compare with the allotments established for other farms in the same area which are similar, taking into consideration the acreage allotment, if any, of the farm so acquired, the land, labor, and equipment available for the production of cotton crop rotation practices, and the soil and other physical facilities affecting the production of cotton. Allotments established pursuant to this subsection shall be in addition to the acreage allotments otherwise established for the county and State under this act, and the production from the additional acreage so allotted shall be in addition to the national marketing quota.

"(i) Notwithstanding any other provision of this act, any acreage planted to cotton in excess of the farm acreage allotment shall not be taken into account in establishing State, county, and farm acreage allotments.

"(j) Notwithstanding any other provision of this act, State and county committees shall make available for inspection by owners or operators of farms receiving cotton acreage allotments all records pertaining to cotton acreage allotments and marketing quotas.

"(k) Notwithstanding any other provision of this section except subsection (g) (1), there shall be allotted to each State for which an allotment is made under this section not less than the smaller of (A) 4,000 acres or (B) the highest acreage planted to cotton in any one of the three calendar years immediately preceding the year for which the allotment is made.

"(l) Notwithstanding any other provision of law, the Secretary, in administering the provisions of Public Law 12, Seventy-ninth Congress, as it relates to war crops, shall carry out the provisions of such act in the following manner:

"(i) A survey shall be conducted of every farm which had a 1942 cotton acreage allotment, and of such other farms as the Secretary considers necessary in the administration of Public Law 12. This survey shall obtain for each farm the most accurate information possible on (a) the total acreage in cultivation, and (b) the acreage of individual crops planted on each farm in the years 1941, 1945, 1946, and 1947.

"(ii) An eligible farm for war-crop credit shall be a farm on which (a) the cotton acreage on the farm in 1945, 1946, or 1947, was reduced below the cotton acreage planted on the farm in 1941; (b) the war-crop acreage on the farm in 1945, 1946, or 1947, was increased above the war-crop acreage on the farm in 1941; and (c) the farm had a cotton acreage allotment in 1942.

"(iii) A farm shall be regarded as having planted cotton (in addition to the actual acreage planted to cotton) to the extent of the lesser of (a) the reduction in cotton acreage for each of the years 1945, 1946, and 1947, below the acreage planted to cotton in 1941, or (b) the increase in war crops for each of the years 1945, 1946, and 1947, above that planted to such war crops in 1941. However, the county committee may be given the discretion to adjust such war-crop credit when the county committee determine that the reduction in cotton acreage was not related to an increase in war crops, but the adjustment shall be made only after consultation with the producer.

"(iv) The Secretary, using the best information obtainable, and working with and through the State and county committees, shall use whatever means necessary to make an accurate determination of the credits due each individual farm, under Public Law 12.

"(v) The total of the war-crop credits due the individual farms in each county shall be credited to the county and the total of the war-crop credits due all of the counties in a State shall be credited to the State.

"(vi) The acreage credited to States, counties, and farms for the years 1945, 1946, or 1947, because of war crops, shall be taken into full account in the determination and distribution of cotton acreage allotments on a national, State, county, and farm basis.

"FARM MARKETING QUOTAS

"SEC. 345. The farm marketing quota for any crop of cotton shall be the actual production of the acreage planted to cotton on the farm less the farm marketing excess. The farm marketing excess shall be the normal production of that acreage planted to cotton on the farm which is in excess of the farm acreage allotment: *Provided*, That such farm marketing excess shall not be larger than the amount by which the actual production of cotton on the farm exceeds the normal production of the farm acreage allotment, if the producer establishes such actual production to the satisfaction of the Secretary.

"PENALTIES

"SEC. 346. (a) Whenever farm marketing quotas are in effect with respect to any crop of cotton, the producer shall be subject to a penalty on the farm marketing excess at a rate per pound equal to 50 percent of the

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parity price per pound for cotton as of June 15 of the calendar year in which such crop is produced.

"(b) The farm marketing excess of cotton shall be regarded as available for marketing and the amount of penalty and the amount of cotton to be stored or delivered pursuant to this section to postpone or avoid payment of penalty shall be computed upon the normal production of the acreage on the farm planted to cotton in excess of the farm acreage allotment. If a downward adjustment in the amount of the farm marketing excess is made pursuant to the proviso in section 345, the difference between the amount of the penalty or storage computed upon the farm marketing excess before such adjustment and as computed upon the adjusted farm marketing excess shall be returned to or allowed the producer.

"(c) The Secretary shall issue regulations under which the farm marketing excess of cotton may be stored. Upon failure to so store the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary, the penalty on such excess computed as provided in this section shall be paid by the producer.

"(d) Subject to the provisions of section 347, the penalty upon the farm marketing excess stored pursuant to this section shall be paid by the producer at the time and to the extent of any depletion in the amount so stored, except depletion resulting from some cause beyond the control of the producer or from substitution of cotton authorized by the Secretary.

"(e) The person liable for payment or collection of the penalty shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"AUTHORIZED REDUCTIONS IN STORAGE

"SEC. 347. (a) If the planted acreage of the then current crop of cotton for any farm is less than the farm acreage allotment, the amount of cotton from any previous crop stored to postpone or avoid payment of the penalty shall be reduced by an amount equal to the normal production of the number of acres by which the farm-acreage allotment exceeds the acreage planted to cotton.

"(b) If the actual production of the acreage of cotton on any farm on which the acreage of the commodity is within the farm-acreage allotment is less than the normal production of the farm-acreage allotment, the amount of cotton from any previous crop stored to postpone or avoid payment of penalty shall be reduced by an amount which, together with the actual production of the then current crop, will equal the normal production of the farm-acreage allotment: *Provided*, That the reduction under this subsection shall not exceed the amount by which the normal production of the farm-acreage allotment, less any reduction made under subsection (a), is in excess of the actual production of the acreage planted to cotton on the farm.

"LONG-STAPLE COTTON

"SEC. 348. (a) Unless marketing quotas are in effect under subsection (b) of this section, the provisions of this part shall not apply to cotton the staple of which is 1⅛ inches or more in length.

"(b) Whenever during any calendar year the Secretary determines that the total supply of the cotton specified in subsection (a) of this section for the marketing year beginning in such calendar year will exceed the normal supply thereof for such marketing year by more than 8 percent, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of such cotton produced in the next calendar year: *Provided*, That the Secretary may exempt from such quota any variety or kind of such cotton if he finds that the total supply does not exceed the normal supply thereof by more than 8 percent. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the quantity of such long-staple cotton adequate, together with (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year, and (2) the estimated imports during such marketing year, to make available a normal supply of such cotton. All provisions of the act relating to marketing quotas and acreage allotments for cotton shall, insofar as applicable, apply to marketing quotas and acreage allotments for such long-staple cotton."

SEC. 2. (a) Section 301 of the Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(1) Subsection (b) (3) (B) is amended to read: "'Carry-over' of cotton for any marketing year shall be the quantity of cotton on hand in the United States at the beginning of such marketing year, not including any part of the crop which was produced in the United States during the calendar year then current."

(2) Subsection (b) (10) is amended (i) by deleting from subparagraph (A) the word "cotton" where it first appears and the language "40 percent in the case of cotton" and (ii) by adding a new subparagraph (C) as follows:

"(C) The 'normal supply' of cotton for any marketing year shall be the estimated domestic consumption of cotton for the marketing year for which such normal supply is being determined, plus the estimated exports of cotton for such marketing year, plus 30 percent of the sum of such consumption and exports as an allowance for carry-over."

(3) Subsection (b) (16) is amended by (i) striking from subparagraph (A) the word "cotton" and (ii) by adding a new subparagraph (C) as follows:

"(C) 'Total supply' of cotton for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of cotton in the United States during the calendar year in which such marketing year begins and the estimated imports of cotton into the United States during such marketing year."

(b) Section 374 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting "(a)" before the first paragraph and by adding the following new paragraph:

"(b) With respect to cotton, the Secretary, upon such terms and conditions as he may by regulation prescribe, shall provide, through the county and local committees for the measurement prior to planting of an acreage on the farm equal to the farm acreage allotment if so requested by the farm operator, and any farm on which the acreage planted to cotton does not exceed such measured acreage shall be deemed to be in compliance with the farm acreage allotment. The Secretary shall similarly provide for the remeasurement upon request by the farm operator of the acreage planted to cotton on the farm, but the operator shall be required to reimburse the local committee for the expense of such remeasurement if the planted acreage is found to be in excess of the allotted acreage. If the acreage determined to be planted to cotton on the farm is in excess of the farm acreage allotment, the Secretary shall by appropriate regulation provide for a reasonable time within which such planted acreage may be adjusted to the farm acreage allotment."

(c) Section 362 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

"Notice of the farm acreage allotment established for each farm shown by the records of the county committee to be entitled to such allotment shall insofar as practicable be mailed to the farm operator in sufficient time to be received prior to the date of the referendum."

SEC. 3. (a) Notwithstanding any other provision of law, Middling seven-eighths inch cotton shall be the standard grade for purposes of parity and price support.

(b) Paragraph (9) of Public Law 74, Seventy-seventh Congress, is amended by striking out "cotton and."

SEC. 4. Subsection (c) of section 358 of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out the period at the end thereof and inserting a colon and the following new matter: "*Provided further*, That the allotment established for any State for any year subsequent to 1949 shall be not less than 60 percent of the acreage of peanuts harvested for nuts in the State in 1948 and any additional acreage so required shall be in addition to the national acreage allotment and the production from such acreage shall be in addition to the national marketing quota."

SEC. 5. Notwithstanding any other provision of law, the farm acreage allotment of wheat for the 1950 crop for any farm shall not be less than the larger of—

(A) 50 percent of—

(1) the acreage on the farm seeded for the production of wheat in 1949, and

(2) any other acreage seeded for the production of wheat in 1948 which was fallowed and from which no crop was harvested in the calendar year 1949, or

(B) 50 percent of—

(1) the acreage on the farm seeded for the production of wheat in 1948, and

(2) any other acreage seeded for the production of wheat in 1947 which was fallowed and from which no crop was harvested in the alendar year 1948.

adjusted in the same ratio as the national average seedings for the production of wheat during the 10 calendar years 1939–1948 (adjusted as provided by the Agricultural Adjustment Act of 1938, as amended) bears to the national acreage allotment for wheat for the 1950 crop: *Provided*, That no acreage shall be included under (A) or (B) which the Secretary, by appropriate regulations, determines will become an undue erosion hazard under continued farming. To the extent that the allotment to any county is insufficient to provide for such minimum farm allotments, the Secretary shall allot such county such additional acreage (which shall be in addition to the county, State, and national acreage allotments otherwise provided for under the Agricultural Adjustment Act of 1938, as amended) as may be necessary in order to provide for such minimum farm allotments.

Mr. THOMAS of Oklahoma. I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. HOEY, Mr. ANDERSON, Mr. AIKEN, Mr. YOUNG, and Mr. THYE conferees on the part of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PAN AMERICAN UNION

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of the Pan American Union (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF TRAVEL EXPENSE ACT OF 1949

A letter from the Secretary of Agriculture, transmitting a draft of legislation to amend

section 3 of the Travel Expense Act of 1949 (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

PETITIONS

Petitions, etc., were laid before the Senate, and referred as indicated.

By the VICE PRESIDENT:

Resolutions adopted by the Associated Townsend Clubs of Hillsborough County, the Associated Townsend Clubs of Dade County, and the Miami Townsend Club, No. 1, of Miami, all in the State of Florida, praying for the enactment of the so-called Townsend plan, providing old-age assistance; to the Committee on Finance.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. DOUGLAS, from the Committee on Labor and Public Welfare:

H. R. 3191. A bill to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes; with amendments (Rept. No. 836).

DENTAL CARE FOR PERSONNEL OF ARMY AND AIR FORCE—REPORT OF A COMMITTEE

Mr. HUNT. Mr. President, from the Committee on Armed Services I report an original bill to provide more efficient dental care for the personnel of the United States Army and the United States Air Force, and I submit a report (No. 835) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2380) to provide more efficient dental care for the personnel of the United States Army and the United States Air Force, was read twice by its title, and ordered to be placed on the calendar.

REORGANIZATION PLANS—REPORTS OF A COMMITTEE

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, submitted the following reports:

Reorganization Plan No. 3 of 1949—Post Office Department (Rept. No. 837);

Reorganization Plan No. 4 of 1949—Transferring the National Security Council and the National Security Resources Board (Rept. No. 838);

Reorganization Plan No. 5 of 1949—United States Civil Service Commission (Rept. No. 839); and

Reorganization Plan No. 6 of 1949—Designated to strengthen the administration of the United States Maritime Commission by making the Chairman the executive and administrative officer of the Commission and vesting in him responsibility for the appointment of its personnel and the supervision and direction of their activities (Rept. No. 840).

EXEMPTION OF INDEPENDENT PRODUCERS AND GATHERERS OF NATURAL GAS—EXCHANGE OF LETTERS BETWEEN BUREAU OF THE BUDGET AND SENATOR JOHNSON OF COLORADO

Mr. JOHNSON of Colorado. On June 24 of this year I reported, from the Committee on Interstate and Foreign Commerce, Senate bill 1498, and it was given Calendar No. 563.

Yesterday I received from Mr. Elmer B. Staats, Acting Director of the Bureau of the Budget, a letter saying that this bill is not in accord with the President's program. I ask unanimous consent to have his letter to me, and my reply thereto, printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
Bureau of the Budget,
Washington, D. C., August 1, 1949.

Hon. EDWIN C. JOHNSON,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate,
Washington, D. C.

MY DEAR SENATOR JOHNSON: The President has directed me to advise the interested agencies that enactment of S. 1498, "To amend the Natural Gas Act approved June 21, 1938, as amended," would not be in accord with his program. Although the Bureau has not been requested by your committee to comment on this measure, I assume you would wish to be informed of the President's position, particularly in view of the present status of this bill.

You may also be interested to know that the President has stated that should some legislation be deemed necessary in this area, he would have no objection to the enactment of a bill along the lines of the measure endorsed by the majority of the Federal Power Commission as an amendment to H. R. 1758, a bill substantially similar in purpose to S. 1498. A copy of this amendment is enclosed.

Sincerely yours,

ELMER B. STAATS,
Acting Director.

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
August 4, 1949.

Mr. ELMER B. STAATS,
Acting Director, Bureau of the Budget,
Executive Office of the President,
Washington, D. C.

MY DEAR MR. STAATS: I have your letter of August 1 in which you advise me that enactment of the Kerr-Thomas bill, S. 1498, to exempt the independent producers and gatherers of natural gas as intended by the Congress when the National Gas Act was passed 11 years ago, would not be in accord with the President's program.

To say that I am astonished at this pronouncement is putting it mildly. The Kerr bill was introduced on April 4. Seven days of full and complete hearings were held in May and June. This entire problem was thoroughly explored by this committee and the bill was reported favorably with amendments on June 24. Now at this late date we are told, for the first time, that the bill is not in accord with the President's program. Until I received your letter of August 1, I had every reason to believe that the President still was in favor of exempting the independent producers and gatherers. You will recall, I am sure, that in the last Congress the so-called Priest bill, H. R. 4099, similar in purpose and design to the Kerr-Thomas bill, was recommended by Commissioners Smith, Olds, Draper, and Wimberly of the Federal Power Commission, that being the full Commission at the time. In urging enactment of the Priest bill they stated that their position was fully in accord with the legislative program of the President. My committee had every reason to believe, when it reported out this bill, that both the President and the Bureau of the Budget were still in favor of its objectives.

I am sorry you did not advise me earlier that you had switched your position. As you know, this has been the law and the practice for 11 years. Is it your contention that the Commission all of this time has not been acting in accord with the President's program? I cannot believe that the President has changed his mind about this legislation. Presumably there are no new economic or political factors which have come to light during the past 12 months which the committee has not been able to discover after extensive hearings.

I have not changed my position. I was against the Moore-Rizley bill, and, like the President, I was for the Priest bill. And now, for the identical reasons, I am for the Kerr-Thomas bill.

We repealed OPA since it is contrary to the free-enterprise system. We still have limited controls on domestic rental properties and these are practically the only controls remaining. Beyond that we do not go. But a bare majority in the Federal Power Commission is now attempting to impose a new OPA on the independent gas gatherer and producer. No such controls are imposed on oil or coal or any other product. In what particular does the gas industry differ from the coal and petroleum industry which requires this singular and arbitrary action?

Needless to say it distresses me greatly to learn that the Bureau reports the President does not now agree with this committee on this legislation. If he is opposed, even at this late date, I would like very much to know why, since you told Congress a year ago he favored it.

When this bill comes up on the floor of the Senate I want to advise the Senate of the reasons for the change if there has been a change.

We are always glad to have the benefit of your advice and counsel, but hereafter, I hope you will not be so reticent or tardy about communicating to this committee your views or the views of the President on pending legislation when either of you switch your position.

Sincerely yours,

EDWIN C. JOHNSON,
Chairman.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 4, 1949, he presented to the President of the United States the following enrolled bills:

S. 111. An act for the relief of Mrs. Pearl Shizuko Okada Pape;

S. 317. An act for the relief of Margita Kofler;

S. 905. An act for the relief of John Sewen;

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended; and

S. 1745. An act to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GILLETTE:

S. 2376. A bill to amend Public Law 890, Eightieth Congress, pertaining to the Government-owned alcohol plants at Muscatine, Iowa; Kansas City, Mo.; and Omaha, Nebr.; to the Committee on Agriculture and Forestry.

By Mr. TYDINGS:

S. 2377. A bill to amend the Army-Navy Nurses Act of 1947, to provide for additional appointments, and for other purposes; and

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S. 2378. A bill to authorize the Secretary of the Army, the Secretary of the Air Force, and the Secretary of the Navy to convey perpetual easements in conjunction with authorized construction projects involving relocation of roads, streets, railroads, and utilities; to the Committee on Armed Services.

By Mr. LONG:

S. 2379. A bill to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes; to the Committee on Post Office and Civil Service.

(Mr. HUNT, from the Committee on Armed Services, reported an original bill (S. 2380) to provide more efficient dental care for the personnel of the United States Army and the United States Air Force, which was ordered to be placed on the calendar, and appears under a separate heading.)

By Mr. LODGE:

S. 2381. A bill to provide for a preliminary examination and survey of the Merrimack River at Salisbury, Mass., for the purpose of determining the advisability of conducting dredging operations to improve conditions for navigation; to the Committee on Public Works.

By Mr. MYERS (for himself and Mr. MARTIN, Mr. LODGE, Mr. SALTONSTALL, Mr. IVES, and Mr. DULLES):

S. 2382. A bill to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense; to the Committee on Armed Services.

By Mr. THOMAS of Oklahoma:

S. 2383. A bill to give effect to the international wheat agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; to the Committee on Agriculture and Forestry.

By Mr. SPARKMAN (by request):

S. 2384. A bill to amend title IV of the National Housing Act, as amended, and to amend the Federal Home Loan Bank Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. DOUGLAS:

S. 2385. A bill for the relief of Edward C. Ritche; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2386. A bill to extend the term of Patent No. 1,879,200 for 6 years; and

S. 2387. A bill for the relief of Wallace Swenson; to the Committee on the Judiciary.

ADMINISTRATION OF CERTAIN INDIAN LANDS IN NEW MEXICO—CORRECTION OF ENROLLED BILL

Mr. ANDERSON. Mr. President, I submit a concurrent resolution the purpose of which is to make a correction of a single letter in one word, and I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. The resolution will be read. The legislative clerk read the concurrent resolution (S. Con. Res. 61), as follows:

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (S. 1323) to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes, the Secretary of the Senate be, and he is hereby, authorized and directed to strike out the word "Canoncita", where it appears on page 2, line 12 of the Senate engrossed bill and in the title of the bill, respectively, and in lieu thereof insert "Canoncito."

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Mr. President, may I ask the distinguished Senator from New Mexico with what the resolution deals.

Mr. ANDERSON. It provides for the correction of a letter at the end of a word. The word began correctly, but for some reason was not completed.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 88, JOINT COMMITTEE ON THE ECONOMIC REPORT

Mr. O'MAHONEY submitted the following resolution (S. Res. 150) which was referred to the Committee on Rules and Administration:

Resolved, That there be printed 2,000 additional copies of Senate Report No. 88, the report of the Joint Committee on the Economic Report on the January 1949 Economic Report of the President, for the use of said joint committee.

HOUSE BILL REFERRED

The bill (H. R. 1161) to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes, was read twice by its title, and referred to the Committee on Banking and Currency.

MODIFICATION OR CANCELLATION OF CERTAIN ROYALTY-FREE LICENSES GRANTED TO THE GOVERNMENT—AMENDMENTS

Mr. DOUGLAS submitted amendments intended to be proposed by him to the bill (S. 2128) to provide for the modification or cancellation of certain royalty-free licenses granted to the Government by private holders of patents and rights thereunder, which were referred to the Committee on the Judiciary and ordered to be printed.

INTERIOR DEPARTMENT APPROPRIATIONS—AMENDMENTS

Mr. MAGNUSON submitted an amendment intended to be proposed by him to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. MAGNUSON (for himself, Mr. MURRAY, Mr. KERR, Mr. KEFAUVER, Mr. HILL, Mr. SPARKMAN, Mr. MORSE, Mr. HUNT, Mr. TAYLOR, Mr. JOHNSON of Texas, and Mr. HUMPHREY) submitted an amendment intended to be proposed by them, jointly, to House bill 3838, supra, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS

Mr. KEM submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, the following amendments, namely: On page 12, after line 12, insert the following:

"SEC. 202. No part of the appropriations contained in this act shall be furnished to any participating country, the government or any agency thereof, which shall, after the date of enactment of this act, acquire or operate, in whole or in part, any basic industry thereof, other than industries the acquisition of which has been completed prior to the date of enactment of this act."

On page 12, line 13, strike out "SEC. 202" and insert in lieu thereof "SEC. 203."

Mr. KEM (for himself, Mr. WHERRY, and Mr. MCCLELLAN) also submitted an amendment intended to be proposed by him to House bill 4830, making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

MILITARY ASSISTANCE TO FOREIGN NATIONS—AMENDMENT RELATING TO AID TO CHINA

Mr. KNOWLAND. Mr. President, on behalf of myself and 13 of my colleagues, the Senator from Nevada [Mr. MCCARRAN], the Senator from New Jersey [Mr. SMITH], the Senator from New Hampshire [Mr. BRIDGES], the Senator from North Dakota [Mr. YOUNG], the Senator from Michigan [Mr. FERGUSON], the Senator from South Dakota [Mr. MUNDT], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Washington [Mr. CAIN], the Senator from Connecticut [Mr. BALDWIN], the Senator from Nebraska [Mr. WHERRY], the Senator from Vermont [Mr. FLANDERS], the Senator from Maine [Mr. BREWSTER], and the Senator from Kansas [Mr. REED], I submit a China-aid amendment, intended to be proposed by us to the bill (S. 2341) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations, which is now before the combined Foreign Relations and Armed Services Committees.

Thirteen of my colleagues have joined me in sponsoring this amendment, and more than twice that number have indicated their friendly interest in the need for a change from our current "wait until the dust settles" lack of policy to a positive policy more in line with that which we follow in Europe.

Tomorrow the China white paper will be released for publication. I hope that this is meant to be the starting point for a new policy and not merely justification for a bankrupt one.

The State Department has announced the appointment of a far eastern committee headed by Mr. Jessup. If this is to help find an affirmative policy to prevent all of China and perhaps most of Asia from being taken behind the iron curtain it is an encouraging sign. If it is a group set up to whitewash the white paper, then both the Congress and the public will soon sense it.

Today is no time for recriminations. Mistakes have been made by the executive branch and by the Congress. They

have been made by the Government of China also. All that is water over the dam. Learning from those mistakes, can we not now develop a policy which will have widespread support on both sides of the aisle?

If it is important, as I believe it is, to prevent 200,000,000 people in western Europe from going behind the iron curtain is it not also important to prevent 400,000,000 people of China from becoming absorbed by international communism?

Can we save for our children a free world of free men by following the example of the little Dutch boy of a timely stopping of the leak in the European defense dike while we are unconcerned about a major destruction of the dike in Asia? We can be drowned in the Red tide flowing in from the Pacific while we are standing with our thumb in the dike in the Atlantic area.

We can be critical of what Chinese leaders have done or left undone. They can with some considerable justification be critical of us.

But no American should overlook the fact that when it might have been to his advantage to do it, Chiang Kai-shek turned down overtures to quit the war against Japan. Had he done so more than a million Japanese troops would have been available to use against us in the Pacific and the war might have been prolonged with much greater cost to us in manpower and resources. This we must never forget.

To our friends in China I point out that our Republic has been through some dark days. At the very birth of our Nation during the winter of Valley Forge things looked black indeed. No outside help can take the place of the will and determination of the people directly concerned to fight and if need be to die for the cause of human freedom. Outside help can supplement but it cannot supplant that basic fact.

We are at one of the great turning points of history. If all of China falls then it will be difficult for the balance of the Continental of Asia to resist. Do we dare contemplate a billion people of Asia tied to and allied with international communism?

The time has come when we must recognize that the peace of the world and our own national defense must be considered and planned for on a global basis. To do less is folly.

I ask unanimous consent that immediately following my remarks a copy of the amendment may be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committees on Foreign Relations and Armed Services, jointly, and, without objection, the amendment will be printed in the RECORD.

The amendment submitted by Mr. KNOWLAND (for himself and other Senators) is as follows:

On page 7, line 2, strike out the period and insert in lieu thereof a common and the following: "of which $175,000,000 shall be expended for the purpose of providing military assistance to non-Communist China in the form of equipment and materials, services, and financial aid. No equipment, materials, services, or financial aid (either by funds or by credit) shall be furnished to non-Communist China under the provisions of this act until such time as there shall be detailed to assist the Government of China such number of persons in the employ of the Government of the United States and such number of members of the armed forces of the United States as the President may deem necessary to advise the Government of non-Communist China with respect to the effective use of any equipment, materials, services, and financial aid furnished to non-Communist China under this act. The provisions of the act of May 25, 1938 (52 Stat. 442), shall be applicable to civilian personnel, and the provisions of the act of May 19, 1926 (44 Stat. 565), shall be applicable to members of the armed forces of the United States, detailed under this act to assis the Government of China. No officer or employees of the United States shall be detailed under this act to assist the Government of China unless such individual has been investigated as to loyalty and security by the Federal Bureau of Investigation and a report thereon has been made to the Secretary of Defense, and until the Secretary of Defense has certified in writing (and filed copies thereof with the Senate Committees on Foreign Relations and Armed Services and the House Committees on Foreign Affairs and Armed Services) that, after full consideration of such report, he believes such individual is loyal to the United States, its Constitution, and form of government, and is not now and has never been a member of any organization advocating contrary views. This subsection shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate."

CONSTRUCTION OF EXPERIMENTAL SUBMARINE—INDEFINITE POSTPONEMENT OF BILL

Mr. TYDINGS. Mr. President, on Monday last, the House of Representatives passed the bill (H. R. 4007) to amend the act entitled "An act to authorize the construction of experimental submarines and other purposes," approved May 16, 1947. An identical bill, S. 1505, had previously passed the Senate on June 2, 1949, and was passed by the House without amendment on August 2. The Navy Department is anxious to commence work on this experimental submarine, for reasons which can easily be visualized in this day and time of the schnorkel and the like.

Inasmuch as the Senate bill has passed both Houses, I ask unanimous consent that House bill 4007, now lying on the desk, may be indefinitely postponed.

The VICE PRESIDENT. Is there objection to the request of the Senator from Maryland? The Chair hears none, and it is so ordered.

PRINTING OF STATEMENT OF SENATOR O'MAHONEY ON BEHALF OF THE JOINT COMMITTEE ON THE ECONOMIC REPORT, ON S. 2085, AMENDING THE EMPLOYMENT ACT OF 1946 (S. DOC. NO. 103)

Mr. O'MAHONEY. Mr. President, during the last call of the calendar, when Senate bill 2085, to amend the Employment Act of 1946, with respect to the Joint Committee on Economic Report, Calendar No. 602, was reached, objection was made to the consideration of that measure, which had been reported unanimously by the Committee on Banking and Currency. That objection was made by the senior Senator from Ohio [Mr. TAFT] on the ground that he felt the measure should have been considered by the Joint Committee on the Economic Report.

Of course that committee has no legislative jurisdiction; but in compliance with the suggestion made by the Senator from Ohio, the joint committee has considered the bill, and desires to file a report with respect to it. However, this report must be printed as a Senate document, inasmuch as the joint committee has no legislative jurisdiction.

Therefore, I ask unanimous consent that the statement I hold in my hand may be printed as a Senate document, to be considered when Senate bill 2085, Calendar No. 602, is next reached upon the call of the calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

MR. CHURCHILL'S SPEECH

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD excerpts from a speech delivered by Mr. Winston Churchill on July 23, 1949, published in the London Times, which appear in the Appendix.]

STATES' RIGHTS—LETTER FROM TOM HENDERSON TO THE GREENSBORO (N. C.) DAILY NEWS

[Mr. HOEY asked and obtained leave to have printed in the RECORD a letter dealing with States' rights, written by Tom Henderson, of Yanceyville, N. C., to the editor of the Greensboro (N. C.) Daily News, which appears in the Appendix.]

NEW CAPITAL OF EUROPE—ARTICLE BY WILLIAM PHILIP SIMMS

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article entitled "New Capital of Europe," by William Philip Simms, from the Washington Daily News, which appears in the Appendix.]

UN-AMERICAN ACTIVITIES—STATEMENT BY H. A. CAMERON POST, NO. 6, AMERICAN LEGION

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a statement by H. A. Cameron Post, No. 6, American Legion, Department of Tennessee, regarding un-American activities, which appears in the Appendix.]

BASING-POINT LEGISLATION—ARTICLE BY W. K. KELSEY

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an article on basing-point legislation, by W. K. Kelsey, from the Detroit News of July 22, 1949, which appears in the Appendix.]

RELEASE OF VLASTA VRAZ BY THE CZECHOSLOVAKIAN GOVERNMENT—LETTER FROM THE STATE DEPARTMENT

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD a letter on the subject of the release of Miss Vlasta Vraz, of Berwyn, Ill., by the Government of Czechoslovakia, written by the State Department under date of June 29, 1949, to the chairman of the Foreign Relations Committee, which appears in the Appendix.]

MILITARY AID TO FOREIGN COUNTRIES—EDITORIAL FROM THE CHICAGO SUN-TIMES

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an editorial entitled "Chicago Bridge Doctrine," published in the Chicago Sun-Times July 28, 1949, which appears in the Appendix.]

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THE COOPERATIVE MOVEMENT

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "D-Day for America's Cooperatives," written by former Representative Jerry Voorhis, executive director of the Cooperative League of the United States of America, and published in the June 1949 issue of the Progressive magazine, of Milwaukee, Wis., which appears in the Appendix.]

A VERY IMPORTANT POLITICAL DECISION—ARTICLE BY ARTHUR KROCK

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article entitled "A Very Important Political Decision," written by Arthur Krock, and published in the New York Times August 4, 1949, which appears in the Appendix.]

LEAVES OF ABSENCE

Mr. AIKEN asked and obtained consent to be absent from the sessions of the Senate from Friday noon of August 5 until Tuesday morning, August 9.

On request of Mr. CHAPMAN, Mr. WITHERS was granted permission to be absent from the sessions of the Senate for the remainder of this week.

Mr. BALDWIN asked and obtained consent to be absent from the Senate tomorrow.

Mr. TOBEY asked and obtained consent to be absent from the Senate from tonight until Tuesday next.

Mr. SCHOEPPEL asked and obtained consent to be absent from the Senate from 4 o'clock this afternoon until Monday next.

On request of Mr. LUCAS, Mr. PEPPER was excused from attendance on the sessions of the Senate from 2 o'clock this afternoon and until Monday next.

INTERSTATE COMMERCE COMMISSION—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including comments by the Interstate Commerce Commission on the Hoover Commission recommendations as they affect that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, released today a letter from Mr. Charles D. Mahaffie, Chairman of the Interstate Commerce Commission, in which he comments on recommendations of the Hoover Commission which affect the ICC.

Mr. Mahaffie states that there are no specific recommendations in the Hoover Commission reports which directly affect the ICC, but calls attention to a provision of S. 942, introduced by Senator MCCLELLAN, "to establish principles and policies to govern generally the management of the executive branch of the Government" which was compiled by a draftsman for the Hoover Commission and designed to implement the report on general management of the executive branch. He points out that section 102 (a) (5) of this bill might have an adverse effect on the operations of the ICC, and suggests that the Commission should be specifically exempted, stating that:

"We fear that there may be an unintended ambiguity in category (5) in its not clearly indicating whether it is intended to include what are generally referred to as "regulatory agencies," such as the Interstate Commerce Commission. * * * We regard it as very important that the ambiguity therein be corrected in order that the Congress may understand fully what the consequences of the enactment of this bill might be and that subsequent uncertainty and possible litigation as to the effect of the measure may be avoided."

The same objection was raised by the United States Maritime Commission and the Securities and Exchange Commission. In committee release No. 81-1-63 (CONGRESSIONAL RECORD, July 11, 1949, pp. 9184-9185) the Maritime Commission interpreted recommendation No. 14 (Report on General Management of the Executive Branch) to establish a clear line of authority extending down through every step of organization into the operation of all independent regulatory commissions, thus bringing the Maritime Commission under the direct control of the President. The report then contends that "if these recommendations were carried out, it would bring about a complete reversal in the constitutional development, beginning in 1887, with the enactment of the Interstate Commerce Act, of vesting in independent bipartisan or nonpartisan agencies primarily responsible to the Congress, functions which are quasi-legislative and quasi-judicial in character. * * * The Congress placed such functions and activities as regulation of railroads, regulation of radio, and other methods of communication, regulation of the electric energy industry, the issuance of securities, the regulation and promotion of air transportation, and the maintenance and promotion of the American merchant marine, in independent agencies, which, in general, are to be of a bipartisan or nonpolitical character and are not to be subject to fluctuations of political changes in government and pressures of a short view or selfish character."

The Securities and Exchange Commission (release No. 81-1-64, CONGRESSIONAL RECORD, July 11, 1949, pp. 9185-9186) also discussed the inclusion of the SEC within the proposed centralization of Executive control in Senate bill 942, contending that it disagrees with the task-force report on the SEC which "evidences the importance generally attached to independence in achieving effective administration of the major statutes under the jurisdiction of this Commission" (see p. 144, Appendix N). The SEC recommends that "the changes which are presently envisioned should not require any alterations in the statutes administered by this Commission" because the changes proposed can be accomplished by administrative action within the agency. The Chairman concludes: "I would hesitate to recommend legislation which might impair the advantages of proceeding cautiously in this difficult field."

The letter from the Chairman of the Interstate Commerce Commission follows:

"INTERSTATE COMMERCE COMMISSION,
"Washington.

"Hon. JOHN L. MCCLELLAN,
"Chairman, Committee on Expenditures in the Executive Departments, United States Senate, Washington, D. C.

"MY DEAR CHAIRMAN MCCLELLAN: I duly received your letter of May 23, 1949, with which you enclosed two printed documents based on the reports and task-force appendixes of the Commission on Organization of the Executive Branch of the Government, and requesting a detailed report from the Commission relative to the application of the various recommendations and textual discussions in the Commission reports which affect this Commission, either directly or indirectly, supported by relevant factual information that might be helpful in the consideration of the Commission's proposals.

"With respect to your request for an analysis of pending legislation intended to effectuate specific recommendations of the Hoover Commission, we are not advised that any such bills have been introduced which would specifically relate to the Interstate Commerce Commission. If any should be introduced in the future, we shall keep in mind your request for comments. It would facilitate our compliance with your request if your staff would call our attention to the introduction of any which might affect this Commission, and we would promptly submit our comments.

"Our attention has been called to S. 942, introduced by you, 'To establish principles and policies to govern generally the management of the executive branch of the Government.' Section 102 (a) (5) of this bill states that 'for the purposes of this act the principal executive agencies are * * * miscellaneous independent agencies that are not in, or organizational units of, any other executive agency.' We fear that there may be an unintended ambiguity in category (5) in its not clearly indicating whether it is intended to include what are generally referred to as 'regulatory agencies,' such as the Interstate Commerce Commission.

"We shall not undertake to outline the arguments which might be made in support of one construction of section 102 (a) (5) or another. However, we regard it as very important that the ambiguity therein be corrected in order that the Congress may understand fully what the consequences of the enactment of this bill might be and that subsequent uncertainty and possible litigation as to the effect of the measure may be avoided. We recommend that the clarification be accomplished by adding the words '(not including the Interstate Commerce Commission)' after the word 'agencies' in line 16 of page 4.

"If we can be of further service to your committee in connection with this subject, we shall be glad to comply with your request.

"Very truly yours,
"CHARLES D. MAHAFFIE,
"Chairman."

AMENDMENT OF NATIONAL HOUSING ACT, FEDERAL HOME LOAN BANK ACT, AND HOME OWNERS LOAN ACT OF 1933—MEMORANDUM, STATEMENT, AND LETTERS

Mr. SPARKMAN. Recently I introduced Senate bill 2325, by request, the request being made of me because I happen to be chairman of the Subcommittee on Housing of the Banking and Currency Committee.

I now ask unanimous consent to have printed at this point in the RECORD a memorandum presenting an analysis of that bill; also a letter addressed to me by the National Savings and Loan League, giving their analysis and objections to certain provisions of the bill; also a letter addressed to me by the National Savings and Loan League requesting me to introduce a bill corresponding very closely to House bill 5596; and also a statement explaining that bill, given before the House Committee on Banking and Currency by the Chairman of the Home Loan Bank Board.

There being no objection, the memorandum, letters, and statement were ordered to be printed in the RECORD, as follows:

MEMORANDUM IN RE S. 2325

This is a bill to amend title IV of the National Housing Act, the Federal Home Loan Bank Act, and Home Owners Loan Act of

1933, and to amend certain sections of the Federal Criminal Code, all of which is legislation administered by the Home Loan Bank Board.

The bill provides for the members to buy the stock of the Federal home-loan banks from the Government at cost—about $100,000,000 outstanding, for the members of the Federal Savings and Loan Insurance Corporation, to buy its stock from the Government at cost—$100,000,000 outstanding, for Treasury support of the home-loan banks and said Insurance Corporation similar to that provided for other such Government corporations, to reduce the premium for insurance of accounts from one-eighth to one-twelfth of 1 percent, to revise the reserve requirement for insured institutions, to revise the language for termination of insurance of accounts for State chartered associations, to revise the language for the liquidity requirements for Federal home-loan banks which results from the retirement of Government capital, to provide a temporary secondary market in the home-loan banks for veterans' loans held by member associations, to rewrite the section providing for appointment of conservators and receivers for Federal savings and loan associations and the procedure therefor, to authorize such associations to make property improvement loans up to $2,500 instead of $1,500, as at present, and to authorize such associations under certain conditions to make limited investment in housing for rent, and to amend the criminal code to make it applicable to Federal examiners of these insured savings institutions and others dealing with them, and to prohibit slander and libel of them.

The following is a review of the bill section by section with some comment:

Section 1: This section makes an addition to section 402 of the National Housing Act to require insured savings and loan associations within 2 years to buy stock of the Federal Savings and Loan Insurance Corporation equivalent to 1 percent of their insured savings accounts, and to maintain such stock ownership on such basis, and authorizes the issuance and transfer of such stock. This is similar to the ownership of the Federal Reserve banks by member banks. It makes no change in Federal Savings and Loan Insurance Corporation as a Government instrumentality or in its operation and control by the Government. Federal associations and most State associations would be able to buy such stock promptly, but in a few States, State legislation may be required, and, therefore, 2 years is allowed. These associations now have about 20 percent in cash and Government bonds and are able to make such purchase, and after full discussion a great majority of them request it. It is expected that this provision would retire all of the Government capital within the 2-year period. This section also would authorize this Insurance Corporation to borrow up to $750,000,000 from the United States Treasury. This provision is similar to that now provided for in the Federal Deposit Insurance Corporation and other Government corporations.

Section 2: This section would amend section (b) of section 402 of the National Housing Act by striking out the present language requiring insured associations to provide reserves and substituting new language requiring such. The present law requires such associations to build up 5 percent reserves within 20 years from the date of insurance of accounts, and prohibits the payment of dividends unless such reserves are paid, except with the approval of the Insurance Corporation in Washington. This is objectionable because (1) it provides no formula to reach said 5 percent in 20 years, (2) rapidly growing associations find it difficult to adjust their business to the situation, and (3) it seems foolish to build up such reserves and not be able to charge losses thereto except with penalty referred to. The revised language would require allocation of 15 percent of all net income to loss reserves (and in certain cases up to 25 percent) until such loss reserves are equal to 10 percent of all insured accounts. This requires the allocation of about twice as much earnings, and eventually builds twice as much reserves for the protection of all concerned, including the Insurance Corporation. But in the event of depression, the losses could be charged to such reserves. This requirement is about twice that required of such savings associations by most State laws.

Section 3: This section would reduce the premium for insurance of accounts from one-eighth to one-twelfth of 1 percent. This question has been repeatedly considered by the Banking and Currency Committee of the House and Senate, has passed the House three times and the Senate once, and was vetoed by the President with a suggestion that the Government capital be retired at the same time, which is provided in this bill.

Section 4: This rewrites section 407 of the National Housing Act merely to provide for Federal savings and loan associations to carry insurance of accounts at all times, and to provide an equitable basis for the termination of insurance of accounts by State insured associations. This is believed to be satisfactory to all concerned.

Section 5: This amends section 6 of the Federal Home Loan Bank Act to provide for the members to purchase and hold at all times stock in the Federal home-loan banks equivalent to 2 percent of their home mortgages. It is believed that this would retire the Government capital within 1 year.

Section 6: This amends subsection (g) of section 11 of the Federal Home Loan Bank Act to redefine the liquidity requirement for the Federal home-loan banks. This is necessary on account of the retirement of the Government capital.

Section 7: This amends subsection (h) of section 11 of the Federal Home Loan Bank Act by the addition of a provision for the Federal home-loan banks to invest up to 50 percent of their assets in veterans' guaranteed or insured loans to be purchased from their member institutions. It limits such purchase to 18 months or as extended by the Home Loan Bank Board, and to 25 percent of the veterans' loans held by the seller or 50 percent of those made since April 30, 1948.

Seciton 8: This amends section 11 of the Federal Home Loan Bank Act to authorize the Secretary of the Treasury to purchase obligations of the Federal home-loan banks up to $1,000,000,000. This is similar to Treasury support of other Government corporations.

Section 9: This amends section 20 of the Federal Home Loan Bank Act, and the effect is to require the Federal home-loan banks to be examined annually instead of twice annually, as at present.

Section 10: This rewrites subsection (d) of section 5 of the Home Owners' Loan Act of 1933 to provide for the appointment of conservators and receivers of Federal Savings and Loan Associations, and the procedure therefor. The present law is completely indefinite on the subject, and it is believed that all concerned desires an improvement of it. This draft has been processed amongst the savings and loan people and among the Home Loan Bank Board, and it is believed that there is no objection to it.

Section 11: This amends subsection (c) of section 5 of the Home Owners' Loan Act of 1933 to authorize Federal Savings and Loan Associations to make title I, FHA, VA, or other nonsecured property improvement loans up to $2,500 instead of $1,500, as at present, and also would authorize such associations having at least 5 percent general reserves to invest up to twice that amount in rental property.

Sections 12, 13, 14, and 15: These sections amend certain sections of the United States Code to make Federal criminal law applicable to the Federal examiners of the Home Loan Bank Board and others dealing with these savings institutions, subject to the [illegible] criminal law, and also provides a new sh[illegible] and libel section.

Section 16: This is a separability section.

NATIONAL SAVINGS AND LOAN LEAGUE,
Washington, D. C., August 2, 1949.

Hon. JOHN J. SPARKMAN,
United States Senate,
Washington, D. C.

MY DEAR SENATOR SPARKMAN: Your suggestion that I comment on this bill is much appreciated.

First, let me report that pursuant to a suggestion made during a hearing before a subcommittee of the Senate Banking and Currency Committee during the Eightieth Congress, the Federal Savings and Loan Advisory Council, a statutory body, created a coordinating committee on Federal legislation for the savings and loan industry. This committee consists of two representatives of each of the Nation-wide trade associations, two representatives of the presidents of the Federal home-loan banks, and two representatives of the Federal Savings and Loan Advisory Council.

The coordinating committee held meetings in 1948 and again in 1949. During each of its meetings it conferred with members of the Home Loan Bank Board regarding legislative proposals. Complete agreement was reached within the coordinating committee and between the coordinating committee and the Home Loan Bank Board on several proposals. Agreement could not be reached on other proposals.

Section 1 of S. 2325 provides for the retirement of the Government stock in the Federal Savings and Loan Insurance Corporation by the substitution of privately held stock required to be purchased by the insured savings and loan associations in amounts equal to 1 percent of their insured accounts.

This formula was not approved by the coordinating committee of the industry nor by the Home Loan Bank Board, as reported by Chairman Divers in his testimony before the House Banking and Currency Committee July 20, 1949. The reasons for the opposition to this plan for retirement of the stock of the Insurance Corporation are several. First, there are many States which have not authorized the purchase of stock of the Insurance Corporation by State-chartered savings and loan associations. In the event any State-chartered association were unable to purchase stock of the Insurance Corporation it would be forced either to lose insurance of accounts or to convert to Federal charter. Another reason which has been cited is that this plan would result in the private ownership of a public trust. It has also been suggested that the Government stock of the Federal Savings and Loan Insurance Corporation should be retired in much the same manner, in principle at least, as was the stock of the Federal Deposit Insurance Corporation, namely, out of earnings.

In 1948, the coordinating committee and the Home Loan Bank Board approved a plan for the orderly retirement of the Government stock from the Insurance Corporation out of the income of the Corporation. This formula is included in H. R. 5596.

Section 2 of S. 2325 would set up a new and revolutionary requirement with respect to accumulation of reserves by each insured association. This proposal was not approved by the coordinating committee nor by the Home Loan Bank Board. The reason for the opposition to this proposal is that while it is aimed at relieving each insured

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association from the necessity of ever getting the approval of the Insurance Corporation for the payment of a dividend, it might on the other hand place certain insured associations in a strait-jacket and cripple their ability to function normally.

Section 3 provides for a reduction in the insurance premium collected by the Federal Savings and Loan Insurance Corporation from one-eighth to one-twelfth of 1 percent. Such reduction was approved by the coordinating committee but not by the Home Loan Bank Board.

Section 4 is the same as section 3 of H. R. 5596 and was approved by the coordinating committee and the Home Loan Bank Board.

Section 5 is practically the same as section 6 of H. R. 5596 and has been approved by the coordinating committee and the Home Loan Bank Board.

Section 6 has not yet been approved by the coordinating committee, nor, so far as I know, by the Home Loan Bank Board.

Section 7 was approved by the coordinating committee but not by the Home Loan Bank Board.

Section 8 is similar to section 5 of H. R. 5596 which was approved by the coordinating committee and the Home Loan Bank Board.

Section 9 is the same as section 8 of H. R. 5596 which was approved by the coordinating committee and the Home Loan Bank Board.

Section 10, setting up the conditions and procedure for the appointment of a conservator of a Federal association, was approved by the coordinating committee but has not yet been approved by the Home Loan Bank Board.

Section 11, authorizing Federal associations to invest a limited amount in home sites and housing for sale or for rent, was considered by the coordinating committee and the Home Loan Bank Board and cleared in a general way.

Section 12 was considered by the coordinating committee and the Home Loan Bank Board and cleared in a general way.

Section 13 was considered by the coordinating committee and the Home Loan Bank Board and cleared in a general way.

Section 14, the same as section 10 of H. R. 5596, was approved by the coordinating committee and the Home Loan Bank Board.

Section 15, the same as section 11 of H. R. 5596, was approved by the coordinating committee and the Home Loan Bank Board.

Sincerely,

OSCAR R. KREUTZ,
Executive Manager.

NATIONAL SAVINGS AND LOAN LEAGUE,
Washington, D. C., August 2, 1949.

The Honorable JOHN J. SPARKMAN,
United States Senate,
Washington, D. C.

DEAR SENATOR SPARKMAN: Thank you for your kindness in taking time to see me this morning when you were so busy. Thank you also for your fairness in the matter of savings and loan legislative proposals.

I am enclosing a copy of H. R. 5596, all of the provisions of which have been approved by the Home Loan Bank Board after favorable action by either the 1948 or 1949 coordinating committee of the industry. This coordinating committee is made up of two representatives of each of the Nation-wide trade associations of the savings and loan business, two representatives of the Federal Home Loan Bank presidents and two representatives of the Federal Savings and Loan Advisory Council, a statutory body.

Although the Home Loan Bank Board itself had concurred in all of these provisions as I have just stated, Chairman Divers in testifying before the House Banking and Currency Committee, July 20, 1949, on this bill stated that certain of these provisions had not yet been cleared by the Bureau of the Budget. Unless otherwise indicated in the following section by section analysis of H. R. 5596, each section, we are told, is acceptable to the Bureau of the Budget:

Section 1 would retire the Government capital from the Federal Savings and Loan Insurance Corporation in an orderly manner out of income (the same principle as in the retirement of the Government capital in the FDIC). Several lines in section 1 of the attached bill have been stricken to conform to the recommendation of Chairman Divers of the Home Loan Bank Board before the House committee.

Section 2 authorizes the Insurance Corporation to borrow up to $750,000,000 from the Secretary of the Treasury if necessary for insurance purposes (similar to FDIC authority).

Section 3 provides an improved procedure for the termination of insurance by an insured institution.

Section 4 authorizes the Insurance Corporation to make payment of insurance in cash "if the Home Loan Bank Board deems it to be in the interest of economy and efficiency." (Although approved by the Home Loan Bank Board and the General Accounting Office, not yet cleared by the Bureau of the Budget.)

Section 5 authorizes the Secretary of the Treasury to purchase debentures of the Home Loan Bank System in an amount not greater than $1,000,000,000 in case of emergency. (Although approved by Home Loan Bank Board, not cleared by the Bureau of the Budget as yet.)

Section 6 provides for the orderly retirement of the Government stock of the Federal Home Loan Bank System.

Section 7 is a technical change to make subsection (g) of section 11 of the Federal Home Loan Bank Act consistent with the proposal in section 6 to double the stock ownership requirement of members of the Federal home loan banks.

Section 8 makes it unnecessary for the Home Loan Bank Board to examine the Federal home-loan banks more often than once a year.

Section 9 authorizes the Federal Reserve banks to purchase short-term obligations of the Federal home-loan banks. (Not yet cleared by the Bureau of the Budget.)

Section 10 authorizes the FBI to investigate robberies, hold-ups, etc., of any member institution of a Federal home-loan bank or of the Federal Savings and Loan Insurance Corporation.

Section 11 authorizes penalties for derogatory false rumors, etc., affecting the solvency of the Federal Savings and Loan Insurance Corporation, the Federal home-loan banks, or a member of a Federal home-loan bank. (Not yet cleared by the Bureau of the Budget.)

Section 12 would increase from $1,500 to $2,500 the authority of Federal savings and loan associations to make property alteration, repair, or improvement loans. (Not yet cleared by the Bureau of the Budget.)

Section 13 is the usual separability clause.

I am also enclosing a copy of a statement made by Chairman Divers of the Home Loan Bank Board in regard to H. R. 5596 and H. R. 1732, which latter bill contains some of the provisions of S. 2325.

We would appreciate very greatly the introduction in the Senate of a companion bill to H. R. 5596 as enclosed with the changes marked in section 1.

Your cooperation and kindness in this matter are greatly appreciated.

Sincerely yours,

OSCAR R. KREUTZ,
Executive Manager.

THE STRIKE IN HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article from the Washington Daily News of today, entitled "Moscow Confirms It." It deals with the strike in Hawaii.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOSCOW CONFIRMS IT

Scripps-Howard reporter, Edwin C. Heinke, writing in the News from Honolulu, has termed the Hawaiian dock strike a Communist experiment in a new technique to extend Russian control in areas where force and violence are ruled out.

Radio Moscow confirms that conclusion.

"Hawaii is being jiggled in the test tube and the perfect experiment for conquest is being carefully studied," Mr. Heinke reported yesterday.

On the same day radio Moscow boasted that the recent wave of strikes in various non-Communist countries was a part of a struggle being waged by the Communist-dominated World Federation of Trade Unions.

Among the trade-unions which Moscow lauded for supporting the Soviet Union's position in the cold war were the United Electrical, Radio, and Machine Workers, the farm-equipment workers, and the west coast longshoremen's union, headed by Harry Bridges.

Harry Bridges is directing the Hawaiian strike.

"A broad united front is developing in the local trade-union committees to fight for adherence to the Communist peace campaign and against the arrogant reactionaries and the monopolies," according to Trud, Moscow trade-union daily, quoted by the Russian radio.

In similar vein, Mr. Heinke said that while the percentage of loyal Americans in Hawaiian unions probably runs as high as it does in labor unions in the United States, "the leadership itself undeniably is heavily loaded wth Marxists and agents of the Moscow-Communist International."

That would seem to make it unanimous except for a dissent from the Truman administration, which continues to treat the dangerous Hawaiian situation as "just another labor dispute."

ONE HUNDRED AND FIFTY-NINTH ANNIVERSARY OF THE UNITED STATES COAST GUARD

Mr. O'CONOR. Mr. President, it was most appropriate that today, which marks the one hundred and fifty-ninth anniversary of the establishment of the United States Coast Guard, should also witness the enactment into law of H. R. 4566, which revises and codifies title 14 of the United States Code entitled "Coast Guard."

Because of the significance of the day and of the event, it was a real pleasure to have had the opportunity to participate in the ceremony this noon at the White House, marking the enactment into law of this Coast Guard codification bill. Part of a comprehensive program initiated in 1943 to enact the United States Code into law title by title, the codification of title 14 is of great importance to the future functioning of the Coast Guard service, and its signing today by President Truman will lend particular significance to this one hundred and fifty-ninth birthday celebration.

In connection with the day, there is an editorial in today's Washington Post entitled "Semper Paratus." It memorializes the work of the Coast Guard, which has not always, it would seem, received the general appreciation that it deserves.

I ask unanimous consent that the editorial from the Post be inserted as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SEMPER PARATUS

The United States Coast Guard celebrates today its one hundred and fifty-ninth birthday. It is a day not to be passed over in silence. Too often the services of the Coast Guard have been overlooked, though, to be sure, it came into its glorious own during the war.

But the Coast Guard is primarily a peacetime service, attached to the Treasury Department. It was Alexander Hamilton who gave it its start—as the Revenue Marine—back in 1790. Among its duties, pleasant and unpleasant over the years, have been fighting pirates and hostile Indians, protecting the Alaskan seal herds from extermination, and blockading southern ports in the Civil War.

Today it is charged with enforcement of United States laws on all the navigable waters of this country and, insofar as they are applicable, on the high seas. It conducts the magnificent search and rescue service that at a moment's notice mobilizes ships, aircraft, and radio communications to help victims of disaster at sea. It takes care of channel markers, lighthouses and lightships, conducts safety inspections of ships, and fulfills a host of other duties.

Of all these, the one that appeals most to us on this August day is the iceberg patrol in North Atlantic waters. This duty, except for periods during both World Wars, the Coast Guard has accomplished since 1913, a year after the *Titanic* disaster. Actually the iceberg season is over now; it normally lasts from around March to June and this year began in February and ended on June 15. But cuddling up to an iceberg right now seems an ideal way to beat the heat, and we wish the Coast Guard could go out and haul one up the Potomac to celebrate its birthday. It would be most appropriate, we think, since, like an iceberg, only about one-tenth of the Coast Guard's activities appear above the surface of our everyday consciousness.

MR. ANTHONY J. SVEJDA OF BALTIMORE

Mr. O'CONOR. Mr. President, while it is widely recognized that immigrants to the United States have made most valuable contributions to the progress and development of our country, specific instances of exceptional accomplishments are of particular interest. They refute Communist propaganda being spread before foreign-born people. I therefore invite the attention of the Senate to the experience of a Bohemian immigrant whose 50 years of service to the people of his section have been recognized by a national award from the National Savings and Loan League.

The gentleman in question, Mr. Anthony J. Svejda, of 2227 Lake Avenue, Baltimore, is now 75 years of age. Fifty of his 59 years spent in this country have been in the employ of the Bohemian-American Building Association, during which period he has assisted in the financing of more than 3,000 homes for the people of Baltimore.

The tribute paid Mr. Svejda is but another of the many instances of recognition given citizens from other lands who have made the United States their home and who have been an inspiration to all who knew them. I ask unanimous consent, therefore, that the newspaper article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMMIGRANT GETS NATIONAL HONORS

A Bohemian immigrant who came to Baltimore 59 years ago has received national recognition for his work in helping others to own their own homes.

The National Savings and Loan League recntly presented its order of merit to Anthony J. Svejda, 75, of 2227 Lake Avenue. The presentation was made at Mackinac Island, Mich., on the occasion of Mr. Svejda's fiftieth year as secretary of the Bohemian American Building Association at 2417 East Monument Street.

"SEVENTY-FIVE MORE" TO GO

Mr. Svejda has no intention of retiring. "I have been around for 75 years, feel like I have 75 years more to go. I will put 50 more years in the building association and then have 25 years left for myself."

The naturalized citizen entered the port of Baltimore just before Independence Day, 1890. "Around Fort McHenry there was a little premature celebration of the Fourth so I had an impressive first look at the new country."

PLEDGED HIS BEST

In presenting the order of merit, J. J. O'Malley, of Wilkes-Barre, Pa., president of the league, said that when Mr. Svejda entered Baltimore "he pledged to do his best to repay this country of his adoption for the privilege of the welcome he was to receive on its shores the following day.

"I think that all the members of the National League should indeed be very proud of hailing you as their associate and brother, and I feel rather humble in standing before you to present to you this certificate with which we recognize your golden record of 50 years," the national president concluded.

From a humble beginning in the rear of a tavern at McElderry and Washington Streets, Mr. Svejda watched the building association grow.

He was paid 50 cents a week to act as its first secretary, meanwhile conducting a tailoring shop of his own, a trade he had learned in Bohemia. In 1929, the building association took all of his time and he gave up the tailoring business.

Since its inception, Mr. Svejda estimated, the association has made possible 3,000 to 4,000 homes in Baltimore. It is now a $1,500,000 corporation.

FOREIGN AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

Mr. LUCAS. Mr. President, I should like to have the attention of Senators for a moment or two in order that I may submit a unanimous-consent request dealing with the pending business.

Senators know that we have been engaged in consideration of the ECA bill for a considerable time. In order that we may expedite the pending bill and get along with other appropriation bills and other important matters on the Calendar, I hope to obtain the cooperation of all Senators upon this unanimous-consent proposal. There is not an amendment left which has not been debated by Members of the Senate, and I doubt if there is a single Senator who does not know how he is going to vote on the amendments, whether they be amendments now attached to the bill as committee amendments, or whether they be proposed from the floor.

With that brief statement, I ask unanimous consent that during the further consideration of the pending bill, House bill 4830, debate upon the part of each Senator shall be limited to one speech of not exceeding 15 minutes on any committee amendment or any amendment proposed from the floor and 15 minutes upon the bill itself. That would mean that a Senator would have 15 minutes upon each amendment, and 15 minutes upon the bill, if he desired to take it.

The VICE PRESIDENT. Is there objection?

Mr. LANGER. Mr. President, I doubt whether I shall speak on a single amendment, but I am opposed to this method of procedure in the Senate, and I object.

Mr. LUCAS. Mr. President, will the Senator withhold his objection so that I may ask him a question or two?

Mr. LANGER. Certainly.

Mr. LUCAS. Is there any arrangement which might be made with respect to time which would satisfy my distinguished friend from North Dakota?

Mr. LANGER. I do not know of any. As I have stated, I do not expect to discuss any of the amendments, but I do not believe it is right to restrict any Senator who may wish to speak for a longer time.

Mr. LUCAS. I thank the Senator for his very frank answer.

Mr. McCARRAN. Mr. President, what was the unanimous-consent request?

Mr. LUCAS. I will tell the Senator if he so desires. It was objected to. I asked unanimous consent to limit debate to 15 minutes on each amendment and 15 minutes on the bill. The distinguished Senator from North Dakota objected.

The VICE PRESIDENT. Objection is heard.

The clerk will state the next committee amendment.

The next amendment was, on page 4, line 15, after the word "specified", to insert "and (2) $50,000,000 shall not be available for any other purpose than assistance to Spain."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. McCARRAN. Mr. President, I shall ask for the yeas and nays on this amendment. I think the amendment has been before the Senate for a sufficient length of time so that every Member of the Senate knows exactly what is meant. All one has to do is to read the amendment and the report of the Committee on Appropriations. They tell the story. If the Senator from Illinois [Mr. LUCAS] is to raise a point of order, I shall pursue a course in keeping with whatever question he may raise.

Mr. LUCAS. Mr. President, last week the able Senator from Arkansas [Mr. MCCLELLAN] made a point of order against this amendment, charging that it was legislation on an appropriation bill, and the Chair sustained the point of order at that time. It is now offered as a limitation. It seems to me that the argument which the Senator from Illinois made yesterday with respect to the

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first part of rule XVI definitely applies to this amendment. It is legislation upon an appropriation bill. What is sought is positive action in a negative way. Under the rulings and precedents of the Senate, and under the ruling which the distinguished Vice President made yesterday, it seems to me very clear that it is legislation upon an appropriation bill in a negative fashion, and I therefore make the point of order against it.

The VICE PRESIDENT. Does any Senator wish to argue the point of order? If not, the Chair will rule.

Under the original act known as the Economic Cooperation Act of 1948, certain specifications are set out as to the requirements and obligations with respect to each participating country. While the countries are not named, in defining a participating country, section 103 of the act provides as follows:

SEC. 103. (a) As used in this title, the term "participating country" means—

(1) any country, together with dependent areas under its administration, which signed the report of the Committee of European Economic Cooperation at Paris on September 22, 1947; and

(2) any other country (including any of the zones of occupation of Germany, any areas under international administration or control, and the Free Territory of Trieste or either of its zones) wholly or partly in Europe, together with dependent areas under its administration;

provided such country adheres to, and for so long as it remains an adherent to, a joint program for European recovery designed to accomplish the purposes of this title.

It seems to the Chair that under the definition of a participating country—and under the original act these appropriations can be made only to participating countries—Spain does not come within the definition of a participating country and therefore would not be entitled to an appropriation, which would be in violation of the terms of the act under which these appropriations are made. Spain did not sign the agreement in Paris on September 22, 1947. She has not adhered to, and is not adhering to, the basic requirements under which an appropriation can be made for a participating country.

It is claimed that this amendment constitutes a limitation. The amendment certainly would destroy the discretion of the Administrator, under which he operates under the terms of the original act in the expenditure of this money. He would have no discretion in regard to this $50,000,000. He would either spend it for Spain or he would not spend it at all. Under the original act Spain is not entitled as a matter of right to be regarded as a participating country.

Under the almost uniform rules of the House and Senate and the precedents, in order to be a limitation on an appropriation bill an amendment must be in fact a limitation, and not an effort to accomplish an affirmative act by negative language. That is what the Chair feels this amendment would do. It would require the Administrator to expend this $50,000,000 for Spain if he spent it at all. Therefore it is an effort to compel him to spend the $50,000,000 for Spain, without Spain complying with the requirements of the act itself under which it could obtain assistance. It not only requires the Administrator to spend the $50,000,000 for Spain, if he spends it at all, thereby taking away his discretion in regard to the expenditure of that amount, but it is seeking by negative language to compel him to do what under the law he would not have any authority to do.

Therefore, the Chair feels that the point of order is well taken, and sustains the point of order.

Mr. McCARRAN. Mr. President, I respectfully appeal from the decision of the Chair.

The VICE PRESIDENT. The question is, Shall the decision of the Chair remain as the judgment of the Senate?

Mr. McCARRAN. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Maybank
Anderson	Hickenlooper	Miller
Baldwin	Hill	Millikin
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Humphrey	Myers
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Pepper
Chapman	Johnson, Tex.	Robertson
Chavez	Johnston, S. C.	Russell
Connally	Kefauver	Saltonstall
Cordon	Kem	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Downey	Knowland	Sparkman
Dulles	Langer	Stennis
Eastland	Lodge	Taft
Ecton	Long	Taylor
Ellender	Lucas	Thomas, Okla.
Ferguson	McCarran	Thomas, Utah
Flanders	McCarthy	Thye
Frear	McClellan	Tobey
Fulbright	McFarland	Tydings
George	McGrath	Vandenberg
Gillette	McKellar	Watkins
Graham	McMahon	Wherry
Green	Magnuson	Wiley
Gurney	Malone	Williams
Hayden	Martin	Young

The VICE PRESIDENT. A quorum is present.

Mr. McCARRAN. Mr. President, in considering this matter we might take into consideration the spirit of the law under which this entire program has been and is set out and is operative.

As a prelude to my statement, I read a part of the language of Public Law 472 of the Eightieth Congress:

SEC. 102. (a) Recognizing the intimate economic and other relationships between the United States and the nations of Europe, and recognizing that disruption following in the wake of war is not contained by national frontiers, the Congress finds that the existing situation in Europe endangers the establishment of a lasting peace, the general welfare and national interest of the United States, and the attainment of the objectives of the United Nations. The restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence rests largely upon the establishment of sound economic conditions, stable international economic relationships, and the achievement by the countries of Europe of a healthy economy independent of extraordinary outside assistance. The accomplishment of these objectives calls for a plan of European recovery, open to all such nations which cooperate in such plan, based upon a strong production effort, the expansion of foreign trade, the creation and maintenance of internal financial stability, and the development of economic cooperation, including all possible steps to establish and maintain equitable rates of exchange and to bring about the progressive elimination of trade barriers.

The Appropriations Committee placed the following language in the bill, on page 4, in lines 15 and 16:

And (2) $50,000,000 shall not be available for any other purpose than assistance to Spain.

Then in the report of the committee, on page 7, reference is made to the identical and specific statute enacted by the Congress of the United States, under which this $50,000,000 should be allocated in the spirit of the statute, a part of which I have just read to the Senate.

The report of the committee states:

SPAIN

The committee has approved and is including in the bill language with respect to assistance to Spain to the effect that $50,000,000 shall not be available for any other purpose than assistance to Spain.

In approving this provision, the committee does so with the understanding that the assistance is to be extended upon credit terms as provided in section III (c) (2) of the Economic Cooperation Act of 1948, as amended.

In other words, the amendment is couched directly in the statute itself and is in consonance with the spirit and intendment of the law which I read to the Senate only a few moments ago. What is this law, and what is it set up for? Is it set up with the idea of isolating some one of the central nations of Europe essential to a complete and perfect economy that will enable Europe to return to a stable basis? Let us see whether it is. Let us dwell upon that for a moment. I read from section 102 of the Foreign Assistance Act of 1948, relative to the findings and declaration of policy, as follows:

Recognizing the intimate economic and other relationships between the United States and the nations of Europe—

It is not limited to any specific nations of Europe; no one of them is eliminated—

and recognizing that disruption following in the wake of war is not contained by national frontiers, the Congress finds that the existing situation in Europe endangers the establishment of a lasting peace, the general welfare and national interest of the United States, and the attainment of the objectives of the United Nations. The restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence rests largely upon the establishment of sound economic conditions, stable international economic relationships, and the achievement by the countries of Europe of a healthy economy independent of extraordinary outside assistance.

Mr. President, when we are appropriating billions of dollars, why do we say we will not afford any relief or any assistance to one country that occupies, if you please, a strategic position, militarily and economically, in Europe, and which affects the welfare and the economy of this country as well?

What can be the spirit behind this program? Is it not the intendment of Congress that Europe shall become self-sustaining? Is it not the intendment of Congress as well that we shall look forward to the dangers of war? And if we look forward to the dangers of war, how can we in justice and in fair play isolate the peninsula of which Spain is the principal part, when she, clamoring at our doors, asks to be permitted to assist us, if you please, in bringing about stable economy and safety for Europe? How can we deny, with what cogency can we deny her participation, if by her participation she will lend us military strength and economic strength as well?

Mr. President, I appeal to this body today—not for Spain, for there is not a heart cord in my being which throbs for any other country than my own, the country for which I stand, in which I was born, and in which I hope to die; but I appeal to my country and to the Members of the Senate that we close every loophole where danger may lurk.

I am as certain as I am that I stand here, that war is only in the offing. Those of us who listen to the reports of the departments of the Government, that know what they are talking about, can have no doubt as to what we are doing or as to where we are going. Why is it our military heads are in Europe today? I wonder. Why are we confronted with a proposal to appropriate $1,400,000,000 with which to arm Europe? Is it merely to play with it? That cannot be true. It must be that those who have this country's welfare at heart know the condition, as I believe they do know it. That being true, is there a country in all Europe more essential to the defense of America than is the Iberian Peninsula?

We are lending aid and assistance to Portugal, which lies on the western side of the peninsula. We are lending aid and assistance to France, which lies across the border from Spain. But we allow the great country of the Iberian Peninsula, the country which controls Gibraltar, if you please, to stand without aid, without sympathy, without succor, without support, at the very time when that country and Great Britain have entered into bilateral agreements, at the very time when that country and France have entered into bilateral agreements, and when we, by the economic program under which we propose to appropriate some $4,000,000,000 or $5,000,000,000 this year, are pleading with the countries of Europe for multilateral agreements, so that the countries of western Europe herself may set up an economy within themselves by trading with the world at large rather than by following a policy of unilateral agreements. If Spain is able, ready, and willing to enter into business agreements with other countries, she is certainly able, ready, and willing to enter into agreements with this country.

What has Spain to offer us? Why this $50,000,000? Why earmark any money for Spain? It is done so that she may do two things: First of all, that she may trade with the United States for those things of which we shall have a surplus within the coming year. Today she is trading with other countries for the very things we have to sell. She affords potash, electric power, phosphates, and fisheries, in trade with other countries. Today she is ready to buy and has been buying from Great Britain cotton to the extent of about $400,000,000 during the past year. That trade did not come to the United States. It could have, it should have. There should be an opportunity for trade within those commodities of which we expect to have surpluses, indeed of which we now have surpluses. Why will we isolate a market for our surplus commodities? When we are giving this money to other nations abroad, why not give it to a nation that will trade with us? If by doing so, we win the good will of a nation that for a quarter of a century has fought the enemy we are now arming ourselves to fight, namely, communism, if by doing so we assist that nation to maintain her integrity and to carry on the fight against communism, why in God's name should we close the door to her at this hour of her existence and at this hour of our existence, when we so greatly need cooperation and assistance abroad?

Mr. McMAHON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Connecticut?

Mr. McCARRAN. I yield.

Mr. McMAHON. The Senator said we were arming to fight an enemy, and then spoke of communism. I am sure the Senator does not mean we are arming in order to start a conflict. I am sure the Senator will agree with me we are arming for purposes of defense and for no other purpose.

Mr. McCARRAN. Of course, we are always arming for our own defense, and this represents one of the steps we may take now for our own defense, by strengthening a nation that will stand at our shoulder when we are set upon and it is essential that we defend ourselves. No, Mr. President, this country seeks war with no other country. The United States will avoid war with any and every country in the world, until her own integrity is challenged, and then undoubtedly we shall provide the wherewithal to defend ourselves.

One of the points we must protect has to do with those favorably disposed countries in the European arena, where war, if it comes, may be carried on.

Mr. President, I shall not take up the time of the Senate at greater length. I lay before the Senate what, to me, seems to be a matter affecting our national welfare. From a selfish standpoint, we can strengthen the markets which will take up our surplus commodities, markets of which other countries are now gaining control and using American dollars to carry on their commercial activities. We can, at the same time, make a friend of a nation which is naturally inclined to be friendly, wants to be friendly, wants to be on our side of a great battle which, to my mind, is in the offing.

Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate? On that question the yeas and nays are asked for.

The yeas and nays were ordered.

Mr. McCARRAN. Mr. President, the chairman of the Appropriations Committee is absent at the moment. I understand he desires to be here.

Mr. VANDENBERG. Mr. President, if the Senator from Nevada wishes to have time to send for the Senator from Tennessee, I should like to address myself very briefly to the subject, and perhaps that will provide the necessary interim.

The VICE PRESIDENT. The Senator from Michigan is recognized.

Mr. VANDENBERG. Mr. President, I respectfully submit that the able Senator from Nevada has been discussing a general question of public policy, and not the question as to whether the Chair has correctly ruled on the point of order. The able Senator from Nevada knows that I have very substantial sympathy with what he has said, in general, regarding the Spanish situation. It is very generally known that, as a member of the delegation to the General Assembly, I opposed the action of the General Assembly in proscribing Ambassadors to Madrid. It is very generally understood that I favor the recent movement to restore an ambassador to Madrid. I have no hesitancy in saying that I think there is no consistency whatever in maintaining ambassadors at Moscow and in the satellite countries and withholding an ambassador from Madrid.

The situations are of a character which leave me no alternative except to say that I think we should be represented in Madrid. But I respectfully submit, Mr. President, that we cannot settle the Spanish question on this appeal from the decision of the Chair. I respectfully suggest that this is not the time or the place to settle it. I earnestly submit that it is not the pending issue. The pending issue is solely the question of whether the Chair is correct in reading from the ECA Act that requirement of the act which underscores the basic character of the act, namely, that it is to be based upon self-help and mutual cooperation. The language of the act as read by the Chair is perfectly clear. The participating countries must earn their right to participate through self-help and mutual cooperation, and the language is spelled out with complete identification. I read.

As used in this title, the term "participating country" means—

(1) any country, together with dependent areas under its administration, which signed the report of the Committee of European Economic Cooperation at Paris on September 22, 1947; and

(2) any other country——

And so forth—

wholly or partly in Europe, together with dependent areas under its administration; provided such country adhere to, and for so long as it remains an adherent to, a joint program for European recovery designed to accomplish the purposes of this title.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

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Mr. MALONE. I should like to ask the Senator if he believes that the recent action of England in making a bilateral treaty with Russia to take a large amount of products and in return furnish machinery which we deny them, and the bilateral treaty with Argentina to furnish her petroleum products produced by American ECA funds which will deny American oil going into that area, are examples of self-help and mutual cooperation?

Mr. VANDENBERG. With the greatest respect to the Senator, I decline to discuss at the moment the question he raises. It is entitled to a full, free, and frank discussion on its merits. It has nothing to do with the ruling which the Chair has made. I submit the ruling the Chair has made is essential to the protection of the character of self-help and mutual aid as the basis of ECA; and any time ECA ceases to be fixed upon self-help and mutual aid—and I shall divert long enough to say to the able Senator from Nevada that I think it must be policed in its second year to a degree far more emphatic than in its first year—any time it loses that character, it has lost any justification whatever.

In the very humble opinion of the Senator from Michigan, the ruling of the Chair is clearly justified, inasmuch as the pending amendment will completely change the characteristics of ECA as spelled out in the legislation.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. TAFT. Mr. President, it seems to me, in the first place, on the question of limitation, if Congress passes an act which encompasses five or six different purposes, I cannot see anything wrong in the Appropriations Committee saying, "Well, there will be so much for this purpose and so much for that purpose, and no more." I do not quite agree with the language the Chair has used. It seems to me to be possible that Spain can be included under the term "any other country." The proviso applies to all the countries under the administration, and if one country withdraws it ceases to receive any more money. I do not quite see why Spain is not included. Money can be given to Spain so long as she adheres and remains an adherent to the joint program. I do not see why we cannot allot the money. It is up to the Administrator to decide whether Spain will get it. I do not intend to assert an opinion, but I am considerably concerned about the language which seems to say that when five or six purposes are set forth in the act we cannot say, "Here is so much for this purpose, and here is so much for that purpose." It seems to me to be within the power of the Appropriations Committee.

Mr. VANDENBERG. Mr. President, my comment in response to the Senator from Ohio is that the Chair's ruling is not based upon that section of the act which sets forth its purposes. It is based upo that section of the act which sets forth the specific mechanism which which must be followed and which must constantly exist and which by no stretch of the imagination can be asserted to be in existence at the present time. Therefore, with great respect, I am unable to agree with the viewpoint submitted by my good friend from Ohio. It seems to me that the Chair stands on invincible ground.

The VICE PRESIDENT. The Chair would like to make this observation in clarification, not in argument.

The preamble of the act is section 102 (a), which sets forth the various purposes of the act. The Senator from Nevada [Mr. McCARRAN] read from the preamble.

Subsection (b) provides:

> It is the purpose of this title to effectuate the policy set forth in subsection (a) of this section by furnishing material and financial assistance to the participating countries—

And so forth. So that the two subsections tie into each other, and subsection (b) undertakes to define how the purposes set forth in subsection (a) are to be accomplished.

Mr. CHAVEZ. Mr. President, I should like to discuss for a moment the ruling of the Chair on the point of order. I do so with the greatest of deference and respect for the Chair and the ruling.

If we were dealing at the moment with the question of strict interpretation of rules, I would possibly feel compelled to agree with the ruling of the Chair. But as I look back and try to analyze the history of the ECA legislation, the purposes which Congress had in mind and the intentions of Congress at the time of its enactment, I can but feel that, notwithstanding the respect and almost reverence I have for the Chair, sound American policy should compel this body, in this instance, at least, looking at the matter in its broad, fundamental aspect, to overrule the Chair, and make its own ruling.

Mr. President, this question goes further than the idea of a loan of $50,000,000 to Spain; it goes to our sincerity of purpose, whether we mean what we say wher. it suits our convenience, and do not mean what we say when it might hurt the sensibilities of every Communist in the world.

Basically, fundamentally, intentionally, the ECA legislation was first proposed and advanced in order to rehabilitate Europe. But behind that there was a stronger motive, namely, the fight against communism. I am positive that the Chair did not decide this question with any such thought in mind, but nevertheless the decision of the Chair pleases every Communist throughout the world.

The decision in this instance is not pleasing to those who desire to be helped in Europe, it is not pleasing to those who would fight "Uncle Joe," but it is pleasing to "Uncle Joe." Bear that in mind.

It is not pleasing to the good Englishman who wants to live in austerity, and suffer blood and tears in order to try to bring back such conditions that he can live as the English have heretofore lived. The decision is pleasing to every Communist in England.

It is not pleasing to the Christian people of France who desire to work as they have worked through centuries in order to make France great, but it is pleasing to the Communist friends of Mr. Stalin in France.

It is not pleasing to those who won the election in Italy, even though our efforts, in order to fight "Uncle Joe," but it is pleasing to those who lost the election, the Communists of Italy.

Mr. President, that is basic. We are told that every move we make must be a checkmate against the advance of the Russian Communists in the affairs of the world. Let us be honest about these things. Whom are we pleasing now? We are pleasing the men who are being tried before Judge Medina in the city of New York more than we are even the two great persons who have an unfortunate difference of opinion.

The ruling in this instance is not pleasing to the good, sincere citizen, irrespective of politics, in any State of this Union, but it is pleasing to those who would undermine this Government. So it goes further than a straight interpretation of a Senate rule. It goes to the question, Are we to be made a laughing stock, and have people say, "Yes, you will talk anti-communism, but you will vote for those who would help the Communists."

This action is not pleasing to the liberty-loving folks in Indochina who would like to have our way of living, but it is pleasing to those who would oppress them, and we are appropriating money for those who would buy guns with which to kill liberty-loving people in Indochina.

It is not pleasing to the democracy of Java, the Javanese who have suffered for hundreds of years, but it is pleasing to those who would buy guns and, in American uniforms, kill them because they dare to fight for liberty.

Mr. President, let us keep the record straight; let us vote as if we were fighting for democracy, as if we were fighting for something of which we should be proud, for which we would be willing to fight, for a thing we love and revere, for liberty, for decency.

Mr. President, I have told the Senate before, and I shall tell it again, that if I were a subject of Spain possibly I would be in jail. I do not like many heads of governments throughout the world; but what are we going to do about it? I presume some people do not like our Government. As a matter of fact, I do not know why, but some 21,000,000 people voted for Mr. Dewey 2 years ago. If I were to be in Spain, possibly I would get in trouble. But we certainly do not want to fight the people of Spain because we do not like Mr. Franco. There are babies in Spain, there are innocent people in Spain. I care not about the Government of Spain, but I think in order to carry out our purposes, if we mean what we say, we should not be hypocritical. Let us not say we are good when we we want to be, when it suits our purpose, that we are charitable when it suits our purpose, that we are against communism when it suits our purpose, but we are for those who are inclined toward communism when it suits our purpose.

Mr. President, for this reason, and only for this reason, I shall vote to overrule the Chair, and with the greatest of respect for the Vice President, who made the ruling. At the same time I know

that the leader of the majority sticks by a technicality when down in his heart he knows it is against all the concepts for which America stands.

Mr. MALONE. Mr. President, I support the Senator from New Mexico [Mr. CHAVEZ] in what he has just said, that the rule regarding legislation by an appropriation committee is evidently invoked whenever the majority party sees fit to do so. There were at least a dozen instances in the independent offices appropriation bill where the language of new legislation was inserted in the bill. I will cite one specifically. On page 60 of the bill (H. R. 4177), under the subject Readjustment Benefits relating to veterans, certain words, in lines 10 and 11, were stricken, and the following words added by the Senate committee: "shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation."

Mr. President, I personally had no objection to the addition of the words in the bill by the Senate committee. I think it would involve a long, drawn-out process if we were not to allow the Committee on Appropriations to make such additions along that line as may be considered necessary. When the Senate committee makes such additions the Senate itself can either accept or reject them. But we know, and the evidence is before us, that the rule is manipulated and used exactly the way the majority party wants it to be used.

The Appropriations Committee has, in the bill now before the Senate, inserted the language that is necessary to assign a part of the appropriation to the nation of Spain. I shall certainly vote against the ruling of the Chair, because I see no other way a Senator could vote and be consistent on the Senate floor.

The Senator from Michigan [Mr. VANDENBERG] pointed out that the matter is a technical one, and apparently the emphasis is placed on the point that failure to sustain the ruling would change the entire Senate procedure. If that position is going to be taken, we had better reconsider the independent offices appropriation bill. We had better review it with respect to legislation contained in it because, by passing that bill we have already ruined whatever precedents have been established, or whatever rulings have heretofore been made, on the basis of which subsequent rulings may be made.

Mr. President, it seems to me the comparison which is sought to be made of a matter which we ourselves feel strongly about with a purely technical matter is a farfetched one. I give every Senator credit for voting his convictions, just as I intend to do on this particular subject; but when attention is called to technical rules, rules which have been violated on the Senate floor 10 or 15 times in the past few days, in the hope by that method to accomplish a certain purpose on the Senate floor, I think it is farfetched. In this particular case I certainly shall vote to overrule the decision of the Vice President.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. WHERRY. I do not want to delay the Senate. Neither do I want to comment particularly upon the rule. I should like, however, to point out again with all the force that is within me what I pointed out when the independent offices appropriation bill was under consideration, that in that bill—I have checked the amendments since the bill was passed—14 times we wrote legislation in an appropriation bill, and not a voice was raised against that action.

The amendment in the independent offices appropriation bill, to which the Senator from Nevada has referred, which appears on page 60 of the bill, is only one of many such instances. Since the Senate permits the Appropriations Committee, after careful consideration, to report an appropriation bill which meets the provisions of the rules, if we as Senators on the floor should then elect to use the technical procedure of making points of order on some particular amendments we do not like in a bill, we are thoroughly inconsistent in the United States Senate and we are certainly hamstringing the Appropriations Committee.

I wish to point out again, now that the Senator has brought it up, that in the case of the independent offices bill 14 times legislative amendments were written into it, against which no point of order was made. But when the ECA bill comes before the Senate technical points of order are raised one after another. The Senate Appropriations Committee itself gave thorough consideration to the justification for these amendments, and by majority vote reported them for the consideration of the Senate, as it reported other amendments in other bills, and as it will report still other amendments in additional bills, such as the Interior Department bill. Many legislative provisions are written into such bills. That has been the precedent of the Senate. It is only when the majority leader wants to elect to raise the point of order that he does so.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. McCLELLAN. I wish to point out further that it is not the Appropriations Committee which is being shackled. The Appropriations Committee can report amendments, and points of order may be made against them; but what we are actually doing under this rule is shackling the United States Senate. We are subordinating it in comparison with the House of Representatives. The House of Representatives writes legislative provisions into appropriation bills by majority vote. What we have always understood to be limitations are now being held to be legislation, when it suits the convenience of the sponsors of the bill. By this process, under the rulings which have been sustained—and if this ruling is sustained it will be a further precedent along that line—we are simply hamstringing the Senate.

I believe that this rule should be observed. I do not believe that the Appropriations Committee should write any legislation into an appropriation bill. Any Senator who desires to write legislation into an appropriation bill, or write a limitation, as we term it, into such a bill, should follow the usual procedure and do it by a two-thirds vote. That is the way for the rule to operate fairly. We have disregarded it in the past. We have gone along in the interest of expediting legislation and in the interest of protecting the taxpayers. The Appropriations Committee has undertaken, in its wisdom, to submit these amendments as recommendations to the Senate. The committee feels that it is in the interest of our country to have such provisions in the law. If the present rulings are adhered to in the future it simply means that the Senate is hamstringing itself, because such legislative provisions, or limitations, as some of us think they are, will have to be voted in by a two-thirds vote of the Senate. Therefore we place ourselves on an unequal basis in comparison with the other body which is charged in part with the responsibility of legislating for the Nation.

Mr. MALONE. Mr. President, I wish to say to the distinguished Senator from Arkansas that I bow to his seniority and experience on the floor of the Senate. Certainly for as long as the junior Senator from Nevada has been in the Senate, this method of amending appropriation bills has been the custom. I would go along with the Senator from Arkansas if all such proposals were treated alike. But we see violations of the rule every day. Then we listen to speeches by two or three distinguished Senators to the effect that we should not do it in this instance. Why? Because some Senators evidently are against this particular part of the written-in amendment or legislation, whatever it may be held to be.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. CHAVEZ. When we are making world policy, and especially when we are engaged in a great effort to fight the Communists, is it not more important that we should follow the procedure suggested in this instance than in any of the 16 instances to which attention has been called in the independent offices appropriation bill?

Mr. MALONE. I will say in answer to the distinguished Senator from New Mexico that I recall that on this very floor, when some of us were discussing at length the original ECA authorization bill, we were reminded again and again that it was not mandatory for the Appropriations Committee to appropriate the money simply because we passed an authorization bill. It was emphasized, almost to the point where one might expect a bill to come out of the committee carrying one-third of the amount, at most, that it was a matter for the Appropriations Committee to decide, and that the authorization was not mandatory in

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any way. We were told that the committee could make whatever appropriations it saw fit. I think all Senators will recall that argument. It was emphasized day after day to such an extent that some of us, if we had not had the benefit of a year's experience in the Senate, might have been lead to believe that perhaps there would be no appropriation at all.

I will say to the distinguished Senator from New Mexico that in view of the fact that the 16 ECA nations have violated almost every provision in the legislation, I would certainly hope that the Appropriations Committee would take some cognizance of those violations of the objective of the law. I stood on the floor of the Senate and described 88 trade treaties which the 16 Marshall-plan nations had made with Russia and other countries behind the iron curtain since World War II. They agreed to ship them almost everything necessary for war except the guns. They agreed to ship them all kinds of machinery, ball bearings, tempered steel, and almost everything one could think of. Senators need only to read the CONGRESSIONAL RECORD for that date. I enumerated for the RECORD 88 such treaties and named the nations that were parties to them. Four or five of the treaties were printed in detail in the RECORD. The information is all in the RECORD for anyone to see. Any Senator can communicate with the State Department and obtain access to the treaties.

Such actions are in direct violation of the spirit of ECA and the Marshall plan. It is said that what we are doing is trying to put those nations on their feet, and that we are trying to contain Russia. I heard those words on the floor of the Senate in 1948 until they rang in my ears. What we are doing is furnishing raw materials and money to the 16 Marshall-plan nations so that they can furnish everything to Russia and other countries behind the iron curtain they require for war. We are doing it under a manufacturing-in-transit arrangement.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. CHAVEZ. Inasmuch as the Senator from Nevada uses the name Russia, as a sound American policy, irrespective of the technical merits of the ruling, does the ruling please those who would contain Russia, or those who would not? What would the ruling do? Who would be pleased the most? Would Russia be pleased, or would those who would fight Russia be pleased?

Mr. MALONE. I will say in answer to the distinguished Senator from New Mexico that so long as Spain is practically the only nation in the world which has been on our side heretofore, as against Russia, I should say that Russia should be the most pleased.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. WHERRY. Before the Senator leaves the point with respect to the ECA countries not complying with some of the conditions in the act, I ask the distinguished Senator from Nevada if it is not true that the entire basic ECA Act is contingent upon the compliance by the ECA countries with certain requirements. Is not that true?

Mr. MALONE. I so understand.

Mr. WHERRY. One of the conditions which I remember was that they should eliminate economic barriers. Another was that out of the counterpart funds they should attempt to exchange currencies among one another so that they could do business among themselves and not have to come back to the United States for dollars. Is not that true?

Mr. MALONE. That is absolutely true.

Mr. WHERRY. In view of the ruling of the Chair, it is my opinion that if one were to examine the basic act he would find throughout the act that the entire appropriation is based upon the contingency that the ECA countries comply with certain requirements in the act. If that be true, then I think the argument of the senior Senator from Ohio [Mr. TAFT] today becomes very effective and potent. If we appropriate $3,600,000,000 upon the contingencies in the act itself, on condition that those countries do certain things, when we write into the act a provision that $50,000,000 shall be reserved for Spain, provided it does exactly what the Administrator can require of all the other countries, then I say that we are not doing any more for Spain than we are doing for any of the other countries. Does the Senator agree with me as to that?

Mr. MALONE. I certainly do agree.

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Nevada yield to the Senator from New Mexico?

Mr. MALONE. I am glad to yield.

Mr. CHAVEZ. To go further with the suggestion of the Senator from Nebraska, let me say that if certain countries are supposed to do certain things before they become the beneficiaries of this act and if the Appropriations Committee finds they are not doing those things—for instance, as in Morocco, where the French subjects of Morocco are doing things that are contrary to the ECA understandings—if the Appropriations Committee, knowing of that situation, brings to this body an amendment to correct that situation, and the President of the Senate then sustains a point of order against the amendment, it seems to me that is not in furtherance of a correct policy under the ECA legislation.

Mr. MALONE. I thoroughly agree with the Senator from New Mexico.

Mr. President, in further answer to the Senator from Nebraska, I wish to say that the economic barriers between the 16 Marshall-plan countries have not been remedied or eliminated. No attempt has been made to eliminate them. More than that, those barriers are greater today than they were at the time when the ECA Act was passed. Moreover, there has been no further talk about a federation of the countries of Europe, which we thought the money we were appropriating for ECA would be used to promote. Instead of that, we find that today the world is divided into spheres of influence, as between the United States and Russia, and we find a distinctly separate system set up by the British under the sterling bloc, in opposition to our dollar system. Even Russia is in the sterling bloc. Today we are virtually surrounded by the sterling bloc, and it is becoming tighter and tighter; and it is becoming more difficult for us to engage in trade with the other countries. In addition, there is the guilder bloc, which includes the Dutch East Indies; and there is the franc bloc, maintained by France in French Morocco, French West Africa, New Caledonia, and the various other French possessions in the Far East and in other portions of the world where France controls.

So, Mr. President, in our economic sphere we are getting terrific opposition. Recently we have witnessed the bilateral trade agreement between Britain and Argentina, which makes it virtually impossible for the people of the United States to trade in Argentina. Under that agreement, the fuel Argentina needs is being furnished by Britain, one of the leading ECA countries, which produces the fuel in the Middle East with money we have gift-loaned her. In exchange for that fuel, Britain takes foodstuffs from Argentina, and the result is to take Argentina almost entirely out of the dollar trading area.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. BRIDGES. In connection with Spain, let me say that I hold in my hand a statement quoting Mr. Acheson, the Secretary of State. In the statement he elaborates on the reasons why we cannot have an Ambassador in Spain and why our relationships with Spain should not be more cordial or cooperative than they are. One of the things he says is this:

> It is * * * a question of religious liberty, which is fundamental to the free exercise of human personality. That right does not exist in Spain.

Mr. President, I also hold in my hand at this time a summary of tables. It is entitled "Tables, Special Summary of Foreign Grants and Credits of the United States Government, by Country, by Type of Transaction, in the Postwar Period July 1, 1945, Through December 31, 1948." It is prepared by the Clearing Office for Foreign Transactions, Office of Business Economics, Department of Commerce. It is fairly authentic, I should say.

It is very interesting to me to note the contrast between the statement that we should not have anything to do with a country that does not exercise or recognize religious liberty and then to read, as shown in the document I now hold in my hand, that we have granted to Albania a total of approximately $20,000,000; to Czechoslovakia, approximately $213,000,000; to Hungary, a total of $18,000,000; to Poland, $442,000,000; to the Union of Soviet Socialist Republics, $458,000,000; to Yugoslavia, $300,000,000—all in the period from July 1, 1945, to December 31, 1948.

I am particularly interested, I may say to the Senator from Nevada, in observing our open-hearted, very generous cooperation with those countries in that period of 2½ years, and then observing that it is said that we cannot even have speaking relations with Spain because Spain denies religious liberty. However, if I have been correctly reading the newspapers in the past several years, the countries I have just listed have not been particularly noted for religious freedom. In fact, scarcely a day passes but that I read in the newspapers that religious liberty or religious freedom is denied or violated in some of those countries.

So, Mr. President, I think we should be somewhat consistent, which is one thing this administration has not been in its foreign policy. If we are not going to have anything to do with Spain, certainly we should not base that policy on such a fallacious argument, and yet on the other hand in the previous 2½ years engage in that amount of cooperation with the countries I have just mentioned, in which there certainly is about the least amount of religious liberty that can be found anywhere in the world.

Mr. MALONE. Mr. President, I certainly agree with the points the distinguished Senator from New Hampshire has made.

Mr. WHERRY. Mr. President, will the Senator yield to me again, before he leaves this point?

Mr. MALONE. I yield.

Mr. WHERRY. The evidence brought before the committee was that the original conception of ECA was that it was intended to stop the expansion of communism in Europe. Is not that the Senator's understanding of the purpose of the basic ECA Act?

Mr. MALONE. In 1948 the Halls of Congress rang with that statement of basic policy.

Mr. WHERRY. Does the Senator from Nevada know of any country in Europe that has done a better job of stopping communism than Spain has?

Mr. MALONE. I know of none.

Mr. WHERRY. If the original ECA Act contained a statement of that basic purpose, and if Spain now is meeting the conditions which any of the participating countries have to meet in order to obtain ECA funds, why should not Spain now receive the $50,000,000?

Mr. MALONE. Again I say we should at least be consistent. All of us know from the military authorities that Spain will become most important to us as a location for air fields, if we really get into trouble with Russia or any other great nation in that area of the world.

Mr. President, we know that the economic barriers between the nations of Europe have been kept up to such an extent that it is impossible for them to trade with each other. That situation is beginning to resemble the one which would exist if there were complete economic barriers between the Senator's State of Nebraska and the State of Nevada, if we in Nevada would not allow Nebraska corn to be shipped into Nevada without the payment of certain sums of money, on the basis of so much a bushel; and if, in turn, Nebraska would not permit Nevada mineral products to be admitted to Nebraska without the payment of certain sums of money, in the nature of duty fees. In such event there would be chaos. Such a system was tried early in the life of the Thirteen Colonies, but it was soon found to create an impossible situation, so we organized the United States.

Mr. President, today we find that the ECA funds are being used by the participating countries to build up sterling blocs, guilder blocs, trade quotas, financial agreements, and similar arrangements. In that respect, conditions in Europe are growing worse, instead of better. I predict that if this condition continues, by next spring there will be a great blow-up in Europe. We find that today the European countries are manipulating their currencies for trade advantage. For instance, we expect the devaluation of the British pound almost as soon as we extend the 1934 Trade Agreements Act—if in fact we do extend it, the $4.03 pound.

We have made many trade treaties. Britain, when she gets around to it, will lower the value of the pound by 20 or 25 percent. Every trade treaty they have made then is violated and nullified. In other words, they can come right under any trade treaty arrangement, just as cows come through a gate. In other words, there will be nothing at all to keep them out, and they will come in with their products and swamp the workingmen of America, as they are now doing in certain instances, which I intend to discuss on the floor of the Senate when the 1934 Trade Agreements Act comes up for extension. That act has expired, and legislation to extend it must come before the Senate.

Mr. President, if we do not recognize Spain—if we do not help them in any way, and we refuse to yield on the stand we have taken, what will happen? England and France have trade treaties with Spain and with other nations in Europe, and the longer we put off a resumption of proper relations the less chance we have of getting any trade whatever with Spain, or with any other nation, as a matter of fact, that comes under the sterling bloc—and we are financing the sterling bloc, Mr. President.

One thing I have not mentioned at this time, which I previously mentioned in connection with the debate on the North Atlantic Pact, namely, that these two nations, France and England, already have nonaggression pacts with Russia, in which they say in words of one syllable that they will not join, they will not undertake to join, any other alliance which would interfere economically or otherwise with their full cooperation with the participating nation. And what is that participating nation, Mr. President? In each case it is Russia. Yet we are saying we are trying to combat Russia and will not send anything to Russia that would be in the nature of help in a military way.

Britain even went so far as to make an actual cash loan to Russia. And where do you suppose, Mr. President, the money came from? I suppose it is not hard to trace. They will say it was not our money, and of course that probably could be true. But, as I said before, it is like a man who has $100 who goes to the bank and borrows $500 and then buys a $100 suit of clothes. He probably does not use the money he borrowed from the bank in order to get the clothes, but if he had not obtained the bank loan it would be a little difficult for him to buy the suit of clothes. That is the way this thing is working out all over the world, Mr. President.

I should like now to call attention to two things: First, are we to be technical; I would be the first to vote for a technical ruling, if the technical ruling were consistent, which it has not been and is not at this time, and I have, I think, with my other colleagues shown it is not. The next thing is, most of the ECA nations have violated in almost every way the rules and regulations laid down in the original Marshall plan and the ERP and the ECA Act. Since they have, since this question has to be decided, and since we do need Spain and need to deal with the Spanish Government in the selection of air bases, certainly every Senator should have the opportunity of voting the way he really and sincerely believes on this question as to whether aid should be furnished to Spain. Every Senator has the same right the junior Senator from Nevada has to make up his own mind, but certainly a technical ruling, which is something that has been abused so many times as almost to have become a custom, should not prevent him from having that opportunity.

Mr. BREWSTER. Mr. President, I want to express my own appreciation of the action of the Appropriations Committee in presenting this question for our consideration, as in my judgment there are very few questions that are more vitally concerned with the future safety and security of the country than the very earliest possible cultivation of far better relations than have thus far prevailed with the country of Spain. I shall not review the arguments which, I have no doubt, have been presented here as to why this proposal seems very vital to the entire objective which we have in mind.

Now, to argue the issue, which is the immediate parliamentary question that is presented, I shall only say there seems to be on each side, as I feel, very definite authority, for which I have the highest respect, so that, as one not so experienced in the rules as some of my colleagues, I may safely accept one or the other opinion with certainly full justice to the integrity of the rules with which we naturally are all concerned.

I supported the McClellan amendment upon that ground yesterday, and I expect to support this appeal from the Chair today upon the same ground, that the importance of this subject is so great, and my desire to see the Senate have an opportunity to express itself upon this question so overwhelming, that whatever doubts there may be regarding the matter I am willing to resolve in favor of giving the Senate an opportunity now to vote upon the question of recognizing Spain as one of the community of nations with whose future cooperation our welfare may be most vitally concerned.

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Without going into the economic questions which have been presented, I discussed this matter at some length with both Mr. Hoffman and his assistant, Mr. Foster, so that I am at least somewhat familiar with the arguments which they have presented as to why they did not desire this amendment to be considered or approved. They were not, however, arguments which seemed to me to be at all persuasive in the light of the other considerations which are so potent. The suggestion Mr. Hoffman made that it would require 8 months to consider this program seemed to me to be fantastic in the light of conditions which I myself observed in Spain last fall when I was privileged to visit that country. I was happy to do so on the return from the meeting of the Interparliamentary Union in Rome, as it seemed to me that not only the geographic and historic position of Spain but the immediate problem with which we are faced argued most persuasively and insistently that there should be a readjustment of our relations. My convictions in this regard were reinforced by the attitude of every Member of the Senate who discussed the matter when we were considering the question of whether there should be recognition.

That question was discussed on the floor of the Senate a month or two ago, and so far as I recall, not one voice was raised to question the wisdom and desirability of normalizing our relations with Spain. That certainly was reassuring to those of us who had for a long time felt that something of this sort should have been done. While I was in Spain, I discussed the matter with our own representatives there and found the overwhelming opinion of those concerned with our diplomatic relations that our policy had been a profound mistake; that, however well-intentioned it may have been, it had not worked out as had been anticipated or desired, and that it was then anticipated—and I speak now as of last September—that relations would shortly be normalized.

There was a curious thing. We were told all through the fall and all through the winter that, while we would not propose the restoration of normal relations in the United Nations, we would support it if it were proposed, and we were told upon this floor and in this country, up to within 1 week of the time the final vote came, that that was the position of the State Department and of the Government. I will not say that was done deliberately to throw dust in our eyes and to dissipate otherwise the profound considerations that might have been urged, the profound disturbance that was felt upon both sides of this Chamber over the situation, but I will say it was curiously coincidental. So we went along through the fall and winter under the assurance that all was going to be well and that the United Nations in due course of events would consider the matter, and that the United States, through its authorized representatives would support the restoration of normal relations.

Suddenly, 3 days before the matter was to come to an issue, we found the position of this country had been changed, and there were various stories told as to why. We were told in the press by presumably authoritative commentators, who have apparently a much better conduit of information in the State Department than do most of the Members of this body, that while the State Department favored the restoration, while the State Department had sent instructions to our representatives at Lake Success that they were to vote for the normalization of relations, the five representatives we had at Lake Success, by a majority of 3 to 2, had voted we should not do so, and the State Department felt obliged to defer to their position. The result was that by a scant margin of a vote or two they refused to support that resolution. The opposition of 15 nations out of 50, I think it was, was sufficient to block that action, and the United States contributed to that end by its own action in abstaining.

What was the result? The fantastic disregard of both economic and military considerations, which are obvious to the most uninformed, continues to be the policy of this country.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. CHAVEZ. Does not the Senator from Maine agree with me that outside the considerations which the Senator has mentioned, there should also be mentioned another consideration, a political consideration as against communism? Should not that be also considered?

Mr. BREWSTER. If that were not implicit in my remarks on the economic and military situation, I assume that the entire military picture of the world, if we are to believe all we have been told in the past few years, is concerned with communism and whether it proposes militantly to attack democratic nations. The $15,000,000,000 we are voting for our own defense, the $5,000,000,000 we voted last year for Europe, the $4,000,000,000 this year, was all voted with one design—to contain communism. If there is danger that communism is going to burst its bounds and strike by military action, then I do not believe any competent military critic will question the advisability of having the cooperation of Spain. I do not include myself in the category of a military expert, but I have never heard any competent military person who has not said that Spain might well be the most vital spot, so far as Europe is concerned.

Mr. CHAVEZ. From a military standpoint, I believe the observations of the Senator from Maine are correct, but considering it purely from a political standpoint, irrespective of merit and irrespective of the sound technical considerations of the ruling of the Chair, does the ruling of the Chair please those who would agree with us politically, or does it please those with the communistic state of mind?

Mr. BREWSTER. I recall our dear old friend whom we used to call Cotton Ed Smith, who said, "If you have got to make a mistake, make it on my side." I think if there is any doubt as to the decision of the Chair, we had better resolve it in favor of those who started the war on communism, who have kept it up, and whose fidelity to their opposition to communism I do not think anyone has ever challenged. So we might as well resolve our doubts in favor of those on whom we can depend, rather than on the subtle and insidious voices who tell us we should not do this because there is opposition in some sections of Europe.

Mr. CHAVEZ. With the Senator's permission, if that be correct, as a matter of sound policy of the United States Senate, should we adhere to that fine-spun policy by fighting communism, or should we adhere strictly to a technicality of a rule of the United States Senate? Which is best for the United States Government?

Mr. BREWSTER. I shall continue to insist that since there are distinguished advocates, very competent advocates, on each side of the interpretation of the rule, I freely give my support to those who seem to me to be supporting the most vital interests of this Nation, and this seems to be the only way at this time that the Senate can register what I had formerly thought was in some respects its almost unanimous opinion that we should normalize our relations with Spain, that we should no longer treat Spain as an outlaw among nations, when it is the only nation in the world which is carrying on, and has carried on longer and better than any other, the war against communism, unless we except China, which seems to be in the "doghouse" of our State Department.

Mr. CHAVEZ. Mr. President, will the good Senator from Maine yield to me once more? I beg his indulgence.

Mr. BREWSTER. I shall be happy to yield.

Mr. CHAVEZ. I should like to make plain the record in the United States Senate as to where we stand, whether we mean the things we talk about and brag about, or whether we do not. I am convinced in my own mind that the United States Government and the people of the United States are the most charitable in the world. But suppose that in carrying out the purposes of ECA, which are to bring about economic improvement and recovery to Europe, it develops that we may not like the head of a particular government, should we, being charitable, in carrying out the noble purposes of ECA, consider the people of the country involved? Should the hungry people of Spain, the babies who are starving, be considered as to whether they should be eligible for our charitable benefits?

Mr. BREWSTER. In my judgment, the support of this amendment could be entirely justified upon the ground of the historic interest of America in the welfare of those suffering people and in the difficulties with which they are faced, but it seems to me we can make what is an even more powerful argument to the American people in their own vital interest.

On this score I should like to speak a moment on the aspects of the situation, which are partly economic and partly military and which are the aspects I presented in my discussions with Mr. Hoffman and Mr. Foster. I think I can say

that they were in concurrence with the ideas which I expressed, although they still insisted that this was not the time to have them considered. They asked what they could do with the $50,000,000. I told them that, in my judgment, it was self-evident to anyone who had traveled through Spain that rehabilitation of its aviation facilities, so far as landing facilities and all-weather operations were concerned, was of vital concern both to our commercial air operations in time of peace and to our military operations when, as, and if there should ever be necessity—and God forbid that it should ever occur.

But what did I find there? It was pointed out to me in Madrid that the British were proceeding to unload upon the Spanish their outmoded aviation equipment, both upon the fields and in the air, meanwhile insisting to us that we must have no relations with Spain. Last year England and France did $500,000,000 worth of business with Spain, while we were not supposed to do any business. This year England has signed a $300,000,000 trade agreement with Spain, while we are forbidden to do any business whatever with Spain.

I was interested to read Mr. Churchill's statement a few days ago, in which he said that 900,000,000 pounds, which I believe is somewhat in excess of $3,000,000,000, had already been used as advances in credits to other areas. How much was involved in the Spanish affair I do not know, but I assume that credit was one of those involved. Meanwhile we are told that Spain is not a good debtor and we should not have anything to do with her. Spain was very anxious, as represented to our Civil Aviation Authority and to our diplomatic representatives, to acquire American aviation equipment for air fields and for planes.

I am happy to see the chairman of the Armed Services Committee present. I know he shares a knowledge as the result of his extended experience in war and in this Chamber as to the complete interrelation of operations by air in war or peace. In other words the entire defense program of the United States in the air is now keyed to an integrated commercial operation in peace and military operation in war. Every airport in the United States, every one in our possessions, every one in which we have an interest or influence, is now being carried in a great program, through which our aviators in time of peace can operate safely and securely by night and day, in storm and fair weather, and in time of war those facilities would instantly be available for the military operations which are keyed to them.

Mr. President, the same operation should be carried out in Spain at this time, with proper cooperation, in which they are most earnestly interested, because more and more the entire air picture of the globe is being keyed to American matériel and equipment. Yet, disregarding every consideration, England has been using Spain as a dumping ground for her outmoded equipment, while we are being denied the opportunity to facilitate the acquisition by Spain of the things which are most desirable to them in peace, which are most desirable to us in peace, as we see Spain astride the route which our commercial air liners follow into the Orient and into the Mediterranean.

In time of war, if the opinions of our military critics are to be considered, the Pyrenees might be the only line of defense which we could hold on the European Continent, so it is presumed that American facilities and equipment now desired by the Spaniards might be most vital and effective in preserving the lives of thousands of American boys, and if trouble came, making it possible to bring it to an end.

Mr. President, these are some of the reasons why I feel that relations with Spain should be normalized without delay, and why I earnestly hope that the amendment proposed by the Committee on Appropriations may be recognized as appropriate for consideration, and that it may be adopted by the Senate and Congress, and approved, as I feel confident that it could be carried out with the utmost regard for the interest and the economy of Europe, and for the very vital interest of the United States of America, for whose future peace and security we here are primarily responsible.

Mr. CHAVEZ. Mr. President, I suggest the absence of a quorum.

Mr. McCLELLAN. Mr. President, will the Senator withhold his request for a moment?

Mr. CHAVEZ. I withhold the request at the suggestion of the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, first I wish to ask unanimous consent that the Committee on Expenditures in the Executive Departments may hold an executive session this afternoon while the Senate is in session.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCLELLAN. Mr. President, I had intended to propound to the Presiding Officer two or three parliamentary inquiries, and since I may not be on the floor at a more favorable time to propound them, in view of having to attend this committee meeting, I should like to ask the Presiding Officer a parliamentary question, whether, if there is still legislation in the pending bill, a point of order against the bill would lie at this time, or immediately after the appeal is disposed of, on the ground that the bill does contain legislation, similar to the point of order I made to the bill a few days ago.

The VICE PRESIDENT. The Chair, as he has heretofore indicated, hestitates to pass on a point of order until it is raised. The Committee on Appropriations struck out all the legislative provisions in the House text, by reason of which it withdrew the peg upon which a hat could be hung, to use a common, ordinary expression, justifying legislation in the Senate committee bill. In other words, the committee having stricken out all the legislative provisions of the House text, it would be in no position to offer legislation based upon the fact that the House text contained legislation.

Yesterday one or two legislative provisions which were stricken out by the committee were restored, and are now in the bill. The Chair has not examined those provisions with sufficient care to enable him to indicate whether they are of such a legislative character as would justify a point of order against the whole bill. For that reason the Chair hestitates to indicate what his ruling would be, in advance, if a point of order were made, because he would have to examine the character of the legislative provisions.

Mr. McCLELLAN. Mr. President, in view of the Chair's ruling, and in view of the action of the Senate in sustaining the Chair in his ruling that the amendment which I offered yesterday was legislation and not a limitation, and in view of the ruling of the Chair this morning on the pending amendment, and the appeal which is now pending, and in view of the two other legislative provisions in the bill, which I assume definitely are legislation, certainly, if the other two were legislation, and in view of the fact that there is still legislation in the bill in the nature of Senate committee amendments, if any part of the House legislative provisions have been restored, as they have been, as I understand, then it would be in order to make a point of order against the bill. If the Chair found that legislation had been restored in the House text, and that the Senate committee had undertaken to amend it further by legislative provisions, then a point of order would lie against the bill.

The VICE PRESIDENT. A point of order cannot be made against the bill as reported to the Senate on the ground that there are legislative provisions in the bill. There is nothing the Senate can do about that except offer to strike them out, as the committee did when it reported the bill back, or to offer amendments which are relevant to the legislative provisions of the House text. The Chair has no way of knowing in advance what amendment may be offered from the floor, either on the part of the committee, or by an individual Senator. But of course the rule which the Chair undertook to interpret of a few days ago—from which ruling the Senator from Arkansas took an appeal—covered four or five legislative provisions in the bill, not as it came from the House, but as the Senate committee reported it, which made the whole bill subject to the point of order which the Senator from Arkansas made, and therefore the bill automatically went back to the committee on that point of order.

If the same situation should exist, either because of amendments brought in by the Committee on Appropriations as a part of the bill, or because of committee amendments amending the provisions of the House text so as to create new legislation on the part of the committee, the Chair thinks that the rule would still be applicable.

The Chair does not wish to forego the exercise of his discretion in the future by passing on these matters before they come up.

Mr. McCLELLAN. Mr. President, I had intended to raise this question at a more propitious time in the progress of the bill, but since I shall have to be in a

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committee meeting this afternoon, I desired to clarify the situation at this time if possible.

My point of order sent the bill back to the committee a few days ago, after the Senate had sustained the ruling of the Chair that the amendment I was sponsoring was legislation on an appropriation bill. Then I made a point of order against the whole bill, not out of any spirit of resentment at the action which had been taken, but for two reasons, primarily, first, in the hope that the provisions might be so written by the Committee on Appropriations, on further consideration of the bill, that they would meet the test under the rule, and in that way, and by that process, we would be able to get a direct vote, and a determination and a decision of the Senate by majority vote.

Although the committee has failed so far to meet the objections of the rule as interpreted by the Chair and a majority of the Senate, so that we can get votes on the amendments, and have them decided by majority votes, I think returning the bill to the committee and the work the committee had done on it, have pointed up the fact that any bill which comes out of the Senate Committee on Appropriations now with legislation written into it by the committee, or containing what we have in the past generally regarded, and what many of us still regard, as limitations, will be subject to a point of order against the bill itself. If such points of order are made as the bills come before the Senate it will simply mean that the bills must be recommitted to be stripped of all such provisions and come back without them.

Assuming the Chair were to rule with me if I made the point of order on the bill again at this time, I could not accomplish anything other than to have the bill recommitted and in committee have the very provisions stricken out which are being stricken out by the points of order made on the floor. Since the sponsors of the bill oppose any amendments to it, Mr. President, they will achieve their purpose by the process of eliminating each amendment that is at all legislative in character, or carries limitations, as many of us thought, and therefore the amendments will all stand on an equal basis in the further proceedings of the Senate—that is, they will have to be presented and a two-thirds vote for suspension of the rules will have to be employed before any legislative amendment can be considered.

Now, if there were any prospect of any real good being accomplished by sending the bill back to committee, I would make the point of order, Mr. President, but we are going to achieve the same results on the floor by the points of order which will be raised, as I anticipate, if the Chair's ruling is sustained by a majority of the Senate. Therefore, we will have a bill without any amendments in it that can at all be questioned as legislation, except as we adopt the House legislative provisions. We would thereby deny to the Senate the right to legislate by a majority vote on the same bill on which the House has legislated by a majority vote. We will be placed in that situation.

I could make a point of order against one of the earlier amendments in order that all other amendments which follow might be given the same consideration, and that certain amendments will not be subject to the individual whim, possibly, of one Member of the Senate. But I could not accomplish any more by making a point of order again and recommitting the bill than is being accomplished by the present procedure, which would strip the bill of legislative amendments. I could accomplish no more than is being done now under the process now being followed. But, Mr. President, if the rules are to remain as they are now, I feel it would be incumbent upon the Appropriations Committee of the Senate to insert no amendment that contains the least intimation of legislation, and if any such amendment were to appear in a bill, I feel that a point of order should be made against it and let the bill go back to committee, and that every amendment that contains legislation should be subject to the two-thirds vote to suspend the rule.

If we operate in that manner for a while, maybe there will develop some wisdom with reference to the rule, and a proper change will be made in the rule so that this body can function comparably with the other legislative body.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. CHAVEZ. I think the statement of the Senator from Arkansas is correct as it relates to writing legislation in an appropriation bill. But if we would stick to our job and cut down the appropriations, possibly we could make some Senators, at least, understand what we are endeavoring to accomplish.

Mr. McCLELLAN. I want to say one more word about this particular bill. In view of the action that has been taken on the bill, it having been stripped, and we having made it impossible to place adequate provisions in it which I think necessary to protect the American people, I say frankly that I cannot and will not support the bill in its present form. I have been perfectly willing to go along and try to give aid and assistance to other peoples, and I am even willing to subordinate my own individual judgment in many instances to the policies of the Government in trying to serve the interests of the world. That is what we hope we are doing in this program. But I will say frankly that I am no longer willing simply to write blank checks and turn them over to the ECA. After we have written conditions into the law which require compliance, at least they should go half way and meet the program. So long as those conditions are not being enforced and we cannot place in the bill protective provisions by legislative process, then I shall not be a party to squandering this money and throwing it away without in some manner looking after the interest and protecting the taxpayers of this Nation against pouring money out without any control over it, without any expression from the Congress as to how it shall be spent, but delegating that to one Administrator, to use his discretion, without any opportunity on our part to place controls over it.

I have intended to go along with the appropriation bill for whatever amount was finally decided. I favor being as economical as possible, and cutting the amount down to as low a figure as we can, and still carry on the program. I still feel that way about it. But even with the amount reduced as we were able to reduce it in the Appropriations Committee and as it has been accepted here, I cannot vote to spend that huge sum of money in the manner it will be spent under this bill in the form the bill is now before the Senate and in the form it will be when the other amendments, which are objectionable from the standpoint of the rule, as the precedent has been established. I cannot vote for the bill with those provisions out of it. If proper safeguards were provided, I would feel differently about it.

Mr. President, I wanted to make that statement. I want to clarify my position. But I would still make a point of order against the bill if there were any hope of having written into it amendments which would protect the American people as I believe they should be protected in the bill. If it were necessary to do it in order to make the amendments which are being proposed stand on an equal basis, I would make such a point of order. Since they are all being objected to, I assume a point of order will be sustained as to the others, certainly since it has been sustained to the other two. It has never been my purpose, Mr. President, to delay action or to obstruct except for a valid purpose as I see it. We are behind schedule. I think nothing could be gained, and for that reason I shall not make the point of order against the bill. But I believe that in the future we are going to be haunted with this situation with appropriation bills coming here and there are going to be some points of order made against them and they will be sent back to the committee.

Mr. CHAVEZ. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Miller
Anderson	Hickenlooper	Millikin
Baldwin	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Myers
Bridges	Humphrey	Neely
Butler	Hunt	O'Conor
Byrd	Ives	O'Mahoney
Cain	Jenner	Reed
Capehart	Johnson, Colo.	Robertson
Chapman	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Saltonstall
Connally	Kefauver	Schoeppel
Cordon	Kem	Smith, Maine
Donnell	Kerr	Sparkman
Douglas	Kilgore	Stennis
Downey	Knowland	Taft
Dulles	Langer	Taylor
Eastland	Lodge	Thomas, Okla.
Ecton	Long	Thomas, Utah
Ellender	Lucas	Thye
Ferguson	McCarran	Tobey
Flanders	McCarthy	Tydings
Frear	McClellan	Vandenberg
Fulbright	McFarland	Watkins
George	McGrath	Wherry
Gillette	McKellar	Wiley
Graham	McMahon	Williams
Green	Magnuson	Young
Gurney	Malone	
Hayden	Martin	

The VICE PRESIDENT. A quorum is present.

The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. McKELLAR. Mr. President, at this point I should like to present an article from the Washington Times-Herald of this morning and ask for its insertion in the RECORD. The headline of the article is: "Farm funds rider barred from aid bill."

I wish to read one paragraph from the article:

Hoffman, who spent the afternoon at the Capitol trying to persuade Senators to oppose the plan—

Meaning the McClellan amendment—

had charged it would put the recovery program in a strait-jacket.

Mr. President, I ask that the entire article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARM FUNDS RIDER BARRED FROM AID BILL—SENATORS SUPPORT BARKLEY RULING, 52–32

Vice President BARKLEY yesterday ruled out of order an amendment freezing $1,350,000,000 in Marshall-plan funds for purchases of American surplus farm products.

His ruling, a smashing victory for administration forces, was promptly upheld by the Senate, 52–32, on a test vote forced by Chairman MCKELLAR, of Tennessee, whose Appropriations Committee tacked the rider onto the bill.

The rider would have compelled foreign-aid chief Hoffman to use $1,350,000,000 of his Marshall European recovery plan funds to buy United States farm goods, or turn the funds back to the Treasury.

HOFFMAN ACTIVE IN FIGHT

Hoffman, who spent the afternoon at the Capitol trying to persuade Senators to oppose the plan, had charged it would put the recovery program in a strait-jacket.

BARKLEY held that the Appropriations Committee had violated the Senate rules by trying to make a fundamental change in the Marshall plan via the money-bill rider.

A dispute over the same subject last week touched off a confused parliamentary row which resulted in sending the entire bill back to MCKELLAR's committee for redrafting.

But the committee returned it to the floor with the rider, sponsored by Senator MCCLELLAN, Democrat, of Arkansas, still in it.

CHALLENGED BY LUCAS

BARKLEY acted on a challenge by Senate Democratic leader LUCAS, of Illinois, who contended that "the integrity of the Senate's rules" was at stake and charged the Appropriations Committee with exceeding its authority.

In the face of BARKLEY's ruling, the Senate cannot even consider the farm rider unless a two-thirds majority votes to suspend the rules. That appeared a highly unlikely possibility.

A similar flight is expected, perhaps today, when the Senate takes up another committee rider which would set aside $50,000,000 for aid to Spain, a nation not included in the Marshall plan.

Mr. McKELLAR. Mr. President, I wish to read into the RECORD section 1913 of the United States Code, dealing with congressional service. I ask Senators to listen to this:

SEC. 1913. Lobbying with appropriated moneys. No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

This statute applies to every officer of the Government. Unless he is requested by a Member of Congress to talk about legislation, or concerning appropriations, he is forbidden to do so.

I continue to read, and I emphasize this paragraph:

Whoever, being an officer or employee of the United States or of any department or agency thereof, violates or attempts to violate this section, shall be fined not more than $500 or imprisoned not more than 1 year, or both; and after notice and hearing by the superior officer vested with the power of removing him, shall be removed from office or employment (18 U. S. C. 1913, p. 2319, United States Code Congressional Service).

I ask Senators to look at the voluminous record. They will find that Mr. Hoffman was asked by the committee to appear before it, and he appeared and testified in extenso as to all the facts.

Mr. President, I wonder which Senator, if any, has requested Mr. Hoffman to come here today, or requested him to come here yesterday. I am informed that there is talk of lobbying with Senators. Will any Senator who requested Mr. Hoffman to come here and talk to us rise now? I see no Senator rise, yet I am informed on the highest authority—I have not seen Mr. Hoffman here myself—that he was here all day yesterday and that he is here now.

Mr. President, that is all I have to say.

Mr. DONNELL. Mr. President, I wish to address myself very briefly to the appeal which now is pending before the Senate.

It was my misfortune to be out of the Chamber when the Vice President rendered his decision earlier today. I understand that he sustained the point of order directed against the provisions of the amendment in lines 15 and 16 on page 4 of the bill, that—

Fifty million dollars shall not be available for any other purpose than assistance to Spain.

I think the appeal should not be decided at all on the basis of whether we favor assistance to Spain. As I see it, the latter question is one purely upon the merits, which will come up later if this particular amendment is allowed to be voted on by the Senate.

As I see it, the sole question is whether under rule XVI the point of order is well taken.

Mr. President, it seems to me the point of order is not well taken. I believe there are two grounds on which the point of order could have been submitted, and doubtless was submitted. The first is that the Appropriations Committee shall not submit to an appropriation bill amendments containing new or general legislation. I do not think the provision that "$50,000,000 shall not be available for any other purpose than assistance to Spain" is new legislation. I submit that it is clearly not new legislation. The reason this provision with respect to $50,000,000 is not new legislation is because of the fact that a grant of funds to Spain is already permissible under existing law. I refer particularly to the contents of section 102 (b) and section 103 (a) of Public Law 472, the Foreign Assistance Act of 1948.

Section 102 (b) provides, among other things, that—

It is the purpose of this title to effectuate the policy set forth in subsection (a) of this section—

That is to say, section 102 (a)—

by furnishing material and financial assistance to the participating countries—

And so forth. Section 103 (a) provides, among other things, that—

As used in this title, the term "participating country" means—

One of two things, Mr. President—

(1) Any country, together with dependent areas under its administration, which signed the report of the Committee of European Economic Cooperation at Paris on September 22, 1947—

I pause at this point to state that I assume, of course, that it is a matter of common knowledge, of which all of us can take legislative notice, that Spain did not sign the report of the Committee of European Economic Cooperation at Paris on September 22, 1947, and consequently Spain would not come under the designation of "participating country" within the class just described.

But section 103 (a) does not stop after listing that first category of countries which are included within the term "participating country." On the contrary, it provides that—

(2) Any other country—

And I call attention to the fact that there is no restriction there in any way whatsoever—

(including any of the zones of occupation of Germany, any areas under international administration or control, and the Free Territory of Trieste or either of its zones) wholly or partly in Europe, together with dependent areas under its administration;

Before reading the next clause, Mr. President, I pause to say that, clearly, Spain is included within the description "any other country * * * wholly * * * in Europe," and therefore clearly comes within the term "participating country."

Section 103 (a) proceeds, however, as follows:

provided such country adheres to, and for so long as it remains an adherent to, a joint program for European recovery designed to accomplish the purposes of this title.

Mr. President, whether Spain will adhere to, will be permitted to adhere to, and, if it does adhere to, will remain an adherent to, such a joint program is not, as I see it, material to this point. The

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fact is that under the terms of section 103 (a), Spain is within the term "participating country," provided she adheres to and remains an adherent to the joint program.

So, Mr. President, Spain comes under the term "participating country"; and the amendment restricting the use of the $50,000,000 by the language that—

> Fifty million dollars shall not be available for any other purpose than assistance to Spain.

Does not bring about new legislation by which Spain is granted privileges not already in existence.

In the first place, Mr. President, this appropriation bill does not in any sense seek to repeal any part of section 103 (a). So if Spain adheres to this program and remains an adherent to it, Spain is entitled to receive funds as a participating country.

Therefore, Mr. President, when the amendment is adopted, if it is, thus providing that "$50,000,000 shall not be available for any other purpose than assistance to Spain," of course it is true that before Spain can actually receive any proceeds under that provision or under the bill, she must first have been permitted to adhere to the joint program for European recovery; and if she does not adhere to it and does not remain an adherent to it, of course, Spain cannot receive any of these funds, for such time as she is not an adherent to that joint program.

The point I make is that there is nothing in this appropriation bill, so far as I observe, that in any sense adds to the present law. This amendment does not provide that in all events Spain shall be entitled to receive assistance. The amendment simply prohibits the use of any of the $50,000,000 for purposes other than assistance to Spain, and if Spain shall be permitted to become an adherent of the joint program, she then becomes eligible. But there is nothing in the appropriation bill which ever remotely undertakes to make Spain eligible for relief. So, Mr. President, I submit, first, that the portion of rule XVI which provides, "The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation," is not violated by the terms of the proposed amendment to the appropriation bill now pending.

But, Mr. President, rule XVI goes further. It not only prohibits the reporting of an appropriation bill containing amendments proposing new or general legislation, but it also prohibits the reporting by the Committee on Appropriations of an appropriation bill containing amendments proposing "any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of the contingency."

Let us examine the amendment reported by the committee, to the House bill 4830, so as to determine whether the amendment is a restriction which is to take effect or cease to be effective upon the happening of a contingency. I take it clearly, it is a restriction. Of course, it is a restriction. It acts as a restriction with respect to the $50,000,000. If we shall adopt the amendment, the $50,000,000 will be effectively tied up and will not be available for use for any purpose other than that of assistance to Spain.

I digress incidentally to say, of course, that is not at all saying the $50,000,000 can or will be used for assistance to Spain for, as I indicated a few moments ago, in order that Spain may become eligible she must comply with the terms of the Economic Cooperation Act of 1948. But I say the provision with respect to the $50,000,000 is of course a restriction. Yet it is not every restriction which is prohibited by the terms of rule XVI. It is only such a restriction as is "to take effect or cease to be effective upon the happening of a contingency." I submit that the amendment, reading as it does, very simply and very briefly, that the $50,000,000 shall not be available for any other purpose than assistance to Spain, is not one which is to take effect or to be effective upon the happening of a contingency. I submit that the amendment which I have read takes effect forthwith, instanter, upon the enactment of the bill, and it is not subject either to taking effect or ceasing to be effective upon the happening of a contingency. No contingency enters into the question as to whether the amendment takes effect. As a matter of fact, it is of course true that whether Spain ultimately shall receive any money under the appropriation does depend upon a contingency, namely, the one to which I referred a few moments ago, the adherence to and the remaining adherent to a joint program for European recovery. But Mr. President, that is in the fundamental act, the Economic Cooperation Act of 1948, and the restriction against the use of the $50,000,000 for any other purpose goes into effect forthwith and is not contingent upon anything.

Mr. President, whether Spain ever gets any of the $50,000,000 or not, the $50,000,000 which is held up and tied up effectually by the amendment cannot be used at any time for any other purpose than that of assistance to Spain. Therefore the effectiveness of the amendment is not contingent upon the happening of any event, or upon the happening of any contingency. The amendment simply ties up $50,000,000 and puts it on a shelf. It cannot be used after it is put on the shelf except for one particular purpose. The moment the bill goes into effect, the $50,000,000 goes on the shelf instanter. There is no contingency as to which the amendment is in the slightest restricted.

Therefore, Mr. President, I respectfully submit first, the appeal should not be decided upon the basis of whether we favor assistance to Spain. Incidentally I may say I do not think it should be decided upon the basis of what any other country in the world thinks of our action. I believe the rules of the United States Senate are of such dignity and importance that the Senate should enforce them, it should follow them, and whatever any other country may think about it, to my mind, is absolutely immaterial. If there is a rule of the Senate which is unwise, we should repeal it; but so long as it is a rule of the Senate, it should be followed, provided anyone shall make a point of order under the rule.

So, Mr. President, I say, the appeal should not be decided upon the basis either of whether we favor assistance to Spain or on the basis of what some other country may think about us by reason of our action this afternoon.

The second point I have made, or attempted to make, is that the sole question on the appeal is whether, under rule XVI, the point of order is well taken. I have submitted first that it is not well taken, because the amendment does not propose new legislation; and in the second place, that the amendment does not violate either the provision against new legislation or the provision against restrictions to take effect or cease to be effective upon the happening of a contingency, because the amendment goes into effect instantly upon the passage of the bill and is not subject to any restriction whatever.

Mr. CORDON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Oregon?

Mr. DONNELL. I am glad to yield.

Mr. CORDON I want to say to the Senator I congratulate him upon his presentation, and to say to him I am in full agreement with his reasoning and with his conclusion.

Mr. DONNELL. I thank the Senator.

Mr. LUCAS. Mr. President, I am sorry the distinguished Senator from Missouri was not in the Chamber when I made the point of order this morning, otherwise I am sure he could have saved himself and the Senate some time. I made no contention in respect to the second part of rule XVI dealing with a restriction involving a contingency. The Senator has made much ado about that point. I agree with him, there is no contingency involved here at all. I made the point of order with respect to the first phase of rule XVI, which says that the Appropriations Committee shall not report an appropriation bill containing amendments proposing new or general legislation.

I am merely going to say a word or two in reply to the distinguished Senator from Missouri. It seems to me that the Senator relies upon a rather tenuous proposition in his argument in favor of overruling the Chair—that is the phrase "any other country." Whether that is or is not the law, Spain could at the proper time come within the act, provided certain things happen.

I call attention to the fact that the amendment drastically changes the declared policy of Congress in enacting the Economic Cooperation Act. Section 102 (a) sets forth the following declaration:

> It is declared to be the policy of the people of the United States to encourage these countries through their joint organization—

I repeat, "through their joint organization." The countries that are in the program at the present time have assembled and organized jointly and have presented their program to the United States

of America. Spain is not in that group. I quote further from section 102 (a)—

through a joint organization to exert sustained common efforts to achieve speedily that economic cooperation in Europe which is essential for lasting peace and prosperity.

In other words, Mr. President, if and when the countries of Europe who initiated this program decide that Spain should come into the program, Spain will be eligible to participate, and not before. The amendment before us is an effort to drive Spain into an organization to which she has made no application for membership at any time. Spain has not requested a single dime of this $50,000,000. It is my understanding she is now negotiating, or endeavoring to negotiate, a loan through the International Bank.

Mr. CHAVEZ. Mr. President——

Mr. LUCAS. Let me finish my argument, and then I shall be glad to yield.

A declaration of policy is also set out providing for the granting of aid to those countries which participate in a joint recovery program based upon self-help and mutual cooperation.

Mr. President, the remedy for Spain is the same as that for Korea. It is a separate proposition. The nations of Europe which have already joined together for mutual aid and self-help should have something to say as to whether or not Spain should come into the program. Let it be understood that I am not speaking against Spain as a nation; I am attempting to argue a point of order which is involved here.

If I may digress for a moment, I was in Spain last year, and I have a great deal of sympathy for the Spanish position. I am certain that we could well have closer relations with that country, but that is not the issue. I am not debating it upon its merits, I am debating a point of order vital to the integrity of the rules of the Senate of the United States.

The amendment, Mr. President, is legislation in an appropriation bill, because if we did what is intended to be done by this amendment, we would absolutely change the declaration of policy which I have been reading to the Senate. In that declaration of policy Congress has endorsed a joint organization of European countries. We have appropriated money and are appropriating it for the second time, in order to help those countries which are members of that joint organization. This amendment ignores the machinery of that organization for accepting new members. The policy provides, also, that aid may be given only to those countries which participate in a joint recovery program based upon mutual cooperation. This amendment repudiates mutual cooperation. This $50,000,000 should not go to Spain until Spain, through a joint program with all of the nations, is mutually cooperating toward the recovery of Europe. The amendment, which forces Spain into the European recovery program, is in direct conflict with the declared policy of the basic law, the European Economic Cooperation Act. I want to emphasize that the declared policy of Congress makes aid dependent upon mutual cooperation. The amendment repudiates mutual cooperation by singling out a nation without consideration or regard to whether it mutually cooperates in the over-all objective of European recovery.

Can there be any question about that, Mr. President? Can there be any doubt in anyone's mind that the amendment is legislation which effectively changes the declared policy of Congress, as was so well pointed out by the distinguished Vice President this morning in sustaining the point of order?

Mr. President, this is a serious question from the standpoint of the rules of the Senate of the United States. Those who talk about the majority leader making a point of order with respect to whether an amendment is legislation in an appropriation bill have themselves done the same thing. The minority leader made that point this morning. If he were majority leader, and if it were necessary to make a point of order with respect to the two-thirds rule, I imagine he would not hesitate to make it. I am not invoking any new rule of the United States Senate. This is a rule which has been in effect for a long time, long before any Senator who is here today came to the Senate of the United States. It is a good rule, a proper rule, Mr. President; but so long as we treat that rule with disrespect and permit legislation in an appropriation bill simply because we may be in favor of the merits of the proposition, we are doing an injustice to the integrity and the dignity of the Senate of the United States.

I appeal to Senators, not from the standpoint of the merits of this amendment, but from the standpoint of upholding and maintaining the dignity and the integrity of the rules of the Senate. In my humble judgment, the ruling of the Chair is correct. I regret that all Senators did not hear the ruling which was made.

I now yield to my friend from New Mexico.

Mr. CHAVEZ. I shall wait until the Senator finishes his remarks.

Mr. LUCAS. I yield the floor.

Mr. CHAVEZ. Mr. President——

The VICE PRESIDENT. The Senator has spoken twice on this subject. The Chair will not invoke the rule, however.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senator from New Mexico may speak again on the question.

Mr. CHAVEZ. I thank the Senator.

The VICE PRESIDENT. The Senator from New Mexico is recognized.

Mr. CHAVEZ. Mr. President, with all due respect to the Senator from Illinois, the majority leader, and his purpose, that of protecting the rules of the Senate, I hope that his solicitude will continue as to other bills and not only those which he thinks are subject to a point of order. With all due deference to the majority leader, he is no more privileged to emphasize his respect for the Chair and the ruling than Senators who might think the Chair may have made a mistake in this particular instance.

I said before, and I repeat, that no one doubted the integrity of the Chair in his ruling. I thought the Chair was technically correct. But I say that in interpreting the rules of the Senate, when it comes to a question of national policy, a matter which involves the welfare and future of our country, the Senate has a right, no matter how meritorious the ruling may have been technically, to refuse to sustain the ruling.

I differ with the majority leader, the able Senator from Illinois, regarding this proposition. I know that, technically, the law says "jointly," but we cannot get Communists in a country jointly concerned ever to agree with us. It will take direct action by the United States in this instance. The Communists will not permit us to invite Spain to participate, therefore, in carrying out our over-all policy, the Committee on Appropriations and the Senate of the United States may well take action in order to carry out that policy. I cannot see anything wrong in such action.

My present position has not been taken because the Chair ruled in this manner. I respect the Chair. No one has a kinder feeling for the Chair than I. There has not been a presiding officer in this body in its entire history who, in my opinion, gives more sincere rulings than does the present occupant of the Chair. But because I feel this way does not mean that the welfare of the country should be overlooked, even though the Chair rules correctly so far as the technicalities are concerned.

To my mind, the welfare of the country is more important than any ruling. I believe in law, order, and country. I love the United States. I love to feel that what we are doing is sincerely done, that we mean what we say. I want to convince myself of that to the utmost.

When we speak of helping people to be rehabilitated, it is right and just. Is there anything in the basic law that says that Spain should not participate? There is not a thing. Spain should participate in the benefits of the ECA law which the Congress of the United States passed. But it cannot participate, because subversive elements within the countries in Europe which are the beneficiaries of our largess do not want Spain to participate.

Have we a duty to ourselves, in carrying out the basic law, to say something about that? The Committee on Appropriations is headed by the noblest Roman of them all, the Senator from Tennessee [Mr. MCKELLAR], who has devoted the best years of his life to his country. Is he trying to put something over on the Senate? Is the Senator from Oklahoma [Mr. THOMAS], who is doing me the honor to listen to what I have to say, trying to put something over on the Senate? Is the Senator from Nevada [Mr. MCCARRAN] trying to put something over on the Senate? Is the Committee on Appropriations as a whole trying to put something over? Is the Senate as a whole trying to put something over? Should we do what some administrative assistant in some department wants to have done? Are we supposed to cross a "t" or put in a comma? We are not supposed to change a thing; we are not supposed to reduce an appropriation 1 cent. All we are supposed to do is to give them the

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money through the Committee on Appropriations. After that we are nuisances, and nothing else.

I still think that as members of the committee, and as Members of the United States Senate, we have a duty to our constituents and our Nation to argue for those things which we think carry out the law and the general policy adopted by the Congress.

Why not include Spain in this instance? Who does not want Spain included? Do the churches of England not want it? Do the working people of England not want it? Do the liberal people of England not want it? Do the liberal people of any country not want it? Do the liberal people of the United States not want it? The only ones who will be pleased if Spain is left out are the Communists. Would the Senator from Illinois by his point of order please Communists in Chicago rather than please the average fair-minded person in the United States? I repeat, the men who are being tried under Judge Medina—and I hope they get a fair trial—will be pleased, more so than other people. A ruling sustaining the point of order will not please the fine Christian people of France, Italy, England, or any other country, but every Communist will be pleased. Those who persecuted Cardinal Mindszenty in Hungary will be pleased. "Uncle Joe" will be pleased. The Communists in Czechoslovakia will be pleased. I hope consciences within the United States are clear. The ruling of the Chair should be overruled by vote of the Senate.

Mr. McCARRAN. Mr. President, just a final word on the amendment. This amendment is not legislation on an appropriation bill. The amendment is squarely within the language and provisions of the law. The amendment reads "$50,000,000 shall not be available for any other purpose than assistance to Spain."

This is the statement appearing in the report:

> In approving this provision, the committee does so with the understanding that the assistance is to be extended upon credit terms as provided in section III (c) (2) of the Economic Cooperation Act of 1948, as amended.

It comes squarely within the provisions of the law. What are the provisions of section III (c) (2)? I read from page 11 of the act:

> (2) When it is determined that assistance should be extended under the provisions of this title on credit terms, the Administrator shall allocate funds for the purpose to the Export-Import Bank of Washington, which shall, notwithstanding the provisions of the Export-Import Bank Act of 1945 * * * as amended, make and administer the credit on terms specified by the Administrator in consultation with the National Advisory Council on International Monetary and Financial Problems.

Mr. President, this is not a gift to Spain, this does not come within the category of her participating in a group. It is a loan made to Spain, and in my judgment it will be one of the few loans that will be paid back. It is made under specific provision of the law. There is no contingency whatsoever. The law has long since been written; it is on the statute books, and it makes provision for this very situation.

Shall we turn Spain down? The learned Senator from Illinois says that Spain is not asking to come into the family of European nations. The Senator has not been properly advised. Spain is today a suppliant, if you please, with her petition pending before the Council in Paris asking that she be taken into the family of nations set up under the ECA. Her application is pending there, and if this appropriation is made, she will have taken at least one broad stride toward coming into the family of nations of Europe.

Mr. President, with all due respect for the Presiding Officer, I hope that the fine respect which this body holds for its Presiding Officer will not cause it to swerve from the right. I hope that we will not be timid about overruling a decision of the Chair. I hope that that which is used as a subterfuge to defeat something which some do not want put into the law will not be used to sabotage the finest principles of law as they have been written.

The VICE PRESIDENT. The Chair would like to make the observation that he does not wish to argue the point of order or his own ruling, but the Chair was guilty of no subterfuge in making this ruling. He made the ruling because he thought it was in compliance with the rules of the Senate, and if this amendment is held in order, an amendment to set aside $100,000,000 for Bulgaria, or $150,000,000 for Russia, or for any other country not in the ECA program, would likewise be in order.

The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. McCARRAN. Mr. President, I understand the yeas and nays have been ordered.

The VICE PRESIDENT. The yeas and nays have been ordered, and the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from Montana [Mr. MURRAY] is absent on public business.

I announce further that the Senator from Florida [Mr. PEPPER] and the Senator from Kentucky [Mr. WITHERS] are absent by leave of the Senate, and if present would vote "yea" on this question.

Mr. SALTONSTALL. I announce that the Senator from New Jersey [Mr. SMITH] is detained on official business. If present and voting, the Senator from New Jersey would vote "yea."

The result was announced—yeas 55, nays 36, as follows:

YEAS—55

Aiken	Green	Long
Anderson	Hayden	Lucas
Baldwin	Hickenlooper	McFarland
Byrd	Hill	McGrath
Chapman	Hoey	McMahon
Connally	Holland	Magnuson
Douglas	Humphrey	Martin
Downey	Hunt	Morse
Dulles	Ives	Myers
Ellender	Johnson, Tex.	Neely
Flanders	Johnston, S. C.	O'Conor
Frear	Kefauver	Reed
Fulbright	Kerr	Robertson
George	Kilgore	Saltonstall
Gillette	Knowland	Smith, Maine
Graham	Lodge	Sparkman
Taylor	Tobey	Williams
Thomas, Utah	Tydings	
Thye	Vandenberg	

NAYS—36

Brewster	Gurney	Millikin
Bricker	Hendrickson	Mundt
Bridges	Jenner	O'Mahoney
Butler	Johnson, Colo.	Russell
Cain	Kem	Schoeppel
Capehart	Langer	Stennis
Chavez	McCarran	Taft
Cordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Watkins
Eastland	McKellar	Wherry
Ecton	Malone	Wiley
Ferguson	Miller	Young

NOT VOTING—5

Maybank	Pepper	Withers
Murray	Smith, N. J.	

So the decision of the Chair stood as the judgment of the Senate.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, on page 4, line 23, after the numerals "1950", to strike out the following additional proviso: *"Provided further,* That the entire amount may be apportioned for obligation or may be obligated and expended, if the President after recommendation by the Administrator deems such action necessary to carry out the purposes of said act during the period ending May 15, 1950."

Mr. HAYDEN. Mr. President, good faith requires the adoption of this amendment, which changes the period of time from 10½ months to a year. It will be noted that in lines 1 and 2 on page 4 of the bill the amount of money has been increased from $3,568,470,000 to $3,628,380,000. The increase is justified because the expenditure is to be spread over a 12-month period. Therefore the committee amendment should be adopted.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 4, beginning in line 23.

The amendment was agreed to.

The next amendment was, on page 5, after the amendment above stated, to insert a colon and the following additional proviso: *"Provided further,* That no part of the funds herein appropriated with respect to which local currencies are deposited as provided in section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended, shall, after deposit in local currency accounts as a result of assistance furnished, be made available for expenditure by any recipient country so long as such country (1) fails to comply with any treaty with the United States, or (2) causes or permits any area dependent upon it (as designated in the bilateral agreements) to fail to comply with any such treaty."

Mr. LUCAS. Mr. President, if any Senator desires to make a general statement on the amendment before I make the point of order, I shall reserve it. I shall make the point of order and state the same reasons which I stated yesterday with reference to both provisions of rule XVI. The amendment is legislation on an appropriation bill, and also involves a contingency where a restriction is involved.

Mr. RUSSELL. Mr. President, in this atmosphere I am somewhat reluctant

to undertake to discuss this point of order, because the Senate has made it clear by previous votes that it is determined that nothing shall go into this bill which might be contrary to any view expressed by another committee of the Senate.

I think perhaps when all this has blown over, the votes, particularly that of yesterday, will be helpful to the Senate in the future. So far as I am advised, the ruling of the Chair yesterday with respect to the amended rule XVI, which denies any limitation which is subject to a contingency, is the first ruling on that subject that has ever been made by a presiding officer of the Senate. Any difference of opinion we might have held on the subject of contingencies have now been settled by the Senate, which in the last analysis makes its own rules. In the future the Appropriations Committee—at least I, as a member of that committee—will undertake to be more strictly guided by the restrictive rule which was approved by the Senate yesterday.

Mr. President, I shall not consume the time of the Senate in discussing that ruling, or the effect of it, because I shall not argue against this point of order on that ground. I submit to the Chair that wholly on the constitutional issues involved the point of order has no merit.

In the bitterness of debate, when our feelings toward the subject matter of amendments as often persuade our position on parliamentary issues as any other factor, we sometimes lose sight of the Constitution of the United States. There are other areas and other activities of Government where, I regret to say, the Constitution does not have the sanctity it had in years gone by.

Mr. President, I place my defense of the legality and propriety of this amendment squarely on the ground that the Constitution of the United States is the supreme law of the land. It is superior to any rule of the Senate. It is supreme even to any view which might be held by the administrator of any agency which has been created by the Congress.

Article VI of the Constitution contains these words:

> This Constitution, and the laws of the United States which shall be made in pursuance thereof; and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the constitution or laws of any State to the contrary notwithstanding.

This amendment undertakes to assert a very simple proposition. It is that when a treaty, which is the supreme law of the land is violated, the Congress has the right to place a limitation on the appropriation of funds, in order to deny such funds to a violator of that treaty.

There can be no issue raised as to the jurisdiction of the Committee on Foreign Relations. The jurisdiction of the Committee on Foreign Relations in dealing with the ratification of a treaty is clear and inescapable. This amendment does not invade that jurisdiction but merely places a limitation on funds which might go to the violator of a treaty already ratified.

If the Chair sustains the point of order, he will, in effect, rule that no limitation can be written into an appropriation bill withholding funds which are likely to be expended in violation of the Constitution. The Constitution attaches to a treaty the same sanctity it accords the written words of that document. The Constitution and treaties entered into under it constitute the supreme law of the land. No mere rule of contingency, indeed, no technicality whatever can properly be used to deny the right of the Senate to adopt a pure limitation designed to prevent funds appropriated from the Federal Treasury from benefiting one who violates the supreme law of our country. This language does not involve any question of contingency. It is an expression from the Congress of the United States that it proposes to use its powers over these funds to enforce a solemn treaty with another state, a treaty which has been approved by the Foreign Relations Committee, a treaty which has been confirmed by the United States Senate, and which has been in existence for many years.

I submit that any technicality in our rules as to contingencies does not apply in this case. No question of legislation is involved, because the amendment is a limitation upon a fund which is appropriated. The amendment merely provides that those who have entered into treaties which we have accepted in good faith must likewise conform in good faith or they shall not receive any of the funds appropriated in this bill.

Mr. President, I do not wish to belabor this point, because I think I know something of the feeling of Members of the Senate. We have already become somewhat tired, and a few of us have been irritated by the parliamentary discussions. However, I submit to the Chair the argument in behalf of the propriety of this amendment the fact that it is a pure limitation. It is the only means available to the Congress to prevent unilateral violations of a treaty by another power from injuring American citizens.

The Constitution is not so popular in some quarters as that document has been in days gone by. There are many who believe that it should not be the supreme law of the land. Indeed, forces are working today to take away some of the virtues which our forebears attached to this document.

Surely a limitation which would prevent benefits from flowing from our Treasury to a violator of a solemn treaty made with the Government of the United States by any other power is not subject to a point of order. It is a limitation pure and simple. I submit it to the Chair on the grounds that the Constitution is the supreme law of the land, and that in the case of a treaty with a foreign power of equal dignity, a pure limitation upon an appropriation does not fall within any rule which has been invoked here or within any ruling which has been sustained by the Senate within the past 2 days.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. LONG. Was the treaty in effect at the time when the rule was drawn up, or was the rule drawn up before the treaty went into effect?

Mr. RUSSELL. I had not intended, for the purposes of this discussion, to go into any details of the treaty. But I have understood that a treaty of the same force and effect has been in existence for more than 100 years.

Mr. LONG. Then it would not be proposed, by putting the rule into effect, to violate the supreme law of the land, would it?

Mr. RUSSELL. I had not understood that any Senator would argue that a Senate rule could violate the Constitution of the United States. Certainly the Senate by adopting a simple rule could not repeal an article of the Constitution.

The VICE PRESIDENT. Will the Senator from Georgia permit the Chair to ask him a question?

Mr. RUSSELL. Mr. President, I shall be happy to undertake to answer. I am flattered that the Chair would address a question to me.

The VICE PRESIDENT. The Senator from Georgia knows with what high regard the Chair values the opinions of the Senator from Georgia.

Mr. RUSSELL. I thank the Chair for that compliment, but I am simply a humble student of the rules of the Senate. I shall study carefully the rulings of the past few days, because it would seem that the Senator from Georgia is the poorest sort of judge of the meaning of the rules of the Senate, in view of the fact that some of the recent rulings have been entirely contrary to the Senator's understanding of the rules. Nevertheless, I thank the Chair for the compliment.

The VICE PRESIDENT. Congress frequently has passed laws which have been held unconstitutional by the Court.

The inquiry of the Chair is this: When a bill, joint resolution, or measure in any other form is pending before the Senate, will a point of order lie against it on the ground that it is in violation of the Constitution? Does a point of order properly lie against a bill, resolution, or any other proposal which may come before the Senate, on the ground that it is unconstitutional or in violation of the Constitution?

Mr. RUSSELL. Mr. President, I have not understood that such a point of order has been ruled upon by the Chair. Of course, I have heard prolonged arguments on the floor of the Senate on the ground that some measure was unconstitutional but I do not think the Chair could properly pass on such a point if it were raised.

The VICE PRESIDENT. The Senator's reply confirms the Chair's impression, namely, that although a bill or other legislative proposal may be unconstitutional, the Senate may still pass or adopt it, and a point of order does not lie against it on the ground that it is unconstitutional.

Mr. RUSSELL. Mr. President, I did not submit any such point of order as that.

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The VICE PRESIDENT. No; the Senator from Georgia did not submit such a point of order. He was arguing against the point of order made by the Senator from Illinois.

Mr. RUSSELL. That is correct. I was arguing—and let us consider the matter without regard to any particular state of facts—in regard to the proposition of whether a treaty violator can be denied the right to receive the benefits of these funds by a limitation in an appropriation bill. In my judgment, the question as to whether a treaty has been violated would be left to the judgment or analysis of the man to whom we have delegated all these other vast powers, namely, the Administrator of the European Cooperation Administration Act. We would leave it to him to see that none of these funds went to any nation which was a treaty violator. I do not think the Chair can pass on the question as to whether there has been a violation. That is a matter for the executive branch of the Government to determine.

I had not intended to go into the question of the recent rulings. But I did not think the Chair had a right to take judicial cognizance as to whether Spain was in the United Nations. I did not think the amendment related to that in any way.

The VICE PRESIDENT. The Chair did not take cognizance as to whether Spain was in the United Nations. The Chair took legislative cognizance of the fact that Spain was not a participant or signatory to the agreement signed at Paris on September 22, 1947.

Mr. RUSSELL. Yes; that is what I understood.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. I should like to have the Senator's view on this suggestion: Does the Senator from Georgia believe that a provision in an appropriation bill—in particular, the ECA appropriation bill—to the effect that any participating country which refuses to devote the money allowed to it to the purposes for which the Administrator directs the money be used shall thereafter be denied such money, would be a proper provision?

Mr. RUSSELL. I certainly think it would be in order as a limitation and also because it would be authorized by law.

Mr. HICKENLOOPER. What would be the Senator's opinion as to whether such a provision would be a proper one for the Appropriations Committee to place in this measure?

Mr. RUSSELL. Mr. President, the powers of the Appropriations Committee have been sharply delimited by what has taken place recently. That may be for the good of the administration of the Senate; it may assist us in the future operations of the Senate as a body. I am quite sure that, all other things considered, after some of the events of the past several days, the Appropriations Committee will be exceedingly careful about anything it places in an appropriation bill hereafter.

But my view is that the power of limitation has not been completely destroyed. It has been broadly used in times past. Now it has been narrowed.

Mr. HICKENLOOPER. My purpose in asking the question of the Senator is to inquire whether there might be an analogy. It would seem to me that it might be proper for the Appropriations Committee to say in this measure that any participating nation which refused to use the aid in the manner and in the field directed by the Administrator, should be denied future aid. That would seem to me to be a perfectly proper provision.

Then to go a step farther, I wonder whether the Senator from Georgia believes there is a similarity between such a provision and a provision to the effect that any participating country which violates its treaty with the United States shall be denied further aid.

I should like to hear the Senator's views on that comparison.

Mr. RUSSELL. At the outset of my remarks I stated—and I do not wish to discuss this matter at length—that in my opinion this is a definite limitation which does not fall within the inhibitions of rule XVI, even with the construction placed upon it by the vote taken yesterday. I think it is just as much in order as would be a limitation that the funds contained in an appropriation made hereafter could not be expended for any unconstitutional purpose which the Congress might designate, just as in this case this amendment provides that the funds cannot be expended for the benefit of any nation which violates a solemn treaty with the United States of America.

Mr. LONG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LONG. Does not rule XVI provide that—

> Nor shall any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law be received if such restriction is to take effect or cease to be effective upon the happening of a contingency.

That being the case, is not this a restriction which is authorized by law, for could not the Administrator at any time take cognizance that such nation was violating a treaty with the United States?

Mr. RUSSELL. The Senator from Louisiana has clarified what I undertook to express when I said this amendment was authorized by the supreme law of the land and was intended to implement and enforce the supreme law of the land, as set forth in the Constitution of the United States.

Mr. President, I have yielded the floor.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I do not know, Mr. President; I may wish to have something to say on this subject a little later, and I do not want this to be counted as a second speech.

The VICE PRESIDENT. It will not be; the Senator is extending his first speech.

Mr. RUSSELL. Very well.

Mr. SALTONSTALL. Is it the understanding of the Senator from Georgia that these words are really unnecessary; in other words, that the Appropriations Committee put in the language, but that it is not really necessary because such payments cannot be made to any country which is violating a treaty with us?

Mr. RUSSELL. Oh, no; I did not make that statement at all. As a matter of fact, I think the payments have been made. But for the purposes of this argument, I did not want to go into the merits or demerits of the treaty.

I did not say it could not be done, because undoubtedly the Administrator has construed the law as permitting him to pay funds to a nation which has violated a treaty with the United States. But under the supreme law of the land, the Constitution of the United States, the Congress can still say, by way of this limitation, to the Administrator, "If you find a nation to be in violation of a treaty with the United States, you shall discontinue aid to that nation."

I did not say it would be illegal to pay it to a nation which was a treaty violator, but that the Congress had a right to put a limitation on the fund which would call it to the attention of the Administrator and cause him to discontinue payments to a nation that was in violation of a treaty.

Mr. VANDENBERG. Mr. President, I desire to make only a brief observation. It seems to me this particular amendment most perfectly demonstrates the reason for the existence of the rule against legislation on an appropriation bill, for this reason: All the issues involved in the amendment were debated at great length when the ECA authorization bill was pending. Everything in the amendment was offered in the first instance frankly and flatly in the form of legislation. Not only that, but in the course of 2 days of debate the Senate itself twice voted by a yea-and-nay vote on the precise subject matter of the amendment. In one instance the result was 22 yeas, 59 nays; in the other instance, 35 yeas, 45 nays.

Without reopening the question of the merits of the issue, which was closed in the appropriate legislative forum when the issue was raised in proper legislative form, I respectfully submit that if ever any words were identified as legislation, these words are identified as legislation by the history of the words in this session of Congress.

The VICE PRESIDENT. Will the Senator permit the Chair to ask him a question?

Mr. VANDENBERG. I yield.

The VICE PRESIDENT. In the basic act upon which all the ECA appropriations are founded, there is a section—the Chair has not been able in his haste to refer to it—providing for the withdrawal of assistance to any participating nation which fails to carry out its agreements with respect to the conditions under which the aid is proffered. That is not the exact language, but the Chair thinks he has stated the substance of the provision. Is the Chair correct about that?

Mr. VANDENBERG. Speaking generally, I think so.

The VICE PRESIDENT. The amendment, however, apparently does not apply to any failure on the part of a participating country to carry out its agreements under the act for self-help and for cooperation within the limits of the nations participating and with the United States. But it seems to go further than that and to provide that if any such country is violating any treaty, whenever made, however long it may have existed, and although it may have no relationship to the ECA Act, under those conditions, the fund deposited as a result of the act and of the provisions, shall not be used. Is it the Senator's viewpoint that the amendment, which applies to any treaty heretofore made with any of the participating countries that is being violated, would go beyond the basis of the original act, which provides for the withdrawal of assistance in case any participating nation fails or ceases to carry out its obligations under the act and under the multilateral and bilateral agreements made thereunder?

Mr. VANDENBERG. If the Senator understands the Chair's question, the answer would be in the affirmative. I should like to submit a thought on that question, although I had not intended to enter the discussion of the merits at all. I respectfully suggest that nations which are members of the United Nations have a right to submit treaty violations to the adjudication of the International Court of Justice, and they do not have any right to take unilateral action. I withdraw the suggestion, "they do not have any right," for I suppose they have the right to do anything they please; but under the theory of the Charter of the United Nations it certainly is appropriate for any member nation to have an adjudication of an alleged treaty violation by the International Court of Justice.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Missouri?

Mr. VANDENBERG. Yes, indeed.

Mr. DONNELL. Before phrasing the question, I should like to say the question is not intended in any sense to indicate sympathy with any country which fails to comply with its treaty obligations, nor does it indicate any lack of reverence for the Constitution of the United States.

Mr. VANDENBERG. The Senator will be absolved from any lack of respect for the Constitution.

Mr. DONNELL. I thank the Senator. I should like to ask the Senator this question: There certainly is no provision of the Economic Cooperation Act of 1948 which says that among the things which may be used as a disqualification—if there is any such provision—of a participating country to receive aid, a failure to comply with a treaty is one of the grounds of disqualification. That is certainly true, is it not?

Mr. VANDENBERG. I think so.

Mr. DONNELL. Then the amendment, by adding it as one of the grounds on which a nation may be disqualified, clearly adds legislation, something that is not in the existing act. Does not the Senator agree with that?

Mr. VANDENBERG. It would seem so to the Senator from Michigan. All his inclinations are to agree, at any rate.

Mr. DONNELL. I hope the Senator's inclinations will be translated into actual agreement.

This is the point I am trying to make, very faultily, I appreciate: If there is a provision—I have been searching to find it—of the type to which the Vice President referred, which says that, instead of the participating countries, as mentioned in section 102, being entitled to receive funds, or words to that effect, certain of them may be disqualified by certain actions or failure to perform, certainly the failure to perform a treaty obligation is not listed as one of those disqualifying elements. Consequently, would it not seem absolutely incontrovertible that when the amendment adds such an element as a specific ground of disqualification it constitutes new legislation.

Mr. VANDENBERG. Mr. President, the distinguished Senator from Missouri raises a new point so far as the Senator from Michigan is concerned. But on the statement of the Senator from Missouri, it would seem to the Senator from Michigan that the Senator has taken a correct position.

Mr. DONNELL. I thank the Senator.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. VANDENBERG. I yield.

Mr. SALTONSTALL. I desire to ask the Senator a question. If I understand his argument correctly, and I think I do, it is to this effect: The fact that the Appropriations Committee added the words "fail to comply with a treaty" is legislation by reason of the fact that the words add a condition to the basic act. If they were not in this appropriation bill the Administrator possibly could pay the money to a nation in spite of its violation of a treaty. Do I make myself clear?

Mr. VANDENBERG. I am afraid the Senator does not. I am sure it is the fault of the Senator from Michigan.

Mr. SALTONSTALL. It is not. What I tried to say to the Senator from Georgia was this: I asked the Senator from Georgia, if these words were not put in by the Appropriations Committee, could the Administrator pay money to such a nation in spite of its being a treaty violator. As I understood him, he said he did not make that argument; rather he made the argument that this wording was simply requiring the Administrator to live up to the Constitution. As I understand the Senator from Michigan, he has argued that the Committee on Foreign Relations considered the words and deliberately omitted them, and that the Senate confirmed the action of the committee in omitting them. Therefore, as I understand, the words are legislation on an appropriation bill, because they do add something to the duties of the Administrator. Is that correct?

Mr. VANDENBERG. I think that is correct.

Mr. McCARTHY. Mr. President, I understand that earlier today there was some comment made on the floor regarding the alleged lobbying of Mr. Paul Hoffman. I do not know the situation so far as other Senators are concerned, but I think, in fairness to Mr. Hoffman, I should advise the Senate that Mr. Hoffman and Mr. Foster did discuss the McClellan amendment with me. They were here, however, on my express invitation. I called Mr. Hoffman and Mr. Foster because I wanted to discuss a matter which I thought was directly concerned with the McClellan amendment.

In my State there is a sizable number of wheat farmers and rye farmers. There are approximately 6,000 or 7,000 rye farmers. Farmers in North Dakota, South Dakota, and the whole wheat and rye belt are much concerned because we find that the Army is negotiating for the purchase of 200,000 tons, approximately 8,000,000 bushels, of rye from eastern Poland and the Russian Ukraine. There is a difference of opinion as to the value of the Brannan plan to the American farmer, but there is not much difference of opinion as to the Brannan plan for the purchase of rye from the Russian Ukraine. That is one of the reasons why Mr. Hoffman and Mr. Foster were called here. The matter was taken up with Mr. Voorhees of the Army and with the Department of Agriculture. After going into it in some detail I was firmly convinced that Mr. Voorhees, who is the purchasing agent for the Army was not at fault because his hands are completely tied. The matter is directly in the lap of the Secretary of Agriculture, or the Commodity Credit Corporation which the Secretary controls. The Secretary has made it absolutely impossible for the Army to purchase millions of bushels of American rye in this country. He has made it impossible for the Army to purchase rye next door, in Canada. We all know that there is at the present time a surplus in Canada. Our farmers are being offered about $ 1.19 a bushel for rye, which is less than 75 percent of parity. So I am sure Senators will understand the concern of Senators from the Wheat and Rye Belt when it was found that the Secretary of Agriculture was forcing the Army to purchase rye in eastern Poland and the Russian Ukraine, which is needed in Germany and Austria.

This is not being done directly. Under the law they cannot take GARIOA funds and purchase rye from the Russian Ukraine, but the same results are accomplished as follows:

England needs corn to feed livestock. Instead of England buying it directly, the Army purchases it in this country for England. England, in turn, which has no use for rye, purchases rye from the Russian Ukraine and after that she trades the rye she has purchased, to our Army which purchases the corn which England needs. The end result is that the American farmer is denied a market

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for millions of bushels of rye. This is of concern not only to the rye farmer, but also to the wheat farmer, because when the price of rye drops, the price of wheat drops also. For example, when the rumor of this indirect Army deal became known the price of wheat dropped approximately 5 or 6 cents a bushel.

The Secretary of Agriculture was contacted by the junior Senator from Minnesota [Mr. HUMPHREY], the Senator from North Dakota [Mr. LANGER], the Senator from Minnesota [Mr. THYE], the Senator from North Dakota [Mr. YOUNG], and me approximately 5 months ago in regard to this matter.

Around tax time, as the Senate knows, the subject of farm prices is rather important. In my State very few farmers rely upon rye for their entire income. It is called a tax crop. Many of them sell it to get money to pay their taxes.

As I stated, we discussed the matter with the Secretary and received very little of value, except a statement which I thought was rather unusual, as did some of the other Senators who were with me. He stated that the farmers had not come into the support program, and this would probably teach them a lesson, and that next year they would undoubtedly come into the program. It seems hardly possible that the Secretary meant that as a threat; it was probably a slip of the tongue. It was at least an unusual statement.

I thought the Senate was entitled to know that my contact with Mr. Hoffman and Mr. Foster yesterday was not a matter of lobbying on their part. I wanted to discuss with those gentlemen the subject as to whether they felt the McClellan amendment would prevent a repetition of this grain situation.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARTHY. I shall be glad to yield.

Mr. LUCAS. The Senator, in discussing Mr. Hoffman, has criticized the Secretary of Agriculture for failure to purchase Canadian rye. Am I correct in that statement?

Mr. McCARTHY. No; not for failure to purchase Canadian rye. I think the Secretary of Agriculture has a duty, and I believe it follows, as the night follows the day, that he should make any rye in this country available to the Army. If rye is not available in this country, then I think, instead of forcing the Army to purchase rye in the Russian Ukraine, he should make it easier for the Army to purchase rye which is right next door, from our neighbor, Canada. The Senator from Illinois does not have as many wheat and rye farmers in his State as there are in my State, but I am sure he knows that when there is a surplus next door in Canada it automatically flows into this country and unfavorably reflects on the amount of money received by our farmers for their rye and wheat. It is a question of whether we shall force the Army to buy Russian rye in accordance with the Brannan farm plan for the Russian Ukraine.

The VICE PRESIDENT. The Chair would like to suggest that this debate is directed to the Chair on a point of order with respect to a pending amendment, and while it is an interesting dissertation on rye, it has no bearing on the point of order. The Chair hopes the Senator will not prolong his discussion to a point at which the Chair will forget the point of order on which he is to pass.

Mr. McCARTHY. Mr. President, I consider this matter just as important to the farmers of the Middle West as is the point of order which the Chair is about to decide.

The VICE PRESIDENT. The Chair does not underestimate the importance of rye.

Mr. McCARTHY. I rose principally to clear up the matter insofar as Mr. Paul Hoffman was concerned, who had been charged with lobbying. I want to make it clear that while I do not know what his contact with other Senators happened to be, so far as I am concerned I asked him and Mr. Foster to come, and we discussed the relation of the Army rye purchase to the McClellan amendment.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. The amendment says:

Provided further, That no part of the funds herein appropriated—

And so forth—

shall, after deposit in local currency accounts as a result of assistance furnished—

And then there is a restriction.

I should like to ask, are funds which are appropriated by the United States deposited in local currencies? I do not understand the mechanics of this operation. Where is there a limitation? It reads:

That no part of the funds herein appropriated * * * shall, after deposit in local currency accounts as a result of assistance furnished——

The VICE PRESIDENT. The Chair assumes that that refers to the provision of the original act which authorized the deposit in currencies of these different countries. The Chair does not understand it means that any part of this appropriation will be deposited in currencies of the ECA countries.

Mr. WHERRY. That is what I am asking. That is what the language provides, and I am asking the Senator from Georgia, who is on the floor, if he will answer, does this amendment starting with the words "that no part of the funds herein appropriated" do exactly what he has explained? I suppose that is the money which the countries get from the United States—dollars. Then we come down to the verb, it says "shall, after deposit in local currency accounts," and so forth.

Mechanically, does that actually happen? I had supposed the money we appropriated to these countries stayed here, that they used it as a credit against which to buy goods in this country, and that the only time the local currency was used was after the goods had been delivered and were sold in the normal channels of trade.

Mr. RUSSELL. That is correct.

Mr. WHERRY. Where is there a limitation on the funds appropriated?

Mr. RUSSELL. It is all right to put a limitation on the funds when they are in the form of dollars.

Mr. WHERRY. Is the limitation on the dollars before they leave the country, or when the money is finally deposited in the local currencies?

Mr. RUSSELL. It is when it is finally deposited in counterpart funds.

Mr. WHERRY. That is, the limitation is imposed upon what the local dollars, exchanged into the local currencies, mean in the countries where the deposits are made?

Mr. RUSSELL. That is correct.

Mr. BALDWIN. Mr. President, I should like to address myself for a few minutes to the point of order which has been raised, and I do so because I want to take the position the distinguished junior Senator from Georgia has taken. I do so particularly in light of the fact that the senior Senator from Michigan [Mr. VANDENBERG] recalled to the Senate a discussion on the floor of the Senate of an amendment to the original ECA Act itself.

The junior Senator from Connecticut was the Senator who proposed that amendment, and my recollection of what occurred at the time coincides exactly with what the distinguished Senator from Michigan has said, and I hesitate, because of the position he has taken, to take an opposite one, because I know of his long knowledge and experience in the Senate, and particularly of his intimate knowledge of the ECA Act and the administration of the fund.

Mr. President, I should like to raise this question: Is it within the province of the Committee on Appropriations to decide whether or not it shall grant or withhold funds based upon the knowledge that some law or treaty of the United States is or is not being violated? It seems to me it is very definitely within their power to do exactly that sort of thing. In other words, it is the contention of the junior Senator from Connecticut that this provision partakes of the very substance and nature of the appropriation itself. Obviously, if the Committee on Appropriations have brought to their attention the fact that there was a misuse of funds, it seems to me it would be perfectly within their power to decide whether or not to grant an appropriation on that particular basis.

Assume there was an appropriation of $100,000,000 for a particular purpose, or a recommendation or authorization, and the matter came before the Committee on Appropriations, and the point was made before the committee, "Yes, last year a similar appropriation for a similar purpose was misused." It seems to me that in the light of that claim, certainly the Committee on Appropriations could decide whether or not it should withhold the funds on that particular basis.

Mr. President, it is not a matter of policy, but if it is a matter of policy, it is a matter of policy peculiarly within the province of the Committee on Appropriations.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BALDWIN. I am glad to yield.

Mr. RUSSELL. I should like to point out to the distinguished Senator that the Committee on Appropriations cannot decide anything finally. It is a mere servant of the Senate. It can merely propose to the Senate. The question is not as to whether or not the Committee on Appropriations can decide. The question is whether or not the Senate of the United States can decide.

Mr. BALDWIN. I thank the Senator for his point, but what I meant to say was that it was up to the Committee on Appropriations to report a bill to the Senate with this provision in it, and that it was peculiarly a subject with which the Committee on Appropriations should deal in considering an appropriation.

The VICE PRESIDENT. Will the Senator permit the Chair to ask him a question which bears on the point he is making?

Mr. BALDWIN. Certainly.

The VICE PRESIDENT. How is the fact established that a nation has violated or is violating a treaty with the United States? Under this amendment, is the Administrator to be the arbiter of that? Is he to decide whether a given nation is violating a treaty under which decision he could withhold these funds? Can the Senate decide? The State Department might protest against a certain action which it claims is a violation of the treaty. It is not a unilateral proceeding. There must be some judicature somewhere in the world as to whether a treaty is being violated. There are certain provisions in the United Nations Charter under which it can adjudicate such a matter. But under this amendment, who would decide, who could decide?

Mr. BALDWIN. It does not seem to me that anyone needs to decide that question. It seems to me that it is sufficient if the point is raised. Then the Administrator, administering the fund, can bring the matter to the attention of the nation involved, and the nation involved, or the Administrator, or both of them together, can satisfy themselves as to whether a treaty is being violated, or, if it is being violated, whether the matter can be adjusted.

It seems to me this is a directive, as a part of the substance of this appropriation, to the Administrator to give great care to the question of whether there is a violation of any treaty between any nation concerned, which takes advantage of the provisions of the act and of the United States of America. In other words, it is a directive on the conduct of the Administrator in handling the funds, and it seems to me to be a proper directive to the Administrator.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield to the Senator from Georgia.

Mr. RUSSELL. If the Senator will permit, and the Chair will indulge me, there is no question but that the Administrator would decide in the first instance. The appropriation is made to the Economic Cooperation Administration. But the basic law, the first ECA Act we passed, contains a section which deals specifically with this situation. Since we have gotten off on this matter, I invite the attention of the Chair to section 105 of the act, which provides the general functions of the Administrator. It proceeds in subsection 4 on page 4 of the printed act as follows:

Terminate provision of assistance or take other remedial action as provided in section 118 of this title.

(b) In order to strengthen and make more effective the conduct of the foreign relations of the United States—

This is in the law:

The Administrator and the Secretary of State shall keep each other fully and currently informed on matters, including prospective action, arising within the scope of their respective duties which are pertinent to the duties of the other.

I invite the Chair's attention specifically to this language:

Whenever the Secretary of State believes that any action, proposed action, or failure to act on the part of the Administrator is inconsistent with the foreign-policy objectives of the United States, he shall consult with the Administrator and, if differences of view are not adjusted by consultation, the matter shall be referred to the President for final decision.

So I submit, Mr. President, that this appropriation being made to the Economic Cooperation Administration, the decision of the question shall be made by the Administrator, and if the Secretary of State disagreed with him in the final analysis, the decision would be made by the President of the United States.

Mr. BALDWIN. Mr. President, I agree fully with what the Senator from Georgia has said, and I should like to add just one further thought.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. VANDENBERG. Did not my good friend the Senator from Connecticut himself offer in the Senate precisely this same general proposal as legislation on April 5, 1949?

Mr. BALDWIN. Yes, indeed, he did.

Mr. VANDENBERG. And it was debated for some time, and on a yea-and-nay vote it was defeated. Is that correct?

Mr. BALDWIN. That is correct.

Mr. VANDENBERG. And subsequently it was again submitted to the Senate by the able Senator from North Dakota and the Senator from Wisconsin, and it was again defeated. Is that correct?

Mr. BALDWIN. I think that is correct. I do not recall that.

Mr. VANDENBERG. Upon what theory does the Senator think that this language now ceases to be legislation?

Mr. BALDWIN. The Senator's point is, if I may say so, that this not only may be the subject of legislation, but it also may be the proper subject of limitation or direction in an appropriation bill. The junior Senator from Connecticut submits that the mere fact that it may have been defeated as a matter of legislative policy when the original act was before the Senate, does not prevent the question being raised again if it can properly be raised in connection with an appropriation measure. It is the contention of the junior Senator from Connecticut that it can be properly raised again in the consideration of this appropriation measure because it is nothing more than a directive in connection with an appropriation, which partakes of the very substance of the appropriation itself, that the Administrator and all who administer these funds shall pay particular attention to the laws and treaties of the United States and be guided by them. It seems to me it is nothing more than that. Mr. President, I hope that point of view will be sustained.

The VICE PRESIDENT. The Chair asks the Secretary to read section 118 of the Economic Cooperation Act of 1948.

The Chief Clerk read as follows:

TERMINATION OF ASSISTANCE

SEC. 118. The Administrator, in determining the form and measure of assistance provided under this title to any participating country, shall take into account the extent to which such country is complying with its undertakings embodied in its pledges to other participating countries and in its agreement concluded with the United States under section 115. The Administrator shall terminate the provision of assistance under this title to any participating country whenever he determines that (1) such country is not adhering to its agreement concluded under section 115, or is diverting from the purposes of this title assistance provided hereunder, and that in the circumstances remedial action other than termination will not more effectively promote the purposes of this title or (2) because of changed conditions, assistance is no longer consistent with the national interest of the United States. Termination of assistance to any country under this section shall include the termination of deliveries of all supplies scheduled under the aid program for such country and not yet delivered.

The VICE PRESIDENT. If there is no further argument on the point of order the Chair is ready to rule.

Mr. RUSSELL. Mr. President, will the Chair indulge me one moment?

The VICE PRESIDENT. Yes.

Mr. RUSSELL. I insist that under the language of section 118 the amendment is specifically in order because it provides that the Administrator shall decide that, because of changed conditions which relate to a treaty violation, assistance is no longer consistent with the national interest of the United States. What could be more important than to have strict adherence to a treaty? What could be more consistent with the national interest of the United States than strict adherence to and compliance with a solemn treaty entered into with the United States?

Mr. LUCAS. Mr. President, I desire to raise one point which does not seem to me to have been sufficiently discussed during the debate. That has to do with the second part of rule XVI dealing with contingencies, which was incorporated in the rule because of the Reorganization Act.

I read a portion of the language of the amendment:

Provided further, That no part of the funds herein appropriated with respect to which local currencies are deposited * * * shall * * * be made available for expenditure by any recipient country so long as such country (1) fails to comply with any treaty with the United States.

Mr. President, we have to assume in the beginning that the participating countries are complying with the treaties

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this country has with them. So there must be a violation of such treaty before the provision of the amendment goes into effect. Consequently, if that is not a contingency under rule XVI, I do not understand the meaning of the term.

Furthermore, Mr. President, with respect to who shall determine whether or not a treaty has been violated; the distinguished Vice President and every Member of the Senate knows with what respect and dignity we regard treaties which we have with other countries. It is not every agent who goes out over Europe, or to any other part of the globe to a country with which we have a treaty, who is going to have the power to determine whether or not the nation in question is violating its treaty with the United States. A long period of examination, and exhaustive research must be made before the facts are submitted to the President of the United States, so he could make determination whether or not a treaty with France, for example, were being violated.

Obviously additional duties and obligations will be placed upon the ECA Administrator if he is the official who, under the provisions of the amendment, is to gather the evidence in the first instance so it may be submitted to the President of the United States for his final determination. This violates rule XVI. This is legislation and not a limitation.

Mr. President, I take the opposite view from that expressed by the distinguished Senator from Connecticut in the argument he just made. There must be a violation of the treaty before the terms of the act apply, and that certainly involves a contingency.

Mr. DULLES. Mr. President, may I suggest that this is an act which finds that the national interest of the United States requires that economic aid shall be given to certain countries. The proposed amendment says that the national interest of the United States may not be served if, perchance, one of the signatory countries once violates a treaty. I cannot conceive of an amendment which would be more legislative than an amendment which says that the national interest of the United States, as found by the Congress, as exemplified in this act, today cannot be served because of a possible violation of a treaty. One might just as well say, Mr. President, that it was not legislation if during the height of the World War the Appropriations Committee had adopted an amendment to appropriations bills for the military service saying we could not give military aid to our allies in fighting the war because, perchance, France and Morocco violated a 100-year-old treaty.

Certainly, the purpose of the act is to serve and protect the interest of the United States, which the preamble of the act says Congress has found must be served by giving this economic aid. Now to say that we cannot give such economic aid because of a treaty violation certainly is legislation to the *n*th degree.

Mr. LONG. Mr. President, I shall speak for only a moment on this subject. It appears to me that in the last analysis the decision is going to be the same as far as furnishing American aid to any foreign country violating a treaty is concerned, as it would be under the present law. Frankly, I feel that any nation that would be construed by the President and by the Administrator and by the Secretary of State as having violated a treaty with the United States, if they saw fit so to construe it, would also be construed as pursuing a policy that would be inconsistent with the national interest of the United States. However, to approach this particular problem, I construe this objection to be based upon the language of rule XVI, which states:

> Nor shall any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law be received if such restriction is to take effect or cease to be effective upon the happening of a contingency.

The argument has been made that this matter is legislation, because certain restrictions were included in the authorization act, and that this is not one of those restrictions. The words "restriction" and "limitation" are synonymous. They mean the same thing. We are restricting or limiting the purposes for which funds can be spent. Any authorization act is necessarily a restriction. It contains many restrictions. We authorize expenditures for certain purposes. But rule XVI clearly contemplates that there is a difference between legislation and limitations. After restrictions and limitations have already been laid down, rule XVI clearly contemplates that further limitations may be proposed by the Appropriations Committee, but it provides that the limitation may not be received if it is not authorized by law.

Is this limitation authorized by law? I contend that it is. Here we have a treaty entered into between the United States and a foreign power. It is the supreme law of the land. I believe that a treaty overrides the rules of the Senate. We say that the treaty is being violated by a foreign power. If that foreign power is violating a treaty, it is probably inconsistent with our foreign policy, in my judgment, for the United States to furnish further economic aid to that country. But certainly the Appropriations Committee is authorized by law to propose to the Senate, under our rules, that we shut off aid to such a country when that country is violating its treaty with the United States. I contend that this is a limitation authorized by law, and that as such it will lie, under the rule.

Mr. BALDWIN. Mr. President, I should like to speak briefly in reply to the distinguished Senator from New York [Mr. DULLES]. The Senator from New York stated that the purpose of the act was the economic rehabilitation of certain European countries. Indeed it is. But it seems to me that his argument goes to the extent of saying that since this is primarily a rehabilitation act, and the appropriation is for that purpose, the Senate is foreclosed from raising the question of violation of a law or treaty because it may interfere with the economic rehabilitation of those nations.

Mr. DULLES. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. DULLES. I may have misstated myself. I did not suggest that the Senate could not do so through legislation, as has been attempted. I did say that the Appropriations Committee could not do it.

Mr. BALDWIN. I am glad to stand thus corrected. But I go one step further and say, as I said before, that this limitation or directive, being part and parcel of the appropriation itself, is plainly within the province of the Appropriations Committee, in my humble judgment.

Let me say one or two sentences in answer to my distinguished friend from Illinois [Mr. LUCAS]. He says that this provision does not become operative except upon the happening of a contingency, and consequently is in violation of the rule of the Senate. Mr. President, is a violation of the law a contingency within the province of the rule? It seems to me that it is not. It may very well be a contingency; but must we continue to pour out money and the Senate say nothing about it? Can the Appropriations Committee, which recommends appropriations, say nothing about it if the Administrator wants to continue to pour out money in violation of laws and treaties of the United States? I humbly submit that such a contention is not in accord with sound public policy.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. LONG. If the Senator will refer to the rule, I ask him if he does not agree that if this is a limitation authorized by law, even though it be based upon a contingency, it will lie, under the rule.

Mr. BALDWIN. The distinguished Senator from Louisiana has stated it much better than I did.

The distinguished Senator from Illinois takes the position that the rule forbids any restriction or limitation based upon a contingency. It is the position of the junior Senator from Connecticut, and apparently also of the junior Senator from Louisiana, that there are contingencies which are outside the rule. I submit that if this is a contingency, it is that kind of a contingency.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. SALTONSTALL. Is it not an extension of the power of the Administrator to give him, and him alone, the authority to determine whether or not a treaty is being violated? It seems to me, following up the ideas expressed by the Senator from Michigan [Mr. VANDENBERG] and the Senator from New York [Mr. DULLES] that putting the power in the hands of the Administrator alone to determine whether or not there has been a violation of a treaty is an extension of his authority and is, therefore, an extension of the law.

I invite the Senator's attention to a letter from the Assistant Secretary of State, Ernest A. Gross, dated July 29, 1949, and addressed to me, in which he says:

> As a matter of fact, the interpretation of United States treaty rights in French Morocco has consistently presented a problem to this Government; and consequently these rights cannot be said to be well defined.

This amendment would leave it in the hands of the Administrator alone to determine whether a treaty had been violated. It seems to me that that is a distinct extension of his powers, and is, therefore, legislation.

Mr. BALDWIN. In reply, let me say that what this directive does is to tell the Administrator to do his job, to observe the treaties between this Nation and other nations, and to observe the laws of the United States. He ought to do it anyway; but if the matter is brought to the attention of the authority which grants the money, it seems to me that that authority, the Congress of the United States, has a right to say to the Administrator, "We are particularly interested in your seeing to it that the laws and treaties of the United States shall not in any way be violated by those who are to receive this aid."

The VICE PRESIDENT. The Chair is ready to rule. The discussion has been enlightening, and has materially aided the Chair in reaching his conclusion as to the validity of the point of order.

The act under which we are operating, the ECA Act, in a long preamble sets forth certain statements and facts which Congress adopted as a matter of policy. Among them is the declaration that this program is necessary for the economic and other welfare of the United States. The Chair is not quoting verbatim, but in a general way the statement is that it is in the interest of the United States to conduct this program.

Subsequently Congress proceeded to implement that declaration of policy by the details of the original Act. Section 118 sets forth the obligation of the Administrator with reference to certain things which he must take into consideration in determining whether the recipient countries are entitled to the aid provided. Among other things, they were required to do certain things with respect to their currencies. They were required to do certain things looking toward the balancing of their budgets. They were required to engage in self-help and mutual cooperation among the participating nations through multilateral treaties among them, and bilateral treaties between each of them and the United States.

Section 118 authorizes the Administrator to determine whether these conditions are being met, in determining whether aid should be continued, or withdrawn or terminated. Nowhere in section 118 or in any other part of the act, so far as the Chair is aware, is there any authority for the Administrator to determine whether a recipient nation is violating some other treaty which it has entered into with the United States, wholly beyond the jurisdiction of the ECA.

If there is no such authority to withdraw aid because of the violation of some other treaty, which has no relationship to the agreements referred to in the act, certainly it seems to the Chair that for the Senate or the Congress to give the Administrator the authority to determine that matter, and to withhold aid to any country which he found was violating some other treaty, would be an extension of his authority—an extension of authority to one who really has no power to determine that question.

No single individual can decide finally whether or not a treaty is being violated. Under international law there are certain usages which may bring such a question to an ultimate decision, but it is not within the province of the Administrator, the Secretary of State, or even the President to determine finally and unilaterally whether a treaty is being violated. They may arbitrarily withdraw aid if they believe that one is being violated because, in any event, there is no remedy if the aid is withdrawn. But it does not seem to the Chair that a provision withholding aid from any country which is a participating country under this law, and which has not violated any agreements made under this law, would be in order because that would seem to the Chair to be legislation beyond the scope of the original act and beyond the power of the Congress to enact.

The question of contingency has arisen. The definition of the word "contingency" reminds the Chair of a discussion between two Irishmen as to what is a contingency. They got into quite an argument about it, and finally they called in a third Irishman to get him to tell if he knew what a contingency was. He said, "Well, a contingency is this: If you lose your case, your lawyer gets nothing. But if you win the case, you get nothing." [Laughter.]

After all, "contingency" is a broad term which may be defined according to the conception of the definer.

But it seems to the Chair that a contingency is any happening which may occur in the future, whether it be a violation of a treaty, a drought in some recipient country, or any other condition which may happen in the future and which would be used as a basis for action on the part of those who administer an amendment or measure of this sort.

Certainly the Chair cannot assume that any one of the recipient nations is now violating that provision. Therefore, the Chair must assume that this matter relates to a future contingency.

Under the circumstances, aside from the fact that the Senate had a chance to put such language in the original act, but did not do so—which is a persuasive, but not conclusive, consideration; and even if an amendment had not been offered by the Senator from Connecticut [Mr. BALDWIN] and other Senators and had not been voted down by the Senate, the Chair feels that there is nothing in the original act authorizing the Senate to pass upon the question of the violation of other treaties; and therefore the amendment is legislation on an appropriation bill and is legislation in violation of the new part of rule XVI which the Chair thinks was passed on only yesterday, and not before, because the question with respect to it had not previously arisen. In other words, the Chair believes that this amendment is in violation of both those subsections, as legislation on an appropriation bill, and is violative of the provision of the rule that an amendment cannot be offered if it is to take effect upon the happening of a contingency.

Therefore the Chair sustains the point of order.

Mr. RUSSELL. Mr. President, I dislike very much to prolong the discussion of this matter, particularly in view of the fact that I have the feeling that whatever may be the outcome of it, I have it on a contingent basis, from the standpoint of the story just related by the Chair. [Laughter.]

However, I have a conviction that this issue is of such importance that the Senate of the United States itself should pass upon it.

I respectfully submit that under the specific language of the European Cooperation Act this amendment is completely in order.

For the purpose of this argument, I shall abandon the Constitution of the United States, Mr. President. This is not due to lack of respect for that document but because I fear I would get very little help by relying on the Constitution or on that provision of the Constitution which makes treaties a part of the supreme law of the land, and by arguing that since they are the law of the land, any limitation which is based upon an existing treaty is in order.

Mr. President, in my opinion section 118 of the Economic Cooperation Act was written with a specific view to possible violation of other treaties. The Chair has ruled that no other treaty had any part whatever in it. I ask Senators to listen to the reading of that language. I shall not read all of it, because I wish to be as brief as possible. But I read a part of it, as follows:

> The Administrator shall terminate the provision of assistance under this title to any participating country whenever he determines that—
>
> I now skip a line—
>
> (2) because of changed conditions, assistance is no longer consistent with the national interest of the United States.

Mr. President, there is no doubt in my mind that that language was written specifically to protect the national interest of the United States against the possibility that nations which have treaties of friendship with us today might in future violate those treaties or might enter into a treaty with another foreign power whose interest was inimical to our own interests.

Indeed, it was specifically argued on the floor of the Senate, when this legislation was under consideration, as I recall, that if any of these nations did enter into any international relations with the Soviet Union—and, Mr. President, we might as well call the name of that power—this assistance would immediately be withdrawn.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CORDON. I should like to inquire of the Senator from Georgia whether, in consideration of the statements which have been made on the floor of the Senate—statements to the effect that the Administrator could not determine whether a treaty had been violated or had not been violated—the question of whether a treaty is violated is wholly

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beside the point, in relation to the act. So, in view of what has been said on the floor of the Senate or in view of what has been said by the Chair, I inquire of the Senator whether any consideration has been given to the provisions of section 105 (b) of the act, namely—

In order to strengthen and make more effective the conduct of the foreign relations of the United States—

(1) The Administrator and the Secretary of State shall keep each other fully and currently informed on matters, including prospective action, arising within the scope of their respective duties which are pertinent to the duties of the other.

Mr. RUSSELL. Mr. President, I may say to the distinguished Senator from Oregon that in the effort to persuade the Chair that this amendment is in order, I read all of subsection (b) of section 105 of the act, which provides the very machinery for using a treaty breach as a basis for ceasing or suspending all such aid to a nation which may violate a treaty which it has with us.

Mr. President, to sustain the decision of the Chair would put us in the ridiculous position that if tomorrow Italy were to renounce the Atlantic Pact and were to form an alliance with or become a satellite of the Soviet Union, we would have no right to terminate aid to Italy under this measure. If the Chair's decision is sustained, that is what the Senate will do; the Senate then will be saying that if tomorrow Italy were to renounce the Atlantic Pact and were to sign an agreement bringing Italy under Russia's orbit and making Italy a satellite state to Russia, then—under those conditions—we could not cut off the flow of American aid and American dollars going to Italy under the European Recovery Act.

The VICE PRESIDENT. Will the Senator from Georgia allow the Chair to ask him a question at this point?

Mr. RUSSELL. I shall be glad to do so.

The VICE PRESIDENT. Of course, in this case we must consider the difference between the violation of a treaty and the renunciation or abrogation of a treaty. The latter is the exercise of the right of each party to a treaty, including ourselves, to withdraw from a treaty by abrogating or terminating its adherence to the treaty.

The question posed by this amendment, in the opinion of the Chair, is not the abrogation of a treaty, for any nation has a right to abrogate a treaty or to renounce a treaty on its terms, and that can be done without violating the terms of the treaty; but in the opinion of the Chair, that is quite a different matter from a violation of a treaty which still is in effect, which is what it seems to the Chair this amendment contemplates.

Mr. RUSSELL. Mr. President, I can see no difference between changes in treaties which affect our national interest, so far as I am concerned. Of course, I am not as great a technician on these matters as is the Chair or as are some other Members of the Senate. But to my mind, a treaty is a treaty and a violation is a violation.

The other day I voted for the so-called North Atlantic Pact. I understood it was an association of nations for a period of 20 years. It is a treaty. For my part, I intend to do what I can to see that the United States gives full faith and credit to it. But if other powers signatory to the Atlantic Pact violate it, then I have no hesitancy in saying that the Congress of the United States, by way of a limitation on an appropriation bill, has a right to cut off the supply of dollars to such nation, and that will not be legislation on an appropriation bill, in view of the fact that section 118 specifically gives the Administrator the power to terminate such assistance when it is no longer consistent with the national interest of the United States, and also in view of the fact machinery is set up, under section 105, for that decision to be reviewed by the President of the United States.

So it seems to me that that matter is foursquare not only with the Constitution of the United States, which is supposed to give credit to and uphold the sanctity of treaties, but with the specific language of the European Cooperation Act.

Perhaps in the view of some Senators I made a mistake in becoming interested in this matter. My interest arose in a most unusual way. I happened to find in the so-called junk mail that comes into my office a letter from one who described himself as an American citizen, who said he was being victimized through the violation of a solemn treaty this Nation had entered into with another power. I had never seen the man. I had never heard of him. When Mr. Hoffman came before the Committee on Appropriations I asked him a few questions. I asked him about this specific situation. Mr. Hoffman replied, "Yes, there may be a matter of principle involved there. There undoubtedly is. These American citizens have some treaty rights. But there are only about 37 of them involved." There was something about the statement that gagged me. I have not yet accepted altogether the idea that nationality is something of which a man should be completely ashamed. I thought in my mind if there was only one American citizen involved, it was the duty of the Economic Administrator, it was the duty of the State Department—yes, it is our duty as Senators of the United States, and it is the duty even of Senators who have never heard of the man, to do what we can to see that his rights are protected.

I voted for the European Recovery Administration. I voted for the appropriations to implement it. That did not mean that I thought any individual American citizen, wherever he might be under the canopy of God's heaven, did not still have about him the flag of this Republic, and that we were not interested in him. Even though he be a humble man, and even though he be a wayfaring man, he is an American citizen, and he is entitled to the protection of the United States. He is entitled to his rights wherever he may be. The argument that there were but 37 American citizens involved did not appeal to me one iota. Neither, I may say, does the argument that it is a 100-year-old treaty appeal to me one iota. If a treaty is a hundred years old, it is still entitled to respect, just as if it were entered into only day before yesterday.

I realize, Mr. President, those are the arguments of the fast vanishing American, but they are my views. I think, until we have organized the world state, every American citizen is entitled to the protection of his rights from whatever source derived so long as they are legitimate, wherever he may be in the world.

Mr. President, American sentiment has changed somewhat on this. There was another occasion on which the rights of an American citizen were violated. It happened that that was also in north Africa. An American citizen was seized by a bandit and kidnapped, and word was immediately sent to our Government. Theodore Roosevelt was President at the time. Word came that we had better get the ransom over there if we wanted to protect the rights of that American citizen. The ransom was not sent. We sent instead one of the shortest messages of all time—"We want Perdicaris alive or Raisuli dead." That was the message sent to the American consul at Morocco. He was either to deliver the American alive, or to bring in the body of the man who was denying him his rights.

Today we are told there are only 37 American citizens involved. In other words, not satisfied with denying them their rights in violation of the treaty, we will ship them some more Americans along with the goods we have given them, and let them violate the rights that are theirs also under the treaty. I submit, Mr. President, there ought to be some way by which the Senate of the United States can deal with the situation. I know nothing about the details of it except that Mr. Hoffman himself in his testimony said the men were being denied rights. As it appeared to him, the fact that only 37 American citizens were involved might cause the Senate to say it was not worthy of consideration. But I say, Mr. President, if they have any undue rights under the treaty, the State Department should renegotiate the treaty immediately and take away from them any such rights. They ought not to hold them out to American citizens. But here are the treaty rights of an American citizen in this area, and we permit a foreign power to deny him his rights. There is some better way of getting at it than to put us in the position of being absolutely callous and indifferent to the rights of an American citizen—not one, but a small group, only 37 of them. Regardless of how many there are, they are entitled to consideration at the hands of the Senate. They are protected under the amendment by the clear language of the ECA Act, which gives a right to withdraw aid.

Without taking more of the time of the Senate in expounding what is doubtless an outworn theory, but to justify my action in my own conscience, I respectfully appeal from the decision of the Chair.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. WHERRY and Mr. McKELLAR requested the yeas and nays.

The yeas and nays were ordered.

Mr. WHERRY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Magnuson
Anderson	Hendrickson	Malone
Baldwin	Hickenlooper	Martin
Brewster	Hill	Maybank
Bricker	Hoey	Millikin
Bridges	Holland	Morse
Butler	Humphrey	Mundt
Byrd	Hunt	Myers
Cain	Ives	Neely
Capehart	Jenner	O'Conor
Chapman	Johnson, Colo.	O'Mahoney
Chavez	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Russell
Cordon	Kefauver	Saltonstall
Donnell	Kem	Smith, Maine
Douglas	Kerr	Sparkman
Dulles	Kilgore	Stennis
Eastland	Knowland	Taft
Ecton	Langer	Taylor
Ellender	Lodge	Thomas, Okla.
Ferguson	Long	Thomas, Utah
Flanders	Lucas	Thye
Frear	McCarran	Tobey
Fulbright	McCarthy	Vandenberg
George	McClellan	Watkins
Gillette	McFarland	Wherry
Graham	McGrath	Wiley
Green	McKellar	Williams
Gurney	McMahon	Young

The VICE PRESIDENT. A quorum is present.

The question is, Shall the decision of the Chair stand as the judgment of the Senate?

On this question the yeas and nays have been ordered.

Mr. SALTONSTALL. Mr. President, before the Secretary calls the roll I should like to have placed in the RECORD at this point, as a part of my remarks, a copy of a letter to me from the Assistant Secretary of State in response to a request of mine on Morocco. I make this request because I expect to vote to sustain the ruling of the Chair, as I believe this amendment does violate rule XVI. But I agree entirely with what the Senator from Georgia has said. The same gentleman he has mentioned has been in my office many times. I believe the State Department should give more protection to American citizens in Morocco.

The letter from the State Department specifically states:

> The Department has repeatedly recognized that American businessmen have specific legitimate grievances in French Morocco that should be remedied, and these grievances have been discussed with the French protectorate authorities during the negotiations.

I ask that this letter be placed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 29, 1949.

The Honorable LEVERETT SALTONSTALL,
United States Senate.

MY DEAR SENATOR SALTONSTALL: Further reference is made to your letter of May 19, 1949, with which you enclosed for comment a copy of remarks received from one of your constituents concerning import-licensing regulations in French Morocco. The Department's comments are submitted herewith, on the specific points made by your correspondent.

Coffee, sugar, and tea were subject to the requirement of an import license before December 30, 1948, and are still subject to that requirement. The Department is aware that a cession of a part of these imports has been required as they are goods for which the French consider the maintenance of a reasonably stable price to be essential for economic or political reasons. The Department recognizes that during the transitional period control of the prices of certain essential commodities is necessary.

The Department has repeatedly recognized that American businessmen have specific legitimate grievances in French Morocco that should be remedied, and these grievances have been discussed with the French protectorate authorities during the negotiations. In this connection I refer you to the memorandum sent to you on June 11, another copy of which is attached for your ready reference. The Department believes that the position of Americans will be ameliorated as a result of these discussions.

Your constituent refers to the illegal holding of merchandise by the Moroccan authorities. Upon protest by the State Department, the merchandise that was held illegally was released. The Department took the position that the application of the regulations to Americans before formal assent had been given was illegal, notwithstanding the fact that the French knew that the Department was, in general, disposed to give assent to the regulations.

Your constituent remarks that Morocco is an independent country. This is not correct, in that the major part of the country is a French protectorate, and France is responsible for its foreign relations. He also states that the United States has well-defined treaty rights in Morocco and that the State Department is relinquishing two important rights of these treaties, namely, most-favored-nation and "open door" treatment in assenting to the decree of December 30, 1948. As a matter of fact, the interpretation of United States treaty rights in French Morocco has consistently presented a problem to this Government, and consequently these rights cannot be termed well defined. Furthermore this Government did not relinquish the rights of most-favored-nation and "open door" treatment in assenting to this decree. United States assent was given as a temporary expedient with full reservation of existing United States treaty rights.

With reference to your constituent's remarks on French dollar resources and increased imports from Switzerland and Czechoslovakia, it should perhaps be reiterated that because of the inseparability, under present circumstances, of the Moroccan and French foreign exchange situations, unrestricted imports from the United States into the franc zone are impossible at the present time. Imports from countries not in the dollar area are, of course, subject to other criteria.

It may be observed that the Department's objective is to assure an appropriate measure of protection to the interests of Americans in the French Protectorate of Morocco and that the choice of methods for achieving this objective has to be determined in the light of changing circumstances.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

UNITED STATES ASSENT TO MOROCCAN IMPORT CONTROLS OF DECEMBER 30, 1948

For a period of several months prior to December 30, 1948, most goods could be imported into the French protectorate of Morocco without an import license as long as the importer did not request from the protectorate exchange office an allocation of dollar exchange with which to finance such imports. It became evident, however, that in many cases goods imported in this way were sold for francs, and the francs were then either used to purchase dollars in French black markets or were exported in contravention of exchange-control regulations and used to purchase dollars in Tangier. These francs in either case exerted a strong attraction for dollars to move illegally out of the channels of the French exchange-control system. They put pressure on the franc rate in currency markets, and reduced the number of dollars available to the franc zone.

On December 30, 1948, the French protectorate authorities in Morocco issued a decree relating to this situation. The decree provided that imports made without an allocation of foreign exchange by the protectorate exchange office would be subject to the requirement of an import license, and limited such imports to a list of essential goods

Because of the United States treaty position in Morocco, no law or regulation may legally be applied to American nationals unless this Government has given assent thereto. The French protectorate authorities therefore requested this Government's assent to the application of this decree to American nationals resident in Morocco. The protectorate authorities began to apply the decree before assent was given, and detained goods consigned to Americans in the Moroccan customs. These goods were released at the request of the Department of State before discussion of assent took place.

The Department of State and other interested agencies of the Government felt that it would be necessary, in view of certain practices of the protectorate government to make assent to the decree conditional upon agreement with the French on measures which would remedy some of the more urgent grievances of Americans in Morocco and which would protect American businessmen from arbitrary treatment as a result of such assent.

Discussions were therefore initiated between United States representatives in Morocco and officials of the French protectorate government with respect to these matters. They included the failure to allocate to Americans a reasonable amount of dollar exchange; the employment of delaying tactics in granting import licenses for goods which Americans needed for the maintenance of enterprises they were operating, and which they wished to import without an allocation of exchange by the protectorate exchange office; the assessment of customs duties on the basis of arbitrary valuations of imports; the assessment of consumption taxes to which this Government had not given assent; and other matters, such as the failure to install telephones, furnish adequate gasoline rations, etc.

During the course of the negotiations, the French protectorate authorities made the following proposals:

1. With respect to the allocation of dollar exchange, they would (a) establish a comprehensive system of invitations to bid on all imported products susceptible of such treatment; (b) publicize all products to be imported; (c) establish quotas for the allocation to Americans of exchange covering certain commodities, with provision for new importers.

2. They would grant licenses liberally for the importation, without an allocation of foreign exchange, of all items included in the list of essential goods published with the decree of December 30, which includes capital equipment.

3. They would not modify this list without the consent of the American consulates in French Morocco.

4. They would grant licenses for the importation, without an allocation of foreign exchange, of maintenance goods not on the list, upon the intervention of an American consulate in Morocco.

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5. They would value imports on a uniform basis for customs purposes.

In view of these proposals, and of this Government's interest in the effective utilization of the dollar resources of the franc zone, the American Legation at Tangier, Morocco, upon instructions from the Department of State, informed the French protectorate authorities on June 10 that the United States Government gave its assent to the decree for a period of 3 months on the following conditions: The proposals outlined above would be placed in effect; goods shipped to Americans in French Morocco before June 26 would be entered without license; the discussion of other problems, such as consumption taxes, would continue. The assent of the United States Government to the decree was given with full reservation of existing United States treaty rights in Morocco.

Mr. LANGER. Mr. President, may I inquire of the distinguished Senator from Massachusetts how he voted?

Mr. SALTONSTALL. I think I voted against the Senator from Connecticut. At that time I had not had any correspondence or any discussion on the subject.

Mr. GEORGE. Mr. President, since the question has arisen as to how the Senator from Massachusetts voted, I want to make it very clear how I voted. I voted against the amendment offered by the distinguished Senator from Connecticut. I did so on the assurance that the State Department would at least go into the matter and would exercise the authority and power it undoubtedly has to direct Mr. Hoffman as the Administrator of the fund. I took the matter up with the ECA, or with the Administrator. It has been taken up through my office over a long period of time. I am not a member of the Appropriations Committee, but I confess a great sympathy for the 37—I had the impression that the number was 47—American soldiers who fought in the war and who remained in Morocco to do business on a legitimate basis. The State Department has not undertaken to exercise the duty which it owes an American citizen to see that his rights are protected.

Mr. President, on that ground I shall vote to override the decision of the Chair in this instance, although I have voted, since the original error was made by the Senate, to sustain the Chair. We have gotten ourselves into an ugly predicament, if, in giving charity or granting aid, a pure gratuity, presumably to help ourselves and help the world, our committee cannot lay down reasonable conditions for the expenditure of an appropriation which is made by Congress. The authorization bill that came through the Foreign Relations Committee never intended to strip the Appropriations Committee on the exercise of reasonable control over the money it appropriates. There is no legal obligation resting upon us to give this money to European nations. There is only the obligation which we ourselves have voluntarily imposed. Now to say that, although the treaty rights of American citizens are being violated, in appropriating money the Appropriations Committee is not authorized to fix reasonable conditions, to wit, the observance of a treaty already in existence, is going too far. We are now in the awkward and untenable position of permitting the House of Representatives to impose restrictions, prohibitions, and inhibitions upon the fund being appropriated, but we cannot offer an amendment imposing another prohibition or another restriction upon the same fund as to which the House has written admitted legislation. That is where we made the initial mistake, and unless we are courageous enough ultimately to correct it, the Appropriations Committee will have to submit to a strait-jacket operation which would deprive it of discretion in doing what is obviously and manifestly right.

For that reason, Mr. President, I shall vote to override the decision of the Chair.

Mr. McKELLAR. Mr. President, I want, first to thank the distinguished Senator from Georgia for what he has said in connection with robbing the Appropriations Committee of its duties under the circumstances stated by him. I agree with the Senator entirely, of course, and I think every Member on both sides of the aisle feels the same way, except possibly the distinguished Senator from Massachusetts, whom I esteem very highly. He has just read from a communication from French Morocco. I wish to take the liberty at this point of reading two very short telegrams from the ex-soldiers who are in Morocco and who are being deprived of their rights. The telegrams are dated July 22, 1949. The first one is from the American Trade Association of Morocco, which says:

CASABLANCA, *July 22, 1949.*

Hon. KENNETH MCKELLAR,
Chairman, Senate Appropriations Committee, Washington, D. C.:

American Trade Association of Morocco wishes to express its feeling of appreciation to you and your committee for your splendid support in guaranteeing the safeguard of American rights to Morocco.

AMTRADE.

On the same day, as chairman of the Appropriations Committee, I received another telegram, which is from the American Legion, and which reads as follows:

CASABLANCA, *July 22, 1949.*

Hon. KENNETH MCKELLAR,
Chairman, Senate Appropriations Committee, Washington, D. C.:

American Legion Casablanca tender you and your committee sincere thanks for your defense and support of American business interests in Morocco.

MOROCCO POST No. 1.

Mr. HAYDEN. Mr. President, apparently we have arrived at the time when we should discuss the merits of the amendment, and I have some doubt in my mind about these American citizens in Morocco which I should like to express to the Senate.

I was not privileged to listen to the testimony of Mr. Rodes before the committee. I did examine the committee hearings, and on page 49 is printed a letter from Mr. Hoffman addressed to Mr. Rodes under date of May 5. I invite attention to the top of the page, where it is stated:

It has become increasingly evident that many importers in Morocco have been obtaining foreign exchange in the following manner:

They have imported products from the United States, sold them for francs in French Morocco, and then directly or indirectly converted such francs into dollars in the free exchange market in Tangier. There were also indications that near the end of 1948, because of the abundance of dollars on the Paris black market and the publicity which had been given to certain exchange transactions at Tangier, more and more importers in Morocco were buying dollars in the black market in Paris.

In response to that letter we would expect Mr. Rodes and his associates to say that they had not bought dollars on the black market. But this is the response:

The operations described by you are stated to be crimes by French officials and by the State Department. If a foreigner tells an American official that one or more American citizens are engaged in criminal practices, only one course is proper or admissible. The foreigner should be impressed with the fact that America is still a constitutional democracy. He should be assured that our consular court, when confronted with a prima facie case, is fully prepared to try any American on the evidence presented and to sentence him if charges are substantiated, but that no American official will countenance innuendoes or unsupported charges that Americans may be criminals. Certainly our system does not admit injury to one or a group of our citizens because of a decision that presupposes their guilt in a matter for which they have never faced trial.

In other words, he states, not that they have not been in the black market, but "If we have been in the black market, why have we not been arrested?" That is the defense.

The next statement that struck me in Mr. Hoffman's letter was this:

According to the information available to the Department of State, members of the American Trade Association of Morocco generally have declined to give information particularly regarding the volume of their business, on which World Trade Directory Reports might be based. Also, most of the members of the association refused to answer a questionnaire sent them last year by the consulate general at Casablanca, under instruction from the Department of State, for the purpose of obtaining data for the regular annual report on American citizens, interest, and investments abroad. As a result of the withholding of such information, it is difficult to determine the precise extent to which American interests are represented by the association.

Mr. Rodes' reply to that reads as follows:

In paragraphs 12 and 13 you make certain remarks, prompted undoubtedly by the State Department's commercial policy personnel about failure to receive certain statistics from members of the American Trade Association, and state that it is difficult to establish precise extent to which American interests are represented by the association. This concerns the State Department and American citizens resident in Morocco. The question of American interests may be raised in connection with a corporation. As far as an individual American who owns his own business is concerned, it would appear that any doubt of American interests can be dispelled by the presentation of his passport, accompanied or not by an Army discharge. The active membership of the American Trade Association is limited to American citizens engaged in business on their own right or managing an American concern so engaged.

Mr. President, I believe that in truth and fact that statement is not correct.

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These gentlemen, instead of being engaged in business on their own, are actually a front for French and Moroccan interests who use them and their American citizenship as a means of bringing goods into Morocco which could not be brought into that country under ordinary trade regulations.

The questions on the questionnaire sent are brief, and I should like to bring them to the attention of the Senate. The first questionnaire, addressed in 1948, is entitled "American Citizens, Interests and Investments Abroad." These questions are asked of all Americans throughout the world, so that if an occasion should arise when the State Department desired to be of assistance to them, or if they got into trouble, the Department would have accurate information as to what a firm was doing. The questionnaire reads:

AMERICAN CITIZENS, INTERESTS AND INVESTMENTS ABROAD, 1948

In order to compile a report on United States citizens and investments in foreign countries for the Department of State, the United States Consulate General in Casablanca sent a routine questionnaire requesting the following information to all United States businessmen. Most of the members of the American Trade Association of Morocco refused to answer the questionnaire.

1. Name of firm.
2. Manager or person in charge (specify nationality).
3. Total capital.
4. Percentage of total capital, and amount in United States dollars, controlled by United States nationals (as of date firm established and as of date of questionnaire).
5. Names of American investors.
6. Dollar investments in the United States.
7. Total exports to United States.
8. Total imports from United States.
9. List of more important exports and imports.
10. Volume of business transacted in United States dollars.
11. United States loans made during year:
(a) Short-term.
(b) Long-term.
12. Number and names of United States nationals employed.
13. Average number of foreign employees.
14. Special problems, if any.

The members of this association refused to answer that questionnaire. On the other hand, there are in Morocco American business firms, a list of which I have, which did answer. They included: Socony Vacuum Oil Co., Armstrong Cork Co., Coca-Cola Export Co., International Business Machine Co., St. Joseph Lead Co., Atlantic Refining Co., Newmount Mining Co., Singer Sewing Machine Co., International Harvester Co., Republic Enterprises, Inc., Standard Oil Co. of New Jersey, Compagnie Continental du Maroc S. A., which had 50-percent American interest.

They all answered. The requirement to respond is on American citizens. Mr. Rodes says the corporations can answer, but an American citizen is not required to answer these questions, that all he has to do is to show his passport and his Army discharge.

When these gentlemen complained to the State Department that they were being discriminated against in Morocco, having failed to answer the 1948 questionnaire, a direct request was made of them, dated March 8, 1949. This was from the Consul General in Morocco to the American Trade Association. It read:

MARCH 8, 1949.

SIR: The Department of State, Washington, D. C., has expressed interest in knowing the amount of trade with the United States effected by the American Trade Association of Morocco.

It is therefore requested that the American Trade Association furnish the Consulate General with a list by individual members of the total 1948 imports from the United States in dollar value and franc value. It would be further appreciated if the merchandise imported would be classified by the more important commodity headings.

It is requested that this information be presented at the earliest possible moment.

Very truly yours,

C. PAUL FLETCHER,
American Consul General.

That letter was dated March 8, as I have said. Nearly 2 months later, on May 4, this was the reply:

MAY 4, 1949.

SIR: With reference to your letter of March 8, 1949, in connection with the amount of trade with the United States effected by the members of the American Trade Association of Morocco, I enclose herewith list showing approximate imports for the year 1948.

Owing to the absence of some of the association members it has been difficult to obtain exact figures.

Yours truly,

F. GRAHAM
(For American Trade Association of Morocco).

There was appended this statement of the business done by the organization, as follows:

Imports from United States in 1948

Asbestos	$10,000
Chemicals	48,000
Electrical appliances	180,792
Foodstuffs, candy, gum, etc	825,820
Lubricating oil	80,000
Miscellaneous	67,200
Machinery and spare parts	45,700
Plastics	71,090
Refrigerators	165,836
Sugar	76,000
Tires	243,666
Typewriters	132,000
Textiles and used clothing	818,646
Tractors	68,000
Vehicles	2,439,676
Washing machines	10,000
Wireless sets and phone records	10,400
Total	5,292,826

These individual firms never have, in either of these instances, furnished the State Department with any definite information about their business.

Obviously the reason for that is, first, that it would lead to disclosures as to whether or not they were buying francs in the black market. Certainly it is not to the interest of this country, when we are trying to stabilize the currencies of these foreign nations, to encourage operations in the black market. Second, Americans abroad are required to pay income taxes. That also might have had an influence in the matter.

It seems to me that if we reason this matter out, we must arrive at the conclusion that this must have been what happened, that there were some of these 34 gentlemen who were in Morocco prior to the war, most of them having gone there as soldiers, and remained abroad. They had no capital with which to engage in trade. They were not wealthy men. They could not have gone into this business unless they did so with the aid of money furnished them by Frenchmen or Moroccans who desired to import goods, luxury goods, in contravention of the arrangements we had had with France with respect to imports.

Mr. President, that being the case, it is my judgment that they are primarily a front for French and Moroccan interests, and that for that reason they have declined to furnish the State Department with the necessary information, when twice requested to do so. Under those circumstances it seems to me that we should look with some suspicion upon a situation of this kind.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McKELLAR. The Senator did not read the entire letter of May 4, 1948, from Mr. Hoffman to Mr. Robert Ernest Rodes. I want to read from it, although I believe the Senator would probably give more credence to it than I do. However, I shall read from it.

As concerns your second point—that there has been discrimination against American importers in French Morocco in the issuance of import licenses for goods financed—

Not by the French, as suggested by my good friend the Senator from Arizona, but financed by the ECA—

for goods financed by ECA—it seems to me quite possible that there has been discrimination of this kind.

There we have Mr. Hoffman's statement that there has been discrimination against these Americans. It is true there are not many of them. But if there has been discrimination it ought to be corrected, and this is the only way we can correct it.

Mr. HAYDEN. If there was discrimination why were these individuals unwilling to open their books and tell the government to which they were appealing about them? In a case such as this, they were appealing to the United States Senate to take action to protect them, when what they were doing, if my suspicions are at all correct, was to destroy the very object we are trying to accomplish, that is, to rebuild the economy of Europe.

Mr. GEORGE. Mr. President, will the Chair yield to me to make a statement?

Mr. HAYDEN. I yield.

Mr. GEORGE. The Senator from Arizona asks why they were unwilling to open their books. I went into this matter at some length. I was assued by not merely one of these men in French Morocco, but by three of them, and I have their correspondence that they did not dare disclose all the secrets of their business because the officers in Morocco with whom they had to deal were ready to take advantage of them so far as their business matters were concerned. They may have been wrong about it, but there is some evidence, to my mind at least, that they were acting in good faith.

It is against that sort of general condition which they have appealed in vain to our State Department and to Mr. Hoffman. I can very well understand

why 37 lonely Americans in French Morocco would not care to be disclosing all their secrets to hostile officers who would take advantage of them. But I think they did convince the State Department they were perhaps entitled to certain treaty protections. The State Department, however, talked about black market operations, something in the nature of pleas in avoidance, rather than giving the direct protection which the State Department should extend to an American citizen when he has to deal with a situation such as this.

I do not want to be unduly critical of the State Department, nor of Mr. Hoffman's organization, but I have repeatedly called the attention of the organization, through Mr. Brown, to whom I was directed to present the case, to the facts as they were disclosed to me. While some of these young men may not have responded as fully as they should have responded, and while they may have engaged in some sort of black-market operations, that does not and cannot relate to treaty rights, that is, to general provisions for equal treatment to which they were entitled under the treaties.

Mr. HAYDEN. If they were engaged in shipping American cotton goods to Morocco, and exchanging those cotton goods, let us say, for Moroccan manganese to ship back to the United States, and were doing it as American citizens, they were entitled to protection. If, on the other hand, they were acting as a front to enable French and Moroccan interests to import luxury goods which otherwise could not be imported, and in that way injured the European recovery program, and if they went into the black market to exchange the francs they received for American dollars, they were again acting against the interests of their own nation. I say that men who come with clean hands should not hesitate to tell their government the truth about their business when they appeal for its protection. They have not done so.

Mr. GEORGE. Mr. President, I should have to take issue with my good friend from Arizona on the basis of the facts as I was able to ascertain them.

Mr. McKELLAR. There was no evidence of that kind in the record.

Mr. FULBRIGHT. Do any of these men pay income taxes to the United States Government? The Senator says they are supposed to.

Mr. HAYDEN. I do not know anything about income taxes or black-market operations. I know that if they were acting openly and above-board they would make reports similar to those made by other American businessmen throughout the United States.

Mr. FULBRIGHT. Have they made no reports?

Mr. HAYDEN. They have not, so far as I know.

Mr. McKELLAR. Mr. President, we should not decide this question on the suspicion of our good friend, the Senator from Arizona [Mr. HAYDEN], who is one of the best men in the world. He admits that there is no evidence to this effect. He simply has suspicions that they were, maybe, in the black market business in Morocco.

Mr. HAYDEN. I read the following statement in regard to that matter, a statement which comes from the State Department:

> It is naturally difficult to obtain definite proof of illegal exchange transactions on the part of American, or any other, importers in French Morocco. However, numerous reports received from the Consulate at Casablanca state that, on the basis of trade statistics, it became quite evident that francs were being exported to the Tangier free market or to the Paris black market for conversion into dollars in contravention of Moroccan exchange control regulations. These statistics showed great discrepancies between the volume of imports from the dollar area and official allocations of exchange, and thus made it clear that a great percentage of imports were being financed by illegally obtained dollars.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. CHAVEZ. Senators may have various opinions respecting certain matters, and what the Senator has just read is simply the opinion of someone in the State Department. That is not an accusation against these American citizens of violating any law.

Mr. McKELLAR. The statement just read is wholly different from the testimony of the Administrator.

Mr. BALDWIN. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. I yield.

Mr. BALDWIN. If these young men, these veterans, who, it appears, are charged in a sort of a left-hand way in that letter, are violating the law, they can be prosecuted, can they not?

Mr. HAYDEN. Yes.

Mr. BALDWIN. And if they are convicted, then they are beyond the pale of the law, and they have no rights. Is that not correct?

Mr. HAYDEN. But if the Senator were charged with a crime, would he say, "Why do you not arrest me?" He would say, "I am not guilty. I have not committed the crime." They do not say that.

Mr. BALDWIN. I do not understand that they ever said, "Why do you not arrest me?" The point I want to make in one final sentence is this. The violation of one law does not justify the violation of another. Two wrongs do not make a right.

I think that is the extent to which the argument of my distinguished friend from Arizona goes.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate? On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TAYLOR (when his name was called). On this vote I have a pair with the senior Senator from Maryland [Mr. TYDINGS]. If he were present and voting, I understand that he would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

The roll call was concluded.

Mr. MYERS. I announced that the Senator from California [Mr. DOWNEY] and the Senator from Idaho [Mr. MILLER] are necessarily absent.

The Senator from Montana [Mr. MURRAY] is detained on public business.

The Senator from Florida [Mr. PEPPER] and the Senator from Kentucky [Mr. WITHERS] are absent by leave of the Senate.

The Senator from Maryland [Mr. TYDINGS] is detained on official business.

I announce further that if present and voting, the Senator from Florida [Mr. PEPPER] and the Senator from Kentucky [Mr. WITHERS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is detained on official business. If present and voting, the Senator from New Jersey would vote "yea."

The Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate.

The result was, yeas 42, nays 44, as follows:

YEAS—42

Aiken	Hayden	Millikin
Anderson	Hickenlooper	Morse
Byrd	Hoey	Myers
Chapman	Humphrey	Neely
Connally	Hunt	O'Conor
Donnell	Johnson, Tex.	Robertson
Douglas	Johnston, S. C.	Saltonstall
Dulles	Kefauver	Smith, Maine
Flanders	Kilgore	Sparkman
Frear	Lodge	Taft
Fulbright	Lucas	Thomas, Utah
Graham	McGrath	Thye
Green	McMahon	Tobey
Gurney	Magnuson	Vandenberg

NAYS—44

Baldwin	Hendrickson	McKellar
Brewster	Hill	Malone
Bricker	Holland	Martin
Bridges	Ives	Maybank
Butler	Jenner	Mundt
Cain	Johnson, Colo.	O'Mahoney
Capehart	Kem	Russell
Chavez	Kerr	Stennis
Cordon	Knowland	Thomas, Okla.
Eastland	Langer	Watkins
Ecton	Long	Wherry
Ellender	McCarran	Wiley
Ferguson	McCarthy	Williams
George	McClellan	Young
Gillette	McFarland	

NOT VOTING—10

Downey	Reed	Tydings
Miller	Schoeppel	Withers
Murray	Smith, N. J.	
Pepper	Taylor	

The VICE PRESIDENT. On this vote the yeas are 42, and the nays 44. The decision of the Chair does not stand as the judgment of the Senate.

The question is on agreeing to the committee amendment on page 5, beginning in line 3. (Putting the question.)

Mr. LUCAS. Mr. President, I was on my feet before the Chair put the question.

The VICE PRESIDENT. The Senator from Illinois is recognized.

Mr. LUCAS. I thank the Chair.

Mr. President, it is my understanding that the Republican National Committee is in town, and that it plans to have a little banquet tonight——

Mr. WHERRY. A big one.

Mr. LUCAS. A big one, the Senator from Nebraska says. I understand that it will be a big one, and will probably last a long time, if the newspaper reports are correct. I wish my colleagues on

the other side of the aisle all possible pleasure tonight; and that they finally get around to the peace and amity which they have been trying to reach for quite some time.

Mr. President, in view of the lateness of the hour and the vote overruling the decision of the Chair, we shall not now debate the amendment on its merits. From what little I have heard this afternoon in regard to the merits of the amendment, I think perhaps there will be a number of Senators who will desire to enter the debate tomorrow.

Consequently, I shall move that the Senate take a recess——

Mr. WHERRY. Mr. President, will the Senator withhold that motion until I can ascertain whether the Chair has stated the result of the vote on the amendment, or whether the Chair went no further than to state the result of the vote on the question whether the decision of the Chair should stand as the judgment of the Senate?

The VICE PRESIDENT. No; the Chair made no announcement as to the vote on the amendment.

Mr. McKELLAR. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. McKELLAR. Will the Chair make the announcement?

The VICE PRESIDENT. No; the Chair will not make an announcement as to the result of the vote on the amendment, because the Senator from Illinois requested recognition.

Mr. McKELLAR. I misunderstood; I thought the Chair was in the process of stating that, because of the last vote, the Senate had overruled the decision of the Chair.

The VICE PRESIDENT. Oh, no; the Chair announced some time ago the result of the vote on that question.

Mr. McKELLAR. Very well.

The VICE PRESIDENT. The Chair was putting the question on the amendment, and asked for the Senators who favored the adoption of the amendment to so indicate, and that had been done, whereupon the Senator from Illinois requested recognition, and was recognized.

Mr. McKELLAR. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McKELLAR. Is it now in order to move that the Senate reconsider its recent vote, and then to move to lay that motion on the table?

The VICE PRESIDENT. If the Senator from Illinois will yield for that purpose, it will be in order.

Mr. BALDWIN. Mr. President, will the Senator yield to me for a moment?

Mr. LUCAS. I yield.

Mr. BALDWIN. I should like to ask the Senator from Illinois to withhold his motion that the Senate take a recess, until it can be ascertained whether we can obtain a vote tonight on this amendment. I have talked to several Members of the Senate who are interested in it, and indication is that the debate on it is over.

I do not know how the junior Senator from Georgia [Mr. RUSSELL] may feel about it; but almost all Members of the Senate are here now, and we could move just that much further along with the consideration of the bill if we could obtain a vote on the amendment tonight.

Mr. LUCAS. Mr. President, I regret that it will not be possible to have a vote on the merits of the amendment tonight, because some arguments on the amendment will be made tomorrow on the floor of the Senate. I take this position primarily because of the request made by the distinguished minority leader. I mentioned the possibility of a night session, but he begged me not to have one tonight because, as he told me, the Republican National Committee is in town for the meeting to which we have referred.

So, in deference to the distinguished minority leader and other Members on his side of the aisle, who will attend the banquet tonight, I shall not move that a night session be held, thus requiring the Senate to remain in session considerably longer.

Mr. WHERRY. Mr. President, I appreciate the Senator's position. The reason I inquired whether a vote had been taken on the amendment was that I felt an opportunity should be given to the distinguished Senator from Georgia [Mr. RUSSELL] to move that the Senate reconsider its vote on the question of sustaining the decision of the Chair, and that then an opportunity should be afforded to move to lay the motion to reconsider on the table.

I think there will be debate tomorrow on the merits of the amendment. But I think an opportunity should be given the Senator from Georgia to move to reconsider the last vote, and then to move to lay the motion to reconsider on the table.

Mr. LUCAS. That opportunity will be afforded tomorrow.

Mr. RUSSELL. Will the Senator yield?

Mr. LUCAS. I yield.

Mr. RUSSELL. Of course, the Senator from Illinois has the floor, and he can move that the Senate take a recess, and thus deny the right that is usually extended under such circumstances. I have no desire to preclude any discussion of the amendment. I hope it will be discussed very fully, because there are some phases of the amendment concerning which I trust we may be enlightened. I, myself, should like to have some enlightenment on the amendment from some sources.

But it seems to me that we might go through the formality of closing the proceedings insofar as the last vote is concerned.

Mr. LUCAS. In that connection, I may state, for instance, that only a few minutes ago I told the distinguished Senator from West Virginia, who now has left the Chamber, that there would be no further votes tonight. He is taking care of some problem in the executive branch of the Government and has left for the day. I have told other Senators the same thing.

Of course, after Senators are told there will be no further votes on a certain day, it almost always happens that requests subsequently are made to have votes taken on that day. I suppose the majority leader should never advise any Senator that he can leave the Chamber and can go down town in order to transact some business with a governmental department, and that he may do so in reliance upon the word of the majority leader that no further votes will be taken.

But in order to keep faith with the Senator from West Virginia, who particularly asked me, before he left the Chamber, whether other votes would be taken today—and I told him there would be no further votes—I feel that the Senate should take a recess at this time. It seems to me we shall lose no ground by doing so, and by having the amendment come before us tomorrow at noon, or even at 11 o'clock in the morning, if that is desired, for I shall be willing to move to have the Senate meet at 11 o'clock, if that is the wish of Senators.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. LONG. If agreeable to the Senator from West Virginia, I shall be glad to give him a live pair, if that is desired.

Mr. LUCAS. The Senator from West Virginia did not ask me to get him a pair, before he left.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I merely want to make a brief observation. When I was thanking the distinguished Senator from Illinois for his cooperation, in order that a recess might be taken at this hour, I of course had in mind the fact that he had already made the announcement there would be no night sessions, and that was why the great Republican family planned to have its meeting Thursday night. But I appreciate the fact that we are recessing now at 6 o'clock. I do not want the RECORD to show that there is any particular accommodation in the fact that we are not having a night session, because the distinguished majority leader had already announced at the beginning of the week that there would be no night sessions this week. I wanted the RECORD to show that.

Mr. LUCAS. The Senator from Nebraska, of course, will not deny the fact that he requested that no late session be held, in order to accommodate the Republicans of the country who have gathered in Washington, D. C.

Mr. WHERRY. That is correct, and I appreciate the Senator's cooperation very much.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had insisted upon its amendments to the bill (S. 1250) to amend the Institute of Inter-American Affairs Act, approved August 5, 1947, disagreed to by the Senate, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KEE, Mr. RICHARDS, Mr. MANSFIELD, Mr. CHIPERFIELD, and Mr. JACKSON of California were appointed managers on the part of the House at the conference.

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EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

TREATIES

Mr. LUCAS. Mr. President, there are certain treaties on the calendar which the Senator from Texas says should be ratified at this time.

Mr. WHERRY. I ask unanimous consent that the treaties be passed over tonight.

The VICE PRESIDENT. Is there objection to the request?

Mr. CONNALLY. Mr. President, we would like very much to have the treaties ratified. As a matter of fact they have been unanimously reported by the committee. They do not involve very important subjects.

Mr. WHERRY. I understand. I only request 1 day's delay.

Mr. CONNALLY. I cannot object to the Senator's request.

The VICE PRESIDENT. Is there objection to the unanimous-consent request? The Chair hears none, and the treaties will go over. The clerk will proceed to state the nominations.

NOMINATIONS PASSED OVER

Mr. LUCAS. Mr. President, I suggest the nominations of W. Walton Butterworth, Ellis O. Briggs, Nathaniel P. Davis, and Philip M. Kaiser be passed over.

The VICE PRESIDENT. Without objection, it is so ordered.

PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the Public Health Service.

Mr. LUCAS. I ask that the nominations in the Public Health Service be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Public Health Service are confirmed en bloc.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the three nominations of postmasters in the State of Tennessee be passed over until the next session.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LUCAS. I ask that the remaining nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations of postmasters, other than those for the State of Tennessee, are confirmed en bloc.

Mr. LUCAS. I ask that the President be immediately notified of all nominations confirmed this day.

The VICE PRESIDENT. Without objection, the President will be immediately notified.

RECESS

Mr. LUCAS. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Friday, August 5, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received August 4 (legislative day of June 2), 1949:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be senior assistant surgeons (equivalent to the Army rank of captain), effective date of acceptance:

Roger M. Cole	Harry S. Wise
Stewart R. Panzer	Carl F. Essig, Jr.
Paul K. Benedict	William W. Quisenberry
Winslow J. Bashe, Jr.	
Jarvis E. Seegmiller	William A. Rinn
Richard S. Yocum	

To be assistant sugeons (equivalent to the Army rank of first lieutenant), effective date of acceptance:

Charles H. Lithgow	John C. Stirling
James V. Maloney, Jr.	Lee A. Craig, Jr.
Robert D. Sullivan	Benjamin M. Primer, Jr.
William E. Ganss	
John M. Bishop, Jr.	James W. Osberg, Jr.
Werner F. Cryns	Carl F. T. Mattern
Clifford H. Cole	James S. Hawthorne
Charles J. Buhrow	John A. Pierce
Charles L. Fellows	Francis Chanatry
Robert H. Aronstam	Robert L. Brutsche

Senior assistant surgeons to be surgeons (equivalent to the Army rank of major):

Gene B. Haber
Louis C. Floyd
Arthur H. Maybay

IN THE NAVY

The following-named officers for permanent appointment to the grade of rear admiral in the line of the Navy:

George C. Crawford	Apollo Soucek
Edward C. Ewen	Robert P. McConnell

The following-named officer for permanent appointment to the grade of rear admiral in the Supply Corps of the Navy:

Samuel E. McCarty

The following-named officers for permanent appointment to the grade of lieutenant in the line of the Navy:

Keith G. Fletcher	Carl J. Seiberlich
James L. Baxter	Paul Bugg
Thomas A. Featherstone	Thomas B. Longley
	Louis R. Emme
Arthur E. Thompson	Dean G. Fleming
William T. Shipes	Maurice J. Underwood
Hugh N. Batten	Arthur D. Gordon
Vann E. Savage	Charles N. Scarborough
James H. Pyle, Jr.	
Gerald W. Stoddard	Ashley "R" Hodges
Andrew Hulshof	James H. Robertson
Merrill K. Martin	Irving T. Gumb, Jr.
Owen A. Roberts	Nils A. A. Carlson
Robert S. Harward, Jr.	Daniel R. Paul
	Harley G. Salisbury
Robert E. Morris	Conner M. Petrie, Jr.
Wilbur L. Stallings	Richard A. Caldwell
Robert L. Pierce	Frank S. Howland
Joel E. Tilley, Jr.	William M. Newell
"J" "A" Linn	Joseph McNaughton
John M. Suddreth	Clarence H. Howard
William J. Hess	George E. Dennis
Daniel P. Zylla	Samuel J. Miller
Floyd K. Clymer	Raymond M. Chester
Joseph F. Stanfill, Jr.	Charles C. O'Hearn
Clyde E. Crowder	Vincent D. Maynard, Jr.
Benjamin Hashmall	
John T. Dempster, Jr.	Maurice M. Perrine
Harrison H. Baker	Michael F. Rogus
Warren L. Gibson	William D. Acton
George W. Loveridge, Jr.	Joseph Bigger
	Clifford I. Nettleton
Leonard D. Welch	William G. Whisler
George E. Franklin	John R. Kersey
Wilbur W. Warlick	Herschel B. Thorpe
Albin Marn	Elmer C. Fry
Harry E. Carter	Byrum C. Bingham
Benedict J. Scott	Lewis M. Moore
Harry N. O'Connor	Ezra R. Bennett
Joseph P. Tidwell	David E. Glassman
Robert W. Reeve	Addison E. Medefind
Thomas C. Young	Hector S. McDaniel
Edwin W. Matthews	Howard C. Zangel
Joseph "S" Reedy	Arthur R. W. Thomas
Warren F. Paris	Jack L. Erickson
Almon "P" Oliver	Dale V. Hansen
Lyttleton T. Ward	Clifford S. Tomlinson
Joseph L. Coleman	Robert J. Barnes
Robert P. Heekin	Paul E. Krebs
Willis E. Hardy	Harry E. Johns
Edward Iglesias	Leonard R. Laughlin
Edgar L. McNett	John T. Gordon
Thomas W. Teal	William B. Moore
Wilbur E. N. Keil	Fonville Kelly
Richard E. Duncan	Howard J. Stockert
Clarence R. Meissner	Walter E. Constance
Howard K. Wallace	Elliott E. Okins
Paul F. Lorah	"J" "F" Branson, Jr.
James M. Bouldin	Clyde C. McPherson
Edward J. Lawrence	Charles W. Busey
William S. Hertig	Ralph S. Cerney
Harold R. Eyer	Berthel L. Roberts
Riley T. Folsom	Jack G. Kaye
Wallace E. MacDonald	Ralph F. Stoll
Ralph R. Caruthers	Paul C. Stadler
Warren C. Richison	Lawrence A. Farquhar
Addison R. English	John R. Bohiken
Kenneth E. Lindley	Joseph Boriotti
Robert S. Sherman	Lauren M. Johnson
Joe J. Culotta	Robert J. Massey
George E. Barber	Melvin H. Brantley
William B. Dever	Ellis E. Lee
Edward G. Kelley	Arthur J. Manger
Gerard P. Zornow	James E. Ivy
John A. Mattison	George H. Winslow
Michael J. Rura	James B. Morris
Robert B. Linn	Richard G. Tobin
Douglas G. Parramore	Clarence L. Lambing
Joseph R. Stroupe	Frederick E. Berg
Louis J. Schoenfeld	Larry E. Dunlap
Carl R. Wenz, Jr.	Robert N. DeLa Hunt
Donald E. Brunner	Everett E. Wigington
Donald B. Long	Clarke B. Walbridge
Thomas J. Baxter, Jr.	Richard W. Mann
Lloyd W. Moffit	Ivol E. Hansen
Charles E. Rodgers	Charles J. Deasy
Keith J. Evans	John J. Foley
Earl P. Seymour	Norman P. Currin
Homer D. Savage	David M. Jeter
Marvin J. Nelson	Joseph H. Fisher
James B. Doster	Francis M. Guttenberger
Emeryk Lichnerowicz	
Francis F. Johnson	Robert H. Johnson
John T. Freeman	Lee R. Thompson
John F. Davis	Leo Kelly
Roy P. McCloskey	John K. Freeman
Norbert P. Vegelahn	Thomas E. Greenwood
William F. Walker	Bernard L. Zentz
Richard M. Hopfinger	Stephen F. Kelley
Mitchell L. Udick	Bert R. McClelland, Jr.
Maurice O. Rishel	
Lewis G. Gifford	Melvin E. Call
Charles L. Duss	Averill G. Griffin
Lester Morris	Garvis D. Johnson
Andrew R. Smith	Victor J. Sibert
Paul A. Veres	Leahman J. Holt
Charles H. Carroll	Herbert E. Duquette, Jr.
Robert C. Morris	
James H. Crawford, Jr.	Adren P. Bonner, Jr.
	John A. Delaney

William L. Thede
Richard J. Mumford
Walter I. Perry
William B. Kuriak
Bruce Smithee
John R. Bourchier
Albert J. Ross
John E. Echterling
Robert E. Anglemyer
Paul D. Davidson
Andrew Serrell
Henry H. Henderson
Harry K. Hoch, Jr.
Victor B. Rink
Lewis C. Ihrig
Alphonse G. Goodbertlet
William R. Wilson
William E. H. Felchner
David P. Parks
Joseph J. Cote
Arthur D. Ronimus, Jr.
John L. Koch
Raymond V. Raehn
Melvin W. Cassidy
Aiden M. Pierpoint
Carl C. Dace
John R. Miller, Jr.
Jerome O. Hovland
Roy S. Johnston
Donald H. Nitz
Norman M. Lambertsen
Arthur W. Motley, Jr.
David D. Harris
Wilfred G. Chartier
Barthalomew Castrichine
Milton B. Moreland
Daniel A. York
David E. Cummins III
Paul Roth
Robert "H" Ebersole
Elmer "P" Carlson
Inslee E. Grainger
John R. Atkins
Charles H. Hoar, Jr.
Theodore Hladik
Merritt W. W. Baldwin, Jr.
James E. Jenkins
David Miller
William M. A. Greene
Max F. Rolih, Jr.
James W. Bowen
Newel W. Smith, Jr.
William I. Brewington
Theodore L. Morgan
Walter R. Smith
James E. Tanner
Henry E. Ethier
Richard M. Davis
Clayton C. Windsor
William J. J. Heffernan
Derrill P. Crosby
Aloysius Sally
John B. Pruden
Oscar S. Maddox
Luther G. Bearden
John L. Perry
George W. Stubblefield, Jr.
John W. Casey, Jr.
William S. Rhymes
Thomas Fields
Robert W. Jensen
Edward A. Gurry

The following-named officers for permanent appointment to the grade of lieutenant in the Medical Corps of the Navy:

Edwin R. Shapard III
Bruce B. Barnhill
Frank M. Thornburg
Robert C. Lehman
Harry C. Nordstrom
Robert B. Green
William C. Turville
Walter S. Matthews, Jr.
John I. F. Knud-Hansen
Robert W. Mackie
Robert J. Fleischaker

The following-named officers for permanent appointment to the grade of lieutenant in the Supply Corps of the Navy:

Paul W. Eldridge
Walter B. Adams
Ray S. Ewing
Bentley L. Wilson
Houston W. McGlothlin
Robert C. Lyons
Charles A. Vasey
Lennus "B" Urquhart
Thomas M. Brown
Thomas J. Emmett, Jr.
Alfred G. Lachmann
Gordon L. Groover, Jr.
William B. Farley
Frank L. Pearce, Jr.
John L. Foil
Tadeus T. Merritt
John H. Nuck
Richard Bergen
Robert A. Wells
Conway C. Baker
Dewayne C. Miller
Wendell McCrory
Paul B. Fitch
Alfred V. B. Marrin
Eugene L. Tucker
Merlyn A. Nelson
Earl F. Hilderbrant
John E. C. Ott
John W. Clift
Robert B. Webster
James E. Hickey
Elwood M. Bevins
Earl G. Clement
Earl G. Fossum
Roy M. McDaniel
Charles P. Ramsey
Edward J. Miller
Paul N. Bentley
William H. Settle
Paul Gertiser
Whitney A. Chamberlain

The following-named officers for permanent appointment to the grade of lieutenant in the Chaplain Corps of the Navy:

Harold E. Meade
Edward R. Martineau
William G. Sodt, Jr.
Soren H. F. Andresen
Jackson D. Hunter
James W. Lewis
Oscar Weber
Arthur L. Dominy
Wendell S. Palmer
Robert C. Fenning
Joseph P. Cusack
William G. Tennant
Thomas B. Uber II
James E. Emerson
Richard P. Heyl
Elmo M. T. Hawkins
Bernard J. McDonnell
James W. Lipscomb
Stanley A. Mroczka
William F. Doyle
Edgar A. Day
George L. Martin
Carl Elwood

The following-named officers for permanent appointment to the grade of lieutenant in the Civil Engineer Corps of the Navy:

Robert C. Coffin, Jr.
Earl F. Gibbons
Leo Liberman
Cushing Phillips, Jr.
John M. Bannister, Jr.
O'Neill P. Quinlan

The following-named officer for permanent appointment to the grade of lieutenant commander in the Dental Corps of the Navy:

William E. Hutson

The following-named officers for permanent appointment to the grade of lieutenant in the Dental Corps of the Navy:

Kenneth R. Pfeiffer
John W. Lieuallen
Jerome J. Steinauer
Robert A. Anderson
Joseph G. Chudzinski
Glen H. McGee
Ralph M. Bishop
Elwood R. Bernhausen

The following-named officers for permanent appointment to the grade of lieutenant in the Medical Service Corps of the Navy:

Milfred E. Sims
Russell S. Nance
Emmett L. Van Landingham, Jr.
Clinton H. Dutcher
William B. Hull
James W. Kinder
Clair L. Patterson

The following-named officers for permanent appointment to the grade of lieutenant in the Nurse Corps of the Navy:

Verona B. Sprecher
Mary A. Prescott
Eugenia L. Moseley
Nellie B. Burock
Marguerite Good
Helen L. Kuebler
Gloria C. Parisi
Nellie R. Backlin
Emma R. Wing
Kate Young
Louise J. Bartlett
Kathryn A. D. Trayers
Lillee E. Elledge
Inez Watson
Elizabeth L. Pollock
Caroline M. Prunskunas
Mary E. Orlando
Helen A. Mieras
Ellen E. Pullekinus
Catherine O'Donnell
Veronica A. Stein
Phyllis A. Scungio
Bertha M. Davis
Mary R. Becker
Lucile P. Miller
Alma R. Ross
Elois M. Duffy
Marguerite L. Durnwald
Martha A. Van Wye

The following-named women officers for permanent appointment to the grade of lieutenant in the line of the Navy:

Muriel S. Johnson
Mary C. Houck
Doris E. Steeves
Helen R. Upson
Joan M. Caldbeck
Louise F. Merkle
Helen E. Pritchard
Lucy E. Boyd
Lucile S. Thompson
Anita Ramos
Josephine S. Bates
Mary E. Ward
Catherine E. Cox
Sara E. Mitchell
Margaret A. B. Mairs
Louise A. G. Platt
Dorothea Ritchie
Virginia M. Thompson
Arline "C" Gorn

The following-named women officers for permanent appointment to the grade of lieutenant in the Supply Corps of the Navy:

Jean M. Shaefer
Elizabeth J. Stover

CONFIRMATIONS

Executive nominations confirmed by the Senate August 4 (legislative day of June 2), 1949:

PUBLIC HEALTH SERVICE

APPOINTMENTS AND PROMOTIONS IN THE REGULAR CORPS

To be surgeon (equivalent to the Army rank of major), effective date of acceptance:
Milton W. Gwinner

To be scientist (equivalent to the Army rank of major), effective date of acceptance:
Keith J. Perkins

To be dental directors (equivalent to the Army rank of colonel):
James F. Lewis
Thomas L. Hagan
James S. Miller

To be scientist directors (equivalent to the Army rank of colonel):
Howard L. Andrews
Heinz Specht
G. Robert Coatney

POSTMASTERS

ALABAMA

William L. Albritton, Camden.
Robert C. Salter, Castelberry.
Mary M. Davis, Chunchula.
Autry S. King, Eight Mile.
John P. Gottler, Elberta.
Russell S. Campbell, Hefiin.

ARKANSAS

William L. Nabors, Donaldson.
Roger P. Klie, Grady.
Paul E. Williamson, Jr., Holly Grove.
Avery A. Kaylor, Lavaca.
Harold M. Jinks, Piggott.
Anna P. Essary, State College.
Lois G. Wright, Sweet Home.

COLORADO

Alice P. Allison, Eaton.

FLORIDA

Julian F. Clifton, Flager Beach.
Margaret V. Lindsey, Homosassa Springs.
George E. Lawrence, Grand Ridge.
Leland R. Brallier, Lake Butler.
Jessie L. Justice, Lake Hamilton.
Harry J. Hopcraft, Mount Dora.
Herbert A. Marlowe, Newberry.
Joseph W. Padgett, Panama City.
William D. Thomas, Samoset.
Charlotte L. Jenkins, Sharpes.

GEORGIA

Bennie F. Wammock, Adrian.
Olive S. Rich, Bartow.
Walter F. Wells, Jr., Bishop.
Robert P. Wight, Cairo.
Edith M. Holmes, Conley.
Endine M. Hart, Ellaville.
George E. Chandler, Jr., Keysville.
Neon E. Bass, Leslie.
Harry Baggs Chapman, Ludowici.
Virginia K. Kinsey, Mayfield.
Kathryn E. C. Hanley, Millhaven.
Adahbelle Elrod, Murrayville.
Charles Earl Sewell, Newman.
Cordelia A. Flournoy, Newton.
Jack Herring, Ochlochnee.
Monteen L. Sanders, Parrott.
Samuel W. McNair, Stapleton.
Ray G. Spangler, Sunny Side.
Maro L. Callier, Talbotton.
William F. Lambert, Temple.
Claude Rountree, Thomasville.
Thomas C. Fowler, Woodstock.

IDAHO

Charles S. Thornley, McCammon.
Mabel Logue, Stibnite.

ILLINOIS

Leland H. Watson, Ashmore.
John Pugh, Cutler.
Rae A. Arnould, Dixon.
Hazen L. Ernst, Gibson City.
Charles J. Ginaine, Glenview.
Beverly C. Wilborn, Grayville.
Francis M. Perkins, Lawrenceville.
Luella A. Nixon, Lomax.
Dale A. Schwarz, Roberts.
Nellie J. Lovelace, Rockton.
Clyde B. Miller, West Salem.
Pearl V. Reilly, Winnebago.

INDIANA

Verner L. Bowers, Crawfordsville.
Harry McOsker, Ewing.
George L. Staley, Garrett.
Charles C. Gilmore, Griffin.
Charles Woodrow Zehner, Windfall.

IOWA

Jack R. Campbell, Blockton.
Oscar A. Jaeger, Decorah.
Henry M. McMillan, Elgin.
Henry Bendorf, High.
Jeanette L. Mennen, Kesley.
Lawrence Isaac Colman, Macedonia.
John W. Johnson, Marathon.

UNIVERSITY OF MICHIGAN LIBRARIES

Rose M. Wedeking, Nemaha.
Arthur Klein, Pella.
Harry A. Eddy, Rhodes.
Julia A. Stott, Titonka.
Albert J. Schmidt, Winfield.

KANSAS

Reginald D. Bennett, Cottonwood Falls.
Ralph L. Bogart, Gypsum.
Homer C. Brunow, Kensington.
John G. Wilson, Moline.
Roy J. Considine, Sterling.

KENTUCKY

Henry M. Piper, Farmington.
Robert X. West, Independence.
Claude G. Bonar, Newport.

LOUISIANA

Horace G. Hines, Sr., Bethany.
Charles H. Avery, Dubach.
William A. Hogan, Epps.
Lloyd B. Platt, Grand Cane.
William P. Lawrence, Haughton.
Tyler E. Adams, Keatchie.
Gladys H. Duke, Kelly.
Woodrow W. Hathorn, Monroe.

MAINE

Warner A. Howard, Coopers Mills.
Gordon M. Sandborn, East Sebago.
Cyril F. Hopper, Lincolnville.
Vernell L. Leighton, Millbridge.

MARYLAND

Earl F. Haenftling, Accident.
Florence W. Gillis, Eden.
William M. Remsburg, Knoxville.
Francis L. Leverone, Mount Rainier.
Thelma W. Billings, Riva.

MISSISSIPPI

Josephine W. Webb, Cleveland.
Eleanor O. Miller, Darling.
Randolph M. Sumerall, Isola.
Kenner E. Day, Rolling Fork.
Katherine W. Jones, Schlater.

NEW MEXICO

Max B. McBride, Grants.
Virginia E. Maya, Vanadium.

NORTH CAROLINA

Mark Sumner, Sr., Asheville.
Jake Price, Caroleen.
Joseph J. Meliski, Chimney Rock.
Henry G. Stewart, King.
Billy Bryan Medford, Lake Junaluska.
Ellis E. Fleming, Manson.
Lewis Chesley White, Merry Hill.
Edward A. Pipkin, Jr., Mooresboro.
John S. Regan, Nazareth.
Oscar C. Hull, Roxboro.
William Thomas McGoogan, Red Springs.
James B. Russ, Southport.
Ernest Lee Cherry, Stanley.
Ruby E. Stanley, Swansboro.
Samuel W. Garrell, Jr., Tabor City.
Sarah L. Lancaster, Vanceboro.
Allen McD. Callahan, Vass.

NORTH DAKOTA

Edmund F. Ost, Fredonia.
August F. Poehls, La Moure.
Cleo Flugga, Marion.
Leo J. Walerius, Munich.
Bessie G. Goding, Taylor.
Kenneth S. Hinck, Willow City.
Theodore O. Brandt, Wishek.

OHIO

Lyell F. Roush, Beverly.
Wilbur F. White, Delta.
Bertie A. Hamilton, Everett.
Dell M. Hathway, Gambier.
Ralph L. Painter, New Richmond.
Bernice E. Koch, North Royalton.
Marcus Baker, South Lebanon.
William T. Warner, Summerfield.
Robert C. Millikin, West Jefferson.

OKLAHOMA

William E. Martin, Erick.
Walter E. Ingram, Henryetta.
Verney L. Thorlton, Lamont.
James Bailey Carson, Marland.
H. Herbert Puckett, Wilson.

OREGON

Donald L. Jenkins, Beaverton.
Joseph R. DeSpain, Pendleton.
Clide W. Adams, Tualatin.

PENNSYLVANIA

George H. Gartland, Curryville.
Paul Silberman, Hallowell.
Pansy L. Williams, Port Matilda.
Walter F. Walsh, Spangler.

SOUTH DAKOTA

Marie Connery, Bison.
Norbert O. Wieting, Delmont.
Albert Christianson, Volga.

TEXAS

Thurman L. McDougald, Anderson.
Lewis L. Bradley, Sr., Channelview.
Antonio G. Pena, Delmita.
Walter W. Harriss, El Campo.
John R. Hearne, Jr., Groveton.
Rafaela Guerra, Hidalgo.
William Harvel Brock, Iola.
Ruth F. Jenkins, La Porte.
Lucy M. Derham, La Tuna.
Rc. Hudson, Levelland.
Norris L. Stanley, Linden.
Ewald Hoelker, Lindsay.
Henry B. Machen, Lockney.
Samuel J. Coffee, Loraine.
Murray L. Crone, Morton.
Aubrey B. Gilpin, Mount Pleasant.
Hugh S. Lewis, Robert Lee.
Leon Howard Lee, Rochelle.
Louis O. Senkel, Rosenberg.
Kyle C. Stone, Sherman.
Mary L. Wallace, Spade.
Bernard R. Strack, Spring.
Edmon F. Oden, Sundown.
Guy V. Pickett, Terrell Wells.
J. W. Oliver, Wells.

UTAH

Ona Mae Maxey, Sunnyside.

WASHINGTON

Carl H. J. Quill, Parkland.
Barbara H. Eggman, Skamokawa.

WEST VIRGINIA

Thelma M. Green, Barboursville.
Marion Reed, Clay.
Nathan B. Lee, Eskdale.
John B. Hawse, Petersburg.
Vincent M. Sufritz, Sabraton.
Donald E. Thaxton, Sissonville.

WYOMING

Lennah J. Vaughn, Lander.
Eliza J. Yuthas, Superior.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 4, 1949

The House met at 12 o'clock noon.

Rev. David F. Chastain, Jr., pastor, Christ Baptist Church, Washington, D. C., offered the following prayer:

Have mercy upon us, O God, according to Thy loving kindness: according unto the multitude of Thy tender mercies blot out our transgressions.

Empower us with vision by the Holy Spirit's presence to see the consequences of wrong and right and create a holy desire for right in us.

Grant to us faith in Thee that good can be achieved among men. Clear our minds of short-sighted selfishness as we think of the kind of world we shall bequeath to the boys and girls whose voices cheer us today.

O Father, let love to others and a desire to be good stewards of our trusts motivate our lives to usefulness in Thy kingdom as we live in Thy holy love.

In Jesus' name and to His glory, I pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 327) entitled "Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases."

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 61. Concurrent resolution authorizing a change in the enrollment of S. 1323 to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1962) entitled "An act to amend the cotton and wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. HOEY, Mr. ANDERSON, Mr. AIKEN, Mr. YOUNG, and Mr. THYE to be the conferees on the part of the Senate.

CORRECTION OF COMMITTEE REPORT

Mr. BECKWORTH. Mr. Speaker, in the report of the Rules Committee on the bill H. R. 1758, the gas bill, which will be considered today, the committee reports me as having attended and made my position known, in an incorrect way.

In the first place, although I was at the committee meeting just a moment, I did not testify and was not privileged to talk to any member of the Rules Committee.

In the second place, had I testified, I would have testified that I was for the rule and that I favored the legislation.

I discussed this matter with the gentleman from Massachusetts [Mr. HESELTON], whose name was deleted, and we are of the opinion that they meant his name rather than my name.

I ask unanimous consent, Mr. Speaker, that the report be corrected accordingly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CANADIAN RIVER RECLAMATION PROJECT, TEXAS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. PETERSON. Mr. Speaker, this bill authorizes the construction, operation, and maintenance of a reclamation project known as the Canadian River reclamation project. The bill has been thoroughly considered by the committee and was reported out unanimously. I may say that of the cost of this project a little over 94 percent is reimbursable.

Mr. MARTIN of Massachusetts. What is the total cost of the project?

Mr. PETERSON. The total cost of the project will be approximately $85,000,000, of which 94 percent is reimbursable.

Mr. MARTIN of Massachusetts. There are no new features in the bill?

Mr. PETERSON. No; and there is no controversy over the bill.

Mr. RANKIN. Mr. Speaker, reserving the right to object, will the gentleman state where the project is located?

Mr. PETERSON. It is located in Texas and is greatly needed.

Mr. WORLEY. Mr. Speaker, may I first express by thanks to the Speaker for recognizing the distinguished gentleman from Florida [Mr. PETERSON], chairman of the House Committee on Public Lands, to request present consideration of H. R. 2733. Briefly, this measure authorizes the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project located in that section of Texas known as the Panhandle. It will affect the entire Texas Panhandle South Plains area, which is more than twice as large as the combined area of Rhode Island, Delaware, Connecticut, Massachusetts, and New Hampshire. The estimated population of this area is over a half million. Although the project is physically located in my congressional district, the people of the South Plains area, represented by our able and distinguished colleague, the gentleman from Texas, Hon. GEORGE MAHON, have the same intense interest. Water problems recognize no congressional, State, or party lines. Moreover, this project, which involves the use of the waters of an interstate stream, is also endorsed by the two other States involved, namely, New Mexico and Oklahoma.

Essentially our problem is this: We have little or no surface water. Our annual rainfall is slightly over 20 inches. Nearly all of our water has to be pumped from wells. Competent testimony shows that we are taking more water out of our underground supply than nature is replenishing.

With water, the economy of this section of our country will remain firm and stable. Without water, we cannot hope to hold our own in the future.

The solution to our problem is construction of this dam. At the northern boundary of the Llano Estacado, there is a great unused national resource—the waters of the Canadian River—which now largely waste into the Gulf of Mexico. These waters form a permanent supply available and adequate for all of our municipal needs, both existent and anticipated, for many years. The Bureau of Reclamation was requested to investigate the possibilities of developing these waters of the Canadian River along with other water-resource improvements in the area. It has made such an investigation. These studies clearly show the development is both engineeringly and economically feasible. As proposed, this would be a multiple-purpose development which would provide, in addition to municipal and industrial water supply, irrigation, flood control, fish and wildlife benefits, and increased recreational values.

From a national standpoint, we have in this project the development of a water resource which is now going to waste. This development will serve to protect an established economy which is an integral part of the economy of our Nation. The benefits will extend far beyond the borders of Texas into the entire country.

Now as to the cost. Our people find themselves in the same position as people in other parts of the country who have needed similar projects but who have not been able to finance them alone. We are much in the same position of a small-business man going to a bank and asking for a loan. We are asking the Federal Government for a loan, not a hand-out nor a gift. We are asking for a loan which we will repay. The estimated cost of the project is approximately $85,000,000. The amount which we will repay to the Federal Government is approximately $80,000,000, which is more than 90 percent of the cost; substantially higher than other projects previously authorized by Congress. This will be paid by the water users. It will be repaid over a 40–60 year period. The remainder of the project cost, 10 percent or less, would be charged to the nonreimbursable items such as flood control and other national benefits now covered by existing law.

I urge your most favorable consideration of H. R. 2733. The Canadian River project is engineeringly and economically sound. We need it. We need it now. We can pay for it. We will pay for it.

Mr. MAHON. Mr. Speaker, I wish to express my deepest gratitude for the action of the Speaker of the House in making it possible for the Canadian River project to be presented to the House for consideration today. I trust that the bill may be approved without objection. Members on both sides of the aisle have been most cooperative with the gentleman from Texas [Mr. WORLEY] and me in the efforts which we have undertaken to expedite the measure and we are not unmindful of their kindness.

The Committee on Public Lands, headed by the able chairman the gentleman from Florida [Mr. PETERSON], has moved rapidly in recognizing the urgency of this project. This speed on the project has been made possible by the Speaker, the Committee on Public Lands, and the quick and favorable action on the part of the Bureau of Reclamation. Of course, without a report from the Bureau of Reclamation, showing that the project is feasible and in the public interest, we could not have made any progress and we would not have been entitled to the consideration which we are receiving today.

The people in the South Plains-Panhandle area have been most cooperative with the gentleman from Texas [Mr. WORLEY] and me in providing all possible information and support.

This project will cost about $85,000,000, but in excess of 90 percent of it will be repaid to the Treasury. This is a project which is genuinely in the public interest. The gentleman from Texas [Mr. WORLEY] and I represent one of the finest areas in the United States. The maintenance of the prosperity of the area is important to the Federal Government and to the general welfare. Without a large surface-water supply our cities will be in jeopardy. Competent engineers tell us that the Canadian River project is the answer to our problems. I rejoice in the progress being made today on a matter of such great importance to the people of the South Plains-Panhandle area of Texas.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of irrigating land, furnishing water for industrial and municipal use, controlling floods, providing recreation and fish and wildlife benefits, and controlling and catching silt, the Secretary of the Interior, through the Bureau of Reclamation, is authorized to construct, operate, and maintain the Canadian River reclamation project, Texas, the impounding works whereof shall be located at a suitable site on the Canadian River in that area known as the Panhandle of Texas. In addition to the impounding works, the project shall include such main canals, pumping plants, distribution and drainage systems, and other works as are necessary to accomplish the purposes of this act. Said undertaking shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto): *Provided*, That the costs of construction allocable to flood control, recreation, the preservation and propagation of fish and wildlife, and the catchment of silt, shall be nonreimbursable: *Provided further*, That repayment of the reimbursable costs thereof shall be assured by a contract or contracts satisfactory to the Secretary.

SEC. 2. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act.

With the following committee amendments:

Page 1, line 8, after the comma following the word "Texas", insert the following: "described in that certain report of the regional director of the Bureau of Reclamation, region V, dated June 15, 1949, on the subject 'Plan for Development of the Canadian River project, Texas,' project planning report No. 5–12.22–1, at an estimated cost of $85,383,000."

Page 2, line 7, after the word "That", insert the following: ", notwithstanding any recommendations in said report to the contrary, only."

Page 2, line 8, after the word "control", delete ", recreation," and substitute in lieu thereof the word "and."

Page 2, line 9, after the comma following the word "wildlife," add the following: "and operation and maintenance costs allocable

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to the same purposes,". Delete the words "and the catchment."

Page 2, line 10, delete: "of silt."

Page 2, line 11, after the word "thereof", insert the following: "within not more than 50 years from the date of completion of the project."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. LYNCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. MULTER asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous matter.

Mr. HOWELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

THE MINIMUM-WAGE BILL

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUCAS. Mr. Speaker, I believe the Members of the House are aware that Lesinski minimum-wage bill, the original bill (H. R. 3190) is a monstrosity. I believe that the gentleman from Michigan [Mr. LESINSKI] has proved this, because he has introduced an entirely new bill on this subject, which has just been made available to us by the document room. The gentleman from Michigan [Mr. LESINSKI] is to be congratulated, because he has been able to take all of the bad features of the original bill and scramble them up and write them all into the new bill. This bill is going to be on the floor of the House next Monday, at which time I shall offer a substitute which is a clean bill, a good bill, and which I solicit your help on in passing. The Members of this House are not going to be deceived by any new bill which the gentleman from Michigan [Mr. LESINSKI] may introduce, especially if it is as great a monstrosity as his first one, which I assure you it certainly is.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LUCAS. I yield to the gentleman from Mississippi.

Mr. RANKIN. What is the bill about?

Mr. LUCAS. I may say to the gentleman from Mississippi that the minimum-wage bill which the gentleman from Michigan [Mr. LESINSKI] has reported, would regiment the entire American economy.

Mr. RANKIN. I thought it was the FEPC monstrosity.

Mr. LUCAS. It is even worse than that bill.

PEANUT QUOTAS

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, on yesterday we talked a good deal about quotas on cotton. It so happens that in this morning's mail I received a letter about quotas on peanuts from a veteran in my district. You will remember we had the peanut-quota program up last year. I just hope the cotton-quota program does not work like the peanut-quota program insofar as some of the veterans in our district are concerned. I shall read one sentence from this letter which comes from a veteran:

> I am sending you a letter I received about the peanut acreage. Last year on this farm I planted nearly 17 acres of peanuts, and this year they cut me to 4.7 acres.

In other words, he gets about one quarter of what he planted last year.

I ask you if you think that that is fair? I ask you if you think that that is treating a veteran the right way? As was pointed out on yesterday, Oklahoma lost 57 percent of her peanut acreage when the peanut quota was adopted last year.

There was some special consideration given to Oklahoma. It may be we are going to have to have a little special consideration for parts of Texas in order that our families shall receive their fair share of acreage of allotments.

The SPEAKER. The time of the gentleman from Texas has expired.

EXTENSION OF REMARKS

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include a short editorial.

Mr. GREEN asked and was given permission to extend his remarks in the RECORD.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Appanoose County (Iowa) Bar Association.

Mr. KEEFE asked and was given permission to extend his remarks in the RECORD on the subject of national service life insurance dividends and the answers to questions relating to the reserves of national life insurance and to include a letter and a table prepared by Mr. E. F. Bartelt, Fiscal Assistant Secretary of the Treasury.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include excerpts from a letter.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include an editorial from this morning's Washington Post.

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD and include a speech by Forest Harness, former United States Representative from Indiana's Fifth District.

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD.

Mr. HILL asked and was given permission to extend his remarks in the RECORD and include two petitions.

SMITHSONIAN INSTITUTION

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2290) to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, line 21, strike out "$5,000" and insert "$10,000."

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. SHAFER addressed the House. His remarks appear in the Appendix.]

(Mr. SHAFER asked and was given permission to revise and extend his remarks and include excerpts of speeches.)

UNITED STATES COAST GUARD

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, I want to pay tribute, especially today, on its one hundred and fifty-ninth anniversary, to the glorious accomplishment of the United States Coast Guard. Since my boyhood, I have been deeply interested in the Coast Guard, and this interest was intensified by my privilege to be designated a member of the Board of Visitors to the Coast Guard Academy at New London, Conn., during the Eightieth Congress. The Academy, as a matter of fact, was moved to New London in 1910, and there for almost 40 years, through its graduates and trainees, has continued

to contribute so much to the safety of our waterways and sea lanes.

We, of Connecticut, are not only proud of the great record of the officers and men who so nobly are upholding the traditions of the United States Coast Guard, but also of the Academy in New London, which today represents one of the most attractive and up-to-date collegiate institutions in America. The rigorous standards for selection of candidates to the Coast Guard Academy is the best assurance that the International Ice Patrol, Weather Patrol, daring search and rescue will continue to serve this great Nation in peace as in war.

I include a timely editorial which appeared in the Washington Post this morning, Thursday, August 4, 1949, which follows:

SEMPER PARATUS

The United States Coast Guard celebrates today its one hundred and fifty-ninth birthday. It is a day not to be passed over in silence. Too often the services of the Coast Guard have been overlooked; though, to be sure, it came into its glorious own during the war.

But the Coast Guard is primarily a peacetime service, attached to the Treasury Department. It was Alexander Hamilton who gave it its start—as the Revenue Marine—back in 1790. Among its duties, pleasant and unpleasant over the years, have been fighting pirates and hostile Indians, protecting the Alaskan seal herds from extermination, and blockading southern ports in the Civil War.

Today it is charged with enforcement of United States laws on all the navigable waters of this country and, insofar as they are applicable, on the high seas. It conducts the magnificent search and rescue service that, at a moment's notice, mobilizes ships, aircraft, and radio communications to help victims of disaster at sea. It takes care of channel markers, lighthouses and lightships, conducts safety inspections of ships, and fulfills a host of other duties.

Of all these, the one that appeals most to us on this August day is the iceberg patrol in North Atlantic waters. This duty, except for periods during both world wars, the Coast Guard has accomplished since 1913—a year after the *Titanic* disaster. Actually, the iceberg season is over now; it normally lasts from around March to June and this year began in February and ended on June 15. But cuddling up to an iceberg right now seems an ideal way to beat the heat, and we wish the Coast Guard could go out and haul one up the Potomac to celebrate its birthday. It would be most appropriate, we think, since, like an iceberg, only about one-tenth of the Coast Guard's activities appear above the surface of our everyday consciousness.

EXTENSION OF REMARKS

Mr. BATES of Massachusetts asked and was given permission to extend his remarks in the RECORD and include an article relating to taxation.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD and include a radio address by former Senator Arthur Capper.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. SCRIVNER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include newspaper articles.

WHY REARM SOVIET RUSSIA?

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, Dr. Hardach, one of the directors of Krupps, reported that in March of this year the last shipment of the Krupps-Barbeck armament plant left for Russia.

Mr. Speaker, again I feel compelled to ask why the United States continues to rearm Soviet Russia with one hand while asking our people to spend $1,500,000,000 to rearm western Europe against this same Soviet Russia?

This would be farcical if it were not tragic.

PERMISSION TO ADDRESS THE HOUSE

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. McDONOUGH addressed the House. His remarks appear in the Appendix.]

UNITED STATES COAST GUARD

Mr. GARY. Mr. Speaker, today the United States Coast Guard celebrates 159 years of continuous service to mankind.

The forerunner of the present-day Coast Guard, the Revenue Marine, was established in 1790 at the request of Secretary of the Treasury Alexander Hamilton for the purpose of collecting import duties, and thus defeat widespread smuggling. It was to be known by several other titles before it became "Coast Guard" officially in 1915.

Little did Secretary Hamilton realize that the small fleet of cutters he gathered to insure duty collections would grow into a great Government service charged with so many responsibilities. The scope of these activities enlarged almost immediately. The service fought pirates in Louisiana and hostile Indians in Florida. It conducted countless explorations in Alaska. It protected the dwindling seal herds against reckless hunters and battled Spanish ships at Manila and Habana. It absorbed the duties of the Lighthouse Service and the Lifesaving Service. After the *Titanic* disaster it began its now famous ice patrol to warn vessels of icebergs drifting into North Atlantic shipping lanes.

Today, the Coast Guard is a part of the Treasury Department in peacetime, and its functions have continued to expand. For example, the Coast Guard is responsible for the enforcement of all Federal laws upon the navigable waters of the United States and its possessions and upon the high seas. These Federal laws embrace navigation, criminal acts, revenue, conservation and a number of miscellaneous statutes. It perhaps is even better known for its search and rescue activities, which can alert a far-flung organization of ships, planes, and land stations for action on a minute's notice. It is charged with the Nation's maritime safety. It opens ice lanes on the Great Lakes. It polices the whaling industry, and enforces the Migratory Bird Act and Sponge Fishing Act. It assists in the enforcement of the quarantine laws, the immigration laws, and laws covering the transportation of dangerous cargoes. It provides aids to navigation, such as buoys and lightships. It inspects safety features of ship construction, transports "floating courts" in Alaska, operates ocean weather stations, conducts oceanographic and other surveys. It even inspects motorboats with the help of its volunteer, civilian Coast Guard Auxiliary. And there are many more similar assignments, some temporary, some permanent.

In wartime the Coast Guard joins the United States Navy to become a fighting force as well. It has participated in every major war fought by the United States; in World War II it took part in every amphibious landing from Guadalcanal to Tokyo, and from Casablanca to Anzio and the beaches of France, fought submarines by sea and air, captured Nazis in Greenland, guarded 50,000 miles of beach, and manned 291 Army, 351 Navy and 802 of its own vessels with a total military strength of approximately 240,000 officers and men. Nearly 1,900 Coast Guardsmen gave their lives, and a like number received decorations.

During the past year Coast Guard actually rescued more than 5,000 persons from danger, and saved or protected property valued at more than $160,000,000. It gave assistance to hundreds of ships and planes, and operated and maintained 40,000 aids to navigation, the International Ice Patrol, the 13,000-mile Bering Sea Patrol, and kept in military readiness for any emergency, afloat or ashore.

The Coast Guard is always ready—and always busy.

Mr. CANFIELD. Mr. Speaker, the unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, the United States Coast Guard has always lived up to its motto Semper Paratus and it deserves a hearty salute on its one hundred and fifty-ninth birthday.

Last week in company with my colleagues of the House Subcommittee on Treasury-Post Office Appropriations, I made an inspection of Coast Guard facilities along the eastern coast. We spent 2 days aboard the cutter *Chincoteague* and off Elizabeth City, N. C., a remarkable demonstration of sea rescue work by helicopters was run off to perfection. The cutter itself was getting set to operate as a weather vessel and rescue ship between the Azores and Bermuda.

It has been pointed out that among its host of duties the Coast Guard has fought pirates and hostile Indians, protected the Alaskan seal herds from extermination, operated the ice patrols,

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and cared for channel markers, lighthouses and lightships, conducted safety inspections of ships, and in wartime fought the enemy as part of the Navy. Its officers and men are characterful, on their toes, and proud of the history they have helped to write.

It was Alexander Hamilton who founded the Coast Guard back in 1790 and it was Alexander Hamilton who was instrumental in founding my home city of Paterson, N. J.

Last week I suggested to Admiral J. F. Farley, Commandant of the Coast Guard, that the next large cutter constructed for the Guard be named the *Alexander Hamilton* and he has agreed to see such is done.

Four Coast Guard ships have borne the name of Hamilton. The first was commissioned in 1830 and was in service until 1853, when it was blown ashore in a gale and all hands but one were lost. The second was commissioned in 1871 and served 35 years. The third, originally the United States Navy gunboat *Vicksburg*, was used for a number of years as the practice cutter for the cadets of the Coast Guard Academy, New London, Conn.

The most recent *Alexander Hamilton*, built in 1937, was 327 feet long and carried a wartime complement of 16 officers, 5 warrant officers, and 200 enlisted men. The *Hamilton* served with the Bering Sea patrol force and the Grand Banks neutrality patrol prior to World War II, and reported to the United States Navy for a special assignment in December 1941. On January 29, 1942, shortly after casting off from a disabled Navy supply ship which she had been towing off the coast of Iceland, she was struck presumably by a torpedo, killing 26 crew members, and capsized while being towed into Reykjavik.

MINIMUM-WAGE LEGISLATION

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BIEMILLER. Mr. Speaker, on Monday next the wisdom of this House in amending its rules on the opening day will again be demonstrated. Under the 21-day rule the minimum-wage bill will come before this House for action.

I have been amazed at the amount of propaganda that has continued to come in through the mail, and the propaganda on this floor as well, to the effect that America cannot afford a 75-cent minimum wage. We are told we will be bankrupted, that the country will go to pot, if we pass a 75-cent bill. You and I know there are people who are paying less than 75 cents an hour minimum wage. I think it is a disgrace to the United States that such a situation exists. I hope that on Monday next the Members of this House will turn out en masse and see to it that we pass a bill giving basic economic justice to the poorer people of America. I leave just this one question with all of you, "How many of you would like to try to live on 75 cents an hour?"

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. YOUNG. Mr. Speaker, is it possible to conceive that on Monday next there may be an unholy coalition in this House seeking to defeat the minimum-wage legislation to increase the present inadequate and obsolete minimum wage from 40 cents an hour, $16 a week for a married man with a family, to 75 cents an hour?

As he carried his dogged political campaign to nearly every whistle stop in the United States last November, from the Potomac to Puget Sound, President Truman denounced the Nation's obsolete and inadequate minimum-wage law and pledged that if a Democratic Congress were elected to give him support the minimum wage in this country as it relates to interstate commerce would be increased from 40 cents an hour to 75 cents an hour. We should on next Monday amend the present inadequate minimum-wage law. In the voting that followed our President's campaign from coast to coast the country dropped the Republicans from control. People generally did not like the do-nothing, standpat Republican Eightieth Congress. They said so. They made some changes. Now we propose to change and improve this obsolete law.

Jesus said in his Sermon on the Mount, "The laborer is worthy of his hire."

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I do not think there is anybody in this House that would not want 75 cents an hour for any man, woman, or child in this country that was working. I mean who wants to work but the same gentlemen who are talking about 75 cents an hour want to give it to only about 25 percent of the workers of this country. Why do you not come in here with a bill that will give it to everybody in this country who works instead of about 25 percent, and let us do a real job? I do not believe in bringing in here a bill that is going to give to only a few people in this country 75 cents an hour. Those who are recommended by the few. I think it is ridiculous that you do not include farmers—workers in all industry, in all business—I think you ought to come in here with a bill saying that every man that works and earns will get 75 cents an hour or more. If you do that, then you will do something worth while, treat everybody alike, but do not get up here and shout and holler when you want to give 75 cents per hour to one worker out of 4 or to only 25 percent of the people who work. Why discriminate, I think it is all poppycock to consider the legislation that this administration wants. It is not American. Why make fish of one and fowl of another? If a worker earns 75 cents an hour let him get it from everybody. Your bill is only a CIO-AFL bill. Let us make it an American bill and give it to all who work and earn 75 cents per hour. If it is good for one it should be good for everybody, regardless of who he works for or what he works at. Think it over. It is food for thought.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, we have just listened to one of the most unusual speeches that anyone has ever heard no matter how long one has been a Member of this body. My friend from Pennsylvania, as I recall, has always opposed minimum-wage legislation.

Mr. RICH. Because you did not give it to all the people.

Mr. McCORMACK. That is not the reason. That is what the gentleman said. The gentleman says 25 percent. Would he vote to include everybody?

Mr. RICH. Yes, I will. I will vote for it for everybody, if you bring in the bill.

Mr. McCORMACK. That is very difficult, because it is recognized that there are some situations in the national economy where the sudden increase to 75 cents in all of them would result in a dislocation. The gentleman knows that. Also, the interstate commerce clause comes into the picture. A 75-cent minimum for the ones covered by the present law, and they will be included in the minimum wage, certainly is a decided step forward.

If my friend means what he says—if he cannot get what he wants and what he says he would hope for, then a logical-minded person would vote to extend to those already covered as well as other groups that are not covered but who will be embraced in the coverage included in the substitute bill.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. RICH. Why is it you do not want to give everybody 75 cents an hour? Let us have the real facts now. Let us take our hair down and let the people know.

Mr. McCORMACK. Was the gentleman from Pennsylvania, Mr. RICH, here when the original bill was passed?

Mr. RICH. Yes, I was.

Mr. McCORMACK. Did you vote for it?

Mr. RICH. No, because it did not include everybody.

Mr. McCORMACK. In other words, if the gentleman had his way everybody who is now getting 40 cents an hour minimum wage would still be exploited at 10, 12, and 15 cents an hour.

Mr. RICH. That is just the reason why your bill is a lot of poppycock.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that

on Monday next, and also on Tuesday, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MINIMUM-WAGE LEGISLATION

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, it certainly is interesting to hear the gentleman from Pennsylvania come out in favor of a minimum wage of 75 cents an hour. It is also interesting to hear the gentleman from Massachusetts.

I call to the attention of the gentleman from Massachusetts [Mr. McCORMACK] the fact that while the Northeast section of the country, including the States of Massachusetts, New Hampshire, Connecticut, Rhode Island, and Vermont, has no great resources in the way of coal, iron, steel, oil, gas, and some other things, like wool and cotton needed for industrial production, but nevertheless is a manufacturing section of the country, you have been losing industry after industry, one reason being that those industries have gone South because down there labor is cheaper and the cost of production is cheaper. The cost of production is less, not only because of lower wages, lower living costs, because other States, including those in the South, have greater natural resources. That section has lost many industrial plants. That is what has happened to you. And when you bemoan the fact that so many people in Connecticut, Massachusetts, and these other Northeastern States are out of jobs because the factories have moved away, just remember that one contributing cause is some of the laws the New Deal and the Fair Deal have put on the books and which the gentleman from Massachusetts [Mr. McCORMACK] supported.

Mr. McCORMACK. Mr. Speaker, if the gentleman will yield, would he want us to lower our standard of living in New England?

Mr. HOFFMAN of Michigan. Of course not, but obviously you will have lower living standards if you adopt legislation which drives all industry out of that section of the country.

The SPEAKER. The time of the gentleman from Michigan has expired.

SPECIAL ORDER GRANTED

Mr. VURSELL. Mr. Speaker, I ask unanimous consent that on today, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances, in each to include extraneous matter.

Mr. COTTON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Will the gentleman withdraw his point of order so that Members may have the opportunity to make unanimous-consent requests?

Mr. COTTON. Yes, Mr. Speaker; I withdraw the point of order.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD and include some editorials.

MINIMUM-WAGE LEGISLATION

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, several years ago we were able to pass in the Congress a bill which set a minimum wage of 40 cents an hour—in certain lines of industry—throughout the United States. That would bring to the worker, who works 40 hours a week, a $16 weekly income. According to the Hoover Commission's analysis of the purchasing power of the dollar, it would enable that man to buy $8.32 worth of the necessities of life. If we pass a bill raising this wage up to 75 cents an hour, and assume that the same individual works 40 hours a week, he would get $30. That $30 would have a purchasing power of $15.60 worth of the necessities of life. I ask you, is $15.60 a week too much to give to any wage earner to buy his necessities of life—and that does not even take into account his family obligations?

The SPEAKER. The time of the gentleman from California has expired.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I have heard the remarks made about minimum wages. The gentleman from Pennsylvania [Mr. RICH] made a statement, and so did the gentleman from Michigan [Mr. HOFFMAN]. I understand the gentleman from Pennsylvania [Mr. RICH] is an employer. It has come to my attention that his plant pays very low wages. If the gentleman is willing to vote for a 75-cent minimum wage, he will have a chance next week.

The gentleman from Michigan [Mr. HOFFMAN] realizes also that this strike in Kalamazoo was over a contract for 75-cent wages but they paid 40-cent wages. That is why they had that strike in Kalamazoo.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. COMBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. COMBS. Mr. Speaker, I have listened with considerable interest to this discussion of prospective minimum-wage-and-hour legislation. I must say I was astonished at the remarks of the gentleman from Pennsylvania [Mr. RICH] who suggested that he will support a minimum-wage bill if it will guarantee everybody a minimum wage of 75 cents. I am sure the gentleman knows that no such bill has been introduced or could be seriously considered and, therefore, he is perfectly safe in making his offer which can only becloud the issue.

As everyone familiar with wage-and-hour legislation knows, the only authority conferred upon the National Government to enact legislation prescribing minimum wages and hours, or for fair labor standards, is that provision contained in section 8 of article I of the Constitution which empowers Congress "to regulate commerce with foreign nations and among the several States." Consequently such legislation must be limited in application to those businesses, industries, and employees engaged in or affecting interstate commerce. All purely local and intrastate businesses and industries and employees engaged in it are subject to wage-and-hour regulations only by the States. That fact was pointed out by President Roosevelt in his message to the Congress wherein he recommended the enactment of the Fair Labor Standards Act of 1938. That principal must be observed in any minimum-wage-and-hour legislation we may enact, but the Congress can enact sound and sensible legislation for minimum standards of wages and hours and all those businesses and industries which are engaged in interstate commerce will as a consequence compete with each other across the State lines. The purpose is not only to insure and make possible decent wage standards but also to insure fair competition.

The minimum-wage-and-hour legislation, which it is expected will be under consideration next week, is one of the most important pieces of legislation that can come before us. It will affect all of our people in one way or another. Legislation of that nature is highly technical and complicated and must be considered with great care. I do hope every Member will give to its consideration his best thought. I hope we can avoid bitterness and political sniping and as good Americans, under grave responsibility as the representatives of our people, endeavor to pass a sound, just, and workable bill.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

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Mr. KEEFE. Mr. Speaker, there has been a great deal of talk about minimum wages. As I read the paper, there is a lot of activity about raising wages of almost everybody in Government service.

I am beginning to wonder when this Congress is going to get to the point of doing something about raising the income and the possibilities of living for the hundreds of thousands of aged people in this country who are compelled to subsist upon the bare pittance payments under title I of the social-security law, and those who are compelled to retire on the pitiful annuities that are provided under the old-age and survivors insurance provisions in the social-security law.

I think we are overlooking one of the great segments of our people in this country that are not articulate. It is high time we began to think of them when we talk of raising wages all along the line.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

DISCRIMINATORY FREIGHT RATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a copy of H. R. 2040.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I would like the attention of the Members of the House.

About two-thirds of the States of this Union are being punished by the most cruel and unjustified discrimination ever known, and that is the one-way freight rate.

A man in Mississippi was doing business with a firm in New Hampshire. That firm in New Hampshire shipped him a consignment of goods by mistake. He had to ship them back over the same road—just pasted a label over the one that was on the package—and it cost twice as much to ship those goods back over the same road as it did to ship them down there.

Thus, violent discriminations in freight rates are being practiced against the people of every State south of the Ohio River and west of the Mississippi.

It is one of the greatest outrages of all times. The people of Iowa and Nebraska cannot ship cornflakes east without paying exorbitant rates all out of line with what it costs the States in the East to ship corn flakes west.

The same thing applies to every other processed product, whether they be dairy products, meat, flour, furniture, or what not.

This applies to a large portion of the State of Minnesota, to the States of Iowa, Missouri, Kansas, Nebraska, North and South Dakota, Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Idaho, and that portion of the State of Washington east of the Cascade Mountains, and probably to eastern California.

It is true that the extreme Pacific coast is given preference in freight rates. You can ship goods from New York to San Francisco cheaper than you can put them off in Missouri, Kansas, Iowa, Nebraska, Colorado, Nevada, or any other State in the Middle West.

These discriminations also apply to every State south of the Ohio River, including Virginia, Kentucky, West Virginia, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, and Mississippi, and I am not sure that it does not apply to the State of Maryland as well.

It is nothing short of a criminal outrage against the people of these States who have a right to the same freight rates for their finished products that are given to the States behind the iron curtain of discriminatory freight rates for the same commodities shipped from that region into these States of the West and South.

Mr. Speaker, I have filed on the Clerk's desk a petition to bring out my bill, H. R. 2040 to wipe out these unjust, unreasonable, senseless, and I might say criminal, discriminations against the people of a majority of the States of this Union.

It is petition No. 16 on the Clerk's desk, and I call upon the Members from the States affected to sign it at once, and let us bring this bill to the floor of the House and wipe out this blot that has so long punished the people in the area outside of the iron curtain of discriminatory freight rates.

I appeal to you all to sign that petition at once, and let us correct this injustice without delay.

At this point I am inserting a copy of the bill to which I refer.

It reads as follows:

Be it enacted, etc., That section 4 of the Interstate Commerce Act, as amended, is hereby amended by adding at the end thereof a new paragraph as follows:

"(3) It shall be unlawful for any carrier subject to this part to charge or receive, for the transportation of property from any point of origin to any point of destination, compensation which is greater or less than the compensation charged or received by such carrier for the transportation of like kind of property from such point of destination to such point of origin."

SEC. 2. This act shall take effect 90 days after the date of its enactment.

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

EXTENSION OF REMARKS

Mr. RIEHLMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. GRANT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement.

CALL OF THE HOUSE

Mr. COTTON. Mr. Speaker, I renew my point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 156]

Andresen, August H.	Gregory	Perkins
Barden	Hall, Edwin Arthur	Pfeifer, Joseph L.
Bates, Ky.	Hall, Leonard W.	Pfeiffer, William L.
Bentsen	Harden	Plumley
Blackney	Hébert	Potter
Bolton, Ohio	Hedrick	Powell
Bonner	Heffernan	Quinn
Bosone	Hinshaw	Scott, Hardie
Boykin	Hull	Scott, Hugh D., Jr.
Brown, Ohio	Johnson	Secrest
Buckley, N. Y.	Kelley	Shafer
Bulwinkle	Kennedy	Short
Carnahan	King	Sikes
Cavalcante	Kirwan	Smith, Ohio
Chatham	Larcade	Stanley
Chudoff	Lichtenwalter	Stigler
Clemente	McGrath	Taylor
Clevenger	McGregor	Teague
Coudert	Marcantonio	Thomas, N. J.
Davies, N. Y.	Mason	Towe
Deane	Morrison	Walsh
Dingell	Morton	Welch, Calif.
Eaton	Murphy	Wilson, Ind.
Elston	Nicholson	Withrow
Fogarty	O'Neill	Wolcott
Frazier	Passman	Woodhouse
Gilmer	Patman	
Gore		

The SPEAKER. On this roll call 347 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDING THE NATURAL GAS ACT

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 310, providing for the consideration of the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, and ask for its immediate consideration.

Mr. HESELTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HESELTON. Mr. Speaker, I make the point or order that the House is not legally in session.

I recognize that this matter has been raised in a general sense on at least two occasions. I do not wish to burden the Speaker, the membership or the record with repetition. Therefore, I would like to recognize and incorporate by references the parliamentary inquiry of the gentleman from Massachusetts [Mr. MARTIN] on July 27, the further parliamentary inquiries of the gentlemen from Indiana [Mr. HALLECK], from Mississippi [Mr. RANKIN], from Michigan [Mr. MICHENER], and from Ohio [Mr. VORYS], as well as the several rulings of the Speaker; also the points of order of August 1 by the gentleman from Indiana [Mr. HALLECK], and the gentleman from Illinois [Mr. CHURCH], as well as the rulings of the Speaker on those occasions.

My reason for making this point of order at this time is more specific. I have been advised upon what I believe to be reliable authority that if H. R. 1758, the resolution we will now consider, is enacted into law, with or without the proposed amendments, its legality will be challenged. Obviously, this might have a far-reaching effect not only upon the industry concerned but upon the entire problem of developing an effective fuel policy involving our energy resources.

In view of this possibility, it would seem to me that I would be derelict in my obligations as a Member of this body if I did not raise the point of order in terms of the consideration of this specific legislation.

Moreover, another problem is involved by reason of the recent decision of the Supreme Court of the United States in the Christoffel case. It seems to me that it is the primary responsibility of proponents of H. R. 1758, particularly during the reading of the bill for amendment, to establish affirmatively at all times that a quorum is present and voting. However, I do not think that this is of major importance in terms of the point of order which I have raised and wish to submit to the Speaker.

The SPEAKER. The Chair will repeat, as he will repeatedly repeat when questions of this kind are raised, that on July 27, in answer to a parliamentary inquiry by the gentleman from Massachusetts [Mr. MARTIN] the Chair ruled that the House is legally in session, committees may legally meet, and may legally report bills.

The Chair overrules the point of order.

The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended. That after general debate which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution makes in order the present consideration of the bill, H. R. 1758, a measure to amend or, better stated, a measure to restate the basic philosophy and intent of the Natural Gas Act of 1938. We are met on this measure, sir, because the creature would consume the creator and assume its rightful duties and authority. While this is not unusual in the affairs of men who attempt to govern themselves, it is distasteful to those with legislative integrity.

The bill presents a simple question, one that can be complicated only by misinformation. I repeat, sir, it is a very simple matter: Shall we be governed by law or by men whose whims we cannot anticipate? This bill does one thing and one thing only; it proposes that the independent producer and gatherer of gas, disposing of that gas at arm's length, shall not be subject to the jurisdiction of the Federal Power Commission.

The question would never have arisen had the clear language and intent of the original act been respected by the courts and the administrative body created by Congress to administer it. This Government cannot afford the luxury, Mr. Speaker, of permitting its creatures to devour the creator and to assume its responsibility and its authority. It cannot afford the luxury, sir, of permitting an administrative body to be legislator, administrator, and judge. It cannot afford the luxury of being governed by the whims of irresponsible men. When that occurs, then the very foundations of our Government, the things we cherish most are gone.

It is right, sir, that during the debate Members should raise questions that trouble them so that they may have a full understanding, for it is my considered judgment that if there is understanding about this bill we will have a practically unanimous vote. How unfortunate it is, however, that some man writing on the stationery of the CIO—a man who knows not one thing about the bill, in my judgment; a man who has probably never read it—should circulate a letter full of false and misleading information, calling upon Members of Congress to defeat the legislation. That man, Mr. Speaker, from his air-conditioned office in Washington, probably gave no thought to the fact that his action, if he were successful in defeating the bill, might throw many working members of the CIO out of their jobs. I feel quite sure, however, that no Member of this great body will be unwittingly led by anyone, but will, on the other hand, examine the facts and exercise their own good judgment.

Mr. Speaker, I believe I can be helpful to the House on this question. To do so, it will be necessary that I review briefly the forces and circumstances that resulted in the original act, and to examine briefly its legislative, administrative, and judicial history.

Year by year, natural gas has assumed an increasingly important role as an energy source for heating, for industrial processes, and as a source for synthetic liquid fuels. It is therefore of the utmost public interest that conservation, efficient production, and use of natural gas should be fostered and its waste be eliminated. Most of the States that produce gas have for a number of years produced a much larger quantity than is used, needed, or consumed in those States and are, therefore, in a position to share their great natural resource with those States that do not have it. Transportation of gas by large pipe lines in interstate commerce therefore becomes a matter of national concern. Trunk-line transportation of gas for long distances involves large investments, affects many consumers, and has some monopolistic and public-utility aspects. Competition in this field cannot be depended upon to protect the public because duplication of pipe-line facilities to an area might result in unnecessary investment and unusually high cost. The absence of competing lines, on the other hand, tends to place consumers at a disadvantage with respect to the purchase of gas. One of the principal reasons why legislation was sought to control the interstate transportation of gas for resale to the public was the belief that the disparity between the prices paid to producers and the prices charged by interstate pipe lines resulted in excessive profits. Such circumstances, among others, led to the enactment of the Natural Gas Act of 1938 to regulate charges made by natural-gas companies engaged in trunk-line transportation and sale for resale in interstate commerce. The history and language of the Natural Gas Act indicate that the act was intended to supplement and not to supplant local regulation preceding and following interstate commerce. The proposed amendments do not disturb Federal regulation in its proper sphere of interstate commerce.

The Congress acted wisely, in my judgment, when it decided 11 years ago to enact legislation giving the Federal Government, or its regulatory body, the Federal Power Commission, control over gas in interstate pipe-line shipments. At that time, if you will carefully and closely examine the record, you will be convinced without doubt, that production and gathering and subsequent arm's-length sale of gas was purposely and specifically omitted from the jurisdiction of the Federal Power Commission. Wisely so, Mr. Speaker, because this phase of the gas industry is entirely different. It is not properly subject to the regulation of the Federal Power Commission.

The different character of this phase of natural-gas operation was recognized by Congress when it passed the Natural Gas Act. It was then generally understood that the regulation of the act was designed to apply only to the interstate transportation and sale for resale of natural gas.

The scope which Congress intended that the act should have is set forth in section 1 (b), as follows:

> The provisions of this act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and to natural-gas companies engaged in such transportation or sale, but shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas.

The specific provision is made that the act shall not apply to the production or gathering of natural gas.

Subsequently, in 1940, 2 years after its enactment, the Commission held in the Columbian Fuel Corp. case (33 P. U. R. (NS) 3) that—

> It was not the intent of Congress to subject to regulation under the Natural Gas Act all persons whose only sales of natural gas in interstate commerce, as in this case, are made as an incident to and immediately upon completion of such persons' production and gathering of natural gas.

However, this attitude of the Federal Power Commission was shortly to change. Notwithstanding the statements of the proponents of the act before the Congress, debates on the floor, committee reports, and the previous interpretations of the Federal Power Commission itself, within a few years it began to assert its jurisdiction in the field of State regulation that has finally led it to threaten full

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control over the production and gathering of natural gas, directly contrary to the express provisions of the Natural Gas Act.

During 1945, the Federal Power Commission conducted a series of hearings under its Docket No. G–580 in the States of Missouri, Oklahoma, Texas, Louisiana, Mississippi, Illinois, and West Virginia, with the final hearing in Washington, in which hearing the committee inquired into: The extent and probable life of natural-gas reserves; present and prospective measures for preventing waste and prolonging the life of such reserves; the present and probable future utilization of natural gas for domestic, commercial, and industrial purposes; the extent, character, and results of the competition of natural gas with other fuels; and such related matters as may be helpful in the administration of the Natural Gas Act or in determining what additional legislation, if any, should be recommended.

Pursuant to such hearings, lengthy and detailed reports were made by the Federal Power Commission in a staff report and the following is quoted from the Commission's staff report:

No subject relating to the administration of the Natural Gas Act has received greater attention throughout the course of the natural-gas investigation than the meaning and implications of section 1 (b), with reference to the exemption of the production and gathering of natural gas from jurisdiction under that section (p. 1 of their report).

It is evident from the testimony, indicating a widespread atmosphere of anxiety and uncertainty among State officials and the industries concerned, that this matter is in need for further clarification. A continuance of the existing disturbed situation is certain to interfere with the effective performance in the public interest of the duties of both the Federal and State regulatory agencies in their respective spheres, and it will also affect adversely the interests and actions of oil and gas producers, land and royalty owners, and the transmission companies which purchase gas in the field. It may be expected, also, that unless this issue is clarified, the results will be detrimental to those who consume natural gas and to the efforts of conservation authorities to prevent its waste (p. 1).

The most confusing blow came then when the Supreme Court handed down its decision in the case of *Interstate Natural Gas Co.* v. *Federal Power Commission* (67th Sup. Ct. 482). That opinion, together with the grasping attitude of some members of the Commission, threw the entire industry into such confusion that the Commission itself wrote its famous Order 139 which, briefly, Mr. Speaker, was declared to be to relieve any existing uncertainty regarding the Commission's position that it will not seek to assert jurisdiction over the sale of natural gas to interstate pipe lines by independent producers or gatherers.

Since that time, sir, the industry and the public have been operating not under law as passed by this Congress, but by orders written by the Commission. Can anyone question the unsoundness of such a position.

When Congress convened for the Eighty-first session, I felt that I was rendering a service to my Government, to the gas industry, to the consumers, and to sound democratic government to introduce legislation clarifying this situation.

I introduced a bill similar to H. R. 1758 on the opening day of Congress. This bill has had extensive hearings. Too much praise could not be paid Mr. HARRIS and the other members of the subcommittee who so earnestly sought a solution to the untenable position of the Government and the industry. It is a matter of record that there was no dispute that such legislation should be enacted until Leland Olds, a former member of the Commission, changed his mind, changed his position, and undertook to change the minds and positions of many people. The question today, sir, is, shall we, the body charged by the Constitution with this responsibility, write the law or abrogate, turning our job over to an agency? The positions of Chairman Smith and Mr. Wimberley, members of the Commission, deserve the praise and admiration of Congress and the people. They believe that it is the responsibility of the Congress to write the law and their duty to administer it. Their attitude and their acts reflect credit upon the American system.

There will be many who would convince you that favorable action on this bill will increase the cost of gas to the consumer. Mr. Speaker, that is not true. The question of price does not enter into this matter. There are those who would tell you there are only a few large gas companies that are affected and that it would pour millions into their pockets. That, of course, is absurd. There are between 18,000 and 20,000 producers of oil and gas in the United States. Each of them, as well as the public, have a great stake in this legislation.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Michigan.

Mr. DONDERO. I assume that the term "arm's length" means the sale not in interstate commerce?

Mr. LYLE. Not exactly. "Arm's length" means this: that you are selling freely, without any connection with the transporter, you are not connected by directorship or by coercion or by ownership. You are selling in a free market, as you and I would trade horses. If I offered you a horse for $75 and you bought it, that would be an arm's length sale.

Mr. CARROLL. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Colorado.

Mr. CARROLL. I think the gentleman from Michigan has asked a very pertinent question. Would the gentleman not say that there in an arm's length transaction where the sale of gas is intrastate, but when that sale of gas moves in interstate commerce, under the Supreme Court decision the Supreme Court held that the Federal Power Commission has jurisdiction? Is that not what this whole controversy is about?

Mr. LYLE. No; not at all. Mr. Speaker, the controversy arose as a result of a Supreme Court decision, but I do not construe its meaning as the gentleman does. An arm's length sale has nothing to do with where the gas goes. That is what I am trying to say.

Mr. CARROLL. Did not the Supreme Court hold some years ago that the Federal Power Commission had jurisdiction over the sale of gas when it began to flow in interstate commerce.

Mr. LYLE. In interstate commerce. The statute says so.

Mr. CARROLL. Would not this bill nullify, vitiate, and invalidate that Supreme Court decision?

Mr. LYLE. No. This bill does the same thing as the amendment offered by the gentleman 2 years ago, as I recall, when he made a very good presentation for it and I supported him. It does exactly the same thing as that amendment. It does not vitiate the Court's ruling at all. It simply clears it up. The gentleman has read these letters which stated that the Court has confused the issue and to settle it we are writing Order 139. We have operated under that theory.

Mr. CARROLL. At that time, 2 years ago, we were opposed to everything in the so-called Rizley bill.

Mr. LYLE. But the gentleman was sincere in his presentation.

Mr. CARROLL. We were sincere in our efforts to stop the bill.

Mr. LYLE. I did not know the gentleman was doing it to stop the bill. I thought he was doing it because he believed in it, and I hope he still believes in it.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to our distinguished colleague from Texas.

Mr. RAYBURN. I started with this matter away back in 1934 as chairman on the Committee on Interstate and Foreign Commerce. Boiled down, the issue here and the essence of the whole thing is whether or not the Congress of the United States is going to write the law or whether a commission by regulation is going to do it. All the bill says is that the Congress has not changed its mind, even though one or two members of the Federal Power Commission have changed their minds since 1947. This bill provides that they shall pursue the same course and execute the law in the same way they have been doing it unanimously for 11 years. That is the issue before the House, in my opinion.

As I stated, I started out on this gas business in 1934. I ceased to be the chairman of the Committee on Interstate and Foreign Commerce in 1937. The Natural Gas Act was passed in 1938, and for 11 years the Federal Power Commission held exactly what we are trying to instruct them to hold by this bill.

Mr. CARROLL. Will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Colorado.

Mr. CARROLL. I think all of us have a great respect for our Speaker, but I am reminded that 2 years ago when this matter came up there was considerable confusion over the Rizley bill. Since that time there has been a decision by the Supreme Court which takes the reserves away in the so-called Panhandle

case where there is absolutely no protection to the consumer. I would be derelict in my duty, notwithstanding the great respect that I have for my Speaker and the majority leader and the Democratic Party, if I did not protect the consumers of my district, and under both Supreme Court decisions there will be no protection if this bill is passed by this body.

Mr. LYLE. The gentleman is as wrong as the Speaker is right, and it is unusual for the gentleman from Colorado to be wrong. But the gentleman is as wrong as the Speaker is right. The reserves have nothing to do with this bill. This is as simple as saying whether the Congress shall write the law and the Administrator shall administer it, or whether we shall let them do as they please.

I shall take no further time at this point, Mr. Speaker. I respectfully urge the adoption of the rule, serious consideration of this measure during general debate, and an overwhelming vote of approval and final passage.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Speaker, I take this time to call the attention of the membership to the fact that there are minority views expressed by a number of members of the Committee on Interstate and Foreign Commerce. They are found in the report, but I will try to summarize briefly the situation so far as the committee is concerned.

Six members have filed one set of minority views, four members have filed an additional set, and I have filed an independent statement of my own minority views.

In addition to that, I want to say at the outset of this debate, and I think it will not be challenged by any member of the subcommittee or the full committee, that this bill deals with but one single problem in a very large field. It is a very complex problem. It was difficult for the subcommittee and difficult for the full committee to reach any decision. We held 5 days of public hearings, 2 days of hearings in executive session, and then devoted 8 days of hearings in an effort to write any kind of legislation which would be tenable at all. Then the full committee was forced to spend two further days before the bill could be reported to this body.

I can assure you that you are dealing with one of the most difficult pieces of legislation that has ever been presented to you, even though on the surface it appears to be extremely simple. I hope you will take the time during the 3 hours of general debate to look over the brief statement that I undertook to prepare and place in the RECORD yesterday, giving a summary of what this committee has been undertaking to do over a period of more than a year trying to develop a national fuel policy.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, I think that the membership realizes the importance of passing this legislation as well as the gentleman from Texas, our distinguished Speaker. I have been unable to find very much objection to this bill. There are 28 members on the Committee on Interstate and Foreign Commerce and I think there are but 6 who are absolutely opposed to this bill. I think three or four are opposed to maybe one or two amendments.

But, the main thing, as the Speaker has stated is this: We passed the Natural Gas Act in 1938. I think the Commission has done a good job in regard to the administration of it. Then the Supreme Court comes along and gives us a decision which has brought about uncertainty and confusion. This merely puts the power of administration back to the Federal Power Commission in order that they may continue to do a good job following the intent of Congress, as they did until the unfortunate Supreme Court decision.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. YATES. I regret that I must disagree with the distinguished Speaker and I dislike to disagree with the gentleman, but I have before me the report that was issued by the Committee on Interstate and Foreign Commerce which led to the enactment of the National Gas Act of 1938, which is proposed to be amended by the bill under consideration. I think the intention of the Congress as it appears in the report is very clear, and I should like to read it to the gentleman, if I may. It states:

> The bill is substantially identical with H. R. 12680 which, as amended, was reported by the Committee on Interstate and Foreign Commerce of the Seventy-fourth Congress, second session, with a recommendation that it pass. In enacted, the present bill would for the first time provide for the regulation of natural-gas companies transporting and selling natural gas in interstate commerce. It confers jurisdiction upon the Federal Power Commission over the transportation of natural gas in interstate commerce, and the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use. The States have, of course, for many years regulated sales of natural gas to consumers in intrastate transactions. The States also have been able to regulate sales to consumers even though such sales are in interstate commerce, such sales being considered local in character and in the absence of congressional prohibition subject to State regulation.

Then it cites a couple of cases which I will not bother you with.

> There is no intention in enacting the present legislation to disturb the States in their exercise of such jurisdiction. However, in the case of sales for resale—

This is the important part—

> However, in the case of sales for resale, or so-called wholesale sales, in interstate commerce (for example, sales by producing companies to distributing companies)—

The bill now before us, H. R. 1758, proposes to exempt producing companies from jurisdiction. This report specifically points out that producing companies will be subject to the act. Listen to this language—

> (for example, sales by producing companies to distributing companies) the legal situation is different. Such transactions have been considered to be not local in character and, even in the absence of congressional action, not subject to State regulation.

That is the report of the Committee on Interstate and Foreign Commerce leading to the passage of that act. I think the congressional intention is clear that producers of natural gas who sold their gas at wholesale in interstate commerce for public consumption were to be regulated; that this was necessary for the entire rate-making function.

Mr. ALLEN of Illinois. In conclusion, Mr. Speaker, I would say that the Committee on Interstate and Foreign Commerce spent days and days hearing the various witnesses. I cannot see any good reason why this rule should not be adopted and the bill passed as now constituted.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, I regret that I must disagree with my good friend the gentleman from Texas [Mr. LYLE]. I believe that this is one of the few instances where we do not view legislation in the same manner, and ordinarily I would not take the floor to disagree with him, but I have such profound convictions about this bill that I feel that I must speak against it.

I believe this is a bad bill. This bill is a sleeper—few of the members know its implications. If I were given to intemperate language I would say that this is one of the worst bills which has come before us this session. It hangs over the heads of the unsuspecting American people like the sword of Damocles and we are being asked here to cut the thread. This bill proposes to destroy realistic regulation of a public utility, the gas business, by depriving the Federal Power Commission of its power to fix reasonable rates for producers of natural gas who serve the public. If this bill goes through it will take millions of dollars from the pockets of American gas-rate payers for the special privilege, in the main, of a few oil and gas corporations.

There are several arguments which have been made by the proponents of this bill, none of which, it seems to me, are valid. In the first place, they say it was never the intention of Congress in passing the bill to include independent producers of natural gas within the purview of the jurisdiction of the Federal Power Commission. I have checked the original hearings and the original report of the Interstate and Foreign Commerce Committee issued when the Natural Gas Act was passed, and I think the report clearly shows it was the intention of Congress to regulate all sales of natural gas at wholesale in interstate commerce for public consumption. The producers of natural gas have several markets, they may sell directly to industrial concerns such as carbon black plants and chemical

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companies; they may sell intrastate as they please, and in neither of these cases are they subject to the regulation of the Federal Power Commission. But when they enter the market of selling gas interstate at wholesale for public consumption, to that extent by congressional declaration as expressed in the Natural Gas Act, they are public utilities and the prices they charge are subject to regulation. This is the regulation that the bill we now have before us proposes to eliminate, even though the same need for such regulation exists today as it did 10 years ago when the Natural Gas Act was passed.

Secondly, the argument will be made that the independent producer is suffering, and right here I think we should set straight the impression that the proponents of the bill will attempt to give, that an independent producer is a little man. When you think of the term "independent producer," you think of small business, but nothing is further from the truth in this respect because the independent producers whom this bill is designed to help are among the largest, most profitable industries in this country. There are Standard Oil, Phillips Petroleum, Humble Oil, Shell Oil, and Sinclair Oil, and a number of others whose operations in the natural-gas field would be exempted from regulation if this bill goes through. These, in the main, are your independent producers because only 24 of these companies produce 62 percent of all natural gas produced in the Southwest gas fields.

I know the effect the passage of this bill will have on the consumer. Ten years ago I was one of the attorneys for the Illinois Commerce Commission, which is our State's public utility regulatory agency, when it was fighting for a reduction of the rates charged by the People's Gas Light & Coke Co. in Chicago. The gas which is in the stoves of the people of Chicago comes from the Panhandle of Texas, through the pipe lines all the way into the city. Ten years ago the price of that natural gas was not subject to regulation, and there was nothing that the Illinois Commerce Commission could do to reduce the rates of its local utility because of the prices it had to pay for the natural gas it bought from the natural-gas producers. Since the passage of the Natural Gas Act our rates have been reasonable because of the regulation of the Federal Power Commission, but if you take away that regulation at any point along the line of the interstate flow of gas, you will be destroying the rate-making process.

The proponents of this bill say that this bill will not affect the consumer. That statement is entirely untrue. Last year the price for the natural gas supplied to the people of Chicago cost $2.13 at the well mouth. We used 132,901,086 thousand cubic feet. If the price of gas had been increased by 5 cents, it would have cost us an additional $6,645,054. Had it been increased by 10 cents, it would have cost us an additional $13,290,108. These are facts that cannot be denied. Someone has to pay for the increase in prices and under the law, the gas company is entitled to pass that increase in cost on to the consumers.

And Chicago is not unique in this respect. Every consumer in every city which uses natural gas will be hit for an increase.

I do not say that the producer of natural gas is a public utility. Congress has not said this in the Natural Gas Act and this is a distinction that must be kept in mind—that the act does not regulate persons unless they perform a certain function; it is the function which is regulated—not any particular individual or group of individuals. That function is the sale in interstate commerce at wholesale for public consumption, of natural gas. The producer of natural gas need not participate in this function if he does not desire, and if he does not so participate, he cannot then be designated as a public utility and the price he charges for his gas will not be regulated. But if he chooses to enter that field and perform that function; if he chooses to fit himself within the definition of the act, he is performing a public utility service. He should then be considered a public utility and the rates he charges should be subject to regulation.

Mr. CARROLL. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. CARROLL. Is it not true that the Supreme Court interpreted the very report which the gentleman just read and has ruled in a decision sustaining the gentleman's viewpoint?

Mr. YATES. That is correct. That was in the Interstate case.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Arkansas, chairman of the subcommittee.

Mr. HARRIS. I would like to call the gentleman's attention to the fact that the direct issue involved here was not the issue involved in the Interstate case. The Court, by its broad language, and by the broad scope of its language, immediately raised these diverse interpretations as to just what the Court did mean. The issue in the Interstate case was a matter affecting a natural-gas company. The Interstate Natural Gas Co. and the issue with reference to independent producers was not an issue in that case.

Mr. YATES. I do not agree with the gentleman.

Mr. FURCOLO. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. FURCOLO. Is it not true that the test of this entire matter is not so much what the Supreme Court might have felt and not so much what the Commission itself might have felt at any time, but the fact that the States have shown very clearly that they have not been able to, or will not protect the ultimate consumer who uses this gas throughout the country.

Now the time has come for this body to go on record as showing we feel there should be some regulation to protect the ultimate consumer. If this bill goes through, it will probably cost the consumer anywhere from $150,000,000 to $500,000,000 a year in increased consumer rates. The States have shown that they will not do it, and I think the House of Representatives should show that it feels the Federal Power Commission should have the power to do it.

Mr. YATES. The gentleman is correct.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. KEOGH. I read with interest the statement that the gentleman inserted in the Appendix of Monday's RECORD, in which was included his opinion that if this legislation should be passed, the rates to consumers in the city of Chicago would double or treble. We have sat through many hearings on this legislation. I would like to say to the gentleman that it is my opinion, if that were to be the effect, then this fuel would so far price itself out of the market that there would be no interstate sales and neither the producers nor the transporters, nor the distributors would want that.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. LYLE. Mr. Speaker, I yield one additional minute to the gentleman.

Mr. YATES. With reference to the statement which has just been made by the gentleman from New York, I am sorry that I must disagree with that statement. I have checked the prices of gas for the city of Chicago. Last year the price of natural gas supplied to the people of Chicago cost 2.13 cents at the well mouth. We used 132,901,086 cubic feet, and if the price of gas had been increased by 5 cents as is proposed by the proponents of this bill—oh, yes, I have heard intimations and talks by the gentleman saying that the price of gas will not affect the consumer if it is increased by 5 cents—as I was saying, if the price of gas had been increased by 5 cents, the additional cost to the consumers in the city of Chicago would have been in excess of $6,500,000. I have read the hearings and the statement of those who favor the passage of the act look to the eventual leveling of the price of natural gas close to the levels of coal and fuel oil.

This is a vital matter that requires the keen attention of every Member in this House. This is a real fight. The best example of that is the fact that the Interstate and Foreign Commerce Committee that brought in this bill was split wide open. I hope you will inform yourselves of the tremendous issue involved in this bill by carefully reading the report of the committee, and I am sure that if you do, you will vote against the bill.

The SPEAKER. The time of the gentleman has again expired.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. CARROLL].

Mr. CARROLL. Mr. Speaker, 2 years ago in the Eightieth Congress I spoke against the passage of similar legislation, the so-called Rizley bill. I was a new Member of Congress at that time and although I had been here but a few months I was familiar with litigation instituted by the city of Denver in cooperation with the Federal Power Commission to reduce our gas rates. In that

case, after years of litigation, the gas rates were reduced approximately 50 percent, and a certain gas utility was required by court order to refund about $4,000,000 to the people of Colorado.

With this background of information I began to oppose the so-called Rizley bill. During the discussion under the rule, it was clear to me that not many Members knew much about that bill. As a matter of fact, no great opportunity was given to the Members to find out about the Rizley bill. As I recall, it was programed on about a 24-hour notice in the closing days of the week, and was brought out on the floor of the House when a large number of Members had gone home for the week end in the belief no important legislation would be brought up.

It developed during debate that there was not a single dissent from any member of the committee which had considered the bill, and if you will examine the record you will note that only a very few Members spoke out in opposition to that bill. It was a technical bill. It was a bill that brought a storm of public protest upon those who sponsored and supported it after the public discovered its content. We pointed out during debate that witnesses had stated before the committee that the passage of this bill had been labeled a $75,000,000 steal—later, in the Senate, the figure changed. It was more—it was said to be a $200,000,000 steal. Those of us who opposed the measure continually stressed the objective of the bill. We contended that this objective was to deprive the Federal Power Commission of its jurisdiction to protect the consumer and to protect the public interest. By way of answer, those who were in favor of the measure stated repeatedly there would be no increase in rates to the consumer. As I review the record after 2 years, I am convinced we were right then in opposing that measure, as I am convinced we are right today in opposing H. R. 1758, which now is before this body.

It is true that in our spirited fight against the so-called Rizley bill, as a desperate rear-guard measure a motion to recommit was offered, but I assure you the sole purpose of that motion was to focus attention upon the most objectionable features of the Rizley bill. I personally had no desire to interfere with the jurisdiction of the Federal Power Commission with reference to the Natural Gas Act.

We suffered an overwhelming defeat in that fight. The vote was 253 to 64 against the motion to recommit. Nevertheless, we followed that bill to the other body and we were instrumental in preventing that bill from ever reaching the floor of the Senate.

Today we are confronted with a modified version of the Rizley bill in the form of H. R. 1758, and we must now fight this measure with all of our energy. This is another battle front.

I should like it to be understood in the very beginning that I do not impugn the motive or challenge the sincere intentions of those who favor H. R. 1758. I have great respect for those colleagues, many of whom are warm personal friends. It must be noted, however, that mostly they come from what may be termed "producing and gathering areas." Conversely I come from an area where the consumer must be given a full measure of protection and consideration. Additionally, we are legislating in the national interest and not in the interest of special groups.

Now what is the issue before us? As I see it, the question is, "Shall be take away from the Federal Power Commission the jurisdiction to regulate sales of natural gas which are intended to flow into the stream of interstate commerce?" The argument has been presented here that the Congress never intended that the Federal Power Commission have such jurisdiction. I submit to you that that question has been settled by a decision of the Supreme Court. So then, the effect of this bill is to nullify that Supreme Court decision which clearly gives the Federal Power Commission jurisdiction over that subject matter.

It has been said that, assuming that the Power Commission has such jurisdiction, the Commission never has exercised it. Furthermore that it was never the intent of Congress that the Commission should have such jurisdiction. It seems to me that not only does the Federal Power Commission have such jurisdiction, but that even though they never have used this power, it is of vital necessity that they continue to have a right to exercise such power. In short, the existence of that power operates as a restraining influence. This is clearly brought out in a recent report issued by the Federal Power Commission. In the last 10 years the demand for natural gas has grown by leaps and bounds. Although the Commission reports that present field prices are reasonable, they are becoming increasingly concerned over price increases as a result of this abnormal demand.

We must remember that natural gas is a special commodity. It is not like other fuels. It can be transported only by pipe lines and when a sale is made to go into a pipe line which brings the flow of gas into interstate commerce, it would be absurd to assume that the sale price should not be considered in relation to the interstate commerce. Again, the Supreme Court has so ruled.

Actually, as a result of these Supreme Court decisions, there is no doubt in the minds of those in the natural-gas industry that the Federal Power Commission does have such jurisdiction and will use that jurisdiction if it is necessary to protect the public interest. In my opinion that is the reason that this measure is before this body now.

Let us examine for a moment the growth of the industry under existing law. In the past 10 years gas reserves have more than doubled. Consumer demand has grown as I have said before by leaps and bounds. The profits of both pipe lines and independent producers are staggering. In every way—industrially, economically, financially—the natural-gas industry perhaps is in better shape than any other industry in the Nation. I am constrained to believe that, notwithstanding the tremendous profits, this measure if passed will open the floodgate for greater returns to the producers at greater cost to the consumers.

I am seriously concerned about the provisions of this bill and its effect upon the consumers of the Nation.

Mr. LYLE. Mr. Speaker, I yield the gentleman one additional minute.

Mr. CARROLL. In this one minute I will say that I see the problem that is presented from these producing areas, but I say there must be some protection given to the consumer. I say that the Democratic Party has a responsibility to protect the public interest and to protect the consumer. Nowhere in the whole record is there any evidence that anybody is suffering from lack of profit or lack of business.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. YATES. Is this not what the gentleman has in mind, that the purpose of the Natural Gas Act is not to regulate persons but to regulate a certain function, and it is the function that is regulated, and that function is selling in interstate commerce, at wholesale for public consumption, natural gas. If the producer of natural gas does not participate in this function, if he sells his gas intrastate, or if he sells the gas at retail, or if he sells the gas not for public consumption in interstate commerce he is not subject to regulation.

Mr. CARROLL. I thank the gentleman from Illinois. I will discuss that matter further in debate on the bill.

The SPEAKER. The time of the gentleman from Colorado has again expired.

Mr. LYLE. Mr. Speaker, I move the previous question on the resolution to its adoption or rejection.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. KEEFE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. HARRIS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 157]

Andresen, August H.	Celler	Gregory
Bailey	Chatham	Hall, Edwin Arthur
Barden	Chudoff	Hall, Leonard W.
Bates, Ky.	Clemente	Harden
Bates, Mass.	Clevenger	Hare
Bentsen	Cotton	Hébert
Blackney	Coudert	Hedrick
Bolton, Ohio	Davies, N. Y.	Heffernan
Bonner	Deane	Heller
Boykin	Dingell	Hinshaw
Brown, Ohio	Eaton	Hobbs
Buckley, N. Y.	Elston	Hull
Bulwinkle	Fellows	Jenkins
Byrne, N. Y.	Fogarty	Jennings
Carnahan	Frazier	Johnson
Case, S. Dak.	Gilmer	Kelley
Cavalcante	Gore	
	Gossett	

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Kennedy	Passman	Smith, Ohio
Kirwan	Patman	Stanley
Larcade	Perkins	Stigler
Lichtenwalter	Pfeifer,	Sutton
McGrath	Joseph L.	Taylor
McGregor	Pfeiffer,	Thomas, N. J.
Mansfield	William L.	Towe
Marcantonio	Plumley	Velde
Mason	Potter	Vursell
Merrow	Powell	Wadsworth
Miller, Calif.	Quinn	Walsh
Morgan	Scott, Hardie	Welch, Calif.
Morrison	Scott,	Whitaker
Morton	Hugh D. Jr.	White, Idaho
Murdock	Secrest	Whitten
Murphy	Short	Wilson, Ind.
Nicholson	Sikes	Withrow
Norton	Smathers	Woodhouse

The SPEAKER. On this roll call 329 Members answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDING THE NATURAL GAS ACT

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. BIEMILLER) there were—ayes 81, noes 45.

Mr. BIEMILLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-two Members are present; not a quorum.

The roll call is automatic.

The Doorkeeper will close the doors. The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 231, nays 112, not voting 89, as follows:

[Roll No. 158]

YEAS—231

Abbitt	Combs	Harris
Abernethy	Cooley	Harrison
Albert	Cooper	Harvey
Allen, Calif.	Cotton	Hays, Ark.
Allen, Ill.	Cox	Hébert
Allen, La.	Crawford	Herter
Anderson, Calif.	Cunningham	Heselton
Andrews	Curtis	Hill
Aspinall	Dague	Hoeven
Barrett, Wyo.	Davis, Ga.	Hoffman, Ill.
Bates, Mass.	Davis, Tenn.	Hoffman, Mich.
Battle	Davis, Wis.	Holmes
Beall	Dawson	Hope
Beckworth	DeGraffenried	Horan
Bennett, Fla.	D'Ewart	Jackson, Calif.
Bennett, Mich.	Dolliver	James
Bishop	Dondero	Jenison
Bland	Doughton	Jenkins
Blatnik	Doyle	Jensen
Boggs, Del.	Durham	Jonas
Boggs, La.	Elliott	Jones, Ala.
Bolton, Md.	Elsworth	Jones, Mo.
Bosone	Engle, Calif.	Jones, N. C.
Bramblett	Evins	Judd
Breen	Fellows	Kearney
Brehm	Fisher	Kearns
Brooks	Ford	Keating
Brown, Ga.	Fugate	Kee
Bryson	Gamble	Keogh
Buchanan	Gary	Kerr
Burdick	Gathings	Kilburn
Burleson	Gavin	Kilday
Burnside	Gillette	Kruse
Burton	Goodwin	Krunkel
Byrnes, Wis.	Gossett	Latham
Camp	Graham	LeCompte
Carlyle	Grant	LeFevre
Chelf	Gwinn	Lemke
Chiperfield	Hagen	Lodge
Church	Hale	Lucas
Cole, Kans.	Halleck	Lyle
Cole, N. Y.	Hardy	McConnell
Colmer	Hare	McCormack
McCulloch	Peterson	Spence
McKinnon	Phillips, Calif.	Steed
McMillan, S. C.	Phillips, Tenn.	Stockman
McMillen, Ill.	Pickett	Tackett
McSweeney	Poage	Talle
Mack, Ill.	Poulsen	Thomas, Tex.
Mack, Wash.	Preston	Thompson
Macy	Priest	Thornberry
Mahon	Rains	Tollefson
Marsalis	Rankin	Trimble
Martin, Iowa	Redden	Underwood
Martin, Mass.	Reed, Ill.	Van Zandt
Merrow	Reed, N. Y.	Velde
Meyer	Rees	Vorys
Michener	Regan	Vursell
Miles	Rich	Wadsworth
Miller, Md.	Richards	Weichel
Miller, Nebr.	Riehlman	Werdel
Mills	Rivers	Wheeler
Monroney	Rogers, Fla.	White, Calif.
Morris	Rogers, Mass.	Whitten
Moulder	Sadlak	Whittington
Multer	St. George	Wickersham
Murdock	Sanborn	Wigglesworth
Murray, Tenn.	Scrivner	Williams
Nelson	Scudder	Willis
Nixon	Shafer	Wilson, Okla.
Noland	Sheppard	Wilson, Tex.
Norblad	Simpson, Ill.	Winstead
Norrell	Simpson, Pa.	Wolcott
O'Hara, Minn.	Smathers	Wolverton
Pace	Smith, Kans.	Wood
Patten	Smith, Va.	Woodruff
Patterson	Smith, Wis.	Worley

NAYS—112

Addonizio	Garmatz	Marshall
Andersen,	Golden	Miller, Calif.
H. Carl	Gordon	Mitchell
Angell	Gorski, Ill.	Murray, Wis.
Auchincloss	Gorski, N. Y.	O'Brien, Ill.
Bailey	Granahan	O'Brien, Mich.
Baring	Granger	O'Hara, Ill.
Barrett, Pa.	Green	O'Konski
Biemiller	Gross	O'Neill
Bolling	Hand	O'Sullivan
Buckley, Ill.	Hart	O'Toole
Burke	Havenner	Philbin
Canfield	Hays, Ohio	Polk
Cannon	Hobbs	Price
Carroll	Holifield	Rabaut
Case, N. J.	Howell	Ramsay
Celler	Huber	Rhodes
Chesney	Irving	Ribicoff
Christopher	Jackson, Wash.	Rodino
Corbett	Jacobs	Rooney
Crook	Javits	Roosevelt
Crosser	Karst	Sadowski
Davenport	Karsten	Sasscer
Davies, N. Y.	Kean	Sims
Delaney	Keefe	Staggers
Denton	King	Stefan
Dollinger	Klein	Sullivan
Donohue	Lane	Taber
Douglas	Lanham	Tauriello
Eberharter	Lesinski	Wagner
Engel, Mich.	Lind	Walter
Fallon	Lineham	Welch, Mo.
Feighan	Lynch	Wier
Fenton	McCarthy	Withrow
Flood	McDonough	Yates
Forand	McGuire	Young
Fulton	Madden	Zablocki
Furcolo	Magee	

NOT VOTING—89

Andresen,	Frazier	Morgan
August H.	Gilmer	Morrison
Arends	Gore	Morton
Barden	Gregory	Murphy
Bates, Ky.	Hall,	Nicholson
Bentsen	Edwin Arthur	Norton
Blackney	Hall,	Passman
Bolton, Ohio	Leonard W.	Patman
Bonner	Harden	Perkins
Boykin	Hedrick	Pfeifer,
Brown, Ohio	Heffernan	Joseph L.
Buckley, N. Y.	Heller	Pfeiffer,
Bulwinkle	Herlong	William L.
Byrne, N. Y.	Hinshaw	Plumley
Carnahan	Hull	Potter
Case, S. Dak.	Jennings	Powell
Cavalcante	Johnson	Quinn
Chatham	Kelley	Sabath
Chudoff	Kennedy	Scott, Hardie
Clemente	Kirwan	Scott,
Clevenger	Larcade	Hugh D., Jr.
Coudert	Lichtenwalter	Secrest
Deane	Lovre	Short
Dingell	McGrath	Sikes
Eaton	McGregor	Smith, Ohio
Elston	Mansfield	Stanley
Fernandez	Marcantonio	Stigler
Fogarty	Mason	Sutton
Taylor	Vinson	White, Idaho
Teague	Walsh	Wilson, Ind.
Thomas, N. J.	Welch, Calif.	Woodhouse
Towe	Whitaker	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gilmer for, with Mr. Murphy against.
Mr. Sikes for, with Mr. Kirwan against.
Mr. Teague for, with Mrs. Norton against.
Mr. Sutton for, with Mr. Dingell against.
Mr. Eaton for, with Mr. William L. Pfeiffer against.
Mr. Patman for, with Mr. Mansfield against.
Mr. Arends for, with Mr. Heffernan against.
Mr. Passman for, with Mr. Quinn against.
Mr. Morrison for, with Mr. Morgan against.
Mr. Leonard W. Hall for, with Mr. Clemente against.
Mr. Deane for, with Mr. Kelley against.
Mr. Gregory for, with Mr. Chudoff against.
Mr. Stanley for, with Mr. Kennedy against.
Mr. Whitaker for, with Mrs. Woodhouse against.
Mr. Stigler for, with Mr. Byrne of New York against.
Mr. Bentsen for, with Mr. Joseph L. Pfeifer against.
Mr. Larcade for, with Mr. Marcantonio against.
Mr. Cavalcante for, with Mr. Fogarty against.

General pairs until further notice:

Mr. McGrath with Mr. Towe.
Mr. Secrest with Mr. Short.
Mr. Perkins with Mr. Coudert.
Mr. Gore with Mr. Smith of Ohio.
Mr. Boykin with Mr. Wilson of Indiana.
Mr. Buckley of New York with Mr. Taylor.
Mr. Carnahan with Mr. Elston.
Mr. Fernandez with Mr. McGregor.
Mr. Chatham with Mr. Lichtenwalter.
Mr. Walsh with Mr. Brown of Ohio.
Mr. Vinson with Mr. Hinshaw.
Mr. Bonner with Mr. Hull.
Mr. Herlong with Mr. Johnson.
Mr. Barden with Mr. Hardie Scott.
Mr. Powell with Mr. Blackney.
Mr. Bulwinkle with Mr. Mason.
Mr. Hedrick with Mr. Welch of California.
Mr. Bates of Kentucky with Mr. Hugh D. Scott, Jr.

Mr. HOBBS changed his vote from "yea" to "nay."

Mr. DELANEY changed his vote from "yea" to "nay."

Mr. DAVIS of Tennessee changed his vote from "nay" to "yea."

Mr. POULSON changed his vote from "nay" to "yea."

Mr. AUCHINCLOSS changed his vote from "yea" to "nay."

Mr. HOFFMAN of Michigan changed his vote from "nay" to "yea."

Mr. DAVIES of New York changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

INSTITUTE OF INTER-AMERICAN AFFAIRS

Mr. KEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1250) to amend the Institute of Inter-American Affairs Act, approved August 5, 1947, with House amendments thereto, insist on the amendments of the House, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. KEE]. [After a pause.] The Chair hears none, and appoints the following conferees: Mr. KEE, Mr. RICHARDS, Mr. MANSFIELD, Mr. CHIPERFIELD, and Mr. JACKSON of California.

AMENDING THE NATURAL GAS ACT

Mr. CROSSER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended.

CALL OF THE HOUSE

Mr. GREEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and seventy-three Members are present; not a quorum.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 159]

Anderson, Calif.	Gregory	Pfeifer, Joseph L.
Andresen, August H.	Hall, Edwin Arthur	Pfeiffer, William L.
Barden	Hall, Leonard W.	Plumley
Bates, Ky.	Harden	Potter
Bentsen	Hart	Powell
Blackney	Harvey	Quinn
Bolton, Ohio	Hébert	Sabath
Bonner	Hedrick	Scott, Hardie
Brown, Ohio	Heffernan	Scott, Hugh D., Jr.
Buckley, N. Y.	Herlong	Secrest
Bulwinkle	Herter	Shafer
Burke	Hinshaw	Sheppard
Byrne, N. Y.	Hull	Short
Carnahan	Jacobs	Sikes
Case, S. Dak.	Johnson	Smathers
Cavalcante	Kelley	Smith, Ohio
Chelf	Kennedy	Spence
Chiperfield	Kirwan	Stanley
Chudoff	Larcade	Stigler
Clemente	Lovre	Stockman
Clevenger	McGrath	Sutton
Cole, Kans.	McGregor	Taylor
Combs	Marcantonio	Thomas, N. J.
Coudert	Marshall	Towe
Davis, Wis.	Mason	Velde
Dawson	Morgan	Vinson
Deane	Morrison	Vursell
Dingell	Morton	Walsh
Eaton	Murdock	Welch, Calif.
Elston	Murphy	Whitaker
Fenton	Nicholson	Woodhouse
Fernandez	O'Brien, Mich.	
Fogarty	O'Hara, Ill.	
Frazier	Passman	
Gilmer	Patman	
Gore		

The SPEAKER. On this roll call 329 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDING NATURAL GAS ACT

The SPEAKER. The question is on the motion of the gentleman from Ohio [Mr. CROSSER].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1758, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CROSSER. Mr. Chairman, I yield 20 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I recognize that there has been some intense interest manifested which has been growing in the last few days for obvious reasons. I recognize we are here considering what I think is a very fundamental question. I say in all seriousness to my colleagues, this issue reaches further than mere personalities. I believe we have an issue here which we should discuss in debate and know thoroughly, and not be persuaded by some influences which, in my opinion, know nothing about it whatsoever.

I realize, however, there are people who do know quite a bit about this industry and about this issue. I know they are sincere. I am sure every one of us who has been studying and working and trying to resolve this issue are sincere in our convictions.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I will be glad to yield to the gentleman.

Mr. BAILEY. Is it not true that this bill is almost the exact counterpart of the Moore-Rizley bill of the Eightieth Congress? I wish the gentleman would explain that.

Mr. HARRIS. It is not and I will be delighted to explain that to the gentleman, and to endeavor to answer any questions the gentleman, or any other Member, may have.

But let me proceed first to bring this whole matter to you so that you can more clearly understand it, in order that you may have some continuity of this subject from the very inception, with the enactment of the Natural Gas Act of 1938.

This bill, H. R. 1758, to amend the Natural Gas Act, approved June 21, 1938, was reported by our Committee on Interstate and Foreign Commerce after extensive hearings and a great many executive sessions.

PURPOSE OF LEGISLATION

The purpose of this legislation is to clarify the confusion and existing uncertainty as to the extent of the jurisdiction of the Federal Power Commission over production and gathering of natural gas. It is to make clear the original intent of Congress when the Natural Gas Act was passed, which specifically exempted production and gathering of natural gas by independent producers and gatherers and arm's-length sale made to natural-gas companies for interstate transportation and resale.

Therefore, the objective is as stated by the majority report, "very simple and limited." We only seek to carry out the provisions of the act as passed originally and the intention of Congress that the production and gathering of natural gas by independent companies and sold at arm's length is not a prerogative of or under the jurisdiction of the Federal Power Commission.

This legislation would not in any way change the law as was clearly intended by Congress in passing the Natural Gas Act. It would not change the law or policy in any manner from that which it has been administered during the entire 11 years of its existence.

NECESSITY FOR LEGISLATION

Mr. Chairman, this is a rather technical subject. If followed closely, however, it is easily understood and becomes quite simple.

On June 16, 1947, the Supreme Court rendered a decision in the Interstate Natural Gas case which involved regulation of a natural-gas company. It did not present the issue of the authority of the Commission to regulate arms'-length sales of natural gas by independent producers and gatherers, but the Court couched its opinion in such broad terms that it immediately became the basis for diverse interpretations and uncertainty as to the jurisdictional status of independent producers and gatherers. The views expressed by the Court gave rise to the fear that if the Commission should depart from its previous consistent policies and attempt to regulate such arms'-length sale of independent producers and gatherers, the Court might uphold such action.

The latest majority of the Commission has announced its intention of such departure if the Congress does not assume its responsibility and clarify the situation.

Because of the obvious need, the gentleman from Texas [Mr. LYLE] introduced H. R. 79, at the outset of this Congress, and I introduced H. R. 1758, having for their purpose the same objective. I should like here, Mr. Chairman, to highly compliment our esteemed colleague the gentleman from Texas [Mr. LYLE] for the invaluable service he has rendered in the consideration of this legislation.

When we introduced this legislation it was thought, and we had a right to assume, there would be no objection, as it has heretofore been considered by all concerned as noncontroversial. For 2 years until recently it has been recommended and urged by the Commission, the administration, the industry, and Members of Congress.

But for some reason, Mr. Chairman, there has been a sudden change in the thinking of some who are now opposing this legislation. I regret exceedingly that I find myself in disagreement with the chairman and a few other members of our committee. I have the greatest esteem and affection for our beloved chairman, and the outstanding service he has rendered in Congress. I know he is sincere in his convictions. I believe if he understood, however, the practical problem involved here instead of being persuaded by theoretical views, we would not be in such disagreement.

The committee reported this amended bill by a vote of 14 to 7. It was carefully worked out to make certain that we only clarify this problem and nothing else. Seven members of the committee were not present. I am advised by four of those who were absent that they would have voted for it had they been present and that they support this bill, making 18 members of our committee of 27 active

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members, in support of this particular legislation.

NATURAL GAS ACT, 1938, DESIGNED TO REGULATE NATURAL-GAS COMPANIES

In the Seventy-fourth Congress, at which time our beloved Speaker the gentleman from Texas [Mr. RAYBURN] was chairman of the Committee on Interstate and Foreign Commerce, consideration was given to the adoption of a policy and the passage of a natural gas act. Extensive hearings were held. The Congress had already adopted the policy of regulating and controlling utilities, as a monopoly serving the public.

After some 3 years of consideration the Seventy-fifth Congress in 1938 passed the Natural Gas Act for the purpose of regulating natural-gas companies, and the transportation and sale of natural gas in interstate commerce for resale.

No one can read the Natural Gas Act of 1938 and review its history without concluding that it was designed to regulate natural-gas companies in the transportation and sale of natural gas in interstate commerce at wholesale.

Let us look at the act briefly and then see how the present Commission is trying to arbitrarily extend its jurisdiction.

Section 1 (a) provides a declaration of policy. It was declared the "business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest."

It seems to me, Mr. Chairman, there could be no clearer statement of facts as to the purpose and intention of such a policy.

Section 1 (b) of the act provides jurisdiction. It says:

> The provisions of this act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and to natural-gas companies engaged in such transportation or sale, but shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas.

The jurisdiction, therefore, applies to whom?

Natural-gas companies engaged in transportation or sale of natural gas in interstate commerce. No one else but a natural-gas company can engage in such business. Therefore the act so applies.

But the specific exclusion to which the act shall not apply is the issue here. This bill applies only to the last exclusion, production and gathering of natural gas.

And as we read throughout the act we find its references to regulation and control of natural-gas companies. A natural-gas company is a utility. It is, therefore, a regulated monopoly which should be controlled in the public interest.

Production and gathering of gas in the fields by the thousands of independent producers and gatherers and the sales at arm's length is a competitive business just as any other business under our competitive system. Congress did not intend to destroy this system and thus the reasons for the exclusion which becomes necessary to clear up by this legislation.

If there is any control by the natural-gas company, the interstate pipe line or its affiliates and connection in the production, gathering, and sale of the gas, through affiliates or otherwise, this exception would not apply and the Commission would have jurisdiction. There would not be the competitive transactions.

Arm's length sales are those where the producer and gatherer has no connection or affiliation with the interstate natural-gas company. I want to make this explanation as a number have inquired about it.

Mr. BAILEY. Mr. Chairman, will the gentleman yield at that point?

Mr. HARRIS. I prefer not to yield at this point, if the gentleman will permit me to continue.

Mr. BAILEY. But my question has a direct bearing on the statement the gentleman just made.

Mr. HARRIS. Very well.

Mr. BAILEY. The natural-gas producers of my State, West Virginia, say that out of 2,300 producing concerns the benefit of this law will accrue to 70—70 out of 2,300 producers. Will the gentleman explain to the Committee whether this is true or not?

Mr. HARRIS. I shall be glad to; in my statement I will come to it. Let me proceed, if you will.

Mr. YATES. Just a question, while the gentleman is interrupted, not on that question, but on a point raised by the gentleman.

Mr. HARRIS. My time is soon going to run out if I keep yielding.

Mr. YATES. I shall not ask the gentleman to yield further.

Mr. HARRIS. I yield briefly.

Mr. YATES. The gentleman has made the point that the act was intended to apply only to public utility companies. I believe the gentleman should apprise the House further as to the definition of a natural-gas company as contained in the Natural Gas Act—I believe it is section 5, which states that it shall apply not only to natural-gas companies which are engaged in the transportation of gas, but also to those who are engaged in the sale of gas as well.

Mr. HARRIS. For what?

Mr. YATES. At wholesale in interstate commerce for public consumption.

Mr. HARRIS. That is the point I wish to make: For resale at wholesale.

Independent producers and gatherers do not wholesale gas for resale; natural-gas companies wholesale, resell to you boys who distribute it to the consumers in your area; and that is exactly the definition of a natural-gas company under the act. Now, may I proceed.

To show further the original intent of the Congress in this regard, the record shows that the Federal Power Commission was actively interested in the passage of the Natural Gas Act. The Solicitor, Mr. Dozier A. DeVane, presented the bill for the Commission before the committee. This was in 1937. Mr. Lea was then chairman of the committee; the gentleman from Texas [Mr. RAYBURN] having been elected the majority leader. Mr. Lea asked Mr. DeVane, with reference to the jurisdiction of the Commission over field prices. Mr. DeVane said there would be no control, the Commission would not have jurisdiction. In his own words, he said: "That price is fixed by competitive conditions in the field" and there would be no control of the gathering rate.

Then Mr. Lea asked Mr. DeVane, who is the Solicitor for the Federal Power Commission, and explaining this bill, if the Commission would have any power to regulate the rate of what the company may pay in the field, and Mr. DeVane said:

> No; not the prices which are paid to the gatherer; that is binding if the transaction is at arm's length. If the transaction is not at arm's length, of course, its reasonableness may be inquired into under decisions of the Supreme Court.

It is highly important to recall that at that time consideration was given to language which would have provided that Federal jurisdiction "shall apply to the procurement of natural gas for the purpose of its transmission through pipe lines and its sale, exchange, transmission, or distribution in interstate commerce."

Certainly had that language been adopted, the Commission's jurisdiction would have extended into the field of independent producers but Congress did not accept that language, and in lieu thereof, specifically excluded production and gathering of natural gas.

Furthermore, it was stated in the report when the bill was submitted to the House in 1937, that "if enacted; the present bill would for the first time provide for the regulation of natural-gas companies, transporting and selling natural gas in interstate commerce." It further explains the purpose is to close the gap between Federal and State regulations and sales in interstate commerce for resale or so-called wholesale sales.

Sure this was the purpose. Just as the minority views state but nowhere did it give authority to the fixing of prices in the field of the independent producers and gatherers. These are the type of sales that have consistently been construed as to not be in interstate commerce until the broad scope of the language in the recent interstate case. There is a distinction, Mr. Chairman, between this type of competitive sales and the sales for resale to the local distributing company for ultimate public consumption.

Then during the debate in the Senate, Mr. Wheeler, chairman of the committee, in answer to questions from his colleagues, said the bill "does not attempt to regulate the producers of natural gas or the distributors of natural gas; only those who sell it wholesale in interstate commerce."

In other words, he explained that the bill did not attempt to regulate the field activities including the sales, and neither did it attempt to regulate the distribution in the various localities to the consumers.

Mr. Austin asked:

> Is the bill limited in its scope to the regulation of transportation?

Mr. Wheeler, the chairman, answered:

Yes; it is limited to transportation in interstate commerce, and it affects only those who sell gas wholesale.

Therefore, I think, Mr. Chairman, it is conclusive the Natural Gas Act was passed to provide for the regulation and control of natural-gas companies. It was not designed to destroy the competitive field system. It specifically maintained and preserved this well-established principle in our business and economic life.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. CROSSER. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. WOLVERTON. Mr. Chairman, if five additional minutes would be helpful to the gentleman, I will yield it to him.

Mr. HARRIS. I thank the gentleman.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. SADOWSKI. As to arm's length sales, that does not mean that it would apply to only one sale, but resales could be made between various other companies before that gas actually gets into interstate commerce, and it is subject then to regulation. It is the danger of these resales and this pyramiding.

Mr. HARRIS. The gentleman cannot cite any sale where such arbitrary action occurred. These people are competitors and drive hard bargains which is the competitive way. There is no business that drives harder competitive bargains than the oil and gas business between themselves.

Mr. SADOWSKI. Well, there is a shortage of gas at this time.

Mr. HARRIS. Yes, and the gentleman is making it worse if he does not sustain this free competitive system. If you do not, you will cause additional shortage of gas.

ADMINISTRATION OF ACT

This is not all, Mr. Chairman. In the administration of the Natural Gas Act by the Federal Power Commission this policy has been followed. At no time during the entire life of the Natural Gas Act until recently has there been any different interpretation. The Federal Power Commission and the industry have been of the opinion, and rightly so, that the Congress did not give the Commission any direct or indirect power of production and gathering.

The oil and gas producers perform a service to this country and to the consumers. They, too, have a tremendous responsibility. They, too, have considered that production and gathering and sales incident thereto were exempted from the act as a part of a well-designed national policy to not interfere with local jurisdiction and activities.

I say to you here and now that if the threat of such control that exists today is maintained, State authorities will have no jurisdiction as was reserved to them when the act was passed. If the Federal jurisdiction can be extended in this manner to the production and gathering of gas, it can likewise be extended under the same authority to local distribution which as a matter of policy was also reserved to State jurisdiction.

The first test of the jurisdictional scope by the Federal Power Commission was made a short time after it was passed in the Columbian Fuel Corp. case in 1940: the Commission in its initial interpretation held in that case and said:

That it was not the intention of Congress to subject to regimentation under the Natural Gas Act all persons whose only sales of natural gas in interstate commerce as in this case are made as an incident to and immediately upon completion of such person's production and gathering (2 F. P. C. 200–194).

No act or determination by the Commission has overturned this initial finding until the recently announced policy of the present majority of the Commission of such intention. The Commission has made no recommendation to the Congress during the 11 years of the act that the jurisdictional authority in question be extended, and I might say here and now, Mr. Chairman, that no instance has been cited where the Commission has been thwarted by reason of prevailing jurisdictional limitations in its efforts to protect consumers or regulate industry operations.

SUPREME COURT DECISIONS

Not only has this principle as intended by Congress been upheld in the administration of the act but by a long line of interpretations of the Supreme Court of the United States, until the unusual Interstate Natural Gas Company case in June 1947.

The first case, I believe, interpreted by the Supreme Court, on the constitutionality of the Natural Gas Act was in the case of the *Natural Gas Pipeline Co.* (315 U. S. P. 582), affecting the Chicago area. There it referred to and sustained the jurisdiction of the Federal Power Commission over natural gas companies as authorized by Congress.

Then in a later decision, the *Hope Natural Gas Company case* (320 U. S. 589), the jurisdiction of the Commission over the producing properties and gathering facilities of a natural gas company was sustained as carrying out the purposes and intent of the act. Likewise, the Court held in the *Colorado Interstate case* (324 U. S. 481) the jurisdiction of the Federal Power Commission extended to properties of affiliates of natural gas companies. In other words, I should emphasize that unless the transactions of production and gathering were at arm's length, the Commission had jurisdiction under the act.

Then in 1947 the Supreme Court decided the famous Interstate Natural Gas case, which has been so widely interpreted, resulting in confusion, uncertainty, and fear as to the range of its interpretation.

Though this case was not directed to the particular issue involved, the dictum of the Supreme Court held beyond the issue involved according to the interpretation of some and raised serious doubt as to what was intended.

This confusion and doubt not only reflected in the industry but in legal circles and in the Commission itself.

This is the real need and necessity for this legislation.

It is the duty and responsibility of Congress to establish policies to be administered by agencies of the Government.

It is the duty of the agencies of Government to administer those policies and to recommend such changes as might be desirable in the public interest.

We might as well be frank about this situation. We know who is behind this effort to bypass the intention of Congress and to extend the governmental arm into the field never intended. He has been active, he has been insistent, he has been urging, Mr. Chairman, that the majority of the present Commission as has been directed by him for the past several months be permitted to extend their powerful hands toward a controlled economy. I refer to none other than Commissioner Olds, who is so obviously throughout these hearings for the majority and who has provided and prepared most of the material in opposition to this legislation.

COMMISSION RECOGNIZES NEED FOR AND URGES LEGISLATION

I confess, Mr. Chairman, that it is very difficult for me to understand the actions and attitude of some people. Let us review what has happened.

In the Eightieth Congress consideration was given to amending the basic law. Many of you remember it as the Rizley bill. The Federal Power Commission opposed it then as did others because of the fundamental changes it would have made in the basic act, as has been interpreted by the Supreme Court, affecting and regulating natural-gas companies.

We had quite a fight on that bill. Who were the members of the Federal Power Commission then? Mr. Nelson Lee Smith, as Chairman, Mr. Leland Olds, Mr. Draper, and Mr. Wimberly. There was one vacancy.

As a substitute for that over-all basic change, the Commission recommended and urged the Congress to clarify the law in view of the Interstate Natural Gas case, to make certain that independent producers and gatherers are not included as the original intent of Congress.

The Commission prepared and submitted a bill which was introduced by our colleague on the committee the gentleman from Tennessee [Mr. PRIEST] and became known as the Priest bill, H. R. 4099 of the Eightieth Congress. The Commission, including Mr. Olds, urged that bill on the Congress as being needed.

It had for its purpose the very same simple objectives as this legislation under consideration now.

Remember we were then considering the more drastic Moore-Rizley bill, H. R. 4051, which passed this House. In urging their bill, the Commission on July 10, 1947, submitted a letter to the then

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chairman of the committee, our colleague, the Honorable CHARLES A. WOLVERTON, which I should like to read to this House as follows:

MY DEAR MR. CHAIRMAN: This is in response to your request of July 9 for an early comment by the Commission regarding H. R. 4099, a bill introduced by Congressman PRIEST of Tennessee.

The Federal Power Commission urges the enactment of this bill at this time to make it perfectly clear that independent producers and gatherers of natural gas are exempt from the provisions of the Natural Gas Act and the jurisdiction of this Commission.

The enactment of this bill would dispel the uncertainty regarding the status of such independent producers and gatherers which has been created following the recent decision of the Supreme Court in the Interstate case. Such action by the Congress now should dispose of this important and controversial matter.

This procedure would enable the Congress to defer action on the many other aspects of natural gas regulation involved in the complexities, uncertainties, and ambiguities of H. R. 4051 (the Rizley bill), to which we referred in detail in our statement of July 1 to you and the members of your committee. As you know, all these problems are being carefully analyzed by the commission, in cooperation with all interested parties, in the natural gas investigation (Docket No. G–580). A full report on this investigation will be submitted to the Congress for its consideration within the next few months.

I am authorized to state that the position of the Commission in this matter is fully in accord with the legislative program of the President.

Respectfully yours,
FEDERAL POWER COMMISSION,
By NELSON LEE SMITH,
Chairman.

Let me repeat, Mr. Chairman, the crux of that letter as it applies to this legislation is that the Federal Power Commission urged the enactment of the bill at that time to make it perfectly clear that independent producers and gatherers of natural gas are exempt from the provisions of the Natural Gas Act and the jurisdiction of the Federal Power Commission. Nothing could be plainer. This was July 10, 1947. Remember, the Commission at that time was composed of Mr. Smith, as Chairman, Mr. Leland Olds, Mr. Draper, and Mr. Wimberly. The request was made unanimously. I repeat the last sentence, which says "that the position of the Commission in this matter is fully in accord with the legislative program of the President."

That Commission bill, H. R. 4099, was not only introduced but offered as a substitute by our colleague, Mr. PRIEST. The committee did not adopt it.

When the bill was before the House, the gentleman from Tennessee [Mr. PRIEST] again offered it as a substitute on behalf of the Commission. It was not adopted.

Then, Mr. Chairman, on a motion to recommit, the distinguished gentleman, our colleague from Colorado [Mr. CARROLL], offered this Commission bill, the very same proposal we have here today.

That is not all. The legislation though passed by the House failed to pass the other body in the first session of the Eightieth Congress.

Carrying out this same principle that we are bringing to you today, the Commission on August 7, 1947, issued its own order No. 139, "designed to relieve any existing uncertainty regarding the Commission's position that it will not seek to assert jurisdiction over the sale of natural gas to interstate pipe lines by independent producers or gatherers."

In that order, Mr. Chairman, the Commission further said: "Since there were prevalent many expressions of uncertainty as to the Commission's interpretation of section 1 (b) of the act with reference to the status of independent producers and gatherers of natural gas, and as to its intentions with respect thereto, it seemed evident that a formal administrative rule was necessary to affirm our belief that it was the intent of Congress to exempt such independent producers and gatherers when it enacted the Natural Gas Act in 1938." This is the same policy enunciated by the Commission shortly after the act was passed in the Columbian Fuel case as already explained, which shows the consistent attitude in the administration of the act on this particular issue.

Further in issuing the order, Mr. Chairman, the Commission said, and this was August 7, 1947:

During the first session of the Eightieth Congress which adjourned on July 27, 1947, various bills regarding this matter, as well as other important proposals for amending the Natural Gas Act, were introduced and considered by the Congress. At the hearings on these bills before the Senate and House Committees on Interstate and Foreign Commerce, the Commission likewise stated its view that independent operators who produce or gather natural gas and sell it at arm's length to natural-gas companies subsequently transporting such natural gas in interstate commerce are exempt from the provisions of the Natural Gas Act.

It referred to the Interstate Natural Gas Co. case decided by the Supreme Court, June 16, 1947, regarding the jurisdictional status of independent producers and gatherers and said further in the order:

In view of these circumstances, the Commission urged the immediate adoption of H. R. 4099, the specific and sole purpose of which was to make entirely clear the exemption of the independent production and gathering of natural gas from the provisions of the Natural Gas Act.

And it also said:

This brief review of developments in this matter has been presented so that there may be no basis for misunderstanding or continuing expressions of fear and uncertainty regarding this matter, which is noncontroversial. The Commission gives its assurance to independent producers and gatherers of natural gas that they can sell at arm's length and deliver such gas to interstate pipelines and can enter into contracts for such sale without apprehension that in so doing they may become subject to assertions of jurisdiction by the Commission under the Natural Gas Act.

That was the purpose of the rule issued by the Commission which said that finding that such action is "necessary and appropriate" to clarify the meaning of section 1 (b) of the Natural Gas Act, which is only what we propose to do here.

Who was it, Mr. Chairman, who said such action was necessary and appropriate? The Federal Power Commission, including Mr. Leland Olds.

Mr. Claude L. Draper, one member of the Commission dissented because he said the Supreme Court in the Interstate case had passed upon the question and Congress had failed to clarify the law and the Commission should carry it out.

But the other three Commissioners, Mr. Smith, as Chairman, Mr. Olds and Mr. Wimberly, approved the order and said this was the original intent of Congress, it was the law, and it was the policy of the Commission to continue to administer the law, carrying out this intent of Congress when the Natural Gas Act was passed.

It is for this reason, Mr. Chairman, that I said we had a right to expect this would be a noncontroversial matter when we introduced it in the early part of the session.

COMMISSION CHANGES MIND

Unfortunately, this was not the case. During these two years, we have seen some fantastic changes. The personnel of the Commission has changed. Mr. Smith and Mr. Wimberly still maintain the same positions. They are consistent and I for one want to commend them for their stand and consistency in this fight. Mr. Olds has changed his mind and completely reversed himself. The other two members of the present Commission have adopted his viewpoint. Thus a majority of the Commission now has said to our committee in hearings that if the Congress fails to act that it will be their position to rescind this order and change the policy altogether.

Now, another most unusual situation has just developed. I was completely amazed. When we were before the Rules Committee yesterday, our esteemed chairman [Mr. CROSSER], whose views I respect and who I admire and love, really pulled one out of the bag. He presented a letter from the Bureau of the Budget, which by some strange coincidence he had just received which says this bill is not in accordance with the legislative program of the President. This is most unusual procedure because at no time during the hearings and long consideration was such position presented or explained.

Here we have the unusual spectacle that in July 1947 this is the policy and in accord with the program of the President and now by this mysterious revelation, we have the President on both sides.

I submit to you, Mr. Chairman, these incidents are compelling reasons for the Congress to write into law this clarifying amendment.

DIVIDED COMMISSION

The Commission itself is hopelessly divided on what is the jurisdictional status. This creates a most unusual situation which no one can determine what course they may pursue. Two Members of the Commission are of one viewpoint and two members of another viewpoint. The industry could not possibly know where it stands. The other member has not yet been confirmed as his term expired in June. If he is confirmed, it will be three members one way and two the other way and therefore, the policy or the law would be changing with changing personnel. This is an intolerable situation that should be corrected.

REAL ISSUES INVOLVED

There are two issues involved here, Mr. Chairman:

First. Will the Congress write the policies, which is our duty and responsibility, or will we permit bureaus and commissions by legislative fiat to write them; and

Second. Are we going to adopt a policy of planned or controlled economy where heretofore the free competitive system has prevailed in the fuel industry?

We cannot dodge the issue. If we destroy the competitive element which has heretofore existed in the fields of natural gas, then will not the next step be governmental control in the petroleum industry or the coal mines?

Whatever the answer may be, I say, again, it is the duty and the responsibility of the Congress to determine the policies of this Government, instead of by the capricious and whimsical action of some bureau or commission.

Yes; this simple and apparently noncontroversial matter has become highly controversial. Why? Because a commissioner changes his mind. It should, therefore, be clarified because you can never tell when an unstable mind of a commissioner might change. The people in the industry have a right to know the plain language of the law. This bill should pass.

FEDERAL POWER COMMISSION,
Washington, July 18, 1949.

Hon. JOHN W. HESELTON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN HESELTON: In your letter of July 15 you asked certain questions regarding the status of Federal Power Commission Order No. 139. We think a brief recital of the circumstances under which order No. 139 was adopted would be helpful before giving a direct answer to your questions.

As you know, immediately following the Supreme Court's opinion in the Interstate case, the Commission unanimously urged the Congress to amend the National Gas Act to make clear the exemption from Commission jurisdiction of arms-length sales of natural gas by independent producers and gatherers. In our view, the Supreme Court did not rule directly and explicitly on the meaning of the exemptions of production and gathering contained in section 1 (b) of the Natural Gas Act; however, there admittedly is uncertainty and a divergence of opinion as to the extent of authority of the Federal Power Commission to regulate, as "natural-gas companies," independent producers and gatherers.

When Congress recessed on July 27, 1947, without taking action on H. R. 4099 (by Congressman PRIEST) as urged by the Commission, there were indications that fuel shortages would be acute in many areas. The Federal Power Commission considered that the public interest required that persons who owned gas reserves and who were not affiliated in any manner with interstate pipeline companies should be encouraged to enter into arm's-length sales contracts with such companies without apprehension of Federal regulation.

In voting for Order No. 139, which is in terms a declaration of policy to the effect that the Commission would not assert jurisdiction over arm's-length sales of natural gas to interstate pipe lines by independent producers and gatherers, the undersigned believed this to be both a valid exercise of administrative discretion, pending clarification of a confused and uncertain situation by the Congress, and a desirable policy to encourage the interstate transportation of natural gas into the great consuming areas of the country where it was much desired and badly needed. We are still of this opinion.

Accordingly, we would not think it proper to rescind Order No. 139 so long as it might continue to be an accurate statement of the policy of the Commission, but we would deem it improper to continue the rule beyond such time as it is a reliable guide to the policy of the Commission. In any event we think it would be improper to seek to give retroactive effect to any such rescission of the rule where contracts have been entered into in good faith in reliance upon it.

On the other hand, however, at the time of the testimony before your committee which is referred to in your letter, it was evidently the view of the majority of the Commission that the Order was in error, and that determinations which had been issued under it would become of no legal force and effect whenever there was, in fact, a sale of natural gas in interstate commerce for resale. The Commission is at present evenly divided on the question, and we find it impossible to answer with any assurance whatever your question as to how long Order No. 139 will remain on the Commission's records or when it might be rescinded.

It seems to us that, in view of this situation and the confusion and uncertainty which continues regarding this entire matter, it is highly desirable that the Congress settle this matter one way or the other by an affirmative declaration of policy at the earliest possible time.

Very truly yours,

HARRINGTON WIMBERLY,
Commissioner.
NELSON LEE SMITH,
Chairman.

JULY 18, 1949.

Hon. JOHN W. HESELTON,
Member of Congress,
Washington, D. C.

DEAR MR. HESELTON: In your letter of July 15, 1949, addressed to the Federal Power Commission, you asked the following questions:

1. Is it the intention of the Commission, if this Congress takes no action on any of these proposals, to rescind Order No. 139?

2. If it is the intention of the Commission to rescind Order No. 139, if this Congress takes no action on any of these proposals, when, in terms of the life of the Eighty-first Congress, is it the Commission's intention to do that?

The undersigned, in general, agree with the answers given by Commissioner Olds to your subcommittee. Specifically, we answer them as follows:

1. It would be the intention of the undersigned to so rescind Order No. 139.

2. In terms of the life of the Eighty-first Congress the intention of the undersigned to rescind Order No. 139 would be effective at the end of the second session thereof, provided however, if the protection of the public against exploitation through unreasonable rates and charges, should require the exercise of statutory jurisdiction, it is our opinion that the necessary administrative action should be taken immediately to enforce such jurisdiction which would, of course, include a repeal of Order No. 139 as a procedural matter, not as a legal requirement for the exercise of that jurisdiction.

We wish to reiterate that Order No. 139 has no legal force or effect, *Interstate Natural Gas Co., Inc.* v. *Federal Power Commission* (331 U. S. 682), and therefore could not confer any rights upon a natural gas company.

Respectfully submitted.

CLAUDE L. DRAPER,
Vice Chairman.
THOMAS C. BUCHANAN,
Commissioner.

Mr. WOLVERTON Mr. Chairman, I yield 15 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, the rule on this bill was issued only yesterday afternoon, and I regret very much that I have not had time to make the very carefully prepared statement that I should have liked. I will claim for myself, however, one particular merit in discussing the legislation: I think I am at least as disinterested as anybody can possibly be; because there is not a single producer or gatherer of natural gas, nor, I regret to say, is there a single consumer of natural gas in the State of Maine. So I think I can look at the whole problem fairly objectively. But I will say this, and I say it very selfishly: We would like to get this valuable fuel, we would like to get natural gas up into Maine, we would like to get it up into New England, we would like to get it all over the northeastern section of the country. Let me say, however, that it will not, of course, be of any use to us unless it can be gotten up there at a price that is competitive with other fuels. As the gentleman from New York [Mr. KEOGH] remarked in the debate on the rule, the natural-gas companies certainly have every incentive to expand their operations, and in such manner and at such prices that natural gas will be competitive with other fuels.

As I had never had any contact whatever with the natural-gas business, I found some difficulty in understanding this legislation when first hearings were held before our committee. But let me say that the producing and gathering of natural gas is an operation very much akin to the producing and gathering of oil from oil wells. It is not a public utility business, and it is not a business that is at all analogous to an ordinary public-utility business; it is a very hazardous, adventurous, and uncertain business, and it is unsuited to the kind of regulation and the kind of control that is correctly applied to a public utility. The producing and gathering is not monopolistic; on the contrary, it is a very competitive business. Anybody who can locate a little natural gas on his farm and find a well here or there will if he has the incentive produce the gas and send it to the market; and, of course, the only market is the interstate pipe line.

Mr. TAURIELLO. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-five Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 160]

Andresen, August H.	Brown, Ohio	Chudoff
Auchincloss	Buckley, N. Y.	Clemente
Barden	Bulwinkle	Clevenger
Bates, Ky.	Burke	Cole, Kans.
Bentsen	Carnahan	Coudert
Blackney	Case, S. Dak.	Davies, N. Y.
Bland	Cavalcante	Dawson
Bolton, Ohio	Celler	Deane
Bonner	Chatham	Dingell
Brooks	Chelf	Douglas
	Chiperfield	Eaton

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Elston	Larcade	Sabath
Engle, Calif.	Lichtenwalter	Scott, Hardie
Fogarty	Lovre	Scott,
Frazier	McGrath	Hugh D., Jr.
Gilmer	McGregor	Secrest
Gore	McKinnon	Short
Granger	Marcantonio	Sikes
Gregory	Mason	Smith, Ohio
Hall,	Morgan	Spence
Edwin Arthur	Morrison	Stanley
Hall,	Morton	Stigler
Leonard W.	Murdock	Sutton
Harden	Murphy	Taber
Hart	Nicholson	Taylor
Hedrick	Passman	Thomas, N. J.
Heffernan	Patman	Towe
Heller	Perkins	Vinson
Herter	Pfeifer,	Vorys
Hinshaw	Joseph L.	Walsh
Hull	Pfeiffer,	Welch, Calif.
Jennings	William L.	Whitaker
Johnson	Plumley	White, Idaho
Kee	Potter	Wigglesworth
Kelley	Powell	Wilson, Ind.
Kennedy	Quinn	Withrow
Kirwan	Rivers	Woodhouse

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, and finding itself without a quorum, he had directed the roll to be called, when 330 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Maine [Mr. HALE] has 11 minutes remaining.

The gentleman from Maine will continue.

Mr. HALE. Mr. Chairman, I am grateful to the gentleman for enlarging my audience, but I rather regret a tendency which seems to exist in some quarters to hamper and prolong the consideration of this bill. This bill is an important piece of legislation; it deserves the earnest study and consideration of the Members of the House without any unnecessary or frivolous interruptions.

Before the point of order was made I had called attention to the fact that the production and gathering of natural gas is an intrastate business. It is not a monopolistic business; on the contrary, it is a highly competitive and a very risky business, and it lends itself as badly as possible to the type of regulation accorded to public utilities which are essentially and almost inevitably monopolies. On the contrary, the interstate pipe line is a monopolistic and almost necessarily a monopolistic enterprise. It is not, however, a common carrier, because the pipe line carries only the gas to which it acquires title at the point of origin.

I do not doubt but that there are people in this country who wish to socialize a great many different kinds of business. If you are desirous of socializing business, there is none that would be more desirable to socialize than the fuel business; and if you are going to start out socializing, you had better socialize the production of all types of fuel whether it be oil, coal, or natural gas. If you are going to extend the jurisdiction of the Federal Power Commission into the several States and regulate the production and gathering of natural gas, you are going to take a very important step in the direction of socialization. Some of the opposition to this measure would seem to come from people who are interested in procuring the greatest possible socialization of the fuel business.

Mr. Chairman, there is a great deal of honest misunderstanding about this legislation. Yesterday afternoon just after I got back from discussing the legislation in the Committee on Rules I received a telegram from the CIO in Boston asking me to oppose this bill. I am perfectly confident that the senders of that telegram had very little comprehension of the issues involved. They had been sold the idea that somehow or other this was an attempt on the part of the big interstate pipe-line companies to enable themselves to make larger profits. It is true that Commissioner Olds of the Federal Power Commission is very bitterly opposed to this legislation; and various columnists disseminate or seek to disseminate a very distorted view of it which emanates from sources unknown to me but apparently rather close to the Federal Power Commission or to a certain faction of the Federal Power Commission. I am sure that one faction of the Commission is very anxious to regulate the producers and gatherers of natural gas. But I do submit very respectfully and very earnestly that the policy of this Nation with respect to the production and gathering of natural gas should be determined in this body and not in an administrative agency. I am frank to say that I very much resent any attempt at dictation or pressure from any such agency.

At the present time there is great doubt and misgiving due to the decision in the Interstate Power case in June 1947, but I wish to call the attention of the committee to the decision of the United States Supreme Court in Federal Power Commission against Panhandle Eastern Pipeline Co., decided on June 20 of this year. Speaking of the Natural Gas Act which Congress passed in 1938 the Court says:

> Congress knew this necessary relationship between production and distribution but excluded the Commission—

That is the Federal Power Commission—

> from exercising any direct control or regulation over the actual production and gathering of natural gas.

I may say that while the Supreme Court in the Panhandle case did not reverse its opinion in the Interstate Power case decided almost exactly 2 years earlier, it did use language which seems to me very much to cut down the dicta in the Interstate Power case; in fact, the decision in the Panhandle Eastern Pipeline case seems to me to be what I might term a spiritual retreat from that in the Interstate case.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HALE. I yield to the gentleman from Illinois.

Mr. YATES. Is the gentleman in favor of the general purposes of the Natural Gas Act of 1938 to regulate the rates of those who sell gas in interstate commerce at wholesale?

Mr. HALE. Yes; I am in favor of the general purposes of that act; but if the gentleman wants to press purely argumentative questions I should prefer that he do so in his own time.

Mr. YATES. I do not propose to put argumentative questions to the gentleman. I ask that as a preliminary to another question.

Mr. HALE. I refuse to yield further. I want to conclude my statement. The gentleman can make his statement in his own time.

Mr. Chairman, the necessity for this legislation, and the very great necessity, as I see it, is occasioned by the doubt and hesitation in the industry; because the people who either produce or gather natural gas, and the people who would produce and gather natural gas if they were not frightened, are now afraid of the noose of Federal regulation held very close to their necks, held so close to their necks they do not know what to do about it. If you want to read a very eloquent and a very fair statement of the conditions in the industry I would suggest that you read the testimony of Mr. Head, an attorney for a corporation called the Southern Minerals Corp. at pages 77 to 122 of the hearings. The doubt and hesitation which prevails in the industry is equaled and exceeded by, perhaps not so much doubt and hesitation in the Federal Power Commission, as by the divergence of opinion in that body; and while the respective members of that body are still, so far as I know, on speaking terms, they are so much at loggerheads on this particular question of jurisdiction and policy that it must very seriously hamper the usefulness of the Federal Power Commission. Of course, the usefulness of any administrative body is very much hampered if it is seriously divided on questions of policy with which it is not legitimately concerned.

I was very much impressed by the statement of Commissioner Draper of the Federal Power Commission who said he did not think that as long as the United States Supreme Court has said it did have jurisdiction of the producers and gatherers the Federal Power Commission had any right to waive any segment of its jurisdiction or to make an announcement that it was not going to exercise any such segment of its jurisdiction. If I am right about that, and if Mr. Draper is right about that, Order No. 139 never had any legality anyway, and it is going to be repealed or withdrawn—withdrawn I suppose is a better word—unless the Congress legislates at the present session. That is not an inference of mine. That is a statement made directly by members of the Commission in a letter or letters to the gentleman from Massachusetts [Mr. HESELTON]. So that it is vital, in my opinion, that we legislate and legislate promptly and remove from all doubt this question as to what the policy should be.

It is said by Mr. Olds and others of his school tha the passage of this legislation will increase the cost of natural gas

to the consumer. I do not see how anybody can possibly tell that. If the Commission has never exercised this jurisdiction, how can they say that the further nonexercise of the jurisdiction is going to increase the cost to the consumer. I just want to point out that the cost of natural gas to the consumer, like the cost of anything else to the consumer, depends very largely upon the supply available, and the passage of this legislation is going to tend to increase the supply because it is going to give an incentive to producers and gatherers of natural gas to produce and gather, since they are going to be removed from the apprehension which they now reasonably feel.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. HALE. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. The gas rates are, in any event, fixed by the public utilities commissions of the various States anyway.

Mr. HALE. Of course.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. CROSSER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. SADOWSKI].

Mr. SADOWSKI. Mr. Chairman, this is a bad bill; it is a bad piece of legislation. It should be referred back to our Committee on Interstate and Foreign Commerce. I do not remember how many years it has been that a bill so controversial has come before the committee and where our committee has had so many disagreements as it has had over this bill. You will see in the report here that there are three different minority views expressed in connection with this bill. You will find that 11 members of our committee have signed minority reports. I think that ought to be sufficient to put the House on guard.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SADOWSKI. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not a fact that the committee reported this bill by a vote of 14 to 7?

Mr. SADOWSKI. Yes; that is true. The gas boys were all on the job. Those members who were absent at the time of the vote all signed the minority reports.

Now, it has been stated here by two or three of the previous speakers that the CIO was against this bill and therefore it ought to be a good bill or should be a good bill. Well, let us say the truth about that now; let us forget about the CIO. The officials of the city of Detroit, the mayor and the city council, are against this bill. The officials of the State of Michigan are against this bill. The people who supported the Gas Act originally in 1938 are against this bill. You do not find any city officials who came before our committee in 1938, and who were in favor of it then, supporting this bill and the amendments proposed in it.

Why was the Gas Act passed? It was passed to protect the consumer. This bill does not protect the consumer. This bill increases prices to the consumers. This is a big swindle upon the consumers. When we passed the original bill in 1938 for the protection of the consumers we meant to protect the consumers all the way down the line; there is no question about it. It was fully discussed in the committee and it was discussed on the floor of the House. There is no use of these boys coming in here now and by indirection trying to overcome the real purpose of the Gas Act. You cannot give honest regulations and honest prices to consumers if you are only regulating the pipe lines that carry the gas. You have to be able to say something about how much that gas costs when it enters the pipe line. If you say, "We will regulate gas, but the Commission has no authority to say how much this gas is going to cost when it gets in the pipe line," what sort of regulation have you, and what kind of protection are you giving the consumers? This is the crux of this whole argument here. They want to take the production of gas out, and there will be no price set as to the cost of that gas when it enters the pipe line.

They talk about this being a bill to protect the independent producer. When the word "independent" is mentioned on this floor I know ordinarily it would have the same effect upon you as it has upon me. You think they are talking about the corner grocer, the independent, and his struggle against the chain store. But when you speak about the independent gas producer, as these boys from Texas are talking about him, just remember they are talking about the independent millionaire gas owners and the big gas companies. These big millionaire companies have control of the big gas fields, and they are called independent producers.

The definition of an independent producer is given by the committee in the majority report. This is the gentleman from Arkansas [Mr. HARRIS], of our committee, giving you the definition of an independent producer. I quote from the report:

> As the term is here used, an independent producer or gatherer is one who is neither a natural-gas company by reason of other operations nor affiliated with a natural-gas company.

Who are these independent producers? Let us see. I quote from the minority report, page 13:

> More than three-quarters of the acreage in the great Panhandle and Hugoton fields of Texas, Oklahoma, and Kansas, representing one-quarter of the country's entire reserves of natural gas, is controlled by 25 companies, while 10 of these companies control three-fifths of the acreage. Taking the country as a whole, 33 oil companies held in lease or fee five-eighths of the total oil and gas acreage, with more than half the acreage in the hands of 20 companies.

Those are the independent producers. You see what is involved here.

I want to refer you to page 12 of the committee report. Let us see what the purpose of the Gas Act is and what is the issue here:

> The real issue for Congress to decide is whether or not regulation of the sales of natural gas by producers to purchasers for transportation and sale in interstate commerce for ultimate public consumption is in the public interest. The issue is of vast importance as a matter of principle.

> The plain intent of the Natural Gas Act is to protect consumers of natural gas from exploitation at the hands of the natural-gas companies. This was the conclusion of the United States Supreme Court in passing upon a case in which the legislative history of the act had been fully presented by the Hope Natural Gas Co. and the Federal Power Commission.

> Congress itself had made its position clear when it declared in unambiguous language in section 1 (a) of the act that the business of transporting and selling natural gas—

"Selling," that means selling gas, whether it is sold by a pipe-line company or sold by a producer to the pipe line—

> for ultimate distribution to the public is affected with the public interest and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest.

The gentleman from Arkansas [Mr. HARRIS] was speaking about these sales at arm's length. That would be fine if the producer of gas was to sell directly to the pipe-line company, and then that pipe-line company would put that gas in the line and ship it out to Detroit or some other city that is going to use it.

There would be no in-between agreements and no in-between leases or in-between contracts. That is not the case however. The truth is that there is a shortage of this gas. The bidding is not on the part of the producers of gas. The bidding and the competition now is amongst the pipe-line companies to get this gas. So the price of gas has no limit. The sky is the limit. There is no way of limiting the price of this gas. The shortage makes the increase in price inevitable if there is not some way to control the price of gas as it enters the pipe line. For instance, the sharpshooters in this business will make one agreement with one company and then resell to another and still another. The producing company will sell to another company and that company sells to still another company. Before it finally gets into the pipe line there will have been four or five or six different transactions, and four or five gamblers or speculators will have made a profit—at whose expense? At the expense of the consumers in the city of Detroit, and at the expense of the consumers in the city of Chicago, St. Louis, Milwaukee, and so forth.

Now, there are State commissions that regulate the sale of gas in intrastate commerce; that applies to the gas that is sold within the State where it is produced. These State commissions can only protect the consumers within their own State. So these speculators and gamblers in gas tell the State commissions that they are engaged in interstate commerce, that they are selling their gas to the pipe lines and therefore are not subject to State regulations. Now they come here with this bill and say that the Federal Power Commission cannot regulate the price, either. So if this bill passes they would be subject to no price regulations or controls whatsoever. So the sky is the limit. The poor independent millionaires will become billionaires. What a swindle this would be upon the consumers of gas in the Middle West.

Is that right? I want to protect the producers. I want to protect the real

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producers of gas, but I am not going to vote to protect swindlers and gamblers in gas. This is a public utility. This gas is just as important and is just as much a utility as electric power. Congress has said so when it passed the Natural Gas Act.

If the gentleman from Mississippi [Mr. RANKIN] is here, I hope that he will stand up and protect the people of the country on this natural gas question the same as he is trying to protect and has been protecting the people on electric power. There is no difference.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SADOWSKI. I yield.

Mr. HARRIS. Is it not a fact that the record shows, since the enactment of the Natural Gas Act, the average price to the consumer has been constantly decreasing over the last 11 years?

Mr. SADOWSKI. The plain truth is that the price of gas at its source has been going up for the last few years.

Mr. HARRIS. I am talking about what the consumer pays. Is it not a fact that the average price to the consumer has gone from 68 cents down to about 60 cents per thousand cubic feet?

Mr. SADOWSKI. I cannot say that it has gone down uniformly. That depends on the costs of the various pipe lines and on what basis the bonded debt is being amortized. That and operational costs have to be taken into consideration by the Federal Power Commission when they set the rates. The Federal Power Commission is trying to bring natural gas to the consumers at a reasonable and fair rate.

However, I will say to the gentleman that his bill will only fatten the independent millionaire gas producers and will raise the rates to the consumers. The gas producers should be satisfied with a fair price and they should not be permitted to gouge the public. Gas is a public utility.

Also, we should remember that the big producers of gas would control not only the supply of gas, but also the price of gas at which it would be sold to the pipe lines. Herein lies the opportunity to play favorites with the pipe lines.

The big oil and gas interests could buy into a pipe-line company, compel mergers, or force into bankruptcy those pipe lines that would not play ball with the big oil and gas interests. Eventually the pipe lines, gas producers, and the oil interests would become one huge monopoly.

If a pipe-line company finds that it is being held up for too high a price it cannot pick up its pipe and move into another State. They cannot go shopping around for cheaper gas as you or I would do if we went out to buy some merchandise. They are hooked. These dice are being rolled for much bigger stakes than we think. We must make certain that the dominant producing interests, primarily the major oil companies of the Nation, will not be able to assert their monopolistic position in the control of gas reserves to the detriment of the public interests. At this point I shall submit the conclusion that was reached by those members of the committee who signed the first minority report.

CONCLUSION

The bill recommended by the majority would nullify the Federal Power Commission's authority with respect to field sales of natural gas in interstate commerce by producers and gatherers, thus eliminating regulation which the Congress and the courts have recognized as essential for the protection of consumers from exploitation. The bill is one segment of the over-all plan of the oil and gas industry, embodied in the Moore-Rizley bill of the Eightieth Congress, designed to destroy effective Federal regulations of interstate commerce in natural gas.

The bill, by freeing a large segment of the industry from regulation, would benefit primarily a few large corporations which, because of their monopolistic control of gas reserves in the Southwestern States, would have almost unfettered power to fix the price of gas entering interstate transmission lines.

As the price of gas entering the pipe lines is a determinative factor in the price at the market end of the line, the bill, if enacted, would destroy protection which the act affords the consumer.

The rapid increase in field prices of natural gas, which can be expected to continue and which competition is unable to control, requires the continuation of the power to regulate interstate sales of natural gas by independent producers and gatherers.

There is no doubt that, over the years, enactment of the bill would increase the cost of gas to the ultimate consumer by many millions of dollars. It is likewise indisputable that the objective of the proponents is higher prices. It is unquestionably for this reason that the cities which originally were numbered among the most vigorous supporters of the bill which became the Natural Gas Act are now, through the National Institute of Municipal Law Officers, opposed to this bill.

Natural gas is a wonderful resource of nature which has come into great demand since World War II. It was given to us by our Creator for the benefit of all of our citizens. We must not permit its great value, created in large measure by the demand of the people themselves, to be appropriated by monopolies through inflated profits. Reason and justice require that the sales of natural gas to interstate pipe lines for ultimate public consumption be subject to Federal regulation in order to assure that independent producers and gatherers ask no more than reasonable prices to meet their legitimate costs, including the market rate of interest upon the capital prudently invested in plant and equipment. In the supplying of natural gas to a utility market these producers and gatherers are not entitled to exact "what the traffic will bear," for the consuming public is itself entitled to the benefits which this great natural resource offers after paying the reasonable costs of labor and capital required to make it available for use.

For all of the reasons herein set forth we recommend that H. R. 1758 be rejected by the vote of the House and be not enacted into law, and further recommend that any amendment relating to the authority of the Federal Power Commission over sales in interstate commerce by producers and gatherers of natural gas shall be in accordance with the amendment proposed in the draft attached hereto as exhibit A.

By such action the Congress can dispose of the differences that now exist and at the same time assure the consumers of natural gas protection against unreasonable rates.

ROBERT CROSSER.
GEORGE G. SADOWSKI.
JOHN B. SULLIVAN.
ANDREW J. BIEMILLER.
ARTHUR G. KLEIN.
NEIL J. LINEHAN.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Chairman, as has already been revealed in the discussion on this subject, and as those of us who are members of the committee well know, this is a highly controversial issue—and one that is surrounded by a good many collateral issues. But what I have to say perhaps will be directed toward the situation in which I find myself with respect to my particular part of the country.

I also shall try to direct my remarks to the fundamental issue in this whole controversy.

That fundamental issue, as I see it, is this question: as to whether the Congress proposes that this great natural industry, the production of natural gas, should be completely subjected to the control of the Federal Power Commission, or whether there shall be an area of activities in which the natural-gas industry shall have the right to determine some of its own policies.

As has already been said in the discussion here, in the Natural Gas Act of 1938 it was provided in substance that the Federal Power Commission should have no control over the production and gathering of natural gas; that is, before the gas came to the end of the pipe line where it entered interstate transmission.

But now the Congress and the country and the industry find themselves in a situation where, by some forced interpretation of the 1938 law, the Federal Power Commission has intruded itself until it now says in effect: "Unless the Congress acts, we will control the price of gas as it is produced and as it is gathered in the field."

It seems to me that situation presents to the Congress the very fundamental issue as to whether this arm of the Government, the Federal Power Commission, shall, by means of its steady encroachment upon this field of free American economy, be permitted by the Congress to do this very thing which, if they have not already done it, they threaten to do; namely, control the production and gathering of natural gas.

In American economy power production is fundamental. American industry and agriculture need power—plenty of it. We are constantly confronted with the interaction of various sources of power. Every now and then the Congress is confronted with some very controversial issues with respect to the power produced by falling water. Once in a while we have some legislation about coal. Petroleum is also an important source of power and has frequently been the subject of legislative action.

This issue today is another fundamental issue about a great source of power in this country, natural gas. It is obvious to anybody that those four great sources of power react to each other. Certainly under the theory of a free economy there should be, and doubtless is, to a considerable degree, competition in the market place as between

power produced by falling water—electricity—power produced by coal, petroleum-produced power, and power produced by natural gas.

Natural gas, as a source of power, has some distinctive features about it which do not exist in other forms of fuel. For example, natural gas is a resource which is expendable. To be sure the end of that resource is not quite in sight. But certainly anybody who knows anything about the subject realizes that ultimately we are going to use up all the natural gas there is in this country. Furthermore, natural gas has certain characteristics which make it an extremely desirable fuel. For example, in certain heat treatments of metal, gas is essential because it can be so accurately controlled.

Accordingly it becomes the duty of the Congress to consider and to evaluate this situation very clearly and very surely. We do not want to dissipate this natural resource as they did in the oil fields by flaring the gas; letting it burn up.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. DOLLIVER] has expired.

Mr. WOLVERTON. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. DOLLIVER. We do not want to permit this gas to be flared into the air to be burned and dissipated. Yet we were told very clearly by witnesses who appeared before this committee that unless some legislation is passed to relieve and reassure the producers of natural gas, there would be a great deal more flaring than presently exists, and this great natural resource would not be utilized for the benefit of the people of the United States, but would be lost to them forever.

Now let me present a little different aspect of the consumer's situation than has been presented thus far. We produce no natural gas in the State of Iowa where I live. But we do have a very considerable consumption of it. The cost of the gas that comes out of the consumer end of the pipe—where does that cost come from? More than 90 percent of the cost of the gas, as it is brought to the consumer's burner, is in the transportation cost. It was so stated by competent witnesses. In most instances less than 5 percent of the consumer's cost is the cost of the gas as it comes from the well-head. The other 95 percent is transportation and other costs. In no instance does the cost of the gas as it comes from the well-head exceed 10 percent of the consumer's cost.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. KEOGH. As a matter of fact, is not this present fear on the part of these producers actually withholding from the market tremendous quantities of that fuel?

Mr. DOLLIVER. The gentleman is right. This fear that there will be this continued intrusion into the control of the production and gathering of gas has actually spread over the industry a threat of the contraction and even the utter destruction of the industry itself.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. HARRIS. And is it not a fact that in many wells you have both gas and oil production? If the Commission goes into control of the production of gas in a well which also produces oil, indirectly they will then go out and control the oil industry. I want that made very clear.

Mr. DOLLIVER. That is a very great fear with those men who have invested their capital and their effort in this great enterprise.

Mr. LYLE. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. LYLE. For the information of the gentleman from Arkansas [Mr. HARRIS] I may say that 44 percent of the gas is recovered from oil wells. Is not the general question this: Whether or not in America we shall be governed by law or by men whose whims we cannot anticipate?

Mr. DOLLIVER. I believe the remarks I have already made answer the gentleman's question.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. SADOWSKI. Is it not true that the Commission is not asking for control of oil wells, either the oil or the production of gas from those wells? What the Commission is asking is that they should have control of the selling price of that gas when it enters that pipe line even though many sales may have been made in intrastate commerce, but if that gas is labeled for interstate commerce the gas-producing company can say to the State "You cannot regulate me in intrastate commerce," and then turn right around to the Power Commission and say: "Well, you cannot regulate me either, so I am without any regulation; I can do as I doggone please without any regulation whatsoever."

Mr. DOLLIVER. Mr. Chairman, I cannot yield further. The gentleman has had his time. I must conclude my statement and yield the floor.

Mr. Chairman, as has been pointed out there is a great variety of views on the subject even within our committee; normally a very agreeable and peaceable committee, the Committee on Interstate and Foreign Commerce. But I do not agree that the bill is complete; I think there are some omissions in this bill.

I, myself, introduced a more comprehensive bill, as I see it, and presented it to the committee. But the bill which I presented did not receive the favorable consideration of the subcommittee. I have no quarrel with that except that I do hope that later the subcommittee and the Committee on Interstate and Foreign Commerce will give consideration to some of the other features that are involved in this great problem of the natural resources other than merely the production and gathering.

I think the reasoning behind the subcommittee's action and the action of the full committee in reporting this bill to the Congress was that here is presented an acute situation—a situation which must be met by the Congress. Else we are confronted with a very dire threat to the production of natural gas in this country, irreparable loss of a great natural resource, and even destruction of the great natural-gas industry.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CROSSER. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. SULLIVAN].

Mr. SULLIVAN. Mr. Chairman, I am opposed to this legislation. I have opposed it in the Subcommittee on Petroleum and Federal Power, and I opposed it in the whole committee of the Interstate and Foreign Commerce Committee. I have opposed the rule bringing it to the floor, and I will continue to oppose this bill.

Simply and briefly, the basis of my opposition is that the adoption of this amendment to the Natural Gas Act will result ultimately in increased cost of gas to the consumers.

Every user of gas, whether it be for cooking, heating, or industrial use, will eventually have their rate increased.

This legislation will result in a higher price for gas to the consumer because it would create a gap between the regulatory power of the States and the regulatory power of the Federal Government. This amendment to the Natural Gas Act proposes to exempt from the jurisdiction of the Federal Power Commission the sales of so-called independent producers and gatherers of natural gas to the pipe lines, for transportation and subsequent sale in interstate commerce.

Without any regulatory jurisdiction over the price of the gas as it enters the pipe line there is no predicting what the price will be. But there is a crystal-clear warning in the experience of the Mississippi River Fuel Corp., which supplies the gas to the gates of the city of St. Louis for distribution by the local gas companies, recorded on page 216 of the committee hearings of this Eighty-first Congress. This is a striking illustration of what does happen when there is no regulatory authority. When the Federal Power Commission assumed jurisdiction over the sales of the Interstate Natural Gas Co. to the Mississippi River Fuel Corp. it reduced the price from 8.31 to 4.66 per thousand cubic feet. This is particularly interesting to the 226,000 customers in the city of St. Louis and the 74,000 customers in St. Louis County, of the local gas companies, whose appliances will be entirely converted to natural gas by November 1 this year.

It is very apparent that the ultimate result in this proposed amendment to the Natural Gas Act would be to make possible increase in price of gas to "whatever the traffic will bear." The supporters of this amendment frankly tell us that the rate charged for natural gas, which is a high-grade, desirable, and convenient fuel, is not comparable to the prices charged for inferior or not so desirable fuels. This can mean only one thing—that when the time comes that they are without regulation as to the cost of gas when it enters the pipe line the thousands of consumers in the St. Louis area, and the millions of others all

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over the country, will find their gas rates increased. This means the landlord who furnishes heating and cooking gas to his tenants will pay more, without the prospect of increasing his rent. This means that the little fellow who must use gas will be paying the penalty for this legislation.

In the 1938 Natural Gas Act the Congress declared "that the business of transporting and selling natural gas for ultimate distribution to the public is affected with the public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary to the public interest."

The Supreme Court of the United States, speaking on this subject, stated:

> It cannot be doubted that their regulation is predominantly a matter of national as contrasted with local concern. • • • Unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of cost which must be covered by rates charged subsequent purchasers of gas, including the ultimate consumers. It was to avoid such situation that the Natural Gas Act was passed.

The original Natural Gas Act of 1938 carried an exclusory clause reading "but shall not apply to the production and gathering of natural gas." This clause has been interpreted by the courts as relating to the physical activity of production and gathering, which includes the acquisition of leaseholds, exploration work, drilling, and so forth, and so forth. These activities are subject to regulation by the States for their intra-State functions, and the record shows that the Federal Power Commission has never asserted that it had any jurisdiction whatsoever over the physical activities of production and gathering.

Free competition will not take care of the situation and keep the prices on a reasonable level. The reason that free competition cannot restrain unreasonable prices is because of the very nature of the natural gas industry. It has been pointed out in the hearings that competition between natural gas companies is actually competition between buyers, and not between sellers. In other words, a pipe-line company is interested in securing gas for its market. It does not have to compete for the market; once the pipe line is laid, the market is there. And once the pipe line is laid, the pipe-line company is dependent upon the field and surrounding area for its gas. There is a difference between pipe-line companies and sawmill operations, for instance. When the price is not right, the sawmill can be transported to another locality; a pipe line once laid, stays there.

Some seek to create the impression that the pending legislation was intended to help the small farmer who had two or three gas wells on his property, who did not care to become subject to regulation of the Federal Power Commission, who had no way of selling his gas, no market, and had no other alternative except to keep it bottled up or burn it in the wasteful flaring which has been prevalent. But it turns out from the testimony at the hearings that the major oil companies constitute the greatest percentage of independent producers and gatherers, and own the greatest percentage of reserves.

The term "independent" as applied to producers and gatherers does not necessarily refer to the little fellow—it actually means independent of the pipe line. The tendency seems to be to shift the gas reserves from affiliated companies, who are subject to regulation now, to so-called independent producers and gatherers, who will be exempted under the proposed amendments.

Those of us who have joined in the minority views are perfectly willing to exempt the little fellow from the jurisdiction of the Federal Power Commission. For this reason we have attached to our statement of minority views exhibit A, which proposes to exempt producers and gatherers whose total sales of natural gas in interstate commerce individually or in the aggregate with affiliated producers and gatherers do not exceed on an annual basis 2,000,000,000 cubic feet. In terms of the natural-gas industry, 2,000,000,000 cubic feet annually is recognized as a small volume.

Consumers at one end of the pipe line are wholly dependent for their gas supply on producers at the other end of the line, perhaps a thousand or more miles away. Because of the relationship and the tying-down of a pipe-line company to a particular supply area, competitive forces are weak and monopoly forces are strong. Thus, governmental regulation is required for the protection of the people. The public interest would best be served by the defeat of the proposed legislation.

Mr. CROSSER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. KLEIN].

WE HAVE A DUTY HERE

Mr. KLEIN. Mr. Chairman, there has been a good deal of talk on both sides of this question. I do not want to take the time of the Committee to go into it other than to say that I think the issue is very simple. It is a question of what your philosophy of government is. If you feel that the Government should not interfere in the regulation of public utilities, then I think you should vote for this bill.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. HARRIS. This bill is not designed to, and does not, in any way take any jurisdiction away from the Federal Power Commission on the control and regulation of utilities and the gas companies as such.

Mr. KLEIN. I understand, however, it does take away some control on what the price to the consumer will eventually be.

Mr. HARRIS. Not on the natural utility.

Mr. KLEIN. But on the question of natural gas.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Illinois.

Mr. YATES. I would like to point out to the gentleman from Arkansas that the question as to what is a public utility has been determined by the Congress under the Natural Gas Act of 1938. Under that act the Supreme Court has held that a producer and a gatherer who sells his gas in interstate commerce at wholesale for public consumption is a public utility.

Mr. HARRIS. Which is a natural gas company.

Mr. KLEIN. Mr. Chairman, I decline to yield further.

Mr. Chairman, if you believe as I do that the Federal Power Commission and the United States Government have a duty, particularly with regard to these public utilities dealing in the natural resources of our people to see that the price to the ultimate consumer is kept within some range of reason, to see that the public utility companies, such as these natural gas companies and oil companies, do not get exorbitant and unconscionable profits from the public wealth, then you must vote against this bill. As a resident and as a Representative of the State of New York, where the people are becoming more conscious of the advantages of natural gas, we must take this position. We are burning an increasing volume of natural gas, and I feel we should vote against this bill to guard against any unjustified increases in the price to the consumer.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from New York.

Mr. KEOGH. Does the gentleman agree it is a well-settled and accepted principle of law that failure on the part of a Government agency to use its power is the best evidence that that power does not exist?

Mr. KLEIN. No. I am afraid I cannot agree with the gentleman.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Colorado.

Mr. CARROLL. Does not the gentleman agree that sometimes the very existence of such a power acts as a restraint?

Mr. KLEIN. Yes.

Mr. CARROLL. In some of the hearings before the committee the Federal Power Commission said that by virtue of the existence of that restraining influence the prices have been kept down and it has kept the prices declining to the consumer?

Mr. KLEIN. I think the gentleman is correct.

Mr. Chairman, as I started to say, the issue is very simple. If you go down the line with this principle, it could be extended much further. There are people in this body who have consistently felt that the less regulation by the Federal Government the better. I assume if you feel that way, then, of course, you will vote for this type of legislation. For my own part, I think this is a step in the wrong direction. I would like to have Government interference as little as possible, but certainly in a question of this kind where we are dealing with natural resources, these gas and oil companies

have not been put in there by the good Lord to take this and use it to their own advantage. This belongs to all the people of the country. The only thing we would do here is to regulate the amount they would get for it and I think the gentleman from Arkansas, my friend, would not disagree with that.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Arkansas.

Mr. HARRIS. How would the people, the consumers, have had the benefit of this natural resource had not these people gone in and explored and developed it?

Mr. KLEIN. I suppose the gentleman would have us now issue a medal for the great public-spiritedness of these gas companies and oil companies for what they have done. I think the gentleman will admit they have been adequately and well paid for their efforts.

Mr. HARRIS. Would the gentleman have had any benefit of such production of our natural resources had it not been for the people who were willing to go in and take a chance and develop and explore and find these resources?

Mr. KLEIN. Those people the gentleman is talking about have not benefited financially from this and will not. The beneficiaries would be big oil and gas companies.

Mr. HARRIS. Thousands have gone broke doing it.

Mr. KLEIN. Mr. Chairman, it is certainly true that a good many people have gone broke gambling on the resources that a beneficent nature bestowed on this vast and fruitful continent; but it is equally true that vast fortunes and sturdy competences have been wrung from our forests, our minerals, our waterpower, our manpower.

It is certainly a fact that the private exploiters of public resources have been wasteful and incompetent in their guardianship. The gentleman doubtless will recall that it required the exercise of the police powers of the States to force the oil and gas companies to conserve the natural bounty of gas in the early years of the midcontinent development. I am sure that he can remember when miles of prairie were illuminated by jacklights prodigally burning up this treasure of fuel, without rhyme or reason, just because it was there.

BELONGS TO ALL THE PEOPLE

Mr. Chairman, I must remind the proponents this bill that the Congress has repeatedly recognized, in substantive legislation, that the bounty of nature belongs to all the people.

In our early and lavish years, the people elected to turn over much of this public wealth to private developers, partly because our Nation had not achieved a position of financial stability which would enable it to develop the resources in orderly progression, and partly because it was genuinely felt that private enterprise could do a better job.

The results of uncontrolled, unregulated, and unguarded private exploitation lie everywhere about us; wasted natural gas, wasted petroleum, wells gone to salt water; coal mines with rich seams lost forever because they were not quite rich enough to guarantee high profits; hard metal mines stripped of their high grade and left abandoned with thousands of millions of tons of low-grade ores left useless until we have reached a position of famine; millions of acres of timberlands washing down to the sea, their lumber cut off savagely and the stump lands left to waste.

And always the owners of this vast wealth, the people themselves, are forced to pay for the waste, in higher prices, in depressed wages, in unemployment.

Mr. Chairman, I am not proposing at this late date that our natural resources be prohibited to private development and exploitation; I am urging that we should not retreat.

HOLD THE LINE

Let us hold the line that already has been established.

Over a decade ago a wise and temperate law was provided for the regulation of the natural gas industry. Its timeliness is proved by this assault of special vested interests against its restraining influence.

The very legislation which we are now debating has been paid for from profits wrung from the exploitation of the wealth of the people. A deft program of retrogression in public control of public natural resources, has been skillfully prepared and it has been disguised cunningly into the semblance of public interest.

Mr. Chairman, we must hold the line.

I was one of six members of the committee who signed the minority report. I stand by that report.

In brief form, our objections to the bill are these:

First. The bill would nullify the intent of Congress as regards this specific segment of the petroleum industry, and is against public interest.

Second. It would benefit primarily a few large corporations.

Third. It would destroy protection the act gives to consumers.

Fourth. The rapid increase of field prices demands continued regulation.

Fifth. Natural gas is a natural resource which must not be turned over to private monopoly for unlimited private exploitation and profit.

PROFITS UNLIMITED

We believe that the bill now before the House cuts the heart out of Federal regulation of the natural-gas industry, and that its end result will be the enrichment of profit-swollen companies at the expense of consumers.

In some areas of the United States householders are virtually dependent on natural gas as fuel; in other areas, as in New York City, they find natural gas a convenient and economical supplement for other fuels. Many industries, particularly in ceramic manufacture and in ore smelting, depend upon natural gas for fuel, and costs of the products necessarily will be increased by passage of this measure.

It is an obvious and transparent fiction to say that removal of regulation from the sale of natural gas to interstate pipe lines is necessary to the increase of production. Doubtless most of you received a thinly veiled threat of a producers' strike in the form of a telegram from the Chicago corporation, which is not a producer.

This bill is not limited to exemption of genuine small and independent companies; the minority report shows that three-fourths of the gas liberated by this bill is controlled by 3 percent of the producers. Seventy out of 2,300 producers will be the prime beneficiaries.

I am sure, Mr. Chairman, that all Members who must vote on this measure have familiarized themselves with both the majority and minority and other views; however, for the convenience of all I include as a part of my remarks the conclusion of the minority views from House Report No. 1140.

CONCLUSION

The bill recommended by the majority would nullify the Federal Power Commission's authority with respect to field sales of natural gas in interstate commerce by producers and gatherers, thus eliminating regulation which the Congress and the courts have recognized as essential for the protection of consumers from exploitation. The bill is one segment of the over-all plan of the oil and gas industry, embodied in the Moore-Rizley bill of the Eightieth Congress, designed to destroy effective Federal regulation of interstate commerce in natural gas.

The bill, by freeing a large segment of the industry from regulation, would benefit primarily a few large corporations which, because of their monopolistic control of gas reserves in the Southwestern States, would have almost unfettered power to fix the price of gas entering interstate transmission lines.

As the price of gas entering the pipe lines is a determinative factor in the price at the market end of the line, the bill, if enacted, would destroy protection which the act affords the consumer.

The rapid increase in field prices of natural gas, which can be expected to continue and which competition is unable to control, requires the continuation of the power to regulate interstate sales of natural gas by independent producers and gatherers.

There is no doubt that, over the years, enactment of the bill would increase the cost of gas to the ultimate consumer by many millions of dollars. It is likewise indisputable that the objective of the proponents is higher prices. It is unquestionably for this reason that the cities which originally were numbered among the most vigorous supporters of the bill which became the Natural Gas Act are now, through the National Institute of Municipal Law Officers, opposed to this bill.

Natural gas is a wonderful resource of nature which has come into great demand since World War II. It was given to us by our Creator for the benefit of all of our citizens. We must not permit its great value, created in large measure by the demand of the people themselves, to be appropriated by monopolies through inflated profits. Reason and justice require that the sales of natural gas to interstate pipe lines for ultimate public consumption be subject to Federal regulation in order to assure that independent producers and

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gatherers ask no more than reasonable prices to meet their legitimate costs, including the market rate of interest upon the capital prudently invested in plant and equipment. In the supplying of natural gas to a utility market these producers and gatherers are not entitled to exact "what the traffic will bear," for the consuming public is itself entitled to the benefits which this great natural resource offers after paying the reasonable costs of labor and capital required to make it available for use.

For all of the reasons herein set forth we recommend that H. R. 1758 be rejected by the vote of the House and be not enacted into law, and further recommend that any amendment relating to the authority of the Federal Power Commission over sales in interstate commerce by producers and gatherers of natural gas shall be in accordance with the amendment proposed in the draft attached hereto as exhibit A.

By such action the Congress can dispose of the differences that now exist and at the same time assure the consumers of natural gas protection against unreasonable rates.

ROBERT CROSSER.
GEORGE G. SADOWSKI.
JOHN B. SULLIVAN.
ANDREW J. BIEMILLER,
ARTHUR G. KLEIN.
NEIL J. LINEHAN.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CROSSER. Mr. Chairman, I submit the following letter and table relating to the bill under consideration:

EXECUTIVE OFFICES OF
THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., August 1, 1949.

Hon. ROBERT CROSSER,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D. C.

MY DEAR MR. CROSSER: The President has directed me to advise the interested agencies that enactment of H. R. 1758, to amend the Natural Gas Act approved June 21, 1938, as amended, would not be in accord with his program. Although the Bureau has not been requested by your committee to comment on this measure, I assume you would wish to be informed of the President's position, particularly in view of the present status of this bill.

You may also be interested to know that the President has stated that should some legislation be deemed necessary in this area, he would have no objection to the enactment of a bill along the lines of the measure endorsed by the majority of the Federal Power Commission in testimony before your committee on the subject legislation. A copy of this measure, which is proposed as an amendment to H. R. 1758, is enclosed.

Sincerely yours,

ELMER B. STAATS,
Acting Director.

List of 24 large producers whose interstate sales of natural gas would be exempt from regulation under H. R. 1758

1947 position in interstate sales	Producer	Total assets, Dec. 31, 1948	Total gross operating revenues, 1948	Percent return on common stock and surplus, 1948
24	Barnsdall Oil Co	$52,135,900	$37,150,300	31.6
2	The Chicago Corp	41,490,000	10,440,000	22.6
41	Cities Service Oil Co	(1)	(1)	(1)
	(Cities Service Co.)	991,851,300	593,435,000	25.7
7	Continental Oil Co	261,949,800	330,280,800	25.8
8	Gulf Oil Corp	1,191,004,000	1,068,876,500	20.0
4	Humble Oil & Refining Co	861,426,300	1,050,570,400	27.7
	(Standard Oil Co. of New Jersey)	3,526,043,000	3,300,786,000	16.1
16	Magnolia Petroleum Co	(1)	(1)	(1)
	(Socony-Vacuum Oil Co., Inc.)	1,443,034,000	1,326,508,300	12.4
32	Ohio Oil Co	205,389,200	191,385,400	28.4
1	Phillips Petroleum Co	579,275,500	487,165,287	18.7
33	Pure Oil Co	270,967,800	281,319,500	23.6
3	Republic Natural Gas Co	[2] 22,760,000	[3] 9,735,100	[3] 24.1
18	Shamrock Oil & Gas Corp	[4] 24,858,500	[5] 21,417,100	[6] 40.8
17	Shell Oil Co	(1)	(1)	(1)
	(Shell Union Oil Co.)	640,569,000	830,421,200	29.5
43	Sinclair Prairie Oil Co	(1)	(1)	(1)
	(Sinclair Oil Corp.)	710,125,200	636,568,800	19.4
6	Skelly Oil Co	169,015,500	180,044,400	30.4
5	Stanolind Oil & Gas Co	(1)	(1)	(1)
	(Standard Oil Co. of Indiana)	1,500,049,500	1,236,957,500	13.7
14	Sun Oil Co	278,582,600	447,309,200	19.4
35	Sunray Oil Co	136,030,800	65,527,200	30.0
26	Superior Oil Co	[6] 84,464,600	[7] 53,832,000	[7] 32.0
15	Texas Gulf Producing Co	19,569,200	9,729,500	31.0
22	The Texas Company	1,277,093,800	1,080,886,400	17.9
42	Union Oil Co. of California	298,415,300	208,353,500	16.3
12	United Carbon Co	29,518,600	26,034,900	12.0
25	Warren Petroleum Corp	[2] 57,836,400	[3] 80,495,200	28.2

[1] Producer not reported separately from parent corporation listed below.
[2] June 30, 1948.
[3] Year ended June 30, 1948.
[4] Nov. 30, 1948.
[5] Year ended Nov. 30, 1948.
[6] Aug. 31, 1948.
[7] Year ended Aug. 31, 1948.

The above-listed producers furnished 62 percent of gas sold in 1947 to interstate pipe-line companies in Southwest

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, had come to no resolution thereon.

PUEBLO INDIANS AND THE CANONCITO NAVAJO GROUP

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 61.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That, in the enrollment of the bill (S. 1323) to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes, the Secretary of the Senate be, and he is hereby, authorized and directed to strike out the word "Canoncita", where it appears on page 2, line 12, of the Senate engrossed bill and in the title of the bill, respectively, and in lieu thereof insert "Canoncito."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LOWER SOURIS NATIONAL WILDLIFE REFUGE

Mr. THOMPSON submitted a conference report and statement on the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota.

UNITED STATES COAST GUARD

Mr. GARY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GARY. Mr. Speaker, today the United States Coast Guard celebrates its one hundred and fifty-ninth year of continuous service to mankind.

Mr. Speaker, I ask unanimous consent that my remarks be extended in the RECORD immediately preceding those of the gentleman from New Jersey [Mr. CANFIELD].

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. CROSSER asked and was given permission to revise and extend his remarks on the bill under consideration and include a table and two statements.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and to include excerpts.

Mr. TALLE (at the request of Mr. DOLLIVER) was given permission to extend his remarks in the RECORD and include a letter.

Mr. HARRIS asked and was given permission to revise and extend his remarks made in the committee this afternoon and include a letter.

REMOVING THE REQUIREMENT OF RESIDENCE

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (H. R. 4749) to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain the bill?

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection. It is unanimously reported by the committee?

Mr. McMILLAN of South Carolina. Yes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of the first paragraph of section 2 of the act entitled "An act to provide for insanity proceedings in the District of Columbia", approved June 8, 1938 (52 Stat. 625; sec. 21–308, D. C. Code, 1940 edition), is amended by striking out the words "bona fide residents of the District of Columbia who have resided in said District for a continuous period of 3 years immediately preceding their appointment"; and by striking "District Court of the United States" and substituting in lieu thereof "United States District Court," so that such sentence will read: "The said Commission shall be drawn from a panel of nine, who shall be appointed by the judges of the United States District Court for the District of Columbia".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVISIONS RELATING TO RETIRED POLICEMEN AND FIREMEN

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the joint resolution (H. J. Res. 302) to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain this bill?

Mr. McMILLAN of South Carolina. The purpose of this resolution is to amend the act of June 30, 1949, which would increase the compensation of certain employees of the District of Columbia, so as to clarify the provision relating to retired policemen and firemen.

This resolution would provide specific authority for the Commissioners of the District of Columbia to pay the retired members of the Metropolitan Police, United States Park Police, the White House Police, and the Fire Department of the District of Columbia without the necessity of these employees making requests that these funds be made available to them.

Under a decision of the Comptroller General of May 4, 1949, the Commissioners would not have authority to pay this group of employees unless application were actually made for the payment of these funds and at the time this committee considered the original salary increase bill, H. R. 3088, it was the intention of the committee that all groups of employees should receive this additional compensation without the necessity of having made application to any source for this money. This intent would be carried out by this legislation.

There are approximately 688 retired employees under the Metropolitan Police Department, the White House Police, and the Park Police who would be affected by this legislation at a cost of approximately $114,500. There are also approximately 443 retired employees of the Fire Department of the District of Columbia who would be affected at an approximate cost of $76,500 or a total cost of approximately $191,000.

Mr. MARTIN of Massachusetts. And it was unanimously reported by the committee?

Mr. McMILLAN of South Carolina. Yes.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the first sentence of section 5 of the act entitled "An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes," approved June 30, 1949, is hereby amended to read as follows: "No additional compensation shall be payable by reason of the enactment of this act for any period prior to June 30, 1949, in the case of any person who was not an employee in or under the municipal government of the District of Columbia on June 30, 1949, except that (1) such additional compensation shall be paid to a retired employee for services rendered between the first day of the first pay period which began after June 30, 1948, and the date of his retirement, and (2) a retired officer or member of the Metropolitan Police, the United States Park Police, the White House Police, or the Fire Department of the District of Columbia who is entitled to retirement compensation from the policemen and firemen's relief fund shall be entitled, without application therefor, as of July 1, 1948, or the day on which he became entitled to such compensation, whichever is later, to the pension benefit resulting from the increase in pay made by the first section."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMISSION OF PAY PATIENTS TO THE HOME FOR THE AGED AND INFIRM

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4892) to provide for the admission of pay patients to the Home for the Aged and Infirm, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to permit the District of Columbia to exact payments from inmates of the Home for the Aged and Infirm where they are financially able to pay for this care. In past years the Commissioners have exacted payment in certain cases but doubt their authority to do so under the law. This would simply clarify the matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That pay patients may be admitted to the Home for the Aged and Infirm for care and treatment at such rates and under such regulations as may be established by the Board of Public Welfare, insofar as such admissions will not interfere with admission of indigent patients: *Provided, however*, That the rates shall not exceed the estimated per capita cost for the current year.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ABRAHAM J. EHRLICH

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4789) to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any limitation relating to the time within which an application for a license must be filed, and notwithstanding any requirement that the applicant shall have been actually engaged in the practice of chiropractic in the District of Columbia on January 1, 1928, the Commission on Licensure to Practice the Healing Art in the District of Columbia is authorized and directed to issue a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich in accordance with the provisions of the act of Congress entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929, and on condition that the said Abraham J. Ehrlich shall be found by said Commission to have been actually engaged in the practice of chiropractic in the District of Columbia on October 1, 1927, and to be otherwise qualified to practice under the provisions of said act.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich. Information made available to the Commissioners indicates that Dr. Ehrlich obtained a diploma from a legally chartered

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and duly established school of chiropractic prior to enactment of the act of February 27, 1929, and that since he happened not to be in Washington on January 1, 1928, he was not actually engaged in the practice of chiropractic in the District of Columbia on that date, but he was so engaged during prior periods.

The Commission on Licensure to Practice the Healing Art approves the bill and the Commissioners of the District of Columbia also approve its passage.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTRACTING OFFICERS

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1918) to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $3,000, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 2 of the act entitled "An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes," approved December 20, 1944 (58 Stat. 821, 822), is amended by striking out therefrom "$1,000" and inserting in lieu thereof "$3,000."

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to authorize the Commissioners to appoint a District employee as contracting officer to make and enter into contracts for the purchase of supplies, materials, and equipment in any case where the amount of the contract is less than $3,000, in order to simplify procedures and to reduce the amount of additional personnel which would be necessary to handle the paper work incidental to such purchases.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4059) to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of June 16, 1934 (48 Stat. 972, ch. 547 (D. C. Code 1940, sec. 47-827)), is hereby amended to read as follows:

"That all property, real and personal, belonging to or held by the National Society of the Sons of the American Revolution in the District of Columbia, used and occupied by that society for its purposes, so long as the same is so owned, used, and occupied, be exempt from taxation, national and municipal."

SEC. 2. The Commissioners of the District of Columbia are hereby authorized, upon written application filed within 90 days after approval of this act, to abate any tax heretofore assessed in respect to the property exempted by the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF LIFE INSURANCE ACT OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4393) to amend the Life Insurance Act of the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 6, chapter II, of the Life Insurance Act of the District of Columbia (Public, No. 436, 73d Cong., 48 Stat. 1125), as amended, is amended by deleting the period at the end of said section and inserting in lieu thereof a colon, and by adding thereto the following: *"Provided,* That in lieu of revoking the certificate of authority of any company for causes enumerated in this section, after hearing as herein provided, the Superintendent may subject such company to a penalty of not more than $200 when in his judgment he finds that public interest would be best served by the continued operation of the company. The amount of any such penalty shall be paid by the company through the Office of the Superintendent to the Collector of Taxes of the District of Columbia."

SEC. 2. That section 27, chapter II, of such act, as amended, is amended by deleting the period at the end of the first paragraph of said section and inserting in lieu thereof a colon, and by adding thereto the following: *"Provided,* That in lieu of revoking or suspending the license of any such general agent, agent, solicitor, or broker for causes enumerated in this section after hearing as herein provided, the Superintendent may subject such person to a penalty of not more than $200 when in his judgment he finds that the public interest would be best served by the continuation of the license of such person. The amount of any such penalty shall be paid by such person through the Office of the Superintendent to the Collector of Taxes of the District of Columbia."

SEC. 3. That section 32, chapter II, of such act, as amended, is amended by deleting therefrom the word "mainly", so that the said section as so amended shall read as follows: "Any company which makes insurance or reinsurance, the performance of which is not guaranteed by the reserves required by this act but is contingent upon the payment of assessments or calls made upon its members, shall not be formed, admitted, or licensed in the District."

SEC. 4. That section 8, chapter III, of such act, as amended, is amended by adding at the end of said section the following: "Each domestic mutual company organized or doing business under this act shall at all times have a surplus as defined by this act of not less than $150,000."

SEC. 5. That section 32, chapter III, of such act, as amended, is repealed.

SEC. 6. That subsection (h) of section 1, chapter IV, of such act, as amended, is repealed and that the following is substituted therefor: "It shall satisfy the Superintendent that its funds are invested in accordance with the laws of its domicile and in securities or property which afford a degree of financial security substantially equal to that required for similar domestic companies, and, if a stock company, that it has paid-up capital and surplus at least equal to the capital and surplus required of domestic stock companies, or, if a mutual company, that it has a surplus at least equal to that required by this act for domestic mutual companies."

SEC. 7. That chapter V of such act, as amended, is amended by adding the following sections:

"SEC. 21. Acceptance of premiums in arrears and recording of payments: No industrial insurance company or agent thereof shall accept any money in payment of premiums which are in arrears on any industrial life or industrial sick benefit insurance policy which has lapsed and which the insured seeks to reinstate, unless such payment shall amount at least to the total of all premiums in arrears or unless such payment shall, under the regulations of the company, make the policy immediately eligible for reinstatement, subject only to evidence of insurability.

"Every current premium shall be correctly recorded by the agent or by the company in the premium receipt book of the insured at the time the premium is paid.

"Every advance premium paid by an industrial life or industrial sick-benefit policyholder shall be recorded in the receipt book of the insured in exactly the same manner as current premiums are recorded, and accurate entry thereof shall be made in the record book of the agent: *Provided, however,* That failure so to do shall not invalidate the policy.

"SEC. 22. Standard provisions required in industrial life insurance policies: No policy of industrial life insurance shall be delivered or issued for delivery in the District unless it contains in substance the following provisions, or provisions which in the opinion of the Superintendent are more favorable to the policyholders:

"(1) A provision that all premiums after the first shall be payable in advance, either at the home office of the company or to an agent of the company.

"(2) A provision that the insured is entitled to a grace period of at least 28 days within which the payment of any premiums after the first may be made, and during which period of grace the policy shall continue in full force, but in case the policy becomes a claim during the said period of grace before the overdue premium is paid, the amount of such premium may be deducted from any amount payable under the policy in settlement.

"(3) A provision that, except as otherwise expressly provided by law, the policy shall constitute the entire contract between the parties and shall be incontestable after it has been in force during the lifetime of the insured for a period of not more than 2 years from its date, except for nonpayment of premiums and except for violations of the conditions of the policy relating to naval or military service in time of war, and, at the option of the company, provisions relative to benefits in the event of total and permanent disability and provisions which grant additional insurance specifically against death by accident may also be excepted; if a copy of the application be attached to the policy, a provision that all statements made by the insured shall in the absence of fraud, be deemed representations and not warranties, and that no such statement or statements shall be used in defense of a claim under the policy unless contained in the attached written application: *Provided,* That

nothing contained herein shall apply to applications for reinstatement. A reinstated policy shall be contestable on account of fraud or misrepresentation of material facts pertaining to the reinstatement, for the same period after reinstatement as provided in the policy with respect to the original issue.

"(4) A provision that if it shall be found at any time before final settlement under the policy that the age of the insured (or the age of any other person considered in determining the premium) has been misstated, the amount payable under the policy shall be such as the premium would have purchased at the correct age, according to the company's rate at date of issue.

"(5) If the policy is a participating policy, a provision indicating the conditions under which the company shall periodically ascertain and apportion any divisible surplus accruing to the policy.

"(6) A provision for nonforfeiture benefits and cash surrender values in accordance with the requirements of section 5a or section 5b of this chapter.

"(7) A provision specifying the options, if any, to which the policyholder is entitled in the event of default in a premium payment.

"(8) A provision that if in event of default in premium payments the value of the policy shall have been applied to the purchase of other insurance as provided for in this section, and if such insurance shall be in force and the original policy shall not have been surrendered to the company and canceled, the policy may be reinstated within 2 years from such default, upon evidence of insurability satisfactory to the company and payment of arrears of premiums and the payment or reinstatement of any other indebtedness to the company upon said policy, with interest on said premium and indebtedness at the rate of not exceeding 6 percent per annum payable annually, and that such reinstated policy shall be contestable, on account of suicide, fraud, or misrepresentation of material facts pertaining to the reinstatement, for the same period after reinstatement as provided in the policy with respect to the original issue.

"(9) A provision that when a policy shall become a claim by the death of the insured, settlement shall be made upon receipt of due proof of death.

"(10) Title on the face and on the back of the policy briefly describing its form.

"Any of the foregoing provisions or portions thereof not applicable to single premium or nonparticipating or term policies shall, to that extent, not be incorporated therein; and any such policy may be issued or delivered in the District which in the opinion of the Superintendent contains provisions on any one or more of the several foregoing requirements more favorable to the policyholder than hereinbefore required. The provisions of this section shall not apply to policies issued or granted in exchange for lapsed or surrendered policies.

"SEC. 23. Provisions prohibited in industrial life insurance policies: No policy of industrial life insurance shall be delivered or issued for delivery, in the District, if it contains any of the following provisions:

"(1) A provision limiting the time within which any action at law or in equity may be commenced to less than 3 years after the cause of action shall accrue.

"(2) Except for provisions relating to misstatement of age, suicide, aviation, and military or naval service in time of war, a provision for any mode of settlement at maturity, after the expiration of the contestable period of the policy of less value than the amount insured on the face of the policy plus dividend additions, if any, less any indebtedness to the company on or secured by the policy, and less any premium that may, by the terms of the policy, be deducted. This paragraph shall not apply to any nonforfeiture provision.

"(3) A provision for forfeiture of the policy for failure to repay any loan on the policy, or to pay interest on such loan, while the total indebtedness on the policy, including interest, is less than the loan value thereof.

"(4) A provision to the effect that the agent soliciting the insurance is the agent of the person insured under said policy, or making the acts or representations of such agent binding upon the person so insured under said policy.

"(5) A provision permitting the payment of funeral benefits in merchandise or services, or permitting the payment of any benefits other than in lawful money of the United States.

"(6) A provision whereby the benefits or any part thereof accruing under such policy upon the death of a person insured may be paid to any designated undertaker or undertaking firm or corporation or to any person or persons engaged in or connected with such business, without the written consent of the person or persons to whom such benefits would otherwise be paid, or so as in any way to deprive the personal representative or family of the deceased of the advantages of competition in procuring and purchasing supplies and services in connection with the burial of the person insured.

"(7) A provision that the liability of the company by reason of the insured's death shall be limited to less than the face amount of the policy if the death of the insured results from a specified kind or character of disease."

With the following committee amendments:

Page 6, line 3, after "application", change colon to period and delete the following: "*Provided*, That nothing contained herein shall apply to applications for reinstatement. A reinstated policy shall be contestable on account of fraud or misrepresentation of the material facts pertaining to the reinstatement, for the same period after reinstatement as provided in the policy with respect to the original issue."

Page 7, line 14, after "annually", change comma to period and delete the following: "and that such reinstated policy shall be contestable on account of suicide, fraud, or misrepresentation of material facts pertaining to the reinstatement, for the same period after reinstatement as provided in the policy with respect to the original issue."

Page 8, line 9, after "policies", add the following: "Nothing contained in subsection (3) hereof shall apply to applications for reinstatement. A reinstated policy shall be contestable on account of fraud, or misrepresentation of material facts pertaining to the reinstatement, for the same period after reinstatement as provided in the policy with respect to the original issue."

Page 10, at the end thereof add the following:

"SEC. 8. This act shall become effective 90 days after approval."

The committee amendments were agreed to.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of the bill is to amend the Life Insurance Act of 1934 so as (a) to effect uniformity with Public Law 291, Seventy-eighth Congress, approved April 22, 1944, with respect to the imposition of penalties upon insurance companies and their representatives; (b) to repeal, correct, or amplify sections of the life act which were originally intended to apply to other forms of insurance; and (c) to provide certain minimum standards for policies of industrial life insurance.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE ACT TO REGULATE THE BUSINESS OF LIFE INSURANCE IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4394) to amend sections 10, 11, and 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia," and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 10 of chapter V of the act of June 19, 1934, entitled "An act to regulate the business of life insurance in the District of Columbia," as amended (D. C. Code, 1940 ed., sec. 35-710), be amended to read as follows:

"SEC. 10. Group life insurance: no policy of group life insurance shall be delivered in the District unless it conforms to one of the following descriptions:

"(1) A policy issued to an employer, or to the trustees of a fund established by an employer, which employer or trustees shall be deemed the policyholder, to insure employees of the employer for the benefit of persons other than the employer, subject to the following requirements:

"(a) The employees eligible for insurance under the policy shall be all of the employees of the employer, or all of any class or classes thereof determined by conditions pertaining to their employment. The policy may provide that the term 'employees' shall include the employees of one or more subsidiary corporations, and the employees, individual proprietors, and partners of one or more affiliated corporations, proprietors, or partnerships if the business of the employer and of such affiliated corporations, proprietors, or partnerships is under common control through stock ownership or contract. The policy may provide that the term 'employees' shall include the individual proprietor or partners if the employer is an individual proprietor or a partnership. The policy may provide that the term 'employees' shall include retired employees. No director of a corporate employer shall be eligible for insurance under the policy unless such person is otherwise eligible as a bona fide employee of the corporation by performing services other than the usual duties of a director. No individual proprietor or partner shall be eligible for insurance under the policy unless he is actively engaged in and devotes a substantial part of his time to the conduct of the business of the proprietor or partnership.

"(b) The premium for the policy shall be paid by the policyholder, either wholly from the employer's funds or funds contributed by him, or partly from such funds and partly from funds contributed by the insured employees. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured employees. A policy on which part of the premium is to be derived from funds contributed by the insured employees may be placed in force only if at least 75 percent of the then eligible employees, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured employees

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must insure all eligible employees, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

"(c) The policy must cover at least 25 employees at date of issue.

"(d) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the employees or by the employer or trustees. No policy may be issued which provides term insurance on any employee which together with any other term insurance under any group life-insurance policy or policies issued to the employers or any of them or to the trustees of a fund established in whole or in part by the employers or any of them exceeds $20,000.

"(2) A policy issued to a creditor, who shall be deemed the policyholder, to insure debtors of the creditor, subject to the following requirements:

"(a) The debtors eligible for insurance under the policy shall be all of the debtors of the creditor whose indebtedness is repayable in installments, or all of any class or classes thereof determined by conditions pertaining to the indebtedness or to the purchase giving rise to the indebtedness. The policy may provide that the term 'debtors' shall include the debtors of one or more subsidiary corporations, and the debtors of one or more affiliated corporations, proprietors, or partnerships if the business of the policyholder and of such affiliated corporations, proprietors or partnerships is under common control through stock ownership, contract, or otherwise.

"(b) The premium for the policy shall be paid by the policyholder, either from the creditor's funds, or from charges collected from the insured debtors, or from both. A policy on which part or all of the premium is to be derived from the collection from the insured debtors of identifiable charges not required of uninsured debtors shall not include, in the class or classes of debtors eligible for insurance, debtors under obligations outstanding at its date of issue without evidence of individual insurability unless at least 75 percent of the then eligible debtors elect to pay the required charges. A policy on which no part of the premium is to be derived from the collection of such identifiable charges must insure all eligible debtors, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

"(c) The policy may be issued only if the group of eligible debtors is then receiving new entrants at the rate of at least 100 persons yearly, or may reasonably be expected to receive at least 100 new entrants during the first policy year, and only if the policy reserves to the insurer the right to require evidence of individual insurability if less than 75 percent of the new entrants become insured.

"(d) The amount of insurance on the life of any debtor shall at no time exceed the amount owed by him which is repayable in installments to the creditor, or $5,000, whichever is less.

"(e) The insurance shall be payable to the policyholder. Such payment shall reduce or extinguish the unpaid indebtedness of the debtor to the extent of such payment.

"(3) A policy issued to a labor union, which shall be deemed the policyholder, to insure members of such union for the benefit of persons other than the union or any of its officials, representatives or agents, subject to the following requirements:

"(a) The members eligible for insurance under the policy shall be all of the members of the union, or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the union, or both.

"(b) The premium for the policy shall be paid by the policyholder, either wholly from the union's funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance. A policy on which part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least 75 percent of the then eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

"(c) The policy must cover at least 25 members at date of issue.

"(d) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the members or by the union. No policy may be issued which provides term insurance on any union member which together with any other term insurance under any group life insurance policies issued to the union exceeds $20,000.

"(4) A policy issued to the trustees of a fund established by two or more employers in the same industry or by one or more labor unions, or by one or more employers and one or more labor unions, which trustees shall be deemed the policyholder, to insure employees of the employers or members of the unions for the benefit of persons other than the employers or the unions, subject to the following requirements:

"(a) The persons eligible for insurance shall be all of the employees of the employers or all of the members of the unions, or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the unions, or to both. The policy may provide that the term 'employees' shall include the individual proprietor or partners if an employer is an individual proprietor or a partnership. The policy may provide that the term 'employees' shall include retired employees. No director of a corporate employer shall be eligible for insurance under the policy unless such person is otherwise eligible as a bona fide employee of the corporation by performing services other than the usual duties of a director. No individual proprietor or partner shall be eligible for insurance under the policy unless he is actively engaged in and devotes a substantial part of his time to the conduct of the business of the proprietor or partnership. The policy may provide that the term 'employees' shall include the trustees or their employees, or both, if their duties are principally connected with such trusteeship.

"(b) The premium for the policy shall be paid by the trustees wholly from funds contributed by the employer or employers of the insured persons, or by the union or unions, or by both. No policy may be issued on which any part of the premium is to be derived from funds contributed by the insured persons specifically for their insurance. The policy must insure all eligible persons, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

"(c) The policy must cover at date of issue at least 100 persons and not less than an average of 5 persons per employer unit; and if the fund is established by the members of an association of employers the policy may be issued only if (i) either (a) the participating employers constitute at date of issue at least 60 percent of those employer members whose employees are not already covered for group life insurance or (b) the total number of persons covered at date of issue exceeds 600; and (ii) the policy shall not require that, if a participating employer discontinues membership in the association, the insurance of his employees shall cease solely by reason of such discontinuance.

"(d) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the insured persons or by the policyholder, employers, or unions. No policy may be issued which provides term insurance on any person which together with any other term insurance under any group life-insurance policy or policies issued to the employers, or any of them, or to the trustees of a fund established in whole or in part by the employers, or any of them, exceeds $20,000.

"(5) A policy issued to the president of the Board of Commissioners, or to the head of any Federal department or independent Federal bureau, board, commission, or other Federal independent establishment, or to an association of Federal employees, as the case may be, covering not less than 50 employees of the government of the District or of the Federal Government, with or without medical examination, the premium on which is to be paid by the employees and insuring only employees, or any class or classes thereof determined by conditions pertaining to the employment, for amounts of insurance based upon some plan which will preclude individual selection, for the benefit of persons other than the employer: *Provided*, That when the benefits of the policy are offered to all eligible employees, not less than 75 percent of such employees may be so insured."

SEC. 2. That section 11 of chapter V of said act, as amended (D. C. Code, 1940 ed., sec. 35–711), be amended to read as follows:

"SEC. 11. Standard provisions for policies of group life insurance. No policy of group life insurance shall be delivered in the District unless it contains in substance the following provisions, or provisions which in the opinion of the Superintendent are more favorable to the persons insured, or at least as favorable to the persons insured and more favorable to the policyholder: *Provided, however,* (a) That provisions (6) to (10), inclusive, shall not apply to policies issued to a creditor to insure debtors of such creditor; (b) that the standard provisions required for individual life-insurance policies shall not apply to group life-insurance policies; and (c) that if the group life-insurance policy is on a plan of insurance other than the term plan, it shall contain a nonforfeiture provision or provisions which in the opinion of the Superintendent is or are equitable to the insured persons and to the policyholder, but nothing herein shall be construed to require that group life-insurance policies contain the same nonforfeiture provisions as are required for individual life-insurance policies:

"(1) A provision that the policyholder is entitled to a grace period of 31 days for the payment of any premium due except the first, during which grace period the death benefit coverage shall continue in force, unless the policyholder shall have given the insurer written notice of discontinuance in advance of the date of discontinuance and in accordance with the terms of the policy. The policy may provide that the policyholder shall be liable to the insurer for the payment of a pro rata premium for the time the policy was in force during such grace period.

"(2) A provision that the validity of the policy shall not be contested, except for nonpayment of premiums, after it has been in force for 2 years from its date of issue; and that no statement made by any person insured under the policy relating to his insurability shall be used in contesting the validity of the insurance with respect to which such statement was made after such insurance has been in force prior to the contest for a period of 2 years during such person's lifetime nor unless it is contained in a written instrument signed by him.

"(3) A provision that a copy of the application, if any, of the policyholder shall be attached to the policy when issued, that all statements made by the policyholder or by the persons insured shall be deemed representations and not warranties, and that no statement made by any person insured shall be used in any contest unless a copy of the instrument containing the statement is or has been furnished to such person or to his beneficiary.

"(4) A provision setting forth the conditions, if any, under which the insurer reserves the right to require a person eligible for insurance to furnish evidence of individual insurability satisfactory to the insurer as a condition to part or all of his coverage.

"(5) A provision specifying an equitable adjustment of premiums or of benefits or of both to be made in the event the age of a person insured has been misstated, such provision to contain a clear statement of the method of adjustment to be used.

"(6) A provision that any sum becoming due by reason of the death of the person insured shall be payable to the beneficiary designated by the person insured, subject to the provisions of the policy in the event there is no designated beneficiary as to all or any part of such sum living at the death of the person insured, and subject to any right reserved by the insurer in the policy and set forth in the certificate to pay at its option a part of such sum not exceeding $250 to any person appearing to the insurer to be equitably entitled thereto by reason of having incurred funeral or other expenses incident to the last illness or death of the person insured.

"(7) A provision that the insurer will issue to the policyholder for delivery to each person insured an individual certificate setting forth a statement as to the insurance protection to which he is entitled, to whom the insurance benefits are payable, and the rights and conditions set forth in (8), (9), and (10) following.

"(8) A provision that if the insurance, or any portion of it, on a person covered under the policy ceases because of termination of employment or of membership in the class or classes eligible for coverage under the policy, such person shall be entitled to have issued to him by the insurer, without evidence of insurability, an individual policy of life insurance without disability or other supplementary benefits, provided application for the individual policy shall be made, and the first premium paid to the insurer, within 31 days after such termination: *And provided further*, That—

"(a) the individual policy shall, at the option of such person, be on any one of the forms, except term insurance, then customarily issued by the insurer at the age and for the amount applied for;

"(b) the individual policy shall be in an amount not in excess of the amount of life insurance which ceases because of such termination, provided that any amount of insurance which shall have matured on or before the date of such termination as an endowment payable to the person insured, whether in one sum or in installments or in the form of an annuity, shall not, for the purposes of this provision, be included in the amount which is considered to cease because of such termination; and

"(c) the premium on the individual policy shall be at the insurer's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such person then belongs, and to his age attained on the effective date of the individual policy.

"(9) A provision that if the group policy terminates or is amended so as to terminate the insurance of any class of insured persons, every person insured thereunder at the date of such termination whose insurance terminates and who has been so insured for at least 5 years prior to such termination date shall be entitled to have issued to him by the insurer an individual policy of life insurance, subject to the same conditions and limitations as are provided by (8) above, except that the group policy may provide that the amount of such individual policy shall not exceed the smaller of (a) the amount of the person's life-insurance protection ceasing because of the termination or amendment of the group policy, less the amount of any life insurance for which he is or becomes eligible under any group policy issued or reinstated by the same or another insurer within 31 days after such termination, and (b) $2,000.

"(10) A provision that if a person insured under the group policy dies during the period within which he would have been entitled to have an individual policy issued to him in accordance with (8) or (9) above and before such an individual policy shall have become effective, the amount of life insurance which he would have been entitled to have issued to him under such individual policy shall be payable as a claim under the group policy, whether or not application for the individual policy or the payment of the first premium therefor has been made.

"SEC. 11. (a) Notice to individual insured under group life-insurance policy: If any individual insured under a group life-insurance policy hereafter delivered in the District becomes entitled under the terms of such policy to have an individual policy of life insurance issued to him without evidence of insurability, subject to making of application and payment of the first premium within the period specified in such policy, and if such individual is not given notice of the existence of such right at least 15 days prior to the expiration date of such period, then, in such event, the individual shall have an additional period within which to exercise such right, but nothing herein contained shall be construed to continue any insurance beyond the period provided in such policy. This additional period shall expire 15 days next after the individual is given such notice but in no event shall such additional period extend beyond 60 days next after the expiration date of the period provided in such policy. Written notice presented to the individual or mailed by the policyholder to the last-known address of the individual or mailed by the insurer to the last-known address of the individual as furnished by the policyholder shall constitute notice for the purpose of this paragraph.

"Except as provided in this chapter it shall be unlawful to make a contract of life insurance for a group in the District."

SEC. 3. That subsection (k) (1) of section 12 of chapter V of said act, as amended (D. C. Code, 1940 edition, sec. 35-712), be amended to read as follows:

"(k) (1) Nothing in this section, however, shall apply to or affect any policy of group accident, group health, or group accident and health insurance."

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of the bill is to provide modern standards for the writing of group life insurance in the District of Columbia.

The bill is standard legislation designed for Nation-wide adoption. It has been approved by the National Association of Insurance Commissioners after hearings in which life insurance companies and their national organizations participated. Its essential parts were drafted by a committee of the National Association of Insurance Commissioners with the cooperation of company representatives.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN of South Carolina. Mr. Speaker, this concludes the business of the District of Columbia.

CONSOLIDATION OF DESERT LABORATORY EXPERIMENTAL AREA OF THE SOUTHWESTERN FOREST AND RANGE EXPERIMENT STATION

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3982) to authorize the Secretary of Agriculture to sell certain lands to the Sisters of St. Joseph in Arizona, Inc., of Tucson, Ariz., to consolidate the desert laboratory experimental area of the Southwestern Forest and Range Experiment Station, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 8, after "than", insert "50 percent of."

Page 1, line 8, after "appraised" insert "fair market."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this has been taken up with the gentleman from Kansas [Mr. HOPE], the ranking minority member of the Committee on Agriculture?

Mr. COOLEY. Yes, Mr. Speaker, I have discussed the matter with the gentleman from Kansas [Mr. HOPE]. The bill was unanimously reported by the Committee on Agriculture of the House. I know of no objection to it from any source.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MINORITY VIEWS ON REORGANIZATION PLAN NO. 2

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that the minority may have until midnight tomorrow to file their views in connection with Reorganization Plan No. 2.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

TRUMAN AND KRUG POLICIES BRING SUFFERING TO WASHINGTON CHILDREN

Mr. HOFFMAN of Michigan. Mr. Speaker, the hottest July experienced by Washington citizens since 1874 has just ended. During that month and so far in August, with the temperature ranging as high as 96 degrees, a policy inaugurated by Secretary of the Interior Krug,

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without the disapproval of President Truman—and he is responsible for Krug's publicly announced programs—designed to corral the colored vote, has brought suffering to Washington children.

Whatever has been their intent, President Truman and Secretary Krug, in their desire for political support, in their apparent purpose to accomplish the impossible, have been cruel to Washington's children.

In recent years, the move to end segregation, for the so-called civil-rights program, has been used for political purposes.

Both Republicans and Democrats, as parties, have approached the poll-tax, the antilynching, and the FEPC issue from the political angle. That approach is wrong; does not tend to aid in the solution of the problems and, in my opinion, tends to promote discord, create racial feeling, and delays a final, fair solution of the three problems.

Washington has six public swimming pools. Over the years, either by common consent or by custom, some of those pools were used almost exclusively by the colored people, some by the whites.

Earlier this summer, yielding to agitators who may have communistic leanings, for it is the policy of the Communists to stir up trouble; to pressure groups and to politicians, Secretary Krug, unmindful of the fact that neither he, the President, nor the Congress can change human nature, attempted to end segregation in Washington's swimming pools.

As everyone with the slightest knowledge of existing conditions in Washington and with good judgment must have known, that policy was doomed to failure.

The overwhelming majority of our people are not only willing but desirous that the colored man have equality of opportunity in employment, equal opportunity to enjoy tax-supported facilities. That is only just.

Negroes make up perhaps 35 or 37 percent of Washington's population. They do not live in segregated districts; they are scattered throughout the city.

All contribute through taxation to the support of Washington's six swimming pools. No great difficulty had been experienced in the use of these pools prior to the time when the President and his Secretary of the Interior inaugurated their vote-seeking policy.

Then, when Secretary of the Interior Krug let it be known that colored and white were to be permitted to use the swimming pools at the same time, the foreseen and the expected occurred.

There was violence at the Anacostia pool, which previously had been used almost exclusively by the whites. There was threat of trouble at the McKinley pool. The pools were then closed.

Believing that the colored people of Washington were entitled to an equal opportunity to use the swimming pools of the city and believing, too, that whites had some civil rights, among which was the right to associate with people of their choice, I caused the Legislative Service to draft, and I introduced, a bill which provided, among other things, that two of the six pools should be set aside for the exclusive use of the colored folks, that two should be set aside for the exclusive use of the whites and that two should be set aside for the common use of both the colored and the white.

The bill was introduced, not because I thought it was the perfect ultimate solution of Washington's problem, but because I thought it would, if adopted, give equal opportunity to all and tend to aid in solving the issue.

I might add that the evening of the day the bill was introduced, I was called by a Washington woman, evidently the mother of children, who, forcefully and in very clear language, accused me of favoring the colored people. She said that, inasmuch as the colored population in the city was in the minority and as there were but six pools, giving two to the colored folks and permitting them to use two others in common with whites was unfair because, she said, many white people would not patronize the two pools set aside for common use.

The only answer that I could make was that I rather err on the side of being generous to those who claimed discrimination.

Since that bill was introduced, Secretary Krug has stuck to his guns. The pools have remained closed. Hundreds of children, as well as many adults, suffering from the heat, have, by the Secretary—because he and his chief, President Truman, are making a bid for the colored vote—been denied the opportunity to obtain relief.

It is not a pretty picture. Hundreds of children, sweltering in rooms, in doorways, in inadequate yards or in the city's streets in danger of trucks and automobiles, waiting for the Secretary of the Interior and the President to come to their senses and give them relief.

The Potomac, its tributaries, are neither fit nor safe for the children to swim in. President Truman has no small children and, anyway, there is a swimming pool in the White House and, if that is closed for repairs, no doubt his friends have swimming pools. Certainly, a tub and a shower bath are available. Moreover, he can travel down the Chesapeake each week on the Presidential yacht, or he can motor in a Government-escorted car to the Blue Ridge Mountains.

Perhaps Secretary Krug has no children, but, if he has, I venture the guess that, if they do not have swimming facilities at hand, they at least have opportunity to cool off either in tub or under the shower or perhaps under a sprinkler on the lawn.

But, while these two gentlemen, public servants both, are angling for votes; while Washington's swimming pools are closed, Washington's children—hundreds of them—are denied the use of a tax-supported facility.

In effect, what Mr. Krug, the President's handyman, is actually doing, whatever may be is intent, is making an attempt, not to give an opportunity to the colored man to equally enjoy the swimming pools, but to attempt to force white folks to swim in those pools with the Negroes.

Admittedly, indisputably, the colored man has a right to the use of the swimming pools. It is equally true that the white individual as well as the colored individual has the right to pick his associates.

The policy which I attempted to follow in the introduction of the bill just referred to would give to individuals of each race equality of opportunity and would give to both colored and white who wished to associate and to swim together the right to follow their preference.

The President and Secretary Krug are after votes and, to get them, they are willing to inaugurate and maintain a policy which is cruel, which causes unnecessary discomfort and suffering to Washington's children as well as to its adults.

The SPEAKER. The time of the gentleman from Michigan has expired.

ELIMINATION OF PREMIUM PAYMENTS IN PURCHASE OF GOVERNMENT ROYALTY OIL

Mr. ENGLE of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1647) to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the interest of encouraging and assisting small-business enterprise in the oil-refining industry no premium payments now required to be made under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533), to purchase Government royalty oil shall hereafter be paid.

SEC. 2. Any premium payments made under existing contracts between February 1, 1949, and the effective date of this act shall be credited to the account of the refinery making such payments and shall be applied in payment of Government royalty oil purchased under such contracts.

SEC. 3. The provisions of this act shall apply to all existing contracts for the purchase of Government royalty oil entered into after the approval of said act of July 13, 1946, and prior to the approval of this act, irrespective of whether a determination of preference status was made in connection with the award of such contracts, but shall not apply to any such contract which subsequent to its award has been transferred, through the acquisition of stock interests or other transactions, to the ownership or control of a refinery ineligible for a preference under said act of July 13, 1946, and the regulations in force thereunder at the time of such transfer.

SEC. 4. The Secretary of the Interior, upon application by any refiner holding a contract within the purview of this act, and upon a showing of cause satisfactory to the Secretary may, in his discretion, terminate any such contract in whole or in part.

SEC. 5. No provision of this act shall be construed as affecting the right of the Secretary of the Interior to cancel for cause any contract for the purchase of Government royalty oil in accordance with the terms thereof.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That

where, under any existing contract entered into pursuant to the first proviso in the second paragraph of section 36 of the Mineral Lands Leasing Act of February 25, 1920, as amended (30 U. S. C., sec. 192), any refinery is required to pay a premium price for the purchase of Government royalty oil, such refinery may, at its option, by written notice to the Secretary of the Interior, elect either—

"(1) to terminate such contract, the termination to take place at the end of the calendar month following the month in which such notice is given; or

"(2) to retain such contract with the modifications, that (a) the price, on and after March 1, 1949, shall be as defined in the contract, without premium payments, (b) any credit thereby resulting from past premium payments shall be added to the refinery's account, and (c) the Secretary may, at his option, elect to terminate the contract as so modified, such termination to take place at the end of the third calendar month following the month in which written notice thereof is given by the Secretary.

"SEC. 2. The provisions of this act shall apply to all existing contracts for the purchase of Government royalty oil entered into after the approval of the act of July 13, 1946 (60 Stat. 533), and prior to the approval of this act, irrespective of whether a determination of preference status was made in connection with the award of such contracts, but shall not apply to any such contract which subsequent to its award has been transferred, through the acquisition of stock interests or other transactions, to the ownership or control of a refinery ineligible for a preference under said act of July 13, 1946, and the regulations in force thereunder at the time of such transfer.

"SEC. 3. Any of the lands added to the Shasta National Forest, Calif., by the act of March 19, 1948, Public Law 449 (80th Cong., 2d sess.), which constitute lands acquired with funds of the United States shall, except as to deposits subject to the provisions of the act of August 7, 1947, Public Law 382 (80th Cong., 1st sess.), be open to mineral exploration, development, and operation under such rules and regulations as the Secretary of the Interior may prescribe with the consent of the Secretary of Agriculture."

The amendment was agreed to.

The Senate bill was ordered to be read a third time, and was read the third time, and passed.

The title was amended so as to read: "An act to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533), and for other purposes."

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BARING asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. GWINN asked and was given permission to extend his remarks in the Appendix of the RECORD and include the words of James Patrick McGovern, and a speech by Hon. Fred A. Hartley to the Tool Owners' Union.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a letter from the Department of Agriculture.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. NICHOLSON (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of illness.

To Mr. MILES for 1 week, beginning August 8, on account of personal business.

To Mr. GORDON, for Friday, August 5, and Monday, August 8, on account of illness in family.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases.

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 111. An act for the relief of Mrs. Pearl Shizuko Okada Pape;

S. 317. An act for the relief of Margita Kofler;

S. 905. An act for the relief of John Sewen;

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended; and

S. 1745. An act to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p. m.) the House adjourned until tomorrow, Friday, August 5, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

835. A letter from the Secretary of Defense, transmitting a letter by the Director of Legislation and Liaison, Department of the Air Force, recommending the enactment of a proposed draft of legislation entitled "To terminate lump-sum benefits provided by law to certain Reserve officers of the Navy and Air Force"; to the Committee on Armed Services.

836. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "For the relief of the Pan American Union"; to the Committee on Foreign Affairs.

837. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation entitled "An act to amend section 3 of the Travel Expense Act of 1949"; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. BOSONE: Committee on Public Lands. H. R. 799. A bill to authorize the construction, operation, and maintenance of the Weber Basin reclamation project, Utah; with an amendment (Rept. No. 1186). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 829. A bill to authorize the Secretary of Agriculture to accept buildings and improvements constructed and affected by the Buffalo Rapids Farms Association on project lands in the Buffalo Rapids water conservation and utilization project and canceling certain indebtedness of the association, and for other purposes; without amendment (Rept. No. 1187). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILES: Committee on Public Lands. H. R. 5556. A bill to make available for Indian use certain surplus property at the Wingate Ordnance Depot, N. Mex.; without amendment (Rept. No. 1188). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 5839. A bill to facilitate and simplify the work of the Forest Service, and for other purposes; without amendment (Rept. No. 1189). Referred to the Committee of the Whole House on the State of the Union.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2734. A bill to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended; with an amendment (Rept. No. 1191). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 10. A bill to facilitate the deportation of aliens from the United States, to provide for the supervision and detention pending eventual deportation of aliens whose deportation cannot be readily effectuated because of reasons beyond the control of the United States, and for other purposes; with an amendment (Rept. No. 1192). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee of conference. H. R. 3751. A bill to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., N. Dak. (Rept. No. 1193). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SASSCER: Committee on Armed Services. H. R. 3864. A bill to return certain lands taken from W. W. Stewart by the United States; with an amendment (Rept. No. 1190). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H. R. 5872. A bill to extend the boundaries of the Toiyabe National Forest in the State of Nevada; to the Committee on Public Lands.

By Mr. CHRISTOPHER:

H. R. 5873. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. CLEMENTE:

H. R. 5874. A bill to provide for a new Federal building in Ozone Park, Long Island, N. Y.; to the Committee on Public Works.

H. R. 5875. A bill to provide for a new Federal building in South Ozone Park, Long Island, N. Y.; to the Committee on Public Works.

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By Mr. DURHAM:

H. R. 5876. A bill to amend the Army-Navy Nurses Act of 1947, to provide for additional appointments, and for other purposes; to the Committee on Armed Services.

By Mr. IRVING:

H. R. 5877. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. MAGEE:

H. R. 5878. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. O'BRIEN of Michigan:

H. R. 5879. A bill to repeal titles I and II of Public Law 76 of Eighty-first Congress entitled the "District of Columbia Revenue Act of 1949"; to the Committee on the District of Columbia.

By Mr. PETERSON:

H. R. 5880. A bill to aid the settlement and development of Alaska; to the Committee on Public Lands.

By Mr. STAGGERS:

H. R. 5881. A bill to provide financing for the construction and improvement of facilities for the marketing of farm products, and for other purposes; to the Committee on Agriculture.

By Mr. VINSON:

H. R. 5882. A bill to authorize the Secretary of the Army, the Secretary of the Air Force, and the Secretary of the Navy to convey perpetual easements in conjunction with authorized construction projects involving relocation of roads, streets, railroads, and utilities; to the Committee on Armed Services.

By Mr. WELCH of Missouri:

H. R. 5883. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. DURHAM:

H. R. 5884. A bill to amend the Atomic Energy Act of 1946; to the Joint Committee on Atomic Energy.

By Mr. KLEIN:

H. R. 5885. A bill declaring the continuing policy and responsibility of the Federal Government to promote maximum employment, production, and purchasing power and setting forth ways and means of achieving these objectives; to the Committee on Banking and Currency.

H. R. 5886. A bill to provide specific measures in furtherance of the national policy of maximum employment, production, and purchasing power, as established in the Employment Act of 1946; to the Committee on Ways and Means.

H. R. 5887. A bill to exempt from duty photographs and drawings if imported by publishers of newspapers or magazines or by news agencies or services, and to exempt from duty American manufactured tape recordings on which news or special events have been transcribed abroad, and for other purposes; to the Committee on Ways and Means.

By Mr. MORGAN:

H. J. Res. 334. Joint resolution to amend certain laws providing for membership and participation by the United States in certain international organizations; to the Committee on Foreign Affairs.

By Mr. BLATNIK:

H. J. Res. 335. Joint resolution to provide for the cancellation of the indebtedness of the Republic of Finland; to the Committee on Foreign Affairs.

By Mr. COOLEY:

H. Res. 313. Resolution providing for the consideration of the bill (H. R. 2392) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes; to the Committee on Rules.

By Mr. LESINSKI:

H. Res. 314. Resolution providing for the expenses of conducting the studies and investigations authorized by House Resolution 75, Eight-first Congress; to the Committee on House Administration.

By Mrs. NORTON:

H. Res. 315. Resolution authorizing additional employees in the disbursing office; to the Committee on House Administration.

By Mr. DAVIES of New York:

H. Res. 316. Resolution providing for the consideration of the bill H. R. 4766; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 5888. A bill for the relief of Alexander Dimitriyevich; to the Committee on the Judiciary.

By Mr. BOGGS of Delaware:

H. R. 5889. A bill for the relief of John J. Helbig; to the Committee on the Judiciary.

By Mr. GARMATZ:

H. R. 5890. A bill for the relief of J. H. Mullen; to the Committee on the Judiciary.

By Mr. GORSKI of New York:

H. R. 5891. A bill for the relief of Seweryn Silvester Wozniak; to the Committee on the Judiciary.

H. R. 5892. A bill for the relief of Mrs. Maryanna Boppel; to the Committee on the Judiciary.

By Mr. TAURIELLO:

H. R. 5893. A bill to authorize cancellation of deportation in the case of Anthony Consola; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1379. By Mr. CANFIELD: Petition of approximately 2,100 residents of Paterson, Passaic, Clifton, and nearby areas in New Jersey requesting elimination of the 20-percent excise tax on toiletries and cosmetics; to the Committee on Ways and Means.

1380. Also, petition of Paterson, N. J., Tavern Association requesting a reduction in the present Federal excise tax on alcoholic beverages; to the Committee on Ways and Means.

SENATE

FRIDAY, AUGUST 5, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Albert J. McCartney, LL. D., director of the Chicago Sunday Evening Club, Chicago, Ill., offered the following prayer:

O God and Father of us all, as we come to the close of another busy week that has taken its toll of our human resources, we render thanks unto Thee for supplying us with daily strength. Now give us grace and grit to press on in our weariness until we have accomplished the purposes whereunto Thou hast sent us, and may our actions this day redound to the welfare of the Nation.

We ask Thy blessing upon all those who in any way minister to the comfort and efficiency of the Senate, upon all clerks and stenographers, upon official reporters and doorkeepers, and the page boys, and the newspapermen who tell the story to the people.

And now the Lord bless you and keep you, the Lord make his face shine upon you and be gracious unto you: the Lord lift up His countenance upon you and give you peace. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, August 4, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1918) to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $3,000.

The message also announced that the House had passed the bill (S. 1647) to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533), with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 61) authorizing a change in the enrollment of S. 1323, to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3982) to authorize the Secretary of Agriculture to sell certain lands to the Sisters of St. Joseph in Arizona, Inc., of Tucson, Ariz., to consolidate the desert laboratory experimental area of the southwestern forest and range experiment station, and for other purposes.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas;

H. R. 4059. An act to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution;

H. R. 4393. An act to amend the Life Insurance Act of the District of Columbia;

H. R. 4394. An act to amend sections 10, 11, and 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia";

H. R. 4749. An act to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health;

H. R. 4789. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich;

H. R. 4892. An act to provide for the admission of pay patients to the Home for the Aged and Infirm; and

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and they were signed by the Vice President:

H. R. 2290. An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams; and

H. R. 3982. An act to authorize the Secretary of Agriculture to sell certain lands to the Sisters of St. Joseph in Arizona, Inc., of Tuscon, Ariz., to consolidate the desert laboratory experimental area of the southwestern forest and range experiment station, and for other purposes.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hoey	Miller
Brewster	Holland	Millikin
Bricker	Humphrey	Morse
Bridges	Hunt	Mundt
Butler	Ives	Myers
Byrd	Jenner	Neely
Cain	Johnson, Colo.	O'Conor
Chapman	Johnson, Tex.	O'Mahoney
Chavez	Johnston, S. C.	Robertson
Connally	Kefauver	Russell
Cordon	Kem	Saltonstall
Donnell	Kerr	Smith, Maine
Downey	Kilgore	Smith, N. J.
Dulles	Knowland	Sparkman
Eastland	Langer	Stennis
Ecton	Lodge	Taft
Ellender	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
Fulbright	McClellan	Tydings
George	McFarland	Vandenberg
Gillette	McKellar	Watkins
Graham	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Martin	Young
Hill	Maybank	

Mr. MYERS. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], and the Senator from Montana [Mr. MURRAY] are absent on public business.

The Senator from Florida [Mr. PEPPER] and the Senator from Kentucky [Mr. WITHERS] are absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Connecticut [Mr. BALDWIN], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART] and the Senator from Kansas [Mr. REED] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate be permitted to present petitions and memorials, introduce bills, joint and other resolutions, and place in the RECORD routine matters, as though the Senate were in the morning hour, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

WILLIAM D. NORRIS—VETO MESSAGE
(S. DOC. NO. 105)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the Judiciary, and ordered to be printed:

To the Senate:

I am returning without my approval S. 40, a bill for the relief of William D. Norris.

The bill would require the Secretary of the Treasury to pay to Mr. Norris, of Las Vegas, Nev., the sum of $6,760 in full satisfaction of his claim against the United States for compensation for loss of earnings and for pain and suffering resulting from personal injuries sustained on December 19, 1942, near Boulder Dam, in a collision between Mr. Norris' automobile and a United States Army vehicle.

It appears that on December 19, 1942, Mr. Norris, while in the performance of his duty as an employee of the Department of the Interior, was driving west in his automobile on Boulder Dam Roadway and that, while passing an eastbound convoy escorted by two Army trucks, his car struck one of the trucks which had pulled out of the convoy line and across the center of the roadway. Mr. Norris sustained personal injuries and his automobile was damaged. It was found by the Department of the Army that the accident and resulting property damage and personal injuries sustained by Mr. Norris were caused solely by the negligence of the driver of the Army vehicle. After an extended period of hospitalization and treatment, Mr. Norris returned to the same position he occupied before the accident, at the same rate of pay.

Mr. Norris was carried at full salary on sick and annual leave for a period of 9 months after the accident. He was further compensated under the workmen's compensation provisions of the Federal Employees' Compensation Act (5 U. S. C., sec. 751 et seq.) for a period of 3 months for alternating intervals of total and partial disability, his compensation payments during this period amounting to $368.41, plus reimbursement for medical and hospital expenses in the sum of $479.75. In addition, he was reimbursed in the amount of $270 by the War Department (now the Department of the Army) for damage to his car as authorized by the act of July 3, 1943 (31 U. S. C., sec. 223b). There is no indication that since December 27, 1943, when workmen's compensation payments ceased, Mr. Norris sustained any further wage loss, although, as of that date, there was some limitation of motion in the knee with about 10 percent disability of that joint. Should it appear that he has suffered or will suffer any further loss of wage-earning capacity by reason of the injury, he will be entitled to further compensation under the terms of the Employees' Compensation Act.

It is the theory of the present bill that while Mr. Norris has been compensated for his loss of pay caused by the disability, the Compensation Act, in its present form, provides no compensation for physical impairment as such (as distinguished from loss of earning capacity) or for pain and suffering, and that because the injury was inflicted through the negligence of an employee of the Army Department his recovery under the Compensation Act should not bar him from being compensated for these additional elements of damage. There is no indication in the committee reports or appended documents, however, how the specific figure mentioned in the bill was computed.

The committee reports assume that if this injury had occurred on or after January 1, 1945, Mr. Norris would have been entitled to sue for damages under the Federal Tort Claims Act instead of being relegated to his remedy under the Employees' Compensation Act. In support of this contention, they quote the third-party action provisions (secs. 26 and 27) of the Compensation Act and certain dicta in a preliminary decision of the United States District Court for the District of Maryland in *Jefferson* v. *United States* (74 Fed. Supp. 209). In that case, incidentally, the same court subsequently reversed itself (77 Fed. Supp. 706), on the ground that the plaintiff in that case, who had sued for damages for injuries allegedly caused by a negligent operation performed by an Army surgeon while both were on active duty, was not cognizable under the Tort Claims Act but only under the special statutes relating to compensation for service-connected disability.

Assuming, however, that if the injury had occurred within the time limits of the Tort Claims Act, Mr. Norris could have elected which remedy to pursue (*United States* v. *Marine* ((C. C. A. 4, 1946) 155 F. (2d) 456); *Panama R. Co.* v. *Strobel* ((C. C. A. 5, 1922) 282 F. 52); *Payne* v. *Cohlmeyer* ((C. C. A. 7, 1921) 275 F. 803)), he could not properly have proceeded under both acts. (*Dahn* v. *Davis* (258 U. S. 421); cf. *Parr* v. *United States* ((C. C. A. 10) 172 F. (2d) 462).) The third-party action sections (secs. 26, 27) in the Compensation Act do not support a contrary view since we are dealing here not with the liability of a third party but with that of the United States. As said in the Dahn case:

Plainly, by these two sections Congress deals with the liability of persons other

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than the United States to employees entitled to compensation under the act, not for the purpose of increasing that compensation, but for the purpose of reimbursing the Government for payments made, and of indemnifying it against other amounts payable in the future. The sections emphasize the disposition to treat the compensation provided for as adequate for the injuries received, and they negative any intention on the part of the Government to make further payments.

To allow compensation for disability in this case, on account of elements of damage not recognized by the Compensation Act, to a claimant who has received the full measure of compensation allowable under the sick-leave statute and under the Compensation Act, while others who have suffered equal or worse injuries and damage are limited to a single remedy, would be plainly discriminatory and contrary to the basic principle of equal treatment before the law to which, I believe, the United States should adhere.

Such additional relief would, moreover, be contrary to the basic purposes of the Compensation Act. Recognizing this fact, the House of Representatives on June 30, 1949, passed H. R. 3191, section 201 of which would make clear the fact that the right to compensation benefits under the Employees' Compensation Act is exclusive of all other legal liability of the United States to its employees for damages by reason of the negligence of its agents. As said in House Report No. 729 (p. 14) in this connection:

> Workmen's compensation laws, in general, specify that the remedy provided thereunder shall be the employee's (or the employee's dependents') exclusive remedy against the employer, except in those situations where the employer violates the law by failing to insure his compensation liability. The basic theory supporting such provisions is that the workmen's compensation remedy constitutes a substitute for the employee's former remedy at law for damages against his employer, including a like remedy available to dependents under death statutes. When the Employees' Compensation Act was enacted in 1916, as a general proposition the United States could not be sued in tort by its employees or their dependents. In view of this provision making the compensation remedy exclusive apparently was then not deemed by the Congress to be necessary. With the creation of corporate instrumentalities of government and with the passage of various statutes authorizing the bringing of tort actions against the Government, new problems have arisen. Such statutes as the Suits in Admiralty Act, the Public Vessels Act, the Federal Tort Claims Act—and there may be others—authorize in general terms the bringing of damage actions against the United States. Federal employees claiming that these general statutes apply to them, and spurred by the inadequacy of the benefits under the Employees' Compensation Act, have sued the Government under such statutes for injuries received in the course of their employment. Similarly, corporate instrumentalities created by the Government among their powers are authorized to sue and be sued, thus opening the way for the filing of suits by employees against such instrumentalities.
>
> There does not appear to have been any purposeful intention in these instances to give to Government employees, or rather some of them, the right to sue the United States, in addition to or as an alternative to the right to workmen's compensation.

In view of these considerations, I believe it my duty to return the bill without my approval.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 5, 1949.*

ARTHUR C. JONES—VETO MESSAGE
(S. DOC. NO. 104)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the Judiciary, and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, the enrolled bill S. 275 "For the relief of Arthur C. Jones."

The bill provides for payment of the sum of $4,881.36, plus the sum of $987.60 for medical expenses, to Arthur C. Jones, of Dover, N. H., in full satisfaction of his claim against the United States for personal injuries sustained by him while serving as a laborer at the United States naval shipyard, Portsmouth, N. H.

Mr. Jones claims that he sustained injury on July 28, 1942, when a transfer truck operated by a fellow-employee ran over his left toe, and that as a result a gangrenous condition developed which necessitated the amputation of both feet. It further appears that the evidence relating to whether claimant submitted a notice of the injury within the 48-hour period required by the regulations is conflicting. According to claimant, he reported the injury to his supervisor who referred him to the dispensary and claimant thought such visit to the dispensary would constitute a report of the accident. According to the Navy Department, no notice of the injury was received until April 16, 1946. Claimant filed a claim under the Federal Employees' Compensation Act on January 15, 1947, more than 4 years after the alleged injury. Such claim was rejected by the Director of that Bureau on the ground that notice of injury and claim for compensation were not filed within the time required by the Compensation Act.

In rejecting the claim because of failure to conform to the time limitations, the Director of the Bureau, as the statute permits him to do, of his own motion considered whether the noncompliance with the time limits was sufficiently excused so as to permit a waiver of such noncompliance. He determined, on the record before him, that there was not then a sufficient basis to warrant a waiver of the time limitations so as to permit the case to proceed to a determination upon its merits. It is still open to the claimant, nevertheless (sec. 37 of the act) to request the Director to reopen the claim and to reconsider such additional grounds for failure to file within the time limits as were not presented to him before by the claimant.

While it is thus apparent that this claim is subject to the objection that the claimant has not exhausted all the administrative means available to him to secure a hearing on its merits, a broader and more serious objection exists to its approval. The bill, in effect, constitutes a total and complete bypassing of the processes provided by the Employees' Compensation Act for the adjudication of claims of Federal personnel injured during the course of their employment. Presented in another way, it substitutes a legislative determination and lump-sum award for the normal administrative disposition of such a case provided for by the statute applicable to the claim. In requiring this claimant to abide by the adjudication processes and the normal periodic benefits provided in this general enactment of the Congress, no more is asked of him than is required of all other Government employees sustaining injury during employment.

Deserving of consideration, too, is the fact that, if the claim should be found to be maintainable under the statute and should be adjudicated in his favor, the amount proposed to be awarded him by the enrollment would be considerably less than the compensation benefits to which he would be entitled to receive under the Employees' Compensation Act over the years.

In the light of the foregoing, I have felt obliged not to give my approval to this measure.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 5, 1949.*

HAYWARD O. BRANDON—VETO MESSAGE
(S. DOC. NO. 106)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the Judiciary, and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, the enrolled bill, S. 1266, "for the relief of Hayward O. Brandon."

The bill would provide for payment of the sum of $259, to Hayward O. Brandon, of Philippi, W. Va., in full settlement of his claims against the United States for wages for overtime work performed during 1941 as an employee of the Post Office Department.

It appears that claimant was appointed as a permanent fireman-laborer at the Philippi, W. Va., post office on January 1, 1941. Through error, he was not given the benefits of the 40-hour week law from January 1 to July 1, 1941. On August 1, 1941, the Post Office Department notified the postmaster at Philippi, W. Va., that he could grant claimant compensatory time whenever convenient to cover the overtime service performed by claimant from the date of his appointment. On March 29, 1945, claimant still had to his credit 592 hours of overtime for which compensatory time could not be granted prior to the passage of the act of July 1, 1944 (Public Law 408), which provides for payment of overtime.

While it is regrettable that claimant was unable to obtain the benefits of the overtime work he performed, it is nevertheless true that, at the time such overtime service was rendered, no legislation existed which would authorize overtime pay. Moreover, there are doubtless numerous other instances in which Government employees lost the benefits of overtime work performed and to enact the instant bill would be to add discrimination to the hardships suffered by such other employees inasmuch as it would accord to claimant preferential treatment not given to others similarly situated.

At the time the act of July 1, 1944, was enacted, no doubt the Congress in establishing the effective date of such act must have considered the advisability of making provision for uncompensated overtime work earned prior to the effective date of the statute. In the absence of such statutory provision or any congressional policy relating to cases of this type granting the relief proposed by this measure would not be equitable.

In view of the foregoing, I am accordingly unable to approve the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 5, 1949.*

THE BRANNAN AGRICULTURAL PROGRAM—RESOLUTION OF PARSHALL (N. DAK.) FARMERS UNION COOPERATIVE ELEVATOR CO.

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the annual stockholders' meeting of the Parshall, N. Dak., Farmers Union Cooperative Elevator Co., on July 16, 1949, in support of the so-called Brannan agricultural program.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Whereas farmers have taken huge losses in prices received for farm products during the past year; and

Whereas it seems as though the Eighty-first Congress does not realize the danger of further price drops in agricultural products; and

Whereas Charles Brannan, Secretary of Agriculture, has placed a bill before Congress which proposes full parity for all agriculture, full employment for labor, full consumption, and recognizes the importance of the family-size farm.

Now, therefore, we the members of Parshall Farmers Union Cooperative Elevator Co., in annual meeting assembled in Parshall, N. Dak., July 16, 1949, do urge that you give full support for the Brannan plan and move for enactment of this agricultural program before the adjournment of the Eighty-first Congress; to prevent another depression, and we further resolve that a copy of this resolution be sent by our directors to the chairman of Senate Agricultural Committee, both Senators and both Representatives from North Dakota.

A. C. TORGERSON,
President.
EDWARD MAY,
Secretary.

PUBLIC ASSISTANCE TO CERTAIN INDIANS OF NORTH DAKOTA—RESOLUTION OF PUBLIC WELFARE BOARD OF NORTH DAKOTA

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Public Welfare Board of North Dakota, at its June 1949 meeting, relating to public assistance to certain Indians of North Dakota.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas for the past 2 years, Indians in need of general assistance on the reservations in North Dakota, particularly the Indians living on the Turtle Mountain and Fort Totten Reservations, and, to a lesser degree, those living on the Standing Rock and Fort Berthold reservation, have suffered acute distress because of the lack of funds available for their care; and

Whereas the Public Welfare Board of North Dakota, as the official agency created by the legislative assembly of North Dakota in 1935, is charged with the responsibility of supervising public welfare in North Dakota, including provision for care of all its citizens even though the Public Welfare Board of North Dakota, as a State department and a State agency, is not primarily responsible for the actual provision of the funds and/or commodities because in North Dakota the county is primarily responsible for the relief of distress and the provision of funds for those in need; and

Whereas the Public Welfare Board of North Dakota believe that substantively, equitably, and morally the Federal Government is responsible for those people who are citizens of North Dakota and the United States who are residing on the Indian reservations; that the Federal Government acted within its powers and duties in dealing with the Indian situation years ago and one of the effects of this operation was to place great numbers of Indian families in certain restricted and nonproductive areas where the Federal Government apparently proposed to take care and rehabilitate these persons until they became self-supporting; that the initiation of this step by the Federal Government was its initiation wholly and completely; that apparently it has failed over the years in dealing with this humanitarian and always distressing problem; that the last few years the high cost of living, the lack of employment available, and the increasing interest of our citizens in the welfare of these people has succeeded in making this always distressing problem acute; that the Federal Government has failed dismally and signally in making adequate provision for its own citizens; that it is the opinion of the Public Welfare Board of North Dakota that the Office of Indian Affairs, in the Department of the Interior, has lacked vigor in prosecuting its request for funds, in not asking for enough money, in not keeping tuned and keyed to the facts of the moment; that it is the opinion of the Public Welfare Board of North Dakota that even though the Office of Indian Affairs, in the Department of the Interior, did prosecute vigorously its request for funds for the relief of distress on a minimum basis of United States citizens, that the Congress of the United States also needs to modify its method in view of this situation and to appropriate at the beginning of the fiscal year sufficient funds and not rely on an eccentric system of taking care of human beings by uncertain and too-late deficiency appropriations only secured by trouble, expense, and the mobilization of pressure; and

Whereas it is the opinion of the Public Welfare Board of North Dakota that the time to secure funds for the relief of human distress is before the distress occurs; that somewhere, somehow, some reliance must be placed on estimates for public assistance for Indians and in the same way that it is placed upon the estimates for public assistance for whites; and

Whereas the Public Welfare Board of North Dakota received an appropriation of $100,000 from the 1949 legislative assembly; that this appropriation was given only for the humanitarian purpose of assuring that if worse came to worse that at least a minimum amount would be available to keep these people alive; that the Public Welfare Board of North Dakota vigorously believe that it is up to Washington to do something adequately and ahead of time, that it is the firm belief of the Public Welfare Board of North Dakota that if dynamically vigorous steps are not taken in this area ahead of time that this coming winter will make three in a row that funds have not been available in an adequate amount and will make three in a row that United States citizens have had to suffer: Now, therefore, be it

Resolved, That it is the sense of this Board that the representatives in Congress from North Dakota be petitioned to exercise their good offices to effectuate the appropriation and allocation of adequate funds based on estimates given by the State and county officials in North Dakota so that our American citizens may have some semblance of security for the dire necessities of life in the cold North Dakota wintertime; it is also

Resolved by the Public Welfare Board of North Dakota, That the Representatives in Congress from North Dakota be commended on their past efforts to secure adequate funds for this purpose.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLAND, from the Committee on Public Works:

S. 384. A bill to authorize the Commissioner of Public Buildings to convey to the Temple Methodist Church, a nonprofit corporation, of San Francisco, Calif., a portion of the federally-owned building known as 100 McAllister Street, San Francisco, Calif., and for other purposes; with amendments (Rept. No. 842).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 2226. A bill relating to the compensation of certain employees of the Panama Canal; without amendment (Rept. No. 845).

By Mr. HUMPHREY, from the Committee on Post Office and Civil Service:

S. 1479. A bill to abolish the village-delivery service of the Post Office Department, to transfer village carriers to the city-delivery service, and for other purposes; with amendments (Rept. No. 843); and

H. R. 2662. A bill to grant time to employees in the executive branch of the Government to participate, without loss of pay or deduction from annual leave, in funerals for deceased members of the armed forces returned to the United States for burial; without amendment (Rept. No. 844).

By Mr. LONG, from the Committee on Post Office and Civil Service:

S. 2379. A bill to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as

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amended; and for other purposes; without amendment (Rept. No. 847).

By Mr. GEORGE, from the Committee on Finance:

H. R. 5831. A bill to exempt certain volatile fruit-flavor concentrates from the tax on liquors; without amendment (Rept. No. 841).

By Mr. MCKELLAR, from the Committee on Appropriations:

H. R. 5300. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; with amendments (Rept. No. 846).

By Mr. CONNALLY, from the Committee on Foreign Relations:

S. 1115. A bill authorizing appropriations for the construction, operation, and maintenance of the western land-boundary fence project, and for other purposes; without amendment (Rept. No. 848).

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

James J. Andrews, of New York, N. Y., to be superintendent of the United States assay office at New York, N. Y.; and

Miss Marion J. Harron, of California, to be a judge of the Tax Court of the United States, for a term of 12 years from June 2, 1948.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

Mr. CONNALLY (for himself, Mr. TYDINGS, Mr. THOMAS of Utah, Mr. PEPPER, Mr. GREEN, Mr. MCMAHON, Mr. FULBRIGHT, Mr. LUCAS, and Mr. JOHNSON of Texas) introduced Senate bill 2388, to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations, which was referred to the Committees on Foreign Relations and Armed Services, jointly, and appears under a separate heading.)

By Mr. TYDINGS:

S. 2389. A bill to terminate lump-sum benefits provided by law to certain Reserve officers of the Navy and Air Force; to the Committee on Armed Services.

By Mr. MORSE:

S. 2390. A bill to permit the holder of 100 or more shares or other units of any security registered under the Securities Act of 1933 to secure one certificate representing all such shares or units; to the Committee on Banking and Currency.

By Mr. WATKINS (for himself and Mr. THOMAS of Utah):

S. 2391. A bill to authorize the construction, operation, and maintenance of the Weber Basin reclamation project, Utah; to the Committee on Interior and Insular Affairs.

(Mr. GILLETTE introduced Senate bill 2392, to enlarge the definition of cosmetic contained in the Federal Food, Drug, and Cosmetic Act by removing the exception made in the case of soap, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. MCCARRAN:

S. 2393. A bill for the relief of Martin Albrecht; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 2394. A bill to authorize commissioned officers of the Army, Navy, Air Force, and Marine Corps to administer certain oaths, and for other purposes; and

S. 2395. A bill to provide for payment of amounts due mentally incompetent personnel of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey and Public Health Service; to the Committee on Armed Services.

By Mr. LUCAS (by request):

S. 2396. A bill relating to the compensation of employees of the Senate and the House of Representatives; to the Committee on Post Office and Civil Service.

MILITARY ASSISTANCE TO FOREIGN NATIONS

Mr. CONNALLY. I am introducing today the new draft of a bill for the arming of the North Atlantic Pact countries and certain other countries set forth in the bill. I am introducing the bill on behalf of myself, the Senator from Maryland [Mr. TYDINGS], the Senator from Utah [Mr. THOMAS], the Senator from Florida [Mr. PEPPER], the Senator from Rhode Island [Mr. GREEN], the Senator from Connecticut [Mr. MCMAHON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Illinois [Mr. LUCAS], and my colleague, the junior Senator from Texas [Mr. JOHNSON]. I have not canvassed other members of the Armed Services Committee. I shall be pleased to add any of their names, but I did not go into that.

Mr. President, the bill, I think, will remove from the field of discussion and objection a number of points which were represented to be antagonistic to provisions of the treaty. No action was taken because the committee was not meeting on this subject, but it has received a very favorable reaction from a number of the members of the committee, both of the Armed Services Committee and of the Foreign Relations Committee as being an improvement on the original bill. It is a vast improvement.

I want to pay a compliment to the Secretary of State who redrafted the bill. When the bill was first introduced members of the committee, including myself, suggested to the Secretary of State that the bill would have to be rewritten in view of a great many aspects. In the rewriting, most of those points have been either eliminated or modified in such a way as to make the bill more acceptable to all Members of the Senate.

Mr. President, one reason for delay and one reason for lack of information on the part of the committee as to all the details of the original bill at the time it was introduced was that while the treaty was pending, members of the Foreign Relations Committee, including myself, did not want the arms bill brought up at that time. We did not want to entangle it with the debate on the treaty. It would have prolonged debate on the treaty. So, at our request, the bill was not sent here. When it was sent, it had already been introduced by the chairman of the committee in the House, and we felt it should be introduced in the Senate as a sort of working paper, with the distinct understanding that it would be up to the Congress to modify, amend, or change it in any way.

So I ask Senators to give attention to this redraft of the bill, which I now introduce. I think it will be to the tremendous advantage of Senators if they will do that. I believe it will promote the cause.

Mr. VANDENBERG. Mr. President, will the Senator yield to me for a moment?

Mr. CONNALLY. I yield.

Mr. VANDENBERG. I can agree with much the Senator from Texas has said about the new draft. I express my appreciation of the fact that the State Department and the Department of Defense have responded so sympathetically to the very serious disagreements which many of us had to the scope of the original bill and the extent of the delegation of power.

I agree with the Senator from Texas that the new bill has substantially narrowed the area of controversy. There still remain one or two major questions which are wide open and which, so far as I am concerned, I prefer should await the hearings before undertaking to discuss them. But I want to add my own testimony that the rewritten bill is a very great improvement over the original bill, and it has met most of the major objections which were raised by me and some of my colleagues against it.

The VICE PRESIDENT. The bill will be received and referred to the Committees on Foreign Relations and Armed Services, jointly, under the unanimous consent heretofore given.

The bill (S. 2388) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations, introduced by Mr. CONNALLY (for himself, Mr. TYDINGS, Mr. THOMAS of Utah, Mr. PEPPER, Mr. GREEN, Mr. MCMAHON, Mr. FULBRIGHT, Mr. LUCAS, and Mr. JOHNSON of Texas), was read twice by its title, and referred to the Committees on Foreign Relations and Armed Services, jointly.

ADDITIONAL REPORT OF A COMMITTEE

Subsequently,

Mr. WATKINS, from the Committee on Interior and Insular Affairs, to which was referred the bill (S. 2391) to authorize the construction, operation, and maintenance of the Weber Basin reclamation project, Utah, reported it without amendment, and submitted a report (No. 849) thereon.

REORGANIZATION PLAN NO. 2 OF 1949

Mr. MCCLELLAN (for himself and Mr. MUNDT) submitted the following resolution (S. Res. 151), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 2 transmitted to the Congress by the President on June 20, 1949.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H. R. 2733. An act to authorize the construction, operation, and maintenance by the

Secretary of the Interior of the Canadian River reclamation project, Texas; to the Committee on Interior and Insular Affairs.

H. R. 4059. An act to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution;

H. R. 4393. An act to amend the Life Insurance Act of the District of Columbia;

H. R. 4394. An act to amend sections 10, 11, and 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia";

H. R. 4749. An act to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health;

H. R. 4789. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich;

H. R. 4892. An act to provide for the admission of pay patients to the Home for the Aged and Infirm; and

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia so as to clarify the provisions relating to retired policemen and firemen; to the Committee on the District of Columbia.

CHANGES OF REFERENCE

On motion of Mr. GEORGE, and by unanimous consent, the Committee on Finance was discharged from the further consideration of the following bills, and they were referred to the Committee on Labor and Public Welfare:

S. 2248. A bill to amend section 7 (a) of the act entitled "An act to establish a Department of Medicine and Surgery in the Veterans' Administration," approved January 3, 1946, to establish the "chief grade" in the Dental Service, and for other purposes;

S. 2249. A bill to amend the act entitled "An act to establish a Department of Medicine and Surgery in the Veterans' Administration," approved January 3, 1946, to provide for the appointment of dental specialists, and for other purposes; and

S. 2361. A bill to provide for the acquisition of McCornack General Hospital, Pasadena, Calif., by the Veterans' Administration, and for other purposes.

DEPARTMENT OF WELFARE—AMENDMENTS

Mr. McCARTHY submitted amendments intended to be proposed by him to the bill (S. 2060) to establish a Department of Welfare, which were referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed.

COMPENSATION OF CERTAIN EMPLOYEES OF PANAMA CANAL—AMENDMENT

Mr. JOHNSTON of South Carolina submitted an amendment intended to be proposed by him to the bill (S. 2226) relating to the compensation of certain employees of the Panama Canal, which was ordered to lie on the table and to be printed.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENT

Mr. THYE submitted an amendment intended to be proposed by him to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code, which was ordered to lie on the table and to be printed.

FREE IMPORTATION PRIVILEGES TO MEMBERS OF ARMED FORCES OF OTHER NATIONS—AMENDMENT

Mr. THYE submitted an amendment intended to be proposed by him to the bill (H. R. 5086) to accord privileges of free importation to members of the armed forces of other nations, which was ordered to lie on the table and to be printed.

AMENDMENT OF CERTAIN PROVISIONS OF INTERNAL REVENUE CODE—AMENDMENT

Mr. THYE submitted an amendment intended to be proposed by him to the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, which was ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. McCARRAN submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: On page 14, line 16, insert the following: "*Provided further*, That no part of this or any other appropriation contained in this act shall be available for the procurement of any article of food or clothing not grown or produced in the United States or its possessions, except to the extent that the Secretary of the Army shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing grown or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and without unduly increasing future United States market prices and except procurements by vessels in foreign waters and emergency procurements or procurements of highly perishable foods by establishments located outside the continental United States, except the Territories of Hawaii and Alaska, for the personnel attached thereto: *Provided further*, That, notwithstanding the provisions of the foregoing proviso, the Secretary of the Army is authorized to purchase from the Commodity Credit Corporation any meat owned and stored by such Corporation on the date of enactment of this act which the Secretary determines to be of a satisfactory quality for the use of the Military Establishment, or for civilian feeding in occupied areas."

Mr. McCARRAN also submitted an amendment intended to be proposed by him to House bill 4146, making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McCARRAN submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely: On page 97, line 5, insert the following: "No part of any appropriation contained in this act shall be used directly or indirectly, except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the Republic of Panama: *Provided, however,* (1) That, notwithstanding the provision in the act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned positions to citizens of the United States from and after the date of approval of said act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this act shall prohibit the continued employment of any person who shall have rendered 15 or more years of faithful and honorable service on the Canal Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions, the controlling factors in filing these positions shall be efficiency, experience, training, and education; (5) that all citizens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this act (a) shall normally be employed not more than 40 hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 percent; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: *Provided further*, That the President may suspend from time to time in whole or in part compliance with this section in time of war or national emergency if he should deem such course to be in the public interest."

Mr. McCARRAN also submitted an amendment intended to be proposed by him to House bill 4146, making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, the following amendment, namely:

On page , line , insert a new paragraph as follows: "and shall be available for cooperation with the United States Immigration

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and Naturalization Service and the Secretary of State in negotiating and carrying out agreements relating to the employment of foreign agricultural workers, subject to the immigration laws and when necessary to supplement the domestic labor force."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 5300, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which was ordered to lie on the table and be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, the following amendment, namely:

On page , line , insert a new paragraph as follows:

"SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

"The first proviso under this head in the Federal Security Agency Appropriation Act, 1950, is amended to read as follows: '*Provided*, That of the amount herein made available for expenditure, not more than $50,000 may be expended without regard to section 322 of the act of June 30, 1932, as amended (40 U. S. C. 278a), for alterations, repairs, and improvements to the buildings occupied by the Bureau of Old-Age and Survivors Insurance in Baltimore, Md., and vicinity, of which amount not more than $15,000 shall be available for alterations, repairs, and equipment for an employee cafeteria or cafeterias, and the total amount made available in this proviso, except such part as may be necessary for incidental expenses of the Bureau of Old-Age and Survivors Insurance, may be transferred to the Public Buildings Administration, General Services Administration, for such purposes.'"

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 5300, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. ELLENDER. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, the following amendment, namely:

On page —, line —, insert a new paragraph as follows:

"GENERAL SERVICES ADMINISTRATION

"SURPLUS PROPERTY DISPOSAL

"Salaries and expenses: For expenses necessary for carrying out the provisions of the Federal Property and Administrative Services Act of 1949 (Public Law 152, approved June 30, 1949), relating to excess and surplus property, including personal services in the District of Columbia; allocations to Government agencies for services rendered in connection with care and handling or disposal of property declared surplus prior to July 1, 1948; not to exceed $5,000 for payment of claims pursuant to law (28 U. S. C. 2672); not to exceed $14,000 for a health-service program as authorized by law (5 U. S. C. 150); printing and binding; expenses of attendance at meetings concerned with the purposes of this appropriation; acquisition of real property and interests therein, necessary in connection with care and handling or disposal of property; payments to States or political subdivisions thereof of sums in lieu of taxes accruing against real property declared surplus by Government corporations; appraisers at rates of pay or fees not to exceed those usual for similar services; and advances of funds to cashiers and collection officials, upon furnishing bond; fiscal year 1950, $22,500,000: *Provided*, That the Administration may procure by contract or otherwise and furnish to governmental employees and employees of Government contractors at the reasonable value thereof food, meals, subsistence, and medical supplies, emergency medical services, quarters, heat, light, household equipment, laundry service, and sanitation facilities, and erect temporary structures and make alterations in existing structures necessary for these purposes, when such employees are engaged in the disposal of surplus property, or in the preparation for such disposal, at locations where such supplies, services, equipment, or facilities are otherwise unavailable, the proceeds derived therefrom to be credited to this appropriation: *Provided further*, That in addition to the amount hereinbefore appropriated, and notwithstanding the provisions of any other law, not to exceed $4,000,000 of the proceeds of the disposal of surplus property subject to a 'national security clause' as defined in the National Industrial Reserve Aot of 1948 (50 U. S. C. 451), or as imposed pursuant to the act of August 5, 1947 (10 U. S. C. 1270, 34 U. S. C. 522 (a)), or deductions from proceeds otherwise collectible as a result of the disposal of such property, shall be available for such costs of renovation, restoration, rehabilitation, improvement, and repair of industrial facilities as may be contracted for during the fiscal year 1950 if required for purposes of national defense or for the protection of the public or of private property from the effects of the operation of such facilities: *Provided further*, That appropriations to the War Assets Administration for the fiscal year 1947 shall remain available for expenditure during fiscal year 1950 for obligations incurred during the fiscal year 1947 in respect to industry agents' contracts: *Provided further*, That not to exceed $762,000 of the appropriations to the War Assets Administration for the fiscal year 1949 shall remain available for accumulated or accrued leave paid after June 30, 1949, to employees of the War Assets Administration separated or furloughed on or before that date."

Mr. ELLENDER also submitted an amendment intended to be proposed by him to House bill 5300, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. HAYDEN. Mr. President, in accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, namely:

Page 4, line 6, after the word "Interior", insert the following "*Provided further*, That not to exceed $65,000 of the unobligated balance of the appropriation for this purpose contained in the Interior Department Appropriation Act, 1949, is hereby continued available to June 30, 1950."

Page 16, after line 11, insert a new paragraph as follows:

"Vessel conversion: For expenses necessary in converting and outfitting a vessel for use as a service and supply ship by the Alaska Native Service, $150,000, to remain available until expended."

Page 24, after line 9, insert the following: "Truxton Canon, the prior year appropriation of $8,000 for the replacement of the Camp Verde, Ariz., Indian school is hereby made available for cooperation with the public school district of Camp Verde, Ariz., for public school facilities;".

Page 25, line 22, after the word "transfer", insert the following: "*Provided further*, That unobligated balances in the amount of $202,418 of specific authorizations in appropriations for prior years under the heading "Construction, and so forth, buildings and utilities" are hereby rescinded and such sum shall be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act."

Page 27, line 9, after the word "tribe", insert the following: ", and the authorization from tribal funds for the payment of salaries of necessary employees and other expenses for the distribution of per capita payments authorized by the act of July 2, 1942 (56 Stat. 528), is hereby increased from $1,500 to $4,500."

Page 31, after line 20, insert a new paragraph as follows:

"The sum of $10,000 of tribal funds of the Indians of California heretofore appropriated and made available until used by the act of July 1, 1946 (60 Stat. 348, 361), for services and expenses of attorneys is hereby made available for the payment of services and expenses of the attorneys under and in accordance with contracts of employment approved by the Secretary of the Interior in the prosecution of the class suit No. 31 before the Indian Claims Commission in behalf of the Indians of California, heretofore recognized as an identifiable group of American Indians and enrolled under the act of May 18, 1928 (45 Stat. 602), as amended by the acts of April 29, 1930 (46 Stat. 259), and June 30, 1948 (Public Law 852, 80th Cong., 2d sess.), which are hereby recognized as an identifiable group of American Indians within the meaning of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1049)."

Page 38, line 12, after the word "property", insert the following: "; payments to school districts in accordance with the act of June 29, 1948 (Public Law 835), including payments on account of dependents of employees in field offices in project areas engaged in construction and related activities."

Page 39, line 3, after the word "States" insert the following: ": *Provided further*, That funds appropriated for the Bureau of Reclamation shall be available for expenditure through the facilities of the National Park Service in amounts of not to exceed $25,000 for any one reservoir area for studies of recreational areas and planning for their utilization, and in amounts of not to exceed $25,000 for any one reservoir area for the investigation and recovery of archaeological and paleontological remains in reservoir areas in which said Bureau is performing work, in the same manner as provided for in the act of August 21, 1935 (49 Stat. 666), and funds

so expended shall not be reimbursable or returnable under the reclamation law."

Page 41, after line 14, insert the following new paragraph:

"Investigations, upper Colorado River Basin: For engineering and economic investigations and studies of water conservation and development plans, in the upper Colorado River Basin States, such investigations, surveys, and studies to be carried on by said Bureau either independently, or in cooperation with State agencies and other Federal agencies, $500,000, to remain available until expended, and which shall be in addition to any other funds available for expenditures for such investigations in said area."

Page 43, after line 5, insert a new paragraph as follows:

"Humboldt project, Nevada, $500,000, toward emergency rehabilitation of irrigation and drainage facilities, and flood protection subject to allocations under section 7 of the Reclamation Project Act of 1939, and repayment of reimbursable amounts under terms satisfactory to the water users and the Bureau of Reclamation."

Page 43, line 25, after the word "Reclamation" insert the following: "and not to exceed $100,000 shall be available for emergency reconstruction of the northwest unit pipe line of the Grants Pass irrigation district, the full amount to be repayable under terms satisfactory to the district and the Bureau of Reclamation."

Page 44, line 8, after the word "Utah" insert the following: ", including the south division of Utah Lake Distributing Co. Canal, which is hereby authorized."

Page 48, line 18, after the word "Alaska", insert: "to remain available until expended."

Page 50, line 1, after the figure "$5,100,000", insert the following: "and in addition thereto the Commissioner of Reclamation is authorized to enter into contracts in an amount not in excess of $2,975,700."

Page 50, lines 23 and 24, after the figure "$60,789,890", insert the following: "of which $794,699.93 is for payment to the following-named contractors in the following designated amounts in full settlement of their claims, legal or equitable, of any nature whatsoever arising out of or connected with the notice by the Bureau of Reclamation of the exhaustion of funds for payment of contractors earnings in connection with the construction of the Friant-Kern Canal, Calif., Peter Kiewit Son's Co., $186,195.93; Arizona-Nevada Constructors, $348,867.62; Morrison-Knudsen, Inc., and M. H. Hassler, $217,618.47; Bechtel Bros.-McCone Co., $32,018.51."

Page 52, beginning in line 1, insert the following new paragraph:

"Fort Sumner project, N. Mex., $750,000, and in addition thereto the Commissioner of Reclamation is authorized to enter into contracts in an amount not in excess of $1,000,000."

Page 53, line 6, after the word "power", insert the following: "and emergency reconstruction of the Le Prele unit, Wyoming."

Page 53, line 10, after the word "expended", insert the following: "and in addition thereto the Commissioner of Reclamation is hereby authorized to incur obligations and enter into contracts for additional work, materials, and equipment in an amount not exceeding $6,364,000, including not to exceed $2,000,000 for power transmission lines."

Page 53, beginning in line 17, after the word "agencies", strike out the following: "*Provided further*, That no part of this appropriation may be used for surveys, design, or construction of the Glendo project, Wyoming, or any feature thereof to a greater capacity or for other purposes than set forth in Senate Document No. 191, Seventy-eighth Congress, second session, without the specific authorization of Congress" and insert in lieu thereof the following: "*Provided further*, That in order to promote agreement among the States of Nebraska, Wyoming, and Colorado and to avoid any possible alteration of existing vested water rights, no part of this or of any prior appropriation shall be for construction or for further commitment for construction of the Glendo unit or any feature thereof, until a definite planned report thereon has been completed, reviewed by the States of Nebraska, Wyoming, and Colorado and approved by Congress."

Page 54, line 7, after the word "Congress", insert the following: "*Provided further*, That no part of this or prior appropriations shall be used for construction, nor for further commitments to construction of Moorhead Dam and Reservoir, Mont., or any feature thereof until a definite plan report thereon has been completed, reviewed by the States of Wyoming and Montana, and approved by the Congress."

Page 54, lines 12 and 13, after the words "by the Congress", insert the following: "*Provided further*, That no part of this appropriation shall be available or used to maintain or operate Canyon Ferry Reservoir at a higher maximum normal pool elevation than 3,766 feet, unless and until new land in Broadwater County, Mont., equal in acreage to the irrigated land to be inundated in Canyon Ferry Reservoir above elevation of 3,766 feet is provided with facilities for irrigation; or for or in connection with the acquisition of the power facilities or transmission facilities for delivering power from the Canyon Ferry project, Montana."

Page 55, line 7, after "1948", insert the following: "*Provided*, That not to exceed $5,662.22 from the unobligated balance of the appropriation for operation, maintenance, and replacements of the dam, power plant, and other facilities of the Boulder Canyon project contained in the Interior Department Appropriation Act, 1948, may be utilized for additional payments to the Boulder City school district for the school year 1947–48, to carry out the purposes of said Public Law 528."

Page 63, after line 23, insert a new paragraph, as follows:

"The Geological Survey is hereby authorized to acquire by transfer without exchange of funds, for 1 year beginning July 1, 1949, from executive departments or independent establishments, equipment, materials, and supplies of all kinds, with an appraised value of not to exceed $150,000 from the surplus stores of these agencies: *Provided*, That the authorization in this paragraph shall not be construed to deny to veterans the priority accorded to them in obtaining surplus property under Public Law 375, approved May 3, 1946."

Page 70, line 20, after the word "private", insert the following: "*Provided further*, That the Director of the Bureau of Mines, for the purpose of the project now in progress under this appropriation on chromite deposits near Nye, Mont., is authorized to reacquire for the Government certain land, buildings, and other facilities essential to the conduct of that project and known as Plancor 587, at a price not to exceed $44,000."

Page 71, after line 2, insert a new paragraph as follows:

"Drainage tunnel, Leadville, Colo.: To enable the Bureau of Mines to extend and operate the present Leadville, Colo., drainage tunnel for the purpose herein authorized or by Public Law 133 of the Seventy-eighth Congress, $250,000, and in addition the Secretary is authorized to enter into contracts in an amount not to exceed $250,000."

Page 72, after line 11, insert a new paragraph as follows:

"Construction planning: For the preparation of plans and specifications, including administrative expenses for an experiment station building to be constructed on Government-owned land, Reno, Nev., $30,000, to remain available until expended: *Provided*, That any part of this amount may be transferred, upon the request of the Secretary of the Interior, to the General Services Administration."

Page 77, after line 8, insert a new paragraph as follows:

"The last paragraph under the head 'Bureau of Mines' in the Interior Department Appropriation Act, 1949, is amended to read as follows: 'The Department of the Army is authorized to transfer to the Department of the Interior, for the use of the Bureau of Mines, without compensation therefor, full jurisdiction, possession, and control of a parcel of 10 acres, more or less, from that portion of Fort Douglas Military Reservation in the county of Salt Lake, State of Utah, which lies directly north and east of the site of the Bureau of Mines Intermountain Experiment Station and is described substantially as follows: All of that parcel of land bounded on the north by the southerly margin of Fort Douglas Boulevard; bounded on the west by the easterly margin of Fifteenth East Street extended and by a line running south from Monument Numbered 6, Fort Douglas Military Reservation, Utah, a distance of four hundred and eighty feet, to a point in line with the southerly margin of the five-acre tract at present occupied by the Department of the Interior, Bureau of Mines, bounded on the south by a line running east from said point in line with the southerly margin of said Bureau of Mines property, and by a line running west from Monument Numbered 6, Fort Douglas Military Reservation; and bounded on the east by a north and south line so located as to make the total enclosed area approximately ten acres.' "

Page 82, line 23, after the word "expended", insert the following: "and, in addition, the Secretary is authorized to incur obligations and enter into contracts, not exceeding a total of $3,935,000, for the acquisition of lands for purposes of the Independence National Historical Park."

Page 83, line 24, after the word "expended", following: "and, in addition, the Secretary is hereby authorized to incur obligations and enter into contracts, not exceeding a total of $1,750,000, for the construction of the Blue Ridge, Natchez Trace, George Washington Memorial, Colonial, and Foothills Parkways."

Page 83, line 24, after the word 'expended", insert the following: "and, in addition, the Secretary is hereby authorized to incur obligations and enter into contracts, not exceeding $3,250,000, for the purposes authorized in section 4a of said act."

Page 87, line 6, after the figure "$1,290,000" insert the following: "and, in addition, the Secretary is authorized to incur obligations and enter into contracts for additional work, materials, and equipment in an amount not exceeding a total of $50,000."

Page 88, line 13, after the figure "$900,000" insert the following: "together with the unobligated balance of the appropriation under this head in the Interior Department Appropriation Act, 1949."

Page 101, line 17, after the word "Governor", insert the following: "*Provided*, That the Department of the Army or any other agency of the United States Government having title thereto is authorized to transfer, without charge to the government of the Virgin Islands or any agency thereof, materials, equipment, machinery, supplies, buildings, and docks surplus to its needs in the Caribbean area, which may be certified by the Department of the Interior as needed for any authorized activity of the government of the Virgin Islands."

Page 104, after line 7, insert a new section as follows:

"SEC. 111. Where appropriations in this title are available for expenditure for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), such expenditures shal be at rates not exceeding $35 per diem for individuals (unless a higher

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rate is otherwise authorized by law or unless a higher rate, not exceeding $50, shall be approved by the Director of the Bureau of the Budget)."

Mr. HAYDEN also submitted amendments intended to be proposed by him to House bill 3838, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

HAPPENINGS IN WASHINGTON—RADIO BROADCAST BY SENATOR MARTIN

[Mr. MARTIN asked and obtained leave to have printed in the RECORD the text of a radio broadcast entitled "Happenings In Washington—Program No. 4," made by him on August 1, 1949, which appears in the Appendix.]

AMERICAN POLICY TOWARD CHINA—STATEMENT BY GEORGE E. SOKOLSKY

[Mr. TAFT asked and obtained leave to have printed in the RECORD the radio broadcast delivered by George E. Sokolsky on July 17, 1949, on the subject of the American policy toward China, which appears in the Appendix.]

ARE WE SERIOUS ABOUT THE MARSHALL PLAN?—EDITORIAL FROM THE SATURDAY EVENING POST

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Are We Serious About the Marshall Plan?", published in the Saturday Evening Post of November 22, 1948, which appears in the Appendix.]

THE LONGSHOREMEN'S STRIKE IN HAWAII

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Women Appeal to Solons for Speedy Strike End," published in the Honolulu Advertiser of recent date, which appears in the Appendix.]

SAMUEL WAHRHAFTIG—EDITORIAL FROM NEW YORK POST

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Who Framed Wahrhaftig?" published in the New York Post of August 3, 1949, which appears in the Appendix.]

THE PROBLEM OF UNEMPLOYMENT—ARTICLE FROM CHRISTIAN UNION HERALD

[Mr. MYERS asked and obtained leave to have printed in the RECORD an article entitled "The Problem of Unemployment," published in the Christian Union Herald of July 3, 1949, which appears in the Appendix.]

UNITED STATES TARIFF COMMISSION—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me, including a letter from Oscar B. Ryder, Chairman of the United States Tariff Commission, commenting on recommendations of the Hoover Commission, as they affect that agency.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. McCLELLAN, chairman of the Senate Commitee on Expenditures in the Executive Departments, released today a letter from Mr. Oscar B. Ryder, Chairman of the United States Tariff Commission with reference to his comments concerning recommendations of the Hoover Commission as they affect that agency.

Mr. Ryder points out that the operations and economic aspects of commercial policies and tariff laws are of such a highly complex nature, and so much a matter of sectional and party controversy that he believes, "it is essential that the fact-finding body shall continue to be nonpartisan, unbiased, and as independent as it can be made." It is his conclusion that the independence and impartiality of the Commission in its fact-finding operations "have been largely responsible for the wide reputation which the reports of the Commission have had for fairness, accuracy, and technical competence."

The Chairman of the Commission pointed out that the President, in exercising power to restrict imports under section 22 of the Agricultural Adjustment Act and under the Trade Agreements Act, relied heavily upon the impartial information submitted by the Tariff Commission, commenting that "it is especially important that in the exercise of powers such as these the President have before him findings of fact and recommendations by an independent body such as the Tariff Commission."

While approving the objectives of the report on personnel management, the Tariff Commission pointed out that it has very limited requirements for personnel supervision and that "the organization needed to carry out the recommendations of the Hoover Commission will obviously differ among the departments and agencies of the Government in accordance with their size, the amount of personnel activity required, and the funds available for the purpose." In concluding his report, the Chairman commented that the Commission "can and will gladly conform to whatever systems of supply procurement, space control, and records management adopted for general economy and efficiency in the Government," and that "the Commission is already collaborating with the Budget Bureau in the preparation of the new performance budget," as recommended (No. 7) in the report on Budgeting and Accounting.

The full text of the letter from the Chairman of the United States Tariff Commission is as follows:

UNITED STATES TARIFF COMMISSION,
Washington, July 29, 1949.

The Honorable JOHN L. McCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, United States Senate.

DEAR SENATOR McCLELLAN: The Tariff Commission has studied the various reports of the Hoover Commission on the Organization of the Executive Branch of the Government, and the digests of these reports prepared by the staff of the Committee on Expenditures in the Executive Departments of the United States Senate. In reply to your requests of May 23 and July 12 for a report as to the application of the recommendations in those reports, the Commission submits the following:

This Commission by reason of its small size and independent position is directly affected by only four of the reports, namely (1) General Management of the Executive Branch, (2) Personnel Management, (3) Office of General Services (supply activities), and (7) Budgeting and Accounting.

In the first of these reports, that on the General Management of the Executive Branch of the Government, no specific reference is made to the United States Tariff Commission other than in Appendix I. There it is listed on page 49 among the permanent independent agencies, with a note on page 50 stating that the United States Tariff Commission might be regarded as a quasi-legislative or quasi-judicial agency. In the report on the Independent Regulatory Commissions, issued by the Commission on Organization of the Executive Branch of the Government on March 3, 1949, we note the statement by the Chairman, former President Herbert Hoover, of his belief that the Tariff Commission as an independent Commission should be included in the same category as the nine independent Commissions covered in that report.

Before the establishment of the Tariff Commission, the Congress was generally dependent upon interested parties for information with respect to tariff questions. To remedy that situation, the Tariff Commission was created in 1916 during the Wilson administration to provide the President and the Congress with authentic, unbiased, foreign-trade and tariff information, especially information bearing on the competitive impact of imports on domestic industries. The Tariff Commission believes, after 33 years of experience, that its usefulness in the governmental framework and its ability to carry out the functions given to it by statute and executive order depend upon its retaining an independent status.

Since its establishment, the Tariff Commission has functioned continuously as an independent agency charged with the duty of ascertaining and reporting directly, without the intervention of any other officer or agency, to the Congress and to the President facts regarding the operation and economic effects of commercial policies and tariff laws and of proposed changes therein.

On a subject so highly complex and so much a matter of sectional and party controversy as the tariff, we believe it essential that the fact-finding body shall continue to be nonpartisan, unbiased, and as independent as it can be made. It was from a realization of this necessity that the Congress provided that the Tariff Commission, unlike any other governmental board, be composed of an even number of members (six) and that not more than half be members of the same political party.

A stabilizing influence in tariff controversy has been the Tariff Commission's organized body of data and the availability of expert knowledge on tariff matters accepted by all concerned as factual. The independence and impartiality of the Commission in its fact-finding operations have been largely responsible for the wide reputation which the reports of the Commission have had for fairness, accuracy, and technical competence. These qualities have contributed significantly to the willingness of agricultural and industrial interests throughout the country to make available to the Commission the detailed information relating to their operations indispensable to the Commission's effectiveness.

In addition to its functions of supplying factual information to the Congress and the President, the Tariff Commission submits reports, findings, and recommendations to the President under various special provisions of law. Among such provisions are: Section 336 of the Tariff Act of 1930 (the flexible tariff for adjusting duties to equalize foreign and domestic costs of production); section 337 of the Tariff Act of 1930 relating to unfair acts or practices in the import trade; section 22 of the Agricultural Adjustment Act of 1933, as amended (to provide appropriate restrictions on imports when necessary to prevent interference with domestic agricultural programs); and the Trade Agreements Act of 1934, as amended.

The Commission's functions under the Trade Agreements Act include, among others, investigations and reports to the President under the escape clause which has been inserted in all recent trade agreements, and

which must, under Executive Order 10004, be inserted in all future trade agreements. Under this clause and under the Executive order, the Tariff Commission investigates to determine whether imports of an article on which a concession has been made in a trade agreement are causing or threatening serious injury to the domestic industry producing like or similar articles. If it finds in the affirmative, it must indicate what increase in duty or other modification of the trade-agreement concession is necessary to prevent such injury. The Commission's function in this matter is to make recommendations to aid the President in carrying out powers he exercised pursuant to the Trade Agreements Act.

Customarily the President has exercised powers with respect to foreign trade, such as he exercises under the escape clause, only after having the benefit of findings by the Tariff Commission. This was true of the President's powers to restrict imports interfering with codes in effect under the National Industrial Recovery Act. It is also true of his powers to restrict imports under section 22 of the Agricultural Adjustment Act if they are found to be interfering with agricultural-aid programs of the Department of Agriculture. It is especially important that in the exercise of powers such as these the President have before him findings of fact and recommendations by an independent body such as the Tariff Commission.

In the second of the reports of the Hoover Commission on the Organization of the Executive Branch of the Government, namely that of personnel management, there are, among the 29 recommendations, certain proposals resulting from decentralization and the more professional type of personnel management that will impose new responsibilities on the Tariff Commission. Among these are the following:

1. Each Agency should have a Director of Personnel.

2. Primary responsibility for recruiting and examining should be with the agency.

3. Evaluation of jobs for pay purposes should be delegated to the agencies.

4. Agencies should develop specific programs for promoting career employees.

5. Agencies should recruit annually a specific number of employees for junior scientific, technical, professional, and administrative posts.

The Tariff Commission has no objection to the above recommendations of the Hoover Commission on personnel management, and believes that the changes contemplated in the second, third, and fifth recommendations, if made effective, would bring about a decided improvement in the personnel operations of the Commission. It should be pointed out, however, that under present standards the Tariff Commission is limited to three persons for all personnel work. The organization needed to carry out the recommendations of the Hoover Commission will obviously differ among the departments and agencies of the Government in accordance with their size, the amount of personnel activity required, and the funds available for the purpose. In an organization so small as the Tariff Commission a separate Director of Personnel seems unnecessary. In order, however, to effect some of the changes in responsibility and organization which those recommendations especially applicable to the Tariff Commission might require, it is possible that a small addition to the Commission's staff might prove to be necessary.

In the third of these reports, that dealing with the Office of General Services, the Tariff Commission is not specifically mentioned nor would it be substantially affected. The Commission can and will gladly conform to whatever systems of supply procurement, space control, and records management are adopted for general economy and efficiency in the Government.

With respect to the fourth report in this series which will affect the Tariff Commission, namely, No. 7, Budgeting and Accounting, the Commission is already collaborating with the Budget Bureau in the preparation of the new performance budget. The other major recommendations in this report apply to activities in which the Tariff Commission has but very small part and concerning which, in the light of the benefits to the Government as a whole, it can offer no opinion or experience of value.

Sincerely yours,

OSCAR B. RYDER,
Chairman.

LT. JAMES O. CHILES—EDITORIAL FROM WASHINGTON STAR

Mr. HOLLAND. Mr. President, I am sure that Members of the Senate have noted with distress and sympathy articles which appeared in the Washington press this last week referring to the untimely and tragic death of Lt. James Olin Chiles, of Lakeland, Fla., a gallant young naval flier whose life was taken by one of the most dreaded forms of poliomyelitis. The splendid qualities which this young man exemplified so clearly in his hours of suffering were such as to give to his family and his State every reason to be justly proud of him. As a mark of our respect and condolence, I ask unanimous consent to have this brief statement incorporated in the body of the RECORD, together with an editorial entitled "Lieutenant Chiles' Log," published in the Washington Evening Star of yesterday.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LIEUTENANT CHILES' LOG

The log which Lt. James O. Chiles kept during his futile battle with bulbar poliomyelitis is a human document of vast appeal. If anything had been needed to dramatize the campaign against the disease which killed him, he has provided it in his record of his own reactions to his sufferings.

Lieutenant Chiles was possessed of a trained, systematic mind. Even when desperately sick he was faithful to the logical pattern of his life. He gradually ceased to be able to write legibly, yet he did not abandon the effort as long as he retained consciousness. His sight failed, he could not see what he wrote, yet he continued his endeavor to record his impressions. Every word, every syllable of his notes is meaningful. How deeply he loved his family is made clear by the lines: "Only thing I'm worried about is you," and "You should not stay."

The young officer was thinking of the danger encountered by his wife by her presence at his side. He undoubtedly thought also of his two small children as he strove to survive his illness. But he did not lose track of his hope that possibly he could work with the doctors and find a cure for this thing. In his desire to cooperate with organized science he exemplified a great principle which constantly needs to be stressed. Medicine alone cannot solve the problem of polio. If the riddle ever is to be read, it must be achieved by collaboration between the professional practitioners of the healing arts and the public. This realization has been the basis of repeated fund-raising drives. It has inspired lay interest in epidemiology as a separate science. Lieutenant Chiles contributed toward the ultimate victory by his dying labors.

Pledged to the service of his country, a pilot in the ocean of the sky, he gave his life in a manner and fashion he could not have visioned as little as only a few days ago. But he will not be forgotten. His valiant spirit under heavy affliction will be remembered. The Navy has reason to be proud of him.

WILLIAM HALLAM TUCK

Mr. SMITH of New Jersey. Mr. President, if it is in order for me to do so, I ask unanimous consent to speak for 2 minutes with reference to Mr. William Hallam Tuck, who recently resigned as Director General of the IRO.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. SMITH of New Jersey. Mr. President, I desire to pay a tribute to a great American.

The Honorable William Hallam Tuck, Director-General of the International Refugee Organization, on April 29 last, submitted his resignation to the chairman of the executive committee of that organization, to take effect on June 30, and so advised the Honorable James E. Webb, Under Secretary of State. Secretary Webb, under date of May 7, acknowledged receipt of the advice and expressed the gratitude of the Department of State "for your efforts to resolve one of the most difficult and complicated of postwar problems."

I desire to make a brief statement for the RECORD with regard to Mr. Tuck.

Mr. Tuck was graduated from St. Paul's School in Concord, N. H., in 1908. He was graduated from Princeton University in 1912. At the outbreak of World War I, he became identified with Mr. Herbert Hoover, who was then head of the Commission for Relief of Belgium. Shortly thereafter he joined the British Army and was acting captain, Royal Artillery, British Expeditionary Force, 1916 to 1918. When the United States entered the war, Mr. Tuck was transferred to the United States Army and was a major, First Battalion, Three Hundred and Fourteenth Field Artillery. After the armistice, Mr. Tuck was identified with the American Relief Administration in Belgium and France, working again with Mr. Hoover. Between World Wars I and II, Mr. Tuck was a resident most of the time in Belgium, connected with various industrial and banking firms and with the Allied Chemical & Dye Corp. of New York. He had a brilliantly successful career as a businessman. During this period he was transferred from the Reserve Corps of the United States Army to reserve status in the United States Navy. When World War II broke out, he went on active duty as lieutenant commander in the United States Navy, and was ultimately promoted to the rank of captain. Since the close of World War II his principal public service activities have been with Mr. Hoover's program for the relief of Finland in 1940; with Mr. Hoover's world food survey, undertaken at the request of the President in 1946; with the United States War Department's special mission to advise General MacArthur on economic and supply problems in Korea, and then subsequently as Director-General of the International Refugee Organization. In 2 years, the efforts of the IRO and the many voluntary workers who support it have given a new start in life to more

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than 500,000 freedom loving people—men, women, and children—all persons displaced by the horrors and hatreds of war.

As Mr. Tuck states in his letter to Secretary Webb, I had a hand in urging him to accept the challenging and difficult job of Director-General of the IRO to deal with the difficult DP problem. It was because of my confidence in him and his wise judgment that I have felt justified in doing all I could to support the necessary legislation to make his work practical and effective. His study of the personnel in the DP camps, together with my personal visit and observations in 1947, have convinced me that the displaced persons are some of the most courageous people of Europe—people who are fully worthy to take a place in our country's future, comparable in spirit to the early settlers of our great country.

Mr. President, all those who have worked with Hallam Tuck during the years between World War I and the present time have found in him not only a loyal friend, but a great outgiving personality. He has the ability of combining a unique and outstanding business acumen with an understanding of human beings of all sorts and conditions. I doubt very much if any other person could have been chosen of comparable ability to develop the over-all esprit de corps of the IRO in the opening chapters of that important undertaking to solve the displaced-persons problem. He put a spirit into the organization and into the job that had to be accomplished, which in my judgment will be the measure of its ultimate accomplishment. It is to be hoped that his successor or successors may have the same vision and the same ability.

Hallam Tuck deserves the gratitude, not only of his fellow citizens in America but of all people throughout the world.

WHITE PAPER ON UNITED STATES RELATIONS WITH CHINA

Mr. KNOWLAND. Mr. President, I ask unanimous consent to make a brief statement, which will require not more than 2 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. KNOWLAND. Mr. President, the white paper on United States Relations with China has been issued. It was preceded by the President's statement on August 4 in which he stated that "the role of this Government has been subject to considerable misrepresentation, distortion, and misunderstanding."

This is understandable when responsible committees of the Congress and Members of the Senate and House were denied access to the Wedemeyer report of September 19, 1947, for almost two full years and were not informed of other vital factual information that would have been of aid in taking sound congressional action.

The white paper confirms and underscores the fact that this Government, for several critical war and postwar years, tried to encourage, induce, or compel the inclusion of Communists into the Government of China. It is to the everlasting credit of Generalissimo Chiang Kai-shek that he stood then as he stands today uncompromisingly against this tie up with international communism.

That China has faults is not news. We have some of our own. She had many of the same problems in 1941 yet we extended aid and became involved in a war because we believed that the national security of our Nation required a free and independent China. China in the Soviet orbit is as great a menace as China in the Japanese orbit. We have adequate military and civilian testimony on that score.

RURAL ELECTRIFICATION—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I send to the desk a statement which I ask to be printed at this point in the CONGRESSIONAL RECORD on the subject of rural electrification.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A MODERN STANDARD OF LIVING FOR AMERICAN AGRICULTURE

I have commented previously in the Senate on this essential fact: The American farmer of today insists upon his God-given right to enjoy as high a standard of living, insofar as possible, as the folks who live in the villages and cities. The day is gone when the farmer in Wisconsin or anywhere else in America would be content to be a second-class citizen, so to speak. All of us who have lived and worked on farms, know the back-breaking labor and hours which the farmer and his family put in. We know that if there is anybody on God's green earth who deserves a high standard of living, it is the men and women who produce the Nation's food and fibers.

CHALLENGE TO CONGRESS

This Congress is challenged by many pieces of legislation in order to help improve the standard of living on the Nation's farms. We've got to make the farmer's life more interesting, more comfortable, insofar as possible. We've got to bring in electricity to more farms, more phones to the farm, more conveniences for the farmer's housewife and children.

I say that not only in the interests of the farmer, but in the interests of the businessman and the laboring man in the village, town, and city. If we bring the miracle of more electricity to the Nation's farms, we make the farmer a consumer for all the tremendous variety of gadgets which are so essential in the average household. The farmer should have a refrigerator, an electric stove, a washing machine, a hot water heater, automatic coal stoker or oil furnace, vacuum cleaners, a radio, a television set, deep freezer, as well as many other items which most folks in the cities wouldn't think of doing without.

A recent issue of the Wisconsin REA News discussed this subject in detail and commented upon Horizons Unlimited in Electric Age. It showed, for example, how electricity can do farm chores that were previously absolutely impossible to do on the average small farm or that took so many man-hours as to be uneconomical or completely exhausting.

Fifty years ago less than 20 percent of Wisconsin's farms were connected to electric lines. Fortunately, within the last 12 years kilowatts have been brought to over 90 percent of the farms on the Nation's dairyland. Everyone who has lived on a dairy or other farm knows what an electric milk cooler can mean, a barn ventilator, a portable milking machine, a silage cutter, an electric chick brooder, hay hoist, as well as innumerable other farm machines.

WISCONSIN'S TOP POSITION IN DAIRYING

Electricity has helped Wisconsin gain its top-notch position in American dairying. Today, my State has more than one-tenth of all the dairy cattle in the United States—over 23,750,000 cows. Wisconsin farmers use more than one-sixth of the Nation's milking machines, over 36,000. The value of our dairy cattle is over $504,000,000.

Fourteen of the Nation's 25 highest milk-producing counties are in Wisconsin. Our cheese factories produce 87 percent of the Nation's brick and munster cheese, 66 percent of Swiss cheese, 55 percent of Italian cheese, 48 percent of limburger, 46 percent of our great stand-by—delicious American cheese, 30 percent of cream cheese.

I cite these figures as an indication of the meaning of dairying to Wisconsin. That, in turn, brings us to the fact that efficient, modern dairying is essential in order to assure an ever better market for Wisconsin towns and cities, as well as areas elsewhere in our Nation.

LACK OF ENOUGH PHONES

We still, of course, have a long way to go toward bringing the farm up to a truly American standard of living. The lack of sufficient rural telephone service is but one illustration. Even in a State which has enjoyed considerable farm prosperity, like Wisconsin, in 1945 only 86,000 of our farms had phones, or a bare 48.4 percent. Yet 25 years previously, 51.9 percent of Wisconsin's farms had phones. Why, I ask, and everyone asks, should not we act by appropriate legislation to help make sure that these farms do get phones?

POOR RETURNS TO THE FARMER

Tied, up, of course, with the whole question of the standard of living of the Wisconsin farmer is the question of whether or not he personally will have the purchasing power in order to buy modern conveniences. When Wisconsin farmers are receiving, as they are in many areas now, around 6 cents for a quart of milk (the same quart sells in the city for 19 to 20 cents) how can the farmer possibly buy the products produced by the city laborer or sold by the country store?

SELF-SUPPORTING REA LOANS IN WISCONSIN

The farmer does not ask for any special privileges but only asks what he is entitled to as the very backbone of this Nation. The farmer, organized in his rural electrical cooperative, has paid the Government for the blessing of having electricity brought to his farm. The first REA loan in Wisconsin was approved in May 1936. As of June 1949, the Rural Electrification Administration had approved more than $80,000,000 in loans to 31 Wisconsin cooperative borrowers. These loans have covered the full cost of power facilities, but I call attention to the fact that the money is granted only on the condition that it be repaid at 2 percent interest over a maximum period of 35 years. The loans have enabled the co-ops to finance the construction of 27,000 miles of electric lines and other rural electric facilities in order to serve almost 80,000 farms and rural establishments. The REA News reports that "most of the construction has been completed but additional lines are being built as rapidly as possible."

THIS IS FREE ENTERPRISE AT WORK

This, Mr. President, is not in contrast to our free-enterprise system. On the contrary, it is a vital element of our free-enterprise system. How can our private economy possibly be sound and prosperous unless it is based upon a sound and prosperous farming with high purchasing power and a tremendous demand for new goods and services?

I mention these facts not because our rural people require any great degree of information on them, but because I am afraid that those folks in the towns, the villages, the

cities, are not sufficiently aware of these elementary facts of life. I don't want to see a gap develop between the city and the country. I don't want to see misinformation or phoney charges fly back and forth. I want to see cooperation in the true American way. I want city folks to understand the serious meaning to them (not only to the farmer) when the farmer's milk return drops as it has in Wisconsin to a terribly low average in May of $2.85 per hundredweight of milk—a decline of over $1.42 from a year earlier.

WISCONSIN FARMER INSISTS ON HIS RIGHTS

I conclude therefore with my original thought: The farmer is no longer content to be cast in the role of an oppressed peasant which was and is his traditional role in Europe. The farmer today is educated, alert, vigilant to look after his own interests, to cooperate with his fellow farmers. He will not be treated as a second-class citizen. He will not be denied elementary comforts and conveniences to which he is entitled. He will not allow his economic throat to be cut by a Government which fails to recognize his need to get back his costs of production plus a reasonable profit on products in which he invests so much back-breaking toil and so much machinery and equipment.

Let there be more sympathy and understanding of the farmer's problems. Let there be more encouragement of him so that he in turn can play his vital role in relation to city life and city prosperity in our country.

FOREIGN-AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

Mr. WHERRY. Mr. President, I should like to inquire of the majority leader whether or not there is to be a Saturday session. Many Senators are interested in knowing.

Mr. LUCAS. Mr. President, there will be no Saturday session.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 5, line 3, which will be stated.

The CHIEF CLERK. On page 5, line 3, after the numerals "1950", it is proposed to insert "*Provided further*, That no part of the funds herein appropriated with respect to which local currencies are deposited as provided in section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended, shall, after deposit in local currency accounts as a result of assistance furnished, be made available for expenditure by any recipient country so long as such country (1) fails to comply with any treaty with the United States, or (2) causes or permits any area dependent upon it (as designated in the bilateral agreements) to fail to comply with any such treaty."

Mr. HAYDEN. Mr. President, yesterday, as will appear from the CONGRESSIONAL RECORD, I expressed some suspicion that Americans located in Morocco were acting as a front for French or Moroccan citizens, thereby enabling them to import goods into Morocco which the French or the Moroccans themselves could not import because of restrictions imposed upon citizens of that country under our agreement with France. I had nothing but a suspicion; but a Senator obtained from the Library of Congress a copy of Harpers magazine for September 1948, in which appears an article entitled "Young Man, Go to Casablanca," written by Edward Toledano. At the bottom of the first page appears this statement:

Like many of the GI's described in his article, Edward Toledano landed in Morocco in 1942 with the American forces and has now returned there to start an import and export business of his own.

This article was reprinted in the Reader's Digest in abbreviated form, under the heading "Go east, young man, to Casablanca, by Edward Toledano, who landed in Morocco in 1942 with the United States forces and now has an import-export business there."

Above that is the heading: "The boom in Morocco, where European refugees and some American veterans are finding new prosperity."

I should like to read a few extracts from the Harpers magazine article, which I think justifies fully the suspicions I expressed yesterday. I read now from page 111 of the magazine:

After the war, many GI's stayed to investigate the possibilities of the country they had so briefly seen. A few, taking advantage of their veterans' priorities, bought entire camps and great stocks of Army surplus—with the backing of local capital. In their hands, Army vehicles were used to create and extend transport facilities in an area poor in railroads. With the prestige of their American nationality, they eased themselves into partnerships with local businessmen. Through this mutually advantageous union, they could exploit the oddly constructed Moroccan market which catered to a Moorish majority of low buying power and to Europeans whose increasing prosperity and desire for goods far outstripped what was on hand for sale.

The problem was to get consumer goods and equipment into the country to supply these new and unsatisfied needs. Frenchmen were hampered by the difficulties of obtaining dollars, coping with fluctuating rates of exchange and getting import licenses. Americans on the other hand could get dollars either from the United States or by sending francs into the International Zone to be converted. Extraterritorial laws made them subject only to United States consular authority both in civil and commercial regulations. Taxes were at a minimum. And since import licenses granted to Americans caused no drain on France's dollar balance, they were easy to obtain.

Into this low-tax paradise, the ex-GI's dug their roots, bringing their families or marrying local French girls. * * *

It was the usual competitive struggle with each one grabbing for an assignment to sell the latest gadget or hold an important agency. * * *

These Americans who had vision enough to stay are cashing in on the salesmanship of our troops. The GI enthusiasm over ice cream, Coca-Cola, and other small luxuries of their former life has spread to the civilian population. Today hundreds of meters of wall space, once virgin to publicity, are plastered with vividly colored posters.

The posters are in Arabic, as indicated in the magazine.

I read further:

It means Coca-Cola in Arabic. An American who had formerly been in the diplomatic service obtained this franchise for Morocco. Not wishing to make it appear that Americans were hogging all the profits in a country not theirs, he formed a company which included local businessmen. But for all the native participation, there can be no doubt as to the company's American inspiration.

Then, in describing the prices the article states:

Chiclets cost 16 francs for a package of four, Philip Morris cigarettes 90 francs, cokes 25 francs. To translate that into dollars, the average American needs a slide rule. But the experienced Moroccan can rattle off the bewildering equivalents: Official exchange, 215 francs to the dollar; Paris exchange, 305 francs to the dollar; Tangier exchange, 420 francs to the dollar. Before the smallest deal is consummated these figures must be juggled. * * *

Of such is the life of the twentieth-century American pioneer. And though he will tell you that Morocco is the America of a hundred years ago, he will smile as he says it because today he pioneers in comfort. As a former USAAF sergeant put it, he now "lives like a pasha, with servants who expect to be treated as such. The climate is excellent, the land can be cultivated all year round, and there's more than room for all the know-how I learned as a civilian in southern California. I'll never go back to flying."

I should like to add that this article, written by one of the Americans who is engaged in business in Morocco, clearly confirms what I said yesterday, namely, that they have been using their American citizenship as a front to enable them to accomplish business transactions which neither the French nor the Moroccans could carry on. I think that is perfectly clear.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McKELLAR. What is the date of the article?

Mr. HAYDEN. September 1948.

Mr. McKELLAR. In answer, I wish to read from a letter by Mr. Ernest A. Gross, Assistant Secretary of State, who was acting for the Secretary of State, as shown on page 10764 of yesterday's CONGRESSIONAL RECORD. In a letter to the Senator from Massachusetts [Mr. SALTONSTALL], Mr. Gross said:

The Department—

Meaning the State Department—

has repeatedly recognized that American businessmen have specific legitimate grievances in French Morocco that should be remedied, and these grievances have been discussed with the French protectorate authorities during the negotiations. In this connection I refer you to the memorandum sent to you on June 11, another copy of which is attached for your ready reference. The Department believes that the position of Americans will be ameliorated as a result of these discussions.

I read now from the document enclosed in that letter:

On December 30, 1948, the French protectorate authorities in Morocco issued a decree relating to this situation. The decree provided that imports made without an allocation of foreign exchange by the protectorate exchange office would be subject to the requirement of an import license, and limited such imports to a list of essential goods.

Because of the United States treaty position in Morocco, no law or regulation may legally be applied to American nationals unless this Government has given assent thereto. The French protectorate authorities therefore requested this Government's assent to the application of this decree to American nationals resident in Morocco. The protectorate authorities began to apply the decree before assent was given, and detained

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goods consigned to Americans in the Moroccan customs. These goods were released at the request of the Department of State before discussion of assent took place.

So, Mr. President, it seems to me a question of judging as between an article written a year and a half ago by some person who wished to have something to say concerning Americans in Morocco, and a recent letter from the State Department. Would not the Senator from Arizona rather believe the State Department when it solemnly asserts, in a letter to a Member of the Senate, that discrimination is being practiced against Americans in Morocco, than to give any particular consideration to that drivel which was written some time ago and which, as the Senator stated yesterday, relates to a suspicion of his own?

Mr. HAYDEN. Mr. President, all I have stated is that the article is written by one of the Americans who is engaged in that business in Morocco.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. I yield.

Mr. LONG. As a matter of fact, in the case of many such articles, is it not often true that after the journalists over here get through making them appealing to the average reader there is so much exaggeration that even the writer of the article can hardly recognize it himself?

Mr. HAYDEN. I have had no experience of that kind; but I say that this gentleman, who is a former soldier, and who now is engaged in business in Morocco, described exactly what I suspected was going on, namely, that they are not doing business on their own, but they are doing business in order to accommodate French and Moroccans who could not otherwise take advantage of trade with this country.

Mr. LONG. Having served as a sailor in that area once, I may say to the Senator that I myself saw some articles about what was going on there which had no similarity whatever to fact. One who knew the facts could realize how little truth there was in them and how much exaggeration. Could not this be a similar situation?

Mr. HAYDEN. I cannot conceive why the man would have any desire to tell anything other than the truth. He was merely telling his own story of what happened there. It is a very interesting article, if the Senator will read all of it.

Mr. LONG. Is it not true, though, that a man in this country who is actually familiar with the Moroccan situation has offered evidence and testimony on that subject? I should like to know whether he was asked his opinion of this article insofar as various parts of it may or may not be true.

Mr. HAYDEN. Of course not, because I did not have the article yesterday. I only obtained it through the courtesy of a Senator. I should like to add a little more to what the Senator from Tennessee read from the letter of Mr. Gross, of the State Department. In the memorandum attached to the letter, the Department goes on to say that, in view of these representations, the Department assents to this decree, but that the French made these concessions:

During the course of the negotiations, the French protectorate authorities made the following proposals:

1. With respect to the allocation of dollar exchange, they would (a) establish a comprehensive system of invitations to bid on all imported products susceptible of such treatment; (b) publicize all products to be imported; (c) establish quotas for the allocation to Americans of exchange covering certain commodities, with provision for new importers.

To continue the recital, the French authorities agreed:

2. They would grant licenses liberally for the importation, without an allocation of foreign exchange, of all items included in the list of essential goods published with the decree of December 30, which includes capital equipment.

3. They would not modify this list without the consent of the American consulates in French Morocco.

4. They would grant licenses for the importation, without an allocation of foreign exchange, of maintenance goods not on the list, upon the intervention of an American consulate in Morocco.

5. They would value imports on a uniform basis for customs purposes.

In view of these proposals our authorities agreed to the decree. That is the situation. It seems to me those arrangements which were made by the American consul should be entirely satisfactory to the Americans engaged in business there and should give them a just and fair share of the market. But how could one blame the French in the absence of any understanding of this kind for stating that what is happening there is, "Our laws and our regulations are being flouted; things are being done that no Frenchman can do and no Moroccan can do, simply because a man says 'I am an American' and insists he is doing it for himself, when in truth and fact, he was acting for someone else"?

Mr. LONG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Louisiana?

Mr. HAYDEN. I yield.

Mr. LONG. If I understand the situation, as it has been described, this decree was in all respects in compliance with the treaty. In other words, the parties to the treaty, the Moroccan and American Governments, could at any time make an agreement that they would limit the rights of American citizens in certain respects—if our nationals were violating the laws there, for example.

Mr. HAYDEN. That is exactly what was the occasion or the necessity for this agreement.

Mr. LONG. If the decree is then being properly enforced, I would take it there is no violation of the treaty.

Mr. HAYDEN. Not at all. I do not think there is any doubt about it. But what I object to is the assertion that treaties are being violated; that the American flag must be wrapped around an American citizen wherever he may be and he may do whatever he pleases, according to the letter of the treaty, regardless of whether he is actually associated with nationals of the country in which he is located in doing something which they themselves could not do. That seems to be unfair.

Moreover, when the 34 Americans who belonged to the association were requested by the State Department to supply information as to their business, they refused to do so. It was a general inquiry made of all American interests in Morocco. Then, when there came a special inquiry after their complaint, they again refused to tell anything about their business, which naturally would arouse suspicion, at least in my mind, that they had something to cover up, and did not want to make a proper showing. For that reason I felt justified in saying yesterday, what is amply confirmed by the article in Harpers magazine, that that is exactly what they were doing.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. I yield.

Mr. CONNALLY. The Senator adverted to the fact that the State Department is now negotiating to meet the objections of the complainants. Is that correct?

Mr. HAYDEN. The Senator from Tennessee [Mr. MCKELLAR] directed attention to a letter placed in the RECORD yesterday with respect to the matter, and as I understand from the Senator, negotiations are going on to clear up the situation.

Mr. CONNALLY. We are very hopeful of arranging it; but to cut off $30,000,000 would not, in the long run, operate to the advantage of those persons, because restrictions could still be imposed and a satisfactory settlement of the business conditions might not be obtained.

Mr. HAYDEN. That is correct.

The VICE PRESIDENT. The question is on agreeing to the amendment on page 5, beginning in line 3.

Mr. CONNALLY. Mr. President, I should like to say a word or two.

The VICE PRESIDENT. The Senator from Texas is recognized.

Mr. CONNALLY. I do not know whether the point of no quorum will be raised, but I should like to say that I sympathize with the complainants. I heard them rather extensively in the Committee on Foreign Relations, but they did not seem, to my mind, to make out a legitimate case. Their lack of frankness in revealing their business connections and associations was not at all reassuring. Furthermore, there are other American concerns which are doing business in that area, and they have no difficulty whatever in their operations The complaint made is that under the old treaty all American goods, as I understand, were admissible without any restrictions or duties. I am assured by the Department of State that negotiations are being carried on for the elimination of the so-called discriminations. One thing about which complaint is made is that in order to import goods an import license must be obtained. Complaint is also made that in some cases there has been prejudice against them

and in favor of others, and that that constitutes a discrimination. My consultations with those who deal with the matter lead me to believe that probably in the past there have been a few instances of that nature, and it is to remedy that situation and to get a clear understanding of the matter in the future that the State Department is undertaking by negotiation to correct it. So I hope, Mr. President, the amendment will not be adopted.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. CONNALLY. I yield.

Mr. SALTONSTALL. The Senator is chairman of the very responsible Committee on Foreign Relations. In that capacity has he received a communication or had information from the State Department that leads him to believe the State Department is doing everything it can rightfully do to protect the legitimate interests of American citizens doing business in Morocco?

Mr. CONNALLY. I cannot give the Senator absolute, detailed assurances on the question, but I had a conference this morning in my office with a high official of the ECA and with a representative of Mr. Hoffman in which I was assured that that is being done. I have a recollection that the State Department assured me of that fact. How far they have gone and what point they have reached, I cannot state in detail, but I am sure it is a fact that the State Department wants to protect the rights of American citizens there. However, let me say to the Senator that when American citizens refuse to divulge their business or operations they are not in very good grace to be demanding the things which they are demanding.

Mr. SALTONSTALL. Does the Senator agree that some American citizens in Morocco in the past year or the past 2 years have had difficulty with the French authorities and that their rights as American citizens are not fully protected under our treaty?

Mr. CONNALLY. I am sure they feel that way. I cannot give details, but the black-market operations have a bearing on the question. Their refusal to divulge to our own American consul the facts of their business, it seems to me, is a strong point against their contentions. I am not thoroughly familiar with all the details of the transaction, but, on the whole, I think the sacrifice of $30,000,000 which would go to that area simply to placate those gentlemen is beside the point. They are American citizens and they should be willing to allow the State Department to work out the problem and to adjust the matter satisfactorily.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. ELLENDER. As I understood from a letter which the State Department sent to the Senator from Massachusetts [Mr. SALTONSTALL]——

Mr. CONNALLY. From whom?

Mr. ELLENDER. From the Assistant Secretary of State, Mr. Ernest A. Gross. In that letter there is reference to a decree which was issued by the French protectorate authorities in Morocco under date of December 30, 1948. Under our treaty this decree cannot become operative, and I read:

> Because no law or regulation may legally be applied to American nationals unless this Government has given assent thereto.

Since this Government has not given assent thereto, how can it be said that our nationals have violated those decrees?

Mr. CONNALLY. I cannot answer that question.

Mr. ELLENDER. As I understand, there is no violation of any existing law. The decree which was issued under date of December 30, 1948, cannot become operative until we assent to it.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. HAYDEN. Our Government did assent to it.

Mr. ELLENDER. I was under the impression that the Congress must act because it involved the treaty itself.

Mr. HAYDEN. Not necessarily, at all. The State Department can assent to it. It assented to it for a period of 3 months, subject to the conditions which I read to the Senate. The question would remain open after that. Negotiations are now under way, to which the Senator from Texas referred.

Mr. ELLENDER. Is it the Senator's view that such a question can be dealt with entirely by the State Department, without any reference to Congress?

Mr. HAYDEN. Certainly.

Mr. ELLENDER. That is not what I understand the law to be. It would be possible for the executive department to change the terms of a treaty legally ratified by the Senate, without submitting the matter to the Senate.

Mr. HAYDEN. I call the Senator's attention to this statement written by Mr. Gross, Assistant Secretary:

> In view of these proposals, and of this Government's interest in the effective utilization of the dollar resources of the franc zone, the American Legation at Tangier, Morocco, upon instructions from the Department of State, informed the French protectorate authorities on June 10 that the United States Government gave its assent to the decree for a period of 3 months.

They must have had authority to do it, or they would not have done it.

Mr. ELLENDER. I do not have the treaty before me. It seems to me that such a decree was in direct violation of the treaty and if I am correct, then the Executive has no right to assent to such a decree. The treaty should have been presented to the Senate in a revised form so as to cover the action taken by the Moroccan authorities and thereby affect our nationals.

Mr. DULLES. Mr. President, this debate has to do with a matter which I think legitimately concerns the Senate. In this situation, as oftentimes, I am sorry to say, the Department of State may not have been as vigilant as it should have been to protect the interests of American citizens abroad. I am in entire sympathy with anything that can be done by the Congress of the United States to arouse the Department of State to greater vigilance in this respect. Having said that, however, I must go on to say that it seems to me the procedure contemplated here, while it may be healthy, so far as it has gone, in arousing the State Department to greater concern, would not be healthy if it resulted in the actual embodiment in a statute of the condition which is proposed.

I say that, Mr. President, because in international affairs, as in national affairs, there are certain orderly processes of law enforcement. In this particular case the Senate would in a sense undertake to make the United States its own enforcement officer, through, in effect, prohibiting the release of counterpart funds to any country which violated a treaty. That assumes that there is a treaty violation on the facts, and that the remedy which is proposed is an appropriate remedy commensurate with the offense.

Senators will surely remember that not so long ago, in July 1946, the Senate by overwhelming vote approved adherence to the Court of International Justice, the statute of which is part of the Charter of the United Nations. In that adherence we accepted the Court of International Justice as having—and I read from the resolution—"compulsory ipso facto and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the International Court of Justice in all legal disputes hereafter arising concerning * * * the interpretation of a treaty; * * * the existence of any fact which, if established, would constitute a breach of an international obligation; * * * the nature or extent of the reparation to be made for the breach of an international obligation."

France has accepted the same obligation, so that, in relation to alleged treaty violations with France, or with any other country with which we have a similar arrangement, and which has perhaps violated a treaty, it has been agreed that the Court of International Justice is the body which has compulsory jurisdiction to pass upon the interpretation of the treaty, the existence of facts which might constitute a violation of the treaty, and the remedy to be provided.

I would certainly hope that the Senate of the United States, in a very understandable and perhaps legitimate effort to arouse the State Department to the duty of enforcing our treaty rights, should not usurp to this country the authority to be itself the judge of the facts, of the interpretation of the treaty, the breach of the treaty, and the remedy to be applied, because if we do that we make ourselves guilty of the same type of treaty breach with which we are now charging other countries.

Mr. President, there are orderly processes of law enforcement, as between individuals and as between nations, and if we propose to set an example which will contribute to the development of international law and of justice between nations, we must follow in our international relations the same practices which we follow comparably within our own country.

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We will be considering here shortly a bill to increase salaries. Suppose the Senate Committee on Appropriations attached a provision to the bill that no part of the proposed salary increase should go to anyone who had been guilty of a traffic violation. Clearly that would be a usurping of a law enforcement process by the Congress. There are courts which exist to determine whether or not people commit traffic violations, and what the penalties shall be if they do. That is the way in which we deal domestically with possible lawbreakers.

I earnestly urge upon the Senate that, when it comes to deal with the question of treaty enforcement, it should follow the processes which have been agreed to between our country and France and many other countries, and if we want to put pressure upon the State Department, we should find a way to do it which will not involve us in departing from the orderly processes of international intercourse.

Mr. SALTONSTALL. Mr. President, will the Senator from New York yield?

Mr. DULLES. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Is it the Senator's position that if we carry out what the pending amendment would ask us to carry out, and it were enacted into law, we would then be violating another international agreement we have made, submitting ourselves to the World Court?

Mr. DULLES. In my opinion, we would be.

Mr. VANDENBERG. Mr. President, I wish to make a supplemental observation to what it seems to me is the unanswerable position taken by the distinguished junior Senator from New York [Mr. DULLES].

It will be recalled that the Senator said, among other things, that the penalty should fit the crime in respect to a treaty violation, if a violation exists. What is the penalty which is being fitted to this crime, if there be one? I use the word "crime" only for the sake of the argument.

Under the amendment whatever has happened in Morocco, if in our own unilateral judgment it violates a treaty, is to be penalized by the withdrawal of all aid under ECA from the country which is responsible for this dependent area, to wit, France. Therefore the penalty is to be the withdrawal of all aid from France, and obviously the withdrawal of all aid from France is the collapse of ECA.

Mr. President, it seems to me that underscores the observation of the able Senator from New York. Even though this offense exists, as alleged, surely it does not warrant a penalty of that magnitude, because that penalty in turn has its repercussions upon us. It seems to me this discussion of the penalty in turn underscores the argument of the able Senator from New York that if there is a treaty violation it should be adjudicated between equal partners to the treaty by a tribunal which takes full jurisdiction of all the facts and arrives at a judicial conclusion.

The PRESIDING OFFICER (Mr. ROBERTSON in the chair). The question is on agreeing to the amendment of the committee.

Mr. JENNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hoey	Miller
Brewster	Holland	Millikin
Bricker	Humphrey	Morse
Bridges	Hunt	Mundt
Butler	Ives	Myers
Byrd	Jenner	Neely
Cain	Johnson, Colo.	O'Conor
Chapman	Johnson, Tex.	O'Mahoney
Chavez	Johnston, S. C.	Robertson
Connally	Kefauver	Russell
Cordon	Kem	Saltonstall
Donnell	Kerr	Smith, Maine
Downey	Kilgore	Smith, N. J.
Dulles	Knowland	Sparkman
Eastland	Langer	Stennis
Ecton	Lodge	Taft
Ellender	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
Fulbright	McClellan	Tydings
George	McFarland	Vandenberg
Gillette	McKellar	Watkins
Graham	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Martin	Young
Hill	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on the committee amendment on page 5, beginning in line 3 and ending in line 12.

Mr. JENNER. On this question I ask for the yeas and nays.

Mr. RUSSELL. Mr. President, I wish to make a brief statement in order that the record in respect to this issue may be clarified.

The Senator from Arizona [Mr. HAYDEN] on yesterday voiced a suspicion that all the activities of the 34 American petitioners in Africa, who are before the Senate at this moment, were illegal. He based it, as he stated, upon the fact that no answer had been made to a request by the American consul general at Casablanca for a report from the American Trade Association.

Mr. President, I cannot vouch for the authenticity of the matter which was handed me as I came into the Senate Chamber today, but I think it could be certainly depended upon as much as a mere suspicion held by the Senator from Arizona growing out of what he considered the failure of the record taken before the Appropriations Committee to disclose all the details as to these activities. I hold in my hand what purports to be a carbon copy of a letter addressed to the American consul general at Casablanca under date of May 27, 1949, which is as follows:

DEAR SIR: Enclosed is a report of imports by members of this association during 1946, 1947, and 1948, as requested in your letter of 19 May.

We have attached a membership list as of this date, and have shown which of these listed are represented in the above report. We regret that the figures are incomplete. A number of our members are absent from Casablanca, some of them in the United States, and their representatives are not in a position to give us the wanted information. Others have been engaged chiefly in transport or construction rather than import and several are too recently established here to be included in the report.

We fully appreciate the importance of statistics of this kind, both to the consulate in planning and to ourselves as participating in future allocations. The figures given are as nearly complete as was possible on short notice.

Attached is a list of the names of the American citizens who are members of this American Trade Association.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. Yes.

Mr. KILGORE. Is that a list of those who furnished the figures, or is it merely a list of those who are members of the association?

Mr. RUSSELL. It lists the members of the association, with an asterisk opposite those who are not represented in the financial report.

Mr. President, I ask unanimous consent to have the list printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF MEMBERS OF THE AMERICAN TRADE ASSOCIATION OF MOROCCO

James Abisror, Isaac Abitbol, Herbert Abrahms,* H. Akima,* Lee Benson, Bendahan, Victor Cohen, Robert Deal, F. H. Frisher, Adolph Fromer,* Leopold Greenburg, Julius Gerschowitz, Nathan Helfer, Robert R. Harper, Carl B. Humphrey, Kurt Klein, Victor Kahill, Kleinfinger, Willy Laudon,* Irving Levy,* Robert McDonald,* Leland McAlary,* Albert Mevi,* Clarence C. Nelson, Jerome S. Nusbaum, Peter G. Peters,* Maurice R. Parent, John B. Patterson, Gene Rettig, Robert E. Rodes, Arthur Russel, Edwin Sendro, G. Gus Stratton, Edward Toledano,* Joseph Weckerle, Alexander N. Vardas.*

Mr. RUSSELL. I was further advised by the gentleman who stopped me at the elevator today that the report which was submitted was accepted by the consulate, that there had been no further correspondence from the consulate, and that so far as these American citizens knew, there was nothing in the report which was questioned until the statement was made on the floor by the Senator from Arizona yesterday. I vouch for none of those statements. I place them before the Senate for what they may be worth.

The Senator from Arizona read from a magazine article which was written by some American GI who had been in business in that area. I am sure the Senate would not convict all of these citizens on any such statement as the Senator from Arizona read. He talked about the fact that American GI's had established a taste for chewing gum and Coca-Cola in north Africa, as though some terrible crime had been committed by our troops. If that be a sin, we have contaminated the entire face of the earth. I can say for his benefit that it was my privilege to go around the world in 1943, and visit every area where American soldiers were stationed. There are Coca-Cola bottling plants all over the world. Children who know only three or four words of English ask for chewing gum or a chocolate bar. They had previously not known anything about such things. But with the spread of the desire for those so-called luxuries all over the world, today I say with pardonable pride—because Coca-Cola originated in my State, as most good things

* Not represented in financial report.

financially originate down there and soon get into other hands—that there are now Coca-Cola bottling plants in Cairo, Egypt, in Karachi, India, and in Calcutta. Coca-Cola is found even in the province of Chabua, where there is no real city. Chewing gum, chocolate bars, and cigarettes likewise reach those remote areas. They are symbols of American civilization which seem to appeal to people who reside everywhere our troops have been.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HAYDEN. Does the Senator consider that exportation from the United States and importation into the European countries with which we are dealing of Coca-Cola, chewing gum, and candy bars promotes their recovery?

Mr. RUSSELL. I do not know. I do know that we have placed emphasis on tobacco going to Germany, on the theory that it would help Germany rehabilitate its economy to afford tobacco to those who work. I do know that there are people in the United States who would think that they were denied an essential of life if they did not have chewing gum. As a matter of fact, some Members of this distinguished body on occasion use chewing gum and enjoy it. Whether it helps them or not, or whether it expedites the business of the Senate, I could not say. But I do know that tobacco, at least, has been stamped as essential to a recovery program.

In this statement, for which I do not vouch, reference is made to the cigarette and candy business. This statement is made:

> They talk about chewing gum and Coca-Cola. I will admit that they are not necessary, but in 1948, when a few hundred thousand dollars' worth of gum and Coca-Cola was available, the little native boys, who need nothing, brought in far more aromatic herbs, palm leaves, and camel's hair than they bring in when they have nothing to spend their money for. This is evidenced by the fact that exports of articles depending on native trade were raised considerably in 1948.

It is this gentleman's view that the little boys bring in more of the exports which bring dollars to Morocco—and the dollar is valuable anywhere in the world—if chewing gum and Coca-Cola are available, thereby helping export trade.

I do not vouch for that statement, but I can readily understand it. I know that an American boy will clean up the grounds, police the yard, and cut the grass for the promise of chewing gum; so I can understand the Moroccan boy making a greater contribution to the sum total of exports of that nation, and thereby increasing the wealth of that nation, by reason of the fact that chewing gum and Coca-Cola are available. I am not insisting that they are necessary. I say that that is not the sole issue here.

I listened to the argument of the distinguished Senator from Michigan [Mr. VANDENBERG], in which he stated that the penalty which was sought by this amendment far exceeded any crime which may have been committed. There are two ways of looking at that question. If we are to assume that a Frenchman is entitled to the same consideration at the hands of the American Congress as is an American citizen, the Senator from Michigan is correct; but I see a difference. What we are giving to France is a sheer bounty. Our obligation to American citizens anywhere in the world is a moral duty. I insist that there is a difference between our responsibility to France and our responsibility to American citizens. I believe that France, as the recipient of our bounty, has some obligation to see that we are permitted to discharge our duty to American citizens who at the present time are being discriminated against and penalized by virtue of unilateral violation of a treaty.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield with trepidation to one so expert in international affairs.

Mr. LODGE. The Senator need have no trepidation about yielding to me. I am not an expert on international affairs or anything else. However, I understood that the argument was made that the reason why this amendment was unwise was that it permitted sending into France American luxury goods of a character which the Marshall plan was not designed to support, and that it was therefore placing an unfair burden on the American taxpayer to finance sending into France American luxury goods which are not justified under the terms of a program which the Senator very rightly described as a bounty.

Mr. RUSSELL. These imports are not made under the terms of the ECA Act. This is the last remnant of American private business in Morocco. I am not arguing that we should send chewing gum and Coca-Cola as ECA aid. This is a question of whether or not private American citizens are entitled to do business in those commodities if they so desire.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FLANDERS. I wonder if the Senator from Georgia feels sure that he is right in describing our ECA program so far as the French are concerned as a bounty. If it is a question of bounty, we have no business to set up the ECA.

Mr. RUSSELL. Mr. President, I do not yield for that purpose. I have the floor. I do not propose to go back and debate the entire merits of the European economic program. If we did not think we would get some benefits from it, we would not have gone into it. However, I say that our primary responsibility is to the American people.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. KILGORE. To my mind, the theory of the ECA program, and the only reason I have ever voted for it, is that it was designed to make up the deficit in dollar exchange in order that their recovery program might go on. By that I mean the difference between the dollars they could obtain from trade and the dollars which they needed. If the dollars which they obtain from trade are spent on luxuries, naturally that imposes a greater burden on the ECA program.

Yesterday we noted in the press that the British complained that they needed an extra $1,500,000,000 to balance their dollar budget. I do not know whether that statement comes from the same source or not, but if dollars are being used for the purchase of luxury products, and if by our actions we are precluding a foreign nation from policing its own economy under a restricted economic system, I think then we are in a rather bad light.

Mr. RUSSELL. I stated yesterday that if any American citizen held any improper privilege under this treaty it was the duty of the State Department to renegotiate it at once. But so long as these rights exist, and so long as they are being flagrantly violated, we have a responsibility to American citizens.

This is not altogether a question of luxuries. I cannot vouch for this statement, but I think it is as authoritative as any of the statements which have been made here. The question does not arise in connection with purely luxury goods. These Americans insist that under the treaty they are entitled to import luxury goods. But the question did not become acute until they were denied licenses for the importation of goods of the same kind and character as other countries were permitted to import into Morocco. That was when they came to the Congress. It was not a question of luxury goods. They insisted on their rights, but they did not complain bitterly. However, when they saw their applications for licenses to import goods denied, and similar goods being imported by other countries which did not even have treaties carrying the most-favored-nation clause, as we did, they then complained. If the facts are as stated, I believe that they had every right and justification to complain, and that we should listen to them as American citizens.

Mr. DULLES. Mr. President, will the Senator yield?

Mr. RUSSELL. Mr. President, my trepidation increases, but I yield to the distinguished Senator from New York. [Laughter.]

Mr. DULLES. The Senator from Georgia has addressed himself to the matter, so far, as if the only justification for adoption of the amendment were the particular case involving Morocco. In order that the Senate may have a full awareness of what is proposed to be done in this case, I should like to ask the distinguished Senator from Georgia whether he is satisfied that the Moroccan case is the only case of treaty violation in the recipient countries, or whether it may also be found that there are many other treaty violations. For example, is the Senator from Georgia satisfied that Great Britain is carrying out the Bretton Woods Agreement; and, if she is not, is it the view of the Senator from Georgia that this amendment should cut off aid to Britain in the form of ECA funds?

Mr. RUSSELL. Mr. President, I regret that I cannot embark upon a detailed discussion of that situation. I do

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not know how the amendment would apply to the Bretton Woods Agreement. Certainly I did not have it in mind, because I did not know of any other violation—none had been brought to my attention—which denied treaty rights to an individual American citizen, particularly to one who had fought to liberate the country which now is attempting to discriminate against him. But if that is occurring elsewhere, I shall certainly do all within my power to see that any American citizen affected receives his rights under the treaty being violated by a foreign power.

I cannot say to the Senator from New York, who is much more familiar than I with the various ramifications of the multitude of treaties which have been signed during the years, whether other cases to which the amendment would apply now exist; but certainly this is one case of a violation which has been brought to my attention and I am trying to correct the injustice in this case. The State Department confesses that American citizens were being unfairly penalized. The ECA Administrator said they were being denied some of their rights. So I am seizing the only recourse available to me as a Member of the Congress to see to it, so far as I am able to do so, that American citizens are protected in their rights, wherever they may be.

Mr. DULLES. Mr. President, I refer the Senator from Georgia to the provision of the proposed amendment which says:

> That no part of the funds herein appropriated * * * shall * * * be made available for expenditure by any recipient country so long as such country (1) fails to comply with any treaty with the United States.

Since it is not known what the scope of that provision is—whether it applies only to Morocco, or whether it also applies to Great Britain, France, and so forth—does the Senator believe that, in view of such apparent ignorance, the Senate should adopt this amendment?

Mr. RUSSELL. In my judgment the language of the amendment should apply to any country that is violating a sacred treaty with the Government of the United States, whether that country be Great Britain, France, or Morocco. I am not willing to reward any country for violating an agreement we entered into in good faith and scrupulously observe.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CHAVEZ. What is wrong with that?

Mr. RUSSELL. I cannot see anything wrong with it.

Mr. CHAVEZ. If any nation violates a treaty, why should we sit still and say nothing about it, while it is insisted, even in this body, that we keep the record straight and act in good faith in connection with what we ourselves have offered to do.

The only reason we have this bill before us is because the Congress has so ordered, and we are supposed to keep the faith. Of course, it is our purpose to keep the faith. But whether the country involved be Great Britain, Morocco, Spain, Mexico, or any other country, the countries should keep faith; and if they do not, I do not see anything wrong in standing up for the United States.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. McCLELLAN. Is it not time for those of us in the Senate of the United States to begin to do something about requiring other countries to keep their obligations to us? We legislate on the basis of representations to the effect that if this legislation is passed, we shall require the participating countries to meet certain conditions and obligations. However, after we go along with the program for a year or so, we find they are not meeting those obligations. Yet we are expected to keep pouring out our money.

I feel that as we are legislating on these matters, certainly as we come to appropriate the money we should have some accounting as to performance on that part of those who have been the beneficiaries of the assistance we give at our taxpayers' expense.

Mr. RUSSELL. Important as it is to us to maintain the integrity of the nations over the earth which have not yet been swallowed by communism, yet I cannot accept the proposition that all responsibility is purely unilateral, that all responsibility is on the United States of America, and none rests upon those who have also asumed responsibilities under treaties.

Mr. President, in my judgment, if the Senate adopts this amendment it will have done no violence. I would be of the opinion—without being an expert—that the matter affecting these 34 American citizens in Morocco probably would be cleared up within 24 hours after it was known that the Senate of the United States had expressed a determination to protect the rights of our people, wherever they may be. An American businessman in Morocco, with his rights as an American citizen, has the most glorious title with which any living human being can be endowed today. Paul once boasted of being a citizen of ancient Rome, but how much better it is to be a citizen of the United States—unless the citizen's rights happen to come in conflict with some illegal order issued by some nation which we are afraid will not accept its share of aid from us under the ECA program.

These men have been in business. Some of them may have been in the black market. I will not say that they have or that they have not, although I have not the strong suspicions on that score the Senator who has spoken on that subject has. But I know they have certain rights under this treaty, and those rights have been denied them. In my opinion they will be restored very shortly after the Senate takes favorable action upon this amendment.

These American businessmen in Morocco say—that when they request a license to import it is denied them; yet they see in the market place, in the hands of their competitors, goods of the same kind and character, which have been imported by those who do not even have the treaty rights with which those Americans are endowed.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. GILLETTE. I was very much interested in the colloquy between the able Senator from Georgia and the able Senator from New York. When the Senator from New York suggested that the proposed amendment should be considered with extreme care because it might apply to a violator of some other treaty, did the Senator from Georgia have in his mind any situation in which any country, a signatory to a treaty with the United States, is entitled to specific preferred status if it is a violator of a treaty?

Mr. RUSSELL. I did not, and I said that idea did not appeal to me, and that although this is the only instance which has been brought to my attention, yet in our service here we are constantly faced with the duty of voting for certain proposed legislation in order that we may live up to our obligations. As a citizen of the United States, I desire that our country live up to the letter and spirit of every treaty the United States has with any nation on earth. But I insist that the other nations of the earth likewise give evidence of some good faith in dealing with us and with their obligations under the same treaties.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, beginning in line 3.

Mr. MYERS. Mr. President, I shall be frank in stating that I was very much surprised at the outcome of the vote of this body when an appeal was taken from the Chair's ruling on the point of order on the Morocco amendment. I was surprised for the reason that this amendment is a clear violation of the rules. I expected that the Members of this body would again uphold the integrity of the Senate rules as they had done on two previous occasions during this debate.

I am confident that this amendment will be rejected on its merits when we fully comprehend its true nature and its undesirable results.

I oppose this amendment on two grounds. First of all, the interests of the American Trade Association of Morocco should not be protected by an act of Congress. Second, the amendment will create a huge administrative operation to be performed by the State Department which might very well seriously jeopardize the ECA program.

Let us first consider the amendment as it relates to the American Trade Association of Morocco. It is perfectly clear to all that this amendment is primarily designed for the benefit of this association. This organization is composed of around 30 American businessmen, most of whom are ex-servicemen who remained in Morocco at the conclusion of the war.

Most American business interests of long standing, which are operating in

Morocco, are not members of the association. Such companies are the Socony Vacuum Oil Co., the Armstrong Cork Co., the International Business Machines Corp., and numerous others.

The association, which is coming to Congress for assistance, represents a minor part of American business in Morocco, although I agree with the Senator from Georgia American business, large or small, of course should be protected, wherever it may be found in the world. According to their own statement, their total imports from the United States in 1948 amounted to slightly more than $5,000,000, although I recognize this figure may be incomplete. It seems to me we would be making a serious mistake if we should encumber the whole ECA program with a damaging provision intended for the benefit of a small group of people whose interests can better be protected through the offices of the State Department.

It is positively clear that the interests of the association are not consistent with the object of the European recovery. As proof of this, I offer the statement of Mr. Rodes, himself, a man who has been around Washington for some time interesting Members of Congress in this amendment, a spokesman for this group, when he testified before the House Appropriations Committee. At that time, Mr. Rodes stated:

> Mr. Hoffman told me that his mandate was to build up European recovery and that Congress had not given him a mandate to build up American recovery. I think his point is very well taken. What I am here for is to try to get that mandate changed, if possible.

I think it is significant that the spokesman for this group, by his own admission, places the selfish interests of these businessmen ahead of European recovery. It is hard to escape from the conclusion that the Senate would be endorsing such a position if it adopted this amendment.

Let us for a moment consider the actual problem confronted by this business group. They are a group of American citizens who are primarily objecting to the application to them of import controls—controls which are necessary to build up dollar exchange in France. They insist these import controls should not be applied to them; that they should be permitted to import whatever they wish without restriction, regardless of the effect of such a policy on the dollar position of France. That this is a request for preferred treatment can hardly be denied. That this position is completely inconsistent with the European recovery program is beyond any doubt. If we are in favor of the objectives of the Marshall plan, I do not see how we can consistently vote for an amendment which is directly in opposition to the objectives of that program.

This group of businessmen should not come to Congress for relief. The fact that they come to Congress bears out the fact that they want preferred treatment. If their only interest is the settling of legitimate grievances, they can obtain this through the offices of the State Department. This is the traditional function of American consulates and embassies around the world.

I expect this observation may be challenged by the argument that these persons have already asked for help from the American consulate in Morocco to no avail. In this regard I should like to call the Senate's attention to the fact that on June 10 the State Department negotiated a tentative agreement with France under which our Government gave assent to the application of legitimate import restrictions, in return for which all illegitimate and discriminatory treatment of American business interests in Morocco were to be corrected. I am informed that since this agreement has been entered into the consulate at Morocco has not received a single complaint from the American businessmen who are here asking for special treatment.

I should like to point out also that at this very time American representatives are engaged with representatives of France in ironing out legitimate complaints which have been made against the French treatment of American businessmen. It would be difficult to defend action by Congress which would take these matters directly out of the hands of our official representatives in France and in place of mutual agreement substitute the arbitrary decisions of Congress.

Finally, in regard to these few Americans in Morocco, I should like to make this observation. The adoption of the amendment does not at all assure to them the privileges they hope to acquire under its provisions. The amendment withholds the use of counterpart funds only in those cases where a treaty has been violated. Legitimate import controls can be placed upon these business interests without any violation of our treaties with Morocco. Under the terms of those treaties Americans can be treated on an equal basis, once the assent of this Government has been obtained. I emphasize this fact simply to demonstrate the unwisdom and meaninglessness of the amendment.

There is one point which I want to make positively clear to every Member of this body and to the people of the United States, too. Opposition to the amendment does not in any way indicate a disregard on the part of those who oppose it, for the sanctity of the treaties which this Nation has entered into. In fact, the sanctity of our treaty obligations would be seriously jeopardized by adoption of the amendment now under consideration. Let me make this clear. A substantial number of treaties which this Nation has entered into contain specific sanctions which are to become operative in the event of a violation by either party. If we are to respect these treaties, we must not interfere with their intended operation. Adoption of this proposal places a new sanction upon countries which violate these treaties.

In fact, we of the Senate are unilaterally rewriting many of the treaties to which the United States is a party. We are, in fact, saying to countries around the world: "Hereafter, the remedies provided for in our treaty with you are not sufficient. We are going to apply against you a larger penalty even though no mention of this penalty was made when we negotiated this treaty with you."

We are clearly changing the terms of treaties entered into in good faith by all the parties concerned, whether 100 years ago or 2 years ago.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. MYERS. I am happy to yield.

Mr. RUSSELL. How can we change the terms of a treaty, if the amendment does not take effect except in case of violation by the other party? We are not changing the terms of the treaty.

Mr. MYERS. We are writing in a new penalty—a new sanction. We in the Senate are rewriting the treaty, and we are determining in the Senate what the penalty or sanction may be, although it may never have been contemplated when the treaty was written.

Mr. RUSSELL. In my judgment, it is merely an effort to enforce a treaty, rather than to write new terms.

Mr. MYERS. There may be differences of opinion, but I certainly cannot subscribe to that view. I believe we are definitely, by this action, rewriting a treaty which we solemnly entered into with a foreign nation.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MYERS. I shall be happy to yield.

Mr. CHAVEZ. As I recall, in the last session of Congress the Senate did that very thing. Of course, it was not a European ally which was involved at that time; it was the little Republic of Cuba. The Senate voted for an amendment in a sugar bill which would place a penalty on the Republic of Cuba in a matter which involved the operations of a treaty. But I do not recall that more than a few Senators rose in this body to suggest and protest that we were changing a treaty through the medium of the enactment of a bill.

Mr. MYERS. Did the Senator from New Mexico make that observation at that time?

Mr. CHAVEZ. I certainly did, and even the good Senator from Michigan [Mr. VANDENBERG] voted against it. But I do not recall the Senator from Pennsylvania having voted against it.

Mr. MYERS. Then the Senator should be consistent. If he had that view at that time, I should think he would maintain the same view at this time.

Mr. CHAVEZ. The situations are entirely different. Here we are dealing with a treaty. In those days we were dealing with a sugar bill, which had nothing to do with treaty business.

Mr. MYERS. In my opinion, if the Senate should take the action suggested, we would be clearly changing the terms of treaties entered into in good faith by all the parties concerned.

I emphasize that this amendment is a genuine threat to the sanctity of our treaty obligations.

Our continuing good faith in our treaty obligations is threatened still further by this amendment, since it requires that sanctions be applied immediately

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upon a violation, although the violation may be technical and although there may be a legitimate difference of opinion as to whether there is actually a violation.

When nations solemnly entered into treaty obligations with the United States, they did not intend that this country should accept full responsibility for making the ultimate determination as to whether there was a violation. We are hardly keeping good faith with these countries if we apply to them a hard penalty when we decide that they have violated a treaty provision, although they may conscientiously believe they are abiding fully by the terms of the treaty.

I submit that the sanctity of the treaties of the United States is an issue in this debate. I wish to oppose this amendment also for the reason that it would lay a serious burden upon the State Department and the ECA. It would be necessary to maintain a continuous watchfulness over all our treaties with the participating countries in order to determine when any one of them is violated. If the amendment is to be carried out, this watchfulness must be maintained constantly. The State Department could be criticized if it made a survey on a periodic basis—for example, every 6 months. In order that this amendment may be complied with, it is necessary that we determine immediately when a treaty is violated. This is an impossible task.

This amendment would seriously hamper the recovery program. Well-considered plans for use of counterpart funds in these countries would be interrupted on a moment's notice. It would become practically impossible for these countries to make long-term arrangements for their internal recovery. They would never know from day to day whether counterpart funds would be available. For a simple technical violation of one of hundreds of treaties which these nations have with the United States would result in the withdrawal of counterpart funds.

When we look at this amendment in its proper light, it appears to approach the level of great danger to the entire ECA program.

In conclusion, I should like to say that the ill effects which will come from this amendment would be a high price to pay for the protection of a small group of American businessmen who are looking for preferred treatment.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MYERS. I yield the floor.

Mr. CHAVEZ. Mr. President, I should like to say a few words on behalf of those few Americans who were left in Morocco after the war.

It seems we are apt to forget very soon. If it had not been for such persons as the 47 who seem to be in bad grace in certain quarters, if it had not been for those Americans and those who will never come back to America, France would not be the beneficiary of ECA funds.

I am personally becoming a little resentful of the idea that we should not stand up for men who were responsible for driving our enemy out of Africa, fighting for our country, and who were responsible for making it possible for us to have a consul in Morocco. They should receive the attention of those who still believe it is not a crime to defend American citizens anywhere.

Times change. It may be that a citizen of France or of Russia is entitled to more consideration from Members of the United States Senate than are American citizens, but I do not believe that idea prevails among the American people. If it were a matter of giving them special privileges, I would say no; but to deprive them of the right, to which they are entitled, merely because the State Department says we must not in any way interfere with the sensibilities of the countries which may belong to the ECA group, is another question, and I say it is time for the Senate to do something about it. If ECA is the law, and if we are to act on that law and appropriate money under it, why can we not, by the same token, protect an American citizen by another law, a treaty which France itself made with this Nation many years ago?

Let us not forget that the ECA bill could not be passed by the United States Senate if it had not been for those same boys whom some of us are trying to protect. They were chasing the enemy from North Africa, and in that great effort many of them were killed by Germans and by Italians who are now the beneficiaries of the same ECA law. But there are objections, and we must single out those 47 in Morocco. They earned the right to stay there, because they were ready to sacrifice their very lives. They probably did not want to go there in the first instance, but the Senate and the House of Representatives sent them there. I maintain that just as we had the right to say to them, "You go to north Africa and chase the Germans and Italians out," we have the right to let them stay there if they wish to remain. We would be in a rather sad state if we should fail to say, "Even if it is against France they should be protected."

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on agreeing to the amendment of the committee on page 5, beginning in line 3.

Mr. RUSSELL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MYERS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Fulbright	Kerr
Brewster	George	Kilgore
Bricker	Gillette	Knowland
Butler	Graham	Langer
Byrd	Gurney	Lodge
Cain	Hayden	Long
Chapman	Hendrickson	Lucas
Chavez	Hill	McCarran
Connally	Hoey	McClellan
Cordon	Holland	McFarland
Donnell	Humphrey	McKellar
Downey	Hunt	McMahon
Dulles	Ives	Magnuson
Eastland	Jenner	Malone
Ecton	Johnson, Colo.	Martin
Ellender	Johnson, Tex.	Maybank
Ferguson	Johnston, S. C.	Miller
Flanders	Kefauver	Millikin
Frear	Kem	Morse
Mundt	Smith, Maine	Thye
Myers	Smith, N. J.	Tydings
Neely	Sparkman	Vandenberg
O'Conor	Stennis	Watkins
O'Mahoney	Taft	Wherry
Robertson	Taylor	Williams
Russell	Thomas, Okla.	Young
Saltonstall	Thomas, Utah	

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment of the committee on page 5, beginning in line 3, which the clerk will state.

The amendment was, on page 5, line 3, after the date "1950", to insert a colon and the following proviso: "*Provided further*, That no part of the funds herein appropriated with respect to which local currencies are deposited as provided in section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended, shall, after deposit in local currency accounts as a result of assistance furnished, be made available for expenditure by any recipient country so long as such country (1) fails to comply with any treaty with the United States, or (2) causes or permits any area dependent upon it (as designated in the Bilateral Agreements) to fail to comply with any such treaty."

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], and the Senator from Montana [Mr. MURRAY] are absent on public business.

The Senator from Florida [Mr. PEPPER] and the Senator from Kentucky [Mr. WITHERS] are absent by leave of the Senate.

I announce that the Senator from Florida [Mr. PEPPER] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from Florida would vote "nay," and the Senator from Indiana would vote "yea."

If present and voting, the Senator from Illinois [Mr. DOUGLAS], the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], and the Senator from Kentucky [Mr. WITHERS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN], who is absent by leave of the Senate, is paired with the Senator from New Hampshire [Mr. TOBEY], who is absent also by leave of the Senate. If present and voting, the Senator from Connecticut would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from Vermont [Mr. AIKEN] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate and are paired on this vote. If present and voting, the Senator from Vermont [Mr. AIKEN] would vote "nay," and the Senator from Iowa [Mr. HICKENLOOPER] would vote "yea."

The Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent and is paired with the Senator from Florida [Mr. PEPPER]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from Florida would vote "nay."

The result was announced—yeas 34, nays 46, as follows:

YEAS—34

Brewster	Gillette	McKellar
Bricker	Hoey	Malone
Butler	Holland	Martin
Cain	Jenner	Maybank
Chapman	Johnson, Colo.	Russell
Chavez	Johnston, S. C.	Thomas, Okla.
Cordon	Kem	Watkins
Eastland	Langer	Wherry
Ecton	Long	Williams
Ellender	McCarran	Young
Frear	McClellan	
George	McFarland	

NAYS—46

Anderson	Ives	O'Conor
Byrd	Johnson, Tex.	O'Mahoney
Connally	Kefauver	Robertson
Donnell	Kerr	Saltonstall
Downey	Kilgore	Smith, Maine
Dulles	Knowland	Smith, N. J.
Ferguson	Lodge	Sparkman
Flanders	Lucas	Stennis
Fulbright	McMahon	Taft
Graham	Magnuson	Taylor
Gurney	Miller	Thomas, Utah
Hayden	Millikin	Thye
Hendrickson	Morse	Tydings
Hill	Mundt	Vandenberg
Humphrey	Myers	
Hunt	Neely	

NOT VOTING—16

Aiken	Hickenlooper	Schoeppel
Baldwin	McCarthy	Tobey
Bridges	McGrath	Wiley
Capehart	Murray	Withers
Douglas	Pepper	
Green	Reed	

So the committee amendment was rejected.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, under the subhead "Assistance to Greece and Turkey," on page 5, line 17, after the word "immediately", to strike out "$50,000,000" and insert "$45,000,000."

UTILIZATION OF FARM PRODUCTS

Mr. GILLETTE. Mr. President, I do not rise to object to this particular amendment. I rise for the purpose of discussing for a few minutes two letters I have received from Mr. Hoffman of the ECA. One letter pertains particularly to the pending amendment; the other pertains to the bill which is under consideration.

Mr. President, through the appointment by the distinguished chairman of the Senate Committee on Agriculture and Forestry, there was created from that committee a subcommittee of five members, composed of the Senator from Florida [Mr. HOLLAND], the Senator from North Dakota [Mr. YOUNG], the Senator from Vermont [Mr. AIKEN], the Senator from South Carolina [Mr. HOEY], and the present speaker. This subcommittee was charged with the duty of making studies in the entire field of the prudent utilization of farm products, and in the course of their duties were immediately studying the field of distribution and marketing of farm crops, foreign and domestic. In my capacity as chairman, and on instructions of the subcommittee, I addressed two letters to Mr. Hoffman.

The first letter to Mr. Hoffman was concerned with an inquiry into the purchase by the United Kingdom of certain stocks of alcohol and molasses in different parts of the world and the reason for the use of ECA funds for this particular purpose. I was rather surprised to learn from Mr. Hoffman's reply that he was unable to advise us as to the stocks of molasses and alcohol owned by the United Kingdom. The Administrator, of course, under the act from which he receives his authority, is charged with the duty of reviewing and appraising the requirements of the participating countries for assistance under the terms of the title. But in his reply Mr. Hoffman stated that he was unable to give us information as to which of these supplies the United Kingdom had an inventory. He was also unable to state whether the United Kingdom Central Statistical Office had data and statistics with reference to supplies within the United Kingdom or owned outside the United Kingdom.

Another thing which rather surprised us was the statement in his letter with reference to the underwriting by this country of purchases made by the United Kingdom. I quote one brief paragraph from his letter, as follows:

> In regard to plans for purchase of alcohol and inedible molasses during the current fiscal year, we are advised that the United Kingdom has recently committed itself to the purchase of 70,000,000 gallons of molasses from Cuba. This purchase was made without promise that ECA funds would be available to cover the cost of such purchase. It is understood, however, that if no increase in price of Cuban molasses to American purchasers develops as a result of this transaction ECA will give consideration to reimbursing United Kingdom on this purchase.

Again, I ask, How can the Administrator possibly agree in advance to underwrite a deal of this kind when he has no information as to the stock possessed? He does not know the contract under which the goods were purchased. He does not know the price paid. Because of the fact that I know that the entire membership of the Senate would be interested in this matter, as is the committee which I have the honor to represent, I ask that Mr. Hoffman's letter on this subject be made a part of the RECORD at this point in connection with my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ECONOMIC COOPERATION ADMINISTRATION,
Washington, D. C., July 27, 1949.

The Honorable GUY M. GILLETTE,
United States Senate.

DEAR SENATOR GILLETTE: This is in reply to your letter of July 13, 1949, regarding the purchase of molasses and alcohol by the United Kingdom and raising certain questions regarding stocks and costs of production.

Since the beginning of the program ECA has authorized the purchase of inedible molasses by the United Kingdom from Cuba and the Philippines to the total value of $18,800,000. Further, ECA has authorized for purchase by the United Kingdom industrial alcohol to the value of $10,000,000 of which approximately $8,000,000 was used for purchases in the United States.

I regret that we are unable to advise you fully regarding the stocks of molasses and alcohol owned by the United Kingdom on July 1, 1949. However, the Monthly Digest of Statistics of the Central Statistical Office of the United Kingdom reports stocks of black strap molasses as of April 30, 1949, at approximately 53,000,000 gallons. It is not clear whether certain smaller stocks held off shore are included in this amount. Annual requirements for the United Kingdom earlier have been estimated at between 150 and 200 million gallons.

In regard to plans for purchase of alcohol and inedible molasses during the current fiscal year, we are advised that the United Kingdom has recently committed itself to the purchase of 70,000,000 gallons of molasses from Cuba. This purchase was made without promise that ECA funds would be available to cover the cost of such purchase. It is understood, however, that if no increase in price of Cuban molasses to American purchasers develops as a result of this transaction, ECA will give consideration to reimbursing United Kingdom on this purchase. We do not expect that any additional amounts of molasses will be required by the United Kingdom for consumption during the current fiscal year.

It is believed that fairly substantial amounts of industrial alcohol will be required for procurement in the United States during the current fiscal year. The ECA is not now financing the purchase of industrial alcohol from any source other than the United States.

As you know, we do not have the facilities within the ECA organization to conduct research in costs of production and related involvements. It would not be appropriate, therefore, for us to undertake to advise you whether it would be less or more expensive for industrial alcohol to be processed in our domestic plants and supplied abroad rather than supplying the necessary raw materials.

Sincerely yours,

PAUL G. HOFFMAN,
Administrator.

SHIPMENT OF FERTILIZER TO GREECE

Mr. GILLETTE. Mr. President, on behalf of the subcommittee I addressed another inquiry to Mr. Hoffman, the ECA Administrator, with reference to shipment of fertilizer to Greece. I should like to incorporate in the RECORD at this point as a part of my remarks his reply to that inquiry. It will be noted from his letter that one broker appears in all dealings with the Greeks, first as agent for the Greek Government and then as agent for the selling company in the United States. I make no allegations as to any impropriety in this, but the record being of outstanding interest, I think the Congress and the public should be apprised of the fact, and I ask that the letter from Mr. Hoffman be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ECONOMIC COOPERATION ADMINISTRATION,
Washington, D. C., July 26, 1949.

The Honorable GUY M. GILLETTE,
United States Senate.

DEAR SENATOR GILLETTE: This is in reply to your letter of July 14 in which you requested data on the amount of ammonium sulphate currently being shipped to Greece and the prices paid for this material.

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For the last half of the 1948 calendar year Greece obtained from the United States 9,756 short tons of ammonium sulphate. This material was handled under Government procurement by the Bureau of Federal Supply. The average price paid for this material was $68.06 per short ton, FAS basis. During the first half of 1949 Greece received 9,064 short tons of ammonium sulphate from the United States. For the procurement of this material the Greek Government appointed the Walsen Consolidated Mercantile Co. of New York to act as their agent. They were to receive $1 per ton for purchasing the material from United States manufacturers and making all arrangements for shipment to Greece, including the ocean transportation. They purchased this tonnage as follows:

1. United States Steel, byproduct ammonium sulphate, 1,250 tons at $52 per short ton bulk f. o. b. plant.

2. Dupont, mostly synthetic ammonium sulphate, 1,800 tons at $45 per short ton bulk f. o. b. plant.

3. Nitrogen Products Co., synthetic ammonium sulphate, 2,514 tons at $64 per short ton f. a. s., 6-ply paper bags.

4. Phillips Chemical Co., 3,500 short tons at $64 per short ton, f. a. s., 6-ply paper bags.

All of these purchases from the United States during the fiscal year 1948–49 were made when nitrogen was under allocation and materials had to be obtained from different companies according to the Priority Assistance Regulations of the Department of Commerce, according to the provisions of Public Law 606.

The current nitrogen export program for Greece providing for shipments after July 1, 1949, was included in a procurement authorization issued on June 13 for the amount of $400,000. This was increased to $900,000 on June 30. This amount of funds has therefore been made available to Greece to procure nitrogenous fertilizers in the United States. The Agricultural Bank of Greece has been acting as agent for the Greek Government in procuring ammonium sulphate under this authorization. We have received information that the Agricultural Bank of Greece has contracted with the Walsen Consolidated Merchantile Co. for the purchase of 12,200 short tons of synthetic ammonium sulphate at a price of $73.40 per short ton C&F Greek port. This material is to be shipped in new jute bags approximately 100 pounds each. The Walsen Consolidated Mercantile Co. was the agent for the Phillips Chemical Co., with a plant at Houston, Tex. This quantity of ammonium sulphate is to be supplied by the Phillips Chemical Co.

According to our information there were no commissions or brokerage fees included over and above the cost price of this material since the Walsen Consolidated Mercantile Co. was the agent for the Phillips Chemical Co. and the quoted price of the ammonium sulphate included all of the commission. It is our understanding that the Agricultural Bank of Greece received bids from other United States exporters on this ammonium sulphate and that the final price was negotiated below the bids received between the Agricultural Bank of Greece and the Walsen Consolidated Merchantile Co. Since no payment has been made on shipment of any of this material in the current program, we do not have the final cost figures. These figures, however, will be available after the shipments have been made and the complete documentation is presented to ECA for payment.

We will be glad to furnish additional information insofar as it is available to us.

Sincerely yours,

PAUL G. HOFFMAN,
Administrator.

DISPOSITION OF INDUSTRIAL ALCOHOL PLANTS OWNED BY THE FEDERAL GOVERNMENT

Mr. GILLETTE. Mr. President, a subcommittee of the Committee on Agriculture and Forestry has had under study the disposition of three industrial alcohol plants owned by the Federal Government, located at Omaha, Nebr., Kansas City, Mo., and Muscatine, Iowa. Many Members of the Senate will remember that during the early war years these plants were established by the Government for the purpose of manufacturing alcohol from agricultural sources, to be transmuted into synthetic rubber for use in the war effort and our industrial economy.

During the Eightieth Congress these plants were transferred to the Department of Agriculture by Public Law 890, which transferred them to the jurisdiction and control of the Department.

This act provided, in section 3:

Whenever the Secretary finds that the operation of any plant or plants as provided in this act is no longer necessary or desirable he shall report such fact to Congress with his recommendations for the disposition thereof.

Our subcommittee heard the representatives of the Department of Agriculture with reference to these plants. They expressed the opinion that they could no longer be operated economically, and they suggested that they were coming to Congress for direction as to their disposition. They advised our subcommittee that before they sent the message to Congress they would report to us, and we in turn could report to the full committee.

However, on the 30th of June the Congress enacted Public Law No. 152, which removes the obligation resting on the Secretary of Agriculture by Public Law 890, to secure further instructions from the Congress on the disposition of these plants. At least that was the construction placed on the provision of the new law by the legal department of the Department of Agriculture.

In the meantime the present speaker had introduced a bill, which is before the Committee on Agriculture and Forestry, for the purpose of setting up a corporation to handle these plants, but because of the dispute as to whether Public Law 152, passed June 30, superseded the injunction of the law passed last year requiring a report to Congress, we held a meeting yesterday with representatives of the Munitions Board, who advised us that the maintenance of these plants in operating condition was essential to the national defense.

In order to preserve the rights of Congress, yesterday I introduced a bill requiring the Department of Agriculture to hold these plants in a stand-by condition until such time as the Congress can make further disposition of the matter.

Mr. President, I should like now to refer to another subject.

The VICE PRESIDENT. Without objection, the Senator may proceed.

THE FATS AND OILS MARKET

Mr. GILLETTE. Mr. President, in connection with the work of the subcommittee of the Committee on Agriculture and Forestry to which I have referred, one of the subject matters which we immediately started to investigate was the confused and dangerous condition of the fats and oils market in the United States, which is reacting on all meat and meat products.

Inasmuch as the producers of soap buy the greater part of the tallow and grease produced in the United States by the meat processors and renderers, it became necessary to take testimony from manufacturers of soap and detergents.

We took testimony from representatives of Colgate-Palmolive-Peet Co., and Lever Bros. The hearings are continuing, and no final conclusions have been reached. However, in view of the widespread use of synthetic detergents, commonly classified as soaps, I have personally reached the conclusion that the exemption of soap from the Federal Food, Drug, and Cosmetic Act should no longer stand. I am therefore proposing legislation which would place soap under the act, so that other Members of Congress may be giving the matter some thought.

I ask unanimous consent to introduce a bill designed to effectuate this purpose.

There being no objection, the bill (S. 2392) to enlarge the definition of cosmetic contained in the Federal Food, Drug, and Cosmetic Act by removing the exception made in the case of soap, introduced by Mr. GILLETTE, was read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. WHERRY. Just what reaction will that bill have on fats and oils if it is enacted?

Mr. GILLETTE. From the partial testimony we have received over a series of days of investigation, it has become evident that there have been controls of the fats and oils market, particularly import and export controls, which have reacted disastrously on the domestic market. The soap manufacturers have given us evidence—and very interesting and very full evidence—that the market for fats and oils in the manufacture of soap is to some degree at least being supplanted by the use of synthetic detergents, which, of course, reacts detrimentally to their interests.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. GILLETTE. I yield.

Mr. WHERRY. Has the committee adduced any evidence along the lines of the evidence adduced by the Senate Small Business Committee a year or two ago, that under the license program licenses were difficult to obtain, even though the supply of fats and oils in the United States had greatly increased?

Mr. GILLETTE. There has already been sufficient evidence before the committee to convince us that we must go into the question deeply.

Mr. WHERRY. Just where is the proposed legislation introduced by the distinguished Senator and other Senators relative to the fats and oils problem, which is a little different phase from

this? Has a standing committee considered it?

Mr. GILLETTE. I presume the Senator refers to the bill which he introduced as a cosponsor with the present speaker.

Mr. WHERRY. That is correct.

Mr. GILLETTE. The bill was referred to the standing committee of the Senate, and it rests in peace there, so far as the present speaker knows.

RELIEF PACKAGES—DISCRIMINATION AGAINST PRIVATE ENTERPRISE

Mr. KEFAUVER. Mr. President, I wish to discuss a question involving the intent of Congress relative to the private enterprise and nonprofit business of relief packages for the people of the nations of Europe. I should like to make an explanation for the RECORD as to the congressional intent as I see it.

It has been represented to me by representatives of two companies, the Frazier-Morris Co. of New York, and also the American Trading Corp., that the ECA, under and by virtue of the so-called CARE amendment in last year's Appropriation Act and the extension of the ECA Act, has discriminated against private companies engaged in selling relief packages, and in favor of the nonprofit corporation or company CARE.

I believe the discrimination arises in this way: The ECA has authorized the reimbursement to CARE of inland transportation expenses in Britain out of counterpart funds but, on the other hand, it requires the private companies to pay the transportation costs. The private companies, I am advised, have agreed to pass back to the purchasers of relief packages any benefits which may be received by virtue of giving them the same reimbursement which the ECA has authorized out of counterpart funds for CARE.

As I understand section 117 (c) of the ECA Act, no discrimination should occur or be allowed by ECA in favor of CARE, as compared with the treatment received by the private companies. Only two rather small amounts are involved. In the case of one company, I believe the amount involved is $25,000, or $5,000 in the case of another one, and $16,000 in the case of another one. But of course this situation results in a reduction of the number of relief packages which are sent. It means that counterpart funds are in the hands of Britain, although they could be turned over to these companies, by way of reimbursement, and that in turn would enable the companies to reduce the cost of their packages, as they have agreed to do, so that more packages could be sent by the private companies. Not only would that help the American taxpayer and the small businesses in this country which are engaged in this kind of enterprise, but it would also lead to the shipment of a greater number of relief packages abroad, if there were real competition in this field.

It is my interpretation that the ECA should not engage in this discrimination, but should treat both nonprofit companies and private-enterprise companies the same, under this amendment.

I wonder whether that was the intention of the Foreign Relations Committee in the ECA Extension Act, and also of the Appropriations Committee in connection with the CARE amendment in last year's appropriation. I should like to inquire about that of the Senator.

Mr. McKELLAR. Mr. President, if the Senator from Tennessee is addressing his question to me, let me say that in the original ECA Act it is provided that—

Provided further, That pursuant to section 117 (c) of the Foreign Assistance Act of 1948, the Administrator shall fix and pay a uniform rate per pound for the ocean transportation of all relief packages of food or other general classification of commodities shipped to any participating foreign country, regardless of methods of shipment and higher rates charged by particular agencies of transportation, but this proviso shall not apply to shipments made by individuals to individuals.

The act approved April 19, 1949, provides as follows, in section 10:

Provided, That the Administrator shall fix and pay a uniform rate per pound for the ocean transportation of all relief packages of food or other general classification of commodities shipped to any participating foreign country, regardless of methods of shipment and higher rates charged by particular agencies of transportation, but this poviso shall not apply to shipments made by individuals to individuals through the mails.

That is the law, and the Administrator apparently has proceeded by it, as he has a right to do.

Mr. KEFAUVER. Mr. President, I appreciate the statement the distinguished Senator has made. As I understand, the only thing provided in that amendment was that an attempt should be made to have uniform rates for transportation across the seas, so as to put the companies on an equal footing.

Mr. McKELLAR. We tried to do that.

Mr. KEFAUVER. But that did not refer to the ECA's reimbursement of CARE for the transportation cost after the package reached England, or wherever it was going.

Mr. McKELLAR. That is true.

Mr. KEFAUVER. I did not observe in the act anything which would give ECA that authority to discriminate against private enterprise companies by means of making reimbursement of transportation charges after the goods had crossed the ocean to one company and not another.

I am very grateful to the Senator from Tennessee for the statement he has made.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared in regard to what I understand to be the factual situation in connection with this controversy, and also my interpretation of the meaning of section 117 (c) of the ECA Act, relative to relief packages.

The PRESIDING OFFICER (Mr. MYERS in the chair). Is there objection?

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF INTENTION RE ECA APPROPRIATION ACT

There has apparently been a misunderstanding on the part of ECA respecting congressional intent in the matter of benefits or subsidies granted under section 117 (c) of the ECA Act. Apparently ECA has assumed from the so-called CARE amendment to last year's appropriation act and the current ECA Extension Act, that Congress looked with favor upon discrimination by ECA in the use of its own or counterpart funds as between private enterprise and nonprofit business engaged in competition with one another in the shipment abroad of relief packages purchased from them by private individuals in the United States.

The amendment in question had the very opposite purpose. Briefly, all that it was intended to do was to prevent the use of ECA funds as ocean freight subsidies in such a manner as to give private agencies an advantage over CARE which they did not previously have, by erasing an existing competitive advantage which CARE enjoyed because it had been able to obtain lower ocean freight rates than those obtained by private agencies. One cannot read into this amendment any intention to allow the use of Government or counterpart funds to accord to CARE or other nonprofit agencies any benefit or competitive advantage which it did not already enjoy without the use of such funds. Yet this is precisely what ECA has done in the matter of approving reimbursement to CARE by the British out of counterpart funds for inland transportation charges in England incurred between April and December of 1948 while refusing to approve such reimbursement to private agencies on the same terms, even though they undertook to give every assurance that the benefit of such reimbursement would be passed on to future purchasers of their packages.

While it is a small matter in the whole ECA picture, yet this kind of discrimination is significant because such use of Government funds tends to favor or promote a monopoly in the business of shipping relief packages in the hands of one agency. And whether that agency is nonprofit or private enterprise makes no difference in this regard, for it is of the essence of our system and indeed of the working of the ECA mechanism that competition and not monopoly will bring the best results. Moreover, it is my understanding that unless this relief is accorded at least $35,000, and probably upward of $100,000, will remain in the British Treasury as counterpart funds instead of being channeled through private agencies into the pockets of American taxpayers in the form of reduced prices of relief packages in this country. The very purpose of section 117 (c) was to relieve the strain on the public purse to whatever extent possible for relief expenditures abroad by encouraging more private relief shipments abroad. With England in its present economic crisis, it is perhaps more important than at any other time to encourage insofar as we can more and more private relief shipments to that country. If the reimbursement in question, already made to CARE, is accorded to private agencies shipping relief parcels, they will be enabled to reduce their prices, and by thus passing the benefits on to American purchasers of these packages encourage the shipment of more relief parcels to Britain out of separate funds. That is the purpose of the following statement of the intention of Congress:

STATEMENT OF INTENTION RE ECA APPROPRIATION ACT

It is the intention of Congress that no part of the funds appropriated by this act shall be used by ECA, either alone or in conjunction with participating countries, to make or enforce any policy or regulation discriminating in the granting of any benefit or subsidy under section 117 (c) of the ECA Act, including reimbursement from counterpart funds or otherwise, between private enterprise and nonprofit agencies engaged in competition in the business of shipping relief packages abroad. It is intended that both types of business shall be accorded equal treatment and that any advantage or benefit out of United States or counterpart funds

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accorded to one shall be accorded to the other on the same terms.

FOREIGN-AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. WHERRY. Mr. President, will the Chair inform the Senate just what the amendment is?

The VICE PRESIDENT. It is the amendment on page 5, line 17, reducing the appropriation from $50,000,000 to $45,000,000.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment was, under the heading "National Military Establishment—Department of the Army—Civil functions—Government and relief in occupied areas," on page 6, line 9, after the word "including", to strike out "personal services in the District of Columbia and elsewhere and, subject to such authorizations and limitations as may be prescribed by the head of the department or agency concerned, tuition, personal allowances (not to exceed $10 per day), travel expenses (not to exceed those authorized for like United States military or civilian personnel), and fees incident to instruction in the United States or elsewhere of such persons as may be required to carry out the provisions of this appropriation."

Mr. HAYDEN. Mr. President, I have compared this language with that carried in the bill last year. The only difference in the wording is that last year it read: "limitations as may be prescribed by the Secretary of the Army." And now, in this bill, it reads: "limitations as may be prescribed by the head of the department or agency."

Of course, that is due to the reorganization.

Therefore, I suggest that it would be entirely proper to reject the committee amendment.

Mr. WHERRY. Is it the Senator's suggestion that this language should be stricken from the bill?

Mr. HAYDEN. I suggest that the Senate reject the committee amendment. The committee amendment proposes to strike the language from the bill.

The Senator will understand that there is absolutely no law of any kind for this carry-over. We have never had any basic law on this subject. The basic law was written in the appropriation bill, and this language was in the appropriation bill last year. The same language which we had in the bill last year is repeated in this bill.

In this particular paragraph, the only difference is that last year we provided for "limitations as may be prescribed by the Secretary of the Army," and in this instance we prescribed "limitations as may be prescribed by the head of the department or agency concerned."

The VICE PRESIDENT. The question is on agreeing to the committee amendment on, page 6, lines 9 to 17.

The amendment was rejected.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment was, on page 6, line 18, after the word "transportation", to strike out "services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to law (28 U. S. C. 2672); translation rights, photographic work, educational exhibits, and dissemination of information, including preview and review expenses incident thereto; expenses incident to the operation of schools for American children; printing and binding; purchase and hire of passenger motor vehicles and aircraft; repair and maintenance of buildings, utilities, facilities, and appurtenances; contingencies for the United States commanders, commissioners, or other administrators of foreign areas, to be expended in their respective discretions (not exceeding amounts authorized or approved by the head of the department or agency concerned)."

Mr. HAYDEN. Mr. President, there again I have compared the language of the amendment with what was contained in the law last year. In line 5, on page 7, after the word "commanders", the words "commissioners, or other administrators" have been added. I assume that is done because there is no longer a military government in Germany, but the government there now is a civilian government.

Again, in line 8, page 7, as the bill now stands it contains the word "the head of the department", whereas a year ago the bill read "Secretary of the Army."

In line 21 and line 22, on page 6, the bill now reads: "health service programs as authorized by law (5 U. S. C. 150); payment of claims pursuant to law."

Otherwise the language is the same as that used last year.

Mr. McKELLAR. I have no objection to the Senator's suggestion.

Mr. HAYDEN. Mr. President, therefore I suggest that the committee amendment be rejected.

The VICE PRESIDENT. The question is on agreeing to the committee amendment beginning on page 6, in line 18, and going down to line 8 on page 7.

The amendment was rejected.

The VICE PRESIDENT. The clerk will state the next amendment of the committee.

The next amendment was, on page 7, line 14, before the word "of", to strike out "$925,000,000" and insert "$900,000,000."

Mr. LUCAS. Mr. President, is this amendment in the same category?

Mr. HAYDEN. No; this amendment relates to a change in the amount of money provided.

The VICE PRESIDENT. It reduces the amount from $925,000,000 to $900,000,000.

Mr. LUCAS. I beg pardon; I misunderstood which amendment was pending.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 7, in line 14.

The amendment was agreed to.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, on page 7, line 14, after the word "which", to insert "(1) 90 percent of the amount required to finance the procurement of surplus agricultural products (determined surplus by the Secretary of Agriculture) of the kinds and in the quantities set out in the Department of the Army budget justification submitted to the Senate shall not be available for any other financing, and (2)."

Mr. LUCAS. Mr. President, I made a point of order against the same language appearing on page 4 of the bill. The Chair sustained that point of order, and thereafter the Senate sustained the position of the Chair.

I now make the same point of order as to this amendment, without argument.

The VICE PRESIDENT. The Chair sustains the point of order.

The next amendment of the committee will be stated.

The next amendment was, on page 7, line 20, after the word "exceed", to strike out "$45,000,000" and insert "$40,000,000."

The amendment was agreed to.

The next amendment was, on page 7, line 21, after the word "expenses", to strike out the colon and the following proviso: *"Provided,* That the general provisions of the appropriation act for the fiscal year 1950 for the military functions of the Department of the Army shall apply to expenditures made by that Department from this appropriation."

Mr. HAYDEN. Mr. President, this proviso and the language which follows it, Congress considered necessary a year ago in order that the Government relief in occupied areas might be carried on. There are a few minor changes. For example, on page 7, line 9, it now reads "such areas." Last year it read, "Japan, Korea, and the Ryukyus." On page 9 of the bill, beginning with line 13, there is a provision which was included in the Senate bill last year but was deleted in conference, which the House has now included, namely:

Provided further, That service of an individual rendered under this appropriation as an expert, consultant, adviser, or technician shall not be considered as service or employment bringing such individual within the provisions of sections 281 or 283 of title 18, United States Code, of section 190, Revised Statutes (5 U. S. C. 99), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

The Senate had that proviso in the bill last year. The House would not agree to it but has now included it. Further along we had the words "Secretary of the Army." That has been changed to read "head of a department or agency."

Mr. WHERRY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Nebraska?

Mr. HAYDEN. I yield.

Mr. WHERRY. I think the Senator is correct in his interpretation, as I believe the chairman of the committee will agree.

Mr. McKELLAR. In view of the votes which have already been taken, there is no reason why it should not be stricken out.

Mr. WHERRY. I should like to make an inquiry of the Senator from Arizona. Beginning at the bottom of page 7, line 25, this language appears:

Provided further, That expenditures from this appropriation may be made outside continental United States, when necessary to carry out its purposes, without regard to sections 355, 1136, 3648, and 3734, Revised Statutes, as amended, civil service or classification laws, or provisions of law prohibiting payment of any person not a citizen of the United States: *Provided further,* That expenditures from this appropriation may be made, when necessary to carry out its purposes, without regard to section 3709, Revised Statutes, as amended, and the Armed Services Procurement Act of 1947 (Public Law 413, 80th Cong.): *Provided further,* That expenditures may be made hereunder for the purposes of—

From that point clear to the end of the section, the bill is completely filled with legislation.

Mr. HAYDEN. There is no question about that.

Mr. WHERRY. That is the point I wanted to bring to the attention of the Members of the Senate.

Mr. HAYDEN. This legislation provides for government and relief in occupied areas.

Mr. WHERRY. Certainly.

Mr. HAYDEN. Congress adopted it last year. The House had again approved it.

Mr. WHERRY. If the Senator will permit, I ask if it was not legislation. I should merely like to say, if there is no objection, it points out in a graphic way to the Senate what the House does by way of writing legislation into an appropriation bill on which a point of order cannot be made. All we can do is reduce amounts. As I argued on the very first day, on the Senate floor, if we are going to be consistent, certainly the Senate rules should provide, it seems to me, that the Senate shall have an equal opportunity with the House so far as writing legislation into an appropriation bill is concerned; yet on the Senate floor any Senator who wants to take advantage of the situation can raise a technical point of order, and out goes the legislation, although all through the appropriation bill we condone legislation that has been written into the bill by the House.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Tennessee?

Mr. HAYDEN. I wanted first to reply to the Senator from Nebraska by saying, as chairman of the Committee on Rules and Administration, of which he is the ranking minority member, that I am going to join with him to see whether we cannot recommend changes in the Senate rules so there can be no question in the future with respect to the right of the Senate properly to amend legislation written into an appropriation bill by the House.

Mr. WHERRY. I appreciate that, and I thank the Senator. But I want to say once again that I believe the points of order raised by the majority leader, followed by the recommittal of the bill to the committee, in connection with the amendment proposed by the Senator from Arkansas, and the action of the Senate in striking out all these legislative matters, has forcibly called to the attention of Members of the Senate the procedure under which we operate and has shown the Senate how and why it should be corrected, in order that we may have at least an equal chance to place legislation in appropriation bills, when such legislation apparently is necessary, by way of a limitation.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McKELLAR. Mr. President, I am very happy that the chairman of the Committee on Rules and Administration is going to give thought to the matter referred to. The present instance shows in a most graphic way that the House does the legislating and the Senate approves the House legislation, but any suggestion, even of a limitation, that may be written into an appropriation bill by the Senate committee is made almost impossible. It makes the Senate a sort of auxiliary body, either to say it approves or disapproves, but with no authority concerning the care of the taxpayers' money.

If nothing else good comes out of this bill—and I doubt that a great deal of good will come out of it—it may be that as a result of the procedure on this bill the Senate will be accorded the right to take some little part in the most important legislation passed by the Congress, namely, appropriation bills.

So, Mr. President, because of the adverse votes already taken, which uphold the House in all of its legislation and which take away from the Senate the power to enact legislation on appropriation bills, I am not going to make any further protest against the action of the majority of the Senate. I realize the majority can control, and they have controlled.

I merely want to say I protest against it with all the vigor of which I am capable. I do not think it is just or fair to the Senate, under the Constitution, which seems to be almost a back number now. We legislate without regard to it. I see my distinguished friend who made the points of order is against the committee's report. I am sorry he feels sleepy. I may say to him I would not disturb him for anything in the world. I am not going to talk any longer.

The VICE PRESIDENT. The question is on agreeing to the committee amendment striking out certain language of the House bill.

Mr. LUCAS. Mr. President, I did not know I had fallen under the spell of the distinguished's Senator's oratory to the point where I had gone to sleep.

Mr. McKELLAR. The Senator was yawning as though he were going to sleep, and somehow or other when I am talking I like to have people listen, because I think I usually have something to say, though it does not have any effect on the Senator from Illinois. [Laughter.]

Mr. LUCAS. Any time the Senator can put the Senator from Illinois to sleep, the Senator from Tennessee should feel highly complimented.

Mr. McKELLAR. I do feel highly complimented.

Mr. LUCAS. There are very few Senators who can do that.

The VICE PRESIDENT. Without objection, the yawn of the Senator from Illinois will be stricken from the RECORD. [Laughter.]

The question is on agreeing to the amendment on page 7, line 21.

The amendment was rejected.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, on page 7, line 25, after the word "appropriation", to strike out the following proviso: "*Provided further,* That expenditures from this appropriation may be made outside continental United States, when necessary to carry out its purposes, without regard to sections 355, 1136, 3648, and 3734, Revised Statutes, as amended, civil service or classification laws, or provisions of law prohibiting payment of any person not a citizen of the United States."

The amendment was rejected.

The next amendment was, on page 8, line 6, after the amendment above stated, to strike out the colon and the following additional proviso: "*Provided further,* That expenditures from this appropriation may be made, when necessary to carry out its purposes, without regard to section 3709, Revised Statutes, as amended, and the Armed Services Procurement Act of 1947 (Public Law 413, 80th Cong.)."

The amendment was rejected.

The next amendment was on page 8, line 11, after the amendment above stated, to strike out the colon and the following additional proviso: "*Provided further,* That expenditures may be made hereunder for the purposes of economic rehabilitation in the occupied areas in such manner as to be consistent with the general objectives of the Economic Cooperation Act of 1948, as amended."

The amendment was rejected.

The next amendment was, on page 8, line 15, after the amendment above stated, to strike out the colon and the following additional proviso: "*Provided further,* That funds appropriated hereunder and unexpended at the time of the termination of occupation by the United States, of any area for which such funds are made available, may be expended by the President for the procurement of such commodities and technical services, and commodities procured from funds herein or heretofore appropriated

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for government and relief in occupied areas and not delivered to such an area prior to the time of the termination of occupation, may be utilized by the President, as may be necessary to assist in the maintenance of the political and economic stability of such areas."

The amendment was rejected.

The next amendment was, on page 9, line 1, after the amendment above stated, to strike out the colon and the following additional proviso: *"Provided further,* That before any such assistance is made available, an agreement shall be entered into between the United States and the recognized government or authority with respect to such area containing such undertakings by such government or authority as the President may determine to be necessary in order to assure the efficient use of such assistance in furtherance of such purposes."

The amendment was rejected.

The next amendment was, on page 9, line 8, after the amendment above stated, to strike out the colon and the following additional proviso: *"Provided further,* That such agreement shall, when applicable, include requirements and undertakings corresponding to the requirements and undertakings specified in sections 5, 6, and 7 of the Foreign Aid Act of 1947 (Public Law 389, approved December 17, 1947)."

The amendment was rejected.

The next amendment was, on page 9, line 13, after the amendment above stated, to strike out the colon and the following additional proviso: *"Provided further,* That service of an individual rendered under this appropriation as an expert, consultant, adviser, or technician shall not be considered as service or employment bringing such individual within the provisions of sections 281 or 283 of title 18, United States Code, of section 190, Revised Statutes (5 U. S. C. 99), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States."

Mr. BRIDGES. Mr. President, on this particular amendment I concur in striking out the language, which is as follows:

Provided further, That service of an individual rendered under this appropriation as an expert, consultant, adviser, or technician shall not be considered as service or employment bringing such individual within the provisions of sections 281 or 283 of title 18, United States Code, of section 190, Revised Statutes (5 U. S. C. 99), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

I should like to point out that that is an exception to the rule which we usually follow in this country.

Mr. HAYDEN. Mr. President, I suggest that it be taken to conference.

Mr. BRIDGES. Very well. I have no objection to that.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

THE VICE PRESIDENT. The next amendment will be stated.

The next amendment was, on page 9, line 24, after the amendment above stated, to strike out the colon and the following additional proviso: *"Provided further,* That funds appropriated hereunder may be used, insofar as practicable, and under such rules and regulations as may be prescribed by the head of the department or agency concerned, to pay ocean transportation charges from United States ports, including territorial ports, to ports in Japan and the Ryukyus for the movement of supplies donated to, or purchased by, United States voluntary nonprofit relief agencies registered with and recommended by the Advisory Committee on Voluntary Foreign Aid or of relief packages consigned to individuals residing in such countries."

The amendment was rejected.

The next amendment was, on page 10, line 9, after the amendment above stated, to strike out the colon and the following additional proviso: *"Provided further,* That under the rules and regulations to be prescribed, the head of the department or agency concerned shall fix and pay a uniform rate per pound for the ocean transportation of all relief packages of food or other general classification of commodities shipped to Japan or the Ryukyus regardless of methods of shipment and higher rates charged by particular agencies of transportation, but this proviso shall not apply to shipments made by individuals to individuals."

The amendment was rejected.

The next amendment was, on page 10, line 18, after the amendment above stated, to strike out the colon and the following additional proviso: *"Provided further,* That the President may transfer to any other department or agency any function or functions provided for under this appropriation, and there shall be transferred to any such department or agency such unobligated balances of this appropriation and, without reimbursement and without regard to the appropriation from which procured, such property as the Director of the Bureau of the Budget shall determine to relate primarily to any function or functions so transferred; and any funds so transferred may be expended either under the authority contained herein or under the authority governing the activities of the department or agency concerned."

The amendment was rejected.

The next amendment was, under the heading "Title II—General provisions," on page 11, line 14, after the word "violence", to strike out the colon and the following proviso: *"Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence."

Mr. HAYDEN. Mr. President, I think that entire amendment should be disagreed to, because it destroys the effect of the original provisions of the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The next amendment was, on page 11, line 23, after the amendment above stated, to strike out the colon and the following additional proviso: *"Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both."

The amendment was rejected.

The next amendment was, on page 12, line 9, after the amendment above stated, to strike out the colon and the following additional proviso: *"Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law."

The amendment was rejected.

The next amendment was on page 12, after line 12, to strike out:

SEC. 202. This act may be cited as the "Foreign Aid Appropriation Act, 1950."

The amendment was rejected.

The VICE PRESIDENT. That completes the committee amendments.

Mr. McKELLAR. Mr. President, the committee has instructed me to offer an additional amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 11, line 4, after the word "concerned", it is proposed to insert the following: *"Provided,* That when members of the armed forces are employed primarily for the purpose of this appropriation, the mileage and other travel allowances to which they may be entitled shall be paid therefrom."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee on behalf of the committee.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, the committee directed me to offer another amendment which I shall ask the clerk to read.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 11, after the amendment last agreed to, it is

proposed to insert the following: "*Provided further*, That when the Department of the Army, under the authority of the act of March 3, 1911, as amended (10 U. S. C. 1253), furnishes subsistence supplies to personnel of civilian agencies of the United States Government serving in Germany, payment therefor by such personnel shall be made without regard to the 10 percent additional charge required by said act, but payment for subsistence supplies by such personnel shall be at the same rate as is paid by civilian personnel of the Department of the Army serving in Germany."

Mr. McKELLAR. Mr. President, the committee, after examination, came to the conclusion that this was a just and fair amendment, and I certainly hope it will be accepted by a two-thirds vote.

The VICE PRESIDENT. Unless a point of order is made against the amendment, the question of a two-thirds vote does not arise.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I have a third amendment, and that completes the amendments.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5, line 3, after the date "1950", it is proposed to insert the following: "*Provided further*, That the list of limited and prohibitive industries scheduled for destruction in, or removal from, Germany shall be reviewed and the Administrator of the Economic Cooperation Administration shall seek to obtain the retention in Germany of such plants on this list as would best serve European recovery if left in Germany."

Mr. McKELLAR. Mr. President, this is an amendment which met with the full approval of the committee, and I hope it will be adopted.

Mr. BRIDGES. Mr. President, is this the dismantling amendment?

Mr. McKELLAR. It is.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee on behalf of the committee.

Mr. BRIDGES. Mr. President, I should like to offer a substitute amendment which would be in line with the legislation. I should like to have it stated and see if it will be agreed to.

The VICE PRESIDENT. The secretary will state the amendment offered by the Senator from New Hampshire.

The LEGISLATIVE CLERK. In lieu of the amendment proposed by Mr. McKELLAR, it is proposed to insert the following: Beginning on page 4, line 23, strike out the colon, insert a comma and the following words: "of which not more than $25,000 shall be available to carry out the provisions of section 115 (f) of the Economic Cooperation Act of 1948, as amended by the act of April 19, 1949 (Public Law 47)."

Mr. McKELLAR. Mr. President, I should like to understand the difference between that amendment and the committee amendment.

Mr. BRIDGES. Mr. President, it is phrased so that it conforms to the authorization. I intended to make a few remarks on the dismantling problem to show that this amendment would give the Administrator discretion to review, under the authorization of the original act, the whole subject, but it would not be a specific instruction, as would be the amendment which the Senator from Tennessee has offered.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HAYDEN. Is this the matter on which the Senator from New Hampshire and the Senator from Wyoming were working?

Mr. BRIDGES. Yes; but I have not the O. K. of the Senator from Wyoming on it. The other amendment was clearly legislation. This amendment is not legislation. It simply provides money to carry out the authorization in the original authorization act, leaving it to the discretion of the Administrator. I do not think there should be any real objection to it.

Mr. McKELLAR. Mr. President, I do not think there is any difference, and I am perfectly willing to accept the substitute.

Mr. BRIDGES. Mr. President, may the clerk state the amendment again, so that Members will understand it?

The VICE PRESIDENT. The amendment will again be stated.

The LEGISLATIVE CLERK. In lieu of the amendment offered by Mr. McKELLAR, it is proposed to insert the following: On page 4, line 23, strike out the colon, insert a comma and the following words: "of which not more than $25,000 shall be available to carry out the provisions of section 115 (f) of the Economic Cooperation Act of 1948, as amended by the act of April 19, 1949 (Public Law 47)."

The VICE PRESIDENT. Does the Senator from Tennessee accept the amendment?

Mr. McKELLAR. I accept it.

Mr. HAYDEN. Mr. President, I know the Senator from Wyoming [Mr. O'MAHONEY] is interested in this subject. I have been trying to get word to him that it was under consideration.

Mr. KNOWLAND. Mr. President, I have an amendment which could be considered in the meantime.

The VICE PRESIDENT. Without objection, the amendment offered by the Senator from New Hampshire will be passed over temporarily.

Mr. KNOWLAND obtained the floor.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. The amendment of the Senator from New Hampshire was accepted by the chairman of the committee.

The VICE PRESIDENT. It still has to be voted upon by the Senate.

Mr. WHERRY. Why could it not be voted on now?

Mr. HAYDEN. Mr. President, I was referring to an interest which I know the Senator from Wyoming had in the matter. The amendment may be entirely satisfactory to him, but I want to send for him, and in the meantime we can take up the amendment of the Senator from California.

The VICE PRESIDENT. The amendment of the Senator from New Hampshire is temporarily passed over, and the Chair has recognized the Senator from California.

Mr. KNOWLAND. Mr. President, the amendment which I offer under suspension of the rule, because it is also legislation, I wish to send to the desk and ask to have stated.

The VICE PRESIDENT. The secretary will state the amendment.

The LEGISLATIVE CLERK. On page 6, after line 2, it is proposed to insert the following:

CHINESE STUDENTS

The President is authorized and directed to allocate to the Secretary of State the sum of $4,000,000 out of any unobligated balance of the amount made available under section 12 of the act entitled "An act to amend the Economic Cooperation Act of 1948," approved April 19, 1949 (Public Law 47, 81st Cong.), to be used, under such regulations as the Secretary of State may prescribe, for necessary expenses of tuition, subsistence, and return passage to China for selected citizens of China to study in accredited colleges, universities, or other educational institutions in the United States approved by the Secretary of State for the purposes of this paragraph; such amount to remain available until expended.

Mr. KNOWLAND. Mr. President, if I may make a brief explanation of the amendment——

Mr. McKELLAR. Mr. President, the committee has approved the amendment. It does not increase the appropriation. It merely provides for use of money which is already in the hands of the Administrator, and the committee has no objection to the amendment.

Mr. KNOWLAND. Mr. President, I wish to say, relative to the amendment, that it brings about the same result that is effected by House bill 5602, which had the support of both the State Department and Mr. Hoffman, the Administrator of ECA. Out of the ECA funds in title 4 about $56,000,000 was left over in the China-aid program, and, with some of the diversions of materials which had been shipped, due to the situation in China, I am informed by the ECA Administration, the amount is now about $80,000,000. The amendment does not add any sum of money to the pending appropriation bill, but provides that out of the unencumbered balance of title 4 funds of ECA, this amount shall be set aside, that some 4,000 students who are in this country under agreement between the Chinese Government and our Government may continue their education and then be returned to China.

Mr. President, it is a very worthy amendment. As I have said, the bill that was introduced in the House had the support of the State Department and Mr. Hoffman. The action proposed is really one of the real bridges of friendship we will have between this country and the people of China in the future. The House of Representatives suspended its rule and adopted the bill in question by a vote of 254 to 46.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MAGNUSON. The situation described by the Senator is particularly

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applicable in the west-coast schools, where many Chinese are students.

Mr. KNOWLAND. It applies not only there, but throughout the country.

Mr. MAGNUSON. But the major portion of the students are in that area. When they came to this country, they all had their own funds, which they could get from China, but in view of the situation in China today, and the complete inability to get funds, there is no opportunity for them to support themselves, because they are not American citizens, and the proposed investment, to enable them to continue their training, since they intend to return to China, might well be worth while.

Mr. KNOWLAND. What the Senator says is true.

Mr. LUCAS. Mr. President, I have no objection to the amendment. I understand it is reported by the committee unanimously.

Mr. KNOWLAND. The committee unanimously authorized me to offer this amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

The amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, with the approval of the committee, I submit an amendment and ask that it be reported by the clerk.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 12, after line 12, it is proposed to insert the following:

SEC. 202. During the fiscal year ending June 30, 1950, the Department of the Army is authorized to operate the Morgantown Ordnance Works at Morgantown, W. Va., the Ohio River Ordnance Works at West Henderson, Ky., and the San Jacinto Ordnance Works at San Jacinto, Tex., for the production of anhydrous ammonia for the manufacture of nitrogenous fertilizer materials or nitrogenous compounds for its use in the occupied countries and for sale for use in the Republic of South Korea. From the proceeds of materials sold there shall be credited to the appropriation for "Government and relief in occupied areas" an amount equivalent to the cost of production of such materials and any balance to miscellaneous receipts of the Treasury. Section 205 of Public Law 793, Eightieth Congress, and any other laws in conflict herewith, are repealed effective June 30, 1949.

Mr. THOMAS of Oklahoma. Mr. President, I think a brief statement should be made with respect to the amendment. It is legislation, of course, but I have authority from the committee to present it, and I have filed a notice so that if objection shall be raised that the amendment proposes legislation to a general appropriation bill, the issue may be put to a vote.

Mr. President, during the war we built a great number of plants for the making of certain chemicals. After the war was over we had those plants and some of the chemicals being produced in such plants were valuable as ingredients for fertilizer. So last year Congress enacted, as one section of the bill providing for the ECA, a direction to the Army to keep on producing such chemicals, anhydrous ammonia being the principal one, and directed the Army to keep the plants in operation. It directed, further, that 50 percent of the total exports should come from these Army plants. On the floor of the Senate, at the insistence of the junior Senator from Oregon [Mr. MORSE] 10 percent of our production was to be retained in the United States.

Conditions have changed since last year. One year ago the Army needed fertilizer for use in occupied areas. Under the 1948 law the excess of anhydrous ammonia produced in Army plants was to be distributed as directed by the Department of Commerce. The Commerce Department is not specially interested in the distribution of fertilizer, and the Department of the Army wants, so I am advised, to get out of the business of producing fertilizer. My amendment would repeal last year's enacted law, which is now out of date. The amendment permits the Army to keep three plants in operation, and from the fertilizer produced in such plants a certain percentage, now undetermined, is to be sold to the Republic of Korea, the balance to be sold and the funds received therefor are to be placed in the Federal Treasury.

This is an amendment recommended by the Department of Commerce, recommended by the War Department, and likewise recommended by a special subcommittee of the Committee on Agriculture of the House of Representatives.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. LUCAS. In the original bill, the proviso in section 202 reads as follows:

That nothing in this section shall be construed to repeal the provisions of section 205 of Public Law 793, Eightieth Congress, with respect to the production and allocation of nitrogenous fertilizer materials for domestic use.

As I listened to the reading of the amendment offered by the Senator from Oklahoma, it seems the amendment does repeal section 205.

Mr. THOMAS of Oklahoma. Yes, and this is how that came about, I will say for the benefit of the Senator from Illinois. The amendment was originally agreed to by all parties in interest, and was then presented to the Senate Appropriations Committee. When the committee was engaged in marking up the bill, there was a misunderstanding about the meaning of the last sentence, whereupon a provision was incorporated in the section which was contrary to the agreement which had theretofore been arrived at and about which the Senator from Illinois has just inquired. Later the matter was reconsidered and the original language was agreed to and the original amendment is now before the Senate.

Mr. LUCAS. I have no objection.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. Are motions to suspend the rule now in order with relation to amendments which have been taken out of the bill?

The VICE PRESIDENT. All committee amendments have now been acted on, and motions to suspend the rules with regard to amendments heretofore declared out of order are now in order.

Mr. McCLELLAN. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. After a motion is made to suspend the rule, is the motion debatable?

The VICE PRESIDENT. The motion is debatable.

Mr. McCLELLAN. Mr. President, pursuant to notice previously given, I move that the rule be suspended and that I be permitted to offer an amendment on page 4, line 2, of the bill, which amendment was stricken from the bill, and as to which I gave notice of a motion to suspend the rule.

The VICE PRESIDENT. The Senator has moved to suspend the rule in order to permit him to offer an amendment which has been heretofore stricken from the bill, and the motion is debatable. The Senator from Arkansas is recognized. Notice has heretofore been given.

The Chair will say that notices of all motions to suspend the rule which have heretofore been submitted, are at the desk.

Mr. RUSSELL. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield.

Mr. RUSSELL. A number of Senators, who are not now present, are interested in the amendment. I should like to suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator from Arkansas yield for that purpose?

Mr. McCLELLAN. I should like to make a brief statement to the Senate on the motion. I yield, however, for the purpose of the suggestion of the absence of a quorum.

Mr. RUSSELL. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Holland	Morse
Brewster	Humphrey	Mundt
Bricker	Ives	Myers
Bridges	Jenner	Neely
Butler	Johnson, Colo.	O'Conor
Byrd	Johnson, Tex.	O'Mahoney
Cain	Johnston, S. C.	Robertson
Chapman	Kefauver	Russell
Chavez	Kem	Saltonstall
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Smith, N. J.
Donnell	Knowland	Sparkman
Downey	Langer	Stennis
Dulles	Lodge	Taft
Eastland	Long	Taylor
Ecton	Lucas	Thomas, Okla.
Ellender	McCarran	Thomas, Utah
Ferguson	McCarthy	Thye
Frear	McClellan	Tydings
Fulbright	McFarland	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Martin	Young
Hill	Maybank	
Hoey	Millikin	

The VICE PRESIDENT. A quorum is present.

Mr. McCLELLAN. Mr. President, I regret that it is necessary for me to pursue this matter further, but I wish to undertake again to have this amendment considered on its merits and decided by a majority vote of the Senate. I cannot have that done unless the rules of the Senate are suspended.

This motion to suspend the rule does not involve primarily the merits of the amendment itself. There is a more important issue raised by the motion to suspend the rule then is the issue involved in the amendment itself. The merits of the amendment go to the saving of the taxpayers' money, and that is pretty important. But the primary issue raised by the motion is whether the Senate is willing to continue to operate under the rule which shackles it in legislation to a two-thirds vote instead of a majority vote on important legislation. All appropriation bills are important legislation. The House has coresponsibility with the Senate to legislate on appropriation bills. That body legislates by a majority vote. But we in the Senate, under the rules as they have been interpreted by the Chair in the rulings made during the past few days, and the rulings which have been sustained by the votes of the Senate, are required to follow a procedure under which, if even one Member of the Senate desires to legislate by a two-thirds vote instead of a majority vote, he can force the Senate to legislate in that manner.

Mr. President, I regret the necessity of having to take the parliamentary course which I have followed with this amendment. Irrespective of the final outcome of this issue, irrespective of whether this amendment is adopted or not, the parliamentary procedure which we have had to follow for the past week or two with reference to the bill, a point of order having been made against the bill and the bill having been returned to the Appropriations Committee, still leaves us shackled by the requirement of a two-thirds vote. We must legislate by a two-thirds vote on this bill and on the same issues on which the House legislated by majority vote.

I believe that this dilemma has pointed out to the Senate a serious situation with respect to our rules, according to their present interpretation, and that an effort should be and will be made to relax rules of the Senate so as to remove this restriction and make it possible for the Senate to function in its democratic processes, by a majority vote instead of a two-thirds vote.

Mr. President, I shall not take much time to further debate the amendment. The merits of the amendment have been pretty well covered in previous debate. But I take this occasion, in my final plea, to ask my colleagues to let us legislate by majority vote.

According to press reports the opponents of the amendment have admitted the adoption of the amendment would save $500,000,000. In other words, according to their own admission $500,000,000 would be retained in the United States Treasury. It would never be used for the purposes for which the Administrator of the ECA and the European countries said the money was needed. The money would still remain in the Treasury of the United States.

This amendment, if agreed to, would represent a saving of half a billion dollars; but we must take into account that in order to carry out the program without this limitation, another $1,000,000,000 will also have to be added to the $500,000,000, to be taken out of the Treasury of the United States and put into circulation, given to those countries to spend in foreign markets if they choose to do so rather than buy our surpluses. This amendment would mean a reduction in the appropriation of $500,000,000 so its opponents say. We are giving those nations another billion dollars, plus $500,000,000, to spend in foreign markets when we have in surplus here the agricultural commodities which they say they want and are going to buy. These surplus commodities are already Government property, owned and paid for by the Government, paid for with taxpayers' money. We now propose to spend money or give it to European countries for what we already have and have already paid for.

Certainly these dollars will ultimately come back to the United States. They will find their way back here in commerce and trade, but will not find their way back into the United States Treasury, except through taxation of the American people. They will simply be added to the national debt. Another billion and a half dollars will be added to the national debt.

I know, Mr. President, this amendment may not be very popular at the moment in some quarters, but 1 year from now, when an accounting is had, when the act comes before us for extension and further appropriations, and we review the past operations under the act, this amendment will be more popular. It will then be favored. The American people will understand its purpose. They will know by that time the amount of money it would have saved them. By then it would receive the support of a majority of this Senate.

Mr. President, my colleagues have just as much interest as I have in the effort to legislate for the protection of the American people. Whether my colleagues favor the amendment or not, on the issue raised by this motion I ask them to vote to suspend the rule, give us a two-thirds vote, and let the amendment be acted upon on its merits. If the amendment is then defeated, while I shall not change my opinion about its merits, and will still have the conviction which prompted me to submit it in the beginning, I shall be satisfied if the parliamentary situation which has developed focuses the attention of the Senate to a sufficient extent upon the shackles under which it must now operate so that it will be willing to change the rule.

I believe that ultimately the Senate will want to legislate by majority vote and not by two-thirds on the most vital questions which come before us, when we are spending billions of dollars in foreign countries for their relief, in the hope that they may achieve a large measure of economic recovery, which would in turn be beneficial to the United States.

Let me remind Senators that since the war we have been voting and spending billions of dollars on the representation that European countries must have aid, and that it is in our interest to provide such aid. I remember the persuasive arguments which were made to this body when the Bretton Woods Agreement was before us, and when we authorized and appropriated money for a World Bank and a World Stabilization Fund.

I thought then, from the representations which were made as to the need for such legislation and appropriations, that that was the course we were to follow in rendering assistance in the postwar period. But the ink had hardly dried upon those measures when Great Britain was back pleading for a loan of $4,500,000,000. We made the loan. I voted against it, but we made it, without any strings to it. Today Great Britain is in worse condition than she was the day we gave her the money. That is what we do when we write blank checks with no conditions attached, and turn the money over to foreign countries for expenditure. Today Great Britain's financial and economic condition, irrespective of the money she has received from that loan and this ECA program, amounting to $6,000,000,000, is worse than it was before we gave her the money. Her situation today is more critical than it was on the day when she asked for a loan. How much more does she want? She is not satisfied with this; she says she needs another $624,000,000, in addition to her $1,000,000,000 quota of this fund we are now appropriating in this bill.

The point I am making is that when it is said that we must not impose any conditions on the granting of these funds because to do so would violate the sovereignty of the countries affected, I say we had better place some conditions or restrictions upon the granting and expenditure of these funds so as to safeguard and protect the United States, or later we shall find that the money will have been thrown away, and then at the end of this program we shall have obtained no beneficial results for either them or ourselves. If Senators think we shall make friends by buying them with this money, I say that unless we require these countries to meet reasonable obligations and conditions in order to obtain this help, so that we may be assured that in all probability some benefits will come from this aid on our part, when the program is ended, as the conditions in these countries grow worse—as in Britain conditions already are growing worse—will we have a friend, then, if we stop giving them money? We owe some consideration to our own interest and to our own solvency.

I am simply trying in this way, based on my humble opinion and best judgment, to place in the bill some conditions and restrictions that will safeguard this gift we are making from the taxpayers of the United States; to place some requirement which in the end will give greater hope and promise that this program will be effective and that our objective will be attained.

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I hope the Senate will agree with me that we should legislate by majority vote in this matter, and should not keep ourselves shackled in connection with these important issues by the requirement of a two-thirds vote, when the interests of our Nation and the best interests of this program are at stake.

Mr. President, we can give, throw, this money away if we choose, or we can spend it for real help to these countries. I am trying not to be wasteful—I am trying not to spend $2 of taxpayers' money where $1 will get the same results if properly spent and controlled.

The VICE PRESIDENT. The question is on agreeing to the motion to suspend paragraph 4 of rule XVI.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had insisted upon its amendment to the bill (S. 1962) to amend the cotton and wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. PACE, Mr. POAGE, Mr. HOPE, and Mr. AUGUST H. ANDRESEN were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota.

REMODELING OF THE SENATE CHAMBER—LETTER FROM WILLIAM W. WURSTER

Mr. LODGE. Mr. President, I have received from Mr. William W. Wurster, who is the dean of the School of Architecture and Planning at the Massachusetts Institute of Technology, a letter in which he comments on the attempt which was made by me to save the architectural style of the Senate Chamber. My reference was only to style, for, as Senators know, I have always been strongly in favor of anything that would make the Chamber and the Senate more modern in the true sense of making it more efficient. Dean Wurster, who is evidently an authority in the field of architecture, points to conspicuous and distinguished examples in this country of old buildings and old styles being retained, thereby furnishing an impressive record of our past. I think it might be healthy for those who want to destroy structures simply because they are old to read this letter. Perhaps a reading of the letter of Dean Wurster will at least slow up, if it does not prevent, our rather unconscious stumble into vandalism.

At this point perhaps I should read a few lines from the letter:

Times and taste change, but architecture as a living document of history should be retained.

* * * * *

When I read of removing the good strong character of the Senate Chamber to replace it possibly by some pallid period, I was sad. As Alvar Aalto, our visiting professor from Finland, said of some other things, "Why have all shiny, drug-store architecture?"

So, Mr. President, I ask unanimous consent to have the entire letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MASSACHUSETTS
INSTITUTE OF TECHNOLOGY,
SCHOOL OF ARCHITECTURE
AND PLANNING,
Cambridge, Mass., July 19, 1949.

The Honorable HENRY CABOT LODGE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LODGE: It was of great interest that you desired to retain the character of the Senate Chamber, and I add my voice to yours. Times and taste change, but architecture as a living document of history should be retained. The Harvard Yard is the most interesting and significant of all the college groups, for during the years we have the evidence of what was thought best in those years. Quiet Holworthy and the dormitories at its side, the craftsmanship of the Gothic Revival, the beauty of Bulfinch's University Hall, the robustness of Richardson's Seaver, and so it goes. Movie set perfection as shown at Hansel and Gretel Yale seems out of key with the seeking for reality which is the first principle of a university. Yes, I like memorial hall, and I hope they find a real use for it. I wonder why they don't use it again as a dining hall? By this same token I have a dislike for the Harvard houses on the river, for they seem an unreal attempt to catch hold of times past.

I have written to Douglass Orr, of the American Institute of Architects, to express the hope they can remodel the White House, for surely a building coming through war and fire cannot be duplicated exactly.

When I read of removing the good strong character of the Senate Chamber to replace it possibly by some pallid period, I was sad. As Alvar Aalto, our visiting professor from Finland, said of some other things, "Why have all shiny, drug-store architecture?"

Sincerely yours,
WILLIAM W. WURSTER,
Dean.

AIR-LINE DEVELOPMENTS

Mr. BREWSTER. Mr. President, I ask unanimous consent to have inserted at this point in the RECORD an editorial from Aviation Week dealing with the speech made by the Senator from Colorado [Mr. JOHNSON], chairman of the Committee on Interstate and Foreign Commerce, at the celebration of the twentieth anniversary of the TWA service. His speech was made just the other day at Kansas City. This editorial is a most excellent analysis and appraisal of the admirable contribution of the Senator from Colorado to our commercial air program. In this connection I also ask to have printed in the RECORD, in connection with the editorial, a summary of the speech which was issued in the Klein Newsletter at about the same time, coming from Kansas City.

There being no objection, the editorial and summary were ordered to be printed in the RECORD, as follows:

[From Aviation Week of August 1, 1949]

SENATOR JOHNSON'S SOUND APPRAISAL

Broad outline of the program Congress may propose to strengthen the air lines has been revealed by Senator EDWIN C. JOHNSON, whose Interstate and Foreign Commerce Committee is investigating industry finances.

Speaking at Kansas City during TWA's twentieth anniversary celebration, JOHNSON came out flatly for separation of service mail payments from subsidy. He urged more consolidation of ground services, additional equipment interchange agreements, and thorough exploration of the potentialities of air coach.

The address was temperate, unprejudiced, and discriminating in its analysis of air-transport problems. The Senator apparently has been able to discern basic problems despite the inevitable muddying of the record by a minority of intemperate and inconsequential material presented on both the scheduled and nonscheduled sides.

Senator JOHNSON believes air transportation "is about to become the most attractive and economic transportation in history. * * * I still look for a tremendous increase in air-traffic volume."

The speaker said: "It is clear that Congress as well as the Civil Aeronautics Board may have to consider means to induce air lines to transfer routes and to merge or consolidate on reasonable terms and in the best interests of the public."

He advised air-line management to consider carefully all merger possibilities.

"Great credit is due the air lines for the speed with which they reversed their field and ran for cover" during the hard times of postwar. "Nevertheless, they have not gone as far, nor as fast, as the economic pressures demand."

Turning to air-line financing, JOHNSON asserted some carriers had adopted unwise policies. He criticized operators who have not maintained a reasonable ratio between debt and equity financing.

He said he was reluctant to advocate further encroachment by Government on the domain of business management's normal function. "But the unpleasant facts disclosed by our inquiry cause me to favor the imposition of CAB control over security issues," he said.

The chairman emphasized that his statements did not necessarily reflect the thinking or judgment of the Interstate and Foreign Commerce Committee. It is expected, however, that the committee majority's views will not vary substantially from JOHNSON's.

Although the air lines are not yet out of the woods, 1949 has been a turning point in the industry's fortune, JOHNSON declared. "Fixed charges and operating expenses have declined slightly * * * regularity is better, safety has made tremendous gains, and traffic is up. Hope and faith have returned, and charity is on its way out."

JOHNSON indicated belief that the air lines tried only half-heartedly to consolidate their airport operations "a more aggressive approach toward consolidated operations would produce savings without sacrifice in service. If CAB eliminated some of the lone-wolf duplicating operations as legitimate expenses in determining mail pay we would have a very different story."

He took notice of CAB delays in major cases, and the applicant's expense and time required, which "can lead the average citizen into financial ruin." Each of the four major applicants in the air freight case had testified that his costs so far had been from $70,000 to $100,000 to pursue certificate efforts. "I wonder how much the ATA and the certificate carriers have spent in opposing them?"

JOHNSON spoke favorably of the first-of-the-week family fare plan and special excursion rates. But "no one will deny that of these three, air coach has had the most spectacular effect on development of real mass air transportation."

The Senator took issue with the position taken by some air-line officials before his committee that there is nothing wrong with the industry that bigger and better mail pay won't cure. He noted that total mail pay (domestic and international) jumped from $42,967,000 in 1946 to $69,489,000 in 1947, $111,521,000 in 1948, and an estimated $125,000,000 in 1949.

He said Congress should decide whether the air lines are to be a regulated public utility or live under the law of the survival of the fittest. "Today air lines are neither beast nor fowl and therefore receive support from the Public Treasury to insure competition."

"I find keen cut-throat competition everywhere—shown by excessive scheduling, luxurious passenger extras, and extravagant promotional advertising of all kinds. To me, excessive competition purchased with Federal funds is ridiculous. * * * Either the industry must submit to full Government regulation with less competition or run the risk of financial failure resulting from its own mistakes. At the same time a way must be found to provide adequate air service to local and intermediate cities that will benefit and can reasonably support air service."

The Senator asserted that in the postwar crisis there have been "plenty of justifiable criticisms" of the air lines, CAB, and Congress.

It is rare, indeed, that a Member of Congress has given evidence of such a grasp of the problems of air transportation, and such an unwillingness to permit his judgment to be swayed by the happy but irrelevant thunderings of the propagandists. If the entire committee displays the qualities of the chairman in its recommendations, the industry should see hope of sound legislation on Capitol Hill.

ROBERT H. WOOD.

[From the Julius Klein Newsletter for July 1949]

ECONOMY KEY TO AIR LINE SOLVENCY

(By Brad Dressler)

KANSAS CITY, MO.—Air-line mail pay mixed with subsidy is sloppy business said Senator EDWIN JOHNSON in his recent speech before this city's chamber of commerce on the occasion of Trans World Airlines' twentieth anniversary of transcontinental service. The Senator from Colorado spared neither side in his talk, berating air-line management and the Civil Aeronautics Board alike for their failure to take steps necessary to insure economical service in the best interests of the public. He pointed out that in the interests of sound national bookkeeping, expenditure of public funds for the Postal Service, the national defense, and commercial transportation services should all be labeled specifically as such, and no longer wrapped up in one small package and called mail pay. The legislator soundly rapped the CAB for failing to have neither format nor conception of an economically sound national route structure, saying, "There is no excuse for failure to plan in an industry which grows and expands only by permisison of a Government agency."

The cause of mass air transportation received a well-earned boost from the Senator, who termed air-coach service "a spectacular development," and quoted statistics proving that Pan American World Airways had utilized the principle to a high degree of efficiency on its Puerto Rico route. In the first quarter of 1948, Pan American had 4,360 first-class passengers on its New York-San Juan run. With the inauguration of air-coach service, 7,399 first-class and 10,984 coach passengers were handled in the first quarter of 1949. JOHNSON pointed out that there was little diversion of first-class traffic to coach service. He declared that an entirely new market of mass air transportation had been opened up and exploited by an established operator for the first time. JOHNSON reproved air-line management for not taking steps to affect a certain degree of consolidation of equipment and services. He said that although he does not believe in complete consolidation, elimination of duplicate offices in many cities, individual air-line communication, and ground-crew systems would be a stride forward.

The impartial chairman of the Senate Committee on Foreign and Interstate Commerce remarked that some air-line officials have taken the position there is nothing wrong with the industry that bigger and better mail payments would not cure, and that these officials accused the Government of acting in bad faith by holding their mail payments to a minimum. However, he continued, many air-line presidents have urged that compensatory mail pay be separated from subsidy to create an incentive to all air lines to get on a self-supporting basis, and to remove the stigma of subsidy from the air lines which are now earning every cent of their mail pay. Being neither beast nor fowl today, the air lines receive Public Treasury support to insure competition. And the Senator from Colorado decried the excessive scheduling, luxurious extras, and extravagant promotional advertising—significant of keen competition—all carried on at the expense of the public. He remarked he was impressed with the statement of Juan Trippe, president of Pan American World Airways, made before JOHNSON'S committee in which he said: "As I see it, the Congress and the Civil Aeronautics Board must make up their minds whether or not they want to return the air-line industry to its intended status as a regulated public utility. If they don't, the relevant provisions of the Civil Aeronautics Act of 1938 should be eliminated. The air lines, as unregulated businesses, would then be free to operate where business was good and abandon service where business was bad. They would be free to make high profits or go bankrupt, as the case may be."

Senator JOHNSON'S committee is now engaged in an investigation of all phases of the air-line industry. As head of this group, the Senator has obviously retained an unbiased viewpoint that bodes well for the future. He stands for what he feels is right, regardless of political parentage and any reforms in the present status of the air line suggested by JOHNSON and his committee will be in the best interests of the industry and the public.

Mr. BREWSTER. Mr. President, in this connection, I wish to call attention to one of the provisions of the ECA authorization act, being an amendment presented by the Senator from Maine:

(b) The Administrator, in cooperation with the Secretary of Commerce, shall facilitate and encourage, through private and public travel, transport, and other agencies, the promotion and development of travel by citizens of the United States to and within participating countries.

I also wish to call attention to a passage found in the House committee's report on the foreign-aid appropriation bill, the bill now before us. This passage of the House committee report was not referred to in the Senate committee's report or in the discussion in the Senate, but I think it well that in considering this bill we should have in mind what the House committee had to say regarding the importance of this matter. I quote now from the report of the House committee on the foreign-aid appropriation bill, at page 3:

Another matter which the committee desires to call to the attention of the Administrator is that of tourism. The committee is not convinced that sufficient effort is being made by the responsible agencies of this Government to increase tourism in western Europe by providing reasonable and adequate transportation. There undoubtedly are in this country tens of thousands of individuals who are anxious to visit Europe but cannot do so because of present high costs of transportation. Every agency of the Government should bear in mind the fact that this is a program of the United States and its people rather than a program of the Economic Cooperation Administration. It is recommended that the Maritime Commission make a study as to the feasibility and possibility of converting a number of surplus vessels into one-class accommodations with a view to providing adequate transportation at reasonable cost. It is also urged that the Civil Aeronautics Board make a similar study with the same purpose in view in regard to air transportation. If these arrangements cannot be made under existing legislation, such legislation as may be necessary should be recommended to the Congress. While it is true that at the present time adequate living accommodations are not available in many of the European countries, such accommodations undoubtedly would be constructed provided there was some assurance of reducing cost and restrictions of travel. This increase in tourism would not only provide the necessary dollars to the participating countries, but also would ease the burden on the taxpayer in that a portion of the European dollar shortage would be supplied by those who can afford trips to western Europe.

I wish to say that from my personal observation, and I know from that of many Members of the Senate, in travel to Europe, there are very adequate accommodations in most of those countries, particularly in southern Europe, England, and Switzerland, of a class and character that will be entirely adequate for this service. If only we could accomplish the reduction of the cost of travel in accordance with the repeatedly expressed desire of American overseas air companies, there would be literally no limit to the number of American dollars which might go to Europe very naturally and easily, as the simplest solution of the problem of the European dollar shortage.

Next year is the holy year in Rome. There are millions of American Catholics who would look eagerly to a pilgrimage of that character. We have had before the Committee on Interstate and Foreign Commerce the testimony of one, who now is operating 44 chartered trips to Europe, under the authorization of the Civil Aeronautics Authority, that he could provide those trips to Europe at a charge of $150 for the round trip.

I admit there is a good deal of campaign oratory in that, although he is a rather responsible operator and has been approved by the Civil Aeronautics Board for 44 charter trips carrying students this summer. But I say that if either the charter companies or the regular transportation companies could be permitted to inaugurate the low-cost transportation they have eagerly sought, so that instead of paying 10 cents a mile for overseas transportation we could have something like the 5 cents a mile which prevails in this country, next year when we come here to appropriate money for further aid to Europe there could be additional millions, if not billions, of American dollars which had flowed naturally

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and easily into those countries. The ECA has already done something to stimulate this activity, with the assistance of Dr. Wilkinson, of the Department of Commerce, who is in charge of travel under their direction, and of our representative of the ECA in Paris, who has devoted himself to this objective, and I hope they may have even more cooperation from the authorities of the Economic Cooperation Administration in stimulating this travel, and that the Civil Aeronautics Board and the Maritime Commission may recognize this opportunity to save the money of the American taxpayer, because as we have found thus far, the only alternative to equalizing our exchanges in the dollar shortage is out of the hide of the American taxpayer, except to the extent we can persuade a flow of dollars through this bill.

In England 2 years ago when one air transportation agency sought to inaugurate a $350 round-trip to Europe, they were told that if they undertook to land passengers in England at any such figure they would be refused permission to land. I am unable to understand how a country which is seeking billions of dollars could fail to see, when such an offer is formally made to them, that if Americans who go over there, instead of paying $600, have to pay only $300 or $400, they would have $200 or $300 more in their pockets when they landed in England. Such a fantastic objection to the free transportation of dollars into England or into Europe is certainly one to invite the attention of our Civil Aeronautics Board in their issuance of permits for foreign lines to come into this country at rates which make it impossible for many millions of Americans to undertake the journeys they would desire. So I hope very earnestly that in the administration of this act much more attention this coming year will be given to cooperation along this line.

FOREIGN-AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arkansas [Mr. McCLELLAN] to suspend the rule in order that he may offer the amendment he has indicated.

Mr. McCLELLAN. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MAGNUSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Fulbright	Kerr
Brewster	George	Kilgore
Bricker	Gillette	Knowland
Bridges	Graham	Langer
Butler	Hayden	Lodge
Byrd	Hendrickson	Long
Cain	Hill	Lucas
Chapman	Hoey	McCarran
Connally	Holland	McCarthy
Cordon	Humphrey	McClellan
Donnell	Ives	McFarland
Downey	Jenner	McKellar
Dulles	Johnson, Colo.	McMahon
Eastland	Johnson, Tex.	Magnuson
Ecton	Johnston, S. C.	Malone
Ellender	Kefauver	Martin
Ferguson	Kem	Maybank
Millikin	Saltonstall	Thye
Morse	Smith, Maine	Tydings
Mundt	Smith, N. J.	Vandenberg
Myers	Sparkman	Watkins
Neely	Stennis	Wherry
O'Conor	Taft	Wiley
O'Mahoney	Taylor	Williams
Robertson	Thomas, Okla.	Young
Russell	Thomas, Utah	

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the motion of the Senator from Arkansas to suspend the rule. The yeas and nays having been ordered, the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Wyoming [Mr. HUNT], and the Senator from Idaho [Mr. MILLER] are detained on official business.

The Senator from Illinois [Mr. DOUGLAS], the Senators from Rhode Island [Mr. GREEN and Mr. McGRATH], and the Senator from Montana [Mr. MURRAY] are absent on public business.

The Senator from Florida [Mr. PEPPER], and the Senator from Kentucky [Mr. WITHERS] are absent by leave of the Senate.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Indiana [Mr. CAPEHART] are paired with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from New Mexico and the Senator from Indiana would vote "yea" and the Senator from New Hampshire would vote "nay."

If present and voting, the Senator from Illinois [Mr. DOUGLAS], the Senator from Delaware [Mr. FREAR], the Senators from Rhode Island [Mr. GREEN and Mr. McGRATH], the Senator from Wyoming [Mr. HUNT], and the Senator from Kentucky [Mr. WITHERS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART], who is necessarily absent, and the Senator from New Mexico [Mr. CHAVEZ] are paired with the Senator from New Hampshire [Mr. TOBEY], who is absent by leave of the Senate. If present and voting, the Senator from Indiana and the Senator from New Mexico would vote "yea" and the Senator from New Hampshire would vote "nay."

The Senator from Vermont [Mr. AIKEN], the Senator from Connecticut [Mr. BALDWIN], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate. If present and voting, the Senator from Vermont [Mr. AIKEN] would vote "nay."

The Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from Vermont [Mr. FLANDERS], and the Senator from South Dakota [Mr. GURNEY] are detained on official business. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "nay."

The result was—yeas 38, nays 39, as follows:

YEAS—38

Brewster	Eastland	Johnson, Colo.
Bricker	Ecton	Johnston, S. C.
Bridges	Ferguson	Kem
Butler	Fulbright	Langer
Cain	Gillette	Long
Chapman	Hendrickson	McCarran
Cordon	Jenner	McCarthy
McClellan	Millikin	Watkins
McFarland	Mundt	Wherry
McKellar	O'Mahoney	Wiley
Malone	Russell	Williams
Martin	Stennis	Young
Maybank	Thomas, Okla.	

NAYS—39

Anderson	Humphrey	Neely
Byrd	Ives	O'Conor
Connally	Johnson, Tex.	Robertson
Donnell	Kefauver	Saltonstall
Downey	Kerr	Smith, Maine
Dulles	Kilgore	Smith, N. J.
Ellender	Knowland	Sparkman
George	Lodge	Taft
Graham	Lucas	Taylor
Hayden	McMahon	Thomas, Utah
Hill	Magnuson	Thye
Hoey	Morse	Tydings
Holland	Myers	Vandenberg

NOT VOTING—19

Aiken	Green	Pepper
Baldwin	Gurney	Reed
Capehart	Hickenlooper	Schoeppel
Chavez	Hunt	Tobey
Douglas	McGrath	Withers
Flanders	Miller	
Frear	Murray	

The VICE PRESIDENT. On this vote the yeas are 38, the nays 39. Two-thirds of the Senators present not having voted for the motion to suspend the rule, the motion is rejected.

IRREGULARITIES IN GOVERNMENT ACCOUNTING—REPORT OF THE GENERAL ACCOUNTING OFFICE

Mr. WILLIAMS. Mr. President, on numerous occasions during recent months I have called to the attention of the Senate certain irregularities which exist in some of our Government agencies and corporations. My reports to the Senate on these corporations have been based upon the conclusions of the General Accounting Office, following their auditing of the accounts as required by law.

During the past several years these periodical reports from the General Accounting Office have been presented to the Congress, and for some unexplained reason very little attention has been paid to their contents.

There has been submitted to the Congress under date of August 1, 1949, another report based upon the audits of the General Accounting Office under the Contract Settlement Act of 1944. In order that every Member of the Senate may be fully informed as to the contents of this report, which will be referred to the Senate Judiciary Committee, I shall review briefly some of the startling revelations contained therein.

This report brings direct charges of fraud on the part of not only some contractors, but certain Government representatives, who have conspired together to defraud the Federal Government.

I wish to quote a few excerpts from the report submitted by the Comptroller General. I quote:

> As of May 31, 1949, the General Accounting Office has examined 9,195 settlements covering payments to 2,815 contractors in the approximate amount of $1,165,000,000 for the termination of 26,484 contracts, subcontracts and/or purchase orders. Careful examination of the evidence disclosed in such examination has convinced me that—excluding indicated overpayments in such settlements due to such things as error or carelessness—at least 472 of the settlements • • • involving improper payments in excess of $6,280,000, were induced by fraud.

Continuing:

The detection of termination settlements deemed to have been induced by fraud and the certification thereof to the Department of Justice has not resulted in the automatic recovery of the amount unlawfully obtained. To the contrary, of the more than $6,280,000 of fraudulent payments reported, apparently only $107,882.02 thus far has been recovered and it is unlikely that any substantially approximate amount will ever be recovered.

Turning to page 5, I find this statement:

No case has been called to my attention in which the settlement resulted in an underpayment to the contractor. In other words, all errors or inaccuracies were in the contractor's favor—not the Government's.

On page 6 of the report I find this quotation:

Careful analysis of the facts disclosed thus far has convinced me that improper or excessive payments in the aggregate amount of over $2,340,000 were made by the Government in connection with 388 settlements—not involving fraud—representing one out of every 24 settlements examined. Also, analysis is being made of 179 additional settlements as to which field auditors of the General Accounting Office have reported overpayments totaling in excess of $2,200,000 more.

Mr. President, in the appendix that was attached to the report the General Accounting Office submitted a report of several specific cases which they described in detail, and I quote one case, from page 8 of the statement, as follows:

Linked with the apparent concerted plan or collusion for the personal benefit of the parties involved, the investigation disclosed an apparent scheme whereby 20 percent of the contract prices was to be "kicked-back" to certain Government representatives either directly, through their relatives, or through "dummy" corporations owned by, and veiling the identities and activities of, these Government employees. It safely may be assumed that the contract prices charged to and paid by the Government were inflated in an amount sufficient to compensate the contractors for this added expense.

I continue to read:

At least eight contractors, with deliberate intent to defraud the Government, did knowingly and willfully falsify and conceal material facts in connection with their respective termination claims for the purpose of inducing the termination settlements consummated on the basis thereof and of obtaining for themselves or others—including present or former Government personnel—excessive payments. Included in such termination claims, among other improper charges, were the amounts paid to certain Government personnel for their services in assisting the contractor in obtaining the award of such contracts.

I continue:

It is worthy of note that in many cases the settlements were approved on the recommendations of the same individuals who had participated in the afore-mentioned irregularities relating to the initial awards of the contracts. Aside from the extensive but indeterminable losses to the Government by reason of indicated fraud, as mentioned above, in the award and in the performance of the contracts involved, the aggregate amount deemed fraudulently obtained in the settlements effected upon termination of such contracts is in the sum of, at least, $274,273.36.

This case was certified to the Department of Justice on May 12, 1948, case No. B–74540. It appears that up to date no action has been taken by the Department of Justice to prosecute the Government employees, and the report indicates that some of them are still on the Government pay roll.

I continue to read from the report:

In one instance, for example, it appears that an Army officer divulged to one of the bidders for Government business the prices quoted by other firms as a result of which the bidder was successful in obtaining a Government contract for $40,375. The subject contract was canceled and there was paid in the settlement on a claimed percentage of completion basis, the sum of $34,343.75, notwithstanding that examination disclosed that the contractor's actual costs were only $7,053.13. It is not surprising to find, as an aftermath, that this officer subsequently became an employee of the contractor and is shown by the contractor's pay roll records to have been paid $7,600 for services. Several other cases were disclosed indicating a "feathering of nests" by officers and employees of the Government who subsequently were employed by the contractors. * * * In yet another case, two former Army officers, while on active duty charged with carrying on the technical manual program on behalf of the Government, received shares of corporate stock valued at $2,000 in return for purported part-time services to a firm which shortly thereafter received Government contracts at prices totaling in excess of $100,000.

Mr. President, I do not think it necessary to continue reading this report. The entire report is loaded with similar cases, and I know it is being referred to the Senate Committees on the Judiciary and Expenditures in Executive Departments. I think the Senate should make sure that they follow through and ask the Department of Justice what action they have taken in regard to these cases, and if proper action has not been taken, we should find out why.

FOREIGN AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

Mr. BRIDGES. Mr. President, I call up my amendment, which I was authorized by the Appropriations Committee to offer, which provides for a $150,000,000 loan for ECA.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 5, line 3, after the date "1950", it is proposed to insert the following: "*Provided further*, That the Administrator is authorized to issue notes from time to time during the fiscal year 1950 for purchase by the Secretary of the Treasury in an amount not exceeding in the aggregate $150,000,000, for the purpose of allocating funds during such fiscal year to the Export-Import Bank of Washington for assistance on credit terms under the provisions of said act; and the provisions of paragraph (2) of section 111 (c) of said act shall, to the extent applicable, be applicable to the notes authorized to be issued in this proviso and to all functions of the Administrator, the Secretary of the Treasury, and the Export-Import Bank of Washington in extending the assistance provided for herein."

Mr. BRIDGES. Mr. President, this amendment is based upon the theory that the countries receiving ECA aid gradually will become stronger, and, as they become stronger there is no reason why some of the money which is now being given in grants should not be granted in the form of loans to attain some of the same results. The amendment was carefully considered by the Committee on Appropriations, it meets with the approval of the ECA Administration, and I do not think there can be any opposition to it.

The PRESIDING OFFICER (Mr. TYDINGS in the chair). The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

Mr. BRIDGES. Mr. President, I now call up the amendment on the use of counterpart funds.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 5, after line 12, it is proposed to insert the following:

The Administrator shall utilize such amounts of the local currency allocated pursuant to section 115 (h) of Public Law 472, Eightieth Congress, as amended, as may be necessary, to give full and continuous publicity through the press, radio, and all other available media, so as to inform the peoples of the participating countries regarding the assistance, including its purpose, source, and character, furnished by the American taxpayer: *Provided*, That quarterly reports for the fiscal year 1950 shall be made to the Congress by the Administrator of the program undertaken pursuant to this section.

Mr. BRIDGES. Mr. President, the amendment would authorize the Administrator, within his discretion, to utilize such amounts as he sees fit for the use of favorable publicity to promote good will through existing agencies of publicity in the various countries receiving aid from ECA.

Mr. WHERRY. Mr. President, does the amendment deal with publicity put out in European countries?

Mr. BRIDGES. Yes; it does. It is offered with the thought in mind that certain of the counterpart funds which come to us should in our discretion be used to inform the peoples in the particular areas as to what the United States is doing in the way of ECA cooperation. In my judgment it is a sound amendment and will result only in good both for our country and the participating countries.

Mr. WHERRY. Mr. President, does the amendment also provide funds with which ECA publicizes to the people of the ECA countries what is happening in America?

Mr. BRIDGES. It may or may not. I cannot answer that question. The purpose of the amendment, as we worked it out, was to inform the people of the cooperating countries of the program of ECA, and the fact that our substance, our wealth, is being given to them to promote their own recovery. The thought we had in mind was that the present coverage of publicity is insufficient. Therefore the amendment, we believe, would result in giving better and more effective publicity and in creating good will toward America, securing by way of return something in the form of good

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will for what we are doing with American dollars and American substance.

Mr. WHERRY. Does the distinguished Senator from New Hampshire know about an ECA pamphlet put out in France, for example, entitled "L'Aide Américaine a la France"?

Mr. BRIDGES. No; I am not familiar with it.

Mr. WHERRY. Does the Senator know how much it costs to publish that pamphlet?

Mr. BRIDGES. No; I have no idea as to that.

Mr. WHERRY. Mr. President, the pamphlet was handed to me day before yesterday. That was the first time I had ever seen a copy of it. On the back of the pamphlet is language which shows that the money for publishing it is provided from ECA funds. I do not read French, so I cannot properly interpret everything contained in the pamphlet. But I have had a translation of the complete pamphlet given to me.

The PRESIDING OFFICER (Mr. TYDINGS in the chair). Is it accurate? the Chair would inquire.

Mr. WHERRY. Pardon me.

The PRESIDING OFFICER. Is the translation accurate? the Chair would inquire.

Mr. WHERRY. That I cannot say. I am unable to compare the language of the pamphlet with that of the translation. If the translation is a true one, the pamphlet attempts to publicize to the people of France that our ideology is as liberal as the ideology now in vogue in France. It indicates that our form of government is half socialistic and half a representative form of government. It seems to me the effort is made in the pamphlet to tell the people of France that America holds the same beliefs with respect to government as those held by the people of France. The pamphlet in describing our form of government totally ignores that ours is a representative government, that we have in effect democratic processes. The pamphlet states that the American people have the same ideology as the people of France.

I am not going to make a speech on the subject of the pamphlet. I am not going to contest the amendment. I have listened to testimony by Mr. Hoffman and others respecting ECA, covering more than a thousand pages of hearings. I respectfully submit, however, that if ECA dollars are translated into French francs and used for such a purpose as publishing this pamphlet, it is being done in direct contradiction to the purposes of the ECA Act.

The act authorizes the use of American taxpayers' money to do what? To stop the expansion of communism, to stop the expansion of totalitarianism. If the pamphlet endeavors to show that we do not wholly countenance the use of our money for such purpose, that certainly should be brought to the attention of the Administrator, Mr. Hoffman. The act provides that if any ECA country does not comply with the provisions of the act, ECA aid shall be withheld.

Mr. President, the translation is eight pages long. I have not asked to have an estimate of cost of publishing made, but I shall ask that it may be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Without objection, permission will be——

Mr. LUCAS. Mr. President, just a moment before the Chair rules on the request. I do not know anything about the pamphlet.

Mr. WHERRY. Does the Senator from Illinois wish to see it?

Mr. LUCAS. No, I do not; because I do not know any more French than does the Senator from Nebraska. The Senator has taken someone's translation, and on the basis of that translation has made a speech raising serious question over what ECA does in Europe. I think it is a little bit dangerous to consent to the request unless we know exactly what we are doing.

Mr. WHERRY. Mr. President, what the pamphlet contains is dangerous, I believe. If the pamphlet contains the material which the translation shows it to contain, certainly our Administrator is not keeping to the purposes of the ECA Act. The pamphlet contains the ECA label. If it is put out by the ECA or some division of the ECA, that ought to be brought to the attention of the Senate. That is all I am talking about. I am not quarreling over the amendment. I am not interested in whether so much money should be earmarked for this or that purpose, or so much money taken from the general fund. I believe, however, the pamphlet itself should be brought to the attention of every Senator. I do not propose to take time to read it. There are some statements in it to which my friend from Illinois might take exception.

The pamphlet is made available to the people of France and sets forth what our ideology is supposed to be. As I said, this is the first copy of the pamphlet I have seen. It seems as though American ingenuity was used in putting it out. It is all right to issue such a publication if it does a good job; but what is done should be in keeping with the fundamental purposes of the act itself. So I again ask unanimous consent that the translation may be published in the RECORD, at this point.

Mr. LUCAS. Mr. President, I dislike to object to a request of this kind unless——

The PRESIDING OFFICER. Objection is heard. The Chair respectfully represents to the Senator from Nebraska that he can have the pamphlet referred to the Senate Committee on Foreign Relations or to the Appropriations Committee, where it will receive appropriate consideration.

Mr. WHERRY. The objection is an unusual one. I have been a Member of the Senate for 7 years. As I have said, I am not quarreling with the amendment. I am not submitting the document on the spur of the moment for the purpose of blocking the amendment. I am simply calling to the attention of the Senate a pamphlet which was put out by ECA which certainly does not represent to the people of France the kind of ideology to which we of America hold. I certainly have the right as a Senator to ask that the translation be printed in the RECORD as a part of my remarks. I would be willing to insert it in the Appendix of the RECORD if the Senator would not object, so it can be brought to the attention of the Senate, and so that the Administrator can see what it is. I hope the Administrator will take cognizance of what is contained in the pamphlet, because it is in direct contradiction to the purposes of the act itself.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LUCAS. Can the Senator advise the Senate who made the translation?

Mr. WHERRY. The translation came to me with a copy of the pamphlet from a man in whom I have the utmost confidence.

Mr. LUCAS. Who is he?

Mr. WHERRY. I am not going to give his name. I do not have to give his name, but I have the utmost confidence in him.

Mr. LUCAS. I am not going to ask for his name.

We have listened to the eloquent speech made by the Senator from Nebraska against this pamphlet; he does not know whether this is a correct and true translation or not; yet he says he has faith in the individual who gave it to him. I presume the individual who gave it to him probably had it translated by someone else. That is not a violent presumption.

Mr. WHERRY. I can read the translation; and if the Senator is going to insist that I cannot have it placed in the RECORD, I shall read it into the RECORD.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that the document to which he has referred be printed in the Appendix of the RECORD. Is there objection?

Mr. LUCAS. Mr. President, I am not going to object. I know the Senator from Nebraska can read it into the RECORD, and I know that the Senator would do that——

Mr. WHERRY. Now, Mr. President, let us not have trouble on the floor of the Senate.

The PRESIDING OFFICER. Objection has not been heard. Is there objection?

Mr. LUCAS. Mr. President, reserving the right to object, this is a rather serious situation. I submit to my friend from Nebraska that it is a serious matter. I do not know what is in the pamphlet. Neither does he. He does not know any more about French than does the Senator from Illinois; and yet he is willing to place this translation in the RECORD, regardless of how it may affect the ECA program.

Mr. President, even if I were utterly opposed to the ECA program, in all fairness to it I would want to know definitely whether this translation is an authentic translation, or whether it is a political translation to the detriment of the ECA program. I know of individuals—and

this is no reflection upon any Senator—who would be glad to translate a pamphlet of this kind for the sole purpose of discrediting the ECA by getting it into the CONGRESSIONAL RECORD at this time. That is why I say that it is a dangerous precedent to follow. I know that my friend from Nebraska would read it, regardless of whether or not it is authentic. He is going to read it anyway, so I am not going to object.

The PRESIDING OFFICER. The Chair hears no objection, and the matter will be printed in the Appendix of the RECORD.

Mr. WHERRY. Mr. President, I thank the distinguished majority leader for withholding his objection. I do not care to reply to his remarks except to say that I have absolute confidence in the one who handed me this translation. I want the title of the pamphlet to go into the RECORD. It is translated into English. The title of the pamphlet is "The Discovery of Progressive America," and it is written by Henri Pierre. The translation is going into the RECORD. I will take the full responsibility for it. I wish to do nothing more than call attention to it. If there is one word which is not translated as it should be, I will take the full responsibility for it.

Let me say to Senators that this is a translation of an article which purports to deal with the discovery of a progressive America. I believe that this article, which is being circulated by the ECA in France, will astound Senators. I think it is time to place it in the RECORD.

This is not the first time I have found something unusual in the ECA program. I think I am open to conviction. I found some figures which even the Administrator said were fantastic. He said he did not even know of their existence. He said that they were deliberate misrepresentations, but they were in his justification.

I should like to ask the Senator from New Hampshire whether this amendment would cover such a situation as I am about to mention. I am in favor of using counterpart funds to help the people of France understand the ideology of citizens of the United States. I am for a free country. I am for the free-enterprise system, and I am perfectly willing that money be spent for the purpose I have indicated; but if it is to be spent for the purpose of creating the impression among the citizens of France that what we have here is a progressive citizenship, so progressive that it is the beginning of totalitarianism, I think the money should not be spent for that purpose.

Once again, I say that I place this article in the RECORD only for the purpose which I have stated. I hope that those in authority will read it. I hope they will read copies of similar documents before they are issued, and I hope that what they will do will be helpful to the United States, and will not hinder us not only in saving France and other countries, but in establishing peace throughout the world.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. WHERRY. I do not have the floor.

Mr. BRIDGES. I am glad to yield to the Senator from California.

Mr. DOWNEY. I wish to ask the distinguished minority leader a question. Did I correctly understand him to say that he intended to read the article itself, rather than the translation? If I correctly understood him, I should be delighted to stay here and listen to him read the article.

The PRESIDING OFFICER. The rules of the Senate require that all debate be carried on in English. [Laughter.]

Mr. BRIDGES. Mr. President, I feel that the point raised by the distinguished Senator from Nebraska is a valid one. I should like to point out to him that the last sentence of this amendment provides as follows:

Provided, That quarterly reports for the fiscal year 1950 shall be made to the Congress by the Administrator of the program undertaken pursuant to this section.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

Mr. BRIDGES. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire will be stated.

The CHIEF CLERK. On page 4, line 23, it is proposed to strike out the colon, insert a comma, and the following: "of which not more than $25,000 shall be available to carry out the provisions of section 115 (f) of the Economic Cooperation Act of 1948, as amended by the act of April 19, 1949 (Public Law 47)."

Mr. BRIDGES. Mr. President, I should like to give a brief explanation of this amendment. This is the so-called dismantling amendment.

PRESENT SITUATION OF DISMANTLING OF GERMAN PLANTS

Today, 4 years after VE-day, the dismantling of German factories is still going forward and the tearing down of some of the biggest and best, from the point of view of European production, is just being started.

TOTAL OF 914 PLANTS TO BE DISMANTLED

On the basis of decisions made before the Marshall plan, it was determined that a total of 914 plants in the three western zones of Germany should be dismantled and made available for reparations. Plants were included in this list for each of three basic reasons:

First were war plants, that is plants for the production of guns and ammunition. The strictly military equipment in these plants was destroyed and the general-purpose machinery was made available for reparations. There were about 325 plants in this category.

Second, there were a small group of plants in so-called prohibited and restricted industries such as aluminum, ball bearings, synthetic rubber, magnesium, where the production in Germany was to be held down or eliminated to prevent Germany from making war effectively.

Third, and of most concern to the European recovery program, was the largest group of plants, which were put on the list because they were regarded as in excess of the capacity required to maintain in Germany a level of industry agreed upon finally in August 1947, before the ECA program began. These are ordinary factories making pipe, machinery, steel sheets, fertilizer, and railway equipment.

Section 115 (f) of the Economic Cooperation Act provides that—

The Administrator will request the Secretary of State to obtain the agreement of those countries concerned that such capital equipment as is scheduled for removal as reparations from the three western zones of Germany be retained in Germany if such retention will most effectively serve the purposes of the European recovery program.

After a year of surveys of the situation, while dismantling was continually going on, the Administrator finally obtained an agreement with the British and French that 159 of the German plants on the list should be retained in Germany. This means that of the total of 914 plants 755 will be or have been dismantled.

USE OF DISMANTLED PLANTS

The reparations procedure does not involve, first, a survey by a liberated country of German plants to determine what plants or machinery the country can really use effectively, then a claim for such German equipment, and finally an order to tear down the plant in question.

Plants are ordinarily dismantled before anyone knows where they are to go or what use will be made of them. Of the total of 755 plants scheduled for dismantling, only 390 have been allocated to the countries which are to receive them. In other words, a great many of these plants have not been allocated to any other country. The remainder are to be torn down, regardless of when or where they may be reerected.

Mr. President, one of the things which impressed me very much a year ago when I was in Germany was the great scarcity in Germany at that time, and elsewhere in Europe, of soap. The monthly ration of soap for each person was a small bar about the size of the small bar of soap one gets in an American hotel. It was a very light bar of soap, containing many air bubbles. That was the monthly ration of soap for each person. Soap was a very scarce article. One of the hardest things to do at that time in Europe was to keep clean. Yet, after learning of that situation, I went into soap factories in Germany which were being destroyed. Certainly a soap factory can constitute no great threat; and certainly in the economic development of Germany to the point that she will be self-sustaining, so that the burden of sustaining her will be taken off the backs of the American people, it is not necessary to destroy soap factories. After all, people must be able to keep themselves clean.

As a matter of fact, we tried out that bar of soap; and we found that after we had used it to wash our hands—and wash them very poorly, by the way—four times, the bar of soap was entirely used up.

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During the 4 years since the war, and particularly since the Marshall plan, the interest of European countries in obtaining second-hand machinery has greatly diminished, and it is questionable whether many of these plants will ever be reerected. There is great interest, however, in seeing that German competition is eliminated by the removal of competing factories.

It should be noted that Albania, Yugoslavia and Czechoslovakia are regarded as liberated countries, and that they share in German reparations, although the policy, as reported, is to eliminate strategic equipment from such deliveries.

When we were in Europe a year ago with the Appropriations Committee, shipments were still being made to Russia and to various countries behind the iron curtain. I am informed that those shipments have been stopped now. But at that time, nearly 3 years after the end of the war, those shipments were being made. To my mind, that procedure was either stupid or almost treasonable.

However, if inquiry was made at that time of our military authorities in Germany or elsewhere, the only answer they could give was that they had their orders, and that the orders came from Washington, from the War Department. If one inquired at the War Department, the reply was that the orders came from the State Department. It never has been determined who gave the orders to carry on that stupid dismantling program in Germany.

Here we are giving the German people billions of dollars in an attempt to make them self-sustaining, and yet through the dismantling policy we are preventing them from becoming self-sustaining.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HAYDEN. If the Senator will defer on this amendment until he can confer with the Senator from Wyoming, perhaps that would be well. Are the Senators in accord on the amendment?

Mr. BRIDGES. Yes, we are; I have conferred with the Senator from Wyoming.

Mr. President, the ECA Administrator appointed what is known as the Humphrey Committee, which made a survey and then reported to Mr. Hoffman in regard to dismantling. Since the Humphrey Committee made its report on dismantling, there has been a final decision as to which German industries are to be prohibited or limited in capacity for military security. This has led to further questionable tearing down of plants. For example, the so-called Fischer-Tropsch plants, which make soap fats and various chemicals from coal, together with a limited percentage of gasoline, are being torn down. Furthermore, the parts of these plants that are general-purpose refineries are being torn down, as well as the segments of the plants which processes the coal, at a time when additional oil-refining capacity is being built in Germany.

It is not too late to do something. Some of the most important plants are still untouched. In many of the others the machinery is still in the plants, although dismantling is under way. Of the plants not yet dismantled, most are not yet scheduled for delivery to any country, so there would be no upset to any nation's recovery effort if the machinery were kept in Germany.

Our commitments to deliver reparations date from a period prior to the Marshall plan, and all the participating countries derive much greater benefit from American aid than from reparations.

The point I wish to make about this amendment is very simple. It is not legislation; it merely provides a small sum of money to enable the Administrator to go forward under the original authorization of the law. It is the intention of the Appropriations Committee, and it would be my intention, and certainly would be the intention of others, that once again this problem would be reviewed. It certainly would be my hope, desire, and expectation that the Administrator would immediately review this whole situation and determine whether at this particular time some of the plants which are scheduled for dismantling or are in the process of dismantling, particularly those which have not yet been allocated to some other country, might be salvaged. Such a step will, in the end, help to take Germany and the German people off our backs and help them become self-sustaining.

Mr. President, in this connection I ask unanimous consent to have inserted in the RECORD, as a part of my remarks, an article by Dorothy Thompson, published in the Washington Evening Star of August 2.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS URGED TO HOLD UP ECA FUNDS UNTIL REICH DISMANTLING IS REVIEWED

(By Dorothy Thompson)

There is a movement in the Appropriations Committee of Congress to hold up the ECA bill until the administration reviews its policy on the dismantling of German industry.

The administration opposes this, arguing that it interferes with commitments to British and French. In addition, it spread around the gossip that the review of dismantling was planted in the bill by Nazi cartelists.

Among the Nazi cartelists opposed to continued dismantling are: The American Federation of Labor, the Congress of Industrial Organizations, the United Mine Workers, the National Association of Manufacturers, the National Grange, the United States Chamber of Commerce, the Christian Century and the World Council of Churches (Protestant), and the Commonweal (Catholic).

The argument of the Appropriations Committees is that we are pouring American money into Germany to supply things which Germans can manufacture themselves. The administration may make all the commitments it pleases, but it is Congress which decides whether to pay the bills for such commitments.

NOTHING TO DO WITH CARTELS

The dismantling issue has nothing to do with cartels. Dissolving a cartel is not the same as wrecking a plant.

Behind the dismantling of German industry are British industrial interests who fear German competition. They fear it because of the low efficiency of British producers, the readiness of German managers and workers to run appalling risks, and the recognition by German Socialists—in contrast to British—that it is pure illusion that a country in the British or German situation can find salvation through shorter hours and less intensive labor.

These facts and fears are not secret; they are aired repeatedly in the British press. Even British interests that oppose dismantling for political reasons are against any substantial revival of German industry unless under a cartel-like agreement with Britain to control the international market.

BOARD OF TRADE PRESSURE

In the discussion of British policy which led to the formation of policy, it was the Ministry of Supply and the supply departments of the board of trade which pressured the British Foreign Office, which at one stage was reasonable, seeing the political dangers in such a policy of resumed wrecking. There are high British officials—and those who know most about Germany—who have considered resigning unless Foreign Minister Bevin halts this policy. Gen. Lucius Clay has expressed himself forcibly, in private at least, against the nonsense of dismantling German fertilizer industries while thousands of tons of fertilizers are shipped as compensation at American expense.

And when it comes to "commitments," dismantling is a violation of the Potsdam agreement.

The present world situation makes strange bedfellows. Keeping down German industry is one thing on which Mr. Bevin agrees with the Kremlin—though the Kremlin has successfully angled to have Britain and America take the responsibility.

REVENGISTS INCLUDED

Communist fellow travelers in the United States are for continuation of dismantling. There were numbers of them in the original anticartel division of the American military government. These gentry also supported the Morgenthau plan. Their reasons are not those of British industrial competitors. They merely want the western Allies to ruin themselves in Germany, and no policy is better calculated for this end.

Added to these are fanatical revengists who want to go on wrecking Germany even if they wreck the American economy and western policy simultaneously.

There are elections in Germany in August. If my readers had been with me in the Ruhr in June, they would have seen what effective campaign material the Communists were making out of the western reopening of dismantling after it had been halted in the Russian zone.

The congressional Appropriations Committees are, therefore, financially and politically right. They should refuse to vote further foreign relief until dismantling is halted and reviewed in the light of technical and economic information forthcoming since it began again in June. Congress should send a commission to Germany, including important labor leaders such as Walter Reuther and John L. Lewis. Mr. Lewis already has been invited by the German coal miners, as exclusively reported in this column from Dusseldorf some months ago.

And Congress should inquire carefully into the forces and personalities who insist on a program suicidal to us.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from New Hampshire to the amendment of the Senator from Tennessee, on page 4, in line 23.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. LUCAS. Mr. President, the original House bill 4830 which was reported by the Appropriations Committee had,

in title I, a heading "Contingent expenses of the Senate," and that was followed by certain language dealing with what is known as the "watchdog committee." The Senate will recall that a point of order was made in respect to line 4 and also lines 7 to 11, inclusive; and the point of order was sustained.

When the Appropriations Committee reported the bill the second time, it recognized that points of order had been made against the two amendments, and it reported the bill without them.

In view of the fact that this amount of money has been appropriated for the watchdog committee, and with the full realization that travel expenses throughout Europe are not the same as those in the United States, in connection with the act of 1949, to which this provision applies, I ask unanimous consent that title I of the present bill, House bill 4830, be stricken out in its entirety, and that in lieu thereof——

Mr. McKELLAR. Mr. President, at this time I should like to ask the Senator a question in regard to what he proposes to do. It seems to me he has in mind, in line 4, page 2, reinserting the words "without regard to the Travel Expenditures Act of 1949."

Mr. LUCAS. That is correct.

Mr. McKELLAR. That is the first one. Then, in line 7——

Mr. LUCAS. That is correct.

Mr. McKELLAR. And then—

All obligations incurred during the period between July 1, 1949 and the date of the enactment of this act in anticipation of such appropriations are hereby ratified and confirmed, if in accordance with the terms hereof.

Mr. LUCAS. The Senator is correct.

The PRESIDING OFFICER. Let the Chair see if he can state the question: The question is on the unanimous-consent request to reinstate in the bill, in the title affected, the matter dealing with travel, omitted from the previous bill, and the second proviso dealing with the same matter.

Mr. LUCAS. The Chair has stated it correctly. I hope that amendment will be agreed to.

Mr. WHERRY. If I may inquire, just what is the force of this amendment?

Mr. LUCAS. It merely returns to the original provision of title I and permits the Travel Expense Act of 1949 to be disregarded.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Illinois? The Chair hears none; and the amendment is agreed to.

Mr. McKELLAR. Mr. President, at this point I ask unanimous consent that the Secretary be authorized to change the section number in the bill.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

The bill is open to further amendment. If there be no further amendment, the question is on the third reading of the bill.

Mr. KEM. Mr. President, I should like to call up the so-called antisocialism amendment offered by the Senator from Nebraska [Mr. WHERRY], the Senator from Arkansas [Mr. McCLELLAN], and myself.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, after line 12, it is proposed to insert:

SEC. 202. No part of the appropriations contained in this act shall be furnished to any participating country, the government or any agency thereof, which shall, after the date of enactment of this act, acquire or operate, in whole or in part, any basic industry thereof, other than industries the acquisition of which has been completed prior to the date of enactment of this act.

And in line 13, it is proposed to strike out "Sec. 202" and insert "Sec. 203."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. LUCAS. Mr. President, will the Senator yield in order that I may ask a question?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Illinois?

Mr. KEM. I yield.

Mr. LUCAS. May I inquire whether the Senator will be agreeable to entering into a unanimous-consent agreement on the matter of time for debate of this one amendment? It is I understand the last amendment to be considered, and all the Members with whom I have talked feel that perhaps we could finish the bill tonight after debating and voting upon the Senator's amendment. In other words, I will give the Senator an hour and a half and take 30 minutes on our side.

Mr. KEM. Mr. President, it is difficult to decline any request made by the gracious and courteous majority leader, but in view of the fact that all the other amendments to the bill have been discussed at length, I find myself unable to agree with the Senator.

The PRESIDING OFFICER. To the unanimous-consent request, objection is heard.

Mr. LUCAS. Mr. President, I desire to make a point of order on the amendment as being legislation on an appropriation bill. The matter has been very well discussed, and I think the point of order speaks pretty well for itself.

The PRESIDING OFFICER. The Chair thinks we have been over the ground pretty well. The present occupant of the chair is prepared to rule in accordance with what he conceives to have been the philosophy of the previous occupant of the chair. Does the Senate wish the Chair to rule now, or do Senators wish to be heard. If Senators do not wish to be heard, the Chair will sustain the point of order.

Mr. KEM. Mr. President, I appeal from the decision of the Chair.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. KEM. Mr. President, I take it, in connection with the various points of order which have been made to the different amendments to the bill, the Senate has indicated its desire and intention of considering each of the amendments. I think every Member of the Senate is thoroughly advised as to the various arguments and contentions which may be made and which have been made with reference to the construction and application of the rules of the Senate. I therefore address myself directly to the merits of the pending amendment.

I believe the principal contention which has been made against adoption of the amendment is that it would constitute an unwarranted interference in the internal affairs of one of the participating countries under the Marshall plan. At the time the amendment was proposed in the Senate on July 25, last, I gave a number of reasons why in my opinion such an argument is specious and wholly unsound. I suggested that in the first place it is in order for the Congress to place strings on the money of the American taxpayers. The money which the United States Government is allotting to foreign peoples is only available from taxes taken from the people of the United States. It is being appropriated for the purpose of rehabilitating the European economy. If Congress believes that any proposed allocations would further the nationalization or socialization of the industry or economy of any particular country in whole or in part and would therefore not accomplish the purpose of the act, and the purpose for which the money is intended, then Congress is clearly justified in declining to allocate such funds; indeed, it seems to me it is its clear duty to decline to do so.

I said in the second place that the whole Marshall plan is an interference on a gigantic scale with the internal affairs of the countries of western Europe who participate in the plan. The Economic Cooperation Act itself provides for bilateral agreements between the United States and the participating countries. These agreements contain many restrictions upon the use of our money. Among other things the law provides that such agreements shall make appropriate provision for participating countries to take financial and monetary measures necessay to stabilize their currencies. Administrator Hoffman stated in his testimony before the Appropriations Committee:

We have entered into these bilateral agreements * * * and in every case we have tried to establish those conditions which would permit recovery.

In other words, under the present ECA Act, Mr. Hoffman giveth, Mr. Hoffman taketh away; blessed be the name of Mr. Hoffman.

I also reminded the Senate that we refused Marshall-plan aid to Spain for the assigned reason that we do not approve its form of government. We interfered in the Italian elections in April 1948. The American Ambassador made campaign speeches in many parts of that country. The Attorney General of the United States addressed the Italian electorate over the radio the day before the election. I do not say this in criticism of what the Administration, or the Administrator, has done in these countries. That has been pretty fully discussed with respect to Spain, and any further discussion at this time would be inappropriate. I do say that it is a bit late piously and unctuously to proclaim that we have no intentions of interfering with the internal affairs of other countries.

Finally I pointed out that other countries do not hesitate to place restrictions

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on the money they loan to foreign countries. I gave as an example the British loan of $40,000,000 to Greece in early 1946. Britain placed 10 drastic restrictions on the use of her money. Among other things, the Greek Government was required to establish a system of price control over rationed items.

I note that a number of Senators are present today who were not on the floor at the time of my original remarks in support of the amendment. I think they will be interested in what one of the members of the House of Commons had to say when the 1946 loan, going from Great Britain to Greece, was under discussion. Mr. Lipson, of Cheltenham, said in that debate:

> We ought to give the matter further consideration before we indulge in acts of generosity of this kind. We call it a loan. That is a euphemism for a gift. It is quite obvious that if Greece goes on as she is doing she will not be able to repay this loan. * * * The people of this country ought to have more explanation before a sum of money like that is lent to another country, and ought to be assured that the money will be wisely used.

This argument, when made in the British House of Commons, prevailed. Should the Senate of the United States be any less diligent in protecting, or any less vigorous, in asserting the rights of the American taxpayers under similar circumstances?

Mr. BRIDGES. Mr. President, will the Senator yeld?

Mr. KEM. I shall be glad to yield to the Senator from New Hamphire.

Mr. BRIDGES. As I understand the Senator's amendment, it does not propose to interfere with anything that has been done or which has been already accomplished in the affected countries. All it seeks to do is to say, from now on, "If you are going to seek American aid you cannot use the money, or any part of it, to further any other socialization of industry." Is that correct?

Mr. KEM. The Senator from New Hampshire is quite correct. It has been put in this way, that under the amendment we do not propose to unscramble any eggs which have already gone into the pan.

Mr. BRIDGES. If this amendment prevails it would prevent the further scrambling of any eggs. In other words, we are in no way attempting to tell the participating countries which have already socialized a part of their industry that they must now desocialize it. We simply say to them, "If you receive this aid, in the future none of it may be used in the further socializing of industries, which is contradictory to the policy prevailing in America."

Mr. KEM. Exactly. We make no effort to undo what has already been done. We make no effort to prevent the participating countries from doing anything of that kind they may wish to do in the future. We simply say to them, "If you do engage in further experiments in socialization, you must go it alone. You cannot use the money of the American taxpayers, earned under a system of free enterprise and personal initiative, for that purpose."

Mr. BRIDGES. I have simply tried to state the issue.

Mr. KEM. I thank the Senator.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. McMAHON. I should like to ask the Senator if he is familiar with the program stated at Wolverhampton, at which there was recently held a Conservative Party convention at which Mr. Churchill appeared, and there was issued something in the nature of a white paper reciting the Conservative Party policy. I was wondering whether the Senator was familiar with the position taken at that convention.

Mr. KEM. My knowledge of the program of the British Socialist Party and of the British Conservative Party is confined to summaries I have read in the American press. I will say to the Senator from Connecticut that as I understand, the British Conservative Party proposes to discontinue any further experiments in socialization. It does not propose to undertake to undo what has already been done. On the other hand, the British Socialist Party, which is now the party in control in Great Britain, has announced an extensive program of further socialization. It proposes to seize the chemical industry, the sugar refining industry, certain portions of the metal industry, two of the great industrial insurance companies, and various other portions of the British economy. I will say to the Senator from Connecticut that my understanding is that up to this time approximately one-fifth of the total British economy has been seized for purposes of socialization. In the case of France, across the Channel, approximately two-fifths of the total economy has been seized for that purpose.

Does that answer the question of the Senator from Connecticut?

Mr. McMAHON. It does.

SOCIALISM IS SLOWING DOWN EUROPEAN RECOVERY

Mr KEM. Mr. President, I should like to look a little further into the argument that we should not place strings on Marshall plan aid.

When Mr. Hoffman testified before the Senate Committee on Appropriations, he stated:

> The job of ECA is to contribute to the recovery of the entire economy of the participating countries. In doing this we have, I believe, a clear duty to protest any Government action that in any wa, slows down recovery, and thus reduces the total income produced by the economy and increases the burden of recovery on the United States.

His statement appears on page 13 of the hearings before the Senate Committee on Appropriations.

Mr. Hoffman, in his testimony before the Senate Committee on Appropriations, admitted that British experiments in socialism were slowing down recovery there. He said,

> Socialism will slow down the (production) process.

This statement of Mr. Hoffman's may be found on page 105 of the hearings before the Senate Appropriations Committee.

Hon. Bernard M. Baruch, whose views have never been without respect in this body, recently returned from a trip to Europe. Mr. Baruch had this to say concerning the British socialization program. He stated that the British "are spending so much time nationalizing and socializing that they are neglecting to use their energies to develop the country and increase its production."

Winston Churchill, in his speech at Wolverhampton July 23, 1949, the one to which the Senator from Connecticut referred, said that the Socialist Government in Britain had dissipated about $8,000,000,000 in foreign subsidies, mostly from the United States. The Socialist policies of nationalization, he declared, have proved to be the Government's most expensive failure to date. Mr. Churchill called attention to the rising charges for nationalized gas and electricity and to the high losses being incurred by the nationalized coal board, by the British socialized railways, and by the publicly owned air lines.

In view of the statements made by Mr. Hoffman, by Mr. Baruch, and by Mr. Churchill, there is no room for doubt that experiments in socialism are slowing down recovery in Great Britain. In spite of Mr. Hoffman's statement that he has a clear duty to protest any Government action that in any way slows down recovery, so far as I have been able to find, and I made some effort to discover, he has not seen fit to lodge a protest against the action of the British Socialist Government nationalizing one basic industry after another.

Here is where the amendment now under discussion comes in. I believe it is now the clear duty of the Congress to protect the American taxpayer from the use of our money by Socialist governments in a way that is "slowing down recovery" in Europe. It may be said that Mr. Hoffman intends to get tough with the British. If so, when? He has been in office more than a year. He has seen the program of socialization go on apace. So far as the record shows he has never raised a weasel word against it. If we depend upon Mr. Hoffman we may find that he "has locked the door after the horse is stolen." In other words, that he has delayed any action until "the back of free enterprise is broken in Britain forever."

A GLARING INCONSISTENCY IN THE CASE OF SPAIN

Mr. President, it has been brought out in the debate in the Senate on the pending bill that Spain has made efforts to obtain the advantages of the Marshall plan, and also to obtain a loan from the United States independent of the ECA program. She has thus far been unsuccessful. Why is it that we have refused to make a loan to Spain? We do not have to speculate about that; we have the statement of the Secretary of State, Hon. Dean Acheson, recently given at a news conference. According to an article appearing in the Washington Post of July 14, 1949, Mr. Acheson stated that he was flatly opposed to lending or giving Spain any American funds until Spain made certain economic reforms suggested by the United States. I invite attention particularly to that language, "until

Spain made certain economic reforms suggested by the United States." Will it be contended by any Senator that that is not interfering in the internal economy of another country?

Again, I do not offer this as criticism of the Secretary's action. That is for another time. I do say that Mr. Acheson's remarks are entirely inconsistent with the administration's opposition to the proposed amendment, on the grounds that it would constitute an interference in the internal affairs of another country.

ANOTHER INCONSISTENCY IN THE CASE OF MAP

The President, as we all well knew, recently submitted to the Congress a new, far-reaching program of military aid to foreign countries—MAP, I believe is the term used to designate this proposal. Mr. Truman, in his message to the Congress, made it clear that he wants authority to distribute arms as he sees fit—to any place on the globe. I was particularly interested in one statement contained in Mr. Truman's message. I think it will be of interest to those who are asking themselves whether the pending amendment would constitute an unwarranted interference in the internal affairs of the Marshall plan participating countries, and at the same time desire that the United States maintain a consistent position in its policy. Mr. Truman's message reads in part:

> The President should be authorized to terminate our aid at any time. Aid will be terminated in the event that a recipient acts in a manner inconsistent with the policies and purposes of the program, or with its obligations under the Charter of the United Nations.

In other words, the President asks Congress for authority to say to MAP countries: either you adhere to the policies and purposes of this military-aid program, or such aid will be shut off.

Yet the administration objects to Congress saying to the Marshall plan participating countries, "If you use our money to continue experiments in socialism"—which are certainly not in accord with the economy of the United States, and the prevailing opinion of the United States—"we will cut off aid." It is a little difficult to understand why sauce for the goose is not sauce for the gander.

We hear it frequently said on this floor that the policy and purpose of the Marshall plan is to promote economic recovery in western Europe. Experiments in socialism there are slowing down recovery, and are therefore inconsistent with the policy and purpose of the program.

Mr. President, I raise the question in the name of consistency: Can the administration on the one hand say with sanctimonious pity, "Oh, no; you musn't adopt this amendment; it would interfere with the internal affairs of the participating countries"? Yet, on the other hand, the administration wants authority to terminate military aid if a recipient acts in a manner inconsistent with the policies and purposes of the MAP program.

THE AFFAIRS OF THE PARTICIPATING COUNTRIES BECOME OUR CONCERN WHEN THESE COUNTRIES SEEK OUR ASSISTANCE

Mr. President, the amendment I have proposed, and in which the Senator from Arkansas [Mr. MCCLELLAN] and the Senator from Nebraska [Mr. WHERRY] have joined me, gives no direction to any foreign government. Clearly that would be improper and would be something we should not do. Under the amendment, the participating countries would be entirely free to go on with their nationalization and socialization programs until they had achieved 100 percent of their respective objectives. There is no compulsion in this amendment. The option is theirs at all times to decline to accept the funds from the American Government, funds which are provided by the American taxpayer.

As a matter of fact, Mr. President, I think it is fair to say that we of the United States ardently desire to be relieved of the responsibility for the affairs of other countries. But the point is this: The countries of western Europe make their affairs our affairs when they come to us for assistance.

The New York World Telegram recently published a most illuminating article by its accomplished financial editor, Ralph Hendershot. He said:

> When a corporation runs into financial difficulty and seeks credit from a bank, it usually is prepared to accept the terms of the bank in order to secure the loan. And these terms at times may be rather harsh. If the banker knows his business, however, such loan provisions usually work out to the benefit of the borrower. * * *
>
> The banker does not go about the country butting into the affairs of corporations or individuals. But when the corporation or the individual goes to the banker for a loan, he knows in advance that he must put his record on the line. The banker has no other way of determining whether to accept the risk. And if certain changes are necessary to justify the loan, the borrower must be prepared to make them or sweat it out in his own way.

Some of the nations in Europe—

Mr. Hendershot wrote—

> either have accepted socialism formally or under some other name. This means that their industries have been taken over by their governments. Our experience has been that serious inefficiencies creep in when this happens, with the result that money is wasted.
>
> Should we as a nation tax our people to make good the losses of another nation under such a set-up? Should we weaken our own economy to support another which shows little promise of standing on its own feet and which was created to bring a new group of politicians into power? Are the affairs of such a nation no affairs of ours under the circumstances?
>
> Selfishness does not enter into the picture when the banker insists that a borrower conduct his business on sound principles. Nor is that an invasion of the rights of the borrower to live his life any way he pleases. It is only a common-sense approach to a problem which should be solved in the interest of all concerned.

The Saturday Evening Post for August 6, 1949, the current issue, contains a timely and informative editorial entitled "British Socialism Plans the Nation Toward Disaster." I shall not take the time of the Senate to read the full editorial, but I shall read certain excerpts from it:

> It is a mistake to pretend that the Marshall plan is more than a palliative adopted to tide Europe, and especially England, over a period of transition. What has been needed in England is a vast amount of private investment in all sorts of industries and enterprises. But England herself, under Socialist leadership, has done everything conceivable to destroy the confidence of American investors in the security of the British economy. British investors, too, have lost confidence, and the recent loss of Britain's gold and dollar reserves reflects a flight of capital out of England which bureaucratic restriction has been unable to prevent. An overambitious Socialist program helps price British exports out of the market. * * *
>
> British Socialists, naturally enough, seek to put the blame for their plight on the uncontrolled economy of the United States without asking themselves whether a controlled American economy could have extended to Britain more aid than has so far been supplied. * * *
>
> The real issue is whether a controlled economy can compete with a relatively free economy. By their fruits ye shall know them.
>
> Things would be a lot easier in 1949 if we had been less squeamish in 1947 about setting down a few reasonable stipulations as the price of our aid. We didn't have to be ruthless, just realistic—like an Englishman lending money to foreigners. We could * * * have made it plain that American investment should be on a capitalist-profit basis with reasonable exemption from the interference of the planners. Conceivably also, we might have done more to discourage Britain's imitation of Dr. Schacht's trade and currency operations. Trade is difficult when it is necessary to use three kinds of money. At any rate, these are a few of the conditions an American Government might attach to loans of the taxpayers' money to foreign countries, if we ourselves were less bogged down by devotion to bureaucratic messing, planning, and most of the National Socialist Katzenjammer that is itching the British.

WE HAVE ALREADY DELIBERATELY INTERFERED IN THE INTERNAL POLITICS OF GREAT BRITAIN

Mr. President, Great Britain received $1,239,000,000 in Marshall-plan aid last year. This was the lion's share, to which she felt herself entitled, no doubt. Mr. Hoffman proposed to allocate to Britain an additional $940,000,000 of ECA funds during the next year. Britain's Socialist government, however, has served notice to the OEEC that she wants an even larger share of the Marshall-plan pie—nearly $600,000,000 more, in fact, than Mr. Hoffman has suggested she should receive, or a total of over $1,500,000,000, which might seem to some observers to be the share of at least a couple of lions.

Marshall-plan aid, American taxpayers' dollars, has been used by the British Socialist Government to carry out its program of socialization. If it had not been for the Marshall plan, this nationalization program would have brought a standard of living to the British people they would not have been willing to accept. The Socialist politicians have been able to say to their people: "You get more money for less work than ever before in the history of the island." And so the Marshall-plan funds, in Great Britain at least, have in effect been used as a slush fund to keep the British Socialist politicians in power.

We have Winston Churchill's word for it that: "The Socialist Government and Socialist policy are living on the United States from month to month and from hand to mouth."

The London Economist recently reminded the Socialist Government that it would have been out of office long ago if

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American capitalism had not been willing to subsidize it.

Administrator Hoffman has permitted the use of Marshall-plan dollars to prop up the British Socialist Government and keep it in power. In the thinking of many thoughtful Americans, this constitutes a deliberate interference on the part of our administration in Britain's internal politics.

OUR AID IS ALREADY CONDITIONED UPON THE PARTICIPATING COUNTRIES MAINTAINING A FORM OF GOVERNMENT WE LIKE

Mr. President, it has been made abundantly clear by Administrator Hoffman and other administration leaders that if the governments of any of the Marshall-plan countries go communistic, ECA aid to those countries would be cut off. It does not seem to occur to any of them that that would be an unwarranted interference in the internal affairs of that country.

During the hearings on the ECA appropriation bill before the Senate Committee on Appropriations, the following colloquy occurred between Administrator Hoffman and me:

Senator KEM. I want to ask you, What would be your position should one of the participating countries embrace communism instead of socialism?

Mr. HOFFMAN. I think that under the law, or at least the legislative history, it is very clear that any country that embraced communism, all aid would cease for it which has been the case in China.

Mr. President, I gather from that that there would apparently be no hesitancy on the part of the administration to cut off aid to any country that goes communistic. In other words, a condition of our aid is that the participating countries retain a form of government of which we approved. Why should we approve one branch of Marxism, the branch which has been developed in England and France, and disapprove another branch of Marxism, which happens to be the branch which has been developed in Russia?

Then why all the hullabaloo about the pending amendment constituting an interference in the internal affairs of western Europe?

The Socialist-Labor Government of Great Britain has been described by the widely read columnist George Rothwell Brown, as a prep school for communism. Mr. Churchill has described the Socialists, in language typically Churchillian, as "the handmaids and heralds of communism, who prepare the way at every stage and every step for the future advance of communism."

More recently, in his speech at Wolverhampton, Mr. Churchill discussed the great battle made by Socialists of their quarrel with communism. "There's no real difference," he asserted, "between a full application of the Socialist system and communism. Both are fatal to liberty, as we have known it, to our prosperity and happiness and to what we have called the British way of life."

THE PENDING AMENDMENT IS NOT WITHOUT SUPPORT IN GREAT BRITAIN

Mr. President, I have received a considerable number of letters from citizens of Britain concerning the pending amendment. All of them are heartily in favor of it.

A Londoner wrote me under date of July 15, 1949. He said:

Nationalization is going to wreck the economy of this country if carried further. Our so-called politicians are simply using it as a means to give their pals good jobs in industries which they do not understand. Everything they touch loses money, and we poor taxpayers have to suffer.

Then my correspondent made this significant statement which it seems to me the American Congress would do well to take to heart:

You are paying the piper, and you have a perfect right to call the tune.

Mr. President, the hour is late, and I am not going to ask the Senate to bear with me while I read any more letters, with one exception.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. KEM. I yield.

Mr. WHERRY. The majority leader is not present. I do not know how long he intended to keep the Senate in session. My understanding is that a recess will probably be taken about a quarter to six. I do not wish to inquire now whether or not the Senator is ready to have a recess taken, but I should like to ask the distinguished Senator how long he thinks his speech will take?

Mr. KEM. It depends on the number of questions asked me.

Mr. WHERRY. My understanding is that the Senate will take a recess until Monday, if and when the acting majority leader is ready to take a recess. I suggest to the distinguished Senator that he continued his speech on Monday. Would that be agreeable to the Senator from Missouri?

Mr. KEM. That would be perfectly agreeable to me.

Mr. WHERRY. I think the intention is to continue for a while this evening, and take a recess at about a quarter to six. Would that be agreeable to the Senator?

Mr. KEM. That would be entirely agreeable.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. KEM. I am glad to yield to the Senator from New Hampshire.

Mr. BRIDGES. Word has come to me that Sir Stafford Cripps and Mr. Bevin are both coming over to join in the forthcoming Washington Conference on the sterling crisis affecting Great Britain. It is rumored that Mr. Acheson, Secretary of State, is to preside at the conference. I wonder if the Senator knows why the Secretary of State should be contemplating presiding when we have a Secretary of the Treasury in Washington who has been in Europe and England and has consulted on all these problems. He is our expert on monetary matters. Why would not the Secretary of the Treasury be the logical man to confer on this problem, rather than the Secretary of State? Has the Senator any information on that subject?

Mr. KEM. Anything I might say in that connection would be more or less gratuitous. I think opinion could be found in Washington to the effect that the Secretary of State speaks more nearly the language of Mr. Bevin and Sir Stafford Cripps than does the Secretary of the Treasury. Perhaps they would find themselves more in accord with Mr. Acheson than with Mr. Snyder.

Mr. BRIDGES. If it be true, as rumored, that the Secretary of State is to preside and that the Secretary of the Treasury, Mr. Snyder, a very able gentleman who has been over there and has studied the problem and knows it first hand, is to be passed over and supplanted by the Secretary of State, I wonder if the Secretary of State is planning to take over the functions of the Treasury Department. It begins to look that way.

Mr. KEM. It seems to me there is some reason to believe that. I may say in passing that I was told by a distinguished Member of this body that when Mr. Bevin was here on his last trip he had a conversation with him, and Mr. Bevin assured him that the Socialist Party was not prepared to go ahead with its program with quite the vigor with which it had been previously pursued. A few days later I picked up the newspaper and read of the Blackpool convention, at which a very complete and detailed program had been adopted by acclamation by the Socialist Party of Great Britain. I hope that a platform in Great Britain is not merely campaign oratory.

Mr. BRIDGES. Mr. President, will the Senator further yield?

Mr. KEM. I yield.

Mr. BRIDGES. I have a very high respect for Mr. Snyder as Secretary of the Treasury. I know that he has been criticized for various things, but by and large he is a pretty sound man who is endeavoring to do a good job. He has been in Europe and has been examining into this whole problem. As Secretary of the Treasury of our own country, he should know as much about monetary matters as anyone else. Certainly he should have competent advice available to him. If we are going to have a conference with the British on the problem of the pound sterling and if the British representatives are coming here to confer, I should think the Secretary of the Treasury, Mr. Snyder, would be the one to preside over that conference and work out that matter. For the life of me, I do not see why Mr. Snyder should be supplanted by the Secretary of State, Mr. Acheson, in connection with a matter involving monetary affairs.

I think the presentation the Senator from Missouri is making is quite pertinent. Perhaps the reports that Mr. Acheson will preside at the conference are not correct, although certainly those are the reports which emanate from downtown.

I present that matter as an interesting sidelight to the discussion the distinguished Senator from Missouri is making in regard to his amendment.

Mr. KEM. Mr. President, I think the point is very interesting, and I am glad the distinguished Senator from New Hampshire has made it.

I may say in passing that the distinguished Secretary of the Treasury is a citizen of the State of which I have the honor to be one of the representatives

here in the Senate, and he has the regard of his friends and neighbors at home, of which the junior Senator from Missouri is one.

Mr. President, a lady from Bristol has written me:

> I am a working woman, a widow of 60. Under nationalization the Government has created a great army of privileged people. None of these Socialists live as we poor creatures do. They are beggars on horseback riding the country to the devil. The more aid you give us the more socialism we shall get.

Mr. President, it is in the interest of the people of western Europe, as well as in the interest of the people of the United States, for Congress to inform those governments that no further aid will be forthcoming if additional industries are socialized. This is what the Senate is asked to do in the pending amendment.

Mr. President, I ask unanimous consent that I may be permitted to have the floor when the Senate convenes next Monday, to continue my remarks on this subject and to answer any questions which any Member of the Senate may be inclined to put to me at that time.

The PRESIDING OFFICER (Mr. GEORGE in the chair). Is there objection to the unanimous-consent request of the Senator from Missouri? The Chair hears none, and it is so ordered.

ORDER FOR CALL OF THE CALENDAR

Mr. MYERS. Mr. President, I ask unanimous consent that following the disposition of the pending business, the ECA appropriation bill, the calendar be called for the consideration of bills to which there is no objection, beginning with Calendar No. 669. I also ask unanimous consent that the following bills be included in the call of the calendar: Calendar No. 302, House bill 997; Calendar No. 378, Senate bill 1290; Calendar No. 462, Senate bill 689; Calendar No. 496, House bill 1694; and Calendar No. 590, House bill 3825. The bills to which I have just referred were those which were placed at the foot of the calendar, upon request, at the time of the last call of the calendar, but were temporarily passed over with the expectation of returning to them before the call of the calendar was concluded the last time.

Mr. WHERRY. Mr. President, reserving the right to object, I do so only for the purpose of being able to state that I am not sure that the RECORD shows that all those measures were placed at the foot of the calendar. One or two of them, I think, were merely requested to be passed over until some Senators could look into them more thoroughly than they had. But it seems to me that makes no difference.

I am in complete accord, in any event, with the suggestion of the distinguished acting majority leader, because all Senators will still have their right to object preserved, in the event they wish to object to the consideration of any of the bills on Monday. But I simply wish the RECORD to show that not all the bills mentioned were passed over and ordered to be placed at the foot of the calendar.

The PRESIDING OFFICER. Will the Senator from Pennsylvania indicate where he requests that the call of the calendar commence?

Mr. MYERS. With Calendar No. 669, House bill 1892.

Mr. WHERRY. Mr. President, that is where we left off with the consideration of bills to which there was no objection, at the time of the last call of the calendar. But in addition to that, as I understand the request, the bills just listed by the Senator from Pennsylvania are to be included.

Mr. MYERS. Yes; that is my request.

Mr. KEM. Mr. President, will the Senator yield for a question?

Mr. MYERS. I am happy to yield.

Mr. KEM. Would the Senator from Pennsylvania have any objection to including in the list of bills Calendar No. 319, Senate bill 1054, a bill for the relief of the Northwest Missouri Fair Association, of Bethany, Harrison County, Mo.? At the time when that bill was reached on the previous call of the calendar its consideration was objected to by the senior Senator from Missouri [Mr. DONNELL], who said he would like to have an opportunity to look into it. He has done so, and has withdrawn his objection. So I should like to have the bill put back on the calendar, and I should like to have consent that it be included at the forthcoming call of the calendar.

Mr. MYERS. I shall be very happy to include the bill the junior Senator from Missouri has just mentioned with the five bills previous to No. 669 on the calendar which I have asked to have included in the next call of the calendar.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. MYERS. I am happy to yield.

Mr. WHERRY. It is my understanding, however, that the call of the calendar will not come until after the ECA appropriation bill has been disposed of.

Mr. MYERS. That is my request.

Mr. WHERRY. Then, Mr. President, I should like to make another unanimous-consent request, namely——

The PRESIDING OFFICER. Is the Senator from Nebraska about to propose an amendment to the request already made by the Senator from Pennsylvania?

Mr. WHERRY. No; I shall propose another one.

The PRESIDING OFFICER. May the Chair in his capacity as Senator ask that another bill be included in the list. The Chair does not see the calendar number, but it is a bill for the relief of Dr. Wilson. It is a bill to which there is no objection.

The Senator from Delaware [Mr. WILLIAMS] objected to its consideration at the time of the last call of the calendar, but since that time has stated to the Chair that he would withdraw his objection.

The bill is a relief bill, coming from the House of Representatives. It is for the relief of Dr. Wilson.

Mr. MYERS. Mr. President, I shall include the bill to which the senior Senator from Georgia has just referred in my unanimous-consent request, among the bills which are to be considered during the next call of the calendar, and are listed on the calendar prior to Calendar No. 669.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Pennsylvania?

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM—BASING-POINT BILL, DEPARTMENT OF INTERIOR APPROPRIATIONS

Mr. WHERRY. Mr. President, I ask unanimous consent that after the call of the calendar has been had—and I make this request after consulting with the Senator from Louisiana [Mr. LONG], and I am satisfied he has consulted with the acting majority leader—the motion for the reconsideration of Senate bill 1008, the bill to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual, good-faith delivered-price systems and freight-absorption practices, which is on the legislative calendar, be made the order of business, following the completion of the call of the bills and other measures on the calendar.

Mr. MYERS. Mr. President, as the author of Senate bill 1008, I am quite anxious to have disposition made of that measure. The bill passed the Senate. However, a similar bill in the House of Representatives was amended.

The question with which we are faced is whether the Senate should agree to a conference on the bill or whether the Senate should accept the amendments of the House of Representatives. That bill is the basing-point bill. As the author of the Senate bill, I am quite anxious that we make disposition of that measure just as soon and just as quickly as possible.

Therefore I unite with the minority leader in the request; I join in his unanimous-consent request that the motion for the reconsideration of that measure be considered immediately upon the conclusion of the call of the calendar.

Mr. WHERRY. Let me inquire of the distinguished Senator from Pennsylvania if it is correct that he has consulted with the Senator from Louisiana [Mr. LONG] and that it is agreeable to him that that be done.

Mr. MYERS. The Senator from Louisiana previously gave notice that he intended to call up the motion for the reconsideration of that bill on Monday, but he has assured me that he will agree that it be delayed until we have completed action on the ECA appropriation bill and have completed the call of the Calendar.

Therefore, I am quite happy to join in the unanimous-consent request of the minority leader.

The PRESIDING OFFICER. Is there objection?

Mr. HAYDEN. Mr. President, reserving the right to object, I should like to inquire where this will leave the Interior Department appropriation bill.

Mr. WHERRY. It will leave it to come up, I suppose, immediately thereafter.

The unfinished business is the minimum-wage bill. My understanding from the distinguished majority leader was that he wanted to make the Interior Department appropriation bill the next order of business. I do not think it will take too long to handle these matters. I

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know one Senator wishes to make a speech on the basing-point bill, and possibly there are one or two other speeches to be made, and, of course, Senators have a right to do so. But the motion to reconsider was entered on July 26. So all there is to it is the suggestion of an amendment, which may be worked out completely before the motion comes up for hearing. A conference committee can then be appointed and proceed with their work.

The PRESIDING OFFICER. For the guidance of the clerks at the desk, may the Chair inquire whether the bills that were specifically enumerated and which occur on the calendar before the number at which the calendar call properly starts are to be placed in advance of the calendar; that is, are they to be taken up before the calendar is reached under the unanimous-consent agreement?

Mr. MYERS. I think that might very well be done so that the bills enumerated may precede Calendar Order 669, which I understand is the point at which we begin the calendar. I think the bills enumerated might first be considered and then the calendar called beginning with Order 669.

The PRESIDING OFFICER. That would expedite matters.

Mr. WHERRY. I join in that amendment to the unanimous-consent request, if it can be included in the request. Furthermore, I should like to suggest to the acting majority leader that the Senate proceed consecutively, starting with the first bill in order and going through the calendar, before any Member is permitted to return to any bill for consideration. I think that is the orderly way to proceed. It will avoid confusion. In other words, if a request is made to return to a bill, my suggestion is it should not be permitted until the call of the calendar has been completed.

Mr. MYERS. I am quite willing to accept that amendment, with the understanding that those bills which have been specifically mentioned, to which we shall return, shall be considered first, and then the calendar be called beginning with Order 669.

Mr. WHERRY. I join in that request.

The PRESIDING OFFICER. Without objection, it is so ordered. That information will assist the clerks at the desk in making their arrangements.

RECESS TO MONDAY

Mr. MYERS. Mr. President, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 43 minutes p. m.) the Senate took a recess until Monday, August 8, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 5 (legislative day of June 2), 1949:

DEPARTMENT OF THE ARMY

Tracy S. Voorhees, of New York, to be Under Secretary of the Army.

Archibald S. Alexander, of New Jersey, to be Assistant Secretary of the Army.

UNITED STATES MARSHAL

Alphonse Roy, of New Hampshire, to be United States marshal for the district of New Hampshire. He is now serving in this office under an appointment which expired July 28, 1949.

IN THE COAST GUARD

The following officer of the United States Coast Guard Reserve to be commissioned in the United States Coast Guard:

To be lieutenant (junior grade)

William H. E. Schroeder

HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 5, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. James P. Wesberry, LL. D., offered the following prayer:

Once again, we come to Thee, gracious Heavenly Father, in behalf of the Nation that we love. May it please Thee to put down and defeat the forces in our land that are godless and destructive in purpose and plan. Put Thou to flight all enemies who would rob us of our God-given and blood-bought rights of freedom and independence. May the Star-Spangled Banner, with its stars of light, its bars of white, and its red of our Nation's sacrifice ever be an emblem to the people of our land of that which is sacred and precious to our hearts. Long may the old red, white, and blue flow in triumph over this land of the free and home of the brave. This we ask in the name of Him who laid down His life in sacrificial love that through Him the world might be saved. Amen.

The Journal of the proceedings of yesterday was read and approved.

AGRICULTRAL ADJUSTMENT ACT OF 1938 AS AMENDED

Mr. PACE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1962) to amend the cotton and wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, with House amendments thereto, insist on the House amendments and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOLEY, PACE, POAGE, HOPE, and AUGUST H. ANDRESEN.

EXTENSION OF REMARKS

Mr. FELLOWS asked and was given permission to extend his remarks in the RECORD and include a statement by the National Potato Council.

Mr. HÉBERT asked and was given permission to extend his remarks in the RECORD and include an article entitled "Where Do We Go?" notwithstanding that it exceeded two pages of the RECORD and, according to the Public Printer, cost $225.50 to print.

SPECIAL ORDER GRANTED

Mr. CANFIELD asked and was given permission to address the House today for 15 minutes, following disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

Mr. WILLIAMS asked and was given permission to address the House on Monday next for 30 minutes, following disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial published in the Polish-American Journal by Editor Lesnicki.

Mr. THOMPSON asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD.

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and include an article by Gen. Robert L. Eichelberger to be delivered at the American Legion convention at Columbus, Ohio, on Saturday.

LOWER SOURIS NATIONAL WILDLIFE REFUGE

Mr. THOMPSON. Mr. Speaker, I call up the conference report on the bill, H. R. 3751, to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1193)

The committee of conference on the disagreeeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Incorporated, North Dakota, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

CLARK W. THOMPSON,
JAMES B. HARE,
ALVIN F. WEICHEL,
Managers on the Part of the House.

EDWIN C. JOHNSON,
ERNEST W. MCFARLAND,
CHAS. W. TOBEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota, submits the following statement which was agreed upon by the

conferees and recommended in the accompanying conference report:

That the Senate recede from its amendment. The Senate amendment is as follows:

In line 7, after the name "North Dakota", insert a colon and "*Provided*, That the International Peace Garden, Incorporated, North Dakota, shall pay 50 per centum of the appraised fair market value of the property as determined by the Fish and Wildlife Service."

CLARK W. THOMPSON,
JAMES B. HARE,
ALVIN F. WEICHEL,
Managers on the Part of the House.

Mr. THOMPSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMMUNISM AND RELIGION

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri.

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, until recent years I had thought the days of Christian martyrdom had passed. I never expected to live to read of Christians being compelled to face death and fates that are worse than death in defense of their faith. But since communism has raised its ugly head, we seem to be returning to the Dark Ages, in our own country the ideology of communism has reached the stage that we consider it necessary to attempt to combat it even in this country that has always been considered the outpost of personal freedom and liberty. I have followed the trials of those who have been accused of subversive activities as those trials have been carried out in the courts but I am forced to the conclusion that while those things may be necessary to protect our country from the ravages of spies that these methods alone will never eradicate the disease. A man does not become a Communist overnight. Communism in the individual is the result of wrong thinking, faulty or unwise education that probably begins in the home and the school.

Communism as practiced in Russia and her satellites is the most absolute dictatorship the world has ever known. It destroys not only freedom of speech, freedom of the press, but seeks to destroy the home and frankly states that it cannot live with the Christian religion.

Communism is not an issue in my home State. I am sure you would be unable to find a Communist in my district in Missouri with a microscope. We live close to nature there and have always cherished our freedom and our religion. The training I received in my early youth made me so immune to communism by the time I was 12 years old that all the minions of hell from Herod to Joe Stalin could not have changed me. On our center table at home lay a family Bible. It was there as early as I could recollect. As soon as I was old enough to understand, mother read to me the story of the creation as given by Moses in the Book of Genesis.

Later the twenty-third Psalm was read and explained to me and the Sermon on the Mount. In the middle of that old book there were a number of ruled pages with two angels at the top of each page forming an arch above the page. Written in faded ink were the records of the births and deaths of ancestors I had never seen. Births and deaths and marriages were recorded there. We children were told that that book was sacred and we should open it with care and reverence because God had given it to us as a guide to right living and right thinking and that it contained all we needed to know in order to become good men and women and good citizens of our country.

Before I was 5 years old I became acquainted with both birth and death. My father was a Missouri farmer and Missouri farmers raise livestock. The baby pigs came in early February. Because my father had learned that the hog market in August was almost always higher than in December and January, he always planned to have the baby pigs come in early February. Early February in Missouri is seldom mild. Quite often the snow as fine as salt rides on a 40-mile gale and seeks every crack and crevice. Many times I have gone with my father to bring the baby pigs in a cloth-lined basket to be dried by the stove so that they would not freeze. The lambs to be guarded from snows and cold rains and dried and returned to their mothers. I was taught that it was my duty to save life, also that it was a privilege to help. My mother told me it was God's way. That He had so ordered it and that anything He ordered was well.

When I was 10 years old I got my first geography. On the second page was a chart covering the full page. In the upper left-hand corner of this page was a picture of a man wearing a loin cloth. On his left stood an orangutan, next to him a horse, then an elephant, then a giraffe, and so on back and forth across that page through the entire gamut of creation until at last in the lower right-hand corner there appeared a jellylike spot, large at both ends and small in the center. This, the chart said was an amoeba, a form of life so low that the probabilities were it had been spontaneously generated. I took this chart to my mother. It had created in my mind my first doubt. Mother told me not to quarrel with my teacher about it but that I did not have to believe it. I know what it is to doubt. I know what it is to have all the darkness of a thousand nights poured into 1 hour. But my home training and the Book of Books has conquered those doubts and driven them away. The place to fight communism is in the home and in the school. A philosopher has said God realized he could not be with all of the children all of the time so he created Christian mothers.

I remember my first serious illness. How my mother sat at my bedside night after night. How she turned the pillow when it was hot. Watched the clock to give me the medicine at just the right time and with hand long ago turned to dust, soothed my pains and with that voice that I will never hear again unless by Christian faith and the grace of God I meet her in a better country, told me to never mind, I would be better by and by.

What does atheism have to offer? Atheism is the handmaiden of communism. Anybody that would take away from people in this old world of toil and strife their Christian faith and offer nothing in its place is too detestable for description. A man who would seek to destroy your faith in Christ is meaner than a man who would steal a cripple's crutch or take pennies out of a blind beggar's cup. On your sickbed, what does the atheist have to offer? It says, no use to pray, let the pain stab, let the fever burn, curse it and die.

When we reach the end of life's journey as we all soon must do. When the pale horse with his pale rider paws at the threshold and the spirit is breaking away from the body, the atheist says the Bible is a myth, there is no God. There will be no ministering angel to conduct, no Christ, no heaven, no home, nothing to light the journey through that dark valley except the whiteness of the tombstones.

My friends, I am not willing to adopt such a dismal theory. I am unwilling to admit that my grandfather, a million times removed, was a water moccasin or my grandmother, a million times removed, might have been a mud turtle. With all my weaknesses I still claim a nobler heritage. I still maintain that I am a son of God created in his image.

What joy it must be to an atheist to go to a Gold Star Mother and say to her that her son to whom she said good-by as he left her to join the colors, with the roses of health on his cheeks and the buoyancy of youth in his step, "You will never see him again nor feel his strong arms around you." How the atheist must enjoy going to the young mother and saying to her, "The baby that has just been lowered into the grave, you will never see again, there is no resurrection. You will never again feel its soft arms nor the touch of its rose-petal cheek."

I tell you, my friends, the place to fight communism and atheism is in the home and the school and the church. "Raise up a child in the way he should go and when he is old he will not depart from it."

MINIMUM WAGE

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUCAS. Mr. Speaker, I am tremendously encouraged to hear so many Members of this House speak on this floor in favor of raising the minimum wage. I am a stanch advocate of such a proposal. As I am sure the Members of this House well know, I have introduced a bill for that purpose and I have tied the minimum wage to the cost-of-living index. This action is receiving acclaim throughout the land. I hope that my fellow Members will study the matter so that they may be as enthusiastic about this plan as I am.

Today, in order to clarify the Lucas bill, H. R. 4272, which I introduced on April 14, I am introducing a new bill. My purpose in so doing is to include all the

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exemptions which the gentleman from Michigan [Mr. LESINSKI] has put in his new bill. In my first bill I had included only those exemptions in the present act, but in view of the fact that the gentleman from Michigan [Mr. LESINSKI] desires to exclude from the coverage of the act other occupations, I very willingly accept his exclusions and am writing them into my new bill.

I reiterate my plea to the Members of this House to study this legislation and to join with me in bringing out a fair bill which will bring stability into our present economy.

LUMBER INDUSTRY UNEMPLOYMENT

Mr. MACK of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MACK of Washington. Mr. Speaker, many lumber mills in the States of Oregon and Washington are closed down entirely, while others are operating on curtailed production schedules. As a result great unemployment prevails in the lumber industry of these two States.

One of the principal reasons for this is that Great Britain, using ECA dollars our American taxpayers give to her, buys lumber almost exclusively in Canada.

I received a statistical report this morning from the reliable Pacific Lumber Inspection Bureau, Inc., which reveals how completely the British in their ECA purchases are discriminatng against United States lumber producers.

This report shows that British Columbia mills during the first 6 months of this year shipped 218,057,217 feet of lumber to the United Kingdom, while the lumber mills of Oregon and Washington, America's two greatest lumber-producing States, shipped a combined total of only 7,800,704 feet to the United Kingdom.

This means that of all lumber orders placed with American ECA dollars by the British that 97 percent were allocated to Canada and only 3 percent of the orders to United States mills. United States lumber mills are getting fewer lumber orders from the British now, at a time when the American people are donating billions of dollars to them, than we did before ECA was started.

I would like to suggest to the British that if they continue this selfish policy of discrimination against American industries they inevitably will undermine and and endanger the whole ECA program for themselves and other nations as well.

Certainly the American taxpayers cannot and will not continue to give huge sums to Europe if American dollars are to be employed to destroy the prosperity of American industry and thereby deprive American workers of their jobs.

AMENDING THE NATURAL GAS ACT

Mr. CROSSER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 1758, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

Mr. HESELTON. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, with respect to the pending bill, I call the attention of my colleagues, particularly from New York City, to the fact that in 1950 we, too, shall be using natural gas very extensively in New York. Some 60,000,000,000 cubic feet annually will be mixed with ordinary gas now manufactured in New York City, and piped through the gas mains of New York.

My feeling about this bill causes me to oppose it, and I may say that I support the recommendation of my colleague from Massachusetts [Mr. HESELTON], that this bill be recommitted to the committee for study not only of this source of energy but of other sources of energy. In New York City which is a situation typical of other cities, there are gas companies which are distributing this gas and will distribute it together with manufactured gas. Those are public utilities. This presents a unique situation, because here we have a source of energy coming from a place distant from New York City and piped through public utility lines in New York City. Nevertheless, if the outlets are completely controlled, as they are, there is no competition in those. You have no such situation as you have in oil and gasoline, where there are many service stations in a particular community which can compete with each other. Here you have a public utility as the end result. Hence I believe that in order to be consistent and follow out what we understand to be the necessary law with respect to public utilities, that the rates should be controlled, you must start here at the source. The fact that the source is in another State, should not make any difference. The theory of regulation remains the same, when the end result is that the distributing company has a monopoly and the consumer must, whether he likes it or not, pay the prices that the public utility charges.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New York.

Mr. KEOGH. I think I can assure my colleague from New York City that I and, I am sure, the other Members from New York on our committee, had in mind always that New York City expects to be receiving natural gas this next year. I am sure the gentleman from New York will agree, even though we dislike to, that New York City is not the entire United States.

Mr. BIEMILLER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following members failed to answer to their names:

[Roll No. 161]

Andresen, August H.	Gross	Pfeifer, Joseph L.
Aspinall	Hall, Edwin Arthur	Pfeiffer, William L.
Bailey	Halleck	Phillips, Tenn.
Barden	Hays, Ohio	Plumley
Baring	Hedrick	Potter
Bates, Ky.	Heffernan	Poulson
Bentsen	Heller	Powell
Blackney	Hinshaw	Quinn
Bland	Hoffman, Ill.	Ribicoff
Bolton, Ohio	Hope	Riehlman
Bonner	Hull	Rivers
Buckley, N. Y.	Jennings	Rooney
Bulwinkle	Johnson	Roosevelt
Burnside	Kearns	Sadlak
Carnahan	Kee	Sasscer
Cavalcante	Kelley	Scott, Hardie
Celler	Kennedy	Scott, Hugh D., Jr.
Chatham	Kirwan	Secrest
Chudoff	Klein	Short
Clemente	Kruse	Sikes
Clevenger	LeCompte	Smith, Ohio
Coudert	Lichtenwalter	Staggers
Davenport	McGrath	Stanley
Deane	McGregor	Stigler
Dingell	McKinnon	Sutton
Dolliver	Macy	Tackett
Eaton	Marcantonio	Thomas, N. J.
Elston	Mason	Towe
Engle, Calif.	Miller, Calif.	Wadsworth
Fogarty	Morrison	Walsh
Ford	Morton	Welch, Calif.
Frazier	Murphy	Werdel
Gilmer	Nicholson	Wolcott
Gordon	Nixon	Wood
Gore	Noland	Woodhouse
Gorski, Ill.	Passman	
Granger	Patman	
Gregory	Perkins	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 1758, and finding itself without a quorum, he had directed the roll to be called, when 321 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its session.

Mr. HESELTON. Mr. Chairman, I yield 6 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, apparently the only justification for not amending the Natural Gas Act, and for permitting the Federal Power Commission to assume jurisdiction over the intrastate operation of the production and gathering of natural gas at one end of a pipe line, and the distribution of gas at the other end, is the fact that the product moves in interstate commerce and that a possible rise in price of the production makes its control a matter of great public interest. If this reasoning is correct then a potential rise in the price of any product would be sufficient justification for the control of that industry by some Washington bureau; but more particularly applied to products producing heat and power, this would apply directly and immediately to coal or oil. They are all used for substantially the same purpose. The fallacy of such an argument in a country of free enterprise is evident.

Permit me to state further that trying to make natural gas production within itself a utility is not only obviously unfair

but it is so absolutely impractical. For instance, there are very few who go out and attempt to create a gas field who do so with their first well, and dry holes are the rule not the exception. Assuming therefore that someone would start out to find the gas field and would drill 20 dry holes and finally develop one producer, he might drill one or several more wells which would produce but if he was classified a utility when he found his first well it is only fair to expect the cost of the previous 20 dry holes to be used for his rate base on the one well; the result of this is, of course, obvious, for rates would be so high as to make production impractical. This could be carried very substantially further for the country is full of "busted" oil companies or oil companies and gas companies that are merely existing, having lost their capital by improvident expenditure of money or by errors of judgment as to where to try and find gas. Should gas be classified as a utility, all these companies would have to do would be to lease some acreage in a proven gas field and start drilling again. Once having discovered gas they would be declared a utility and all of their past spending could be capitalized and used as a rate basis. It would open the door to endless abuses and would be outrageously unfair. In other words, it just would not work.

If the Federal Power Commission can take over control of the natural-gas business, there is no reason why they cannot take control over the petroleum business and the coal business. What the American people want today is a sound, free, growing America. They are tired of restrictions, controls, and regimentations, and all the other economic plans that have been fostered on them for the past 16 years. The challenge before us in this legislation is whether we are to surrender to these new philosophies of thinking, or carry on the fight to retain those freedoms of opportunity which have built without question the greatest Nation in the world. Therefore, I intend to vote for the Harris amendment.

Mr. CROSSER. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. FRIEST].

Mr. PRIEST. Mr. Chairman, it is rather infrequent that the Committee on Interstate and Foreign Commerce comes to the floor of the House with a bill on which there is any sharp division of opinion. The pending bill is one exception to that general traditional policy of the committee.

The bill before the Committee at this time, I think, has been adequately explained. The distinguished gentleman from Arkansas [Mr. HARRIS] and the distinguished gentleman from New York [Mr. KEOGH] both have reviewed the court opinions out of which this legislation grew, and I think have very adequately covered the legal background.

Mr. Chairman, I grant to every person, including members of the Federal Power Commission, the right to change his or their minds. I have at times in the past changed my own mind on legislative matters, but never without some justification as I saw it.

In reading the hearings on the pending bill I find frequent reference to the Priest substitute of 1947. Reference has been made on the floor of the House to that substitute that I offered on July 12, 1947, when the Rizley bill was before the House. In these 5 minutes, I simply want briefly to review the background of that legislation and to state to the Committee of the Whole why I am still supporting legislation which I was urged to present in 1947.

During the early months of 1947 the House Committee on Interstate and Foreign Commerce set hearings on the bill introduced by the gentleman from Oklahoma [Mr. RIZLEY]. The hearings were rather extensive. After the first day of those hearings I was convinced in my own mind that the Rizley bill was far too broad in its scope, that it went much further than I was willing to go. From that point on I sought to determine just what should be done, believing that the circumstances justified some action by the Congress.

The Federal Power Commission appeared before the committee during the hearings on the Rizley bill and on numerous occasions, Mr. Chairman, during those hearings, in response to questions by members of the committee, members of the Federal Power Commission said, "Yes, we believe some legislation should be enacted by this Congress in order to clarify a situation that has produced conditions that border on the chaotic in this whole field."

When pinned down as to what they believed should be done they said this: "We believe that legislation should be enacted that will clarify the law to make it very clear and without question that the jurisdiction of the Federal Power Commission does not extend to the independent producer and gatherer of natural gas."

Whereupon, the Commission submitted a draft of legislation. It is printed in the record here. I shall not read it at this time. They asked me to introduce it as a substitute. They said, "We think this should be done. You introduce this bill and offer it as a substitute to the Rizley bill." I thought it ought to be done. The Commission unanimously thought so. I presented the bill. I offered it as a substitute on the floor of the House for the Rizley bill, that went much further than I was willing to go. It was not accepted on the floor at the time I presented it as a substitute. When we came to the final disposition of the Rizley bill, the distinguished gentleman from Colorado [Mr. CARROLL] offered the bill I had presented in a motion to recommit. That likewise was rejected.

Mr. Chairman, I said a moment ago that I gave every person a right to change his mind and therefore his position with reference to legislation. Since 1947 part of the Federal Power Commission have changed their minds. Other persons have changed their minds. I have sought, and sought diligently to find what, if any new development has taken place in the last 2 years upon which I might justify a change in my position. Up to this very minute I have not found a single circumstance that would justify my saying I was all wrong 2 years ago and that I have changed my mind on the subject, because the fundamental and basic question is exactly the same today as it was when I offered that substitute on July 12, 1947. Because that is the situation. I am standing exactly where I stood 2 years ago on this question.

Now, Mr. Chairman, there have been fears expressed here that rates to consumers of natural gas will be increased if this legislation is enacted.

I simply want to point out that this legislation does not lift any restriction whatsoever, but continues in effect the law as it has been administered for the past 11 years. And during those years consumer prices have declined.

Mr. WOLVERTON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I think none of us can differ on the fundamental principle which was expressed by the Speaker yesterday, by the gentleman from New York [Mr. KEOGH], and by the gentleman from Arkansas [Mr. HARRIS], that it is our obligation insofar as establishing legislative policy is concerned, to do it right here and not permit any agency of the Government to do it. However, even though it has been asserted that that is the simple and sole issue in this matter, I want to try to explain to you why that is not the case and why we are confronted with something very much broader and more important than the single problem which proponents of the bill are seeking to solve in this case.

Mr. Chairman, it is my considered opinion that H. R. 1758 should be recommitted to the Committee on Interstate and Foreign Commerce.

If I am recognized for the purpose, I shall offer a motion to recommit.

Those who were here during the debate yesterday and those who have had an opportunity to study the committee report realize, I am sure, that we have before us legislation of a highly controversial nature. The committee report itself demonstrates clearly the sincere differences of opinion which exist among the members of the committee. I want to repeat for emphasis that there are three forms of minority views. Six members signed the first minority views which appear at page 9 of the report. Four members signed additional minority views which appear at page 24 of the report. I filed an individual report of minority views which begins at page 20 of the report.

The gentleman from Arkansas referred to the fact that the vote to report the bill was 14 to 7 and that is correct. However, may I call to your attention that there are 28 members of this committee and that even though 14 members were of the opinion that the bill should be reported, while 7 members differed, yet we now find 11 members filing formal minority views.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

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Mr. WOLVERTON. Would the gentleman care to make reference to the fact that there were seven Members not present when the vote was taken?

Mr. HESELTON. Yes, I should add that that was the situation. I dare say that there were many yesterday who felt as I did that the rule should be adopted so that we could have full consideration of the bill, and yet were then opposed to the bill. I hope that there are many others who voted in favor of considering the legislation who will have had an opportunity to study the evidence and opinions expressed and who will share my conviction that this bill should be recommitted to the Committee so that it may continue its excellent investigation and study of our fuel resources with the objective of bringing before the House its recommendations in terms of the over-all problem now facing us.

Before discussing some of the main points of that study, I think it is entirely proper in terms of the difficulties which confronted the House Committee and the differences of opinion which exist to point out that it is of record that S. 1498 to amend the Natural Gas Act to exempt individual producers and gatherers of natural gas was reported on June 22 with an amendment by a vote of 6 to 3. In most respects that bill is similar to the bill before us. Yet we are confronted with a report dated July 28 upon a rule granted Wednesday afternoon.

The Committee on Interstate and Foreign Commerce started over a year ago a comprehensive study of the Nation's fuel supply and demand. The best statement available as to the objectives of the Committee's investigation is contained in remarks made by the gentleman from New Jersey [Mr. WOLVERTON] on December 12, 1947, when he was presiding as chairman of the committee:

I would like to make a short statement preliminary to hearing the first witness with respect to the purpose and intent and scope of the survey or study which the committee has begun.

The subject of fuel supply and demand which we shall begin to study this morning is of outstanding importance for the Nation's economy both in times of peace and in times of war. As a matter of fact, I cannot think of any problem which looms larger as far as our future prosperity and security are concerned.

When I say we are going to begin this study today, I do not mean to imply that this committee is a newcomer in the field of fuels. I refer you to the thorough study made of petroleum in all of the aspects by this committee in more recent years beginning with the Seventy-third Congress under the subcommittee chairmanship of WILLIAM P. COLE, JR., from Maryland, and ending with a final report submitted by Chairman LEA in December 1946. Again, in July 1947, this committee held hearings on petroleum, and the then threatening shortages. The committee is thus well prepared by its past studies for the current broad investigation into the supply and demand picture as it presents itself with respect to our principal sources of energy—petroleum: coal, electric power, and natural gas.

The committee proposed to divide its study into two parts, namely, the immediate fuel situation and the long-range situation with respect to each of the afore-mentioned sources of energy. It will attempt to get as accurate a picture as possible of the Nation's over-all requirements for fuel both in times of war and in times of peace, and the supplies of each fuel which are available to meet these demands. The committee will study each field in all of its aspects—reserves, production, processing, transportation, and distribution. Great care will be taken to distinguish in the case of each fuel between the immediate short-range problems and the long-range problems of supply and demand. Particular attention will be given by the committee to the problem of interchangeability of fuels and the production of fuels from alternative sources of supply.

In announcing the hearings a few days ago, I stated that the situation with respect to petroleum was truly alarming because of the tremendous increase in the demand for all petroleum products. Present and impending petroleum shortages will undoubtedly constitute a source of harassment for our comfort. Worse yet, they may constitute a potential source of danger to our security. However, even this dark cloud has its silver lining. The shortages which we are experiencing in many fields, including petroleum, constitute the living proof of the vitality and resilience of our capitalistic economy. In a sense it is truly a tribute to our economic system that in the face of widespread forecasts of mass unemployment and closed-down plants during the immediate postwar period, we now find it necessary to concern ourselves with the problem of how to secure the energy resources required to operate our expanding economy.

From that time until the end of the Eightieth Congress the committee continued its investigation. There were 2,692 pages of evidence submitted during the public hearings. These hearings extended over a period of 39 days—from December 12, 1947, to July 28, 1948—and the Subcommittee on Petroleum and Federal Power has continued its study of certain phases of this problem during this year, including an extension study of petroleum in Mexico. I think it is of importance to note that the subcommittee held executive sessions on March 22 to hear the testimony of Hon. Paul G. Hoffman, Administrator, Economic Cooperation Administration; on March 25 to hear Walter Levy, Petroleum Chief, Economic Cooperation Administration; on April 14 to hear Col. G. H. Vogl, Director, Petroleum Board, National Security Resources Board; on May 19, 1949, to hear Robert E. Freedman, Acting Director, Oil and Gas Division, Department of the Interior, and on July 12 to again hear testimony from Colonel Vogl.

During the course of this fuel investigation, the committee filed six important reports. May I describe them briefly:

First. House Report No. 1270, January 26, 1948: A preliminary report on the fuel investigation discussing current shortages, the over-all petroleum situation, the need for a study, suggestions as to its scope, and recommendations for the creation of a Joint Committee on Fuel Policy.

Second. House Report No. 1321, February 4, 1948: A progress report discussing the action taken by the petroleum industry and various governmental agencies as a result of committee recommendations.

Third. House Report No. 1438, February 27, 1948: Petroleum and the European recovery program. This report directs attention to the world-wide petroleum demand and supply situation; the reliance placed upon the Middle East as a source of crude supply; and the world-wide expansion of production, processing, and transportation facilities simultaneously required to furnish petroleum products needed.

Fourth. House Report No. 2342, June 14, 1948: Petroleum prices and profits. This report, based on petroleum company replies to a committee questionnaire, discusses the industry position with respect to current prices and profits.

Fifth. House Report No. 2460, August 13, 1948: Current petroleum outlook. This report, the first submitted under the authority of House Resolution 595, passed on June 19, 1948, was intended to inform Congress of the near term outlook as it had been presented to the committee, and to bring up to date the committee's reporting on its activities in connection with the fuel investigation.

Sixth. House Report No. 2470, December 31, 1948: Mexican petroleum. This is a detailed report of the result of an extensive investigation by the committee in Mexico, as well as with experts here from several departments of Government and Legislative Reference Service concerning the petroleum resources which might be expected from Mexico. It includes at pages 15, 16, and 17, 10 conclusions and recommendations of the committee, including recommendations with reference to consideration of financial assistance to Mexico.

I have attempted to select certain extremely significant excerpts from these reports. I think they demonstrate better than anything else the great importance of the investigation which has been undertaken and which I contend takes full priority over any piecemeal attack on a single problem such as we have before us now.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. Mr. Chairman, I must decline to yield at this time.

Mr. Chairman, I think you will be interested in the very first report made, in two brief paragraphs, referring to the four most important energy resources—four, not one: Petroleum, coal, electric power, and natural gas. The committee stated that it would study each of these fuels in detail. The committee stated that it would give a complete picture of the anticipated supply and demand. The committee expressed the hope that on the basis of the accumulated information it would be in a position to make recommendations to the Congress. With respect to what? Not with respect to one segment, one part of this program, but with respect to a national fuel policy.

In mapping out this program the committee is aware of the fact that the task it has undertaken is no easy one which can be completed in a matter of days or weeks. The committee, however, is convinced that a comprehensive study of this nature by the Congress is imperative if the Congress is to discharge properly its responsibility of formulating legislative policy.

Those words are significant in terms of the argument that has been made repeatedly here that we do have the function and the obligation to formulate

legislative policy. But I say it is a more far-reaching proposition than has been presented by any of the proponents of this legislation; it is a job that must be done. Now further quoting from the report:

As far as our national economy and national security are concerned, no problem looms larger than the question of the adequacy of our energy resources.

I wish you had time to look over the six and a half pages of the scope and outline of the fuel investigation covering each of these four major sources of energy and to see the careful outline as to natural gas.

Next, let me quote the following interesting and significant paragraph from that report:

Thus prepared, the committee is again undertaking a general study into fuel supply and demand. The committee desires to emphasize from the outset that its study is definitely designed to be a fuel study or, using another term, an energy-resources study, and not a series of four separate studies into petroleum, natural gas, coal, and electric power. After concerning itself over a period of years with the problems peculiar to each of these four fuels, the committee realizes that each of these four energy resources affects the others, and that it is imperative, in the interest of the Nation's prosperity and security, for the Congress to think, and, if necessary, to act, in terms of a national fuel policy rather than a national petroleum policy, a national coal policy, a national electric-power policy, and a national natural-gas policy.

Consider this sentence from that report:

No piecemeal approach to the problem at hand, however, is practical.

That was said on January 26, 1948, and it is as true today as it was then. In that sentence the committee stated an indisputable fact. The committee was both farsighted and eminently sound. While the specific reference was to unrelated action by several committees, I submit it applies with even more force to the action now recommended.

Now I quote a paragraph from the report of February 27, 1948, the progress report:

While the committee's over-all study is far from concluded, the committee has progressed sufficiently to be of firm opinion that as far as our national economy and our national security are concerned, no problem looms larger than the question of the adequacy of our energy resources. Inasmuch as petroleum and associated natural gas—

Let me emphasize that—

petroleum and associated natural gas are major sources of the Nation's fuel and energy—in the last year or two contributing more than half the Nation's total use while coal relatively has declined—the demand and supply of petroleum is of tremendous concern."

Next from the report dated June 14, 1948:

The crucial issue with which your committee has been greatly concerned, is—are present petroleum prices and resulting high profits in the public interest because, among others, they enable the industry to overcome present shortages and might tend to stimulate more prudent use of petroleum products, or are they against the public interest and should Congress, therefore, take some remedial action? Your committee is not prepared to give its answer to this question in the present report. The answer to this question is an integral part of a national fuel policy which has yet to be developed—a fuel policy whose objective it is to assure the availability at all times of sufficient fuels and energy resources to meet the needs of the United States in times of peace and war. It is the purpose of your committee, after further study and investigation, to make specific recommendations toward the formulation of such national fuel policy, and your committee's answer to the question of whether current petroleum prices and profits are in the public interest, will be included in its policy recommendations.

This report contains much interesting statistical detail, as well as very informative replies from 20 of 21 integrated oil companies to whom industrial questionnaires had been submitted.

In House Report No. 2460, August 13, 1948, I want to emphasize the following two paragraphs:

With the need for full and attentive examination of this subject so important to our national well-being and to our national defense, and for the formulation of a national fuel policy, your committee long has been impressed. In view of the dramatic rise in demand for petroleum products, natural gas, and electric power, and in view of the continued uncertainty surrounding our international affairs, there is no subject more vital or meritorious of immediate and intensive study.

It is with this in mind that your committee renewed hearings within the first week after the adjournment on June 19, and will continue to meet throughout the summer and fall in the hope that preliminary if not definite conclusions and recommendations to the Congress soon may be reached.

I also want to quote several paragraphs of the committee's observations on longer-range petroleum outlook. They are as follows:

The ascertainment of the multitudinous facts in the case, the analysis of the interdependence and interplay of myriad factors, the weighing of the validity of the many estimates and assumptions both economic and political which must be made, all are matters which the committee has been and is attempting to undertake in its pending examination of the fuel situation looking toward the formulation of a national fuel policy.

There are certain specific areas of further examination already emerging of great significance.

In the field of increasing our petroleum supplies is the question of the extent to which we have reached the place where we should or must become increasingly dependent upon outside sources for obtaining such supplies. This is a matter fully interwoven with international policies and our national-defense position.

The indication has been made to the committee that in a period of national emergency our demands for petroleum would exceed our presently available supplies by 2,000,000 barrels a day. Clearly appropriate anticipatory steps must be taken to bring such vast discrepancy into balance.

It has been suggested to the committee, on the one hand, that the preservation of an assured supply available in the event of such emergency would well imply the maintenance and building up of domestic production with limited reliance upon foreign sources. It has also been suggested that the same emergency considerations would entail the maximum effort toward importations during noncritical times for current use, with accompanying storage for emergency periods, the best storage being stated to be right in the ground.

It is certain that whatever more or less permanent dependence is placed on imports, such dependence must be with reasonable certainty of their continuation.

Such dependence requires consideration, as well, of the means of transportation. Some indication has been given of differing estimates of our tanker position 2 or 3 years hence. The Navy is reported to urge construction of some 100 tankers above those planned by the industry.

This also means consideration, in any event, of a normal, healthy, maintained domestic industry. Just for example in this connection, is the possibility that the immediate larger supplies are the result of too closely approaching, or somewhat exceeding, the maximum efficient rates of production, with long-run detriment.

In the field of petroleum demand there are also many significant matters. Of great importance is the kind of petroleum-product consumption which we now may be encouraging, and the result in terms of meeting any such 2,000,000-barrel-a-day deficiency in total civilian and military demand by curtailment of less civilian demand for military use.

Previous committee reports have commented on statements by witnesses of our change from a "gasoline" to a "distillate" economy. The growth of home and industrial heating and fuel uses, of Diesel power, or jet fuel, and the like, had brought a number of uses of this part of the barrel into much greater play.

Numerous industry witnesses recently have suggested that the time has arrived when the Nation should appreciate that petroleum should not be expected to fuel the entire economy. The examination of this suggestion is basic to the formulation of any fuel policy. Involved are such matters as the trend in the uses just above mentioned, the possibilities of change in jet fuel specifications to mitigate dependence on the distillates, the efficiency of our internal combustion engines and fuel burners, the dependence of our transportation system on petroleum, and the many other items outlined in our first report of last January as comprising the scope of this investigation.

These are all subjects receiving the alert and vigorous attention of your committee.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WOLVERTON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. HESELTON. Mr. Chairman that emphasizes my contention I have made repeatedly in minority views that there are other equally important problems involved which we must meet, which we must realize are interwoven, and if you try to freeze and settle but one in this bill here you may jeopardize the possibility of ever establishing a national fuel policy.

Turn to the problem of imports. Here is the Independent Petroleum Association monthly magazine for February of this year:

CONCRETE ACTION ON IMPORTS TAKEN AT QUARTERLY MEETING—AMERICAN MARKETS FOR AMERICAN PRODUCERS

An increasing flood of foreign oil is jeopardizing our national economy, our national security, and resulting in the unemployment of American labor.

Mr. Chairman, that is the industry speaking. That is not the committee. But the committee called attention to it in that report as one of the problems facing us.

Then again, and this is mighty significant, Mr. Chairman, in terms of our

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security, it is significant in terms of what might happen to us if we get into trouble so far as our domestic supply is concerned. Rationing? You do not know what we will have for rationing if we get into trouble again. Let me repeat the committee's words:

The indication has been made to the committee that in a period of national emergency our demands for petroleum would exceed our presently available supplies by 2,000,000 barrels a day. Clearly appropriate anticipatory steps must be taken to bring such vast discrepancy into balance.

It has been suggested to the committee, on the one hand, that the preservation of an assured supply available in the event of such emergency would well imply the maintenance and building up of domestic production with limited reliance upon foreign sources. It has also been suggested that the same emergency considerations would entail the maximum effort toward importations during noncritical times for current use, with accompanying storage for emergency periods, the best storage being stated to be right in the ground.

There are two conflicting opinions in industry itself. We shall have to reconcile them in some way. We have to face up to this matter sooner or later.

Those are but a few of the complex, puzzling problems involved in establishing any rational national fuel policy.

I believe it unnecessary to submit here any complete list of problems which must be faced by Congress sooner or later. I think everyone is aware of the recommendations which have been made in connection with tidelands legislation, in connection with the impact of imports of petroleum and with the administration of the ECA program so far as refinery expansion overseas is concerned, in connection with any effect upon the public interest by reason of control exercised by producing companies over retail outlets, and in connection with power supply throughout the country.

These are all subjects receiving the consideration and the vigorous attention of your commitee. That is one of the basic reasons why I am going to seek to make the motion to recommit and why I am asking this House to give this committee the power to meet that challenge and come back to you with a reasonable comprehensive recommendation for a national fuel policy, something that I believe is of as much significance in terms of a healthy domestic condition as anything else; something that I am convinced is of as much importance to the security of this country as the proposed program of aid in terms of arms. That will mean nothing if we do not have an adequate supply of fuel resources if we run into trouble.

I just want to discuss one other development that has been touched on very slightly. You are dealing in this bill with the question of exempting the producers and gatherers.

The vital importance of recognizing the complex nature of this problem and of discharging this responsibility was made most significant on June 20 when the Supreme Court of the United States, by a 5 to 3 decision in the case of Federal Power Commission against Panhandle Eastern Pipe Line Company, et al., ruled that a natural-gas company, subject to the Natural Gas Act, could sell leases of its gas reserves without the approval and contrary to the order of the Federal Power Commission. The case involved construction of subsection 1 (b) of the Natural Gas Act—the very subsection which H. R. 1758 would amend. The majority of the Court held that Congress, in exempting the production and gathering of natural gas, intended to exempt the producing properties and gathering facilities of a natural-gas company, and that leases are an essential part of production. The minority of the Court stated:

The Court's judgment and opinion in this case go far toward scuttling the Natural Gas Act. * * * The Court's sterilizing interpretation rests on an exception to Commission authority appearing in section 1 (b) of the act. * * * It was the physical acts incident to the production and gathering of gas—local activities—that our prior decisions emphasized Congress intended to leave States free to regulate. Today the Court reads this congressionally granted privilege of States to regulate the act of production as an absolute bar to the Federal Power Commission's regulation of the ownership of gas-reserve properties. Gas reserves are indispensable to proper service of interstate customers of an interstate natural-gas company. And in thus limiting the Commission's jurisdiction the Court leaves the Commission impotent to protect the public's interest in having interstate companies maintain adequate gas reserves. This disabling interpretation reads the Federal act as though it contemplated ineffective regulation, an interpretation directly opposed to that we gave the act in *Panhandle Eastern Pipe Line Co.* v. *Public Service Commission* (332 U. S. 507, 520). * * *

It seems inconceivable that Congress would have passed an act to regulate natural-gas companies with a wholly neutralizing exception to bar regulation of the gas reserves upon which the whole gas business depended. I cannot attribute such a meaningless and deceptive action to the Congress. While the act itself grants broad Commission powers effectively to regulate gas companies, the Court's interpretation deprives the Commission of power essential to fixing fair rates and to protecting continued services during the life of a company's gas reserves.

The majority construction of this exception in section 1 (b) is the law. But the minority's estimate of the results of that construction places a very heavy responsibility upon the Federal Power Commission and the Congress. Even the majority of the Court clearly emphasizes that such responsibility exists, in the following language at the end of its opinion:

If the Commission is of the opinion that it should have power to control the disposition of leases by natural-gas companies, it is authorized to call the attention of Congress to that fact.

The significance of that responsibility, in the minds of the majority of the Court, is high lighted by the following annotation to that sentence:

In an analogous situation before the institution of this litigation, there had been uncertainty of opinion in the Commission as to the reach of the act toward sales by independent producers and gatherers to natural-gas companies for transportation in interstate commerce. See reports of the Federal Power Commission on its natural-gas investigation (Docket G-580), transmitted to Congress on April 28, 1948. In part IV of the report subscribed to by Commissioners Smith and Wimberly, it is concluded at pages 38 and 40.

"No reasonable basis is found in the act or its legislative history for a conclusion that, although the activities of production and gathering are exempt under section 1 (b), sales of natural gas which are made at arm's length by producers and gatherers who do not thereafter transport it in interstate commerce may be regulated. Unless such a distinction is specifically disclaimed, doubts and uncertainties will continue to be felt and expressed regarding the possible jurisdiction under the Natural Gas Act of those who only produce and gather natural gas and then sell it to others transporting such gas in interstate commerce" (pp. 38–39).

"In view of the present unsettled state of this matter, it is desirable, as the Commission has heretofore recommended, that the Congress should adopt appropriate amendatory legislation to make it clear that independent producers or gatherers of natural gas, and their sales thereof in interstate pipe lines, are not subject to the provisions of the Natural Gas Act. Such action will confirm what clearly appears to have been the original intent of Congress when it enacted the Natural Gas Act in 1938" (pp. 40–41).

See also the report subscribed to by Commissioners Draper and Olds, pages 12–14.

Congress is now giving consideration to this problem. See H. R. 79, H. R. 1758, H. R. 982, S. 1498, and S. 1831, Eighty-first Congress, first session, and committee hearings thereon.

It is to be noted particularly that reference is made to H. R. 1758—the legislation we are now considering—and the committee hearings thereon. The Court is pointing clearly to congressional study of the uncertainty of opinion following the Interstate case as to jurisdiction of the Federal Power Commission over sales by independent producers and gatherers to natural-gas companies for transportation in interstate commerce. It declares the question of jurisdiction of the Commission over the disposition of leases by natural-gas companies is analogous.

In the brief filed in the Court by the Federal Power Commission there is a mighty significant annotation. It reads, "According to an affidavit filed by the Commission in support of injunctive relief, the Chairman of the Panhandle Board of Directors had stated as follows:

The Hugoton Production Co. had been organized by Panhandle because the Federal Power Commission had placed the valuable gas reserves of Panhandle in Panhandle's rate base, thereby preventing Panhandle from realizing the full value of said reserves, and that the assignment of gas reserves to Hugoton Production Co. and the proposed operating plan of Hugoton Production Co. had resulted from careful studies made for the purpose of avoiding regulation of the earnings from the sale of gas produced and gathered from said gas reserves; that if the Federal Power Commission persisted in its present rate-fixing methods and procedures, Panhandle might form other production companies similar to Hugoton Production Co. which company represented only the start of Panhandle's endeavor to realize additional and unregulated profits for its stockholders from its gas reserves.

In fairness, I should add the following sentence of the annotation, "The making of that statement was denied in an affidavit filed by Panhandle."

The fact remains the decision placed the stamp of approval on the Hugoton Production Co. device. What is to stop its extensive use now?

I am not arguing that there is no unfairness in the way the Federal Power Commission practices have operated. But I am arguing that this over-all problem is not just confined to the question of whether we are going to exempt some independent producers and gatherers.

The Court was dealing with the power through regulation to look into the transfer of ownership of gas reserves which lie underneath the power of these companies to guarantee delivery to their customers. That is something quite important to consider.

Even my friends on the majority, when they filed their report, concede, I I submit, in principle the soundness of the position I have taken, and I want to quote one sentence:

> The entire field of petroleum policy is now undergoing scrutiny by the committee in its continuing fuel investigation directed toward recommendations for—

These words are important, because they are the words of the majority, now asking you for piecemeal action in the face of these six committee reports stating the necessity of solving this over-all problem, now asking you to freeze something that may make that a complete impossibility—

> toward recommendations for a national fuel policy.

In my judgment, to enact this law without relation to its effect upon other important phases of national energy resources would be unrealistic. It would be inconsistent with the committee's own recognition of the necessity for determining this national fuel policy. I honestly believe it might very well carry with it the most serious results as far as the over-all public interest may concern any such a national fuel policy. I think this all should be very carefully weighed with the admitted confusion and uncertainty prevailing as to other aspects of any national energy resources policy and the imperative necessity of facing up and doing this job.

You will have the opportunity to express yourselves on whether you believe this to be a sound program which has been undertaken, whether you want to discharge fully, whether you want to have the opportunity to meet your individual responsibilities in terms of our domestic economy and in terms of our national security, unless you see fit in your own considered judgment to vote to return this bill to the committee on a motion to recommit, so that we can do the job we started out to do.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Arkansas.

Mr. HARRIS. I wish to compliment the gentleman on the very fine and clear statement of his views and position regarding this over-all, general, broad policy and the adoption of a fuel policy. The gentleman has worked diligently and hard. He has been interested in this problem. There is no member of the committee that has worked harder than he has. Is it the gentleman's idea that the work of the committee should be carried into the entire fuel industry, into the field of fuel oil, petroleum, shale, and coal, as well as gas, artificial and all other kinds?

Mr. HESELTON. The gentleman is entirely correct. I think it is our responsibility, and we have repeatedly said it, to go fully and in detail into these four energy resources, coal, petroleum, electric energy, and natural gas, and that involves the synthetics. That involves a multitude of problems. The gentleman knows more about that than I do.

Mr. HARRIS. It is a tremendous problem, and it would be almost impossible to come to any result on it within any given time in the future, would it not?

Mr. HESELTON. I seriously question that. I think that if we undertake that job, with all the background we have in that committee and with a history of other investigations and successful recommendations in this and other fields, which the House has accepted, we can do it. At least I want the chance to try.

Mr. HARRIS. I appreciate very much the gentleman's intense interest. Can the gentleman give the House any idea what he thinks should be done with reference to the regulation and control of oil and coal?

Mr. HESELTON. No. I say that is the thing that you and I in committee have to go into. I have no fixed ideas there. I want the opportunity to complete the study. We have an excellent staff and we could do it. I hope the House will give us a chance to do it.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. YATES. Will the gentleman tell us how much of the known natural-gas reserves of our country are affected by the bill that has been introduced by the majority?

Mr. HESELTON. Well, someone else, probably the proponents of the bill, can state it more accurately. I think possibly around 87.5 percent, although I am not sure.

Mr. YATES. Did the gentleman say 87.5 percent?

Mr. HESELTON. I think so.

Mr. Chairman, I yield back the balance of my time.

Mr. CROSSER. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. Mr. Chairman, like several of the members of our committee, I want to pay tribute to the committee for its exhaustive study of this very involved and intricate subject. I do not believe there ever was a subject which has been discussed and gone into with greater determination to obtain the facts than the subject involved in this legislation. Those who apparently were for it and those who apparently were against it evidenced the same sincerity with reference to getting down to the actual facts as they are. The chairman of this subcommittee, the gentleman from Arkansas [Mr. HARRIS] has done an unusually good job in undertaking to elicit the facts. At one juncture we brought before us the Federal Power Commission, divided as it was, and as a given question would arise on which there was a difference of opinion, one side would be asked for its comment, and then the other side in turn would be asked for their comment. So, in a sense, our committee, as a jury, hearing both sides of the question, has progressed to this point—namely, of having voted out of the Committee on Interstate and Foreign Commerce this important piece of legislation.

One of the things often said with reference to the problem of those who produce gas is that gas is being withheld from the market. I desire to read very briefly from the record of the hearings the testimony of Major Hardey, of Louisiana, who is a former member of the conservation committee of that State. This is what he said, talking about this legislation:

> As pointed out this is necessary to serve the public interest, yet today the availability of gas is being curtailed because of the widespread fear among producers and gatherers of gas of being placed under public utility regulation by the Federal Power Commission. This fear must be removed if the healthy trend in developing national reserves of gas is to be continued. At the same time that the Federal Power Commission's activities are retarding availability of gas for the consuming areas it is also forcing the wasting of a large quantity of this valuable commodity. A recent survey in Texas and Louisiana alone shows that over 1,000,000 cubic feet per day is being wasted through flaring, a large part of which is brought about because of the fears on the part of the producers of being subjected to Federal Power Commission regulation.

One of the witnesses who came before our committee and made a very exhaustive statement with reference to this legislation was an attorney who represents the Southern Minerals Corp., in Texas. After discussing the fact that his company was an independent company, he said—referring to the Interstate case:

> As a result of this holding, I advised Southern Minerals Corp., that it should not take the risk of subjecting itself to the burden of Federal regulation unless Congress clarified the Natural Gas Act of 1938 to remove the danger. Based on that opinion, Southern Minerals Corp., having no other market, has been forced to keep its gas wells shut in and suffer constant drainage from the wells in the Bentonville field with a possible loss of its entire gas reserve in the Richard King field.

I merely cite these instances as evidence that some people definitely do entertain fear as far as the regulation of the Federal Power Commission is concerned.

Mr. FURCOLO. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. Mr. Chairman, I hesitate to yield at this time as my time is very limited.

Mr. Head said it was his opinion that some 40 fields in Texas are shut down at this time as a result of the difficulty to which he referred.

Legislation of this type is very technical. As a member of the petroleum subcommittee of our committee, I can assure this committee we sought to be as sure as possible in the writing of the legislation that we were using the clearest language possible. Frequently we

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consulted with the Federal Power Commission as to the desirability of certain language.

I quote from page 339 of our hearings this year on the Natural Gas Act:

Mr. BECKWORTH. Could I ask Mr. Olds one question right there.

Assume that the purpose is to exempt independent producers and gatherers who sell at arm's length all of the way through: which of the bills, the Priest bill or the draft that was recently worked out by your law department, which of the bills comes nearest to doing that job, in your opinion?

Commissioner OLDS. In my opinion, the bill which comes nearest to doing that job is the bill prepared, the recent draft prepared by our staff as a revision of the bill that Mr. HARRIS introduced.

Mr. BECKWORTH. And your answer is the same to that?

Commissioner SMITH. Yes; I gave that same answer earlier.

Our bill is much the same as the draft referred to, I can state to the House.

I represent an area where there is much oil and gas. It is my purpose to see that the farmers who have gas or oil under their lands, the royalty owners, and our domestic oil and gas industry in general are dealt with fairly and justly. To this end I have worked as a member of the petroleum subcommittee. I favor the pending bill, H. R. 1758, and trust it will be passed by the House today.

Mr. CROSSER. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. BIEMILLER].

Mr. BIEMILLER. Mr. Chairman, I think at times we have lost sight of the fact that there are consumers for gas as well as producers of gas. Most of the argument we have heard by the proponents of this bill concentrates itself upon the producers' interests. There are some of us who are going to argue the consumer's interest in this case. That is the point I want to make in the brief time I have today.

The declared intent of the bills is to free all so-called independent producers from the possibility that the Federal Power Commission might fix the price at which they sell natural gas to pipeline companies transporting such gas in interstate commerce. The Commission's authority over field sales of natural gas in interstate commerce was upheld by a unanimous decision of the Supreme Court in the case of *Interstate Natural Gas Company, Inc.* v. *F. P. C.* (331 U. S. 682), decided June 16, 1947. It is the intended purpose of the bills to annul or destroy the applicability of such court decision.

The proponents of such legislation argue—

First. That it was never the intent of Congress to give the Federal Power Commission jurisdiction over field sales of natural gas.

The Supreme Court and two circuit courts of appeals have held to the contrary. However, there is no reason why the Congress should not decide this question anew in the light of present facts and circumstances.

Second. That the fear of Federal Power Commission regulations has resulted in producers withholding natural gas from the market, thus preventing pipe-line companies from meeting consumer's demands. The Federal Power Commission report on the bill and Commissioner Olds' testimony show that pipe-line companies have been able to buy all the gas they need if they are willing to pay the prices demanded by producers, and further, that the shortages in consuming areas are due entirely to difficulties in obtaining steel pipe for transmission lines.

Third. That residue gas is being flared and wasted because of the same fear of Federal regulation. According to Federal Power Commission report and testimony of Commissioner Olds pipe-line companies are buying large volumes of such gas and present wasteful flaring is due to failure of State conservation authorities to enforce conservation measures.

Fourth. That it is impracticable to regulate producers of natural gas on a public utility basis. The Federal Power Commission has been regulating pipeline company producers successfully and there is no reason to believe it would be unable to apply appropriate regulatory procedures to other producers.

The Federal Power Commission's report on the bills shows that the production of gas is dominated by large producers, mostly major oil companies. In 1947, 35 producers sold 72.4 percent of the natural gas to interstate pipe-line companies in the Southwest. The balance of 27.6 percent was sold by nearly 600 relatively small producers. This demonstrates the existence of an unhealthy concentration of the country's gas reserves in the hands of a few large interests. These dominant producers would be in a position to dictate the price of gas in the field if this legislation is enacted.

The oil and gas interests assert that natural gas is selling too cheaply in comparison with other fuels and that its price should not be held down, but allowed to seek its natural competitive level. According to the Federal Power Commission report, the natural-gas consumers of the Nation would have paid one-half billion dollars more for gas in 1947 had it increased in price during the past few years in the same proportion as coal and oil.

It cannot be claimed that this holding down of the price of natural gas has caused financial distress to producers, pipe-line companies, or distributors, for the record before this committee shows that all segments of the natural-gas industry have experienced phenomenal growth and prosperity during the 10-year period of Federal regulation.

Wisconsin does not have natural gas today except in a small fringe area bordering the State of Illinois. A large pipe line is now being constructed from Kansas which will bring large volumes of natural gas to Wisconsin. There is one reason and only one reason why the people of Wisconsin want natural gas. It is the same reason why the people of New York, Massachusetts, and other States want natural gas. It is cheaper than manufactured gas. Gas distributing utilities would not be the least bit interested in obtaining natural gas if it were not going to produce substantial savings in their costs of operation.

In order to obtain natural gas these companies must sign up for specified minimum quantities of natural gas for a period of 20 or more years. The price paid the pipe-line company for gas is subject to regulation under the Natural Gas Act. The cost of natural gas in the field is the largest single element of cost to a pipe-line company and its rates must be fixed so as to recover such cost plus the cost of transporting the gas from the field to the distributing company. If the price which the pipe-line company pays for gas is free from regulation the gas distributing companies and the ultimate consumers will not be protected against unwarranted increases in the price they must pay for natural gas. If the field price of gas is free from control through the passage of this legislation it is quite probable that in the space of a few years the gas distributing companies will find that it would have been cheaper to have continued with manufactured gas rather than to have signed up on long-term contracts for natural gas. But it will be too late then to rectify the situation.

It may be argued that the pipe-line companies have long term purchase contracts with producers which provide ample protection against increases in price, but these same contracts have automatic price increase clauses, renegotiation clauses and other provisions which effectively provide for increases in the price of gas. For example, the gas purchase contract of Michigan-Wisconsin Pipe Line Co. with Phillips Petroleum Co. has such clauses: The original 1945 contract provided for a 5-cent field price, it has since been twice renegotiated with the result that the initial price is 7½ cents rising to a minimum of 10½ cents in 15 years. These renegotiations were forced through by the inability of Michigan-Wisconsin Pipe Line Co. to meet certain conditions in its gas purchase contract as to the time in which a certificate would be secured from the Federal Power Commission and the time by which certain construction of the line would be completed. As a result, the consumers of this gas in Wisconsin and Michigan will pay Phillips Petroleum Co. over the 20-year period of the contract an additional $75,000,000. This is one example of how the consumers will be penalized by placing field sales beyond the reach of regulatory control through the passage of this legislation.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. BIEMILLER. I yield.

Mr. CARROLL. I note, in reading some parts of the report from the Federal Power Commission, they say the argument which was made that the fact that they have not exercised the authority which they claim they have under the act might be an argument that therefore they did not need that authority. Would not the gentleman agree that the fact that they have authority up to this point, has been a restraining influence?

As a matter of fact, if we pass this bill it will withdraw that restraining influence and create the very situation which

the gentleman has just explained, an increase in rates all over the Nation.

Mr. BIEMILLER. I think that is eminently correct. I think also there is another aspect to that same matter that ought to be presented again. While speaking yesterday the very able gentleman from Missouri [Mr. SULLIVAN] referred to page 216 of the hearings, at which place in Commissioner Olds' testimony the fact was brought out that following the Interstate Gas case the Commission reduced the price of gas to a great many cities. The reduction, for example, in one instance was from 8.30 per thousand to 4.66; another was from 8.77 to 4.66; another from 6.19 to 4.66. So the consumer does get protection from the Federal Power Commission when it is able to act.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WOLVERTON. Mr. Chairman, I yield 5 additional minutes to the gentleman from Wisconsin.

Mr. BIEMILLER. Commissioner Olds further gives as his considered opinion that in the event this bill were to pass that those same companies would immediately raise their rates again to the previous almost double level that they were charging for gas with a resulting increase to the consumer.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. BIEMILLER. I yield to my very good friend the distinguished gentleman from Colorado.

Mr. CARROLL. The gentleman from Arkansas [Mr. HARRIS] made a very important point yesterday when he said that in the last 10 years of the administration of the Federal Power Commission that the consumer price had been going down; and, on looking at the record, I think the gentleman is right; and as I look at the record I think that reflects great credit upon the administration of the Federal Power Commission.

The gentleman just made the point that if we pass this legislation the consumer will not be afforded and accorded that protection. Does the gentleman agree with that?

Mr. BIEMILLER. I agree with that entirely.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. BIEMILLER. I yield.

Mr. SADOWSKI. Is it not true that in the last 3 or 4 years the price of natural gas at the mouth of the pipe line has been doubled? And if this bill goes through the price of gas at the mouth of the pipe line will be tripled and quadrupled?

Mr. BIEMILLER. I think there is ample evidence that the price at the wellhead has been doubled and in some instances that it has even gone above that. I just cited instances. It will provide for automatic increases, and I think we all know exactly what will happen if the bill is passed: there will be two, three, or four increases in the price of gas at different stages along the process of distribution, and the consumer will not have protection. In the Interstate case and other cases the point has been established very clearly that State commissions do not have control over the price of gas that goes into interstate commerce.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BIEMILLER. I yield.

Mr. YATES. The gentleman from Massachusetts [Mr. HESELTON] made the point that if this act goes through 87.5 percent of the Nation's gas reserve will be taken away from the control of the Federal Power Commission. Would the gentleman care to comment on that with respect to whether that will affect the price or not?

Mr. BIEMILLER. I think that the question quite obviously answers itself; it will increase the price.

I yield to the gentleman from Michigan.

Mr. SADOWSKI. We can hardly conceive that the Federal Power Commission or any member of the Commission would desire to hamstring the actual producer of oil or regulate him in the matter; but what we do not want to see happen and what this bill will do, what we know will happen, is that that gas will be sold, and resold, and resold, three or four different times to speculators who will be under the control of neither the State commission nor the Federal Commission; they will be absolutely without any control, and they can rig the price of this natural gas to any amount they see fit, and that is the price that the pipe-line company will have to pay when it receives it at the mouth of the pipe line.

Mr. BIEMILLER. I concur wholeheartedly in the fears expressed by the gentleman from Michigan.

Mr. Chairman, I want to wind up with this one quotation from the Supreme Court decision in the Interstate case. In referring to the problem of sale at the wellhead to the pipe-line companies, this very important statement was made:

> Unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of cost which must be covered by rates charged subsequent purchasers of gas, including the ultimate consumer. It was to avoid such situations that the Natural Gas Act was passed.

I think that is a very significant statement and that is why this bill should be defeated or the substitute which the Chairman of the committee will propose be adopted.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. BIEMILLER. I yield to the gentleman from Colorado.

Mr. CARROLL. I am at a loss to understand why they now want to take away the protective provision of the Natural Gas Act in view of the fact that in the last 10 years the reserves have doubled, the financial condition of the natural-gas industry is in a very healthy state and the consumers are receiving some protection. I cannot understand it. I wonder if the gentleman heard any testimony to sustain this viewpoint?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. SADOWSKI. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, I am opposed to H. R. 1758, a bill to amend the Natural Gas Act approved June 21, 1938, as amended. I voted against the rule on this measure and I will vote to recommit the bill and, if that fails, I will vote against it on final passage.

H. R. 1758 is another attempt to revive the Rizley bill which passed this House 2 years ago but which, fortunately, was pigeonholed in the Senate. This bill would react against the best interests of the natural gas consumers and would result in increased costs to them if they are served by a company operating across State lines. This bill would destroy realistic regulation of a private utility, the gas business, by depriving the Federal Power Commission of its power, granted by Congress, to fix reasonable rates for producers of natural gas who serve the public.

This bill, if passed, will increase the cost to consumers of somewhere between $250,000,000 and $500,000,000 a year in increased consumer rates. The States will be unable to regulate this; therefore, the Government, through the Federal Power Commission, should.

Two years ago I was 1 of 64 who voted against the Rizley bill while 253 Members voted for it. I hope that this year the House will either recommit or kill this bill so that the consumer will be given the protection he is entitled to and we will protect the public interest. It is the responsibility of this Congress to protect the interests of the people and to remember that three-fourths of the natural gas covered in this bill is controlled by only 3 percent of the producers.

Mr. SADOWSKI. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN (Mr. HAYS of Arkansas). The Chair will count. [After counting.] Eighty-five Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 162]

Andresen, August H.	Clemente	Hays, Ohio
Angell	Clevenger	Hébert
Auchincloss	Coudert	Hedrick
Barden	Davies, N. Y.	Heffernan
Baring	Deane	Heller
Bates, Ky.	Dingell	Hinshaw
Beall	Dolliver	Hoffman, Ill.
Bentsen	Eaton	Hull
Blackney	Ellsworth	Jennings
Bland	Elston	Johnson
Blatnik	Evins	Jonas
Bolton, Ohio	Fogarty	Kearns
Bonner	Ford	Kelley
Brooks	Frazier	Kennedy
Buckley, N. Y.	Gilmer	Kirwan
Bulwinkle	Golden	Klein
Burnside	Gordon	Kruse
Byrne, N. Y.	Gore	Lanham
Carnahan	Gorski, Ill.	Larcade
Cavalcante	Gorski, N. Y.	Lichtenwalter
Celler	Gregory	McGrath
Chatham	Hall, Ewin Arthur	McGregor
Chesney	Halleck	McKinnon
Chudoff	Hand	Mack, Wash.
		Macy

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Mason	Pickett	Stanley
Morgan	Plumley	Stigler
Morrison	Potter	Sutton
Murphy	Poulson	Teague
Nicholson	Powell	Thomas, N. J.
Noland	Quinn	Thomas, Tex.
O'Brien, Mich.	Ribicoff	Towe
Pace	Richlman	Vursell
Passman	Rivers	Walsh
Patman	Roosevelt	Welch, Calif.
Perkins	Sadlak	Whitaker
Pfeifer, Joseph L.	Sasscer	White, Idaho
	Scott, Hardie	Withrow
Pfeiffer, William L.	Secrest	Wood
	Sikes	Woodhouse
Phillips, Calif.	Smith, Ohio	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, and finding itself without a quorum, he had directed the roll to be called, when 312 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Ohio has 19 minutes remaining, the gentleman from New Jersey, 6.

Mr. SADOWSKI. Mr. Chairman, I yield the balance of the time on this side to the chairman of the committee, the gentleman from Ohio [Mr. CROSSER].

The CHAIRMAN. The gentleman from Ohio is recognized for 19 minutes.

Mr. CROSSER. Mr. Chairman, the problem which confronts those here who are opposing the efforts of the oil and gas magnates to gouge the millions of American gas consumers reminds me of what was said by the great Demosthenes in the first sentence of his great oration on the crown. Looking at Aeschines, his adversary, Demosthenes said:

> It does not seem to me to be difficult, O men of Athens, to begin the accusation, but to cease speaking.

That is the plight in which are found the speakers opposing this dangerous legislation. There is such an abundance of evidence and reasons which should be presented to this House, which lack of time prevents us from presenting. So I shall try to call your attention to some of the oustanding facts in order that you may know something of the nature of this iniquitous measure.

The great student of history and philosopher, Thomas Carlyle, said: "History is red with the blood of the unorganized." This great struggle today between the oil and gas monopolists on the tens of millions of unorganized consumers on the other side, illustrates the truth of the statement which I have just quoted from Carlyle. Yes, my friends, "History is red with the blood of the unorganized." How true that is.

This great resource, natural gas, like all other natural resources, was placed in the earth which created all the beings which inhabit the earth. The Supreme Power, the Creator of all, could not and would not plan to disinherit some of his children so that others might loll in luxury and ease and consume the fruits of the bounty which was intended for all the children of the Creator. The true basis of ownership of any and all things is the fact that the person who claims such ownership either created what he claims to own or gave for it its equivalent in value, to the one who did make or create it or to such maker's customer. Now, no human being created the earth or even a molecule of the earth, and therefore, has no moral or ethical right to the exclusive ownership of any natural resource. Upon absolutely equitable terms should and must all the children of the Almighty enjoy the bounty which he has provided for the benefit of all mankind.

My friends, if you pass this bill, you will by so doing deny justice to the many millions of gas consumers and enable monopolists to fatten from the products of the service of their fellow men. When the subject was first mentioned to me early in this session, I was told by the chief supporters of the legislation that it was their desire to exempt from regulation only the little producers, people with a well or two on their premises. To show how incorrect is such a statement I am now submitting a statement containing information furnished by the most reliable authority. Please note carefully the gross income and percentage of return on the common stock of those listed.

List of 24 large producers whose interstate sales of natural gas would be exempt from regulation under H. R. 1758

1947 position in interstate sale	Producer	Total assets, Dec. 31, 1948	Total gross operating revenues, 1948	Percent return on common stock and surplus, 1948
24	Barnsdall Oil Co	$52,135,000	$37,150,300	31.6
2	The Chicago Corp	41,490,000	10,440,000	22.6
1	Cities Service Co	(1)	(1)	(1)
	(Cities Service Co.)	991,851,300	593,435,000	25.7
7	Continental Oil Co	261,949,800	330,280,800	25.8
8	Gulf Oil Corp	1,191,004,000	1,068,876,500	20.0
4	Humble Oil & Refining Co	861,426,300	1,050,570,400	27.7
	(Standard Oil Co., New Jersey)	3,526,043,000	3,300,786,000	16.1
16	Magnolia Petroleum Co	(1)	(1)	(1)
	(Socony-Vacuum Oil Co., Inc.)	1,443,034,000	1,326,508,300	12.4
52	Ohio Oil Co	203,389,200	191,385,400	28.4
1	Phillips Petroleum Co	579,273,500	487,165,287	18.7
33	Pure Oil Co	270,967,100	281,319,500	23.6
3	Republic Natural Gas Co	[2] 22,760,000	[3] 9,735,100	[3] 24.1
18	Shamrock Oil & Gas Corp	[4] 24,858,500	[4] 21,417,100	[4] 40.8
17	Shell Oil Co	(1)	(1)	(1)
	(Shell Union Oil Co.)	640,569,000	[5] 430,421,100	29.0
43	Sinclair-Prairie Oil Co	(1)	(1)	(1)
	(Sinclair Oil Corp.)	710,125,200	636,568,500	19.4
6	Skelly Oil Co	[6] 69,015,500	180,044,400	30.4
5	Stanolind Oil & Gas Co	(1)	(1)	(1)
	(Standard Oil Co. of Indiana)	1,500,048,500	1,236,957,500	13.7
14	Sun Oil Co	278,582,600	447,309,200	19.4
35	Sunray Oil Co	136,030,800	65,527,200	30.0
26	Superior Oil Co	[5] 84,464,600	[7] 53,832,000	[7] 32.0
15	Texas Gulf Producing Co	19,569,200	9,729,500	31.0
22	The Texas Co	1,277,093,800	1,080,886,400	17.9
42	Union Oil Co. of California	298,415,900	208,353,500	16.3
12	United Carbon Co	29,518,600	26,034,900	12.0
25	Warren Petroleum Corp	[3] 57,836,400	[2] 80,495,200	[3] 28.2

[1] Producer not reported separately from parent corporation listed below.
[2] June 30, 1948.
[3] Year ended June 30, 1948.
[4] Nov. 30, 1948.
[5] Year ended Nov. 30, 1948.
[6] Aug. 31, 1948.
[7] Year ended Aug. 31, 1948.

The above listed producers furnished 62 percent of gas sold in 1947 to interstate pipe-line companies in Southwest.

"All we want to do is to let the poor little producer get away from this annoying business of being regulated."

Mr. Chairman, I do not favor regulating the farmer who has a gas well or maybe two in his back yard, neither does the Federal Power Commission favor regulating such a person.

I, therefore, offered an amendment when the matter was before the committee to exempt from regulation all those in the United States producing less than 2,000,000,000 cubic feet a year.

Mr. Chairman, you might be interested to know that there are about 2,300 producers in the United States. That is all. My amendment proposing to exempt from regulation all those producing less than 2,000,000,000 cubic feet a year, would result in exempting more than 2,200 of the 2,300 producers.

The remainder of the 2,300 would have been regulated and they are the ones we should regulate. My amendment would have regulated the large concerns and surely they should be regulated. The very existence of the power in the Federal Power Commission prevented them from increasing their rates, and the active work of the Commission itself did more to prevent extortion.

Let me read to you from a brief summary, some very important facts in regard to the subject in general:

Over 88 percent of the total of 173,869,000,000,000 cubic feet of proven recoverable reserves of natural gas in the United States at the close of 1948 were located in seven Southwestern States, namely, Texas, Louisiana, Kansas, Oklahoma, New Mexico, Mississippi, and Arkansas. The first four States mentioned accounted for almost 84 percent of the total. (Hearings, p. 178, table 1.)

At the close of 1947 interstate gas pipeline companies and their affiliates owned 13.76 percent of the total estimated proven recoverable reserves; independent producers owned 86.24 percent. (Hearings, p. 178.)

In 1947, 62.5 percent (116,235,819 acres) of all oil and gas acreage in the United States was held in lease and fee by 33 large oil companies; 50 percent of the total acreage was owned or controlled by 14 of these companies. (Hearings, p. 179.)

In 1947 the 114 natural-gas companies which reported to the Federal Power Commission, and their affiliates, produced 42 percent of the gas shipped through their lines; 58 percent of their total requirements was purchased from independent producers and gatherers. It is estimated that by 1952 interstate gas lines, subject to FPC jurisdiction, and their affiliates, will produce 30 percent of their supply and 70 percent will be purchased from independent producers. (Hearings, pp. 171, 181.)

There are approximately 2,300 independent producers of natural gas who sell to pipe-line companies, but the great bulk of the sales is made by relatively few large producers. In 1947, of the 600 large independent producers in the 7 Southwestern States who sold a total of 1,000,000,000,000 cubic feet of gas to 32 pipe-line companies, 35 independent producers accounted for 72 percent of the total sales, and 10 of the largest producers accounted for half of the sales. (Hearings, pp. 181, 218.)

As a result of gas-rate investigations, the FPC obtained annual reductions of more than $37,000,000 in rates to consumers. Voluntary reductions amounted to $4,000,000. On an accumulated basis, such reductions up to the end of 1948 amounted to $269,000,000. Gas prices at consumer level have remained very stable during the recent period of general price inflation. (Hearings, pp. 206, 209.)

The trend in average prices paid for gas at the well mouth is up, and there have been substantial increases in field prices of gas since Federal regulation was inaugurated 10 years ago. Most contracts contain escalator clauses which provide for automatic increases in future prices of gas sold. (Hearings, p. 204.)

The majority of the FPC believes that the existing law (sec. 1b of the Natural Gas Act) is intended to apply to interstate sales made in the producing fields. (Hearings, p. 212.)

Before I go further, let me say just a word about the Federal Power Commission. The man who has been the victim of slurs and abuse by the oil and gas interests and their minions because he has had the hardihood to champion the cause of justice for the consumers as well as the producers in this struggle, is Mr. Olds. I know of no more conscientious public official, no more honorable man, nor man of greater probity and veracity, than Commissioner Leland Olds. The confirmation of his reappointment would have already occurred were it not for the effort he has made for the people of the United States in this great struggle between the princes of privilege and their satraps on the one side and the general public on the other side.

Mr. Chairman, this bill if enacted will cost consumers ten and perhaps hundreds of millions of dollars per year. It is backed by the big oil producers who are also major producers of natural gas and the avowed object of the bill is higher field prices.

The pipe-line companies have clearly indicated that those higher field prices at the intake end of the big pipe lines will be passed on to consumers in States at the market end of the line.

I have just learned that one of the large companies distributing gas in my State of Ohio has filed a rate increase of $1,200,000 a year with the Federal Power Commission, justifying the increase on the basis of higher cost of southwestern gas. This is just the beginning of what may ultimately prove an increase of more than $12,000,000 in the cost of gas service to the people of my State if this bill becomes law.

The Federal Power Commission report on this bill emphasizes its importance to consumers by showing that an increase of only 5 cents per thousand cubic feet on the gas which interstate pipe lines will buy from independent producers in 1952 would cost consumers a total of over $130,000,000 a year. An average increase of 5 cents in the field price of gas is a distinct probability in view of current prices of 10 cents and more being paid in the field.

Possible increases in a few of the States in which homes and industries are increasingly dependent on natural-gas service will afford some idea of the consumer interest involved. Such an increase would cost Pennsylvania consumers more than $10,000,000, New York consumers more than $6,000,000, those in New Jersey approximately $1,500,000, and those in Maryland and the District of Columbia combined nearly $2,000,000.

For consumers in Illinois such an increase would be nearly $10,000,000, for Michigan $4,000,000, and for Minnesota and Nebraska nearly $2,500,000 each. California consumers would shoulder an increase of nearly $15,000,000 a year, while in Arizona and New Mexico such an increase in the cost of gas would amount to about $1,500,000 a year. All these figures are based solely on the gas purchased from independent producers.

We cannot justify a vote for this bill in order to satisfy the desire of the oil industry for higher profits. The record before Congress shows that the big oil interests, led by Standard of New Jersey and Phillips Petroleum, dominate the country's gas reserves and that their added profits as a result of this bill may run into the hundreds of millions of dollars over the life of their reserves.

So a vote for this bill is a vote for the oil interests and a vote against the consumers of gas, whether those consumers live in the producing States or in States which must import large quantities of gas in interstate commerce. For it is the interstate pipe-line market which is establishing the new high level of gas prices which all must pay.

The Governor of Kansas, Frank Carlson, speaking as chairman of the Interstate Oil Compact Commission at its May 1949 meeting in Florida, made clear what the oil interests expect as a result of this bill.

He spoke of the wide gap between present prices for gas and fuels with which it is competitive. He suggested that the Federal Power Commission was seeking to maintain low prices. He spoke of this proposed amendment to the Natural Gas Act, which would free producer prices from regulation, and said:

It should result in a fair bargaining price which can in no case go above the competing price of other fuels.

Do you realize that if the price of gas had no more than equaled the price of oil in 1947 consumers on a country-wide basis would have paid half a billion dollars more for their gas, with $114,000,000 of that increase borne by the homes of the land?

Clearly this bill is not in the public interest. It should be defeated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLVERTON. Does the gentleman from Ohio wish additional time?

Mr. CROSSER. I would appreciate it very much.

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman.

Mr. CROSSER. Referring again to the little producers for whom the opposition speaks in such a touching way I have shown very clearly how they can exempt those little producers from the annoyance of regulation. If we exempt all those who produce 2,000,000,000 cubic feet or less of gas a year—if we just exempt them—we will be exempting about 2,250 producers in the United States, and the remainder are the ones responsible for the high prices of gas assessed against the people and to the industries of this country.

Here is the amendment I propose:

AMENDMENT TO H. R. 1758, EIGHTY-FIRST CONGRESS

On page 1, line 1, strike out all after the enacting clause and insert the following:

"That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, is hereby amended by eliminating the period at the end thereof and adding the following: 'or to any sale of natural gas in interstate commerce at or prior to the conclusion of production or gathering by a person whose total sales of natural gas in interstate commerce individually or in the aggregate with affiliated producers and gatherers do not exceed on an annual basis 2,000,000,000 cubic feet computed at 14.65 pounds per square inch absolute at 60° Fahrenheit provided such person is neither a natural-gas company by reason of other activities nor affiliated with a natural-gas company.'"

I know there are some throughout our country who would like to join the struggle for fair play to the consumers throughout the United States but who refrain because of fear of the wrath of the oil and gas barons. I have no quarrel with them. I know that in time they will join openly in the struggle against special privilege.

I remember the lines of James Russell Lowell, written during a great crisis and because they may impress others as they impressed me. I shall quote them:

Is true freedom but to break
Fetters for our own dear sake,
And with leathern hearts forget
That we owe mankind a debt?
No; true freedom is to share
All the chains our brothers wear;
And with heart and hand to be
Earnest to make others free.
They are slaves who fear to speak
For the fallen and the weak;
They are slaves who will not choose
Hatred, scoffing, and abuse
Rather than in silence shrink from the truth;
They needs must think
They are slaves who dare not be
In the right with two or three.

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The CHAIRMAN. The time of the gentleman from Ohio [Mr. CROSSER] has expired.

Mr. WOLVERTON. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. CARROLL].

Mr. CARROLL. Mr. Chairman, no one could listen to the stirring address just given by the chairman of this important committee without being very, very greatly impressed.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. WOLVERTON. I am in a position to yield the gentleman one additional minute.

Mr. CARROLL. I thank the gentleman.

I know that the chairman of this important committee has given this legislation a great deal of thought. He is a great public servant. He would not stand before this Committee in opposition to this bill unless he was sincerely convinced that this is bad legislation.

Mr. Chairman, H. R. 1758 is special interest legislation with a vengeance. The only good thing I can say about this bill is that it is not as bad as the Rizley bill which was before the House during the Eightieth Congress. The Rizley bill would have given windfalls both to the large interstate natural gas pipe-line companies and to the large oil companies. H. R. 1758 confers benefits upon the oil companies, but it leaves the pipe-line companies out in the cold. Apparently we have made a slight gain in the past year—at least the Harris bill decreases the number of large corporations which would share in the huge profits which unregulated sales would make possible.

H. R. 1758 is legislation in a complex field. Frankly, I do not believe the House has had time enough to study this issue before it was brought to the floor. This is a situation strangely reminiscent of the way the Rizley bill was rushed through the House in the Eightieth Congress before most of the Members had time to realize its full implications.

We are being asked today to weaken the fabric of the Natural Gas Act—a law which has resulted in savings to the consumers amounting to $269,000,000 in a period of 10 years. Make no mistake about it—if the Harris bill is enacted into law, we shall have driven a gaping hole through the middle of this act, opening the door to future increases in gas rates over a large part of the Nation. And if we pass this bill, I can assure you that yet other assaults will be made upon the Natural Gas Act. Where now it stands as a bulwark against the exploitation of the consumers, eventually it will be torn to shreds and tatters if we do not hold firm today.

The Harris bill, bad as it is in itself, may be only the camel's nose under the tent. If the whole camel gets inside, the ultimate cost to the consumers of the Nation will be hundreds of millions of dollars.

I am familiar with the contention that H. R. 1758 does no more than reaffirm the original intent of the Natural Gas Act. This argument does not hold water when it is subjected to careful scrutiny. Admittedly, the Federal Power Commission never has attempted to regulate the so-called independent producer and gatherer of natural gas. Admittedly, the Commission stated in Order 139 that it did not intend to assert jurisdiction over these independents. But what is the current situation? The Supreme Court has stated clearly in the Interstate case that the Natural Gas Act extends the jurisdiction of the Commission to sales made in the field. Anyone who is familiar with the legal history of the term "interstate commerce" will readily see that this is no novel interpretation of the phrase. When an independent produces and gathers natural gas, his operation is subject to State law and is without the realm of Federal regulation. But when the independent sells the gas he has produced and gathered, the gas enters interstate commerce and the rate is subject to regulation by the Federal Power Commission.

This is the law at present. There is no getting around that. In view of the Supreme Court decision and as a result of the continuing increases in prices charged by the independents and their increasing importance in the natural gas industry, the Commission recently has indicated that it may have to begin exercising its power over the rates charged by independents. That this power has lain fallow for 10 years does not mean that it has ceased to exist.

There has been great debate about the intent of Congress in passing the Natural Gas Act. Intent always is difficult to establish, but it is my belief that Congress had a very obvious intent in passing this law. Congress intended to extend Federal regulation to the aspects of the natural-gas industry which are not subject to State control. If the Harris bill is passed, a "no man's land" may well be created, in which neither the State nor the Federal Government has jurisdiction. In addition, it is obvious that Federal regulation is an empty pretense unless the price of natural gas is regulated in every step from its initial sale until it passes into the intrastate pipe lines of a distributor.

The real story of this legislation is that it is an attempt to restrict the present scope of the Natural Gas Act, as interpreted by the United States Supreme Court. In passing, let me point out that the Interstate decision was a unanimous decision of the Supreme Court—it was no 5-to-4 division. In addition, the Supreme Court affirmed the decision of the Court of Appeals for the Fifth Circuit. The Court of Appeals for the District of Columbia also accepted the contention that the Commission's jurisdiction extends to sales made in the field in Peoples Natural Gas Co. against Federal Power Commission. In that case, the court of appeals summed up the issue neatly when it stated:

> We cannot destroy the plain language of the statute because the Commission, at one time, interpreted it narrowly.

It is obvious that the jurisdiction of the Commission over sales made by independents is solidly fixed in the law of the land. Today we are asked to weaken this vitally important law, which has saved hundreds of millions of dollars, in the guise of clarification of a Supreme Court decision.

Mr. Chairman, this has become a familiar and not-too-pleasant story. Whenever the Supreme Court hands down a decision which is adverse to one of the large special interests in our economy, the Congress is asked to overrule the Court by passing legislation which nullifies the Court's decision. Apparently in the eyes of some dominant financial interests, the Congress is a court of appeals which may set aside the decisions of the highest court of the land whenever these decisions prevent the further concentration of economic power. I have noticed that the appeal for such legislation invariably occurs when some large interest may be adversely affected, never when the consumer or the small-business man is hurt.

A great smokescreen of verbiage has been thrown around H. R. 1758 in an attempt to make it appear to be innocuous. If any Member has been confused by this tactic, let him be sure of one thing—this bill will throw the door wide open for increases in natural-gas rates in many sections of the Nation. No matter how camouflaged it may be, the sponsors of H. R. 1758 cannot escape this fact.

Frankly, I think that this issue was clouded by the issue of order 139 by the Federal Power Commission last year. In this order, a then majority of the Commission stated that it would not attempt to assert its jurisdiction over the independents. I think we must realize that this order was issued by the Commission under tremendous pressure. I believe I understand the Commission's motives. The commissioners feared that the Rizley bill would be enacted, and they were willing to accept a lesser evil to avoid the greater one. I believe it is necessary for us to take into account the circumstances surrounding the issuance or order 139 before we place too much credence in its reasoning.

I recommend to the attention of every Member the dissent of Commissioner Draper to order 139. In his dissent, Mr. Draper summed up the situation admirably, and I should like to quote part of it for your information:

> In dissenting from the foregoing rule—
>
> Commissioner Draper said—
>
> I do so with a complete understanding of the practical difficulties which have moved the others to adopt it. It appears clear, however, that it is now too late for the Commission to issue any order which might be interpreted to constitute a legal limitation upon its power.

In other words, the Supreme Court already had decided in the Interstate case that the Commission had jurisdiction over sales made in the field, and nothing the Commission could say would alter that fact.

> It is true that it was the intent of Congress in enacting the Natural Gas Act to exclude the production and gathering of natural gas from the jurisdiction of the Commission. This is clearly stated in section 1 (b), but nowhere is that section or elsewhere in the act is there any language to support the conclusion that any sale in interstate commerce of natural gas, after it has been produced and gathered, is not subject to the jurisdiction of this Commission.

Here is the crux of the issue. In exempting production and gathering Congress removed such matters as well spacing, safety regulations, conservation, and so forth from the jurisdiction of the Federal Power Commission, since such matters lie properly within the power of the States. The sale of gas after it has been produced and gathered, however, is under Federal jurisdiction. Surely it is obvious that the production and gathering of gas is different from the sale of gas. Let me continue with Mr. Draper's statement:

Interstate commerce is the field in which this Commission has jurisdiction, and no part of that jurisdiction may be eliminated except by act of Congress or by interpretation of the courts to which this Commission owes allegiance.

The Supreme Court in the Interstate case asserted that:

"There is nothing in the terms of the act or in its legislative history to indicate that Congress intended that a more restricted meaning be attributed to the phrase 'in interstate commerce' than that which heretofore had been given to it in the opinions of this court."

Commissioner Draper simply is using common sense in this statement. It is obvious that if regulation of the price of natural gas is to be more than an empty shell, that regulation must extend to the original sale of that gas to a pipe-line company operating in interstate commerce. Otherwise, any Federal regulation would be no more than locking the barn after the horse has been stolen. Again I quote the Supreme Court opinion in the Interstate case:

Unreasonable charges exacted at this state of the interstate movement—

And by this the Court means the sale by a producer and gatherer to a pipe-line company—

become perpetuated in large part in fixed items of costs which must be covered by rates charged subsequent purchasers of the gas, including the ultimate consumer. It was to avoid such situations that the Natural Gas Act was passed.

As I have said, this is only common sense. For example, the natural gas consumed in my district, the city of Denver, is produced in the Texas Panhandle field and in the Hugoton, Kans., field and is carried to Denver by pipe line. FPC can control the profit made by the pipe-line company, but suppose there is no Federal control over the initial sale of gas to that pipe-line company. Can the regulation of such a sale safely be left to the States? Obviously not. What interest would the State Legislatures of Texas or Kansas have in controlling the price of gas for consumers in Colorado? Obviously these consumers must be protected by the Federal Government, or they will not be protected at all.

The fact of the matter is that the Federal Power Commission now has the power to regulate sales by independents in interstate commerce. This was clearly stated in the Supreme Court's decision in the Interstate case, and it is the law of the land. We are being asked today to change that law. The real question before us, then, is whether jurisdiction over the so-called independents is necessary and appropriate to protect the consumers against the imposition of unreasonable rates.

I say that it is. If the chain of regulation is broken at the point of the initial sale, regulation from that point on is largely a futile process. If an unreasonably high price may be charged by the producer and gatherer of natural gas, that high price inevitably will be passed on to the ultimate consumer, no matter what regulatory powers the FPC may have over the pipe-line companies.

I have heard representations that H. R. 1758 would help the "little fellow"—that is, the farmers and small land owners who may own reserves of natural gas. This simply is not the case. The independents who would be aided most by the bill are the large oil companies of the Nation. The term "independent" simply means a company which is engaged in the production and gathering of natural gas, not its transportation, and which is not affiliated with a pipe-line company.

Let me read you a few sentences from the Federal Power Commission report on H. R. 1758:

The concentration of control over the independent gas supply to interstate pipe lines operating out of the seven Southwestern States is revealed by an analysis which shows that some 600 independent producers sold over one thousand billion cubic feet of gas to 32 pipe lines in 1947. Such analysis shows further that two-thirds of this huge total was sold by the 25 largest vendors and that 47.6 percent, or nearly one-half, was sold by 10 out of the 100. These 10 largest independent suppliers of natural gas included Phillips Petroleum Co., the Chicago Corp., Republic Natural Gas Co., Humble Oil & Refining Co., Stanolind Oil & Gas Co., Skelly Oil Co., Continental Oil Co., Gulf Oil Corp. and subsidiaries, Hagy, Harrington & Marsh, and H. L. Hunt and Hassie Hunt Trust.

I should also like to call your attention to the testimony of Commissioner Olds to the effect that in 1947 more than 61 percent of the natural gas moved in interstate commerce was produced by independents. It is obvious that if these independents cannot be regulated, a gaping hole will have been knocked through the Natural Gas Act.

I have heard the argument that increased production of natural gas will have the effect of holding the price down without the necessity of Government regulation. The record does not bear this out. The production of natural gas has been increasing at a rapid rate. Consumption of natural gas has more than doubled since the passage of the Natural Gas Act. During this same period, the price of unregulated gas in the field has been increasing steadily. Already since the end of World War II the price of gas in the field from the independents has climbed from a maximum of about 5 cents per thousand cubic feet to 11 cents and higher.

In order to obtain a supply at even the 11-cent figure, pipe-line companies have been forced to agree to contracts including a favored-seller clause, under which they must agree to meet the price which the independent producer and gatherer may be able to obtain from any other pipe-line company.

If the independents are freed from regulation, as provided in the present bill, there will be nothing to prevent the price of natural gas from going up and up until it reaches a level where consumers can pay no more, but instead will turn to inferior and less desirable fuels.

No logical reason is given for this proposal except that the large oil and gas companies want to make the highest possible profit and the producing States wish to obtain all the money from the yet undeveloped fields that can be made. Neither of these considerations take into account the general welfare. Natural gas is a limited natural resource, controlled to a great extent by a relatively few companies. Millions of consumers have come to depend upon natural gas in their daily lives, largely because of the regulation over rates by the Federal Power Commission. Obviously, it would not be in the public welfare to remove the possibility of effective control over prices received by the producers and gatherers.

The argument that independents have not been regulated is not a valid reason for assuming that they never should be regulated. If the present price trend continues, regulation of producers and gatherers will be the only method of preventing substantial increases in price to the ultimate consumer.

It seems clear that the Harris bill, if enacted into law, will invalidate the decision of the Supreme Court in the Interstate case. We must assume that in such an eventuality the rates to the pipe-line customers of the Interstate Natural Gas Co. will be increased immediately, and that this increase will be passed on to consumers in St. Louis, Atlanta, Memphis, and other communities served by the pipe lines. Of course, in addition to this immediate effect, enactment of this bill into law would destroy the possibility of regulating the sales price of any independent.

Before concluding, I should like to point to one specific case where H. R. 1758 would open the door for a rate increase. This instance involves my own district and State, but I believe it should be of interest to every Member because it shows what the Harris bill would make possible.

After a bitter legal fight, extending over a period of years, the United States Supreme Court upheld a Federal Power Commission order substantially reducing the price of natural gas to Colorado consumers. The "gate rate" at the Denver City limits was cut in half. Savings to Colorado consumers under the FPC order have amounted to more than $15,000,000 since 1942. Since the rates were reduced, the consumption of natural gas has increased greatly in Colorado, and the supplying companies have made substantial profits.

Natural gas used by Colorado consumers is produced in wells owned and operated by the Canadian River Gas Co. in the Texas Panhandle, and also in wells owned and operated by several producers in the Hugoton, Kans., fields. The gas is piped to Colorado by the Colorado Interstate Gas Co., an affiliate of Canadian River. It then is sold to public utilities, which in turn retail it to consumers. Another pipe-line company, the

Colorado-Wyoming Gas Co., handles transmission of gas from Denver to northern Colorado and Wyoming.

As I have stated, the Canadian River Gas Co., the producer, and Colorado Interstate Gas Co., the pipe-line company, are affiliated, and since the sales are not at arm's length, both are regulated by the Federal Power Commission. The price paid by Colorado Interstate for gas produced by Canadian River is far below the current field price in the Panhandle fields. Even under the Harris bill, the FPC could continue to regulate the price charged by Canadian River so long as these two companies continue to be affiliated.

But here a new element enters the picture. A complicated financial maneuver designed to sever the relationship between Canadian River and Colorado Interstate is in the making. If this transaction is completed, the Canadian River Gas Co. would be reorganized as a company concerned solely with the production and gathering of natural gas. It would be an independent, under the definition set up in H. R. 1758. Colorado Interstate, the pipe-line company, would remain within the jurisdiction of the FPC, but Canadian River would not be regulated.

Canadian River could sell its gas to Colorado Interstate at whatever the market could bear. The Federal Power Commission would be able to regulate the profit made by the pipe-line company, but it obviously would have to allow the pipe-line company to pass on to the ultimate consumer any increase in the price charged by Canadian River. Canadian River would be controlled solely by Texas State authorities, who would have no direct interest in protecting Denver consumers.

Estimates have been made that the passage of the Harris bill, combined with the divorcement of Canadian River and Colorado Interstate, would cost consumers in Colorado and Wyoming more than $5,000,000 a year. This estimate is based on the supposition that Canadian River would increase its price to 10 cents per thousand cubic feet, approximately the field price. I cannot vouch for this estimate, and I hope that Canadian River would be more moderate in its profit taking. However, consumers in Colorado would be completely at the mercy of this company. Whatever the company decided was a fair price would be passed on to the ultimate consumers in their gas bills.

In case anyone believes that the Federal Power Commission could prevent the divorcement of Canadian River and Colorado Interstate, I would suggest a reading of Federal Power Commission versus Panhandle Eastern Pipe Line Co., in which the Supreme Court specifically stated that the Federal Power Commission has no authority to prevent a natural-gas company from disposing of its reserves.

I have gone into this situation in detail because I believe it illustrates the effect the Harris bill might have on consumers not only in Colorado, but in other parts of the Nation.

The Harris bill opens the way for unrestricted profit taking by independents, but retains FPC control over affiliated producers and gatherers. It is only natural to assume that these affiliated companies will want to get into the act. If they cannot do so directly, through legislation such as the Rizley bill, the Harris bill opens the way for them to do so indirectly by reorganizations such as are contemplated by Colorado Interstate and Canadian River. The consumers in my district and State stand to lose substantial sums if the Harris bill is passed. I suggest that every Member give careful consideration to this specific instance, since what can happen to Colorado consumers can happen to consumers elsewhere in the Nation. Natural gas now is consumed in 34 States and the District of Columbia. It is a two-and-a-half-billion-dollar-a-year business. This is no time to destroy the possibility of regulating the large independents who are such an important factor in the industry.

If the Harris bill is passed, its effect inevitably will be felt by consumers throughout the Nation, and they will long remember the action taken by the Eighty-first Congress in behalf of special interests and against the welfare of the public.

The CHAIRMAN. The time of the gentleman from Colorado has expired. All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, is amended to read as follows:

"(b) The provisions of this act shall apply, to the extent hereinafter provided, to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and to natural-gas companies engaged in such transportation or sale, but shall not apply to any other trnsportation or sale of natural gas or to its transportation between the well or wells where produced and the point of its delivery to or reception in the interstate transmission facilities of a natural-gas company or to any sale thereof at arm's length at or prior to such point of delivery or reception or to the production or gathering of natural gas, or to the producing, gathering, treating, or processing facilities utilized or operations conducted in handling or preparing such gas for delivery or reception at such point, or to the local distribution of natural gas or to local distribution facilities."

SEC. 2. Subsection (5) of section 2 of said Natural Gas Act is amended to read as follows:

"(5) 'National gas' means either gas in its natural state as produced from the well, or residue gas from gas in its natural state, from casinghead gas or from other gaseous substance after extraction of hydrocarbon liquids, or any mixture of natural and artificial gas."

SEC. 3. Subsection (6) of section 2 of said Natural Gas Act is amended to read as follows:

"(6) 'Natural-gas company' means a person engaged in the transportation of natural gas in interstate commerce subject to the jurisdiction of the Commission, or the sale in interstate commerce after the commencement of such transportation of natural gas for resale subject to the jurisdiction of the Commission."

SEC. 4. Section 2 of said Natural Gas Act is further amended by adding thereto the following definitions:

"(10) 'Production' means the recovery of natural gas from reservoirs where naturally found and also the recovery of residue gas from natural gas, casinghead gas, or other gaseous substance by any method or treatment or processing through removal of natural gasoline, butanes, and other hydrocarbons or other chemicals or substances of commercial value, whether such recovery be made prior to, during, or incident to the transportation of natural gas in interstate commerce, and includes the delivery and sale of natural gas from production facilities, at any point thereon, whether such delivery and sale be in interstate or intrastate commerce. 'Production facilities' means the land, leaseholds, wells, separators, extraction plants, and other facilities used for or incident to such production.

"(11) 'Gathering' means the operation of gathering facilities and includes the delivery and sale of natural gas from such facilities, at any point thereon, whether such delivery and sale be in interstate or intrastate commerce; and 'gathering facilities' means facilities used for or incident to moving, by natural or mechanical pressure, natural gas produced or purchased in the production and gathering area to the point or points of delivery into inlets of the trunk transmission facilities used for the transportation of natural gas in interstate commerce subject to jurisdiction of the Commission.

"(12) 'Transportation of natural gas in interstate commerce within the meaning of this act' is limited to the movement of natural gas in interstate commerce through pipe lines and related facilities (including facilities for surface or underground storage as a part of transportation operations) after the completion of production or gathering as above defined.

"(13) 'Sale at arm's length to a natural-gas company' means a sale by any individual, partnership, association, or corporation not standing in such relation to such natural-gas company, by reason of voting-stock interest, common officers or directors, or other evidence of affiliation, that there is liable to be such an absence of independent bargaining in transactions between them as to be contrary to the public interest."

Mr. HARRIS (interrupting the reading). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. The Clerk is reading the substitute bill, or the amendment to the bill.

The CHAIRMAN. The Clerk is proceeding to read the bill.

Mr. HARRIS. When would it be in order to move to strike out the last word?

The CHAIRMAN. When the Clerk reports the first committee amendment.

Mr. HARRIS. Does that mean that the entire amendment must be read before it would be in order to move to strike out the last word?

The CHAIRMAN. The gentleman is correct.

Mr. KEOGH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEOGH. When would it be in order for a Member to offer an amendment to any section of the committee amendment?

The CHAIRMAN. When the committee amendment is reported.

(The Clerk concluded reading the bill.)

The Clerk read as follows:

Committee amendment: Strike out all after the enacting clause and insert in lieu thereof the following: "That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, as amended, is amended by striking out the word 'The' appearing at the beginning of such subsection and inserting in lieu thereof 'Subject to the provisions of subsection (c) of this section, the.'

"SEC. 2. Section 1 of such act, as amended, is amended by adding after subsection (b) thereof the following new subsections:

"'(c) The provisions of this act shall not apply (1) to any arm's length sale of natural gas by a producer or gatherer, at or prior to the point of delivery thereof into interstate transmission facilities of a natural-gas company, or (2) to incidental transportation thereof, by the producer or gatherer, necessary for its delivery pursuant to or in consummation of any such sale: *Provided, however*, That this subsection shall not apply if the producer or gatherer is otherwise engaged in, or controls, is controlled by, or is under common control with, another person who is otherwise engaged in, the transportation of natural gas in interstate commerce or the sale in interstate commerce of natural gas for resale for ultimate public consumption.

"'(d) Nothing in subsection (c) of this section shall exempt any person from the provisions of section 14 of this act.'

"SEC. 3. Paragraph (6) of section 2 of such act, as amended, is amended to read as follows:

"'(6) 'Natural-gas company" means a person engaged in the transportation of natural gas in interstate commerce subject to the jurisdiction of the Commission, or the sale in interstate commerce of natural gas for resale subject to the jurisdiction of the Commission.'

"SEC. 4. Section 2 of such act, as amended, is amended by inserting '(a)' after 'SEC. 2.', and by adding at the end of such section the following new subsection:

"'(b) For the purposes of subsection (c) of section 1 of this act, a sale shall be held to be an "arm's length sale" unless because of the relation of the seller to the buyer, by reason of voting-stock interests, common officers or directors, or other affiliation, or by reason of combination or agreement, there is such an absence of independent bargaining in transactions between them that the exemption of such sale from regulation under this act would be contrary to the public interest.'"

Mr. HARRIS. Mr. Chairman, I move to strike out the last word.

Mr. FURCOLO. Mr. Chairman, I offer a preferential motion to strike out the enacting clause.

The Clerk read as follows:

Mr. FURCOLO moves that the Committee do now rise and report the bill back to the House with a recommendation that the enacting clause be stricken out.

Mr. HESELTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HESELTON. Mr. Chairman, yesterday, when the resolution reporting the rule was before the House, I made the point of order that the House was not legally in session, which point of order was overruled. I have been advised that in order to properly present the matter in terms of the consideration of this bill, now that we have it at the point where it is being read for amendment, I should renew the point of order.

I would like to inquire whether that is in order or whether it should be submitted at the conclusion of the reading of the bill and when it is reported back to the House?

The CHAIRMAN. The point raised by the gentleman from Massachusetts is not for the Committee of the Whole to pass on. If he will reserve the point of order, it should be propounded in the House.

Mr. FURCOLO. Mr. Chairman, there does not seem to be much question but what this bill comes down to whether or not you want to see the rates increased to the ultimate consumers of gas. I have tried to read every page of the hearings. I think everyone who has read the hearings is compelled to agree without any question at all that every single spokesman for the gas industry has emphasized the point they believe they should be allowed to charge as much as the traffic will bear. They are entitled to their opinion. After all, they are engaged in the business of making money and that is their business. But here in the Committee and in the Congress it is our business to try to see that the public is protected. I realize that even those who support the bill believe they are also helping to protect the ultimate consumer. We just go about it in different ways.

My own opinion is, based on the hearings, that there is no question in the world if the Federal Power Commission does not have the power to protect the ultimate consumer we are going to have a rise in prices and the ultimate consumer is going to pay. The hearings also show very clearly that the gas industry does not want regulation of any kind, whether it be by the State or by the Federal Government. There has been instance after instance where the gas companies who object now to Federal control have contended that the States could not regulate them. It is also clearly evident, whether they can or cannot, the States have never regulated the price that is charged. Of course, that price is passed on and goes eventually to the ultimate consumer.

Some of the gas-company men have stated they have no objection to Federal control provided they are allowed to have a 6-percent return on their net investment. I think the Commission has made it very clear they do allow that return. Mr. Hardy, who was quoted by one of the gentlemen favoring the bill, stated very clearly he felt everybody should be reasonably satisfied if they were given that. The Commission does that. The Commission has also stated they have no desire to regulate the small farmer or the small producer. That is a matter of record, too, as the Chairman has pointed out.

We also have to remember that most of the people who produce this gas are the same people who produce oil. The oil industry is not regulated in any way. What has happened in this country simply because of the fact that the oil industry was not regulated? The gas people tell you that competition will keep prices down, yet they are the same people who control the oil industry. The facts and statistics of the past 10 years show that without regulation the price of oil went up 50 to 100 percent. The industry has had the greatest peak of prosperity it has ever had, and I do not object to that if prices are reasonable. The same thing will happen as far as the gas industry is concerned. Why should we take their word that competition will keep prices down when they have had that opportunity as far as oil is concerned but the prices have never been kept down? Oil prices increased from 50 to 100 percent because oil was not subject to regulation. Gas prices did not increase because the restraining influence of the Federal Power Commission was there.

What has there been wrong the past 10 years as far as the Federal Power Commission is concerned. The gas companies, in general, are in as good shape as they have ever been. They have made more money than they have ever made. The consumer is paying a reasonable price and the gas reserves have tripled. Some of the Members will tell you, as the gas industry men have claimed, oh, this threat of Federal control has prevented us from discovering gas, from exploring and from continuing on the work that will produce gas. Statistics do not bear that out, because the figures show that the reserves have tripled and will continue to. They also say that the gas industry will not go ahead; that they will not try to produce and keep selling more and more gas, but the figures show that the application for certificates made to the Federal Power Commission have increased and are continuing to increase and will do so all the time. Prices have been reasonable up to now, but they will be increased if we remove this fear of restraint. The Federal Power Commission has been reasonable, the gas industry says, but the difficulty is, they say, that we do not get anything if we put in a well and it is dry. We may spend a lot of money on that, and the investment is gone, and that that will keep people out. But, the hearings show that the Federal Power Commission has indicated that they take all those things into account, and that no industry suffers on that account. Since my time has now expired, I must close by merely urging the defeat of the bill and I hope the motion will be agreed to.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, I think we all realize and recognize the purpose of the efforts to strike out the enacting clause is to kill the bill. I urge that this motion be voted down.

Mr. Chairman, as I indicated yesterday when we introduced this legislation, we assumed it would be noncontroversial. In fact it was noncontroversial then for the reasons that I explained to you.

The Federal Power Commission had recommended it, prepared a bill, offered it and urged its adoption. I repeat, H.R. 4099 introduced by our colleague the gentleman from Tennessee [Mr. PRIEST] in the last Congress had precisely the same purpose and objective as this, and

that is to clarify the law to make certain the original intent of Congress.

I remind you again that in urging and recommending the proposal by unanimous action of the Commission, they advised the committee they were authorized to say that it was in full accord with the legislative program of the President.

In its order, No. 139, which I explained to you yesterday, that was issued by the Commission August 7, 1947, after the adjournment of Congress, reiterating the position of the Commission, it was specifically stated, and I quote the Commission:

> This brief review of developments in this matter has been presented so that there may be no basis for misunderstanding or continuing expressions of fear and uncertainty regarding this matter, which is noncontroversial.

Therefore the real issue, Mr. Chairman, is whether the Congress, as the Speaker said yesterday, is going to write the law so that industry and Government will know what it is, or is it going to be subject to change merely because an individual changes his mind or the personnel of a commission is changed.

Mr. Chairman, I am utterly amazed at the misunderstanding about a problem which is fundamental to our American heritage. The debate we have heard here in the course of the consideration of this bill utterly amazes me. I wish there were time to answer; it is surprising that not one of the opposition which has used all the time this afternoon has yielded to me in order to make a reply. As chairman of the committee that held the hearings and representing the majority of our great committee, I should be extended some time for reply. I would not say they were misstatements, but I would say statements on which, in my humble opinion, they are badly misinformed.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. HESELTON. The gentleman knows that I yielded to him for a question.

Mr. HARRIS. Yes.

Mr. HESELTON. I am in opposition to the bill.

Mr. HARRIS. Sure, I appreciate that, but the gentleman's opposition is for an entirely different reason than the opposition manifested here.

Mr. HESELTON. I just want the RECORD clear on that point.

Mr. HARRIS. I do, too, and I am glad the gentleman called that to my attention.

The fact is that we have here one purpose, and one purpose only, and that is to carry out the intent of this Congress when the Natural Gas Act was passed. The Natural Gas Act never did intend and no language can be cited giving the Federal Power Commission jurisdiction to go into the field of producing and gathering where the gas is sold at arm's length. All of the debate here in opposition to this bill, Mr. Chairman, refers to the regulation of natural-gas companies. They say it would give them a free ride. It does not in any way, I submit to you, exclude from the jurisdiction of the Federal Power Commission any authority over the natural-gas companies as a utility. I believe we should stay with the facts and not be misled by prejudicial statements wholly incorrect.

I appreciate the position of the gentleman who took the last 3 minutes. I respect his views, but I say to the gentleman this very same proposal, this limited proposal, was the one that he offered to this House 2 years ago. Now he comes back and says that you should change your position because he does, as did a member of the Commission; that this is a terribly bad bill; that it will raise prices to the consumers, when, as a matter of fact, no such case can be cited, no instance can be cited during the entire 11 years in the history of the act where the Federal Power Commission has usurped such authority and tried to regulate the independent producers and gatherers of gas sold at arm's length.

I yield to anyone who can show me one single instance during the entire 11 years of the act where the Federal Power Commission has regulated the production and gathering of natural gas and its sales at arm's length. I yield to anyone now who will cite me one instance. No one responds. It just has not happened. Yet the gentleman says to you this bill will restrict the jurisdiction and the authority of the Federal Power Commission, citing huge figures they pull out of the air that do not exist.

The Commission has made no recommendation to the Congress during the 11 years of the act that the jurisdictional authority in question be extended. That is important, Mr. Chairman, and it is only recently that by the acts of the majority of the Commission, with Mr. Olds as their spokesman, have they taken the position that by their own Commission action would they extend the jurisdiction.

And I want to make another important statement, and listen to me, that no instance has been cited where the Commission has been thwarted by reason of prevailing jurisdictional limitation in its efforts to protect consumers or regulate industry operations.

Mr. FURCOLO. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. FURCOLO. Does the gentleman agree that if this bill is passed, 85 percent of the gas reserves will be removed from restriction by the Federal Power Commission?

Mr. HARRIS. The gentleman is absolutely incorrect.

Mr. FURCOLO. I am afraid there are several of us who are, because your own hearings show that.

Mr. HARRIS. The gentleman is wrong. I did my best yesterday to explain just what this bill does; that it does not in any way take from the Federal Power Commission any jurisdiction it has today or has ever had.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Maine.

Mr. HALE. Did anybody imagine that the Federal Power Commission had jurisdiction until the decision in the Interstate Power case in June 1947?

Mr. HARRIS. Nobody has ever made such a contention.

Mr. Chairman, I hope the motion is voted down.

The CHAIRMAN. The question is on the motion offered by the gentleman from Massachusetts [Mr. FURCOLO].

The question was taken; and on a division (demanded by Mr. FURCOLO) there were—ayes 49, noes 79.

So the motion was rejected.

Mr. HARRIS. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for five additional minutes, in order that I may help to clear up the situation here about which so many people have come to me and asked, and in order that I may show you on a chart just what this legislation will do.

Mr. FURCOLO. Mr. Chairman, reserving the right to object, and I shall not object, I simply want to make clear, in view of the gentleman's last statement about Members not yielding, that I had asked both sides of the Committee for time to speak in debate and only received 5 minutes. That is the reason why I could not yield at that time.

Mr. HARRIS. I certainly meant no reflection on the gentleman at all. I appreciate the situation.

Mr. O'SULLIVAN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. O'SULLIVAN. Mr. Chairman, is it in order for an exhibit to be presented to the Committee of the Whole or to the House of Representatives? As I read the rules it is not in order to do so, unless the permission of the Committee of the Whole or of the House is first obtained.

The CHAIRMAN. If the gentleman from Nebraska objects to the use of the exhibit, the Chair will put the question to the Committee of the Whole. Does the gentleman object?

Mr. O'SULLIVAN. I object, Mr. Chairman.

The CHAIRMAN. The question is: Shall the use of the exhibit be permitted?

The question was agreed to.

Mr. HARRIS. Mr. Chairman, I will try to show you that this is the best way I can bring out the facts to you. I do want to apologize to the gentleman who objected to the use of the chart, if it will in any way be disadvantageous to his own opinion regarding this matter.

Mr. Chairman, the purpose in using this chart is to try, the very best way I possibly can, to show you what this legislation will do. We have heard so much in this debate, and I think it has been both helpful and wholesome and I believe in view of the debate the membership of the House, who have had an opportunity to listen to it will understand better and more clearly what we are seeking to do. The gentleman from Texas [Mr. LYLE] and I introduced this legislation. I want to pay high compliment to him for the fair, frank, and wholesome manner in which he has tried to reach this problem and to compliment my other colleagues on the committee, as well as other Members of the House for their assistance and interest.

Mr. Chairman, the chart before you is in three colors. The red represents a natural-gas company and its affiliates. The big mark is the trunk line of the natural-gas company. That is the part that goes into interstate commerce from the field after the gathering processes and is the part that goes across interstate lines into the consuming areas. The smaller red lines represent either the company's own production and gathering, or its affiliated production and gathering.

The blue lines represent the independent producers and gatherers of natural gas.

The black line represents another natural gas company not affiliated with the company called "A" in red. Let me show you. When the Natural Gas Act was passed, as I tried to explain to you yesterday, it gave specific jurisdiction to the Federal Power Commission. That jurisdiction was that gas produced and gathered by independent producers and gatherers, transmitted through their own gathering system and into the natural-gas company's interstate trunk line, at arm's length sale, was not under the jurisdiction of the Federal Power Commission. The arm's length sale means that an independent producer and gatherer brings gas down and sells it to the natural-gas company here [pointing]. This producer who has gathered has no connection, is in no way affiliated with the natural-gas company's system. Therefore, when it sells to the natural-gas company that is what is termed an arm's length sale. That is the competitive system; that is the competitive element that was maintained by the Natural Gas Act of 1938.

Then, after it goes into the natural-gas company's system, that is when the jurisdiction of the Federal Power Commission attains. This act merely provides that in the Interstate Natural Gas case that went to the Supreme Court, decided June 16, 1947, where the natural-gas company, the interstate company, has its own production, it goes into their own line and in the course of that gas going into the trunk-line system there were a number of independent producers who produced gas and sold it into that system at arm's length; it then went into three natural-gas company systems and on to the consumer area, in interstate commerce, for resale, wholesale, at the consumer end. The Interstate case said the Federal Power Commission had jurisdiction under the act over the natural-gas company, not only the interstate trunk line, but when it went on into the production of the company itself. This is an affiliated transaction and part of it. But the broad scope of the act went much further, and reading the interpretation in it, some say because it took in the independent producers and gatherers which the Federal Power Commission has never in all of its history undertaken, it took them in, and by implication said the jurisdiction extended to this [pointing] arm's length sale.

That is the interpretation that has been placed on it, and consequently great division of thinking resulted, and thus the bill here today. This is the bill Mr. PRIEST introduced on behalf of the Commission, which was drawn up 2 years ago, and presented on this floor.

What does it do? It says these are arm's length sale transactions that are the production of independents, those who have no affiliation or connection with the natural-gas company. Here are the field prices, independent of the natural-gas company, and they have always been the function of the local regulating authority. That has never become a part of the jurisdiction of the Commission.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. SADOWSKI. How many sales can be made at that arm's length position before they enter the head of the pipe line.

Mr. HARRIS. Our own American system does not limit any arm's length sale in our competitive business. But this gas has to get into this natural-gas company pipe line, and then it goes into interstate commerce. But before this natural-gas company can lay its line and transport gas to the consumer, it must have a certificate from the Federal Power Commission. The Federal Power Commission requires the company to file with its application information showing that it has reserves available, and the price that it pays before it attempts to serve the consumers. Consequently, if there were an unusual situation existing such as the gentleman indicates, the Federal Power Commission would say: "No, you cannot have a certificate of convenience and necessity." The gentleman cannot cite one instance in all the history of the gas industry that the situation has actually prevailed, because this is the most competitive business we have in our whole system.

Mr. SADOWSKI. The Standard Oil Co., for instance, would be doing business at arm's length——

Mr. HARRIS. I know what the gentleman means. This bill provides that one natural-gas company cannot produce its gas and sell to another natural-gas company even if it is at arm's length. There is no collusion permitted; it is absolutely prohibited. That gives the Federal Power Commission jurisdiction under that situation.

Mr. SADOWSKI. What about the red line on the chart? Is not that where the Federal Power Commission comes into the picture?

Mr. HARRIS. Yes; because this other line is another company. Under the provisions of this act there is another point.

Mr. SADOWSKI. I have given it quite a bit of study.

Mr. HARRIS. I know the gentleman has, and he is very able, and I know he is capable, but this is a pretty highly technical thing, and it took a great deal of time for those of us who were considering the language, the many different kinds of language that we had to iron out, all these technicalities to be sure we would give no windfall to any natural-gas company. We have succeeded.

The gentleman mentioned the Standard Oil Co. of New Jersey. If the Federal Power Commission did not have jurisdiction under the Interstate case it would have jurisdiction under the provisions of section (c) of this bill because it reads in effect that any company that is controlled by someone else or owned by someone else, or the majority interest which is controlled by someone else will be under the jurisdiction of the Federal Power Commission.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. YATES. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield for one more question?

Mr. HARRIS. I yield.

Mr. SADOWSKI. If the Standard Oil Co., or any other large oil company which also produces gas decides that it does not desire to sell the gas to a particular pipe line, how can that pipe line compel Standard or any other great producer of gas to sell them gas? In other words, if there is a desire to work a squeeze play, if there is a desire to force a merger, if there is a desire to squeeze some out of a pipe line and to take control of it by the oil companies denying gas, the pipe-line company has to go out of business, because it cannot take up its pipe line and move to another field; it is not a peanut stand; it cannot be moved around like a peanut stand.

Mr. HARRIS. I may say to the gentleman that if anyone has gas reserves he is anxious to sell gas and is going to make every effort to try and sell it and get it to the consumer.

Mr. SADOWSKI. Yes; with gas in short supply.

Mr. HARRIS. There is not a short supply of gas; the shortage is in the transportation of gas. The gentleman wants gas in his district. There are ample gas supplies; there are at least 174,000,000,000,000 cubic feet of reserves in this country, and yet the pipe-line capacity is less than 4,000,000,000 cubic feet a year that can be transported to the consumers the gentleman desires to serve. It is a shortage of transportation and not a shortage of the gas.

The consumers of this country pay an average of 60 cents per thousand cubic feet for the natural gas they consume. How much of that goes to those who find and produce the gas, the suppliers who take the chances? Four and sixtenths cents. The rest of it goes to the natural gas companies in transportation, and that is what the Federal Power Commission has jurisdiction to control.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois.

Mr. YATES. Referring to the blue line in the upper left-hand corner of the gentleman's chart will the gentleman state whether those producers are engaged in interstate commerce up to the point where they reach the natural gas line company at point "A"?

Mr. HARRIS. This is not considered in interstate commerce until it goes into the system of a natural gas company at

some place. It would be interstate commerce here [pointing].

Mr. YATES. Under the present act or under the proposed law?

Mr. HARRIS. That is under the present law.

Mr. YATES. Under the present law?

Mr. HARRIS. Yes. This is no different from the present law. It just clarifies the situation.

Mr. YATES. Then the gentleman is contending with respect to the portion of the chart which he has just covered that that is regulation solely for the States and not for the Federal Government?

Mr. HARRIS. Under the Natural Gas Act that authority was left to the control and regulation of the various States.

Mr. YATES. If it is not now covered by the present Natural Gas Act, which I do not admit, will the gentleman state that this Congress could designate the transportation by the producers in the upper left-hand corner of the chart as interstate commerce and therefore subject to the control of the Federal Power Commission?

Mr. HARRIS. The Supreme Court of the United States first held in the Hope Natural Gas Co. case and later in the Colorado Interstate case that it was the authority of Congress to make such provision, if it so desires.

Mr. YATES. So that this may logically be considered as a part of the jurisdiction of the Federal Government, if it so desires?

Mr. HARRIS. I disagree with the gentleman; the Congress has not so determined.

Mr. FURCOLO. Mr. Chairman, will the gentleman yield

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. FURCOLO. In view of the gentleman's statement there were large gas reserves which his people would sell to anybody, and I agree with the gentleman there are, the committee hearings show without question these people with the large gas reserves are not going to sell them but are trying to hold back because they are afraid the price will be kept down by the Federal Power Commission and their intention is to raise prices.

Mr. HARRIS. I said that the independent producers, and those with gas properties, who are trying to make the gas available to you, are at the mercy of the gas companies. In the Monroe field they have contracts for 20 years for 2 cents per 1,000 cubic feet. In the entire Southwest and in the other areas they have contracts that run from 15 to 25 years at from 2½ cents to 5 cents; yet they are selling it to you boys up there for more than 60 cents and for as high as $1.35.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Colorado.

Mr. CARROLL. If the gentleman's bill becomes law, what will be left to the jurisdiction of the Federal Power Commission in reserves? What percentage?

Mr. HARRIS. The reserves are part of the local and State jurisdictions, which has been recognized by the Congress throughout its history.

Mr. CARROLL. What percentage?

Mr. HARRIS. All of it.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. CARROLL. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CARROLL. I have asked a very simple question. The gentleman knows more about the Natural Gas Act, I suspect, than anyone else.

Mr. HARRIS. I appreciate the compliment, but please ask a question.

Mr. CARROLL. I want to know, if this bill becomes law, how much jurisdiction will the Federal Power Commission have over the gas reserves of this Nation? What percentage?

Mr. HARRIS. The Federal Power Commission will have no jurisdiction over any part of the reserves of this country, which is a matter of law, and there is some diversity of opinion in the interpretation of this question, that is the reserves which are already committed to the consumers in interstate commerce.

Mr. CARROLL. The gentleman can answer that question. As reflected by this map and the red lines, the natural gas pipe lines with affiliates as indicated under (A), what percentage of the reserves will the Federal Power Commission have jurisdiction over?

Mr. HARRIS. What percentage of the reserves the natural gas pipe-line companies have themselves? About 13 percent.

Mr. CARROLL. About 13 percent. So, then, the Federal Power Commission will only have jurisdiction over 13 percent of the gas reserves of this Nation?

Mr. HARRIS. The gentleman is wrong. Wholly misinformed. The Federal Power Commission has jurisdiction over every cubic foot of gas that goes into interstate commerce, whether it belongs to the natural gas company or the independent producers and gatherers. It takes jurisdiction the moment it goes into the natural gas company's system; it then becomes interstate commerce and subject to the jurisdiction of the Commission. When it goes into the natural gas company's system, which is the only way is can get to the consumer, the Federal Power Commission has jurisdiction.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Louisiana.

Mr. BROOKS. The gentleman knows the attitude of the independent operator, and I will ask him if it is not correct that the independent who brings in a gas well is restrained only by two things in the sale of gas, and that is, ability to sell and the conservation requirements under the laws of the State in which the gas is brought in? That is true, is it not?

Mr. HARRIS. That is true. One more thing, and that is the increased price to the consumer. I have tried to tell you that this is the way the act has been administered. This is clarifying law; it has been requested by the Federal Power Commission itself, and all of these figures about the high cost to the consumer are absolutely incorrect and misunderstood. It just does not exist; it just does not happen. This is preserving, Mr. Chairman, what the Congress intended to do and, as I said yesterday, if the policies of this Congress are going to be changed, let the Congress change them, and not some bureau or commission downtown.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the distinguished majority leader.

Mr. McCORMACK. I am very much interested, and I am sure everybody else is, at the statement that some of this natural gas at the source is sold for 4.6 cents.

Mr. HARRIS. Four and six-tenths cents is the average of the natural gas at the field.

Mr. McCORMACK. And it costs the consumer anywhere from 60 cents to $1?

Mr. HARRIS. The average from 43 cents to $1.52 here in Washington, I believe.

Mr. McCORMACK. Has there been any investigation to determine the reason for that?

Mr. HARRIS. Yes. The Federal Power Commission has gone into that. In G–580 they have gone into it thoroughly and also in some cases reduced the rates tremendously; in Chicago and in other areas, West Virginia, and all around, and rightly so, and that is what the Natural Gas Act was provided to do.

Mr. McCORMACK. Has there been any congressional committee look into that important aspect of the matter?

Mr. HARRIS. Yes.

Mr. McCORMACK. If not, I hope they will do so.

Mr. HARRIS. This committee gave more than 3 years of study to it when the Natural Gas Act was passed.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. Does the gentleman's bill do anything for the relief of your independent gas companies there that you are crying about, that are being robbed by the big pipe-line companies? Is there anything in this measure to do anything about them?

Mr. HARRIS. Yes, it does. It reserves the competitive element under our free enterprise system.

Mr. CHRISTOPHER. The pipe-line companies will never reduce the rates to the public unless they are forced to do it.

Mr. HARRIS. I think you are right about that.

Mr. Chairman, I should like to suggest to the Members that they obtain a copy of the hearings and read the statement before our committee by our colleague and one of the sponsors of this legislation, the gentleman from Texas [Mr. LYLE].

I should like to say that the gentleman from Texas [Mr. LYLE] has given a lot of study to this problem and is thoroughly familiar with it. He is to be highly commended for his fairness and efforts in trying to resolve this issue and to clarify

the law as it is needed. He has rendered a great service in this respect and in doing so has the interest of the consumer at heart, as well as the interest of the producer.

You cannot read his statement in the record without being convinced of the justification of this legislation. I commend it to you and hope that you read it.

Then I would like to suggest that you read the statement of Mr. Hayden Head before our committee. Mr. Head is one of the most able men I have ever heard on this subject. He is a lawyer for the Southern Minerals Corp., an independent oil and gas producer. He is a good lawyer and thoroughly familiar with the Supreme Court decisions and interpreted them clearly and explicitly before the committee.

Because he is so familiar with the practical operation of his company in the fields and the thousands of problems that go with it, in addition to his thorough knowledge of the law, his statement is so complete and conclusive, even the members of our committee who disagree as to the need of this problem complimented him highly for giving his very fine, frank, and clear testimony.

No one can read the statements and become familiar with the actual facts and conclude, in my opinion, Mr. Chairman, otherwise than this legislation is sorely needed. I say again, we should not be persuaded by the influences which manifest themselves in this problem to a large degree and in my opinion, know nothing at all about it.

Now when we introduced this legislation, H. R. 79, by the gentleman from Texas [Mr. LYLE] and H. R. 1758 by me, we had one definite objective in mind. Though the language was not the same in the two bills, we had the same purposes and intent.

After the thorough and complete hearings and consideration, it developed that the language in the bills went further perhaps than the purposes and intent. A number of proposed substitutes and varying language was considered. We did not want to give any windfall or change the basic act and consequently we worked out this substitute language, which provides another subsection to section 1 of the act, subsection (c).

This subsection stands alone so it will be perfectly clear that this and only this will be the result—and what is it?

That the provisions of the act shall not apply: First, to any arm's length sale of natural gas by a producer or gatherer at or prior to the point of delivery thereof into the interstate transmission facilities of a natural gas company, or, second, to incidental transportation thereof, by the producer or gatherer, necessary for its delivery pursuant to or in consummation of any such sale.

This language was worked out together with the other provisions in the amendment so it will do nothing else than to exclude from the jurisdiction of the Federal Power Commission as has been construed since the act was passed, the production and gathering of natural gas by independent producers and gatherers, the arm's length sale thereof, and only such incidental transportation to get it to the interstate line.

Therefore, I say to you we have approached this in a cautious and careful way to be certain that we do not go further or do more than is intended or previously urged by the Commission and it was actually needed to clarify a situation which is our duty and responsibility.

We utilized the services of the Bureau of Law of the Commission, the information from the Commission, both viewpoints, which are hopelessly divided, our own very able staff and counsel, and the knowledge and experience of the members of the committee in carefully preparing this language to do only what is needed and nothing else.

Mr. Chairman, the gentleman from West Virginia [Mr. BAILEY] raised the question as to the effect this legislation would have on the existing authority of State regulatory agencies. Particularly did he express concern over whether or not the regulatory agencies in his State of West Virginia would be deprived of any authority it has over, first, natural gas companies; and, second, the distribution of natural gas to the consumers.

The purpose of this legislation, Mr. Chairman, is limited only to the production and gathering in the field. It does not go any further than that.

Therefore, in answer to the gentleman's question. This bill does not in any way affect the regulatory authority of his commission in West Virginia of any natural gas company's operation or the distribution of natural gas within his State where the jurisdiction in the Natural Gas Act was reserved to the States.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. HESELTON. Mr. Chairman, I move to strike out the last two words.

I am very glad that this enlightening debate of the last few minutes has ended on the very note that leads me to plead with you to consider the advisability of sending this bill back to the committee. The majority leader made a very pertinent inquiry as to what this committee was doing about one phase of the matter that lies before us, and the gentleman from Arkansas told you that our committee has been spending more than 3 years in trying to devise something in the nature of recommmendations for this body. The complexity of the situation here would lead any reasonable person to believe that there was an immediacy and urgency about passing this bill which transcended anything else. I tell you that there is something much more important and something much more urgent in terms of a sound domestic economy, yes, in terms of our national security, and that is that you give our committee the right to carry out the obligation of bringing in recommendations that cover the four fuels: Petroleum, coal, electric power, and natural gas. We undertook to make recommendations looking toward the formulation of a national fuel policy. We have made great progress toward that objective. Yet you are being asked to legislate this afternoon on one problem in one field. Listen to what this committee said unanimously:

> The committee desires to emphasize from the outset that its study is definitely designed to be a fuel study or, using another term, an energy-resources study, and not a series of four separate studies into petroleum, natural gas, coal, and electric power. After concerning itself over a period of years with the problems peculiar to each of these four fuels, the committee realizes that each of these four energy resources affects the others, and that it is imperative in the interest of the Nation's prosperity and security, for the Congress to think, and, if necessary, to act, in terms of a national fuel policy rather than a national petroleum policy, a national coal policy, a national electric-power policy, and a national natural-gas policy.

If you pass this bill this afternoon, no matter what the merits may be—and I concede that the proponents of the bill are entirely sincere; they urge a very proper principle upon you—that if we are to legislate, if we are going to act in a field in which others have sought to determine legislative policy, whether it be the Supreme Court in the Panhandle case, which has now said there is no jurisdiction over natural-gas reserves, or whether it is the Interstate case, or whether it is the FPC, or whoever it may be, it is our responsibility to act—I say to you that you will not have your full opportunity to act in your individual responsibility in terms of the creation of a sound, comprehensive fuel policy, which is of tremendous importance to this country, whether we are at peace or whether we are at war.

The majority recognizes this in its own report. It says:

> The entire field of petroleum policy is now undergoing scrutiny by the committee in its continuing fuel investigation directed toward recommendations—

For what? A natural-gas policy. A natural-gas individual situation? Some petroleum situation? No—for a national fuel policy.

This committee has been trying to develop that. Here are the hearings in docket No. G–580 of the Federal Power Commission. Here are the committee hearings and its six reports. I can assure you that without a single exception, in my opinion, your committee does want to discharge this responsibility. But I differ with my friend, and say that if this afternoon you freeze a situation into the natural-gas picture which, as we have said in our reports, covers a field with its interrelated and interwoven parts, you can make it utterly impossible for us to make a recommendation of a national fuel policy. The only chance you will have, in my opinion, this afternoon to preserve your own rights to see that that is done in the interest of our economy and our security, is to support the motion, which, if I am recognized for that purpose, I shall make. It will be a simple motion to recommit, so the committee can complete its effort to help you formulate a national fuel policy of which we, the industries involved, and the Nation as a whole can be proud. It can and should be an entirely American policy directed toward the protection of a sound, healthy domestic industry, toward

a vigorous domestic economy operating in fairness and in consideration of the American public, and toward our national security. Because I believe this can and must be done, I hope we will not make the mistake of jeopardizing the possibilities by freezing one situation today, by doing something that we may find cannot be undone, regardless of its effect on the development of a sound national policy. That is my reason for seeking to offer the motion. I hope you will support it.

Mr. KEOGH. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KEOGH to the committee amendment: On page 5, line 10, strike out all after the colon, down to and including lines 16, and insert after the word "sale" a period.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. The amendment offered by the gentleman from New York [Mr. KEOGH], as I understand it, applied to line 10 on page 5. I think it should apply to page 5, line 7. I suggest that so that the gentleman will have his amendment in order.

Mr. KEOGH. Mr. Chairman, I ask unanimous consent that the amendment be considered as being directed to page 5, line 7; after the colon, strike out the remainder of the section.

The CHAIRMAN. Without objection, the amendment will be so modified.

There was no objection.

Mr. CARROLL. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CARROLL. Mr. Chairman, we are indebted to the gentleman from Arkansas [Mr. HARRIS] and the gentleman from New York [Mr. KEOGH] for bringing this issue into clear focus. This is a very difficult bill. It is a technical bill. As I said before, I am not impugning the personal motives of any individual who is fighting for this bill or for the amendment. However, here is what this amendment does.

The gentleman from New York [Mr. KEOGH] makes a very good point. If we are going to give 87 percent of the known reserves of the Nation—take those reserves out of the jurisdiction of the Federal Power Commission, why do we not do the same with the remaining 13 percent which is owned or controlled by the pipe-line companies? In other words, if you adopt this amendment, we are almost right back where we were 2 years ago in the so-called Rizley bill.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. KEOGH. I think the gentleman probably meant to indicate that the companies that would be affected by this amendment own 13 percent of the reserves.

Mr. CARROLL. That is right.

Mr. KEOGH. But there is no possibility of your arguing that those companies would divest themselves completely of those reserves by sales, even at arm's length, to other companies, for the very reason that they have these reserves to insure to them a steady supply.

Mr. CARROLL. There is a difference of opinion about that. I wish to say to the gentleman from New York that in Colorado we are concerned today with this very problem. We consume natural gas which is produced in the Texas Panhandle field and piped to Colorado. The producing company, known as the Canadian River Gas Co., and the pipe-line company, the Colorado Interstate Gas Co., now are affiliated. As a result, both are subject to regulation by the Federal Power Commission, and several years ago Colorado consumers benefited from an FPC order substantially reducing the rates for natural gas. In addition, a supply of gas in the Panhandle fields has been dedicated to Colorado consumers, assuring them of a future supply.

Now we find that a financial manipulation is being planned, the end result of which will be the separation of Colorado Interstate and Canadian River. Canadian River will become an independent producer, and under H. R. 1758 will not be subject to regulation by the FPC. As I understand the Panhandle Eastern decision recently issued by the Supreme Court, the FPC has no power to prevent this reorganization.

So here we find a pipe-line company involved in a transaction which would result in destroying the affiliation between it and a gas-producing company, and which might well destroy the assurance of the people of Colorado that they will continue to have an adequate supply of gas at reasonable rates. I think this specific example answers the gentleman's point.

Now, this is a very simple bill; that is, the object of it is very clear. The object of this bill is to have all the independent producers get on the "gravy train." That is what is meant by "arm's length transactions."

One of the leading executives of an independent producer stated—and this is the crux of the issue:

What right does the Federal Power Commission have to force us to sell natural gas at this low price when the producers of coal and oil are getting a great price for their products? We have a right to raise our prices.

That may be fine for the producing areas, but the Federal Power Commission, in its report, stated that they were seriously concerned about the price increases in new contracts. If Congress takes away the restraining influence over this industry, prices will go up and up, the Federal Power Commission warned.

Let us assume the price of gas in the field goes to 10 cents per thousand cubic feet. It will cost the consumers of the Nation about $500,000,000.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. HARRIS. I should like to ask the gentleman to cite any part of the record where it can be shown that it will increase the cost of natural gas to the consumers $500,000,000 or any other particular sum of money.

Mr. CARROLL. If you will examine the report of the Power Commission, you will find those very words, I am sure.

Mr. BIEMILLER. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. BIEMILLER. The report of the Federal Power Commission said that if there had been a raise commensurate with the increase in the cost of fuel coal it would increase the cost of natural gas by half a billion dollars.

Mr. HARRIS. The gentleman does not contend that is what this bill would do?

Mr. CARROLL. Here is what the Federal Power Commission reports, as the gentleman has said to this committee. The price was 4.6, but the Federal Power Commission said this:

We are seriously concerned that this price is going up because of the great demand for gas. The price will go up if jurisdiction is taken from us.

The Commission further stated that they wanted to be in a position to step in if it becomes necessary. I know that the gentleman has seen that statement in the report of the Federal Power Commission.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. SADOWSKI. The gentleman from Arkansas has stated that this gas was being sold for 4.50. I would like to ask the gentleman from Arkansas whether if a new pipe line came into the field and tried to make a bargain with the producers it could get gas at 4.50 or would it not have to pay 10 cents?

Mr. CARROLL. I think that is the point; that is the whole issue.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. CARROLL. Mr. Chairman, I ask unanimous consent to proceed for four additional minutes, because this is a very important issue.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CARROLL. This is the issue of the whole bill; the question is simply this. I know that the gentleman from Arkansas is very sincere. As to the Supreme Court saying that it was never the intent of Congress to place this jurisdiction upon the Federal Power Commission, the Supreme Court held pretty clearly that they had that jurisdiction. Then in the Eightieth Congress there came the Rizley bill, and I want nothing I say here to be taken as derogatory of my friend, the gentleman from Arkansas, but at that time the gentleman was making some brilliant presentation for—not against—the interest of the pipe-line companies. The natural gas companies and all parts of the industry would have been included under the Rizley bill. That is the matter I told you about the other day. Despite the fight two or three of us made at that time, we got only 63 votes in this House. The

bill was killed in the other body, and there they found that had the bill passed there would have been a $200,000,000 steal—steal meaning that it would have cost the consumers about $200,000,000. This is the issue in this case despite all the brilliant arguments in legal terms, this is the basic issue: These producers want to get on the gravy train, although their present profits are tremendous.

The gas industry has grown by leaps and bounds. The reserves of this Nation have increased. I am not, of course, making a speech in favor of the amendment offered by the gentleman from New York; I am opposed to that amendment as I am opposed to the bill, but he makes a good point, that if you are going to give it to this other group why not give it to the pipe-line companies?

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. HALE. Who does the gentleman say is getting these enormous profits? Is it the interstate pipe lines?

Mr. CARROLL. I should assume as I look at the record of the interstate pipe lines—may I say that in my own State the city of Denver working with the Federal Power Commission forced a $4,000,000 rebate, and notwithstanding that we cut the gas rate in half, as I said on the floor the other day, the profits are still unreasonably high. I am critical of the Federal Power Commission because they have not gone far enough in their regulation of these companies.

Mr. HALE. The interstate pipe-line companies are subject to the jurisdiction of the Federal Power Commission.

Mr. CARROLL Yes, of course. However many factors must be considered. Perhaps the Commission would contend that they are doing the best they can under the circumstances.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. YATES. With respect to the gentleman's last point I wish to state that the pipe-line rates coming into the city of Chicago were fixed in 1942 by the Federal Power Commission. There has been no application for an increase of its rates by the Natural Gas Pipe Lines Co. since that time. As a matter of fact I am told that the company is fearing a rate reduction. I thank the gentleman from Illinois [Mr. CARROLL] for his contribution. Of course he is correct.

Mr. CARROLL. The gentleman from Arkansas unwittingly the other day made a very fine observation. He said that the rates of the consumers were going down. Of course, they are going down and they will continue to go down as long as you have regulation. Whenever you take jurisdiction away from the Federal Power Commission rates will go up, because you have a no-man's land; and that is what was explained in the Interstate case decided by the Supreme Court not long ago.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. SADOWSKI. The gentleman is back to the crux of the old argument. Take those black lines on the chart that run into the pipe line; they also feed into intrastate commerce. When they sell gas within their own State they are regulated by the State commission.

The State commission has something to say about what the price of that gas will be to the consumer and the citizens of that State. But when that same producing company delivers gas to the pipe lines no one has anything to say. The Federal Power Commission cannot say what the price of that gas will be, whether it is labeled for shipment to St. Louis, Chicago, or some other place if this bill becomes law.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. CROSSER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CARROLL. Mr. Chairman, in response to the gentleman from Michigan, may I say that is exactly the matter that arose in the Supreme Court decision. There we had a gas company that told the State authorities, "You cannot interfere. You cannot set rates for us because our gas is flowing in interstate commerce." When the Federal Power Commission moved in the company said: "You have no control over us because the Congress did not give you jurisdiction." But the Supreme Court knocked their pins out from under them. This is just another bill that is brought here to overcome a Supreme Court decision.

Mr. CROSSER. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield to the gentleman from Ohio.

Mr. CROSSER. The gentleman is a lawyer. Heretofore, as he knows, it has always been an evidence of respectability when the Supreme Court found it was in harmony with any department or agency of the Government, has it not?

Mr. CARROLL. That is my understanding.

Mr. CROSSER. Now the Supreme Court is being belabored as much as anybody I know of because it agreed with the Federal Power Commission.

Mr. CARROLL. I may say to the chairman of the committee that the decision of the Supreme Court in the case I cited was a unanimous decision.

Mr. CROSSER. I would like to know whether the gentleman noticed a letter I received from the Acting Director of the Bureau of the Budget, Executive Office of the President, as follows:

> The President has directed me to advise the interested agencies that enactment of H. R. 1758, to amend the Natural Gas Act approved June 21, 1938, as amended, would not be in accord with his program. Although the Bureau has not been requested by your committee to comment on this measure, I assume you would wish to be informed of the President's position, particularly in view of the present status of this bill.
>
> You may also be interested to know that the President has stated that should some legislation be deemed necessary in this area, he would have no objection to the enactment of a bill along the lines of the measure endorsed by the majority of the Federal Power Commission in testimony before your committee on the subject legislation. A copy of this measure, which is proposed as an amendment to H. R. 1758, is enclosed.

I have that amendment here and it is one that carries into effect what I suggested in my few remarks a while ago, exempting producers of less than 2,000,000,000 cubic feet from regulation and regulating only the rest, which would amount to 50 at the most.

Mr. CARROLL. In my opinion, the President of the United States could take no other position.

Mr. HARRIS. But he did take the other position only 2 years ago.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. KEOGH. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield to the gentleman from New York.

Mr. KEOGH. I have listened to the gentleman's colloquy with the chairman of the Committee on Interstate and Foreign Commerce with respect to respectability of the Supreme Court's decisions. Do I not state the fact correctly when I say the gentleman himself is in disagreement with the Supreme Court in its most recent decision?

Mr. CARROLL. The gentleman is right about that.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield to the gentleman from Arkansas.

Mr. HARRIS. Will the gentleman agree with me that this issue was not an issue in the Interstate case as was proposed but it was only reached by obiter dictum and the broad scope of the language?

Mr. CARROLL. I am afraid I cannot agree with the gentleman on that.

Mr. HARRIS. I suggest the gentleman should agree. Did not the President take the other position only 2 years ago?

Mr. CARROLL. I am not sure about that. I am afraid the President might have taken that position 2 years ago perhaps in desperation because I took it too in order to defeat the Rizley bill. I can understand the President's viewpoint—if in fact that was his viewpoint.

The CHAIRMAN. The time of the gentleman from Colorado has again expired.

The question is on the amendment offered by the gentleman from New York [Mr. KEOGH].

The question was taken; and on a division (demanded by Mr. KEOGH) there were—ayes 15, noes 64.

So the amendment was rejected.

Mr. THOMAS of Texas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I sort of hesitate to take the time of the Committee, but I do want to talk for just 1 or 2 minutes. I think we are getting far afield here. It has been said time and time again that the issue involved here is a simple one, and that is true. It is a very narrow question.

Of course, the Supreme Court has its jurisdiction and the executive branch has its jurisdiction, and we have our own duty to perform. I do not think there is any doubt that when the act was passed in 1938, it was as clear as a bell that the independent who is on the ground and does the exploring, the wildcatting, as we say in our country—and I live in a country where it is quite a sizable business—that that business was conducted by a lot of small people who go to the banks and borrow the money, and they borrow it from their friends—we call it poor boying down home to go out and wildcat. When this act was passed in 1938 it was clear as a bell that that little fellow who went out and poor boyed that well and drilled that well was not under the jurisdiction of this act. And there is a good reason for that.

In the first place, suppose he drilled a well and decided to cap it up and not sell a foot to anybody. It was purely a local operation, and certainly by no stretch of the imagination would the Federal Power Commission have jurisdiction over him, would they? That was the philosophy behind the exemption of him. Do you know what the big problem is in the gas industry? It is one of getting the gas to the market. Down in my country if we get 5, 6, or 7 cents a thousand cubic feet for that gas, we think it is a tremendous price. Why? We are at the mercy of the big pipe lines. They do not have to buy our gas unless they want it. There are thousands of gas wells that have been drilled there and capped for the simple reason that there is no market for it. The pipe line companies perhaps do not want to come over and take up your gas, and you cannot force them to, and therefore that little wildcatter who goes out and drills is not under the jurisdiction of the Commission for the simple reason he is not engaged remotely, in the least, in interstate commerce.

So, gentleman, your question is, Are you going to amend the original act, and, if you are, if you want to consider that, I am not going to quarrel with you. That is your duty. But let us do it, and not let a governmental agency amend that act. Time and time again that Commission has gone on record as saying, "We have no jurisdiction over the independent driller who goes out and drills a well and has no connection with a pipe line." That is the only problem you have here.

You may want to amend the act. I am not going to quarrel with you about that, but that question is not before you now. The only question before you now is one of just simply telling the Commission to go by the original act as the Congress intended it to be. If you want to amend the act and open up the question of price, that is something else that is not involved here. That is only an ancillary matter.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. I have been waiting all day for somebody to propose something that would take care of that little fellow that is being robbed, the so-called wildcatter you are all crying about. If the gentleman feels sorry for him, I do too.

Mr. THOMAS of Texas. The gentleman is talking right down my alley. It takes millions, hundreds of millions of dollars to build a pipe line into a big consuming market, and the little independent down in my country, frankly, does not have the money to do it.

Mr. CHRISTOPHER. Who is robbing your little independents?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CROSSER. Mr. Chairman, I offer an amendment as a substitute for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CROSSER as a substitute for the committee amendment: On page 1, line 1, strike out all after the enacting clause and insert the following: "That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, is hereby amended by eliminating the period at the end thereof and adding the following: 'or to any sale of natural gas in interstate commerce at or prior to the conclusion of production or gathering by a person whose total sales of natural gas in interstate commerce individually or in the aggregate with affiliated producers and gatherers do not exceed on an annual basis 2,000,000,000 cubic feet computed at 14.65 pounds per square inch absolute at 60° Fahrenheit provided such person is neither a natural-gas company by reason of other activities nor affiliated with a natural-gas company.'"

Mr. CROSSER. Mr. Chairman, the gentleman from Texas [Mr. THOMAS], who has just addressed the House, made what I regard as a very good argument for this amendment I wish to offer. He argues for the little independent, the one about whom there was so much weeping 2 years ago when the little independent was pressed upon the attention of the House. When we exempt everybody with production under 2,000,000,000 cubic feet per year we are surely exempting the little independent. Of the 2,300 producers in the United States, that will exempt about 2,250.

The remainder of the 2,300 are the ones to whom we should be giving attention. They are the ones who are so eager to have this legislation enacted on the plea that it is to help the little fellow. If we desire to help the little fellow, my amendment will do it.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I fully recognize the purposes and intent of my beloved chairman in offering this proposal. I know that if he knew anything at all about the actual operation in the producing areas, in my opinion, he would understand that an amendment like this is completely unworkable and impractical.

The administration of it would be so terrific it would absolutely not be possible for the Federal Power Commission to have enough personnel to go over the country and observe some several hundred thousand wells in production.

Mr. CROSSER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. CROSSER. As a matter of fact the Federal Power Commission said that it would require much less personnel on their part to administer this than what they have now.

Mr. HARRIS. Yes; that would be the case if they did not do anything about it. But everybody knows that is what they are trying to do through this warped interpretation of the law. Everybody knows that they are trying to get in so that they can extend their authority.

Mr. Chairman, this amendment proposes that each and every well that has an annual production of 2,000,000,000 cubic feet or less a year would not come under the jurisdiction of the Commission.

That means, Mr. Chairman, that many wells would hold down their production to 2,000,000,000 cubic feet or less. The gentlemen are talking about wanting more gas. You would not have the production that would go to the consumers. You would have another unusual situation; a well would produce 6,000,000,000 cubic feet of gas one year, which incidentally is the average production, and then another year it would be less than 2,000,000,000 feet. Then, one year they would be under the jurisdiction of the Commission, and in another year they would not be under the jurisdiction of the Commission. You would have your books and your accounting filed at the request of the Commission, certainly by their requirement, for one year, and not for another year. It is utterly impossible and could not be so administered.

I ask that the amendment be voted down.

Mr. CROSSER. Mr. Chairman, the Federal Power Commission says that it is the most workable thing for us.

Mr. YATES. Mr. Chairman, the point was made yesterday in the course of the debates on this bill by our distinguished Speaker, and by my friends, the gentleman from Texas [Mr. LYLE], and the gentleman from Arkansas [Mr. HARRIS] that the principal issue was whether the Congress of the United States was going to write a law for the regulation of natural gas in interstate commerce for public consumption, or whether the Federal Power Commission should be permitted to take unto itself authority not delegated to it by the Natural Gas Act of 1938.

Of course, I do not agree with them that the Commission has assumed powers not given to it by the Congress under the act. I believe that the congressional intent was clear when the act was passed in 1938, as stated by the Supreme Court in the Interstate case, that the Commission has been given that grant of power by the Congress.

The Natural Gas Act of 1938 was based on reason. It was enacted to correct the ineffective regulation of a commodity whose use is vital to the well-being of our people. State public utility regulatory commissions had the power to fix rates and otherwise regulate and control the sale of natural gas within a State, but they had no power to control prices paid by their local gas utility to companies operating interstate. Therefore the act was passed to provide a comprehensive regulation to assure a complete and unified rate-making process in order to preclude exorbitant rates being charged by those who furnish this public utility service.

The proponents of this bill would now have you believe that it was not intended to regulate the primary sale of gas—that it included all sales other than the primary sale by the producer.

It seems to me that the rate-making process must be and was intended to be a single function because the person who furnishes the gas at the well-mouth in Texas, is really selling it to the people who light this gas in their ovens in the city of Chicago, or St. Paul, or other cities which have the benefits of this service. The rate-making process across the State line is like a chain. If any one of the numbers of persons selling the gas is permitted to sell it without regulation, that is a weak link in the chain and destroys the entire chain. If the producer in Texas can charge what he wishes, why should not a distributor in Kansas along the service route, or another distributor in Iowa along the service route, be permitted to charge what they wish also? Effective regulation rests upon a base of complete regulation.

Another service which has been recognized as a public-utility service is that of furnishing transportation, like the railroads. Suppose a person in El Paso, Tex., wants to go to Chicago. The railroad on which he travels may be a short-line railroad operating completely within the State boundaries with a connecting point at the northern part of the State. Can it be said that the Interstate Commerce Commission, which regulates transportation service in interstate commerce, should be deprived of its rate-making function for the trip between El Paso and Chicago because a part of the railroad lies entirely within one State? Would the passenger have a justifiable complaint if the railroad were permitted to charge whatever it wanted to between El Paso and the northern part of Texas, in view of an argument put up by the railroad that it did not furnish service to Chicago?

No, the purpose of regulation of this type is to protect the consumer, otherwise there would be no need for it. In interstate commerce such service is an integrated unity, from its start to its conclusion, otherwise there is no protection at all.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Ohio [Mr. CROSSER] to the committee amendment.

The question was taken; and on a division (demanded by Mr. CROSSER) there were—ayes 52, noes 87.

So the substitute amendment was rejected.

Mr. YATES. Mr. Chairman, I ask unanimous consent that I may extend my remarks in the RECORD just prior to the vote on the Crosser amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'SULLIVAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Chairman, the old time-honored practice of big business to legislate itself out from under regulations and court decisions is with us today again. Let us bear in mind always that neither price fixing nor monopoly are fundamental heritage in this Republic. This innocent-appearing bill, H. R. 1758, has attracted intense interest and has aroused the Nation-wide concern of the present and future natural gas buying public. They see the words, "bad, price-fixing monopoly" written all through and over it. I confess that I had and now have grave doubts about its legislative correctness, wisdom, and over-all business sanctity. One of the largest wholesale purchasers and wholesale and retail distributors of natural gas in Nebraska is the city-owned Metropolitan Utilities District of Omaha, Nebr., which is in my congressional district. I formerly was a member of its board of directors for a number of years and for one year was chairman of the board. For all of the reasons afore-mentioned I have a real interest in the financial welfare of this public business institution and the customers which it serves in the city of Omaha and in the surrounding area. In past years this public business and the people whom it serves have learned the hard way—by experience—that the Federal Power Commission has done much to hold prices of natural gas in line and that ordinarily it would not be healthy now to reduce the control of this Commission in any respect whatsoever, but it should be given instead added authority to increase its regulatory powers over interstate transporters and sellers of natural gas. Almost all of the municipalities and many persons connected with organized labor are against this bill. The natural gas-buying people generally oppose it.

I have made many inquiries to dissipate or confirm my fixed opinion in this matter and here are a few of the replies I have received.

The first is the answer of an official of a large and well-informed legislative director of a labor union and is as follows:

We strongly oppose the Harris bill (H. R. 1758) which cuts the heart out of Federal regulation of the natural gas industry and will enrich major oil companies by hundreds of millions of dollars a year.

In wide areas of the United States household consumers * * * are dependent upon natural gas. They will pay a large part of the increased profits which this bill proposes to give to oil and gas companies. Costs of many industries in which our members' work will be substantially and unjustifiably increased by this measure.

The claim that removal of regulation from the sale of natural gas to interstate pipe lines is necessary to increase the supply of gas is manifestly fictitious. Oil companies may be withholding this gas now to force the hand of Congress, but they will not permanently deny themselves this rich source of profit.

We have no objection to exempting from Federal regulation the sale of gas to pipe lines by genuine small and independent producers, but this bill is not limited to that purpose.

Three-fourths of the gas which this bill exempts from regulation is controlled by only 3 percent of the producers. Seventy out of 2,300 gas producers will be the prime beneficiaries. There is no economic justification and there is no excuse in good conscience to vote these large and profitable oil companies millions of dollars of additional profits at the expense of the consuming public.

The Eightieth Congress defeated the Moore-Rizley bills. The bill now proposed is the first step in a plan to put that defeated measure through the Eighty-first Congress.

The writer, Mr. Lowell Mellett, in his column On the Other Hand, published in the Washington, D. C., Evening Star, of May 24, 1949, stated in headline type that this bill will, like its companion measure in the other body, be the natural gas companies' supreme effort to escape Federal control. In the body of the article he stated in part:

The chips appear to be down in the long battle of the natural-gas industry to free itself from or minimize Government regulation. And the chips are of the blue, million-dollar variety. Something like $2,000,000,000 in cost to consumers is involved, according to the majority members of the Federal Power Commission. These Commissioners find also that this tempting jackpot would be divided chiefly among two dozen companies. * * *

The purpose of the proposed legislation is to exempt from Federal jurisdiction the sale of natural gas in the field, even though it is sold into interstate commerce. The courts having consistently sustained the Federal authority in this respect, the effort now is to have the law changed.

Stubbornly resisting this proposal is Commissioner Leland Olds, a member of FPC for 10 years, twice its chairman. Testifying this week in Senate committee hearings, he declared that relinquishment of Federal control would mean an increase in the price of natural gas, affecting 40,000,000 people in 34 States and the District of Columbia.

POINTS TO RATE CUTS

The Commission, Mr. Olds testified, has brought about reductions in rates amounting to $269,000,000 during the 10-year period. Another 15 years, he said, would bring the accumulated reductions to a billion dollars. Natural-gas prices have decreased in 10 years more than 9 percent, while coal was increasing more than 60 percent and fuel oil more than 70 percent. If natural-gas prices had been permitted to go up with coal and fuel oil, the additional cost to consumers would be more than $500,000,000 annually, according to the Commission's computations.

Mr. Olds furnished the committee with financial reports on various of the companies concerned to show they have not suffered by regulation. He made a particular point of the case with which they have been able to provide themselves with capital at low interest rates.

"It is doubtful if there is any other industry in the United States," he said, "which can raise such large proportions of its total capital by borrowing at such favorable terms. Obviously, if the Commission's rate-making policies had resulted in allowing only niggardly returns, such pipe-line projects would have experienced difficulty in raising money. The fact that a new pipe-line project can borrow 75 percent of its capital requirement in advance of construction, under a favorable rate of interest, is conclusive evidence that the Commission's rate policies are not destructive."

I also have on my desk other newspaper articles from the Denver Post, the Rocky Mountain News, St. Louis Post-Dispatch, the Washington News, and

Drew Pearson's column in the Washington Post, all of which criticize and denounce this legislation and the companion bill of the other body.

I contacted Mr. Dana B. Van Dusen, general counsel for the Metropolitan Utilities District of Omaha, Nebr., and he, after studying this bill, advised me that H. R. 1758 cannot help, but probably will injure the interests of the Omaha Metropolitan Utilities District and its customers.

At Mr. Van Dusen's suggestion Mr. Charles S. Rhyne, general counsel for the National Institute of Municipal Law Officers, located in Washington, D. C., wrote me on August 2 last, in part, as follows:

I am enclosing a memorandum explaining H. R. 1758 as best I can. * * * Since Omaha is a large user of natural gas, with the amount of such use growing all the time, passage of H. R. 1758 would undoubtedly mean a rather tremendous increase in gas rates. * * * You undoubtedly have House Report 1410 on the bill and city representatives agree with the minority view therein expressed.

Mr. Rhyne's analysis of this bill, H. R. 1758, is as follows:

NATURAL GAS LEGISLATION, EIGHTY-FIRST CONGRESS

1. What bills are pending to amend the Natural Gas Act that are opposed to the interests of consumers?

Senate: S. 1498.

House: H. R. 1758.

2. What do these bills do?

The bills, which are substantially identical, amend the Natural Gas Act so as to prevent the Federal Power Commission from fixing the rates for natural gas sold in the gas fields by the so-called independent producers to interstate pipe line companies.

3. How would such amendments affect the consumers?

The price of gas entering the pipe line affects the price of gas sold at the other end of the line. The cost of such gas to the pipeline company must be covered by the rates paid by the consumers who ultimately burn the gas in their homes, commercial businesses, and factories.

4. What are the main differences between these bills and the Moore-Rizley bill of the Eightieth Congress which NIMLO opposed?

The Moore-Rizley bill affected the control over the price of gas sold by the independent producers in the same manner as the pending legislation. In addition, it would have required the Power Commission to fix the price of gas produced by a pipe-line company from its own wells on a value basis in place of the cost basis used by the Commission in fixing rates. There were other provisions in the bill curtailing the Commission's authority, but these were the most important from the standpoint of the consumer.

5. Who furnishes the gas supply to interstate pipe-line companies?

In 1947 the pipe-line companies produced from their own reserves about 40 percent of their supply and purchased 60 percent from independent producers. The independents control about 86 percent of the country's gas reserves. Their sales in 1952 to pipe-line companies will account for more than 70 percent of the total supply.

6. Who are the independent producers?

In number there are about 2,300 independent producers selling to interstate pipe lines. However, 3 percent, or 70 of these producers, furnished nearly three-quarters of the gas purchased by interstate pipe lines in 1947. In other words, a few large producers, mostly major oil companies, of the country control the gas reserves and make most of the sales of gas to pipe-line companies.

7. Who will benefit financially from the legislation if it is enacted?

Primarily the major oil companies who control the bulk of the gas reserves and will be able to dictate the prices to be paid by the pipe-line companies. They stand to grab hundreds of millions of dollars annually in additional profits if they can accomplish their plan to destroy Federal regulation.

The natural-gas industry is in a most prosperous condition at present and needs no increase in profits such as the legislation would make possible.

8. Are not the consumers protected against the threat of increased rates by competition between producers and by the ownership of some gas reserves by the pipe-line companies?

This was generally true in the past but the dominance of reserves by the big oil and gas corporations is bringing about an increase in the price of gas to the consumer. Many of the gas-purchase contracts with producers have clauses providing ways of increasing the price. Furthermore, in order to renew expiring contracts the pipe-line companies are being compelled to renegotiate upwards price adjustments in all outstanding contracts.

9. Has the Commission ever regulated the prices charged by these big oil companies for natural gas?

No; because the field prices for gas up until rather recently were generally reasonable. However, with the great expansion of the gas industry during the last 3 years the big producers have been able to exert their dominant position to force up the price of gas in the field from two to three times its price in 1947 and prices are still rising.

10. Is it necesary to subject the little well owners to the burden of regulation in order to protect the public from unreasonable rates?

No; for the reason that these little producers control such a small proportion of the gas reserves that they cannot dominate the price situation. The Federal Power Commission is agreeable to legislation which would exempt these small producers from regulation.

11. What is the status of the Kerr and Harris bills in Congress?

Both bills have been favorably reported 7 to 5 and 14 to 7 by the respective Interstate and Foreign Commerce Committees and will soon be brought up for a vote.

ESTIMATED COST TO CONSUMERS MORE THAN $100,000,000 PER YEAR

In the report of the Federal Power Commission on H. R. 79 and H. R. 1758, dated April 20, 1949, to House Interstate and Foreign Commerce Committee, which has been printed in the record of hearings at pages 171–172, the Commission stated "As an illustration of the importance of the matter, an increase of 5 cents per 1,000 cubic feet in the cost of gas to be purchased by pipe lines from independent producers in 1952 would cost consumers over $130,000,000 per year." This is based on the application of 5 cents per 1,000 cubic feet to the volume of 2,650,548,000 cubic feet shown on table 9, page 181, of the report and rounded out to $130,000,000. Taking, however, the volume shown on table 10, which covers the southwest, the figure of 5 cents applied to the volume of 2,325,548,000 cubic feet would produce a total increase of approximately $116,000,000. Table 12, on page 183, shows the average cost of gas purchased in seven-State southwest area in 1947 by independent producers was 4.653 cents. The 5-cent increase, therefore, would approximately double the present average cost of gas purchased from independents in the southwest in 1947.

In the statement filed by the National Institute of Municipal Law Officers, page 281, the following statement is made: "Increasing cost of gas in the fields gives us great concern. It will inevitably mean increased rates to the consumers. An increase of 1 cent in the field price of gas purchased by pipe-line companies and independent producers means an increase in the cost of gas to the consumer based on 1947 sales of more than $13,000,000 annually. On the basis of 1952 estimate of purchases, the increase would amount to $26,500,000."

Testimony as to the increase in field price is very clear, based upon the record in the Senate on S. 1498. The testimony of Commissioner Olds as to the effect of increased cost of gas on consumers is shown in mimeographed copy on pages 75 to 90, inclusive. On pages 13 to 15, inclusive, testimony was given as to the trend in field prices which shows the extremely sharp increase occurring since 1947. Collaborative testimony is in the Senate record. For example, Mr. Jeff A. Robertson, chairman of the Kansas Corporation Commission, testified in the Senate record (transcript p. 198) as follows: "Cost of gas is steadily rising. I am familiar with asking price at the well-head of from 10 to 11 and 12 cents per thousand cubic feet by the various producers."

Bad, big business has learned, I fear, too well the lessons of early childhood, that one must kick before he creeps, must creep before he walks, must walk before he runs, and must run before a "getaway" should be attempted. It occurs to me that this glandularly disturbed, overfed, scheme-burdened natural-gas fight has attempted a reexecution of the childhood way of progress and after kicking awhile in the past about the rulings of the Federal Power Commission is now back creeping again and in time shall fulfill the four cycles necesary for a successful, financial "getaway." Why does not the oft-repeated bad, big business cry, the camel is getting his head into the tent, rightly apply here?

For the foregoing reasons I feel that my position in this matter is clear and that the welfare of the natural-gas customers of my congressional district and the whole country dictates that I oppose and vote against this legislation. I shall do just that. I refuse to be gas-locked by either high or low compression methods.

Mr. KEOGH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KEOGH to the committee amendment: On page 6, after line 11, insert the following new paragraph:

"SEC. 5. Section 2 (a) of such act, as amended, is amended by adding thereto the following definitions:

"'(10) "Production" means the recovery of natural gas from reservoirs where naturally found and also the recovery of residue gas from natural gas, casinghead gas, or other gaseous substance by any method or treatment or processing through removal of natural gasoline, butanes, and other hydrocarbons or other chemicals or substances of commercial value, whether such recovery be made prior to, during, or incident to the transportation of natural gas in interstate commerce, and includes the delivery and sale of natural gas from production facilities, at any point thereon, whether such delivery and sale be in interstate or intrastate commerce. "Production facilities" means the land, leaseholds, wells, separators, extraction plants, and other facilities used for or incident to such production.

"'(11) "Gathering" means the operation of gathering facilities and includes the delivery and sale of natural gas from such facilities, at any point thereon, whether such delivery and sale be in interstate or intrastate commerce; and "gathering facilities"

means facilities used for or incident to moving, by natural or mechanical pressure, natural gas produced or purchased in the production and gathering area to the point or points of delivery into inlets of the trunk transmission facilities used for the transportation of natural gas in interstate commerce subject to the jurisdiction of the Commission.

"'(12) "Transportation of natural gas in interstate commerce" is limited to the movement of natural gas in interstate commerce through pipe lines and related facilities (including facilities for surface or underground storage as a part of transportation operations) after the completion of production or gathering as above defined.'"

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment to the amendment and all debate on the bill close in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas [Mr. HARRIS]?

There was no objection.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. KEOGH].

Definitions were included in the original bill introduced by the distinguished gentleman from Texas [Mr. LYLE] and myself, but after hearings and study and consultation with the Bureau of Law of the Federal Power Commission we decided it was best that they be left out.

In the bill the Commission proposed 2 years ago, which the distinguished gentleman from Colorado [Mr. CARROLL] offered on recommittal, the Commission had these definitions included, but after further study under the interpretation that must be placed on them the bill would go much further than it was intended if those definitions were included.

We seek to do only one thing, and if we include the definitions and other amendments without being carefully considered and worked out it will take jurisdiction from the Federal Power Commission that was never intended. We want to reserve to them the jurisdiction that the Congress intended them to have.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. KEOGH. The gentleman has not been following the recommendations of the Bureau of Law of the Federal Power Commission, has he?

Mr. HARRIS. I should say that the recommendations of the Bureau of Law and the amended bill our committee has worked out are in accord as to the intentions and purposes; I might add also that this is one thing that the Commission itself is in full accord on as to what this language would do.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. LYLE. Mr. Chairman, the committee finds itself in a most unusual position, one I think that has not previously occurred since I have been a Member of this House; that is, to have the chairman of a great committee oppose the report and recommendation of a majority of the committee members. Such a situation, of course, in no way reflects upon either the great chairman or the committee. There are so many unusual things about the debate on this bill that I feel compelled to state that it is a source of disappointment to me. It has been my purpose and my effort since I have been a Member of this body to understand the problems of the Members whose districts differ from mine geographically and industrially, differ in people and customs, backgrounds, and habits. I have attempted to do so because I take seriously the position that is mine, that of a United States Representative. It could not be otherwise and result in a sound legislative policy and fair and just laws for the Nation.

The great natural resource of gas is limited to a few States. I am very grateful that my State has led all others in natural-gas production since 1929 and now produces close to half of the total output of the Nation. This gas, though a great natural resource, rightfully and lawfully belongs to the people under whose land it lies or their assignees. The principle of ownership of natural resources is as dear as the ownership of any realty.

We come before this committee with clean hands, those of us that know something about the gas industry, and in the American way, asking only fair consideration, asking only that the Congress write the laws and that we not be left at the mercy of any board or commission. Of you who represent States without the great natural resource of gas, I ask that you not turn a deaf ear to our plea for fair consideration, that you not fall a victim to false information that has come to the Congress about this issue. Of course your constituents, the consumers, are an important element in this or any legislation, but you cannot do your constituents justice, any Americans justice, by doing an injustice to the industry and institution which makes their lives better, easier, and more worth while.

May I repeat, amidst the confusion that seems to prevail, that we seek only to clarify, to insist upon the integrity of congressional action. It is not a measure to benefit the few against the many. There are 18,000 to 20,000 producers of oil and gas in the United States. The so-called large shippers of natural gas in interstate commerce purchase most of that gas from hundreds of thousands of small producers and owners. Less than 30 percent of the production of gas goes into interstate commerce. In the petroleum industry as a whole, I think you will find the record reveals that 56 percent of the gas comes from gas wells and 44 percent comes from oil wells. There are 61,000 gas wells in the United States, but there are over 440,000 oil wells. In my State, a single well under the strictest supervision of the Railroad Commission, our conservation commission, will produce annually 500,000,000 cubic feet of gas.

For the benefit of the Nation, the price of gas has remained low, for what your consumer as individuals use annually the producer does not receive more than 10 to 15 cents a year. It cannot be so said for coal and other fuels.

Mr. Chairman, we ask only that the committee put aside the pressure from groups which have no rightful interest in this problem, and that the Congress make it clear that we write the laws, that we respect the rights of others, and that we are a nation that is governed by law and not by administrative order. Such a decision will reflect credit upon this Congress and will be a blessing to the citizens.

Mr. CHRISTOPHER. Mr. Chairman, I have the highest regard for lawyers. The great majority of my honorable and distinguished colleagues are of that profession. Some of the dearest friends I have ever had were lawyers and yet when a lawyer gets up on the floor of this House and makes a 1,000-word statement, supposed to clarify a proposition, when any telegraph operator could condense the entire statement into a 10-word telegram and not leave out a single thought it makes me wonder. Lawyers have discussed this proposition H. R. 1758 all the way from Jehoshaphat to Joe Stalin and I want to use my very brief period to try and fan away the smoke and fog they have created and find out if we can what it is we have under consideration.

The distinguished gentleman from Arkansas has admitted that the great pipe-line companies are robbing the small independent producers of gas in the field and this measure seeks to limit the jurisdiction and the authority of the Federal Power Commission so that these same companies may have the privilege of robbing the consumer at the other end of the line. This is a multimillion-dollar steal and this measure is designed for the sole purpose of so limiting the authority of the Federal Power Commission that it will not be illegal to raise the rates on natural gas to the point where vast amounts of money can be extracted from everyone who consumes natural gas.

When the Power Commission's teeth have been drawn in regard to gas companies then we will have the same request in the field of electric power and fuel oil.

Look what has happened in the Senate to appropriations for public power. Organized wealth is greedy and determined to control the fuel power and energy of the country and it seems that few have the courage to stand up and defy them.

I shall vote against this measure and I hope that Members of this House will rise up in their might and block this organized robbery that the great pipeline companies are proposing.

Mr. BROOKS. Mr. Chairman, there have been loud and long protestations here recently on behalf of the little men. Those who have aggressively presented the case of the little businessmen should certainly come forward and help in the passage of this measure. It is framed and set up primarily as a help for the little, independent producer and gatherer of natural gas.

I come from a section of the Southwest which is considered the center of the natural gas activity. I, therefore, have intimate, personal knowledge of the operations needed in the production and the gathering of natural gas to be transhipped in interstate commerce by the big companies who transport this product thousands of miles to the north and east. I know there is this need of clarifying and reestablishing the law which

exempts those engaged in the production and gathering of natural gas, provided they are separated at arm's length from the agency which transports and sells in interstate commerce.

As a rule natural gas fields are discovered by small independents who operate in what is called wildcat territory. These independents often operate on a shoestring basis and take great speculative chances in their prodigious efforts to locate new discoveries. They may operate for years at a loss, barely making enough money to take care of themselves and their family in poorest condition. Eventually they may bring in gas wells which pay them for years of disappointment and loss. It takes courage and optimism to be a small, independent producer of natural gas. The quotation is that "Hope springs eternal in the human breast," and surely this is the case of the independent operator who goes through years of struggle, disappointment and privation, always hoping that there is a pot of gold at the end of the rainbow.

In addition to this, many farmers and small-business men own royalties on their farm lands. These royalties may bring to them just a few dollars per month of income, but they are the average, ordinary little people, struggling to get ahead economically under the natural obstacles of our economy. The farmers may have owned their land a generation or more and they looked forward to the day when some discovery of minerals might be found on their farms. Were these minerals solid minerals rather than liquid or gaseous, no effort would be made by the United States to control the production or the gathering of the minerals. Since they are subject to rapid transportation in interstate commerce and needed by the tens of millions of our people for fuel and heating purposes, the sinister effort has been made, in effect, to bring even these little farmers within the purview of bureaucratic control through Washington.

I sat on the floor here and I have heard Members from the metropolitan districts of the North talk about the need for cheap natural-gas fuel. I have heard the discussions between some of them, indicating that this is a way whereby their homes in the North might be cheaply heated by a product produced in the South and the West. I certainly have no objection to the homes and the factories obtaining cheaper natural-gas fuel from the great Southwest, which I love as my section of the Nation, as cheaper natural gas in the homes of the North means the greater use and sale of our product throughout the Nation—just as cheaper automobiles out of the Midwest means the sale of more of them throughout the Nation. Unless this bill is passed, however, I predict the reverse will be accomplished. An effort to take within the purview of Federal control and regulation the properties of the independent producer and gatherer, which includes the little-business man, farmer, and operator, is going to have a serious deterring effect on the production of this fuel, badly needed through the North and East. It is going to cause those who take the initial chances to pause in their further efforts to bring in new discoveries and new production. It is going to reduce rather than increase the total available gas supply in the great Southwest and make the sale by the arm's length producer and the independent gatherer a more difficult undertaking.

Of course, my interest is primarily in the great mass of farmers and little-business men who live in the Southwest and seek to earn "This day our daily bread." My interest is, of course, in the building up of the Southwest and assisting the rank and file of my constituents who live within an area which produces much of the natural gas consumed in this Nation. On the other hand, your interest in the great cities does not clash with the interest which I seek to present to you today. Your interest is in the consumption of this product, and it is only by maintaining an interested and active producer in the Southwest that further development of this badly needed mineral resource can be expected. It is only by maintaining a reasonably prosperous and very active people in the Southwest that those consumers in the North can hope to obtain reasonably cheap and abundant quantities of nature's most desirable fuel for the homes and the factories.

The CHAIRMAN. All time has expired.

The question is on the amendment to the committee amendment, offered by the gentleman from New York [Mr. KEOGH].

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question now recurs on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill (H. R. 1758) to amend the Natural Gas Act, approved June 21, 1938, as amended, pursuant to House Resolution 310, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Mr. HESELTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HESELTON. Mr. Speaker, when we were considering the rule yesterday I felt obliged to raise the point of order that the House was not legally in session. There is no need for me to impose upon the membership or upon the Speaker by repeating what I said then. I merely feel now that we are in the process of considering this bill and coming to a final vote that I should renew the point of order for the reasons that I stated yesterday.

The SPEAKER. For the reasons stated on yesterday and 2 days before, the Chair overrules the point of order.

The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. HESELTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HESELTON. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. HESELTON moves to recommit the bill to the Committee on Interstate and Foreign Commerce.

Mr. HARRIS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. HESELTON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 124, nays 187, answered "present" 2, not voting 119, as follows:

[Roll No. 163]

YEAS—124

Addonizio	Fulton	Marshall
Andersen, H. Carl	Furcolo	Miller, Calif.
Aspinall	Garmatz	Mitchell
Bailey	Goodwin	Multer
Barrett, Pa.	Gorski, N. Y.	Murray, Wis.
Bates, Mass.	Granahan	Nelson
Biemiller	Granger	O'Brien, Ill.
Bishop	Green	O'Brien, Mich.
Blatnik	Gross	O'Hara, Ill.
Bolling	Hagen	O'Konski
Bolton, Md.	Havenner	O'Neill
Bosone	Heselton	O'Sullivan
Breen	Hobbs	O'Toole
Buckley, Ill.	Holifield	Patten
Burke	Holmes	Patterson
Byrne, N. Y.	Howell	Philbin
Canfield	Huber	Polk
Cannon	Irving	Price
Carroll	Jackson, Wash.	Ramsay
Case, N. J.	Jacobs	Rhodes
Christopher	Jonas	Rodino
Corbett	Judd	Rooney
Crook	Karst	Sadowski
Crosser	Karsten	St. George
Cunningham	Keating	Sasscer
Davenport	Kee	Spence
Davies, N. Y.	Keefe	Stefan
Davis, Wis.	Keogh	Sullivan
Dawson	King	Tauriello
Delaney	Lane	Tollefson
Denton	Lemke	Van Zandt
Dingell	Lesinski	Velde
Dollinger	Lind	Wagner
Donohue	Linehan	Walter
Douglas	McCarthy	White, Calif.
Doyle	McDonough	Wier
Engel, Mich.	McGuire	Wigglesworth
Fallon	Mack, Ill.	Wolverton
Feighan	Madden	Yates
Flood	Magee	Young
Forand	Mansfield	Zablocki
	Marsalis	

NAYS—187

Abbitt	Brooks	Cooley
Abernethy	Brown, Ga.	Cooper
Albert	Brown, Ohio	Cotton
Allen, Calif.	Bryson	Cox
Allen, La.	Burdick	Crawford
Anderson, Calif.	Burleson	Curtis
Andrews	Burton	Dague
Arends	Byrnes, Wis.	Davis, Ga.
Barrett, Wyo.	Camp	Davis, Tenn.
Battle	Carlyle	DeGraffenried
Beckworth	Case, S. Dak.	D'Ewart
Bennett, Fla.	Chelf	Dondero
Bennett, Mich.	Chiperfield	Doughton
Boggs, Del.	Church	Durham
Boggs, La.	Cole, Kans.	Elliott
Boykin	Cole, N. Y.	Engle, Calif.
Bramblett	Colmer	Fellows
Brehm	Combs	Fenton

Fernandez	Lovre	Rogers, Mass.
Fugate	Lucas	Sanborn
Gamble	Lyle	Scott,
Gary	McConnell	Hugh D., Jr.
Gathings	McCormack	Scrivner
Gavin	McCulloch	Scudder
Gillette	McMillan, S. C.	Shafer
Gossett	McMillen, Ill.	Sheppard
Graham	McSweeney	Short
Grant	Mahon	Simpson, Ill.
Gwinn	Martin, Iowa	Simpson, Pa.
Hale	Martin, Mass.	Smathers
Hall,	Merrow	Smith, Kans.
Leonard W.	Meyer	Smith, Va.
Harden	Michener	Smith, Wis.
Hardy	Miles	Steed
Hare	Miller, Md.	Stockman
Harris	Miller, Nebr.	Taber
Harrison	Mills	Tackett
Harvey	Monroney	Talle
Hays, Ark.	Morris	Taylor
Hébert	Moulder	Teague
Herlong	Murdock	Thomas, Tex.
Herter	Murray, Tenn.	Thompson
Hill	Nixon	Thornberry
Hoeven	Norblad	Trimble
Hoffman, Mich.	Norrell	Underwood
Hope	O'Hara, Minn.	Vorys
Horan	Pace	Wadsworth
Jackson, Calif.	Peterson	Weichel
James	Phillips, Calif.	Welch, Mo.
Jenison	Poage	Werdel
Jenkins	Poulsen	Wheeler
Jensen	Preston	White, Idaho
Jones, Ala.	Priest	Whitten
Jones, Mo.	Rains	Whittington
Jones, N. C.	Rankin	Wickersham
Kearney	Redden	Williams
Kilburn	Reed, Ill.	Willis
Kilday	Reed, N. Y.	Wilson, Ind.
Kunkel	Rees	Wilson, Okla.
Latham	Regan	Wilson, Tex.
LeCompte	Rich	Wolcott
LeFevre	Richards	Woodruff
Lodge	Rogers, Fla.	Worley

ANSWERED "PRESENT"—2

Kerr Withrow

NOT VOTING—119

Allen, Ill.	Gore	Noland
Andresen,	Gorski, Ill.	Norton
August H.	Gregory	Passman
Angell	Hall,	Patman
Auchincloss	Edwin Arthur	Perkins
Barden	Halleck	Pfeifer,
Baring	Hand	Joseph L.
Bates, Ky.	Hart	Pfeiffer,
Beall	Hays, Ohio	William L.
Bentsen	Hedrick	Phillips, Tenn.
Blackney	Heffernan	Pickett
Bland	Heller	Plumley
Bolton, Ohio	Hinshaw	Potter
Bonner	Hoffman, Ill.	Powell
Buchanan	Hull	Quinn
Buckley, N. Y.	Javits	Rabaut
Bulwinkle	Jennings	Ribicoff
Burnside	Johnson	Riehlman
Carnahan	Kean	Rivers
Cavalcante	Kearns	Roosevelt
Celler	Kelley	Sabath
Chatham	Kennedy	Sadlak
Chesney	Kirwan	Scott, Hardie
Chudoff	Klein	Secrest
Clemente	Kruse	Sikes
Clevenger	Lanham	Sims
Coudert	Larcade	Smith, Ohio
Deane	Lichtenwalter	Staggers
Dolliver	Lynch	Stanley
Eaton	McGrath	Stigler
Eberharter	McGregor	Sutton
Ellsworth	McKinnon	Thomas, N. J.
Elston	Mack, Wash.	Towe
Evins	Macy	Vinson
Fisher	Marcantonio	Vursell
Fogarty	Mason	Walsh
Ford	Morgan	Welch, Calif.
Frazier	Morrison	Whitaker
Gilmer	Morton	Winstead
Golden	Murphy	Wood
Gordon	Nicholson	Woodhouse

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Withrow for, with Mr. Halleck against.
Mr. Rabaut for, with Mr. Kerr against.
Mr. Burnside for, with Mr. Rivers against.
Mr. Hays of Ohio for, with Mr. Stanley against.
Mr. Murphy for, with Mr. Gilmer against.
Mr. Ribicoff for, with Mr. Sikes against.
Mr. Celler for, with Mr. Patman against.
Mr. Klein for, with Mr. Sutton against.
Mrs. Norton for, with Mr. Dolliver against.
Mr. Kean for, with Mr. Frazier against.
Mr. Roosevelt for, with Mr. Gore against.
Mr. Mack of Washington for, with Mr. Kerns against.
Mr. Quinn for, with Mr. Gregory against.
Mr. Sadlak for, with Mr. Phillips of Tennessee against.
Mr. Clemente for, with Mr. Noland against.
Mr. Eberharter for, with Mr. Kruse against.
Mr. Riehlman for, with Mr. McGregor against.
Mr. Buchanan for, with Mr. Morrison against.
Mr. Hand for, with Mr. Allen of Illinois against.
Mr. Marcantonio for, with Mr. Stigler against.
Mr. Ellsworth for, with Mr. Ford against.
Mr. Kirwan for, with Mr. Bentsen against.
Mr. Beall for, with Mr. Vursell against.
Mr. Gordon for, with Mr. Larcade against.
Mr. William L. Pfeiffer for, with Mr. Hinshaw against.
Mr. Hoffman of Illinois for, with Mr. Bonner against.
Mr. Lanham for, with Mr. Bulwinkle against.
Mr. Javits for, with Mr. Macy against.
Mr. Baring for, with Mr. Pickett against.
Mr. McKinnon for, with Mr. Passman against.
Mr. Chesney for, with Mr. Deane against.
Mr. Gorski of Illinois for, with Mr. Evins against.
Mr. Chudoff for, with Mr. Vinson against.
Mr. Kelley for, with Mr. Whitaker against.
Mr. Morgan for, with Mr. Wood against.
Mr. Joseph L. Pfeifer for, with Mr. Bates of Kentucky against.
Mr. Hart for, with Mr. Barden against.
Mr. Heller for, with Mr. Bland against.
Mr. Staggers for, with Mr. Sims against.
Mr. Heffernan for, with Mr. Fisher against.
Mr. Hardie Scott for, with Mr. Nicholson against.

Until further notice:

Mr. Perkins with Mrs. Bolton of Ohio.
Mr. Secrest with Mr. Angell.
Mr. Kennedy with Mr. Mason.
Mr. Cavalcante with Mr. Towe.
Mr. Carnahan with Mr. Edwin Arthur Hall.
Mr. Hedrick with Mr. Smith of Ohio.
Mr. McGrath with Mr. Plumley.
Mr. Buckley of New York with Mr. Blackney.
Mrs. Woodhouse with Mr. Potter.
Mr. Fogarty with Mr. Morton.
Mr. Powell with Mr. Auchincloss.
Mr. Chatham with Mr. Elston.

Mr. WITHROW. Mr. Speaker, I have a pair with the gentleman from Indiana, Mr. HALLECK, who is unavoidably absent. If he were present he would have voted "nay." I therefore withdraw my vote "yea," and answer "present."

Mr. D'EWART changed his vote from "yea" to "nay."

Mr. HUGH D. SCOTT, JR., changed his vote from "yea" to "nay."

Mr. MILLER of California changed his vote from "nay" to "yea."

Mr. KERR. Mr. Speaker, I have a live pair with the gentleman from Michigan, Mr. RABAUT. If present he would have voted "yea." I voted "nay." I therefore withdraw my vote and answer "present."

Mr. PATTERSON changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

PROGRAM FOR WEEK OF AUGUST 8, 1949

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for a minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to inquire of the majority leader what the program will be for next week.

Mr. McCORMACK. I shall be very glad to inform the gentleman. I am bracketing bills for the week, not the particular day.

Monday we will take up the minimum-wage bill, H. R. 5856; and I understand 6 hours of general debate have been allowed.

Mr. MARTIN of Massachusetts. That is fairly liberal.

Mr. McCORMACK. I thoroughly agree; more liberal than I had hoped.

Other rules have been reported: House Joint Resolution 293, the Haiti Bicentennial is one; and a resolution has been reported to investigate lobbying.

Then there will be called up the bill H. R. 5526, the bill to lighten the work load of the President.

Mr. MARTIN of Massachusetts. And could the gentleman inform us whether there is any resolution reported out looking toward the lightening of the work load of the Congress either by recess or adjournment?

Mr. McCORMACK. That is a very pertinent inquiry and is in the minds of all of us.

Any other program I will announce, but I am very hopeful that in the next week we can get up the military-aid bill if it is reported out of committee; and with the military aid and the career aid, if a rule comes out on it, and if the Ways and Means Committee reports out the Social Security Act amendments, then we shall be in very good shape so far as the House is concerned, I can frankly advise the House. The No. 1 bill, of course, is the military-aid bill.

Mr. MARTIN of Massachusetts. Then the House has something to look forward to, at least.

Mr. McCORMACK. The House has everything to look forward to.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. BROWN of Ohio. When will the military-aid bill come up come up?

Mr. McCORMACK. If the bill is reported out I will make every effort to bring it up for action this week.

Mr. BROWN of Ohio. Will the gentleman advise the House whether there is any rule of the House requiring a committee to use the full time granted to it for general debate?

Mr. McCORMACK. No; whoever is in charge of the rule could yield for an amendment reducing it, if he desired.

Mr. BROWN of Ohio. Very fine; I would certainly yield for such an amendment if I had the floor.

AMENDMENT OF NATURAL GAS ACT

The SPEAKER. The question is on the passage of the bill.

Mr. CROSSER. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 183, nays 131, answered "present" 2, not voting 116, as follows:

[Roll No. 164]

YEAS—183

Abernethy	Graham	O'Hara, Minn.
Albert	Grant	Pace
Allen, Calif.	Gwinn	Peterson
Allen, La.	Hale	Phillips, Calif.
Anderson, Calif.	Hall,	Poage
Andrews	Leonard W.	Poulson
Arends	Harden	Preston
Barrett, Wyo.	Hardy	Priest
Battle	Hare	Rains
Beckworth	Harris	Rankin
Bennett, Fla.	Harrison	Redden
Bennett, Mich.	Harvey	Reed, Ill.
Boggs, Del.	Hays, Ark.	Reed, N. Y.
Boggs, La.	Hébert	Rees
Boykin	Herlong	Regan
Bramblett	Herter	Rich
Brehm	Hill	Richards
Brooks	Hoeven	Rogers, Fla.
Brown, Ga.	Hoffman, Mich.	Rogers, Mass.
Brown, Ohio	Hope	Sanborn
Bryson	Horan	Scott,
Burleson	Jackson, Calif.	Hugh D., Jr.
Burton	James	Scrivner
Byrnes, Wis.	Jenison	Scudder
Camp	Jenkins	Shafer
Carlyle	Jensen	Short
Case, S. Dak.	Jones, Ala.	Simpson, Ill.
Chelf	Jones, Mo.	Simpson, Pa.
Chiperfield	Jones, N. C.	Smith, Kans.
Church	Kearney	Smith, Va.
Cole, Kans.	Kilburn	Smith, Wis.
Cole, N. Y.	Kilday	Steed
Colmer	Kunkel	Stockman
Combs	LeFevre	Taber
Cooley	Lodge	Tackett
Cooper	Lovre	Talle
Cotton	Lucas	Taylor
Cox	Lyle	Teague
Crawford	McConnell	Thomas, Tex.
Curtis	McCormack	Thompson
Dague	McCulloch	Thornberry
Davis, Ga.	McMillan, S. C	Trimble
Davis, Tenn.	McMillen, Ill.	Underwood
DeGraffenried	McSweeney	Vorys
D'Ewart	Mahon	Wadsworth
Dondero	Martin, Iowa	Weichel
Doughton	Martin, Mass.	Welch, Mo.
Durham	Merrow	Werdel
Elliott	Meyer	Wheeler
Engle, Calif.	Michener	Whitten
Evins	Miles	Whittington
Fellows	Miller, Md.	Wickersham
Fenton	Miller, Nebr.	Williams
Fernandez	Mills	Willis
Fisher	Monroney	Wilson, Ind.
Fugate	Morris	Wilson, Okla.
Gamble	Moulder	Wilson, Tex.
Gary	Murdock	Winstead
Gathings	Murray, Tenn.	Wolcott
Gavin	Nixon	Woodruff
Gillette	Norblad	Worley
Gossett	Norrell	

NAYS—131

Addonizio	Davies, N. Y.	Hobbs
Andersen,	Davis, Wis.	Holifield
H. Carl	Dawson	Holmes
Aspinall	Delaney	Howell
Bailey	Denton	Huber
Barrett, Pa.	Dingell	Irving
Bates, Mass.	Dollinger	Jackson, Wash.
Biemiller	Donohue	Jacobs
Bishop	Douglas	Judd
Blatnik	Doyle	Karst
Bolling	Engel, Mich.	Karsten
Bolton, Md.	Fallon	Keating
Bosone	Feighan	Kee
Breen	Flood	Keefe
Buckley, Ill.	Forand	Keogh
Burdick	Fulton	King
Burke	Furcolo	Lane
Byrne, N. Y.	Garmatz	Latham
Canfield	Goodwin	LeCompte
Cannon	Gorski, N. Y.	Lemke
Carroll	Granahan	Lesinski
Case, N. J.	Granger	Lind
Christopher	Green	Linehan
Corbett	Gross	McCarthy
Crook	Hagen	McDonough
Crosser	Hart	McGuire
Cunningham	Havenner	Mack, Ill.
Davenport	Heselton	Madden
Magee	Patten	Stefan
Mansfield	Patterson	Sullivan
Marsalis	Philbin	Tauriello
Marshall	Polk	Tollefson
Miller, Calif.	Price	Van Zandt
Mitchell	Ramsay	Velde
Multer	Rhodes	Wagner
Murray, Wis.	Rodino	Walter
Nelson	Rooney	White, Calif.
O'Brien, Ill.	Sadowski	White, Idaho
O'Brien, Mich.	St. George	Wier
O'Hara, Ill.	Sasscer	Wigglesworth
O'Konski	Sheppard	Wolverton
O'Neill	Sims	Yates
O'Sullivan	Smathers	Young
O'Toole	Spence	Zablocki

ANSWERED "PRESENT"—2

Kerr Withrow

NOT VOTING—116

Abbitt	Gore	Nicholson
Allen, Ill.	Gorski, Ill.	Noland
Andresen,	Gregory	Norton
August H.	Hall,	Passman
Angell	Edwin Arthur	Patman
Auchincloss	Halleck	Perkins
Barden	Hand	Pfeifer,
Baring	Hays, Ohio	Joseph L.
Bates, Ky.	Hedrick	Pfeiffer,
Beall	Heffernan	William L.
Bentsen	Heller	Phillips, Tenn.
Blackney	Hinshaw	Pickett
Bland	Hoffman, Ill.	Plumley
Bolton, Ohio	Hull	Potter
Bonner	Javits	Powell
Buchanan	Jennings	Quinn
Buckley, N. Y.	Johnson	Rabaut
Bulwinkle	Jonas	Ribicoff
Burnside	Kean	Richlman
Carnahan	Kearns	Rivers
Cavalcante	Kelley	Roosevelt
Celler	Kennedy	Sabath
Chatham	Kirwan	Sadlak
Chesney	Klein	Scott, Hardie
Chudoff	Kruse	Secrest
Clemente	Lanham	Sikes
Clevenger	Larcade	Smith, Ohio
Coudert	Lichtenwalter	Staggers
Deane	Lynch	Stanley
Dolliver	McGrath	Stigler
Eaton	McGregor	Sutton
Eberharter	McKinnon	Thomas, N. J.
Ellsworth	Mack, Wash.	Towe
Elston	Macy	Vinson
Fogarty	Marcantonio	Vursell
Ford	Mason	Walsh
Frazier	Morgan	Welch, Calif.
Gilmer	Morrison	Whitaker
Golden	Morton	Wood
Gordon	Murphy	Woodhouse

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hinshaw for, with Mr. Hoffman of Illinois against.

Mr. Bonner for, with Mr. Jonas against.

Mr. Bulwinkle for, with Mr. Baring against.

Mr. Macy for, with Mr. McKinnon against.

Mr. Passman for, with Mr. Chesney against.

Mr. Deane for, with Mr. Chudoff against.

Mr. Vinson for, with Mr. Kelley against.

Mr. Whitaker for, with Mr. Morgan against.

Mr. Wood for, with Mr. William L. Pfeiffer against.

Mr. Bates of Kentucky for, with Mr. Heller against.

Mr. Barden for, with Mr. Staggers against.

Mr. Bland for, with Mr. Heffernan against.

Mr. Fisher for, with Mr. Kennedy against.

Mr. Abbitt for, with Mr. Gorski of Illinois against.

Mr. Potter for, with Mr. Javits against.

Mr. Nicholson for, with Mrs. Woodhouse against.

Mr. Ellsworth for, with Mr. Fogarty against.

Mr. Halleck for, with Mr. Withrow against.

Mr. Kerr for, with Mr. Rabaut against.

Mr. Rivers for, with Mr. Burnside against.

Mr. Stanley for, with Mr. Hays of Ohio against.

Mr. Gilmer for, with Mr. Murphy against.

Mr. Pickett for, with Mr. Ribicoff against.

Mr. Sikes for, with Mr. Celler against.

Mr. Patman for, with Mr. Klein against.

Mr. Sutton for, with Mrs. Norton against.

Mr. Dolliver for, with Mr. Kean against.

Mr. Frazier for, with Mr. Roosevelt against.

Mr. Gore for, with Mr. Mack of Washington against.

Mr. Kearns for, with Mr. Quinn against.

Mr. Gregory for, with Mr. Sadlak against.

Mr. Phillips of Tennessee for, with Mr. Clemente against.

Mr. Noland for, with Mr. Eberharter against.

Mr. Kruse for, with Mr. McGrath against.

Mr. McGregor for, with Mr. Powell against.

Mr. Morrison for, with Mr. Buchanan against.

Mr. Allen of Illinois for, with Mr. Hand against.

Mr. Stigler for, with Mr. Marcantonio against.

Mr. Ford for, with Mr. Joseph L. Pfeifer against.

Mr. Bentsen for, with Mr. Kirwan against.

Mr. Vursell for, with Mr. Beall against.

Mr. Larcade for, with Mr. Gordon against.

Additional general pairs:

Mr. Perkins with Mrs. Bolton of Ohio.

Mr. Secrest with Mr. Angell.

Mr. Cavalcante with Mr. Towe.

Mr. Hedrick with Mr. Smith of Ohio.

Mr. Buckley of New York with Mr. Auchincloss.

Mr. Chatham with Mr. Lichtenwalter.

Mr. KERR. Mr. Speaker, I have a live pair with the gentleman from Michigan, Mr. RABAUT. If present he would have voted "nay." I voted "yea." I therefore withdraw my vote and answer "present."

Mr. NORRELL changed his vote from "nay" to "yea."

Mr. WITHROW. Mr. Speaker, I have a pair with the gentleman from Indiana, Mr. HALLECK, who is unavoidably absent. If present he would have voted "yea." I voted "nay." I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LEONARD W. HALL (at the request of Mr. MARTIN of Massachusetts) was granted permission to extend his remarks in the RECORD and include a speech by Hon. Will Hays.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, next week, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FAIR LABOR STANDARDS ACT, 1938

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 183, Rept. No.

1205), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 3190) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 6 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on Education and Labor now in the bill, and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

With the following amendments recommended by the Committee on Rules:

On page 1, line 4, after the word "bill", strike out (H. R. 3190) and insert in lieu thereof (H. R. 5856).

On page 1, line 12, after the period, strike out the remainder of the sentence extending to the period on line 5, page 2.

Amend the title so as to read: "Resolution for the consideration of H. R. 5856, a bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes."

GENERAL LEAVE TO EXTEND ON BILL AMENDING NATURAL GAS ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members of the House may be permitted to extend their remarks on the bill (H. R. 1758) amending the Natural Gas Act, immediately before the vote on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXTENSION OF REMARKS

Mr. BLATNIK asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

Mr. DAVENPORT asked and was given permission to extend his remarks in Appendix of the RECORD in two instances.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. PATTERSON (at the request of Mr. SMITH of Wisconsin) was given permission to extend his remarks in the Appendix of the RECORD and include an excerpt.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three separate instances and in each to include extraneous matter.

Mr. GWINN asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject of wages and hours.

AMERICAN-FINNISH FRIENDSHIP

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore (Mr. LYLE). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Speaker, yesterday I introduced a joint resolution which declares that it is the policy of our Government to seek better political, economic, and cultural relations with the Republic of Finland, and to strengthen American-Finnish friendship. The bill also proposes—as a concrete expression of said policy—that the Finnish World War I debt of $7,962,420 now due the United States as interest and principal payments, shall be canceled.

The relations between the United States and the Finnish Republic have been marked by a long record of abiding friendship and good will. Most Americans are sympathetic to the Finnish people, and I know that this feeling is mutual. Finland is a law-abiding and industrious nation, and her people are honest, hard-working, and deserving. Many times in the past, the United States has held out a helping hand to this small country, and Finland has always lived up to all obligations. It is therefore only natural that the Congress should write into law the policy of extending and strengthening the ties of friendship between the United States and Finland.

Let me remind my colleagues that Finland was one of the chief victims of World War II. She was unfortunate in being located between two great world powers, and like Belgium, her lands became a battleground as the great powers became locked in a death struggle. Hers was the fate of all small nations who by virtue of geographical location find themselves in areas of conflict of the great powers. In the absence of an effective world organization, they become the victims of the game of power politics, over which they have no control.

Since the end of World War II, Finland, along with many other nations, has been faced by many difficult economic problems. Some 400,000 homeless refugees had to be housed and fed—among them were 40,000 farm families that had to be resettled on new lands. Her food production had fallen, industrial production was down, and serious raw material shortages developed. For some time her people were hungry, ill-clothed, and inadequately housed.

Although these problems seemed almost unsurmountable, the Finnish Government tackled them with vigor and initiative, and Finland's economic recovery has been impressive. Factories and homes have been rebuilt, food production has been stepped up to a point where Finland is again exporting meat, cheese, and other dairy products. The production of her metal trades and forest industries has been nearly doubled.

This record of recovery is truly impressive, and represents a tribute to the hard-working Finnish people and their Government. It has been accomplished by hard work, initiative, and cooperation on the part of the Finnish people, and their achievements outstrip many of the nations that have received Marshall plan aid.

Mr. Speaker, I want to do something to help this hard-working, industrious little country, and to demonstrate America's feelings of good will toward the people of Finland. I know that the people of my district, many of whom are of Finnish descent, agree with this objective, and I am sure that a vast majority of the American people are also in accord with these sentiments.

One way to express our good will is to write off the World War I debt owed by Finland to the United States. It amounts to less than $8,000,000,000, which is insignificant compared to the billions that the Congress has been appropriating for military and economic aid to half the nations of the world.

Finland has not received 1 cent of Marshall plan funds. She has received some American credits in recent years, in the form of loans, and I am confident that these will be repaid in full.

There is no doubt in my mind that Finland will pay the World War I debt, as this country has always honored all her obligations. But I think that it is unreasonable to ask that she do so. This nation has had hard going during recent years, and in my opinion it would be a real act of friendship for the United States to write off this debt during the present session of Congress. Such a step would be in keeping with the traditional feeling of good will between the people of the two countries, and would contribute to international understanding—the only sound basis for world peace.

LEGALITY OF THE PRESENT SITTINGS OF CONGRESS

Mr. FURCOLO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FURCOLO. Mr. Speaker, in view of suggestions that have been made that Congress take some action to eliminate any possibility that its present sittings are unauthorized or unlawful or illegal, I simply want to go on record as stating my belief that some action should be taken if there is even a remote possibility that present sittings do not conform to law. I have full confidence in the rulings of the Speaker, but believe some action would be advisable if there be any doubt about the matter. Congress can clarify the matter by very simple and expeditious action so the legality of its legislation cannot be questioned during the time after July 31.

While on the subject let me also state that it is my own personal opinion that Congress would do first things first if the administration leadership would state

what matters must be passed upon by Congress before adjournment may be considered. I personally am not concerned about the date of adjournment, but I believe a great deal more could be accomplished if definite and specific statements were made as to what bills must be considered by Congress before adjournment will be considered by those in power.

POST EXCHANGE AND RESALE ACTIVITIES INVESTIGATION

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include a report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, in connection with the work of the subcommittee of the Armed Services Committee which has been investigating retail activities and post exchanges, it occurred to me that the Members of the House, pending the printing of the final report, would like to have a summary of our inquiry of findings, recommendations, and final agreements of the armed services concerning these matters.

In any investigation such as this, there are bound to be some differences of opinion concerning the aims, practices, and results of governmentally operated retail establishments. There is also bound to be some dissatisfaction and disappointment on the part of those whose privileges based in fact upon subsidies and tax exemptions from the Government are curtailed.

As I stated at the outset of the investigation, it was our intention to be fair and just with all parties concerned, and we have not, to my knowledge, deviated from that policy. We have been just as anxious to protect ordinary members of the armed services from exploitation by unscrupulous persons as we have been desirous to assure to American retailers their traditional right to conduct their business without Government unwarranted competition.

I expect that the full and final report of the committee will be available in about 10 days. It will deal with the subject matter of the investigation in more detail and will present statistical and probative evidence in support of our findings. I believe that the results of our investigation are constructive and will redound to the interest of the armed services as well as American business.

The following is the preliminary report which I recently made to our Armed Services Committee:

Pursuant to a resolution of the full committee, the subcommittee has been investigating the resale activities of the armed forces since the 12th of April, and I am happy to report to you at this time that we have reached a solution on all of the controversial issues.

Before giving you a summary of the committee's activities, I would first like to advise you of the scope of the operations and activities which we have investigated. The resale activities of the armed forces embrace three different types. The first of these is the quartermaster sales stores of the Army and the Air Force, and the Navy and the Marine Corps uniform shops. These activities are finances from appropriated funds and their chief function is to furnish items of regulation uniform wearing apparel. Due to the fact that another special subcommittee of this committee, under the chairmanship of Mr. HÉBERT, is conducting a separate investigation of this activity, our subcommittee has restricted its inquiry into this matter to the receiving of a brief factual account of the scope of the business. We have made no decisions or recommendations regarding this activity and completely defer to Mr. HÉBERT's subcommittee which will subsequently report its findings to this committee.

The second activity which we have considered concerns the commissary stores of the Army, Navy, Air Force, and Marine Corps. A commissary is a service grocery store and each of them is operated from appropriated funds. They have been established by statute and, generally speaking, were created for the purpose of furnishing items of subsistence to service personnel at the lowest possible price. They are not operated for profit. During the calendar year 1948 a total of 215 commissaries, operated by all of the services, did a gross business of $79,670,000 within the continental limits of the United States.

The third type of activity is the post exchange, operated by the Army, the Air Force, and the Marine Corps, and its counterpart in the Navy, the Navy ships' service stores. Generally speaking, these activities are operated from nonappropriated funds and are sustained from the profits which are generated by the business. The exception to this is that these activities are housed in rent-free buildings, the salaries of all military personnel are paid from appropriated funds, and at least a portion of the maintenance of the premises and the utilities are paid from appropriated funds. During calendar 1948, the combined services operated 374 of these activities within the continental limits of the United States. They had combined gross sales of $251,388,000 and generated a combined net profit of $15,455,000.

During the course of our public hearings, we received testimony from approximately 25 businessmen and representatives of retail associations—all of whom were critical of the resale activities of the armed forces. These witnesses charged that (1) the armed forces are actively competing with established private business; (2) this type of competition jeopardizes public confidence in retailers, their prices, and their integrity in the discharge of the distributive function; (3) merchandise not properly classified as articles of small personal needs were being sold on a large scale contrary to the intent of Congress; (4) special order privileges (unlimited as to unit value in the case of the Navy and limited to $300 in the case of the Army and the Air Force) permit purchase of a wide range of merchandise not stocked in military stores; (5) large numbers of civilians acquire merchandise, either directly or through friends and associates in the armed forces, in contravention of the intent of the Congress and of military regulations; (6) military stores refuse to collect and pay the heavy Federal retail excise taxes on furs, jewelry, luggage, and toilet preparations; and (7) military stores are not subject to State retail sales-tax laws, real and personal property taxes, and many other types of State and local taxes.

Now I want to comment very briefly on each of these charges so that the committee will realize the necessity for the decisions which we have reached.

1. There can be no question that the armed forces are actively competing with established private business. In accordance with current regulations, a very wide range of merchandise is being sold through these stores and much of it duplicates merchandise being sold by retail businessmen within the same general area of the store. Due to the fact that the post exchanges and ships' service stores are not subject to State taxes, have not imposed the Federal retailers excise tax on appropriate items, have no rent to pay, and pay only a portion of the upkeep of the premises and their utilities, it is inevitable that these stores can sell merchandise at a much lower price than merchants in the same vicinity. In order to correct this abuse, the committee has urged the services to impose the Federal retailers excise tax on all appropriate items, to defray all operating expenses, except rent and the salaries of military personnel, from the proceeds of the business, and to reduce the cost limitations on merchandise sold over the counter to such an extent that luxury items would be eliminated from the stock. I am pleased to report to the committee that the services have accepted the decision of the committee on each of these items. The Federal retailers excise tax went into effect in all post exchanges and ships' service stores within the continental limits of the United States on August 1. It is recognized that a considerable amount of merchandise included in present stocks exceeds the new cost limitations which the committee recommends. The services have assured the committee that they will govern their future purchasing policies in accordance with the committee's decision, and that they will dispose of all unauthorized merchandise as expeditiously as possible. It is not expected that this will require any great period of time and in no event should it extend beyond January 1, 1950.

2. We must recognize the fact that we have entered a phase of economic life which is commonly referred to as a buyer's market. Instead of being faced with a scarcity of merchandise, every retailer has an abundance of merchandise and is actively competing for business. Many of the items are subject to the fair trade laws which exist in 45 of our 48 States, but those fair trade laws do not apply to merchandise sold in the post exchanges or ships' service stores. As a general rule, the price differential between post exchanges and retail business houses is about 20 percent, however, it is much greater on items subject to the fair trade laws. As a result of this situation, many people in the services have come to the conclusion that retailers in general are charging an exorbitant price for their merchandise. This attitude has been carried to such an extent that military personnel have openly accused reputable businessmen of dishonest operation, apparently without regard for the fact that the merchant is bound by law to charge stipulated prices for certain items of merchandise and that his fixed operating expenses are greater than those of exchanges. We cannot condone such practices on the part of military personnel or other authorized patrons of the post exchanges and ships' service stores. We feel that it is incumbent on the part of the military services to take such steps as may be necessary to properly indoctrinate military personnel on this matter.

3. The committee has come to the conclusion that many articles are being sold by the services for which we can find no justification. We can see no justification for the selling of diamond rings, sterling silverware, expensive sport coats and other similar items which in no sense of the word can be construed to be items of necessity, convenience or comfort so far as military personnel are concerned. Rather than eliminate these articles specifically, we have accomplished our purpose by reducing the cost price which

the services pay for their items of merchandise. We feel confident that this action on the part of the committee will bring the post exchange and ships' service store operation more nearly in conformity with the intent of Congress. It would not be correct to say that either the services or their critics is entirely satisfied with the committee decisions in this respect, however, the committee is confident that it has attained a reasonable and fair solution.

4. Special order privileges have presented a very troublesome problem. These privileges consist of being able to order items of merchandise from manufacturers and others when such items are not carried in stock in the post exchanges and ship's service stores. The Navy has no cost limitation on such items, while the Army and the Air Force have a $300 cost limitation. We have investigated this situation very thoroughly and we can find no justification for its continuance. During the course of our investigation, we examined more than 5,000 special orders for 1948. While it is true that some items of day to day necessity, such as furniture and durable goods, were purchased, most of the items were not of this character and many of them were luxury items. It is within this field of activity that many flagrant abuses have occurred. The committee gradually came to the conviction that the special order privileges should be abolished. On June 9, in executive session, the committee made a decision to this effect and we have steadfastly supported that decision in the face of the most determined efforts on the part of the military representatives to keep the privileges. We were so convinced of the propriety of our decision that we advised the military representatives that the committee would introduce legislation to abolish these privileges if the services did not abide by the committee decision. On that basis the armed forces have accepted our decision. Special order privileges will be abolished in all post exchanges and ships' service stores within the continental limits of the United States.

5. In spite of the efforts of military authorities to prevent unauthorized patrons from acquiring post exchange and ships' service store merchandise, there is no question but that large numbers of unauthorized patrons have acquired such merchandise. This fact has resulted in severe criticism. The military authorities have consistently stated that they solicit any information which would prove such abuse. However, we cannot see the validity of the position of the military in attempting to place upon outsiders the responsibility for policing a military operation. In this connection, it is noted that the present methods employed by the military to prevent such abuse are entirely inadequate. In the first instance, sales personnel are not thoroughly indoctrinated as to the categories of authorized patrons. This is proved by the fact that personnel on active duty for only 1 day have been able to enjoy unlimited privileges in the post exchanges in Washington, even during the midst of our investigation. Not only were they able to enjoy these privileges, they were urged to take advantage of them before this committee made any decisions which might curtail the merchandise available. The Army and the Air Force attempted to halt this abuse by requiring each purchaser who acquired an article costing in excess of $5 to sign a certificate that the merchandise being acquired was for himself, a dependent, or as a bona fide gift. It is difficult to conceive of anyone who would not fall within one of these categories and since the purchaser did not have to designate the party for whom he was purchasing the item, it was almost an impossibility for an inspecting officer to determine whether or not a violation had been committed. As a matter of fact, the committee has received little evidence which would indicate that any real attempt was being made by appropriate military authorities to control this situation. We have received much testimony that it was badly abused.

The services have agreed to inaugurate a more detailed type of purchase slip for all items in excess of $5. It is hoped that the information required on this new purchase certificate will be sufficient to permit the Inspectors General to make periodic investigations in an attempt to control, if not completely erase, this abuse. This committee recommends that such investigations be conducted, on a spot-check basis, not less than twice annually. It is a regrettable fact that this type of abuse could not occur unless an authorized purchaser, chiefly military personnel, agrees to violate the very regulations which permit him to enjoy these privileges. We doubt that Service personnel have been properly indoctrinated as to their responsibility and liability in this matter, and now urge that it be done as expeditiously as possible.

6. Since it has previously been stated that the Federal retailers excise tax has already become effective in military stores, we need not give that item additional consideration.

7. The allegation that military stores are not subject to State retail sales tax laws, real and personal property taxes, and many other types of State and local taxes is true. Each of these items is reflected in the prices of merchandise sold by retail businessmen, but they are not reflected in the selling price of post exchange and ships' service-store merchandise. The committee has attempted to narrow this price differential by including additional and appropriate items of overhead expense, such as utilities and upkeep, and the Federal retailers excise tax. With the other curtailments which have been achieved, it is our sincere hope that we have removed the principal controversy from this issue.

In addition to the criticisms of businessmen, the committee has considered additional matters. The names and origin of post exchanges and ships' service stores are historical. However, the variation in names has led to a great deal of confusion. The committee recommended to the Services, on June 8, that a suitable single name be found for the designation of these activities. The Services have found an appropriate name, and, effective January 1, 1950, the Army, Air Force, and Marine Corps post exchanges and the Navy ships' service stores shall be redesignated as Army exchanges, Navy exchanges, Air Force exchanges, and Marine Corps exchanges.

Another problem relating to the auditing procedures of the respective services was presented to the committee. We received testimony from representatives of the Comptroller General who urged that the Comptroller General be authorized to conduct an annual audit of exchange accounts. At the present time the respective services handle this matter in different manners. The Navy requires an annual audit of its transactions by a recognized firm of outside accountants. It appears that this practice has proved most satisfactory in the Navy. The committee agreed to forego the audit by the Comptroller General if the other services adopt the same accounting procedures presently used by the Navy. This has been agreed to by each of the other services.

There are wide variations in current regulations between the respective governing post exchange, ships' service stores and commissary activities. Since the outset of our investigation, the committee and each of the services have been in full agreement that it would be desirable to have a single uniform regulation for all of the services. This has been accomplished and uniform exchange regulations as well as uniform commissary regulations will become effective on October 1, 1949. By January 1, 1950, all commissaries in metropolitan areas will be closed.

The final item for consideration concerns the inequity which exists today between certain categories within the respective services. Under existing law all retired Regulars of the Army, the Navy, and the Air Force are entitled to unlimited privileges of the exchanges and the commissaries. This includes disabled Navy Reserve officers who are carried on the retired list of the Navy and receive the same privileges, rights, and benefits as the retired Regulars. Statutory provision is also made for the widows of Navy and Marine Corps personnel. The inequity arises from the fact that those non-Regular officers of the Army and Air Forec who have become permanently disabled in service and are drawing retirement pay from the Veterans' Administration are denied these privileges. Army and Air Force widows are likewise denied the privileges. This inequity arose in 1939 when the present retirement laws governing Army and Air Force non-Regular officers were enacted. Less than 3 weeks after the enactment of the law, the President issued his Executive Order No. 8099 wherein he directed the Veterans' Administration to administer the benefits of the act, rather than placing these officers on the retired list of the Army. As a result of this action, this same problem has been presented to every session of the Congress since 1940 and we have come to the conclusion that we will not be a party to the perpetuation of this inequity.

We strongly feel that exchange and commissary privileges were originally established for the convenience and benefit of military personnel on extended active duty and it was our original decision to limit the privileges to that category. The services have strenuously opposed us in that opinion. They point out that retired personnel are still an organic part of the armed forces; that they are still subject to being called to active duty, and they are subject to punishment under the disciplinary codes of the respective services. In addition to this fact, they urge that we do not deprive career and disabled service personnel of privileges which they have enjoyed for many years, the denial of which would be destructive to their morale. The committee has receded from its original opinion on this matter, but only on the condition that the existing inequity be removed by administratively extending the same privileges to Army and Air Force personnel and their widows that are enjoyed by Navy and Marine Corps personnel. The services have agreed to abide by that decision. In receding from our position we are fully aware of the fact that there is a substantial number of persons who will be added to the list of authorized patrons. However, in spite of the fact that a substantial number will be authorized to avail themselves of the privileges, the geographical distribution of these new patrons precludes any possibility that any substantial number of new patrons will find it possible to avail themselves of the privileges. We do not feel that we have added a harmful number of new patrons, and we are certain that we have eliminated an inequity which we were unwilling to perpetuate.

Mr. Chairman, that concludes my summarization of the committee's activities. I want to express my very real and sincere appreciation to the members of my subcommittee who were so diligent and cooperative throughout the investigation. I also want to pay tribute to Secretary Koehler, who represented the National Military Establishment, and his staff of military assistants and

advisers. They have worked exceedingly hard throughout the hearings and the many hours of conferences which we have held. The forthright manner in wich they conducted themselves was a novel and refreshing experience and I commend their forthright manner to others in similar capacities.

And now, Mr. Chairman, having concluded my remarks to the committee, I want to say that a much more detailed report is being prepared, however, I trust that the summary which I have given will be sufficiently clear to the members of the committee to give them a full understanding of the problems which we have considered and the decisions which we have reached. The military representatives have come into agreement with the committee most reluctantly in some instances, however, the items which I present to you here today are presented as a solution which has been accepted by the military. While it is true that representatives of retail business may not be in full accord with all of the actions of this committee, I am confident that the imposition of the Federal retailer's excise tax, the revision of the authorized list of merchandise, and the abolishment of special order privileges will provide a very substantial accomplishment in the interest of retail business.

STATEHOOD FOR HAWAII AND ALASKA

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, if the Eighty-first Congress wants to go down in the history of this country as one of the Congresses of great accomplishments it has within its power to do so.

There are two bills now pending before it. One to give statehood to the Territory of Hawaii and another to give statehood to the Territory of Alaska.

These are worthy bills and should be enacted into law without further delay.

There are no sound or pertinent reasons why these two great and rich Territories should not be given their place in the family of States. They have served their childhood long enough—they have reached their majority.

Alaska and Hawaii are as capable of self-government as are any of the States in the Union—yes, they are capable of better government than many of their older and assumed mature sisters.

Let this Congress act now and cover itself with everlasting glory.

THE WHITE PAPER ON CHINA

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, my first impression on examination of the State Department's white paper on China is that on balance China's record is not as bad as I expected, while that of the American Government is worse.

The weaknesses of the Chinese Government at the end of an 8-year war and occupation were well known. They were and still are the problem to be solved—not our alibi for not solving it. The greater the difficulties we faced the greater our Government's responsibility to find means to overcome them, because a Communist-controlled China is a mortal threat to Asia and then to ourselves.

The one fact that overshadows every other is that on the most important issue of this century—the one on which our very survival depends—the Chinese Government was right and our own Government was tragically wrong. Chinese leaders understood the nature, the objectives, the methods, and the insidious threat of the world-wide Communist conspiracy. Our leaders did not.

Now that we have the State Department's excuses for failure in China, the American people are entitled to know what are its plans for success. The white paper is almost wholly negative. The main concern still remains—what do our officials have to offer that is positive? Diagnosis is useless without remedy. If they are so occupied with justifying yesterday that they have neither the will nor the leadership to win tomorrow, then the American Congress and public must demand that those who believe nothing effective can be done in China step aside for those who believe something can be done—and must be done—and now.

EXTENSION OF REMARKS

Mr. KEEFE asked and was given permission to extend his remarks in the RECORD and include an article entitled "The Image of Victory," by Chester D. Seftenberg, notwithstanding that it exceeded two pages of the RECORD and, according to the Public Printer, cost $184.50 to print.

Mr. REED of Illinois asked and was given permission to extend his remarks in the RECORD and include an article by Constantine Brown.

Mr. REES asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD and include an item taken from the Times-Herald.

THE AGRICULTURAL IMPASSE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to quote from a statement appearing in Science magazine by Director W. Gordon Whaley, of the plant research institute of the University of Texas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, "No course can more surely invite disaster than one which fosters headlong improvement in peace and war of industries which consume the products of the land while it all but ignores our relatively poor success in handling the land and its living cover." This statement, taken from the July 22 number of Science, official organ of the American Association for the Advancement of Science, is the opinion of Director W. Gordon Whaley, of the plant research institute of the University of Texas, as given in an article on "the agricultural impasse."

This impasse is so closely related to the advice of William Vogt to examine our Santa Claus complex before plunging headlong into the "bold new program" of point 4 with its promise of surrender to communism unless we can stage "triumphant action * * * against hunger, misery, and despair," that I have obtained leave to extend my remarks in the RECORD with excerpts and brief comments. Dr. Whaley's analysis of the problem of population relative to "the highest production consistent with continual availability of raw materials" is of elemental significance.

Certainly atomic energy, applied to "headlong improvement of industries which consume the products of the land," must make matters worse instead of better if it maximizes production to an extent that is not "consistent with continual availability of raw materials" from plant growth. For what nourishes man is green plants, not power plants. Power resources employed in "cheapening" foods by an excessive rate of harvest, for example, in pelagic fishing and whaling, can dangerously reduce the reproductive potential of the species being preyed upon.

In fine, we are using modern science and invention to exploit sources of food supply, often to the point of extermination. In doing so we are building up human populations that must, in but few generations ahead, perish in a state of starvation if not in war. "Among the underlying causes of war, no factor is of importance nearly equal to that of the relation of a population to the productiveness of its lands," says Dr. Whaley. Thus the President's "faith in the unlimited capacity of the American economy" to expand, spells out a future dilemma whose disaster can be assuaged, not by action at the time of its development, but only by foresight which puts its faith in socially imposed restraints rather than in the "social security" of the "welfare state." In one way or another the social disease of overpopulation will be dealt with; but only by the ounce of prevention can it be done morally and without anguish.

THE AGRICULTURAL IMPASSE

(By W. Gordon Whaley, director, the plant research institute, the University of Texas)

The efforts of all peoples to achieve a place in the sun have turned around the land and what it produces. Among the underlying causes of war, no factor is of importance nearly equal to that of the relation of a population to the productiveness of its lands. This relation involves a complex equation between the utilization of ores, molecules, and atoms and the handling of plants and animals which supply the energy for living. No course can more surely invite disaster than one which fosters headlong improvement in peace and war of industries which consume the products of the land while it all but ignores our relatively poor success in handling the land and its living cover.

The source of man's energy is the green plant. Maintenance of his energy supply or its increase depends upon apt handling of his plants. If he fears the cutting off or liquidation of this supply he will fight for its preservation. The adequacy of the supply and its distribution is, in the last analysis, the key problem. Today we have an alternative to the age-old unbalance of the fat years and the lean, the haves and the have-nots, and the birth of countless millions of human beings to the misery of inadequate food— we can replace "farming" with agriculture, the science of handling the land and its plants and animals.

Great progress in such a revolution has already been made. American agriculture, quite as much as American industry, helped to turn the recent tide of war toward the victory. Many of the peoples of ravaged Europe and Asia owe both their freedom and their postwar survival to the American farmer. But we are moving too slowly. The pressure of war and postwar conditions has so increased the drain of soil fertility and the effects of erosion and inefficient culture that these and related factors are reaching an emergency status earlier than they would have, had a normal peacetime pace prevailed. In much of our supporting agricultural research, too, we have reached an impasse; and in this there is great danger, for the laws of energy will not indefinitely permit increase of demand, without parallel increase in the available supply.

From any long-range view, further lifting of the world standard of living can only follow increases in agricultural efficiency. In fact, because of increasing population pressures, even maintenance of the present standard demands a very considerable increase in this efficiency. The Food and Agricultural Organization of the United Nations estimates increases (over previous production) of 21 percent for cereals, 100 percent for milk, and 163 percent for fruits and vegetables as minimum requirements for feeding the expanding world population by 1960. The land available for growing these increased crops has shrunk from deterioration and misuse. Moreover, the hope, often expressed, that such increases can be produced in tropical countries overlooks the severe limitations of these regions. In most tropical regions there is, so far as agriculture is concerned, relatively little usable land. There are no great prairies, and because of the topography only limited areas can be turned to the production of energy crops. Continued high temperatures and excessive rainfall restrict both the types of plants that will grow and man's efforts to grow them. Such conditions also often increase the magnitude of disease and insect problems to nearly uncontrollable proportions. The production of the Tropics is destined to be of growing importance with respect to many crops, but the resources of the Tropics are simply not such as to make the regions capable of assuming a major position in the production of the energy crops. We must look instead for means of greatly increasing the production of Temperate Zone farms.

THE BASIC PROBLEM

In emphasizing the need for conservation, it is common to picture the land as a potential resource, a sort of agricultural safe-deposit box from which man may draw fertility for his crops for an indefinite period. If he withdraws this fertility too rapidly, however, or allows the mineral elements to be washed away by erosion, he must move on to new land or, when new lands are no longer available, face ruin. All this is true, but it is a concept too limiting to serve as the basis of a scientific agriculture. It is necessary, instead, to think of a farm as a factory and the farmer's managing efforts as attempts to turn raw materials into fine goods, soil elements into plant products. The goal is the most rapid practical turn-over of fertility, the highest production consistent with continual availability of raw materials. Many of our soils lack certain essential elements, but most of them contain, in practically inexhaustible amounts, all the required elements except nitrogen, phosphorus, and potassium. Agriculture becomes then in part a matter of supplying phosphorus and potassium as crude chemicals in the right amounts, fixing nitrogen chemically or by the activity of micro-organisms, and providing in one way or another such additional elements as may be required to enable the protoplasm of the living plants to manufacture, in mass production, fine goods.

This is the salient fact. In practice the operation is exceedingly complex, and we are in discouraging ignorance of most of its components. The soil in which many key processes go on is a variable and little understood medium, the steps in the functional processes by which plants convert materials from soil and air and the energy of light into fine goods are nearly complete mysteries, and the intricate balances of soil, plants, and climate have hardly been approached. We know only enough to realize how much needs to be learned and to recognize that if we had more knowledge we could make better adaptations, maintain much better balances, and control the hazards more effectively.

Effective long-range use of the soil with efficient cultural practices and adequate control of diseases and insect pests are pressing agricultural problems, but there are others. True to the American pattern, we have made greatest advances where mechanization fits into agriculture. In many crops all operations from sowing to harvesting are now carried out by machines. One effect has been to call for greater efforts to improve plants; for the more highly developed agricultural practices become, the more urgent is the need to produce more efficient plants—plants which can produce more fine goods per unit of raw material, or which, better fitting the pattern of mechanized farming, can produce more cheaply.

Advances in soil practices, control of plant diseases and pests, mechanization of farming operations, and plant improvement already have been great, but not so great as not to be dangerously dwarfed by industrial advances and the factors of population increase of the past several decades. Thus, an unhealthy situation arises. The more the efficiency of industry is increased and the higher wages it can pay, the more difficult it becomes for the less efficient agriculture to find labor and capital. The more efficient industry becomes, the more it expands and the greater becomes the need for new or better agricultural products; and even apart from industrial development, the more population increases the more people agriculture has to feed and clothe.

Dr. Whaley then turns to an extensive consideration of congressional support for plant research in the hope of removing the "impasse" between the "efficiency" of industry and of agriculture.

We should beware, however, of the idea that the land can be made into an "endless frontier" by science; for nature is no nest of safe-deposit boxes awaiting the pleasure of Congress in fostering research to unlock their secrets and enable us to draw sustenance for an indefinite expansion of population. It is not possible that "the science of handling the land and its plants and animals" can afford an "alternative to the age-old unbalance of * * * the haves and have-nots, and the birth of countless millions of human beings to the misery of inadequate food," unless those births are restrained instead of encouraged by social measures.

Except by irrigation, for which the opportunity is nowhere very extensive, man's culture of plants has generally reduced the pristine photosynthetic capacity of the earth's plant cover in order to attain what Dr. Whaley calls "fine goods" that can be eaten. Restoring some measure of this primitive capacity by scientific agriculture is feasible. But to match the harvesting capacity of our modern, mechanical Frankenstein by an equally expansive biological technology is to deal in Brobdinagian fantasies. "Unraveling the facts of growth, development, and reproduction" can hardly outstrip the work of countless generations of biological evolution by utilizing anything which that evolution has made possible in plant growth. When, if ever, man does succeed in outstripping the productive capacity of vegetable life, he will have to bypass and displace plant life by himself becoming, in effect, a plant species through development, not of biological, but of physical, science. Until then the farm will remain, as it now is, just a farm and not a factory.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. CANFIELD] is recognized for 15 minutes.

STOCK PILING

Mr. CANFIELD. Mr. Speaker, I have asked permission to address the House on a matter of transcendent importance.

Both Houses of the Congress have acted to appropriate funds and contract authority for the stock piling of strategic and critical materials. The appropriations were signed by the President. I can assure the Members of this body that the stock-pile appropriations were given very careful consideration before we of the House Appropriations Subcommittee recommended the action which you approved.

Subsequently a report has been made in the other House, recommending that the appropriations which are now law be cut back by $275,000,000. Equally significant, the report in effect directed the Munitions Board, which carries out the stock-piling operation, to abstain from the making of long-term contracts for materials overseas.

Naturally, we are all aware of the need for a prosperous industry in the United States, but unwise and uneconomical restrictions should not be placed on the stock-piling program to make it carry out functions for which it was not intended.

The aim of the stock pile, as stated in the act, is to decrease and prevent wherever possible a dangerous and costly dependence of the United States upon foreign nations for supplies of strategic and critical materials. Of the 69 materials being stock-piled, 42 are not available in the United States at all. Only 8 of the materials being stock-piled are produced in quantities sufficient to meet half the needs of American industry.

For the stock pile to concentrate on these 8 materials at the expense of the other 61 equally essential materials would be to defeat the purpose of the act and to embark on a wasteful and fruitless dissipation of public funds under the guise of national security.

The 69 materials selected for the stock pile were chosen on the basis of careful consideration and appraisal by many agencies of the Government. The advice of private industry was also sought. The Munitions Board has developed procurement schedules for each material on the basis of sound criteria. The rate of purchase for every material has been carefully worked out so that the stock pile will at all times provide a maximum of security for every dollar spent. Materials available only from overseas are considered to have the highest strategic priority. This makes obvious common sense. Sources of these materials might be cut off from us in time of a war. Yet it is these very materials that the Munitions Board is directed to refrain from buying on long-term contracts by a committee of the other House.

It is significant, I think, that the Munitions Board is under pressure at the moment from two sides. One school of opinion sees in the stock-piling program a device to support domestic mining production in time of surplus. This group holds that domestic production should be absorbed by the stock pile, after the fashion of an ever normal granary, whatever the cost. The opposite view is that the stock pile ought to be used as an adjunct of our foreign policy, to provide dollars to nations abroad with which to buy American manufactured goods. The stock pile has not yielded and should not yield to the claims of either group.

The purpose of the stock pile is simple: To buy such quantities and types of materials as will contribute most to the national security. The program is not a current expenditure; it is an investment in materials with an everlasting usefulness to the national security. The minute this purpose is obscured by side issues, the whole basis of the stock pile is threatened.

Uninformed criticism of the selection of the materials being stock-piled should not confuse the fact of their essentiality. Pepper for instance.

Pepper is essential, and without a substitute, in making canned or processed meats palatable. The stock piling now of pepper means that we are taking in advance a wartime food conservation measure.

Likewise with castor oil. This oil, which comes from the Brazilian castor bean, is a vital ingredient in the manufacture of tough-filament nylon, a constituent of low-temperature hydraulic brake fluid for aircraft, an ingredient in lubricants and greases, an essential drying oil in paints and in ink used for printing of bank notes, a base for the chemically treated oils used in processing textiles, and a plasticizer in synthetic resins and plastics, especially the transparent plastic sheets used for aircraft windshields and windows.

The stock-piling report for January 23, 1949, contains a full list of all the strategic and critical materials being stock-piled, with descriptions of the uses of each material. The Munitions Board has made every effort to inform the Congress fully to enable to proper appraisal of the stock-piling program. Those Members of Congress who are most closely responsible through their committee work, for the success of the stock-pile program, have made a point of studying this literature, to familiarize themselves with stock-pile policies and programs. The purchase plan centers on the need for strategic balance among stock-piled items. No major departure from this plan should be made without full understanding of the plan and thorough examination of the consequences of any proposed change.

Our national stock pile is not a political issue. It is a bipartisan program, an essential ingredient of our entire national security effort. We should keep constantly before us the fact that in time of peace to buy these materials cost us only dollars. In time of war—without a stock pile—these same materials would cost not merely dollars but lives, ships, time, and dispersal of our military power to guard additional supply lines.

I want to remind the Members of this body of the tragic consequences of failure to develop promptly the kind of stock pile our national security requires.

Even during the 18 months of our participation in World War I, our war production was hampered by a whole host of shortages—of synthetic ammonia, of copper, aluminum, and many other items. These shortages added to the cost of the war and to the economic disruptions that followed in its wake.

For this country, World War II opened when Japan severed our lifelines to the tin mines of Malaya, the rubber plantations of the Netherlands East Indies, the tungsten and antimony of China, manila hemp from the Philippines, and many other essential materials of war.

Rubber, hemp, and sisal plantations were set up all over Latin America, as well as in the United States. Thousands of tons of steel had to be taken from essential war uses to build synthetic rubber plants. Copper had to be brought from Chile—across more than 4,000 miles of water; manganese from India and Africa; billions of dollars were spent on high-cost projects to obtain the very same materials we are today stock piling under a systematic, orderly, and efficient peacetime program.

I do not mean to criticize these efforts of World War II. They were compelled by the needs of the time.

But prudence dictates that we do not invite a repetition of that wasteful situation. When we talk economy we should not wear blinders. We should not, as the saying goes, "Save at the spigot only to waste at the bung." The cost of the stock pile is not small. But if we do not make this investment now, and continue it until the stock pile is completed, the cost may well be multiplied a hundredfold.

We must not gamble with American security.

EXTENSION OF REMARKS

Mr. DAVIS of Wisconsin (at the request of Mr. CANFIELD) was given permission to extend his remarks in the RECORD in two instances, in each to include newspaper articles.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. AUCHINCLOSS (at the request of Mr. ARENDS), for 2 days, on account of official business.

To Mr. CHESNEY for Friday, August 5, 1949, on account of official business.

To Mr. MACK of Washington, for 2 days, on account of official business.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2290. An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams; and

H. R. 3982. An act to authorize the Secretary of Agriculture to sell certain lands to the Sisters of Saint Joseph in Arizona, Inc., of Tucson, Ariz., to consolidate the Desert Laboratory Experimental Area of the Southwestern Forest and Range Experiment Station, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1918. An act to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $3,000; and

S. 1323. An act to declare that the United States hold certain lands in trust for the Pueblo Indians and the Canoncito Navajo group in New Mexico, and for other purposes.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, a bill and joint resolution of the House of the following titles:

On August 3, 1949:

H. R. 5632. An act to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes.

On August 4, 1949:

H. J. Res. 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases.

ADJOURNMENT

Mr. MILES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 37 minutes p. m.), under its previous order, the House adjourned until Monday, August 8, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

838. A communication from the President of the United States, transmitting material in connection with supplemental estimates of appropriation for the Virgin Islands Corporation, Department of the Interior, which was transmitted on July 12, 1949 (H. Doc. No. 259), a budget program reflecting the effects of the enactment of the Virgin Islands Corporation Act, approved June 30, 1949 (Public Law 149) (H. Doc. No. 291); to the Committee on Appropriations and ordered to be printed.

839. A letter from the Secretary of Defense, transmitting a letter by the Acting Secretary of the Navy recommending the enactment of a proposed draft of legislation entitled 'To provide for payment of amounts due mentally incompetent personnel of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service"; to the Committee on Armed Services.

840. A letter from the Secretary of Defense, transmitting a letter by the Acting Secretary of the Navy recommending the enactment of a proposed draft of legislation entitled "To authorize commissioned officers of the Army, Navy, Air Force and Marine Corps to administer certain oaths, and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H. R. 5511. A bill to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities; with an amendment (Rept. No. 1194). Referred to the Committee of the Whole House on the State of the Union.

Mr. RICHARDS: Committee on Foreign Affairs. House Joint Resolution 87. Joint resolution to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland and American books and technical equipment for institutions of higher education in Finland; with an amendment (Rept. No. 1195). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARING: Committee on Public Lands. H. R. 4069. A bill to reserve certain land on the public domain in Nevada for addition to the Summit Lake Indian Reservation; without amendment (Rept. No. 1196). Referred to the Committee of the Whole House on the State of the Union.

Mrs. BOSONE: Committee on Public Lands. H. R. 5390. A bill to authorize the Secretary of the Interior to exchange certain Navajo tribal Indian land for certain Utah State land; with an amendment (Rept. No. 1197). Referred to the Committee of the Whole House on the State of the Union.

Mrs. BOSONE: Committee on Public Lands. H. R. 4231. A bill to reserve certain land on the public domain in Utah for addition to the Goshute Indian Reservation; without amendment (Rept. No. 1198). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 4509. A bill to amend the act of February 25, 1920 (41 Stat. 452), and for other purposes; without amendment (Rept. No. 1199). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 5098. A bill to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, business, and other purposes requiring the grant of long-term leases; with an amendment (Rept. No. 1200). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 4495. A bill to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes; with an amendment (Report No. 1201). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. House Resolution 301. Resolution disapproving of Reorganization Plan No. 2 of 1949; without amendment (Rept. No. 1204). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 183. Resolution for consideration of H. R. 3190, a bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; with amendments (Rept. No. 1205). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Public Lands. S. 520. An act to authorize and direct the Secretary of the Interior to issue to Leo Farwell Glenn, a Crow allottee, a patent in fee to certain lands; with an amendment (Rept. No. 1202). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. S. 1361. An act to authorize and direct the Secretary of the Interior to issue to John Grayeagle a patent in fee to certain land; with an amendment (Rept. No. 1203). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. LUCAS:

H. R. 5894. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Education and Labor.

By Mr. KEE:

H. R. 5895. A bill to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations; to the Committee on Foreign Affairs.

By Mr. SHEPPARD:

H. R. 5896. A bill to provide for research, studies, investigations and experimentations into the problems of aquatic weed and other water plant infestations; to the Committee on Agriculture.

By Mr. COLMER:

H. R. 5897. A bill to provide for the sale of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.; to the Committee on Armed Services.

By Mr. GARMATZ:

H. R. 5898. A bill to assist disabled merchant seamen and their dependents, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. NORTON:

H. R. 5899. A bill to reincorporate the Girl Scouts of the United States of America, and for other purposes; to the Committee on the District of Columbia.

By Mr. O'HARA of Illinois:

H. R. 5900. A bill to prohibit the Home Loan Bank Board from revising its regulations so as to change the essential character of Federal savings and loan associations, and for other purposes; to the Committee on Banking and Currency.

By Mr. SMATHERS:

H. R. 5901. A bill to extend the benefits of the World War Adjusted Compensation Act and the Adjusted Compensation Payment Act, 1936, to certain provisional, probationary, and temporary officers, or to their dependents; to the Committee on Veterans' Affairs.

By Mr. KEE:

H. R. 5902. A bill for the relief of the Pan American Union; to the Committee on Foreign Affairs.

By Mr. PRIEST:

H. R. 5903. A bill to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS:

H. R. 5904. A bill to provide for equalization of flight pay for Navy and Marine Corps officers and former officers who did not receive flight pay equal to that paid to Army officers engaged in regular and frequent aerial flights; to the Committee on Armed Services.

By Mr. HAGEN:

H. R. 5905. A bill to amend the Veterans' Preference Act of 1944 so as to grant certain peacetime veterans and their unmarried widows preference in employment where Federal funds are disbursed; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS:

H. R. 5906. A bill for the relief of Alvin B. Cobb, individually, and for the use and benefit of his minor son, Clayton A. Cobb; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

H. R. 5907. A bill authorizing the issuance of a patent in fee to Joseph Shot At; to the Committee on Public Lands.

By Mr. MULTER:

H. R. 5908. A bill for the relief of Oranzo Figarelli, also known as Ficarelli Oronzo, also known as Renzo Relli; to the Committee on the Judiciary.

By Mr. RIBICOFF:

H. R. 5909. A bill for the relief of John Faria Burgo; to the Committee on the Judiciary.

By Mr. WELCH of California:

H. R. 5910. A bill for the relief of Mrs. Mary Elizabeth Foley; to the Committee on the Judiciary.

By Mr. YOUNG:

H. R. 5911. A bill for the relief of Arsenio Rosario Ferrara; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1381. By Mr. KEARNEY: Petition received from Hamilton County, in the Thirty-first Congressional District of New York, and containing 77 signatures, urging that if Federal excise taxes on jewelry, furs, cosmetics, and other commodities are reduced, alcoholic beverages be included too; to the Committee on Ways and Means.

1382. Also, petition containing signatures of 72 residents of Schenectady, N. Y., urging that if Federal excise taxes on jewelry, furs, cosmetics, and other commodities are reduced, alcoholic beverages be included too; to the Committee on Ways and Means.

1383. By Mr. MILLER of Maryland: Resolution of Kent County Medical Society, of Chestertown, Md., in opposition to enactment of legislation providing for compulsory health insurance or any system of political medicine designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

1384. By Mr. SHORT: Petition of Mrs. Ida S. Witt and other citizens of Jasper County for the Congress of the United States for the earliest possible consideration and enactment of the proposed social-security legislation known as the Townsend plan introduced in the Eighty-first Congress as H. R. 2135; to the Committee on Ways and Means.

1385. By the SPEAKER: Petition by Mrs. Clara Mae Short and other residents of Jasper County urging the Congress for early consideration and enactment of the proposed social-security legislation known as the Townsend plan, introduced in the Eighty-first Congress as H. R. 2135; to the Committee on Ways and Means.

1386. Also, petition of Mrs. Mary R. Murwell and 36 others requesting passage of a bill to prohibit transportation of alcoholic beverage advertising in interstate commerce and broadcasting of alcoholic beverage advertising over the radio; to the Committee on Interstate and Foreign Commerce.

1387. Also, petition of Mamie Stein and others, Hutchinson, Kans., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1388. Also, petition of Hattie Lambert and others, Kirkland, Wash., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1389. Also, petition of Mrs. Frank R. Wood and others, Hialeah, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1390. Also, petition of Associated Townsend Clubs of Dade County, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1391. Also, petition of Dr. Mina F. Fritchle and others, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1392. Also, petition of D. D. Brown and others, Orlando, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1393. Also, petition of Neva C. Lamphere and others, Winter Park, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, Seventy-ninth Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received for the second calendar quarter of 1949.

To carry out the provisions of the Lobbying Act, three forms were printed and used in making detailed statements (Form A), registrations (Form B), and filing quarterly reports (Form C).

Section 308 (b) requires the printing of information received and filed. Forms B and C, upon which this information was submitted, are reproduced as follows:

FORM B

REGISTRATION (IN DUPLICATE) WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES AND SECRETARY OF THE SENATE UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name ----------
Business address ----------

INFORMATION REQUESTED FROM PERSONS REGISTERING

(1) The name and address of the person by whom employed:
(1) ----------
(2) In whose interest he appears or works:
(2) ----------
(3) The duration of such employment:
(3) ----------
(4) How much he is paid and is to receive:
(4) ----------
(5) By whom he is paid or is to be paid:
(5) ----------
(6) How much he is to be paid for expenses:
(6) ----------
(7) What expenses are to be included:
(7) ----------
See Form C for quarterly report to be filed.

OATH OF REGISTRANT

[Omitted in printing]

FORM C

QUARTERLY REPORT OF PERSONS REGISTERING UNDER LOBBYING ACT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES AND SECRETARY OF THE SENATE

(Public Law 601, 79th Cong.)

Name ----------
Business address ----------
Employed by ----------
Address ----------

INFORMATION REQUIRED IN QUARTERLY REPORT

Each such person so registering shall, between the 1st and 10th day of each calendar quarter, so long as his activity continues, file with the Clerk of the House of Representatives and Secretary of the Senate—

(1) A detailed report under oath of all money received and expended by him during the preceding calendar quarter:
(1) ----------
(2) To whom paid:
(2) ----------
(3) For what purposes:
(3) ----------
(4) The names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials:
(4) ----------
(5) The proposed legislation he is employed to support or oppose:
(5) ----------

OATH OF REGISTRANT FILING QUARTERLY REPORT

[Omitted in printing]

REGISTRATIONS

The following registrations were received for the second calendar quarter 1949, and filed, using Form B, with the Clerk of the House of Representatives and the Secretary of the Senate:

(NOTE.—In order to reduce space, the questions in Form B (see above) are not repeated. Only the answers to questions are printed and are indicated by numbers in parentheses.)

Ansberry, T. Peter, 815 Fifteenth Street NW., Washington, D. C. (1) Chamber of Commerce of Panama and Chamber of Commerce of Colon (Panama). (2) Chamber of Commerce of Panama and Chamber of Commerce of Colon (Panama). (3) Two years from June 27, 1949. (4) Undetermined. (5) The firm with which registrant is associated has been retained to represent the Chamber of Commerce of Panama and the Chamber of Commerce of Colon in the protection of their commercial interests in matters before the United States Congress and United States Government departments. This undertaking will include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrant does not believe that any of his activities, including those named herein, fall within the terms "attempting to influence the passage or defeat of any legislation," as used in the Federal Regulation of Lobbying Act. This registration is being filed because of the uncertain interpretation of that act. (6) Actual expenses. (7) Necessary telephone, telegraph, traveling, printing, and such other similar expenses as may be authorized.

Arnold, Fortas & Porter, 1200 Eighteenth Street NW., Washington, D. C. (1) Consumer Mail Order Association of America, Post Office Box 1025, Joplin, Mo. (2) Consumer Mail Order Association of America. (3) One year. (4) The employment is an ordinary attorney-client relationship with compensation to be determined. (5) Consumer Mail Order Association of America. (6) Actual expenses incurred. (7) Travel, telephones, taxicabs, printing, etc.

Ayer & Son, N. W., Inc.,[1] a Delaware corporation; Marvin Murphy, a vice president thereof; and Raymond C. Baker and Oscar Leiding, employees thereof (hereinafter called registrant), 30 Rockefeller Plaza, New York, N. Y. (1) N. W. Ayer & Son, Inc., is employed as publicity counsel by National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (2) Registrant furnishes the National Association of Electric Companies consulting service on public relations and publicity service regarding the electrical industry. While generally such publicity work has no direct relation to legislation pending before the Congress of the United States of America, some of it is intended to aid and influence the passage or defeat of such legislation affecting the electrical industry, and some of it may be held to have such effect, though not so intended. Registrant does not believe that its activities come within the purview of the Lobbying Act, and files this registration solely to avoid the penalties of the act and with full reservation of all rights. (3) Registrant is engaged on a month-to-month basis. (4) The association pays N. W. Ayer & Son, Inc., $4,100 per month,

[1] Amended registration.

plus out-of-pocket expenses and a 16⅔-percent commission on printing, photographs, and similar items. (5) N. W. Ayer & Son, Inc., is paid by National Association of Electric Companies and the individual registrants are paid by N. W. Ayer & Son, Inc. (6) The expenses vary and cannot be readily averaged in advance. Amounts will be furnished with the quarterly statements. (7) Principally printing, mimeographing, mailing, traveling, and miscellaneous expenses.

Baldwin,[2] William H., 205 East Forty-second Street, New York, N. Y. (1) Committee for the International Trade Organization, 816 Twenty-first Street NW., Washington, D. C. (2) Committee for the International Trade Organization. (3) March 15, 1949, to June 15, 1949. (4) $3,000 plus reimbursement for out-of-pocket expenses. (5) Committee for the International Trade Organization. (6) Reimbursement at cost for out-of-pocket expenses. (7) Traveling, mimeographing, postage, telephone, and telegraph.

Barta, A. K., 810 Eighteenth Street NW., Washington, D. C. (1) The Proprietary Association, 810 Eighteenth Street NW., Washington, D. C. (2) The Proprietary Association. (3) Annual. (4) For proportionate part of time devoted to influencing Federal legislation, estimated at not to exceed $5,000 per annum. (5) The Proprietary Association. (6) As may be necessary. (7) Travel, hotel and subsistence, and miscellaneous; all expenses incurred.

Bass,[2] Mrs. Mary Ruth, 601 North Carolina Avenue SE., Washington, D. C. (1) National Association of Physically Handicapped (formerly the Physically Handicapped Club), nonprofit organization. (2) National Association of Physically Handicapped. (3) One year. (4) Nothing at present. Any pay which I may receive is problematical. (5) No person or concern at present. (6) Nothing at present. Amount depends upon future resources of the association. (7) Such as may be properly allowed.

Beiter, Alfred F., 8503 Longfellow Place, Chevy Chase, Md. (1) National Customs Service Association, 8503 Longfellow Place, Chevy Chase, Md. (2) In the interest of the members of the association whose name appears in (1) above. (3) Employed on a yearly basis. (4) Registrant is employed as national president of the association and receives an annual salary for all services rendered, of which not over $2,500 per year could reasonably be allocated to legislative activities. (5) National Customs Service Association. (6) To be reimbursed for all actual expenses. (7) Postage, telegraph, travel, and office expenses incident to the work of the association.

Berger, Robert I., formerly of 1731 I Street NW., Washington, D. C. (1) Formerly employed by National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (2) [Blank.] (3) The employment of the above registrant by the federation terminated June 30, 1948, and this amended registration is filed for the purpose of showing the termination of such employment. (4) Blank.] (5) [Blank.] (6) [Blank.] (7) [Blank.]

Black, James C., 1625 K Street NW., Washington, D. C. (1) Republic Steel Corp., Cleveland, Ohio. (2) Republic Steel Corp., Cleveland, Ohio. (3) Indefinite. (4) I am to be paid or receive only my normal compensation as manager of the Washington office of the above company, which is concerned with sales of the company's products to the United States Government. I estimate that not more than $2,500 of my compensation can possibly be attributable to activities within the scope of the act. (5) Republic Steel Corp., Cleveland, Ohio. (6) Indefinite, but limited to actual out-of-pocket expenses estimated not to exceed $300 per month as being possibly within scope of the act. (7) Transportation, food and beverages, telephone, telegraph, hotels, etc.

Blanchard, Helen, 1034 Warner Building, Washington, D. C. (1) Amalgamated Clothing Workers of America, 15 Union Square, New York, N. Y.; Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (2) Membership of the Amalgamated Clothing Workers of America, CIO. (3) Indefinite. (4) $350 per month, plus actual expenses. (5) Amalgamated Clothing Workers of America and Congress of Industrial Organizations. (6) Actual amounts spent in carrying on duties of the job. (7) Travel, hotels, meals, taxis, telephone.

Britton, Earle R., 3235 Wilmot Avenue, Columbia, S. C. (1) American Federation of Labor, A. F. of L. Building, Washington, D. C. (2) Membership of the American Federation of Labor and the working people at large. (3) Indefinite. (4) $80 per week. (5) The American Federation of Labor, A. F. of L. Building, Washington, D. C. (6) $10 per day and travel. (7) Telephone and postage.

Brockenbrough, Eugene W., 1025 Vermont Avenue NW., Washington, D. C. (1) Institute of Shortening & Edible Oils, Inc. (2) Institute of Shortening & Edible Oils, Inc. (3) Indefinite. (4) Registrant is paid a salary of $13,500 per annum, covering all activities on behalf of institute, none of which to date comes within the purview of section 307 of Public Law 601. (5) Institute of Shortening & Edible Oils, Inc. (6) Unspecified expense account of which none so far has been expended regarding legislation. (7) All expenses incident to legislation concerning or affecting fats and oils.

Brown, Frederick E., Investment Building, Washington, D. C. (1) Eastern Meat Packers Association, 740 Eleventh Street NW., Washington, D. C. (2) Eastern Meat Packers Association. (3) Indefinite; subject to change by action of the board of directors of Eastern Meat Packers Association. (4) An annual fee of $6,000 is paid by the association to La Roe, Brown & Winn, a law partnership consisting of three partners: Wilbur La Roe, Jr., Frederick E. Brown, and Arthur L. Winn, Jr. Each of the partners named shares in this fee under the partnership agreement. This fee is paid for general legal services, no part being allocated for legislative work, and legislative work will not constitute more than a very small proportion of the services rendered. If and when such work is performed, appropriate quarterly reports will be made as required. (5) Eastern Meat Packers Association. (6) No amount is specified but it will be merely reimbursement of incidental expenses incurred and will be relatively small. (7) Those incurred for incidental matters, such as telephone, printing, taxi fares, postage, travel.

Brown, Lund & Fitzgerald (see answer to question 4), Washington Loan & Trust Building, Ninth and F Streets NW., Washington D. C. (1) National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (2) National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (3) Indefinite. (4) $2,500 per month. Wendell Lund, a partner in this firm, performs no service under this arrangement and does not participate in the fee. (5) National Association of Electric Companies. (6) Reimbursement of actual expenses. (7) Taxicabs, travel, telephone, telegram, etc.

Bryson, Jack, 1600 I Street NW., Washington, D. C.; residence, Glendale, Calif. (1) Motion Pictur Association of America, Inc., 1600 Eye Street NW., Washington, D. C., and 28 West Forty-fourth Street, New York, N. Y.; and the Motion Picture Export Association, Inc., 546 Fifth Avenue, New York, N. Y. (2) Motion-picture industry, as represented by the member companies of Motion Picture Association of America, Inc. (3) Indefinite. (4) Salary of $27,000 annually for all services, of which about 25 percent is in relation to Federal legislation. (5) Motion Picture Association of America, Inc., will assume and pay all salaries and expenses in connection with this activity. (6) Reimbursement for actual expenses. (7) Actual out-of-pocket expenses incurred in carrying on the employment.

Burnham, George B., 5653 College Avenue, Oakland, Calif. (1) Numerous stockholders of the Burnham Chemical Co. scattered throughout the United States and others who may become interested. The names and addresses of those who will contribute to this lobby work are not at present known. (2) In the interest of the Burnham Chemical Co. and its stockholders and others that may become interested. (3) Unknown. (4) $250 per month. (5) By the stockholders of the Burnham Chemical Co. and others that may be interested. (6) $6 a day, plus traveling expenses, plus any other expenses necessary in connection with the work. (7) Secretarial services, traveling expenses, printing, postage, and all other expenses deemed necessary for the work.

Carter, Steward R., Jr., 1025 Connecticut Avenue NW., Washington, D. C. (1) Printing Industry of America, Inc., 719 Fifteenth Street NW., Washington, D. C. (2) [Blank.] (3) Duration of present session of Congress. (4) $80 per day (this is not a full-time assignment, and payment is only for time actually spent). (5) Printing Industry of America, Inc., 719 Fifteenth Street NW., Washington, D. C. (6) Not more than $20 a day. (7) General transportation, special stenographic and incidentals, to be itemized.

Case, Fox, room 820, Transportation Building, Washington, D. C. (1) National Education Campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill. (For a more detailed statement of the organization, purposes, and activities of said National Education Campaign, American Medical Association, see form. A report filed by it with the Clerk of the House of Representatives for the first quarter of 1949 which report is, by reference, made a part hereof.) (2) National Education Campaign, American Medical Association. (3) Continuing. (4) $1,000 per month and reimbursement of expenses. (5) National Education Campaign, American Medical Association. (6) Reimbursement of expenses incurred incident to discharge of duties. (7) Registrant is to be furnished office quarters, clerical assistance, office supplies, literature, telephone and telegraphic services and reimbursement of expenditures for transportation, meals, traveling expenses, and any and all expenses incurred in connection with the discharge of his duties.

Case, Ralph Hoyt, 889 National Press Building, Washington, D. C. (1) Sioux Tribe of Indians, Standing Rock Reservation, Fort Yates, N. Dak., under contract approved May 12, 1949, by Commissioner of Indian Affairs; changes accepted by me July 1, 1949. (2) The above-named Indian tribe. (3) Five years. (4) $2,000 a year and expenses when approved by tribal council. (5) The above-named Indian tribe. (6) No fixed amount; expenses authorized and/or approved by tribal council are reimbursed. (7) Travel, hotel accommodation, subsistence while away from Washington and engaged in the work under the contract; all printing and emergency expense when approved by tribal council.

Caviness, Robert S., 1625 K Street NW, Washington, D. C. (1) Janis Zalcmanis, individually and as attorney in fact for the estate of Karlis Jansons. (2) Same as (1). (3) Eighty-first Congress. (4) A fee ranging from $2,500 to $55,000, the exact amount depending upon many factors. (5) Same as (1). (6) Minimum fee of $2,500, no specific amount for expenses. (7) No expense account; see (6).

Coles, Marvin J., 813 Washington Building, Washington, D. C. Ingoldsby, Coles and

[2] Registration with the Clerk only.
[3] Registration with the Secretary only.

Wright, attorneys at law, 813 Washington Building, Washington, D. C. (2) Committee representing the following companies: American President Lines, Ltd.; Grace Line, Inc.; Keystone Shipping Co.; Lykes Bros. Steamship Co., Inc.; Mississippi Shipping Co., Inc.; Moore-McCormack Lines, Inc.; Paco Tankers; Socony-Vacuum Oil Co., Inc.; Standard Oil Co. (N. J.), Marine Department; United Mail Steamship Co. (3) Indefinite. (4) Not yet determined. (5) By the companies mentioned in question No. 2, probably through their attorneys. (6) Probably will be reimbursed for out-of-pocket expenses. (7) Presume expenses will be for taxis, luncheons, long-distance telephone calls, telegrams, etc.

Condon, Arthur D., 815 Fifteenth Street NW., Washington, D. C. (1) Chamber of Commerce of Panama and Chamber of Commerce of Colon (Panama). (2) Chamber of Commerce of Panama and Chamber of Commerce of Colon (Panama). (3) Two years from June 27, 1949. (4) Undetermined. (5) The firm with which registrant is associated has been retained to represent the Chamber of Commerce of Panama and the Chamber of Commerce of Colon in the protection of their commercial interests in matters before the United States Congress and United States Government departments. This undertaking will include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrant does not believe that any of his activities including those named herein fall within the terms "attempting to influence the passage or defeat of any legislation" as used in the Federal Regulation of Lobbying Act. This registration is being filed because of the uncertain interpretation of that act. (6) Actual expenses. (7) Necessary telephone, telegraph, traveling, printing, and such other similar expenses as may be authorized.

Condon, Arthur D., 815 Fifteenth Street, Washington, D. C. (1) S. H. Kress & Co., 114 Fifth Avenue, New York, N. Y.; McCrory Stores Corp., 1107 Broadway, New York, N. Y.; W. T. Grant Co., 1441 Broadway, New York, N. Y.; McLellan Stores Co., 55 Fifth Avenue, New York, N. Y.; J. J. Newberry Co., 245 Fifth Avenue, New York, N. Y.; and H. L. Green Co., Inc., 902 Broadway, New York, N. Y. (2) Registrant is retained in connection with pending wage-hour legislation by the group named in (1) above, for the purpose of informing, advising, and counseling them concerning the progress, interpretation, constitutionality, and legal effect of pending wage-hour and related legislation, including amendments currently proposed or which may be proposed, insofar as such legislation affects the vital interest of the variety chain stores named and of the consuming public which they serve. This undertaking will also include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrant does not believe that any of his activities including those named herein fall within the term "attempting to influence the passage or defeat of any legislation" as used in the Federal regulation of the Lobbying Act. This registration is being filed because of the uncertain interpretation of that act. (3) Indefinite. (4) Undetermined. (5) S. H. Kress & Co., 114 Fifth Avenue, New York, N. Y.; McCrory Stores Corp., 1107 Broadway, New York, N. Y.; W. T. Grant Co., 1441 Broadway, New York, N. Y.; McLellan Stores Co., 55 Fifth Avenue, New York, N. Y.; J. J. Newberry Co., 245 Fifth Avenue, New York, N. Y.; H. L. Green Co., Inc., 902 Broadway, New York, N. Y. Registrant is also an associate of the firm of Davies, Richberg, Beebe, Busick & Richardson, engaged in the general practice of law before the courts and administrative bodies of the United States and of the District of Columbia. (6) Amount of expenses actually incurred. (7) Telephone and telegraph, transportation, and similar out-of-pocket expenses.

Courtney, John J., 843 Investment Building, Washington, D. C. (1) John Ii Estate, Ltd., Honolulu, T. H., by Anderson Wrenn & Jenks, its attorneys, Bank of Hawaii Building, Honolulu, T. H. (2) John Ii Estate, Ltd. (3) Indeterminate. (4) To be paid reasonable value of services, when billed. (5) John Ii Estate, Ltd. (6) Out-of-pocket disbursements. (7) Communications and travel, when necessary.

Cox, Langford, Stoddard & Cutler, 1210 Eighteenth Street NW., Washington, D. C. (1) Overseas Tankship Corp., 551 Fifth Avenue, New York, N. Y. (2) Overseas Tankship Corp., 551 Fifth Avenue, New York, N. Y. (3) Indefinite. (4) Not fixed. To be determined on the basis of legal services rendered. (5) Overseas Tankship Corp., 551 Fifth Avenue, New York, N. Y. (6) Not fixed. (7) Normal disbursements only, such as taxis, long-distance telephone calls, stenography, mimeographing, etc.

Coxe, W. W., law department, Norfolk & Western Railway Co., Roanoke, Va. (1) Norfolk & Western Railway Co., Roanoke, Va. (2) Norfolk & Western Railway Co. (3) Regular full-time employment as general solicitor of Norfolk & Western Railway Co. to do legal work. (4) As general solicitor, I am paid a salary by the Norfolk & Western Railway Co. to do legal work. I do not and will not receive any extra compensation for doing legislative work. (5) My salary is paid by the Norfolk & Western Railway Co. (6) No definite amount. I am only reimbursed for out-of-pocket expenses incident to traveling. (7) Traveling, including hotel accommodations, and food.

Crampton, Frank A., 500 Jordan Street, Nevada City, Calif. (1) (a) Napa County Board of Supervisors, Napa, Calif.; (b) Farmers' Committee To Investigate Water Problems of Solano Irrigation District, route 2, box 204, Vacaville, Calif.; (c) Farmers' Water Committee of Yolo-Solano Counties, Winters, Calif.; (d) Concord Chamber of Commerce, Concord, Calif. (2) (a), (b), (c), (d) inherent in titles of organization listed under (1) above. (3) (a) Indefinite from April 11, 1949; (b) indefinite from May 4, 1949; (c) May 20, 1949–June 10, 1949; (d) indefinite from June 11, 1949. (4) (a) Expenses for appearing before committees holding hearings on Putah Creek water; (b) fee for preparation of data presented before State committees; future fees undetermined to date; (c) monetary considerations not involved; (d) monetary considerations not involved. (5) (a) Napa County Board of Supervisors; (b) Farmers' Committee to Investigate Water Problems of Solano Irrigation District; (c) monetary considerations not involved; (d) monetary considerations not involved. (6) (a) Expenses of appearing before committees holding hearings on Putah Creek water; (b) none to date with respect to appearing before State and Federal committees; any future expenses—agreement not yet arrived at; (c) none; (d) none. (7) (a) Transportation, hotel, and food bills; (b) subject to future agreement; (c) none; (d) none.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) American Export Lines, Inc., 25 Broadway, New York, N. Y. (2) American Export Lines, Inc., 25 Broadway, New York, N. Y. (3) Indefinite. (4) $600 per month. This compensation also covers other services which are not affected by Public Law 601, Seventy-ninth Congress, and this registration. (5) American Export Lines, Inc., 25 Broadway, New York, N. Y. (6) Not fixed. Reimbursement of ordinary out-of-pocket expenses. (7) Telephone, telegraph, travel, and other incidental expenses.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) American President Lines, Ltd., 311 California Street, San Francisco, Calif. (2) American President Lines, Ltd., 311 California Street, San Francisco, Calif. (3) Indefinite. (4) $600 per month. This compensation also covers other services which are not affected by Public Law 601, Seventy-ninth Congress, and this registration. (5) American President Lines, Ltd., 311 California Street, San Francisco, Calif. (6) Not fixed. Reimbursement of ordinary out-of-pocket expenses. (7) Telephone, telegraph, travel, and other incidental expenses.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Farrell Lines, Inc., 26 Beaver Street, New York, N. Y. (2) Farrel Lines, Inc., 26 Beaver Street, New York, N. Y. (3) Indefinite. (4) $600 per month. This compensation also covers other services which are not affected by Public Law 601, Seventy-ninth Congress, and this registration. (5) Farrell Lines, Inc., 26 Beaver Street, New York, N. Y. (6) Not fixed. Reimbursement of ordinary out-of-pocket expenses. (7) Telephone, telegraph, travel, and other incidental expenses.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Grace Line, Inc., 10 Hanover Square, New York, N. Y. (2) Grace Line, Inc., 10 Hanover Square, New York, N. Y. (3) Indefinite. (4) $600 per month. This compensation also covers other services which are not affected by Public Law 601, Seventy-ninth Congress, and this registration. (5) Grace Line, Inc., 10 Hanover Square, New York, N. Y. (6) Not fixed. Reimbursement of ordinary out-of-pocket expenses. (7) Telephone, telegraph, travel, and other incidental expenses.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Lykes Bros. Steamship Co., Inc., Galveston, Tex. (2) Lykes Bros. Steamship Co., Inc., Galveston, Tex. (3) Indefinite. (4) $600 per month. This compensation also covers other services which are not affected by Public Law 601, Seventy-ninth Congress, and this registration. (5) Lykes Bros. Steamship Co., Galveston, Tex. (6) Not fixed. Reimbursement of ordinary out-of-pocket expenses. (7) Telephone, telegraph, travel, and other incidental expenses.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Bernard Peyton, and Bernard Peyton, executor, estate of Anne Peyton, deceased, Prettybrook Road, Princeton, N. J. (2) Bernard Peyton, and Bernard Peyton, executor, estate of Anne Peyton, deceased, Prettybrook Road, Princeton, N. J. (3) Indefinite. (4) Registrant is employed generally to perform legal services in connection with Federal estate-tax matters, including pending litigation, relating to the estate of Anne Peyton, deceased. The services to be performed are various in nature and it is not possible to make any allocation of the agreed compensation to activities which may be within the scope of Public Law 601, Seventy-ninth Congress, and this registration. (5) Bernard Peyton, and Bernard Peyton, executor, estate of Anne Peyton, deceased. (6) No fixed amount. Registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) United States Lines Co., 1 Broadway, New York, N. Y. (2) United States Lines Co., 1 Broadway, New York, N. Y. (3) Indefinite. (4) $600 per month. This compensation also covers other services which are not affected by Public Law 601, Seventy-ninth Congress, and this registration. (5) United States Lines Co., 1 Broadway, New York, N. Y. (6) Not fixed. Reimbursement of ordinary out-of-pocket expenses. (7) Telephone, telegraph, travel, and other incidental expenses.

Currea, Dr. Jose A., 71 Commonwealth Avenue, Chestnut Hill, Mass. (1) Self-employed. (2) The interest I have in my own plan called the "penthouses for veterans" plan, and in my patents involved in this

plan. (3) Indefinite. (4) I am receiving no compensation nor am I to receive any compensation from anyone. (5) None. (6) Nothing; paying my own expenses. (7) Daily maintenance ($10); also traveling expenses to and from the place of my activities.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn. (1) The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio. (2) The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio. (3) Indefinite. (4) $300 per month. (5) The B. F. Goodrich Co. (6) Indefinite; as incurred. (7) Stenographic, travel, telephone, and telegraph.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn. (1) The Firestone Tire & Rubber Co., Akron, Ohio. (2) The Firestone Tire & Rubber Co., Akron, Ohio. (3) Indefinite. (4) $300 per month. (5) The Firestone Tire & Rubber Co. (6) Indefinite; as incurred. (7) Stenographic, travel, telephone, and telegraph.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn. (1) Revere Copper & Brass, Inc., 230 Park Avenue, New York City. (2) See (1); as an attorney engaged in the general practice of law I represent the above-named client in appearances before Government departments and agencies and, incidentally, may be required to appear before committees of Congress. (3) Indefinite. (4) Indefinite; charges will be made in accordance with appearances required, time expended, professional judgment, and experience relied upon and services rendered. (5) See (1). (6) Indefinite; but as incurred. (7) Necessary stenographic and office expenses, essential travel, telephone charges.

d'Avile, Sarah H., 127 B Street SE., Washington, D. C. (1) National Council of the Arts, Sciences and Professions, 49 West Forty-fourth Street, New York, N. Y. (2) National Council of the Arts, Sciences and Professions. (3) Indefinite. (4) $75 per week. (5) National Council of the Arts, Sciences, and Professions. (6) Actual office and transportation expenses. (7) Office and transportation.

Davis, Gene B., Seventeenth and Pennsylvania Avenue NW., Washington, D. C. (1) American Automobile Association, Seventeenth and Pennsylvania Avenue NW., Washington, D. C. (2) I am employed by the American Automobile Association as writer, public relations department. It is my opinion that the work performed by me in the course of my employment is not of such character as to require registration under the specific language or apparent intent of Public Law 601. I am not employed for the principal purpose of aiding in accomplishing the passage or defeat of any legislation by the Congress of the United States. Therefore, this registration is filed as a precaution against the possibility of future interpretations beyond the apparent scope of the act, and by filing said statement or any subsequent report under Public Law No. 601, I do not concede that this law applies to me or that I am required to file any statement or report thereunder. (3) Undetermined. (4) I am paid on an annual salary basis and my salary covers all services performed in the course of my employment. The portion, if any, of said salary which might be construed as reportable to Congress under this law as payment made for the purpose of attempting to influence the passage or defeat of any legislation by the Congress of the United States is not presently determinable. (5) American Automobile Association. (6) No specific amount. (7) Actual expenses incurred.

Davis, Harry C., 1735 Fourteenth Street NW., Washington, D. C. (1) Independent Taxi Owners Association, Inc., 1735 Fourteenth Street NW., Washington, D. C. (2) In the interest of the company listed in (1) above. (3) Until December 31, 1950, or until the bill is passed. (4) Salary from Independent Taxi Owners Association, Inc., as a regular employee of association. (5) By the company listed in (1) above. (6) None at this time. (7) None at this time.

Drake, John, 1731 I Street NW., Washington, D. C. (1) National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (2) National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (3) Present employment does not involve lobbying activities of any kind and this registration is therefore terminated. (4) [Blank.] (5) [Blank.] (6) [Blank.] (7) [Blank.]

Ehlers, Joseph H., 1026 Seventeenth Street NW., Washington, D. C (1) American Society of Civil Engineers, 33 West Thirty-ninth Street, New York, N. Y. (2) American Society of Civil Engineers. (3) Retained on a part-time assignment as field representative of the society, rendering general service to local sections of the society, especially in 17 Eastern States. Occasional attention to matters of legislation of interest to the society and the engineering profession. (4) $1,000 per year for attention to legislative matters. (5) American Society of Civil Engineers. (6) Indefinite; certain out-of-pocket costs. (7) Office, travel, and minor miscellaneous items.

Engel, Leon J., 5 Hopkins Place, Baltimore, Md. (1) J. Engel & Co., Inc., wholesale jewelers; also chairman of the Jewelry Industry Tax Committee. (2) The jewelry industry. (3) Voluntary; no stated time. (4) No compensation. (5) No one. (6) Reimbursed for out-of-pocket expenses. (7) Telephone calls, postage, telegrams. Many other expenses are paid out of my pocket without reimbursement.

Ennis, P. Bateman, 844 Shoreham Building, Washington, D. C. (1) Antivivisection Society of the District of Columbia. (2) Antivivisection Society of the District of Columbia. (3) Indefinite. (4) The employment is an ordinary attorney-client relationship. A retainer of $500 has been paid and an additional sum of $500 is to be paid. (5) Antivivisection Society of the District of Columbia. (6) Nothing. (7) None.

Fillius, Maurice W., 703 National Press Building, Washington, D. C. (1) G. R. Kirk Co., Tacoma, Wash. (2) G. R. Kirk Co., Tacoma, Wash. (3) Indefinite. (4) Fee not yet determined. (5) G. R. Kirk Co. (6) Reimbursement for actual expenses incurred. (7) Usual and ordinary expenses incident to travel, communications, and other disbursements customary in legal work.

Fitzgerald, Bernard M., Washington Loan & Trust Building, Washington, D. C. (1) Law firm of Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C. (2) Brown, Lund & Fitzgerald and National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (3) Indefinite. (4) $500 per month. (5) The law firm of Brown, Lund & Fitzgerald. (6) Reimbursement of actual expenses. (7) Taxicabs, travel, telegram, telephone, etc.

Fox, Melvin J., 816 Twenty-first Street NW., Washington, D. C. (1) Committee for the International Trade Organization, 816 Twenty-first Street, Washington, D. C. (2) Committee for the International Trade Organization, 816 Twenty-first Street NW., Washington, D. C. (3) Indefinite. (4) $800 per month. (5) Committee for the International Trade Organization, Frederic A. Potts, treasurer. (6) Nominal. (7) Travel.

Gardiner, Elizabeth, 303 Lexington Avenue, New York, N. Y. (1) Citizens Committee on Displaced Persons, 303 Lexington Avenue, New York, N. Y. (2) The above committee. (3) At will. (4) Salary of $375 per month plus reimbursement of actual out-of-pocket expenses. (5) Citizens Committee on Displaced Persons. (6) Actual amount of out-of-pocket expenses. (7) Such items as railroad fare, travel subsistence, and telephone and telegraph tolls.

Gerrity, Harry J., 1001 Hill Building, Washington, D. C. (1) Oregon-Washington Bridge Co., Security Building, Olympia, Wash. (2) Same. (3) Eighty-first Congress, first session. (4) $2,500 paid January 3, 1949. (5) Oregon-Washington Bridge Co. (6) No specific amount. (7) Expenses customary in legal work, outside of office and overhead expenses.

Gilchrist, Thomas B., Jr., 120 Broadway, New York, N. Y. (1) Elizabeth von Elverfeldt, Bentheim, British zone, Germany, who is a client of the law firm of which I am a member, namely, Blakley, Platt, Gilchrist & Walker. (2) Client named in (1) above. (3) Indefinite. (4) No fee agreement has been made. (5) Client named in (1) above. (6) No specific amount agreed upon. (7) Travel, living expenses while traveling, telephoning, postage, and other expenses customary billed by attorneys as out-of-pocket disbursements.

Goodwin, William J., The Loch, Roslyn, N. Y. (1) Government of the Republic of China, Canton, China. (2) Same as above. (3) One year. (4) $25,000. (5) Government of the Republic of China. (6) None. (7) None.

Haas, John A., formerly of 1731 I Street NW., Washington, D. C. (1) Formerly employed by National Cooperative Milk Producers Federation, 1731 I Street, Washington, D. C. (2) [Blank.] (3) The employment of the above registrant by the federation terminated April 15, 1948, and this amended registration is filed for the purpose of showing the termination of such employment. (4) [Blank.] (5) [Blank.] (6) [Blank.] (7) [Blank.]

Harper, Elsie Dorothy, 600 Lexington Avenue, New York, N. Y. (1) National Board of the Young Women's Christian Associations, 600 Lexington Avenue, New York, N. Y. (2) National board of the Young Women's Christian Associations. (3) Annual. (4) $1,700 (annually). (5) National board of the Young Women's Christian Associations. (6) $1,360. (7) Stenographic help, travel, printing, stationery, postage, telephone, and telegraph.

Hennessy, John I., 217 Central Bank Building, Oakland, Calif. (1) Home Builders Council of California, Hearst Building, San Francisco, Calif. Registrant is employed as executive vice president by the Associated Home Builders of Alameda County, Inc. (California) but has temporarily been designated as Washington representative of Home Builders Council of California, which is a group of seven local home-builder associations in the State of California, including representatives's employer. Registrant does not believe he is subject to the Regulation of Lobbying Act, but files this registration under protest and by way of personal precaution considering the indefiniteness of that act. (3) Indefinite. (4) Actual out-of-pocket expenses. (5) Home Builders Council of California. (6) Actual. (7) Travel, hotel, meals, telephone, taxis, etc.

Hogg, Robert L., 230 North Michigan Avenue, Chicago, Ill. (1) American Life Convention. (2) American Life Convention. The American Life Convention is a voluntary unincorporated, nonprofit association of legal reserve life insurance companies. The purposes of this association as disclosed in article 11 of its constitution are: "Article 11—Objects and purposes: The objects and purposes of the convention shall be: 1. To advance life insurance as a social and economic service and to encourage transaction of the business in the best interests of policyholders and beneficiaries. 2. To preserve public confidence in life insurance by the advancement of sound business practices. 3. To promote study and research to the end that the life insurance business may keep abreast of national progress. 4. To promote mutual confidence and understanding among

the home offices, the field forces, and policyholders. 5. To furnish an outlet for presentation of institutional viewpoints on matters of supervision, legislation, and litigation." I do not believe that I am employed for the purpose of lobbying within the purview of the Federal Regulation of Lobbying Act. I am a regular full-time employee of the American Life Convention and as such participate in effecting all of the objects and purposes of that organization. From the foregoing quotation of article 11 of the constitution of the American Life Convention it is obvious that the objects and purposes of that organization extend far beyond Federal legislative matters. While, one of its objects is "to furnish an outlet for presentation of institutional viewpoints on matters of * * *, legislation * * *," nevertheless, this is only one of many. Even this one objective is strictly limited insofar as Federal legislation is concerned, by the fact that the regulation of insurance has been and with the enactment of the McCarran Act (Public Law 15, 79th Cong.; ch. 20, secs. 1–5, 1st sess.; 59 Stat. 33, 34; 15 U. S. C., secs. 10, 11–15, 15) will continue to be, primarily the responsibility of the individual States; therefore, almost all of the legislative activity of the American Life Convention has been in connection with State laws. Insofar as pending and prospective Federal legislation is concerned the American Life Convention expects to devote its principal efforts toward keeping its members informed as to its analyses and criticisms, if any, as well as the status of legislative matters affecting life insurance. It may also become advisable for a representative of the American Life Convention to appear before a committee of the Congress to give expression to the view of the institution of life insurance in connection with legislation which affects it. Any such appearance, however, is expressly exempt in the Lobbying Act itself from the registration requirements of that act. The American Life Convention is located at 230 North Michigan Avenue, Chicago, Ill. It does not have a Washington, D. C., office or representative. Its activity in connection with Federal legislation will be conducted only by its regular salaried employees, none of whom were engaged for the purpose of influencing the passage or defeat of such legislation. The Federal legislative activities, if any, of such employees will constitute only a small part of their many duties. (3) Regularly employed member of staff operating on a yearly salary basis. (4) I will be paid for the actual time which I devote to the Federal legislative functions of the American Life Convention and that time will be included as a part of my regular salary which is $25,000 per year. I seriously doubt that the so-called "legislative activity" of the American Life Convention falls within the scope of the Federal Regulation of Lobbying Act; however, I am glad to file the forms provided for therein for the information of the Congress of the United States with the reservation that such filing not be construed as an admission by me that said act applies to me or to the activity of the American Life Convention. (5) American Life Convention. (6) Actual personal expenses. (7) Travel, hotel, meals, taxi, and similar incidental expenses.

Home Builders Institute, 315 West Ninth Street, Los Angeles, Calif. (1) Registrant is a trade association, the membership of which consists of persons engaged in the business of building homes, and those interested in other aspects of the private-home-building industry. Its purposes and activities are the usual ones of a trade association. Since, however, great uncertainty surrounds the interpretation of the Regulation of Lobbying Act and since some small part of the activities of the association might be construed as attempting to influence legislation within the meaning of the act this registration statement is filed, under protest. (2) Registrant works in the interest of its members and of persons interested in the private home building industry. (3) The registrant has no agreement for payment. It has certain income from dues from members; such funds as it may receive for expenses in connection with activities which may be construed as influencing legislation will be reported at the end of each calendar quarter as required by the Regulation of Lobbying Act. (4) Same as (3) above. (5) Same as (3) above. (6) [Blank.] (7) [Blank.]

Howe, Joseph, 13534 Woodward Avenue, Highland Park, Mich. (1) Chrysler Chapter No. 3, Foreman's Association of America, 13534 Woodward Avenue, Highland Park, Mich. (2) Foreman's Association of America. (3) Only while lobbying on labor legislation. (4) Reimbursed only for actual time lost from work. (5) Chrysler Chapter No. 3, Foreman's Association of America. (6) Actual expenses incurred. (7) Transportation, meals, room, and other incidentals.

Hudson, Minor, Andrew A. Lipscomb, and Geoffrey Creyke, Jr., doing business as Hudson, Creyke, Kirks & Lipscomb, 444 Washington Building, Washington, D. C. (1) Mrs. Dora Fruman, 735 South Third Street, Philadelphia, Pa. (2) Mrs. Dora Fruman. (3) Until private bill for the relief of Mrs. Dora Fruman is acted upon. (4) A contingent fee of 10 percent of the amount appropriated by Congress, if any. (5) Mrs. Dora Fruman. (6) All out-of-pocket expenses, estimated to be less than $50. (7) Out-of-pocket expenses, which it is believed will be limited to travel expenses and will not exceed $50.

Hudson, Minor, Geoffrey Creyke, Jr., and Andrew A. Lipscomb, doing business as Hudson, Creyke & Lipscomb, 444 Washington Building, Washington, D. C. (1) Gardner Displays, 477 Melwood Street, Pittsburgh, Pa. (2) Gardner Displays. (3) Until House Joint Resolution 205 is acted upon, insofar as lobbying activities are concerned. (4) Fee of $300 per month. (5) Gardner Displays. (6) All out-of-pocket expenses. (7) All out-of-pocket expenses which it is believed will be limited to travel expenses and telephone costs.

Huschke, Henry A., 1415 Elliot Place NW., Washington, D. C. (1) Agricultural Limestone Institute, 1415 Elliot Place NW., Washington, D. C. (2) Agricultural Limestone Institute. (3) Indefinite; no fixed term. (4) I am paid on an annual salary basis and my salary covers all work performed by me as managing director of the Agricultural Limestone Institute. This includes administrative work in connection with the operation of the institute, the writing and preparation of promotional literature on the use of limestone on farm land, the compilation of industry statistics, the preparation of periodic news letters for the information of members, and such other managerial activities that arise in conducting the affairs of a trade association. The portion of my salary that might be construed to be reportable under the provisions of Public Law No. 601 is not at present determinable. It is my opinion that the work performed by me in the course of my employment is not of such character as to require registration under the specific language or apparent intent of Public Law No. 601. I am not employed for the principal purpose of aiding in accomplishing the passage or defeat of any legislation by the Congress of the United States. Therefore, this registration is filed as a precaution against the possibility of future interpretations beyond the apparent scope of the act, and by filing said statement or any subsequent report under Public Law No. 601, I do not concede that this law applies to me or that I am required to file any statement or report thereunder. (5). Agricultural Limestone Institute. (6) Reimbursement only for proper business expenses. (7) Routine business disbursements incurred, such as transportation and telephone in Washington, D. C., and, in addition, meals and lodging when away from Washington, D. C.

Ingles, William, 1624 I Street NW., Washington, D. C. (1) Continental Foundry & Machine Co., East Chicago, Ind. (2) Continental Foundry & Machine Co., East Chicago, Ind. (3) Indefinite. (4) Not definitely fixed. (5) Continental Foundry & Machine Co., East Chicago, Ind. (6) Nothing, except when and as authorized. (7) See (6) above.

Jeffrey, D. C., 644 East Bay Street, Jacksonville, Fla. (1) Merrill-Stevens Dry Dock & Repair, Merrill-Stevens Dry Dock Co., St. Johns River Shipbuilding Co., both at 644 East Bay Street, Jacksonville, Fla. (2) As stated in (1) above. (3) Indefinite. (4) I am to be paid or to receive no additional compensation for legislative activities. My regular compensation as a sales agent for the above companies remains unchanged. (5) Above employers. (6) Indefinite, but limited to actual out-of-pocket expenses. (7) Those actually incurred for transportation, telephone, telegraph, entertainment, etc.

Kendrix,[2] Moss H., legislative assistant, Legislative-Federal Relations Division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Legislative-Federal Relations Division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (2) Legislative-Federal Relations Division. (3) Annual basis. (4) Quarterly salary, $1,200, which covers both legislative and nonlegislative activities; $240 estimated for legislative service. (5) Legislative-Federal Relations Division. (6) Refund of actual expenses. (7) Travel, meals, cabs, hotel bills, tips, and usual personal expenses.

Ketcham, Ronald M., 1757 K Street NW., Washington, D. C. (1) Los Angeles Chamber of Commerce, 1151 South Broadway, Los Angeles, Calif. (2) Registrant is the Washington representative and manager of the Washington office of the Los Angeles Chamber of Commerce with headquarters at 1757 K Street NW., Washington, D. C. Registrant is not required in connection with any of the duties to be performed by him in the above capacity to aid or influence the passage or defeat of legislation by the Congress of the United States. The principal purposes for which registrant is employed by the Los Angeles Chamber of Commerce, and by reason of which the Washington office of said chamber is maintained, include the rendition of advisory, consulting and processing services to members of the organization and other businessmen and persons in the Los Angeles area in connection with compliance with existing Federal Government statutes, regulations, and agency rules. Registrant also keeps other members of the staff of the Los Angeles Chamber of Commerce and its membership and officers currently informed of changes and pending developments in connection with Federal Government statutes, rules and regulations, and transmits to Government officials, including on occasion members of Congress, factual statements relating to business and community problems of both a general and particular nature as affected by Government action. Registrant does not believe that his employment is of such nature as to require him to file this registration statement under the Lobbying Act. However, in addition to his normal duties in the capacities outlined above it is possible that registrant might, in connection with some particular pending legislation, be hereafter authorized or directed to engage in activities which, if and when performed, might require registration under the act. Accordingly, registrant is registering so as to be in compliance with the act if and when he may be so engaged

[2] Registration with the Clerk only.

in any such activity. (3) Full-time employee. (4) Annual compensation, $8,100. (5) Los Angeles Chamber of Commerce, 1151 South Broadway, Los Angeles, Calif. (6) $1,200, annual Washington expense allowance. (7) [Blank.]

Kittrell, W. H., Empire Bank Building, Dallas, Tex. (1) Melben Oil Co., 223 Fourth Avenue, Pittsburgh, Pa. (2) Same. (3) Indefinite. (4) $1,000 per month. (5) Melben Oil Co. (6) I am to be refunded all necessary personal expenses in connection with employment. (7) Hotel, traveling, telegraph, telephone.

Klein, Paul L., Room 812, 914 F Street NW., Washington, D. C. (1) No person; see (2) below. (2) National Council for a Permanent Fair Employment Practice Commission. (3) May 9, 1949, until further notice. (4) $75 per week. (5) See (2) above. (6) As they arise. (7) Miscellaneous; see quarterly report.

Kline, Robert E., Jr., 322 Munsey Building, Washington, D. C. (1) Kirlin, Campbell, Hickox & Keating, 120 Broadway, New York, N. Y. (2) Committee representing the following companies: American President Lines, Ltd.; Grace Line, Inc.; Keystone Shipping Co.; Lykes Bros. Steamship Co., Inc.; Mississippi Shipping Co., Inc.; Moore-McCormack Lines, Inc.; Paco Tankers; Socony-Vacuum Oil Co., Inc.; Standard Oil Co. (New Jersey), Marine Department; United Mail Steamship Co. (3) Indefinite. (4) Not yet determined. (5) By the companies mentioned in question No. 2, probably through their attorneys. (6) Probably will be reimbursed for out-of-pocket expenses. (7) Presume expenses will be for taxis, luncheons, long-distance telephone calls, telegrams, etc.

Landa, Alfons B., and T. Peter Ansberry, 815 Fifteenth Street, Washington, D. C. (1) S. H. Kress & Co., 114 Fifth Avenue, New York, N. Y.; McCrory Stores Corp., 1107 Broadway, New York, N. Y.; W. T. Grant Co., 1441 Broadway, New York, N. Y.; McLellan Stores Co., 55 Fifth Avenue, New York, N. Y.; J. J. Newberry Co., 245 Fifth Avenue, New York, N. Y.; and H. L. Green Co., Inc., 902 Broadway, New York, N. Y. (2) Registrants are retained in connection with pending wage-hour legislation by the group named in (1) above, for the purpose of informing, advising, and counseling them concerning the progress, interpretations, constitutionality, and legal effect of pending wage-hour and related legislation, including amendments currently proposed or which may be proposed, insofar as such legislation affects the vital interest of the variety chain stores named and of the consuming public which they serve. This undertaking will also include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrants do not believe that any of their activities including those named herein fall within the term "attempting to influence the passage or defeat of any legislation" as used in the Federal regulation of the Lobbying Act. This registration is being filed because of the uncertain interpretation of that act. (3) Indefinite. (4) Over-all retainer of $20,000. (5) S. H. Kress & Co., 114 Fifth Avenue, New York, N. Y.; McCrory Stores Corp., 1107 Broadway, New York, N. Y.; W. T. Grant Co., 1441 Broadway, New York, N. Y.; McLellan Stores Co., 55 Fifth Avenue, New York, N. Y.; J. J. Newberry Co., 245 Fifth Avenue, New York, N. Y.; and H. L. Green Co., Inc., 902 Broadway, New York, N. Y. Registrants are also members of the firm of Davies, Richberg, Beebe, Busick & Richardson engaged in the general practice of law before the courts and administrative bodies of the United States and of the District of Columbia. (6) Amount of expenses actually incurred. (7) Telephone and telegraph, transportation, and similar out-of-pocket expenses.

La Roe, Wilbur, Jr., Investment Building, Washington, D. C. (1) Eastern Meat Packers Association, 740 Eleventh Street NW., Washington, D. C. (2) Eastern Meat Packers Association. (3) Indefinite; subject to change by action of the board of directors of Eastern Meat Packers Association. (4) An annual fee of $6,000 is paid by the association to La Roe, Brown & Winn, a law partnership consisting of three partners, Wilbur La Roe, Jr., Frederick E. Brown, and Arthur L. Winn, Jr. Each of the partners named shares in this fee under the partnership agreement. This fee is paid for general legal services, no part being allocated for legislative work, and legislative work will not constitute more than a very small portion of the services rendered. If and when such work is performed, appropriate quarterly reports will be made as required. (5) Eastern Meat Packers Association. (6) No amount is specified but it will be merely reimbursement of incidental expenses incurred and will be relatively small. (7) Those incurred for incidental matters, such as telephone, printing, taxi fares, postage, travel.

Lee,[2] James R., 731 National Press Building, Washington, D. C. (1) Gas Appliance Manufacturers Association, 60 East Forty-second Street, New York, N. Y. (2) Gas Appliance Manufacturers Association and members of the association. (3) Indefinite. (4) $6,000 per annum. (5) Gas Appliance Manufacturers Association. (6) Actual disbursements are to be reimbursed, but not to exceed $100 per month. (7) For meals, taxis, travel, telephone, miscellaneous.

Lewis, C. Huffman, attorney at law, 1525 Slattery Building, Shreveport, La. (1) Union Producing Co. and United Gas Pipe Line Co., each having as its principal place of business and address United Gas Building, Shreveport, La. (2) Above-named companies. (3) No specified time. My law firm of Wilkinson, Lewis & Wilkinson has been retained by these companies for many years as counsel for general legal work. My interest in said firm is 43.75 percent. (4) Same as for any other legal work, which depends upon nature and time required. Said firm receives a monthly retainer from each of said companies in the amount of $750 per month, which is credited against total bill. (5) By each of said companies in proportion to work done for each. (6) Nothing except reimbursement for necessary travel and living expenses. (7) See (6) above.

Livingston, Lawrence, 2000 Russ Building, San Francisco, Calif. (1) Barrett & Hilp, a copartnership, 918 Harrison Street, San Francisco, Calif.; Barrett & Hilp, a corporation, 918 Harrison Street, San Francisco, Calif. (2) Barrett & Hilp, a copartnership, 918 Harrison Street, San Francisco, Calif.; Barrett & Hilp, a corporation, 918 Harrison Street, San Francisco, Calif. (3) Indefinite. (4) $25 per hour. (5) Barrett & Hilp, a copartnership; Barrett & Hilp, a corporation. (6) Actual expenditures of registrant. (7) Transportation, tips, meals, hotel rooms, beverages, and laundry. No entertainment.

McCloskey, Bryson deHaas, 1316 L Street NW., Washington, D. C. (1) Self, in the interest of 40,000,000 boys and girls in the United States of this and future generations. Registrant is also founder and president of Youth of America, a nonprofit association. (2) Same as (1) above. (3) Since August 6, 1948, at which time original registration with the Secretary of the Senate was filed with the belief that the duplicate copy of Form B was for the Clerk of the House of Representatives. (4) As lobbyist, he is serving without compensation of any kind whatsoever. The program of Youth of America fixes salaries of any and all those who may be employed therewith at $12,000 annually. No compensation has been paid to the registrant to date since the founding of the association in 1939. (5) Registrant is serving without compensation of any kind whatsoever. (6) Expenses will be provided from a special fund in addition to which a treasury will defray the expenses of a national monthly periodical. (7) Travel, publication, and all other expenses incident to the work of lobbying for the legislation desired; at a later date it is likely that expenses will include office, telephone, etc.

McDaniel, Robert S. (McDaniel & Ring, attorneys at law), 1038 Shoreham Building, Washington, D. C. (1) Chief Warrant and Warrant Officers Association, United States Coast Guard, 1105 K Street NW., Washington, D. C. (2) Same. (3) Times required to advise counsel, and represent above association with relation to military-pay bill now pending in Senate (H. R. 5007). (4) $1,500 paid as retainer fee; further fee, if any, to be determined at later time; fee is total to firm McDaniel & Ring. (5) Above association. (6) Nothing; included in above. (7) No agreement.

McGinnis, Edward F., 1135 National Press Building, Washington, D. C. (1) Distilled Spirits Institute, Inc., National Press Building, Washington, D. C. (2) The Distilled Spirits Institute is a trade association. Its membership consists of a number of distillers. The institute is not engaged in legislative activities as defined in Public Law No. 601 of the Seventy-ninth Congress. Activities of registrant have been confined to the State of Illinois, in relation to enforcement of liquor control laws, and other trade problems. This registration form is being filed for the reason that registrant may be assigned duties which would entail calls upon Members of Congress in an effort to keep the institute and its members fully informed regarding pending or proposed legislation. Registrant does not directly or indirectly solicit, collect, or receive money or other things of value to be used in influencing the passage or defeat of legislation. (3) Indefinite. (4) $12,000 per annum, plus ordinary travel expenses and incidentals. (5) Distilled Spirits Institute, Inc. (6) Actual out-of-pocket expenses incurred in regular course of duty. (7) Actual out-of-pocket expenses incurred in regular course of duty.

McGrath, Tom J., 324 Shoreham Building, Washington, D. C. (1) Fuels Research Council, Inc. (2) Fuels Research Council, Inc. (3) Indefinite. (4) $100 per day for services rendered in addition to monthly retainer of $500. (5) Fuels Research Council, Inc. (6) Not specified. (7) Postage, telephone, telegraph, traveling, and similar expenses.

McKinley, Royce B., 604 Hibbs Building, Washington, D. C. (1) National Grain Trade Council, 604 Hibbs Building, Washington, D. C. (2) National Grain Trade Council and its members. (3) Permanent. (4) $4,200, no specific part of which is attributable to or paid as compensation for activities defined by the Lobbying Act; any such activities actually conducted being incidental to the primary purposes of employment. (5) National Grain Trade Council. (6) Actual expenses. (7) Expenses such as publications, telephone calls, transportation costs, etc.

Mack, James Edward, National Confectioners' Association, 1028 Connecticut Avenue, NW., Washington, D. C. (1) National Confectioners' Association, 1 North La Salle Street, Chicago, Ill. (2) The manufacturers of confectionery products. (3) Indefinite. (4) $5,000 per annum. (5) National Confectioners' Association. (6) Indefinite. (7) Transportation, lunches, and other out-of-pocket expenses.

Mahony,[2] Abe Lincoln, 15 K Street NW., Washington, D. C. (1) Ivan N. Fuqua. (2) National Cooperative Insurance Association, Inc., 15 K Street NW., Washington, D. C. (3) Indefinite. (4) Receives salary; lobbying is incidental to other duties. (5) Ivan N. Fuqua Insurance Agency. (6) Incidental to other duties. (7) Telephones, taxicabs, stenography, entertainment.

[2] Registration with the Clerk only.

[2] Registration with the Clerk only.

Mann, W. Robert, 1627 Barlum Tower Building, Detroit, Mich. (1) Foreman's Association of America, 1627 Barlum Tower Building, Detroit, Mich. (2) Foreman's Association of America. (3) Only while lobbying on labor legislation. (4) Only actual expenses incurred. (5) Foreman's Association of America. (6) Only actual expenses incurred. (7) Transportation, meals, lodging, and other incidentals.

Marks,[1] Raymond E., 43 Sierra Street, Reno, Nev. (1) Southern Pacific Co., 65 Market Street, San Francisco, Calif. (2) Three major steam railroads operating within the State of Nevada (Southern Pacific Co., Union Pacific Railroad Co., the Western Pacific Railroad Co.). (3) Continuing. (4) Original statement, filed April 7, 1947, and as amended, April 1, 1948, should be amended to read: "As tax agent for Southern Pacific Co., registrant, effective October 1, 1948, is paid an annual salary of $6,000, and effective June 1, 1949, for his duties in connection with Nevada State and Federal legislative matters, registrant is paid additional compensation of $4,800, such additional amount being paid jointly by the three railroads above-named." (5) Railroads named in answer to (2). (6) No specific sum; expenses as incurred. (7) All out-of-pocket expenditures.

Marshall, Joseph Paull, 528 Union Trust Building, Washington, D. C. (1) William J. Goodwin, The Loch, Roslyn, N. Y. (2) William J. Goodwin. (3) To December 31, 1949. (4) $5,000. (5) William J. Goodwin. (6) None. (7) None.

Meadley, Elmer E., executive secretary, 904 Inland Building, Indianapolis, Ind. (1) Marion County Residential Builders, Inc., 904 Inland Building, Indianapolis, Ind. (2) Marion County Residential Builders, Inc., a nonprofit corporation. (3) Indefinitely. (4) $5,000 per annum. (5) Marion County Residential Builders, Inc. (6) No allowance for expenses. (7) None.

Megrath, Violet, 1740 K Street NW., Washington, D. C. (1) Americans for Democratic Action, 1740 K Street NW., Washington, D. C. (2) Americans for Democratic Action. (3) Indefinite. (4) $100 per week. (5) Americans for Democratic Action. (6) $10 per week, general expense allowance. (7) Miscellaneous and travel.

Mode, Douglas G., 414 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Ronald C. Seeley, 414 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (2) Jansson Gage Co., 19208 Glendale, Detroit, Mich. (3) One year or completion of assignment. (4) $3,000. (5) Ronald C. Seeley. (6) Any extraordinary expenses approved in advance. (7) Travel and out-of-pocket.

Morgan, Gerald D., and Leonard J. Calhoun, constituting the law firm of Morgan & Calhoun, 412 Washington Building, Washington, D. C. (1) Aluminum Research Institute, 20 North Wacker Drive, Chicago, Ill. (2) Aluminum Research Institute. (3) Until the end of the first session of the Eighty-first Congress. (4) A reasonable fee to be mutually agreed upon. (5) Aluminum Research Institute. (6) Nothing, except reimbursement for out-of-pocket expenses of communications and transportation. (7) Communications and transportation.

Morgan, Gerald D., and Leonard J. Calhoun, constituting the law firm of Morgan & Calhoun, 412 Washington Building, Washington, D. C. (1) The Toilet Goods Association, Inc., 9 Rockefeller Plaza, New York, N. Y. (2) The Toilet Goods Association, Inc. (3) During the remainder of 1949. (4) Have received retainer of $500 applicable to representing interests of association in connection with tax legislation. In addition to retainer association is to pay per diem at the rate of $150 per man-day for time necessarily spent in performing services, plus such further reasonable fee as may be mutually agreed upon. (5) The Toilet Goods Association, Inc. (6) Firm to be reimbursed for out-of-pocket expenses. (7) Telephone, telegraph, and travel.

Murphy, Dr. Emmett J. (chiropractor), 5737 Thirteenth Street NW., Washington, D. C. (1) National Chiropractic Insurance Co., National Building, Webster City, Iowa (also employed as director of public relations by the National Chiropractic Association, Inc., but performed no lobbying services for the latter organization). (2) National Chiropractic Insurance Co. (3) Present employment by National Chiropractic Insurance Co. as lobbyist commenced May 1, 1949, to continue indefinitely. Last appointment by National Chiropractic Association as director of public relations July 1, 1948. (4) Salary paid by National Chiropractic Insurance Co. is $100 a month for public-relations work and lobbying. (5) National Chiropractic Insurance Co. (6) No expenses allowed or paid by National Chiropractic Insurance Co. (7) None.

Myers, F. Weaver, 1000 Shoreham Building, Washington, D. C. (1) The Toilet Goods Association, Inc., 9 Rockefeller Plaza, room 1427, New York, N. Y. (2) The Toilet Goods Association, Inc. (3) One year, 1949. (4) The law firm of which registrant is a member, Hamel, Park & Saunders, 1000 Shoreham Building, Washington, D. C., is employed on an annual basis as Washington counsel for the Toilet Goods Association under the following fee arrangement: $1,000 annual retainer, plus $150 per man-day for each day of work done, plus whatever further reasonable fees may be agreed upon by the parties. This compensation covers all services, wherever rendered, including legal services, and no particular part of it has been allocated, or is allocable, specifically to services in connection with legislation. (5) The Toilet Goods Association, Inc. (6) Direct reimbursement for all out-of-pocket disbursements. (7) Long-distance telephone, telegraph, travel, and other such out-of-pocket expenses.

Notarianni, Alfred E., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) American Export Lines, Inc., 25 Broadway, New York, N. Y. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Notarianni, Alfred E., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) American President Lines, Ltd., 311 California Street, San Francisco, Calif. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Gross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Notarianni, Alfred E., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) Farrell Lines, Inc., 26 Beaver Street, New York, N. Y. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Notarianni, Alfred E., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) Grace Line, Inc., 10 Hanover Square, New York, N. Y. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Notarianni, Alfred E., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) Lykes Bros. Steamship Co., Inc., Galveston, Tex. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Notarianni, Alfred E., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) United States Lines, 1 Broadway, New York, N. Y. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

O'Neill, Edward E., 810 Eighteenth Street NW., Washington, D. C. (1) Self-employed in the private practice of law. (2) Peoples Committees of the Cattaraugus and Allegany Reservations of the Seneca Nation of Indians, New York, in conjunction with H. R. 4942. (3) Pending final action on said legislation. (4) $10 per hour; $50 per appearance before committees; $500 has been paid as retainer fee which will be subject to the hourly and committee charges. (5) Peoples Committees of the Cattaraugus and Allegany Reservations of the Seneca Nation of Indians, New York. (6) Actual traveling expenses; other necessary expenses incurred in preparation of statements relative to said legislation. (7) The same as set forth in (6) above.

Palmer, Robert S., 204 State Office Building, Denver, Colo. (1) Colorado Mining Association, 204 State Office Building, Denver, Colo. (2) Colorado Mining Association, 204 State Office Building, Denver, Colo. (3) Indefinite. (4) Expenses incurred traveling to Washington and while residing there temporarily. (5) Colorado Mining Association, 204 State Office Building, Denver, Colo. (6) Expenses as incurred. (7) Traveling and hotel expenses.

Parker, James P., 1010 Vermont Avenue NW., Washington, D. C. (1) National Association of Private Schools, 1010 Vermont Avenue NW., Washington, D. C. (2) Private trade and vocational schools who are members of the association. (3) Indefinite. (4) He is paid on a retainer basis of $150 per month for the year 1949 plus expenses

[1] Amended registration.

actually incurred. Note: By arrangement with the board of directors, effective April 1, 1949, the association is amortizing an outstanding indebtedness to Mr. Parker of $2,750 by additional monthly remittances of $100 per month. (5) National Association of Private Schools. (6) Such amounts as are incurred up to $75 a month. (7) Transportation, communications, entertainment, and administrative supplies.

Parks, Richard B., general manager, Smaller Business Association of New England, Inc., 212 Park Square Building, Boston, Mass. (1) Smaller Business Association of New England, Inc., 212 Park Square Building, Boston, Mass. (2) Above association. (3) Indefinite. (4) $7,500 per annum. (5) Above association. (6) Nominal; traveling. (7) Transportation, hotels, meals.

Parrish, George F., 706 Security Building, Charleston, W. Va. (1) West Virginia Railroad Association, 706 Security Building, Charleston, W. Va. (2) West Virginia Railroad Association and its member roads, as follows: Baltimore & Ohio Railroad Co., Norfolk & Western Railway Co., the New York Central Railroad Co., the Pennsylvania Railroad Co., Chesapeake & Ohio Railway Co., the Virginian Railway Co., Western Maryland Railway Co., and the Monongahela Railway Co. (3) Continuing; only a small portion of time devoted to national legislation. (4) $10,800 per annum, which is paid for all services rendered to the West Virginia Railroad Association, and only a very small part of which has to do with national legislation. (5) West Virginia Railroad Association. (6) Amount actually and necessarily expended on behalf of the West Virginia Railroad Association, in connection with the entire employment, only a part of which concerns national legislation. (7) Actual expenses incurred on business of the West Virginia Railroad Association, including that part which concerns national legislation.

Pavenstedt, Edmund William, 14 Wall Street, New York, N. Y. (1) White & Case, 14 Wall Street, New York, N. Y. (2) International Minerals & Chemical Corp., 20 North Wacker Drive, Chicago, Ill. (3) Annual retainer. (4) It is impossible to determine in advance whether registrant's Federal legislative work, which comprises only an incidental and minor part of registrant's duties, will be charged against the annual retainer paid to White & Case by International Minerals & Chemical Corp., or whether a separate charge will be made for such work. (5) See answer to (1). (6) The firm of White & Case will reimburse the registrant and will itself be reimbursed by International Minerals & Chemical Corp. for actual out-of-pocket expenses incurred by the registrant. (7) Usual disbursements customary in legal work.

Peck, Rankin P., 205 East Adams Avenue, Detroit, Mich. (1) I serve as president, without pay, National Congress of Petroleum Retailers, Inc., 205 East Adams Avenue, Detroit, Mich. (2) National Congress of Petroleum Retailers, Inc. (3) Two months more on unexpired 2-year term, plus an added maximum term of 2 years, if reelected. (4) Paid nothing; do not expect to receive any pay. The registrant believes he does not engage in activities, the principal purpose of which is to influence, directly or indirectly, the passage or defeat of legislation by the Congress of the United States. He receives no salary, nor is he acting under anyone's direction. He is motivated as a citizen interested in legislation to be enacted for the good of the country as a whole. (5) No one (see (4).) (6) Actual out-of-pocket expenses. (7) Only actual expenses incurred; hotel, travel, telegraph, telephone, etc.

Phillips, George C., 1627 Barium Tower, Detroit, Mich. (1) Foremans Association of America, 1627 Barium Tower, Detroit, Mich. (2) Foremans Association of America. (3) Only while lobbying on labor legislation. (4) $500 a month on a per diem basis. (5) Foremans Association of America. (6) Actual expenses incurred. (7) Transportation, meals, room, and other incidentals.

Pittman & Roberts, 815 Fifteenth Street NW., Washington, D. C. (1) Texas Independent Producers and Royalty Owners Association, Austin, Tex. (2) Texas Independent Producers and Royalty Owners Association. (3) Indefinite. (4) $5,000 retainer, and $1,000 per month. (5) Texas Independent Producers and Royalty Owners Association. (6) No allowance for expenses. (7) None.

Pratt, Edith, Room 516, 930 F Street NW., Washington, D. C. (1) National Committee to Defeat the Mundt Bill, Room 516, 930 F Street NW., Washington, D. C. (2) Same as in (1) above. (3) Indefinite. (4) $60 a week salary and $15 a week expenses. (5) Same as in (1) above. (6) $15 a week. (7) Carfare, travel, miscellaneous expenses incurred in connection with official duties.

Pyle, H. R., executive secretary, Arkansas Education Association, 503 Union Life Building, Little Rock, Ark. (1) Arkansas Education Association, 503 Union Life Building, Little Rock, Ark. (2) Arkansas Education Association. (3) During the time S. 246 is being considered by the Congress. (4) Paid at the rate of $800. (5) Arkansas Education Association. (6) Refund of actual expenses. (7) Travel, meals, cabs, hotel bills, tips, and usual personal expenses.

Ramsey, DeWitt C., 610 Shoreham Building, Washington, D. C. (1) Aircraft Industries Association of America, Inc., Shoreham Building, Fifteenth and H Streets NW., Washington, D. C. (2) Aircraft Industries Association of America, Inc. (3) Registrant is under contract for 3 years as general manager of said association and has been elected its president for the term ending December 1, 1949, or until his successor is elected and qualifies. In the opinion of the registrant, none of his activities, past, present, or contemplated, fall within the terms of Public Law 601, Seventy-ninth Congress. (4) Salary at the rate of $30,000 per annum, no part of which, however, is paid for activities covered by Public Law 601, Seventy-ninth Congress. (5) Aircraft Industries Association of America, Inc. (6) Actual expenses incurred in connection with association activities will be reimbursed. (7) See (6).

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Employed as associate by C. Jasper Bell, attorney for Anderson T. Herd, S. A. Markel, Mrs. Rose Porter Carden, and George A. Carden, Jr., administrators of the estate of George A. Carden, Sr., deceased. (2) Anderson T. Herd, Mrs. Rose Porter Carden, and George A. Carden, Jr., (3) Clients may terminate employment upon final adjournment of Eighty-first Congress if no legislation looking to relief has been passed by that time, unless S. A. Markel commits himself for an additional period. (4) Undetermined; registrant will participate in compensation received by C. Jasper Bell, as stated in registration papers filed by said C. Jasper Bell. (5) C. Jasper Bell. (6) No amount fixed. (7) Miscellaneous small out-of-pocket disbursements for transportation, telephone, telegraph, etc.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Wilcox Electric Co., Inc., Fourteenth and Chestnut Streets, Kansas City, Mo. (2) Wilcox Electric Co., Inc., Fourteenth and Chestnut Streets, Kansas City, Mo. (3) Indefinite. (4) Ten percent of any amount which may be received in the event a proposed private relief bill is enacted and becomes law. (5) Wilcox Electric Co., Inc., Fourteenth and Chestnut Streets, Kansas City, Mo. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation; communication, and similar out-of-pocket expenses.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) American Export Lines, Inc., 25 Broadway, New York, N. Y. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communicatio and similar out-of-pocket expenses.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) American President Lines, Ltd., 311 California Street, San Francisco, Calif. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and simiar out-of-pocket expenses.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) Farrell Lines, Inc., 26 Beaver Street, New York, N. Y. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) Grace Line, Inc., 10 Hanover Square, New York, N. Y. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount, registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) Lykes Bros. Steamship Co., Inc., Galveston, Tex. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truit & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) Bernard Peyton, and Bernard

Peyton, executor, estate of Anne Peyton, deceased, Prettybrook Road, Princeton, N. J. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (2) United States Lines Co., 1 Broadway, New York, N. Y. (3) Indefinite. (4) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (5) Cummings, Stanley, Truitt & Cross. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Ring, Daniel S. (McDaniel & Ring, attorneys at law), 1038 Shoreham Building, Washington, D. C. (1) Chief Warrant and Warrant Officers Association, United States Coast Guard, 1105 K Street NW., Washington, D. C. (2) Same. (3) Time required to advise, counsel, and represent above association with relation to military pay bill now pending in Senate (H. R. 5007). (4) $1,500 paid as retainer fee; further fee, if any, to be determined at later time; fee is total to firm McDaniel & Ring. (5) Above association. (6) Nothing; included in above. (7) No agreement.

Rivers,[2] Herbert, room 501, A. F. of L. Building, Washington, D. C. (1) Building and construction trades department, American Federation of Labor, room 501, A. F. of L. Building, Washington, D. C. (2) In the interest of building tradesmen, members of the 19 building and construction trades unions affiliated with the building and construction trades department, A. F. of L. (3) Present term of office as secretary-treasurer from January 1, 1947, to December 31, 1951. (4) Salary as secretary-treasurer of the building and construction trades department $18,000 a year. (5) Building and construction trades department, American Federation of Labor. (6) Only actual expense in traveling from office to Capitol. (7) Taxi fare.

Rosenblatt,[2] Maurice, 2315 Massachusetts Avenue NW., Washington, D. C. (1) Randolph Association, 333 North Michigan Avenue, Chicago, Ill. (2) The interest of the Randolph Association. (3) Starting as of June 1949 for the duration of the Eighty-first Congress, first session. (4) $200 per month. (5) Randolph Association. (6) Determined by actual out-of-pocket expenses. (7) Office, travel, communications, transcribing of records and clerical help, and incidental expenses as may be incurred.

Rule, Gordon W., Union Trust Building (room 427), Washington, D. C. (1) Miss Cathryn A. Giesener, 1126 Bush Street, San Francisco, Calif. (2) Same as (1). (3) During the pendency of S. 469 and/or H. R. 3325 of the Eighty-first Congress, private companion bills for the relief of Miss Cathryn A. Giesener. (4) A percentage of the amount received by Miss Giesener, not to exceed the usual limitation of 10 percent. (5) Same as (1). (6) Actual out-of-pocket expenditures. (7) Telephone calls, telegrams, and taxicabs.

Saunders, Stuart T., law department, Norfolk & Western Railway Co., Roanoke, Va. (1) Norfolk & Western Railway Co., Roanoke, Va. (2) Norfolk & Western Railway Co. (3) Regular full-time employment as assistant general counsel of Norfolk & Western Railway Co. to do legal work. (4) As assistant general counsel, I am paid a salary by the Norfolk & Western Railway Co. to do legal work. I do not and will not receive any extra compensation for doing legislative work. (5) My salary is paid by the Norfolk & Western Railway Co. (6) No definite amount. I am only reimbursed for out-of-pocket expenses incident to traveling. (7) Traveling, including hotel accommodations and food.

Sayre, Charles Richard, care of Delta Council, Stoneville, Miss. (1) Delta Council, Stoneville, Miss. (2) I appear and work in the interest of the membership of the Delta Council. Delta Council is an organization supported by the boards of supervisors of the 18 alluvial counties in Mississippi, and the farmer and business memberships. (3) Indefinite. (4) My employment as economist and executive director of Delta Council is my primary interest. Any activities involving legislation are incidental to my other duties. (5) Delta Council, Stoneville, Miss. (6) Actual expenses. (7) Expenses involved in travel and for subsistence.

Schell, Orville H., Jr., 1 Wall Street, New York, N. Y. (1) Member of the firm of Hughes, Hubbard & Ewing, 1 Wall Street, New York, N. Y., which firm receives a general retainer from Mallinckrodt Chemical Works, St. Louis, Mo.; Merck & Co., Inc., Rahway, N. J.; and New York Quinine & Chemical Works, Inc., Brooklyn, N. Y., for professional services. Registrant does not believe that he is subject to the provisions of the act. (2) See answer to (1). (3) Annual retainer for professional legal services. (4) It is impossible to determine in advance (prior to filing of Form C for a given quarter) what portion of the annual retainer based on an allocation of time expended might be attributable to registrant's work on legislation. Such work comprises only a small part of registrant's duties under the retainers. (5) See answer to (1). (6) Out-of-pocket expenses. (7) Usual disbursements customary in legal work.

Scribner,[2] Thornton, box 89, Lovelock, Nev. (1) Berryessa Valley Protective Association, Monticello, Napa County, Calif. (2) The people of Berryessa Valley of California. (3) Thirty days. (4) None. (5) None (on vacation from George E. Gamble, Knoxville Mine, Monticello, Calif.). (6) 750. (7) Railroad fare, hotel, and meals.

Seeley, Ronald C., 414 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Jansson Gage Co., 19208 Glendale, Detroit, Mich. (2) Own. (3) One year or completion of assignment. (4) $5,000. (5) Harold Norberg, president, Jansson Gage Co., Detroit, Mich. (6) Any extraordinary expenses approved in advance. (7) Travel and out-of-pocket.

Shaw, A. Manning, Washington Loan & Trust Building, Washington, D. C. (1) Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C. (2) Law firm of Brown, Lund & Fitzgerald and National Association of Electric Cos., 1200 Eighteenth Street NW., Washington, D. C. (3) Indefinite. (4) $1,208.33 per month. (5) Brown, Lund & Fitzgerald. (6) Reimbursement of actual expenses. (7) Taxicabs, travel, telephone, telegraph, etc.

Shield, W. Lee, 230 North Michigan Avenue, Chicago, Ill. (1) American Life Convention. (2) American Life Convention. The American Life Convention is a voluntary unincorporated, nonprofit association of legal reserve life insurance companies. The purposes of this association as disclosed in article II of its constitution are: "Article II, Objects and Purposes: The objects and purposes of the convention shall be: 1. To advance life insurance as a social and economic service and to encourage transaction of the business in the best interests of policyholders and beneficiaries. 2. To preserve public confidence in life insurance by the advancement of sound business practices. 3. To promote study and research to the end that the life-insurance business may keep abreast of national progress. 4. To promote mutual confidence and understanding among the home offices, the field forces, and policyholders. 5. To furnish an outlet for presentation of institutional viewpoints on matters of supervision, legislation and litigation." I do not believe that I am employed for the purpose of lobbying within the purview of the Federal Regulation of Lobbying Act. I am a regular full-time employee of the American Life Convention and as such participate in effecting all of the objects and purposes of that organization. From the foregoing quotation of article II of the constitution of the American Life Convention it is obvious that the objects and purposes of that organization extend far beyond Federal legislative matters. While, one of its objects is "to furnish an outlet for presentation of institutional viewpoints on matters of * * *, legislation * * *," nevertheless, this is only one of many. Even this one objective is strictly limited insofar as Federal legislation is concerned, by the fact that the regulation of insurance has been, and with the enactment of the McCarran Act (Public Law 15, 79th Cong.; ch. 20, secs. 1–5, 1st sess.; 59 Stat. 33, 34; 15 U. S. C., secs. 10, 11–15) will continue to be, primarily the responsibility of the individual States; therefore, almost all of the legislative activity of the American Life Convention has been in connection with State laws. Insofar as pending and prospective Federal legislation is concerned the American Life Convention expects to devote its principal efforts toward keeping its members informed as to its analyses and criticisms, if any, as well as the status of legislative matters affecting life insurance. It may also become advisable for a representative of the American Life Convention to appear before a committee of the Congress to give expression to the view of the institution of life insurance in connection with legislation which affects it. Any such appearance, however, is expressly exempt in the Lobbying Act itself from the registration requirements of that act. The American Life Convention is located at 230 North Michigan Avenue, Chicago, Ill. It does not have a Washington, D. C., office or representative. Its activity in connection with Federal legislation will be conducted only by its regular salaried employees, none of whom were engaged for the purpose of influencing the passage or defeat of such legislation. The Federal legislative activities, if any, of such employees will constitute only a small part of their many duties. (3) Regularly employed member of staff operating on a yearly salary basis. (4) I will be paid for the actual time which I devote to the Federal legislative functions of the American Life Convention and that time will be included as a part of my regular salary which is $12,000 per year. I seriously doubt that the so-called legislative activity of the American Life Convention falls within the scope of the Federal Regulation of Lobbying Act; however, I am glad to file the forms provided for therein for the information of the Congress of the United States with the reservation that such filing not be construed as an admission by me that said act applies to me or to the activity of the American Life Contion. (5) American Life Convention. (6) Actual personal expenses. (7) Travel, hotel, meals, taxi, and similar incidental expenses.

[1] Registration with the Clerk only.

[2] Registration with the Secretary only.

Shryock, Thomas J., Jr., 1615 L Street NW., Washington, D. C. (1) Remington Rand, Inc., 1615 L Street, NW., Washington, D. C. (2) Branch sales manager of the typewriter division. (3) I was employed for approximately 3 years by one of the corporations which was merged when Remington Rand Inc. was formed in 1927, and have been continuously in the employ of that corporation since its organization. (4) My sole compensation is based upon the volume of typewriter sales made by the branch of which I am the manager. My rate of compensation is 2½ percent on these gross sales, subject to revision, up or down, depending upon the net profit of the corporation derived from these operations. (5) Remington Rand Inc. (6) None, other than in connection with the direct sale of typewriters. (7) Nothing.

Silberstein, Robert J., 902 Twentieth Street NW., Washington, D. C. (1) National Lawyers Guild, 902 Twentieth Street NW., Washington, D. C. (2) National Lawyers Guild. (3) Year to year. (4) Salary, $6,240 per annum for all services as executive secretary of the National Lawyers Guild, work upon legislation being a very minor aspect of such duties. (5) National Lawyers Guild. (6) Actual out-of-pocket expenses. (7) Taxicabs, telephones, and bus fare.

Simon, William, 1 North LaSalle Street, Chicago, Ill. (1) Council for Clarification of Pricing Practices, 111 West Washington Street, Chicago, Ill. (2) Council for Clarification of Pricing Practices, for legislation to clarify pricing practices. (3) Indefinite. (4) $1,500 per month to be paid to Miller, Gorham, Wescott & Adams (of which William Simon is a member). (5) Council for Clarification of Pricing Practices. (6) Actual reimbursement traveling expenses while traveling outside Chicago and long-distance telephone calls. (7) Traveling expenses while traveling outside Chicago and long-distance telephone calls.

Slipher, Stephen G., 1177 National Press Building, Washington, D. C. (1) United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill. (2) United States Savings and Loan League. (3) Employed since 1941, duration of employment subject to annual appointment by chairman of executive committee. (4) $2,800 per annum for legislative work out of a total salary of $7,000. (5) United States Savings and Loan League. (6) Actual expenses (no regular allowance). (7) Transportation, subsistence (when away from city of residence), taxi, telephone, and other incidental business expenses actually incurred.

Smith, Harold O., Jr., 837 Investment Building, Washington, D. C. (1) United States Wholesale Grocers' Association, Inc., 837 Investment Building, Washington, D. C. (2) The wholesale grocers of the continental United States and its possessions. (3) Annual, full-time basis of employment as executive vice president, in which capacity it is sometimes necessary to appear before committees of Congress at public hearings in behalf of the industry. (4) Fixed salary as the executive officer of a national trade association. (5) United States Wholesale Grocers' Association, Inc. (6) No budget is provided for legislative work as this is only incidental to the assignment. The principal responsibilities are trade-association activities and contacts with Government agencies. (7) The entire amount expended in connection with legislative activities consists of occasional taxi fares and telephone calls.

Smith, Howard J., 510 Goodrich Building, Phoenix, Ariz. (1) Central Arizona Project Association, Wayne M. Akin, president, 510 Goodrich Building, Phoenix, Ariz. (2) Central Arizona Project Association, Phoenix, Ariz. (3) Indefinite. (4) $750 per month. (5) Central Arizona Project Association, Phoenix, Ariz. (6) Actual and necessary expenses, car mileage, plane and travel fare, room and board when engaged in travel in interest of work of the association. (7) All expenses listed above and any additional expenses which may occur in connection with work of the association.

Smith, Ray E., 1021 Hume Mansur Building, Indianapolis, Ind. (1) Indiana State Medical Association. (2) Indiana State Medical Association. (3) Two years. (4) Nothing; no salary. (5) [Blank.] (6) To be reimbursed actual expenses. (7) Traveling expenses, including hotel bill, meals, telephone, telegraph, etc.

States, Hugh W., 718 Jackson Place NW., Washington, D. C. (1) Transport Workers Union; Air Transport Division, 81-16 Roosevelt Avenue, Jackson Heights, Long Island, N. Y. (2) Air Transport Division of TWU. (3) Indefinite. (4) $610 per month. (5) Flight radio officers' section of Air Transport Division, Local 505. (6) Bona fide. (7) Transportation, hotel, meals, laundry, and entertainment.

Sutherland, Tuttle & Brennan, Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Bernard Peyton, and Bernard Peyton, executor, estate of Anne Peyton, deceased, Prettybrook Road, Princeton, N. J. (2) Bernard Peyton, and Bernard Peyton, executor, estate of Anne Peyton, deceased. (3) Indefinite. (4) Registrant is employed generally to perform legal services in connection with Federal estate tax matters, including pending litigation, relating to the estate of Anne Peyton, deceased. The services to be performed are various in nature and it is not possible to make any allocation of the agreed compensation to activities which may be within the scope of Public Law 601, Seventy-ninth Congress, and this registration. (5) Bernard Peyton, and Bernard Peyton, executor, estate of Anne Peyton, deceased. (6) No fixed amount; registrant will be reimbursed for ordinary expenses incurred. (7) Transportation, communication, and similar out-of-pocket expenses.

Taft, Charles P., 906 First National Bank Building, Cincinnati, Ohio. (1) Greenhills Home Owners' Corp., Greenhills, Ohio. (2) Greenhills Home Owners' Corp. (3) General counsel of the corporation since its organization March 4, 1948. (4) Paid on a basis of time devoted to the work of the corporation, which is primarily its business in Cincinnati, Ohio. Amount received for all purposes in 1948, $2,550. (5) Greenhills Home Owners' Corp. (6) Travel expenses only. (7) Actual out-of-pocket travel expenses.

Taylor, Edward D., 1903 N Street NW., Washington, D. C. (1) Office Equipment Manufacturers Institute, 1903 N Street NW., Washington, D. C. The Office Equipment Manufacturers Institute, a nonprofit trade association, was organized for the purpose of: 1. To consider and deal with industry problems, such as are involved in production, distribution, and financial functions of the office machinery and equipment industry; to secure cooperation for the advancement of the purposes of the members; to foster equity and high standard of dealing between members and the public, and to promote activities aimed toward the greatest economy and efficiency and best possible service to customers. 2. To give adequate consideration and render opinions upon matters affecting the industry and the financial, commercial, and industrial interests of the Nation. 3. To cooperate with other industries and organizations for the common good. 4. To do such things as are necessary and proper for the accomplishment of the objects set forth, or which now are or hereafter may be recognized as proper and lawful objectives of trade associations, all of which shall be consistent with the public interest, as well as in the interest of this industry. The membership is composed of 47 manufacturers of office machines and equipment. (2) Office Equipment Manufacturers Institute. (3) Indefinite, as long as he is employed as administrative vice president of Office Equipment Manufacturers Institute. (4) Registrant is employed as administrative vice president of the Office Equipment Manufacturers Institute. His duties are chiefly concerned with the general management and administration of all phases of the institute's various programs designed for the accomplishment of the purposes of the institute outlined in (1) above. As administrative vice president of the institute registrant is paid an annual salary for all services performed by him. As his duties are many and varied, it is not possible at this time to apportion any percentage of his time or estimate what portion of his annual salary could reasonably be allocated to activities which might be deemed to be covered by the Federal Regulation of Lobbying Act. It is reasonably estimated, however, that any legislative activities performed by registrant will be negligible in relation to his other duties and only a relatively small share of his annual compensation can properly be allocated to activities coming within the scope of the Lobbying Act. This will be reported on quarterly reports if any activity within the scope of the act is undertaken or performed. (5) Office Equipment Manufacturers Institute. (6) Actual expenses. (7) Transportation, telephone, and other communication plus any other incidental expenses.

Tharin, Whitney, Room 700, 930 F Street NW., Washington, D. C. (1) National Potato Council, Room 700, 930 F Street NW., Washington, D. C. (2) National Potato Council. (3) March 1, 1949, until terminated. (4) No compensation in addition to remuneration as executive secretary. (5) National Potato Council. (6) Reimbursement of traveling and hotel (or its equivalent) expenses. (7) See (6) above.

Thornton, Daniel C., 1627 Barlum Tower, Detroit, Mich. (1) United States Rubber Co. Chapter, No. 8, Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (2) Foreman's Association of America. (3) Only while lobbying on labor legislation. (4) Reimbursement for actual working time lost plus expenses incurred. (5) United States Rubber Co. Chapter, No. 8, Foreman's Association of America. (6) Actual expenses incurred. (7) Transportation, lodging, meals, and other incidentals.

Townsend, R. M., Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (2) Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (3) Indefinite. (4) Mr. R. M. Townsend is employed as traveling representative of the Mississippi Valley Association. His employment is not primarily in connection with legislative matters, but upon occasion, when the interests of the association require, he may act as its representative in matters which relate to pending or anticipated legislation. Mr. Townsend's base salary is $4,800 per year, with an arrangement under which he obtains additional compensation related to the income derived by the Mississippi Valley Association through his solicitation. (5) Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (6) Actual expenditures. (7) Travel and subsistence.

Van Antwerp, Garet, III, 354 St. Francis Street, Mobile, Ala.; 709 Washington Hotel, Washington, D. C. (1) Employed as an associate by C. Jasper Bell, attorney for Anderson T. Herd, Mrs. Rose Porter Carden, and George A. Carden, Jr., administrators of the estate of George A. Carden, Sr., deceased. (2) Anderson T. Herd, Mrs. Rose Porter Carden, and

George A. Carden, Jr. (3) Clients may terminate employment upon final adjournment of the Eighty-first Congress in the event no legislation looking to relief is passed by that time unless S. A. Markel commits himself for an additional period of time. (4) The amount registrant is to be paid cannot be determined at this time. Registrant will participate in compensation received by C. Jasper Bell, as stated in registration papers filed by said C. Jasper Bell. (5) C. Jasper Bell. (6) No amount is fixed. (7) Miscellaneous out-of-pocket disbursements for transportation, telephone, telegraph, lodging, and the like.

Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va. (1) This is a nonprofit corporation formed under the laws of the State of Virginia. (2) For the businessmen who compose its membership. (3) Of indefinite duration. (4) The association receives voluntary financial contributions for its support. (5) As shown above, by those who compose its membership. (6) All the contributions, which are of indefinite amounts, are used for the expenses of the association. (7) All expenses necessary to conduct the affairs of the association.

Watson, Robert, attorney at law, Tower Building, Washington, D. C. (1) The American Humane Association, 135 Washington Avenue, Albany, N. Y. (2) American Humane Association; Federated Animal Welfare Society of Maryland, Virginia, West Virginia, and District of Columbia; Arlington County (Va.) Animal Welfare League; Dog Owners' Association of Montgomery County, Md.; Animal Rescue League of Montgomery County, Md.; Animal Welfare League of Alexandria, Va.; and Animal Rescue League of District of Columbia. (3) Indefinite. (4) $1,000. (5) American Humane Association. (6) Nothing. (7) None.

Welsh, William E., 1119 National Press Building, Washington, D. C. (1) National Reclamation Association, William E. Welsh, secretary-manager, 1119 National Press Building, Washington, D. C. (2) National Reclamation Association, comprising 17 western reclamation States. (3) Permanent. (4) $12,000 annually. (5) National Reclamation Association. (6) Maximum of $2,000 per year for travel and out-of-pocket expenses not to exceed $500 per year. (7) (See copy of constitution of the National Reclamation Association attached.[4])

Wheeler, Edward K., 704 Southern Building, Washington, D. C. (1) The Commercial Pacific Cable Co., of New York, N. Y., has retained Edward K. Wheeler, for a remuneration of $750 per month, to act as special Washington representative and to assist the company in the collection of war damage claims. The nature of the employment necessarily involves conferences with the Navy Department, the State Department, and other agencies, and incidental thereto, support of the enactment of appropriate legislation which may be of assistance to the company. (2) See (1). (3) See (1). (4) See (1). (5) See (1). (6) Actual expenses. (7) Petty-cash disbursements such as taxi fares, long-distance calls, etc.

Wilkinson, Ernest L., and Glen A. Wilkinson, 744 Jackson Place NW., Washington, D. C. (1) Employed by the Confederated Bands of Ute Indians enrolled at the Uintah and Ouray Agency in Utah and the Southern Ute Agency in Colorado. (2) See (1) (3) Ernest L. Wilkinson represents the Confederated Bands of Ute Indians under contracts approved by the Commissioner of Indian Affairs in accordance with law. Glen A. Wilkinson is associated with him. He is employed to prosecute certain claims against the United States on behalf of the Ute Indians. Possible settlement negotiations now being conducted with the Department of Justice, or further prosecution of their claims, may require special legislation. (4) Remuneration will be determined by the Court of Claims but is limited by law to a maximum of 10 percent of any judgment recovered. (5) If successful, applicant will be paid from funds on deposit in the United States Treasury to the credit of the Confederated Bands of Ute Indians. (6) Applicant will be reimbursed for any necessary expenses incurred in pursuing claims on behalf of the Ute Indians. All expenses are paid after approval by the Commissioner of Indian Affairs. (7) See (6).

Williamson, C. J. S., 901 Shoreham Building, Washington, D. C. (1) California State Chamber of Commerce, 350 Bush Street, San Francisco, Calif. (2) [Blank.] (3) [Blank.] (4) Salary at the rate of $8,000 or $2,000. Washington expense allowance at the rate of $1,800 or $450. (5) [Blank.] (6) [Blank.] (7) [Blank.]

Wilson, Frank E., 1635 Casitas Avenue, Pasadena, Calif. (1) American Ex-Prisoners of War, 909 Fourth Avenue, Seattle, Wash.; American Internees Committee, 1635 Casitas Avenue, Pasadena, Calif. (2) All American prisoners of war who were captured by the enemy in World War II. (3) Voluntary for the past 4 years. (4) No compensation of any kind. (5) Nobody. (6) Railroad fares to Washington if deemed necessary. (7) Railroad and living expenses while away from California.

Wilson,[3] Mary Faith, 132 Third Street SE., Washington, D. C. (1) American Parents Committee, 132 Third Street SE., Washington, D. C. (2) American Parents Committee. (3) Month of July 1949. (4) $75 per week and expenses. (5) American Parents Committee. (6) [Blank.] (7) Travel, entertainment, etc.

Winn, Arthur L., Jr., Investment Building, Washington, D. C. (1) Eastern Meat Packers Association, 740 Eleventh Street NW., Washington, D. C. (2) Eastern Meat Packers Association. (3) Indefinite; subject to change by action of the board of directors of Eastern Meat Packers Association. (4) An annual fee of $6,000 is paid by the association to La Roe, Brown & Winn, a law partnership consisting of three partners, Wilbur La Roe, Jr., Frederick E. Brown, and Arthur L. Winn, Jr. Each of the partners named shares in this fee under the partnership agreement. This fee is paid for general legal services, no part being allocated for legislative work, and legislative work will not constitute more than a very small proportion of the services rendered. If and when such work is performed, appropriate quarterly reports will be made as required. (5) Eastern Meat Packers Association. (6) No amount is specified but it will be merely reimbursement of incidental expenses incurred and will be relatively small. (7) Those incurred for incidental matters, such as telephone, printing, taxi fares, postage, travel.

Wyatt,[3] Robert H., Legislative-Federal Relations Division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Legislative-Federal Relations Division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (2) Legislative-Federal Relations Division, National Education Association. (3) During the time S. 246 is before the Congress. (4) Actual expenses only; room, board, and transportation. (5) Legislative-Federal Relations Division, National Education Association. (6) Refund of actual expenses. (7) Travel, meals, cabs, hotel bills, tips, and usual personal expenses.

[4] Not printed. Filed in the Clerk's office.

[3] Registration with the Clerk only.

QUARTERLY REPORTS

The following quarterly reports were received for the second calendar quarter, 1949, and filed, using Form C, with the Clerk of the House of Representatives and the Secretary of the Senate:

(NOTE.—In order to reduce space the questions in Form C (see p. 10879) are not repeated. Only the answers are printed and are indicated by numbers in parentheses.)

Adkerson, J. Carson, 976 National Press Building, Washington, D. C. (1) Received, $500; expended, $1,072.83. (See attached.[4]) (2) (See attached.[4]) (3) General expenses. (4) None. (5) Interested in any legislation having to do with manganese or strategic minerals.

Alifas, Nels Peter, District No. 44, International Association of Machinists, Room 303, Machinists' Building, Washington, D. C. (1) Salary $1,999.98; reimbursed to the extent of $30 for legislative expenses during quarter. (2) Taxi drivers and operators of eating and refreshment places. (3) Lobbying, i. e., supporting or opposing as the case may be, legislation affecting working conditions of Government employees and incidentally organized labor in general. Not more than 40 percent of time spent on this work. (4) The Federal Machinist, a monthly periodical, of which he is editor. (5) All legislation affecting working conditions of Government employees, and occasionally organized labor in general.

Allman, Roy G., 927 Fifteenth Street NW., Washington, D. C. (1) Received $500 as fees. Expended approximately $100 per month. (2) Transportation, taxis, telephone, cables, postage, entertainment. (3) Private bills and to promote bills to pay Americans for damages received as a result of war in the Far East. (4) None. (5) Private bills and to pay Americans for war damages.

American Booksellers Association, Inc., Gilbert E. Goodkind, executive secretary, 31 Madison Avenue., New York, N. Y. (1) $2,500 expended June 27, 1949. (2) National Postal Committee for Books, 62 West Forty-Seventh Street, New York City. (3) Contribution to aid postal campaign. (4) None. (5) Legislation to increase the book parcel post rate, H. R. 2945 and S. 1103.

American Nurses' Association, Inc., 1790 Broadway, New York, N. Y. (1) Less than $50. (2) Edith M. Beattie, chairman of American Nurses' Association special committee on Federal legislation. (3) Postage, telephone, transportation, miscellaneous. (4) The American Journal of Nursing is the official publication of the American Nurses' Association. Through the medium of the American Journal of Nursing, membership is kept informed of pending legislation affecting nurses, nursing, or health by means of editorials or signed articles. (5) Legislation pertaining to health, nurses, or nursing.

The American Short Line Railroad Association (320 common carrier railroads members of the association), 2000 Massachusetts Avenue NW., Washington, D. C. (1) Contributed by 320 member lines during second quarter 1949, $28,059.58, only a small portion of which is for the purpose of influencing legislation. (2) J. M. Hood, $92.93; National Press Club, $775.01; Tiny Meeker, $125; John Vorys, $40; Hotel 2400, $116.99; proportion of president's time and supporting secretary and clerks, telephone, telegraph, postage, rent, office supplies, taxes, etc., estimated at $506.20. (3) For salaries, office expenses, printing, and reimbursement of personal expenses in furtherance of the legislative program of the 320 member lines of the

[4] Not printed. Filed in the Clerk's office.

association. (4) None. (5) Legislation affecting short-line railroads (see report for first quarter for complete text of legislative program).

Anthony, Richard H., the American Tariff League, Inc., 19 West Forty-fourth Street, New York, N. Y. (1) Received for 6 months ending June 30, 1949: Salary, $6,250; reimbursement for expenses, $336.56; total, $6,586.56. Of the above, the amount represented by salary ($6,250) was expended for registrant's private disbursements. (2) Reimbursed expenses consisted of: Meals (including those of accompanying staff members), $237.35; transportation, $48.31; tips, $41.80; hotel accommodation, $9.10; total, $336.56. (3) This sum ($36.56) was expended chiefly in connection with registrant's trips to Washington and were made to railroads, hotels, restaurants, taxis, hotel employees, etc. (4) Although statements made by registrant are known to have found their way into publications, and may have appeared in publications unknown to registrant, none of them did registrant "cause to be published" as he construes the language in the act. (5) Although registrant, in his opinion, is not employed to support or oppose any particular proposed legislation within the meaning of the act, registrant is interested in any legislation relating to tariff.

Apsey, Lawrence S., Raytheon Manufacturing Co., Foundry Avenue, Waltham, Mass. (1) None. (2) See (1) above. (3) See (1) above. (4) None. (5) H. R. 577.

Aring, Hector M., 826 Woodward Building, Washington, D. C.; Johns-Mansville Corp., 22 East Fortieth Street, New York, N. Y. (1) See original registration form for complete explanation. No other contributions received. (2) None. (3) None. (4) None. (5) Opposed to appropriation for cotton subsidy under section 32 of the Agriculture Appropriations Act, 1947; tax legislation.

Arnold,[5] W. C., Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash. (1) $333.43. (2) Travel expense. (3) See above. (4) None. (5) None.

Arnold,[6] W. C., Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash. (1) $333.43. (2) Travel expense. (3) See above. (4) None. (5) None.

Arnold, Fortas & Porter (and Milton V. Freeman, predecessor registrant), 1200 Eighteenth Street NW., Washington, D. C.; Consumer Mail Order Association of America, Joplin, Mo. (1) $2,500 received by Arnold, Fortas & Porter on account of legal fees. (2) Telephone, telegraph, railroad, taxi fare, mimeographing, photostating, and other actual expenses have been advanced by the firm of Arnold, Fortas & Porter in the amount of $665.26, of which amount $452.90 has been billed to and paid by Consumer Mail Order Association of America. The remainder will be so billed and paid. (3) [Blank.] (4) None. (5) Oppose H. R. 195 and similar bills.

Arnold, Fortas & Porter, 1200 Eighteenth Street NW., Washington, D. C.; the Western Union Telegraph Co., 60 Hudson Street, New York, N. Y. (1) $10,000 on account of legal fees and $63.89 on account of expenses. This amount was reported last quarter as unpaid. (2) Telephone, telegraph, and taxi fares in amount of $14.77 have been advanced by the firm of Arnold, Fortas & Porter. This amount has been billed to the Western Union Telegraph Co., but payment has not been received as of this filing. (3) [Blank.] (4) [Blank.] (5) Any legislation involving the company's operations, particularly measures repealing the 25 percent excise tax on domestic telegraph messages.

Associated General Contractors of America, Inc., Munsey Building, Washington, D. C. (1) See statement filed March 1, 1949, and letters dated January 3, 1947, and February 24, 1949, on file. (2) Same as (1) above. (3) Same as (1) above. (4) None. (5) Same as (1) above.

Associated Third Class Mail Users, 1010 Vermont Avenue NW., Washington, D. C. (1) Income, $7,203; expenses, $10,202.92. (2) Gay Lou I. Pocock, Scott G. Rigby, Patricia E. Mortoll, John Smith, Jr., Edward M. Kriz, Lilian Neuner, Posner, Berge, Fox & Arent, plus miscellaneous operating expenses. (3) The general purpose of the Association is to foster more efficient use of third class mail by those enterprises employing the use of it. (4) None. (5) All legislation relating to postal laws and regulations.

Association of American Ship Owners, 90 Broad Street, New York, N. Y. The registrant, during the quarter for which this report is filed was composed of various owners of vessels documented under the laws of the United States, listed on exhibit A annexed to registrant's report for the first quarter of 1949. (1) No money has been received by the registrant for activities in furtherance of any object necessitating registration under Public Law 601. The registrant did, however, in the regular course of business, receive payment of dues from its members. No expenditure has been made by or on behalf of the registrant to any person for any amount or value in furtherance of any such object, except that registrant has paid salaries to and expenses of George W. Morgan, its president, and Lynn E. Mote, its vice president. For the extent, if any, to which such expenditures for salaries and expenses have been applied to activities in furtherance of any object necessitating registration, reference is hereby made to the reports being concurrently filed by such officers of the registrant and such reports are hereby made a part hereof. (2) See item 1. (3) See item 1. (4) See item 1. (5) The registrant is not employed to support or oppose any proposed legislation. Reference is hereby made to paragraph 2 of the registrant's registration statement on form B, which paragraph is hereby made a part hereof.

Association of Casualty and Surety Companies, 60 John Street, New York, N. Y. See attached membership list.[4] (1) See exhibit A attached to Form A. (2) See exhibit A attached to Form A. (3) See exhibit A attached to Form A. (4) The association publishes the Casualty and Surety Journal. Also issues releases to insurance trade press and to papers and periodicals of general circulation, such releases being mainly concerned with accident prevention problems. (5) Legislation affecting casualty and surety companies.

Aulsbrook, Knight G., Southern Building, Washington, D. C.; Construction Men's Association, 82 Beaver Street, New York, N. Y. (1) $1,500 compensation, $55.88 unreimbursed expenditures. (2) [Blank.] (3) Taxicab fares, telephone tolls, and telegrams $33; railroad transportation, $2,288; total, $55.88. (4) What's Cooking, monthly publication of Construction Men's Association. (5) H. R. 3190 in first session, Eighty-first Congress; S. 653 in first session, Eighty-first Congress; H. R. 2893 in first session, Eighty-first Congress.

Austern, H. Thomas, 701 Union Trust Building, Washington, D. C.; British Columbia Packers, Ltd., Vancouver, British Columbia, Canada. (1) $734.04 was received from British Columbia Packers Ltd., on April 25, 1949, for legal services and disbursements during the calendar year of 1948; of this amount, $725 represented legal fees and $9.04 represented disbursements. (2) The $9.04 received for disbursements was paid to Western Union for telegrams. (3) Telegrams. (4) None. (5) Legislation affecting Canadian fisheries.

Babcock, Charles E., Vienna, Va., National Council, Junior Order United American Mechanics of the United States of North America, 3027 North Broad Street, Philadelphia, Pa. (1) Have an expense account of $50 for out-of-pocket expenses. (2) Various, see below. (3) Services at gasoline stations, postage, telegrams, meals, hotel rooms, transportation to and from Washington, and any other strictly personal expenses. (4) The Junior American, the official journal of the Junior Order United American Mechanics of the United States of North America. (5) Immigration, deportation, and naturalization; free public schools; other legislation of special interest.

Bailey, C. Lloyd, Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C. (1) Gross salary, April, May, June, $1,075; travel expense, $352.63. (2) Various. (3) Travel is for the purpose of attending yearly meetings, quarterly meetings, conferences of Friends and other groups to interpret developments in national and international policy, with special reference to legislation, and for other committee business. (4) A news letter is sent to a limited number of subscribers and Friends about once a month. (5) In general, to support measures leading to peace and humanitarian ends, such as world organization and world economic stability, world disarmament, foreign relief, aid to refugees, protection for racial minorities; support for the rights of conscience; opposition to conscription and the militarization of America.

Bailey, Frazer A., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) Registrant believes that $3,750 represents the amount of his salary received from the National Federation of American Shipping, Inc., during the second quarter of 1949 which is allocable to legislative activities. (2) No expenditures except for taxicabs and similar items. (3) See item (2). (4) Fairplay. (5) During the past quarter supported legislation relating to overtime on overtime, and supported or opposed amendments to the Merchant Marine Act, 1936, and related acts.

Baldinger, Mary Alice, 4607 Connecticut Avenue NW., Washington, D. C.; American Civil Liberties Union, 170 Fifth Avenue, New York, N. Y. (1) Salary, April 1 through June 30, 1949, $290.25; expenses, same dates, $100.55. (2) Expenditures made for travel, transportation, office work, and supplies, etc. (3) Same as (2). (4) [Blank.] (5) Any legislation affecting civil liberties.

Baldridge, H. M., United States Cane Sugar Refiners Association, 408 American Building, Washington, D. C., and 115 Pearl Street, New York, N. Y. (1) $2,000 per month, or $6,000 for the quarter. No money expended on any legislative activity. (2) None. (3) None. (4) None. (5) No legislation at present nor none contemplated.

Barber, Hartman, 10 Independence Avenue SW., Washington, D. C.; Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Brotherhood Building, Cincinnati, Ohio. (1) No money received except regular salary and expenses; total salary for quarter, $1,393; total expenses for quarter, $822.64. (2) None. (3) Travel and hotel expenses, telephone, and telegram, notary fees, and postage. (4) None. (5) All legislation directly or indirectly affecting labor in any manner whatsoever, especially railroad labor.

Barger, Harry S., 606 National Union Building, Washington, D. C.; National Economic Council, Inc., 7501 Empire State Building, New York, N. Y. (1) Nothing received for expenses, but expenses are reimbursed. All I received otherwise during the quarter was salary at $666.66 a month, or a total of $1,999.98 for the quarter. (2) I expended during the quarter $16.60 for miscellaneous office supplies, for which I have been reimi-

[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.

[4] Not printed. Filed in the Clerk's office.

bursed. (3) As stated above. (4) None. (5) My assignments are irregular, and none are now pending.

Barker, Richard B., 306 Southern Building, Washington, D. C.; Eastman Kodak Co., Rochester, N. Y. (1) No funds received. (2) Not applicable. (3) Not applicable. (4) Not applicable. (5) Excise tax on photographic materials.

Barker, Richard B., 306 Southern Building, Washington, D. C.; The Haloid Co., Rochester, N. Y. (1) No funds received. (2) Not applicable. (3) Not applicable. (4) Not applicable. (5) Excise tax on photographic materials.

Barnes, James M. (Fairbanks Tailoring Co. et al.) (see original registration statement containing names of 18 companies), 1025 Connecticut Avenue NW., Washington, D. C. (1) The sum of $3,500 has been received during the quarter April 1, 1949, through June 30, 1949. The companies contributing such $3,500 are as follows (see attached sheet [1]). (2) None. (3) None. (4) None. (5) Extension of social security to all gainfully employed, including a method of covering the self-employed appropriately.

Barnett, Arthur R., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $3,375 as an officer and employee of the National Association of Electric Companies, and reimbursements of $829.72 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses were for those purposes described in section 308 (a) or otherwise within the scope of Public Law No. 601, Seventy-ninth Congress. (2) Various hotels, restaurants, railroads, air lines, telephone and telegraph companies, taxicabs, book stores, and stationers. (3) Railroad and transportation, $82.08; hotel and restaurants, $596.82; book stores and stationers, $11.65; telephone and telegraph, $7.62; gratuities and miscellaneous, $131.55. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which I am an officer and employee, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association therefore is interested in legislation that might affect its members as going business concerns.

Barta, A. K., the Proprietary Association, 810 Eighteenth Street NW., Washington, D. C. (1) Total received during past quarter, $708.65; total expenditures, $166.50; salary, $542.15. (NOTE.—The salary herein reported represents the salary received for the proportionate time devoted to influencing Federal legislation.) (2) Various. (3) Travel, subsistence, entertainment, etc. (4) None. (5) All bills affecting the proprietary medicines industry endorsed or opposed by the Proprietary Association.

Bartlett, John Stanton, Federal Career Employees Association of Washington, D. C., 2800 Woodley Road NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) Representative KLEIN'S H. R. 2446. This will be my final report under subject registration as I filed on April 6, 1949, to represent the National Association of Federal Career Employees.

Bartlett, John Stanton, 2800 Woodley Road NW., Washington, D. C.; National Association of Federal Career Employees, 745 Forty-sixth Street, Brooklyn, N. Y. (1) None. (2) None. (3) None. (4) None. (5) Representative KLEIN'S H. R. 2446.

Bass, Frank E., legislative-Federal relations division of National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Expenses: $519.50, plus $150 to cover losses sustained by cancellation of speaking appointment in order to be in Washington. (2) Air lines, hotels, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash; NEA Journal (articles therein); informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Bauer, Charles J., Building Owners and Managers Association of Metropolitan Washington, 1129 Vermont Avenue NW., Washington, D. C. (1) None. (2) None. (3) [Blank.] (4) BOMA Letter (bimonthly news letter). (5) I was not employed to support or oppose any proposed legislation. I was employed as permanent secretary of Building Owners and Managers Association of Metropolitan Washington with duties including appearance at public hearings on legislative and regulatory matters of direct concern to the association.

Bealle,[5] Morris A., national judge advocate, Irish War Veterans of the U. S. A. (Columbia Publishing Co.), Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) All veterans' measures.

Beirne,[5] J. A., Communications Workers of America, 917 G Place, NW., Washington, D. C. (1) Expenses, $901.29; salary, $3,300. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform to the normal functions of my positions with the Communications Workers of America, none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Beirne,[6] J. A., the Communications Workers of America, 917 G Place, NW., Washington D. C. (1) Expenses, $1,348.22; salary, $3,300. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform to the normal functions of my positions with the Communications Workers of America, none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Bell, C. Jasper, 904 Bryant Building, Kansas City, Mo.; Anderson T. Herd, West Palm Beach, Fla.; S. A. Markel, care of Markel Services, Richmond, Va.; Mrs. Rose Porter Carden and George A. Carden, Jr., administrators of the estate of George A. Carden, Sr., deceased, care of O. M. Ruebhausen, 20 Exchange Place, New York, N. Y. (1) Received $5,000; expended, $4,256.01. (See attached supplemental list.[4] (2) Persons and corporations whose names appear in the list attached above.[4] (3) As set forth in attached list above.[4] (4) None. (5) The Carden and Herd claim arising out of the sale of Austrian ships to the United States, H. R. 4064.

Bell, Jones & Taylor (a partnership consisting of Luther K. Bell, and O. A. Taylor) (S. H. Kress & Co. et al), 350 Fifth Avenue, New York, N. Y. See statement attached.[4] (1) Total receipts $21,840.77. (In addition registrant received proportionate share of the annual retainer from S. H. Kress & Co., and McCrory Stores as stated in the registration statement on Form B.) Total expenditures $13,837.83. (2) see statement attached.[4] (3) See statement attached.[4] (4) None. (5) See answer to question 2 of registration statement on form B.

Benson, Ernest H., national legislative representative, 10 Independence Avenue SW, Washington, D. C.; Brotherhood of Maintenance of Way Employees, 61 Putnan Avenue, Detroit, Mich. (1) Salary at rate of $8,600 per annum. No expense account. (2) Ernest H. Benson. (3) Activities in connection with legislative matters. (4) None. (5) Legislation directly or indirectly affecting the interests of the Brotherhood of Maintenance of Way Employees.

Benson, Judd C., National Association of Life Underwriters, 1718 Union Central Life Building, Cincinnati, Ohio. (1) See registration form B; $432.23 reimbursement of expenses by registrant, National Association of Life Underwriters. (2) Hotels, common carriers, restaurants, etc. (3) $432.23 reimbursed expenses for travel, meals, lodging, April 3, 4, 5, 28, 29; June 12, 13, 14, 1949, Washington, D. C. (4) Life Association News, 11 West Forty-second Street, New York, N. Y.; (5) See registration Form B. Registrant is paid no salary by, and does not hold office in, registrant, National Association of Life Underwriters, for purposes of Public Law 601. Items of interest during dates cited were amendments to Social Security Act.

Berckes, Herbert C., secretary, Southern Pine Industry Committee, 520 Canal Building, New Orleans, La. (1) Received for services as secretary, $750; expended for travel expenses, $1,501.37 (includes transportation and per diem). (2) Various. (3) Legislation. (4) None. (5) Any legislation affecting the southern-pine-lumber industry.

Berge, Wendell, 1200 Eighteenth Street NW., Washington, D. C.; Associated Third Class Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (1) Receipts, none (fee paid in previous quarter); expenditures, $129.96 (to be reimbursed by employer). (2) Commercial interests, such as taxicabs, railroads, telephone companies, public stenographers, notary public, etc. (3) Taxi travel locally, railroad travel, telephone, notary fees, etc. (4) The case against increasing third-class postal rates, statement in opposition to section 5 of H. R. 2945, Eighty-first Congress, April 1949. (5) Increase in third-class postal rates.

Berger,[5] Raoul, 1200 Eighteenth Street NW., Washington, D. C.; Werner Droesse, American Engineering & Sales Co., 111 West C Street, Wilmington, Calif. (1) Received $1,000 as retainer fee. Reported in initial statement; expended, $7.47. (2) Chesapeake & Potomac Telephone Co., Department of State for transmission of cable. (3) Telephone calls and cablegram on behalf of Werner Droesse. (4) None. (5) Bill H. R. 3570 for the relief of Mrs. Clara Raffloer Droesse.

Berger,[6] Raoul (Werner Droesse), 1200 Eighteenth Street NW., Washington, D. C. (1) [Blank.] (2) [Blank.] (3) [Blank.] (4) None. (5) Bill H. R. 3570 for the relief of Mrs. Clara Raffloer Droesse.

Bergin, Preston B., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $400 salary, $33.55 expenses. (2) Taxi drivers and restaurants. (3) Transportation and meals. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor-law revision, social-security-law revision, inflammable-fabric legislation.

Bernard, William S., Citizens Committee on Displaced Persons, 303 Lexington Avenue, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) Displaced Persons Still a Challenge to

[1] Not printed. Filed in the Clerk's office.

[4] Not printed. Filed in the Clerk's office.

[5] Filed for first quarter, 1949.

[6] Filed for second quarter, 1949.

America, Public Welfare, May 1949. Displaced Persons, World Scope Encyclopedia Yearbook, 1949. (5) H. R. 1344 and S. 311.

Bethge, Charles A., Aldens, Inc., 511 South Paulina Street, Chicago, Ill. (1) $688.25 received from Aldens, Inc., 511 South Paulina Street, Chicago, Ill.; $300.03 received from National Council on Business Mail, Inc., 105 West Monroe Building, Chicago, Ill. (2) Mayflower Hotel, Washington, D. C., Baltimore & Ohio Railroad Co. (3) Railroad travel to and from Washington, $561.54; hotel, meals, entertainment, incidental expenses, $426.74. (4) Postal Service Bulletin, National Council on Business Mail, Inc., a monthly publication. (5) Postal-rate legislation.

Biorn, Norman E., Minnesota Associated Businessmen, Inc., 520 Endicott Building, St. Paul, Minn. (1) Salaries from Minnesota Associated Businessmen, none; received for actual expenses, $226.04; spent for legislative activities, none. (2) Mary Lou Kustelski, $150; United States Government, $2.83; North West Bell Telephone Co., $16.76; miscellaneous, $56.45. (3) Stenographic services, postage, phone, and miscellaneous. (4) None. (5) Elimination of inequalities in tax legislation.

Bison, Henry, Jr., Tyre Taylor, 1112 Dupont Circle Building, Washington, D. C. (1) Received $1,581.27; expenditures for living purposes only. (2) See (1) above. (3) See (1) above. (4) None. (5) Legislation favorable to the maintenance of the free-enterprise system.

Black, James C., Republic Steel Corp., 1625 K Street NW., Washington, D. C. (1) Portion of usual compensation possibly attributable to activities within scope of act, estimated, $600: reimbursement of such actual and out-of-pocket expenses as may possibly be within scope of act, estimated, $500. (2) Reimburse expenditures paid to hotels, restaurants, golf clubs, telephone and telegraph companies, railroads, air lines, taxicab companies, florists, etc. (3) To defray the expenses of advancing interests and affairs of my employer. (4) None. (5) I am not employed to support or oppose legislation but I am interested in such legislation as affects my employer.

Blanchard, Helen, 1034 Warner Building, Washington, D. C.; Amalgamated Clothing Workers of America, CIO, 718 Jackson Place NW., Washington, D. C., 15 Union Square, New York, N. Y. (1) Received salary of $1,050. Received $983.52 to reimburse actual expenses incurred; $563.39 of this amount was for expenses incurred in Washington; the remainder for expenses outside of Washington. (2) Hotels, railroads, restaurants, cab drivers, air lines. (3) Personal expense and travel. (4) CIO News and the Advance. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to these objectives.

Bledsoe,[5] Samuel B., 1730 I Street NW., Washington, D. C.; American Cotton Manufacturing Association, Charlotte, N. C. (1) $1,800 fee, $425.75 expenses. (2) $425.75 expenses: Mimeographing, postage, Western Union, telephone. The above items were billed to the American Cotton Manufacturing Association. (3) Self-explanatory. (4) We tried to disseminate information favorable to labor legislation but cannot say categorically that we caused any articles to be published. (5) Labor legislation.

Bledsoe,[6] Samuel B., 1730 I Street NW., Washington, D. C.; American Cotton Manufacturing Association, Charlotte, N. C. (1) $1,800 fee, $692.36 expenses. (2) Mimeographing, postage, telephone, Western Union, taxis. (3) Self-explanatory. (4) We tried to disseminate information favorable to labor legislation but cannot say categorically that we caused any articles to be published. (5) Labor legislation.

Bodary, D. A., 10 Independence Avenue SW., Washington, D. C.; national legislative and general representative, Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo. (1) Annual compensation of $6,000 and $12 per diem for expenses, hotel, meals, etc. (2) D. A. Bodary. (3) As national legislative and general representative, Brotherhood Railway Carmen of America, my duties include handling legislative matters and handling and progressing of grievances and other activities of my organization. (4) None. (5) Legislation directly and indirectly affecting the interests of the Brotherhood Railway Carmen of America.

Bodfish, Morton, United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill. (1) Expended $926.31. (2) Various. (3) For travel, hotel, and maintenance in Washington, D. C. (4) Only the customary materials found in our trade papers, in our trade association periodicals, and in our trade association bulletins. Savings and Loans News, April 1949 "A Guide for Measuring Cash Needs" by Morton Bodfish; Directors Digest, April 1949, "Preparing for Adequate Liquidity" by Mr. Morton Bodfish. (5) Support all legislation favorable to thrift and home ownership and particularly helpful to savings and loan associations and cooperative banks in carrying out their thrift and home-financing objectives and oppose legislation detrimental to home ownership and these institutions.

Boehne, John W., Jr., National Association of Employees of Collectors of Internal Revenue, 1058 National Press Building, Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) [Blank.]

Bohannon, John N., Asheville, N. C., and 1028 Connecticut Avenue, Washington, D. C.; Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y. (1) Personal remuneration, including expenses, during the preceding calendar quarter $4,500. Money expended, see (3) below. (2) See (3) below. (3) Personal subsistence, transportation, routine and other customary expenses only. Also see (6) form B heretofore filed. (4) None. (5) Any legislation that might affect producing, gathering, transportation, distribution, or sale of natural gas.

Bolz, Sanford H., 927 Fifteenth Street NW., Washington, D. C.; American Jewish Congress, Inc., 1834 Broadway, New York, N. Y. (1) Received $125 for services under Public Law 601 (based on annual retainer for all legal services rendered, of which not over $500 per year is allocable to legislative activity). Expended $6.95. (2) $2.30 taxicab fares in Washington, D. C.; $1.90 taxicab fares and notary fees regarding filing Forms C Quarterly Reports; $2.75 to Western Union for delivering press releases concerning statement submitted to congressional committee by A. J. C. (3) Same as (2). (4) None. (5) Legislation designed to implement the Report of the President's Committee on Civil Rights; to keep separate church and state; to liberalize immigration laws; to prohibit group libel; to investigate denazification policy.

Bonamarte, Robert F., Sr., Fleet Reserve Association, Fifteenth and K Streets NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Legislation affecting the armed forces of the United States. Legislation affecting veterans of the United States.

Booras,[7] James A. and Robert W. Malone, 4314 Argyle Terrace NW., Washington, D. C.; Act Now Committee (short-title of American Citizens Committee to Establish New Immigration Quota of Greece Without Discrimination). (1) No contributions made to or received by said committee or said individuals during calendar quarter covered by this report. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) To augment and implement existing quotas of Greek immigration, that is H. R. 1396, Eighty-first Congress, S. 1193, Eighty-first Congress.

Booth,[5] Herman M., Jr., 2405 Chandler Road, Lincoln Park, Mich., Great Lakes Licensed Officers' Amalgamated Marine, Chapter No. 159 F. A. A., 1627 Barium Tower, Detroit, Mich. (1) $290.86 actual expenses incurred for lobbying purposes. (2) Various. (3) Actual expenses incurred while lobbying in Washington, D. C., on labor bills. (4) The Supervisor, official publication of Foreman's Association of America. The Great Lakes Maritimes, official publication of the Great Lakes Licensed Officers' Amalgamated Marine, Chapter 159. (5) Senate Bill S. 249 and House bill H. R. 2032.

Booth,[6] Herman M., Jr., Great Lakes Licensed Officers' Amalgamated Marine Chapter No. 159, F. A. A., 1627 Barium Tower, Detroit, Mich. (1) $177.18 actual expenses incurred for lobbying purposes. (2) Various. (3) Actual expenses incurred while lobbying in Washington, D. C., on labor bills. (4) The Supervisor, official publication of Foreman's Association of America. The Great Lakes Maritimes, official publication of the Great Lakes Licensed Officers Amalgamated Marine, Chapter No. 159. (5) Senate bill S. 249 and House bill H. R. 2032.

Borkin, Joseph, 1017 Ring Building, Washington, D. C.; American-Indonesian Corporation, 40 Wall Street, New York City, N. Y. (1) No activity this quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Borkin, Joseph, 1017 Ring Building, Washington, D. C.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C.: (1) Retainer, $250; expenses, $160.23. (2) Telephone company, Western Union, office supplies company, hotels and railroads. (3) Office supplies and services, travel. (4) [Blank.] (5) [Blank.]

Bourg, Clarence J., 510 Union Trust Building, Washington, D. C.; American Sugar Cane League, New Orleans, La.; Farmers & Manufacturers Beet Sugar Association, Saginaw, Mich. (1) $177.90 has been received and expended in connection with legislation and other contracts with the Government, of which not more than one-fourth has been expended in connection with legislation, such as taxicab fares about Washington and an occasional lunch when Congress is in session. (2) See (1). (3) See (1). (4) Sugar Bulletin of New Orleans, La.; Sugar Beet Journal of Saginaw, Mich. (5) Any legislation affecting the domestic sugar industry.

Bowden, Ray B., Grain & Feed Dealers National Association, 100 Merchants' Exchange, St. Louis, Mo. (1) Salaries, $3,750; Travel expenses, $1,405.16. (2) Salary used for personal living; none for lobbying purpose. Travel expenses paid principally to railroads and hotels for routine travel to the 42 associations affiliated; none for lobbying purposes. (3) As shown in (2). (4) None so far as known. (5) Not employed for lobbying. During the quarter filed one statement for the national association re Senate wages and hours legislation proposed with Senate Labor Committee.

Boyd, H. B., United States Beet Sugar Association, 1001 Tower Building, Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Interested in legislation affecting sugar but not employed for the purpose of supporting or opposing any legislation.

Boyd, William R., Jr., American Petroleum Institute, 50 West Fiftieth Street, New York.

[5] Filed for first quarter 1949.
[6] Filed for second quarter 1949.
[7] Filed with the Secretary only.

N. Y. (1) See attached schedule[4] for answers to items 1 to 5. (2) See (1). (3) See (1). (4) See (1). (5) See (1).

Bradford, Ira P., 1108 Sixteenth Street NW., Washington, D. C.; Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. (1) The undersigned has neither received nor expended any money during the quarter April through June 1949 for the purposes as defined in section 307 (a) (b) of Public Law 610. My activities have consisted wholly of the maintenance of an information service for my company. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Interested generally in legislation affecting the petroleum industry.

Bradley, Otis T., 15 Broad Street, New York, N. Y.; Guaranty Trust Co. of New York as trustee of the several trusts described as the Francis G. Pipps trust, Herbert Sanford Ward trust, Sarita E. Barclay trust, and Colville Herbert Sanford Barclay trust, under indenture dated December 24, 1913, and various indentures supplemental thereto made by Charles H. Sanford, 140 Broadway, New York, N. Y. (1) None. ((2) [Blank.] (3) [Blank.] (4) None. (5) The employment is for the purpose of attempting to secure an amendment to the Federal Gift Tax Act involving gifts in trust and the effect for gift-tax purposes of the surrender by the grantor of a retained power to alter the disposition of the property but not in any way beneficial to himself, and the employment is expected to continue until such amendment is either secured or rejected.

Brady, Joseph E., Brewery Workers International Union, 2347 Vine Street, Cincinnati, Ohio. (1) None. (2) None. (3) None. (4) None. (5) Oppose "dry" legislation.

Breed, Arthur H., Jr., 310 Fifteenth Street, Oakland, Calif.; Waterfront Employers Association, 16 California Street, San Francisco, Calif. (1) April 1, 1949, through June 30, 1949, salary, $3,575; miscellaneous office expense (postage, telephone and telegraph, and travel expense), $60.61. (2) James D. Hahn, associate, $50 per week plus expenses. (3) Supporting overtime-on-overtime legislation. (4) None. (5) Overtime-on-overtime.

Brewbaker, James M., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) Receipts: Salary, $2,375; expenses reimbursed by employers, $588.51; expenditures: $588.51. (2) Expenses paid to various restaurants, hotels, taxicabs, railroads, and air lines. (3) Traveling, attending meetings to discuss general conditions in Washington of interest to business and industry in particular. (4) [Blank.] (5) All bills affecting the following subjects: National labor policy, portal-to-portal, wage claims, tax laws, reduction of Federal expenditures, control of atomic energy, Federal subsidization of research, patents and trade-marks, wartime control powers, and revision of the SEC and RFC Acts.

Bright, O. O., 1302 Eighteenth Street, Washington, D. C.; Southern Pine Industry Committee, New Orleans, La. (1) Salary, $1,200; expenses, $65.35. (2) To various hotels, cab drivers, etc. (3) See (2) above. (4) None. (5) Any legislation affecting the lumber manufacturing industry.

Brightman,[†] Melvin H., 1112 Barr Building, Washington, D. C. (1) $3,000 salary as executive secretary of Dairy Industry Committee. (2) None. (3) None. (4) None. (5) To observe legislation possibly affecting dairy industry.

Brinegar, David F., Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (1) $1,776.03. (2) Merchants, taxicabs, hotels, restaurants, transportation companies, and others. (3) For goods and services in connection with maintaining Washington bureaus. (4) None. (5) S. 75, H. R. 934, and H. R. 935.

Brockenbrough, Eugene W., Institute of Shortening and Edible Oils, Inc., 1025 Vermont Avenue NW., Washington, D. C. (1) Registrant received regular salary shown in registration statement; none of his activities concerned the purposes set forth in Public Law 601, section 307 (a) and (b). (2) None. (3) None. (4) None. (5) Legislation concerning or affecting fats and oils.

Brooding, Milton E., California Packing Corp., 101 California Street, San Francisco, Calif. (1) An annual salary is received by registrant from the employer, California Packing Corp., for all duties performed by him, of which only a relatively small share, and not to exceed about $2,000 per annum, is devoted to activities covered by the Lobbying Act. The allocable portion of this amount applying to the second quarter is estimated to be about $700. Total expenses incurred during this quarter, of which an indeterminable amount applies to activities covered by Public Law 601, are as follows: Air lines: United, TWA, $744.02; hotels, restaurants, incidentals, $555.86; total, $1,299.88. (2) Railroads, air lines, hotels, restaurants, etc. (3) Travel, entertainment, and incidental expenses. (4) [Blank.] (5) Proposed legislation affecting food processing and related activities.

Brooks, A. E., 2202 Forth Worth National Bank Building, Fort Worth, Tex.; American Chamber of Commerce of Mexico, Cook Building, Mexico, D. F. (1) None. (2) None. (3) None. (4) None. (5) To exempt from income taxes income derived from sources abroad by nonresident United States citizens actively engaged in a trade or business abroad.

Brooks, William F., National Grain Trade Council, 604 Hibbs Building, Washington, D. C. (1) Salary and expenses received during period amounted to $4,351.74, of which less than $6 was spent for any purpose covered by the act. (2) Taxicab fares, no one of which was in excess of 90 cents. (3) Transportation. (4) None other than weekly newsletter published by employer. (5) Legislation affecting agriculture in general and the grain trade in particular.

Brown, Carl, Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (1) $625 per month salary as president of Foreman's Association of America; $453.30 actual expenses incurred for lobbying purposes. (2) Various. (3) Actual expenses incurred while lobbying in Washington, D. C., on labor bills. (4) The Supervisor, official publication of the Foreman's Association of America. (5) Senate bill 249 and House bill 2032.

Brown, Edgar G., director, National Negro Council, 1717 Euclid Street NW., Washington, D. C. (1) $535 memberships and contributions; expended, $439.65. (2) Various. (3) Printed matter and publicity. (4) None. (5) Civil rights, FEPC, and nondiscrimination amendments to labor, education, and housing legislation.

Brown, Frederick E., National Independent Meat Packers Association, Investment Building, Washington, D. C. (1) LaRoe, Brown & Winn, law firm, received from the National Independent Meat Packers Association, $4,500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) H. R. 2157, H. R. 3020, H. R. 3997, H. R. 4538, H. R. 4016, H. R. 4485, H. R. 3997, S. 1594, S. 1721, S. 1971.

Brown, Lund & Fitzgerald (Wendell Lund, a partner in this firm, performs no service under this arrangement and does not participate in the fee), Washington Loan & Trust Building, Ninth and F Streets NW., Washington, D. C.; National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) None received; $22.95 expended for taxicabs in June 1949. (2) Cab drivers. (3) Transportation. (4) None. (5) any legislation that might affect the members of the National Association of Electric Companies.

Brown, Paul W., Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. (1) $638.53 traveling expense funds. (2) Hotels, air lines, railroads, taxis, restaurants, telegraph company, telephone company. (3) Personal transportation and living expenses while traveling. (4) None. (5) Not employed to support or oppose legislation. As company operating executive responsible for costs, am interested in postal rate legislation.

Brown, Russell B., Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C. (1) Salary previously reported plus the following expenses which might be considered within the scope of the act: $75. (2) See (3) below. (3) Taxi fares. (4) My normal duties include periodic reporting to members of the association on pending legislation. (5) I am not employed to support or oppose any specific legislation. My duties include that of maintaining surveillance of legislation which might affect the petroleum industry and taking such action with respect to such legislation as directed by the Association.

Bryans,[‡] William A., III, 1044 Gas and Electric Building, Denver, Colo., Public Service Co. of Colorado, 900 Fifteenth Street, Denver, Colo. (1) The undersigned has received actual and necessary expense of transportation, hotel and meals on trip from Denver, Colo., to Washington, D. C., February 11–16, 1949. (2) None. (3) None. (4) None. (5) Registrant is of counsel for Public Service Company of Colorado and in that connection, as a part of such employment, is opposing proposed legislation for appropriations for the Bureau of Reclamation for the construction of certain electric power transmission lines in the State of Colorado.

Bryson, Jack, Motion Picture Association of America, 1600 I Street NW., Washington, D. C. (1) Salary received, $6,280.79; expended, $6,280.79. (2) To self. (3) For personal and family needs. No sums received or expended in connection with activities covered by act. (4) None. (5) Legislation affecting the motion picture industry.

Buchanan, Thomas G., Jr., 930 F Street NW., Washington, D. C.; Civil Rights Congress, 205 East Forty-second Street, New York, N. Y. (1) Received $165 pay and $45 expenses during the first 3 weeks of quarter from national office of C. R. C. (address above); $60 pay from Washington chapter of C. R. C.; $90 pay and $90 expenses from National Committee to Defeat the Munda Bill, 930 K Street NW., Washington, D. C. (2) Personal expenditures. (3) Miscellaneous expenses, including transportation, purchase of papers and periodicals, phone calls, etc. Includes $90 for trip to Chicago, Ill. to attend C. R. C. board meeting; no other single item in excess of $10. (4) C. R. C. Liberator and Legislative Bulletin, both published by the national office of the Civil Rights Congress. (5) Support House Resolution 60, H. R. 21, 22, 23, 2050; oppose H. R. 1002, 1430, 3342.

Buckman, Henry Holland, consulting engineer, 405 Dorset Avenue, Chevy Chase, Md.; the Florida Inland Navigation District, Bunnell, Fla. (1) Received from Florida Inland Navigation District for professional services, pro rata, $1,350; for reimbursement for long-distance telephone calls, telegrams, and miscellaneous petty cash expenses, $151.37; expended, pro rata, for long-distance telephone

[4] Not printed. Filed in the Clerk's office.
[†] Filed with the Secretary only.
[‡] Filed with the Clerk only.

calls, telegrams, and miscellaneous petty cash expenses, $151.37. (2) Chesapeake & Potomac Telephone Co., Western Union, and others, all of Washington, D. C. (3) Long-distance telephone calls, telegrams, taxicab fares, and miscellaneous petty cash expenses. (4) None. (5) Interested in all legislation relating to river and harbor works, flood control, and other water use and conservation. Specifically interested in War Department civil-functions appropriations bill.

Buckman, Henry Holland, consulting engineer, 405 Dorset Avenue, Chevy Chase, Md.; the Vulcan Detinning Co., Sewaren, N. J. (1) Received from the Vulcan Detinning Co., Sewaren, N. J., for professional services, pro rata, $1,000; for reimbursement for long-distance telephone calls, pro rata, $36.57; expenditures, pro rata, for long-distance calls, $46.32. (2) Chesapeake & Potomac Telephone Co., Washington, D. C. (3) Long-distance telephone calls. (4) None. (5) Interested in all legislation related to tin or detinning. Specifically interested in S. 1433 and H. R. 2585.

Bugbee, George, American Hospital Association, 18 East Division Street, Chicago, Ill. (1) Quarterly salary, $5,374.98; reimbursement for travel, $1,673.85. (2) Various airlines, railroads, hotels, and recipients of miscellaneous amounts for taxicabs, meals, and similar necessary expenses. (3) Necessary traveling expenses as indicated. (4) Hospitals, the official journal of the American Hospital Association; Trustee, the journal for members of hospital governing boards. (5) Legislation which might affect the quality of hospital service to the people of this country.

Building Products Institute, 1032 Shoreham Building, Washington, D. C. (1) Expended $4,977.85. The Building Products Institute is an organization devoted to economic research and analysis of trends in construction, disseminating its findings to those interested in the construction industry and to the public. However, in view of certain provisions of the regulation of Lobbying Act of 1946 concerning what constitutes "principal purpose" and the phrase "To influence directly or indirectly the passage or defeat of any legislation," etc., we are filing this form giving a full disclosure of the information required under the act. (2) Various (3) General counsel fees, etc. (4) Construction Trends, press releases, and certain economic studies. (5) Proposals which may affect the producers of building materials.

Bulow, William J., Munsey Building, Washington, D. C.; American Nurses' Association, 1790 Broadway, New York, N. Y. (1) Money received, none; money expended, $88.20. (2) Various transportation, telephone and telegraph companies, and United States Post Office. (3) Customary business expense for transportation, telephone calls, telegrams, and postage. (4) None. (5) Legislation relating to nurses, nursing or health, in which the American Nurses' Association is interested.

Bulow, William J., Jr., Munsey Building, Washington, D. C.; National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. (1) Money received, none; money expended, $151.70. (2) Various transportation, telephone and telegraph companies, and United States Post Office. (3) Customary business expense for transportation, telephone calls, telegrams, and postage. (4) None. (5) Postage-rate legislation.

Bunje, Ralph B., Western Cotton Growers Association; Agricultural Labor Bureau of the San Joaquin Valley, Inc., 2044 Mariposa, Fresno, Calif. (1) In addition to regular salary from the Western Cotton Growers Association and the Agricultural Labor Bureau of the San Joaquin Valley, as reported on Form B filed in January 1949, received expense reimbursements amounting to $1,099.19 which might be construed as relating to legislative activity. Salary during 46 days in Washington, $1,533.32. (2) United Airlines, $324.19; Hotel Statler and others for meals, lodging, telephone, and miscellaneous taxi fares and entertainment, $775. (3) Expenses while in Washington, D. C., relating to legislative activity. (4) None. (5) Cotton allotment legislation and farm-labor housing.

Burger, George J., 250 West Fifty-seventh Street, New York, N. Y. (1) Received $4,975.78 from operating Burger Tire Consultant Service, publishing National Independent, and acting as vice president in charge, Washington office, National Federation of Independent Business, Inc.; disbursed $4,161.66. (2) For general office expenses. (3) Publications, weekly bulletin, travel expenses. (4) National Independent, Burger Tire Consultant Service weekly bulletin. (5) Antitrust legislation, tire bill, all legislation affecting small business.

Burke, Harold, United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y. (1) Salary for 3 months at $708.33⅓ per month equals $2,125. (2) None. (3) None. (4) None. (5) None.

Burnett, Leo, Co., Inc., 360 North Michigan Avenue, Chicago, Ill. (1) For National Association of Margarine Manufacturers, $2,731.93. (2) See addendum "A."[4] (3) See addendum "A."[4] (4) None. (5) Generally, legislation favorable to margarine manufacturers; specifically, the Poage bill (H. R. 2023).

Burnham, George B., 111 First Street NE., Washington, D. C.; various stockholders of the Burnham Chemical Co., 5653 College Avenue, Oakland, Calif. (1) A total of $1,208 was received from numerous stockholders from May 16, 1949, to June 30, 1949, and $699.67 from numerous stockholders prior to that date to be used by George B. Burnham in any way he thought best for the benefit of the stockholders; total, $1,907.67. (2) George B. Burnham. (3) For salary, living, and traveling expenses, secretary, printing, mailing, postage, taxi, telephone, reports, and all other expenses to create favorable interest in bills S. 1910 and H. R. 4985. (4) None. (5) Supporting bills S. 1910 and H. R. 4985 to amend the antitrust laws to provide a uniform period of limitations for treble-damage actions.

Burr, Robert M., National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y. (1) Allocated salary and pay roll overhead received, $198.60. (2) None. (3) None (see 2 above). (4) None. (5) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, and electric fans.

Burrows, Orrin A., International Brotherhood of Electrical Workers, AFL, 1200 Fifteenth Street NW., Washington, D. C. (1) $1,937.01 (salary for April, May, and June 1949). (2) None. (3) None. (4) The Electrical Workers Journal. (5) All legislation affecting the electrical worker in particular and labor in general.

Butler, Eugene J., National Catholic Welfare Conference, 1312 Massachusetts Avenue NW., Washington, D. C. (1) $2,100 salary for 3 months from National Catholic Welfare Conference; $5,000 expenses advanced by National Catholic Welfare Conference. (2) Paid to National Catholic Welfare Conference for mimeographing, printing, duplicating, and Postage, $1,084.43; taxi fare, meals, telephone calls paid to various persons, $228.25. (3) Salary for 3 months, mimeographing, printing, duplicating, postage, taxi fare, meals, telephone calls. (4) None. (5) All legislation affecting religious, charitable, and educational institutions and organizations.

Butts, Joseph G., Jr., (law firm of Gall & Lane), 1625 K Street NW., Washington, D. C.; Nonsubsized Insulation Manufacturers Committee, Riverton, Va. (1) Firm received $1,000; expended, $13.03. (2) Expenses paid to taxi companies, $9; Abel & Co. for photostats, $3.30; Western Union, 73 cents for telegrams. (3) For purposes indicated above, item (2). (4) None. (5) Supported limitation on subsidies under title 7 United States Code, section 612 (C).

Cable,[4] John L., Lima City Lines, Inc., 1202 Cook Tower, Lima, Ohio. (1) Received $86.38 reimbursement for expenses of a trip to Washington and return March 28, 29, 30, and 31, 1949. (2) Hotel, meals, and traveling expenses, $86.38. (3) Meals, lodging, and traveling. (4) [Blank.] (5) Fair Labor Standards Act, H. R. 3190.

Caffrey, Charles G., 1406 G Street NW., Washington, D. C.; American Cotton Manufacturers Association, 203A Liberty Life Building, Charlotte, N. C. (1) None. (2) No payments were made to anyone by Charles G. Caffrey for any purpose during the quarter in question (normal out-of-pocket expenses expended). (3) None. (4) None; however, I might state for the record that I spent about $100 during the quarter for cab fare and lunches. Most of the expenses was for trips to and from the Capitol to get and make studies of bills. (5) I am not hired to support or oppose any particular legislation, but do report to my members all which I think might have some effect upon the cotton textile industry.

Carter, Albert E., 1026 Sixteenth Street NW., Washington, D. C.; Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif. (1) Received $3,000 as compensation; expended $621.59, which will be reimbursed; reimbursed $651.31 for expenses advanced. (2) Munsey Real Estate Co., Chesapeake & Potomac Telephone Co., and incidentals. (3) Rent, telephone service, and incidentals. (4) [Blank.] (5) Retained to represent the company before administrative agencies and comissions and on legislative matters affecting the company's interest.

Carter, Asa L., 325 Ashland Avenue, Pittsburgh, Pa.; petitioners and their due successors and joining associates at and after War Department file No. 7040, April 7, 1933 (287 U. S. 629); extended to all abutters on B-lines duly and precisely mapped herein. (1) I received and expended only $117.35 divided (as costs and disbursements herein); petty cash, clerical work, searching records, and addressing mail, $67.20; and for postage, printing, telephoning, carfare, bus fare, etc., $40.15. (2) It was paid to postmasters, printers, public-service companies, and standard clerical help at Pittsburgh, Pa. (3) For the purpose of furthering sentiment for a Rainhill Prize for the best B-line electric pipe train for major heavy freight (I repeat each and every statement following here of last quarter report not published). (4) I publish nowhere except by first-class mail to abutters and contributors and their due and immediate representatives. (5) Everything for or against B-line. I include that set forth in last quarter report not published in the CONGRESSIONAL RECORD, including also instant bills: House Nos. 3650, 3947, 4182, 4477, 4847; Senate Nos. 1009, 1294-1298, 1547.

Carter, Clarence B., Railroad Pension Conference, 6 Church Street, New Haven, Conn. (1) Received $213.63 for traveling expenses. (2) Clarence B. Carter. (3) Traveling expenses. (4) Railroad Pension Conference Bulletin. (5) Support of S. 1826 and H. R. 4123.

Carter,[4] Horace, 209 West One Hundred and Twenty-fifth Street, New York City. (1) None. (2) None. (3) None. (4) None. (5) Registrant is at present conforming with statutory provisions for lobbyists, and

[4] Not printed. Filed in the Clerk's office.

[4] Filed with the clerk only.

until a group or organization employs your deponent for the purpose of lobbying.

Carter, Jack, Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $400 per month as salary minus social security and withholding taxes; $34.55 as expenses for transportation and luncheons in connection with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative Newsletter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration and naturalization, the combatting of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the National Encampment and the National Council of Administration.

Carver, Leslie O., associate general counsel, National Paint, Varnish, and Laquer Association, 1500 Rhode Island Avenue NW., Washington, D. C. (1) Salary at the rate of $7,000 per annum for performance of regular and usual duties incident to my employment. Expenses for travel, hotel, subsistence, and incidental totaled $301.79. I engaged in no activity contemplated by the act and none of the money received and expended was for the purpose of work under the act. (2) Paid nothing. (3) Performed no activity under the act. (4) None. (5) None.

Case, Fox, 815 Seventeenth Street NW., Washington, D. C.; National Education Committee, American Medical Association, 1 North LaSalle Street Building, Chicago, Ill. (1) Salary same as previous report shown on Form B which names employer, address, purpose, and activity. A total of $628.98 received to cover out-of-pocket expenses during the last quarter. (2) Capital Air Lines. Hotels: Sherman, Chicago; Palmer House, Chicago; Statler, Carlton, Shoreham, Washington; Olney Inn, Md.; Press Club; taxi service, Chicago and Washington; Pennsylvania Railroad, pullman, diner; Western Union; apartment; phone, pay-station, local, long-distance service; extra copies of newspapers; postage stamps; stationery; Railway Express; and various individuals in nominal amounts. (3) Transportation, $217.55; hotel rooms, meals, $164.85; telegrams, $3.26; phone, $17.30; newspapers, $55.88; stamps, $57.56; office supplies, $15.34; Railway Express, $6.45; miscellaneous, tips, etc. $35.79. (4) None. (5) Any legislation pertaining to compulsory health insurance.

Case, Ralph Hoyt, 889 National Press Building, Washington, D. C.; Sioux Tribe of Indians, Cheyenne River Reservation, S. Dak., Cheyenne Agency, S. Dak. (1) Receipts, $500; expended, nominal, less than $10. (2) Taxi drivers, telephone calls, etc. (3) Transportation and information, etc. (4) None. (5) H. R. 5372.

Case, Ralph Hoyt, 889 National Press Building, Washington, D. C.; Sioux Tribe of Indians, Standing Rock Reservation, Fort Yates, N. Dak. (1) Receipts, none; disburements, none. (2) None. (3) None. (4) None. (5) H. R. 5372.

Case, Ralph H., 889 National Press Building, Washington, D. C.; Three Affiliated Tribes, Fort Berthold Reservation, Elbowoods, N. Dak. (1) Receipts, $1,000; expended, $324.90. (2) Byron S. Adams; Ward & Paul; Kirby Lithographing Co., printers. (3) Printing. (4) None. (5) H. R. 5372.

Casey, D. E., American Taxpayers Association, Inc., 419 Munsey Building, Washington, D. C. (1) Received as salary, $2,649.99. (2) None. (3) None. (4) None. (5) None specified.

Casey, Joseph E., Committee for Equalization of Tobacco Taxes, 1025 Connecticut Avenue NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 2016, which provides for a fair and equitable tax on cigarettes depending upon the price at which these cigarettes are sold.

Caskie, Maxwell, 417 Barr Building, Washington, D. C.; Reynolds Metals Co., Richmond, Va. (1) Received approximately $425; 10 days' salary, $416.66; expended approximately $8.34—taxis (approximately), $5; postage (approximately), $3.34. (2) Taxi drivers, United States Post Office. (3) Transportation and postage. (4) None. (5) S. 179 and H. R. 4830.

Cassiday, George L., national commander, Irish War Veterans of the United States of America, 127 B Street SE., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) Shamrock News. (5) Veterans' measures.

Castiglioni, Paul M., National Federation of Post Office Motor Vehicle Employees, 112 C Street NW., Washington, D. C. (1) Salary, $1,500, less deductions for withholding tax and social-security tax; expenses for quarter, $531.50. (2) Paul M. Castiglioni. (3) To promote the welfare of motor-vehicle employees of the Post Office Department covering both legislative and nonlegislative work. (4) Rotor and bulletins called Motor Vehicle News. (5) Supporting all legisation of benefit to motor-vehicle employees.

Caviness, Robert S., 1625 K Street NW., Washington, D. C.; Janis Zalcmanis, individually and as attorney in fact for the estate of Karlis Janssons, 217 Broadway, New York, N. Y. (1) None. (2) None. (3) None. (4) None. (5) S. 1837, a bill to amend the Trading With the Enemy Act.

Chace, William E., the National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $20 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes, and Pasture Progress—all published by the National Fertilizer Association, Inc., Washington, D. C.; Lee Almanac for 1950, Louisville, Ky.; ESC Quarterly, Raleigh, N. C. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Chamblin, Walter, Jr., 623 Investment Building, Washington, D. C.; National Association of Manufacturers, 14 West Forty-ninth Street, New York, N. Y. (1) Receipts: Salary, $6,250; expenses in Washington reimbursed by employer, $863.93; expenditures out of Washington, $412.31. (2) Expenses paid to hotels, restaurants, taxicabs, telephone company, trade associations, and clubs. (3) Attending meetings and making speeches to discuss general conditions in Washington of interest to business and industry in particular. (4) [Blank.] (5) Bills affecting national labor policy, tax laws, reduction of Federal expenditures, Federal subsidization of research, patents and trade-marks, control powers, foreign aid, Federal housing, Government competition with business, and such other matters as may affect industry.

Cherry, L. Byron, General Electric Co., 570 Lexington Avenue, New York, N. Y. (1) Proportionate part of regular salary allocated to time spent on legislative matters, $181.25; employer reimbursed registrant for all expenses incident to such work amounting to $1,063.09. (2) Various air-line, railroad, taxicab, telephone, telegraph, secretarial and reporting service companies, restaurants, hotels, other service establishments, and United States Post Office, etc. (3) Transportation, living expenses while away from home, telephone and telegraph services, mimeographing and related secretarial and clerical services, postage, miscellaneous related expenses, etc. (4) None. (5) Such Federal labor-law revision as will serve the public interest, and be fair to employees, unions, and employers, while adequately protecting innocent bystanders and the whole public.

Christman, Miss Elisabeth, National Women's Trade Union League of America, 317 Machinists Building, Washington, D. C. (1) $1,445 salary as secretary-treasurer of the National Women's Trade Union League. Legislative work is only one phase of the program of the league. My work is predominantly administrative, but a small percentage of my time is spent in activities in furtherance of our legislative program. (2) No money expended except for an occasional taxi fare. (3) [Blank.] (4) Life and Labor Bulletin, the league's monthly publication. (5) [Blank.]

Church,[1] R. R., 6000 Champlain Avenue, Chicago, Ill.; National Council for a Permanent Fair Employment Practice Committee, 930 F Street NW., Washington, D. C. (1) I receive no salary. Ten dollars per day allowance, when away from home for hotel and meals only as incurred, plus railroad transportation when necessary. I advance out of my funds paying these expenses, after which I am reimbursed by the National Council for a Permanent Fair Employment Practice Committee. (2) Dunbar Hotel, Washington, D. C.; McAlpin Hotel, New York; Baltimore & Ohio Railroad and Pennsylvania Railroad. (3) For subsistence of myself, when actively engaged for aforesaid council. (4) None. (5) Federal Fair Employment Practice Act, S. 1728.

Clark, Burton, 1813 F Street NW., Washington, D. C. (1) Nothing. (2) No one. (3) Enacting legislation. (4) None. (5) Not employed. Supporting a bill (proposed) to amend the United States Code entitled "Copyrights."

Clarke, David R., 120 South La Salle Street, Chicago, Ill.; National Metal Trades Association, 122 South Michigan Avenue, Chicago, Ill. (1) Approximately $250. (2) None. (3) None. (4) None. (5) Legislation affecting manufacturers generally.

Clorety, Joseph A., Jr., American Veterans Committee, Inc. (AVC), 1200 I Street NW., Washington, D. C. (1) Salary of $7,500 per year for position of national vice chairman of the American Veterans Committee plus not more than $5 per month for expenses in connection with legislative work. (2) Joseph A. Clorety, Jr. (3) To execute duties as national vice chairman of the organization, of which not more than 10 percent involve activities under the Lobbying Act. (4) AVC Bulletin. (5) Legislation relating to international, domestic, and veterans affairs in accordance with national platform of the American Veterans Committee.

Clovis, Edwards & Reed, Inc., 927 Fifteenth Street NW., Washington, D. C.; Foremen's League for Education and Association (resigned, effective July 31, 1949), Room 603, 11 West Monument Street, Dayton, Ohio. (1) Received from Foremen's League for Education and Association, Room 603, 11 West Monument Street, Dayton, Ohio, during second quarter 1949; fee, $4,500; meals and entertainment, $10; telephone, $24.16; total, $4,534.16. (2) Clovis, Edwards & Reed, Inc., 927 Fifteenth Street NW., Washington, D. C. (3) To represent the Foremen's League for Education and Association in Washington, D. C. (NOTE.—We have resigned this representation effective July 31, 1949.) (4) [Blank.] (5) To support the existing supervisors clause in new labor legislation and for no other purpose.

[1] Filed with the Secretary only.

Coakley,[1] Joseph, 901 Massachusetts Avenue, Washington, D. C. (1) Salary, $1,500; expenses, $1,769.58 (including travel expense to various parts of the United States, hotels, meals, phones, etc., etc.; nothing expended for legislative purposes). (2) None. (3) None. (4) None. (5) Legislative activity incidental. Main activity is my work as an international representative wherever and whenever required.

Coe, Joseph R., 1312 Barber Street, Little Rock, Ark.; CWA Southwestern Division No. 20, 5927a Easton Avenue, St. Louis, Mo. (1) No lobbying activities engaged in during the second quarter of 1949. No money received or expended during that period. Since I do not plan to engage in lobbying activities on matters before the Congress of the United States, this report should be considered my final report. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Cohn, Marcus, American Jewish Committee, 1420 New York Avenue NW., Washington, D. C. (1) During a typical month, the registrant devotes a maximum of 5 percent of his time to matters which may possibly be regarded as embraced in section 308 (a) of Public Law 601, Seventy-ninth Congress. The figures set forth here for the months of April, May, and June 1949, are based upon that percentage: Salary, $93.74; travel, $17.11; telephone, $9.75; office and miscellaneous expenses, $26.94. (2) Marcus Cohn. (3) See (1). (4) I have supplied information to the general press on immigration and other matters in which the American Jewish Committee is interested. (5) Legislation dealing with immigration, H. R. 3882, Senate Joint Resolution 2, and the President's civil-rights program.

Colborn, Miss Fern M., Presbyterian Board of Christian Education, U. S. A., Division of Social Education and Action, 830 Witherspoon Building, Philadelphia, Pa. (1) Salary, quarterly, $350; personal expenses refunded: Travel, $135.59; food, $64.36; hotel, $62; total, $261.95. (2) [Blank.] (3) Lobbying in the interest of social legislation on which the Presbyterian General Assembly has taken action. (4) Social Progress (magazine), special bulletins. (5) Same as (3).

Coleman, Russell, the National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $150 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes, and Pasture Progress, all published by the National Fertilizer Association, Inc., Washington, D. C.; Commercial Fertilizer, Atlanta, Ga.; the American Fertilizer, Philadelphia, Pa.; What's New in Crops and Soils, Madison, Wis. I issued in the regular way some newspaper releases regarding fertilizer consumption in various States but am unable to list the names of the papers in which they were published. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Coles, Marvin J., Ingoldsby, Coles & Wright, attorneys, 813 Washington Building, Washington, D. C.; Alaska Freight Express Corp., Pier 50, Seattle, Wash. (1) During the past calendar quarter no money has been received from the Alaska Freight Express Corp. Out-of-pocket expenditures have been $15. (2) Payments have been made to the telephone and telegraph companies, several restaurants, taxies, etc. (3) Telephone, telegraph, luncheons, etc. (4) [Blank.] (5) Legislation dealing with Alaska shipping.

Coles, Marvin J., Ingoldsby, Coles & Wright, attorneys, 813 Washington, Building, Washington, D. C.; Dichmann, Wright & Pugh, Inc., Western Union Building, Norfolk, Va. (1) During the past calendar quarter registrant has received legal fees in the amount of $1,500 for services rendered as attorney. Out-of-pocket expenses have been $59.70. (2) Payments have been made to the telephone and telegraph companies, several restaurants, taxies, etc. (3) Telephone, telegraph, luncheons, dinners, taxies, etc. (4) [Blank.] (5) Legislation concerning the authority of the Maritime Commission to sell, charter, and operate vessels.

Coles, Marvin J., Ingoldsby, Coles & Wright, attorneys, 813 Washington Building, Washington, D. C.; committee of attorneys and accountants representing Keystone Shipping Co.; Lykes Bros. Steamship Co., Inc.; American President Lines, Ltd.; Grace Line, Inc.; Mississippi Shipping Co., Inc.; Moore-McCormack Lines, Inc.; Paco Tankers; Socony-Vacuum Oil Co., Inc.; Standard Oil Co. of New Jersey, Marine Department; United Mail Steamship Co.; registrant does not directly represent any of these companies. (1) No money has been received; expenditures have totaled $19.88. (2) Telephone company, taxicab companies, restaurants. (3) Long-distance telephone charges, luncheons, transportation, etc. (4) [Blank.] (5) The committee by which registrant is retained is seeking clarification of the effect of section 9 of the Merchant Ship Sales Act of 1946 in computing the depreciation base for vessels affected by that section.

Coles, Marvin J., Ingoldsby, Coles & Wright, attorneys, 813 Washington Building, Washington, D. C.; New York Foreign Freight Forwarders and Brokers Association, 18 Pearl Street, New York, N. Y. (1) During the past calendar quarter registrant has received legal fees from the New York Foreign Freight Forwarders and Brokers Association in the amount of $900 and reimbursement for expenses in the amount of $71.39. (2) Expenditures have been for incidental matters such as telephones, luncheons, and transportation, and have been paid to the telephone company, taxicab companies, restaurants, etc. (3) Telephone, luncheons, transportation, etc. 4. [Blank.] (5) Registrant has been employed as attorney to present to the Congress and to the governmental agencies concerned information concerning foreign freight forwarders and use of their services under the foreign relief programs.

Colgan, Howard O., Jr., Milbank, Tweed, Hope & Hadley 15 Broad Street, New York, N. Y. (1) None. (2) See (1). (3) See (1). (4) None. (5) See (1). Proposed Federal tax legislation affecting the interests of the Chase National Bank of the city of New York.

Colgan, Howard O., Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See (1). (3) See (1). (4) None. (5) See (1). Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

Collett, F. G., 1330 Quincy Street NW., Washington, D. C.; Indians of California, Inc., 1078 University Avenue, Berkeley, Calif. (1) Received $1,019.19; expended $874.23. (2) To various persons and concerns for miscellaneous services, such as stenographic services, stationary and supplies, rooms and meals, telephone and telegraph, postage and transportation, and expenses and maintenance of delegates representing Indians of California, and of other persons. (3) To secure remedial legislation. (4) None. (5) Legislation relating to Indians of California.

Compton, R. T., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) Receipts: Salary, $3,750; expenses reimbursed by employer, $736.01. Expenditures, $736.01. (2) Expenses paid to various railroads, hotels, restaurants, taxicabs, telephone company, etc. (3) For expenses incurred in course of business, such as travel, meals and hotel accommodations, and expenses of conducting conferences for discussion of business matters. (4) [Blank.] (5) All legislation affecting industry, such as legislation relating to national labor policy, taxation, public expenditures, industrial controls, social security, research, patents, and investments.

Comstock, Boyd, legislative assistant, Legislative-Federal Relations Division, National Education Association, 1201 Sixteenth Street NW, Washington, D. C. (1) Salary, $1,320, which covers both legislative and nonlegislative activities; estimated for legislative service, $264; expenses, $73. (2) Self (salary). Expenses: Hotels, railroads, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Condon, Arthur D., 815 Fifteenth Street NW., Washington, D. C.; S. H. Kress & Co., McCrory Stores Corp., W. T. Grant Co., McLellan Stores Co., J. J. Newberry Co., H. L. Green Co., Inc. (1) None. (2) None. (3) No money received. (4) None. (5) Registrant is retained in connection with pending wage-hours legislation by the group named, for the purpose of informing, advising, and counseling them concerning the progress, interpretation, constitutionality, and legal effect of pending wage-hour and related legislation, including amendments currently proposed or which may be proposed, insofar as such legislation affects the vital interests of the variety chain stores named and of the consuming public which they serve. This undertaking will also include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrant does not believe that any of his activities including those named herein fall within the term "attempting to influence the passage or defeat of any legislation" as used in the Federal Regulation of Lobbying Act. This registration is being filed because of the uncertain interpretation of that act.

Cone, D. C., Brotherhood of Railroad Signalmen of America, Room 307, Labor Building, 10 Independence Avenue SW., Washington D. C. (1) Annual compensation for 1949, $6,000. (2) D. C. Cone. (3) As vice president and part-time national legislative representative of the Brotherhood of Railroad Signalmen of America covering all service rendered, including services entirely unrelated to legislative matters. (4) [Blank.] (5) Legislative directly and indirectly affecting the interests of labor generally, employees of carriers under the Railway Labor Act and particularly the interests of the employees represented by the Brotherhood of Railroad Signalmen of America.

Cone, John C., Pan American Airways, 815 Fifteenth Street NW., Washington, D. C. (1) During the quarter ended June 30, 1949, I have not received or spent any funds in connection with legislation. (2) None received or spent in connection with legislation. (3) Same as above. (4) None. (5) Not employed to support or oppose legislation but may be concerned with any legislation relating to aviation which may be pending.

Conn, Donald D., Transportation Association of America, 130 North Wells Street, Chicago, Ill. (1) Salary, $6,250; expenses in Washington, $520.65. (2) Hotel rates, railroad fares, etc. (3) Various. (4) [Blank.] (5) [Blank.]

Conover, Julian D., American Mining Congress, 1102 Ring Building, Washington, D. C. (1) Received no compensation other than regular salary as previously stated; expended $36.29. (2) Sundry payees. (3) Taxis, $15.55; telephone, $20.74. (4) An editorial director of Mining Congress Journal, a monthly magazine for the mining

[1] Filed with the Secretary only.

industry. (5) Measures affecting the mining industry.

Conroy, Eugene J., the Prudential Insurance Company of America, 763 Broad Street, Newark, N. J. (1) None; no activities during this quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Cooke, Richard O., Teamwork Publications, Inc., 66 Summer Street, Manchester Mass. (1) I am not employed by the Smaller Business Association of New England, having left their employ in June 1947. I, therefore, wish that my name be removed from the list of registered lobbyists. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Cooper, Milton J., Room 544, Washington Building, Washington, D. C.; National Coal Association et al. (1) This is the usual attorney and client relationship. It is difficult to allocate what part of this employment may be subject to the act, and therefore the entire compensation for the quarter is reported, to wit: National Coal Association, Southern Building, Fifteenth and H Streets NW., Washington, D. C., $3,000; National Lime Association, 927 Fifteenth Street NW., Washington, D. C. (retainer fee previously reported); total, $3,000. (2) No money expended. (3) [Blank.] (4) None. (5) Any legislation affecting the client.

Cooperstock, John, 30 Bellingham Avenue, Revere, Mass.; Veterans' Association, Federal Employees, Naval Shipyard, New York; Lenruth Hall, Waverly and Myrtle Avenue, Brooklyn, N. Y. (1) None. (2) Self. (3) Support or oppose legislation affecting veterans preference. (4) None. (5) None this quarter.

Corbett, John T., 10 Independence Avenue SW., Washington, D. C.; Brotherhood of Locomotive Engineers, 1118 Brotherhood of Locomotive Engineers Building, Cleveland, Ohio. (1) Wages, $3,295.56; expense accounts, $455; for office rental, telephone, postage, etc., $200.01. (2) $200.01 to Labor for office rental. (3) As assistant grand chief engineer and national legislative representative, Brotherhood of Locomotive Engineers, covering all services rendered including services entirely unrelated to legislation and legislative matters. (4) [Blank.] (5) Legislation directly and indirectly affecting the interest of labor.

Cortright, Frank W., National Association of Home Builders, Suite 1116, 1028 Connecticut Avenue NW., Washington, D. C. (1) Salary, $4,999.98; per diem, $637; expenses, $1,134.82; total, $6,771.80. As indicated upon my registration, I have been advised by counsel that I am not subject to the Lobbying Act. Such registration and this report are, therefore, filed under protest and merely as a matter of personal precaution in view of the indefiniteness of said act and the lack of judicial interpretation thereof. Neither said registration nor this report in any way are intended to constitute an admission by me that I am subject to the act. The payments reported above as my salary and per diem are for general services as executive vice president of the National Association of Home Builders, and are not dependent upon rendition of services which might be considered lobbying within the meaning of the act. Similarly expenses reported include substantial amounts for routine association business which could not be regarded as lobbying within the meaning of the act. Expenses reported do not include items of association expense such as travel, secretary's salary, telephone and rent, which are part of the general administrative budget of the association and do not represent moneys received by me from the association. (2) Paid out in cash to taxis, restaurants, hotels, telephone, and telegraph companies, etc. (3) Transportation, telephones, telegrams, tips, etc. (4) News releases are sent to the Associated Press, International News Service, United Press, and other national newspaper wire services by the association for publication in subscriber papers and magazines, some of which releases may contain material deemed to affect legislation directly or indirectly. Neither the association nor I have any means of ascertaining a complete list of the publications utilizing such releases. I also write an article each month for the American Builder, a monthly publication devoted to the interests of the housing industry. The association publishes a weekly news letter called the Washington Letter and a monthly magazine, the Correlator, containing material of interest to the membership, including information on legislative matters. (5) I am not employed to support or oppose any legislation, but I am the executive vice president of the trade association of the home-building industry. In that capacity it is incumbent upon me to supervise, among other things, the work of the association's legislative department. The function of that department of the association is to follow all legislation affecting the home-building industry, to advise the membership of the association of all such legislation, and to make known to the public and to the Congress the opinion of the membership on all such legislation.

Costello, John M., 2737 Devonshire Place NW., Washington, D. C.; American League for an Undivided Ireland, care of Charles T. Rice, 122 East Forty-second Street, New York City, N. Y. (1) Received as fees for services, $750; received as reimbursement for expenditures, $165.75. (2) Various. (3) Hotel accommodations and railroad fares, etc. (4) CONGRESSIONAL RECORD. (5) Any legislation which may tend to effectuate the unification of all Ireland into a united nation.

Covington, J. Harry, 3d, 701 Union Trust Building, Washington, D. C.; American Smelting & Refining Co. (1) Received, none; expended in connection with all matters for client, $258.36. (2) Telephone and telegraph expense, $61.65; travel expenses, including hotel accommodations, etc., $100.59; reports and mimeographing, $42.90; miscellaneous, $53.22. (3) Long-distance telephone calls, telegrams, mimeographing, transportation, and hotel accommodations. (4) None. (5) Appropriation for continuation of drainage tunnel by Bureau of Mines at Leadville, Colo.

Cowan, Nathan E., 718 Jackson Place NW., Washington, D. C.; United Steelworkers of America, CIO, 1500 Commonwealth Building, Pittsburgh, Pa. (1) Salary, $1,875; expenses, $983.89. (2) Hotels, railroads, restaurants, cabs, etc. (3) [Blank.] (4) Union News Service and CIO News. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Cox, Langford, Stoddard & Cutler, 1210 Eighteenth Street NW., Washington, D. C.; California Texas Oil Co., Ltd., 551 Fifth Avenue, New York, N. Y. (1) The firm receives compensation from California Texas Oil Co., Ltd., for professional services billed from month to month on an hourly time-charge basis. None of the services performed and billed during the calendar quarter ending June 30, 1949, involve any services of such a nature as to be subject to the provisions of the Federal Regulation of Lobbying Act, and no payments were received for any services of such a nature. (2) See (1) above. (3) See (1) and (2) above. (5) None. (5) Bills dealing with acquisition, allocation, transportation, or other regulation or control of materials and products used or marketed by California Texas Oil Co., Ltd.

Cox, Langford, Stoddard & Cutler, 1210 Eighteenth Street NW., Washington, D. C.; Overseas Tankship Corp., 551 Fifth Avenue, New York, N. Y. (1) The firm receives compensation from Overseas Tankship Corp. for professional services billed from month to month on an hourly time-charge basis. If any of the services performed and billed during the calendar quarter ending June 30, 1949, involved any services of such a nature as to be subject to the provisions of the Federal Regulation of Lobbying Act, the amount billed and received which is properly allocable to such services is $530. (2) See (1) above. (3) See (1) and (2) above. (4) None. (5) Legislation dealing with ocean transportation of United States financed cargoes.

Cox, Langford, Stoddard & Cutler,[5] 1210 Eighteenth Street NW., Washington, D. C.; Publicker Industries, Inc., 1429 Walnut Street, Philadelphia, Pa. (1) The firm receives compensation from Publicker Industries, Inc., for professional service, billed from month to month on an hourly time charge basis. As stated in its registration statement on Form B, registrant does not believe that these professional services are of such a nature as to be subject to the provisions of Federal Registration of Lobbying Act. No professional services in connection with pending legislation were included in the registrant's monthly statements to Publicker Industries, Inc., which were paid during the first calendar quarter of 1949. (2) See (1) above. No payments were made to anyone for services in connection with any pending legislation during the first quarter of 1949. (3) See (1) and (2) above. (4) None. (5) Bills dealing with Government's power to allocate, regulate or otherwise control material and products used or produced by Publicker Industries, Inc.

Cox, Langford, Stoddard & Cutler,[6] 1210 Eighteenth Street NW., Washington, D. C.; Publicker Industries, Inc., 1429 Walnut Street, Philadelphia, Pa. (1) The firm receives compensation from Publicker Industries, Inc., for professional service, billed from month to month on an hourly time charge basis. As stated in its registration statement on Form B, registrant does not believe that these professional services are of such a nature as to be subject to the provisions of Federal Registration of Lobbying Act. No professional services in connection with pending legislation were included in the registrant's monthly statements to Publicker Industries, Inc., which were paid during the second calendar quarter of 1949. (2) See (1) above. No payments were made to anyone for services in connection with any pending legislation during the second quarter of 1949. (3) See (1) and (2) above. (4) None. (5) Bills dealing with Government's power to allocate, regulate or otherwise control material and products used or produced by Publicker Industries, Inc.

Coxe, W. W., Norfolk & Western Railway Co., 801 North Jefferson Street, Roanoke, Va. (1) I received $434.85 from Norfolk & Western Railway Co., Roanoke, Va., representing reimbursement for expenses, all of which were expended during the preceding calendar quarter. (2) Hotels in Washington as follows: Statler, Washington, Carlton, Mayflower, and Occidental Restaurant, Washington; taxicab companies, tips, Chesapeake & Potomac Telephone Co., etc. (3) Hotel accommodations, food, and other incidental expenses. (4) None. (5) Proposal to canalize Big Sandy River and its Tug and Levisa Forks in the States of Kentucky and West Virginia.

Cramer, Gus C., CWA Southwestern Division No. 20, 1122 Paul Brown Building, St. Louis, Mo. (1) During the period of the first quarter I did not participate in any activities regarding the Federal Regulation of Lobbying Act. (2) See (1). (3) See (1). (4) See (1). (5) See (1).

Crampton, Charles J., attorney, 700 Insurance Building, San Antonio, Tex.; State Tax Association, Post Office Box 2559, Houston, Tex. (1) Expense account of $597.84 reported for first quarter was paid during the second quarter, 1949. (2) No money paid.

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[5] Filed for first quarter, 1949.

[6] Filed for second quarter, 1949.

(3) None. (4) None. (5) To bring about constructive cooperation between community-property and common-law States for the development of a plan of tax equalization which will afford an equitable basis for income, estate, and gift taxation in the Federal tax structure. To support complete retroactive repeal of the 1942 estate and gift tax amendments as they apply to community-property States in an unfair, discriminatory, inequitable manner. We have supported and will continue our support of the American Bar Association's recommendation for tax equalization.

Crawford, William A., Railroad Association of Georgia, 545 Hurt Building, Atlanta, Ga. (1) No money received or expended for any lobbying activities. (2) No one. (See (1) above.) (3) None. (See (1) above.) (4) None. (5) None.

Crowley, Leo J., 922 Equitable Building, Denver, Colo.; the Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, 509 Seventeenth Street, Denver, Colo. (1) Received compensation of $40 and expenses in the amount of $80 during the month of May 949, these amounts being the only money received during the period, whose expenditure had to do with Federal legislation. (2) Statler Hotel and Carroll Arms Hotel, Washington, D. C.; restaurants, Pullman Co., dining cars, taxicabs, tips, etc. (3) $80 expenses was expended by me during the period of this report for hotel expenses, meals, pullman fares, taxicabs, tips, and incidentals. (4) None. (5) Legislation affecting railroads operating in and having trackage in the State of Colorado.

Cullinane, Leo., National Associated Businessmen, Inc., 1025 Vermont Avenue NW., Washington, D. C. (1) $999.99 received as straight salary. Total of $200 was reimbursed for out-of-pocket expenditures for such expenses as taxicabs, lunches, telephone calls, etc., made on or in behalf of the interest of the organization. (2) [Blank.] (3) Money expended for taxicabs to and from Hill (approximately $45) and to other Government departments. Lunches with Congressmen to discuss certain proposed legislation ($10). (4) None. (5) Equality of taxes between private enterprise and cooperatives and other tax-exempt organizations; public expenditures; Government corporations; labor relations; any legislation affecting small business.

Cullum, Robert M., Committee for Equality in Naturalization, 302 Fifth Street NE., Washington, D. C. (1) Received salary totaling $1,500; reimbursement of travel expenses, $43.72. (2) Paid out miscellaneous traveling expenses, fare, hotel, taxis, etc. (3) To attend executive board meetings in New York City. (4) None. (5) Legislation to provide that the privilege of becoming a naturalized citizen of the United States shall not be denied or abridged because of race.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; American Export Lines, Inc., 25 Broadway, New York, N. Y. (1) Received $1,800; expended $25.45 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroads, air lines, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; American President Lines, Ltd., 311 California Street, San Francisco, Calif. (1) Received $1,800; expended $25.45 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroads, air lines, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; Farrell Lines, Inc., 26 Beaver Street, New York, N. Y. (1) Received $1,800; expended $25.45 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroads, air lines, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; Grace Lines, Inc., 10 Hanover Square, New York, N. Y. (1) Received $1,800; expended $25.45 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, taxicabs, air lines, railroads. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; Lykes Bros. Steamship Co., Inc., Box 2879, Tampa, Fla. (1) Received $1,800; expended $25.45 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroads, air lines, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; Bernard Peyton, and Bernard Peyton, executor, estate of Anne Peyton, deceased, Prettybrook Road, Princeton, N. J. (1) Received, none; expended, $164.34 for research material, reproduction of documents, telephone and telegraph tolls, local transportation, and postage. (2) Telephone and telegraph companies, photostat company, law institute. (3) Communication, copies of documents, local transportation, research material including copies of legal memoranda. (4) None. (5) H. R. 5045 and H. R. 5398.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; United States Lines, 1 Broadway, New York, N. Y. (1) Received $1,800; expended $123.55 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroads, air lines, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cuneo, John C., post-office box 1054, Modesto, Calif.; the Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio. (1) The Townsend Plan, Inc.: Gross receipts for operations in California, $1,498; less deductions at source, $361.57; total, $1,136.43; California State Council Legislative Committee, reimbursement for expenses for operations in California, $1,423.97; Wildberg Bros., San Francisco, sale of scrap metal, $149.56; total receipts available for operations in California, $2,709.96; amount paid to John C. Cuneo for his personal use, $780; balance to be used for operations in California, $1,929.96. Total disbursements for California operations, $2,153.15. (2) Various. (3) Office rent, postage, telephones, office supplies, hotels, etc. (4) None. (5) The Townsend plan, H. R. 2135 and H. R. 2136.

Curry,[5] James E., 1016 Sixteenth Street NW., Washington, D. C.; National Congress of American Indians et al. (See attached statement.[4]) (1) Alaska Native Brotherhood, $1,304; National Congress of American Indians, $100; Oglala Sioux, $750; San Carlos Apache, $150. These payments were made for legal services, a minor part of which concerned legislation. (2) Landlord, stenographers, assistant attorneys, stationers, etc. (3) Office expenses and salaries, more than $2,304. (4) None. (5) All legislation concerning Indians.

Curry,[6] James E., 1016 Sixteenth Street NW., Washington, D. C. (National Congress of American Indians et al.) (See attached statement.[4]) (1) Oglala Sioux, $375; San Carlos Apaches, $600; Omahas, $500; National Congress of American Indians, $200. (These payments were made for legal services, a minor part of which concerned legislation.) (2) Landlord, stenographers, assistant attorneys, stationers, etc. (3) Office expenses and salaries, more than $1,675. (4) Reprints, article by Harold Ickes, May 9 issue New Republic magazine. Paid for direct by Alaska Native Brotherhood, $18. (5) All legislation concerning American Indians.

Curtiss, Ralph E., 1422 F Street NW., Washington, D. C.; retained by Associated Tavern Owners of America, Inc.; 420 Seventh Street, Racine, Wis. (1) Received, $541.45; expended, $16.45. (2) Railroad and telephone companies. (3) Telephone and travel expenses. (4) ATOA News (monthly publication of the association). (5) Any legislation affecting tavern industry.

Daley, William L., 817 Investment Building, Washington, D. C.; National Editorial Association, 222 North Michigan Avenue, Chicago, Ill. (1) Receipts and expenditures on behalf of the National Editorial Association, $1,390.15. (2) Railroads, telegraph, telephone companies, taxicabs, and office-supply companies, $565.15. (3) Reimbursement for office expenses, transportation, and communications. (4) Interpretative articles in official bulletins of national and State publishers associations; also in trade publications of publishing industry. (5) Measures affecting the press.

Dameron, William V., grand lodge representative, Machinists' Building, Washington, D. C.; International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Damon, Eugene J., St. Louis-San Francisco Railway Co., chairman, Missouri Railroad Committee, 906 Olive Street, St. Louis, Mo. (1) None. (2) None. (3) None. (4) None. (5) None.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn.; the Firestone Tire & Rubber Co., Akron, Ohio. (1) $900 for services rendered as attorney for the Firestone Tire & Rubber Co. (2) Chesapeake & Potomac Telephone Co., $4.50. (3) Long-distance telephone calls. (4) None. (5) H. R. 1412 and S. 640.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn.; the Fuller Brush Co., Hartford, Conn. (1) $3,000 for all services performed as attorney for the Fuller Brush Co., of Hartford, Conn. (2) Chesapeake & Potomac Telephone Co., $9.05; Virginia Bowman for mimeograph service, $27. (3) Long-distance telephone calls. (4) None. (5) As attorney for the Fuller Brush Co., appearing in favor of extension of social security to all gainful employment including a method of covering the self-employed.

Danaher, John A. 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn.; The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio. (1) $900 for services rendered as attorney for the B. F. Goodrich Co. (2) [Blank.] (3) [Blank.] (4) None. (5) H. R. 1412 and S. 640.

Daugherty, Paul J., 820 Huntington Bank Building, 17 South High Street, Columbus, Ohio; Ohio Chamber of Commerce, Columbus, Ohio. (1) None. (2) None. (3) None. (4) None. (5) Legislation dealing with social security, business, taxation, and other matters of interest to our organization.

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[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.

[4] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

Davies, Aled P., American Meat Institute, 59 East Van Buren Street, Chicago, Ill. (1) Received salary from American Meat Institute of $2,423.12; no travel expenses during second quarter of 1949. (2) No one. (See (1) above). (3) None. (See (1) above). (4) None. (5) Legislation affecting specifically the meat-packing industry.

Davis & Gilbert (a partnership), 1 East Forty-fourth Street, New York, N. Y.; the Best Foods, Inc., 1 East Forty-third Street, New York, N. Y. (1) Expenditures: $676.90 for transportation, meals, lodging, telephone, and telegraph expenses. Receipts: The registrant was reimbursed in part by the Best Foods, Inc., during the quarter for the aforementioned expenditures and will be reimbursed by said company for the entire sum thereof; registrant has received from the Best Foods, Inc., the usual equal monthly installments of its annual legal fee of $35,000 which fee the registrant has received every year for many years. (2) To railroads, air lines, cabs, hotels, restaurants, telephone and telegraph companies. (3) Travel to and from Washington, D. C., living expenses in Washington, D. C., and telephone calls and telegrams. (4) None. (5) Registrant is not and was not employed specifically for the purpose of supporting or opposing any pending legislation nor was registrant employed specifically for the purposes set forth in the first sentence of section 308 (a) of Public Law 601, Seventy-ninth Congress; registrant is paid a yearly retainer for acting as legal counsel to the Best Foods, Inc., and, in addition to registrant's major duties as such counsel, registrant presented the cause of the company in respect to legislation affecting margarine which is one of the many products manufactured by that company.

Davis, John H., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for April, May, and June 1949, $3,300; less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Washington Situation, a weekly mimeographed newsletter of the National Council of Farmer Cooperatives. (5) Agricultural legislation.

Davis, Sherlock, 1117 Barr Building, 910 Seventeenth Street NW., Washington, D. C.; United States Cuban Sugar Council, 136 Front Street, New York, N. Y. (1) None; during the preceding calendar quarter registrant had not engaged in any activities covered by section 308 (a) of the Federal Regulation of Lobbying Act, and, accordingly, has received no funds and made no disbursements for the purposes covered by the act, but is filing this report for purposes of record (annual salary reported on Form B). (2) No one. (3) [Blank.] (4) None. (5) None.

Dawes, Bourbon, Hotel Association of Washington, D. C., 1331 G Street NW. (1) Salary, $1,875; expenses, $126. (2) (a) Taxis, transportation, $51.90; (b) miscellaneous lunches and dinners, $53.55; (c) miscellaneous expenses, $20.55. (3) Normal operating expenses. (4) None. (5) Legislation affecting hotels in District of Columbia.

Dawson, Clarence E., Milbank, Tweed, Hope & Hadley, 821 Fifteenth Street NW., Washington, D. C. (1) None. (2) See (1). (3) See (1). (4) None. (5) See (1); proposed Federal tax legislation affecting the interests of the Chase National Bank of the city of New York.

Dawson, Clarence E., Milbank, Tweed, Hope & Hadley, 821 Fifteenth Street NW., Washington, D. C. (1) None. (2) see (1). (3) See (1). (4) None. (5) See (1); proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

Deegan, Thomas J., Jr., 4500 Chrysler Building, New York, N. Y.: Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) Salary, $416.66 as president of the federation; traveling expenses, $400. (2) Various hotels and transportation agencies for traveling expenses. (3) Travel expenses. (4) None. (5) None.

DeGroot, E. H., Jr., 924 Colorado Building, Washington, D. C.; Protestants and Other Americans United for Separation of Church and State, 1835 K Street NW. (1) See statement attached.[4] (2) See statement attached.[4] (3) See statement attached.[4] (4) None. (5) None; my duties are those of treasurer.

Denning, William I., 1518 K Street NW., Washington, D. C.; National Association of Magazine Publishers, 232 Madison Avenue, New York, N. Y. (1) $1,875 was received as retainer for services, plus $435.71 reimbursements for personal expenses in connection with work for the association. (2) William I. Denning. (3) For general legal representation in Washington, D. C. (4) None. (5) Have advised employer in matters of proposed postal rates but have not supported or opposed any legislation.

Dickerman, John M., National Association of Home Builders, 1028 Connecticut Avenue NW., Washington, D. C. (1) Salary, $3,000; expenses, including lunches, taxis, tips, telephone, etc., $162.13; reimbursement for out-of-pocket expenses, $112.92; the salary and expense listed under (1) are charged against that portion of the association's budget allocated to the legislative department, of which I am in charge, which allocation is $27,000 for 1949, but which probably will be adjusted upward at the next executive committee meeting; only some of the functions of this department might be deemed as coming within the purview of the Federal Regulation of Lobbying Act. (2) Paid out in cash to taxis, restaurants, hotels, telephone and telegraph companies, etc. (3) Transportation, telephones, telegrams, tips, hotel rooms, etc. (4) News releases are sent to the Associated Press, INS, UP, and other national newspaper wire services by the association for publication in subscriber papers and magazines, some of which releases may contain material deemed to affect legislation directly or indirectly; neither the association nor I have any means of ascertaining a complete list of the publications utilizing such releases. The association publishes a weekly news letter called the Washington Letter and a monthly magazine, the Correlator, containing material of interest to the membership, including information on legislative matters. (5) All legislation affecting the home-building industry.

Dickinson, A. W., American Mining Congress, 1102 Ring Building, Washington, D. C. (1) Received no compensation other than regular salary as previously stated; expended, $94.15. (2) Sundry payees. (3) Taxis, $20.90; luncheons and dinners, $73.25. (4) Am associate editor of Mining Congress Journal, a monthly magazine for the mining industry. (5) Measures affecting the mining industry.

Disbrow, Walter L., Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C. (1) Salary, $1,132.38; expenses, $136.09. (2) Walter L. Disbrow. (3) To represent members of the Retirement Federation of Civil Service employees of the United States Government. (4) Quarterly Retirement News Bulletin. (5) All legislation affecting the Civil Service Retirement and United States Employees Compensation Acts.

Disney, Wesley E., Independent Natural Gas Association of America, et al, 434 Southern Building, Washington, D. C. (1) Western Oil and Gas Association, 510 West Sixth Street, Los Angeles, Calif., $1,500; Independent Natural Gas Association of America, 1700 Eye Street NW., Washington, D. C., $833.33. (2) None. (3) None. (4) None. (5) None.

Dodge, Homer, Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York City. (1) $600 salary and $225 expenses. (2) Chesapeake & Potomac Telephone Co., Postmaster, Public Printer and others (3) Telephone service, postage, Government documents, rent, and minor office expenditures. (4) None. (5) None.

Donald, W. J., National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y. (1) Allocated salary and pay roll overhead received, $177.84. (2) None. (3) None (see 2 above). (4) Information relating to amendment of Labor-Management Relations Act has been sent by bulletins to members and others. (5) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, and electric fans; and legislation with respect to the amendment of the Labor-Management Relations Act.

Donnelly, James L., Illinois Manufacturers' Association, 120 South LaSalle Street, Chicago, Ill. (1) Approximately $388.04. (2) Railroad fares, hotel accommodations, meals, taxicab fares, etc. (further detail will be supplied upon request). (3) See (2) above. (4) Industrial Review and miscellaneous bulletins. (5) Legislation of general interest of manufacturers.

Dorsett, J. Dewey, Association of Casualty & Surety Companies, 60 John Street, New York, N. Y. (1) Registrant does not receive funds earmarked for purposes set forth in this act; registrant has estimated, however, that $75 received by registrant during the second quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice; registrant does not believe he has engaged in any activitie in this quarter within the purview of this act; registrant has expended no money in this quarter. (2) None. (3) None. (4) Speaking of Facts, Casualty and Surety Journal April 1949; Insurance Safety Specialists Prove Their Value to Public, Journal of Commerce, May 27, 1949; Past Decade One of Achievement by Association of Casualty & Surety Cos., Weekly Underwriter, May 28, 1949; Accident Prevention Is Our Business, Insurance Index, June 15, 1949. (5) Registrant doubts that he is employed to support or oppose legislation. However, on very infrequent occasions he has supported or opposed legislation as it specifically affects capital stock casualty insurance and surety companies.

Dorson, C. L., Retirement Federation of Civil Service Employees of United States Government, 900 F Street NW., Washington, D. C. (1) Salary, $774.45; expenses, $13.31. (2) C. L. Dorson. (3) To represent members of the Retirement Federation of Civil Service employees of the United States Government. (4) Quarterly Retirement News Bulletin. (5) All legislation affecting Civil Service Retirement and United States employees compensation acts.

Dougherty, John E., the Pennsylvania Railroad Co., 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C. (1) Salary, $665.81 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation; $157.75 was expended by me as expense money, during the second quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals; in addition to this amount, I also received $315.55 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act. (2) Various transportation

[4] Not printed. Filed in the Clerk's office.

companies, restaurants, garages, communication companies, etc. (3) $157.75 was expended by me as expense money during the second quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of the Pennsylvania Railroad Co.

Dougherty, Robert E., National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C. (1) Salary, $1,416.66; expenses, $134.15. (2) Local hotels, restaurants, cabs, phone calls, and tips. (3) Meals, tips, cabs, phone calls. (4) None. (5) Legislation affecting the interests of the lumber manufacturing industry.

Dow, Fayette B., Munsey Building, Washington, D. C.; Committee for Pipe Line Companies, Tulsa, Okla. (1) The Committee for Pipe Line Companies was organized to represent, as occasion may arise, in Washington, before departments of the Government, including Congress, the petroleum pipe lines that are regulated by Interstate Commerce Commission under the Interstate Commerce Act. The committee is not proposing or advocating any changes in existing laws. Deponent believes that in the period covered by this quarterly report he has taken no action that comes within the provisions of the Lobbying Act. Deponent believes that of his total compensation for all services rendered to the Committee for Pipe Line Companies, $500 would be a fair apportionment for any services which might be considered to be within the provisions of the Lobbying Act; in the quarter ending June 30, 1949, deponent received $90.18 reimbursement for March and April 1949 expenses covering postage, telephone and miscellaneous items. None of the foregoing items deponent believes relate to activities within the scope of the Lobbying Act. (2) See (1). (3) See (1). (4) None. (5) No legislation is proposed by Committee for Pipe Line Companies, deponent's employer; the committee is opposed to S. 571 which would make it unlawful for oil companies to own and operate pipe lines.

Dowd, M. J., Imperial Irrigation District, El Centro, Calif. (1) Salary $960 per month; incidental traveling expenses, $1,050.76. (2) The salary is regular compensation for my full-time employment as consulting engineer for Imperial Irrigation District on irrigation, power, drainage, and related matters; expenses represent reimbursement to me for personal travel, hotel, and subsistence expenses. (3) [Blank.] (4) None. (5) Legislation relating to the Colorado River and affecting Imperial Irrigation District.

Drake, John, National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended,, $17.80. (2) Taxicabs. (3) Taxi fares. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk; terminated May 6, 1949.

Dresie, Grey, 202 Bitting Building; Kansas Independent Business Men's Association, 205 Orpheum Building, Wichita, Kan. (1) None. (2) None. (3) None. (4) The Friendly Dollar. (5) Tax equality.

Drysdale, Robert M. Jr., Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) $2,500; traveling expenses, $40.34. (2) Various hotels and travel agencies for traveling expenses. (3) Traveling expenses. (4) None. (5) None.

DuBois, Ben, the Independent Bankers Association, Sauk Center, Minn. (1) Went to Washington on April 9, 1949, and reached home on April 17, 1949, total cost of the trip, $290.55; this covered travel, hotel, sustenance and incidentals; beginning April 14 my salary was on the yearly basis of $7,500; the income of the association is from dues paid by its members; the association is interested in legislation that will help maintain our old system of independent banking; the organization wants a bill that would properly regulate the bank holding company but ther is no bill as yet along these lines before this Congress. (2) See (1). (3) See (1). (4) [Blank.] (5) [Blank.]

DuBrul, Stephen M., General Motors Corp., General Motors Building, Detroit, Mich. (1) See statement attached.[4] (2) See statement attached.[4] (3) See statement attached.[4] (4) None. (5) Registrant has supported Federal legislation consistent with and opposed Federal legislation inconsistent with the position on such legislation taken by Mr. C. E. Wilson as president of General Motors Corp. in testifying before the Senate Committee on Labor and Public Welfare of the Eightieth Congress, as per statement attached to previous quarterly report dated April 11, 1949.

Dudley, Harold, American Council of Commercial Laboratories, 318 Evans Building, Washington, D. C. (1) $625 a month for April, May, and June; total of $584.05 for traveling expenses. (2) Harold Dudley. (3) For representing the interests of the American Council of Commercial Laboratories before Government agencies and serving as the council's executive secretary. (5) Revision of Internal Revenue Form 990.

Dunn,[5] William M., Communications Workers of America, 917 G Place NW., Washington, D. C. (1) Expenses, $511.96; salary, $1,999.98. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform to the normal functions of my positions with the Communications Workers of America, none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Dunn,[6] William M., Communications Workers of America, 917 G Place NW., Washington, D. C. (1) Expenses, $1,249.14; salary, $1,999.98. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform to the normal functions of my positions with the Communications Workers of America, none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its Divisions.

Dushane, Matthew, 1424 K Street NW., Washington, D. C.; Seafarers International Union of North America, 105 Market Street, San Francisco, Calif. (1) Salary received for all work connected with Government agencies and departments including legislation and other labor matters totals to date $3,900 (this includes withholding and social-security taxes); expended $110 during last quarter which was not reimbursable by the union. (2) [Blank.] (3) Telephone calls, taxi, meals, and entertainment. (4) The Seafarers Log and the West Coast Sailor. (5) All legislation affecting the general welfare of merchant seamen and legislation of interest to the members affiliated with the Seafarers International Union of North America.

Dwyer, Joseph L., 1625 K Street NW., Washington, D. C.; American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) Salary previously reported; expenses reimbursed by employer, $889.38. (2) Various railroads, hotels, restaurants, retail stores, taxicabs, telephone companies, Government Printing Office, Hickey Bros. (3) Administrative, traveling, and incidental expenses, newspapers, periodicals, cigars, cigarettes, etc., meals and entertainment. (4) None. (5) All legislation affecting petroleum and its products, or natural gas.

[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.

Echols, Oliver P., Northrop Aircraft, Inc., Northrop Field, Hawthorne, Calif.; Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) Nothing received, nothing spent. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Edelman, John W., 910 Warner Building, Washington, D. C.; Textile Workers Union of America, 99 University Place, New York, N. Y. (1) Salary, $1,499.94; $271.83 to reimburse actual expenses incurred; $109.80 of this amount for expenses incurred in Washington; remainder for expenses outside of Washington. (2) Railroads, hotels, restaurants, cab drivers, bus companies, air lines. (3) Personal expense and travel. (4) Textile Labor, CIO News, Labor Press Associates. (5) Support legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Edelsberg, Herman, 1003 K Street NW., Washington, D. C.; Anti-Defamation League of B'nai B'rith, 212 Fifth Avenue, New York, N. Y. (1) For activities covered by the act, approximately 5 percent of salary, $125; actual expenses for fares, telephone, etc., approximately $15. (2) To various persons who provided actual taxi, telephone, postage, meals, etc., services. (3) Transportation, telephone, postage, meals, etc. (4) ADL Bulletin. (5) The ADL is an educational organization whose primary purpose is to promote better human relations among Americans. Incidental to this purpose, registrant supports legislation which promotes the civil rights of all Americans, and opposes undemocratic discrimination against any Americans.

Edwards, Burton E., executive secretary, National Apartment Owners Association, 730 Eleventh Street NW., Washington, D. C.; National Apartment Owners Association, Douglas Building, 257 South Spring Street, Los Angeles, Calif. (1) General fund, National Apartment Owners Association; no contributions; see attached statement for disbursements;[4] president's fund, National Apartment Owners Association, miscellaneous individual contribution totaling $300, no disbursements. (2) General fund, National Apartment Owners Association; see attached quarterly statement;[4] president's fund, National Apartment Owners Association, no disbursements. (3) General fund, National Apartment Owners Association; see attached quarterly statement;[4] president's fund, National Apartment Owners Association, no disbursements. (4) none. (5) All measures affecting the multiple housing industry. Final report, resignation effective May 15, 1949.

Ege, Warren S., and Dougan, Arthur L., 1135 Tower Building, Washington, D. C., 1759 Union Commerce Building, Cleveland, Ohio; Eleanor Draffan, executrix, Mansfield, Ohio; L. C. Weiss, administrator, Cleveland, Ohio; and National City Bank of Cleveland, executor, Cleveland, Ohio. (1) $25 received as reimbursement of previous expenditures for transportation; $200 received by law firm of which registrants are partners; no proportionate share for registrants yet determined. (2) None. (3) None. (4) None. (5) Legislation affecting revision of Federal estate tax provisions; no legislation pending or proposed by registrant; registrants' activities in this connection have terminated.

Eliason, Courtleigh W., General Motors Corp., General Motors Building, Detroit, Mich. (1) See statement attached.[4] (2) See statement attached.[4] (3) See statement attached.[4] (4) None. (5) Registrant has supported Federal legislation consistent with and opposed Federal legislation inconsistent with the position on such legislation, taken by Mr. C. E. Wilson, as president of the General Motors Corp., in testifying before the

[4] Not printed. Filed in the Clerk's office.

Senate Committee on Labor and Public Welfare of the Eightieth Congress, as per statement of such position, attached to report of April 8, 1949.

Elliott, John Doyle, 305 Pennsylvania Avenue SE., Washington, D. C.; Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio. (1) Salary of $60 per week plus $30 per week average traveling expenses while engaged in work elsewhere than location of above business address. (2) Paid for mileage, fares, hotel costs, meals while engaged in work elsewhere than location of above business address. (3) Contacting Townsend Clubs and other organizations and citizens relative to promotion of the Townsend plan, and in the course of statistical and economic research work. (4) None. (5) H. R. 2135 and H. R. 2136, Eighty-first Congress, first session, generally known as the Townsend plan.

Ellis, Clyde T., National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C. (1) Salary (3 months ending June 30, 1949), $3,450; expense accounts, $346.25. (2) To self for salary and reimbursement for, meals, hotel, tips, and transportation, $3,796.25. (3) Travel incident to members meetings, board of directors meetings, etc. (4) Rural electrification. (5) Legislation affecting the growth and welfare of Rural Electric Cooperative Corporations, public power, and public utility districts, and legislation affecting public-power developments where they would in turn affect the Rural Electric Cooperative Corporations, public power, and public utility districts.

Ellison, Newell W., 701 Union Trust Building, Washington, D. C.; H. C. Bohack Co., Inc., Bohack Square, Metropolitan and Flushing Avenues, Brooklyn, N. Y. (1) None received, and $198.29 expended during the previous quarter for incidental expenses such as long distance telephone and taxicab costs. (2) Telephone company and taxi operators. (3) See (1) above. (4) None. (5) Legislation seeking amendment of the Fair Labor Standards Act so as to curtail the present exemption for retail establishments.

Ellsworth, Charles K., Hill and Knowlton, Inc., 300 Hibbs Building, 725 Fifteenth Street NW., Washington, D. C. (1) Salary, $2,400; expenses, $96.50. (2) Expense money paid out only to restaurants and cab drivers. (3) Covered above. (4) Have no records of any such publications. (5) Not employed to oppose or support legislation; have been assigned by Hill and Knowlton, Inc., to prepare educational information and material showing consequences of measures proposing to remove Federal restrictions on the manufacture and sale of yellow oleomargarine.

Ely, Northcutt, 1209 Tower Building, general counsel, American Public Power Association, 1757 K Street NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Services this quarter have not involved the supporting or opposing legislation; at the request of the association legal analyses and opinions are rendered from time to time on legislation affecting public power.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel for Colorado River Board of California and Six Agency Committee, 315 South Broadway, Los Angeles, Calif. (1) $8,528.94 representing legal fees for services and expenses of this office and in California in legislation and litigation affecting California's interest in the Colorado River; of this amount $1,500 was paid by the Colorado River Board and $7,028.94 (of which $148.94 represented reimbursement of expenses) was paid by the Six Agency Committee. (2) Office staff, building owner for rent, telephone and telegraph companies, suppliers of office materials; approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to clients on legislation affecting California's rights in the Colorado River, including Senate Joint Resolution 4 and House Joint Resolution 3 (and counterparts); H. R. 2325 and related bills, S. 75; H. R. 934 and 935; H. R. 1770 and related bills; S. 1140; Senate Joint Resolution 111; H. R. 1934, H. R. 1935, and H. R. 3838.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; attorney for the Imperial Irrigation District, El Centro, Calif. (1) $2,149.32, representing legal fees and expenses of this office and in California in connection with power and water contracts, conferences with Government departments, etc., and consultation with respect to litigation; of this figure, $49.32 represents reimbursement of expenses. (2) Office staff, building owner for rent, telegraph and telephone companies, suppliers of office materials, etc; approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to client on legislation affecting Imperial's rights in the Colorado River, including Senate Joint Resolution 4 and House Joint Resolution 3 (and counterparts); S. 790, H. R. 2325, and related bills; S. 75, H. R. 934 and 935, H. R. 1770, 2661, etc.; S. 1140 and H. R. 2210, H. R. 3838, H. R. 4116, H. R. 4584, and Senate Joint Resolution 111.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel, Department of Water and Power, City of Los Angeles, Los Angeles, Calif. (1) $2,400, representing legal fees for services of this office and in California in connection with power and water contracts, conferences with Government departments, and litigation and consultation as to legislation. (2) Office staff, building owner for rent, telegraph and telephone companies, suppliers of office materials, etc.; approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to client on legislation affecting its interests in the Colorado River, including Senate Joint Resolution 4 and House Joint Resolution 3 (and counterparts); S. 790, H. R. 2325, and related bills; S. 75, H. R. 934 and 935; H. R. 1770 and related bills; S. 1140, H. R. 3838, H. R. 422, H. R. 165, H. R. 5264, Senate Joint Resolution 111, S. 1934, and S. 1935; H. R. 2893 and bills amending the Social Security Act to extend coverage to other employees of States, municipalities, etc.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; attorney for Water Project Authority of the State of California, Sacramento, Calif. (1) $1,500, the entire amount of which represents legal fees for services of this office and in California in connection with Central Valley power and water questions. (2) Office staff, building owner for rent, telegraph and telephone companies, suppliers of office materials, etc.; approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to clients on legislation affecting the Central Valley project, including H. R. 165 and related bills; H. R. 1770, 2661, 2665, etc.; and H. R. 3838; legislation affecting California's rights in the Colorado River, including S. 790, H. R. 2325, and related bills; S. 75, H. R. 934 and 935; House Joint Resolution 3 (and counterparts) and Senate Joint Resolution 4, S. 1934 and S. 1935, and legislation affecting California flood-control projects, including H. R. 3734.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel for Water Resources Board of the State of California, Sacramento, Calif. (1) None; services as special counsel are loaned by the Water Project Authority of the State of California, which pays a fee of $500 per month; see registration under that employment. (2) See (1) above. (3) See (1) above. (4) None. (5) None during the quarter covered by this report.

Ennis, P. Bateman, 844 Shoreham Building, Washington, D. C.; Antivivisection Society of the District of Columbia, Post Office Box 4271, Washington, D. C. (1) Payment of $500 was received (attorney's fee). (2) No moneys were expended by affiant during the preceding calendar quarter. (3) [Blank.] (4) During the preceding calendar quarter the Antivivisection Society of the District of Columbia did place advertisements in certain local newspapers and which I had knowledge of and read and approved the same prior to publication; advertisements I refer to were subsequent to May 23, 1949. (5) Senate bill 1703.

Ernst, Morris L., 285 Madison Avenue, New York, N. Y.; the National Postal Committee for Books, care of American Book Publishers Council, Inc., 62 West Forty-seventh Street, New York, N. Y. (1) Received, $5,000, balance of $10,000 retainer; expended approximately $700 for hotel and traveling expenses and long-distance telephone calls. (2) Grenbaum, Wolff & Ernst, 285 Madison Avenue, New York, N. Y. (3) Amount received for counsel fees; amount expended for hotel and traveling expenses. (4) None. (5) H. R. 2945.

Everett, Robert A., box 262, Union City, Tenn.; Tennessee Cotton Ginners Association, Newbern, Tenn. (1) Expended $1,126.98 as expenses including travel, lodging, and meals; received $750 as salary for same period. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) To work for the benefit of the cotton producers of Tennessee.

Fahy, Kathleen (Mrs. Jack B.), American Parents Committee, 132 Third Street SE., Washington, D. C. (1) Received $150.67; expended $150.67. (2) Various. (3) Entertainment and miscellaneous expense. (4) Parents' Magazine and School Management. (5) National child research bill, National School Health Services Act, National Science Foundation, appropriations for United States Children's Bureau, Federal aid for education, pediatrics education bill, public-school survey and construction bill.

Fakler, Herman, 847 National Press Building, Washington, D. C.; Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill. (1) I received $5,500 salary as an officer of the Millers' National Federation; I am not employed specifically to engage in activities described in section 307 of title 3, Public Law 601, Seventy-ninth Congress; during the preceding quarter I devoted approximately 5 days to such activities, which were incidental to my regular employment; my expenditures for these activities total $747.18 for which I have been reimbursed by Millers' National Federation. (2) [Blank.] (3) My expenditures were for telegraph, teletype, telephone, taxi fares, meals, and other expenses attending Congressional hearings, including expenses of members of the industry. (4) None. (5) I am not employed to support or oppose any specific legislation; during the preceding quarter my legislative

activity was confined to suport of ECA legislation and attending hearings before the House Committee on Interstate and Foreign Commerce on amendments to the Federal Food, Drug, and Cosmetic Act as an observer only.

Farrington, Charles J., National Coal Association, 804 Southern Building, Washington, D. C. (1) $2,899.08 salary and expenses. (2) [Blank.] (3) Taxi, lunches, postage. (4) [Blank.] (5) All bills affecting the coal industry.

Farshing, Donald D., Management Planning of Washington, Inc., 1025 Connecticut Avenue NW., Washington, D. C. (1) $1,300 gross salary received; $135.05. (2) Transportation, hotels, and restaurants. (3) Transportation and other out-of-pocket expenses. (4) None. (5) No specific legislation.

Feltus,[7] Randolph, Randolph Feltus Associates, 128 East Fifty-sixth Street, New York. N. Y. (1) [Blank.] (2) See report filed April 9, no further action in this connection was pursued since that date; registration has been left standing in view of possibility of resuming legislative action in future; registrant continues as counsel to client, Mr. Fox, in other capacities than those covered by Lobbying Act. (3) [Blank.] (4) [Blank.] (5) [Blank.]

Ferguson, Abner H., 1139 Shoreham Building, Washington, D. C.; United States Savings and Loan League, 221 South LaSalle Street, Chicago, Ill. (1) April 1, 1949, to June 30, 1949: Telephone calls, telegrams and taxicabs, $48.49; trip to Greensboro, N C., $40.16; general retainer as Washington counsel; less than half of work is in connection with legislation, $2,250. (2) American Telephone and Telegraph Co., Western Union Telegraph Co., Southern Railway Co., and taxi drivers. (3) Charges for services rendered. (4) None. (5) Legislation affecting savings and loan associations and general mortgage lending.

Ferguson, John A., Independent Natural Gas Association of America, 1700 Eye Street NW., Washington, D. C. (1) Salary, $2,080 (allocated); this salary also shown in report of the Independent Natural Gas Association of America; expenses, $176.50. (2) Reported as disbursements by Independent Natural Gas Association of America; miscellaneous, including taxis, tips, luncheons, etc., $176.50. (3) See (2) above. (4) Regular natural gas news publications. (5) Any legislation concerning natural gas we observe and make reports to members.

Ferris, Muriel, League of Women Voters of the United States, 726 Jackson Place NW., Washington, D. C. (1) Received $1,287.51 salary every 2 weeks; received and expended, carfare to and from the Capitol and travel, $32. (2) None expended in carrying on work except for carfare and travel. (3) Carfare and travel only. (4) Trends in Government, member magazine; publications of the League of Women Voters of the United States, 726 Jackson Place NW., Washington, D. C. (5) I am employed principally to inform League members on legislative matters, secondarily to influence legislation; for legislation, see league platform adopted by national convention, 1948, attached.[4]

Fifer,[5] Russell, American Butter Institute, 110 North Franklin Street, Chicago, Ill. (1) Expended $590.48. (2) To hotels, air lines, etc., for services rendered. (3) Normal business and traveling expenses. (4) General farm legislation affecting the butter and dairy industry. (5) [Blank.]

Fifer,[6] Russell, 110 North Franklin Street, Chicago, Ill.; American Butter Institute. (1) Expended $610.57. (2) To hotels, air lines, etc., for services rendered. (3) Normal business and traveling expenses. (4) [Blank.] (5) General farm legislation affecting the butter and dairy industry.

Filer, Harry L.; the New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn. (1) Salary, $5,300 (see statement attached to original registration); expenses, $122.10. (2) Hotels, restaurants, transportation companies, taxis, telephone, etc. (3) Expenses when traveling and as shown in (2). (4) None. (5) Any legislation affecting employer.

Fillius, Maurice W., 703 National Press Building, Washington, D. C.; G. R. Kirk Co., Tacoma, Wash. (1) None received and non expended during previous quarter. (2) See (1). (3) See (1). (4) None. (5) H. R. 2633.

Finucane, James, National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C. (1) Compensation at the annual rate of $3,800; expenses for the quarter totaling $82.47. (2) Expenses incurred for papers, periodicals, meals, travel, etc.; payments made to newsstands, travel agencies, etc. (3) Information and services of the type listed in (2) above. (4) Routine releases of news character carried by news services to unknown number of newspapers and magazines. (5) To support legislation tending to achieve progressive world organization, multilateral disarmament, and cultural interchange; to oppose acts tending to foster militarism, conscription, or the prolongation or inception of states of war.

Fisher, Lewis H., 1416 F Street NW., Washington, D. C.; National Association Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C.; Canal Construction SVC Committee, Balboa Heights, C. Z.; Dr. Alexander Renner (temporary), San Marino, Calif. (1) National Association Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C., $600; Canal Construction SVC Committee, Balboa Heights, C. Z., nothing; Dr. Alexander Renner (temporary), San Marino, Calif, nothing. Expended $379.50. (2) Various individuals and corporations. (3) Taxi and streetcars, office help, stationery, rent, etc. (4) Annuitant, published quarterly. (5) Civil-service retirement, displaced persons.

Fistere, Charles M., 927 Fifteenth Street NW., Washington, D. C (private practice of law). American Butter Institute. (1) Received from American Butter Institute, $1,278 in fees for legal services, some of which was in connection with its interest in legislation relating to oleomargarine. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) See (1) above.

Fitzgerald, Bernard M., Washington Loan & Trust Building, Ninth and F Streets NW., Washington, D. C.; Brown, Lund & Fitzgerald, Washington, D. C., and National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) No money received or expended. (2) See (1). (3) See (1). (4) None. (5) Any legislation that might affect the members of the National Association of Electric Companies.

Fitzpatrick, F. Stuart, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C. (1) Received: Salary, $3,625; expenses, $25. Expended: Lunches, $25. (2) Statler Hotel. (3) Necessary normal expenses. (4) Economic effects of lack of uniformity of acceptance of nationally recognized codes and standards (on manufacturers of building materials and equipment, on distributors and on industrial and commercial users), published in report of Committee Z56, by American Standards Association, 70 East Forty-fifth Street, New York, N. Y. (5) Legislation in the general fields of public works, city planning, urban redevelopment, and housing.

Fleming, Roger W., 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $944.80 expended. (See item (6) of form B, filed May 1948. (2) Taxis, air lines, railroads, restaurants, hotels. (3) Transportation, meals, lodging. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Agricultural appropriations, fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, Federal aid to education, rural housing, health, displaced persons, amendments to Clarke-McNary Act, postal rates, rural roads, amendment of section 7 of Clayton Act, International Wheat Agreement, foot-and-mouth disease laboratory, social security amendments, Atlantic Charter, amendments to Agricultural Act of 1948, amendments to the Department of Agriculture Organic Act of 1944.

Flinn, W. G., grand lodge representative, International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Forbes, E. F., Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif. (1) Salary, $5,000.04. (2) Personal use only. (3) Personal use only. (4) None. (5) Not employed to propose or oppose legislation. This work is only incidental to the regular work of the president and general manager of the association.

Ford, Mrs. J. A., 305 Pennsylvania Avenue SE., Washington, D. C.; the Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) Approximately $30 expended per week while away from own home. (2) Hotels and traveling expenditures away from own home. (3) Same as above. (4) The Townsend National Weekly, 6875 Broadway, Cleveland, Ohio. (5) Bills, known as H. R. 2135 and H. R. 2136, to provide every adult citizen in the United States with equal basic Federal insurance, permitting retirement with benefits at age 60, and also covering total disability, from whatever cause, for certain citizens under 60; to give protection to widows with children; to provide an everexpanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys.

Ford, John B., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) A fair proportion of my salary chargeable to lobbying purposes is $150 per month, $450 for the quarter. I have not expended or received any other money for lobbying purposes, except $6.20 for entertainment. (2) To me. (3) Compensation for personal services. (4) I caused no articles or editorials to be published relating to legislation. (5) Legislation affecting the American merchant marine, numerous bills amending the Merchant Marine Act of 1936, overtime-on-overtime legislation and other legislation affecting shipping.

Fort, J. Carter, Association of American Railroads, 929 Transportation Building, Washington, D. C. (1) For all services rendered to the Association of American Railroads, legislative and nonlegislative, as described in Registration Form B, filed December 1946, registrant received salary during the second quarter of 1949 at the rate shown in such registration, as amended by the supplement thereto, filed January 10, 1948, and received in addition $290.62 as reimbursement for all traveling expenses in connection with

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[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.
[7] Filed with the secretary only.

such services while away from Washington and all reimbursable business expenses in Washington, such as cab fares, business meals, etc. Of the salary received, $7,112.50 is estimated to be assignable or allocable to legislative activities. Of the expenses for which registrant was reimbursed, $100.59 is estimated to be assignable or allocable to legislative activities. The legislative activities referred to include those with respect to bills and measures registrant was called upon to consider, analyze, etc., but which were neither supported nor opposed by him. (2) The expenses above shown as assignable or allocable to legislation were paid to various restaurants, hotels, clubs, and taxicabs in Washington, D. C., and Chicago, to dining cars while traveling between those points, etc. (3) Traveling expenses while away from Washington and such expenses in Washington as business meals, taxis, etc. Passes were used for rail transportation and, accordingly, no expense was incurred in that connection. (4) None. (5) Generally, to support all legislation which the railroads believe to be in their interest and in the interest of a sound national transportation policy and to oppose all legislation which they believe to be contrary to such interests. Bills supported, in whole or in part, during this quarter, included bills to eliminate or reduce excise taxes on transportation; bills to make uniform the periods of limitation in the Interstate Commerce Act for overcharge and undercharge claims; bills to increase parcel post rates; bills for appropriations in support of the Railroad Retirement Act, etc. Bills opposed included measures for the authorization of the St Lawrence project; bills, or provisions thereof, which would have made railroad employees subject to the wage provisions of the Fair Labor Standards Act; the bill which would have provided a heavy subsidy for certain water carriers on the Great Lakes; the proposal to reduce Panama Canal tolls; bills providing for ship construction subsidies; bills to increase the captalization of the Inland Waterways Corporation; bills to extend the jurisdiction of the Interstate Commerce Commission over railrotd operations and practices; bill amending the statutes relating to copyrights and patents, etc. In addition to support of or opposition to particular bills, legislative work during the quarter consisted of the study and analysis of numerous measures which affect, or may affect the interests of the railroads. A large number of such measures were studied, including bills dealing with mail subsidies for air lines; bills to repeal the Reed-Bulwinkle Act; bills to increase benefits under the Railroad Retirement Act; bills dealing with reorganization of Government agencies; bills dealing with refund of retirement taxes paid by Mexican labor; bills to amend the Interstate Commerce Act; resolution providing for the study of domestic transportation.

Foster,[5] Charles E., Disabled American Veterans, 1701 Eighteenth Street NW., Washington, D. C. (1) Salary, January, February, March, 1949 (after taxes and social security), $1,350; expenses, January, February, March, 1949 (including trip to Atlantic City), $92.85; total, $1,442.85. (2) Foster, Charles E., 1701 Eighteenth Street NW., Washington, D. C. (3) See (1) above. (4) DAV semimonthly. (5) Legislation affecting service-connected disabled veterans, their families, and the survivors of deceased service men and women.

Foster,[6] Charles E., Disabled American Veterans, 1701 Eighteenth Street NW., Washington, D. C. (1) Salary, April, May, June, 1949 (after taxes and social security), including semiannual bonus, $1,675.65; expenses (including travel to Connecticut, Florida, Oklahoma and Ohio), April, May, June, $456.06; total, $2,131.71. (2) Foster, Charles E., 1701 Eighteenth Street NW., Washington, D. C. (3) See (1) above. (4) DAV semimonthly. (5) Legislation affecting service-connected disabled veterans, their families, and the survivors of deceased service men and women.

Foutz, Dave, 1730 K Street NW., Washington, D. C.; Veterans Organizations Council of Altadena, 2302 North Lake Avenue, Altadena, Calif. (1) Money received, $4,838.86; money expended, $4,838.86. (2) Dave Foutz, salary, $1,800; living expenses, $576; Hotel Congressional, $810 (Foutz's hotel); E. Roberts, $330; Gloria Clark, $360; Western Union, $45.34; Chesapeake Telephone Co., $539.52; L. E. Breuninger, $270; petty cash, $108. (3) Foutz's salary and living expenses; Clark and Roberts, secretarial duties; Western Union, messages; telephone company (calls to office in Altadena, Calif.); L. E. Breuninger, rent of office; petty cash, office maintenance. (4) None. (5) Supporting Veterans' Home Loan Act of 1949, H. R. 1324 and S. 616.

Fox, Melvin J., Committee for the International Trade Organization, 816 Twenty-first Street NW., Washington, D. C. (1) Salary, March 1, 1949, through June 30, 1949, $3,200; travel expenses, March 1, 1949, through June 30, 1949, $249.76. (2) No entry. (3) No entry. (4) None. (5) House Joint Resolution 236, providing for membership and participation by the United States in the International Trade Organization.

Francis, Joseph H., Morgan, Utah. (1) $5,577.81, National Board of Fur Farm Organizations. (2) To Joseph H. Francis by National Board of Fur Farm Organizations for acting as secretary for above-named organization. (3) $3,000 salary and $2,577.81 personal expenses paid out for transportation, hotel expense for room and board, telephone and telegraph, and clerical services when required. (4) American Fur Breeder, National Fur News, Fur Journal, and Black Fox magazine. (5) Any and all legislation affecting the fur-farming industry of the United States.

Frederick, John H., 1200 Eighteenth Street NW., Washington, D. C.; Transportation Association of America, 130 North Wells Street, Chicago, Ill. (1) $1,413.84; see attached.[4] (NOTE.—All of the expenses included in this submission will also be shown in the quarterly filing of the Transportation Association of America.) (2) John H. Frederick. (3) Retainer fee, incidental expenses at Washington, and travel away from Washington. (4) None. (5) None.

Fredrickson, Fred J., Hotel Lafayette, Washington, D. C. (home address, Valley City, N. Dak.); North Dakota Resources Board, 311 North Broadway, Fargo, N. Dak., and State Water Conservation Commission, Bismarck, N. Dak. (1) Quarterly salary for April, May, and June 1949, before deductions, $1,650; and reimbursed expenses for same period, $1,906.40. (2) Hotels; eating establishments; railroad, bus, transit and taxicab companies; service stations; telephone and telegraph companies; office suppliers; and post offices. (3) Lodging, meals, transportation, communications, office supplies, and postage. (4) None. (5) Legislation affecting irrigation, reclamation, water conservation, flood control, land and mineral development and utilization in North Dakota; H. R. 3734, H. R. 3838, H. R. 5472, H. R. 3751, S. 1384.

French,[5] George N., National League of Wholesale Fresh Fruit and Vegetable Distributors, 512 F Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

French,[6] George N., National League of Wholesale Fresh Fruit and Vegetable Distributors, 512 F Street NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) The Packer, Produce News. (5) Repeal of the communications excise tax.

Fuller, George M., National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C. (1) April, $147; May, $446.94; June, $184.72. (2) Miscellaneous. (3) Entertainment and transportation. (4) None. (5) Oppose any legislation inimical to the interests of the lumber industry and support any legislation which would be helpful to it.

Fyffe & Clarke (David R. Clarke, John Harrington, Albert J. Smith), Illinois Manufacturers' Association, 120 South LaSalle Street, Chicago, Ill. (1) Approximately $360. (2) None. (3) None. (4) None. (5) Legislation affecting manufacturers generally.

Gage, Charles E., 927 Fifteenth Street NW., Room 904, Washington, D. C.; the American Tobacco Co., Inc. 11 Fifth Avenue, New York, N. Y. (1) None. An annual salary from the American Tobacco Co. in the amount of $10,000 per annum as agricultural consultant. He will receive no compensation in addition to his regular salary for any activities with respect to legislation covered by the act which he may perform, and any such activities would be only occasional and incidental to his regular duties with no portion of his salary allocated thereto. (2) None. (3) None. (4) None. (5) None.

Gall, John C. (law firm of Gall & Lane), Commonwealth Building, Washington, D. C.; the General Electric Co. 570 Lexington Avenue, New York, N. Y. (1) Firm received $10,034.75; expended, $34.75. (2) Expenditures paid to Chesapeake & Potomac Telephone Co. Washington, D. C. (3) Long-distance telephone calls. (4) None. (5) Legal services rendered included general consultation and advice on pending labor legislation.

Galvin, M. J., 207 Union Depot Building, St. Paul, Minn., Minnesota railroads, St. Paul, Minn. (1) None. (All of the undersigned's clients as listed on his registration have paid the expenses reported herein, and the undersigned's salary, on the ratio of the mileage which they have within the State of Minnesota. Amount paid is the same as that expended.) (2) None. (3) None. (4) None. (5) None.

Gammons, Earl H., Columbia Broadcasting System, Inc., 891 Warner Building, Washington, D. C. (1) $100. (2) Restaurants, hotels, and incidental expenses. (3) Entertainment and out-of-pocket expenses. (4) None. (5) None.

Gardner,[7] Fraser S., national legislative chairman, Army and Navy Union, a veterans organization, 5410 Third Street NW., Washington, D. C. (1) Spent $163.50 personal out-of-pocket moneys for regular and extra duties of office held as national legislative chairman, Army and Navy Union, United States of America; attending local and other interrelated veteran meetings; legislative research; cost of mailing to other members and national officers; lunches and other meals; cabs; parking charges; telephone and telegram charges. No reimbursement received in last 3 months for this amount. (2) Post office, cab operators, parking-lot operators, telephone and telegraph companies, restaurants, and such. (3) Such out-of-pocket expense items were incurred in the regular pursuit of the normal duties of a veteran organization legislative officer who is not employed by such organization, but

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gives freely of his time to assist in any worthy veteran cause. (4) The CONGRESSIONAL RECORD, April 14, 1949, and April 19, 1949. (5) Am not employed by the Army and Navy Union. We are expressly anxious to have the present Congress approve a national charter for this oldest active veterans organization. Since January 3, 1949, H. R. 531, H. R. 1237, H. R. 1828, and S. 711 have been introduced to accomplish this meritorius objective. This is our principal legislative endeavor. We are not in opposition to any particular legislative activity.

Gardiner, Elizabeth, Citizens Committee on Displaced Persons, 303 Lexington Avenue, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 1344 and S. 311.

Garstang, Marion R., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended, $6.80. (2) Taxicabs. (3) Taxi fares. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Garvey, Francis J., American Dental Association, 222 East Superior Street, Chicago, Ill. (1) Francis J. Garvey, salary, $4,500. (2) Francis J. Garvey, reimbursement for expenses, $1,261.82. (3) Travel expense in connection with legislative matters, railroad and plane fares, meals, entertainment, hotel room, taxicabs, local transportation. (4) The Journal of the American Dental Association. (5) To present the views of the American Dental Association as fixed by action of its house of delegates and board of trustees, with regard to Federal legislation affecting the health of the American people, particularly dental health, and legislation which affects directly or indirectly the practice of the profession of dentistry.

Gates, Alexander P., National Association of Home Builders, 1028 Connecticut Avenue NW., Washington, D. C. (1) April 1 to June 30, 1949: Salary, $3,000; personal expenses, $356.56. (2) Alexander P. Gates. (3) Salary and usual personal expenses such as transportation, hotels, restaurants, etc. (4) None. (5) Housing legislation affecting the industry of home building.

Gavitt, Frank, Carl Byoir & Asscciates, Inc., 10 East Fortieth Street, New York, N. Y. (1) We are retained as public relations counsel for Schenley Industries, Inc., at a fixed fee of $3,000 per month, plus disbursements. For the period covered by this report, such fee amounted to $9,000. Salaries of employees working full time on general public relations for Schenley Industries, Inc., including work on legislative matters, and expenses of specialty departments of Carl Byoir & Associates, $10,854.61; expenses for travel, hotel, telephone, telegraph and messenger service, $370.56; expenses for mimeographing, mailing and distribution of stories and pictures relating opposition of Schenley Industries, Inc., to the present rate of Federal excise tax on distilled spirits, $629.60. (2) Salaries and bills payable as indicated in (1) above. (3) Reimbursement of expenses incurred as indicated above in opposing the present rate of Federal excise tax on distilled spirits. (4) Stories or pictures were distributed at one time or another during the period covered by this report to every press association (and distributed by them to every daily newspaper), major radio network and liquor trade publication in the United States. (5) Incidental to our engagement as public relations counsel for Schenley Industries, Inc., we have worked with Schenley in opposing the present rate of Federal excise tax on distilled spirits.

Geary, Paul M., National Electrical Contractors Association, 610 Ring Building, Washington, D. C. (1) No expenses incurred and no money received other than salary originally reported on Form B, filed May 22, 1947. (2) [Blank.] (3) None. (4) None. (5) No special legislation under consideration.

Geaslin, Bon, 1740 G Street NW., Washington, D C.; Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala. (1) No expenditures made during this quarter. No money received for the purpose of attempting to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) I am not engaged for the purpose of attempting to influence the passage or defeat of any particular legislation by the Congress of the United States, but as an incident to my position as general counsel of the Waterman Steamship Corp., I am interested in legislation affecting the United States merchant marine, civil aeronautics, and transportation generally, and frequently support or oppose legislation dealing with these subjects.

Geiselman, R. H., John F. Jelke C., 759 South Washtenaw Avenue, Chicago, Ill. (1) No money is received other than salary, incidental to regular employment as legal counsel, and secretary of the company, and reimbursement for transportation, lodging, and meals. (2) [Blank.] (3) [Blank.] (4) None. (5) Support of proposals for repeal of taxes on oleomargarine.

George, J. M., H. K. Brehmer, and C. S. McMahon, law firm of George, Brehmer & McMahon, the Interstate Manufacturers Association, 163-165 Center Street, Winona, Minn. (1) (a) $247.30 from the Interstate Manufacturers Association, 163-165 Center Street, Winona, Minn.; (b) $1,200 for general legal services without regard to Federal legislative matters. (2) (a) To hotels, restaurants, railroad companies, telegraph and telephone companies, taxicabs, and minor personal service; (b) retainer retained by selves. (3) (a) For traveling expenses actually paid out; (b) for retainer for general legal services to client. (4) None. (5) H. R. 2945, S. 1103, H. R. 2893.

George, J. M., H. K. Brehmer, and C. S. McMahon, constituting the partnership of George, Brehmer & McMahon, National Association of Direct Selling Companies, 165 Center Street, Winona, Minn. (1) (a) $247.30 from National Association of Direct Selling Companies, 163-165 Center Street, Winona, Minn.; (b) $3,000 for general legal services without regard to Federal legislative matters. (2) (a) To hotels, restaurants, railroad companies, telegraph and telephone companies, taxicabs, and minor personal service; (b) retainer retained by selves. (3) (a) For traveling expenses actually paid out; (b) for retainer for general legal services to client. (4) None. (5) H. R. 2945, S. 1103, H. R. 2893.

George, Leo E., National Federation of Post Office Clerks, 1510 H Street NW., Washington, D. C. (1) Salary, April, May, June 1949, $2,499.99; travel expenses, $1,409.95. (2) Travel expenses include hotels, meals, and minor incidental expenses due to attendance at local and State meetings and conventions, plus transportation, as follows: Baltimore & Ohio Railroad, $312.96; Pennsylvania Railroad, $26.64; Missouri-Pacific Lines, $29.43; and Southern Railway, $40.92. (3) Expenditures for hotels, meals, and incidental expenses are an actual reimbursement for cash expended for such purposes in connection with attendance at meetings and conventions. (4) The Union Postal Clerk, the Federation News Service Bulletin, the Federation Press Service. (5) Support of measures designed to improve and strengthen the civil service; improve the civil service retirement system; improve the wages, hours, and conditions of post office clerks and to improve the postal service.

Gerrity,[5] Harry J., 1001 Hill Building, Washington, D. C.; Oregon-Washington Bridge Co. (1) None. (2) None. (3) None. (4) None. (5) S. 786.

Gerrity,[6] Harry J., 1001 Hill Building, Washington, D. C.; Oregon-Washington Bridge Co., 301 Security Building, Olympia, Wash. (1) None. (2) None. (3) None. (4) None. (5) S. 786.

Gibson, John S., Suite 10-12-14, Sibbett Building, Douglas, Ga., St. Marys Kraft Corp., St. Marys, Ga. (1) $1,016.17. (2) $750, being $250 for each month of the quarter, for retainer fee or salary to John S. Gibson, as per contract and agreement. (3) Trip to Washington, D. C., on May 1 and 2, 1949: Hotel, $12.85; transportation, $68.68; food and incidentals, $38.21. Trip to Washington, D. C., week of June 13, 1949: Transportation, $75.43; hotel, $24; meals and incidentals, $47. (4) None. (5) An authorization for appropriation for certain dredging in North River, Ga., and St. Marys River, Ga. and Fla., which was given No. 827 by the Board of Engineers for Rivers and Harbors, War Department, Washington, D. C.

Giddings, Ernest, assistant director, Legislative-Federal Relations Division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,465.87, which covers both legislative and nonlegislative activities; estimated for legislative service, $293.17; expenses, $70.65. (2) Self, salary; expenses: Hotels, railroads, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazine. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Gilbert, C. C., Southern States Industrial Council, Stahlman Building, Nashville, Tenn. (1) $1,725 salary as secretary, Southern States Industrial Council, Nashville, Tenn. (2) None. (3) None. (4) None. (5) Such legislation as may be of interest or affecting industry generally.

Gilchrist,[7] Thomas B., Jr., Bleakley, Platt, Gilchrist & Walker, 120 Broadway, New York, N. Y. (1) No money has been received. Expenditures have consisted only of disbursements made in connection with one trip to Washington. In due course, such disbursements will be billed to the client for whom we are acting. The disbursements were $55.25. (2) See (1). (3) See (1). (4) None. (5) Senate bill 1292, entitled "A bill to amend section 32 (a) (2) of the Trading With the Enemy Act."

Glazier, William, room 510, 930 F Street NW., Washington, D. C.; International Longshoremen's and Warehousemen's Union, CIO, 150 Golden Gate Avenue, San Francisco, Calif. (1) Salary, $1,235.04; expenses, $325.03. (2) Expenses include those in Washington as well as air transportation and living expenses while out of town. (3) See (2). (4) The Dispatcher, publication of the International Longshoremen's and Warehousemen's Union, CIO. (5) To support all legislation of interest to American workers and longshoremen and warehousemen specifically; oppose undemocratic legislation.

Glazier, William, room 510, 930 F Street NW., Washington, D. C.; National Union of Marine Cooks and Stewards, CIO, 86 Commercial Street, San Francisco, Calif. (1) No salary or personal expenses; $450 or $150 per month received toward cost of office operations. (2) See (1). (3) See (1). (4) The Voice, publication of the National Union of Marine Cooks and Stewards, CIO. (5) To

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support all legislation of interest to American workers and maritime workers specifically; oppose all undemocratic legislation.

Goddard, Livingston, 4500 Chrysler Building, New York, N. Y.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) Salary, $1,350 as secretary-treasurer of the federation; traveling expenses, $138.01. (2) Various hotels and transportation agencies for traveling expenses. (3) Travel expenses. (4) None. (5) None.

Goodman, Leo, 1129 Vermont Avenue NW., Washington, D. C.; Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (1) $1,500 salary; $301.77 expenses. (2) [Blank.] (3) [Blank.] (4) CIO News, Autoworker. (5) Rent control, housing, and community development and planning.

Gordon, Spencer, Union Trust Building, Washington, D. C.; American Institute of Accountants, 13 East Forty-first Street, New York, N. Y. (1) Received from the American Institute of Accountants, April 27, 1949, $536.62 for reimbursement of telegraph and telephone charges, travel, printing, etc., during a period of approximately 9 months. There were small amounts expended for incidental expenses including long distance telephone calls, telegrams, travel, and taxis. (2) Telephone, telegraph, and railroad companies and taxicabs. (3) Long-distance telephone calls, telegrams, travel, and taxis. (4) The Journal of Accountancy and the Certified Public Accountant. (5) Advancing the interests of the accounting profession in reference to bill relating to practice before Government agencies and practice before the Tax Court.

Goss,[6] [8] Albert S., the National Grange, 744 Jackson Place NW., Washington, D. C. (1) I received $1,875 in salary for the quarter, which is my total compensation for all my services as master of the National Grange, of which legislative activities form only a part. I paid out none of it. (2) [Blank.] (3) [Blank.] (4) The National Grange Monthly. (5) I am not employed to support or oppose any specific legislation. As master of the National Grange, however, it is my duty to support or oppose legislation in conformity with the policies of the National Grange.

Goss,[6] [8] Albert S., The National Grange, 744 Jackson Place NW., Washington, D. C. (1) I received $1,875 in salary for the quarter which is my total compensation for all my services as master of the National Grange of which legislative activities form only a part; I paid out none of it. (2) [Blank.] (3) [Blank.] (4) The National Grange Monthly. (5) I am not employed to support or oppose any specific legislation; as master of the National Grange, however, it is my duty to support or oppose legislation in conformity with the policies of the National Grange.

Goss, Bert C., Hill & Knowlton, Inc., 725 Fifteenth Street NW., Washington, D. C. (1) Received no money other than salary as vice president of Hill & Knowlton plus essential travel and entertainment expenses; I estimate that of my travel and entertainment expenses for the 3 months ended June 30, 1949, less than $75 was expended for purposes that might be interpreted as subject to being reported under this law. (2) Paid to taxicabs and restaurants. (3) For travel to and from the Capitol, for luncheons and dinners for committee personnel and Congressmen, etc. (4) Supervised issuance of numerous press releases. (5) Not employed specifically to support or oppose legislation; interested in legislation affecting aviation, Federal regulation of oleomargarine, steel plants, and in other legislation affecting interests of clients of Hill & Knowlton.

Gourley, Lawrence L., 902 Shoreham Building, Washington, D. C.; American Osteopathic Association, 212 East Ohio Street, Chicago, Ill. (1) $3,000 retainer. (2) [Blank.] (3) [Blank.] (4) None. (5) Bills affecting the public health.

Gray, David G., Humble Oil & Refining Co., Houston, Tex. (1) Of my total salary, $750 might be considered applicable to services in connection with consultations with reference to legislation. (2) Expenses January 1, 1949, to March 31, 1949: Shoreham Hotel, $2,310.95; taxi fares, $142. (3) Living, communication, and transportation expenses. (4) None. (5) Not employed to support or oppose any particular legislation. My duty was to watch the progress of legislation affecting the petroleum industry.

Green,[8] Abner, 23 West Twenty-sixth Street, New York, N. Y. (1) None. (2) None. (3) [Blank.] (4) The Lamp, official publication of the American Committee for Protection of Foreign Born. (5) Immigration and naturalization legislation.

Green, Angus, American-Hawaiian Steamship Co., 90 Broad Street, New York, N. Y. (1) Receipts: $1,668.99 salary, plus $566.16, reimbursement of the expenditures referred to in Nos. (2) and (3) below. (2) Transportation and communications services: Post office, hotels, restaurants, etc. (3) Travel, living, and business expenses connected with employment. (4) None. (5) Legislation affecting shipping industry which concerns employer.

Greene, Ernest W., 731 Investment Building, Washington, D. C.; Hawaiian Sugar Planters' Association, Post Office Box 2450, Honolulu, T. H. (1) None. (2) No one. (3) None. (4) None. (5) I am not employed to support or oppose any legislation. I did appear before the Committee on Labor and Public Welfare of the Senate on the proposed minimum wage bill and advocated the retention of the exemption for first processing of agricultural products.

Greenstreet, M. F.,[8] 1917 Claremont Avenue, Independence, Mo. (1) Expended $14.75. (2) To notary public and to post office, etc. (3) Postage, envelopes, literature, etc. (4) None. (5) National secretary of Greenback Party; money and pension reform.

Griffith,[7] Ben C., 306 West Third Street, Los Angeles, Calif.; Colorado River Association. (1) Rufus Fee, 306 West Third Street, Los Angeles, $64.58; Robert Lee, 3721 Valley Brink Road, Los Angeles, $89.43; total, $154.01. (2) See (1). (3) See (1). (4) Factual material is released to newspapers and magazines generally, inside and outside California. No control of its use by the press is or can be exercised. (5) To support legislation protecting California's established water rights on the Colorado River, and to oppose legislation inimical to California's established water rights.

Griffith, Dr. H. M., National Economic Council, Inc., 7501 Empire State Building, New York, N. Y. (1) Salary, $2,275, from National Economic Council, Inc. (2) Routine travel and hotel expenses, four trips to Washington, $204.30. (3) As stated in reply next above. (4) Economic Council Letter, Economic Council Action Report. (5) To support all legislation promoting the prosperity and independence of the United States, the preservation of its free social and economic system and the kind of government set forth in the Constitution of the United States. To oppose all legislation contrary to the foregoing, including proposals not on their face Communist or Socialist but which are being promoted in the interest of eventual transformation of the United States into a Socialist, Communist, or welfare state.

Grimes, Weston B., 436 Bowen Building, 821 Fifteenth Street NW., Washington, D. C.; Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn. (1) Received (includes office, travel, and general expenses totaling $1,615.39), $7,865.41; expended (for purposes designated in the Lobbying Act), $2. (2) Taxicabs. (3) Taxicabs to and from the Capitol. (4) None. (5) Legislation concerning agriculture, commodity exchanges, international commodity agreements, and import controls.

Haas, Frank E., the Association of Western Railways, 204 South Canal Street, Chicago, Ill. (1) Salary as per original registration and reimbursement of expenses in the amount of $391.73. (2) Raleigh Hotel, Washington, D. C. the Pullman Co.; to various restaurants, taxicab companies, and to various others in nominal amounts. (3) To Raleigh Hotel, Washington, D. C., $77.20; to Pullman Co. for pullman space, $67.18; to various taxicab and bus companies, etc., for local transportation, $31.45; to various restaurants, hotels, etc., for meals, $152.65; for postage, telephone, stenographic services, and miscellaneous expenses, $63.25. (4) None. (5) Any legislation of mutual interest to class I railroads operating in the western district and their employees.

Haddock, Hoyt S., CIO Maritime Committee, 132 Third Street SE. (1) $1,560 in salary and $130 for expenses; three-fourths of time spent on legislation activities. (2) Taxi companies, telephone companies, dispensers of periodicals. (3) Taxis, telephone calls, periodicals. (4) NMU Pilot, the American Marine Engineer. (5) Support legislation in interest of seamen and oppose legislation detrimental to them.

Hadley,[8] Harlan V., 830 Transportation Building, Washington, D. C.; Automobile Manufacturers Association, 320 New Center Building, Detroit, Mich. (1) None, other than one-quarter of the annual compensation of $2,500 as set forth in supplemental registration (Form B) filed April 9, 1948, and miscellaneous expenses not to exceed $15. (2) See above. (3) See above. (4) None. (5) Federal tax (excise) legislation, materials control legislation, and such other legislation as the association may hereafter from time to time indicate.

Haines, Samuel P., 4407 Sixteenth Street NW., Washington, D. C.; Twenty-percent Cabaret Tax Committee, 171 West Randolph Street, Chicago, Ill. (1) See exhibit A attached.[4] (2) See exhibit B attached.[4] (3) See exhibit B attached.[4] (4) None. (5) Reduction or repeal of the 20-percent excise tax applying to dine-and-dance rooms of hotels.

Hale, William C., Tennessee Eastman Corp., Kingsport, Tenn. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Revisions in the Tariff Act, drawback regulations.

Halfpenny, Harold T., 111 West Washington Street, Chicago, Ill.; Committee to Remove Discriminatory Automotive Excise Tax. (1) $5,745.52. (2) Various. (3) To amend for clarification purposes section 3403 (c) of the Internal Revenue Code. (4) [Blank.] (5) [Blank.]

Hallbeck, E. C., National Federation of Post Office Clerks, 1510 H Street NW., Washington, D. C. (1) Salary, $1,999.98; legislative expenses, $418.40; Transportation expenses, $184.89. (2) Legislative expenses include meals, streetcar, taxi, hotel, and other traveling expenses incident to attendance at meetings and conferences excepting transportation, plus expenses for meals, taxi, and

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entertainment of guests at Washington, D. C., $418.40; transportation: American Airlines, $15.41; Atlantic Coast Lines, $52.44; Eastern Airlines, $34.85; Pennsylvania Railroad, $63.27; Capitol Air Lines, $18.92; total, $184.89. (3) All expenses except transportation expenses are on actual reimbursement for cash expended for the purposes stated. (4) The Union Postal Clerk, the Federation News Service Bulletin, the Federation Press Service. (5) Support of measures designed to improve and strengthen the civil service; improve the Civil Service Retirement System; improve the wages, hours, and conditions of post-office clerks, and to improve the postal service.

Hallett, James B., 11 West Forty-second Street, New York, N. Y.; National Association of Life Underwriters. (1) See registration Form B; $218.40 reimbursement of expenses by registrant National Association of Life Underwriters; conceivably allocable portion of annual salary, $197.27. (2) Hotel, common carriers, restaurants, etc. (3) $218.40 reimbursed expenses for travel, meals, lodging, April 3, 4, 5, 12, 28, 29; May 24; June 16, 1949, Washington, D. C. (4) Life Association News, 11 West Forty-second Street, New York, N. Y. (5) See registration Form B; items of interest during dates cited were amendments to Social Security Act.

Hamlet, Harry G., Retired Officers Association, 166 Twentieth Street NW., Washington, D. C. (1) Received $900; no part of this sum was received specifically for the purpose of attempting to influence legislation action. (2) Expended nothing. (3) See (1) above. (4) Retired Officers Association Bulletin. (5) Legislation affecting retired officers, warrant officers, and nurses of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

Hanlon, Daniel J., 1727 Massachusetts Avenue NW., Washington, D. C.; Consumer Mail Order Association of America, Inc., Jersey City, N. J. (1) Consumer Mail Order Association of America, Inc.; during this second quarter I have received $1,500. (2) No money expended. (3) See (2). (4) None. (5) To oppose House bill 195 and all other bills of like tenure in the House of Representatives and the Senate.

Harmanson, L. James, Jr., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for April, May, and June 1949, $1,774.98; less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Washington Situation, a weekly mimeographed newsletter of the National Council of Farmer Cooperatives. (5) Agricultural legislation.

Harper, Elsie Dorothy, National Board of the Young Women's Christian Associations, 600 Lexington Avenue, New York, N. Y. (1) Salary, $425; expenses, $280. (2) Elsie Dorothy Harper. (3) Presenting to the President, the Cabinet, and both Houses of Congress (a) the opinion on subjects related to (5) below, of the convention of the Young Women's Christian Associations held triannually and (b) the opinion of the National Board of the Young Women's Christian Associations in line with actions taken by the convention. (4) None. (5) Legislation related to international security, social, and economic justice, education, health, and civil liberties.

Harper, Robert E., managing director, 1001 Fifteenth Street NW., Washington, D. C.; National Business Publications, Inc. (an association of publishers technical, scientific and professional periodicals). (1) For such ordinary expenses as cabs, to and from Capitol Hill and courtesy luncheons, $70.55. (2) Various cab drivers and personnel of restaurants on Capitol Hill. (3) See (1) above. (4) NBP report (official association newsletter circulated to association members). (5) That which affects postal rates of controlled circulation periodicals published by members of the above-named association (such activity is but a small portion of his year-round duties as managing director).

Harris, Winder R., 1029 Vermont Avenue NW., Washington, D. C., Shipbuilders Council of America, 21 West Street, New York, N. Y. (1) Received and expended: office expense, $64.47; personal expense, $173.94; total, $238.41. (2) Various. (3) Office and personal expenses. (4) None. (5) Not employed primarily for the purpose but took an active interest in H. R. 5346 and H. R. 858; also one feature of H. R. 4177.

Hart, Merwin K., National Economic Council, Inc., Empire State Building, New York, N. Y. (1) Salary, $4,750; expenses, $150. (2) It is difficult to allocate any money spent by me during the quarter to lobbying activities. However, I was in Washington in mid-June at a total cost of $82.83 paid to the Pennsylvania Railroad, the Willard Hotel, and for miscellaneous items—meals, taxi fares, etc. (3) See (2). (4) Economic Council Letters Nos. 212, 213, 214, 215, 217, and 217–A. (5) See copy of action report attached hereto.[4]

Hart, Stephen H., 350 Equitable Building, Denver, Colo.; National Livestock Tax Committee, Cooper Building, Denver, Colo. (1) During the quarter, the National Livestock Tax Committee paid to me a per diem of $50 for office work and $100 out of town for actual time spent in study, advice, conferences, and correspondence concerning general livestock tax questions including the analysis of the present provisions of the Internal Revenue Code and current rulings and decisions concerning Federal taxation of livestock operators; such activities also included work in connection with the position of the National Livestock Tax Committee toward amendments to the Internal Revenue Code concerning capital gains on sale of breeding livestock and the deduction of ranching expenditures. It is impossible to determine what part of my services related to this legislative problem, but it is my opinion that none of my activities during the preceding quarter could be interpreted as lobbying; during the quarter a total of $510 for legal services was paid to me for all my activities and services; I was also reimbursed $9.31 for out-of-pocket expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.].

Harter, Dow W., 412–414 Washington Building, Washington, D. C.; the B. F. Goodrich Co., Akron, Ohio. (1) Receive annual retainer from the B. F. Goodrich Co. for all services as its Washington counsel; allocation of amount paid for my services between legal and legislative activities is not feasible; amount received during second quarter of 1949, $1,875; in addition, receive reimbursement for long-distance telephone, travel, taxicab fares, and out-of-pocket expenses. (2) None. (3) [Blank.] (4) [Blank.] (5) The B. F. Goodrich Co. is interested in legislation relating to the maintenance of facilities for the production of an ample supply of synthetic rubber in the United States for commercial and national defense purposes; it is interested in various proposals now under study by Congress for a long-range rubber program for this country; it is also interested in the repeal of the present excise taxes on tires and tubes, and in other legislative proposals which come before Congress from time to time.

Hartley, Ferd A., Jr., 1001 Fifteenth Street NW., Washington, D. C.; Tool Owners Union, Inc., 1802 Massachusetts Avenue (national headquarters), Lexington, Mass. (1) Receipts: Salary, $5,000.04; expenses reimbursed by employers $3,127.53, to be reimbursed $151.57; expenditures $3,279.10. (2) Paid to various railroads, restaurants, part-time secretary, full-time secretary; H. L. Rust Co., telephone company, post office, various office-supply firms, various hotels. (3) Traveling to attend meetings and speaking engagements; secretarial services; rent; telephone and telegraph bills; postage; office supplies; mimeographing press releases; meeting rooms for and entertainment at press conferences. (4) A news letter to the membership published by the national heaquarters, publication entitled "Program for Progress." (5) Any legislation which affect the welfare of and security of investments of those individuals who own or share in the ownership of tools of production in this country. This will include, but is not limited to, national labor policy, wage-and-hour legislation, tax laws, reduction of Federal expenditures, Government controls over production and distribution of manufactured products, or the raw materials going into such products, Federal subsidization of research, patent, and trademark legislation.

Hawkins, Paul M., 1405 K Street NW., Washington, D. C.; American Hotel Association, 221 West Fifty-seventh Street, New York, N. Y. (1) Received: $2,049.90, only a small fraction of which was for lobbying activities; $186.78 expenses, only a small fraction of which was expended for lobbying activities. (2) Taxicabs, railroads, restaurants, hotels, air lines. (3) Transportation, meals, rooms. (4) Legislation affecting the hotel industry. (5) [Blank.]

Hayden, Harry Vere, Jr., 1608 K Street NW., Washington, D. C.; the American Legion (national organizations), 777 North Meridian, Indianapolis, Ind. (1) $250 salary semimonthly, less withholding and social-security taxes; $45 incidental expenses (taxi and car fare, phone calls, meals, etc.) (months of April, May, June 1949). (2) Harry Vere Hayden, Jr. (3) $45.90 incidental expenses as listed under (1). (4) The American Legion Magazine, New York City; the National Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, reeducation, and housing; all matters affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws; child welfare, not only for children of veterans but for all children; aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations; the development of sound civil aviation programs and policies; the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee which are the ruling and policy-making bodies of the American Legion.

Haynes, Kit H., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for April, May, and June 1949, $1,625.10. Less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Assists in the preparation of Washington Situation, a weekly mimeographed newsletter of the national council; also prepares farm news releases at irregular intervals and special reports at irregular intervals. Such reports are distributed to members of the

[4] Not printed. Filed in the Clerk's office.

national council, news services, radio networks and stations, and miscellaneous persons who have requested inclusion on mailing lists. (5) Agricultural legislation.

Hays, Joseph H., the Association of Western Railways—Western Association of Railway Executives, 204 South Canal Street, Chicago, Ill. (1) During the second quarter of 1949 this registrant was not assigned to and did not engage in activity in connection with Federal legislation or covered by the Federal Regulation of Lobbying Act and thus received no compensation and incurred no expense subject to report hereunder. (2) None. (3) None. (4) None. (5) None.

Hazen, John C., 1008 Munsey Building, Washington, D. C.; National Retail Dry Goods Association, 100 West Thirty-first Street, New York, N. Y. (1) Meals, $437.60; taxis, $21.10; telephone bills, $66.66; hotel, $6.30; transportation—rail, plane, $6. (2) [Blank.] (3) [Blank.] (4) The Special Bulletin, published weekly; NRDGA Washington News Letter, published monthly. (5) Post exchange investigation, H. R. 3755, H. R. 4272.

Hebert, Felix, Associated Factory Mutual Fire Insurance Companies, Turks Head Building, Providence, R. I. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Amendment to Internal Revenue Code.

Heberton, K. W., 1405 G Street NW., Washington, D. C.; Western Union Telegraph Co., 60 Hudson Street, New York, N. Y. (1) Salary of $860 per month, which is paid for all services, only a part of which concerns legislation. Out-of-pocket travel and incidental expenses, $171.70. (2) Taxi drivers and restaurants. (3) Transportation and luncheons. (4) None. (5) Any legislation affecting the interests of the Western Union Telegraph Co.

Hecht, George J., 52 Vanderbilt Avenue, New York, N. Y.; American Parents Committee (without salary), 132 Third Street SE., Washington, D. C. (1) Received $25.60, expended $25.60. (2) Various. (3) Railroad fare, etc. (4) Parents' Magazine and School Management. (5) National child research bill, National School Health Services Act, National Science Foundation, appropriations for United States Children's Bureau, Federal aid for education, pediatrics education bill, public school survey and construction bill.

Heiney, Robert B., National Canners Association, 1739 H Street NW., Washington, D. C. (1) $1,712.49 as one-quarter year's salary as assistant to secretary, National Canners Association, for all work performed; $100.04 has been received as reimbursement for expenses incurred. (2) Taxi fares and miscellaneous expense, $100.04. (3) See above. (4) National Canners Association Information Letter. (5) Opposing marketing orders on commodities for canning, changes in overtime exemptions of the Fair Labor Standards Act. Generally following all legislation affecting the canning industry.

Henderson,[1] Elmer W., director, American Council on Human Rights, 1130 Sixth Street NW., Washington, D. C. (1) Receipts and disbursements for the period January 1 to June 30, 1949. Receipts: Contributions, $8,125. Disbursements: Office equipment, $412.94; office rent, $652.50; salaries, $4,350; taxes (pay roll), $254.45; travel expenses, $336.91; telephone and telegraph, $369.59; office supplies and printing, $480.09; postage, $97.61; miscellaneous expenses, $355.66; total disbursements, $7,309.75; cash balance June 30, $815.25. (2) See (1). (3) See (1). (4) [Blank.] (5) Civil rights legislation.

Henderson, Joseph D., American Association of Small Business, 602 Carondelet Building, New Orleans, La. (1) Salary of $6,000 per year; this quarter, $1,500. (2) [Blank.] (3) [Blank.] (4) Official monthly publication of the American Association of Small Business, the Small Business Review. Routine news releases to newspapers; weekly column to Louisiana newspapers, Minding Your Own Business. (5) Any legislation for the good of the people, especially that favorable to small business. Legislation detrimental to the people and small business in general is to be opposed.

Hendrickson, Roy F., National Federation of Grain Cooperatives, 721–724 Washington Loan & Trust Building, Washington, D. C. (1) Expended $4.40 for taxi fares. (2) See (1). (3) See (1). (4) Co-op Grain Quarterly, Grain Producers News. (5) Any legislation that may affect grain producers or the cooperatives through which they act together to market their produce.

Hennessy, John I., Associated Home Builders of Alameda County, 217 Central Bank Building, Oakland, Calif. (1) Received and expended $1,349.78. This amount incurred on behalf of Home Builders Council of California, was paid to me by the Association of Home Builders of Alameda County which will be reimbursed therefor by the Home Builders Council of California. (2) John I. Hennessy, 217 Central Bank Building, Oakland, Calif. (3) To present the views and opinions of home builders in the Northern California area to the congressional representatives from that area. (4) None. (5) S. 712, H. R. 4009, and related bills.

Hensel, Robert E., Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) The firm of Chadbourne, Wallace, Parke & Whiteside, of the above address, of which registrant is an associate, expended the sum of $1.63 in connection with the proposed legislation described in item (5) hereof, for which it was or will be reimbursed by the American Tobacco Co. (2) New York Telephone Co. (3) Telephone toll calls. (4) None. (5) Tax legislation extending the 85 percent dividend received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

Herndon, Maurice G., Washington Loan & Trust Building, Ninth and F Streets NW., Washington, D. C.; National Association of Insurance Agents, 80 Maiden Lane, New York, N. Y. (1) No money received or expended during preceding calendar quarter. Status of registrant the same as stated in original form B and accompanying letter of explanation, filed March 6, 1947. (2) See (1). (3) See (1). (4) American Agency Bulletin, monthly publication of National Association of Insurance Agents (tear sheets attached). See original copy. (5) [Blank.]

Hess,[2] Amiel Edgerton, Oil Heat Institute of America, Inc., 6 East Thirty-ninth Street, New York, N. Y. (1) None. (2) None. (3) [Blank.] (4) None. (5) Nothing at present.

Hester Ewart A., law offices of Clinton M. Hester, 432 Shoreham Building, Washington, D. C. (1) Salary, April, May, and June, $2,500; no expenses incurred for this quarter. (2) No expenses incurred. (3) None. (4) None. (5) See supplementary statement, paragraph 2, attached to Form B filed by me January 9, 1948. H. R. 2428, H. R. 2433. H. R. 5114, S. 978, S. 1847.

Hewes & Awalt, a law partnership, consisting of the following partners: Thomas Hewes, F. G. Awalt, Samuel O. Clark, Jr., Harold E. Mitchell, Raymond Sparks, Henry L. Shepherd, John S. Murtha, Maxwell M. Merritt, and W. V. T. Justis, 93 Elm Street, Hartford, Conn., 822 Connecticut Avenue NW., Washington, D. C., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) The filing of this report is not to be taken as an admission that the Federal regulation of Lobbying Act is applicable. This registrant received during the second quarter of 1949 the sum of $4,166.66 from the National Association of Electric Companies on account of retainer fee as general counsel of the association. This registrant also received during the second quarter of 1949 the sum of $29.64 in reimbursement of out-of-pocket expenditures, of which $19.43 represented expenditures made during the first quarter of 1949 and reported on Form C for that quarter. The balance of $10.21 received represents expenditures made during the second quarter of 1949. This registrant also expended $11.21 during the calendar quarter ended June 30, 1949, in connection with its employment by the above-named association for which registrant has not received reimbursement. (2) See (1). (3) Expenses for transportation and communication, also other purposes, as listed on the attached statement. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which this firm is counsel, is to provide the members with a medium through which they can exchange ideas and take appropriate action on all problems of mutual concern and interest, including legislative matters. The association, therefore, is interested in any and all legislation that might affect its members directly or indirectly as going business concerns.

Hill & Knowlton, Inc., American Butter Institute et al., 300 Hibbs Building, 725 Fifteenth Street NW., Washington, D. C. (1) See attached.[4] (2) See attached.[4] (3) See attached.[4] (4) Have no records of such publication. (5) Not employed to oppose or support legislation. Are retained to prepare educational information and material.

Hinders, Justin, 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Expended $11.60. (2) See attached itemized statement.[4] (3) See attached itemized statement.[4] (4) Attached list[4] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Legislation affecting the real-estate industry.

Hines, Lewis G., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for April, May, and June, $2,210; expenses for April, May, and June, $158. (2) Taxi drivers and phone company. (3) Cab service and phone calls. (4) None. (5) Affecting labor.

Hinman, Ray C., Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y. (1) Salary (this represents one-quarter of the amount of registrant's annual remuneration which is attributable to the performance of duties which are subject to the Lobbying Act), $1,250; reimbursement for traveling expenses, $278.05; total, $1,528.05; money expended (in connection with duties related to the Lobbying Act), $278.05. (2) Railroads, air lines, taxis, hotels, restaurants, telephones, and tips. (3) Normal traveling expenses. (4) None. (5) Legislation affecting the petroleum industry.

Hobbie, Edgar V. H., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended $33.90. (2) Taxicabs. (3) Taxi fares. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk-oleomargarine legislation.

Hoffmann, Frank N., 718 Jackson Place NW., Washington, D. C.; United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa. (1) $1,999.98 salary, $2,475.50 expenses. (2) Hotels, railroads, air lines, restaurants, cab drivers, etc., for expenses. (3) Personal expenses and travel in and away from Washington. (4) Column

[1] Filed with the Secretary only.

[2] Filed with the Clerk only.

[4] Not printed. Filed in the Clerk's office.

entitled "Keep an Eye on Congress" in monthly publication of United Steelworkers of America, Steel Labor. (5) Support legislation authorized by the convention and executive board of the United Steelworkers, and by the convention and executive board of the national CIO; oppose legislation contrary to the stand of these organizations.

Hogg, Robert L., American Life Convention, 230 North Michigan Avenue, Chicago, Ill. (1) Salary (4 days), $263; expenses (travel, hotel, meals, taxi, and similar incidental expenses), $324.78. (2) Railroads, pullman, and air lines, $209.15; hotel ($18), meals and tips ($76.39), $84.39; porter ($7.50), taxi ($20), telephone and telegraph ($3.44), $31.24. (3) Travel, hotel, meals, and tips, taxi, telephone and telegraph, etc. (4) None. (5) None (see exhibit attached to Form B).

Hollaway, William J., Oklahoma Gas & Electric Co., 2816 First National Building, Oklahoma City, Okla. (1) I received no attorney's fees under the United States Lobbying Act during April, May, or June 1949. However, I did perform legal services for the Oklahoma Gas & Electric Co. of Oklahoma City during said quarterly period, for which I will later be paid an attorney's fee. Same will therefore be reported as required by law when said fee is received. I have received checks for refund of personal expenses and these will be reported when I have returned to my office, where my records are available. (2) See (1). (3) See (1). (4) [Blank.] (5) [Blank.]

Hollister,[5] R. F., Independent Bankers Association, Twelfth Federal Reserve District, 802 Failing Building, Portland, Oreg. (1) Money received, salary, $1,800; money expended, none. (2) [Blank.] (3) [Blank.] (4) None. (5) Federal legislation controlling bank holding companies.

Holman, Charles W., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended $195.70. (2) Various. (3) Taxi fares, and miscellaneous expenses. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Holmes, George T., Tax Equality Committee of Kentucky, 211 Columbia Building, Louisville, Ky. (1) No money was received or expended for lobbying. (2) No one. (3) None. (4) None. (5) None.

Home Builders Institute,[7] 315 West Ninth Street, Los Angeles, Calif. (1) Income, $3,200 (paid by members of the association). Expenses: Stationery, mimeographing, and printing, $481.03; postage, $61.07; telephone and messenger, $38.18; campaign direction, promotion, and supervision, $1,450; telegrams, $1,112.97; total expense, $3,143.25. (2) W. B. Ross & Associates, 672 West Washington Boulevard, Los Angeles, Calif.; Western Union Telegraph Co., Los Angeles, Calif. (3) See (1). (4) [Blank.] (5) Public-housing issues such as H. R. 4009.

Hood, J. M., president, the American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C. (1) Salary received from the American Short Line Railroad Association, $5,000. Expenses incurred for account of the American Short Line Railroad Association and for which reimbursement has been or will be made, $1,301.42. Impossible to accurately allocate either salary or expenses, but carefully calculated estimate is that 5 percent of salary, $250, and 10 percent of expenses, $130.14, total $380.14, expended for purpose of influencing legislation. (2) Expenses paid to hotels, clubs, transportation, and communication companies. (3) For travel and entertainment in connection with the furtherance of the legislative program of the 320 common-carrier-by-rail members of the American Short Line Railroad Association. (4) None, except as reported as an officer of the American Short Line Railroad Association in the return of that association. (5) Legislation affecting member lines of the American Short Line Railroad Association (see legislative program in full, attached to return for first quarter 1949).

Horton,[5] Jesse V., National Association of Postal Supervisors, Post Office Box 2013, Washington, D. C. (1) None, except salary for personal services. (2) None. (3) [Blank.] (4) The Postal Supervisor, Post Office Box 507, Louisville, Ky. (5) Affecting postal supervisors.

Hosking, Floyd J., 1329 E Street NW., Washington, D. C.; Corn Industries Research Foundation, 3 East Forty-fifth Street, New York, N. Y. (1) Received $2.06 as miscellaneous expenses (see below). (2) Notary public, $2; postage, 6 cents. (3) Notarizing quarterly report, postage. (4) None. (5) No specific legislation.

Houston, William J., American Federation of Government Employees, 900 F Street NW., Washington, D. C. (1) Salary received, $1,875; expenses, $500. (2) Landlady, taxes, grocery stores, service stations, restaurants, miscellaneous for tips, postage, supplies, etc., banks, savings bonds. (3) Bank account, Government savings bonds, food, gasoline and oil, meals taken out, taxicabs, incidental living expenses, rent, and taxes. (4) None. (5) Pay legislation for Federal employees; support any other proposed legislation beneficial to Federal employees; oppose any which would adversely affect them.

Howard, Paul, 1722 H Street NW., Washington, D. C.; American Library Association, 50 East Huron Street, Chicago, Ill. (1) See attached.[4] (2) Noted on attached.[4] (3) Noted on attached.[4] (4) ALA Bulletin, Library Journal, San Antonio Express, Washington Evening and Sunday Star, Wilson Library Bulletin, and any newspapers or magazines who wish to use material. We do not have a clipping service. (5) Any legislation affecting American Library Association members and/or the library profession.

Howe, Harold K., 2480 Sixteenth Street NW., Washington, D. C.; American Institute of Laundering, Joliet, Ill. (1) Received $1,500 as salary and $615.36 as reimbursement for general expenses. (2) Various. See answer to question (3). (3) Miscellaneous and incidental, including local transportation, lunches, gratuities, committee meeting expenses, and other incidental expenses of Washington Office, American Institute of Laundering. (4) Not applicable under section 308 (a). (5) I am interested in all legislation affecting the laundry industry and the members thereof. My primary function as to legislation is to report status, prospects, etc., to my employer—the American Institute of Laundering. See, also, letter attached to registration Form B, which is made a part hereof.

Howe, Joseph, 13534 Woodward Avenue, Highland Park, Mich.; Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (1) Expenses of trip to Washington, D. C., from April 24, 1949, through April 30, 1949. Includes plane fare, hotel, meals and incidentals, $144.37; time lost (1 week's salary), $108.42. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Supporting Thomas-Lesinski bill.

Howe, Robert E., Jr., United Mine Workers of America, 1435 K Street NW. and 900 Fifteenth Street NW., Washington, D. C. (1) Since April 1, 1949, there has been received by affiant as salary the sum of $2,500 and as per diem for personal living expenses the sum of $546, a total of $3,046. (2) No sums in any amount have been paid by affiant to any person other than affiant's expenditures for normal everyday living expenses such as transportation, meals, etc., in the regular discharge of his duties. (3) Answered in (2) above. (4) None. (5) Any and all legislation construed to be directly or indirectly beneficial or detrimental to the United Mine Workers of America and its members.

Hudson, Creyke & Lipscomb, 444 Washington Building, Washington, D. C.; Gardner Displays, 477 Melwood Street, Pittsburgh, Pa. (1) $300 received for the month of June 1949, $301.81 received for the month of July 1949. (2) Retained by Hudson, Creyke & Lipscomb. (3) Fee for general legal services and for assisting in passage of House Joint Resolution 285. (4) None. (5) House Joint Resolution 285.

Huff, W. T., Transcontinental & Western Air, Inc., 806 Connecticut Avenue NW., Washington, D. C. (1) Regular salary, as previously listed, plus $200.25 in expenses. (2) [Blank.] (3) Transportation, meals, documents, telephone, and telegraph, (4) None. (5) Duties are to analybe bills which might effect air transport industry for company management. Support all those beneficial to industry.

Hunter, Harry, American Corn Millers' Federation, Inc., 105 West Adams Street, Chicago, Ill. (1) Expended $494.33. (2) Various. (3) ECA legislation. (4) None. (5) I am not employed to specialize, oppose, or favor any specific legislation, but during the preceding quarter I engaged in activity in support of an amendment on corn products to the ECA bill S. 1209 and bill H. R. 3748.

Hunter,[5] John F., 901 Prince Street, Alexandria, Va.; Ritter & Boesel, a law firm, 240 Huron Street, Toledo, Ohio. (1) None received. (2) None paid. (3) [Blank.] (4) None. (5) None at the present.

Hunter,[6] John F., 901 Prince Street, Alexandria, Va.; Ritter & Boesel, a law firm, 230 Huron Street, Toledo, Ohio. (1) No moneys received or expended for lobbying. (2) [Blank.] (3) [Blank.]. (4) None. (5) None.

Huntress, Carroll B., 17 Battery Place, New York, N. Y.; National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C. (1) Carroll B. Huntress, vice president, Republic Coal & Coke Co., 17 Battery Place, New York, N. Y., acting as chairman for the National St. Lawrence Project Conference, without compensation and for reimbursement of expenses. (2) Railroads, hotels, $1,169; news stands, $4.50. (3) [Blank.] (4) [Blank.] (5) House Joint Resolution 53; Senate Joint Resolution 99.

Hushing, W. C., American Federation of Labor, 901 Massachusetts Avenue NW, Washington, D. C. (1) Salary for months of April, May, and June, $2,210; expenses for April, May, and June, $239.61. (2) Taxi drivers, phone company (when away from office) and messengers. (3) As stated in (2). (4) None. (5) Affecting labor.

Hutson, John B., 1424 K Street NW., Washington, D. C.; Tobacco Associates, Inc., Raleigh, N. C. (1) Salary at the rate previously reported on Form B, which registrant filed as a matter of information to the Congress, although of the opinion that he does not come within the purview of the act (Public, No. 601, 79th Cong.). (2) None. (3) None. (4) None. (5) None.

Idol,[5] Edgar S., American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary as shown in his registration; he expended a total of $6.50. (2) The

[4] Not printed, filed in Clerk's office.
[5] Filed with the Clerk only.
[6] Filed for first quarter, 1949.
[7] Filed with the Secretary only.
[8] Filed with the Clerk only.
[9] Filed for second quarter, 1949.

money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate Office Buildings. (3) The money paid taxi drivers was for transportation to and from my office as indicated in (2). (4) None. (5) Any legislation affecting the trucking industry.

Idol,[6] Edgar S., American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary as shown in his registration; he expended a total of $6.50. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate Office Buildings. (3) The money was paid taxi drivers for transportation to and from my office as indicated in (2). (4) None. (5) Any legislation affecting the trucking industry.

Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C. (1) See attachment.[4] (2) See attachment.[4] (3) See attachment.[4] (4) Regular association publications. (5) Any legislation concerning natural gas.

Ingles, William, 1624 I Street NW., Washington, D. C.; see schedule attached (Allis-Chalmers Mfg. Co., et al.). (1) See schedule attached.[4] (2) See schedule attached.[4] (3) Normal office operating expenses. (4) Unable to state; a distribution of editorial material has been made to a list of 370 newspapers and writers. (5) Legislation affecting industry.

Jackman,[7] William; Investors League, Inc., 175 Fifth Avenue, New York, N. Y. (1) June 30, 1949, $1,396.33; traveling expenses, cash, railroad, air and miscellaneous expenses, $506.19; hotel, $469.14; salary 14 days, at $30 per day, $420. (2) William Jackman, vice president. (3) Investors League, Inc. (4) League Bulletin. (5) H. R. 3627.

Jackson, Chas. E., National Fisheries Institute, Inc., 228 Victor Building, 724 Ninth Street NW., Washington, D. C. (1) Expended, $3.30. Taxicab operators. (3) Transportation. (4) NFI Flashes, published weekly (50 issues), mailed to institute membership. (5) No particular legislation.

Jackson, Robert C., 1406 G Street NW., Washington, D. C.; National Cotton Council of America, Memphis, Tenn. (1) In addition to regular salary from National Cotton Council, as reported on Form B, received expense reimbursements amounting to $151.10 that might be construed as relating to legislative activity. (2) Telephone calls, $8.70; cab fares, $65.05; meals for guests, $77.35. (3) Communication, transportation, and meals. (4) None. (5) Not employed to support or oppose any specific legislation; interested only in legislation that affects consumption of cotton, cottonseed, or products thereof; expenditures reported above relate to activities on Labor-Management Relations Act of 1947, amendments to Fair Labor Standards Act, appropriations for United States Department of Agriculture and ECA, margarine repeal legislation, extension of Commodity Credit Corporation Charter Act, and amendments to AAA Act of 1938.

Jeffrey, D. C., Merrill-Stevens Dry Dock & Repair Co., 644 East Bay Street, Jacksonville, Fla. (1) Received $3,500, expended $2,750 (estimated). (2) Hotels, restaurants, railroad, and air-line companies, taxicabs, telephone, telegraph, etc. (3) To defray the cost of food, lodgings, drink, transportation, communications, etc. (4) None. (5) I am interested in legislation affecting sales of my employer's marine repair, conversion, and construction services.

Jhung, Walter, Post Office Box 1706, Washington, D. C.; Korean-American Trading Co., 145 East Thirtieth Street, New York, N. Y. (1) See attached sheet.[4] (2) See attached sheet.[4] (3) See attached sheet.[4] (4) None. (5) To support following bills: H. R. 167, H. R. 374, H. R. 1897, S. 554, S. 761, S. 853, and H. R. 199, and House Joint Resolution 238. Bills pertaining to immigration and naturalizations, and for other purposes.

Jobe, William T., National Association of Ice Industries, 1706 L Street NW., Washington, D. C. (1) Employed on a full-time annual basis as general counsel for the National Association of Ice Industries at a salary of $10,800 per annum. I have received my regular monthly salary for the past calendar quarter of 1949, and nothing more. Pursuant to the requirements of Public Law 701, I have expended no money. (2) None. (3) None. (4) None. (5) None.

Joers, Peter Dierks, Mountain Pine, Ark.; Dierks Lumber & Coal Co., 1006 Grand Avenue, Kansas City, Mo. (1) No moneys received or expended for the purpose of lobbying (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) I am against construction of the Millwood Dam as outlined in the 1945 Flood Control Act, and favor upstream dams in its place. I am a vice president and a director of our company and am receiving a fixed salary which has no bearing on the above.

Johnson, Curtis E., 1740 K Street NW., Washington, D. C.; Citizens Committee on Displaced Persons, 303 Lexington Avenue, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 1344 and S. 311.

Johnson, Elmer, president, National Association of Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C. (1) The sum of $778.16 was received during the second quarter of 1949. (2) None. (3) Fee of $235 per month; $103.16 to cover transportation, meals, etc. (4) The annuitant. (5) In support of any measure designed to improve the Federal Re ement System.

Johnson, George H., American Institute of Laundering, Drawer 1187, Joliet, Ill. (1) I receive no money from AIL apart from my regular salary as compensation for my services as vice president and reimbursement for the actual expenses incurred on trips in traveling on AIL business. Of the total amount received, it is estimated that not more than $500 could even under broadest interpretations be attributed to activities possibly within the scope of the Regulation of Lobbying Act. My expenditures include only those actually incurred for travel (lodging, food, transportation, etc.) on AIL business. Of the total amount received, it is estimated that not more than $500 could even under broadest interpretations be attributed to activities possibly within the scope of the Regulation of Lobbying Act. (2) My expenditures for traveling were paid to usual recipients of such expenditures, such as common carriers, hotels, restaurants, telephone and telegraph companies, etc. (3) The purpose of such expenditures was to defray the cost of the subject matter thereof, such as hotel lodging, transportation, meals, etc. (4) Miscellaneous repertorial or informational bulletins issued to members of the American Institute of Laundering. (5) I am not employed to support or oppose legislation, but am interested in legislation affecting laundry owners.

Johnson, Gilbert R., 874 Rockefeller Building, Cleveland, Ohio; Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio. (1) Pro rata of annual retainer as legal counsel (including 8 percent increase effective September 1, 1948) as set forth in my letter of April 9, 1948, amending initial registration dated January 10, 1947, and reimbursement of traveling expenses amounting to $258.02. (2) Retainer to self; expenses incurred in connection with travel. (3) See (2). (4) None. (5) During this quarter I have given attention to legislation relating to Great Lakes shipping as part of my work as legal counsel for Lake Carriers' Association. I do not consider that I am engaged for the purpose of attempting to influence legislation and this report is made without prejudice to that position.

Johnson, James G., Jr. (assisted by Lykes M. Boykin), Cleary, Gottlieb, Friendly & Cox, 224 Southern Building, Washington, D. C.; Graves, Kizer & Graves, Old National Bank Building, Spokane, Wash. (1) Received $226.55, consisting of $1.55 in reimbursement of out-of-pocket expenses for publications during first quarter 1949; $225 in fees for services rendered through March 31, 1949. Expended, none. (2) None. (3) None. (4) None. (5) S. 639 and H. R. 1326.

Johnson, Jerry P., Terminal Refrigerating & Warehousing Corp., Fourth and D Streets SW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Johnson, Vernon A., 1025 Connecticut Avenue NW., Washington, D. C.; Lockheed Aircraft Corp., Burbank, Calif. (1) Received a total of $4,011.75, of which $2,750 was salary. The balance of $1,261.75 was expenses and is itemized as follows: Auto travel, $8.97; meals, $104.75; taxi fares, $25.90; entertainment, $686.70; hotel bills, $78; travel tickets, $344; auto parking charges, $10.05; and telephone and telegraph, $3.38. (2) Various taxi companies, hotels, restaurants, travel companies, etc. (3) In the course of normal business activities. (4) None. (5) All legislation affecting aviation.

Johnson, W. D., room 312, Labor Building, 10 Independence Avenue, Washington, D. C.; Order of Railway Conductors, Cedar Rapids, Iowa. (1) January 1949, annual compensation of $8,500. (2) W. D. Johnson. (3) As vice president and national legislative representative of the Order of Railway Conductors of America, covering all services rendered, including services entirely unrelated to legislative matters. (4) None. (5) Legislation directly and indirectly affecting the interests of labor generally, employees of carriers under the Railway Labor Act, and particularly the interests of various classes and crafts of railway employees represented by the Order of Railway Conductors of America.

Johnson, Walter R., National Association of Attorneys General, 917 District National Building, 1406 G Street NW., Washington, D. C. (1) Salary for February, March, April, and May 1949, $6,000; expenses, April, $468.70; May, $507.50; June, $465; total, $1,441.20. (2) Registrant. (3) Transportation, $84.70; car storage, $66.50; meals, $1,290. (4) None. (5) To confirm and establish titles in States to lands beneath navigable waters within State boundaries.

Jones, Bascom F., Tennessee Railroad Association, 930 Broadway, Nashville, Tenn. (1) During the said quarter I have neither received nor expended any money in connection with Federal legislation and have caused no articles or editorials to be included in any publication. While I am not employed to support or oppose any legislation, I spent a total of 2 days in Washington during said quarter for the purpose of discussing with Tennessee Representatives the merits of proposed legislation embodied in H. R. 378. (2) See (1). (3) See (1). (4) See (1). (5) See (1).

Jones, J. M., National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah. (1) Salary, $2,100; expenses, $2,712.53; total, $4,812.53. (2) [Blank.] (3) The above paid to J. M. Jones as secretary of the National Wool Growers' Association for duties in connection with association work. All expense included for all

[4] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.
[7] Filed with the Secretary only.

the work in Washington, whether in connection with legislative work or not. (4) The National Wool Grower, coeditor, J. M. Jones. (5) Form program, Reciprocal Trade Agreement Act, various and sundry land bills, appropriation bills, and any other legislation affecting the sheep industry.

Jones, L. Dan, Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C. (1) Salary previously reported plus the following expenses which might be considered to be within the scope of the act, $38. (2) See (3) below. (3) Taxi fares. (4) None. (5) I am not employed to support or oppose any specific legislation. My duties include that of maintaining surveillance of legislation which might affect the petroleum industry and taking such action with respect to such legislation as directed by the association.

Jones, Lyle W., 1737 De Sales Street NW., Washington, D. C.; National Small Business Men's Association, Akron, Ohio. (1) $600 monthly, less withholding tax and social-security tax; $135 personal expenses, April, May, and June. (2) Lyle W. Jones, 1737 De Sales Street NW., Washington, D. C. (3) Luncheons, taxicabs, and miscellaneous expenses. (4) Pulling Together, monthly bulletin, National Small Business Men's Association. (5) [Blank.]

Jones, Mark M., 159 Library Place, Princeton, N. J.; Bell, Jones & Taylor, 350 Fifth Avenue, New York, N. Y. (1) From above, fees, $3,825; expenses, $253.26. (2) Various railroads, hotels, cabs, etc. (3) Travel expenses, $67.57; stenographic fees, $145; telephone and telegraph charges, $40.69. (4) The Executive's Policy Letter. (5) See answer to question 2 of registration statement on form B.

Jones, Rowland, Jr., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) Salary, $400; expenses, $353.82. (2) Restaurants and cab drivers (3) Food and transportation. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor revision, social-security law revision, inflammable fabric legislation.

Jones, Walter J., in care of W. C. Hushing, room 607, A. F. of L. Building, Washington, D. C.; Canal Zone Central Labor Union and Metal Trades Council, Balboa, C. Z. (1) Salary for April, May, and June, $2,550; expenses for April, May, and June, $2,550. (2) Hotels, service stations (gas, oil, etc.), cab drivers, railroads, phone company, cable company, messenger services, landlords (rent), secretarial expenses. (3) As stated in (2). (4) None. (5) Any legislation affecting the Panama Canal employees.

Kane, John E., 1625 K Street NW., Washington, D. C.; American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) Received regular salary as previously reported in Form B heretofore filed pursuant to act; expenses reimbursed by employer, $264.96. (2) Various taxicab companies, restaurants, hotels, other service establishments. (3) Administrative expenses, transportation, meals, etc. (4) None. (5) Matters affecting the petroleum industry and its customers.

Kane, John E., District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C. (1) Received $420.80 as treasurer of District of Columbia Petroleum Industries Committee. The sum of $420.80 expended on behalf of committee during quarter. (2) See schedule A attached.[4] (3) See schedule A attached.[4] (4) None. (5) Legislation affecting the sale and distribution of petroleum products in the District of Columbia.

[4] Not printed. Filed in the Clerk's office.

Kasch,[5] Edward G., Kraft Foods Co., 500 Peshtigo Court, Chicago, Ill. (1) Reimbursed for out-of-pocket expenses of $296.35. (2) Various airlines, cab drivers, and restaurants, Hotel Congressional, and Chesapeake & Potomac Telephone Co. (3) Transportation, hotel, meals, and telephone. (4) None. (5) Amendment of Taft-Hartley Act.

Keehn,[7] Thomas B., Council for Social Action of the Congregational Christian Churches, 1751 N Street NW., Washington, D. C. (1) $1,305, salary; $400, expenses. (2) Money paid to self for salary and expenses such as railroad fare, food, taxis. (3) To cover living expenses and special expenses allowable within expense account. (4) Social Action, Legislative Action Service. (5) Same as material filed October 1946, indicates especially displaced persons legislation, housing, Federal aid to education; more time spent on education of constituents than on opposing or supporting legislation.

Keesling, Francis V., Jr., 315 Montgomery Street, San Francisco, Calif., city and county of San Francisco, City Hall, San Francisco, Calif. (1) $3,000 retainer; $2,557.18 reimbursement for travel, subsistence, secretarial, stenographic, telephone, telegraph, and postage expense (this also covers services concerning matters before the various executive departments, in addition to legislative matters of interest to the city and county of San Francisco, and includes expenses at Washington, D. C., San Francisco, and elsewhere). (2) No payments made except as set forth in (1) above. (3) In connection with various legislative matters of interest to the city and county of San Francisco. (4) [Blank.] (5) Various bills of interest to the city and county of San Francisco, including Army civil functions, housing, surplus property, in lieu taxes, repeal of amusement taxes, trans-Bay Bridge, civil defense, ship construction on the west coast, and other matters of interest to the city and county of San Francisco.

Kennedy, Harold L., 605 Commonwealth Building, Washington, D. C.; Mid-Continent Oil & Gas Association, 308 Tulsa Building, Tulsa, Okla. (1) Received 3 months' retainer in the amount of $3,250; expended $16. (2) 40 taxi fares at 40 cents. (3) See (2) above. (4) None. (5) All proposed legislation that might affect the oil and gas industry.

Kennedy, James A., American Cable & Radio Corp., 67 Broad Street, New York, N. Y. (1) I have been for several years vice president and general attorney of American Cable & Radio Corp. which owns the Commercial Cable Co., All America Cables & Radio, Inc., and Mackay Radio & Telegraph Co., all engaged in the international telegraph business; in said capacity a part of my duties has been to appear in hearings, conferences, and other governmental meetings in Washington; my company has directed me as an incidental part of my duties to speak to Members of Congress and other governmental agencies in favor of legislation which would permit the merger of telegraph companies engaged in international traffic; I have not, and do not expect to receive any additional remuneration for this service above my previous salary; neither have I made nor do I intend to make any contribution for the purposes designated in paragraph 307; it is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation; the Lobbying Act would appear inapplicable; however, if this declaration is not sufficient I will be glad to furnish any further information desired; my salary is $22,500 per annum, no part of which is for the purpose of influencing legislation.

[7] Filed with the Secretary only.
[8] Filed with the Clerk only.

(2) See (1). (3) See (1). (4) None. (5) As an incidental part of my ordinary work I am supporting legislation which will permit the merger of Western Union cable properties into my company's system, if such is necessary, or legislation which will authorize the merger of international telegraph companies.

Kenney, James F., 1002 Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; Associated Third Class Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (1) Any fees are paid to the law firm of Posner, Berge, Fox & Arent, which employs registrant; this work is part of regular duties of registrant for which a salary is paid. (2) See quarterly report of Mr. Wendell Berge filed this date. (3) See quarterly report of Mr. Wendell Berge filed this date. (4) None. (5) Increase in third-class postal rates.

Ketchum, Omar B., Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $1,000 per month as salary minus social-security and withholding taxes; $86.75 as expenses for transportation and luncheons in connection with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative Newsletter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration and naturalization, the combatting of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration.

Killen, Marcella F., Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C. (1) No money received or expended in connection with legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

King, Joseph T., National Retail Lumber Dealers Association, Ring Building, Eighteenth and M Streets NW., Washington, D. C. (1) $1,950 salary and $259.85 expenses. (2) Restaurants, cab drivers, hotels, railroads, pullman companies, porters. (3) Meals, taxi fares, and tips while traveling on official business; business luncheons, entertainment. (4) National Affairs Reports and Bulletins. (5) Legislation directly affecting the retail building supply dealers, such as Fair Labor Standards Act, wage-and-hour legislation, housing legislation, tax legislation, freight rates, price and allocation controls.

King,[9] Karl V., Bartolome Errea, et al., 409 Boston Building, Salt Lake City, Utah. (1) No money received in 1948. (2) No money paid in 1948. (3) None. (4) None. (5) To support private bills for the purpose of supplying Basques as sheepherders to the sheep industry.

King,[5] Karl V., 409 Boston Building, Salt Lake City, Utah. (1) Bartolome Errea, Battle Mountain, Nev., $500; Jose Antonio Adriozola, Battle Mountain, Nev., $500; Fidel Accordarementeria, Battle Mountain, Nev., $500; Pedro Bastida, Battle Mountain, Nev., $500; A. L. Puccinelli, Elko, Nev., $1,500; total $3,500. Expended $6,328.93. (2) See attached compilation.[4] (3) Collecting information for use of Congress and living expenses and entertainment while engaged in this work. (4) None. (5) To support private bills for

[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.
[9] Filed for the year 1948.

the purpose of supplying Basques as sheepherders to the sheep industry.

King,[4] Karl V., attorney at law, 409 Boston Building, Salt Lake City, Utah. (1) No money received; employed on a contingent basis. Expended $2,663.91. (2) See attached compilation.[4] (3) Collecting information for the use of Congress and living expenses and entertainment while engaged in this work. (4) None. (5) To support private bills for the purpose of supplying Basques as sheepherders to the sheep industry.

King, Thomas H., 1025 Vermont Avenue NW., Washington, D. C.; Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) Legislation for the development of a military policy for the United States which will provide adequate national security

King, Williford I., Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y. (1) During the past quarter, I received an over-all of $3,388.66, net, including salary and expenses. (2) I am not a disbursing officer and have made no payments for the Committee for Constitutional Government by whom I am employed. (3) [Blank.] (4) Upward of 4[illegible] newspapers carry King's Comments, a syndicated weekly column in which I express freely my personal views concerning current economic problems. (5) Not employed for this purpose, but, at my own discretion, I oppose legislation which I believe to be antisocial and favor that which I believe to be socially beneficial.

Kitchen, C. W., United Fresh Fruit and Vegetable Association, 2017 S Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) Various articles have been prepared and published in trade periodicals and association yearbooks on marketing subjects, none dealing specifically with legislative matters. (5) Not employed to support or oppose any specific legislation.

Kittrell, W. H., Empire Bank Building, Dallas, Tex.; Melben Oil Co., Pittsburgh, Pa. (1) $5,133.22 has been paid or is due me by the Melben Oil Co., of Pittsburgh, $3,000 salary, $2,133.22 expenses as listed.[4] (2) W. H. Kittrell. (3) Salary and expenses, as per itemized statement attached.[4] (4) The Dallas Times Herald carried a statement issued by me on May 22, 1949. (5) Legislation affecting oil industry, particularly that involving the tidelands.

Klepinger, Robert F.,[3] 1720 M Street NW, Washington, D. C.; Jewelers Vigilance Committee, Inc., 17 West Forty-fifth Street, New York, N. Y. (1) $1,000. (2) Registrant. (3) As local counsel and to advise with respect to advocacy of or opposition to proposed legislation affecting, or of interest to, said committee. (4) None. (5) See (3), supra.

Kline, Allan B., American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $749.79 expended (see item (6) on Form B filed January 1948). (2) Taxi fares, train fares, hotel and restaurants. (3) Transportation, lodging, and luncheon conferences. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: agricultural appropriations, fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, Federal aid-to-education, rural housing, health, displaced persons, amendments to Clarke-McNary Act, postal rates, rural roads, amendment of section 7 of Clayton Act, international wheat agreement, foot-and-mouth disease laboratory, Social Security amendments, Atlantic Charter, amendments to Agricultural Act of 1948, amendments to the Department of Agriculture Organic Act of 1944.

Kline, Robert E., Jr., 322 Munsey Building, Washington, D. C.; Washington Counsel for Kirlin, Campbell, Hickox & Keating, 120 Broadway, New York, N. Y. (1) None. (2) None. (3) None. (4) None. (5) (a) Legislation to permit steamship companies to engage in foreign and overseas air transportation; (b) Legislation to clarify meaning of section 9 of Merchant Ship Sales Act, 1946.

Kneipp, Leon F., 3700 Massachusetts Avenue NW., Washington, D. C.; Organization of Professional Employees of United States Department of Agriculture, South Building, Department of Agriculture, Washington, D. C. (1) Only money received was in compensation for services rendered during months of April, May, and June 1949, at the rate of $100 per month. (2) No money paid to any person, company, corporation, or otherwise; other than a few minor, petty cash, reimbursable expenditures for services or supplies, of which none exceeded $5.60 in amount. (3) None, except as indicated in preceding statement. (4) None, other than small publication OPEDA published by organization for issuance to its members, a part of which consist of a letter from the executive officer apprising members of current developments in subjects of interest. (5) Measures relating to interests of Federal professional employees: pay, per diem, classification, retirement, auto mileage, annual and sick leave, disability compensation, civil service, and other like subjects.

Knowles, Burt L., The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C. (1) See statement filed by The Associated General Contractors of America, Inc. dated March 1, 1949 and letters dated January 3, 1947 and February 24, 1949 on file. (2) None. (3) Same as (1) above. (4) None. (5) Same as (1) above.

Koch, Robert M., National Agricultural Limestone Association, Inc., 1424 K Street NW., Washington, D. C. (1) It is estimated that as executive secretary of the National Agricultural Limestone Association, Inc., $1,500 of my salary represents that part of my time covered by Public Law 601 during the second quarter of 1949. This was all disbursed for personal living expenses. In addition, I received $28 for reimbursement for taxies and carfare in connection with legislation of interest to members of the association. (2) See (1). (3) See (1). (4) [Blank.] (5) Any legislation directly or indirectly affecting the agricultural limestone industry.

Krebs, Alfred U., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) Registrant believes $166.66 a month to be a fair allocation of his salary for the second quarter of 1949 to the activities referred to in form B. (2) No expenditures except for taxicabs and similar items. (3) See item (2). (4) None. (5) Registrant is not employer to support or oppose legislation. However, during the past quarter registrant opposed certain provisions of bills amending the Interstate Commerce Act.

Kreutz, Oscar R., executive manager, National Savings and Loan League, 907 Ring Building, Eighteenth and M Streets NW., Washington, D. C. (1) $5,000 salary and $1,684.89 expense. Approximately one-third of my time was devoted to legislative matters so that $1,666 of my salary would be allocable. Of the expense item, none of it could be construed as applicable. (2) No one (none expended by me). (3) None expended by me. (4) National Letter and National Savings and Loan Journal. (5) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing.

Oppose legislation inimicable to interests of savings and loan industry.

Krueger, Mr. A. H., 847 National Press Building, Washington, D. C.; Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill. (1) During the quarter April-June 1949 I was paid $2,149.98 by the Millers' National Federation (trade association) for various services most of which are not related to the activities described in section 307, title 3, Public Law 601, Seventy-ninth Congress. Section 307 activities, if any, would be incidental in relationship to my regular employment and no amount of my salary is specifically allocated for such activities. (2) $2.80 for taxis. (3) Attending public congressional hearings. (4) Milling industry trade publications and association bulletins. (5) No specific legislation. My activity, for the purpose of this report, during past quarter was limited to keeping members informed on proposed legislation (international wheat agreement, agriculture, taxes, labor) which might affect the flour-milling industry. Future activity, if any, dependent on legislation, which may affect the milling industry.

Kruse, Herman C., Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif. (1) Salary for quarter $2,892.50 for all services to employer, not all of which pertained to legislation; reimbursement of hotel, travel, and incidental expenses for quarter $2,548.73. (2) Hotel Statler, Washington, D. C., $1,302.43; air lines, $514.61; restaurants, telephone and telegraph companies, taxis, and incidentals, $731.69. (3) Hotel, travel, and incidental expenses as stated above. (4) None. (5) Legislation affecting water and power projects, flood control, and reclamation.

Kyle, J. M. DeW., II, president, Capitol Rooming and Boarding House Association, Inc., Capitol Rooming and Boarding house Association, Inc., 1811 Nineteenth Street NW., Washington, D. C. (1) None during this quarter. (2) None. (3) None. (4) None. (5) To support, or oppose, all proposed legislation pertaining to the operation or management of members of the Capitol Rooming and Boarding House Association, Inc., engaged in the operation of management of rooming houses, boarding houses, guest houses, inns, tourist homes, lodging houses and similar businesses.

Kyle, J. M. DeW., II, The National Defense League of America, Inc., 1811 Nineteenth Street NW., Washington, D. C. legislative purposes. (2) None for legislative work is in addition to my work as president of the National Defense League of America, Inc. (2) [Blank.] (3) During this quarter a total of $4.85 was spent for local transportation and postage. (4) None. (5) To support all proposed legislation in the interest of national defense and the welfare of all personnel of the armed forces, past and present; and to oppose all proposed legislation, which in the opinion of the National Defense League of America, is not in the interest of national defense or the welfare of the personnel of the armed forces.

La Chapelle, Lloyd, Michigan Division 43, Communications Workers of America, 510 LaFayette Building, Detroit, Mich. (1) Salary $329.25; expenses $288.30, received from Michigan Division 43, Communications Workers of America. (2) Normal living expenses plus railroads, air lines, hotel, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my position with the Communications Workers of America and Michigan Division 43,

[4] Not printed. Filed in the Clerk's office.
[3] Filed for second quarter, 1949.
[4] Filed with the Clerk only.

none of which is related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or Michigan Division 43.

Lacques, Paul H., Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y. (1) Received various sums during the quarterly period (April, May, June 1949) at various times (none of which amounted to $100) a total of $742.85 from Bigham, Englar, Jones & Houston. (2) Railroad companies; hotels and club. (3) Transportation; accommodations, meals, telephone and telegraph charges. (4) None. (5) S. 1209.

La France, Francis X., Esq., Swan, Keeney & Smith, 911 Turks Head Building, Providence R. I., Narragansett Brewing Co., New Depot Ave., Cranston, R. I. (1) None. (2) None. (3) None. (4) None. (5) S. 257, any corelative bills and any amendments thereto.

Lancraft, Robert J., Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW, Washington, D. C. (1) Taxicabs, $1.60; telephone, $1.05; notary fees, $1; luncheon, $2; travel expenses and per diem in connection with trip to Chicago, Ill., and return, $236.44; total $242.09. Reimbursement received in full. (2) [Blank.] (3) [Blank.] (4) None. (5) Any legislation affecting the real-estate industry. (Note: Period of employment with above association terminated June 30, 1949.)

Landa, Alfons B., Ansberry, T. Peter, Condon, Arthur D., 815 Fifteenth Street NW., Washington, D. C.; S. H. Kress & Co., McCrory Stores Corp., W. T. Grant Co., McLellan Stores Co., J. J. Newberry Co., H. L. Green Co., Inc. (See addresses supplied in answer to question No. (1).) (1) Receipts: S. H. Kress & Co., 114 Fifth Avenue, New York City, $4,280; McCrory Stores Corp., 1107 Broadway, New York, $2,520; W. T. Grant Co., 1441 Broadway, New York, $6,060; McLellan Stores Co., 55 Fifth Avenue, New York, $1,440; J. J. Newberry Co., 245 Fifth Avenue, New York, $3,480; H. L. Green Co., Inc., 902 Broadway, New York, $2,220; total $20,000. Expenditures: Congressional Intelligence, Inc., $95. (2) Congressional Intelligence, Inc. (3) Services in connection with status of wage and hour legislation and supplying of copies of proposed legislation. (4) None. (5) Registrants are retained in connection with pending wage-hour legislation by the group named in (1) above, for the purpose of informing, advising, and counseling them concerning the progress, interpretation, constitutionality, and legal effect of pending wage-hour and related legislation, including amendments currenty proposed or which may be proposed, insofar as such legislation affects the vital interests of the variety chain stores named and of the consuming public which they serve. This undertaking will also include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrants do not believe that any of their activities including those named herein fall within the term "attempting to influence the passage or defeat of any legislation" as used in the Federal Regulation of the Lobbying Act. This registration is being filed because of the uncertain interpretation of that act.

Landis, Gerald W.; William Ingles, 1624 I Street NW., Washington, D. C. (1) Money received, $3,000. (2) [Blank.] (3) Expenses. (4) None. (5) Legislation affecting industry.

Lane, John F., care of Gall and Lane, attorneys; American Institute of Laundering, Joliet, Ill.; 1625 K Street NW., Washington, D. C. (1) Received as legal fees and reimbursement for disbursements, $2,301.07; expended, $47.07. (2) Expenditures paid to telephone, telegraph, transportation, etc., companies. (3) Telephone, telegraph, local transportation, etc. (4) None. (5) Retained in a usual attorney-client relationship as Washington counsel for the American Institute of Laundering and as such are interested in all legislation affecting laundries.

Lanham, Fritz G., Woodley Park Towers, 2737 Devonshire Place, Washington, D. C.; National Patent Council, Inc., 1434 West Eleventh Avenue, Gary, Ind.; American Fair Trade Council, Inc., 11 East Forty-fourth Street, New York City; Trinity Improvement Association, 1308 Commercial Standard Building, Fort Worth, Tex. (1) From National Patent Council as retainer, $1,500; from American Fair Trade Council as retainer, $1,000; from Trinity Improvement Association for rental and other expenses and clerical help, $750. There have been no expenditures except small sums for postage. (2) $408 paid to Woodley Park Towers, Washington, D. C. (3) Rental, garage. (4) None. (5) Those I represent are nonprofit organizations and I serve in an advisory capacity. Their purposes are principally educational with reference to the objectives of their organizations, and I keep them advised with reference thereto concerning legislative proposals and governmental programs.

Lanham, Fritz G., Woodley Park Towers, Washington, D. C.; State Tax Association, Houston, Tex. (1) Received $2,500, retainer from January 1 to June 30, 1949. No expenditures except small sums for postage. (2) As indicated under (1). (3) Postage. (4) None. (5) Legislation to preserve and promote the rights of the States under our system of Government, to return to the States such normal functions as they should rightfully assume, to restrict Federal agencies to Federal functions, and to equalize taxation in accordance with State laws.

LaRoe, Wilbur, Jr., Investment Building, Washington, D. C.; (National Independent Meat Packers Assn.) (1) LaRoe, Brown & Winn, law firm, received from the National Independent Meat Packers Association, $4,500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) H. R. 2157; H. R. 3020; H. R. 3997; H. R. 4538; H. R. 4016; H. R. 4485; H. R. 3997; S. 1594; S. 1721; S. 1971.

Laugherty, R. R., 10 Independence Avenue SW, Washington D. C.; Railway Employees' Department, A. F. of L., Room 1309, 608 South Dearborn St., Chicago, Ill. (1) Salary, $1,500; expenses $750. No money expended except for personal maintenance. (2) Annapolis Hotel, taxi fare, postage, telephone and telegraph, cleaning and pressing, and meals. (3) Necessary living, transportation, and communication expense. (4) None. (5) Legislation affecting and detrimental to railroad employees.

Lavelle, William, Congress of Industrial Organizations, 718 Jackson Place NW, Washington, D. C. (1) Salary, $1,750; expenses, $1,707.24. (2) Hotels, airlines, railroads, restaurants, cab drivers. (3) Personal expenses and travel. (4) C. I. O. Legis-Letter. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Lawrence, John V., American Trucking Association, Inc., 1424 Sixteenth Street NW., Washington, D. C.; (1) Registrant received only his regular salary as shown in his registration. He expended a total of $47.40. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate office buildings, and to clerks and cashiers for lunches at restaurants. (3) The money paid taxi drivers was for transportation to and from my office as indicated in (2). (4) None. (5) Legislation affecting the trucking industry.

Laylin, John G., American Smelting & Refining Co., 701 Union Trust Building, Washington, D. C. (1) Received: None. Expended in connection with all matters for client, $258.36. (2) Telephone and telegraph expense. Travel expenses, including hotel accommodations, etc. (3) Long distance telephone calls, telegrams, mimeographing, transportation and hotel accommodations. (4) None. (5) Appropriation for continuation of drainage tunnel by Bureau of Mines at Leadville, Colo.

Layne, A. Alvis, Jr., 1002 Ring Building, 1200 Eighteenth Street, NW.; Associated Third Class Mail Users, Inc. 1010 Vermont Avenue NW., Washington, D. C. (1) Any fees are paid to the law firm of Posner, Berge, Fox & Arent, which employs registrant. This work is part of regular duties of registrant for which a salary is paid. (2) See quarterly report of Mr. Wendell Berge filed this date. (3) See quarterly report of Mr. Wendell Berge filed this date. (4) The case against increasing third class postal rates—statement in opposition to section 5 of H. R. 2945, Eighty-first Congress, April 1949. (5) Increase in third class postal rates.

Lea, Clarence F., 1200 Eighteenth Street NW., Washington, D. C.; Transportation Association of America, 130 North Wells Street, Chicago, Ill. (1) $1,552.90—See attached.[4] All of the expenses included in this submission will also be shown in the quarterly filing of the Transportation Association of America. (2) Clarence F. Lea. (3) Retainer fee, incidental expenses at Washington and travel away from Washington. (4) None. (5) None.

League of Women Voters of the United States, 726 Jackson Place NW., Washington, D. C. (1) Registrant has received no contributions for the purposes designated in subparagraph (a) or (b) of section 307, Public Law 601. Expenditures: salary, carfare $1,319.54. (2) Muriel Ferris, salary and carfare. (3) As indicated in (1). (4) "Trends in Government" and Member Magazine, both published by registrant. (5) See program of the League of Women Voters of the United States, previously filed.

Lee, Ivy and Ross, T. J., 405 Lexington Avenue, New York, N. Y.; United States Cuban Sugar Council, 136 Front Street, New York, N. Y. (1) see appended statement I.[5] (2) See appended statement I.[5] (3) See appended statement I.[5] (4) See appended statement II.[5] (5) Registrant advises the United States Cuban Sugar Council on public relations matters pertaining to sugar legislation relating to the Sugar Act of 1948.

Lee, James R.,[5] 731 National Press Building, Washington, D. C., Gas Appliance Manufacturers Association, 60 East Forty-second Street, New York, N. Y. (1) $598.04 salary and expenses for month of June. (2) Various. (3) Transportation, telephone, office expense, meals, secretarial services, etc. (4) None. (5) Any legislation concerning the members of the Gas Appliance Manufacturers Association.

Leete, Malcolm R., 42 Mount Vernon Street, Boston, Mass., Citizens Committee on Displaced Persons, 39 East Thirty-sixth Street, Now York, N. Y. (1) This is to notify you that my employment was terminated April 20, 1949.

Leopold, Joseph F.,[6] self employed—Norrell, Leopold, partnership, 936 Liberty Bank Building, Dallas, Tex. (1) Received only monthly personal retainer (from National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.) plus reimbursement actual travel expense (Retainer $6,000 per year.) (2) Only travel expense, plane, rail, hotel, meals, etc. (3) Travel expense only. (4) None, except by local reporters in newspapers in several cities where I made addresses. (5) No specific legislation. Tax equality in general.

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[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.
[6] Filed with the Clerk only.

Leopold, Joseph F.,[6] 936 National City Building, Dallas, Tex.; National Tax Equality Association, 231 South La Salle Street, Chicago, Ill. (1) Received no money or other thing of value, except $500 monthly retainer fee and refund of actual travel expenses, both from National Tax Equality Association. (2) Paid nothing except travel expense, to railroads, airplane companies, hotels, meals, etc. (3) As above, for expenses. (4) None, other than locally reported by the press, following addresses to conventions or business groups. (5) Tax equality in general.

Letts, David S., attorney at law, 901 Tower Building, Washington, D. C., American Transit Association, 292 Madison Avenue, New York, N. Y. (1) Received for services as attorney for American Transit Association same amount of compensation as reported in previous report. Also reimbursed for actual business expenses amounting to $133.72. (2) Railroads, taxicabs, etc.; hotels and restaurants; merchants and others. (3) Traveling and living expenses away from Washington. Expenses in Washington for transportation, fees, dues, etertainment, and miscellaneous. (4) None. (5) In connection with proposed legislation affecting the transit industry, registrant may present the views of members of the American Transit Association.

Levine, Seth, CIO Martime Committee, 132 Third Street SE., Washington, D. C. (1) $1,365 salary; $130 expenses. Half time spent on legislative activities; half on research work. (2) Expenses paid to taxi companies, telephone companies, dispensers of periodicals. (3) Taxies, telephone calls, periodicals. (4) CIO News, NMU Pilot, IFAWA Fisherman, the American Marine Engineers. (5) Support legislation in the interest of seamen, longshoremen, fishermen, and allied maritime workers and oppose legislation detrimental to them.

Lewis, George J., Union Station, Lexington, Ky.; Kentucky Railroad Association, Louisville, Ky. (For fuller details see Form B, filed on June 3, 1947.) (1) No moneys received, except reimbursements for out of pocket expense amounting to $375.00. (2) Hotel, restaurant, dining car, pullman, taxies, telephone, etc. (3) For living and traveling expenses. (4) None. (5) Employed to support legislation favorable to the railroad industry, and to oppose legislation detrimental to that industry.

Lewis, John R., 1108 Sixteenth Street NW., Washington, D. C.; Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. (1) The undersigned has neither received nor expended any money during the quarter April through June 1949 for the purposes as defined in section 307 (a) (b) of Public Law 610. My activities have considdted wholly of the maintenance of an information service for my company. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Interested generally in legislation affecting the petroleum industry.

Libby, Frederick J., executive secretary, National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C. (1) Salary, $1,174.98; expenses, $148.23; total $1,318.21. (2) Expenses for railroad tickets, hotels, taxies, porters, telephone and telegraph services, postage and miscellaneous expenses when away from Washington. (3) Speaking trips, attending conferences, meeting, etc. (4) Peace Action, monthly News Bulletin of the National Council for Prevention of War. (5) Supports, in pursuance of the purposes of the organization, legislation which promotes peace and opposes legislation which, in our judgment, leads to war.

Liljenquist, L. Blaine, Washington representative, Western States Meat Packers Association, Inc., 1415 K Street NW., Washington, D. C.; Mr. E. F. Forbes, president, Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif. (1) Received quarterly salary of $2,125 plus $908.66 reimbursement for expenses incurred in operating the Washington office, of which $471.20 was expended in the interest of legislation. (2) Various. (3) Taxi fares, secretarial service, statements and letters for congressional committees and Members of Congress, fees for part time legislative assistant, and for other miscellaneous purposes. (4) None. (5) Interested in legislation affecting the livestock and meat industry.

Litschert, Robert G., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $2,250 as an employee of the National Association of Electric Companies, and reimbursements of $630.63 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses was for those purposes described in section 308(a) or otherwise within the scope of Public Law No. 601, Seventy-ninth Congress. (2) Various hotels, restaurants, taxicab companies, telephone and telegraph companies, book stores and stationers. (3) Transportation, $173.10; meals, $271.95; telephone, $28.13; publications, $23.45; miscellaneous, $102.75. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which I am an employee, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association therefore is interested in legislation that might affect its members as going business concerns.

Littell, Norman M., 1422 F Street NW., Washington, D. C.; Navajo Tribe of Indians, residing in Arizona, New Mexico, Utah, and Colorado, superintendent, Window Rock, Ariz. (1) For quarter ending June 30, 1949: Received $1,875 as legal retained for services from February 8 to May 7, 1949, as general counsel; $189.25 for expenses as general counsel (travel and otherwise), and $74.90 to reimburse for fees and expenses paid to expert witnesses. (2) To employees of registrant's law office, including stenographers, and to expert witnesses. (3) For legal services in connection with Navajo business. (4) None. (5) No specific legislation, but registrant is to represent the Navajo Indians as requested at any hearings when legislation affecting the Navajos is being considered.

Little, Charles R., executive secretary, 7280 Kenwood Road, Cincinnati, Ohio; Ohio Valley Conservation and Flood Control Congress, Dr. Charles E. Holzer, Sr., president, Holzer Hospital, Gallipolis, Ohio. (1) Total received for salary, $900; total received for expenses, $600; total expenses, $760.47; actual amount directly chargeable to lobbying would be less than totals shown above. (2) Various railroads, restaurants, hotels, vendors, stores, etc. (3) Transportation $198.44; lodging $96.83; meals $78.77; tips $28.22; office (communication, equipment, periodicals, supplies, etc.), $358.21. (4) None. (5) Not solely employed for this purpose, but concerned with any legislation, Federal or State, dealing with flood control and allied conservation in the Ohio Valley.

Little, Walter J., 510 West Sixth Street, Los Angeles, Calif.; Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles; Southern Pacific Co., 65 Market Street, San Francisco; Union Pacific Railroad, 422 West Sixth Street, Los Angeles; Northwestern Pacific Railroad, 65 Market Street, San Francisco; and Western Pacific Railroad, 526 Mission Street, San Francisco, Calif. (1) None. (2) None. (3) [Blank.] (4) None. (5) All legislation affecting the railroads.

Littlepage, John M., 832 Investment Building, Washington, D. C.; The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y. (1) None (see attached statement[4] which was filed with registration statement). (2) None. (3) None. (4) None. (5) None.

Livingston,[7] Lawrence, 2000 Russ Building, San Francisco, Calif. (1) About $900. (2) American Air Lines; Mayflower Hotel; various others. (3) Solely for transportation and other traveling expenses of registrant. (4) None. (5) Walter amendment to Lucas Act; Downey amendment to Walter amendment.

Locke, Gordon C., Committee for Pipe Line Companies, 632 Muncey Building, Washington, D. C. (1) Total compensation received, $3,375, for all activities, including those which have no relation to Federal legislation; actual expenditures $9.75. (2) Taxicab operators. (3) Transportation between office and Capitol. (4) None. (5) All legislation that might affect the oil industry as related to petroleum and petroleum products pipe lines.

Lodge, F. S., The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $75 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) The Fertilizer Review, published by the National Fertilizer Association, Inc., Washington, D. C. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Lofgren, Charles E., Fleet Reserve Association, Investment Building, Fifteenth and K Streets NW., Washington, D. C. (1) $1,500 salary. (2) Self, for living expenses. (3) Salary. (4) Naval Affairs, official publication of Fleet Reserve Association. (5) Personnel and veteran legislation affecting members of the Fleet Reserve Association and armed services.

Lomen, Carl J., Colman Bulding, Seattle, Wash.; City of Nome, Alaska, and Northwestern Alaska Chamber of Commerce. (1) No money received since last report. (2) My work has been completed and I withdraw as a lobbyist. (3) [Blank.] (4) [Blank.] (5) Nome, Alaska, Seawall, included in Army civil functions bill with Eighty-first Congress.

Lord, Day & Lord, 25 Broadway, New York, N. Y.; 1216 Tower Building, Washington, D. C.; Agency of Canadian Car and Foundry Co., Ltd. 30 Broadway, New York, N. Y. (1) $24,929.25. (2) No disbursements made during second quarter of 1949. (3) [Blank.] (4) None. (5) Legislation having relation to World War I claims.

Lorence,[8] Walter E., The Ohio Valley Improvement Association, Inc., 730 Federal Reserve Bank Building, Cincinnati, Ohio. (1) Regular salary for January, February, and March, 1949, as reported on Form B. (2) Self. (3) [Blank.] (4) Progress News, a publication of the Ohio Valley Improvement Association, Inc. (5) In the interest of navigation and flood control projects in the Ohio Valley.

Love, Richard H., Judge Advocates Association, 312 Denrike Building, Washington, D. C. (1) For services of Richard H. Love as executive secretary, $1,300; for expenditures for rent, secretarial hire, printing, postage and officie maintenance, $2,200.96. (2) Landlord, secretary-stenographer, printer, stationer,

[6] Filed for second quarter, 1949.

[4] Not printed. Filed in the Clerk's office.

[7] Filed with the Secretary only.

[8] Filed with the Clerk only.

mailing service, post office. (3) Maintenance of national offices of association. No direct expenditures for lobbying activity. Activity of association limited to advising members of developments, soliciting their views and making composite views of membership known to Congress at public hearings. (4) 1. Judge Advocate Journal, December 1948 and June 1949 issues; 2. Copy of proposed Uniform Code of Military Justice and questionnaire, April 1949. (5) Legislation affecting military justice; the functions, administration, and operation of the legal departments of the armed forces and agencies related to national security.

Lovelady, Rufus M., care of 900 F Street NW, Washington, D. C.; Lodge No. 14, American Federation of Government Employees, Box 1703, Balboa, C. Z. (1) $1,425 for period April 1 to June 30, 1949. (2) Landlord for rent, grocery stores, service stations, restaurants. (3) Rent, food for self and family, gasoline and oil, meals away from home. (5) Retirement legislation for employees of Panama Canal, pay legislation, other legislation favorable to Federal employees. Oppose any legislation unfavorable to Federal employees.

Lucas, James C., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $200, salary; $51.40, expenses. (2) Taxi drivers and restaurants. (3) Transportation and meals. (4) American Retail Federation informational bulletins to the retail industry. (5) Legislation affecting retail industry, including tax revision, labor law revision, social-security law revision.

Lunn, Dr. Carl E., 1501 West Washington, Phoenix, Ariz.; Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) Received no salary. During past 3 months received $77.65 commission on local club dues, etc., partially covering incidental expenses for printing, mailing, etc., of local club notices. (2) Post office, print shop, stationery, telephone, and other incidental expenses for local Townsend Clubs. (3) In interest of Townsend Clubs of Arizona, and State welfare and in behalf of Townsend plan as per H. R. 2135 and H. R. 2136. (4) None, except newspapers occasionally give announcements of local club meetings. (5) In behalf of Townsend plan as per H. R. 2135 and H. R. 2136.

Lynch, Thomas F., George A. Pflaum, Publications, Inc., and Classroom Periodical Publishers Association, 129 East Third Street, Dayton, Ohio. (1) Received in salary, $1,885; received for expenses, $868.14. (2) Hotel, meals, travel, and clerical assistance. (3) As above. (4) None. (5) To oppose H. R. 2945 and S. 1103.

Lynn, A. L., Island Creek Coal Co. and Pond Creek Pocahontas Co., Guaranty Bank Building, Huntington, W. Va. (1) Receipts: For all services rendered the companies listed below I received the following salaries during the last calendar quarter: Island Creek Coal Co., $3,750; Pond Creek Pocahontas Co., $1,240. Although the above salaries are not paid for the purpose of influencing legislation, they are reported in full for the reason that I am unable to determine what part, if any, of my services comes within the scope of Public Law 601, Seventy-ninth Congress. Expenditures: Reimbursement for expenditures to cover items listed under question (3), $110. (2) Railroads, taxi operators, hotels, restaurants, telephone and telegraph companies, and recipients of miscellaneous expenditures. (3) Travel, hotel accommodations, meals, telephone and telegraph and miscellaneous. (4) None. (5) I am not employed to support or oppose specific legislation. I am interested generally in all legislation affecting the coal industry such as taxes, labor, transportation, Government controls, Government expenditures, etc.

Lynn, John C., 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $388.67 expended. (See item (6) of Form B, filed December 1948). (2) Taxis, air lines, railroads, restaurants, hotels. (3) Transportation, meals, lodging. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Agricultural appropriations, fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, Federal aid to education, rural housing, health, displaced persons, amendments to Clark-McNary Act, postal rates, rural roads, amendment of section 7 of Clayton Act, international wheat agreement, foot-and-mouth disease laboratory, social-security amendments, Atlantic Charter, amendments to Agricultural Act of 1948, amendments to the Department of Agriculture Organic Act of 1944.

Lyon, A. E., executive secretary, Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C. (1) No money received except regular salary and expenses. No money expended for the purpose of attempting to influence the passage or defeat of any legislation. Total salary for quarter, $2,250. Total expenses for quarter, $644.29. (2) None. (3) None. (4) None. (5) Incidental to other and varied duties which comprise the major part of work, all legislative proposals of concern to labor and railway labor in particular.

Lyons, Jerome J., John F. Jelke Co., 759 South Washtenaw Avenue, Chicago, Ill. (1) No money is received other than salary, incidental to regular employment as director of personnel of the company, and reimbursement for transportation, lodging, and meals. (2) [Blank.] (3) [Blank.] (4) None. (5) Support of proposals for repeal of taxes on oleomargarine.

McAvoy,[3] Harold, National Association Post Office and Railway Mail Service Mail Handlers, Watchmen and Messengers; 900 F Street NW., Washington, D. C. (1) $1,680 must take care of all expenses for the quarter. (2) Harold McAvoy, legislative representative. (3) Legislation for the benefit of all mail handlers, watchmen, and messengers employed by the Post Office Department. (4) The Mail Handlers Journal. (5) He must support all legislation that will benefit all mail handlers, watchmen, and messengers employed by the Post Office Department.

McBreem, Thomas J., National Association of Real Estate Boards and its realtors' Washington committee, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C. (1) Salary (60 percent of time devoted to legislative activities), $866.66; reimbursement by employer for travel expenses, incidental expenses, and per diem, $183.21; total $1,049.87. (2) Various. (3) Incidentals. (4) Attached list [4] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Any legislation affecting the real-estate industry.

McBride, Jonas A., 10 Independence Avenue, Washington, D. C.; Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio. (1) Salary of Jonas A. McBride, vice president, national legislative representative, $2,500; salary of stenographer $1,111.56; printing and supplies, $20.95; rent, $270; personal expenses, $1,274.95; telephone and telegraph, $95.91; premium of workmen's compensation insurance, $16. (2) Salary to Jonas A. McBride and Glenn C. Russell, stenographer. Printing and supplies to various printers and stationery firms. Rent to Labor newspaper, 10 Independence Avenue. (3) For maintenance of office of national legislative representative of Brotherhood of Locomotive Firemen and Enginemen. (4) None. (5) All legislation affecting the interests of the Brotherhood of Locomotive Firemen and Enginemen.

McCann, Richard, Local 802, A. F. of M., 1267 Sixth Avenue, New York, N. Y.; American Federation of Musicians, 570 Lexington Avenue, New York, N. Y. (1) We are a committee of three, representing the American Federation of Musicians: Paul J. Schwarz, local 161, Washington, D. C.; Richard McCann, local 802, New York, N. Y.; and J. Elmer Martin, local 40, Baltimore, Md., on 20-percent cabaret-tax reduction. Acknowledgment of our registration filed, was dated April 20, 1949. We have met as a committee during the quarter, April, May, and June but have submitted no bills as yet, nor received any money, therefore we are mailing in reports blank. (2) See (1). (3) See (1). (4) See (1). (5) See (1).

McCarthy, Frank J., Pennsylvania Railroad Co., 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C. (1) Salary, $1,600 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation; $315.80 was expended by me as expense money, during the second quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals; in addition to this amount, I also received $736.90 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act. (2) Various transportation companies, restaurants, garages, communication companies, etc. (3) $315 was expended by me as expense money, during the second quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of the Pennsylvania Railroad Co.

McCaskill,[5] J. L., associate secretary, Department of Higher Education, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,631.68 which covers both legislative and nonlegislative activities; estimated for legislative services, $100; expenses, none. (2) Self, salary; expenses, none. (3) No expense incurred. (4) College and University Bulletin. (5) To support any and all legislation designed to strengthen public education in all of its areas.

McCaskill,[6] J. L., associate secretary, Department of Higher Education, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,631.68, which covers both legislative and nonlegislative activities; estimated for legislative services, $100; expense, none. (2) Self; salary; expenses; none. (3) No expense incurred. (4) College and University Bulletin. (5) To support any and all legislation designed to strengthen public education in all of its areas.

McCloskey,[5] Bryson deHaas, Post Office Box 1657, Washington, D. C.; self, in the interest of 40,000,000 youth of this and future generations, 1316 L Street NW., Washington, D. C. (1) No money has been received or expended during the calendar quarter ending March 31, 1949. (2) No money has been paid. (3) No money has been paid. (4)

[4] Not printed. Filed in the Clerk's office.
[5] Filed with the Clerk only.
[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.

None have been published as yet. Prepared and ready for printing are briefs relating to the following proposed legislation and congressional investigations. (5) (1) Legislation requiring all philanthropies and nonprofit organizations to make yearly detailed public reports of all funds received by them; (2) legislation instigating an investigation of the methods employed by big business and their paid agents to prevent the manufacture of a low-priced auto for the people; (3) legislation instigating an investigation of philanthropies as big-business-controlled monopolies; (4) legislation instigating an investigation of the United States Post Office Inspection Department as an agent of big business.

McCloskey,[6] Bryson de Haas, 1316 L Street NW., Washington, D. C.; self, in the interest of 40,000,000 youth of the United States, Post Office Box 1657, Washington, D. C. (1) All expenditures made by own personal funds. (2) United States Post Office, $10 permit; United States Post Office, $14.63 postage; Central Zone Press, cut, $50 masthead; envelopes, $16.66; rubber stamps, delivery, etc., miscellaneous, $11.15. (3) Third-class postage on mailings of Publix Patriot, advance sample 4 pages prepared primarily to bring the contents to the attention of all Members of the Congress. (4) Publix Patriot (prepublication 4-page advance issue). (5) (1) To require all philanthropies and nonprofit organizations to make yearly detailed public reports of all funds received by them; (2) instigating an investigation of the methods employed by big business and their paid agents to prevent the manufacture of a low-priced auto for the people; (3) instigating an investigation of philanthropies as big-business-controlled monopolies; (4) instigating an investigation of the United States Post Office Inspection Department as an agent of big business and paid agents.

McClure,[7] Warren C., Box 207, Camden, Ark.; Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) None for legislative purposes. (2) None for legislative purposes. (3) [Blank.] (4) None. (5) None at the present time.

McDonald,[6] Angus H., Farmers Educational and Cooperative Union of America, 300 B Street SE., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) All major pending legislation.

McDonald,[6] Angus H., 300 B. Street SE., Washington, D. C.; Farmers Educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (1) None. (2) None. (3) None. (4) None. (5) All major pending legislation.

McFarland,[5] Rev. A. J., The Christian Amendment Movement, 914 Clay Street, Topeka, Kans. (1) Salary, $750; expenses, $400; total, $1,150. (2) Salary to self. Expenses for travel, hotel, etc. (3) Answered above. (4) The Christian Patriot, 914 Clay Street, Topeka, Kans. (5) Support a Christian amendment to the Constitution of the United States.

McFarland,[6] Rev. A. J., Christian Amendment Movement, 914 Clay Street, Topeka, Kans. (1) Salary, $750; expenses, $150; total, $900. (2) Salary to self, expenses to hotels, travel, etc. (3) Answered above. (4) The Christian Patriot, 914 Clay Street, Topeka, Kans. (5) To support a Christian amendment to the Constitution of the United States.

McGinnis, Edward F., Distilled Spirits Institute, 1135 National Press Building, Washington, D. C. (1) Salary same as previous report shown on form b, dated May 1, 1949. No expenses have been authorized or incurred for purposes listed under this act. (2) See (1). (3) See (1). (4) None. (5) Any legislation affecting the industry represented is reported to members, including such bills in the Eighty-first Congress as H. R. 2547, H. R. 2548, and H. R. 3541. This is my final report; employment terminating as of this date.

McGough, Richard, Washington Railroad Association, 515 Hoge Building, Seattle, Wash. (1) Salary as stated in original registration. Expenditures in connection with Federal legislation: None. (2) [Blank.] (3) [Blank.] (4) None. (5) Any legislation affecting transcontinental railroads operating in the State of Washington.

McGrath, Thomas Edward, Mail Reception, General Delivery, Washington 1, D. C.; Taxpayers of United States of America, United States Treasury. (1) Approximately $165. (2) Thomas Edward McGrath. (3) To use as I see fit in behalf of the taxpayers of the United States of America, via the Nation's welfare. (4) None. (5) None.

McGrath, Tom J., Fuels Research Council, Inc., 324 Shoreham Building, Washington, D. C. (1) Regularly retained by Fuels Research Council, Inc., for services having no relationship to legislative matters, but during second quarter of 1949 performed services which might be classed as legislative. Time consumed thereon requires an allocation of $100 in fees for such service. (2) No payments. (3) [Blank.] (4) None. (5) Legislation affecting competitive fuels.

McKercher,[5] M. C., the Order of Railroad Telegraphers, 3860 Lindell Boulevard, Saint Louis, Mo. (1) None (not active). (2) None. (3) [Blank.] (4) None. (5) Not employed during quarter.

McKercher,[6] M. C., the Order of Railroad Telegraphers, 3860 Lindell Boulevard, Saint Louis, Mo. (1) Salary $392.50 monthly, total for quarter $1,177.50. Expenses for quarter ending June 30, 1949, $918.85. No money expended in connection with legislative work. (2) Hotel Hamilton, various restaurants, telephone, telegraph, postage, pullman, streetcar and taxi fares. (3) Necessary living and transportation expenses. (4) None. (5) Legislation affecting the welfare of railroad employees.

McKiernan, George F., Geo. F. McKiernan & Co., 1056 West Van Buren, Chicago, Ill. (1) Geo. F. McKiernan & Co., 1056 West Van Buren, Chicago, $657.79; National Council on Business Mail, Inc., 105 West Monroe, Chicago, Ill., $320.41. (2) Transportation to and from Washington, D. C., paid to air lines and railroads, $512.58; hotels, meals, entertainment, etc., $465.62. (3) Same as above (2). (4) Postal Service Bulletin, published monthly by National Council on Business Mail, Inc. (5) Postal-rate legislation.

McKinley, Royce B., National Grain Trade Council, 604 Hibbs Building, Washington, D. C. (1) Salary and expenses received during period amounted to $1,238.75 of which less than $5 was spent for any purpose covered by the act. (2) Taxicab fares, no one of which was in excess of 70 cents. (3) Transportation. (4) None other than weekly newsletter published by employer. (5) Legislation affecting agriculture in general and the grain trade in particular.

McLaughlin, Joseph V., 923 Chestnut Street, Chattanooga, Tenn.; Railway Express Agency, Inc., 230 Park Avenue, New York, N. Y. (1) Received for full quarter $2,800, regular salary as general auditor, Railway Express Agency, Inc. (April 1 to June 30 on this assignment intermittently $1,524.39). For traveling expenses this assignment, $669.29. (2) Various hotels, restaurants, pullman. (3) Hotel, meals, pullman fare, taxicabs. (4) None. (5) H. R. 2945, S. 1103, bills to readjust postal rates.

McLaughlin, Robert E., AMVETS (American Veterans of World War II), 724 Ninth Street NW., Washington, D. C. (1) I have been serving as national legislative director of AMVETS at a modest retainer; but I have submitted my resignation from this position, effective June 30, 1949. (2) See (1). (3) See (1). (4) None. (5) To support legislation beneficial to the membership of AMVETS and veterans of World War II in general, consistent with the interests of the country.

McLaughlin, Robert E., National Association of United States Storekeeper-Gagers, Mayflower Office Building, Washington, D. C. (1) Received personal fee of $350. (2) See (1). (3) See (1). (4) The Gauger (official publication of the above association). (5) To support legislation beneficial to this client and civil service employees in general.

McMains, W. H., Distilled Spirits Institute, 1135 National Press Building, Washington, D. C. (1) Salary same as previous report. No expenses have been authorized or incurred for purposes listed under this act. (2) See (1). (3) See (1). (4) None. (5) Any legislation affecting the industry represented is reported to members, including such bills in the Eighty-first Congress as H. R. 2547, H. R. 2548, and H. R. 3541.

McMillan, Robert W., Management Planning of Washington, Inc., 1025 Connecticut Avenue NW., Washington, D. C. (1) $2,100, with less than one-twentieth of the time and services for which such compensation was paid being for activities which might conceivably be construed as coming within the purview of any of the provisions of title III of the Legislative Reorganization Act of 1946. $68.50, reimbursement of expenses allocable to foregoing activities. (2) Taxi drivers and operators of eating and refreshment places. (3) Transportation and other normal out-of-pocket expenses. (4) None. (5) No specific legislation.

McQuatters,[5] Geneva F., 1917 I Street NW., Washington, D. C.; National Federation of Business and Professional Women's Clubs, Inc., 1819 Broadway, New York, N. Y. (1) Salary, $1,279.14; expense, $161.38. (2) Railroads, air lines, post office, telephone and telegraph companies, taxies. (3) Travel, postage, telephone, telegraph, transportation. (4) The Independent Woman, 1819 Broadway, New York, N. Y. (5) Equal rights amendment; opposition to discriminations against women; Federal aid in support of public education; jury service for women; child labor legislation; United Nations participation; merit system; Women's Bureau appropriations; and universal military training.

MacCracken, William P., Jr., American Optometric Association, 1152 National Press Building, Washington, D. C. (1) See attached sheet.[4] (2) See (1). (3) See (1). (4) None. (5) See attached sheet.[4]

Macleay, Lachlan, Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Total reimbursable expenses in connection with general work done for the Mississippi Valley Association. All reimbursed by association, $1,444.85. (2) Railroads, air lines, etc., $711.08; hotels and miscellaneous, $733.77. (3) Travel, subsistence and incidentals. (4) None. (5) A portion of Mr. Macleay's time was used in regard to legislation relating to river and harbor maintenance and improvement; the American merchant marine; soil conservation; flood control; regulation of domestic transportation.

Macleay & Lynch, Commonwealth Building, Washington, D. C.; Henry F. DeBardeleben and Associates, care of DeBardeleben Coal Corp., Transportation Building, Birmingham, Ala. (1) Total expenses related to proposed legislation, $268.04 (all to be

[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.
[7] Filed with the Secretary only.

reimbursed). (2) C. & P. Telephone Co., taxicabs, etc. (3) Long-distance telephone calls, cabs, and miscellaneous. (4) None. (5) Legislation relative to Inland Waterways Corporation.

Macnamee, W. Bruce, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) $350 a month ($1,050 per quarter) allocable to legislative activities, received from the National Federation of American Shipping, Inc.: $97.80 received for luncheon expenses ($49.95, April; $47.85, May). (2) The undersigned. (3) See item (1). (4) None. (5) Not employed to support or oppose any particular legislation.

Madaris, James B., Brotherhood of Railway Carmen of America, 220 South Alfred Street, Alexandria, Va. (1) None. (2) None. (3) None. (4) None. (5) None.

Magee, Miss Elizabeth S., National Consumers League, 348 Engineers' Building, Cleveland, Ohio. (1) Salary, part time, $666.64; Washington, D. C., and return, travel expense, $68.65. (2) Elizabeth S. Magee. (3) Salary and travel expenses. (4) National Consumers League Bulletin. (5) Supporting minimum-wage legislation; extension of social security.

Maloney, Walter E., 40 Wall Street, New York, N. Y.; National Federation of American Shipping, 1809 G Street NW., Washington, D. C. (1) $37.55. (2) Taxicab drivers, telephone company. (3) Transportation and communication to and from Capitol. (4) None. (5) H. R. 858; S. 336.

Manasco, Carter, 3611 Greenway Place, Alexandria, Va.; National Business Publications, Inc., 1001 Fifteenth Street NW., Washington, D. C. (1) $2,400 fee; out-of-pocket expenses. (2) Lunches, $85.85; taxicabs, $38.40; telephone calls, $5; restaurants, taxi companies, and Chesapeake & Potomac Telephone Co. pay stations. (3) Food, cab fares, and telephone calls. (4) None. (5) All legislation affecting controlled circulation publications.

Manasco, Carter, 3611 Greenway Place, Alexandria, Va.; National Coal Association, Southern Building, Washington, D. C. (1) $2,600 on straight fee basis; expenses out of pocket. (2) Lunches, $85.85; taxicabs, $38.40; telephone calls, $5; restaurants, cab companies, and Chesapeake & Potomac Telephone Co. pay stations. (3) Same as (2). (4) None. (5) All legislation affecting the bituminous coal industry.

Mann, W. Robert, 2642 Ninth Street, Cuyahoga Falls, Ohio; Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (1) Transportation, meals, lodgings, and other incidentals for a 5-day stay in Washington, D. C. (2) PCA Air Lines and Continental Hotel. (3) Living expenses while lobbying. (4) The Supervisor. (5) To oppose the Taft-Hartley Act.

Marchbanks, Miss Modane, 901 Lincoln Tower, Chicago, Ill.; National Association of Margarine Manufacturers, Washington, D. C. (1) $87.89. (2) Various persons. (3) Travel expenses, taxies, incidental expenses. (4) None. (5) Any margarine legislation.

Margolin, Leo J., 235 East Twenty-second Street, New York, N. Y.; Citizens Committee on Displaced Persons, 303 Lexington Avenue, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Margolin, Mrs. Olya, 1637 Massachusetts Avenue NW., Washington, D. C.; National Council of Jewish Women, 1819 Broadway, New York, N. Y. (1) $1,305 (gross, before income-tax deduction) in salary received from the National Council of Jewish Women, 1819 Broadway, New York City, none of which was spent in connection with work; $53.55 received from above, spent for carfare, postage, etc. (2) No one. (3) None. (4) [Blank]. (5) Not employed specifically to support or oppose any legislation, but for the purpose of securing information to be transmitted to headquarters for the preparation of educational and other material.

Mark, James, Jr., United Mine Workers of America, 1435 K Street NW. and 900 Fifteenth Street NW., Washington, D. C. (1) Since April 1, 1949, there has been received by affiant as salary the sum of $2,500 and as per diem for personal living expenses the sum of $366, a total of $2,866. (2) No sums in any amount have been paid by affiant to any person other than affiant's expenditures for normal, everyday, living expenses such as transportation, meals, etc., in the regular discharge of his duties. (3) Answered in (2) above. (4) None. (5) Any and all legislation construed to be directly or indirectly beneficial or detrimental to the United Mine Workers of America and its members.

Markham, Baird H., American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) See attached schedule [4] for answers to items (1) to (5).

Marks, Herbert S., 1200 Eighteenth Street NW., Washington, D. C.; the Detroit Edison Co., 2000 Second Avenue, Detroit, Mich. (1) Fee for professional legal services, $2,562.50; reimbursement for disbursements, $206.54; total disbursements, $101.09. (These figures represent that portion of the total receipts from and disbursements for client during the quarter fairly allocable to services described in paragraph (5) below.) (2) Railroad and air-line companies, telephone and telegraph companies, taxis, post office, and Government Printing Office. (3) Traveling expenses, communications, and miscellaneous. (4) None. (5) Registrant's general legal services to this client include services in connection with support of H. R. 858 and other measures to eliminate so-called overtime on overtime under the Fair Labor Standards Act.

Marks, Raymond E., Southern Pacific Co., 43 Sierra Street, Reno, Nev. (1) Expended and was reimbursed, $221.12, which was expended as follows: Meals, $74.25; hotel, $28; pullman, $84.12; streetcar, taxicab, and bus fares, $6.50; tips, $20.75; miscellaneous, $7.50. (2) Hotel Statler, Washington, various restaurants, pullman and railroad companies, taxi drivers, porters, bellboys, waiters, telephone companies, et al. (3) Meals and lodging, pullman accommodations, taxi and bus service, telephone calls, postage, porter, bellboy, waiter, and other services. (4) None. (5) Federal legislation affecting Nevada railroads (Southern Pacific, Union Pacific, Western Pacific).

Marran, Donald J., Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) The firm of Chadbourne, Wallace, Parke & Whiteside, of the above address of which registrant is an associate, expended the sum of $1.63 in connection with the proposed legislation described in item (5) hereof, for which it was or will be reimbursed by the American Tobacco Co. (2) New York Telephone Co. (3) Telephone toll calls. (4) None. (5) Tax legislation extending the 85 percent dividend received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

Marran, Donald J., Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) Registrant expended the sum of $43.50 during the quarter ended June 30, 1949, as traveling expenses. (2) Railroad company, pullman company, hotel, etc. (3) Traveling expenses. (4) None. (5) Tax legislation proposing to amend section 116 (a) and section 1621 of the Internal Revenue Code, pertaining to United States citizens earning income from sources outside the United States and withholding required on such income.

[4] Not printed. Filed in Clerk's office.

Marsh, Benjamin C., Peoples Lobby, Inc., 810 F Street NW., Washington, D. C. (1) Total receipts $1,799.85. Salaries and wages, $483.60; Bulletin and printing, $615.75; rent, $165; postage, $258.72; withholding tax, and so forth, $88.86; supplies, $62.55; telephone company, $16.90; audit books, $50; expenses June conference, $41.35; expenses board meeting, $17.15; insurance company, $13.36; incidentals, $36.57. (2) Arlene Ryan, Graphic Arts Press, postage, J. B. Stein, Andrew Walker, Addressograph Corp., Chesapeake & Potomac Telephone Co.; withholding tax; F. S Chappel Co., B. C. Marsh, Colston Warne, Broadus Mitchell. (3) Salaries and wages for publicity and clerical work; other for maintaining office and getting out material. (4) We have not caused any article to be published but have sent material and releases to hundreds of papers. (5) Support attached program and oppose that against it.

Marshall, J. Paul, 528 Union Trust Building, Washington, D. C.; Magothy River Association, 908 St. Paul Street, Baltimore, Md. (1) None received; $6.31 expended. (2) Chesapeake & Potomac Telephone Co., taxi drivers. (3) $2.31 long distance telephone calls; $4 taxies. (4) None. (5) Legislation involving construction of airport at United States Naval Academy.

Marston, R. B., director, legislative-Federal relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $2,178.07, which covers both legislative and nonlegislative activities; estimated for legislative service, $435.66; expenses, $31.10. (2) Self, salary; expenses, hotels, railroads, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash; NEA Journal (articles therein); informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Martin, J. Elmer, Local No. 40, A. F. of M., 487 North Eutaw Street, Baltimore, Md.; American Federation of Musicians, 570 Lexington Avenue, New York, N. Y. (1) We are a committee of three, representing the American Federation of Musicians; Paul J. Schwarz, Local 161, Washington, D. C.; Richard McCann, Local 802, New York; and J. Elmer Martin, Local 40, Baltimore, Md., on 20 percent cabaret tax reduction. Acknowledgment of our registration filed, was dated April 20, 1949. We have met as a committee during the quarter, April, May and June but have submitted no bills as yet, nor received any money, therefore we are mailing in reports blank. (2) [Blank]. (3) [Blank.] (4) [Blank.] (5) [Blank.]

Martin,[5] Robert F., Vitrified China Association, Inc., 312 Shoreham Building, Washington, D. C. (1) No activities covered by the act. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Masaoka, Mrs. Etsu, 300 Fifth Street NE., Washington, D. C., Japanese-American Citizens League Anti-Discrimination Committee, Inc., 406 Beason Building, Salt Lake City, Utah. (1) All moneys received include only monthly salary and expenses as explained in form B, filed January 3, 1949, except those listed on attached sheet.[4] (2) Telephone and telegraph companies, taxicabs. (3) Information, contacts, transportation. (4) News stories in Japanese language and Japanese American newspapers relating to work here are the only articles known to have been published because of our contacts with them. See accompanying list.[4] (5) Legislation affecting persons of Japanese ancestry in the United States.

Masaoka, Mike M., national legislative director, Japanese American Citizens League Anti-Discrimination Committee, 300 Fifth

[4] Not printed. Filed in the Clerk's office.
[5] Filed with the Clerk only.

Street NE., Washington, D. C.; Japanese-American Citizens League Anti-Discrimination Committee, 406 Beason Building, Salt Lake City, Utah. (1) All moneys received include only monthly salary and expenses as explained in form B, filed January 3, 1949. (2) Telegraph and telephone companies, taxicabs. (3) Information, contacts, transportation. (4) News stories in Japanese language and Japanese-American newspapers relating to work here are the only articles known to have been published because of our contacts with them. See accompanying list.[4] (5) Legislation affecting persons of Japanese ancestry in the United States.

Maslow, Will, American-Jewish Congress, 1834 Broadway, New York, N. Y. (1) Received $112.50 for services under Public Law 601. Expended $60. In addition, received for services not under Public Law 601, $2,750. (2) Rail and hotel expenses for two trips to Washington, D. C. (3) To testify before the House Labor Committee, House Judiciary Committee, and Senate Judiciary Committee. (4) Law and Social Action, March–April, 1949; NCRAC Bulletin on group libel. (5) Legislation designed to implement the report of the President's Committee on Civil Rights; to keep separate church and state; to liberalize immigration laws; to liberalize Senate rules; to prevent racial or religious defamation.

Mason, Walter J., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for April, May, and June, $2,210. Expenses for April, May, and June, $238.50. (2) Phone company and taxi drivers. (3) As stated above in No. 2. (4) None. (5) Affecting labor.

Mathews, John Clifford, 914 Clay Street, Topeka, Kans.; Synod of the Reformed Presbyterian Church of North America for the Christian Amendment Movement, 209 Ninth Street, Pittsburgh, Pa. (1) Salary received from J. S. Tibby (April–June 1949), $750; preaching fees to be applied on expenses, $155. (2) Salary used for personal and family expenses only. Expenses: Hotel, $20.86; meals, $10.28; railroad and bus fare, $22.09; auto mileage, $53.10; postage, telephone, etc., $4.68. (3) Travel and work in behalf of House Joint Resolution 181. (4) The Christian Patriot and the Covenanter Witness, 1121 Buchanan Street, Topeka, Kans. (5) In support of a proposed amendment to the Constitution of the United States which would recognize Jesus Christ as Saviour and Ruler of nations (H. J. Res. 181).

Mathews, P. H., Association of American Railroads, 929 Transportation Building, Washington, D. C. (1) For services rendered to the Association of American Railroads as described in registration filed October 1, 1948, registrant received salary at rate as reported therein. (2) [Blank.] (3) [Blank.] (4) None (5) Registrant has worked on various legislation pertaining to the railroad industry as a whole. Work in opposition to the St. Lawrence seaway project (S. J. Res. 99), the Tombigbee waterway and other waterway appropriations, S. 1596, H. R. 4271, H. R. 378, S. 792, H. R. 2138, H. R. 2770, H. R. 104, H. R. 2167, S. 653, S. 248, H. R. 328, S. 211. Registrant has supported S. 1008, H. R. 4965, H. R. 5347, and has observed progress of various legislation as H. R. 44, S. 1103, H. R. 2945, S. 256, and S. 257, S. Res. 50, and the Railroad Retirement Board appropriation. Registrant has observed and studied bills introduced.

Meeks, E. A., National League of District Postmasters, 1110 F Street NW., Washington, D. C. (1) Salary only, $1,050 for quarter ending June 30, 1949. (2) E. A. Meeks. (3) Salary. (4) The Postmaster's Advocate, 1110 F Street NW., Washington, D. C. (5) Any legislation affecting postmasters.

Middleton, P. Harvey, Railway Business Association, 38 South Dearborn Street, Chicago, Ill. (1) The only money received by me during the period from April 1 to June 30, 1949, was $4,999.98 in salary gross. No part of this salary was spent in legislative activities. (2) None. (3) None. (4) None. (5) [Blank.]

Miles, Clarence R., Chamber of Commerce of the U. S. A., 1615 H Street NW., Washington, D. C. (1) Received salary, $1,125; expenses, $158.53; expenses transportation, $59.94; telephone, $66.21; meals, $9.48; entertainment, $22.90. (2) Taxi companies, railroad, telephone company, and restaurants, (3) [Blank.] (4) [Blank.] (5) All legislation of interest to business.

Miles, Harold M., Southern Pacific Co., 65 Market Street, San Francisco, Calif. (1) None for Federal legislation. (2) None paid. (3) None. (4) None. (5) To oppose H. R. 378 and S. 238, the communication bills.

Miller, Charles C., 715 Ring Building, Washington, D. C., the Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y. (1) I have received from my employers, the Rubber Manufacturers Association, Inc., for the quarter ended June 30, 1949, prorated on the basis of total expenditures for salary of self and secretary and for office expenses at the rate of 15 percent to cover time spent on legislative matters, a total of $718.95. (2) Salaries to registrant and secretary, $482.25; rent to Ring Building, $94.50; phone and telegraph, $45; travel, $13.28 (air lines); dues and subscriptions, $12.86; postage, $7.52; guest meals, $40.10; taxis and miscellaneous expenses, $12.91; printing and office supplies, $10.53. (3) [Blank.] (4) Daily newspapers of general circulation and rubber-trade journals, general coverage of industry production and consumption reports and the position of the industry on tire excise taxes. (5) Modification of excise taxes on tires.

Miller, Dale, Mayflower Hotel, Washington, D. C., Dallas Chamber of Commerce, Dallas, Tex.; Intracoastal Canal Association of Louisiana and Texas, Houston, Tex., Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y. (1) Received: $1,500, plus $750 expenses, from Dallas Chamber of Commerce; $1,500, plus $172.70 expenses, from Intracoastal Canal Association; $1,500, plus $863.15 expenses, from Texas Gulf Sulphur Co. Expended: $1,785.85. This sum includes all business expenses in Washington, only a small portion of which would apply to activities within the purview of the act. (2) Mayflower Hotel, United States Post Office, telephone and telegraph companies, local transportation facilities, stationers, food and beverage establishments. (3) For purposes within scope of the act: Total office rent, $660; taxi fares, etc., $33.95; telephone and telegraph, $55.17; stationery, other usual office expenses, $141.70; entertainment and miscellaneous, $183.90. (4) Monthly article in Dallas Magazine, official publication of Dallas Chamber of Commerce. (5) Legislation affecting flood control, water transportation, river and harbor improvement, appropriations, and taxes.

Milton, Charles J., 1 Exchange Place, Jersey City, N. J.; Prudential Insurance Co. of America, Newark, N. J. (1) None. (2) None. (3) None. (4) None. (5) H. R. 3237 and S. 249.

Mollin, F. E., executive secretary, American National Live Stock Association, 515 Cooper Building, Denver, Colo. (1) Have had no special contribution for lobbying purposes. The association finances handled in normal fashion. My compensation as executive secretary of the American National Live Stock Association is $1,000 a month. In addition, I received in January of this year a bonus of $1,000 for last year. (2) No payments to any one in connection with lobbying activities. Only part of the expense of myself as executive secretary of the association on a trip to Washington in past quarter could be chargeable to such. Total expense for this purpose was $522.40; telephone and telegram, $89.57; Washington stenographer, $75.94. Expense of legislative committee, paid by myself, $436.45. (3) [Blank.] (4) Our own official magazine, the American Cattle Producer. (5) Brannan farm program, foot-and-mouth research laboratory; legislation to repeal Swan Island Act; Reciprocal Trade Extension Act; amendment to buy-American law and to buy-American clause in Army appropriation bill.

Molnar, Joseph,[5] Unemployed Service Association, 225 Indiana Avenue, NW., Washington, D. C. (1) None. (2) None. (3) [Blank.] (4) [Blank]. (5) Legislation for the unemployed.

Mooney, William W., 406 Bernice Building, Tacoma, Wash., Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) Total earned, $1,229.67; withheld out of this, with tax, $138.30; OAB, $12.29; hospital, $9; leaving $1,070.07. Out of this $402.65 spent for bus, train, hotels, auto in traveling over State in line of duty, $663.07 for personal use. (2) William W. Mooney as commissions for duty performed. (3) traveling over State organizing new clubs and building old ones stronger, building morale, and creating interest in Townsend plan bill in Congress. (4) Write notices, and short articles at times for Townsend National Weekly, printed in Cleveland, Ohio, and mail out bulletins to different Townsend Clubs over State. (5) To support Townsend Plan, Inc., bills now in United States Congress.

Moore, Chester B., Western Growers Association, 606 South Hill Street, Los Angeles, Calif. (1) Regular salary as managing director of Western Growers Association, plus traveling expenses. (2) To all regular accounts of my personal and business life. (3) [Blank.] (4) Western Grower and Shipper. (5) Am paid regular salary. Not directly employed to support or oppose any specific legislation. I do oppose or support any legislation of interest to our members.

Moore, Clayton, R. J. Reynolds Tobacco Co., Fourth and Main Streets, Winston-Salem, N. C. (1) Actual expenses incurred, $102.50. (Salary same as stated in first quarter of 1949 report—for full-time services as associate counsel for the purposes fully set out in registration form.) (2) Hotel, meals and phones, $61.25; car and taxicab expense, $41.25. (3) Hotel, meals, phones, travel, and taxicab expenses. (4) None. (5) Tax legislation affecting R. J. Reynolds Tobacco Co.

Morgan, George W., Association of American Ship Owners, 90 Broad Street, New York, N. Y. (1) During the quarter for which this report is made registrant received only his salary and expenses. The portion of registrant's salary applicable to activities in furtherance of any object necessitating registration under Public Law 601 is estimated to be less than $1,250. The portion of registrant's expenses applicable to activities in furtherance of any object necessitating such registration is estimated to be less than $210. (2) No expenditures except for transportation, meals, and similar out-of-pocket expenses. (3) See item 2. (4) The registrant did not cause any article or editorial to be published during the quarter for which this report is filed. (5) The registrant is employed as president of the Association of American Ship Owners and is not employed to support or oppose any specific legislation. During the quarter for which this report is filed the registrant did, however, oppose certain provisions contained in S. 653 and H. R. 2634 and did support H. R. 483 (with amendment), H. R. 858, H. R. 3337, H. R. 4051, and H. R. 5346. During such period the registrant also advocated legislation with respect to Panama Canal tolls.

[4] Not printed. Filed in the Clerk's office.

[5] Filed with the Clerk only.

Morgan, Gerald D., and Calhoun, Leona[illegible] J., constituting the firm of Morgan & Calhoun, Brass and Bronze Ingot Institute et al., 412 Washington Building, Washington, D. C. (1) See attachment.[4] (2) See attachment.[4] (3) See attachment.[4] (4) None. (5) See attachment.[4]

The Morris Plan Corp. of America, 103 Park Avenue, New York, N. Y. (1) None received; none expended. (2) None. (3) None. (4) None. (5) The corporation in its interest and in the interests of its stockholders opposes the adoption of bank holding company legislation in the forms represented by S. 829 and H. R. 3351 of the Eightieth Congress.

Morrison, Donald S., American-Hawaiian Steamship Co., 90 Broad Street, New York, N. Y. (1) Receipts: $5,499.99 salary plus $750.21; reimbursement of the expenditures referred to in Nos. (2) and (3) below. (2) Transportation and communications services; hotel accommodations, restaurants, etc. (3) Travel and business expenses connected with employment. (4) None. (5) Legislation affecting shipping industry which concerns employer.

Morrow, Giles, Freight Forwarders Institute, 1220 Dupont Circle Building, Washington, D. C. (1) Received salary at rate reported on form B, previously filed, and in addition received $450.17 as reimbursement for expenses incurred in conducting institute business in Washington, New Orleans, Louisiana, and New York. (2) Taxicabs, restaurants, and hotel in Washington, New Orleans, and New York, Eastern Airlines, the Pennsylvania Railroad, American Airlines. (3) Local and interstate transportation, meals, and other traveling expenses, all incurred in connection with meetings and other business of the Freight Forwarders Institute. (4) The ICC Practitioners Journal (editor, freight-forwarder section). (5) Any legislation directly affecting the freight forwarding industry.

Morse, Henry Hoyt, 99 Pearl Street, Gardner, Mass., Institute of Cooking and Heating Appliance Manufacturers, Shoreham Hotel, Washington, D. C. (1) No money received. (2) No money paid. (3) No work undertaken. (4) Stove Builder. (5) None.

Mosier, Harold G., Shoreham Hotel, Washington, D. C., the Glenn L. Martin Co., Middle River, Baltimore, Md. (1) See attached sheet.[4] (2) See attached sheet.[4] (3) See attached sheet.[4] (4) None. (5) All legislation affecting aviation.

Mote, Lynn E., 1713 K Street NW., Washington, D. C.; Association of American Ship Owners, 90 Broad Street, New York, N. Y. (1) During the quarter for which this report is made registrant received only his salary and expenses. The total salary received by the registrant during the quarter was $2,000 and the total expenses received by the registrant amounted to $326.04. Only a small portion of such salary and expenses is applicable to activities in furtherance of any object necessitating registration. (2) No expenditures except taxicabs, meals, railroads, and similar out-of-pocket expenses. (3) See item 2. (4) None. (4) The registrant is employed as vice president of the Association of American Ship Owners and is not employed to support or oppose any specific legislation. During the quarter for which this report is filed the registrant did, however, support H. R. 858, a bill to amend the Fair Labor Standards Act, and H. R. 3337 and H. R. 5346, which bills propose to amend the Merchant Marine Act, 1936.

Mougey, William J., 200 Hill Building, Washington, D. C., General Motors Corp., Detroit, Mich. (1) None. (2) [Blank.] (3) Registrant is filing this quarterly report merely to avoid any technical claim of violation of the act for failure to file report. (4) None. (5) None.

[4] Not printed. Filed in the Clerk's office.

Munro, Walter J., Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C. (1) No money received or expended in connection with legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Murph, Daniel S., The National Fertilizer Association, Inc., 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $100 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes, and Pasture Progress, all published by The National Fertilizer Association, Inc., Washington, D. C. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Murphy, Emmett J., 5737 Thirteenth Street NW., Washington, D. C.; National Chiropractic Insurance Co., Webster City, Iowa. (1) Salary $100 a month commencing May 1, 1949. (2) None. (3) None. (4) Journal of the National Chiropractic Association. (5) All legislation adversly affecting or discriminating against National Chiropractic Insurance Co. and its policyholders.

Murphy,[5] Joseph F., Lackawanna Plant, Bethlehem Steel Co.; Bethlehem Steel Corp., 219 Porter Road, Buffalo, N. Y. (1) $256.75. (2) Air and railroad transportation; also hotels and loss of wages. (3) Seeking legislation for foreman's protection. (4) None. (5) Seeking protection coverage for foremen which the present Taft-Hartley Act denies us.

Murphy, Ray, Association of Casualty & Surety Cos., 60 John Street, New York, N. Y. (1) Registrant does not receive funds earmarked for purposes set forth in this act. Registrant has estimated, however, that $75 received by registrant during the second quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice. Registrant does not believe he has engaged in any activities in this quarter within the purview of this act. Registrant has expended no money in this quarter. (2) None. (3) None. (4) None. (5) Registrant doubts that he is employed to support or oppose legislation. However, on very infrequent occasions, he has supported or opposed legislation as it specifically affects capital stock casualty insurance and surety companies. During the past quarter, on two occasions registrant has discussed with one legislator the possibility of legislative relief from effect of *United States* v. *Munsey Trust Company*, (332 U. S. 234).

Myles, James Michael,[1] Hamilton Hotel, Washington, D. C.; Operative Plasterers' & Cement Finishers' International Association, Fidelity Building, Cleveland, Ohio. (1) I am vice president, Operative Plasterers' & Cement Finishers' International Association (organized 1864) and Representative Legislative Council of the American Federation of Labor. Concerned only in humane legislation for the protection of the health and lives of our people. (2) I receive the same salary and expenses as all vice presidents of my association. The American Federation of Labor is an honorary job. We have been affiliated with the A. F. of L. since 1881. (3) Labor relations, mediation, and conciliation between departments of Government and the membership of our association on building and construction projects within and without the continental United States. (4) I have no publications. Have written down through the years the hygenic value and fire resistance of materials which education is badly needed in housing, schools, and buildings of human habitation. (5) All legislation approved by the American Federation of Labor.

National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y. (1) See registration Form B. No receipts earmarked for any of purposes of Public Law 601. Only items of expenditure which could be considered as within purview of Public Law 601 are $847.90—travel, meals, and lodging for two persons, and estimated portion of annual salary of one person, Washington, D. C., for dates April 3, 4, 5, 12, 28, 29; May 24; June 12, 13, 14, 16, 1949. (2) Judd C. Benson, unsalaried officer and committee chairman. James B. Hallett, general counsel. (3) Travel, meals, lodging, Washington, D. C. (4) Life Association News, 11 West Forty-second Street, New York 18, N. Y. (5) See Form B. Neither of above personnel employed for purpose specified in Public Law 601. Items of interest on dates specified were amendments to Social Security Act.

National Association of Real Estate Boards, its realtors Washington Committee, and its public relations department, Chicago and Washington headquarters, 22 West Monroe Street, Chicago, Ill. (1) Schedule attached.[4] (2) Schedule attached.[4] (3) Schedule attached.[4] (4) Attached list[4] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) All legislation affecting real estate.

National Association of Stevedores, 140 Cedar Street, New York, N. Y. (1) Two hundred dollars received from one member; $570.60 expended as per schedule A attached.[4] (2) See schedule A attached.[4] (3) As noted opposite each item. (4) None. (5) H. R. 858.

National Federation of Independent Business[5] (Washington office), 714 Bond Building, Washington, D. C. (1) Total receipts for Washington office $5,811.74; total disbursements, $5,811.74. (2) General office expenses. (3) Salaries, rent, travel, retainer fees, telephone and telegraph, postage and office supplies, bills before Congress, publicity. (4) The Mandate, official publication of the National Federation of Independent Business, Inc. (5) Antitrust-law enforcement; all laws affecting small business.

National Postal Committee for Books, Room 305, 62 West Forty-seventh Street, New York, N. Y. (see registration for statement of membership of committee). (1) Contributions from publishing companies (see statement attached).[4] $47,252.19; expenditures (see list attached).[4] (2) (see list attached).[4] (3) (see list attached).[4] (4) Publishers Weekly, New York, N. Y. (5) The committee opposes unfair increases in postal rates and discrimination in postal rates.

National Renderers Association, 945 Pennsylvania Avenue NW., Washington, D. C. (1) See attached tabulation.[4] (2) See attached tabulation.[4] (3) See attached tabulation.[4] (4) None. (5) None.

National Savings and Loan League, 907 Ring Building, Eighteenth and M Streets NW., Washington, D. C. (1) Financial statement attached;[4] approximately $1,666 of officers' salaries and $234 of National Letter expense may be applicable. (2) Oscar R. Kroutz, executive manager of the league (salary); Batt, Bates & Co., and Darby Printing Co. (for National Letter). (3) Salary, printing, and distribution of National Letter. (4) National Letter and National Savings & Loan Journal. (5) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing; oppose legislation inimicable to interests of savings and loan industry.

[1] Filed with the Secretary only.
[5] Filed with the Clerk only.

[4] Not printed. Filed in the Clerk's office.
[5] Filed with the Clerk only.

National Tax Relief Coalition, L. S. Franklin, director, 2309 Pinecroft Road, Greensboro, N. C. (1) Received for April, May, and June, 1949, $255. (2) L. S. Franklin, director, salary for second quarter, $375. (3) [Blank.] (4) None. (5) Tax relief, reform, less spending, more saving.

Nau, Carton L., American Public Power Association, 1757 K Street, NW, Washington, D. C. (1) See attached sheet.[4] (2) See attached sheet.[4] (3) See attached sheet.[4] (4) None. (5) See attached sheet.[4]

Neal, William S., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) $3,691.88, of which $3,375 is salary and $316.88 is expense. (2) Expense paid for rail transportation, hotel accommodation, taxicabs, telephone calls, hotel and restaurants for lunches. (3) For expenses incident to work. (4) None. (5) For program of National Association of Manufacturers, including regulation of labor-union practices, for economy in Government, for Government reorganization, for National Science Foundation, for maintenance of patent system and private enterprise system.

Neel, Samuel S., 1001 Fifteenth Street NW., Washington, D. C.; Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill. (1) See attached sheet.[4] (2) See attached sheet.[4] (3) See attached sheet.[4] (4) Washington News Letter, published biweekly by Mortgage Bankers Association of America Letter to Members, published irregularly by Mortgage Bankers Association of America, the Mortgage Banker, published irregularly by Mortgage Bankers Association of America. (5) Matters affecting the mortgage banking industry.

Nelson, G. W., Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C. (1) No money received or expended in connection with legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Nelson, George R., grand lodge representative, International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) Salary, $750 (April 10 to July 10, 1949); Expenses, $150 (April 10, to July 10, 1949). (2) Personal. (3) Personal. (4) None. (5) None.

Nelson, Herbert U., 1737 K Street NW., Washington, D. C., National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Reimbursement by employer for travel expenses and per diem, $2,078.48; salary, 20 percent of time devoted to legislative activities, $1,250.00. (2) See attached itemized statement.[4] (3) See attached itemized statement.[4] (4) Attached list[4] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Any legislation affecting the real estate industry.

Neumann, Harold F., New Jersey Associated Businessmen, Inc., 112 Bowers Street, Jersey City, N. J. (1) Receipts, $310.81; expenditures, $310.81. (2) Various. (3) Telephone calls, express charges, typing, traveling expense. (4) About 75 newspapers in New Jersey, which I have sent the same news releases to. I have no way of knowing which of the papers printed the releases. (5) Any laws or proposals adversely affecting business.

Nixon,[5] Russ, 1000 Eleventh Street NW., Washington, D. C.; United Electrical, Radio and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y. (1) Salary, $1,060; expenses, $300. (2) Hotels, restaurants, railroads, cab drivers, etc. (3) Personal expenses in Washington and travel. These expenses cover both legislative and nonlegislative activity. (4) UE News. (5) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare. Oppose legislation detrimental to these objectives.

Nixon,[6] Russ, 1000 Eleventh Street NW., Washington, D. C.; United Electrical, Radio and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y. (1) Salary, $1,060; expenses, $500. (2) Hotels, railroads, restaurants, cab drivers, etc. (3) Personal expenses in Washington and travel; these expenses cover both legislative and nonlegislative activity. (4) UE News. (5) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare; oppose legislation detrimental to these objectives.

Noble, William R., National Retail Farm Equipment Association and National Retail Hardware Association, 1028 Barr Building, Washington, D. C. (1) Out-of-pocket expenses, $87.95. (2) Public transportation, telephone company, restaurants, and hotels. (3) Taxi fares, phone calls, luncheons, and hotel. (4) Farm Equipment Retailing, Hardware Retailer. (5) Have taken position on wage-and-hour legislation, taxation matters, and several minor bills.

Noffsinger, J. S. executive secretary, National Council of Business Schools, 2601 Sixteenth Street NW., Washington, D. C. (1) [Blank.] (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Legislation in the Congress is a very small part of my duties. If legislation should arise so as to affect the above association I would act in the proper interest as I may be advised.

Noffsinger, J. S., director, National Council of Technical Schools, 2601 Sixteenth Street NW., Washington, D. C. (1) [Blank.] (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Legislation in the Congress is a very small part of my duties. If legislation should arise so as to affect the above association I would act in the proper interest as I may be advised.

Noffsinger, J. S., director, National Federation of Private Schools Associations, 2601 Sixteenth Street NW., Washington, D. C. (1) [Blank.] (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Legislation in the Congress is a very small part of my duties. If legislation should arise so as to affect the above association, I would act in the proper interest as I may be advised.

Noffsinger, J. S., director, National Home Study Council, 2601 Sixteenth Street, NW., Washington, D. C. (1) [Blank.] (2) [Blank.] (4) [Blank.] (5) Legislation in the Congress is a very small part of my duties. If legislation should arise so as to affect the above association, I would act in the proper interest as I may be advised.

Northam,[7] Harry E., Suite 704, 360 North Michigan Avenue, Chicago, Ill. (1) Salary, $2,500; traveling, hotel, and subsistence expense, $295.64. Only approximately 10 percent is devoted to legislative activities in behalf of my association. (2) Railroads, taxicabs, hotels, etc. (3) Travel, subsistence, and lodging. (4) Monthly News Letter of the Association of American Physicians and Surgeons issued to the membership of the association. (5) About 10 percent of my time is devoted to supporting or opposing legislation which deals with medical care.

Notarianni, Alfred E. (acting on behalf of United States Lines, Farrell Lines, Inc., American President Lines, Ltd., American Export Lines, Inc., Grace Lines, Inc., Lykes Bros. Steamship Co., Inc.), Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Receipts, none; no specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. Expenditures, nominal, amounting to $19.85 for taxicab fares; all reimbursed. (2) Taxicab fares. (3) Local transportation for attendance at hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Nyce,[5] Peter Q., 1266 National Press building, Washington, D. C. (1) No money received and none expended. (2) None. (3) None. (4) None. (5) Legislation pertaining to lands of the United States.

Nyce,[6] Peter Q., 1266 National Press Building, Washington, D. C. (1) No money received and none expended. (2) None. (3) None. (4) None. (5) Legislation pertaining to lands of the United States.

O'Brien, John, 1 Wall Street, New York, N. Y.; Riegel Textile Corp., 342 Madison Avenue, New York, N. Y. (1) None received. Expenditures for transportation, meals, lodging, telephone and telegraph, $54.93. (2) Various. (3) See (1). (4) None. (5) Proposals for relief of work glove manufacturers on account of payments made in settlement of controversy with Office of Price Administration.

O'Bryan,[5] Paul A., 600 Munsey Building, Washington, D. C.; National Fur Industry Tax Committee, Suite 300, 101 West Thirtieth Street, New York, N. Y. (1) Receved total compensation of $2,000 for months of February and March 1949. Total expenditures, $184 66. (2) Taxicab operators, railroads, and air lines. (3) General travel expenses. (4) None. (5) To reduce excise taxes on furs.

O'Bryan,[6] Paul A., 600 Munsey Building, Washington, D. C.; National Fur Industry Tax Committee, Suite 300, 101 West Thirtieth Street, New York, N. Y. (1) Received total compenstation of $3,000 for months of April, May, and June. Total expenditures, $246.40. (2) Taxicab operators, railroads, air lines, and hotels. (3) General travel expense. (4) None. (5) To reduce excise tax on furs.

O'Connor,[5] Edward H., Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill. (1) Salary received during quarter, $3,000. Reimbursement for traveling expenses, $881.76. (2) Paid out $881.76 in traveling expenses to various railroads, hotels, restaurants, and miscellaneous items of personal expense. (3) For personal traveling expenses of the undersigned incurred in carrying out my work for the Insurance Economics Society of America. No moneys expended during this quarter for lobbying activities. (4) Insurance Economics Surveys, our own monthly publication. (5) S. 5 and its companion House bills H. R. 345 and H. R. 783, also H. R. 782, H. R. 2893; S. 1106, S. 1456, S. 1581, and S. 1679.

O'Dunne, Eugene, Jr., Southern Building, Washington, D. C.; National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y. (1) Compensation, $2,500; expenditures, $99.65. (2) [Blank.] (3) taxicab fares, telephone tolls, and telephones, $10.40; printing, $89.25. (4) None. (5) S. 1118 and S. 1965 in first session, Eighty-first Congress; H. R. 1343, H. R. 1211, H. R. 5091, and H. R. 5089 in first session, Eighty-first Congress.

O'Hara, Bart W., Colorado Associated Businessmen, Inc., 335 Symes Building, Denver, Colo. (1) None. (2) None. (3) None. (4) None. (5) All legislation that may be designed to bring about tax equality concerning corporations.

Oliver, Fred N., 1106 Investment Building, Washington, D. C.; senior partner, Oliver & Donnally, 110 East Forty-second Street, New York, N. Y., and 1106 Investment Building, Washington, D. C. (1) Estimated $262.50 from the National Association of Mutual Savings Banks and an indeterminate part of

[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.
[7] Filed with the Secretary only.
[8] Filed for first quarter, 1949.
[9] Filed for second quarter, 1949.
[5] Filed with the Clerk only.

$1,000 from the Railroad Security Owners Association, Inc. (see appendix[4]). (2) No expenditures. (3) No expenditures. (4) None. (5) No specific legislation. Function during this quarter was to analyze proposed legislation affecting (a) mutual savings banks and (b) railroad security owners.

Oliver, John P., Reserve Officers' Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C. (1) April 1949, $583.33; May 1949, $583.33; June 1949, $583.33. (2) The grocer, the baker, the landlord, the taxi driver, etc. (3) Living expenses for self and family, transportation, taxes of various kinds. (4) The Reserve Officer, 2517 Connecticut Avenue NW., Washington, D. C. (5) Legislation for the development of a military policy for the United States which will provide adequate national security.

Oliver,[5] Stanley W., International Federation of Technical Engineers, Architects, and Draftsmen's Unions, 900 F Street NW., Washington, D. C. (1) Receipts: Personal salary at the rate of $7,200 per annum, payable semimonthly, less social-security tax and withholding tax, plus allowance of $75 per month for miscellaneous expenses, etc., incidental to performance of duties. (2) Stanley W. Oliver. (3) Payment of salary and expenses as national president and administrative head of the International Federation of Technical Engineers, Architects, and Draftsmen's Unions. (4) IFTEADU Monthly Outlook and special news letters for dissemination of union information to members and local unions. (5) Legislation affecting technical engineers, architects, draftsmen, and allied workers.

O'Neal,[6] Sam, 211 National Press Building, Washington, D. C.; National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill. (1) Received: Fees of $1,666 and approximately $500 for expenses for two trips from Washington to Chicago and for miscellaneous office expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) All legislation pertaining to postal matters, including rates and regulations.

O'Neal,[6] Sam, 211 National Press Building, Washington, D. C.; National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill. (1) Received: Fees amounting to $2,500 for the 3-month period. Expended: Approximately $100 for taxicabs and other incidental expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) All legislation pertaining to postal rates and regulations.

O'Neal,[6] Sam, 211 National Press Building, Washington, D. C.; Distributors Information Committee of the Tennessee Valley Public Power Association, Electric Power Board, Chattanooga, Tenn. (1) Received $1,875 as fees for first 3 months of 1949; expended less than $100 for taxicabs and other incidental expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) All legislation pertaining to private and public power.

O'Neal,[6] Sam, 211 National Press Building, Washington, D. C.; Power Distributors Information Committee of Tennessee Valley Public Power Association, Sixth and Market Streets, Chattanooga, Tenn. (1) Received fees of $1,875 for the 3-month period; expended approximately $100 for miscellaneous expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) All legislation pertaining to public power.

O'Neill, Edward E., 810 Eighteenth Street NW, Washington, D. C. (1) Amount received, $500; amount expended, $24. (2) Virginia Bowman, secretarial service. (3) Mimeographed statement submitted to committee. (4) None. (5) H. R. 4942.

O'Neill, John E., general counsel, Small Brewers Association, 604 Washington Building, Washington, D. C.; Small Brewers Association, 188 West Randolph Street, Chicago, Ill. (1) Received from Small Brewers Association for salary, as its general counsel, the sum of $5,833.38 plus reimbursement for actual office, travel, and incidental expenses. (2) Retained for personal use; none disbursed to others. (3) No moneys received, or expenses incurred or paid, incidental to attempt to influence legislation. (4) None. (5) To support legislation of benefit to small brewers; in particular H. R. 2433 and S. 978.

Ottinger,[5] (Mrs.) Julia M., Tennessee WCTU, 1939 Cowden Avenue, Memphis, Tenn. (1) Balance forwarded from last quarter, $15.63. (2) Letter shops and post office. (3) Mimeographing, stationery, and postage, $14.05; June 30, 1949, balance, $1.58. (4) [Blank.] (5) All legislation bearing on the manufacture, sale, and advertising of intoxicating liquors.

Owens, T. R., 718 Jackson Place NW, Washington, D. C.; United Rubber Workers of America, CIO; URWA Building, High and Mill Streets, Akron, Ohio. (1) Salary, $960; expenses, $832.63. (2) Hotels, railroads, restaurants, and other travel expenses. (3) Personal expenses and travel. (4) United Rubber Workers. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose all legislation detrimental to these objectives.

Oxholm, Mrs. Theodor, volunteer worker for Spokesmen for Children, Inc., 654 Madison Avenue, New York, N. Y. (1) Railroad fare and hotel recommendations, $30. (2) Mrs. Theodore Oxholm. (3) Trip to Washington, D. C., and return for hearing before Senate Subcommittee on Health, June 26, 27, 1949. (4) [Blank.] (5) Federal legislation specifically affecting children and child welfare.

Palmer, Robert S., Colorado Mining Association, 204 State Office Building, Denver, Colo. (1) $803.39, traveling and actual expense while in Washington; registrant, attorney and State official, and evidently not under act except on special Washington assignments relating to mining. (2) United Air Lines, $203.39; University Club, $26.85; stenographic services, $7.10; mimeographing, $10; Mayflower Hotel, $310.97; sundry restaurants, cabs, telephone, telegraph, and incidental expenses, $245.08; total, $803.39. (3) Reimbursement for expenses. (4) Mimeographed leaflets issued by Colorado Mining Association. (5) Measures affecting the mining industry.

Parel, James Donald, 261 Constitution Avenue, NW., Washington, D. C., American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $45.83 expended (see item (6) of form B, filed December 1946). (2) Taxis, restaurants. (3) Transportation, meals. (4) None (5) In accordance with the annual-meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Agricultural appropriations, fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, Federal aid to education, rural housing, health, displaced persons, amendments to Clarke-McNary Act, postal rates, rural roads, amendment of section 7 of Clayton Act, international wheat agreement, foot-and-mouth disease laboratory, social-security amendments, Atlantic Charter, amendments to Agricultural Act of 1948, amendments to the Department of Agriculture Organic Act of 1944.

Parker, James Perkins, 1010 Vermont Avenue NW., Washington, D. C., National Association of Private Schools, executive office, 1010 Vermont Avenue NW., Washington, D. C. (1) See attached statement.[4] (2) See attached statement.[4] (3) See attached statement.[4] (4) Association News Letter, distributed to members of the association. (5) [Blank.]

Parker, Lester S., 1615 Oakley Avenue, Topeka, Kans., Communications Workers of America, Southwest Division No. 20, 611 Pickwick Building, Kansas City, Mo. (1) None received or expended. (2) [Blank.] (3) [Blank.] (4) None. (5) To support all pro-labor legislation; to oppose all antilabor legislation.

Parks, Richard B., general manager, Smaller Business Association of New England, Inc., 212 Park Square Building, Boston, Mass. (1) None. (2) None. (3) None. (4) Magazine of Small Business. (5) None specifically. See attached outline[4] of association's program.

Paterson, Chat, Committee for the Nation's Health, Inc., 1416 F Street NW., Washington 4, D. C. (1) One-third salary received, $1,250; one-third reimbursement for travel, miscellaneous expense, $87.99; total, $1,337.99. (2) [Blank.] (3) [Blank.] (4) [Blank.]. (5) National health insurance.

Patterson, Belknap & Webb, 1 Wall Street, New York, N. Y.; the American Jewish Committee, 386 Fourth Avenue, New York, N. Y. (1) No money received; expended $108.38. (2) Pennsylvania Railroad, United Air Lines, taxies, telephone company, Commerce Photoprint Co., for photostats. (3) Transportation expenses, telephone, and photostat charges. (4) None. (5) As counsel, for the purpose of obtaining an amendment to the Trading With the Enemy Act, whereby alien property in this country formerly owned by persons under persecution by an enemy government, in cases where the owner is dead and left no heirs, may be turned over to the organizations for the relief of survivors.

Patton, Clifford W., National Association of Consumers, 265 Henry Street, New York, N. Y. (1) Services terminated June 20, 1949; $1,500 for salary, minus withholding taxes, received from National Association of Consumers for the second quarter of 1949, which was expended for personal living expenses; $280.29 for travel and out-of-pocket expenses from the same. (2) Salary to myself. The $280.29 for travel and out-of-pocket expenses to and from Washington was paid to railroad for transportation, to restaurants for meals, for phone calls, carfare, and $7.50 to Union Letter Service, of Washington, D. C., for mimeographing statement. (3) Salary for personal living expense. Travel money to attend congressional hearings, national conferences, advisory meetings, to supervise printing of monthly bulletins, and for mimeographing statement for use at Senate hearing. (4) Consumers on the March and Fieldletter, which deal with consumer education for members and subscribers; an occasional press release and letter to editor to various papers. (5) Not employed to lobby for or against any specific legislation. I am employed to manage the office, prepare materials on consumer education, and develop the association. I do, however, support legislation affecting consumer protection, such as rent control, housing, repeal of margarine taxes, supporting ECA, the wheat agreement, and trade agreements. Major portion of my time is devoted to consumer education.

Patton,[5] James G., 800 B. Street SE, Washington, D. C., and 1555 Sherman Street, Denver, Colo. (formerly 3501 East Forty-sixth Avenue, Denver, Colo.); Farmers Educational and Cooperative Union of America,

[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.
[5] Filed with the Clerk only.

[5] Filed with the Clerk only.

[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.

1555 Sherman Street, Denver, Colo. (1) None. (2) None. (3) None. (4) None. (5) All major pending legislation.

Patton,[3] James G., Farmers Educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver Colo., and 300 B Street SE., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) All major pending legislation.

Paul,[3] Randolph E. (a partner in the law firm of Paul, Weiss, Wharton & Garrison), 1614 I Street NW., Washington D. C.; Gillette Safety Razor Co., Boston, Mass. (1) Receipts, none; expenditures, 80 cents. (2) Taxi. (3) Taxi fare. (4) None relating to the subject below. (5) An amendment to eliminate section 131 (b) (2) of the Internal Revenue Code.

Payne, Albert Alford, Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C. (1) Expended $125.37. (2) See attached.[4] (3) See attached.[4] (4) None. (5) Any legislation affecting the real estate industry.

Perry, Leslie S., National Association for the Advancement of Colored People, 100 Massachusetts Avenue NW., Washington, D. C.. (1) Expended $21.35. (2) See attached.[4] (3) See attached.[4] (4) NAACP bulletin. (5) FEPC, anti-poll-tax, antilynching, minimum-wage, housing, health, social-security, and similar legislation.

Petersen, William J., Wisconsin State Chamber of Commerce, 704 Insurance Building, Madison, Wis. (1) Received my salary as general manager of the Wisconsin State Chamber of Commerce, involving mainly services unrelated to Federal legislation. Also received reimbursement for the expenses mentioned below. (2) Hotel Congressional, Washington, D. C., hotel bill, $22.50; miscellaneous expenditures and meals, $56.03; total, $78.53. (3) As stated in answer to question 2. (4) Wisconsin Business, a periodical publication of the Wisconsin State Chamber of Commerce, going mainly to its members. (5) Legislation affecting Wisconsin business and industry, generally.

Peterson,[3] Esther, 1034 Warner Building, Washington, D. C.; Amalgamated Clothing Workers of America, 15 Union Square, New York, N. Y. (1) Received salary of $564; received $570.72 to reimburse actual expenses incurred; $353.93 of this amount was for expenses incurred in Washington, the remainder for expenses outside of Washington. (2) Hotels, railroads, restaurants, cab drivers, air lines. (3) Personal expense and travel. (4) CIO News and the Advance. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Peterson,[5] Esther, 1034 Warner Building, Washington, D. C.; Amalgamated Clothing Workers of America, 15 Union Square, New York, N. Y. (1) Received salary of $188; received $203.23 to reimburse actual expenses incurred; $141.23 of this amount was for expenses incurred in Washington, the remainder for expenses outside of Washington. (2) Hotels, railroads, restaurants, cab drivers, air lines. (3) Personal expense and travel. (4) CIO News and the Advance. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Petty, Don, National Association of Broadcasters, 1771 N Street NW., Washington, D. C. (1) $3,750 received for services as attorney for the National Association of Broadcasters for quarter ending June 30, 1949; $1,552.48 received from the association as reimbursement for business expenses for same period. (2) Various railroads, air lines, taxi companies, communications companies, hotels, restaurants, etc. (3) The amounts set forth in (1) above were received and or expended in carrying out my normal duties as general counsel handling all of the legal affairs of the National Association of Broadcasters, only a small part of which duties directly or indirectly involved Federal legislation. None of this money was received or expended for the specific purpose of attempting to influence the passage or defeat of any Federal legislation. (4) None. (5) None. I am interested in any legislation, Federal or State, which may affect the radio-broadcasting industry. During this past quarter I testified at the hearings on S. 1973, relating to amendments of the Communications Act, upon invitation of the committee.

Phillips, George C., 13534 Woodward Avenue, Highland Park, Mich.; Foreman's Association of America, 1627 Barlum Tower, Detroit, Mich. (1) Expenses of trip to Washington from April 24 through April 30, 1949, includes plane fare, hotel, meals, and incidentals, $131.44; time lost (1 week's salary), $115.38. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Supporting Thomas-Lesinski bill.

Pierson, Albert T., the New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn. (1) Salary, $1,815, and no expenses; no part of salary chargeable to lobbying work. (2) None. (3) None. (4) None. (5) Any legislation affecting employer.

Pike, Albert, Jr., Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $122.63. (2) Expenditures confined to expenses paid by employee for travel, meals, lodging, and miscellaneous out-of-pocket expenses. (3) See answer to (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life-insurance policyholders and annuitants.

Pillen, Herbert G., 522 Munsey Building, Washington, D. C.; Controlled Circulation Newspapers of America, Inc., 5309 Hamilton Avenue, Cleveland, Ohio. (1) Received $510.30, of which $500 for legal services. (2) $10.30 to Chesapeake & Potomac Telephone Co., Western Union, and for postage. (3) Postage, telegrams, and telephone. (4) None. (5) Have urged continuance of existing exemption of carrier boys from Social Security Act and Fair Labor Standards Act.

Plumley, Fletcher D. P., Tower Building, Fourteenth and K Streets NW, Washington, D. C.; National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) Salary, second quarter 1949, $1,950; expenses, $189.60; total, $2,139.60. (2) Taxicabs, restaurants, and other miscellaneous expenses. (3) See item (2). (4) None. (5) Overtime-on-overtime legislation.

Poole, Rufus G., 1625 K Street NW., Washington, D. C.; National Automobile Dealers Association, 1026 Seventeenth Street NW., Washington, D. C. (1) No money received or expended during second quarter of 1949. (2) [Blank.] (3) [Blank.] (4) None. (5) Labor legislation affecting retail automobile dealers.

Pope & Ballard, 120 South La Salle Street, Chicago, Ill., and Pope, Ballard & Loos, Munsey Building, Washington, D. C., International Register Co., 2620 West Washington Boulevard, Chicago, Ill. (1) During the period April 1, 1949, to June 30, 1949, registrant rendered no services in connection with the proposed legislation described in the answer to item 5 hereof, nor did it incur any expenses in connection therewith. During said period, registrant received reimbursement in the amount of $125.10 for expenses incurred in connection with services for said company concerning said proposed legislation during the prior quarter (from January 1 to March 31, 1949). These expenditures were reported in detail in the statement attached to the quarterly report covering the said prior quarter. No payments were received from said company for services performed in connection with the proposed legislation described in the answer to item 5 hereof, nor did it receive any reimbursement of expenses incurred other than those reported herein, nor any other payments from said company in connection with said proposed legislation. (2) See (1). (3) See (1). (4) None. (5) S. 249 and H. R. 2032; registrant has engaged in no activity in connection with this matter during the quarter ended June 30, 1949.

Pope, Ballard & Loos, 707 Munsey Building, Washington, D. C.; California Fruit Growers Exchange and California Walnut Growers Association, both of Los Angeles, Calif., Northwest Nut Growers, of Dundee, Oreg., and California Almond Growers Exchange, Sacramento, Calif. (1) Receipts, $3.19; disbursements, $15.48. (2) Western Union, $1.09; Chesapeake & Potomac Telephone Co., $7.12; taxicabs, $4.15; United States Post Office, $3.12. (3) Telegrams, long-distance phone calls, taxies, and postage. (4) None. (5) H. R 3997, H. R. 5300, H. R. 3748, S. 1207, S. 1089, S. 1464, H. R. 1211, H. R.4263.

Posner, Stanley I., Linen Supply Association of America, 1002 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Linen Supply Association of America: Fees $1,500; expenses $314.06. Kex National Association: Fees none; expenses $282.97. Institute of Industrial Launderers: Fees, $1,500; expenses, $1,184.23. National Institute of Diaper Services: Fees, $1,250; expenses $101.35. National Council of Technical Schools: Fees, none; expenses $121.50. National Council of Business Schools: Fees, $50; expenses, $182.28. (2) Miscellaneous commercial accounts. (3) Taxies, railroad, mimeographing, telephone, telegrams and similar purposes. (4) Mimeographed bulletins of Linen Supply Association and Institute of Industrial Launderers. Also Linen Supply News. (5) Labor legislation on behalf of Linen Supply Association, Institute of Industrial Launderers. Veterans' training Technical Schools and National Council of Technical Schools and National Council of Business Schools.

Poston, Robert R., 1608 K Street NW., Washington, D. C.; The American Legion (national organization), 777 North Meridian, Indianapolis, Ind. (1) $625 monthly salary, less withholding and social-security taxes; $29.86 incidental expenses (taxies, phone calls, lunches, etc.); $134 reimbursement for travel to Indianapolis, Ind., and return and expenses while there. (2) Robert R. Poston. (3) Incidental expenses and travel as listed under (1) above. (4) The American Legion magazine, New York City; the National Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, reeducation and housing; all matters affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws; child welfare, not only for children of veterans but for all children; aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations, the development of sound civil aviation programs and policies; and the

[4] Not printed. Filed in Clerk's office.
[3] Filed for first quarter, 1949.
[5] Filed for second quarter, 1949.
[5] Filed with Clerk only.

development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee which are the ruling and policy-making bodies of the American Legion.

Poulton, James E., Machinists' Building, Washington, D. C.; International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Powell, E. Henry, partner, Oliver & Donnally, 110 East Forty-second Street, New York, N. Y., and 1106 Investment Building, Washington, D. C. (1) Estimated $315 received from Oliver & Donnally as portion of partner's drawing account and distribution (see Appendix [4]). $297.55 received and expended for travel, etc. (see Appendix [4]). (2) (See answer to question 1.) (3) (See answer to question 1.) (4) None. (5) Any legislation which the mutual savings banks have a legitimate interest in supporting or opposing.

Powell, W. Royce, 261 Constitution Avenue NW., Washington, D. C.; Committee of Americans, 122 East Forty-second Street, New York, N. Y.; Magothy River Association, 908 St. Paul Street, Baltimore, Md. (1) Received from Committee of Americans, $1,200; received from Magothy River Association, $500. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Supported no specific legislation nor opposed for Committee of Americans. Opposed appropriation to Navy Department for purchase of 2,400 acres of Sandy Point residential property near Annapolis, Md.

Pratt, Edith, National Committee To Defeat the Mundt Bill, 930 K Street NW., Washington, D. C. (1) $420 salary, $130 expenses. (2) Railroads, cabs, restaurants, etc. (3) Travel and living expenses. (4) Newsletter of the National Committee To Defeat the Mundt Bill; Hey, Brother, There's a Law Against You, pamphlet published by the National Committee To Defeat the Mundt Bill. (5) To defeat the Mundt bill (S. 1194) in any form.

Pray, Kenneth L., 1026 Seventeenth Street, NW., Washington, D. C.; Schenley Distillers, Inc., and affiliated companies, Empire State Building, New York, N. Y. (1) Salary, $5,000; expense allowance, $1,260. (2) University Club, National Press Club, hotels, taxicabs, railroad, air lines, etc. (3) Dues, meals, transportation, etc. (4) [Blank.] (5) My services insofar as legislative matters are concerned consist primarily of factually reporting the status and content of proposals affecting Schenley Distillers, Inc., and affiliated companies.

Prentice, Howard A., 1329 E Street NW., Washington, D. C.; Corn Industries Research Foundation, 3 East Forty-fifth Street, New York, N. Y. (1) Received $2.06 as miscellaneous expenses (see below). (2) Notary public, $2; postage, 6 cents. (3) Notarizing quarterly report, postage. (4) None. (5) No specific legislation.

Press, William H., Washington Board of Trade, 204 Evening Star Building, Washington, D. C. (1) Salary, $3,000; expenses, $229.55. (2) Various. (3) Normal operating expenses. (4) Releases sent to Washington newspapers—Washington Post, Times-Herald, Evening Star, Washington Daily News. (5) Legislation affecting the District of Columbia.

[4] Not printed. Filed in the Clerk's office.

Pretzman, Allen, 50 West Broad Street, Columbus, Ohio; Scioto-Sandusky Conservancy District, 553 East Town Street, Columbus, Ohio. (1) Transportation, Columbus to Washington, D. C., $100.88; hotel, $15.50; meals, $27.10; incidentals, $20.20. (2) Mayflower Hotel, Pennsylvania and Baltimore & Ohio Railroads, and TWA. (3) Expenses on two trips to Washington for conferences with and appearances before Senate and House Appropriations Committees, civil functions. (4) None. (5) Federal appropriations for Rocky Fork Creek flood-control project.

Pritchard, E. Anthony, National Lead Co., 1025 Connecticut Avenue NW., Washington, D. C., and 111 Broadway, New York, N. Y. (1) All money received by this registrant was for salary and expenses in connection with his duties as assistant to the manager of the Washington office of the National Lead Co.—impossible to segregate amount for legislative activities; only $20 was expended during second quarter 1949 on legislative work. (2) Chesapeake & Potomac Telephone Co., Western Union Telegraph Co., various garages, taxicabs, and restaurants. (3) Telephone calls, telegrams, transportation, and meals. (4) None. (5) Legislation affecting the operation of the National Lead Co., including the manufacture and sale of its products.

Proctor, Harry E., 1110 Investment Building, Washington, D. C., Oliver & Donnally, 110 East Forty-second Street, New York, N. Y. (1) $2,000 paid the registrant as salary by Oliver & Donnally. (2) No expenditures. (3) None. (4) The registrant contributed articles for the April, May, and June issues of Mutual Savings Banking, a trade publication of the National Association of Mutual Savings Banks. (5) The registrant studied, analyzed, and reported upon a number of bills pertaining to banks, savings and loan associations, taxes, railroads, veterans, and housing.

Producers' Council, Inc., 815 Fifteenth Street NW., Washington, D. C. (1) The Producers' Council, Inc., is an organization established in 1928. The purposes as stated by the charter of incorporation are attached hereto.[4] In view of the uncertain interpretation of certain provisions of the regulation of Lobbying Act of 1946 concerning what constitutes "principal purpose" and the phrase "To influence directly or indirectly the passage or defeat of any legislation, etc.," we are filing this form giving a full disclosure of the information required under the act. See attached exhibits.[4] (2) See attached exhibits.[4] (3) As indicated by items on attached exhibits.[4] (4) Technical Bulletin, Producers' Council News, press releases, and certain informative, economic, and technical studies. (5) None.

Purves, Edmund R., the American Institute of Architects, 1741 New York Avenue NW., Washington, D. C. (1) None, except salary for this period, which amounted to $3,750, and taxi fare in connection with H. R. 3224, which amounted to 80 cents. (2) None. (3) None. (4) None. (5) Legislation in relation to the architectural profession.

Putt, C. J., the Atchison, Topeka & Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans. (1) Reimbursed by the Atchison, Topeka & Santa Fe Railway Co., for actual expenses incurred as follows: Mayflower Hotel, room and phone, $70.40; Pullman Co., $44.20; dining cars, hotels, restaurants, for meals, $134.65; various taxicabs, $24.85; various redcaps and checking stands, $4.50; shows, ball games, and other entertainment, $22.50, cigars, $2.50. (2) See (1) above. (3) See (1) above. (4) None. (5) Various bills affecting railroads.

Pyle, H. R., executive secretary, Arkansas Education Association, 503 Union Life Building, Little Rock, Ark. (1) Expenses, $213. (2) Air lines, hotels, cabs, restaurants, etc. (3) Lodging, transportation, food, and customary personal expenses (4) Journal of Arkansas Education (articles therein). (5) To support any and all legislation designed to strengthen public education in all of its areas.

Pyle, Schuyler S., Fleet Reserve Association, 429 Investment Building, Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Quaal, Ward L., director of Clear Channel Broadcasting Service (CCBS), Suite 532, Shoreham Building, Washington, D. C. (1) Although only a portion of his activities came within the purview of the Lobbying Act, registrant reports herewith all receipts and expenditures. Receipts: Gross salary, $3,384.10; expenses reimbursed by employer, $2,146.83. (2) Expenditures paid to various railroads, hotels, restaurants, taxicabs, telephone, and telegraph companies, trade associations, clubs, etc. (3) For expenses incurred in course of employment as director of CCBS, such as travel, meals, living accommodations for self and family, and entertainment. (4) The Daily Mining Journal, Marquette, Mich.; the Escanaba Daily Press, Escanaba, Mich.; the Iron Ore, Ishpeming, Mich. (5) S. 491 and H. R. 4004, to limit the power of broadcast stations and to duplicate clear channels.

Quigley, Frank, 725 Thirteenth Street NW., Washington, D. C.; American Telephone & Telegraph Co., 195 Broadway, New York, N. Y. (1) $680. (2) Madison Hotel, New York City, $12; Pennsylvania Railroad Co., New York-Washington and return, $28.92; Seaboard Airline Railroad, Washington-Atlanta, Ga. and return, $66.58; hotels, restaurants and incidental expenses. (3) Conferences with representatives of American Telephone & Telegraph Co. and others regarding general matters of information and public relations. (4) None. (5) H. R. 2960, Mr. Poage; S. 1257, Mr. Hill et al., as introduced, and any legislation primarily affecting Bell Telephone companies.

Quinlan, William A., Associated Retail Bakers of America et al., 1317 F Street NW., Washington, D. C. (1) The undersigned during the quarter received $125 from the National Candy Wholesalers' Association, Inc., and $125 from the United States Wholesale Grocers' Association, Inc. for services in respect to testimony before the Senate Committee on Interstate and Foreign Commerce concerning so-called basing-point legislation. As to expenditures; please see exhibit A attached.[4] (2) Please see exhibit A.[4] (3) Please see exhibit A.[4] (4) Gave information and suggestions to Bakers' Weekly and Bakers' Helper; also prepared press releases for bakery trade papers in general. (5) Legislation to bar portal-to-portal liabilities for the period subsequent to enactment of the Portal-to-Portal Act, May 14, 1947, in addition to other legislation if any which may be of interest to clients employing the undersigned on general retainers.

Quinn, Louis, Louisville and Jefferson County Property Owners' Association, 610 West Jefferson Street, Louisville, Ky. (1) See statement attached.[4] (2) See (1). (3) See (1). (4) See (1). (5) See (1).

Radner,[5] William, Coastwise Line, Tower Building, Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Legislation affecting extension of ship sales and chartering authority.

Radner, Zito & Donoghue (the firm members and associates are William Radner, Frank J. Zito, Odell Kominers, Robert F. Donoghue, J. Franklin Fort, Mary L. Schleifer, and William F. Ragan), 529 Tower Building, Washington, D. C.; Waterfront Employers Association of the Pacific Coast, 16 California Street, San Francisco, Calif. (1) $750.

[4] Not printed. Filed in the Clerk's office.

[5] Filed with the Clerk only.

representing compensation at the rate of $250 per month, April-June 1949; estimated reimbursement for long-distance telephone and other communication expenses, mimeographing and printing of briefs and statements for presentation to congressional committees, $1,916.80. (2) Radner, Zito & Donoghue. (3) Compensation for work done by firm members or associates, and reimbursement of expenses as above noted. (4) None. (5) Legislation affecting maritime industry, particularly in relation to wage-and-hour law.

Raesly, Leon, Leon Raesly Organization, Inc., 1218 Shoreham Building, Washington, D. C. (1) $1,681.16 and assigned under agreement to Leon Raesly Organization, Inc. (2) [Bland]. (3) [Blank]. (5) None. (5) S. 2068 and S. 2069.

Ragland, Edward F., Associated Tobacco Manufacturers, 109–110 Willard Hotel, Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None, but am interested in any legislation affecting tobacco industry.

Ramsey, Donald J., Silver Users Association, 1612 I Street NW., Washington, D. C. (1) See schedule attached.[4] (2) See (1). (3) See (1). (4) Silver News Letter. (5) Legislation affecting the silver-using industry.

Ramspeck, Robert, executive vice president, Air Transport Association of America, 1107 Sixteenth Street NW., Washington, D. C. (1) Received regular salary; expended $13. (2) Taxi fares to and from Capitol Hill. (3) [Blank]. (4) None. (5) Legislation for the proper advancement of the air-line industry in the public interest.

Rankin,[5] J. Lee, Beghtol & Rankin; partnership, Nebraska Tax Equality Committee, Inc., 714 Stuart Building, Lincoln, Nebr. (1) None. (2) None. (3) None. (4) None. (5) All legislation designed to bring about equality of taxation between private business and cooperatives.

Rankin,[6] J. Lee, Beghtol & Rankin, partnership, 714 Stuart Building, Lincoln, Nebr. (1) None. (2) None. (3) None. (4) None. (5) All legislation designed to bring about equality and taxation between private business and cooperatives.

Reck, Jacob, National Beauty & Barber Manufacturers Association, 1023 National Press Building, Washington, D. C. (1) $33.18. Registrant is paid an annual retainer as counsel of the above-mentioned association. No determinable amount of said retainer is allocable to activities covered by ths law. Normally the activities of the registrant covered by this law are infinitesimal. (2) Expended for postage. (3) Communications in connection with H. R. 1750—a bill to repeal the excise tax on cosmetics used in beauty and barber shops. (4) National Hairdressers & Cosmetologists' Bulletin. (5) Repeal of excise tax on toilet preparations used in beauty and barber shops and sold at retail to consumers.

Rector,[5] Stanley, Unemployment Benefit Advisors, Inc., 506 Hotel Washington, Washington, D. C. (1) Received $5,000 as salary for first quarter for duties as legislative director of Unemployment Benefit Adivisors, Inc. (2) No money paid except for expenses, for which I am reimbursed. Expenses reported by employing corporation. (3) [Blank.] (4) The Advisor. (5) Social security and related legislation.

Rector,[6] Stanley, Unemployment Benefit Advisors, Inc., 506 Hotel Washington, Washington, D. C. (1) Received $5,000 as salary for first quarter for duties as legislative director of Unemployment Benefit Advisors, Inc. (2) No money paid except for expenses, for which I am reimbursed. Expenses reported by employing corporation. (3) [Blank.] (4) The Advisor. (5) Social security and related legislation.

[4] Not printed. Filed in the Clerk's office.
[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.

Reed, Otie M., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended $3.80. (2) To taxicabs. (3) For taxi fares. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C.; C. Jasper Bell, 904 Bryant Building, Kansas City, Mo. (1) No money received. Expenditures have not exceeded $3. (2) Taxicabs. (3) Local transportation. (4) None. (5) H. R. 4064, a private relief bill (Carden & Herd).

Reeves, Albert L., Jr. (Acting on behalf of Bernard Peyton and Bernard Peyton, executor, Estate of Anne Peyton, deceased, Prettybrook Road, Princeton, N. J.) Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Received none. No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. Expenditures, nominal, not exceeding $15 in taxicab fares, all reimbursed. (2) Taxicab fares. (3) Local transportation to attend conferences. (4) None. (5) H. R. 5045 and H. R. 5398.

Reeves, Albert L., Jr. (Acting on behalf of United States Lines; Farrell Lines, Inc.; American President Lines, Ltd.; American Export Lines, Inc.; Grace Lines, Inc.; Lykes Bros. Steamship Co., Inc.), Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Receipts, none. No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (2) Not applicable. (3) Not applicable. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C.; Wilcox Electric Co., Inc., Fourteenth and Chestnut Streets, Kansas City Mo. (1) No money received. No expenditures. (2) None paid. (3) Inapplicable. (4) None. (5) A proposed private bill for the relief of Wilcox Electric Co. not yet introduced.

Reilly, Gerard D., 1401 K Street NW., Washington, D. C.; General Electric Co., 570 Lexington Avenue, New York, N. Y. (1) Received $7,864.11 and expended $3,322.51. (2) (a) Virginia Bowman, $118.75; Prue Town, $50; (b) Law Reporter Printing Co., $167.50; (c) Legislative Reporting Service, $1,218; (d) Joseph H. Ball, $1,737.50; (e) Chesapeake & Potomac Telephone Co., $11.51; (f) taxis, $19.25. (3) (a) Stenographic services; (b) printing; (c) transcript of House Labor Committee hearings; (d) analysis and digest of hearings; (e) long distance calls; (f) transportation.. (4) None. (5) Bills relating to the Labor-Management Relations Act, including S. 249 and H. R. 2032.

Reilly, Gerard D., Tower Building, 1401 K Street NW., Washington, D. C.; General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. (1) Received from General Motors Corp. of Detroit, Mich., $6,000 and expended $1,937.42. (2) (a) Chesapeake & Potomac Co., $11.17; (b) Law Reporter Printing Co., $167.50; (c) Joseph H. Ball, $1,737.50; (d) taxis, $21.25. (3) (a) Long distance calls; (b) printing; (c) analysis and digest of committee hearings; (d) transportation. (4) None. (5) Bills relating to Labor-Management Relations Act including S. 249 and H. R. 2032.

Reilly, Gerard D., Tower Building, 1401 K Street NW., Washington, D. C.; Pond Creek Pocahontas Co., Huntington, W. Va. (1) Received from Pond Creek Pocahontas Co., of Huntington, W. Va., $1,500 retainer as labor consultant, for which legislative work is incidental, and expended $169.81. (2) (a) Chesapeake & Potomac Telephone Co., $2.31; (b) Law Reporter Printing Co., 167.50; (3) (a) long-distance calls; (b) printing. (4) None. (5) Bills relating to Labor-Management Relations Act, including S. 249 and H. R. 2032.

Reilly, Gerard D., Tower Building, 1401 K Street NW., Washington, D. C.; Union Employers Section, Printing Industry of America, Inc., 719 Fifteenth Street NW., Washington, D. C. (1) Received $1,200 as general retainer as labor counsel for Union Employers Section, Printing Industry of America, Inc., for which legislative work is only incidental; expended $5.88. (2) Chesapeake & Potomac Telephone Co., $5.88. (3) Long-distance calls. (4) None. (5) Bills relating to the Fair Labor Standards Act and Labor-Management Relations Act, including H. R. 858, H. R. 2033, S. 249, and H. R. 2032.

Reinhold, James P., 525 Shoreham Building, Washington, D. C.; Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Street, Chicago, Ill. (1) Received salary for third calendar quarter 1949 as reported on first calendar quarterly report, Form C, for services as representative of president of the A. T. & S. F. Railway Co. No money was received or expended by me during this calendar quarter for purposes covered in the act. (2) None. (3) None. (4) None. (5) Legislation affecting the interest of the Atchison, Topeka & Santa Fe Railway Co.

Rhodes, Hubert M., 3308 Fourteenth Street NW., Washington, D. C.; Credit Union National Association, Inc., 1342 East Washington Avenue, Madison, Wis. (1) Registrant is a regular employee of the Credit Union National Association, Inc., and receives no additional compensation for service on legislative work. The amount received and expened by him was $1.15. (2) Telephone calls, 15 cents; notary public, 50 cents; car mileage to self, 50 cents; total, $1.15. (3) Telephone calls to Congressmen, trip to office of Congressmen, and notarizing lobbying report for quarter ended March 31, 1949. (4) None. (5) Legislation affecting credit unions.

Rice, Richard M., Wisconsin Asscciated Businessmen, Inc., 231 West Wisconsin Avenue, Milwaukee, Wis. (1) None. (2) No one. (3) None. (4) None. (5) Any legislation affecting business.

Richards,[5] D. D., 1238 National Press Building, Washington, D. C.; Mail Order Association of America, 1061 West Thirty-fifth Street, Chicago, Ill. (1) None. (2) No one. (3) None. (4) None. (5) None specifically.

Riepma, Siert F., National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C. (1) $23.65. (2) Various persons. (3) Taxies, carfare, etc. (4) None. (5) Any margarine legislation.

Riggle, John J., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for April, May, and June 1949, $2,125.98. Less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Foreign Trade Memo, a mimeographed résumé of foreign-trade regulations and activities of the Federal Government, distributed to members of National Council of Farmer Cooperatives only; Legislative Digest, a mimeographed résumé of action taken on bills introduced in Congress, distributed to members of National Council of Farmer Cooperatives only. (5) Agricultural legislation.

Riley, George D., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for April, May, and June, $2,210; expenses for April, May, and

[5] Filed with the Clerk only.

June, $28.25. (2) Taxi drivers, phone company, when not at office and other incidentals. (3) Same as in No. 2. (4) None. (5) Legislation affecting labor.

Rising, E. W., Western Beet Growers Association et al., 1215 Sixteenth Street NW., Washington, D. C. (1) (a) Western Beet Growers Association, Great Falls, Mont., $151.05; (b) National Water Conservation Conference, 341 Broad Street, Station Building, Philadelphia, Pa., $1,276.38. (2) E. W. Rising, personal time, $70; stenographic service, $26.48; travel, $5; rent, $15; telephone and telegraph, $1.50; miscellaneous office, $33.07; in connection with information service to membership. E. W. Rising, postage, $11.20; printing, $29.63; stenography, $896.37; miscellaneous office supplies, $192.23; telephone and telegraph, $27.35; miscellaneous, $19.60. (3) (a) In connection with information service furnished members on matters of interest to growers of sugar beets; (b) in connection with information service furnished members on development and conservation of natural resources. (4) None during second quarter of 1949. (5) (a) Legislation of interest to growers of sugar beets; (b) legislation in connection with development and conservation of land and water resources, tidelands legislation, regional and valley authorities.

Risser, Donald A., Communications Workers of America, Division 23, 759 North Milwaukee Street, Milwaukee, Wis. (1) Expense, $150; salary, $79. (2) Normal living expenses plus railroads, air line, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my positions with the Communications Workers of America and/or one of its divisions. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America or its divisions.

Rivers, T. E., National Recreation Association, 315 Fourth Avenue, New York, N. Y. (1) During the quarter ending June 30, 1949, I have received and expended $123.21. (2) Air lines company, taxies, restaurants, telephone, etc. (3) Transportation and meals. (4) [Blank.] (5) H. R. 2026; S. 250.

Roark,[10] L. E., National Founders Association, 120 South LaSalle Street, Chicago, Ill. (1) Annual salary, National Founders Association, $15,000; expenses, nominal travel, hotel, and meals, but none this quarter. (2) No expenses this quarter. (3) See (2). (4) None. (5) Labor legislation, tax legislation, and legislation affecting the foundry industry.

Roark,[8] L. E., National Foundry Association, 120 South LaSalle Street, Chicago, Ill. (1) Annual salary, National Foundry Association, $10,000; expenses, nominal travel, hotel, and meals. (2) Common carriers for travel; hotels for room and meals. (3) See (2). (4) None. (5) Labor legislation, tax legislation, and legislation affecting the foundry industry.

Roark,[9] L. E., National Foundry Association, 120 South LaSalle Street, Chicago, Ill. (1) Annual salary, National Foundry Association, $10,000; expenses, nominal travel, hotel, and meals. (2) Common carriers for travel; hotels for room and meals. (3) See (2). (4) None. (5) Labor legislation, tax legislation, and legislation affecting the foundry industry.

Robb, George Mackay, 121 Warner Avenue, Syracuse, N. Y.; Reformed Presbyterian Church of North America, 209 Ninth Street, Pittsburgh, Pa. (1) No money received or expended during the quarter, as I was not active in lobbying during this period. (2) None. (3) None. (4) None. (5) House Joint Resolution 181, a resolution providing for a Divine acknowledgment in the Constitution of the United States.

Robbins, Paul H., National Society of Professional Engineers, 1121 Fifteenth Street NW., Washington, D. C. (1) Received salary, $500, and expenses, $50, for April, May, June, 1949, for attention to legislative matters. (2) Regular office and travel expenses. (3) As executive director, National Society of Professional Engineers. (4) American Engineer, Legislative Bulletin, National Society of Professional Engineers. (5) All legislation affecting the welfare of professional engineers.

Roberts, R. Orman, D. D., Hotel Carlyle, Washington, D. C.; Temple Methodist Church, San Francisco, Calif., 1290 Sutter Street, San Francisco, Calif. (1) Received from the Temple Methodist Church, January through June, $2,300; received from the Temple Methodist Church, January through June, $2,000. (2) R. Orman Roberts, D. D., regular salary as pastor, $2,300; for expenses itemized below, $2,000. (3) Expenses itemized: Railroad transportation, $85.04; hotel room, $868; meals, taxis, entertainment, personal expenses, $850.52; telephone, $202.07; mimeographing and photos, $57.50; total expenses, $2,063.13. ($63.13 advanced by me over church amount provided, to be reimbursed later.) (4) None. (5) S. 384 and companion House bills 839 and 1696.

Rogers, Herbert, National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C. (1) April 2 to May 31, 1949: Salary, $800; hotel, meals, stenography, phone, etc., $452.46; travel, $231.51; total, $1,483.97. (2) Hotels, restaurants, railroads, telephone companies, public stenographers, etc. (3) Covering subsistence, travel, typing, etc. (4) Official organ, Brotherhood of Locomotive Enginemen and Firemen, Cleveland, Ohio, May 1949. (5) Pending legislation, authorizing the construction of the St. Lawrence seaway and power project.

Rogers, Watson, National Food Brokers Association, 527 Munsey Building, Washington, D. C. (1) None. (2) No one. (3) None. (4) None. (5) None.

Rowe, Roland H., United States Wholesale Grocers' Association, Inc., 837 Investment Building, Washington, D. C. (1) No money was received or expended by the undersigned for the purpose of influencing Federal legislation except $84 (28 hours estimated, at $3 per hour) as part of annual salary of $5,780 received by the undersigned as vice president and secretary of the United States Wholesale Grocers' Association, Inc., allocable to the preparation of the following documents in which Federal legislation was advocated, opposed, or mentioned; bulletins, news letters, press releases, telegrams to wholesale grocers, letters to Members of Congress, statements of the United States Wholesale Grocers Association made to the Senate Finance Committee on repeal of oleomargarine taxes and to the House Small Business Commitee on S. 1008 (basing-point-delivered-pricing bill), also the association's statement on proposed amendments to the Fair Labor Standards Act submitted to the Senate Labor Subcommittee. (2) See answer to (1). (3) See answer to (1). (4) Washington News Letter and other releases of United States Wholesale Grocers' Association, Inc. (5) Any and all legislation that affects the welfare of wholesale grocers.

Rudy, John Forney, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) $200 received as salary from National Federation of American Shipping during second quarter 1949, allocable to legislative activities; and $142 for lunches and entertainment. (2) Restaurants and dining rooms. (3) Lunches and entertainment. (4) None. (5) As director of public relations am not employed to support or oppose any particular legislation.

Rule, Gordon W., Committee for World Travel, Inc., Union Trust Building, Washington, D. C. (1) No money received or expended during the preceding calendar quarter. (2) [Blank.] (3) [Blank.] (4) None. (5) See memorandum attached to Form B on file in your office.

Rule, Gordon W., room 427, Union Trust Building, Washington, D. C.; Gillette Safety Razor Co., Boston 6, Mass. (1) Received $1,260 fee and $53.48 out-of-pocket disbursements for work done for the company. Of these amounts approximately $400 fee and $7.65 disbursements for taxicabs, long-distance telephone, etc., are applicable to this registration. In addition $15.46 has been expended for long-distance calls and cabs. (2) [Blank.] (3) [Blank.] (4) None. (5) Retained in connection with a proposed amendment to the Internal Revenue Code relating to the foreign tax credit.

Rule, Gordon W., room 427, Union Trust Building, Washington, D. C.; Miss Cathryn A. Giesener, 1126 Bush Street, San Francisco, Calif. (1) None received. Following amount expended for taxicabs, $10.40. (2) [Blank.] (3) [Blank.] (4) None. (5) Retained in connection with private companion bills S. 469 and/or H. R. 3325 of the Eighty-first Congress for the relief of Miss Cathryn A. Giesener.

Rumely, Edward A., Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y. (1) I receive my salary, commissions, and expenses, as reported on earlier Form B. The corporation has reported its disbursements separately on Form A. (2) Disbursements were corporation disbursements and are reported separately on Form A. (3) [Blank.] (4) We never pay to have news articles printed but issue news releases, some of which are reprinted, and of these I have no record. (5) I am not employed for the purpose of supporting or opposing legislation. Sometimes the committee trustees take a stand for or against an issue (on legislation) where they think a constitutional principle is involved. Then I distribute educational material on the question.

Rush, Charles J., Washington Real Estate Board, 1417 K Street NW., Washington, D. C. (1) Received $666.66 per month as executive secretary. (2) None paid out. (3) None. (4) [Blank.] (5) Measures affecting the ownership and operation of real estate.

Russell, Francis M., National Broadcasting Co., Inc., 724 Fourteenth Street NW., Washington, D. C. (1) $325.15 (expended for matters relating to legislation). (2) See (3) below. (3) Telephone and telegraph, taxi fares, entertainment. (4) None. (5) As a part of registrant's duties as vice president in charge of Washington office of National Broadcasting Co., Inc., including operation of the company's radio stations in Washington, registrant may engage in activities relating to legislation affecting radio communication companies.

Russell, Horace, 7 South Dearborn Street, Chicago, Ill., United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill. (1) Received retainer at the rate of $11,000 per annum, only a small proportion of which is for legislative activity; also incurred expenses as indicated on exhibits 1, 2, and 3, attached,[4] which were paid, as indicated. (2) See exhibits 1, 2, and 3, attached.[4] (3) See exhibits 1, 2, and 3, attached.[4] (4) Contents of League Bulletin of the United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill., an article, Savings and Loan Shares as Legal Investments, in Director's Digest for July, published by the United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.; also article Why Home Ownership is Worth While, in said Director's Digest for June 1949. (5) Legislation affecting the Savings and Loan business.

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[8] Filed for first quarter, 1949.

[9] Filed for second quarter, 1949.

[10] Filed for fourth quarter, 1948.

[4] Not printed. Filed in the Clerk's office.

Ryan, M. O., 1405 K Street NW., Washington, D. C., American Hotel Association, 221 West Fifty-seventh Street, New York, N. Y. (1) Salary for quarter, $3,550.02, April 1, 1949, to June 30, 1949, inclusive, total personal expenses for taxis, lunches, and dinners, phones, etc., in Washington, D. C., were $491.88, of which insignificant amount was for activities related in any way to lobbying. (2) Taxis, Washington restaurants and hotels. (3) Transportation, lunches, and dinners. (4) Organizational bulletins for American Hotel Association. (5) Any legislation affecting hotel industry.

Sanders, J. T.,[3] the National Grange, 744 Jackson Place NW., Washington, D. C. (1) I received $1,500 as salary for the quarter as legislative counsel of the National Grange. In addition, I received $36.59 for expenses, as follows: transportation, $13.99; meals and incidental, $22.60. (2) Transportation agencies and restaurants. (3) Transportation, food, etc. (4) The National Grange Monthly. (5) Electoral college, cattle grub, Federal aid to education, fats and oils research, forestry, foot and mouth disease, health bills and hospital construction, housing, Labor and Fair Standards Act, petroleum prices, Perry Reservoir, postal rates, rural roads, oleomargarine-tax repeal, selective service, farm program, social security, international wheat agreement.

Sands, Charles E., 4211 Second Street NW., Washington, D. C., Hotel and Restaurant Employees and Bartenders International Union AFL, 528 Walnut Street, Cincinnati, Ohio. (1) None expended; received salary, $1,800. (2) None. (3) None. (4) None. (5) Support labor legislation; oppose antilabor legislation.

Sasuly, Elizabeth, 930 F Street NW., Washington, D. C., Food, Tobacco, Agricultural and Allied Workers Union of America, CIO, 158 North Twentieth Street, Philadiphia, Pa. (1) Salary, $506.25; expenses, $223.54. (2) Air lines, railroads, hotels, and restaurants while traveling, taxi fares, etc. (3) See (2) above. (4) FTA News, publication of Food, Tobacco, Agricultural and Allied Workers Union of America, CIO. (5) Support all legislation advancing the interests of organized labor and the American people generally; oppose undemocratic legislation against their international.

Sasuly, Elizabeth, 930 F Street NW., Washington, D. C.; International Union of Mine, Mill, and Smelter Workers, CIO, 431 South Dearborn Street, Chicago, Ill. (1) Salary, $562.50; expenses, $130. (2) Air lines, railroads, hotels, and restaurants while traveling, taxi fares, etc. (3) See (2) above. (4) The Union, publication of International Union of Mine, Mill and Smelter Workers, CIO. (5) Support all legislation advancing the interests of organized labor and the American people generally; oppose undemocratic legislation against their interests.

Saunders, Stuart T., Norfolk & Western Railway Co., 801 North Jefferson Street, Roanoke, Va. (1) Have received $623.95 from Norfolk & Western Railway Co., Roanoke, Va., for reimbursement of expenses, all of which were expended during the preceding calendar quarter. (2) The following hotels in Washington, D. C.: Carlton, Statler, Washington, Mayflower, Occidental Restaurant; Washington, D. C., taxicab companies; Chesapeake & Potomac Telephone Co.; tips, etc. (3) Food, hotel accommodations, and other incidental expenses. (4) None. (5) Proposed canalization of Big Sandy River and its tributaries in States of Kentucky and West Virginia.

Sayler, Frances, 1000 Eleventh Street, NW., Washington, D. C.; United Electrical, Radio, and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y. (1) Salary, $960; expenses, $130. (2) Hotels, restaurants, railroads, cab drivers, etc. (3) Personal expenses in Washington and travel. These expenses cover both legislative and nonlegislative activity. (4) UE News. (5) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare. Oppose legislation detrimental to these objectives.

Saylor, Richard D., National Lead Co., 1025 Connecticut Avenue, Washington, D. C. and 111 Broadway, New York, N. Y. (1) All money received by this registrant was for salary and expenses in connection with his duties as manager of the Washington office of the National Lead Co. Impossible to segregate amount for legislative activities. Only $50 was expended during second quarter 1949 on legislative work. (2) Chesapeake & Potomac Telephone Co., Western Union Telegraph Co., Weaver Bros., Inc., various garages, taxicabs, and hotels. (3) Office rent, telephone service, telegrams, transportation, and meals. (4) None. (5) Legislation effecting the operation of the National Lead Co., including the manufacture and sale of its products.

Schaeffer, Alexander L. Ancram, N. Y. (1) $23.68. (2) Stationery, newspaper, periodicals, postage, news vendors, and post office. (3) Research, etc. (4) None. (5) The right to strike, the right to work, outlaw the closed shop, and the enactment of legislation that would forbid the collection of so-called royalty taxes by any group or individual.

Schell, Orville H., Jr., member of the firm of Hughes, Hubbard & Ewing, 1 Wall Street, New York, N. Y. (1) See rider item (1) attached.[4] (2) See rider item (1) attached.[4] (3) See rider item (1) attached.[4] (4) None. (5) H. R. 4653, S. 1247, for the relief of Mallinckrodt Chemical Works, Merck & Co., Inc., and New York Quinine & Chemical Works, Inc.

Schell, S. D., National Federation of American Shipping, Inc.,1809 G Street NW., Washington, D. C. (1) Approximately $300 of regular salary for the quarter is allocable to services performed on matters relating to legislation, consisting mainly of attending hearings on maritime legislation, and discussions with Government departments regarding maritime legislation in which they were concerned; expenses paid out during the quarter amounted to $10 for various taxicab fares to and from the Capitol attending hearings. (2) Taxicabs. (3) Fares. (4) None. (5) Legislation in which particularly interested were H. R. 858, H. Res. 264 H. R. 5346, H. R. 3930, H. R. 3419, H. R. 4177, H. R. 5300, H. R. 4190, H. J. Res. 234, H. Res. 44, H. Res. 245, and various other bills relating to maritime legislation and special hearings conducted by various committees relating to the United States merchant marine.

Schoen, Paul W., Forest Farmers Association Cooperative, post-office box 692, Valdosta, Ga. (1) Salary, 2 months, which was maximum time spent on legislative activity, $1,060; travel expense, including hotels, meals, etc., $619.29; Office expense, clerical help, postage, mimeograph, telegraph, etc., $604.19; total, $2,283.48. (2) No payments made to anyone; only personal salary and expense allowed as part of regular Association activity. (3) Supporting forestry bills H. R. 2001 and S. 979, also H. R. 2296 and S. 1458; opposing section 409 of H. R. 2893 and Forest Practices Act, S. 1820; supporting forestry items before Senate committeee in United States Department of Agriculture appropriations bill. (4) The Forest Farmer and press releases of which no record of publication is available. (5) [Blank.]

Schoene, Freehill, Kramer & Davis, a law partnership composed of Lester P. Schoene, Joseph H. Freehill, Milton Kramer, and John F. Davis, 1625 K Street NW., Washington, D. C.; Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C. (1) None received or expended. (2) [Blank.] (3) [Blank.] (4) All written materials are delivered to the client and dissemination is entirely in the client's control. (5) Railroad retirement, unemployment insurance, and employers' liability matters.

Schoenhals, E. L., Tax Equality League of Utah, 915 Kearns Building, Salt Lake City, Utah (1) Received from Tax Equality League of Utah for use of my law office, stenographic services, traveling, telegrams, air express, secretarial services, phone, etc., $193.72. (2) To my secretary, Jean Powers, for office rent, United Airlines, Western Union, Mountain States Telegraph and Telephone, etc. (3) To maintain my office, receive phone calls from members and carry on correspondence with members of the organization, to travel. (4) Deseret News, Salt Lake Tribune, and Salt Lake Telegram have carried news items only, no paid advertising. (5) To obtain tax equality.

Schwarz, Paul J., local 161 A. F. of M., 1105 Sixteenth Street NW., Washington, D. C.; American Federation of Musicians, 570 Lexington Avenue, New York, N. Y. (1) We are a committee of three, representing the American Federation of Musicians; Paul J. Schwarz, local 161, Washington, D. C.; Richard McCann, local 802, New York; and J. Elmer Martin, local 40, Baltimore, Md., on 20 percent cabaret-tax reduction. Acknowledgement of our registration filed was dated April 20, 1949. We have met as a committee during the quarter, April, May, and June, but have submitted no bills as yet, or received any money, therefore we are mailing in reports blank. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Scott, Jack Garrett, National Association of Motor Bus Operators, 839 Seventeenth Street NW., Washington, D. C. (1) No receipts except annual retainer for general legal services as shown in registration statement; no expenditures for legislative purposes. (2) None. (3) None. (4) None. (5) Generally all legislation affecting the intercity motorbus industry.

Scott, John W., Victor J. Evans Co. et al.; 1025 Vermont Avenue NW., Washington, D. C. (1) None other than salary received at the total monthly rate of $350 from Harvey B. Jacobson and John N. Randolph. No expenditures made. (2) Does not apply. (3) Does not apply. (4) None. (5) As previously stated in my registration statement. (NOTE.—The firms of McCorrow, Berman & Davidson, Victor J. Evans & Co., and Patrick D. Beavers are attempting to cancel contracts of employment with me, and they are not currently paying me any sum of money.)

Scott, Vernon, and Schuler, Loring A., constituting the partnership of Vernon Scott & Loring Schuler, organizers and counselors, 231 South La Salle Street, Chicago, Ill.; National Associated Businessmen, Inc., et al., 1025 Vermont Avenue NW., Washington, D. C. (1) The firm of Scott & Schuler received $3,333.32 from National Associated Businessmen, Inc., as retainer fee. The amount of $27.80 was spent for purposes that might fall within the scope of Public Law 601, Seventy-ninth Congress. (2) Taxi drivers. (3) For taxicabs in going from National Associated Businessmen, Inc., office to House and Senate Office Buildings and the Capitol. (4) None. (5) Legislation causing the Government to engage in business activities in competition with private companies and legislation dealing with the taxation of various types of business corporations.

Scott, William C., 49 Wall Street, New York, N. Y.; American Nurses' Association, 1790 Broadway, New York, N. Y. (1) Receipts: $4,146.94 for legal fees and disbursements, paid to Satterlee, Warfield & Stephens for services by firm as counsel in all capacities. Expenditures: Pennsylvania Railroad, $18.51;

[3] Filed with the Clerk only.

[4] Not printed. Filed in the Clerk's office.

American Airlines, $23.12; Hotel Carlton, $66.76; telephone calls, $1.10; other travel expenses, $60.65. (2) Telephone charges paid to various telephone companies; travel expenses ($60.65) paid to various hotels, restaurants, transportation and taxicab companies, etc. (3) For transportation, hotel rooms, telephone calls, meals, and taxi fares. (4) No articles or editorials relating to legislation during the above period. (5) Legislation relating to nurses, nursing, or health, on which the American Nurses' Association has taken a stand, including the question of amendments to the Labor Management Relations Act of 1947.

Scott, William C., 49 Wall Street, New York, N. Y.; National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. (1) Receipts: $1,938.01 for legal disbursements as counsel (current and past) received by the firm of Satterlee, Warfield & Stephens. Expenditures: Pennsylvania Railroad, $62.47; American Airlines, $7.70; Hotel Carlton, Washington, D. C., $110.57; miscellaneous other travel expenses, $114.11. (2) Travel expenses ($114.11) paid to Pennsylvania Railroad, and various hotels, restaurants, and taxicab companies. See also answer to question 1. (3) For transportation, hotel rooms, meals, and taxi fares. (4) None. (5) Legislation relating to postage rates on books.

Sears, W. J., the Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y. (1) During the quarter ended June 30, 1949, I engaged in no legislative activities, nor did I make any expenditure for this purpose. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

See, Harry, Brotherhood of Railroad Trainmen, 130 Third Street SE, Washington, D. C. (1) $73.05. (2) Restaurants. (3) Lunches and dinners. (4) None. (5) Opposing anti-labor legislation and supporting legislation beneficial to labor.

Selby,[5] John A., member of the law firm Baker, Selb & Ravenel, Cigar Manufacturers Association of America, Inc., 730 Fifteenth Street, suite 812, Washington, D. C. (1) Baker, Selby, & Ravenel, the law firm of which I am a partner, is employed by the Cigar Manufacturers Association of America, Inc., on an annual basis. The services that we perform are general and they include representations for the association before such Government agencies as the State Department, Department of Agriculture, Department of Commerce, War Assets Administration, Bureau of Internal Revenue, etc. We receive for such services an annual retainer of $5,000 payable quarterly. No portion of any payment receeived from the association has been or can be readily allocated to such service as we have rendered on matters relating to legislation in which the association is interested. (2) There have been no disbursements by me or the other members of the law firm of which I am a member, of moneys received under our contract of services with the Cigar Manufacturers Association of America, Inc. (3) [Blank.] (4) None. (5) Legislation affecting the cigar industry. Now and for several months I have not been employed in either supporting or opposing any pending legislation.

Selby,[6] John A., member of law firm: Baker, Selby & Ravenel, 730 Fifteenth Street, suite 812, Washington, D. C. (1) Baker, Selby & Ravenel, the law firm of which I am a partner, is employed by the Cigar Manufacturers Association of America, Inc., on an annual basis. The services that we perform are general and they include representations for the association before such Government agencies as the State Department, Department of Agriculture, Department of Commerce, War Assets Administration, Bureau of Internal Revenue, etc. We receive for such services an annual retainer of $5,000 payable quarterly. No portion of any payment received from the association has been or can be readily allocated to such service as we have rendered on matters relating to legislation in which the association is interested. (2) There have been no disbursements by me or the other members of the law firm of which I am a member, of moneys received under our contract of services with the Cigar Manufacturers Association of America, Inc. (3) [Blank.] (4) None. (5) Legislation affecting the cigar industry. Now and for several months I have not been employed in either supporting or opposing any pending legislation.

Selvage & Lee, 1 East Forty-third Street, New York, N. Y.; in Washington: Selvage, Lee & Bledsoe, 1730 I Street NW., Washington, D. C.; National Association of Margarine Manufacturers, Munsey Building, Washington, D. C. (1) Fee $6,000, plus expenses as shown below. (2) Printing, mimeographing, postage, telephone, press clippings, traveling expense, supplementary staff, etc., $21,821.11. (The above items were billed to the National Association of Margarine Manufacturers and reported by them in their quarterly report.) (3) Publicity and lobbying actively in connection with repeal of discriminatory legislation affecting margarine. (4) We did all within our power to disseminate information favorable to margarine and to the legislation which would remove unfair restrictions on margarine but cannot say categorically that we caused any articles to be published or any radio comment. (5) As above.

Shandros,[10] Geraldine, American Communications Association, CIO, 5 Beekman Street, New York, N. Y. (1) None. (2) None. (3) None. (4) ACA News. (5) Legislation affecting workers in the communications industry and American working men and women generally.

Shandros,[5] Geraldine, American Communications Association, CIO, 5 Beekman Street, New York, N. Y. (1) Salary, $210; travel expense, $65.50; total, $275.50. This constitutes one-fourth of salary received and is so reported since time spent in activities covered by the act constituted about one-fourth of working time. (2) Travel by Pennsylvania Railroad, hotels, taxies, meals, telephone, etc. (3) Explained above. (4) ACA News. (5) Legislation affecting communications workers and American working men and women generally.

Shandros,[6] Geraldine, American Communications Association, 5 Beekman Street, New York, N. Y. (1) Salary, $210; travel expense, $120; total, $330. This constitutes one-fourth of salary received and is so reported since time spent in activities covered by the act constituted about one-fourth of working time. (2) Travel: Plane and train fares, $60; hotels, taxis, meals, telephone, etc., $60. (3) Explained above. (4) ACA News. (5) Legislation affecting communications workers and American working men and women generally.

Shaw, A. Manning, Brown, Lund & Fitzgerald, Washington Loan and Trust Building, Ninth and F Streets NW., Washington, D. C. (1) No money received or expended. (2) See (1). (3) See (1). (4) None. (5) Any legislation that might affect the members of the National Association of Electric Companies.

Shaw, Mark R., 114 Trenton Street, Melrose, Mass.; New England secretary, National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C. (1) Traveling expenses, $81.15; (2) Gas stations, restaurants, etc. (3) Traveling to speaking dates, conferences, committees, etc. (4) Peace Action, Bulletins of NCPW, Boston Herald. (4) North Atlantic Pact, peacetime selective service, etc., oppose; military aid to Europe and Asia, oppose; economic aid to Europe and Asia, other measures related to issue of war and peace, favor.

Shepherd, Bruce E., Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $51.85. (2) Expenditures confined to expenses paid by employee for travel, meals, lodging, and miscellaneous out-of-pocket expenses. (3) See answer to (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life-insurance policyholders and annuitants.

Shield, W. Lee, American Life Convention, 230 North Michigan Avenue, Chicago, Ill. (1) None. (2) None. (3) None. (4) None (5) None.

Shields, Robert H., United States Beet Sugar Association, 1001 Tower Building, Washington, D. C. (1) None; report subject to the qualifications stated in my registration of February 7, 1947. (2) [Blank.] (3) [Blank.] (4) None. (5) Interested in legislation affecting sugar but not employed for the purpose of supporting or opposing any legislation.

Shryock, Col. T. J., Remington Rand, Inc., 1615 L Street NW., Washington, D. C. (1) Received my regular commission consisting of 2½ percent on gross sales of all typewriters delivered in the District of Columbia and 35 percent of 2½ percent of gross sales of Government typewriters delivered outside the District of Columbia. My only expenditures were for taxi fares to and from the Capitol, which amounted to less than $10. (2) See (1). (3) See (1). (4) None. (5) On behalf of Remington Rand, Inc., I have urged the inclusion in the first deficiency appropriation bill and the Treasury-Post Office appropriation bills of language which would modify the existing restrictions pertaining to the purchase of typewriters for Government use. Until the first deficiency bill became law the statutory limitations made it impossible for the legislative and judicial branches of the Government to purchase any typewriters, and under the Treasury-Post Office appropriation bill for 1949 it was almost impossible for the executive branch of the Government to purchase much-needed new standard typewriters.

Sifton, Paul, 1129 Vermont Avenue NW., Washington, D. C.; International Union, United Automobile, Aircraft and Agricultural Implement Workers of America, CIO, 411 West Milwaukee Avenue, Detroit, Mich. (1) Salary, $1,200; expenses, $1,088.18; total, $2,288.18 (2) Subsistence, transportation, hotel, etc. (3) Subsistence and travel. (4) Auto Worker. (5) Support all bills favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to these objectives.

Silberstein, Robert J., National Lawyers Guild, 902 Twentieth Street NW., Washington, D. C. (1) Only payment received is of regular salary as executive secretary of the National Lawyers Guild at the annual rate of $6,240, a small portion of the service of such secretary being directed to legislative work. Only expenditures made were for transportation and telephones, amounting to less than $10. (2) Moneys received by Robert J. Silberstein, moneys paid by him to cab drivers and telephone company. (3) Moneys received as salary of executive secretary. Moneys paid for transportation and telephones. (4) None. (5) Not paid to support any particular legislation, but to execute general policies of National Lawyers Guild which include opposition to or support for certain types of legislation. The organization has supported S. 249, H. R. 2893, H. R. 4009, S. 1042, H. R. 29, H. R. 2707; and opposed such bills as S. 1194, S. 1196, H. R. 342, H. R. 1002, S. 1694, S. 1832, H. R. 3776, and the North Atlantic Treaty.

[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.
[10] Filed for fourth quarter, 1948.

Simon, William, 1 North LaSalle Street, Chicago, Ill.; The Council for Clarification of Pricing Practices, 111 West Washington Street, Chicago, Ill. (1) No money has been received by the registrant during the preceding quarter. No expenditures have been made by him during the preceding quarter (the registrant is a partner in a law firm the overhead which is paid by the firm) except traveling expenses and long distance phone calls for which registrant will be reimbursed by the Council for Clarification of Pricing Practices. (2) See (1) above. (3) See (1) above. (4) None. Registrant has made several speeches on the subject of competitive freight absorption which have been reproduced in such publications in whole or in part by others, but never at his request, direction, or suggestion. (5) Legislation permitting competitive freight absorption and delivered prices.

Slipher, Stephen G., 1177 National Press Building, Washington, D. C.; United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill. (1) Received and expended $301.96. Also received salary of $291.66 for which an estimated 40 percent ($76.66) is for legislative work. (2) Hotel Shoreham, Washington, D. C.; and various restaurants, taxis, and others. (3) Hotel, subsistence, travel, and miscellaneous expenses. (4) None. (This report covers only June 14 through June 30. I assumed duties relating to legislation and registered on June 14, 1949.) (5) Legislation affecting housing, thrift, home ownership, and savings and loan associations.

Smart, (Miss) Elizabeth A., National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill. (1) Salary paid to Mrs. Stewart, $240; other receipts, $301.58; total, $541.58. Travel expense, $213.87; phone, $42.83; telegrams, $1.16; subscription to Washington Post, $4.45; magazines, $3.22; office supplies, $16.25; postage, $19.80. (2) Mrs. Annalee Stewart; B. & O. Railroad and Pennsylvania Railroad; Chesapeake & Potomac Telephone Co.; Western Union; the Washington Post; newsstands; Morrison Paper Co.; and A. B. Dick. (3) Salary for Washington Letter; railroad fares; telephone service and calls; telegrams; subscription; magazines; office supplies. (4) The Union Signal. (5) Legislation dealing with women and children in industry, women and children, alcohol, narcotics, radio, motion pictures, and peace.

Smith, Allen L., Louisiana Tax Equality Association, Inc., Post Office Box 1526, Baton Rouge, La. (1) No money received or expended for lobbying. (2) No one. (3) None. (4) None. (5) To support any legislation to amend the Internal Revenue Code so as to improve basic taxation principles providing for removal of tax disparities between business competitors.

Smith, Anthony W., Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (1) Portion of salary allocable to legislative employment, $75. This is computed as stated in registration statement at $300 a year. Salary paid by CIO, see (2). (2) Miss Mary W. Sollenberger, 300 B Street SE., Washington D. C., National Emergency Conference on Resources, and National Committee on Resources, $825. (3) Salary received in compensation for legislative work as above. Salary paid by CIO to Miss Sollenberger for secretarial work in organizing conference, and work for National Committee on Resources. (4) CIO News, 718 Jackson Place NW., Washington, D. C. (5) Forestry legislation; river valley development; resource conservation.

Smith, Donald W. (report as attorney for American Nurses' Association), Satterlee, Warfield & Stephens, attorneys for American Nurses' Association, 49 Wall Street, New York, N. Y. (1) Receipts, $4,146.94 for legal fees and disbursements paid to Satterlee, Warfield & Stephens for services by firm as counsel in all capacities. Expenditures, Pennsylvania Railroad, $64.50; Eastern Airlines, $85.14; Hotel Carlton, $60.35; Metropolitan Club (room and meals), $4.60; meals, $49.10; taxi fares, $20.80; telephone calls, $4.50; other travel expenses, $11.29. (2) Taxi fares paid to various taxicab companies; telephone charges to various telephone companies; meals to various restaurants. (3) For transportation, hotel rooms, meals, taxi fares, telephone calls, etc. (4) No articles or editorials relating to legislation during the above period. (5) Legislation relating to nurses, nursing or health, on which the American Nurses' Association has taken a stand, including extension of social security, Federal aid to nursing education, and legislation to authorize commissioning of men nurses in the armed services.

Smith, Dudley, Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C. (1) $1,250 monthly from the Association of Sugar Producers of Puerto Rico, but not for the principal purpose of influencing legislation, which is a minor part of my activities. (2) None for the purpose of influencing legislation. (3) None. (4) None. (5) None.

Smith, Harold O., Jr., United States Wholesale Grocers' Association, Inc., 837 Investment Building, Washington, D. C. (1) During the past quarter I did not have occasion to engage in any activities which I believe could be construed as lobbying. Serving full time as executive vice president of the United States Wholesale Grocers' Association, Inc., my activities are those of a trade association executive and any contacts with Members of Congress are purely incidental to my many other activities in connection with trade association work. (2) No one. (3) None. (4) In our association's bulletins and weekly news letters to members, we occasionally report on legislative matters affecting the trade. (5) No legislation in particular, any legislation in general affecting the interests of wholesale grocers.

Smith, Hilda W., National Committee for the Extension of Labor Education, 1508 Seventeenth Street NW., Washington, D. C. (1) $1,500. (2) Paid to self. (3) For living expenses for self. (4) Occasional articles through Labor Press Associates, occasional newspaper articles. (5) Bill for a Labor Extension Service in the Department of Labor.

Smith, Howard J., Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (1) April salary, $750 per month; May salary, $750 per month plus travel expense $59.70; June salary, $750 per month plus travel expense $20.25. (2) Howard J. Smith, executive secretary, Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (3) Salary, travel expense, train and plane fare, room and board, when engaged in travel in interest of work of the association. (4) The Case for Water in Central Arizona; Work for Water; California's Stake in Arizona's Share of Colorado River; What the Central Arizona Project Means to You. (5) Employed to support Senate bill S. 75 and House bills 934 and 935.

Smith, Lloyd W., room 425, Shoreham Building, Fifteenth and H Streets NW., Washington, D. C.; Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill. (1) Received salary as reported on Registration Form B for services as special representative of the Chicago, Burlington & Quincy Railroad Co. during the period April 1 to June 30, 1949, as well as reimbursement for routine expenses of $350.80 in April, $468.99 in May, and $313.90 in June. (2) Various restaurants, hotels, taxicabs, telephone, telegraph, Pullman Co., stationers, etc. (3) In furtherance of duties described in Registration Form B, which involve legislation only incidentally and to a limited extent. Affiant states upon information and belief that none of his activity during the period covered by this report was within the scope of section 307 of Public Law 601, Seventy-ninth Congress. (4) None. (5) Legislation affecting interests of Chicago, Burlington & Quincy Railroad Co., other duties for said company comprise the major part of this work.

Smith, Purcell L., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $16,250 as president of the National Association of Electric Companies and reimbursements of $1,321.95 of routine expenses incurred in the performance of all official duties, only a part of which salary and expenses were for those purposes described in the act. (2) Various hotels, restaurants, clubs, railroads, air lines, taxicabs, telephone and telegraph companies. (3) Railroad and transportation, $106.41; telephone and telegraph, $5.50; restaurants and other meals, $376.30; hotels, $704.86; subscriptions, $2; gratuities and miscellaneous, $106.88. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which I am president, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters The association therefore is interested in legislation that might affect its members as going business concerns.

Smith, Ray E., Indiana State Medical Association, 1021 Hume Mansur Building, Indianapolis, Ind. (1) Received from Indianapolis Medical Society, $2,000; expended $3,013.69. (2) See attached list.[4] (3) Postage, traveling expenses of committeemen, expense of meetings, printing, addressing, stationer, clerical assistance, telephone and telegraph tolls, and speakers' fees and traveling expenses. (4) [Blank.] (5) All bills pending before Congress which would create national health insurance.

Smith,[5] Russell, Farmers Educational and Cooperative Union of America, 300 B Street SE., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) All major pending legislation.

Smith,[6] Russell, 300 B Street SE., Washington, D. C.; Farmers Educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (1) None. (2) None. (3) None. (4) None. (5) All major pending legislation.

Smith, Sylvester C., Jr., the Prudential Insurance Company of America, 763 Broad Street, Newark, N. J. (1) None, no activities. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Snyder, Calvin K., Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street, NW., Washington, D. C. (1) Expended, $1,069.91. (2) See attached.[4] (3) See attached.[4] (4) None. (5) Any legislation affecting the real estate industry.

Snyder, James D., Room 1040, Hotel La Salle, Chicago, Ill.; Illinois Legislative Committee, Room 1236, La Salle Street Station, Chicago, Ill. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) [Blank.]

Spence, Hotchkiss, Parker & Duryee, 40 Wall Street, New York, N. Y.; Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) None. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Spencer, Lyndon, Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio. (1) None. (2) None. (3) None. (4) None. (5) None.

Spingarn,[3] Jerome H., 3212 McKinley Street NW., Washington, D. C.; Goldwater & Flynn, 60 East Forty-second Street, New York, N. Y. (1) Received on account of legal fees, $500.00;

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[4] Not printed. Filed in Clerk's office.
[5] Filed for first quarter, 1949.
[6] Filed for second quarter, 1949.

expended $256.18, which is reimbursable. Only a small part of this fee and these expenditures are attributable to legislative activities. (2) Railroad companies, telephone company, telegraph company, taxi drivers, printers, restaurateurs, stenographers, photostaters, hotel keepers, stationers, multigraphers, etc. (3) See (2) above. (4) None; I have from time to time supplied information to the press regarding this issue, which information has been independently evaluated and handled by its recipients. (5) I am employed as counsel to plaintiffs in certain suits for the recovery of back pay due longshoremen in the port of New York under the Wage-and-Hour Act. When the Supreme Court settled the main issue of this case in favor of these plaintiffs, defendants sought to remove the issue from the courts to the Congress by obtaining retroactive legislation to upset the decision of the courts in this case. It has therefore become my duty to supply information to Members of Congress and the press in reply to statements made in the forums by the proponents of this retroactive legislation.

Spingarn,[6] Jerome H., 3 Thomas Circle, Washington, D. C.; Goldwater & Flynn, Esqs., 60 East Forty-second Street, New York, N. Y. (1) Received on account of legal fees, $756.18; expended $36.94, which is reimbursable. Only a small part of fees and expenditures are attributable to legislative activities. (2) Railroad companies, telephone company, telegraph company, photostaters, stationers, taxi drivers, stenographers. (3) Apparent from answer to (2) above. (4) None; I have, from time to time, supplied information to journalists regarding this issue, which information has been independently evalued and edited by its recipients. (5) I am employed as counsel to plaintiffs in certain suits for recovery of back pay due certain New York longshoremen under the Fair Labor Standards Act. When the United States Supreme Court decided this issue in favor of plaintiffs, the defendants sought special legislation to upset the determination of the courts. It has therefore been my duty to supply information to Members of Congress and the press in reply to material circulated by proponents of this retroactive legislation.

Stack, Thomas George, 1104 West One Hundred and Fourth Place, Chicago, Ill. National Railroad Pension Forum, Inc. (1) $915.26 paid to me by the National Railroad Pension Forum, Inc., covering all travel and expenses incurred while staying in Washington, D. C., for the second quarter, plus $1,200, salary for the quarterly period. (2) Thomas George Stack, 1104 West One Hundred and Fourth Place, Chicago, Ill. (3) To get before Congress legislation to protect the interests of the rank-and-file of the railroad industry on pensions and annuities covered by the Railroad Retirement Act, and secure better pension conditions for said employees. (4) Rail Pension News, publication of the National Railroad Pension Forum, Inc., April and May edition, cost $1,190 with circulation of 100,000. (5) S. 1318 and S. 1379 in Senate, H. R. 4282, H. R. 4334, H. R. 2741, and H. R. 2146 in the House.

Starling, Howard M., 837 Washington Building, Washington, D. C., Association of Casualty and Surety Companies, 60 John Street, New York, N. Y. (1) Registrant does not receive funds earmarked for purposes set forth in this act. Registrant has estimated however, that $150 received by registrant during the second quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice. Registrant has also been reimbursed for out-of-pocket expenses in the amount of $27.15. (2) Capital Transit Co. and various taxicab drivers. No single item $10 or more. (3) Local transportation to and from Capitol, Senate Office Building, and House Office Building. (4) None. (5) Registrant doubts that he is employed to support or oppose legislation. However, on very infrequent occasions, he has supported or opposed legislation as it specifically affects capital stock, casualty, and surety insurance companies.

Stebbins, Frank L., National Tax Equality Association, 231 South La Salle Street, Chicago, Ill. (1) Receipts, $310.00; expenses, $81.31. (2) Mailing and postage, $23.06; stenographic service, $21.50; travel, Frank L. Stebbins, $36.75. (3) Two trips to Freeport, Ill., and return; stamps to cover mailings; stenographic help to write members. (4) None. (5) Tax equality and other legislation affecting business.

Steele, Raymond E., National Fisheries Institute, Inc., 228 Victor Building, 724 Ninth Street NW., Washington, D. C. (1) 80 cents, taxicab to Capitol re Department of Agriculture appropriation bill. (2) Taxicab operators. (3) Transportation. (4) N. F. I. Flashes, published weekly (50 issues), mailed to institute membership. (5) No particular legislation.

Stein, Margaret I., Committee for the Nation's Health, Inc., 1416 F Street NW., Washington, D. C. (1) Salary received (gross), $1,374.99; Reimbursements for travel, miscellaneous, expenses, $50.57; a total of $1,425.56. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) National health insurance.

Stengle, Chas. L., American Federation of Government Employees, 900 F Street NW., Washington, D. C. (1) $42.60. (2) Taxicab drivers. (3) Trips to and from Capitol. (4) None. (5) Legislation affecting Government employees.

Stewart, Annalee (Mrs. Alexander Stewart), Women's Committee To Oppose Conscription, 2006 Walnut Street, Philadelphia, Pa. (1) No report for the second quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Stewart, Annalee (Mrs. Alexander Stewart), Women's International League for Peace and Freedom, 1734 F Street NW., Washington, D. C. (1) Travel, $9,362; rent, $126.75; meals, $102.50; carfare and taxi, $35.81; tips, $9.55; secretarial help, $13.50; telephone and telegraph, $62.98; postage, $22.24; laundry, $9.45; office supplies, $6; miscellaneous, $24.80. (2) [Blank.] (3) Actual living expenses while in Washington. (4) Four lights. (5) Oppose UMT, conscription measures, and increase of military control; support legislation for improving domestic and international relations.

Stewart, Charles T., 1737 K Street NW., Washington 6, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago 3, Ill. (1) Salary (50 percent of time devoted to legislative activities), $3,000; reimbursement by employer for travel expenses, incidental expenses, and per diem, $655.27; total, $3,655.27. (2) See attached itemized statement.[4] (3) See attached itemized statement.[4] (4) Attached list[4] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Any legislation affecting the real estate industry.

Stockton, Kenneth E., American Cable & Radio Corp., 67 Broad Street, New York, N. Y. (1) I have been associated with International Telephone & Telegraph Corp. in various capacities for many years and have been president of its subsidiary, American Cable & Radio Corp. for the past year and a half. This company has been negotiating with Western Union Telegraph Co. for the purchase of the latter company's cables, which negotiations have reached the point of necessitating several governmental approvals and possibly congressional action. Activities in the foregoing connection and with reference to possible merger legislation necessarily require my contact with Members of Congress and other Government officials. However, this is an incidental function under my duties for which I receive no additional remuneration above my regular salary. Neither have I made nor do I intend to make any contributions for the purposes designated in paragraph 307. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The abovementioned activities would not seem to come within the purview of the Lobbying Act; however, I have no objection to filing under the same and will furnish any further information if desired. My salary is $45,000 per annum, no part of which is specifically for the purpose of influencing legislation. (2) [Blank.] (3) [Blank.] (4) None. (5) [Blank.]

Stoll, Edwin L., 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) See attached itemized statement.[4] (2) See attached itemized statement.[4] (3) See attached itemized statement.[4] (4) Attached list[4] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Legislation affecting the real-estate industry.

Stone, Mrs. Margaret F., National Women's Trade Union League of America, 317 Machinists Building, Washington, D. C. (1) Full salary $376.48, about half of which was paid me for legislative work. No money expended by me for legislative activity. (2) [Blank.] (3) [Blank.] (4) Life and Labor Bulletin. (5) See regular legislative program of league already on file with your office. Sent statements or letters to Members of Congress on various pieces of this legislation.

Stong[5] Benton J., 300 B Street SE., Washington, D. C.; Farmers Educational and Cooperative Union of America, and Regional Committee for an MVA (Missouri Valley Administration), 3501 East Forty-sixth Avenue, Denver, Colo. (1) None. (2) None. (3) (4) None. (5) S. 1160 and all major pending legislation.

Stong,[6] Benton J., Regional Committee for an MVA and National Farmers Union, 300 B Street SE, Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) MVA and major pending legislation.

Stoudenmire, Sterling F., Jr., 1740 G Street NW., Washington, D. C.; Waterman Steamship Corp., Waterman Building, 61 Joseph Street, Mobile, Ala. (1) (*a*) A total of $2,400 was received as salary by registrant during this quarter, as compensation for employment as attorney for Waterman Steamship Corp. and subsidiaries; only a very small portion of my time was spent in any activity relating to the purposes for which this statement is required to be filed; (*b*) a total of $67.39 was received from Waterman Steamship Corp. and subsidiaries, which amount could possibly be allocable as expenses incurred in connection with the purposes for which this statement is required to be filed. (2) (*a*) Taxicabs, $8.90; (*b*) restaurants and cafes, $58.49; total, $67.39. (3) (*a*) Taxicabs and transportation, $8.90; (*b*) meals, $58.49. (4) None. (5) I am not engaged specifically for the purpose of attempting to influence the passage or defeat of any legislation by Congress. My employment is as attorney in the legal division of Waterman Steamship Corp. and subsidiaries, and such employment requires a small portion of my time in supporting or opposing legislation which might affect the merchant

[4] Filed for second quarter, 1949.

[4] Not printed. Filed in the Clerk's office.

[5] Filed for first quarter, 1949.

[6] Filed for second quarter, 1949.

marine, the operation of aircraft, or transportation generally. During the quarter for which this report is filed I was interested in and discussed with Members of Congress legislation relating to H. J. Res. 235, H. R. 5346, H. R. 2915, H. R. 2916, H. R. 3289, and H. R. 3337.

Strachan, Paul A., American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C. (1) Neither I, nor any officer of this federation, has paid any sums to anyone, as affecting legislation. There is no change in status, since my letter of January 4, 1949. Approximately $235.25 spent during the 3-month period for luncheons, taxis, and telephone calls concerning legislative program. (2) See (1). (3) See (1). (4) Bulletins to AFPH members, also Members of Congress. (5) Sponsoring legislation on behalf of our 28,000,000 physically handicapped citizens; supporting bills for a Federal Commission on Services for the Physically Handicapped, National Cerebral Palsy Institute, National Leprosy Act; National Epilepsy Act, census (survey) of handicapped; amputee drivers in interstate commerce.

Strackbein, O. R., America's Wage Earners' Protective Conference, and International Allied Printing Trades Association, 601 Carpenters' Building, Washington, D. C. (1) Receipts, $4,790; expenses, $4,882.64. (2) Salary, executive secretary, $3,550; salary of secretary to executive secretary, $845; Total, $4,395; remainder or $487.64, expenses. (3) Rent, telephone, traveling expenses, office supplies, taxicab fares, several lunches a month with individuals, purchase of governmental publications. (4) Editorials in the Photo-Engraver, a monthly publication of the International Photo-Engravers' Union; in the Glass Cutter, monthly publication of the Window Glass Cutters' League. (5) Matters relating to tariffs, foreign trade, copyright and postal-rate legislation.

Strong, Arthur D., Upper Mississippi Waterway Association, 1034 Midland Bank Building, Minneapolis, Minn. (1) Salary, April 1 to July 1, 1949, $825; reimbursement for expenses, $624.33; total, $1479.33. (2) Arthur D. Strong. (3) Salary and reimbursement for traveling, hotels, entertaining, attending meetings, hearings, and conventions. (4) None. (5) Registrant is employed to support legislation relating to the improvement and development of navigable waterways in the upper Mississippi River, together with legislation relating to flood control, conservation, pollution, recreation, fish and wildlife, including all legislation that has to do with the development of water resources of the upper Mississippi river and its tributaries as this legislation relates to all types of public benefits; he is employed to oppose legislation detrimental to the above.

Sturgis, Arthur, Jr., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) Salary, $200; expenses, $25.55. (2) Taxi drivers. (3) Transportation. (4) American Retail Federation information bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor revision, social-security-law revision, inflammable-fabric legislation.

Sturrock, J. E., Texas Water Conservation Association, 207 West Fifteenth Street, Austin, Tex. (1) Salary for April, May, and June 1949, $1,800 less income and social-security taxes. Traveling and routine office expenses for April, May, and June 1949, $310.48. (2) $310.48 paid to bus and taxi companies, hotels, restaurants, and stores. (3) Covering transportation, meals, lodging, miscellaneous office supplies, and entertainment. (4) Texas Water Conservation Association bulletins and pamphlets and various analyses of bills pending in Congress. (5) Employed to support all legislation, both State and National, concerning the development, conservation, protection, and utilization of Texas land and water resources through existing State and Federal agencies; to oppose all legislation creating Federal valley authorities and all legislation seeking to superimpose Federal control over State control in the distribution of the State's water resources.

Sullivan,[5] Francis M., Disabled American Veterans, 1701 Eighteenth Street NW., Washington, D. C. (1) Salary—January, February, March 1949 (after taxes and social security), $2,025; incidental expenses—January, February, March 1949, $21.30; total, $2,046.30. (2) Francis M. Sullivan. (3) See (1) above. (4) DAV semimonthly. (5) Legislation affecting service-connected disabled veterans, their families, and the survivors of deceased service men and women.

Sullivan,[6] Francis M., Disabled American Veterans, 1701 Eighteenth Street NW., Washington, D. C. (1) Salary: April, May, June 1949 (after taxes and social security), including semiannual bonus, $2,712.48; incidental expenses, April, May, June 1949, $63; total, $2,775.48. (2) Francis M. Sullivan. (3) See (1) above. (4) DAV semimonthly. (5) Legislation affecting service-connected disabled veterans, their families, and the survivors of deceased service men and women.

Sutlive, Carey R., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) Receipts: Salary, $2,250.02; expenses reimbursed by employers, $335.80; expenditures, $335.80. (2) Expenses paid to various railroads, hotels, restaurants, taxicabs, etc. (3) For expenses incurred in course of business, such as travel, meals, and hotel accommodations and expenses of conducting conferences for discussion of business matters. (4) [Blank.] (5) All legislation affecting industry, such as legislation relating to national labor policy, taxation, public expenditures, industrial controls, social security, research, patents, and investments.

Switzer, John B., 70 North Thirteenth Street, Beech Grove, Ind., Indiana Divisions No. 1 and No. 56, Communications Workers of America, 27 West Ohio Street, Indianapolis, Ind. (1) Telegrams and letters, $5. (2) [Blank.] (3) [Blank.] (4) None. (5) Enactment of Senate bill 653, repeal of National Labor Relations Act of 1947 (Taft-Hartley law).

Swomley, Jr., John M., National Council Against Conscription; 1013 Eighteenth Street NW., Washington D. C. (1) Travel expenses between Washington and New York plus out-of-pocket expenses in Washington, $88.04. (2) John M. Swomley, Jr., for personal expenses indicated above. (3) Indicated above. (4) Conscription News biweekly. (5) I serve as acting director of the National Council Against Conscription on a volunteer basis to promote the achieving of the international abolition of conscription, world-wide disarmament, and the defeat of conscription.

Taft, Charles P., 906 First National Bank Building, Cincinnati, Ohio; Greenhills Home Owners' Corp., Greenhills, Ohio. (1) $111.30 for expenses since January 1, 1949. (2) Railroads, air lines, hotels, telephone, and telegrams. (3) Same. (4) None. (5) H. R. 2440 and S. 351.

Taylor, John Thomas, 1608 K Street NW., Washington, D. C., The American Legion (national organization), 777 North Meridian, Indianapolis, Ind. (1) $500 salary semimonthly, less withholding and social security taxes; $148.05 reimbursement for traveling expenses, April, May, June, 1949; $53.10 incidental expenses (taxies, meals, etc.) April, May, June, 1949. (2) John Thomas Taylor. (3) Expenses (traveling and incidental) as shown under (1). (4) The American Legion magazine, New York, N. Y., Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, reeducation and housing; all matters affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws; child welfare, not only for children of veterans, but for all children; aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations; the development of sound civil-aviation programs and policies; and the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee which is the ruling and policy-making body of the American Legion.

Taylor, Margaret K., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended $20.30. (2) Various. (3) Taxi fares and telephones. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Taylor, Russell J., United Shoe Workers of America, CIO, 917 Fifteenth Street NW., Washington, D. C. (1) Salary, $80; expenses, $21; hotel, $12. (2) Russell J. Taylor. (3) Legislative representative United Shoe Workers of America, CIO. (4) [Blank.] (5) [Blank.]

Taylor, Tyre, 1112 Dupont Circle Building, Washington, D. C.; National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill. (1) Received $3,000 as one-fourth of adjusted annual retainer by National Association of Retail Grocers. Expenditures as follows: (*a*) Adjusted regular office expense amounting to $920.20; (*b*) traveling expenses, $76.85. (2) (*a*) Landlord, secretary, postage, telephone, etc.; (*b*) Washington taxicab operators. (3) See (1), above. (4) National Grocers Bulletin (published monthly). (5) Repeal of margarine license taxes and other legislation of interest to independent retail food distributors.

Taylor, Tyre, 1112 Dupont Circle Building, Washington, D. C.; Southern States Industrial Council, Nashville, Tenn. (1) Received $4,237.50 as one-fourth of adjusted annual retainer by Southern States Industrial Council. Expenditures as follows: (*a*) Adjusted regular office expense amounting to $417.20; (*b*) research and technical assistance, $1,581.27; (*c*) travel expense, $76.85. (2) (*a*) Landlord, postage, telephone, etc.; (*b*) Henry Bison, Jr., (*c*) Washingodn taxicab operators. (3) See (1), above. (4) Semimonthly News Bulletin of Southern States Industrial Council. (5) The general legislative program of the council, with particular emphasis on legislation favorable to the maintenance of a free-enterprise system.

Teel, Donald, Michigan Associated Businessmen, Inc., 1516 Olds Tower Building, Lansing, Mich. (1) No money received or expended for lobbying. (2) No one. (3) See above. (4) None. (5) Legislation designed to have all business corporations taxed in the same manner and on the same basis.

Temple, Marjorie L., American Association of University Women, 1634 I Street NW., Washington, D. C. (1) Received only salary, approximately half of which is for legislative work. No money paid out. (2) [Blank.] (3) [Blank.] (4) Journal of American Association of University Women (quarterly); General Director's Letter (three or four times

[5] Filed for first quarter 1949.
[6] Filed for second quarter 1949.

yearly as program guide to branch officers). (5) See attached material [4] (legislative program for 1949–51 as voted by convention at Seattle, June 1949).

Terrell, John U., Hotel Congressional, Washington, D. C.; Colorado River Association, 306 West Third Street, Los Angeles, Calif. (1) Received from the Colorado River Association the sum of $6,800. (2) Expended for transportation, hotels, personal living expenses, personal salary, office expenses, and business expenses. (3) Public relations for above organization. (4) All wire services and newspapers serving California. (5) Support House Joint Resolution 3 and Senate Joint Resolution 4; oppose H. R. 934 and S. 75.

Tharin, Whitney, executive secretary, National Potato Council, Inc., 930 F Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Thompson, Chester C., the American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C. (1) Received salary from the American Waterways Operators, Inc., $5,000, covering April, May, and June 1949. (2) Miscellaneous expenses, $75.25. (3) Local transportation and miscellaneous expenses. (4) None. (5) All legislation affecting domestic water carrier and operator industry of the United States.

Thompson, Louis E., Small Business Association of New Jersey, Inc., Box 188, Glen Ridge, N. J. (1) Membership dues, $135; expenditures, approximately $15. (2) Paid for postage, stationery, and stenography. (3) To urge the appointment of a permanent Small Business Committee of the Senate and to distribute to Senators and Congressmen of New Jersey the Proceedings of the National Session of the Conference of American Small Business Organizations to show the policies of government advocated by small business. (4) [Blank.] (5) [Blank.]

Thoré, Eugene M., Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $93.70. (2) Expenditures confined to expenses paid by employee for travel, meals, lodging, and miscellaneous out-of-pocket expenses. (3) See (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life-insurance policyholders and annuitants.

Thornton, Daniel C., Foreman's Association of America, 1627 Barlom Tower, Detroit, Mich. (1) $300 received and used to cover actual personal expense such as food, lodging, transportation, and compensation for actual wages lost. (2) [Blank.] (3) [Blank.] (4) None. (5) Supporting legislation favorable to giving the supervisors of America protection for the purpose of bargaining collectively.

Tilden, Richard A., 501 Madison Avenue, New York, N. Y.; California Citrus Producers Association, Inc., Post Office Box 731, Redlands, Calif. (1) Total received was $256.11 as an advance to cover out-of-pocket expenses. Such expenses amounted to $189.97. (2) Various. (3) Travel, hotels, meals, etc. (4) None. (5) No particular legislation; anything which might affect the California citrus industry.

Tilden, Richard A., 501 Madison Avenue, New York, N. Y.; Clothespin Manufacturers of America, 839 Seventeenth Street NW., Washington, D. C. (1) Total received for professional services was $2,379.11 and as reimbursement for out-of-pocket expenses $106.83. Not more than 10 percent of such amounts—approximately $250 for fees and $40 for expenses—is applicable to work subject to the Lobbying Act. (2) Full amount received for professional services was retained by me. Amounts received for reimbursement for out-of-pocket expenses were previously expended for travel, hotel, meal, etc., expenses. (3) See above. (4) None. (5) Reciprocal Trade Agreement Act extension.

Tinney, William H., the Pennsylvania Railroad Co., 211 Southern Building, Fifteenth Street and H Streets NW., Washington, D. C. (1) Salary, $558.31 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation; $171.30 was expended by me as expense money, during the second quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. In addition to this, I also received $399.80 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co. which have no relation to the purposes covered by this act. (2) Various transportation companies, restaurants, garages, communication companies, etc. (3) $171.30 was expended by me as expense money, during the second quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of the Pennsylvania Railroad Co.

Tobin, Fred A., 821 Fifteenth Street NW., Washington, D. C.; International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers Union of America, 222 East Michigan Street, Indianapolis, Ind. (1) My salary is $1,250 per month or $3,750 for the quarter year. I do not incur any expenses in performance of legislature work. (2) Fred A. Tobin. (3) I am an attorney representing the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers Union and its affiliated locals before the Interstate Commerce Commission and the National Labor Relations Board. I am the liaison representative between various Government agencies and international union and the affiliated locals. The above includes general services of a nonlegislative nature pertaining to business and operation of International Brotherhood of Teamsters and its affiliated locals; also for part-time services in connection with legislation, both Federal and State, for the International Brotherhood of Teamsters and its affiliated locals. (4) [Blank.] (5) Legislation, Federal and State, which may affect the interests of the International Brotherhood of Teamsters and its affiliated locals, particularly in the field of labor law.

Tobler, H. Willis, National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Expended $35.85. (2) Taxicabs. (3) Taxi fares. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Todd,[5] John H., 1037 Woodward Building, Washington, D. C; National Cotton Compress and Cotton Warehouse Association, 586 Shrine Building, Memphis, Tenn. (1) None for purposes covered by the act other than expenses (such as taxi fares, telephone and telegraph, mimeographing expenses, and postage) reimbursed by National Cotton Compress and Cotton Warehouse Association, which are included in its quarterly reports on Form A. (2) Same as (1) above. (3) Same as (1) above. (4) The Cotton Trade Journal. The Cotton Digest. (5) No specific legislation.

Tolman, Neil, 1025 Connecticut Avenue, Washington, D. C.; Phillips Chemical Co., Bartlesville, Okla. (1) Received on account for purposes covered in the act, compensation and expenses in the amount of $1,500 during the calendar quarter, April, May, and June, for services as Washington attorney for Phillips Chemical Co. Approximately $300 of this amount was used for expenses. (2) Paid to hotels, various restaurants, taxicabs, and automobiles, telephone calls, and postage. (3) In furtherance of the duties described in Registration Form B, of which personal legislative activity is not a principal activity in my profession but is occasional and incidental. (4) None. (5) Legislation affecting fertilizer industry, especially as it pertains to Phillips Chemical Co.

Tool Owners Union, Inc., 1802 Massachusetts Avenue, Lexington, Mass. (1) See attached schedule.[4] (2) See attached schedule.[4] (3) See attached schedule.[4] (4) See attached news clipping reprints and program for progress Nos. 2 and 3 of volume 3.[4] No specific legislation.

Townsend, R. M., Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Total reimbursable expenses in connection with general work done for the Mississippi Valley Association. All reimbursed by Association, $513. (2) Railroads, air lines, etc., $112; hotels and miscellaneous, $401. (3) Travel, subsistence, and incidentals. (4) None. (5) A portion of R. M. Townsend's time was used in regard to legislation relating to river and harbor maintenance and improvement; the American merchant marine; soil conservation; flood control; regulation of domestic transportation.

Townsend, Wallace, 306–311 Commercial National Bank Building, Little Rock, Ark., Southwestern Gas & Electric Co., Shreveport, La. (1) April 12, 1949, $1,200, of which $200 was expenses; May 12, 1949, $200 salary; June 12, 1949, $200 salary. (2) I did not pay out any of this money to anybody. The $200 expenses represents actual expenses of a trip to Washington in the latter part of March 1949. (3) Not all of this money was paid to me for any lobbying services. As I explained in my registration, I am regularly employed by the company as an attorney and represent it in different capacities. (4) None. (5) I appeared before the House Subcommittee on Appropriations in opposition to the proposed appropriation for the Southwestern Power Administration.

Troester, Carl A., Jr., American Association for Health, Physical Education, and Recreation, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,750, which covers both legislative and nonlegislative business. Received for legislative service (5 percent of time), $87.50. (2) Self (salary and expenses). (3) Salary, lunches, transportation, tips. (4) The Journal of the American Association for Health, Physical Education, and Recreation. (5) To support or oppose any and all legislation designed to strengthen public education, especially school health, physical education, and recreation.

Truitt, Paul T., National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C. (1) $312.21. (2) Various persons. (3) Taxies, carfare, luncheons, etc. (4) None. (5) Any margarine legislation.

Turner, Harold J., Spokane, Portland & Seattle Railway Co., Southern Pacific Co., and Union Pacific Railroad Co., 325 Henry Building, Portland, Oreg. (1) None on Federal legislation. (2) [Blank.] (3) [Blank.] (4) None. (5) Not employed to support or oppose any particular proposed Federal legislation. See statement A to my registration, Form B.

Turner, Philip C., Food Producers Council, Inc., Equitable Building, 10 North Calvert Street, Baltimore, Md. (1) April 1949, monthly salary $226.50 net. May 4, 1949, April expenses, $37.56. May 1949, monthly salary $226.50 net. May 31, 1949, May expenses, $63.12. June 1949, monthly salary $226.50 net. June 29, 1949, June expenses, $35.34. (2) Hotels meals, and transportation. (3) Necessary expenses pertaining to travel. (4) None. (5) Taft-Hartley law.

Uhl,[5] Mrs. Gladys, American Parents Committee, 132 Third Street SE., Washington, D. C. (1) Received, $19.85; expended $19.85. (2) Various. (3) Miscellaneous expense. (4) School Management and Parents' Magazine.

[4] Not printed. Filed in the Clerk's office.

[5] Filed with clerk only.

[4] Not printed. Filed in the clerk's office.

[5] Filed with the Clerk only.

(5) National child research bill, pediatrics education bill, National School Health Services Act, public-school survey and construction bill, National Science Foundation, appropriations for United States Children's Bureau, Federal aid to education.

Urheim, Bernard E., the American Retail Coal Association, 858 First National Bank Building, Chicago, Ill. (1) $625, the proportion of salary chargeable to activities within the scope of the Lobbying Act, and $500 travel expense, paid as employer of registrant. (2) Registrant. (3) Salary and expense. (4) None. (5) Revision of Fair Labor Standards Act.

Van Antwerp, Garet, III, 354 St. Francis Street, Mobile, Ala.; C. Jasper Bell as an associate attorney, 904 Bryant Building, Kansas City, Mo. (1) Received $590.34 from C. Jasper Bell. (2) $418.62 paid to Hotel Washington, $171.72 paid to various individuals in small amounts, covering meals, fares, tips, etc. (3) Personal expense while engaged in work in Washington, D. C., in connection with the claim of George A. Carden and Anderson T. Herd against the United States. (4) None. (5) H. R. 4064, a bill conferring jurisdiction upon the Court of Claims of the United States to render judgment in certain claims of George A. Carden and Anderson T. Herd against the United States.

Van Arnum, John R., National League of Wholesale Fresh Fruit and Vegetable Distributors, 512 F Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Van Nostrand, George C., American Airlines, 1437 K Street NW., Washington, D. C. (1) As assistant vice president of American Airlines, on a permanent basis, I received a monthly salary of $1,100, or $3,300 for the quarter for all of my activities. Approximately 2 weeks was devoted to legislation and $12.40 was expended. (2) Taxi drivers. (3) Transportation. (4) None. (5) Legislation affecting air transportation.

Van Osdol, Paul, Jr., Missouri-Kansas Businessmen's Association, Inc., 1210 Waltower Building, Kansas City, Mo. (1) None. (2) No one. (3) None. (4) None. (5) None.

Vaughan, Wales, 1730 K Street NW., Washington, D. C.; Veterans Organizations Council of Altadena, 2302 North Lake Avenue, Altadena, Calif. (1) Money received, $2,080; money expended, $2,080. (2) Wales Vaughan: salary, $975; living expenses, $565; Hotel Congressional, $540 (Vaughan's hotel expenses). (3) Vaughan's salary, living expenses, and hotel accommodations. (4) None. (5) H. R. 1324 and S. 616: Veterans' Home Loan Act of 1949.

Vernor, Weston, Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1). Proposed Federal tax legislation affecting the interests of the Chase National Bank of the City of New York.

Vernon, Weston, Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1). Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

Versen, Albert F., Missouri Valley Chapter, National Association of Refrigerated Warehouses, 508 Security Building, St. Louis, Mo. (1) See statement attached.[4] (2) See statement attached.[4] (3) See statement attached.[4] (4) None. (5) None, excepting disapproval of waste of Federal funds for erection of refrigerated warehouses already adequate to supply needs (H. R. 2682, S. 900). Also, to request clarification of law covering overtime on overtime (S. 336).

Versen, Albert F., St. Louis Local Meat Packer Association, 508 Security Building, St. Louis, Mo. (1) See statement attached.[4] (2) See statement attached.[4] (3) See statement attached.[4] (4) None. (5) None at present.

Viles, A. L., Rubber Manufacturers' Association, 444 Madison Avenue, New York, N. Y. (1) During the quarter ended June 30, 1949, I directed to be printed and mailed to all Congressmen a brief arguing the reduction of excise taxes on tires, at a cost of $96; and a brief pointing out the rubber footwear industry's fears of reduced tariffs, at a cost of $624.16. (2) Haimes Litho Laboratories, Washington, D. C. (3) To acquaint Congress on the tire industry's arguments on the elimination or reduction of excise taxes on tires and tubes, and the footwear industry's views on the possible effects of low tariffs on their markets. (4) [Blank.] (5) [Blank.]

Virkus,[5] Frederick A., Conference of American Small Business Organizations, Inc., 407 South Dearborn Street, Chicago, Ill. (1) Compensation, $3,000; expense, $755.08. (2) Pennsylvania Railroad, B. & O. Railroad, Wardman Park Hotel, taxi drivers, telephone company, telegraph company. (3) Expenses, primarily travel, some miscellaneous. (4) [Blank.] (5) Legislation or proposed legislation affecting small business.

Virkus,[5] Frederick A., Conference of American Small Business Organizations, Inc., 407 South Dearborn Street, Chicago, Ill. (1) Compensation, $3,000; expense, $260.78. (2) American Air Lines, Wardman Park Hotel, taxi drivers, telephone company, telegraph company. (3) Expenses, primarily travel, some miscellaneous. (4) [Blank.] (5) Legislation or proposed legislation affecting small business.

Vitrified China Association, Inc.,[5] 312 Shoreham Building, Washington, D. C. (1) No activities covered by the act. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Voorhis,[5] H. Jerry, the Cooperative League of the United States of America, 343 South Dearborn Street, Chicago, Ill. (1) No funds were spent during the quarter ending April 1, 1949, by me or on my behalf in connection with activities covered by the Lobbying Act. (2) None. (3) None. (4) [Blank.] (5) [Blank.]

Voorhis,[6] H. Jerry, 343 South Dearborn Street, Chicago, Ill. (1) $160.78 for two round-trip airplane fares, Chicago to Washington; $6 for hotel room; $9.20 for meals to the two trips; $12.20 for taxicab fares to and from airports and elsewhere. (2) United and Capital Airlines; restaurants; Hotel Washington; taxicab drivers. (3 To testify before two congressional committees on health legislation (4) The Information Letter of the Cooperative Health Federation of America. (5) I am not employed to support or oppose any particular legislation. I am employed as secretary of the Cooperative League of the United States, which organization has as its purpose the promotion of voluntary cooperative enterprises in the United States and informing the people about them. It is, however, regarded as an incidental part of this work that I be free to express my own opinion and that of groups of people who otherwise would not be heard on legislation affecting the general public welfare, the opportunity of the people freely to engage voluntarily in worth-while endeavors of an economic or social nature.

Walker,[7] Horace, District of Columbia Pharmaceutical Assn., 913 Union Trust Bldg., Washington, D. C. (1) $300 per month as executive secretary; no expenditures. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) None.

Walker, Horace, Marine Trade Association, 913 Union Trust Bldg., Washington, D. C. (1) $150 per month as executive secretary; no expenditures. $127.50 per month from advertising in the Masthead (monthly publication). (2) [Blank.] (3) [Blank.] (4) The Masthead, trade publication only, printed monthly. Boating column, Washington Post. (5) None.

Walker, Jimmie, (voluntary) Mississippi Associated Businessmen, Inc., 305-306 Millsaps Building, Jackson, Miss. (1) None. (2) No one. (3) None. (4) None. (5) Tax equality among all business.

Waller, Theodore, 132 Third Street SE., Washington, D. C.; United World Federalists, Inc., 7 East Twelfth Street, New York, N. Y. (1) Received from United World Federalists, Inc., for salary, $1,875; for travel expenses, $940.97; for expenses at Washington, D. C., $135.85. (2) See (1). (3) See (1). (4) World Government News. (5) Any legislation designed to strengthen the United Nations.

Walter, Stephen M., National Association of Electric Cos., 1200 Eighteenth Street NW., Washington, D. C. (1 Received salary of $6,625.02 as an employee of the National Association of Electric Cos., and reimbursements of $1,569.79 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses were for those purposes described in section 308 (a) or otherwise within the scope of Public Law No. 601, Seventy-ninth Congress. (2) Various hotels, restaurants, taxicab companies, telephone and telegraph companies, book stores, and stationers. (3) Transportation, $247.70; hotels, $596.74; meals, $416.65; telephone and telegraph, $47; publications, $28.05; miscellaneous, $233.65. (4) [Blank.] (5) One of the purposes and activities of the National Association of Electric Cos., of which I am an employee, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association therefore is interested in legislation that might affect its members as going business concerns.

Walters, Thomas G., Government Employees' Council, A. F. of L., 900 F Street NW., Washington, D. C. (1) As operations director, receives a monthly salary $630, minus withholding tax and social-security tax—expended for personal living expenses. (2) Thomas G. Walters. (3) Salary received and expended for personal services as operations director of council—lobbying is minor and incidental. (4) Washington newspapers, international union publications, weekly council bulletins for the dissemination of organizational news, including legislation. (5) Favorable to Federal Government employees and opposition to adverse legislation.

Warfield, Ethelbert, (Report as attorney for American General Corp.), 49 Wall Street, New York, N. Y.; American General Corp., 1 Exchange Place, Jersey City, N. J. (1) No receipts or expenditures during said period. (2) No expenditures. (3) No expenditures. (4) None. (5) To oppose bills similar to S. 829 and H. R. 3351 (80th Cong.).

Warfield, Ethelbert, 49 Wall Street, New York N. Y.; National Postal Committee For Books, 62 West Forty-Seventh Street, New York, N. Y. (1) Receipts: $1,938.01 for legal disbursements as counsel (current and past) received by firm of Satterlee, Warfield & Stephens. Expenditures: Pennsylvania Railroad $59.86; American Airlines, $15.41; Hotel Carlton, $57.89; Metropolitan Club (meals), $26.30; other travel expenses, $148.08; telephone calls, $170.28; postage, $7.99; telegrams, $9.99; Stenographic & Translation Bureau, $69.11; Alderson Reporting Co., $161.85. (2) Travel expenses paid to Pennsylvania Railroad, Hotel Carlton and various restaurants and taxicab companies; telephone charges paid to various telephone companies, postage to United States Post Office; telegrams to Western Union. See also answer to question 1. (3) For the purposes above indicated.

[4] Not printed. Filed in the Clerk's office.

[5] Filed for first quarter, 1949.

[6] Filed for second quarter, 1949.

[7] Filed with the Secretary only.

[8] Filed with the Clerk only.

Payment to Stenographic & Translation Bureau was for mimeographing statements of witnesses to congressional committees; payment to Alderson Reporting Co. was for transcripts of testimony before committees. (4) None. (5) Legislation relating to postage rates on books.

Warner,[3] Milo J., 1631 Nicholas Building, Toledo, Ohio. (1) See exhibit No. 1 attached.[11] (2) See exhibit No. 1 attached.[11] (3) See exhibit Nos. 1 and 2.[11] (4) None. (5) See exhibit No. 2.[11]

Washington Taxpayers Association, 1830 Jefferson Place NW, Washington, D. C. (1) Moneys received, contributions from members of the association (none over $500), $1,221.50. Moneys expended, $867.32. Registrant devotes only part of his time and efforts to association affairs. Of his time and efforts so devoted, not more than 10 percent are applied to legislative activities, therefore the sum of $45 is allocated to those purposes. (2) Rufus S. Lusk in the form of management fee, or in reimbursement of amounts expended by him for the association. (3) Rent, clerical services, telephones, etc. (4) The following are names of papers, magazines, periodicals, etc., to which news releases have been sent. Registrant has no information as to the utilization of this material: Washington Evening Star, Washington Times-Herald, Washington Post, Washington Daily News. (5) Any legislation concerning District of Columbia taxation, appropriations, and the efficient and economical operation of the District government.

Watson, J. R., Mississippi Railroad Association, Illinois Central Railroad passenger station, Jackson, Miss. (1) No reportable receipts and expenditures. (No segregation of salary as between principal employment and possible incidental concern with matters of Federal legislation. The registrant is of the opinion that his activities for the period covered by this report do not fall within the scope of the Lobbying Act.) (2) None. (3) None. (4) None. (5) Annual employment, primarily for services not related to Federal legislation. Matters of Federal legislation are other and different from and only incidental to principal employment and purpose, but as an incident thereto, legislation pertaining to railroads in Mississippi. None within the perod covered by ths report.

Watson, Robert, attorney at law, Tower Building, Washington, D. C.; the American Humane Association, 135 Washington Avenue, Albany, N. Y. (1) Received $1,000. No expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) S. 1703.

Waybur, Bruce, 1000 Eleventh Street NW, Washington, D. C.; United Electrical, Radio and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y. (1) Salary, $1,060; expenses, $130. (2) Hotels, railroads, restaurants, cab drivers, etc. (3) Personal expenses in Washington and travel. These expenses cover both legislative and nonlegislative activity. (4) UE News. (5) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare. Oppose legislation detrimental to these objectives.

Weathersby, Newton Patrick, District No. 44, International Association of Machinists, room 303, Machinists Building, Washington, D. C. (1) Salary, $1,000; $20 legislative expenses during quarter. (2) Taxi drivers and operators of eating and refreshment places. (3) Lobbying: i. e., supporting or opposing, as the case may be, legislation affecting working conditions of Government employees and incidentally organized labor in general. Not more than 15 percent of time spent on this work. (4) [Blank.] (5) All legislation affecting working conditions of Government employees and occasionally organized labor in general.

Webb, Leland D., Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) Nothing received except salary and expenses, no part of which was paid for activities covered by Public Law 601, Seventy-ninth Congress. No expenditures. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Webb, William H., 1720 M Street NW., Washington, D. C.; Big Sandy Valley Association, Inc., 1010 Second National Bank Building, Ashland, Ky. (1) Received $50 on May 26, 1949, covering retainer fee for the month of May 1949. Expended nothing. (2) Amount indicated above paid to William H. Webb. Nothing paid by him to anyone. (3) As retainer fee. (4) None. (5) Legislation authorizing improvement of the Big Sandy River, Tug and Levisa Forks, Ky. and W. Va., as recommended by the Army engineers.

Webb, William H., Robert F. Klepinger, 1720 M Street NW., Washington, D. C. (1) None. (2) No one. (3) [Blank.] (4) None in this connection. (5) Legislation to restore certain funds seized under the Trading With the Enemy Act, as amended.

Webb, William H., National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C. (1) See attached schedule.[4] (2) Various individuals, corporations, and organizations, as indicated on attached schedule. (3) As indicated in attached schedule, and for miscellaneous office, personal and traveling expenses. (4) Waterways, Waterways Journal, and the Workboat. (5) All laws and regulations needed to promote the maintenance and improvement of waterways, the development and protection of water transportation, etc.

Weingarten, J. W., 1004 Farnam Street, Omaha, Nebr.; Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill. (1) No money received or expended by me during the quarter ending June 30, 1949, on account of lobbying activities. I received my regular monthly compensation described in last report for the duties of my office, but neither received nor expended any money in connection with any lobbying activity. (2) None. (3) None. (4) None. (5) Legislation affecting railroad business.

Weishaar, Wayne, Aeronautical Training Society, 1025 Connecticut Avenue, Washington, D. C. (1) Received quarterly salary of $2,666.67 and expended $14.70. The registrant has been and still is of the opinion that the Federal regulation of the Lobbying Act does not require the filing of these reports, inasmuch as seeking to influence legislation is a minor and incidental part of his activities as secretary of the Aeronautical Training Society and not his principal purpose or activity within the meaning of the act. The filing of these reports does not constitute an admission on his part or on that of the Aeronautical Training Society that his activities fall within the purview of this statute. (2) (a) Taxis, $3.20; (b) Harvey's Restaurant, $8.25; (c) Senate Restaurant, $3.25. (3) (b) and (c) luncheon. (4) None. (5) 1. Supported right of veteran to elect aviation courses for vocational purposes under GI bill. Supported H. R. 2962, H. R. 2903, H. R. 3204, S. 940, and Thomas amendment to H. R. 4177 (independent offices appropriation bill) spelling out right of a veteran to elect flight or related aviation courses on his certificate that such training would be used in connection with his present or contemplated business or occupation. 2. Advocated bills that State departments of education should be empowered to conduct hearings and to adjudicate complaints of Veterans' Administration as to adequacy of instruction. Supported H. R. 1966, H. R. 3264, H. R. 5311, and S. 1150. Opposed H. R. 121, H. R. 2042, and S. 1575. 3. Supported establishment of aerial star (mail) routes. H. R. 3842 and S. 1597.

Welliver, Edward M., American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary as shown in his registration. He expended a total of $79. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate Office Buildings, and to clerks and cashiers for lunches at restaurants. (3) The money paid taxi drivers was for transportation to and from my office as indicated in (2). (4) None. (5) Any legislation affecting the trucking industry.

Welch, Don (Chicago, Rock Island & Pacific Railway Co.), Post Office Box 231, Madill, Okla.; see original declaration. (1) My salary as shown in my original declaration and the sum of $343 as traveling expenses as stated below. (2) To various persons for traveling expenses on trip from Madill, Okla., to Washington, D. C., and return, between May 29, 1949, and June 6, 1949, and from June 27, 1949, to June 30, 1949. (3) For traveling expenses only. (4) None. (5) S. 238 and H. R. 378.

Welsh, William E., National Reclamation Association 1119 National Press Building, Washington, D. C. (1) Did not assume office until May 15, 1949. Schedules I[4] and II[4] show moneys received and expended during first quarter of calendar year. (2) See attached Schedule II.[4] (3) See attached Schedule II.[4] (4) National Reclamation Association Bulletin (see enclosure[4]). (5) Amendment to the Reclamation Project Act of 1939 and any other legislation affecting resources of the 17 Western States (see sec. 3, purposes, first page, our constitution, enclosed in first quarterly report[4]).

Wenchel, Tannenbaum & Nunan, 1625 K Street NW., Washington, D. C.; David Rosenthal, Scarsdale, N. Y., and Henry Kalman, New Rochelle, N. Y., through their counsel, Brozen & Holman, 25 Broadway, New York, N. Y. (1) None. (2) No funds expended. (3) See answer to (2). (4) None. (5) To support changes in the Internal Revenue Code with respect to family partnerships.

Wheeler, Burton K., 704 Southern Building, Washington, D. C.; Jacob Neubauer, Billings, Mont. (1) No contributions received this quarter; incidental expenses for taxi fares, $3.05. (2) See above. (3) See above. (4) None. (5) To support the enactment of appropriate legislation to assist Mr. Neubauer, now residing in Montana, in the immigration of relatives from Germany.

Wheeler, Burton K., 704 Southern Building, Washington, D. C.; a group of farmers in Teton County, Mont., through Mr. Emil Schultz, of Dutton, Mont., one of the group. (1) No contributions received this quarter; incidental expenses for taxi fares, $3.05. (2) See above. (3) See above. (4) None. (5) To support the enactment of appropriate legislation which may provide relief for farmers whose insurance policies were cancelled by the Federal Crop Insurance Corporation. No further activity is contemplated with respect to this matter.

Wheeler, Edward K., 704 Southern Building, Commercial Pacific Cable Co., 67 Broad Street, New York, N. Y. (1) The Commercial Cable Co. of New York, has retained Edward K. Wheeler for a remuneration of $750 per month, to act as special Washington representative and to assist the company in the collection of war-damage claims. The nature of the employment necessarily involves conferences with the Navy Department, the State Department, and other agencies, and, incidental thereto, support of the enactment of appropriate legislation which may be of

[3] Filed with the Secretary only.

[11] Not printed. Filed in the Secretary's office.

[4] Not printed. Filed in the Clerk's office.

[4] Not printed. Filed in the Clerk's office.

assistance to the company. Incidental expenses for taxi fares, $11.20. (2) See (1). (3) See (1). (4) None. (5) To support the enactment of appropriate legislation to assist the company in the collection of war-damage claims.

Whitaker, Clem, national education campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill. (1) $4,653.36 for services and $1,721.64 as reimbursement for personal expenses. (See the attached statement [4] which is hereby made a part of this report and a part of the answer under such paragraph hereof.) Harrison Restaurant, Purtill Bros., the Borden Co., La Salle Hotel, R. N. Cowham, the Palmer House, Mrs. G. McStay Jackson, Edward Miller, Utility Supply Co., Carson Pirie Scott, Marshall Field & Co., Sudler & Co., N. Dolan, all of Chicago, Ill., and to the Biltmore Hotel, Los Angeles, Calif., and to the Pennsylvania Railroad and to United Airlines and to miscellaneous others in nominal amounts. (3) To Harrison Restaurant, food, $41.04; to Purtill Bros. food, $22.93; to the Borden Co., food, $2.81; to La Salle Hotel, food, $2.62; to R. N. Cowham, rent, $112.50; to Palmer House, food and rent, $794.31; to Mrs. G. McStay Jackson, equipment, $50; to Edward Miller, services, $25.10; to Utility Supply Co., equipment, $9.47; to Carson Pirie Scott, equipment, $12.74; to Marshall Field & Co., equipment, $58.01; to Sudler & Co., rent, $112.50; to N. Dolan, services, $100; to Biltmore Hotel, travel expenses, $1.64; to Pennsylvania Railroad, travel expenses, $42.64; to United Air Lines, travel expenses, $92.39; to miscellaneous, others in nominal amounts, travel expenses, $240.94. (4) None. (5) Any legislation for compulsory health insurance.

Whitaker, Leone Baxter, national education campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill. (1) $4,653.39 for services and $1,721.61 as reimbursement for personal expenses. (See the attached statement [4] which is hereby made a part of this report and a part of the answer under each paragraph hereof.) (2) Harrison Restaurant, Purtill Bros., the Borden Co., La Salle Hotel, R. N. Cowham, the Palmer House, Mrs. G. McStay Jackson, Edward Miller, Utility Supply Co., Carson Pirie Scott, Marshall Field & Co., Sudler & Co., N. Dolan, all of Chicago, Ill., and to the Biltmore Hotel, Los Angeles, Calif., and to the Pennsylvania Railroad and to United Airlines and to miscellaneous others in nominal amounts. (3) To Harrison Restaurant food, $41.04; to Purtill Bros., food, $22.92; to the Borden Co., food, $2.81; to La Salle Hotel, food, $2.62; to R. N. Cowham rent, $112.50; to Palmer House, food and rent, $794.31; to Mrs. G. McStay Jackson, equipment, $50; to Edward Miller, services, $25.10; to Utility Supply Co., equipment, $9.47; to Carson Pirie Scott, equipment, $12.73; to Marshall Field & Co., equipment, $58.01; to Sudler & Co., rent, $112.50; to N. Dolan, services, $100; to Biltmore Hotel, travel expenses, $1.64, to Pennsylvania Railroad, travel expenses, $42.63; to United Air Lines, travel expenses, $92.39; to miscellaneous others in nominal amounts for travel expenses, $240.94. (4) None. (5) Any legislation for compulsory health insurance.

White, John C., care of Fulbright, Crooker, Freeman & White, 838 Transportation Building, Washington, D. C.; American Cotton Shippers Association, Cotton Exchange Building, Memphis, Tenn. (1) No expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Reports have been given on legislation affecting the merchandising and exportation of cotton. The association has supported extension of Reciprocal Trade Agreements Act and the ECA authorization and appropriation legislation and S 1570.

White, Richard P., American Association of Nurserymen, Inc., 635–636 Southern Building, Washington, D. C. (1) Receipts of salary, $2,874.96; expenses reimbursed by employers, $374.34. (2) Expenses paid to various air lines, railroads, hotels, clubs, restaurants, taxis, associations, etc. (3) Attending meetings of association committees, local associations, and payment for miscellaneous publications. (4) [Blank.] (5) Any legislation affecting the nursery industry.

Whitehall, Albert V., 1834 K Street NW., Washington, D. C.; American Hospital Association, 18 East Division Street, Chicago, Ill. (1) Quarterly salary, $2,374.98; reimbursement of travel expenses, $822.89. (2) Various air lines, railroads, hotels, and recipients of miscellaneous amounts for taxicabs, meals, and similar necessary expenses. (3) Necessary traveling expenses as indicated. (4) Hospitals, the official journal of the American Hospital Association; trustee, the journal for members of hospital governing boards. (5) Legislation which might affect the quality of hospital service to the people of this country.

Whitlock, Douglas, partner of law firm, Sanders, Gravelle, Whitlock & Howrey, Building Products Institute, 1032 Shoreham Building, Washington, D. C. (1) From the Building Products Institute, Washington, D. C.: Total fee, $4,500, allocated $1,500 to legislative and $3,000 to legal and administrative; total expense, $20.75, allocated $14.65 to legal and administrative and $6.10 to legislative. (2) Telephone and cabs: Legal, $14.65; legislative, $6.10. (3) As indicated by items above. (4) None. (5) All legislation which may affect the producers of building materials.

Whyte, Louis E., Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C. (1) Salary, $483.33 (allocated); this salary also shown in report of the Independent Natural Gas Association of America. (2) No expenditures. (3) None. (4) Regular natural-gas news publications. (5) Any legislation concerning natural gas, we observe and make reports to members.

Wickenden, Elizabeth, 522 Transportation Building, Washington, D. C.; American Public Welfare Association, 1313 East Sixtieth Street, Chicago, Ill. (1) $1,200 (part time) salary received. (2) None. (3) [Blank.] (4) APWA letter to members. (5) Any legislation affecting public-welfare administration.

Wilkinson, Ernest L.; Goodwin, Francis M.; and Wilkinson, Glen A.; 744 Jackson Place NW., Washington, D. C.; Klamath Tribe of Indians of Oregon, Klamath Agency, Oregon. (1) Received $1,250 for legal services, a small portion of which is allocable to legislative activities. Expended $149.08 as follows: Telephone and telegraph, $130.26; stenographic overtime, $8.25; petty cash, $10.57. (2) See (1). (3) See (1). (4) None. (5) Opposing S. 186, S. 188, S. 764, S. 765, S. 766, H. R. 1537, and H. R. 2724.

Wilkinson, Ernest L.; Goodwin, Francis M.; and Wilkinson, Glen A.; 744 Jackson Place NW., Washington, D. C. Menominee Tribe of Indians of Wisconsin, Keshena, Wis. (1) Received $997.50 for legal services, a small portion of which is allocable to legislative work. Expended $17.36 as follows: Telegraph, $4.43; stenographic overtime, $3.75; petty cash, $9.18. (2) See (1). (3) See (1). (4) None. (5) Supporting S. 691, S. 1207, H. R. 1921, H. R. 1926, and H. R. 3396; opposing S. 186 and H. R. 2724.

Wilkerson, Ernest L., and Wilkerson, Glen A.; 744 Jackson Place NW., Washington, D. C., Radio Service Corporation of Utah, 10 South Main Street, Salt Lake City, Utah. (1) Received no money. Expended $11.77. (2) See (1). (3) See (1). (4) None. (5) Opposing S. 491 and H. R. 4004.

Willard, A. D., Jr., National Association of Broadcasters, 1771 N Street NW., Washington, D. C. (1) $6,250 received for services as executive vice president of the National Association of Broadcasters for the quarter ending June 30, 1949. $2,253.15 received as reimbursement for business expenses for same period. (2) Various air lines, railroads, taxi companies, communication companies, hotels, and restaurants, etc. (3) The amounts set forth above were received and/or expended in carrying out my normal duties as executive vice president, acting as administrative officer at the headquarters of the National Association of Broadcasters, only a small part of which duties directly or indirectly involve Federal legislation. None of this money was received or expended for the specific purpose of attempting to influence the passage or defeat of any Federal legislation. (4) None. Miscellaneous information is furnished to members through weekly bulletin. (5) None. I am interested in any legislation, Federal or State, which may affect the radio-broadcasting industry.

Willenbucher, Franz Otto, Retired Officers Association, 1600 Twentieth Street NW., Washington, D. C. (1) Received $1,650 as salary and $29.50 as expenses for transportation. No part of this sum was received specifically for the purpose of attempting to influence legislative action. (2) Expended, nothing. (3) See (1) above. (4) Retired Officers Association bulletin. (5) Legislation affecting retired officers, warrant officers, and nurses of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

Williamson,[3] C. J. S., California State Chamber of Commerce, 901 Shoreham Building, Washington, D. C. (1) Salary at the rate of $8,000 or $2,000. Washington expense allowance at the rate of $1,800 or $450. (2) [Blank.] (3) During the first quarter of 1949 none of my activities fell within the provisions of title III, Public Law 601, Seventy-ninth Congress. (4) [Blank.] (5) [Blank.]

Williamson, John C., Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $541.67 per month as salary minus social security and withholding taxes; $64.65 as expenses for transportation and luncheons in connection with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative Newsletter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration and naturalization, the combatting of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolution adopted by the national encampment and the national council of administration.

Wilson, E Raymond, Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C. (1) Gross salary, April, May, and June, $1,625; travel expense, $276.02. (2) Various. (3) Travel is for the purpose of attending yearly meetings, quarterly meetings, conferences of Friends and other groups to interpret developments in national and international policy, with special reference to legislation, and for other committee business. (4) A newsletter is sent to a limited number of subscribers and Friends about once a month. (5) Working for legislation including the admission of displaced persons, relief of Arab refugees, programs of relief and recovery, Federal aid to education, extension of civil rights, and more support of the United Nations and its specialized agencies. Opposition to conscription, the militarization of America, the Atlantic Pact and the shipment of arms abroad.

Wilson, Eugene E., Aircraft Industries Association of America, Inc., 610 Shoreham

[4] Not printed. Filed in Clerk's office.

[3] Filed with the Secretary only.

Building, Washington, D. C. (1) None. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Wilson, Everett B., Jr., Association of Sugar Producers of Puerto Rico, Shoreham Building, Washington, D. C. (1) $750 monthly from Association of Sugar Producers of Puerto Rico, but not for principal purpose of influencing legislation, which is a minor part of my activities. (2) None for purpose of influencing legislation. (3) None. (4) Newspapers in Puerto Rico only. (5) None.

Wilson, Frank E., 1635 Casitas Avenue, Pasadena, Calif., American ex-Prisoners of War, 909 Fourth Avenue, Seattle, Wash., American Internee Committee, 1635 Casitas Avenue, Pasadena, Calif. (1) None. (2) [Blank.] (3) [Blank.] (4) The XPW Bulletin for the American ex-Prisoners of War. (5) Seek rehabilitation for American civilian ex-prisoners of war, and deficiency food allowance for the military ex-POW's under the Geneva Convention—from enemy assets—not from American taxpayers' money.

Wilson, J. B., Wyoming Wool Growers Association, McKinley, Wyo. (1) Wyoming Wool Growers Association, McKinley, Wyo., paid salary, $1,500. Expenses paid by National Wool Growers Association, $1,237.18. (2) J. B. Wilson, whose principal employment is as secretary of the Wyoming Wool Growers Association. Lobbying for or against legislation is a part of his duty, but not his principal occupation and for which he receives no additional compensation. His expenses, however, are paid by the National Wool Growers Association as a member of their legislative committee. (3) Incidental expenses. (4) J. B. Wilson is secretary of the Wyoming Wool Growers Association and editor of the Wyoming Wool Grower, a semimonthly publication, published by the Wyoming Wool Growers Association for its members. (5) To support any legislation affecting woolgrowing industry, including wool bills, support-price legislation, tariff, public land legislation, etc.

Wingert, E. L., 1 West Main Street, Madison, Wis.; Wisconsin State Chamber of Commerce, 119 Monona Avenue, Madison, Wis. (1) Received my share of retainer fee paid my firm for general services as legal counsel for Wisconsin State Chamber of Commerce, involving mainly services unrelated to Federal legislation. Aside from that, received nothing for use in influencing Federal legislation; and expended nothing for that purpose. (2) [Blank.] (3) [Blank.] (4) None. (5) Such legislation affecting business and industry generally as I may be instructed to give attention to from time to time.

Winn, Arthur L., National Independent Meat Packers Association, Investment Building, Washington, D. C. (1) LaRoe, Brown & Winn, law firm, received from the National Independent Meat Packers Association, $4,500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) H. R. 2157, H. R. 3020, H. R. 3997, H. R. 4538, H. R. 4016, H. R. 4485, H. R. 3997; S. 1594, S. 1721, S. 1971.

Winter, Everett T., 719 Omaha National Bank Building, Omaha, Nebr.; Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Total reimbursable expenses in connection with legislative matters, $478.85, all reimbursed by Mississippi Valley Association. (2) Hotel and miscellaneous, $398.14; mileage, one-way, Washington to Omaha, $80.71. (3) Subsistence, travel. (4) None. (5) Legislation relating to river and harbor maintenance and improvement; the American merchant marine, soil conservation, flood control, regulation of domestic transportation.

Woodrum, Clifton A., president, American Plant Food Council, Inc., 910 Seventeenth Street NW., Washington, D. C. (1) During the preceding quarter, the registrant, or his employer, the American Plant Food Council, Inc., did not receive or expend, directly or indirectly, any funds for the purpose of influencing legislation. (2) (Please refer to letter filed with original registration.) (3) None. (4) None. (5) None.

Woodson, George, 424 North Washington Avenue, Lansing, Mich.; Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) I have received 25 percent of the gross receipts from Michigan and spent it for postage, transportation, telephone, telegraph, hotel, and meals, supplies and equipment, and rent. (2) No one. (3) I have employed no one. (4) None. (5) H. R. 2135 (Townsend plan bill).

Woodul, Walter F., Angelina & Neches River Railroad Co. et al., Chronicle Building, Houston 2, Tex. (1) Compensation as previously reported, and reimbursement of expenses in the sum of $1,790—$2,672.41 was expended by me during preceding quarter. (2) Shoreham Hotel, $2,006.99; and to various hotels, eating places, and others, in amounts less than $10. (3) Hotels, $2,006.99; meals, $144.11; entertainment, $403.34; tips, telephones, taxis, gas and oil, and incidentals, $117.97. (4) None. (5) All legislation affecting Texas railroads.

Woodward, Albert Young, Signal Oil & Gas Co., 811 West Seventh Street, Los Angeles, Calif. (1) In addition to compensation as a regular employee of Signal Oil & Gas Co., received $948.32 in partial reimbursement for expenses itemized below. Included in reimbursement and expenses are items which were not directly or indirectly related to passage or defeat of legislation but which amounts are not readily segregated. (2) Telephone and telegraph companies, hotels, taxicab operators, garages, etc. (3) Telephone and telegraph, $62.97; transportation (including cabs, car allowance, mileage allowance, and parking), $286.56; social and business engagements, $490.45; publications, express and miscellaneous, $108.54. (4) None. (5) In addition to general activities unrelated to legislation, observes, analyses, and reports on the several items of legislation introduced in Congress affecting oil and oil operations.

Woodward, Albert Young, Signal Oil & Gas Co., 811 West Seventh Street, Los Angeles, Calif. (1) In addition to compensation as a regular employee of Signal Oil & Gas Co., received $1,473.48 in partial reimbursement for expenses itemized below. Included in reimbursement and expenses are items which were not directly or indirectly related to passage or defeat of legislation but which amounts are not readily segregated. (2) Telephone and telegraph companies, hotels, taxicab operators, garages, etc. (3) Telephone and telegraph, $56.32; transportation (including cabs, car allowance, mileage allowance, and parking), $300.80; meals and social and business engagements, $878.90; publication, postage, express, notary fees, and miscellaneous, $237.46. (4) None. (5) In addition to general activities unrelated to legislation, observes, analyses, and reports on the several items of legislation introduced in Congress affecting oil and oil operations.

Woodward, Guy H., 605 Commonwealth Building, Washington, D. C.; Mid-Continent Oil & Gas Association, 308 Tulsa Building, Tulsa, Okla. (1) Attorney's retainer fee, $6,250; which amount includes compensation for services in connection with legislative matters in which the oil and gas industry is interested. Expended, $61.70. (2) Taxi fares. (3) See No. 2 above. (4) None. (5) Legislation with respect to which the oil and gas industry is interested.

Wootton, Edward W., Wine Institute, 900 National Press Building, Washington, D. C. (1) $3,000 salary and $600 general expense received quarterly as manager of the Washington office of the Wine Institute. Principal offices at 717 Market Street, San Francisco. (2) Received by the undersigned for all services as manager of this office, some of which services involve legislative activity. (3) See (1) and (2) above. No expenditures were made by undersigned to any other person for legislative purposes. (4) None. (5) Activity with reference to bills affecting California wine and brandy industry and particularly Fair Labor Standards Act, Reciprocal Trade Agreements Act and proposed revision of provisions of Internal Revenue Code relating to wine and brandy operations.

Wozencraft, Frank W., Independent Bankers Association, 605 Southern Building, Washington, D. C. (1) $3,000, fees for services; $500, reimbursement for traveling (2) Air lines, hotels, etc., in connection with travel involved. (3) See (2) above. (4) None. (5) Bank holding company legislation.

Wright, Mrs. Leslie B., chairman of legislation, General Federation of Women's Clubs, 4620 Thirtieth Street NW., Washington, D. C. (1) For April, May, June 1949: For convention expenses, $186.43; telegrams, $11.88; total, $198.31. (2) See answer No. (1). (3) See answer No. (1). (4) [Blank.] (5) Not employed for pay. A volunteer worker for the General Federation of Women's Clubs. The general federation supports legislation which pertains to the welfare of the home and to the general welfare, after given authority through the adoption of resolution by the delegate body.

Wyatt, Joseph M., 501 Keyser Building, Baltimore, Md. (1) $1,500 received as per statement of April 8, 1949, filed with your office on Form B. Expenses, $65.10. (2) Railroad fare, $27.60; meals (mostly on train), $27; cab fare, $10.50. (3) Transportation and meals. (4) Times-Herald reporter, April 15, 1949, and Washington Post reporter on April 14, 1949, called about my filing with the Clerk of House of Representatives. (5) Regulation of taxicabs in District of Columbia.

Yaden, James G., American Federation of Government Employees, 900 F Street NW., Washington, D. C. (1) Salary received $2,750 and expenses. (2) Taxes, grocery stores, service stations, merchants, restaurants, miscellaneous, for tips, postage, supplies, etc., banks and savings bonds. (3) Bank account, Government savings bonds, food, gasoline and oil, meals taken out, taxicabs, incidental living expenses, taxes. (4) The Government Standard. (5) Pay legislation for Federal employees; support any other proposed legislation beneficial to Federal employees; oppose any which would adversely affect them.

Yeaman, Addison, Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky. (1) Registrant has received no moneys and has expended no moneys except his regular salary and traveling expenses, which were paid without regard to registrant's activities under the so-called Lobbying Act. (2) See question (1) above. (3) See question (1) above. (4) None. (5) H. R. 2016.

Yonkers, Andrew J., Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y. (1) Money received: Salary, $1,125; reimbursement for traveling expenses, $1,307.64. Money expended, $1,307.64. (2) Railroads, air lines, taxis, hotels, restaurants, telephones, and tips. (3) Normal traveling expenses. (4) None. (5) Legislation affecting the petroleum industry.

Young, Donald A., Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. (1) Salary, $1,375. Expended: Meals, $31.70; transportation, $11.40; telephone, $14.69. (2) Restaurant, taxi companies, telephone company. (3) [Blank.] (4) [Blank.] (5) All legislation of interest to business.

Young, Robert R., 4500 Chrysler Building, New York, N. Y.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) Railway Progress, volume III, No. 2, April

1949; volume III, No. 3, May 1949; volume III, No. 4, June 1949. (5) None.

Zimmerman & Norman, 111 West Monroe Street, Chicago, Ill.; Marquette Cement Manufacturing Co., 20 North Wacker Drive, Chicago, Ill. (1) $9,715 was received for legal services forecast in the regisrtation statement, and this sum is therefore reported although none of the services are believed to be within the scope of the Federal Regulation of Lobbying Act; $1,330.56 was received as reimbursement for expenses reported April 8, 1949; net expenses of $382.24 were paid, for which reimbursement is expected. (2) Chicago & Southern Airlines, Chicago, Ill.; Ward, Kahn & Manick, Washington, D. C.; Illinois Bell Telephone Co., Chicago, Ill.; Mary V. Judge, stenographer, Washington, D. C.; resturants. (3) Transportation and incidental expenses, transcript of testimony, telephone service, mailing service; these were actual expenses incurred and paid; they were occasioned by traveling to appear before congressional committees and by distributing copies of statement before congressional committee. The expenditures are believed not to be within the scope of the Federal Regulation of Lobbying Act, but are listed in accordance with registration statement. (4) None. (5) A part of the legal services rendered covered the furnishing of information relating to and in support of legislation protecting the freedom to compete and thus to further the welfare of the country.

SENATE

MONDAY, AUGUST 8, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, may this be a day of unclouded vision as we enter upon the high and holy task of discharging our duties toward Thee and our fellow men.

Clarify our minds with divine wisdom and inspire us with loyalty and integrity of soul.

Grant that in times of crisis and confusion we may know the secret of confident living and courageous leadership by committing ourselves to the guidance of Thy spirit.

In Christ's name we pray. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, August 5, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on August 8, 1949, the President had approved and signed the following acts:

S. 1184. An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes;

S. 1459. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended;

S. 1505. An act to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947; and

S. 2030. An act to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 1758) to amend the Natural Gas Act, approved June 21, 1938, as amended, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1323. An act to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncito Navajo group in New Mexico, and for other purposes; and

S. 1918. An act to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $3,000.

LEAVE OF ABSENCE

On request of Mr. CHAPMAN, Mr. WITHERS was granted leave of absence from the sessions of the Senate for the next few days.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

Mr. WHERRY. Mr. President, before the roll is called, in order to clarify the parliamentary situation, may I ask the distinguished Vice President if the junior Senator from Missouri [Mr. KEM] does not have the floor? The Senator from Missouri was speaking Friday afternoon when the recess was taken, and it was my understanding that there was unanimous consent that he should have the floor this morning.

The VICE PRESIDENT. The Senator from Missouri has the floor, according to the understanding.

Mr. WHERRY. That is correct.

The VICE PRESIDENT. The Senator from Illinois has suggested the absence of a quorum, and the Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Gurney	McFarland
Baldwin	Hayden	McGrath
Brewster	Hendrickson	McKellar
Butler	Hill	McMahon
Byrd	Hoey	Magnuson
Cain	Holland	Malone
Capehart	Humphrey	Martin
Chapman	Hunt	Maybank
Chavez	Ives	Miller
Connally	Jenner	Millikin
Cordon	Johnson, Colo.	Morse
Donnell	Johnson, Tex.	Mundt
Douglas	Johnston, S. C.	Murray
Downey	Kefauver	Neely
Dulles	Kem	O'Conor
Eastland	Kerr	O'Mahoney
Ecton	Kilgore	Pepper
Ellender	Knowland	Reed
Ferguson	Langer	Robertson
Flanders	Lodge	Russell
Frear	Long	Saltonstall
Fulbright	Lucas	Smith, Maine
George	McCarran	Smith, N. J.
Gillette	McCarthy	Sparkman
Graham	McClellan	Stennis
Taylor	Vandenberg	Williams
Thomas, Okla.	Watkins	Young
Thomas, Utah	Wherry	
Thye	Wiley	

Mr. LUCAS. I announce that the Senator from Rhode Island [Mr. GREEN] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

The Senator from Kentucky [Mr. WITHERS] is absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Ohio [Mr. BRICKER], and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

FOREIGN AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

The VICE PRESIDENT. The question before the Senate is the appeal of the Senator from Missouri [Mr. KEM] from the decision of the Chair holding his amendment out of order. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

The Senator from Missouri has the floor.

JOINT COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. GEORGE, the Foreign Relations Committee and the Armed Services Committee were granted permission to hold a joint meeting this afternoon.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Without objection, the Chair will recognize Members of the Senate to present petitions and memorials, introduce bills, joint and other resolutions, and place in the RECORD routine matters, as though the Senate were in the morning hour, and without debate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Corn Belt Livestock Feeders Association, in convention at Des Moines, Iowa, relating to the Brannan agricultural program; to the Committee on Agriculture and Forestry.

A letter in the nature of a petition from Allan H. Ewell, Representative, Third District, House of Representatives, Territorial Legislature, Iolani Palace, Honolulu, T. H., relating to statehood for Hawaii (with an accompanying paper); to the Committee on Interior and Insular Affairs.

A resolution adopted by the Honolulu County (Hawaii) Dental Assistants Association, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

The memorial of Theresa Simons, and sundry other citizens of the State of New York, remonstrating against the enactment of the so-called Public School Assistance Act of 1949; to the Committee on Labor and Public Welfare.

A telegram in the nature of a petition from Jerry Voorhis, executive secretary, Cooperative League and Cooperative Health Federation of America, Chicago, Ill., favoring the adoption of Reorganization Plan No. 1, of 1949, establishing a Department of Welfare; ordered to lie on the table.

A letter in the nature of a memorial from Carl H. Fortune, M. D., president Fayette County (Ky.) Medical Society, remonstrating against the adoption of Reorganization Plan No. 1 of 1949, establishing a Department of Welfare; ordered to lie on the table.

A letter in the nature of a petition from Bruch Underwood, M. D., secretary, State Board of Health of Kentucky and the Kentucky State Medical Association, Louisville, Ky., relating to the selection of the Federal Security Agency being made the Department of Welfare as proposed under the Reorganization Plan No. 1 of 1949; ordered to lie on the table.

By Mr. TYDINGS:

A resolution adopted by the St. Mary's County (Md.) Medical Society, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

Memorials of sundry citizens of the State of Maryland, remonstrating against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

Petitions of sundry members and affiliates of the Baltimore (Md.) Section of the Society for Experimental Biology and Medicine, citizens of the State of Maryland, praying for the enactment of Senate bill 1703, to provide that unclaimed animals lawfully impounded in the District of Columbia be made available for scientific purposes to educational, scientific, and governmental institutions licensed under this act; to the Committee on the District of Columbia.

Memorials of sundry citizens of the State of Maryland, remonstrating against the enactment of the so-called Barden bill, providing Federal aid to education; to the Committee on Labor and Public Welfare.

Petitions of sundry citizens of Baltimore, Md., praying for the enactment of House bill 2428, to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and the broadcasting of alcoholic-beverage advertising over the radio; to the Committee on Interstate and Foreign Commerce.

Petitions of sundry citizens of Baltimore, Md., relating to economy in Federal governmental expenditures as outlined in the report of the Hoover Commission; to the Committee on Expenditures in the Executive Departments.

A resolution adopted by the Maryland-National Capital Park and Planning Commission, Silver Spring, Md., favoring the enactment of Senate bill 1931, to amend the act of June 6, 1924, as amended, relating to the National Capital Park and Planning Commission; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Labor and Public Welfare:

S. 1439. A bill to provide for assistance to State agencies administering labor laws in their efforts to promote, establish, and maintain safe work places and practices in industry, thereby reducing human suffering and financial loss and increasing production through safeguarding available manpower; without amendment (Rept. No. 850).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 486. A bill for the relief of Song Kwan Lee also known as Paul Molina; without amendment (Rept. No. 854);

S. 1447. A bill for the relief of John M. Hart; without amendment (Rept. No. 855);

H. R. 632. A bill for the relief of John E. Burns; without amendment (Rept. No. 856);

H. R. 734. A bill for the relief of Curtis R. Enos; with an amendment (Rept. No. 867);

H. R. 1065. A bill for the relief of the estate of James Lander Thomas; without amendment (Rept. No. 857);

H. R. 1620. A bill for the relief of Robert E. Bridge and Leslie E. Ensign; with amendments (Rept. No. 870);

H. R. 1631. A bill for the relief of John J. O'Mara; without amendment (Rept. No. 858);

H. R. 1701. A bill for the relief of Mrs. Vesta Meinn and Mrs. Edna Williams; without amendment (Rept. No. 859);

H. R. 1792. A bill for the relief of Charles E. Ader; without amendment (Rept. No. 860);

H. R. 1979. A bill for the relief of Soo Hoo Yet Tuck; without amendment (Rept. No. 861);

H. R. 2628. A bill for the relief of Auldon Albert Aiken; without amendment (Rept. No. 862);

H. R. 3618. A bill for the relief of the legal guardian of Marcia Moss Carroll, a minor, and Charles P. Carroll; with an amendment (Rept. No. 868);

H. R. 3768. A bill for the relief of Mrs. Justa G. Vda. de Guido, Belen de Guido, Mulia de Guido, and Oscar de Guido; without amendment (Rept. No. 863);

H. R. 3803. A bill for the relief of Mrs. Mary L. W. Dawson; without amendment (Rept. No. 864);

H. R. 3837. A bill for the relief of Annie Balaz; without amendment (Rept. No. 865);

H. R. 4306. A bill for the relief of Zora B. Vulich; with an amendment (Rept. No. 869); and

H. R. 5160. A bill for the relief of Mrs. Giustina Schiano Lomoriello; without amendment (Rept. No. 866).

By Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments:

S. Res. 147. Resolution disapproving Reorganization Plan No. 1 of 1949; without amendment (Rept. No. 851); and

S. Res. 151. Resolution disapproving Reorganization Plan No. 2 of 1949; without amendment (Rept. No. 852).

By Mr. LONG, from the Committee on Post Office and Civil Service:

S. 1772. A bill to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, compensatory time, and promotion, and for other purposes with amendments (Rept. No. 871).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

H. R. 3383. A bill to provide that extra compensation for night work paid officers and employees of the United States shall be computed on the basis of either standard or daylight-saving time; without amendment (Rept. No. 873); and

H. R. 3826. A bill to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States; without amendment (Rept. No. 874).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 4943. A bill to amend the act providing for the admission of the State of Idaho into the Union by increasing the period for which leases may be made of public lands granted to the State by such act for educational purposes; without amendment (Rept. No. 875); and

H. R. 5207. A bill to amend section 50 of the Organic Act of Puerto Rico; without amendment (Rept. No. 876).

By Mr. MAGNUSON, from the Committee on the Judiciary:

S. 738. A bill for the relief of Earl B. Hochwalt; with an amendment (Rept. No. 877); and

S. 1801. A bill for the relief of Mrs. Effie S. Campbell; without amendment (Rept. No. 878).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution, and I submit a report (No. 853) thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 62) favoring the suspension of deportation of certain aliens, was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6201169, Abadi, Simon Ezra.

A-1029369, Abdullah, Abdi, or Akbar Mohamed or Abdi Mohamed.

A-6245562, Agarwal, Friederecka or Frederecka Beatrice Maria nee Saela or Freda Moyea.

A-2329081, Aleci, Giuseppe.

A-3007951, Ali, Tahir or Tahir Ullah or Tiah Ali or Tiah Ullah.

A-5356203, Andreadis, Stamatios or Stamatos John Andreadis or Steve Andrews.

A-5479649, Arkell, Marjorie Elaine.

A-3260444, Avgoustis, Nicholas Stelianos or Nicholas Stelianou Avgoustis.

A-5421256, Baer, Hans.

A-3722049, Baros, Nicholas or Nicholas Barus.

A-5262324, Bavas, Athanasios (alias Thomas Bavas).

A-5214140, Belli, Otello Manlio or Mario Belli.

A-3083903, Benavides, Alfonso.

A-5856332, Bevilacqua, Theresa Mary (nee Falzone or Falzono, nickname Tessie).

A-6791526, Bireescu, Alexander Stefan.

A-6264002, Bizimis, Angeline.

A-6303931, Blythe, David Wardhough.

A-3747440, Bonventre, Francesco or Frank.

A-6246094, Bopipas, Dimitroula.

A-5630271, Borges, Antonio Augusto Da Silva or Antonio Borges.

A-9799665, Boutacoff, Alexis Alexander.

A-5949003, Bye, Rolf Oloe.

A-1830412, Calvo, Francesco.

A-3998388, Cardenas, Arcadio or Alcadio Cardenas.

A-7026401, Carner, Ariel.

A-6857770, Castellanos-Ybarra, Joaquin or Jesus Reyes-Mendoza.

A-6032675, Castellanos, Maria Trinidad Reyes de or Trinidad Reyes de Castellanos.

A-4137847, Chang, Young Chi Sin Yeung or Chi Sin Yeung Chang.

A-2587813, Chen, Chia-You.

A-5768484, Chuan-Te Liu, Barry.

A-6626018, Cobos, Ruben or Ruben Cebos or Ruben Cobos Astorga.

A-3686305, Cordaro, Calogero or Charles Cordaro.

A-7563142, Crocker, Julie or Juliette.

A-4197279, Da Cunha, Constantino.
A-9703142, Dailey, Roy Augustus.
A-5884972, Deinum, Henry Jacob or Hank J. Deinum.
A-6303162, De Leon-Garza, Feliciano.
A-3559094, De Morales, Gregoria Salazar or Gregoria Salazar.
A-5389310, Doesseckle, Thomas Francis or Frank Doeseckle.
A-5444981, Doherty, Rose Frances formerly Anslow (nee Firminger).
A-5079142, Dryer, Ben.
A-7515284, Fang, Sheng Chung.
A-5335908, Fennell, Betty Elizabeth (nee Levy or Levee or Bety Marks).
A-5825680, Flessas, George Anatasiou.
A-6209443, Flores-Palacios, Raimundo.
A-6204212, De Flores, Maria Lopez.
A-6261370, Franco, Samuel.
A-4812082, Frangiskatos, Speros or Spiridon.
A-6141195, Franquelli, Leandro Antonio Basilio or Leandro Franquelli.
A-5390484, Gallardo, John Ernest.
A-6125122, Garcia-Ledesma, Isaias.
A-6774172, Giles, Stephen Duffy.
A-6870309, Godley, Eric Clive.
A-1620146, Gomez, Josefa or Josephine Gomez or Josefa Abascal de Gomez.
A-3466704, Gonzalez, Roberto Lorenzo or Robert Lawrence Gonzalez.
A-2260872, Gowzeles, Constantinos or Gusor Gust.
A-5820732, Green, David.
A-3507405, Gruszka, Herman or Raymond Grand (alias Harry Grand).
A-1653505, Gulkis, Pauline (nee Pessie Shergick or Pessie Shaw).
A-2965670, Gustavson, Helge Waldemar or Helge Gustafsson.
A-6248089, Gutlohn, Victoria Veronica Susanna.
A-6180025, Hesse, William or Willem Hesse.
A-6018694, Heyligers, Louis Aron.
A-6140985, Hinds, Humphrey John.
A-3657461, Hochberg, Betty or Bella or Betty Smoke or Betty Lahnes or Esther Robert.
A-5807798, Hofmo, Emil Lie or Lee E. Hofmo.
A-2631184, Hoque, Shamsul or Abdul Kholek.
A-5685262, Jacinto, Jose Pereira or Joe Pereira or Joseph Perera.
A-3262256, Joest, Otto or William Graak.
A-5702119, Karol, Charles Walter Barton or Charles Walter Bartoszewski or Charles W. Bartoszewski or Charles Walter Bradley or Bailey.
A-6261611, Kavathas, Evanthia (nee Evanthia Thomaidou).
A-6049268, Kehrhahn, Alicia Antonietta or Alicia de Aspiazu (nee Alicia Antonietta Aguilera Murillo).
A-5662102, Keller, Hermann Friedrich or Herman Frederick Keller.
A-3295447, Kipper, Aleksander.
A-3894155, Korkos, Lambros Spiros or James Korkos.
A-6232433, Kozlowski, Peregrina Rodriguez de or Peggy Rodriguez or Peggy Valadez.
A-3850163, Krasnopolsky, Jacob or Jack Krasner or Jack Krasnoff.
A-3319669, Krohn, Erwin Gustav.
A-6142511, Kuebitz, Hermann Wilhelm.
A5792616, Lacobazzi, Vitonicola (alias Vito Nicola Yacobazzi).
A-1051733, Lamble, Thomas Bentley.
A-5074647, Laskody, John or Laskodi or Joan Laskodi.
A-5380491, Latousakis, Michael or Massis Lacis.
A-3738980, Lau, Chong Sui or Sui Lau Chong or Cheung Gim Fay or Chong Kim Fei of Cheung Jung Ming or Cheung Shin Lau.
A-7618223, Leung, Paul Yung Tung or Yung Tung Leung.
A-7618224, Leung, Peter Fung Tung or Woon Tung Leung.
A-2956578, Licata, Salvatore.
A-5500662, Lira-Barcenas, Alberto.
A-5500663, De Lira, Paula Jimenez.
A-6961069, Lira-Jimenez, Victor.
A-9179138, Ludvik, Josef.
A-5365957, Lykiardopoulos, Gerasimos or Jerry Poulos.
A-6378855, Magnani, Margherita (nee Giovanella).
A-6404238, Manobbio, Aura (nee Aura Peraza).
A-5074629, Martinez y Rodriguez, Gervasio or Gervasio Martinez.
A-6264859, Martinez-Torres, Francisco or Enrique Martinez.
A-2291044, Mavris, Isidoros Markos or Isidor Marko Mavris.
A-3571216, Mazzei, Charles or Carmine.
A-6249255, Melisakis, Maria N.
A-3529277, Mesaros, Stafan or John Gabor or Steve Demko.
A-5259895, Meza, Agnes (nee Agnes Naomi Lightbourne).
A-1785711, Mielke, Wolfdietrich Reinhard Julius Fritz or Wolfdietrich Mielke or George Wolf or Wolfdietrich Mielke or George Wolf.
A-5698852, Mihalos, Nicolaos or Nick M. Mike or Nicholas M. Mick.
A-9730962, Mikalsen, Einar Edvin Hendry or Einar E. H. Mikalsen.
A-6772023, Molina, Augustine Jr., or Augustin Molina.
A-5166673, Monache, Eugenio Delle (alias Raffaelo Orsini or Ralph Orsini).
A-5728143, Monok, Janos or John Monok.
A-3759224, Morin, Giuseppe.
A-5265514, Mourao, Manuel Vaz.
A-6359966, Neumann, Joan (formerly Joan Weller Greer Shephard or Joan Weller Greer Hope-Johnson).
A-5774953, Nevarez-Alarcon, Nolberta or Norberta Nevarez-Alarcon.
A-1115513, Orav, Paul.
A-6301813, Ortega-Duarte, Jorge or George Ortega-Duarte or George D. Ortega.
A-6330435, Owens, Francis Henry or Frank Owens.
A-5635369, Paradosso, Eugenio or Jimmie Paradosso Penna or Jimmie Parodosso.
A-2289665, Pereira, Antonio Jose.
A-5821654, Perez, Ivy Gomez or Rose Perez or Ivy Duchesne Gomez or Ivy Gaston.
A1879601, Perl, Eugene Jacob or Jacob Perl.
A-5064255, Perugino, Guiseppe.
A-6423807, Pirzio-Biroli, Giacomo.
A-4957358, Racey, Lawrence William or Lawrence William Rase.
A-5407879, Ramirez, Jose Luis or Jose Ramirez or Luis Ramirez.
A-7044230, Rey, Joaquin Israel Trujillo.
A-7050671, Rey, Daisi Trujillo or Daisy.
A-6366413, Ribes, Elise (nee Fontenelle).
A-6459421, Ridgway, Jacqueline Marie Householder or Jacqueline Marie Householder (maiden name).
A-6372752, Ripley, Ronald Edward or Ronald Edward Page.
A-6372754, Ripley, Mervyn Keith or Mervyn Keith Page Ripley or Mervyn Keith Page.
A-6279244, Risteigen, Inga.
A-6279243, Risteigen, Gunhild.
A-6698873, Rodriguez-Esquivel, Juan or Ernest Gutierrez or Ernest Castro Gutierrez or Ernesto Gutierrez, or Ernesto Castro Gutierrez.
A-5129758, Salvemini, Giacomo or Jack Salvemini or Domenico Americo Sforza.
A-5796096, Santoya, Francisca Cruz or Francisca Cruz or Francisca Mata.
A-4209125, Sarafis, Christos Alexander.
A-3851318, Schiavi, Angelo.
A-5688544, Schmidt, Hilda Rose or Hilda Rose Manning or Hilda Rose Jackson.
A-5601137, Schmitt, Vilma (nee Zold).
A-4809719, Schnee, Rose or Rose Shapiro or Rose Meyer.
A-5257484, Serra, Juan Mari or Juan Mari.
A-4242776, Siebert, Walter Heinrich August or Walter Henry Siebert.
A-5377193, Siegel, Freida Rosalie (nee Rascha Fradel Siegel).
A-5610957, Silberman, Frank or Traian Lazar Zoladz or Frank Caberman.
A-5056181, Simoncic, Martin or John Weber.
A-2741589, Sofikitis, George Michael or Mike Sofikitis.
A-2518842, Sague, Abdul.
A-5886907, Simkunas, Antanas.
A-4541327, Solis-Ayerdi de Sanchez, Dolores or Dolores Solis de Sanchez or Dolores Solis de Vara.
A-5390856, Sourcin, Alice Paquerette.
A-2856317, Spanos, Petros.
A-6929710, Sparrow, Florence Blanche (nee Cann).
A-6018628, Starosciak, Sophia Jadwiga (alias Zofia Starosciak, alias Zofja Starosciak).
A-1868401, Susan, Ferencz or Frank Susan.
A-5059057, Sutlovich, Frank Rudolph.
A-5374797, Szasz, Gustav.
A-3685757, Tamberg, Harry John (alias Harry J. Tamberg, alias John Tamawots, alias John or Johannes Tanawots or Tamawots).
A-6805580, Tauber, Laszlo Nandor or Leslie Ferdinand Tauber.
A-9705985, Theocharides, Theocharis.
A-5427501, Thorne, Sidney Alphonso, or Sidney Durant.
A-3889128, Tieger, Mary (nee Weinstein or Glassman, nee Borochovitz or Berkowitz).
A-7759520, Tokcaer, Mursit Muradurresit.
A-3362361, Tom, Kim Fong or Tom Kim Fong.
A-5948146, Trpchevich, Traiche George (alias Nick George alias Mike George Trpchevich).
A-5908905, Vasquez, Santos.
A-1165476, Vassalla, Damiano.
A-9741750, Vatouios, Theochares Stamatios or Theocharis S. Vatouios or Harry Vatouios.
A-6136671, Vega-Munoz, Luis.
A-5817962, Verhelst, Alfons or Alfons August Verhelst or Alphonse Vereist.
A-6402296, Vidal, Jose or Llecha.
A-5949830, Wright, Thomas William.
A-5569145, Ybarra, Jose Martin.
A-5227047, Yuhas, Jan or John Yuhas.
A-2156898, Zech, Ludwig.
A-3460791, Zizzo, Antonino or Antonio Rizzo.

D. A. SULLIVAN & SONS, INC., ETC.—REFERENCE OF BILL TO COURT OF CLAIMS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original resolution and I submit a report (No. 872) thereon.

The VICE PRESIDENT. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 152) was ordered to be placed on the calendar, as follows:

Resolved, That the bill (S. 982) entitled "A bill for the relief of D. A. Sullivan & Sons, Inc., and Thomas F. Harney, Jr., doing business as Harney Engineering Co.," now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to

the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 8, 1949, he presented to the President of the United States the following enrolled bills:

S. 1323. An act to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncito Navajo group in New Mexico, and for other purposes; and

S. 1918. An act to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $3,000.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. YOUNG:

S. 2397. A bill authorizing the Secretary of the Interior to convey certain lands in the State of Minnesota to Signa M. Lodoen and Nels R. Lodoen; to the Committee on Interior and Insular Affairs.

By Mr. THYE:

S. 2398. A bill to facilitate and simplify the work of the Forest Service, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. FERGUSON:

S. 2399. A bill for the relief of Gurbachan Singh Rai; to the Committee on the Judiciary.

By Mr. STENNIS:

S. 2400. A bill authorizing the Secretary of the Interior to issue to J. B. Jernigan a patent in fee to certain lands in the State of Mississippi; to the Committee on Interior and Insular Affairs.

By Mr. McCARRAN:

S. 2401. A bill for the relief of Elizabeth Martha Haug; to the Committee on the Judiciary.

By Mr. BREWSTER:

S. 2402. A bill to amend section 22 of the Agricultural Adjustment Act, as amended, to provide certain restrictions on the importation of potatoes, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. THYE:

S. 2403. A bill for the relief of Curt Edward Friese; to the Committee on the Judiciary.

By Mr. CHAVEZ (for himself and Mr. ANDERSON):

S. 2404. A bill authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians; to the Committee on Interior and Insular Affairs.

By Mr. MUNDT:

S. 2405. A bill authorizing the Secretary of the Interior to issue a patent in fee to Annie Shot To Pieces to certain lands; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

S. 2406. A bill for the relief of Toni Rotkopf; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2407. A bill to exempt from induction and training under the Selective Service Act of 1948 those persons who served overseas for 6 months or more between September 16, 1940, and June 24, 1948; to the Committee on Armed Services.

By Mr. FULBRIGHT:

S. 2409. A bill relating to the disposition of moneys received from the national forests; to the Committee on Agriculture and Forestry.

(Mr. FREAR introduced Senate bill 2408, to amend the Securities Exchange Act of 1934, as amended, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. BALDWIN (by request):

S. J. Res. 123. Joint resolution designating the —— week in ———— of each year as National Amateur Radio Week; to the Committee on the Judiciary.

HOUSE BILL PLACED ON THE CALENDAR

The bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, was read twice by its title, and ordered to be placed on the calendar.

INTERIOR DEPARTMENT APPROPRIATIONS—AMENDMENTS

Mr. MURRAY (for himself, Mr. THOMAS of Utah, Mr. PEPPER, Mr. HILL, Mr. LANGER, Mr. MAGNUSON, Mr. MORSE, Mr. TAYLOR, Mr. SPARKMAN, Mr. GILLETTE, Mr. HUMPHREY, Mr. HUNT, Mr. JOHNSON of Texas, Mr. KEFAUVER, and Mr. KERR) submitted two amendments intended to be proposed by them, jointly, to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. BALDWIN submitted two amendments intended to be proposed by him to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code, which were ordered to lie on the table and to be printed.

Mr. BALDWIN submitted an amendment intended to be proposed by him to House bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, which was ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 58, line 4, strike out "$15,000,000," and insert in lieu thereof of the following: "$85,748,000, of which $70,748,000 represents a transfer of contract authority granted under this head in the 1949 Department of the Navy Appropriation Act."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 59, line 18, strike out "$32,000,000" and insert in lieu thereof the following: "$76,571,000, of which $44,571,000 represents a transfer of contract authority granted under this head in the 1949 Department of the Navy Appropriations Act."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 66, line 5, after the sum "$25,000,000," insert the following: ", and, in addition, not to exceed $20,000,000 of the appropriations for the Department of the Navy made by this act shall be transferred from such appropriations in this act as the Secretary of Defense may determine and be merged with this appropriation for the purposes of this appropriation."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 83, line 14, after the word "section" insert the following: "or any other provision of law."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National

Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 83, line 19, after the word "Corps" insert the following: ", Naval Reserve, or Marine Corps Reserve."

Mr. THOMAS of Oklahoma. In accordance with rule XL of the Standing Rules of the Senate I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

Page 89, line 5, strike out section 622 and insert a new section, as follows:

"SEC. 622. (a) All negotiated contracts in excess of $1,000 entered into during the fiscal year 1950 by or on behalf of the Department of the Army, the Department of the Navy, or the Department of the Air Force, and all subcontracts thereunder in excess of $1,000, are hereby made subject to the Renegotiation Act of 1948 in the same manner and to the same extent as if such contracts and subcontracts were required by such act to contain the renegotiation article prescribed in subsection (a) of such act. Each contract and subcontract made subject to the Renegotiation Act of 1948 by this section shall contain an article stating that it is subject to the Renegotiation Act of 1949. In determining whether the amounts received or accrued to a contractor or subcontractor during his fiscal year from contracts and subcontracts subject to the Renegotiation Act of 1948 amount in the aggregate to $100,000, receipts or accruals from contracts and subcontracts made subject to such act by this section shall be added to receipts or accruals from all other contracts and subcontracts subject to such act.

"(b) Notwithstanding any agreement to the contrary, the profit-limitation provisions of the act of March 27, 1934 (48 Stat. 503, 505), as amended and supplemented, shall not apply to any contract or subcontract which is subject to the Renegotiation Act of 1948."

Mr. THOMAS of Oklahoma also submitted six amendments intended to be proposed by him to House bill 4146, making appropriations for the National Security Council, the National Security Resources Board and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, which were ordered to lie on the table and to be printed.

(For texts of amendments referred to, see the foregoing notices.)

TRIBUTE TO HON. ARTHUR CAPPER BY F. W. BRINKERHOFF

[Mr. REED asked and obtained leave to have printed in the RECORD an editorial in tribute to former Senator Capper, by F. W. Brinkerhoff, of the Pittsburg (Kans.) Sun, which appears in the Appendix.]

PLANNING FOR RURAL PROGRAM NEEDS—ADDRESS BY ARTHUR C. PAGE

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an address entitled "Planning for Rural Program Needs," delivered by Arthur C. Page over radio station WLS, before the First National Association of Broadcasters Program Clinic, at Northwestern University, Chicago, Ill., on June 28, 1949, which appears in the Appendix.]

SUBSIDIZATION OF SOCIALIST LABOR GOVERNMENT IN GREAT BRITAIN—ARTICLE BY ELIZUR YALE SMITH

[Mr. KEM asked and obtained leave to have printed in the RECORD an article entitled "Stop! Look! and Listen!" written by Elizur Yale Smith, and published in the New Bedford (Mass.) Standard-Times of July 30, 1949, which appears in the Appendix.]

TELEVISION SETS IN OFFICES OF ADMIRALS—ARTICLE FROM PHILADELPHIA INQUIRER

[Mr. FLANDERS asked and obtained leave to have printed in the RECORD an excerpt from an article entitled "Washington Background," edited by John C. O'Brien, and published in the Philadelphia Inquirer of August 1, 1949, which appears in the Appendix.]

NEW SUPER LIBERTY LEAGUE—ARTICLE FROM IN FACT

[Mr. NEELY asked and obtained leave to have printed in the RECORD an article entitled "Inner Circle of Native Fascism Plans New Super Liberty League; 'Leak' Spoils Secret Conclave," published in In Fact for July 11, 1949, which appears in the Appendix.]

DEPARTMENT OF WELFARE—EDITORIAL FROM NEW YORK HERALD TRIBUNE ON REORGANIZATION PLAN NO. 1

[Mr. HUNT asked and obtained leave to have printed in the RECORD an editorial entitled "Suspicion Over Plan No. 1," published in the New York Herald Tribune of August 5, 1949, which appears in the Appendix.]

CONGRESS AND THE ARMY ENGINEERS—ARTICLE BY ROBERT DE ROOS AND ARTHUR A. MAASS

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "The Lobby That Can't Be Licked—Congress and the Army Engineers," by Robert de Roos and Arthur A. Maass, from Harpers magazine, which appears in the Appendix.]

THE CLARK AND McGRATH APPOINTMENTS—EDITORIAL FROM THE NASHVILLE TENNESSEAN

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an editorial entitled "Friends—Why Not?" published in the Nashville Tennessean of August 3, 1949, which appears in the Appendix.]

REPEAL OF WAR EXCISE TAXES—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an editorial entitled "Repeal the War Excise Taxes," published in the New York Herald Tribune of August 1, 1949, which appears in the Appendix.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS PROGRAM

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an editorial entitled "Renew Without Delay This Vital Program," published in the Atlanta Journal of July 3, 1949, which appears in the Appendix.]

ELIMINATION OF CERTAIN PREMIUM PAYMENTS IN PURCHASE OF GOVERNMENT ROYALTY OIL

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1647) to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533), which were, to strike out all after the enacting clause and insert:

That where, under any existing contract entered into pursuant to the first proviso in the second paragraph of section 36 of the Mineral Lands Leasing Act of February 25, 1920, as amended (30 U. S. C., sec. 192), any refinery is required to pay a premium price for the purchase of Government royalty oil, such refinery may, at its option, by written notice to the Secretary of the Interior, elect either—

(1) to terminate such contract, the termination to take place at the end of the calendar month following the month in which such notice is given; or

(2) to retain such contract with the modifications, that (a) the price, on and after March 1, 1949, shall be as defined in the contract, without premium payments, (b) any credit thereby resulting from past premium payments shall be added to the refinery's account, and (c) the Secretary may, at his option, elect to terminate the contract as so modified, such termination to take place at the end of the third calendar month following the month in which written notice thereof is given by the Secretary.

SEC. 2. The provisions of this act shall apply to all existing contracts for the purchase of Government royalty oil entered into after the approval of the act of July 13, 1946 (60 Stat. 533), and prior to the approval of this act, irrespective of whether a determination of preference status was made in connection with the award of such contracts, but shall not apply to any such contract which subsequent to its award has been transferred, through the acquisition of stock interests or other transactions, to the ownership or control of a refinery ineligible for a preference under said act of July 13, 1946, and the regulations in force thereunder at the time of such transfer.

SEC. 3. Any of the lands added to the Shasta National Forest, Calif., by the act of March 19, 1948, Public Law 449 (80th Cong., 2d sess.), which constitute lands acquired with funds of the United States shall, except as to deposits subject to the provisions of the act of August 7, 1947, Public Law 382 (80th Cong., 1st sess.), be open to mineral exploration, development, and operation under such rules and regulations as the Secretary of the Interior may prescribe with the consent of the Secretary of Agriculture.

And to amend the title so as to read: "An act to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533), and for other purposes."

Mr. O'MAHONEY. Mr. President, by authority of the Committee on Interior and Insular Affairs, I move that the Senate agree to the House amendments, with an amendment to strike out all of section 3 of the House amendment. This measure was recommended by the Interior and Insular Affairs Committee of the Senate, the Public Lands Committee of the House, and the Small Business Committees of both Houses.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. Which Small Business Committee—the one which is now defunct?

Mr. O'MAHONEY. Yes; several years ago Congress enacted a law intended to be for the benefit of small refiners.

Mr. WHERRY. It was referred to as the O'Mahoney measure, in which I was glad to join as a sponsor.

Mr. O'MAHONEY. Yes; but, to our disappointment, we found that in enforcing that law the Department was collecting premium payments. These payments have now been found to be very burdensome to the refiners. The Interior Department has agreed to the bill introduced by the Senator from Colorado [Mr. JOHNSON] to amend the original act so as to relieve the lessees or the holders of contracts from the requirement of paying these royalties. The House bill does precisely that, in different language, but section 3, which was added by the House, refers to an altogether unrelated subject; namely, it adds certain lands to the Shasta National Forest, in California, and provides for the mineral exploration and development of such lands under rules and regulations to be made by the Secretary of the Interior when approved by the Secretary of Agriculture. It has nothing to do with the subject matter, and the committee felt that section 3 should be stricken from the bill. I therefore make that motion.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to.

Mr. O'MAHONEY. I move that the Senate agree to the House amendment changing the title.

The motion was agreed to.

RESTRICTIONS ON EXPORT OF AMERICAN LUMBER

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written to me by E. S. Miller, of Jackson, Tenn., under date of July 23, 1949, relating to restrictions on export of American lumber; a letter signed "Otto," addressed to Miller & Co., dated July 19, 1949, replying to assertions made by ECA on the subject of the hardwood situation; and my letter of reply to Mr. Miller.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MILLER & CO.,
Jackson, Tenn., July 23, 1949.

Hon. KENNETH MCKELLAR,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR MCKELLAR: Attached to this letter you will find excerpt of a letter we have received from one of our very fine employees who lives in Selma, Ala., and works in our Selma, Ala., office.

We give you a brief background of Mr. Otto Hoersting. He came to this country in 1939 from a small town within about 8 miles of the German border in Holland. He intended to stay with us 12 months to try to learn something about the lumber business and the way it is done in this country and, of course, his country was overrun, as you know, by the Germans. He then served several years during the war with the Dutch forces in the East; was there in the beginning of the Jap invasion; luckily got to Australia. He came back and had extensive training at Jackson, Miss., was then back in active duty again for a couple more years or so. At the time he left to join up with the Dutch reserve forces in New York he married a Selma, Ala., girl and now has two little children.

In April 1948 Mr. Hoersting and family visited his mother and sister in Holland for the first time since he came to this country. At that time he made some complimentary business calls on our connections in the Netherlands, France, England, and Scotland but did not get a single order on account of the restrictions on lumber and lumber products from this country, which as you know, has been pretty widely discussed within the past few weeks. We do, however, want you to have a little more first-hand news; hence, the excerpt of three paragraphs of Otto's letter that we have just received at this office. We can assure you that these three paragraphs were not written on his part with any thought of being referred to you but is only a part of a two-page letter reporting briefly to the writer on his trip.

We have not only had a representative in Europe on these two different occasions but many cables, trans-Atlantic telephone calls, air-mail letters, etc., however, for the past 2 years our export business has been practically nil; just a few cars with exception of 2 years ago this past April Mr. Stanley Lewis, of the British timber control, was in this country and we agreed with him and did furnish eight to ten million feet of principally the grades and species, especially No. 1 common and select plain oak, which is now on yards, comparatively speaking, without any takers. We know from past experience this lumber will eventually, and that before too long, become infested with worms and lyctus beetle, in which event will be practically useless other than for dunnage.

From the very beginning of our companies we developed an export business and during the depression years and up until World War II the writer sometimes made two selling trips a year to Europe, some of our salesmen or officials of the company made one trip a year. Our business then, we would say, was about 50 percent export.

We have a reforestation program on and are planting more trees than we are cutting. We have not closed down any of our mills and in some instances raised wages the 1st of January; but without some additional business on the kinds of lumber we are having to continue putting on sticks, our reserve strength will be gone. In fact, within the past 12 months we have worked into a weak cash position from a comparatively strong one, which will mean we, too, will be numbered with the closed-down mills and our reforestation program will either be put to an end or drastically curtailed and that much source of revenue coming from us to help maintain our Government and our many welfare institutions will be lost.

There are no complaints from us to our Senator or any of the other Members of the law-making body, including our President. Instead, we want to compliment you on the good things that you have accomplished and other high ideals for the future welfare of our Nation and other peoples of the earth. We are still hopeful that matters will soon be adjusted whereby our natural business relations can be established, as our industry, like, no doubt, many others, to be healthy has to have an export outlet for a portion of its product.

With best wishes for your continued good health, we are,

Sincerely yours,

MILLER & CO.,
E. S. MILLER.

MILLER & CO., INC.,
Selma, Ala., July 19, 1949.

MILLER & CO.,
Jackson, Tenn.
(Attention Mr. E. S. Miller.)

DEAR MR. MILLER: This is to report my return home on Sunday, July 17. The trip to South Africa was most interesting and I have worked hard in trying to locate people who are interested in hardwood lumber, pine lumber, and hardwood flooring. I think that before too long we will get some business from there, but at this moment the people in South Africa are rather afraid of spending their curtailed dollars for American goods since they are finding that the prices of almost all American products are declining sharply. There is little that one can say against this attitude of the buyer who does not want to purchase in a declining market.

Of course, I trust that you have heard about the circumstances which made it necessary for me to return home at an earlier date than I had planned. Fortunately, my activities in South Africa were almost to an end. I stopped over for 1 day in Amsterdam and talked to Bakker, and I had to skip my plans to stop over in London where I had planned to see Mr. Stanley Lewis and also Duncan Ewing and our various other friends. I am very sorry that through these circumstances this point of call had to be dismissed but after receiving the cables from Mr. Buchanan, I did not think that I should remain away from home any longer.

While in Amsterdam I found Max Bakker in his office, and I had a long talk with him. He advised that there is at present absolutely no business in sight in Holland. It is very much regretted by them that at present circumstances will not permit them to purchase American hardwoods. The main reason for this is that, of course, the Marshall plan stipulates that wherever possible the countries participating in the Marshall plan should trade among themselves these such commodities that are available. For this reason, Holland has been forced to buy oak lumber from France and from Germany, and also Yugoslavia. The general prices of the American woods are lower than the prices for the lumber which they buy in Europe, and this again is an example of the confronting circumstances that are created when commerce is regulated by people who work on the theoretic angle rather than on the practical one.

Very sincerely yours,

OTTO.

CORRECTIONS AND REPLIES TO ASSERTIONS MADE BY THE ECA ON THE SUBJECT OF THE HARDWOOD SITUATION

Assertion: The statement has been made that, "To secure the success of the recovery program by 1952–53, the U. K. must * * * wherever possible, purchase from nondollar sources." Other statements are made to the effect that nondollar purchases negotiated with Communist satellites, are simply barter deals and that soft currencies, primarily sterling, are being used simply as a medium of exchange.

The facts: It is our contention that in the long run there is no difference between a purchase in a Communist satellite country by barter or sterling than a purchase made with ECA and free dollars. The United States is pumping about $1,000,000,000 annually into the British economy in addition to the United Kingdom dollar receipts from transportation, services, and goods exported by them to the United States. It is not possible for British goods being sold or bartered to eastern European countries in return for their hardwoods, not to have been made in part from material purchased with dollars, or for the sterling used to buy hardwoods from eastern European countries not to have been obtained from products wholly or partly made from dollar-purchased goods. In short, American dollars are releasing British sterling which is then available to purchase hardwood lumber from nondollar sources to the detriment of the American hardwood lumber and plywood industry.

Assertion: ECA press release No. 563 of April 29, is repeatedly referred to as a measure of relief.

The facts: This press release announced a policy of the ECA which would require that when ECA dollars were used for the purchase

of lumber, the American lumber manufacturer would be given an opportunity to bid in competition with any other dollar source. While this policy may be helpful to other segments of the lumber industry, it is of no avail to the hardwood lumber and plywood producers. The policy applies only to dollar purchases, while the hardwoods which are taking the place of the American hardwoods in the world market are being purchased for sterling and other soft currencies.

Assertion: It is repeatedly stated that business would have been much worse if there had been no ECA.

The facts: As there have been no orders for American hardwood lumber this year, from the U. K., it could not get worse. In the absence of the recovery program, American hardwood producers would at least have an opportunity to compete in the world market.

Assertion: It has been stated that ECA did not cause the stoppage of buying of American hardwoods.

The facts: We believe that it is not just coincidence that with the advent of the European recovery program, orders for American hardwoods virtually ceased, and what is practically a boycott has since existed. Not a single order for American hardwood lumber or plywood has been placed since December 1948.

Assertion: It is stated that ECA would eventually assist the hardwood industry by building up the ERP countries.

The facts: This is absurd. Markets once lost are seldom regained. "Eventually" would be too long because few in the hardwood lumber and plywood industry could exist until the end of the ECA in 1953.

Assertion: It is stated that the diversion of hardwood imports by the ERP recipient nations from the United States of America to Communist countries is necessary in the light of the European economic crisis due to their dollar shortage.

The facts: In the past 50 years there have been a lot of exchange problems. There have been wars, and pounds and dollars have fluctuated on the world market. If the British and other European users, are smart as they are and as good traders as they are, have been buying American hardwoods almost exclusively for 50 years, there must have been a basis or reason for it. Now they are paying 50 percent more for an inferior quality of lumber. We do not believe there is any sterling consideration that can outweigh the need for a sound economic plan.

Assertion: Statements are frequently made which tend to disguise and distort the hardwood lumber situation by quoting figures and percentages which include United States softwoods, ties, and other products, and by quoting Canadian export figures and percentages.

The facts: Lumber and plywood exported by the American hardwood industry is not in competition with export items produced by United States softwood producers or by the Canadian hardwood and softwood industries. The hardwood industry is interested in only reestablishing its export market which has always been competitive with European and tropical countries.

Assertion: There has been a tendency on the part of some ECA officials to underrate the importance of our hardwood export market to the United States economy, because the prewar average was only 300 million feet, which is approximately 20,000 carloads.

The facts: Lumber is one of the most important industries in many of our States. This footage represents a large percentage of the higher grades of the hardwood species which the mills must produce if they are to run. To cut a tree economically, it is necessary to sell all that the tree produces. Today the markets are glutted with this high-grade stock, normally exported, and it is appalling to see the amount that is rotting and deteriorating in the yards for the want of markets. Serious economic repercussions are developing as more and more mills shut down, throwing thousands of men out of work and curtailing the earnings of thousands more.

MILLER & CO.

AUGUST 6, 1949.

Mr. E. S. MILLER,
Jackson, Tenn.

MY DEAR MR. MILLER: Your letter of July 23 has just been received.

I do not know whether it is the fault of the post office or of my own office. At all events, I have just read it and am greatly obliged for your sending me these facts. I shall put them in the RECORD on Monday.

The American people ought to know this situation. I am doing everything I can to help the lumber people of my State and the country.

Thanking you for your letter, I am,

Sincerely, your friend,

KENNETH MCKELLAR,
United States Senator.

A FEW COMMENTS ABOUT THE WHITE PAPER ON CHINA, BY PATRICK J. HURLEY

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement entitled "A Few Comments About 1,000 Pages of White Paper," issued by Patrick J. Hurley on August 7 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A FEW COMMENTS ABOUT 1,000 PAGES OF WHITE PAPER

(By Patrick J. Hurley)

I have just received and hurriedly read the more than 1,000-page State Department white paper. The paper is a smooth alibi for the pro-Communists in the State Department who have engineered the overthrow of our ally, the National Government of the Republic of China, and aided in the Communist conquest of China.

The white paper seems to indicate that the State Department has recovered the five or six suitcases full of State Department documents that were given or sold to the pro-Communist Amerasia magazine. The white paper certainly is now quoting aforesaid documents that were not available to me when I testified in December 1945 before the Foreign Relations Committee of the Senate. The American people have had an opportunity to read most of the Chambers-Hiss documents. Why can't the public have an opportunity to see the Amerasia papers pertaining to China, and have an explanation of the reasons why the officials arrested by the FBI in the Amerasia case were released and whitewashed by the State Department?

My directive from President Roosevelt in keeping with the American policy in China, was to prevent the collapse of the National Government of the Republic of China; keep the Chinese Army in the field, and to unify all anti-Japanese armed forces and bring them under the control of the National Government. There were, of course, numerous other directives but the foregoing are sufficient for the purpose of showing the failure of the white paper to really tell what happened in China. Most of the quotations attributed to me occurred during the war when Russia was our ally and we were attempting to unify all the military forces in China to defeat Japan. I was, of course, attempting to get the Communists to agree to the policy of my Government.

Beginning on page 87 and ending on page 92, under the title of "American Chargé's Recommendations," the State Department does disfigure the recommendation made by American Chargé at Chungking, Mr. George Atcheson. The recommendations were made in my absence and were intended to destroy the National Government of the Republic of China, by arming the Chinese Communist Party whose purpose it was to overthrow the Government which I was directed to uphold. Fortunately, when the pro-Communists of the State Department called me on the carpet all primed to make me accept the Atcheson proposal, I was furnished a copy of the Atcheson cable which I now have before me. I quote from the Atcheson report:

"The President should inform the generalissimo in definite terms that the military necessity requires that we supply and cooperate with the Communists."

Atcheson definitely recommended the arming of the Communists whose purpose it was to overthrow our ally the National Government of the Republic of China. Now the question arises who were the pro-Communists in the Embassy at Chunking?—and I am quoting again from George Atcheson's message:

"This telegram has been drafted with the assistance and agreement of all the political officers of the staff of this Embassy."

According to Atcheson; every official in the American Embassy in China was in favor of arming the Chinese Communists whose purpose it was to overthrow our ally the Government of China, which I was directed to uphold. At the close of the Atcheson report, the State Department very kindly adds:

"General Hurley strongly opposed the course of action recommended above (by Chargé Atcheson) and it remained the policy of the United States to supply military matériel and financial support only to the recognized Chinese National Goverment."

What the white paper does not show is that I was called on the carpet with a full array of the pro-Communists of the State Department as my judges and questioners, to defend the American policy in China against "every official of the American Embassy in China." I won over all of their criticism for one reason only. President Roosevelt sustained my position and said it was in keeping with the traditional American policy in China. Nearly all the officials relieved by me in China because they were pro-Communist are now in the State Department—persumably writing alibi white papers.

Let me for a moment discuss a more deep-seated disagreement which I have with the present American foreign policy. It is truly stated in the white paper that I nearly always agreed with the announced policy of the President and the various Secretaries of State. I criticized the wide discrepancy between the policy stated by the highest officials and the policy made effective throughout the world by the State Department. The policy of the highest officials and the State Department are not alike. They are very different policies. Let us look at the record:

On November 26, 1941, Secretary of State Cordell Hull demanded an agreement by Japan that:

"The Government of the United States and the Government of Japan will not support—militarily, politically, economically—any government or regime in China other than the National Government of the Republic of China with capital temporarily at Chungking."

Secretary Hull's policy was in keeping with the traditional American policy in China. My disagreement was not with the policy stated by President Roosevelt or President Truman, or Secretary Hull. It was with the policy made effective all over the world by the State Department. For instance, the Atlantic Charter adopted before we entered the war, provides that—

The nations "seek no aggrandizement, territorial or other."

And again—

The nations "respect the right of all people to choose the form of government under which they will live."

There were other provisions of the Charter, but these two are enough for the point I am making. Britain and Russia, the United States and China, and 45 other nations adopted the Atlantic Charter as a statement of the objectives for which we were fighting. That was Roosevelt's policy, and I was for it. Later, Britain and Russia attempted to secede from the principles they had agreed to in the Atlantic Charter. At President Roosevelt's direction, I prepared at Teheran what is known as the Iran declaration. The Iran declaration, over the signatures of Churchill for the United Kingdom, Stalin for Soviet Russia, and Roosevelt for the United States, under date of December 1, 1943, reaffirmed the principles of the Atlantic Charter as the objectives for which the United Nations were fighting.

Then came the Yalta Conference. President Roosevelt was a sick man at Yalta. The State Department officials took over. The secret agreements at Yalta surrendered every principle of the Atlantic Charter and the Iran declaration. My controversy concerning Yalta began when I said ours is a government by the people, and the people cannot form correct conclusions if they are not given all the facts. I demanded the publication of the secret Yalta agreements.

Now let us find what the secret Yalta agreements did to China. I was not present at Yalta. China was not represented at Yalta. A secret agreement was signed by Churchill, Stalin, and Roosevelt giving Russia a preeminent right in the Chinese-Manchurian Railways. The Yalta secret agreement gave Russian a preeminent right in the Port of Dairen in China. The Yalta secret agreement gave Russia the naval base of Port Arthur in China. All of these concessions to Russia were in violation of America's traditional policy in China and in violation of China's right to territorial integrity and political independence.

The Yalta secret agreement is the blueprint for Communist conquest of China. The import of the white paper to the effect that we were compelled to meet these demands of Russia because we were afraid of what Russia would do about our war with Japan is not a satisfactory reason for our entering into the secret agreements of Yalta. At that time the United States had on the land, on the seas, and in the air the greatest military power ever assembled on this earth. America's military power at the time of Yalta was invincible. The United States did not need Russia. Russia dared not oppose the United States. Japan was already defeated before Russia reached the Japanese front. The surrender of all of these rights to Russia in China was legally and morally unjustified, and no white paper will ever be able to change the history of America's diplomatic failure in China.

The white paper does not attempt to define for the American people the present American policy in China.

ALLEGED DISCRIMINATION AGAINST NEGRO EMPLOYEES BY BUREAU OF ENGRAVING AND PRINTING

Mr. LANGER. Mr. President, last week I went into rather a detailed discussion of what I said was discrimination in the Bureau of Engraving and Printing. I have a letter written to me by Secretary of the Treasury John W. Snyder in which he refutes many of the statements which have been made on this subject.

I also have a copy of a letter written by Harry B. Mitchell, President of the Civil Service Commission, to Mr. Milton Kelenson, United Public Workers of America, dated January 17, 1949, and Personnel Circular No. 136 of the Treasury Department, dated April 11, 1949, addressed to heads of bureaus, offices, and divisions, Treasury Department, on the subject Procedures Governing Fair Employment Practice.

I ask unanimous consent to have the letters and the circular printed at this point in the body of the RECORD.

There being no objection, the letters and circular were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, August 6, 1949.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

MY DEAR SENATOR LANGER: The attention of the Department has been drawn to S. J. Res. 122, introduced by you on July 29, 1949, and to your statement in support of it made on the floor of the Senate on the same day.

The resolution would provide for the creation of a special committee composed of members of the Post Office and Civil Service Committees of both Houses and would direct this committee to conduct an investigation into specific charges that the Bureau of Engraving and Printing of this Department is guilty of the practice of discrimination against its Negro employees.

The resolution itself does not state or otherwise indicate the nature of these "specific charges." In your statement, however, you repeated a number of allegations of recent currency, some general and some specific, by which sources largely outside the Bureau have misrepresented the facts and sought to impute to the Bureau a policy of racial discrimination which does not in truth exist.

You charged first that about 2,000 printer's assistants at the Bureau, most of them Negro women, have been recently compelled to compete for their jobs with 15,000 outsiders in an examination having little relation to the job to be done, with the result that many Negro women with training and experience will shortly be displaced. You say that plate printers who were on a war-service status, as were the printer's assistants just referred to, but who are not Negroes, were permitted to qualify for permanent status without any such examination.

It is true that several hundred women employed in the Bureau as printer's assistants will in due course be replaced, some of them being Negro and some white. These women are all war-service appointees. Their replacement is occasioned by their failure to qualify for retention in permanent positions on an assembled examination given under rules promulgated not by the Bureau or the Treasury, but by the Civil Service Commission. Plate printers on war service appointment were also required to qualify for permanent status by examination, in competition with applicants from without the Bureau. This examination was in an unassembled form. However, the form of the two examinations as well as the necessity for qualifying under them, is a matter dictated by the Commission and outside this Department's control.

This charge is identical to one lodged several months ago with the Commission, which the President of the Commission answered at length in a letter dated January 17, 1949. A copy thereof is attached for your further information.

You charged secondly that an examination recently announced for plate printers was canceled after 30 or 40 Negro veterans qualified for the examination, in the face of an alleged shortage of plate printers evidenced by overtime work presently being required of them.

The fact is that in July 1948 there existed a shortage in the ranks of plate printers and consideration was given to the recruitment of apprentices. At that time it was determined that this recruitment would be made from skilled helpers in the Bureau having veterans' status. The files of the Bureau disclosed 100 applicants eligible to take the examination of whom 49 were Negroes. Shortly after the examination was announced the Bureau learned of the availability of 20 modern intaglio power plate printing presses which had been constructed on Russian order, the export of which was now prohibited. The acquisition of these presses and the redesign of old presses made it apparent that current and foreseeable printing schedules in the Bureau could be met with existing manpower in the plate printers' trade and without overtime. In fact no overtime has been required of plate printers since May 31 of this year. Thus, the announced examination could have been held and apprentices qualified only at the risk of creating an excess in this trade which would require enforced furloughs without pay. In the light of these considerations the examination was postponed.

Thirdly, you charged that none of the responsible supervisory, professional, or clerical positions, or skilled crafts and trade jobs are held by Negroes. Specifically you charge that of the more than 3,000 Negro employees, less than 10 hold bona fide supervisory or clerical positions.

The details of this charge are not in accord with the true facts, which themselves disprove the existence of Bureau discrimination in its personnel policies.

The promotion policy of the Treasury Department is that vacant positions above the customary recruiting levels in each bureau, office, and division shall be filled from within by the promotion of qualified employees whose abilities have been demonstrated and who have the capacity to undertake more advanced work, and that there shall be no discrimination because of race, color, or creed. Seniority is given consideration only when all other qualifications are equal.

There are, at the present time, 210 supervisory positions in the Bureau of which 60 require a civil-service examination for promotion and 63 an apprenticeship in a trade. There remain 87 supervisory positions to which promotions may be made administratively and of these 87 positions, 26 or 29 percent, are occupied by Negroes.

Under civil-service regulations, appointment to any skilled craft in the Bureau requires a 4-year apprenticeship or its equivalent. The variable work load of the Bureau does not lend itself to long-range planning involving apprenticeship programs and at the same time to maintenance of the proper relationship between man power and work load. Consequently, the appointment of journeyman craftsmen is usually made from the registers of the Civil Service Commission or by transfers from other agencies within the Federal Government.

However, in some of the maintenance crafts, such as electricians, carpenters, and plumbers, workers with 5 years' service in the Bureau as mechanic's helpers and having acquired the necessary knowledge and skills equivalent to a full apprenticeship can be promoted to journeymen. In at least two of these crafts, Negro workers have become craftsmen or are in the process of becoming craftsmen. It is anticipated that other Negro helpers will become craftsmen in the future.

Of the 6,027 employees in the Bureau of Engraving and Printing, 4,511 or 75 percent of the total, are classified in the clerical-mechanical and crafts, protective, and custodial services. Of these 4,511 employees, 3,078 are Negroes. Opportunities for promotions in these two services are extremely

limited because of the nature of the jobs which are covered by these services.

Further you have charged that Negro employees are assigned to work in the drying rooms, where excessive temperatures are said to exist. It should be pointed out that the average temperature in the drying rooms is lower than the average in other work rooms in the Bureau.

You charged fourthly that segregation is practiced at the Bureau to a greater extent than in any other Federal agency in Washington, specifically in maintaining segregated work areas, segregated washrooms, locker rooms, and toilets.

In this connection it may be observed that approximately one-half of the employees of the Bureau are white and one-half Negro. Segregation of the two races is not a Bureau policy. The same cafeteria facilities, the same wash rooms, and the same toilets are available to and used by both races. Both races occupy the same work rooms. Negro workers are frequently teamed with white workers. Although within the various work rooms there is a certain degree of congregation of Negro and white workers, and although their locker-room facilities are separate, no differences of any kind exist in the condition or quality of the localities occupied by each group.

Last May a subcommittee of the House Committee on Education and Labor, under the chairmanship of Representative POWELL, conducted an inquiry into the same complaints which were repeated in your statement of July 29. Under Secretary of Treasury Foley and Director Hall of the Bureau appeared before the subcommittee on May 19 and 25 and made an extended explanation of the facts, which should have dispelled all possible basis of the complaints. On that occasion Under Secretary Foley urged Representative POWELL and members of his subcommittee to inspect the Bureau. Of course, any other Member of the Congress would be equally welcome.

Moreover, under the provisions of Executive Order No 9980, the Department has set up machinery for the administration of the President's Fair Employment Program within its jurisdiction. Please refer to Department Personnel Circular No. 136 (revised) dated April 11, 1949, a copy of which is attached hereto. This circular provides that any employee aggrieved by reason of discriminatory personnel action on the part of an officer within the Department may enter a complaint with his supervisor and, if the complaint is denied, may appeal to the head of the agency and to the fair employment officer for the Department.

Referring to the cases of the five individuals mentioned in your statement, it may be stated that these cases have been thoroughly examined by the Department and it has been found that there is no basis for their complaint.

This letter is not written in order to oppose the enactment of Senate Joint Resolution 122. The Department has been diligent in making a full revelation of the facts to Representative Powell's subcommittee and to other Members of the Congress and of the public who have made inquiry of the Department, being convinced that its practices are in full accord with Executive Order No. 9980 and entirely free from discrimination or prejudice. It is a matter of concern to the Department, however, that the damage which has already been done by the public circulation of unfounded complaints will be considerably aggravated unless each further repetition of them is promptly answered.

A copy of this letter is being supplied the chairman of the Senate Post Office and Civil Service Committee.

Very truly yours,

JOHN W. SNYDER,
Secretary of the Treasury.

JANUARY 17, 1949.

Mr. MILTON KELENSON,
United Public Workers of America,
Washington, D. C.

DEAR MR. KELENSON: Reference is made to your letter of December 28, 1948, concerning nonstatus incumbents of the positions of printer's assistant and skilled helper at the Bureau of Engraving and Printing.

You state that in the interest of economy and fair play, you believe these employees should be granted a permanent status in their positions without examination. The Commission is without authority in such a situation to accord a competitive status without examination. Executive Order 9063 which authorized adoption of the war service regulations specifically stated that no person would acquire a competitive status purely on the basis of having served under a war service appointment.

The Commission's war service regulations were adopted among other reasons to preserve permanent job opportunities until the men and women in the armed forces and war industries would again be available to compete for Federal employment. The President made this commitment in issuing Executive Order 9073. To recommend that any group of Federal employees be accorded a competitive status by reason of their war service employment would be to withdraw this commitment. The Commission does not believe it to be in the public interest to do so.

The Commission resumed the holding of regular civil service examination for probational appointment in March 1946, at the direction of the President. Whenever a regular civil service examination is announced, nonstatus employees in the Government service have an equal opportunity with the general public to apply and compete for the positions to be filled as a result of the examination. It is the Commission's desire to stabilize the personnel situation in the Federal Government as rapidly as possible. Therefore, as soon as possible after we establish a list of eligibles as a result of a probational examination we order the displacement of war service and temporary employees who either failed or did not make high enough ratings on the examination to be selected for appointment.

War-service and temporary employees generally were aware that they would have to qualify in an appropriate open competitive examination to be considered for permanent appointment, and that, failing to do so, they faced the possibility of being replaced by someone whose name appeared on an eligible list.

We fully recognize the contribution which war-service employees have made and the value of their experience to the Federal Government. In fact, a provision of our regulations gives special recognition to the war-service appointee's experience. It provides that if a war-service appointee who has attained an eligible rating in an examination appropriate for his position is reached for displacement at a time when another person five points higher on the register is reached for selection, the war-service appointee may be accorded a competitive status. This provision becomes effective, however, in the case of a nonveteran employee only when higher ranking veteran eligibles have been given appropriate consideration.

The statement in paragraph 2 of your letter regarding plate printers is apparently based on misunderstanding of the process by which plate printers acquired permanent status. There was, in fact, an open competitive examination announced for plate printer positions. No written test comparable to that required for printer's assistant was required, but plate-printer applicants were assigned a competitive numerical rating on the basis of their training and experience in the trade. The supply of plate printers is so small that the comparatively limited number of applicants who attained eligible ratings in the examination (including all war-service and temporary employees) were within reach for certification and selection soon after the establishment of the eligible list.

An important question raised by your letter is whether the tests measure fitness for work. Both the Civil Service Commission and the Bureau of Engraving and Printing were seriously concerned with this problem before holding the examination. An extensive job analysis revealed the specific elements required by the job with respect to rapidity of work, eye-hand coordination, strength of fingers and wrist, perception of form, and attention to many items. Tests were developed to measure these characteristics, and were tried out with printers assistants who had been rated as being either entirely satisfactory or definitely low in competence. Almost all workers rated as satisfactory passed the test battery, while most lower-rated workers considered did not pass.

Therefore the tests not only seemed to represent characteristics required of the job; the try-out proved that the characteristics measured by the tests were the same as those needed for the job.

Since the tests are objective and are equal for all people, the examination is probably the fairest way to select persons with ability for the job. They provided an equal basis of competition for those experienced on the job and those qualified to compete but lacking specialized experience.

You mention in your letter that one examiner allowed only 2½ minutes for the dotting test. The Commission is always willing to entertain an appeal for reexamination from a candidate who was discriminated against by insufficient time limits. In such a case the papers for the room where the candidate was examined will be reviewed, and if unusually low scores indicate that the complaint was justified, the candidate will be reexamined and steps would be taken to prevent the particular examiner from repeating his mistake. Before such a check can be made, however, it will be necessary that information be supplied by the complainants giving the date on which they were examined, and whether in a morning or afternoon class, and also the place and room number in which the examination was held. This information should be furnished as soon as possible.

We have looked into the questions you raise specifically concerning the gage test. Among candidates in the upper half of a group of competitors there were only 4 of the first 30 items where more than 20 percent of the candidates gave the wrong response. This result confirms that the test is of reasonable difficulty and within the ability of most competitors.

With respect to the possible repeated use of gages, different gages were in the bundles for each session, and at the close of each session the gages were wrapped with the papers and were not reopened for reuse.

I hope that this information will be helpful in clarifying the Commission's position in this matter.

Sincerely yours,

HARRY B. MITCHELL,
President.

PERSONNEL CIRCULAR NO. 136 (REVISED)

TREASURY DEPARTMENT,
DIVISION OF PERSONNEL,
Washington, D. C., April 11, 1949.

To heads of bureaus, offices, and divisions, Treasury Department.

Subject: Procedures governing fair employment practice.

1. PURPOSE

The Fair Employment Board, appointed under provisions of Executive Order No. 9980, has issued its instructions for carrying out

the fair-employment program under that Executive order. It is now necessary to revise Personnel Circular No. 136 to conform with the instructions of the Fair Employment Board in providing procedures whereby any person having a complaint based upon alleged discrimination because of race, color, religion, or national origin may have such complaint reviewed within the Department.

2. AUTHORITY

Executive Order No. 9980; Fair Employment Board memorandum No. 5, dated March 24, 1949; and Treasury Department order No. 102.

3. POLICY

The President, in Executive Order No. 9980, has stated that "The principles on which our Government is based require a policy of fair employment throughout the Federal establishments, without discrimination because of race, color, religion, or national origin"; and that all "personnel actions taken by Federal appointing officers shall be based solely upon merit and fitness; and such officers are authorized and directed to take appropriate steps to insure that in all actions there shall be no discrimination because of race, color, religion, or national origin." These statements shall govern all officers and employees of the Treasury Department responsible for effecting personnel actions.

All officers and employees who occupy supervisory positions shall be instructed as to the meaning, spirit, and requirements of Executive Order No. 9980 and this circular.

4. ORGANIZATION

The fair-employment officer for the Department has been designated in Treasury Department order No. 102. The designation of regional fair-employment officers in personnel circular No. 136, supplements 1 and 2, is hereby reaffirmed. The title of these officers hereafter shall be deputy fair-employment officers.

5. DEFINITION OF TERMS

Employee: An individual appointed by a Federal officer, and who is engaged in the performance of Federal functions in the executive branch of the Federal Government under authority of an act of Congress or an Executive order, and who, in the performance of such duties, is supervised and directed by a Federal officer.

Applicant: A person failing of appointment in the executive branch of the Federal Government who alleges a grievance relating to discrimination.

Discrimination: An unfavorable personnel action affecting an employee or applicant based on race, color, religion, or national origin and not on merit or fitness. Preference in appointment and difference in conditions of employment, such as pay, leave, hours of work, etc., based upon law or upon regulations under authority of law do not constitute discrimination within the meaning of Executive Order 9980.

Personnel action: Any action taken within a department which affects the equality of economic opportunity of an employee or applicant. The term "personnel action" shall include failure to act.

Complete file: All letters, notices, memoranda, reports, transcripts, affidavits, or supporting documents in connection with the initiation, investigation, hearing, decision, and closing of a case or cases.

6. PROCEDURE

(a) *Initiation of complaint*

1. Procedures under Executive Order No. 9980 shall apply and be available only to an employee or to a person failing of appointment who alleges that a personnel action, as defined herein, which affects him has been taken because of race, color, religion, or national origin.

2. The complaint must be made within 30 days of the date the complainant learns of the alleged discrimination and not later than 6 months from the date of the personnel action complained of, unless failure to submit the complaint within these time limits was due to unusual circumstances beyond the control of the complainant.

3. All written complaints or appeals must be signed by the aggrieved employee or applicant. Any initial written complaint or appeal must include information regarding the specific personnel action complained of; the approximate date thereof; reasons in support of the allegation of the act of discrimination, and a statement as to when the appellant first learned of the discrimination.

4. Any applicant for a position having a complaint against a personnel action taken in this Department on the ground of alleged discrimination may file his complaint either with the head of the office where the alleged act of discrimination occurred with the deputy fair employment officer of that region or with the fair employment officer of the Department. If the complaint is filed with the deputy fair employement officer or fair employment officer it shall be referred to the head of the office for handling as an initial complaint. Procedure for appeals in such cases will be the same as provided herein for appeals of employees.

5. Any employee having a complaint against a personnel action taken in this Department on the ground of alleged discrimination shall first take his complaint to his immediate or other higher supervior in order to obtain the proper adjustment or understanding at that level of authority. If the supervisor denies the complaint he shall advise the complainant in writing that he may file an appeal within 10 days with the deputy fair employment officer. In addition, the complainant shall be advised that if he appeals to the deputy fair employment officer he shall furnish a copy of the letter of appeal to the supervisor with whom he initiated the complaint. On receipt of a copy of the appeal the supervisor concerned shall forward to the deputy fair employment officer, through the head of the office, the complete file in the case.

If the head of the office can make an adjustment of the case agreeable to the complainant he shall report the action taken to the deputy fair employment officer to whom the appeal was addressed and advise the subordinate administrative officers concerned. If no adjustment is made the file shall automatically be forwarded to the deputy fair employment officer.

(b) *Investigation and adjustment by informal negotiation*

The deputy fair employment officer shall promptly make or cause to be made such investigation as is necessary to ascertain the facts at issue on the complaint. He should endeavor through informal negotiations to effect a satisfactory settlement of the complaint. All interested parties shall be advised of the settlement of the complaint and any corrective action which may be taken.

(c) *Hearing before deputy fair employment officer*

If the deputy fair employment officer is unable to effect a settlement of the complaint by informal negotiation, he shall furnish the complainant with a statement of the pertinent facts disclosed by the investigation and shall afford him an opportunity to reply thereto in writing or personally, by authorized representative or accompanied by such representative. The complainant shall be permitted to present by witness or otherwise any pertinent facts not disclosed by the investigation. Where practicable, a transcript of testimony shall be made. If a verbatim transcript is impracticable a summary of the oral testimony shall be made by the deputy fair employment officer. The summary may be agreed to and signed by the complainant and the deputy fair employment officer, or if the complainant does not agree with the summary, he may note and sign his exceptions which will become a part of the summary. Any transcript or summary shall be available for inspection by the complainant or his authorized representative and by interested agency officials.

On all the material facts disclosed by the investigation and hearing, if held, the deputy fair employment officer shall make a decision. If the decision is unfavorable to the complainant, he shall be advised in writing of the decision and the reasons therefor and of his right to appeal to the fair employment officer within 10 days (20 days if outside the continental United States) from date of receipt of the unfavorable decision. Officials directly concerned shall be advised of the decision made. If the decision on the complaint is favorable to the complainant the deputy fair employment officer shall prepare in writing a statement showing his findings of fact and his recommendations and shall submit the statement to the head of the bureau involved in the complaint. It shall then become the responsibility of the head of the bureau to make the proper adjustment in the case.

(d) *Action of head of bureau*

If the head of the bureau agrees with the recommendation of the deputy fair employment officer he shall take the proper administrative action to remove the alleged discrimination. If he disagrees with the recommendation of the deputy fair employment officer that a discrimination has been made against the complainant he shall give the reasons for his disagreement and refer the case to the fair employment officer within 5 working days after receipt.

(e) *Appeal to fair employment officer*

The fair employment officer upon receiving an appeal (whether from a complainant or from a bureau head) shall, after reviewing the complete file, make any further investigation deemed necessary. Interested parties shall have the privilege of appearing personally or by an authorized representative. From the evidence presented the fair employment officer shall make his decision and shall notify the interested parties in writing of the decision reached and the reasons therefor. If the decision is favorable to the appellant the head of the bureau or other responsible official shall take such corrective or disciplinary action as is necessary to correct the discrimination which was made the basis of the complaint. If the decision is unfavorable to the appellant the fair employment officer shall notify him in writing of his right to appeal to the Secretary of the Treasury within 10 days (20 days if outside the continental limits of the United States) from date of receipt of the decision.

(f) *Appeal to the Secretary of the Treasury*

In the event that an appeal is taken from a decision of the fair employment officer the Secretary of the Treasury will make a decision upon the facts of the case and notify the interested parties in writing of such decision. If the decision is favorable to the appellant the head of the bureau or other responsible official shall take or cause to be taken the necessary corrective and disciplinary action to remove the discrimination which was the basis of the complaint. If the decision is unfavorable to the appellant he will be notified in writing of the decision, in duplicate, and of his right to appeal to the Fair Employment Board of the Civil Service Commission within 10 days from date of receipt of the decision or within 20 days if he resides outside the continental limits of the United States. In addition, he will be advised that a copy of the adverse decision should accompany his appeal.

7. GENERAL PROVISIONS

(a) If a complaint of discrimination because of race, color, religion, or national origin is denied on the ground that the action complained of is not a personnel action as defined herein, the complainant shall be advised that he may appeal this determination through the same channels as are prescribed under section 6 herein. If, on appeal, it is determined that the action complained of is a personnel action as defined herein, the case may be remanded to the proper officers for further investigation or action on the issue of discrimination.

(b) The means of relief provided by Executive Order 9980 or any regulations thereunder shall be supplemental to those provided by existing statutes, Executive orders and regulations, such as appeals to the Civil Service Commission under section 14 of the Veterans' Preference Act of 1944 or the reduction-in-force regulations, etc.

8. DISTRIBUTION

The heads of the bureaus and offices will see that every employee is given notice of this circular by posting on bulletin boards or circularization.

9. EFFECTIVE DATE

The provisions of this circular will be effective immediately.

JAMES H. HARD,
Fair Employment Officer.

POST OFFICE DEPARTMENT—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks, a statement which I have prepared, including comments by the Post Office Department on the Hoover Commission recommendations as they affect that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

The Postmaster General, in a letter released today by Senator JOHN L. MCCLELLAN, chairman of the Committee on Expenditures in the Executive Departments, submitted his detailed views relative to recommendations of the Hoover Commission which would affect the Post Office Department, pending legislation to effectuate certain of these proposals, and Reorganization Plan No. 3. Mr. Donaldson informed the committee that the major recommendations of the Hoover Commission require legislative action and that the Post Office Department cannot accomplish the objectives of these recommendations through administrative action.

"On June 30, 1949, the President transmitted his Reorganization Plan No. 3 to the Congress. This plan constitutes an important first step in the strengthening of the organization of the Post Office Department. It has been implemented by my action in submitting to the Congress a bill to improve the financial control of the post office, introduced in both Houses of the Congress, with some modifications in language, as S. 2212, and a bill relating to the appointment of postmasters, introduced in the Senate as S. 2213."

In commenting on the recommendation (No. 1, Post Office Department) that provides that the Postmaster General should not be an official of a political party, the Postmaster General contends that the President "should have the right to appoint to his Cabinet any person, who, in his opinion, can assist him in best carrying out his policies and programs for the benefit of the entire country."

Recommendation No. 2, which provides for the appointment of a Director of Posts by the President and confirmed by the Senate, who would be the operating head of the Post Office Department, is opposed on the grounds that good management requires that the Postmaster General retain administrative and managerial control of the postal service. The Postmaster General suggests that a better solution would be the creation of the position of Deputy Postmaster General, as provided in Reorganization Plan No. 3, because such official would serve directly under the Postmaster General, with rank comparable to under secretaries in other departments.

Recommendation No. 3, which suggests that the Postal Service be decentralized into 15 regions with regional directors and district superintendents is firmly rejected by the Department as an impractical organization for the management of the postal service, as well as an expensive one. In support of his position on this proposal, Mr. Donaldson stated:

"If the proposal were practicable, it is conservatively estimated that the yearly cost of operation would exceed $5,000,000, exclusive of additional cost due to decentralization of accounting procedures. An expenditure of one-fifth of that amount to provide for a proper reorganization of the departmental service in Washington would be far more effective and more in keeping with the needs of the postal service. The Post Office Department is already decentralized perhaps to a larger extent than any other executive department, and more so than many large business institutions. * * * I do not believe that final action in postal matters should be vested in such a large number of field officials. Such a situation would lead to lack of uniformity in decisions, considerable confusion, and much additional expense without material accomplishment."

Commenting on recommendation No. 4, providing for the appointment of an advisory board, the Postmaster General finds no objection to this recommendation and points out that Reorganization Plan No. 3 establishes such a board.

Recommendation No. 5, which has the effect of abolishing the confirmation of postmasters by the Senate, is also not objected to, and the Postmaster General points out that the bill (S. 2213) has been introduced to effectuate this recommendation.

The Postmaster General is in accord with recommendation No. 6, which suggests the application of the provisions of the Government Corporation Control Act in respect to business management, budgeting, accounting, and audit to the Post Office Department. The Postmaster General states that this "law would greatly improve and simplify the management, budget, and accounting procedures of the Post Office Department." He concludes that "if the Post Office Department is to be operated as a business-type institution, the Postmaster General must necessarily be given more authority with reference to the control over income and expenditures." The pending bill, S. 2212, would implement this recommendation.

In his comments regarding the pending bill, S. 2212, and Reorganization Plan No. 3, the Postmaster General concluded:

"The enactment of S. 2212, together with legislative concurrence in Reorganization Plan No. 3 will result in long-range major economies. The immediate effect will be to enable the Postmaster General to more effectively organize and administer the postal service. Effective administration of a business as large as the postal service cannot be achieved unless the Postmaster General is given proper administrative freedom. I am of the opinion that the authorities granted by Reorganization Plan No. 3 and S. 2212 are essential to the efficient management of the postal service. The Postmaster General is presently circumscribed by too many controls vested in persons not connected with the service. These controls must be transferred to the Postmaster General if he is to properly administer the postal service."

The Postmaster General finds no objection to recommendations No. 7 and 8 providing for the revision of the laws, regulations, and other stipulations governing the postal service, and would authorize and instruct the Postmaster General to determine rates for various services of the Post Office Department with the objective of making these services self-supporting.

The Postmaster General agrees in principle with recommendation No. 9, to the effect that subsidies paid to common carriers of air mail should be paid to the Post Office Department by open appropriation. The Postmaster General notes that S. 1431 provides that subsidies of the character described would be paid from appropriations made to the Civil Aeronautics Board.

The Postmaster General also comments on recommendations in the Report on General Management of the Executive Branch. He supports recommendation No. 14, which provides that heads of departments have full responsibility for the conduct of their departments and that no subordinate should have independent authority, stating that "the vesting of specific statutory duties in subordinate officers of a department can only result in confusion and inefficiency in operation."

Mr. Donaldson is in accord with recommendations 13, 15, 18, and 19, and with reference to recommendation No. 16, expresses the view that "one of the greatest barriers to continued improvement of the postal service is the lack of an adequate staff of trained officials in the departmental service."

The letter from the Postmaster General follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., August 3, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments United States Senate.

DEAR SENATOR: This letter is in response to your communication of May 21, 1949, requesting (1) a report with regard to the application of the recommendations and textual discussions in the reports of the Commission on Organization of the Executive Branch of the Government, hereinafter referred to as the Hoover Commission, which affect the Post Office Department; (2) comments relative to actual or prospective implementation of such recommendations, including a summary of administrative action taken to conform to such recommendations, and an analysis of any pending legislation which provides for the effectuation of specific recommendations; and (3) information as to economies and efficiencies achieved through administrative action and reorganizations effectuated to accord with the Hoover Commission's recommendations.

Before discussing the recommendations of the Commission specifically directed to the Post Office Department, I wish to briefly comment on certain recommendations contained in the Commission's report on the general management of the executive branch. Recommendations Nos. 13, 14, 15, 16, 18, and 19 contained in part III of this report are of particular interest to the Post Office Department.

Recommendation No. 13 suggests that subsidiary bureaus within a department should be grouped as nearly as possible according to major purposes. The Post Office Department is presently organized along functional lines with specific duties assigned to each of the four assistants and the other bureau heads.

Recommendation No. 14 is to the effect that under the President the heads of departments must have full responsibility for

the conduct of their departments, and that no subordinate should have independent authority. I fully agree with this recommendation. Efficient and economical management requires the full concentration of administrative authority in the head of the department. The vesting of specific statutory duties in subordinate officers of a department can only result in confusion and inefficiency in operations.

Recommendation No. 15 would provide for greater decentralization of accounting, budgeting, recruiting, and personnel management into the operating agencies, subject to common standards and supervision. I am in general agreement with this recommendation. A fuller discussion of this matter will be presented in my treatment of the specific recommendations for the Post Office Department.

Recommendation No. 16 calls for adequate staff assistance for department heads. This recommendation has particular application to the Post Office Department. One of the greatest barriers to continued improvement of the Postal Service is the lack of an adequate staff of trained officials in the Departmental Service. No business institution of comparable size would long tolerate the small staff of officials now responsible for the management of the Postal Service.

Recommendation No. 18 provides that the head of a department should have full administrative authority to organize his department, and that he should be in control of its administration. The report then recommends that there be an under secretary, or equivalent official, and a necessary number of assistant secretaries. Since these officials are of policy rank, it is recommended that they be appointed by the President and confirmed by the Senate. I fully agree with this recommendation.

Recommendation No. 19 is to the effect that staff officials generally, and bureau chiefs should be appointed by the department head, with proper consideration being given to the appointment of career employees. I am in full agreement with this recommendation. The record of the Post Office Department demonstrates that the promotion of career employees to positions of trust and responsibility is the rule rather than the exception.

The above recommendations are incorporated in the President's Reorganization Plan No. 3, and in suggested legislation implementing Reorganization Plan No. 3. This legislation has been introduced in the Senate as S. 2212 and S. 2213, and in the House of Representatives as H. R. 5775. These bills and Reorganization Plan No. 3 will be fully analyzed hereinafter.

Recommendation No. 1 of the Hoover Commission's report on the Post Office Department recommends that the Postmaster General should remain a Cabinet officer but that he should not be an official of a political party.

This recommendation needs little comment as the law now provides for a Postmaster General to be appointed by the President and confirmed by the Senate, and who is to be a member of the Cabinet. That part of the recommendation that suggests that the Postmaster General should not be an official of a political party should be for the determination of the President of the United States, whoever he may be. The Postmaster General is a Cabinet officer and any President should have the right to appoint to his Cabinet any person who, in his opinion, can assist him in best carrying out his policies and programs for the benefit of the entire country.

Recommendation No. 3 suggests the appointment of a Director of Posts, appointed by the President and confirmed by the Senate. The Director of Posts would be the operating head of the Post Office Department.

While the Postmaster General should be relieved of the details of day-to-day operations, good management requires that he retain administrative and managerial control of the postal service. This objective could be better attained by the creation of the position of Deputy Postmaster General. Such official would serve directly under the Postmaster General with the rank comparable to under secretaries in other departments. Supplementing the Deputy Postmaster General would be Assistant Postmasters General, to whom duties along functional lines could be assigned. Reorganization Plan No. 3 creates the posts of Deputy Postmaster General and four Assistant Postmasters General.

Recommendation No. 3 suggests that the postal service should be decentralized into 15 regions under regional directors of posts and district superintendents. The regional directors would direct all transportation in the region and the activities of the district superintendents, who would have supervision over all post offies in a prescribed area.

I am opposed to this recommendation. The proposal of the Commission suggests an impractical organization for the management of the postal service, as well as an expensive one. If the proposal were practicable, it is conservatively estimated that the yearly cost of operation would exceed $5,000,000, exclusive of additional cost due to decentralization of accounting procedures. An expenditure of one-fifth of that amount to provide for a proper reorganization of the departmental service in Washington would be far more effective and more in keeping with the needs of the postal service. The Post Office Department is already decentralized perhaps to a larger extent than any other executive department, and more so than many large business institutions. Each post office is managed by a postmaster, who is given much latitude in the performance of the service to the patrons of his office. Transportation is decentralized to 15 divisions, as is also the Post Office Inspection Service. All second-, third-, and fourth-class post offices are district offices making their reports to a central accounting office. I do not believe that final action in postal matters should be vested in such a large number of field officials. Such a situation would lead to lack of uniformity in decisions, considerable confusion, and much additional expense without material accomplishment.

Recommendation No. 4 looks to the appointment by the President of an advisory board. The duties of the proposed board would be advisory in character as to methods and policies.

I have no objection to this recommendation. Reorganization Plan No. 3 establishes such a board.

Recommendation No. 5 is to the effect that the confirmation of postmasters by the Senate should be abolished. This recommendation suggests the elimination of political considerations in the appointment of postmasters, and the selection of such officials in accordance with existing civil service rules.

I have no objection to this recommendation. S. 2213 provides for the appointment of all postmasters by the Postmaster General without Senate confirmation.

Recommendation No. 6 suggests that the provisions of the Government Corporation Control Act (59 Stat. 596), in respect to business management, budgeting, accounting, and audit be applied to the Post Office Department.

I am in accord with this recommendation. Its enactment into law would greatly improve and simplify the management, budget, and accounting procedures of the Post Office Department. If the Post Office Department is to be operated as a business-type institution, the Postmaster General must necessarily be given more authority with reference to the control over income and expenditures. This recommendation has been incorporated as an essential structure of S. 2212. This matter will be discussed in greater detail under my analysis of S. 2212.

Recommendation No. 7 looks for the revision of the laws, regulations, and other stipulations governing the postal service, not only to effect structural changes but also to simplify operations.

I have no objection to the general objectives of this recommendation.

Recommendation No. 8 would authorize and instruct the Postmaster General to make rates charged for such special services as registered mail, insured mail, money orders, postal notes, postal cards, special delivery, and collect-on-delivery mail with the objective of making these services self-supporting.

I have no objection to this recommendation. These special services are adjuncts to the real postal service and the fees charged therefor should be commensurate with their cost.

Recommendation No. 9 is to the effect that subsidies paid to common carriers for the carriage of air mail should be paid to the Post Office Department by open appropriation in order that the President, the Congress, and the public may know what the amounts of the subsidies are.

I agree with this recommendation in principle. In this connection I call your attention to S. 1431 and H. R. 2908. These bills provide that subsidies of the character described in Recommendation No. 9 should be paid from appropriations made to the Civil Aeronuatics Board.

The major recommendations of the Hoover Commission requires legislative action, or legislative concurrence in presidential reorganization plans. The Post Office Department cannot accomplish the objectives of these recommendations through administrative action.

On June 30, 1949, the President transmitted his Reorganization Plan No. 3 to the Congress. This plan constitutes an important first step in the strengthening of the organization of the Post Office Department. It has been implemented by my action in submitting to the Congress a bill to improve the financial control of the Post Office, introduced in both Houses of the Congress, with some modifications in language, as S. 2212 and H. R. 5775, and a bill relating to the appointment of postmasters, introduced in the Senate as S. 2213.

Section 1 of the Reorganization Plan No. 3 transfers to the Postmaster General the functions of all subordinate officers and agencies of the Post Office Department. This provision is designed to follow out the Hoover Commission's recommendation that the head of a department should receive the authority to organize and control his department and that separate authorities to subordinates should be eliminated. The Postmaster General is further authorized by Section 1 (b) to delegate his functions to any officer, employee, or agency of the Post Office Department as he should deem appropriate. This authority will give the Postmaster General the power to more completely organize the Post Office Department on functional lines as recommended by the Hoover Commission.

Section 2 establishes the office of a Deputy Postmaster General, who shall be appointed by the President and confirmed by the Senate. This deputy shall perform such duties as may be delegated to him by the Postmaster General. This position is on the level of under secretaries in other executive departments. The creation of the office of Deputy Postmaster General will enable the Postmaster General to delegate many pressing day-to-day activities, thereby enabling him to devote more of his time to over-all policy matters.

Section 3 provides for four Assistant Postmasters General who shall be appointed by the President and confirmed by the Senate. These assistants are on the level of assistant

secretaries in other executive departments, and shall perform such duties as may be delegated to them by the Postmaster General.

Section 4 establishes an Advisory Board, the members of which shall be appointed by the President and confirmed by the Senate. This section further provides for their compensation, duties, and meeting place.

Section 5 abolishes the Bureau of Accounts in the Post Office Department, including the office of Comptroller, the office of Purchasing Agent, and the offices of the First, Second, Third, and Fourth Assistant Postmasters General. The purpose of this section is to supplement the provisions of section 1 by specifically abolishing those offices in the Post Office Department which have been delegated specific powers by statutory enactments.

Section 6 provides for the transfer of records, property, unexpended balances of appropriations, allocations, and other funds. This section also provides for the transfer of present employees.

Reorganization Plan No. 3 carries into effect those recommendations of the Hoover Commission which can be adopted by resort to the provisions of the Reorganization Act.

S. 2213, implementing Reorganization Plan No. 3, is designed to place the appointment of postmasters within the scope of the authority of the Postmaster General, a recommendation of the Hoover Commission.

S. 2212, a further implementation of Reorganization Plan No. 1, is designed to free the Postmaster General's hands of unduly restrictive and hampering legislation, and regulations interwoven with red tape. S. 2212 has been drafted with the objective of carrying out many of the major recommendations of the Hoover Commission.

Section 2 of S. 2212 places the Post Office Department under the Government Corporation Control Act as recommended by the Hoover Commission, although it does not provide for the incorporation of the Department. The Department retains its status as an executive department, but for operating purposes assumes the characteristics of a Government corporation.

By assuming the character of a Government corporation, the Post Office Department would have a business-type budget; it would establish its own system of accounts, subject to the authority of the Comptroller General to examine and report upon the adequacy of the system; and the Comptroller General would make an annual audit of the Department in accordance with principles and procedures applicable to commercial transactions. At the present time the Post Office Department operates under even more restrictive procedures than those established under the Budget and Accounting Act of 1921 as the Comptroller General in effect performs the administrative preaudit and maintains the accounts for the Department.

Section 3 sets forth the general powers required by the Postmaster General in carrying out the duties vested in him by law, including the power to make contracts, accept gifts, settle and adjust claims, make expenditures, appoint employees, and to carry on other necessary activities. These are the powers usually incident to Federal business enterprises. These powers would be limited, however, by laws specifically applicable to Government corporations such as the Government Corporation Control Act (31 U. S. C. 84 et seq.); the Federal Corrupt Practices Act (2 U. S. C. 251); the Government Losses in Shipment Act (5 U. S. C. 134); the Walsh-Healey Act (41 U. S. C. 35 et seq.); section 3709 of the Revised Statutes which, by the Administrative Expense Act (41 U. S. C. 5), is made to apply to administrative transactions of over $100 of Government corporations; the Administrative Expense Act (41 U. S. C. 5); the Miller Act (40 U. S. C. 270a); the act of July 11, 1947 (31 U. S. C. 132 et seq.) providing for the handling and payment of "stale" checks; the Federal Property and Administrative Services Act of 1947; and all laws applicable to officers or employees of the United States in general.

Section 4 establishes the revolving-fund method of financing the Post Office Department along the lines provided for Government corporations. It further prescribes that the Department shall pay for costs properly attributable to the operations of the postal service, thereby providing for a more accurate appraisal of the cost of the business services of the Department.

Section 5 prescribes the standards of accounting for the Department and specifies that its books shall be maintained in accordance with standards applicable to commercial corporate transactions.

Section 6 eliminates many detailed reports from the Department to the General Accounting Office. These reports are unnecessary under the commercial-type "on site" audit prescribed by the Government Corporation Control Act.

Section 7 prescribes the effective date of the act, and authorizes the President to postpone the application of the act for a period of not to exceed three years. The section further directs the President to submit a report within 1 year after the enactment of the act outlining the plan for carrying into effect the provisions of the act, and any recommendations for legislation that would provide more effective administration of the Post Office Department.

The enactment of S. 2212, together with legislative concurrence in Reorganization Plan No. 3 will result in long-range major economies. The immediate effect will be to enable the Postmaster General to more effectively organize and administer the postal service. Effective administration of a business as large as the postal service cannot be achieved unless the Postmaster General is given proper administrative freedom. I am of the opinion that the authorities granted by Reorganization Plan No. 3 and S. 2212 are essential to the efficient management of the postal service. The Postmaster General is presently circumscribed by too many controls vested in persons not connected with the service. These controls must be transferred to the Postmaster General if he is to properly administer the postal service.

Should Reorganization Plan No. 3 become effective and S. 2212 and S. 2213 be enacted into law by the Congress, I shall be pleased to keep you fully informed from time to time as to economies and efficiences achieved thereunder.

Sincerely yours,

J. M. DONALDSON,
Postmaster General.

EXPORT-IMPORT BANK OF WASHINGTON—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. MCCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including comments by the Export-Import Bank of Washington on the Hoover Commission recommendations as they affect that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, today released a letter from Mr. Herbert E. Gaston, Chairman of the Export-Import Bank of Washington, in which the comments of the Directors were expressed on Hoover Commission proposals affecting the bank.

The directors of the bank were diametrically opposed to the recommendation (No. 3, Department of the Treasury), that the operations of the bank be placed under the supervision of the Secretary of the Treasury, and stated that it was their considered opinion "that to place the bank under the supervision of the head of any executive department would contribute nothing to the efficient conduct of the Government, but would on the contrary through destroying a very effective plan of operation set up in the Export-Import Bank Act of 1945 and in the Brettor Woods Agreement Act, incur the risk of creating confusion and of interfering with the efficient performance of the bank's functions". The chairman points out that the Board is a management Board, and that if the Directors were relieved of their responsibility by making their actions subject to direction of any Cabinet officer, the "principles of political bipartisanship and personal responsibility would be seriously impaired."

The Directors also take exception to a statement in the Hoover Commission report on the Department of the Treasury, to the effect that the bank is practically "accountable to nobody". The Directors maintain that "the bank is not unsupervised," commenting as follows:

"The Secretary of State is a member of its board of directors and in practice no loans are made unless they have been endorsed by the Secretary of State as conforming with the foreign policy of the United States. In addition, the Secretary of State, through his staff and representatives abroad, supplies advice and information as to particular loans and loan application. The bank enjoys, of course, the usual fiscal supervision by the Bureau of the Budget and the General Accounting Office. In addition, however, it benefits in an important way from policy supervision and advice through the National Advisory Council on International Financial and Monetary Problems, of which the Secretary of the Treasury is Chairman and of which the Secretaries of State and Commerce, the Chairman of the Federal Reserve Board and the Administrator of the Economic Cooperation Administration as well as the Chairman of the Export-Import Bank are members. This is a plan of integration with other fiscal and lending authorities of the Government, well considered by the Executive as well as the legislative branch before its enactment, which in our opinion has worked well and smoothly in practice."

The chairman concludes that "it is the considered opinion of the board of directors of the bank that neither efficiency nor economy in the operations of the bank will be promoted by placing such operations under the supervision of the Secretary of the Treasury."

The letter from Mr. Gaston follows:

EXPORT-IMPORT BANK OF WASHINGTON,
Washington, July 15, 1949.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MCCLELLAN: Your letter of May 23, 1949, enclosing two printed documents based on reports and task force appendices of the Commission on Organization of the Executive Branch of the Government, requested a detailed report relative to the application of the various recommendations and textual discussions in the Commission reports which affect the Export-Import Bank of Washington either directly or indirectly, and also requested comments relative to prospective implementation of recommendations contained in such reports.

We have experienced some delay in securing copies of all of the documents involved

in the Commission reports which we felt were necessary before we could furnish your committee reports in the detail requested. However, upon receipt of your letter of July 12, 1949, which indicates an urgency in submitting our report we are proceeding to submit herewith a report based on information now available to us.

The recommendations of the Commission which directly affect the operations of the Export-Import Bank of Washington are those contained as recommendation No. 3 in the report on the Treasury Department and in appendix E of the concluding report of the Commission. Both of these recommendations are that the supervision of the operations of the Export-Import Bank be vested in the Secretary of the Treasury.

The report on the Treasury Department contains separate statements by Commissioners Aiken, Pollock, and Rowe expressing their view that it is inappropriate to place the Export-Import Bank under the supervision of the Treasury Department and expressing their opinion that it would be desirable to place the bank in the Department of Commerce. The dissent of Mr. Dean Acheson, Vice Chairman, indicates his belief that the question of which of the departments should be charged with supervision of the Export-Import Bank and the Reconstruction Finance Corporation had not been sufficiently explored to justify the specific recommendation.

It is a considered opinion of the Directors of the Export-Import Bank that to place the bank under the supervision of the head of any executive department would contribute nothing to the efficient conduct of the Government, but would on the contrary through destroying a very effective plan of operation set up in the Export-Import Bank Act of 1945 and the Bretton Woods Agreement Act, incur the risk of creating confusion and of interfering with the efficient performance of the bank's functions.

The first-named of these acts places the management of the bank in the hands of a board of five directors, not more than three of whom may be members of any one political party. The Secretary of State is a Director ex officio; the other four are appointed by the President. In practice this of course means that the President appoints as Directors two persons of his own political party and two of another party or parties. The Directors are appointed for definite terms, and if there should be a change in the administration a change in the majority of the Board would be accomplished merely by the succession of a new Secretary of State to membership.

The Board is a management Board, having responsibility which rests upon all members, individually and collectively, for the prudent management of very large revolving loan funds obtained as public-debt transactions and not by appropriation. If the Directors were to be relieved of this responsibility by making their actions in this respect subject in any degree to direction by any Cabinet officer, it would seem that the principles not only of political bipartisanship but of personal responsibility also would be seriously impaired.

The records of the Congress will show that the method of management of the greatly enlarged funds committed to the bank by the act of 1945 was most carefully considered.

The bank is not unsupervised. The Secretary of State is a member of its Board of Directors and in practice no loans are made unless they have been endorsed by the Secretary of State as conforming with the foreign policy of the United States. In addition, the Secretary of State through his staff and representatives abroad supplies advice and information as to particular loans and loan applications. The bank enjoys, of course, the usual fiscal supervision by the Bureau of the Budget and the General Accounting Office. In addition, however, it benefits in an important way from policy supervision and advice through the National Advisory Council on International Financial and Monetary Problems, of which the Secretary of the Treasury is chairman, and of which the Secretaries of State and Commerce, the Chairman of the Federal Reserve Board, and the Administrator of the Economic Cooperation Administration as well as the Chairman of the Export-Import Bank are members. This is a plan of integration with other fiscal and lending authorities of the Government, well considered by the executive as well as the legislative branch before its enactment, which in our opinion has worked well and smoothly in practice.

Accordingly, it is the considered opinion of the Board of Directors of the bank that neither efficiency nor economy of the operations of the bank will be promoted by placing such operations under the supervision of the Secretary of the Treasury.

Sincerely yours,

HERBERT E. GASTON, *Chairman.*

REORGANIZATION PLANS NO. 1 AND NO. 2—REPORTS BY COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS

Mr. McCLELLAN. Mr. President, I wish to make a brief announcement for the information of the Senate. During the day I expect to be able to file reports of the Committee on Expenditures in the Executive Departments regarding Reorganization Plans Nos. 1 and 2.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. WHERRY. Does the Senator care to state what action was taken by the committee on those plans?

Mr. McCLELLAN. I see no objection to it. Reports of the action have been given to the press.

With respect to Reorganization Plan No. 1, creating a Welfare Department, the committee vote was 7 to 4 adverse to the plan and favoring a resolution of disapproval.

With respect to plan No. 2, which would transfer the United States Employment Service to the Department of Labor, the vote of the committee was 8 to 3 adverse to the plan and favoring a resolution of disapproval.

I thought Senators would be interested in anticipating the report.

NOMINATION OF ARCHIBALD S. ALEXANDER TO BE ASSISTANT SECRETARY OF THE ARMY

Mr. HENDRICKSON. Mr. President, I ask unanimous consent to make a very brief statement with respect to the nomination of Col. Archibald S. Alexander to be Assistant Secretary of the Army.

The VICE PRESIDENT. Without objection, the Senator may proceed.

Mr. HENDRICKSON. Mr. President, in these trying and turbulent days, when our Nation is confronted with the terrific responsibility of leading the world to the ways of peace, there is no other factor more important to our own national well-being than the selection of men of competence and integrity for those offices which direct the destinies of our military establishments. Thus, Mr. President, it is not only comforting but it is most encouraging to note that the Senate now has before it for consideration the name of Archibald S. Alexander for the post of Assistant Secretary of the Army.

Without reflection upon anyone heretofore appointed by the President to high office, I know of no nomination made during the Truman administration which is more commendable. Colonel Alexander comes from an old and distinguished New Jersey family, and throughout his life he has reflected the fine traditions of that family. As the one who was privileged to oppose Colonel Alexander as a candidate for the United States Senate in the senatorial campaign of 1948, I was not long in discovering that my opponent was a formidable foe. This was so because his strength was in his character, integrity, and fine gentlemanly qualities. It is probably safe to say that there was never a political campaign in the history of the State of New Jersey which was waged on a higher level than the one to which I refer, and for this Colonel Alexander deserves much of the credit. By training and experience, in peace and in war, Colonel Alexander, as has been indicated, is eminently fitted for the high office to which he has been nominated.

In urging the unanimous support of his nomination by the Senate I have every confidence that the day is not far distant when those of us who enjoyed the privilege of acting upon this appointment will be able to take pride in the fact that by our affirmative vote on this nomination we added new vision, wisdom, strength, and courage to our Nation's leadership.

UNITED STATES POLICY IN CHINA

Mr. FERGUSON. Mr. President, I ask unanimous consent to make a few brief remarks prior to placing an article in the RECORD.

The VICE PRESIDENT. Without objection, the Senator may proceed.

Mr. FERGUSON. Mr. President, when Secretary of State Dean Acheson wrote his letter of transmittal as a preface to the China white paper, many feel he made an apology for the State Department, and that he omitted what would reveal State Department blame in the China disaster.

I believe the most glaring of these omissions is the lack of mention of the arms embargo which the State Department, through Chief of Staff George C. Marshall, lodged against the Nationalist Government.

Many thought that when China was permitted to purchase surplus property she would be able to get material with which to fight the war; but the facts are, as President Truman emphasized, that "aircraft, all nondemilitarized combat material and fixed installations outside of China were excluded." This was important because "thus, no weapons which could be used in fighting a civil war were made available through this agreement."

On February 20, 1948, Secretary of State Marshall testified before the House Committee on Foreign Affairs. Mr. VORYS questioned him, as follows:

Mr. VORYS. Mr. Secretary • • • as I understand it, we had an embargo for 10 months on shipments of arms to China and then the ammunition that we did authorize

to be shipped, which they purchased, has not gotten to the troops yet. Now, why is that?

Secretary MARSHALL. Do you mean the original embargo and then the later developments? The embargo was in August 1946 and the release was in May 1947 * * * In the first place, the embargo was placed in August, I think, of 1946, by me, because at that time the situation was threatening to break down entirely. The fighting in north China had been held pretty largely in abeyance since the agreements reached on January 10, 1946, except in Manchuria, where a new focus of fighting had developed. In the endeavor to mediate this, and prevent its spreading all over north China, we were put in the position of acting in a mediatory position on the one hand and shipping in military supplies on the other * * * when the release date was given, which was effected by taking off any refusal to grant export licenses——

Mr. VORYS (interposing). I may have used the word "embargo" improperly.

Secretary MARSHALL. It was in effect an embargo, on military supplies. There were amendments to that in relation to spare parts for airplanes, and items of that sort.

So we find that after VJ-day, when many felt that the Nationalists could easily have suppressed the Communists, this embargo was instituted. It continued officially until late in 1947, and unofficially thereafter, to the extent that we failed to send the Nationalists military aid.

This embargo was supplemented by truces arranged by the United States between the Nationalists and the Communists which tied the hands of the Nationalists, with whom this country had a treaty of friendship, and permitted the Communists, now shown so clearly to be the puppets of Russia, to escape and flee into Russian-dominated territory in Manchuria, where they were armed and provisioned from arsenals and other factories taken from the Japanese by the Russians.

Thus while we were denying an allied government arms, and insisting that she not suppress the Communists but take them into the government, Russia was seeing that the Communists became ready to stage a successful offensive, the latter stages of which we are now witnessing.

The sequence of steps by which the State Department worked more for the Chinese Communists than for the anti-Communists is now being related in a series of articles in the Hearst newspapers. Ray Richards, who has made a special study of the question, gives his views in the first article which appears today. I ask unanimous consent for the introduction of the first of these articles in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(This is the first of five articles describing consecutive steps in the relationship of the United States to China during the postwar rise of Chinese Communist power. The chain of events explains the present disaster.)

(By Ray Richards)

WASHINGTON, August 7.—At the close of the World War in 1945 the Chinese Communist leadership commanded fewer than 20,000 troops, who could easily have been suppressed by the Nationalist forces under normal conditions.

A sequence of circumstances shackled the Nationalists.

These circumstances raised the Communist fighting strength to its present 2,000,000 effective troops by so demoralizing and weakening the Nationalists militarily and economically that the world now assumes the Communists have all but won the civil war.

In all these postwar developments United States diplomacy had the decisive part.

In effect, if not by proclamation, that diplomacy sided with the Communists.

It is a record of nonunderstanding, carelessness and indifference on the part of honest American diplomats to the intrigue of pro-Russians in and out of the State Department.

These latter used the general American good will toward Russia at the end of the war and took every advantage of the value placed by the administration on the so-called "liberal" vote.

Intelligence work is not altogether cloak-and-dagger spying. It can be the actual manipulation of events, involving heads of state.

In the China case, "low" intelligence operated in the State Department.

"High" intelligence operated to achieve the secret Yalta agreements which gave Russia and the Chinese Communists predominant advantages.

In the earliest days of communism's capture of the Russian Government, Nicolai Lenin promulgated a world revolutionary program, in the "second theses of the Communist International," which declared Communist consolidation of China as the necessary first step.

Shortly after VJ-day in 1945, Stalin of Russia asked Chiang of China for a neutrality treaty to operate in the event of war with the United States.

Chiang refused, so the incident is mostly useful now to show that Stalin, like Lenin, and for that matter like Attila and Genghis and Kublai, had found hope of world conquest futile without the acquiescence of Asia.

Lenin's pronunciamento in 1923 started Russian activities in China as communism's pioneer world propagandizing move.

This resulted by 1935 in the long march of Southern Communists to a squatter's state in Shensi Province, centering in the city of Yenan.

Chiang Kai-shek, head of a legal state recognized by the American Government, tried a coalition with the Communist State by agreeing to a People's Front.

He ended it when he found the Communists taking over all the government.

He tried it again, a union of Communist and Nationalist troops and leaders, when the Japanese attacked in 1937.

The Communists used the Japanese war as a means of working their way into position for the civil war after the international conflict.

Even before the Japanese war ended, knowing when Americans did not that the Yalta memoranda gave Manchuria to Russian influence, they deserted the Nationalist Army and raced for that land. There Russia built them up.

The greatest factor in subsequent Nationalist reverses is shown by the detailed sequence of events to be American mediation, tying Nationalist hands with promises of vast economic help if certain "liberal" conditions were met.

The principal condition was Communist-Nationalist coalition.

Whether he played his role willingly, unwillingly or unwittingly, the symbol of mediation was George C. Marshall, Army Chief of Staff, Ambassador to China, Secretary of State.

It was General Marshall who sent General Joseph Stilwell to China, where he engaged in bitter personal bickering with Chiang and took advice in support of the Communist cause from John Carter Vincent and John Stewart's service in the American Embassy.

It was General Marshall who supervised the return of the Chinese Armies to their home provinces after VJ-day, doing an efficient air transport job but putting large numbers of men down in scattered areas under disrupted conditions without technical advisors and facilities to reestablish themselves.

It was General Marshall who enforced a 19-month arms embargo against the Nationalist Government after VJ-day while former Japanese arsenals in Manchuria were supplying the Communist Army, growing rapidly through duress and terrorism.

It was General Marshall who went himself as ambassador to China to demand the "truces" which held the Nationalists helpless while the Communists harassed, attacked and maneuvered for the all-out drive.

Marshall was a soldier. He was under Executive orders from the State Department, and he executed them well.

The upshot was last winter's Communist advance from Manchuria to the Yangtze.

DISPLACED PERSONS—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I send to the desk a statement which I have prepared on the urgent subject of action on displaced persons legislation. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS ON URGENCY OF DISPLACED PERSONS ACTION

Several times in this first session I have commented upon the need for final action by the Congress on revision of the present displaced persons law. On July 1, for example, I pointed out in the CONGRESSIONAL RECORD the agreement among all America's religious faiths on the need for speedy action to fulfill America's humanitarian obligations.

The House, fortunately, has acted in passing bill H. R. 4567. On the other hand, unfortunately, the Immigration Subcommittee of the Senate Judiciary Committee has not seen fit to take final action thus far. I respect greatly those of my colleagues who serve on this subcommittee. I know the tremendous mass of legislation which they are called upon to consider in addition to DP bills.

At the same time, I would be less than frank if I did not say to them publicly that we who do not serve on that subcommittee feel they would be remiss in their obligations if they did not report to the full committee so that we in turn can report to the Senate.

HOURS ARE SLIPPING AWAY

The hours are slipping away in this first session. Soon, time will run out and we will have to put this problem over until next January. Such delay would be a serious blow not only to those stricken displaced persons who could not gain entry, not only to anxious Americans who have been waiting for many, many months for DP individuals and families, but also it would be a serious blow to American prestige abroad.

The Communists would once again seize upon this subject to illustrate what they would charge to be American cold-heartedness and callousness.

We know, however, that the heart of the American people is a warm, glowing heart and that we want to fulfill our Christian obligations to these individuals of all faiths. We know that included among the DP's still in the camps are some of the most skilled individuals in all of Europe. A report of the IRO mentions the wide variety of talents of this forgotten elite—engineers, doctors, architects, artists, X-ray technicians, draftsmen, and hundreds of other types of skills in which we in America are in short supply.

Totally aside, however, from the phase of replenishing America's skills, we would be bringing into our land in accordance with America's traditional policy of welcoming pilgrims—bringing in a fresh supply of liberty-loving individuals who have felt the lash of tyranny and who seek to build for themselves a new life. Of course, there would be a thorough screening of these individuals, as I have previously pointed out.

May I, therefore, respectfully urge the Immigration Subcommittee to act and act now to report this bill to the full committee.

GRASS ROOTS LETTERS URGE ACTION

In the past I have quoted from various grass roots letters to me on this issue. I have done so because I felt that we here in Washington may fail to appreciate the tremendous meaning of this problem and it is best for us to hear the clear voice of the American people speaking from the grass roots.

I ask unanimous consent that certain quotations from letters to me be printed at this point in the CONGRESSIONAL RECORD. Where an individual is writing for himself or herself, I will, of course, not quote the name in respect of that individual's privacy, but where an individual is speaking for an organization, I will quote the title of that organization as an indication of its fundamental position.

The chairman of a citizens' committee in Lake Mills, Wis., writes:

"We have been glad to note your support of the McGrath-Neely bill and your interest in support of adequate legislation for displaced persons. Everyone interested in this question hopes that Congress will pass this bill before it adjourns."

A clergyman in Birchwood, Wis., writes:

"Once more the displaced persons. We've resettled nearly 75 of them in the Diocese of Superior and most of them have already adjusted themselves satisfactorily in rural Wisconsin.

"If there is to be an amended bill before the adjournment of Congress, we are in favor of the McGrath-Neely, S. 311, measure and we respectfully urge you to give it your consideration and support."

A YMCA official in Madison writes:

"Since the receipt of your letter I have seen indications of your constructive activity on behalf of revision of the law governing admission of displaced persons to the United States. To a man out in the sticks it looks as if the first thing to do would be to speed things up so that people eligible under the existing law could be admitted in larger numbers. Obviously one cannot short-cut the process of sifting and selecting, but I cannot escape the feeling that even under the existing law more eligible persons could be selected and approved, and promptly admitted into this country.

"So far as I can see S. 311 will be of great help in this situation. Those who are more fully informed may have reason to make some amendments to these, but it is my hope that some such legislation may be passed in the very near future."

A lady in Appleton writes:

"May I congratulate you on your recent statement of the principles involved in revising the displaced-persons statute. The recommended changes are excellent, and I trust that they will be adopted.

"However, as you well know, the end is not yet in sight and the actual job of bringing displaced persons into the United States is sadly incomplete. Your hopes for fair, nondiscriminatory treatment of all groups require implementing, and I trust that your colleagues will see eye to eye with you in your quest for true brotherhood."

WAR RELIEF SERVICES,
NATIONAL CATHOLIC WELFARE CONFERENCE,
New York, N. Y., July 19, 1949.

The Honorable ALEXANDER WILEY,
United States Senate, Washington, D. C.

DEAR SENATOR WILEY: May we take this opportunity of stressing once again, the keen interest of this organization in the passage, by the Senate, of legislation to amend the Displaced Persons Act of 1948.

We have followed the activities of the Committee on the Judiciary with great concern as to the eventual outcome of the bill S. 311, now pending before that body. We have heretofore indicated our support of the proposals incorporated in that bill as amendments to the Displaced Persons Act, and will continue to do so.

It is the belief of this organization, representing many of the large nationality groups throughout the country, that amendatory legislation is needed if the problem of the displaced persons is to be adequately and finally solved. An increase in the numbers to be admitted over an extended period of time, combined with the removal of some of the more restrictive provisions contained in the present act, would indicate the positive cooperation of the United States in a world humanitarian venture.

May we express our gratitude for the interest which you and your associates have evidenced concerning this problem, and urge that favorable action will be taken with regard to the proposed amendments during this session.

Sincerely yours,
Rt. Rev. Msgr. EDWARD E. SWANSTROM,
Executive Director.

RESOLUTIONS RELATIVE TO DISPLACED PERSONS (VOTED AT THE ANNUAL MEETING OF THE NATIONAL LUTHERAN COUNCIL ON FEBRUARY 3, 1949)

Recognizing certain inequities existing in present legislation with regard to displaced persons and feeling a deep concern for their welfare, we recommend that the National Lutheran Council make representation to the Congress, asking:

1. That the mortgaging of future immigration quotas be eliminated:

2. That the number of displaced persons to be admitted during the period from July 1, 1948, to July 1, 1952, be increased to 400,000.

3. That the Attorney General be given power of discretion for the issuance of permanent resident status for 15,000 displaced persons now in the United States on visitors visas.

4. That the cut-off date be changed from December 22, 1945, to April 21, 1947, at the same time according priority rights to those persons who have been longest in DP camps.

5. That provision be made for the admission of expellees who do not qualify as displaced persons.

6. That immigration processes be speeded up in order to close the gap between the time between the issuance of assurances and the arrival of the candidates for such assurances.

7. That the age limit for admisssion of displaced orphans be changed from 16 to 18 years.

8. That such Balts as have arrived on our shores from Sweden and are now residents of the United States be admitted as legal immigrants.

Voted: That the executive committee take under advisement the plight of the Baltic peoples in Sweden.

INVESTIGATION OF ENTRANCE OF SUBVERSIVES INTO THE UNITED STATES

Mr. McCARRAN. Mr. President, I understand that the Senator from Missouri [Mr. KEM] has the floor. I ask unanimous consent that he may yield to me for a few minutes without losing his right to the floor, in order that I may be permitted to make a few remarks, which will not require more than 10 or 12 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Nevada may proceed.

Mr. McCARRAN. Mr. President, as soon as the Immigration Subcommittee of the Committee on the Judiciary directed its attention to the problem of the entrance into this country of subversives, there was promptly unleased the usual barrage of unsavory propaganda by which the Communists and their dupes hope to dissuade anyone from working for the protection of his country from the deadly virus which is spreading over the world. As chairman of this subcommittee, and speaking only for myself, I rise to make clear my motives and to reiterate my determination that there shall be a complete disclosure of the facts and that every effort shall be made to eradicate this menace.

How easy it would be, Mr. President, to put aside our responsibilities, to turn our face from the disturbing facts. I cannot and will not do so.

It is my duty, therefore, to pick up the gauntlet which recently has been flung at my feet by certain officials of the Government of the United States and from other official sources.

The attacks against the subcommittee and particularly against me as chairman, have taken on particular vituperation in recent days since witnesses have begun to reveal the strangle hold which the Communist apparatus is gaining in international organizations located in this country, which are being used as conduits to pollute the lifeblood of this Nation with the carriers of deadly germs aimed at the heart of our democracy.

Right there may I emphatically take issue with the statement which has been made to the effect that this situation is no concern of the Government of the United States. Attempts are being made to distort the objectives of the investigation into an attack on the United Nations itself. This perversion of the motives of the subcommittee is clearly a subterfuge. If the infiltration of subversive agents into our country via international organizations is not the concern of this Government, Mr. President, then we have lost the right to be concerned with the protection of our own national security.

At the outset I shall review briefly for the Senate, the history of our subcommittee and its activities.

The special Subcommittee on Immigration was established during the last Congress to make a comprehensive study of our immigration and naturalization system. Pursuant to the responsibilities placed on the subcommittee by the Senate, a series of hearings were conducted, in which officials of the visa division of the Department of State testified. In their testimony, particularly the testimony of Robert C. Alexander, Assistant Chief of the Visa Division, it was revealed that hundreds of subversives had

been brought into the United States behind the cloak of the immunities which they enjoyed as affiliates of international organizations or as affiliates of foreign governments.

For reasons which I shall not now undertake to appraise, the Department of State promptly took punitive measures against Mr. Alexander, who has a commendable record of 27 years of service with the Government.

The evidence upon which Mr. Alexander's statement was based was, however so overwhelming that the punishment which was planned for this patriotic public servant materialized only in the form of a mild letter of reprimand, which to this day has not been removed from his record.

During recent months the subcommittee has held hearings on the problem in both public and executive session.

A few days ago there was released the testimony of a responsible witness, taken in executive session, concerning subversive activities within one of the international organizations. In order to protect the witness and his family, the identity of the witness was not revealed.

Mr. President, the testimony of this unidentified witness is merely corroborative of the material contained in the files of the subcommittee and of the testimony of many witnesses, including statements of officials of our Government.

Last month the Attorney General of the United States stated that approximately 4 percent of the espionage and intelligence investigations pending by the Department of Justice involve persons attached to the United Nations at New York City. He further stated that because of certain exemptions and provions in our law the Department of Justice has not excluded from admission into the United States a single person to whom a visa had been issued as an affiliate of an international organization or as an affiliate of a foreign government.

There was submitted to the Director of the Central Intelligence Agency a sample of a hundred names of persons who had been issued visas as affiliates of international organizations or as affiliates of foreign governments. The Director was asked to describe the background abroad of these persons. His answer includes the statement that—

(A) Thirty-two percent "have reportedly or allegedly been engaged in active work for the intelligence services of their respective countries."

(B) Twenty-nine percent "are high-ranking Communist officials." He stated that it must be assumed that by virtue of their positions they are working ardently for the benefit of their governments. This activity, by definition, and in the light of known Communist methods, must be considered to be subversive and against the interest of the United States.

(C) He further stated that 21 percent "have reportedly or allegedly been engaged in active Communist organizational work of an underground or subversive nature outside their homeland."

Notwithstanding these statements of the Director of the Central Intelligence Agency regarding a sample of these cases, recently the Deputy Undersecretary of State and the Chief of the Visa Division testified that they had no recollection of any case in which a visa had beenwithheld from a person applying as an affiliate of an international organization or as an affiliate of a foreign government.

The files of the subcommittee contain numerous personal histories of the background and activities in the United States of persons who have been and are being admitted into the United States as affiliates of international organizations or as affiliates of foreign governments. These files show conclusively that the extensive Communist apparatus in the United States is under the control and direction of foreign agents who are sent into this country.

Mr. President, this situation, in and of itself, is sufficiently alarming, but what is more alarming is the background of some of these persons in positions of authority in the international organizations who have gone directly from fields of subversive activity in the United States to the international organization. I cite two typical examples.

First, I should like to call attention of the Senate to the case of one Ludwig Rajchman, executive director of the United Nations International Emergency Children's Fund. During the war the Department of State made attempts to have the Polish Government, with which he was affiliated in this country, recall him because of his involvement in intrigues contrary to the interests of the United States. Yet this man today sits in a vitally important job in the United Nations

Let me cite another case, that of a man who is well known in this country. On March 8, 1949, the United Nations issued a press release announcing the appointment of Norman Corwin to the Radio Division of the United Nations Department of Information.

Mr. President, a partial record of the background of Norman Corwin is as follows:

First. Norman Corwin was a sponsor of the Action Committee to Free Spain Now, which was created under the auspices of the Lincoln Brigade. The campaign director was none other than Milton Wolff, whose affiliation with the Communist movement is a matter of public record. The list of sponsors reads like a directory of Communist and fellow travelers in the United States, including such notorious party members as Albert E. Khan and Albert Moltz.

The veterans of the Abraham Lincoln Brigade, which is an organization of persons involved in the Communist armies of Spain and their sympathizers, has been cited as a Communist front by the Attorney General of the United States, by the Un-American Activities Committee of the House of Representatives, and by the California State Committee on Un-American Activities.

Second. Norman Corwin was a sponsor of the American Committee for Spanish Freedom, another Communist front closely connected with the Abraham Lincoln Brigade. He was a sponsor of the American Committee of Jewish Artists, Writers, and Scientists, a Communist front.

Third. Norman Corwin was connected with the American Friends of the Chinese People, a Communist front organization, dedicated to promoting communism in China.

Fourth. Norman Corwin was a sponsor of the American-Russian Institute, a Communist propaganda agency, active in promoting Soviet interests in this country. He is the author of an article in the official publication of the American-Slav Congress, one of the top Communist organizations in the world. It is cited as subversive and Communist by the Attorney General of the United States.

Fifth. Norman Corwin is a sponsor of the Committee for a Democratic Far-Eastern Policy, which is today the leading Communist-front organization in this country, active in promoting the interests of Chinese Communists. He was a member of the initiating committee in the Congress on Civil Rights which resulted in the establishment of the Civil Rights Congress. It is cited as the legal arm of the Communist Party by the Attorney General of the United States.

Sixth. Norman Corwin was scheduled to appear at a meeting of the Council on African Affairs, a notorious Communist front, cited as such by the Attorney General of the United States. Among his fellow speakers were scheduled Paul Robeson, Hugh De Lacy, Benjamin Davis, and other well-known Communists. Davis, incidentally, is one of the Communists on trial in New York City today.

Seventh. Norman Corwin was one of the most prominent leaders of the Independent Citizens Committee of the Arts, Sciences, and Professions, a Communist-front organization.

Eighth. Norman Corwin has been prominently associated with the National Council of American-Soviet Friendship, and is one of the sponsors of this Communist front organization, which has also been cited by the Attorney General of the United States. This front includes among its sponsors such well-known Communists as Max Bedacht, Hugh De Lacy, Ben Gold, and Langston Hughes. Associated also were some of the most notorious fellow travelers in the world, including Louis Adamic, Zlotko Balokovic, Herman Schumlin, Charles Chaplin, Jo Davidson, Mary Van Kleeck, and many, many others.

Ninth. Norman Corwin was closely connected with the People's Radio Foundation, a Communist front organized to capture the American broadcasting stations and to use them for anti-American propaganda. This group, like so many with which the name of Norman Corwin has been linked, is subversive and is cited as such by the Attorney General of the United States.

Tenth. Norman Corwin has been connected with the People's Songs, a Communist party organization. He has been a vice chairman of the Progressive Citizens of America, the notorious Communist front.

Eleventh. Norman Corwin was a sponsor of the testimonial dinner to Ferdinand C. Smith, a well-known member of the Communist Party, who is active in organizing Communist cells along the water front. Smith is now detained at Ellis Island as a dangerous Communist alien.

Twelfth. Corwin was a sponsor of the win-the-peace conference which was the first of the Communist peace propaganda movements with which we are all familiar. It is cited as Communist and subversive by the Attorney General of the United States.

If the case of Norman Corwin were an isolated instance, it would not be so greatly disturbing. It is, unfortunately, characteristic of a number of people who have been selected to serve in the Secretariat of the United Nations. Included in this group are persons who have been disqualified from holding public office in the United States as a result of the loyalty investigations.

This is but a small part of the testimony which has been presented before the subcommittee.

I have no intention to permit attacks by anyone in or out of the Government to prevent the subcommittee from continuing its investigations and making clear to the American people the danger with which we are faced, and beyond that to take decisive steps to meet this threat to our security.

I would suggest, Mr. President, that before any official of this Government or of an international organization gives himself to irresponsible utterances attacking the investigation, he ask the Secretary of State to see the files on the list of 150 names which I submitted to him. I might suggest he ask to see the files of 327 cases directed to the attention of the Department of State by Robert C. Alexander when he was under attack by the Department. He ought also to ask to see the files on the list of 150 names which I submitted to the Department of Justice, or the 100 cases upon which the report of the Director of Central Intelligence is based.

Again I say, Mr. President, this situation may not be the concern of certain officials of the Government of the United States, but it is and will continue to be the concern of the people of the United States who are interested in maintaining our form of Government, and the freedoms we enjoy under it.

ILWU OFFICIAL FEUDS WITH BRITISH LABOR GOVERNMENT

Mr. BUTLER. Mr. President, Louis Goldblatt, secretary-treasurer of the ILWU, the union that has been striking in Hawaii now for more than 3 months, was a recent visitor to England, where he endeavored to do in England what his union is doing in Hawaii. The British Labor Government deported him and a companion, also a member of the ILWU, which dominates the whole economy of Hawaii. This is the union that is Communist dominated. He and his companion did not receive the courteous treatment accorded to their boss, Harry Bridges, when he appeared before a Senate committee. But maybe the British know better than we do how to handle such people. I ask unanimous consent to have the short press release covering the incident printed immediately following these remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

ILWU OFFICIAL FEUDS WITH BRITISH LABOR GOVERNMENT

PARIS, July 23.—Louis Goldblatt, secretary-treasurer of the CIO International Longshoremen and Warehousemen's Union, declared a feud today with the British Labor Government.

Goldblatt and John Maletta, members of the ILWU executive board, were deported from England along with Dutch labor leader, Johan Bankenzee, yesterday.

British Home Secretary James Chuter Ede said the two Americans were Communist agents who appeared in England in efforts to block a settlement of the port of London dock strike.

Returned to Paris, Goldblatt told newsmen his deportation was a "dirty, rotten, messy, political frame-up." He sidestepped direct questions on membership in the Communist Party.

"They got themselves into a real fight with the ILWU by this dirty trumped-up deal, and we never yet lost or quit a fight," he said.

NEW COMMUNIST FORMULA FOR CONQUEST IN HAWAII

Mr. BUTLER. Mr. President, a series of four short articles appeared in the Washington Daily News during the past week, written by one of the staff writers, Mr. Edwin C. Heinke, who is spending some time in Hawaii studying the conditions prevailing in that area. These articles may have escaped the attention of Members of Congress, and I deem them of such importance that I ask unanimous consent to have them printed in the body of the RECORD, where I hope every Member will see and read them. The situation in Hawaii is desperately serious, and the people there and here on the mainland, I think, are confused. The closing sentence of one of the articles referred to is as follows:

Hopefully they look toward the United States Government to end a situation that threatens to become not only intolerable but a grave menace to the once undisputed Paradise of the Pacific.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of August 2, 1949]

REDS TRY NEW FORMULA FOR CONQUEST IN HAWAII

(By Edwin C. Heinke)

HONOLULU, August 2.—Communism is trying a new formula of conquest in Hawaii.

Elsewhere its expansion has been either by force of arms or fifth-column coups. But Hawaii today is being used as a test tube for the perfect experiment.

If the new technique works, it may be tried in the Philippines next, and eventually in the United States.

Army and Navy officials, the FBI here and not a few islanders themselves know what is going on—but Washington doesn't. Governor Ingram M. Stainback is aware of the underlying portent of what on the surface appears to be only a labor-management dispute over longshoremen's wages.

But Washington is brushing off the crisis as no more than a local labor controversy.

THE PATTERN

Communism's new pattern of conquest being tried out in Hawaii is this:

1. Organization of all the islands' workers in one big union—the Communist-led International Longshoremen's and Warehousemen's Union.

2. Effective capture of a major political party in the islands—the local Democratic Party.

3. Blockade of incoming and outgoing ocean commerce, on which the Island's economy depends.

4. Fomenting racial unrest.

5. Then to sit back and watch the spread of civil resentment, the collapse of business and the crumbling of the islands' weakest foundations—looking toward final conquest.

Documents seized in Hawaii by Federal authorities, moreover, reveal that Moscow regards these islands as one of its principal operating bases in the campaign for a Communist United States.

The shipping strike, step No. 3 in the Commies' perfect experiment — or rehearsal for conquest—has virtually isolated Hawaii for the past 3 months now. Yet, it is only one move in the long-range program.

The strike started, significantly on May Day—a red-letter day in the calendar of international communism.

SIX DETERMINED MEN

Six persons identified by Government agencies or sworn Government witnesses as members of the Communist Party are masterminding the strike.

Head man, of course, is Harry Bridges, boss of the ILWU, who runs the show from his San Francisco headquarters. For years a secret collaborator with top Communist leaders in the United States, Bridges twice escaped deportation as an alien Communist.

In the report of Senator Hugh Butler, Republican, of Nebraska, to the Senate Committee on Interior and Insular Affairs, Bridges was described as the unseen Communist dictator of the Territory of Hawaii. Bridges now awaits trial, on the basis of new evidence, on perjury charges for denying Communist Party membership at the time of his naturalization in 1945.

Second in command of the strike, and Bridges' chief lieutenant is Louis Goldblatt, ILWU secretary-treasurer. The files of Government agencies here list him as a Communist Party member.

Goldblatt recently was arrested and deported from England. He had been sent to London by Bridges to lend a hand in a dock strike there. Bridges himself cannot leave the country while he is under indictment for perjury. Britain's home secretary said Goldblatt had come there as a Communist agent to block settlement of the strike.

Third in command of the Hawaii strike, and on-the-scene boss of strike strategy, is Henry Schmidt. He was identified as a Communist Party member before a congressional committee as early as 1938. Last year, before a California legislative committee, an ex-Communist swore that Schmidt attended a closed Communist meeting in San Francisco and urged workers to unite in the Communist Party.

Fourth in the high command, and ILWU regional strike director, is Jack Hall. The Butler report called him an identified Communist. And Louis F. Budenz, ex-Communist national committeeman, has testified that Hall was one of a group of Communist Party organizers sent to Hawaii by Bridges under the guise of being unionists.

Last two in the ruling sextet are Jack Kawano, president of the striking ILWU local, and Robert McElrath, chief ILWU propagandist in the islands. Both are listed by the FBI and Army and Navy Intelligence as party members. The Butler report describes McElrath as Honolulu director of of public relations for both the Communist Party and the ILWU.

In the hands of these men, whose control over 2,000 longshoremen gives them a vise-like grip on Hawaii, lies the destiny of 540,000 residents of the islands.

OFFICIALS HELPLESS

Territorial officials thus far have been helpless.

The strike has paralyzed essential transportation to and from Hawaii. With the exception of a few articles than can be brought by air, everything that Hawaii imports must come by ocean freight.

In addition to cutting off the supplies which the Islands must have to sustain normal business activity, the strike seriously curtails ways of getting revenue with which to pay for these imports. Most of Hawaii's buying power comes from the sale of sugar and pineapples, in addition to the spending of tourists and vacationists.

Retail business has been seriously crippled, but is holding on. Some business failures have been reported. Prices for available foodstuffs and other materials are high. Relief ships, "through the courtesy of Harry Bridges," as people refer to them, are keeping up an adequate but irregular flow of essentials—so there has been no starvation.

Generally, the people here have little to say about the strike except to wish fervently that it were over and occasionally to hold mass meetings.

They're beginning to understand that the Commies have upset their economy, but they can't make up their minds what to do about it. They wish Washington would act.

As for the wage issue itself, no one expects the union will ever get the 32-cents-an-hour increase it has demanded. Even the union members admit that. The local stevedore rate is $1.40 an hour. Management offered an 8-cent increase at first, and then 12 cents as the strike deadline neared. Each time the union refused.

GOAL IS ARBITRATION

An Islands mediation board came up with a 14-cent increase, which the companies accepted and the union rejected. ILWU leaders are frank to say their goal is arbitration. The original wage demand was set high enough so the companies would not meet it, thus forcing the arbitration fight into the open. The unionists know the employers will never agree to arbitration.

On their side, the companies charge the union won't negotiate realistically and predict that if arbitration is granted to the longshoremen, it will become the pattern in the interrelated sugar and pineapple industry and that true collective bargaining will vanish in Hawaii. With arbitration the established pattern, the employers say the unions will make extreme wage demands and the arbitrators will decide on a "slice-down-the-middle" basis.

In short, employers contend that arbitration in Hawaiian industry would give the unions full control of Island economy.

Thus the strike is prolonged and a fertile ground is provided for six determined men to try their hand at bringing Hawaii under Communist domination.

[From the Washington Daily News of August 3, 1949]

HAWAII STRIKE IS POLITICAL FIGHT AND REDS ARE WINNING

(By Edwin C. Heinke)

HONOLULU, August 3.—Harry Bridges, boss of the International Longshoremen's and Warehousemen's Union, says the strike, which has virtually isolated Hawaii, was called solely because of a wage issue.

"The strike isn't over wages," a former member of Hawaii's tightly knit Communist Party set-up told me here. "It's a political fight and the Communists are winning it."

The strike could end today, but the great experiment of the Communist Party will go on. Hawaii is being jiggled in the test tube and the perfect experiment for conquest is being carefully studied.

I visited Ichiro Izuka at his small farm on the island of Kauai, 100 miles from Honolulu. Izuka is a former dock worker and was one of the first recruits of the Communist Party's organizational drive in Hawaii in 1938.

He was sent to a Communist training school in San Francisco. Among his classmates, Izuka told me, were two of the six top leaders of the current longshoremen's strike. He named them as Jack Hall and Robert McElrath. Hall is the regional ILWU director and McElrath is ILWU public relations chief who broadcasts daily over a big radio network here.

COMES THE REVOLUTION

"We were taught," said Izuka, "that in Hawaii we should apply the Marxist theory to local conditions. All of our actions were to be aimed toward the day when the world Communist Party would take over."

After 8 years in the party, Izuka broke away, convinced that Communists actually betray the interests of the workers. A trade unionist at heart, Izuka wrote a pamphlet, the Truth about Communism in Hawaii, which the FBI and intelligence operatives in the islands consider of the utmost importance.

The Hawaiian Communist Party is a subdivision of district 13, Communist Party of the United States of America, with headquarters in San Francisco. It has 11 branches throughout the islands, 9 of them on Oahu (Honolulu).

STORY BEGINS IN 1935

The story of Communist penetration in the islands starts in 1935 when labor organizers of the ILWU were sent to Hawaii. They had a fertile field for their work. Wages were low. Plantations were run on a feudal, paternalistic system. More often than not the workers' pay envelope contained little or nothing, often deductions had been made for groceries, doctors' bills, etc.

The owners used every device to resist unionization and organization of the workers was slow.

Then Jack Hall came on the scene and the big push started—in 1937. An ILWU organizer, widely identified as a Communist, he went to the island of Kauai, organized the workers of the McBryde Sugar Co., and received a charter from the CIO United Cannery, Agricultural Packing, and Allied Workers of America. He won a contract from the company for his union—the first time in plantation history of Hawaii.

Meanwhile Harry Bridges was organizing the water front, but had made little headway by the time of Pearl Harbor. In 1943, however, strict military government was modified and union organizers went to work in earnest.

1944 WAS PEAK YEAR

The following year saw the ILWU organization drive at its height. Management was occupied with problems of the war. Led by Jack Kawano, the Communist-listed president of the longshoremen who are striking now, ILWU squads of organizers roamed the outer islands doing "missionary work."

They carried small cards boldly titled "This Is the Law." Underneath was set forth the provisions of the Wagner Act.

To prod them on to greater activity, Bridges sent his union's secretary-treasurer, Louis Goldblatt, also identified as a Communist Party member, to the islands.

SPADEWORK PAID OFF

Jack Hall had done good spadework. By 1946 more than 30,000 dues-paying union members, including sugar, pineapple, and dock workers, were signed up in one big union. Twenty thousand plantation workers—mill and field hands—had been taken in within 12 months.

Hall himself, a former dock worker on the west coast, became a prominent citizen of Honolulu. Ironically, he was named a member of the Honolulu Police Commission—a post he held until Gov. Ingram Stainback dropped him 2 years ago in a purge of officials suspected of Communist sympathies.

Though the percentage of loyal Americans probably runs as high in Hawaii's ILWU set-up as it does in labor unions on the mainland, the leadership itself undeniably was heavily loaded with Marxists and agents of the Moscow-Communist International.

CURIOUS PROPHECY

The stage was being set and the time was rapidly approaching when a curious prophecy of 1938 was to become an unpleasant fact of 1949. The prophecy was voiced by a University of Hawaii professor, since identified as a Communist. At an informal gathering of university faculty members, he said:

"Has it ever occurred to you that Hawaii presents a perfect proving ground for true Marxist action? The way to control Hawaii is to control the ships that import its necessities and export its wealth. One doesn't have to control the vessels at sea. But suppose one can immobilize the ships in port * * * mount and support a blockade of commerce.

"Simply organize the longshoremen and call them out on strike. As long as they stay out, Hawaii is in a test tube and those controlling the strike can control the experiment. * * * They can watch the spread of civil resentment, note the speed or slowness of its progress. They can watch the collapse of business, and determine where the foundations are most rotten. They can perform a perfect experiment and leave an important body of results and conclusions for those who might want to conduct the experiment on an even larger scale in the years to come."

This conversation is quoted by Steve Woods, a resident of Honolulu, in an article, How To Capture an Island, in the current issue of Plain Talk.

BECOMES FACT

Since 1946 the Communists have prepared to bring that prophecy into reality. Between 1946 and May 1, 1949, there have been 42 strikes in the islands. A high point of economic disorder, strife, and confusion—under which communism thrives most efficiently—has been achieved.

[From the Washington Daily News of August 4, 1949]

COMMIES CONTROL HAWAII'S DEMOCRATIC PARTY MACHINE

(By Edwin C. Heinke)

HONOLULU, August 4.—So deeply and so successfully have the Communists penetrated Hawaii that today they control the Democratic Party machinery in the Territory.

By virtue of their whip hand over the Democratic machine, the Communists are in the thick of a fight to oust Gov. Ingram M. Stainback, who is a Democrat and an aggressive anti-Communist. He is a liberal and has been friendly to labor throughout his 22 years in Federal office.

This is a part of the Communist pattern for making Hawaii a test tube of conquest—capture of a major political party.

PARTY SPLIT IN TWO

As a result of infiltration by Communists and left-wing members of Harry Bridges' International Longshoremen's and Warehousemen's Union, the Democratic Party here has split into two factions.

One is the regular Democratic machine, in which the Communist-ILWU followers are well entrenched. The other is a newly formed opposition, the Young Democratic

Club, composed of Democrats who refuse to follow the Communist Party line.

(Residents of Hawaii elect their own Territorial legislature and a nonvoting delegate to the United States Congress. Their Governor is appointed by the President.

ASKS REORGANIZATION

Last week the chairman of the Young Democratic Club, Harry Kronick, wrote Senator J. HOWARD MCGRATH, Democratic national chairman, asking authority to reorganize the Democratic Party of Hawaii.

"I call your attention to the files of the Department of Justice which will disclose that the Democratic Party here was completely taken over on April 1, 1948, by the Communist-controlled ILWU," Mr. Kronick wrote.

"I also call your attention to the findings made by Senator BUTLER as to the infiltration and capture of control of the Democratic Party machinery by a small group of Communists and that the Democratic Party of Hawaii is presently synonymous with the Communist."

Mr. Kronick, who is a former vice chairman of the Honolulu Democratic Committee, was referring to the report by Senator HUGH BUTLER, Republican, Nebraska, prepared for the Senate Committee on Interior and Insular Affairs.

The Butler report showed that the stakes are high in the political fight that rages openly in the Islands.

"The immediate objectives of the ILWU-Communist Party conspirators in Hawaii," Senator BUTLER said, "are: (1) statehood, with a state constitution to be dictated by the tools of Moscow in Honolulu, and (2) removal of Governor Stainback, to be replaced with a governor named by the Communist high command."

The ILWU-Communist standard bearers began to move into the Democratic Party last year when the Political Action Committee was dissolved. With its labor backing, the new bloc had enough power to force a new election of precinct club officers.

LEFTIST CLEAN SWEEP

The elections, held April 1, 1948, resulted in a clean sweep for the Commies and left-wingers.

For example, Jack Kawano, named on a Government list as a Communist, was elected president of the twelfth precinct, fourth district. He is head of the ILWU local which is on strike.

Jack Hall, territorial regional ILWU director, and one of Harry Bridges' chief brain trusters here, is a delegate to the Democratic central committee from the sixth precinct, fourth district. Yukio Abe, secretary-treasurer of the ILWU local, listed as a Communist Party member, is also secretary of the thirty-fifth precinct, fourth district.

There are others listed as Communists who also are union officials holding precinct offices.

In a radio address, in May 1948, Mrs. Victoria K. Holt, Democratic national committeewoman from Hawaii, said:

"The rank and file of the Democratic Party and the rank and file of the ILWU both find themselves controlled by the same Communist group. Naturally, we in the Democratic Party resent it. And I know you in the ILWU, as honest American union men and patriots, also resent it.

"It is not pleasant to be led by Communists, because people will inevitably think that you are Communists, too. The loyal Americans who are the rank and file of the Democratic Party feel the same way. The great problem is * * * how to get rid of Communist domination."

HOW THEY WORK IT

Indicative of the manner in which the Democratic machinery is manipulated was a meeting 2 weeks ago of the Democratic committee on Maui. President of the committee is Tom Tagawa, ILWU leader of the Maui pineapple union. Its vice president is August Baptiste, business agent of the sugar unit.

A quorum was lacking as only three committee members attended. But rules were suspended by the 40 Democratic Party members who showed up and a resolution was jammed through. It called for a special session of the Territorial Legislature to enact a law making arbitration compulsory in settlement of the waterfront strike.

Arbitration is what Harry Bridges has been demanding in the strike controversy. Employers bitterly resist the principle, suspecting that arbitrators will tend to settle all wage disputes hereafter by slicing down the middle between exorbitant wage demands and what seems to them fair concessions.

Senator BUTLER's investigators found that the ILWU actually turned aside from concentration on labor activities in 1948 to push their plan to capture the Democratic Party.

The union's executive board in Hawaii had first planned a strike against the sugar industry in 1948 but later decided that since 1948 was an election year, the strike could be put off to permit stepped-up political activity.

With the precinct machinery under control, in the fall of 1948 the Communist Party became bold enough to open its own office. Charles K. Fujimoto resigned from the University of Hawaii to open party headquarters.

In October 1948, Fujimoto made a radio address to the people of Hawaii from station KHON. Titled, "America at the Crossroads," his speech started off with:

TAKING ITS PLACE

"Ladies and gentleman: This is the first time that a member of the Communist Party of Hawaii is addressing you, the people of Hawaii. In many respects we Communists feel that this is a historic event not only for our party but for the Territory as a whole.

"In Hawaii the Communist Party is taking its place in the struggle of the people of Hawaii. It is with great pride that the party is now openly participating in these struggles.

"We propose a program of government condemnation of large estates and resale of the land to the people for home sites and small farms at cost. * * * We urge the public ownership of all public utilities. On taxation, we believe in the principle of taxation according to ability to pay, with personal exemptions. We support the granting of immediate statehood for Hawaii."

[From the Washington Daily News of August 5, 1949]

HAWAII'S CRY FOR HELP FINDS WASHINGTON DEAF

(By Edwin C. Heinke)

HONOLULU, August 5.—This is a cry for help from the Hawaiian Islands.

Weakened and riddled by Communist penetration, its economy upset by Communist power strategy and hard hit by a 3 months' shipping strike, Hawaii stands alone in the Pacific.

Its plight has failed to register with the Truman administration, which takes the attitude that the Harry Bridges longshoremen's strike is only a local labor dispute and that Hawaii has no grave threat of communism.

The Territorial Legislature this week agreed to give Gov. Ingram Stainback a free hand in hiring strikers and personnel of the struck concerns to operate a government stevedoring agency. But the Communist-led union remains defiant, insisting its men will not work for the government.

Report after report has been prepared showing the Communist infiltration of the islands. Army and Navy intelligence files are full. Dossiers of identified Communists gather dust in the justice department and military archives.

Termed long ago "a perfect proving ground for true Marxist action" and a test tube of communism, this vital Pacific outpost of America appears to be a land forgotten by Washington.

A WORLD PROBLEM

Governor Stainback paced the floor in his office at Iolani Palace here as he told me:

"This is not the problem alone of a provincial governor. It is a world problem that affects everybody in the United States."

The Governor said he had been "preaching the communism issue for 2 years"; he tried in vain to arouse interest in Washington.

"I talked with one high official," he said, "and pleaded for thorough investigation into Communist activities in Hawaii, and when I got through, he said to me, 'Governor, I don't think there are many Communists out there'."

I said, "No, but the ones that are Communists hold key positions in labor unions, the Democratic Party, the Honolulu city government, and in the territorial legislature."

SCRATCHED THE SURFACE

Only last February, Governor Stainback told his legislature:

"We know that Communist leaders are already in control of some our largest and most powerful labor unions here and that they have infiltrated into political and liberal organizations.

"We have merely scratched the surface in combating their influence. Action should be taken to bring into the open the names and activities of Communist groups. The 99 percent of the members of Communist-controlled labor organizations are good, loyal Americans and should welcome the disclosures of the character of their leaders."

Information and evidence constantly are added to the Government's crammed filing cases—but nothing more seems to be done.

Governor Stainback naturally is under fire of the Communists. They accuse him of Red-baiting, of bungling the strike settlement and of appointing Republicans to Democratic offices. The Communists, as previously has been pointed out, have captured control of the Democratic Party machinery.

BUTLER ECHOES APPEAL

The Governor's appeal for help is echoed by Senator HUGH BUTLER, Republican, Nebraska, who headed a committee which recently studied conditions in the Islands. High-ranking Army and Navy officials also think Washington has got to help Hawaii in its present crisis, but their reports are not publicized.

In its summary, the Butler report recommended:

"That the executive branch of the Federal Government through the Department of Justice take immediate steps to prosecute lawless communism in the Territory, and to protect from force and violence those who honestly seek to support and strengthen orderly constitutional government.

"That Congress take cognizance of the very serious economic problems which confront Hawaii as a result of the activities of the Communist-dominated ILWU and immediately enact remedial legislation."

DEFER STATEHOOD?

Also, among other recommendations, "that statehood for Hawaii be deferred indefinitely, until communism in the Territory may be brought under effective control."

But the Butler report, like others, has been filed away.

On the surface, harmony still exists among the racial minorities in this sun-drenched land where people of many nationalities live and work and play.

SEETHING TENSION

But for the first time authorities here are aware of a tension seething beneath the surface. Once Hawaii was immensely proud of

its remarkable progress in the field of racial understanding, and it still is. But since the Communists decided to use the islands as a test tube, the seeds of grave unrest have been planted here and some of the islanders reluctantly admit friction may develop.

They see President Jack Kawano of the striking longshoremen's union standing before an audience shouting:

"Why won't they give us the same wages they pay on the coast?" He pauses dramatically, points to his bare arm and roars:

"Because the color of our skin is brown."

And Strike Organizer Henry Schmit, Harry Bridges' aide, will tell his hearers:

"If people on the coast, black and white, receive the same amount of wages per hour, then you people who have brown skins should also receive the same wages per hour."

HAOLE BOSS NO GOOD

Alien Filipinos, who comprise a large part of the striking longshoremen, and one of the main forces in the pineapple and sugar fields, are told that "a haole [white] boss is no good."

These are things you hear on the docks and in the fields: "The employers are our enemy; we must stick together and fight; the pineapple industry arrogantly brushes us a few miserable crumbs; a stab in the dark at our union; the wailing and gnashing of a few millionaires fail to disturb us"; and so on.

THEY WONDER

Loyal Americans here among the workers of all races wonder how much of that can be fed to Chinese, Japanese, Filipinos, Koreans, and native Hawaiians before the calculated reaction is produced in the test tube.

Hopefully they look toward the United States Government to end a situation that threatens to become not only intolerable but a grave menace to the once undisputed paradise of the Pacific.

FOREIGN AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

Mr. WHERRY. Mr. President, inasmuch as the distinguished Senator from Missouri [Mr. KEM] is about to resume his speech on the amendment, and in view of the fact that I am a cosponsor of the amendment, I am wondering if I might ask unanimous consent to make a few observations in support of the amendment before the Senator concludes his address.

Mr. KEM. Mr. President, I shall be glad to yield to the Senator from Nebraska for that purpose.

Mr. WHERRY. Without, of course, prejudicing the Senator's right to the floor.

The PRESIDING OFFICER (Mr. GEORGE in the Chair). The Senator from Nebraska may proceed with that understanding.

Mr. WHERRY. Mr. President, when the ECA bill providing for the authorization of funds came up in the last Congress I opposed the authorization legislation because I felt that conditions, beyond direct relief and beyond physical aid and comfort, should have been written into the bill so as to attempt, at least, to see to it that the participating countries would take care of their economic problems and endeavor to solve them, so that when ECA funds were finally expended those nations would be self-sustaining and would accomplish the purposes for which ECA was intended, in the first place. None of us will disagree with the fact that food should be furnished to the ECA nations, together with medicine, clothing, and even money, to help rehabilitate the productivity of their farms. But certain fundamental economic problems which confronted those nations at that time still confront them. The question is, Are they solving those problems as ECA funds have been furnished them?

I should like to call the attention of all Members of the Senate to the editorial appearing in the Saturday Evening Post of August 6, which has already been introduced into the RECORD by the junior Senator from Missouri and will be found in the Appendix of the RECORD. I hope that each Senator has read it. In that article the very first four lines sum up the introductory remarks which I have already made.

Here is what the editorial says, in part:

It is now plain that the Marshall Plan, which kept the bear from the door in western Europe, has not solved the economic problems of Europe.

That is, through the distribution of food, clothing, medicines, and so forth.

As the editorial proceeds, it gives convincing evidence why the problems have not been solved. At the conclusion of this particular phase or part of the editorial the editor says:

But the Socialist regime in England, which regards investment as immoral and insists on backing the welfare state to the point of national bankruptcy, is a weak instrument for carrying out the necessary adjustments.

The necessary adjustments to which the editor is referring are with respect to the economic problems which have not been solved. One of them is the elimination of economic trade barriers. Every Senator knows that Britain is not making any progress along that line. As a matter of fact, the situation is just the reverse. More bilateral agreements have been entered into, including the one with Russia, exchanging fabricated materials, financed by ECA dollars Then there is the agreement with Argentina, regarding the exchange of machinery for beef over a 5-year period. That is another example. One could stand here and give a number of such examples. The Senator from Nevada [Mr. MALONE] has very carefully covered that subject in speeches he has made on the floor of the Senate in the past few weeks, as did the junior Senator from Nebraska when the appropriation measure was before the Senate. In the authorization legislation the purposes of ECA are set forth, the fine purposes, namely, among others, that certain economic problems must be solved by 1952, and among them are the ones I have just suggested to the Members of the Senate.

Mr. MALONE. Mr. President.

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Nevada?

Mr. WHERRY. I yield.

Mr. MALONE. I am very much interested in what the Senator is saying about economic barriers. I inquire of the Senator whether he has in mind the barriers as between the European countries, for instance, England and France, each with the other, quotas, embargoes, and the manipulation of their currencies for trade advantage.

Mr. WHERRY. Yes. Of course, there are other barriers, but the ones to which I am referring are the barriers among themselves, the recipient countries. When they joined in asking for this mutual aid, they agreed among themselves to eliminate the economic barriers between themselves. They also agreed not to go outside and make bilateral agreements, because by doing that they would destroy the very purpose of the act. When those countries accepted this aid, they did it with the full understanding that they would not only eliminate the economic barriers between the participating European countries so far as trade was concerned, but they would bring about certainly freedom of currencies as they did business among themselves, in other words, a free flow of exchange.

Throughout the act there may be cited several different purposes which the participating countries agreed to follow, and those are the economic problems about which this editor is talking. While it is true that we have kept the wolf from the door by sending food, medicine, and clothing, which is certainly righteous, yet when we evaluate the Marshall plan, has it eliminated the economic barriers which must be eliminated by 1952, if we are not to find ourselves in the same situation in which we were when the original act was passed and in which we are now?

I should like to suggest to the distinguished Senator that the report given to us by the distinguished Senator from Louisiana [Mr. ELLENDER] is in line with the observations made by the editor of the Saturday Evening Post. While I do not know whether the Senator from Louisiana subscribes word for word to what the editor says, yet, as I understood his report, he pointed out to the Senate as problems which are confronting the European countries those which are referred to in this editorial.

Mr. MALONE. Mr. President, will the Senator yield again?

Mr. WHERRY. I yield to the Senator from Nevada.

Mr. MALONE. Then, when these great plans for a United States of Europe, or a federation of states with a common currency were put forth by Mr. Churchill and others, and accepted by the American people as an earnest effort by the European countries to get their affairs in order—provided we would finance them for 3 years—they seemed to have abandoned the plans as soon as Congress authorized the money—is that true?

Mr. WHERRY. Certainly there was to be some sort of union under which, by multilateral action, economic relief would be afforded the entire group of states.

Mr. MALONE. If the Senator will further yield, that included, we may say, a common currency among the nations, and called for the abandonment of the economic fight between the European nations themselves.

Mr. WHERRY. That is correct.

Mr. MALONE. If not the same currency, at least it would be allowod to

reach its common level in the interchange of such currencies—without artificial props. Is that true?

Mr. WHERRY. A free flow of currency was one of the main objects of the ECA Act.

Mr. MALONE. The free flow of currency of course has been defeated from the beginning by these same beneficiaries of the ECA, in the same manner as the pound has been pegged at a fictitious value. The pound is worth about $2.25 or $2.40 in any market in the world, but is held at $4.03 in England through our financial assistance.

Mr. WHERRY. I am not sure about the value of the pound, but in the main what the Senator says is absolutely true.

Mr. MALONE. At least the principle of fictitious values for the European nations' currency has been carried out in that manner.

Mr. WHERRY. That is correct.

Mr. MALONE. That is exactly contrary to the Marshall plan or ECA agreement, or to what the American people were led to believe would happen.

Mr. WHERRY. It is in contradiction of the main purpose, especially of the particular section of the basic act itself to which attention has been called. Unless there is a free flow of currency, then each country is confronted with the problem of coming to the United States for dollars. If the dollars we lend one of the countries can be used so that it circulates in their medium of exchange at a fixed rate between the different countries, that $1 will serve the purpose of 11 countries. But instead of doing that, barriers, limitations, and restrictions are imposed. The countries are not accomplishing what the act requires. Each country comes back to us and says, "We have a deficit balance. We must have more dollars."

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. WHERRY. I yield to the Senator from Nevada.

Mr. MALONE. I should like to call the attention of the Senate to the condition which presently exists, namely, that if one goes to an exchange headquarters in New York City—the National City Bank, the Chase National Bank, or any standard exchange headquarters—if he is a law-abiding citizen, and does not deal in the black market, he pays $4.03 for every British pound he can secure. Is that true?

Mr. WHERRY. That is true.

Mr. MALONE. He takes those pounds and buys goods in the sterling area. He is not allowed to spend dollars in the sterling area without the special permission of the British Government. Is that true?

Mr. WHERRY. That is the way it works.

Mr. MALONE. That is because of a Bank of England ruling, is it not?

Mr. WHERRY. That is true, I am sure.

Mr. MALONE. The pound should be obtainable for $2.25 or $2.50, but the English will not allow the pound to be sold below $4.03. The English Government gets the $4.03, and the pounds must be expended in the sterling area. On the other hand, when we go to London, can we get $4.03 for a pound, to be expended for goods outside of England? Is that possible?

Mr. WHERRY. That is not our experience.

Mr. MALONE. I have had some experience there. I was in England, and I know it cannot be done. In other words we cannot expend dollars outside of England at all, without a central board passing on whether it is a necessary transaction, meaning that the English Government can force you to pay in the sterling area.

The last question I should like to ask the distinguished Senator from Nebraska is this: Is it not a fact, then, that we are the only country that has lived up to all these grandiose plans, that we have slashed our tariffs and import fees without regard to the differential in the cost of living, or the differential in the standard living costs between England, or any other Nation and the United States, an average of value of from about 45 percent, to about 5 to 8 percent, so that there is no protection to the American workingman at all?

They have not lowered their economic barriers, but have made them rigid in the form of quotas and embargoes, manipulation of the value of their currencies, and in many other ways.

Mr. WHERRY. Generally speaking, I agree with the Senator.

Mr. MALONE. Then, is it not a fact that it is impossible to deal with them on such a basis, to make a trade agreement with them, or in any way whatever to assist them permanently, until they live up to their implied and actual promises. I refer to the trade agreements made with England and the sterling bloc area countries under the 1934 Trade Agreements Act—named "Reciprocal Trade" to sell free trade to the American people.

Mr. WHERRY. I agree with the distinguished Senator, in his last observation especially.

Mr. MALONE. The proposed amendment covers only a part of it, but an important part.

Mr. WHERRY. If the participating countries are going to be self-sustaining and to help themselves, they must clear up the currency situation, or in 1952 we will have to continue to pour out more money to those countries in order to enable them to operate as they are now operating.

At another point the editorial from the Saturday Evening Post states:

> The real issue is whether a controlled economy can compete with a relatively free economy.

There is their big issue in Great Britain.

"By their fruits ye shall know them," is the quotation used by the editor. Then in the concluding paragraph the editorial says:

> Things would be a lot easier in 1949 if we had been less squeamish in 1947 about sitting down a few reasonable stipulations as the price of our aid.

I want every Senator to know that. I was one who felt that the approach was completely wrong; that we did have a right to name the conditions; that we did have a right to put into the act specific amendments similar to the various Kem amendments which are now being proposed. At that time the amendments were rejected. Yes, we could have done that then and possibly such conditions would have been accepted. It is becoming more and more impossible to write such an amendment into the act because of the way we have been proceeding during the past year and one-half.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. Did we not write into the act in effect just what the Senator is talking about? For instance, we wrote into the Foreign Assistance Act of 1948 the following:

> The restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence rests largely upon the establishment of sound economic conditions, stable international economic relationships, and the achievement by the countries of Europe of a healthy economy independent of extraordinary outside assistance.

When a country's economy is one-half socialistic and the other half free enterprise or individual enterprise, does not that country have a system within it which interferes with the healthy development of its economy?

Mr. WHERRY. Yes.

Mr. FERGUSON. And is it not true that we can not do anything by way of furnishing money to a country which does not interfere in some measure with the domestic conditions of that country?

Mr. WHERRY. That is true. I agree with the distinguished Senator from Michigan. It is unfortunate that we did not, when we passed the original act, place in it certain general conditions which could be enforced, I believe, by the Administrator. The distinguished Senator may recall that I asked Mr. Hoffman, the Administrator, for whom I have great respect, the question as to the elimination of economic barriers. We are now talking about specific conditions which would fall in the category of the general conditions he could enforce. I asked Mr. Hoffman, and I am sure the distinguished Senator from Michigan was present at the time, "What is going to happen if these economic limitations are not removed?" Mr. Hoffman replied, "Unless we can carry out the purposes of the act and they can be removed, the progress of the program will be seriously hurt."

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. Did Mr. Hoffman not go even a little further than that and say that if it were not done in the coming year——

Mr. WHERRY. That was in answer to the second question I asked him. Mr. Hoffman made it more emphatic. I do not have the testimony before me, but I think he said it would mean that Britain's economy would break down.

Mr. FERGUSON. If it were not done within the coming year.

Mr. WHERRY. Yes. For that reason I cannot see any objection whatever to writing the Kem amendment into the appropriation bill at this time.

The Kem amendment is very broad in its ramifications. It presents issues which should not be allowed to just drift. The longer the Senate delays in asserting its principles the deeper our Government will become enmeshed in support of socialism and the devices of the welfare state. Certainly we have gone a long way in a year with Great Britain, and the longer we continue in the way we have begun, the more enmeshed we will become in her economic condition.

The amendment simply presents to the Senate these questions:

Does the Senate want to tax the American people to support abroad socialism, which is the doorway to totalitarian government?

Does the Senate want American industries and American labor, functioning in our free, competitive system, to finance abroad an enemy of that very system?

Put another way the question is—does the Senate want to build a Frankenstein?

Make no mistake about it. These are the questions that should be answered now, because the evidence of what is going on in countries participating in the ECA is too abundant to be ignored.

Senators know that in Great Britain and other countries the trend toward socialism is unmistakable. Scarcely a day passes but that news comes of new plans in Britain to socialize more industries.

It is no excuse to say, if England wants, or any other country wants, to become a full-fledged socialistic state that is up to England and any other country to decide for itself. We are the ones who should make that determination, at least in respect to our investments.

It is no excuse to say all America should do is draw from its Treasury and from its resources in manpower and goods, and pour its cash and products of its labor into ECA countries.

It is no excuse to say all America should do is broadcast its wealth in cash and goods to nations around the earth and contentedly, optimistically, salve its conscience with the thought that thus all will be well and that peace and security and happiness will flourish upon the earth.

What will it profit the United States if it pours out its substance only to find the result is expansion of a way of life that is thoroughly repugnant to our own people, and in conflict with the principles of freedom of choice that our people adhere to in their own country? That is exactly what the editorial brings to the attention of the American people. That is exactly what it says. That is the question it propounds.

America has joined in two world wars to prevent the spread of totalitarian government in Europe. Why? Because our people know that if totalitarian government rules Europe, it will be only a matter of time before it will challenge the United States directly.

Dictatorships that ride into power on the vehicle of socialism are just as pernicious as those that gain their ends by bloody revolution.

It is not necessary to explain to members of this body the philosophy of Marxian socialism. Senators know where it inevitably leads.

It is not fair to the American people to tax them to finance the growth of socialism abroad. Yet that is what is being done in the ECA program.

ECA funds are being used to subsidize socialism in Great Britain and other countries. ECA is being used in an effort to make socialism work in those countries. ECA is being used in an effort to prove that socialism will work for the best interests of the people.

It is said over and over that the United States must attach no conditions upon the use of ECA funds. Oh, I remember when the act was passed. It was then said we could not write conditions such as provided in the Kem amendment, because to do so would be an interference, a meddling in the domestic affairs of the recipient countries.

That argument has the ring of solid Americanism, for historically the policy of the United States is not to interfere or meddle in the domestic affairs of other countries. They have a right to have any kind of government they choose to have. Traditionally our conditions for official, diplomatic recognition of them simply are that they must be stable governments and they must keep their international agreements.

It is upon this broad basis that the argument against the Kem amendment is made, but it is an utterly fallacious argument.

The administration's spokesmen in making this argument are illogical. They apply the principle of noninterference to some countries and apply a doctine of interference to prevent ECA funds from going to other countries. They say—and by "they" I mean the State Department—"don't meddle" when they seek to prevent adoption of the Kem amendment for application to the ECA countries. And they say America has a right to withhold ECA from Spain, because Spain does not have the kind of goverment America wants Spain to have.

They withheld aid from the Nationalist Government of China because they did not like the Nationalist Government of China. They meddled into China's affairs up to the hilt—we all know that for years back, and ever since Yalta China has been sold down the river—even to the extent of dangling American aid before the Nationalist Government if it would take in Communists and form a coalition government. And when the Nationalist Government rejected that proposition, well knowing what happens to a country once it takes Communists to its bosom, the administration chose to let China fall under the heel of Communists directed by Moscow rather than give to the Government of China even the moral support which China needed at the time she needed it to stop communism from marching southward.

Mr. KEM. Mr. President, will the Senato. yield?

Mr. WHERRY. I yield.

Mr. KEM. I should like to ask the Senator from Nebraska if, when Mr. Hoffman appeared as a witness before the Appropriations Committee, of which the Senator from Nebraska is a distinguished member, he was asked what would occur if the government of one of the participating countries went Communist. Does the Senator from Nebraska remember his answer?

Mr. WHERRY. I must say to the distinguished Senator that I did not hear all of the thousand pages of testimony. I am quite satisfied that at the time that question was asked I was not present in the Appropriations Committee hearings. However, I have been told what he said. As I recall, he gave the general impression that we would have to continue to deal with that country on the basis on which its government then would be established. Is that the answer to which the distinguished Senator refers?

Mr. KEM. My recollection of the testimony of Mr. Hoffman was to this effect: That in view of the history of the legislation, he thought that aid to any country which became Communist should be immediately cut off. In other words, he would be willing to refuse aid to Spain, because he did not like the Government of Spain. He would be willing to refuse aid to China because he did not like the Government of China. He would be willing to refuse aid to any of the present participants if they became communistic; but he declined to refuse it to England under any circumstances.

Mr. WHERRY. I heard that statement. I thought the Senator was referring to what recognition would be given to a country which turned Communist. We would have to get along with that country, just as we have to get along with Communist China. But he very positively said that aid should be withdrawn. He now has the right, under the general provisions of the act, to withdraw aid. A country which is not endeavoring to eliminate economic barriers certainly is subject at least to the criticism of the Administrator, if not the withholding of funds.

Mr. KEM. Would not that be on the ground that we found the communistic regime inconsistent with the principles upon which the American Nation is founded?

Mr. WHERRY. There can be no doubt of that.

Mr. KEM. I will ask the Senator if the present Socialist governments of Great Britain and France are not also inconsistent with the American way of life, upon which our economic and social system is based.

Mr. WHERRY. There can be no doubt about it. That is the burden of my remarks. It has been very difficult to get editorials like the one to which I am referring into the leading journals in this country; but here is an editor who is discussing the economic problems which confronted the Congress when we authorized the aid. Here is an editorial suggesting that the conditions which the Kem amendment would correct be taken care of by the Kem amendment. That is the point I am making. Why tax the American people to subsidize and sustain in Great Britain and France, or any other recipient country, a system which permits those countries to go totalitarian, when the basis upon which the appropriation is made is that of stopping the expansion of communism throughout the world? I think it is most illogical. We have the right, under the general purposes of the act, to implement it by the

Kem amendment. That is why I am for it. There are those who feel that we cannot tell any country what it must do. That is what the State Department says. It says that we must not meddle in the affairs of other countries. Yet they insist that if we are to recognize Spain, Spain must change its form of government and its attitude toward its own citizens. Our policy is as illogical as can be.

I was talking about the moral support which China needed at the time when it would have done a great deal of good so far as stopping the southward march of communism is concerned. It was the refusal of that moral support to the Chinese Government that did more to pave the way for the downfall of that Government than all the arms which we withheld. The statement is made in the white paper that we would not give them arms because it was thought that they would be used for the benefit of the coalition.

Mr. Acheson now says that any further march southward of communism would be a threat to the peace of the world. If we had emphasized that thought at the time of Yalta, we would not have had the trouble we have in China today. We did not do it. Now we are offering excuses, and seeking to bring out defects in the Chinese National Government. It is said that the Government of Chiang Kai-shek is corrupt, and so forth. It we had given moral support to that Government when it needed it, we would not have the difficulty we have now in all of China.

America may some day pay very dearly for this tragic betrayal of China, our solid friend in the Pacific back through the ages. America was the hope and inspiration of the Chinese people. America let China down.

So we see the outright conflict in our foreign policy, treating ECA countries one way and non-ECA countries another way. There are also many variations in the policy. Some countries are in the in-between status, like the countries of eastern Europe which Russia has grabbed by devious and ruthless methods.

For an extreme illustration of the shallowness of the argument against the Kem amendment consider Soviet Russia. The United States maintains full diplomatic relations with Soviet Russia, and yet Soviet Russia is the complete example of all that America abhors in government.

No question of diplomatic recognition is involved in the Kem amendment. There is nothing in the amendment that implies interference or meddling with the domestic affairs of ECA countries. ECA countries are under no compulsion to accept the conditions of the amendment.

They do not have to give up their socialism and march toward complete dictatorship.

The amendment simply provides that they cannot use any of the cash or goods given to them under ECA to nationalize any additional industries.

That is all it calls for. Do we want Great Britain to go further to the left? Do we want France to go further to the left? Or do we want them to get back to freedom and competition, and the kind of government which we feel will make them stable?

What are we going to do in 1952, when this program is concluded, and we are supposed to write off any further borrowing from the United States? Will those countries have solved their economic problems? Or will they come back and say, "Bail us out. Give us some more money, and give us a little more time. We are further to the left than we were before, but perhaps some day we will whip this difficulty." We are investing in a Socialist government in Great Britain which, unless it is halted, will go further to the left, and by 1952 we shall not have solved anything. We shall not have afforded them any real aid, except direct relief in the form of food, medicine, and clothing; but we could do that without ECA.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. EASTLAND. Are we not subsidizing a Socialist government in Great Britain, and, by virtue of the subsidy, making it possible for socialism to expand in that country?

Mr. WHERRY. There is no doubt of it. I have already made that statement. We are not only doing it in the case of that country but we are doing it for all the peoples of Europe. We are trying to build up a Socialist regime which will make the people like it.

Mr. EASTLAND. As a result of socialism, in England manufacturing costs of British goods are much higher than the world cost of such goods; are they not?

Mr. WHERRY. There is no doubt of it. Costs are so high that it is very difficult for them to sell their goods even in competition with us. The prices are out of reach.

Mr. EASTLAND. England is now embarking on the identical policy on which Hitler embarked—state trading, spheres of influence, and areas of market in which the British have the exclusive right to sell. That very thing is cutting down the markets for American products abroad.

Mr. WHERRY. The Senator has just restated what I stated earlier. That is the very point raised in the editorial in the Saturday Evening Post. The Senator has stated it very forcefully in asking the question.

Mr. EASTLAND. It is all based upon a subsidy from the people of this country.

Mr. WHERRY. That is my feeling. That is the reason I am for the Kem amendment.

As I stated earlier, under the Kem amendment none of the cash or goods given to those countries under ECA could be used to nationalize any additional industries. That is all the amendment provides for. Certainly we ought to be able to go that far. I certainly cannot see anything wrong with it. In effect, it says to the ECA countries, "We do not like socialism at home and we are not going to support it anywhere."

It says, "The cash and goods America is giving to you is coming from our free, competitive enterprise system, which we believe is the best system on earth for the prosperity, security, and happiness of mankind."

It tells the ECA countries that we think we have a right to say how our cash and our goods are to be used.

In effect, it says to them: We believe it is the decent, neighborly thing to help you recover from the ravages of the war for your good and indirectly to strengthen our own prosperity, security, and happiness, but we are not going to waste our substance down any drain pipe of socialism, the Siamese twin of communism or fascism, or anything that winds up in dictatorship.

Through adoption of the Kem amendment, the Senate will help keep alive the spark of free enterprise and strengthen those forces in ECA countries that cling desperately to the same principles of government that we have in the United States. They are the ones we should be helping today, not the Socialists or Communists, who are leading those countries to a totalitarian government.

No Member of the Senate will make the argument that the Senate cannot prescribe conditions for the use of America's cash and goods in ECA countries. Of course, we, the Senate, can apply any conditions deemed proper. Certainly, the condition that the cash and goods shall not be used to support welfare states or socialization of industries is imperative if our foreign policy is to square with our domestic policy and the very Constitution under which we live.

The Senate could go much further than the Kem amendment in abiding by the principles of the Constitution of the United States. The Senate could provide that no country that violates any of the principles of our Constitution shall receive cash and goods through ECA. All the freedoms contained in our Constitution could be attached as conditions for the use of our money and our goods. This amendment does not go that far. If it did go that far, there would be few ECA countries that could qualify for ECA donations.

Yet, why should our country use its wealth, its substance, its industries, and its labor to build and strengthen countries whose way of life is in sharp conflict with the American way?

But the Kem amendment does not attach all of those conditions. It does not seek to unscramble what has been done in ECA countries. It does not interfere with or meddle in any of the regimentation of the people that prevails among ECA countries.

With adoption of the amendment, the practical effect would be to prevent any of our cash or goods being used to assist in or facilitate the nationalization of any additional industries in any country that receives ECA aid in the future—that is, under the pending appropriation.

As I have already said, I was among those who voted against the original authorization that began the European recovery plan. I sought to have adopted conditions similar to the Kem amendment. It was my belief then, and it is my belief now, that the European recovery plan would by this time have accomplished much more for the benefit of the receiving countries, and for our own

security and happiness, if it had been launched as a program to encourage free, competitive enterprise.

It was my belief when ERP was started that it would be used to strengthen socialism and encourage the very kind of government and welfare state that is so abhorrent to the people of the United States. No one can deny that it has done that, because the evidence cannot be contradicted.

I did not then, and I do not know, like the approach of the European recovery plan. There is only one way that England, France, or any country can solidly work its way out of the terrible aftermath of the war, and that way is through the initiative, skill, genius, and enterprise of its people.

Smother those ingredients and you thwart genuine recovery. Nationalization or socialization of industries thwarts those opportunities among people who want and have a right to be free.

America is giving England, the chief beneficiary of ECA, no genuine assistance by pouring cash and goods into a program that calls for complete socialization under which the lives and affairs of the people are managed by a group of national planners.

The thinking and planning, in England, as in the United States, must come from among all the people, with each person free to exercise his skill and initiative, and with incentives for producing. It is for the encouragement of these wholesome qualities that the Kem amendment is proposed.

Does any Senator doubt that there is something wrong with ECA and that it is not accomplishing the purposes for which it was established? Is not the evidence plain that it has not fulfilled its lofty mission? Oh, yes, Mr. President, we fed them; but I am talking about the economic problems that must be solved. I am talking about what the result will be in 1952.

England moves from one crisis to another. With all of the billions of dollars in cash and goods poured into England by the people of the United States, they plead for more and more and more.

To say that western Europe would be much worse off today were it not for the Marshall plan is no answer. It is begging the question. Obviously, the contribution of tremendous amounts in cash and food and materials of all kinds would produce a semblance of better times.

The question is: How much better off would western Europe be today if the European recovery plan had been launched with the Kem amendment as a part of it? For my part, the answer is plain. The ECA countries would be much stronger spiritually, economically, and morally. They would not have had so much trouble from Communists. And it is not too far-fetched to say there would have been no drive for the North Atlantic Treaty. Western Europe could have been no happy hunting ground for communistic agitators.

And western Europe would not have become prey for the Communists if the revengeful Morgenthau plan had not been applied to Germany. The years of effort to hold Germany to the status of a pastoral state and to keep alive the spirit of revenge did more to hold back the recovery of Europe than any other action by our Government.

I say to the Senate there will not be complete recovery in Europe unless the recovery of Germany is permitted. The Ruhr is still the heart of the European Continent. My experience abroad, before the end of the war, when I was there in connection with the investigations made by the committee in regard to the atrocities committed in the political prisoner camps, convinced me then that there must be recovery in Germany if we are going to fight off communism. The recommendations brought home by the members of that committee then apply equally well to conditions as of today, for our ECA aid will never be the effective force it should be if it is used to permit the further socialization of industries in any of those countries.

The years of fiddling and fumbling with disposition of the Ruhr contributed mightily to the misery of all Europe. It played into the hands of the Communists. Anyone who has studied Europe's economy knows that the Ruhr is the heart of European economy. The Ruhr should be developed in the interest of all the people of Europe.

It is in this soil of frustration in Europe that the Socialists, first cousins of the Communists, have been able to spread their destructive doctrine. The present misdirected effort of ECA only adds to the problem.

Recently the newspapers carried an interview with Bernard Baruch, who was on his way home from Europe. He spent a month in England, France, Holland, and Belgium. Mr. Baruch and I do not happen to be associated in the same political party, but I have much respect for his opinions on financial and economic matters.

What does he say after his survey of conditions over there? I quote from an interview with him by International News Service:

> Baruch is convinced that the billions of dollars poured into financially distressed nations have helped neither them nor the interest of the United States taxpayer as much as could be expected.

What he means is that if we add this amendment to this bill, thus requiring the Administrator to live up to the general purpose of the ECA Act, we shall be much better off than we are now, on the basis of what has thus far been accomplished.

Further on the report says:

> Baruch believes that loans or gifts to western Europe were not sufficiently conditioned upon European nations helping themselves regain their prewar economic stability.

Of course, I supported that condition in the original authorization of the act. Finally we shall come to that, some day, Mr. President. Just as surely as Europe recovers, her recovery will be achieved on the basis of loans made individually to those countries and to the companies within those countries that will help police themselves. They should do more than invest our money; they should help go along with the system which makes possible the provision of United States funds. They should take an interest in those industries; and I believe that the way to achieve recovery is for them to see that that is done.

That situation cannot be achieved under present circumstances. It is said that we must not meddle with the internal affairs of any of these countries. Mr. President, Mr. Baruch is correct, in my opinion; and we shall live to see the time when the correctness of his statement will be demonstrated.

Plainly, Mr. Baruch does not shy away from making conditions for our gifts and loans to ECA countries. He thinks the Senate has a right and duty to adopt conditions that are prudent and in keeping with our American system. A little further on in the interview, he says:

> As a consequence (a consequence of not putting on conditions) he found that peoples abroad are not being required to produce to capacity and that their governments have not inaugurated obvious moves to improve business.
>
> In short, both peoples and governments have come to look to America to keep them going, Baruch feels.
>
> He found in England, for example, that the country could balance the budget if 40,000,000 more tons of coal were produced annually; instead, miners are working a short week.

That is his recommendation. I recall the amendment which was offered by former Senator Ball to require England to produce on the 10-year average the same amount of coal she produced before the war. We could not write that condition into the ECA Act of 1948. Yet Mr. Baruch says in his statement that if Great Britain would increase her production of coal 40,000,000 tons, it might balance her economy. The interview continues:

> In his opinion France appears to be recovering rapidly, but though in deadly fear of Russia and Germany the country is not requiring full production of raw materials and manufactured goods to increase the national wealth.

Mr. President, it is not my purpose to discuss all of the causes of failure of Europe to get on, but of one thing I am confident and that is, there is nothing wrong with Europe that hard work and a decent regard for private enterprise will not cure.

The Wall Street Journal recently carried an article which squares with my views. For obvious reasons the Wall Street Journal, read as it is by businessmen, bankers, and others interested in good business and stable world conditions, approaches the problems of Europe dispassionately.

William Henry Chamberlin, a man whose judgment and authority cannot be doubted, in a dispatch to the Wall Street Journal from Geneva, Switzerland, says:

> Because of sympathy for traits of British character reflected in these anecdotes, because Britain is still America's strongest and most dependable friend, in an unsettled world, there will no doubt be sentiment in favor of bailing Britain out of the balance-of-payments crisis by some new American action.
>
> But blind sympathy is apt to do more harm than good. There are times when it is a doubtful service to nations, as to individuals, to make possible the postponement of inevitable readjustments.

Mr. Chamberlin also says:

> The British situation cannot be saved by further dollar-blood transfusion. It can

only be saved if the British people as a whole, like many thoughtful individual Britons, realize that their country is facing an economic Dunkirk and concentrate on working themselves out of the present jam. So far they are waiting for an effective lead.

Mr. President, the Senate now has an opportunity to provide an effective lead, which is in the interest of our own economy but also more immediately of assistance to Britain and all other ECA countries. This opportunity lies in the so-called Kem amendment, which in every respect holds to our traditions and way of life. I urge its adoption.

Mr. WHERRY subsequently said: Mr. President, will the Senator from Missouri yield for a question?

Mr. KEM. I yield.

Mr. WHERRY. Does the Senator from Missouri recall that when the junior Senator from Nebraska was making a few observations in the early part of the session today, one of the reasons stated by the Senator for favoring the Kem amendment was the fact that the subsidizing of the socialistic government of England made the cost of goods so high in Great Britain that goods were piling up which could not be sold, and that there was now on foot a scheme to provide trade and barter agreements with the United States and with other countries, as announced in the press this morning?

Mr. KEM. I think the Senator from Indiana [Mr. JENNER] probably referred to the same thing.

Mr. WHERRY. Did the junior Senator from Indiana place in the RECORD the article from the Wall Street Journal?

Mr. KEM. No, I do not think he did.

Mr. WHERRY. If the junior Senator from Missouri does not object, and if it is agreeable to the junior Senator from Indiana, I should like to have inserted at the conclusion of my remarks this morning the article, published in today's issue of the Wall Street Journal, written by Ray Cromley. The article is headed "To the rescue again—Federal planners talk of guaranteeing Europe a market for exports; would promise to support prices; require nations to devalue currencies—Foes charge 'state trading'." I ask unanimous consent to have the article printed in the RECORD, following my remarks made earlier today.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TO THE RESCUE AGAIN—FEDERAL PLANNERS TALK OF GUARANTEEING EUROPE A MARKET FOR EXPORTS—WOULD PROMISE TO SUPPORT PRICES; REQUIRE NATIONS TO DEVALUE CURRENCIES—FOES CHARGE "STATE TRADING"

(By Ray Cromley)

WASHINGTON.—The administration's global aid experts are now toying with a new idea of aiding Europe by underwriting her basic exports to this country.

What their program would mean to United States producers and consumers: More commodities from Europe's colonies and at higher-than-otherwise prices. Officials hope it would also bring more European manufactured goods here at cheaper prices, because the whole scheme would be linked with enforced devaluation of European exchange rates.

This is the latest of a half-dozen plans being batted around by Government economic policy makers, seeking ways to pull Britain and continental Europe out of their latest dollar crisis. It would have to get congressional approval, of course, before they could put it into effect.

Under such an aid program, the Government would guarantee that this country would import specified amounts of key commodities from such countries as Britain, France, Italy, Holland, Belgium, and their colonies. These might include goods like tin, rubber, copra, wool, tea, cocoa, industrial diamonds, manganese, chrome, and a long list of other basic materials and war stockpiling goods.

The United States would promise to support the prices of these imported commodities on the American market.

In return for guaranteed United States markets, the United States would require European countries to devalue their overpriced currencies. The immediate object would be to reduce the prices of European manufactures—British woolens, Belgian linens, French glassware, and the like—to make them more competitive on United States and world markets.

IN THE LONG RUN

The long-run object of devaluation, of course, is to enable Europe to sell enough of its goods to get out of the economic morass into which State Department and Economic Cooperation Administration officials think the Marshall-plan countries are drifting.

The United States experts say this is the main problem: The Marshall plan for European recovery depends for its success not only on United States aid, but on sharp increases in Europe's exports to the world in general and to the United States in particular. Because of customs barriers, high production costs with resulting high prices, and unrealistic planning, Europe's exports have been too low to keep the Marshall-plan countries financially solvent. That's where the new plan for guaranteed markets for European exports comes in.

The basic concept is not new. The International Trade Organization charter, signed by United States officials but not yet ratified, paves the way for such trade deals. The International Wheat Agreement, which became effective August 1, is an instance where the United States has already bound itself to this type of marketing plan—though in this case as an exporting nation. Under the wheat pact, importing nations promise to take specified amounts of wheat from exporting countries at set ranges of prices.

As early as 1945, there was a proposal for an international commodity stabilization agency, to guide trade deals. This was to have been part of the Bretton Woods agreement which resulted in the International Monetary Fund and the World Bank. But negotiators dropped this phase of the plan before the Bretton Woods conferences.

In the economic-expansion bill, submitted to Congress by Truman Fair Dealers, there is provision for $500,000,000 to boost imports of certain materials from underdeveloped areas. Another $7,000,000,000 would be earmarked under the bill for development loans to these areas and trade guaranties aimed at boosting world commerce.

NO FORMAL PROGRAM

No formal trade-deal program has yet been drafted, however, to aid Europe specifically. Talks about guaranteeing markets for her exports are still in the bull-session stage in the State Department, the ECA, and the Interior and Agriculture Departments. There's a good deal of informal support, however, for some kind of a moderate guaranty, and backers are thinking in terms of about $500,000,000 to $1,000,000,000 in trade guaranties over a year or two.

There's plenty of opposition to the plan, to be sure. A strong group pans the proposal as a move toward state trading. "The whole thing's ridiculous," says one State Department trade specialist. "We'd have the Government running a big chunk of the import business in no time."

United States officials are working on many ideas for helping Europe, and these discouraged men jump for every straw. As one of them says, "No idea is too ridiculous for us to at least look at." Other officials stress that Congress is now in no mood to vote more gift funds, so some indirect way has to be found to aid the Europeans.

The suggestion for guaranteed markets for Europe's exports is one of the indirect ways of getting more dollars to the Marshall-plan nations. The proponents emphasize that, if adopted, it wouldn't be the main solution. They are still a little vague on just how the scheme would work.

Some specialists propose setting a guarantee of, say, so many tons of rubber a year. If private trade in the United States—plus normal Government purchases for stock piling—absorbed all this rubber, well and good. If not, the Government would agree to buy what private trade didn't take. Rubber would be added to the Nation's strategic stock pile.

MORE PLANNING

Other officials—and these are in the minority—want the Government to go further and support prices. Say we're still using rubber as an example. They would want Federal agencies to step in and buy up the imported rubber for stock piling, not only when the import quota wasn't all purchased privately, but whenever the United States price went below a fixed level. This would keep prices up to a normal level, they insist, and aid the European exporters. Meantime, they'd have the Government keep this specially purchased rubber for reselling into private channels when rubber gets scarce.

Another group of officials and Congressmen would prefer more indirect Government guaranties of markets. These planners say United States importers should be encouraged by protecting them against loss. This idea is written into the so-called Murray bill, the economic expansion measure, which would give the Government sweeping powers for boosting industrial capacity and output at home and abroad.

Under this proposal, private traders would be encouraged to import raw materials and commodities important for United States industry, on long-term contracts. If the private dealers were unable to resell their purchases, the Government would buy them. If no private trader wanted to make the long-term commitments, the Goverment would make the contract. The commodities would be held by the Government for resale at prices no lower than the prevailing market, except when market prices were found to be artificially maintained.

The Government officials who wrote the bill thus put themselves in this incongruous position: They want power to force prices down if they feel private traders are keeping them too high artificially but want power to hold them up artificially themselves.

Officials admit privately they think none of these plans has a chance of passing this session of Congress. But they point out that the mood of the lawmakers next session may be different.

By that time, one ranking official says, "the United States will begin to feel the pinch of declining exports. Americans will begin to think of this, not as a British or European problem but as an American problem." Then will be the time, he adds, for coming up with more aid-Europe measures.

Mr. FERGUSON. Mr. President, I ask unanimous consent that I may make a few remarks on this question, without

the Senator from Missouri losing the floor.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. FERGUSON. Mr. President, I realize we have spent considerable time on the pending bill; and if it were not for the fact that I believe this is a highly important question and that our thinking on a question of this kind can be a crossroads with respect to what may happen in the future, not only in America but in the world, I would not take the time of the Senate for these remarks.

I feel that in the past we have been unable in our national thinking to grasp certain world problems, and for that reason we have been unable to find solutions for them. I go back to the day when America did not consider communism in its vilest form to be a menace to the world, to the day when we did not understand communism. I am satisfied if we had understood the true meaning of communism we would have been able to cope with it at the time of our recognition of Russia. But we did not then recognize the fact that communism was a movement for world revolution, with its foundation in Marxism or socialism. Its economic system is socialism. When they socialize, as they say, the proletariat comes into power. Circumstances require that there must be a temporary dictator "to preserve the liberties of the people," sufficiently so that socialization may continue to the point where no government will be needed. That is Marxism. Communism is socialism in a hurry.

We have not always seen communism as it really is. But something happened in America's thinking at the time we decided we would make a grant-in-aid to Greece and Turkey. That was really the first time we realized that if communism spread in those countries it would affect the welfare of America. We determined we were going to try to stop it there.

But at the same time, the identical problem arose in China. With respect to China we lulled ourselves into a sense of security by saying the Communist movement in China was an agrarian reform movement. We said, "Yes; we know it is communism, but it is Chinese communism and therefore does not have all the evils of Russian communism." We sent one of our great generals to China with the idea we could unite the Chinese Nationalists with the Communists, not realizing the latter were one and the same thing with world revolution under Russia.

Mr. MALONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Nevada?

Mr. FERGUSON. I am glad to yield.

Mr. MALONE. I should like to ask the distinguished junior Senator from Michigan whether, when, as he says, "we thought it was an agrarian communism," it was not simply the State Department thinking which was accepted by enough people in America to allow that idea to gain a foothold?

Mr. FERGUSON. I think that is true.

Mr. MALONE. In other words, it had nothing to do with any independent thinking in the matter. It was merely a matter of one of our great generals, Mr. Marshall, being sent to China. He may have been a good general, but he knew nothing about China and, apparently, nothing about communism. Was he not the same general, I ask the junior Senator from Michigan, who attended the President at Yalta, where Russia was given a foothold in Asia through the gift to Russia of Manchuria?

Mr. FERGUSON. Yes. The situation was such at the time that our people were blind to the real force of communism.

Mr. MALONE. I should like to ask the distinguished junior Senator from Michigan, was it not the same general who advised the same President at Yalta, when Berlin was given to the Russians without any means of access to the city, precipitating us into the great fiasco of hauling coal at $500 a ton by airplane for nearly a year? Was it not the same general?

Mr. FERGUSON. It was.

Mr. MALONE. It seems to me the mistakes which occurred as far back as Yalta should not be continued indefinitely and continually repeated. Nearly everyone whom I consulted in China last year understood perfectly well that China was being lost. It was not a question whether China was being lost; it was a question of whether she was important to our ultimate safety. My statements released in China at the time simply stated that we must make up our minds whether the integrity of China was important to our ultimate peace and safety. Apparently the State Department did not think so.

I wanted to clear the atmosphere. We were told by the State Department that there were agrarian Communists. Most everyone now seems to have awakened to the fact that China has been swept away, but we were lulled to sleep by the State Department. Many informed persons think that the "agrarian" Communists will be in Canton within 3 months, and that they can take the remainder of Asia at their leisure. In Indonesia, for example, the Dutch have been spending a million dollars a day of United States money to keep their foothold there; they have lived off of Indonesia for 300 years. The French in Indochina are doing the same thing on a smaller scale.

I should like to say that in Saigon, Indochina, there is plenty of housing. The people of Asia, including Indonesia, Malaya, and Indochina think that we are trying to save the colonial system in Asia and Africa for the three nations mentioned, while the Russians are promising them relief from the colonial yoke. That makes the Russians heroes in their eyes. In my personal opinion we cannot hold the colonial system in Asia another 5 years.

Mr. FERGUSON. I thank the Senator for his remarks.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LANGER. While the war in China was going on, where was the Committee on Foreign Relations?

Mr. FERGUSON. It was in Washington. I am not trying to be facetious. It was here conducting negotiations, so far as the Senate was concerned. But I want to say that I do not think we can blame the Foreign Relations Committee, because so few matters of foreign relations are actually taken up officially with the committee that its functions are not so broad as they might be in the solution of these problems.

Mr. LANGER. If the Senate Foreign Relations Committee had said the policy was wrong and had told this body, there would not have been any appropriations voted by the Senate until the Foreign Relations Committee got the secret agreement and found out what it was all about.

Mr. FERGUSON. Joint sessions of the Congress were addressed by the President of the United States and they were told that there were no secret agreements. So I do not blame the Foreign Relations Committee for accepting the statement of the President of the United States to the joint session of the Congress.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. MALONE. I should like to inquire of the distinguished junior Senator from Michigan if it is not true that there was another great general (General Wedemeyer) who was sent to China and who made a report to the State Department which was suppressed for a long period of time. Is that correct?

Mr. FERGUSON. That is correct. It came out last week.

Mr. MALONE. There must have been some reason for the suppression of that report. Is it possible that General Wedemeyer did not agree that the China Reds were of the agrarian type, and that the Foreign Relations Committee of the Senate did not have access to the Wedemeyer report?

Mr. FERGUSON. I believe the committee did not have access to it.

Mr. MALONE. And could not get it?

Mr. FERGUSON. I do not know whether they tried to get it. I understand they did not have access to it.

Mr. MALONE. One further question, if the Senator will permit me.

Mr. FERGUSON. I yield.

Mr. MALONE. Does the Senate Foreign Relations Committee have the responsibility of advising the Senate on foreign affairs?

Mr. FERGUSON. As to legislation, that is correct.

Mr. MALONE. Does the distinguished Senator from Michigan believe the committee discharged its responsibility?

Mr. FERGUSON. Yes, so far as it had the knowledge. The idea prevails that the conduct of foreign relations of America is vested in the Chief Executive, and that he has the right to carry them out without much, if any, consultation with the Senate.

Mr. MALONE. If the distinguished Senator will yield further, it was never my understanding that the Senate was to take the advice of the President, but that its knowledge was to come through the Foreign Relations Committee.

Mr. FERGUSON. The point is that we are constitutionally limited as to what

we can do. We can act only when matters are presented in one of two ways, either as treaties to be ratified or as nominations of those who are to carry on our foreign relations, which are to be confirmed.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. MALONE. It is a terrific surprise to me that the Foreign Relations Committee seems to want us to believe now that they do not agree with what we have been led to believe was their position for the 2½ years during which I have been a Member of the Senate. The junior Senator from Nevada thought that the Foreign Relations Committee approved the policy which we are following. I have sat in the United States Senate hour after hour and heard the plan outlined at great length by members of the Foreign Relations Committee. Does the junior Senator from Michigan now say that the Foreign Relations Committee did not agree with the State Department?

Mr. FERGUSON. I am not speaking for the Foreign Relations Committee. I am of the opinion that the committee did not see the Wedemeyer report.

Mr. MALONE. That was merely an incident. I am simply trying to find out now whether the Foreign Relations Committee, upon which the majority of the Senate apparently depended for their information, has now divested itself of all responsibility for all the things we have been doing?

Mr. FERGUSON. I have no such knowledge or information. I do not understand that the committee is in any way indicating that it wants to abdicate and not perform its functions.

I wish the Senator would propound these questions to a member of the Foreign Relations Committee.

Mr. MALONE. Mr. President, if the Senator will further yield——

Mr. FERGUSON. I yield for a question.

Mr. MALONE. I am sorry I misunderstood. I thought the Senator was saying, "we thought," which is rather all-inclusive. I took it to refer to the Foreign Relations Committee of the Senate.

Mr. FERGUSON. When I used that pronoun I was referring to the Government of the United States, which, in foreign relations, is the executive department. That might clear the record.

Mr. MALONE. We merely financed the plan and I suppose were not supposed to understand it.

Mr. FERGUSON. The "we" certainly did not include the junior Senator from Michigan, and I take it from the Senator's questions that it does not include the junior Senator from Nevada.

Mr. MALONE. I think the record has been made clear over the past two and a half years that many of us did not believe in it and the results show that we have been foolish. But the Senate of the United States, regardless of the way in which the junior Senator from Nevada voted, did appropriate large sums of money for the carrying out of the foreign policy approved by the Foreign Relations Committee. We were never advised by the committee that it should be changed in any way. The Foreign Relations Committee is the only one of which the junior Senator from Nevada knows that could do it. To hear now that we thought this or that, or that the policy is entirely unsatisfactory to this committee, comes as a shock. Many of us never did agree with it—but were outvoted.

Mr. FERGUSON. I will change the word "we" to indicate that it means the executive branch of the Government. I think that may clarify the matter which the Senator from Nevada has brought up.

Mr. President, I was saying that some persons in high places in America, with the right to make our foreign policy, did not properly evaluate communism, did not understand communism, and did not appreciate its force in the world as a revolutionary power—what it would do and what it would accomplish if it were permitted to move on.

There is a sentence in the letter of transmittal of the white paper which I wish to read and comment on:

> For reasons of military security and for those only it was considered too dangerous for the United States to consult with the National Government regarding the Yalta agreement or to communicate its terms at once to Chungking.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MALONE. I am very much interested in what the junior Senator from Michigan is saying. Does the Senator from Michigan understand that it was our Government which put the pressure on Chiang Kai-shek, as the head of the Nationalist Government, to agree to the Yalta agreement terms as to the transfer of Manchuria to Russia?

Mr. FERGUSON. The Yalta terms were all agreed upon without consultation with the Nationalist Government of China. What I was just reading indicated that the State Department said that it was not even transmitted to them. It was agreed between the President of the United States and the head of the Russian Government, Josef Stalin. Chiang Kai-shek, for the National Government of China, was not present, and was not considered in connection with this question.

Mr. MALONE. Was it not presented to Chiang Kai-shek, the Generalissimo, later, and then, under pressure from our State Department, did he not agree?

Mr. FERGUSON. He had no choice.

Mr. MALONE. But he did agree later; did he not?

Mr. FERGUSON. I take it he did.

Mr. MALONE. Under pressure from this Government, the "we" the junior Senator from Michigan has been discussing?

Mr. FERGUSON. Yes.

Mr. MALONE. As I understand now, the Senator from Michigan did not agree with those views, and all of this was carried on without cooperation of the American people or the Congress of the United States?

Mr. FERGUSON. That is correct. This statement indicates that the President of the United States considered communism to be such that he could deal directly with it, not even advising with the State Department. As I understand it, Mr. Byrnes, who was then Secretary of State, indicated even he did not have knowledge of the Yalta agreement, so far as it related to the Chinese Government. But the Senator from Michigan has information which indicates that on the very day the President of the United States spoke before the joint session of Congress saying that there was no secret agreement, terms of the Yalta agreement were transmitted to the Generalissimo of the Nationalist Government in China as an accomplished fact.

I merely bring that out to emphasize that I am convinced in my own mind that the President of the United States and the State Department did not realize what communism was at that time, otherwise they would never have made an agreement to divide Germany into four parts, and to give to Russia a part of Germany which was in effect the bread basket of Germany. If they had understood communism as it really was and is today, they would not have divided Berlin into parts, and given to the Communist regime a hundred miles of territory surrounding the entire Berlin area.

Mr. WATKINS. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Utah.

Mr. WATKINS. Were not the State Department and the President in a position to know what communism was at that particular time?

Mr. FERGUSON. There can be no doubt about that.

Mr. WATKINS. Had they not information as to what Russia had done to Finland?

Mr. FERGUSON. There is no doubt that Stalin had made an agreement with Hitler.

Mr. WATKINS. I call the attention of the Senator to the fact that he said he did not think they understood what communism was. As a matter of fact, were they not in possession of enough information to have given them full light on the intentions of communism, and the fact that we could not live in the same world with them, as long as they carried out their program?

Mr. FERGUSON. The reason the junior Senator from Michigan stated the situation in the way he did was that he cannot conceive how anyone who understood communism could do the things that were done. Therefore he is giving to them the benefit of the doubt, taking it for granted they did not understand the full impact and the full meaning of communism.

Mr. WATKINS. Does the Senator recall that the President of the United States denounced Russia for having made an attack on Finland, even before Germany attacked Russia?

Mr. FERGUSON. Yes.

Mr. WATKINS. And condemned the Russian regime as being as much of a dictatorship as the Hitler dictatorship in Germany?

Mr. FERGUSON. Yes, but I give the benefit of the doubt to all those who were dealing with this problem, because the junior Senator from Michigan, as he

sees and evaluates communism, cannot otherwise understand how these things could have been done by loyal and patriotic Americans. My reason for making this point today is that I am convinced, indeed I was never more convinced of anything in my life, that the people of America do not today understand socialism and do not understand Marxism. If they did they would be paying more attention to the Kem amendment to the pending bill.

That is what I want to bring out by the statement I am making before the Senate. I am convinced that if the American people, if the Congress of the United States of America, realized the evils of socialism, they would not stand idly by, as we stood idly by while the truth about communism was slowly dawning. That is why I am now addressing the Senate. It is because I feel so keenly about what socialism is, as I see socialism in Great Britain and elsewhere today. I am pleading with the British people to appreciate what socialism means and not to go further down the road to socialism, because the junior Senator from Michigan feels warm-hearted to the British people. I hope they will see socialism as it really is. I hope they will see that after they have gone down the road to socialism, they can never return to individual enterprise.

What will it lead to? Every socialistic step leads to more controls. And more controls ultimately and inevitably will lead to dictatorship and such a dictatorship will be as evil as was the dictatorship of Germany, and as evil as the dictatorship of Russia is today. I hope the British people will realize that meaning of socialism.

A Senator of the United States said to me yesterday, "I do not think we can put this provision into the bill. The reason is that it would be dictating the domestic policies of the British Empire, particularly of England, and they would resent it, and instead of our getting rid of the present Labor Socialist Government we would be giving it more power, and it would win at the next election."

Mr. President, that is an argument which anyone can understand, but I do not see the situation that way. The question now before the American people is, Must we, for fear of pushing socialism further on the English people, say to them, "We will not go into this question at all. We will stay away from it?" Must we tell them that we will stay away from it because we have to be careful and not have them pushed further into socialism?

I ask the Senate: Will not the fact that we do not raise the issue, and do not take our stand, through this measure, with respect to the continuance of socialization in Britain, make clear to the British people that we of America do not see what socialism is doing to Britain, that we do not fear socialism, and therefore we do not care whether or not the British people adopt socialism?

Will Britain be pushed into becoming a socialistic state more quickly and more deeply if we attach strings to the money we give her? I feel very keenly about this matter, Mr. President. I feel that the British people will awaken if we take affirmative action. If we attach this condition to the money we give her in aid, her people will see socialism as it really is. They will realize more quickly and more certainly what socialism means to them and to the world if the Congress of the United States declares that it sees the evil of the socialism and recognizes what it means.

Mr. President, if we do not adopt such an amendment as is now proposed the people of Britain will believe that we feel socialism is merely a mild menace, that it is not going to take the people of Britain down the wrong road. If we fail to take such action, the British people will believe that the American people do not see any danger in what the British Government is doing, and have no fears of the result. The people of Britain will believe that we fail to see that the economy of Great Britain will be ruined by socializing the steel industry and further pushing the British people over the brink, to that point where they can no longer return to the individual enterprise system.

If the Senate fails to act on the Kem amendment the British people will say that the subject was debated upon the floor of the Senate, and the Senate voted, by a large majority, their belief that socialism is not an evil.

Mr. President, I say to the people of Great Britain and to the people of America today that as I see the situation I cannot do other than vote for the amendment because I believe socialism to be a great evil. I believe that Great Britain cannot survive half socialistic and half individual enterprise system, or even three-quarters individual enterprise system and one-quarter socialistic. The minute the British Government takes over the British steel business, in that minute it will begin taking over other business. That is what taking over the steel business will lead to. Do not forget that every particle of food in Great Britain is socialized even today.

I cannot sit idly by and not speak out against what I believe to be a great evil in the world. That evil is Marxism; it is socialism, which is communism in a mild form. Any nation that adopts socialism will bring dictatorship upon itself.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WATKINS. Does the Senator have in mind the situation which will exist in the matter of competition for the world's markets if the great industries of Great Britain are nationalized and come in competition in the same markets with the individual enterprise system, the private enterprise system of the United States?

Mr. FERGUSON. We know what happens in connection with every industry which is socialized. When an industry is socialized it has back of it all the power of taxation by the government, all the power of force, even to the point of economic sanctions in international relations. Therefore, the American private enterprise system, whether represented by General Motors, du Pont, or any other large industry, will not have the power that a cartel under socialism has in the British Empire.

Mr. WATKINS. In other words, I understand the Senator from Michigan believes socialization of an industry would in effect bring about a national cartel of the business or enterprise that was nationalized?

Mr. FERGUSON. That must inevitably be the result. When the British Empire socializes the entire steel business that business becomes a governmental monopoly, a governmental cartel, and it is going to act in every place in the world as a governmental cartel. I care not how large a private enterprise may be, or how much money it has; it cannot compete with a monopoly controlled by the British Empire, which has back of it airplanes, guns, and economic sanctions and all that go with them.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. EASTLAND. Does not the danger to our industry arise from the fact that when a British industry becomes nationalized great areas of the world will be exclusively served by that industry, and American production will be excluded? The costs of operation under the private-enterprise system are lower, but even so, we cannot compete with a nationalized British industry because we will be excluded from large areas of the world.

Mr. FERGUSON. That is exactly right. British nationalized industry will not be able to produce goods at the same price as goods produced by our free-enterprise industries. But that is not the point. Nationalized industry does not have to produce at as low a price as our industry can. If the British Government controls the British industry it is a monopoly. That monopoly can press the goods of free-enterprise industries out of territories it controls.

Mr. EASTLAND. Is it not true that the United States today is being systematically excluded from areas of the world by England under the identical system which Hitler adopted in Germany, and which was one of the causes for World War II?

Mr. FERGUSON. That is true. The reason is that Great Britain today is on the road to national monopoly of all its industry, and it sees nothing else but national monopoly as a policy to follow.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. FLANDERS. I should like to ask the junior Senator from Michigan whether he would not like to add to the appeal he is making to the British people the suggestion that they are raising their own costs and lowering their own standards of living. It seems to me that any appeal to the British people must take into account the fact that they are cutting their own throats. That appeals to me very much more than any appeal based on cutting us out of areas of trade, because I think we can stand that much better than the British people can stand what is being done to them.

Mr. FERGUSON. Mr. President, I am certainly glad the able Senator from

Vermont made that statement on the floor of the Senate. It is certainly true that the harm which is being done to the British people is much greater than any harm which will be done to America. I can assure the Senate that I am not pleading today solely for the selfish interest of the American people and for their place in the markets of the world, although free markets are the cornerstone of our hopes for a free world and a world at peace. I do not believe we can have world peace if Europe becomes socialized. We cannot have world peace if the British Empire becomes socialized. Sooner or later, when the socialistic states become dictatorial, their influence will gravitate to the other dictators, and opposition will necessarily rise against our economic system and our political system. I have said before on the Senate floor that I believe this is a cold war for the souls of men and their beliefs in sesecurity through statism or security through freedom.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I will be glad to yield in a moment. Marxism, socialism, and communism are on the one side. The free-enterprise system is on the other. I understand that Socialists say, "We can have a world welfare state. We can have something like the Bill of Rights and still have socialism." They do not, however, understand socialism or they would know that within the socialistic state there cannot exist a Bill of Rights for the individual liberties of the people. Under the socialistic state the British people cannot retain the old rights for which they fought and which they gained at Runnymede in 1215, because the socialistic state and individual liberties and rights are absolutely antagonistic to each other. They will no more mix than will the communistic government of China and the National Government of China, or water and gasoline.

I now yield to the Senator from Mississippi.

Mr. EASTLAND. The Senator speaks of world peace. Will he please explain how we can have world peace if the world is split up into areas of influence in which only one country can do business, and other countries are excluded? Will not the result be a depression in this country and in the world?

Mr. FERGUSON. Certainly we cannot have world peace under those conditions. That is why the North Atlantic Pact aims to provide for freedom of movement of individuals and raw materials between one country and another, uncontrolled by government monopoly or cartels.

Mr. EASTLAND. How can the American people be accused of selfishness in insisting upon the principles which are necessary to preserve the peace of the world?

Mr. FERGUSON. I have never felt that it was selfishness to point out to one's fellow citizens and to the British people, and the people of the earth, the evils of socialism. We get our common law, and many of our principles of government, from the British people. Today they should welcome a warning as to what is going on. It does not repreesnt outside interference, or selfishness. I am satisfied that if the British people realized what socialism is they would throw it off, because if there is any nation in the world that cannot make a go economically under a socialistic regime, it is the British Empire. For centuries the British Empire has lived upon interest and dividends from the stocks and bonds and capital investments the world around. Now they are changing their entire economic system and trying to do away with stocks and bonds. How can they survive with no more dividends and no more interest? How could America survive with a Socialist government?

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MALONE. I am intensely interested in the Senator's remarks, to the effect that socialism cannot live alongside capitalism. As a preface to my question, let me say that a year ago last March, in 1948, I called attention to a statement made by Mr. Bevin and Mr. Wilson, of England. They said they wanted to be the "bridgehead" between Communist Soviet Russia and United States capitalism, indicating that they wanted to be neutral. Is there any difference between the ultimate objectives of socialism and communism? Is it not a fact that they are both headed for the perfect state, with everything controlled by the state.

Mr. FERGUSON. That is correct.

Mr. MALONE. It is merely a matter of the route they take. In other words, socialism professes to depend upon the regular machinery of government, voting by peaceful means.

Mr. FERGUSON. They depend upon what they call peaceful or evolutionary means. Communism is revolutionary, with precipitate and bloody means.

Mr. MALONE. But is there any difference in the ultimate end?

Mr. FERGUSON. No. They are one and the same thing, as I am trying to point out. I hope I may be able, in a small way, to point out that they lead down the same road, to dictatorial power and dictatorship. Both arrive at dictatorship, one directly, the other ultimately and inevitably. Dictatorship is that which takes the liberties of the people into its possession and says, "Wait a while. We will keep these powers until you are able to carry on without a state." As one who has spent his life in the law, I regard that as an idle dream. The time will never come when the people of the world can live without government, without criminal law, without some control of those who would overthrow the principles of democratic government, and even religion, in this country and all other countries.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. FERGUSON. I yield.

Mr. MALONE. As a preface to my next question, I may say that I discussed this subject before the Senate a year ago last March. I said then that there is no difference between the objectives of the two forms of government, just as the able Senator from Michigan has pointed out. A member of the Foreign Relations Committee took violent issue with me on the floor of the Senate. He stated that nothing like that could happen.

Is it not probable, in the light of history, that the ultimate objective of all controlled governments, whether they be socialistic or communistic, is the same? The beginning of control is the beginning of dictatorship. One control leads to another, and finally complete dictatorship is the ultimate and inevitable result of either system.

Mr. FERGUSON. That is as the Senator from Michigan sees it. There can be no doubt about it. The reason I have taken the floor today is to plead with my fellow Senators and with the British people to see the evils which characterize socialization, and the road down which socialization will lead them. There are none so blind as those who will not see.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. FERGUSON. I yield.

Mr. MALONE. I believe the Senator is doing the United States Senate a great service in calling attention emphatically and in a forceful manner to the almost criminal lack of a consistent foreign policy. It may be said that we are responsible for financing a Socialist system of government. Therefore we must take our share of responsibility. Mr. Churchill and most of the other great leaders in Europe and in Britain have said that if we were not financing the British Socialist Government it would fall, and be replaced by a more conservative government. A few days ago a great leader in Belgium said, "Belgium cannot yet afford socialism." In other words, they must work, and they are working, while we support the Socialist governments of Europe.

The question of interfering with another government when we suggest how the money we give them should be expended, let me make a comparison with the affairs of a bank. A man's personal conduct is of little interest to a bank, and it is not able to interfere with his personal conduct, even though it may not be conducive to good business management. But let that man go to a bank to borrow money to finance a contract or finance something the profitable consummation of which depends upon his skill and attention, and immediately the bank has a direct interest in his affairs.

Mr. FERGUSON. That is correct. He who controls the purse strings controls expenditures.

Mr. MALONE. This is my point: The president of the bank or the cashier of the bank does not lend the borrower his own personal funds. He lends him money belonging to the depositors, and he must see that it is repaid.

Mr. FERGUSON. That is correct.

Mr. MALONE. Is there any difference between the situation involved in the bank's dealing with depositors' money and the situation of the Congress dealing with the money of the taxpayers?

Mr. FERGUSON. They are both trustees.

Mr. MALONE. In other words, the Congress of the United States has no money of its own. The only way it can get money is to take it from the taxpayers. That is true, is it not?

Mr. FERGUSON. That is correct.

Mr. MALONE. We are in the position of a trustee for the taxpayers' money, which we ourselves vote to collect. So it seems to me that we have a right to impose the conditions which we consider proper, because foreign countries are not forced to take the money. But if they take the money, they should take it under conditions laid down by Congress.

Mr. FERGUSON. That is correct.

Mr. KEM. Mr. President, will the Senator yield for a question at this point?

Mr. FERGUSON. I yield.

Mr. KEM. Is there not one important difference in the comparison made by the Senator from Nevada of the relationship between the Congress and the taxpayers and the relationship between a bank and its depositors? The depositors place their money in the bank voluntarily. The taxpayers have it taken from them by compulsion of law.

Mr. FERGUSON. That is correct.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. JENNER. I should like to ask the distinguished junior Senator from Michigan what the difference is between the situation of the British and our own situation. As I understand, Britain's difficulty today is that she is spending more than she earns. Is not that correct?

Mr. FERGUSON. That is correct.

Mr. JENNER. Does not the same situation exist in this country? Are we not spending more than we earn?

Mr. FERGUSON. Last year we spent $1,800,000,000 more than we earned; I think that is the correct amount.

Mr. JENNER. And it is estimated that next year we shall have a deficit of from $5,000,000,000 to $6,000,000,000 or perhaps $10,000,000,000. Is not that correct?

Mr. FERGUSON. I do not know that it will go that high, but it could.

Mr. JENNER. So I do not think we should be critical of England if we are silly enough to fall for her pleas to help her go on with socialization. If we do that, we are just like the drunkard who walks to the bar of a saloon and says, "Come on, boys; have a drink on me." But he does not have enough money to pay for his own groceries at home. Today the United States cannot pay for its own groceries, but, acting like a drunken bum, it is saying, "Come on, boys; have a drink on me."

So we should not be too hard on England if we "fall" for that.

Mr. FERGUSON. In view of the fact that Britain today, under her socialization of medicine, has purchased 45,000,000 pairs of eyeglasses for her people, one would think the people of England would be able to see the road they are traveling on and be able to turn back. Apparently there are only about 5,000,000 people in the British Isles who have not received a pair of eyeglasses under their socialization of medicine. So perhaps they did make a good investment, if the people will use the glasses to see.

Mr. JENNER. They will not use them if we keep on "dishing it out" to them.

Mr. KEM. Mr. President, if the Senator will yield, let me ask whether he has information about the number of toupees the British people have been furnished under our ECA aid.

Mr. FERGUSON. I do not have the figures, but I understand it is greatly in excess of the number of bald heads there.

Mr. JENNER. How about the number of girdles.

Mr. FERGUSON. I do not have the figures, but I understand it is greatly in excess of the number of fat girls.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MALONE. I should like to ask the Senator if he understands that there is now before the Congress a serious proposal, on the part of several Senators, which would practically make a public utility out of all American business.

Mr. FERGUSON. Yes; I am familiar with those bills. Those who sponsor the bills seek to use the same means to stop depression that they attempted to use in January to stop inflation. The remedy they propose is the same in either case. It is Government control.

Mr. MALONE. If the Senator will yield further, let me inquire whether he is familiar with what that bill would do. Under it we shall be headed along the same road that England and all other socialized countries travel. First we must have Government control of all private business. This bill throws out the bait that if a new business is sought to be commenced or if an old business seeks to expand or to borrow money from the Government out of the $11,000,000,000 fund, of which $4,000,000,000 will be used for administrative expenses—and that would seem to be sufficient—the business which wishes to take such a step must obtain a permit to operate from a Government board which is to be set up. Having served for 8 years on a State public service commission, I understand something about the workings of boards. No doubt that board will determine whether the business needs the loan and whether it meets the test of necessity and convenience. Before being eligible to receive the Government money the business will have to agree to permit the Government to control the business. In other words, whenever the board thinks the business should be established the board will issue a permit for that purpose. Business will then be operated in the same manner as the railroads or other public utility under a public utility commission or under the Federal Interstate Commerce Commission.

Under such an arrangement, with the board having the means of providing for amortization over a period of 5 years, instead of 10 years, under the internal revenue act, the business will be under the direct control of the board.

Let me say parenthetically that of course the depression into which we are moving ourselves has been caused by cutting the floor from under wages and under the proposal of the bill to which I have been referring, the Government will take over business for the alleged purpose of curing the depression.

Let me ask the Senator from Michigan whether he sees any difference between that type of procedure and the socialization of industry in England.

Mr. FERGUSON. Only that when the people of the United States wake up to what is going on, they will check it and throw it out. That is the difference.

Mr. MALONE. It is my opinion that if the Congress were allowed to go home for 60 days, what the junior Senator from Michigan has just stated would occur. I think he is absolutely correct about that, but unless a check is soon put on such operations, it may be too late.

Mr. FERGUSON. I think a visit to our respective constituencies would be of great benefit to the legislative process.

Mr. MALONE. Mr. President, if the Senator from Michigan will yield further, let me inquire whether he agrees that the proposal of the bill to which I have been referring is based on the same old plan of having the Government take charge of all business and also going into deficit financing.

Mr. FERGUSON. Oh, yes. The lawyers and economists in various Government departments are attempting to be the planners and the ones to chart the course. The course they are proposing would result in what the Senator has indicated.

Mr. MALONE. Under these arrangements, England and various other nations of Europe are included in our budget. They are as much a part of it as the Department of the Interior. I wonder whose budget will we get in on, after we are unable to squeeze any more money out of the pockets of the American taxpayers?

Mr. FERGUSON. We have no place to go except to the American people.

Mr. President, as I said when I began my remarks, I feel that this matter is of such importance, not only to the people of the United States, but to the people of the British Empire and to the people of the world, that I believe I would not be doing my full duty as a United States Senator if I did not take the floor at this time to make this statement. I have sought to describe how I feel about the great problem of the world today, the great cold war between totalitarian, communistic, and socialistic power on the one hand, and the Republic we have in our country and the enterprise system of the United States, on the other. It is a battle, and we have reached the critical point. In other words, we are at the crossroads. The fate of mankind hangs in the balance.

Therefore, I rose on this occasion to state how I feel about the whole problem. I hope the British people will feel that this proposal is not directed against them for any purpose of damaging them or reflecting upon them. To the contrary, they should realize that our purpose is to aid them and to enable them to continue on the great road they have traveled in the past. After all, they founded the common law. They established governments around the world, so

that it could truly be said that the sun never set on the British flag. They have a place in the world. It is too bad that they have undertaken this step down the road of socialization, which ultimately will destroy all for which they have stood in the past. In time it will envelop, and could destroy, the things for which our institutions stand. I hope they will realize that, and will understand that the position we take on this matter is not an attempt by outside forces, by foreigners, by people in the United States, to dictate the domestic policy of Britain; for that is not our purpose. Our purpose is to do nothing but wave a flag of warning, to say to them, "Here is the evil road ahead. If you voluntarily go down it, you will not receive the aid of the taxpayers of the United States, who have furnished this aid to you out of their earnings in a republic, under an individual enterprise system. We would not have you feel that we believe you are on the right road, when we know as a matter of fact you are on the road that will destroy not only free institutions, but the very existence and welfare of your people."

Mr. MALONE. Mr. President, will the Senator yield for one more question?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Nevada for a question?

Mr. FERGUSON. I yield.

Mr. MALONE. I should like to ask the distinguished junior Senator from Michigan whether he is fully aware—and I am sure he must be—that the money we have already furnished Europe has been utilized to manufacture and deliver the goods mentioned in 88 trade treaties which Marshal-plan countries have made with Russia and with the countries behind the iron curtain since World War II? Is he aware further that each of the 88 trade treaties, 4 of which I submitted for the record during the intital ECA debate—and listed the entire number at that time, covering the sending of processed materials, manufactures, goods, machinery, tool steel, ball bearings, engines, locomotives, and everything needed by Russia and the iron-curtain countries for the consolidation of their gains in Europe and also in Asia, and that the treaties are being financed by ECA funds? In other words, is the Senator aware that those treaties are being carried out through our aid of raw materials and money furnished by the United States for the establishment of plants and for the processing of goods comprising a manufacturing in transit rate?

It seems to me it is time for us to call the roll, to check to see against whom the cold war is being waged, especially since the bilateral treaties have been made in flagrant violation of all agreements between our country and England, including an agreement under which Britain is to receive several million dollars worth of grain and foodstuffs, in exchange for machinery which will be shipped to Russia. Moreover, in South America, in areas which have been taken into the sterling bloc, Argentina for example, Britain is buying meats, and shipping oil, the drilling, prospecting for, and processing are all being financed with United States money. This agreement practically stops all shipments of petroleum products from this country to the Argentine. In view of all this, I want to ask the distinguished Senator from Michigan whether he thinks the proposed amendment in fact goes far enough?

Mr. FERGUSON. Yes; I think the Kem amendment, which is to apply to socialization in the future, is the flag of warning, as the American people see it, and it can save not only Great Britain but the other European countries, because there will be no doubt as to where we stand. I cannot at this time comment on the various treaties. I have heard them discussed by the Senator from Nevada on the floor. He is familiar with those facts, and I could not add anything to his statement of what is being done under the treaties at the present time.

Mr. MALONE. Mr. President, will the Senator yield for one more question?

Mr. FERGUSON. I yield.

Mr. MALONE. Is the Senator from Michigan familiar with the fact that both England and France have separate nonaggression pacts with Russia, which say in so many words that England and France not only will assist Russia economically, following a war, which they are doing, but also that they will not join any alliance affecting interests which are not common to, or to the benefit of, the principal parties to those treaties?

Mr. FERGUSON. Yes; I believe those are the terms of the treaties. But England and France say the provisions have not been violated by them in entering into the North Atlantic Pact with us.

Mr. KEM. Mr. President, I should like to say at the outset of my remarks that as I proceed I invite any inquiries which may be addressed to me by any Member of the Senate. I shall be particularly glad if those who do not agree with what I have previously said or with what I am about to say will interrupt me so that the facts I have stated and which I propose to state, together with the principles upon which I am relying, may be tried out in the crucible of debate.

What has been said by the eminent Senators who have preceded me, it seems to me, goes to the very warp and woof of western civilization as we know it. If these principles are unsound, if they do not apply to the subjects which we have under discussion, it seems to me it is incumbent upon those who are opposed to the amendment to advise the Senate and the American people why the principles do not apply, and why the facts we are asserting are unsound or are untrue.

It seems to me in the course of the discussion today the idea has been presented time and time again that we in the United States are ourselves becoming enmeshed in socialism and in the devices of the so-called welfare state. There came to my attention today for the first time a wireless bulletin issued by the Department of State under date of August 5, 1949. The bulletin carries the heading, "Prepared by International Press and Publications Division, OIE, and transmitted overseas for information of foreign service officers and for publication of appropriate parts in foreign press."

In other words, Mr. President, I take it this wireless bulletin is sent out by the State Department with the express idea that it contains desirable information to come to the knowledge of the Foreign Service officers and to be published in the foreign press. The portion that particularly intrigued me is the Foreign Service section, to which this note is appended: "For information of missions and not for publication." In other words, I take it that what I am about to read, the State Department desired to bring to the attention of the Foreign Service officers of our Government abroad, but did not mean to authorize its publication by them.

There appears under the section to which I have just referred, under the heading "Comments on English journey," reference to an article by Miss Margaret Marshall, appearing in the magazine Nation. This statement is then made:

> Miss Marshall believes Britain "may be expected to continue her experiment in democratic socialism" and principle of "fair shares" for all and comments:
>
> If we have any sense as a nation we will realize that "fair shares for all" is the condition of England's psychological health—as it is also only real defense, in Britain or any other country against blackmail of communism.

I come now to the sentence to which I invite the particular attention of Senators, reading as follows:

> And we will support Britain's recovery with security even if it costs us the price, say, of a few atom bombs or 6 months of war.

I take it, Mr. President, that what is occurring is that the State Department is sending to the foreign officers of the United States throughout the world a statement—a quotation, it is true—to the effect that we will support Britain's recovery even if it costs us the price of a few atom bombs with 6 months of war.

Mr. President, under those circumstances, is it not time for us to stop, look, and listen?

Mr. MALONE. Mr. President, will the Senator yield?

Mr. KEM. I yield to the Senator from Nevada.

Mr. MALONE. Of course, we are getting into the field of conjecture when we talk about estimating the time a war might last. Does the Senator from Missouri have any idea that a war with a great nation such as Russia could be terminated within 6 months?

Mr. KEM. I take it that if the quotation disseminated by the State Department means anything, it means that we would be willing to spend a few atom bombs and a war of 6 months' duration to support the socialistic regime of Great Britain.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. KEM. I shall be glad to yield.

Mr. MALONE. Of course, our experience, in the opinion of the junior Senator from Nevada, would not exactly include a war that could be turned on and off like a spigot, that we could conduct it

for 6 months and then quit. Does the junior Senator from Missouri agree with that idea?

Mr. KEM. It seems that the writer believes that we can turn it on for 6 months, and then if we have not at that time successfully defended the socialistic regime of Great Britain, we can turn it off.

Mr. MALONE. I should like to make the further comment that many authorities throughout the world, in their serious moments, in speaking of a possible world war III, have gone so far as to say that the war might last 15 to 20 years. That is a serious consideration.

Mr. KEM. I certainly agree with the Senator from Nevada that it is extremely serious, but apparently the more or less astute observer who is quoted by the State Department for the information of our foreign offices throughout the world believes that 6 months would do the job, or that we should not commit ourselves for more than 6 months to accomplish the purpose.

Mr. President, in yesterday's Washington Post there appeared, under date line of London, August 6, an Associated Press dispatch from which I quote in part:

> A Labor Party source expressed indignation at the proposal of Senator KEM, Republican, of Missouri, to cut off American help from nations which nationalize basic industries. The question of nationalization is one of the hottest political subjects in all England. "That would be a direct violation of American high-level promises to keep out of the internal policies of Marshall-aid nations," he said.

I should like to ask just who the high-level Americans are who made these promises, and exactly what was their authority for such promises. Is it not clear, Mr. President, that any authority they might have to make representations to any foreign nation could be based only upon the action of the Congress of the United States? Do we have anyone in the Government who is authorized and directed to make representations to foreign governments which go beyond what has been authorized by the Congress?

Mr. MALONE. Mr. President, will the Senator yield?

Mr KEM. I shall be glad to yield.

Mr. MALONE. Does the Senator from Missouri recall that practically all the foreign policies and agreements put before the Senate of the United States in the past 2½ years had already been agreed upon, that before they were presented to the Senate they were sold to the American people through the press, and by the time they came to the Senate it has been represented to be a breach of faith on the part of the Senate if it debates the question at any length, let alone to turn down the proposal?

Mr. KEM. I think that is undoubtedly true. Certain instances of that kind have occurred in which the State Department held out representations as to what it expected the Congress to do. But it so happens in this instance that Congress has already acted in the matter. When we passed the original ECA authorization act we laid down certain conditions upon which American aid would and would not be granted. The point I want to make is that if any of the high-level American sources referred to made any representations to the contrary, in the first place, they were not authorized, and, in the second place, the persons to whom the representations were made were charged with notice of what the American law was in respect to those representations. Any aid that has been granted by the United States under the so-called Marshall plan is authorized by the Foreign Assistance Act of 1948, which was signed by the President of the United States on April 3 of that year. That act provides in section 115 for certain bilateral and multilateral undertakings. The Administrator of ECA is authorized to enter into agreements only upon certain conditions. In other words, he is authorized to require that any participating country which deals with him shall enter into certain agreements as to what it will and will not do.

When the Administrator, Mr. Hoffman, was before the Appropriations Committee he stated that he had entered into a large number of agreements and that the agreements were then in full force and effect. Let us see whether those agreements are any different in effect from what is now proposed in the pending amendment. I should like to sketch ver" briefly the conditions which the Administrator is authorized, under the existing law, to prescribe. In the first place, he is authorized to make conditions promoting industrial and agricultural production. In that connection it will be remembered that Mr. Hoffman was asked, when he was before the Senate Appropriations Committee, as to the effect of nationalization or socialization of production processes, and he replied, without qualification, that socialism slows down the process. He is directly authorized to make conditions promoting industrial and agricultural production. If he wanted to say to any of the participating nations, "If you socialize or nationalize any more industries I am going to cut off your aid," is there any possible contention that he would not be authorized to do that? If such a contention is to be made it would be very interesting to hear it made during the course of this debate. So far, in discussing the matter, I have never heard it suggested.

If, under the existing law Mr. Hoffman is already authorized to make such a condition, how can it be said that it is an unwarranted interference in the internal affairs of a foreign nation for Congress itself to make such a condition? Is it a perfectly proper and warranted and usual condition for our agent, the Administrator of the ECA, to make such a condition, and does it become improper and unwarranted and unusual when the Congress itself makes the condition? If there is a difference, let those who are urging it point it out.

Mr. JENNER. Mr. President, will the Senator from Missouri yield?

Mr. KEM. I am glad to yield to the Senator from Indiana.

Mr. JENNER. Has it not been the policy of the same State Department to inject its ideas into many other governments all over the face of the earth? For example, I will ask the distinguished Senator if the State Department has not laid down certain conditions against Spain, as to why she cannot and should not have money.

Mr. KEM. Yes; and Mr. Acheson has given us the benefit of his views on that subject. I think I can refer to them, if the Senator will bear with me for a moment.

Mr. Acheson, according to an article appearing in the Washington Post of July 14, 1949, stated that he was flatly opposed to lending or giving Spain any American funds until Spain made certain economic reforms suggested by the United States. I invite attention particularly to that language, "until Spain made certain economic reforms suggested by the United States."

Mr. JENNER. So we inject ourselves, and lay down certain conditions as to Spain, even our State Department does that, not to mention it being done by an act of Congress.

If the Senator will yield further, did not our foreign-policy leaders send to China General Marshall, the man who was the author of the great Marshall plan for western Europe, with certain propositions for China, which were, in substance, that "if you will, Mr. Chiang Kai-shek, take the Communists into your Chinese National Government, then we will come along and help you?" Chiang Kai-shek refused, and since they would not meet the conditions which our State Department officials and diplomats laid down, we pulled the rug from under the Chinese Government, and permitted the Communists to come in and take Manchuria, and in fact all of China, practically. Did we not lay down conditions in that instance?

Mr. KEM. We certainly did, and that was done during the time when the United States was represented in China by the distinguished author of the Marshall plan.

Mr. JENNER. As a matter of fact, did not the White Paper on China, recently issued by the Department of State and discussed so much here in the last few days, lay down certain conditions which would determine in the future our foreign policy in the Far East?

Mr. KEM. I so understand.

Mr. JENNER. Then I wish to ask the distinguished Senator, who is the author of the pending amendment, why it is wrong for the American people, who cannot pay their own expenses, to lay down for a nation which has come to us with a hand full of "give me" and a mouth full of "reach" year after year certain conditions which will at least bring about greater production and cheaper production so that that country's dollar prices may be stabilized?

Mr. KEM. I have been trying to find out the answer to that for several months. I wrote Mr. Hoffman, the Administrator of the ECA, suggesting that

a good many people were interested in that question and that a public discussion of it might be of interest to the American people. He declined.

I suggested to other Senators, and the impresarios of various radio programs have suggested to them, that it would be interesting for them to air their views publicly on that subject, and, with the exception of the able and pleasant Senator from Alabama [Mr. SPARKMAN], so far as I know, none of them have been heard from.

The nearest I have seen to any official explanation of the situation appeared in the Christian Science Monitor of June 27, 1949. In that newspaper, under that date, there appeared under the by line of Mr. Roscoe Drummond a statement which purported to give the views of Paul Hoffman, ECA Administrator, regarding this amendment.

As soon as that was brought to my attention I wrote a letter to the editor of the Christian Science Monitor, in which I set out in order what I conceived to be the answers to the points made by Mr. Drummond. The first point was:

It is said that American assistance under ECA is not either underwriting or furthering industrial nationalization in any of the aided countries.

The second point made was:

It is said that, in effect, the Marshall plan is a deterrent to nationalization, and that nationalization would have gone further in Europe today if it were not for the Marshall plan.

The third point was:

It is said that the United States should not assume to dictate the internal economic affairs of any country.

Mr. JENNER. Mr. President, will the Senator yield further?

Mr. KEM. I shall yield, but I should like to say, in connection with what I have read, that the authority of the article written by Mr. Drummond was weakened to some extent by the fact that effective July 15 Mr. Drummond became Chief of the Information Division, Office of Special Representation, Paris office, ECA.

Mr. JENNER. As I understand, in this amendment the Senator is not asking Great Britain to give up what she already has done the way of socialization. She can keep her socialized coal mines, her socialized medicine, her socialized banks, her socialized railroads, so far as she has gone, her socialized radio, her socialized-postal system. The Senator is not asking her to give up those things she has already done. Is that correct?

Mr. KEM. Certainly I am not.

Mr. JENNER. All the Senator is saying by the amendment is that the Marshall plan was supposed to help the English Government out of a crisis, and the only way they can get out of that crisis is to produce more goods which would be acceptable in the market, in other words, at cheaper prices, and by succumbing to the lure of this socialized government, and a rigged monetary system, she has utterly failed, and is failing every day, even with the Marshall-plan aid.

Mr. KEM. Yes.

Mr. JENNER. It is admitted by Churchill, "Barney" Baruch, and all others who are supposed to know, that they are not succeeding. Under the appropriations we have made, Great Britain has gotten at least a third of all the money given to the Marshall plan countries. Is not that correct?

Mr. KEM. They have been getting the lion's share, to which I suppose they think they are entitled.

Mr. JENNER. Of the appropriations for last year they got well over a billion and some three hundred million dollars, did they not?

Mr. KEM. It is supposed they will receive this year $900,000,000, but they have suggested to the OEEC that that amount is insufficient, and that they should receive $600,000,000 more, or a total for the current year of approximately $1,500,000,000.

Mr. JENNER. So that the amendment of the distinguished Senator is to stop a condition, a theory of government, which is destroying the very thing we are trying to accomplish, namely, to stop socialism and stop it where it is. The Senator is not trying to interfere with what England has already done.

Has the distinguished Senator from Missouri ever contemplated what might happen to this country if we should continue to give our money all over the world for socialistic experiments, at a time when we ourselves cannot pay our own bills, at a time when our deficit is far greater than that of Great Britain? Has the Senator contemplated what might happen to this country? Has he considered that, in proposing the amendment?

Mr. KEM. Mr. President, I have considered it with fear and trembling, and I have realized that many persons throughout the world think that the strategy of dictator Stalin—"Good old Joe," as he has been called—is to conquer us by bankrupting us.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. WATKINS. During the interrogation of the Senator from Missouri by the Senator from Indiana [Mr. JENNER] he asked the Senator from Missouri if what he was endeavoring to do by his amendment was to stop socialism in Great Britain. I do not understand that to be the purpose of the amendn.ent.

Mr. KEM. Not at all. The purpose is to stop the progress of socialism in all the participating countries. There has been much said about socialization in England. As a matter of fact, across the Channel in France socialization has gone much further than it has in England. England has socialized today about 10 of her basic industries, or about one-fifth of her total economy In France already 23 basic industries have been socialized, or about two-fifths of her economy. The purpose of the amendment is not directed against Britain, as has been often said. It is directed against socialism throughout the participating countries. It is an effort to save the free enterprise system in the entire group of countries.

Mr. WATKINS. Mr. President, will the Senator further yield?

Mr. KEM. I yield.

Mr. WATKINS. As I understand the amendment, and I asked the Senator if this is the correct interpretation of what he is saying in effect in the amendment, it is that "No matter what you want over there you cannot count on us to give you the money to further it."

Mr. KEM. Exactly.

Mr. WATKINS. In other words, the Senator does not intend by his amendment to tell France and Britain what kind of an economic system they are to have?

Mr. KEM. That is true.

Mr. WATKINS. What the Senator is trying to say is, "You cannot use our help, you cannot call on the American taxpayer to further these schemes." Is that what the Senator means by his amendment?

Mr. KEM. Yes.

Mr. WATKINS. That seems to be a little different from what the Senator from Indiana said was the purpose of the Senator's amendment.

Mr. KEM. I think the Senator from Utah is quite right. We are not laying down to these countries any direction as to what they should do. We are merely laying down a condition to their receiving our aid. We are telling them that if they want to continue in this career of socialism they will have to go it alone; that they will be without the assistance of the money of the American taxpayer.

Mr. WATKINS. Is it not also the Senator's purpose, or does not the Senator have in mind, that by helping and aiding the socialization of the various countries we are directing a blow at our own private enterprise system of business in America?

Mr. KEM. I think there can be no question about that. We are building up great cartels, nationalist industries, in these countries which can trade all over the world. They will have the advantage of freedom of taxation at home, government financing, and monopoly of the home markets, which will put them in ideal situation to dump goods abroad.

Mr. WATKINS. In other words, they will be in position to command exclusively certain areas of the world in the way of trade?

Mr. KEM. And penalize our free-enterprise traders any time anywhere they want to do so.

Mr. WATKINS. As a matter of fact then, the Senator's amendment is in effect a defense measure proposal to defend and protect the free-enterprise system at home.

Mr. KEM. I am hopeful that if the amendment is adopted and if such a condition is placed on our aid the countries involved will see the error of their way and not continue the socialization program. In that event the effect will be what the Senator suggests.

Mr. WATKINS. Is it not true that communism itself started out as mere socialism, and finally in order to make it work it was necessary to have dictatorial power to put over that type of program, to give it a semblance of success? Is that not the danger in the socialization of government?

Mr. KEM. There can be no question that Lenin had in mind pure Marxism,

and when it went into operation in Russia what we know as communism was developed as an after result. But it is the fruit of the same tree of socialism, and has its roots in the doctrines of Marx and Engels, and in that sense it is exactly the same as has already been pointed out. Therefore, the objective is the same—the abolition of private free enterprise and the free-enterprise system of production. The only difference is the means of attaining that result. The Communist says, "I will go to any extent. I will go to the extent of revolution and bloodshed." The Socialist says, "I prefer the peaceful means of infiltration."

Mr. WATKINS. Have not the Communists in effect told us that as soon as they have their system well established they will finally bring about true socialism? Do they not claim that they are using a dictatorship at the present time only in order to get the system established, and then finally when it has been established they will go into pure socialism, and thereby make unnecessary the powers they now exercise?

Mr. KEM. I think perhaps some representations to that effect have been made. To be frank with the Senator from Utah, I should not attach great importance to what they say about it.

Mr. WATKINS. Mr. President, will the Senator yield for another question?

Mr. KEM. I am glad to yield.

Mr. WATKINS. Does not the Senator feel that in Great Britain, in order that the system they are now adopting, the nationalization of their industries, may have even a semblance of success, it will be necessary in the end for the British Government to have dictatorial power to put the program over?

Mr. KEM. I think that is becoming abundantly clear. I think it is clear that there is not very much difference between Sir Stafford Cripps' ideas and Dr. Hjalmar Schacht's ideas. I was very much interested in an article which appeared in the Washington Sunday Star yesterday, written by Nora Beloff, London, observer, Washington correspondent. I should like to quote very briefly from the article:

> The belief is rapidly gaining ground in American business and political quarters that, from an economic point of view, British socialism is quickly developing into national socialism of the prewar German type.
>
> This view, generally accompanied by comparisons between Sir Stafford Cripps and the Nazi, Dr. Hjalmar Schacht, is turning up with depressing regularity in public oratory, congressional debate, newspapers, and cartoons. It is also expressed in blunt language by American officials in closed-door monetary and trade talks with representatives of the British Government.

I take it that is what the Senator from Utah has in mind.

Mr. WATKINS. That is what I have in mind. It seems to me that has been the history of every one of the countries which has attempted to adopt a socialistic program. They have finally found it necessary to have dictatorial powers before they could even obtain a semblance of success, even to make it appear on the surface to be successful, if it finally succeeds or not. As I have followed developments in England, in France, and in other countries it seems to me that the nationalization of their industries is going right on down the same road that Russia took. Unless there is a stop to it, there will be danger to our own country by reflex action. It will have an effect on our own industries and our own economic system, as well as on their own people.

I wish to observe further that it seems to me we will have difficulty in connection with the Atlantic Pact members by reason of this development, if it continues much further. If it goes to its logical conclusion they will finally find that the governments in question are not the type and kind of governments they started out with and that they will be totalitarian in effect. We will find ourselves in partnership with countries which will be blood brothers at least to Russia and Nazi Germany, and if they continue as they are now going they will assume dictatorial power. Does the Senator have that in mind in connection with his presentation?

Mr. KEM. Yes; exactly. And if we may believe the Washington correspondent and London observer, that conclusion is rapidly gaining ground in American business and political quarters.

Mr. WATKINS. Mr. President, will the Senator permit another question?

Mr. KEM. Yes.

Mr. WATKINS. As I recall, at one time many people thought that the experiment in Russia was a kind of noble experiment; that it was intended to bring greater benefits to the poor and the downtrodden. For a long time we went along with them until we finally woke up, and then we found a complete dictatorship, a more bloody dictatorship than that of the czars of Russia.

Mr. KEM. It seems that that view was perhaps held by certain persons in high places at both Yalta and Tehran.

Mr. WATKINS. I thank the Senator.

Mr. KEM. I should like to say for the RECORD that the article by Roscoe Drummond, which appeared in the Christian Science Monitor of June 27, 1949, may be found in the Appendix of the CONGRESSIONAL RECORD, page A4642, under the heading "Does the Marshall Plan Aid Socialism? No." The letter written by the junior Senator from Missouri to the editor of the Christian Science Monitor appears at the same place in the RECORD, under the heading "Does the Marshall Plan Aid Socialism? Yes."

I wish to animadvert on the statement of the high source in London who is quoted in the Associated Press dispatch of last Saturday to the effect that for us to place a condition on American aid, as proposed in this amendment, would be a direct violation of the American high-level promises to keep out of the internal policy of Marshall aid countries.

I was saying that the original authorization act, under which the Marshall plan was established, provided for certain agreements as to conditions to be imposed by the Administrator in extending aid, which conditions were to be embodied in so-called bilateral or multilateral agreements. The first condition in the group of conditions to which I referred was as follows:

> 1. Promoting industrial and agricultural production.

Other conditions are:

> 2. Taking financial and monetary measures necessary to stabilize its currency, establish or maintain a valid rate of exchange, to balance its governmental budget as soon as practicable, and generally to restore or maintain confidence in its monetary system.
>
> 3. Cooperating with other participating countries in facilitating and stimulating an increasing interchange of goods and services.
>
> 4. Making efficient and practical use, within the framework of a joint program for European recovery, of the resources of such participating country.
>
> 5. Facilitating the transfer to the United States by sale, exchange, barter, or otherwise for stock-piling or other purposes, for such period of times as may be agreed to, and upon reasonable terms and in reasonable quantities, of materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources.
>
> 6. Placing in a special account a deposit in the currency of such country, in commensurate amounts and under such terms and conditions as may be agreed to between such country and the Government of the United States, when any commodity or service is made available through any means authorized under this title, and is furnished to the participating country on a grant basis.

That was the origin of the so-called counterpart funds, which, incidentally, have been used to the extent of more than $400,000,000 to retire the national debt of Great Britain.

The Administrator is authorized to make agreements—

> 7. Publishing in such country and transmitting to the United States, not less frequently than every calendar quarter after the date of the agreement, full statements of operations under the agreement, including a report of the use of funds, commodities, and services received under this title.
>
> 8. Furnishing promptly, upon request of the United States, any relevant information which would be of assistance to the United States in determining the nature and scope of operations and the use of assistance provided under this title.
>
> 9. Recognizing the principle of equity in respect to the drain upon the natural resources of the United States.
>
> 10. Submitting for the decision of the International Court of Justice or of any arbitral tribunal mutually agreed upon any case espoused by the United States Government involving compensation of a national of the United States for governmental measures affecting his property rights, including contracts with or concessions from such country.

Under those circumstances it seems perfectly clear that the framers of the Marshall Plan Act intended that certain strings should be placed upon the use of the Marshall-plan money. The Administrator of the ECA was authorized and directed to enter into contracts with the participating countries with reference to those conditions.

It is said that we should not interfere. Can it be said that any country can agree to these conditions, or almost any one of them, without subjecting itself to interference by the United States in its affairs? Take the condition of "furnishing promptly, upon request of the United

States, any relevant information which would be of assistance to the United States in determining the nature and scope of operations and the use of assistance provided under this title."

Could there be any greater interference than the right of the United States to demand information as to the operations of the government of the participating country?

Mr. President, I think we will all agree that it is the ardent wish of the American people not to interfere in the affairs of any foreign country. But when foreign countries come to us and ask us for great sums of money representing taxes levied upon the American people, those countries make their affairs our affairs. They place themselves in the position of necessarily submitting, if they want the money, to reasonable conditions which may be imposed by the American Congress upon its use. That is all that is being sought by the pending amendment. The Congress of the United States is asked to place a condition upon the further use of our money in any of the participating countries.

We may say that we do not want to interfere in Great Britain. We have a dispatch from London saying that the mere suggestion of this amendment has aroused great denunciation. Very well, Mr. President. What is sauce for the goose should be sauce for the gander. Great Britain has been aiding other countries and sending money all over the world in the form of grants and loans. What did she do when she sent the money? Knowing the British character as we do, we ought to know that the British imposed conditions on the use of their money. I shall undertake to show that that is exactly what has taken place.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. WATKINS. Is it not true that what we are doing over there by helping Great Britain at her request and upon her supplication is having a profound effect upon the domestic affairs of the United States?

Mr. KEM. I am sure it is. I am sure that the sending abroad of such tremendous amounts of money cannot help but have the effect of weakening our own economy. Let me make this suggestion to the Senator: When we build an electric plant in the Tennessee Valley, the Sacramento Valley, the San Joaquin Valley, or the Missouri Valley, that money is kept at home in our own economy. The cost of the enterprise is paid out to American laborers and American manufacturers who do the work of construction. But when we built a plant of that kind on the Danube, the Rhone, the Elbe, or the Thames, the money is to a large extent lost to the American economy. To send abroad such tremendous amounts of United States money, to export it from our economy, means that it is necessarily lost to us forever.

Mr. WATKINS. Mr. President, will the Senator yield at this point?

Mr. KEM. I yield.

Mr. WATKINS. Is the Senator acquainted with the generalization made by Dr. Nourse, chairman of the President's Council of Economic Advisers, which met at the Pentagon Building last spring, in which he pointed out that the help the United States has given to the Marshall plan countries actually has had the effect of increasing prices in the United States to domestic consumers? He also remarked, as perhaps the Senator recalls, that stabilization had begun to occur in the United States; but when we adopted the Marshall Plan and appropriated the money for it, it was largely spent for commodities in the United States which our own people were seeking to buy, and this competition had a tremendous effect on the prices of goods which were paid by housewives, farmers, and all other American people. Is not that an interference with our economy?

Mr. KEM. Certainly. I thank the Senator for that contribution. To me it certainly sounds like sound economic common sense.

Mr. WATKINS. Let me call attention to the fact that that generalization was made by Dr. Nourse.

I also call attention to the fact that three subcommittees of the Joint Committee on the Economic Report went all over the United States in the year 1947 and made an investigation of the high cost of living and the factors influencing it. All over the country we found a shortage of goods and a lack of the necessary production. Following such a situation, it would be a natural and logical conclusion to have a highly inflationary force brought into play in this country by the spending of so many billions of dollars for goods to be shipped elsewhere. As I understand, my judgment tells me so, and I wonder whether the Senator from Missouri concurs—the entire expenditure made at the request of these foreign nations to help them stand on their feet directly influenced our domestic affairs, and probably even influenced an election in this country.

Mr. KEM. I am sure it already has had a profound effect on our domestic affairs, but I am led to believe that the extent of its effect is not realized.

For instance, I may say to the Senator from Utah that I happen to come from a city which is in the great Wheat Belt of the United States. In the past few years our people have plowed up thousands and thousands of acres of virgin pasture land. On the new land our people raised great crops of wheat, which have been given away, all over the world, with no thought, apparently, or no definite knowledge that land will yield only a certain number of crops of wheat of that kind, unless the nutriment and fertilizing elements are replaced in the soil. We give these crops away with no thought of the future generations in America or of what will happen to them. I think the effect upon our own economy, of what we are doing, is the difficulty that is least realized, but is the most important.

Mr. JENNER. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Does the Senator from Missouri yield to the Senator from Indiana?

Mr. KEM. I yield.

Mr. JENNER. I wonder whether the Senator from Missouri is familiar with an article appearing in the Wall Street Journal of today, August 8, by Mr. Ray Cromley. The heading and opening sentence read as follows:

TO THE RESCUE AGAIN—FEDERAL PLANNERS TALK OF GUARANTEEING EUROPE A MARKET FOR EXPORTS—WOULD PROMISE TO SUPPORT PRICES; REQUIRE NATIONS TO DEVALUE CURRENCIES—FOES CHARGE STATE TRADING

(By Ray Cromley)

WASHINGTON.—The administration's global aid experts are now toying with a new idea of aiding Europe by underwriting her basic exports to this country.

That brings me to this question. We have tried Bretton Woods, the World Bank, UNRRA, the British loan, the Marshall plan.

Now we are embarking upon the North Atlantic Pact. Yet from our global give-away boys, down the street, a new plan is coming.

So in considering this amendment, I ask the Senator this question: Assuming that all these things may be fine, assuming that they have worthy objectives, is there not somewhere a limit to what the American people can do toward feeding, arming, financing, caring for, and helping in other ways all the rest of the world? In other words, the Senator's amendment provides only a limitation upon the future activities of nations participating in the Marshall plan, prohibiting them from going on with this socialistic experimentation. Of course they can go ahead with it; but if they do so, the money of the American taxpayers should not be used to help them in that way, and the American people should not have to pay for it.

I ask the Senator from Misscuri and all other Members of the Senate, and the people of the United States this simple question: Assuming that all these things are good, fine, and worthy, is not there a limit to what 6 percent of the world's population can do for all the other people of the world, all over the world, all at the same time?

Mr. KEM. I certainly say to the Senator from Indiana that my experience and observation lead me to believe that is necessarily so.

Mr. JENNER. I should like to ask the Senator a further question in regard to the article, in which it is further stated:

The United States experts say this is the main problem: The Marshall plan for European recovery depends for its success not only on United States aid, but on sharp increases in Europe's exports to the world in general and to the United States in particular. Because of customs barriers, high production costs with resulting high prices, and unrealistic planning, Europe's exports have been too low to keep the Marshall plan countries financially solvent. That's where the new plan for guaranteed markets for European exports comes in.

So, in view of all the past aid, the present Marshall plan, and the North Atlantic Pact, if we now embark upon this proposed policy of guaranteeing Europe a market for her exports—and Europe's cry is "dollar shortage," and that means exports into the United States market—inasmuch as we now have 4,000,000 people unemployed, and have approximately

9,000,000 of our people on part-time work, and in view of the estimate by all economists that we shall have a further increase in unemployment, which some estimate will be as high as 6,000,000 by Christmas of this year, I ask, under this contemplated further program of guaranteeing to Europe markets in the United States, what will happen to the United States market and to American labor? Unless we stop this silly experimentation with socialistic experiments in Europe, will not the result simply be that we shall have socialism fasten itself upon our economy and standard of living in America, with the result that our standard of living will soon be reduced to that of the rest of the world? Is that the Senator's idea?

Mr. KEM. That would seem to me to be so.

Mr. President, one of the most astounding things about the whole situation, to me, is the fact that suggestions such as the one the Senator from Indiana has just made, statements such as those made by the able and distinguished minority leader, the Senator from Nebraska [Mr. WHERRY], and by the distinguished junior Senator from Michigan [Mr. FERGUSON], and by other Senators who have participated in this debate are being allowed to go entirely unchallenged. The ECA bill was reported from the Senate Foreign Relations Committee, as I recall, by unanimous vote. The chairman of that committee, the distinguished Senator from Texas [Mr. CONNALLY] has been quoted recently in the New York Times as being opposed to this amendment because, so he is said to have stated, it would be an unwarranted interference with the affairs of another country, or words to that effect. When this amendment was before the Appropriations Committee, nine members of the committee voted against it, resulting in its defeat by a vote of 9 to 9. Where are the members of the Foreign Relations Committee, where are the members of the Appropriations Committee who voted against the amendment when it was before the committees? Are we not to hear from them? Are they not to give the American people the benefit of their ideas as to why the amendment should not be adopted? Are they going to allow the statements made by the junior Senator from Missouri to go entirely unchallenged? I should like to hear from them. I am here. I have my papers here. If I have said anything that is unsound, if I have announced any principle which is fallacious, let us get the facts, let them be brought out on the floor of the Senate, and let Senators weigh them. Let us allow the American people to understand about them.

Mr. President, I suppose if there is any Englishman who has been extolled on the floor of the Senate more than Mr. Winston Churchill, that individual is not now alive. One reading the debates of this body and the things that have been said about Mr. Churchill from time to time would get the idea that the principles for which Mr. Churchill stands and his ideas and convictions are held in very high regard. I should like to read from a message sent by Mr. Churchill, published in the London Times under date of July 19, 1949. It is addressed to the Conservative candidate in the by-election at West Leeds, and reads, in part, as follows:

> Even Socialist ministers themselves admit that this is "a moment of supreme crisis." Aghast at the results of their own handiwork, they are no longer able to conceal the somber fact that their much-vaunted "planning" has proved a failure. For four feverish years they have stumbled blindly from one crisis into another, and now we have to face the imminent prospects of severe cuts in our imports of vital raw materials and food supplies—or, in plain language, short time in the factories and less to eat.
>
> How has all this come about? They can not blame it on to world conditions, for look at the vast sums they have received from across the Atlantic. The truth is—and it has long been evident—that this Socialist government, like its predecessor of 20 years ago, has been squandering the nation's treasure and living far beyond its means.
>
> Prodigal expenditure by Government departments, costly losses incurred by the nationalized industries, and centralized buying at inflated prices—these things come home to the public in taxation on an intolerable scale and higher prices all round. Bulkier wage packets are of little avail when, as the housewife knows, it takes something like half-a-crown to buy what used to cost a shilling. On the other hand higher costs of production, swollen by exorbitant government demands on industry, are making it increasingly difficult to sell our goods for the dollars we urgently need.

There we have Mr. Churchill's analysis of the situation. The British experiment in socialism is proving a costly failure on all fronts. It is proving a costly failure at home, where, but for the aid they are receiving, as Mr. Churchill says, from across the Atlantic, the people would have to accept the lower standards of living which would necessarily ensue. It is proving a failure abroad, because the British find they are pricing themselves out of the market. Their cost of production is so high under the Socialist regime that they cannot compete with private entrepreneurs in world markets. It has been said, "If that is the case, why have American business men and entrepreneurs any reason to fear that competition?" Why, Mr. President, that is really too plain for argument. As I previously said, their government-socialized industries, through the unique advantages of freedom from taxation, government finance, and monopoly of the home markets, can dump their products abroad whenever they want to do so. We have no control over the prices at which they sell abroad. They may have one price-level at home, and they may have another, and they frequently do have another entirely different price level, abroad. Yet we are taking money from American taxpayers to finance and promote that business structure. We are doing it apparently with little regard either to the cost or to the result.

Mr. BUTLER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. KEM. I am glad to yield.

Mr. BUTLER. I am interested in what the Senator has said about the cost of manufacture and the advantage enjoyed in the market which the British firms are supposed to have. The cost of production under the British socialized system of course is perhaps as much or more than ours, but British businessmen do have two advantages which our manufacturers do not have. The first is, the government makes bilateral agreements with other nations, which procedure automatically shuts us out of the market. The second is the advantage they have had in the period during which our relief has been going to their nation, making up the difference between what their government gets from its business and what it costs them to produce.

Mr. KEM. Exactly. I thank the Senator from Nebraska for his very interesting observation. In other words, today, because of the bilateral agreements which are being made abroad and the use to which the American taxpayers' money is being put, the conditions are even worse than I have indicated.

Mr. President, I probably have spoken too long, and I apologize to the Senate for taking so much of its time. I should merely like to say a word in conclusion. As has frequently been said the money of the American taxpayer is being used as a slush fund to promote and finance socialism in England and in certain of the other participating countries.

Mr. JENNER. Mr. President, I notice the Senator is about to conclude. Therefore I do not want to impose on his good nature, but I was going to suggest that I hope the Senator would conclude soon, because we do not want to debate this subject too long, for the reason that I am sure the Senator is acquainted with the fact that Sir Stafford Cripps and Mr. Bevin are planning a trip to America. All they have received is not enough, and, after all, we must get this matter out of the way so that we can have another crisis and another excuse for more legislation further to bail them out.

Mr. KEM. Mr. President, in that connection, I should like to say that a short time ago the Senator from New Hampshire [Mr. BRIDGES] made a very pertinent answer with reference to the proposed trip, when the matter was under discussion last Friday. He quoted from a press dispatch to the effect that when Sir Stafford Cripps and Mr. Bevin arrive here the conference will be presided over not by the Secretary of the Treasury, who has just returned from abroad after a careful investigation of the financial questions involved, but by the Secretary of State, Mr. Acheson. The question raised by the Senator from New Hampshire was, Why this selection? Why is the Secretary of the Treasury being bypassed, and why is the Secretary of State being substituted? I took occasion to say, Mr. President, that the Secretary of the Treasury is a resident of the State from which I come. He is held in high regard by his friends and neighbors, who would be glad to see him preside at a conference of that kind. He would probably utilize the prerogative of Missourians and ask to be "shown."

Mr. JENNER. Does not the Senator imagine that Mr. Bevin and Sir Stafford Cripps realize that the Secretary of the Treasury should not have much to do with a conference of this kind, because, after all, judging from the way in which the American Government has handled the taxpayers' money, American money is not very important anyway? Does not the Senator imagine that that is the reason?

Mr. KEM. It may be so. It may also be felt that Mr. Acheson speaks the language of Sir Stafford and Mr. Bevin a little more exactly than does Mr. Snyder.

Mr. President, I yield the floor.

Mr. LUCAS. Mr. President, I think all Senators are anxious to finish the ECA bill this afternoon or tonight, and I am certain the distinguished chairman of the Committee on Appropriations desires to have its consideration concluded.

Mr. McKELLAR. That is true; I hope very much we can pass the bill this afternoon.

Mr. LUCAS. If we cannot, we will have to have a night session, and see if we cannot get through with it.

THE AMERICAN WHITE PAPER ON CHINA

Mr. KNOWLAND. Mr. President, I want very briefly to discuss some aspects of the American white paper on China. Before doing so, I should like to ask unanimous consent to have printed at this point in my remarks letters which I addressed, on August 6, to the Secretary of State, Mr. Dean Acheson, and the Secretary of National Defense, Mr. Louis Johnson, suggesting that before final decision is made in the matter of arms implementation General MacArthur be invited home, and that Admiral Badger, who is in charge of our Far Eastern Fleet, both of whom are responsible commanders in the Pacific area, be asked to testify before the combined Committees on Foreign Relations and Armed Services of the Senate. It seems to me, Mr. President, that it is extremely important in discharging the responsibility we owe to the people of the United States that we should have available to us the best-informed persons dealing with this particular subject. Certainly there is no American who is better informed as to the problems in the Pacific, who has seen in recent years the United States forced to retire from the Philippines, from Guam, and even from some of our own Aleutian Islands, and who knows the problems involved in having to fight our way back, than is General Douglas MacArthur.

Admiral Badger has been charged with great responsibilities in China. He has seen our forces withdraw from the Naval establishment at Tsingtao, China. I think both of those men could contribute a great deal to the information of the Senate and of the committees which are directly concerned with the arms implementation bill.

Mr. President, at the hearing this morning I pointed out to the Secretary of State that I fully recognized the desirability in this world, where there are potential aggressors, of having an adequate fire department in case an arsonist should get loose in the world and seek to light a flame which might engulf us all. I can see America supplying the community of nations with fire extinguishers and sprinkler systems to put out the fire before it could make too much headway, but I pointed out to him that the place at which I very greatly differed from the point of view of the Department of State was that after arranging for the fire department and the necessary protection when the first 4-alarm signal comes in, we apparently are paying no attention to one place in the world where the blaze is burning very brightly at the present time.

So I ask, Mr. President, that the letters mentioned be printed in the RECORD as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AUGUST 6, 1949.

Hon. DEAN ACHESON,
Department of State, Washington, D. C.

DEAR MR. SECRETARY: In view of the fact that our Chiefs of Staff are now visiting the European countries and will obviously not have time to make the same sort of visit to the Far East, I strongly urge that our responsible commanders in the Far East, Gen. Douglas MacArthur and Vice Admiral O. C. Badger, be brought home for the purpose of giving testimony before the combined Foreign Relations and Armed Services Committees on the Far Eastern phases of a problem which is global in character.

As a member of the Armed Services Committee, I urgently request that this be done immediately so that the benefit of their views may be had prior to final action by the combined committees on the bill in question.

Sincerely yours,

WILLIAM F. KNOWLAND,
United States Senator.

AUGUST 6, 1949.

Hon. LOUIS JOHNSON,
Secretary of Defense, Washington, D. C.

DEAR MR. SECRETARY: In view of the fact that our Chiefs of Staff are now visiting the European countries and will obviously not have time to make the same sort of visit to the Far East, I strongly urge that our responsible commanders in the Far East, Gen. Douglas MacArthur and Vice Admiral Oscar C. Badger, be brought home for the purpose of giving testimony before the combined Foreign Relations and Armed Services Committees on the Far Eastern phases of a problem which is global in character.

As a member of the Armed Services Committee, I urgently request that this be done immediately so that the benefit of their views may be had prior to final action by the combined committees on the bill in question.

Sincerely yours,

WILLIAM F. KNOWLAND,
United States Senator.

Mr. KEM. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. KEM. I should like to ask the Senator if he believes it is sound policy for us to build a wall of arms and a wall of dollars around communism on the western front and pay no attention to what may be occurring on the eastern front?

Mr. KNOWLAND. I will say to the able Senator from Missouri that I think his question answers itself. Of course, it does not make sense to do any such thing. It is like putting a guard on the front door of a business firm or of a house and leaving the back door wide open.

Mr. KEM. Mr. President, will the Senator yield further?

Mr. KNOWLAND. I yield.

Mr. KEM. Mr. President, we have certain allies—I think we may call them reputed allies—in our effort to stop communism on the western front. I should like to ask the Senator if he is advised as to what the position of some of those allies may be with reference to curbing communism on the eastern front.

Mr. KNOWLAND. I do not have first-hand information on it. I will say to the Senator from Missouri that I have been greatly disturbed in the past month by indications coming out of Great Britain that consideration was being given by the British Government to the possibility of recognizing the Communist regime in northern China. I cannot document the fact that they are seriously considering this. I certainly hope that the reports to that effect are exaggerated. They so concerned a number of us, however, that several weeks ago we felt it was necessary and desirable to address a letter to the President of the United States in which 21 Senators joined. I will say that it is my judgment that the only reason there were only 21, and not more than double that number, was the fact that the letter was circulated one Friday afternoon, late, and of the 25 Senators whom I approached, 21 signed the letter. In it they indicated that they did not believe this Government should consider the possibility of recognizing any Communist government in China.

Mr. KEM. Mr. President, will the Senator yield for a further question?

Mr. KNOWLAND. I yield.

Mr. KEM. Mr. President, I should like to ask the Senator whether he understands that under the provisions and the working of the Marshall plan we are purchasing the friendship of the participating countries only within a certain sphere of operations, and that they are entirely free to use their influence, their arms, and their money in favor of communism in other parts of the world?

Mr. KNOWLAND. I would say to the Senator that, in the first place, I do not believe we can purchase friendship.

Mr. KEM. Is not that the underlying philosophy of the Marshall plan?

Mr. KNOWLAND. No; I think not. Persons may honestly differ on that score. I have felt that it was in our own national interest, if we could do so, to rehabilitate war-torn Europe so that the people could get back on their feet. I thought that ultimately that policy would fit in with our own national security. Communism thrives on chaos, and if we can prevent chaos, economically and politically, I think we have a better chance of withstanding communism. I do hope, however, that our friends abroad will recognize the fact, as I think some of us in the Senate recognize it, that it is not going to do very much good to save 240,000,000 Europeans from being taken behind the iron curtain, if we sit complacently by while 450,000,000 Chinese are taken behind the iron curtain, because it is the judgment of many of our first-class military leaders and others that if China falls, it will be most difficult, indeed, if not impossible.

to prevent the balance of the Continent of Asia from falling, and it will be most difficult to prevent the adjacent islands from ultimately coming within the Soviet orbit.

If that chain reaction takes place, we may find that over a billion people of Asia will be allied with communism, with both their manpower and their resources. Certainly, from the point of view of the peace of the earth and our own national defense, this would be a disaster of the first magnitude.

Mr. KEM. Mr. President, will the Senator yield for another question?

Mr. KNOWLAND. I yield.

Mr. KEM. I know the Senator has followed the invasion of China by communism with great interest. Has the Senator learned of any statement made by his Britannic Majesty's Government to the effect that they are equally interested in curbing communism on the eastern as well as on the western front?

Mr. KNOWLAND. I know of no such statement. I cannot say that such a statement has not been made, because I am not kept advised of what communications pass between our State Department and the Government of Great Britain.

Mr. KEM. If such a statement has been made, it has not been brought to the attention of the Senator from California?

Mr. KNOWLAND. That is correct.

Mr. KEM. Did the Senator hear that the President of the Philippines was asked yesterday, I think it was, if the Philippine Government was ready and willing to oppose communism in China and the Far East, and that he replied, in substance, that he would have to know what the position of Great Britain was first?

Mr. KNOWLAND. I am not advised of that statement. I would say to the Senator from Missouri—and then I should like to proceed with my remarks, and I shall be glad to answer questions subsequent to concluding—that in the long history of Russia, both under the Czars and under the Communists, Lenin and Stalin, there has been nothing comparable, in my judgment, to what was done by the people of the United States in setting Cuba free as a free and independent nation, or establishing an independent and free government in the Philippines, nor has anything comparable been done by Russia of the Czars, or of Stalin, which is comparable to the action of the British Government in setting up an independent and free India and Pakistan.

It seems to me that we do have a possibility in the far Pacific of pointing out to the people there that here is an opportunity to establish free and independent governments, to maintain democracy, rather than to go after the butterflies of communism, and probably find that the 450,000,000 people of China and the other nations have walked off the cliff. So I think we have much material with which to work, providing we do not take a defeatist attitude in regard to the matter.

Mr. President, with reference to the white paper, it is important that we keep facts in their proper perspective. The amounts made available to China since 1941 are considerable. As in the case of our other allies, part of these were used in the common effort to win World War II, and part in postwar rehabilitation. In Europe the nations settled down to a troubled peace. In China the people found no peace. Forces of international communism, finding they could not expand the iron curtain in western Europe, Turkey, Greece, or Iran turned their attention to the Far East, where they could gain for their cause great resources and great manpower.

To get some comparisons on percentage of cost paid by the purchaser I wish to present figures from official Government sources which are of interest. I wish to say that as to all the figures I shall use today, I can document them from official figures of the executive branch of the Government of the United States, and shall be glad to do so.

After the war ended there was unconsumed lend-lease supplies of all types in Great Britain amounting to $5,552,144,850. For these we were paid $472,000,000, or 8.5 percent of their cost. I wish to reiterate that these were lend-lease supplies which were unconsumed at the time the war ended. They were new materials, they were not used in the common war effort, but were available purely on a postwar basis. For these, as I have said, we were paid 8½ percent of their original cost.

The original cost of our surplus in the United Kingdom amounted to $498,000,000. For this we were paid $60,000,000, or 12 percent of the cost.

This was all in addition to the net lend-lease credit we extended during the war. None of the above was needed to win the war, because VJ-day had come and gone when this settlement was made in December of 1945.

In other words, a total of $6,033,164,850 was transferred to the United Kingdom by this Government for a total price of $650,000,000, or 10.7 percent of the cost. To enable the British to pay this amount to the United States we extended credit to the British for 50 years at 2 percent, and provided that principal and interest would not start for 6 years, or until 1951. If economic conditions became difficult, principal and interest payments could be suspended, and if once suspended, could not again be added to the total.

Let us not overemphasize our generosity to China.

House Document No. 75, Eighty-first Congress, first session, shows the following lend-lease assistance to our allies, from March 11, 1941, through March 31, 1948:

British Empire	$31,287,000,000
Soviet Union	11,057,000,000
France and possessions	3,270,000,000
China	1,627,000,000

Let us not overemphasize our generosity to China.

According to the publication Foreign Transactions of the United States Government, issued by the United States Department of Commerce the following nations have received the indicated grants and credits from July 1, 1945, through March 31, 1949:

The United Kingdom, $5,667,000,000. France, $3,032,000,000. Germany, $2,055,000,000. Italy, $1,591,000,000. Japan, $1,359,000,000. The Soviet Union and her satellite nations, $1,451,000,000. China, $1,694,000,000.

Again let us not over-emphasize our generosity to China.

I think it is important to keep in mind, Mr. President, that in addition to the amounts which are indicated for both Germany and Japan, which were enemy countries, as compared with China, which was an ally of ours during the entire period of war—if we add the GARIOA funds, namely, the funds for government and relief of occupied territories, which are in an appropriation which presumably will be acted upon after the Interior Department appropriation bill is out of the way, we find that for Germany we will add $470,300,000 for relief, and for Japan, $379,200,000. So that will bring Germany up to $2,525,300,000 and it will bring Japan up to $1,738,200,000.

In other words, for two of our World War II enemy countries—and I do not object to this because we had to do it to prevent chaos in those countries—for two of our ex-enemy countries we will have put in a considerably greater amount than we have put into our allied country of China.

Mr. President, I mention this not because I do not recognize the fact that the amount we allowed to China is a great deal of money. But I merely want to get it into its proper perspective. As a matter of fact, if China had been our enemy rather than our friend she would have been much better off even on these figures. Why do I say that? Because had she been our enemy and not our friend we would have been doing in China today what we have been doing in Japan and in Germany. We would have been stabilizing her currency. We would have been giving her a system of law and order. We would have been rehabilitating her industries. We would have been rehabilitating her destroyed communications. We would have been giving her hope for the future as we are doing for the people of Germany and for Japan.

So when I read in the white paper what we have done for China, and see it stated that we should do no more, I think it is time that both the country and the Senate of the United States obtain a proper perspective on just what we have done for China in comparison with what has been done for other sections of the world.

Mr. President, the situation is even more serious than that. If we examine the white paper—and all these figures come from Federal Government sources which cannot be disputed—and if we read the letter which was sent by Gen. T. S. Timberman to the Committee on Foreign Affairs of the House of Representatives on June 21 of this year, just 2 months ago, we find on page 979 of the so called white paper the following, when he speaks of the $125,000,000 military aid

to China provided by the Congress in 1948:

All appreciable quantities of surplus items had been disposed of prior to the implementation of the China Aid Act. They had been applied to the foreign military assistance programs, including Greece and Turkey.

Just what does that mean, Mr. President? It simply means that for our aid to Greece and Turkey they dealt with that as surplus property. Therefore there was available for disposal to Greece and Turkey military equipment at approximately 10 cents on the dollar, which, as I understand, is the general average that was paid for a substantial part of it. But when it came to taking care of the needs of China in this $125,000,000 program provided by the Congress of the United States, this Government said: "No, we have exhausted all our surplus equipment, and therefore, instead of paying 10 cents on the dollar, which is what we are charging to Greece and Turkey for substantially a large portion of their amounts, we say there is none left. Consequently you must do one of two things: You must either pay the cost to us, or you must pay the replacement cost"—which in many cases was from 20 percent to 50 percent or more greater. So they were not only charging the Chinese during this same period of time the full amount, but in many cases at a cost considerably higher than the Government paid for the equipment.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I should like to complete my statement, and then I shall be glad to answer questions.

Further on in the same letter General Timberman says:

A small quantity at surplus prices, considerably more at 1945-procurement-cost prices, but the majority at either replacement-cost prices or at the price actually charged by the majority at either replacement-cost prices or at the price actually charged by the manufacturer, where the supplies were procured expressly for the Chinese.

I think this is important to keep in mind. But it becomes more significant, Mr. President, when, at the combined meeting of the Foreign Relations Committee and the Committee on Armed Services today in answer to an inquiry from, I believe, the Senator from Georgia [Mr. RUSSELL], the Secretary of State said that of the amount of military implementation aid which we were to provide, approximately $450,000,000 of it would come out of surplus.

Mr. President, the War Department less than 2 months ago said that there was no surplus. Certainly if we are to deal with facts and figures, we should not have trick bookkeeping in matters of that kind. If there was surplus, then I say the Chinese should have received it on the same basis as Greece and Turkey. If there was no surplus, as General Timberman indicated, then I wonder how it is that within 2 months of that period of time we can now say that we will have some $450,000,000 worth of surplus for the military implementation phases of this program.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KNOWLAND. In just a moment. I am not objecting to the arms program. I think that some arms program may be needed. But speaking on my own individual responsibility, as one member of that combined committee and as one Member of the Senate of the United States, I think the committee and the Senate are entitled to be dealt with frankly. We are entitled to know what this is going to cost. We are entitled to know whether this $450,000,000 which they now say may be made available as surplus, overnight could be increased to $900,000,000, or one and a half billion dollars, or $3,000,000,000. We are not being dealt with frankly as the situation stands today. I want to say in fairness to the departments that the committees have asked for specific information, and I believe we will get this specific information. But it is this type of double bookkeeping which I do not think gives the Congress of the United States the information to which they are rightfully entitled.

I now yield to the Senator from Utah.

Mr. WATKINS. Mr. President, is the Senator acquainted with the fact that in the hearings before the Foreign Relations Committee on the North Atlantic Pact it was explained by the Secretary of Defense and by General Bradley that the amount of money which had been mentioned, some $1,130,000,000, for the arms program, was money to put surplus equipment in the United States in condition, and for the cost of shipping that same equipment to Europe; that that was only for the cost of doing those two things I have mentioned; and that the amount of money was only from 10 to 15 percent of the value of the surplus, of the extra equipment we had on hand which we intended to ship over to our European allies.

Mr. KNOWLAND. I am not a member of the Committee on Foreign Relations, which heard testimony on the North Atlantic Pact. However, my understanding is not quite the same as that of the Senator from Utah. I understand that a portion of this amount in the arms implementation bill will be set aside for reconditioning, packing, and shipping surplus equipment, for which, presumably, no charge will be made, or a very nominal charge will be made. However, the balance will be for procuring items which are not in surplus, or which cannot with safety be taken out of the war reserve. But in order to give a true picture of what is involved the sum total which is mentioned in the bill must be increased by the sum of $450,000,000, which presumably is now to be taken out of war reserves declared surplus and made available in addition to the other sums mentioned, minus the amount for shipping and reconditioning.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. WATKINS. The matter to which I called attention arose some time before the arms implementation bill came before the Congress. As I understand the present situation, we have a revised program, as compared with what was presented at that time. Can the Senator give us information as to whether or not the $900,000,000 which will go to the Atlantic Pact countries includes the value of the equipment and the armament which we will send over, or is it merely the cost of shipping and putting it in shape to ship?

Mr. KNOWLAND. I think undoubtedly a major part of that will be used for actually purchasing equipment, which we must replace in our war reserves, or for putting in commercial orders to make equipment available for the countries which have need of it. I think the $450,000,000 which presumably will be declared surplus will be substantially over and above the amount mentioned in the bill.

Mr. WATKINS. What price or value has been set on that equipment?

Mr. KNOWLAND. Substantially, the equipment will be given without cost, but there will be an average cost of about 15 percent for reconditioning and packing.

Mr. WATKINS. What is the $450,000,000 for? Is that the value of the equipment we are going to ship?

Mr. KNOWLAND. That is the cost price.

Mr. WATKINS. The cost price to us?

Mr. KNOWLAND. The cost price to us. I must say in fairness that some of that equipment may not be worth the cost price. It may have become obsolescent. There may be other equipment which is newer, which will be available to us. So that does not necessarily mean that we would either buy that particular equipment today at that price, or that it would be worth its cost. On the other hand, there may be other types of equipment which, at today's prices, would cost a great deal more than such equipment cost us at the time we bought it.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. LODGE. In connection with the question raised by the Senator from Utah, I think both the Senator from Utah and the Senator from California are to be congratulated for bringing up this subject, because it seems to me to show the impossibility of placing a dollar value on a piece of surplus military equipment. I do not think we can measure surplus equipment in dollars, no matter how hard we try. Take an obsolete piece of equipment in an arsenal in the interior of the United States. It could only be of use conceivably in case of a ground invasion of this country, which happily is an unlikely event. If that piece of equipment is placed in westerr Europe under the arms program, it will be manned and effective. To that extent it will take the heat off our own manpower. Looking at it from that standpoint, it would be worth while to pay something to have the equipment used. If we try to state what the cost will be to this Government if it buys such equipment 4 years from now, we get a figure which is totally undependable. We would not buy it today. The figure at which we might sell it today would be totally unreliable. We could not sell it to anyone. The people who want it

have no dollars. It seems to me that we should identify the equipment by categories—machine guns, tanks, and so forth—and not try to control it in terms of dollars, or allow our thinking about it to proceed in terms of dollars, because it is not something that we can measure in dollars and cents.

In think the Senator from California should be commended for showing up the confusion which has arisen because of the $450,000,000 used in this case, when another figure was used in another case. Actually there is no dollars-and-cents value which can be safely used.

Mr. KNOWLAND. Mr. President, the Senator from Massachusetts has made a valuable contribution. I am in full accord with a great deal of what he has said. However, I think that does not follow for all types of equipment. At the outbreak of World War II we were using machine guns which we had left over from our World War I supplies. I have no doubt that a Garand rifle in good condition, which we may have in our war reserves, and which may be declared surplus, is just as valuable as a new rifle which might be manufactured under contract. So we cannot apply the same rule of thumb to al surplus equipment.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. WATKINS. Is it not also true that we are not going to send all of this material from surplus, but a great deal of it from reserves? It will be the same kind of equipment which we would need to equip our own armies.

Mr. KNOWLAND. I do not know whether the Senator was present at the beginning of my remarks, but as I pointed out, that is precisely the situation which has happened. At the time the Chinese were trying to fill their requirements with $125,000,000 of military aid, we told them, "There are no more surpluses. Anything you get comes out of our hide, our war reserve. We are willing to let you have it to that extent, but you must do one of two things. You must either replace it at the cost to us, or, if it is something with respect to which costs have gone up, you must replace it at the replacement value." In some cases that was 50 percent greater. So we had told them that there were no s rpluses. As a matter of fact, there are no surpluses today, except insofar as the National Defense Establishment—the Army, the Navy, and the Air Force—may declare certain of their equipment surplus. They might have done that anyway, had there been no European arms implemation bill. I do not know; but the facts will speak for themselves when the committee gets the facts. On the other hand, the services may be declaring these things surplus because they want to help out in what many of us feel is a very worthy program. But I think we are entitled to all the facts. I should like to know, for example, precisely whether the equipment which we sent to Greece and Turkey is the same type of equipment which we have been buying since that time. In other words, was that war surplus, or did it come out of reserves which we may later have to replace through appropriation bills?

I should like to know specifically—it may be information which we cannot discuss in public—whether the $450,000,000 worth of surplus which is about to be declared out of war reserves is actually surplus which we would have no occasion to use, or whether in the next appropriation bill the Army, the Navy, or the Air Force is going to be back asking us for appropriations to replace it.

I think those are facts; and facts will speak for themselves. I am not satisfied, based upon the information which has been presented to the committee up to this moment, that the committee has the facts to which it is entitled, and which I believe we must insist upon having prior to action on the bill.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. WATKINS. Does the Senator understand that what we are going to send to the European countries under the North Atlantic Pact, and to Greece and Turkey, is obsolete equipment?

Mr. KNOWLAND. I do not believe it is obsolete equipment. I should say that it is quite possible that some of the material which is being sent or is proposed to send is not material which we would buy today, because improvements are constantly being made. But I have no doubt that if we were involved in war tomorrow we would make use of a great deal of the material which is being called surplus until we could replace it with more modern equipment.

Mr. WATKINS. As a matter of fact, if we were to be involved in war tomorrow, we would be required to replace a great deal of that material. Probably some of it is the same kind we are sending overseas.

Mr. KNOWLAND. I have no doubt that that is substantially correct.

Mr. WATKINS. Is there anything to prevent the armed forces of the United States, through the proper agency, from declaring surplus anything they want to declare surplus, to take care of the situation overseas?

Mr. KNOWLAND. In my judgment, and speaking solely for myself, after reading the bill presently before us—that is, the new bill—I believe that if the Defense Establishment wanted to declare surplus one and one-half billion, three billion, or four billion dollars worth of equipment, instead of declaring $450,000,000 worth of reserves surplus, they could do so under the terms of the legislation as now written.

Mr. WATKINS. Does the Senator from California know the value of the equipment we sent to Greece and Turkey under the Greek-Turkish loan?

Mr. KNOWLAND. That is the reason for my inquiry of this morning of the Secretary and the inquiry I have made of Secretary Johnson. When we get the Greek-Turkish aid report, it does not give all the figures we need, because it indicates, for example, as I read it, that to Greece we have supplied approximately, according to this report, up to March 31, 1949, $318,057,000. That is broken down into different categories. From the total, I cannot tell whether that means $318,000,000 was made available to them, and they purchased with it equipment at a cost value to us of $318,000,000, or whether all that amount or a considerable part of it or only a minor fraction of it was used to purchase the types of equipment indicated at 10 cents on the dollar. I do not believe they purchased all of it at 10 cents on the dollar. But just as a theoretical case—and let it be understood that I am not charging that this was done or that it would be wrong to do it—if Greece had been permitted to use the entire amount for the purchase of United States equipment at 10 cents on the dollar, then instead of our giving American aid in the amount of $318,000,000, it would have been American aid to the extent of $3,180,000,000, or ten times as much.

So in order to appreciate the picture, I think we have to know, and have some limitations upon, the amount of equipment which they have authority to declare surplus and sell at bargain-counter rates.

Mr. WATKINS. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from California yield to the Senator from Utah?

Mr. KNOWLAND. I yield.

Mr. WATKINS. When we had the testimony before the Foreign Relations Committee, the charge was made that the amount which would be requested for the armament program and to implement the pact was only the amount required for shipping the equipment overseas, and that the actual cost or value to be placed on the equipment sent overseas was an entirely different matter, but that the cost of shipping it would probably be 10 percent or 15 percent of the replacement cost or the cost of manufacturing the materials in the first place.

Mr. KNOWLAND. I was not there, so I cannot testify regarding that situation. But I would rather doubt that, because if they were going to use the entire $1,400,000,000 involved in the arms-implementation program on that basis, it would mean that actually we were supplying $14,000,000,000 worth of equipment. I do not think that is the intention.

Mr. WATKINS. It was charged in one of the national magazines that the value was actually six or seven times the amount allowed in this program in terms of actual dollars and cents, because of the situation to which I have just referred. I have never heard that denied by anyone.

Mr. KNOWLAND. The Senator from Utah may rest assured that so far as the junior Senator from California is concerned—and I am sure I am speaking for many Senators on both committees, Senators on both sides of the aisle—these matters will be thoroughly gone into. The committee will not be given the brush-off on the matter. I do not think the departments have any intention of doing so. But I can assure the Senator

from Utah that so far as I am concerned, we are going to get the full facts before at least I am willing to vote for this proposed legislation.

Mr. WATKINS. Mr. President, will the Senator yield for a final observation?

Mr. KNOWLAND. I yield.

Mr. WATKINS. I think the Senator from California should receive the compliments of the entire Senate for the activity he has begun here, and for the inquiries he has made; and I hope he will continue with them, and will obtain that information.

At this time I desire to be associated with him in his efforts with respect to China and the aid we should give. I did not join with the group of 21 Senators to whom reference has been made; but certainly I am in sympathy with what the Senator from California is trying to accomplish. Certainly our conduct with China cannot be held up to the rest of the world as the proper conduct of a nation standing by her ally. I think our conduct with China has been atrocious; and all the white papers in the world cannot wipe out our guilt in that respect.

Mr. KEM. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. KEM. Should not we also consider the value of this equipment to the enemy, in case it falls into enemy hands?

Mr. KNOWLAND. Of course, that is a calculated risk that always is taken. Of course, we ourselves at Corregidor and Guam lost considerable equipment. That may happen in any military operation, just as in the case of China there is no doubt that considerable of the arms sent there were lost to the opposing forces.

But I think we cannot stop giving aid on that account. The British lost practically all their continental equipment at Dunkirk. As Senators will recall, the United States Government sent to Britain a number of old Enfield and Springfield rifles which we had from our World War I reserves, so that the British troops could have weapons in their hands. After Dunkirk, we sent to Britain a lot of old French 75's and other equipment more or less obsolescent, so that the British would have something with which to arm themselves on the beaches of Britain. That was not the most modern equipment we had, but it certainly performed a useful service and greatly aided British morale after the dark days they had had.

Mr. KEM. Would the Senator from California agree that we also sent to Russia considerable equipment when she was our ally, and that that equipment is still in Russian hands?

Mr. KNOWLAND. I mentioned that earlier in my statement, when I said that we sent to Russia, as an ally, over $11,000,000,000 worth of equipment, as compared with $31,200,000,000 worth sent to the British Empire and $3,270,000,000 worth to France and her possessions, and $1,627,000,000 worth to China. So we sent to our ally, China, $1,600,000,000 worth of equipment, as compared to $11,000,000,000 worth which we sent to our then ally, Soviet Russia.

Mr. President, knowing that the ECA bill is the pending business, I wished to speak today only briefly. I would not have taken this much of the time of the Senate except for the questions which have been asked. But I expect, from time to time, in respect to various phases of the white paper, to bring other information to the attention of the Senate.

FOREIGN-AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

Mr. McCLELLAN. Mr. President, I have no desire to speak at length. I know the Senate is very anxious to reach a vote on this measure. Having undertaken, since this bill has been the order of business, to persuade the Senate to make some changes in it and to have the Senate adopt some amendments which I think are in the interest of our Government and our own people I want to take this occasion, before the final vote is taken, to associate myself with the junior Senator from Missouri [Mr. KEM], who is the author of the pending amendment, of which I am cosponsor. I am not overly enthusiastic in my expectations that the amendment will be adopted, in view of what has transpired heretofore. Nevertheless, Mr. President, we are making a record as we go along; we are letting the American people know that some of us are concerned about this program, how it is being administered, how it is operating, and the results or lack of results that are accruing as these huge sums of money are being expended.

I have no desire, and I shall not knowingly, now or hereafter, vote to make any contribution from the Federal Treasury to any country, to be used for the purpose of destroying what I believe to be free government and the freedom individuals, by establishing, promoting, and consummating programs of socialism and communism. I do not want my vote to be associated with such endeavors and such achievements here or elsewhere in the world. For that reason I shall support the Kem amendment. I think the provision would have been more timely had it been incorporated in the basic law, the original Authorization Act. That was the time, before we spent a nickel of this money, to start prescribing conditions which, if the obligation were kept, would give hope and promise of redeeming these countries, of restoring their economies and of placing them back on a plane of endeavor whereby through their own initiative they might not only survive but make progress again in the commercial and economic life of the world.

Mr. KEM. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Missouri?

Mr. McCLELLAN. I am very glad to yield.

Mr. KEM. I should like to ask the distinguished Senator from Arkansas whether, at the time the ECA bill was originally before this body, we were not told by its proponents that Marshall plan aid would make the people of the participating countries so happy and contented that they would lose interest in schemes of socialization and turn back from that temptation.

Mr. McCLELLAN. I do not remember the exact words, but that is the substance of many arguments which were heard at that time in support of it. As I said on this floor last Friday afternoon, speaking to an amendment in which I was interested at the time, an amendment which I had offered, notwithstanding all the aid we have given, Great Britain's economic condition has grown steadily worse. I do not believe it has grown worse because we have not given enough aid. Probably we could have given more, but it is not because we have failed; in other words it is not because we have been so short in our assistance that she could not possibly have improved her condition. But, notwithstanding the fact that we have given Great Britain in excess of $6,000,000,000, her condition today is worse, and I charge that the reason for it is the kind of government she has and the policies she is pursuing. I do not believe it is possible for America, with the kind of government Great Britain has today, and with the program she has, to give sufficient money for her ever to recover. So I think we are simply spending money that we will never get back, neither in repayment of the loans we have made nor in results obtained from the grants and assistance we have given them, which will never come back into our Treasury.

Yes, Mr. President, I made the statement that Britain's economic condition is growing worse. I have not heard anyone deny it. At noon today, as I started to leave my office to come to the Senate Chamber, I received a long-distance telephone call from someone I did not know, who said his name was Alfred H. Benjamin, president of the Anglo-American Trading Corp. of New York City. The telegram was not addressed to me, but he advised me then he was sending the telegram to the Senator from Tennessee [Mr. McKELLAR], chairman of the Appropriations Committee of the Senate. He asked me to have my secretary take it down as he dictated it. That was done. Just now, since I have taken the floor of the Senate, I have been handed the original telegram which the Senator from Tennessee [Mr. McKELLAR] has received. I want to read it into the RECORD. It is some evidence, some corroboration of the statement I have made that what we are doing is not actually helping Britain, by reason of the way it is being administered and by reason of the kind of program Great Britain is carrying out. The telegram, which is from New York, is dated August 8, 1949, and reads as follows:

NEW YORK, N. Y., *August 8, 1949.*

Senator KENNETH McKELLAR,
Chairman, Senate Aid Appropriation Committee,
United States Senate,
Washington, D. C.:

Regarding the amendment by the Honorable Senator JOHN L. McCLELLAN which provided for an allocation for use of ECA funds for surplus crops I have conferred with several New York meat distributors and they contend as I do that such an appropriation is desirable. I have just returned from a visit to England by air. I have explored the food situation very carefully with another representative who is now on the scene in Europe studying the situation in England. Summing it up correctly is that 75 percent

of the people are starving and undernourished. They haven't seen pork in 2 years, and ECA funds are being used for no other purpose than to destroy the value of the American farm products. I am willing to fortify that statement and have it further substantiated by an independent representative at a later date who is now surveying the situation in Europe. I have by telephone informed Mr. T. Beale, of the State Department, of these facts. England at present is meatless, butterless, eggless, and I could enumerate a few more other products they are sadly in need of. Why should we tax the American people doubly? Furthermore, the true situation has not been made known to the American people. The English people have a 60-percent purchase tax which is socialistic. Under rigid control the food and clothing products are two of the sore spots of England. When people are underfed and undernourished it breeds almost anything, communism in its worst form, even greater than that of the Soviets' or Hitler's regime. I consider this situation so deplorable that I am compelled under very great restraint to present the real situation to the people of the United States through you.

ALFRED H. BENJAMIN,
President, Anglo-American Trading Corp.

I am not familiar with the Anglo-American Trading Corp., or with the extent of its activities. But, after 5 minutes telephone conversation with this gentleman, it occurred to me that he had a pretty good idea of what he was talking about. If those are the conditions in England, her austerity has not lessened any since the program began, and of necessity it is becoming worse.

What did I try to accomplish with the amendment I offered recently? We have surplus food in this country, for which the people of Great Britain are hungering. We can supply it without double taxation. We have already taxed our people to get the money, once; we have bought food (agricultural commodities) and we have it on hand. That is evidently the reference in the telegram. The people of Great Britain have said they need it. But this is what will happen, and this is my reason for wanting to see some of the restrictive provisions incorporated in the bill to require them to take food which the people distressingly need. Instead this proposes to give them dollars, and they will manipulate them in order further to socialize their industry, while their people remain hungry and while our surplus foods spoil. The more they socialize their government the greater becomes their distress. All they have today is more austerity. They do not have more production; they do not have more food; they do not have more exports; they do not have more dollars. All those things are becoming less and less.

Mr. President, what shall we have profited, when we have carried on, all the way through, on the ECA program? What if they then have no economic recovery? As this gentleman points out in the telegram, what will be the result? Communism? Anarchy? Certainly not prosperity; certainly not freedom.

Mr. President, I have here today's Washington Daily News. On the editorial page written by Earl Richert, I want to read some excerpts from it. In England the people are meatless, butterless, eggless. Seventy-five percent of them do not have that kind of food.

I read from this article:

So far this year, the Agriculture Department has clunked down an average of a half dollar apiece for you and every member of your family to hold up the price of eggs—$72,000,000 in all.

That's nearly twice as much as the Department spent all last year to take eggs off the market to hold up prices received by farmers.

And the Department still has $20,000,000 worth of last year's dried eggs on hand which it is now trying to get rid of by offering at 50 percent of cost for foreign export.

I do not know just how long those dried eggs will keep, but we have a surplus of them. We have already taxed our people, have bought them, and they are here. England's people are under an austerity program, eggless, meatless, and yet we would not impose a condition on this money to require them to accept, when they said they needed it and wanted it, the surplus which we have bought and for which we have already paid. I told the Senate last Friday that my position was not very popular in some quarters at this time. A year from now it will be popular. That is why I am speaking about this amendment. This should have been done in the beginning.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. McCLELLAN. I shall yield in just a moment.

We have heard the very able junior Senator from California speak about the Chinese situation. What was wrong in China? Just the same thing that is wrong in England, in my opinion. We give them the money, but we do not place conditions upon it or supervision over it which common wisdom and good sense dictate to be necessary to make the program effective and to insure desired results.

I shall be very happy to yield to the able Senator from Tennessee.

Mr. McKELLAR. In addition to what the Senator has said, the truth is that the present Government in England received the goods and sold them, not to those who are in need. The persons who need the food and who are in actual want do not get it. They have to pay for it, and they pay the Government. It is true they pay in English pounds and shillings. But those persons who actually need meat do not get it from what is bought for them by the British Government. The Government is undertaking to sustain itself by selling our goods and the goods it buys from other countries.

Mr. McCLELLAN. Then they put their funds into the socialization program.

Mr. McKELLAR. They have put their funds into the socialization program, which is a little milder form of communism. That is all it is. It is developing very rapidly and communism will soon be there. The Senator is entirely correct.

Mr. McCLELLAN. Mr. President, I read further from this article with reference to eggs:

But the egg surplus is here now, and the Department officials don't know what to do about it.

The eggs are purchased in dried form, can't be sold here, and foreign countries don't seem to want them—even at 50 percent of cost. Tests have shown they will keep at least from 18 to 24 months, but they don't get better with age.

To date this year the Department has bought almost 56,000,000 pounds of dried eggs (3 dozen shell eggs make a pound of dried eggs). Total purchases last year were 29,000,000 pounds.

We have the surplus food over here, and the English people, on an austerity program, trying to build up their economy and increase production, need this food. They need it just as badly as the British Government needs dollars. Therefore we should be supplying them these surpluses which we can so well produce over here and which they so badly need over there, rather than borrowing dollars and giving them to England to further socialize the industries of that country.

Mr. President, I desire to place some figures in the RECORD further to emphasize what I am trying to clarify as to my position and why I do not feel that we should appropriate billions of dollars without proper restrictions on them and without proper controls and proper supervision as to their expenditure. I think the able Senator from California [Mr. KNOWLAND], speaking a few moments ago, placed some of the figures in the RECORD, but probably not exactly with the same break-down.

Between July 1, 1945, and March 1, 1949, in grants and loans, and in property gifts, in lend-lease, we have given away to foreign countries $24,651,000,000. In that sum there is included $3,000,000,000 worth of property. Just what that property is I do not know. I do not have a break-down of it, but it was property which we gave instead of dollars.

So, Mr. President, taking into account the amount of funds we are appropriating in this bill, in addition to what we are going to be asked to appropriate and spend during the next fiscal year to implement the North Atlantic Pact and to furnish arms to those countries over there, by the end of the next fiscal year we shall have spent $30,000,000,000 for assistance to those nations.

Mr. President, I do not believe there will be $30,000,000,000 worth of results. There is no evidence of it now. This $30,000,000,000 is or will be in our national debt. If we continue this program as it has been administered in the past, being afraid that we will interfere with some government if we try to counsel it regarding how to spend it so as to make certain that it is expended in a manner which has the approbation of ordinary, common wisdom—unless we do that, unless we change our policy with reference to appropriating and spending these billions of dollars, we are not going to get results. The primary responsibility is upon this Congress. If we are going to spend billions of dollars of American hard-earned tax dollars, Mr. President, the primary responsibility is upon us to fix a policy under which the money shall be spent, so that we can expect proper results to be obtained. Since we are not going to pursue that policy, I cannot go along just blindly supporting these programs every time there is a demand for money. I am going to weigh them in the balances, and when found wanting, vote against them.

Mr. MUNDT. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield to the Senator from South Dakota.

Mr. MUNDT. I wonder if the distinguished Senator from Arkansas would agree with me that the time is not only coming when Congress should consider exercising its own judgment in connection with the ECA appropriations bills, but that we should also insist that the State Department redefine and redetermine what it has in mind in the whole Marshall-plan coverage.

Mr. McCLELLAN. I think so. I think there has been a great lack of that mutual confidence and exchange of information between the Congress and the executive branch of the Government, particularly the State Department, as to just what we are undertaking to do, why it is necessary to do it, and the best way to get it done.

We started off in this program, as I said last Friday, with the Bretton Woods agreement, and created the World Bank and the International Stabilization Fund. We enlarged the Export-Import Bank capitalization, I believe. That was the way we wanted to handle the matter. The ink had not really dried on the law when Britain came back asking for four or five billion dollars, and we handed it to them without any strings attached, and it is gone.

I am pointing out that by this sort of a policy we are pursuing, we are simply dissipating the economic strength of America, and thus we are weakening our own economy, and not helping others. So I do not see that we are making the world better, nor are we improving our own power of self-defense and security, which we will need in the event there may be another world conflict.

Mr. MUNDT. Mr. President, will the Senator yield further?

Mr. McCLELLAN. I yield.

Mr. MUNDT. Not only has there been that unfortunate lack of confidence and mutual exchange of ideas between the State Department and the Congress, but, in my opinion, there has been a clear-cut departure on the part of the State Department from the original purposes of the Marshall plan. It was clearly brought out in the debate before the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate, it was brought out in the debates on the floors of both Houses, it was specified in various statements made by State Department representatives, that the original Marshall plan was conceived for the purpose of making available to other countries, anywhere in the world, so far as we were able, assistance from this country to help control and curtail communism, provided they would cooperate with us in the program.

We now face a situation when three huge torpedo holes have been shot into the program. The Senator from California discussed that. We have not included Asia in the Marshall plan, we have kept China out, so that no longer is there an attempt under that plan to stop communism anywhere in the world, but only on the western fringe of Europe.

We have found another torpedo hole illustrated by what the Senator is discussing, in that we are now subsidizing nationalization in England, and nationalizing industry is not an attempt to curtail communism. It is moving in the direction of communism.

In the third case, we find the unhappy situation where it is increasingly apparent that the Marshall-plan countries are making trade agreements with countries behind the iron curtain. So we find ourselves in the position of furnishing financial assistance which makes it possible for countries in western Europe to ship goods in return for supplies from countries behind the iron curtain.

I think this body has the right to know what the State Department is now trying to do with our business abroad.

Mr. McCLELLAN. I thank the Senator. I say to him that those who disagree with us at this hour have the majority, and they are going to have their way about matters. They have had their way in the past. They had their way about the Bretton Woods agreement, the World Bank, the International Stabilization Fund. They had their way about the British loan. Yes; they have had their way about the Chinese policy. They have had the power, and they have it now. They may use it to force the spending of three billions but, in my judgment, they are not serving the best interests of America until they revise these policies, until they are willing to do what is proposed in the old American way, seeing to it that we give help to those who are willing to help themselves.

I do not believe we are building character. I do not believe we are building the fortitude of these people. When the program ends, if it is continuously pursued as it is being now, whenever the day comes, and it will come, that we have to stop spending the money, I do not know that we will have built up the character of the people of the foreign countries to the point where they will have the fortitude to resist communism. Who can give us such assurances? Certainly we will not unless we have built up their economy, unless they have an appreciation of what we are doing and gratitude for the fact that the very source from which they have drawn their strength is the country which has preserved the free-enterprise system, and remained strong, when all other countries, with their other ideologies, have failed.

Mr. President, that is what we ought to be trying to impress on them, and not be so timid and ashamed and insist that we do not want to interfere with their sovereignty. Of course, we do not want to interfere with their sovereignty. They are free to do as they please, and they are doing as they please, but they are not doing themselves any good, and we are not doing ourselves any good by going along with them and letting them do as they please while we furnish the money and pay for their folly.

Mr. President, that is the way I feel about this matter. I say these things because I know we make a record here in the Senate, those of us who have this responsibility make a record, and in the light of my intelligence, and my observations, and the information I can get, I want to make a record which I think and honestly believe is in the best interest of my country and my people, a record with which I can live, not only today, but in the future.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. MUNDT. Under the happy phraseology of the State Department, I should like to refer to what is proposed as a peacetime lend-lease program. Does the Senator recall that during the wartime lend-lease program supplies and matériel made available by this country went abroad under the joint command of the Allied Chiefs of Staff, so that we had something to say about how the matériel was used? That worked, and possibly the reason why the present program is not succeeding as well as the other one did is because we are failing to follow the pattern we followed in the time of the wartime lend-lease.

Mr. McCLELLAN. We made very lenient conditions in the very beginning of this movement. We did not then meet our full responsibility in making the conditions so as to insure the success of the program, and we are not requiring observance of the conditions we did fix. In fact, we are relaxing them more and more all the time, and therefore we are getting less and less results for the dollars we are spending. I choose to withhold further appropriations for this program until we have established policies and require them to pursue policies that give some hope the program will be successful.

Mr. BUTLER. Mr. President, I shall take only a very few minutes to put myself on record in support of the amendment referred to as the Kem amendment.

In my judgment, the American people must decide soon how much longer they are going to finance socialism in England and France or elsewhere. To date, the principal use of our foreign-aid appropriations has been to support the policies of leftist governments in Europe and to advance the cause of socialism there.

The United States Treasury has poured more than $25,000,000,000 into Europe since the end of the war, and much of this money has been used by the socialistic governments of England and France to nationalize industry after industry. The American people never gave the present administration any authority to socialize western Europe at the expense of the American taxpayer. Ever. American would properly resent any such action from any foreign country—should Russia, for example, offer this administration financial aid to nationalize our own great industries.

England already has socialized eight or nine of her most important industries. These include coal mines, railroads, the Bank of England, motor transport, civil aviation, cables, radio, and medical and dental care. Just recently the House of Commons voted to nationalize the British steel industry, effective in 1950.

France has socialized more than 20 industries, including coal mines, railroads,

the Bank of France, motion pictures, insurance, aircraft production, and telephone and telegraph.

This is how the process works in Britain, as it was just explained a few moments ago by the distinguished Senator from Tennessee. Marshall-plan food is given to the British Government free of charge—not to the hungry. The Government sells this food to the British people for British currency. The cash received is then used to retire the Government bonds given the former owners of the socialized industry. By this device, the American taxpayer is paying directly for the socialization of England.

I can think of no more pointed summary of this whole process than that made by the greatest Englishman of this generation, Winston Churchill. On one occasion, Mr. Churchill said: "What would happen to the British Socialist Government if the American subsidy did not arrive punctually?" On another occasion, Mr. Churchill expressed the whole situation still more bluntly when he said: "The Socialist Government and Socialist policy are living on the United States from month to month and from hand to mouth." Englishmen of vision and foresight realize perfectly well what is being done to their country by their Government is with American funds, and they are no more in favor of it than is the American taxpayer. If we are to continue to send vast sums to Europe, that money should certainly be used for reconstruction and not for socialization.

Mr. President, it is the purpose of the amendment which has been under discussion now for some time, the amendment proposed by the Senator from Missouri, that our money shall not be used for socialization. For that reason I shall support the amendment.

The VICE PRESIDENT. Lest the Senate lose track of what is before it, the Chair will state the question: Shall the decision of the Chair holding that the amendment of the Senator from Missouri [Mr. KEM] was not in order stand as the judgment of the Senate?

Mr. LANGER. Mr. President, I am going to vote against the so-called Kem amendment, and I desire to go on record so the entire world may know why I shall vote against it. It seems very strange to me, Mr. President, that during the 9 years I have been a member of the Senate all I have seen is protection of real big business—protection for the real big fellow and letting the little fellow go. Let me read the amendment:

SEC. 202. No part of the appropriations contained in this act shall be furnished to any participating country, the government or any agency thereof, which shall, after the date of enactment of this act, acquire or operate, in whole or in part any basic industry thereof, other than industries the acquisition of which has been completed prior to the date of enactment of this act.

About 2 years ago, Mr. President, I read a speech delivered by the distinguished Senator from Wyoming [Mr. O'MAHONEY]. He was speaking face to face with a group of real big businessmen right in the heart of Wall Street. He said, "If communism comes to the United States you men are to blame for it." We do not hear anything in the Senate about curbing real big business. Not until Tom Clark became Attorney General had an attempt been made to jail the presidents or other officers of big trusts for raising the price of milk or the price of bread or anything else the people buy. Oh, if a veteran steals something to support his family he will be arrested. But when the big corporations get together and raise prices they were not criminally prosecuted, and if they were brought into court in a civil suit for stealing millions they are fined the insignificant sum of $5,000. I challenge any Senator upon the Senate floor to name one single person who was ever arrested and convicted under the Sherman Antitrust Act, whether it was under a Democratic President or a Republican President—except Eugene Debs.

By reason of the inefficiency of our Federal Government, whether it be under a Republican administration or a Democratic administration, the people of at least one State, North Dakota, have taken steps to protect themselves, and they have done such a good job that when John Gunther wrote the book, Inside the U. S. A., 2 years ago he said that by far the best laws for the common people had been adopted by the State of North Dakota. The people of North Dakota got together because they had to protect themselves. I want to say to my distinguished friend, the Senator from Tennessee, that in 1915, if a farmer in North Dakota wanted to borrow money to place a first mortgage on his farm he had to pay 10 percent interest. I can show the distinguished Senator abstracts which I have examined which show that farmers were charged 12 percent interest.

In order to protect ourselves we finally decided to amend our State constitution. When I was in college in New York City what did I find? If a law similar to the pending amendment had been in effect in New York it could not own the elevators in Buffalo. If such a law had been in effect Seattle could not have a fish market. In Portland, Maine, the city could not own a lumber yard. When the common people of my State became tired of taking money which was sent to North Dakota from the East, and paying eastern men in Wall Street 5 or 6 percent, while they paid 5 or 6 percent in addition to the broker, making the total 10 or 12 percent on farm mortgages, what did they do? When they got tired of the large Grain Trust robbing a farmer every time he hauled his grain to the elevator and when the people became tired of paying excessive insurance rates, the common people of North Dakota did a very simple thing. They got together and said, "The common people are going to meet on Lincoln's Birthday in every single voting district of North Dakota." And they did so. Red, white, black; rich and poor, regardless of nationality, race, or color, those people met in over 2,000 precincts, and there they elected delegates by secret vote. They met on Washington's Birthday in every county seat. There they elected delegates by secret vote. They met at a State convention, roughly 500 of them. They said, "At last the common people are going to take charge of their own government in North Dakota," and they did. No honest man called it socialism or communism. They said, "We are tired of paying 10 or 12 percent interest. We are tired of being told, 'If you want to connect up with the power line, it will cost you perhaps as much as $1,300.'" They did not have an REA at that time, but the power companies owned the lines. In the case of my sister, who lived on a farm, the power company wanted $1,300 to connect with the power line five poles away from her farm home.

We met for 4 days. We adopted a platform, and we submitted that platform to the people of our State. We won by an overwhelming vote.

These are the same people, mind you, who in World War I won the prize for patriotism which was offered by Secretary McAdoo. The prize was won by Traill County, N. Dak.

We established a bank owned by the people. We appropriated $2,000,000. That bank has been so successful that we have made an average profit of half a million dollars a year, and long ago we paid off the $2,000,000. Today it is the largest bank between Minneapolis, Minn., and Seattle, Wash. All over that great State there were men who fought that bank. When it came to election time they were badly defeated.

Today in North Dakota when the grain in a county is attacked by rust, hail, or grasshoppers, or when an act of God adversely affects the people of any county, they do not have to do as counties in other States do, namely pay a large sum to a broker and pay a high rate of interest on bonds which are issued. They get the money from the Bank of North Dakota, in some instances at rates of interest as low as 1 percent. That is all Divide County, N. Dak., pays in the middle of the drought, while the brokers there ordinarily charge 5, 6, 7, or 8 percent. That bank does not make private loans. It handles public money. No Senator can give me any good reason why millions of dollars belonging to the various municipalities, any State, should go to private banks at a low rate of interest, to be loaned out at high rates. The Bank of North Dakota has been so successful that a short time ago it contributed a large sum of money to the bonus for the veterans of World War II.

Of course there was opposition. I remember when I was elected attorney general on that ticket. I was only a young man.

Those farmers promptly took care of the opposition, first by passing the fire and tornado insurance law. Without appropriating a nickel, the act provided that every single public building in the State should be insured by the State of North Dakota against fire and tornado. Today every municipality pays in whatever the State says its share is. We employ a firm in Ohio which every 6 months goes to every public building in our State to see that the laws against storage of gasoline, or any other fire hazards, are complied with. For years there has not been an assessment. My understanding may not be exactly accurate, as I have not gotten the figures lately, but I think there is a fund of nearly $2,000,000 lying

in the Bank of North Dakota to the credit of that activity. The rates have been roughly one-third of what old-line companies charge.

Compare that situation with the testimony of 2 or 3 weeks ago, when I was in the so-called Five Percent Investigating Committee headed by the distinguished Senator from North Carolina [Mr. HOEY]. One firm in New York bid $100,000 for insuring two ships, as I remember.

When the people of North Dakota wanted hail insurance, the insurance companies demanded $1 an acre for $10 insurance against hail. So we enacted the hail insurance law, and the cost was so greatly reduced that since the inauguration of that program the State has saved a little more than $100,000,000 on hail insurance.

At one time the farmers could not build an elevator along the right-of-way. We organized the Equity Cooperative Exchange. It finally reached the point where it was handling about 6,000,000 bushels of grain at St. Paul, Minn.

What happened? Overnight the Minneapolis Chamber of Commerce set aside $A0,000 to fight the cooperative. It hired a former justice of our supreme court. It published an announcement in the Fargo Forum. A copy of the Fargo Forum was sent to about every box holder in our State. It contained a headline, "Equity exchange insolvent."

When we went into court we proved that it was not insolvent; but it required 6 years in the Federal Trade Commission in Washington to get a decision in favor of the farmers who owned the Equity Cooperative Exchange.

We went to the polls and amended our constitution so that the State of North Dakota could own its own terminal elevators. We carried that proposal by a vote of 3 to 1. We carried it over the objections of every single daily newspaper in North Dakota. Under our constitution we had to vote twice on the same question. It was said, "The mob might be aroused, and might vote for something they would regret later." So there had to be a 2-year interval before the second vote. With every single daily newspaper against us, we carried it 2 years later by a vote of 4 to 1.

One would think that the legislature and the Governor would go ahead and spend the $300,000 authorized for publicly owned elevators. Mind you, we did not want all the elevator business. We wanted those public elevators so as to have a criterion to guide us. Do you suppose we could get that law passed? Finally 300 of us demanded that the legislature carry out the will of the people. They refused to do it. That was when we got busy and formed the Nonpartisan League which met on Lincoln's birthday, Washington's birthday, and the 1st of March. When the people got into power we not only spent $300,000, but we built a mill and an elevator costing $3,000,000—10 times as much. That is what those people did when they found that the officials paid no attention to the will of the people. We built the elevator at Grand Forks, N. Dak. Senators can judge how successful that has been when I say that every penny of that debt has been paid off, and only a few months ago they turned over one-half million dollars to the State government, so the veterans could get their bonus.

I remember that in 1915, a former predecessor of mine, Senator Ladd, whom some of the present Members of the Senate remember, was Food Commissioner of North Dakota. He later became president of our agricultural college. He was an outstanding student of farm problems. In 1915 he issued the famous Bulletin No. 38, in which he said that the farmers of North Dakota had been robbed of $20,000,000 to $25,000,000. When our wheat was in the milk, the hot winds came and shriveled it. Mr. Ladd took some of the wheat to the Agricultural College, and had it baked into bread. I was one of the ones who came here with Senator Gronna, whom some of the present Members of the Senate will remember. Mr. Ladd proved every allegation he had made here in Washington, to the Bureau of Standards, and to others.

In 1935 they "stole" the crop again. But in 1937, when we had a very beautiful crop in North Dakota, the hot winds came. I was governor. If Senators will take the trouble to look at the newspapers of that date, they will find that on the 22d day of July 1937, 37-pound wheat was quoted on the market at 89 cents a bushel. The next morning the same wheat was quoted at 37 cents a bushel—a drop of 52 cents a bushel overnight. The men who say we should not give money to a country where the people protect themselves, should look at that record about the drop of 52 cents a bushel for wheat overnight. Before noon we had a meeting at the Waldorf Hotel at Fargo, N. Dak. I had with me a distinguished grain man from Minneapolis named Dickinson, who probably is known to the distinguished Senator from Minnesota. We had wheat experts from Canada. We had there our Railroad Commission and men from the Bank of North Dakota. That night we hired 100 men to go to the fields and take 2-pound samples of grain, just the heads, and mark the name of the farmer, the section, the township, and the range. We took those samples to the State elevator and threshed them and kept those samples separate, because we expected a lawsuit. Then we had the grain ground into flour, and saved some of the flour and some of the bran. Then our chemists baked bread out of the flour. Two thousand loaves of bread were baked from the 2,000 samples we had.

Then what happened? When the State of North Dakota, through its mill and elevator, went on the radio on July 27, just 4 days later, we offered 35 cents a bushel more to those farmers, and we offered to buy any amount of wheat from them—10 bushels, 100 bushels, or 100,000 bushels. We would take the storage tickets that any of those farmers had at any local elevators and would pay them 35 cents a bushel more. What happened? The grain trade came along and paid more than we paid at the elevator, thus saving, through the State mill and elevator, approximately $12,000,000 in that one deal.

The distinguished junior Senator from South Dakota, who spoke here just a few moments ago, perhaps can tell us what the people of South Dakota think about their State-owned cement plant. It has been a glorious success—just as successful as have the elevators at Buffalo, owned by the State of New York, or the city woodyards in Maine, or the fish market owned by the city of Seattle.

Mr. President, when we read this amendment, we see that it says, in part "which shall acquire or operate, in whole or in part, any basic industry thereof, other than industries the acquisition of which has been completed prior to the date of the enactment of this act."

Mr. President, if such an amendment is adopted and becomes part of the law, just think what the situation will be. If such a law had been in effect at the time when North Dakota took steps to protect its own citizens, it would not have been possible for our State to have enacted the various measures which were enacted at that time. When we built the elevator, which for the first time paid our farmers in North Dakota what their grain was actually worth, and for the first time made it possible for our consumers to get flour at reasonable rates, without paying tribute to any trust, we did something that was extremely worth while to all our people. That is why that operation has been so successful and that is why the people are so proud of it.

Mr. President, we opened the Bank of North Dakota for business on August 19, 1919, 30 years ago. For a few years after we opened it for business, some of the politicians ran on platforms opposed to it. One of them said, "If I am elected governor, I will throw the key to the Bank of North Dakota into the Missouri River." He was not elected.

It is significant that for the last 15 years, no political party in North Dakota has advocated repealing a single one of these State industries.

Mr. President, what was the record of North Dakota in the last war? What will people do when they have a real government to fight for? Just look at the record. Three times we headed every other State in the war bond drives, in the last war. We in North Dakota were first in the paper drive and first in the scrap-iron drive.

Senators gave talks about patriotism. Let me say that I remember that over in Sioux County, where there are a great many Indians, when the selective-service board sent notices to many of those Indians they went to the board and threw the notices on the desk at the selective-service office, and said, "When has it become necessary to draft a Sioux Indian to fight?"

So, Mr. President, I want the record to be kept clear. That record is that it is not compulsory for a farmer to take State hail insurance in North Dakota. It is not compulsory for him to deposit his money in the Bank of North Dakota. It is not compulsory for him to haul his grain to the State of North Dakota mill and elevator. But it is significant that since these institutions and these industries have been established there has been a criterion whereby a comparison could be made. Today it is no more necessary for people to use those industries than it is for anyone to use the postal service. Any American can send a letter

by special messenger, if he wishes to, instead of by the United States post-office service. One does not have to use parcel post; a package can be sent by Railway Express, if desired. But, in any event, I am entirely satisfied, so far as this amendment is concerned, that under no consideration should it be adopted.

There has not been any effort for a long time to develop ways and means of curbing monopolies. Recently I read in the newspaper of the death in Minneapolis of the head of Lever Bros. How many corporations did the newspaper say he controlled? Four hundred and thirteen. Then one inquires where communism comes from. We can pick up the newspaper and read of oil companies having raised the price of oil 1 cent—not the Government, but the oil companies. We can pick up the newspaper and read concerning a man who had been nominated to be an Ambassador, that one of his companies controlled 300 large dairy companies.

So, Mr. President, I simply wanted to go on record. I should be very happy indeed, if anyone is interested, to furnish statements of the Bank of North Dakota, or of the fire and tornado fund, or of the fidelity bonds. I did not mention fidelity bonds, but in North Dakota a man who is elected to public office does not have to obtain a surety bond; he is automatically insured. An individual who is elected treasurer is not insured; the municipality is insured. It is significant that there has not been an assessment in that connection for the last 10 years or more. My understanding is there is a fund lying there of roughly $1,000,000.

As I view the matter, instead of the different State activities I have mentioned bringing on communism, they head off communism. They permit the State to protect individuals who, without State aid, have been unable to protect themselves. It is significant that immediately following the adoption of the Bank of North Dakota law interest rates dropped from 10 or 12 percent in North Dakota to 5 and 6 percent.

I hope I have made myself clear. I want every Senator to know that I do not at all agree that, by the passage of legislation of this kind, anything is being done to head off communism. On the contrary, communism is being invited by it. The Congress, and I may add, the executive department, in my opinion, have not done as much as they should have done to use the resources of the Government to protect and help the little fellow.

AMENDMENT OF SECURITIES EXCHANGE ACT OF 1934

Mr. FREAR. Mr. President, I am introducing a bill designed to extend to all investors in large corporations the protections now afforded only a portion of them. The bill seems to me to be a logical product of investgations and recommendations which go back almost 50 years. As early as 1904 the United States Commissioner of Corporations in his annual report inveighed against "secrecy and dishonesty in promotion, * * * secrecy of corporate administration, and misleading or dishonest financial statements" as the principal evils of the corporate form of organization. Presidents Theodore Roosevelt, Taft, and Wilson recommended that the Congress take steps to remedy these evils, and congressional investigations were conducted in 1911, 1932, 1933, and 1934 to ferret out and expose to the white light of publicity the more glaring examples.

The need for some regulations became of greatest urgency after the First World War, when the American people purchased corporate securities in unprecedented amounts. Congressional investigation disclosed that, from 1920 to 1933, approximately fifty billions of new issues were sold to American investors. Half of those issues were absolutely worthless by 1933. These losses in value were accompanied in many instances by abuses in the conduct of corporate affairs by officers, directors, and other insiders—abuses which were uncovered in the investigations of the early thirties. The result was an overwhelming popular sentiment that something had to be done to enforce more rigid fiduciary standards upon corporate managers.

In 1933, the President of the United States recommended legislation to protect investors against fraud in securities and blind buying of new security issues. He described this project as "but one step in our broad purpose of protecting investors and depositors." The resulting law, the Securities Act of 1933, requires complete and truthful disclosure of the financial condition of companies whose securities are being publicly offered.

A second step in the program of protecting investors was taken by the Congress the next year with the enactment of the Securities Exchange Act of 1934. That act was designed to further corporate democracy in companies having securities listed on national securities exchanges, to provide periodic information about those companies, and to free their securities from the manipulation of market operators who caused prices to fluctuate for their personal profit, to the detriment of public confidence in the markets, and to the loss of public investors. This act, too, has been successful, insofar as it goes, in its efforts to combat the evils at which it was aimed.

In the years 1935, 1936, 1938, and 1940 further steps were taken to protect investors. In 1935 the Congress enacted the Public Utility Holding Company Act to cope with the monstrous holding-company empires which had taken over such a large part of the utility properties of the Nation. In 1936 legislation was enacted requiring companies which register securities for public offering under the 1933 act to file annual reports with the Securities and Exchange Commission even though they do not list their securities on an exchange. In 1938, following the Commission's Protective Committee Study, chapter X of the Bankruptcy Act was enacted, under which the Commission is adviser to the courts in corporate reorganization proceedings. The next year the Trust Indenture Act was passed. By 1940, the purpose and spirit of these laws had become so fully accepted as part of the scheme of Federal regulation that a unanimous Congress passed the Investment Company Act and the Investment Advisers Act, the last of the statutes in this series.

The Securities and Exchange Commission has done an excellent job in administering these acts. In spite of the difficulties encountered working in a complex and uncharted field the Commission has managed to make these statutes an accepted feature of our national economy without hampering legitimate business. By prompt and efficient action it has been able to eradicate many of the frauds and other abuses which prevailed prior to 1933. The Hoover Commission has pointed to it as "an outstanding example of the independent commission at its best," and I heartily concur in this view.

I heartily concur in this view.

But I have discovered that there are some areas in which the Commission is powerless under present law to provide essential safeguards against corporate abuses. Many investors have written me in anger and frustration about their inability to obtain from their officers and directors adequate information about the business they own, about their inability to exercise their corporate franchise to vote at annual meetings because of the type of proxy furnished, and about suspected "shenanigans" by corporate insiders. Upon investigating these complaints I have been astonished to learn that many of the companies which I believed to be covered by one or another of the securities laws enacted to protect investors were not in fact covered—and this includes some of the largest corporations in the United States. As chairman of the Banking and Currency subcommittee which is in charge of this field, I feel keenly my responsibility to do something to help correct this situation. I firmly believe that the Commission should be furnished with the authority to protect investors in all large corporations with widespread investor interest.

Because the Congress has proceeded step by step with these laws it has left gaps, unintentional and accidental, in the broad framework of protection it has provided for the Nation's investors. The Congress has given a measure of protection to investors in new securities, investors in securities listed on a national securities exchange, and investors in certain types of enterprise, such as public-utility holding companies and investment companies. But we have ignored the investors in large interstate corporations which are not parts of public utility holding systems or investment companies, and whose managements do not choose to list their securities on a national securities exchange. These investors do not have equal protection, even though their companies have securities widely distributed and actively traded. This double standard of investor protection seems an accidental rather than a deliberate omission, which can be attributed only to the piecemeal fashion in which the several statutes were adopted. It is to afford this group of investors some of the essential safeguards now enjoyed by the others, and to remedy an illogical and unwarranted discrimination against them, that I introduce this bill.

The small investor, without help, is often left in the dark about his company's affairs. It is for him that the Congress legislated those portions of the Securities Exchange Act of 1934 and the similar portions of the Holding Company and Investment Company Acts which provide for periodic reports of financial condition. Whether he can read or understand them directly or seeks investment help, he is assured essential information about his company's affairs, as well as an opportunity to give an informed and intelligent vote, and he is protected against trading abuses by corporate insiders. These provisions are contained in sections 12, 13, 14, and 16 of the Securities Exchange Act and comparable sections of the Holding Company and Investment Company Acts. But, illogically, and by the accident of circumstances, these safeguards have been provided only to investors in listed companies, public utility holding company systems, and investment companies. The bill I offer is designed to extend these protective provisions to the security holders of large unregistered corporations whose securities are widely held.

The bill does not apply to companies which by any stretch of the imagination might be considered to represent small business. It applies only to companies with at least $3,000,000 in assets and with enough public interest to have at least 300 security holders. Furthermore, the Commission would be authorized to add exemptions by rule as required by the public interest. Many of the companies which would be affected by the bill are, of course, much larger. There are at least a half-dozen companies with assets of $200,000,000 or more and with a minimum of 3,000 security holders; the largest of these has $861,000,000 of assets and over 11,000 stockholders. There is another company I could name which earned almost $10,000,000 last year and has 7,200 stockholders, but which does not even furnish a balance sheet to the financial services, so that there is no way of ascertaining its total assets.

In 1946 the Securities and Exchange Commission in a report to the Congress, which was printed as House Document No. 672, Seventy-ninth Congress, second session, commented upon the illogical disparity in the present law and recommended the adoption of legislation such as the bill that is now being introduced. President Truman, in a special communication to both Houses, heartily endorsed this recommendation. I should like to refer to the studies contained in that proposal, which I understand are now being brought up to date.

The Commission, among other things, compared the reporting practices followed by registered and unregistered companies. Under the Securities Exchange Act of 1934, any company which lists its securities on an exchange must file with the Commission and with the exchange sufficient information to permit investors or their advisers to make an intelligent appraisal of the merits of the particular securities and must keep that information up to date.

The annual reports of 119 companies with assets of at least $3,000,000 and 300 or more security holders were examined by the Securities and Exchange Commission. In most instances the financial statements were woefully inadequate. About 13 percent of the companies furnished no income statement at all, and the income statements of many more were so highly condensed that they were of only limited value; in some cases the statements did not even report the earnings during the year. Over half of the balance sheets examined were materially deficient when judged by the accounting standards enforced under the Securities Exchange Act. Not a single company mentioned whether it had had any material transactions with insiders, or whether insiders had traded in the company stock. One company, whose annual report indicated that its 30,000 shares of common stock had a market price ranging from $55 to $63 per share, did not mention the fact that the company had granted its executives an option to purchase 3,500 shares at $12 per share. All of this information, I believe, the investing public has a right to know, and it is one of the aims of the bill I have submitted to force such disclosure.

The Commission has also studied the proxy-soliciting practices of registered and unregistered companies. In the proxy field the possibility of abuse is so evident, where there are hundreds or thousands of scattered stockholders, that it requires little elaboration. Abuse of power feeds on ignorance. Responsible management should, affirmatively, welcome the informed participation of stockholders in corporate affairs requiring stockholder assent. It is to enforce the responsibility and strict accountability of management for their actions that section 14 of the Securities Exchange Act, regulating the solicitation of proxies, was adopted and similar provisions were inserted in the Holding Company and Investment Company Acts. In 15 years of experience these requirements have more than justified themselves in their effect on management relations with security holders, and the Commission has demonstrated that such provisions of law can be effectively enforced without interference with management responsibilities.

Under the rules adopted pursuant to section 14, management is required to inform all stockholders of the affairs of their corporation when their proxies are solicited and to give them an opportunity to cast their proxy votes intelligently. Nonmanagement groups are provided with an equal opportunity to solicit proxies and to offer proposals to be acted upon at the meetings. Thus, stockholders in companies which are registered upon a national securities exchange are afforded a real measure of corporate democracy, and, whether they live next door to the president of the company or in an isolated village far from the scene of activity, they are kept informed about the business they own and are afforded a right to vote according to democratic traditions.

In contrast with this application of the principles of corporate democracy—without which our whole system of free enterprise would soon be in serious jeopardy—stand the proxy-soliciting practices of many of the large corporations which do not at present fall within the scope of any law regulating their practices. The Securities and Exchange Commission, in the study to which I have referred, was able to obtain the proxy-soliciting materials of 76 companies relating to 152 meetings. These companies comprised all the domestic companies with assets of over $3,000,000 whose voting securities have unlisted trading privileges on the New York Curb Exchange and were traded during a sample year in a volume exceeding 5,000 shares. Although these large corporations, with their evident public interest, had the advantages of an exchange market, they were not subject to the provisions of the Securities Exchange Act of 1934, because their securities had been traded on a so-called unlisted basis since prior to 1934 and their managements had not chosen to list on the Curb or any other exchange. A casual examination of the list of these companies furnishes dramatic evidence of the illogical nature of our disclosure laws, which require many smaller companies with less public interest to comply with the provisions of the Securities Exchange Act but permit these companies to be exempt.

It is interesting to note that requests for proxies sent out in connection with 89 percent of the annual meetings of these companies did not even name the persons whom the management proposed to elect as directors. In connection with 42 percent of the annual meetings, one of the items was stated to be the approval and ratification of all of the acts of the management since the last meeting, with no specification of the nature of those acts. Only in a totalitarian state would the type of ballot in general use on these proxies have been tolerated, for 95 percent of the companies did not afford their stockholders an opportunity for a "Yes" or "No" vote on specific items. Indeed, in one case which has come to my attention recently, some ingenious representative of management proposed to print the proxy on the back of the company's dividend check, so that any stockholder who endorsed the check would automatically execute a proxy unless he indicated to the contrary by marking an "X" in a particular space. Unless legislation such as the proposed bill is enacted, the small stockholder in such corporations has no alternative but to grope blindly about for the correct exercise of his prerogatives as part owner of the business.

Finally, the bill which I offer attempts to extend to these large unregistered companies the controls now in force by virtue of section 16 of the Securities Exchange Act of 1934 over trading abuses by corporated insiders—that is, officers, directors, and large stockholders. Prior to the enactment of the Securities Exchange Act, profits from the sure-thing speculation in the stocks of their corporations were, with easy morality, more or less generally accepted by the financial community as part of the return for serving as a corporate officer or director. The Senate report on the bill which became the Securities Exchange

Act referred to a case where the president of a corporation and his brother, who controlled the company with a little over 10 percent of the shares, disposed of their holdings for upward of $16,000,000 before the company passed a dividend and later repurchased them for about $7,000,000.

Our laws have sought to remedy this type of abuse by forcing insiders who make short-term profits from trading in their companies' securities to give up these profits to the corporation. However, again for no good reason whatever—but only because of the fact that this series of statutes was not adopted as a logical whole—these safeguards likewise apply only to listed companies and those subject to the Holding Company or the Investment Company Act.

Consequently, abuse of inside information may continue in unregulated corporations, and in some cases has in fact continued, no matter how widespread in effect or how charged with public interest such transactions may be. When an insider learns of some marked change in the corporation's finances, he is naturally tempted to buy or sell, depending upon whether that change will be favorable or unfavorable. If he does buy or sell he is tempted to reverse his transaction when the news becomes generally known and the market reacts. He is thus able, without changing his relative holdings in the corporation, to obtain a profit at the expense of the stockholders with whom he deals. The temptation is strengthened, and opportunity for quick and immoral profit are increased, when corporate affairs are not conducted in the open under the light of publicity attendant upon registration, when rumors may circulate freely and be difficult to substantiate, and when financial statements of dubious quality are furnished. Yet it is in just this situation, where the need is greatest, that the law is remiss. I do not for a moment doubt that there are many honest men who do not yield to these temptations. I am sure that they can have no objection to a law which would prevent their less scrupulous brethren from seeking personal advantage by these dealings.

I believe that this bill should be supported by responsible management as well as by public investors; for the examples of irresponsibility which I have cited and which are made possible under existing law are, of course, deplored by many persons. Management which adheres to its fiduciary responsibilities at present will assume no added burden by virtue of the projected legislation, and the benefits to it will more than compensate for any slight inconvenience which may result. On the other hand, the prophylatic effect of the legislation as applied to marginal managements seeking to avoid their obligations will be of great public benefit.

This bill should have bipartisan support. The welfare of investors transcends party lines. I have in mind not only the fact that the Congress made the Commission itself a bipartisan agency, but also that the statutes have enjoyed a full measure of support from both parties. Although the first of these acts was not passed until 1933, the investigation of the Senate Banking and Currency Committee which resulted in the 1933 and 1934 acts began with a Senate resolution adopted in 1932; the tremendous study of the Federal Trade Commission which preceded the Public Utility Holding Company Act of 1935 goes all the way back to another Senate resolution adopted in 1928; and the two statutes which were passed in 1940 were adopted without a dissenting vote in either House. Protection of investors and depositors—like maintenance of free competition and the other major premises of our capitalistic system—is not the heritage of any one party or group.

I do not ask that hearings upon this bill be held during this session, but I am hopeful that full hearings may be had early next year. In the meantime, I am anxious to hear from all those who have any interest in this measure, and to have the benefit of constructive criticism. I believe it is an important measure, which is entitled to the most careful consideration.

Mr. President, in order to assist the Members of the Congress in their consideration of this bill, I request the unanimous consent of the Senate to the printing of the new report which the Securities and Exchange Commission is preparing and which will bring up to date its 1946 report to the Congress.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The bill (S. 2408) to amend the Securities Exchange Act of 1934, as amended, introduced by Mr. FREAR, was read twice by its title, and referred to the Committee on Banking and Currency.

FOREIGN AID APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year 1950, and for other purposes.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. What is the question before the Senate?

The VICE PRESIDENT. The question before the Senate is the appeal from the ruling of the Chair.

Mr. WHERRY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hoey	Magnuson
Baldwin	Holland	Martin
Brewster	Humphrey	Maybank
Butler	Ives	Millikin
Cain	Jenner	Morse
Capehart	Johnson, Colo.	Mundt
Chapman	Johnson, Tex.	Neely
Cordon	Johnston, S. C.	O'Conor
Douglas	Kefauver	Pepper
Downey	Kem	Robertson
Dulles	Kerr	Saltonstall
Ecton	Kilgore	Smith, Maine
Ellender	Knowland	Sparkman
Ferguson	Langer	Stennis
Flanders	Lodge	Taylor
Frear	Long	Thomas, Okla.
Fulbright	Lucas	Thomas, Utah
George	McCarran	Thye
Gillette	McCarthy	Vandenberg
Graham	McClellan	Wherry
Gurney	McFarland	Wiley
Hayden	McGrath	Williams
Hendrickson	McKellar	Young
Hill	McMahon	

The VICE PRESIDENT. A quorum is present.

The question is: Shall the decision of the Chair stand as the judgment of the Senate.

Mr. LANGER and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. CORDON. Mr. President, I shall now make one of the shortest speeches of record. [Applause.]

The VICE PRESIDENT. The Chair recognizes the Senator from Oregon.

Mr. CORDON. I shall vote to override the ruling of the Chair because I believe the Kem amendment is a proper type of limitation on an appropriation bill. If the question comes to the merits of the amendment I shall vote against the Kem amendment.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BALDWIN (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. BRICKER], who is necessarily absent. If he were present and voting, he would vote "nay" and if I were at liberty to vote I would vote "yea." I withhold my vote.

Mr. ELLENDER (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting he would vote "nay" on this question. If I were at liberty to vote I would vote "yea." I withhold my vote.

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Mississippi [Mr. EASTLAND], the Senators from Wyoming [Mr. HUNT and Mr. O'MAHONEY], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Rhode Island [Mr. GREEN] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

The Senator from Kentucky [Mr. WITHERS] is absent by leave of the Senate.

The Senator from Idaho [Mr. MILLER] is paired with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from Idaho would vote "yea," and the Senator from Utah would vote "nay."

If present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Rhode Island [Mr. GREEN], the Senators from Wyoming [Mr. HUNT and Mr. O'MAHONEY], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Kentucky [Mr. WITHERS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Jersey [Mr. SMITH], who is detained on official business, is paired with the Senator from New Hampshire [Mr. BRIDGES], who is

necessarily absent. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from Ohio [Mr. TAFT] is necessarily absent.

The Senator from Vermont [Mr. AIKEN] and the Senator from Iowa [Mr. HICKENLOOPER] are absent by leave of the Senate. If present and voting, the Senator from Vermont would vote "yea."

The Senator from Ohio [Mr. BRICKER] is necessarily absent and his pair with the Senator from Connecticut [Mr. BALDWIN] has been previously announced.

The Senator from Utah [Mr. WATKINS], who is detained on official business, is paired with the Senator from Idaho [Mr. MILLER]. If present and voting, the Senator from Utah would vote "nay," and the Senator from Idaho would vote "yea."

The Senator from Kansas [Mr. REED] is detained on official business.

The Senator from Nevada [Mr. MALONE] is detained on official business and is paired with the Senator from New Hampshire [Mr. TOBEY], who is absent by leave of the Senate. If present and voting, the Senator from Nevada would vote "nay," and the Senator from New Hampshire would vote "yea."

The result was announced—yeas 50, nays 21, as follows:

YEAS—50

Anderson	Humphrey	Millikin
Chapman	Ives	Morse
Donnell	Johnson, Tex.	Neely
Douglas	Johnston, S. C.	O'Conor
Downey	Kefauver	Pepper
Dulles	Kerr	Robertson
Flanders	Kilgore	Saltonstall
Frear	Knowland	Smith, Maine
Fulbright	Langer	Sparkman
George	Lodge	Stennis
Gillette	Long	Taylor
Graham	Lucas	Thomas, Utah
Gurney	McFarland	Thye
Hayden	McGrath	Vandenberg
Hill	McMahon	Wiley
Hoey	Magnuson	Young
Holland	Maybank	

NAYS—21

Brewster	Hendrickson	McKellar
Butler	Jenner	Martin
Cain	Johnson, Colo.	Mundt
Capehart	Kem	Schoeppel
Cordon	McCarran	Thomas, Okla.
Ecton	McCarthy	Wherry
Ferguson	McClellan	Williams

NOT VOTING—25

Aiken	Green	Russell
Baldwin	Hickenlooper	Smith, N. J.
Bricker	Hunt	Taft
Bridges	Malone	Tobey
Byrd	Miller	Tydings
Chavez	Murray	Watkins
Connally	Myers	Withers
Eastland	O'Mahoney	
Ellender	Reed	

So the decision of the Chair stood as the judgment of the Senate.

Mr. KEM. Mr. President, in accordance with the notice already given, I move that paragraph 4 of rule XVI be suspended with reference to the amendment which I desire to offer, and I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Missouri [Mr. KEM] to suspend paragraph 4 of rule XVI to enable him to offer a certain amendment.

On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BALDWIN (when his name was called). I have a pair with the junior Senator from Ohio [Mr. BRICKER], and the Senator from New Hampshire [Mr. BRIDGES], who are necessarily absent. If the Senator from Ohio and the Senator from New Hampshire were present and voting, they would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

The roll call was concluded.

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Mississippi [Mr. EASTLAND], the Senators from Wyoming [Mr. HUNT and Mr. O'MAHONEY], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Rhode Island [Mr. GREEN] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

The Senator from Kentucky [Mr. WITHERS] is absent by leave of the Senate.

The Senator from Mississippi [Mr. EASTLAND] and the Senator from Utah [Mr. WATKINS] are paired on this vote with the Senator from Idaho [Mr. MILLER]. If present and voting, the Senator from Mississippi and the Senator from Utah would vote "yea," and the Senator from Idaho would vote "nay."

If present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Rhode Island [Mr. GREEN], the Senators from Wyoming [Mr. HUNT and Mr. O'MAHONEY], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Kentucky [Mr. WITHERS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Jersey [Mr. SMITH] who is detained on official business, if present and voting, would vote "nay."

The Senator from Ohio [Mr. TAFT] is necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate. If present and voting, the Senator from Vermont and the Senator from New Hampshire would vote "nay."

The Senator from Ohio [Mr. BRICKER] is necessarily absent and his pair has been previously announced.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent and his pair has been previously announced.

The Senator from Utah [Mr. WATKINS], who is detained on official business and the Senator from Mississippi [Mr. EASTLAND] are paired with the Senator from Idaho [Mr. MILLER]. If present and voting, the Senator from Utah and the Senator from Mississippi would vote "yea," and the Senator from Idaho would vote "nay."

The Senator from Kansas [Mr. REED] is detained on official business.

The result was announced—yeas 24, nays 49, as follows:

YEAS—24

Brewster	Hendrickson	McKellar
Butler	Jenner	Malone
Cain	Johnson, Colo.	Martin
Capehart	Johnston, S. C.	Mundt
Cordon	Kem	Schoeppel
Ecton	McCarran	Thomas, Okla.
Ferguson	McCarthy	Wherry
Frear	McClellan	Williams

NAYS—49

Anderson	Humphrey	Morse
Chapman	Ives	Neely
Donnell	Johnson, Tex.	O'Conor
Douglas	Kefauver	Pepper
Downey	Kerr	Robertson
Dulles	Kilgore	Saltonstall
Ellender	Knowland	Smith, Maine
Flanders	Langer	Sparkman
Fulbright	Lodge	Stennis
George	Long	Taylor
Gillette	Lucas	Thomas, Utah
Graham	McFarland	Thye
Gurney	McGrath	Vandenberg
Hayden	McMahon	Wiley
Hill	Magnuson	Young
Hoey	Maybank	
Holland	Millikin	

NOT VOTING—23

Aiken	Green	Russell
Baldwin	Hickenlooper	Smith, N. J.
Bricker	Hunt	Taft
Bridges	Miller	Tobey
Byrd	Murray	Tydings
Chavez	Myers	Watkins
Connally	O'Mahoney	Withers
Eastland	Reed	

The VICE PRESIDENT. On this vote the yeas are 24, and the nays 49. Two-thirds of the Senators present not having voted in the affirmative, the motion of the Senator from Missouri [Mr. KEM] is rejected.

If there are no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass?

Mr. LANGER and other Senators asked for the yeas and nays, and they were ordered.

Mr. TAYLOR. Mr. President, I should like to say that I am opposed to the passage of the bill. I wish to make it plain that it is not because I am opposed to aiding people, but I have been opposed to the program from the beginning, because I thought, and I still think, that it should have been handled through the United Nations, to build up that organization, instead of weakening it, as the present method of administering the Marshall plan or the ECA, or whatever it may be called, has done.

The VICE PRESIDENT. The question is, Shall the bill pass? The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BALDWIN (when his name was called). I have a pair with the junior Senator from Ohio [Mr. BRICKER]. I am informed that he would vote as I

intend to vote. Therefore, I am at liberty to vote. I vote "yea."

Mr. McCLELLAN (when his name was called). On this question, I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. McGRATH. My colleague, the senior Senator from Rhode Island [Mr. GREEN] is unavoidably absent from the Senate on public business. If present, he would vote "yea."

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], the Senators from Wyoming [Mr. HUNT and Mr. O'MAHONEY], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Idaho [Mr. TAYLOR] are detained on official business.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

The Senator from Kentucky [Mr. WITHERS] is absent by leave of the Senate.

The Senator from Idaho [Mr. TAYLOR] is paired on this vote with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from Idaho would vote "nay", and the Senator from Maryland would vote "yea".

The Senator from Idaho [Mr. MILLER] has a general pair with the Senator from Utah [Mr. WATKINS]. If present and voting both the Senator from Idaho and the Senator from Utah would vote "yea."

If present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senators from Wyoming [Mr. HUNT and Mr. O'MAHONEY], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Kentucky [Mr. WITHERS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Jersey [Mr. SMITH] is detained on official business and if present and voting would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent and if present and voting, would vote "yea."

The Senator from Ohio [Mr. TAFT] is necessarily absent and if present and voting, would vote "yea."

The Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate. If present and voting, the Senator from Vermont and the Senator from New Hampshire would vote "yea."

The Senator from Ohio [Mr. BRICKER] is necessarily absent and his pair has been previously announced. If present and voting, the Senator from Ohio would vote "yea."

The Senator from Utah [Mr. WATKINS] who is detained on official business has a general pair with the Senator from Idaho [Mr. MILLER]. If present and voting, both the Senator from Utah and the Senator from Idaho would vote "yea."

The Senator from Kansas [Mr. REED], is detained on official business.

The result was announced—yeas 63, nays 7, as follows:

YEAS—63

Anderson	Hill	Martin
Baldwin	Hoey	Maybank
Brewster	Holland	Millikin
Cain	Humphrey	Morse
Chapman	Ives	Mundt
Cordon	Johnson, Colo.	Neely
Donnell	Johnson, Tex.	O'Conor
Douglas	Kefauver	Pepper
Downey	Kerr	Robertson
Dulles	Kilgore	Saltonstall
Ecton	Knowland	Schoeppel
Ellender	Lodge	Smith, Maine
Ferguson	Long	Sparkman
Flanders	Lucas	Stennis
Frear	McCarran	Thomas, Okla.
Fulbright	McCarthy	Thomas, Utah
George	McFarland	Thye
Graham	McGrath	Vandenberg
Gurney	McKellar	Wherry
Hayden	McMahon	Wiley
Hendrickson	Magnuson	Young

NAYS—7

Capehart	Kem	Williams
Jenner	Langer	
Johnston, S. C.	Malone	

NOT VOTING—26

Aiken	Green	Russell
Bricker	Hickenlooper	Smith, N. J.
Bridges	Hunt	Taft
Butler	McClellan	Taylor
Byrd	Miller	Tobey
Chavez	Murray	Tydings
Connally	Myers	Watkins
Eastland	O'Mahoney	Withers
Gillette	Reed	

So the bill (H. R. 4830) was passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to.

The VICE PRESIDENT. The Chair would like to call the attention of the Senator from Tennessee, the chairman of the committee, to the fact that the list of conferees sent to the Chair contains eight names. As a rule an odd number of conferees is appointed, so there cannot be an even division on the part of the Senate conferees and thereby cause what might be a difficulty in a majority deciding upon any point. The Chair is not interested in who the conferees are, but it is not customary to have an even number. The Chair wondered whether an even number of conferees was suggested intentionally or by accident.

Mr. McKELLAR. I observed the defect in the number of conferees. I may say I always leave it to the secretary of the committee to prepare the list.

The VICE PRESIDENT. The motion adopted is that the Chair appoint the conferees.

Mr. McKELLAR. I understand Mr. President, but the secretary of the committee always hands me a memorandum.

The VICE PRESIDENT. The Chair understands.

Mr. McKELLAR. He selects them because of their standing on the subcommittee and on the committee. However, to avoid any possible difficulty about it, I understand the Senator from Michigan [Mr. FERGUSON] would come next on the list furnished by the secretary of the committee. I therefore suggest the addition to the list of the name of the Senator from Michigan.

The VICE PRESIDENT. The number would be nine, instead of eight; is that correct?

Mr. McKELLAR. That is correct.

The VICE PRESIDENT. The Chair merely called the matter to the attention of the Senator from Tennessee.

Mr. McKELLAR. I thank the Chair.

The VICE PRESIDENT The Chair will add to the list the name of the Senator from Michigan, and will appoint the conferees.

The VICE PRESIDENT appointed Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. RUSSELL, Mr. McCARRAN, Mr. BRIDGES, Mr. GURNEY, Mr. REED, and Mr. FERGUSON conferees on the part of the Senate.

DELIVERED-PRICE SYSTEMS AND FREIGHT ABSORPTION PRACTICES

Mr. McCARRAN. Mr. President, I ask the attention of the leaders on both sides. I ask unanimous consent that Senate bill 1008, to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual, good-faith delivered-price systems and freight-absorption practices commonly known as the basing-point bill, which came from the House of Representatives with amendments, be printed with the House amendments numbered. The bill with the House amendments has not been printed thus far. The matter will come before the Senate probably tomorrow or some other time soon. I think the bill should be printed with the House amendments included, so that all Senators may have access to the bill as it was changed by the House of Representatives.

I ask such unanimous consent.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LONG. As I understand the unanimous-consent agreement is to have the bill printed; is that correct?

Mr. McCARRAN. That is correct, with the House amendments.

Mr. WHERRY. Mr. President, I may state that on Friday, unanimous consent was given to make that bill the pending business immediately after the call of the calendar.

ORDER FOR RECESS TOMORROW TO RECEIVE THE PRESIDENT OF THE PHILIPPINE REPUBLIC

Mr. LUCAS. Mr. President, I ask unanimous consent that tomorrow, August 9, at approximately 12 o'clock noon, the Senate stand in recess for the purpose of receiving the President of the Republic of the Philippines, the Honorable Elpidio Quirino, and that the Chair appoint a committee to escort President Quirino into the Chamber.

The VICE PRESIDENT. At what hour does the Senator suggest?

Mr. LUCAS. Approximately 12 o'clock, I cannot say exactly.

The VICE PRESIDENT. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

The VICE PRESIDENT appointed Mr. CONNALLY, Mr. VANDENBERG, Mr. LUCAS, Mr. MYERS, and Mr. WHERRY as a committee to escort the President of the Republic of the Philippines into the Chamber at such hour as may be convenient, and as nearly 12 o'clock as possible.

CALL OF THE CALENDAR TOMORROW

Mr. LUCAS. Mr. President, on Friday, in the absence of the Senator from Illinois, a unanimous-consent agreement was entered whereby the calendar of bills to which there is no objection is to be made following the disposition of the pending measure. It had been anticipated that we would dispose of that bill earlier this afternoon. It is now a quarter to seven, and there is no point in taking up the calendar at this time. We will take it up tomorrow following the address by the distinguished visitor from the Philippines.

TRANSFER OF TOWER ON LOWER SOURIS NATIONAL WILDLIFE REFUGE TO INTERNATIONAL PEACE GARDEN, INC., NORTH DAKOTA — CONFERENCE REPORT

Mr. JOHNSON of Colorado. Mr. President, I submit a conference report on House bill 3751, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The conference report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

EDWIN C. JOHNSON,
ERNEST W. MCFARLAND,
CHAS. W. TOBEY,
Managers on the Part of the Senate.

CLARK W. THOMPSON,
JAMES B. HARE,
ALVIN F. WEICHEL,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, August 9, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 8 (legislative day of June 2), 1949:

IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be captains

James Franklin Alexander, 12043A.
Edmund Beard Anderson, 12114A.
John Henry Archer, Jr., 12013A.
Arpod Julius Artwohl, 12153A.
×Glenn Wesley Askwig, 12085A.
×Robert Orr Barney, 12057A.
Charles Colburn Barnum, Jr., 12042A.
Ibrie Morris Beatty, Jr., 12017A.
David Paul Black, 12052A.
Raymond Walter Wallis Booth, 12104A.
Clyde Raymond Borchers, 12124A.
Felix George Brenner, 12000A.
×Charles Walter Brion, 12094A.
Stephen Dwight Bull, Jr., 12066A.
Jerry A. Bunnell, 11990A.
John James Burnett, Jr., 12071A.
John Earl Butler, 12182A.
Victor Nicholas Cabas, 12162A.
Truman Fletcher Cadwell, 12174A.
Thomas Joseph Callander, 12063A.
Wallace Horace Cameron, 12044A.
Daniel Ralph Carter, 11983A.
David Lawrence Carter, 12035A.
Leonard Nelson Cathcart, 12118A.
Jack Tabor Chandler, 12024A.
Albert Vernon Chapman, Jr., 12089A.
Andrew Robertson Clark, 12062A.
John Combe, 3d, 12170A.
Carl Laverne Cook, Jr., 12019A.
William Enos Cooper, 12082A.
Loyal William Crowe, 12021A.
Louis Gerald Cruciana, 12175A.
Daniel George Cummins, 12136A.
George Chancellor Cunningham, 12135A.
Foster Davidoff, 12150A.
Robert Spencer Davidson, 12131A.
Kenneth Cameron Dean, 12014A.
John Charles Dennis, 12141A.
Alvin Warnick Dill, 11974A.
×Charles Adolph Donohoe, 12126A.
Brendan Joseph Doran, 12083A.
Richard Carol Dornbrock, 11960A.
Robert Aloysius Duffy, 11984A.
×Kenneth Radcliff Duncan, 12098A.
Joseph Edward Duval, 11989A.
Arthur Ralph Edwards, 12091A.
Clayton Revis Eldredge, 11985A.
Samuel Michael Elias, 12096A.
Joseph DuBois Elsberry, 12027A.
Orville Leslie Erdmann, 12028A.
Michael Evanco, 12065A.
Franklin Allan Everett, 12180A.
Carl Grant Eyler, 12122A.
Attilio Thomas Fachetti, 12100A.
Herman Mouzon Farmer, 12055A.
Robert Farr, 12109A.
Everett Nicholas Farrell, 12003A.
×Edward Aaron Fayman, 12064A.
×Joe Louis Fernandes, 12111A.
Robert Lee Fisher, 12138A.
×Oscar Charles Fitzhenry, 12031A.
James Thomas Fitzpatrick, Jr., 12018A.
×Jerry Francis Flicek, 12113A.
John Fletcher Floyd, 12074A.
×Geoffrey Ralph Ford, 12183A.
Oscar Creighton Ford, 12086A.
×Herbert Francis Foye, 12120A.
Russel Roch Frederick, 12148A.
Marshall Vernon Fredrickson, 12069A.
Herbert George Gardner, 12053A.
×Edmond Noble Gates, 12080A.
William Moore Gates, 12115A.
Ernest Dale Goddard, 12103A.
Walter Frederick Gonske, 11973A.
John Albert Griffin, 12049A.
Lester Edwin Gunter, 12040A.
Charles William Haney, 12002A.
×Harrison Hayden Hannah, Jr., 12171A.
Edwin Clifford Hanson, 12099A.
Claude Mayfield Hardy, 12127A.
Preston Bethea Hardy, 11969A.
Clifford Winnie Harmon, 12056A.
Carll Truett Harris, 12012A.
Bruce Ray Hathaway, 11959A.
Hemphill Vern Heath, 12163A.
Albert Burkett Hemmer, 11988A.
Horace Lynn Henderson, 12165A.
Jack Herring, 12060A.
Benjamin Franklin Hester, 12011A.
George Emory Hewitt, 12081A.
Charles Kimball Hicks, 12130A.
Lyndell Thomassen Highley, 11977A.
John Wakefield Hiney, 12105A.
Walton Lewis Hogan, 12143A.
×Robert Francis Hood, 12015A.
Charles Hopkins, Jr., 11962A.
Herbert Bryan Howard, Jr., 12009A.
Joseph Virgil Howell, 12088A.
Lewis Carroll Hughes, 12025A.
John Gilbert James, 12008A.
×Thomas Bennett Johnson, 12119A.
Wallace Wilson Johnston, 12106A.
Robert Lewis Jones, 11961A.
John Alwine Keiper, Jr., 12051A.
Kaye B. King, Jr., 12006A.
William Harris Kinney, 11999A.
Gerald Percival Knutson, 12154A.
Thomas Francis Kozul, 12001A.
×Garold Bretislav Kubicek, 12108A.
James Lake, 12145A.
Joseph Richard Lambert, 12039A.
Rayburn Dinion Lancaster, 12022A.
Charles William Lasko, 12169A.
Harlan Lee Laughlin, 11993A.
Willie Edgar Livesay, 11958A.
James Thomas McElroy, 11994A.
George Pope McKay, 12029A.
Mack Arthur McLain, 12030A.
×Benjamin Charles Marshall, 12129A.
Gilbert Atherton Masden, 11991A.
Wallace Ancil Mason, 12045A.
Holman Cooper Massey, 11998A.
×Paul Emil Mensing, 12117A.
James Henry Miles, Jr., 12050A.
×Jack Walter Mills, 12137A.
Joe Rose Mills, 12101A.
Edgar Waldron Moody, 11971A.
Emory Claude Morgan, 12112A.
Brian Kent Moyers, 12173A.
Billy Joe Munnerlyn, 12090A.
Thomas Lee Myers, 11995A.
Joseph Carl Nawrocki, 12041A.
James William Nesbitt, 12032A.
Howard Louis Nicks, 12134A.
Austin Nielsen, 11964A.
Alson Valentine Nolan, Jr., 12095A.
Wallace Orville Nordenstrom, 12059A.
Henry Michael O'Connor, 11972A.
Vance Oehme, 12076A.
Jack Pershing Orr, 11978A.
×George Joseph Ott, 12133A.
Arthur Wellesley Owen, Jr., 12166A.
Jack R. Packwood, 12123A.
Robert John Partridge, 12107A.
Gene Murray Patton, 12034A.
×Karl Reese Pearson, 12097A.
Glen Amos Pebles, 12159A.
William Wallace Penn, Jr., 12023A.
Sumner William Peterson, 11992A.
William David Phears, 11970A.
Theodore Cliffton Pippin, Jr., 12157A.
Nick Plascak, 11966A.
Dwight Homer Potter, 12151A.
Kenneth Wegner Prien, 11981A.
×Joseph Robert Prochaska, 12172A.
Kenneth Puttkamer, 12075A.
Gerald David Quayle, Jr., 12078A.
Louis Alfred Raeke, Jr., 12033A.
Noel Burford Reidrick, 12046A.
Frank, Rehak, Jr., 11986A.
×Jack Reiter, 11982A.
Gale Fauss Rice, 12061A.
Everett Earl Robertson, Jr., 11987A.
Joseph Warren Rosenfield, Jr., 12058A.
George Florin Ruff, 12054A.
×Wendell Wilson Sanders, 12121A.

Virgil Everette Sellers, 12179A.
George Moore Sharpe, 11968A.
Richard Eugene Shearer, 12161A.
Donald Adolphus Shelton, 12070A.
Wilbur Gray Shine, 12158A.
Francis Morris Shipley, 12016A.
Foy Lee Shoemate, 12012A.
Eben Judson Smith, 11963A.
Benjamin Franklin Smotherman, 12007A.
John Stephens, 12149A.
Arthur Leigh Stevens, Jr., 12005A.
Gordon Fowler Storck, 12125A.
Elton Ray Stulting, 12144A.
×Leo William Sullivan, 12184A.
Edward Joseph Sweeney, 12072A.
Ira Allen Swope, 12048A.
John Chiefton Tate, 12156A.
Irving Crawford Taylor, 12068A.
Robert C. Thompson, 12073A.
Manville Giles Treumann, 12181A.
James Riley Tucker, 11979A.
Arthur Lorenzo Turner, Jr., 12093A.
Frank George Uhring, 12004A.
Alvin Emil Ulrich, 12038A.
Charles Ramsay Vickrey, 11967A.
×James Brevard Vogler, Jr., 12079A.
Roy Dale Voorhees, 12167A.
James Rayburn Walker, 12037A.
Robert LeRoy Wallander, 11996A.
Charles Allen Ward, Jr., 12026A.
Raymond Paul Warner, 12110A.
×Stuart Byers Warwick, 11976A.
Worden Weaver, 12010A.
Samuel James Wicker, 12116A.
Robert Warren Wilcox, 12176A.
Jack Edward Williams, 11997A.
Robert George Williams, 12020A.
×Emmett Stone Wilson, 12128A.
Myrt Purviance Wilson, 12178A.
Waring Woodrow Wilson, 12140A.
Frank Witry, Jr., 11980A.
Gayle Christy Wolf, 12164A.
John Robert Wood, 11975A.
×Gilbert Graham Wright, 12087A.
Alfred Yorston, Jr., 12177A.

NOTE.—These officers will complete 7 years' service for promotion during the month of September. Dates of rank will be determined by the Secretary of the Air Force.

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 8, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, the Reverend James P. Wesberry, pastor, Morningside Baptist Church, Atlanta, Ga., offered the following prayer:

O Thou, great champion of humanity's needs, defender of the poor, and lifter of the fallen, may it please Thee to hear us as we pray this day for the people of our Nation: for those in want and distress, the poor and the needy, the tired and heavy-ladened, the enslaved and overworked; for the unemployed, the underpaid, and the unjustly treated; for all who are bruised, battered, and broken in life's battles; for the lonely in heart and all who mourn over their sins. For these and all others we humbly pray. Grant them, through Thy grace, O God, rest for their souls. Open our ears to their cries. Give us, we pray Thee, a generous portion of Thy spirit that we may freely give of ourselves in the emancipation of all who are in need. Hasten Thou the day when strife shall end and love and fellowship shall reign throughout our social and industrial order. In the name of Him who once worked in a carpenter's shop and is the Saviour of the world. Amen.

The Journal of the proceedings of Friday, August 5, 1949, was read and approved.

EXTENSION OF REMARKS

Mr. ASPINALL asked and was given permission to extend his remarks in the RECORD and include an article by him entitled "Aid for Korea."

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include two newspaper editorials.

STARLINGS DESTROY JAPANESE BEETLES

Mr. RANKIN. Mr. Speaker, several days ago I pointed out to the House that the killing of these starlings was a dangerous procedure. I said then that in my opinion they were doing more to exterminate the Japanese beetles than anything else I knew, and pointed out the fact that these beetles constitute a menace to this country.

To my surprise, when I was off the floor, that bill was passed by unanimous consent.

Dr. C. H. Curran, of the American Museum of Natural History in New York, has come out with a statement saying that these starlings are our hope to exterminate the Japanese beetle in this country, just exactly what I told the House then.

I ask unanimous consent, Mr. Speaker, to extend my remarks in the RECORD at this point and to include a short newspaper article containing Dr. Curran's statement.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The article referred to follows:

LOWLY STARLINGS DECIMATE BEETLES

BEAR MOUNTAIN, N. Y., August 7.—Japanese beetles will not plague New York State gardens this summer, according to a survey completed today by Dr. C. H. Curran, of the American Museum of Natural History.

Dr. Curran credited nature with wholesale decimation of the leaf-eating bronze pests—a feat which tons of DDT and acres of beetle traps have annually failed to accomplish.

Dr. Curran said the main assault against the beetles has been waged by the lowly starling, a bird that generally finds few friends among farmers or householders. The starlings found conditions for eating beetle larvae ideal last spring, and made the most of them, Dr. Curran said.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD regarding the extreme drought in Massachusetts at the present time, and some recommendations for relief, and to include also two newspaper articles.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD in two instances; in each to include an editorial.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include an article from the Wenatchee Daily World.

Mr. RICH asked and was given permission to extend his remarks in the RECORD in two instances; in one, to include an editorial from the Times-Herald of Monday, August 8, 1949, entitled "Where the Little Guys Learned To 'Cheat," and also to include a letter from Rev. John M. Corridan, S. J., associate director of the Institute of Industrial Relations of New York, with reference to the longshoremen strikes.

Mr. ARENDS asked and was given permission to extend his remarks in the RECORD and include an editorial from the Daily Pantagraph of Bloomington, Ill., entitled "Wanted a Wise Mother Robin."

Mr. WILSON of Oklahoma asked and was given permission to extend his remarks in the RECORD and include an address by the gentleman from Oklahoma [Mr. STEED] on the subject of making child abandonment a Federal offense.

MINIMUM-WAGE LEGISLATION

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered, provided the extension does not exceed 300 words.

There was no objection.

Mr. LUCAS. Mr. Speaker, in March of this year I informed the Members of this House that the first Lesinski minimum-wage bill, H. R. 3190, carried extraordinary powers. This bill by the gentleman from Michigan [Mr. LESINSKI], H. R. 5856, which we are discussing today in general debate, will carry the identical powers. Let me list them. Both of these bills empower the Secretary of Labor to—

First. Make, rescind, interpret, or amend rules and regulations at will.

Second. Inspect books and records at will.

Third. Bring civil action and injunction against alleged violators.

Fourth. Charge criminally for violation of the act or for violation of any of the rules or regulations which might be issued, and

Fifth. Bring suits against the employers in the name of employees.

Mr. Speaker, statements will be made on this floor that the new Lesinski bill is similar to the Lucas bill, that it has been "watered down," that it is simply a continuation of the present act. I wish to assure the House that these statements are simply not true. The new Lesinski bill is as monstrous a creature as the first Lesinski bill and this House will not be deceived about it. Such powers as are granted in this bill have never, and let me emphasize the word never, been granted heretofore by a peacetime Congress.

I am today having mimeographed a comparison of these two bills which I will try to have on your desks in the morning. I hope that you will not only read this comparison but that you will put it in your pocket and bring it to the floor tomorrow and during the remainder of the consideration of this legislation.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include an article by Richard S. Kaplan, which appeared in the Hoosier Legionnaire.

Mr. BREHM asked and was given permission to extend his remarks in the RECORD in two instances; in each, to include an editorial.

AMENDING FAIR LABOR STANDARDS ACT

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 183 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 3190) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 6 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on Education and Labor now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

With the following committee amendments:

Page 1, line 4, strike out "(H. R. 3190)" and insert "(H. R. 5856)."

Page 2, line 1, strike out the remainder of the line after the period and all of lines 2 through 6, inclusive.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 165]

Bates, Ky.	Bulwinkle	Christopher
Blackney	Burleson	Chudoff
Bland	Carnahan	Clevenger
Bolton, Ohio	Celler	Coudert
Brooks	Chatham	Dawson
Dolliver	Macy	St. George
Durham	Marshall	Scott,
Eaton	Mason	Hugh D., Jr.
Gilmer	Merrow	Simpson, Pa.
Golden	Miller, Calif.	Smith, Ohio
Gore	Monroney	Staggers
Gregory	Morrison	Stigler
Hand	Morton	Stockman
Hinshaw	Murphy	Teague
Irving	Norton	Thomas, N. J.
Johnson	O'Neill	Underwood
Jonas	O'Toole	Weichel
Jones, N. C.	Patman	Welch, Calif.
Kennedy	Plumley	Withrow
Kruse	Powell	Wolcott
Linehan	Quinn	Yates
McGrath	Rivers	
McGregor	Sadowski	

The SPEAKER. On this roll call 364 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HIS EXCELLENCY, ELPIDIO QUIRINO, PRESIDENT OF THE PHILIPPINE REPUBLIC

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on tomorrow for the Speaker to declare a recess subject to the call of the Chair for the purpose of receiving the President of the Philippine Republic, His Excellency Elpidio Quirino. It is my understanding that His Excellency is expected to arrive here at about 12:15 p. m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDING FAIR LABOR STANDARDS ACT

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this resolution on H. R. 5856, a bill increasing the minimum wage, calls for an open rule and 6 hours debate, after which the bill shall be read for amendments under the 5-minute rule.

The original bill, H. R. 3190, was introduced by the chairman of the Education and Labor Committee on March 16, 1949. That bill contained far more extensive coverage of the Fair Labor Standards Act than the modified bill which is now before the House for consideration.

I hope that every Member will read and thoroughly study the clarifying provisions and the simplified regulations with which H. R. 5856 outlines the application of a practical minimum wage law. This bill calls for a basic wage of 75 cents per hour and in a practical manner, sets out clearly exemptions and limitations for industry and business which in the past have caused misunderstanding and complications. The bill we are considering today corrects and clearly defines the provisions so they cannot be misconstrued.

The Fair Labor Standards Act of 1938 provided us with over 10 years experience in the operation of a minimum wage law. That act set out at 40-cent minimum wage. It is unnecessary to remind the Members of Congress of the startling rise in the cost of living since 1938, when the 40-cent minimum wage was enacted. Since June 1938, the Consumers' Price Index has gone up over 70 percent. The cost of some of the more necessary items for the average family has gone up a great deal more than the 70-percent index. Food has advanced approximately 119 percent above the cost of food in 1938; clothing at 96 percent and other necessities have increased at an unreasonable rate. One can, therefore, easily see that for our lowest income families, the purchasing power of a 75-cent minimum wage is below the relative 40-cent minimum wage of 10 years ago. The cost of living for a worker with a small family is considerably above $1,500 a year. A minimum wage of 75 cents an hour for 52 workweeks of 40 hours each would bring home approximately $1,500 annually, not counting social security and other wage deductions. A 75-cent hourly wage today, roughly speaking, would not have the purchasing power of a 40-cent hourly wage in 1938.

The fact should also be kept in mind that this minimum-wage legislation would only apply to the unorganized worker. The fifteen-odd-million workers who belong to labor unions in America are today well protected through union organization and their hourly wage is greatly above the 75-cent minimum millions of unorganized citizens are requesting. Most industries today, of course, pay far above 75 cents per hour. Average hourly earnings for production workers in August 1948 was approximately $1.35 an hour. It is estimated that only about 1,500,000 workers covered by the Fair Labor Standards Act are receiving less than 75 cents an hour. This legislation would serve to equalize all workers who come under the provisions of this act and thus serve to eliminate unjust and unfair competition by low wage employers and extend justice to the employer who believes in paying his workers a living wage. What is good for one group of employers is equally good for the employers who compete with them. It is difficult for a fair-wage employer to provide a living wage and stay in business especially in bad times when his competitor is free to cut labor costs and undersell him.

America has already endured the bitter experience of low wages and cutthroat competition back in the 1920's. In that period when business became slack certain employers went into a wage-cutting competition that compelled other employers to cut wages in order to survive. Millions upon millions of workers in America were compelled to exist on a wage that was far below the amount necessary to enjoy the American way of life. The inevitable effect of this was a complete paralyzing of consumers' purchasing power in America. This condition was the primary cause of the greatest depression in our history from 1930 to 1933. The far-seeing industrialist and businessman today realizes that good wages and maximum purchasing power is the greatest guaranty against closed banks, factories, mills, mines, and stores. We have learned a costly lesson through bitter experience. We should profit by

that high-priced experience and pass this 75-cent-an-hour minimum wage law.

Several months ago I read an article in one of our conservative national magazines which revealed that another depression similar to the 1930's could not be as devastating because of the progressive legislation which has been passed in the last 15 years. This article mentioned the laws establishing social security, unemployment insurance, Federal deposit bank law, FHA, security and exchange law and other enactments that have helped maintain purchasing power and provide a cushion against the impact of another depression. The 75-cent minimum wage will be another cushion to soften the effects of a business recession.

The raising of the minimum wage to 75 cents an hour will be a stimulant for business throughout the country. It will, first of all, increase the productivity of the employee affected. A worker receiving a substandard wage has no incentive to render his best services. When the substandard conditions are removed his productivity is bound to increase. An increase in the minimum wage will place the low-wage employer on the same level as his more successful competitor who has been paying decent wages and maintaining a high level of managerial efficiency. A study of what happened in various industries 10 years ago after the original minimum wage was passed, reveals that there need be no fear of increased unemployment or higher prices caused by an increase of minimum wage.

The United States Department of Health reveals that the health standard of families in the extreme low-wage bracket is far lower than among families who financially can take advantage of health precautions by consulting physicians, dentists, and maintaining the proper sanitation in their homes. This same situation applies in regard to the children of these families securing the proper basic grade school education which in these modern times is so necessary for the future of the community and the Nation.

In the Presidential election of 1948, the American people spoke on minimum wage. President Truman, in practically every speech, told the American people that he advocated and favored a 75-cent minimum-wage law. The Democratic platform set out the party's position on minimum wage in the following words, I quote:

> We favor the extension of the coverage of the Fair Labor Standards Act as recommended by President Truman, and the adoption of a minimum wage of at least 75 cents an hour in place of the present obsolete and inadequate minimum of 40 cents an hour.

H. R. 5856 preserves the basic time and a half of the regular rate of pay for all hours after 40 hours.

It also clarifies the "regular rate of pay" by excluding gifts, payments for vacations, holidays, bonuses, profit sharing, and payments for various kinds of insurance.

The wage-and-hour provisions apply to employees engaged in commerce or in the production of goods for commerce.

This bill sets out some very important clarifying exemptions. Under the 1938 act, retail and service establishments doing more than 50 percent of their business in interstate commerce were not exempt. Under this act, all retail and service establishments are exempt.

This bill would remove the complete wage-and-hour exemption from fish processing and canning, and, instead, make such industries eligible for a 14-week exemption from the overtime provisions. H. R. 5856 would bring minimum wage protection to about 90,000 employees engaged in the fish-processing industries.

This bill would exempt weekly or semiweekly newspapers with a circulation of less than 5,000. The 1938 act exempted such newspapers with a circulation of 3,000.

This bill provides for an exemption of telephone switchboard operators where the exchange has less than 750 stations. The 1938 act exempted such operators where the exchange had less than 500 stations.

This bill would exempt the following transportation employees from the maximum-hours provision: Drivers or their helpers on motor vehicles on over-the-road transportation operations, railroad employees, flight personnel of an air carrier company and seamen. It would cover employees of carriers by air and also seamen under the minimum-wage provisions. This new bill would bring under protection of overtime provisions more than one-half milion employees of motor-carrier companies.

Any industry found by the Secretary to be of a seasonal nature and seasonal industries such as those connected with the processing of agricultural products would be entitled to an exemption from the overtime provisions for an aggregate of 14 weeks during any calendar year, up to 12 hours a day and 56 hours a week. Seasonal industries engaged in handling, packing, preparing, storing, or first processing or canning of fresh fruits and vegetables would be granted the same overtime exemptions but for 20 weeks each year. In addition, the complete exemption from both wage-and-hour provisions of the 1938 act for employees in the area of production engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state or canning agricultural or horticultural commodities for marketing is maintained.

Furthermore, newspaper delivery boys would be excluded from the wage and hour under the child-labor provisions.

The same exclusion would apply to taxicab company employees.

Persons in retail or service establishments engaged in handling telegraph messages for a telegraph company would be exempt under this bill.

Lumbering and sawmill employees will also be exempt from both the minimum wage and overtime provisions if the employer does not have more than 12 employees.

Children employed as actors in motion pictures or radio would be exempt from the child-labor provisions under this bill.

Also special provisions are made regarding child labor and further protection on technicalities which the employers might violate in good faith.

After debate on this bill is over and the amendments are offered, every effort will be made by opponents to substitute the so-called Lucas bill, or, failing in this, to emasculate this legislation by crippling amendments. Members should be constantly present on the floor to vote against nullifying amendments.

The great majority of the American people still retain in their minds the grief, suffering, and unemployment which was rampant in the depression of the early thirties. That economic upheaval wiped out the lifetime savings of millions and cost our country untold billions. One of the basic reasons for this catastrophe was the pitiful low wage scale of the 1920's, when sweatshops and starvation wages seemed to be no concern of the Government. Progressive legislation, both State and Federal, since 1933 has restored our economy. Let us keep our national income high and our production on a large scale. Let us throw a barrier in the pathway of communism by elevating millions of families to prosperity and contentment with a living wage. Future security for the average American home will defeat all radical propaganda against our form of government.

The passage of H. R. 5856 in its present form will be the greatest contribution this Eighty-first Congress can make toward maintaining American purchasing power and continued prosperity.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. I want to compliment the gentleman on his very able presentation. However, he intimated in his speech that low wages was a cause of the depression in the thirties. Does he think if we had a 75-cent or a dollar minimum wage we could have avoided that depression?

Mr. MADDEN. It would have provided a strong cushion against the depression back in those days.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a word of welcome to my good friend, Elpidio Quirino, President of the Philippine Republic, and include therein an article by James G. Wingo.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I also ask unanimous consent to include in the RECORD an article by Mr. Kelsey, of the Detroit News.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, a distinguished and warm friend landed upon our western shore and continues his journey to the Capitol to address the people of America and to receive the welcome and plaudits of a host of American friends. He is to be honored as a guest of the Nation. President Elpidio Quirino, statesman and patriot of the Philippine Republic, is known to the world for his friendship and sacrifice as much as for his forceful leadership in peaceful international affairs. His rigid stand in behalf of democracy stands as a symbol of sound thinking and courage in a world of prevalent confusion, compromise, and cowardly submission to degrading and ungodly sophism. The well-informed James G. Wingo without intent to be complimentary writes briefly and factually about the events and brilliant accomplishments which underlie the meteoric rise of President Elpidio Quirino. The article which appears in the Washington Star of Sunday, August 7, on the eve of the President's arrival in the Capitol and in sufficient time to more intimately acquaint the House membership with this sterling character, ability, and record, as he addresses the membership, gives an insight for greater understanding and appreciation of Quirino, the statesman and friend of America, for the evaluation of the human component or counterpart of a noble soul which strives to serve democracy, humanity, religion, and God.

It would hardly satisfy my friendly predisposition toward President Quirino and his people were I to hear his address on the morrow which I anticipate with much pleasure if I did not rise at this time to extend friendliest greetings and a warm welcome on behalf of many House Members, friends, and my own family.

PHILIPPINE PRESIDENT QUIRINO OUTSTANDING FOE OF COMMUNISM—BECOMES LEADER OF SOUTHEAST ASIA'S FIGHT TO HALT RED MOVEMENT—HAS HOPES THAT UNITED STATES WILL JOIN OR SUPPORT PACIFIC PACT

(By James G. Wingo)

A strong determination to stop the Communist onrush in southeast Asia brings Elpidio Quirino, President of the Philippines, to Washington tomorrow for a 3-day visit.

Quirino will be the first President of the 3-year-old independent Philippine Republic to visit the United States, but the importance of his visit does not lie in that fact. He comes to Washington as the most prominent anti-Communist leader of southeast Asia.

Only a few months ago Quirino was little known in world councils and even in countries neighboring the Philippines. By accident of death he had been elevated to the Presidency and was conceded generally to have no chance of succeeding himself in 1949. He did not have the popular appeal of his predecessors—Manual Quezon, Sergio Osmeña, and Manuel Roxas. Furthermore, he had inherited Government scandals of the Roxas regime but not the powerful Roxas political organization.

TRIED TO END CIVIL WAR

After nearly 2 years of fighting the Hukbalahaps of central Luzon, who since the end of the war refused to recognize the authority of the Philippine Government and continued their wartime depredations of cities, towns, and even barrios for the main purpose of driving away landowners whom they hated, President Roxas died suddenly in April 1948. He died a few hours after delivering a stirring address against world communism before American troops.

Quirino's first move as President was an attempt to bring about an end of the civil war in central Luzon peacefully. He had been appalled by the great number of deaths among the Huks, the Philippine constabulary and innocent civilians. He offered amnesty to Huks who would give up their arms. He succeeded in getting youthful Luis Taruc, the Huk leader, to come to Manila to take the oath of loyalty to the Philippine Government and to fill his seat in the Philippine House of Representatives, to which he had been elected in 1946 but of which he had been deprived by Roxas' men in the legislature.

PROPOSED PACIFIC PACT

After Taruc had collected his back pay, however, he returned to the Hukbalahap country, whining that he had been tricked into acknowledging authority of the Philippine Government, which he charged was a mere puppet of "imperialistic America." He acknowledged for the first time publicly that he was a Communist and urged his countrymen to support Russia in her cold war against the United States.

Thereupon genial, peaceful Quirino reluctantly ordered all-out war against the Communist-led Huks. He has succeeded in containing Huk guerrillas in the almost inaccessible mountain jungles of central Luzon, but they are still able to make occasional dramatic strikes against law and order. Only last April the Huks showed their lethal power in ambushing and killing the universally adored Mrs. Quezon (widow of the first President of the Philippines), her daughter, her son-in-law and several others in her party in a mountainous corner of Nueva Ecija Province. Because politically powerful Mrs. Quezon was a strong supporter of President Quirino in this year's presidential elections, the Huks succeeded in dealing a blow not only to his administration but to him personally.

The strength of the Communists in China and outbreaks of violence attributed to Communist activities or influence in neighboring countries, in addition to the Communist problem in his own country, convinced Quirino to make his country of only some 18,000,000, but the most democratically indoctrinated people in the Far East, lead in the fight against communism in southeast Asia. President Quirino then proposed a Pacific pact similar to the North Atlantic Pact.

Chiang Kai-shek recently flew to Baguio, the Philippine summer capital, to confer with President Quirino on the necessity of forming a Pacific union, which among other things would be an anti-Communist alliance, Korea's President Syngman Rhee supported the idea. Quirino hopes to see the United States, Indonesia, Australia, and others eventually join or support the Pacific union.

Quirino's visit to Washington is at a most opportune moment. The State Department has been reviewing American position on affairs in China and is undertaking to determine what course American action should be followed under the new conditions in the Far East. An advisory group to study Asiatic policy of the United States has been formed.

Early this year Quirino's Liberal Party was split. In his campaign for a clean government, Quirino led the fight to oust Jose Avelino, president of the Liberal Party, from the presidency of the Philippine Senate. Avelino was found guilty of purchases of government property in violation of the Philippine constitution, of evasion of income tax, of enunciation of a political doctrine condoning graft and corruption and of election frauds. Quirino's men in the senate allied temporarily with Nationalist Party senators to suspend Avelino from the senate for 1 year.

TAKES BOLD STEPS

Quirino's intrepid stroke amazed the country. Even his friends believed that he had ruined his chances to be elected President this year, for Avelino, who has strong friends and supporters in the party organization, came out as candidate for President, supposedly taking away sufficient Liberal strength from Quirino to give the election to the Nationalist candidate.

Jose P. Laurel, the Nationalists' standard-bearer, was the president of Japan's puppet government in the Philippines which declared war on the United States. Since President Roxas granted amnesty to all collaborators early in 1948, Laurel has been active in criticizing the party in power, particularly Quirino, for the Government scandals in connection with the disposal of war surplus goods.

As soon as he became President, Quirino instituted comprehensive investigations, resulting in the prosecution and conviction of Roxas-appointed high officials with tremendous political influence. Both Roxas and Quirino themselves were found not to have been involved in any questionable deals.

WINS NATION'S ADMIRATION

Quirino's forthrightness and honesty and his sincerity in cleaning the Government, with no regard to possible disastrous consequences to his personal and his party's political fortunes, won nation-wide admiration. He definitely knocked out the main source of political ammunition for Laurel, who has built up a reputation for honesty and executive ability.

Although Quirino became the underdog in the Presidential race when the Liberal Party was split, he is now believed to be leading and is gaining strength every day. He has a popular running mate in the person of young Senator Fernando Lopez, of the Visayan Islands, a new man in politics but very popular among the masses despite his great wealth. But he still faces the bitterest and hottest campaign in Philippine history. Avelino is said to be ready to throw at the last minute his strength to Laurel in order to defeat Quirino.

This will not be President Quirino's first visit to Washington. He has been here several times. Only 2 years ago he came here as Philippine Vice President and Secretary of Foreign Affairs. Rotund and 58 years old, he was born of modest circumstances in northern Luzon. He is the first man from that region to become President.

Mr. MADDEN. Mr. Speaker, I reserve the balance of my time and at this time yield 30 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, the question before the House is House Resolution 183, not the bill itself, H. R. 5856. I think it well at this time to describe briefly the very unusual situation or series of incidents which resulted finally in the reporting by the Rules Committee of House Resolution 183. I confess this series of incidents is new in my experience.

Away back at the end of March, I think it was—I cannot remember the exact date—the Committee on Education and Labor reported a bill amending the Fair Labor Standards Act and on April 7, 1949, there was deposited with the Rules Committee House Resolution 183, which if it had been reported by the Rules Committee would have brought H. R. 3190, the

original so-called Lesinski bill, before the House. The interesting thing to remember, however, is that during all the weeks that have transpired since April 7, 1949, no request came from the Committee on Education and Labor or from any of its members in responsible position that they be heard by the Committee on Rules. In other words, the Committee on Rules sat in the dark for 3 or 4 months. Then the chairman of the Committee on Education and Labor, without ever having been heard by the Committee on Rules with respect to his original bill H. R. 3190, employed the 21-day rule, which is a new rule relating to the powers of the Committee on Rules. The twenty-first day under that rule would have been today. In the meantime, however—the exact period I cannot remember—it was apparently decided by the responsible members of the Committee on Education and Labor that they would better abandon H. R. 3190, the original bill, for which a rule was asked, but upon which no hearing was held before the Committee on Rules.

The best information that came to the members of the Committee on Rules was to the effect that some group of members originally back of H. R. 3190 made up their minds that it would not do; that possibly and probably it would not pass, and that a group of members of the Committee on Education and Labor, in a series of conferences—and I do not criticize them one moment for this—wrote a new bill, H. R. 5856, and introduced it. It might well be called the second Lesinski bill. Its official support by the chairman of the Committee on Education and Labor and those working with him indicates very clearly that H. R. 3190 is abandoned although that is the bill reported favorably by the Committee on Education and Labor.

This new bill, H. R. 5856, has never been reported by the Committee on Education and Labor. Just what would be its fate if it had come to a vote before that committee I am not prepared to say. But, there appeared before the Committee on Rules the supporters of the so-called second Lesinski bill, H. R. 5856, with the plea that instead of our granting a rule on H. R. 3190, the original bill, which otherwise would have come up today under the 21-day rule, we report a rule on the new bill, H. R. 5856, a bill not yet considered officially by the Committee on Education and Labor.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Indiana.

Mr. HALLECK. My information also is that some time ago a meeting of the Committee on Education and Labor was held to report out a substitute bill dealing with this matter of minimum wages and coverage, and I think it wound up in a tie vote, with no action being taken by the committee at all.

Mr. LESINSKI. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Michigan.

Mr. LESINSKI. I think that the gentleman from Indiana is wrong in that statement. H. R. 5856 was developed and passed by a majority of the committee, with the undertaking that it would be agreed on by a majority of the committee.

Mr. WADSWORTH. In any event, there is no report from the Committee on Education and Labor officially endorsing H. R. 5856. I know I am correct in making that statement.

Now, the last development was to this effect. The gentleman from Michigan and the supporters of H. R. 5856 came before the Committee on Rules on Friday last. The Committee on Rules, of course, has been in a state of great mental confusion about what this was all about. On that occasion they requested that the Committee on Rules grant a rule not on H. R. 3190, which was the original bill, and upon which a petition had been filed to take effect today, if not otherwise reported, but that a rule be granted on H. R. 5856, the second Lesinski bill. The discussion was entirely friendly.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield for a correction?

Mr. WADSWORTH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. My recollection is that the Committee on Rules invited the chairman to appear, and while that might be a technical difference, nevertheless it is important. They invited them to appear.

Mr. WADSWORTH. Certainly, of course we invited them. I did not intend to say that they "crashed the gate," not for one moment. We learned of their interest in this new bill. We were puzzled about the parliamentary procedure, very much puzzled, for incidentally the 218 petition was threatened on the postal pay-increase bill, which I believe has been vitiated now by the action of the Committee on Post Office and Civil Service. But the Rules Committee during all of last week was in a quandary as to what was to happen this very Monday and, therefore, hearing of the interest of the gentleman from Michigan [Mr. LESINSKI] and others in this new bill, we invited them to come before us and tell us what it was all about. They made the request that this resolution which the gentleman from Michigan [Mr. LESINSKI] originally introduced should be amended in order to bring before the House the bill H. R. 5856 rather than the bill H. R. 3190. Hence the amendments proposed in this rule, which you will see are contained in the text of the rule.

The question now arises whether the House will in the first instance adopt the amendment to substitute the bill H. R. 5856, a bill which has never been reported officially by a standing committee, for the bill on which the rule was originally requested, H. R. 3190. It is an unusual situation.

The Parliamentarian tells the Rules Committee that the committee enjoys the power—well I do not think I ought to use that word "enjoys," because it is the most unenjoyable power ever possessed by a legislator, service on the Rules Committee.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The Parliamentarian may give off-the-record information, but I am sure my friend realizes that in debate on the floor his position should be protected.

Mr. WADSWORTH. At least, we asked someone whether we had the power to report this rule thus amended. That question will have to be settled by the House. Power or no power, I am convinced we should not establish the precedent under which the Rules Committee may ignore the legislative committees and thrust before the House bills which have had no consideration in those committees.

Mr. MADDEN. Mr. Speaker, I yield 6 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, the question discussed by the gentleman from New York who just yielded the floor is, in my opinion, of sufficient importance and interest to justify a restatement. It is only a factual statement that I wish to make.

At the time of reporting the original Lesinski bill a resolution discharging the Rules Committee was offered. When the second Lesinski bill was introduced, a like resolution to discharge the Rules Committee was offered. The gentleman from Michigan [Mr. LESINSKI] and the gentleman from Illinois [Mr. SABATH] say that a request was made for a rule on the original Lesinski bill, but the chairman of the Rules Committee never made this known to his committee until just a few days ago, when the committee raised the question and insisted upon taking some kind of action. The apparent intention was to ignore the Rules Committee.

At the insistence of the Committee on Rules, the gentleman from Michigan [Mr. LESINSKI] was called before it and requested to state what, if anything, he wanted from the committee. The gentleman came with his new bill which he said had been agreed upon by some of the members of his committee but which had not been before the full committee and on which there had been no committee action. The gentleman from Michigan [Mr. LESINSKI] made known to the Committee on Rules that he wanted a rule on his new bill and that if the rule was granted, he would abandon his original bill. I had been given to understand that the majority leadership wanted a rule on the new Lesinski bill, it being thought that by proceeding under such a rule great confusion might be avoided. But, due to the fact that the new Lesinski bill had not been acted upon by the Committee on Education and Labor, of which the gentleman from Michigan [Mr. LESINSKI] is chairman, the Committee on Rules was reluctant to grant a rule for its consideration. The Committee on Rules called the Parliamentarian for advice as to the parliamentary situation. We received advice that the committee had no power with respect to the original discharge resolution other than to report it with such amendments as the committee might see fit to include, which amendments would have to be acted upon by the House.

Upon the basis of information we received, the Committee on Rules reported the original discharge resolution with an amendment striking out the number of the original Lesinski bill and inserting the number of the new bill. So, in effect, the Committee on Rules has reported a rule for the consideration of the bill which the Committee on Education and Labor has never seen, and which the Committee on Rules would have known nothing about, except for its having insisted upon calling the gentleman from Michigan [Mr. LESINSKI] before it to furnish the information.

The statement I have made discloses to the House the abuse being made of the rule adopted at the beginning of this session stripping the Committee on Rules of its power, and emphasizes the importance of its repeal.

Of course, I can operate under this new rule, but the question is, Does it work for responsible committee procedure, and is it productive of good legislation?

Now, Mr. Speaker, what do we have here before you? Your Committee on Rules comes with a resolution providing for the consideration of the bill which the Committee on Education and Labor has never seen. While I voted to substitute the number of the new bill, which does not have the endorsement of anyone other than the particular group sponsoring it, it is my opinion that in event the amendment is adopted that the resolution, as amended, should be voted down, and the bill returned to the committee for further consideration.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. MADDEN. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, as it has well been stated by the esteemed gentleman from New York [Mr. WADSWORTH] and the able gentleman from Georgia [Mr. COX], it would appear that a deliberate attempt was made to bypass the Committee on Rules in this instance; but, Mr. Speaker, this procedure in this instance goes further than that. Its implications are far flung. It may be all right for the chairman of the Labor Committee to bypass the Rules Committee in this instance, and I am sure that it is the view of some Members of the House that it is all right; but to other members, and I believe the majority of them, the whole question of the wisdom of changing the rules of procedure of the House, as was done at the beginning of this session, should be reviewed in the light of this action. I realize that there are certain Members of this House who term themselves as liberals who believe that this is the proper procedure, but if it is going to be the practice of the chairman of the legislative committee when that committee reports a bill to simply drop into the hopper of the House a resolution for the consideration of that bill upon the floor of the House and permit it to remain there 21 days under the new rules of the House and then be called up without any consideration by the Rules Committee, the question is naturally raised whether there should be a Rules Committee. Certainly, if it is going to be bypassed in that manner we should not have one. Often, as in the particular case, many of the individual members of the Rules Committee were not aware that this resolution was introduced and referred to the Rules Committee back in April.

The function of the Rules Committee, of course, is a two-edged sword. It was designed to protect the Members of the House, the leadership of the House, and, for that matter, the administration from ill-considered or hastily considered legislation under minority group pressure. Witness the fact that you are going to be called upon very shortly to pass upon the so-called FEPC bill. I realize there are certain Members who welcome that opportunity. I also realize that down in the inner sanctum of your political being there are many of you who are not looking forward to thus being placed on a political hot spot.

I dare say that a resolution has already been introduced by the chairman of the Legislative Committee for the consideration of this most monumental, far-reaching proposal for the regimentation of both employer and employee that has ever been considered by any legislative committee in the history of this Congress. I dare say that it will not be pressed before the Rules Committee and that, when the 21 days have elapsed, it will be called up in the same manner that the chairman of the Education and Labor Committee proposed to call this bill up without consideration by the Rules Committee. I, also, call your attention to the fact that some 3 years ago the Rules Committee, under the old Rules of Procedure of the House, prevented this legislation from coming to the floor. Therefore, Mr. Speaker, if the majority of the Members of this House want to ignore the Rules Committee and consider any and all legislation under the whip of minority groups, then we have certainly set up the proper procedure with which to accomplish this unwise action.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I am sorry. I do not have time.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. WADSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I believe the gentlemen who have preceded me have explained rather thoroughly the situation which existed in the Rules Committee, and the rather important and vital questions that were involved in connection with the procedure under which this rule has been reported.

It is from another view that I wish to discuss this matter for just a moment. I think we might as well understand in the very beginning that House Resolution 183, as amended, will in fact call for the consideration of a bill which was introduced only recently, and which has not been considered or reported by the House Committee on Education and Labor. That bill is H. R. 5856, which was substituted for H. R. 3190 by amendment of the resolution which was filed by the gentleman from Michigan [Mr. LESINSKI] with the Rules Committee under the so-called 21-day rule. As a substitute for this new bill, H. R. 5856, I understand the gentleman from Texas [Mr. LUCAS] will offer his measure, H. R. 5894, a bill which also has not been considered or reported by the Committee on Education and Labor.

So we will have the rather peculiar situation, in all probability, of being asked to accept one of two bills, neither of which has been reported by the Committee on Education and Labor and has not, to my knowledge, even been considered by that committee, as there were no hearings held on either measure.

When the gentleman from Michigan [Mr. LESINSKI], the author of H. R. 3190, was before the Committee on Rules, he stated, as has been explained, that his new bill, H. R. 5856, had been drawn and introduced because of the opposition of some of the southern Members of Congress to his original bill, H. R. 3190, and he named specifically as those who had helped to draw the bill the gentleman from South Carolina [Mr. SIMS], who is a member of the Committee on Education and Labor; the gentleman from Louisiana [Mr. BOGGS], and the gentleman from Texas [Mr. COMBS]. The gentleman from Texas appeared before the Committee on Rules in favor of the new substitute Lesinski bill, H. R. 5856. Over the week end I have studied this substitute rather carefully, and I want to congratulate these three gentlemen for having, in the substitute, taken care of their own particular areas and districts perhaps at the cost of some of the rest of us.

I have noticed that the lumbering and sawmill industry in the districts of the gentleman from South Carolina [Mr. SIMS], the gentleman from Texas [Mr. COMBS], and certain other gentlemen, have been exempted from coverage under the new Lesinski bill as introduced; and I understand that the sugar industry in Louisiana has also been given very, very special privileges under it.

Mr. BOGGS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. In just a minute, please.

Mr. BOGGS of Louisiana. The gentleman mentioned my name; certainly he should yield.

Mr. BROWN of Ohio. When I have completed my statement I will be pleased to yield to the gentleman.

The amazing thing about this new Lesinski bill, as I have stated, is that it goes farther than the present wage-hour law and exempts these particular people and particular industries from even the provisions of the child-labor sections. I do not want the industries of my district exempted from the child-labor law, but neither do I want legislation that gives such favoritism to any particular industry or any particular area, as this new Lesinski bill seems to do.

I will now yield to the gentleman from Louisiana.

Mr. BOGGS of Louisiana. The gentleman has made a statement complimenting me, I presume; at least I take it that way. But I am not one of the authors of this legislation. I appreciate the compliment, or whatever it may be considered, but the facts of the matter are that I am not the author of the legislation.

Mr. BROWN of Ohio. Then I withdraw my remarks, as far as the gentleman is concerned, as to his being one of the authors of the new legislation. I, of course, made my statement on the basis of what the gentleman from Michigan [Mr. LESINSKI] said before the Committee on Rules. I do not, however, withdraw my remarks on particular sections of the new Lesinski bill which give special privilege to the sugar producers, and the people engaged in the sugar industry, in one particular State of the Union, to wit, Louisiana. If the gentleman is not responsible for that portion of the bill, then I certainly do not want him to take that responsibility. If he is responsible I am sure the sugar people of his own district and his own State will be and should be very grateful to him for the favoritism shown them; but I think we should give attention to this particular part of the Lesinski bill.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. WADSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, there has been considerable discussion here as to the origin of this bill. I wish to make a few statements about the way this bill has reached the floor, and I should like to call the attention of the chairman to what I am about to say and if I make any incorrect statement he may correct me.

The Committee on Education and Labor met in January. The chairman of that committee, the gentleman from Michigan [Mr. LESINSKI] introduced the bill H. R. 2033. The full committee started its hearings. A few days after H. R. 2033 was introduced, we then had a committee print, which carried some amendments. That committee print was considered by the committee for a few days. Then we had another bill presented during the same hearings, H. R. 3190. Following H. R. 3190 another committee print was furnished which carried virtually the contents of H. R. 3190. We then considered that bill all during the hearings for days and days.

At the conclusion of the hearings there was a motion to report the bill out, which motion was voted down and we proceeded in executive session to consider H. R. 3190. We worked for one solid week until I think it was late Saturday afternoon. I noticed a little peculiar voting going on, especially on Saturday, in reference to some of the amendments. When we completed it we felt we had worked out a pretty tough job. Just before the motion was made the gentleman from West Virginia [Mr. BAILEY] rose and snatched the rug out from under the committee. He offered a substitute. He asked that everything be striken out after the enacting clause in H. R. 3190 and that his substitute bill be adopted. The substitute was very promptly adopted, much to my amazement and to the amazement of the committee.

I learned that the night before 13 Members had gotten together and agreed on what they wanted. So that bill was substituted.

The chairman was instructed to go to the Rules Committee and secure a rule to bring H. R. 3190 to the floor for consideration. It has developed in the last 2 or 3 days that instead of the chairman carrying out the instructions of his committee he introduced on August 2 still another bill. He goes before the Rules Committee without any instructions from the Committee on Education and Labor and gets a rule on this new bill which was just introduced on August 2. The Committee on Education and Labor has never seen it. Is that a correct statement or not? Have we ever had this bill up before the Committtee on Education and Labor?

Mr. LESINSKI. The gentleman recalls that for 6 weeks I asked the gentleman——

Mr. BARDEN. I asked the gentleman a question. Will he answer it?

Mr. LESINSKI. The gentleman is misconstruing the whole story. I asked the gentleman and I have asked the gentleman from Texas [Mr. LUCAS] for weeks and weeks to find out what kind of a bill we could agree on. After 6 weeks the gentleman in the committee room spoke to me and during another 2 weeks there was nothing but plain dilly-dallying trying to put the bill across.

Mr. BARDEN. Now the gentleman has brought that matter up. We met in the gentleman's office late at night. We sat at the table there. I thought there was a way to work it out. I was on a committee, and I told the attorney, Mr. Forsythe, that I had some misgivings about your agreement and I did not know what tomorrow's sun might bring. And lo and behold the next day the whole thing was called off.

Still I ask you, sir, has this bill ever been considered by the Committee on Education and Labor? I think it is about time for the Committee on Education and Labor to begin to function properly and cut out this foolishness.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. WADSWORTH. Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts [Mr. HERTER.]

Mr. HERTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HERTER. Am I correct in the assumption that the first matter for the House to decide is the amendments that have been offered by the Committee on Rules?

The SPEAKER. That is correct.

Mr. HERTER. Mr. Speaker, I am unalterably opposed to those amendments. We have been listening to one of the most extraordinary stories of the development of legislation that has come before this House in a great many years. The development of this legislation, as I recall it, goes back to the very first week of the session. In that week we received a whip notice saying that the matter probably to come before the House the first week of the session would be an amendment to the Fair Labor Standards Act. Week after week we wondered what happened to the legislation, because apparently it was the first piece of must legislation on the administration calendar. Many things must have occurred that have been revealed here today with respect to the development of the bill H. R. 3190. But the thing that has not been brought out is that when the chairman of the committee received a favorable vote on H. R. 3190 and was instructed to come before the Committee on Rules and ask for a rule, he, at the same time, filed a petition which would take the matter entirely out of the hands of the Committee on Rules, and then never came before the Committee on Rules to plead for his own bill.

Mr. LESINSKI. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Michigan.

Mr. LESINSKI. A letter was sent to the Committee on Rules on March 16, 1949, and a petition was filed later.

Mr. HERTER. Perhaps it was filed a few days later. But, I would like to ask the gentleman a question: Did he press the matter of being heard on a rule on the bill reported out? The gentleman knows perfectly well that he did not.

Mr. LESINSKI. I had asked for it originally, but I was not pressing the committee because I thought it was up to the committee.

Mr. HERTER. The gentleman knows perfectly well that he did not press the committee, because even at that stage of the matter those who voted for the bill had apparently abandoned it.

The resolution before us has been lying on the Speaker's desk for 120 days. It could have been called up at any time for 99 days prior to today but it was not called up, and it was not called up because in the interim period apparently a group of members were trying to draft another bill which they must have felt had a greater opportunity of being put through this House than the one that had been favorably reported by the committee.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman from Michigan, the chairman of the committee, did not press it, because I informed him, in view of the conditions, that I could not see my way clear whereby I could obtain favorable action on his resolution.

Mr. HERTER. Mr. Speaker, we have had many strange things happen on this bill, but now that the chairman has become a mind reader, and is apparently deciding in advance whether or not his committee is going to give a rule, we have an even stranger situation.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. So far as the gentleman from Massachusetts is concerned, would he have voted to report a rule on H. R. 3190?

Mr. HERTER. We never had a hearing on it.

Mr. McCORMACK. But would the gentleman have voted to report a rule on H. R. 3190?

Mr. HERTER. I would not.

Mr. McCORMACK. Then the information, so far as the gentleman from Massachusetts is concerned, is correct.

Mr. HERTER. We never even had a hearing before the committee on a rule for H. R. 3190. The gentleman is asking a hypothetical question. H. R. 3190, I think, is just as bad a bill as I believe the gentleman from Massachusetts thinks it is but I am going to give the gentleman from Massachusetts an opportunity to vote on H. R. 3190 in just a moment.

Mr. McCORMACK. I asked the gentleman a very practical question.

Mr. HERTER. Mr. Speaker, the real crux of this rule before us is this: There have been complaints in years gone by with respect to the Committee on Rules usurping the functions of the House and deliberately interfering with the consideration of bills that the majority of the Members of the House want. As a result of that criticism the Committee on Rules was cut down very materially in its powers by the shifts in the rules that were made at the beginning of this session to allow of the kind of petition that we have before us now. An interesting thing has developed, and something that I hope the Members will listen to in connection with the issue now before us on the adoption of these amendments, and that is this: The Members of the House may feel that they can escape from the Committee on Rules by filing a resolution of this kind which would make in order a particular bill that has been favorably reported by the committee. But then look what happens. The Rules Committee picks up that petition, acts on it, and then amends it by making in order a bill that has never been considered by the committee at all. If that is not a usurpation of power, entirely improper in this House, I do not know what could be. There it is, with no emergency to justify it. The second Lesinski bill was never offered as an amendment to this bill. There was no reason why the committee should not stick to its guns and stick by the original bill it had voted out, and bring that out through the petition or through a rule of the Rules Committee, none at all except, as they say, to eliminate H. R. 3190, to abandon it once and for all. It seems to me there must be someone in this House who would still like to vote on H. R 3190. I do not know.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Ohio.

Mr. JENKINS. The situation is this: We are going to be called upon to vote on something that has never passed through a regular committee of the House?

Mr. HERTER. It has never passed through a regular committee of the House.

This is the strange thing about it. By courtesy of our chairman we listened to a proponent of the second Lesinski bill who explained the bill to us. He is a Member of this House but is not even a member of the Committee on Education and Labor. He had done the principal drafting of this bill. In other words it was explained to us by someone who was not even a member of the committee. That is the matter that we are now being asked to bring before the House as an original bill subject to amendment. If that is not about as strange a procedure as any that has ever been brought here, I would like to know what could be.

It is for that reason that I hope the amendments which have been offered by the Rules Committee, and which will be voted on first, will be rejected. Then we will at least be proceeding in an orderly way. We will then have before us the bill which was properly reported out of the Committee on Education and Labor, even though nobody seems to like it very much. At least we will have that, and it will be open to amendment in the ordinary way. The second Lesinski bill can be offered to it, or the Lucas bill can be offered to it as a substitute. There is no reason why we should not proceed in an orderly way, instead of proceeding in this entirely arbitrary way which, if endorsed by this House, will certainly give an opportunity to the Rules Committee in the future to substitute any bill it likes for whatever a committee has reported out.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman is very much interested in having H. R. 3190 considered. Will the gentleman vote for the bill?

Mr. HERTER. I have said here I have no intention of voting for H. R. 3190. I am talking here about orderly procedure. As a matter of fact, if the gentleman wants to know my personal views, I happen to be one of those on this side of the aisle who believes in a 75-cent minimum and not the 65-cent minimum. It is because of the coverage in H. R. 3190, and the very bad draftsmanship in the bill, that I have no use for it whatever.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Indiana.

Mr. HALLECK. I cannot help but call attention to the proposition that, much as I respect the chairman of the Rules Committee, to offer as an alibi for the failure to call the matter to the attention of the Rules Committee and to give the Rules Committee a chance to act on the measure, that it would not be voted out anyway, to my mind is just an untenable position. As far as I am concerned, I am now and have been for a reasonable increase in the minimum wage. The regrettable thing here is that, as the gentleman from Massachusetts points out, we are going to be called on to pass on what seem to be two measures that have never been acted upon by the legislative committee at all.

Mr. HERTER. I thank the gentleman. I might add the committee is wondering about the curious situation that while the Committee on Rules has sat at least once, and perhaps two, three, and four times every week steadily for the last 3 or 4 months, never once was it called to our attention that this bill had been filed. We had no idea until last week that such a bill had been filed and was lying there. Perhaps we were negligent in not discovering that that was so, but we were never told by our chairman or by any responsible person that this bill might at any moment be brought up under this new arrangement in the rules. The extraordinary thing is that this was filed and this is being acted on today, and the Committee on Rules has never been asked for a rule on this particular measure on which it has reported a rule.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. HALLECK. There have been some questions addressed here to Members as to how they will vote. I wonder if some of the gentlemen on the other side who have asked that question are prepared here to say whether or not they would vote for the bill, H. R. 3190, as against the Lesinski substitute, if they were given a chance.

Mr. HERTER. I think perhaps that our distinguished chairman, the gentleman from Illinois [Mr. SABATH] would like to answer that question.

Mr. SABATH. It would give me a great deal of pleasure if I could bring about the passage of the bill H. R. 3190 instead of either one of the substitutes.

Mr. HERTER. I am glad that the gentleman has so answered that question. I hope the gentleman who will now conclude this debate will support the adoption of the rule without the committee amendment and then he will have the opportunity to vote as he has just indicated.

The SPEAKER. The time of the gentleman from Massachusetts has expired. All time on the majority side has expired.

Mr. MADDEN. Mr. Speaker, I yield myself 30 seconds. In connection with the statement made by my friend, the gentleman from Indiana [Mr. HALLECK], regarding the voting, I might say there has been a misunderstanding of what happened in the Committee on Rules by some of the Members who have spoken today.

On last Thursday we had a hearing on this minimum-wage legislation before the Committee on Rules. The chairman of the Labor Committee and others testified, and the gentleman from Texas [Mr. LUCAS] came on Friday and several other members of the Committee on Education and Labor appeared before our committee on Friday. When a member of the Committee on Rules, the gentleman from Virginia [Mr. SMITH], moved favorable action on House Resolution 183, reporting out the bill H. R. 3190, the

gentleman who is now addressing the House offered a substitute motion for the motion offered by the gentleman from Virginia [Mr. SMITH]. This motion was to substitute the bill H. R. 5856 now before the House in place of H. R. 3190. The majority of the members of the Committee on Rules voted to report out the bill H. R. 5856.

Mr. Speaker, I now yield the balance of my time to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, in the first place my colleagues, the gentleman from Georgia [Mr. COX], and the gentleman from Mississippi [Mr. COLMER] have unduly criticized the fact that the Committee on Rules has been deprived of certain powers and rights to bottle up legislation because of the adoption, on the first day of this session, of the amended rules covered by House Resolution 5, which give members of committees the right to file a resolution to call up a bill if the Committee on Rules fails to act or acts adversely.

Knowing full well, as is disclosed by the evidence, that the three Democrats on the Committee on Rules who were working with the Republicans are opposed to this legislation and similar legislation, I advised the chairman of the Committee on Education and Labor that it would be impossible for me to obtain a rule on his original bill. I was right. I am borne out by the speeches that have been made by various members of the Committee on Rules. Had we not adopted House Resolution 5 on the first day of the session, this bill never would be here before us today, because the Committee on Rules, as constituted, would not have granted a rule on the original Lesinski bill. Because of the desire of the leadership, it was suggested in March that we first consider the Taft-Hartley repeal bill instead of the minimum-wage bill at that time.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. McCORMACK. If this rule had not been adopted by the House, two or three Democratic members of the committee could have brought about a condition where those two or three members might have brought about the defeat of the Democratic Party in 1950.

Mr. SABATH. The gentleman is always right.

During all the years I have been a Member of this House I have never seen a committee work more diligently to bring about legislation that both parties have recommended and endorsed and promised to the American people. For the past 7 months that committee has worked diligently. Finally, in desperation, the Committee on Education and Labor brought about a compromise, the Lesinski bill, H. R. 5856, which I shall discuss more fully later. That is a compromise agreed to by 13 members of that committee, after weeks and weeks of consideration, trying to bring about a bill that would eliminate any and all possible objections. Consequently, the criticism is unwarranted and unjustified, nor are these gentlemen fair when they try to criticize me for not calling up a rule as originally introduced by the gentleman from Michigan [Mr. LESINSKI], chairman of the committee.

Mr. LESINSKI. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. LESINSKI. I was ready today to take from the Speaker's table H. R. 3190. When called in by the Rules Committee, I made it very plain that there was an agreement, and the Speaker said he would recognize me on H. R. 3190 and that the gentleman from Texas [Mr. LUCAS] would substitute another bill. I had another amendment which I had wanted to substitute. I told the committee very plainly that I would love to have the Rules Committee grant the rule on H. R. 5856, which they did.

Mr. SABATH. Now I wish to state that had the chairman's bill not been in order today under House Resolution 5, this rule never would have been granted. But the majority of the Committee on Rules, the Republicans who were working closely with the three Democrats, did not want it to come up; they did not want the bill called up under the change in rules today. They wanted a rule, and in desperation I succeeded in obtaining a majority in favor of the amended rule now before us.

Now, those are the facts. I myself did not care for the committee to grant a rule on it. I was willing to consider the bill under the new amended rules of the House, but the majority of the committee opposed to the legislation wanted to "gum up" the proceedings.

Now, in view of those facts, I am amazed at these gentlemen trying to make so much hullabaloo about what has taken place in the Rules Committee. I am convinced it is done for the sole purpose of misleading the Members from the real facts.

Mr. Speaker, the bill before us, H. R. 5856, is a compromise measure as I said before, and it has eliminated many of the provisions contained in H. R. 3190—the original Lesinski bill which provided for a broad extension of the scope of our present minimum wage law. H. R. 5856 has excluded various coverages not included in actual interstate commerce. The so-called border-line cases involving the application of the commerce clause, I am told, are excluded and the past confusion that resulted in this regard, will be eliminated by this Lesinski bill.

H. R. 5856 would bring under minimum wage coverage about 150,000 seamen, and about 90,000 employees engaged in the onshore processing or handling of fishery products. It would add some new exemptions, but would result, nevertheless, in a net addition of about 675,000 workers to the protection of the overtime provisions. Among the groups of employees who would be placed under the overtime requirement would be more than half a million employees of motor carriers, more than a hundred thousand employees engaged in handling or processing of fishery products onshore, as I said before, and more than a hundred thousand employees handling or processing farm products. H. R. 5856 would not change the established meanings which the term "commerce and the production of goods for commerce" have under the Fair Labor Standards Act. The Lesinski bill provides for adequate child labor provisions and improves the child labor provision relative to exemption for employment in agriculture by recasting it on a "outside of school hours" basis.

H. R. 5856 contains three important improvements in the administrative provisions of the act: First, it gives the administering agency authority to collect wages due under the act; Second, it provides rule-making authority similar to that provided many other agencies, providing greater certainty to employers and employees alike; and, third, it would make the Secretary of Labor responsible generally for administration, thereby accomplishing one of the proposals of the Hoover Commission.

Mr. Speaker, if I did not realize that the Committee on Education and Labor has worked diligently for many months and made every effort to eliminate every possible objectionable feature in the hope of obtaining unanimous approval, I would say that they have not been broadened enough. I personally feel that this bill does not cover as extensive an area as I had hoped it would.

Mr. Speaker, I want to congratulate the majority of the Committee on Education and Labor, and especially its chairman, the gentleman from Michigan [Mr. LESINSKI], the gentleman from Texas, Judge COMBS, and the gentleman from West Virginia [Mr. BAILEY], who, from the evidence they presented to the Rules Committee, satisfied me that they have given a tremendous amount of time and study to every provision in this bill. As a matter of fact, I never in my many years of service witnessed such an able and outstanding presentation of facts. I hope that during the general debate that follows all Members who desire to vote "right" on this legislation will give clear and close attention to the explanation of these gentlemen and the reasons underlying each and every provision in the bill.

I understand that the gentleman from Texas [Mr. LUCAS], who is serving his second term, is setting himself up above the Committee on Education and Labor, and has broadly publicized the fact that he will offer the so-called Lucas bill as a substitute. The gentleman from Texas [Mr. LUCAS] first introduced H. R. 4272, but after the Committee on Education and Labor revamped their original bill, H. R. 3190, and introduced H. R. 5856, which is before us now, and, as I stated before, represents an adjustment in the differences of the members of the Committee on Education and Labor, in order to attain harmony, the gentleman from Texas [Mr. LUCAS] appeared before the Committee on Rules and stated that the bill he originally introduced as a substitute will be withdrawn in favor of another bill, H. R. 5894, which he would introduce and offer as a substitute for H. R. 5856. This bill, H. R. 5894, would make more exemptions than the original Lucas bill.

This, Mr. Speaker, satisfies me that the committee bill is the only bill that should be adopted by the House.

I understand further that the Lucas bill embodies a sliding scale, which means nothing more than annoyance, trouble, and confusion. The complications which

a constantly changing minimum rate would introduce into the administration of the act would make it impossible to achieve an effective degree of enforcement. The confusion which would be created by frequent changes in the minimum-wage level would confound any attempt to enforce the act and leave the question of good faith always in doubt. Thus, the entire attempt of Congress to provide protection to workers and employers through fair labor standards would be nullified by this device. Such a provision would favor the unscrupulous employer and discriminate against the fair one.

It must be realized by all that a minimum wage of 75 cents per hour only amounts to $30 per week, if a worker is fortunate enough to be gainfully employed all week. Many are not. In view of the prevailing high cost of living and in view of the passage of the Gore agricultural bill, which further increases the cost of food to the consumer, no one can honestly and justly maintain that the minimum asked herein is too high or that the wage earner will earn too much. As a matter of fact, most wage earners have large families, and with a family of four or five it is virtually impossible for him to provide even half decently for his family on $30 per week. Unfortunately many of them do not work an entire week. Of course, only a few wage earners earn less than the minimum provided for in this bill. As President Truman said in his midyear economic report, "the life and spirit of the American economy is progress and expansion." The President's statement is witnessed by a letter which I received this morning from the National City Bank of New York relative to economic conditions and Government finance. The monthly letter stated as follows:

> The business news during July has borne out indications that began to appear in June that the hand-to-mouth buying policies and reduction of inventories since the first of the year were clearing the way for an upturn of demand in many lines. For the first time since the slump set in, buying in substantial volume appeared in nonferrous metals, primary textiles, and various other industries, bringing firmer prices in numerous cases and a better feeling throughout business generally.

However, there are some, to be sure, who maintain that if a recession comes, the employers will not be able to pay a minimum of 75 cents per hour. I hope to God that will not and must not happen because it is certainly for the best interests of our great country that the wage earners should receive decent pay. This provides greater purchasing power which in turn aids business and creates a demand for the goods and necessities of life. This logically, and it is a basic economic principle, means more employment. Thus a higher minimum wage helps not only the wage earner, but aids business, manufacturers, and our farmers as well. As a result, let me state, needed food and other necessities of life are not denied the average person.

This bill will also aid in the maintenance and continuance of our country's great national income, which everyone recognizes will materially provide us with continuous prosperity and necessary income for our Government so as to enable us to remain in a healthy economic condition and at the same time properly execute the duties that belong to the Government.

Consequently, Mr. Speaker, this bill will, from every viewpoint, aid not only underpaid labor, but it will provide continuous absorption of our production, and as I said before, more business and prosperity to all.

After giving careful thought and consideration to the evidence presented on behalf of H. R. 5856—the Lesinski bill—I most earnestly urge that the committee bill be not further weakened by any substitute, and further that it will have the vote of every fair-minded Member regardless on what side he may sit.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the committee amendments.

The question was taken; and on a division (demanded by Mr. SABATH) there were—ayes 101, noes 91.

Mr. WADSWORTH. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HERTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HERTER. The vote that is now being taken is merely on the amendments and not on whether the rule is to be granted; is that correct?

The SPEAKER. The question is on the committee amendments; there are two of them.

The question was taken; and there were—yeas 249, nays 124, not voting 59, as follows:

[Roll No. 166]

YEAS—249

Abbitt	Cavalcante	Fulton
Addonizio	Celler	Furcolo
Albert	Chelf	Garmatz
Allen, La.	Chesney	Gary
Andrews	Christopher	Gathings
Angell	Clemente	Gordon
Aspinall	Colmer	Gorski, Ill.
Bailey	Combs	Gorski, N. Y.
Baring	Cooley	Gossett
Barrett, Pa.	Cooper	Granahan
Bates, Mass.	Corbett	Granger
Battle	Cox	Grant
Beall	Crook	Green
Beckworth	Crosser	Gross
Bennett, Fla.	Davenport	Hagen
Bennett, Mich.	Davies, N. Y.	Hall,
Bentsen	Davis, Tenn.	Edwin Arthur
Biemiller	Dawson	Hardy
Blatnik	Deane	Hare
Boggs, La.	DeGraffenried	Harris
Boiling	Delaney	Harrison
Bolton, Md.	Denton	Hart
Bosone	Dingell	Havenner
Boykin	Dollinger	Hays, Ark.
Breen	Donohue	Hays, Ohio
Brehm	Doughton	Hébert
Brown, Ga.	Douglas	Hedrick
Bryson	Doyle	Heffernan
Buchanan	Durham	Heller
Buckley, Ill.	Eberharter	Heriong
Buckley, N. Y.	Elliott	Hobbs
Burdick	Engel, Mich.	Holifield
Burke	Engle, Calif.	Howell
Burnside	Evins	Huber
Burton	Fallon	Hull
Byrne, N. Y.	Feighan	Irving
Camp	Fernandez	Jackson, Wash.
Canfield	Fisher	Jacobs
Cannon	Flood	Javits
Carlyle	Fogarty	Jones, Ala.
Carroll	Forand	Jones, Mo.
Case, N. J.	Frazier	Karst
Case, S. Dak.	Fugate	Karsten
Kee	Murdock	Sheppard
Keefe	Murray, Tenn.	Sikes
Kelley	Murray, Wis.	Sims
Keogh	Nelson	Smathers
Kerr	Noland	Smith, Va.
Kilday	Norrell	Spence
King	O'Brien, Ill.	Stanley
Kirwan	O'Brien, Mich.	Steed
Klein	O'Hara, Ill.	Sullivan
Kruse	O'Konski	Sutton
Lane	O'Sullivan	Tackett
Lanham	Pace	Tauriello
Larcade	Passman	Teague
Lemke	Patten	Thomas, Tex
Lesinski	Perkins	Thompson
Lind	Peterson	Thornberry
Lovre	Pfeifer,	Tollefson
Lucas	Joseph L.	Trimble
Lynch	Philbin	Underwood
McCarthy	Phillips, Tenn.	Van Zandt
McCormack	Pickett	Vinson
McDonough	Poage	Wagner
McGuire	Polk	Walsh
McKinnon	Price	Walter
McMillan, S. C.	Priest	Welch, Mo.
McSweeney	Rabaut	Whitaker
Mack, Ill.	Rains	White, Calif.
Madden	Ramsay	White, Idaho
Magee	Redden	Whittington
Mahon	Regan	Wickersham
Mansfield	Rhodes	Wier
Marcantonio	Ribicoff	Willis
Marsalis	Richards	Wilson, Okla.
Miles	Rodino	Winstead
Miller, Calif.	Rogers, Fla.	Withrow
Mills	Rooney	Wolverton
Mitchell	Roosevelt	Woodhouse
Morgan	Sabath	Worley
Morris	Sasscer	Young
Moulder	Scudder	Zablocki
Multer	Secrest	

NAYS—124

Abernethy	Hall,	Nixon
Allen, Calif.	Leonard W.	Norblad
Allen, Ill.	Halleck	O'Hara, Minn.
Andersen	Harden	Patterson
H. Carl	Harvey	Pfeiffer,
Anderson, Calif.	Herter	William L.
Andresen,	Heselton	Phillips, Calif.
August H.	Hill	Poulson
Arends	Hoeven	Preston
Auchincloss	Hoffman, Ill.	Rankin
Barden	Hoffman, Mich.	Reed, Ill.
Barrett, Wyo.	Holmes	Reed, N. Y.
Bishop	Hope	Rees
Boggs, Del.	Horan	Rich
Bonner	Jackson, Calif.	Richlman
Bramblett	James	Rogers, Mass.
Brown, Ohio	Jenison	Sadlak
Byrnes, Wis.	Jenkins	Sanborn
Chiperfield	Jennings	Scott, Hardie
Church	Jensen	Scrivner
Cole, Kans.	Judd	Shafer
Cole, N. Y.	Kean	Short
Cotton	Kearney	Simpson, Ill.
Crawford	Kearns	Smith, Kans.
Cunningham	Keating	Smith, Wis.
Curtis	Kilburn	Stefan
Dague	Kunkel	Taber
Davis, Ga.	Latham	Talle
Davis, Wis.	LeCompte	Taylor
D'Ewart	LeFevre	Towe
Dondero	Lichtenwalter	Velde
Ellsworth	Lodge	Vorys
Elston	McConnell	Vursell
Fellows	McCulloch	Wadsworth
Fenton	McMillen, Ill.	Werdel
Ford	Mack, Wash.	Wheeler
Gamble	Martin, Iowa	Wigglesworth
Gavin	Martin, Mass.	Williams
Gillette	Meyer	Wilson, Ind.
Goodwin	Michener	Wilson, Tex.
Graham	Miller, Md.	Wood
Gwinn	Miller, Nebr.	Woodruff
Hale	Nicholson	

NOT VOTING—59

Bates, Ky.	Gregory	Morton
Blackney	Hand	Murphy
Bland	Hinshaw	Norton
Bolton, Ohio	Johnson	O'Neill
Brooks	Jonas	O'Toole
Bulwinkle	Jones, N. C.	Patman
Burleson	Kennedy	Plumley
Carnahan	Linehan	Potter
Chatham	Lyle	Powell
Chudoff	McGrath	Quinn
Clevenger	McGregor	Rivers
Coudert	Macy	Sadowski
Dolliver	Marshall	St. George
Eaton	Mason	Scott,
Gilmer	Merrow	Hugh D., Jr.
Golden	Monroney	Simpson, Pa.
Gore	Morrison	Smith, Ohio

Staggers	Thomas, N. J.	Whitten
Stigler	Weichel	Wolcott
Stockman	Welch, Calif.	Yates

So the amendments were agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Yates for, with Mr. Eaton against.
Mr. Burleson for, with Mr. Hand against.
Mr. Murphy for, with Mr. Macy against.
Mr. Patman for, with Mr. Mason against.
Mr. O'Toole for, with Mr. Dolliver against.

General pairs until further notice:

Mr. Quinn with Mr. McGregor.
Mr. Staggers with Mr. Weichel.
Mr. McGrath with Mr. Jones.
Mr. Gilmer with Mr. Golden.
Mr. Stigler with Mr. Coudert.
Mr. Whitten with Mr. Blackney.
Mr. Chudoff with Mrs. Bolton of Ohio.
Mr. Gregory with Mr. Merrow.
Mr. Gore with Mr. Wolcott.
Mr. Kennedy with Mr. Stockman.
Mr. Monroney with Mr. Smith of Ohio.
Mr. Rivers with Mr. Simpson of Pennsylvania.
Mrs. Norton with Mr. Morton.
Mr. O'Neill with Mr. Jenison.
Mr. Sadowski with Mr. Plumley.
Mr. Morrison with Mr. Hugh D. Scott, Jr.
Mr. Lyle with Mr. Potter.
Mr. Marshall with Mrs. St. George.
Mr. Deane with Mr. Welch of California.

Mr. VAN ZANDT changed his vote from "nay" to "yea."

Mr. JACKSON of California changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The question is on agreeing to the resolution.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 351, nays 17, not voting 64, as follows:

[Roll No. 167]

YEAS 351

Abbitt	Brown, Ga.	Dague
Addonizio	Brown, Ohio	Davenport
Albert	Bryson	Davis, Ga.
Allen, Calif.	Buchanan	Davis, Tenn.
Allen, Ill.	Buckley, Ill.	Davis, Wis.
Allen, La.	Buckley, N. Y.	Dawson
Andersen, H. Carl	Burdick	DeGraffenried
	Burke	Delaney
Andresen, August H.	Burnside	Denton
	Burton	D'Ewart
Andrews	Byrne, N. Y.	Dingell
Angell	Byrnes, Wis.	Dollinger
Arends	Camp	Dondero
Aspinall	Canfield	Donohue
Auchincloss	Cannon	Doughton
Bailey	Carlyle	Douglas
Barden	Case, N. J	Doyle
Baring	Case, S. Dak.	Durham
Barrett, Pa.	Cavalcante	Eberharter
Barrett, Wyo.	Celler	Elliott
Bates, Mass.	Chelf	Ellsworth
Battle	Chesney	Elston
Beall	Chiperfield	Engel, Mich.
Beckworth	Christopher	Engle, Calif.
Bennett, Fla.	Church	Evins
Bennett, Mich.	Clemente	Fallon
Bentsen	Cole, Kans.	Feighan
Biemiller	Cole, N. Y.	Fenton
Bishop	Colmer	Fernandez
Blatnik	Combs	Fisher
Boggs, Del.	Cooley	Flood
Boggs, La.	Cooper	Fogarty
Bolling	Corbett	Forand
Bolton, Md.	Cotton	Ford
Bonner	Crawford	Frazier
Bosone	Crook	Fugate
Bramblett	Crosser	Fulton
Breen	Cunningham	Furcolo
Brehm	Curtis	Gamble
Garmatz	Kruse	Priest
Gary	Kunkel	Rabaut
Gavin	Lane	Rains
Gillette	Lanham	Ramsay
Goodwin	Larcade	Redden
Gordon	Latham	Reed, Ill.
Gorski, Ill.	LeCompte	Reed, N. Y.
Gorski, N. Y.	LeFevre	Rees
Gossett	Lemke	Regan
Graham	Lesinski	Ribicoff
Granahan	Lichtenwalter	Richards
Granger	Lind	Riehlman
Grant	Lodge	Rodino
Green	Lovre	Rogers, Fla.
Gross	Lucas	Rogers, Mass.
Hagen	Lynch	Rooney
Hale	McCarthy	Roosevelt
Hall, Edwin Arthur	McConnell	Sabath
	McCormack	Sadlak
Hall, Leonard W.	McCulloch	Sanborn
	McDonough	Sasscer
Halleck	McGuire	Scott, Hardie
Harden	McKinnon	Scrivner
Hardy	McMillen, Ill.	Scudder
Hare	McSweeney	Secrest
Harris	Mack, Ill.	Shafer
Harrison	Mack, Wash.	Sheppard
Hart	Madden	Sikes
Harvey	Magee	Simpson, Ill.
Havenner	Mahon	Sims
Hays, Ark.	Mansfield	Smathers
Hays, Ohio	Marcantonio	Smith, Va.
Hébert	Marsalis	Smith, Wis.
Hedrick	Martin, Iowa	Spence
Heffernan	Martin, Mass.	Stanley
Heller	Meyer	Steed
Herlong	Michener	Stefan
Herter	Miles	Sullivan
Heselton	Miller, Calif.	Sutton
Hill	Miller, Nebr.	Tackett
Hobbs	Mills	Talle
Hoeven	Mitchell	Tauriello
Hoffman, Ill.	Morgan	Taylor
Hoffman, Mich.	Morris	Teague
Holifield	Moulder	Thomas, Tex.
Holmes	Multer	Thompson
Hope	Murdock	Thornberry
Horan	Murray, Tenn.	Tollefson
Howell	Murray, Wis.	Trimble
Huber	Nelson	Underwood
Hull	Nixon	Van Zandt
Irving	Noland	Velde
Jackson, Calif.	Norblad	Vinson
Jackson, Wash.	Norrell	Vorys
Jacobs	O'Brien, Ill.	Vursell
James	O'Brien, Mich.	Wadsworth
Javits	O'Hara, Ill.	Wagner
Jenison	O'Hara, Minn.	Walsh
Jenkins	O'Konski	Walter
Jennings	O'Sullivan	Welch, Mo.
Jensen	Pace	Werdel
Jones, Ala.	Passman	Whitaker
Jones, Mo.	Patten	White, Calif.
Judd	Patterson	Whitten
Karst	Perkins	Whittington
Karsten	Peterson	Wickersham
Kean	Pfeifer, Joseph L.	Wier
Kearney		Wigglesworth
Kearns	Pfeiffer, William L.	Williams
Keating		Wilson, Ind.
Kee	Philbin	Wilson, Okla.
Keefe	Phillips, Calif.	Winstead
Kelley	Phillips, Tenn.	Withrow
Keogh	Pickett	Wolcott
Kerr	Poage	Wolverton
Kilburn	Polk	Woodhouse
Kilday	Potter	Woodruff
King	Poulson	Worley
Kirwan	Preston	Young
Klein	Price	Zablocki

NAYS—17

Abernethy	Miller, Md.	Taber
Anderson, Calif.	Nicholson	Towe
Boykin	Rankin	Wheeler
Gathings	Rich	Wilson, Tex.
Gwinn	Short	Wood
McMillan, S. C.	Smith, Kans.	

NOT VOTING—64

Bates, Ky.	Davies, N. Y.	Kennedy
Blackney	Deane	Linehan
Bland	Dolliver	Lyle
Bolton, Ohio	Eaton	McGrath
Brooks	Fellows	McGregor
Bulwinkle	Gilmer	Macy
Burleson	Golden	Marshall
Carnahan	Gore	Mason
Carroll	Gregory	Merrow
Chatham	Hand	Monroney
Chudoff	Hinshaw	Morrison
Clevenger	Johnson	Morton
Coudert	Jonas	Murphy
Cox	Jones, N. C.	Norton
O'Neill	Sadowski	Stockman
O'Toole	St. George	Thomas, N. J.
Patman	Scott, Hugh D., Jr.	Weichel
Plumley		Welch, Calif.
Powell	Simpson, Pa.	White, Idaho
Quinn	Smith, Ohio	Willis
Rhodes	Staggers	Yates
Rivers	Stigler	

So the resolution was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Deane with Mr. Macy.
Mr. Kennedy with Mrs. St. George.
Mr. Gilmer with Mr. Golden.
Mr. Stigler with Mr. Eaton.
Mr. Murphy with Mr. Hinshaw.
Mr. Burleson with Mr. Johnson.
Mr. Morrison with Mr. Jonas.
Mr. Gregory with Mr. Coudert.
Mr. Patman with Mrs. Bolton of Ohio.
Mr. O'Toole with Mr. McGregor.
Mrs. Norton with Mr. Mason.
Mr. O'Neill with Mr. Morton.
Mr. Quinn with Mr. Hugh D. Scott, Jr.
Mr. Brooks with Mr. Stockman.
Mr. Linehan with Mr. Weichel.
Mr. McGrath with Mr. Plumley.
Mr. Yates with Mr. Dolliver.
Mr. Staggers with Mr. Simpson of Pennsylvania.
Mr. Rivers with Mr. Welch of California.
Mr. Gore with Mr. Fellows.
Mr. Lyle with Mr. Blackney.
Mr. Monroney with Mr. Clevenger.
Mr. Powell with Mr. Merrow.
Mr. Chudoff with Mr. Smith of Ohio.

The result of the vote was announced as above recorded.

The title was amended so as to read: "Resolution for the consideration of H. R. 5856, a bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes."

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Mr. Speaker, I am wondering whether or not the precedent that has just been established, by which a measure has been voted for consideration without action by a legislative committee, might be such as to indicate proper action by the Rules Committee in reporting one of the measures now before the Committee on Education and Labor, for the revision of the Labor-Management Relations Act of 1947.

The SPEAKER. If the gentleman will bear with the Chair, the Chair thinks that prognostication of what some committee might do would hardly be a parliamentary inquiry.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the time provided in the rule just adopted be reduced from 6 hours to 4 hours of general debate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. LESINSKI]?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House

on the State of the Union for the consideration of the bill H. R. 5856, with Mr. COOLEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. LESINSKI. Mr. Chairman, I wish to announce to the Committee that we will use 2½ hours today and then reserve the balance, 1½ hours, to begin tomorrow at 12 o'clock.

The CHAIRMAN. The time for debate is limited to 4 hours, 2 hours to be controlled by the gentleman from Michigan [Mr. LESINSKI] and 2 hours by the gentleman from Pennsylvania [Mr. MCCONNELL].

Mr. LESINSKI. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, I want to call to the attention of the committee the fact that 11 years ago the distinguished lady from New Jersey [Mrs. NORTON] brought out similar legislation. We had just as much confusion at that time as we have had today on the floor regarding the rule. I do not understand why the Rules Committee has the power to substitute another bill which has not been off the press 24 hours. I appeared before the Rules Committee because I was invited. I made it plain to the Committee on Rules that I was ready to call up H. R. 3190 today under the 21-day rule; and that I would rather see the Rules Committee issue a rule and, if it did so, make H. R. 5856 in order; and that is just what has happened. I do not understand all this discussion that has taken place this afternoon.

Today we are beginning to consider one of the most important pieces of legislation to come before the Members of the House this year. It will have far-reaching effect upon every citizen in the country.

It deals with a most vital question to many wage earners. That question is whether he shall be guaranteed a minimum wage of $30 a week for 40 hours of work on which to sustain himself and his family.

How anyone can argue that $30 a week is too large a wage to pay a man for his labor is something which I cannot understand. Thirty dollars a week will hardly give a man enough to buy food and shelter for himself and his family, let alone provide any of the other things which we in America have come to consider as necessities.

In these days of a $250,000,000,000 public debt, with a yearly interest rate of around $5,000,000,000, I do not believe that this country can afford to have workers whose wage nets them less than $30 a week.

The Democratic platform on which the President was elected last November called for a minimum wage which would provide our workers with at least $30 a week for 40 hours of labor. The President has consistently requested the Congress to enact such minimum-wage legislation.

It is estimated that a 75-cent-per-hour or $30-per-week minimum will mean a direct increase of less than 1 percent in the total pay roll for employees now subject to the act. This means that there will be an improvement in the level of living of about one and one-half million workers who are now receiving less than the proposed minimum. The vast majority of these workers are now earning more than 60 cents per hour, and therefore the benefits they will receive will amount to about 10 and 15 cents an hour in most cases.

Much of the opposition to a higher minimum wage comes from those who opposed any minimum wage at all when the act was brought into effect in 1938. Opponents of the theory of the minimum wage declared solemnly that such legislation would wreck American industry. More than 10 years of experience has apparently not convinced these doubtful ones that a minimum-wage and maximum-hour law is workable and that it is good for the American economy, for American workers, and for American employers, at least for those employers who are not interested in maintaining sweatshop conditions in their factories and plants and who desire the protection of minimum-wage legislation from competitors who do desire such conditions.

In 1938, as in 1949, witnesses appeared before the House Labor Committee and declared that a minimum-wage law would cause unemployment. Let us look at the record. There is no substantial evidence that the minimum-wage law in 1938 created any important curtailment of employment, and I am satisfied that a minimum which gives a worker $30 a week will not cause any substantial curtailment of employment in 1949. You must realize that the impact of a 25-cent minimum in 1938 was less than a 75-cent minimum today in terms of the number of employees to be directly affected.

Undoubtedly, there will be some discussion on the floor concerning the origin of the bill now before the House, H. R. 5856. As you all know, the Committee on Education and Labor approved H. R. 3190 in March.

As time went on it became evident that there was serious opposition to some of the provisions of H. R. 3190, principally to the broadened coverage which would have been accomplished by that bill, and I, therefore, asked a group of the Democratic members of the committee, including the gentleman from Texas [Mr. LUCAS], to try to work out a bill which would meet the most serious objections to H. R. 3190. This committee met over a period of several weeks without coming to any agreement on the major differences between H. R. 3190 and the Lucas bill, H. R. 4272, which had been introduced by the gentleman from Texas [Mr. LUCAS] after H. R. 3190 was reported from the Committee on Education and Labor.

I was most anxious that the minimum-wage law should be revised at this session of Congress. Therefore, when no agreement could be reached with the gentleman from Texas [Mr. LUCAS], I instructed a group from the Education and Labor Committee to meet with other interested Members of the House principally from the Southern States to see what could be done to meet the objections which had arisen.

This group met for a period of almost 2 months. Many individual Representatives took part. Members of the House from Texas, Oklahoma, Arkansas, Georgia, and South Carolina, as well as Members from the Northern States, met and thrashed out their problems.

H. R. 5856 is the result of these weeks of consultation and work. I believe that it represents an honest endeavor to write a minimum-wage law which can be supported by all the Members of the House.

On one feature of the bill the differences were so wide that it was acknowledged from the beginning that no compromise would be possible. That feature was the minimum wage. It was understood that the minimum wage would be submitted to the House to be fought out on the floor.

I have outlined in some detail the background of H. R. 5856 because I believe it is important for the Members of the House to realize that this bill is a compromise effort to reach agreement on a minimum-wage bill which would be acceptable to the House.

I, personally, would like to see a higher minimum wage with much broader coverage and a greater limitation of exemptions than are contained in H. R. 5856. However, I have been a Member of Congress for almost 20 years and I have learned that you cannot expect to get everything which you desire in any one piece of legislation.

Therefore, I introduced H. R. 5856 in the hope that it could be enacted into law and that in future sessions of Congress further improvement could be made as experience indicates that such changes are advisable.

I am glad that the Rules Committee saw fit to grant a rule which makes H. R. 5856 the bill for the consideration of the House. This presents a clear legislative picture on which the Members may intelligently work their will.

I understand that the gentleman from Texas [Mr. LUCAS], a member of the committee, intends to offer his new bill, H. R. 5894, as a substitute for H. R. 5856. I think the Members of the House should realize the differences between the Lucas bill and the Lesinski bill.

The Lucas bill would remove more than 1,000,000 workers who are now covered from the protection of the wage-and-hour law. The Lucas bill will tie the minimum wage to a cost of living index—a plan which even the United States Chamber of Commerce has condemned as unsound. And finally, the Lucas bill, by its introduction of many new terms into the law will create great uncertainty which can only be settled by Supreme Court decisions after years of litigation.

For these reasons I ask the Members of the House to enact H. R. 5856 without amendment.

I also want to call to the attention of the Members the fact that everybody this morning got a comparison of all the bills, the present Fair Labor Standards Act, H. R. 5856, and the Lucas bill, and the

differences in all of these bills are very well explained.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Ohio.

Mr. BREHM. I spent all day yesterday going over this bill word for word. My question is this: Is the analysis of the new bill, H. R. 5894, the same as the one shown on this chart sent out by the gentleman's office in connection with H. R. 4272?

Mr. LESINSKI. That is right, excluding the additional language written into the original Lucas bill.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Pennsylvania.

Mr. McCONNELL. The pamphlet put out by the office of the gentleman from Michigan [Mr. LESINSKI] does not cover fully the provisions of the Lucas bill, H. R. 5894, which is a clean bill. Some of the exemptions in the new Lesinski bill were put in the new Lucas bill, and there are also exemptions more favorable to the wishes and understandings of the service retail establishments.

Mr. LESINSKI. I also want to announce that a summary of the majority of the provisions of H. R. 5856 were included in this morning's letter, and I hope that every Member will study it so when we conclude tomorrow everybody will understand the difference between the Lucas bill and the Lesinski bill.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McCONNELL. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, it was originally my intention to discuss more in detail the various provisions of the new Lesinski bill and the new Lucas bill. However, I feel that due to the fact there are so few Members on the floor right at this time that it might be better to discuss it tomorrow. So, I am going to talk more in generalities at the present time.

Mr. Chairman, I want to make one thing clear right at the beginning. We are not opposing an increase in the minimum-wage rate. Those of us who are supporting the Lucas bill support an increase of more than 60 percent. It is quite obvious that the present rigid 40-cent rate, which is now the law of the land, is inadequate and obsolete.

The real question before us is not the minimum-wage rate. The real question has to do with the coverage and the effect of overtime on small businesses in America. If this act was applied only as Congress originally intended it, we would be in favor of a higher minimum rate than we are now supporting. However, the courts and the Administrator have gradually and persistently extended the law's coverage until it has been spread in many areas of our economic life in this country never intended originally when this act was first considered. I will give you an example of the misunderstanding that occurs in connection with this act. Many Members of Congress, I am sure, do not understand all of it, nor do members of labor unions and manufacturers. I have talked to many of them. They do not understand this act and its implications.

Just the other day, talking outside to an acquaintance of mine who is a member of the CIO, he wanted me to support a 75-cent rigid minimum rate. I started to tell him of the effects that rate would have on various small businesses throughout this country. He interrupted me and said, "This does not apply to the little-business man, this covers only the big fellow." Right then and there I realized the widespread misunderstanding in connection with the Fair Labor Standards Act.

Recently we have had the statement made that all retail and service establishments are exempted. That may be right as far as it goes, but when you start to apply the tests and interpretations that have been applied by the Administrator you will find that many small businesses, nominally recognized as retail and service establishments, are covered. They have to qualify as a retail establishment, and to qualify for that a very unusual test has been put up by the Administrator: That of a 25–75 percentage. In other words, if more than 25 percent of their annual sales volume is in business other than that which is classified as retail by the Administrator, then they are subject to being covered by the act. This means that many small retail and service establishments can be brought under this act.

Let us consider the small wholesalers. I happen to know some of them. There is not much to distinguish some of them from a retailer. They are in the same neighborhood in the city. They are both small-business men, yet one is covered and the other is not covered, if the one is engaged in interstate commerce or in the production of goods for commerce. Due to the twisted interpretations of the Administrator and the lengths to which the courts have gone in following these interpretations, it is getting harder and harder for a business man to know whether or not he is going to be covered by this act, due to the way in which the interpretations of interstate commerce and the production of goods for commerce have been constantly expanded.

Let me give you a few interesting examples of stretched coverage.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Michigan.

Mr. DONDERO. I have a telegram from the largest restaurant owner in my district. They feed about 2,500 people a day. It is their claim, in the wire, that if this bill is enacted and the 40-hour week stands, their pay roll will be increased about 37 percent, which they say they can only add to the menus or go out of business. Can the gentleman tell us whether or not the bill before us does have that effect?

Mr. McCONNELL. The gentleman means the new Lesinski bill, H. R. 5856?

Mr. DONDERO. I do.

Mr. McCONNELL. I would say that the majority of restaurants are probably exempt under the new Lesinski bill.

Mr. DONDERO. They feel they are included in it and have so wired me.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. JACOBS. I believe if the gentleman will examine the bill, he will find they are all exempt.

Mr. McCONNELL. All restaurants?

Mr. JACOBS. Yes; including service establishments.

Mr. McCONNELL. They will be exempt unless the Administrator holds that more than 25 percent of their servicing or business is other than that of a "retail" nature. We are not sure, of course, what the Administrator will hold.

Mr. DONDERO. If the gentleman will yield before he proceeds, I would like to state that I am getting telegrams from restaurant owners from all over my district. They all make nearly the same complaint. They believe they are included in this bill and that it will increase their pay roll so that they would have to increase their costs, and thus the cost of living would be increased.

Mr. McCONNELL. I will answer by reading from the bill itself. It says, under 13 (a) (2) of the Lesinski bill, H. R. 5856, that "any employee of a retail or service establishment" is exempt:

> An establishment shall not be deemed a retail or service establishment within the meaning of this subsection if more than 25 percent of its annual dollar volume during the preceding calendar year was derived from activities other than retail selling or servicing.

The bill reads further:

> As used in this subsection, "retail selling or servicing" means selling or servicing to private individuals for personal or family consumption, or selling or servicing (but not for resale) where (1) the goods sold or serviced do not differ materially either in type or quantity from goods normally sold or serviced for such personal or family consumption, or where (2) the customer is a farmer and the goods sold or serviced are of types and in quantities used by the ordinary farmer in his farming operations.

Originally I thought probably they would be exempt, but they have to go through this test that the Administrator applies. How he will continue to rule or how he will rule in the future, I do not want to say. They are not exempt automatically, but must go through these various tests by the Administrator. That is where the whole trouble has arisen in regard to the Fair Labor Standards Act, and its applications as to small-business men. Many retailers appear before our committee, such as coal men and icemen and other retail establishments of various small business and retail services, laundries, and so forth. They do not know whether they are covered by the Fair Labor Standards Act, or whether they are out of it.

Mr. BREHM. If the gentleman will turn to page 4 of the report showing the comparison between the present act and the proposed Lesinski bill and the Lucas bill, he will read just what our ranking minority member has been saying. It says:

> In accordance with the existing administrative interpretations.

Mr. McCONNELL. That is right.

Mr. DONDERO. May I ask the gentleman from Pennsylvania if he would explain the difference between the Lesinski bill and the Lucas bill and explain the manner in which the Lucas bill treats that same subject?

Mr. McCONNELL. May I suggest to the gentleman that I will go into that tomorrow. I do not want to get the picture too confused here today. I would like to keep it as much in order as possible.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. LUCAS. I do not mean to trespass on the gentleman's time, but to answer the question of the gentleman from Michigan, I believe I should direct his attention to the fact that in the Lesinski bill if the sales are made for other than private or personal or family consumption, they might be considered nonretail sales by the Administrator—that is, they will be so considered. But, if they constitute more than 25 percent of such sales, then they do not enjoy the exemption under this bill. Therefore, if a businessman operates a banquet hall, which might bring in more than 25 percent of his income, by business other than for family meals, for example, or if he is operating a business which is not solely for families or business of that character, then there is every likelihood that such a businessman would be covered under this bill, should it be enacted into law. And he will not enjoy this exemption.

Mr. McCONNELL. I have mentioned one of the big problems and difficulties in connection with this act, which is the fact that it is complicated and deceptive. You think you are out from under coverage of the act and then you discover by the tests that have been established by the Administrator concerning the various provisions of this act that you are not exempt. I would like to give you a few examples at this time of the coverage under the interpretations of the Fair Labor Standards Act, which in many cases would also apply to the new Lesinski bill.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. LESINSKI. The gentleman realizes that the Administrator has certain power and the Labor Department has certain other powers. That is the reason why we wanted to bring all the power, under the Hoover plan, into one place—the Department of Labor—where it should be, so that decisions can be made at the time, and directions written in such language so that a man is not pulled into court unnecessarily.

Mr. McCONNELL. I would like to show you how the coverage of this act has been expanded. I am sure when you hear some of these you will hardly believe it is possible that these men have anything to do with interstate commerce or the production of goods in interstate commerce, unless you stretch it greatly.

The following employees have been held to be covered by the Fair Labor Standards Act: Maintenance employees of local real-estate offices. Employees of local coal dealers are covered. Do not forget the exemption that you think they have.

Watchmen and guards are covered. Nursery employees are covered. Employees of an automobile dealer. Messengers are covered. Employees of a burglar alarm company are covered. I have the cases before me here. Employees of architectural firms are covered. Cosmetic sample girls are covered. Stenographers and typists are covered. Employees of a fertilizer company are covered. Employees of a local stationery company are covered. Employees of local scrap-iron dealers are covered. Employees of independent cafeterias are covered. Window cleaners are covered. Employees of local dry-cleaning plants are covered. Retail service—bear in mind how this has been stretched. Employees of armored car services are covered. Employees of local exterminator companies are covered. Typewriter repair service is covered. And the list goes on and on.

As I said before—I do not want to take too much time now, as I am going to take additional time when we go into a discussion of other parts of the bill, but I would not be opposed to a raise of the minimum rate to 75 cents if this act were applied as it was intended by the Congress when originally put on the books.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. McCONNELL. Mr. Chairman, I yield myself one additional minute.

Mr. Chairman, if this bill or any bill before us could be so written that the original intent of Congress would be clearly spelled-out in the bill, I would be for a higher rate than I am now supporting. Or if we just brought in a bill to apply to manufacturing and mining and transportation; in other words, the big outfits generally, in interstate commerce as we understand it, I would be ready then to vote for a 75-cent minimum.

As I have studied this whole argument, it seems as though we should have two bills; one bill to apply to big businesses engaged in interstate commerce, which would have no difficulty at all in absorbing the 75-cent rate; and another bill applying to small business. But unfortunately, by twisted administrative rulings and court decisions which follow the Administrator's rulings, this act has brought in many small-business men. It is that fact that leads me to be cautious in considering the question of raising the rate, too high at the present time.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. LESINSKI. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. LUCAS].

Mr. LUCAS. Mr. Chairman, this House has a very difficult decision to make in this matter; there has never been a bill in all the history of this country that has been so misconstrued, so twisted, so tortured as the present Fair Labor Standards Act. The Administrator, of course, has had some very tough decisions to make, because the law under which we are now operating was an experiment. It launched us into a new field, and it was a socio-economic experiment which brought the United States Government into a field never before attempted by this Government; so it was simply an experiment. I am rather ashamed that the Congress has waited 11 years to correct it, to clarify it, because no such experiment could have been perfect from inception.

I want there to be no doubt of it. I am a strong adherent of minimum-wage legislation. I am a firm believer in raising the minimum wage. I think, however, that the most pressing duty upon us is to clarify the words of this act so that both business and labor may know who is and who is not covered under the act. We cannot hope to attain any stability in our economy with a statute such as this on the books. We must correct the interpretations which the Administrator has given to its features and we must make it apply evenly, that is, as evenly as possible, in all industry. The Fair Labor Standards Act has not had an adequate test. Soon after it was passed our country entered into war production and wages went up all over the country. Then we were attacked and the economy boomed and we have been in this state of prosperity ever since. No one can say what effect such legislation as this might have in a severely declining economy. Whether it will cause unemployment and the closing of plants is impossible to say.

I wish to emphasize this, however, to my fellow Members of the House: If this law which we pass this session does not promote employment and provide a floor under our economy which will be a stabilizing influence, and if it is not more fairly administered, I shall come back before this House and ask that the law be repealed. I give you my word on that.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. Not for the time being.

Mr. Chairman, I hope it may be understood that I do not care to yield until I have completed my presentation.

Mr. Chairman, it must be understood that in enacting a minimum wage we are not enacting an American standard wage; we are not trying to create any maximum rate for all employees. The minimum wage is exactly what its name implies, it is a minimum wage, it is a rudimentary standard; as President Roosevelt stated when he sought the passage of this act, a rudimentary standard for all employees in interstate commerce. And so we must remember that we are not providing 75 cents an hour, or 65 cents an hour, or 50 cents an hour as a living wage; what we are trying to do is to prevent dire poverty from existing in our society, dire poverty which feeds into our society undesirable citizens, and the inevitable evils which flow out of such condition, juvenile delinquency, disease, and crime. We must also have this

floor under our system to protect the American economy.

If you have a copy of the new Lucas bill I ask you to examine it so that as we go through it you may understand what changes in the present law I have sought. Others have announced that there will be introduced for consideration in this House at the conclusion of general debate H. R. 4272. I have amended H. R. 4272 with a view to correcting some small inaccuracies and to grant some exemptions which the administration has accepted. The number of my new bill is 5894. So that we may understand just exactly what we are doing I ask you to look at the bill. The first principal difference between my bill and the Lesinski bill is found in section 3 (j), in the definition of the word "produced."

Section 3 (j) changes the latter part of the existing definition of "produced" by providing that an employee shall be deemed engaged in the production of goods if he is employed in any closely related process or occupation indispensable to the production thereof. The changes consist of (a) inserting the words "closely related" before the words "process or occupation," and (b) substituting the word "indispensable" for the word "necessary." These changes are needed in order to stem, and in some cases, reverse the action of the Administrator and the courts in bringing under the act many businesses of a purely local type by giving to the word "necessary" an all-inclusive construction.

The changes do not in any way remove from the act the industries engaged in manufacturing, producing, or mining goods for interstate commerce. Moreover, they leave unchanged the coverage of employees who make, repair, or maintain machinery tools and dies used in the production of goods for interstate commerce, irrespective of whether such employees are employed by the manufacturer or producer of the goods or by an independent concern. The proposed changes would, however, reverse the Supreme Court's ruling that the act applies to a local window-cleaning company doing business wholly within the State but some of whose customers are engaged in interstate commerce or in the production of goods for interstate commerce—*Martino* v. *Michigan Window Cleaning Co.* (327 U. S. 173 rehearing denied 327 U. S. 816). The changes would also no longer make it possible for the Administrator to rule—see *McComb, Administrator* v. *Super-A Fertilizer Works* (165 F. (2d) 824 (C. C. A. 1))—that the act applies to a local fertilizer company engaged in selling all of its fertilizer to local farmers within the State for use on land on which sugarcane is grown, which cane is then sold to sugar mills within the State and processed into raw sugar which is sent out of the State. Nor could the Administrator hold the act applicable as he has in the past to the following:

(a) Employees of a local independent nursery concern whose duties include mowing the lawn around the plant of a customer within the State engaged in producing goods for interstate commerce—1944–45 Wage-Hour Manual, page 125;

(b) Employees of a local architectural firm whose activities include the preparation of plans for the alteration of buildings within the State which are used to produce foods for interstate commerce—1944–45 Wage-Hour Manual, pages 138–139;

(c) Employees of a local exterminator service firm, who work wholly within the State exterminating pests in private houses, apartments, hotels, barber shops, colleges, hospitals and also in buildings within the State used to produce goods for interstate commerce—3 C. C. H. Labor Law Reporter, fourth edition, paragraphs 25, 150, 385;

(d) A local typewriter service and repair company engaged in servicing typewriters and adding machines for customers all of whom are within the State but some of whom are engaged in interstate commerce or in the production of goods for interstate commerce—3 C. C. H. Labor Law Reporter, fourth edition, paragraphs 25, 180, 81; and

(e) Employees of an independent cafeteria or canteen located in a factory which produces goods for interstate commerce, the cafeteria serving the employees of the factory—*McComb* v. *Factory Stores Co.* (81 F. Supp. 403).

The basis, upon which the Administrator and the courts have relied in sweeping all of the foregoing local retail businesses under the act, has been that some of the customers of such businesses are engaged in the production of goods for interstate commerce and therefore the employees of the local retail businesses are engaged in a process or occupation necessary to the production of goods for interstate commerce, notwithstanding that all of their goods or services are sold or rendered within the State to customers located within the State. The rulings of the Administrator and the courts have ignored the history of the law showing the absolutely clear congressional intent that local business was to be excluded. The amendment to section 3 (j) proposed in the substitute bill would make it clear that the law is to be applied within the bounds originally contemplated.

It will be recalled that just about 2 months ago the Supreme Court handed down a decision, on June 27, in the case of Farmers Reservoir and Irrigation Co. against William R. McComb, Administrator, involving a mutual irrigation company supplying water to its farmer members. Let me read you what the Court said in its decision:

> Section 3 (j) provides that "for purposes of this act an employee shall be deemed to have been engaged in the production of goods if such employee was employed * * * in any process or occupation necessary to the production thereof." From the beginning, this Court has refused either to read this provision out of the act by limiting the coverage of the act to those actually engaged in production or, on the other hand, to expand it so as to include every process or occupation affecting production for commerce. We have held that if an occupation, not itself production for commerce, has "a close and immediate tie" with the process of production, it comes within the provisions of section 3 (j). Applying this standard, the court of appeals quite properly held that the field employees here are engaged in an occupation necessary, in the statutory sense, for the production of agricultural commodities shipped in commerce.

Where will it end, Mr. Chairman? Are we not able to draft legislation which will prevent these extraordinary extensions? Congress surely did not mean to extend this act over the farmer in his irrigation ditches. Let us clarify the language so that the Administrator cannot seek such powers through the courts.

Mr. Chairman, I wish that I had time to discuss at length all the changes that have been made in the Lesinski bill and in the Lucas bill. The changes that have been made in the Lucas bill are clarifying changes.

I do not believe there is a Member of this House who wants the present act to remain just as it is on the books. It has been carried too far for us to allow it to remain on the books. One of the reasons I am most anxious that we enact some legislation of this character is because if we do not clarify these provisions of the law the Administrator is going to go to the courts and say: "The Congress had this bill before it; it took no action upon it; therefore it has confirmed our past actions." So they can even extend the meaning of this act even further beyond anything ever intended by the Congress. I think that the heart of this bill is in the rate which might be fixed. In the Lucas bill we have chosen 65 cents as the minimum until January 1, at which time there will go into effect a rate which will be ascertained by tying in the minimum wage to the cost of living, so that there will be a provision which is flexible in the bill which moves up or down with the times.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. I yield to the gentleman from Michigan.

Mr. DONDERO. I notice in this telegram which I have received from these folks that they say they want me to support the retail and service trades exemptions as they appear in the Lucas bill, H. R. 4272. Has that been changed in the bill which the gentleman introduced on August 5?

Mr. LUCAS. No, sir, but I have made it more clear. I have not changed the original verbiage of the first bill which I introduced but I have added a definition of laundries so that they may secure an exemption under this act and I have given some exemption under the act to small tailors, candy shops, bakers, and those in like lines of business who process or make the goods which they sell in retail establishments.

Mr. DONDERO. What does the gentleman do in this bill in regard to caddies on golf courses, boys and girls who are in high school or now out of school during their vacations working and earning a little money picking fruit or picking vegetables, pulling weeds, and things of that kind? What does the gentleman do with them?

Mr. LUCAS. Well, sir, it is going to be difficult to find them in interstate commerce, but I do not question the

ability of the Administrator, the present Administrator, to find that caddies are in interstate commerce, if they are handling golf balls which were produced across the State line, or if they are carrying golf clubs which are produced in another State, or if they are working for a traveling man. The Administrator might well find them to be in interstate commerce.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. I yield to the gentleman from Indiana.

Mr. JACOBS. Has the Administrator held caddies to be in interstate commerce?

Mr. LUCAS. I will answer the gentleman by saying that if he has not done so, it is because the problem has not yet been presented to him.

Now I would like to discuss the retail amendment and exemptions under the bill.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. I yield to the gentleman from Ohio.

Mr. BREHM. Was not the problem before our committee more to have the Administrator define who shall not be covered by the bill than it was to find who was covered by the bill?

Mr. LUCAS. I believe the Administrator and the Secretary asserted unequivocally before our committee that the only person that they knew would not be covered by the original bill was a barber, and they said, "Probably," so we know that is what the Administrator desires. The new Lesinski bill may have some exclusions, but we know what the Administrator wants.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. McCONNELL. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. JACOBS. Mr. Chairman, will the gentleman yield? There was something the gentleman said that I think should be clarified.

Mr. LUCAS. I yield.

Mr. JACOBS. The bill that the gentleman is talking about, I think he will agree, had the words "affecting commerce" and that is what the Administrator was referring to when he said "may be a barber shop"; is that correct?

Mr. LUCAS. Yes; but they took out the words "affecting commerce" in the first bill and then inserted other verbiage meaning the same thing in the second bill, and those words are still in this Lesinski bill.

Mr. JACOBS. The gentleman means those words are in this bill now?

Mr. LUCAS. I do not mean the words "affecting commerce" are in this bill.

Mr. JACOBS. They are not before the House in any bill, are they?

Mr. LUCAS. No; but the intention is evident, and we need have no doubt where the Administrator is going if we give him the power he asked for.

I shall ask further time tomorrow to talk about the retail amendment and exemptions. If I were forced and compelled to compare the two amendments briefly, I would say this: The Lesinski bill takes the Roland case, which set out the words "for personal or family consumption," as a limitation upon the exemption and puts such words into law, thereby confirming all the interpretations of the Administrator with reference to retail and service establishments. My bill has clarified the retail and service exemptions so that there can be no doubt as to who is within the act and who is not within the act. If a man is in the typewriter service business or if he is operating an office supply store, known to be retail, and he sells his goods at retail, the Lesinski bill expressly prevents him from enjoying the retail and service exemption. Mine does not but rather enables such person to enjoy the exemption.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. McCONNELL. Mr. Chairman, I yield five additional minutes to the gentleman from Texas.

Mr. LUCAS. I do not mean to impose upon the Members of this House, but it has been totally involuntary with me that I have been thrust into this field of minimum-wage legislation, and I have been immersed in it for the last 6 months. I could talk here until this time tomorrow, if my voice were to hold out, explaining the provisions of my bill and pointing out the differences between my bill and that of the chairman of my committee.

I should like to point out this amazing thing that is in the Lesinski bill. If you will get a copy of the Lesinski bill and look at section 16 on page 38, with reference to penalties, you will find that section 16 (c) gives the Secretary of Labor power to bring suit against employers to recover allegedly unpaid back wages or overtime compensation. Those who are sponsoring the Lesinski bill will say to you that this power resides in administrative officers within the States. That is partially true and partially not true. That power is exercised in some States. For instance, in the State of Wisconsin they have the power to bring suit for amounts not exceeding $100. In other States they have the power to bring suit where the claimant is indigent. But in this provision we are giving the Secretary of Labor power to bring suits, in every instance, and making him the lawyer for every claimant in the land, notwithstanding his financial condition or the amount claimed.

But let me point this out to you, and to my mind it is outrageous. Remember this, the Federal Government is sovereign. Every time power is exercised by the Federal Government there is no statute of limitations upon it unless so prescribed in the legislation. There is absolutely no limitation in the Lesinski bill against the bringing of these suits. If you will refer to this section you will find they have not added any such limitation. Therefore, the authors of this bill in the Department of Labor have slyly inserted this provision into this bill, giving the power to bring suit back to the day when the original Fair Labor Standards Act was passed.

I call your attention to this fact. They have added a proviso in this bill. I do not accuse my honorable chairman of doing this. The boys down in the Department of Labor have done it. They added a proviso in the bill which states:

Provided, That nothing in this subsection shall affect or limit in any way the full equitable jurisdiction of the courts under section 17 of this act.

I wondered why they put that in there, and I found out that there were a couple of decisions recently where a Federal court exercised the purported equitable power to order the restitution of back wages, in an injunction suit. The Secretary of Labor wants that power set out in the law and confirmed, so he is setting out that the equitable jurisdiction of the courts is not to be meddled with.

So you can see that they are not only taking the power to bring suits back to 1938, but they are taking the power to bring restitution suits in the form of injunctions, something that the Congress never intended when it originally passed this act.

I am going to insert a brief on this which I have prepared and which will be in the RECORD for the Members to read on tomorrow. I ask you all to read it because it cites cases as proof.

Let me tell you how the other body dealt with this. When the other body was taking this up they wrote a definite provision of limitation of time within which to bring suits for back wages or for allegedly unpaid back wages. But the gentleman from Michigan [Mr. LESINSKI] has not done so. I hope when he discusses this matter later on he will explain to us why he gives the Secretary of Labor the power to bring suits back to a period of about some 10 years.

The present Federal wage-and-hour law carries an exemption for employees engaged in retail or service establishments, exempting as follows: "Any employee engaged in any retail or service establishment the greater part of whose selling or servicing is in intrastate commerce."

This exemption had the support of the Roosevelt administration and its leaders in Congress. In originally recommending minimum-wage and maximum-hour legislation, in a message to the Seventy-fifth Congress on May 24, 1937, President Roosevelt urged the enactment of such legislation on behalf of those "who toil in factory," but he also stated that "there are many purely local pursuits and services which no Federal legislation can effectively cover."

Chairman Black, of the Senate Labor Committee, in opening Senate debate on the proposed bill, stated that the bill was not intended to, and it did not, attempt to fix minimum wages and maximum hours in all the varied peculiarly local business units of the Nation, and that "businesses of a purely local type which serve a particular local community and which do not send their products into the streams of interstate commerce can be better regulated by the laws of the communities and of the States in which the business units operate"—Eighty-first CONGRESSIONAL RECORD, page 7648. To make absolutely sure that retailing was exempted, a special exemption was written into the bill pursuant to Congressman CELLER's plea on the floor of the

House to "dissolve all doubt, dispel all chance of misinterpretation," and to make "clear beyond peradventure of a doubt that retailing is exempted"—Eighty-third volume of the CONGRESSIONAL RECORD, page 7438. The hearings on that bill show that the administration's attitude was much influenced by the experience gained under the NRA, which revealed the imposibility of requiring the tens of thousands of local retail and service trades to conform to a single set of minimum-wage and maximum-hour standards. The opinion of the Supreme Court of the United States in *Roland Electrical* v. *Walling, Administrator* (326 U. S. 657) gave rise to the view that many, perhaps most, of the establishments which had previously been commonly recognized as retail are not embraced within the exemption so written into the law. In that case the Supreme Court held that no sale is retail if made to a purchaser who buys for business or nonfamily use.

The Lesinski bill denies the exemption to many large groups of retailers. This is done by denying the exemption to any retail or service establishment which sells more than 25 percent of its goods or services to customers who buy for business or nonpersonal or nonfamily uses—section 13 (a) (2). The effect would be to write into the law expressly the rule laid down by the Supreme Court in the Roland Electrical Co. case that no sale is retail if made to a purchaser for a business use. This limitation upon the exemption would cause discrimination between many local establishments and employees performing similar or identical activities. Most retail and service establishments sell and serve both private household and local business customers. But under the limitation which this bill would create, the hardware store selling 75 percent of its hardware to private individuals for their personal or family use would be exempt, while the hardware store across the street selling over 25 percent of its hardware to contractors and other local businessmen for use in their businesses would not be exempt. The Ford automobile dealer, 75 percent of whose business consisted of selling Ford pasenger cars, would be exempt, while his competitor, the Chevrolet dealer, over 25 percent of whose business consisted of selling trucks to various local enterprises such as grocery stores, butcher shops, or bakeries would not be exempt. The furniture store selling 75 percent of its furniture to private individuals for personal or family use would be exempt, but the furniture store selling over 25 percent of its furniture to lawyers, doctors, and dentists for office use would not be exempt. The service station selling 75 percent of its gas and oil for use in passenger cars would be exempt while the service station selling over 25 percent of its gas and oil for use in trucks would not be exempt.

The Lesinski bill also would deny exemption to employees of an independent cafeteria located in a factory serving the employees of that factory—*McComb* v. *Factory Stores Co.* (81 Fed. Sup. 403). In addition the bill casts grave doubt upon the application of the exemption to a hotel engaged primarily in serving commercial travelers or business customers.

While this bill purports to exempt the establishment selling to the farmer, it does not in fact exempt many such establishments. As the establishment is exempt only when it sells goods of the type and in quantities purchased by the ordinary farmer, any sale to a large farmer, who purchased in quantities greater than the average or who purchased machinery of a size greater than the average, would be nonretail.

This bill, however, does liberalize the exemption in one particular. It exempts the large mail-order house from the wage and overtime requirements of the act, since it places no limitation upon the amount of interstate selling a retail or service establishment may engage in.

EXPLANATION OF THE PROPOSED AMENDMENT TO THE RETAIL AND SERVICE ESTABLISHMENT EXEMPTION IN H. R. 8594

It is recommended that section 13 (a) (2) of the present law be repealed and that in lieu thereof the following be enacted:

(2) Any employee employed by any retail or service establishment, more than 50 percent of which establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located. A "retail or service establishment" shall mean an establishment 75 percent of whose annual dollar volume of sales of goods or services (or of both) is not for resale and is recognized as retail sales or services in the particular industry; (3) any employee employed by any establishment engaged in laundering, cleaning, or repairing clothing or fabrics, more than 50 percent of which establishment's annual dollar volume of sales of such services is made within the State in which the establishment is located, provided that 75 percent of such establishment's annual dollar volume of sales of such services is made to customers who are not engaged in a mining, manufacturing, transportation, or communication business.

An explanation of paragraph (2) of the proposed amendment follows:

First. Under the first sentence the exemption extends to any employee "employed by," rather than "engaged in," any retail or service establishment. This change makes it clear that such employees, as outside collectors and buyers who are employed by a retail or service establishment, are exempt, even though they perform their work away from the establishment. Likewise, an employee employed by a farm implement dealer to repair farm machinery on the customer's farm would be exempt.

Second. Also under the first sentence a retail or service establishment is exempt so long as more than 50 percent of the annual dollar volume of the establishment's sales is made within the State in which the establishment is located. The language "the greater part of whose selling or servicing is in intrastate commerce" found in the present law is eliminated, thus resolving confusion and ambiguities which such language has created. See the Administrator's annual report to Congress for 1948, pages 120–122. As the present language in the law has been construed, there is a serious question as to whether an establishment is selling or servicing in intrastate commerce where it sells to or renders service for customers within the States who are themselves engaged in interstate commerce or in producing goods for interstate commerce, for example, a farm-implement dealer selling to farmers who produce goods for interstate commerce—*Kirschbaum* v. *Walling* (316 U. S. 517, 526); *Boutell* v. *Walling* (327 U. S. 463, 467); *Roland Electrical Co.* v. *Walling* (326 U. S. 657); *Martino* v. *Michigan Window Cleaning Co.* (327 U. S. 173 rehearing denied, 327 U. S. 816). Also there may be a question as to whether an establishment is selling in intrastate commerce where it sells goods received from outside the State to customers within the State from whom it had prior orders for such goods or even where, without prior orders, it sells fast-moving merchandise so received from outside the State to regular customers within the State—*Walling* v. *Jacksonville Paper Co.* (317 U. S. 564). These questions would be resolved by making it plain in the law that a retail or service establishment is exempt so long as over 50 percent of its annual dollar volume of sales is made within the State in which it is located.

Third. The second sentence of the amendment provides that in order for an establishment to be a retail or service establishment within the meaning of the exemption, two tests must be met: (a) 75 percent of its sales must not be for resale; and, (b), 75 percent of its sales must be recognized as retail sales or services in the particular industry. This means that any sale or service to a private consumer, businessman (who does not purchase to resell) or farmer will have to be treated by the Administrator and courts as a retail sale or service, so long as such sale or service is recognized in the particular industry as a retail sale or service. Thus, the sale by a farm implement dealer of farm machinery to a farmer will be retail irrespective of the fact that in some cases farm machinery may be sold to the farmer at a discount, if the sale is regarded as retail in such industry. So too, sales by the hardware store, the coal dealer, the automobile dealer, the dry goods store, the paint store, the furniture store, the stationer, and so forth, whether made to private householders or to business users, will be retail, so long as they are not for resale and are regarded as retail sales or services in such trades. Likewise, the services of hotels, restaurants, repair garages, filling stations and the like, whether rendered to private householders or to business customers, will be retail so long as they are regarded as retail services in such trades. No longer will it be possible for the Administrator to rule, as he has under the present law, that if a drug store sells drugs to a physician or hospital, the sale is not retail but if it sells drugs to a private household consumer the sale is retail; or that if an automobile dealer sells a truck to the local butcher, baker, or grocer the sale is not retail, but if he sells a passenger car to a private consumer the sale is retail. These and the many other like discriminatory interpretations of the Administrator are eliminated by the amendment. Under the amendment the courts would decide

the question of what sales or services are recognized as retail in the particular industry. An employer claiming exemption would have the burden of proving to the courts that in fact 75 percent of his sales or services are recognized as retail in his industry.

The amendment thus has the effect of confirming the exemption for the various local neighborhood businesses whom it was the original purpose of the existing law to exempt. Included among such businesses are the grocery stores, the hardware stores, the clothing stores, the dry goods stores, restaurants, hotels, stationery stores, farm-implement dealers, automobile dealers, coal dealers, paint stores, furniture stores, and lumber dealers.

Fourth. Almost any retail or service establishment—stationer, hardware store, automobile dealer, coal dealer, lumber dealer, and so forth—may do some selling which is not strictly regarded as retail, such as selling to purchasers who buy to resell. Consequently some tolerance of nonretail activities must be allowed if the exemption is not to be completely read out of the law. The Administrator himself recognized the necessity for this tolerance in his testimony before the House Labor Committee. Hearings on H. R. 2033, Eighty-first Congress, first session, pages 57–58. See also, the Administrator's 1948 Annual Report to Congress, pages 119, 121. The proposed amendment fixes this tolerance at 25 percent, the same tolerance presently allowed by the Administrator and also proposed in the Lesinski bill.

In summary the retail and service establishment exemption will not apply under the proposed amendment unless three tests are met. First, over 50 percent of the sales by dollar volume of goods or services must be made in the State in which the establishment is located; second, 75 percent of such sales must be to ultimate consumers and not for resale; and, third, 75 percent of such sales must be recognized in the industry as retail sales or services. With respect to the third test it should be pointed out that the terms "retail" and "wholesale" are trade terms well known and commonly accepted in industry. Anyone opposing the proposed amendment must necessarily take the position that Congress, in granting the retail and service establishment exemption, intended to reject what is traditionally recognized as a retail sale or service in industry, and to adopt an arbitrary concept of what is retailing or servicing.

This bill does not exempt mail-order houses, since it requires the retail or service establishment to make over 50 percent of its sales within the State.

AREA OF PRODUCTION 7 (C) 13 (A) (11)

Still another change required in the law is the transfer of the authority to define the term "area of production" from the Administrator to the Secretary of Agriculture. The history of the Administrator's definitions of area of production is too well known for me to spend much time repeating it. The Administrator's grudging and narrow definitions can only be attributed to a desire substantially to limit the exemptions which Congress wrote into the law for the agricultural processing industries. For a long time he defined area of production in terms of how many employees an establishment had. After the Supreme Court invalidated such definition, the Administrator issued other definitions in which one of the controlling factors has been the size of the town in which the agricultural processing establishment is located. In my opinion the Administrator has demonstrated a complete lack of understanding of the problems of agricultural processors and of the economic facts as to what are areas of production for particular agricultural commodities. The Secretary of Agriculture, in view of his greater familiarity with the matter of what such areas of prpoduction are, seems better qualified to define the term.

This change, I might add, was made upon the suggestion of a number of members of the Agriculture Committee.

Let me read you a letter I have received:

FULLER GRAIN CO., INC.,
Kansas City, Mo., March 21, 1949.

Hon. WINGATE H. LUCAS,
House of Representatives,
Washington, D. C.

DEAR MR. LUCAS: I wish to thank you for the printed copy of bill H. R. 3190 and your letter in answer to my letter opposing the enactment of this bill.

After reading bill H. R. 3190, will say that I still oppose it. Relative pages 52 and 53 regarding seasonal exemptions, we are glad to receive the 14 workweek seasonal exemptions which the Labor Department very kindly conceded; however, in my recent letter to you I opposed this bill primarily because the bill does not include the area-of-production exemption of the Fair Labor Standards Act of 1938, which gave complete exemption to individuals engaged in storing and handling of agricultural commodities.

The business of operating a country elevator is not one where all hands report to work when the 8 o'clock whistle blows and quit on the 5 o'clock whistle. For instance, weather conditions have been such in rural Nebraska for at least the past 6 weeks that many of the rural roads have been passable only during the early morning, when the roads are frozen. Any grain bought, therefore, has to be delivered before the roads begin to thaw. A situation such as this necessitates opening an elevator practically before the sun comes up; however, after 10 or 11 o'clock in the morning one still has to keep the elevator open, and all hands have nothing to do but sit around and put their feet on the stove. This is merely one example why the area-of-production exemptions should not be eliminated from the Fair Labor Standards Act.

Again thanking you, I am

Yours very truly,

J. F. BAUMGARTNER.

So you can see, Mr. Chairman, how important it is that we continue this overtime exemption.

SEVENTY-FIVE-CENT MINIMUM WAGE

Mr. Chairman, other Members of Congress evidently believe that the figure which is decided upon by this House to be the minimum wage in this act is the very heart of this legislation. I do not entirely agree. It is a most important provision and one which must be thoroughly considered, but I believe a clarification of the present law is as important to this country as any figure which we might reach as our minimum wage. Our domestic economy is simply too unstable for us to fail to expressly provide in this legislation as to who is under and who is not under this act. The interpretations of the administration have been so distorted, so tortuous, so extended, and so indefinite that there is hardly a business in the land that may not, under some decision of some court, be found to be under the act, and thereby liable for back wages or overtime payments to its employees, plus an equal amount as liquidated damages. This is a serious situation and certainly should be straightened out.

But the subject of how much we should decide to pay the employee in interstate commerce as a minimum wage is one which, I do not doubt, is a very crucial part of this legislation. And we must handle the matter as skillfully as the most highly trained surgeon in operating upon this vital organ, our domestic economy. A too-high minimum will create unemployment as certainly as night follows the day. Unemployment begets unemployment and their offspring is depression. Therefore, it seems to me, that we should carefully attempt to find a figure which will raise living standards, prevent dire poverty and its results, and not cause unemployment.

It is my belief that 75 cents is simply too high. I know, and I mean by that, that I am certain that such a figure in a national law would cause the discharge of unnumbered workers in marginal industries in my district. You may assert that they would be unemployed for but a short period of time until the employer could readjust his price schedules in order to be able to bear this added cost. If the employer is able to readjust his costs he must raise his prices and by doing so he creates further customer resistance and thus reduces his sales volume. Are we wise in caring for the employees in such a plant when the inevitable result will be that their cost of living will ultimately rise to wipe out any gain which they may have made in wages?

While we are talking about the 75-cent figure, I think it is important to quote the words of Mr. Austin Anson, of the Texas Citrus and Vegetable Shippers Association. When asked if a 75-cent minimum wage would create unemployment, he answered:

It would create a world of unemployment. We will mechanize to the nth degree; we will have to. It will mean less production in our field, not more.

Thus, you see, it will raise the costs to the consumer all along the line.

It is not enough to legislate a living wage, without guaranteeing employment. This is exactly what we will be doing—that is, raising wages without assuring jobs—in attempting to raise the minimum wage to 75 cents an hour. We will be putting in the law a living wage, but in practical effect we will be discharging the employee.

Flexibility is the answer. If the employee can receive sufficient funds for his labor to provide him the rudimentary standards of decency which President Roosevelt sought, under any and all conditions, whether inflation or depression,

we will have reached our objective. That is what my bill provides. The cost of living is used as a standard to which the legislated minimum wage is attached, and as costs of the employee go up his wages rise, as costs of living go down his wages decrease. This does not penalize the employee, for it has the effect of retaining him in his job, for the employer is enabled under such a system to alter his sales prices to meet the changing conditions, and thus retain the same number of people on his pay roll.

If the minimum wage is set too high and is inflexible, it will in time of slow business activity bring about these results:

For employers: Retrenchment, and then either a wholesale violation of the law in order to keep going, or a complete shut-down.

For employees: Unemployment, return to WPA, relief rolls, and a low standard of living. They will have a high wage but no job.

For Government: Wasteful and extraordinary expenditures to subsidize business, furnish artificial employment such as WPA, and maintain relief rolls. In addition, there will be a need for bureaucracy to control production, possibly to destroy crops, and to maintain the price structure in an attempt to hold up unrealistic wages.

For all citizens: Surrender of more rights to the state and the loss of individual economic freedom.

SEAMEN

The Congress which enacted the Fair Labor Standards Act of 1938 exempted seamen from the provisions of such act because it recognized that the seagoing profession was unique and should not be classified with professions ashore, and because of its desire to avoid conflict with the laws already enacted, and the regulations promulgated under them, governing the wages, hours, and working conditions of seamen. Succeeding Congresses have recognized the wisdom of this action by refusing to enact legislation which would bring seamen within the scope of the Fair Labor Standards Act. The reasons which existed in 1938 for the exclusion of seamen from the provisions of the act are still valid.

Furthermore, the over-all objective of the Fair Labor Standards Act to eliminate labor conditions detrimental to the maintenance of the minimum standard of living necessary for the health, efficiency, and general well-being of workers has been achieved in the shipping industry through collective bargaining. The lowest paid American seaman, who is the highest paid maritime worker in the world, has a basic wage of approximately $200 per month. This basic wage does not include numerous penalty and overtime payments, which constitute an addition of approximately 35 percent. Computed on an hourly basis, such a seaman receives a basic wage of approximately 80 cents an hour which is in excess of the proposed minimum wage. If the value of board and lodging is included in determination of the minimum wage, as is the almost universal practice in other industries, the seaman receives a basic wage of approximately $1.07 per hour.

The inclusion of seamen within the minimum wage provisions of the Fair Labor Standards Act as proposed by H. R. 5856 is unnecessary and confusion would be the only result.

H. R. 5856, which brings seamen within the minimum wage provisions of the Fair Labor Standards Act of 1938, prohibits inclusion of the cost of board and lodging furnished by an employer to an employee in determining the minimum wage under such act where the furnishing of such facilities is incident to the employment and practically available only from the employer.

It is the practice in the shipping industry for the shipowner to furnish subsistence to seamen on board ship without making deductions from their wages. This subsistence represents a substantial cost to the shipowner, being estimated at approximately $75 a month per man in 1945 and a corresponding benefit to seamen. Value of the subsistence has been taken into consideration in the negotiation of collective bargaining agreements establishing basic wage rates for seamen, and is considered to be a part of wages for social-security taxes.

It is, therefore, unfair to exclude the value of these facilities in certain specified instances, the logic of which is not apparent, in determining the minimum wage under the Fair Labor Standards Act. The more uniform policy in industry generally should be followed to continue existing provisions of the act permitting inclusion of the cost of the facilities.

The Supreme Court in interpreting the Fair Labor Standards Act of 1938 has held (*Armour & Co.* v. *Wantock*, 323 U. S. 126 and *Skidmore* v. *Swift & Co.*, 323 U. S. 124) that employees required to remain on the premises and subject to call, whether working or not, must be compensated in accordance with the terms and provisions of such act. Seamen must, of necessity, remain on board a ship while it is being navigated. Furthermore, under the maritime law, any person on board ship, whether he be on duty or not, is subject to the call of the master in the event of an emergency. If this principle is held to be applicable to seamen brought within the minimum wage provisions of the Fair Labor Standards Act by H. R. 5856, the required payment of the minimum wage for 24 hours each day (even though not more than 8 hours might be worked during such day) would result in a minimum wage more than three times that contemplated by the Fair Labor Standards Act.

RULE-MAKING POWER

In the Lesinski bill, H. R. 5856, as in the gentleman from Michigan's [Mr. LESINSKI] first bill H. R. 2033, and his second bill H. R. 3190, the power is given to the Secretary of Labor to make rules and regulations, determinations or orders, to carry out any of the provisions of this act.

The subject of rule-making powers in the hands of the Administrator was debated at length both in the House and in the Senate when the first minimum-wage law was considered in Congress. It was after lengthy consideration that both the House and the Senate decided not to grant such powers. I think it was for good reasons that no such power was granted.

Rule-making power is law-making power. Such authority in the hands of an administrator binds the citizen with all the shackles that a law itself may impose. It may be alleged that such authority is necessary for the administration of this act, but by a mere examination of the administration of the act for the past 11 years we can see that the Administrator has not been limited to any degree in carrying the full powers granted him, even to the extent of covering occupations not under the act which were never intended to be covered by the enacting Congress. His practice has been to issue interpretative bulletins, and the interpretations written therein have been widely accepted by the courts. The Administrator has written explanatory bulletins, regulations, and other forms of printed information to detail the methods of compliance under the act, and I cannot see how he has been hampered in his enforcement by lack of power to issue rules and determinations and orders which have the effect of law.

I most strenuously object to giving such rule-making power to the Secretary as would permit him to bring criminal charges for the violation of such rules. This is precisely what is provided by section 15 (a) (2)—page 35—of H. R. 5856, which reads "it shall be unlawful for any person to violate any of the provisions of section 6 or section 7 or any of the provisions of any regulation or order of the Secretary issued under section 11 (b) or section 14," and by section 16 (a), which makes it punishable to violate any of the provisions of section 15. The rule-making power granted the Secretary by this bill includes authority to issue rules, regulations, determinations, and orders and to define any term used in the law. The Secretary may prescribe conditions, limitations, or standards, and he may clarify the meaning of terms and provisions and make more certain the scope of their application. This is the most widespread delegation of authority ever proposed in a peacetime statute. It would be an abandonment by Congress to the Secretary of the legislative function. Congress admits in this bill that it is unable to write the statute clearly, fairly, uniformly, or effectively; or to protect employers or employees; or to safeguard the fair labor standards established by the act; or to prevent the circumvention or evasion of such standards. Consequently, it authorizes the Secretary to do all these things as he sees fit.

POWER OF SECRETARY OF LABOR TO BRING SUIT FOR EMPLOYEE AGAINST EMPLOYER

The latter part of section 16 (c) in H. R. 5856 authorizes the Secretary of Labor to institute action in any court of competent jurisdiction to recover alleged unpaid minimum wages or overtime compensation. This is an entirely new philosophy brought into national minimum-wage legislation. No such suggestion was ever made until Mr. Lesinski introduced, at the first of this session, H. R. 2033, which conveyed this unlimited power. In his explanation of his new bill, which was sent to all Members of Congress, he states that this power to

sue with the consent of the employee is the same as exists in many States. Such a statement is misleading. Those States which authorize the bringing of suits for collection of moneys for employees limit such suits either, first, in behalf of employees who are indigent, or second, to a certain sum of money, as, for instance, the State of Wisconsin, which permits suit by the State where the claim of the individual employee does not exceed $100.

The Federal Government has, in my knowledge, legislated for the Executive to sue in behalf of a private person in only one other statute, and that is the rent-control law. Many of you realize how this statute has been abused in that law. A tenant who claims to have been overcharged in rent may sue for triple of the amount of his damages. Some absurd suits have been brought. I recall one in my home city of Fort Worth, where the housing attorney brought suit against a widow for her tenant, in Federal court, for the sum of $26. The widow, in this instance, was indigent and could not defend herself. There was no allegation that the tenant was unable to bear the costs of court or of an attorney. Yet the Housing Expediter brought this ridiculous suit simply because the law authorized it.

This extreme power is subject to such great and unconscionable abuses that I have opposed it from the beginning. I do not believe that we should set up in the Department of Labor a giant corps of lawyers for the purpose of suing employers. Such does not fit in with my idea of Anglo-Saxon government, for the government itself should be neutral and this to my mind carries the Government too far on the side of employees.

It may be alleged that suits will not be brought, that the power residing in the Secretary will encourage employers to make settlement. That is exactly what I fear. It will be used as a sledge hammer in every case where the Administrator finds some violation. And remember the Administrator himself in testifying before our committee stated that 51 percent of the businesses which he had investigated were violating the act. Can you not visualize the number of attorneys it would take in the Department of Labor to bring suits against 51 percent of the employers in the United States?

In the Lesinski bill the Secretary has the power to inspect the books and the records, to write rules and regulations which have all the effect and dignity of law, to cause criminal action to be brought for the violation of the act or any of his rules and regulations, and on top of all that the Secretary will be granted the power to bring damage suits against the employer for a private person, his employee. Such damage suit will be subject to no statute of limitations so that the Secretary may go back to October 24, 1938, the effective date of the original law in suing for back pay for employees. I do not believe that this House is going to go off on a tangent and, by allowing the Secretary to bring back-pay suits under the conditions I have related, accept a theory which is so foreign to our form of government.

I have not yet referred to another unconscionable feature of section 16 (c) in H. R. 5856 and that is the proviso appearing at the end thereof—see page 38 of the bill—that "nothing in this subsection shall affect or limit in any way the full equitable jurisdiction of the courts under section 17 of this act." This proviso can have only one purpose and that is to confirm as correct the Administrator's recently adopted position that he may collect restitution as part of an injunction suit under section 17 of the act to restrain future violations. Some courts have already sustained the Administrator in this position. See, for example, *McComb* v. *Scerbo* (80 F. Supp. 457 (S. D. N. Y. 1948)). The United States Court of Appeals for the Fifth Circuit, however, has expressed doubt that the Administrator has the right to collect restitution in an injunction suit under section 17—*Walling* v. *Crane* (158 F. (2d) 80, 84). Parenthetically, it might be observed that such doubt appears justified, since the act specifically establishes the method by which restitution is to be collected and that is by way of employee suits under section 16 (b). Nothing is said about restitution in section 17. The enactment of section 16 (c), authorizing the Secretary to bring back-pay suits on behalf of employees and thus make them whole for the past, could not possibly have any limiting effect upon the equitable powers of the courts under section 17 which look to enjoining violations in the future. Accordingly, the only purpose of the proviso in question is to lend congressional approval to the Administrator's efforts to collect restitution in injunction suits.

The committee members, who support H. R. 5856, argue that one of the principal effects of the proposal authorizing suit for back pay by the Secretary will be to assure employers that they will have to pay simply back wages and not worry about liquidated damages—see pages 31–32 of House Report No. 267, the committee report on the earlier Lesinski bill, H. R. 3190. But if the proviso is enacted, the Secretary of Labor, instead of proceeding under section 16 (c), will be able in his injunction suits under section 17 to secure a restitution order in the decree and such restitution order will not bar subsequent suit by the employees for liquidated damages—see *Schulte* v. *Gangi* (328 U. S. 108) holding that where an employer voluntarily pays the employees unpaid overtime and the employees release him from any further obligation under the act, the employees may nonetheless thereafter sue for liquidated damages, even though there was a bona fide dispute as to coverage; the same result would undoubtedly follow if the Secretary in his injunction suit recovered unpaid overtime for the employees; such recovery would not bar subsequent suit by the employees for liquidated damages—nor will there be any statute of limitations applicable to the Secretary's recovery. Thus, whenever the Secretary decides that an employer should remain liable for liquidated damages, he will simply ignore section 16 (c) and seek to obtain restitution for employees through injunction suits under section 17. This shows clearly the total lack of justification for the enactment of section 16 (c).

Please note how the Louisville Bar Association looks upon this power-to-sue clause, which was in the original Lesinski bill, H. R. 3190. This we may assume, will be the attitude of every bar in the land. Let me read you the letter of Mr. Henry L. Brooks, president of the Louisville Bar:

LOUISVILLE BAR ASSOCIATION,
Louisville, Ky., May 24, 1949.

Hon. WINGATE H. LUCAS,
House of Representatives,
Washington, D. C.

DEAR MR. LUCAS: H. R. 3190, a proposed amendment of the Fair Labor Standards Act of 1938, reported by the Committee on Education and Labor to the House of Representatives on March 16, 1949, contains a provision, in section 16–c thereof, which would authorize the Secretary of Labor to sue on behalf of an employee for the recovery of back wages from the employer.

The members of the Louisville Bar Association are concerned because of this proposed extension of the services of paid Government attorneys into the field of private practice. To permit hired Government lawyers to prosecute suits on behalf of and "with the consent of any employee" is equivalent to saying that these attorneys will absorb that practice. The provision that the employee still has the right to prosecute his own action under section 16–b of the present act, does not alter this fact.

We believe, when you have viewed the above provision of H. R. 3190 in the light of its practical and certain consequences, that you will use every available means to have it stricken from the measure. This is what we earnestly ask you to do.

Respectfully,

LOUISVILLE BAR ASSOCIATION,
By HARRY L. BROOKS, *President.*

I call your attention to the exemption, in 13 (b) (12) of the Lesinski bill, having to do with Louisiana sugar exemption, which the gentleman from Ohio [Mr. BROWN] spoke of under the rule. I think that Members of the House are not going to be deceived by the activities of certain ones of us who want special exemptions for those in their districts.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LESINSKI. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. I would like to ask the gentleman from Texas this question: It is a fact under the Lesinski bill that where the Administrator or the Secretary is given the power to sue for and collect wages; in such cases they collect only the wages and not penalties, is that correct?

Mr. LUCAS. That is correct.

Mr. JACOBS. In other words, if a man is found to be in violation of the law and it is brought to his attention by the Secretary, or if a suit is filed by the Secretary, he may offer the Secretary what is due, whereas when an individual to whom the wages are due brings action, then such an individual collects penalties, is that not correct?

Mr. LUCAS. I believe that is correct.

Mr. JACOBS. In reference to the injunction suits which the gentleman mentions, stating that the courts have power to order payment, those injunction suits are injunction suits brought to enjoin a violation of this law, is that not correct?

Mr. LUCAS. Yes; and you as a lawyer know that such injunction suits should not be in the form of suits seeking restitution.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I am one of the new Members of the House of Representatives. I am one of those who had great ambitions to serve on some important committee. So I made a fight to get on the fightingest committee in the House of Representatives. I have learned during these 6 months, particularly in the field of labor, that what affects labor here has to be gotten the hard way. One of the responsibilities of the Committee on Education and Labor was this particular piece of legislation. It was assigned to us for immediate action—for fast action. The involvement in this legislation brought about over 6 weeks of day-to-day hearings. Practically every industry and group of employers representing industry and agriculture appeared before this committee to present their problems. I am as cognizant as anyone here of the many complex problems in trying to bring forth this type of legislation in a Nation as complex as ours with all of its free enterprises.

I say that because I feel on the basis of the statements made here on the rule it would appear that I am a party to some sort of a plot.

Apparently the picture has been presented that this was an unusual procedure, a bypassing not only of the Labor Committee but also an attempt to bypass the Rules Committee.

I have served 6 years in a State legislature. I am realistic enough to know, as I was realistic enough to know in this particular legislation, that somebody had to move. I do not think there is a man or woman on this floor today who, on the merits of the legislation and the need for it, have any disagreement, because I have yet to hear anyone in the House who has not justified a change in the wage-and-hour bill. I am sure that if the Committee on Education and Labor in January or February had been able to get this legislation and to process it rather rapidly, we would have had very little trouble in arriving at a decision in a change in the wage-hour law. But as time went on and these meetings came on, a great deal of today's fear was thrown into this legislation. Everybody feared this or that part of the bill. It was on the assumption of the disagreement we reached in the Labor Committee, after 6 weeks of hearings, that I was prompted, because of my interest in these people and in this bill, serving both the people on the side of labor as well as management, that I was impelled, as I saw this bill drag on and drag on until the closing days of this Congress, to initiate action, because it became apparent, on the force of fear, on the basis of so-called change in economic conditions, when we began to hear in this Congress of unemployment, and began to hear in this Congress the fear of a declining economy, and we began to hear fears of a section of this Nation which felt that this bill would leave undue burdens on particular parts of their economy, so I was patient, like many other members of the committee, but after I saw that there was a complete stalemate and attempts were going to be made to emasculate this legislation, I got brave enough as a new Member to insist on the floor of the Committee on Education and Labor——

The CHAIRMAN. The time of the gentleman has expired.

Mr. LESINSKI. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. WIER. I think every member of the Labor and Education Committee will remember that I made about a 15-minute speech one day, not while we were discussing this legislation but after the matter we were discussing was decided. I asked that this committee take the initiative in an attempt to do something on this legislation. I am one Member of this House—and I think I am joined by all of you—who believes that we cannot afford to go back to our districts and admit that this Congress could not do anything on a matter as important as this matter and with which I think all of you are in sympathy. So I took the position that I was going to attempt to do something.

I asked the chairman of the committee if I could institute action in the furtherance of this legislation. I am realistic enough to know, and I will admit to the House, coming from the State that I do, that I can support H. R. 3190 in its entirety. I know there are objections in my State and in my district to some of the provisions of this act.

What are those provisions that we are discussing today? What are the practical applications of this legislation? They are broken down into three vital sections. One is the wage, the second is the hours and overtime, and the third is the coverage. We are in disagreement there.

So I went out on my own initiative, after the chairman of the committee appointed a committee of six to start action, in an attempt to revitalize this legislation which had been lying dormant in the Rules Committee, and I made many contacts. I want to say to the Members of this House that I got a very fine reception from some very fine men in the South who were willing to sit down for about 4 weeks and try to work out the problems in this legislation, which contained, to some extent, insurmountable problems. I went to members of the legal department of the United States, attempting to find out what we could do to compromise the feelings of the various States of this Union, and come out of this Congress with a piece of legislation. While I was doing that there were several bills thrown in the hopper. This bill is the last bill to have been brought together by a common discussion and a common survey of about 20 men, only 3 or 4 of whom, of course, have been heard this afternoon. As a matter of fact, there are 20 or 25 men who attempted in their humble way to find a piece of legislation that we could pass in this House and hold our chins up. So as I went over it with these 15 or 20 men attempting to find out the avenues by which we could move on to a consideration of this bill, Mr. COMBS threw a bill into the hopper here several weeks ago. That bill was followed by a bill introduced by the gentleman from Texas [Mr. LUCAS] who drew up his bill. I talked to Mr. LUCAS in regard to the legislation he drew up. But as we move along here in this debate I am not going to take up the Lucas bill now, but I remember very distinctly that it was not too long ago that we had the bill under consideration increasing the pay of Government executives and I remember very distinctly that the gentleman from Texas took the well of the House and decried the increases to these Government executives. I remember he closed his remarks by saying that he was asking for the support of every Member of this House to provide some increases for the little people, for the little people; and then he announced his amendment to the wage-and-hour bill, and he pleaded with the membership to support his amendment to the wage-and-hour bill on the basis that that was a bill which was more needed than the bill granting increases to Government officials in the executive departments.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. LESINSKI. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. WIER. My differences, Mr. Chairman, are based upon this fact—and that is why I am so concerned with the bill that is now being discussed here—it is one thing to raise the minimum wage in this bill, one thing to raise that minimum wage not only from 40 to 50, or 60, or 75, or 80 cents, but the other thing is, how many people are going to be covered by the increase? What will the increase mean to anybody if they are all exempted? Let me point out that under the bill introduced by the gentleman from Texas quite a number of workers will be taken out from the present coverage. The quickest way I know to make a comparison between the two pieces of legislation, the existing law and the bill under consideration, is to figure the position of the present law that has been on the books since 1938 and see what people are covered by the law. If they are covered by the present law they will be covered by the bill under consideration; if they are not covered by the present law they will not be covered by the proposed law. I believe that is the quickest answer I can give on the question of coverage. Bear in mind there may be three or four fluctuations from the law, but there are some changes in this law that were deemed very necessary.

In my consideration of this piece of legislation I am not concerned with the political significance of it, with the significance of who is sponsoring or not

sponsoring it, or who is fronting for this organization or that organization; I am asking each and every Member of Congress to thing sincerely and honestly in terms of the little people, these people who have no lobbies, who have no organizations to look after them but must depend upon you, and you, and on me to benefit their present economic condition; and that is my only motive.

Mr. McCONNELL. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. GWINN].

Mr. GWINN. Mr. Chairman, this proposed minimum-wage legislation is no longer a law that has to do with the exercise of police powers, to prevent exploitation of the helpless, to stop the sweat shop. This legislation, which never should have been enacted in the first place by the Federal Government, is simply one more step down the road of the compulsory state, the Socialist state management of our economy.

Some of us have come to the conclusion that there is no power in heaven or on earth that can stop that trend except God Himself. There is some evidence that God is interfering and is helping us to maintain our free society. Who would have guessed at the beginning of this year that we would not end up with a $300,000,000 Federal aid and Federal control of education? This was the year, everything was all set.

God moves in mysterious ways. He did not help us out so much on public housing, but the vote was close. I have an idea He intends repeal of the Public Housing Act as a means of redemption of the soul of the Republican Party. But He has helped us so far as the Taft-Hartley Act is concerned. Neither He nor the people want a closed shop by which some individual boss can say to you, and you, and you, you may work only if he consents. You may work only for the price that he fixes; you must strike and commit violence when he orders. That is rule and interference of another individual by some mere man.

Now, when some mere man or group of men or government attempts to tell even the lowliest worker, the handicapped, the old, the apprentice, the part-time worker, the slow worker that not one of them can work unless he makes 75 cents an hour that is the same kind of encroachment on his personal right to work. He cannot work for 73 cents an hour under the Lesinski bill. He must get 75 cents or violate the law. He must get the full 75 cents or go on the relief rolls. This is a compulsory unemployment law affecting 1,500,000 people. It is not a police law to protect them against exploitation, but a socialized, compulsory central government management of the person in that category. And, when the Central Government manages the person and the economy of the individual in that category it fixes all of the categories of employment from the lowest to the highest. Thus, this Federal Central Government will control our entire wage economy. When you regulate and control and restrict the economy of an individual you do exactly the same thing as if you should regulate, control, or restrict his freedom of speech, freedom of press, freedom of religion, freedom from want, and all the rest. You cannot separate them. You can give a man freedom of speech, but if you prevent him from being a paper boy or an apprentice at the machine, so that he may sometime own a paper, what good is his freedom of press? He may speak freely in his own subconscious mind, but if you take from him the means by which he may buy a book or go to school, even if he has to wash dishes in the process for anything he can get, anything the people can pay, then you destroy his freedom of speech. With freedom of worship it is the same. He may have some good ideas about God, but if he is deprived of the means of transportation to go to church what good is his freedom of worship? This whole concept of attempting to create by politics a kind of abstract concept of freedom which does not or cannot exist in any practical sense apart from economic freedom and economic administration which is almost the whole concern of politics. What sense does it make?

Are we just giving more double talk to principle. This law follows no principle. I dare anyone to point to a principle by which we can operate either of these proposed laws.

There is only one excuse for the Lucas bill, and that is that it is so much better than the Lesinski bill—or rather there is so much less evil in it. If we must have a continuation of a bad law started in 1938 and apparently we must, then we must have a law that tries at least to be a police law, that fixes wages so that no one may be exploited. The Lucas law fixes a minimum of 65 cents an hour attached to a formula that goes up or down with the cost-of-living scale. It is not a hard and fast fixing of compensation that remains whether prices go up or down on the theory that the higher you fix it the more prosperous you become. It fixes wages from year to year scientifically, that is, as nearly scientifically as you can do it with a thoroughly unscientific concept. The wage goes up or down with the cost-of-living index.

Look at the exemptions these bills propose. If we can exempt all these people, why not exempt or why should we not exempt all the others? Everybody engaged in business that has to do especially with the heat of summer are exempt by and large; ice cream, soft drink business, and such. People engaged in the winter time, in the very cold season, are exempt apparently because it is cold. They work seasonally and rest in the summer or winter. Newspapers are exempt. Retailers are exempt. Farmers and the processors of farm products are exempt. Propagation of fish is exempt and fishing is exempt. You cannot go to and from fishing and claim overtime on any portal-to-portal complexity. That is all out officially. Anything having to do with the marine business is exempt; so is lumbering and manufacturing under certain limitations, laundries, bakeries, tailoring, telephone and telegraph business having a certain minimum number of employees.

Then there are a lot of special exemptions. If you happen to be in the sugar business, sugar processing is exempt. That is important.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. GWINN. I yield to the gentleman from Michigan.

Mr. DONDERO. Will this bill increase the cost of living or decrease it?

Mr. GWINN. It must increase the cost of living by the proportionate percentage the wage is increased from the bottom to the top. We have so much national income to spend on wages. That wage is now falling, that is, the amount we can pay is falling instead of rising, so we ought to have an average wage of $1.25 an hour instead of $1.38, which it is now. If you raise the average wage to $1.45, you must increase unemployment because the till does not have the money in it with which to pay the increase.

Mr. DONDERO. Would it not be better to have these people employed at a reasonable wage than have them become unemployed because some cannot pay the wage?

Mr. GWINN. It seems to me that is the absurd proposition in this kind of legislation. It is compulsory unemployment. It cannot be anything else. It has no real excuse for existence, because people who can work ordinarily are employed for what they can earn. They cannot be paid for what they do not produce just because it would be nice to pay a higher wage, or because the worker needs a higher wage.

This bill does not provide any measure at all of the productivity of the worker who offers himself for work in the lower-earning category. For example, he comes to you with a basket of apples and says, "I have a surplus of apples. I have worked hard all summer and I have got to have 75 cents for a half bushel because the law says so," and you say, "No; I can pay only 50, that is all the money I have in the till." He says, "Well then, I must throw my apples away to the hogs."

A man's labor is nothing but the product of his labor and has no value above the product he produces. It can bring nothing but what the consumer will pay. Yet this law simply presupposes that the employer has the control of what is going to be paid. He is nothing but an agent of the consumer and can pay nothing that the consumer will not pay.

Suppose a southern lumber mill gets an order for a car-load of 2 x 4's at $20 a thousand, and the little mill in Georgia says, "Why, under this law I have to pay 75 cents. I must have $30 a thousand to fill that order." So his men go idle because the market offering, the only money there is available, is $20 a thousand.

Finally I plead for a positive action and not a retreating action—not further steps into the management of our economy—not further steps into socialism, but a retreat to recover liberalism or true freedom in our economy. Let us do nothing more about encroaching

upon freedom than to protect the individual from exploitation which the Lucas bill attempts to do. Let us reject the Lesinski bill which is an out and out effort—a child born of the original concept that we must extend and extend to the whole economy the management of our economy by the Government.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LESINSKI. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. JACOBS. Mr. Chairman, if the gentleman will yield for the purpose of making a correction, I am sure that the gentleman from New York, knowing him as I do, had overlooked that under section 14 there are definite provisions for exemptions for learners, apprentices, and handicapped elderly workers. I know the gentleman will appreciate having that correction made.

Mr. GWINN. I would like to say in that connection, the gentleman well realizes that whether he gets an exemption or not depends on the commissar from Washington issuing him a certificate of permission according to his judgment.

Mr. JACOBS. If the gentleman will yield further, since we have granted him the time, I wanted to make another correction, if the gentleman please.

Mr. GWINN. I beg the gentleman's pardon.

Mr. JACOBS. The gentleman knows, since he is on the committee, that there was never any complaint about the operation of that section as long as it has been in existence. I had another comment that I wanted to make. The gentleman claimed the assistance of the Lord in connection with this matter. Of course, I do not talk to the Lord in public as much as some folks do.

Mr. GWINN. If you talk to Him in private, I do not know.

Mr. JACOBS. I believe, if the gentleman will look in the Bible, Book of Malachi, chapter 3, verse 5, he will find these words:

> And I will come to you in judgment; and I will be a speedy witness against * * * them that oppress the hireling in his wages, * * * saith the Lord of Hosts.

Mr. O'SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. GWINN. I yield.

Mr. O'SULLIVAN. The gentleman from New York [Mr. GWINN] said in substance that "God moves in mysterious ways and may help to defeat this bill as He helped us out on the repeal of the Taft-Hartley law."

I now ask the gentleman in all seriousness: Who do you think God is—the Republican Party, the apostate Southern Democrats, or the Committee on Constitutional Government, or all three—thus making a new Trinity.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LESINSKI. Mr. Chairman, I yield 10 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, regardless of what may be said in general debate or in the Committee of the Whole House in the consideration of H. R. 5856, the minimum-wage-and-hour bill—the legislation proposed is beneficial, not harmful. It is economically sound and politically wise.

This legislation is democracy's answer to the cry of millions of underpaid, underprivileged, and in many instances undernourished American workingmen and women. It is the fulfillment of the Democrat Party's pledge that this great class of our citizenship now at the "foot of the economic ladder" be assured their fair share of the greatest prosperity ever enjoyed by our American Nation or any other nation on the face of the earth.

Since this legislation, H. R. 3190—now H. R. 5856—was reported out of the Committee on Education and Labor it has been subjected to a vicious attack of misinformation and lack of information. It is not, if you please, a smear campaign, but a fear campaign. The late President Roosevelt once said, "What the American people need fear most is fear itself."

Could it be possible, Mr. Chairman, that the American people have in the short span of 17 years forgotten the bold, determined steps taken in 1933 to lift us from the depths of despair and put us once more on the road to economic stability?

Despite the fact that our Nation, 4 years after the close of World War II, is still enjoying great prosperity and despite the fact that there are more than 59,000,000 men and women gainfully employed, we hear on every hand and I regret to say even from the well of the House, dire croakings from these disciples of doom. Some say, "I fear we are headed for another bust"; and still others say, "Things don't look too good." With others it is a wishbone instead of a backbone. This is no time to retreat. This is a time for bold, decisive action.

Many of the thousands of business firms and individuals that make up the several categories of our economic structure are being used deliberately by a few top-flight corporations, industries, trade associations, and individuals who are covered by the act in their campaign to high-pressure the Congress by having their business associates not covered by the provisions of H. R. 5856 aid them in pulling their chestnuts out of the fire.

I feel, Mr. Chairman, that this bill would have overwhelming support were it not for the campaign of misrepresentation which has been going on around the country. It is a campaign which has been inspired and directed by lobbyists for special interests. It is a campaign which this Congress must ignore if it is to legislate in the interest of the American people.

Much of the opposition is pure propaganda. Still other protests are unjustified. Take the case of the organized farm groups. Not a single farm activity is covered in this bill, yet we find these groups playing the game with the United States Chamber of Commerce, the NAM, and other affiliated groups.

Let me remind the farm groups in this House that the farmer has a minimum guaranty in the form of parity. All the unorganized and underpaid workers—several million of them—are asking is that they, too, be guaranteed a minimum return. Not to assure them a profit, as in the case of the farmers, but to enable them to live as decent American citizens.

What good, my farmer friend, is a guaranteed price if the workingman has no money with which to buy. You know full well that the answer is increased purchasing power such as this legislation seeks to provide.

When economic chaos engulfed us in 1932, President Roosevelt said he wanted to do something for the men and women at the foot of the economic ladder. Here, my colleagues, is an opportunity for you to emulate the humanitarianism of our late lamented leader. You may call it New Deal or Fair Deal. To me, it is just good, plain, old-fashioned American horse sense.

Today, more than 28 percent of our American families are earning less than $2,000 annually. This is even $1,000 less than the amount set as a living standard for the average family. Under the present wage minimum of 40 cents, weekly earnings are a pitiful $16. Not enough for the bare necessities of life. Even a 75-cent minimum and $30 per week is not enough to meet today's soaring prices. It will to some extent ease the burden of feeding, clothing, and educating the children in millions of American homes.

Once again we face the issue of whether we shall place material things above human welfare. Lincoln said something about this being a country of the people and for the people. I am sure he never said anything about it being a Government for entrenched wealth. My colleagues on the left center aisle, who are now divided over whether it is to be a Taft approach or a Dewey approach, could render some real service if they talked and voted along the line of a Lincoln approach.

There seems to be a disposition on the part of some Members of the other side of this Chamber that the committee has done a terrible thing in recommending that the benefits of this act be brought to more workers. They seem to feel that the benefits of the act should be brought to as few workers as possible. Some members of the committee were almost frank enough to admit that they wanted the whole act repealed. Others were content to offer amendments reducing the coverage of the act. One member actually proposed that a million workers that have been under the act ever since 1938, should be removed from its protection. All of this may explain why hearings were held by the committee of the Eightieth Congress and not even a committee report was issued, let alone a bill passed.

The President of the United States has called on the Congress not only to increase the minimum-wage provisions of the act to at least 75 cents an hour, but also to extend the coverage as widely as posible. I feel that the committee could have gone much further than it did in extending the coverage of the law. The situation today is different from that wartime situation. Again we have the case of men competing for jobs. Again the country faces the danger that in their eagerness for work, men will take

jobs for anything an employer will offer and that gradually the wage structure that has been built up will collapse. I know of no better way to prevent this collapse than by an absolute floor wage set at 75 cents an hour. It would even be better if this floor could be a dollar an hour. But even 75 cents an hour will help stop a further collapse in the purchasing power of our workers. If there would be such a collapse, the farmers of America will be among the first to suffer, although of course, they already have a minimum wage in the price-support program.

The truth is, that the 75-cent minimum wage will directly benefit 1,500,000 workers who are now subject to the act. The bill will also benefit many additional workers in industries and occupations which are not now subject to the minimum-wage provisions of the act. I am supporting this bill nonetheless because it represents the views of the majority of the committee, and while I would prefer that the committee had brought in more workers, I feel the job done by the committee is a good one and that it should be supported by all of us.

While time still permits, I must hasten to remind my colleagues that the opposition to this legislation is centered in a substitute proposal that will be offered in the Committee of the Whole by the gentleman from Texas, Representative LUCAS. As a member of the Committee on Education and Labor, I was one of several who appeared before the Rules Committee and asked that an open rule be granted so as to permit the gentleman from Texas to offer his proposal.

A study of his proposal, even though he has at the last minute changed it to meet the changes in the committee bill, H. R. 5856, still represents in coverage, all of the views and pet schemes of those who appeared before the committee as witnesses in opposition to drafting a fair and just minimum-wage-and-hour bill.

In the matter of a minimum wage, his proposal to tie wages to the cost of living, is one that has already been denounced by Senator TAFT, the Republican leader in the Senate, as one that is impracticable and economically unsound. I will oppose his substitute on the ground that—

First. It will bring economic instability.

Second. It will lack adequate facts on which to base a wage scale.

Third. Instead of uniformity, it will create confusion by providing dual administration as between the Department of Agriculture and the Department of Labor.

Fourth. In wage categories of 75 cents and less, it will preclude the right to bargain collectively because the rate will follow the cost of living index. Labor is interested in more than just the right to live.

Fifth. It will defeat a major objective of this legislation by removing from coverage 1,000,000 individuals now covered in the present law.

Despite the fact that our Nation has had a Minimum Wage and Fair Labor Standards Act on the books for the past 11 years, there appears to be a great number of our population who think that H. R. 5856 is new legislation, or a new venture in the field of both economic and management-labor relations.

Before we vote on this bill, I want every Congressman to know the facts. The facts are available to everyone who is interested in facts, not propaganda.

The issue is clear, my friends, you must, by your vote on this floor, let America and your constituents know whether you stand for human welfare or organized wealth.

Every Congressman interested in the welfare of the working people of America and in the welfare of our Nation as a whole, should support H. R. 5856. It contains vitally needed changes in the Fair Labor Standards Act, which have been long overdue.

Let us pass this bill at once and in so doing, demonstrate to the American people that we can ignore the pressure of the special interests in legislating for the American people as a whole.

Mr. McCONNELL. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, my colleague, the gentleman from California [Mr. WELCH] is ill today. He would like to have his remarks extended at this point in the RECORD, and I so ask.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WELCH of California. Mr. Chairman, in 1938 I participated in a long and exhaustive legislative battle to secure a minimum wage for underpaid American workers. We fought to safeguard the worker and his family from privation and want. As the ranking minority member of the Committee on Labor at that time, I was among those standing steadfast until our cause carried through to victory. I sensed a feeling of tremendous and lasting accomplishment when, finally, after 2 years of legislative investigation and discussion, the Fair Labor Standards Act of 1938 was forced to the floor by a petition on the Speaker's desk and was passed by a substantial majority.

The reason for the Fair Labor Standards Act was stated in the act itself. Congress found that in interstate industries, there were labor conditions detrimental to decent standards of living. Production and sale of goods throughout the country spread and perpetuated these conditions among the workers of the Nation. Fair wages paid by fair employers, of whom there are many, were undercut by the unscrupulous, the cutthroat competition of chiselers who forced prices and wages downward. The result was sweatshop labor, particularly for women and children.

These findings were not merely pulled out of the air. They were based on harsh and sometimes cruel pathetic facts presented on page after page of committee reports of lengthy committee hearings on this measure.

To correct these conditions without possible economic dislocation Congress established a minimum wage of 40 cents for each hour an employee was permitted to work by providing for a statutory wage increase commencing at 25 cents per hour and running for a period of 3 years to 40 cents per hour. The hourly provision in the bill started at 44 hours and reduced to 40 hours in 2 years.

Prior to the establishment of the minimum-wage law, it was brought out in the testimony that women were working under sweatshop conditions in one light industry almost within the shadows of the Capitol itself for $6 per week, 10 hours per day, and 6 days per week to earn this mere pittance.

There has been no change in the Fair Labor Standards Act since 1938, although a very recent report from the Bureau of Labor Statistics shows that living costs have increased 69.8 percent from 1938 to the present time.

The Fair Labor Standards Act of 1938 provided against child labor and effectively removed mere children from the sweatshops.

Mr. Chairman, regardless of the fact that the act of 1938 contained four basic principles: First, abolition of child labor; second, an absolute floor on wages; third, an absolute ceiling on hours; and, fourth, no geographical differential; it is perhaps one of the most, if not the most, humanitarian labor measure ever passed by Congress. Despite all this the bill was viciously fought and voted against at that time by some who continue to carry on the fight to oppress 60,000,000 law-abiding, home-loving, God-fearing patriotic Americans.

Mr. McCONNELL. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

NEW GERMAN THREAT

Mr. JAVITS. Mr. Chairman, I take the time of the Committee of the Whole today to call attention to a leading story in the New York Times headed "Prestige of Britain in Germany found dangerously low," which will be found in the Appendix.

This story is the culmination of a whole series which have preceded it. It shows that in the current political campaign to elect a new German federal government on August 14, less than a week away, the politicians are vying with each other as to who can advocate the greatest resurgence of that unique German brand of nationalism. It is a brand which has brought on two world wars during my adult life and that of every Member of this House—a brand which cost us a million casualties in World War II.

The story quotes a high British occupation official as saying:

I think we made a great mistake in concentrating our intelligence services on what the Russians and the German Communists were doing in Germany and not worrying enough about what the non-Communist Germans were doing or planning to do.

The danger we face from a revival of aggressive German nationalism is a German-Soviet alliance. The families of the 1,000,000 American casualties in World War II can never forget that such an alliance was the signal for war in 1939. Russian manpower and fanaticism, joined with German technical resources and skill in military organization could be the solution—sought by totalitarians of the left and right alike—as to how American might could be broken.

The occupation statute of April 10, 1949, and the Charter of the Allied High Commission for Germany, signed by the United States, Great Britain, and France in Paris on June 20, 1949, under which our High Commissioner, John J. McCloy, functions, states that each High Commissioner in his area should be responsible for insuring the protection, prestige, and immunities of the Allied forces of occupation, of the Allied occupation authorities, their dependents, employees, and official representatives and in this respect his authority is superior to that of any German Government. Therefore, right now, our High Commissioner, seeking the concurrence of the other High Commissioners, but acting alone if necessary, should announce, first, that aggressive German nationalism will not be tolerated in a new federal German Government; second, that interference with the agreed-upon dismantling program will be considered a violation of the occupation statute; and, third, that new and vigorous efforts will be inaugurated to review the records of former Nazi bigwigs who operate in high places, especially in business and industry, with a view toward their being summarily fired.

Germans understand determination and should also not forget that it costs a billion dollars a year of the United States taxpayers' money to feed them and that for this we do not expect to re-create Hitler's Germany.

There need be no argument in this respect with those who oppose certain specific aspects of the dismantling program. I am sure even these opponents will not want to miss the forest for the trees. They will not want to play into the hands of Germany's supernationlists by undermining the authority and prestige of our High Commissioner and the French and British High Commissioners, for I am convinced that anyone who studies the facts can convince himself that there is an enormous—perhaps a prevailing—opinion still in Germany that it is "Deutschland uber alles" as before, and that any useful ally for the purpose, including the Soviet Union and the international Communist movement, will be acceptable again as they were before.

In less than a week the whole future of peace may be irretrievably compromised in the German elections. The time for vigilance is not past—it has just begun.

Mr. LESINSKI. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BURKE].

Mr. BURKE. Mr. Chairman, at the outset I want to pay tribute not only to the members of the Committee on Education and Labor of the House who have met over the past several weeks, but also to other Members of the House who have met and who have given valuable time in an effort to reach some sort of an agreement to square up their various interests. I think a good job has been done. I join with the gentleman from Minnesota [Mr. WIER] in saying that I could have, and could well do it now, voted for H. R. 3190 as it stands; however, there are many things I might not quite agree with in the present bill, but I can accept them and go along, particularly in view of the fine work that was done in arriving at a compromise.

I want to address myself at this time to one phase of this particular bill and all the bills that are before us for consideration, and that is the minimum wage itself. We have two proposals, one the flat minimum and the other a flexible minimum tied to a cost-of-living index.

I can readily understand why the gentlemen who are proposing the flexible minimum tied to the cost-of-living index can feel it is a wonderful thing, scientific, and all that sort of thing, but I can tell them that I was in the same position as they are now several years ago. There was one time when I thought it was a wonderful thing in negotiating contracts with employers. We negotiated into our contracts just that sort of thing—wages tied to a cost-of-living index. We found out, both of us, the employer and the union, that all that glitters is not gold, and the flexible wage tied to the cost of living is not what it seems to be.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BURKE. I yield to the gentleman from West Virginia.

Mr. BAILEY. Does the gentleman remember that during the hearings in the Senate committee on the minimum-wage bill Senator TAFT, the Republican leader of Ohio, stated that the flexible idea of a minimum wage tied to a cost-of-living index, was unrealistic and could not be justified?

Mr. BURKE. That is right. Also the United States Chamber of Commerce has adopted as its policy opposition to such a flexible wage rate.

Now, there is a reason for that. The employers generally have found this to be true in the operation of a flexible wage rate tied to some sort of an index, and that is simply this: When the wage rate moves up or down automatically the impact on his cost-accounting system is so great, that any advantage that he might gain over the reduction in the wage rate is overcome by the expense that he is put to in readjusting his cost-accounting system. I think if you will check with any employer who has adopted that sort of a system, that that has been his experience.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. BURKE. I yield to the gentleman from Pennsylvania.

Mr. McCONNELL. Is it not true that right at the present time the rate is 40 cents due to the fact that the law itself calls for a rigid 40-cent rate? If that had been adjustable or had been flexible the rate would have automatically moved up each year until around the present time it would have been 65 or 68 cents, or in that vicinity, so that the workers have really been penalized for a certain number of years now due to the fact that you do have a rigid rate, and that is the thing that some of us have been fighting not just at the present time but over the last 3 years. I have advocated some type of flexible minimum that would reflect the cost to a worker of his food and clothing, and so forth.

Mr. BURKE. That is a surmise that may or may not work out. I can say this, that it is my opinion that had the flexible minimum as now proposed been in effect, that the administration of the act would have so bogged down, and we would have received so much opposition from the employers to go to a standard flat minimum that the bill would probably have been amended long before this.

Mr. JACOBS. Mr. Chairman, will the gentleman yield to read into the RECORD at this time the exact words of the Chamber of Commerce which he referred to?

Mr. BURKE. I yield.

Mr. JACOBS. Business Action for May 30, 1949, the third point stated as to what a minimum wage should be, is as follows:

> It should be a constant and not a fluctuating minimum-wage standard.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. BURKE. I yield to the gentleman from Arkansas.

Mr. HAYS of Arkansas. The gentleman's criticism of the Ohio experience which he has cited——

Mr. BURKE. By the way, that is not a State experience; that is in private contracts between employer and employee.

Mr. HAYS of Arkansas. But that was an experience in the flexibility applied to the whole wage schedule; was it not? I wonder if the gentleman would not agree that criticism might be made to those over-all flexible features, such as the General Motors contract, that could not be made to a simple minimum-wage flexibility feature?

Mr. BURKE. One of the main arguments of the opponents of this legislation is that the increase of the minimum wage, even if it were a flat increase, reflects itself throughout the whole wage structure.

Mr. HAYS of Arkansas. Yes; but the gentleman does not agree with that, does he, necessarily?

Mr. BURKE. Yes.

Mr. HAYS of Arkansas. The gentleman did not agree with that before. The point I want to make is that the gentleman's criticism of the cost, for example, of making the readjustment would hardly apply where it affected only minimum rates. It is only where an employer is bound by a contract to carry that through in all relationships that you would be able to invoke the argument as to cost.

Mr. BURKE. Any businessman who has to depend on an accurate cost accounting system to arrive at his cost and set his prices would have to readjust his cost accounting system all the way through, not just on those operations

that may be affected by the minimum wage, because the cost of the product itself would be affected if he were right on that line where he had some employees receiving only the minimum wage.

Mr. HAYS of Arkansas. I do not want to impose on the gentleman, for he has been very kind about yielding, but he cites the chamber of commerce. Actually, the United States Chamber of Commerce opposed this law in its original form.

Mr. BURKE. Yes.

Mr. HAYS of Arkansas. So they are not a very good authority to be cited.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. McCONNELL. Mr. Chairman, I yield three additional minutes to the gentleman from Ohio.

If the gentleman will yield, he is discussing the Chamber of Commerce. I should like to put into the RECORD here the statement made by Mr. Almon E. Roth before our committee. Mr. Roth is president of the San Francisco Employers' Council, and he was testifying on behalf of the United States Chamber of Commerce.

Mr. Roth recommended various things as to a minimum wage, and then he made the statement that there should be a "constant and not a fluctuating minimum wage standard. It should be for long-range use, suitable not only for periods of high-level production but for other production levels as well."

In the questions and answers later, during the hearings, I asked him about that. I said:

> You have spoken about the minimum wage level. You say it should be fixed by statute and should be uniform for all industries. You say, further, at a minimum level which will not create unemployment or contribute to inflation. That is a very general term and I think that would be all right. You say further that it should be a constant and not a fluctuating standard, suitable for all phases of the economic cycle. I think what you are asking for is a magician to set a rate to cover such a situation as that.
>
> Mr. ROTH. I will say this. Maybe that is poorly stated. But you have to remember that the purpose of this act, section 2 (a):
>
> "The Congress hereby finds that the existence, in industries engaged in commerce or in the production of goods for commerce or in activities affecting commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being * * *."
>
> That is what you are talking about here, and you want that restricted to those minimums to allow just as much latitude as you can for collective bargaining and for the play of economic forces that have to do with the ability to survive and continue in business.
>
> Now, I think if you are continually tinkering with those standards, nobody will know what the situation will be. I think you have to level this thing out. I do not think it would be wise to change this every year, for instance. The Administrator may attempt to do that. By the time he gets his changes made, and that is reflected back in his cost of goods and his ability to survive in competition and everything else, the whole picture may have changed. It is changing today. The cost of living is going down, and has been for the past 3 months.
>
> Therefore, I think if you start out with a minimum, just as the act says, you would spread that out and then you look at it and see what is fair, but you do not give the right to the Administrator to change that thing either by interpretation of rules and regulations or these industry committees that we are discussing.

I submit to the gentleman if he can get any understanding of what they are after out of that, I will give him a medal.

Mr. BURKE. I think he was talking about a floor under wages that would apply in ordinary fluctuations of business. It would have to be, therefore, a solid or an inflexible floor. They had to bear in mind also its impact on costs, that I was talking about, under a cost-accounting system

Mr. SMATHERS. Mr. Chairman, will the gentleman yield?

Mr. BURKE. I yield.

Mr. SMATHERS. Would the gentleman care to comment on whether or not it was the intention of the committee under this language to include hotels?

Mr. BURKE. Under the language of the compromise bill? Under the language of H. R. 3190 it was the intention to include them. But under the language of H. R. 5856 it was the intention to exclude them.

Mr. SMATHERS. Then, where it says "if the goods sold or serviced do not materially differ in type or quantity from goods normally sold or serviced for such personal or family consumption" it was assumed then that banquets would be excluded and that hotels would be excluded?

Mr. BURKE. I believe so; yes.

The idea of tying minimum wages to the cost-of-living should be considered in the light of the inadequacy of proposed minimum rates. A 65-cent minimum, for example, falls far short of the amount needed for a reasonable minimum standard of living. Even a 75-cent minimum with full employment throughout the year would be inadequate to supply the amount needed on the basis of all evidence of reasonable minimum living costs for small families or even for single individuals. A 75-cent minimum could be expected to provide no more than $1,500 a year, and with any irregularities of employment the amount may be substantially less; $1,500, however, is less than the cost of the lowest State budget for single women living alone (as compiled by State governments for use in the administration of their minimum wage laws). One thousand five hundred dollars is also $200 less per year than the cost of a four-person family budget on an emergency level. In consequence, it is necessary to reconsider the minimum wage level from time to time, to make it more nearly adequate, either through industry committees or by future sessions of Congress, or both.

A COST-OF-LIVING TIE WOULD PREVENT WORKERS AT THE MINIMUM FROM SHARING IN AMERICAN PROGRESS

Average output per man-hour has been increasing over the past several decades at the rate of 2½ percent per year, although this trend was interrupted during the two world wars and during the subsequent postwar readjustments. Productivity is again mounting, however. Large investments in new plant, utilization of technological discoveries and advances and the ingenuity and resourcefulness of American business mean that average output will continue to go up.

Typically, increases in productivity per man-hour have been reflected in higher earnings to business, higher wages for those groups of workers in an effective bargaining position, and lower prices for the consumer. Sometimes, only one or two of these possibilities have occurred; sometimes all three.

Because of their weak bargaining position, workers at the minimum would be prevented as producers from improving their economic position in the form of higher wages. With a cost-of-living tie to the minimum, they would also be prevented from benefiting as consumers in any economic advances which result in lower consumer prices. Under such lower price developments, with the legal minimum cut as prices fall, the workers at the minimum—that is, the workers in greatest need—would be the primary group deriving no benefit.

A COST-OF-LIVING TIE WOULD AGGRAVATE RECESSIONS

A stable minimum wage floor will put a support under the wage structure in a period of declining prices and unemployment and thus help prevent a serious collapse of our economic system. If this floor is to go down as prices go down, this particular minimum wage objective will fail. If employers expect that the minimum wage will be less during the coming year, many will be led to postpone production and to postpone buying. Any extensive movement of this kind would be bound to prolong and deepen materially the economic recessions which may occur.

Whether the wage reductions be relatively small or not, our experience with depressions demonstrates that the lowering of wages in response to lower prices does not prevent lay-offs. On the contrary, the lowering of wages would result in "snowballing" the effects of the downward spiral.

A fixed minimum wage would set a psychological barrier to this downward trend. Employers planning their operations can do so with a sure knowledge that the minimum will not be lower in the future. They would find no reasons for postponing production or purchasing to take advantage of possibly lower rates. A large national debt and large private debts for new plants at present prices make it very important to prevent any collapse or very substantial lowering of the general price structure, although some readjustments are needed and are in progress.

In this period of grave international tension, we cannot afford to take the risks of economic paralysis, particularly if the means are at hand to help prevent such a catastrophe. A stable minimum wage floor is one of those means.

A COST-OF-LIVING TIE IS UNRELATED TO INDUSTRY'S ABILITY TO PAY MINIMUM WAGES

Unlike the industry committee approach, which is geared to the economic situation in particular industries, the cost-of-living tie is unrelated to the economic facts of particular industries.

For example, runaway food prices because of crop failures could materially affect the cost of living and hence the minimum, although in some industries an increase in the minimum (if originally set at a proper level) could not be absorbed without far-reaching consequences. On the other hand, a food glut might sharply lower food prices and hence reduce the cost of living without affecting the ability of employers in many industries to continue to pay a specified minimum wage. Lowering the minimum at that time would sharply reduce expenditures for farm products and may well cause a further drop in farm prices.

THERE IS NO ADEQUATE COST-OF-LIVING INDEX AVAILABLE

The most nearly adequate index available is that prepared by the Bureau of Labor Statistics and officially termed the Consumer's Price Index for Moderate Income Families in Large Cities. The title indicates the inadequacies of this index as a device for measuring the amount by which the minimum wage should be changed. The index reflects changes in prices of the goods and services purchased by moderate-income families in large cities, who at present would have yearly incomes averaging about $2,600. The index does not measure total living costs which are affected by changing incomes and quality of goods available, in addition to price changes although the index has been judged to be a fair approximation of changes in living costs over short periods of time.

A COST-OF-LIVING TIE WOULD SERIOUSLY INCONVENIENCE AND HANDICAP EMPLOYERS AND EMPLOYEES WHO BARGAIN COLLECTIVELY

The major proposal for a cost-of-living tie would have the minimum for the forthcoming calendar year announced by December 10. This or any other fixed time would disregard the actual periods when contract negotiations are scheduled and consummated. If the cost of living and the future minimum go down, only the unorganized employers can take immediate advantage of it. If the cost of living rises, employers with union contracts will have to make adjustments for those below the new minimum, with attendant difficulties in employee relations for other groups near the minimum during the remaining life of the contracts. While such upward adjustments usually involve only small groups, on the basis of past experience, the inconvenience may be considerable.

NONE OF THE STATES WITH MINIMUM-WAGE LEGISLATION HAVE AN AUTOMATIC COST-OF-LIVING TIE

Twenty-six States, the District of Columbia, Puerto Rico, and Hawaii have minimum-wage laws of their own. Although these provisions are so worded as to indicate a closer relationship to the cost of living than does the Fair Labor Standards Act, none of the States involved have provided an automatic adjustment based on a cost-of-living index.

A COST-OF-LIVING TIE WOULD CREATE CONSIDERABLE DIFFICULTIES IN ATTAINING COMPLIANCE

Over 600,000 employers are subject to the Fair Labor Standards Act. The great majority of these obviously do not rely on a legal staff or trade associations to keep them informed. It has been difficult enough to educate the employers in a particular industry of a wage change which has been made through wage orders. Generally speaking, only one or two changes have been made through wage orders, during the past 10 years. Under this proposal, however, changes will probably occur each year and the widespread violations due to ignorance would be very difficult to deal with.

The proponents of a cost-of-living tie did nothing to increase the obsolete 40-cent minimum when the cost of living was skyrocketing in late 1946, in 1947, and 1948. Nor do the proponents of a cost-of-living tie even support a cost-of-living adjustment of the 40-cent minimum. That minimum was decided on by Congress in 1938. Cost of living for moderate-income families in large cities has gone up about 70 percent since that time, and the costs of workers at the minimum have gone up even more. Seventy-five cents will barely do more than compensate for the increases in the cost of living for the lowest paid workers since 1938. Proponents of the cost-of-living tie suggest 60 or 65 cents; however, such a rate would in effect repeal the prewar 40-cent standard and replace it with a lower one of 35 cents or less, and go backward from there.

The minority report of the House Education and Labor Committee favored a cost-of-living tie. It is significant that two of the four members signing that report have publicly expressed their opposition to any minimum wage standards at all.

Mr. McCONNELL. Mr. Chairman, I yield 15 minutes to the gentleman from Connecticut [Mr. LODGE].

Mr. LODGE. Mr. Chairman, I ask unanimous consent to speak out of order, and I am very much obliged to the gentleman from Pennsylvania [Mr. McCONNELL] for allowing me this opportunity to address the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. LODGE. Mr. Chairman, in the recent white paper on China the Secretary of State, Mr. Dean Acheson, states that the Communist regime serves not the interests of the Chinese but those of Soviet Russia. Had Mr. Truman's State Department understood some time sooner this fact set forth so clearly by President Wilson's Secretary of State Robert Lansing some 29 years ago we would not now be in such dire difficulty with respect to the Communist onslaught in the Far East. This belated recognition of a fact which to some people has been obvious for many years serves only to underscore the lack of judgment and the bankruptcy of policy in our administration regarding the great Asiatic dilemma. Moreover, no reasonable explanation is given for our failure to act on the recommendations contained in the Wedemeyer report, at long last made public. Furthermore, it is distressingly apparent that the white paper signifies a reluctance on the part of the State Department to develop a bipartisan foreign policy with respect to that vital area. While Republicans can and should continue to maintain a nonpartisan attitude with regard to all of our foreign affairs, it is impossible to be bipartisan unless we are consulted and unless our participation is requested. Nevertheless, because I am so heartily in agreement with Mr. Acheson that the Communist regime in China serves not the interests of the Chinese but those of Soviet Russia, I believe most strongly that in the interest of American national security and in order to bring forward our peacetime effort on a concurrent global front some attempt must be made to respond to the urgent and critical situation with which we are confronted in the Far East.

Accordingly, the distinguished gentleman from Pennsylvania, Congressman FRANCIS WALTER, and I are introducing today a bill authorizing military aid to China in the sum of $200,000,000.

There are many compelling reasons for the introduction of this bill. This is a vast and complex subject which rests on a tragic series of blunders and betrayals. I shall not rehearse here the many reasons which prompted me to take this action. Suffice it to say that while I have for a long time strongly favored the principle involved in the proposed military assistance pact, the primary purpose of which is to protect American national security by protecting our friends in western Europe, I do not believe that we can effectively protect them or ourselves unless we also take positive action in Asia. To disregard this part of the world is to retreat into an isolationist concept which is as obsolete as it is dangerous.

If no action is taken on this bill I intend to offer it as an amendment to the military assistance legislation now before the Committee on Foreign Affairs. I am introducing this proposal now in order to call attention to the problem, in order to diminish the help and comfort to the Chinese Communists which the white paper has brought, and in order to encourage our Chinese allies and friends in the terrible battle which they are waging.

The principal argument raised against extending military aid to China as we have to Greece has been that the Chinese anti-Communists have lost their will to fight. Certainly we who urged them to make friends with the Reds can hardly blame those who no longer wish to fight them. Surely the white paper is not calculated to encourage the will to fight. Surely no one will contend that the Greeks could have saved themselves from communism without our military assistance. Moreover, it is a matter of record that the Secretary of State, Mr. Dean Acheson, stated a few days ago to the Foreign Affairs Committee that the Atlantic Treaty nations will have little will to fight if we do not provide them with the military aid which the State Department has requested.

There are other timid arguments, none of them constructive and all of them unbecoming a Nation of our position and power.

The bill provides that "such aid shall be given and administered under the terms and conditions and in such manner as to be consistent with the general objectives and limitations provided in section I of the act for assistance to Greece and Turkey." While, of course, there are differences between the Greek and the Chinese situations, there are also arresting and predominant similarities. By referring to this law in the proposed legislation, the Chinese problem is more closely identified since the provisions of the Greco-Turkish bill were debated at length by the Eightieth Congress and have proved by experience to be sound and workable. This measure indicates our intention to proceed according to the tested methods which have proved successful in the Greek civil war. It expresses our conviction that we cannot protect American national security by hunting with the hounds in Greece and running with the hare in China.

The relentless and incontrovertible fact is that no constructive alternative to this proposed legislation has been offered by the Department of State. The position outlined in the white paper does not constitute a plan. It is at best an apologia by those who are more interested in justifying their failures than in achieving success. The administration has offered no program for dynamic and courageous action. I recognize only too well that the hour is late. According to some—the defeatists—the hour has always been too late. My reply is that every day that we delay multiplies the hazards of war and increases the cost of preventing it. My reply is that this is no time to sit on the sidelines wringing our hands and tearing our hair while indulging in derisive and harmful public utterances about the inadequacies of the efforts of those who are caught up in the brutality and horror of the Chinese holocaust. That is not the way we won World Wars I and II and that is not the way we shall avoid world war III. For we should burn into our brains the unassailable truth that unless we win the cold war we shall have a bloody war. We cannot win the cold war in Europe unless the forces of freedom win the hot war in China. In this vast and somber crisis the careers and reputations of those who have been wrong are, let us say, at least as expendable as were the lives of 108,000 Americans in achieving the glorious victories which have been so recklessly squandered by the carelessness and the ineptitude of our China policy makers.

I am willing to let bygones be bygones. I am willing to inspect the past not to recriminate but only in order to take effective action to rescue the future. I am willing to take the Secretary of State at his word when he says that we should encourage all developments in China which now and in the future work toward helping the Chinese to throw off the foreign yoke. I have, therefore, incorporated his own words in the text of my bill by stating as one of the purposes for which the authorized funds may be used "encouraging all developments in China which work toward the end of assisting China to throw off the foreign yoke, to retain her independence, and to regain her administrative and territorial integrity."

Accordingly, it may be stated that the purpose of this bill is to forge a bipartisan foreign policy for Asia, by authorizing funds to enable the Secretary of State to do in China the things which he states in his letter of transmittal that he wants to do.

It is far better to spend $200,000,000 in an endeavor to halt the Communist onrush in China than to invest $150,000,000 in saving face in Korea. To do the reverse is to ignore the grim realities both in Korea and in China. It is to attack the results rather than the causes of this dread disease since aid to Korea cannot possibly succeed unless the Communist threat from China is checked. Let us then spend these funds where they can do the most good, where the possible dividends are the greatest, where the stakes are the highest.

One final word. At the end of his letter transmitting the white paper the Secretary of State says "should the Communist regime lend itself to the aims of Soviet Russian imperialism and attempt to engage in aggression against China's neighbors" that would be in violation of the principles of the United Nations Charter and would threaten international peace and security. But suppose this aggression takes the form of infiltration or so-called civil war? Suppose this aggression is in Indochina and is undertaken by the Indochinese Communists, and in Burma by the Burmese Communists, and in Indonesia by the Indonesian Communists, and so on? Is not that a threat to international peace and security? We give official recognition, sanction, and assistance to the subterfuge of internal force employed by the Soviet Union when we regard the China war as an internal question for the Chinese to handle without outside assistance. We have not done this in Greece. The Greek war is being fought by Greeks. We do not intend to follow this policy in the Philippines where it is proposed that we give military aid to the Filipinos in their battle against rebel Filipinos.

The dust is already settling on the white paper but thank God it has not yet settled in China. If we follow the State Department policy of waiting until all China has succumbed to the Communists it will, I fear, be too late to protect "China's neighbors" against aggression. We do not intend to wait in Europe where, the Lord be praised, there is no armed conflict. Why should we wait in China where the war is very much in being? Why should we fail to take advantage of the elements of resistance to Communist aggression which, in spite of our denunciations, are still fighting on? Why should we vacillate in doubt, defeatism, and despair until, friendless and alone, we are routed and overwhelmed in an apocalypse of our own creation?

A bill to provide for military aid to China

(Introduced by Mr. LODGE, of Connecticut)

Be it enacted, etc., That section 404 of the China Aid Act of 1948 (title IV, Public Law 472, 80th Cong.) is hereby amended by adding at the end thereof a new subsection as follows:

"(c) In order to carry out the purposes of this title, there is also hereby authorized to be appropriated to the President for aid to China for use in the military defense of those parts of China not occupied by or under the control of the Chinese Communists and for use in encouraging all developments in China which work toward the end of assisting China to throw off the foreign yoke, to retain her independence, and to regain her administrative and territorial integrity, a sum not to exceed $200,000,000, to remain available for obligation for the period of 1 year following the date of enactment of this act: *Provided*, That such aid shall be given and administered (1) under the terms and conditions and in such manner as to be consistent with the general objectives and the limitations provided in section 1 of the Act for Assistance to Greece and Turkey (Public Law 75, 80th Cong.) and (2) in accordance with the administrative practices and methods actually followed in providing military aid under such act as amended."

SEC. 2. Section 406 of the China Aid Act of 1948 is hereby amended by adding at the end thereof the following: "The Reconstruction Finance Corporation is authorized and directed to make additional advances, not to exceed in the aggregate $50,000,000, to carry out the provisions of this act, as amended, in such manner and in such amounts as the President may determine. From appropriations authorized under section 2, there shall be repaid without interest to the Reconstruction Finance Corporation the advances made by it under the authority contained therein."

SEC. 3. The Secretary of Defense is hereby authorized and directed, without charge upon the funds herein authorized, to detail not to exceed 500 officers, together with a proper equivalent of enlisted men, to supervise the distribution and use of the arms, equipment and military supplies purchased with funds made available under this act, and to act in an advisory and supervisory capacity to the recipients of aid under this act. The Economic Cooperation Administration is hereby authorized and directed to make available, without charge upon the funds herein authorized, not to exceed 500 employees to act in an advisory and supervisory capacity to the recipients of economic assistance provided in the China Aid Act of 1948 (title IV, Public Law 472, 80th Cong.) as amended.

SEC. 4. The President is directed to withdraw any or all aid authorized herein if the Security Council of the United Nations finds (with respect to which finding the United States waives the exercise of any veto) or the General Assembly of the United Nations finds that action taken or assistance furnished by the United Nations makes the continuance of such assistance unnecessary or undesirable.

SEC. 5. Aid under this act may, unless sooner terminated by the President, be terminated by concurrent resolution by the two Houses of the Congress.

SEC. 6. The President shall submit to the Congress quarterly reports of expenditures and activities, which shall include uses of funds by the recipients of aid under the authority of this act.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. LODGE. I shall be happy to yield to the gentleman from Georgia.

Mr. COX. I ask for recognition simply for the purpose of expressing the hope that the gentleman's committee will join with him in the endeavor to advance this legislation.

Mr. LODGE. I thank my distinguished friend.

Mr. COX. I wish I had the respect for and the confidence in the State Department that would enable me to use temperate language in discussing the Department, but I have not. It is my feeling and it is my conviction that had our China policy been dictated by Stalin it would not and could not possibly have been more to the advantage of Russia. Something ought to be done, and I am glad the gentleman is moving into this field.

Mr. LODGE. I thank the gentleman.

Mr. SMATHERS. Mr. Chairman, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Florida.

Mr. SMATHERS. I would like to commend the gentleman for his statement. I do not wish to go so far as to assess any blame but I do want to associate myself with the gentleman's endeavor to try to focus the attention of this Congress and of the country on what is the most important problem facing us today; that is the Chinese problem.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. JACOBS. Mr. Chairman, I yield the gentleman two additional minutes. Will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Indiana.

Mr. JACOBS. Has there been any study made so as to give an estimate with reference to how much it would cost to either redeem the National Government in China or to set up another government? I am referring particularly to what seems to be accepted by everyone that the National Government is not a very sound government to tie to in order to accomplish our common purposes. Can the gentleman give us any idea of what is thought to be the cost of doing what he proposes?

Mr. LODGE. Doing what I propose is not the same thing that the gentleman asked in the first part of his question.

Mr. JACOBS. Is not what you propose preliminary to that? In other words, would any purpose be served unless we go forward and redeem or establish a government in the country?

Mr. LODGE. Well, when a man's house is burning down is not the time to change the architectural design; when a man is drowning is not the time to give him a lecture on prohibition. The objective is not to help any particular Chinese groups, or individuals, but rather to preserve a free and independent China which will be friendly to the United States.

Mr. JACOBS. I recall that we spent some two billion dollars in China and I recall some testimony from reputable witnesses that the next thing they knew the material we sent was going over the hill and being sold to the Communists.

Mr. LODGE. There will have to be supervision under this bill and supervision is provided.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

HIGHER MINIMUM WAGE NEEDED TO MAINTAIN PURCHASING POWER

Mr. LANE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Chairman, is 75 cents an hour too much for the average industrial worker in the United States?

On a 40-hour week this amounts to a $30 pay. Is this excessive? Would it bankrupt industry?

Certainly not. The average industrial worker earns more than $50 per week. In fact, our present economy is geared to the maximum purchasing power of millions who earn such wages. Even with some leveling off in prices and wages we do not contemplate that average wages will drop as low as $30, for that would lead to economic paralysis.

However, even now, we have no such minimum, fixed by law, as 75 cents per hour.

This results in an unfair competitive situation within specific industries.

The contrast is sharply revealed in textiles.

In the Northeast, for instance, the development of an enlightened labor policy has brought stability in labor-management relations, and has generally raised the standard of living.

But supply has caught up with demand, and our mills in New England are faced with low-cost labor competition from abroad, from Puerto Rico, and from southern manufacturers.

This is due, in large measure, to the wage differential.

Northern mills, through collective bargaining, pay a higher hourly rate to operatives than the minimum we seek to establish through H. R. 5856.

They are being penalized because of their higher standards, and their difficulties have reached an acute stage, which cries out for a fair adjustment.

In Lawrence, Mass., the leading producer of woolen and worsted goods, textile unemployment has reached the highest figure in 9 years. During the peak of war production, there were 25,000 working on a three-shift day. Today only 11,000 are employed on two or less shifts.

Must Lawrence and New England abandon their progress in order to meet competition? To cut human standards is never a solution to any problem. President Truman has outlined a plan to help the backward areas of the world as a practical step toward securing that well-being which is the surest guaranty of peace.

As evidence of our good intention, I believe that we should begin at home—in the United States of America. Competitive advantage based on starvation wages would undermine all that we have accomplished as a nation, and would threaten us more seriously than recognized dangers from an outside source. Our task then is to raise standards instead of lowering them.

Gov. Chester Bowles, of Connecticut, aware of the challenge, has suggested one solution. He has proposed that State manufacturers associations of New England raise a $500,000 fund to help labor unions—"particularly the textile workers, in their efforts to organize southern labor."

He told the New England Council that such a suggestion would help to curb the flight of certain fields of manufacturing away from Northern States to the South.

> No other single step would demonstrate our New England understanding of democracy and labor-management relations and at the same time provide us with a solid protection against the attraction of sweat-shop operators south of the Mason-Dixon line—

Bowles said.

Whatever action may or may not be taken on these proposals, we know that collective bargaining is here to stay and that its area of operations will be extended as we write the new charter of industrial democracy.

At this session of the Congress, we have the opportunity to accelerate this progress by raising the minimum wage to a level that will establish fair competition and raise the general standard of living to a point where the whole economy will benefit.

The present minimum of 40 cents per hour, pegged to depression years, is utterly unreal in the light of present price-wage ratios. It is feudal in concept, and a glaring weakness in that floor of security which we have promised to establish for all workers in our Nation.

Figures compiled by the United States Departments of Commerce and Labor, comparing the year 1932 with 1948, show that the national income increased 420 percent, but that the income of all employees increased 335 percent. The average hourly earnings in manufacturing were 47 cents in 1932 and $1.33 in 1948, up 183 percent. They did not keep pace, by a wide margin, with the percentage increase in national income.

Within the textile industry, there were similar discrepancies. In certain areas, unorganized workers received wages far less than other workers in the same industry who lived in labor-conscious regions. They did not receive their just due, and unwittingly cooperated in weakening the position of those who had made some progress.

Because labor constitutes almost half of the whole population, the well-being of the wage earner is necessary for the success of American enterprise. Wages and salaries which our working men and women receive, are the purchasing power which buys the output of our industries and the produce of our farms.

A minimum wage below subsistence levels is a drag on the consumption of goods and services on that widespread demand without which prosperity would falter and recede.

In his message to Congress on May 24, 1937, President Roosevelt called for legislation establishing minimum wages and maximum hours. He said, and I quote:

> The time has arrived for us to take further action to extend the frontiers of social progress. Our Nation, so richly endowed with natural resources and with a capable and industrious population should be able to devise ways and means of insuring to all our

able-bodied men and women a fair day's pay for a fair day's work.

A self-supporting and self-respecting democracy can plead no justification for the existence of child labor, no economic reason for chiseling workers' wages or stretching workers' hours.

The result was the Fair Labor Standards Act of 1938, which provided a minimum straight-time hourly rate of 40 cents for all workers. Our Nation has grown in productivity and in wealth since 1938, without a compensatory increase in the minimum wage.

In the summer of 1945, 58 percent of the workers in tobacco manufacturing and 47 percent of all textile workers were receiving less than 65 cents per hour. Although organized labor has succeeded since then in winning improved rates the progress has not been uniform. Some workers in nonunion areas have received no increases. It is this pattern which may be used by the reactionary elements to lure industry to sweatshop areas, dislocating our economy and opening the way for disastrous wage-cuts which would shrivel purchasing power and lead inevitably to depression.

Unless we increase the minimum wage to a reasonable level that will eliminate unfair competition, and give some sort of substance to that necessity known as a living wage.

Is it not a contradiction to have a $16-a-week minimum wage on the books for those who are working when we provide $20 a week and more for those who collect unemployment compensation?

To me this is tacit admission that the legal floor for wages in manufacturing is obsolete. Should we fail to raise and strengthen it, we shall find ourselves in the contradictory position of continuing to place a high premium on unemployment.

There are still 1,500,000 workers, covered by the present act, who do not receive 75 cents per hour. Here is a potential market for goods and services which we keep out of circulation, a market isolated and crippled by lack of purchasing power.

The modern, conscientious and fair-minded employer knows that production depends upon teamwork. There is the human factor of morale which is an asset in any business. These men do not consider their employees as inanimate commodities to be exploited to the limit.

But these respectable employers are threatened by sweatshop operators who cut labor costs to the bone and undersell them. To protect these employers as well as their workers from cut-throat competition, and to provide insurance against any possible depression, I believe that it is necessary to pass the bill we are considering.

Unorganized workers have not been granted postwar wage increases. They have and are suffering from this inequitable situation. We simply propose to raise them from the cellar of a WPA subsistence budget and grant them a living wage which will replace fiction with reality.

Our purpose is not only to establish a minimum wage of 75 cents per hour in all industry, but to develop procedures by which industry committees composed of employer, labor, and public representatives, would set higher rates wherever possible, up to $1 an hour.

In fact, our emphasis is not on the floor itself, but to help workers make progress from that foundation. We cannot call it progress when so many have been bypassed and left behind in the development of our economy. Until this lack of proportion is corrected, we are ever in danger from those extremes which provoke economic and social upheavals.

Confining my remarks in closing to the vital interests of New England employers and workers, I say that this bill must pass to protect our textile industry from destruction.

Sweatshop operators are setting up shop in Puerto Rico where they are granted total exemption from all property and income taxes until 1959. Puerto Rico pays nothing into the United States Treasury. Although subject to the provisions of our already obsolete Fair Labor Standards Act, an exception is made in this case. For example, the present minimum wage for textile employees on that island is 25 cents.

How can we possibly compete with such slave labor? There is no import duty on such goods when they are shipped to the mainland for sale. Furthermore, our Federal Government gives millions of dollars to Puerto Rico.

Add up all these one-sided facts and the sum conclusion is that the United States is subsidizing unfair competition at its worst. Do you want to strip our New England textile workers of all human dignity, force them back into a primitive struggle for existence, and engage in tooth and claw competition with the $10 a week worker in Puerto Rico?

Not if conscience is awake.

Rather, we should try to raise the standards of Puerto Ricans by establishing a decent minimum wage in the United States proper, and by insisting that labor standards on the island shall conform as nearly as possible to the higher level which is so necessary for mainland workers.

This can be accomplished only through Federal legislation. To improve the well-being of all labor, and to encourage healthy competition, we should enact into law the Fair Labor Standards Act of 1949.

Mr. LESINSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. DAVENPORT].

Mr. DAVENPORT. Mr. Chairman, my chief interest in this bill is from the standpoint of the retail merchants. I publish a paper in my home town and I have to service every week about 100 of these small retailers. They have been on my back for the past 6 months because they have been worried to death that there is going to be a bill passed here which will create a great hardship for the little retailer.

I wish to congratulate the Committee on Education and Labor for the remarkably good job it has done in the Lesinski bill and the very realistic approach in the matter of wages and hours so far as the retail stores of our Nation are concerned. As a matter of fact, the Lesinski bill goes even further in the interests of the retailer because it exempts retail establishments which were covered under the 1938 act if they did more than 50 percent of their business in interstate sales or services. Therefore, I am glad to be able to go back home and assure my little retail merchants that this is a bill that they can live with and a bill that is not going to hurt them at all. While I rise in support of the bill and while I am going to vote for its passage, I do so with great reluctance and some misgivings. This is not the minimum-wage law that we promised the people of our country.

It is not the minimum-wage law that we so bravely talked about in our campaign speeches last fall. It does not provide adequate coverage. I do not believe that 75 cents an hour minimum goes far enough. According to the Bureau of Labor Statistics at least $1.25 an hour is necessary to maintain the American standard of living, and anything below this figure is unrealistic.

That great American labor leader, Philip Murray, said this last fall:

> The way to stop communism in this country is for all Americans to enjoy full employment, a high standard of living, and a minimum wage enough to prevent individual hardships.

Walter Reuther, another great leader of American labor, president of the United Automobile Workers, in a speech he made at the Auto Workers Convention last July said:

> In our search for both bread and freedom, the totalitarianism of neither fascism nor communism offers the answer; nor does a return to the boom and bust economics of a reckless system of laissez faire. Wages must be increased so that the buying power of the American people can be expanded to permit the purchase of the things that our factories and farms are able to produce.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. LESINSKI. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, the present 40-cent minimum-wage rate has been in effect since 1938. In 1946 the other body passed a bill increasing that to 65 cents. That bill did not pass this House. There can be no doubt that a 75-cent minimum-wage rate as of today is literally minimum. I intend to support the bill as reported to the House by the Committee of the Whole only because that is the best bill we can get at the present time. The bill does not go far enough. It does not include all the workers who should be included.

I want to take this occasion to repeat what I have previously said on many occasions: "A government that undertakes to set fair labor standards for private industry should set the example by establishing such standards for government employees." Postal workers and

all Federal employees are entitled to increased compensation and should get it. Bills pending before this House to improve their working conditions should also be enacted into law.

I trust that this bill will prevail, that it will set a minimum wage of 75 cents an hour and that it will bring under its jurisdiction the largest possible number of American workers. The bill should not be emasculated with exemptions. I strongly urge that increased compensation to wage earners has never hurt an industry, but has always added to the general prosperity of the country.

Mr. LESINSKI. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, in rising in support of this bill, I first wish to compliment the hard-working and able chairman of the Committee on Education and Labor, the gentleman from Michigan, the Honorable JOHN LESINSKI, and the members who have labored with him.

It would have been nothing short of a betrayal of power if in this House of Representatives, organized by the Members elected on the Democratic platform of last November, a bill extending the coverage of the Fair Labor Standards Act and establishing a minimum wage of at least 75 cents an hour had died in the committee.

There was no such betrayal of power, and for this the Nation is indebted to the integrity and the persistent industry of the chairman of the committee and of the members of that committee who stalwartly stood with him in getting approved by the committee and onto the floor of the House a measure which meets at least the minimum requirements of the pledge in the Democratic national platform of 1948. Nor should the little people of the United States, whose votes placed us in power and with the mandate of keeping faith with that platform, be unmindful of the powerful driving influence of President Harry S. Truman and of the leadership of the House in insisting that democracy's pledge to the people of an extended coverage and a minimum wage of at least 75 cents an hour be kept to the strict letter.

There can be no excuse for our failure to pass this measure. The sacred word of every Member of this body elected on the Democratic national platform of 1948 charts the way that in honor his vote must be cast. There is no alternative in good conscience for any Democrat on this issue. I repeat with emphasis that this bill meets the minimum of our party's campaign commitment. I wish that it were a stronger bill, that the minimum wage were set at a dollar an hour, certainly that there were a much greater extension of coverage. But I appreciate the practical aspects that present themselves in a body where the majority party is not so closely knitted by a common interest in certain phases of our society as to command the votes necessary for passage.

If I and many of my colleagues, who think that the bill should go much further, can accept it as the minimum fulfillment of our party's pledge, surely it is not asking too much of our fellow Democrats, who come from the districts where the problems incident to urban employment are not so immediate, to meet us there on the very boundary, one step from which is the abandonment of the honor of the Democratic Party.

This is the plank of the Democratic national platform of 1948 which is binding upon every Member of this body who was elected as a Democrat:

> We favor the extension of the coverage of the Fair Labor Standards Act as recommended by President Truman, and the adoption of a minimum wage of at least 75 cents an hour in place of the present obsolete and inadequate minimum of 40 cents an hour.

It is reported that a substitute bill will be offered as an amendment, and that in this measure the minimum wage will be lowered from 75 to 65 cents an hour. They speak of this as a compromise, but I think that all my loyal Democratic colleagues—and I make no distinction among loyal Democrats on geographical lines—will agree with me that no compromise is acceptable to us that is predicated on selling out the honor of the party of Jefferson, Jackson, Cleveland, Wilson, Roosevelt, and Truman for a difference of a dime.

We Democrats promised the toilers of America a minimum wage of at least 75 cents an hour. We did not say "at least 75 cents an hour, or maybe 65 cents." And we Democrats from way back in the days of Jefferson and Jackson—mighty fine Democrats who gave the United States its first great upsurge in liberalism, and southern gentlemen they were, too, if you please—we Democrats from then on down have never been renegers.

We have a lot to fight for together, we Democrats. The last hope of the common people of America, and I fear of the world, at least in my lifetime, will be gone if we Democrats, who have always been the champions and protectors of the common people, permit differences, often only in temperaments and in prides, to retard us in keeping sacred our word to the people whose votes we needed to gain the power we achieved.

That pledge of a minimum wage of not less than 75 cents an hour was a factor in my election. It was a factor in the election of all the Members from the large urban centers who made possible the control of this House by a Democratic majority, and the passage of such legislation beneficial to the Southland and to the agricultural areas. I think it is time that our fellow Democrats from other sections of the country should give thoughtful attention to the obligation imposed upon them to aid in the enactment of those laws so necessary for the welfare of the people in the urban centers from which we come and to which our party pledged itself in plain and unequivocal language.

Impliedly, at least, our fellow Democrats recognized this obligation in soliciting and accepting our votes for measures directly beneficial to the peoples of their respective districts and sufficient in number to break down an almost solid Republican opposition. The rule of fair play guiding all of man's relations with others commands that an obligation accepted be discharged without bickering or bargaining. In advancing this suggestion, I have in mind, with great respect, the gentlemanly qualities that I know are innate in the characters of my distinguished colleagues who, although of the same party, have not always approached the problems of the common people in great urban centers with the degree of sympathetic human understanding which we expect of Democrats.

There is still time for us to stand as a united team of Democrats. On minimum wage, the language of our pledge is crystal clear. It calls for an extension of coverage and at least a minimum wage of 75 cents an hour. The bill before us meets the minimum of that pledge. I hope that it will receive the vote of every Democrat in this Chamber.

As to my colleagues on the other side of the aisle, I must leave the issue to their individual consciences. During the months of the Eighty-first Congress I have been charmed by the warm personal attributes of my distinguished Republican colleagues. I know that they work hard in their offices, as do all of us, and that they are no less attentive to the many duties devolving upon Members of this body than are my colleagues of the Democratic Party. But I have seen no signs of constructive leadership. Even the brilliant mind and experienced ability of the courteous and esteemed minority leader can make nothing of a party without either a program or a hope. He is the captain on a wrecked and battered ship, floating derelict on the seas, with no power to propel it, no chart to guide its course, and the survivors of its crew in panic.

In a changing world, with a broadening vision of the dignity of all men, the Republican Party remained too long wedded to special privilege. While the world moved on, and earnest young men and women came from our high schools and our colleges with the determination that our Government must be the instrumentality of service to all our people, the Republican Party continued in its horse-and-buggy ride with special privilege. Surely I cannot begrudge it the one tribute it has earned. It has kept faithfully its marital vows to special privilege—"until death do us part."

It would be unfair, however, not to mention that among my Republican colleagues are some who, in the absence of a constructive party program, do follow the chart of their consciences. Some there are who have stood with us for public housing and for other measures making for the welfare of our country and the contentment of our people. In the tomorrow of the Republican Party, when again, let us hope, it will take its proper place in our two-party system, not as the servitor of special privilege, but as a wholesome instrumentality for the expression of the political concepts of a modern generation, they will be among its leaders. From them I have complete confidence, we will receive support for the minimum-wage bill. Their names they will glorify by the affirmative votes recorded on the roll call.

To me it is an especially happy occasion that, after 36 years of battling for the establishment of minimum-wage legislation, I am privileged to speak in the Congress of the United States for the increase of the hourly wage to be paid the least of our workers to 75 cents. In 1913 there came to me the opportunity, as the chairman of the Illinois Senate Vice and Wage Commission, just turned 30 and holding my first public office as lieutenant governor of Illinois, to startle the Nation from its complacency.

If my colleagues will turn to the old newspaper files of that period they will gain some idea of the profound depths to which the conscience of the Nation was touched by the revelations brought out by the investigation of which I was the chairman. Suffice here to say that as a result, President Woodrow Wilson sent for our commission, threw the powerful force of his administration behind our work, 32 States of the Union joined with us in pursuing its purposes, and in the year of 1913 following the exposures of employment conditions by our committee nine State minimum-wage laws were enacted.

Let me name the States which in 1913 started the minimum-wage procession: California, Colorado, Massachusetts, Minnesota, Nebraska, Oregon, Utah, Washington, and Wisconsin. In my own State of Illinois, from whence came the impetus for this great movement, the reactionary interests defeated us by the power of a lobby which knew all the tricks. The most telling argument used by this lobby was that a national minimum-wage law was the shoe that would fit the foot and, until the time of such a national minimum-wage law, the big interests of Illinois should not be penalized in competition with other States.

Hiram W. Johnson was then the governor of California, in my opinion one of the greatest chief executives that we have ever known in these United States. I quote from a letter dated March 28, 1913, sent from the executive office at Sacramento and signed by Hiram W. Johnson, governor of California:

> Permit me first to congratulate you upon the very excellent results thus far attained. Your commission has awakened a Nation-wide interest in the subject and has given to all of those dealing with this and kindred subjects added zest to their undertaking. I am endeavoring to have passed by the present legislature a bill for the appointment of a minimum-wage commission and it is my hope and desire that this commission may investigate not only this question of minimum wage but every related subject, and that it may act in conjunction with your commission and others that may be appointed in various States. At any rate, rely upon our hearty cooperation in the work that you have undertaken.

In Oregon where the commission had prescribed a minimum wage of $8.25 a week for women working 54 hours a week in industry, the distinguished chairman of the commission made this statement:

> An industry which does not pay its employees enough to cover their necessary costs of living is a parasite on the homes of the poor and is subsidized by its employees. If any industry is so important to the community as to deserve to be maintained by a subsidy, such a subsidy should come from some other source than its working girls.

Mr. Chairman, I feel that my colleagues will appreciate emotions that fill me today. The batle for a fair and living wage for every worker everywhere was the battle of my youthful years. How could it have been otherwise when girls and women employed in fashionable stores testified before me that their wages were $2, $3, $4, seldom more than $5 a week and the employers testified that while they paid these wages, they knew from their own investigations that no girl or woman then could live on less than $8 a week?

It is good to have lived to see the principle of the minimum wage fixed in the laws of my country. To be a Member of the Eighty-first Congress and to have a small part in raising the minimum wage to 75 cents an hour is to me the full measure of satisfaction for a life's work.

May I in closing, Mr. Chairman, quote from the printed report of my committee 36 years ago?—

> Another change is impending. The feeling is rife in this country that the pay of his employees should not solely depend upon the will or the whim of the employer. The belief is widespread and deep-rooted that every capable and faithful employee should have not only a living wage but a fair one.
>
> The popular demand for a fair wage is founded upon right. Surely what was right in the case of the slave, the apprentice, and the domestic—what is right in the case of today's horse and ox—would not be unjust or unreasonable in the case of the employee who devotes to his or her employer full time and labor every working day in the year. The man, woman, boy, or girl who does this earns his or her full living—has as much right to an honest wage as the employer has to his profits—and when in health should need no assistance from relative, friend, stranger, or the poor fund.
>
> Gratifying results have sprung from the work inaugurated by this committee. Its inquiries with respect to the wage question were searching, exhaustive, and unparalleled. The committee did what had never been done in any State in the case of women and girls employed in stores—it held its sessions in public and required merchant princes to appear and testify as to wages paid. That many store employees have been poorly paid has always been known, but the extent of this wrong as brought out by this testimony was a revelation. The proceedings challenged the attention and aroused the interest of people generally in every State in the Union. The press gave the testimony to the entire country. General agitation followed, and many employers, upon reading the startling developments, instituted inquiries of their own which resulted in the voluntary increase of pay.
>
> The members of this committee regard with contempt the cry raised by a few employers and their paid emissaries that the public hearings conducted by it tended to asperse the integrity of the women and girls of Illinois and of the entire country who work for a living. Small and miserable though her pay may be, the average woman or girl worker in the United States is not surpassed in virture by any of her sisters, rich or poor, in any country. But a starvation wage has never yet promoted virtue in any land, and thousands of girls and women in our own country might today bless happy homes had they been paid a decent wage by those whose fortunes they helped to build. A minimum-wage law will not prevent all from going wrong, but it will leave no girl or woman to suffer from hunger and cold and absolute misery and will save many indeed from the sad fate that has come to so many of that sex because of a system captained by greed and inhumanity.
>
> Many good men and women profess to believe that the world would soon go to smash if every person, whether fond of work or play, should always have sufficient food, clothing and shelter. Other good men and women think that the world would not be bettered were sunlight, pure air, and good water to be had only by the industrious and the rich—believe that the world would be better than it is if no innocent person should ever know from experience the suffering and the mortifications born of want in the midst of plenitude. Their doctrine is that neither misfortune nor improvidence should deprive any man's dependents of enough to eat or to wear, of either comfortable fire or decent roof—that the right to such is not subordinate to the untaxed and unrestricted privileges of natural light and heat, of air and water. Their theory is that hunger and cold breed misery, that misery breeds crime.
>
> This does not mean that all persons should be on perfect equality, that all should have the same of everything, that all should share alike, think alike, act alike, look alike.
>
> No, we do not want all of these equalities—we want joys, distinctions and triumphs, we want rivalries, jealousies and sorrows, that may be our very own. But there are inequalities that should not exist, injustices that should die. There is too much food, fuel, wealth, and humanity in every land to leave room for hunger, cold, and the heartaches of poverty.

This, Mr. Chairman, was my philosophy 36 years ago. It is the philosophy by which I have lived my life. It is the philosophy which shall guide me in voting for this bill raising the minimum wage to 75 cents an hour. My only regret is that the minimum is not established at $1 and the coverage extended to cover all workers everywhere.

Mr. HAYS of Arkansas. Mr. Chairman, I favor a flexible, minimum wage. I propose that we utilize the same principle that we embodied in the original Fair Labor Standards Act of 1938—the fixing of a relatively modest statutory minimum, which might be raised gradually if conditions warrant, or be lower somewhat if there should be a drastic fall in the price level. This principle is embodied in the Lucas substitute.

You will recall that, when the Fair Labor Standards Act became effective October 24, 1938, it contained statutory provisions for a rising floor under wages and for a descending ceiling over hours.

The statutory minimum wage for the first year, ending October 24, 1939, was 25 cents an hour. The statutory minimum for the year ending October 24, 1940, was 30 cents an hour. No further change in the statutory minimum was provided until October 24, 1945, when it rose to 40 cents an hour. However, by July 1944 all industries subject to the provisions of the act had established minimum-wage rates of 40 cents or more through the action of industry committees appointed by and working with the Wage and Hour Division of the Department of Labor.

Now, from October 1938 to December 1948 the Bureau of Labor Statistics index of consumers' prices has increased by a

little under 71 percent. If that is applied to the original 25-cent minimum—to get its equivalent today—we find it is about 43 cents. But since I think we would all agree that 25 cents is a very low minimum even in 1938, let us take instead the goal set at that time, of 40 cents an hour. Since July 1944 the cost of living has gone up about 36 percent. So, on the basis of December 1948 prices, a cost-of-living adjustment would bring the 40-cent minimum, which became really effective in July 1944, up to about 55 cents—actually 54.4—and not 75 cents. We are all conscious of the fact that the cost of living has been coming down in the last few months, particularly prices of food, and, recently, prices of clothing. By December they were down nearly 2 percent from their all-time record of last September, according to the Bureau of Labor Statistics, and all of us know that they are at least a little lower now, in August, than they were before Christmas. So, if we had today's figures on cost of living, today's equivalent of that 40-cent minimum wage might be nearer 52 or 53 cents.

But the exact figure is not the point. We all agree that some account should be taken of the rise in living costs in the last 10 years. But my real concern is that today prices are falling, business is slackening, some factory workers are being laid off, and some unemployment is appearing in various parts of the country. We do not know how far this will go. As consumers, we hope that the prices of everyday things we buy will go lower. We have been working for just this for a long time. But we all hope that those falling prices will come because of larger production, and that the declines will be orderly, not sudden and disastrous as they were in 1920–21. We hope, too, that the economic readjustment to peacetime levels of buying will soon be completed, and that we can go forward then to long years of prosperity. But no man can say today what the level of prices will be 5 years from now. Prices of raw materials and wages are costs that determine what prices must be charged for the products of our industry. If industry is to go through a period of readjustment, do we want to fix one important part of its costs, by law, at a level which a lot of factories and warehouses and stores are not paying, even today, in the midst of the greatest prosperity and the highest profits in history? We are at a turning point in the business cycle. Is this not the time to adopt a reasonable Federal wage policy that will not hamper industry in keeping people employed through such a period of readjustment?

I do not know what the minimum should be, of course. None of us knows. I think the one notable fact to be in the minds of Congress, primarily, is that the 40-cent minimum, modest as that is, was achieved on a rising economy and an expanding industry. Today, while the profit situation, as I indicated in my earlier statement, in many industries, though not in all, would justify a considerable increase in the minimum, it nevertheless would disastrously affect many marginal industries, particularly those in the smaller towns where the wage is lower.

I know it is trite to point out that the theory on which the minimum wage was enacted was that business should have certain rules to go by, that management should be protected in its efforts to provide a standard of living for even its lowest productive employees. I am somewhat familiar with the circumstances that brought the minimum-wage law into operation, as a layman, of course.

Nevertheless, as an observer of conditions in the plants in my part of the country, I believe that a minimum wage is justified, assuming that it is not too high, and that it will do a lot of good, and that it will be a boon to industry, as I think experience has shown it to be. I think it would be a great mistake, however, for us to assume that because the legislation has had salutary results, we should immediately act without moderation simply because the worthy goals of some of the spokesmen for the lowest-paid workers have been put very attractively before us. We cannot predict the future; while it is impossible to get much flexibility—in fact, I doubt that great flexibility would be desired, because I feel that low-paid wage earners, or all wage earners, depend primarily not upon the buttress of law but upon their power in a free society through collective bargaining and through management understanding, if you please, of the primary principles of the capitalistic system—that while those are the chief assets in our efforts to improve standards of living, there must be this support on the part of the Government that provides the floor for wages. The thing I fear now is that if we have an inflexible, rigid minimum, particularly if it is placed too high, we are going to drive many of our industries to the wall and create considerable unemployment. The reaction would be very harmful to our whole economy.

What I am trying to say is that there is an opportunity to improve wage situations. I think, on the whole, they are good. I think that the improvement would be rather limited, because the healthy economy that we have had has taken care of the thing just through the interplay of economic law, and the fact that wage policies pretty generally have been sound. I am trying to say, though this sounds repetitious, that I am on the side of the idea, of the theory, of the minimum wage, but I would be on the other side if this Congress should make the mistake of having an inordinate and rigid minimum which would create unemployment and would work against the interests of labor, and then, of course, ultimately of industry.

Flexibility of the minimum wage must not be as bad as argued by the gentleman from Ohio [Mr. BURKE]. The late Secretary of Labor and able former Senator from Washington, Mr. Schwellenbach, told the House Committee on Labor and Education on November 17, 1947:

> Although it is improbable in the foreseeable future that our industries could not continue indefinitely to sustain a 75-cent minimum wage, as a precaution against special situations that may develop as a result of a substantial decline in economic activity, I am also recommending that the industry committees, already provided for in the Fair Labor Standards Act, be given authority to reduce the minimum wage for particular industries from 75 cents to 65 cents an hour when necessary.

There have been some charges that the formula to achieve flexibility in the minimum wage is highly technical and difficult to understand. To disprove this I wish to include the following chart, which reflects, in cents, the fluctuations in the annual minimum wage as related to the Consumers' Price Index.

How changes in the Consumers' Price Index would affect the minimum wage if sec. 6 of H. R. 5894 (Lucas substitute) were adopted

The minimum wage will be (cents)—	When the index is— (1935–39=100)	Percent change in index from 170.2 (average for 12 months ending Oct. 15, 1948)
50	130.9	−23.1
51	133.5	−21.6
52	136.2	−20.0
53	138.8	−18.4
54	141.4	−16.9
55	144.0	−15.4
56	146.6	−13.9
57	149.3	−12.3
58	151.9	−10.8
59	154.5	−9.2
60	157.1	−7.7
61	159.7	−6.2
62	162.3	−4.6
63	165.0	−3.1
64	167.6	−1.5
65 (proposed 1949 minimum wages)	170.2	0
66	172.8	+1.5
67	175.4	+3.1
68	178.1	+4.6
69	180.7	+6.2
70	183.3	+7.7
71	185.9	+9.2
72	188.5	+10.8
73	191.1	+12.3
74	193.8	+13.9
75	196.4	+15.4
76	199.0	+16.9
77	201.6	+18.4
78	204.2	+20.0
79	206.9	+21.6
80	209.5	+23.1

Mr. LESINSKI. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MCCORMACK] having resumed the chair, Mr. COOLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include a statement by his colleague, the gentleman from Massachusetts [Mr. MARTIN] on American foreign policy in China.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in the RECORD.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the body of the debate on the minimum-wage bill and include a table.

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include a copy of a radio address by Mr. Dave Beck, executive vice president, International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PLUMLEY (at the request of Mr. MARTIN of Massachusetts), for an indefinite period, on account of official business.

To Mr. CLEMENTE, for the period of August 14 to August 29.

To Mr. GORDON (at the request of Mr. MANSFIELD), for an indefinite period, on account of the death of his brother.

To Mr. O'TOOLE (at the request of Mr. MURPHY), for Monday, August 8, 1949, on account of death in family.

To Mrs. NORTON, for an indefinite period, on account of illness.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. PHILLIPS] is recognized for 25 minutes.

THE DEPARTMENT OF STATE SHOULD SEE THAT THIS PLEDGE IS KEPT

Mr. PHILLIPS of California. Mr. Speaker, I rise today to call attention to the fact that it was a year ago this month, to be exact August 4, 1948, that the Department of State notified Imperial Irrigation District of the acceptance in principle of the district's proposal relative to operation of the All-American Canal and construction of the Pilot Knob power plant. Further, the letter stated that—

> It is expected that it will be possible to submit to you at a reasonably early date a draft of a proposed agreement covering the matter.

I know that such a draft was prepared and submitted to the Secretary of the Interior for comment in November 1948. So far as I know, the State Department has received no reply from Secretary Krug. It is reported that Secretary Krug has made the statement that he is awaiting a final decision in the matter by the Secretary of State. Imperial Irrigation District has received no further word from the Department of State since the letter of August 4, 1948.

I realize that the Department of State is concerned with many very important matters such as the Atlantic Pact and the Arms for Europe program, but it does seem that this matter, of such vital concern to the Imperial Irrigation District, should be entitled to more consideration than it has received. I hope the State Department's action in this matter is not typical of its procedure in foreign affairs. To understand what this is all about it is necessary that I give a brief description of the background.

The Boulder Canyon Project Act of December 1928, authorized the construction of the All-American Canal and also granted the Imperial Irrigation District the right to develop the power possibilities on that canal. Before construction work was started the Government required Imperial Irrigation District to execute a contract guaranteeing repayment of the cost of the canal to the United States. This contract is dated December 1, 1932.

In 1944 our Government made an agreement concerning Colorado River water with our neighbor to the south, Mexico. In this agreement Mexico was accorded certain rights to use the All-American Canal which created a conflict with Imperial's All-American Canal contract. Ratification of the resulting agreement was completed in November 1945, and immediately Imperial Irrigation District sought ways and means to bring its All-American Canal contract in line with the agreement. In the meantime our Government had refused to allow Imperial to proceed with the development of the Pilot Knob power site on the All-American Canal—the most valuable of the several power possibilities on that canal—on the theory that it was concerned in the Mexican agreement.

Although several informal discussions were held by the district with representatives of the State Department and the Interior Department, it was not until September 1947 that the district was able to secure a meeting of those concerned. Here is what followed:

September 1947: A meeting was held in Los Angeles by the representatives of the Department of State, the Department of the Interior, the Department of Justice, the American Section, International Boundary and Water Commission, United States and Mexico, and Imperial Irrigation District. As a result of this meeting and as suggested by the Department of State;

December 1947: The district submitted a proposal to the Department of State under which the district's All-American Canal contract would be brought into accord with the Mexican treaty;

August 1948: The Department of State notified the district, as I have previously mentioned, that the district's proposal was acceptable in principle and a draft of the contract would be prepared for submission to the district—this draft has never been so submitted;

November 1948: A draft of the contract was submitted to the Secretary of the Interior for comment. No action has been taken to date by the Secretary of the Interior;

August 1949: The district is still awaiting a decision in the matter.

Mr. Speaker, this matter is of vital concern to Imperial Irrigation District. The district is badly in need of the power which could be produced at the Pilot Knob plant. It has now been waiting since November 1944, for permission to proceed with the installation. This plant could produce several hundred million kilowatt-hours of electrical energy each year. Because of the delay, construction of the plant now will cost the district several million dollars more than it would have a few years ago, and the district has lost the revenue which it would have received from the sale of the power. More than that, it has meant the use of some 250,000 barrels of fuel oil a year to generate the energy which would otherwise have been produced at Pilot Knob. This is an irreplaceable loss of our dwindling petroleum supplies.

Mr. Speaker, I submit that it is the duty of our Government that as long as the interests of the United States are fully safeguarded, the contract it made with Imperial Irrigation District under the provisions of the Boulder Canyon Project Act should be lived up to; we must keep faith with our people.

Perhaps the Department of State can explain why this exceedingly long delay has been necessary and why, after it notified the district the proposal was acceptable in principal, it has not been possible in over a year to at least have a draft of the contract for submission to the district. Certainly the way in which the interests of Imperial Irrigation District have been treated is not a good example of how the Federal Government is presumed to conduct its affairs under the Constitution.

SPECIAL ORDERS GRANTED

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that on Thursday and Friday of this week, after the completion of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 30 minutes on each occasion.

The SPEAKER pro tempore (Mr. MCCORMACK). Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include an editorial.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

BUYING VOTES BY PUTTING THE BITE ON THE TAXPAYER

Mr. HOFFMAN of Michigan. Mr. Speaker, although Big Steel may not be doing it for that purpose, the result of their actions is nevertheless to help Harry Truman squeeze the public for political support.

It is the claim of Phil Murray, president of the CIO, and his CIO that they are responsible for the election of Harry S. Truman.

Mr. Truman, during his campaign, made the CIO and Murray certain promises in return for their political support, and Murray is demanding payment.

He and his subordinates have an in at the White House, and it is commonly rumored that Murray dictates the labor policy of the President.

Be that as it may, it is quite evident that the President is making an effort to pay for the political support he received during the campaign. He not only has gone along with Murray and Green in

demanding the repeal of the basic principles of the Taft-Hartley Act, a promise on which he cannot make good, but he loses no opportunity to assist Murray and the CIO in putting the bite on the rest of us.

When the CIO strike in Big Steel was called, Murray knew very well that he not only could depend upon the President only for support in the negotiations, but that the law-enforcing agencies would make no worth-while effort to interfere with the brutal beatings, the many violations of law, which Murray's CIO organizations—without any protest from him—use as an everyday policy in connection with some of their strikes.

The President, whose duty it is to uphold the law, to accept the law as enacted by the Congress, is now aiding Murray and his CIO in bypassing that law.

Instead of using the Taft-Hartley Act to aid in a settlement of the present strike in Big Steel, President Truman ignores the law and insists that Big Steel agree to the appointment of a fact-finding board.

Big Steel demurred, but in the end it was forced to capitulate. The board was appointed, and as anyone could have anticipated, its members will undoubtedly return a finding granting a substantial share of the union's demands. Perhaps it will recommend the granting of pensions to the CIO workers, to be paid for of course at the expense of everyone who in any way uses steel in any form. No doubt, it will also recommend an increase in wages.

Big Steel will probably be forced to accept the findings and pay the workers more in one form or another.

But that may not hurt Big Steel. The increase won't be taken out of the stockholders and it will undoubtedly in some way arrange to conserve funds for depreciation and whatever experiments it may find necessary to carry on.

Steel will just pass the cost on to the consumer. That has been the policy in the past and no doubt it will be the policy in the future.

So what is the net result? The President helps out his political allies by appointing a committee which will make a report which will force steel to grant at least a portion of their demands—and no doubt the demands were formulated with a compromise in mind. Steel passes the cost along to the consumer and everybody pays the cost for the votes which, through favoritism, Harry Truman purchases from Phil Murray and his CIO.

It is what they call the double squeeze. The unions and the steel industry join in squeezing the taxpayer, and out of the squeeze comes no benefit to anyone except to Truman and his political allies. A sweet little game if you can work it.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2290. An act to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams; and

H. R. 3982. An act to authorize the Secretary of Agriculture to sell certain lands to the Sisters of St. Joseph in Arizona, Inc., of Tucson, Ariz., to consolidate the Desert Laboratory Experimental Area of the Southwestern Forest and Range Experiment Station, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 8 minutes p. m.) the House adjourned until tomorrow, Tuesday, August 9, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

841. A letter from the Administrator, General Services Administration, Federal Works Agency, transmitting a draft of a proposed bill entitled "To amend the 'Second Supplemental National Defense Appropriation Act, 1943,' approved October 26, 1942 (56 Stat. 990, 999) and for other purposes"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRYSON: Committee on the Judiciary. H. R. 4692. A bill to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II; with an amendment (Rept. No. 1214). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 5620. A bill permitting the use, for public purposes, of certain land in Hot Springs, N. Mex.; without amendment (Rept. No. 1215). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 1485. A bill for the relief of Josephine Lisitano; without amendment (Rept. No. 1206). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2854. A bill for the relief of Wade H. Noland; without amendment (Rept. No. 1207). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 3081. A bill for the relief of Mrs. Dorothy M. Evans; with an amendment (Rept. No. 1208). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 3863. A bill for the relief of Carl C. Ballard; with an amendment (Rept. No. 1209). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4095. A bill for the relief of W. P. Bartel; without amendment (Rept. No. 1210). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4777. A bill for the relief of J. D. Lecky; without amendment (Rept. No. 1211). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4889. A bill for the relief of Mrs. Jack J. O'Connell; without amendment (Rept. No. 1212). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 5582. A bill for the relief of the Belle Isle Cab Co., Inc.; with an amendment (Rept. No. 1213). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEALL:

H. R. 5912. A bill to amend the District of Columbia Alcoholic Beverage Control Act to restrict the sale on credit of beverages, except beer and light wines, not consumed on the premises where sold; to the Committee on the District of Columbia.

By Mr. BREHM:

H. R. 5913. A bill to authorize the exchange of certain lands of the United States situated in Ross County, Ohio, for lands within the Symmes Creek purchase unit in Lawrence County, Ohio, and for other purposes; to the Committee on Agriculture.

By Mr. GILMER:

H. R. 5914. A bill to provide for the leasing of the lands and real estate of members of the Osage Tribe of Indians in Oklahoma who do not have certificates of competency, and for other purposes; to the Committee on Public Lands.

By Mr. HAYS of Ohio:

H. R. 5915. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. LODGE:

H. R. 5916. A bill to provide for military aid to China; to the Committee on Foreign Affairs.

By WILLIAM L. PFEIFFER:

H. R. 5917. A bill to amend the Immigration Act of 1924 to classify as nonquota immigrants the husbands of certain female ministers and professors admitted to the United States; to the Committee on the Judiciary.

By Mr. SASSCER:

H. R. 5918. A bill to authorize commissioned officers of the Army, Navy, Air Force, and Marine Corps to administer certain oaths, and for other purposes; to the Committee on Armed Services.

By Mr. SMATHERS:

H. R. 5919. A bill to authorize the President to conclude executive travel agreements to expedite international travel and for other purposes; to the Committee on Foreign Affairs.

By Mr. VINSON:

H. R. 5920. A bill to provide for payment of amounts due mentally incompetent personnel of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey and Public Health Service; to the Committee on Armed Services.

H. R. 5921. A bill to terminate lump-sum benefits provided by law to certain Reserve officers of the Navy and Air Force; to the Committee on Armed Services.

By Mr. WALTER:

H. R. 5922. A bill to provide for military aid to China; to the Committee on Foreign Affairs.

By Mrs. NORTON:

H. Res. 318. Resolution authorizing the Clerk of the House of Representatives to approve payment of gratuities during the recess of Congress; to the Committee on House Administration.

By Mr. CORBETT:

H. Res. 319. Resolution providing for the consideration of H. R. 4495, a bill to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H. R. 5923. A bill for the relief of Mrs. Cora B. Jones and James C. Jones; to the Committee on the Judiciary.

By Mr. KENNEDY:

H. R. 5924. A bill for the relief of Dr. Coenraad Moorrees and his wife, Louisa; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5925. A bill for the relief of Dr. Mario Stefanini; to the Committee on the Judiciary.

By Mr. MARCANTONIO:

H. R. 5926. A bill for the relief of Vincenzo Governali; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 5927. A bill for the relief of Dr. Suzanne Van Amerongen; to the Committee on the Judiciary.

By Mr. POTTER:

H. R. 5928. A bill for the relief of Ernest (Anastasios) Aslanis; to the Committee on the Judiciary.

By Mr. DEANE:

H. Res. 317. Resolution for the relief of Mrs. Ruth Bankhead; to the Committee on House Administration.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1394. By Mr. RICH: Petition of employees of General Roofing Co., Bradford, Pa., protesting the inclusion of title I, National Housing Act, in omnibus housing bill (H. R. 5631) and favoring independent status on a permanent basis; to the Committee on Banking and Currency.

1395. By the SPEAKER: Petition of Mr. James J. Laughlin, National Press Building, Washington, D. C., relative to requesting the impeachment of Judge Samuel Kaufman, southern district of New York, for conduct of the kind indulged in in the Hiss case; to the Committee on the Judiciary.

SENATE

TUESDAY, AUGUST 9, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. H. de la Costa, S. J., of Manila, Philippine Republic, offered the following prayer:

Almighty and eternal God, who in Thy inscrutable providence didst unite in friendship nations so widely separate in space, in customs, and in traditions as are the United States of America and the Republic of the Philippines, who in Thy wisdom didst fashion that bond of friendship so firmly that the searing heat of global war has not availed to dissolve it.

Thou knowest, O God, how on the blasted hills of Bataan and on Leyte's bloody beaches Filipinos and Americans, equal partners in an unequal struggle, fought shoulder to shoulder for the freedoms Thou hast taught them to prize above life itself, and putting their trust in Thee, died that those freedoms might live.

Grant, then, O Lord, in Thy abounding mercy, that this bond between us, cemented by our commingled blood, annealed in the crucible of battle, may not succumb to the slow, insidious acids of an uneasy peace, but rather that we may work out our common problems in the light of Thy unfailing wisdom, which Thou hast never refused to those who humbly and earnestly ask for it, as we do now. Through Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 8, 1949, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Millikin
Anderson	Hoey	Morse
Baldwin	Holland	Mundt
Brewster	Humphrey	Murray
Bridges	Hunt	Myers
Butler	Ives	Neely
Byrd	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Reed
Chavez	Kefauver	Robertson
Connally	Kem	Russell
Cordon	Kerr	Saltonstall
Donnell	Kilgore	Schoeppel
Douglas	Knowland	Smith, Maine
Downey	Langer	Smith, N. J.
Dulles	Lodge	Sparkman
Eastland	Long	Stennis
Ecton	Lucas	Taft
Ellender	McCarran	Taylor
Ferguson	McCarthy	Thomas, Okla.
Flanders	McClellan	Thomas, Utah
Frear	McFarland	Thye
Fulbright	McGrath	Tobey
George	McKellar	Vandenberg
Gillette	McMahon	Watkins
Graham	Magnuson	Wherry
Green	Malone	Wiley
Gurney	Martin	Williams
Hayden	Maybank	Young
Hendrickson	Miller	

Mr. MYERS. I announce that the Senator from Maryland [Mr. TYDINGS] is absent on public business.

The Senator from Kentucky [Mr. WITHERS] is absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] is necessarily absent.

The Senator from Iowa [Mr. HICKENLOOPER] is detained on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Acting Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved, together with a complete and detailed statement of the facts and pertinent provisions of law as to each alien and the reason for ordering suspension of deportation (with accompanying papers); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the General Society, Sons of the Revolution, assembled in the city of Newport, R. I., favoring the enactment of legislation to provide the necessary funds to complete the repair and restoration of the Victory Monument at Yorktown, Va.; to the Committee on Appropriations.

Resolutions adopted by the South Miami Townsend Club, No. 1, and the Miami Townsend Club, No. 22, both in the State of Florida, favoring the enactment of the so-called Townsend plan, providing old-age assistance; to the Committee on Finance.

A telegram in the nature of a petition from the Chinese Consolidated Benevolent Association of Chicago, Ill., signed by Kwan Lao Chan, president, relating to the internal affairs of China; to the Committee on Foreign Relations.

A telegram in the nature of a petition, signed by Jobo Santiago, president of Union Local 23853, Christiansted, St. Croix, V. I., relating to the Resident Commissioner for the Virgin Islands; to the Committee on Interior and Insular Affairs.

A letter in the nature of a petition from Mrs. Rhoda R. B. Wood, of Pittsburgh, Pa., praying for the enactment of the so-called

Barden bill, providing Federal aid to education; to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ECTON, from the Committee on Interior and Insular Affairs:

H. R. 3589. A bill to convey to the city of Miles City, State of Montana, certain lands in Custer County, Mont., for use as an industrial site; without amendment (Rept. No. 879).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 225. A bill to repeal section 460 of the act of March 3, 1899 (30 Stat. 1336), as amended, providing for certain license taxes in the Territory of Alaska; without amendment (Rept. No. 883);

H. R. 1790. A bill to restore certain land in Alaska to the public domain and to authorize its sale to Ford J. Dale, of Fairbanks, Alaska; without amendment (Rept. No. 884);

H. R. 2702. A bill to authorize the Secretary of the Army to convey by quitclaim deed certain mineral rights in certain lands situated in the State of Oklahoma to Alfred A. Drummond and Addie G. Drummond; without amendment (Rept. No. 885);

H. R. 4026. A bill relating to the exchange of certain private and Federal properties within the authorized boundaries of Acadia National Park, in the State of Maine, and for other purposes; without amendment (Rept. No. 886); and

H. R. 4688. A bill to ratify and confirm Act 4 of the Session Laws of Hawaii, 1949, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945; without amendment (Rept. No. 887).

By Mr. LONG, from the Committee on Post Office and Civil Service:

H. R. 1689. A bill to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies; with an amendment (Rept. No. 882).

By Mr. GRAHAM, from the Committee on the Judiciary:

S. 1737. A bill for the relief of George M. Vaughan; without amendment (Rept. No. 880); and

H. R. 807. A bill for the relief of Chattooga County, Ga.; without amendment (Rept. No. 881).

REORGANIZATION PLAN NO. 1 OF 1949—MINORITY VIEWS (PT. 2 OF REPT. NO. 851)

Mr. HUMPHREY, as a member of the Committee on Expenditures in the Executive Departments, submitted minority views on the resolution (S. Res. 147) disapproving Reorganization Plan No. 1 of 1949, which were ordered to be printed as Part 2 of Report No. 851.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nomination of Capt. Calvin M. Bolster, U. S. N., for temporary appointment to the grade of rear admiral in the line of the Navy, which was referred to the Committee on Armed Services.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Twenty-nine postmasters.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLANDERS:

S. 2410. A bill for the relief of John Tweit; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2411. A bill authorizing the appointment and retirement of Edgar C. Hill as a captain, Regular Army; to the Committee on Armed Services.

By Mr. KEFAUVER:

S. 2412. A bill for the relief of Dr. George Alexandros Chronakis; to the Committee on the Judiciary.

By Mr. GREEN (for himself and Mrs. SMITH of Maine):

S. 2413. A bill to provide for the erection of a monument at the grave of Constantino Brumidi; to the Committee on Rules and Administration.

(Mr. WILLIAMS (for himself and Mr. FERGUSON) introduced Senate bill 2414, to repeal the Contract Settlement Act of 1944, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. CORDON (for himself, Mr. AIKEN, Mr. ANDERSON, Mr. BREWSTER, Mr. BUTLER, Mr. CAIN, Mr. CAPEHART, Mr. CHAVEZ, Mr. EASTLAND, Mr. ECTON, Mr. FLANDERS, Mr. FULBRIGHT, Mr. GEORGE, Mr. GILLETTE, Mr. GURNEY, Mr. HILL, Mr. HOLLAND, Mr. HUNT, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. KERR, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MCCARRAN, Mr. MCFARLAND, Mr. MILLER, Mr. MORSE, Mr. MURRAY, Mr. MUNDT, Mr. O'MAHONEY, Mr. PEPPER, Mr. REED, Mr. RUSSELL, Mrs. SMITH of Maine, Mr. STENNIS, Mr. TAYLOR, Mr. THOMAS of Oklahoma, Mr. THOMAS of Utah, Mr. THYE, Mr. WATKINS, and Mr. YOUNG):

S. 2415. A bill to authorize Federal assistance to States and local governments in major disasters, and for other purposes; to the Committee on Public Works.

By Mr. MAGNUSON (for himself and Mr. BREWSTER):

S. J. Res. 124. Joint resolution to limit the operation of sections 281, 283, and 284 of title 18 of the United States Code and certain other provisions of law with respect to certain temporary employees serving pursuant to Senate Resolution 50, Eighty-first Congress; to the Committee on the Judiciary.

REPEAL OF CONTRACT SETTLEMENT ACT OF 1944

Mr. WILLIAMS. Mr. President, on behalf of the Senator from Michigan [Mr. FERGUSON] and myself, I introduce for appropriate reference a bill to repeal the Contract Settlement Act of 1944.

Last week there was submitted to the Congress by Hon. Lindsay C. Warren, the Comptroller General of the United States, a report calling our attention to certain irregularities, including many glaring cases of overpayments and several cases of fraud, which were discovered in the recent settlements of numerous terminated Government contracts.

Under the provisions of this act the Government cannnot recover any overpayments made in the settlement of terminated contracts except where fraud can be proved. The Comptroller General was very emphatic in his recommendation that this act, which precludes the Comptroller General from scrutinizing the terminated claim prior to final settlement, be repealed.

Mr. Warren pointed out that "in an effort to minimize or belittle the shocking situations which have been brought to light and in an obvious attempt to justify what has been done—whatever the consequences to the Government—some sources have contended that the loss of the millions of dollars disclosed in the operations under the act was contemplated but, nevertheless, was necessary in order that reconversion be not delayed, and that an independent audit prior to settlement would have delayed this process, resulting in business stagnation, unemployment, and a loss to the economy as a whole."

Mr. Warren continued, "This is the same familiar theme which was used in advocating passage of the act—the necessity of headlong haste, regardless of waste, to avoid otherwise expected chaos."

The Comptroller General concluded that "such attempted justification for the Contract Settlement Act was then, and is now, no justification at all."

Based upon these recommendations of the Comptroller General and in view of the glaring examples of fraud and overpayments in the settlements effected under the provisions of this act, I urge that the Senate take immediate action at this session of the Congress for the outright repeal of the Contract Settlement Act.

In order that Mr. Warren's recommendations may be studied in their entirety by every Member of the Senate, I ask unanimous consent that his letter to the Congress under date of August 1, 1949, be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the letter will be printed in the RECORD.

The bill (S. 2414) to repeal the Contract Settlement Act of 1944, introduced by Mr. WILLIAMS (for himself and Mr. FERGUSON), was read twice by its title, and referred to the Committee on the Judiciary.

The letter presented by Mr. WILLIAMS is as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, August 1, 1949.

To the Congress:

In order that the Eighty-first Congress may be informed as to the results of the activities of the General Accounting Office under the Contract Settlement Act of 1944 (58 Stat. 649), it is deemed proper at this time to review and bring up to date my previous reports to the Congress of August 27, 1945, July 26, 1946, July 10, 1947 (printed as S. Doc. No. 75, 80th Cong., 1st sess.), and February 24, 1948 (printed as S. Doc. No. 121, 80th Cong., 2d sess.).

The Contract Settlement Act of 1944 authorizes the contracting agencies, without prior independent audit by any other Government agency, to effect settlement of their terminated contracts. These settlements, in the absence of fraud, are made final and conclusive by the act and can be reopened only by mutual agreement. The audit functions of the General Accounting Office with respect to such settlements are confined to that of determining, after final settlement of termination claims by the contracting agency, (1) whether the payments to the war

contractor were in accordance with the settlement agreement, and (2) whether the records transmitted to this Office, or other information, warrant a reasonable belief that the settlement was induced by fraud.

In my previous reports to the Congress it was stated, and it is here again repeated, that in failing to provide for and, in fact, prohibiting an independent audit of proposed settlements, before they became final, the Contract Settlement Act of 1944 paved the way for the improper payment of many millions of dollars of public funds through fraud, collusion, ignorance, inadvertence, or overliberality in effecting termination settlements. The functions assigned to the General Accounting Office in an apparent attempt by the Congress to retain some vestige of control over the public purse—maintained through the years on its behalf by the accounting officers—were ineffectual to prevent this waste of public funds or otherwise to protect the Government's interest and, in the final analysis, that of the taxpayer. The first of these audit functions—that of determining whether payments were in accordance with the settlement—entails merely the perfunctory comparison of the amount of the settlement with the amount of the payment voucher, and involves no more than a glance at the two documents. Also, it is reiterated that the second function assigned—that of discovering fraud—is relatively futile. In prohibiting the audit of the termination claim prior to the final settlement thereof, the act prevented the only adequate means of detecting fraud except in isolated cases. It must be obvious that the detection of fraud is best achieved by an examination relatively contemporaneous with its perpetration and not after evidence thereof has been effectively concealed or dissipated. It remains my unalterable conviction that, with respect to the cases in which fraud has been brought to light by the post audit of settlements permitted under the st..tute, at least these as well as many times that number of other undisclosed and now forever buried cases would have been revealed—and prevented—had an independent audit of termination claims prior to final settlement been authorized.

FRAUD CASES CERTIFIED

Notwithstanding the handicaps under which the General Accounting Office of necessity has had to operate under the Contract Settlement Act of 1944, many instances of apparent fraudulent and otherwise excessive payments in termination settlements have been uncovered. As of May 31, 1949, the General Accounting Office has examined 9,195 settlements covering payments to 2,815 contractors in the approximate amount of $1,165,000,000 for the termination of 26,484 contracts, subcontracts, and/or purchase orders. Careful examination of the evidence disclosed in such examination has convinced me that, excluding indicated overpayments in such settlements due to such things as error or carelessness, at least 472 of the settlements (an increase from 2 percent—noted in the report of February 24, 1948—to over 5 percent of those examined) involving improper payments in excess of $6,280,000, were induced by fraud. In conformity with section 16 (b) of the Contract Settlement Act of 1944, I have so certified, together with the facts relating thereto, to the Department of Justice, to the Office of Contract Settlement, and to the contracting agencies concerned.

Brief statements of the facts relating to 145 of the settlements were included in the reports of July 10, 1947, and February 24, 1948. The salient features of the balance of the settlements, involving improper payments in the aggregate amount of at least $2,456,047.46, deemed to have been induced by fraud are set forth in the Appendix hereto, with appropriate comment.

OTHER FRAUD INDICATED

Over and above the cases thus far certified to the Department of Justice, the examinations of termination settlements through May 1949, have disclosed information and evidence which appears to the General Accounting Office auditors conducting such examinations to warrant a reasonable belief that at least 75 additional settlements, involving further improper payments totaling more than $700,000, were induced by fraud. The subject settlements are now being reviewed and analyzed by the Committee on Termination Settlements of the General Accounting Office. If, upon the basis of the reports received thereon, I am convinced that any of such settlements were induced by fraud they, too, will be certified as provided by law.

DEPARTMENT OF JUSTICE ACTION

The detection of termination settlements deemed to have been induced by fraud and the certification thereof to the Department of Justice has not resulted in the automatic recovery of the amount unlawfully obtained. To the contrary, of the more than $6,280,000 of fraudulent payments reported, apparently only $107,882.02 thus far has been recovered, and it is unlikely that any substantially approximate amount will ever be recovered. However, this should not be construed as a criticism of the Department of Justice. There has been the closest cooperation between the General Accounting Office and the Department of Justice, and the reports received from that Department on the cases involved have shown a thorough, conscientious, and diligent effort to protect the interests of the Government. However, aside from the fact that in a number of instances recovery has been precluded by subsequent bankruptcy proceedings (see the appendix hereto), it is to be recognized that while the evidence of record may afford a reasonable belief that a settlement was induced by fraud, the Department of Justice is confronted with the herculean problem in any successful prosecution of the case of establishing in court, at this late date, that fraud actually existed. The prosecution of contract fraud is best effectuated when there is no great lapse of time between its perpetration and its prosecution. The lapse of time imposed by the Contract Settlement Act renders successful prosecution of indicated fraudulent termination settlements all but impossible. In any event, the Contract Settlement Act, in providing only for the recovery of payments established as induced by fraud, instead of effectively preventing such fraudulent payments in the first instance, places the Government in the unenviable position of locking the barn after the horse is stolen.

OVERPAYMENT CASES REPORTED

As pointed out in prior reports, in the examination of termination settlements for the purpose of determining whether and to what extent fraud was present, there have been found many instances of payments to contractors in excess of amounts due which cannot be said with any certainty to have been induced by fraud. These instances represent clear overpayments to the contractors. No case has been called to my attention in which the settlement resulted in an underpayment to the contractor. In other words, all errors or inaccuracies were in the contractor's favor—not the Government's. It is to be borne in mind that because the Contract Settlement Act made the General Accounting Office powerless to prevent or correct or, in the absence of fraud, to even question excessive payments made in termination settlements, the General Accounting Office has conducted no audit of such settlements for the purpose of detecting mere overpayments. They were disclosed only as an incident to and as a byproduct of the detailed examination of selected settlements for the purpose of ascertaining whether fraud was involved. While, in the absence of fraud, these settlements were made final and conclusive by the act, nevertheless, whether fraudulent or not, the overpayments made thereunder constituted no less a drain on the public funds and no less a hole in the pockets of the taxpayers.

Careful analysis of the facts disclosed thus far has convinced me that improper or excessive payments in the aggregate amount of over $2,340,000 were made by the Government in connection with 386 settlements—not involving fraud—representing 1 out of every 24 settlements examined. Also, analysis is being made of 179 additional settlements as to which field auditors of the General Accounting Office have reported overpayments totaling in excess of $2,200,000 more.

The verified overpayments are shown to have resulted, principally, from computation of costs on a basis other than that sanctioned by recognized commercial accounting practices; from incorrect quantities, pricing, and allocations of termination inventory; from inflated overhead charges; and from reliance upon certificates of the contractors as to costs incurred without administrative corroboration of the correctness of the facts so certified. While fully cognizant of the fact that no legal demands could be made for the refund of such overpayments and while not directed by the act to take any affirmative action in connection therewith, I considered it my duty as Comptroller General of the United States to report the facts relating to such termination overpayments to the attention of the contracting agencies concerned, with the suggestion that voluntary refunds be obtained wherever possible or, at least, that the personnel engaged in termination settlement activities be informed thereof in order that future overpayments of a like nature would not be made. Unfortunately, in most such instances—even including some where contractors had acknowledged the facts reported by this Office—the contracting agencies devoted their efforts to defending the excessive settlements instead of attempting to effect recovery of the overpayments. Hence, of nearly $2,000,000 in overpayments reported to the contracting agencies, less than $5,000 had been recovered at the time the report of February 24, 1948, was sent to the Congress. Accordingly, in a further attempt to protect the interests of the Government, the policy was adopted of bringing the findings of this Office directly to the attention of the contractors involved and of affording them the opportunity of making a voluntary refund of such amount as they agreed had been overpaid. I am pleased to report that as of to date these voluntary refunds—which have been redeposited in the Treasury—are in the total amount of $474,717.14. If—as appears likely from past experience—I am convinced, after complete review, that overpayments were made in the balance of the 179 cases on hand, these, too, will be referred to the contractors for the purpose of affording them the opportunity, if they so desire, of making voluntary restitution of the amounts involved.

SUMMARY AND RECOMMENDATION

As stated above, the General Accounting Office has examined 9,195 termination settlements. Such examinations on an over-all basis have brought to light apparently excessive or fraudulent payments to war contractors in connection with approximately 1,114 settlements—over 12 percent of those examined—with the indicated loss to the Government on those settlements alone exceeding $11,500,000.

There should not be overlooked the fact that the examinations made by the General Accounting Office represent only a small sampling of the total settlements made by the

contracting agencies. Due to the stringent limitations placed on the General Accounting Office by the Contract Settlement Act and the finality accorded termination settlements except where fraud is disclosed, the General Accounting Office has not felt justified in incurring the cost of performing such thorough and complete examinations of all termination settlements as is normally made in the audit of Government expenditures or as would have been made had the act provided for an effective audit by the General Accounting Office of proposed settlements before they became final.

In the selection of termination settlements to be examined, the General Accounting Office has taken into consideration knowledge previously acquired as to the methods and practices of particular contractors, the practicability of field inspections of the termination records of contractors, and specific information coming to the attention of the Office from all official sources, such as the War Frauds Unit of the Department of Justice, congressional committees, and otherwise. At the same time outside sources of information, such as newspaper articles, private informants, and others were not ignored. Also, it has been the policy of the General Accounting Office to examine a cross-section of termination settlements made by the several departments and agencies of the Government.

Since only a sampling of termination settlements was made, I would hesitate to hazard a guess as to the entire extent of fraud and overpayments in the settlements effectuated under the termination program. Nevertheless, the disclosed overpayment or waste of more than $11,500,000 would appear to furnish overwhelming proof—if such were necessary—of the vast and unnecessary damage caused by "auditing oneself," with finality, as authorized and practiced under the Contract Settlement Act. In an effort to minimize or belittle the shocking situations which have been brought to light and in an obvious attempt to justify what has been done—whatever the consequences to the Government—some sources have contended that the loss of the millions of dollars disclosed in the operations under the act was contemplated but, nevertheless, was necessary in order that reconversion be not delayed, and that an independent audit prior to settlement would have delayed this process, resulting in business stagnation, unemployment, and a loss to the economy as a whole. This is the same familiar theme which was used in advocating passage of the act—the necessity of head'ong haste, regardless of waste, to avoid otherwise expected chaos. Such attempted justification for the Contract Settlement Act was then, and is now, no justification at all. It is reiterated that elimination, for all practical purposes, of an independent reviewing authority was not the proper remedy or answer. Time and time again, the committees of Congress were advised that I did not oppose and in fact favored a tentative or partial payment of not in excess of 75 percent of the estimated amount due to contractors, supplemented by loans, if required, from approved lending agencies to those contractors considered as sound risks. It would surely seem that through these, or other sound means, contractors would have received sufficient capital for the reconversion process during the period of audit and settlement of their claims by an independent reviewing authority without control having been relinquished by the Congress over the vast expenditures on termination settlements and without the bitter experience of public funds having been poured down open drains and forever lost.

When and if the need ever again rises for any legislation relating to contract terminations, it is hoped that the experience gained under the Contract Settlement Act will show the Congress the way to enactment of effective, properly balanced legislation—far different from that act—which will provide adequate protection and appropriate safeguards to both the Government and its contractors while at the same time in no way risking the national security or economy. If such is the result, my criticism of the Contract Settlement Act, and my reports on operations thereunder will not have been in vain.

Respectfully submitted.

LINDSAY C. WARREN,
Comptroller General of the United States.

PRESERVATION OF EQUITIES OF PERMANENT CLASSIFIED CIVIL-SERVICE EMPLOYEES—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments intended to be proposed by him to the bill (S. 660) to amend the act of June 27, 1944, Public Law 359, and to preserve the equities of permanent classified civil-service employees of the United States, which were ordered to lie on the table and to be printed.

INTERNAL REVENUE CODE—AMENDMENTS

Mr. McCARRAN submitted an amendment intended to be proposed by him to the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, which was ordered to lie on the table and to be printed.

Mr. McCARRAN submitted an amendment intended to be proposed by him to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code, which was ordered to lie on the table and to be printed.

AGRICULTURAL CONDITIONS—ADDRESS BY REPRESENTATIVE JAMIE L. WHITTEN

[Mr. STENNIS asked and obtained leave to have printed in the RECORD an address on agricultural conditions by Representative JAMIE L. WHITTEN at the Mississippi State College, August 3, 1949, Farm and Home Week, which appears in the Appendix.]

GIFT OF FARM BY PAUL MELLON TO THE STATE OF VIRGINIA

[Mr. BYRD asked and obtained leave to have printed in the RECORD a newspaper article written by John W. Ball describing the gift of a farm by Paul Mellon to the State of Virginia, the remarks of the chancelor of the Virginia Polytechnic Institute on the occasion of the transfer of the farm, and the speech made by Mr. Paul Mellon, which appear in the Appendix.]

FROM THE DOCTOR'S MOUTH—ARTICLE FROM THE PROGRESSIVE

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article regarding the British health program, entitled "From the Doctor's Mouth," from the Progressive, which appears in the Appendix.]

YOUTH'S ANSWER TO FARM PROBLEMS—ESSAYS BY BUSTER McLAIN AND MISS BLEVYN HATHCOCK

[Mr. HOEY asked and obtained leave to have printed in the RECORD two prize-winning farm essays by Buster McLain, of Mellow Valley, Ala., and Miss Blevyn Hathcock, of Oakboro, N. C., respectively, which appear in the Appendix.]

THE MARSHALL PLAN IN NORWAY—LETTER FROM MRS. HELEN SHELDON

[Mr. KEM asked and obtained leave to have printed in the RECORD a letter written by Mrs. Helen Sheldon, of Field Point Park, Conn., and published in the Greenwich Time, of Greenwich, Conn., on August 4, 1949, discussing the operation of the Marshall plan in Norway, which appears in the Appendix.]

SENATOR BYRD WINS IN OLD DOMINION—EDITORIAL FROM THE WASHINGTON OBSERVER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Senator BYRD Wins in Old Dominion," published in the Washington Observer, which appears in the Appendix.]

THE UNITED STATES AND THE WESTERN HEMISPHERE—ADDRESS BY DR. MANUEL R. GARCIA-MORA

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD an address entitled "The United States and the Western Hemisphere," by Dr. Manuel R. Garcia-Mora, delivered at a panel discussion on "Defense of the West," sponsored by the University of Detroit, on March 19, 1949, which appears in the Appendix.]

THE STATE DEPARTMENT WHITE PAPER ON CHINA—ARTICLE BY RAY RICHARDS

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD an article on the background of the State Department white paper on China, by Ray Richards, of the Washington Bureau of the Hearst Newspapers, which appears in the Appendix.]

SAMUEL ". WAHRHAFTIG

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a statement issued by the Department of the Army in connection with the appeal of Samuel Wahrhaftig, which appeals in the Appendix.]

NOT WAGES—SECURITY—ARTICLE BY DAVID DEMPSEY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "Not Today's Wage, Tomorrow's Security," written by David Dempsey, and published in the New York Times magazine of August 7, 1949, which appears in the Appendix.]

GREAT LAKES SHIPPING

Mr. WILEY. Mr. President, I send to the desk a statement on the subject of United States Merchant Marine policy which I ask to have printed in the body of the CONGRESSIONAL RECORD:

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR WILEY ON GREAT LAKES SHIPPING

One of the most important problems facing the 50,000,000 people in the valley of the Great Lakes is the revival of the lake merchant marine system. I need hardly point out to my colleagues the terrible doldrums into which Great Lakes shipping, shipbuilding, ship maintenance, have fallen due almost entirely to a blind, obstinate policy on the part of our own United States Government officials.

WARTIME FIGHT FOR LAKES

I have been fighting the battle for Great Lakes shipping practically since the day I came down to Washington in January 1939. Then, as now, maritime officials who could see no further than the Atlantic, Pacific, and Gulf coasts, refused to utilize the priceless facilities that were available in our great inland sea. It was only by continuous bludgeoning that we were able to get some contracts let for lake shipbuilding. Thus, during the war, approximately 20 shipyards on Great Lakes shores got into action finally. Most of these yards did not exist before the war and most of them have since gone out of existence.

Yet these yards are in splendid proximity to the machinery, the skilled labor, the management with know-how which can make Great Lakes shipbuilding the economical match as regards production of any shipyards in the country.

I mention the shipbuilding problem as one illustration of the over-all Great Lakes challenge.

NEW CORRESPONDENCE

Recently, once again, I have been in contact with the United States Maritime Commission, urging that the great facilities on the shores of Wisconsin, as well as other States, be utilized. I ask unanimous consent that there be printed at this point in the CONGRESSIONAL RECORD the text of a letter which I wrote to Chairman Fleming of the Maritime Commission and which in turn was recently acknowledged by his office. While this acknowledgment indicated the fact that the Commission's staff will be exploring the possibilities for resumption of package freight service on the Great Lakes, we are hardly content that this represents any final guarantee of action. We want results, and not promises, assurances or talkfests.

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
July 28, 1949.

Maj. Gen. PHILLIP B. FLEMING,
Chairman, United States Maritime Commission, Washington, D. C.

MY DEAR MR. CHAIRMAN: I am writing to you to present my respectful suggestion to the Maritime Commission that it take very active steps to help us of the Midwest revitalize the Great Lakes shipping industry. Such revitalizing on the part of our Federal Government is absolutely essential, in view of the fact that the decline of the Great Lakes maritime fleet has been directly due to an unsympathetic policy by the Federal Government toward our inland sea, and, in particular, the decline is due to the requisitioning by the United States of vital segments of the lake shipping fleet.

On July 11 I understand that a fine conference was held in your office with Members of Congress, representatives of lake shipping interests, and other folks who are deeply interested in this problem.

This conference is, however, I regret to say, but one of a long series of conferences and discussions which our people have held with Federal officials, but which, unfortunately, have very little to show by way of constructive results. In the latest action, which I regret to report, the Maritime Commission opposed Senate and House bills which would authorize sale of package freight for the Great Lakes service on the basis of a special pricing formula. The Commission has failed to bring forward any constructive alternatives, and this situation is a matter of deepest concern to me.

I know that you are deeply interested in this problem, and it with the hope that under your able leadership constructive revitalizing steps will be taken that I am setting forth the following facts. While you are no doubt familiar with many of them, I feel that a presentation of them is essential, in view of the Commission's deplorable previous lack of understanding:

1. The Great Lakes are, as you know, one of our most indispensable transportation arteries, serving productive regions of 50,000,000 people. This inland sea is a blessing to this Nation to a degree unknown by any other great nation.

2. Great Lakes shipping has declined to a terrible degree largely due, I repeat, to Government blindness. Between 1939 and 1946 the United States Great Lakes fleet of more than 500-ton registry declined from 517 ships to 415 or approximately 20 percent. In registered tonnage the decline was 7 percent. Package freighters included in that total declined from 24 to zero; bulk freighters from 414 to 315 and so on down the line. Of the 102 vessels removed from the fleet during those 7 years, several were lost by disaster or retirement but the overwhelming mass were lost by assignment to war service which have in no manner been replaced.

3. The staggering economic losses to all of the port cities on the Lakes because of the shipping decline can easily be appreciated. The port of Milwaukee, for example, averaged around 500 thousand tons annually in package freight receipts prior to World War II. The vanishing of this service has, of course, had tremendous consequences in revenue losses to terminals, railroads, trucklines as well as all the other varied enterprises and personnel supplying and maintaining these ships. Other Wisconsin ports have similarly suffered and so have inland areas.

4. Obviously the national interests require the maintenance of strong and healthy Great Lakes shipping as a vital arm of national defense. So too, a healthy Great Lakes shipbuilding program is essential. If shipbuilding facilities fall into disuse and disrepair, the economic consequences are readily apparent. In the second session of the Eighty-first Congress, it is my hope and prayer that my colleagues will have enough wisdom and judgment to pass legislation to complete the St. Lawrence seaway. The interrelationship between the seaway and the availability of shipbuilding and shipping facilities on the inland sea is obvious.

5. A vast fleet of 5,500 vessels for disposal now faces the Maritime Commission. To date, the Commission has regrettably failed to assign as much as one single ship of this vast surplus fleet to the Lakes. It has not even made replacement to the Lakes' fleet which was sacrificed to the cause of victory.

Frankly speaking, my dear General, the people of the Midwest are deeply alarmed by the fact that the Atlantic, Pacific and Gulf Coasts seem to be getting the only attention that the Federal Government accords. The great inland sea seems to be ignored in spite of its vast contributions in war and peace.

I am hoping that we will be hearing news from your office of satisfactory remedial measures taken toward encouragement of a greatly strengthened lake traffic.

Thanking you and with all good wishes, I am,

Sincerely yours,

ALEXANDER WILEY,

LEAVE OF ABSENCE

Mr. FREAR asked and obtained consent to be absent from the Senate on Friday and Monday next.

THE CALENDAR

Mr. LUCAS. Mr. President, as Senators know, the President of the Philippine Republic is to speak in this Chamber at approximately the hour of 1 o'clock. Under the order which has been entered is the intention that the calendar be called, and we will now proceed to the call of the calendar until such time as the President of the Philippines appears. After his address we will continue until we have finished the call of the calendar in line with the understanding in the unanimous-consent agreement entered into on Friday last.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I call to the attention of the distinguished majority leader that on the front page of the Calendar of Business is printed the unanimous-consent agreement, which provides "that Calendar Nos. 302, 319, 378, 388, 462, 496, and 580 be first called." Then an agreement was entered into that the Senate proceed as the majority leader has just stated, with the call of the calendar beginning with Calendar No. 669, House bill 1892, and consecutively to the end, and that the Senate not return to consider any bill until the call of the calendar has been concluded consecutively.

Mr. LUCAS. The Senator is correct.

Mr. President, I should like to have the cooperation of all Members of the Senate in the call of the calendar to the end that once a bill is objected to, even though the objector later on, during the call of the calendar, might withdraw the objection, the individual Senator interested in the bill delay making a unanimous-consent request to return to the bill, until we finish the call of the calendar. I think that is the orderly procedure which we should follow, and I believe it will be in the interest of all Senators to follow that procedure.

EXTENSION OF BENEFITS OF CIVIL SERVICE RETIREMENT ACT

The VICE PRESIDENT. The Secretary will state the first bill on the calendar which, under the unanimous-consent agreement, is to be considered.

The bill (H. R. 997) to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55, was announced as first in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The VICE PRESIDENT. The Senator from South Carolina [Mr. JOHNSTON] has offered an amendment to the bill, which will be stated.

The LEGISLATIVE CLERK. On page 2, before the period in line 3, it is proposed to insert a comma and the words "or to provide for the payment of any annuity in an amount in excess of the amount to which the annuitant would have been entitled had the provisions of the Civil Service Retirement Act of May 29, 1930, as now in effect been in effect on the date of his separation from the service."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 997) was read the third time and passed.

The VICE PRESIDENT. Without objection, Senate bill 988, of similar title, is indefinitely postponed.

NORTHWEST MISSOURI FAIR ASSOCIATION, OF BETHANY, MO.

The bill (S. 1054) for the relief of Northwest Missouri Fair Association, of Bethany, Harrison County, Mo., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated,

the sum of $25,000 to Northwest Missouri Fair Association, of Bethany, Harrison County, Mo., in full settlement of all claims against the United States for damage and destruction by fire of certain buildings, while occupied by and under the exclusive control of the Seventeenth Field Artillery, Third Battalion, of the United States Army, on September 13, 1931: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ESTABLISHMENT OF POLICY WITH RESPECT TO CREATION OR CHARTERING OF CERTAIN CORPORATIONS

The Senate proceeded to consider the bill (S. 1290) to establish and effectuate a policy with respect to the creation or chartering of certain corporations by act of Congress, and for other purposes, which had been reported from the Committee on the Judiciary, with amendments.

The VICE PRESIDENT. The committee amendments have all been agreed to in Senate bill 1290.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Congress hereby declares and establishes this policy with respect to the creation or chartering, by act of Congress, of corporations other than corporations wholly owned or controlled, or to be wholly owned or controlled, by the United States or a department or agency thereof:

(a) The benefits and prestige of a charter awarded by act of Congress are not hereafter to be conferred upon or made available to any such corporation other than a corporation not for profit, no part of the income or assets of which inures to the benefit of any of its members, directors, or officers, or is distributable thereto otherwise than upon dissolution or final liquidation of the corporation; nor to any such corporation organized, operated, or intended to be operated for other than charitable, educational, patriotic, or civic-improvement purposes, or societies for the prevention of cruelty to children or animals.

(b) No such corporation is hereafter to be created or chartered by special act of Congress except after careful investigation by the Department of Justice of the corporation proposed to be created or chartered, its purposes, its incorporators or proposed incorporators, and all other pertinent facts relative thereto. No such corporation hereafter created or chartered by act of Congress shall perform or carry out or attempt to perform or carry out any purpose not specifically set forth in its charter.

(c) Each such corporation hereafter created or chartered by act of Congress, and each such corporation heretofore so created or chartered, still in existence, and by the terms of its charter a corporation not for profit, is to be subject to an annual audit of its financial transactions by a certified public accountant, at the expense of such corporation. Such annual audit shall be filed with the General Accounting Office, and retained by that office as a public record for a minimum period of 10 years, in accordance with such regulations and upon such forms as may be prescribed by the Comptroller General. A report on such audit is to be made to the Congress by the General Accounting Office.

SEC. 2. (a) This section is enacted by the Congress as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, but with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

(b) Any committee to which is referred a bill to provide for the creation or chartering of a corporation other than a corporation wholly owned or controlled, or to be wholly owned or controlled, by the United States or a department or agency thereof, may refer such bill to the Attorney General for an investigation and report pursuant to section 4 of this act.

(c) No committee shall report a bill to provide for the creation or chartering of a corporation other than a corporation wholly owned or controlled, or to be wholly owned or controlled, by the United States or a department or agency thereof, unless such bill is in conformity with the standards prescribed in section 3 of this act.

SEC. 3. A bill to provide for the creation or chartering of a corporation other than a corporation wholly owned or controlled, or to be wholly owned or controlled by the United States or a department or agency thereof, shall not be deemed to be in conformity with the standards prescribed in this section unless such bill—

(a) Clearly sets forth and defines the purposes of the corporation, showing such purposes to be in accord with the policy set forth in subparagraph (a) of section 1 of this act.

(b) Provides that no part of the income or assets of the corporation shall inure to any of its members, directors, or officers, or be distributable thereto, otherwise than upon dissolution or final liquidation of the corporation.

(c) Provides that the corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for elective public office.

(d) Sets forth—

(1) the name of the corporation, which shall be in the English language; shall not be the same as the name of (A) any corporation, whether for profit or not for profit, existing under any act of Congress or of any State, or (B) any foreign corporation, whether for profit or not for profit, authorized to transact its business or conduct its affairs in any State or in the District of Columbia; and shall not contain any word or phrase which indicates or implies that the corporation is organized for any purpose other than the specified purpose or purposes of the corporation;

(2) the period of duration, which may be perpetual;

(3) the name and address of each incorporator;

(4) the number of directors constituting the first board of directors, and the name and address of each such director;

(5) the place where such corporation is to be located and the place or places in which its activities are to be conducted;

(6) specific provisions with respect to the right of the members or any class or classes of members to vote or otherwise participate in the management of the corporation; and

(7) provision for distribution of assets upon dissolution or final liquidation: *Provided*, That such provisions shall not be deemed to violate the provisions of this act or of the corporate charter against the distribution of income to members, directors, or officers.

(e) Grants to the corporation the power to—

(1) have succession by its corporate name;

(2) sue and be sued, complain and defend in any court of competent jurisdiction;

(3) adopt, use, and alter a corporate seal;

(4) choose such officers, managers, and agents as the business of the corporation may require;

(5) ordain and establish bylaws and regulations, not inconsistent with the laws of the United States of America or any State in which such corporation is to operate for the management of its property and the regulation of its affairs;

(6) contract and be contracted with;

(7) take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real and personal property by, a corporation operating in such State;

(8) transfer and convey real or personal property; and

(9) borrow money for the purposes of the corporation, and issue bonds therefor, and secure same by mortgage subject in every case to all applicable provisions of Federal or State law.

(f) Specifies that the corporation shall be liable for the acts of its officers and agents.

(g) Provides that the corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for such corporation; and that notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

(h) Contains provisions, in conformity with this act respecting the annual audit of the books and records of the corporation by a certified public accountant pursuant to section 5 of this act.

(i) Provides for the officers of the corporation, and for a democratic method of election thereof.

(j) Contains a reservation to the Congress of the right to alter, repeal, or amend the act chartering such corporation.

(k) Requires that the corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors; and shall keep at its registered office or principal office a record giving the names and addresses of its members entitled to vote; and provides that all books and records of the corporation may be inspected by any member or his agent or attorney, for any proper purpose at any reasonable time.

(l) Provides that the corporation shall not have or issue shares of stock, nor declare or pay dividends.

(m) Provides that no loans shall be made by the corporation to its officers or directors, or any of them, and further provides that any directors of the corporation who vote for or assent to the making of a loan or advance to an officer or director of the corporation, and any officer or officers participating in the making of any such loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

(n) Contains no provision for exemption from taxation of the corporation or its property, real or personal, or its income, or relative to or establishing the tax deductibility of gifts or donations to the corporation.

SEC. 4. The Attorney General is authorized and directed, in any case where there is referred to him by a standing committee of

either House of the Congress a bill to provide for the creation or chartering of a corporation other than a corporation wholly owned or controlled, or to be wholly owned or controlled, by the United States or a department or agency thereof, to conduct or cause to be conducted a full and complete investigation of the proposed corporation, its purposes, incorporators, and proponents, and any other matters in connection therewith which he shall elect to include in such investigation, and to make a full and complete report thereon, which report shall be transmitted to the committee which referred such bill to the Attorney General, accompanied by the opinion of the Attorney General as to whether such bill and the corporation thereby proposed to be created or chartered are in compliance with this act, together with the recommendations of the Attorney General with respect to the enactment of the proposed legislation.

SEC. 5. (a) The financial transactions of each corporation (other than a corporation wholly owned or controlled by the United States or a department or agency thereof) hereafter created or chartered by act of Congress, or heretofore so created or chartered, still in existence, and by the terms of its charter a corporation not for profit, shall be audited annually by a certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts of the respective corporations are normally kept. The certified public accountant, or his representatives, shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the respective corporations and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians.

(b) Each such corporation shall file annually with the Comptroller General, in accordance with such regulations and upon such form as he shall prescribe, a complete statement of such annual audit (which audit shall be retained by the General Accounting Office as a public record for a minimum period of 10 years), verified by the certified public accountant by whom the audit is made, for the fiscal year ending on June 30. Not later than January 15, following the close of such fiscal year for which such audit is made and such statement filed, the Comptroller General shall make a report to the Congress. Such report shall set forth the scope of the audit and statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds; and shall also include such comments and information as may be deemed necessary to keep Congress informed of the operations and financial conditions of, and the use of any Government funds and facilities by, each such corporation, together with such recommendations with respect thereto as the Comptroller General may deem advisable. The report may also show specifically any program, expenditure, or other financial transaction or undertaking disclosed by the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law or in violation of law or is not within the scope of the expressed corporate purposes or is not in conformity with this act. A copy of each such report shall be furnished to the corporation concerned at the time such report is submitted to the Congress.

(c) If the Comptroller General is unable to report fully on any such corporation as required by subsection (b) because of the willful failure of such corporation to comply with this section or with any reasonable regulation of the Comptroller General as authorized by this section, the facts of such willful failure on the part of any such corporation shall be fully reported to the Congress by the Comptroller General.

(d) For the purpose of supervising such audits or any audit and reporting to Congress thereon, the Comptroller General is authorized in his discretion to employ by contract, without regard to section 3709 of the Revised Statutes, professional services of persons, firms, and organizations for temporary periods or for special purposes.

SEC. 6. The right of the Congress in its discretion to grant or withhold Federal charters for corporations is expressly reserved, and compliance with any or all provisions of this act by any corporation or other applicant or applicants for any Federal charter shall not be deemed to create or imply any obligation on the part of the Congress to grant or approve such charter.

SEC. 7. Nothing in this act shall be construed to apply to any corporation in existence at the date of approval of this act, whose financial transactions are subject to audit, examination, or supervision by a department, agency, or official of the United States, District of Columbia, or State or Territory of the United States, and which corporation is required by law enacted by the Congress of the United States to file at least annually a financial report with such auditing, examining, or supervising department, agency, or official.

SEC. 8. For purposes of court jurisdiction based upon diversity of citizenship a corporation created by or under an act of Congress shall be deemed to be a citizen of Maryland, unless otherwise specified by act of Congress.

CONVEYANCE BY THE UNITED STATES OF CERTAIN LANDS TO FRANK C. WILSON

The bill (H. R. 2931) to provide for the conveyance by the United States to Frank C. Wilson of certain lands formerly owned by him was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED TO THE FOOT OF THE CALENDAR

The bill (S. 689) to permit certain postal employees or substitute postal employees to receive credit for military service was announced as next in order.

Mr. KNOWLAND. Mr. President, may we have an explanation as to what the substitute amendment reported by the committee would do?

The VICE PRESIDENT. An explanation is asked of the committee amendment, which is in the nature of a substitute.

Mr. LUCAS. Mr. President, the Senator from Delaware [Mr. FREAR] requests that this bill be passed over and placed at the foot of the calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

REHABILITATION AND BETTERMENT OF COSTS OF RECLAMATION PROJECTS—BILL PASSED OVER

The bill (H. R. 1694) to provide for the return of rehabilitation and betterment of costs of Federal reclamation projects was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The VICE PRESIDENT. There is an amendment pending, offered by the Senator from Wyoming [Mr. O'MAHONEY] which will be stated.

The LEGISLATIVE CLERK. On page 2, line 1, after the word "shall", it is proposed to strike out "to the fullest practicable extent."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. HENDRICKSON. Mr. President, I should like to have an explanation of the amendment. Exactly what does it do to the bill?

Mr. O'MAHONEY. Mr. President, this is a measure which was reported unanimously by the Committee on Interior and Insular Affairs. Objection was made when it was first called upon the calendar. That objection was on the ground, as I recall, that the authority granted to the Secretary was broader than some Members thought proper—as, for example, on page 2, line 1, the words "to the fullest practicable extent." I indicated, on the last call of the calendar, that those words could go out so far as I was concerned.

The purpose, of course, is to make it possible to make appropriations for the rehabilitation and betterment of existing reclamation projects. In the course of years unforeseen things happen on a reclamation project. Only this morning I received word from Wyoming that one of the oldest projects in that State, the Riverton project, is developing a little difficulty on one of the main canals.

In order that the Bureau of the Budget may submit estimates and the Appropriations Committee may make appropriations for improvement and betterment work upon such projects, it is necessary to have this legislative authority. In the past it has been done without such authority. In the opinion of the Appropriations Committee and the Bureau of the Budget the original law was broad enough to cover this authority. Last year the appropriation bill for the Interior Department, as the minority leader will well remember, carried an item for rehabilitation and betterment. When budget estimates were sought this year for similar appropriations the Bureau of the Budget did not allow the estimate because of what I deem to be a rather narrow and technical interpretation of existing law.

I hope the bill may be passed. If there are any further questions, I shall be very glad to answer them.

Mr. HENDRICKSON. Will the distinguished Senator from Wyoming inform the Senate whether this amendment in any way restores the authority to Congress over reimbursements?

Mr. O'MAHONEY. Restores authority to Congress?

Mr. HENDRICKSON. Yes. Under the terms of this bill authority over reimbursements lies entirely in the hands of the Secretary of the Interior.

Mr. O'MAHONEY. It is a protective provision, as I see it. It requires the Secretary of the Interior to provide for the reimbursement to the Government of the cost of the rehabilitation or betterment work. That provision is in the

interest of the Government. The bill takes no power away from Congress.

Mr. HENDRICKSON. The bill contains no authority to review the acts of the Secretary of the Interior, does it?

Mr. O'MAHONEY. If it does not, I would not at all object to an amendment to require the approval of Congress with respect to any contracts for reimbursement made hereunder.

Mr. HENDRICKSON. With such an amendment I would not object. Otherwise I am inclined to object.

Mr. O'MAHONEY. Let us see where the proper place would be for such an amendment.

Mr. CHAVEZ. Mr. President, I am very sorry to disagree at the moment. I should like to have this bill passed over.

Mr. O'MAHONEY. I thought the Senator who had objected to the bill on the last call of the calendar had withdrawn his objection.

Mr. CHAVEZ. I am not objecting to the bill. We have a few reclamation projects in my State. For the moment I ask that the bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

AMENDMENT OF FEDERAL CROP INSURANCE ACT

The Senate proceeded to consider the bill (H. R. 3825) to amend the Federal Crop Insurance Act, which had been reported from the Committee on Agriculture and Forestry with amendments, action upon which had previously been taken.

The VICE PRESIDENT. There are three amendments pending, offered by the Senator from New Mexico [Mr. ANDERSON]. Does the Senator from New Mexico wish those amendments considered en bloc?

Mr. ANDERSON. Yes, Mr. President.

The VICE PRESIDENT. Without objection, the amendments offered by the Senator from New Mexico will be considered en bloc. The amendments will be stated.

The LEGISLATIVE CLERK. On page 2, line 6, it is proposed to strike out the period at the end of the line and insert ": *Provided*, That, except in the case of tobacco, such insurance shall not extend beyond the period the insured commodity is in the field."

On page 3, lines 1 and 2, it is proposed to strike out "in which such insurance was provided in 1948," and insert "specified above."

On page 6, line 21, it is proposed to strike out "and livestock"; and in line 28, to strike out "and livestock."

The VICE PRESIDENT. The question is on agreeing to the amendments offered by the Senator from New Mexico [Mr. ANDERSON].

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PATENT IN FEE TO CERTAIN INDIAN LANDS IN LAKE COUNTY, MONT.

The bill (H. R. 1892) authorizing the Secretary of the Interior to issue a patent in fee to certain Indians lands in Lake County, Mont., was considered, ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "An act authorizing the Secretary of the Interior to issue to Lake County, Mont., a patent in fee to certain Indian lands."

BIG BEND NATIONAL PARK, TEX.

The Senate proceeded to consider the bill (H. R. 2877) to authorize the addition of certain lands to the Big Bend National Park, in the State of Texas, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 1, line 8, after the word "Park", to insert "*Provided, however*, That the aggregate cost of such acquisitions shall not exceed the sum of $10,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 5310) to confer jurisdiction on the State of California over the lands and residents of the Agua Caliente Indian Reservation in said State, and for other purposes, was announced as next in order.

Mr. CHAVEZ. Over.

The VICE PRESIDENT. The bill will be passed over.

BUFFALO RAPIDS PROJECT, MONTANA

The bill (S. 2042) to authorize the Secretary of the Interior to complete construction of the irrigation facilities and to contract with the water users on the Buffalo Rapids project, Montana, increasing the reimbursable construction-cost obligation, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill?

Mr. O'MAHONEY. Mr. President, this bill was reported from the Committee on Interior and Insular Affairs by the junior Senator from Montana [Mr. ECTON]. As stated in the report:

> The purpose of this bill is to authorize the Secretary of the Interior to complete the construction of the irrigation facilities of the Buffalo Rapids project in the State of Montana, and to permit him to make an adjustment of the present reimbursable obligation to take into account the current estimates of project costs and requirements.
>
> The Buffalo Rapids project is made up of two divisions, referred to as the first division and the second division. The first division consists of 15,500 acres, and the second division consists of approximately 11,600 acres.
>
> Based on present costs and on preliminary engineering estimates of drainage facilities which will be required, a total sum of approximately $1,560,000 will be needed to complete the entire project and to put it in satisfactory operating condition. Of the $1,560,000, approximately $830,000 will be required for the first division, and approximately $730,000 for the completion of the second division.
>
> The principal items of construction and development have been completed for both divisions of the project. Major construction remaining is the drainage systems for the project and clean-up construction on the various units. The construction work on both divisions can probably be finished during the current calendar year or within 1 year from the date funds are made available.
>
> The existing total repayment obligation for the project is $1,135,000, which sum was based on estimated project costs totaling $3,325,000. Through subsequent authorizations, approximately $3,761,600 has been obligated through May 1949 for construction of the project and construction is continuing with available funds amounting to about $47,600. Investigations in connection with authorization of the project established the ability of the project lands to pay construction costs at approximately $1 per acre per annum. It would, therefore, be appropriate that the upward adjustment of the repayment obligation be accomplished by retaining this rate of payment and increasing the pay-out period from 40 to 60 years to be based on the actual irrigable acreage, as determined upon completion of the project.

The bill increases the amount to be repaid to the Government.

Mr. SCHOEPPEL. And it extends the time; does it not?

Mr. O'MAHONEY. Yes; it extends the time.

Mr. MURRAY. Mr. President, I should like to add that this is a vitally important project in Montana. It was developed because of the serious effect of the droughts there several years ago, and it has been a very successful operation. I joined with my colleague, the junior Senator from Montana [Mr. ECTON] in presenting this bill. It was reported unanimously by the committee. I hope there will be no objection.

Mr. SCHOEPPEL. I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2042) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That the Secretary of the Interior is authorized to complete the construction of irrigation facilities including necessary drainage works on the first and second divisions of the Buffalo Rapids project, Montana, as approved by the President under authority of the act of May 10, 1939 (53 Stat. 685), and the act of October 14, 1940 (54 Stat. 1119), as amended: *Provided*, That of the funds heretofore or hereafter expended for such construction an amount equal to $60 per irrigable acre as determined and announced by the Secretary of the Interior upon completion of the project, shall be reimbursable by the water users over a repayment period of not to exceed 60 years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation and drainage features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior.
>
> SEC. 2. To carry out the purposes of this act, the Secretary of the Interior is hereby authorized to allot any moneys available from appropriations heretofore made to the Department of the Interior for "water conservation and utility projects" and "water conservation and utilization projects," and there is hereby authorized to be appropriated to the Department of the Interior, out of any money in the Treasury not otherwise appropriated, such sums of money as may be necessary to complete the project.

BILLS PASSED OVER

The bill (S. 805) to amend section 5 of the act approved July 10, 1890, as amended, relating to the admission into the Union of the State of Wyoming, so as to permit the leasing of school lands within such State for mineral purposes

for terms in excess of 10 years, was announced as next in order.

Mr. LANGER. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 2678) to amend section 5 of the act approved July 10, 1890, as amended, relating to the admission into the Union of the State of Wyoming, so as to permit the leasing of school lands within such State for mineral purposes for terms in excess of 10 years, was announced as next in order.

Mr. LANGER. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

CONSTRUCTION AND IMPROVEMENT OF PUBLIC-SCHOOL FACILITIES IN KLAMATH COUNTY, OREG.

The Senate proceeded to consider the bill (H. R. 4510) to provide funds for cooperation with the school board of Klamath County, Oreg., for the construction, extension, and improvement of public-school facilities in Klamath County, Oreg., to be available to all Indian and non-Indian children without discrimination, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 2, line 8, after the word "representative", to insert "through the Division of Disbursement, Treasury Department."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF ARMED FORCES ON DUTY ABROAD

The joint resolution (H. J. Res. 242) extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad was considered, ordered to a third reading, read the third time, and passed.

TRANSPORTATION ON CANADIAN VESSELS BETWEEN ALASKA AND CONTINENTAL UNITED STATES

The bill (H. R. 2634) to provide transportation of passengers and merchandise on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I think it should be pointed out that the existing statute prohibits transportation of passengers and merchandise by Canadian vessels, and that such transportation is limited to American-flag vessels. This bill proposes to grant an exemption from the operation of that restriction until June 30, 1950.

The justification for the exemption, as set forth in the report, is on the ground that inadequate service is now provided by American-flag vessels to the ports named in the bill. However, investigation shows that American-flag vessels can handle a part of the transportation proposed by the bill to be taken over by Canadian vessels.

In the light of the information that American vessels can handle the transportation of merchandise between the United States and Skagway and Haines, Alaska, and certain other points, it would seem to be appropriate to propose to the bill an amendment which would limit the handling of freight and passengers by Canadian-flag vessels to transporting such freight and passengers between the United States and Hyder, and also to provide by the amendment that Canadian vessels may handle passenger transportation between Haines and Skagway and certain other points in Alaska, and to and from ports in the United States.

To the end that that may be accomplished, I offer the amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. First, the question is, Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The VICE PRESIDENT. The amendment is now in order.

Mr. HENDRICKSON. Mr. President, as I said, I offer the amendment, which I send to the desk, and I ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, in line 7, after the word "passenger", it is proposed to strike out the words "and merchandise."

On page 2, in line 4, it is proposed to strike out the period and to insert a colon and the following proviso: *"Provided further,* That such Canadian vessels may transport merchandise between Hyder, Alaska, and other ports and points herein enumerated."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON].

Mr. LANGER. Mr. President, it seems to me that this is too important a matter to be adopted in this way. Therefore, I object.

The VICE PRESIDENT. Does the Senator object to the consideration of the bill or to the adoption of the amendment?

Mr. LANGER. I object to both.

Mr. MAGNUSON. Mr. President, I hope the Senator from North Dakota will withhold his objection until I can explain this matter. Will the Senator reserve his objection?

Mr. LANGER. Yes; I reserve it.

The VICE PRESIDENT. Once a bill is considered, the Senate can vote on amendments to the bill. That does not require unanimous consent.

Mr. MAGNUSON. I wish to explain the bill, and I know my colleague, the junior Senator from Washington [Mr. CAIN], joins with me in this statement.

Several years ago Congress passed what is known as the Jones Act, which prohibited Canadian vessels from serving certain portions of Alaska which they did serve in times past, and in some cases the service was necessary. The purpose of the amendment, of course, was to attempt to build up the American-flag service to Alaska; and by the prohibition of the Jones Act it was hoped that that would be accomplished.

In some measure it was accomplished, but the fact of the matter is that now the service is inadequate. I would be the last one to do anything which would limit the possibility of better service to Alaska, because, as all of us know, particularly those of us from the Pacific Northwest, transportation is most important to that Territory and its development. Several persons or companies have attempted to create maritime service to Alaska. Seventeen companies have gone bankrupt as of today. The service now is in the hands of one company, namely, the Alaskan Steam Co.

It is true that that company could serve these points, but the fact of the matter is that it does not serve these points. The town of Skagway, the town of Hyder, and other points which can be served by the small Canadian steamship line sometimes go for weeks without receiving supplies of food and other things they need. All that is proposed to be done is to allow this company in a limited way to continue the service until next June, in hope that by that time there will be some American service for these towns. That is all that is proposed, and the proposal is limited to a 1-year period.

Mr. LANGER. I should like to have the Senator from New Jersey explain the amendment to me. Why should the transportation of passengers, but not the transportation of merchandis, be permitted by such vessels or service?

Mr. MAGNUSON. I can explain that, if the Senator from North Dakota will permit me to do so, and if the Senator from New Jersey also will permit.

Mr. HENDRICKSON. I yield, gladly.

Mr. MAGNUSON. The present steamship line serving Alaska has steamships that can handle merchandise. There is a combination ship which also is used, which handles both passengers and merchandise. In this case the company does not wish to have these big passenger-merchandise types of vessels, combination vessels, go into these two small ports. It is not economical for them to do so.

This amendment would make a division of the service, so that the passenger ships can go in there with merchandise, but the small freighter operated by the Alaskan Steam Co. can serve those ports if the company wishes to have it do so.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. MAGNUSON. Certainly.

Mr. LANGER. Why should there be an absolute prohibition against the transportation of merchandise?

Mr. MAGNUSON. Because the Alaskan Steam Co., which now has the monopoly—unfortunately, but true—on this transportation to Alaska, and which is the only steamship company that wishes to operate there, feels that it would hurt its operating revenues to such an

extent that probably the whole service would have to be abandoned.

Mr. CAIN. Mr. President, let me say to the Senator from North Dakota that there is presently a prohibition against foreign-flag ships engaging in transporting merchandise and passengers from and to named Alaskan ports. If the bill is passed, it will mean that the citizens of Alaska, with respect to the named localities, will benefit from improved service until American-flag lines are in a better position to provide service, which today they admit they simply cannot do. I think the passage of the bill would be of real benefit to our friends in Alaska.

Mr. MAGNUSON. The people in Skagway do not get as much as a fresh tomato for 2 months at a time.

Mr. CAIN. There ought to be a continuing prohibition against foreign-flag ships transporting merchandise to and from Alaskan ports, if American-flag ships are in a position to provide such service. This bill, as amended, would create an exception for the port of Hyder, but would otherwise continue the law which has been on our books since, I think, 1896.

Mr. MAGNUSON. It would create the exception for only 1 year.

Mr. CAIN. Yes, and with reference to the one named community of Hyder, the American-flag ships say "Gentlemen, we cannot give Alaska the service to which it is entitled."

Mr. TOBEY. Mr. President, perhaps it would help out if the Senator from Washington would offer an amendment to take care of the question raised by the distinguished Senator from North Dakota [Mr. LANGER] to include the ports of North Dakota for the transportation of merchandise.

Mr. MAGNUSON. We would be glad to do that.

Mr. LANGER. Mr. President, I am not including either North Dakota or New Hampshire, but I withdraw my objection.

The VICE PRESIDENT. The objection being withdrawn, the question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON].

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation."

VISIT TO THE SENATE OF THE HONORABLE ELPIDIO QUIRINO, PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES

The VICE PRESIDENT. The Chair is advised that the President of the Philippine Republic has arrived, and, under the terms of the agreement made yesterday, the Senate will stand in recess. The Chair appointed the Senator from Texas [Mr. CONNALLY], the Senator from Michigan [Mr. VANDENBERG], the Senator from Illinois [Mr. LUCAS], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Nebraska [Mr. WHERRY] as a committee to escort the President of the Philippine Republic into the Chamber. President Quirino will be found in my office across the hall.

The Senate being in recess, at 12 o'clock and 40 minutes p. m.,

His Excellency Elpidio Quirino, President of the Republic of the Philippines, escorted by the committee appointed by the Vice President, consisting of Mr. CONNALLY, Mr. VANDENBERG, Mr. LUCAS, Mr. MYERS, and Mr. WHERRY, entered the Senate Chamber, accompanied by Hon. Pio Pedrosa, Secretary of Finance, Hon. Jose Yulo, member Council of State, Hon. Joaquin H. Elizalde, Ambassador Extraordinary and Plenipotentiary from the Philippine Republic to the United States, Hon. Emilio Abello, Minister from the Philippine Republic to the United States, Brig. Gen. Calizto Duque, Deputy Chief of Staff, Armed Forces of the Philippines, Filemon Rodriguez, manager National Power Corporation, Dr. Amando Dalisay, Secretary National Economic Council, Leonides George Virata, Director Department of Economics Research and Statistics Central Bank, Federico Mangahas, private secretary to President Quirino, Dr. Agerico Sison, the President's physician, Col. Lauro Hernandez, senior aide to the President, Commander Carlas Albert, the President's naval aide, Lt. Col. Manuel Salientes, Assistant Chief of Staff, of the Philippines, and Lt. Col. Jose Razon, representing Confederation of Veterans of the Philippines.

The President of the Republic of the Philippines having been escorted to a place on the rostrum at the side of the Vice President, and the distinguished visitors accompanying him having been escorted to places assigned to them,

The VICE PRESIDENT said: Members of the Senate, just a word of presentation of our distinguished and honored guest. Fifty years is a short time in the history of nations and in the history of civilization. Yet during that 50 years since the Spanish-American War when the Philippine Islands came into our possession, I think it is fair and true to say that no people in the history of the world ever advanced more rapidly or firmly in the matter of self-governing ability than did the people of the Philippine Islands. They are now a free nation, an independent republic, because the United States kept its word with the Philippine people and with our own people that when the appropriate time should arrive the Philippine people should be given independence and self-government.

Our honored guest today began his career of public service as a modest and humble school teacher among the Philippine people. He served as the secretary to Manuel Quezon, around whom there are many precious memories among many of us here. He was a member of the House of Representatives of the Philippine Legislature, a member of the state senate, Minister of Finance, Minister of Foreign Affairs, Vice President, and now he is the President of the Philippine Republic.

During his entire public life and during his entire life he has been a devoted friend of the United States of America. He has deep understanding of the sort of democracy we have attempted to establish and live up to, and the sort of democracy we have attempted to enable the people of the Philippine Islands to enjoy and to establish. It gives me great pleasure at this moment to present to you the President of the Philippine Republic.

ADDRESS BY THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES

President QUIRINO. Mr. Vice President, distinguished Members of the Senate, 15 years ago in this very Hall, I took oath as a member of the Federal bar. It was this august body of the Senate that, for several months before the Tydings-McDuffie Act was converted into law on March 24, 1934, I had also frequently visited as ranking member of the last Philippine Independence Mission, headed by our late friend, President Manuel L. Quezon, to watch developments in the discussions of the provisions of the bill, in the original drafting of which, I now recall with pride, I cooperated with my dear friend, Senator TYDINGS. I am afraid I am missing him this morning. In his apartment we prepared the draft of that bill.

I have come as a bidden guest of your Government. I am happy to report that America's handiwork in the Orient has justified its existence as the first English-speaking Republic in the east. [Applause.] When Commodore Dewey entered Manila Bay and "God gave victory to his arms" against the Spanish fleet, the American people little thought, and the Filipinos thought less, that 50 years afterward America would assume a role, and the Filipinos an obligation, unparalleled in the history of liberty-loving peoples. In spite of herself, America assumed the responsibility of leadership in the extension of freedom and security to the peoples in that part of the globe. The Philippines, correspondingly and in deep gratitude, is under obligation not only to uphold America's honor, but to pursue America's mission of extending the democratic way of life, as richly enjoyed by the Filipino people, in our neighborhood and elsewhere.

Today the Republic of the Philippines stands as a monument to the great American dream of freedom—the freedom to which the American Nation was born and by which it lives, and which it has shared increasingly with the peoples of other lands.

I have recalled this little bit of history because time presses for a redefinition of the relations between the United States and the Philippines. I speak of the Philippines in a very special sense, not as just one more state with which this great Republic maintains certain ties, but as a vital outpost of freedom and democracy in our side of the world—the very freedom which you taught us to treasure and of which you are today the great champion and defender.

How far we have proved ourselves worthy of freedom the whole world knows. And the world will know that we are determined to fight for freedom so long as Bataan and Corregidor exist.

So far as we are concerned, the history of our unremitting struggle for liberty during the past 400 years has predetermined our future course should our freedom be menaced from any quarter.

Our Republic is only 3 years old. It was born under exceedingly difficult and trying circumstances, drawing in its birth not only the blood and tears of my countrymen but of yours, as well. Our faith in democracy is being tested most severely. But I ask you, remembering the history of your own original thirteen Colonies that formed the Union, to believe that the Republic of the Philippines will emerge from these troubled times stronger in its faith in the soundness and incomparable advantages of the democratic way. The Filipino people have found in the democracy you have implanted in our land the fullness of life and enjoyment of its blessings, and they will not surrender them in exchange for the false utopian promises of any totalitarian system. [Prolonged applause.]

But today the most urgent problem that confronts the Philippines and the other free countries of Asia is the problem of security. It is, in fact, the principal problem that besets all those states that lie athwart the advancing tide of communism. The Philippines rejoices with the rest of the free world that there has at last been erected a mighty bulwark against the advance of communism in Europe. That sector of the globe has been secured and the peace of the world, to that extent, has been stabilized.

However, it is obvious to everyone that the task of securing our free world is only half done. No one who realizes the extent of the menace to which Asia is exposed—the threat to Korea, the infiltration into Viet Nam, the debacle in China—can well afford to rest at ease now that the North Atlantic Pact is in full force and effect. Asia with its vast population which accounts for more than half that of the world, and with its incalculable resources, cannot and ought not to be lost to communism by default. And yet this is bound to happen unless something of the courage and vision that went into the forging of the democratic defenses in Europe is applied to the forging of a similar system of defense in Asia.

My concern over this problem has led me into taking the first steps toward this end. I realize fully that there are strong reasons why the United States may not too readily welcome the obligations that its active participation in this project would entail. I have not therefore made such participation a necessary condition for the initiation of the project itself.

But I feel very strongly that the free countries of Southeast Asia and the Pacific must themselves start the movement for closer cooperation in furtherance of their common interests in the political, economic and cultural fields. No military commitments are contemplated at the moment. The reason is simple. The countries concerned have presently no armies, navies, or air forces to muster under the terms of a military alliance. Most of them have but newly emerged into independent nationhood and are faced with grave domestic problems. They count with no industrial base of sufficient strength or magnitude to support a major military undertaking and, by constitutional mandate, the Philippines renounces war as an instrument of national policy. Above all, it is my feeling that we have time in the still-free countries of Asia to halt the advance of communism by nonmilitary means.

Our problem is therefore basically economic. Asia must properly feed, clothe, and house its millions, and raise their living standards. Technical aid is needed as well as capital to tap and develop its agricultural and industrial potentialities. Fortunately, President Truman's point 4 program and the United Nations project of technical assistance to underdeveloped countries give promise of aid to come.

We realize that, in the end, our salvation must come from self-help, and that the advantages of self-help will be enhanced tenfold if, as we now propose to do in the projected Pacific Union, we can convert self-help to mutual help.

This is the fundamental aim and purpose of the Pacific Union: to forge stronger ties of economic cooperation and collaboration between the free countries of Asia in order to enhance their prosperity, to hasten the march of self-government in order to afford concentration on internal development, and to preserve their freedom. If, after the Union has been organized and the modes of collaboration have been determined, the United States and the other democracies should desire to offer such help as should lie in their power to give, it need hardly be said that the offer will not only be warmly received but justly blessed. I am confident that the member states of the Union will gratefully accept the renewal in peace and for peaceful ends of an alliance that was forged in the last war for the sake of a common victory.

The time runs short and the margin of our common security grows narrower each day. As President of the Republic of the Philippines, I consider it my supreme responsibility in this perilous hour to call upon our friends everywhere, but especially our friends in America, not to tarry too long in the redefinition of fundamental attitudes toward Asia to which I have earlier referred. May I venture to hope that this process, which may well determine the fate of more than half of mankind in the next thousand years, will be a calm, deliberate movement toward clarity, vigor, and resolution?

I am grateful to the Members of the Senate for this singular opportunity to say a few words from this mighty rostrum. I have spoken with a degree of frankness that might possibly sound somewhat unusual coming from almost any other guest of this powerful body. But for this I invoke the memory of our long association in the common endeavor of freedom and democracy that culminated in the establishment of the Republic of the Philippines. I invoke also the bitter sacrifices that the American and the Filipino peoples endured together in the recent war for freedom in the Pacific as sufficient justification for the grave concern I have here expressed on behalf of that self-same freedom.

That freedom is in peril for more than half the population of the globe. Only the blind will say that the menace does not concern America, because the history of the last two world wars shows all too clearly that this great democracy cannot remain unconcerned wherever and whenever the survival of free men in a free world is at stake.

I thank you. [Prolonged applause, Senators rising.]

The VICE PRESIDENT. Mr. President, on behalf of the Senate and the American people, I thank you not only for your visit, which is timely, but for your magnificent address. While you were speaking of the sacrifices made in a common cause by Filipinos and Americans, I was thinking of the fact that in the blood bath in 1945, shortly before American forces liberated Manila, your wife and three of your five children were machine-gunned to death by the Japanese forces. That is an additional bond of sympathy between us and you.

We thank you, Mr. President.

[Great applause, Senators rising.]

The proceedings in the Senate Chamber having been concluded, the President of the Philippine Republic and the distinguished vistors accompanying him were escorted from the Chamber.

At 1 o'clock and 5 minutes p. m., the Senate reassembled, when it was called to order by the Vice President.

CONTINUATION OF THE CALL OF THE CALENDAR

The VICE PRESIDENT. The Secretary will call the next bill on the calendar.

NONNAVIGABLE WATERWAY IN NEW HAVEN, CONN.

The bill (H. R. 3511) to declare the waterway (in which is located the Brewery Street Channel) from Brewery Street southeastward to a line running south 36° 53′ 36″ W. from the south side of Chestnut Street at New Haven, Conn., a nonnavigable stream, was considered, ordered to a third reading, read the third time, and passed.

MOTOR VESSEL "FLB–5005"

The bill (H. R. 579) to permit the motor vessel *FLB–5005* to engage in the fisheries was considered, ordered to a third reading, read the third time, and passed.

DISSEMINATION OF TECHNOLOGICAL, SCIENTIFIC, AND ENGINEERING INFORMATION

The bill (S. 868) to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes was announced as next in order.

Mr. HENDRICKSON. Mr. President, I wonder if we could not have an explanation of the bill. I note that the cost of administering the proposed program will be about a million dollars, and there was no public hearing on the bill. I think the Senate is entitled to an explanation.

Mr. JOHNSON of Colorado. Mr. President, the cost of administering the bill would be less than a million dollars a

year. It has been cleared by the Bureau of the Budget. Its purpose is to establish a clearing house in the Department of Commerce for the dissemination of technological information obtained from foreign and domestic sources which would be of value to American industry, particularly small businesses which have limited research facilities and technical staffs, and it provides for Government-sponsored research for the benefit of all businesses. The bill came out of our committee by a unanimous report.

The Senator from New Jersey says that no hearings were held on the bill. A similar bill, Senate bill 493, was introduced in the Eightieth Congress by the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Vermont [Mr. AIKEN], and was referred to the Committee on Expenditures in the Executive Departments. Six days of hearings were held. There was objection to one feature of Senate bill 493 as introduced, with respect to patents, and assistance which might be given to those who were interested in patents.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. HENDRICKSON. There were no hearings held this year on the bill, were there?

Mr. JOHNSON of Colorado. No; there were no hearings held this year on the bill. The committee last year, however, held hearings and deleted from the bill the provisions which were objected to last year. The bill now before us is a copy of the previously revised bill. The language of Senate bill 868 is identical with the revision by the Committee on Expenditures in the Executive Departments of Senate bill 493.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. I should like to add that I participated in the hearings on the bill last year. The committee went into the matter very thoroughly at that time. The matter that brought it to our attention originally was the discussion of the information we had obtained from Germany, information that would be helpful to individuals. The principal motive of the bill was to help small business. I may say that since the "5 percent" revelations have been made, this is the very sort of legislation which was intended to help avoid such practices. In other words, the purpose was to have a place where businessmen could go in the Department of Commerce and have available the information which is already gathered there. But there has been no means by which a small-business man without a big staff of experts could secure such information. The main purpose of the bill, as I said, is to make such information available to the small-business man. If the bill which was introduced last year had been passed then, I think it would have gone a long way toward obviating the success of the so-called "5 percenters." I really think the bill is an excellent one, and that it should be passed.

Mr. HENDRICKSON. Does the Senator know whether this bill is supported by small business?

Mr. FULBRIGHT. It certainly was supported by small business in the hearings which were held last year. We held thorough hearings at that time. The language of the present bill is identical, as I understand, with that of the bill considered last year, with the exception of the provision dealing with patents.

Mr. HENDRICKSON. I am advised that small-business men are opposed to the bill.

Mr. JOHNSON of Colorado. I am certain the Senator has received misinformation on that subject. Of course, there are many individuals who claim to be sponsors of representatives of small business. So far as I know, however, no small-business man is opposed to the bill. Research is important, as I think the Senator from New Jersey will agree. If research is important, then certainly there should be some means of making the discoveries brought about by research available to small business as well as big business. The bill would furnish assistance to small-business men who are unable to carry on their own research work. It is of more assistance to them than it is to any other segment of our economy.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. FULBRIGHT. The main purpose of the bill is to assist small business. Let me recall some history which led to the introduction of the bill. When the Small War Plants Corporation was set up during the war, specifically to aid small business, it collected a considerable amount of data, and it was generally thought it rendered a good service to small business. General Motors did not need such a service. General Motors had plenty of facilities of its own to secure such data. But the materials which were left over from the Small War Plants Corporation, their records, and so forth, were transferred to the Department of Commerce. That and material from Germany we endeavored to have made available to small business. I remember distinctly that the principal supporters of the bill were small-business men. The only objection came from a particular man, I think his name was Blood, who was interested in patents. He represented the Association of Manufacturers. He opposed the bill. But the section relating to patents, as I understand, is not contained in the present bill.

Mr. JOHNSON of Colorado. That is correct.

Mr. FULBRIGHT. There was certainly no opposition that I know of from anyone engaged in small business. Representatives of small business and small-business men came before the committee and supported the bill. I believe that if there was any objection, as the Senator from New Jersey has stated he is informed there was, it was the objection made by the patent representative, if such is his proper designation, of the Association of Manufacturers. I am quite sure the opposition did not come from small business.

Mr. HENDRICKSON. Mr. President, I thank the Senator from Arkansas for his statement. In view of his statement and explanation I withdraw any objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 868) to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the purpose of this act is to make the results of technological research and development more readily available to industry and business, and to the general public, by clarifying and defining the functions and responsibilities of the Department of Commerce as a central clearinghouse for technical information which is useful to American industry and business.

CLEARINGHOUSE FOR TECHNICAL INFORMATION

SEC. 2. The Secretary of Commerce (hereinafter referred to as the "Secretary") is hereby directed to establish and maintain within the Department of Commerce a clearinghouse for the collection, dissemination, and exchange of scientific, technical, and engineering information, and to this end to take such steps as he may deem necessary and desirable—

(a) To search for, collect, classify, coordinate, integrate, record, and catalog such information from whatever sources, foreign and domestic, that may be available;

(b) To make such information available to industry and business, to State and local governments, to other agencies of the Federal Government, and to the general public, through the preparation of abstracts, digests, translations, bibliographies, indexes, and microfilm and other reproductions, for distribution either directly or by utilization of business, trade, technical, and scientific publications and services;

(c) To effect, within the limits of his authority as now or hereafter defined by law, and with the consent of competent authority, the removal of restrictions on the dissemination of scientific and technical data in cases where consideration of national security permit the release of such data for the benefit of industry and business.

RECORDING OF TECHNICAL DEVELOPMENTS

SEC. 3. Any invention, product, or scientific or technical process devised, created, or developed by any person (including any department or agency of the Federal Government, or any employee thereof), may be filed with the Secretary in such manner and upon such conditions as the Secretary shall prescribe, and the Secretary shall make a record of each such invention, product, or process. When certified, under the seal of the Department of Commerce, by the Chief Clerk of the Department of Commerce, or by such other official as the Secretary may designate, such record or a copy thereof, shall be admissible in any patent or other proceedings, and in suits and actions in the courts of the United States, as evidence as to the date of filing of such invention, product, or process.

RULES, REGULATIONS, FEES

SEC. 4. The Secretary is authorized to make, amend, and rescind such orders, rules, and regulations as he may deem necessary to carry out the provisions of this act, and to establish, from time to time, a schedule or schedules of reasonable fees or charges for services performed or for documents or other publications furnished under this act: *Provided*, That all moneys hereafter received by the Secretary in payment for publications under this act shall be deposited in a special account in the Treasury, such account to be available, subject to authorization in any

appropriation act, for reimbursing any appropriation then current and chargeable for the cost of furnishing copies or reproductions as herein authorized, and for making refunds to organizations and individuals when entitled thereto: *And provided further*, That an appropriation reimbursed by this special account shall, notwithstanding any other provision of law, be available for the purposes of the original appropriation.

It is the policy of this act, to the fullest extent feasible and consistent with the objectives of this act, that each of the services and functions provided herein shall be self-sustaining or self-liquidating and that the general public shall not bear the cost of publications and other services which are for the special use and benefit of private groups and individuals; but nothing herein shall be construed to require the levying of fees or charges for services performed or publications furnished to any agency or instrumentality of the Federal Government, or for publications which are distributed pursuant to reciprocal arrangements for the exchange of information or which are otherwise issued primarily for the general benefit of the public.

REFERENCE OF DATA TO ARMED SERVICES

SEC. 5. The Secretary is directed to refer to the armed services all scientific or technical information, coming to his attention, which he deems to have an immediate or potential practical military value or significance, and to refer to the heads of other Government agencies such scientific or technical information as relates to activities within the primary responsibility of such agencies.

GENERAL STANDARDS AND LIMITATIONS

SEC. 6. Notwithstanding any other provision of this act, the Secretary shall respect and preserve the security classification of any scientific or technical information, data, patents, invention, or discoveries in, or coming into, the possession or control of the Department of Commerce, the classified status of which the President or his designee or designees certify as being essential in the interest of national defense, and nothing in this act shall be construed as modifying or limiting any other statute relating to the classification of information for reasons of national defense or security.

UTILIZATION OF EXISTING FACILITIES

SEC. 7. (a) The Secretary may utilize any personnel, facilities, bureaus, agencies, boards, administrations, offices, or other instrumentalities of the Department of Commerce which he may require to carry out the purposes of this act.

(b) The Secretary is hereby authorized to call upon other departments and independent establishments and agencies of the Government to provide, with their consent, such available services, facilities, or other cooperation as he shall deem necessary or helpful in carrying out the provisions of this act, and he is directed to utilize existing facilities to the full extent deemed feasible.

RELATION TO OTHER ACTS

SEC. 8. Nothing herein shall be construed to repeal or amend any other legislation pertaining to the Department of Commerce or its component offices or bureaus.

NATIONAL BUREAU OF STANDARDS

The bill (S. 2016) to provide authority for certain functions and activities of the National Bureau of Standards, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time and passed as follows:

Be it enacted, etc., That funds now or hereafter appropriated to the National Bureau of Standards shall be available for the following activities: (a) The purchase, repair, and cleaning of uniforms for guards; (b) the repair and alteration of buildings, and other plant facilities; (c) the rental of laboratory and office space in the District of Columbia and in the field; (d) the purchase of reprints from trade journals or other periodicals of articles prepared officially by Government employees; (e) the furnishing of food and shelter without repayment therefor to employees of the Government at Arctic stations or other stations located outside the continental United States; and (f) in the conduct of observations on radio propagation phenomena in the Arctic region, the appointment of employees at base rates established by the Secretary of Commerce which shall not exceed such maximum rates as may be specified from time to time in the appropriation concerned, and without regard to the civil service and classification laws and titles II and III of the Federal Employees Pay Act of 1945.

SEC. 2. Within the limits of funds which may be appropriated therefor, the Bureau is authorized to make improvements to existing buildings, grounds, and other plant facilities, including construction of minor buildings and other facilities in the District of Columbia and in the field to house special apparatus or material which must be isolated from other activities: *Provided*, That no improvement shall be made nor shall any building be constructed under this authority at a cost in excess of $25,000, unless specific provision is made therefor in the appropriation concerned.

COMMISSIONED OFFICERS OF THE COAST AND GEODETIC SURVEY

The bill (H. R. 2572) to extend to commissioned officers of the Coast and Geodetic Survey the provisions of the Armed Forces Leave Act of 1946 was considered, ordered to a third reading, read the third time, and passed.

BASIC AUTHORITY FOR PERFORMANCE OF CERTAIN FUNCTIONS OF DEPARTMENT OF COMMERCE

The bill (H. R. 162) to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill, and a statement respecting its cost?

Mr. JOHNSON of Colorado. This is an authorization bill. Its purpose is to provide clear, basic legislative authority for the performance of certain functions and activities of the Department of Commerce heretofore carried out as a result of authority in appropriation bills.

We have heard a great deal in the last few weeks about legislative provisions in appropriation bills. The object of the bill is to write the authority into law so that it will not be necessary to carry legislative provisions in appropriation bills. The bill was reported from the House Committee on Interstate and Foreign Commerce on April 12, 1949, and was passed by the House of Representatives on May 16, 1949. A similar bill was passed by the House of Representatives in the Eightieth Congress and a companion bill to it was favorably reported by this committee in the Eightieth Congress but failed of enactment.

The specific functions for which legislative authority would be given by this bill are:

First. The furnishing to employees of the Department and other Federal agencies in Alaska and other points outside the continental United States, of free emergency medical services.

As a matter of fact the purpose of the bill is to give persons in the employ of the United States in outlying and isolated points and places, the benefits which are given and which are accessible to all the rest of our people.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. SCHOEPPEL. Will the Senator give us some indication of the additional costs which would be incurred, and would the bill entail the establishment of additional bureaus?

Mr. JOHNSON of Colorado. I am informed that the cost will be negligible. I have been advised by the Bureau of the Budget that House bill 162, including the amendment deleting the words "not on foreign soil" is within the program of the President, and that its cost will be negligible. Almost no cost is involved by the bill.

Mr. SCHOEPPEL. Mr. President, I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 162) to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments on page 4, line 4, after the word "localities", to strike out "not on foreign soil"; and in line 5, after the word "available", to insert a colon and the following proviso: "*Provided*, That the provisions of this paragraph also shall apply to the Civil Aeronautics Board."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

REARING PONDS AND FISH HATCHERY AT MILLEN, GA.

The Senate proceeded to consider the bill (H. R. 2740) to establish rearing ponds and a fish hatchery at or near Millen, Ga., which had been reported from the Committee on Interstate and Foreign Commerce with an amendment to strike out all after the enacting clause, and insert:

That the Secretary of the Interior is hereby authorized to establish and construct rearing ponds and a fish hatchery at suitable locations at or near Millen, Ga., and in the Upper Peninsula of Michigan, at a cost of not to exceed $250,000 and $325,000, respectively; to rehabilitate and expand at a cost of not to exceed $70,000 the rearing ponds and facilities at the Cape Vincent, N. Y., fish cultural station, and to purchase lands adjoining such station in connection with the rehabilitation and expansion of such facilities; and to rehabilitate, repair, and place in efficient operating condition the rearing ponds and fish cultural facilities at Leadville, Colo., at a cost of not to exceed $90,000.

SEC. 2. The Secretary of the Interior is hereby authorized to undertake, through the Fish and Wildlife Service, a comprehensive and continuing study of the shad of the Atlantic coast for the purpose of recommending to the Atlantic Coast States, through the Atlantic States Marine Fisheries Commission,

measures to be taken to arrest decline, increase the abundance, and promote the wisest utilization of such shad resources at a cost of not to exceed $75,000 per annum for a 6-year period. For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without exchange of funds, any boats or equipment excess to its needs required by the Fish and Wildlife Service for the studies authorized herein.

SEC. 3. That the joint resolution of August 8, 1946 (60 Stat. 930), be amended to read as follows:

"That the Director of the Fish and Wildlife Service of the Department of the Interior is hereby authorized and directed to prosecute investigations of the abundance and distribution of sea lampreys and their effects on fishes, experiments to develop control measures, and a vigorous program for the elimination and eradication of sea lamprey populations of the Great Lakes; to survey the Great Lakes area to determine what localities would be most suitable for the establishment of additional fish hatcheries and rearing ponds if, and when, it becomes desirable for the Federal Government to operate such additional fish hatcheries and rearing ponds in the Great Lakes area; and is authorized and directed to report to the Congress not later than December 31, 1950, the results of such survey and to make recommendations with respect thereto. The cost of the investigations and studies authorized in this section shall not exceed $359,000 for the first year and the sum of $216,000 per annum thereafter.

"In carrying out the foregoing purposes and objectives the Director of the Fish and Wildlife Service is authorized to cooperate with the official conservation agencies of the States bordering on the Great Lakes, with the commercial fishing industry, and with other governmental or private agencies, organizations, or individuals having jurisdiction over or an interest in the fisheries of the Great Lakes."

SEC. 4. There is authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes and objectives of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to authorize the establishment of fish hatcheries in the States of Georgia and Michigan; to authorize the rehabilitation and expansion of rearing ponds and fish cultural facilities in the States of New York and Colorado; to authorize the Secretary of the Interior to undertake a continuing study of shad of the Atlantic coast; and to amend the act of August 8, 1946, relating to investigation and eradication of predatory sea lampreys of the Great Lakes, and for other purposes."

DETERMINATION OF VALIDITY OF TITLES TO CERTAIN LANDS.

The bill (S. 1606) to authorize the Secretary of the Interior to determine the validity of titles to lands acquired in the administration of the reclamation laws, was announced as next in order.

Mr. McCARRAN. Mr. President, this bill would deprive the Lands Division of the Department of Justice of a substantial part of its jurisdiction. I have discussed the matter with the Senator from Wyoming, the chairman of the Committee on Insular Affairs. It is my judgment that the bill should be referred to the Committee on the Judiciary. I think the Senator from Wyoming is in agreement with me.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. O'MAHONEY. The bill undertakes to restore the situation which existed for more than 40 years in the examination and passing upon titles to land purchased by the Secretary of the Interior in order to carry out projects under the reclamation law. From 1904 down to and including 1946 it was the practice in connection with reclamation construction projects for the Department of the Interior to pass upon the validity of the titles to the lands purchased. This was due to an understanding of the meaning and effect of the law which was then on the statute books. For example, it was provided that, with respect to the Corps of Engineers and the Bureau of Reclamation, the examination by the Department of Justice otherwise required was not intended to be required. This was because of a realization of the fact that passing upon the titles of lands acquired to carry out these projects was almost an indivisible part of the construction problems. For example, in a reclamation project it may be necessary to acquire a right-of-way over the land of a private landowner. It may be necessary to acquire only a surface title. In any event, this practice was followed for more than 40 years, and it was not until after the Committee on Interior and Insular Affairs had passed upon this question that the members of the committee learned that the suggestion had been made that perhaps the Committee on the Judiciary should also pass upon it.

In view of the fact that it does involve the Department of Justice, I can see complete justification for the request of the Senator from Nevada [Mr. McCARRAN], but I am wondering if it might not be agreeable to him if, instead of displacing the bill upon the calendar, we should obtain unanimous consent that no action be taken upon the bill pending an examination of the question by the Committee on the Judiciary and a subsequent report, so that the bill may retain its place on the calendar.

Mr. McCARRAN. Mr. President, I have no objection to that procedure, provided the Committee on the Judiciary may make a report on the bill.

Mr. O'MAHONEY. The Senator from Utah [Mr. WATKINS] introduced the bill, and perhaps he may have some comment to make.

Mr. WATKINS. Mr. President, I can understand the position of the chairman of the Judiciary Committee. However, I hope the Judiciary Committee will give early consideration to this question.

I may point out that the present procedure of having the Department of Justice pass on these titles is slowing down nearly every reclamation project in the West. The Bureau has a complete staff of attorneys who are equipped and qualified to take care of examination of titles. They do all the preliminary work now. Since the Department of Justice has decided that it ought to pass on these titles, and they are handed over to the Department of Justice, it means more delay and expense, not only to the Government itself, but to the water users who are paying for these projects. For that reason I hope the Judiciary Committee will consider this matter immediately and submit a report.

Mr. McCARRAN. I assure the Senator from Utah that we will give it prompt attention, but not hasty attention.

Mr. WATKINS. It is one of those matters which has been reported upon, and I do not know why the Department of Justice did not submit a report to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, the bill will be passed over until a later call of the calendar, so that the Judiciary Committee may have an opportunity to examine it.

The clerk will state the next bill on the calendar.

AIR STAR ROUTES

The Senate proceeded to consider the bill (H. R. 4498) to amend section 6 of the act of April 15, 1938, to expedite the carriage of mail by granting additional authority to the Postmaster General to award contracts for the transportation of mail by aircraft upon star routes, which had been reported from the Committee on Post Office and Civil Service with an amendment, to strike out all after the enacting clause and insert:

That section 6 of the act entitled "An act to provide for experimental air-mail services to further develop safety, efficiency, and economy, and for other purposes," approved April 15, 1938 (39 U. S. C. 470), is hereby amended to read as follows:

"SEC. 6. (a) Whenever he shall find it to be in the public interest, because of the nature of the terrain, or the impracticability or inadequacy of surface transportation, and where the cost thereof is reasonably compatible with the service to be provided, the Postmaster General may award contracts for the transportation by aircraft upon star routes of any or all classes of mail (including but not limited to air mail and air parcel post), payment for such service to be made from the appropriation for inland transportation by star routes: *Provided*, That all laws and regulations not in conflict with this section governing star routes shall be applicable to contracts made under the authority of this section: *Provided further*, That the provisions of title IV of the Civil Aeronautics Act of 1938, approved June 23, 1938 (52 Stat. 973), as amended other than sections 407, 408, 412, 413, 414, and 416 thereof shall not apply to the transportation of mail under this section: *Provided further*, That prior to advertising for bids for the transportation of mail by aircraft on any star route, except as authorized by the act of October 14, 1940 (54 Stat. 1175), entitled 'An act authorizing special arrangements in the transportation of mail within the Territory of Alaska,' the Postmaster General shall obtain from the Civil Aeronautics Board a certification that the proposed route does not conflict with the development of air transportation as contemplated under the Civil Aeronautics Act of 1938, as amended: *Provided further*, That any such contract made under authority of this section shall be canceled upon the issuance by the Civil Aeronautics Board of an authorization under title IV of the Civil

Aeronautics Act of 1938, as amended, to any air carrier to engage in the transportation of mail by aircraft between any of the points named in such contract: *And provided further*, That no bid for a contract under this section shall be considered unless the bidder (1) if an individual is a resident of a State within which, or of a State adjoining a State within which, one or more points to be served under such proposed contract are located; or (2) if a corporation, company, association, partnership, or firm is actually engaged in business in a State within which, or in a State adjoining a State within which one or more points to be served under such proposed contract are located. As used in this section, the term 'State' includes the several States, the Territories of Alaska and Hawaii, and the District of Columbia.

"(b) Upon receipt of a request from the Postmaster General for the certification required in subsection (a) above, the Civil Aeronautics Board shall promptly publish in the Federal Register, and send to such persons as the Board may by regulation determine, a notice describing the proposed air star route. After giving notice pursuant to this subsection, the Board shall afford interested persons a reasonable opportunity to submit written data, views or arguments with or without opportunity to present the same orally in any manner. The Board shall give due consideration to all relevant matter presented and, not less than 30 days after notice is given, except in any situation in which it for good cause finds (and incorporates the finding and a brief statement of the reasons therefor in its order granting certification) that such period of advance notice is impracticable, unnecessary, or contrary to the public interest, shall grant the requested certification upon finding that the proposed route does not conflict with the development of air transportation as contemplated under the Civil Aeronautics Act of 1938, as amended."

Mr. JOHNSTON of South Carolina. Mr. President, I have an amendment to offer by way of correction of a typographical error.

The PRESIDING OFFICER. The amendment offered by the Senator from South Carolina will be stated.

The LEGISLATIVE CLERK. On page 4, line 12, in the committee amendment, after the numerals "408", it is proposed to insert "409."

Mr. HAYDEN. Mr. President, I desire to offer an amendment.

Mr. SALTONSTALL. Mr. President, reserving the right to object, I should like to ask the Senator from South Carolina a question. For the past 3 years the Appropriations Committee has heard long discussions about the subsidy of air mail, and the great expense involved. If my memory is correct, it is more than $100,000,000. If we are to increase the air mail delivery service, why would it not be wise to hold this bill over and consider the entire problem and resolve it?

Mr. JOHNSTON of South Carolina. Mr. President, I will answer the Senator from Massachusetts by saying that the Post Office Department has requested this bill. The Department states that it will not involve any additional cost. The bill has to do with star routes, and not the regular carrying of the air mail.

Mr. SALTONSTALL. Will this bill increase the air mail subsidy in any way?

Mr. JOHNSTON of South Carolina. The report from the Post Office Department states that it will involve no additional cost.

Mr. SALTONSTALL. In other words, where air delivery is instituted on a star route there will be no additional expense?

Mr. JOHNSTON of South Carolina. It will not involve the use of air-mail stamps. The bill relates to the service on star routes from one place to another. If the Department finds that the mail can be transported more cheaply by air than by bus or automobile, it will use this service.

Mr. SALTONSTALL. As I understand, this service will not require the use of air-mail delivery stamps.

Mr. JOHNSTON of South Carolina. The Senator is correct.

Mr. SALTONSTALL. It will have nothing to do with the air mail?

Mr. JOHNSTON of South Carolina. No. It involves transportation of mail from one point to another.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina to the committee amendment on page 4, line 12.

The amendment to the amendment was agreed to.

Mr. HAYDEN. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 5, line 6, in the committee amendment, it is proposed to strike out all after the word "bidder" down to and including the word "located" in line 13 and insert in lieu thereof the following: "is a resident of or qualified to do business as a common carrier by air in a State within which one or more points to be served under such proposed contract are located."

Mr. HAYDEN. Mr. President, this part of the bill came to my attention by reason of a letter addressed to me by members of the Arizona Corporation Commission. The letter is as follows:

ARIZONA CORPORATION COMMISSION,
Phoenix, April 18, 1949.

Hon. CARL HAYDEN,
Senator from Arizona,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HAYDEN: It has come to our attention that H. R. 3842, a bill concerning certain air-mail star routes, has been introduced. We would like to respectfully call your attention to an unfortunate situation which could be simply rectified during consideration of this bill. As it stands bidders on other than air-transportation matters have to have the proper licenses and be otherwise qualified in the State concerned. For some reason the Comptroller General's Office has ruled that such is not the case in air transportation. As a result contracts are awarded to unqualified carriers and the qualified carriers file complaints which we are forced to act upon. Our docket is made even more crowded and it is an expense and trouble for all concerned.

It should not be difficult to set forth that bidders must be qualified not only for the standards already required but also must have any necessary legal qualifications and licenses by the appropriate State authorities in the States involved. Of course, some States have no air-transportation regulation and in the absence of such regulation any bidder would meet this requirement because there would be none necessary.

Hoping that you can find some way to amend this legislation so as to eliminate the wasteful results we have outlined, we are,

Very sincerely yours,

WILLIAM T. BROOKS,
Chairman.
W. T. WRIGHT,
Commissioner,
MIT. SIMMS,
Commissioner.

The language of the bill to which my amendment relates provides as follows:

That no bid for a contract under this section shall be considered unless the bidder—

This is the language which I propose to strike out:

(1) If an individual is a resident of a State within which, or if a State adjoining a State within which, one or more points to be served under such proposed contract are located; or (2) if a corporation, company, association, partnership, or firm is actually engaged in business in a State within which, or in a State adjoining a State within which one or more points to be served under such proposed contract are located.

I propose to insert:

Is a resident of or qualified to do business as a common carrier by air in a State within which one or more points to be served under such proposed contract are located.

It seems to me that simplifies the matter.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PRIVILEGES OF FREE IMPORTATION, EXTENSIONS OF TIME FOR TAX PURPOSES, AND FACILITATION OF TAX ADMINISTRATION

The Senate proceeded to consider the bill (H. R. 5086) to accord privileges of free importation to members of the armed forces of other nations, which had been reported from the Committee on Finance with amendments.

The amendments were, on page 1, line 3, after the word "That", to insert "(a)"; on page 2, at the beginning of line 14, to strike out "Sec. 2." and insert "(b)"; in line 15, after the word "this", to strike out "act" and insert "section"; in line 18, at the beginning of the line, to strike out "Sec. 3. This act" and insert "(c) This section"; in line 21, after the words "date of", to strike out "its"; in the same line, after the word "enactment", to insert "of this act", and after line 21, to insert:

SEC. 2. Extension of time for claiming refund with respect to war losses.

The joint resolution of June 29, 1948 (Public Law 828, 80th Cong.), is hereby amended by striking out "1949" wherever appearing therein and inserting in lieu thereof "1950."

SEC. 3. Extension of time in the case of discharge of indebtedness.

Section 22 (b) (9) and section 22 (b) (10) of the Internal Revenue Code are hereby amended by striking out "1949" and inserting in lieu thereof "1950."

SEC. 4. Verification of returns.

(a) Chapter 38 of the Internal Revenue Code is hereby amended by inserting at the end thereof the following new section:

"SEC. 3809. Verification of returns; penalties of perjury.

"(a) Penalties: Any person who willfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter, shall be guilty of a felony, and, upon conviction thereof, shall be fined not more than $2,000 or imprisoned not more than 5 years, or both.

"(b) Signature presumed correct: The fact that an individual's name is signed to a return, statement, or other document filed shall be prima facie evidence for all purposes that the return, statement, or other document was actually signed by him.

"(c) Verification in lieu of oath: The Commissioner, under regulations prescribed by him with the approval of the Secretary, may require that any return, statement, or other document required to be filed under any provision of the internal revenue laws shall contain or be verified by a written declaration that it is made under the penalties of perjury, and such declaration shall be in lieu of any oath otherwise required."

(b) Sections 51 (d), 145 (c), and 1630 of such code are hereby repealed.

(c) The amendments made by this section shall be applicable with respect to any return, statement, or document filed after the date of the enactment of this act.

SEC. 5. Reports of compensation.

Section 148 (f) of the Internal Revenue Code (relating to reports of compensation of corporate officers and employees exceeding $75,000) is hereby repealed.

SEC. 6. Failure to file return or pay tax.

Section 1626 (c) of the Internal Revenue Code is hereby repealed, and section 1631 of such code is hereby amended to read as follows:

"SEC. 1631. Failure of employer to file return or pay tax.

"In case of a failure to make and file any return, or a failure to pay any tax, required by this chapter, or both, within the time prescribed by law or prescribed by the Commissioner in pursuance of law, unless it is shown that such failure is due to reasonable cause and not due to willful neglect, the addition to the tax shall not be less than $5."

SEC. 7. Returns and payment of excise taxes.

(a) Section 3310 of the Internal Revenue Code (relating to returns and payment of tax) is hereby amended by adding at the end thereof the following new subsection:

"(f) Discretion allowed commissioner.—

"(1) Returns and payment of tax: Notwithstanding any other provision of law relating to the filing of returns or payment of any tax imposed by chapter 9, 9A, 10, 12, 19, 21, 30, 32, subchapter A of chapter 25, or subchapter A of chapter 29, the Commissioner may by regulations approved by the Secretary prescribe the period for which the return for such tax shall be filed, the time for the filing of such return, the time for the payment of such tax, and the number of copies of the return required to be filed.

"(2) Use of Government depositaries: The Secretary may authorize Federal Reserve banks, and incorporated banks or trust companies which are depositaries or financial agents of the United States, to receive any tax imposed by this title, in such manner, at such times, and under such conditions as he may prescribe; and he shall prescribe the manner, times, and conditions under which the receipt of such tax by such banks and trust companies is to be treated as payment of such tax to the collector."

(b) Section 8 of the Second Liberty Bond Act, as amended (31 U. S. C., sec. 771), is hereby amended by striking out "income and excess profits taxes" and inserting in lieu thereof "internal revenue taxes."

SEC. 8. Delegation of assessment authority.

Chapter 35 of the Internal Revenue Code is hereby amended by adding at the end thereof the following new section:

"SEC. 3647. Delegation of assessment authority.

"The Commissioner, under regulations approved by the Secretary, is authorized to delegate to any officer or employee of the Bureau of Internal Revenue, including the field service, any authority, duty, or function which the Commissioner is authorized or required to exercise or perform under section 3640, 3641, or 3642."

SEC. 9. Credit or refund of overpayment of tax.

(a) Section 3770 (a) of the Internal Revenue Code is hereby amended by renumbering paragraph (5) as paragraph (6), and by amending paragraph (4) to read as follows:

"(4) Credit of overpayment of one class of tax against another class of tax due: Notwithstanding any provision of law to the contrary, the Commissioner may, in his discretion, in lieu of refunding an overpayment of tax imposed by any provision of this title, credit such overpayment against any tax due from the taxpayer under any other provision of this title.

"(5) Delegation of authority to collectors to make refunds: The Commissioner, with the approval of the Secretary, is authorized to delegate to collectors any authority, duty, or function which the Commissioner is authorized or required to exercise or perform under paragraph (1), (2), (3), or (4) of this subsection, or under section 322 or 1027, where the amount involved (exclusive of interest, penalties additions to the tax, and additional amounts) does not exceed $10,000."

(b) Section 3772 of such code is hereby amended by adding at the end thereof the following new subsection:

"(e) Credit treated as payment: The credit of an overpayment of any tax in satisfaction of any tax liability shall, for the purpose of any suit for refund of such tax liability so satisfied, be deemed to be a payment in respect of such tax liability to the collector in office at the time such credit is allowed."

SEC. 10. Report to Congress of refunds.

(a) Section 3776 of the Internal Revenue Code (relating to reports to Congress of refunds) is hereby repealed.

(b) Section 3777 of such code (relating to review of refunds and credits by the Joint Committee on Internal Revenue Taxation) is hereby amended by striking out "$75,000" wherever appearing therein and inserting in lieu thereof "$200,000."

SEC. 11. Collectors' salaries.

Section 3944 (b) of the Interial Revenue Code (relating to adjustment and limit of collectors' salaries) is hereby amended to read as follows:

"(b) Adjustment and limit of salaries: The salaries of collectors may be readjusted and increased under such regulations as may be prescribed by the Commissioner, subject to the approval of the Secretary, but no collector shall receive a salary in excess of the highest scheduled rate of compensation established by the Classification Act of 1923, as amended, or by any law hereafter enacted superseding such act."

SEC. 12. Expenses of detection of frauds.

Section 3792 of the Internal Revenue Code is hereby amended by inserting after the words "The Commissioner," the following "under regulations prescribed by him."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. McCARRAN. Mr. President, I sought the attention of the Chair before the bill was passed. I should like to have an explanation as to what the bill amounts to, as now amended.

Mr. GEORGE. I shall be glad to make a brief statement, and to file for the RECORD a complete statement.

This bill has two main purposes, first, the extension for 1 year of the act providing for the filing of war-loss claims for 1941 and 1942. It is not for the purpose of permitting stale claims to be carried over and subsequently asserted, but the purpose is to enable a taxpayer to determine whether he wishes to file a war-loss claim for property which has been well kept while in enemy hands and perhaps has been repaired, because in many instances the taxpayer desires to retain his base.

The other main purpose of the bill is to permit corporations to retire their indebtedness without recognition of gain for such retirement.

Both acts affected had most careful consideration in the Finance Committee and the Ways and Means Committee, and both are on the statute books at the present time. By this measure they are merely being extended for 1 year, each. The whole purpose of this measure is to enable the staffs of the Joint Committee on Internal Revenue Taxation and the Treasury to give further study in order to report to the committee whether these acts should become permanent.

All the other amendments relate to technical matters, and none of them affect tax liability. All of them are amendments recommended by the Joint Committee on Internal Revenue Taxation, and they have the approval of the Secretary of the Treasury, and are greatly desired in order to facilitate such matters and to enable the Office of Commissioner of Internal Revenue to avoid many duplications.

One particular amendment to which I call attention simply removes the limitation of $7,500 upon the salaries paid to collectors of internal revenue in the several States. At the present time, and for 21 years, those salaries have remained unchanged. There are many collectors of internal revenue throughout the country who should be paid more than $7,500 a year. That limitation is simply relieved by this measure, but they will still be under the classified civil service, so far as advancement in grade or increased salaries which may be awarded are concerned.

Mr. McCARRAN. I may say to the Senator from Georgia that I am among those who have before the Senator's committee amendments for the elimination of certain nuisance taxes. The measure now before us is a revenue bill. I do not think it is the proper vehicle to which one would care to attach any of the amendments to which I have referred. But I hope the Senator from Georgia will, within a reasonably prompt time, consider some bill to which we can

propose amendments for the elimination of certain nuisance taxes, such as the tax on cabarets, the tax on transportation, and the like.

I would not care to burden this bill by such amendments, although it might be proper to do so, inasmuch as it is a revenue bill. But I would not care to burden this bill with such amendments, even though they are germane to the bill.

Mr. GEORGE. Let me say to the Senator from Nevada that a bill previously passed over on the calendar, and not to be called today, contains provisions for many of the excise taxes, and to that bill the amendments mentioned by the Senator from Nevada would be in order.

Mr. McCARRAN. I thank the Senator.

Mr. GEORGE. Mr. President, I ask that a full statement which I send to the desk be incorporated in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT IN RESPECT TO THE PROVISIONS OF THE BILL, H. R. 5086, AFFECTING OPERATING IMPROVEMENTS WITHIN THE BUREAU OF INTERNAL REVENUE

The bill includes 10 provisions devoted solely to simplifying the work of the Bureau of Internal Revenue and the improvement of its operations. The Commissioner of Internal Revenue, in testifying recently before the Appropriations Committee of the Senate, described in detail his efforts to eliminate every nonessential task so that every dollar appropriated for the collection of the revenue may be used for that purpose, particularly in respect to the employment of front-line enforcement officers whose sole duty it is to collect the taxes due under the statutes. Certain obsolete provisions of the Internal Revenue Code require him to spend part of the funds appropriated for the collection of taxes on useless endeavors. The Commissioner has asked that we aid him in his effort to get rid of these jobs. As you know, there has been no opportunity in recent years for the Bureau to obtain amendments to the code of a purely operating nature, as each revision was limited to some upward or downward adjustment in tax liabilities or matters of a technical nature. I think it is unfortunate that we have not had time to devote to a review of the Internal Revenue Code with the sole objective of modernizing some of the provisions which deal wholly with operations of the Internal Revenue service as they affect compliance costs on the part of the Bureau and the taxpaying public. The few simple revisions which the Commissioner of Internal Revenue feels are most pressing at this time involve no change in anyone's tax liability. There are quite a number which he would like to have us consider, but in view of the time situation he has limited his recommendations to 10 in number.

He asks first that he be relieved of the very expensive and useless task of examining annually some thirty-odd million refund items for the purpose of identifying and listing for the Congress the names of approximately 185,000 individuals who receive refunds of $500 or more. When this provision of law was enacted, this was a relatively simple job, but with the advent of current tax payment it developed into an undertaking of sizeable proportion, involving the expenditure of many thousands of dollars which can be far better used in the collection of delinquent taxes.

Second, he asks that the present $75,000 minimum on refunds which are required to be reported to the Joint Committee on Internal Revenue Taxation and for which detailed records must be prepared, be raised to $200,000. In view of the increased tax rates, the $200,000 figure is relatively much smaller than the $75,000 when enacted in the law. This change will obviate the work now performed by the Bureau in the preparation of the public record on some 400 cases falling between $75,000 and $200,000. Moreover, it will eliminate the excessive review load on the staff of the joint committee. In addition, it will expedite the final closing of those cases by some 30 to 60 days, and thereby reduce by several hundred thousand dollars the interest which would otherwise have to be paid.

Third, he asks that all taxpayers be relieved of the cost and annoyance of having to have these returns notarized by permitting the returns to be filed under the penalties of perjury just as has been the case for several years by all individual income taxpayers. He reports that this method of attesting to the accuracy of individual income-tax returns has worked out well and should be extended to all other classes of taxpayers. At present an individual shopkeeper can file his income-tax return with a tax liability of $10,000 without notarization, but this monthly excise return of a few dollars must be notarized. In those instances in which the shopkeeper forgets to have his return notarized, it is incumbent upon the Collector of Internal Revenue to obtain a properly completed return. This costs money both to the Government and the taxpayer; and should be corrected.

Fourth, he suggests that the present requirement that corporations report on a separate schedule the names of all officers and employees to whom compensation in the form of salaries and bonuses of $75,000 and over be eliminated. Under the law the Commissioner has to make public the information in respect to such compensation. This requires him to examine the contents of all returns to detach the salary schedule and then prepare the list of all such persons for publication. He feels that this serves no useful purpose and the expenditure involved is unjustified.

Fifth, he asks that he be given authority to put on a quarterly basis certain excise tax returns now required by law to be filed monthly. This would reduce the number of returns for many taxpayers from 12 to 4 which will save much paper work for both the taxpayer and the Bureau. Again, he points to the rather analogous situation in which a shopkeeper who has a few dollars in excise tax to pay must file 12 returns a year, but who might have many times that amount in withholding and social-security tax but is required to file only 4 times a year. As a part of this suggestion, he also asks for authority to use the depositary-receipt system, which is now applicable to withholding and social-security taxes, for the payment of excise tax. Under this system the Government would, for the most part, receive the revenue monthly even though the returns are filed quarterly. The depositary-receipt system provides a means for the taxpayer to deposit the tax with the bank for the account of the Government.

Sixth, he asks that the minimum penalty for failure to make and file a return or to pay any tax in the case of the withholding tax and the social-security tax be made to conform with each other. At the present time the minimum withholding penalty is $10 and there is no minimum for social security. He suggests that this minimum penalty be $5 in the case of each tax. His reason for this is that beginning January 1, 1950, he proposes to combine the two separate returns into one return for taxpayer convenience, as well as bookkeeping convenience of the Bureau. Since the two taxes will be reported on the same return, it appears more logical to have the penalties conform. Rather substantial savings in operating costs are anticipated as a result of the combined form. This is based on a test which has been made in the collection district of Maryland in which the combined form has been in operation for about a year.

Seventh, he asks that permission be given to credit one class of tax against another. Again, using the shopkeeper as an example, if he has a refund due him on account of his income tax, but has unpaid liabilities on account of an excise tax, the collector has no authority to make an offset. He must either release the refund check and proceed through usual channels to make collection of the excise tax, or follow the rather awkward course, which he often does, of giving the refund check to the taxpayer and request him to endorse it and give it back to him. This is a very unbusinesslike arrangement, particularly in these times when the Bureau is refunding annually more than $2,000,000,000 and at the same time has today more than one-half billion dollars in past-due accounts for which warrants for distraint have been issued.

Eighth, he asks that he be permitted to delegate the function of signing assessment certificates. Under present law, the Commissioner is required to personally perform the act of signing a certificate which makes tax liabilities collectible. By requiring that the Commissioner personally sign necessitates the physical movement of all certificates to the Washington office from each of the 64 collection districts. By delegating this function to responsible officers located nearer each collection office, much time and expense will be saved in the movement of papers between the Washington and field offices. The actual tax determination, which is the significant part of the task, was delegated several years ago to field officers.

Ninth, he asks that the $7,500 limitation on collectors salaries be eliminated, so as to permit collectors of internal revenue to be given compensation commensurate with the salaries paid other officers in the classified service such as, for example, internal-revenue agents in charge, special agents in charge, technical staff heads, and division counsel. The $7,500 limitation was written into the law 21 years ago, and manifestly creates a morale problem in the light of present-day conditions.

Tenth, he asks that some of the red tape be cut in the matter of payment of informers rewards. Today, every reward must be approved by the Secretary of the Treasury. The Commissioner recommends shortening the procedure by permitting him to approve the rewards "under regulations prescribed by the Secretary of the Treasury." The payment of rewards is not a matter of major importance, and the Secretary should be relieved of the paper work involved in signing the payment schedules transmitted to him, and all employees should be relieved of the record work incident to the handling of papers moving physically to and from the Commissioner's office to the office of the Secretary.

To all of us interested in economy in Government operations, and more effective collection of our revenue, I feel certain that the streamlining efforts of the Internal Revenue Service as reflected in the provisions of the bill, which has been favorably reported by the Finance Committee, will commend itself to the Senate.

The VICE PRESIDENT. As previously stated, the bill has been passed.

The title was amended so as to read: "An act to accord privileges of free importation to members of the armed forces of other nations, to grant certain extensions of time for tax purposes, and to facilitate tax administration."

COMPUTATION OF CERTAIN RETIREMENT ANNUITIES

The bill (H. R. 3756) to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the United States shall be computed on the basis of their average basic salaries for any five consecutive years of allowable service, was announced as next in order.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, this bill makes those working in the enforcement of the criminal laws of the United States come under the same retirement classification as other Government employees, namely, that when they retire they can choose any 5 years which they desire to choose for the purpose of the computation of their retirement annuity. At the present time under the law their status is not the same as that of other Government employees in that respect. That difference occurred when we were passing the law a few years ago. At that time we inserted a provision that such employees must use the last 5 years of their service, instead of any 5 years, in computing their retirement annuity. This bill simply makes the retirement system uniform.

Mr. RUSSELL. Mr. President, is there any estimate as to the probable cost of this bill?

Mr. JOHNSTON of South Carolina. In the Commission's opinion, there would be very little cost, because all such employees choose the last 5 years of their service, as a rule, and the salaries are generally higher during the last 5 years. Therefore, this measure will involve very little cost, if any.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3756) was considered, ordered to a third reading, read the third time, and passed.

REPEAL OF LIMITATION ON COMPENSATION OF CERTAIN RURAL CARRIERS

The bill (S. 1231) to repeal the limitation upon the total annual compensation of certain rural carriers serving heavily patronized routes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I note that the Civil Service Commission and the Bureau of the Budget are opposed to the passage of this bill. I assume that is because of the cost involved. It should be noted that the cost is likely to exceed $1,000,000.

I should like to have an explanation of the bill.

Mr. HUMPHREY. Mr. President, it is true that the Post Office Department and the Civil Service Commission did have opposition to this bill; but the testimony before the committee was quite clear-cut, and the committee unanimously approved the bill, as did the subcommittee.

It was also pointed out at the subcommittee hearings that the Post Office Department estimates were theoretical maximum estimates, with which the subcommittee thoroughly disagreed. In other words, the Post Office Department estimated that under this particular bill all rural mail carriers would be the beneficiaries of this allowance. However, the subcommittee estimated that the rural mail carriers who would be the beneficiaries of the allowance made by this bill would be very limited in number, probably less than 5 percent; and we consider the cost of the bill to be very moderate.

More than that, we consider the change proposed by the bill to be simple equity, in the sense that the rural mail carriers are carrying the extra load and are working far beyond the established workweek of 40 hours, which is the general governmental standard. Furthermore, these men are carrying large amounts of mail; whereas carriers who are carrying much smaller amounts of mail, over shorter routes, and working a lesser number of hours, are receiving far more compensation than would be permitted the rural carriers under this measure.

Mr. HENDRICKSON. I thank the Senator. I withhold objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1231) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second proviso of section 17 (d) of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended (limiting in certain cases the amount which may be paid to rural carriers on heavily patronized routes), is hereby repealed.

EQUIPMENT MAINTENANCE ALLOWANCE PAYABLE TO RURAL CARRIERS

The bill (S. 1232) to increase the equipment maintenance allowance payable to rural carriers was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. RUSSELL. Mr. President, may we have a statement of the probable cost?

Mr. HUMPHREY. Mr. President, this bill provides that rural mail carriers will receive 9 cents a mile, and also provides a minimum per diem for rural mail carriers, in the amount of $3.50—that is, if the amount received on the mileage is less than $3.50, the rural mail carrier would receive the maximum figure of $3.50. The total maximum cost as computed by the Department is $11,000,000.

I may point out, Mr. President, that the Congress has already favorably acted upon increased per diem and increased mileage for other Government servants. There has always been some discrepancy between the rural mail carrier and other Government employees. I think it is only fair to suggest that the rural mail carrier does not always have concrete highways, he does not always have the finest types of road on which to travel, and he is also compelled to cut down on his mileage by about a half-mile run for delivery of a special-delivery letter.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SCHOEPPEL. Does the estimate which the Senator from Minnesota indicated also cover additional maintenance and equipment costs?

Mr. HUMPHREY. It does. That is the full estimate of the Post Office Department.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection (e) of section 17 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service, to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended (Public Law 134, 79th Cong.), is amended to read as follows:

"(e) In addition to the salaries provided in this section, each carrier in the rural delivery service shall be paid for equipment maintenance a sum equal to (1) 9 cents per mile per day for each mile or major fraction of a mile scheduled or (2) $3.50 per day, whichever is the greater. Payments for equipment and maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers."

SEC. 2. This act shall become effective on the first day of the first month following the date of its enactment.

BILLS PASSED OVER

The bill (S. 660) to amend the act of June 27, 1944, Public Law 359, and to preserve the equities of permanent classified civil-service employees of the United States was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 3851) to amend Public Law 239, Eightieth Congress, with respect to surplus airport property, and to provide for the transfer of compliance functions with relation to such property was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. Over. By request, I ask that the bill go over.

The PRESIDING OFFICER. On objection, the bill is passed over.

AMENDMENT OF VETERANS' PREFERENCE ACT

The bill (S. 1937) to amend the Veterans' Preference Act of 1944 was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. RUSSELL. Mr. President, I should like to have an explanation of how the Veterans' Preference Act is affected by the bill.

Mr. HUMPHREY. Mr. President, Senate bill 1937 is the product of a long series of hearings pertaining to Senate bill 660, which was just passed over. It was found that in making dismissals from Government service, particularly in the Veterans' Administration, as well as in other agencies, a number of disabled veterans of World War II in particular, who had service-connected disabilities of 60 percent or more were being dismissed. I think I should point out that many of these men may have been in combat service only for 1 day, but they were seriously injured and were brought home, suffering 60-percent disability or more. They have Federal jobs. A man who never went overseas, a person who was not in combat at all, would have priority. This bill affects the disabled veteran with 60-percent disability or more, and gives him absolute veterans' preference.

Mr. RUSSELL. I understand the bill strengthens the veterans' preference.

Mr. HUMPHREY. That is correct; it strengthens veterans' preference.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment to strike out all after the enacting clause and in lieu thereof to insert the following:

That section 12 of the Veterans' Preference Act of June 27, 1944, be amended by inserting "(a)" after "section 12" and by adding at the end thereof the following subsection:

"(b) Notwithstanding any other provision of this act of any other law, any preference employee whose efficiency rating is 'good', or better and who has a service-connected disability of 60 percent or more or who has suffered the amputation of an arm above the wrist or of a leg above the ankle or the enucleation of an eye and as a result thereof has a service-connected disability of at least 40 percent at the time of a reduction in force shall be retained in preference to all competing employees who do not have such efficiency ratings and service-connected disability ratings, regardless of the length of service or higher efficiency ratings of such competing employees."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide greater retention preference for severely disabled war veterans in reductions in force."

ONE HUNDREDTH ANNIVERSARY OF THE BUILDING OF THE SOO LOCKS

The bill (H. R. 5188) to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo locks was considered, ordered to a third reading, read the third time, and passed.

Mr. O'CONOR. Mr. President, there is on the calendar, Order 645, Senate bill 2083, a bill to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo locks, introduced by the senior Senator from Michigan [Mr. VANDENBERG], who is very actively interested in behalf of this bill. It contains the same subject matter. I move that the Senate bill be indefinitely postponed.

The motion was agreed to.

W. P. BARTEL

The bill (S. 2170) for the relief of W. P. Bartel was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That W. P. Bartel, certifying officer of the Interstate Commerce Commission, is hereby relieved of all liability to the United States incurred by reason of the payment of $67.32 to Milford M. Tinsley in March 1943, for traveling and other expenses incurred in connection with a change of official headquarters, such payment having been held by the Comptroller General of the United States to be erroneous because travel was performed prior to the date of the travel order.

BILL PASSED OVER

The bill (S. 1031) amending Public Law 49, Seventy-seventh Congress, providing for the welfare of coal miners, and for other purposes was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

W. C. JACKSON—BILL REFERRED TO THE COURT OF CLAIMS

The resolution (S. Res. 137) referring bill S. 2185 to the Court of Claims was considered and agreed to, as follows:

Resolved, That the bill (S. 2185) entitled "For the relief of W. C. Jackson," now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

CALVIN D. LYNCH ET AL.

The bill (S. 777) for the relief of Calvin D. Lynch & Son; W. Thomas Lockerman; Sudlersville Supply Co.; George C. Moore and H. A. Moore; J. McKenny Willis & Son, Inc.; Hobbs & Jarman; C. S. Thomas; and Royse R. Spring was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Calvin D. Lynch & Son, Ridgely, Md., the sum of $340.29; to W. Thomas Lockerman, Denton, Md., the sum of $300; to Sudlersville Supply Co., Sudlersville, Md., the sum of $1,310; to George C. Moore and H. A. Moore, trading as Moore Bros., Queen Anne, Md., the sum of $1,056; to J. McKenny Willis & Son, Inc., Easton, Md., the sum of $1,921.39; to Hobbs & Jarman, Greensboro, Md., the sum of $735; to C. S. Thomas, Centreville, Md., the sum of $1,219; and to Royse R. Spring, Easton, Md., the sum of $584. Such sums represent the amounts the above-named grain dealers were required by the Office of Price Administration to pay to the United States on account of alleged overcharges by them for services rendered in connection with grain handling on Commodity Credit Corporation loans to farmers for the year 1944. Such alleged overcharges were made for new services at rates approved by the Commodity Credit Corporation which the Office of Price Administration subsequently refused to recognize.

TRAVEL ALLOWANCE FOR GOVERNMENT EMPLOYEE WITNESSES—BILL PASSED OVER

The bill (H. R. 4875) to amend title 28 of the United States Code relating to travel expense allowance for Government employee witnesses was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should like to ask one or two questions about this measure. I should like to know, for example, what type of subpena is involved in this legislation, which would entitle an employee to receive this travel allowance.

Mr. O'CONOR. Mr. President, it is considered by the Judiciary Committee that any official notification which requires a Government employee to respond and to proceed to a court hearing would enable him to receive this travel allowance. I may say the amount fixed is identical with that which is paid to Government employees when engaged away from their accustomed place of employment. It is an increase to 7 cents a mile for the use of a privately owned automobile, and to $9 per diem in lieu of subsistence. Such a provision has been made by law for the benefit of Government employees generally, and this measure brings into conformity the same scales when Government employees are required to testify in court proceedings.

Mr. HENDRICKSON. Would an employee be entitled to travel allowance for an appearance before a congressional hearing?

Mr. O'CONOR. Not unless it is in response to a subpena.

Mr. HENDRICKSON. What would be the approximate cost, in practice?

Mr. O'CONOR. We have endeavored to ascertain the cost. It is quite difficult to anticipate how many court proceedings there will be in the course of a year, but it is not considered to be very much.

Mr. HENDRICKSON. I thank the Senator.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. O'CONOR. I yield.

Mr. WILLIAMS. Can the Senator from Maryland tell me how 7 cents per mile compares with the amount which the Treasury Department allows a taxpayer in the computation of his taxes?

Mr. O'CONOR. I am unable to say. We made certain requests to find out from other Government departments what was allowed. I am unable to say exactly, but this is the identical amount which is allowed to Government employees when on official business.

Mr. WILLIAMS. I understand that, but I had the matter called to my attention. I do not have the letter with me now. It was called to my attention by two taxpayers in our State. The Bureau of Internal Revenue had issued a ruling that they were only allowing 5 cents a mile for the first 10,000 miles, and 2 cents a mile thereafter. I felt that if the taxpayer can ride for 5 cents a mile for the first 10 000 miles, and for 2 cents a mile thereafter, perhaps the Government employee could do the same.

Mr. O'CONOR. I may say to the Senator from Delaware that has been the amount which has been allowed in the past, and if the Senate sees fit to pass this bill, it may be that an appropriate increase will be made.

Mr. WILLIAMS. I ask that this bill go over until we can obtain further information.

The PRESIDING OFFICER. The bill will be passed over.

CARLOS RIGGENBACH

The bill (S. 986) for the relief of Carlos Riggenbach, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. Mr. President, reserving the right to object, I should like to ask the distinguished Senator from Nevada whether this is not a measure which provides certain rights accruing to this individual, who claimed to be an alien, and who filed his selective service form with his draft board for the purpose of visiting his parents in Brazil. He contended he wanted to make a trip, but he did not make the trip. I desire to ask the distinguished Senator whether the effect of the bill, if enacted, would be to waive the provision of law to the effect that any person who receives a draft exemption as an alien, thus barring him from applying for United States citizenship, may now become a United States citizen. The letter from the Attorney General seems to make clear that the alien must have realized that his filing for an exemption from the draft would result in forfeiting any future right to apply for United States citizenship. I should like to have an explanation.

Mr. McCARRAN. Mr. President, the evidence is incomplete as to whether this alien was a draft evader. It may be that he was a draft evader, but there is some evidence that he had been advised by the Swiss Legation that his action in seeking exemption from military service for the alleged purpose of making a trip would not interfere with his later application for United States citizenship.

On the opposite side is evidence that the form which he signed clearly states on its face that the applicant is relieved from military service, but that he shall thereafter be barred from becoming a citizen of the United States.

This bill, however, does not grant this alien citizenship. It merely authorizes his continued residence in the United States. Evidently, if the bill should be enacted, he could become a citizen by following normal naturalization procedure. It is probable this bill would have been turned down by the Committee on the Judiciary except for one fact which the committee was unable to ignore. That fact is that this alien is married to an American girl, a citizen of the United States, and has a child who is a native-born citizen. The child is a cripple. If this man were sent out of the country the wife would be unable to support herself and the child, and would be a dependent.

He is earning approximately $250 a month. He owns his own home, though it is heavily mortgaged, and he has been accumulating a savings account. His employers indicate that his job is steady, and the evidence is that he is regarded in his community as a person of good moral character. Under the circumstances, the committee did not feel that it wished to deny his wife and his crippled child, both American citizens, the care and support which he has been giving them.

Mr. SCHOEPPEL. Mr. President, I wanted to be certain that this bill did not establish a precedent whereby a person could come into this country, evade a draft, and receive the emoluments of an American citizen by having a special enactment. But the special circumstances set forth by the Senator from Nevada seem to take the case out of that category.

Mr. McCARRAN. I hope it does. I join with the Senator from Kansas in the expression of his thought.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Carlos Riggenbach as of May 5, 1941, the date upon which he was admitted temporarily to the United States as a student. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Switzerland during the current year.

ABE LINCOLN AND ELENA B. LINCOLN

The Senate proceeded to consider the bill (S. 1096) for the relief of Abe Lincoln and Elena B. Lincoln, which had been reported from the Committee on the Judiciary, with amendments in line 6, after the word "of", to strike out "$1,003" and insert "$865"; and in line 7, after the words "sum of", to strike out "$686.33" and insert "$548.22", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Abe Lincoln, of Albuquerque, N. Mex., the sum of $865, and to Elena B. Lincoln, of Albuquerque, N. Mex., the sum of $548.33, in full satisfaction of their respective claims against the United States for reimbursement of amounts withheld from their salaries as employees of the Bureau of Indian Affairs at Fort Defiance, Ariz., for living quarters for the period from August 1, 1925, to April 30, 1931, during which period they occupied privately owned living quarters.

Mr. CHAVEZ. Mr. President, I hope the Senate will permit me to speak for a couple of minutes with reference to this bill. I am speaking in disagreement to the Senate amendment. The bill is for the relief of Abe Lincoln and Elena B. Lincoln, who are Navajo Indians. It appears that the claimants are employed by the Bureau of Indian Affairs at Fort Defiance, Ariz., and that deductions are made from their salaries for Government living quarters, although they occupied privately owned living quarters because no Government quarters were available for their use. These persons went to work for the Indian Bureau at Fort Defiance, and the Government had no place where they could stay. The man and woman got down in the earth, mixed mud with straw, made adobe, and built their own house, and yet the Indian Bureau wants to deduct for living quarters which these Indians constructed for themselves. According to the report, the Bureau is deducting $1,003 from poor Abe Lincoln. His simplicity of living, his honesty of purpose, make him correctly named. After they took away $1,003, the Indian Bureau recommends a further deduction. Uncle Sam can give $6,000,000,000 to Europe, but here is a poor woman who built her own adobe quarters and has $886.33 deducted. The Indian Bureau recommends that she be short-changed down to $548.

I ask the Senate to reject that amendment and give these poor people Abe Lincoln justice.

Mr. McCARRAN. Mr. President, it appears from the report of the Department of the Interior that the amounts, $865 and $543.32, respectively, represent deductions for Government quarters which were not supplied. I call the attention of the Senator from New Mexico to the fact that $138 in each case represents charges for furniture, fuel, and lights which were supplied for use in the claimants' privately owned living quarters. That is the reason for the deduction. I have nothing further to say.

Mr. CHAVEZ. Mr. President, I am sure the Senator from Nevada, who has been a fine judge in his State, knows that, after all, equity does prevail once in a while. The Indians involved were not paid anything whatsoever for building their house, so I think the Government should pay for the furniture.

Mr. McCARRAN. Mr. President, I understand this poor woman built the adobe hut with mud, with her own hands. I recall that equity must come in with clean hands.

Mr. CHAVEZ. The Senator is from the West, and he understands that when we use mud, and then wash our hands, they are more clean than if we used Lava soap.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HARVEY M. LIFSET

The bill (H. R. 607) for the relief of Harvey M. Lifset, formerly a major in the Army of the United States, was considered, ordered to a third reading, read the third time, and passed.

LAWRENCE FONTENOT

The bill (H. R. 691) for the relief of Lawrence Fontenot, was considered, ordered to a third reading, read the third time, and passed.

LOIS E. LILLIE

The bill (H. R. 1023) for the relief of Lois E. Lillie, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wonder if the sponsor will answer a question or two with reference to this bill. Is it not true that the Army is opposed to this award?

Mr. McCARRAN. The Department made two recommendations: First, that the bill be rejected; second, that if it should be approved, the amount should not exceed $500.

Notwithstanding these recommendations, the House of Representatives approved an amount of $1,000, and the Senate Committee on the Judiciary, having concluded that the bill was meritorious, preferred to go along with the House of Representatives as to the amount rather than to go along with the Department of the Army and cut the House figures. The committee has always given most careful consideration to reports of the departments and agencies of the Government, but it has never felt it was bound by their reports or recommendations.

Mr. HENDRICKSON. Why is there a second award in this case? I note that the Seventy-ninth Congress made an award to Lois E. Lillie.

Mr. McCARRAN. I have no idea at this time why there was a second award. This case stands on its own feet in regard to an award.

Mr. HENDRICKSON. I am informed, Mr. President, that the Seventy-ninth Congress did not pass such a bill; that the bill passed only one Chamber.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

ALBERT BURNS

The bill (H. R. 1069) for the relief of Albert Burns was considered, ordered to a third reading, read the third time, and passed.

HARRY C. METTS

The bill (H. R. 1075) for the relief of Harry C. Metts was considered, ordered to a third reading, read the third time, and passed.

ST. ELIZABETH HOSPITAL, YAKIMA, WASH.

The bill (H. R. 1619) for the relief of St. Elizabeth Hospital, Yakima, Wash., and others, was considered, ordered to a third reading, read the third time, and passed.

JACK PHILLIPS

The bill (H. R. 1672) for the relief of Jack Phillips was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I note that the District Commissioners recommend adverse action on this bill, and I should like an explanation of why they should be overruled by the Congress.

Mr. McCARRAN. The Commissioners of the District of Columbia have opposed this bill on two grounds. First, that there was no negligence on the part of the driver of the fire truck. Second, on the rather amazing ground that it would be an undesirable precedent for the Congress to consider a claim which the Commissioners have rejected.

Taking the second objection first, it seems perfectly clear that the Commissioners of the District of Columbia are in no position to bind the Congress, or foreclose the Congress, or impose their judgment upon the Congress, or substitute their judgment for the judgment of the Congress.

With regard to the matter of negligence, it is unnecessary to decide whether the driver of the truck was negligent. Certainly, the owner of the automobile, who would be the beneficiary of this bill, could not have been negligent. When his automobile was struck by the fire truck, it was parked properly at the side of the street; and he was not even present.

Entirely without regard to the question of negligence, it is clear this damage resulted from governmental operation, and it is not equitable that this single individual should bear the entire expense, rather than having it spread over the entire group of taxpayers who receive the benefits of this governmental operation. This bill charges the damage against the funds of the District of Columbia, and so operates to spread the cost equitably among all taxpayers.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. I object.

The PRESIDING OFFICER. The bill will be passed over.

SAMUEL FADEM

The bill (H. R. 1993) for the relief of Samuel Fadem was considered, ordered to a third reading, read the third time, and passed.

CHARLES W. MILES

The bill (H. R. 2344) for the relief of Charles W. Miles was considered, ordered to a third reading, read the third time, and passed.

FREDA WAHLER

The bill (H. R. 2704) for the relief of Freda Wahler was considered, ordered to a third reading, read the third time, and passed.

IDA HOHEISEL

The bill (H. R. 2925) for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel was considered, ordered to a third reading, read the third time, and passed.

JAMES B. DE HART

The bill (H. R. 3139) for the relief of James B. De Hart was considered, ordered to a third reading, read the third time, and passed.

GEORGE M. BEESLEY, EDWARD D. SEXTON, AND HERMAN J. WILLIAMS

The bill (H. R. 4097) for the relief of George M. Beesley, Edward D. Sexton, and Herman J. Williams was considered, ordered to a third reading, read the third time, and passed.

OPAL HAYES AND D. A. HAYES

The bill (H. R. 3408) for the relief of Opal Hayes and D. A. Hayes was considered, ordered to a third reading, read the third time, and passed.

HERBERT L. HUNTER

The bill (H. R. 4138) for the relief of Herbert L. Hunter was considered, ordered to a third reading, read the third time, and passed.

EVER READY SUPPLY CO. AND HAROLD A. DAHLBORG

The bill (H. R. 4307) for the relief of Ever Ready Supply Co. and Harold A. Dahlborg was considered, ordered to a third reading, read the third time, and passed.

PEARSON REMEDY CO.

The bill (H. R. 4366) for the relief of Pearson Remedy Co. was considered, ordered to a third reading, read the third time, and passed.

MRS. MIRIAM G. WORNUM

The bill (H. R. 4854) for the relief of Mrs. Miriam G. Wornum, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I note that the State Department is opposed to this bill. I think, therefore, we should have an explanation of it.

Mr. McCARRAN. Mr. President, the purpose of the bill is to restore citizenship to a native-born former citizen of the United States who lost her citizenship by voting in British elections.

The beneficiary of the bill was born in San Francisco, Calif., on March 9, 1898, and resided in this country until 1923 when she married Mr. George Grey Wornum, a native and citizen of England. Since her marriage she has resided in England with her husband. She last entered the United States at the port of New York on March 7, 1949, when she was admitted temporarily until September 6, 1949, under section 3 (2) of the Immigration Act of 1924 for business and pleasure.

Mrs. Wornum has stated that she voted in a general election in London, England, in July of 1945 and that she voted in other minor elections before and after that date. On January 3, 1946, she executed an affidavit before the American vice consul at London affirming the fact that she had expatriated herself by voting in the British general elections of July 5, 1945. She further stated that she would not have voted in such elections or used a British passport had she not supposed that she previously lost United States citizenship by reason of her marriage to a British subject.

Mr. Wornum, who is an architect, presently resides in England, but intends to come to the United States and establish himself in business as soon as he can arrange his affairs in England. Mrs. Wornum's aged mother, Mrs. William L. Gerstle, is a patient at the Stanford University Hospital, San Francisco, Calif., where she has been hospitalized for 3 months due to an illness which has resulted in her paralysis. Mrs. Gerstle's physician has stated that her chances of recovery would be enhanced if Mrs. Wornum is permitted to remain with her.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from New Jersey.

Mr. HENDRICKSON. Is it not true that the effect of the bill will be to enable the beneficiary to regain her citizenship without delay by merely taking an oath of allegiance before a diplomatic or consular officer in the United States?

Mr. McCARRAN. That is correct.

Mr. HENDRICKSON. Is it not true that if the bill is not enacted it will not impose any hardship on Mrs. Wornum as to entry or residence?

Mr. McCARRAN. Except that she would be required to leave the country. It is to permit her to remain in the country because of her mother's condition in San Francisco that the bill is presented.

Mr. HENDRICKSON. Is not the British quota undersubscribed?

Mr. McCARRAN. I am not able to answer that at the present moment. I think it is undersubscribed.

Mr. HENDRICKSON. Then no harm could come to Mrs. Wornum from our not enacting the bill; could it?

Mr. McCARRAN. The bill is simply to afford the relief which is set forth, that is, that she be permitted to remain in this country and not be deported.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

POLICING OF UNITED STATES SUPREME COURT

The bill (H. R. 8948) relating to the policing of the building and grounds of the Supreme Court of the United States was considered, ordered to a third reading, read the third time, and passed.

SWAINSBORO JUDICIAL DIVISION, GEORGIA

The bill (H. R. 5287) to amend title 28, United States Code, section 90, to create a Swainsboro division in the southern district of Georgia, with terms of court to be held at Swainsboro, was considered, ordered to a third reading, read the third time, and passed.

MRS. BERTIE GRACE CHEN LEONG

The bill (S. 609) for the relief of Mrs. Bertie Grace Chen Leong was announced as next in order.

Mr. MAGNUSON. Mr. President, I shall object to the consideration of this bill, but I desire to make an explanation as to why I am objecting.

The Senate has been passing bills for many years granting citizenship to members of the Chinese race, and many of the cases are justifiable, but there is pending before the Senate, and there has been for many years, a bill to confer citizenship on a small number of Chinese women who are wives of Chinese merchants, so-called merchants, who were allowed entry into this country with their families under a solemn treaty with the United States ratified many years ago.

I do not know why it is that the Senate is always passing separate bills in cases which are more current—and which may be justifiable—than these cases involving the wives of Chinese merchants, who have been in this country for many years, who have raised their families here, whose husbands are American citizens, but there is always objection made to the bill which has been introduced to take care of those cases. I think that until that matter is settled—and I hope it will be settled—I shall ask that the bill just reached on the calendar go over until the next call of the calendar.

Mr. KNOWLAND. Mr. President, I should like to ask the Senator if he will not withhold his objection. If he will read the report on the bill just called, he will find that this is the case of the widow of an American citizen who has three children in this country. She is beyond the age where she can take care of herself. To send her back to China under the conditions which prevail there now I think would work a great hardship. Her husband and her three children have made a fine contribution to our American way of life, and while I understand the principle which has been enunciated by the Senator from Washington, I certainly hope that in this particular case he will not ask that the bill go over.

Mr. MAGNUSON. I do not say this is not a justifiable case, but the same principle applies to many cases of women who are wives of Chinese merchants who were allowed to come into this country under a solemn treaty, but every time the bill involving those cases has been brought up objection has been made. Some of those women have raised families into the third generation, but we still cannot seem to get the bill through the Congress. However, we do pass bills involving people who are current, and I do not say they are not justifiable cases.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from North Dakota.

Mr. LANGER. The Senator from Washington undoubtedly alluded to Senate bill 206, introduced by himself and the Senator from California [Mr. DOWNEY], to which I have objected time and again. I shall continue to object unless the sponsors of the bill will amend it so that the wives of these Chinese can come in without being charged to a quota. Representative JUDD, of Minnesota, has introduced a companion bill in the House of Representatives. That bill has been amended. There is in this country, let us say, a Chinese merchant whose wife is in the old country. It has been the universal rule that the wife could come over without being charged to the quotas, so far as the Chinese are concerned. The minute these two Senators, the Senator from California [Mr. DOWNEY] and the Senator from Washington [Mr. MAGNUSON], will amend their bill so that the wives will not be charged to the quota, which is in accordance with the suggestion of Representative JUDD, of Minnesota, who lived in China for a long time, I certainly will withdraw my objection.

Mr. McCARRAN. Mr. President——

Mr. MAGNUSON. Mr. President, I wish to answer the Senator from North Dakota, if the distinguished chairman of the Committee on the Judiciary will permit me. We have no objection to amending it. We will be glad to amend it. No one would like to see the situation referred to taken care of more than the Senator from Washington, because the Senator from Washington was the author of the bill to amend the Exclusion Act. We will be willing to make the amendment suggested in view of the fact that we seem to be reaching some sort of agreement on the matter. I withdraw my objection.

Mr. LANGER. Will the Senator ask unanimous consent for permission to withdraw his objection?

Mr. MAGNUSON. Yes.

Mr. McCARRAN. Mr. President, let me say that the bill to which the Senator refers affects the wives of Chinese merchants who came to the United States under treaty. They are already here. They are persons who are already here and therefore will not affect the quota whatsoever. So if the Senator is objecting to the bill because he believes the individuals in question should be taken from the quota, the Senator is in error, because it will not affect the quota at all.

Mr. LANGER. I may say to the Senator from Nevada that I had a long discussion of this matter with Representative JUDD. He said an amendment was inserted, the effect of which would be just the opposite to what the Senator has said; that, as a matter of fact, the individuals in question are charged to the quota. If they are not charged to the quota I have no objection to the bill.

Mr. McCARRAN. They are not. But the Senator from North Dakota is not the only Senator who has been objecting to the bill. The Senator from Georgia [Mr. RUSSELL] has been objecting to it consistently. I hope the bill now under consideration may be permitted to pass. The individual involved is a widow with three children. To send her back to China would be unconscionable.

Mr. MAGNUSON. Mr. President, I withdraw my objection.

Mr. DOWNEY. Mr. President, in order to complete the history of the slow-dragging but most worthy bill to which reference has been made, I desire to say that the junior Senator from Georgia has objected to the bill several times, but has now announced to me that he will no longer make objection.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate bill 609?

There being no objection, the Senate proceeded to consider the bill (S. 609) for the relief of Mrs. Bertie Grace Chan Leong, which had been reported from the Committee on the Judiciary with an

amendment to strike out all after the enacting clause, and insert:

That, for the purpose of the immigration and naturalization laws, the alien, Mrs. Bertie Grace Chan Leong, the widow of a citizen of the United States, and the mother of three United States citizen children, who arrived at San Francisco, Calif., on November 5, 1945 (was excluded from admission as one not in possession of an immigration visa or passport, but was paroled into the United States pending final disposition of her case) shall, upon the payment of the required head tax and visa fee, be held to have been lawfully admitted to the United States for permanent residence as of November 5, 1945.

SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Chinese racial quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEON MOORE

The Senate proceeded to consider the bill (S. 627) for the relief of Leon Moore, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert the following:

That the Attorney General is authorized and directed to cancel forthwith any outstanding warrant of arrest, order of deportation, warrant of deportation, and bond in the case of Leon Moore, and is directed not to issue any further warrants or orders in the case of the alien based upon such alien's membership in the Communist Party prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF THE CITY OF NEEDLES, CALIF., AND CALIFORNIA-PACIFIC UTILITIES CO.

The Senate proceeded to consider the bill (H. R. 559) to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claims of the city of Needles, Calif., and the California-Pacific Utilities Co., which had been reported from the Committee on the Judiciary with an amendment on page 2, line 7, after the numerals "1941", to insert a colon and the following proviso: "*Provided*, That the passage of this act shall not be construed as an inference of liability on the part of the Government of the United States."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 605) for the relief of the estate of James B. Stirling, deceased, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, will the Senator from Nevada please explain why the committee reduced the limitation in the bill from 1 year to 6 months?

Mr. McCARRAN. Mr. President, in connection with this bill, I have been asked why the Committee on the Judiciary allowed only 6 months for the filing of suit. This is because the issues appear clear, and the claimant, already having once sought relief in court, only to be tossed out on the ground that the accident occurred prior to the effective date of the Federal Tort Claims Act, obviously is in a position to refile his complaint immediately, if this bill becomes law.

Mr. HENDRICKSON. The bill is not mandatory in respect to the period of the limitation. I send to the desk an amendment to make the limitation mandatory.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 14, after the word "claim" and before the word "be", it is proposed to strike out the word "may" and insert in lieu thereof the word "shall."

On page 2, line 14, after the word "instituted" it is proposed to strike out "at any"; and on page 2, line 15, it is proposed to strike out the word "time."

Mr. McCARRAN. Mr. President, I do not understand the amendment. There is no line 14.

Mr. HENDRICKSON. There seems to be some confusion respecting the bill, and I ask that it go over temporarily until we can reconsider the amendment.

The PRESIDING OFFICER. The bill will be passed over.

J. W. GREENWOOD, JR.

The Senate proceeded to consider the bill (H. R. 1137) for the relief of J. W. Greenwood, Jr., which had been reported from the Committee on the Judiciary with an amendment on page 1, line 9, after the words "sum of", to strike out "$718.23" and insert "$615.41."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

E. W. EATON COAL CO.

The Senate proceeded to consider the bill (S. 229) for the relief of E. W. Eaton Coal Co., which had been reported from the Committee on the Judiciary with an amendment at the top of page 2, line 1, to strike out "which period was not included in the regulations of the Office of Price Administration"; and in line 2, after the word "on", to strike out "bituminous" and insert "anthracite", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,103.24, to E. W. Eaton Coal Co., of Belfast, Maine, in full settlement of all claims against the United States for reimbursement of transportation cost in excess of normal rates of transportation prevailing prior to January 1, 1942, on coal received on and after April 1, to December 31, 1944, in and around New York Harbor area and in New England, on anthracite coal from district No. 3 in northern West Virginia: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1976) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, was announced as next in order.

Mr. SCHOEPPEL. By request, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2032) for the relief of Willow River Power Co., was announced as next in order.

Mr. TOBEY. Over.

The PRESIDING OFFICER. The bill will be passed over.

C. H. DUTTON CO.

The bill (H. R. 2608) for the relief of C. H. Dutton Co., of Kalamazoo, Mich., was considered, ordered to a third reading, read the third time, and passed.

PUBLIC UTILITY DISTRICT NO. 1, COWLITZ COUNTY, WASH.

The bill (S. 1530) for the relief of public utility district No. 1, of Cowlitz County, Wash., was announced as next in order.

Mr. HENDRICKSON. Mr. President, in view of the fact that a similar bill, House bill 3193, has been passed by the House, I ask the distinguished Senator from Washington if he will move that the House bill be substituted for the Senate bill.

Mr. MAGNUSON. Mr. President, I just entered the Chamber. What bill is under discussion?

The PRESIDING OFFICER. Senate bill 1530, Calendar No. 734. The House has passed a similar bill, H. R. 3193.

Mr. MAGNUSON. Mr. President, if the House bill contains similar language I have no objection to moving to substitute the House bill for the Senate bill.

Mr. President, I ask unanimous consent that the Committee on the Judiciary may be discharged from further consideration of House bill 3193, that the House bill be substituted for the Senate bill, and that the Senate proceed to the consideration of the House bill.

The PRESIDING OFFICER. Without objection, the Committee on the Judiciary will be discharged from further consideration of House bill 3193. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H. R. 3193) for the relief of public utility district No. 1, of Cowlitz County, Washington, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1530 is indefinitely postponed.

AMENDMENT OF FEDERAL AIRPORT ACT—BILL PASSED OVER

The bill (S. 1284) to amend section 6 of the Federal Airport Act, was announced as next in order.

Mr. SALTONSTALL. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. JOHNSON of Colorado. Mr. President, will the Senator who objected withhold his objection until I can make an explanation of the bill?

Mr. SALTONSTALL. Mr. President, I shall gladly withhold my objection, but I must object to the passage of the bill because of a situation existing in Massachusetts. We are trying to perfect language which it is hoped will be offered as an amendment or as a suggested amendment to the bill, for consideration at the next call of the calendar. At that time there will be no objection to the consideration of the bill. But, most respectfully, I may say I would have to object to consideration of the bill at this time.

Mr. JOHNSON of Colorado. Very well.

Mr. McCARRAN. Mr. President, with respect to the bill to which the Senator from Massachusetts objects, may we have a unanimous-consent agreement that it may be considered on the next call of the calendar?

Mr. SALTONSTALL. I have no objection.

Mr. McCARRAN. I ask unanimous consent, Mr. President, that the bill may be considered on the next call of the calendar.

The PRESIDING OFFICER. Without objection, that agreement will be entered into.

BILL PASSED OVER

The bill (H. R. 4050) to authorize advances of pay to personnel of the armed services upon permanent change of station, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, by request, I ask that the bill be passed over.

The PRESIDING OFFICER. Without objection, the bill will be passed over.

AMENDMENT OF UNITED NATIONS PARTICIPATION ACT—BILL PASSED OVER

The bill (H. R. 4708) to amend the United Nations Participation Act of 1945 was announced as next in order.

Mr. SCHOEPPEL. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. LUCAS. Mr. President, may we have the names of the Senators who have requested that the bills be passed over? If we knew the names of Senators who object, we could discuss the points of objection with them.

Mr. TAFT. Mr. President, I objected to the consideration of House bill 4708. It is a bill of great importance. As I read them there is a substantial difference in one section particularly between the Senate bill and the House bill which I should like to have explained. Both bills are on the calendar. It is the provision particularly giving the President, in case the Security Council calls upon him to enforce an embargo, the right to place an embargo on all communications, shipments, or anything else, to other countries, without any reference whatever to Congress. I do not say that I would not agree to that in the end, but it seems to me to be a very vital feature of American foreign policy which should be considered at greater length than is possible under the 5-minute rule.

Mr. LUCAS. I thank the Senator. That answers the query I made a moment ago, and gives some information as to the reason for objecting to the bill.

Mr. TAFT. The Senate bill seems to contain that provision. The House bill does not, so far as I am aware.

The PRESIDING OFFICER. The bill has been passed over.

BILL PASSED OVER

The bill (S. 1681) to prohibit the picketing of courts was announced as next in order.

Mr. LANGER. Over.

The PRESIDING OFFICER. The bill will be passed over.

PAY, ALLOWANCES, ETC., FOR MEMBERS OF THE ARMED FORCES—BILL PASSED OVER

The bill (H. R. 5007) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes was announced as next in order.

Mr. DOUGLAS. Mr. President, may we have an explanation of the bill?

Mr. KNOWLAND. Mr. President, this is the pay bill for the Army, Navy, and Marine Corps. I rather doubt whether the Senate wants to pass this bill by unanimous consent. I think it is entitled to more discussion than is possible under the 5-minute rule. The Senator from Maryland [Mr. TYDINGS], who is chairman of the Committee on Armed Services, is not present.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN LAND TO THE STATE OF MONTANA

The bill (S. 1891) to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University was announced as next in order.

Mr. HENDRICKSON. Mr. President, this bill is identical with Calendar No. 743, House bill 1720, which passed the House on May 16.

I ask unanimous consent that the House bill be substituted for the Senate bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 1720) to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1891 is indefinitely postponed.

ACQUISITION OF CERTAIN LANDS BY MISSOULA COUNTY, MONT.

The bill (S. 1890) to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes, was announced as next in order.

Mr. MURRAY. Mr. President, Calendar 745, House bill 2197, is an identical bill. I ask unanimous consent that the House bill be substituted for the Senate bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2197) to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 1, after line 6, to strike out "Southeast quarter northeast quarter, southeast quarter southeast quarter, section 30, township 13 north, range 19 west, Montana principal meridian; south half northeast quarter," and insert "South half northeast quarter, north half."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1890 is indefinitely postponed.

SURVEY OF PROPOSED MISSISSIPPI RIVER PARKWAY—BILL PASSED OVER

The bill (H. R. 1997) to authorize the survey of a proposed Mississippi River Parkway for the purpose of determining the feasibility of such a national parkway, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill, and a statement as to the amount involved?

Mr. ANDERSON. Mr. President, I was about to ask if there was not a committee amendment. As I remember, the bill was ordered to be reported with a committee amendment.

The PRESIDING OFFICER. According to the calendar, it is reported without amendment; and according to the bill, there is no committee amendment in it.

Mr. LUCAS. Mr. President, I ask that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL PASSED OVER

The bill (S. 1837) to amend the Trading With the Enemy Act, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill go over.

The PRESIDING OFFICER. The bill will be passed over.

INTERNATIONAL EXPOSITION FOR THE BICENTENNIAL OF THE FOUNDING OF PORT-AU-PRINCE, REPUBLIC OF HAITI

The Senate proceeded to consider the joint resolution (S. J. Res. 79) authorizing Federal participation in the International Exposition for the Bicentennial of

the Founding of Port-au-Prince, Republic of Haiti 1949, which had been reported from the Committee on Foreign Relations, with an amendment to strike out all after the enacting clause and insert:

Resolved, etc., That the President is hereby authorized, in his discretion and upon the recommendation of the Secretary of State, to appoint or designate a commissioner to represent the United States in connection with participation in the Port-au-Prince Bicentennial Exposition. The Secretary of State may delegate to the commissioner any authority conferred upon him by this joint resolution, and the commissioner shall be responsible to the Secretary of State in carrying out his duties. The commissioner shall receive compensation at a rate not to exceed $12,000 per annum while serving in this capacity, except that any official of the Government designated as commissioner shall serve without additional compensation.

SEC. 2. The Secretary of State is authorized—

(a) to designate as deputy commissioner a Government official, who shall serve without additional compensation and whose duties shall be prescribed by the commissioner;

(b) to secure, either by direct hire or by detail from Government agencies with the consent of the heads of such agencies, such other staff as may be necessary to assist the commissioner;

(c) to erect on land which shall be conveyed in full ownership of the United States of America by the Haitian Government such a building or such a group of buildings as he may deem adequate for effective participation by the United States in the exposition: *Provided*, That, after the close of the exposition, such land and building or group of buildings shall be utilized or disposed of in accordance with the Foreign Service Buildings Act of 1926, as amended;

(d) to contract with the Port-au-Prince Exposition authorities or with any other person or persons for the design and erection of such building or group of buildings;

(e) to maintain such building or group of buildings and the site thereof and to arrange and maintain exhibits and assign space therein and thereon; and

(f) to accept from any source and to use for the purposes designated—

(1) contributions in money to aid in carrying out the purposes of this joint resolution, which contributions shall be placed in a special-deposit account and any unused portions thereof returned to the donors upon the close of the exposition or upon the cessation of United States participation therein; and

(3) contributions of material or aid in the preparation of the exhibits.

SEC. 3. The head of any establishment, department, or agency of the Government is authorized, on request, to assist the Department of State or the Commissioner in carrying out the functions authorized by this joint resolution, including the furnishing of personnel, the procurement, installation, and display of exhibits, and the loan to the exposition authorities of articles, specimens, and exhibits for display.

SEC. 4. There is hereby authorized to be appropriated to the Department of State, out of any money in the Treasury not otherwise appropriated, the sum of $170,000 to remain available until expended for the purposes of this joint resolution including: The salaries, allowances, and expenses of the Commissioner and such staff as may be required, personal services in the District of Columbia or elsewhere, without regard to civil-service laws and the Classification Act of 1923, as amended; employment of aliens; transportation of things; travel expenses without regard to the standardized Government travel regulations, as amended, and the Travel Expense Act of 1949; payment of rentals in advance; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); printing and binding without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111); official cards; entertainment; purchase and hire of passenger motor vehicles; stenographic reporting and other services by contract or otherwise; rental of offices and quarters by contract or otherwise without regard to the provisions of section 322 of the act of June 30, 1932 (40 U. S. C. 278a); ice and drinking water; insurance on exhibits; such expenditures as may be necessary for the purpose of obtaining, preparing, maintaining, and disposing of exhibit materials; for the construction of a building or group of buildings and the payment of any expenses incurred in connection with the employment of architects and engineers in connection therewith, including payment of their necessary travel expenses, and for the maintenance of such building or group of buildings and their site and grounds; and such other expenses as may be deemed necessary by the Secretary of State to carry out the purposes of this joint resolution; all without regard to section 3709 of the Revised Statutes (41 U. S. C. 5). Funds authorized to be appropriated herein may be transferred to any executive department or independent office or establishment of the Government with the consent of the heads thereof, for direct expenditure for any purposes of this joint resolution which the Secretary of State may specify.

SEC. 5. The Secretary of State shall transmit to the Congress within 6 months after the close of the exposition a detailed statement of all expenditures together with such other reports as he may deem proper, which reports shall be prepared and arranged with a view to concise statement and convenient reference.

Mr. HENDRICKSON. Mr. President, I offer the amendments, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments offered by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 11, line 5, in the committee amendment, after the word "commissioner", it is proposed to insert the words "by and with the advice and consent of the Senate."

On page 11, line 7, in the committee amendment, after the word "Exposition", it is proposed to insert "who shall serve for such period prior to such exposition as may be necessary to carry out the purposes of this joint resolution, for the duration of such exposition, and for not more than 6 months after the official closing thereof."

On page 11, line 14, in the committee amendment, it is proposed to strike out "commisisoner" and insert "commissioner", spelled correctly.

On page 15, line 4, in the committee amendment, it is proposed to strike out the period following the word "reference" and insert in lieu thereof a colon and the following: "*Provided*, That this provision shall not be construed to waive the submission of all accounts and vouchers to the General Accounting Office for audit or to permit any obligations to be incurred in excess of the amount authorized to be appropriated herein."

The PRESIDING OFFICER. Does the Senator from New Jersey wish to have the amendments considered en bloc?

Mr. HENDRICKSON. Yes, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from New Jersey [Mr. HENDRICKSON] to the committee amendment.

The amendments were agreed to.

The amendment, as amended, was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was amended so as to read:

Whereas there is to be held in the city of Port-au-Prince, capital of Haiti, during the years 1949 and 1950, a world fair commemorating the bicentennial of the founding of Port-au-Prince; and

Whereas the United States has been formally invited by the Republic of Haiti to participate in this exposition; and

Whereas the Republic of Haiti and the city of Port-au-Prince have provided a site and permanent public improvements at an estimated cost of $4,000,000; and

Whereas such international exposition and celebration are worthy and deserving of the support and encouragement of the United States; and the United States has aided and supported such expositions in the past: Therefore be it.

CONVEYANCE OF CERTAIN LANDS TO MILWAUKEE COUNTY, WIS.

The bill (S. 2298) to authorize the Administrator of Veterans' Affairs to convey certain lands and to lease certain other land to Milwaukee County, Wis., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

Mr. LUCAS. Mr. President, who makes the request with respect to Senate bill 2298?

Mr. HENDRICKSON. The Senator from Oregon [Mr. MORSE].

Mr. WILEY. Mr. President, I have talked with the Senator about this bill, and we have agreed that it should be amended along the lines which he has suggested. Two or three other amendments have been suggested. I would certainly appreciate it if the bill could be passed. It is very important from the standpoint of Milwaukee County, as well as from the standpoint of the veterans, that this bill be passed. I have already spoken to the Senator from Oregon. The mere fact that he is not present should not in any way interfere with the passage of the bill. We agreed on the amendment which should be made.

Mr. HENDRICKSON. Mr. President, in the light of the explanation by the Senator from Wisconsin, I withhold any objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to (1) convey by quitclaim deed the lands described in section 2 of this act as parcels I and II, part of the lands of the Veterans' Administration center at Wood, Wis.; and (2)

lease for a period of 20 years the land described in section 2 of this act as parcel III, also part of the lands of such Veterans' Administration center, to Milwaukee County, a municipal subdivision of the State of Wisconsin. Such conveyance and lease shall be made without consideration.

SEC. 2. The parcels of land referred to in the first section of this act, all of which are located in Milwaukee County, Wis., are described as follows:

Parcel I. That tract of land located in the northeast quarter and the southeast quarter of section 35, township 7 north, range 21 east, and more particularly described as follows: Beginning at a point where the east line of South Harnischfeger Avenue crosses the south line of the Chicago, Milwaukee, St. Paul & Pacific Railroad Co. right-of-way; running thence south on the east line of South Harnischfeger Avenue to the north line of West National Avenue; thence southwesterly along the north line of West National Avenue a distance of approximately six hundred and ten feet; thence northerly and parellel to the east line of South Harnischfeger Avenue a distance of three hundred feet, more or less; thence northeasterly and parallel to the north line of West National Avenue to a point of curvature of a curve; thence along the arc of the curve the radius of which is two hundred and thirty-three feet, to a point which is two hundred feet west of the east line of South Harnischfeger Avenue; thence northerly on a line parallel to and two hundred feet west of the easterly line of South Harnischfeger Avenue to the south line of the Chicago, Milwaukee, St. Paul & Pacific Railroad Co. right-of-way; thence easterly along the south line of said railroad right-of-way to the point of beginning, excepting therefrom that part of South Harnischefeger Avenue previously dedicated for street purposes.

Parcel II. That tract of land located in the northeast quarter of section 35, township 7 north, range 21 east, and more particularly described as follows: Beginning at the intersection of the east line of Forty-fourth Street and the north line of section 35 and running thence west along the north line of section 35 to the northwest corner of the northeast quarter of section 35; thence south along the west line of the northeast quarter of section 35 a distance of four hundred feet, more or less; thence east on a line parallel to and four hundred feet south of the north line of the northeast quarter of section 35 a distance of three hundred and seventy feet, more or less, to a point; thence south thirty degrees east five hundred and forty feet; thence south forty-eight degrees east three hundred and sixty feet, more or less, to the northerly edge of Chrysler Road; thence easterly along the northerly line of Chrysler Road to its point of junction with the easterly line of Red Arrow Drive; thence southeasterly along the easterly line of Red Arrow Drive to a point which is three hundred feet northerly of the north line of the Chicago, Milwaukee, St. Paul & Pacific Railroad right-of-way, measured at right angles to said right-of-way; thence southeasterly parallel to and three hundred feet northerly of the said right-of-way to a point which is six hundred and eighty feet, more or less, west of the east line of section 35; thence southerly on a line parallel to the east line of section 35 to the north line of said railroad right-of-way; thence easterly along the north line of said right-of-way to the east line of section 35; thence north along the east line of section 35 a distance of seven hundred ninety-eight and thirty-eight one-hundredths feet, more or less, to a stone in the east line of Forty-fourth Street; thence northerly along the east line of Forty-fourth Street to the point of beginning. Excepting, however, the four and sixty-eight one-thousandths-acre tract of land in the northeasterly corner, now occupied by the Menominee Valley booster pumping station and further excepting therefrom the area, if any, dedicated for street purposes.

Parcel III. That tract of land located in the southwest quarter of section 26, township 7 north, range 21 east, and the northwest quarter of section 35, township 7 north, range 21 east, and more particularly described as follows: Beginning at the southeast corner of the southwest quarter of section 26, and running thence northerly along the east line of the southwest quarter of section 26 to the south line of West Blue Mound Road; thence westerly along the south line of West Blue Mound Road to the east line of The Milwaukee Electric Railway and Light Co. right-of-way; thence southerly along the east line of said right-of-way to the south line of section 26, thence continuing south on the same line, extended for a distance of four hundred feet, more or less; thence easterly on a line parallel to and four hundred feet south of the south line of section 26, to the west line of the northeast quarter of section 35; thence north along said line to the point of beginning.

SEC. 3. The parcels of land authorized to be transferred and leased by the first section of this act shall be used by said grantee and lessee for civic and recreational purposes. The deed of conveyance of such parcels I and II shall contain the provision that such tracts of land shall be used for the purposes for which they were conveyed and that, in the event such tracts cease to be used for such purposes, or in the event the grantee attempts to alienate all or any part of such tracts, then title thereto shall, at the option of the United States, revert to the United States. The lease of such parcel III shall contain the provision that such tract of land shall be used for the purposes for which it was leased and that, in the event such tract ceases to be used for such purposes, such lease shall be terminated at the option of the United States. Both such conveyance and such lease shall contain such additional terms, reservations, restrictions, and conditions as may be determined by the Administrator of Veterans' Affairs to be necessary to safeguard the interests of the United States.

Mr. GEORGE. Mr. President, I do not know whether the Senator from Wisconsin proposed to offer an amendment, but the Veterans' Administration has requested that an amendment be made to the bill. I do not think there could be the slightest objection to this amendment, and I therefore offer it.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

Mr. GEORGE. The amendment relates merely to the description of the property.

The LEGISLATIVE CLERK. Following section 3 of the bill, it is proposed to insert the following:

The exact legal descriptions of the land to be conveyed and leased under this act are to be determined by a survey to be made under the supervision of the Veterans' Administration.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. WILEY. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments offered by the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. On page 2, line 8, after the word "and", it is proposed to strike out the words "more particularly" and insert the words "in general."

On page 3, at the beginning of line 8, it is proposed to strike out "more particularly" and insert "in general."

On page 4, line 21, after the word "and" it is proposed to strike out "more particularly" and insert "in general."

The PRESIDING OFFICER. Does the Senator from Wisconsin wish to have the amendments considered en bloc?

Mr. WILEY. Yes, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Wisconsin [Mr. WILEY].

The amendments were agreed to.

Mr. WILEY. Mr. President, I had understood that the Senator from New Jersey [Mr. HENDRICKSON] had before him the amendment which the Senator from Oregon [Mr. MORSE] had in mind. That is the amendment which the Senator from Oregon has insisted be attached to every bill by which the Government conveys property to an individual or a municipality. It provides in substance that the purchaser—in this case Milwaukee County—shall pay one-half the appraised value of the property.

Mr. HENDRICKSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 2, it is proposed to strike out the sentence beginning in line 1, and insert in lieu thereof the following: *"Provided,* That Milwaukee County pay one-half the appraised market value of parcels 1 and 2 and a fair yearly rental for parcel 3, as determined by the Administrator of Veterans' Affairs."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

USE OF FINNISH DEBT PAYMENTS FOR EDUCATION AND TRAINING OF CITIZENS OF FINLAND

The Senate proceeded to consider the joint resolution (S. J. Res. 3) to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland and American books and technical equipment for institutions of higher education in Finland, which had been reported from the Committee on Foreign Relations with amendments on page 1, in the last line of the second whereas, after the word "special", to strike out "fund" and insert "deposit account"; on page 2, line 11, after the word "special", to strike out "fund" and insert "deposit account"; in line 12, after "United States", to insert

"to remain available until expended"; in line 13, before the word "shall", to strike out "fund" and insert "account"; in the same line, after the word "be", to strike out "used" and insert "available to the Department of State"; in line 14, after the word "finance", to insert "by contract, grant, or otherwise"; in line 16, after the word "activities", to strike out "for citizens of the Republic of Finland"; in line 17, after the word "possessions", to insert "(1) for students, professors, other academic persons, and technicians who are citizens of the Republic of Finland and, (2) with the approval of appropriate agencies, institutions, or organizations in Finland, for students, professors, other academic persons, and technicians who are citizens of the United States to participate in similar activities in Finland"; in line 23, after the word "including", to strike out "payment for" and insert "in both cases"; on page 3, line 1, after the word "travel", to strike out "(together with transportation to and from Finland)," and insert "expenses"; in line 3, after the word "other", to insert "allowances and"; in the same line, after the word "activities", to strike out the comma and "for the purpose of enabling the people of Finland to have the services of a new generation of technical experts to aid them in their efforts to rebuild the shattered economy and destroyed areas of their country"; in line 13, after the name "Finland", to insert "and (3) the interchange of similar Finnish materials and equipment for higher education and research in the United States"; after line 15, to strike out section 2, as follows:

SEC. 2. (a) The board of Foreign Scholarships, appointed pursuant to the act entitled "An act to amend the Surplus Property Act of 1944 to designate the Department of State as the disposal agency for surplus property outside the continental United States, its Territories and possessions, and for other purposes", approved August 1, 1946, shall, on nomination of the Government of the Republic of Finland, select students to receive benefits under clause (a) of the first section from the fund established by this joint resolution. The board, with the approval of the Secretary of State and after conferring with the Government of the Republic of Finland is authorized to make such rules and regulations relating to the granting of benefits from such fund, including allowances for travel, tuition, subsistence, and other expenses necessary to affectuate the purposes of this joint resolution, as it deems advisable.

(b) The Secretary of State, after conferring with the Government of the Republic of Finland, shall provide for the selection, purchase, and shipment of the books and equipment authorized in clause (b) of the first section.

And insert in lieu thereof the following:

SEC. 2. The Secretary of State is hereby authorized to carry out the purposes of this joint resolution in accordance with the applicable provisions of the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.).

On page 4, after line 15, to strike out section 3, as follows:

SEC. 3. Expenditures from the fund shall be made by the Secretary of the Treasury, upon vouchers approved by the Secretary of State, under such rules and regulations as he may prescribe. Such expenditures shall be final and conclusive on all officers, departments, and agencies of the United States.

And insert in lieu thereof the following:

SEC. 3. Disbursements from the special deposit account shall be made by the Division of Disbursement of the Treasury Department, upon vouchers duly certified by the Secretary of State or by authorized certifying officers of the Department of State.

So as to make the joint resolution read:

Resolved, etc., That any sums due or paid on and after the date of enactment of this joint resolution by the Republic of Finland to the United States as interest on or in retirement of the principal of the debt incurred under the act of February 25, 1919, as refunded by the agreement dated May 1, 1923, pursuant to authority contained in the act of February 9, 1922, or of any other indebtedness incurred by that Republic and owing to the United States as a result of World War I, shall be placed in a special deposit account in the Treasury of the United States, to remain available until expended. This account shall be available to the Department of State to finance by contract, grant, or otherwise—

(a) studies, instruction, technical training, and other educational activities in the United States and its Territories and possessions (1) for students, professors, other academic persons, and technicians who are citizens of the Republic of Finland and, (2) with the approval of appropriate agencies, institutions, or organizations in Finland, for students, professors, other academic persons, and technicians who are citizens of the United States to participate in similar activities in Finland, including in both cases travel expenses, tuition, subsistence, and other allowances and expenses incident to such activities; and

(b) the selection, purchase, and shipment of (1) American scientific, technical, and scholarly books and books of American literature for higher educational and research institutions of Finland, and (2) American laboratory and technical equipment for higher education and research in Finland, and (3) the interchange of similar Finnish materials and equipment for higher education and research in the United States.

SEC. 2. The Secretary of State is hereby authorized to carry out the purposes of this joint resolution in accordance with the applicable provisions of the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.).

SEC. 3. Disbursements from the special deposit account shall be made by the Division of Disbursement of the Treasury Department, upon vouchers duly certified by the Secretary of State or by authorized certifying officers of the Department of State.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The title was amended so as to read: "Joint resolution to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland and American books and technical equipment for institutions of higher education in Finland, and to provide opportunities for American citizens to carry out academic and scientific enterprises in Finland."

AMENDMENT OF COMMUNICATION ACT OF 1934—BILL PASSED OVER

The bill (S. 1973) to further amend the Communications Act of 1934 was announced as next in order.

Mr. TOBEY. Over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

Mr. TOBEY. Mr. President, I said "over" just to be sure my friend, the Senator from Arizona was awake and on the job. I withdraw the objection. [Laughter.]

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment to strike out all after the enacting clause, and insert:

That this act may be cited as "Communications Act Amendments, 1949."

SEC. 2. Subsections (o) and (p) of section 3 of the Communications Act of 1934, as amended, are amended to read as follows:

"(o) 'Broadcasting' means the dissemination of radio communications intended to be received directly by the general public.

SEC. 3. Section 3 of such act is further amended by adding after subsection (aa) the following:

"(bb) The term 'license,' 'station license,' or 'radio station license' means that instrument of authorization required by this act or the rules and regulations of the Commission made pursuant to this act, for the use or operation of apparatus for transmission of energy, or communications, or signals by radio, by whatever name the instrument may be designated by the Commission.

"(cc) The term 'broadcast station,' 'broadcasting station,' or 'radio broadcast station' means a radio station equipped to engage in broadcasting as herein defined.

"(dd) The term 'construction permit' or 'permit for construction' means that instrument of authorization required by this act or the rules and regulations of the Commission made pursuant to this act for the installation of apparatus for the transmission of energy, or communications, or signals by radio, by whatever name the instrument may be designated by the Commission.

SEC. 4. (a) Subsection (b) of section 4 of such act, as amended, is amended by striking out the last two sentences thereof and inserting in lieu thereof the following: "Such Commissioners shall not engage in any other business, vocation, profession, or employment but this shall not apply to the preparation of technical or professional publications. Any such Commissioner serving as such after 1 year from the date of enactment of Communications Act Amendments, 1949, shall not during the term for which they are appointed and qualified, irrespective of their term of actual service, engage in any business, vocation, profession, or employment the compensation for which is derived from or paid by any person, including all persons under common control, subject to the provisions of this act. Not more than four members of the Commission shall be members of the same political party."

(b) Subsection (d) of section 4 of such act is amended to read as follows:

"(d) Each Commissioner shall receive an annual salary of $15,000 payable in monthly installments."

(c) Subsection (f) (1) of section 4 of such act is amended to read as follows:

"(f) (1) Without regard to the civil-service laws or the Classification Act of 1923, as amended, (1) the Commission may appoint

and prescribe the duties and fix the salaries of a secretary, a chief engineer and not more than two assistants, a chief accountant and not more than two assistants, a general counsel and not more than two assistants, and counsel temporarily employed and designed by the Commission for the performance of specific special services; and (2) each Commissioner may appoint and prescribe the duties of a legal assistant at an annual salary not to exceed $10,000 and a secretary at an annual salary not to exceed $4,000, except the last-named salary shall not apply so long as the positions are held by the present incumbents. The chief engineer, the chief accountant, and the general counsel shall each receive an annual salary of not to exceed $12,000; the secretary shall receive an annual salary of not to exceed $10,000, and no assistant shall receive an annual salary in excess of $10,000: *Provided*, That the salaries specified in this subsection shall be maximum gross salaries not subject to increases heretofore or hereafter authorized by law, unless such increases shall specify the salaries in this subsection: *And provided further*, That on and after 1 year from the date of enactment of this act the secretary of the Commission, the chief engineer and his assistants, the chief accountant and his assistants, the general counsel and his assistants, and the legal assistants to each Commissioner shall not, for the period of 1 year next following the cessation of their employment with the Commission, represent before the Commission in a professional capacity any person, including all persons under common control, subject to the provisions of this act. The Commission shall have authority, subject to the provisions of the civil-service laws and the Classification Act of 1923, as amended, to appoint such other officers, engineers, accountants, attorneys, inspectors, examiners, and other employees as are necessary in the execution of its functions."

(d) The first sentence of subsection (g) of section 4 of such act, as amended, is amended to read as follows:

"(g) The Commission may make such expenditures (including expenditures for rent and personal services at the seat of Government and elsewhere, for office supplies, law books, periodicals, and books of reference, for printing and binding, for land for use as sites for radio monitoring stations and related facilities, including living quarters where necessary in remote areas, for the construction of such stations and facilities, and for the improvement, furnishing, equipping, and repairing of such stations and facilities and of laboratories and other related facilities (including construction of minor subsidiary buildings and structures not exceeding $25,000 in any one instance) used in connection with technical research activities), as may be necessary for the execution of the functions vested in the Commission and as from time to time may be appropriated for by Congress."

(e) Subsection (k) of section 4 of such act is amended to read as follows:

"(k) The Commission shall make an annual report to Congress, copies of which shall be distributed as are other reports transmitted to Congress. Such reports shall contain—

"(1) such information and data collected by the Commission as may be considered of value in the determination of questions connected with the regulation of interstate and foreign wire and radio communication and radio transmission of energy.

"(2) such information and data concerning the functioning of the Commission as will be of value to Congress in appraising the amount and character of the work and accomplishments of the Commission and the adequacy of its staff and equipment: *Provided*, That the first and second annual reports following the date of enactment of Communications Act Amendments, 1949, shall set forth in detail the number and caption of pending applications requesting approval of transfer of control or assignment of a station license, or construction permits for new stations, or for increases in power, or for changes of frequency of existing stations at the beginning and end of the period covered by such reports;

"(3) information with respect to all persons taken into the employment of the Commission during the year covered by the report, including names, pertinent biographical data and experience, Commission positions held and compensation paid, together with the names of those persons who have left the employ of the Commission during such year: *Provided*, That the first annual report following the date of enactment of Communications Act Amendments, 1949, shall contain such information with respect to all persons in the employ of the Commission at the close of the year for which the report is made;

"(4) an itemized statement of all funds expended during the preceding year by the Commission, of the sources of such funds, and of the authority in this act or elsewhere under which such expenditures were made; and

"(5) specific recommendations to Congress as to additional legislation which the Commission deems necessary or desirable, including all legislative proposals submitted for approval to the Director of the Budget."

SEC. 5. Section 5 of such act, as amended, is amended to read as follows:

"ORGANIZATION OF THE COMMISSION

"SEC. 5. (a) The member of the Commission designated by the President as Chairman shall be the chief executive officer of the Commission. It shall be his duty to preside at all meetings and sessions of the Commission, to represent the Commission in all matters relating to legislation and legislative reports, to represent the Commission in all matters requiring conferences or communications with other governmental officers, departments, or agencies, and generally to coordinate and organize the work of the Commission in such manner as to promote prompt and efficient disposition of all matters within the jurisdiction of the Commission. In the case of a vacancy in the office of the Chairman of the Commission, or the absence or inability of the Chairman to serve, the Commission may temporarily designate and appoint one of its members to act as Chairman until the cause or circumstance requiring such service shall have been eliminated or corrected.

"(b) Within 60 days after the enactment of the Communications Act Amendments, 1949, and from time to time thereafter as the Commission may find necessary, the Commission shall organize its legal, engineering, and accounting staff into (1) integrated divisions, to function on the basis of the Commission's principal work-load operations; and (2) into such other divisional organizations as the Commission may deem necessary to handle that part of its work load which cuts across more than one integrated division or which does not lend itself to the integrated-division set-up. Each such integrated division and divisional organization shall include such legal, engineering, accounting, administrative, and clerical personnel as the Commission may determine to be necessary to perform its functions. The general counsel, the chief engineer, and the chief accountant and their respective assistants shall carry out their respective duties under such rules and regulations as the Commission may prescribe. The Commission shall establish a staff, directly responsible to it, which shall include such legal, engineering, and accounting personnel as the Commission deems necessary, whose duty shall be to prepare such drafts of Commission decisions, orders, and other memoranda as the Commission in the exercise of its quasi-judicial duties, may from time to time direct: *Provided*, That no member of such staff shall participate in a hearing or represent the Commission, directly or indirectly, in any prosecutory or investigatory function or proceeding.

"(c) Except as provided in section 409 hereof, the Commission, when necessary to the proper functioning of the Commission and the prompt and orderly conduct of its business, is hereby authorized and directed to assign or refer any portion of its work, business, or functions to an individual Commissioner or Commissioners or to a board composed of one or more employees of the Commission, to be designated by such order for action thereon, and by its further order at any time to amend, modify, or rescind any such order or reference: *Provided*, That this authority shall not extend to duties otherwise specifically imposed by this or any other act of Congress. Any order, decision, or report made or other action taken pursuant to any such order or reference shall have the same force and effect and may be made, evidenced, and enforced as if made by the Commission: *Provided, however*, That any person aggrieved by any such order, decision, or report may file a petition for review by the Commission, and every such petition shall be passed upon by the Commission. The secretary and seal of the Commission shall be the secretary and seal of such individual Commissioner or board.

"(d) Meetings of the Commission shall be held at regular intervals, not less frequently than once each calendar month, at which times the functioning of the Commission and the handling of its work load shall be reviewed and such orders shall be entered and other action taken as may be necessary or appropriate to expedite the prompt and orderly conduct of the business of the Commission with the objective of rendering a final decision (1) within 3 months from the date of filing in all original application, renewal, and transfer cases, and (2) within 6 months from the final date of the hearing in all hearing cases; and the Commission shall promptly report to the Congress each such case which has been pending before it more than such 3- or 6-month period, respectively, stating the reasons therefor."

SEC. 6. Subsection (d) of section 307 of such act is amended to read as follows:

"(d) No license granted for the operation of a broadcasting station shall be for a longer term than 3 years and no license so granted for any other class of station shall be for a longer term than 5 years, and any license granted may be revoked as hereinafter provided. Upon the expiration of any license, upon application therefor, a renewal of such license may be granted from time to time for a term of not to exceed 3 years in the case of broadcasting licenses and not to exceed 5 years in the case of other licenses if the Commission finds that public interest, convenience, and necessity would be served thereby."

SEC. 7. So much of subsection (a) of section 308 of such act as precedes the second proviso is amended to read as follows: "The Commission may grant instruments of authorization entitling the holders thereof to construct or operate apparatus for the transmission of energy, or communications, or signals by radio or modifications or renewals thereof, only upon written application therefor received by it: *Provided*, That (1) in cases of emergency found by the Commission involving danger to life or property or due to damage to equipment, or (2) during the continuance of any war in which the United States is engaged and when such action is necessary for the national defense or security or otherwise in furtherance of the war effort, the Commission may grant and issue authority to construct or operate apparatus

for the transmission of energy or communications or signals by radio during the emergency so found by the Commission or during the continuance of any such war, in such manner and upon such terms and conditions as the Commission shall by regulation prescribe, and without the filing of a formal application, but no such authority shall be granted for a period beyond the period of the emergency requiring it nor remain effective beyond such period:".

SEC. 8. Section 309 of such act, as amended, is amended to read as follows:

"HEARINGS ON APPLICATIONS FOR LICENSES; FORM OF LICENSES; CONDITIONS ATTACHED TO LICENSES

"SEC. 309. (a) If upon examination of any application provided for in section 308 the Commission shall determine that public interest, convenience, and necessity would be served by the granting thereof, it shall authorize the issuance of the instrument of authorization for which application is made in accordance with said finding.

"(b) If upon examination of any such application the Commission is unable to make the finding specified in subsection (a) of this section, it shall forthwith notify the applicant and other known parties in interest of the grounds and reasons for its inability to make such finding. Such notice, which shall precede formal designation for a hearing, shall advise the applicant and all other known parties in interest of all objections made to the application as well as the source and nature of such objections. Following such notice, the applicant shall be given an opportunity to reply. If the Commission, after considering such reply, shall be unable to make the finding specified in subsection (a) of this section, it shall formally designate the application for hearing on the grounds or reasons then obtaining and shall notify the applicant and all other known parties in interest of such action and the grounds and reasons therefor, specifying with particularity the matters and things in issue but not including issues or requirements phrased generally. The parties in interest, if any, who are not notified by the Commission of its action with respect to a particular application may acquire the status of a party to the proceeding thereon by filing a petition for intervention showing the basis for their interest at any time not less than 10 days prior to the date of hearing. Any hearing subsequently held upon such application shall be a full hearing in which the applicant and all other parties in interest shall be permitted to participate but in which both the burden of proceeding with the introduction of evidence upon any issue specified by the Commission, as well as the burden of proof upon all such issues, shall be upon the applicant.

"(c) When any instrument of authorization is granted by the Commission without a hearing as provided in subsection (a) hereof, such grant shall remain subject to protest as hereinafter provided for a period of 30 days. During such 30-day period any party in interest may file a protest under oath directed to such grant and request a hearing on said application so granted. Any protest so filed shall contain such allegations of fact as will show the protestant to be a party in interest and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. The Commission shall, within 15 days from the date of the filing of such protest, enter findings as to whether such protest meets the foregoing requirements and if it so finds the application involved shall be set for hearing upon the issues set forth in said protest, together with such further specific issues, if any, as may be prescribed by the Commission. In any hearing subsequently held upon such application all issues specified by the Commission shall be tried in the same manner provided in subsection (b) hereof but with respect of all issues set forth in the protest and not specifically adopted by the Commission, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the protestant. The hearing and determination of cases arising under this subsection shall be expedited by the Commission and pending hearing and decision the effective date of the Commission's action to which protest is made shall be postponed to the effective date of the Commission's decision after hearing, unless the authorization involved is necessary to the maintenance or conduct of an existing service, in which event the Commission shall authorize the applicant to utilize the facilities or authorization in question pending the Commission's decision after hearing.

"(d) Such station licenses as the Commission may grant shall be in such general form as it may prescribe, but each license shall contain, in addition to other provisions, a statement of the following conditions to which such license shall be subject: (1) The station license shall not vest in the licensee any right to operate the station nor any right in the use of the frequencies designated in the license beyond the term thereof nor in any other manner than authorized therein; (2) neither the license nor the right granted thereunder shall be assigned or otherwise transferred in violation of this act; (3) every license issued under this act shall be subject in terms to the right of use or control conferred by section 606 hereof."

SEC. 9. Subsection (b) of section 310 of said act is amended to read as follows:

"(b) No instrument of authorization granted by the Commission entitling the holder thereof to construct or to operate radio apparatus and no rights granted thereunder shall be transferred, assigned, or disposed of in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any corporation holding such instrument of authorization, to any person except upon application to the Commission and upon finding by the Commission that the proposed transferee or assignee possesses the qualifications required of an original permittee or licensee. The procedure for handling such application shall be that provided in section 309."

SEC. 10. Section 311 of such act, as amended, is amended to read as follows:

"SEC. 311. The Commission is hereby directed to refuse a station license and/or the permit hereinafter required for the construction of a station to any person (or to any person directly or indirectly controlled by such person) whose license has been revoked by a court under section 313."

SEC. 11. Section 312 of such act, as amended, is amended to read as follows:

"REVOCATION OF LICENSES; CEASE-AND-DESIST ORDERS

"SEC. 312. (a) Any station license may be revoked (1) because of conditions coming to the attention of the Commission since the granting of such license which would have warranted the Commission in refusing to grant such license, or (2) for violation or failure to observe any of the restrictions or provisions of a treaty ratified by the United States, or (3) for violation of or failure to observe the terms and conditions of any cease-and-desist order issued by the Commission pursuant to subsection (b) hereof. The Commission may institute a revocation proceeding by serving upon the licensee an order to show cause why its license should not be revoked. Said orders shall contain a statement of the particulars and matters with respect to which the Commission is inquiring and shall call upon the licensee to appear before the Commission at a time and place therein stated, but in no event less than 30 days after receipt of such notice, and give evidence upon the matter specified in said order: *Provided*, That where safety of life or property is involved, the Commission may by order provide for a shorter period of notice. If, after hearing, or a waiver thereof by the licensee, the Commission determines that a revocation order should issue, it shall make a report in writing stating the findings of the Commission and the grounds and reasons therefor and shall cause the same to be served on said licensee, together with such order.

"(b) Where any person (1) has failed to operate substantially as set forth in an instrument of authorization, or (2) has failed to observe any of the restrictions and conditions of this act or of a treaty ratified by the United States, or (3) has violated or failed to observe any rule or regulation of the Commission authorized by this act, the Commission may institute a proceeding by serving upon such person an order to show cause why it should not cease and desist from such action. Said order shall contain a statement of the particulars and matters with respect to which the Commission is inquiring and shall call upon such person to appear before the Commission at a time and place therein stated, but in no event less than 30 days after receipt of such notice, and give evidence upon the matter specified in said order. If, after hearing, or a waiver thereof by such person, the Commission determines that a cease-and-desist order should issue, it shall make a report in writing stating the findings of the Commission and the grounds and reasons therefor and shall cause the same to be served on said person, together with such order.

SEC. 12. Part I of title III of such act is amended by adding the following new section:

"MODIFICATION BY COMMISSION OF CONSTRUCTION PERMITS OR LICENSES

"SEC. 330. (a) Any station license granted under the provisions of this act or the construction permit required thereby may be modified by the Commission either for a limited time or for the duration of the term thereof, if in the judgment of the Commission such action will promote the public interest, convenience, and necessity, or the provisions of this act or of any treaty ratified by the United States will be more fully complied with: *Provided*, That no such order of modification shall become final until the holder of such outstanding license or permit shall have been notified in writing of the proposed action and the grounds and reasons therefor, and shall have been given reasonable opportunity, in no event less than 30 days, to show cause by public hearing, if requested, why such order of modification should not issue: *Provided*, That where safety of life or property is involved, the Commission may by order provide for a shorter period of notice.

"(b) In any case where a hearing is conducted pursuant to the provisions of this section or section 312, both the burden of proceeding with the introduction of evidence and the burden of proof shall be upon the Commission."

SEC. 13. Part I of title III of such act is amended by adding the following new section:

"LIMITATIONS ON QUASI-JUDICIAL POWERS

"SEC. 331. No license granted and issued under the authority of this act for the operation of any radio station shall be modified by the Commission, except in the manner provided in section 330 (a) hereof, and no such license may be revoked, terminated, or otherwise invalidated by the Commission, except in the manner and for the reasons provided in section 312 (a) hereof. When application is made for renewal of an existing license, which cannot be disposed of by the Commission under the provisions of section 309 (a) hereof, the Commission shall employ the procedure specified in section 309 (b)

hereof, except that in any hearing subsequently held upon such application the burden of proceeding with the evidence and of substantiating the grounds and reasons specified by the Commission in the formal notice of hearing issued pursuant to section 309 (b) hereof shall be upon the appropriate division established by the Commission under the provisions of section 5 (b) hereof or upon any party or parties who may oppose such renewal; but as a condition precedent to the renewal the Commission shall affirmatively find that the public interest, convenience, and necessity will be served by such renewal. Pending such hearing and final decision pursuant thereto the Commission shall continue such license in effect.

SEC. 14. The heading of section 401 of such act is amended to read:

"JURISDICTION TO ENFORCE ACT AND ORDERS OF COMMISSION; DECLARATORY ORDERS"

and such section is amended by adding at the end thereof a new subsection (e) as follows:

"(e) The Commission is authorized, in its sound discretion and with like effect as in the case of other orders, to issue a declaratory order to terminate a controversy or remove uncertainty. Notwithstanding the provisions of section 5 (d) of the act of June 11, 1946 (60 Stat. 239) declaratory orders shall be issued only upon the petition of, and after notice to and opportunity for hearing by, persons who are bona fide applicants for, or the holders of, construction permits or licenses, or otherwise subject to the jurisdiction of the Commission, and shall not bind or affect the rights of persons who are not parties to such proceedings. Such orders shall be available to declare rights and other legal relations arising under the provisions of any treaty ratified by the United States, under any provision of this act, or under any order, rule, regulation, term, condition, limitation, or requirement issued, promulgated, or adopted by the Commission, whether or not involving failure to comply therewith."

SEC. 15. Section 402 of such act is amended to read as follows:

"SEC. 402. (a) The provisions of the act of June 25, 1948 (62 Stat. 992), as amended, relating to the enforcing or setting aside of orders of the Interstate Commerce Commission are hereby made applicable to suits to enforce, enjoin, set aside, annul, or suspend any order of the Commission under this act (except those appealable under the provisions of subsection (b) hereof), and such suits are hereby authorized to be brought as provided in that act. In addition to the venues specified in that act, suits to enjoin, set aside, annul, or suspend, but not to enforce any such order of the Commission may also be brought in the United States District Court for the District of Columbia.

"(b) Appeals may be taken from decisions and orders of the Commission to the United States Court of Appeals for the District of Columbia in any of the following cases:

"(1) By any applicant for any instrument of authorization required by this act, or the regulations of the Commission made pursuant to this act, for the construction or operation of apparatus for the transmission of energy, or communications, or signals by radio, whose application is denied by the Commission.

"(2) By any applicant for the renewal or modification of any such instrument of authorization whose application is denied by the Commission.

"(3) By any party to an application for authority to assign any such instrument of authorization or to transfer control of any corporation holding such instrument of authorization whose application is denied by the Commission.

"(4) By any applicant for the permit required by section 325 of this act whose application has been denied by the Commission or any permittee under said section whose permit has been revoked by the Commission.

"(5) By the holder of any instrument of authorization required by this act, or the regulations of the Commission made pursuant to this act, for the construction or operation of apparatus for the transmission of energy, or communications or signals by radio, which instrument has been modified or revoked by the Commission.

"(6) By any other person who is aggrieved or whose interests are adversely affected by any order of the Commission granting or denying any application described in paragraphs (1), (2), (3), and (4) hereof.

"(7) By any person upon whom an order to cease and desist has been served under section 312 (b) of this act.

"(8) By any party to a proceeding under section 401 who is aggrieved or whose interests are adversely affected by a declaratory order entered by the Commission.

"(9) By any radio operator whose license has been suspended by the Commission.

"(c) Such appeal shall be taken by filing a notice of appeal with the court within 30 days after the entry of the order complained of. Such notice of appeal shall contain a concise statement of the nature of the proceedings as to which the appeal is taken; a concise statement of the reasons on which the appellant intends to rely, separately stated and numbered; and proof of service of a true copy of said notice and statement upon the Commission. Upon filing of such notice, the court shall have exclusive jurisdiction of the proceedings and of the questions determined therein and shall have power, by order, directed by the Commission or any other party to the appeal, to grant such temporary relief as it may deem just and proper. Orders granting temporary relief may be either affirmative or negative in their scope and application so as to permit either the maintenance of the status quo in the matter in which the appeal is taken or the restoration of a position or status terminated or adversely affected by the order appealed from and shall, unless otherwise ordered by the court, be effective pending hearing and determination of said appeal and compliance by the Commission with the final judgment of the court rendered in said appeal.

"(d) Upon the filing of any such notice of appeal the Commission shall, not later than 5 days after the date of service upon it, notify each person shown by the records of the Commission to be interested in said appeal of the filing and pendency of the same and shall thereafter permit any such person to inspect and make copies of said notice and statement of reasons therefor at the office of the Commission in the city of Washington. Within 30 days after the filing of an appeal, the Commission shall file with the court a copy of the order complained of, a full statement in writing of the facts and grounds relied upon by it in support of the order involved upon said appeal, and the originals or certified copies of all papers and evidence presented to and considered by it in entering said order.

"(e) Within 30 days after the filing of an appeal any interested person may intervene and participate in the proceedings had upon said appeal by filing with the court a notice of intention to intervene and a verified statement showing the nature of the interest of such party, together with proof of service of true copies of said notice and statement, both upon appellant and upon the Commission. Any person who would be aggrieved or whose interest would be adversely affected by a reversal or modification of the order of the Commission complained of shall be considered an interested party.

"(f) The record and briefs upon which any such appeal shall be heard and determined by the court shall contain such information and material, and shall be prepared within such time and in such manner as the court may by rule prescribe.

"(g) At the earliest convenient time the court shall hear and determine the appeal upon the record before it in the manner prescribed by section 10 (e) of the act of June 11, 1946 (60 Stat. 243).

"(h) In the event that the court shall render a decision and enter an order reversing the order of the Commission, it shall remand the case to the Commission to carry out the judgment of the court and it shall be the duty of the Commission, in the absence of the proceedings to review such judgment, to forthwith give effect thereto, and unless otherwise ordered by the court, to do so upon the basis of the proceedings already had and the record upon which said appeal was heard and determined.

"(i) The court may, in its discretion, enter judgment for costs in favor of or against an appellant, or other interested parties intervening in said appeal, but not against the Commission, depending upon the nature of the issues involved upon said appeal and the outcome thereof.

"(j) The court's judgment shall be final, subject, however, to review by the Supreme Court of the United States as hereinafter provided—

"(1) an appeal may be taken direct to the Supreme Court of the United States in any case wherein the jurisdiction of the court is invoked, or sought to be invoked, for the purpose of reviewing any decision or order entered by the Commission in proceedings instituted by the Commission which have as their object and purpose the revocation of an existing license or any decision or order entered by the Commission in proceedings which involve the failure or refusal of the Commission to renew an existing license. Such appeal shall be taken by the filing of an application therefor or notice thereof within 30 days after the entry of the judgment sought to be reviewed, and in the event such an appeal is taken the record shall be made up and the case docketed in the Supreme Court of the United States within 60 days from the time such an appeal is allowed under such rules as may be prescribed.

"(2) in all other cases review by the Supreme Court of the United States shall be upon writ of certiorari on petition therefor under section 240 of the Judicial Code, as amended, by the appellant, by the Commission, or by any interested party intervening in the appeal, or by certification by the court pursuant to the provision of section 239 of the Judicial Code, as amended."

SEC. 16. The heading of section 405 of such act is amended to read:

"REHEARINGS BEFORE COMMISSION"

and such section is amended to read as follows:

"SEC. 405. (a) After a decision, order, or requirement has been made by the Commission in any proceeding, any party thereto, or any other person aggrieved or whose interests are adversely affected thereby, may petition for rehearing. Petitions for rehearing must be filed within 30 days from the entry of any decision, order, or requirement complained of, and, except for those cases in which the decision, order, or requirement challenged is necessary for the maintenance or conduct of an existing service, the filing of such a petition shall automatically stay the effective date thereof until after decision on said petition. The filing of a petition for rehearing shall not be a condition precedent to judicial review of any such decision, order, or requirement, except where the party seeking such review was not a party to the proceedings resulting in such decision, order, or requirement, or where the party seeking such review relies on questions of fact or law upon which the Commission has been afforded no opportunity to pass. Rehearings shall be

governed by such general rules as the Commission may establish: *Provided*, That, except for newly discovered evidence or evidence otherwise available only since the original taking of evidence, no evidence shall be taken on any rehearing. The time within which an appeal must be taken under section 402 (b) hereof shall be computed from the date upon which orders are entered disposing of all petitions for rehearing filed in any case, but any decision, order, or requirement made after such rehearing reversing, changing, or modifying the original determination shall be subject to the same provisions with respect to rehearing as an original order."

SEC. 17. Section 409 (a) of such act is amended to read as follows:

"SEC. 409. (a) Notwithstanding the provisions of section 7 (a) of the act of June 11, 1946 (60 Stat. 241), all cases in which a hearing is required by the provisions of this act or by other applicable provisions of law shall be conducted by the Commission or by one or more examiners provided for in section 11 of the act of June 11, 1946 (60 Stat. 244) designated by the Commission. The officer or officers presiding at any such hearing shall have the same authority and duties exercised in the same manner and subject to the same conditions specified in section 7 of that act.

"(b) Notwithstanding the provisions of section 8 of the act of June 11, 1946 (60 Stat. 242), the officer or officers conducting a hearing shall prepare and file an intermediate report. In all such cases the Commission shall permit the filing of exceptions to such intermediate report by any party to the proceeding and shall, upon request, hear oral argument on such exceptions before the entry of any final decision, order, or requirement. All decisions, including the intermediate report, shall become a part of the record and shall include a statement of (1) findings and conclusions, as well as the basis therefor, upon all material issues of fact, law, or discretion, presented on the record; and (2) the appropriate decision, order, or requirement.

"(c) Notwithstanding the provisions of section 5 (c) of the act of June 11, 1946 (60 Stat. 239), no officer conducting a hearing pursuant to (a) and (b) hereof shall, except to the extent required for the disposition of ex parte matters as authorized by law, consult any person or party on any fact or question of law in issue, unless upon notice and opportunity for all parties to participate; nor shall such officer be responsible to or subject to the supervision or direction of any other person engaged in the performance of investigative, prosecuting, or other functions for the Commission or any other agency of the Government. No person or persons engaged in the performance of investigative or prosecuting functions for the Commission or for any other agency of the Government shall participate or advise in the proceedings described in (a) and (b) hereof, except as a witness or counsel in public proceedings. The Commission shall not employ attorneys or other persons for the purpose of reviewing transcripts or preparing intermediate reports of final decisions, except that this shall not apply to the review staff provided by subsection 5 (b) and to legal assistants assigned separately to a Commission member who may, for such Commission member, review such transcripts and prepare such drafts. No intermediate report shall be reviewed either before or after its publication by any person other than a member of the Commission or his legal assistant, as above provided, and no examiner, who conducts a hearing, shall advise or consult with the Commission with respect to his intermediate report or with respect to exceptions taken to his findings, rulings, or recommendations."

(b) Subsections (b), (c), (d), (e), (f), (g), (h), (i), and (j) of section 409 are amended to read subsections (d), (e), (f), (g), (h), (i), (j), (k), and (l), respectively.

SEC. 18. Section 414 of such act is amended by adding at the end thereof the following: "Except as specifically provided in this act the provisions of the act of June 11, 1946 (60 Stat. 237) shall apply in all proceedings under this act."

SEC. 19. Amend chapter 63 of the Criminal Code, title 18, by inserting a new section as follows:

"FRAUD BY RADIO

"SEC. 1343. Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, shall transmit or cause to be transmitted by means of radio communication or interstate wire communication, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, or whoever operating any radio station for which a license is required by any law of the United States, knowingly permits the transmission of any such communication, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both."

SEC. 20. If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances should not be affected thereby.

Mr. HENDRICKSON. Mr. President, I send to the desk amendments I propose to the committee amendment, and I ask that they be stated.

The PRESIDING OFFICER. The amendments to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 38, in line 1, it is proposed to strike out the period and insert "for which reasonable honorarium or compensation may be paid."

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. In the committee amendment on page 53, it is proposed to strike out line 7.

The amendment to the amendment was agreed to.

Mr. McFARLAND. Mr. President, may the last amendment to the committee amendment be stated again? I did not understand it.

The PRESIDING OFFICER. The last amendment to the committee amendment will be restated.

The LEGISLATIVE CLERK. In the committee amendment on page 53, it is proposed to strike out line 7.

Mr. McFARLAND. That is agreeable.

Mr. BUTLER. Mr. President, I had a few remarks which I had intended to make in connection with the bill. I am in favor of its passage. I simply ask unanimous consent that the statement I have prepared be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

Mr. President, I hope very much that this bill will be passed today. It contains provisions which will be very beneficial to the radio and television industry. In my judgment, it is a very constructive piece of work.

I am particularly interested in one or two provisions which represent a somewhat new departure in legislation. I refer to the provisions of sections 4 (a) and 4 (c) which place a limitation on the practice of selling influence by former New Deal officials who resign their Government positions and then represent private corporations before the Government agencies in which they were formerly employed.

This bill bars members of the Federal Communications Commission from accepting employment with any corporation subject to the jurisdiction of the Federal Communications Commission during the period of the terms for which they were appointed as members of the Commission. In other words, they cannot resign prior to the expiration of their terms and immediately accept employment with large corporations in the communications field. The bill also prohibits various other officials of the Commission from representing clients before the Commission for a period of 1 year after the cessation of their employment with the Commission.

Mr. President, a few days ago I called attention on the floor of the Senate to the widespread practice of selling influence by former New Deal officials who after serving a period in some Government agency resigned and immediately secured as clients the same corporations which they formerly regulated as Government officials. I particularly mentioned the names of two former Chairmen of the Federal Communications Commission. One was Charles R. Denny, who resigned as Chairman of the Commission and within a very short time was appointed chief counsel for the National Broadcasting Co. If his bill had been in effect a few years ago it would have prohibited Mr. Denny from trading on the influence he acquired as Chairman of the Commission. The other was Paul Porter, also a former Chairman of the FCC, who later became Administrator of the OPA. Mr. Porter, following the end of his employment with the Government, represented various radio companies and the Western Union Co.

Since my former remarks, another name has been called to my attention. James Lawrence Fly, former Chairman of the Federal Communications Commission, left the Commission about 6 years ago and very shortly began to represent clients before the Commission.

This practice of permitting former New Deal officials to sell their influence with their former agencies is far more widespread and far more subject to criticism than "5 percenters" of whom we are hearing so much today. These private individuals who set themselves up as "5 percenters" may or may not have the influence they claim. These former New Deal officials—those I have named and others—actually do have the influence they claimed. There is no doubt about it. They are in position to give their private clients value received. The unfortunate fact is that their activities are carried on at the expense of the Government and the American people.

The officials of the Federal Communications Commission have provided us with a particularly notorious case of this sort of thing, but the FCC is not the only agency where the practice has been common. In my judgment, the Congress should proceed to enact similar legislation applying to all the other agencies.

Mr. SCHOEPPEL. Mr. President, have the amendments been agreed to?

The PRESIDING OFFICER. The amendments proposed to the committee amendment have been agreed to.

The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. SCHOEPPEL. Following that, I wish to interpose objection to the bill, by request. The Senator requesting it is absent from the floor.

Mr. McCLELLAN. May I inquire who is objecting?

Mr. SCHOEPPEL. The Senator from Maine [Mr. BREWSTER].

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

COINAGE OF MEDAL IN RECOGNITION OF SERVICES OF VICE PRESIDENT BARKLEY

The joint resolution (H. J. Res. 188) to provide for the coinage of a medal in recognition of the distinguished services of Vice President ALBEN W. BARKLEY was considered, ordered to a third reading, read the third time, and passed.

PROVISION FOR CERTAIN EDUCATIONAL BENEFITS FOR VETERANS

The bill (S. 672) to amend part VIII of Veterans Regulation No. 1 (a) so as to provide entitlement to educational benefits for those individuals who enlisted or reenlisted prior to October 6, 1945, on a same basis as for those individuals who enlisted or reenlisted within 1 year after October 6, 1945, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LUCAS. Mr. President, I think we should have an explanation of the bill from the Senator who in numerous other cases has been asking for explanations and who seems to be the author of this bill. I should like to hear what the bill is about. I do not think I shall oppose the passage of the bill, but I should like to have a full explanation. There is some curiosity in regard to the bill.

Mr. HENDRICKSON. Mr. President, this is only a tie-up bill which will assure equal treatment to all men who enlisted in the armed forces up through October 6, 1945.

As the law now stands, all who joined the armed forces before October 6, 1945, have their educational benefits cease accumulating as of July 25, 1947, the time of the end of the War Powers Act, but Public Law 190 was passed in October of 1940, in an attempt to encourage and stimulate enlistments. Those who enlisted between October 6, 1945, and October 5, 1946, were entitled to maximum benefits under the GI bill of rights law, as passed by the Congress.

At the present time, for example, under the present law, two boys who enlisted—one on October 6, 1945, and served until October 1, 1948, and one enlisting on October 7, 1945, and serving until October 7, 1947—receive different treatment. The one enlisting on October 6, 1945, has his benefits under Public Law 346 cease accumulating on July 25, 1947. The one enlisting on October 7, 1945, has his benefits continue accumulating straight through, and he receives more schooling under the GI bill of rights than does the other man, who served a year longer.

Mr. LUCAS. Mr. President, that is a very clear explanation, and I have no objection.

Mr. HENDRICKSON. I thank the Senator.

Mr. ROBERTSON. Mr. President, will the Senator yield for a question?

Mr. HENDRICKSON. I yield.

Mr. ROBERTSON. Under the bill, when will the GI educational program end?

Mr. HENDRICKSON. The present law will govern that.

Mr. ROBERTSON. Does the Senator's bill extend the GI program? Of course under present conditions the veterans have a certain number of years during which educational opportunities are available to them.

Mr. HENDRICKSON. No; the bill does not extend the law at all. It simply corrects an inequity in the present law.

Mr. ROBERTSON. But, as I understand, there is a group of soldiers who have been eligible for GI educational allowances for a certain number of years. After the bill takes effect, for how many additional years will they be able to take advantage of those educational opportunities, and for how many years will the program run?

Mr. HENDRICKSON. I cannot answer that question, Mr. President.

Mr. ROBERTSON. Will the Senator permit me to ask him another question?

Mr. HENDRICKSON. Certainly. I do not have the present law before me, and I am not familiar with the date.

Mr. ROBERTSON. Has any estimate been made of the additional cost of the GI program by reason of the enactment of this bill?

Mr. HENDRICKSON. None that I know of.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 672) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That paragraph 12 of part VIII of Veterans Regulation No. 1 (a) is amended to read as follows:

"12. For the purposes of this part, the present war shall not be considered as terminating, in the case of any individual (1) before the termination of such individual's first period of enlistment or reenlistment contracted within 1 year after October 6, 1945, or (2) before the termination of any period of enlistment or reenlistment contracted by such individual on or before October 6, 1945."

DESIGNATION OF UNITED STATES VETERANS' ADMINISTRATION HOSPITAL AS JOHN D. MAGRATH MEMORIAL VETERANS' HOSPITAL

The bill (S. 1387) to provide for designation of the United States Veterans' Administration hospital to be constructed at West Haven, Conn., as the John D. Magrath Memorial Veterans' Hospital was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States Veterans' Administration hospital to be constructed at West Haven, Conn., shall be known and designated on the public records as the John D. Magrath Memorial Hospital.

The title was amended so as to read: "A bill to provide for designation of the United States Veterans' Administration hospital to be constructed at West Haven, Conn., as the John D. Magrath Memorial Hospital."

BILL PASSED OVER

The bill (S. 2319) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to the Republic of Korea was announced as next in order.

Mr. LANGER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

SUITLAND PARKWAY, MARYLAND

The bill (H. R. 2214) to provide for the development, administration, and maintenance of the Suitland Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill? Without objection——

Mr. LANGER. Just a moment, please. What will the cost of the bill be? Does anyone know? May we have an explanation of how much it will cost?

Mr. McCLELLAN. Mr. President, I do not understand that it will cost anything. The bill simply provides for a transfer of property to be used for park purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

REPORTS ON PUBLIC WORKS PROJECTS

The resolution (S. Res. 136) calling on certain Government departments and agencies for reports on public-works projects for which funds are not available for construction, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 2, after the comma, it is proposed to insert "in 1950"; in the same line, before the word "a", to insert, "and each year thereafter, not later than the first day of January"; and on page 3, after line 8, to insert a new section, as follows:

SEC. 3. Such schedule shall set forth the statement of the statutory authority for such authorized projects.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which was read, as follows:

Resolved, That each of the following is requested to submit to the Senate not later than January 1, 1950, a full and complete schedule of all public-works projects which are under consideration by his department or agency at the time of adoption of this resolution, but for the construction of which

no funds have heretofore been made available (including all projects to be constructed or planned by, or with the assistance of, such department or agency):

(1) The Secretary of the Interior, with particular regard to irrigation, reclamation, and related water resources projects of the Bureau of Reclamation, and to projects for fish hatcheries and wildlife refuges, park and recreation facilities, and geological surveys.

(2) The Secretary of the Army, with particular regard to river and harbor, flood control, and related water resources projects of the Corps of Engineers.

(3) The Secretary of Agriculture, with particular regard to flood control, soil-erosion control, forestry control, and water flow retardation projects.

(4) The Administrator of Civil Aeronautics, with particular regard to airways and airports.

(5) The Administrator of General Services, with particular regard to projects of the Bureau of Public Roads, to local public works planned or to be planned with Federal aid, and to other projects of types administered, prior to the effective date of the Federal Property and Administrative Services Act of 1949, by the Bureau of Community Facilities and the Public Buildings Administration.

(6) The Federal Security Administrator, with particular regard to hospitals and schools.

SEC. 2. Such schedule shall classify such projects into three group as follows: (1) Authorized projects; (2) as yet unauthorized projects which are considered economically advisable at the time of submission of such schedule; and (3) as yet unauthorized projects which are not considered economically advisable at the time of submission of such schedule, but which may become so in time of economic stress. Each such project shall be designated in such schedule by name and location, and there shall be set out in such schedule with respect to each such project, (1) the estimated cost to the Federal Government of such project, and (2) the estimated cost to the Federal Government of completing plans for such project to the point where construction can begin.

The PRESIDING OFFICER. Without objection, the amendments offered by the Senator from New Jersey [Mr. HENDRICKSON] will be considered en bloc. The question is on agreeing to the amendments.

The amendments were agreed to.

The resolution, as amended, was agreed to.

IMPROVEMENT OF POST OFFICE FACILITIES AT LOS ANGELES, CALIF.

The bill (H. R. 1154) to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION OF PUBLIC WORKS FOR THE TERRITORY OF ALASKA

The Senate proceeded to consider the bill (S. 855) to authorize a program of useful public works for the development of the Territory of Alaska, which had been reported from the Committee on Public Works, with amendments.

Mr. HENDRICKSON. Mr. President, I send to the desk three amendments, which I ask to have stated.

The PRESIDING OFFICER. The Clerk will first state the committee amendments.

The amendments were on page 1, line 11, after the word "The" to strike out "Federal Works"; in the same line, after the word "Administrator", to insert "of General Services"; on page 3, line 22, after the word "cost", to insert "or the actual cost, whichever is the lesser"; on page 5, line 20, before the word "be", to strike out "may" and insert "shall", and on page 6, line 21, after the word "the", to strike out "Federal Works Agency" and insert "General Services Administration", so as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Alaska Public Works Act."

SEC. 2. The Congress hereby declares that the purpose of this act is to foster the settlement and increase the permanent residents of Alaska, stimulate trade and industry, encourage internal commerce and private investment, develop Alaskan resources, and provide facilities for community life, through a program of useful public works.

SEC. 3. The Administrator of General Services (hereinafter referred to as the "Administrator") is hereby authorized to accept applications for public works in the Territory of Alaska from the said Territory or from any city, town, district, or other public body in said Territory (said Territory or other public body submitting an application hereunder being hereinafter referred to as the "applicant"). Each of such applications shall include a statement by the Governor of the Territory respecting the need for the public works requested and the financial ability of the applicant to defray the cost of the public works.

SEC. 4. Whenever the Administrator, with the concurrence of the Secretary of the Interior, given after consultation with such other Federal agencies as have a substantial interest in the public works requested in any such application, concludes that such public works, as requested or as revised by him, will effectuate the purposes of this act and should be provided hereunder, he may include them in the program of public works for the Territory of Alaska.

The Administrator is further authorized to provide, within the limits of the appropriations available therefor, any public works included in such program. The authority to provide public works hereunder shall include the power to acquire, construct, and equip public works, clear and improve sites therefor, improve, extend, alter, rehabilitate, repair, or remodel existing public works, and prepare surveys, drawings, specifications, and contract and other construction documents.

As used in this act, the term "public works" is intended to mean public facilities, such as schools, hospitals, sewer, water and other public-utility facilities, wharf, dock and other harbor facilities, bridges, roads, sidewalks, streets, alleys, and other public thoroughfares, college and institutional buildings and facilities (including dormitories and quarters for students, inmates, and employees), libraries, firehouses and other public buildings, incinerators and garbage-disposal facilities, and other public and community facilities.

SEC. 5. The Administrator, in providing public works for any applicant hereunder, shall enter into an appropriate agreement with the applicant pursuant to which the applicant shall agree, in consideration for such public works, to operate and maintain the public works at its own expense and to pay to the United States at such time or times as may be mutually agreed, a purchase price deemed by the Administrator to be reasonable and in the public interest. Such purchase price shall in no event be less than 25 percent nor more than 75 percent of the estimated cost or the actual cost, whichever is the lesser, to the United States of said public works, as determined by the Administrator, and the aggregate amount agreed to be paid by the applicants under all said agreements shall be sufficient, in the determination of the Administrator, to enable the United States to recover in the aggregate not less than 50 percent of the total estimated cost to the United States of all the public works provided under this act. Upon completion of the public works the Administrator shall transfer to the applicant, in conformity with the provisions of said agreement, possession of and all rights, title, and interest of the United States in and to said public works. Any portion of the purchase price remaining unpaid on the date of such transfer, shall bear simple interest at 2 percent per annum from such date to the date of payment.

SEC. 6. To facilitate carrying out the purposes of this act, any applicant hereunder is authorized to enter into agreements with the United States, perform the obligations assumed thereunder, pay to the United States the amount agreed upon for the public works, out of any funds available to the applicant not otherwise appropriated, and, in connection with any project described in any such agreement, incur indebtedness, issue general obligation or revenue bonds, levy taxes which shall be uniform upon the same class of subjects, impose special assessments, fix and collect charges for services rendered by the public works, operate and maintain public works included in said program, acquire by purchase, condemnation, donation, or otherwise such interests in land as may be necessary to provide public works hereunder, and grant to the United States, without reimbursement, any permit, license, or right to use land and other property in the possession of the applicant as may be necessary to enable the Administrator to carry out his functions hereunder. The powers granted under this section shall be in addition to the powers heretofore granted and may be exercised notwithstanding any other provisions of law.

SEC. 7. For the purpose of carrying out this act, any Federal agency having jurisdiction over any interest in land, whether improved or unimproved, necessary for providing public works hereunder may, in its discretion and subject to such conditions as it may determine, transfer jurisdiction thereof to the Administrator upon his request, notwithstanding any other provisions of law, and the Administrator is authorized to acquire jurisdiction over such land and utilize such land for carrying out his functions under this act. The Administrator may also provide public works upon lands of any applicant made available to him for such purpose.

SEC. 8. Except as hereinafter provided, public works shall be provided under this act by the Administrator through the award of contracts in conformity with the provisions of section 3709 of the Revised Statutes. Work estimated to cost less than $25,000 and repairs, improvements, extensions, and alterations to existing public works may be performed by entering into a written contract with any applicant for the performance of such work upon the basis of the United States reimbursing the applicant for its approved legitimate expenditures in connection therewith. Notwithstanding any other provisions of law, applicants are hereby authorized to enter into such contracts with the United States and in performing such contracts are authorized to utilize their officers and employees, equipment, tools, materials, supplies, and other property, to incur necessary debts, and to make necessary expenditures.

SEC. 9. All moneys received by the Administrator under the provisions of any agreement with an applicant shall be covered into the Treasury as miscellaneous receipts.

SEC. 10. In carrying out the provisions of this act, the Administrator is authorized to

utilize and act through other Federal agencies or through any applicant, with the consent of such applicant, and any funds appropriated pursuant to this act shall be available for transfer to any such agency or for payment to any such applicant in reimbursement for services rendered hereunder. The Administrator may delegate any authority conferred upon him under this act to any officer or unit of the General Services Administration and may prescribe rules and regulations for carrying out the provisions of this act.

SEC. 11. There is hereby authorized to be appropriated, to remain available until expended, such sums as may be necessary to carry out the provisions of this act, and for administrative expenses in connection therewith, including the employment of consultants, such as engineers, architects, and other technical experts, in conformity with Public Law 600, Seventy-ninth Congress, except for the rates of compensation which shall be determined by the Administrator, personal services and rental in the District of Columbia, Alaska, and elsewhere, supplies and equipment, travel expenses, transfer of household goods and effects, purchase, repair, operation, and maintenance of motor-propelled passenger-carrying vehicles, printing and binding, purchase and exchange of lawbooks and other reference books, and such other expenses as may be necessary for carrying out this act.

SEC. 12. The authority of the Administrator under this act to provide public works and to enter into agreements with applicants in connection therewith shall terminate on June 30, 1955.

The amendments were agreed to.

The PRESIDING OFFICER. The Clerk will state the amendments offered by the Senator from New Jersey.

The LEGISLATIVE CLERK. It is proposed to strike out line 24 on page 6, line 1 on page 7, and the words on line 2, up to and including the word "act", and to insert in lieu thereof the following:

SEC. 11. There is hereby authorized to be appropriated the sum of $70,000,000 or so much thereof as may be necessary to carry out the provisions of this act.

On page 7, line 15, to strike out section 12, beginning on line 15, and to insert:

SEC 12. The authority of the Administrator under this act to provide public works and to enter into agreements with applicants in connection therewith shall terminate on June 30, 1955, or on the date he obligates for such purposes the total amount authorized to be appropriated hereunder, whichever occurs first;

And on page 4, line 4, after the word "act", to strike out the period, insert a comma and the following: "it being the intent that the Administrator shall ultimately recover and cover into miscellaneous receipts approximately one-half of the total Federal funds expended for the provision of public works under this act."

Mr. HOLLAND. Mr. President, this is a bill reported unanimously by a subcommittee of the Public Works Committee, and then reported unanimously by the full committee. It is a public works bill for the Territory of Alaska. It is based upon rather exhaustive hearings at which the distinguished Governor of the Territory, the distinguished Delegate of the Territory, and various other Territorial officials, such as the chief school officer and the chief health officer, the mayors of the five principal cities of Alaska, and others were present, in addition to representatives of the Army, the Navy, the Interior Department, and the various public works agencies of the United States Government. The purpose of the bill is to permit an accentuation of the public works construction so greatly needed in Alaska, particularly with reference to schools, hospitals, water systems, sewerage systems, and the like.

A very strong case was made for the bill on the ground that the extensive military work going on in Alaska and other Federal works are such as to have brought there a decided addition to the civilian population, which of itself, the Territory and its various subdivisions is wholly unable to take care of.

The purpose of the bill is to permit over the years, ending with the fiscal year 1955, the expenditure of a total sum of $70,000,000 in public works of the category which I have mentioned, but with the definite requirement that 50 percent thereof shall be returned by the various subdivisions of the Territory, or by the Territory itself, as the case may be, depending upon whether the public works are for the benefit of the whole Territory or of the several subdivisions. I may say a strong showing was made that these pioneer communities in Alaska are going the limit to help themselves.

In many instances they have already voted bond issues, such as for instance issues for the construction of schools and hospitals, and the bill would permit the allocation of Federal funds in such a way as to require the reimbursement to the Federal Government in the amount of from 25 percent of the total to 75 percent of the total, as the case may be, but requiring on the over-all 50 percent of the total to be reimbursed to the Government of the United States.

Mr. President, Alaska is an outpost on the northern Pacific, and is being subjected to very heavy strains in its growing, by reason of the Federal demands for taking care of the civilian population, who are sent to Alaska to help serve the military, naval, and other Federal objectives. It is the unanimous opinion of the committee that the bill is highly meritorious and should be passed expeditiously, and the work allowed to proceed.

The amendments suggested, to which the committee agrees, are these, if I may be allowed to state them: First, that the amount of $70,000,000, which was stated in the hearing and stated in the report to be the scope of the program, but which was not stated in figures in the bill, has been actually written into the bill; second, the requirement that instead of running to the end of the fiscal year 1955, that, in the event the $70,000,000 were wholly allocated or wholly expended prior to that time, the authorization would cease at that date even if it were before June 30, 1955.

We have no objection to the adoption of the amendments. They carry out the original purposes of the bill and safeguard them. I hope the amendments will be adopted, and that the bill as amended will be passed.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. I should like to ask the Senator a question. He said these amounts were going to be reimbursed to the Federal Government by the local agencies involved. Under what terms, or how are they to be reimbursed—in cash, over a period of years, or how?

Mr. HOLLAND. In varying terms, as the communities can do it. In some instances they have already sold bonds and have ready their half of the cost of the project; that has to do with various school districts. I may say the committee was interested to find that the costs of construction are of course vastly greater than they are in continental United States, and that in addition to having to provide for temperatures beyond what we have to guard against, the living conditions are so difficult that in most instances living arrangements for the school teachers have actually to be provided in the building itself where the school courses are taught. These communities are going to the limit, we felt, in taking care of their contribution. The reason it was left flexible, I may say to the Senator, as between a 25-percent contribution and a 75-percent contribution, was that there were varying abilities to pay demonstrated on the part of the several school districts and municipalities, and the like, some being able to pay up to 75 percent of the cost of putting in the needed public works, and some being able only up to 25 percent thereof. Discretion is left in the Public Works Administrator to determine as between those figures. But the over-all limitation is placed upon him that he must require reimbursement of 50 percent of the entire amount.

Mr. BUTLER. Mr. President, I rather think it would be interesting at this place in the RECORD to have inserted an article which appeared in the August 4 issue of the Fairbanks Daily News-Miner, entitled "Alaska To Borrow $1,000,000." The article sets forth some rather vital financial facts regarding the condition in Alaska. I suspect Alaska really needs any benefit it may receive as the result of the enactment of the pending bill. I ask unanimous consent to have the article printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALASKA TO BORROW $1,000,000—LOAN WOULD BE MADE BY SEATTLE BANK—TERRITORIAL CITIZENS MUST GUARANTEE $15,000 INTEREST

SEATTLE, August 4.—Alaska Territorial Treasurer Henry Roden announced today that a million dollar bank loan for Alaska is virtually assured.

He said the only remaining barrier is getting private guarantors for the 3 percent interest which will be involved.

LEGISLATURE MUST ACT

He said 15 private citizens will be asked to guarantee $1,000 interest each, pending action by the Territorial Legislature. He said there was no doubt that the 15 can be found and he is confident the legislature will vote at its next session to pay the interest and relieve the individuals of their responsibility.

Roden said he would be 1 of the 15.

The Territorial treasurer disclosed that the loan will be from the Seattle Trust and Savings Bank.

AIR-MAILED TO JUNEAU

He said the precedent of Territorial borrowing without advance legislative approval had been set by the Territorial school board.

The legislature, he said, later approved the Territory's assumption of the interest.

The treasurer said he air-mailed an outline of the plan last night to the board of administration, of which Gov. Ernst Gruening and other Territorial officers are members.

RETURNS HOME TOMORROW

"I am certain they will agree to it," Roden asserted.

The treasurer, who has been here for a week seeking funds with which to free the Territory from its pressing financial difficulties, will fly north tomorrow:

MOUNTING DEFICIT

The shortage of cash in the Territory's general fund to meet current operating expenses reached the unprecedented total of $907,004 in the first 6 months of 1949. This was disclosed in a treasury report from Juneau last month.

Cash on hand at the close of business June 30 was $262,907, the treasurer reported, against which there were unpaid bills amounting to $1,169,911.

The deficit when the books were closed May 31 was $879,032. Thus the shortage increased by $27,972 during the month of June. The total of unpaid bills was up for the month by $123,381.

FROZE EXPENDITURES

Acting to meet the Territory's financial crisis, the board of administration in Juneau late in June "froze" a total of $5,645,498 in projected expenditures of the biennium voted at the last session of the legislature. The total included $1,774,063 which had been appropriated for school construction purposes.

The board's order specified that Territorial salaries, relief funds and school maintenance expenditures were not affected by the action. Two years ago, when a similar crisis confronted the Gruening administration, the board froze expenditures amounting to $1,038,000, at that time regarded as a severe economy move.

LAWYERS MAIN PROBLEM

Roden said here today that the court challenge of the new Alaska tax laws was not a major barrier; that he soon convinced bankers that this was not a problem by the trouble was clearing it with the lawyers.

Roden said there would be ample funds available before January 15 for paying off the borrowed sum. He expressed the belief the receipts from liquor, income, and other taxes would be ample.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from New Jersey, which, without objection, will be considered en bloc.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. McFARLAND. Mr. President, a few moments ago when Calendar No. 741, House bill 5007, was called, the Senator from Maine [Mr. BREWSTER] objected. I am now informed that the Senator made a mistake and that he does not object to the consideration of that bill. I therefore ask unanimous consent that the Senate may return to the consideration of the bill.

Mr. LUCAS. Mr. President, I suggest that it should go to the bottom of the calendar, because if we start that practice now, other Senators will request that we do the same thing in connection with bills in which they are interested. I made the suggestion at the beginning that we go through with the calendar and not go back to other bills until the completion of the call of the calendar. I dislike very much to have to take that position, but I object at the moment.

ADVANCE PLANNING OF PUBLIC WORKS—BILL PASSED OVER

The bill (S. 2116) to provide for the advance planning of public works was announced as next in order.

Mr. TAFT. Mr. President, I object to the consideration of this bill under the unanimous-consent rule. It is a bill which authorizes the expenditure of $100,000,000 by the Federal Government, and should not be passed without very serious consideration of its terms. We did something of that kind just after the war. I think it is very doubtful that it is necessary to make an expenditure which will add $50,000,000, apparently, to the budget, this year, when we already have a deficit, and $50,000,000 next year. I think the administration should assume responsibility for bringing it up for consideration.

Mr. HENDRICKSON. Mr. President, will the Senator withhold his objection for a moment?

Mr. TAFT. Yes.

Mr. HENDRICKSON. The bill is obviously to provide for advance planning of public works. I think the title of the bill should be amended so as to read: "A bill to provide for the advance planning of public works on a non-Federal basis."

I have a second amendment which provides:

The Administrator shall print quarterly, and shall submit to the Senate and the House of Representatives (or to the Secretary of the Senate and the Clerk of the House of Representatives, if those bodies are not in session) a report of his activities and expenditures under this act. Such reports shall, when submitted, be printed as public documents.

Mr. HOLLAND. I would have no objection to those amendments.

The PRESIDING OFFICER. Will the Senator from Florida yield until the committee amendments have been stated?

Mr. HOLLAND. Will the Senator from Ohio withhold his objection so that the bill may be perfected?

Mr. TAFT. I have withheld my objection.

The PRESIDING OFFICER. The clerk will state the committee amendments.

The amendments of the committee were on page 1, line 11, after the word "the", to strike out "Federal Works Administrator" and insert "Administrator of General Services"; on page 2, line 7, after the word "the", to strike out "Federal Works Administrator" and insert "Administrator of General Services"; in line 22, after the word "the", to strike out "Federal Works Administrator" and insert "Administrator of General Services"; on page 3, line 5, after the word "the", to strike out "Federal Works Administrator" and insert "Administrator of General Services", and in line 19, after the word "The", to strike out "Federal Works Administrator" and insert "Administrator of General Services", so as to make the bill read:

Be it enacted, etc., That in order (a) to encourage States and other non-Federal public agencies to maintain a continuing and adequate reserve of fully planned public works (exclusive of housing) readily available for use so as to permit the immediate commencement of construction of such public works when the economic situation may make such action desirable, (b) to enable the United States, through reference to such reserve of fully planned public works as reflected by records maintained and reports issued by the Administrator of General Services, to adapt, insofar as practical and desirable, the planning and construction of needed Federal public works to the particular public works objectives of individual States and other non-Federal public agencies, and (c) thereby to attain maximum economy and efficiency in the planning and construction of local, State, and Federal public works, the Administrator of General Services is hereby authorized, during the period of 2 years immediately following the date upon which this act becomes effective, to make advances, from funds appropriated for that purpose, to the States, their agencies, and political subdivisions (hereinafter referred to as "public agencies") to aid in financing the cost of architectural, engineering, and economic investigations and studies, surveys, designs, plans, working drawings, specifications, procedures, and other action preliminary to the construction of public works (exclusive of housing): *Provided*, That the making of advances hereunder shall not in any way commit the Congress to appropriate funds to undertake the construction of any public works so planned.

SEC. 2. Funds appropriated for the making of advances hereunder shall be allocated by the Administrator of General Services among the several States in the following proportion: 75 percent in the proportion which the population of each State bears to the total population of all the States, as shown by the latest available United States census, and 25 percent in accordance with the needs of the States as determined by the said Administrator: *Provided*, That if the Administrator of General Services determines that any funds so allocated to any State cannot promptly be utilized for effectuating the purposes of this act, he may allocate such funds to any other State or States requiring additional allotments.

SEC. 3. No advance shall be made hereunder with respect to any individual project unless it conforms to an over-all State, local, or regional plan approved by a competent State, local, or regional authority.

SEC. 4. Advances under this act to any public agency shall be repaid without interest by such agency if and when the construction of the public works is undertaken or started. All sums so repaid shall be covered into the Treasury as miscellaneous receipts.

SEC. 5. The Administrator of General Services is authorized to prescribe rules and regulations to carry out the purposes of this act.

SEC. 6. There are hereby authorized to be appropriated such amounts, not to exceed a total of $100,000,000, as may be necessary to effectuate the purposes of this act. Amounts so appropriated shall remain available until expended.

SEC. 7. As used in this act, the term "State" shall include the District of Columbia, Alaska, Hawaii, and Puerto Rico.

The amendments were agreed to.

The PRESIDING OFFICER. The clerk will state the amendments offered by the Senator from New Jersey.

The CHIEF CLERK. On page 3 after line 21, it is proposed to add a new section as follows:

SEC. 6. The Administrator shall print quarterly, and shall submit to the Senate and the House of Representative (or to the Secretary of the Senate and the Clerk of the House of Representatives, if those bodies are not in session) a report of his activities and expenditures under this act. Such reports shall, when submitted, be printed as public documents.

In section 6, page 3, line 22, to strike out "6" and insert "7"; and to amend the title of the bill by inserting the word "non-Federal" after the word "of" and before the word "public."

The amendments were agreed to.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. TAFT. I object.

Mr. HOLLAND. Will the Senator withhold his objection for a moment?

Mr. TAFT. Yes.

Mr. HOLLAND. I have no objection to having the matter heard at length and upon its merits, but I think the Senate should know the nature of the bill, because I think it can be disposed of without full debate.

In the first place, the subcommittee, after study, has unanimously reported the bill; in the second place, the full Public Works Committee has taken the same action. It is an extension of the act referred to by the Senator from Ohio, which was passed in 1944, and under which a considerable backlog of public works was accumulated, some of which has already been realized by actual construction. That backlog is not up to date; it does not take account of the fact that the current recession is on a sort of scattered basis, occurring in some communities and areas of the Nation to a much greater extent than in other such areas.

The purpose of the bill is to expand that program. It will not involve the expenditure of any Federal funds at all, on a long-range basis, because it provides only for advancements, 75 percent of which are to be made among the States on the basis of population, and the other 25 percent to be allocated, depending upon the need, the unemployment, and the recession as it may exist in the period of 2 years covered.

The first of the series of bills referring to public works has already become law, namely, the one for the acquisition of sites and the planning of post offices and other Federal buildings. The Senate has just passed the Alaska public works bill. This measure allows the States and their subdivisions to participate in the planning of public projects. It is highly necessary that the Federal Government take the lead in advancing planning costs, because in most parts of the Nation bond issues are required and elections have to be held before public works can go forward.

It has been found to be not only helpful, but, in many cases, necessary, to have a developed project, with plans already made and the costs already estimated with great certainty, before the public can properly appraise and approve any proposed program in this field. With the present financial situation and the economic condition as it is, this planning was deemed by the committee to be particularly appropriate, and I am sure the members of the other party on the committee feel just as we do about it, and will allow the planning program to go ahead.

I hope the distinguished Senator from Ohio will withdraw his objection and allow the bill to be considered and passed.

Mr. TAFT. I approved the bill at the time of the reconstruction after the war, because there was a tremendous emergency at that time. The effect of this bill is to make the Federal Government assume a responsibility for all local public works. If we want to go into that business, it seems to me this is a substantial step toward the Federal Government's assuming responsibility for everything in the United States. I see no reason why any locality that wants to plan its public works should not do so at its own expense. I see no reason why Federal funds should be called upon by every school district in the United States. They can get schoolhouses planned if they pay an architect on a contingent basis. There is no difficulty about getting money for planning.

This is a proposal to stimulate the construction of more public works. The main purpose is to build up a great backlog of public works. Why? Simply in order that the Federal Government may so manipulate the whole construction program that it may be a part of a general planning program of the Federal Government determined to affect all the economic affairs of the United States by having this weapon by which it can gradually build up construction.

As a matter of fact, construction is at the present moment going forward faster than it has ever done before. It has increased over last year. There is no question that any locality in the United States that wants public works can go ahead and plan for them and get the bonds to construct them, if it wishes to do so.

It is said the money will be paid back. No one knows whether that will be done. Anyone can plan public works at Federal expense and never have to repay the money to the Federal Government. In any event, I feel very strongly that it is a matter which involves the public policy of the United States and it should not be considered under the 5-minute rule.

The PRESIDING OFFICER. The bill will be passed over.

The Secretary will call the next bill on the calendar.

AMENDMENT TO TRADING WITH THE ENEMY ACT

The Senate proceeded to consider the bill (S. 603) to amend the Trading With the Enemy Act, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 8, after the word "deceased", to strike out "persons," and insert "person"; on page 2, line 2, after the word "be", to strike out "made" and insert "made," in line 3, after the word "so", to strike out "designated" and insert "designated,"; in line 4, after the numerals "30", to strike out "1949" and insert "1950"; in line 8, after the word "that", to strike out "it is probable" and insert "there is no basis for reasonable doubt"; in line 16, after the word "gives", to strike out "assurances satisfactory to" and insert "firm and responsible assurance approved by"; in line 18, after the word "will", to insert "sell and dispose of and"; in line 19, after the word "it", to insert "or the proceeds of any such property or interest"; in line 20, after the word "for", to insert "use directly in"; in line 24, after the word "the", to insert "particular"; on page 3, line 1, after the word "member", to insert "and by reason of membership in which such former owner so suffered such deprivation of liberty or so failed to enjoy such rights"; in line 6, after the word "person", to strike out "designated as entitled thereto pursuant to this act by the President or such officer or agency" and insert "whom the President or such officer or agency shall determine to be eligible under section 32 to claim as owner or successor in interest to such owner, by inheritance, devise, or bequest"; in line 11, after the word "made", to insert "to the President, with a copy to be furnished to the Congress"; in line 12, after the word "reports", to insert "(including a detailed annual report on the use of the property or interest returned to it or the proceeds of any such property or interest)"; on page 4, line 4, after the numerals "30", to strike out "1949" and insert "1950", and after line 8, to insert:

SEC. 3. As used in this act, "organization" means only a nonprofit charitable corporation incorporated under the laws of any State of the United States with the power to sue and be sued.

So as to make the bill read:

Be it enacted, etc., That section 32 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, is hereby further amended by adding at the end thereof the following subsection:

"(h) The President may designate one or more organizations as successors in interest to deceased persons who, if alive, would be eligible to receive returns under the provisos of subdivision (C) or (D) of subsection (a) (2) hereof. An organization so designated shall be deemed a successor in interest by operation of law for the purposes of subsection (a) (1) hereof. Return may be made, to an organization so designated, (a) prior to April 30, 1950, or 2 years from the vesting of the property or interest in question, whichever is later, if the President or such officer or agency as he may designate determines from all relevant facts of which he is then advised that there is no basis for reasonable doubt that the former owner is dead and is survived by no person eligible under section 32 to claim as successor in interest by inheritance, devise, or bequest; and (b) after such later date, if no claim for the return of the property or interest is pending.

"No return may be made to an organization so designated unless it files a claim on or before January 1, 1952, and unless it gives firm and responsible assurance approved by the President that (1) it will sell land dispose of and use the property or interest returned to it or the proceeds of any such property or interest for use directly in the rehabilitation and settlement of persons who suffered substantial deprivation of liberty or failed to enjoy the full rights of citizenship within the meaning of subdivisions (C) and

(D) of subsection (a) (2) hereof, by reason of their membership in the particular political, racial, or religious group of which the former owner was a member and by reason of membership in which such former owner so suffered such deprivation of liberty or so failed to enjoy such rights; (ii) it will transfer, at any time within 2 years from the time that return is made, such property or interest or the equivalent value thereof to any person whom the President or such officer or agency shall determine to be eligible under section 32 to claim as owner or successor in interest to such owner, by inheritance, devise, or bequest; and (iii) it will make to the President, with a copy to be furnished to the Congress, such reports (including a detailed annual report on the use of the property or interest returned to it or the proceeds of any such property or interest) and permit such examination of its books as the President or such officer or agency may from time to time require.

"The filing of a claim by an organization so designated shall not bar the payment of debt claims under section 34 of this act."

SEC. 2. The first sentence of section 33 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, is hereby further amended to read as follows:

"SEC. 33. No return may be made pursuant to section 9 or 32 unless notice of claim has been filed: (a) in the case of any property or interest acquired by the United States prior to December 18, 1941, by August 9, 1948; or (b) in the case of any property or interest acquired by the United States on or after December 18, 1941, by April 30, 1950, or 2 years from the vesting of the property or interest in respect of which the claim is made, whichever is later: *Provided*, That return may be made to successor organizations designated pursuant to section 32 (h) hereof if notice of claim is filed by January 1, 1952."

SEC. 3. As used in this act, "organization" means only a nonprofit charitable corporation incorporated under the laws of any State of the United States with the power to sue and be sued.

The amendments were agreed to.

Mr. DONNELL. Mr. President, I call the attention of the Senator from Nevada to the fact that it was contemplated in the committee that on page 4, line 11, there should be inserted, after the name "United States", the words "or of the District of Columbia."

Mr. McCARRAN. That is correct.

Mr. DONNELL. I ask unanimous consent that the vote by which the committee amendment was agreed to be reconsidered, and that the amendment may be amended as suggested.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. O'MAHONEY. Mr. President, I should like to ask if any Senator knows, or if the report of the committee indicates, whether this bill involves any cost to the Government of the United States.

Mr. McCARRAN. It does not. It is not intended to involve any cost to the Government.

Mr. O'MAHONEY. I observe that a great many amendments were agreed to, which are committee amendments. We are without copies of the bill. I wonder if the Senator will be good enough to give us an explanation of the purpose and effect of the changes in the Trading With the Enemy Act.

Mr. McCARRAN. Briefly stated, the purpose of the proposed legislation, as amended, is to enable the Government to turn over property which was vested from persecuted persons, not known to have been such at the time of the vesting, who died without heirs, through organizations designed by the President, which will use the property for the rehabilitation and resettlement of the persecuted persons.

The bill was introduced by the Senator from Ohio [Mr. TAFT], it was the subject of long and continued study on the part of a subcommittee, then on the part of the full Committee on the Judiciary. Judge Patterson appeared before the subcommittee, according to my recollection, on two and perhaps three different occasions. He was advocating the bill very ardently. In his presence, and by his suggestion in many instances, and on the suggestion of the members of the subcommittee in other instances, amendments were put into the bill which I believe strengthen it, and make it worth while at the present time. The object of the bill is as I have stated.

I invite Senators to look at the calendar print of the bill and notice the many amendments, which clearly indicate the great care with which this matter was considered by the Committee on the Judiciary. The Senator from Missouri [Mr. DONNELL], the Senator from Michigan [Mr. FERGUSON], and the Senator from Rhode Island [Mr. McGRATH], as well as other members of the committee, all took a very active part in perfecting the bill. Judge Robert Patterson, of New York, appeared before the committee on three occasions, I think, to testify with regard to the bill, and some of the perfecting amendments are his suggestions.

Mr. O'MAHONEY. Mr. President, I thank the Senator for making the explanation. I have been handed a copy of the report, which indicates that the Department of Justice has approved the bill and recommends its enactment.

Mr. McCARRAN. That is correct.

Mr. O'MAHONEY. I thank the Senator.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OSMORE H. MORGAN

The Senate proceeded to consider the bill (S. 472) for the relief of Osmore H. Morgan, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 5, after the words "with the", to strike out "Bureau of Employees' Compensation" and insert "Federal Security Administrator"; and to add a section at the end of the bill, so as to make the bill read:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1946 ed., title 5, secs. 765–770), are hereby waived in favor of Osmore H. Morgan, of Bremerton, Wash., and his claim for compensation for disability resulting from an injury to his right knee sustained on October 10, 1939, while he was engaged in delivering mail in the performance of his duties as a letter carrier in the employ of the postal service, is authorized and directed to be considered and acted upon under the remaining provisions of such act, as amended, if he files such claim with the Federal Security Administrator not later than 60 days after the date of enactment of this act.

SEC. 2. In considering and acting upon such claim as may be filed under the authority of this act, the Federal Security Administrator is hereby authorized to determine the date upon which compensation found to be due, if any, shall begin to accrue.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 55) favoring the suspension of deportation of certain aliens was considered, and agreed to, as follows:

Resolved, etc., That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A–6097022, Alexander, Leonora Fajardo.

A–3059032, Ali, Usman, or Usman John Ali or John Ali or Resman Ali.

A–6438024, Arce Y Castro, Jose Alfonso Villa, or Jose Villa Arce.

A–5403438, Arce, Maria Elena Villa (nee Celic).

A–1847610, Ardito, Maria Rose (nee Maria Rose Ferraris).

A–6153593, Ancheta, Cresenciana (nee Luna, formerly Cala).

A–6261665, Apostolopoulos, Virginia, or Virginia Socrates Apostolopoulos or Virginia Leondaridou (maiden name).

A–6857751, Armendariz, Antonio.

A–6857750, Armendariz, Samuel.

A–5730160, Atwood, Amalie Lena (nee Knauer or Amalie Lena Kasper).

A–5669130, Bertone, Domenico.

A–7766712, Bethel, Verona Malissa Smith.

A–1250900, Boksh, Khuda or Kuda, or Khuda Bakesh or Bokah Normahand or Bokar Noor Morawed.

A–5975651, Bon, Chan, or Chu Bond or Chin Band.

A–5122763, Bourelos, Peter or Panagiotis.

A–5673753, Buchreiter, Wilheim, or Wilheim Buchveiter.

A–5242746, Buzan, Roko Josip, or Joseph Buzan.

A–6001952, Caldeira, Antonio Pedro.

A–5869650, Caltagirone, Angelo Amente.

A–9764548, Candiano, Carmelo.

A–6190180, Cardenas-Valdes, Ernesto.

A–1513767, Chung, Jackson, or Benedict Chung or Chia-Shan Chung.

A–5914483, Chung, Su Min Yang.

A–380351, Conti, Vincent, or Vincenzo Conti.

A–5783561, Creque, Renold Valiston.

A–5664119, Crisalli, Saverio, or Sam Crisalli or Samuel Crisalli.

A–6881280, De Badilla, Abigail Salazar, or Abigail Salazar-Medina or Abigail Salazar-Valenzuela.

A–5545483, Debs, Elias Joseph, or Elias Jose Debs.

A–6242286, De Guevara, Laura Violeta Carrasco (nee Carrasco).

A–6242287, Guevara, Teodoro Ivan.

A–3135984, De Perez, Maria Lazara Del Rosario Nares, or Rosa Nares De Perez or Rosa N. Perez or Rosa Nares.

A–5953936, Donovan, Anghela Belin.

A-3794795, Dukarm, Caspar Michael, or Caspar Dukram or Casper Duckerm.
A-4286237, Dukarm, Elizabeth Marie, or Elisabeth Dukarm or Elizabeth Duckerm (nee Reisinger or Risinger).
A-7768969, Edbom, Yvonne Marie.
A-5755170, Fermo, Libero Valerio, or Larry Libero Fermo or Larry L. Fermo.
A-5334443, Fisher, Janet Stobie (nee Foster, formerly Derane).
A-6363975, Garbi, Elena, or Helen Garbi.
A-6325053, Garbi, Florica, or Mary Garbi.
A-6424158, Garcia, Jose.
A-6424153, Garcia, Juan Manuel.
A-6479673, Garcia-Tunon, Maria Lourdes (alias Maria Lourdes Gil-Borges).
A-6461623, Garcia-Tunon, Diana Maria.
A-5916590, Georgelis, Pantelis.
A-4175824, Gerda, Juraj John, or George John Sable.
A-6919777, Godley, Noel Francis.
A-6238513, Gomez-Franco, Evangelina Alicia.
A-3662017, Gonatas, Panagiotis, or Panagis Gonatas or Panagis Gonatos or Pete Gonatas or Pete Gonatos.
A-1382931, Goureghian, Zakar.
A-4823242, Grabovsky, Ferinand, or Fred Grabovsky.
A-6608775, Guerrero, Dolores, or Dolores Guerrero-Hughes and Dolores Sanchez.
A-2588024, Harmon, Beatrice Grace (nee Vatcher, formerly Chatterton).
A-6213708, Hernandez, Josephine.
A-1418418, Hoogeveen, Henry Peter.
A-7768282, Horasanciyan, Hacik (alias Horasan).
A-5765062, Horlick, David Richard.
A-6587152, Jackson, Susana, or Susana Bohn.
A-7556562, Jaquillard, Lilavati, or Lillavati Tankha or Lilavati Das Verma.
A-2776290, Kahn, Akram, or Mohamed Akram or John Elk or Chief Running Elk.
A-3961261, Karistinos, Michael John, or Michael John Karystinos or Mike Karis.
A-6051253, Kondaks, Della, or Della Epaminondou or Ayton.
A-2898989, Kouvakas, George.
A-2632458, Kouvoutsakis, Nicholas Polychronis, or Nick Ponis Kouboutsakis or Nick Couvoutsakis or Kouvoutsakis.
A-6151550, Lazaga, Robert David.
A-6151557, Lazaga, Leon Marfa.
A-6151559, Lazaga, Mario Gregory.
A-6151549, Lazaga, Leon Keene, Jr.
A-5249490, Lindemann, Alexander Maria.
A-5249489, Lindemann, Margit or Grete or Margrete (nee Liebermann).
A-7731189, Lo, Chien-Pen, or Lo Chien-Pen.
A-6008939, Lo, Lucy Ju-Yung Chu.
A-3936200, Marchwinski, Waladslaw or Roy Benson.
A-3669827, Mark, Ho, or Charles Mark.
A-6716138, Martin, Stanley Valentine, or Stanley Valentine Martine.
A-5263015, McChane, Maria, or Mary Dorothea, formerly Veasin or Visn (nee Schakohl).
A-6261591, Michalitsis, Stergiana (nee Stamboule).
A-4179719, Montecalvo, Michele.
A-6861484, Montoya-Juarez, Gregorio, or Gregorio Martinez-Juarez.
A-9769751, Le Moullec, Guillaume.
A-6145873, Murphy, Josefina Balgos.
A-3076753, Navarrete, Guillermo.
A-6171193, Nazon, Maurice Louis.
A-5278106, Neuland, August Peter Waldemar.
A-6344097, Nicolaides, Petros Louisos, or Petros Louisos Brotsis, also known as Peter Louis Brotsis).
A-6005189, Nielsen, Maria Galindo (nee Maria Galindo-Jimeno).
A-5447793, Novo, Antonio Felicio.
A-7054952, Ochoa, Diana.
A-5626245, Oyama, Yaichiro, or Joe Oyama.
A-3790446, Paananen, Helvi Irja (nee Mustaniemi; alias Aili Anderson).
A-6261582, Pappadina, Ourania.
A-5187918, Pattison, Clyde Russell.
A-4331862, Petersen, Kaj Valdemar.
A-6261578, Petkanas, Malamati (nee Masura or Massoura).
A-9670818, Pilostomos, Costas, or Constantinos Pilostomos.
A-5040625, Pinchot, Alexandra, or Alexandra Penchaszadeh.
A-6350819, Rahimi, Bahram, or Bahram Rahimi Nassimi, or Henry Moore.
A-5013124, Reisinger, Elena, or Elene or Ilona or Elien Reisinger (nee Goldmann).
A-6460330, Roberts, Joseph Edward.
A-4746492, Rodriguez, Luz Zamora, or Lucy Zamora Ramirez.
A-5880782, Rogers, Alphaeus Albear.
A-3624174, Romanovich, Xenia or Senka or Xenia or Senka Romanowitz (nee Gurgula Sowa).
A-5707236, Russo, Giovanni Guiseppe, or Giovanni Guiseppe Russi.
A-5171391, Saglimbene, Catino, or Agitano Seglimbene or Roberto or Robert Sessa.
A-4435453, Schauer, Solomon, or Sam Schauer.
A-2686911, Schultz, Anton, or Tony Schmidt.
A-5123434, Sibilio, Leonardo.
A-4174214, Singh, Labn.
A-6329548, Sletner, Doris Lydia.
A-6233014, Spirakis, Angeliki Pantelis (nee Moschouris).
A-4848232, Staudte, Albert George.
A-1704725, Steiner, Eugen.
A-1704797, Steiner, Alzbeta (nee Sedlakova, also known as Alzbeta Stein).
A-6064606, Suarez, Carlos Jesus, or Carlos Jess Suarez.
A-3243346, Sun, Yun Pei.
A-5400331, Tjoitis, Nicolaos A.
A-5887881, Tortoro-Silvi, Vicente, or Vicente Silvi.
A-6345253, Tsuyas, Lefkothea, or Gargatsuya (nee Alexiou).
A-6339279, Valdes-Rodriguez, Julian Evelio, or Evelio Valdes Rodriguez.
A-3492573, Varchola, Jan, or John Varhola.
A-5155933, Weir, Edward, or Edward Weia or John Wilson or "Scotty."
A-2260781, Zauner, Frank.

JOHN JOSEPH McKAY

The bill (S. 212) for the relief of John Joseph McKay was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws, and notwithstanding the provisions of section 12 of the Immigration Act of 1924, as amended, John Joseph McKay, of Kimberley, British Columbia, and now temporarily in Deer Lodge, Mont., who was born of Canadian parents in Macao, a colony or dependency of Portugal, shall be deemed to have been born in the Dominion of Canada.

DANIEL GEORGE FISCHER AND LADISLAS (VASILE) TAUB

The bill (S. 296) for the relief of Daniel George Fischer and Ladislas (Vasile) Taub was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Daniel George Fischer and Ladislas (Vasile) Taub, nephews of Dr. Alexander Fischer, of Hamden, Connecticut, shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of their last entry into the United States, upon payment by them of the required head taxes and visa fees.

SEC. 2. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct two numbers from the nonpreference category of the first available immigration quota for nationals of Rumania.

GABE BUDWEE

The bill (S. 309) for the relief of Gabe Budwee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of the eleventh category of section 3 of the Immigration Act of 1917 (8 U. S. C. 136 (e)), Gabe Budwee, the husband of an American-born citizen of the United States, and the father of two minor citizens of the United States, who aided in the war effort by his employment as a civilian by the United States Army in Australia, during World War II, may be admitted to the United States for permanent residence under the Immigration Act of May 26, 1924, if he is found otherwise admissible under the provisions of the immigration laws.

McCORMICK ENGINEERING CO. AND JOHN E. PRICE

The bill (S. 557) for the relief of the McCormick Engineering Co. and John E. Price, an individual doing business as the Okeechobee Construction Co., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the McCormick Engineering Co. and John E. Price, an individual doing business as the Okeechobee Construction Co., the sum of $3,338.20, in full satisfaction of their claim against the United States for reimbursement for deductions made by the United States from payments upon a contract for work in the elimination of flight hazards at Hendricks Field, Fla. (War Department No. W-08-120-eng-195, dated December 6, 1943), which deductions were made for the rental of certain units of equipment obtained by claimants from the United States in reliance upon advice received from the War Department representative in charge to the effect that such equipment would be needed for the performance of additional work which was not in fact performed because of a later change in War Department plans: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

CLAIMS IN CONNECTION WITH CONSTRUCTION OF UNITED STATES APPRAISERS BUILDING, SAN FRANCISCO, CALIF.

The bill (S. 794) for the relief of certain contractors employed in connection with the construction of the United States Appraisers Building, San Francisco, Calif., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. HENDRICKSON. Mr. President, in view of the fact that there are three Government agencies which oppose the

bill, I think we should have an explanation of it.

Mr. McCARRAN. Mr. President, the purpose of the proposed legislation is to pay to the following firms in full satisfaction of their respective claims against the United States for compensation for losses arising out of the performance of contracts or subcontracts in connection with the construction of the United States Appraisers Building, San Francisco, Calif.: Carthage Marble Co., $2,902.33; Herman Lawson Co., $105,286.51; James A. Nelson Co., $40,892.56; George F. Brayer Co., $23,910.04; and American Terrazzo Co., $9,283.

The amounts claimed by the claimants arise out of their performance of subcontracts with the Clinton Construction Co. in the construction of the United States Appraisers Stores and Immigration Station Building in San Francisco, Calif., under contract WA1pb-1476 entered into with the Public Buildings Administration during July 1940. With the advent of war these contractors suffered losses due to a lack of effective priorities and the scarcity and inefficiency of labor. Costs were increased through Government restrictions on the use of specific products and the necessity for increasing the number of workers, with the accompanying overtime in order to attract labor. Despite these difficulties these contractors struggled through to the completion of this building at a time when both labor and materials were almost impossible to secure and when circumstances would have justified a cessation of construction work. Had this contract been discontinued for the duration of the war and completed at this time, the final cost of construction would have greatly exceeded the sum actually spent for the completion of the building during the war years.

Apparently, the present contract, which is the subject of this claim, was entered into when there was no likelihood of war and therefore, of course, there were no provisions entered into that would take care of that possibility. Nevertheless, the claimants completed the contract for the Government admittedly at a loss and when they would have been justified in ceasing construction. It therefore appears that the efforts on the part of the claimants were of a patriotic character and that they should not suffer a loss by reason of their diligence. Under the circumstances, equity should require that these claimants be reimbursed to the extent of the actual losses suffered by them through no fault of their own.

These actual losses were established to the satisfaction of the Committee on the Judiciary by evidence which we thought was competent.

Mr. MORSE. Mr. President, will the Senator from New Jersey withhold his objection so I may make an explanation of the bill?

Mr. HENDRICKSON. Yes.

Mr. MORSE. First, I wish to correct a statement on page 2 of the committee report which says, "The reports of the Federal Works Agency and the Department of Justice, indicate that the claims should not be considered favorably."

The report is in error as to the Federal Works Agency, Mr. President, because the Federal Works Agency wrote this bill. The bill was written by the Federal Works Agency after my consultation with them, on their assurance that it was a legitimate claim, because the Senator from Oregon does not support claims bills which he is not satisfied are not thoroughly legitimate. The Senator from Oregon went down to the Federal Works Agency and discussed this matter, at the request of Oregon constituents and also at the request of individuals in California. After conferences with the Federal Works Agency, there being at the time of the first conference some question as to the original amount, the junior Senator from Oregon said he would not introduce any bill unless the Federal Works Agency would go into the question of the amount due, and would furnish him a statement as to the exact amount due, and an assurance that the claim was a legitimate one and should be paid by the Federal Government. With that assurance, Mr. President, and with the bill being sent to his office from the Federal Works Agency, the bill was introduced.

The Senator from Nevada has, I think, made a very fair statement respecting the equities in this situation, because we are dealing here with equity. Had these companies done what might have been expected of them in the first instance, they would have stopped construction on these Federal works at the very beginning of the war. But it was the Federal Government that urged them to continue, in spite of the shortage of material, in spite of the labor problems with which they were confronted, and they went on with the contract although they could have stopped and have saved themselves from these losses.

Mr. President, although the amounts are large, I do not think that fact should in any way cause the Senate to refuse to grant equity where equity is due. I am satisfied that this is a clear case where equity is due, and it would be very unfair of us to deny to these companies the amount provided for in the bill.

Mr. McCARRAN. Mr. President, let me say that if these contracts had been entered into during the war these contractors would have been entitled, as a matter of law, to these sums under the Lucas Act passed after the war.

Mr. HENDRICKSON. Mr. President, I wonder if the distinguished Senator from Oregon would comment upon that portion of the Department of Justice letter which appears in the report, as follows:

> There is no apparent justification for according special treatment to this group of applicants.

Mr. MORSE. Mr. President, I do not think we are according special treatment to anyone when we are doing equity, when we are paying people what is justly due them from the Government. I simply disagree with the conclusion of the Department of Justice. I want to say with respect to such claim bills that I think we make a great mistake if we permit an adverse report by any Government agency to be controlling of our judgment in these matters. It seems to me that too frequently the mere filing of an adverse report by a Government agency is accepted by the Senate as final in the premises. The reason so many of these matters become claims is because the Department of Justice or some other department feels that under existing rules it cannot do equity, and it is for us to do the equity. When we have the Federal Works Agency, under whose rules the work was done, telling us by actually preparing the bill that we should do equity in this case, I prefer to take the judgment of the Federal Works Agency respecting the equity of the matter to the position taken by the Department of Justice.

Mr. HENDRICKSON. Mr. President, I thank the Senator from Oregon for a very instructive explanation.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 794) for the relief of certain contractors employed in connection with the construction of the United States Appraisers Building, San Francisco, Calif., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following-named firms the sums herein specified, in full satisfaction of their respective claims against the United States for compensation for losses arising out of the performance of contracts or subcontracts in connection with the construction of the United States Appraisers Building, San Francisco, Calif.: Carthage Marble Co., $2,902.23; Herman Lawson Co., $105,286.51; James A. Nelson Co., $40,892.56; George F. Brayer Co., $23,910.04; and American Terrazzo Co., $9,283: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with any such claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ASCANIO COLLODEL

The bill (S. 916) for the relief of Ascanio Collodel, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws Ascanio Collodel, of Bridgeport, Conn., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his actual entry into the United States, upon the payment by him of the visa fee of $10 and the head tax of $8.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Italy.

PERSEPHONE POULIOS

A bill (S. 1145) for the relief of Persephone Poulios was considered, ordered

to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Persephone Poulios. From and after the date of enactment of this act the said Persephone Poulios shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

SEC. 2. In the administration of the immigration and naturalization laws, the said Persephone Poulios, who was temporarily admitted into the United States on December 17, 1945, shall be considered as having been lawfully admitted for permanent residence as of the date of her last entry into the United States.

SEC. 3. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Greece.

JAMES HUNG LOO

The bill (S. 1446) for the relief of James Hung Loo, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, James Hung Loo, of Washington, District of Columbia, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required visa fee and head tax. Upon enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

DR. LUDOVIT RUHMANN

The bill (S. 1565) for the relief of Dr. Ludovit Ruhmann was announced as next in order.

Mr. SCHOEPPEL. Mr. President, by request, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. McCARRAN. Mr. President, will the Senator kindly state the Senator who makes the request?

Mr. SCHOEPPEL. The Senator from South Dakota [Mr. MUNDT].

LOUIS ESPOSITO

The bill (H. R. 748) for the relief of Lou's Esposito was considered, ordered to a third reading, read the third time, and passed.

JOHN AARON WHITT

The bill (H. R. 1017) for the relief of John Aaron Whitt was considered, ordered to a third reading, read the third time, and passed.

JANSSON GAGE COMPANY

The bill (H. R. 1034) for the relief of Jansson Gage Co. was considered, ordered to a third reading, read the third time, and passed.

AGNESE R. MUNDY

The bill (H. R. 1055) for the relief of Agnese R. Mundy was considered, ordered to a third reading, read the third time, and passed.

MRS. T. A. ROBERTSON

The bill (H. R. 1282) for the relief of Mrs. T. A. Robertson was considered, ordered to a third reading, read the third time, and passed.

E. NEILL RAYMOND

The bill (H. R. 1459) for the relief of E. Neill Raymond was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF JOSEPHINE PEREIRA

The bill (H. R. 1857) for the relief of the estate of Josephine Pereira was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF KENNETH N. PEEL

The bill (H. R. 2095) for the relief of the estate of Kenneth N. Peel was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF W. M. WEST

The bill (H. R. 2239) for the relief of the estate of W. M. West was considered, ordered to a third reading, read the third time, and passed.

LEGAL GUARDIAN OF ARTHUR EARL TROIEL, JR., A MINOR

The bill (H. R. 2253) for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor, was considered, ordered to a third reading, read the third time, and passed.

CHARLIE HALES

The bill (H. R. 2456) for the relief of Charlie Hales, was considered, ordered to a third reading, read the third time, and passed.

PAUL C. JUNEAU

The bill (H. R. 2806) for the relief of Paul C. Juneau, was considered, ordered to a third reading, read the third time, and passed.

LORETTA B. POWELL

The bill (H. R. 2807) for the relief of Loretta B. Powell, was considered, ordered to a third reading, read the third time, and passed.

LESTER B. McALLISTER AND OTHERS

The bill (H. R. 3461) for the relief of Lester B. McAllister and others was considered, ordered to a third reading, read the third time, and passed.

NELSON BELL

The bill (H. R. 3501) for the relief of Nelson Bell was considered, ordered to a third reading, read the third time, and passed.

MRS. DOROTHY VICENCIO

The Senate proceeded to consider the bill (H. R. 631) for the relief of Mrs. Dorothy Vicencio, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 4, after the word "Navy", to strike out "truck. No" and insert "truck: *Provided*, That no part of the amount provided for in this act shall be subject to any claim for reimbursement to any insurance company or compensation insurance fund which may have paid any amount to the claimant herein by reason of the death of Raymond Vicencio: *And provided further*, That no."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LEGAL GUARDIAN OF LENA MAE WEST, A MINOR

The bill (H. R. 1285) for the relief of the legal guardian of Lena Mae West, a minor, was announced as next in order.

Mr. TOBEY. Mr. President, I address my remarks to the distinguished Senator from Nevada [Mr. McCARRAN]. With reference to House bill 1285, calendar No. 791, for the relief of the legal guardian of Lena Mae West, a minor, will the Senator kindly inform me if she is any relation to the distinguished Mae West of immortal fame?

Mr. McCARRAN. Mr. President, inasmuch as I am not an expert on relationship, I cannot answer the Senator.

Mr. TOBEY. Is she of the same blood?

Mr. McCARRAN. I do not think she is of the same blood.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 1285) for the relief of the legal guardian of Lena Mae West, a minor, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 7, after the word "of", where it occurs the first time, to strike out "$5,000" and insert "$1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HARRY WARREN

The Senate proceeded to consider the bill (H. R. 1505) for the relief of Harry Warren which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the words "sum of", to strike out "$1,212" and insert "$576."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLAIM OF BREINIG BROS., INC.

The Senate proceeded to consider the bill (H. R. 1604) conferring jurisdiction upon the Court of Claims to hear and determine the claim of Breinig Bros., Inc., which had been reported from the Committee on the Judiciary with an amendment on page 1, line 8, after the word "claimant", to strike out "for" and insert "from."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

F. DuWAYNE BLANKLEY

The Senate proceeded to consider the bill (S. 1604) for the relief of F. DuWayne Blankley, which had been reported from the Committee on the Judiciary with

an amendment, to strike out all after the enacting clause and insert:

That jurisdiction is hereby conferred upon the United States District Court for the District of New Mexico to hear, determine, and render judgment upon the claim of F. DuWayne Blankley, of Albuquerque, N. Mex., for compensation for personal injuries and loss of earnings sustained by him and for reimbursement of hospital, medical, and other expenses incurred by him as a result of an accident, which occurred when the motorcycle upon which he was riding collided with a United States Army vehicle at or near the intersection of Mountain Road and North Second Street in the city of Albuquerque, N. Mex., on March 8, 1944.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act. Proceedings for the determination of such claim, and appeals from and payment of any judgment thereon shall be in the same manner as in the case of claims over which such court has jurisdiction under the provisions of title 28, United States Code, section 1346.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the District of New Mexico to hear, determine, and render judgment upon the claim of F. DuWayne Blankley."

BILL PASSED OVER

The bill (S. 2294) to amend the Contract Settlement Act of 1944, so as to authorize the payment of fair compensation to persons contracting to deliver strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. I ask that the bill go over.

The PRESIDING OFFICER. The bill is passed over.

ADDITIONAL REHABILITATION ASSISTANCE FOR PARALYZED VETERANS

The Senate proceeded to consider the bill (S. 2146) to provide certain additional rehabilitation assistance for veterans paralyzed from service-connected brain injury in order to remove an existing inequality, which has been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That subsection (g) of section 1, title I, Public Numbered 2, Seventy-third Congress, as added by Public Law 702, Eightieth Congress, approved June 19, 1948, is hereby amended to read as follows:

"(g) any person who served in the active military or naval service of the United States who is entitled to compensation under the provisions of Veterans Regulation Numbered 1 (a), as amended, for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude locomotion without the aid of braces, crutches, canes, or a wheel chair, shall be entitled to assistance in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the person's disability, and necessary land therefor, subject to the provisions and limitations of Veterans Regulation Numbered 1 (a), as amended, part IX."

SEC. 2. Paragraph 1, part IX, of Veterans Regulation Numbered 1 (a), as added by Public Law 702, Eightieth Congress, approved June 19, 1948, is hereby amended to read as follows:

"1. The Administrator of Veterans' Affairs is authorized, under such regulations as he may prescribe, to assist any person (hereinafter referred to as 'veteran') who served in the active military or naval service of the United States, who is entitled to compensation under the provisions of this regulation for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude locomotion without the aid of braces, crutches, canes, or a wheel chair, in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, and necessary land therefor: *Provided*, That the regulations of the Administrator shall include, but not be limited to, provisions requiring findings that (a) it is medically feasible for such veteran to reside in the proposed housing unit and in the proposed locality; (b) the proposed housing unit bears a proper relation to the veteran's present and anticipated income and expenses; and (c) that the nature and condition of the proposed housing unit are such as to be suitable to the veteran's needs for dwelling purposes."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide certain additional rehabilitation assistance for certain seriously disabled veterans in order to remove an existing inequality."

ADDITION OF CERTAIN LANDS TO ROCKY MOUNTAIN NATIONAL PARK, COLO.

The Senate proceeded to consider the bill (H. R. 3440) for the addition of certain lands to Rocky Mountain National Park, Colo., and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 2, line 18, after the words "average of", to strike out "two" and insert "five."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RADIO LABORATORY BUILDING, BUREAU OF STANDARDS

The Senate proceeded to consider the bill (S. 443) to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of this measure and a statement as to the probable cost?

Mr. JOHNSON of Colorado. Mr. President, the cost is $4,475,000 for the building, but that does not include the land upon which the building will be constructed.

The purpose of this bill is to promote the study of the characteristics of radio-wave propagation. The bill was reported from the Committee on Interstate and Foreign Commerce by a unanimous vote. The Commerce Department, the Treasury Department, the Federal Works Agency, the Federal Communications Commission, and the National Military Establishment are all enthusiastically in favor of the bill. The purpose of the work contemplated is to test the effect of moisture and atmospheric changes on electronics, such as radio and other frequencies which are used, including television. It is of great military and commercial importance. The bill certainly should be enacted.

So far as the site is concerned, there is no determination in the bill as to the specific location. It was recommended by the military and by the Department of Commerce that the building be not located on the present grounds of the Bureau of Standards. It is an important military building. It is not a large building, but it must be built under such specifications that the cost is considerable. The building will have a copper roof, for example. On top of the copper roof there will be a tile roof. It has other important features which will cost a great deal of money. Reading from the report:

For example, it will be necessary to shield electrostatically about one-third of the building above the ground; rooms in this portion would require special temperature and humidity controls; many of the rooms will require elaborate sets of coaxial and waveguide fittings; the entire building will require a copper roof which in turn will have to be covered with a protective tile wearing surface, thus requiring special structural support, a sub-basement will be necessary with specially equipped vaults to house crystal clocks, the latter necessary in radio propagation studies.

At the present time some of this research work on electronics is being done in various buildings at the Bureau of Standards, but the work is so delicate and important, and the facilities now being used for these purposes are so much needed for their original purposes that the recommendation comes to us from all these departments that the building be constructed. I think it is very important militarily.

Mr. SCHOEPPEL. Are not universities and other agencies engaged in a similar type of activity at the present time?

Mr. JOHNSON of Colorado. I think perhaps some of them are, but whether they are able to do as complete a job and as delicate a job as is required in this instance by the military is very questionable. I do not think any university is doing a perfect enough job to make the determination which the military requires. This is a military measure.

The PRESIDING OFFICER. The clerk will state the committee amendments.

The first amendment of the Committee on Interstate and Foreign Commerce was, at the top of page 2, to insert a new section, as follows:

SEC. 2. The Secretary of Commerce is authorized to acquire, by purchase, condemnation, or otherwise (including transfer with or without compensation from Federal agencies), such lands, estates in lands, and appurtenances thereto as may in his opinion be necessary or desirable for the construction of buildings to house activities of the National Bureau of Standards: *Provided*, That

the site therefor shall be selected after consultation with the Director of the National Bureau of Standards.

The amendment was agreed to.

The next amendment was on page 2, line 10, after "SEC.", to strike out "2" and insert "3."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be constructed and equipped for the National Bureau of Standards a suitable radio laboratory building, together with necessary utilities and appurtenances thereto, under a limit of cost of $4,475,000: *Provided*, That such limit of cost may be exceeded or shall be reduced by an amount equal to the percentage increase or decrease, if any, in construction costs generally dating from March 1, 1948, as determined by the Federal Works Administrator.

SEC. 2. The Secretary of Commerce is authorized to acquire, by purchase, condemnation, or otherwise (including transfer with or without compensation from Federal agencies), such lands, estates in lands, and appurtenances thereto as may in his opinion be necessary or desirable for the construction of buildings to house activities of the National Bureau of Standards: *Provided*, That the site therefor shall be selected after consultation with the Director of the National Bureau of Standards.

SEC. 3. There are hereby authorized to be appropriated to the Secretary of Commerce, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act: *Provided*, That such sums so appropriated, except such part thereof as may be necessary for the incidental expenses of the Department of Commerce, shall be transferred to the Public Buildings Administration in the Federal Works Agency.

NIAGARA FALLS BRIDGE COMMISSION

The Senate proceeded to consider the joint resolution (H. J. Res. 208) to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938, which had been reported from the Committee on Foreign Relations with an amendment on page 2, at the beginning of line 6, to strike out "near" and insert "north of."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SICK LEAVE FOR PUBLIC HEALTH OFFICERS

The bill (S. 2160) to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first sentence of subsection (c) of section 208 of the Public Health Service Act, as amended (42 U. S. C., ch. 6 A), is amended to read: "In accordance with regulations of the President, commissioned officers of the Regular Corps and officers of the Reserve Corps on active duty may make allotments from their pay."

SEC. 2. Title II of such act is further amended by adding at the end thereof the following new section:

"ANNUAL AND SICK LEAVE

"SEC. 219. (a) In accordance with regulations of the President, commissioned officers of the Regular Corps and officers of the Reserve Corps on active duty may be granted annual leave and sick leave without any deductions from their pay and allowances: *Provided*, That such regulations shall not authorize annual leave to be accumulated in excess of 60 days.

"(b) When an officer described in subsection (a) of this section is absent without leave, he shall forfeit all pay and allowances during such absence, unless such absence is excused as unavoidable.

"(c) Except in cases of emergency, no annual leave shall be granted to an officer described in subsection (a) between the date upon which such officer applies for, or the Service directs, his retirement, separation, or release from active duty, whichever date is the earlier, and the effective date of such retirement, separation, or release from active duty. If such officer is credited with unused accumulated and accrued annual leave on the date of his separation, retirement, or release from active duty, he shall, in the event that his application for such leave is approved by the Surgeon General, be compensated for such leave in a lump-sum payment on the basis of his base and longevity pay, his allowance for subsistence, and the allowance for rental of quarters whether or not he is receiving such allowance on such date: *Provided*, That no lump-sum payment shall be made for such unused leave to an officer whose commission expires or is terminated but who, without a break in active service, accepts a new commission, or to an officer who is retired for age in time of war but who is continued on or recalled to active duty without a break in active service, or to an officer who is transferred to another department or agency of the Government under circumstances where, by other provision of law, such leave is transferable.

"(d) For purposes of this section the term 'accumulated annual leave' means unused accrued annual leave carried forward from one leave year into a succeeding leave year, and the term 'accrued annual leave' means the annual leave accruing to an officer during one leave year."

SEC. 3. The foregoing amendments to the Public Health Service Act shall be effective on July 1, 1949 Any officer who, on June 30, 1949, is credited with more than 60 days of accumulated and accrued annual leave, shall be compensated for such leave in excess of 60 days, but not exceeding 120 days, in a lump-sum payment on the basis of his base and longevity pay, his allowance for subsistence, and the allowance for rental of quarters to which he would be entitled as an officer not assigned to Government quarters, under provisions of law in effect on June 30, 1949, except that the preceding provisions of this sentence shall not be applicable to an officer who has, prior to July 1, 1949, been placed on terminal leave preceding separation, retirement, or release from active duty. All amounts received pursuant to this section shall be exempt from taxation.

SEC. 4. Funds appropriated by the act of August 8, 1946 (60 Stat. 910), to enable the President to carry out the provisions of the Armed Forces Leave Act of 1946, are hereby made available for carrying out the provisions of section 3 of this act and may be allotted to the Public Health Service by transfer to and merger with appropriations thereof or otherwise, in such amounts as may be determined by the Director of the Bureau of the Budget.

SEC. 5. Except insofar as the provisions of this act are inconsistent therewith, leave regulations adopted prior to the enactment of this act, pursuant to the Public Health Service Act, shall remain in effect until repealed, amended, or superseded.

AMENDMENT OF HOSPITAL SURVEY AND CONSTRUCTION ACT

The Senate proceeded to consider the bill (S. 614) which had been reported from the Committee on Labor and Public Welfare with amendments, on page 2, line 11, after the word "Act", to strike out "1949" and insert "1950"; in line 13, after the word "the", to strike out "State's allotment percentage" and insert "Federal share"; in line 20, after the word "Section", to strike out "623" and insert "625"; on page 3, after line 7, to insert:

(c) Section 631 of such act is amended by changing the designation of "(a)" and "(b)" to "(a) (1)" and "(2)", respectively, and by adding a new paragraph (b) to read as follows:

"(b) The Federal share of the cost of a project shall be the State's allotment percentage, but not in excess of 66⅔ percent."

Paragraph (g) of section 631 is amended to read as follows:

"'The term 'nonprofit hospital' means any hospital owned and operated by a corporation or association (including cooperatives), no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual."

On page 4, line 1, after the word "plan", to strike out "(which shall be not less than $15,000 or 2 percent of the total funds proposed to be expended during the year under the plan, whichever is the higher)."

On page 6, after line 3, to strike out:

EFFECTIVE DATE

SEC. 7. This act shall take effect upon the date of its enactment except that (1) the amendments made by section 3 (a) shall be effective with respect to projects approved under section 625 of the Public Health Service Act on and after January 1, 1949, and (2) section 5 shall take effect July 1, 1949.

On page 6, after line 10, to insert:

MINIMUM ALLOTMENT

SEC. 7. Section 624 is hereby amended by deleting the figure "$100,000" and substituting therefor "$200,000."

On page 6, after line 13, to insert:

TITLE; FILING OF APPLICATIONS

SEC. 8. (a) Section 625 (a) of such act is amended to read as follows:

"SEC. 625. (a) For each project for construction pursuant to a State plan approved under this part, there shall be submitted to the Surgeon General through the State agency an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the construction of the project, the application may be filed by one or more of such agencies. Such application shall set forth (1) a description of the site for such project; (2) plans and specifications therefor in accordance with the regulations prescribed by the Surgeon General under section 622 (e); (3) reasonable assurance that title, as defined in section 631 (j), to such site is or will be vested in one or more of the agencies filing the application or in a public or other nonprofit agency which is to operate the hospital; (4) reasonable assurance that adequate financial support will be available for the construction of the project and for its maintenance and operation when

completed; and (5) reasonable assurance that the rates of pay for laborers and mechanics engaged in construction of the project will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended. The Surgeon General shall approve such application if sufficient funds to pay the Federal share of the cost of construction of such project are available from the allotment to the State, and if the Surgeon General finds (a) that the application contains such reasonable assurance as to title, financial support, and payment of prevailing rates of wages; (B) that the plans and specifications are in accord with the regulations prescribed pursuant to section 622; (C) that the application is in conformity with the State plan approved under section 623 and contains assurance that in the operation of the hospital there will be compliance with the applicable requirements of the State plan and of the regulations prescribed under section 622 (f) regarding provision of facilities without discrimination on account of race, creed, or color, and for furnishing needed hospital facilities for persons unable to pay therefor, and with State standards for operation and maintenance; and (D) that it has been approved and recommended by the State agency and is entitled to priority over other projects within the State in accordance with the regulations prescribed pursuant to section 622 (d). No application shall be disapproved until the Surgeon General has afforded the State agency an opportunity for a hearing."

(b) Subsection (g) of section 631 of such act is amended to read as follows:

"(g) the term 'nonprofit hospital' means any hospital which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or private individual;".

(c) Such section is further amended by striking out "and" at the end of paragraph (h), by striking out the period at the end of paragraph (i) and inserting in lieu thereof "; and", and by inserting after paragraph (i) the following new paragraph:

"(j) the term 'title' means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 percent of the value of the land) as the Surgeon General finds sufficient to assure for a period of not less than 50 years undisturbed use and possession for the purposes of construction and operation of the project."

And on page 9, after line 4, to insert:

EFFECTIVE DATE

SEC. 9. This act shall take effect upon the date of its enactment.

So as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Hospital Survey and Construction Amendments of 1949."

EXTENSION OF DURATION AND INCREASE IN AUTHORIZED APPROPRIATIONS

SEC. 2. (a) The first sentence of section 621 of the Public Health Service Act is amended to read as follows: "In order to assist the States in carrying out the purposes of section 601 (b), there is hereby authorized to be appropriated for the fiscal year ending June 30, 1950, and for each of the five succeeding fiscal years, the sum of $150,000,000 for the construction of public and other nonprofit hospital; and there are further authorized to be appropriated for such construction the sums provided in section 624."

(b) The paragraph "Grants for hospital construction" under the heading "Public Health Service" in the Federal Security Agency Appropriation Act, 1950, is amended by striking out "$75,000,000" and inserting in lieu thereof "$150,000,000."

ADDITIONAL FEDERAL AID IN CONSTRUCTION OF HOSPITALS

SEC. 3. (a) Sections 624, 625 (a), and 625 (b) of such act are each amended by striking out "33⅓ percent" and inserting in lieu thereof "the Federal share."

(b) Section 625 (e) of such act is amended by striking out "33⅓ percent of the then value of such hospital, as determined by agreement of the parties or by action brought in the district court of the United States for the district in which such hospital is situated" and inserting in lieu thereof the following: "an amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the district court of the United States for the district in which such hospital is situated) of the hospital, or of that portion of the hospital which constituted an approved project, as the amount of the Federal participation bore to the cost of the construction of such project."

(c) Section 631 of such act is amended by changing the designation of "(a)" and "(b)" to "(a) (1)" and "(2)", respectively, and by adding a new paragraph (b) to read as follows:

"(b) The Federal share of the cost of a project shall be the State's allotment percentage, but not in excess of 66⅔ percent."

Paragraph (g) of section 631 is amended to read as follows:

"The term 'nonprofit hospital' means any hospital owned and operated by a corporation or association (including cooperatives), no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;".

SEC. 4. Section 632 (a) of such act is amended by inserting after "under section 625" in clause (4) thereof a comma and the following: "or (5) that adequate State funds are not being provided annually for the direct administration of the State plan.

STUDIES AND DEMONSTRATIONS RELATING TO COORDINATED USE OF HOSPITAL FACILITIES

SEC. 5. Such act is further amended by adding after section 635 the following new section:

"STUDIES AND DEMONSTRATIONS RELATING TO COORDINATED USE OF HOSPITAL FACILITIES

"SEC. 636. In carrying out the purposes of section 301 with respect to hospital facilities, the Surgeon General is authorized to conduct research, experiments, and demonstrations relating to the effective development and utilization of hospital services, facilities, and resources, and, after consultation with the Federal Hospital Council, to make grants-in-aid to States, political subdivisions, universities, hospitals, and other public and private nonprofit institutions or organizations for projects for the conduct of research, experiments, or demonstrations relating to the development, utilization, and coordination of hospital services, facilities, and resources. Any award made under this section for any such project in any fiscal year may include amounts for not to exceed the four succeeding fiscal years, and such amounts for such succeeding fiscal years shall constitute contractual obligations of the Federal Government: *Provided*, That the total of such obligations for all such projects to be paid in any such succeeding fiscal year may not exceed $1,200,000."

PURPOSE OF ACT

SEC. 6. Section 601 of such act is amended to read as follows:

"SEC. 601. The purpose of this title is—

"(a) to assist the several States to inventory their existing hospitals (as defined in section 631 (e)), to survey the need for construction of hospitals, and to develop programs for construction of such public and other nonprofit hospitals as will, in conjunction with existing facilities, afford the necessary physical facilities for furnishing adequate hospital, clinic, and similar services to all their people;

"(b) to assist in the contruction of public and other nonprofit hospitals in accordance with such programs; and

"(c) to authorize the Surgeon General to conduct, and make grants for the conduct of, research, experiments, and demonstrations relating to the effective development and utilization of hospital services, facilities, and resources, and to promote the coordination of such experiments and demonstrations and the useful application of their results."

MINIMUM ALLOTMENT

SEC. 7. Section 624 is hereby amended by deleting the figure "$100,000" and substituting therefor "$200,000".

TITLE; FILING OF APPLICATIONS

SEC. 8. Section 625 (a) of such act is amended to read as follows:

"SEC. 625. (a) For each project for construction pursuant to a State plan approved under this part, there shall be submitted to the Surgeon General through the State agency an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the construction of the project, the application may be filed by one or more of such agencies. Such application shall set forth (1) a description of the site for such project; (2) plans and specifications therefor in accordance with the regulations prescribed by the Surgeon General under section 622 (e); (3) reasonable assurance that title, as defined in section 631 (j), to such site is or will be vested in one or more of the agencies filing the application or in a a public or other nonprofit agency which is to operate the hospital; (4) reasonable assurance that adequate financial support will be available for the construction of the project and for its maintenance and operation when completed; and (5) reasonable assurance that the rates of pay for laborers and mechanics engaged in construction of the project will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended. The Surgeon General shall approve such application if sufficient funds to pay the Federal share of the cost of construction of such project are available from the allotment to the State, and if the Surgeon General finds (a) that the application contains such reasonable assurance as to title, financial support, and payment of prevailing rates of wages; (B) that the plans and specifications are in accord with the regulations prescribed pursuant to section 622; (C) that the application is in conformity with the State plan approved under section 623 : nd contains assurance that in the operation of the hospital there will be compliance with the applicable requirements of the State plan and of the regulations prescribed under section 622 (f) regarding provision of facilities without discrimination on account of race, creed, or color, and for furnishing needed hospital facilities for persons unable to pay therefor, and with State standards for operation and maintenance; and (D) that it has been approved and recommended by the State agency and is entitled to priority over other projects within the State in accordance with the regulations prescribed pursuant to section 622 (d). No application shall be disapproved until the Surgeon General has afforded the State agency an opportunity for a hearing."

(b) Subsection (g) of section 631 of such act is amended to read as follows:

"(g) the term 'nonprofit hospital' means any hospital which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the

benefit of any private shareholder or private individual;".

(c) Such section is further amended by striking out "and" at the end of paragraph (h), by striking out the period at the end of paragraph (i) and inserting in lieu thereof "; and", and by inserting after paragraph (i) the following new paragraph:

"(j) the term 'title' means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 percent of the value of the land) as the Surgeon General finds sufficient to assure for a period of not less than 50 years undisturbed use and possession for the purposes of construction and operation of the project."

EFFECTIVE DATE

SEC. 9. This act shall take effect upon the date of its enactment.

So as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Hospital Survey and Construction Amendments of 1949."

EXTENSION OF DURATION AND INCREASE IN AUTHORIZED APPROPRIATIONS

SEC. 2. (a) The first sentence of section 621 of the Public Health Service Act is amended to read as follows: "In order to assist the States in carrying out the purposes of section 601 (b), there is hereby authorized to be appropriated for the fiscal year ending June 30, 1950, and for each of the five succeeding fiscal years, the sum of $150,000,000 for the construction of public and other nonprofit hospital; and there are further authorized to be appropriated for such construction the sums provided in section 624."

(b) The paragraph "Grants for hospital construction" under the heading "Public Health Service" in the Federal Security Agency Appropriation Act, 1950, is amended by striking out "$75,000,000" and inserting in lieu thereof "$150,000,000."

ADDITIONAL FEDERAL AID IN CONSTRUCTION OF HOSPITALS

SEC. 3. (a) Sections 624, 625 (a), and 625 (b) of such act are each amended by striking out "33⅓ percent" and inserting in lieu thereof "the Federal share."

(b) Section 625 (e) of such act is amended by striking out "33⅓ percent of the then value of such hospital, as determined by agreement of the parties or by action brought in the district court of the United States for the district in which such hospital is situated" and inserting in lieu thereof the following: "an amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the district court of the United States for the district in which such hospital is situated) of the hospital, or of that portion of the hospital which constituted an approved project, as the amount of the Federal participation bore to the cost of the construction of such project."

(c) Section 631 of such act is amended by changing the designation of "(a)" and "(b)" to "(a) (1)" and "(2)", respectively, and by adding a new paragraph (b) to read as follows:

"(b) The Federal share of the cost of a project shall be the State's allotment percentage, but not in excess of 66⅔ percent."

Paragraph (g) of section 631 is amended to read as follows:

"The term 'nonprofit hospital' means any hospital owned and operated by a corporation or association (including cooperatives), no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;".

SEC. 4. Section 632 (a) of such act is amended by inserting after "under section 625" in clause (4) thereof a comma and the following: "or (5) that adequate State funds are not being provided annually for the direct administration of the State plan."

STUDIES AND DEMONSTRATIONS RELATING TO COORDINATED USE OF HOSPITAL FACILITIES

SEC. 5. Such act is further amended by adding after section 635 the following new section:

"STUDIES AND DEMONSTRATIONS RELATING TO COORDINATED USE OF HOSPITAL FACILITIES

"SEC. 636. In carrying out the purposes of section 301 with respect to hospital facilities, the Surgeon General is authorized to conduct research, experiments, and demonstrations relating to the effective development and utilization of hospital services, facilities, and resources, and, after consultation with the Federal Hospital Council, to make grants-in-aid to States, political subdivisions, universities, hospitals, and other public and private nonprofit institutions or organizations for projects for the conduct of research, experiments, or demonstrations relating to the development, utilization, and coordination of hospital services, facilities, and resources. Any award made under this section for any such project in any fiscal year may include amounts for not to exceed the four succeeding fiscal years, and such amounts for such succeeding fiscal years shall constitute contractual obligations of the Federal Government: *Provided,* That the total of such obligations for all such projects to be paid in any such succeeding fiscal year may not exceed $1,200,000."

PURPOSE OF ACT

SEC. 6. Section 601 of such act is amended to read as follows:

"SEC. 601. The purpose of this title is—

"(a) to assist the several States to inventory their existing hospitals (as defined in section 631 (e)), to survey the need for construction of hospitals, and to develop programs for construction of such public and other nonprofit hospitals as will, in conjunction with existing facilities, afford the necessary physical facilities for furnishing adequate hospital, clinic, and similar services to all their people;

"(b) to assist in the construction of public and other nonprofit hospitals in accordance with such programs; and

"(c) to authorize the Surgeon General to conduct, and make grants for the conduct of, research, experiments, and demonstrations relating to the effective development and utilization of hospital services, facilities, and resources, and to promote the coordination of such experiments and demonstrations and the useful application of their results."

MINIMUM ALLOTMENT

SEC. 7. Section 624 is hereby amended by deleting the figure "$100,000" and substituting therefor "$200,000."

TITLE; FILING OF APPLICATIONS

SEC. 8. (a) Section 625 (a) of such act is amended to read as follows:

"SEC. 625. (a) For each project for construction pursuant to a State plan approved under this part, there shall be submitted to the Surgeon General through the State agency an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the construction of the project, the application may be filed by one or more of such agencies. Such application shall set forth (1) a description of the site for such project; (2) plans and specifications therefor in accordance with the regulations prescribed by the Surgeon General under section 622 (e); (3) reasonable assurance that title, as defined in section 631 (j), to such site is or will be vested in one or more of the agencies filing the application or in a public or other nonprofit agency which is to operate the hospital; (4) reasonable assurance that adequate financial support will be available for the construction of the project and for its maintenance and operation when completed; and (5) reasonable assurance that the rates of pay for laborers and mechanics engaged in construction of the project will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended. The Surgeon General shall approve such application if sufficient funds to pay the Federal share of the cost of construction of such project are available from the allotment to the State, and if the Surgeon General finds (A) that the application contains such reasonable assurance as to title, financial support, and payment of prevailing rates of wages; (B) that the plans and specifications are in accord with the regulations prescribed pursuant to section 622; (C) that the application is in conformity with the State plan approved under section 623 and contains assurance that in the operation of the hospital there will be compliance with the applicable requirements of the State plan and of the regulations prescribed under section 622 (f) regarding provision of facilities without discrimination on account of race, creed, or color, and for furnishing needed hospital facilities for persons unable to pay therefor, and with State standards for operation and maintenance; and (D) that it has been approved and recommended by the State agency and is entitled to priority over other projects within the State in accordance with the regulations prescribed pursuant to section 622 (d). No applications shall be disapproved until the Surgeon General has afforded the State agency an opportunity for a hearing."

(b) Subsection (g) of section 631 of such act is amended to read as follows:

"(g) the term 'nonprofit hospital' means any hospital which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or private individual;".

(c) Such section is further amended by striking out "and" at the end of paragraph (h), by striking out the period at the end of paragraph (i) and inserting in lieu thereof "; and", and by inserting after paragraph (i) the following new paragraph:

"(j) the term 'title' means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 percent of the value of the land) as the Surgeon General finds sufficient to assure for a period of not less than 50 years undisturbed use and possession for the purposes of construction and operation of the project."

EFFECTIVE DATE

SEC. 9. This act shall take effect upon the date of its enactment.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WILEY. Mr. President, I ask unanimous consent to revert to Calendar No. 732, Senate bill 2031. The Senator who objected has withdrawn his objection.

The PRESIDING OFFICER. The Chair calls attention to the fact that earlier in the day it was agreed that the Senate would not return to any bills until the call of the calendar had been completed. Since that time other similar requests have been made, which have been denied.

Mr. WILEY. I suppose that settles it, but the Senator who objected happens to be present, and I thought it would be wise to make the request in his presence.

The PRESIDING OFFICER. The clerk will state the next business on the calendar.

EXTENSION OF UNEMPLOYMENT ALLOWANCE BENEFITS UNDER SERVICEMEN'S READJUSTMENT ACT OF 1944—BILL PASSED OVER

The Senate proceeded to consider the bill (S. 1741) to extend the unemployment allowance benefits of the Servicemen's Readjustment Act of 1944 for a period of 2 years, which had been reported from the Committee on Labor and Public Welfare with an amendment, to strike out all after the enacting clause and insert in lieu thereof the following:

That subsection (a) of section 700 of the Servicemen's Readjustment Act of 1944, as amended, is hereby amended by striking out "(2) occurs not later than 2 years after discharge or release or the termination of war, whichever is the later date:" and inserting in lieu thereof "(2) occurs not later than 3 years (2 years in the case of self-employment allowances under section 902) after discharge or release or the termination of the war, whichever is the later date:".

SEC. 2. Section 900 (b) of the Servicemen's Readjustment Act is amended by adding at the end thereof the following proviso: *"Provided further,* That the total amount of allowances to which an individual is determined to be entitled under this section shall be reduced by the amount of unemployment compensation (not to exceed $20) received by such individual under any other Federal or State unemployment compensation law during any week subsequent to September 30, 1949. The Administrator shall require any individual to file a claim for unemployment compensation under a Federal or State law as a condition for receipt of allowances, if it appears to him that there is a likelihood that such individual may be eligible to unemployment compensation under such law with respect to the same period of unemployment for which he is claiming an allowance; and no allowance under this title shall be payable to such individual if he fails to file such claim. No allowance under this title shall be payable for any week which is a waiting week as defined in the State law."

The amendment was agreed to.

Mr. GEORGE. Mr. President, I should like to have an explanation of the bill.

Mr. TAYLOR. Mr. President, the bill provides for continuation of payment of unemployment compensation to veterans. In the original act there was a provision for compensation for self-employed veterans. Hearings brought out the fact that that provision had been abused, and it was eliminated from the extension of the benefits; also, an amendment was inserted making it mandatory upon all veterans to exhaust all other benefits, such as State benefits or social-security benefits. Those benefits must be exhausted. If those payments do not amount to $20 a week, whatever amount the veteran receives from the State or under social security is deducted from the unemployment-compensation payment, and he gets the difference between $20 and whatever he can get from the State or under social security.

The purpose of this bill is simply to continue payments for another 2 years. Veterans who collected such payments immediately after the war, during a period of high employment when people should have been able to get jobs if they ever could, have benefited, and veterans who worked during that time and now, in this period of comparative unemployment, find themselves out of work are denied benefits which others who were probably not so worthy as they have received. The President has asked for continuation of the benefits, and with the amendments I think the abuses have been removed.

Mr. GEORGE. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill is passed over.

ADVANCED TRAINING OF CERTAIN CIVIL AERONAUTICS ADMINISTRATION PERSONNEL

The bill (S. 4) authorizing the advanced training in aeronautics of technical personnel of the Civil Aeronautics Administration was announced as next in order.

Mr. HENDRICKSON. Mr. President, I object.

Mr. JOHNSON of Colorado. Mr. President, will the Senator withhold his objection so that I may make an explanation of the bill?

Mr. HENDRICKSON. Gladly.

Mr. JOHNSON of Colorado. Mr. President, this bill provides that annually the Civil Aeronautics Administration may have 25 of its employees take special training. The Civil Aeronautics Administration has a great responsibility for the safety of aeronautics. For instance, whenever a new plane or a new design comes out, the Civil Aeronautics Administration must assign pilots to the plane, and they must travel with it and observe it in all its particulars.

If the Senator has been in a modern airplane lately, has looked at what I call the dashboard, and has seen all the gadgets and other things the pilots or the navigators have to look at, I think he will be convinced that this is a very important assignment which Congress has given the Civil Aeronautics Administration. They must be familiar with all the new developments. They have to examine them, study them, and know about them. It is not always possible to hire men who are sufficiently informed regarding the new developments, so they send some of their employees to the technical schools, perhaps for only a brief course, because the men in their employment are technicians to begin with. But often they need additional instruction, so they are sent to the special schools.

The Senator from Nevada [Mr. MCCARRAN] introduced the bill, and I am sure he will agree with me that it is a matter of very great importance in regard to aeronautical safety.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. SALTONSTALL. As one who has listened, while serving on the Appropriations Committee in the last 3 years, to the testimony of the representatives of the Civil Aeronautics Administration, I concur most heartily in what the Senator has said. One of the great difficulties in making appropriations for that Administration is that it gets behind in its work, and as new inventions are made, the Administration does not have sufficient trained personnel adequately to look into such matters.

Mr. JOHNSON of Colorado. Yes. All kinds of advances are being made in aeronautics, and the Civil Aeronautics Administration must keep up with all the new developments and inventions.

Mr. HENDRICKSON. Mr. President, there are no limitations in the bill as to how much money will be expended or as to how long the activities may be carried on. Of course it involves the principle of subsidizing Government employees for education, which is a new principle.

Mr. JOHNSON of Colorado. There is a limit as to the number of persons who may be assigned for these special studies. That is about the only limitation the Congress could impose at the present time, because the science of aeronautics does not stand still. New inventions which make civil aeronautics safe are being made all the time. No one can predict now what the need will be next year. It may be very much greater than could be met by the detailing of not to exceed 25 employees, as provided by the bill.

Mr. HENDRICKSON. Mr. President, if the sponsors of this measure would agree to amendments limiting the time of the period of training or education and establishing some ceiling on the cost, I should be glad to withhold any objection I may have .

Mr. JOHNSON of Colorado. Mr. President, this bill is not an educational bill at all. It is not a bill by which 25 persons are going to be sent to school for a full course in aeronautical engineering or anything else; but, under the bill, 25 persons may be sent to school for certain additional information which they may need. They go for only 2 weeks, or for only 6 weeks.

Mr. HENDRICKSON. Mr. President, I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 4) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 307 of the Civil Aeronautics Act of 1938, as amended, is amended to read as follows:

"SEC. 307. (a) The Administrator is empowered and directed to make plans for such orderly development and location of landing areas, airways, and all other aids and facilities for air navigation, as will best meet the needs of, and serve the interest of safety in, civil aviation.

"(b) The Administrator is empowered to detail annually not to exceed 25 employees of the Civil Aeronautics Administration engaged in technical or professional duties for training at Government expense, either at civilian or other institutions not operated by the Administrator. Such courses of instructions shall include, but not be limited to, aerodynamics, engineering mechanics, aircraft design and construction, and related subjects dealing with the scientific problems of aeronautics, such as advanced engineering techniques and practices, training in celestial navigation, advanced flight and flight test methods and procedures, application of medical and legal science to problems of aviation, and the use of radio in aviation.

"(c) The Administrator is empowered to conduct a school or schools for the purpose

of training employees of the Civil Aeronautics Administration in those subjects necessary for the proper administration of the aircraft, airmen, and air operation safety standards authorized under this act."

APPLICATION OF CIVIL AIR NAVIGATION LAWS AND REGULATIONS RELATING TO ANIMAL AND PLANT QUARANTINE

The bill (S. 442) to amend the Air Commerce Act of 1926 (44 Stat. 568), as amended, to provide for the application to civil air navigation of laws and regulations related to animal and plant quarantine, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Air Commerce Act of 1926 (44 Stat. 568), as amended, is hereby further amended by adding to section 7, after paragraph (d) thereof, a new paragraph reading as follows:

"(e) The Secretary of Agriculture is authorized by regulation to provide for the application to civil air navigation of the laws and regulations related to animal and plant quarantine, including the importation, exportation, transportation, and quarantine of animals, plants, animal and plant products, insects, bacterial and fungus cultures, viruses, and serums, to such extent and upon such conditions as he deems necessary."

SEC. 2. Section 11 (b) of the said Air Commerce Act of 1926, as amended, is hereby further amended by inserting, between the third and fourth sentences thereof, a new sentence reading as follows: "Any person violating any provision of the laws and regulations relating to animal and plant quarantine made applicable to civil air navigation by regulation in accordance with section 7 (e) of this act shall be subject to the same penalties as those provided by the said laws for violations thereof."

BASIC AUTHORITY FOR CERTAIN FUNCTIONS AND ACTIVITIES OF NATIONAL BUREAU OF STANDARDS

The bill (S. 2201) amending section 2 of the act of March 3, 1901 (31 Stat. 1449), to provide basic authority for the performance of certain functions and activities of the National Bureau of Standards, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 2 of the act of March 3, 1901 (31 Stat. 1449), as amended, be, and the same hereby is, further amended so as to read in full as follows:

"SEC. 2. The functions of the Bureau shall be the following:

"(a) The custody, maintenance, and development of the national standards of measurement, and the provision of means and methods for making measurements consistent with those standards, including the comparison of standards used in scientific investigations, engineering, manufacturing, commerce, and educational institutions with the standards adopted or recognized by the Government.

"(b) The determination of physical constants and properties of materials when such data are of great importance to scientific or manufacturing interests and are not to be obtained of sufficient accuracy elsewhere.

"(c) The development of methods for testing materials, mechanisms, and structures, and the testing of materials, supplies, and equipment, including items purchased for use of Government departments and independent establishments.

"(d) Cooperation with other governmental agencies and with private organizations in the establishment of standard practices, incorporated in codes and specifications.

"(e) Advisory service to Government agencies on scientific and technical problems.

"(f) Invention and development of devices to serve special needs of the Government.

"In carrying out the functions enumerated in this section, the Bureau is authorized to undertake the following activities and similar ones for which need may arise in the operations of Government agencies, scientific institutions, and industrial enterprises:

"(1) the construction of physical standards;

"(2) the testing, calibration, and certification of standards and standard measuring apparatus;

"(3) the study and improvement of instruments and methods of measurements;

"(4) the investigation and testing of railroad track scales, elevator scales, and other scales used in weighing commodities for interstate shipment;

"(5) cooperation with the States in securing uniformity in weights and measures laws and methods of inspection;

"(6) the preparation and distribution of standard samples such as those used in checking chemical analyses, temperature, color, viscosity, heat of combustion, and other basic properties of materials; also the preparation and sale or other distribution of standard instruments, apparatus, and materials for calibration of measuring equipment;

"(7) the development of methods of chemical analysis and synthesis of materials, and the investigation of the properties of rare substances;

"(8) the study of methods of producing and of measuring high and low temperatures; and the behavior of materials at high and at low temperatures;

"(9) the investigation of radiation, radioactive substances, and X-rays, their uses, and means of protection of persons from their harmful effects;

"(10) the study of the atomic and molecular structure of the chemical elements, with particular reference to the characteristics of the spectra emitted, the use of spectral observations in determining chemical composition of materials, and the relation of molecular structure to the practical usefulness of materials;

"(11) the broadcasting of radio signals of standard frequency;

"(12) the investigation of the conditions which affect the transmission of radio waves from their source to a receiver;

"(13) the compilation and distribution of information on such transmission of radio waves as a basis for choice of frequencies to be used in radio operations;

"(14) the study of new technical processes and methods of fabrication of materials in which the Government has a special interest; also the study of methods of measurement and technical processes used in the manufacture of optical glass and pottery, brick, tile, terra cotta, and other clay products;

"(15) the determination of properties of building materials and structural elements, and encouragement of their standardization and most effective use, including investigation of fire-resisting properties of building materials and conditions under which they may be most efficiently used, and the standardization of types of appliances for fire prevention;

"(16) metallurgical research, including study of alloy steels and light metal alloys; investigation of foundry practice, casting, rolling, and forging; prevention of corrosion of metals and alloys; behavior of bearing metals; and development of standards for metals and sands;

"(17) the operation of a laboratory of applied mathematics;

"(18) the prosecution of such research in engineering, mathematics, and the physical sciences as may be necessary to obtain basic data pertinent to the specified functions of the Bureau; and

"(19) the compilation and publication of general scientific and technical data resulting from the work of the Bureau or from other sources when such data are of importance to scientific or manufacturing interests or to the general public, and are not available elsewhere, including demonstration of the results of the Bureau's work by exhibits or otherwise as may be deemed most effective."

SEC. 2. The act of March 3, 1901 (31 Stat. 1449), as amended, be, and the same hereby is, further amended by inserting at the end thereof the following sections:

"SEC. 11. For all services rendered for other Government agencies by the National Bureau of Standards, the Bureau may be reimbursed in accordance with section 601 of the Economy Act of June 30, 1932.

"SEC. 12. In the absence of specific agreement to the contrary, equipment, purchased by the National Bureau of Standards from transferred or advanced funds in order to carry out an investigation for another Government agency shall become the property of the National Bureau of Standards for use in subsequent investigations.

"SEC. 13. (a) The Secretary of Commerce is authorized to accept and utilize gifts or bequests of real or personal property for the purpose of aiding and facilitating the work of the National Bureau of Standards.

"(b) For the purpose of Federal income, estate, and gift taxes, gifts and bequests accepted by the Secretary of Commerce under the authority of this act shall be deemed to be gifts and bequests to or for the use of the United States."

ACCEPTANCE BY COAST GUARD AND PUBLIC HEALTH SERVICE PERSONNEL OF GIFTS OF FOREIGN GOVERNMENTS

The bill (S. 2240) to authorize certain personnel and former personnel of the United States Coast Guard and the United States Public Health Service to accept certain gifts tendered by foreign governments was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Commander John R. Kurcheski, United States Coast Guard, is hereby authorized to accept such gift as has been tendered him as of the date of the approval of this act by the Greenland administration in appreciation of services rendered certain distressed motor schooners of the Greenland administration; and that the following-named members and former members of the United States Coast Guard and United States Public Health Service are hereby authorized to accept such gifts as have been tendered them as of the date of approval of this act by the Government of Great Britain in appreciation of services rendered in removing an injured seaman from the British vessel *Silver Sandal* for treatment ashore: Lt. (jg) Charles Ethelbert Mac Dowell, United States Coast Guard; Lt. (jg) Rufus Sizer Drury, United States Coast Guard; Senior Assistant Surgeon (Reserve) Pasquale Joseph Ciccone, United States Public Health Service; Ralph Oscar Douglas, chief aviation machinist's mate, United States Coast Guard; Leo Ira Thompson, chief aviation machinist's mate, United States Coast Guard; Richard Lewis Hall, aviation electronicsman, first class, United States Coast Guard; Quincy Carl Frazier, aviation electronicsman, first class, United States Coast Guard; Jack Henry McElyea, aviation ordnanceman, second class, United States Coast Guard; Walter Lamar Pierce, aviation structural mechanic, second class, United States Coast Guard; and Wade Columbus Midkiff, seaman, United States Coast Guard. The Department of State is hereby authorized to

deliver to the above-mentioned persons the gifts tendered them by the administration of Greenland and the Government of Great Britain, respectively.

BACHELOR OF SCIENCE DEGREES FOR GRADUATES OF MERCHANT MARINE ACADEMY

The bill (H. R. 242) to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 4829) to authorize the President to appoint Paul A. Smith as representative of the United States to the Council of the International Civil Aviation Organization without affecting his status and perquisites as a commissioned officer of the Coast and Geodetic Survey, was announced as next in order.

Mr. JOHNSON of Colorado. Mr. President, I ask that the bill be passed over. I have been informed that further exploration of this matter must be made. So I ask that the bill be passed over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

TRANSFER OF THE VESSEL "BLACK MALLARD" TO THE STATE OF LOUISIANA

The bill (H. R. 5365) to provide for the transfer of the vessel *Black Mallard* to the State of Louisiana for the use and benefit of the department of wildlife and fisheries of such State, was considered, ordered to a third reading, read the third time, and passed.

SETTLEMENT OF CERTAIN CLAIMS AGAINST FOREIGN GOVERNMENTS—BILL PASSED OVER

The bill (H. R. 4406) to provide for the settlement of certain claims of the Government of the United States on its own behalf and on behalf of American nationals against foreign governments, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I should like to have the bill passed over.

The PRESIDING OFFICER. Objection is heard; the bill will be passed over.

Mr. GREEN. Mr. President, before the Senator who objected insists upon his objection, I should like to have an opportunity to explain the bill.

Mr. SCHOEPPEL. I shall be delighted to withhold my objection, to permit an explanation to be made.

Mr. GREEN. This bill was introduced in the House of Representatives, and a similar bill was introduced in the Senate. The Senate bill was referred to the Foreign Relations Committee, and by it was referred to a special subcommittee which held hearings. At the hearings not a single objection was raised. Everyone seemed to agree regarding the desirability of the enactment of the bill. However, in the full committee, to which the bill was favorably reported unanimously by the special committee, an amendment was suggested and adopted, and it is included in the bill as now reported.

With the exception of that amendment and some minor amendments, to which I think there could be no possible objection—for instance, amendments which would substitute the name of the President for the name of the Secretary of State, in regard to the making of appointments, and other similar minor corrections—the bill is reported as it was originally introduced.

The State Department had negotiated with the Yugoslav Government for the settlement of claims, some of them occurring before the war, but most of them resulting from the war and in the postwar period, such as claims arising from the nationalization of lands and claims resulting from measures affecting small business. It would be almost impossible for American citizens to press their claims in that country under the laws of that country. The State Department adjusted all the claims in one lump sum for $17,000,000.

Now it is necessary to provide for the distribution of the $17,000,000 among the American citizens who have such claims, and of course they are very anxious to get their money. The basis of setting up the proposed commission within the State Department is similar to the arrangement previously used, based on the experience had with the Mexican claims, for which a lump sum payment was made, and then distributed.

It is a great advantage to American citizens to be able to press their claims before such a commission in America, rather than to be required to go to Yugoslavia and press their claims there. All these claimants are anxious to press their claims and get their money; and the arrangement proposed by the bill seems to be an admirable way of handling the matter.

Another part of the bill provides for a like procedure in the case of similar claims against other countries, such as Czechoslovakia, and so forth, so that the United States Government, after negotiating a lump-sum payment, may have a means of distributing the money as payments to American citizens located in the United States.

Inasmuch as the only objection which was raised has been obviated by the amendment which was inserted in favor of citizens now in America, but who were not citizens at the time of the taking, although they are citizens at the time of the settlement, and inasmuch as that amendment is proposed against all future adjustments of this sort, I do not believe there will be objections to the bill.

So, Mr. President, unless there are other objections about which we have never heard, I hope the Senator will not press his objection.

Mr. SCHOEPPEL. Mr. President, in view of the controversial nature of the bill and the serious objection to it which was manifested in the House of Representatives, which prompted inquiries when the matter reached the Senate, I feel that I must ask that the bill be passed over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

The Senate proceeded to consider the bill (S. 450) to amend the Civil Aeronautics Act of 1938, as amended, by providing for the delegation of certain authority of the Administrator, and for other purposes which had been reported from the Committee on Interstate and Foreign Commerce, with amendments on page 1, line 8, after the word "assign", to insert "subject to such regulations, supervision, and review as the Administrator may prescribe"; on page 2, line 2, after the word "section", to insert "and any function delegated to him by the Civil Aeronautics Board or the Secretary of Commerce"; in line 9, after the word "counsel", to strike out "an assistant administrator,"; in line 10, after the word "an", where it first occurs, to strike out "inspector" and insert "agent"; on page 3, line 20, after the word "Act", to strike out "and by section 6 (c) of the Air Commerce Act of 1926 (44 Stat. 568–576), as amended (45 Stat. 933; 49 U. S. C. Supp. V, 176)"; in line 23, after the word "Administrator", to strike out "may" and insert "subject to such regulations, supervision, and review as the Administrator may prescribe"; on page 4, line 4, after the word "to", to strike out "(a)", and in line 5, after the word "Act", to strike out "and (b) the issuance of a foreign aircraft permit under section 6 (c) of the Air Commerce Act of 1926", so as to make the bill read:

Be it enacted, etc., That title III of the Civil Aeronautics Act of 1938, as amended, is amended by adding thereto two new sections, as follows:

"ASSIGNMENT OF WORK, BUSINESS, OR FUNCTIONS

"Assignment to employees

"SEC. 1. (a) The Administrator may assign, subject to such regulations, supervision, and review as the Administrator may prescribe, any of his work, business, or functions under any provision of law (except functions vested in him under this section) and any function delegated to him by the Civil Aeronautics Board or the Secretary of Commerce, to any eligible employee or employees under his supervision for action thereon. The Administrator may at any time amend, modify, supplement, or rescind any such assignment. An employee shall be an eligible employee for purposes of this subsection if he is the Deputy Administrator, the general counsel, a service director, a division or section chief, an agent, or an employee having responsibilities of comparable importance.

"Performance of assignments

"(b) Individuals to whom assignments are so made shall have authority to perform the work, business, or functions assigned to them under this section and for such purpose shall have the jurisdiction and powers conferred by this act upon the Administrator, and be subject to the same duties and obligations. Except as otherwise provided in this section, any action of any such individual or individuals with respect to any matter assigned to him or them shall have the same force and effect and may be made, evidenced, and enforced in the same manner as if taken by the Administrator.

"Reconsideration by Administrator

"(c) Any person affected by any action taken by any such individual or individuals with respect to any matter assigned to him or them may apply for reconsideration by

the Administrator of such action subject to such reasonable limitations as may be established by the Administrator and such application shall be passed upon by the Administrator. The Administrator, upon his own initiative, may reconsider the action of such person or persons either before or after it has become effective. If, upon reconsideration by the Administrator, it shall appear that the action in question is in any respect unjust or unwarranted, the Administrator shall reverse, change, or modify the same accordingly; otherwise the Administrator shall affirm such action: *Provided*, That nothing in this subsection shall be construed as modifying, amending, or repealing any provisions of the Administrative Procedure Act.

"DELEGATION OF POWERS AND DUTIES TO PRIVATE PERSONS

"SEC. 2. In exercising and performing the powers and duties vested in him by this act, the Administrator, subject to such regulations, supervision, and review as the Administrator may prescribe, delegate to properly qualified private persons the function of performing any of such powers and duties respecting (1) the examination, inspection, and testing necessary to the issuance of certificates under title VI of this act, and (2) the issuance of such certificates in accordance with standards established by the Administrator or the Civil Aeronautics Board. The Administrator may establish the maximum fees which such private persons may charge for their services and he may rescind any such delegation at any time and for any reason which he deems appropriate."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF PHILIPPINE REHABILITATION ACT OF 1946

The Senate proceeded to consider the bill (S. 1033) to further amend the Philippine Rehabilitation Act of 1946, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert:

That the Philippine Rehabilitation Act of 1946 be, and the same is hereby, further amended by inserting the following under title I to follow section 113:

"SEC. 114. (a) In the case of nonprofit educational or welfare institutions in the Philippines, which institutions are affiliated with similar educational or welfare institutions in the United States, and which suffered loss or damage to their schools, colleges, universities, hospitals, dispensaries, or orphanages, with respect to their land, buildings, furniture, and fixtures, or contents of the same, the Philippine War Damage Commission, within the limits of the appropriations allocated to it for carrying out the provisions of this act, is authorized and directed to compensate such affiliates in the Philippines for such loss or damage: *Provided*, That such loss or damage occurred after December 7, 1941, and before October 1, 1945, as a result of the perils listed in section 102 (a) hereof: *And provided further*, That such nonprofit institutions in the Philippines have been continuously since December 7, 1941, affiliates of institutions in the United States engaged in one or more of the above-mentioned activities.

"(b) That such compensation shall be payable to such affiliates in the Philippines and all claims heretofore filed for any loss or damage shall be subject to amendments to be filed by them on or before November 30, 1949, to enable such affiliates to make claims in accordance with the provisions of this amendment.

"(c) That the claims filed under this section shall be approved in an aggregate amount and determined upon the basis of the cost of repairing, rebuilding, or replacing the destroyed or damaged property, as of the time the Commission makes payment to such affiliates.

"(d) That the aggregate amount of the claims approved in favor of such affiliates shall be immediately paid in full and not subject to any provisions in this act reducing or delaying the payment of approved claims, or requiring replacement of property before payments are actually made."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PARTICIPATION OF DISTRICT OF COLUMBIA BOARD OF EDUCATION IN FOREIGN TEACHER EXCHANGE PROGRAM

The Senate proceeded to consider the bill (S. 2028) to permit the Board of Education of the District of Columbia to participate in the foreign teacher exchange program in cooperation with the United States Office of Education, which had been reported from the Committee on the District of Columbia, with amendments, on page 3, line 3, after the word "from", to strike out "the Board of Education of", and in line 4, after the word "Columbia", to insert "or any agency thereof", so as to make the bill read:

Be it enacted, etc., That the Board of Education of the District of Columbia is authorized to participate in the teacher foreign exchange program in cooperation with the United States Office of Education.

Any employee of the Board of Education of the District of Columbia who is subject to the provisions of the District of Columbia Teachers' Salary Act of 1947 (Public Law 163) shall, with the approval of the Board of Education, be eligible to participate in such program, and shall if accepted for such foreign assignment serve for a period not to exceed one calendar year, and shall at the conclusion of such service be returned to the position which he held before the exchange was effected.

SEC. 2. The Board of Education of the District of Columbia is authorized to pay the full salary of the educational employee of said Board during the time such employee is performing teaching duties in a foreign country under such exchange program, in the same manner and to the same extent as if such educational employee were actually performing his teaching duties in his regularly assigned position in the public schools of the District of Columbia, and any such educational employee participating in such program shall for purposes of promotion, computation of annual increment, computation of service for pension credit, including salary contributions to the pension fund, and leave of absence credits, be considered as performing teaching duties in the schools of the District of Columbia.

SEC. 3. (a) Each professionally qualified person from a foreign country exchanged under the provisions of this act with an educational employee of the Board of Education of the District of Columbia shall during the period of such exchange serve as a substitute for the exchanged teacher and shall be assigned in the public schools of the District of Columbia as the Board of Education shall determine. Such exchange teacher shall serve without compensation for such service from the District of Columbia or any agency thereof: *Provided further*, That the term of such assignment or exchange shall not exceed one calendar year.

(b) Notwithstanding any other provision of law, any foreign teacher, instructor, or professor assigned to duties in the public schools of the District of Columbia under the provisions of this act shall not be required to take an oath of office or any oath of allegiance or loyalty to the United States, but shall satisfy the Board of Education of the District of Columbia as to his personal, moral, and professional fitness to teach in the public schools of Washington, D. C.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF THE DISTRICT OF COLUMBIA BOILER INSPECTION ACT

The Senate proceeded to consider the bill (S. 1126) to amend the Boiler Inspection Act of the District of Columbia, which had been reported from the Committee on the District of Columbia with amendments on page 1, line 8, after the word "any", to strike out "boiler or", and in line 9, after the word "inch", to insert "or boiler", so as to make the bill read:

Be it enacted, etc., That section 4 of the Boiler Inspection Act of the District of Columbia, approved June 25, 1936, is amended to read as follows:

"SEC. 4. No person shall use or cause to be used, without first having obtained a certificate of inspection from the boiler inspector, any pressure vessel operating at a pressure in excess of 15 pounds per square inch or boiler, except (1) boilers in single-family dwellings, (2) such heating boilers as may be exempted from inspection pursuant to regulations prescribed by the Commissioners by reason of the limited occupancy of the buildings in which such heating boilers are located, and (3) such nondangerous pressure vessels as may be exempted from inspection pursuant to regulations prescribed by the Commissioners."

SEC. 2. The Boiler Inspection Act of the District of Columbia, approved June 25, 1936, is amended by striking out the words "steam" and "unfired" wherever they appear therein, except in section 15.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KILLING OF STARLINGS IN THE DISTRICT OF COLUMBIA—BILL PASSED OVER

The Senate proceeded to consider the bill (H. R. 2886) to provide for the killing of starlings in the District of Columbia, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 7, after the word "starling", to insert "and striking out the period and quotation mark after the word 'premises', inserting a colon and the words '*Provided further*, That no starling shall be killed except after capture by means of trapping'"; on page 2, line 11, after the word "premises", to insert a colon and "*Provided further*, That no starling shall be killed except after capture by means of trapping", and on page 2, after line 13, to strike out:

SEC. 2. That section 3 of said act is amended by adding a comma and the word "starling" after the word "sparrow" wherever such word appears in such section so that the said section will read as follows:

"SEC. 3. That no person in the District of Columbia shall kill any English sparrow, starling, or any wild animal suffering from injury or disease, by means of any gun, air gun, rifle, air rifle, parlor rifle, pistol, revolver, or other firearm, without a special written permit so to do from such official as the Commissioners of the District of Columbia may, by regulation or order, from time to time charge with that duty, under a penalty of five dollars or imprisonment in the workhouse for not more than thirty days, or both,

for each sparrow, starling, or animal so killed."

The amendments were agreed to.

Mr. TAFT. Mr. President, I wonder if the author of the bill can inform us as to the usefulness of starlings in the destruction of Japanese beetles, of which we have recently read in the newspapers.

Mr. ANDERSON. Mr. President, reserving the right to object, I was about to suggest that if we later have a bill designed to destroy Japanese beetles, we shall then be undoing what we have done today. The starling is of very definite benefit in the control of the Japanese beetle. One reason why the beetles are as scarce as they are in this city is because the starling is so prevalent. When we first started upon legislation to provide for the killing of starlings, we found that while it would eliminate certain things, it would also destroy certain other things in the balance of nature. I hope the authors of the bill are in position to provide something, when this is done, to take the place of the starling in the natural balance.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. TAFT. I object to the bill, for the present.

The PRESIDING OFFICER. The bill, as amended, will go over.

TAX EXEMPTION FOR PROPERTY OF NATIONAL SOCIETY OF THE COLONIAL DAMES OF AMERICA

The bill (S. 973) to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. CAIN. Mr. President, reserving the right to object, I wonder whether any member of the committee can tell us whether a policy covering the exemption of educational, charitable, and religious organizations located within the District of Columbia has been adopted? Perhaps the Senator from Maine [Mrs. SMITH] could supply the answer.

Mr. HENDRICKSON. Mr. President, I think I can answer the question. There is no fixed policy. All these exemptions have been granted, as I understand, by special legislation.

Mr. CAIN. I have raised the question only because in the Eightieth Congress the committee went on record as indicating they would recommend no further individual exemptions, until they had an opportunity to study the problem in a comprehensive way.

Mr. HENDRICKSON. I think the committee, in reporting this bill, felt very definitely that there should be a policy, there should be a study made of this whole situation, and that other exemptions of this special type should not be granted.

Mr. CAIN. May we safely assume, then, that this special exemption will probably be the last of its kind, until a comprehensive policy has been formulated?

Mr. HENDRICKSON. So long as the membership of the Committee on the District of Columbia remains as it is today, I think it is a safe assumption.

Mr. CAIN. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That certain property in the District of Columbia described as lot numbered 801, in square numbered 1285, together with the improvements thereon, known as premises No. 2715 Q Street Northwest, and the furnishings therein, owned by the National Society of the Colonial Dames of America, a corporation organized and existing under the laws of the District of Columbia, be exempt from taxation, national and municipal, so long as the same is used for nonprofit purposes

PROMOTIONS IN MAIL EQUIPMENT SHOPS

The bill (S. 1825) to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection (f) of section 18 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended, is amended to read as follows:

"(f) Temporary employees in the mail equipment shops paid on an annual basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the quarter following the completion of 1 year's satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position: *Provided*, That no temporary employee shall be paid at a rate higher than that provided herein for the highest automatic grade of the position in which he is employed: *Provided further*, That when a temporary employee is appointed to a regular position in the mail equipment shops, the employee shall be assigned to a salary grade corresponding to his salary as a temporary employee at the time of such appointment. Any fractional part of a year's temporary service accumulated since the last compensation increase as a temporary shall be included with the regular service of a regular employee in determining eligibility for promotion to the next higher grade following appointment to a regular position."

SEC. 2. Any period of continuous satisfactory service as a temporary employee in the mail equipment shops performed by any such temporary employee prior to the effective date of this act shall be creditable for a promotion to the rates of pay of grade 2 of the position in which such temporary employee is employed.

SEC. 3. This act shall become effective at the beginning of the quarter following the date of enactment.

RESEARCH AND DEVELOPMENT PROGRAM IN THE POST OFFICE DEPARTMENT

The bill (H. R. 91) to provide for a research and development program in the Post Office Department, was considered, ordered to a third reading, read the third time, and passed.

REGULATION OF WHALING

The Senate proceeded to consider the bill (S. 2080) which had been reported from the Committee on Interstate and Foreign Commerce, with amendments on page 1, line 3, before the word "That", to insert "Sec. 1."; on page 6, line 6, after the word "by", to strike out "him" and insert "the Secretary"; on page 8, line 11, after the word "section", to strike out "7" and insert "8"; in line 14, after "Sec. 8." to insert "(a)"; in the same line, after the word "Except", to strike out "as provided in section 6" and insert "as to violations defined in clause 3 of subsection (a) of section (5)"; on page 9, after line 2, to strike out:

(b) All procedures of law relating to the seizure, judicial forfeiture, and condemnation of a vessel for violation of the customs laws and the disposition of such vessel or the proceeds from the sale thereof shall apply to seizures, forfeitures, and condemnations incurred, or alleged to have been incurred, under the provisions of this act insofar as such provisions of law are applicable and are not inconsistent with this act.

On page 10, at the beginning of line 1, to strike out "an officer or trial before a court of competent jurisdiction" and insert "a justice or judge or any other official designated in section 3041 of title 18 of the United States Code"; in line 17, after "United States", to strike out "court" and insert "district courts"; on page 11, after line 3, to strike out:

(b) In cases where the person authorized to make an arrest or seizure or any court of competent jurisdiction finds that the immediate arrest of the person or seizure of whales or whale products would impose an unreasonable hardship he or it may issue a citation requiring such person to appear before the proper official of the court having jurisdiction thereof within a specified time; or in the case of property, post such citation upon said property and require its delivery to such court within such specified time. Upon the issuance of such citation and the filing in writing or by any other available means of communication, of a notice thereof with the clerk of the appropriate court the person so cited and the property so seized and posted shall thereupon be subject to the jurisdiction of the court to answer the order of the court in such cause.

In line 19, after the words "order of", to strike out "such court" and insert "a court of competent jurisdiction"; in line 20, after the word "subsection", to strike out "(c)" and insert "(b)"; in line 21, after the word "section", to insert "or, if perishable, in the manner prescribed by regulations of the Secretary of the Interior"; in line 23, before the word "Notwithstanding", to strike out "(c)" and insert "(b)"; in the same line, after the word "of", to strike out "28 United States Code 2464," and insert "section 2464 of title 28 of the United States Code"; on page 12, line 1, after the word "rem", to strike out "including that specified in subsection (b) of this section,"; in line 2, after the word "cause", to strike out "of admiralty jurisdiction"; in line 6, after the word "a", to strike out "band" and insert "bond"; in the same line, after the word "stipulation", to insert "for

double the value of the property"; in line 7, after the word "sufficient", to strike out "sureties or" and insert "surety to be"; in line 8, after the word "approved", to strike out "corporate surety in such sum as the court shall order" and insert "by a judge of the district court having jurisdiction"; on page 13, line 15, after the word "enforce", to strike out the comma and "through the Fish and Wildlife Service,"; on page 14, line 6, after the word "Treasury", to strike out the comma and "through the United States Coast Guard,"; on page 15, line 3, after the word "including", to insert "(1)"; in line 6, after the word "governments", to insert "and (2)"; in line 7, after the word "including", to insert "(a)"; in line 10, after the word "amended", to insert "(b)"; in line 11, after the word "the", to strike out "Standardized Government Travel Regulations, as amended, the Subsistence Expense Act of 1926, as amended," and insert "Travel Expense Act of 1949"; in line 14, after "(U. S. C., title 5, sec. 73b)", to insert "(c)"; in line 15, after the word "services", to insert "(d)"; in the same line, after the word "offices", to insert "(e)."

The amendments were agreed to.

Mr. TOBEY. Mr. President, what bill are we working on now? What calendar number is it?

The PRESIDING OFFICER. It is Calendar 820, Senate bill 2080.

Mr. TOBEY. I merely want to make the observation that we have to take a good deal on faith, sitting here as we are, agreeing to a great many amendments. It seems to me it is not the way to write legislation. The import of the amendments is not known to Senators. I think it is a dangerous procedure.

Mr. JOHNSON of Colorado. Mr. President, the bill, of course, was considered by the committee, of which the Senator is a member. The object of the bill is to implement an international agreement.

Mr. TOBEY. I appreciate what the purpose of the bill is, but 20 or 30 amendments are being added, of which none of the Members have any knowledge at all.

Mr. JOHNSON of Colorado. They are more or less technical amendments which are being proposed to the bill, but they are all in accord with the international agreement.

Mr. TOBEY. I have such respect for the chairman of the committee that I give him blanket power, but I submit to Senators we are following a dangerous procedure, when we sit here as a body of Senators passing on these matters willy nilly, including 20 or 30 amendments, without knowing their import. I think it should bring to our attention some need of a change.

Mr. JOHNSON of Colorado. Of course, it would take a long time if we had to explain each one of these technical amendments. The purpose of the bill is, of course, obvious, and I can say with full assurance that none of the amendments is out of line with the objectives of the bill. They are all entirely in line with the objectives. The purpose of the bill is to carry out an international agreement so as to protect animals and fish which are rapidly becoming extinct.

Mr. TOBEY. I merely submit to the chairman that it would have been far better if a new bill containing the changes but not appearing as amendments, had been reported by the committee, instead of having all these amendments which no one knows anything about.

The PRESIDING OFFICER. The clerk will continue stating the committee amendments.

The next amendments were on page 15, line 19, after "(U. S. C., title 41, sec. 5)", to insert "(f)"; in line 21, after "(U. S. C., title 41, sec. 5)", to insert "(g)"; in line 22, after the word "materials", to insert "(h)"; in the same line, after the word "equipment", to insert "(i)", and on page 16, line 6, after the word "The", to insert "Whaling Treaty."

The amendments were agreed to.

The bill, as amended, reads as follows:

Be it enacted, etc., SECTION 1. That this act may be cited as the "Whaling Convention Act of 1949."

SEC. 2. When used in this act—

(a) Convention: The word "convention" means the International Convention for the Regulation of Whaling signed at Washington under date of December 2, 1946, by the United States of America and certain other governments.

(b) Commission: The word "Commission" means the International Whaling Commission established by article III of the convention.

(c) United States Commissioner: The words "United States Commissioner" mean the member of the International Whaling Commission representing the United States of America appointed pursuant to article III of the convention and section 3 of this act.

(d) Person: The word "person" denotes every individual, partnership, corporation, and association subject to the jurisdiction of the United States.

(e) Vessel: The word "vessel" denotes every kind, type, or description of water craft or contrivance subject to the jurisdiction of the United States used, or capable of being used, as a means of transportation.

(f) Factory ship: The words "factory ship" mean a vessel in which or on which whales are treated or processed, whether wholly or in part.

(g) Land station: The words "land station" mean a factory on the land at which whales are treated or processed, whether wholly or in part.

(h) Whale catcher: The words "whale catcher" mean a vessel used for purpose of hunting, killing, taking, towing, holding onto, or scouting for whales.

(i) Whale products: The words "whale products" mean any unprocessed part of a whale and blubber, meat, bones, whale oil, sperm oil, spermaceti, meal, and baleen.

(j) Whaling: The word "whaling" means the scouting for, hunting, killing, taking, towing, holding onto, and flensing of whales, and the possession, treatment, or processing of whales or of whale products.

(k) Regulations of the Commission: The words "regulations of the Commission" mean the whaling regulations in the schedule annexed to and constituting a part of the convention in their original form or as modified, revised, or amended by the Commission from time to time, in pursuance of article V of the convention.

(l) Regulations of the Secretary of the Interior: The words "regulations of the Secretary of the Interior" mean such regulations as may be issued by the Secretary of the Interior, from time to time, in accordance with sections 11 and 12 of this Act.

SEC. 3. (a) The United States Commissioner shall be appointed by the President, on the concurrent recommendations of the Secretary of State and the Secretary of the Interior, and shall serve at the pleasure of the President.

(b) The President may appoint a Deputy United States Commissioner, on the concurrent recommendations of the Secretary of State and the Secretary of the Interior. The Deputy United States Commissioner shall serve at the pleasure of the President and shall be the principal technical adviser to the United States Commissioner, and shall be empowered to perform the duties of the Commissioner in case of the death, resignation, absence, or illness of the Commissioner.

(c) The United States Commissioner and Deputy Commissioner, although officers of the United States Government, shall receive no compensation for their services.

SEC. 4. The Secretary of State is authorized, with the concurrence of the Secretary of the Interior, to present or withdraw any objections on behalf of the United States Government to such regulations or amendments of the schedule to the convention as are adopted by the Commission and submitted to the United States Government in accordance with article V of the convention. The Secretary of State is further authorized to receive on behalf of the United States Government reports, requests, recommendations, and other communications of the Commission, and to act thereon either directly or by reference to the appropriate authority.

SEC. 5. (a) It shall be unlawful for any person subject to the jurisdiction of the United States (1) to engage in whaling in violation of the convention or of any regulation of the Commission, or of this act, or of any regulation of the Secretary of the Interior; (2) to ship, transport, purchase, sell, offer for sale, import, export, or have in possession any whale or whale products taken or processed in violation of the convention, or of any regulation of the Commission, or of this act, or of any regulation of the Secretary of the Interior; (3) to fail to make, keep, submit, or furnish any record or report required of him by the convention, or by any regulation of the Commission, or by any regulation of the Secretary of the Interior, or to refuse to permit any officer authorized to enforce the convention, the regulations of the Commission, this act, and the regulations of the Secretary of the Interior, to inspect such record or report at any reasonable time.

(b) It shall be unlawful for any person or vessel subject to the jurisdiction of the United States to do any act prohibited or to fail to do any act required by the convention, or by this act, or by any regulation adopted by the Commission, or by any regulation of the Secretary of the Interior.

SEC. 6. (a) No person shall engage in whaling without first having obtained an appropriate license or scientific permit. Such licenses shall be issued by the Secretary of the Interior or such officer of the Department of the Interior as may be designated by him: *Provided*, That the Secretary, in his discretion and by appropriate regulation, may waive the payment of any license fee or the requirement that a license first be obtained, in connection with the salvage of any "Dauhval" or unclaimed dead whale found floating or stranded.

(b) The following licenses and fees shall be required for each calendar year or any fraction thereof and shall be nontransferable except under such conditions as may be prescribed by the Secretary:

(1) Land-station license for primary processing of whales, $250.

(2) Land-station license for secondary processing of parts of whales delivered to it

by a land station licensed as a primary processor, $100.

(3) Factory-ship license for primary processing of whales delivered by whale catchers, $250.

(4) License for any vessel used exclusively for transporting whale products from a factory ship to a port during the whaling season, $100.

(5) Whale-catcher license, $100.

(c) All moneys derived from the issuance of whaling licenses shall be covered into the Treasury of the United States, and no license fee shall be refunded by reason of the failure of any person to whom a license has been issued to utilize the facility in whaling for which such license was issued.

(d) Any person, in making application for a license to operate a whale catcher, must furnish evidence or affidavit satisfactory to the Secretary of the Interior that, in addition to conforming to other applicable laws and regulations, (1) the whale catcher is adequately equipped and competently manned to engage in whaling in accordance with the provisions of the convention, the regulations of the Commission, and the regulations of the Secretary of the Interior; (2) gunners and crews will be compensated on some basis that does not depend primarily on the number of whales taken; and (3) no bonus or other partial remuneration with relation to the number of whales taken shall be paid to gunners and crews in respect of the taking of any whales, the taking of which is prohibited.

(e) Any person, in making application for a license to operate a land station or a factory ship must furnish evidence or affidavits to the satisfaction of the Secretary of the Interior that, in addition to conforming to other applicable laws and regulations, such land station or factory ship is adequately equipped to comply with provisions of the convention, of the regulations of the Commission, and of the regulations of the Secretary of the Interior with respect to the processing of whales or the manufacture of whale products.

SEC. 7. Any person who fails to make, keep, or furnish any catch return, statistical record, or any report that may be required by the convention, or by any regulation of the Commission, or by this act, or by a regulation of the Secretary of the Interior, or any person who furnishes a false return, record, or report, upon conviction, shall be subject to such fine as may be imposed by the court not to exceed $500, and shall in addition be prohibited from whaling, processing, or possessing whales and whale products from the date of conviction until such time as any delinquent return, record, or report shall have been submitted or any false return, record, or report shall have been replaced by a duly certified correct and true return, record, or report to the satisfaction of the court. The penalties imposed by section 8 of this act shall not be invoked for failure to comply with requirements respecting returns, records, and reports.

SEC. 8. Except as to violations defined in clause 3 of subsection (a) of section (5) of this act, any person violating any provision of the convention, or of any regulation of the Commission, or of this act, or of any regulation of the Secretary of the Interior upon conviction, shall be fined not more than $10,000 or be imprisoned not more than 1 year, or both. In addition the court may prohibit such person from whaling for such period of time as it may determine, and may order forfeited, in whole or in part, the whales taken by such person in whaling during the season, or the whale products derived therefrom or the monetary value thereof. Such forfeited whales or whale products shall be disposed of in accordance with the direction of the court.

SEC. 9. (a) Any duly authorized enforcement officer or employee of the Fish and Wildlife Service of the Department of the Interior; any Coast Guard officer; any United States marshal or deputy United States marshal; any customs officer; and any other person authorized to enforce the provisions of the convention, the regulations of the Commission, this act, and the regulations of the Secretary of the Interior, shall have power, without warrant or other process but subject to the provisions of the convention, to arrest any person subject to the jurisdiction of the United States committing in his presence or view a violation of the convention or of this act, or of the regulations of the Commission, or of the regulations of the Secretary of the Interior and to take such person immediately for examination before a justice or judge or any other official designated in section 3041 of title 18 of the United States Code; and shall have power, without warrant or other process, to search any vessel subject to the jurisdiction of the United States or land station when he has reasonable cause to believe that such vessel or land station is engaged in whaling in violation of the provisions of the convention or this act, or the regulations of the Commission, or the regulations of the Secretary of the Interior. Any person authorized to enforce the provisions of the convention, this act, the regulations of the Commission, or the regulations of the Secretary of the Interior shall have power to execute any warrant or process issued by an officer or court of competent jurisdiction for the enforcement of this act, and shall have power with a search warrant to search any vessel, person, or place at any time. The judges of the United States district courts and the United States commissioners may, within their respective jurisdictions, upon proper oath or affirmation showing probable cause, issue warrants in all such cases. Subject to the provisions of the convention, any person authorized to enforce the convention, this act, the regulations of the Commission, and the regulations of the Secretary of the Interior may seize, whenever and wherever lawfully found, all whales or whale products taken, processed, or possessed contrary to the provisions of the convention, of this act, of the regulations of the Commission, or of the regulations of the Secretary of the Interior. Any property so seized shall not be disposed of except pursuant to the order of a court of competent jurisdiction or the provisions of subsection (b) of this section, or, if perishable, in the manner prescribed by regulations of the Secretary of the Interior.

(b) Notwithstanding the provisions of section 2464 of title 28 of the United States Code, when a warrant of arrest or other process in rem, is issued in any cause under this section, the marshal or other officer shall stay the execution of such process, or discharge any property seized if the process has been levied, on receiving from the claimant of the property a bond or stipulation for double the value of the property with sufficient surety to be approved by a judge of the district court having jurisdiction, conditioned to deliver the property seized, if condemned, without impairment in value or, in the discretion of the court, to pay its equivalent value in money or otherwise to answer the decree of the court in such cause. Such bond or stipulation shall be returned to the court and judgment thereon against both the principal and sureties may be recovered in event of any breach of the conditions thereof as determined by the court.

SEC. 10. (a) In order to avoid duplication in scientific and other programs, the Secretary of State, with the concurrence of the agency, institution, or organization concerned, may direct the United States Commissioner to arrange for the cooperation of agencies of the United States Government, and of State and private institutions and organizations in carrying out the provisions of article IV of the convention.

(b) All agencies of the Federal Government are authorized, on request of the Commission, to cooperate in the conduct of scientific and other programs, or to furnish facilities and personnel for the purpose of assisting the Commission in the performance of its duties as prescribed by the convention.

SEC. 11. Nothing contained in this act shall prevent the taking of whales and the conducting of biological experiments at any time for purposes of scientific investigation in accordance with scientific permits and regulations issued by the Secretary of the Interior or shall prevent the Commission from discharging its duties as prescribed by the convention.

SEC. 12. (a) The Secretary of the Interior is authorized and directed to administer and enforce all of the provisions of this act and regulations issued pursuant thereto and all of the provisions of the convention and of the regulations of the Commission, except to the extent otherwise provided for in this act, in the convention, or in the regulations of the Commission. In carrying out such functions he is authorized to adopt such regulations as may be necessary to carry out the purposes and objectives of the convention, the regulations of the Commission, this act, and with the concurrence of the Secretary of State, to cooperate with the duly authorized officials of the government of any party to the convention.

(b) Enforcement activities under the provisions of this act relating to vessels engaged in whaling and subject to the jurisdiction of the United States primarily shall be the responsibility of the Secretary of the Treasury in cooperation with the Secretary of the Interior.

(c) The Secretary of the Interior may authorize officers and employees of the coastal States of the United States to enforce the provisions of the convention, or of the regulations of the Commission, or of this act, or of the regulations of the Secretary of the Interior. When so authorized such officers and employees may function as Federal law-enforcement officers for the purposes of this act.

SEC. 13. Regulations of the Commission approved and effective in accordance with section 4 of this act and article V of the convention shall be submitted for appropriate action or publication in the Federal Register by the Secretary of the Interior and shall become effective with respect to all persons and vessels subject to the jurisdiction of the United States in accordance with the terms of such regulations and the provisions of article V of the convention.

SEC. 14. There is hereby authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of the convention and of this act, including (1) contributions to the Commission for the United States share of any joint expenses of the Commission agreed by the United States and any of the other contracting governments, and (2) the expenses of the United States Commissioner and his staff, including (a) personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; (b) travel expenses without regard to the Travel Expense Act of 1949 and section 10 of the act of March 3, 1933 (U. S. C., title 5, sec. 73b); (c) transportation of things, communication services; (d) rent of offices; (e) printing and binding without regard to section 11 of the act of March 1, 1919 (U. S. C., title 44, sec. 111), and section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); (f) stenographic and other services by contract, if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); (g) supplies and materials; (h) equipment; (i) purchase, hire, operation, maintenance,

and repair of aircraft, motor vehicles (including passenger-carrying vehicles), boats, and research vessels.

SEC. 15. If any provision of this act or the application of such provision to any circumstances or persons shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

SEC. 16. The Whaling Treaty Act of May 1, 1936 (49 Stat. 1246; 16 U. S. C. 901-915), is hereby repealed and the Secretary of the Interior is authorized to refund any part of a license fee paid under said act that is in excess of the license fee required under this act.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

VERMEJO RECLAMATION PROJECT, NEW MEXICO

The bill (S. 1382) to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, I should like to have a brief explanation of the bill.

Mr. ANDERSON. Mr. President, there is on the calendar order No. 837, House bill 3788, with reference to the same subject, and I ask unanimous consent that it be substituted for the Senate bill and be considered at this time.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. Reserving the right to object, I should like an explanation of the bill.

Mr. ANDERSON. This is a bill to rehabilitate the Vermejo Dam, which, had it been previously reconstructed, probably would not be in such bad condition. It was constructed in approximately 1886. The expenditure involved is fully reimbursable. Had the dam been built within the past 20 or 30 years it would have been somewhat different in design.

Mr. SCHOEPPEL. I have no objection.

There being no objection, the bill (H. R. 3788) to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1382 is indefinitely postponed.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The resolution (S. Con. Res. 58) favoring the suspension of deportation of certain aliens was considered and agreed to as follows:

Resolved, etc., That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6492271, Alcantar, Raymundo.

A-3721543, Almida, Leandro or Leandro Rodriguez Almida or Leandro Armeida.

A-6495123, Alvarez, Maria Arias or Maria Arias.

A-6261669, Anastasiadou, Theodora or Theodora Anastasiandes.

A-5988380, Arias-Preciado, Cipriano.

A-6846914, Atilano, Juana or Juana Atilano de la Rosa.

A-5839718, Bacica, Sime Fran or Sam Frank Bacica.

A-5109817, Barreira, Joao Domingues.

A-6546518, Bartley, Anthony Charles.

A-5333848, Beinner, Leah or Leah or Lillian Stein or Leie Staigrud.

A-1650494, Bouza y Franco, Luciano or Luciano Bouza Franco or Luciano Boyza Franco or Luciano Bouza or Bonza.

A-4739891, Cackowski, Joseph John.

A-6200602, Callaghan, June (nee Tipping).

A-5587493, Carlson, Charles Egiert or Charles Karlson.

A-6852439, Cervantes, Feliciano Zavala or Antonio Zavala Cervantes or Feliciano Cervantes-Zavala or Antonio Cervantes.

A-6767387, Chaghlassian, Hagop.

A-6339958, Chesimard, Paule Bertrand (nee Saffache).

A-9530561, Choi, Juam or Choi Jum or Chan Choy or Chui Cham.

A-3536893, Chu, Philip Mei.

A-3536891, Chu, Esther Li Tang.

A-5549658, Cioch, John or Jan.

A-6006860, Clarke, Alton Hiott Alva.

A-6261654, Coukos, Maria (nee Varberidou).

A-2907854, Cox, Thomas or Tom Cox.

A-5796775, Critikos, Anthony Alexander.

A-6038532, Czaplicki, Dominika (nee Lojewska).

A-5207949, Dagnino, Giuseppe.

A-3296513, Da Silva, Manuel Henriques.

A-5340066, Davidian, Azneve or Azneve Yeghazarian or Egazarian or Azneve Kuderian.

A-5570904, De Gonzalez, Rafaela Lozoya.

A-6852437, De La Rosa, Eleno or Eleno De La Rosa-Cervantes or Elano De La Rosa.

A-4359977, De Meo, Raffaele Joseph or Ralph (or Joe) de Meo.

A-7759673, Donohue, Alicia Margarita (nee Barrales).

A-6212825, Dornheim, Kurt or Kenneth Dorn.

A-9559586, Emcken, Carl Christian.

A-5280548, Evanoff, George Demo.

A-6160996, Evans, Leslie Anthony or Leslie Anthony Legg.

A-6712268, Fagundes, Helio Avelar or Helio Da Silva.

A-3878487, Falkner, Mabel (nee Cowan).

A-6445935, Firth-Hand, John Frederick.

A-5627404, Floris, Theodore (alias Gust Panos).

A-6719403, Freeman, Terence (alias Terence Maduro).

A-6261624, Georgiades, Kalliroe George (nee Kalliroe Kakoutis).

A-5341034, Goes, Jacinto or Jacinto De Goes or Jesse Goes.

A-5244395, Halkias, Michael Thomas.

A-6706836, Hanson, James Alfred or James A. Hanson or James Hanson.

A-9671376, Heckman, Anders August.

A-7538664, Hernandez, Junior, Alfred William or Alfredo Guillermo Del Corazon De Jesus or Hernandez Y Sariol or Alfred Hernandez, Junior.

A-6572460, Hernandez-Navarro, Jose.

A-6808580, Janczewski, Marian or Marian Jackowski or Jancio Grom.

A-5452645, Jenkins, Edward or Isidore Dubrofsky.

A-6142586, Jensen, Pascuala Aguinaldo.

A-7595300, Junghans, Carl Friedrich Walter.

A-6207397, Kaufman, Ray nee Radowitz or Ray Radowitz Kaufman.

A-3184268, Konstantinos, Constantinos Psarelles or Gust Psarelis.

A-6261607, Koukoltsios, Constantine.

A-5587049, Lahm, Ludwig or Ludvig Lahm or Louis Lahm.

A-6834450, Lapadat, Julian.

A-9686520, Lau, Chik or Chick or Lau Kan.

A-6091756, Lau, Chok, also known as Harry Chok or Harry Chok Lau.

A-6301469, Lau, Lai Yung Wong also known as Lau Wong Yung Lai or Lai Yong (Yung) Wong or Wong Lae Yung or Daisy Wong.

A-4693214, Lau, Wai Chuen Lillian.

A-6262000, Lind, Egil Frode or Frode Lind or E. Frode Lind.

A-6727225, Lind, Signe Marie or Signe Marie Soerlie or Sorlie.

A-5722312, Lopez, Alejo or Alejo Lopez Lopez or Jose Guvarra.

A-5100890, Lorenz, Agnes (nee De Freitas).

A-1443403, Luciano, Carlo.

A-6844307, Magallanes-Perez, Julio.

A-5247053, Mancuso, Francesco.

A-5688547, Manning, Raymond Fred or Raymond Frederick Leaford Manning or Raymond or Ray Frederick Manning.

A-5128723, Marrale, Antonino or Antonio Marrale.

A-6208487, Masongsong, Buenaventura Gascia.

A-6208562, Masongsong, Luisa Lopez or Maria Luisa Lopez Masongsong, or Maris Luisa Moreno.

A-9695404, Mercier, Louis Lucien.

A-5156871, Mielke, Willy Paul or William Paul Mielke.

A-6783385, Mitchell, Pamela Lillian.

A-6783386, Mitchell, Peter John.

A-4335098, Molaro, Luigi.

A-5069586, Moldenhauer, Christian Henry (alias Christ Moldenhauer).

A-4341326, Monarez-Granados, Alfredo or Alfred Monje.

A-6701884, McCornack, Vera Noelle.

A-5678670, Nicholoff, Petra (nee Stoyanoff).

A-9695884, Olsen, Erling Stoltenberg.

A-6171443, Palmer, Chrysanthe or Chrysanthe Coulouvari (nee Menti).

A-6827646, Papamanolakis, Aristides or Aristides Demitrios Papamanolakis.

A-6245751, Paul, Evdoxia or Evdoxia Sitapolous, Evdoxia Sotopoulou.

A-5894675, Prado-Ruiz, Ramon or Ramon Prado or Raymond Prado.

A-5665013, Racanelli, Michelangelo (Michael Angelo) or Michael Angelo Ragnelle.

A-6844310, Rivera-Marquez, Andres or Andres Marquez-Rivera.

A-7735232, Rivera-Ortiz, Jose Jesus Pedro, or Pedro Rivera-Ortiz.

A-6752701, Robiolle, Jean (John) Georges.

A-5149179, Rosellini, Guido (alias James Roll).

A-6245749, Saragiotis, Despina (nee Despina Ioannis Demarelis).

A-6248901, Savrides, Sophia (nee Sophia Kritharides).

A-1802003, Schraps, Paul Kurt.

A-6432281, Shang, Ting Lin.

A-3652526, Shang, Lily Wen Shun Tang (nee Wen Shun Tang or T'ang or Talitha).

A-5226632, Shee, Tom, or Tom Tiu Gook.

A-5974147, Shimizu, Teisuki Taro, or Taro Smeesu or Frank Shimizer or William Smeesu or William Sato or William T. Smeesu.

A-6287437, Slater, Gerald Frederick.

A-6138457, Snook, Eugene Mayton.

A-5728144, Sobek, Tomas Juraj, or Thomas George Sobek.

A-4687618, Soong, Ts An, or Tsau A. Soong.

A-7580708, Soong, Ji Ing, or Ji Ing Woo Soong (nee Woojih Iung).

A-6393393, Soto, Apolonio.

A-3316850, Soto, Dolores.

A-6295306, Soto-Arvizu, Jorge, or Juan Carrion-Gonzalez.

A-6861483, Soto-Patino, Felisiano, or Feliciano Patino-Soto.

A-5897131, Sucic, Ferdinand.

A-3309754, Sutcliffe, Daisy Elizabeth (nee Sewell).

A-4860775, Ting, Johannes, or John Ting.

A-3659501, Torrisi, Pietra Giovanna.

A-3356915, Tsao, Makepeace Uho.

A-6887120, Tsembeli, Nicholas John.

A-6605104, Ungar, Theodore.

A-6108968, Urrutia, Elmer, or Elmer Urrutia Y Herrera or Elmer Urrutia Herrera.

A-5279822, Valdes, Maria Luisa (nee Gutierrez or Luisa M. Valdes or Valdis nee Maria Luisa Gutierrez or Maria Luisa Valdes or Guiterrez or Gutierrez or Luisa Maria Valdes

or Maria L. Valdes or Maria L. Vda De Valdes or Maria Luisa Gutierrez Vda De Valdes or Ma Luisa Gutierrez Valdis, and others).

A-6595198, Valladaves, Roberto Ignacio.

A-9042913, Vallianos, Georgios, or George Vallianos.

A-5194404, Vasquez, Adolfo Duarte, or Adolfo Vasquez.

A-3101808, Uasu, George Elay.

A-6844271, Vera, Eusebio.

A-6844272, Vega, Ramon.

A-6403040, Velasquez-Rapia, Jesus.

A-3868924, Vrahnas, George Andrew (alias Harry Panos).

A-6357987, Vrakas, Galliroe Constentine or Kalliroy Vrakas or Mangas (nee Zahariadou).

A-6064645, Watters, Luz Costales or Luz Abraham or Luz Costales.

A-6063022, Weidmann, Emilia Santos or Emilia Santos.

A-5554370, Yager, Henry or Hyman Yager and Henry William Yager.

A-6274068, Yang, Ju Chin.

A-5202493, Young, Kenneth Chung Kuen or Yeung Pak Chi or Kai Chong Yeung.

A-6677869, Ziebell, Detlev Guenter.

A-6453741, Ziemak, Marian Cybulski.

REIMBURSEMENT FOR CERTAIN OFFICIAL TRAVEL IN PRIVATELY OWNED AUTOMOBILES

The bill (S. 51) to amend title 28, United States Code, section 962, so as to authorize reimbursement for official travel by privately owned automobiles by officers and employees of the courts of the United States and of the administrative office of the United States courts at a rate not exceeding 7 cents per mile was announced as next in order.

Mr. McCARRAN. Mr. President, this bill was reported favorably, without amendment, on August 1, by the subcommittee, consisting of the junior Senator from Rhode Island [Mr. McGRATH], the junior Senator from Maryland [Mr. O'CONOR], and the junior Senator from Indiana [Mr. JENNER]. It was unanimously approved by the full committee on the same date. This action was taken on the theory that the enactment of the bill was necessary to bring the mileage allowed to officers and employees of United States courts in line with the allowances of other employees of the Government. I find that these particular employees are covered by the provisions of another law which was recently enacted, and I therefore ask unanimous consent that Senate bill 51 be recommitted to the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

MRS. HARRIETT PATTERSON ROGERS

The bill (H. R. 637) for the relief of Mrs. Harriett Patterson Rogers was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 48) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges traveling while attending court or transacting official business at places other than their official stations, and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile, was announced as next in order.

Mr. TOBEY. Over.

The PRESIDING OFFICER. The bill will be passed over.

ELZA FRIEDRYCH

The Senate proceeded to consider the bill (S. 874) for the relief of Elza Friedrych, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert in lieu thereof the following:

That, in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to permit Elza Friedrych, who was admitted temporarily into the United States on January 31, 1948, at St. Albans, Vt., to reside in the United States as a temporary visitor for a period not to exceed 2 years from the date of enactment hereof. If during such period the Attorney General finds that the said Elza Friedrych has been adopted in the United States by a responsible citizen or citizens of the United States, he is hereby authorized and directed to record her lawful admission for permanent residence as of the date of her lawful temporary entry into the United States on January 31, 1948, if she is found to be admissible under the provisions of the immigration laws other than those relating to quotas and upon payment of head tax and visa fee. When the Attorney General records the lawful admission for permanent residence of the said Elza Friedrych as herein provided, he shall communicate that fact to the Secretary of State who shall thereupon instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota for Poland for the first year that said quota is available.

SEC. 2. In the event that the Attorney General finds that the said Elza Friedrych has not been adopted in the United States by a responsible citizen or citizens of the United States during the aforesaid period, he shall direct her to depart from the United States and upon her failure to do so she shall be deported in the same manner as provided for in sections 19 and 20 of the Immigration Act of February 5, 1917, as amended (8 U. S. C., 155, 156).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF BANKRUPTCY ACT

The bill (S. 938) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wonder if the sponsor of this bill will explain to the Senate why section 982 of the bill limits the appraisal of bankrupt property to one appraisal, whereas, under section 75 of the existing law, more than one appraisal can be had through the court, in its discretion. This bill seems to be a departure from the well-established principle of the bankruptcy law.

Mr. McCARRAN. It was a matter of serious consideration by the committee whether there should be one or two appraisals. The committee decided on one appraisal. It was a matter of policy established by the committee. That was after long and very serious and studious consideration.

Mr. HENDRICKSON. What was the reason for the decision of the committee?

Mr. McCARRAN. I cannot give any more reason than the establishment of a policy by the subcommittee and by the committee.

Mr. HENDRICKSON. Mr. President, under section 1008 of the bill, at page 35, it is provided that the debtor shall pay 4 percent interest on unpaid balances, rather than rent, when redeeming his property. This also is a departure from the fixed practice under the bankruptcy law. I wonder if the Senator from Nevada will explain that.

Mr. McCARRAN. That was the other big question involved in the study of this bill, and out of it came the establishment of the policy announced by the committee.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment on page 16, line 4, after the word "the", to strike out "doctor's" and insert "debtor's" so as to make the bill read:

Be it enacted, etc., That subdivision (c) of section 75 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, is hereby amended and incorporated as chapter XVI of such act to read as follows:

"CHAPTER XVI—FARMER-DEBTOR RELIEF

"ARTICLE I—CONSTRUCTION

"SEC. 901. The provisions of this chapter shall apply exclusively to proceedings under this chapter.

"SEC. 902. The provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this chapter. For the purposes of such application, provisions relating to 'bankrupts' shall be deemed to relate also to 'debtors,' and 'bankruptcy proceedings' or 'proceedings in bankruptcy' shall be deemed to include proceedings under this chapter. For the purposes of such application, the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 922 of this act, and the date of adjudication shall be taken to be the date of approval of a petition filed under section 921 or 922 of this act, except where an adjudication had previously been entered.

"ARTICLE II—DEFINITIONS

"SEC. 906. For the purposes of this chapter, unless inconsistent with the context—

"(1) 'claims' shall include all claims of whatever character against the debtor or his property, whether or not such claims are provable as debts under section 63 of this act, and whether secured or unsecured, liquidated or unliquidated, fixed or contingent;

"(2) 'creditor' shall mean the holder of any claim;

"(3) 'debtor' shall mean a farmer who files a petition under this chapter;

"(4) 'debts' shall include all claims;

"(5) 'executory contracts' shall include unexpired leases of real property;

"(6) 'farmer' shall mean an individual primarily bona fide engaged in producing products of the soil, or in dairy farming, or in the production of poultry or livestock, or

in the production of poultry or livestock products in their unmanufactured state, and the principal part of whose gross income is derived from any one or more of such operations, whether so engaged personally or as a tenant or by tenants, and shall include the executor, administrator, or personal representative of the estate of any such deceased person so engaged at the time of his death in one or more of the foregoing operations. The provisions of this chapter shall be held to apply also to partnerships, to common, entirety, joint, or community ownerships, or to farming corporations where at least 75 percent of the stock is owned by actual farmers;

"(7) 'petition' shall mean a petition filed in a court of bankruptcy or with its clerk, by a debtor praying for the benefits of this chapter;

"(8) 'period of redemption' shall include any State moratorium, whether established by legislative enactment or executive proclamation, or where the period of redemption has been extended by judicial decree or as provided elsewhere in this chapter;

"(9) 'plan' shall mean a plan for a composition or extension, or both, proposed in a proceedings under this chapter; and

"(10) 'property' of a debtor shall include all his property, real or personal, wherever located, of every kind and nature, including but not limited to his interests in contracts for purchase, contracts for deed, conditional sales contracts, rights or equities of redemption, right under trust deeds given as security, rights within a period of redemption which has not expired, rights under trust deeds which have not become absolute, rights existing in case of sale which has not been confirmed or where a deed pursuant to sale has not been delivered.

"SEC. 907. Creditors or any class of them shall be deemed to be 'affected' by a plan only if their or its interests shall be materially and adversely affected thereby. In the event of controversy, the court shall, after hearing upon notice, summarily determine whether any creditor or class of creditors is so affected.

"ARTICLE III—JURISDICTION, POWERS, AND DUTIES OF THE COURT

"SEC. 911. Where not inconsistent with the provisions of this chapter, the court in which the petition is filed shall, for the purposes of this chapter, have exclusive jurisdiction of the debtor and his property, wherever located.

"SEC. 912. Prior to the approval of a petition, the jurisdiction, powers, and duties of the court and of its officers, where not inconsistent with the provisions of this chapter, shall be the same as in a bankruptcy proceeding before adjudication.

"SEC. 913. Upon the approval of a petition, the jurisdiction, powers, and duties of the court and of its officers, where not inconsistent with the provisions of this chapter, shall be the same as in a bankruptcy proceeding upon adjudication.

"SEC. 914. Upon the approval of a petition under this chapter, the court may, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon it—

"(1) permit the rejection of executory contracts of the debtor, upon notice to the parties to such contracts and to such other parties in interest as the court may designate; and

"(2) upon cause shown before the expiration of any time which under this chapter the court is required or permitted to fix for any purpose, extend such time upon such terms as the court may deem proper: *Provided, however,* That is no circumstances shall the court extend the period prescribed in section 947, 986, 996, 1006, or 1007 of this act.

"SEC. 915. Whenever notice is to be given under this chapter, if not otherwise specified hereunder, the court shall designate the time within which, the persons to whom, the form and manner in which the notice shall be given, and the contents of the notice. Any notice to be given under this chapter may be combined, whenever feasible, with any other notice or notices to be given under this chapter.

"SEC. 916. The judge may transfer a proceeding under this chapter to a court of bankruptcy in any other district, regardless of the residence of the debtor, if the interests of the parties will be best served by such transfer.

"SEC. 917. Where a petition is filed by the executor, administrator, or personal representative of the estate of a deceased debtor, the consent of the court in which such estate is pending shall not be required.

"SEC. 918. Where not inconsistent with the provisions of this chapter, the jurisdiction of appellate courts shall be the same as in a bankruptcy proceeding.

"ARTICLE IV—PETITION, APPROVAL, AND STAY

"SEC. 921. A debtor may file a petition under this chapter in a pending bankruptcy proceeding either before or after his adjudication.

"SEC. 922. If no bankruptcy proceeding is pending, a debtor may file an original petition under this chapter with the court in whose territorial jurisdiction he has resided or the principal part of his farming operations have occurred for the preceding 6 months or for a longer portion of the preceding 6 months than in any other jurisdiction. The filing of such petition shall be accompanied by payment to the clerk of a filing fee of $45, to be distributed by him as in the case of a bankruptcy proceeding.

"SEC. 923. A petition filed under this chapter shall state—

"(1) that the debtor is insolvent or unable to pay his debts as they mature and that he desires to avail himself of the benefits of this chapter; and

"(2) the nature and status of all pending proceedings affecting the property of the debtor known to him and the courts in which they are pending.

"SEC. 924. The petition shall be filed in triplicate and be accompanied in triplicate by—

"(1) a statement of the executory contracts of the debtor;

"(2) the schedules and statement of affairs, if not previously filed, including a statement of rights of redemption which have not expired and rights under trust deeds which have not become absolute, and of deeds which have not been confirmed or delivered, and the property affected thereby; and

"(3) where a petition is filed by the legal representative of the estate of a deceased debtor, copies of his appointment by the probate court, of which the original shall be certified.

"SEC. 925. Upon the filing of a petition by a debtor the judge shall enter an order approving the petition if satisfied that it complies with the requirements of this chapter or, if not so satisfied, dismissing it for want of jurisdiction.

"SEC. 926. A petition shall not be dismissed under section 925 of this act because of the distressed financial conditions of the debtor, or because there is no reasonable expectation of his financial rehabilitation, or because he may have no equity in his property above the encumbrances and other liens against it, or because of any other ground of like nature.

"SEC. 927. In addition to the applicable relief of section 11 of this act and the relief elsewhere provided under this chapter, the filing of a petition by a debtor shall, for the purposes of a proceeding under this chapter, operate as a stay of a prior pending bankruptcy, mortgage foreclosure or equity receivership proceeding and of any act or other proceeding to enforce a lien against any of the debtor's property, including the sale of any of the debtor's property under the terms of any mortgage, pledge, or deed of trust, and of the commencement or continuation of any act, suit, or proceeding against the debtor or his property until dismissal of the petition under section 925 of this act, or, if not dismissed, then until final decree dismissing or closing the proceeding under this chapter: *Provided, however,* That in the case of any property of a debtor not retained in his possession or not redeemed by him, as provided under this chapter, or being administered by his trustee appointed under this chapter, upon the application of a creditor holding an encumbrance on such property, lawfully enforceable except for the foregoing stay, the court may, after hearing upon notice to the debtor, the trustee, the creditor holding the encumbrance and such other parties as the court may designate, vacate the stay affecting such property, upon such terms and conditions as the court, in its opinion, may deem proper with a view to the rights of the creditor holding the encumbrance and the interests of the estate.

"SEC. 928. Where as to any property of the debtor, the period of redemption has not expired or the right under a deed of trust has not become absolute or a sale has not been confirmed or the deed has not been delivered, at the time of the filing of the petition, the period of redemption shall be extended, the confirmation of sale shall be stayed or the delivery of the deed shall be withheld for the period necessary for the purpose of carrying out the provisions of this chapter.

"ARTICLE V—PROCEEDINGS SUBSEQUENT TO APPROVAL OF PETITION

"SEC. 931. Upon approval of a petition, the judge may refer the proceeding to a referee.

"SEC. 932. Upon approval of a petition, the court shall promptly appoint three competent and disinterested appraisers, who shall be residents of the county where the principal part of the debtor's property is located, who shall inventory separately, as far as practicable, all of the items of real and personal property belonging to the debtor and appraise each item at its then fair and reasonable market value.

"SEC. 933. The appraisers shall file with the court a report of their inventory and appraisal, under oath, within 10 days after the date of receipt of notice of their appointment, or within such further time as the court may, for cause shown, allow.

"SEC. 934. Within 10 days after filing of such report, or within such further time as the court may for cause shown allow, the debtor shall file with the court—

"(1) his claim of exemption;

"(2) a statement of the unexempt property, or such integral part or parcel thereof, and of the encumbered exempt property, possession of which he desires to retain for the purposes of the proceeding under this chapter; and

"(3) the offer of, and the terms of, payments to be made by him on the appraised value of such property.

"SEC. 935. Upon compliance by the debtor with the provisions of section 934 of this act, the court shall promptly call a meeting of creditors upon at least 10 days' notice by mail to the debtor and all creditors.

"SEC. 936. The notice of such meeting shall specify the purposes of the meeting, which shall include consideration of the report of the appraisers, the setting apart of the debtor's exemptions and the fixing of the amount and the terms of payments to be paid by the debtor upon the appraised value of the property to be retained by him.

"SEC. 937. The notice of such meeting shall also be accompanied by—

"(1) a summary of the scheduled liabilities;

"(2) a list of the names of the 10 largest general unsecured creditors and the 10 largest secured creditors, their addresses, and the scheduled amount owing to each of them,

and, in the case of the secured creditors, the nature of the security held by each of them;

"(3) a list of the names of the unsecured creditors, entitled to priority, their addresses, and the nature and amount of the priority owing to each of them, as scheduled;

"(4) a brief summary of the report of the appraisers;

"(5) a brief summary of the debtor's claim of exemptions; and

"(6) a brief summary of the property, possession of which is requested to be retained by the debtor, the valuation of such property as fixed by the report of the appraisers, and the terms of payment thereof offered by the debtor.

"SEC. 938. At such meeting of creditors and at all adjournments thereof, and at all hearings under this chapter, the judge or referee shall preside.

"SEC. 939. At such meeting of creditors or at any adjournment thereof—

"(1) the court shall examine the debtor or cause him to be examined, and hear witnesses on any matters relevant to the proceedings;

"(2) the creditors, exclusive of the creditors disqualified to vote for a trustee under section 44 of this act, such grounds of disqualification to apply also to the secured creditors, may appoint a committee of not less than three creditors, which committee may consult and advise with the court and submit any question in connection with or affecting any matter relevant to the proceedings; and

"(3) the court may, at any time before the entry of the order under section 947 of this act, enter an order temporarily retaining the debtor in possession of his property, or any integral part or parcel thereof, and shall fix the payments to be paid on the appraised value by the debtor during such period.

"SEC. 940. At such meeting of creditors, or at any adjournment thereof, the creditors, exclusive of the creditors disqualified as provided in paragraph (2) of section 939 of this act, may appoint a trustee. No individual shall be eligible to appointment as a trustee unless he is (a) a resident of the county where the principal part of the debtor's property is located; (b) familiar with agricultural conditions therein; (c) not engaged in the farm-mortgage business, the business of financing farmers or transactions in agricultural commodities, or of furnishing agricultural supplies; and (d) not a relative of, or associated in business with, any creditor. If the creditors do not appoint a trustee, or if the trustee so appointed fails to qualify as provided in this act, the court shall make the appointment. Such trustee shall—

"(1) administer the unexempt property of the debtor, possession of which is not retained or continued to be retained by the debtor under this chapter;

"(2) receive all moneys under this chapter paid by the debtor or coming into the estate and disburse and distribute the same as provided in this chapter; and

"(3) when so authorized by the court as provided in section 968 of this act, supervise the farming operations of the debtor.

"SEC. 941. At such meeting of creditors, or at any adjournment thereof, the court shall set apart the exemptions of the debtor: *Provided, however*, That the court shall supervise and control the encumbered exempt property to be retained by the debtor for the purposes of the proceedings under this chapter.

"SEC. 942. At such meeting of creditors, or at any adjournment thereof, the court shall hear and determine the objections, if any, to the report of the appraisers and shall enter an order approving, modifying, or disapproving such report. In case of disapproval, the court shall, after hearing, upon notice to the debtor and all creditors, enter an order, in accordance with the proof, determining the then fair and reasonable market value of the property. A person aggrieved by the order entered by a referee may, within 20 days after the entry of the order, file a petition to review the same in the manner provided in this act.

"SEC. 943. The order establishing or determining the value of the property as provided in section 942 of this act, when it has become final, shall be a conclusive determination of the valuation of the property and be binding upon all parties affected.

"SEC. 944. At such meeting of creditors, or at any adjournment thereof, the court shall fix, pursuant to the provisions of this chapter, fair and reasonable installment payments to be paid by the debtor on the appraised value of such property, including encumbered exempt property, possession of which he requests to retain under paragraph (2) of section 934 of this act, and shall fix the periods of payment thereof, either quarterly, seminannually, or annually, and how payable, either in advance or at the end of such period.

"SEC. 945. a. In fixing such payments, the court shall—

"(1) apportion and allocate, so far as practicable, the amount of the payment to the integral parts or parcels of the property, subject to specific liens;

"(2) give due consideration to the appraised value of the debtor's property, the customary rental value of property of the same general character located in the community in which the debtor's property is located, the actual net income and earning capacity of the debtor's property, its depreciation or deterioration by reason of use or age, and such other factors which the court may consider essential in arriving at fair and reasonable installment payments; and

"(3) give due consideration, in fixing the periodic payments, to the debtor's ability to pay, whether quarterly, semiannually, or annually, in advance or at the end of such period.

"b. Such payments, and payments made under sections 948 and 949 shall be used, first, for the payment of taxes, insurance, and upkeep of the property from which the income was derived, and the remainder shall be distributed as provided in sections 1028 and 1029 of this chapter, any distribution to creditors to be applied on the value established as provided in this chapter.

"SEC. 946. The court may, during the period of retention of the property by the debtor, increase or decrease the amount of the installment payments on the appraised value or change the period or terms of payment, or both, where it shall be made to appear, after hearing upon at least 10 days' notice by mail to the debtor and all creditors, that the circumstances of the debtor so warrant or require.

"SEC. 947. Upon fixing the installment payments, as provided in section 944 of this act, the court shall forthwith thereupon enter an order continuing the debtor in possession of the property for which the installment payments are fixed, with authority to manage and operate the same in connection with the farming operations, for a period of 3 years from the date of the entry of such order or such further time as provided in sections 996 and 1007 of this act, subject, however, at all times to the supervision and control of the court and to such terms and conditions as the court may from time to time prescribe pursuant to the provisions of this chapter. The court may require the debtor to file reports of the farming operations at such intervals as it may designate and in such form and containing such information as it may prescribe.

"SEC. 948. Upon its own motion or upon application of any creditor, the court may, after hearing upon at least 10 days' notice by mail to the debtor and all creditors, require the debtor to make payments in addition to the fixed installment payments as provided in section 944 of this act and, in fixing the amount and periods of such payments, the court shall give due consideration to the interests of creditors and to the debtor's ability to pay, with a view to his financial rehabilitation.

"SEC. 949. The court may at any time during the proceedings, either upon its own motion or upon application of the debtor or any creditor, at a hearing upon at least 10 days' notice by mail to the debtor and all creditors, order the trustee to sell any unexempt perishable products of the farm if it appears necessary to protect the estate from loss, and any unexempt personal or real property not reasonably necessary to the farming operations of the debtor, except heirlooms and personal gifts in the discretion of the court, despite any order of the court retaining the debtor in possession thereof: *Provided, however*, That in the case of perishable property, the court may, upon cause shown, shorten the period of notice or order the sale without notice.

"ARTICLE VI—TITLE, RIGHTS, DUTIES, AND POWERS OF DEBTOR

"SEC. 956. Except as provided in this chapter, and for the purposes of this chapter, a debtor shall with respect to the property retained by him under section 947 of this act, and during the period of its retention by him, have all the title and exercise all the powers of a trustee appointed under section 44 of this act, subject, however, at all times to the supervision and control of the court and to such terms and conditions as the court may from time to time prescribe for the protection of the property or the conservation of the security. A debtor may manage and operate such property in the manner and subject to the conditions as provided in this chapter.

"SEC. 957. Where not inconsistent with the provisions of this chapter, the rights, privileges, and duties of the debtor shall be the same, before the approval of the petition, as in a bankruptcy proceeding before adjudication and, upon the approval of the petition, as in a bankruptcy proceeding upon adjudication.

"SEC. 958. Except as provided in this chapter, a debtor shall not be adjudged a bankrupt under this chapter without his consent in writing filed with the court.

"SEC. 959. Where a debtor has defaulted in a payment required by any order entered under this chapter, the court may, upon cause shown at a hearing upon such notice to the creditors as the court may designate, allow the debtor to cure the default upon such terms and conditions as the court may prescribe, giving due consideration to the financial circumstances of the debtor and the interests of the creditors.

"SEC. 960. The court may, upon the written application of a debtor, at a hearing upon at least ten days' notice by mail to all his creditors, and upon cause shown, transfer the proceeding upon a petition filed under section 922 of this act, to a proceeding under chapters I to VII, inclusive, of this act.

"ARTICLE VII—TITLE, POWERS, AND DUTIES OF TRUSTEE

"SEC 966. A trustee, upon his appointment and qualification, shall administer all of the unexempt property of the debtor, or property belonging to his estate, other than the property possession of which the debtor is permitted to retain under section 947 of this act: *Provided, however*, That whenever under this chapter the debtor's right to retain possession of any integral part or parcel or all of such property shall cease or be terminated, then in any such case the trustee shall administer also such property.

"SEC. 967. A trustee, upon his appointment and qualification, shall, as to all property administered by him as provided in section 966 of this act, be vested with the title

of a trustee appointed under section 44 of this act.

"SEC. 968. Where not inconsistent with the provisions of this chapter, a trustee, upon his appointment and qualification, with respect to the property administered under section 986 of this act, shall be vested with the rights, be subject to the duties, and exercise the powers of a trustee appointed under section 44 of this act, and shall, if authorized by the court, after a hearing upon at least 10 days' notice by mail to the debtor and all creditors, supervise and control the property and the farming operations of the debtor, subject at all times to the control of the court and to such limitations, restrictions, terms, and conditions as the court may from time to time prescribe.

"SEC. 969. A trustee, upon his appointment and qualification, shall receive all moneys paid by the debtor under this chapter and other moneys coming into the estate, and shall promptly deposit the same in a depository designated pursuant to the provisions of this act.

"SEC. 970. The trustee shall disburse moneys only by check or draft upon the depository, signed by him and, unless otherwise directed by the judge, countersigned by the referee.

"ARTICLE VIII—CREDITORS AND CLAIMS

"SEC. 976. After approval of the petition, the court shall prescribe the manner in which and fix a time within which the proofs of claim of the secured and unsecured creditors may be filed and allowed.

"SEC. 977. For the purposes of the proceedings and of any plan and its acceptance under this chapter, the court may fix the division of secured and unsecured creditors, including priority creditors, into classes according to the nature of their respective claims.

"SEC. 978. The court shall classify as unsecured any amount in excess of the value, established under this chapter, of the security held by a secured creditor.

"SEC. 979. Where not inconsistent with the provisions of this chapter, the rights, duties, and liabilities of creditors and of all other persons with respect to the property of the debtor shall be the same, before the approval of the petition, as in a bankruptcy proceeding before adjudication and, upon the approval of the petition, as in a bankruptcy proceeding upon adjudication.

"SEC. 980. In case an executory contract shall be rejected pursuant to the provisions of a plan or to the permission of the court given in a proceeding under this chapter, or shall have been rejected in a prior pending proceeding, any person injured by such rejection shall, for the purpose of this chapter and of any plan, its acceptance and confirmation, be deemed a creditor. The claim of a landlord for damages for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be governed by the provisions of clause (9) of subdivision a of section 63 of this act.

"SEC. 981. If the time for filing claims in a pending bankruptcy proceeding has expired prior to the filing of a petition under this chapter, unsecured claims provable under section 63 of this act, and not filed within the time prescribed by subdivision n of section 57 of this act, shall not be allowed in the proceedings or participate in a plan under this chapter, and shall not be allowed in the bankruptcy proceeding when reinstated as provided in this chapter.

"SEC. 982. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this act shall be allowed and, except as provided in section 981 of this act, claims not already filed, including claims of the United States or of any State or subdivision thereof, may be filed within 6 months after the first date set for the first meeting of creditors, held pursuant to section 55 of this act, or, if such date has previously been set, then within 3 months after the mailing of notice to creditors of the entry of the order directing that bankruptcy be proceeded with.

"ARTICLE IX—PLAN

"SEC. 986. Upon compliance by a debtor with the provisions of this chapter and with all orders of the court made pursuant thereto, the debtor, not later than 2 years after the date of the entry of the order provided for in section 947 of this act, may file under this chapter a plan offering terms of composition or extension, or both, to his secured or unsecured creditors, or both.

"SEC. 987. Upon the filing of a plan, the court shall promptly fix a hearing thereon upon at least 10 days' notice by mail to the debtor and all creditors.

"SEC. 988. A plan under this chapter—

"(1) shall include provisions altering or modifying the rights of creditors generally or of a class of them, secured or unsecured, upon any terms or for any consideration;

"(2) may include provisions for the treatment of unsecured debts on a parity one with the other, or for the division of such debts into classes and the treatment thereof in different ways or upon different terms;

"(3) may include provisions for the treatment of secured debts generally, or for the division of such debts into classes according to their nature and the treatment thereof in different ways or upon different terms;

"(4) may deal with all or any integral part or parcel of a debtor's property;

"(5) shall specify what debts, if any, are to be paid in cash in full and the creditors or any class of them not to be affected by the plan and the provisions, if any, with respect to them;

"(6) may provide for the rejection of executory contracts;

"(7) may provide for priority of debts incurred after the filing of the petition and during the pendency of the proceeding under this chapter, over the debts affected by the plan;

"(8) may provide for priority of payment during the period of extension provided by the plan as between secured and unsecured debts affected by the plan;

"(9) shall provide for the payment of costs and expenses of administration and other allowances which may be approved and made by the court;

"(10) may, for the period of extension, provide for the operation of the farm and the management of the property with or without supervision or control by a trustee, a committee of creditors or otherwise;

"(11) may provide for termination, under specified conditions, of any period of extension provided by the plan;

"(12) may provide for specific undertakings of the debtor during the period of extension provided by the plan, including provisions for payments on account;

"(13) may provide for retention of jurisdiction by the court until the provisions of the plan, after its confirmation, have been performed;

"(14) shall provide for any secured creditor or, where the secured creditors are divided into classes, for any class of them, affected by and not accepting the plan as provided in this chapter, adequate protection for the realization of the values of his or their debts against the property dealt with by the plan and affected by such debts, either as provided in the plan or in the order confirming the plan, (a) by the retention by the debtor of such property subject to such debts, up to the amount of but not to exceed the appraised value of the security as established under this chapter; or (b) by payment in cash of such appraised value; or (c) by such method as will, under and consistent with the circumstances of the particular case, adequately and fairly provide for such protection;

"(15) may provide that the court may from time to time increase or reduce the amount of any installment payments provided by the plan, or extend or shorten the period of any such payments, where it shall be made to appear, after hearing upon at least 10 days' notice by mail to the debtor and all creditors affected, that the circumstances of the debtor so warrant or require;

"(16) shall provide adequate means for the execution of the plan, which may include the satisfaction or modification of liens, the curing or waiver of defaults, the extension of maturity dates and changes in interest rates and other terms of outstanding liens; and

"(17) may include any other appropriate provisions not inconsistent with the provisions of this chapter.

"SEC. 989. A plan which has been accepted in writing by all creditors affected thereby, whether or not their claims have been proved, shall be confirmed by the court when the debtor shall have deposited with the trustee the moneys or other consideration required by the plan, and if the court is satisfied that the plan and its acceptance are in good faith and have not been made or procured by means, promises, or acts forbidden by this act.

"SEC. 990. If a plan has not been so accepted, an application for its confirmation may be filed with the court within such time as the court shall have fixed in the notice of the hearing prescribed by section 987 of this act, or at or after such hearing, and after but not before—

"(1) it has been accepted in writing, filed in court, by creditors who are affected by the plan and whose claims have been proved and allowed before the conclusion of the hearing, exclusive of creditors for whom payment or protection has been provided in accordance with paragraph (14) of section 988 of this act: (a) with respect to unsecured creditors, by a majority in number generally, or, if divided into classes, by a majority in number of each class of them, which number shall represent a majority in amount of such claims generally or of each class of them; and (b) with respect to secured creditors, by each of the secured creditors, or, if the secured creditors are divided into classes, by a majority in number of each class of them, which number shall represent a majority in amount of the claims of each class of them; and

"(2) the debtor has deposited with the trustee the moneys or other consideration required to be deposited by him under the plan.

"SEC. 991. The court shall, at such hearing or any adjournment thereof, receive and determine the written acceptances of creditors on the proposed plan, which acceptances may be obtained by the debtor before or after the filing of a petition under this chapter.

"SEC. 992. Upon compliance with the requirements of section 990 of this act, the court shall promptly fix the last day for filing objections to the confirmation of the plan and a hearing upon confirmation of the plan and any objections filed to the confirmation, of which notice by mail shall be given to the debtor and all creditors at least 10 days before the last day fixed for filing objections and at least 20 days before the time fixed for the hearing.

"SEC. 993. After a plan has been accepted by creditors, alterations, or modifications of the plan may, with leave of court, be proposed in writing by the debtor.

"SEC. 994. Unless the court finds that the proposed alteration or modification does not materially and adversely affect the interest of any creditor who has not in writing assented thereto, the court shall adjourn the hearing prescribed by section 987 of this act or, if closed, reopen the hearing, and may enter an order that any creditor who accepted the plan and who fails to file with

the court, within such reasonable time as shall be fixed in the order, a rejection of the altered or modified plan, shall be deemed to have accepted the alteration or modification and the plan so altered or modified, unless the previous acceptance provides otherwise.

"SEC. 995. At least 10 days' notice by mail of the adjourned or reopened hearing, together with a copy of the order, if entered, and of the proposed alteration or modification, shall be given to the debtor and all the creditors.

"SEC. 996. If a plan is pending and not confirmed at the end of the 3-year period provided in section 947 of this act, the debtor shall be continued in possession until the plan has been confirmed or rejected and during such continuation shall pay the rental fixed pursuant to the provisions of this act.

"SEC. 997. The court shall confirm a plan if satisfied that—

"(1) the provisions of this chapter have been complied with;

"(2) it is for the best interests of the creditors;

"(3) it will result in the financial rehabilitation of the debtor;

"(4) the proposal and its acceptance are in good faith and have not been made or procured by any means, promises, or acts forbidden by this act; and

"(5) the debtor has not been guilty of any of the acts or failed to perform any of the duties which would be a bar to the discharge of a bankrupt: *Provided, however,* That the confirmation of a plan shall not be refused because of a prior discharge granted or a prior composition or extension confirmed under this act.

"SEC. 998. Upon confirmation of a plan—

"(1) the plan and its provisions shall be binding upon the debtor and all creditors of the debtor, whether or not they are affected by the plan or have accepted it or have filed their claims, and whether or not their claims have been scheduled or allowed, or are allowable;

"(2) the debtor shall comply with the provisions of the plan and with the orders of the court relative thereto and shall take all action necessary to carry out the plan;

"(3) the moneys deposited for priority debts, for payments which by the provisions of the plan are to be made in cash, and for the costs and expenses, shall be disbursed to the persons entitled thereto;

"(4) the consideration, if any, shall be disbursed and the rights provided by the plan shall inure to the creditors affected by the plan, as their interests may appear, whose claims are not barred by the provisions of section 981 of this act, and (a) have been proved prior to the date fixed by the court and are allowed, or (b) whether or not proved, have been scheduled by the the debtor as fixed liabilities, liquidated in amount and are not disputed: *Provided, however,* That where such debts are objected to by any party in interest, the objections shall be heard and summarily determined by the court;

"(5) the property dealt with by the plan shall be free and clear of all debts affected by the plan, except such debts as may otherwise be provided for in the plan or in the order confirming the plan; and

"(6) the court may direct any lienholder to execute and deliver or join in the execution and delivery of such instruments as may be requisite to effect the retention in the debtor of the property dealt with by the plan which has been confirmed, and to perform such other acts, including the satisfaction of liens, as the court may deem necessary for the consummation of the plan.

"SEC. 999. During the period of extension, if so provided in the plan or in the order confirming the plan, the court—

"(1) shall retain jurisdiction of the debtor and his property for all purposes of the plan and its consummation, and shall supervise or control the operation of the farm and the management of the property of the debtor; and

"(2) may issue such orders as may be requisite to effectuate the provisions of the plan.

"SEC. 1000. The confirmation of a plan shall discharge a debtor from all of his debts and liabilities provided for by the plan, except as provided in the plan or the order confirming the plan, including the claims specified in section 981 of this act, but excluding such debts as, under section 17 of this act, are not dischargeable.

"SEC. 1001. After consummation of a plan confirmed under this chapter, the court shall enter a decree making such provisions, by way of injunction or otherwise, as may be equitable, and after complete administration enter a final decree discharging the trustee and closing the case.

"SEC. 1002. If, before the expiration of the period of 3 years after the entry of the order continuing the debtor in possession as provided by section 947 of this act, a plan is withdrawn or abandoned prior to its acceptance or is not accepted at the hearing fixed by the court or any adjournment thereof, or if the money or other consideration required to be deposited is not deposited or the application for confirmation is not filed within the time fixed by the court, or if confirmation of the plan is refused, the court shall enter an order terminating that part of the proceeding relating to the plan.

"SEC. 1003. If, upon the application of any party in interest filed at any time within 6 months after a plan has been confirmed, it shall be made to appear that fraud was practiced in the procuring of such plan and that knowledge of such fraud has come to the petitioner since the confirmation of such plan—

"(1) if the debtor has been guilty of or has participated in the fraud or has had knowledge thereof before the confirmation and has failed to inform the court of the fraud, the court may set aside the confirmation and thereupon, (a) where the petition was filed under section 921 of this act, reinstate the pending bankruptcy proceeding, adjudge the debtor a bankrupt, if he has not already been so adjudged, and direct that the bankruptcy proceeding be proceeded with, or (b) where the petition was filed under section 922 of this act, reinstate the proceeding, adjudge the debtor a bankrupt, and direct the bankruptcy be proceeded with pursuant to the provisions of this act; or

"(2) the court may set aside the confirmation, reinstate the proceeding under the petition filed under this chapter, and hear the determine applications for leave to propose, within such time as the court may fix alterations or modifications of the plan for the purpose of correcting the fraud; or

"(3) the court may reinstate the proceeding under the petition filed under this chapter and modify or alter the plan for the purpose of correcting the fraud, but may not materially modify or alter the plan adversely to the interests of any party who did not participate in the fraud and does not consent to such modification or alteration, or to the prejudice of any innocent person, who, for value, subsequent to the conformation, acquired rights in reliance upon it.

"ARTICLE X—REDEMPTION OF PROPERTY

"SEC. 1006. Unless, at the time of filing the application to redeem, a debtors plan under this chapter is either pending or has been confirmed, and where not otherwise inconsistent with the provisions of this chapter, the debtor may, at any time before the expiration of 3 years after the entry of the order retaining the debtor in possession as provided by sections 947 and 1007 of this act, file an application to redeem the property, or any integral part or parcel thereof, retained in his possession under the provisions of sections 947 and 1007 of this act.

SEC. 1007. If at the end of 3 years the farmer-debtor has paid at least one-half of the value of his property established as provided in this chapter into court, and the court finds that such farmer-debtor has substantially and in good faith complied with the provisions of this chapter then it may extend the period of the stay ordered under section 947 from year to year, not to exceed two additional years, upon such terms and conditions as to the court seems just.

"SEC. 1008. The debtor shall, within the time fixed by the court, pay to the trustee for the unexempt property sought to be redeemed by the debtor and for the encumbered exempt property, sought to be cleared by the debtor, the valuation thereof established by the appraisal, as reported and finally approved under this chapter, plus 4 percent interest on unpaid balances, including the amount of encumbrances on his exemptions, up to the amount of the appraisal, less all additional payments made by the debtor under the provisions of this act.

"SEC. 1009. Upon such payment of redemption having been made—

"(1) title to the redeemed property shall become vested absolutely in the debtor, free and clear of all encumbrances; and

"(2) the debtor shall be discharged of all debts and liabilities, excepting only such as are not dischargeable under section 17 of this act.

"ARTICLE XI—DISMISSAL AND ADJUDICATION

"SEC. 1016. If, subsequent to the expiration of the period of 3 years after the entry of the order continuing the debtor in possession as provided by sections 947 and 1007 of this act, a debtor's plan proposed under this chapter is not effected for any reason specified in section 1002 of this act, or if where the court has retained jurisdiction after confirmation of a plan, the debtor defaults in any of the terms of the plan or the plan terminates by reason of the happening of a condition specified in the plan, or if at any time the debtor fails to comply with any of the provisions of this chapter or with any lawful orders of the court made pursuant to this chapter, or if the debtor fails within the period of 3 years after the entry of the order retaining the debtor in possession as provided by section 947 of this act, to redeem all or any integral part or parcel of the property retained in his possession under this chapter, the court shall—

"(1) where the petition was filed under section 921 of this act, enter an order dismissing the proceeding under this chapter and directing that bankruptcy be proceeded with pursuant to the provisions of this act; or

"(2) where the petition was filed under section 922 of this act, enter an order, upon hearing after notice to the debtor, the creditors, and such other persons in interest as the court may direct, either adjudging the debtor a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this act or dismissing the proceeding under this chapter, whichever in the opinion of the court may be in the interest of creditors.

"SEC. 1017. Upon the entry of an order directing that bankruptcy be proceeded with—

"(1) in the case of a petition filed under section 921 of this act, the bankruptcy proceeding shall be deemed reinstated and thereafter shall be conducted, so far as possible, as if such petition under this chapter had not been filed;

"(2) in the case of a petition filed under section 922 of this act, the proceeding shall be conducted, so far as possible, in the same manner and with like effect as if a voluntary

petition in bankruptcy had been filed and a decree of adjudication had been entered on the day when the petition under this chapter had been filed; and

"(3) (1) the trustee shall, upon his appointment and qualification, be vested with the title to all the property of the debtor as of the date of the entry of the order directing that bankruptcy be proceeded with;

"(2) the unsecured debts incurred by the debtor after the confirmation of the plan and before the date of the entry of the final order directing that bankruptcy be proceeded with shall, unless and except as otherwise provided in the plan or in the order confirming the plan, share on a parity with the prior unsecured debts of the same classes, provable in the ensuing bankruptcy proceeding, and for such purpose the prior unsecured debts shall be deemed to be reduced to the amounts respectively provided for them in the plan or in the order confirming the plan, less any payment made thereunder; and

"(3) the provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this section, apply to the rights, duties, and liabilities of the creditors holding debts incurred by the debtor after the filing of the petition or confirmation of the plan and before the date of the final order directing that bankruptcy be proceeded with, and of all persons with respect to the property of the debtor, and, for the purposes of such application, the date of the entry of the order directing that bankruptcy be proceeded with.

"SEC. 1018. Upon the dismissal of a proceeding originating by a petition filed under section 922 of this act, the court shall enter a final decree discharging the trustee and closing the estate.

"ARTICLE XII—COMPENSATION AND ALLOWANCES; PRIORITIES AND DISTRIBUTION AMONG CREDITORS

"SEC. 1021. The court shall, in the order appointing appraisers under this chapter, fix the amount of their compensation, or the rate or measure thereof, payable out of the estate, as full compensation for their services after they are rendered.

"SEC. 1022. A trustee shall receive out of the estate as full compensation for his services after they are rendered—

"(1) such reasonable sum as the court may allow, not to exceed 2 percent upon the moneys disbursed or turned over by him to any persons, including the lienholders; and

"(2) when directed by the court to supervise the farming operations of the debtor, such additional sum as may be allowed by the court: *Provided, however,* That in no event shall the total compensation to a trustee for all services rendered by him exceed 5 percent upon all moneys received and disbursed by him to any persons, including lienholders.

"SEC. 1023. The court may allow the trustee reimbursement for the actual and necessary costs and expenses incurred by him in a proceeding under this chapter.

"SEC. 1024. The court may allow reasonable compensation for the actual and necessary professional services rendered and reimbursement for the actual and necessary costs and expenses incurred by the attorney for a debtor or a trustee in a proceeding under this chapter.

"SEC. 1025. Where a petition is filed under secton 921 of this act, the court may allow, if not already allowed, reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such superseded bankruptcy proceeding, as authorized and prescribed in this act.

"SEC. 1026. Upon the dismissal of a proceeding under this chapter or the entry of an order directing that bankruptcy be proceeded with as provided in this chapter, the court may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding prior to such dismissal or the entry of such order, by any persons entitled thereto, as authorized and prescribed in this chapter, and shall make provision for the payment thereof and for the payment of all proper costs and expenses incurred by officers in such proceeding.

"SEC. 1027. The court shall fix a time of hearing for the consideration of applications for allowances, of which hearing notice by mail shall be given to the debtor and all creditors.

"SEC. 1028. The fees, costs, and expenses incurred and allowed in a proceeding under this chapter shall be paid in full in advance of distribution to creditors, secured and unsecured, to be shared by them pro rata according to their respective interests in the fund subject to distribution, and the order of payment shall be—

"(1) the costs and expenses of the referee as provided in clause (d) of paragraph (2) of subdivision (c) of section 40 of this act;

"(2) the costs and expenses of the trustee;

"(3) the compensation of the referee as provided in clause (d) of paragraph (2) of subdivision (c) of section 40 of this act;

"(4) the compensation, costs, and expenses of the appraisers;

"(5) the compensation of the trustee;

"(6) the compensation, costs, and expenses of the attorney for the debtor in connection with the proceeding under this chapter; and

"(7) also, in advance of distribution to the unsecured creditors, in the case of a pending bankruptcy proceeding superseded by a proceeding under this chapter, the fees, costs, and expenses and other debts entitled to priority in the superseded proceeding, and, in the case of an original petition filed under section 922 of this act, the debts entitled to priority, and the order of their priority, shall be as provided in subdivision (a) of section 64 of this act.

"SEC. 1029. The net funds of the estate, after payment of the allowances as provided in section 1028 of this act, shall be disturbuted, from time to time as may be ordered by the court, among the secured and unsecured creditors as their interests may appear. Where partial distributions occur, proper adjustment shall be made in the final distribution, or sooner when practicable, so as to carry out the basis of apportionment of the fees, costs, and expenses, as provided in section 1028 of this act.

"SEC. 1030. Upon the entry of an order in a proceeding under this chapter directing that bankruptcy be proceeded with, the actual and necessary fees, costs, and expenses thereafter incurred and allowed in the ensuing bankruptcy proceeding shall be given priority over all unpaid fees, costs, and expenses incurred prior to the entry of such order.

"ARTICLE XIII—PRIOR PROCEEDINGS

"SEC. 1036. A petition may be filed under this chapter notwithstanding the pendency of a prior mortgage foreclosure, equity, or other proceeding in a court of the United States or of any State in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment an application has been made.

"SEC. 1037. A debtor, upon approval of his petition, shall become vested with the rights, if any, of such prior receiver or trustee in such property and with the right to immediate possession thereof, and shall also have the right to immediate possession of his property in the possession of a trustee under a deed of trust, a mortgagee under a mortgage, or a pledgee under a pledge, subject, however, at all times to the supervision and control of the court and to such terms and conditions as the court may from time to time prescribe: *Provided,* That the trustee, appointed and qualified under this chapter, shall become vested with all such rights as to any such property not included in the order retaining the debtor in possession entered under section 947 of this act.

"SEC. 1038. The judge shall make such provision as may be equitable for the protection of the obligations incurred by a receiver or trustee in such prior proceeding and for the payment of the reasonable costs and expenses incurred therein as may be allowed by the judge.

"SEC. 1039. Upon a dismissal of a proceeding under this chapter, such prior proceeding shall become reinstated, and the judge shall allow the reasonable costs and expenses under this chapter, including the allowances provided for in article XII of this chapter, and shall make appropriate provision for the retransfer of such property to the person or persons entitled thereto upon such terms as may be equitable for the protection of the obligations incurred in the proceeding under this chapter with respect to such property, and for payment of the costs and expenses of the proceeding.

"ARTICLE XIV—GENERAL PROVISIONS

"SEC. 1041. All statutes of limitations affecting claims provable under this chapter and the running of all periods of time prescribed by this act in respect to the commission of acts of bankruptcy, the recovery of preferences and the avoidance of liens and transfers shall be suspended while a proceeding under this chapter is pending and until it is finally dismissed.

"SEC. 1042. Unless otherwise directed by the court, all notices required by this chapter may be given by mail to the parties entitled thereto to their addresses ascertained in the manner prescribed for other notices in section 58 of this act.

"SEC. 1043. A previous discharge or confirmation of an arrangement or plan of a debtor under other provisions of this act shall not be ground for denying him the benefits of this chapter.

"SEC. 1044. No income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor by reason of a modification in or cancellation in whole or in part of any such indebtedness in a proceeding under this chapter: *Provided, however,* That if it shall be made to appear that the plan had for one of its principal purposes the evasion of any income tax, the exemption provided by this section shall be disallowed.

"SEC. 1045. Until the Supreme Court of the United States has promulgated general orders and official forms governing this chapter, general order 50, and the official forms heretofore made shall, insofar as not inconsistent or in conflict with the provisions of this chapter, be applicable to procedure under this chapter.

"ARTICLE XV—EFFECT OF CHAPTER

"SEC. 1051. On and after the effective date of this amendatory act, this chapter shall apply to debtors and their creditors, whether their rights, claims, and interests of any nature whatsoever have been acquired or created before or after such date.

"SEC. 1052. A petition may be filed under this chapter in a proceeding in bankruptcy which is pending on the effective date of this amendatory act, and a petition may be filed under this chapter notwithstanding the pendency on such date of a proceeding in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment application has been made in a court of the United States or of any State.

"SEC. 1053. As of the day preceding the date on which the provisions of this amendatory act become effective, an allocation shall be made by the judge or judges of the several courts of bankruptcy of all filing and other fees, commissions, and allowances, and of all expense funds, due the then existing conciliation commissioners for services rendered and expenses incurred in the cases pending before them, whether as referee or conciliation commissioner under this act. The balances of such filing and other fees, commissions, and allowances, and the expense surpluses shall be covered into the Treasury of the United States by the conciliation commissioners and the clerks, to be deposited to the credit of the respective salary and expense funds as provided in paragraph (4) of subdivision (c) of section 40 of this act. All cases then pending before conciliation commissioners shall be re-referred, and no additional filing fees shall be required, but additional salary and expense charges may be assesed in such cases in such amounts as the judge or judges of the several courts of bankruptcy may deem equitable, taking into consideration the schedules of additional fees fixed by the Director and the payments previously made therein.

"SEC. 1054. The provisions of section 75, as amended, of the act entitled 'An act to establish a uniform system of bankruptcy throughout the United States,' approved July 1, 1898, shall continue in full force and effect with respect to proceedings pending under that section upon the effective date of this amendatory act: *Provided, however,* That the provisions of this amendatory act shall govern in such proceedings so far as practicable.

"SEC. 1055. Section 1044 of this act shall apply to plans confirmed and redemptions of property consummated under section 75 before the effective date of section 2 of this amendatory act and to plans which may be confirmed and redemptions on property which may be consummated under section 75 on or after such effective date."

SEC. 2. Clause (2) of section 35 of such act, as amended, is amended to read as follows: "(2) not holding any office of profit or emolument under the laws of the United States or of any State or subdivision thereof other than special master under this act: *Provided, however,* That part-time referees may be commissioners of deed, United States commissioners, justices of the peace, masters in chancery, notaries public, or retired officers and retired enlisted personnel of the Regular and Reserve components of the Army, Navy, Marine Corps, and Coast Guard, members of the National Guard of the United States and of the National Guard of a State, Territory, or the District of Columbia has been been the National Guard disbursing officers who are on a full-time salary basis; (3) at the time when originally appointed not relatives of any of the judges of the courts of bankruptcy or of the justices or judges of the appellate courts of the districts wherein they may be appointed; (4) resident and have their offices within the judicial district of the court or one of the courts of bankruptcy under which they are to hold appointment: *Provided, however,* That where a referee shall be temporarily transferred or permanently appointed to another judicial district, residence or office in such other district shall not be requisite for eligibility; and (5) members in good standing at the bar of the district court of the United States in which they are first appointed or, if appointed to serve in territory within more than one judicial district, at the bar of one of such district courts: *Provided, however,* That the requirement of membership at such bar shall not apply to referees holding office on the date when this amendatory act takes effect."

SEC. 3. (a) Paragraph (2) of subdivision (c) of section 40 of such act, as amended, is amended to read as follows:

"(2) Additional fees for the referees' salary fund and for the referees' expense fund shall be charged, in accordance with the schedules fixed by the conference (a) against each estate wholly or partially liquidated in a bankruptcy proceeding, and be computed upon the net proceeds realized; (b) against each case in an arrangement confirmed under chapter XI of this act, and be computed upon the amount to be paid to the unsecured creditors upon confirmation of the arrangement and thereafter, pursuant to the terms of the arrangement, and, where under the arrangement any part of the consideration to be distributed is other than money, upon the amount of the fair value of such consideration; (c) against each case in a wage-earner plan confirmed under chapter XIII of this act, and be computed upon the payments actually made by or for a debtor under the plan; and (d) against each case in a proceeding under chapter XVI of this act, and be computed upon the amount of moneys, including rentals, disbursed by the trustee and upon the amount to be paid to the creditors upon confirmation of the plan and thereafter, pursuant to the terms of the plan, and, where under the plan any part of the consideration to be distributed is other than money, upon the amount of the fair value of such consideration, and upon the amount paid by or for the debtor in the redemption of his property under such chapter. Such schedules of fees may be revised by the director, with the approval of the conference, not more than once during each calendar year, so that the total amount of fees, allowances, and charges collected and to be collected from all sources for the referees' salary fund and for the referees' expense fund will, as near as may be, equal for each fund, respectively, the total amount of salaries paid and to be paid to referees in active service, and the total amount of their expenses: *Provided, however,* That such schedules of fees shall not be so revised for any year that the total collections estimated by the director for such year shall exceed by more than 10 percent the total collections in the preceding year. The director, with the approval of the conference, may make, and from time to time amend, rules and regulations prescribing methods for determining net proceeds realized in asset cases, fair values of considerations, other than money, distributable in arrangement or farmer-debtor cases, and payments actually made by or for a debtor under the plan in wage-earner or farmer-debtor cases; prescribing the procedure for collection by the clerk of fees and allowances for the referees' salary fund and the referees' expense fund; and providing for the effective administration of the provisions of this paragraph (2)."

(b) Paragraph (4) of subdivision (c) of section 40 of such act as amended, is amended to read as follows:

"(4) A referees' salary fund and a referees' expense fund shall be established in the Treasury of the United States, and the amounts of the various fees and allowances collected by the clerks for the services of referees and for their expenses, including the fees, allowances, and charges for their services and expenses as special masters under this act, shall be covered into the Treasury of the United States for the account of such salary fund and expense fund. The salaries of the referees in active service shall be paid out of annual appropriations from such salary fund, and the expenses of referees, including the salaries of their clerical assistants, shall be paid out of annual appropriations from such expense fund, by the United States. Any deficiencies of such salary fund or expense fund shall be paid out of any funds in the Treasury of the United States not otherwise appropriated, and appropriations to pay such deficiencies are hereby authorized: *Provided, however,* That there shall be covered into miscellaneous receipts of the Treasury of the United States in any subsequent year so much of the surplus, if any, arising in the salary fund or expense fund, respectively, as may be necessary to reimburse the Treasury of the United States for payments made on account of such respective funds in any prior year."

(c) Paragraph (2) of subdivision (d) of section 40 as amended, is amended to read as follows:

"(2) Any referee who has retired or been retired under the provisions of paragraph (1) of this subdivision (d) may, if called upon by a judge of a court of bankruptcy, perform, without compensation, such duties of a referee or special master under this act, within the jurisdiction of such court, as such referee may be able and willing to undertake: *Provided, however,* That when so acting, compensation for his services shall be allowed and paid or deposited and his expenses shall be allowed and paid, as in the case of an active referee."

SEC. 4. Clause (2) of section 51 of such act, as amended, is amended to read as follows:

"(2) collect the fees of the clerk and trustee and the fees for the referees' salary fund and referees' expense fund provided in paragraph (1) of subdivision (c) of section 40 of this act in each case instituted before filing the petition, except where installment payments may be authorized pursuant to section 40 of this act, and collect the various other fees, allowances, and charges for the services of referees and for their expenses, including their services and expenses as special masters under this act."

SEC. 5. Section 72 of such act, as amended, is amended to read as follows:

"SEC. 72. Limitation of compensation of officers of court: No receiver, marshal, or trustee shall in any form or guise receive, nor shall the court allow him, any other or further compensation for his services as required by this act, than that expressly authorized and prescribed in this act.

"No referee shall receive any compensation for his services under this act other than his salary; and allowances made to a referee for compensation or expense while acting as a referee or special master under any chapter or section of this act, shall be paid to the clerk, and by him transmitted to the Treasury of the United States for deposit in the referees' salary fund and referees' expense fund, respectively."

SEC. 6. Sections 2, 3, 4, and 5 of this amendatory act shall become effective 60 days after the promulgations of the judicial conference of senior circuit judges made pursuant to the provisions of paragraph (1) of subdivision (b) of section 37 of this act.

"SEC. 8. (a) If any provision of this amendatory act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this amendatory act which can be given effect without the invalid provision of application, and to this end the provisions of this amendatory act are declared to be severable.

(b) Article and section headings shall not be taken to govern or limit the scope of the articles or sections to which they relate.

(c) Nothing herein contained shall have the effect to release or extinguish any penalty, forfeiture, or liability incurred under any act or acts of which this act is amendatory.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JURISDICTION TO DETERMINE AND RENDER JUDGMENT UPON CERTAIN CLAIMS

The Senate proceeded to consider the bill (S. 2125) conferring jurisdiction upon the United States District Court for the District of Oregon, to hear, determine, and render judgment upon the claims of J. N. Jones and others, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 19, after the word "be", to strike out "as in the case of claims over which such court has jurisdiction under the Federal Tort Claims Act", and insert "in accordance with the provisions of law applicable in the case of tort claims against the United States", so as to make the bill read:

Be it enacted, etc., That, notwithstanding any statute of limitations or lapse of time or any limitation upon the jurisdiction of United States district courts to hear, determine, and render judgment on tort claims against the United States which accrue prior to January 1, 1945, jurisdiction is hereby conferred upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of the following-named persons, all of Malheur County, Oreg., against the United States for damages incurred by them when their properties were flooded as the result of a break on May 7, 1942, in the reservoir gates which controlled the flow of water into canals of the Vale-Oregon irrigation district; the projects in such district being then under the exclusive control of the United States;

(1) J. N. Jones; (2) May Delsole, successor in interest and heir at law of L. P. Delsole; (3) Anna Curry, administratrix of estate of Fred Curry; (4) John U. Hoffman; (5) Orrin Curry; (6) Tom Joyce; (7) W. W. Seaward; (8) Gilbert Masterson; (9) Drexell Williams; (10) John Joyce and Kate Joyce; and (11) Mary Robertson, successor in interest and heir at law of W. A. Robertson.

SEC. 2. Suit upon such claims may be instituted by or on behalf of the claimants listed in section 1 at any time within 1 year after the date of enactment of this act. Liability, proceedings for the determination of such claims and review thereof, and payment of any judgments thereon shall be in accordance with the provisions of law applicable in the case of tort claims against the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE HAMPTON

The Senate proceeded to consider the bill (H. R. 1279) for the relief of George Hampton which had been reported from the Committee on the Judiciary with an amendment on page 1, line 7, after the word "of", to strike out "$12,361.23" and insert "$25,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. SKIO TAKAYANA HULL

The bill (H. R. 1679) for the relief of Mrs. Skio Takayana Hull was considered, ordered to a third reading, read the third time, and passed.

JOHN B. BOYLE

The bill (H. R. 2602) for the relief of John B. Boyle was considered, ordered to a third reading, read the third time, and passed.

NONAPPLICATION OF EXCESS LAND PROVISIONS OF FEDERAL RECLAMATION LAWS

The bill (S. 1385) providing that excess land provisions of the Federal Reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the San Luis Valley project, Colorado, was announced as next in order.

Mr. DOUGLAS. Mr. President, reserving the right to object, I wonder if we may have an explanation of this bill from the Senator from Colorado. Before he makes the explanation, I may say that I had thought we had a long established land policy and reclamation policy and that Government water was not to be furnished to farms in excess of 160 acres.

That policy has been broadly interpreted to provide for 320 acres in the case of a husband and wife. It would seem to me that this bill opens a breach in the public-land policy that water shall be confined to small farms.

Before giving approval to the bill, I ask therefore that we may have an explanation as to why an exception should be made in this instance.

Mr. MILLIKIN. Mr. President, this project is a rather unique one. In the first place, as distinguished from many other projects, the United States does not own any of the water which is supplied to the project. The United States does not bring any new water into the project. The United States does not own any of the land which will be watered by the project. There are no industrial or factory-size operations there. The farms are all family-operated. There is no land speculation there. There are no colonization projects. The reason we have to extend the acreage, I will say to the distinguished Senator, is that all the land in question lies in an area with an altitude of more than 7,500 feet. The growing season is very short and therefore it is necessary to get the crops in quickly, and to harvest them quickly. It takes quite a little machinery to make the crops.

Mr. President, the best type of farm in this region is a farm which combines cattle raising and crop raising. The cattle graze for a short season up in the mountains. Then they come back to the farms, and a 160-acre farm or a 320-acre farm does not supply enough food to provide a decent living.

Let me make that additionally clear to the Senator. I have a statistic in the report of the committee showing that a 120-acre tract will yield about $650 a year, 160 acres $930 a year, and a 320-acre tract $1,630, on the average.

I believe the unique nature of this project puts it outside the type of objection to which the Senator is referring.

Mr. ANDERSON. Mr. President, will the Senator from Colorado yield?

Mr. MILLIKIN. I yield to the Senator from New Mexico.

Mr. ANDERSON. Of course, if this land were all watered by natural rainfall, there would not be any question about the 160-acre limitation, but the great majority of the land is not watered by natural rainfall, but by supplemental water.

Mr. MILLIKIN. This is really a regulating project. As I said before, the Government is not supplying any water of its own or any land of its own. There are two great reservoirs contemplated, which will catch the water in the spring and let it flow to the lands in an orderly fashion, in the nature of a supplemental and regulated water supply.

Mr. DOUGLAS. Mr. President, I recognize the force of the statements of the distinguished Senator from Colorado. I take it that the growing season is short, and that on the lands in the high altitudes small farms possibly are not feasible. But in view of the importance of the matter, I wonder if the sponsors of the measure will consent to have it go over until the next call of the calendar, so that the subject may be studied in more detail.

Mr. MILLIKIN. I wonder if the Senator will be good enough to withhold his objection. We have had this matter up for several years. It has been heard before the committee twice. We got it entangled with other and more complicated matters on another occasion. The session is growing short, and the Committee on Interior and Insular Affairs unanimously reported it, and the subcommittee unanimously reported it. I hope the Senator will let the bill go through so that we can get it on its way to the House.

Mr. McFARLAND. Mr. President, did not the Bureau of Reclamation admit that 160 acres was not a family-sized tract?

Mr. MILLIKIN. Oh, yes.

Mr. DOUGLAS. Is it not also true that the so-called 160-acre limitation is not really a 160-acre limitation, but instead, a 320-acre limitation, in that 160 acres is allowed to the husband and another 160 acres to the wife, so that any married couple are entitled to 320 acres or twice the size of the normal homestead?

Mr. McFARLAND. But because of the elevation of this land, the Bureau of Reclamation admitted that that was not applicable.

Mr. MILLIKIN. Mr. President, let me read from the letter of the Secretary, in which he himself emphasizes that a decent living cannot be made on an ordinary sized farm in this location. He said:

> At the same time accounts could be taken for Federal reclamation projects constructed with interest-free public funds of conditions such as those in the area of the Conejos division of the San Luis Valley project, which present a somewhat unique relationship with established use of water, and irrigation practices not readily adaptable to farm units of 160 irrigable acres, or 320 irrigable acres for man and wife, as permitted by existing law.

I have quoted statistics which were developed by the Bureau, and not by anyone interested, showing that a man cannot make a living on 160 or 320 acres.

Mr. DOUGLAS. Mr. President——

Mr. JOHNSON of Colorado. Mr. President, before the Senator from Illinois reaches his final determination to ask that the bill go over, I wish to present

one further argument, which is a very sound one. At the present time there are a few larger sized ranches served by the river in question. Unless we are able to pass the bill without an acreage limitation, these large side ranches will not be included in the project, and they will not be injured. They have their water rights, and they would be served from the river. The object of removing the limitation is to bring those larger ranches into the project so that they will help pay for a part of it by the regulation of their flow of water. The bill is really in the interest of the very small landowners, because the project is not feasible without the larger rancher, and no money can be obtained from him unless we pass the bill and permit him to come in, because he will sit out on the side lines and get his water, since he already has the water rights and owns them.

One further point: The proposed reservoir will help regulate the river, which serves two States. It flows into New Mexico just a short distance below the dam, and it is very necessary to hold the floodwaters back in the upper reaches of the river so that the flow will be regulated. It is of very great advantage to the State of New Mexico and to the State of Colorado that the dam be built.

Mr. ROBERTSON. Mr. President, this discussion is a little outside of my jurisdiction, because in Virginia we are blessed with plenty of water, but I have learned on the Committee on Appropriations that it is quite possible and feasible for a large landowner, where there is irrigation, to sink a well and pump the water from the subterranean table. So I do not see why this limitation is having any practical effect.

Mr. DOUGLAS. The whole question of subterranean water levels is of course a highly complicated one. It is important not merely in connection with the project we are discussing, but as to other projects over the country.

I have no desire to be captious, or to raise artificial objections, but it seems to me highly important that we stick to the fundamental land policy of the country, which is that we should encourage the family-size farm, and that public water should be used to encourage family-size farms and not large-scale farms.

I quite well recognize that because of the high altitude, and perhaps for certain other reasons, it is possible that an exception should be made in this case, but it seems to me that in general the rule should be clear. I am somewhat afraid that if we make an exemption in this case, it may be used as precedent for making exceptions in other cases.

I have no desire whatsoever to be captious, or to throw artificial obstacles in the way of the two distinguished Senators from Colorado, but I should like to have this bill go over to the next call of the calendar, until I have had occasion to study it. I do not wish to set myself up as having undue importance in the matter, but at the moment I am not certain that this bill is in the public interest.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. ANDERSON. I would say to the Senator that in certain sections of California and Arizona there could be family-size farms of only 2 acres, because they would comprise highly cultivated tracts of ground, given over to truck gardening, and such a tract might be a complete family-size farm. In the valley in which I live we raise largely alfalfa, which requires a full 160 acres for a family-size farm. But as to the particular section of Colorado involved in the measure before us, which I have visited many times, a farm needs to be larger. I am greatly interested in their problem because of the general feeling I have in regard to irrigation. In the San Luis Valley it is absolutely impossible to regard a 160-acre farm as a family-sized farm. Therefore I think the limit should be expanded so that there could be family-sized farms, and not merely tremendous ranches.

Mr. DOUGLAS. By administrative rulings of the Department of the Interior, I understand the limitation is not 160 acres, but 320 acres for married couples so that there is already more leeway than Senators think from the 160 acres.

Mr. President, as I have said, I have no desire to obstruct in this matter, but in view of the great importance of the subject in relation to the whole land policy of the United States, I do not think I am being captious in asking that the bill go over to the next call of the calendar. I want to assure the Senators that I shall not raise any artificial objections if it becomes evident that a family-size farm at this altitude in Colorado, in this particular valley, would require more than 320 acres.

Mr. MILLIKIN. Mr. President, I am quite sure the Senator, in studying the subject further, especially if he will read the record, will find that a 320-acre farm is not sufficient to give a decent living in that valley. I am confident the Senator from Illinois will find that to be true.

Would the Senator from Illinois mind if we place the bill at the foot of the calendar?

Mr. DOUGLAS. I do not know how much time that would give me to inform myself on the matter. I suppose it would give me about half an hour to study the subject. I would ordinarily have little objection to the bill going to the foot of the calendar. But I would have to read pretty fast and study pretty fast. I would therefore prefer to have it go over to the next call of the calendar. It is possible that the Senators sponsoring the bill are correct. But the precedent we are setting here is a very important one and we should give it adequate consideration.

Mr. MILLIKIN. May I make this suggestion? We have already established a precedent under similar conditions, and I suggest that in any general legislation we write on this subject we would have to carve out an exception to meet this particular kind of situation. The point is not to have a family-size farm. The point is to have a farm which will provide people a decent living. I believe the testimony abounds with evidence that a man cannot make a decent living on a 320-acre farm in the San Luis Valley.

Mr. DOUGLAS. Mr. President, this is so vital a subject, and we are so likely to build up precedents in favor of violating the principle of the family-size farm, that I hope the Senator will not put me in the position of being ungracious by asking that the bill go over to the next call of the calendar. I should like to oblige my good friend from Colorado, and I hope he will not put me at the bottom of the calendar so far as his esteem for me is concerned; but I should like to have the bill go over until the next time the calendar is called. I feel very bad about resisting the invitation of the Senator from Colorado, but I must request that the bill go over.

Mr. O'MAHONEY. Mr. President, before the Senator makes his final judgment I should like to add a word. Inasmuch as I was a member of the subcommittee, and am chairman of the full committee which acted upon this measure, I should like to say to the Senator from Illinois that there was no objection in the committee to the favorable report upon this bill.

The 160-acre limitation has frequently in the past been called the antispeculation feature of the original reclamation law. It was designed to prevent a condition under which the Government of the United States should spend the people's money to put water upon land not presently being used for growing crops, but owned by private individuals, and thereby make it possible for such individuals to gain substantial accretions to the value of their land and then sell the land to those who wanted to settle upon the irrigated area.

Such a condition does not apply in the San Luis Valley, because the entire valley has already been settled, and most of it is in small holdings. The records before the committee show that in the entire valley, if my recollection is correct, there were not more than three or four ranch holdings in excess of 2,500 acres. There was no evidence that any of these lands were getting any new water. The water rights in the valley have already been allocated. They are claimed. They are owned under the law. What the construction work accomplishes is to store the water and stabilize the flow. So the committee was clearly of the opinion that nothing in this bill would change the fundamental principle of the antispeculation law.

Mr. DOUGLAS. Mr. President, I have a real feeling of humility in going into the question of reclamation law with such distinguished authorities as have recently spoken. But I had always thought that the original reclamation law was intended to govern the disposition of water and that it applied to public water to irrigate private lands as well as to irrigate public lands. It was the intent of Congress that this water was to be used primarily to promote the family-size farm. Now if it be true that the public waters developed by reclamation projects are intended for the family-size farm, I think we should hold to that purpose. As I say, it may well be that, because of the high altitude and the

short-growing season, an artificial restriction to 320 acres in this particular valley in Colorado may not be sufficient to support a family. But I think the burden of proof, if I may put it that way, should be on those who would change the fundamental reclamation and water law of the country, rather than upon those of us who are trying to uphold it. That is why once again, ir a very moderate fashion, I must say that I hope the bill may go over until the next call of the calendar.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield on that point?

Mr. DOUGLAS. Yes.

Mr. JOHNSON of Colorado. I ask unanimous consent that when we have the next call of the calendar this particular bill will be considered.

The PRESIDING OFFICER. Without objection, the request is agreed to, and the bill goes over.

Mr. LANGER. Mr. President, I was going to add my objection to that of the Senator from Illinois. I also ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over. Under the unanimous consent agreement the bill will be considered at the next call of the calendar.

COLVILLE INDIAN RESERVATION LANDS—BILL PASSED TO THE FOOT OF THE CALENDAR

The bill (H. R. 2432) restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes, was announced as next in order.

Mr. WHERRY. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. MAGNUSON. Mr. President, I wonder if the Senator who asked that the bill be passed over will withhold his objection for a moment.

Mr. WHERRY. Mr. President, I asked that the bill be passed over. I made the request on behalf of the senior Senator from Nebraska [Mr. BUTLER]. I would not be adverse to having it go to the foot of the calendar, and to have it called up again when the senior Senator from Nebraska returns to the floor.

The PRESIDING OFFICER. On objection, the bill will be placed at the foot of the calendar.

RECLASSIFICATION OF SALARIES OF POSTMASTERS AND OTHERS

The bill (H. R. 1516) to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide annual automatic within-grade promotions for hourly employees of the custodial service, was announced as next in order.

Mr. TAFT. Mr. President, according to my record Calendar No. 833, House bill 2432 was recommitted. I heard a motion to recommit made sometime ago, and it was agreed to.

Mr. JOHNSTON of South Carolina. The bill was recommitted, and then reported back to the calendar, and is now on the calendar again.

Mr. TAFT. Does the Senator mean that the bill has gone back to the committee and been reported back from the committee and is now on the calendar?

Mr. JOHNSTON of South Carolina. The bill was recommitted for amendment. The amendment has been added to the bill.

Mr. TAFT. I am talking about Calendar No. 833, House bill 2432.

Mr. JOHNSTON of South Carolina. Mr. President, I was under a misapprehension. I had reference to the next bill on the calendar.

Mr. TAFT. I am sure it was recommitted.

The PRESIDING OFFICER. No previous action has been taken today on Calendar 833, House bill 2432. A moment ago it was passed to the foot of the calendar.

Mr. WHERRY. Yes, Mr. President, I asked that it go to the foot of the calendar, and if the distinguished Senator from Washington [Mr. MAGNUSON] desires to have it considered when it is reached again later today, very well.

The PRESIDING OFFICER. House bill 1516, Calendar No. 834, was announced as next in order. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1516) to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide annual automatic within-grade promotions for hourly employees to the custodial service, was considered, order to a third reading, read the third time, and passed.

SURVIVORSHIP BENEFITS FOR WIDOWS AND WIDOWERS UNDER CIVIL SERVICE RETIREMENT ACT

The Senate proceeded to consider the bill (H. R. 2944) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide survivorship benefits for widows or widowers of persons retiring under such act, which has been reported from the Committee on Post Office and Civil Service with an amendment on page 2, line 3, before the word "per centum", to strike out "90" and insert "95."

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, may I ask what would be the cost of this bill?

Mr. JOHNSTON of South Carolina. Mr. President, a similar bill passed the Senate this year. We reported the House bill with an amendment, in order to get it to conference. If the Senator will read the report, he will find that to be true.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

Mr. SALTONSTALL. Mr. President, may I receive an answer to my question, as to the cost?

Mr. LANGER. Mr. President, I can answer that question. The bill involves 5,000 widows of men who were working for the Government, and who died. The widows were left out of the bill we passed last year.

Mr. WILLIAMS. Mr. President, I remind the Senator from Massachusetts that we are a little late in asking the cost. About 2 months ago we passed a bill which gave these same survivorship benefits to the men. At that time I called the Senate's attention to the fact that we were then establishing a precedent and that later such benefits would be requested by the women. I can see no reason why they should not receive the same benefits as do the men, because they pay the same amount into the fund. I objected to passage of the first bill because we did not have an estimate of the cost. But since the Congress has passed the increased benefits for the men without considering the cost we now have no alternative other than to give the women the same consideration.

Mr. TOBEY. Mr. President, I address my remarks to the distinguished Senator from Massachusetts [Mr. SALTONSTALL]. As I understood the Senator's question, he asked what would be the cost of this bill in dollars. The Senator from North Dakota gave the answer in a new form of currency—5,000 widows. The question is, How many dollars to a widow, and how many widows to a dollar?

Mr. LANGER. It would depend upon the salary their hubands were receiving.

Mr. TOBEY. How many dollars?

Mr. LANGER. I may answer the Senator from New Hampshire by saying that it depends on the salary the husband was receiving at the time of his death.

Mr. WILLIAMS. Mr. President, at the time the same increase was given with respect to the men, I called attention to the fact that that bill carried no recommendation from the Budget, and that there was no estimate as to the cost. I said that we were establishing a bad precedent at that time. I opposed the bill at that time and voted against it, but it was passed. However, since the Senate has already adopted the principle of allowing a man to deduct only 5 percent when he makes his wife the survivor, I now think a woman should be allowed to name her husband survivor, with the same deduction.

Mr. JOHNSTON of South Carolina. The Senator is entirely correct. The bill wipes out an inequity.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SYSTEM OF DRAINAGE AND SANITATION FOR CITY OF POLSON, MONT.

The bill (H. R. 2869) to authorize an appropriation in aid of a system of drainage and sanitation for the city of Polson, Mont., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I ask the sponsor of the bill whether it is not true that the effect of the bill, if enacted, would be completely to relieve the irrigation district of any responsibility, financial or otherwise, for maintenance?

Mr. MURRAY. Yes; the bill provides for the repair of the drainage system which was established in connection with an irrigation program. It seemed that seepage from the irrigation project was affecting the city of Polson, and it was necessary for the Bureau to establish the drainage system, which has gotten out of repair. The bill provides for its repair. The city of Polson agrees to establish a sanitary district, and will take over the project from that time on, and will assume all responsibility for future upkeep.

Mr. HENDRICKSON. Is not that a departure from previous policy?

Mr. MURRAY. No; it is not. The obligation would be on the Bureau of Reclamation to protect the town from the effects of the irrigation project. The city now agrees to take it over and support it, if this bill is enacted.

Mr. HENDRICKSON. Was the bill unanimously reported?

Mr. MURRAY. The bill was unanimously reported from the committee.

Mr. HENDRICKSON. I withhold any objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2869) to authorize an appropriation in aid of a system of drainage and sanitation for the city of Polson, Mont., was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF CERTAIN PROVISIONS OF THE INTERNAL REVENUE CODE

The bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code was announced as next in order.

Mr. TOBEY. Over.

Mr. JOHNSON of Colorado. Mr. President, will the Senator withhold his objection for a moment?

Mr. TOBEY. I am glad to do so.

Mr. JOHNSON of Colorado. The Senator from Georgia [Mr. GEORGE] was called from the Chamber. He asked me to look after the bill if he did not return. I hope the Senator will allow this bill to be passed. It is a bill which affects the administrative procedures with respect to the Internal Revenue Code. It is an important piece of legislation. It was considered by the Ways and Means Committee, and was reported from the Finance Committee with the unanimous approval of that committee. We added some amendments.

The first part of the bill is just as it came from the House Ways and Means Committee and from the House itself. We added some amendments to the bill in the Senate committee, but the amendments are not particularly important. They are not nearly so important as the procedural policies laid down in the bill.

Mr. TOBEY. Mr. President, with reference to my request that this bill go over, I had not seen the bill before today. It is a very comprehensive piece of legislation. It affects the Internal Revenue Code very materially through proposed amendments. It especially affects deductions of charitable contributions by corporations and certain trusts.

That is a matter very close to my heart. Last year I carried on an investigation for 2 or 3 months into so-called charitable trusts. Extensive hearings were held, and the interest in that subject was so great that 5,000 people have written in requesting copies of the hearings and the proposed legislation to correct these evils—if they are evils—whereby unconscionable people can go into some private business and be exempt from Federal taxes while you and I and 140,000,000 other Americans are soaked by the Bureau of Internal Revenue.

We devised legislation and submitted it to the great Committee on Finance. It has had little or no consideration. The answer given me by the distinguished chairman was that legislation such as that must originate in the House of Representatives. Now I find legislation today coming from the committee affecting trustees and charitable contributions.

I want this bill to go over so that I may have an opportunity to study it, and perhaps offer certain amendments to correct injustices when the bill comes before us. I want time to study the bill.

The need of my legislation is far-reaching. Let me cite an illustration. In Texas the great Greyhound Bus Co. recently built a large terminal which cost within $25,000 of $1,000,000. Soon after the construction was completed it was sold to the Baptist denomination of Texas. Shortly thereafter it was leased back by the Baptists to the Greyhound Bus Co. The result was that the entire income from the property was exempt from taxation because it belonged to Baptists. I happen to be a Baptist, yet I cry out against that procedure. There are many such evasions of Federal taxes which should be brought to the light.

In New York great institutions carrying on the pickle business or the leather business obtain exemptions from Federal taxes by such trusts and I understand that the total amount of exemptions similarly obtained is nearly $1,000,000,000. I say that instead of soaking the public with more taxes we should pick the berries off the bush within the reach of honest taxes. Many persons are getting away with exemptions while you and I have to pay. I want to study this subject. If I can do so, I intend to offer certain amendments in the interest of pro bono publico.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. MORSE. Does the Senator from New Hampshire agree that this whole trend of trying to evade taxes by so-called charitable trust arrangements is creating a very low ebb of morality in this country?

Mr. TOBEY. It certainly is. Let me tell the Senate something about some of these trusts. In New England clever lawyers were hired to draft the indentures under which the trusts operated. No one knew anything about the operations. No audit of the funds of the trust or of the income was required. There was no accounting to the beneficiaries. Such operations could continue for 30 or 40 years. Under such an arrangement Bill Jones or John Smith, trustees, could sell all the assets of the trust to himself. If I were the distinguished trustee of such a trust, as trustee I could sell part of the trust holdings to Charles Tobey, individual; and as an individual I could sell the property to some third party and make two or three million dollars overnight. It is a phony situation. We ought to look into it. It is rotten to the core.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. TAFT. I am not disagreeing with the Senator. I think the Senator will find, when he looks into the bill, that it has nothing to do with that particular question. I think after the Senator examines the bill he will have no objection on the ground which he has stated.

Mr. TOBEY. I am sure that the astute Senator from Ohio realizes that it is very difficult to get tax legislation through which is manifestly pro bono publico. So when a bill like this comes along, there may be a chance to graft something on to the parent stock. That is what I want to do. Over.

The PRESIDING OFFICER. The bill is passed over.

GRANTS AND SCHOLARSHIPS FOR EDUCATION IN MEDICAL, DENTAL, AND OTHER PROFESSIONS—BILL PASSED OVER

The bill (S. 1453) to amend the Public Health Service Act to provide grants and scholarships for education in the medical, dental, dental hygiene, public health, nursing and sanitary engineering professions, and for other purposes was announced as next in order.

Mr. SCHOEPPEL. Let the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

Mr. PEPPER. Mr. President, will the Senator withhold his objection until I can make an explanation?

Mr. SCHOEPPEL. I am glad to do so, but I may say that this measure is complicated in form, and I believe it should be debated fully and that due and sufficient explanation should be given.

Mr. PEPPER. Mr. President, let me say that this bill provides assistance in the training of doctors, dentists, nurses, and workers in public health agencies and in the administration of hospitals. It is a very important measure.

In view of the fact that it is a Senate bill, if the Senator can examine the bill and possibly be satisfied about it by the time of the next call of the calendar, that will be most desirable. The bill was reported unanimously by the Committee on Labor and Public Welfare. I think it would be very much in the public interest to have the bill passed at this session of Congress, because, inasmuch as it is a Senate bill, it will be difficult to

have time to have it subsequently passed by the House of Representatives and finally enacted into law.

Only $44,000,000 is involved. That is not a great deal, as compared to many of the sums we appropriate.

If the Senator can become acquainted with the bill by the time of the next call of the calendar, I think that will be most helpful.

Mr. TAFT. Mr. President, I may say that I am one of the sponsors of the bill and I am in favor of it. On the other hand, it provides for a substantial departure from the previous Government policy, and provides for a probable expenditure of $50,000,000. I do not think the bill could properly be explained under the 5-minute rule, during the call of the calendar.

So I would not ask the Senator to withdraw his objection; but I hope the bill will be brought up for consideration at the first possible opportunity.

Mr. PEPPER. Mr. President, I join in that request, because the matter involved in the bill is a most important one.

Mr. SCHOEPPEL. Mr. President, I ask that the bill be passed over at this time.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

BILL PASSED OVER

The bill (S. 806) authorizing the erection of a monument to Sacajawea was announced as next in order.

Mr. LANGER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

DENTAL CARE OF UNITED STATES ARMY AND UNITED STATES AIR FORCE

The bill (S. 2380) to provide more efficient dental care for the personnel of the United States Army and the United States Air Force was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the general officer of the Dental Corps appointed as assistant to the Surgeon General of the Army and the general officer of the dental service appointed as assistant to the Surgeon General of the Air Force shall be known as Chief of the Dental Division, Office of the Surgeon General, United States Army, and as Chief of the Dental Division, Office of the Surgeon General, United States Air Force, respectively, and shall be responsible to their respective Surgeons General for—

(1) planning and making recommendations on all matters relating to the dental health of the Army and Air Force, respectively;

(2) staff supervision of the execution of approved plans pertaining to the dental health of the Army and the Air Force, respectively; and

(3) the progressive development of the dental service of the Army and the Air Force, respectively.

All matters in the Offices of the Surgeons General of the United States Army and the United States Air Force, respectively, pertaining to the dental health of the Army and the Air Force, respectively, shall be referred to the respective chiefs of the dental divisions of such offices.

SEC. 2. The Chief of the Dental Division, Office of the Surgeon General, United States Army, and the Chief of the Dental Division, Office of the Surgeon General, United States Air Force, shall—

(1) establish professional standards and policies for dental practice in the Army and the Air Force, respectively;

(2) conduct inspections and surveys for maintenance of such standards in the Army and the Air Force, respectively;

(3) plan and recommend action pertaining to appointments, advancement, training, assignment, and transfer of dental personnel in the Army and the Air Force, respectively; and

(4) serve as the adviser to the Surgeon General, United States Army, and the Surgeon General, United States Air Force, respectively, on all matters relating to dentistry.

SEC. 3. Under regulations prescribed by the Secretary of the Army and the Secretary of the Air Force, respectively, an officer of the Dental Corps in each major command or installation of the Army or the Air Force, respectively, shall, in addition to his other duties, be assigned as staff dental officer for that command or installation. The staff dental officer shall be responsible to the commander of the command or installation, through appropriate channels, for—

(1) planning and making recommendations on all matters relating to the dental health of the command or installation;

(2) staff supervision of the execution of approved plans pertaining to the dental health of the command or installation;

(3) the progressive development of the dental service in the command or installation; and

(4) advice on all matters relating to dentistry in the command or installation.

SEC. 4. There shall be assigned to the Dental Corps of the Army and to the dental service of the Air Force, respectively, an authorized commissioned officer strength (including non-Regular officers on extended active duty) which shall be not less than 2 commissioned officers for each 1,000 members of the Army and the Air Force, respectively, who are on the active list or on extended active duty.

BILL PASSED OVER

The bill (H. R. 3191) to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. By request, Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE TO TEMPLE METHODIST CHURCH, OF SAN FRANCISCO, OF A PORTION OF A FEDERALLY OWNED BUILDING—BILL PASSED OVER

The bill (S. 384) to authorize the Commissioner of Public Buildings to convey to the Temple Methodist Church, a nonprofit corporation of San Francisco, Calif., a portion of the federally owned building known as 100 McAllister Street, San Francisco, Calif., and for other purposes, was announced as next in order.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. DOWNEY. Mr. President, this bill arises from the fact that 15 or 18 years ago the Temple Methodist Church, of San Francisco, erected a large and valuable hotel building in San Francisco. In the same building, and as a part of it, the Temple Methodist Church had its own accommodations for its own church.

During the depression years the hotel became unsuccessful. The property was purchased and taken over by the bondholders. The church lost a very heavy investment in it.

During the war years the Government needed additional space. This hotel was then taken over by the Government and was converted—rather unsatisfactorily—into office space, and now is being so used, principally by the Bureau of Internal Revenue. The old church quarters are independent of the rest of the building, but are used by the Bureau of Internal Revenue as the cashier's office. In the portion formerly used by the church there still are the sacred objects of the Temple Methodist Church, their insignia, crosses, and so forth.

The Temple Methodist Church has been very anxious to buy this limited portion of the building, which formerly was occupied by the church. The Government has not been willing to sell, because the Government believes it vitally needs the quarters for governmental agencies.

A bill was introduced to allow the church to buy back its old quarters. Both the junior Senator from California and I supported the bill.

The committee was unwilling to recommend that the sale be made, because of the belief of the members of the committee that the Bureau of Internal Revenue could not give up its quarters there.

However, a subcommittee, after making a careful investigation, and the full committee, after careful investigation, worked out the following compromise, namely, the bill now before us, which provides that if and whenever the governmental agencies believe they no longer need this particular part of the building—and that matter is left entirely to the discretion of the Government—then the Temple Methodist Church shall be allowed to purchase that portion of it for a reasonable price, which has been fixed at $100,000. The right of the Temple Methodist Church to make the purchase expires within 10 years. If the quarters are not vacated and the church does not purchase them within that time, then this entire proceeding becomes null and void.

I may say to the distinguished Senator who inquired, that the entire matter is left to the discretion of the representatives of the Federal Government.

Mr. MORSE. Mr. President, I thank the Senator from California for his explanation, but I wish to study this bill further. I am going to ask that it go over at least until the next call of the calendar, because on the basis of the report from the Department of the Treasury and on the basis of the value of this property to the Federal Government, I find myself not inclined to favor the bill, because I do not think the bill, as I presently understand it, gives to the Federal Government the value it

should have for property which now belongs to all the taxpayers of the United States.

Mr. President, these days we hear considerable about the separation of church and state. When we have a bill such as this one, involving a grant to a church, I think we had better be perfectly certain that we are getting 100 cents for each dollar's worth of property conveyed by the Government; and I am not satisfied, on the basis of my present study of the bill, that such will be the case.

Therefore, because I hold firmly to the principle that we should not be giving away Federal property, even to so fine an institution as the Methodist Church, I must object to the bill at the present time.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

Mr. DOWNEY. Mr. President, if the Senator from Oregon will withhold his objection for a moment further, let me say that so far as I know, the objection was entirely for the reason that the Government needed the quarters. Under this bill, the discretion as to ever abandoning the quarters is left entirely to the Federal Government.

I wish to say to the distinguished Senator from Oregon that equities are involved in this matter. The church probably lost $1,000,000 or $2,000,000 on the property. The Government will be the beneficiary of that. We believe that $100,000 is a reasonable price.

However, I understand the attitude of the Senator from Oregon, and I shall no longer persist in urging the Senator to withdraw his objection.

Mr. MORSE. Mr. President, I should like to add that I agree with the Senator from California that equities are involved; but so far as I am concerned, a rather fundamental principle is also involved, namely, the principle of not giving away the money of the taxpayers of the United States, even to fine institutions, unless we see to it that the Federal Government receives adequate payment for the property.

I see no reason why in the case of the churches of America that lost their property during the depression period, we should now give them a Federal grant which is what this bill amounts to, in order to give them back their property.

Mr. DOWNEY. Mr. President, no such question is involved in this bill. This option would become effective only when the Government no longer wants the property. It is not adapted for an office building, it is adapted for a hotel. The bill is based on the theory that the Government will want to sell the property, and that if and when the Government wants to sell the property, the Methodist Church, which lost very heavily in it, will be given by the Government, which has had a great windfall, the first opportunity to buy. We believe the suggested price of $100,000, which is for a very minor portion of this property, is a very reasonable price. We are not suggesting that anything be given the Methodist Church. We are not suggesting anything that will inconvenience the Government of the United States. We believe the Methodist Church which erected the building and lost heavily on it has a certain equity.

Mr. MORSE. Mr. President, I am sure the Senator from California means it when he says he is not suggesting that anything be given to the Methodist Church, but a question of fact is raised. I want to investigate that question of fact, because I cannot read the report of the Treasury Department and reach any other conclusion than that at least the Treasury Department is of the opinion we would not be getting our money's worth.

The PRESIDING OFFICER. The bill goes over.

Mr. CAIN. Mr. President, if the Senator will yield, as a member of the Public Works Committee which took testimony on this bill, I can fully understand the curiosity of the Senator from Oregon concerning what in some respect is a new procedure. I am, however, fully satisfied that when the Senator from Oregon has had an opportunity not only of examining the report attached to the bill, but of reading the hearings as well, his curiosity will be satisfied, and he will be in agreement with the position of the Senator from California.

Mr. KNOWLAND. Mr. President, if the Senator will yield, I should like also to join with my colleague, the senior Senator from California, in urging that the Senator from Oregon read the committee report as well as the hearings on the bill. I think there are factors involved in the situation which will satisfy the Senator from Oregon that it is not what it appears to him to be on the surface.

Mr. MORSE. Mr. President, I shall read the hearings. I have very carefully read the committee report. It is the committee report which so perplexes me. A reading of the report of the Government agencies and the committee report together with the hearings may clear up the difficulty I have with the bill.

The PRESIDING OFFICER. The bill goes over.

ATTENDANCE OF GOVERNMENT EMPLOYEES AT FUNERALS OF DECEASED MEMBERS OF THE ARMED FORCES

The bill (H. R. 2662) to grant time to employees in the executive branch of the Government to participate, without loss of pay or deduction from anuual leave, in funerals for deacesed members of the armed forces returned to the United States for burial, was considered, ordered to a third reading, read the third time, and passed.

Mr. WHERRY. I wonder if I can ask unanimous consent to return to House bill 2662, merely to ask a question about it?

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. WHERRY. I understand the bill is designed to permit Government employees to attend the funeral services of deceased members of the armed forces returned to the United States for burial. Is it applicable merely to relatives? It does not say.

Mr. HUMPHREY. That is right.

Mr. President, I may say in reply to the distinguished minority leader, there has been a lack of uniformity in the administrative practice in giving time off to Government employees to attend funeral services for relatives, or, let me say, as guards in the American Legion unit, or firing squad members, at military funerals. This is merely to establish uniformity and it leaves the matter up to military discretion.

Mr. WHERRY. I have no objection.

VILLAGE-DELIVERY SERVICE

The Senate proceeded to consider the bill (S. 1479) to abolish the village-delivery service of the Post Office Department, to transfer village carriers to the city-delivery service, and for other purposes, which had been reported from the Committee on Post Office and Civil Service with an amendment, to strike out all after the enacting clause, and insert:

That section 9 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, and for other purposes", approved August 24, 1912 (U. S. C., title 39, sec. 153), is amended by striking out the words "second or".

SEC. 2. The operation by the Post Office Department of village-delivery service in second-class post offices shall be discontinued. All such post offices, which on the effective date of this act have village-delivery service, shall hereafter have city-delivered service and all carriers of the village-delivery service in such offices shall be classified as carriers in the city-delivery service in accordance with the provisions of this act.

SEC. 3. (a) In assigning carriers in the village-delivery service to salary grades in the city-delivery service, each village carrier shall be assigned to the grade in the city-delivery service to which he would have advanced had his original appointment as a carrier in the village-delivery service been as a carrier in city-delivery service. Each village carrier shall retain credit in his position in the city-delivery service for all annual and sick leave which he has accrued, for compensatory time off due for service performed, and for any period of service creditable toward a promotion to a higher grade.

(b) No village carrier transferred to the city-delivered service by this act shall, by reason of such transfer, be entitled to any additional compensation for services performed prior to the effective date of this act.

SEC. 4. This act shall take effect on the first day of the first calendar month following the date of enactment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to discontinue the operation of village-delivery service in second-class post offices, to transfer village carriers in such offices to the city-delivery service, and for other purposes."

EXEMPTION OF TAX ON FRUIT-FLAVOR CONCENTRATES

The bill (H. R. 5831) to exempt certain volatile fruit-flavor concentrates from the tax on liquors, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ended June 30, 1949, and for other purposes, was announced as next in order.

Mr. WHERRY. Over.

The PRESIDING OFFICER. The bill will be passed over.

COMPENSATION OF PANAMA CANAL ZONE EMPLOYEES—BILL PASSED OVER

The bill (S. 2226) relating to the compensation of certain employees of the Panama Canal was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I have a question based on a reading of the report. I ask the distinguished Senator from South Carolina whether there is any estimate from the Bureau of the Budget as to the cost of this measure.

Mr. JOHNSTON of South Carolina. There is not, but the Senator will find that in the Panama Canal Zone employees are regulated by the same law as are employees of the District of Columbia, and since the bill was passed increasing the pay of the employees of the District of Columbia $330, it was felt that the Panama Canal Zone employees should be treated in a similar manner.

Mr. SCHOEPPEL. Does the distinguished Senator have any objection to the bill being passed over until the next call of the calendar, until the cost can be determined?

Mr. JOHNSTON of South Carolina. I have an amendment. I should like to have it read at this time, so the Senator may be thinking about it.

Mr. SCHOEPPEL. I shall be glad to consider it.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

The LEGISLATIVE CLERK. On page 1, lines 3 to 10, it is proposed to strike out section 1 and insert the following:

That the Governor of the Panama Canal is authorized to grant additional compensation to policemen, firemen, and school teachers employed by the Panama Canal, corresponding to the additional compensation granted to similar employees of the District of Columbia by the act entitled "An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes," approved June 30, 1949, as of the first day of the first pay period which began after June 30, 1948.

Mr. JOHNSTON of South Carolina. Mr. President, the amendment is designed to cure a defect which was called to the attention of the committee by the Secretary of the Army, after the bill was reported, and which therefore was not considered by the committee in connection with the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

Mr. SCHOEPPEL. Mr. President, I should like to have this measure go over, if possible, to the next call of the calendar.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent, then, that it be considered on the next call of the calendar. If that request is granted, I do not object.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none, and it is so ordered. The bill will be considered on the next call of the calendar. The bill now goes over.

BILL PASSED OVER

The bill (S. 2379) to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide and equitable system for fixing and adjusting the rates of basic compensation of individual employees to repeal the Classification Act of 1923, as amended, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Mr. President, this is not the type of legislation which should be passed on a mere call of the Consent Calendar. I feel it should go over.

The PRESIDING OFFICER. The bill will be passed over.

WEBER BASIN RECLAMATION PROJECT, UTAH

The bill (S. 2391) to authorize the construction, operation, and maintenance of the Weber Basin reclamation project, Utah, was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the Secretary of the Interior, through the Bureau of Reclamation, is hereby authorized to construct, operate, and maintain the Weber Basin project to consist of reservoirs, irrigation and drainage works, power plants, transmission lines, and similar works in and near Morgan, Davis, Summit, and Weber Counties, Utah, for the purposes of supplying irrigation water to lands, both new and presently irrigated; supplying municipal, industrial, and domestic water; controlling floods; and generating and selling electric energy to help meet the short supply of power in the area and as a means of making the whole project self-supporting and financially solvent; and for other beneficial purposes (including, but without limitation, the control and catchment of silt, improvement of the general quality of the water, the preservation and propagation of fish and wildlife, and the provision and improvement of recreational facilities), at an estimated cost of $69,500,000, all in substantial accord with the recommendations made in that certain report, dated July 15, 1949, of the regional director, region IV, Bureau of Reclamation, entitled "Weber Basin project, Utah."

SEC. 2. The Secretary is authorized to apportion equitably the costs of constructing, operating, and maintaining (including therein reasonable provision for replacement) the project works herein authorized between, on the one hand, their flood control, recreational, and fish and wildlife purposes and, on the other hand, their irrigation, power, municipal, and other water-supply purposes. The former allocations shall be nonreimbursable and nonreturnable. The latter allocations shall be reimbursable and returnable: *Provided,* That general repayment obligations undertaken pursuant to subsections (c) and (d) of section 9 of the Reclamation Act of 1939 may extend over a period not exceeding 60 years.

SEC. 3. As a condition precedent to construction of any of the irrigation or drainage works herein authorized, there shall be established an organization in the State of Utah with powers satisfactory to the Secretary, including the power to tax property both real and personal within its boundaries and the power to enter into a contract or contracts, with the United States for payment of reimbursable costs allocated to irrigation, municipal water supply, and other miscellaneous purposes.

SEC. 4. This act shall be a supplement to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), the provisions whereof shall govern the construction, operation, and maintenance of the Weber Basin project except as otherwise herein provided.

SEC. 5. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act.

WESTERN LAND BOUNDARY FENCE PROJECT

The bill (S. 1115) authorizing appropriations for the construction, operation, and maintenance of the western land boundary fence project, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. I ask that this go over.

Mr. CONNALLY. Mr. President, will the Senator withhold his objection for a moment?

Mr. HENDRICKSON. I gladly withhold the objection.

Mr. CONNALLY. Mr. President, when the Senate passed a similar bill in the last Congress, it was unanimously reported by the committee.

Mr. HENDRICKSON. That was the bad Congress, was it not?

Mr. CONNALLY. Not in the opinion of the Senator who is now speaking.

Mr. HENDRICKSON. I heard a great deal about it.

Mr. CONNALLY. Seriously, I hope the Senator will not object to the bill. Many Government departments are interested in it, including the Department of Agriculture, the Department of Justice, customs—

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. ANDERSON. The incidence of hoof-and-mouth disease has very greatly changed the demand for this particular type of fence. The American livestock interests are very anxious to have it constructed. The presence of large herds of cattle and the possibility of moving them along the border makes it extremely desirable that the fence be constructed. It will probably cost approximately $2,500,000. Five hundred miles of fence is involved. I think it would be very wise to make this expenditure in connection with the eradication of hoof-and-mouth disease.

Mr. HENDRICKSON. I withdraw my objection.

Mr. THYE. Mr. President, I join with the Senator from Texas and the Senator from New Mexico in stating that, in my opinion, this is a sound investment. If

the fence is constructed, to a great extent the danger of foot-and-mouth disease will be eliminated.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is authorized to be appropriated to the United States section, International Boundary and Water Commission, United States and Mexico, such sums as may be necessary for the construction, operation, and maintenance of the western land boundary fence project, as said project is presently planned or as the plans therefor may be amended from time to time.

SEC. 2. The said sums may be appropriated specifically for said project, or may be included with the appropriation for all construction projects of said United States section. The expenditures and appropriations herein authorized shall not be construed as placing a limitation on funds which may be hereafter appropriated for the operation and maintenance of said project. The United States Commissioner, International Boundary and Water Commission, United States and Mexico, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), sections 3732 and 3733 of the Revised Statutes (41 U. S. C. 11 and 12), or any other law, may enter into contracts beyond the amount actually appropriated for so much of the work on said project as the physical and orderly sequence of construction or considerations of expediting said work make necessary or desirable, such contracts to be subject to and dependent upon future appropriations by Congress: *Provided*, That the total construction cost of said project shall not exceed $3,500,000.

SEC. 3. Notwithstanding any contrary provisions of appropriation or other acts applicable to said project, the United States section is authorized to acquire by purchase, exercise of the power of eminent domain, or by donation any real or personal property which may be necessary for such project, as determined by the United States Commissioner, including rights-of-way not exceeding 60 feet in width, as may be necessary for such boundary fence and roads parallel thereto required for the patrol and maintenance thereof.

SEC. 4. Notwithstanding any contrary provisions of law, any executive department, independent establishment, or other agency of the United States is authorized to transfer to the United States section, without payment or reimbursement therefor, (a) any equipment, supplies, or materials which any of these agencies may have and which may be needed for the construction, repair, operation, or maintenance of such boundary-fence project by the United States section; and (b) any existing fences, or portions thereof, on or along the United States-Mexican boundary, which may be under the jurisdiction of such other Federal agency. The United States section is hereby authorized to expend, out of funds made available for boundary-fence construction, any sums of money which may be necessary for the reconstruction, repair, and operation and maintenance of boundary fences so transferred.

SEC. 5. The said United States Commissioner, in his discretion, is authorized to employ personnel for the survey, inspection, construction, and supervision of construction of such fence project without regard to personnel ceilings otherwise imposed, and without regard to the civil-service laws or regulations requiring the employment of American citizens: *Provided*, That such employmen shall not be for a period longer than that required for the completion of construction of such fence project, nor in any event for a period in excess of 3 years from the effective date of this act.

SEC. 6. Said fence project may be constructed by contract or by force account, or partly by contract and partly by force account in the discretion of the said United States Commissioner; and in either event the provisions of 41 United States Code 5, and other laws and regulations relating to advertising for proposals for purchases and contracts for supplies or services for departments of the Government and laws and regulations placing limitations upon the purchase of passenger-carrying or other motor-propelled vehicles shall be inapplicable to purchases and contracts for equipment and supplies or services for the survey, construction, or supervision of said fence project.

SEC. 7. The opinion of the Attorney General in favor of the validity of the title to any tract of land or easement therein to be acquired for right-of-way for said fence project shall not be required as a condition precedent to construction thereon when, in the opinion of the said United States Commissioner, such requirement would unduly delay the construction program and the interests of the United States are not jeopardized by the waiver of such requirement: *Provided*, That proceedings for the acquisition of such tracts or easements therein by purchase, exercise of the power of eminent domain, or condemnation have been commenced, and the consent of the record or apparent owner or owners of any such tract has been secured for the immediate occupancy thereof, or appropriate orders have been entered therefor in eminent domain proceedings: *Provided further*, That the United States Commissioner shall proceed, as expeditiously as may be possible to secure title to such tracts or easements therein in the manner and to the extent required for the approval of the Attorney General in accordance with existing law: *Provided further*, That where portions of such fence are to be built within the right-of-way lines of existing State, county, or other public roads or highways, the United States Commissioner is authorized to accept, and the Attorney General is authorized to approve, rights-of-way, easements, or licenses from any such State, county, or other public agency having jurisdiction thereover, subject to such conditions and limitations as may be required by State or municipal law or regulation, including but not limited to, conditions requiring the removal of said fence, or portions thereof, to points outside of the right-of-way lines or to such points within the right-of-way lines as may not be objectionable to the State, county, or other public agency concerned, where considerations of widening said roads or highways, or other considerations of public necessity, make such removal necessary, and when, in the opinion of the United States Commissioner, the interests of the United States will not thereby be unduly jeopardized. The opinion of the Attorney General of the State wherein such rights-of-way, easements, or licenses are granted, if such opinion be obtained, shall be conclusive as to the right or authority of the State, county, or other public agency concerned, and of the officials thereof, to grant any such right-of-way, easement, or license.

ORDER OF BUSINESS

Mr. WHERRY. Mr. President, I should like to inquire of the majority leader if it is his intention to proceed with the remainder of the calendar, in view of the fact that no reports, from now on, are in our folders. I wonder if it would not be advantageous to stop now and permit the Members of the Senate to examine the reports which are not in the folders at this time.

Mr. LUCAS. Mr. President, the Senator from Nevada [Mr. MCCARRAN] came to me a moment ago and advised me that that was the fact, that from Calendar 853 on there are no reports. He suggested that it would possibly be better if we stopped the calling of the calendar at that point. I agreed with him that that would be done.

Mr. WHERRY. Mr. President, may I ask another question? I wondered if the distinguished majority leader had an announcement to make with reference to Order No. 855, Senate Resolution 147, and Order No. 856, Senate Resolution 151.

Mr. LUCAS. I shall come to that in a moment. I have a program. The Senator from Nebraska attempts to anticipate what I am going to do, apparently with the idea that I do not know what is coming up. I shall get to it in a moment.

Some bills were passed over that went to the foot of the calendar. I think those are the bills we should consider at this time. I distinctly recall that I objected to one of them.

The PRESIDING OFFICER. The Chair suggests that the first one passed over was Calendar 747, Senate bill 1837.

Mr. LUCAS. That is the one which should be called up.

Mr. WILEY. Calendar No. 732, Senate bill 2031, was mentioned.

Mr. WHERRY. Mr. President, if I recall correctly, Calendar 462, Senate bill 689, was passed to the foot of the calendar.

The PRESIDING OFFICER. The present occupant of the chair was not presiding at that time.

Mr. O'CONOR. I feel certain that it will be found that that was the first bill passed over.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senate return to the consideration of Calendar 462, Senate bill 689.

The PRESIDING CFFICER. Is there objection?

CREDIT FOR MILITARY SERVICE OF POSTAL EMPLOYEES

There being no objection, the Senate proceeded to consider the bill (S. 689) to permit certain postal employees or substitute postal employees to receive credit for military service, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause, and insert:

That classified postal employees or classified substitute postal employees who are in the postal service on the date of enactment of this act, or who shall enter the postal service within 3 years after the date of enactment of this act and subsequent to service in the military or naval forces of the United States during World War II, terminated under honorable conditions, who have not reached the maximum grade of salary shall receive credit for time served in the military or naval forces to the extent that they have not already received credit for such military or naval service in determining their salary grade. Such credit shall be on a pro rata basis for each year served in the military or naval forces. On the basis of such credit, each employee to whom this section applies shall be promoted to the grade to which such postal employee or substitute postal employee would have progressed had his original appointment been to grade 1.

SEC. 2. Substitute postal employees who failed of promotion to regular because they were in the military or naval forces during World War II shall, for the purpose of determining their postal salary, be held to have been promoted to such regular position as of the date a vacancy, to which they as senior substitute could have been promoted, occurred.

SEC. 3. No person shall, by reason of the enactment of section 1 of this act, be entitled to any compensation for any period prior to the effective date of this act.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TAXATION OF CERTAIN INDIAN LAND HOLDINGS

Mr. ECTON. Mr. President, I ask unanimous consent to call up Calendar 668, House bill 5034. The bill involves no Federal expenditure. It was objected to last week when the calendar was called, but the Senator from North Dakota has withdrawn his objection.

Mr. LUCAS. Mr. President, I have no objection to returning to the consideration of that bill. I ask unanimous consent that it be done, in compliance with the request of the able Senator from Montana.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 5034) to authorize the taxation of Indian land holdings in the town of Lodge Grass, Mont., to assist in financing a municipal water supply and sewage system, was considered, ordered to a third reading, read the third time, and passed.

WILLOW RIVER POWER CO.

Mr. WILEY. Mr. President, I ask unanimous consent that the Senate return to Calendar 732, Senate bill 2031.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (S. 2031) for the relief of the Willow River Power Co., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bertha A. Burkhardt, Helene E. Schultz, and Hugh F. Gwin, as trustees and successors to the Willow River Power Company, a Wisconsin corporation, the sum of $25,000, together with interest on such sum at the rate of 4½ percent per annum from August 12, 1938, to the date of payment, representing the amount of damages found by the United States Court of Claims (congressional numbered 17851, decided June 6, 1949, in response to S. Res. 231, 80th Cong.), to have resulted from diminution of the generative capacity of such company's hydroelectric plant located near the confluence of the Willow River and the Saint Croix River, due to a rise in the waters of the Saint Croix River beginning August 12, 1938, caused by the erection by the United States of a dam across the Mississippi River, near Red Wing, Minn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

TIMBER ACCESS ROADS

Mr. MORSE. Mr. President, I should like to say to the majority leader that the Senator from Washington [Mr. CAIN], the Senator from Ohio [Mr. TAFT], the Senator from Utah [Mr. WATKINS], and I, with the assistance of the senior Senator from Oregon [Mr. CORDON], have reached an agreement in regard to Senate Joint Resolution 24, which is Order No. 607. I understand the Senator from Washington has taken up with the Senator from Ohio and the Senator from Utah a proposed amendment which deals with the access-roads problem, which has been debated at some length. In view of the fact that we are now in agreement, I ask unanimous consent for the present consideration of Calendar 607, Senate Joint Resolution 24, and the Senate can then consider the amendmnt offered by the Senator from Washington.

Mr. LUCAS. I have no objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 24) to provide for a suitable and adequate system of timber access roads to and in the forests of the United States, which had been reported from the Committee on Agriculture and Forestry with amendments on page 3, section 2, line 13, after the word "trails", to strike out "within" and insert "for", on page 3, section 3, line 20, after the word "annually", to insert "beginning with the fiscal year ending June 30, 1951"; and on page 4, line 4, after the word "expended", to insert, "The authorization in section 3 of the Federal Aid Highway Act of 1948 for forest development, roads and trails for the fiscal year ending June 30, 1951, is hereby canceled"; so as to make the joint resolution read:

Resolved, etc., That it is declared to be the policy of the Congress to provide for a suitable and adequate system of timber access roads to and in the forests under the jurisdiction of the Secretary of Agriculture and the Secretary of the Interior, in order to obtain the benefits hereinbefore enumerated, and for such other roads and trails as are necessary for the protection and administration of these forests and for the utilization of the resources thereof other than timber.

SEC. 2. The Secretary of Agriculture and the Secretary of the Interior are hereby authorized to survey, construct, reconstruct, and maintain such roads and trails for the forests under their respective jurisdictions as they deem necessary to effectuate the foregoing policy. The authority contained in this joint resolution is in addition to, and not in substitution for, the authority of existing law.

SEC. 3. For the purpose of carrying out the provisions of this joint resolution, there is hereby authorized to be appropriated $30,000,000 annually beginning with the fiscal year ending June 30, 1951, and ending with the fiscal year ending June 30, 1955, of which $25,000,000 is authorized to be appropriated to the Secretary of Agriculture and $5,000,000 is authorized to be appropriated to the Secretary of the Interior, which amounts shall be available until expended. The authorization in section 3 of the Federal-Aid Highway Act of 1948 for forest development, roads and trails for the fiscal year ending June 30, 1951, is hereby canceled.

The amendments were agreed to.

The PRESIDING OFFICER. The clerk will state the amendments offered by the Senator from Washington [Mr. CAIN].

The CHIEF CLERK. On page 3, line 6, after the word "Interior", it is proposed to strike out all down to and including the word "timber" in line 10;

On page 3, line 13, to strike out "and trails";

On page 3, between lines 17 and 18, to insert two new sections, as follows:

SEC. 3. Before any such access road is constructed or reconstructed under the authority of this joint resolution, the Secretary of Agriculture or the Secretary of the Interior, as the case may be, shall cause a public hearing to be held at a convenient and accessible place within the area in which such construction or reconstruction is to occur. Notice of such hearing shall be given at least 10 days prior to such hearing in a newspaper of general circulation in such area and shall include a statement describing the terminals of such proposed road, the route to be followed between such terminals, and the general type of materials to be used in such construction or reconstruction.

SEC. 4. As used in this joint resolution the term "timber access roads" means such roads as are constructed, reconstructed, or maintained for the primary purpose of utilizing the timber resources of the lands tributary thereto;

On page 3, line 18, to strike out "Sec. 3" and insert "Sec. 5."

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Washington.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was rejected.

ORDER OF BUSINESS

Mr. FLANDERS. Mr. President, I should like to ask unanimous consent to call up Calendar No. 774, Senate bill 1565. I understand that the objection made to it will be withdrawn if it is brought up.

Mr. McFARLAND. I have no objection, but we are not taking them up in order. Calendar No. 751, Senate bill 1973, would be the next in order.

The PRESIDING OFFICER. Calendar No. 746, House bill 1997, would be the next in order.

Mr. FLANDERS. I do not think my request is out of order in any sense of the word.

MISSISSIPPI RIVER PARKWAY

Mr. O'MAHONEY. Mr. President, I understand that an explanation was requested with respect to Calendar No. 746, House bill 1997, which is a bill authorizing a survey of the Mississippi River Parkway. The measure has already passed the House.

For many years the residents of about 10 States along the Mississippi River have been agitating for the construction of a Mississippi River Parkway to link

historic points of interest, to create a park, as the name indicates, to serve the interests of that area.

The committee has recommended the bill exactly as it has passed the House. In the House the authorization was increased from $200,000 to $250,000. The Committee on Interior and Insular Affairs of the Senate, however, has in its report made a specific recommendation to the authorities which will conduct the survey, namely, the National Park Service in the Interior Department, and the Bureau of Public Roads that a study be made of the possibility of exacting tolls in order that an income may be received from those who utilize the parkway which will pay for the construction. It is the belief of those of us who have given the matter consideration that such a toll system would more than return the cost to the Government of the United States.

Mr. President, I trust that this explanation may be sufficient to answer the questions which were in the minds of those who asked that the bill be explained.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 1997) to authorize the survey of a proposed Mississippi River Parkway for the purpose of determining the feasibility of such a national parkway, and for other purposes.

Mr. HENDRICKSON. Mr. President, if an amendment which I am about to send to the desk is satisfactory to the sponsor of the bill, I will withhold other objection.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, following line 9, it is proposed to insert a new section reading as follows:

The Secretary of the Interior and the Administrator of the Federal Works Agency are hereby directed to complete such joint survey within 2 years after the enactment of this act.

Mr. O'MAHONEY. I have no objection at all to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF COMMUNICATIONS ACT OF 1934

The Senate resumed consideration of the bill (S. 1973) to further amend the Communications Act of 1934.

Mr. McFARLAND. Mr. President, I send a perfecting amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. Without objection, the vote whereby the committee amendment as amended was agreed to, will be reconsidered.

The Chair hears no objection.

The clerk will state the amendment of the Senator from Arizona to the committee amendment as amended.

The LEGISLATIVE CLERK. On page 36, line 20, it is proposed to strike out "Subsections" and insert "Subsection", and after the word "Subsections", to strike out in the same line the words "and (p)."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. McFARLAND subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD immediately following the passage of Senate bill 1973 the report of the committee.

There being no objection, the report (No. 741) was ordered to be printed in the RECORD, as follows:

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 1973) to further amend the Communications Act of 1934, as amended, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

GENERAL STATEMENT

The bill (S. 1973), in the opinion of the committee, would bring about a major improvement in the organization and functioning of the Federal Communications Commission. The legislation deals solely with structure of the Commission and its administrative and appellate procedure. This entire field long has been the subject of severe criticism by special and select investigating committees of the Congress and currently is the subject of study by a subcommittee of this committee as well as by a House committee.

The bill here recommended has the unanimous approval of every broadcasting interest who testified, and the majority of its provisions are favored by the Commission itself.

It should be noted that no attempt has been made in this legislation to deal with any changes in policy affecting radio or television broadcasting, nor policies affecting common carriers by radio or telegraph. Your committee is well aware that extensive testimony has been offered in the past and numerous recommendations made, including some by this committee, with respect to such policy matters. While the committee does not close the door to such policy provisions, it desires to point out that studies on these points are now being pursued; that the subject of most pressing importance today in the field of radio is the functioning of the Commission; and that, in view of the relatively short time remaining in the present session, it is deemed necessary and desirable that legislation proposed at this time be restricted to noncontroversial organization, procedural, and appellate matters to which this legislation is limited.

It is important to note that this bill is the end product of a decade of congressional investigations, studies, hearings, and reports by committees in both Houses of Congress. This committee alone, in the 6 years preceding the hearings on this bill, has held more than 45 days of hearings on the general subject of changes in the Communications Act, during which 145 persons have testified and some 800 others submitted statements. Those hearings cover more than 3,700 pages of printed testimony. Moreover, a majority of the committee have been personally closely identified with the long history of hearings and legislative recommendations herein referred to. They unanimously endorse the bill here recommended as a necessary first step in any changes in the Communications Act of 1934.

The committee held 2 days of hearings on this bill on June 16 and 17 last, during which more than a score of witnesses offered testimony, including the Acting Chairman of the Commission. Both prior to and subsequent to those hearings the chairman of the subcommittee in charge of the bill (Senator McFARLAND) held conferences with members of the Commission, members of the Federal Communications Bar Association, and others, in order to give the fullest consideration to all suggestions. A number of amendments proposed during the hearings and at such conferences have been incorporated in the measure herewith reported.

While most of these amendments are of a minor nature, the committee desires to call particular attention to one amendment—namely, section 14—which was contained in the measure as first introduced and has now been eliminated. This section read as follows:

"No sanction shall be imposed or substantive rule or order be issued except within jurisdiction delegated to the Commission and as authorized by law. The Commission shall make or promulgate no rule or regulation of substance or procedure, the purpose or result of whch is to effect a discrimination between persons based upon race, religious or political affiliation, or kind of lawful occupation or business association."

The committee deems it important to point out why this section was dropped from the bill. This language was first proposed nearly 6 years ago during hearings on a communications act amendn ents bill, solely because the Federal Communications Commission at that time had under consideration a rule which would prohibit newspapers from becoming holders of radio licenses. While the Commission may have been motivated, in part at least, by the best intentions in seeking to prevent monopolistic control of organs of public expression in a community, its threatened action was of questionable constitutional validity, particularly in the absence of specific authority in the basic act to adopt such a rule. However, the net effect of the Commission's proposed anti-newspaper rule was to deny consideration of applications from newspapers, all such applications having been placed in a pending file. After reflection for some 2 years, the Commission dropped all plans for such a rule and began processing of newspaper applications in the same manner as other applications.

In testimony on the bill (S. 1973) before this committee, the Commission spokesman pointed out that present Commission practice and procedure has been in accord with the proposed section for several years; that they have serious doubts of the constitutionality of any rule which would prohibit the granting of a license to anyone because of kind of lawful occupation; and that in any event they could not constitutionally do what the proposed section 14 would have prohibited them from doing.

The committee is impressed by the validity of this testimony. In view of the positive nature of the affirmations by the Commission that its existing procedure is in accord with that which had been intended by the original language, some question was raised as to whether or not the proposed new language might not be construed or interpreted to provide a different or modified procedure from that now being followed. The committee, therefore, decided to eliminate the proposed section. It should be distinctly understood that in eliminating this section the committee has done so solely because the Commission is now following the procedure which was outlined in the section, has testified that it intends to follow that procedure, and that it is of the opinion that it has

no legal or constitutional authority to follow any other procedure.

PURPOSE OF THE BILL

The principal objective of the bill (S. 1973) is to clarify the meaning and intent of the Communications Act of 1934, as amended. It is designed to remove ambiguities; to make definite and certain administrative and legal steps and procedures in the interest of the expeditious handling of both license applications and the rule-making function; to separate, as far as is administratively possible, the prosecutory and judicial functions of the Commission; to provide for administrative reorganization of the Commission in the interest of more effective and speedy handling of cases; to increase the salaries of Commissioners and staff personnel to insure a greater continuity of service; to better arm Commissioners to handle decisions by providing personal legal assistants; and generally to make clear and definite administrative actions and appellate procedures in accordance with the Administrative Procedure Act.

Your committee is strongly of the opinion that enactment of the bill (S. 1973) is a major step forward in the evolution of the regulation of radio and wire communications, both broadcast and common carrier. It believes that the legislation will be of inestimable value in making more certain that regulation of the industry shall be in "the public interest, convenience, and necessity."

EXPLANATION OF THE BILL BY SECTIONS

Section 1

This section gives a short title to this act, merely for purposes of reference to the dates of enactment of provisions herein proposed to be incorporated in the Communications Act of 1934, as amended.

Section 2

This section amends subsection (o) of section 3 of the Communications Act of 1934 by redefining "broadcasting." The new definition defines "broadcasting" to mean "the dissemination of radio communications intended to be received directly by the general public." In the existing law, the term is defined to include radio communications intended to be received by the public "directly or by the intermediary of relay stations." Testimony has been offered that these so-called relay stations might be considered to be broadcast stations within the meaning of the act. The new definition clarifies this ambiguity, but the committee does not intend that such relay stations, when used in broadcasting, shall be classified as common carriers under the law. The new definition also conforms with the provisions of the Radio Regulations of the International Telecommunications Convention (Atlantic City, 1947).

Section 3

This section adds a number of new definitions to the Communications Act of 1934.

Subsection (bb) defines "license," "station license," or "radio station license" to mean the instrument of authorization required by the act or regulations for use or operation of radio-transmitting apparatus, and the terms are intended to include all forms of authorizations, temporary or otherwise. When considered in connection with other sections of the bill, this will limit the power of the Commission to grant special or emergency types of authorization to the cases specifically provided for in the bill.

Subsection (cc) provides a definition of "broadcast station," "broadcasting station," or "radio-broadcst station." None of these terms is now defined, and all are used either in the present law or the amended sections.

Subsection (dd) defines the terms "construction permit" and "permit for construction," which have not heretofore been defined to clarify reference to such authorizations in procedural provisions.

Section 4

This section proposes several substantial revisions of the existing section 4 of the act, which deals with the make-up of the Commission itself, their salaries, top staff personnel, and matters to be included in the annual reports to Congress. Specifically, the provisions are as follows:

Subsection (a) makes a minor change in existing law which prohibits Commissioners from engaging in any other business, vocation, or employment by exempting from this prohibition the preparation of technical papers. Commissioners have pointed out that existing law might be interpreted to prevent such wholly meritorious publication of papers. The most important provision of this subsection, however, would add to subsection (4) (b) the requirement that 1 year after the enactment of this act no Commissioner, if he resigns before his term of office has expired, may take employment or receive compensation from any person or corporation who comes within the jurisdiction of the Communications Act. This provision, the committee believes, is a most desirable one. It is intended to halt the practice by persons and corporations, who have business before the Commission, of employing Commissioners with the obvious purpose of benefiting themselves, perhaps unfairly, through the influence that such a Commissioner might have with employees in the agency. It is also intended to restrict a growing practice of using appointments to high Government posts as stepping stones to important positions in private industries which have business before the Commission. The recommended amendment would not prevent a Commissioner from resigning his post at any time, but if he resigned after 1 year following enactment of this act and before his term of office had expired he could not accept a position for the unserved portion of his term of office with any person who comes under the jurisdiction of the Communications Commission.

Subsection (b) amends subsection (4) (d) of the law to increase Commissioners' salaries from $10,000 to $15,000 annually. The committee believes, in view of the greatly increased scale of salaries in private industry, that the proposed increase here recommended is desirable in that it may help attract to Government services the type of personnel so urgently needed. It is in general accord with the recommendations of the Hoover Commission on Reorganization of the Government Departments.

Subsection (C) is a revision of section 4 (f) (1) of the act, which deals with the employment of certain top staff personnel and their salaries. The committee recommends the employment of a personal legal assistant to each Commissioner at a salary of $10,000 per annum; a reduction in the number of assistant general counsels, assistant chief engineers, and assistant chief accountants from three to two; an increase in the salary of the general counsel, the chief engineer, and the chief accountant from the present $10,000 to $12,000 per annum; an increase in the salary of their assistants from the present $9,000 to $10,000 per annum; an increase in the salary of the secretary of the Commission from the present $8,500 to $10,000 per annum; a limitation on the salaries of the Commissioners' personal secretaries to $4,000 per annum; and a prohibition against the general counsel, the chief engineer, the chief accountant, and their assistants from representing any licensee under the Communications Act for 1 year following termination of their employment with the Commission.

The committee believes some explanation of these and other minor changes in this subsection is pertinent. It is of the opinion that provision for the employment of a personal legal assistant to each Commissioner is one of the important features of the bill here recommended. The plain facts are that the Commission is tremendously behind in its work, one reason therefor being the necessity for each individual Commissioner to personally review each decision. Several of the Commissioners are not lawyers; even those who are find it difficult to give the time necessary to familiarize themselves with all pertinent points in a proposed decision. The result has been that all too frequently decisions coming up from the staff have not had the close personal attention they should have. When it is realized that such decisions frequently are of vital economic consequence to citizens as well as important to the public interest, it will be realized that too much attention cannot be given to such decisions. The employment of a well-trained lawyer who will be the personal legal assistant to a Commissioner will not only relieve the burden of work on each Commissioner but will permit close study of both proposed decisions and rules and should expedite materially the speed of Commission action on its backlog of cases. The committee desires to emphasize that it believes Commissioners can obtain at the recommended salary competent, trained, and well-experienced lawyers who know the administrative process, will adhere to orderly legal actions, and advise the non-legal-trained Commissioners in such matters.

In reducing the number of assistant counsels, assistant engineers, and assistant accountants the committee has followed the suggestions of individual Commissioners who believe that the employment of personal legal assistants will permit reduction in these posts. Moreover, the saving thus obtained will reduce the extra cost of seven legal assistants to Commissioners.

With respect to the increases proposed for top staff personnel, little need be said. All of those who would receive $12,000 per annum are now paid $10,300; in the case of the assistants and the secretary of the Commission, the proposed $10,000 salary will actually represent a very slight increase over earnings now received. It should be pointed out that the committee has added a provision which exempts these new salaries from any future pay-bill increase unless these positions are specifically enumerated.

The committee has recommended no increase in the basic $4,000 annual salary for the Commissioners' personal secretaries. Actual pay now received by incumbents in those posts is in excess of $5,000 per annum as a result of general pay-raise legislation and those now occupying these secretarial posts will not suffer any diminution in pay. The committee is of the opinion that with the employment of well-paid legal assistants, future Commissioners will be able to obtain competent and well-paid secretaries for the $4,000 per annum limitation in the bill.

Another major feature of this subsection is the provision which would prohibit the chief engineer and his assistants, the chief accountant and his assistants, the general counsel and his assistants, and the secretary of the Commission from leaving their post with the Commission to become an employee of a licensee until 1 year has elapsed after termination of their employment with the Commission. The committee believes that this provision is a necessary corollary to a similar provision applying to Commissioners themselves and that it will tend to curb an exceedingly unfair and occasionally improper practice. The ability to influence people in the Commission is reported to have been of great value in numerous instances; this provision coupled with increased salaries should aid in building up a career service within the Commission and halt further efforts to woo key personnel from the Commission for the purpose of influencing subsequent actions by the agency. The committee also has tightened the language pertaining to the employment of temporary counsel to make clear that such temporary employees

cannot become in effect permanent employees in the guise of holding temporary appointment. Such temporary counsel hereafter are to be employed for specific special service and no other.

A provision of this section of the law which permitted the appointment of a director of each division of the Commission has been eliminated; such posts have not been filled for years and there is no necessity for such positions under the organization of the Commission proposed by this legislation.

Subsection (d) of this section amends the first sentence of section 4 (g) of the law which deals with the authority of the Commission to make certain expenditures, including expenditures for purchase of land for the erection of monitoring stations. While the Commission has exercised this authority for years under specific appropriation acts annually, such provisions constituted legislation in an appropriation bill and are subject to a point of order. The Bureau of the Budget recommended that this point be clarified so that clear legislative authority to justify such appropriations would exist. This particular provision already has been passed by the House of Representatives on May 16, 1949 (H. R. 4251—SADOWSKI).

Subsection (e) amends section 4 (k) of the present act with the purpose of making more clear and definite what shall be contained in the annual report filed by the Commission with the Congress.

Briefly, the Commission is to furnish the Congress each year (1) information and data bearing on the problem of regulation of interstate and foreign wire and radio communication; (2) information on the general administrative operations of the Commission so that Congress may readily understand what it has done or failed to do; (3) information concerning new employees hired during the year, their experience, and those resigned or discharged; (4) information in detail of all sums expended by the Commission, for what purpose, and under what authority; (5) specific recommendations on necessary additional legislation.

The committee is aware that the information required by clause (4) is furnished to the Appropriations Committee of the Congress annually. But it is of the opinion that the legislative committees of the two Houses which are directly concerned with the functioning of the Commission also have a real interest in these matters. Moreover, such information will permit the legislative committees to examine under what authority expenditures were made.

Section 5

Section 5 of the bill is a revision of section 5 of the law which deals with the organization of the Commission. The present section is an anachronism in that it provides for a permissive divisional organization of the Commission, which was adopted briefly shortly following enactment of the law in 1934 and then dropped and has never been followed since. Section 5 therefore has now been rewritten into four brief subsections which set forth the duties of the chairman; provide for a functional reorganization of the Commission; provide for necessary delegation of certain specific duties (now a part of the present law); and designate time-limit objectives to be met by the Commission in processing cases with the added provision that Congress shall be promptly informed when cases have not been acted upon within certain fixed periods.

The most important subsection, and in the committee's opinion one of the most important of the entire bill here recommended, is subsection (b) which would reorganize the Commission into a functional organization. To make clear what the effect of this subsection would be, it should be explained that the Commission now is organized into three principal Bureaus—Engineering, Accounting, and Legal. It also has, of course, other subsidiary sections and units but the bulk of its licensing work flows upward through these three bureaus. Regardless of the type of case involved, each of these three bureaus must independently, or occasionally in consultation, pass upon applications and other types of cases. Whether or not this system is responsible, the fact remains that the Commission's backlog of cases has continued to mount to alarming proportions. Hearing cases rarely get out in less than 2 years; some have been before the Commission as long as from 4 to 7 years.

Citizens and taxpayers are entitled to greater consideration and better service from their Government than this.

Moreover, under this system, the three Bureaus have become self-contained and independent little kingdoms, each jealously guarding its own field of operations and able to exercise almost dictatorial control over the expedition of a case. They can, and have, set at naught the best efforts of individual Commissioners to spur action. Whether or not these Bureaus also have been effective agents in preventing the Commission from achieving its own reorganization is not clear since it is a fact that the Commission has the legal authority to undertake and impose the type of reorganization here recommended. But no Chairman of the Commission in recent times who has attempted to undertake reorganization has been able to secure agreement on details from a majority of his colleagues. Each individual Commissioner gives lip service to the need for reorganization but balks at some particular provision.

The committee has, therefore, written into law by subsection (b) a mandatory reorganization provision but on the recommendation of the Commission has allowed wide flexibility to accommodate possible changes in the nature and volume of the Commission's work in future years. The Commission would be required within 60 days after enactment of this bill to organize its Legal, Engineering, and Accounting Bureaus into such number of integrated divisions as are deemed necessary to handle the Commission's work-load problems. Under existing circumstances, these are expected to number three—broadcasting, common carrier, and special and safety service. Each of these divisions would include all necessary legal, engineering, and accounting personnel to handle the work but would operate together as a team rather than as separate professional groups. The Commission also would have authority to establish whatever additional divisions may be necessary to handle that part of its work load which may cut across the divisional organizations or which may not lend itself to handling by an integrated divisional unit.

Coupled with this divisional set-up, the committee also has provided for the establishment of a review staff, consisting of legal, engineering, and accounting personnel, whose sole function shall be to prepare and review decisions, orders, rules, and other memoranda as the Commission shall direct. The review staff shall be directly responsible to the Commission, and its personnel shall not engage in the preparation or prosecution of cases. Neither the general counsel, the chief accountant, nor the chief engineer shall have any authority over it. Its purpose is clear; it is to separate with finality the prosecutory and judicial functions of the Commission so that the same individual who prosecutes a case in behalf of the Commission before a hearing examiner shall not later be found preparing the final decision or advising Commissioners or the Commission as to the final decision. The records and facts well known to your committee and to the industry have proved beyond question that applicants have not always had the most equitable judicial treatment under the existing type of administrative judicial process. The committee believes that its proposed amendment will correct this situation.

Subsection (a) of this section sets forth the duties and responsibilites of the Chairman of the Commission, providing that he shall be the chief executive officer of the Commission and shall represent it in all matters relating to legislation and in dealings with the Congress as well as be responsible for the general organization and functioning of the Commission as a whole.

Subsection (c) is a revision of the existing subsection 5 (e) dealing with certain necessary delegation of the Commission's work to individual Commissioners, a board of Commissioners, or to employees. Such delegation is subject to the provisions of section 17 of this bill (sec. 409 of the act as revised by this bill) and to the provisions of the Administrative Procedure Act as described in section 17.

Subsection (d) is a new provision specifying that the Commission must meet at regular intervals but not less than once a month for the purpose of reviewing and expediting its work. The committee has set as fair time limits, for final Commission disposition of cases, a period of 3 months for nonhearing cases and 6 months from the final date of hearing on all hearing cases. The Commission is instructed to report to Congress promptly all cases pending before it longer than these periods stating the reasons for delay. The Congress will thus be currently apprised of the progress of Commission actions.

Section 6

This section amends subsection (d) of section 307 by deleting the phrase "but action of the Commission with reference to the granting of such application for the renewal of a license shall be limited to and governed by the same considerations and practice which affects the granting of original applications."

Once a license has been granted, there appears to be no good reason why the Commission should be required to take into consideration many of the factors which it should and must take into consideration in granting a license in the first instance. Such matters as the character and ability of the applicant to operate a broadcast station or his financial ability to construct and maintain a station are important factors for the Commission to consider in evaluating original applications for a broadcast station; they no longer may be pertinent factors when the Commission is giving consideration to renewal of a station license. It should be emphasized that while the recommended amendment does eliminate the necessity for the type of involved and searching examination which the Commission must make in granting an original license, it does not in any way impair the Commission's right and duty to consider, in the case of a station which has been in operation and is applying for renewal, the over-all performance of that station against the broad standard of public interest, convenience, and necessity. This authority of the Commission is made explicit by specifying that such renewal grants are subject to findings by the Commission that the "public interest, convenience, or necessity would be served thereby." This section, the committee desires to emphasize, is not intended to nor shall it be interpreted as modifying in any degree the high qualifications required of a licensee; rather, the objective of the recommended changes is to expedite the administrative consideration of the renewal process and to reduce the work load and expenditure on both the licensee and the Commission.

Section 7

This section amends subsection (a) of section 308 of the present act. It is designed to make more definite the procedures to be employed by the Commission in the exercise of its radio-licensing functions. This section fixes and determines the conditions under

which the first step in the exercise of the licensing function is taken; it makes positive and a part of statutory law that which has heretofore been the subject of dispute and controversy. There has been confusion under the terms of existing law over the basic question of when and under what circumstances a written application must be filed as the initial step in license proceedings and when, by the device of calling a license by some other name, the Commission, and applicants with the acquiescence of the Commission, have avoided this step.

The amendment recommended herein would make the filing of a written application a necessary condition precedent in all cases except those arising out of emergencies involving danger to life or property or damage due to equipment break-downs or when the authorization is required by emergency or security reasons during the continuance of any war in which the United States is engaged. The proposed new language does not change the substance of existing law; it merely makes certain that which has heretofore been uncertain. Moreover, the amendment is directed against the administrative practice of issuing special service authorizations which have been held not to be licenses, and therefore persons affected by their issuance were precluded from relying upon them or challenging their propriety.

Section 8

This section amends section 309 of the present act, which deals with the procedural steps involved in obtaining a license. It is the purpose of this section, as a necessary corollary of the preceding section, to make definite and certain the procedural rights and remedies of those who oppose, as well as those who apply for, a new instrument of authorization. The necessity for definite provisions of this character has been clearly demonstrated by experience.

Specifically, the amendment here proposed will make it possible, as at present, for the Commission to grant any application without hearing if convinced from ex parte examination that the statutory standard will be served thereby. It will, however, provide a method whereby any person, who has the right to challenge the legality or propriety of such a grant by appeal from the Commission's decision, can make his complaint first before the Commission—a guaranty which the present law does not contain. Provisions also are included which are designed to guarantee that any hearings held before the Commission upon any application will be conducted upon the basis of issues clearly defined so that the Commission will act as an arbiter.

Subsection (a) is merely a restatement of the present subsection (a) making clear that the standard of judgment which applies in issuing an authorization is in the public interest, convenience, and necessity.

Subsection (b) sets forth in specific terms what the Commission shall do with respect to notification of the applicant and known parties in interest, both prior to and after setting an application for hearing; the specification of issues; opportunity for an applicant to reply; who may participate under what circumstances and how.

Subsection (c) provides for what is commonly known as the protest rule. This provision merely insures that if the Commission grants a license or other type of authorization without a hearing, the grant will remain subject to protest under oath for a 30-day period by any party in interest. Thereafter, the Commission is required within 15 days to make a finding as to whether the protest meets the requirements of the section and, if it so finds, the matter shall be set for hearing under conditions specifically set forth to insure fullest judicial protection to citizens involved in such proceedings. Some question has been raised in earlier hearings on proposed Communications Act amendment bills with respect to the meaning of the term "parties in interest" as used in this subsection and in other sections of the bill. Fear has been expressed that use of "parties in interest" might make possible intervention into proceedings by a host of parties who have no legitimate interest but solely with the purpose of delaying license grants which properly should be made. The committee does not so construe the term "party in interest"; "parties in interest" because of electrical interference are fixed and defined by the Supreme Court decision in the *KOA case* (319 U. S. 239) and the Commission's rules and regulations; "parties in interest" from an economic standpoint are defined by the Supreme Court decision in the *Sanders case* (309 U. S. 470).

Subsection (d) is the present subsection (b) of section 309 of the act unchanged and merely sets forth the form of the license and the conditions attached to its grant.

Section 9

This section amends subsection (b) of section 310 of the act which deals with the transfer of licenses granted by the Commission. The existing provisions are indefinite in nature with respect to the procedure to be employed by the Commission in considering such transfers and this has led, in some instances, to differences in the treatment of applications for transfer of facilities. The recommended new language is designed to make certain that no construction permit or station license granted by the Commission may be transferred without the Commission's approval; to make definite the procedure to be employed by the Commission in passing upon transfer applications; and to clarify the standard to be applied by the Commission in passing upon the merits of such applications.

One of the purposes of the proposed new language in this subsection is to annul the so-called AVCO procedure adopted several years ago by the Commission to prevent a licensee from selling his property to a proper person of his choice but requiring an opportunity for others to make bids for any radio station proposed to be sold. The committee believes that there is no provision of present law which authorizes the Commission to employ such a procedure and it deems such a procedure an unwise invasion by a Government agency into private business practice.

The committee regards it as significant that the Commission dropped the so-called AVCO procedure several months ago as unsatisfactory and a cause of undue delay in passing upon transfers of licenses. It should be emphasized that the Commission's authority to see to it that stations are operated in the public interest and to determine whether the proposed transferee possesses the qualifications of an original licensee or permittee is not impaired or affected in any degree by this subsection. In fact, the latter requirement is expressly stated. The committee also desires to emphasize that the language recommended in this subsection specifically refers to construction permits as well as licenses. It is of the opinion that this lack of reference to construction permits in the present law may have led to some of the abuses which have taken place under the transfer provisions.

Section 10

This section amends section 311 of the present act which relates to the application of the antitrust laws of the United States. The existing law contains two sections (secs. 311 and 313) which deal with this subject. Section 313 of the present law makes clear that all licenses under the Communications Act come within the provisions of the antitrust laws and that if any licensee is found guilty of a violation of antitrust laws the court may, as an additional penalty, also revoke the license of the person or group found guilty. Section 311 of the present law specifically directs the Commission to revoke any license which the court has ordered to be revoked under the authority of section 313 and authorizes the Commission to revoke the license of a person found guilty of antitrust violation if the court itself has not ordered such revocation.

Licensees have consistently contended during various hearings before this committee that these two sections considered together as now written constitute an unfair discrimination against radio licensees and that such a double penalty is not imposed upon other classes of business by any other statute.

The committee is impressed with the legal validity of the protests which have been made against this type of double jeopardy. It believes there is merit in the contention that citizens should not be subject to trial for the same allegations before two different tribunals. Moreover, such an argument is particularly pertinent in connection with alleged violations of the antitrust statutes which are the particular province of the Department of Justice and do not, by any other law, come within the jurisdiction of any independent quasi-judicial agency of government.

The committee has made no change in section 313. That section, which makes all licenses amenable to the antitrust statutes and specifically grants the court authority, if a licensee is found guilty of an antitrust violation, to order revocation of his license in addition to all other penalties which may be imposed under authority of the antitrust laws, stands unchanged and unimpaired. It has, however, modified section 311, which gave to the Federal Communications Commission additional authority to institute license revocation proceedings in those cases where a licensee has been found guilty in court of an antitrust violation but where the court did not order revocation of the license issued by the Commission. The modification proposed merely prohibits the Commission from instituting its own antitrust proceeding. It retains the specific authority to refuse a license or permit in those cases in which a court under section 313 has ordered revocation of the license or permit.

The committee desires to emphasize that the Commission's existing authority under law to examine into the character of a licensee or permittee in granting a license or a renewal is in no way impaired or modified by the change here recommended in section 311. The Commission's authority to determine whether or not the public interest, convenience, or necessity will be served by the granting of a license remains paramount and if it finds that the conviction of a licensee under the antitrust laws or under section 313 has materially affected the character or standing of such licensee so as to warrant refusal of a renewal, or grant of license, it may so proceed. Thus, the Commission's power to protect against monopoly control of radio licenses remains unaffected by the changes herein recommended; it is merely estopped from initiating and proceeding with an antitrust case of its own.

Section 11

This section amends section 312 of the present act which deals with revocation of licenses. Under existing law a station license may be revoked for false statements either in the application, or in the statement of fact which may be required from time to time, which would warrant the Commission in refusing to grant a license on an original application; or for failure to observe any of the restrictions or conditions of the act or of regulations of the Commission authorized by the act or a treaty ratified by the United States. It is clear, therefore, that revocation is the sole administrative penalty in the case of violations ranging from the most serious to the least minor

and affecting those who may innocently violate regulations of the Commission on technical matters.

The committee feels that this is not a satisfactory situation for two reasons: The Commission is reluctant to revoke a license for a minor offense, and therefore minor offenses may be committed almost with impunity; and there exists no clear distinction between types of offenses. It is felt that some method of procedure short of revocation should be provided for minor or less serious violations. It is, therefore, provided that the Commission may issue cease-and-desist orders for such less serious violations.

The revocation penalty would remain in effect only (1) for those situations in which the Commission learns of facts or conditions after the granting of a permit or license which would have warranted it in refusing the grant originally had it known those facts; (2) for violation or failure to observe provisions of a treaty ratified by the United States; and (3) for violation or failure to observe the conditions of any cease-and-desist order issued in accordance with the provisions of this section. As in the case of cease-and-desist orders, the Commission must first issue an order to show cause why a license should not be revoked.

The cease-and-desist action would apply to those cases where a licensee has (1) failed to operate substantially as set forth in his license; (2) failed to observe the restrictions of this act or of a treaty ratified by the United States; and (3) violated or failed to observe any rule or regulation of the Commission authorized by this act.

It will be seen that violation of conditions or restrictions of a treaty may be proceeded against initially either by a revocation proceeding or the less onerous cease-and-desist proceeding, thus allowing Commission discretion as to the seriousness of the alleged offense. Moreover, the recommended language clothes the Commission with power to prevent persistent minor violations by making violation of a cease-and-desist order cause for a revocation action.

The cease-and-desist procedure is a time-tried and wholly successful one in many administrative agencies and the committee believes that its adoption by the Federal Communications Commission will be salutary. The language here recommended has had the approval of all witnesses who testified on the bill.

Revocation and cease-and-desist proceedings are, of course, subject to proper hearing procedures and are appealable to the courts. The burden of proof in all such proceedings is upon the Commission.

Section 12

This section provides for a new section (sec. 330) but its provisions are virtually identical with the present section 312 (b) of the law. In the interest of clarity and consistent order, the revocation and cease-and-desist provision has been assigned the number 312 and the provisions of the old section 312 (b) have been transferred to a new number.

The recommended language provides that modifications of licenses may be made where it will promote the public interest or where the provisions of the act or any treaty will be more fully complied with. This provision is identical with existing section 312 (b) except for language spelling out that a licensee whose license the Commission proposes to modify may on request secure a public hearing on at least 30 days' notice. This period of time may be shortened, however, where safety of life or property is involved. The section also provides that the burden of proof in all revocation, modification, and cease-and-desist proceedings is on the Commission.

Section 13

This section, entitled "Limitations on Quasi-Judicial Power," adds a new section (sec. 331) to the present act dealing with miscellaneous provisions relating to the procedures to be followed in modification, revocation, and renewal proceedings. It has been endorsed by all witnesses and has the general approval of Commissioners.

The intent of this section is to spell out in definite detail the authority of the Commission with respect to modification of licenses, and termination or revocation of licenses, and to provide a guide for the Commission in dealing with renewal of licenses.

The language makes clear that modification can be undertaken only in accordance with the provisions prescribed by section 330 (a) of the law (sec. 12 of this bill) and that revocation or termination of a license can be undertaken only for the reasons and in the manner provided by section 312 of the law (sec. 11 of this bill). It makes clear that Commission consideration of a renewal of license is also premised on the public interest, convenience, and necessity but the intent of the committee here is to separate more definitely and clearly the prosecutory functions and duties of the administrative staff of the Commission from the quasi-judicial functions of the Commission membership itself.

Section 14

This section amends section 401 of the present act by adding a new subsection (e) dealing with declaratory orders. The declaratory order method of procedure has received the direct approval of Congress in the enactment of the Administrative Procedure Act, which provides for issuance of such orders by administrative and independent agencies. The committee believes this type of procedure is an extremely beneficial one, both for the Government and for those having business before a Government agency.

The first sentence of the recommended section is substantially the language of the Administrative Procedure Act. However, the committee is of the opinion that because of the problems with which the Communications Commission deals it is necessary to provide additional safeguards in the issuance of declaratory orders by the Commission. The Commission should not be in the position of entering fiats to the industry under the guise of unsolicited declaratory orders. Moreover, such orders should be binding only on those who are parties to the proceeding.

This section provides that the Commission may issue declaratory orders in cases of actual controversy or in order to remove uncertainty. Such orders would be issued only upon petition and after notice and opportunity for hearing and such orders would, of course, be subject to judicial review.

One of the frequent criticisms of governmental procedure, particularly that of the quasi-judicial agencies, is that in order to test the legality, or even the meaning, of a rule or regulation, it is necessary to violate it and incur the penalties that go with such violation. Such a condition results in a particularly difficult situation in the case of radio broadcasting, involving as it does highly technical and specialized rules applicable to engineering and other technical equipment and operations most complicated in character. The proposed new section would make it unnecessary to incur the risk of violating the law in order to secure an authoritative ruling.

Section 15

This section amends section 402 of the present act, which deals with the subject of judicial review of the Commission's decisions and orders. The subject of appeals from quasi-judicial agencies to the courts and the legal remedies under such appeals are most important. Since the changes in existing law which are to be effected by the enactment of these subsections are several and substantial, detailed consideration is presented in this report.

Subsection (a) deals only with judicial review of Commission orders by specifically constituted three-judge courts. It substantially restates existing law with necessary clarification, and a provision is inserted which would give parties plaintiff, other than the Government, an option of venues for such suits, either in the appropriate United States district court or in the United States District Court for the District of Columbia. Subsections (b) through (j) deal with the subject of judicial review of decisions and orders of the Commission which are entered in the exercise of its radio-licensing functions.

Subsection (b) attempts a more precise and comprehensive definition of the jurisdiction of the United States Court of Appeals for the District of Columbia in cases appealed from the Commission. The language of this subsection, when considered in relation to that of subsection (a), also would make clear that judicial review of all cases involving the exercise of the Commission's radio-licensing power is limited to that court. Under present law confusion and controversy have arisen concerning what decisions and orders of the Commission might become the subject of judicial review and in what court. This has been carried to the point where the time and effort of both litigants and courts have been too much taken up with jurisdictional problems rather than with the merits of particular cases. Enactment of this subsection is designed to obviate this difficulty.

Subsection (c) deals with the time for and the manner of taking an appeal from the Commission to the United States Court of Appeals for the District of Columbia, and the duty of the Commission with respect to the filing and certification of the record in the event that such an appeal is taken. The appellate period is made 30 rather than 20 days as at present, and provision is made that the appellate period will run from the date of the entry of the order appealed from rather than from its effective date.

This subsection also definitely fixes and prescribes the nature and extent of the jurisdiction of the appellate court after a notice of appeal has been filed. It confers upon that court, by specific language rather than by inference, authority to grant temporary relief, which may be either affirmative or negative in its scope and application. The necessity for language of this sort in the statute itself can hardly be exaggerated in view of the controversy and confusion which have arisen concerning this subject. The language here is believed to be stronger and therefore preferable to that found in section 10 (d) of the Administrative Procedure Act.

Subsection (d) would continue in effect, substantially, the provisions of section 402 (c) of existing law. It does, however, attempt to settle certain ambiguities. The Commission would be compelled to file with the court both the record and its written decision within a period of 30 days after the filing of an appeal. Present provisions of law are susceptible of an interpretation which would require the filing of the Commission's decision 30 days after the filing of the record.

Subsection (e) is a redraft of section 402 (d) of existing law, with minor clarifying amendments.

Subsection (f) specifically confers upon the appellate court the right to fix by rule the material to be included in any record upon which an appeal is to be heard and determined. While this is now the practice of the United States Court of Appeals for the District of Columbia, questions have arisen concerning that court's power to take such action due to the peculiar language of the statute. This is a matter which obviously should be clarified.

Subsection (g) merely adopts the language of section 10 (e) of the Administrative Procedure Act as the procedure to be followed in the hearing and determination of the appeal.

Subsection (h) contains provisions which are intended to confer upon the appellate court a measure of control commensurate with the dignity and responsibility of that tribunal, requiring the Commission to give effect to the judgment of the court in the absence of proceedings to review. The committee points out that under the language of this subsection the appellate court would have ample authority, either on its own motion or upon the petition of the Commission or any other litigant, to provide, either as a part of its original decree or supplementary thereto, that new parties and new issues may be introduced and a new record made after remand to the Commission. This authority stems from the phrase "and unless otherwise ordered by the court."

Subsection (i) carries forward without change provisions of section 402 (f) of existing law relating to the assessment of costs on appeal.

Subsection (j) contains important amendments to existing law. Under present law, review by the Supreme Court of decisions of the United States Court of Appeals for the District of Columbia is limited to certiorari proceedings and to certification by the court of appeals. This subsection provides that, in a limited class of cases, appeals may be taken directly and as a matter of right to the United States Supreme Court.

Experience to date has clearly demonstrated that it is extremely difficult for private litigants to secure an ultimate Supreme Court review of Commission action by the certiorari method. Since 1927, only one such petition has been granted upon request of a private litigant, whereas only one such petition has been denied when filed by the Government. The result has been that many cases involving Commission action on applications for renewal and modification of licenses have, during this period, been reviewed by the Supreme Court upon request of the Government, and only one has received such consideration upon petition of a private litigant. Since either revocation or renewal proceedings may result in absolute or final loss of license, the committee believes that adequate opportunity should be given the parties affected in such cases to litigate their claims; and that, in this limited class of cases, opportunity should extend to and include review by the highest judicial tribunal. Such appeals, as a matter of right, are given in practically all cases involving decisions and orders of the Interstate Commerce Commission and are given under section 402 (a) of the Communications Act in cases such as the network cases (*National Broadcasting Co., Inc., et al. v. U. S. et al.* (319 U. S. 190)), which involve the exercise by the Commission of its legislative, as distinguished from its judicial, powers.

The committee sees no basis in substance for the distinction made so long as the result reached is determinative and final in either case and goes to the right of a litigant to remain in the business of his choice. The inclusion of such a provision should impose no undue hardship upon the Supreme Court because of the limited number of such cases. On the contrary, it would make possible the development of an authoritative body of law upon a subject vital to those engaged in the communications business and of substantial importance to the public generally.

Section 16

This section amends section 405 of existing law which deals with rehearing procedure before the Commission. Since the rehearing step is the final stage in the administrative process, the committee is of the opinion that clarity and definiteness are of paramount importance here. The new language recommended in this bill is intended to make more definite and certain the rights and remedies of the parties concerned.

Any party affected by a decision, order, or requirement of the Commission, or any other person aggrieved or adversely affected by it, is granted the right to petition for a rehearing. In order to expedite the rehearing process and prevent it from being used as a delaying action, the recommended new language specifies that, except for newly discovered evidence or evidence otherwise available only since the original taking of evidence, no evidence shall be taken on a rehearing. This is also intended to make such rehearing procedures conform to court practice, on appeal, in view of the fact that a rehearing conforms in many respects to an appeal to a higher court, where only the evidence already introduced is considered.

The recommended section also would eliminate uncertainties in existing appellate practices by providing that the time for appeal under section 402 (b) (sec. 15 of this bill) will run from the date upon which the Commission enters its order disposing of all petitions for rehearing filed in any case.

Section 17

This section amends section 409 of the present act, which deals with the hearing procedure before the Commission. The proposed new language replaces the present subsection (a) with three new subsections. These are designed to make definite and certain the procedure to be employed by the Commission in all cases where a public hearing is required by the provisions of the Communications Act or other applicable provisions of law.

The subject here dealt with is that of judicial or quasi-judicial hearings held by the Commission and is one of the most important of any dealt with in the entire bill. The changes recommended in this bill are prompted by what is believed to be an abundance of caution and a desire to prevent conflicts or misunderstandings due to the presence on the statute books of other provisions relating to the same subject. Since section 12 of the Administrative Procedures Act provides that subsequent legislation shall not supersede or modify the provisions of that act, unless specifically stated, it has been necessary to make specific references to that act where the subject matter requires a different treatment. The section consists of three subsections, which will be dealt with in order.

Subsection (a) will, in effect, require all hearings of a judicial or quasi-judicial nature conducted by the Commission to be held either by the whole Commission or by one or more examiners appointed by the Commission. It will not permit the conduct of a hearing by a single Commissioner, as is now sometimes done. This is important because it is impossible for the Commission to review the preliminary or intermediate report of one of its members with the same degree of objectivity or fairness with which it reviews the report of an examiner. Since section 7 (a) of the Administrative Procedure Act is so phrased as to permit a continuance of present practices, specific references to it were regarded as necessary in order to effect a change.

Subsection (b) relates to the procedure which shall be followed by the officers conducting a hearing and what shall be included in the record. Here again certain provisions of section 8 of the Administrative Procedure Act seem to be ineffective or inappropriate, and specific reference to section 8 of that act was required.

Subsection (c) has further reference to the conduct of hearing officers and certain other employees both during the hearing and subsequent thereto, but before final decision. While provisions of this type are not found in the Administrative Procedure Act, the committee believes that the clearest and most detailed separation of the prosecutory and judicial functions must be maintained in the interests of equity and fair treatment to those having business before the Commission. An exemption has been made with respect to the review work that may be carried on by the review unit provided for in this bill (sec. 5 (b) of the act and this bill) and by the Commissioners' personal legal assistants. But the committee insists that citizens shall be safeguarded in the administrative process so that unfair and improper influence shall not be brought to bear in their cases without their knowledge and without an opportunity for them to rebut in accordance with American juridical standards.

In providing for the establishment of a special review unit, the committee does not intend it to act as a panel designed to screen or modify examiners' proposed decisions before they reach the Commission. On the contrary, the principal function of the review unit is to digest and analyze proposed decisions (or rules and regulations) for the Commission to save individual Commissioners' time and expedite their handling of cases and the rule-making procedure. Such review board does not have and is not intended to have any authority to revise, modify, amend, or alter any proposed decision by an examiner nor to recommend to the Commission changes in such decisions. It is expected to act as a clearinghouse to make certain that both law and fact have been correctly applied and to digest, analyze, and note the scope and purport of the proposed decision.

Apart from the authority expressly granted the review board, and the duties laid upon the Commissioners' personal legal assistants, every safeguard is written into this section to prevent examiners, lawyers, or other employees from advising or consulting with the Commission with respect to its action.

These three subsections are amendatory. In the interests of clarity, these additional subsections are retained in the act, and renumbered so that the present subsections (b), (c), (d), (e), (f), (g), (h), (i), and (j), will become subsections (d), (e), (f), (g), (h), (i), (j), (k), and (l), respectively.

Section 18

This section amends section 414 of the present act, which provides that nothing in the Communications Act shall abridge or alter the remedies existing at common law or by statute. The recommended new language to be added is "except as specifically provided in this act, the provisions of the Administrative Procedure Act shall apply in all proceedings under this act."

The purpose and intent of the amendment is to make clear that all of the pertinent provisions of the Administrative Procedure Act are applicable in all procedural and appellate matters involving cases and controversies before the Communications Commission, except where specific procedural and appellate provisions are set forth in this bill. It will be noted that section 409 (a), (b), and (c) (sec. 17 of this bill) specifically refer to the Administrative Procedure Act and specify that, notwithstanding provisions of that act, the procedures set forth in those subsections are to be employed. The committee is well aware of the salutary provisions of the Administrative Procedure Act and has no desire to vitiate or impair the rights granted under the provisions of that act to private citizens doing business with a Government agency. It believes, however, that circumstances and conditions involved in procedures before the Communications Commission, particularly radio-broadcast cases, which differ from common-carrier principles, are such that special recognition must be given to the problem. The Administrative Procedure Act, which is a general statute covering procedure in all administrative agencies, does not meet all of these conditions and circumstances.

Section 19

This section is a new provision of law which adds a new section to chapter 63 of the Criminal Code dealing with fraud by radio. This provision has been recommended

by the Federal Communications Commission on several occasions, and the committee has heard of no opposition to it from any source.

It is intended merely to establish for radio a parallel provision now in the law for fraud by mail, so that fraud conducted or intended to be conducted by radio shall be amenable to the same penalties now provided for fraud by means of the mails. The Commission has pointed out that the loophole now in the law leaves not only citizens at the mercy of some clever schemer but actually places an innocent licensee at a serious disadvantage, since the only recourse the Commission has under existing law is to revoke a license. Of course, should a licensee be found to be involved in such a fraud, the Commission's power to revoke his license is not affected by this new section. It does, however, provide a means to reach a nonlicensee who may make use of the radio to defraud.

Section 20

This section is the usual separability provision to make certain that if any provision of the bill is found invalid it will not invalidate the remainder of the provisions of the bill and their applicability to persons or circumstances affected by the act.

DR. LUDOVIT RUHMANN

Mr. FLANDERS. Mr. President, I understand the objection to Senate bill 1565 has been withdrawn, so I ask for the consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (S. 1565) for the relief of Dr. Ludovit Ruhmann, was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Dr. Ludovit Ruhmann, of Bethesda, Md., shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized to deduct one number from the nonpreference category of the first available immigration quota for nationals of Czechoslovakia.

COLVILLE INDIAN RESERVATION LANDS

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senate return to the consideration of Calendar No. 833, House bill 2432.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2432) restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes.

Mr. MAGNUSON. Mr. President, I know of the objection of the Senator from Nebraska [Mr. BUTLER]. I see he is now in the Chamber. Knowing he had an interest in this matter, I was going to ask that it go over until he could be in the Chamber.

Mr. BUTLER. Mr. President, I ask that this bill go over to the next call of the calendar.

The PRESIDING OFFICER. The Senator asks unanimous consent that the bill be included in the next call of the calendar?

Mr. BUTLER. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The bill goes over to the next call of the calendar.

That completes the call of the calendar for today.

METHODS FOR PAYMENT OF TAX ON FERMENTED MALT LIQUORS

Mr. GEORGE. Mr. President, I ask unanimous consent that the Senate return to the consideration of Order No. 643, House bill 5114.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 5114) to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for establishment of brewery bottling houses on brewery premises, and for other purposes.

Mr. GEORGE. Mr. President, I think there can be no objection to this bill. It is a bill to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for the payment of tax on fermented malt liquors, and to permit the bottling of malt liquors on the premises. It is a measure recommended by all the affected agencies of the Government, and I think it should be passed, purely as a means of preventing undue costs and expense.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

FEDERAL COOPERATIVE FOREST PROGRAMS

Mr. ELLENDER. Mr. President, in submitting its report on H. R. 2296, the Senate Agriculture and Forestry Committee incorporated the written report of its subcommittee which considered and held hearings on the bill. I served as chairman of the subcommittee, but in my recent absence from the Senate the bill has been handled by the able Senator from Florida [Mr. HOLLAND].

My attention has been called to the fact that in listing the organizations which were represented at the hearings in support of the bill, the name of the Association of State Foresters was inadvertently omitted from the subcommittee report, and I desire to correct the report in that respect. The fact is that the Association of State Foresters was represented at the hearings by Mr. Joseph F. Kaylor, who strongly urged the subcommittee to approve the House bill without amendments. Mr. Kaylor stated that the bill was developed by the Association of State Foresters and the Association of Land Grant Colleges after extensive study in an effort to bring about more effective conservation and utilization of the Nation's forest resources, and that the members of his organization, as well as of the Association of Land Grant Colleges, are very anxious to obtain congressional approval of the legislation at this session.

Mr. President, I ask unanimous consent at this time that the report be corrected.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOLLAND. Mr. President, is there objection at this time to taking up Calendar No. 608, H. R. 2296, the bill just referred to by the Senator from Louisiana? It was objected to by the distinguished junior Senator from Michigan [Mr. FERGUSON] at the last call of the calendar. I understood there was no further objection. I was advised by the Senator from Michigan that he has withdrawn his objection, and that is why I am asking that it be brought up at this time by unanimous consent.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SALTONSTALL. Will the Senator tell us what the bill is about?

Mr. HOLLAND. The first three sections are to reenact and enlarge the Clark-McNary Act. The first section steps up the size of the fire-control authorization. At the present time the States and Territories are putting up more money than the Federal Government is matching, and certainly, in view of the forest fires that have been raging, the great need for the Federal Government's cooperating is clearly apparent.

The second section of the bill has to do with enlarged forest replanting or reforestation, and the third section of the bill relates to expanded educational activities in forestry under the land-grant schools.

There were highly controversial provisions later in the bill which the committee cut out. The committee did not hear any great objection to the three sections which remained in the bill and which I have briefly mentioned.

I described the bill at some length when it was called up before, and I shall be glad to do so again, if necessary, but I think the Senator from Michigan was the only Senator who objected on the previous call.

Mr. HENDRICKSON. There were other objections. I am pretty sure one objection came from the senior Senator from Oregon. I should like to check on that.

Mr. LUCAS. Mr. President, this illustrates the difficulty in returning to bills at this time. A number of Senators have left the Chamber, believing, no doubt, that the calendar was finished. I rather think that unless we absolutely know that there are no objections, we should not return to bills when there is any possibility that objections might exist to their consideration.

Mr. HOLLAND. Mr. President, I renew my request. If any Senator desires to object, that is his right, but my understanding was very clear that the Senator from Michigan was the only objector, and he has told me affirmatively that he has no further objection. That is why I make the request that the bill be taken up at this time.

Mr. HENDRICKSON. I did not even know that the junior Senator from Michigan had objected, but our records show that there was objection from the senior Senator from Oregon.

Mr. AIKEN. Mr. President, in view of the three things for which it provides, it would be most unfortunate if this bill were held up, now that it has been amended. First, it makes provision to

enable the Federal Government to match the expenditures of the States and the people of the localities in forest-fire prevention, which they were supposed to have done long ago anyway. It also provides $500,000 instead of $100,000 for the use of the Extension Service in forestry work. It increases somewhat the appropriation for cooperation with the States in reforestation. The objectionable features, so far as I know, have all been removed. I have no objection to the controversial features. To my mind it is a question whether they are objectionable or not.

Mr. THYE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. THYE. I should like to support the senior Senator from Vermont in his statement that the objection was to sections 4 and 5 in the bill. When the subcommittee of the full committee amended the bill and struck out sections 4 and 5, I believe we removed all the objections to the bill. I cannot believe that anyone would object to the bill as it is now drafted.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BALDWIN. I earnestly hope the bill may be considered at this time, because I am advised by the State, Park, and Forest Commission of the State of Connecticut that the bill is very much needed. In Connecticut we are heartily in favor of its passage.

Mr. AIKEN. The bill will provide protection for 25 percent of our forest lands which are still unprotected from fires, in the sense that we generally consider forest fire protection.

Mr. HENDRICKSON. Mr. President, I have just been reliably informed that the senior Senator from Oregon [Mr. CORDON] did have an objection, but the objection was to section 4. So I will take the responsibility of withdrawing all objections to consideration of the bill.

Mr. AIKEN. I thank the Senator from New Jersey. I think all the objection was to section 4, which made a provision for the employment of a good many more county foresters, and there were a substantial number of consulting foresters in the country who thought that would infringe upon their domain. It is a question whether it would or not. But in order to remove the controversy, that section was withdrawn from the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments.

The first committee amendment was, on page 3, line 10, after the word "suitable", to insert "State."

The amendment was agreed to.

The next amendment was on page 4, after line 3, to strike out section 4, as follows:

SEC. 4. It is hereby declared to be the policy of the Congress to encourage the development and maintenance of adequate forest resources as essential to national defense, full employment, and national prosperity. It is recognized that to attain these objectives, the management of privately owned forest lands which constitute the bulk of the Nation's forest land resources, must be in accordance with sound forestry practices, that wastage in processing and utilization of forest products must be reduced to a minimum, and that in addition to the educational and demonstrational activities contemplated by section 5 of the act of June 7, 1924 (43 Stat. 654), as amended, it is essential that adequate provision be made for the furnishing of technical services and assistance to owners of forest lands and processors of forest products. It is the intent of the Congress that the facilities for such technical services and assistance be provided mainly through cooperation with State forestry agencies. It is intended that the powers and authority of the Secretary of Agriculture under this section shall be supplementary to the powers and authority conferred on him under any other act. To carry out the purposes of this section the act of June 7, 1924 (43 Stat. 653), is amended by adding thereto the following section:

"SEC. 10. (a) The Secretary of Agriculture is hereby authorized and directed to establish and maintain services and facilities for furnishing technical services respecting the proper management of privately owned forest lands and federally owned lands administered by the States; for giving technical services to forest-land owners concerning the value of their forest products and the efficient production and marketing thereof; for assisting forest owners and processors in reducing timber harvesting and processing costs, utilizing inferior species and grades, improving the quality and expanding the uses of forest products, establishing markets, and developing rural forest industries; for giving technical services to consumers with respect to the selection and use of forest products; and for otherwise effecting improvements in the growing, harvesting, marketing, and utilization of forest products.

"(b) The Secretary of Agriculture is authorized under such terms and conditions as he deems appropriate to cooperate with State forestry agencies in carrying out the purposes of this section and in promoting its objectives. The amount expended in any State by the Federal Government through such cooperative action shall not exceed during any fiscal year the amount expended by the cooperating State for the same purpose during the same fiscal year and the Secretary of Agriculture is authorized to make expenditures on the certificate of the appropriate State official having charge of the cooperative work for the State that State expenditures as provided in this section have been made.

The amendment was agreed to.

"(c) The Secretary of Agriculture is further authorized, under such terms and conditions as he may deem appropriate, to cooperate with public and private agencies and persons to obtain assistance in carrying out the purposes of this section. Money contributions received from cooperators shall be covered into the Treasury and shall constitute a special fund, which is hereby appropriated and made available until expended as the Secretary may direct for conducting activities authorized by this section and for making refunds to contributors of amounts paid by them in excess of their share of the cost of cooperative work.

"(d) There is hereby authorized to be appropriated to enable the Secretary of Agriculture to carry out the provisions of this section the following sums: $1,500,000 for the fiscal year ending June 30, 1950; $3,000,000 for the fiscal year ending June 30, 1951; $4,500,000 for the fiscal year ending June 30, 1952; and $6,000,000 for each subsequent fiscal year."

The amendment was agreed to.

The next amendment was, on page 6, after line 24, to strike out section 5, as follows:

SEC. 5. The act of May 18, 1937 (50 Stat. 188), known as the Cooperative Farm Forestry Act, is hereby repealed effective June 30, 1950.

The amendment was agreed to.

The next amendment was on page 7, line 3, to change the section number from "6" to "4."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2296) was read the third time and passed.

JOINT COMMITTEE ON THE ECONOMIC REPORT—AMENDMENT OF EMPLOYMENT ACT OF 1946

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to return to Senate bill 2085, Calendar No. 602.

The VICE PRESIDENT. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2085) to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report.

Mr. TAFT. Mr. President, I objected to this bill when it was reached on the last call of the calendar because it had not been officially approved by the Joint Committee on the Economic Report. Since that time it has been approved by that committee, so I withdraw my objection. I will not object to the bill although I do not approve of the second provision in the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2085) to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report, which had been reported from the Committee on Banking and Currency with amendments on page 1, after line 2, to strike out:

That subsection (d) of section 5 of the Employment Act of 1946 (60 Stat. 25), as amended, is amended by inserting after the word "consultants" the following: "(at a rate not to exceed $50 per day when actually employed, including all pay increases authorized by the Federal Employees' Pay Act of 1945, as amended and supplemented)."

In line 10, to strike out "Sec. 2 Subsection", and insert "That subsection", and on page 2, line 3, to change the section number from "3" to "2", so as to make the bill read:

Be it enacted, etc., That subsection (e) of section 5 of such act is amended by striking out "$50,000" and inserting in lieu thereof "$150,000."

SEC. 2. Section 5 of such act is further amended by inserting at the end thereof the following:

"(f) Service of one individual as an attorney or expert for the joint committee, in any business or professional field, on a part-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of

services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States."

The amendments were agreed to.

Mr. O'MAHONEY. Mr. President, the joint committee suggested three amendments, which I send forward, and I ask for their adoption.

The VICE PRESIDENT. Does the Senator desire to have the amendments considered en bloc or separately?

Mr. O'MAHONEY. En bloc.

The VICE PRESIDENT. The amendments will be stated en bloc.

The LEGISLATIVE CLERK. On page 2, line 1, it is proposed to strike out "such Act", and insert "the Employment Act of 1946 (60 Stat. 25), as amended,"; on page 2, line 2, to strike out "$150,000" and insert "$125,000"; and on page 2, line 5, after the word "individual" to insert a comma and "until the completion of the investigation authorized by Senate Concurrent Resolution 26, Eighty-first Congress."

The VICE PRESIDENT. The question is on agreeing en bloc to the amendments offered by the Senator from Wyoming [Mr. O'MAHONEY] on behalf of the Joint Committee on the Economic Report.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STATE RURAL REHABILITATION CORPORATIONS

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. ANDERSON. Would it be in order for me at this time to ask unanimous consent to take up Senate bill 930, dealing with State rural rehabilitation corporations, with respect to which, on the 27th day of May, a motion was entered by the Senator from Colorado [Mr. JOHNSON] for reconsideration?

Mr. WHERRY. What is the calendar number?

Mr. ANDERSON. The bill is not on the calendar. It is to be found in the calendar under "Motions for reconsideration."

The VICE PRESIDENT. A motion to reconsider was made and has been pending since May 27, 1949.

Mr. ANDERSON. Mr. President, I may explain that the motion was entered on a Friday after the bill had been passed on the call of the calendar on Monday. At the time the motion was made there were three or four Senators on the floor. There are more sponsors of the bill than that, and they and a number of other Senators who are interested in the bill steadily, since the 27th of May, have been trying to have action taken on the motion. I spoke to the distinguished Senator from Colorado [Mr. JOHNSON] today and said I would make an effort to bring up the bill today as soon as the call of the calendar was finished. The senior Senator from Florida has been attempting to get him to come to the Senate Chamber so we might bring up the bill. I feel it is desirable that we have action on the motion for reconsideration. The bill was passed by the Senate and was sent to the House.

Mr. LUCAS. Mr. President, a parliamentary inquiry with respect to that measure.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Am I correct that it would be necessary to move to have action taken on the motion for reconsideration, and that if it were agreed to it would result in displacing the pending business?

The VICE PRESIDENT. Action can be taken on the motion by unanimous consent. If a motion were made to proceed to consideration of the motion to reconsider, and it were agreed to, automatically that would set aside the unfinished business.

Mr. WHERRY. Mr. President, unanimous consent has already been obtained to take up, following the disposition of the calendar, the motion relating to Senate bill 1008. I ask the distinguished Senator from New Mexico if his request cannot be made after that motion is acted on?

Mr. ANDERSON. It is my understanding that the motion might not be taken up this afternoon.

Mr. WHERRY. Unanimous consent has been entered into to proceed to consideration of the motion to reconsider the vote whereby Senate bill 1008, the so-called basing-point bill, was sent to conference. I would not want to give unanimous consent to consider the matter requested by the Senator from New Mexico until the matter agreed to be taken up under unanimous consent is disposed of.

Mr. LUCAS. Mr. President, I shall object for the moment, until we dispose of the calendar, and find exactly where we stand with respect to the calendar. We are talking now about bills on the calendar, and not motions to reconsider. I should like to have the motion to reconsider with respect to Senate bill 1108 disposed of. I should also like to make an explanation with respect to the resolution disapproving Reorganization Plans Nos. 1 and 2 before we take up the matter referred to by the Senator from New Mexico.

The VICE PRESIDENT. The call of the calendar was completed up to the point of the bills which were reported yesterday. They went over because no reports had been filed.

Mr. LUCAS. That is correct.

SPECIAL QUOTA IMMIGRATION VISAS TO CERTAIN ALIEN SHEEPHERDERS

Mr. McCARRAN. Mr. President, I ask unanimous consent that the Senate revert to calendar No. 570, Senate bill 1165, to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheepherders. There had been objection to the bill, but I understand the objection has been withdrawn.

The VICE PRESIDENT. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1165) to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheepherders.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. TAFT. Yes; I object at this time to taking up any more bills on the calendar. I agree with what the majority leader just stated. It seems to me we should consider bills on the calendar in their order.

Mr. McCARRAN. The Senate has completed consideration of the bills on the calendar.

Mr. WHERRY. I should like to have the distinguished Senator from Ohio withhold his objection long enough so the Senator from Nevada may explain the purpose of the bill. It is a bill which means much to many persons in our sections of the country. Sheepherders are desperately needed. If we cannot secure passage of the bill now we might as well quit trying to have it passed. I agree with the Senator from Ohio that we should not return to consider all bills on the calendar if Senators who may be interested are not present. But those who have heretofore objected to the bill are now present.

The VICE PRESIDENT. The Senator from Ohio has objected, therefore the Chair has no control over the matter.

Mr. WHERRY. Will the Senator from Ohio withhold his objection for a moment?

Mr. TAFT. I believe we should consider the bills on the calendar in order. If it had previously been agreed that certain bills be considered after the call of the calendar, such bills should be considered. But if agreement had not been reached respecting taking up bills after the call of the calendar, it would not be fair to those who are not present to take them up. No notice has been given to the Senate with respect to this bill being taken up at this time.

The VICE PRESIDENT. The Senator from Ohio objects.

Mr. McCARRAN. Will the Senator withhold his objection to this one bill? It is of vital importance to the sheep raisers.

Mr. TAFT. Mr. President, there are four other bills ready to come in on the same theory. I object to taking up any additional bills. If they are important enough to be taken up, it seems to me a motion should be made to take them up.

The VICE PRESIDENT. Objection is heard.

PROGRAM FOR CONSIDERATION OF REORGANIZATION PLANS NOS. 1 AND 2

Mr. LUCAS. Mr. President, on the calendar is Senate Resolution 147, reported by the Senator from Arkansas [Mr. FULBRIGHT] and other Senators. It is a resolution disapproving Reorganization Plan No. 1 of 1949.

Following that there is Senate Resolution 151, reported by the Senator from Arkansas [Mr. McCLELLAN], the Senator from South Dakota [Mr. MUNDT], and other Senators, disapproving Reorganization Plan No. 2 of 1949.

I wish to read into the RECORD at this time section 6 (a) of Public Law 109, which was enacted by the Eighty-first Congress, dealing with the reorganization of the Government. This is under

the title "Taking Effect of Reorganizations":

SEC. 6. (a) Except as may be otherwise provided pursuant to subsection (c) of this section, the provisions of the reorganization plan shall take effect upon the expiration of the first period of 60 calendar days, of continuous session of the Congress, following the date on which the plan is transmitted to it—

These reorganization plans were transmitted to Congress on June 19. And on August 19 the 60-day period will expire.

I continue to read from section 6 (a)—

but only if, between the date of transmittal and the expiration of such 60-day period there has not been passed by either of the two Houses, by the affirmative vote of a majority of the authorized membership of that House, a resolution stating in substance that that House does not favor the reorganization plan.

Turning to section 205 of the act:

SEC. 205. (a) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a reorganization plan, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(b) Debate on the resolution shall be limited to not to exceed 10 hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit the resolution shall be in order and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

Returning to the question of a motion for consideration of such a resolution, I now give notice to the Senate that on Tuesday next, immediately following the convening of the Senate, the Senator from Illinois will make a motion to proceed to the consideration of the resolution disapproving Reorganization Plan No. 1 of 1949

My understanding is that the motion to proceed to the consideration of the resolution is not debatable. After the resolution is taken up, of course, it is debatable, for not to exceed a period of 10 hours. That period of 10 hours may also be restricted. It seems to me that that is quite a long time to debate the resolution. I am wondering whether or not we might have some understanding as to a limitation of debate on the resolution with respect to Reorganization Plan No. 1, as well as the resolution dealing with Reorganization Plan No. 2. If we can limit debate to less than 10 hours, I should like to do so. I am open to any suggestion by the minority leader, or by the Senator from Ohio [Mr. TAFT], who is Chairman of the Policy Committee, with respect to this subject. I also welcome any suggestion from the ranking minority member of the Committee on Expenditures in the Executive Departments.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. The resolution was submitted by the distinguished Senator from Arkansas [Mr. FULBRIGHT], and I think he should agree to any limitation of debate which may be requested. It is not a party matter in any sense.

Mr. LUCAS. I am pretty sure, so far as we are concerned, that those of us on this side of the aisle are willing to agree to some limitation of debate.

Mr. WHERRY. Mr. President, reserving the right to object——

Mr. LUCAS. I am not making a unanimous-consent request.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Does the majority leader now suggest a day for the consideration of the resolution?

Mr. LUCAS. I have already suggested Tuesday next.

Mr. WHERRY. When the Senate convenes?

Mr. LUCAS. That is correct.

Mr. WHERRY. Does the majority leader at this time suggest a limitation of debate?

Mr. LUCAS. I am not suggesting any definite limitation of debate.

Mr. WHERRY. Would the Senator from Illinois suggest a definite allocation of time?

Mr. LUCAS. I should say that we ought to complete the debate in 4 hours.

Mr. WHERRY. That would mean 2 hours for each side.

Mr. LUCAS. Yes.

Mr. WHERRY. So far as I am personally concerned, I think we should do our level best to cooperate with the majority leader. Unless there is objection, I am perfectly willing to agree to a limitation.

Mr. TAFT. Mr. President, I would object——

Mr. LUCAS. I am not making a unanimous-consent request at this time. I am only putting out a "feeler", so to speak, with a view of trying to get together between now and next Tuesday, to see if we cannot limit debate.

Mr. TAFT. This is the resolution of the Senator from Arkansas [Mr. FULBRIGHT]. I do not believe that any agreement for limitation of debate should be made until he agrees to such a limitation. I think it can be made at any time between now and next Tuesday.

Mr. LUCAS. That is correct. The only thing I am trying to do is to save a little time. Every day some Senator asks me, "When are we going to get away? Can't you hurry things along just a little in the Senate, Senator LUCAS? I would like to go down to North Carolina and do a little trout fishing, or I would like to go up North and get a little sunshine in Canada, or some other argument, even more plausible."

Mr. WILEY. Wisconsin.

Mr. LUCAS. Yes. I should like to go to northern Wisconsin myself. I have a little summer home there.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McFARLAND. Arizona has the best sunshine.

Mr. LUCAS. I have heard differently.

Mr. President, I realize that this is a very important measure. I do not want to limit the time if any Senator feels that the matter should be discussed the full length of time prescribed by law.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. IVES. The Senator from New York would like to ask the Senator from Illinois when he plans to debate Reorganization Plan No. 2?

Mr. LUCAS. Immediately following the disposition of Reorganization Plan No. 1.

Mr. IVES. The same day?

Mr. LUCAS. Immediately following the disposition of Reorganization Plan No. 1.

Mr. IVES. Suppose the Senator does not succeed in getting an agreement for the limitation of debate. Would the Senate remain in session until 10 o'clock that night?

Mr. LUCAS. I do not know whether it would or not.

Mr. IVES. That would be 10 hours.

Mr. LUCAS. That is correct.

Mr. IVES. I assume the Senator will want the Senate to remain in session until the debate is completed.

Mr. LUCAS. The Senator from New York is now talking in favor of a night session.

Mr. IVES. I certainly am, if we can accomplish something by it.

Mr. LUCAS. We can in this case accomplish something with a night session, because of the limitation of time.

Mr. IVES. The suggestion I wish to make is simply this: It seems to me that we shall have at least 4 hours debate on Reorganization Plan No. 1, and it seems to me that an agreement ought to be reached as to the debate on Reorganization Plan No. 2, on the day following.

Mr. LUCAS. I will say to the Senator from New York that regardless of whether we fix the time or not, whether it takes 4 hours or 10 hours, immediately following the disposition of Reorganization Plan No. 1 it is planned to proceed to the consideration of the resolution dealing with Reorganization Plan No. 2. That will follow immediately.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. I think it should be added that in view of the provision of the law it is necessary for Senators who are interested in resolutions disapproving the plans to be present. Regardless of how many Senators are present, 49 votes will be required to disapprove the plans. I thought I would call attention to the fact that the setting of a particular day is very useful for that purpose. I trust that all Senators who disapprove the plans will be present.

Mr. LUCAS. As one Senator who will probably take a position opposite to that of the Senator from Ohio, I am not too much interested in that question.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. The reason I suggested a 4-hour limitation was that I

talked with the Senator from Arkansas [Mr. FULBRIGHT]. I thought I knew something about what the situation would require. However, I have not been consulted by the senior Senator from Ohio. I suppose that by Tuesday we can reach an agreement as to the allocation of time, which I think is very desirable.

The second question which I wished to ask has already been asked by the Senator from New York [Mr. IVES]. No doubt it will be the majority leader's desire to obtain a limitation of debate on the resolution dealing with Reorganization Plan No. 2, if that is possible. Is that correct?

Mr. LUCAS. The Senator from Nebraska is correct. I should like very much to obtain a limitation of time on the debate on the reorganization plans.

I am very thankful to the Senator from New York for calling my attention to the fact that once we begin the debate we can continue for 10 hours and finish it. That may be exactly what we shall do if we cannot get a limitation of time.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. Let me say that so far as I am concerned, not only will we agree to a limitation of debate on these two measures, but if the Senator from Illinois will list the other measures he wishes to get through and will ask for a limitation of debate on all of them, I shall do my best to secure a limitation on the debate, in order that at some time the Congress may be able to adjourn.

Mr. LUCAS. That is a very interesting suggestion, but I fear that if I should give the list to the Senator from Ohio, a number of Senators on his side of the aisle would not agree to any limitation which would be acceptable to him.

It may be that after we get the appropriation bills out of the way I shall sit down with my friend, the Senator from Ohio, and submit to him a list for his consideration. The responsibility for all the bills which would be on such a list is not entirely mine, of course. The committees have reported them, and I think the Senator from Ohio is responsible for reporting some of them, but it is my duty to give them every consideration for action when they reach the calendar.

Mr. President, with that explanation, and more or less of an understanding of what is to come up on Tuesday, I now yield the floor.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. PEPPER. Do I correctly understand that the two reorganization measures about which the Senator from Illinois has spoken, being privileged matters, will not displace Senate bill 653, the bill amending the Fair Labor Standards Act of 1938, as the unfinished business, even when the reorganization measures are considered by the Senate?

Mr. LUCAS. That is my understanding, with the exception of the unanimous-consent request entered into with respect to the basing-point bill.

The VICE PRESIDENT. The Chair understands that agreement was made, by unanimous consent, that the Senate take up the motion for the reconsideration of Senate bill 1008, the basing point bill, at the conclusion of the call of the calendar.

Mr. LUCAS. That is correct. That will automatically be the pending business at the conclusion of the call of the calendar.

The VICE PRESIDENT. Yes. Is the Senate ready to proceed with the consideration of that motion at this time?

Mr. LUCAS. I think not. The Senator from Louisiana is very anxious to start tomorrow at full steam, rather than to begin tonight.

The VICE PRESIDENT. It is the understanding of the Chair that the motion for the reconsideration of Senate bill 1008 is the pending business, and will be taken up when the Senate resumes its discussion tomorrow, without any further proceeding.

Mr. LUCAS. That is my understanding of the unanimous-consent agreement entered into on last Friday.

Mr. President, it is my hope that those who are interested in the basing-point bill—and apparently a number of Senators are—will see to it that we stay right on that bill, without interruption. I plead with Senators to omit extraneous speeches for just a while, and permit us to stay on the basing-point bill until we finish with it. I plead with those who are interested in the basing-point bill to make their arguments with all convenient speed and clarity, so that we can reach a decision on that bill as quickly as possible.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FERGUSON. I wonder whether there will be a period in which we can place certain matters in the RECORD?

Mr. LUCAS. That can be done either tomorrow or now.

Mr. President, I am about to move that the Senate stand in recess until tomorrow.

HOUSING AMENDMENTS OF 1949

Mr. CAIN. Mr. President, will the Senator yield to me at this time?

Mr. LUCAS. I yield the floor, if the Senator from Washington wishes to make a short statement, as I have understood he does.

Mr. CAIN. Mr. President, the majority leader thought it would be convenient for me to make a brief statement to the Senate at this time.

The Senate Committee on Banking and Currency agreed yesterday, by a 7 to 5 vote, to report favorably Senate bill 2246, the so-called housing amendments of 1949. As one of those who voted against the bill in its amended form, I wish to make it clear as to my reasons for so doing.

As often happens in our legislative process, this is but another instance of a major legislative proposal which combines both good and bad features in large amounts. But in this case the good is so outweighed by the bad that I felt obliged, along with four other Senators, to vote against the bill in its final form. There was no other course open for me to take. I feel very strongly that the responsibility for a possible dislocation of our private building industry and the undermining of our private lending institutions rest squarely on the shoulders of those who insisted upon including several revolutionary departures in this bill.

I fully realize this is very strong language, indeed; but I hazard the opinion that when other Members of Congress and the American people generally discover the full import of Senate bill 2246, such a contention will be substantiated.

It is well known that millions of American homes and rental units have been built in the past several years by our private building industry, with considerable stimulus and aid provided by the Federal Housing Administration's various insured mortgage loan programs. In addition, countless American veterans have been aided in owning their own homes by use of the GI home-loan program administered by the Veterans' Administration.

Both the FHA and GI programs are serviced by the Federal National Mortgage Association, commonly referred to as "Fannie Mae," in the RFC provision for the extension, improvement, standardization, and liberalization of these various aids to private building construction is contained in Senate bill 2246; and no one who knows the record-breaking achievements of the building industry can but agree to this part of the bill. The committee unanimously favored these improvements.

The most amazing provision in the bill as reported by the committee is contained in title III, which provides $1,000,000,000 of direct Government loans for cooperatives at about 3 percent interest, to be amortized over a 50-year period. In my opinion, this not only subsidizes a segment of American citizens who can well afford to enter the private market for their loans for purchasing homes, but it also directly guarantees that the United States Government will unfairly compete with private lending institutions at a rate and under conditions which will prove disastrous. I wish to make it clear that I am solidly in favor of attempts to encourage cooperative housing in the United States, but I am certain that such encouragement can be provided through private lending sources, with insurance by the Government as is contained in present FHA programs and title I of this bill.

When Mr. Raymond Foley, Administrator of the Housing and Home Finance Agency, appeared recently before the Banking Committee, he had this to say:

> I am calling these considerations to the attention of the committee in connection with title III of the pending bill because I believe they merit and require careful study. This is particularly so in view of the fact that the financing proposals contained in this title represent a substantial departure from the Federal Government's existing role in housing finance.

For five more pages of his statement, which I would refer to the thoughtful

consideration of all Members of the Senate, Mr. Foley said the following things: First, he proved by figures that this title would reach only the upper one-half of the income group this title was designed to serve. According to one who is presumed to be the foremost authority on housing, so far as the Government is concerned, in this country, he said, "In this title you have a good idea, which will not work"; second, he suggested that the title should be amended in several respects if the Congress seriously contemplates its passage; third, he said that the title, as written was not in accord with the President's program. Certainly, Mr. President, Mr. Foley's considered judgment and recommendations on this matter require careful study by the Congress, but as yet they have not had it.

Although this particular direct loan proposal is the most revolutionary provision contained in the bill, there are several other provisions which I shall oppose strongly on the floor of the Senate at considerable length. Title II of the bill provides a procedure whereby Lanham Act temporary and permanent war housing is disposed of or transferred by the Federal Government to United States municipalities. The sections of this title which relate to disposal of temporary and veterans' reuse housing were unanimously agreed to in committee. However, included in this title is a very controversial proposal to turn over without consideration some 32,000 units of permanent Lanham-Act housing to certain municipalities for low-rent public housing purposes. This would be done lock, stock, and barrel, without any provision for a reasonable return to the Federal Government for its huge investment in these developments. Clearly, this is a direct contradiction of the announced policy of Congress when it passed the Lanham Act, which provided for unit and group sales of any permanent war housing—with priority to veterans—as soon as possible.

I think I can definitely state without fear of contradiction that the Senate Banking Committee has not had time since the introduction of the bill (S. 2246) adequately to survey the needs, desires, and wants of the affected communities, particularly the needs of those citizens who presently reside in Lanham-Act housing, which would be so transferred for low-rent public housing. I asked that longer consideration and study be given to this section, but I was out-voted.

Perhaps one more provision of the bill is worthy of comment. Title IV provides for a simplification of guarantees, and an increased secondary market for GI home loans at 4 percent interest. However, it goes one step further and provides for a $300,000,000 revolving fund which the Veterans' Administrator could use to make direct loans to veterans. Here again, serious study should be made before time-proven and productive lending procedures should be subjected to direct Government competition. The past several months have seen a vast amount of 4 percent private funds made available for GI loans. I urged this direct loan provision be withheld until the second session of the Congress, for by then we could the better determine the continuing availability of 4-percent GI loan funds.

It is also interesting to note that the administration looks askance at such a provision. When Mr. Foley appeared before our committee he said:

> I have been authorized by the Director of the Bureau of the Budget to advise that the enactment of section 401 (d) of the bill (the Veterans' Administration direct-loan section) would not be in accord with the program of the President.

Mr. Foley gives many sound and logical reasons for this position. I invite careful attention to his views.

In conclusion, I wish to make it clear that I agree with most of Senate bill 2246, but certain of the suggested direct-loan procedures and the disposal of $130,000,000 worth of permanent Lanham-Act housing for low-rent use certainly deserves and should have further study and analysis by the Congress before becoming law.

Mr. President, the junior Senator from Washington has presumed on the time of the Senate at this late hour because of the importance of S. 2246, which will shortly be reported to the calendar. It includes several billion dollars of direct Federal obligations, and several billion dollars more in potential obligations. Every Senator has, I think, an interest in this legislation and will not wish to see it become law until he is satisfied that it will work, and at a reasonable cost.

FOURTH ANNUAL REPORT ON WORK OF UN BY SECRETARY GENERAL TRYGVE LIE

Mr. KEFAUVER. Mr. President, all of us are greatly interested in the success and the activities of the United Nations. Certainly the United Nations still represents the hope of people in this country and throughout the world that we may have settlement of international disputes in a peaceful way. In order to keep abreast of the activities of the United Nations, I ask unanimous consent that the introduction to the fourth annual report by Secretary General Trygve Lie on the work of the United Nations be printed in the RECORD at this point. It is a very interesting and comprehensive introduction, which I think will be informative to Members of the Senate. It was published in the New York Times of Tuesday, August 9.

The VICE PRESIDENT. Is there objection?

There being no objection, the introduction to the annual report was ordered to be printed in the RECORD, as follows:

INTRODUCTION TO FOURTH ANNUAL REPORT BY SECRETARY GENERAL TRYGVE LIE ON WORK OF UN

The year between July 1, 1948 and June 30, 1949, covered in this, my fourth annual report on the work of the United Nations, has been, on the whole, a year of progress toward a more peaceful world.

It is true that the world has had its full share of crisis and alarms. The rival claims in an ideological conflict have been pressed as though they were the only issue of our times, while the great powers have continued their efforts to strengthen their relative positions before the situation is brought nearer to stability by the conclusion of peace treaties. Although overshadowed by the great power differences, movements of national independence and social upheavals in many parts of the world have unavoidably contributed to international tensions. These conditions, which have persisted since the war ended, continue to cause widespread anxiety among the peoples of the world as to the prospects for world peace and the ability of the United Nations to prevent a third world war.

Because of the great power differences, no progress has been made during the year toward providing the Security Council with armed forces to enable it to take enforcement action, and there has been little progress toward agreement on the control of atomic energy, of other weapons of mass destruction, and of conventional armaments.

PROGRESS TOWARD A MORE PEACEFUL WORLD

Nevertheless, the fear of war has decreased since my last report was made. The breaking of the Berlin deadlock has been a main factor in achieving this result. The world has cause to be thankful for the constructive statesmanship of the great powers that made possible the agreement reached by the United Nations representatives at headquarters after several months of United Nations efforts at conciliation. This agreement has resulted in a promising renewal of negotiations on Germany and Austria.

United Nations action in other parts of the world has also contributed to the progress made toward a more peaceful world by either preventing or ending wars involving 500,000,000 people. This action—in Palestine, in Kashmir, and in Indonesia—did not involve the use of military or police force; indeed, the Security Council has no such force at its disposal. The only force used by the United Nations has been its moral force and its power of persuasion toward reasonable compromise and peaceful settlement. In each case set-backs have been experienced from time to time, but the influence of the United Nations through the processes of mediation and conciliation has always reasserted itself and has, thus far, prevailed.

It is noteworthy that in the cases mentioned above, involving almost one-quarter of the total population of the world, the Security Council has operated with considerable success under its rule of unanimity in the most critical period of great power tension. I do not mean to suggest that there have been no difficulties over the application of the unanimity rule. Nevertheless, so much has been said about the alleged paralysis of the Security Council and the consequent inability of the United Nations to prevent war that attention should be called to the record of the Security Council in these and in some other disputes.

It is true that the conflicts in Palestine, Kashmir, and Indonesia are in some ways peripheral to the differences over a European settlement which have almost monopolized the world's attention. But though they may be peripheral to the European conflict, they certainly are not peripheral to the welfare of the human race or to world peace.

The establishment of the State of Israel in Palestine without a major war is one of the epic events of history, coming, as it does, at the end not merely of 30 years, but of 2,000 years of accumulated sorrows, bitterness, and conflict. For Christian, Jew, and Moslem alike Palestine symbolizes historic forces beside which the present ideological conflict appears to be a transitory phenomenon.

When India and Pakistan agreed to a United Nations cease fire in the State of Kashmir, the 400,000,000 people of these two great countries, both newly independent, were spared the worst of all disasters—religious and communal warfare. In Indonesia, the United Nations has played a decisive part in efforts to secure a peaceful

settlement of the conflict between the Netherlands and Indonesia, and a peaceful transition to national independence of 70,000,000 Indonesians. More people live in these countries than in the whole of Europe, the continent on which such concentrated attention has been directed since the war ended.

THE UNITED NATIONS A POWERFUL INFLUENCE FOR CONCILIATION AND MEDIATION

In these disputes, as in the great power conflict itself, the United Nations has demonstrated that it can exert powerful influences for conciliation and mediation. Nothing better illustrates this than a comparison of the relationships between the great powers before and after the Berlin dispute was brought to the United Nations as being a threat to the peace.

When three of the great powers brought the Berlin question to the Security Council last September in a complaint against a fourth many people feared that this crisis would break up the United Nations and even lead to a new world war.

Neither of these things happened. Instead, moderating and conciliating forces were set in motion immediately. The nonpermanent members of the Security Council, under the leadership of its President, sought to bring about great power agreement on a solution of the deadlock. The General Assembly adopted a resolution, calling upon the great powers to renew their efforts to compose their differences, and the President of the General Assembly and the Secretary-General appealed to the great powers under this resolution to seek once again to reach agreement on the Berlin question. A committee of currency experts of the nonpermanent members, appointed by the President of the Security Council, in which a representative of the Secretary General participated, then sought to break the deadlock by means of a plan for a single currency for Berlin.

None of these efforts brought immediate results, but their effect was greatly to moderate the tension, reduce the danger of war, and gain time for other factors tending to a settlement to make themselves felt. In the end, the result was the resumption of great-power negotiations on the peace treaties after 17 months of complete stalemate during which the Council of Foreign Ministers did not meet.

It is important that we should not miss opportunities for further progress toward peace in the months ahead because of any misunderstanding of the role of the United Nations in the prevention of war or in the face of East-West differences. Such misunderstanding, coupled with overemphasis on immediate as against long-range considerations, could lead to a succession of acts, or of failures to act, that would end by relegating the United Nations to a second-class role in world affairs. I do not refer here to regional or bilateral pacts or alliances as such, the effect of which depends upon the spirit in which they are concluded and the spirit in which they are carried out. What I have in mind is, rather, a false conception of the role of the United Nations—a conception which, however it may manifest itself, will have the result of weakening the United Nations. Failures to live up to the obligations of the Charter or to use the machinery of the United Nations fall in this category; genuine efforts to carry out the Charter and to make full use of the machinery it provides can but strengthen the organization.

It is important to recall once more the basic premises of San Francisco. At San Francisco the founders of the United Nations agreed that peace could be maintained only by a universal organization founded on a universally accepted Charter. They rejected the idea that anything less would do. They therefore laid the foundations of the United Nations in such a way as to include within it all the major forces at work in all parts of the world, not just in one part or another.

Contrary to misconceptions that have arisen since, it was never contemplated at San Francisco that the United Nations would or could abolish differences of interest and ideology such as we see in the world today. It was not believed that the great powers would always act in unity and brotherhood together. What the founders of the United Nations did believe was that the United Nations would make it possible to keep disputes between both great and small powers within peaceful bounds, and that without the United Nations this could not be done. Finally, they rejected the idea of an irreconcilable conflict that could be settled only on the field of battle, and proclaimed on the contrary the principle that all conflicts, no matter how fundamental, should and could be settled by peaceful means.

The record of the United Nations during the past 12 months has clearly confirmed the wisdom of the San Francisco concept, rather than cast doubt upon it.

The United Nations has not been able to resolve great power differences, but the conflict has been kept within peaceful bounds and the way prepared for further progress toward a settlement.

THE LEADERSHIP OF THE UNITED NATIONS

In the meantime the work of the United Nations has gone right ahead; it has stopped wars in different parts of the world; it has developed international cooperation in almost every field of human activity on a scale never before attempted.

The United Nations has been called upon to act in most of the troubled areas of the world. Besides the participation of the organization in the problems of Berlin, Palestine, Kashmir, and Indonesia, there is a United Nations Special Committee on duty in the Balkans, and a United Nations Commission on duty in Korea. Because the great powers failed to settle the future of the Italian colonies, the United Nations has been called upon to decide the matter.

The United Nations has proclaimed the first universal declaration of human rights in history; the history-making convention on the prevention and punishment of the crime of genocide has been approved unanimously and member states have been asked to sign and ratify it.

Through the machinery provided by the Charter, and in particular through the International Trusteeship System, the United Nations is assisting the progress of dependent peoples toward self-government or independence.

The foundations of a world rule of law are being built by the decisions and advisory opinions of the International Court of Justice, by the work of the International Law Commission and by the recommendations and conventions adopted by the General Assembly.

In spite of all political and ideological differences, the United Nations is developing an economic and social program aimed at raising the standards of living of the less-developed countries of the world and at increasing the sense of responsibility of the community of nations for the welfare of each of its members.

Through United Nations procedure of regional economic cooperation, effective assistance is being given to the countries of Europe, of Latin America, of Asia, and the Far East toward the reconstruction and development of their economies.

Through the planning and execution of comprehensive programs, both in the economic and in the social fields, the providing of fellowships, the sending of missions and advisers, the organization of regional seminars, the United Nations has begun to make an effective contribution to placing the knowledge of the more advanced nations at the disposal of the less advanced.

One of the most heartening events of the year was the impetus resulting from the initiative taken by the United States of America for an expanded program of technical assistance for the economic development of the underdeveloped areas of the world, to be carried out wherever possible through the United Nations and the specialized agencies. At the request of the Economic and Social Council I prepared a report on this matter in consultation with the heads of the specialized agencies. I hope that the expanded program of assistance that is proposed in that report will be carried out, and I believe that active support by the members of the United Nations for such a program can greatly assist the peaceful transition to a more prosperous world order.

Wherever acute sufferings have resulted from international developments, the United Nations has endeavored to bring speedy relief through all the means at its disposal, particularly to those unable to rely for assistance and support on any single national community, such as the refugees and displaced persons in Europe, in Palestine, and in the Far East.

Although the economic and social work of the United Nations and the specialized agencies is in its initial stages, millions of people in all parts of the world are already better off than they were before, because of the work done on problems of labor, health, nutrition, agriculture, education, refugees, child welfare, economic development and stability, finance and trade, control of narcotic drugs, and on many other related questions by the specialized agencies and commissions of the United Nations.

Without the United Nations, most of these activities could not have been undertaken nor could the benefits from them be realized. Few of them have been seriously impeded, still less paralyzed, by the conflict between the great powers. Finally, the tensions and other ill effects of that conflict have been greatly alleviated by many of these United Nations activities.

THE PROBLEM OF UNANIMITY OF THE GREAT POWERS

It is in connection with the problems of implementing article 43 of the Charter, of controlling atomic energy and other weapons of mass destruction, and of regulating and reducing other armaments, that Great Power differences have blocked any substantial progress. It is precisely here that unanimity of the Great Powers is essential. This unanimity would be just as necessary if there were no power of veto in the Security Council. There is no solution for such problems except by agreement among all the Great Powers.

I think we must now recognize that in the past a somewhat misleading emphasis has sometimes been placed on the enforcement functions of the Security Council. These functions are important, and it is a great disappointment that article 43, which provides for the placing of armed forces at the disposal of the Security Council, has not yet been put into effect. So long as this Charter obligation remains unfulfilled the authority of the United Nations cannot be as great as it should be. Nevertheless, it should be recognized that the experience of the past year has demonstrated that the primary instruments in the preservation of peace are those of peaceful settlement. In the words of the Charter these are "negotiation, inquiry, mediation, conciliation, compromise, arbitration, judicial settlement, resort to regional agencies or arrangements." In the use of such instruments the United Nations has already achieved substantial success.

Insofar as the great powers are concerned, these instruments of peaceful settlement are the only ones that the Security Council can, in practice, employ. The unanimity rule applies to all decisions for enforcement action and even if there were no such rule, the situation would not be changed in substance.

Enforcement action against a great power would not be police action, it would be war—in fact a new world war.

A new world war, conducted with the means now available, would bring the world only to destruction. No one system or ideology could prevail afterward, because there would be neither victors nor vanquished. There would be complete chaos.

To prevent a new world war from breaking out is the main reason for the existence of the United Nations.

It is important for the peoples of the world to face these facts and to understand that it is impossible to obtain lasting security from war by any arrangement that leaves out any of the Great Powers. While regional security arrangements may sometimes redress the balance of power in the world, collective security can be achieved only by working out means by which all the Great Powers may live peacefully together under the Charter, however long this process may take.

The events of the past 4 years and the existence of great power differences make the United Nations more essential, rather than less so. The only way of resolving these differences peacefully is by making the United Nations work effectively within the full range of its charter responsibilities.

Other developments of our times are adding to the importance of the United Nations with each year that passes. Two developments to which I wish particularly to refer are the rise of many peoples in Asia and Africa from a position of dependency toward one of equality, and the growing strength of the movement to extend the observance of human rights everywhere in the world.

If the importance of these developments were correctly assessed, I believe that the world would find it possible to approach the present East-West difficulties with less hysteria, for they would be more easily seen in their true perspective. I believe that the rise of dependent peoples and the human rights movement will, in the long run, have far more significance and give rise to greater events in the second half of the twentieth century than will the present ideological struggle.

THE RISE OF DEPENDENT PEOPLES

India, Pakistan, Burma, and Ceylon, all formerly dependent parts of the British Empire, have achieved independence by pacific transition since the United Nations was founded, due mainly to the high degree of statesmanship exercised by the governments of those countries and of the United Kingdom. In my report last year I noted the striking increase in the independent representation of the nations of Asia and Africa in the United Nations since the San Francisco Conference. Israel has now become the fifty-ninth member of the organization. The application of four more countries of Asia—the Mongolian People's Republic, Ceylon, Nepal, and Korea—are pending. Indonesia may be expected to apply after existing difficulties there are settled. The debate in the General Assembly on the Italian Colonies revealed that the majority of the members expect to welcome Libya as an independent member in a few years, and Somaliland perhaps somewhat later. We can be certain that, in time, other countries in Asia and Africa will become members. There should be others, for over half the people of the world live on these continents.

The days of dependency or inferior status are fast coming to an end in Asia. Its peoples are the inheritors of some of the world's greatest cultures; they are building their own new worlds on the foundations of the old. Their influence in the affairs of the United Nations is growing. Given time, and the necessary development of their economic resources, their influence will be more nearly commensurate with their population than it is today. The idea that all this vast diversity of ancient peoples stirring to new life and power could ever become the mere reflection of any form of society in other parts of the world is unrealistic.

In Africa, the movement forward is slower. There the international trusteeship system can play an especially important role, and the beneficial effect of United Nations' supervision of the administration of the trust territories will be felt throughout the much wider area of the non-self-governing territories. The effects of the trusteeship system will certainly give new impetus to the economic, social and educational advancement of the people of these territories and to their progress toward self-government or independence.

THE HUMAN RIGHTS MOVEMENT

In the struggle to extend the observance of human rights in the world the past year has seen one of the most potentially significant developments of history in the proclamation by the General Assembly of the Universal Declaration of Human Rights. This is the first time that such a declaration has been written for the whole world.

It is true that this declaration is not a law, but neither have been many of the most influential documents of history. The United States Declaration of Independence, and France's Declaration of the Rights of Man were not laws when they were proclaimed.

Nevertheless, the Universal Declaration of Human Rights has behind it the force of public opinion, and public opinion is at the source of all law whether it be national or international. The declaration sets a standard for governments to live up to. Its power for good is incalculable wherever people are deprived of freedom because of their beliefs, wherever there is discrimination because of the color of a man's skin or for any other reason, wherever people do not have a fair opportunity to enjoy a decent living standard, education for their children, and security in times of illness, accident, and old age.

The declaration, furthermore, is only the first, although the most important, of the steps being taken by the United Nations to extend respect for human rights more widely in the world.

The essential role of the United Nations in these great developments is now becoming more clearly defined.

On the one hand, the United Nations is assisting the movements toward greater equality of opportunity between the peoples of Asia and Africa and the peoples of the Western World, and between the more highly developed countries and those which are less developed. It is also giving a powerful impetus to winning human rights for all peoples, wherever they live. On the other hand, the United Nations is making it possible for these fundamental changes to be carried out with far less violence than would otherwise be the case. Wherever the United Nations intervenes, it intervenes to promote peaceful development, and all its influence is exerted toward moderating the intensity of the conflicts involved and conciliating opposing views.

EVOLUTION OF THE GENERAL ASSEMBLY AS A FORCE FOR PEACE

There has been another development in the evolution of the United Nations in its formative years which I regard as an important reason for the growing strength of the United Nations. This is the evolution of the General Assembly into one of the strongest forces for peace that the world has ever seen.

There are three main causes for this evolution:

First, because all nations are represented equally, and because many of the small nations have from the first spoken with great independence, the General Assembly has tended to act as a conciliating and moderating influence on the conflicts of the great powers.

Second, because the attention of the world is focused on the General Assembly as on no other international body, its sessions have become the supreme testing ground of the policies of member nations. There, as nowhere else, those policies are subjected to the searching scrutiny and judgment of world public opinion. Evidence is already accumulating that when national policies do not pass this test for justice and fair dealing, they will have to be modified or changed, if not immediately, then in the long run.

Third, the General Assembly has demonstrated that it can apply the powers granted it by the Charter for conciliation and peaceful adjustment as a powerful complement to the work of the Security Council in the prevention of war.

I do not subscribe to criticisms of the General Assembly as a powerless debating society or as a propaganda forum. Most of the Assembly's recommendations are helping to build the foundations of world law and to prevent war. Whenever a government uses the rostrum of the Assembly for propaganda purposes, that government is submitting itself to the judgment of mankind. Nevertheless, I agree that the procedures of the General Assembly can be improved and that a great deal of time can be saved, mainly by the exercise of self-restraint on the part of the members in debate.

We can be certain that the degree of security against war that is attained in the world will be in proportion to the support that is given to the United Nations by the member governments. Insofar as they relegate the United Nations to an auxiliary role, the danger of war will be increased. Insofar as they make the United Nations the cornerstone of their foreign policies and support both by word and action the supremacy of the Charter and the universality of the organization, security against war will be strengthened.

STRENGTHENING THE UNITED NATIONS

The member governments can reduce the danger of war by so acting as to strengthen and to use the United Nations in a number of ways in the months ahead. In this connection I have certain suggestions which I offer for their consideration.

GREAT POWER RELATIONS

The United Nations cannot force a settlement of the present conflict between the Great Powers, but it has already demonstrated that it can help to conciliate the conflict, moderate it and keep it within peaceful bounds. It is essential for the great powers to keep in contact, to talk things over, and seriously to negotiate with one another. To refuse such consultations as futile is to deny the whole concept of the United Nations. Now that the Western Powers and the Union of Soviet Socialist Republics have resumed discussions in the Council of Foreign Ministers and have expressed their intention of continuing them at the time of the coming session of the General Assembly, I hope that they will not again break off their efforts to settle their differences.

Sooner or later there must be peace settlements for Germany, Austria, and Japan. There must be agreement on the provision of armed forces to the Security Council, on the control of atomic energy and other weapons of mass destruction and of conventional armaments. It is necessary to keep on trying for progress in these directions, no matter how discouraging the prospect may appear to be at any particular moment or how many years it may take to complete the task.

I hope that the practice of consultation between the great powers will become the rule and not the exception in those matters that come before the United Nations, and especially before the Security Council, as well as in matters outside the organization.

The good offices of the Secretary General are always available to facilitate such consultations.

UNITED NATIONS FIELD SERVICE

With a view to strengthening the work of mediation and conciliation, I suggested to the last session of the General Assembly the establishment of a United Nations guard. This guard would have no military duties but would assist United Nations missions on their peaceful errands to the world's troubled areas. In the light of suggestions made by member governments I have modified that proposal. I have now suggested to the special committee established by the General Assembly to examine this matter of the establishment of a uniformed United Nations field service of 300 men, who would be seconded or otherwise made available, on a basis of geographical distribution, from the services of member governments for a period of from 1 to 3 years for protective and technical duties both at headquarters and in the field. I have also suggested the creation of a panel of 2,000 men who could be called upon for truce observation and plebiscite duties by the competent United Nations organs as the need arises. None of the men in the field service would carry arms, except sidearms for self-protection when this was deemed necessary. Under the revised plan the cost to the Organization would be kept to a minimum, while the advantages of the original proposal would be retained. The Secretariat, which has been steadily improving its efficiency, thus would be given the means that it needs to meet its increasing responsibilities, and the power and prestige of the United Nations in the peaceful settlement of disputes would be strengthened.

ITALIAN COLONIES

The General Assembly at its third regular session did not reach an agreement on the disposition of the former Italian colonies. The question will come before the fourth regular session of the General Assembly this autumn.

The debate on this question at the second part of the third session was significant in several ways. It reflected the growing influence of the nations of Asia and Africa. Those nations played a decisive part in preventing the adoption of a compromise proposal which they felt was unsatisfactory to a majority of the inhabitants of the territories concerned. The debate also brought forth considerable support for the concept of a direct United Nations trusteeship, a proposal originally suggested by the United States Government at the first London meeting of the Council of Foreign Ministers.

I recognize the political and practical difficulties involved in a direct United Nations trusteeship for the territories during the relatively brief period that may precede their independence. Nevertheless, I believe that statesmanship on the part of the Governments could lead to such a solution of the problem, and that the political difficulties could be dealt with if the practical difficulties could be overcome. The best solution, in my opinion, would be a direct United Nations trusteeship with an administrator responsible solely to the Trusteeship Council. It is, of course, for the member governments to decide, but I feel sure that such a bold forward step would help the peoples of the territories concerned to follow the peaceful path toward self-government or independence, and that it would strengthen the confidence of dependent peoples all over the world in the United Nations and in the member governments who would have made such a solution possible.

PEACE AND ECONOMIC DEVELOPMENT FOR THE NEAR EAST

The Near East presents a challenging opportunity to the United Nations to combine political and economic action in the cause of lasting peace.

An armistice has been achieved in Palestine, and the terms of a peaceful settlement are being negotiated. Nine hundred thousand Arabs are receiving assistance from the United Nations; many of them must be resettled or repatriated. The new State of Israel has yet to establish its economic viability. Both Israel and the Arab States need a substantial, coordinated effort in economic development to raise their living standards.

I believe that this area should be given high priority in the proposed United Nations program of technical assistance for underdeveloped countries. This would make it possible for comprehensive plans to be worked out for regional economic development on a large scale in the whole area; these plans might include river valley developments, such as the Tennessee Valley Authority in the United States, in respect of the valleys of the Tigris, the Euphrates and the Jordan, and of the further development of the valley of the Nile. The first step is technical assistance, the next is financial investment. By carrying out both steps through the United Nations the burdens as well as the benefits can be shared equitably among participating countries.

Whatever is done in the Near East should not, of course, impede or delay similar programs for technical assistance and economic development in other parts of Asia and Africa and in Latin America.

ACTION TO MEET ECONOMIC DIFFICULTIES

Although there have been considerable improvements in many aspects of the world economic situation the basic conditions for economic stability and orderly development have not yet been established.

Of particular importance is the continued and persistent disequilibrium in international trade and payments. Little progress has been made toward a solution of this grave problem. The consequences have been particularly harmful for the weaker and less favored countries.

Moreover, if the recent slackening of economic activity in some countries were permitted to continue, it would cause large-scale unemployment in those countries, and at the same time would aggravate the existing economic maladjustments in the world as a whole. Another world-wide economic crisis would be a tragedy that can be prevented, if the governments of the world find a common basis for concerted action. A solution for these immensely complicated problems cannot be found by single countries acting in isolation nor by any limited group of nations.

Fortunately, the member governments have in the United Nations and the specialized agencies, the international machinery that makes it possible for them to take the necessary concerted action. It is urgent that they use this machinery to come to grips with these pressing economic problems.

UNIVERSALITY OF MEMBERSHIP

The applications of 14 countries for membership in the United Nations are pending. These are, in the order of their applications: Albania, Mongolian People's Republic, Jordan, Portugal, Ireland, Hungary, Italy, Austria, Rumania, Bulgaria, Finland, Ceylon, Korea, and Nepal. Most of these countries have been waiting for more than 2 years to be admitted.

Member governments are familiar with my views on the desirability of moving as rapidly as possible toward universality of membership. I have expressed them on several occasions during the past 3 years. I am well aware of the objections that have been raised against the admission of these states, but I believe that such objections could be better dealt with if the applicants were inside the organization rather than outside it. The applicants can in any event reasonably be considered as meeting the requirements of membership. Whatever may be said regarding the Governments of the countries concerned, their peoples, and the world as a whole, would certainly benefit if all the applicants were to be admitted to the organization at the next session of the General Assembly.

I commend to the member governments, and to the peoples of the world, the study of the full record of the United Nations during the 12 months ending June 30, 1949, as set forth in the chapters that follow. It is a record of achievement in the prevention of war and in the steady construction of the foundations of a more peaceful and prosperous world.

TRYGVE LIE,
Secretary General.

JULY 1949.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, August 10, 1949, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate August 9 (legislative day of June 2), 1949:

IN THE NAVY

Capt. Calvin M. Bolster, United States Navy, for temporary appointment to the grade of rear admiral in the line of the Navy.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 9, 1949

The House met at 12 o'clock noon.

Rev. Pacifico A. Ortiz, S. J., offered the following prayer:

In the name of the Father and of the Son and of the Holy Ghost. Amen. O God, who in Thy sweet providence didst bring our two nations together, and through the ordeals of war didst keep them true to one another, teach us, we humbly pray, the wisdom to cherish and preserve, in peace, the finest things we learned in war: faith in each other, brotherhood which knew no race, friendship which did not count the cost. That putting our trust not on bombs but on good will, not on dollars but on fair play, relying not so much on the devices of our human wisdom as on the workings of Thy divine grace, we may yet become, when guided by the better angels of our nature, the harbingers of Thy hope unto the peoples of the east, and unto the west, the instruments of Thy peace. Through Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4830. An act making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference

with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. RUSSELL, Mr. McCARRAN, Mr. BRIDGES, Mr. GURNEY, Mr. REED, and Mr. FERGUSON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees with an amendment to the amendments of the House to a bill of the Senate of the following title:

S. 1647. An act to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533).

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3751) entitled "An act to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota.

COMMITTEE TO ESCORT THE PRESIDENT OF THE PHILIPPINES

The SPEAKER. The Chair will appoint as a committee to escort the President of the Philippines to the Chamber the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from Massachusetts [Mr. MARTIN], the gentleman from West Virginia [Mr. KEE], and the gentleman from Illinois [Mr. CHIPERFIELD].

The House will stand in recess subject to the call of the Chair.

(Thereupon, at 12 o'clock and 5 minutes p. m., the House stood in recess subject to the call of the Chair.)

PRESIDENT ELPIDIO QUIRINO, OF THE PHILIPPINES

During the recess the following proceedings occurred:

At 12 o'clock and 20 minutes p. m., the Doorkeeper announced President Elpidio Quirino, of the Philippines.

President Quirino, escorted by the committee of Representatives, entered the Hall of the House of Representatives and stood at the right of the Speaker. [Applause, the Members rising.]

The SPEAKER. Members of the House of Representatives, it is today my pleasurable duty to present a distinguished neighbor and friend. The friendship between the Republic of the United States of America and the Republic of the Philippines dates a long way back, long before the Philippines became a republic.

Mr. President, today we are proud that the United States of America kept its contract with the people of the Philippine Islands. [Applause.] We proved to the world that we covet not a foot of ground the world around over which any other flag flies today or has a right to fly. We look upon your country as a great neighbor near the east. We welcome you here. We wish for your people in the years to come that they may enjoy to the fullest measure the rich blessings of health, of prosperity, and one day an enduring peace, and that goes for all the world.

I present to you, Members of the House of Representatives, our distinguished guest, the President of the Republic of the Philippines. [Applause, the Members rising.]

President QUIRINO. Mr. Speaker, distinguished Members of the House of Representatives, it is a rare honor and privilege for any man to appear before this august body of the distinguished representatives of the American people. Thirty years ago I occupied a seat in the House of Representatives of my country. This fact makes me feel at home in your midst. As the head of a new state that owes its existence to American wisdom and idealism, I am filled with a mingled sense of gratitude and humility because of the special circumstances that have brought me to this mighty rostrum.

The Independence Act you passed in 1934 as our charter of liberty has well directed our course as a nation. During the transition period between 1934 and the actual grant of independence on July 4, 1946, events of the most far-reaching significance to the world transpired. That period provided the greatest test ever served on our people and it revealed to us the quality of the freedom that we had been fighting for, and, to America and the world at large, the character of the nation that has become its recipient and beneficiary. [Applause.]

The whole world was plunged into the most destructive war known in history. The Filipinos bled with the rest of humanity in that titanic struggle. Thank God, we have survived. Instead of succumbing to desperation, following the untold devastation of our country and the decimation of our population, we have come out stronger, fortified in the blessings of democracy and freedom. [Applause.] We have risen from our prostration disposed to anticipate and face the dangers of another possible world conflict. And we are determined to carry on and to fight to the last man on the side of America if freedom, our freedom and your freedom, should ever again be menaced and the democratic way of life imperiled. [Applause.]

Immediately after the liberation of our country in 1945, we thought that the Philippines could not be rebuilt in less than 10 years, that it would take much longer for us to be able to stand on our own feet. But I can say with pardonable pride that the strides we have made during the last 3 years has more than eloquently vindicated our capacity to bear our burdens and obligations as a free and independent people. [Applause.]

While many countries in the world are still at a loss to reconstruct or rehabilitate themselves, bewildered in the face of uncertainties produced by their troubled surroundings, the Philippines today stands in the midst of a most distressed region as one stable unit, a veritable haven of many people in the Far East whose liberties have been threatened.

We have been concentrating our attention on our internal development. We have not lost a single moment and opportunity to enhance the stabilization of our economy. We have adopted a new ideology based on total economic mobilization of our country as a means of providing our people a fuller life of substance and contentment, in our determined endeavor to improve our living standards and in that manner contain and counteract the onrush of a totalitarian system battering down the doors of our neighbors.

We thank America for the opportunities given us to develop ourselves and our country, and for the assistance and guidance we know the United States is disposed to lend to us in our future undertakings. The new Republic of the Philippines was born in self-reliance and we are determined to build it on solid rock. [Applause.] We cannot do otherwise if we are to deserve the distinction of being America's original handiwork in the sphere of freedom in Asia.

I have come to your country in furtherance of mutual understanding between your country and mine; for the preservation not only of freedom and prosperity but also of the peace of the world in our part of the globe. I am positive of your concern in this regard. I am emboldened by the fact that President Truman has graciously invited me to have an opportunity of presenting our side of the understanding.

I hope that this mightiest of legislatures in the world will give timely and effective cooperation in our efforts to achieve the rich promise of that understanding, and enable us to contribute in our modest way to the fulfillment of the high mission of the United States in the advancement and preservation of world peace and security to all liberty-loving peoples. This has become an important phase of our Philippine foreign policy. It was inspired no less by a deep sense of obligation that we owe to this great country that has given us the freedom which I know America will do her best to help protect and develop.

My country is determined to succeed. My people are confident that you will continue to extend them every possible support to succeed. Your people and mine, my a fluke of destiny, have become partners in a most glorious adventure which it will be to your interest, as well as to that of the entire world, to prosecute toward increasing fulfillment. [Applause, the Members rising.]

At 12 o'clock and 33 minutes p. m., President Quirino retired from the Hall of the House of Representatives.

AFTER RECESS

The recess having expired, at 12 o'clock and 55 minutes p. m., the House was called to order by the Speaker.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess of the House be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include two editorials.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On August 1, 1949:

H. J. Res. 329. Joint resolution amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

On August 2, 1949:

H. R. 1360. An act to extend the times for commencing and completing the construction of a free bridge across the Rio Grande at or near Del Rio, Tex.;

H. R. 3512. An act to amend the Civil Service Retirement Act of May 29, 1930;

H. R. 4022. An act to extend the time for commencing the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex., to July 31, 1950; and

H. R. 4705. An act to transfer the office of the probation officer of the United States District Court for the District of Columbia, the Office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, for the government of the District of Columbia to the Administrative Office of the United States Courts, for budgetary and administrative purposes.

On August 3, 1949:

H. R. 585. An act for the relief of Jacob A. Johnson;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 2799. An act to amend the act entitled "An act regulating the retent on contracts with the District of Columbia," approved March 31, 1906;

H. R. 2853. An act to authorize the Secretary of the Interior to issue duplicates of William Gerard's script certificates No. 2, subdivisions 11 and 12, to Blanche H. Weedon and Amos L. Harris, as trustees;

H. R. 4261. An act authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi;

H. R. 4963. An act to provide for the appointment of additional circuit and district judges, and for other purposes; and

H. J. Res. 170. Joint resolution designating June 14 of each year as Flag Day.

On August 4, 1949:

H. R. 459. An act to authorize the payment of employees of the Bureau of Animal Industry for overtime duty performed at establishments which prepare virus, serum, toxin, or analogous products for use in the treatment of domestic animals;

H. R. 1127. An act for the relief of Sirkka Siiri Saarelainen;

H. R. 1288. An act for the relief of certain officers and members of the crew of the steamship *Taiyuan;*

H. R. 1303. An act for the relief of Dr. Elias Stavropoulos, his wife and daughter;

H. R. 2021. An act to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia;

H. R. 2474. An act for the relief of Frank E. Blanchard;

H. R. 3467. An act for the relief of Franz Eugene Laub;

H. R. 4566. An act to revise, codify, and enact into law title 14 of the United States Code, entitled "Coast Guard"; and

H. R. 4604. An act to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker;

On August 5, 1949:

H. R. 2417. An act to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force Base, as a recreational facility; and

H. R. 5238. An act to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes.

On August 8, 1949:

H. R. 1466. An act for the relief of Daniel Kim;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa;

H. R. 2850. An act for the relief of Denise Simeon Boutant; and

H. J. Res. 327. Joint resolution making an additional appropriation for control of emergency outbreaks of insects and plant diseases.

AMENDING FAIR LABOR STANDARDS ACT

Mr. LESINSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 5856, with Mr. COOLEY in the chair.

The Clerk read the title of the bill.

Mr. McCONNELL. Mr. Chairman, I yield such time as he may require to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I am in favor of minimum-wage legislation. In 1938, by speech and vote, I supported the enactment of the Fair Labor Standards Act, more generally known as the minimum-wage law. During the years that have intervened a great change has come in our economic conditions. Today the cost of living is nearly double what it was in 1938. The minimum-wage law enacted at that time fixed the minimum-wage rate at 40 cents per hour in the several categories of employment coming within the provisions of the act. This has remained the law from that time until the present. It has not been changed during the intervening years, although the cost of living has greatly increased. Consequently, an intolerable situation exists that the present proposals seek to remedy. A rate of 75 cents per hour is now proposed as a minimum wage. Such relief should have been granted long ago. Further delay would be unconscionable. Justice to those in this lower income group demands immediate correction of the present unfair standard.

There have been many proposals offered in connection with this subject of legislation. Some seek to clarify, extend, or diminish the coverage under the act; others to change the amount of the minimum wage by the adoption of a formula that would tie the wage to a Bureau of Labor index based on the cost of living; and other proposals seek to change the administrative features of the act. These numerous and diverse proposals, under consideration in connection with the pending legislation, have a tendency to confuse the issue, although offered with sincerity and honest purpose. The real and fundamental purpose of this legislation was set forth in the statement of policy contained in the act of 1938, as follows: "to correct and as rapidly as practicable to eliminate, without substantially curtailing employment or earning power, the existence in industries engaged in commerce or in the production of goods for commerce, of labor conditions found by Congress to be detrimental to the maintenance of the minimum standards of living necessary for the health, efficiency, and general well-being of workers."

To accomplish this purpose Congress, in the act of 1938, establishing rates of pay, maximum hours of employment, overtime and restrictions on child labor. The legislation now before us seeks to accomplish the same purposes as the original act with such amendments as present conditions and the experience gained in the years since 1938 would justify.

In considering the proposed legislation now before the Congress much has been said, and, will be said concerning the minimum wage provisions of the bill. This is perfectly proper and entirely in order, but, we must not overlook the fact that the bill also defines the number of work hours per week and basis of pay for overtime, and, the prohibition of child labor with some limitations. All of this is as it should be if we are to effectually carry out the policy of protecting the health, efficiency and general well-being of workers.

I am wholeheartedly in accord with the objectives of the proposed legislation. I shall assist in every way possible to make the legislation to be passed by the Congress workable and effective. I pledge my vote and fullest support to the legislation.

Mr. McCONNELL. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. VELDE].

Mr. VELDE. Mr. Chairman, I want to take a few moments to explain an amendment which I shall introduce as an amendment to the Lucas amendment. My amendment is simple. It calls for a change in the starting wage from 65 to 75 cents.

I realize that the starting figure of 65 cents in the Lucas amendment is necessarily arbitrary, although I am advised that some study was made of the cost of living now as compared to the cost of living in 1945 at which time the 40-cent minimum was in effect. On that basis I believe it was figured by some members of the committee that the starting point should be at 68 cents. Possibly the 75-cent starting price in my amendment is not sufficient. As I say, this starting price necessarily has to be arbitrary.

The 65-cent minimum for a 40-hour workweek will gross the lowest paid employee $26 per week. Now, in my district that is a starvation wage. I think that is true of most areas in the United States. The Southern States are the exception to this general rule, of course, but I cannot understand why we should let the tail wag the dog in this particular case.

There are some 22,000,000 employees covered by the present minimum-wage-and-hour bill, according to testimony of Mr. McComb before the committee.

These employees are practically all unorganized. They do not have the advantage of collective bargaining to raise their wages. Many of these 22,000,000 workers refuse to join unions and suffer all the trials and tribulations of union members. They prefer to stand on their own individual initiative and their abilities as workmen to make a living wage and advance economically. As a result of their inability or unwillingness to organize into labor unions, there is a sharp difference between the minimum wage for labor-union members and the minimum wage for these nonunion members—too sharp a difference, in my opinion. These 22,000,000 workers in the United States deserve the help and protection of their Government, which we can give them by passing a realistic minimum-wage-and-hour bill.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. VELDE. I yield.

Mr. BREHM. I compliment the gentleman on his proposed amendment. I shall support it wholeheartedly, providing we do have the opportunity of amending the Lucas bill. I am not in favor of a minimum wage based on the cost-of-living index. I favor 75 cents, but what I would like to see would be the Lucas bill with the 75-cent minimum attached to it.

I want to compliment the gentleman and assure him I will support his amendment.

Mr. VELDE. There is a great deal of sentiment that has been expressed in that regard, and I appreciate the kind remarks of the gentleman from Ohio.

I do, however, like the theories and principles of the flexible minimum wage. It is more in keeping with the principles of free enterprise. The controlling factor is based on statistical data which is real and certain, and not subject to political maneuvering. A flexible minimum wage starting at 75 cents and tied to the cost of living index gives the marginal employer a fighting chance to stay in business during a declining period of our economy. It gives the marginal employee a fighting chance to keep his job in a declining period of business. It also gives him an opportunity to obtain a higher wage during the higher cost of living periods in our business cycle. The rigid minimum wage of 75 cents, or any other rigid wage has this vital defect—the marginal employee could never obtain more than 75 cents an hour, as he could under the flexible minimum-wage scale.

I feel that my amendment should have the support of both Republicans and Democrats. It is a more realistic starting point than the 65-cent wage, possibly it should even be more than 75 cents. I hope you will consider this amendment, which I shall introduce at the proper time, in the light of what is right and proper legislation, instead of in the light of political vote getting.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. VELDE] has expired

Mr. McCONNELL. Mr. Chairman, I yield such time as he may desire to the gentleman from New Hampshire [Mr. COTTON].

Mr. COTTON. Mr. Chairman, the gentleman from Ohio [Mr. BREHM] has expressed my position exactly on this point. I cannot accept or support that portion of the Lucas bill which provides for a 65-cent minimum wage and a sliding scale based on the cost of living.

I am for a straight 75-cent minimum wage for all employees covered by the present law. I have stated my opinion on this point publicly several times during both the Eightieth and Eighty-first Congresses. My position on this point has been strengthened recently by the fact that the Governor of my State has endorsed this standard and both branches of the legislature have passed resolutions calling for it. Recently I have considered carefully the proposal for a sliding scale and have come to the conclusion that I cannot accept it. A minimum wage should be exactly what the term implies—a minimum wage. That means a fixed amount, not an escalator. We are not seeking to determine a wage scale, but a minimum point and that point should be definite.

I believe, however, that it would be most dangerous to pass the Lesinski bill. Under that bill many of the exemptions contained in the present law are removed and small business enterprises, which are actually intrastate in their character, will be brought under the requirements of the act. Others will be in a quandary as to whether they are under the act or not. Certain processors of farm produce would also be included. Furthermore, the bill contains several vicious provisions, one of which will add confusion to the question of overtime on overtime; and another, section 7, authorizes the Secretary to bring suits on behalf of the employees, which will cause untold confusion and a multiplicity of lawsuits.

I earnestly hope that when the final vote comes on this question we shall not be compelled to choose between a minimum wage less than 75 cents or a law which may endanger small business enterprises and deprive their employees of work. I am willing to go a long way in supporting the 75-cent minimum wage, but I doubt if I can pay the price of accepting the Lesinski bill in its present form.

The Lucas bill clarifies the present law, preserves its safeguards, and if amended to provide a 75-cent minimum, would in my opinion be the best legislation we could enact. I shall support such an amendment to the Lucas bill and if it is adopted vote for the bill. If the Lucas bill is not adopted, I trust that proper amendments may be adopted to the Lesinski bill to restore existing exemptions. In which case, I could support that.

I do not care what name may be given the act, or what its number may be, provided we increase the minimum wage to 75 cents an hour and preserve the exemptions and safeguards of the present law.

Mr. McCONNELL. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Chairman, I express the same sentiments as the gentleman from Ohio [Mr. BREHM]. At this time I would like to indicate my support for a proposed amendment to the Lucas bill by the gentleman from Ohio, Representative BREHM. It is my understanding that an amendment will be proposed by him striking from the Lucas bill the 65-cent base as well as the sliding-scale provision based on the cost of living index. In my estimation a flat 75-cent minimum is preferable to the present or original provision in the Lucas bill.

Everyone knows that we in Michigan pay far more than the 40-cent minimum under the existing law. Furthermore, practically everyone agrees that a new minimum of 75 cents would not be detrimental to management and industry in western Michigan. As a matter of fact, a 75-cent minimum would probably be most helpful to both employees and employers in the State of Michigan. Certainly the competitive position of our furniture industry would be aided if the furniture manufacturers in the South were forced to pay a decent wage to their employees.

The sliding-scale provision if adopted would lead to serious administrative problems. An increase or reduction in the minimum wage based on a change in the cost of living index conceivably might compound the difficulties experienced by management in trying to live within the law and the wage-hour administration trying to enforce the Fair Labor Standards Act.

If we can adopt the amendment to be proposed by the gentleman from Ohio, Representative BREHM, the Lucas bill would be good legislation. In contrast to the new proposal by the gentleman from Michigan, Representative LESINSKI, H. R. 5856, is unsound in many particulars. I refer specifically to the provision which gives the administrator the right to sue, on behalf of an employee, for back wages allegedly due. This dangerous provision in the Lesinski bill must be removed, and I intend to submit such an amendment for consideration by the House.

In closing, I repeat the need and necessity for a flat 75-cent rate under H. R. 5894, and therefore urge favorable consideration for the proposed amendment by the gentleman from Ohio.

Mr. KERR. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD and include a speech by Maj. Gen. Clovis E. Byers, of the Army General Staff, at Windsor, N. C., on Veterans Day.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, it seems to me that if we are going to pay our national debt we must maintain a high national income. There is no better way to maintain a high national income than to stabilize our economy by

putting a floor under wages. Many of us contend that a meager $30 a week should be guaranteed to workers throughout this country engaged in interstate commerce.

The Lucas bill, H. R. 5894, proposes that the minimum wage be modified with reference to a change in the index in the cost of living. This is a procedure to which I am utterly opposed. It means frequent changes in the minimum wage by small amounts, perhaps a cent or two per hour, and leaves everyone in the dark as to what the minimum wage actually will be annually.

The 75-cent minimum is the least which the economy can afford under present conditions. It is a true floor for the wage structure. It is so far below actual minima being paid in many industries and localities that there is no need to tinker with it as the general index of the cost of living goes down by a few points. Of course, if there were a precipitous decline in the cost of living or in general prices, there would be nothing to prevent Congress from reconsidering the problem again.

What does this Lucas bill provide? It provides 65 cents an hour until December 31. Assuming that the amendment to be offered by the gentleman from Illinois was adopted, amending the Lucas bill from 65 cents to 75 cents, it would only provide 75 cents an hour until December 31, 1949. It would be possible next year for the rate to be 50 cents an hour, and I am sure that there is not a Member of this body who does not want to look beyond next December 31 and head off the possibility of the minimum wage next year being 50 cents an hour. That is the reason I say that if we vote for the Lucas amendment we are short-sighted insofar as trying to plug up holes that now exist in our economy in order that we may stabilize our economy.

Those of us who have faith in the minimum-wage principle believe that a stable statutory minimum wage does prevent wages from breaking too sharply, with the expectation of still further breaks to come. We must remember that a fundamental purpose of all minimum-wage legislation is to fix a floor for wages and to prevent hesitation, delay, and uncertainty that arise when producers have no measuring rod whatever to define what their competitors' costs and prices might be.

We must recognize also that the administrative problems created by frequent changes in the statutory minimum wage would be considerable. It takes time and frequent visits from investigators to get across the requirements of a minimum-wage law to all employers. We know that many violations are unintentional and that once the matter is explained there is less of an enforcement problem thereafter. If minimum rates were changed by some index of the cost of living, this might involve small annual changes up and down frequently enough to make the problem of compliance and investigation more diffcult to enforce, while the question of good faith and the application of the penalties of the law would always be involved.

This Congress recently showed its disapproval for flexible price supports, and I am of the opinion, after careful consideration is given to the Lucas bill, H. R. 5894, which provides a flexible minimum wage tied in with the cost of living, that this Chamber will overwhelmingly vote down such legislation which could have a disastrous effect upon our economy.

To get away from the fear that exists today, we should plug up these holes which are materially affecting our economy. I cannot think of any greater asset to our economy than passing an inflexible minimum-wage law with the floor at 75 cents.

As a member of the Committee on Education and Labor, I voted for H. R. 3190 because I felt that an increase in the statutory minimum wage is necessary to promote the general welfare. In the light of our 10-year history with the national minimum wage law, I am convinced that an increase in the statutory minimum wage to at least 75 cents an hour is necessary, first, in order to bring the statutory 40-cent rate into conformity with postwar prices and the cost of living, and second, in order to require industries in interstate commerce to pay a living wage to their workers.

It is a curious thing that those who oppose an increase in the statutory minimum wage are the very ones who seem to be so fond of the principle of adjusting wages to changes in the cost of living. Yet it is a fact that the 40-cent minimum provided in the law of 1938 was adopted by some industries as early as 1940 and was generally attained in practically all industries by 1942. At that time the index of consumers prices for moderate-income families was 116—1935–39=100.

At the present time this index of consumers prices stands at about 170, two or three points below the high reached during the postwar period. In other words, the cost of living is about 60 percent higher than it was in 1942. Anybody who received only 40 cents an hour in 1942 and is not receiving 65 cents an hour for the same work in 1949 is being paid less than the minimum wage which was established in 1938, when we had a national income of about $65,000,000,000, in contrast with the national income running over $200,000,000,000 in 1948 and 1949.

Considering the sharp increase in income from all sources, it is altogether unreasonable to maintain the same minimum wage standards which we adopted in 1938 when the national income was only $65,000,000,000 and we had about 8,000,000 unemployed. The 40-cent minimum rate of 1942 is the equivalent of 65 cents in today's purchasing power.

The 10-cent additional increase which carries the statutory minimum to 75 cents is another 6-percent increase in terms of the purchasing power of 1942—altogether an increase averaging about 1 percent a year since 1942. The increase in real wages through the years has averaged about three times this amount. As early as 1945 the Senate Labor Committee approved a 65-cent minimum with an automatic rise to 75 cents.

In 1946 the House also voted out a 65-cent minimum. Since January 1946, average hourly earnings in manufacturing industries have gone from $1 per hour to $1.37 per hour, or an increase of 37 percent. An increase of 10 cents per hour over the proposed 65-cent minimum rate in 1946 is less than half the 37-percent increase for all workers. And this does not take into account the 30-percent increase in the cost of living since January 1946. This shows how much these lowest paid workers need the assistance of a higher minimum-wage law.

We know from studies made available to the committee and from material furnished at the hearings that 75 cents an hour or more is the actual minimum being paid in most of American industry today. In most establishments no change will be necessary. I was impressed with the fact that the average employer did not have to be confronted with a change in the law in order to increase the minimum wage he is actually paying. However, some employers could not and other employers would not increase the minimum wage which they are paying unless such an increase were made generally applicable to all their competitors.

Since fewer than 1,500,000 workers all over the country are receiving less than the new minimum, and most of these are already being paid more than 70 cents per hour, the adjustment at this time should not be difficult.

The adjustment which will be required by the 75-cent minimum will be much less than that required when the Fair Labor Standards Act of 1938 was first put into operation. We learned then that an effective minimum wage raises the wages of the lowest paid workers and preserves and encourages competition on a higher plane. Employers who pay unjustifiably low wages are not then given a competitive advantage over those employers who pay a decent minimum wage.

I said that in addition to the need to bring the statutory 40-cent rate into conformity with present prices and the cost of living, a 75-cent minimum is necessary in order that industries engaged in interstate commerce actually pay a living wage to their workers.

I am not now thinking of a wage necessary to support a family, but just the amount of money required for any self-respecting person to live in any community in the United States. Admitting that the cost of living is higher in our larger cities than in the smaller communities, it must be recognized that 75 cents an hour is only $30 a week even at full employment. In cities like Chicago, New York, Philadelphia, and Los Angeles the going minimum rate is higher than 75 cents an hour, and should be.

The 75-cent rate will just barely provide a living wage for a single person in medium and small-size communities. It is necessary for the health and self-respect of the workers and can in no way injure the industries which may have to increase the wages of a small number of their employees by a few cents per hour.

I want to say that I was personally in favor of the provision in the original bill which would have enabled industry committees, industry by industry, to raise minimum wages up to $1 per hour.

There are a number of industries where most of the employers already pay more than a 75-cent minimum, and if such a rate were made applicable to all competitors, many industries would be agreeable to establish a minimum rate above 75 cents per hour. However, we did take that provision out of H. R. 3190, and it is also omitted from H. R. 5856. The minimum wage provided in H. R. 5856 calls for only 75 cents an hour in all industries.

There was one other provision of H. R. 3190 of which I heartily approved. This has to do with the application of the minimum wage to retailing. Under the act as originally passed in 1938, the phrasing was so general that the Administrator had little guidance in determining the intent of Congress as to who was and who was not covered in the retail field and he requested a clarification of the provision. We had drawn the line at the point where an establishment did an annual business of over $500,000.

The retailing provision appears under the section of the bill dealing with exemptions. This provision exempts from both the wage-and-hour provisions any employee of a retail or service establishment whose employer did a total annual business of less than $500,000 during the preceding annual year.

In other words, it exempts from the minimum-wage requirement practically all the neighborhood stores. To do an annual retail business of $500,000 a retail establishment would have to employ from 20 to 30 workers. This would be $17,000 to $25,000 annual sales per employee, which is way above the known average. In service establishments, where sales per person are much less because the cost of the goods is not counted, it would mean an establishment employing 40 or more persons. In other words, only the large retail and service establishment, mostly the chains and department stores, would have been covered by H. R. 3190. Testimony was introduced before our committee that showed some of the large department stores of this Nation paying their employees a ridiculously low wage.

And why should not they be required to pay the minimum wage? To do an annual business of $500,000 a retail store or service organization can practice modern economies, can purchase on a large scale and engage in business on an efficient basis. There are millions of American workers employed in retailing and there is no reason why those large employers in interstate commerce should not be subject to the same minimum-wage standards of business in other lines.

It is better to draw the line at some definite point which can be determined than to leave the decision subject only to administrative rulings and the possible unequal application of the law. When we permit a man to vote at the age of 21 we have made a firm decision that he is or ought to be a man; this does not mean that there are not some young men under 21 who would not be fit to exercise the franchise or that even occasionally a man over 21 ought not to be given a little more time to find out what it is all about. Still it is better to have a definite guide of calendar years than to go into the circumstances of each case.

By drawing the line at such a large volume of business as $500,000 a year, we have assured that the family concern, the neighborhood stores and service shops and the small struggling establishments will be able to work out this problem in their own way and without the legal requirement imposed on the chains, department stores, and the large retail and service establishments.

However, the committee has deleted this provision from their substitute bill, H. R. 5856, which many members of the Committee on Education and Labor reluctantly agreed to, including myself.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-five Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 168]

Bailey	Gilmer	Poulson
Bentsen	Gordon	Powell
Bland	Gore	Rains
Blatnik	Gregory	Ribicoff
Bolton, Ohio	Halleck	Richards
Boykin	Hand	Rivers
Breen	Harrison	Rogers, Fla.
Buckley, N. Y.	Hinshaw	Roosevelt
Bulwinkle	Hope	Sadowski
Burke	James	St. George
Burleson	Jonas	Scott,
Burton	Kennedy	Hugh D., Jr.
Byrne, N. Y.	King	Smith, Ohio
Cannon	Kirwan	Smith, Va.
Celler	McGregor	Thomas, N. J.
Chatham	Mason	Towe
Chiperfield	Miles	Welch, Calif.
Christopher	Morrison	Whitaker
Clevenger	Moulder	Wigglesworth
Crosser	Norton	Withrow
Dawson	O'Hara, Ill.	
Dolliver	Patman	
Eaton	Pfeifer,	
Engle, Calif.	Joseph L.	
Fellows	Plumley	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 5856, and finding itself without a quorum, he had directed the roll to be called, when 356 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. LESINSKI. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Chairman, in last night's Washington Star in the news stories on yesterday's debate on the pending bill and under an AP dispatch appeared a very interesting observation made by the writer that attracted my attention. He said:

> Many southern Democrats and Republicans were lined up tentatively—

I hope it is only tentatively if what he said is true—

> behind the measure sponsored by Representative LUCAS, Democrat, of Texas, a Labor Committee member.

By "Democrat" he means Members who represent districts in States located in the South and his reference was descriptive for purposes of brevity.

I cannot believe that many Members from districts in the South will favor and support the Lucas substitute. The results of the Roosevelt and Truman leaderships, particularly along economic lines, have been very favorable not only to the entire country but to the South. Let me briefly refer to them: The Tennessee Valley Authority, agriculture. Where was cotton and wool 16 to 20 years ago? What kind of diversified farming did the South have then? It was under the late Franklin Roosevelt and still later under President Truman that new life was injected into the veins of the system of our whole economic life and the record shows it has particular application to the South.

Under what administrations have greater considerations been expended through rivers' and harbors' improvement, flood control than under that of the late Franklin Roosevelt and now under President Truman? The wage-hour law has been very beneficial. It has brought greater income and the benefits that flow therefrom to millions of men and their families with hope for the future and with stronger moral outlook through the strengthening of the family life.

What about rural electrification? What about the elimination of the farmer-tenant system?

These are all monuments to the memory of the immortal Franklin Delano Roosevelt, which our courageous President, Harry S. Truman, is completing and extending.

The late Franklin D. Roosevelt and President Truman have on several occasions recommended increasing the present minumum wage from 40 cents to at least 75 cents per hour. The 1948 Democratic platform called for an increase to at least 75 cents per hour.

The passage of the Lesinski bill, the main feature of which is the 75-cent minimum wage, is for the best interests of our country.

It seems to me it is particularly so for the people of the southern part of the country, beneficial to all, but certainly not to the exclusion of any part. I therefore cannot believe that many of my collegaues from districts in the South will support the Lucas substitute. It would certainly not be in the best interests of the people as a whole to do so.

In relation to the other observation of many Republicans lining up tentatively behind the Lucas substitute, it will be interesting to note the vote. If the Lucas substitute should be adopted in the Committee of the Whole, and I doubt it, and hope it will not be adopted, there will be a roll-call vote on it in the House. If that should happen that vote will determine the position of Members for or against the 75-cent minimum wage. No matter how much a Member may think he is hiding the issue, that will be the issue.

The Republican Party had a meeting recently of members of its national committee to choose a new national chairman. This is the first question of import to the people since the election of a

new chairman by the Republican Party. I wonder what his, the new chairman's, position is on this bill?

At that meeting our colleague from Pennsylvania [Mr. HUGH D. SCOTT, Jr.], former national chairman, is quoted in the press as saying:

> Unless we search our souls and stand very clearly in the public mind for things which people instinctively feel are good for them, no amount of well financed public relations will make up for the lack of such a public policy.

Let us all, Democrats and Republicans, "search our souls" and ask ourselves and answer the question: "Is 75 cents an hour too much to pay to persons covered by the wage-and-hour law?"

This bill affords to workers covered the minimum of decent legal consideration. That is the least we can and will do if we only "search our souls."

If the Lucas substitute should be adopted, which I doubt, on roll call, it will be interesting to see, as our friend from Pennsylvania [Mr. HUGH D. SCOTT, Jr.] recently said outside of these Halls how many Republicans have searched their souls.

One thing is certain, the American people are watching this legislative battle. They know the Lucas substitute can only be adopted by the great majority of the Republican Members, plus some Democrats voting for it. The American people have not been deceived or fooled in the past by such tactics. Note I said "some Democrats"—not all, naturally. We have great men from all sections of the country.

The American people have not been deceived or fooled in the past by such tactics. The 1948 election is the best evidence of this assertion.

The American people want progressive leadership in Government. They quickly detect and on election day repudiate a party of blind opposition, or a political party that fears making its own record by following the leadership of a member of the other party.

As our friend from Pennsylvania [Mr. HUGH D. SCOTT, Jr.] said, and he is former Republican national chairman, and his statement is significant today, every one of us if we "search our souls" will vote against the Lucas substitute and for the Lesinski bill.

Let us see what the facts are. There are about 22,600,000 persons now subject to the minimum-wage provisions of existing law. Out of this large group about 1,500,000 persons earn less than 75 cents an hour. So, what we are dealing with, those covered by the Lesinski bill, is 1,500,000; not a wage increase to 22,600,000, but 1,500,000, and that is an answer to those who say it would have a serious impact upon our national economy.

H. R. 3190 would have included about 5,000,000 more workers as the result of the changes in its coverage and exemption provisions. Of this 5,000,000 only 900,000 would benefit; this deserving group receiving less than 75 cents per hour.

Under the Lesinski substitute it will be less than 5,000,000, and therefore less than 900,000 newly covered employees who will benefit if this bill is passed. So, under the original House bill as reported by the committee, 2,400,000—1,500,000 under the present law and 900,000 of the 5,000,000 covered by extended coverage—would benefit. It is only that group that receives less than 75 cents an hour; all the others, through collective bargaining and increases given by their employers, receive a rate of 75 cents an hour or more. The Lesinski substitute reduces the number of both groups provided for in H. R. 3190.

Now, another interesting thing. Of the 1,500,000 workers subject to present law and receiving less than 75 cents per hour, about 1,000,000 are employed in manufacturing industries and about 500,000 in nonmanufacturing industries. Even if the original bill is adopted, as I said, only 2,400,000 workers would benefit by the increase, and one-half of them now earning less than 75 cents are being paid between 65 and 75 cents an hour. Under the Lesinski bill it would be less in number. But, of the 1,500,000 now covered under existing law getting less than 75 cents, and of the additional ones to be included, less than 900,000, one-half of them receive from 65 to 70 cents an hour at the present time.

I refer to this for two reasons: First, to show that the passage of the Lesinski substitute does not mean an increase for all workers covered by the present law, 22,600,000, and by his bill; second, more important is the fact, that the wage provisions of the Lucas substitute is an attack on the present wage structure. While I assume he does not intend same, it is, in fact, a wage-cutting bill. That is what the Lucas substitute is. Certainly if anyone is going to vote against the Lesinski bill, he does not want to vote for a wage-cutting bill of present wages that the financially unfortunate workers, the 22,600,000, are presently receiving. Who wants to knowingly vote for a wage-cutting bill, particularly to the fine Americans, but unfortunately financially situated persons covered by the wage-and-hour law or by the provisions of the Lesinski substitute?

Let me state another pertinent fact. The average increase required to increase the wages of these low paid employees to 75 cents per hour, very few of who earn as low as 40 cents per hour, is anywhere from 5 cents to 15 cents per hour. We must remember that we are today considering a bill that relates to and affects low paid employees, but we also must remember they are human beings, just like you and me. What will be the effect of the increase under the Lesinski bill and under existing law to our whole economy if we provide for a 75-cent minimum? That is a pertinent question. It cannot be much more than $400,000,000 annually. Under the original House bill, H. R. 3190, it is estimated at $500,000,000 annually, so it will be less than $500,000,000, and not much more than $400,000,000 annual increase in wages. It would represent a little more than 1 percent of the total wages now paid to the 22,600,000 workers covered by the present law. It is a relatively small increase. A 75-cent maximum would have no harmful effect, in fact it would have a beneficial effect on our economy as a whole.

Let us look at the $400,000,000-plus increase from another angle. Last year there was voluntarily paid a $12,000,000,000 increase in wages and salaries throughout the country. Compare this $400,000,000-plus to be paid to this unfortunate group to the $12,000,000,000 voluntary increase in wages. What kind of effect would that have upon our national economy? It would have a beneficial effect, in my opinion, but certainly it would have no adverse effect. We would simply be doing justice—the first job of government, justice—to a fine class of people, Americans, but again, all human beings. Certainly for anyone to argue that this increase in such a deserving direction would adversely affect our national economy seems to me ridiculous.

Let us, in searching our souls—oh, what beautiful words they are to express, but what meaning there is in them if carried into effect, these words expressed by a colleague of ours, the former chairman of the Republican National Committee—let us in searching our souls examine the bill and its effect from another angle. It is simply extending justice to these workers. It is an attack on economic insecurity in a sound, healthy way. It is strengthening the family life of America, and the family life of those workers means just as much to them as your family life means to you and my family life means to me. The stronger we make the family life of America the stronger we make our Government. When we pass this bill we are not only bringing to these people confidence in the leadership of our Government and in our Government but we are strengthening their family life, and by strengthening their family life we are strengthening American society, we are strengthening our Government, for after all the very basis of our Government and the very basis of our society is the family life. Strong family life, strong government; weak family life, weak government.

Without regard to party, my colleagues, I say, in the words of our friend from Pennsylvania, "Let us search our souls." If you search your soul and vote your soul you will vote against the Lucas bill. No matter what amendments you may vote for in relation to the Lesinski bill, you will vote for a 75-cent minimum wage for the persons covered by the wage-and-hour law.

Mr. McCONNELL. Mr. Chairman, I yield myself 20 minutes.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. BREHM. Mr. Chairman, if I correctly understand the parliamentary situation, the vote on the Lucas substitute will not come until after the Committee has had the opportunity of amending it. Now if the Lucas bill should be amended raising the minimum wage from 65 to 75 cents an hour and also if the formula of basing the rate on a cost-of-living index is removed, then the statement just made by the majority leader the gentleman from Massachusetts [Mr. MCCORMACK] is inaccurate. For instance, the gentleman from Massachusetts just made the assertion that anyone who voted for the

Lucas bill on a roll-call vote would definitely be putting himself on record as being opposed to a 75-cent minimum wage.

Now, Mr. Chairman, my position on this legislation is well known. I have been on public record for quite some time as favoring a 75-cent minimum wage in those industries which are engaged in interstate and foreign commerce. Therefore, assuming that the Lucas bill should be amended as I have indicated and the vote then come on substituting the Lucas bill for the Lesinski bill, the statement made by the gentleman from Massachusetts [Mr. McCORMACK] would, as I have previously stated, not be accurate. I want the record to definitely show this distinction.

There are several provisions contained in the Lucas bill which I prefer over the Lesinski bill. However, I favor that provision of the Lesinski bill which fixes the rate at 75 cents in preference to the Lucas bill which fixes it at 65 cents with future rates being tied to a cost-of-living index. Therefore, my position is quite clear. If the Lucas bill cannot be amended in at least these two specific instances, then I will support the Lesinski bill and attempt to amend it in certain instances. Even if the amendments fail, which I have in mind, I will still vote in favor of final passage, as in my opinion the minimum wage should be increased beyond 40 cents in those industries or businesses engaged in interstate and foreign commerce.

It is my intention at the proper time to offer an amendment to the Lucas substitute in an effort to accomplish the above objectives.

Mr. McCONNELL. Mr. Chairman, I am sorry this issue has to be put in the realm of partisan politics. I do not know of anyone who has searched his heart and soul more than I have over the past 3 years for a correct solution of this problem. First of all there is quite an argument among various people as to the correctness of a minimum wage law—as to whether it is workable in a free economy. Some people believe it should cover every employee in America. There are others who believe it is sound but think there should be many exemptions so that very few will be covered by such a law. Others think we should have a flexible rate while still others say we should have a rigid rate. Frankly, there is a great deal of sincere earnest searching for a correct solution of a difficult problem.

We have heard it said rather jokingly, and I think this expresses the situation as I have discovered it over the past several years—it was said to me in a joking way—"Sam, why do not you make the rate from two to five dollars an hour and then exempt everybody?" That is the attitude I have found frequently. They do not mind higher rates, but then they say, "Exempt certain industries in my locality." For goodness sake, we must play it down the line and be level with everybody, but you just cannot make something that will suit the entire Membership of the House. That is one of the reasons a flexible rate was considered as probably answering the objections of many types of people in their thinking and in their approach to this problem. I will give you a very glaring example. We just heard a speech a few minutes ago on the floor about the desire to help the poor workingman, and yet the present Lesinski bill does what has not been done before, in the Fair Labor Standards Act, and what we are not advocating in the Lucas bill. It exempts large mail-order houses from coverage by the Fair Labor Standards Act. We are not advocating that, but the side which is saying that the soul should be searched, as far as we are concerned, has deliberately exempted the employees of the large mail-order houses from coverage by this act.

Let us consider another matter. It is almost shocking when you hear it. An exception has been put in here particularly for the Louisiana sugar cane processors that would permit them to work their Jamacian workers 80 hours a week, and pay them 40 cents an hour or less. Is that so humane? Let us call these shots where they fall. I tried to be reasonably patient in this, but I do not like to be put in the classification of being inhuman. We are trying to be human. We are trying to protect men not only as to their jobs but also as to the purchasing power of their dollar when they buy the necessities of life.

I think I made this very clear yesterday when I said that if we could find some way of applying the provisions of this act as it was originally intended by Members of Congress, or if we made it applicable to manufacturers, mining, and transportation—those industries in interstate commerce—I would be able to support a 75-cent rate.

We are not cutting wages. To my mind that is the most absurd statement I have heard so far during this debate. We are not cutting wages. We are calling for an increase in the minimum rate at the present time of more than 60 percent. I am not arguing about the correctness of 65 cents as a starting point. I do not know. I am seeking the right level at which to start the flexible rate. I have not even made an effort to force acceptance of a flexible rate during the years. If there is a better answer, let us find it, but there is one thing I shall insist upon, and that is that I shall be credited with sincerity in my approach to this problem.

When I said I would support a higher rate if a bill were applied to interstate commerce, to big business, but did not extend into the various local small businesses of our economy, I was aware of some statements made in prior years, and I would like to bring them to your attention:

When the late President Roosevelt asked Congress to enact the Fair Labor Standards Act, he said it was to protect "those who toil in factories." He further proposed that those in purely local pursuits and services not be covered.

At the joint committee hearings on the act in 1937, Assistant Attorney General Jackson—now Justice Jackson, Secretary of Labor Perkins, and Chairman Black of the Senate Labor Committee—now Justice Black—all emphasized that the bill was directed at producers for interstate commerce—and that it did not attempt to cover purely local pursuits or intrastate service trades. I will repeat, if this act applied only to those originally intended or if it applied only to manufacturing, to mining, and to transportation, I would advocate a higher statutory minimum wage than I now support. It should be clearly understood that the issues involved in this bill are the coverage and overtime provisions, and not the minimum wage rate. The wage rate becomes an important issue only because of the effect it would have on small local businesses which were not intended to be covered in the first place. But congressional intent to leave local business to the protection of the States has not been respected. Gradually and persistently the courts and the Administrator have extended the law's coverage to bring within it many local businesses.

As many of you are aware, the Fair Labor Standards Act is probably the most complicated piece of legislation that this Congress will be asked to consider. Fortunately, there are general areas of agreement as to many parts of the two bills, which we will be asked to consider. Therefore, we can simplify our task to some extent if we confine ourselves to a discussion of the controversial sections of the bills. These issues are the coverage and exemption provisions, the minimum-rate and maximum-hour provisions, and the administration of the act.

I do not have enough time available to do it now but I am hopeful that during the 5-minute debate we shall be able to clarify the various features of the bill that will be before us.

Since the most important issue is the coverage provisions, I shall begin by discussing them.

Late last week a mimeographed summary of the Lesinski bill, H. R. 5856, was delivered to my office. It contained the statement that "all" retail and service establishments are exempt. The word "all" is underlined. This statement is true—as far as it goes. However, the mimeographed summary does not point out that there is a tremendous difference between what we think of as a retail or service establishment and what such terms mean when used in the Lesinski bill.

Now ordinarily, we would not think the employees of a local window cleaning business would be covered by the act. However, the courts have upheld the ruling of the Administrator that employees of such a company who clean windows in buildings where workers produce goods for commerce are covered by the minimum-wage and overtime provisions of the act.

I can cite you other actual court decisions and administrative interpretations of the act which are even more ridiculous. Now you are undoubtedly interested in how the coverage provisions of this act have been allowed to run so far afield from congressional intent. If you will study the definition of the term "produced" contained in section 3 (j) of the Lesinski bill, you will find the answer to your question. "Produced" is defined as any process related—or occupation necessary to the production of

goods for commerce, which is the same language as is found in the Fair Labor Standards Act. The Administrator has ruled that he will interpret the coverage provisions broadly. In his interpretation of the act, the Administrator stated:

> It is evident that, apart from certain specific exemptions enumerated in the statute, Congress intended a very wide application of its regulatory power over interstate commerce.

Just like every river must eventually flow to the sea—so every worker by some stretch of the imagination—is necessary to the production of goods for commerce. Therefore, the language of the act can be stretched to cover millions of additional workers in this country—whenever the Administrator is ready to do so.

Since there is no question that employees of local retailers and intrastate service establishments would be covered unless specifically exempt—it becomes necessary to determine whether they are exempt under the Lesinski bill. The answer depends upon whether such business fits within the narrow definition in the Lesinski bill—and it is impossible to understand the effect of the retail and service definition in the bill unless you know the meaning it has been given under interpretations by the Wage and Hour Administrator.

In order to bring employees of local retail and service establishments under the act, the Administrator has invented a class of businesses designated as nonretail.

To you and me, a nonretail establishment would look like a retail establishment. But that is because we are not acquainted with the nonretail tolerance—which has also been invented by the Administrator. Under the nonretail tolerance, a businessman who would otherwise be thought of as a retailer loses his exemption if more than 25 percent of his dollar volume is derived from nonretail service or selling. This includes:

First. Any sale in quantities larger than ordinarily sold by such establishment.

Second. Certain types of sales at a discount.

Third. Any sales to other businessmen—regardless of quantity sold—if the goods are resold by them.

Fourth. Any sales of goods not ordinarily bought by individuals for their own consumption.

Most retailers make some sales in each one of these categories—but, nevertheless, they are still considered to be retailers by other members of the trade and by the public generally. But if more than 25 percent of his dollar volume is derived from such sales, a businessman loses his status as a retailer under the Lesinski bill. As you can see, it is quite a feat to be considered as a retail or service establishment under the Lesinski bill. Many of this country's small local businesses would not fit within the definition—and these would not be exempt.

After general debate on this matter has closed, it is expected that H. R. 5894—the Lucas bill—will be offered as a substitute to H. R. 5856, the Lesinski bill. It might be well to consider how the Lucas bill treats the coverage of small-business establishments by modifying the definition of the term "produced" in section 3 (j). In the Lucas bill, production of goods for commerce means an activity "closely related or indispensable" to such production. Therefore, employees of certain businesses will no longer be covered by the act simply because their work is but remotely connected with the production of goods for interstate commerce, as is now the case.

In addition to limiting the coverage provision, the Lucas bill establishes a practical test of a "retail and service establishment." While, the Lesinski bill gives an artificial definition as to what constitutes a retail or service establishment—based on arbitrary interpretations of the Administrator—the Lucas bill exempts all retail and service establishments which are recognized as such in their particular industry, and do not derive more than 25 percent of their dollar volume from sales for resale, as resale is defined in the bill.

The Lucas bill also exempts laundries which do not derive more than 25 percent of their dollar volume from customers in mining, manufacturing, transportation, or communications business. It also provides that local retail and service establishments shall not lose their exemption simply because they process the things they sell. This provision exempts drug stores where prescriptions are made, small bakeries, tailor shops, and other businesses which do some work on the goods they sell. These could be covered—in whole or in part—by the Lesinski bill.

As I have said, it is important to consider that small businesses in all sections of the country will be affected by the minimum-wage rate. However, this far-flung coverage of the act is even more important in regard to its overtime requirements than in its minimum-wage provisions. At present almost every business, large or small, is paying its employees more than the statutory minimum of 40 cents. They have to, in order to get the kind of employees they want. It is the overtime provisions that hurt these employers—especially in small towns serving a rural area where working hours must be adjusted to the convenience of customers. In such cases the stretched coverage of this act affects the employer even if he is paying his employee $60 a week—because he is required to pay time and a half for overtime work which is necessary. It is important to remember this fact—that the humanitarian appeal for a minimum wage will apply only to a few fringe workers—but the overtime requirements will force many employers to pay certain employees as much as $7 to $10 an hour, and even more. That is the real danger of letting the coverage provisions of the act get completely out of control.

I shall not use this time to discuss the argument for and against a minimum-wage law. The common purpose of a minimum-wage law is to prevent the payment of unduly low wages—or oppressive wages. This law is not concerned with regulating wages among all levels of workers, but only with eliminating the particular cases where they are below a minimum standard—such as sweatshops and the exploitation of certain types of workers. Its function is not to affect all wage earners, but merely to protect certain individuals at the lowest fringe of the labor force.

Today we are to consider the problems to be encountered in determining a correct minimum-wage figure; whether it should be a rigid 75-cent rate or a flexible one based on the cost of living. An example of the defect in a rigid minimum-wage rate is the present law, which has not been changed to reflect the fluctuation upward in the cost of living. Every time there is a marked change in the cost of living pressure is put on Congress both for and against changes in the rate. All of this would have been eliminated if the minimum wage would have been automatically adjusted each year to the changes in the cost of living—similar to the provisions of the Lucas bill.

Many qualified persons are divided in their opinion concerning future economic changes in this country. During such an uncertain period, there is an understandable caution in the fixing of a rigid minimum rate at any figure. If the inflationary cycle resumes its upward march, Congress may be fixing too low a rate. If a sharp readjustment occurs in the economic structure, then there is an inherent danger of setting too high a figure—dangerous to employee and employer alike. With the objective in mind of protecting the relative purchasing power of the marginal worker and with a desire to act in an equitable and just manner, it seems sensible and sound to adopt an automatically adjustable rate at this time.

The advantages of such a provision are, I hope, too obvious to need extensive exposition. Clearly, since the basic purpose of a statutory minimum wage is to assure a worker a certain minimum purchasing power, the only means by which this can be assured is not by just giving him so many cents an hour, but only through tying what he gets in wages with the prices he has to pay for what he buys. The best measure of such prices for this purpose is the BLS cost-of-living index.

I am not going on with this at the present time because when the amendment is introduced under the 5-minute rule the various provisions will be clearly explained. But I would like to make this last-minute appeal to you, then I shall yield. No matter how you feel about the minimum-rate provision—whether it should be fixed, whether it should be flexible, whether it should be higher than 65 cents, or whatever it should be—fundamentally, if you really want clarification for the small-business establishments of this country so that they will not be forced either to go out of business or lay off some of their workers if you want that, then the Lucas bill by all means over the Lesinski bill.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Kentucky.

Mr. PERKINS. Going back to the retail provision that the gentleman just

discussed, I believe that on page 28 of the Lucas bill under exemptions it is provided that any employee employed by any retail or service establishment, more than 50 percent of which establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located, is exempted. Now, that is the exemption provided in the Lucas bill, so far as retail and service establishments are concerned?

Mr. McCONNELL. We did not exempt the large mail-order houses.

Mr. PERKINS. Let us take a man engaged in the retail business near a State line. Under the Lucas bill, if it is established that he does more than 50 percent of his business across the border—in other words, interstate—then under the Lucas bill he is covered?

Mr. McCONNELL. That is quite correct. No serious objection has come from the retail and service establishments on that. If more than 50 percent of their business is interstate, they expect to come under the act.

Mr. PERKINS. Under the Lesinski bill, the illustration I just gave would not be covered. In the event he was doing more than 50 percent of his business interstate, he would not be covered?

Mr. McCONNELL. Under the Lesinski bill?

Mr. PERKINS. If he was doing 75 percent of his business interstate he would not be covered?

Mr. McCONNELL. There is no test in the Lesinski bill so far as interstate and intrastate business is concerned.

Mr. PERKINS. Under the Lesinski bill he is completely exempted, regardless of the interstate or intrastate character of his business, am I correct? That is, referring to retail and service establishments.

Mr. McCONNELL. In other words, according to the Lesinski bill all types of business, retail or service, large or small, are exempt from coverage so far as an interstate and intrastate test is concerned. That is true.

I presume what the gentleman is trying to make out is that this is objectionable to the retail and service establishments. They are not seeking to eliminate the intrastate qualification section of the present Fair Labor Standards Act as it refers to retail or service establishment exemption, and they are not making their fight on that proposition. The real fight is on the arbitrary ruling of the Administrator, whereby a certain type of selling or servicing is designated as nonretail. We have had a stream of small-business people, retail and service people, coal dealers, barber shops, laundries, bakers, retail establishments of various other descriptions, all disturbed because they are uncertain whether they are covered under the act. They do not do an interstate business. They are not arguing that. The matter they are arguing is whether they are classified as retailer or nonretailer under the act.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Iowa.

Mr. JENSEN. In the building-material industry without a doubt more than 25 percent of the business is done on a big scale, that is, they sell big bills. Now, then, under the Lesinskil bill, are they considered nonretail?

Mr. McCONNELL. They are considered nonretail under the Lesinski bill on account of the quantity and the resale provisions. Much of their business, as the gentleman says, is big business.

Mr. JENSEN. Does the Lucas bill take care of that?

Mr. McCONNELL. Yes; to the satisfaction of the retail-lumber dealer.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Michigan.

Mr. LESINSKI. I understand it is a question of who has the right to promulgate the rules, and everybody knows that the Administrator has not got those rights. Is it not proper that we should have some department that would have the right to promulgate rules?

Mr. McCONNELL. I would like to state that I object to the rule-making power in the Lesinski bill which would have applied to it criminal penalties, and so forth. I would object to that, but I am not even addressing myself to that problem. I am addressing myself to the twisted phraseology and the twisted meaning that the Administrator has put on the Fair Labor Standards Act. Even if you give him rule-making power, you have to be sure how he is going to interpret the rules, and I know and you know how he has interpreted them in the past, and we also know that the courts follow the rulings of the Administrator to a marked degree.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. KARSTEN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Chairman, legislation to broaden the Fair Labor Standards Act and to increase the minimum-wage rate is long overdue. The original law providing for a minimum wage of 40 cents per hour was passed over a decade ago. There have been practically no changes in the law since that time, except of a minor nature, and the law is badly out of date.

The committee bill, H. R. 5856, provides for a 75-cent-minimum-wage rate, thus bringing up to date the long outmoded 40-cent minimum wage rate established in 1938. It also provides for broader child-labor coverage and takes some forward steps in connection with the act's exemption provisions. Certainly this bill represents the minimum improvement of the act that can be supported by proponents of minimum fair labor standards.

The history of legislation of this type shows that it must be improved as we continue to progress. I was here when the original law was passed and I recall that many, at that time, opposed it. Some said then that business could not stand such a law and that it would drive many industries out of business. Despite the dire predictions since the passage of the act, American industry and business is in a much better financial condition today than it was at the time of the passage of the original law. Profits are at record levels and business in general is enjoying the greatest prosperity in the history of our country.

This bill will help business and industry which must depend upon the workers to purchase the products they manufacture. It is a sort of insurance of future purchasing power and a 75-cent-minimum wage will stabilize our economy at a much higher level than the original legislation.

It is a shocking thing to know that there are today thousands of persons employed in the United States at wages of less than 40 cents an hour. On the basis of 40 hours' employment, their income is $16 a week. These deplorable conditions exist all over the country including my own State and I am anxious to see them corrected.

The 75-cent minimum wage provision of this bill has no strings attached in the form of so-called cost-of-living ties. This is the rate which has long been widely recognized as a fair and practicable minimum wage rate. Approval of this rate was a major plank of the 1948 Democratic platform, and a campaign commitment of many members of the Republican Party. Adoption of any lower rate would represent gross injustice to the less fortunate workers, condemning them to support their families on incomes of less than $1,500 a year.

This bill will not make the Fair Labor Standards Act a perfect instrument for maintaining decent minimum living standards. The measure does broaden the coverage of the law, but I would like to see legislation passed that would further extend this coverage. The bill represents fair progress and while I would like to see the legislation go further than it does, I am going to support the measure.

Mr. RODINO. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Chairman, I shall vote for the 75-cent-minimum-wage bill because I believe elementary social justice requires this. Indeed it is incomprehensible to me that we as a Nation have delayed for so long in overhauling the Fair Labor Standards Act and in bringing it up to present-day standards. It is my conviction that no employer whose operations are within the scope of Federal legislation should be permitted to pay workers less than a subsistence wage. This is both sound ethics and sound economics. The employer who persists in paying substandard wages is forcing the community to bear a cost of what should properly be his basic cost of production. No human being can support himself or herself and maintain sound health and live under decent conditions at a wage of less than 75 cents an hour. Therefore, the worker who receives less than this amount must obtain

some subsidy from charity, from relative, or from some other source. Sweatshop wages are at the root of many of the social ills which local, State, and Federal governments must spend millions annually to correct or alleviate.

Although my advocacy of the 75-cent statutory wage and extended coverage of the Fair Labor Standards Act is based primarily on humanitarian grounds, the practical arguments for this long overdue legislation are equally compelling. The statistics regarding average wages paid to workers in industry make it abundantly clear that only a very small group of employers are paying less than 75 cents today. It is clear, therefore, that the fair employer, the concern that pays decent wages and wishes to continue to do so, is jeopardized by those who pay substandard wages. In a period when unemployment is increasing in certain areas of our economy the competitive situation again becomes acute. If the rate is raised to at least 75 cents, the competitive struggle will not be waged at the expense of the basic living standards of the working people in these concerns. The fair employer will have some measure of protection against the unfair concern.

Let me cite for a moment two situations from my own district which will illustrate my general contention. For many years the oldest and largest thread company in this country operated in Newark, employing over 1,100 people. The concern, although nonunion, paid the going wages in the northern section of the cotton-textile industry. Certainly its wages were well above those that would be required if the present legislation becomes law. About a year ago this concern closed down its Newark mill and moved to Georgia. It made no secret of the fact that it did so that it could pay the lower wages prevailing in that section of the South. I am informed that this mill now pays rates from 20 to 30 percent less than it was obligated to pay in the North.

Enactment of the pending legislation would not require a manufacturer to pay the identical wages in the South that are paid in the North. What the law would do, however, would be to substantially narrow the wide wage differentials that have existed between various sections of the country. The practical effect of narrowing this competitive gap would be to slow up at least the migration of old-established plants from high-wage sections to low-wage areas. If a manufacturer can legitimately achieve lower costs in one place as against another without taking unfair advantage of his workers no one can object to that type of migration. But as a practical matter we know that in the consumer-goods industries at least that there will be far less shifting about of established plants when this Congress enacts a statutory wage of 75 cents per hour. This proposed legal minimum is fairly close to the minimum which most of these industries, which tend to migrate, now voluntarily pay.

I am not arguing against the establishment of new industries in the underindustrialized sections of our country. What I am arguing for are proper safeguards which will protect established communities but which will at the same time protect inexperienced workers in places where hitherto there has been little industrial employment. This would be the effect of a sound national minimum wage such as provided in the bill now before you.

Let me refer to another case of a textile mill which left my district about a year ago. One of the oldest woolen mills in the United States, employing about 800 workers closed its doors and went out of business. Those who know most about why this company took this action are convinced the reason was that this employer found it difficult to compete under present conditions in his industry. Woolen mills are now opening up in the South, I am informed, and are paying rates far below the established rates in the North. No one in his right mind will say to any manufacturer "You cannot move wherever you please"; nor would anyone in his right mind argue that woolen mills cannot operate successfully in the South. What I am arguing for is a code of fair competition. The Government should set up certain standards which would permit private industry to exercise every bit of ingenuity, skill, and enterprise possible. But there should be a definite floor under wages below which no one can cut. The clever employer can always succeed without taking advantage of his workers. The unfair employer will be prevented from going to such lengths in his treatment of labor that both the individuals concerned and the economy as a whole will suffer. I insist that far fewer plants will close down in the North if a fair and reasonable minimum wage law is speedily written into law. Nor will this law in any way limit the expansion of any legitimate industry which wants to build new plants or go into new territory.

Finally let me mention that in my district there are thousands of veterans of both world wars. I am in close contact with these men and their families. A large proportion of these ex-GI's had no real trade before they went into the Army and some of them were either unable to get training after they were discharged or did not see the necessity for such preparation. The result is that a great many of these veterans are today working at very low wage jobs. Many of them have been forced to take employment in what can only be called sweat shops. While my district is no worse than any other and is better than most in this respect, there are in every industrial center some very low-wage concerns right next to places that pay standard rates. Do not run away with the idea that low wages are only found in rural areas or in the southern part of this country. Unfortunately all of us have some small pockets of disgracefully bad wages in our own back yards. I have been made especially conscious of this fact through my work with the veterans. I have found hundreds of these fine young chaps now obliged to work at jobs which pay very much less than a living wage. Many of these men who risked their lives for their country are now trying to exist at jobs paying less than 75-cents an hour. As of June 30, 1949, the New Jersey State Employment Service reports approximately 10,034 unemployed veterans in my district. This is in part due to the shifting industry from the North to the South. I say this is a shame and a disgrace and that we must put an end to such conditions as quickly as we can reach a vote on this bill and as quickly as it can finally be enacted into law.

Mr. DOLLINGER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOLLINGER. Mr. Chairman, this Congress now has the responsibility of deciding whether or not American workers will receive wages which will adequately pay them for their labors and enable them to meet at least the minimum costs of food, housing, clothing, and health. It is not conceivable that anyone would wish to deny workers just returns for their efforts—and it is our duty to help them achieve decent standards of living.

Many bills to amend the Fair Labor Standards Act of 1938 were introduced and considered by the Committee on Education and Labor. Taking living costs into consideration, I introduced H. R. 1352 on January 13, 1949, providing for a $1 minimum hourly wage. This wage, in my opinion, is still not adequate.

H. R. 5856, now before us, although a compromise, is a step in the right direction, and I shall support it, inasmuch as it is the best bill that we could get action on at this time. The bill provides for a minimum wage of 75 cents an hour. The Members of this House need not be reminded of the high cost of living at present, and it must be conceded that it is not possible to supply a family on less than that sum. This would provide only the necessities of life—not luxuries. Those who receive less must do without proper foods and necessary medical care for themselves and their children.

Various budgets prepared by our governmental departments show the need for a minimum of at least 75 cents per hour—and in fact, the cost of a minimum health and household budget is far in excess of this sum.

We know, of course, that if the purchasing power of the worker is not maintained, business will suffer. If wages are kept up, purchasing power will be kept up—there will be money to buy what is produced, and production can continue. I repeat, a minimum wage of at least 75 cents is necessary for our workers at this time. They cannot exist decently on less, and to provide for less would be a betrayal of the working people of America.

While we are on the subject of assisting workers, we must not forget our faithful postal workers and Federal employees. We can hardly insist that private industry meet its obligations without recognizing our own. It is my hope that we will soon have the opportunity to take care of these loyal employees.

The bill now before us would provide protection to a great percentage of the

hundreds of thousands of workers not now protected by our fair labor standards laws. It would bring hundreds of thousands more under the protection of the overtime provisions. Our children are further protected under the child labor provisions of the bill. If we are to lay a firm foundation for the future of this Nation, we must see to it that our children are not exploited, but are given the opportunities of education and normal childhood—the birthright of every American.

This House should pass H. R. 5856 without delay and without compromise. However, I serve notice now that the passage of this bill will not solve our problem, and I shall continue to fight for the passage of my bill, which provides for a minimum wage of $1 per hour. We must raise the living standards of workers in this country and this cannot be done unless workers are paid a fair return for their labors.

Mr. BARRETT of Pennsylvania. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT of Pennsylvania. Mr. Chairman, although several Members have already outlined in detail the background and coverage of H. R. 5856, there are still many persons who are opposing this measure on the theory of minimum wage legislation. The arguments being given against a 75-cent minimum wage today are practically identical with those given by the opponents of a 40-cent minimum wage in 1938. The intervening years have proved that the establishment of a minimum wage did not cause unemployment and did not wreck American industry, as predicted by the opponents. After considering the number of workers who are already above the 75-cent minimum proposed by H. R. 5856 and the number of persons who are exempt from its coverage, there are only approximately one and a half million workers who will be affected by this legislation.

To me it seems superfluous to debate the need for a 75-cent minimum wage and to point out the inadequacies of the present 40-cent minimum. I think it would be more in accordance with existing economic conditions in the country to be considering a dollar per hour minimum wage. The increase in the cost of living since 1938, which is currently given as 119 percent, is sufficient evidence of the need for an increased minimum wage. But there are other facts which, when taken into consideration, make one realize the need for a higher minimum wage than proposed here today and which make it difficult to understand the opposition to a figure of 75 cents.

The proposed 75-cent minimum amounts to a weekly income of $30 per 40-hour week before social security and other pay-roll deductions are made. The take-home pay of an individual with a $30 weekly salary often represents the sole income for a family of four or five or more. There is also the fact to be considered that a large number of persons falling within this low-income category do not work a full 40-hour week. Aside from being deprived of many of the things which we have come to regard as the necessities of life, these people are unable to afford proper medical care and the education of their children is neglected, both of which are so essential to the future of the community and the Nation. A rise in their income will result in improvement of their personal welfare and a more contented outlook on life, which will diminish whatever possibilities there might be of their weakening to the propaganda against our form of government.

In the absence of an opportunity to vote in favor of a dollar an hour minimum wage, and in the interest of those persons whose living conditions are pitifully substandard, I consider it my obligation to urge enactment of H. R. 5856. Such progressive legislation is in keeping with the progress and development of our great Nation.

Mr. GRANAHAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GRANAHAN. Mr. Chairman, I favor the passage of H. R. 5856, the new Lesinski bill to amend the Fair Labor Standards Act. It is not as liberal as H. R. 3190, the bill originally reported by the Committee on Education and Labor.

This substitute measure is not wholly satisfactory to the friends of labor. It is relatively a moderate measure, but it is probably the best we can hope to get at this time. Certainly, however, we cannot accept anything less than this, which is, in effect, a compromise bill—and we should certainly not adjourn this session of Congress without passing this bill.

The opposition to increasing the minimum-wage provisions of the Fair Labor Standards Act and to extending its coverage comes from the same sources which fought the housing bill, which fought extension of rent control, and which has opposed every program for the progress and welfare of the average citizen.

It might be well to recall the origins of this legislation. In his message to Congress on May 24, 1937, President Franklin D. Roosevelt called for action to establish minimum wages and maximum hours. He said:

> The time has arrived for us to take further action to extend the frontiers of social progress. Our Nation, so richly endowed with natural resources and with a capable and industrious population, should be able to devise ways and means of insuring to all our able-bodied working men and women a fair day's pay for a fair day's work. A self-supporting and self-respecting democracy can plead no justification for the existence of child labor, no economic reason for chiseling workers' wages or stretching workers' hours.

The result was the Fair Labor Standards Act of 1938, establishing a minimum straight-time hourly rate of 40 cents for all workers, requiring the payment of time-and-a-half for all hours over 40 a week, outlawing all "oppressive" child labor, and industrial homework in most of the industries in which sweatshop methods had prevailed.

Passage of this act was bitterly opposed by the Republicans in both Houses of Congress, but it was put through and 20,000,000 workers were brought under its provisions.

But the 40-cent minimum is today, and has been for some time, a vestige of the past. Efforts to increase it have been under way since 1944.

President Harry S. Truman in his comprehensive postwar policy message of September 6, 1945, called upon the Congress to amend the act, saying:

> I believe that the goal of a 40-cent minimum was inadequate when established. It has now become obsolete. Increase in the cost of living since 1938 and changes in our national wage structure require an immediate and substantial upward revision of this minimum.

President Truman called also for the extension of the act to give wider coverage. But there was no action. Again, in his state of the Union message, of January 14, 1946, the President expressed his support for this legislation, declaring:

> Lifting the basic minimum wage is necessary, it is justified as a matter of simple equity to the workers, and it will prove not only feasible but also directly beneficial to the Nation's employers.

The issue came to a vote in the Senate in April 1946, but was confused by an amendment to include the cost of farm labor in the parity formula for the calculation of farm support prices. In the House no action was taken.

President Truman has continued ever since to press for an increase in the minimum wage—in his state of the Union message in 1947, in his message approving the Portal-to-Portal Act in May of that year, and again in his state of the Union message last year, and still again this year following his election to a full term of office.

By the majority vote which put President Truman in office and restored Democratic majorities to both branches of the Congress, the people of the United States plainly indicated that approval of the program which calls for this reform.

Let us perform our duty and pass this bill.

Mr. LUCAS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LUCAS. Mr. Chairman, my amendment has been attacked on two grounds. First, it is said that the amendment expands the present retail and service establishment exemption, thus depriving many employees of the act's protection. The number so deprived is estimated by the Administrator to be about 50,000 employees. The Administrator gives no basis for this estimate however, and in fact admits that it is impossible to make such an estimate with any degree of accuracy.

The Administrator concedes in his 1948 annual report to Congress that the Supreme Court's decisions have virtually

destroyed the exemption for all retail and service establishments located in the rural communities and selling and serving farmers. He further concedes that such decisions cast considerable doubt upon the application of the exemption to any retail or service establishment, wherever located, making some sales to business users. Since practically every retail or service establishment makes some such sales, this means that the status of all retail and service establishments is doubtful under the present exemption. My amendment clears up that doubt by exempting the establishments which are traditionally regarded as retail. It is only in the sense that it clarifies such doubt that my amendment can be regarded as expanding the present exemption. But in a real sense it is not expanding the exemption at all but simply confirming it for those establishments which the Congress always intended to exempt. The contrary view must assume that in granting the retail and service establishment exemption, Congress intended to reject what is traditionally recognized as a retail sale or service in an industry and to adopt an arbitrary concept of what is retailing or servicing.

The other charge against my amendment has been that it would make the exemption difficult, if not impossible, to apply, because years of litigation would be required to ascertain what is recognized as a retail sale in various industries. This charge is completely baseless. The Administrator, through his 11 years of administration of the existing law, has come to know quite well what sales and services are recognized as retail in each particular industry. Moreover each industry knows also what such sales and services are. Only in the rare instance where the Administrator and industry disagreed on this matter would a court test be required. In any event, no enforcement burden is placed upon the Administrator. The employer claiming exemption would have the burden of proving that at least 75 percent of his sales are recognized as retail in his industry. The problem is the employer's and not the Administrator's. The latter, therefore, is in no position to complain about the difficulty of establishing whether particular sales are recognized in the industry as retail.

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KELLEY].

Mr. BEALL. Mr. Chairman, will the gentleman yield?

Mr. KELLEY. I yield to the gentleman from Maryland.

Mr. BEALL. Is it the gentleman's understanding that restaurants and laundries doing a retail business are exempt under the bill?

Mr. KELLEY. That is my understanding.

Mr. Chairman, one cannot approach a discussion or amendment to the Fair Labor Standards Act without thinking of the former chairman of the House Labor Committee, the gentlewoman from New Jersey [Mrs. NORTON]. It was she who sponsored and piloted the original bill through the House under very severe difficulties. I wish to say for my part that it is a great tribute to her, and she deserves the gratitude of all those 22,000,000 people she so valiantly assisted.

I am opposed to any reduction below the 75-cent minimum. It is not a question of examining your consciences to see whether the 75 cents is too much; it is a question of examining your consciences to see whether the 75 cents an hour is enough. I am satisfied that if you proceed on that basis you cannot help but come to the conclusion that the 75-cents-an-hour minimum is still too low.

I regret very much that the substitute Lesinski bill, H. R. 5856, does not carry as much coverage as the original bill, H. R. 3190. What is needed is further coverage, just as much as an increase in the minimum rate. However, as the gentleman from Pennsylvania preceding me said, there were so many requests for exemptions from the various districts and areas of the United States that the committee was plagued with requests for exemptions. It occurred to me as a member of that committee that everyone was satisfied to have the minimum wage apply to everyone else except themselves. They wanted to be exempted. If we exempt everyone who applied for an exemption, I am afraid we would not have much of a bill left.

I want to urge immediate enactment of the Lesinski bill, H. R. 5856, but I want to talk particularly about the raising of the minimum wage to 75 cents which, to me, is the most important part of the whole bill. Eleven years ago we passed the Fair Labor Standards Act of 1938. Under that law employers of any employees who are engaged in commerce or in the production of goods for commerce are required to pay those employee not less than 40 cents an hour. That was the law we passed in 1938. We have had a war since then. We have a war inflation and a postwar inflation. The cost of living has gone way up. The cost of food has more than doubled. A man trying to support himself and his family on wages of less than 75 cents an hour spends a much bigger share of his take-home pay on food than does the high-paid worker. Everyone knows how present-day prices hit the low-paid worker. Back in 1938 you could still get some cuts of meat for less than 20 cents a pound. You cannot touch them for less than 50 cents a pound now. With all of this, the minimum in the law is still 40 cents.

Nobody who was in favor of establishing a decent minimum fair labor standards in a Federal law when it was being debated in 1938 thought that 40 cents an hour would provide luxury, or comfort, or even a decent minimum standard of living for an American worker. We thought we should at least give him that much rock-bottom protection. The law is still on the books, but it gives him no protection whatever now, and it will not give him any protection unless it is changed to say that his employer must pay him not less than 75 cents an hour. All that this will do is to give him back about the same kind of protection he had before. He needs this protection desperately and we must not allow any complicated arguments to stand in the way of that basic human fact.

I agree with the general economic argument that we need a 75-cent minimum to protect the wage structure against a downward spiral of wage cutting such as we saw in this country back in 1932. We need the 75-cent minimum to help keep the income of this country at a high enough level to meet the expenses we have in these troubled times to make sure that this country can be defended in case the trouble gets worse. I will leave it to others to discuss these important economic questions. What I am talking about now and what I keep thinking about is the million and a half workers who are supposedly protected by a Federal law setting up a decent minimum fair labor standards, and who are today getting less than 75 cents an hour.

I want no one to overlook the real human need that this represents. I want no one to think that it is a problem for someone else but not for him. I want no one to think that such shamefully low wages are paid only to office boys. These million and a half workers work and try to live in big cities as well as in small towns. Workers who are covered by law and are now getting less than 75 cents an hour are trying to make ends meet in Birmingham and in Chicago; yes, even in Philadelphia and Pittsburgh. As to the office-boy argument, let us get rid of that once and for all. There are not that many office boys. Hundreds of thousands of workers getting these shockingly low wages are married men trying to support families on what they earn.

We should have raised the minimum wage in the Fair Labor Standards Act long ago. We did not. We had better do it now. When three or four million people looking for jobs start bidding for those job wages go down. I wouldn't want anything to add more workers and more American families to the million and a half who are now so grossly underpaid. Instead we should right now see to it that all of these million and a half workers get their wages raised to 75 cents an hour, and we must do it by putting it in the law, so that their wage cannot be cut.

The minimum has long since been obsolete. Simple economic justice requires that it be raised and that it be raised very promptly. I have great hopes that the House of Representatives will pass this week a bill which will raise this minimum and otherwise improve the act.

There are two major bills before the House in its debate. One of these, introduced by the chairman of the House Education and Labor Committee, will raise the minimum to 75 cents an hour. That minimum will do little more than adjust for the increases in the cost of living since the act was originally passed, considering that costs have risen more for the low-paid workers. Even so, a million and a half workers at the bottom of the wage ladder of workers covered by the act will benefit from this modest minimum, this long overdue minimum of 75 cents which will again put meaning

into the purpose of the act: "the maintenance of the minimum standard of living necessary for health, efficiency and general well-being of workers." In the weeks of testimony before the committee, no single witness asserted that a lower minimum would be adequate for these purposes, and there was a great deal of data showing that even 75 cents was all too low.

There is an opposition bill introduced by Representative WINGATE H. LUCAS, of Texas, which would merely raise the minimum of 65 cents an hour, less than the rise in the cost of living to moderate-income families in large cities would require, and even more woefully inadequate for the changes in living costs of the low-paid workers. This proposal, I might add, is no higher than the Senate voted in 1946, it is the same as the House Labor Committee voted to report out in the spring of 1946. Since that time, the cost of living has increased by almost one-third, but the Lucas bill gives no consideration to this important fact.

As a result, the Lucas bill would benefit less than half a million workers, and these very little, since the workers who get less than 65 cents an hour generally earn just below that figure. This is the contrast I want you to understand. The House this week will either support the Lesinski bill with a 75-cent minimum directly benefiting a million and a half workers, and indirectly benefiting other workers by placing a realistic floor under wages. Or it will support the Lucas substitute, a poor substitute, which will hardly help anybody, which has a 65-cent minimum set at a figure too low to prevent a disastrous beginning to a cycle of wage and price cutting should depression set in. Even that low minimum, I might add, is not a firm, solid floor, but a rubber floor, which would sag with every drop in the cost of living.

Even this is not the whole story. By chipping here, and by gouging there, the Lucas bill would deprive the benefits of the act to more than a million workers now covered by its provisions. By contrast, the Lesinski Act would extend the protection of the act's minimum-wage provisions to more than a hundred thousand workers not now covered, and would give overtime protection to about 700,000 more workers.

Unfortunately, I do not have time to go into detail concerning the many other ways in which the Lesinski bill is a better bill than the Lucas bill, but I do want to mention a few. The Lucas bill gives many new protections to the chiseling employer, while the Lesinski bill would strengthen the administration of the act, by making it possible for both employers and employees to know exactly where they stand and by assuring that wages Congress intends should be paid shall in fact be paid to workers protected by the act.

The Lesinski bill is the better bill for protecting children from oppressive child labor. It is the better bill in protecting the overtime standards. And above all, to return to my first point, it is by far the better bill in establishing a decent, realistic floor under wages, which will directly benefit many workers and will help all of us by stabilizing our economy.

Mr. McCONNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, it may seem peculiar that one who comes from an agricultural State would have the temerity to ask for time to speak on this bill. May I call your attention to the fact that out in Wisconsin there is a lot of this New Deal stuff which does not mean very much to us because, if you will look up the record you will see that we had unemployment insurance and other labor legislation passed long before anyone ever heard about it here.

The reason I ask for this time is to say that I hope we pass a bill this time so that when a Member of Congress writes to the Department to find out who is covered and who is not covered he will be able to find out. That is something I have been unable to find out in the 10 years that I have been a Member of Congress. That situation obtains in most cases.

Last week I was very much distressed to see my colleagues who are particularly interested in minimum-wage legislation vote against the Gore bill. The Gore bill provides a 50–60-cents-per-hour labor return to the producers of foods and fibers in our country. This is a 19-year study and you can find it in the Appendix of the June 8 RECORD. This study indicates a 50–60-cents-an-hour labor return. The exact hourly return depends on the weather and a number of other factors. But over these 19 years it provides the producer an average of between 50 and 60 cents an hour for labor. I could not understand why so many people were opposed to the farmers getting that much for producing the food and fiber for this Nation.

Let us stop and look at the year 1939. That is the seventh year of the more abundant life. The figures show for different types of farms—16 cents an hour, 14 cents an hour, 32 cents an hour, 18 cents, 17, 17, 30, 21, 22, 7, 35, 25, 24, 21, and 21. Now, that is what happened in the seventh year of the more abundant life, so far as the labor returns to the farmers of this country are concerned. There is not anyone who can dispute that fact because these figures are from the BAE and this is their study. If there is anybody who believes that 90 percent of parity gives the farmers any more than 50 to 60 cents an hour, I can tell him a good way to prove it to himself. Just go out and buy a farm, pay 50 cents an hour and then sell your product for 90 percent of parity and see how you come out at the end of the year. If you study this Dr. Wiley report you will note that the labor return was over $4 in the Southwest in 1948. But you must remember that wheat was more than parity and the crop was above normal. That is No. 1.

No. 2: I have heard much talk around here in the past few days about the State of Louisiana. I have heard folks saying how we bad Republicans—black Republicans—are against all these things. I just wonder how many people ever checked up and found out that we already have a law which gives the Secretary of Agriculture the authority to fix a minimum wage in one part of American agriculture. Did you know that? Pretty nearly everyone here voted for it, too, and that is the sad part of it, because that is what you voted for in the Sugar Act. What does the Sugar Act provide? The Sugar Act provides that the Secretary of Agriculture—now, remember, this is not some black Republican who cuts the ears off little children and does a lot of bad things—this is a member of the President's Cabinet—then has the authority to fix minimum wages. The Sugar Act provides that the Secretary of Agriculture has carte blanche authority under the law to fix this minimum wage.

So when they tell you that the sugar people in the State of Louisiana is able to get out from under the Lesinski bill they are not giving you all the facts, because the facts are that they are already out from under it because the Secretary of Agriculture, having this carte blanche authority provided in the Sugar Act, said that the minimum wage for Louisiana should be set at 32 cents an hour to 39 cents an hour. Everyone knows about these DP's. They had about 300 of them, and half of them have evaporated; they cannot find them. They heard about what wonderful opportunities they were going to have in the United States and when they got down in the sugar fields they did not like it, so they just disappeared. I do not know whether they have found them yet or not.

The Secretary of Agriculture, a member of the President's Cabinet, the party who speak so often of minimum-wage legislation, also goes down to Florida and gives them 45 cents an hour minimum wage. The question is, If a member of President's Cabinet has authority to say what the minimum wage should be, why did they not make it 75 cents an hour? It is a little better than 75 cents an hour in the Hawaiian Islands. Out in California and Colorado it is 60 and 65 cents an hour. Sugar from California and Colorado must be just as sweet as sugar from the 25-to-45-cent-per-hour area.

I am just talking about the field work. I am not talking about the folks in the factories. So the question is, Here is a member of the President's Cabinet, not any black Republican that cuts off children's ears, but here they are, with carte blanche authority, and they go down to Puerto Rico, and what do they do? They figure that 29 cents an hour is enough for the Puerto Ricans.

Is that how much they are interested today in minimum wages? I hope not.

Then they go to the Virgin Islands and they figure that Puerto Rico's 29 cents is too much and they give them 25 cents an hour. It is in the official letter in the May 20, 1949, RECORD.

So I do not want to be kidded too much in connection with this wage-hour legislation.

I happen to come from a State where labor has had recognition for years and years. The labor legislation in Wisconsin was enacted under Republican administrations, too. Occasionally some outside fellow comes in and tells us how bad we Republicans are, but we do not find all these controversies that you have.

Our State is pretty well divided industrially and agriculturally, as far as business is concerned. In that State you do not find anybody who is antilabor in any political office that stays there very long. You will say probably that one reason is because the State's economy is based on the dairy industry. Anyone knows that if you are going to buy dairy products you have to have good wages or you will not be able to buy them. That may be one of the reasons why fundamentally you will find Wisconsin right out in front. If forward-looking laws do not work out satisfactorily, we get rid of them. We even had an OPA in 1930. Probably that is one reason why we did not like it in 1940. We put people in jail because they sold too much milk for the money. It did not take them very long to get rid of that law and they did not think much of the OPA in the forties either.

If this minimum-wage legislation is a good piece of legislation, I would like to know why there is not more people blanketed under it. Our colleague, the gentleman from Texas [Mr. BECKWORTH] made a fine contribution the other day. He did not get a very good reception on the floor, but if something is not done in connection with a minimum wage for labor as it relates to agriculture, you will find that in a few years' time we are going to have a few hundred wheat growers in the United States and a few hundred cotton growers in the United States, and so on down the line. One wheat grower produces 500,000 to 600,000 bushels a year and he had already had a subsidy of over $250,000. The gentleman from Texas [Mr. BECKWORTH] wanted to put in an amendment to let the little fellow raise four bales of cotton. He did not get much support on that. But stop and think about it. If we do not provide some kind of a program to give the little fellow some chance to stay in business, he will be put out of business. If you have a set-up whereby you are not going to give any protection to the man who works on this land, as far as a minimum wage is concerned, when we can protect the man who owns the land, as we did last week, with a minimum wage—not only a minimum wage but we also provided him a job at 50 or 60 cents an hour—I say to you that we have some responsibility, our Government has a responsibility, to see that the man who does the work has somewhere near comparable support for the labor he does on those farms. Mr. Hugh Mitchell, of the farm-labor section of the AFL, is one of the most constructive labor men I have met in Washington.

But I just believe the time has come when we have to meet that problem. We are going to say, "Well, the farmers do not want to come under it and we will not put them under it." The time is coming when we had better broaden the base for minimum wages or take it off the books altogether. I for one am willing to stand up and be counted to broaden the base from one end to the other, because if it has merit to it, it has merit for the many as well as for the few.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. McCARTHY. The gentleman raised a question as to those who voted against the Gore bill.

Mr. MURRAY of Wisconsin. I said I was much surprised the other day to see them vote against the Gore bill knowing that it provided only 50 to 60 cents an hour minimum wage.

Mr. McCARTHY. It was a sliding scale.

Mr. MURRAY of Wisconsin. No. There was no slide to it for 90 percent of American agriculture.

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I want to vote for a reasonable, fair, minimum wage law; I would prefer its being 65 cents an hour because I sincerely believe a higher rate would not be good for the economy of the section from which I come. I do not impugn the motives of anyone who thinks otherwise. I do not wish to hear again on this floor the statement that money has been sent to the South and because of that we ought to vote a certain way whether we think that way or not. I simply repeat that the amount of dollars that may have been sent or is to be sent will not have, nor have they had, in my opinion, any effect whatever upon the formulation or the changing of the conscientious opinions and convictions of the men from that section.

I do not wish to malign anybody for participating in the writing of this Lesinski bill; I simply want to remind the membership of the House again that neither of these bills are committee bills; neither of these bills have been considered by the committee, not 1 minute. Neither of the bills have been approved by a majority of the committee——

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. If the gentleman will get me more time. The gentleman does not want to deny what I say, does he?

Mr. BAILEY. Yes; I do.

Mr. BARDEN. Then, I will yield.

Mr. BAILEY. Four-fifths of the bill H. R. 5853——

Mr. BARDEN. I am not talking about four-fifths of the bill; I am not talking about nine-tenths of the bill; I am talking about the bill.

Mr. BAILEY. Four-fifths——

Mr. BARDEN. I do not yield further.

I want to call to your attention some of the "bugs," and I repeat that neither of these bills are committee bills, and the gentleman from West Virginia knows it. Now, I want to call to your attention some real "bugs" in this bill that you had better be thinking about. The most important thing in this bill is not the 65- or 75-cent rate, because the amount in either bill can be changed, but it is the internal part of the bill that you must consider and amend.

On pages 27 and 28 you will find the widest rule-making regulation and order-making power ever granted to anybody in the halls of this Congress. And what does it carry with it? The violation of any regulation, or order, or interpretation by the Administrator carries a fine of $10,000 and imprisonment for 6 months, or both. Has it reached the point that this House is going to delegate that kind of power to an administrator of an act of this kind? Who has gone so far afield as he has in the past? Just think of it, that one man could make a regulation or an order and that you would be subject to a fine of $10,000 and imprisonment in jail for 6 months or both. And that is the Lesinski bill.

Was it by accident that it simply overlooked the retroactive provision that we put in the overtime-on-overtime bill? But as the Lesinski bill now is that will be brushed off, and that is out of the picture.

Was it by accident that in this Lesinski bill the statute of limitations was wiped out? As the Lesinski bill stands now the administrator, the Secretary of Labor, can bring lawsuits clear back to 1938 when we wrote clearly a 2-year statute of limitations in the original law. Was it by accident that that provision was put in this bill? Of course it was not by accident. What else do you find in the Lesinski bill?

You will find other provisions where the power of the Administrator is so expanded, and I do not fear so much the coverage as I do the unlimited power of one man. I say to you that no one man should have the power that is granted in the Lesinski bill—to impose so much penalty. If he is a good man he should not want it; if he is a bad man he should not have that power in this great country of ours.

The Lesinski bill has removed the exemption granted the menhaden fishermen as it was written in the original law. Just why, I do not know, for it should be carried forward regardless of which bill is adopted.

Another "bug" in the Lesinski bill, and I think one of the worst ones is the section that authorizes the Administrator to bring suits for the recovery of wages, and so forth. This would mean probably a thousand lawyers to worry every businessman in the country. This provision, together with others, is why I think the Lucas bill preferable.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. O'SULLIVAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Chairman, I support heartily, with a few prospective slight amendments, the Lesinski bill, H. R. 5856, but I do think that it should have included workers from all sections of the country, and all occupations, except agriculture.

As you all know, this type of legislation is not new in the United States at all. In fact already it is an indispensable fixture in our national labor life, but at this time it needs a little progressive overhauling, but not an overhauling of the retrogressive type, as is contemplated by certain reactionary Republicans and

Democrats, who are wont to cast sheep's-eyes in the general direction of the "business high and mighty," and eyes of scorn at the unheralded humble folks.

Lest we forget, I say that national minimum-wage laws are so very necessary in order to protect that class of workers in the lower wage scale brackets who are engaged in work tasks involving interstate commerce, or who are producing or working upon goods, wares, and merchandise which are to be sold and may find their way into interstate commerce. These classes of wage earners usually are not organized and consequently they have no unions to speak for them, to bargain for them, or to protect them against nearsighted, gold-locked, bad-employer vision.

Under the present minimum-wage law, 1,500,000 persons were covered at a minimum wage of 40 cents per hour. Under the Lesinski bill 900,000 more persons would be added and the minimum wage would be 75 cents per hour.

The strong Government right arm must be flexed and poised always, and, if need there be, placed with real purpose and authority upon employer men and employer institutions who put greed for earthly riches above ideas that all labor is entitled to that fair and just wage which moral decency dictates should be paid, not only in the interests of the workers and their dependents, but the sound economy and the Christian welfare of all of the people of the Republic.

Many States of the Union have adopted minimum-wage laws patterned after our national legislation.

Instead of carrying on my discussion further upon the merits of the bill I believe it would be more clarifying and helpful to give you the benefit of the contents of a telegram and a statement, which I will place in the Appendix of the RECORD. They state more succinctly than I am able to do, the meritorious side of these very necessary workers and hence I recommend these documents to you for your careful consideration.

In conclusion let me say that no one can dispute the fact that a minimum wage of 75 cents per hour is not excessive.

Any minimum wage should not be on a sliding scale and harnessed to the cost of living. It should be planetary and not meteoric, or on a sliding scale.

Just reflect for a few minutes upon what chaos and confusion could be caused by recalcitrant management if they had the power to put in motion a movement to lower the minimum hourly wage, as the index of the cost of living went up and down. Would not you like to keep a budget under a sliding-scale, minimum-wage law? If a mistake was made in the cost of living index and too much wages were paid could the employer get back the excess so paid, and if the worker had been underpaid could he sue the employer and recover the additional wages to which he really was entitled?

The plight of the employer and also of these unorganized workers under the sliding-scale, frustrating scheme would certainly be, I think, "confusion's legislative masterpiece."

Mrs. WOODHOUSE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mrs. WOODHOUSE. Mr. Chairman, the principle of a national minimum wage covering workers engaged in interstate commerce or in the production of goods for interstate commerce including any occupation or process necessary to such production unless specifically exempt, has been accepted since 1938. That principle is not under discussion here. The inadequacy of the 40-cents-an-hour minimum is also generally accepted. The question is to what figure should it be raised—75 cents or 65 cents—and should it be a fixed statutory minimum or a flexible minimum adjusted annually—but never allow 50 cents an hour—in accordance with the Bureau of Labor Statistics Consumer Price Index.

A 75-cents-an-hour statutory minimum wage is a bare cost of living adjustment of the 40-cent minimum of 1938. It is a mere subsistence wage. Remember it is a minimum wage for adult men. Yet minimum budgets for employed single women living alone prepared over the last 18 months by State labor departments are for Washington $2,231 a year, California (Heller Foundation) $2,218, Arizona $1,953, New York $2,087, Connecticut $1,949. Taking the manufacturing average working week as 40 hours and 50 weeks in the year, incidentally a very high average to assume under current conditions, these minimum budgets for employed single women would call for an hourly wage of from 97 cents an hour in Connecticut and Arizona to $1.11 in Washington. How then can we regard 75 cents an hour for an adult man with a family as high? It is a very bare minimum of subsistence wage.

A 65-cents-an-hour minimum wage would benefit fewer than 500,000 workers or about 2 percent of those now covered. Wages have gone up, as we all know, since 1938. Most workers who get less than 65 cents an hour are barely below that figure.

A 75-cents-an-hour minimum would benefit 1,500,000 workers but would raise the total wage paid covered workers by less than 1 percent.

The arguments against the 75-cents-an-hour minimum are echoes of the arguments of the opponents of the 1938 bill. The cry is that prices will go up, unemployment increase, the marginal worker lose his job and national purchasing power decline. The same people who protested the 25-cent minimum are making the same protests against the proposed 75-cents-an-hour minimum and their arguments and predictions are as fallacious today as they were a decade ago.

In 1938 it was argued that hundreds of thousands of workers would be thrown out of work because employers would be squeezed between high costs and low prices. Actually between May 1938 and May 1939 employment increased by 680,000. Unemployment did not increase, the marginal worker did not lose his job, business did not go bankrupt. Exactly the contrary happened.

A flexible minimum wage rising and falling within the fixed limits, in the proposal of H. R. 5894—Lucas bill—50 cents to 65 cents, may at first sight seem very reasonable. But it is first, not in accord with traditional American philosophy and practices and second, it would make for serious difficulties in administration.

A flexible minimum changed annually would make for uncertainty for both employer and employee. Yet today both American business and American labor are seeking stability and a stable progressing economy is most definitely the goal of the present administration and of most of the legislation touching on industrial life introduced into this Congress. A minimum wage tied to the cost of living would go down with any reduction in the cost of living. If the minimum wage goes down even a few cents this would look like Government approval of a wage cut and employers who might not otherwise reduce wages would be encouraged to do so.

Though we have had many years of experience with State minimum wage laws it is worth noting that no State has experimented with a minimum tied to the cost of living. It serves rather risky to experiment first on a nationwide scale.

The Bureau of Labor Statistics Consumer Price Index admittedly does not measure total living costs of low-income workers throughout the country. It is rather a measure of prices paid by moderate-income families in larger cities. So the measure of change is not really satisfactory. Then we must consider the serious difficulties involved in administering a minimum wage which changed from year to year. A large percentage of cases of failure to comply have been due to misunderstanding of the law rather than to deliberate intention to evade the law. With a minimum changing from year to year, this problem in administration would be greatly enlarged.

But more important, this idea of a flexible minimum is against the American tradition that all of us share in increasing national prosperity. While unfortunately, we have had booms and busts our economic curve has gone steadily upward. Our national income, our national production, our man-hour productivity have gone up. Wages have followed. While not always getting his full share the American workman's standard of living has gone up with our increasing national production. A flexible minimum tied to a cost-of-living index would hold the standard of living of the lowest-paid worker to a dead level.

This is not only contrary to our American tradition, not only unfair to these low-paid workers who in great proportion do not have the protection of organized collective bargaining, but it would be detrimental to American business.

American business has expanded because purchasing power has expanded. Investment in new business or to expand business is made only if there are prospects of sales. Sales are made only if there is purchasing power. The wages of the workers represent a very great proportion of the annual total purchases.

Keeping wages up means keeping up purchasing power and maintaining a high level of employment, a high level of sales and of business prosperity. The only way we can maintain our industrial prosperity is for more people to buy more goods. We have unemployment and a falling off of business when there is not a sufficient demand to carry off the market the goods and services we produce. The traditional business method of meeting a lack of demand by cutting down production and cutting wages makes little sense if we look at the results.

Excluding inventory, profits are still running 50 percent higher than the wartime peak. It would be good business tactics for business to divert some of these profits into wages which will be spent in buying the products of business. This will help keep a high level of employment and make it possible for business to continue to make profits. It is unfortunate that too many of us look at the profits of this month and forget the question of profits of next year.

We have done a remarkable engineering job of producing goods. The time has come when we must do as effective a job in distributing them in such a way as to maintain our high level of production. To this end we must maintain purchasing power. Production capacity of our manufacturing industries has increased by more than 50 percent since 1939. These goods must be sold if these plants are to operate at full capacity. The minimum wage of 1938 must be brought into line with 1949, and 75 cents is the lowest statutory minimum wage we should enact.

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. HOWELL].

Mr. HOWELL. Mr. Chairman, the Committee on Education and Labor, after lengthy hearings, during which all points of view were freely expressed, and after further long consideration in executive session, produced H. R. 3190, which attempted to meet valid objections to the original committee bill introduced by our chairman. It became rather obvious that the bill would probably be defeated in the House, and I believe all of you realize that H. R. 5856 represents a further compromise which I feel is as far as we are justified in going, if we are to produce legislation of any real value and effect.

Any reduction of the 75-cent minimum provided in H. R. 5856 would, in my opinion, make passage of this legislation a meaningless gesture.

I urge the universal 75-cent minimum, not because I believe this amount will provide a genuinely adequate living wage but as a step forward to the eradication of the worst forms of underpayment discrimination and exploitation of the bargaining weaknesses of American workers.

I urge the 75-cent statutory rate as a means of improving the lot of some 1,250,000 workers now covered by the act who suffer from these exceptionally low wages. The 75-cent minimum provides a wage floor to which no employer can truly and properly object. Those employers who exploit the helplessness of workers by paying them intolerable wages should not be allowed to create unfair competition by paying less than $30 for a 40-hour week.

Substantial changes have occurred in the level of wages, in the costs of living, in the standards of productivity, and in our national income during the past 11 years.

All existing measures of living costs indicate higher minimum wage levels than the 75 cents. The city worker's family budget developed by the United States Bureau of Labor Statistics, which provides only a necessary minimum standard, reflects a living level below which deficiencies exist in one or more aspects of family consumption. It is estimated that this minimum budget, which provides for no savings other than a modest amount of life insurance, would cost as of February 1949, for a family of four, in the lowest-cost city, New Orleans, $3,019 and in the highest-cost city, Seattle, $3,579. The average for 18 cities was $3,300, or on the assumption of 2,000 hours of work, about $1.66 per hour.

Even the WPA emergency budget, which is far below the standard of living prescribed in this act, would cost $1.08 per hour in January 1949, on the assumption of 2,000 hours of work per year.

The cost of the minimum health and decency budget for employed women living alone which has been priced by seven State departments of labor since the beginning of 1947 is now well over 80 cents an hour and ranges in some States over $1 per hour. Persons employed at the minimum wage are persons of all ages, men and women, with varying family responsibilities.

The rise in the cost of consumer goods purchased by wage earners from January 1941 to January 1949 as measured by the WPA emergency budget has been 93 percent, which in itself justifies a minimum of 77.2 cents per hour.

National income was $67,400,000,000 in 1938. In 1949 it has risen to $224,000,000,000 or 233 percent. Productivity has risen considerably as indicated by the fact that the gross national product (in current dollars) per employed person has risen from $1,916 in 1938 to $4,254 in 1948, or 121 percent.

Organized workers have shared in varying degrees in these rises. Their bargaining power has been sufficient to wrest from reluctant employers some measure of the benefits, but many workers in unorganized industries, particularly those in which earnings are below 75 cents, are still not enjoying the benefits of this rise.

The 75-cent rate is being offered as a floor and an absolute fall-back rate for the national economy, to prevent a downward spiral, which those who support the lower and flexible minimum seem to seek to encourage, and believe is inevitable.

I appeal for your support of the 75-cent rate, if passage of this bill is to be a real accomplishment.

Mr. McCONNELL. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, a friend related to me the other day a conversation he had overheard. Some one said, "How can Mr. HAYS abandon the Democratic leadership on this important bill?" I was pleased for my friend to answer, "Mr. HAYS is a Democrat, but his people cannot take a 75-cent minimum wage."

You do ask an apology for offering what might appear to be a sectional argument; it is not that. If we establish a permanent Federal policy as to minimum wages, we must begin with the low-rated areas. Any unfairness to them would be inconceivable; we simply cannot do that. So, because the people of the South have suffered from a tough wage situation and have done their best in solving it, first with their own resources, and then with some help from the Federal Government, we have made terrific progress in the last few years, and we do not want to lose it. When the record is finally completed I want it to be remembered, not that I opposed the minimum wage proposed by Mr. LESINSKI, but that I favored raising the minimum wage to 65 cents, which is the very highest that our people can stand. It is not going to be much consolation to you when you get home to be able to say to a worker that you helped raise his minimum if you are to be confronted with a question from others thrown out of employment by an inordinately high minimum wage "Why did Congress do it?" I am predicating my case upon this proposition that if you raise the wage beyond 65 cents, you are throwing elements of instability into many phases of our economic life. I am not confining it altogether to the South, though I am more familiar with that. Hear me on this point. The great differentials are not so much between Chicago and Little Rock as they are between Little Rock and some town in western Arkansas and between Chicago and southern Illinois where the costs of living are lower.

In an effort to meet the problem I went before the Committee on Labor and Education thinking that I had something that might appear to them to be a constructive suggestion. In view of the great readjustment through which we now move, a price readjustment, it seemed to me that it would be wise to provide some kind of storm cellar. I do not know what the wage ought to be; nobody knows as a scientific fact what the minimum ought to be. But, if we set it too high and are wrong, then a flexible wage that provides that it may be reduced provides insurance against a collapse, and that is the only purpose of the flexibility feature. If we are wrong, if we fix it at 75 cents, and a terrific decline in the price structure causes unemployment, then we have a readjustment again and the minimum is lowered, you have saved his job, and the business.

Nobody has spoken to this point yet, nobody has told us just what the minimum wage ought to be scientifically, but I think I have some figures that will throw some light on that and, incidentally, I inserted figures in yesterday's RECORD at page 11234, which I think will be helpful.

First take the relationships of 1938, when the law was first adopted, and then take the increase in the cost of living and apply it to the 25-cent minimum, and you come up with 42.7. That is what it

would be. That is a very low minimum. I do not think this Congress could justify raising the rate only 3 cents, but that is what you would have. But we got a 40-cent minimum in July 1944 through action of the industry committees. We finally reached that goal and it was a good goal. We needed it terribly in Arkansas. Forty-four percent of all the employees in the Nation's lumber industry were getting less than 40 cents an hour when it was put into operation. I think it is a tribute to the lumber industry that they cooperated in raising it, although it meant readjustment. We were in an expanding economy.

If you take that relationship in July 1944 and apply it to your present condition, you come up with an interesting figure, 54 cents and a decimal point, 54.40. I hate to abandon the defense of 54.40. I like to say "fifty-four-forty or fight," because that is your scientific minimum if you apply the relationships that existed in 1944. I think the scientific minimum can be defended, though, if you go to 65 cents I think there is some justification for that. Increased productiveness as well as increased costs since 1938 might be invoked to support it.

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Chairman, as I rise to address this body on the question of minimum-wage legislation I am not unmindful of the fact that I am addressing a body that within the last few weeks raised executive salaries in the Government from $15,000 to $25,000 per year. I hope we get substantially the same response from the same people who voted upon that legislation.

In 5 minutes my remarks must of necessity be general. Since there has been so much searching of souls here I feel that I should like to turn an X-ray upon the soul of a plan that has been suggested. There is much talk about who should and who should not be covered, and that is an important matter. I think the cat was let out of the bag here this morning when it was suggested that possibly it would be well to cover only mining, transportation, and manufacturing businesses. Just who would benefit by it, in view of the well-known fact that everyone engaged in those industries already receive more than the minimum?

Then were we being kidded on the square when it was suggested that possibly the wise thing to do would be to make it $5 an hour and exempt everyone, or was it what we lawyers refer to as the res gestae, the facts speaking spontaneously through the speaker rather than the speaker narrating the facts. There have been a good many things said about the Lesinski bill. I cannot answer all of them in 5 minutes, but I can give you a typical example of some of the objections to the validity of those objections. For example, a few days ago we passed the bill H. R. 858. I opposed that bill on the floor, but so far as I am concerned, this body has passed upon it, and I do not think we should debate the question again. That bill carried retroactive provisions so that a violation of the wage-and-hour law in the past was not subject to action for recovery now. Now, I opposed it on the floor, but you folks settled it. I think it should not be reopened. It was said here on the floor a moment ago that under this bill the retroactive provisions that we enacted in H. R. 858 would be revived. That is not true at all. That is an error upon the part of any Member who says so, because the retroactive provisions were in section 2, which were not amendments to the Fair Labor Standards Act at all. They are part of the law, and if we included a retroactive provision in this bill, it would appear twice in the statutes.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman for a question.

Mr. LUCAS. Then why did the gentleman put other parts of the bill H. R. 858 in his bill?

Mr. JACOBS. Oh, that is an easy question, and I am glad the gentleman asked it. The answer is because the first section of H. R. 858 was an amendment to the Fair Labor Standards Act, and we are enacting a completely new law. Therefore, we incorporated the provisions of section 1. But section 2 is no part of the fair labor standards law. It was wholly unnecessary to reincorporate section 2 of H. R. 858. If you will read from the bill H. R. 858, you will see that that is true. That is the retroactive section, it is simply no part of the law we are amending.

There may be defects in this bill which we are considering here today. If there are, we want to correct them, but I expect that, being the instrumentality of human beings, there are enough defects in it without conjuring up more of them; claiming that there are defects which do not, in fact, exist.

The question is asked by the gentleman from Wisconsin, Why did we not cover someone? Why, members of the Committee, as far as I am concerned, I would cover everybody under minimum wage legislation. I do not think $30 a week is too much for any man to receive. I would. But the people who are now finding these fancied flaws in this bill, such as I have just pointed out to you, these people oppose the covering of the very people that many of them are now saying, "Why are they not covered?" That is why.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. McCONNELL. Mr. Chairman, I yield the balance of the time to the gentleman from California [Mr. WERDEL].

Mr. WERDEL. Mr. Chairman, I want first to point out to the Committee that there are two vital parts to the Fair Labor Standards Act. The first one is the subject of most of the discussion—particularly by those supporting the bill—so far today. That deals with the minimum wage.

There is another important part of the act, far more vital to all of us throughout the country and that is the maximum hours provision. It is said, and I believe justifiably so, that this bill was originally treated as a political measure. When these minimum wages were first put into effect, they were treated as the subject of legislating a minimum of income for the people of this country. To be sure we were in a recession or depression, but we were on the upgrade and coming out of it, and still 25 cents was the minimum. Then politically it went to 30 cents. Then politically it went to 40 cents. Never, never to date has this Congress had the courage to make that minimum wage contact the economy of this country in any part of it. Never has it had the courage. Now, today, for the first time, we hear reports that a segment of our country interested in a certain industry wants to make that minimum wage high enough to contact the economy of another part of our country which has a lower cost of living. This effort is made by industry not to raise the wages of employees, but in the hope of driving those wage earners' employers out of a competitive field by making it a crime for their employer to stay in business and pay them what he can afford to pay them.

In the bill there are two purposes that have been expressed. One is to guarantee a minimum cost of living to working people. None of us would oppose it. Our opinions differ when we try to pick one figure as a minimum wage to cover the whole of the United States. Surely no one here will debate the fact that the minimum of food, shelter, and clothing in Washington costs much more than it does in the South, or in Arizona, or in parts of my State. When we arbitrarily set a Nation-wide minimum wage, we know it is too low and ineffective in part of the country or so high as to force unemployment in other regions. So much for the minimum wage.

The justification given for the maximum-hours provisions of the law was that we were going to spread employment. By prohibiting employment over 40 hours, except under penalty, the employers would be inclined to employ more people, and spread employment. I am interested in this bill in its entirety, and I assure you I have given it my full attention for the time we have been able to have these two bills. Personally, I like the Lucas bill because it does not differ so much from existing law, which I think is important when we are considering amendment. I hope to say something on that later.

In connection with the State of California and its fruit-growing industry, there is one change in this bill that I want to call to your attention with respect to the canning industry, and only that part of the industry that processes perishable, seasonal fruits and vegetables. There has never been any controversy about the fact that a maximum workweek, and penalty for overtime, cannot be applied and obtain the purpose of the act. I am referring to the purpose of the penalty for overtime hours, which is to spread employment. The imposition of penalty overtime would not result in spreading work. It will not give more people employment. No one in the course of the hearings that were held on the original Fair Labor Standards Act, or at the many hearings that have been since held on the proposals to amend the act, has disputed this.

The issue has always been the extent to which Congress would attempt to apply the principle of spreading work in the business of processing fruits and vegetables. Even though President Green, of the A. F. of L., the present Administrator, Mr. McCombe, and his predecessor, Mr. Metcalf Walling, admitted that penalty overtime hours would not spread work in the fruit and vegetable processing industry, Congress has sought to apply that principle. For political reasons it has refused to make the admission that it cannot accomplish its express purpose when all witnesses before its committee have made the admission.

The question is, After how many hours a day and how many hours a week should penalty overtime be required, and for how many weeks each year should freedom from penalty overtime be allowed?

I have only 2 minutes left and in this time I wish to have your attention. The gentleman from North Carolina [Mr. BARDEN] has already told you about the penalties under these bills, particularly under the Lesinski bill. I wish in particular to draw your attention to section 11. In conjunction with this read also section 2, and in conjunction with that turn over to page 35, which is section 15, subsection 2, which reads:

> To violate any of the provisions of section 6 or section 7 or any of the provisions of any regulation or order of the Secretary issued under section 11 (b) or section 14 is a criminal act.

I am sure that there is no one in this hall who would like to delegate the powers that are stated in those sections to any one man. Remember that not just the men making less than 75 cents are covered by this act, as the majority leader has said, but every man in organized labor who is engaged in interstate commerce is covered by this act.

If you believe in free collective bargaining, if you believe that there was any degree of sincerity in the administration's opposition to the Taft-Hartley Act, read these paragraphs, then you see the substitute for Government control, for Government order and directive, not only, if you please, for the little man but here lies the rule-making power to destroy collective bargaining.

That was one of the issues before the committee. It is now offered to you here without committee hearings. I ask that you give it your careful attention so that free collective bargaining cannot be interfered with in the absence of a national emergency.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BIEMILLER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BIEMILLER. Mr. Chairman, this country cannot afford to tolerate sweatshop wages, nor continue the ridiculously outdated 40 cent an hour statutory rate. The direct and indirect costs of low wages are many times greater than would be the cost of raising minimum wages to 75 cents per hour.

Let us look at the economic facts of our life today. What does food alone cost for a family of four? The recent Bureau of Labor Statistics study shows that in Birmingham, Ala.—a middle city, as far as costs are concerned, in a group of 34 cities—food for such a family in June 1947 cost $1,057 a year, or over $20 a week. The price rise of 7 percent by February 1948 has brought this sum to $1,311, or over $21.77 a week. The entire income of thousands of families in the United States today is less than $20 a week. On such an income, a diet adequate for health is out of the question.

As would be expected, persons in the lowest income groups suffer from more physical disabilities and longer illnesses than do other citizens. The incidence of sickness declines with rising incomes. For example, chronic illnesses were found among 12.6 percent of the relief families in 1936, among 9.6 percent of the families with less than $1,000 income, and among 4.5 percent of the families with incomes of $3,000 or more.

The draft rejection rates during the war illustrate the relation between low income and physical disability. Rejection rates were highest for North Carolina, South Carolina, and Arkansas, three States that stood near or at the bottom of the list of States according to per capita income.

Moreover, the life expectancy of industrial workers is lower than that of other groups. In 1946 it was 1.05 years shorter than for other members of our society. Increase in incomes of workers during recent years accounts for a reduction in the difference between the life expectancy of workers and other economic groups from 6.5 years to 1.05. Workers on substandard wages cannot afford adequate medical care. What is more, medical facilities often are not available to them. In States with the lowest per-capita income are to be found the smallest proportion of hospital beds per 1,000 population, and the fewest doctors. The financial incentive for doctors to locate in such communities is completely lacking. The result is a higher mortality rate from tuberculosis, malaria, and similar diseases in States with the lowest per capita incomes.

Educational opportunities are limited and housing is poor for families of low-paid workers. Where the per capita income is lowest is to be found the highest proportion of population with no schooling at all or with the fewest school years completed. The people who lack money for proper food, for doctors, whose children are deprived of the opportunity for education, are the same as those who must live in the miserable houses deserted by their more fortunate neighbors.

Children born and brought up in families with substandard incomes are handicapped from the beginning. They are undernourished, and deprived of the opportunity for education and training that would enable them to rise above the economic level of their origin. At an early age they are pushed into factory or mill to help with the family support. They marry young and become the progenitors of the next generation of substandard citizens. The 1940 census reveals that 88.7 percent of the American children were in families with average incomes under $750 a year. The infant sickness and mortality rates are high among children in this group. The children who do survive lack, for the most part, the training and background necessary for good citizenship.

A nation cannot safely ignore these facts. A 75-cent minimum wage cannot correct all these evils, but it would be an important protection against the worst of them. Collectively, we have a responsibility to improve the social conditions of which individuals are the helpless victims and for which they are not to blame. Congress is the proper vehicle through which to secure action, and a revised minimum-wage law as an instrument for putting the remedy into effect.

The full cost of a worker's maintaining himself should come out of industry, just as industry is expected to pay for the cost, maintenance, and replacement of the machine which the worker operates. Maintenance of the worker, as of the machine, means keeping him in good working condition, properly fed as the machine is properly fueled, skillfully treated when ill as the machine is repaired when broken. But it also means properly feeding, clothing, housing, and educating his offspring so that they in turn may effectively take their place in the industrial and economic processes of the Nation.

The realization of this basic principle means that the worker's wages must not only be such that he can buy the goods and services necessary for his support and that of his family, but he must be able, through taxes, to contribute to the cost of educating his children, of protecting his home against fire, his person against assault, and his property against theft.

To the extent to which the cost of his support must come from private or public relief instead of from wages; to the extent to which he must rely on medical care for which he cannot pay and toward which he has not contributed through taxes; to that extent his employer is being subsidized by taxpayers and private charities. Only after meeting the full cost of maintaining its machines and its workers is an industry or an establishment entitled to profit. The consumers pay for these costs in the prices they pay for commodities. It is quite unfair, therefore, that consumers should in addition pay a subsidy to industry in the form of taxes to provide the necessities of life for its workers. A minimum-wage law would relieve the taxpayer of at least a part of the burden that is rightfully industry's obligation.

Workers who suffer from malnutrition or inadequate food are poor producers. They are more frequently ill than others, and, therefore, more often absent from work. It is a recognized fact that persons tortured by poor health and financial worries make poor accident risks, become discouraged, and lose the power adequately to perform the functions of their jobs.

Finally, let me drive home the point that low-wage workers are not the least

competent workers. Those receiving less than 75 cents are often highly productive, industrious, and ambitious. But they happen to have drifted into industries which are poorly managed, or the employer is so situated that he can simply force his workers to take what they are given. Many of the lowest-paid workers are veterans of industry and heads of families. It is one of the most thoroughly exploded ideas to say that people working in sweatshops are all single and only work because they want pin money. People who work for low wages do so because there are no other jobs elsewhere open to them, or because of difficulties of travel or some other similar circumstance.

Hundreds of thousands of workers who earn very low wages are highly skilled and are capable of exercising considerable initiative and responsibility. There are no essential differences between those who are obliged to work for 40 cents or 50 cents an hour and those who are fortunate enough to be able to get and hold jobs paying a living wage.

Society owes these victims of our industrial society a certain degree of equality in regard to their basic wage standard. We must not permit industry to become parasitic, as it inevitably does if it pays such low wages that the community must make up the deficit between what it costs to live and what the wage earner is actually paid.

Mr. LEFEVRE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LEFEVRE. Mr. Chairman, I am thoroughly interested in having the definition of a retail establishment clarified. I have favored the last bill introduced by Mr. LUCAS, H. R. 5894. It seems to me that everyone admits that the wage-hour-law was never intended to cover retail and service firms. Therefore, I see no reason why the Congress should have any objection to the spelling out of a clear-cut definition, so we who are in the retail business and interested in the welfare of small business should not have any worries as to the interpretation of the law by the Administrator, whomever he may be.

The present Fair Labor Standards Act was purely an experiment. If such a law is really necessary, it is up to us to improve it, based on the retailers experiences. As a retail dealer in building materials, including lumber, millwork, builders' hardware, paints, and so forth, I can vouch for the fact that a substantial part of our sales goes through the carpenter contractor, the painter, the mason, and the electrician. Except on rare occasions the materials are taken from stock and involve regular retail functions and services. There is no reason in the world why such sales should be classified as resale sales. I feel positive that most of you, whether you were building a new house, remodeling your present home, or making repairs, would make your arrangements through a contractor and, therefore, the materials sold would not be made direct to you from the retailer as a direct-to-consumer sale. In the trade such sales have always been recognized as retail. I believe the chairman of the House Committee on Education and Labor, who, I understand, is a retail lumber dealer himself, has very emphatically said these are retail sales. Since the bulk of the sales of this nature go largely through contractors, it is essential that the term "resale" be clearly defined. This Mr. LUCAS has satisfactorily done by his definition of "resale"—namely "resale shall not include the sale of goods to be used in residential or farm building construction, repair, or maintenance." Another point should be cleared up. There has been entirely too much confusion over the possible interpretation of a retail sale. Referring again to my own business, it has been said that if a local druggist ordered a 1 by 10 pine board for a shelf in his drug store, that sale could be considered a nonretail sale since it went to the man's place of business in industry. That same 1 by 10 board ordered by the druggist delivered to his home would be a retail sale. How ridiculous it all seems, since this type of sale in the industry has always been considered a retail sale. I am sure every Member of the House wants these discrepancies cleared up.

The establishment of a 65 cents minimum hour rate, as provided in the Lucas bill, also seems a better solution than the 75 cents rigid provision in the Lesinski bill. Heaven knows all the retailers I have been talking about in our section of the country pay more than 75 cents per hour today. However, we have to look ahead. I do not care to be pessimistic but just suppose a real depression should set in. Cutting the number of employees would be about the first move the average small-business man would make in an effort to weather the storm. A wage rate connected with the consumer price index, as determined by the Bureau of Labor Statistics, would be the fair method of handling this problem. Any change would be geared to the cost of living. The 65 cents named in the Lucas bill is not a limitation on wages. It provides a floor or wages of 65 cents per hour to January 1 and thereafter the minimum wage is to go up or down each year in accordance with the cost-of-living index.

Ladies and gentlemen, remember this legislation affects a large sector of our population. This is not the time to put additional burdens on the retailers of America when we all are trying to deliver our wares and services at the least possible cost.

Mr. LESINSKI. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. COMBS].

Mr. COMBS. Mr. Chairman, we are approaching the close of general debate. It will not be possible in the limited time that we necessarily have in the allotments that are made to us to go into the details of the pending measure or the substitute that will be offered.

I want to discuss in a general sort of fashion some of its main provisions, and when we get into consideration of the bill under the 5-minute rule, I hope it will be possible for the Members to remain on the floor and become familiar with both the Lucas substitute and with the Lesinski bill, because certainly there is hardly any legislation that will be proposed in this Congress or any other that is fraught with so much potential effect upon the American people, the American Government, and even the world.

There are differences of opinion among us as to the philosophy of minimum wages. There are some who sincerely believe that the providing of a minimum-wage level has nothing to do with the economy of the country. My own conception is that while these wages are up, unless we place a floor under them so as to permit their sagging under the impact of temporary slumps in business, we will sink into a depression that will make the last one look like child's play.

Economists may philosophize about that all they please. I do not subscribe to Lord Keynes' theory, which leaves me about as cold as a dog's nose. About all the economics I learned I received from Adam Smith, and I did not learn too much from him, possibly because I was more or less a dullard. I did learn, however, that there are two sources of wealth on earth—what God gives us in natural resources and what man adds to them by the labor of his brain and brawn. My philosophy, then, along that line is simple.

I remember some facts, and I have been through some depressions in my day. One simple fact I remember is that in no time of low prices have I seen a happy people.

In 1896, at the age of 7, I picked cotton for 35 cents a hundred pounds and you could buy bacon for 7 cents a pound and 50 pounds of flour for 40 cents. But the people were not happy. In 1907 I worked in the sawmills in my section 10 hours a day for $1.25. You could buy a pair of overalls for 60 cents and other commodities in kind. But were the people happy? No. Back in the thirties you could buy a beautiful piece of sliced bacon for 20 cents. But who had the 20 cents? The bread lines and the soup kitchens in this country were feeding millions of our people who could not buy the surplus products that rotted in the bins and the storage places of this Nation.

We have a $254,000,000,000 debt. Do we dare allow the purchasing power of the American people to sweep down? Yet we are faced with a proposal in the Lucas bill of tying the minimum wage onto the so-called living cost. What happens? The living cost goes down. You lower the wage. That being a big element in the cost of a manufactured product, the living cost goes down and the wage goes down, so you just start digging down and down until you hit the bottom of 50 cents, or whatever else is provided. That is all there is to that. Why a minimum wage at all? Because in time of slack purchasing it is natural that the manufacturer or the merchant or the other man will want to move his product. So, in order to do it, he wants to reduce the price, and with manufactured commodities the labor cost is the larger part of it. He begins then to lower his labor. But his competitor has to lower his labor to meet it. So they start, and when they both get to the

same labor level and the cost level, they are no better off than when they were up here. They both have to compete for the same market. So, I think the philosophy of the minimum wage is sound, but I will not have time to go into that.

I want to just make a few general observations and then yield for questions, because I have never seen so much misinformation put out both in the cloakrooms and by the propaganda over the wire inspired by the lobbyists that infest this city as I have seen concerning this Lesinski bill.

Now, that points up the first fact that this is an exceedingly complicated field of legislation. Statements innocently made here a while ago by my good friend, the gentleman from North Carolina [Mr. BARDEN], and by the fine gentleman from Pennsylvania over there are completely beside the facts of the bill, because they do not understand it.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield to the gentleman from Pennsylvania.

Mr. McCONNELL. Will the gentleman tell where I was incorrect?

Mr. COMBS. I understood the gentleman to say that there was a provision in the bill that authorized the Secretary of Labor or the Administrator to prosecute and fine a man for violation of the rules.

Mr. McCONNELL. I made no such statement, but it is true, if that is what the gentleman means. If you violate the law you are subject to penalties. The law says that.

Mr. COMBS. The rule-making power granted in here is essentially to do the things you fellows for two days have preached ought to be done and that is to clear up the fog territory that has infested the administration of this law, and hounded those people who wanted to comply, as you say. But, what does this do? This says that clarifying regulations may be made. Then there is incorporated in the bill, if you will read it, by reference, both the Administrative Procedure Act enacted by the Seventy-ninth Congress, and the portal-to-portal bills, both of which impose the statute of limitations, and the procedure act provides for a court review of any order made under that procedure system in which the administrator's findings will not be binding upon the court unless they are supported by substantial evidence. Furthermore, no prosecution for an offense under this law can be reached except for what? A wilful violation. Second, it is reached in court. Third, the court must find the man guilty and prescribe his penalty, and it can only prescribe a fine for a repeated wilful offender. What is wrong with that?

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield to the gentleman from North Carolina.

Mr. BARDEN. The gentleman says I did not know what I was talking about, but the gentleman admits that subsection 2 on page 35 states, "any of the provisions of any regulation or order of the Secretary issued under section 11 (b)." I said it carried a $10,000 fine and 6 months in jail or both. Is that a correct statement? The gentleman said I was incorrect.

Mr. COMBS. That is like asking a man if he has quit whipping his wife. The words the gentleman read there are correct, but this is the meaning. In the first place, those are the criminal penalties prescribed that a court may inflict on the showing of willful violation. The first one is not subject to jail penalty at all.

Mr. BARDEN. Is the gentleman advocating leaving power in the Administrator to pass criminal laws and incarcerate and fine people for violating them?

Mr. COMBS. When we get under the 5-minute rule we will get back on this question.

Mr. BARDEN. I would be glad to debate the gentleman on it under a 30-minute rule.

Mr. COMBS. I would be glad to debate the gentleman under the hour rule or any other rule.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LESINSKI. Mr. Chairman, I yield the balance of the time to the gentleman from Texas.

May I call the attention of the gentleman to the language on page 36:

> No person shall be imprisoned under this subsection except for an offense committed after the conviction of such person for a prior offense under this subsection.

Mr. COMBS. That is correct.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I cannot yield; I have only 5 minutes. When we get to talking about these rules the time slips by so rapidly. Let me make a few observations. I can only make them generally. When we get under the 5-minute rule, let us have these things explained.

A good deal has been said about work being done behind the scenes. It was not a question of the green dragon or the green hornet or some ghost. A number of us fellows scattered about the country, from the South, mainly, did work with some of the boys from the North in an effort to try to reach a common agreement. There was no trading. Some little concessions, and they were exceedingly small and no more than the very minimum we thought we could seek, were granted to certain types of southern industry.

Yesterday the gentleman from Ohio [Mr. BROWN] made the statement that he supposed the southerners traded the committee out of a lot. We did not.

But I did have the privilege of working with a number of members of the committee on this bill. I have never met finer gentlemen or dealt with more fair-minded men. What we have tried to bring in is an honest and a forthright bill. I do not tell you that the bill will work or that it is perfect. I can only tell you in my humble judgment, after 3 months of trying to work out with great care with other Members certain provisions, that it is infinitely better than the existing law and infinitely better than anything that has been offered.

For example, the Lucas bill will leave no relief whatever to the merchants and the service institutions along the border lines of every State from Port Arthur to Texarkana, or any other city of the Nation located close to a State line.

Under the 5-minute rule I hope the gentleman from Alabama [Mr. ELLIOTT] will tell you about that. It will leave them to be continually harrassed and sued. They will have to keep records on every delivery across a State line to see whether it was 50 percent or not. Certainly, that is just one of many omissions.

Again we have exempted under that law these local-service institutions, such as laundries, restaurants, hotels, and many other retail establishments. Why limit it to those who have not over 25 percent of wholesale? In order to bar from lifting the coverage from those large institutions that are engaged in wholesale operations in connection with textile mills and thousands of other big plants which to all intents and purposes are part of the larger plant. We have tried by careful language to make this bill fair to the employer and employee alike. Listen, my colleagues, too many laws have been passed that treated the employer as though he were to be singled out as some enemy of society. It is true that factories cannot operate without men to work in them, but there can be no factories for men to work in unless other men put their money into the factories depending on the faith and conscience and fairness of the American people.

This bill is fair in the careful delineating of the line of coverage. It puts in the Administrator the rule-making power, subject to review of the court, in order to make certain whether a man is covered or not, and thus remove the shadow territory that the courts have created by the construction that these gentlemen have been complaining about. The only way we can figure this out, after weeks of working on the job, is now before you for your consideration.

If you have a plan which you have figured out, why not tender it? I am astonished at my friends on the other side of the aisle that they find themselves here without any bill at all and without any constructive opposition to the Lesinski bill, but with a flank attack upon the bill tendered by the majority of the committee. I should like to ask the gentleman from Pennsylvania this question, if I may:

Is it your plan to offer a substitute bill, or will you and your group and your committee support the Lucas bill?

Mr. McCONNELL. Mr. Chairman, I can only speak for myself. I am supporting the Lucas bill.

Mr. COMBS. You do not know about your fellow-members on the committee?

Mr. McCONNELL. It has not been made a party matter.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Chairman, the so-called Lesinski bill, H. R. 5856, to provide for the amendment of the Fair Labor Standards Act of 1938, is before us. I favor substituting H. R. 5894, the Lucas bill, for the said Lesinski bill.

The choice is between the two bills. It is not a question of extending the coverage or of raising the minimum wage, but I repeat that the choice is only between the two bills as to how many additional employees will be covered and as to how high the minimum wage will be increased. There are a number of reasons why I favor the Lucas bill. By interpretation the Fair Labor Standards Act has been expanded far beyond the intent of the original act. Clarifying legislation is essential. The Lucas bill supplies the clarification that is needed. On the other hand, the Lesinski bill not only encourages further expansion by interpretation, but confers unusual powers on the administration to make rules and regulations, a violation of which is punished by fine and imprisonment.

It strikes me that a minimum wage based upon the cost of living is sound. A flexible provision is in order. When the costs of living advance, wages may advance. When the costs of living decrease, wages may be reduced. The Lucas bill contains a flexible provision. The minimum wage is fixed at 65 cents, but if the costs of living decrease the rate may be reduced to 50 or 52½ cents.

There is substantially no extension in the coverage under the Lucas bill, while under the Lesinski bill the coverage, especially with respect to processing, local retailing and servicing establishments, is largely extended. In the Lucas bill retail lumber dealers, local laundries, and also small sawmills, are exempt. Under the terms of the Lucas bill the agricultural exemptions of the Fair Labor Standards Act are continued and restricted. The operations of cotton gins is placed upon the Secretary of Agriculture rather than the Department of Labor. The agricultural exemptions have not been clarified as much as I could wish. Personally I think that cotton gins, oil mills, and cotton compresses should be exempt from both wages and hours, and that the administration of the agricultural exemptions, particularly with respect to cotton gins in the area of production, should be under the Secretary of Agriculture, and the Lucas bill so provides.

I would like to see an amendment to modify the Walsh-Healey Act, but I must be realistic. I know of no reason why the labor costs under Government contracts should be different from the labor costs under private contracts. There should be no discrimination. However, it will be kept in mind that the Walsh-Healey Act can be modified by separate legislation.

Because of the difference in the cost of living in the several States of the Union, because of differences in climate, because of differences in the accommodations furnished agricultural workers as compared with those furnished workers in industry, and because of the difference in agricultural, climatic, and other conditions, I have always advocated that the regulation of wages and hours is for the States rather than the Federal Government. Of course there are exceptions in the matter of interstate commerce involving transportation and other large interstate activities.

I urge that the Lucas bill be substituted for the Lesinski bill primarily because of its clarification of the existing Fair Labor Standards Act, of the continuance of the agricultural exemptions under the Secretary of Agriculture and because the coverage is not materially extended, but reduced. In addition exemptions for retailers are clarified and exemptions for other small dealers are increased.

The CHAIRMAN. All time has expired.

The Clerk will read.

Mr. HARRIS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eighty-four Members are present, a quorum.

REASONS WHY COMMITTEE BILL, H. R. 5856, PROVIDING FOR AN INCREASE TO 75 CENTS AN HOUR IN THE MINIMUM WAGE AND WHICH HAS BEEN APPROVED BY A MAJORITY OF THE COMMITTEE ON EDUCATION AND LABOR, SHOULD BE ENACTED INTO LAW

Mr. SABATH. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Chairman, I have listened for nearly 4 hours to the debate on this minimum-wage bill now before us. Half of that time has been consumed by gentlemen who have at all times opposed any and all legislation that was in the furtherance of the cause of labor.

I was amazed that some of these gentlemen would go to the extent that they have in an effort to prejudice the minds of the membership by making unjustifiable and unwarranted statements which are not borne out by the facts or the provisions of this bill.

COMMITTEE BILL CAREFULLY CONSIDERED

I appreciate the fact that some gentlemen, who feel that treating the wage earner decently so he can provide adequately for his family, have adequately answered some of the arguments made by those desirous of emasculating the committee bill. I realize too that the committee bill is one which has been carefully considered by the Committee on Education and Labor, and which committee, in its sincere desire to bring to the floor a bill which would receive majority approval, consulted with the leaders of many sections of our country and agreed on the bill presently before us, namely, H. R. 5856. I understand that shortly the gentleman from Texas [Mr. LUCAS] will endeavor to sidetrack the committee bill for his bill which has not been considered by that committee and who sets himself up above the judgment of the Committee on Education and Labor.

REPUBLICANS ALWAYS OPPOSE LABOR LEGISLATION

I understand also, that many Republicans who always and at all times oppose legislation that is in the interest of the masses and labor, will I am sure, support this substitute. These very Republicans did not have the courage or nerve to introduce a bill of their own or any proposal which would improve, if that is possible, the present Lesinski bill, which as I said before, has been debated these past 4 hours. Their sole purpose and aim is to scuttle and destroy the committee bill. My Republican friends and some of the Dixiecrats do not hesitate, however, to vote millions of dollars for foreign labor, but when it comes to fair treatment for the American wage earner they are deaf and blind to their demands and appeals.

I frankly do not think there are a half a dozen Members, with the exception of the inner Republican coalition leaders that are familiar with Mr. LUCAS' bill because day before yesterday, he advocated another bill but when the majority of the members of the Committee on Education and Labor agreed on a compromise bill, eliminating some of the objectionable—to some gentlemen—provisions, the gentleman from Texas [Mr. LUCAS], not to be outdone, excluded these provisions from his bill also and made other changes which very few Members are familiar with. But the meaning of all this, Mr. Chairman, as I said before, is to destroy the committee bill, if possible.

"LUCAS COMPARISON AND NAM"

Yes, I received from the gentleman from Texas [Mr. LUCAS] a copy of a so-called comparison of his bill to the committee bill. I wonder who aided and assisted in the preparation of this 12-page comparison? Is not it possible that it is the work of experts of the highly paid National Association of Manufacturers in conjunction with the Republican leaders—in fact, that is my candid and strong belief. My many years of experience familiarized me with the shrewd and underhand methods employed by the Republicans in attempting to defeat American legislation that tends to aid, relieve, or bring about a decent minimum wage for the underpaid American wage earner.

FUTILE ATTEMPT OF MR. BARDEN

The gentleman from North Carolina [Mr. BARDEN] has tried to instill fear in the membership by quoting the provisions of the committee bill tha relate to the new power given to the Secretary of Labor and also the penal provisions effective on violation of this proposed bill; but he does not state that all of these provisions apply to second offenders and are not within the power of the Secretary of Labor, for such offenders have a right of appeal and due process through our courts. No, he would not mention that, but the gentleman from Texas, Judge COMES, I feel, has corrected the gentleman from North Carolina, Mr. BARDEN's views on this point, for the gentleman from North Carolina [Mr. BARDEN] at all times opposes every worth-while bill which might in the slightest degree aid and further the cause of labor. Is all this for the purpose of protecting the Republican carpet-bagger manufacturers who sold out their employees in the East and the West and moved to North Carolina and other Southern States, for the sole purpose of obtaining cheap labor?

WORTHLESS SLIDING SCALE

The gentleman from Texas [Mr. LUCAS] has embodied in his bill and lays great stress on the sliding-scale provision of his proposed substitute, which as I said on the floor yesterday, would mean nothing but uncertainty and confusion.

In this connection I desire to insert a statement that came to me a few minutes ago on this point:

PROPOSAL WOULD MAKE CONGRESS WAGE-CUTTING AGENCY

A minimum wage tied to cost of living puts Congress into the business of wage cutting even if prices drop only a few percent. Employers who might not otherwise reduce wages will be encouraged to do so if the minimum wage goes down only a few cents, following on a drop in the cost of living and blame the cut on the Government. Many employers who could legally have raised wages during the war hid behind the Government; the inducement to do so again would be offered by this proposal.

A minimum wage tied to the cost of living index is an open invitation by Government to employers to reduce wages in the lowest paid industries if prices drop even slightly. It gives Government sanction to wage cuts to workers who can least afford them.

BUSINESS UNCERTAINTY AND INJUSTICE WILL RESULT IF MINIMUM WAGE TIED TO CHANGES IN COST OF LIVING

Contracts will be uncertain. The minimum wage may rise during the life of a contract for manufacture taken during the latter part of the year. What price shall the manufacturer quote? Workers will be unemployed if the firm waits to see what the new minimum will be.

Firms placing contracts may wait if it appears that a reduction in the minimum will take place. Perhaps the principal can find a firm that will cut wages with a reduction in the minimum and quote a price a few cents a dozen lower. That may cause unemployment among the workers where the buying organization normally placed its contracts.

Reasonable stability is replaced by chronic instability and uncertainty.

NO ANALOGY BETWEEN FARM PARITY PRICES AND MINIMUM WAGE TIED TO COST OF LIVING

Changes in the parity price affect all producers of the particular farm product. A change in the minimum wage based on changes in the cost of living does not affect all wage and salary earners; it affects only those in the lowest-wage industries. (It is not proposed to tie the salaries of corporation executives, for example, to changes in the cost of living, but only the incomes of the lowest paid wage earners.)

TYING MINIMUM WAGE RATES TO CHANGES IN COST OF LIVING RUNS COUNTER TO COLLECTIVE BARGAINING PRACTICE

Workers and employers across the bargaining table have worked out wage practices which have tended to give the lowest wage earners the benefit of greater percentage increases during periods when wage increases were obtainable, and, in reverse, to apply policies which gave greater protection to workers in the lowest wage categories, during depression periods.

The proposal to adopt a policy which will encourage wage reductions for the lowest wage workers if the cost of living declines slightly runs counter to these practices.

All of this sliding-scale talk is on the theory that the country may suffer the throes of a recession and the employers may not be able to pay a minimum of 75 cents per hour or $30 per week, if the employees are employed the entire week.

The Republicans, I am confident, would like to see a recession brought about so that it could be used by them for political purposes notwithstanding the damage and harm that it would bring to our economy and to our country. No, they are not interested in the welfare of our great country, but uppermost in their heads is how to fool and mislead the American people in obtaining their votes to serve the vested interests and to accomplish therefrom their selfish ends.

CONTINUED PROSPERITY AND HEALTHY ECONOMIC CONDITIONS

As a matter of fact, that great Republican National City Bank of New York stated in their recent Monthly Letter as follows:

The business news during July has borne out indications that began to appear in June that the hand-to-mouth buying policies and reduction of inventories since the first of the year were clearing the way for an upturn of demand in many lines. For the first time since the slump set in, buying in substantial volume appeared in nonferrous metals, primary textiles, and various other industries, bringing firmer prices in numerous cases and a better feeling throughout business generally.

The American Bankers Association told Senators there is no danger of a real depression, and that business is in fact showing a pick-up.

In the Washington Evening Star of August 3, 1949, Mr. Earl R. Muir, president of the Louisville, Ky., Trust Co., said there can be no real depression when we have in the hands of millions of people some $175,000,000,000 in savings and deposits. We are going through a very fine period of readjustment.

In this same connection, conditions cannot be too bad for witness the statement that appeared in the New York Times under date of August 7, 1949, relative to the Chrysler Corp. profits—this is only one corporation, and many similar situations exist as I have pointed out from time to time in my remarks:

FIFTY-THREE MILLION TWO HUNDRED AND TWENTY-TWO THOUSAND EIGHT HUNDRED AND FORTY-THREE DOLLARS IS CLEARED BY CHRYSLER IN HALF YEAR

A net profit of $53,222,843, equal to $6.12 a share on 8,702,264 shares of capital stock, was reported yesterday by Chrysler Corp. for the first 6 months of the year. Included in the earnings are dividend payments from foreign subsidiaries of $13,080,524 accumulated from profits of prior years not heretofore available for transfer to this country. In the same period last year the company showed a profit of $35,786,010, or $4.11 a share, including $7,318,918 from foreign subsidiaries.

Net sales for half year were $950,927,855, against $662,812,815, covering 573,289 cars and trucks, compared with 439,159 in 1948.

In fact, all reports disclose that business and our general economic conditions are improving; that orders for manufactured products are increasing and even the professional and public short-selling manipulators are being put to rout, since this very week stock and bond prices are rising steadily because of these improved general conditions. We have nothing to fear.

BARKING UP WRONG TREE

Therefore, Mr. Chairman, I feel it is fair to state that the gentleman from Texas [Mr. LUCAS] is barking up the wrong tree when he tries to play into the Republican hands by discussing what might happen if and when a recession ever comes.

ORGANIZED VERSUS UNORGANIZED LABOR

Some of the gentlemen who are opposed to this fair committee bill have been, as a rule, the same people who are opposed to labor organizations. This bill, let me point out, will not adversely affect labor organizations, for all organized labor earns more than the measley 75 cents minimum or $30 per week as provided for herein; rather it will aid and assist unorganized labor, many white-collar workers who receive less than 75 cents per hour, and again, unfortunately, there are many hundreds of thousands of them that find it impossible to make both ends meet in the most prosperous times and in the most prosperous country in the history of the world.

BE TRUE TO PARTY AND PLEDGES

In conclusion, Mr. Chairman, I find it hard to understand why men of supposed intelligence—and they must have some when they can be elected to this House—are devoid of any scintilla of justice, sympathy, and fairness to their fellow men, and that, further, they can be so untrue to their pledges and party under which label they hold seats in this body. This applies to the gentlemen on both sides.

Mr. Chairman, I fervently hope that the Repo-Dixiecrat combination that unfortunately has been formed and has existed for nearly 4 years will not succeed in defeating this extremely meritorious and fair bill that was reported, as I said, after many months of careful consideration by the Committee on Education and Labor.

Mr. Chairman, though this bill has excluded many of the provisions that should have been covered under a minimum-wage bill, I, nevertheless, support it vigorously because it is the best bill that we can secure, due to the unholy alliance, as I said, that exists on the part of the Republicans and the Dixiecrats.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Fair Labor Standards Amendments of 1949."

Mr. LUCAS. Mr. Chairman, I offer a substitute amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. LUCAS as a substitute: Strike out all after the enacting clause and insert in lieu thereof the following: "That this act may be cited as the 'Fair Labor Standards Amendments of 1949.'

"SEC. 2. The Fair Labor Standards Act of 1938, as amended (29 U. S. C. 201–219), is hereby amended to read as follows:

"'SEC. 1. This act may be cited as the "Fair Labor Standards Act of 1949."

"'SEC. 2. (a) The Congress hereby finds that the existence, in industries engaged in commerce or in the production of goods for commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers (1) causes commerce and the channels and instrumentalities of commerce to be used to spread and perpetuate such labor conditions among the workers of the several States; (2) burdens commerce and the free flow of goods in

commerce; (3) constitutes an unfair method of competition in commerce; (4) leads to labor disputes burdening and obstructing commerce and the free flow of goods in commerce; and (5) interferes with the orderly and fair marketing of goods in commerce.

"'(b) It is hereby declared to be the policy of this act, through the exercise by Congress of its power to regulate commerce among the several States and with foreign nations, to correct and as rapidly as practicable to eliminate the conditions above referred to in such industries without substantially curtailing employment or earning power.

"'DEFINITIONS

"'SEC. 3. As used in this act—

"'(a) "Person" means an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons.

"'(b) "Commerce" means trade, commerce, transportation, transmission, or communication among the several States or between any State and any place outside thereof.

"'(c) "State" means any State of the United States or the District of Columbia or any Territory or possession of the United States.

"'(d) "Employer" includes any person acting directly or indirectly in the interest of an employer in relation to an employee but shall not include the United States or any State or political subdivision of a State, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

"'(e) "Employee" includes any individual employed by an employer.

"'(f) "Agriculture" includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

"'(g) "Employ" includes to suffer or permit to work.

"'(h) "Industry" means a trade, business, industry, or branch thereof, or group of industries, in which individuals are gainfully employed.

"'(i) "Goods" means goods (including ships and marine equipment), wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof, but does not include goods after their delivery into the actual physical possession of the ultimate consumer thereof other than a producer, manufacturer, or processor thereof.

"'(j) "Produced" means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this act an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any closely related process or occupation indispensable to the production thereof, in any State.

"'(k) "Sale" or "sell" includes any sale, exchange, contract to sell, consignment for sale, shipment for sale, or other disposition.

"'(l) "Resale" shall not include the sale of goods to be used in residential or farm building construction, repair, or maintenance.

"'(m) "Oppressive child labor" means a condition of employment under which (1) any employee under the age of 16 years is employed by an employer (other than a parent or a person standing in place of a parent employing his own child or a child in his custody under the age of 16 years in an occupation other than manufacturing or mining or other than an occupation found by the Administrator to be particularly hazardous for the employment of children between the ages of 16 and 18 years or detrimental to their health or well-being) in any occupation, or (2) any employee between the ages of 16 and 18 years is employed by an employer in any occupation which the Administrator shall find and by order declare to be particularly hazardous for the employment of children between such ages or detrimental to their health or well-being; but oppressive child labor shall not be deemed to exist by virtue of the employment in any occupation of any person with respect to whom the employer shall have on file an unexpired certificate issued and held pursuant to regulations of the Administrator certifying that such person is above the oppressive child-labor age. The Administrator shall provide by regulation or by order that the employment of employees between the ages of 14 and 16 years in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor if and to the extent that the Administrator determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

"'(n) "Wage" paid to any employee includes the reasonable cost, as determined by the Administrator, to the employer of furnishing such employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such employer to his employees.

"'ADMINISTRATION

"'SEC. 4. (a) There is hereby created in the Department of Labor a Wage and Hour Division which shall be under the direction of an administrator, to be known as the Administrator of the Wage and Hour Division (in this act referred to as the "Administrator"). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $15,000 a year.

"'(b) The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary to carry out his functions and duties under this act and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may establish and utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may appear for and represent the Administrator in any litigation, but all such litigation shall be subject to the direction and control of the Attorney General. In the appointment, selection, classification, and promotion of officers and employees of the Administrator, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

"'(c) The principal office of the Administrator shall be in the District of Columbia, but he or his duly authorized representative may exercise any or all of his powers in any place.

"'(d) The Administrator shall submit annually in January a report to the Congress covering his activities for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this act as he may find advisable.

"'(e) No provision of this act imposing any liability, disability, or punishment shall apply to any act done or omitted in good faith in conformity with any written regulation, order, or interpretation of the Administrator or the Secretary of Agriculture, as the case may be, notwithstanding that such regulation, order, or interpretation may, after such act or omission, be amended or rescinded or determined by judicial authority to be invalid for any reason.

"'SPECIAL INDUSTRY COMMITTEES FOR PUERTO RICO AND THE VIRGIN ISLANDS

"'SEC. 5. (a) The Administrator shall as soon as practicable appoint a special industry committee to recommend the minimum rate or rates of wages to be paid under section 6 to employees in Puerto Rico or the Virgin Islands, or in Puerto Rico and the Virgin Islands, engaged in commerce or in the production of goods for commerce, or the Administrator may appoint separate industry committees to recommend the minimum rate or rates of wages to be paid under section 6 to employees therein engaged in commerce or in the production of goods for commerce in particular industries. An industry committee appointed under this subsection shall be composed of residents of such island or islands where the employees with respect to whom such committee was appointed are employed and residents of the United States outside of Puerto Rico and the Virgin Islands. In determining the minimum rate or rates of wages to be paid, and in determining classifications, such industry committees and the Administrator shall be subject to the provisions of section 8.

"'(b) An industry committee shall be appointed by the Administrator without regard to any other provisions of law regarding the appointment and compensation of employees of the United States. It shall include a number of disinterested persons representing the public, one of whom the Administrator shall designate as chairman, a like number of persons representing employers in the industry, and a like number representing employees in the industry. In the appointment of the persons representing each group, the Administrator shall give due regard to the geographical regions in which the industry is carried on.

"'(c) Two-thirds of the members of an industry committee shall constitute a quorum, and the decision of the committee shall require a vote of not less than a majority of all its members. Members of an industry committee shall receive as compensation for their services a reasonable per diem, which the Administrator shall by rules and regulations prescribe, for each day actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and other expenses. The Administrator shall furnish the committee with adequate legal, stenographic, clerical, and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

"'(d) The Administrator shall submit to an industry committee from time to time such data as he may have available on the matters referred to it, and shall cause to be brought before it in connection with such matters any witnesses whom he deems material. An industry committee may summon other witnesses or call upon the Administrator to furnish additional information to aid it in its deliberations.

"'MINIMUM WAGES

"'SEC. 6. (a) Except as otherwise provided in this act, every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce wages at the following rates:

"'(1) Until and including December 31, 1949, not less than 65 cents an hour.

"'(2) For each calendar year after 1949, not less than the rate prescribed for such year in the applicable order of the Administrator determined and issued as follows: On or before the 10th day of December 1949 and on or before the 10th day of December of each calendar year thereafter, the Administrator shall (A) ascertain the rate, computed to the nearest tenth of a cent, which bears the same ratio to 65 cents an hour as the average "Consumer Price Index for Moderate-Income Families in Large Cities" (as determined and published by the Bureau of Labor Statistics) for the 12-month period ending October 15 of such calendar year bears to the average "Consumer Price Index for Moderate-Income Families in Large Cities" (as determined and published by the Bureau of Labor Statistics) for the 12-month period ending October 15, 1948; and (B) issue an order prescribing as the minimum hourly wage rate for the immediately succeeding calendar year the rate so ascertained (adjusted to the nearest cent): *Provided*, That in no event shall the minimum hourly wage prescribed by the Administrator be less than 50 cents an hour.

"'(3) If such employee is a home worker in Puerto Rico or the Virgin Islands, not less than the minimum piece rate prescribed by regulation or order; or, if no such minimum piece rate is in effect, any piece rate adopted by such employer which shall yield, to the proportion or class of employees prescribed by regulation or order, not less than the applicable minimum hourly wage rate. Such minimum piece rates or employer piece rates shall be commensurate with, and shall be paid in lieu of, the minimum hourly wage rate applicable under the provisions of this section. The Administrator, or his authorized representative, shall have power to make such regulations or orders as are necessary or appropriate to carry out any of the provisions of this paragraph, including the power without limiting the generality of the foregoing, to define any operation or occupation which is performed by such home-work employees in Puerto Rico or the Virgin Islands; to establish minimum piece rates for any operation or occupation so defined; to prescribe the method and procedure for ascertaining and promulgating minimum piece rates; to prescribe standards for employer piece rates, including the proportion or class of employees who shall receive not less than the minimum hourly wage rate; to define the term "home worker"; and to prescribe the conditions under which employers, agents, contractors, and subcontractors shall cause goods to be produced by home workers.

"'(b) The provisions of paragraphs (1) and (2) of subsection (a) of this section shall be superseded in the case of any employee in Puerto Rico or the Virgin Islands engaged in commerce or in the production of goods for commerce only for so long as and insofar as such employee is covered by a wage order heretofore or hereafter issued by the Administrator pursuant to the recommendations of a special industry committee appointed pursuant to section 5: *Provided*, That the wage order in effect prior to the effective date of this act for any industry in Puerto Rico or the Virgin Islands shall apply to every employee in such industry covered by subsection (a) of this section until superseded by a wage order hereafter issued pursuant to the recommendations of a special industry committee appointed pursuant to section 5.

"'MAXIMUM HOURS

"'SEC. 7. (a) Except as otherwise provided in this section, no employer shall employ any of his employees who is engaged in commerce or in the production of goods for commerce for a workweek longer than 40 hours, unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.

"'(b) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed—

"'(1) in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that no employee shall be employed more than 1,040 hours during any period of 26 consecutive weeks; or

"'(2) in pursuance of an agreement, made as result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that during a specified period of 52 consecutive weeks the employee shall be employed not more than 2,240 hours and shall be guaranteed not less than 1,840 hours (or not less than 46 weeks at the normal number of hours worked per week, but not less than 30 hours per week) and not more than 2,080 hours of employment for which he shall receive compensation for all hours guaranteed or worked at rates not less than those applicable under the agreement to the work performed and for all hours in excess of the guaranty which are also in excess of 40 hours in the workweek or 2,080 in such period at rates not less than one and one-half times the regular rate at which he is employed; or

"'(3) for a period or periods of not more than 14 workweeks in the aggregate in the calendar year in any industry found by the Administrator to be of a seasonal nature,

and if such employee receives compensation for employment in excess of 12 hours in any workday, or for employment in excess of 56 hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed.

"'(c) In the case of an employer engaged in the first processing of milk, buttermilk, whey, skimmed milk, or cream into dairy products, or in the ginning and compressing cotton, or in the processing of cottonseed, or in the processing of sugar beets, sugarbeet molasses, sugarcane, or maple sap, into sugar (but not refined sugar) or into sirup, the provisions of subsection (a) shall not apply to his employees in any place of employment where he is so engaged; and in the case of an employer engaged in the first processing of, or in canning or packing, perishable or seasonal fresh fruits or vegetables, or in the first processing, within the area of production (as defined by the Secretary of Agriculture), of any agricultural or horticultural commodity during seasonal operations, or in handling, slaughtering, or dressing poultry or livestock, the provisions of subsection (a), during a period or periods of not more than 14 workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

"'(d) As used in this section the "regular rate" at which an employee is employed shall be deemed to include all remuneration for employment paid to, or on behalf of, the employee, but shall not be deemed to include—

"'(1) sums paid as gifts; payments in the nature of gifts made at Christmas time or on other special occasions, as a reward for service, the amounts of which are not measured by or dependent on hours worked, production, or efficiency;

"'(2) payments made for occasional periods when no work is performed due to vacation, holiday, illness, failure of the employer to provide sufficient work, or other similar cause; reasonable payments for traveling expenses, or other expenses, incurred by an employee in the furtherance of his employer's interests and properly reimbursable by the employer; and other similar payments to an employee which are not made as compensation for his hours of employment;

"'(3) sums paid in recognition of services performed during a given period if either, (a) both the fact that payment is to be made and the amount of the payment are determined at the sole discretion of the employer at or near the end of the period and not pursuant to any prior contract, agreement, or promise causing the employee to expect such payments regularly; or (b) the payments are made pursuant to a bona fide profit-sharing plan or trust, to the extent to which the amounts paid to the employee are determined without regard to hours of work, production, or efficiency; or (c) the payments are talent fees paid to performers, including announcers, on radio and television programs;

"'(4) contributions irrevocably made by an employer to a trustee or third person pursuant to a bona fide plan for providing old-age, retirement, life, accident, or health insurance or similar benefits for employees;

"'(5) extra compensation provided by a premium rate paid for certain hours worked by the employee in any day or workweek because such hours are hours worked in excess of 8 in a day or 40 in a workweek or in excess of the employee's normal working hours or regular working hours, as the case may be;

"'(6) extra compensation provided by a premium rate paid for work by the employee on Saturdays, Sundays, holidays, or regular days of rest, or on the sixth or seventh day of the workweek, where such premium rate is not less than one and one-half times the rate established in good faith for like work performed in nonovertime hours on other days; or

"'(7) extra compensation provided by a premium rate paid to the employee, in pursuance of an applicable employment contract or collective-bargaining agreement, for work outside of the hours established in good faith by the contract or agreement as the basic, normal, or regular workday (not exceeding 8 hours) or workweek (not exceeding 40 hours), where such premium rate is not less than one and one-half times the rate established in good faith by the contract or agreement for like work performed during such workday or workweek.

"'(e) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of 40 hours if such employee is employed pursuant to a bona fide individual contract, or pursuant to an agreement made as a result of collective bargaining by representatives of employees, if the duties of such employee necessitate irregular hours of work, and the contract or agreement (1) specifies a regular rate of pay of not less than the minimum hourly rate provided in section 6 (a) and compensation at not less than one and one-half times such rate for all hours worked in excess of 40 in any workweek and (2) provides a weekly guaranty of pay for not more than 60 hours based on the rates so specified.

"'(f) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of 40 hours if, pursuant to an agreement or understanding arrived at between the employer and the employee before performance of the work, the amount paid to the employee for such employment in excess of 40 hours—

"'(1) in the case of an employee employed at piece rates, is computed at piece rates not less than one and one-half times the bona fide piece rates applicable to the same work when performed during nonovertime hours; or

"'(2) in the case of an employee performing two or more kinds of work for which different hourly or piece rates have been established, is computed at rates not less than one and one-half times such bona fide rates applicable to the same work when performed during nonovertime hours;
and if (i) the employee's average hourly earnings for the workweek exclusive of payments described in paragraphs (1) through (7) of subsection (d) are not less than the minimum hourly rate required by applicable law, and (ii) extra overtime compensation is properly computed and paid on other forms of additional pay required to be included in computing the regular rate.

"'(g) Extra compensation paid as described in paragraphs (5), (6), and (7) of subsection (d) shall be creditable toward overtime compensation payable pursuant to this section.

"'WAGE ORDERS IN PUERTO RICO AND THE VIRGIN ISLANDS

"'SEC. 8. (a) The policy of this act with respect to industries in Puerto Rico and the Virgin Islands engaged in commerce or in the production of goods for commerce is to reach as rapidly as is economically feasible without substantially curtailing employment the objective of a minimum wage as prescribed pursuant to paragraph (2) of section 6 (a) in each such industry. The Administrator shall from time to time convene an industry committee or committees, appointed pursuant to section 5, and any such industry committee shall from time to time recommend the minimum rate or rates of wages to be paid under section 6 by employers in Puerto Rico or the Virgin Islands, or in Puerto Rico and the Virgin Islands, engaged in commerce or in the production of goods for commerce in any such industry or classifications therein.

"'(b) Upon the convening of any such industry committee, the Administrator shall refer to it the question of the minimum-wage rate or rates to be fixed for such industry. The industry committee shall investigate conditions in the industry and the committee, or any authorized subcommittee thereof, may hear such witnesses and receive such evidence as may be necessary or appropriate to enable the committee to perform its duties and functions under this act. The committee shall recommend to the Administrator the highest minimum-wage rates for the industry which it determines, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry, and will not give any industry in Puerto Rico or in the Virgin Islands a competitive advantage over any industry in the United States outside of Puerto Rico and the Virgin Islands.

"'(c) The industry committee shall recommend such reasonable classifications within any industry as it determines to be necessary for the purpose of fixing for each classification within such industry the highest minimum-wage rate (not in excess of that prescribed pursuant to paragraph (2) of section 6 (a)) which (1) will not substantially curtail employment in such classification and (2) will not give a competitive advantage to any group in the industry, and shall recommend for each classification in the industry the highest minimum-wage rate which the committee determines will not substantially curtail employment in such classification. In determining whether such classifications should be made in any industry, in making such classifications, and in determining the minimum-wage rates for such classifications, no classifications shall be made, and no minimum-wage rate shall be fixed, solely on a regional basis, but the industry committee and the Administrator shall consider among other relevant factors the following:

"'(1) Competitive condition as affected by transportation, living, and production costs.

"'(2) The wages established for work of like or comparable character by collective labor agreements negotiated between employers and employees by representatives of their own choosing.

"'(3) The wages paid for work of like or comparable character by employers who voluntarily maintain minimum-wage standards in the industry.

No classification shall be made under this section on the basis of age or sex.

"'(d) The industry committee shall file with the Administrator a report containing its recommendations with respect to the matters referred to it. Upon the filing of such report, the Administrator, after due notice to interested persons, and giving them an opportunity to be heard, shall by order approve and carry into effect the recommendations contained in such report, if he finds that the recommendations are made in accordance with law, are supported by the evidence adduced at the hearing, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of this section; otherwise he shall disapprove such recommendations. If the Administrator disapproves such recommendations, he shall again refer the matter to such committee, or to another industry committee for such industry (which he may appoint for such purpose), for further consideration and recommendations.

"'(e) Orders issued under this section shall define the industries and classifications therein to which they are to apply, and shall contain such terms and conditions as the Administrator finds necessary to carry out the purposes of such orders, to prevent the circumvention or evasion thereof, and to safeguard the minimum-wage rates established therein. No such order shall take effect until after due notice is given of the issuance thereof by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give to interested persons general notice of such issuance.

"'(f) Due notice of any hearing provided for in this section shall be given by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give general notice to interested persons.

"'ATTENDANCE OF WITNESSES

"'SEC. 9. For the purpose of any hearing or investigation provided for in this act, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C., 1946 edition, title 15, secs. 49 and 50), are hereby made applicable to the jurisdiction, powers, and duties of the Administrator and the industry committees.

"'COURT REVIEW

"'SEC. 10. (a) Any person aggrieved by an order of the Administrator issued under section 8 may obtain a review of such order in the United States court of appeals for any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia circuit, by filing in such court, within 60 days after the entry of such order, a written petition praying that the order of the Administrator be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Administrator, and thereupon the Administrator shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part, so far as it is applicable to the petitioner. The review by the court shall be limited to questions of law, and findings of fact by the Administrator when supported by a preponderance of the evidence shall be conclusive. No objection to the order of the Administrator shall be considered by the court unless such objection shall have been urged before the Administrator or unless there were reasonable grounds for failure so to do. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence may materially affect the result of the proceeding and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence to be taken before the Administrator and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Administrator may modify his findings by reason of the additional evidence so taken, and shall file with the court such modified or new findings which if supported by a preponderance of the evidence shall be conclusive, and shall also file his recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

"'(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Administrator's order. The court shall not grant any stay of the order unless the person complaining of such order shall file in court an undertaking with a surety or sureties satisfactory to the court for the payment to the employees affected by the order, in the event such order is affirmed, of the amount by which the compensation such employees are entitled to receive under the order exceeds the compensation they actually receive while such stay is in effect.

"'INVESTIGATIONS, INSPECTIONS, AND RECORDS

"'SEC. 11. (a) The Administrator or his designated representatives may investigate and gather data regarding the wages, hours, employment of minors and other conditions, and practices of employment in any industry subject to this act, and may enter and inspect such places and such records (and make such transcriptions thereof), question such employees, and investigate such facts, conditions, practices, or matters as he may deem necessary or appropriate to determine whether any person has violated any provision of this act, or which may aid in the enforcement of the provisions of this act. The Administrator shall utilize the bureaus and divisions of the Department of Labor for all the investigations and inspections necessary under this section. The Administrator shall bring all actions under section 17 to restrain violations of this act.

"'(b) With the consent and cooperation of State agencies charged with the administration of State labor laws, the Administrator may, for the purpose of carrying out his functions and duties under this act, utilize the services of State and local agencies and their employees and, notwithstanding any other provision of law, may reimburse such State and local agencies and their employees for services rendered for such purposes.

"'(c) Every employer subject to any provision of this act or of any order issued under this act shall make, keep, and preserve such records of the persons employed by him and of the wages, hours, and other conditions and practices of employment maintained by him, and shall preserve such records for such periods of time, and shall make such reports therefrom to the Administrator as he shall prescribe by regulation or order as necessary

or appropriate for the enforcement of the provisions of this act or the regulations or orders thereunder.

"'CHILD-LABOR PROVISIONS

"'SEC. 12. (a) No producer, manufacturer, or dealer shall ship or deliver for shipment in commerce any goods produced in an establishment situated in the United States in or about which within 30 days prior to the removal of such goods therefrom any oppressive child labor has been employed: *Provided*, That any such shipment or delivery for shipment of such goods by a purchaser who acquired them after such oppressive child labor has been employed shall not be deemed prohibited by this subsection if such purchaser proves that he was without knowledge of the employment of such oppressive child labor, and acted in good faith in reliance on written assurance from the producer, manufacturer, or dealer that the goods were produced in compliance with the child-labor provisions of the act: *And provided further*, That a prosecution and conviction of a defendant for the shipment or delivery for shipment of any goods under the conditions herein prohibited shall be a bar to any further prosecution against the same defendant for shipments or deliveries for shipment of any such goods before the beginning of said prosecution.

"'(b) No employer shall employ any oppressive child labor in commerce or in the production of goods for commerce.

"'EXEMPTIONS

"'SEC. 13. (a) The provisions of sections 6 and 7 shall not apply with respect to (1) any employee employed in a bona fide executive, administrative, profession, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator); or (2) any employee employed by any retail or service establishment, more than 50 percent of which establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located. A "retail or service establishment" shall mean an establishment 75 percent of whose annual dollar volume of sales of goods or services (or of both) is not for resale and is recognized as retail sales or services in the particular industry; or (3) any employee employed by any establishment engaged in laundering, cleaning, or repairing clothing or fabrics, more than 50 percent of which establishment's annual dollar volume of sales of such services is made within the State in which the establishment is located, provided that 75 percent of such establishment's annual dollar volume of sales of such services is made to customers who are not engaged in a mining, manufacturing, transportation, or communications business; or (4) any employee employed by an establishment which qualifies as a retail establishment under paragraph (2) of this subsection and is recognized as a retail establishment in the particular industry notwithstanding that such establishment makes or processes the goods that it sells; or (5) any employee employed as a seaman; or (6) any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in the loading, unloading, or packing of such products for shipment or in propagating, processing, marketing, freezing, canning, curing, storing, or distributing the above products or byproducts thereof; or (7) any employee employed in agriculture; or (8) any employee to the extent that such employee is exempted by regulations or orders of the Administrator issued under section 14; or (9) any employee employed in connection with the publication of any weekly or semiweekly newspaper with a circulation of less than 5,000, the major part of which circulation is within the county where printed and published or counties contiguous thereto; or (10) any employee of a street, suburban, or interurban electric railway, or local trolley or motorbus carrier, not included in other exemptions contained in this section; or (11) any individual employed within the area of production (as defined by the Secretary of Agriculture), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products; or (12) any switchboard operator employed in a public-telephone exchange which has less than 750 stations; or (13) any employee of an employer engaged in the business of operating taxicabs; or (14) any employee or proprietor in a retail or service establishment as defined in paragraph (2) of this subsection, with respect to whom the provisions of sections 6 and 7 would not otherwise apply, engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed $500 a month; or (15) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing, processing, or transporting logs or other forestry products, prior to the completion of the processing thereof in and about a sawmill, if the number of employees employed by his employer in forestry or lumbering operations does not exceed 12; or (16) any employee employed in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, and which are used exclusively for supply and storing of water for agricultural purposes.

"'(b) The provisions of section 7 shall not apply with respect to (1) any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935; or (2) any employee of an employer subject to the provisions of part I of the Interstate Commerce Act; or (3) any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act.

"'(c) The provisions of section 12 relating to child labor shall not apply with respect to any employee employed in agriculture while not legally required to attend school or to any child employed as an actor or performer in motion pictures or theatrical productions or in radio or television productions.

"'LEARNERS, APPRENTICES, AND HANDICAPPED WORKERS

"'SEC. 14. The Administrator, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for (1) the employment of learners, of apprentices, and of messengers employed exclusively in delivering letters and messages, under special certificates issued pursuant to regulations of the Administrator, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Administrator shall prescribe; and (2) the employment of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, under special certificates issued by the Administrator, at such wages lower than the minimum wage applicable under section 6 and for such period as shall be fixed in such certificates.

"'PROHIBITED ACTS

"'SEC. 15. (a) It shall be unlawful for any person—

"'(1) to transport, offer for transportation, ship, deliver, or sell in commerce, or to ship, deliver, or sell with knowledge that shipment or delivery or sale thereof in commerce is intended, any goods in the production of which any employee was employed in violation of section 6 or section 7, or in violation of any regulation or order of the Administrator issued under section 14; except that any such transportation, offer, shipment, delivery, or sale of such goods by a purchaser who acquired them after such violation occurred shall not be deemed unlawful if such purchaser proves that he was without knowledge of such violation, and acted in good faith in reliance on written assurance from the producer that the goods were produced in compliance with the requirements of the act, and no provision of this act shall impose any liability upon any common carrier for the transportation in commerce in the regular course of its business of any goods not produced by such common carrier, and no provision of this act shall excuse any common carrier from its obligation to accept any goods for transportation;

"'(2) to violate any of the provisions of section 6 or section 7, or any of the provisions of any regulation or order of the Administrator issued under section 14;

"'(3) to discharge or in any other manner discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this act, or has testified or is about to testify in any such proceeding, or has served or is about to serve on an industry committee;

"'(4) to violate any of the provisions of section 12;

"'(5) to violate any of the provisions of section 11 (c), or to make any statement, report, or record filed or kept pursuant to the provisions of such section or of any regulation or order thereunder, knowing such statement, report, or record to be false in a material respect.

"'(b) For the purposes of subsection (a) (1) proof that any employee was employed in any place of employment where goods shipped or sold in commerce were produced, within 90 days prior to the removal of the goods from such place of employment, shall be prima facie evidence that such employee was engaged in the production of such goods.

"'PENALTIES

"'SEC. 16. (a) Any person who willfully violates any of the provisions of section 15 shall upon conviction thereof be subject to a fine of not more than $10,000, or to imprisonment for not more than 6 months, or both. No person shall be imprisoned under this subsection except for an offense committed after the conviction of such person for a prior offense under this subsection.

"'(b) Any employer who violates the provisions of section 6 or section 7 of this act shall be liable to the employee or employees affected in the amount of their unpaid minimum wages, or their unpaid overtime compensation, as the case may be, and in an additional equal amount as liquidated damages. Action to recover such liability may be maintained in any court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated. No employee shall be a party plaintiff to any such action unless he gives his consent in writing to become such a party and such consent is filed in the court in which such action is brought. The court in such action shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action.

"'(c) The Administrator is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to any employee or employees under section 6 or section 7 of this act, and the agreement of any employee to accept such payment shall upon payment in

full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages.

"'INJUNCTION PROCEEDINGS

"'SEC. 17. The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, to restrain violations of section 15.

"'RELATION TO OTHER LAWS

"'SEC. 18. No provision of this act or of any order thereunder shall excuse noncompliance with any Federal or State law or municipal ordinance establishing a minimum wage higher than the minimum wage established under this act or a maximum workweek lower than the maximum workweek established under this act, and no provision of this act relating to the employment of child labor shall justify noncompliance with any Federal or State law or municipal ordinance establishing a higher standard than the standard established under this act. No provision of this act shall justify any employer in reducing a wage paid by him which is in excess of the applicable minimum wage under this act, or justify any employer in increasing hours of employment maintained by him which are shorter than the maximum hours applicable under this act.

"'SEPARABILITY OF PROVISIONS

"'SEC. 19. If any provision of this act or the application of such provision to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.'

"EFFECTIVE DATE OF CERTAIN CHANGES AND SAVINGS CLAUSE

"SEC. 3. (a) This act shall take effect upon the expiration of 60 days from the date of its enactment, except that the provisions of section 7 of the Fair Labor Standards Act of 1949 (relating to overtime compensation) shall be in full force and effect from and after the date of enactment of this act.

"(b) Any order, regulation, or interpretation of the Administrator of the Wage and Hour Division or of the Secretary of Labor, and any agreement entered into by the Administrator or the Secretary of Labor, in effect under the provisions of the Fair Labor Standards Act of 1938 on the date of enactment of this act, shall remain in effect as an order, regulation, interpretation, or agreement of the Administrator of the Wage and Hour Division or the Secretary of Agriculture, as the case may be, pursuant to this act, except to the extent that any such order, regulation, interpretation, or agreement may be inconsistent with the provisions of this act, or may from time to time be amended, modified, or rescinded by the Administrator of the Wage and Hour Division or the Secretary of Agriculture, as the case may be, in accordance with the provisions of this act.

"(c) No amendment made by this act shall affect any penalty or liability with respect to any act or omission occurring prior to the applicable effective date of this act; but, after the expiration of 2 years from such applicable effective date, no action shall be instituted under section 16 (b) of the Fair Labor Standards Act of 1938 with respect to any liability accruing thereunder for any act or omission occurring prior to the applicable effective date of this act.

"(d) No amendment made by this act shall be construed as amending, modifying, or repealing any provision of the Portal-to-Portal Act of 1947.

"(e) No employer shall be subject to any liability or punishment under the Fair Labor Standards Act of 1938, as amended (in any action or proceeding commenced prior to or on or after the date of the enactment of this act), on account of the failure of said employer to pay an employee compensation for any period of overtime work performed prior to the date of enactment of this act, if the compensation paid prior to such date for such work was at least equal to the compensation which would have been payable for such work had section 7 (d) (6) and (7) and section 7 (g) of the Fair Labor Standards Act of 1949 been in effect at the time of such payment."

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. LUCAS. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes..

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LUCAS. Mr. Chairman, we have come to a crucial time. We have come to the time when the Members of this House are to decide whether they will accept an entirely new philosophy in minimum-wage legislation, or whether they will attempt to follow the present law, with the necessary clarifications, to continue under an act which was enacted by the Congress in 1938. That is the test and the only test before us. It is not simply the test of whether we shall enact a bill carrying 75 cents as a minimum wage or 65 cents as a minimum wage or a dollar as a minimum wage or 50 cents as a minimum wage. The test is whether we are going to embark into an entirely new field, whether we are going to convey such powers to the Administrator as have never been conveyed by the Congress before in the history of the United States, in peacetime. That is the question. Some of the proponents of the Lesinski bill are going to say to you, "We have taken the old act and added a few things to it."

I took the Lesinski bill and I marked every line of it which is different from the present act. I want to show it to you. More than two-thirds of it is entirely new legislation, conveying more power, as I have said, than any Administrator has ever possessed in the history of this country in peacetime. I stand on that statement.

You have heard others say here that the rule-making power is necessary. It is unfortunate that the gentleman from Texas [Mr. COMBS], who did not have the privilege of attending the hearings on this minimum wage legislation, did not hear how the Administrator has extended his powers, without the rule-making power. Shall we give the Secretary the rule-making power so that in every case where there is a fringe decision to make, he can simply write a rule carrying that industry under his jurisdiction? That is the question.

The rule-making power will not only give to the Secretary of Labor such power as to define all words in the Act—and those words are written into the bill—but they give him such power as to carry the extension of this act into every field where there has ever been a question of whether or not he should have jurisdiction.

So I say to you that the decision here is not simply 75 cents or 65 cents. The question is whether you are going to abdicate your powers as legislators and give that power to an administrator downtown. That is the question you have before you.

In the Lesinski bill such power is granted and I want to point out to you where that power lies. Not only does he have the power to make rules but the Secretary also may bring suit which will include suits for back wages, and the power to bring suit is very broad. The proponents of the section will say that that power already resides in certain of the State officers who bring suit for back wages. Such powers do exist, but they have always been limited. First, it may be limited as to the amount. In Wisconsin that limit is $100; in California and in other States the claimant must be indigent; but in this bill neither is there a limit on the amount in question or on the financial status of the claimant; and, further, Mr. Chairman—and I stand on this, too, despite some statements of certain proponents of the Lesinski bill—there is no limitation on the Secretary as to how far back he can go to bring suit. We all know that there is no statute of limitation binding any sovereign unless he himself limits that power. The Senate committee in reporting a similar bill put a statute of limitations in clear and definite terms in this provision to grant power to bring suits, but there is no statute of limitations in the Lesinski bill and that power goes clear back to October 24, 1938. The Secretary of Labor can bring suits for back pay following that power clear back to that date. That is not all. The labor unions are going to put unconscionable pressure upon the Secretary of Labor to bring such suits as that because their members, as claimants, are limited by the Portal Act to only 2 years, so they are going to strongly insist upon the Secretary of Labor bringing those suits.

But, Mr. Chairman, that is not all. Here recently a court or two has said that the Administrator in seeking injunctions may recover back wages under its equitable jurisdiction. So the gentleman from Michigan [Mr. LESINSKI] placed in his bill a proviso which is inserted for the very purpose of confirming that power so that the Secretary of Labor in bringing injunction suits can recover back wages in injunction suits at no cost to the employee.

This power to bring suits would necessitate a corps of lawyers in the Department of Labor reaching to 10,000 in number; it would take that many to administer that feature of the bill. Let me tell you that the Administrator, in testifying before our committee, said that 51 percent of the businesses which he had inspected last year were in violation; therefore, 51 percent of the businesses would have to be sued if they did not wish voluntarily to comply; I will come back to that again in a minute. Here they are wanting to create a great corps of lawyers at a time when we are trying to cut down on the expenses of government; here we are authorizing the Secretary of Labor to hire lawyers to instigate litigation and bring suit. And what can a little-business man do? What can he do if a wage-hour inspector comes into his office and asks if he is

complying, takes a look at his books, and finds some slight error. He will say: "You have not complied; you owe so much." He will reply: "I do not owe that; I do not owe that much money." Suppose an issue is brought against the little-business man by the Wage-Hour Administrator and the Secretary of Labor. Under this bill they can carry the case clear to the Supreme Court, at the taxpayers' expense, yet the little-business man will have to spend his own money to hire a firm of constitutional lawyers to carry it clear to the Supreme Court.

Mr. Chairman, this is the most serious piece of legislation which we are going to have before us this year. You can talk about the Taft-Hartley bill and foreign-aid bill, you can talk about any of the other bills you wish, but we are not going to have anything before us as serious as this bill, or one that will more intimately affect the daily lives of every American citizen as much as this bill. It goes into the very heart and soul of business, the number of hours worked and wages paid; that constitutes the heart and soul of business. In this bill the gentleman from Michigan carries those provisions into every little business. Oh, he says, retail establishments are exempt, but notice the qualifications he throws around retail establishments. This bill states that retail establishments are exempt if they sell to private citizens for personal or household or family use, I believe are the words; in other words it must go into the household, it must be for personal or family consumption and not business use. Therefore the little typewriter shop that serves the typewriters of the business houses in town will be covered, and the gentleman from Michigan [Mr. LESINSKI] will not deny that.

Mr. LESINSKI. Will the gentleman yield?

Mr. LUCAS. Does the gentleman deny that statement?

Mr. LESINSKI. I will deny it. The gentleman is wrong.

Mr. LUCAS. Let us read the gentleman's bill and see if it is covered.

Mr. LESINSKI. I will absolutely deny it.

Mr. LUCAS. Let me call attention to this language:

> As used in this subsection, "retail selling or servicing" means selling or servicing to private individuals for personal or family consumption.

Is fixing a typewriter in that category?

Mr. LESINSKI. That has nothing to do with that section.

Mr. LUCAS. That is the gentleman's definition in this bill and he cannot deny it.

Mr. LESINSKI. That has nothing to do with that section.

Mr. LUCAS. Mr. Chairman, that is not all. This definition carries the power of the Administrator and of the Secretary of Labor into every business in the land. I heard the gentleman from Ohio [Mr. BURKE] state that it did not cover hotels. How he makes such an interpretation of the words in the bill is beyond me.

While we have gotten the gentleman from Michigan [Mr. LESINSKI] willing to answer some questions, let me ask him: Did he intend to exclude from the coverage of this act Sears, Roebuck and Montgomery Ward that do purely an interstate business? Answer that question.

Mr. LESINSKI. Anyone who is engaged in interstate commerce is in the bill.

Mr. LUCAS. That is simply not true. There has been excluded the interstate-commerce feature of this exemption in the old law; therefore, that retail business which ships in interstate commerce is not covered under this bill. The gentleman cannot deny that. He has covered the typewriter shop that services Montgomery Ward and then excluded Montgomery Ward.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LANHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, during the debate on the bill to repeal the Taft-Hartley Act, the gentleman from Illinois [Mr. ARENDS] asked me if I intended to vote for an increase in the minimum wage. I told him I would cross that bridge when I got to it. I have now gotten to that bridge. I want to say that during all this time I have been trying to strengthen that bridge so that I could pass over it without falling into the political morass that might be beneath it.

With that in view, I was glad when a group of southern Congressmen who believe in the Democratic Party—who are Democrats and who want to go along with the administration when we can do so conscientiously—were asked by members of the Committee on Education and Labor to get together with them to form late some bill with which we folks in the South could go along. May I say that in working with the Committee on Education and Labor, I supposed the subcommittee had been appointed in the regular way, and I still suppose that. They worked with us in the finest sort of spirit. They made certain concessions. We explained the situation that we folks in the South were laboring under; that there were certain border-line industries that could not stand the 75-cent minimum wage. We explained that we could not possibly vote for H. R. 3190; we explained also that we could not vote for the second Lesinski bill that was thrown into the hopper, which would have continued the coverage just as it is at the present time, but would have increased the minimum wage to 75 cents.

I want to say in that connection that I know nothing about the differences that may have arisen between the members of the Committee on Education and Labor, as I am not a member of that committee, and I am not taking sides today. I just want to say this: That I supposed that the bill we had agreed upon had been submitted to the Committee on Education and Labor and had been reported out in the regular way. I have no criticism of the chairman or any member of the committee if it was not done. There were, no doubt, reasons. But I supposed until the debate began on this bill yesterday that it had been done, and that the bill had been reported out in the regular way.

At any rate, I want to state that the members of the committee were most cooperative, and we believe that we have reported a bill—it is not perfect, that is true—but we do believe that it is a bill that the members of the Democratic Party can go along with; that is, those of us who fear that our industries might be upset in the South by a flat increase to 75 cents. I cannot go into the details of the bill in the 5 minutes allotted to me.

Just let me say this: I said I was a Democrat and believed in the Democratic Party. I think we have forgotten our party responsibility, especially we folks on the Democratic side. I know there are higher loyalties than loyalty to the party. First of all there is loyalty to God and the loyalty to our own integrity. There is next the loyalty that we owe our country, and the loyalty that we owe our section and our State and then comes loyalty to our party. Now, it is not always possible for us to go along with our party, because of these higher loyalties; but I think party responsibility in America is very necessary at this time. Our very Government is founded on the idea of party responsibility and the two-party system, and I appeal to you today to go along with your party and your committee, not necessarily with all of the terms of this bill. But why adopt the substitute that is written—I do not say written by my friend from Texas, as I do not know who wrote it, but it is offered by him. I have the highest respect for my good friend from Texas; he and I are fraternity brothers as a matter of fact, and I love him, but nevertheless he has joined with the Republicans, as is so often done in this Congress, and it is this lack of party responsibility that has prevented this Congress from accomplishing its purposes more speedily than it has.

The thing I want to say is this: I ask that we take this bill that the committee has reported out; that if there are amendments that ought to be written into it, that we do it, and that we perfect this bill instead of taking the bill that has been drafted by the gentleman from Texas [Mr. LUCAS].

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LANHAM. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. RANKIN. Mr. Chairman, reserving the right to object, the gentleman from Georgia accused the gentleman from Texas with lining up with the Republicans, just because some Republicans are voting with the gentleman from Texas.

Mr. LANHAM. I am just stating my conclusions, from the fact that the Republicans almost to a man are supporting the Lucas substitute.

Mr. RANKIN. That is wrong.

Mr. LUCAS. I reserve the right to object further, Mr. Chairman.

Mr. LANHAM. I will yield to the gentleman, although he would not yield to me on yesterday.

Mr. LUCAS. I regret that and noted it in the RECORD this morning. Would the gentleman criticize me because other Members of the House choose to vote for my bill, whether they be Democrats or Republicans?

Mr. LANHAM. I do not criticize any one. I am pleading for party loyalty, harmony, and responsibility.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Chairman, as I say, I have no criticism of any of my colleagues who see fit to vote for the Lucas substitute. But, whichever is adopted is going to be amended. I do not think there is any question but that if the Lucas substitute is adopted there will be an amendment offered, to raise the minimum wage to 75 cents. As a matter of fact, the gentleman from Ohio [Mr. BREHM] said this morning he was going to offer an amendment to raise the minimum wage to 75 cents. I do not think there is any question if it is not adopted, and the Lesinski bill is voted upon, that there will be an amendment offered to that bill to make the wage 65 cents. So after all, whichever bill we adopt will be amended. The House will determine whether the minimum wage is to be 65 cents or 75 cents.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman indicated it might be advisable to vote down the Lucas bill and then endeavor to perfect the Lesinski bill in accordance with the will of the House. The gentleman indicated there might be an amendment on which we would pass, making the amount 65 cents.

Mr. LANHAM. I do not think there is any question about it.

Mr. HARRIS. Is the gentleman in a position to state that he believes the 65 cents would be more in keeping with our economy?

Mr. LANHAM. I think so. I frankly told the committee with which I was working that I thought the southern Members would vote for a 65-cent minimum. I shall probably vote for a 75-cent minimum, to keep faith with the committee with which I have been working; but I know most of my colleagues from the South believe that the minimum should be 65 cents and they may well be right.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Pennsylvania, for a question.

Mr. McCONNELL. May I clear up one thing? I think there has been a general impression spread abroad that there was a meeting of the committee on H. R. 5856, and that the majority members of the committee approved the bill after the minority members had seen it. I had never seen the bill until it was put into the hopper, and we have had no discussion at any time about it.

Mr. LANHAM. I do not yield further for a speech by the gentleman because he made that statement yesterday. I said in the beginning of my speech that I did not know what the truth of the matter was about that and was not interested, but I do plead with you to go along with the administration and take the Lesinski bill, which we have worked on very earnestly and carefully, and perfect it instead of the Lucas bill. I may say to you that some of us were not too familiar with wage-hour legislation. We asked that men from the Department administering the law be called in so that we could have explained to us the reasons for certain rulings of the Administrator. We went into the consideration of this bill with the same idea that the gentleman from Texas [Mr. LUCAS] has, that we ought to do something about the definition of the words "production of goods for interstate commerce." We found that if we attempted to change that law we would open the doors for endless litigation and would undo what has been done in the past 11 years this bill has been in operation. Moreover, it would require at least another 10 years before the new definitions could be formulated by the courts. We found further that it would mean that about 1,000,000 people who are already covered under the Act would be taken out from under the protection of the act.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Michigan.

Mr. LESINSKI. May I say that before the bill H. R. 5856 was put in the hopper we had a print of it made and the members of the committee on the Democratic side, 13, plus about a dozen men on the outside, had the print and worked on it before they decided that it was the actual print they wanted on the bill H. R. 5856.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from North Carolina.

Mr. BARDEN. There has been so much mystery here about the mysterious 13 that I request the chairman to name the mysterious 13 Democrats that met and approved the bill.

Mr. LUCAS. Do not include my name among them.

Mr. LANHAM. I yielded for a question.

Mr. BARDEN. I will ask the gentleman, then.

Mr. LANHAM. I do not know. I know nothing about the mystic 13 and am not interested in them. I think the gentleman from North Carolina is right in one contention of his, and I would vote for such an amendment. I refer to an amendment that would strike the provision in the bill making it a criminal offense to violate any rule or regulation made by the Administrator of the Wage-Hour Act.

I believe it is absolutely necessary that the Administrator have the right to make rulings so as to clarify for people who apply to him the meaning of certain portions of the bill and the application of the bill to certain situations that might arise. But I do not believe that he should have the power to, in effect, formulate a criminal statute. He should have limited rule-making power. But a violation of any such rule should not be made a criminal offense.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. LANHAM. Mr. Chairman, I ask unanimous consent that I may proceed for another 5 minutes.

The CHAIRMAN. Objection is heard.

Mr. McCONNELL. Mr. Chairman, a parliamentary inquiry. Did any Member particularly object?

The CHAIRMAN. The Chair will again put the question.

Is there objection to the request of the gentleman from Georgia that he proceed for five additional minutes?

Mr. CRAWFORD. Mr. Chairman, reserving the right to object, I am going to object because my guess is that debate will be limited on this bill and many of us will be frozen out. That is the only reason for objecting.

The CHAIRMAN. Objection is heard.

Mr. JACOBS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, first I want to subscribe wholeheartedly to what was said by my colleague the gentleman from Georgia [Mr. LANHAM]. What has been said here in reference to the drafting of this bill is in great measure true, but it has been stated in a slanted manner. What happened was that the Committee on Education and Labor finally voted out a bill. We found there were certain Members of this body who felt it would work injury upon some of their constituents. We did hold further meetings and we did make certain changes in this measure in order to meet certain conditions which we thought appealed to good conscience. That is all there is to it.

Of course, you can state it so that it sounds as if it is something wicked, but the fact remains that this committee worked with a great number of our southern brethren who are Democrats, who came up to help us work out a good measure. So far as I am concerned, this is one country and the State of Georgia means something to me, notwithstanding the fact that I live in the State of Indiana, and if someone is being injured in the State of Georgia and I can help work out a measure which will not injure him, I am glad to do it.

Mr. MORTON. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield.

Mr. MORTON. The fact also remains that the present Lesinski bill as it is now before us was never voted out or discussed at a full committee meeting of the House Committee on Education and Labor.

Mr. JACOBS. That is only true in a technical sense. The greatest portion of the provisions, of course, were discussed and voted out. Those changes which I am talking about were not, that is true, I will grant you.

Mr. MORTON. The fact further remains, if the gentleman will yield further, that it is very doubtful that it would

ever have been reported out of that committee.

Mr. JACOBS. I do not subscribe to that view at all.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman for a question.

Mr. KEEFE. Would the gentleman indicate what the specific concessions were, and to whom they were made, as a result of this conference which resulted in the final bringing out of the second Lesinski bill?

Mr. JACOBS. Not in 5 minutes; I cannot. Of course, the gentleman knows that I cannot.

Mr. KEEFE. Would the gentleman specify them?

Mr. JACOBS. As I said, the gentleman knows that I cannot do it in 5 minutes.

I presume, when we read the bill, that we will discuss the specific provisions. I will discuss one, if the gentleman will let me proceed. There has been so much talk here about this matter of rule making. Let us examine it and see exactly what it is. Under a law of this kind we get into some very complicated situations. For example, in the bill H. R. 858, we had to define the regular rate.

When we defined "regular rate," we found sometimes we collided with bonus and other good faith plans, and employer and employee do not know whether they are under the provisions of the law. So the Secretary is given rule-making powers. Those people who are talking about these rule-making powers would have you believe that what the Secretary says is final, that he makes the law, and that you will go to jail if you do not comply with it.

What is it actually? He makes a ruling. If the employer complies with that ruling the employer cannot be held liable, notwithstanding the fact that later a court may decide that the Secretary's ruling was erroneous, and under the intent of the law the employer would have been otherwise liable.

In the interests of clarity, this rule-making power is given to the Secretary so that as the courts construe and interpret this law over the years, the employers will not be subject to liability which they, in good faith, thought they were not subject to at the time the transactions took place.

Nothing could be fairer, when you are dealing with a situation as complicated as that in the wage-hour law. I simply point that out. That is one of the things that has been held up as a horrible bugaboo with reference to this bill, which was worked out by these fine gentlemen from all sections of the country.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. JACOBS] has expired.

Mr. ANDERSON of California. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ANDERSON of California. Mr. Chairman, the headlines in Monday's Washington Post, with reference to the Ecuadoran earthquake, read: "Four thousand six hundred dead, United States flies quake aid." The Monday Evening Star carried the following headlines: "United States plans air lift for quake area." All of us remember how the citizens of the United States supported the air lift to Berlin, and many others will recall the immediate response to the call for help from the victims of the great Japanese earthquake in 1923.

Mr. Chairman, all of these tremendous efforts are demonstrations of the great humanitarian heart of America. They indicate how speedily and efficiently this country can respond to pleas for help from any quarter of the globe. They demonstrate our ability to do the seemingly impossible when it must be done in order to insure assistance to the needy and distressed citizens of almost any country in the world.

But, Mr. Chairman, what is being done to assist over a half million American citizens who are today suffering untold hardships as the direct result of a Communist inspired and Soviet directed blockade of the Hawaiian Islands? What is being done to terminate a paralyzing blockade of the port of Honolulu, conceived and directed by one Harry Bridges, who is now under indictment by the Government of the United States for perjury in connection with his application for citizenship?

Every American citizen applauds the efforts of our Army and Navy air arms to supply the citizens of the disaster areas in Ecuador with immediate and effective aid. Every citizen takes pride in the fact that the air lift broke the back of the Russian blockade of Berlin. By the same token, I am sure that almost every American citizen hangs his head in shame because our Government cannot or will not take such steps as are necessary to bring an end to the Hawaiian shipping tie-up.

The people of Hawaii are Americans—they are a part of the United States. They may some day be citizens of the forty-ninth State. Their Delegate in Congress has made eloquent pleas for their assistance, their cost of living has risen to fantastic heights, and yet what has been done to help them out of their dilemma? Nothing. The President and the Department of Labor apparently ignore the issue. I say apparently, because nothing is done.

Why not recognize the Hawaiian strike for what it is—the first step in Communist domination of the shipping industry of the United States? Why not move to break the blockade now before it reaches the Pacific coast, the Gulf coast, the Atlantic coast? Why not institute an air lift to Hawaii and demonstrate to the world that we can fly over the blockade in Honolulu as readily as we flew over the blockade of Berlin?

Why do we not give some consideration to our own American citizens while we are saving the rest of the world?

THIS IS A COMPROMISE

Mr. KLEIN. Mr. Chairman, the bill under debate here today is obviously a compromise between progress and reaction; and it suffers from the defects and the virtues of all compromises.

Broadly speaking, I deplore all the concessions in the bill made to the dead hands of Adam Smith, and I applaud all the provisions which represent progressive thinking in industrial economics.

I support the bill as presented by the industrious members of the majority of the Committee on Labor and Education, and I shall resist with all my strength every effort to slice away its strong points, or to substitute another measure for it; and I shall support any amendments which seem to me to strengthen the coverage and enforcement of the Fair Labor Standards Act.

ONE DOLLAR AN HOUR BASIC NEED

I had hoped sincerely that the committee would see fit to establish a wage floor of $1 an hour, which is a basic need at this time.

This would have been good economics.

Believe it or not, the days when Adam Smith was the prophet of a new order are gone. In his day and for his times he was a prophet of high honor, not only in his own country but in every other country; and I am not belittling the service he did for the kind of business enterprise which spread the industrial revolution through the world.

What some, perhaps many, of us cannot realize is that nothing stands still, and we have passed through another industrial revolution into a period when small individual enterprises in free competition, untrammeled by Government regulations, face extinction unless protected by Government against the drive toward bigness, while the workers must have the protection of Government to maintain the consumption on which business itself depends.

BIG BUSINESS DOES NOT PHILOSOPHIZE

As every man knows who has been caught up in any great corporate enterprise, no matter in what capacity, there is a self-devouring compulsion which forces constant expansion, absorption of rivals, extension into new fields, expansion into new territories.

Big business does not philosophize. It merely grows bigger, and expansion becomes an end in itself. There is a somewhat terrifying analogy here with the militant nationalism which brought Hitler into brief power.

The obverse is that this tremendous energy of expansion, guided by public interest, can be channeled into public good.

The Fair Labor Standards Act is an excellent example of how public regulation in the public good can maintain a dynamic free economy in a political democracy, and avoid the deadfalls of authoritarianism, all within the framework of our tradition of democratic processes and a truly free enterprise system.

This is one of the New Deal measures which, however, much maligned by big business, is actually a firm bulwark of defense for free enterprise as we mean the term in this country.

SOMETHING IS BETTER THAN NOTHING

That, Mr. Chairman, is why I had hoped that this bill, as finally reported,

would be bold and brave in its extension of coverage, would not retreat, and would establish a dollar an hour as a minimum legal wage.

That it falls short of my hopes will not restrain me from voting for its passage, for I believe that any progress at all is better than no progress. To a starving man, crumbs are better than continued hunger, and the committee has given us much more than crumbs.

A 75-cent minimum, in the context of present-day living costs, is the irreducible minimum, and I believe that Members would be ashamed to propose less in public.

The absolute prohibition against child labor in interstate commerce in this bill is a vast gain—had it not been weakened by several blanket exemptions, I should have called that prohibition the greatest victory for progress in this Congress.

There are other blanket or partial exemptions which can be regarded only as concessions to backward thinking.

The provisions of this bill cannot and must not be regarded as sops to labor to match the businessman's paradise of ECA; they must be regarded as bulwarks of a stable economy, one of the means by which we guard against economic retrogression and depression.

This is the kind of economic planning for a strong and prosperous democracy for which the Truman Fair Deal stands, to which it is committed, and for which every American who believes that the way to defeat communism is to extend and strengthen democracy will work and vote.

I believe implicity that this bill will pass without serious weakening, and I am even hopeful that its weak spots may be strengthened when it is read for amendment.

Above all, I am certain that after having heard the debate on the bill only a small and intransigent minority can continue to support the inept proposals for a flexible escalator type of wage provision—that is no floor; that is a trapdoor to depression.

Mr. LESINSKI. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

ARMY AND AIR FORCE VITALIZATION AND RETIREMENT EQUALIZATION ACT OF 1948—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES STATES (H. DOC. NO. 296)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 5508, "An act to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948."

The effect of this proposed legislation would be to amend sections 302 and 303 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 (Public Law 810, 80th Cong.), so as to make effective July 1, 1949, rather than June 29, 1948, those provisions of title III requiring Reserve personnel to earn credits for retirement. The bill also would amend section 306 to include within the definition of Federal service, for the purposes of title III, service in "the National Guard or Organized Militia prior to June 3, 1916."

The first three sections of this bill are without objection. The Congress and the members of all Reserve components may be assured that I would approve a bill limited to the purposes of these sections which seek affirmatively to correct an effect of the 1948 Retirement Act that was not intended.

When the act was passed, it was believed that adequate authority had been granted to the Secretaries of the Army, the Navy, and the Air Force to defer the effective date for earning retirement credits for a sufficient length of time to permit institution of programs under which active Reserve personnel could qualify for retirement credits. However, a ruling issued by the Comptroller General in November of 1948 made the effective date of the act June 29, 1948, some 6 months earlier than adequate programs for Reserve training were generally available. As a result many Reserves were denied the opportunity to complete a year of satisfactory Federal service as defined in the law.

Section 4 of H. R. 5508 was not contained in this legislation when it was under consideration by the House Armed Services Committee. This section was added as an amendment, offered on the floor of the House of Representatives, in the belief that it would affect only six officers of the National Guard. Further study, however, indicates that this section would increase the number of persons immediately eligible for retired pay by a known number of 250, and would, by crediting additional years of non-Federal service to certain personnel now on the retired list, increase the pay of 650 others. These costs would total $412,300 per year. I am advised that as many as 500 additional persons might also be made immediately eligible for retirement and that this annual cost might amount to $656,000. Thus, the unexpected cost of this section might reach a maximum annual figure of $1,068,300 for persons already of retirement age. Data are not available at this time from which an estimate can be made as to the number of other persons not yet of retirement age who, through the granting of additional years of service credit, would become eligible for retirement or an increased amount of retired pay on reaching the age of 60 years. Hence, the costs of prospective payments to this group cannot be estimated. Cost factors, however, are not the primary reasons why I am withholding my approval from the bill.

Extension of the service creditable toward reserve retirement to include non-Federal service would establish an undesirable precedent. In defining the term "Federal service," the Congress excluded all service performed without Federal recognition. It seems to me that this intent is clearly indicated by categorical restriction of the types of creditable service in the National Guard or other State militia to those performed in:

(1) The National Guard of the United States;

(2) The National Guard while in the service of the United States;

(3) The federally recognized National Guard prior to 1933;

(4) A federally recognized status in the National Guard prior to 1933.

Further, section 306 (e) of the act specifically excludes from Federal servive, service in the inactive National Guard or Air National Guard, or in a nonfederally recognized status in the National Guard or Air National Guard.

If such service should be considered creditable for Federal retirement, it would be difficult to restrict a further broadening of the base of the 1948 Retirement Act. Presumably, there would then be added other costs far in excess of those contemplated at the time of its enactment.

The basic purposes of title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 were (1) to provide an incentive to Reserve personnel to maintain a degree of military proficiency which would assure a strong and healthy Reserve force in time of future emergency and (2) to recognize past service which had been performed by members of the Reserve in behalf of the Federal Government without expectation of future benefit. If I were to approve H. R. 5508, I believe my action would defeat both these basic purposes.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 9, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the message and the bill will be referred to the Committee on Armed Services and ordered to be printed.

There was no objection.

BUREAU OF THE CENSUS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED (H. DOC. NO. 295)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 142, amending section 18 of the act entitled "An act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress."

The bill provides that no charge shall be made by the Bureau of the Census for supplying population data to members of the armed services or persons honorably discharged therefrom, or to persons requesting information as proof of age for the purpose of eligibility for old-age and survivorship insurance benefits.

The present fee of $1 for handling an application for population data has been in effect since July 1942 when it was instituted at the behest of the House Appropriations Committee. At that time the Appropriations Committee was following a policy of placing governmental services of this character on a self-sustaining basis insofar as possible. The original decision was sound, and in consonance with an equally sound policy of bringing about economy in Government operations wherever possible.

In my 1948 budget message I stated, "While it is not sound public policy to charge for all services of the Federal Government on a full cost basis, and many services should be provided free, the Government should receive adequate compensation for certain services primarily of direct benefit to limited groups." I continue to hold this belief, and in this instance there seems to be no justification for abandoning present practice. Approval might well establish a precedent jeopardizing the established principle of charging fees for special services.

The fee charged in this case is nominal. The Government already bears the cost of maintaining the necessary records and the applicant pays only for the direct cost of searching the records and transmitting the information.

It is difficult to estimate the cost to the Government of supplying this information free of charge to the groups designated in the bill. The number of requests might be expected to rise significantly with the elimination of the fee so that the future work load for this operation could be uncertain. However, the Census Bureau estimates that the additional cost would approximate $136,000 annually. Although this is not a large amount, it is an unnecessary expenditure of public funds.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 9, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. MURRAY of Tennessee. Mr. Speaker, I move that the bill and message be referred to the Committee on Post Office and Civil Service and ordered to be printed.

The motion was agreed to.

EXTENSION OF REMARKS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Illinois [Mr. GORDON], who has been called home to Chicago on account of the death of his brother, be permitted to extend his remarks in the RECORD and include an article by Mr. Irving Pflaum, of the Chicago Sun-Times.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD in two instances and include certain excerpts.

Mr. ALBERT asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. ADDONIZIO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JONES of Missouri asked and was given permission to extend his remarks in the RECORD and include an address by HON. CLIFFORD DAVIS.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in two instances and include two newspaper articles and editorials.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a statement by General Fellers.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include a copy of the resolution adopted by the Connecticut Council of the Women's Republican Club.

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD and include an act passed by the Legislature of the Territory of Hawaii.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD in three instances and to include extraneous matter.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in two instances.

OUR RUBBER PROBLEM

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, although no rubber legislation will be considered at this session of the Congress, I should like to review the existing situation with respect to this commodity which so vitally affects not only our national economy, but also the everyday life of most of our citizens and to call to your attention several phases of our present program which I feel constitute a cause for serious concern.

The Eightieth Congress, following exhaustive hearings conducted by a subcommittee of the Armed Services Committee of the House of Representatives, of which I had the honor to serve as chairman, enacted Public Law No. 24—referred to as the Crawford bill—which removed all Government controls over the import and sale of natural rubber. This action was taken despite the opposition of many members of the rubber manufacturing industry who voiced dire predictions that the price of natural rubber would double, triple; and complete chaos would result therefrom. The wisdom of this legislation has been more than amply proven and at not time since its enactment has the price of natural rubber reached the level at which it was being sold by the Government on the date the law was passed, namely, 25¾ cents per pound. As a matter of fact, following our action, the price almost immediately declined and reached a low of 14½ cents in July 1947. The price today and for the past several months has been around 16½ cents per pound which is substantially lower than the prewar price of this commodity. Public Law No. 24 represented the first step taken, after almost 6 years of complete Government control, to restore the system of free enterprise in the rubber business, and has resulted in the savings of thousands of dollars to our taxpayers.

Subsequently, on March 31, 1948, the Eightieth Congress enacted Public Law No. 469, referred to as the Rubber Act of 1948. The following statement, contained in the declaration of policy, is significant:

> It is further declared to be the policy of the Congress that the security interests of the United States can and will best be served by the development within the United States of a free, competitive synthetic-rubber industry. In order to strengthen national security through a sound industry, it is essential that Government ownership of production facilities, Government production of synthetic rubber, regulations requiring mandatory use of synthetic rubber, and patent pooling be ended and terminated whenever consistent with national security, as provided in this act.

Generally speaking, the Rubber Act of 1948 contains three major provisions:

First. The maintenance at all times within the United States of rubber-producing facilities having a rated production capacity of not less than 600,000 long tons per annum of general-purpose synthetic rubber, and not less than 65,000 long tons per annum of special-purpose synthetic rubber;

Second. The facilities in operation by the Government or private persons shall produce annually not less than one-third of the rated production capacity of 665,000 long tons; and

Third. The President is authorized to issue such regulations as are required to insure the consumption of the tonnage referred to above, with the proviso that any mandatory consumption in excess of 222,000 long tons of synthetic rubber per annum shall not be more than is deemed necessary in the interests of national security and the common defense.

The act further stresses the importance of and necessity for a stock pile of natural rubber.

In enacting both Public Law 24 and Public Law 469, it was clearly the intention of the Congress that all Government activities in rubber should be terminated at the earliest possible moment, not inconsistent with the requirements of national security, and the Rubber Act of 1948 was designed only as interim legislation pending the attainment of this objective.

The authority conferred upon the President by the Rubber Act of 1948 was delegated by him to the Department of

Commerce, and, pursuant thereto, the rubber-manufacturing industry was required to consume 276,000 tons of synthetic rubber during the year 1948, an excess of 54,000 tons over and above the minimum amount prescribed by law. In addition thereto, the rubber-manufacturing industry consumed 167,000 tons of synthetic rubber on a purely voluntary basis, making a total for the year of 443,000 tons, or approximately 100 percent more than the minimum amount which it was deemed necessary to produce and consume in the interests of national security.

Statistics prepared by the Department of Commerce in June 1949 estimated that the consumption of all types of rubber in the United States during the year 1949 would total 980,000 long tons, of which 570,000 tons would be represented by natural rubber and 410,000 tons by synthetic rubber. For the year 1950 it was estimated that the United States would consume 614,000 tons of natural and 332,000 tons of synthetic rubber, an over-all total of 946,000 tons.

Despite the substantial estimated consumption of synthetic rubber in the United States, which should materialize unless there is a complete collapse of the rubber-manufacturing industry, the Department of Commerce is presently forcing the consumption of 268,000 long tons of synthetic rubber through mandatory use regulations, and in arriving at this figure apparently no consideration has been given to the substantial voluntary use of this material.

Based upon the statistical data outlined above, and actual experience to date, it does not appear that the mandatory use of synthetic rubber, as presently required, can be justified since it seems obvious that the consumption in both 1949 and 1950 will be substantially in excess of the minimum amount required by the Rubber Act of 1948. As a matter of fact, consumption of synthetic rubber during the first 6 months of the current year was in the neighborhood of 200,000 tons. Recently this question was fully discussed at a conference between Government officials and representatives of the rubber industry and as a result thereof the representative of industry unanimously recommended that the amount of the presently required mandatory use be substantially reduced. A minority opinion was also expressed to the effect that the mandatory use should be completely suspended. It is my understanding that the minority opinion has the full support of the Department of State. Quite frankly, I am somewhat at a loss to understand the reasoning of the Government agencies responsible for the existing regulations and fear that considerations other than national security have been responsible therefor. Let no one misunderstand my position, the national security of the United States is my first and primary concern, but I do feel very strongly that the present mandatory regulations are more severe than the situation warrants and that the continuation thereof contributes materially to the unrest in producing countries and extends further into the future the date of the return of the rubber business to free enterprise.

During all of the deliberations in which I have participated relative to the rubber situation, one moot question has remained unanswered: How much synthetic rubber will be consumed annually in the United States on a purely voluntary basis, with no Government controls or restrictions? In considering rubber legislation next year, the answer to this question will prove of material value. Today we have an opportunity to secure this information at no sacrifice to national security. I have carefully reexamined the Rubber Act of 1948, which I helped to write, and am definitely of the opinion that the wording thereof, insofar as relates to the issuance of regulations to carry out the purposes of the act, is permissive rather than mandatory, which, however, was the definite intent of the Congress. In other words, if conditions warrant and the requirements of national security are not impaired, regulations which have been issued may be terminated or suspended without violating the law in any way. In my judgment, it will be entirely in order to immediately suspend all mandatory requirements and only retain a stand-by order which can be invoked in the event that synthetic consumption falls below the security level. This procedure should present no administrative problem, nor will it require any legislative action, since the law under which we are presently operating will not expire until June 30, 1950. Through this process the Congress will secure information based upon actual experience and an opportunity will be afforded to study the synthetic-rubber program during a period of free enterprise, all of which will be most helpful in formulating a future rubber policy.

In 1941, as a wartime measure, the Government entered into a patent pooling agreement with industry to provide for the exchange of technical information relating to the production and development of synthetic rubber. Recognizing the desirability of giving full reign to private industry and also the fact that private research was materially retarded by the existence of this agreement, the Congress specified in the Rubber Act of 1948 that it should be terminated as early as possible, not inconsistent with national security requirements. Although this action was taken more than 15 months ago, I am amazed to learn that the agreement still exists. Seriously but regretfully, there exists in my mind definite reservation with respect to the administration of the act from the standpoint of returning the rubber business to private industry as speedily as possible and it occurs to me that the position taken by some of the agencies of the Government may be construed as being in contravention to the wishes of the Congress.

There is complete accord both on the part of Government and private industry with the principle that a technologically advanced and rapidly expandible synthetic-rubber industry should and will always be maintained in this country and likewise that such industry should be privately owned and operated. The progress which has been made in the development of synthetic rubber is truly remarkable and I find the following statements by leaders of the rubber manufacturing industry most gratifying:

Low temperature GR–S is approximately 5 percent better than natural rubber for tread wear in passenger car tires. The properties of newly developed furnace blacks complement those of "cold rubber" and make possible further improvements in tread wear ranging from 20 to 30 percent. (H. S. Firestone, Jr., chairman, the Firestone Tire & Rubber Co., sixth meeting, International Rubber Study Group.)

There are certain properties common to all synthetic rubbers which, at the moment, are superior to natural rubber and which help to influence the choice of material to be used. * * * The extreme cleanliness enjoyed by all synthetics is an obvious advantage in the production of many specialty goods. * * * The uniformity in plasticity and in rate of cure is a most important attribute of these rubbers. * * * Another important consideration to the manufacturer is the existence of many different types of polymers which permit choice of a material tailor-made to suit individual and product specifications. (George M. Tisdale, vice president, United States Rubber Co., sixth meeting, International Rubber Study Group.)

Butyl's superior ability to retain air and to withstand for long periods the deteriorating effects of sunlight, weather aging, acids, alkalis, oxygen, ozone, and fatty acids, compared with other rubbers, make it a very desirable material. * * * Air retention of butyl tubes is many times better than that of tubes made of any other known material. This property is creating a growing preference for butyl tubes among motorcar owners and commercial operators. (William O'Neil, president, General Tire & Rubber Co., sixth meeting, International Rubber Study Group.)

For the first time crude rubber faces a competitor in American-made rubber which has earned a position on the basis of cost, availability, and proven utility. The exclusive position which crude rubber enjoyed until near the end of World War II is now a thing of the past. (John L. Collyer, president, B. F. Goodrich Co., New York Journal of Commerce, June 24, 1949.)

We now have a low-temperature rubber which is over 30 percent better in the large consumption products, such as tire treads, than natural rubber. * * * For the first time in its 150 years of effort, the finest grades of plantation rubber or fine para has had its most serious threat. (A. L. Freedlander, president, Dayton Rubber Manufacturing Co., Lockwood's Monthly Rubber Report, November 15, 1948.)

The foregoing are only a few of the expert opinions which have been expressed with respect to the quality and desirability of synthetic rubber. Not being a technical man, I accept these statements at full value. It must be most satisfying to every American citizen to learn of the tremendous advancement which has been made in the development of this product which is available within our own borders. Likewise the Members of the Congress, who must next year consider additional rubber legislation, should be most happy to receive the reactions of the leaders of the rubber manufacturing industry from which it appears reasonable to assume that the

disposal of the Government-owned synthetic-rubber plants will no longer present the problem with which we have heretofore been confronted. Equally encouraging is the fact that during the year 1948 as well as at the present time, the rubber manufacturing industry is purchasing substantial quantities of synthetic from the Government on a voluntary basis, despite the fact that natural rubber is available at a substantially lower price. All in all, a very encouraging situation.

Mr. Speaker, unhappily we in this country are blessed with short memories. Due to the foresight of an outstanding American, the Honorable Jesse H. Jones, of Texas, then Chairman of Reconstruction Finance Corporation, and the efficient operations of Rubber Reserve Company with the full cooperation of the rubber manufacturing industry, this Government accumulated a stock pile of natural rubber prior to Pearl Harbor of sufficient tonnage to satisfy military and civilian requirements on a wartime basis pending the development of our synthetic-rubber industry. Without this stock pile, one shudders to speculate upon what might have been the outcome of World War II. While the scars of war were still fresh the Seventy-ninth Congress, on July 23, 1946, enacted Public Law 520, referred to as the Strategic and Critical Materials Stock Piling Act, the purposes of such act being to accumulate in this country a stock pile of strategic and critical materials for the protection of the national security of the United States.

What happened to date?

Since the Congress recognized the necessity for a stock pile of strategic and critical materials, it must obviously follow that in the administration of the act the Congress intended that the stock pile should be procured at the earliest possible moment. The method of procurement which has been and is being followed at the present time is not designed to nor will it achieve this result.

On July 18, 1949, Gen. LeRoy Lutes, who directs the stock-piling programs of the Munitions Board, in testifying before a House Public Lands Subcommittee, stated that of the 69 materials being stock piled, 40 are not available in the United States, and that of these rubber is probably the most important.

There can be no question in the mind of any unbiased and informed person respecting the value of natural rubber from the standpoint of national security, and such statement reflects in no way upon the Government-owned and operated synthetic rubber industry. This industry is still in its infancy and although tremendous technological progress has been made and continues to be made, it remains to be proven that synthetic rubber can successfully compete with natural rubber in a free-enterprise system with no protective government controls. This situation alone should emphasize the urgency of procuring the stock-pile requirements of natural rubber as rapidly as possible. Do not overlook the fact that we are discussing a commodity which must be transported over 10,000 miles of water to reach our shores.

It is recognized that certain of the strategic and critical materials designed for stock-pile purchase are in short supply and difficult to procure. However, natural rubber is and has been obtainable in substantial quantities at reasonable prices since the inception of stock-pile buying, but the Government has not, to the largest extent possible, availed itself of the opportunty to secure this material. As a matter of fact, for periods of several months at a time during the past 2 years no rubber was purchased, although available and freely offered.

It is neither intended nor suggested that the Government should enter into an intensive buying program of any strategic or critical material, and by such action unduly affect the market price thereof. On the other hand, it has been amply demonstrated that an orderly day-to-day buying program does not adversely affect the market price of a commodity, but tends to serve as a stabilizer. Certain it is that up to the present time the procurement of rubber for the stock pile has cost the taxpayers thousands of dollars due to the inability of the Bureau of Federal Supply to accept offers at extremely favorable prices. This, however, is no reflection upon the Bureau of Federal Supply, since it must operate within the framework of directives issued by the Munitions Board.

Apparently, the Munitions Board, which determines, after consultation with other governmental agencies, the quantities of each of the 69 strategic and critical items which shall be purchased, and thereafter issues directives to the Bureau of Federal Supply, concentrates its efforts on the procurement of materials which are not readily available, and bypasses rubber, which, although in reasonably plentiful supply, is one of the most important commodities from the standpoint of national security. Recently a Member of the Senate stated that our stock pile of natural rubber totaled 370,000 tons, a figure far short of our ultimate goal. It might well be pointed out in this connection that included in this figure is approximately 250,000 tons of rubber which was transferred from stocks accumulated by Reconstruction Finance Corporation.

The stock-piling program seemingly is being operated on the basis of a balanced stock pile, the theory being that the stock pile loses its over-all value if, in the case of an emergency, the Government has, for illustration, a 5-year supply of rubber and only a 2-year supply of manganese. As a practical matter, this approach may be sound, however it appears penny-wise and pound-foolish, knowing that the ultimate stock-pile objective involves the procurement of a certain quantity of rubber, not to obtain this material as speedily as possible.

On June 21, 1949, E. H. Hawkins, Acting Chief of the Office of Materials Resources of the Munitions Board, speaking before the thirty-fourth annual congress of the National Association of Purchasing Agents, in Chicago, stated that the Government's stock-piling program was one-third completed, counting materials on hand and orders placed. Mr. Hawkins further stated that if the Eighty-first Congress appropriated the funds which had been requested for stock-piling purposes, the program would be one-half completed by June 30, 1950. Since the Strategic and Critical Materials Stockpiling Act was enacted 3 years ago, it does not appear, from the standpoint of the national security of the United States, that an enviable record has been made, in view of the fact, that based upon the foregoing statement, approximately 4 years will be required to complete 50 percent of the over-all program.

Even the achievement of this halfway goal now appears questionable. In June both branches of the Congress passed appropriation bills which provided funds for stock-pile buying extending through the fiscal year 1950 in the exact amounts recommended by both the Munitions Board and the Bureau of the Budget and such bills have been signed by the President. Recently, however, the Senate Appropriations Committee in its deliberations on the over-all military appropriation bill for the fiscal year 1950 attached a rider thereto reducing the amount of the previously approved stock-piling appropriation by $275,000,000. While this reduction furnishes a cause for alarm, far more serious in my opinion is the expression of policy agreed to at the same time that the purchase of materials for the stock pile should be concentrated upon commodities available within the United States. No one is more interested than I in our domestic economy. However, it is far beyond my conception to understand this reasoning. The very essence of stock pile for national defense is to procure materials not available within our own borders, the supply of which may be completely cut off in the event of a national emergency. I sincerely trust that this body will very carefully examine the situation before giving its concurrence to the Senate action.

The present operations of the stock-piling program may be attributed to either the failure of the administrative agencies of the Government, including the Bureau of the Budget, to request the Congress for sufficient appropriations to purchase all of the strategic and critical materials required for the stock pile as they become available, or it may be due to poor administration of the provisions of the act. Obviously, the Congress cannot, due to the tremendous tasks which confront it and the continuous demand upon the time of its Members, police each piece of legislation which it passes. In instances, however, involving the security of the United States, which is true of the present situation, an investigation appears to be in order.

While I am not an alarmist, I cannot overlook the fact that during the past year Russia, which represents the most serious threat to the peace of the world, purchased in excess of 125,000 tons of natural rubber in the markets of the Far East. It is both significant and disturbing that Russia is continuing its buying program, while the United States is not today purchasing one pound of rubber for our national stock pile. Further

alarming is a report appearing in the press yesterday to the effect that during the current month Russia expects to purchase 16,000 tons of rubber in the Singapore market. The foregoing facts should furnish food for serious thought, since, in my judgment, they represent a distinct gamble with the national security of the United States.

From time to time when natural rubber is discussed great emphasis is placed upon the world cartel. Admittedly, prior to World War II restriction schemes designed to control the price of natural rubber through controlled production were in existence in the Far East to the detriment of this Government and I subscribe most heartily to the premise that we should take every step possible to prevent a recurrence of this situation. Personally, however, I see no cause for concern at the present time. Our synthetic rubber industry is established and its value is recognized. Furthermore, the complexion of the world rubber situation has undergone a complete change. Whereas prior to World War II the United States consumed the major portion of the natural rubber produced in the world, during the year 1948 this figure declined to 41 percent and based upon current statistics will be further reduced to 37 percent in 1949. In other words, from the standpoint of world production we are today cast in the role of a minority rather than a majority consumption. On the other hand, it is self-evident that to the extent this country imposes unnecessarily rigid restrictions, we invite the producing countries to invoke retaliatory measures. Do not misunderstand me. I am not a commodity expert and therefore do not take the position that natural rubber should demand a higher price than the present market. I do, however, and always have associated myself wholeheartedly with the principle of free enterprise and the law of supply and demand. Under these principles every commodity will eventually arrive at its proper price level. For the edification of the Members of this body, however, it is only fair to state that to the best of my knowledge and belief, natural rubber is the only nationally used commodity which is today selling for substantially less than the prewar price. Furthermore, I do not believe that foreign producers expect a fantastic price for natural rubber. The criticism which is directed at this Government is based upon the fact that due to restrictions which we have imposed, it is not possible for natural rubber to compete with synthetic rubber in a free market.

Today natural rubber occupies a far more important position in our international relations than has ever been the case in the past. It is the major dollar crop of the British Empire and controls the economies and destinies of the Far East. Recent developments in China are a source of the gravest concern to all of us and the unrest and infiltrations of communism into the countries of southeast Asia threaten the peace of that entire continent. Sad to relate, it appears that the accomplishments of this Government in Europe through the European Recovery Program may have already been more than offset by the inroads of communism in Asia. The end is not yet in sight and the clouds are slowly gathering. No one can forecast the future. It appears certain, however, that if the present trend continues unchecked this Government will, at possibly an early date, be called upon for staggering amounts of financial aid which we can ill afford. A program in Asia similar to our European activities would place upon this country a burden which, if undertaken, could well wreck our national economy. Another development which confronts us and which is fraught with serious possibilities is the present financial position of the British Empire. Nothing can be accomplished by dodging the issue. The picture is all too clear. Let us face the facts. Please do not misunderstand my position; I am only attempting in a practical manner to find a solution to a most difficult and serious problem. The national security of the United States unfortunately cannot be confined to our own borders and the spread of communism in the Far East as well as the financial position of our neighbors across the sea contain a definite threat to our own well-being. It occurs to me that we can, at no great sacrifice, make a substantial contribution to the solution of the problem by the immediate inauguration of a stock pile buying program of natural rubber. The benefits of this action will be twofold: The United States will secure a necessary and highly strategic commodity for its stock pile and at the same time would bolster the tottering dollar position of the British Empire and create a healthier and happier condition in the rubber producing countries of the Far East. Such a policy would not entail either a grant or a loan of public funds. Contrariwise, it would represent an investment in a tangible asset—natural rubber. I feel very strongly that serious consideration should be given to this matter without further delay. This program can be inaugurated today at no cost to the Government save from the standpoint of invested funds, whereas if we delay action until the lights go out in Asia, I do not have the temerity to speculate as to the extent of the ultimate financial burden which will be placed upon our already strained resources.

During the past year we have secured a substantial amount of natural rubber for our stock pile by the use of counterpart sterling funds accumulated in England through the operations of the Economic Cooperation Administration. So far as is possible this procedure should be continued and counterpart funds should be used wherever available to the greatest extent possible in the procurement of strategic and critical materials for our stock pile.

I have endeavored to call your attention to certain phases of our rubber program which in my opinion should be corrected. My conclusions are based entirely upon what I feel to be our national security requirements. Although we have no immediate rubber problem in this country, the effect of our present policy upon our international relations and the economies of friendly countries cannot be overlooked. There never was a truer saying than "An ounce of prevention is worth a pound of cure." For some time this matter has caused me great concern and I have not only carefully analyzed the situation in my own mind but have also discussed the elements which are involved with well-informed individuals both in the rubber industry and in the Government service. While I am not attempting to suggest a panacea to cure all ills it is my considered opinion that the interests of this country can best be served by the adoption of the following program which will not only be beneficial to us but will also assist the United Kingdom and strengthen the countries of southeast Asia against the rising tide of communism:

First. Immediately resume the purchase of natural rubber for the Government stock pile and acquire rubber as rapidly as it becomes available until our stock-pile objective is attained; and

Second. Immediately suspend in entirety rubber order R–1 or substantially reduce the amount of the required mandatory consumption of synthetic rubber.

Mr. Speaker, it may already be later than we think.

EXTENSION OF REMARKS

Mr. D'EWART asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a report by Hon. HUGH D. SCOTT, JR., to the Republican National Committee.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. WERDEL asked and was given permission to extend his remarks in the RECORD and include copies of a series of five articles published in connection with the San Joaquin Valley water problem, notwithstanding the fact that it exceeds the limit set by the Joint Committee on Printing and is estimated to cost $266.50.

Mr. WOLVERTON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. RICHARDS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Mobile Register.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD in two instances, in each to include extraneous matter.

FOREIGN AID BILL

Mr. GARY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, this appropriation implements the policy which is drawing the world into an economic and a war crisis.

Mr. McCORMACK. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is: Is there objection to the request of the gentleman from Virginia?

Mr. MARCANTONIO. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. GARY. Mr. Speaker, I withdraw the request.

VISIT OF PRESIDENT QUIRINO AND THE PACIFIC PACT

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, for a long time it has been apparent that in Asia, just as in Europe, the free nations cannot hope to escape Communist conquest unless they make a most vigorous collective attack upon their defense problems—with our active support and assistance. The real significance of the visit of President Quirino—whose presence as our guest and counselor today is a great honor, indeed—is that such a pact in the Pacific has at last been inaugurated. While our Government theorized and dawdled, three leaders in Asia who face the reality, not the theory, of Communist enslavement—President Elpidio Quirino, of the Philippine Republic, former President Chiang Kai-shek of China, and President Syngman Rhee, of Korea—have moved ahead with decision.

Precious time and ground have already been lost by our delay. But I hope that we are at last sufficiently alerted to the mortal dangers we face in Asia; that we will support with enthusiasm and determination their efforts to develop and extend the Pacific Pact.

If we cannot lead, let us at least follow these three wise men from the east.

EXTENSION OF REMARKS

Mr. JENNINGS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include a resolution.

HAWAII AND ALASKA SHOULD BE ADMITTED AS STATES OF THE UNION

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the subject of admitting Hawaii and Alaska to the Union.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, two of the most important bills which should pass at this session of Congress are the admission of Hawaii and Alaska as new States of the Union.

Yesterday my colleague, the gentleman from Louisiana [Mr. LARCADE] inserted in the RECORD a poll of the Members of the House showing 3 to 1 in favor of these bills.

We are spending billions of American dollars to protect foreign countries and doing nothing to protect our first line of defense in the south Pacific by admitting Hawaii and in the north Pacific by admitting Alaska as States of the Union.

If Hawaii had been admitted as a State before the paralyzing strike which has held hundreds of thousands of people in Hawaii and the Pacific coast at the will of Harry Bridges, we would have had some jurisdiction, because the Taft-Hartley bill does not give the President any authority in Territory and possessions.

Mr. Speaker, I insist that the approval of these two bills is much more vital and important than many fully realize and that they should be approved before we adjourn this session of Congress.

PREMIUM PAYMENTS IN THE PURCHASE OF GOVERNMENT OIL

Mr. ENGLE of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1647) to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533), disagree to the Senate amendment to the House amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ENGLE]. [After a pause.] The Chair hears none and appoints the following conferees: Mr. ENGLE of California, Mr. REGAN, and Mr. BARRETT of Wyoming.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield back my time.

REPORT FROM COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DAGUE (at the request of Mr. GRAHAM), for Wednesday to Saturday, inclusive, on account of important public business.

CALL OF THE HOUSE

Mr. MARCANTONIO. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 169]

Arends	Douglas	Mason
Bentsen	Eaton	Morrison
Bland	Fallon	Norton
Bolton, Ohio	Fellows	Patman
Breen,	Flood	Patten
Bulwinkle	Garmatz	Pfeifer,
Burleson	Gilmer	Joseph, L.
Cavalcante	Gordon	Plumley
Celler	Gregory	Powell
Chatham	Hart	St. George
Chiperfield	Hinshaw	Smith, Ohio
Christopher	Johnson	Staggers
Clevenger	Jonas	Thomas, N. J.
Dague	Kearney	Vinson
Davies, N. Y.	Kennedy	Welch, Calif.
Dingell	McGregor	Wier
Dolliver,	McKinnon	Woodhouse

The SPEAKER. On this roll call 381 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FOREIGN AID BILL

Mr. LYLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 320, Rept. No. 1241), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, with the Senate amendments thereto be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendments be, and they are hereby, disagreed to and that the conference requested by the Senate on the disagreeing votes of the two Houses be, and the same is hereby, agreed to.

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 320 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, with the Senate amendments thereto be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendments be, and they are hereby, disagreed to and that the conference requested by the Senate on the disagreeing votes of the two Houses be, and the same is, hereby agreed to.

The SPEAKER. The question is, Will the House now consider the resolution?

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 298, noes 4.

So (two-thirds having voted in favor thereof) the House agreed to consider the resolution.

The SPEAKER. The gentleman from Texas [Mr. LYLE] is recognized.

Mr. LYLE. Mr. Speaker, months ago the House passed by an overwhelming majority a bill providing funds for the European recovery program. Recently the Senate acted upon that measure, amending the House bill. It therefore becomes necessary for one of the bodies to recede or for the bill to go to conference.

The members of the Committee on Appropriations of the House recommended

that the differences in the bill be considered in conference. That is the purpose of this resolution.

I am sure, Mr. Speaker, that there will be limited opposition. I now yield 30 minutes of my time to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, so far as I know, there is no objection on this side whatsoever to the adoption of this resolution. It merely carries out the orderly procedure.

I understand, however, there is some objection to the bill generally, and I now yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, this appropriation implements the policy which this Congress has adopted, a policy which is devastating to world peace and to the economic well-being of Americans. It seems to me the speed with which it is being imposed upon the country is inordinate and not in the best interests of the American people. That is why I have exercised by right to act, under the rules of the House, in what is obviously a vain effort to slow up the process which is having a disastrous effect on the peace of the world and a most ruinous effect on the economy of Europe and on the economy of the United States.

This Marshall plan has been in existence for over a year, and despite the promises that were made, we find that the European countries are today being squeezed dry—squeezed as a result of the monopoly economy imposed upon those countries through this so-called Marshall plan.

It is not necessary for me to repeat what is happening in England. Even our press has to report the crisis there. France has become a quasi-economic colony of Wall Street, and Italy has become definitely a colony of this type of exploitation by Wall Street imperialism. As a result Europe today is in an economic quicksand, and the impact of that economic crisis is now beginning to be felt in America; unemployment is gaining in every major city of this country.

This plan has failed. We followed this failure with the Atlantic Pact. Now, we follow with arms. Next it will be men. Thus out of this tragic policy we bypass and weaken the United Nations, the last hope for world peace.

When we try to do something here for the average American we witness delay after delay. We permitted the unemployment provisions of the GI bill of rights, known as 52–20, to expire on July 25. You still do nothing to protect the unemployed veteran. But to put over this program of empire and war we get a rule from the Committee on Rules with unprecedented speed; it is brought here, and two-thirds of the membership support the action, and undoubtedly a majority of the House will pass the resolution.

Let me point out however that though I am in a minority here, a small minority, events have proven that this kind of imperialist war policy, this policy of empire abroad means only reaction at home. You cannot have a policy of empire abroad and at the same time progress at home; a policy of empire negates progress at home. That explains why this Congress which was elected on a program of great promises has been a Congress that has failed to repeal Taft-Hartley, has been a Congress which has turned its back completely on the civil-rights program, has been a Congress which has passed a most inadequate housing bill, doling out housing with an eyedropper. That is why this Congress has passed a spurious rent-control bill which is causing 30, 40, and 50 percent rent increases in every city in this country. That is why this Congress is now considering the minimum-wage law which in return for a mere crumb surrenders millions of workers to the tender mercies of selfish interests. That is why this Congress has appropriated more than 50 percent of our budget for war. That is why this Congress is following the path of retrogression; it is the inexorable outcome of a war policy which is reactionary and dictated by the monopoly interests of this country.

As for me, I shall do everything I can to stop it. I know I will not today succeed in this effort, but I do know that the day is not far off when back in your districts despite the tons of propaganda in the press and over the radio, despite the anti-Communist hysteria by which these appropriations are passed, that despite the fear, the fear which the advocates of this policy have imposed on the American people from the early morning hours until the night through the controlled press and by the controlled radio, despite the suppression of civil liberties, despite the fact that the Democratic administration is putting over this war program on the American people under the dishonest guise of security and dishonestly selling it as a peace program, your people will refuse to supinely submit to this insane program of war and empire. The impact of the economic crisis that this program has caused in Europe is now being felt every day in the United States and it is causing economic havoc. As a result the burden of this policy of war and empire is falling heavily on your constituents and you will hear from them.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. HERTER. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, in present conditions it takes a lot of nerve and a lot of intestinal fortitude to get up and speak against the bill when so many Members have made up their minds individually and collectively that they are for giving $6,500,000,000 to foreign countries.

I want you to know that I am for aiding and assisting people who are starving to death and people who need something to sustain life, but I am not for the program that has been conducted by the ECA in its squandering of billions of dollars that the Congress of the United States influenced by its State Department has been willing to extend to those people. I think it is one of the most extravagant pieces of work that was ever adopted by any country in the entire history of the world. No one ever thought of doing such a thing as we are doing through the State Department and the ECA. The $6,700,000,000 involved here means $45 to $50 for every man, woman, and child in America.

I want to tell you that you are going to have to give an accounting to the American people some day for the way you are squandering money and for putting our country in a very desperate situation. I am not going to be one who will wreck America. But it is going to be wrecked if you follow the program this administration has adopted. You cannot go on with it indefinitely. Any of you who think you can, just give an accounting to your people very shortly because they are going to ask you for it. As for myself, I am not going along with it.

The President came down here and asked you not only for this money but for an additional $1,500,000,000 to arm certain countries over there. And yet you talk about peace. Why, the gentleman from New York [Mr. MARCANTONIO] is right when he says you are not going to have peace by arming all of the countries of the world. I never heard of any such ridiculous idea so far as trying to get peace is concerned. If you want peace, get it by making friends. But what are you doing? You are arming all of those governments. Do you trust them after you get them armed? I believe that those arms may be used against the American people, and I am more afraid they will be used against America than against any other country in the world.

What was done about China? Look at the paper that the State Department brought out the other day. It ought to make you tremble, it ought to make you shudder. Two billion dollars have been wasted over there, and the way it has been wasted. They should have known and told you a long time ago, long before you spent the $50,000,000, the $80,000,000, the $150,000,000. No. You were like little boys coming up to the trough. You do what the administration tells you to do. You asked for a report months ago but they refused to give it to you. They sent it up here the other day. It is rotten. Yet you are still willing to give away more money.

If you want to save money, you should get down on your knees and ask God for a little direction here. You are not going to get peace by trying to arm everybody over there. You are going to squander the money of this country until we will not be able to carry on.

Mr. Speaker, I did not get up here to give a lecture. But you are putting out money so fast that in the Capitol Building you are shoveling it out of all of the windows. You could not spend it fast enough, so you have men over there taking the top off the Capitol in order to give it away faster until there will not be anything left.

Mr. Speaker, it is a shame that we are doing the things we are doing. You ought to stop, think, look, and listen before we go any further.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I have lived to see something which I had

heard about but had never hoped to actually see—the forces for which the gentleman from Pennsylvania [Mr. RICH] speaks and the forces for which the gentleman from New York [Mr. MARCANTONIO] speaks, both spouting the same line in the Halls of the Congress of the United States.

I am appalled that any patriotic American should get up here and tell us that we are being imperialistic through the ECA. I heard that line used by a candidate of the American Labor Party against me only 2½ months ago. I want to assure the Members of this House that the people of America are not falling for that line, because the candidate of the American Labor Party ran a very poor fourth. The people of America are against imperialism in any form but they believe in helping other freedom-loving peoples to remain free.

Yes, there is imperialism in the world today, but it is not American imperialism. It comes from the east. It is a most subtle type of imperialism, using all the Communist tactics of infiltration to permit a vicious minority to dominate and to thwart the will of the majority. I have learned those tactics and I have witnessed those tactics of infiltration in various organizations in this country, and it is an easy thing for me now to recognize those same tactics when they are applied either in Berlin or Czechoslovakia or China. They are the same; imperialism by infiltration. We have seen that imperialism spread across eastern Europe; we have seen the forfeiture, as the result of that imperialism, of all the freedoms of those people. Where is freedom of speech in Russia today? And, from Russia to Czechoslovakia where is there freedom of worship?

No, my friends, this ECA program is not imperialism; it is not militarism. I quote a simple fact from Pravda about 3 months ago, that the Russian budget calls for an expenditure for their army and their air force and their navy of almost 30 percent of the total Russian budget. And, remember that the Russian budget is equivalent to the total national income. It is not as our budget, limited to Government services. The Russian economy is spending almost 30 percent of their total national income on their militarism.

The small-arms aid, without going into the details of that program, that we are offering to the members of the Atlantic Pact nations, is to help them defend themselves against this very militarism in the east. Let us place the responsibility for world tension where it belongs. Let us cut aside all the beautiful red tape that they are trying to throw around these very simple and very humane programs. Let us in America realize and let us proclaim to the world, in contradiction to the gentleman from New York [Mr. MARCANTONIO], that the purpose behind the United States policy of helping those people in the world who want to help themselves to remain free from Communist imperialism, is a most friendly and unselfish purpose; the most humane that any country has ever held out to sister nations in the history of the world.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. MARCANTONIO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. CANNON. Mr. Speaker, I offer a motion which I send to the Clerk's desk.

The Clerk read as follows:

Mr. CANNON moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H. R. 4830 be instructed to insist upon disagreement to Senate amendment No. 1.

Mr. CANNON. Mr. Speaker, this amendment is an attempt to reinstate the old watchdog committee which was abrogated in the legislative appropriation bill last month.

I offer this motion for two reasons: In the first place, because the Congress has already decisively passed upon it and emphatically rejected it, and second, because it will save $344,000 which would otherwise be wasted and will expedite the passage of this bill.

The Senate amendment is practically identical with the amendment offered by the gentleman from Ohio [Mr. VORYS] in the consideration of the legislative appropriation bill on June 9. The only difference is that the gentleman from Ohio [Mr. VORYS] on that occasion asked for $244,000 whereas the Senate now requests $344,000—$100,000 more—which makes it all the more objectionable.

When offered in the House on June 9, the amendment was rejected by a 3 to 1 vote. The Senate accepted the judgment of the House and all provision for the so-called watchdog committee was eliminated.

We had every reason to suppose the issue was definitely disposed of. It is res judicata. And the managers on the part of the House should not be required to churn over all this obsolete material again in conference or on the floor. It should be disposed of once and for all without being sent again to conference.

Suffice to say that the committee has thoroughly studied the subject and we can say authoritatively that the watchdog committee has never saved a single dime that would not have been saved had the committee never been in existence. Every dollar spent by the watchdog committee, and on the watchdog committee, has been thrown away. And in times like these, in which expenditures are running from one and a half billion to two billion dollars behind revenues, we cannot afford even this mild extravagance.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill involves approximately $5,000,000,000.

Amendment No. 1 adds $344,000 for the so-called "watchdog committee."

Amendment No. 3 increases the amount appropriated for the ECA by $59,910,000.

Amendment No. 4 reduces the amount that may be spent for confidential expenditures from $500,000 to $200,000.

Amendment No. 5 provides that $25,000 shall be available to carry out the provisions of section 115 (f) of the Economic Cooperation Act. I cannot tell you what that is. I will have to check it.

Amendment No. 6 wipes out the authority of the President to spend all the money by the 15th of May.

Amendment No. 7 provides for the loaning by the Export-Import Bank of $150,000,000.

Amendment No. 8 relates to the local currencies that come to our control as the result of the sending of these things over there.

Amendment No. 9 reduces the amount for Greece and Turkey from $50,000,000 to $45,000,000.

Amendment No. 10 provides $4,000,000 for the Chinese students in this country.

Amendment No. 11 reduces the amount of funds for the Army in occupied territory from $925,000,000 to $900,000,000 and reduces the administrative expenses.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Am I correct in the assumption that the matter that is now pending before the House is a motion on the part of the chairman of the Committee on Appropriations that the conferees be instructed to resist the Senate amendment which provides funds for the continuation of the "watchdog committee" that is set up to watch the expenditure of funds under ECA?

Mr. TABER. That is right. It is the only chance the Congress has to know what is going on in this operation.

Mr. KEEFE. The question we will be called upon to vote on in just a moment is whether or not we want to continue the operations of the "watchdog committee," which has been created by an amendment introduced by the other body and for which funds were provided. Is that not the situation?

Mr. TABER. Yes; that is the situation.

Mr. KEEFE. I wish the gentleman would advise the House of the necessity for continuing the "watchdog committee."

Mr. TABER. I wanted the House to have a picture of the $5,000,000,000 which needs to be watched, and the expenditure of which is so very important to be done properly and effectively.

The "watchdog committee" has done very considerable, effective work, especially in connection with the preservation of those plants in Germany which were so badly needed to restore the economy of Germany so that we could get to the point where some day we might be able to have these people self-supporting so that we could get out of Germany.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. SHORT. When this bill passed the House, much as I have disagreed with certain members of the Committee on Foreign Affairs, I thought they were dead right in insisting on having this "watchdog committee," because the

amount of money necessary to conduct the work of the "watchdog committee" is an infinitesimal part of the billions of dollars that have to be expended. I hope the House will agree with the Senate conferees.

The SPEAKER. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Speaker, I yield two additional minutes to the gentleman.

Mr. KEEFE. Will the gentleman please advise the House as to how they should vote on this matter in the event that the Members want to vote to keep this "watchdog committee"?

Mr. TABER. Members should vote "no" if they want to have any control by the Congress over this operation, or if they want to have any reports on this operation.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MARCANTONIO. The gentleman from New York [Mr. ROOSEVELT] saw fit to point out that the gentleman from Pennsylvania and I spoke against the resolution which was just adopted. However, the gentleman from New York failed to point out that he joined with the gentleman from Mississippi [Mr. RANKIN] and other enemies of civil rights in voting against my antidiscrimination amendment to the housing bill.

Mr. TABER. Mr. Speaker, I hope the House will refuse to instruct its conferees to disagree with the amendment of the Senate. It may be that they have asked for too much money, but they should vote "no" on this motion.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. SHORT. Does not the gentleman feel that we should have a "watchdog committee" which calls for the expenditure of an infinitesimal part of the total amount to be expended under this program?

Mr. WIGGLESWORTH. I will say to the gentleman, Mr. Speaker, that in my opinion there could be no better example of false economy than to wipe out this "watchdog committee" at this time.

Mr. SHORT. I thank the gentleman.

Mr. WIGGLESWORTH. Mr. Speaker, we all know that the ECA has a tremendous program, calling for the expenditure of billions of dollars. It operates in 16 separate nations and the closest possible supervision, in my judgment, is highly desirable.

I hold in my hand, Mr. Speaker, a summary of the work that the "watchdog committee" staff has done. It is 8 or 9 pages of single-space typewriting. It shows, among other things, activities leading to the recovery of several million dollars in several instances, the recovery far exceeding the $262,000 which was appropriated for the staff to function with.

I also have samples here, Mr. Speaker, of studies made by the "watchdog committee." Here is one entitled "Report on Progress of the Economic Cooperation Administration." It is 152 pages long. It is filled with statistics and tables of all kinds, invaluable to anyone wishing to keep abreast of the ECA problem.

Here is another study. It is 56 pages long, and is entitled "ECA and Strategic Materials."

Here is a 29-page study entitled "Shipping Problems in the ECA Program."

Here is another study entitled "Marine Insurance in the ECA Program."

Here is another entitled "Wool Procurement by ECA."

And another entitled, "The Food Situation in Europe in the Fall of 1948."

And another entitled "German Reparations."

Mr. Speaker, these are samples of the studies and reports which the "watchdog committee" has made since its creation.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. JENNINGS. These unbonded representatives of this country, as I understand it, are spending in 16 nations more than $5,000,000,000. How much do we propose to spend in seeing that they properly expend this money?

Mr. WIGGLESWORTH. We provided $262,000 for the past fiscal year, and the request here is for $344,000.

Mr. JENNINGS. In other words, that $344,000, or about seven one-thousandths of 1 percent of $5,000,000,000, is all we propose to spend to safeguard and to undertake to guarantee the honest and faithful expenditure of that huge sum?

Mr. WIGGLESWORTH. And committee activities have already saved several million dollars or several times the amount of money appropriated for them to operate on.

I think this motion should be defeated. I think the bill should be allowed to go to conference and let the amount to be made available for this purpose be worked out in conference.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield further?

Mr. WIGGLESWORTH. I yield.

Mr. JENNINGS. That is seven one-thousandths of 1 percent that we are going to expend to watch the expenditure of that unprecedented sum, is it not?

Mr. WIGGLESWORTH. I think the gentleman is correct.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to my collegaue from Illinois.

Mr. YATES. I wish the gentleman from Massachusetts would tell the House just what the witnesses for the watchdog committee told the ECA Appropriations Committee when they appeared as witnesses before the committee. Was the gentleman impressed particularly with the testimony given to us?

Mr. WIGGLESWORTH. I have been impressed by the studies they have made, which I have tried to call attention to in the course of the brief time at my disposal.

Mr. YATES. Will not the gentleman agree that there was no testimony of any value whatsoever offered by these witnesses to the committee?

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. PHILLIPS of California. I rise to express the hope that sometime before we are through with this bill an adequate opportunity may be provided to find out what is in it and to discuss it. We have discussed this afternoon whether the gentleman from New York agrees with the gentleman from Pennsylvania, but only two people have discussed what is in this bill.

Mr. WIGGLESWORTH. The conference report will, of course, be considered subsequently. I hope the House will vote "no" on the pending motion.

The SPEAKER pro tempore (Mr. PRIEST). The time of the gentleman from Massachusetts has expired.

Mr. FULTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Missouri yield for a parliamentary inquiry?

Mr. CANNON. I yield.

Mr. FULTON. I have asked in regard to time on this particular motion and find that there is only time for those for the motion. No one has time against it. Both the gentleman from California [Mr. PHILLIPS] and I would like to know who has the time against it.

The SPEAKER pro tempore. The Chair will answer the gentleman's parliamentary inquiry.

The gentleman from Missouri [Mr. CANNON] is entitled to 1 hour on his motion, and he may yield time as he so desires.

Mr. FULTON. Who is in charge of the time against the motion?

Mr. CANNON. No one has been heard so far except those opposed to the amendment.

Mr. FULTON. I was told by the gentleman there was no time.

The SPEAKER. The gentleman from Ohio, [Mr. VORYS] is recognized.

Mr. VORYS. Mr. Speaker, the "watchdog committee" is a committee established not by House resolution but by law. When that law was reviewed and extended there was not even an attempt to change the "watchdog committee." What is being attempted here is to repeal a law by denying funds to a committee which must have funds to do its work, work which is enjoined upon it by law. I urge the House to vote "no" on this proposal. I happen to be a member of this much-abused "watchdog committee." It attempts to do its work without publicity and fanfare. Perhaps that is a mistake. It makes its criticism to the ECA officials in a quiet way in the hope of establishing better procedure; it furnishes reports to four committees, the Foreign Affairs Committee of the House, the Foreign Relations Committee of the Senate, and the two Appropriations Committees of the Congress.

The gentleman stated that the submittee felt that the reports were of no value. Let me remind the House that the full Committee on Appropriations of this House did not choose to follow its subcommittee but made cuts in the ECA appropriations far below those which

were recommended by the administration and the subcommittee.

We have this curious situation, where this bipartisan committee set up with a bipartisan vote in an effort that was a bipartisan effort and is being continued that way, yet the attempt to destroy it is coming purely as a partisan effort. We have the Democratic leadership here on the Committee on Appropriations opposing it. Over in another body the Democratic floor leader led the fight to attempt to emasculate and destroy this committee so there would be no independent body looking in upon this vast expenditure of funds; and that partisan attempt was mowed down in the other body by bipartisan votes. I hope this is not the end of the bipartisan approach to our vast and increasing foreign problem; I hope this is not the start of the things that we are to see from now on. I hope that this committee will not have its usefulness destroyed and be unable to do anything because of Democratic votes. You have the votes to do this. It would be a bad thing to go out to this country at a time when some of us are striving so hard to attempt to reach some sort of united, bipartisan agreement on some of the dreadful problems that face us, that this committee spending an infinitesimal amount of money, the only independent agency to report to the Congress, was destroyed by a partisan attempt here this afternoon.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. PHILLIPS of California. I am trying to get information about two points in the bill. Can the gentleman tell me whether item No. A in the bill has any relationship to the Revaluation Conference to be held in Washington in September which I think will have a very far-reaching effect upon the money of the United States?

Mr. TABER. If the gentleman will yield to me I can answer that it does not.

Mr. VORYS. The only thing before us right now is this one question of destroying by partisan effort this bipartisan creation to investigate and report to the Congress on the Marshall plan. I beg you to vote "no."

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. SHORT. I want to thank the gentleman for the statement he has made.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Speaker, this is like all other efforts to obtain economy. Here we have a committee appointed by the last Congress which spent $262,000 last year. Of course, that is small money compared with a great many appropriations we make. But they come back this year asking for $344,000. For what? As a "watchdog committee" to watch one of the most efficient administrations in the entire Government.

Something has been said about a nonpartisan approach to this matter. Let me remind you that the head of the ECA is a Republican, but I still think he is one of the most able Administrators in this Nation. I certainly do not think he needs any "watchdog committee" to tell him what he should do; therefore, I do not think that the Congress of the United States should spend $344,000 to provide such a committee.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Missouri.

Mr. SHORT. Does the gentleman feel that this small, infinitesimal amount to guard the expenditure of some $5,500,000,000 is unreasonable?

Mr. GARY. Does the gentleman think we ought to have a "watchdog committee" to watch over the expenditures of the armed services which spend $18,000,000,000 annually?

Mr. SHORT. Absolutely.

Mr. GARY. Does the gentleman feel we should have a "watchdog committee" for each department of the Government spending billions of dollars?

Mr. SHORT. Absolutely.

Mr. GARY. I may say to the gentleman I do not agree with him.

Mr. SHORT. Well, I have expressed my opinion.

Mr. GARY. If we do not have capable and honest Administrators, then we ought to get rid of them rather than watch them.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. If we follow the reasoning of the gentleman from Missouri, we might just as well abolish the executive branch of the Government.

Mr. GARY. Exactly, and turn the administration of the Government over to the Congress of the United States.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Is it not a fact the Congress long ago when it set up an agency responsible to the Congress under the Budget and Accounting Act set up a watchdog administration to watch all departments of Government and provided that the Comptroller General should be there for but a single term of 15 years as the representative of the Congress of the United States; so that all agencies of Government are under the supervision and surveillance of the Comptroller General of the United States.

Mr. GARY. So is the ECA. Therefore, why have another watchdog committee for it?

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from California.

Mr. HOLIFIELD. Is it not true that under the Congressional Reorganization Act every legislative committee is responsible to watch the agencies for which it authorizes the expenditure of money?

Mr. GARY. That is correct.

Mr. Speaker, in the ECA we have one of the most efficient administrations in the Government. They have some of the best technically trained men, and I say to you that we asked the representatives of the "watchdog committee" to appear before us when we considered these appropriations and we got no information worth while from the "watchdog committee." Whereas, the staff of the ECA furnished all of the information that we wanted. They had it at hand at all times and showed far greater familiarity with the foreign situation than did the watchdog committee. I ask you, why appropriate $344,000 to check on men who are better prepared to do this job than the men who are doing the checking?

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Speaker, as a member of the Committee on Foreign Affairs, may I respectfully disagree with my good friend and colleague the gentleman from Ohio [Mr. VORYS] that this is a partisan matter. It is not a partisan matter. And I, too, have been a member of the "watchdog committee," so-called.

I am against the continuation of this extra committee because I think that it is an unnecessary expense. In the first place, under the Reorganization Act, full and complete powers are given to the legislative committees.

I would like to ask my good friend the gentleman from New York [Mr. TABER] what is wrong with the Committee on Appropriations? Are they not "watchdogging" the Treasury? It will be a sudden and a bad shock to me if I find that my good friend John is not watching. I have thought the Appropriations Committee were doing a fine close job of checking expenditures.

Mr. TABER. You cannot watch an operation like that with the force that the Committee on Appropriations has.

Mr. FULTON. Then, instead of bypassing the Appropriations Committee, I would very much like to implement the Committee on Appropriations of the House to make it effective, because yours is a statement that your Committee on Appropriations is being hamstrung by a lack of sufficient personnel.

One of the basic troubles of the so-called "watchdog committee" is this: It is a committee adrift. It is not under the Committee on Foreign Affairs; it is not under the Committee on Foreign Relations of the Senate. It is not under the Committee on Appropriations of the House nor under the Committee on Appropriations of the Senate.

How many Members of Congress here have read any one of those reports which have been mentioned? I keep up with most of the reports coming to our committee. I have not read all of the reports, but in one of those reports of the "watchdog committee" which I read, I found that there was a list of committees handling our foreign relations headed by the so-called "watchdog committee," then there was the Committee on Foreign Relations of the Senate listed second in order, then the Committee on Foreign Affairs of the House was listed

third, and I do not know where the "watchdog committee" put the Committee on Appropriations of either House. They evidently are so far down the line that such important committees evidently do not count much in the set-up.

Why, without anything more, should we increase the appropriation of this committee 50 percent? There has been no justification submitted for added staff. Some time ago I saw that we were not able to keep the staff from going into places that they should not go. For example, they had once been in touch with the ECA staff, saying to them, "Don't you do that" and "Don't you do this." Now, that is directly interfering with the ECA Administration staff. I do not think that that is part of the duty of a "watchdog committee."

If the reorganization statute has set up an efficient committee organization, what is there so valuable with this committee as was pointed out here, that you need this for ECA but you do not need it for the armed services? I believe that unless you amply staff your Committee on Appropriations of this House you will have to put up separate little committees that will undercut part of their jurisdiction every time we pass a major bill. I hope that the Committee on Appropriations members will stand up here and say it is one of the best committees in the House and assure this House that we can depend on them.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from New York.

Mr. JAVITS. Will the gentleman tell us whether he believes that this committee is necessary to preserve that bipartisanship in foreign policy so eloquently advocated here this afternoon as against the opponents of ECA on the extreme left and the extreme right.

Mr. FULTON. The bipartisan foreign policy can certainly exist. The Committee on Foreign Affairs and the Committee on Foreign Relations are the legislative committees on foreign affairs, having the duty to implement the bipartisan foreign policy. The Committees on Appropriations have Democrats and Republicans upon them to check these various appropriations, under this bipartisan foreign policy. May I say to you that the Committee on Appropriations, with its great history, should not be the first one to come in here through its senior members and advocate we cut out part of its jurisdiction and put this jurisdiction in an orphan committee that is not even set up under the Reorganization Act.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. The gentleman has referred to the desirability of a staff for the Committee on Appropriations. I just want to refresh the gentleman's recollection of the fact that we did set up a very efficient staff for the committee in the last 2 years, and that it was completely abolished in the present session of the Congress.

Mr. FULTON. Well, the problem, then, is this: To keep in our established House committees the powers and the duties and the responsibilities. If we do not, there will be bypassing of our legislative committee here one after the other. It is shocking to hear that the efficient nonpartisan staff of the Appropriations Committee has been abolished by the Eighty-first Congress, and I thank the gentleman from Massachusetts for his comment.

There is no reason for a supercommittee that is a so-called "watchdog committee," when, as has been adequately pointed by the gentleman from Wisconsin, Congress has its own agency set up, the Comptroller General of the United States, who is to "watchdog" this and all other things. If Congress goes ahead indefinitely and adds a hodgepodge of committees, a so-called "watchdog" for this and a "watchdog" for that, with no responsibility to anyone, we are arriving at intellectual and legislative chaos in House procedure.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. NORRELL].

Mr. NORRELL. Mr. Speaker, early this year the Legislative Appropriations Committee conducted hearings on this matter for quite a long time. I was chairman of that committee. We reported the bill out without providing appropriations for the "watchdog committee." I thought we were correct then. We submitted our bill to the full Committee on Appropriations and, after extensive consideration, the full committee approved the bill. We came to the House, where an amendment was offered to restore the money for the "watchdog committee" and, after extensive argument, the amendment was defeated by a vote of 117 to 43. Our bill went to the other body and provision for the "watchdog committee" was not included in the legislative appropriation bill over there. That is where it ought to be if we are going to continue the committee.

The work of the joint committee has been finished. It was set up to see that the Economic Cooperation Administration was properly organized, efficient administrative procedures were adopted, and the announced policies of Congress reflected in the administrative policies and plans of the Administration.

We have the program in the charge of good men and they are doing an able job. No one now raises any question as to the management of the Economic Cooperation Administration. The work of this committee has been done. To continue it would be an utter waste. If you want to save a little money, this is one place where it can be done.

Mr. Speaker, I believe this House means what it said when it rejected by an overwhelming vote the amendment to the legislative appropriation bill. The Senate meant it when it did not amend the bill to include it. We do not need the "watchdog committee" further, because the bipartisan foreign policy certainly is operating, and we have the Appropriations Committees of the House and Senate, and we have the Foreign Policies Committees of the House and Senate, also, to "watchdog" what happens. It might be that we would need another "watchdog committee" to watch the "watchdog committee," and then after a while we would need another "watchdog committee" to watch the "watchdog committee" to watch the "watchdog committee," and on you go.

I think we ought to instruct our conferees, Mr. Speaker, to stand where we have stood all this year, to end it and let the Administrator of the Economic Cooperation Administration, Mr. Hoffman, who is a good Republican—and I am glad he is in charge of it—operate as he ought to in the manner of which he is capable. He should not be subjected to the constant interference which must characterize the operations of a joint committee conceived and established for a purpose which no longer exists. I think we ought to instruct our conferees to insist on disagreement to this amendment.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 145, noes 127.

Mr. TABER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 210, nays 164, answered "present" 2, not voting 56, as follows:

[Roll No. 170]

YEAS—210

Abbitt	Dawson	Jones, Ala.
Abernethy	Deane	Jones, Mo.
Addonizio	DeGraffenried	Jones, N. C.
Albert	Delaney	Karst
Andrews	Denton	Karsten
Aspinall	Dollinger	Kearns
Bailey	Donohue	Kelley
Barden	Doughton	Keogh
Baring	Douglas	Kerr
Barrett, Pa.	Doyle	Kilday
Bates, Ky.	Eberharter	King
Battle	Elliott	Kirwan
Beckworth	Engle, Calif.	Klein
Bennett, Fla.	Evins	Kruse
Bentsen	Feighan	Lane
Biemiller	Fernandez	Lanham
Blatnik	Flood	Larcade
Boggs, La.	Fogarty	Lind
Bolling	Forand	Linehan
Bonner	Frazier	Lucas
Bosone	Fulton	Lyle
Boykin	Furcolo	Lynch
Brooks	Gary	McCarthy
Brown, Ga.	Gore	McCormack
Bryson	Gorski, Ill.	McGrath
Buchanan	Gorski, N. Y.	McGuire
Buckley, Ill.	Granahan	McMillan, S. C.
Buckley, N. Y.	Granger	McSweeney
Burke	Grant	Mack, Ill.
Burnside	Green	Madden
Burton	Hardy	Magee
Byrne, N. Y.	Hare	Mahon
Camp	Harris	Mansfield
Cannon	Harrison	Marsalis
Carlyle	Havenner	Marshall
Carnahan	Hays, Ark.	Miles
Carroll	Hays, Ohio	Miller, Calif.
Celler	Hébert	Mills
Chelf	Hedrick	Mitchell
Chesney	Heffernan	Monroney
Chudoff	Heller	Morgan
Clemente	Herlong	Morris
Combs	Hobbs	Moulder
Cooley	Holifield	Multer
Cooper	Howell	Murdock
Crook	Huber	Murphy
Crosser	Irving	Noland
Davenport	Jackson, Wash.	Norrell
Davis, Tenn.	Jacobs	O'Brien, Ill.

O'Brien, Mich.	Ribicoff	Trimble
O'Hara, Ill.	Rodino	Underwood
O'Neill	Rogers, Fla.	Wagner
O'Sullivan	Rooney	Walsh
O'Toole	Roosevelt	Walter
Passman	Sasscer	Welch, Mo.
Perkins	Sikes	Wheeler
Peterson	Sims	Whitaker
Philbin	Smathers	Whitten
Pickett	Spence	Whittington
Poage	Stanley	Wickersham
Polk	Steed	Wier
Preston	Stigler	Willis
Price	Sullivan	Wilson, Okla.
Priest	Sutton	Wilson, Tex.
Quinn	Tackett	Winstead
Rabaut	Tauriello	Wood
Rains	Teague	Worley
Ramsay	Thomas, Tex.	Yates
Redden	Thompson	Young
Rhodes	Thornberry	Zablocki

NAYS—164

Allen, Calif.	Hagen	Nicholson
Allen, Ill.	Hale	Nixon
Andersen, H. Carl	Hall, Edwin Arthur	O'Hara, Minn. O'Konski
Anderson, Calif.	Halleck	Patterson
Andresen, August H.	Harden	Pfeiffer, William L.
Angell	Harvey	Phillips, Calif.
Auchincloss	Herter	Phillips, Tenn.
Barrett, Wyo.	Heselton	Potter
Bates, Mass.	Hill	Poulson
Beall	Hoeven	Rankin
Bennett, Mich.	Hoffman, Ill.	Reed, Ill.
Bishop	Hoffman, Mich.	Reed, N. Y.
Blackney	Holmes	Rees
Boggs, Del.	Hope	Richards
Bramblett	Horan	Riehlman
Brehm	Hull	Rivers
Brown, Ohio	Jackson, Calif.	Rogers, Mass.
Burdick	James	Sadlak
Byrnes, Wis.	Javits	Sadowski
Canfield	Jenison	Sanborn
Case, N. J.	Jenkins	Scott, Hardie
Case, S. Dak.	Jennings	Scott, Hugh D., Jr.
Chiperfield	Jensen	Scrivner
Church	Johnson	Scudder
Cole, Kans.	Judd	Secrest
Cole, N. Y.	Kean	Shafer
Colmer	Kearney	Short
Corbett	Keating	Simpson, Ill.
Cotton	Kee	Simpson, Pa.
Coudert	Keefe	Smith, Kans.
Cox	Kilburn	Smith, Wis.
Crawford	Kunkel	Stefan
Cunningham	Latham	Stockman
Curtis	LeCompte	Taber
Davis, Ga.	LeFevre	Talle
Davis, Wis.	Lichtenwalter	Taylor
D'Ewart	Lodge	Towe
Dondero	Lovre	Van Zandt
Durham	McConnell	Velde
Ellsworth	McCulloch	Vorys
Elston	McDonough	Vursell
Engel, Mich.	McMillen, Ill.	Wadsworth
Fenton	Mack, Wash.	Weichel
Fisher	Macy	Werdel
Ford	Marcantonio	White, Idaho
Gamble	Martin, Iowa	Wigglesworth
Gathings	Martin, Mass.	Williams
Gavin	Merrow	Wilson, Ind.
Gillette	Meyer	Withrow
Golden	Michener	Wolcott
Goodwin	Miller, Md.	Wolverton
Gossett	Miller, Nebr.	Woodruff
Graham	Morton	
Gross	Murray, Tenn.	
Gwinn	Murray, Wis.	
	Nelson	

ANSWERED "PRESENT"—2

Allen, La. Hand

NOT VOTING—56

Arends	Gilmer	Pfeifer, Joseph L.
Bland	Gordon	Plumley
Bolton, Md.	Gregory	Powell
Bolton, Ohio	Hall, Leonard W.	Regan
Breen	Hart	Rich
Bulwinkle	Hinshaw	Sabath
Burleson	Jonas	St. George
Cavalcante	Kennedy	Sheppard
Chatham	Lemke	Smith, Ohio
Christopher	Lesinski	Smith, Va.
Clevenger	McGregor	Staggers
Dague	McKinnon	Thomas, N. J.
Davies, N. Y.	Mason	Tollefson
Dingell	Morrison	Vinson
Dolliver	Norblad	Welch, Calif.
Eaton	Norton	White, Calif.
Fallon	Pace	Woodhouse
Fellows	Patman	
Fugate	Patten	
Garmatz		

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mrs. Norton for, with Mr. White of California against.

Mr. Gilmer for, with Mr. Plumley against.

Mr. Joseph L. Pfeifer for, with Mr. Dolliver against.

Mr. Gordon for, with Mr. Jonas against.

Mr. Burleson for, with Mr. Mason against.

Mr. Patman for, with Mr. Hinshaw against.

Mr. Garmatz for, with Mr. Arends against.

Mr. Gregory for, with Mr. Leonard W. Hall against.

Mr. Patten for, with Mr. Dague against.

Mr. Morrison for, with Mr. Fellows against.

Mr. Hart for, with Mr. Eaton against.

Until further notice:

Mrs. Woodhouse with Mrs. Bolton of Ohio.

Mr. Breen with Mr. McGregor.

Mr. Cavalcante with Mr. Lemke.

Mr. Staggers with Mr. Rich.

Mr. Pace with Mrs. St. George.

Mr. Vinson with Mr. Tollefson.

Mr. McKinnon with Mr. Smith of Ohio.

Mr. Kennedy with Mr. Welch of California.

Mr. Fallon with Mr. Norblad.

The result of the vote was announced as above recorded.

The SPEAKER. The Chair appoints the following conferees: Messrs. GARY, MCGRATH, YATES, CANNON, TABER, and WIGGLESWORTH.

EXTENSION OF REMARKS

Mr. LANE and Mr. MURRAY of Wisconsin asked and were given permission to extend their remarks in the RECORD.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include his own questionnaire.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WHITE of Idaho asked and was given permission to extend his remarks in the RECORD in two instances and include certain extracts.

Mr. STOCKMAN asked and was given permission to extend his remarks in the RECORD and include an article from the Klamath Falls News-Herald.

SPECIAL ORDER GRANTED

Mr. WILLIAMS asked and was given permission to address the House for 20 minutes on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3751. An act to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 22 minutes p. m.) the House adjourned until tomorrow, Wednesday, August 10, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

842. A letter from the Archivist of the United States, transmitting a report showing records proposed for disposal, and lists or schedules, or parts of lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

843. A letter from the Acting Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved; to the Committee on the Judiciary.

844. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration on a preliminary examination and survey of Port Bay, N. Y., authorized by the River and Harbor Act approved March 2, 1945 (H. Doc. No. 293); to the Committee on Public Works and ordered to be printed, with an illustration.

845. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and an illustration on a review of reports on the Chicago River, Ill., with a view to improving the channel in the north branch between Addison Street and the lock at Wilmette, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 28, 1945 (H. Doc. No. 294); to the Committee on Public Works and ordered to be printed, with an illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILES: Committee on Public Lands. H. R. 4942. A bill to regulate the collection and disbursement of moneys realized from leases made by the Seneca Nation of Indians of New York, and for other purposes; without amendment (Rept. No. 1238). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 5670. A bill authorizing transfer of land to the county of Bernalillo, State of New Mexico, for a hospital site; without amendment (Rept. No. 1239). Referred to the Committee of the Whole House on the State of the Union.

Mr. LYLE: Committee on Rules. House Resolution 320. Resolution providing for the taking from the Speaker's table of the bill, H. R. 4830, to the end that the Senate amendments be and are hereby disagreed to and that the conference requested by the Senate is hereby agreed to; without amendment (Rept. No. 1241). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 331. An act for the relief of Ghetel Pollak Kahan, Magdalena Linda Kahan (wife), and Susanna Kahan (daughter, 12 years old); with an amendment (Rept. No. 1216). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 555. An act for the relief of Eiko Nakamura; without amendment (Rept. No. 1217). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 787. An act for the relief of William (Vasilios) Kotsakis; without amendment (Rept. No. 1218). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1026. An act for the relief of Roman Szymanski and Anastosia Szymanski; without amendment (Rept. No. 1219). Referred to Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 715. A bill for the relief of Manuel Uribe; with an amendment (Rept. No. 1220). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 5149. A bill for the relief of Fernando Aboitiz; with an amendment (Rept. No. 1221). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 5375. A bill for the relief of Mrs. Hilda De Silva; without amendment (Rept. No. 1222). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 5539. A bill for the relief of Mrs. Claudia Weitlanner; without amendment (Rept. No. 1223). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 5851. A bill for the relief of Mrs. Toshiko Keyser; without amendment (Rept. No. 1224). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 587. A bill for the relief of Dick Walook and Alfred L. Woods; with an amendment (Rept. No. 1225). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1024. A bill for the relief of Jacob Brown; with an amendment (Rept. No. 1226). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1106. A bill for the relief of King V. Clark; with an amendment (Rept. No. 1227). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 2075. A bill for the relief of Frank G. Moore; without amendment (Rept. No. 1228). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2266. A bill for the relief of Morris Tutnauer; with an amendment (Rept. No. 1229). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 3769. A bill for the relief of Doris M. Faulkner; with an amendment (Rept. No. 1230). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 3810. A bill for the relief of Cecil E. Gordon; without amendment (Rept. No. 1231). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4556. A bill for the relief of the estate of Elmo Sodergren; without amendment (Rept. No. 1232). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5353. A bill for the relief of Max Schlederer; without amendment (Rept. No. 1233). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4165. A bill for the relief of Katherine H. Clagett; without amendment (Rept. No. 1234). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 3804. A bill for the relief of Fred B. Niswonger; without amendment (Rept. No. 1235). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 3405. A bill for the relief of Vivian Newell Price; with an amendment (Rept. No. 1236). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2758. A bill for the relief of the Fisher Brewing Co.; without amendment (Rept. No. 1237). Referred to the Committee of the Whole House.

Mr. BRYSON: Committee on the Judiciary. H. R. 5319. A bill granting a renewal of patent No. 40,029, relating to the badge of The Holy Name Society; with an amendment (Rept. No. 1240). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 or rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLEMENTE:

H. R. 5929. A bill to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; to the Committee on Armed Services.

By Mr. KARSTEN:

H. R. 5930. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. MURRAY of Tennessee:

H. R. 5931. A bill to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RANKIN:

H. R. 5932. A bill to extend pension benefits under the laws reenacted by Public Law 269, Seventy-fourth Congress, August 18, 1935, as now or hereafter amended, to certain persons who served with the United States military or naval forces engaged in hostilities in the Moro Province, including Mindanao, or in the islands of Samar and Leyte, after July 4, 1902, and prior to January 1, 1914, and to their unremarried widows, child, or children, to the Committee on Veterans' Affairs.

By Mr. REED of Illinois:

H. R. 5933. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. WHITTINGTON:

H. R. 5934. A bill to amend the "Second Supplemental National Defense Appropriation Act, 1943," approved October 26, 1942 (56 Stat. 990, 999), and for other purposes; to the Committee on Public Works.

By Mr. BAILEY:

H. R. 5935. A bill to authorize the Administrator of Veterans' Affairs to sell or lease oil and gas rights in the subsurface of the land on which is situated the Veterans' Administration facility at Clarksburg, W. Va.; to the Committee on Veterans' Affairs.

By Mr. MILES:

H. R. 5936. A bill authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians; to the Committee on Public Lands.

By Mr. RANKIN:

H. R. 5937. A bill to provide for the construction of a Veterans' Administration Hospital at Tupelo, Miss.; to the Committee on Veterans' Affairs.

H. R. 5938. A bill to provide for the construction of a Veterans Administration Hospital at Mound Bayou, Miss.; to the Committee on Veterans' Affairs.

By Mr. BURKE:

H. R. 5939. A bill to authorize the appropriation of funds to assist the States and Territories in financing more equitable schedules of salaries for teachers in the public elementary and secondary schools, and to promote the general welfare, and for other purposes; to the Committee on Education and Labor.

By Mr. BIEMILLER:

H. R. 5940. A bill to amend the Public Health Service Act and the Vocational Education Act of 1946 to provide an emergency 5-year program of grants and scholarships for education in the fields of medicine, osteopathy, dentistry, dental hygiene, public health, and nursing professions, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNE of New York:

H. R. 5941. A bill to incorporate The Military Chaplains Association of the United States of America; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 5942. A bill to amend the National Housing Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. MURDOCK:

H. R. 5943. A bill to provide for the erection of a monument at the grave of Constantino Brumidi; to the Committee on House Administration.

By Mr. CROSSER:

H. Res. 321. Resolution for the consideration of the bill H. R. 4846; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASE of South Dakota:

H. R. 5944. A bill authorizing the issuance of a patent in fee to Thomas Francis Two Heart; to the Committee on Public Lands.

By Mr. JENNINGS:

H. R. 5945. A bill for the relief of the city of Harriman school district; to the Committee on the Judiciary.

By Mr. REDDEN:

H. R. 5946. A bill for the relief of Edgar B. Grier; to the Committee on the Judiciary.

By Mr. SABATH:

H. R. 5947. A bill for the relief of Alfio Batelli; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1396. By Mr. TAYLOR: Petition of Earle H. Bogardus, traffic counselor, Menands, N. Y., urging action before the present session of Congress adjourns, on repeal of excise taxes, especially the transportation tax on freight; to the Committee on Ways and Means.

1397. By the SPEAKER: Petition of Catholic State League of Texas, San Antonio, Tex., relative to amending Public Law 774, Eightieth Congress; to the Committee on the Judiciary.

SENATE

WEDNESDAY, AUGUST 10, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor, Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou God of all wisdom and power, we pray that our minds and hearts may be enlightened and strengthened increasingly with the assurance that Thou art great in Thy goodness and good in Thy greatness.

Grant that we may be sensitive and responsive to the revelations of Thy will as we seek to find ways of blessedness and peace for all mankind.

May those who serve our Nation in the affairs of government bear clear and courageous testimony to their faith in Thee and in the ultimate triumph of justice and righteousness.

Hear us in Christ's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 9, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the amendment of the House to the bill (S. 1647) to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533); asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE of California, Mr. REGAN, and Mr. BARRETT of Wyoming were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GARY, Mr. MCGRATH, Mr. YATES, Mr. CANNON, Mr. TABER, and Mr. WIGGLESWORTH were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 242. An act to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy;

H. R. 579. An act to permit the motor vessel *FLB–5005* to engage in the fisheries;

H. R. 607. An act for the relief of Harvey M. Lifset, formerly a major in the Army of the United States;

H. R. 691. An act for the relief of Lawrence Fontenot;

H. R. 748. An act for the relief of Louis Esposito;

H. R. 1017. An act for the relief of John Aaron Whitt;

H. R. 1023. An act for the relief of Lois E. Lillie;

H. R. 1034. An act for the relief of the Jansson Gage Co.;

H. R. 1055. An act for the relief of Agnese R. Mundy;

H. R. 3511. An act to declare the waterway (in which is located the Brewery Street Channel) from Brewery Street southeastward to a line running south 33°53'36'' west from the south side of Chestnut Street at New Haven, Conn., a nonnavigable stream;

H. R. 4366. An act for the relief of Pearson Remedy Co.;

H. R. 5287. An act to amend title 28, United States Code, section 90, to create a Swainsboro division in the southern district of Georgia, with terms of court to be held at Swainsboro; and

H. R. 5365. An act to provide for the transfer of the vessel *Black Mallard* to the State of Louisiana for the use and benefit of the department of wildlife and fisheries of such State.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Humphrey	Myers
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Jenner	O'Mahoney
Cain	Johnson, Colo.	Pepper
Capehart	Johnson, Tex.	Reed
Chapman	Johnston, S. C.	Robertson
Chavez	Kefauver	Russell
Connally	Kem	Saltonstall
Cordon	Kerr	Schoeppel
Donnell	Kilgore	Smith, Maine
Douglas	Knowland	Smith, N. J.
Downey	Langer	Sparkman
Dulles	Lodge	Stennis
Eastland	Long	Taft
Ecton	Lucas	Taylor
Ellender	McCarran	Thomas, Okla.
Ferguson	McCarthy	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Tobey
Fulbright	McGrath	Tydings
George	McKellar	Vandenberg
Gillette	McMahon	Watkins
Graham	Magnuson	Wherry
Green	Malone	Wiley
Gurney	Martin	Williams
Hayden	Maybank	Young
Hendrickson	Miller	
Hickenlooper	Millikin	

Mr. MYERS. I announce that the Senator from Kentucky [Mr. WITHERS] is absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

MEETING OF AMERICAN GROUP OF THE INTERPARLIAMENTARY UNION

The VICE PRESIDENT. The Chair, as president of the American group of the Interparliamentary Union, would like to announce that at 10 o'clock tomorrow morning in this Chamber the American group will meet and take such action as may be appropriate with reference to the forthcoming conference to be held beginning on the 7th of September, in Stockholm, Sweden.

WITHDRAWAL OF TREATIES—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and referred to the Committee on Foreign Relations:

To the Senate of the United States:

A number of the treaties now pending in the Senate have become obsolete because of the signature of new treaties revising those instruments or because of other changed conditions affecting their provisions since they were submitted to the Senate. One of the older pending instruments, a convention concerning seafarers' pensions, I transmitted to the Senate with a statement that I did not request at that time advice and consent to ratification. No basis has since been found for recommending its approval.

With a view to placing the Calendar of Treaties on a current basis, I, therefore, desire to withdraw from the Senate the following treaties:

Notes exchanged at Washington May 3, 1944, between the Governments of the United States of America and Canada, amending in its application article V of the treaty signed on January 11, 1909, between the United States of America and his Britannic Majesty, to permit an additional diversion of the waters of the Niagara River above the falls (Executive E, 78th Cong., 2d sess.).

Protocol signed in Ottawa on October 3, 1945, to be annexed to, and to form a part of, the extradition treaty between the United States of America and Canada, signed in Washington on April 29, 1942 (Executive I, 79th Cong., 1st sess.).

Convention (No. 71) concerning seafarers' pensions, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6–29, 1946 (Executive W, 80th Cong., 1st sess.).

Convention (No. 72) concerning vacation holidays with pay for seafarers, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6–29, 1946 (Executive X, 80th Cong., 1st sess.).

Convention (No. 75) concerning crew accommodation on board ship, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6–29, 1946 (Executive BB, 80th Cong., 1st sess.).

Convention (No. 76) concerning wages, hours of work on board ship, and manning, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6–29, 1946 (Executive DD, 80th Cong., 1st sess.).

International wheat agreement, which was open for signature in Washington from March 6 until April 1, 1948 (Executive F, 80th Cong., 2d sess.).

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 10, 1949.*

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators may

present petitions and memorials, introduce bills and resolutions, and submit routine matters for the RECORD, as though the Senate were in the morning hour, and without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LONG, from the Committee on Post Office and Civil Service:

S. 1695. A bill to permit the sending of Braille writers to or from the blind at the same rates as provided for their transportation for repair purposes; without amendment (Rept. No. 888).

By Mr. O'CONOR, from the Committee on Expenditures in the Executive Departments:

S. 2072. A bill to create a commission to make a study of the administration of overseas activities of the Government, and to make recommendations to Congress with respect thereto; with an amendment (Rept. No. 889).

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLANDERS (for himself and Mr. AIKEN):

S. 2416. A bill to authorize adjustments of rentals paid for premises leased for 10 or more years for use as post offices; to the Committee on Post Office and Civil Service.

By Mr. RUSSELL:

S. 2417. A bill for the relief of Michael Gold; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 2418. A bill for the relief of Helen Bridget Launders; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. 2419. A bill to amend section 5 of the Federal Alcohol Administration Act, as amended, to provide a definition of the term "age" as used in labeling and advertising of whisky; to the Committee on Finance.

CODIFICATION OF ARTICLES OF WAR, ETC.—AMENDMENTS

Mr. LANGER submitted amendments intended to be proposed by him to the bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice, which were ordered to lie on the table and to be printed.

MILITARY ASSISTANCE TO FOREIGN NATIONS—AMENDMENTS

Mr. KNOWLAND. Mr. President, on behalf of myself, the Senator from Nevada [Mr. McCARRAN], the Senator from New Jersey [Mr. SMITH], the Senator from North Dakota [Mr. YOUNG], the Senator from Michigan [Mr. FERGUSON], the Senator from South Dakota [Mr. MUNDT], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Washington [Mr. CAIN], the Senator from Connecticut [Mr. BALDWIN], the Senator from Nebraska [Mr. WHERRY], the Senator from Vermont [Mr. FLANDERS], the Senator from Maine [Mr. BREWSTER], and the Senator from Kansas [Mr. REED], I submit amendments dealing with China intended to be proposed by us, jointly, to the bill (S. 2388) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations. They are the same amendments previously submitted on behalf of myself and 13 other Members of the Senate, but the amendments are made to apply to the new bill which has been introduced.

The VICE PRESIDENT. The amendments will be received, printed, and referred to the Committees on Foreign Relations and Armed Services, jointly.

CHANGE OF REFERENCE

Mr. MILLIKIN. Mr. President, the bill (S. 2364) to provide for the utilization as a national cemetery of surplus Army Department-owned military real property at Fort Logan, Colo., was referred to the Committee on Armed Services on August 2, 1949. I have the consent of the chairman of that committee to move that the Committee on Armed Services be discharged from the further consideration of the bill, and that it be referred to the Committee on Interior and Insular Affairs, and I so move.

The VICE PRESIDENT. Is there objection to the motion of the Senator from Colorado? The Chair hears none, and the motion is agreed to.

TRIBUTE TO HERBERT HOOVER BY GEORGE SOKOLSKY

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an article in tribute to Herbert Hoover, written by George Sokolsky and published in the Washington Times-Herald of August 9, 1949, which appears in the Appendix.]

THE PANAMANIAN HIGHWAY—ARTICLE FROM CHRISTIAN SCIENCE MONITOR

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an article entitled "Maintaining of Vital Link Stirs Doubts," published in the Christian Science Monitor of August 3, 1949, which appears in the Appendix.]

THE SITUATION IN CHINA—EDITORIAL FROM THE WASHINGTON TIMES-HERALD

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an editorial dealing with the situation in China, entitled "Stupidity or Betrayal?" published in the Washington Times-Herald of July 10, 1949, which appears in the Appendix.]

AMERICAN POLICY IN CHINA—ARTICLE BY RAY RICHARDS

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD an article on United States mediation in China, written by Ray Richards and published in the Hearst newspapers of today, which appears in the Appendix.]

THE HAWAII STRIKE—EDITORIAL COMMENT

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "The Hawaii Strike," published in the Fairbanks (Alaska) News-Miner of August 3, 1949; also an editorial entitled "Hawaiians Help Themselves," published in the Omaha World-Herald of August 6, 1949, which appear in the Appendix.]

RECORD OF NATIONAL LABOR RELATIONS BOARD—EDITORIAL FROM NEW YORK HERALD TRIBUNE

[Mr. IVES asked and obtained leave to have printed in the RECORD an editorial entitled "Diminishing Backlog," published in the New York Herald Tribune of August 6, 1949, which appears in the Appendix.]

THE COUNCIL OF EUROPE—ARTICLE FROM NEW YORK TIMES

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an article entitled "The Council of Europe Is Born on the Rhine," written by Anne O'Hare McCormick and published in the New York Times of August 8, 1949, which appears in the Appendix.]

FOUR STUDENTS DISCOVER THE SOUTH—ARTICLE FROM NEW YORK HERALD TRIBUNE

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an article entitled "Four Students Discover the South," originally published in the Next Voter, a student newspaper, and reprinted in the New York Herald Tribune of August 6, 1949, which appears in the Appendix.]

FAILURE OF PROGRAM TO RECONVERT LINERS "MARIPOSA" AND "MONTEREY"—EDITORIAL FROM THE CALL-BULLETIN, SAN FRANCISCO, CALIF.

[Mr. CAIN asked and obtained leave to have printed in the RECORD an editorial entitled "False Economy—Senate Action Scuttling Plan To Reconvert Liners *Mariposa*, *Monterey*, Blow to Merchant Marine," published in the Call-Bulletin of San Francisco, Calif., of August 4, 1949, which appears in the Appendix.]

RECIPROCAL TRADE AGREEMENT LEGISLATION—EDITORIAL FROM THE BALTIMORE SUN

[Mr. GEORGE asked and obtained leave to have printed in the RECORD an editorial entitled "Get the Trade Pact Bill Off the Senatorial Sidetrack," from the Baltimore Sun of August 7, 1949, which appears in the Appendix.]

WHAT'S WRONG WITH THE NORTH—ARTICLE BY HODDING CARTER

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article entitled "What's Wrong With the North," written by Hodding Carter, and published in Look magazine for August 16, 1949, which appears in the Appendix.]

MORGENTHAU PLAN WAS FOOLISH DESTRUCTION—EDITORIAL FROM THE FARGO (N. DAK.) FORUM

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Morgenthau Plan Was Foolish Destruction," published in the Fargo (N. Dak.) Forum of August 4, 1949, which appears in the Appendix.]

ANTIQUATED ELECTORAL COLLEGE—EDITORIAL FROM THE WILLIAMS COUNTY (N. DAK.) FARMERS PRESS

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Antiquated Electoral College," published in the Williams County Farmers Press, of Williston, N. Dak., January 20, 1949, which appears in the Appendix.]

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. GEORGE, the Foreign Relations Committee and the Armed

Services Committee, holding joint hearings on military assistance to Atlantic Pact nations, were granted permission to meet during the session of the Senate today.

On request of Mr. LUCAS, a subcommittee of the Committee on Labor and Public Welfare was granted permission to meet during the session of the Senate today.

On request of Mr. MCCLELLAN, the Committee on Expenditures in the Executive Departments was granted permission to meet during the session of the Senate today.

TREASURY DEPARTMENT—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. MCCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared, including comments by the Secretary of the Treasury, Hon. John W. Snyder, on recommendations in five Hoover Commission reports, one of which deals with the Treasury Department itself.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN L. M'CLELLAN, CHAIRMAN, SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, released today a 19-page letter from John W. Snyder, Secretary of the Treasury, commenting on the recommendations in five Hoover Commission reports, of which one report deals with the Treasury Department itself, and the other four with across the board reports on general management, budgeting and accounting, personnel management, and general services.

With respect to the Hoover Commission Report on the Treasury Department, Mr. Snyder raises a number of disagreements with the various proposals made, seriously questioning the advisability of transferring the United States Coast Guard to the Department of Commerce on the ground that its enforcement of functions are not divisible from other enforcement activities. The letter reads:

"The Coast Guard has been with the Treasury Department since its inception, and many of its enforcement functions are interrelated with other Treasury enforcement groups. The Coast Guard, which, among other duties, patrols the areas just off the coast of the United States, aids in the enforcement of the laws which the Treasury must administer through the Bureaus of Customs and Narcotics. All of these functions are interrelated, and to split one from the other on the undocumented theory that Coast Guard bears a closer relationship to the major purposes of the Department of Commerce would be to look at only part of the picture. The Coast Guard also renders valuable assistance to the Alcohol Tax Unit of the Bureau of Internal Revenue several hundred times a year by airplane spotting of stills which are located throughout the United States. The loss of this coordinated service under one department head might result in a serious impairment to the enforcement of the liquor laws by the Alcohol Tax Unit."

Although the Hoover Commission was not definite in its recommendation that certain of the marine functions of the Bureau of Customs be transferred to the Department of Commerce, it did recommend a study. The Treasury contends that this proposal having twice been studied extensively within the last 7 years with negative results, and that any further inquiry into removing these functions from the Department would seem unnecessary.

Likewise, the Treasury objects to the Hoover Commission proposal that the Bureau of Narcotics be transferred to the Department of Justice, because:

"The United States Government is obligated under the International Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs (signed in 1931) to maintain a special organization to supervise the trade and suppress illicit traffic. Thus the Bureau of Narcotics could not be merged with any existing bureau or division in the Department of Justice."

After pointing out that President Roosevelt disapproved such a proposed transfer in 1933, after the problem had been studied by the Bureau of the Budget, the Treasury Department suggests that the Hoover Commission has "overemphasized the police work of the Bureau of Narcotics. The Harrison Narcotic Act, under which the Bureau operates, has been held constitutional solely on the ground that it is a revenue measure. Every case under this act involves revenue. Furthermore, the Bureau of Narcotics has close day-to-day relations with the Bureau of Internal Revenue in connection with the registration of persons dealing in narcotic drugs, monthly returns, and inventories of narcotic drugs, compromises of tax liability under the narcotic and marihuana laws, the assessment and collection of taxes and penalties under these laws, and the making of regulations. It is necessary for the two bureaus of the Treasury to work in the closest cooperation. The Bureau of Narcotics is also working continually with the Bureau of Customs in the suppression of illicit traffic. Almost all of the big cases which the Bureau of Narcotics undertakes require the extensive cooperation of the Bureau of Customs."

The Treasury is reluctant to take over various independent lending and guarantee agencies, contenting itself with the following expression of opinion:

"The recommendation that the Reconstruction Finance Corporation, the Export-Import Bank, and the Federal Deposit Insurance Corporation should be brought under the Secretary of the Treasury has been carefully considered. There is much to be said for the independent status which these agencies now enjoy. The policies of these agencies are, in many cases, governmental policies, set after consultation with the President and other Cabinet members, and they can therefore function independently. However, if it is the final determination to bring the Reconstruction Finance Corporation, Export-Import Bank, and the Federal Deposit Insurance Corporation activities under Cabinet administration, these agencies could also function as part of the Treasury."

The Treasury discusses adversely and at some length the proposed reorganization of its fiscal service. Relevant excerpts from the Treasury letter are as follows:

"The management of the Federal finances, which includes the management of the public debt, is now and should remain the responsibility of the Secretary of the Treasury. The law itself requires this. In many instances, decisions are made only after the approval of the President. With a debt the size of ours, the management of Federal finances is, of course, intertwined with the management of the public debt; and policy decisions with respect to governmental financing and public debt management are of the utmost importance to the whole country. The Secretary of the Treasury cannot delegate these important responsibilities; and there would be no value, to my mind, in directing him to do so in the reorganization plan.

"Moreover, the Commission recommendation that the Savings Bond Division, the Bureau of the Mint, the Bureau of Engraving and Printing, and the United States Secret Service be part of the proposed Fiscal Service, contravenes the basic recommendation of the Commission that the Secretary of the Treasury should have the authority to organize and control the Treasury Department. These organizations must be located where, in the judgment of the Secretary, they will be most effectively supervised."

Among other Hoover Commission recommendations, the Treasury is not opposed to the suggested new Monetary and Credit Council. The letter points out, however, that the Department has made every effort to coordinate the credit policies of 30 Federal agencies lending, guaranteeing, or insuring loans, and that if later Secretaries of the Treasury do not have a similar urge the establishment of a domestic lending council would not force them to. The Treasury has had successful experience in recent years with a career Fiscal Assistant Secretary, and therefore concurs with the proposed establishment of an Administrative Assistant Secretary charged with over-all budget, personnel, management functions on a career basis. The Secretary, however, questions the implementation of recommendation No. 7, which would provide that all officials of the Department below the rank of Assistant Secretary should preferably be appointed from the career service without Senate confirmation, stating that it has given the Department serious concern, and that Treasury would prefer that a study precede its adoption.

In concluding its comments on the report on the Department of the Treasury, the Secretary supports a plan of Government fidelity insurance, preferably relieving Federal officers and employees of the present cost of fidelity bonds by directly appropriated funds.

Among the recommendations dealing with Hoover Commission Report No. 1 on General Management, the Treasury commends the proposed authorization to the President to reorganize the President's office at will, to make appointments within the President's office without Senate confirmation except as to the Civil Service Commission, to determine membership and assignment of Cabinet committees, and to use advisory facilities rather freely. Other recommendations commended include the grouping of similar agencies into a much small number of departments, and the provision of clearer lines of authority for department heads.

The Treasury makes a special point about that part of Hoover Commission Recommendation No. 20, which provides that each department head should be given authority to assign funds appropriated by the Congress for a given purpose to that agency in his department which he believes can best effect the will of Congress. While agreeing that this drastic change from present budget procedure has many desirable elements, the Treasury letter urges that the proposal should first receive the consideration and careful thought of officials in the executive branch and in the Congress. Considerable study will have to precede a change in the appropriation of funds by the Congress.

The Secretary is in agreement with Commission recommendations dealing with the field services of Government departments. His letter indicates that the Treasury follows the policy of delegating authority to its field offices to make final decisions in appropriate circumstances, because of the following difficulties connected with the proper distribution, supervision, and coordination of field offices:

"Calling for a reexamination of the administrative regions and regional headquarters in order to obtain a more nearly comparable geographic distribution, deals with a complicated problem which cannot be solved easily. Special considerations of many kinds have dictated the establishment of

various regions for all field services supervised by the Treasury Department. The geographic boundaries of field service regional or district establishments are only one of any number of considerations which dictate the metes and bounds of field regions or districts."

With reference to the Hoover Commission across-the-board report on budgeting and accounting, the Treasury agrees with the Commission's statement that the budget and appropriation process is the heart of the management and control of the executive branch and that there is great need for reform in the method of budgeting and in the appropriation structure. To this statement, however, the Treasury Department adds the opinion that reform of the budget is one of the first and foremost policies of departmental management. Simplification of the budget document and a review of the budget process, both in the executive branch and in the legislative branch of the Federal Government, are prime goals in the management program which the Government is now undertaking.

The Treasury letter counts as one of the first steps of any process to bring about budget reform the recommendation, No. 2, which asks that Congress undertake a complete study of the appropriation structure without delay, and states that the Treasury Department stands ready to cooperate with the Bureau of the Budget and with the Congress on this vital project.

Bringing to bear special experience, the Treasury raises a question with reference to recommendation No. 3, which proposes that budget requests and other data consistently distinguish between current operating expenditure and capital outlays. While the Treasury will cooperate in such a project, it warns that change-overs of this character cannot be effectively made until changes in the accounting systems have been worked out. The accounting problem, as your committee already knows, is being examined by the joint staffs of the General Accounting Office, Treasury Department, and the Bureau of the Budget. Developing further the importance of accounting in management, the Treasury letter emphasizes that any organization as large as the Federal Government must have sound accounting methods and systems to be effective in controlling and managing its affairs.

Recommendation No. 10 of the Hoover Commission, Budgeting and Accounting Report, proposes a new Accountant General in the Treasury to prescribe Department accounting procedures, which would be subject, however, to approval of the Comptroller General. The Treasury letter expresses the belief that this proposed division of authority would not be "in the public interest," and adds the following statement:

"The lines of authority with respect to accounting and auditing in the Federal Government are of highly controversial character. The experience of the Treasury indicates that the most fruitful results can be achieved only through cooperation by the various agencies interested in and concerned with accounting. Accounting is primarily a tool of administration, but, at the same time, is an important instrument for the control of the public funds through executive direction and independent audit. Having in mind the multiple purposes of accounting, the Comptroller General of the United States, the Secretary of the Treasury, and the Director of the Bureau of the Budget have formally agreed on the basic principles to be followed in a joint undertaking to improve the accounting and auditing system of the Government. This program has been under way for about a year."

The letter then cites the basic principles which have been evolved to serve as "the foundation upon which future accounting developments will rest."

The Treasury supports the Hoover Commission proposal (recommendation No. 11) that the practice of sending millions of expenditure vouchers and supporting papers to Washington be stopped as far as possible. The letter points out that the practice of submitting individual expenditure vouchers to Washington is an expensive and tedious way of auditing, which the Comptroller General indicates is being changed. The Secretary believes that the site audit of accounts is especially important and vigorously supports the adoption of it by the Federal Government, contending that the accounting function tells much more of the management of Federal business than the auditing of expenditure vouchers. "The Comptroller General," the Secretary concluded, "it may be stated, has been using the site audit with increasing frequency."

The next across-the-board Hoover Commission report—on personnel management—is endorsed by the Treasury Department as to individual recommendations. Thus, the letter supports, for example, recommendations that departments should have single responsible administrative heads, that they should have directors of personnel in their top management staffs, that the "rule of three" in the recruiting of Federal employees should be liberalized, and that greater emphasis should be placed on attracting first-rate young people to subordinate professional, scientific, technical, and administrative posts. The Treasury has some doubts, however, as to the following Hoover Commission proposal in the field of recruitment:

"Recommendation No. 6 proposes that the President should require all major departments and agencies to conduct vigorous recruiting programs for, and to examine and make final appointments of, all high-level administrative, professional, and technical positions peculiar to the agency and any other classes of positions which in the judgment of the Civil Service Commission seems to be striving for an improvement in the recruiting and appointing process but goes a good deal further and asks that the President require these improvements by Executive order. The Treasury Department agrees that the recruiting and appointing procedure needs to be reexamined but questions whether or not the Hoover Commission has hit upon the most effective way. Whether the President should or should not sign an Executive order, as the Hoover Commission proposes, is a question which the President, with his chosen advisers in this field, must decide. If the President should determine that this could be a staff function of the Civil Service Commission, then the same objective could be accomplished by Civil Service Commission directives rather than by the medium of an Executive order. As a matter of fact, it would seem that this goal has been partially achieved by the use of the so-called committees or boards of expert examiners."

The Treasury describes as "a new and interesting point of departure" which is entitled to a serious consideration, a Hoover Commission recommendation "that Congress enact a pay policy which will provide for maximum and minimum rates of pay with the general adjustment in between to be made by the executive branch." The Treasury Department foresees some difficult problems of a type with which it has already had some experience through its Wage Board procedure. It rates as "sound" the part of this proposal which "calls for greater authority to be delegated to the executive branch."

The Treasury letter disposes in a single, brief paragraph of the third and last across-the-board Hoover Commission report, on an Office of General Services. With reference to a General Services Agency, created by recently enacted legislation, the Treasury promises cooperation in setting up the new body. The letter points out that the Treasury supported the transfer of the Treasury Bureau of Federal Supply to the new Agency.

(The full text of the letter by the Secretary of the Treasury is available at the Office of the Senate Committee on Expenditures in the Executive Departments, room 357, Senate Office Building.)

HENRY P. IRR

Mr. O'CONOR. Mr. President, announcement recently of the resignation of Henry P. Irr, Baltimore Federal savings and loan executive, as chairman of the Maryland State Planning Commission, deserves more than passing interest in the field of government, particularly in this area.

Mr. Irr has served the people of Maryland in this important post for more than 4 years, and previously was active as a member of the commission. During this period he has given generously of his time and of his exceptional business and organizational abilities to supply a vital something which government on all levels unfortunately lacks.

That something is a "sense of distance," If I may so term it—a vision, and a sense of long-range planning, which the American system of government, with its ever-changing leadership, does not encourage, and indeed rarely encounters.

As a result of Mr. Irr's planning activities, Maryland State and local officials have a far better understanding of the problems facing them now and in the foreseeable future, together with a general or detailed program for meeting these problems. The commission's studies likewise have gone into the matter of implications of recent economic changes, for guidance of government in meeting and coping with the new problems thus raised.

It is, indeed, a fortunate thing for government that executives like Mr. Irr are to be found who are ready to devote their experience and energies to the solution of government's problems in the interest of all the people. Such men deserve the utmost recognition and gratitude, and it is in this spirit that I am bringing to the attention of the Senate the services rendered by Mr. Irr.

An editorial in the Baltimore Sun, commenting on Mr. Irr's resignation, states, and I quote:

> Maryland has lost a highly competent, trustworthy, and nonpolitical public servant at a spot where men of Mr. Irr's type are needed most.

I am convinced that all who are conversant with Mr. Irr's activities in the field of planning will concur heartily in this statement.

ISSUES OF THE 1950 CAMPAIGN

Mr. WILEY. Mr. President, I send to the desk a statement which I have prepared on the subject of America at the crossroads. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR WILEY ON ISSUES IN 1950 CAMPAIGN

Thinking Americans throughout the Nation are preparing right now for their role

in the 1950 senatorial and House of Representatives elections. Sane, reasonable Americans in Wisconsin and every other State of the Union recognize that when Americans go to the polls in November, 1950, they will be deciding in effect down which road America will travel—the road of socialism, of collectivism, or the road of continuing free enterprise.

These are not just words. These are meaningful realities. Thinking Americans know that if in November 1950, Senators and Representatives who believe in free enterprise go down to defeat, then this Nation will be on its way toward complete socialism and a welfare state. The destiny of the American people for decades to come will be decided on the basis of whether or not free enterprise legislators are re-elected or are defeated in 1950.

ISSUES, NOT PERSONALITIES, ARE WHAT COUNT

This question is a matter of issues and not a matter of particular individuals or personalities. In other words, from the standpoint of the mere individuals involved and whether they are personally vindicated or not (that is, reelected or defeated), from that standpoint America is interested, but not vitally affected. No, my friends, this is a question of the liberty of the American people and not the success or failure of this or that Senator from Wisconsin, Ohio, Indiana, Missouri, South Dakota, Iowa, Kansas, or other States in the union.

In other words, what counts is that men who are dedicated to upholding this Republic should be reelected not as a personal tribute to themselves but rather in order to sustain this country and its Constitution.

ENEMIES OF AMERICA ARE ORGANIZING

Some folks in the country don't realize the danger in which we find ourselves. They don't realize that the enemies of America in our midst—the alien-minded leftists, the labor goon-squad boys, the parlor pinks, the Reds—are preparing right now for the crucial 1950 struggle. They are organizing precinct by precinct, ward by ward, shop by shop, plant by plant, town by town, city by city. They have formed their unholy alliance with a few labor big shots in order to take over this Government. They want to elect a Congress which will be subservient to a few racketeering labor leaders.

There is a chance that they may succeed in their insidious effort unless thinking Americans arouse themselves and prepare their own vigilant, grass-roots organization in order to awaken the American people. This isn't a matter for just talk. It will take organization, sweat, labor, contributions of time, yes, of money—pennies, nickels, dimes, dollars—if the free enterprise system is to be kept intact.

THE TIME TO ACT IS NOW

Although it is over a year and a quarter before the November election, any individual—laboring man, housewife, farmer, businessman—who wants to protect his beloved Nation should get in the fight now. He should contact like-minded individuals in his community, and together they should decide which candidates should be supported in the primary and in the general elections.

SCRUTINIZING CANDIDATES

Again, I repeat the candidates are not important as personalities or as individuals. The only thing that counts is what they stand for. All potential candidates should be scrutinized carefully from these standpoints:

(a) Do they believe in this constitutional Republic of checks and balances, or do they want to disintegrate the Republic by having the executive branch take over and make the Congress a mere rubber stamp for the President?

(b) Do they believe in sane fiscal policies or are they willing to raid the Treasury unscrupulously to support every sort of crackpot project in return for votes?

(c) Do they decide issues on the basis of their deepest convictions without taking orders from anyone or do they follow slavishly along lines dictated by a few big shots from any quarter?

I, for one, will do my part to help arouse my fellow citizens to their responsibility. I do so not for personal self-interest, not for the interest of any of my particular colleagues, but rather from the standpoint of the welfare of this Nation. My only aim is to make sure that this country remains free in fact—economically, politically, socially—so that our children and our children's children will enjoy the blessings that we enjoy.

I should like to conclude these comments by an imaginary news story. Let us visualize this, my friends, as coming along the press wires sometime in February 1951. It is not completely fanciful. On the contrary, there is grave danger that unless thinking Americans act courageously now, a press story such as this might someday be written.

Only you, the individual voter in Wisconsin, in Ohio, in Indiana, in New York, and elsewhere throughout our Nation, can make sure that such a news story as what follows will never come to pass:

A POSSIBLE NEWS STORY OF FEBRUARY 1951

"WASHINGTON, D. C.—Congress today passed a series of three emergency acts authorizing the President to take over virtually all segments of the national economy 'whenever he believes the national interests require that the people's affairs be made subject solely to executive orders.'

"In actions almost unprecedented in American history, the Senate and House completed action today on three 'must' bills which had been steam-rollered through the Congress by administration supporters giving the Chief Executive unparalleled powers over American industry, agriculture, and commerce.

"These emergency bills climaxed 4 weeks of an amazing first session of the Eighty-second Congress in which the legislators had given the President authority to proceed with a $60,000,000,000 budget—some 20,000,000,000 more than had been approved by the previous Congress. Simultaneously, the President has already signed into law an omnibus tax increase bill which will virtually confiscate all corporations', partnerships', and other business profits above a level deemed 'warranted' for any given industry by Bureau of Internal Revenue decision made in conjunction with so-called industry experts.

"Already being prepared in separate Senate and House committees are bills to nationalize America's insurance industry, to take over the banks, to consolidate all steel companies in a state monopoly, and to provide unprecedented state control of many other industries.

"Never before have Washington observers seen such feverish haste in a Congress in acceding to demands made by administration leaders. It was reported that a delegation of British Socialists will shortly be arriving in America in order to join in planning for further elimination of private enterprise in the American economy.

"Most Washington experts stated that it is extremely unlikely that any elements of the administration's Socialist program will be defeated in view of the unprecedented majorities which the administration commands in both the Senate and the House of Representatives. These majorities have been due in turn, observers say, to the fact that less than 35,000,000 Americans voted in the off-year congressional elections in November 1950. The sizable Socialist bloc in the House of Representatives and in the Senate has become the nucleus of control of both Chambers, even though it of itself does not command a majority but merely works in coalition with administration supporters."

ELIMINATION OF CERTAIN PREMIUM PAYMENTS IN THE PURCHASE OF GOVERNMENT ROYALTY OIL

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the amendment of the House the bill (S. 1647) to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533), and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. O'MAHONEY. I move that the Senate insist upon its amendment, accede to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. O'MAHONEY, Mr. KERR, and Mr. CORDON conferees on the part of the Senate.

DELIVERED-PRICE SYSTEMS AND FREIGHT-ABSORPTION PRACTICES

Mr. LONG obtained the floor.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Louisiana [Mr. LONG] to reconsider the vote by which the motion of the Senator from Nevada [Mr. MCCARRAN] to send Senate bill 1008 to conference was agreed to.

Mr. LUCAS. Mr. President, it is my understanding that the Senator from Nevada [Mr. MCCARRAN], who is momentarily absent from the Senate, has no objection to the reconsideration of the vote. In view of that fact, I think perhaps we might save some time by debating directly the merits of the bill, rather than the motion to reconsider. I presume, however, that in connection with the motion, some of the merits of the bill will be debated.

If we could obtain an agreement to limit debate, I am wondering if that would influence the distinguished Senator from Louisiana in shortening the time for debate.

Mr. LONG. That would certainly reduce the amount of time required to debate the issue. I do not feel I am in a position to speak for other Senators in agreeing to limit debate. Several Senators who are interested in speaking on the subject are not present. One or two have actually prepared speeches. Personally, I would not agree to limit debate, although we might be able to conclude the debate during the time the Senator has in mind. I believe he is hopeful of concluding the debate today. I feel that is possible. However, I would not like to agree to limit other Senators, especially those who may not be present.

Mr. LUCAS. I appreciate what the Senator says, and I congratulate him upon his candid and frank answer. I also commend his statement that he feels we may be able to dispose of this question this afternoon. In other words, the question of reconsideration is more or less a perfunctory matter, as I understand.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. O'CONOR. Let me say in support of the position taken by the distinguished majority leaders that it is our desire to open the door as far as possible, hoping, of course, that we can conclude the debate and thus bring the question to a vote. I feel that I can speak for the Senator from Nevada in giving assurance to the Senator from Louisiana that if such an understanding as has been suggested could be reached, matters could be expedited.

Mr. LUCAS. I thank the Senator.

Mr. LONG. Mr. President, I ask unanimous consent to reconsider the vote whereby Senate bill 1008 was sent to conference.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WHERRY. Am I correct in understanding that the Senator from Nevada would agree to such a unanimous-consent request?

Mr. LUCAS. Yes.

Mr. WHERRY. He is not in the Chamber.

Mr. LUCAS. He has made such a statement to the Senator from Illinois.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. O'CONOR. I beg to correct the statement of the Senator from Illinois. I did not mean to imply that the Senator from Nevada agreed to reconsider the vote by which the bill was sent to conference, but that if a unanimous-consent agreement were entered into for a vote later in the day, the entire matter might be debated on its merits.

Mr. LUCAS. I think the Senator from Maryland is correct. The Senator from Nevada is on his way, and if necessary we can interrupt the Senator from Louisiana.

Mr. LONG. Mr. President, I believe that this unanimous-consent request would merely remove one more complicating factor. There had been an agreement that no such motion as was made would be made without notice. Those of us who were interested did not have notice. The Senator from Tennessee [Mr. KEFAUVER] was in the Chamber at the time the motion was made. Senators are familiar with the low tone of voice of the Senator from Nevada. In the confusion which usually prevails during the morning hour, the Senator from Nevada moved that the bill be sent to conference. None of us who favored concurring in the House amendments had an opportunity to object.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. O'MAHONEY. Is it not a fact that the purpose of the Senator from Louisiana and other Senators is to have a discussion of the merits of the proposed legislation?

Mr. LONG. That is true.

Mr. O'MAHONEY. So that the minds of all Senators may be clarified as to the meaning and effect of the legislation.

Mr. LONG. That is exactly true.

Mr. O'MAHONEY. So whether or not the vote is actually and technically reconsidered is of small importance, provided we have the discussion. Is not that the fact?

Mr. LONG. That is true.

It is my intention, and the intention of other Senators interested, to discuss the subject for the benefit of the Senate. Whether it is done on the motion to reconsider or whether it is done on the merits is not important. I believe it would be better to discuss the bill on its merits, and have the vote on the merits.

Mr. O'MAHONEY. Inasmuch as the motion to reconsider is pending, and is debatable, the Senator from Louisiana and other Senators who are interested have ample opportunity to discuss it without prior disposition of the motion to reconsider.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. LUCAS. In reply to my distinguished friend from Wyoming, I certainly hope that this bill will be explained. I do not know of any other bill which has had so much confusion surrounding it. I will say frankly that had I known that the basing-point bill would take all the time it has taken in the Senate and in the House of Representatives, it would never have gotten off the calendar. But I was assured originally by my good friend from Pennsylvania [Mr. MYERS] that it was a moratorium bill, which would probably require a couple of hours. We have spent many days in connection with this bill, and it looks as though we are going to spend many more. Apparently there has been a great amount of misunderstanding and confusion as to what the basing-point bill means. I certainly hope it will now be thoroughly explained by those who are interested in it.

Mr. LONG. Mr. President, has my request been agreed to?

The VICE PRESIDENT. No; it has not.

Mr. LONG. Is there objection?

Mr. McCARRAN. Mr. President, what is the request?

The VICE PRESIDENT. The Senator from Louisiana, before beginning discussion of his motion to reconsider, had asked unanimous consent that the motion to reconsider the vote by which the bill was sent to conference be agreed to. Prior to that there had been some discussion, in which the Senator from Nevada was referred to as having said that he would have no objection to having the motion to reconsider agreed to.

Mr. McCARRAN. I made an offer to the able Senator from Louisiana that I would augment the conferees and add the name of the Senator from Wyoming as a conferee, if he would accept that position, if the bill could be sent to conference, which would dispose of the motion now pending. That is as far as I have gone. I think that is all I can be charged with having suggested.

The VICE PRESIDENT. The Senator from Louisiana has the floor.

Mr. LONG. Mr. President, I take it that at this time I am discussing the motion to reconsider.

The VICE PRESIDENT. That is the pending question.

Mr. LONG. As I have explained before, it was my understanding that I had an agreement with the senior Senator from Nevada [Mr. McCARRAN], the junior Senator from Tennessee [Mr. KEFAUVER]—and the junior Senator from Georgia [Mr. RUSSELL] was also a participant in the understanding—that before this bill was sent to conference, we would have an opportunity to be heard and to move to have the Senate concur in the House amendments.

I understood, because I heard the senior Senator from Nevada say to the junior Senator from Tennessee, "I will let you know when I will take this up," that that meant we would have actual verbal notice of the time when the motion would be made to send the bill to conference. I was waiting for it, and so was every other Senator who looked at this matter in the same way I did. But the Senator from Nevada made his motion, at a time when I was not on the floor, and at a time when there was considerable commotion on the floor. At that time, when the Presiding Officer was attempting to obtain order, and when some other Senator was whispering in the ear of the junior Senator from Georgia [Mr. RUSSELL], the motion to send the bill to conference was made and agreed to, without our realizing it. So we did not have an opportunity to explain this bill.

I am sure the Senator from Nevada feels that he acted in good faith, yet I was not on the floor at the time and did not have an opportunity to express the viewpoint of those of us interested in preserving the House amendments.

Of course, now that the motion has been made to reconsider the vote by which the Senate sent the bill to conference, we are placed in a disadvantageous position, for at any time a motion can be made to lay on the table the motion to reconsider, and that would have the effect, if agreed to, of cutting off debate on the House amendments.

On the other hand, if the motion to reconsider is agreed to, then we shall have an opportunity to move to concur in the House amendments.

So, Mr. President, the fact that at any time any Senator can obtain recognition, he can move to lay on the table the motion to reconsider the vote by which the bill was sent to conference, does give an advantage, and I feel it is an advantage which was obtained against our gentlemen's understanding.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. TOBEY. I wish to ask the Senator a question. He has made a study of this matter. The Senator from Illinois has voiced my feelings and expressed my ignorance of this matter, because I am very much confused, and so are some of my colleagues, regarding the situation in connection with this measure.

Is it the judgment of the Senator now speaking that if the House amendments were adopted to the final draft of the bill as passed by the Senate, that would be a material aid to small business?

Mr. LONG. I certainly think so; I think that the amendments proposed by Representative CARROLL and adopted by the House constitute a major improvement to Senate bill 1008. I know, from my own knowledge and from a reading of the press, that an effort will be made to sidetrack the House amendments and to go back to amendments much worse, in my opinion, or amendments which are not nearly as thorough.

The junior Senator from Tennessee [Mr. KEFAUVER] proposed certain amendments, when this bill was under consideration by the Senate. They were agreed to without objection. But the Senator from Tennessee had to draft his amendments hurriedly because the bill was going to be passed at any moment. There were several oversights in his amendments, which were caught by Representative CARROLL's amendments, when the bill was in the House of Representatives.

I feel that the Senate certainly should have an opportunity to concur in the amendments which were offered in the House by Representative CARROLL. I may say that the House committee agreed to strike the Kefauver amendments from the bill. I believe those or similar amendments are absolutely essential to protect small business. Yet when the bill reached the House floor, the Senator from Tennessee [Mr. KEFAUVER] sent a letter stating that his amendments were imperfect and needed perfecting; and Representative CARROLL offered amendments which would have the effect of perfecting the amendments of the Senator from Tennessee. After a long debate in the House of Representatives, the membership overrode the committee and accepted the amendments offered by Representative CARROLL.

I feel we should have the privilege on the floor of the Senate of concurring in those amendments before there is an opportunity for anyone to move to strike out the amendments again.

Mr. TOBEY. I thank the Senator.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. McCARRAN. Inasmuch as inferentially, at least, some question of good faith has been raised, let me say to the Senate that this bill was first before the Committee on Interstate and Foreign Commerce. It was there made a subject of lengthy study and long hearings, as I am advised. While it was pending before the Committee on Commerce, I addressed a letter to the chairman of the Committee on Commerce, and suggested to him that the bill should have gone to the Committee on the Judiciary. The Senator from Colorado [Mr. JOHNSON], the chairman of the Committee on Interstate and Foreign Commerce, and I had a conference. At that conference it was agreed that when the Committee on Commerce disposed of the bill, it would report it, with a recommendation that it be referred to the Committee on the Judiciary. That was done.

The bill was referred to the Committee on the Judiciary, and a subcommittee of the Committee on the Judiciary was appointed to make a study of the bill. That study extended over several weeks, during which time hearings were held. My recollection is that the Senator from Colorado [Mr. JOHNSON], the chairman of the Committee on Interstate and Foreign Commerce, was present during some of the hearings. Outstanding representatives on the subject were heard by the Judiciary Committee.

Mr. LONG. Mr. President, I yielded only for a question to the Senator. I ask him to make his question reasonably brief.

Mr. McCARRAN. I shall make it exceedingly brief. I merely wish to show what the history of this bill is.

Then the subcommittee of the Judiciary Committee reported to the full committee, and we had extended considerations there. Finally we arrived at language which we reported to the Senate.

After the bill was on the Senate calendar for some time, my recollection is that it was called up by the Senator from Maryland [Mr. O'CONOR], who had charge of the bill. Then the Senator from Wyoming [Mr. O'MAHONEY] offered a substitute, which, in general, was finally adopted by the Senate and sent to the House, where it appears to have been amended.

When it came back to the Senate from the House of Representatives, I announced that I was going to move to have the bill sent to conference. I had a conference with the Senator from Louisiana [Mr. LONG] and, according to my recollection, the Senator from Georgia [Mr. RUSSELL]. I told them I wanted the bill to go to conference, that I did not think the language it contained was as it should be, and that it should be studied again.

That was not agreed to. I told the Senators that I would not move until they were on the floor or had knowledge of the motion.

It rested here for, I think, 2 or perhaps 3 weeks. I am not quite certain of the length of time.

Finally I saw the Senator from Tennessee [Mr. KEFAUVER] on the floor. I am quite certain I saw the Senator from Georgia [Mr. RUSSELL] on the floor, and I thought the Senator from Louisiana [Mr. LONG] was on the floor; but at least the first-mentioned two Senators who were interested in the bill were on the floor; and I made the motion, in open session of the Senate, to have the bill sent to conference; and I recommended the names of conferees to the Presiding Officer.

That is the history of the bill.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. LONG. I yield for a question only.

Mr. KEFAUVER. Mr. President, will the Senator yield for an observation and a question?

The VICE PRESIDENT. That may be done only by unanimous consent.

Mr. LONG. Mr. President, I ask unanimous consent that I may yield to the Senator from Tennessee for him to make an observation and to ask a question, without jeopardizing my right to the floor.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

Mr. KEFAUVER. Mr. President, the situation, as I remember it, was that on July 7, Senate bill 1008, with the Carroll amendments, passed the House of Representatives. The Senator from Louisiana [Mr. LONG] and others, including myself, had been very much interested in this proposed legislation. The bill came back to the Senate on the following day, July 8, and the Senator from Louisiana and I were present. Only four amendments were adopted by the House of Representatives.

On that occasion the Senator from Louisiana, and, as I remember, the Senator from Georgia [Mr. RUSSELL], and I asked the Senator from Nevada when the bill would be called up, and told him at that time that we wanted to move to have the Senate concur in the House amendments, that we did not want the bill to go to conference, because it has been reported in the press that the purpose of having it go to conference was not to adopt either the amendments which had been written into the bill in the Senate or the amendments which had been adopted in the House, but to take the unusual course of rewriting the measure.

The Senator from Nevada was on notice and understood that this matter could not be handled by unanimous consent, because we wanted to move to concur in the House amendments and to debate the matter. At that point the Senator from Nevada said he wanted the bill to go to conference, and he would notify us when he was going to call up the matter. So I was certain we had an understanding that we would be notified. He certainly knew it could not be done by unanimous consent in the morning hour, as lengthy debate would ensue.

Furthermore, as I recall, I had two other conversations with the Senator from Nevada, perhaps in the presence of the Senator from Louisiana, in which we inquired of the Senator from Nevada when he was going to call up the matter, stating to him we wanted to move to concur in the House amendments.

Mr. McCARRAN. At that time, did not the Senator say to me he wanted to be present?

Mr. KEFAUVER. No; the whole understanding, as I recall, was that we would be notified when the matter was going to be brought up. A few days before it was brought up the Senator from Louisiana and I were invited to a conference with the senior Senator from Wyoming in an effort to reach a meeting of minds and perhaps bring about a settlement of the matter. Certainly we had no idea the matter would be brought up until we brought that conference to a conclusion.

Mr. McCARRAN. Mr. President, I hope the Senator did not confuse the names of the Senator from Wyoming and the Senator from Nevada.

Mr. KEFAUVER. No. I am talking about the Senator from Wyoming.

Mr. McCARRAN. The Senator mentioned the Senator from Wyoming several times. The Senator had no conference with the Senator from Nevada.

Mr. KEFAUVER. No. We had a conference with the Senator from Wyoming.

Mr. McCARRAN. Very well.

Mr. KEFAUVER. We assumed of course that since he had filed the substitute measure, he was at least in consultation with the Senator from Nevada.

In the morning hour of the day in question, when there was considerable confusion in the Chamber, I was present in the Chamber. I was going to file a resolution on another matter. I was explaining the resolution to the Senator from Delaware [Mr. FREAR] at that point. I had no knowledge of the action of the Senator from Nevada, until someone asked me whether it was not the basing-point bill that had just been brought up. As I went to the desk to make inquiry, I met the Senator from Louisiana. He made his motion to reconsider. I am certain the Senator from Nevada and everyone else knew that we wanted to make our motion to concur in the House amendments, that we did not want the bill to go to conference, and that the matter would not be disposed of by unanimous consent. I felt perfectly satisfied that before the matter would be called up, pursuant to our agreement, if the Senator from Nevada was going to call it up, he would at least send notice to our offices, or say he was going to bring up the question.

So, Mr. President, we have not had an opportunity to present the question of concurring in the House amendments. This is a tremendously important matter affecting the economy of our Nation, particularly small business. It involves the whole basing-point issue. It involves the matter of whether section 2 of the Clayton Act and the Robinson-Patman Act shall be emasculated. It involves the question of whether section 5 of the Federal Trade Commission Act shall be amended so as to render it less protective of the interests of small business.

In order that every Senator may have his day in court and that the whole Senate may consider whether the House amendments should be concurred in, or whether the bill should be sent to conference, or what should be done with it, I certainly feel that the motion to reconsider should be agreed to.

Mr. LONG. Mr. President, I shall not further pursue the unanimous-consent request, but in order to set the record straight, I should like to state that in the first place it was my understanding we would be notified. As a matter of fact, I personally was waiting for the amendments to come before the Senate in order that I might move that they be concurred in.

I quote from a speech I made in the Senate on July 8.

> I read from page 2 of the Journal of Commerce of New York, the edition for Friday, July 8, 1949, this morning's paper:
>
> "Representative CELLER, who is sponsoring a drive to end the Robinson-Patman Act"—
>
> Perhaps Representative CELLER has not expressed that thought publicly, but at least the Journal of Commerce had it straight; the object is to end the Robinson-Patman Act.
>
> "Representative CELLER, who is sponsoring a drive to end the Robinson-Patman Act, was very dissatisfied with the House action in accepting the Carroll amendment.
>
> "'This will mean a continuation of the confusion which the bill was supposed to clear up,' which means it was supposed to eliminate the Robinson-Patman Act, he told the Journal of Commerce. 'However, I hope to have the wording of the Carroll amendment changed when the bill goes to conference.'
>
> "When it was suggested to Representative CELLER that he would be caught between the wording of the Kefauver and Carroll amendments in conference, he replied: 'Oh, not necessarily. A lot of things can happen in conference. I think we can straighten it out satisfactorily.'"

In closing that speech, I stated:

> I considered it a bad bill even as amended, but its subtly deceptive purpose of destroying the Robinson-Patman Act has been eliminated. I will vote to agree to the House amendment at the first opportunity, not because I believe it a good bill, but because I believe it is a complete disappointment to the great lobbies and powerful interests who are trying to overcome the effects of our antitrust laws, because I believe when they expected to reach into the coop and pull out a chicken they came out with a mere handful of feathers.
>
> I wish they had come out completely empty-handed; but I fear that a failure to dispose of S. 1008, while we have pulled most of the vicious monopolistic teeth from it, might yet give the vested interests of America a chance to deceive, mislead, or fool us into carrying out their carefully conceived designs.

Mr. KEFAUVER. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield.

Mr. KEFAUVER. I ask the Senator whether he does not remember, on July 8, the day following the passage of the bill in the House of Representatives, I made a statement on the floor pointing out what the Carroll amendments were, and stating I thought they were an improvement over the amendments offered by the junior Senator from Tennessee which had been written into the bill by the Senate, and that I expected to join the Senator from Louisiana in moving to concur in the House amendments? That statement is found at page 9089 of the RECORD.

Mr. LONG. I recall that. It clearly put the Senator from Tennessee as well as myself on record in favor of concurring in the House amendments when we had the opportunity to do so.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Alabama for a question.

Mr. HILL. Is it not a fact that the House Judiciary Committee struck out the Kefauver amendments when it reported the bill to the House?

Mr. LONG. That is true.

Mr. HILL. Is it not a fact that Representative CELLER, to whom the distinguished Senator from Louisiana has referred as speaking of many things being fixed up in conference, will, as chairman of the House Judiciary Committee, name the House conferees, under the practice of the House, which is similar to our practice in the Senate, and will himself be the chairman of the House conferees?

Mr. LONG. That is exactly correct as I understand the rules.

Mr. President, this proposed legislation, in my opinion, is in violation of the platform pledges of both the Democratic and Republican Parties. It also would probably mean, if passed, the destruction of many small businesses in this country. I oppose this legislation because it would mean that the consumer would be continuously robbed by monopolistic practices. I oppose it because it would be a partial surrender to monopolistic forces that have successfully evaded the Sherman Antitrust Act for the 60 years since its enactment.

I, personally, was not a member of the platform committee of either major political party, and I did not have the honor or the privilege of attending the national conventions. However, I cannot but be impressed by the beautiful language claiming friendship and support of the cause of small business by both the Democratic and Republican conventions in the summer of 1948. From a reading of the platforms of these two great parties, it is very clear that each party was striving to outdo the other in avowing devotion to the cause of the small-business man of America. The Republican Convention was held first, and what did the Republican Convention have to say about small business? I quote from the Republican Party platform:

> Small business, the bulwark of American enterprise, must be encouraged through aggressive, antimonopoly action, elimination of unnecessary controls, protection against discrimination, correction of tax abuses, and limitation of competition by governmental organizations.

That is a very clear and forthright declaration, Mr. President, and certainly we must all agree that those were beautiful words if they meant anything.

What did the Democratic Convention adopt in the month of July 1948? I quote from the Democratic platform:

> We recognize the importance of small business and a sound American economy. It must be protected against unfair discrimination and monopolies, and be given equal opportunities with competing enterprises to expand its capital structure.
>
> We favor nondiscriminatory transportation charges and declare for the early correction of any inequalities in such charges.

Further along, Mr. President, we find these promising words of the Democratic Party platform:

> We pledge an intensive enforcement of the antitrust laws, with adequate appropriations.
>
> We advocate the strengthening of existing antitrust laws by closing the gaps which experience has shown have been used to promote the concentration of economic power. We pledge a positive program to promote competitive business and to foster the development of independent trade and commerce.

Mr. President, in view of such strong declaratory language it would seem that by this late date, we Democrats and Republicans would be combining our very best efforts in order to close the gaps in the antitrust laws.

Instead, what legislation have we passed for the protection of the small businesses of this country? What legislation have we passed to close the gap? None, whatsoever. Rather, Mr. President, we have before us the only bill that has been passed affecting small business at all, and what does this act do? To begin with, it has the effect of repealing the Robinson-Patman Act, if passed without the Carroll amendments. It would have the effect of slashing great loopholes in the Clayton Antitrust Act and in the Federal Trade Commission Act; and it would be a direct, inexcusable breach of faith of solemn pledges given the American public by both the Democratic and the Republican Parties.

Let us look at the purposes of Senate bill 1008 as it was originally introduced. Its purpose is to carry out the obvious design of the steel monopoly, the cement monopoly, the sugar trust, the paper trust, and the monopolistic organizations of twenty-odd industries in America. Its purpose is to legalize the basing-point system, which is nothing more nor less than a historic device to rob the American public by means of unreasonably high prices and unnecessary freight charges, and an arrangement to deny the public the benefit of price competition. When I say the public is denied the benefit of competition by means of the basing-point system, I refer to the fact that this system is a carefully planned scheme by which all competitors agree to charge the public identically the same price. They tell us that they are "meeting competition." Or that they have "perfect competition." Actually, they are merely agreeing that no one will reduce prices, and, regardless of how high our production may be, the public will be denied the benefit of more commodities at cheaper prices.

A personal example I can recall is that when my father undertook to build highways in the State of Louisiana, he found it was impossible to get price competition in order to gain substantial reductions in the prices of cement. He found that in order to reduce prices, it was necessary to obtain bids from Belgian firms. As everyone knows, transportation is one of the great costs in the production of cement, and yet, it was found in Louisiana, that it would be cheaper to ship cement all the way across the Atlantic Ocean than it would be to purchase it from price-fixing cartels in existence in the United States. Fortunately, or unfortunately, the availability of foreign competition made it possible to hold down at least to some slight degree the enormous, ridiculous prices the cement trust was charging for its product. However, Congress took care of that item and raised the tariff on cement 30 cents a barrel, as a result of which the State of Louisiana was compelled to pay an additional $1,000 per mile for the concrete that went into our thousands of miles of highways. In support of that statement, I refer to page 255 of Every Man a King, written by Huey P. Long.

There are many former governors in this body, Mr. President, and I am sure that all of them are well acquainted with the age-old practice of identical cement bids, no matter how many bidders are involved. Certainly, they realize the justice of protecting public interest from this age-old policy of monopolistic piracy.

In other words, Mr. President, 20 years ago, in 1929, notwithstanding the enormous productive capacity of the American cement industry, the price of cement was limited in my State only by the price at which it could be purchased from Belgium because of the complete monopolistic nature of the industry. This has been the experience of others, I am sure.

It is unfortunate that in the course of this debate, the parliamentary maneuvering and strategy of those in favor of legalizing the basing-point system has been such that those of us who have been opposing these efforts have not had the opportunity thoroughly to discuss or analyze these attempts for the benefit of the record and for the enlightenment of our colleagues. The legislative history of Senate bill 1008 is briefly this: A bill was introduced granting a 2-year moratorium on practices involving freight absorption. This moratorium was broad enough to legalize every basing-point practice previously in existence for a period of 2 years. After the hearings, the committee submitted a substitute bill on which no hearings had been held. But it was the sentiment of the majority of the Judiciary Committee that this bill was substantially better than the one submitted originally by the senior Senator from Pennsylvania [Mr. MYERS]. However, as the debate developed on the floor on the second day, another substitute was offered by the senior Senator from Wyoming [Mr. O'MAHONEY]. Some of us had high hopes that this new substitute would work in a manner to legalize justifiable freight-absorption practices and yet not legalize this vicious basing-point system. After a careful analysis, and after the advice of able antitrust attorneys and competent economists, many of us were disappointed to find that this bill was very little improvement over the other two bills. Again I say, this bill has not been debated; it has not been as carefully analyzed in the United States Senate as it has by the friends of American small business, and it has certainly not been considered by the friends of American small business, and it has certainly not been considered by the friends of the forgotten man, the American consumer, who would ultimately pay the high prices which this bill would make possible.

I digress here to say that the gasoline tax which every American has to pay is to a great extent measured by the cost of the construction of highways. If the cost of cement is high, the gasoline tax has to be higher. The same is likewise true with respect to the cost of steel and practically every other item going into the construction of homes.

For the benefit of those who may not understand this basing-point system, as well as its ramifications, let me briefly describe it.

The original basing-point system was the old Pittsburgh-plus steel system, where all steel prices were determined at the Pittsburgh mills, and the railroad freight from Pittsburgh to the point of destination, was added in order to arrive at the price which other steel mills were to charge. For example, there was a steel mill in Gary, Ind., selling in competition with the Pittsburgh mill. If the Gary mill was selling in its own locality, it charged the Pittsburgh price for steel plus the freight from Pittsburgh to Gary. This was known as phantom freight because it was freight that did not actually exist at all. If the Gary mill was shipping toward Pittsburgh, then the Gary mill reduced its price steadily the nearer its point of destination reached Pittsburgh. On the other hand, if the Gary mill was shipping to the west, then the Gary mill would add the freight from Gary westward, but it would not use a rate book of freight rates from Gary. Instead, it would use a book of freight rates from Pittsburgh in order that in competing with the Pittsburgh mill, the price would be idential to the consumer, and he would have no choice whatsoever, insofar as price competition was concerned.

After many years, the Federal Trade Commission successfully broke up this practice, which we might properly describe as a single basing-point system; and, thereafter, the steel monopoly adopted a multiple basing-point system. For example, the Birmingham mill was set up at a separate base, and in order to determine the steel prices in the area of Birmingham, all competitors would quote the Birmingham price plus the freight from Birmingham to the point of destination within that area, although they were shipping from some completely remote point. Thus, the basing-point system was preserved in a multiple basing-point form. In order to see that the great steel industry suffered no loss from price competition, the Birmingham mill charged a differential substantially higher for steel than the Pittsburgh mill, so that this highway robbery aimed especially against southern consumers could be continued.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. JOHNSON of Colorado. Will the Senator agree with me that there is not one word, syllable, phrase, sentence, or provision in Senate bill 1008 which authorizes or legalizes the charging of phantom freight? Will not the Senator agree with me that that is correct?

Mr. LONG. I agree to this extent: "It is not what you do; it is the way you do it." I can say to the Senator that under this bill everything can be done that the Pittsburgh-plus system permitted, and I propose to show that in the course of the debate.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GURNEY. With reference to the charging of freight on steel from Pittsburgh, I should like to ask the Senator whether that is not the same system which was used in connection with petroleum from Tulsa, Okla.?

Mr. LONG. It is a similar system, although it varies somewhat. The Pittsburgh-plus system is the old basing-point system in every aspect. The oil-pricing system is a monopolistic system also, in my opinion, but it is what is known as a zone-pricing system. Within a certain State the price would be the same, and any differences in freight at any delivery point would be ignored. In my State, we pay 13 cents and 8 mills for each gallon of gas at the tank wagon. I believe that is also a monopolistic practice, but it is different, in its application, from the basing-point system.

Mr. GURNEY. Comparing those two plans, I may say that in South Dakota we have a sugar refinery. I am not well acquainted with the pricing system there, but it is my belief that it is based on the price of sugar at New Orleans—New Orleans-plus. We have a sugar refinery in the northwestern part of South Dakota, and they can sell their sugar there at a higher price than they can collect if they ship it down to the southeast corner of South Dakota. In other words, the producers of sugar, of petroleum, and of steel, all have their basing points in arriving at the prices of their commodities. Is that correct?

Mr. LONG. I would say that the sugar industry, especially so far as beet sugar is concerned, is at the moment organized, not by the farmers, but by the refineries, on a basing-point pricing system. There is no way in the world by which we can hold the petroleum pricing practice illegal, and legalize what the beet sugar people are doing.

The Senator from Colorado is very familiar with the fact that there are refineries in Colorado which are refining sugar and selling it on a San Francisco to Denver plus-freight basis. They import their cane sugar from Hawaii, and add the rail rate f. o. b. San Francisco into that area. The beet-sugar people match that price. If the beet-sugar people are selling in Denver, they sell at the highest conceivable price to their own local customers. When they ship toward San Francisco, not only do they absorb freight, they subtract freight. For example, when they sell beet sugar in San Francisco they subtract the amount of the freight from Denver to San Francisco, which is analagous to what Gary producers did when shipments were going in the direction of Pittsburgh. If we legalize that practice in a general statute, we can legalize the whole Pittsburgh-plus practice, and 60 years of anti-trust work will be thrown out the window when we legalize that by general statute.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. Does not the Senator know that California is one of the largest producers of sugar beets in the Nation, and that Colorado producers do not ship sugar from Denver to San Francisco, or to any other California point?

Does not the Senator also know that the basing-point system is a misnomer, when the term is used with reference to the matter which is before the Senate at the present time? The basing-point system is not before us now. We have only part of the basing-point question before us, namely, freight absorption. That is the only part of the basing-point matter we have under consideration today in Senate bill 1008. The discussion of basing-point legislation contemplates not only freight absorption but the collection of phantom freight also.

This is not a basing-point bill at all, although it is called that by nearly everyone, very carelessly. This is a freight-absorption bill, which provides for freight absorption when it is done without people acting in bad faith. That is all the bill before us provides.

Mr. LONG. I would simply explain to the Senator—and it is very simple—that even in freight absorption everything that can be done is done under the Pittsburgh-plus practice. Let us assume that the Pittsburgh mill had the lowest price for steel in the Nation, and every other mill had a price which was approximately half the price of the Pittsburgh mill. Suppose the freight from Pittsburgh to Birmingham is added in making the Birmingham price. That is the Birmingham differential which the Federal Trade Commission finally managed to abolish. I believe that will be legalized again if this bill should be passed. The effect would be to make the Pittsburgh mill the base mill. If producers in Birmingham were shipping toward Pittsburgh, they would start absorbing the freight, and absorb it in a greater or less degree, and get the Pittsburgh price, with the ultimate effect that right up to the Pittsburgh area they would be agreeing to sell at the Pittsburgh price. They can do that independently. That is the beauty of the bill. Once the bill is in effect, no further basis is needed. They can independently match the Pittsburgh price if they want to.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HUNT. May I make an observation followed by a question?

Mr. LONG. I wish the Senator would limit himself to a question and make his remarks in his own time, if he would care to make any, in view of the fact that I should like to conclude my speech sometime today, and I have covered only a small part of what I have prepared.

Mr. HUNT. I can word it so that it will be a question. Does the Senator know that in the Rocky Mountain area—and I will speak specifically of my own State—we produce a tremendous amount of sugar beets and consume only 5 percent of our production? We have five large sugar mills. Thousands of acres of our land are under irrigation and are utilized for sugar-beet production.

The "campaigns," so-called, of the sugar mills employ several thousand people for several months. So sugar-beet production and refining in the State of Wyoming are tremendously important to our economy, as well as to the economy of the whole Rocky Mountain area.

Consuming, as we do, only 5 percent of our production, we are faced with one of two alternatives, placing that sugar in wholesale areas, Minneapolis, St. Louis, and Chicago, at a price at which we can compete with Michigan sugar-beet production, at a price at which we can compete with the Louisiana cane sugar, or at a price at which we can compete with offshore sugar. If we do not have the privilege of doing that, and if the Supreme Court decision stands as it is, without corrective legislation, the economy of my State will be entirely disrupted. Does the Senator think that is helping small business?

Mr. LONG. It might take a few more words than "yes" or "no" to answer, but I believe the Senator and his senior colleague understand that it is perfectly all right to absorb freight today; it is all right to absorb as much as one desires to absorb. A producer can discriminate in his price any way he wants to so long as he does not violate the law. He will bump into the Sherman Act if he is in a conspiracy not to give the public the benefit of competitive prices, or if he agrees with someone else on a price and is not going to compete at all. If it can be proved he is doing that, undoubtedly that practice can be restrained. I do not believe the sugar-beet people need worry that it will put them out of business.

On the other hand, there is the Clayton Act, the Robinson-Patman Act, and the Federal Trade Commission Act, all of which add up to this: That a producer cannot discriminate in price if the effect of the discrimination is to eliminate competition, which is the same thing as arriving at identically the same price. If it is to eliminate competition, if it is to prevent competition, if it is to keep someone from getting into business, or if it is to harm or injure or reduce competition, if it has one of those effects, the discrimination can be restrained by the Federal Trade Commission.

Mr. HUNT. Mr. President, will the Senator yield for another question?

Mr. LONG. I am happy to yield.

Mr. HUNT. Does the Senator understand that by the second of the Supreme Court decisions, if a sugar-beet producer of Wyoming, never having any contract or any agreement, not even knowing what other sugar producers in other parts of the Nation have in mind, absorbed freight and happened to sell his sugar in Chicago at the same price as in the local area, then, under this decision, he would be conspiring to violate the law? Even without any agreement or understanding he would be considered as so doing.

Mr. LONG. If the Senator will be so kind as to listen to my remarks, I believe he will become convinced, during the course of them, that there is not the slightest possibility that a sugar producer in the State of Wyoming, independently and in good faith selling his own sugar, is in the least danger, no matter what practices he may resort to in order to meet competition. I believe I can convince the Senator that what we are endeavoring to do is to get at conspirators who are not acting independently, but what they do, though almost impossible to prove, is not done independently.

Mr. HUNT. Mr. President, will the Senator yield for one more question?

Mr. LONG. I yield.

Mr. HUNT. I realize that the Senator is, by the position he is taking, attempting to help small business, but does the

Senator know that the larger corporations, which have reserves and which have factories throughout the United States, can build warehouses wherever they may please, and sell direct at wholesale, charging only the freight from the warehouse? My point is this: A small company, without reserves, without factories all over the United States, which cannot build additional warehouses, simply cannot compete with such large companies, so the result is simply to put the little fellow out of business.

I should like to make one more observation.

Mr. LONG. Mr. President, I should like to answer the Senator's question before he proceeds further. I should like to say that so far this question has been limited to sugar production. I wish to say to the Senator that I believe his State is a producer of sugar beets only. It does not produce sugarcane. My State produces five or six times as much sugar as is produced in the Senator's State. In this country sugar is nothing more than a subsidized industry in our economy. If we were to let down our tariff barriers, and permit introduction, without application of tariff, to Puerto Rican and Hawaiian quotas, the sugar producers of the United States would be put out of business tomorrow.

I should say further, that subsidized as the sugarcane industry of my State is, it has one of the lowest standards of wages of any industry in this country, and it is threatened by the adoption of a minimum-wage law. Ultimately what the Government must do is to subsidize the sugar industry sufficiently so that it can operate within the antitrust laws, and at a sufficient profit to enable it to pay a decent living wage. It is a much greater problem for my State, which produces enormously more sugar, than for the State of Wyoming. But, simply in order to enable the sugar producers of my State or the sugar producers of the State of Wyoming to rob the public of an additional half a cent a pound on their sugar prices, I will not, in order to justify such practices, let the big corporations rob all the consumers of America.

Furthermore, after the large refineries have conspired together as to what the sugar prices shall be, they conspire to hold the competing sugarcane and sugar-beet prices down, and they will say what the producer is going to get for his beets and cane at the mill.

Mr. HUNT. Mr. President, will the Senator again yield?

Mr. LONG. I yield.

Mr. HUNT. Conditions in Louisiana are not at all similar to the conditions in Wyoming. Louisiana has a population large enough to consume a great percent of her production of sugar. We do not have a population sufficiently large to consume much of our production of sugar.

Mr. LONG. I will say to the Senator from Wyoming that our production far exceeds our consumption.

Mr. HUNT. Will the Senator yield once more, and then I will not interrupt him further?

Mr. LONG. I yield.

Mr. HUNT. I realize that the Senator's objective is to be helpful to small business. Does the Senator understand that, under the Supreme Court decision, the huge grocery chains can transport in their own transportation facilities, in their own trucks, and absorb all that freight? If they transport by common carrier they cannot absorb the freight. The huge grocery chains can filter out from any central point in the United States in their own carriers and sell from their own warehouses, and can absorb the freight from the point of manufacture to the point of consumption.

Mr. LONG. If the Senator feels that way about it, I wonder if he would be so kind at his leisure to read the hearings held by a Select Committee on Small Business in the House of Representatives, and learn of the objections of small business to basing point legislation, particularly their objections to Senate bill 1008. If the Senator would look at the objections made by the National Association of Small Business to Senate bill 1008, if the Senator would look at the objections made by the National Association of Petroleum Retailers, the objections made by the retail druggists, if he would look at the objections of the United States Wholesale Grocers Association, of the Associated Retail Bakers of America, of the National Candy Wholesalers, Inc., I think he would agree with me that Senate bill 1008 would be very harmful to small business. Every one of those organizations said it would be.

Mr. HUNT. Does not the Senator know that many of the organizations whose names he has just read certainly must be huge corporations and not small businesses?

Mr. LONG. They are entirely associations of small businesses who contribute $1 or $2 or some small fee to have some type of representation. If the Senator will check he will find that the Petroleum Association represents 200 retail petroleum dealers in the city of Detroit who are fighting the Standard Oil Co., which is trying to ruin them by discriminatory pricing.

If the Senator will study the speech I am about to make, in which I shall try to set forth these points, he will, I am sure, agree with me that the Robinson-Patman Act was the best law yet enacted for the protection of small-business people, and that Senate bill 1008, without the Carroll amendment, would have the effect of circumventing and destroying much of the Robinson-Patman Act. In other words, prior to the Robinson-Patman Act the A & P might obtain a discount of 30 percent from Del Monte, from whom they might be buying groceries, by reason of the enormous buying power of A & P. On the other hand the small independent grocer right across the street from the A & P could not obtain such discount. Then the independent grocer would say that the Clayton Act was supposed to protect him against discrimination. The parties would go to court and the A & P and Del Monte would win the case because they would assert, "We made this discrimination in good faith in order to meet competition." "If we had not done so," Del Monte would contend, "Heinz would have done it, and Del Monte would not have received the business at all."

If Senate bill 1008 is passed without the Carroll amendment, I believe such discriminations can again be made. If we are unable to have the Carroll amendment adopted as part of the bill, in my opinion, and in the opinion of very able attorneys with whom I have consulted, the result will be to permit the giant concerns to make successfully the defense that they are, by their practices, endeavoring to meet competition, in good faith, but the result will be to run the little fellows out of business.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. O'CONOR. Does not the Senator feel that the very language of the bill introduced by the distinguished senior Senator from Wyoming [Mr. O'MAHONEY] contains the safeguards to provide against the happening of the very thing the Senator is apprehensive of, namely, conspiratorial or collusive discrimination? In answer to a question asked by the junior Senator from Wyoming, the Senator from Louisiana agreed that freight absorption is permissible and justifiable providing there is no conspiracy or combination?

Mr. LONG. Or providing there is not a discrimination of the nature prohibited by the Clayton Act or by the Federal Trade Commission Act.

Mr. O'CONOR. I should like to invite the Senator's attention to certain language of the bill—I know he has read it—and ask the benefit of the Senator's judgment on it. I read the following language from the bill introduced by the senior Senator from Wyoming [Mr. O'MAHONEY]:

> *Provided*, That this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice, carried out by or involving the use of delivered prices or freight absorption.

Does not the Senator feel that that language is all-inclusive?

Mr. LONG. I regret the Senator's question for only one reason, and that is because he is getting ahead of me in my speech. I would say that the language just read is the language of the Sherman Act, and if a saving clause were inserted, which would say that we are not and do not by any means intend to repeal the old Sherman Antitrust Act, that we are going back to that 60-year old act and stand on it, I would say that would have the same effect as the language we have here. I cite in support of my position, the author of what I believe to be one of the most thorough books ever written on this issue: The Basing Point System, by Dr. Machlup, who wrote a letter which will be found in the hearings, in which he takes the same position I do. Walter Wooden, an attorney for the Federal Trade Commission, takes the same position. I have been so advised by him.

I again refer to my analysis of the basing-point system somewhat in historical retrospect.

After some period of time, the Federal Trade Commission successfully proved that there was no basis for the Birmingham differential, and that the

price of steel in that area should properly be based more on the cost of producing steel in Birmingham, rather than to maintain steel prices in line with Pittsburgh cost plus the rail freight from Pittsburgh. Eventually, the Pittsburgh-plus system, having been abolished by the abolition of the Birmingham differential, as well as the abolition of certain other differentials in other areas, was eliminated. Now, it is true that Pittsburgh enjoyed the benefit of water transportation, and much of the steel that is shipped in America can be shipped by water at great savings in freight. However, it was found by the steel trust that savings of water transportation unduly complicated matters in arriving at identical prices, so in order to deny the public the benefit of price competition all prices were figured on rail transportation.

Thus, a few years ago, an odd situation occurred. The southern railroads were anxious to meet water competition and to lower their rail rates on steel shipped from Birmingham to Mississippi River ports. This was because there was immediate prospect of water transportation at reduced rates for steel shipped from Birmingham. The northern steel industry was alarmed about this situation because these people were shipping into New Orleans and Memphis by water, although they were charging the price based on Birmingham charges plus rail freight rates from Birmingham to the point of destination. Therefore, acting through the American Association of Railroads with their interconnecting directorships, they were able to put pressure on the Southern Association of Railroads to keep southern freight rates high, and to prevent southern freight rates from being reduced, for example, by $3 per ton of steel from Birmingham to New Orleans because, as one of their executives pointed out, they would have to meet the competition by reducing their rates from the eastern steel mills for delivery into New Orleans. Thereby, the Birmingham rate would make them no additional money, and, as he concluded, "about the only ones that will benefit by this reduction will be the consuming trade." As authority for that statement I refer to plaintiff's trial brief for the court, part II, civil No. 246, in the District Court of the United States for the Distric of Nebraska, Lincoln Division, United States of America, plaintiff against The Association of American Railroads, the Western Association of Railway Executives, et al., defendants, page 704. Thus, since 1940, all consumers of steel in New Orleans and at other Mississippi River and Gulf points have been paying an extra $3 per ton tribute to this same basing-point system.

The cement industry followed the same general pattern. This industry was organized by the American Steel Co.; and as early as 1902 these same companies were at work putting the same monopolistic practices into effect in that industry.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. McCARTHY. I understand that the Senator's motion is merely to have the bill brought back to the Senate floor without being sent to conference. Am I correct in saying that a vote for the Senator's motion does not necessarily express an opinion on the House amendments? Is it not merely a vote to allow the bill to be brought back so that the Senator can make his next motion, in order that we may vote on the merits of the House amendments?

Mr. LONG. That is correct.

Mr. McCARTHY. In order that I may be doubly clear, a vote in favor of the Senator's motion is merely a vote to allow the Senator from Louisiana and other Senators who feel as he does to argue the merits of the House amendments in connection with the next motion which the Senator will make.

Mr. LONG. That is correct.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. TOBEY. Let me put it in these terms: If the Senator's motion should prevail, the status of the basing-point legislation passed by the Senate some time ago would be exactly the same as it was then. In other words, it passed the Senate and went to the House, and the House made certain amendments. What the Senator wishes to do is to give the Senate the right to vote de novo upon the question whether the bill shall go to conference, or whether the Senate shall concur in the House amendments.

Mr. LONG. That is one of the main things I have in mind in obtaining reconsideration. I should like to move to accept certain of the House amendments, rather than permit the conferees to throw the amendments out without the Senate having an opportunity to vote on them.

I hope the Senate will study the logic of my argument and consider it. To get a little background on the basing-point system, I should like to refer to a very recent—and very excellent—work on this subject by Dr. Fritz Machlup. Reading from the frontispiece of his book, I see that Dr. Machlup was born and educated in Austria, came to the United States in 1933, and became a naturalized citizen in 1940. He has been a businessman, government official, and educator, and is the author of nine books which have been published in German, French, and English.

Dr. Machlup was a research fellow, Rockefeller Foundation, 1933–35; and the Frank H. Goodyear professor of economics at the University of Buffalo, 1935–37. He now holds the Abram C. Hutzler chair at Johns Hopkins University and has been visiting professor and special lecturer at American, California, Columbia, Cornell, Harvard, Michigan, Northwestern, and Stanford Universities. During the war he was Chief, Division of Research and Statistics, Office of Alien Property Custodian, Washington, D. C.

Dr. Machlup is a member of the Royal Economic Society, the Econometric Society, the American Association of University Professors, Phi Beta Kappa, and the American Economic Association, on whose board of editors he served from 1938 to 1941 and was acting manager, 1944–45. Later in this debate, I expect to quote from other authorities on economics with the same high qualifications.

For a brief résumé of basing-point history, I quote from Dr. Machlup's book, The Basing-Point System, page 47. He says:

> Business invented the basing-point system around 1880 and has used it continually and in increasing measure since 1902. For 40 years no lawyer had to decide about its legality, no economist had to speculate about its effect—because neither lawyers nor economists knew anything about the new pricing system ingenious businessmen had invented and perfected. Around 1920, the lawyers began to be concerned with the matter; the hardwood lumber and cement cases before the courts and the steel case before the Federal Trade Commission called for legal analysis of the monopolistic nature of basing-point pricing. Not long afterward, the economists were brought in as experts to evaluate the nature and effect of the system.

I now refer to page 45 of Dr. Machlup's book for a brief, chronological résumé of the efforts of the American Government to break up this monopolistic device. I refer to the matter under the heading "The court calendar, 1890–1948." I digress here to mention that the reason Dr. Machlup begins with 1890 is that that was the year in which the Sherman antitrust law was passed. I understand that a court in one of the Western States has recently declared that the basing-point system was illegal under the Sherman Antitrust Act. That decision should have been made 60 years ago, because in my opinion there is no doubt that the basing-point system is nothing more nor less than a monopolistic price-fixing device. The reason it has so long successfully evaded the law has been that there has been great difficulty in obtaining the tangible evidence of what has been going on. I quote from Dr. Machlup's book, page 45:

> The Government did not find out about the use of the basing-point system until approximately 1920. Hence, during the first 30 years after the enactment of the Sherman law, no action was brought about with direct reference to basing-point pricing. Two cases between 1910 and 1920 involved cement and steel, the two most important basing-point industries, but their pricing practices were not understood at that time, and only later did the Government begin to realize the significance of these practices for the issues in question.
>
> 1910: In *United States* v. *Association of Licensed Cement Manufacturers*, district court disallows bogus patents which had been licensed to cement companies under the condition that the pricing scheme of the industry be observed.
>
> 1912: In *Association of Licensed Cement Manufacturers* v. *United States*, Circuit Court of Appeals confirms disallowance of cement patents and orders dissolution of cement association.
>
> 1915: In *United States* v. *U. S. Steel Corporation*, Circuit Court of Appeals refuses to dissolve the company as requested by the Government in an antitrust suit instituted in 1910, and finds that the steel industry was "competitive and uncontrolled."

I pause here to say, Mr. President, that if the prefix "un" had been shifted from the word "uncontrolled" to the word

"competitive," the court would have arrived at exactly the right conclusion. As it was, the court's decision at that time, looking back upon it historically, was absolutely farcical. In other words, if the court had said that the steel industry was controlled and uncompetitive it would have actually hit the nail on the head at that time. Today we know the facts. I continue the quotation from Dr. Machlup's book:

1920: In *United States* v. *U. S. Steel Corporation*, Supreme Court sustains lower court in rejecting charges of monopoly through merger. (The Government had failed to charge price-fixing combination.)

1921: Federal Trade Commission issues complaint against United States Steel Corp. for using the basing-point system.

1944: In *A. E. Staley Manufacturing Company* v. *Federal Trade Commission*, circuit court of appeals, declaring that company's use of the basing-point system was lawful discrimination to meet competition in good faith, sets aside the Federal Trade Commission order.

1945: In *Corn Products Refining Co.* v. *Federal Trade Commission*, Supreme Court, declaring the system to be unlawful discrimination, confirms the Federal Trade Commission order.

1945: In *Federal Trade Commission* v. *A. E. Staley Manufacturing Company*, Supreme Court, declaring that system is not lawful discrimination to meet competition in good faith, reverses lower court and confirms Federal Trade Commission order.

1946: United States Steel Corp. narrows the issues in its appeal against the 1924 order of the Federal Trade Commission pending in the circuit court of appeals since 1938.

1946: In *Aetna Portland Cement Company* v. *Federal Trade Commission*, circuit court of appeals, declaring that basing-point pricing in cement was neither unlawful discrimination nor unfair competition, sets aside the Federal Trade Commission order of 1943.

1947: Federal Trade Commission issues complaint against the 101 steel companies using the basing-point system.

1948: In *Triangle Conduit & Cable Co.* v. *Federal Trade Commission*, Circuit Court of Appeals, declaring that the individual use of the basing-point method with the knowledge that competitors also use it is unfair competition and unlawful discrimination, confirms Federal Trade Commission cease-and-desist order against manufacturers of rigid steel conduit.

1948: U. S. Steel Corp. accepts consent decree in appeal pending since 1938 in Circuit Court, confirming Federal Trade Commission order of 1924.

1921: In *Hardwood Lumber Assn.* v. *United States*, Supreme Court decides that certain trade-association practices (connected with basing-point pricing) are unlawful combination in restraint of trade.

1923: In *United States* v. *Cement Manufacturers Protective Assn.*, district court condemns similar trade association practices (connected with basing-point pricing) as unlawful combination in restraint of trade.

1924: Federal Trade Commission issues cease-and-desist order against U. S. Steel Corp.'s use of basing-point system.

1925: In *Cement Manufacturers Protective Assn.* v. *United States*, the Supreme Court reverses lower court decision against basing-point pricing in cement. (The Government had failed to charge collusive actions.)

1932: In *United States* v. *Corn Derivatives Institute*, the corn products companies accept consent decree dissolving the trade association and enjoining them from continuing the pricing scheme.

1937: Federal Trade Commission issues complaint against 74 cement companies for using the basing-point system.

1938: U. S. Steel Corp. appeals to circuit court to set aside the Federal Trade Commission order of 1924.

1938–39: Federal Trade Commission issues complaints against 11 corn products companies for using the basing-point system.

1940–42: Federal Trade Commission orders corn products companies to cease and desist from using basing-point system.

1943: Federal Trade Commission orders cement companies to cease and desist from using basing-point system.

1944: In *Corn Products Refining Co.* v. *Federal Trade Commission*, circuit court of appeals, declaring the basing-point pricing scheme as unlawful discrimination, confirms the Federal Trade Commission order.

Mr. President, there you have only a partial résumé of the many cases fought during the last 30 years in the effort to break up this monopolistic practice. There you have a history of expensive litigation running into millions of dollars, at the expense of the Federal Government, in the effort to break up this practice which has been from day to day and from year to year in violation of the law, taking hundreds of millions of dollars out of the pockets of the American consumers. There you have the very heart of the battle against the American monopolies. There you have a war against monopolies, a campaign in which, in battle after battle, for 30 years, the Government has been unrelenting in its efforts which culminated in vital success in the Cement Institute decision in 1948.

Why do we have Senate bill 1008 before us today? It is because the Government finally won the Cement Institute case. Up until that time this basing-point device was the No. 1 instrument used by the great monopolies of America to perpetuate their stranglehold on American economy.

So let us stop talking about absorbing freight. Absorbing freight as such is not the issue here today. It is only a misleading, pretty name for a very vicious monopolistic device. There is no prohibition of freight absorption where it is not used as a device to further a monopolistic practice.

Mr. MALONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Louisiana yield to the Senator from Nevada?

Mr. LONG. I yield for a question.

Mr. MALONE. Will the Senator explain further at this point how the monopoly is furthered or would be furthered by a continuation of the practice which would be allowed by means of the enactment of this bill? I may say that I have not made up my mind about the bill, and I need further information.

In other words, if the cement companies, or the steel companies, or any other companies are able to absorb the freight in one area, will that have a tendency to stifle competition in another area in certain ways? Will the Senator go into that matter in a little more detail?

Mr. LONG. I shall be happy to explain it, or at least to attempt to explain it, to the Senator's satisfaction.

This basing-point pricing system is not used in an effort to compete, the actual purpose is to prevent competition. I am sure the Senator from Nevada, knowing something about construction, is familiar with the identical bids of the cement companies. In other words, regardless of how close a producer of cement may be to the point of consumption or whether he may be the logical producer to supply the cement to a certain consumption point, his bid is identical with the bids of all other cement manufacturers, even those who might be a thousand miles away, and even though for the more distant producers of cement the freight might be a tremendous item.

I was called on by some of the cement producers in connection with this legislation, and they asked me to withraw from my position, because they said that this system enables them to compete, as they call it, in supplying cement at any point, regardless of whether some of the cement producers are located at places much more distant from the points of consumption than are other producers. Of course their ordinary practice is to have a means of arriving at the cost of production, and then to add the freight from a given base point. If they can follow a price leader, someone who is the greatest producer in the Nation—for instance, such as United States Steel—then they can merely look in the Wall Street Journal and see what his price is, and then can pick out from the rate book the rate from Pittsburgh to the destination, and thus arrive at the price, which in every case is identical with the prices of all other producers.

If the Senator were going to build something that did not require the use of steel or cement, the chances are he might get at least several competitive bids. But, unfortunately, when all producers quote the same fixed price plus the delivery charge from an agreed base point, there is no difference between the bids. That is the system which the United States Supreme Court set aside from a legal point of view in the Cement Institute case.

But here we have someone saying, "Let us let these people legalize the freight absorption practice, if the freight absorption is done independently and done in good faith to meet competition."

Of course I contend that it is an evidence of the fact that there is no competition when there are 50 sealed bids, all identical. There is no competition, because all the bids are the same. Yet it is contended that that is price competition, although all of them bid the same price, down to the fifth decimal point. I believe the Senator from Nevada will agree with me that there is no competition when there are such identical bids.

Mr. MALONE. Mr. President, will the Senator yield for a further question?

Mr. LONG. I yield.

Mr. MALONE. What would prevent a new company from engaging in the cement business, supplying cement from, let us say, a rather isolated area, which perhaps would be closer to a certain consuming area than other cement manufacturers or producers would be? Thus the new manufacturer would be able to charge lower freight rates. What would prevent that?

Mr. LONG. Nothing would prevent it. Of course, an enormous amount of capital investment is required for a company going into that business. If a new company entered the business and if the operators of the company did not want to fall into the basing-point pricing system, there would be nothing to prevent their competitors from agreeing that they would absorb the freight into that area and possibly forcing the new company out of business.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. LONG. I yield.

Mr. MALONE. The senior Senator from Nevada recalls that about 20 years ago a fight had been going on for several years, at that time, in regard to what was known then as the back-haul rate. It went on in Congress for many years, much like the basing-point rate fight.

The back-haul practice was simply an attempt to meet water competition. I was a member of the Nevada Public Service Commission at that time, and it was necessary that we keep track of that situation. Those who were engaging in that practice would meet the rates, but the back-haul rate would be added—as, for instance, in the case of a shipment from Reno to Salt Lake City, or from here to San Francisco. The back-haul rate would be added to that particular rate. That prevented the intermountain States from doing any business in brokerage or anything of that sort at all.

That fight was finally won on the Senate floor, and it was the intermountain Senators, I think, who finally won it. Does this add up to approximately the same thing, in another manner, namely, that to prevent competition the existing companies could absorb the freight; that is, any company, whether a cement company or a company engaged in any other line of business, could absorb the freight into the area, where this new business was being considered, and perhaps to a point that would prevent any other business being established there on an economic basis? Would that be possible, in about that manner?

Mr. LONG. Of course, that certainly could be done. Of course that is one of the reasons why we should try to save the Carroll amendments. The Senator knows the freight can be absorbed today, under the law, unless restrained by some provision of the antitrust laws. It cannot be absorbed if there is collusion, or if the party is in a monopolistic combination with some other group of companies. The Sherman Antitrust law would prevent that. Freight cannot be absorbed if its effect would be a discrimination in violation of the Federal Trade Commission Act or in violation of the Clayton Act, as amended by the Robinson-Patman Act.

In other words, let us assume the Lone Star Steel Co. goes into business at Daingerfield, Tex. United States and Bethlehem would like to put the Lone Star Steel Co. out of business, so they absorb all freight and they sell their steel in the immediate area around Shreveport, Little Rock, Dallas, and all those areas, to match the price of the Daingerfield company, the Lone Star Steel Co., at that point. They could under this act, without the Carroll amendments, go to the extent of absorbing all freight. If they have been in business longer, they would have quantity production and a well-established, well-organized mill. The chances are, if they absorbed all the freight, they would be selling far below their delivered cost, and yet they could discriminate in price to that extent and run the other firm out of business, upon the ground they were meeting competition in good faith. With the Carroll amendments included in the bill, they could not do that, because, although the freight could be absorbed, it could not be done if the effect of it would be to destroy or prevent or eliminate competition; that would be prohibited.

Of course it is possible under the law as it stands today for anyone to absorb freight to whatever point it may be necessary in order to meet competition, or to get his fair share of the business, where he sees someone is competing with him in a distant market. Once again we come to the question of the effect. If the effect is to prevent, eliminate, or reduce competition, then it is prohibited by the Clayton Act and by the Federal Trade Commission Act. Those are the acts which Senate bill 1008 proposes to amend, so that one can go ahead and absorb freight, unless it can be proved that he is in a conspiracy, we might say, under the Sherman Act.

Mr. KEFAUVER. Mr. President, if the Senator will yield, while he is so ably discussing the matter of good faith, that is to say, selling in good faith to meet competition, I should like to call his attention to a practice which would be permitted if the Carroll amendments were not included, that is, of a concern itself creating the conditions so that it sells in good faith to meet its own competition. That is what happened in the Standard Oil case. In other words the Standard Oil Co. itself brought about a condititon with its wholesalers whereby it was selling in competition to meet their competition. That of course is a very unlawful and reprehensible kind of practice, but it would be permitted under this bill unless the Carroll amendments are adopted.

Mr. LONG. I am sure the Senator is thinking about the Standard Oil Co. of Indiana case. The Standard Oil Co. of Indiana owned 200 stations, yet it discriminated against their own company-owned stations, letting certain dealers have gasoline which they sold at their pumps 2 cents cheaper than the Standard Oil Co.'s own stations, for the purpose of so depressing the gasoline business in Detroit that it would be able to buy what few independent stations were left at a sacrifice mortgage sale. That would be about the effect of that practice.

Mr. KEFAUVER. Yes. They then had the audacity to say they were not violating section 2 of the Clayton Act, because they were selling in good faith to meet competition. But they were selling in good faith to meet their own competition.

Mr. LONG. In that particular case, I may say in justice to the Standard Oil Co., they were selling in good faith to certain independent stations to meet the competition of wildcat gasoline.

Mr. KEFAUVER. That is, gasoline which they had sold to their own wholesalers.

Mr. LONG. Of course, it could be gasoline that someone was offering to sell to the same jobbers, but the effect of it would be to sell Standard Oil gasoline to such persons.

Mr. LODGE. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield for a question.

Mr. LODGE. I note in the committee report the argument is made in support of the bill that it was made necessary because of the confusion resulting from decisions of the Supreme Court. My question is, instead of passing a bill which is a moratorium, why should we not pass a bill which is a clarification, if that is the reason for action?

Mr. LONG. In my opinion if we were going to pass a bill, it might be well to go ahead and pass a bill to clarify the entire matter for all time to come. But I do not think this bill clarifies anything. I believe after the bill is passed, our antitrust laws will be twice as much confused as they are at the present time. For example, the attorneys of the Federal Trade Commission now are trying to find out exactly what section 1 means, and whether that is to have the effect of throwing them back to the Sherman antitrust law when they try to combat monopolistic practices.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield.

Mr. BREWSTER. Has the Senator examined the records of the controversy which prevailed among the counsel for the Federal Trade Commission in the hearings before the Committee on Interstate and Foreign Commerce as to the interpretation of existing law?

Mr. LONG. I have not examined all of them. I may say I am very cognizant of the fact that there are some people in the Federal Trade Commission, Mr. Lowell Mason and a few others, who have taken a position which I feel is exactly what the big concerns of this country want. On the other hand, there are some other attorneys in the Federal Trade Commission who take the position which I believe the small-business men, if they were well advised, would take.

Mr. BREWSTER. Leaving out the membership of the Commission, because we will not consider that, the actual personnel of the staff of the Commission, the counsel, and associate counsel, presented before the committee the most conflicting views as to the interpretation. I regret that the Senator would necessarily give a sinister construction to the opinions of men in a matter so controversial as this.

Mr. LONG. Quite the contrary, I give no sinister construction to the fact that a man happens to favor big business. I think big business does wonders for this country, but I do not personally believe we should make big business any bigger. On the contrary, I believe we should try to encourage and develop small business.

Mr. BREWSTER. I, of course, do not know the situation in the Senator's State,

but in New England it is small business that is chiefly concerned about this situation. I ask the Senator from Louisiana what he would do about this situation, involving the geographical monopoly which is necessarily created by the theories which the Senator is advocating. There is one cement plant in New England, located in the State of Maine, at Rockland. Under the theory that freight may not be absorbed, they necessarily have a complete monopoly of the entire market in northern New England. The nearest competing cement plant is in Albany, N. Y. What does the Senator feel as to the resultant monopoly of that cement plant, which immediately meant that prices went up about 10 cents a barrel?

Mr. LONG. We have exactly the same situation in Louisiana, at the moment. The Lone Star Cement Co. is assumed to be the local monopoly in that area. The Lone Star Cement Co. has its plant in New Orleans, and it does not have to pay the same freight, let us say, as the Lehigh Cement Co., which has a mill at Birmingham, in order to compete in New Orleans. Actually there is nothing at all to keep anyone from absorbing freight, as I believe I can prove in the course of this debate, unless it is prohibited by the Federal Trade Commission Act or by the Clayton Antitrust Act.

Mr. BREWSTER. That is a very considerable qualification.

Mr. LONG. Yes. It is prohibited if the effect is to eliminate competition or to prevent competition, or to harm competition. The cement companies were absorbing freight in order to prevent competitive bids. For example, suppose one of our cement companies decided they wanted to sell cement in the Senator's State; they would before shipping to that State, find out what price the base mill was charging in his area, and what the freight rate was to that area. Then they would absorb the freight to base mill; and that is the price they would charge. When companies were asked to bid, every one of them would bid exactly the same price. I am in favor of freight absorptions in order to compete, provided the companies do not absorb freight to the extent that all bidders arrive at exactly the same price. It is all right to absorb in order to compete, so long as it is not done in such a way as substantially to harm or prevent competition.

Mr. BREWSTER. Has the Senator read some of the opinions of some of the very able counsel expressed before the committee? The specific question was asked by the Senator from Indiana [Mr. CAPEHART]: "The only way a businessman can be safe, is to have one uniform mill price?" And the answer was "Yes." Does the Senator from Louisiana think we should carry the law to that extent?

Mr. LONG. I do not believe that is the law.

Mr. BREWSTER. I did not ask the Senator whether that is the law.

Mr. LONG. The Federal Trade Commission has never proceeded on such an assumption. A person can always be safe with a uniform mill price or with a zone price for the entire United States, but when a company wants to absorb freight in certain ways, or wants to do it in such a way that there will be no competition in price, I think it is a practice which must be outlawed. That is the practice which the Federal Trade Commission has been so diligently trying to prevent. We have here a bill which, in my opinion, opens the door again and legalizes the whole practice, making it impossible to prove, except by getting the actual transcribed record of a verbal conversation, a conspiracy, by two or more persons. I feel that this bill, if enacted, would prevent the Federal Trade Commission from proceeding in the obvious way and saying, "There is no competition. Everybody bids the same price."

Mr. BREWSTER. I appreciate the solicitude of the Senator regarding the big-business aspect of the question, but has the Senator read the very voluminous evidence adduced in the hearings before the Committee on Interstate and Foreign Commerce as to the plea of small business whose geographical location is being completely disrupted by the action and the attitude of the Federal Trade Commission? In New England the small industries have to get their steel and essential commodities at certain prices. The immediate effect has been to destroy their ability to compete in the areas in which they have historically operated.

Mr. LONG. I am much more concerned with the plea of many small-business men before the Small Business Committee, who represented their organizations in saying that this bill would absolutely wreck them if it be passed in its present form. I have also read the testimony given by the CIO steel workers. Mr. Brubaker, I believe his name is, said there was pressure put on the steel people. I have also read statements of people in the Federal Trade Commission to the effect that they had not seen anyone inquiring what the law means; that people seem to know what it means, and that there is not so much confusion as some persons seem to think.

In the opinion of Dr. Machlup, the author of this book, there is a gigantic campaign afoot for the steel companies, the Paper Trust, and other monopolies, to come here in the guise of small-business men and try to make their case. I was going to read this later on, but I may as well read it at this time——

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. O'CONOR. Does the Senator from Louisiana know that our committee invited the Federal Trade Commission to answer whether there had been formal requests made by associations of commerce throughout the country along the very lines cited by the senior Senator from Maine as to the cause of the existing condition, and that the Commission would not enlighten those various groups as to the propriety of certain actions? Examples were cited to show that it was detrimental to the interests of small business, but the Commission would not or could not enlighten them on that point.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. KEFAUVER. Is not this what happened: That after the decision of the Supreme Court in the Cement case the United States Steel Corp. and certain other interests decided they were going to scare Congress and small business into the feeling that something had to be done about this basing-point business? Chairman Olds said, in substance, that they tried to scare business people by selling steel at the same f. o. b. price for which it had been sold on the delivery basis, thus adding the freight to the purchasers of the steel. That is the reason that small-business people all over the country became frightened. It was a concerted campaign to make them feel they would have to pay higher prices and the big trusts would add it onto their profits.

Mr. LONG. That very point is very carefully made and very well proved in this book. The author has taken the position that the prices which the mills had been maintaining were unreasonably high in order that there could be a certain amount of freight absorption in matching prices all over the United States, and when the basing-point system was thrown out, instead of bringing prices down to yield the same net return as before, the big corporations, in order to put the heat on Congress and in order to have passed the type of legislation we see here today, instead of reducing the mill price, simply maintained the same high mill price in order to scare Congress and small business and make them think they had to give in.

I wish to read a quotation from this book——

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CAPEHART. Is the Senator in favor of permitting any seller in the United States, large or small, to absorb freight or equalize freight?

Mr. LONG. I am in favor of letting him discriminate in any way he wants to, so long as he does not act in conflict with the antitrust laws which are on the statute books.

Mr. CAPEHART. Does the Senator know that each of the attorneys who testified before the Interstate and Foreign Commerce Committee, and the chief counsel and associate chief counsel, said it was impossible for a seller to know whether he was within the law if he were selling even on an f. o. b. price?

Mr. LONG. I am not cognizant of that.

Mr. CAPEHART. Is the Senator willing to take my word that they did testify to that effect, that they were unable to tell a seller whether he was violating the law if he was absorbing freight and equalizing freight, and that the only safe way under existing law and interpretations by the court was for the seller to sell f. o. b. his own place of business? Everyone of them so testified.

Mr. LONG. I should be glad to explain what my conclusion is, based upon the Senator's statement, assuming it to be the case.

Mr. CAPEHART. It is the case.

Mr. LONG. I have no reason to doubt it. Why could they not advise the seller, if he was going to absorb freight, whether

he could be restrained by the Federal Trade Commission from doing it? It depends upon how it is done. Suppose a person were going to absorb freight on a walk-in deep-freeze box at Monroe, La., and was not going to absorb freight anywhere else. Suppose a little producer at Monroe is making the same type of box. The effect is to undercut his price and run him out of business. Maybe the company does not know he is there; maybe it does not know he exists. Nevertheless, when freight is absorbed to that area, and the price is undercut consistently, day after day, that person will be run out of business.

So long as a pricing system is established which does not involve discrimination or destroy or injure competition, there is no possibility that one could be restrained. I say that a single zone-pricing system, such as some of the oil companies have shown a tendency to follow, by which they maintain the same price all over the United States for their commodity, does not lead to discrimination There is no discrimination in the case of a straight f. o. b. pricing system, but if a system of freight absorption that involves discrimination is established and if it is set up in such a way as to lessen competition, it can be restrained.

Mr. CAPEHART. Mr. President, there is nothing in the proposed act—if there is, it should be taken out—that is intended to discriminate. There was never any intention on the part of any one who had anything to do with drafting the legislation to do anything other than to clarify the law so that an independent seller could pay all the freight, absorb freight, or equalize freight, without fear of being prosecuted by the Federal Trade Commission. That has been the purpose of the legislation, that is its only purpose. That is all anyone who has been interested in it has ever wanted. That is all the sponsors have asked for. That is all any witness who has ever testified before the commitee ever asked for. That is the entire purpose of the legislation, namely, to clarify the law so that an independent seller may pay all the freight, absorb freight, or equalize freight.

We who listened for weeks and weeks and weeks to testimony from all kinds and types of businesses, and from the attorneys for the Federal Trade Commission, finally came to the conclusion that the law should be clarified, for the simple reason that no two of the Federal Trade Commission attorneys could agree on what the law was. In every instance when we asked those charged with the responsibility of prosecuting under the law what was a legal operation in respect to freight absorption, and what was illegal, they could not tell us. All they could say was that the only way one could be certain he was not violating the law was to sell f. o. b. his own place of business at a uniform price. I shall point out the reason.

Suppose a seller adopts a policy of paying the freight on his goods. That in itself is not illegal, even under the existing law. Suppose a motor manufacturer let us say, is paying the freight on his products. He may be selling motors to a washing-machine manufacturer in Minneapolis, and selling motors to another manufacturer in San Francisco, and his factory is located in Chicago. It is perfectly legal for him to pay the freight. However, the freight from Chicago to San Francisco is much more than the freight from Chicago to Minneapolis. Therefore, if he is paying the freight, the man in Minneapolis is paying more for the goods than the man in San Francisco is paying, and under the Robinson-Patman Act the seller is subject to prosecution because he is discriminating between the two purchasers of motors, since both of them use the motors in the manufacture of washing machines, and both compete in the Nation-wide market. That is what we are trying to get away from.

Mr. LONG. I would say that one would be subject to prosecution only when it could be shown what the effect was, and only if the effect was either to prevent competition, injure competition, reduce competition, or eliminate competition, and it must do so in a substantial way.

Mr. CAPEHART. Would the Senator be in favor of clarifying the law so that it would be absolutely legal for a seller to pay the freight, or absorb the freight, or equalize the freight?

Mr. LONG. I am in favor of entering into any reasonable understanding as to what the law is, but I do not think we need any change in the law. I have not found one attorney who has studied this matter, with whom I have discussed it, with whom I could not agree as to exactly what the law means as it now stands. Yet I find many attorneys who tell me that they have no conception of where they would stand in an antitrust prosecution under this proposed law.

Mr. CAPEHART. Let me give the Senator the exchange between the Associate Chief Counsel of the Federal Trade Commission, Mr. Wooden, and myself. I said to him, "If I send out a hundred salesmen and say to them, 'Now, meet the price of any of our competitors wherever you find them,' would that be legal?" He said, "Yes." I said, "If I send out 100 salesmen and say, 'Equalize the freight with any of our competitors wherever you find them,' would that be legal?" He said, "Yes." Then I said, "Then what are we arguing about? When would it be illegal?" He said, "It would be illegal when the majority, or all the producers in a given industry, are doing exactly the same thing" which he said would be perfectly legal for me, myself to do. I said, "How are you going to control that sort of situation?" He did not know. He simply arrived at the philosophy that it was perfectly legitimate for one man to pay the freight, but if half a dozen of them—and there were only half a dozen of them in the industry—paid the freight, it would become illegal. How is anyone to do business under those conditions?

Mr. LONG. Anyone doing business can sell in any way he chooses in order to meet competition, so far as the Sherman Act is concerned. Nobody knows better than the businessman whether he is conspiring with someone to prevent competition, or to agree on and arrive at the same price.

Mr. CAPEHART. But this bill——

Mr. LONG. I am coming to that. There are a couple of other acts it is proposed to amend. I believe the Sherman Act is sufficient to catch the freight absorption practice.

Now, going a step further, there is the Federal Trade Commission Act, which is a very complicated law. It is impossible for one to tell, in many respects, whether he is violating the law or not, because the act prohibits one from discriminating in price. A straight f. o. b. selling basis cannot be a discrimination. A straight zone pricing system is not discriminatory. Any other pricing system is discriminatory. A producer sells in one area cheaper than in another. He gives somebody a price where the net to him is less when he sells to one man than it is when he sells to another. That is discrimination.

The acts now on the statute books were drawn at the behest of the small-business people, who say they want to outlaw discrimination where the effect may be to reduce substantially, to eliminate, or prevent competition. One engaged in business cannot always tell whether he is doing that, but if he is following a practice which will eliminate competition, for instance, following the practice pursued by the A & P stores, selling to some for 30 percent below what others are paying, he is eliminating competition. But suppose he is selling to an individual store at 30 percent below what he is charging somebody else in the same area. He does not know whether he is selling to eliminate or reduce competition or not. The Federal Trade Commission calls on him and says, "You are giving that man a discriminatory rate which is running the man across the street out of business," and they tell him either to stop the discrimination or to sell to the other at the same price.

Mr. KEFAUVER. Mr. President——

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Louisiana yield to the Senator from Tennessee?

Mr. LONG. I yield.

Mr. KEFAUVER. A few minutes ago, in the colloquy between the Senator from Indiana [Mr. CAPEHART] and the Senator from Louisiana, the Senator from Indiana made the statement that business did not know what to do, that there was much confusion, and that it was not known whether acting independently in absorbing freight was legal or illegal.

I call the Senator's attention to the fact—I know he has read this opinion—that that may have been the case when the Senator from Indiana was conducting hearings on the subject, but it is no longer the case, because on the 7th day of July 1949, a decision was rendered by the Federal Trade Commission, by the four members of that body, pursuant to the application of the Rigid Steel Conduit Association to reopen the case, in which the Commission denied the petition, saying:

The Commission does not consider that the order in its present form prohibits the independent practice of freight absorption

or selling at delivered prices by individual sellers.

So there is a direct, definite statement by the Federal Trade Commission, by all its present members, which to my mind entirely eliminates any necessity for the passage of this bill for clarification in order to avoid confusion.

I should also like to ask if the distinguished Senator is not familiar with the opinion of Mr. Walter B. Wooden, the chief counsel of the Federal Trade Commission, submitted to Representative PATMAN on June 8 in which the same expression is made by this distinguished attorney? So in view of the decision and Mr. Wooden's opinion I do not see how there can be any basis for any real confusion on behalf of anyone as to what the law is or as to what the Federal Trade Commission is going to do in the future. Does the Senator agree with me?

Mr. LONG. I made this point earlier. Someone suggested that possibly I was charging some improper practice. I should like to make clear that I cast no aspertions on any Senator. I am certain that every Senator on the floor is 1,000-percent sincere in his views. But when we arrive at completely divergent points of view, somebody must be right and somebody must be wrong. I contend that much of the alleged confusion is the result of a campaign by the great trusts of the country to make it appear that there is confusion. I have discussed the subject with some of the best lawyers in the Senate, and when Senators actually sit down in conference and they all understand the proposed legislation, they are in agreement that it means the same thing to all of them. I have discussed the matter with the chief antitrust attorney of the Department of Justice. He agrees with me and with other Senators who are attorneys, as to what the proposed legislation means. We all agree what it means.

Let me read from a man who is not an attorney, but who is an economist, Dr. Machlup. I read his views respecting the situation, from page 56 of his book:

HIGH PRESSURE CAMPAIGN

"The heat is on Congress to legalize the basing-point pricing system." This was the lead sentence in a report on the flood of letters, telegrams, telephone calls, and personal visits descending upon Senators and Representatives in Washington.

The footnote at that point is:

From the Wall Street Journal of July 29, 1948.

I continue to read from the book:

How was this campaign arranged? Early in July 1948 the steel and cement industries decided to abandon the basing-point system of quoting delivered prices and to adopt the f. o. b. mill method of pricing. Mr. Fairless, of the United States Steel Corp., explained the decision as follows:

"We have no recourse other than to comply with the law of the land as determined by the Supreme Court, regardless of the hardship and dislocations to American industry which may result."

I digress there to say, Mr. President, that there is one wonderful thing about this basing-point law. Everyone who is in business somewhere seems to be moving somewhere else. No business is going anywhere else, but they are all, allegedly, moving. In my section of the country, paper mills and other industries are allegedly going to be closed down. Yet in spite of all these statements about industry moving from this place and from that place, we apparently are not going to have one of them locate in the State of Louisiana. I know of no State that is going to be the host to any industry which is allegedly moving from some other State. The Senator from Illinois said his State is not receiving any such industries. Industries here and industries there are going to move from their present location, but no one finds that they have moved to other locations, or what locations they plan to move to.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BREWSTER. I can cite the Senator certain industries that will not move. Has the Senator studied the Corn Products situation?

Mr. LONG. I am somewhat familiar with the corn products case. What does the Senator have in mind by his question?

Mr. BREWSTER. I am not referring to the case itself, but to the geographical problem which is involved, and the complete fringe of plants which Corn Products has established around the country, and which entirely encircle the heart of the area. So, if the theories of the Federal Trade Commission, as represented to our body, were applied, Corn Products would have a complete monopoly of practically 90 percent of the business of the country in that field. There is no other way out of it unless the small industries in Iowa or elsewhere are able to secure the resources to move out into a competitive area. Did the Senator envision that as a desirable solution?

Mr. LONG. The Senator will find that there is no way over the long pull that anyone is going to be able to maintain an industry at a bad location. It is not necessary for us to have this monopolistic price-fixing system in order to hold the industries of the Senator's State in his State as long as they care to remain there. If they want to absorb freight they can do so. They can discriminate in price to meet competition. The only time they run into trouble is when they discriminate so as to arrive at identical prices or to discriminate so as to run somebody out of business who is competing with them. Of course, that is reciprocal.

The Senator spoke of the cement industry in his part of the country. That industry is protected by the same law that protects other industries. If a cement company in Louisiana or a cement company in Wyoming decides it wants to run his cement company out of business, he will find his company is protected by the antitrust laws.

Mr. BREWSTER. That is not the point the Senator from Maine made. He wants to be protected from the legal monopolies created by the theories the Federal Trade Commission has advanced. It was not that the prices were too low. It was because they immediately went up as the steel prices and the prices of other materials went up.

It is very easy for the Senator from Louisiana to suggest that the steel companies did this because they wanted to accomplish some design. Would it not be a little simpler to infer that they did it because of their interpretation of the Federal Trade Commission action and the decision of the Supreme Court?

Mr. LONG. I completely disagree, but I should like to reserve discussion of that point until I reach it in another page or two of my speech. Time and again in this debate it has been asserted there is no doubt that freight can be absorbed to meet any competition. The only thing one is restrained from doing is to absorb freight to prevent competition.

Mr. BREWSTER. The Senator speaks with great assurance regarding the law. Certainly in the course of some 6 months of hearings we heard no such assurance as the Senator from Louisiana expresses. On the other hand, all the legal lights who appeared before us were in complete confusion as to how to interpret the decisions of the Court and the decisions of the Federal Trade Commission. Does the Senator from Louisiana feel that he can seize the crown of the Senator from Wyoming [Mr. O'MAHONEY], who has certainly been a champion of small business against big business for a long time? He is deeply interested in the situation regarding the sugar beet industry in his State. The same is true of the Senator from Colorado. They see no way out of the impasse resulting from the interpretations of the various decisions which have been made. So they have sought the present solution. Will the Senator from Louisiana intimate that they have lessened their devotion to the principle of competition and of small business?

Mr. LONG. I would not cast any aspersion upon any Senator. I feel that possibly the Senator from Maine is inviting me to do so. I would simply say with reference to the beet sugar industry that I have already explained my position on it. If we use the system that is being used by the beet sugar industry and attempt to legalize that by a general legislative measure so far as freight absorption and basing-point practices and monopolistic practices and violation of antitrust laws are concerned, the bars of the gate will have been let down so far that anybody can come in. I think if the Senator will study the way freight is absorbed by the sugar beet producers he will find that the old system would be legalized under the proposed legislation. There are sugar producers in my State also. They have caught onto this basing-point system. They find it to be a good way to rob the consumer. But I am not going to vote to rob everyone in the country on steel, on paper, on cement, and on various and sundry products made from those materials, in order to further the interests of a few sugarcane refiners in my State.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LONG. If the Senator will wait a moment, I should like to finish my point.

I will go further and say that the Department of Agriculture estimates that

if our sugar producers who are benefiting from the monopolistic type of conspiracy, so far as the mills are concerned, had to comply with the antitrust laws in every respect, it might have the effect of reducing their prices by as much as half a cent a pound, although it is well understood that they would not have to go on a complete f. o. b. basis.

Furthermore, it is a pretty well-established fact that when our refiners get together to decide what the price to the consumer is to be, they usually decide that they are not going to pay our cane producers more than a certain amount for their cane. So such slight injury as may be suffered by the processor in the last analysis will probably have to be taken care of in some other way. Our sugarcane industry is completely subsidized. We could not compete with Cuba or Puerto Rico if we had to do so. The only way we can get along is for the Government to subsidize us, pay us a bounty, or impose a tariff or importation of sugar. If the Government is going to enable us to continue in existence under a reasonable living wage, it might as well do so in such a way that we can operate honestly under the antitrust laws.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BREWSTER. The Senator from Louisiana recognizes, does he not, that the beet-sugar producers are equally desirous of surviving?

Mr. LONG. Certainly.

Mr. BREWSTER. I do not question the sincerity of the Senator from Louisiana, whose primary interest, I assume, is in cane sugar rather than beet sugar. The problem of the beet-sugar producer is to meet the competition of cane sugar. The beet-sugar producers of the Rocky Mountain region desire an amendment of this bill. I am sure the Senator from Louisiana will not challenge the sincerity of other Senators, any more than they would question the sincerity with which he champions the position of the cane-sugar producers.

Mr. LONG. I recognize the complete sincerity of every Senator, speaking for the interest of his State. But so far as the beet-sugar people are concerned, if we are going to try to legalize what they are presently doing—and they are in direct violation of every antitrust law on the books—we might as well repeal the Sherman Act, and all the rest of the antitrust laws.

Mr. BREWSTER. Is the Senator prepared to accept the inevitable conclusion that the beet sugar industry in the Rocky Mountain States would be wiped out?

Mr. LONG. Not at all.

Mr. BREWSTER. That is the evidence before the committee, because 80 percent of their production must move into the markets of Chicago, Ill., and other points, in competition with cane sugar. The beet-sugar producers could not possibly survive except under the practices under which they are now operating, which the Senator from Louisiana contends are in plain violation of the law.

Mr. LONG. I regard that as a very erroneous interpretation. I say that they can absorb all the freight they desire on beet sugar. But the practice which I am discussing is the practice of sitting down with sugar-cane producers and importers and saying, "We are going to sell at a certain point based upon your delivered price"—not on how much they have to make to succeed in business, but on a basing-point theory based upon how much it would cost to import Philippine sugar into San Francisco and ship it to the Western States, or how much it would cost to import Cuban sugar into New Orleans and ship it to the surrounding territory; or, how much it would cost to import into New York and ship into the Eastern States and basing the price on those points. If the Senator would like to completely exempt the sugar-cane industry from the antitrust laws, it is all right with me, but when he drafts a law such as Senate bill 1008 to take care of them, he exempts every other monopoly in America.

The sugar-cane industry is a low-standard industry. So far as we are violating antitrust laws and taking advantage of the American consumer by reason of the low standard of living, there may be some justification for continuing the practice. I believe it would be better to outlaw such a practice, make them live up to the antitrust laws, obey the decrees of the Federal Trade Commission, and proceed from there. If they have to have a little more subsidy, we will have to give it to them. I believe that in the last analysis Senators from the beet-sugar-producing States will probably be on my side when we try to get a greater subsidy for our sugar in order that we may pay a better wage and give up the trade restraining practices, and make a reasonable profit.

Mr. BREWSTER. How is the price of sugar determined now?

Mr. LONG. It is determined under the Sugar Act. There are certain tariffs, and the Secretary of Agriculture is required to make certain allocations with respect to how much sugar comes in and how much we need in this country.

Mr. BREWSTER. How is the price of Cuban sugar determined? Who buys the Cuban sugar crop?

Mr. LONG. I do not know how the price is determined.

Mr. BREWSTER. Does not the Government buy practically the entire crop of Cuban sugar which is imported?

Mr. LONG. I am sure the Senator from Maine knows more about the subject than I do.

Mr. BREWSTER. I am only a sugar consumer, as well as the son of a small retail grocery merchant who had to buy the sugar. I used to hear my father talk about "the figure." The beet-sugar producers have determined their prices at about 10 cents a hundred, I believe, below the cane-sugar price in Chicago. That has been the historic differential. Meanwhile, the prices of Cuban sugar and Louisiana cane sugar necessarily follow along.

We talk about discrimination. How much does the price of sugar vary? Are not prices identical? Otherwise, why would my father buy sugar from anyone who charged 5 or 10 cents a hundred more than did his competitor? Sugar is a uniform product.

Mr. LONG. With regard to the price of sugar, I suggest that the Senator consult our sugar people. My understanding is that the importers sell on an f. o. b. basis. Certain other people sell by matching those prices. The only objection I have is that from time to time those people are found to be in violation of the law and in conspiracy. I do not mean a conspiracy to reduce prices or absorb freight to get the business. I will cover the question of what I believe is legal and what is illegal. Our people would not particularly suffer if they had to follow the antitrust laws, but it would be an inconvenience. If we are going to save the antitrust laws for the steel companies, if we are going to have loopholes for the benefit of the cement companies and other monopolistic groups, we might as well do it for our sugar people. I am not going to maintain the basing-point system in order that the sugar producers may participate in that kind of system.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. O'CONOR. The Senator continually notes the fact that his principal objection is to the alleged practice of sellers getting together and fixing prices. Does the Senator bear in mind that the Judiciary Committee of the Senate specifically wrote into the bill a proviso that the only situation which would be covered would be that in which the seller acted independently, and not in concert with anyone else, in good faith to meet the competition? As I previously undertook to point out to the Senator, there is written into each provision of the bill the stipulation that it should not make lawful any combination, conspiracy, or collusive agreement.

Mr. LONG. I will say to the Senator that I fear he missed the earlier part of my speech. I answered that question at that time.

Mr. O'CONOR. Will the Senator repeat that statement?

Mr. LONG. I shall be happy to do so. The bill provides that it shall not be unlawful to absorb freight, and that it is not an unfair practice to do so, or to quote or sell at delivered prices. The proviso is as follows:

> *Provided*, That this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice, carried out by or involving the use of delivered prices or freight absorption.

I construe that to mean nothing more nor less than that we are not repealing the Sherman Antitrust Act. I do not believe we can assume that it means anything more than that.

Mr. O'CONOR. I heard the Senator's previous answer; but in answer to the questions of the Senator from Maine [Mr. BREWSTER] the Senator from Louisiana has not made any reference whatsoever to the fact that there is specific mention in the bill several times, not of the provision which the Senator has just read——

Mr. LONG. Is the Senator referring to the words "acting independently?"

Mr. O'CONOR. Yes.

Mr. LONG. I shall be happy to answer that question. If the Senator will

read the Cement Institute case, he will see that on the first page the Court stated in its opinion that in order to win the Cement Institute case the Federal Trade Commission had to present 50,000 pages of exhibits and 49,000 pages of testimony. The case required 14 years. There are 25 other major industries using the same pricing system.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. DOUGLAS. Is it not true that in a great many industries separate firms do not gather together in a room; they do not meet at a "Gary dinner"; and they have no connection with each other——

Mr. LONG. The "Gary dinner" is a very antiquated practice.

Mr. DOUGLAS. Yet the leading firm in the industry will publish its prices at a base point, or at multiple base points. The other firms in the industry will have certain freight rates, and then each and every firm will take the base prices, add the freight rates to given points, and they all come out with identical prices at a given destination So there is no collusion. There is no conspiracy. They apparently act independently, but they reach a predetermined result, which is an identical price in each and every locality in the country. Is not that true?

Mr. LONG. That is true.

Mr. DOUGLAS. Is it not true that this bill would legalize such practices? It would require proof of collusion and conspiracy.

Mr. LONG. That is the opinion of those of us who are fighting the bill. In my opinion the words "acting independently" do not help much when we are trying to reach the basing point pricing system. United States Steel has been the unchallenged price leader in the steel industry for a period of many years—certainly since long before I was born. United States Steel has habitually posted its prices, and also quoted prices for rail freight and delivery at various destinations. Historically every other company in America once charged the Pittsburgh-plus price. The price of steel was the price at Pittsburgh plus the freight to wherever it was to be delivered. Suppose one were ordering from Birmingham, and his business was situated across the street from the Birmingham mill. The Birmingham mill would quote the price at Pittsburgh, plus the freight rate to Birmingham. If this bill is passed and if it can be proved that the people at Birmingham actually conspired with the people at Pittsburgh to charge the same price, then it will be possible to get at that practice. But suppose they proceed in the subtle, shrewd way—the modern way. Suppose there is no documentary proof or agreement or recorded conversations or the 50,000 pages of exhibits which were put in the record in the Cement Institute case. Then how will it be possible to catch the monopoly when identical prices are quoted? Probably it could not be correctly alleged that Mr. Fairless even whispered to the man across the street. They can arrive at this practice because it has been historical and in effect for 60 years. Certainly we would never be able to get at this practice independently. The word "independently" is a wonderful word, Mr. President; but it happens that these men, who in my opinion would be satisfied with section 1, know what the word "independently" means. I have been told that in many cases when the Government sought to institute a case charging conspiracy, an able trust attorney had been working for some time to remove from the files any evidence of agreement or concerted actions or actions of conspiracy. Unfortunately for them, that was not done with the records of the Cement Institute case in time; but they will be smarter next time.

Mr. President, I was speaking of the fact that there has been pressure on Congress to change the law. I should like to quote a little further from Dr. Machlup's book on that subject. He says:

> Since in fact no necessity to adopt the f. o. b. mill pricing system existed, Senator O'MAHONEY in a statement to the press about the steel industry's move, commented that there was "reason to believe that its real purpose is to seek an opportunity to raise steel prices * * * and attribute the increase cost to the decision of the Supreme Court and the activities of the Federal Trade Commission."

That is the same thing that was suggested a few moments ago by the junior Senator from Tennessee.

The author of the book goes further, saying:

> This would probably give rise to considerable pressure on Congress to change the antitrust laws so as to legalize a multiple-basing-point delivered-price system.

That is quoted again from the Wall Street Journal.

Then the author says:

> The Senator's prediction proved correct. The industry increased its prices, and explained it as a necessary consequence of the change in pricing methods. The same was done in the cement industry. Buyers were made to believe that the increased prices they had to pay were due to the fact that the Court decision had made freight absorption illegal. And the campaign high-pressuring Congress to legalize the system was off to a booming start. "If this was part of big-steel strategy, it has been successful," commented a newspaper reporting on the developments in the steel industry.

Once again, that is a quotation from the Wall Street Journal.

I read further:

> Next to the price increase that was pinned on the abolition of the basing-point system, the relocation scare also has been effective in producing political pressures on behalf of legislation to legalize the system. Hundreds of communities are said to be threatened by intolerable unemployment supposed to ensue from a shut-down of local plants or their movement to different sections of the country. Strangely enough, news items about the establishment of new plants and the immigration of plants removed from other localities have been relatively rare. The number of plants moving away from particular places always seems to be much greater than the number of those moving into particular places. This incongruity of news reports may be the natural result of honest utterances of managers stating their decisions to move to still undetermined places. But it may also be the result of a clever strategy designed to secure the help of people to save their communities, and thus designed to win sympathy and support for attempts to obtain legislation permitting basing-point pricing.

Then the author goes a little further. Under the subhead of "Broadening the opposition," he says:

> If the opposition to the policy of the Federal Trade Commission were confined to members of industries employing the basing-point system, to those of their customers who believe that they must pay higher prices because of the abolition of the system, and to the spokesmen for localities allegedly harmed by the relocation of industry, the political pressure might not be strong enough to be effective. Thus the rallying of a broader opposition appears politically expedient. The opposition can be broadened by convincing more and larger groups that they are threatened by the same policy.
>
> All court decisions condemning the basing-point system have related to industries that employed it under a scheme of collusive or concerted action. But by giving to certain dicta of the courts with respect to the price discrimination inherent in the system a rather extensive interpretation, one may make it appear as if the condemnation applied also to noncollusive, nonconcerted systems of freight absorption, practiced individually and independently. If the condemnation were to apply to all these noncollective pricing systems, the number of businesses affected by it would be vastly increased. Talk about this possibility has greatly strengthened the opposition.
>
> While it may be admitted that there is room for honest doubt as to the interpretation of certain statements in the decisions of the courts, it must be repeated that there has never been a complaint, or any other action, by the Government charging unlawful price discrimination where collusive or concerted conduct and substantial injury to competition were absent. Hence, it ignores the facts to say that the Federal Trade Commission plans to outlaw all systems of delivered prices or all systems of freight absorption. But to say it can undoubtedly increase the opposition to the Federal Trade Commission and increase the pressure for legislation legalizing collective freight equalization schemes along with individual freight absorption—which is legal anyway.

Mr. President, I ask this question: Does Senate bill 1008 legalize this monopolistic basing-point pricing system? If it does, then we owe it to our constituents, we owe it to those who have accepted the pledges of our parties, to defeat this bill. If it does not, then I am certain that the Steel Trust, the Cement Trust, the Paper Trust, and every other monopolistic concern of America has no interest in Senate bill 1008. When we hear all this talk about absorbing freight, nobody mentions the fact that not all freight is absorbed, but that in a basing-point pricing system, each concern absorbs only the amount of the freight that it is necessary to absorb in order to arrive at an identical price. We have heard this talk about acting independently; yet everyone knows that the beauty of the basing-point system is that it is the most cleverly conceived device ever invented by the mind of man to evade the Sherman Antitrust Act, because it is almost impossible to prove that the firms are in conspiracy except by the consistent identity of bids. Any time 10 different manufacturers bid the

identical same price on sealed bids—right down to the fifth decimal point—any reasonable man can look at the effect of this practice and say that it is inconceivable that this could have happened in the absence of monopolistic conspiracy, and yet, the Sherman Act has been on the books for 60 years and the courts have not yet been willing to concede that the effect of this identity of prices under the beautiful name of "freight absorption" could mean anything other than that a conspiracy was under foot. So let us put the question: Do the authors of S. 1008 propose to legalize the basing-point pricing system?

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LONG. I yield for a question.

Mr. BREWSTER. I have sent for the transcripts of the evidence which I think will at least be of some value to the Senator in reaching his conclusion. I have before me the statement of Walter B. Wooden, associate general counsel of the Federal Trade Commission, on page 142 of the Study of Pricing Methods, Under the Authority of Senate Resolution 241. Mr. Freer, Chairman of the Federal Trade Commission, in response to a request by the committee for recommendations as to people who might appear, and after giving various suggestions about the matter, and naming various men, concluded in this way:

As an attorney who has specialized in the subject from a combined legal and economic standpoint, the Commission would suggest its associate general counsel, Walter B. Wooden.

I cite that in order that there may be no doubt that the Commission sent him as their authorized representative. I now turn to his testimony on page 247, in which the following questions were asked, bearing on the points the Senator has raised:

Senator BREWSTER. It is not at all the basing point, it is the uniformity of price that is the difficulty, is it not?

Mr. WOODEN. That is the effect on competition that the law seeks to get at, and the basing-point system runs counter to that, in my judgment.

Senator CAPEHART. Then, Mr. Wooden, you are saying, from a practical standpoint, that the only safe procedure that a businessman can follow is f. o. b. at his own place of business?

Mr. WOODEN. Yes; plus this qualification, that he can make all the delivered prices he wants to, if those delivered prices make due allowance for differences in his costs of delivery.

Senator MCMAHON. That is f. o. b. plus freight, in each case?

Mr. WOODEN. It is the equivalent of a uniform mill net.

That statement was made repeatedly by Mr. Wooden, speaking, as he did, as the associate general counsel of the Federal Trade Commission, that the only safe thing any American businessman could do would be to employ a uniform mill net. If that is the case, if that is the law—and certainly Mr. Wooden, as I am sure the Senator from Louisiana will recognize, having spent his life in a study of this subject, speaks with as much authority as anyone in the interpretation of law and of the decisions—if that be the case, then is there not reason for the concern of every businessman, large and small, as to the situation he confronts, and is there not reason why business, whether big or little, should feel that they would like some clarification in order to be sure that the opinion which the Senator from Louisiana now so strongly expresses is perhaps correct?

Mr. LONG. If the Senator is correct, we might as well take the Clayton Act off the statute books, because the Clayton Act attempts to deal with discrimination.

Mr. BREWSTER. Mr. President——

Mr. LONG. May I ask the Senator from Maine a question, before he takes off again?

Mr. BREWSTER. I am not quoting myself. If Mr. Wooden was correct, then what I stated is true.

Mr. LONG. I think I understand what Mr. Wooden was addressing himself to. The Clayton Act and the Robinson-Patman Act deal with discriminations, and when one starts discriminating, there is no way one can know, under those acts, whether the discrimination is going to have the effect prohibited by those acts, unless in advance he carefully studies what he is doing. If a company sells a commodity to one person for $100 and to another for $70, the moment that discrimination is made, regardless of whether the freight was absorbed, there would be a difference of $30, and the net effect would be the same, so far as I am concerned. If it is proposed to give someone a trade discount, or to give him a better price by means of freight absorption, when he enters into that discriminatory contract, with the idea of concealing the discriminatory practice, there is no way he can be sure he is in the clear. There is no way he can be sure that, in so discriminating, he is not violating the law.

If one sells f. o. b., there is no doubt that he is not violating the law. I certainly agree to that extent. But at the present time, when one starts discriminating, the question can be raised by anyone who says he is being harmed. Any competitor who feels he is being run out of business, or who feels that his business is being imperiled by the practice, resulting from the 30-percent discrimination, can come forward and complain to the Federal Trade Commission. One may not know that another man is in that position. He may not know that he is going to run a man out of business when he sells to his competitor at 30 percent below the price at which he sells to another, but that does not mean that, in accordance with the Robinson-Patman Act, the practice should not be restrained. I would say it is on that basis that Mr. Wooden probably says there is no way one can be sure, when he absorbs freight, that he may not be restrained from doing it by the Federal Trade Commission. But first it must be shown that the discrimination has the effect of reducing, injuring, preventing, or eliminating competition.

Insofar as legitimate, independent freight absorption to meet competition is concerned, everyone who has made any study of this matter has no doubt that such a practice is legal. Likewise, everyone realizes that the use of freight absorption for the purpose of arriving at identical prices with a competitor or the use of freight absorption to discriminate in prices to substantially injure, reduce, eliminate, or prevent competition is illegal under the laws today. We need have no change of the law to clarify that issue. Scholars of the law realize that it is true. In support of this statement, I refer to a very excellent article published in volume V of Loyola Law Review, page 18, written by Mr. Edward Lawrence Merrigan, an attorney of note, who has correctly analyzed the illegality of freight absorption in this manner. Reading from page 48, the author states:

The foregoing fact would seem to compel the following conclusion with regard to freight absorption: Systematic freight absorption, employed by individual funds to meet competition, has not been outlawed by the Corn Products, Staley, or Cement decisions; any confusion or uncertainty which might presently exist over the legality of the practice of absorbing freight to meet competition is unnecessary, and is not really important and urgent enough to require the adoption of clarifying legislation by Congress at this time; finally, it would seem that the Commission has no intention of questioning freight absorption employed by single sellers to meet the readily foreseeable competition of competitors.

Now let me read from a quotation a little bit earlier in the same article by the same author. Reading from volume V, Loyola Law Review, page 47, the author states and I quote:

It is submitted that the Federal Trade Commission has not displayed a tendency to require the uniform use of f. o. b. selling by all American business men. To date it has prosecuted delivered pricing methods only where they were found to have brought about the elimination of competition and/or to have been maintained by agreement and conspiracy among sellers. The Commission has never prosecuted a single seller for having absorbed freight, in good faith, to meet an equally low price of his competitors. In its official policy statement, the Commission indicates that it does not intend to do so in the future. The following is a quotation from the Commission's statement:

Here the author quotes from a Federal Trade Commission statement issued October 12, 1948, corrected October 21, 1948, printed in C. C. H., Trade Regulations Reports, section 10, 411. Now I quote from the Federal Trade Commission's official declaration:

The Courts appear to have assumed, though the point has not been squarely decided, that a single seller has a substantive right in good faith to meet the equally low price of a competitor in individual transactions. They have not adjudicated the question whether a single concern, not engaged in an effort to create a monopoly by destroying competitors, may systematically reduce its prices to meet competition in localities where it habitually encounters such competition; and whether reciprocal reductions of this character are permissible so long as they are sufficiently infrequent and void of industry-wide systematic effect as to afford a variety of prices and indicate an absence of collusion.

In approaching these questions, the Commission sees no public interest and has no legal authority to proceed against the practices of a single seller except where probable or actual injury to competition appears in that seller's pricing practices. Accordingly, it will not question such differences in the prices of a single enterprise as are merely

designed to meet the readily foreseeable competition of a competitor where such differences involve no tendency to create a monopoly or eliminate price competition, nor will it question reciprocal price reductions similarly designed where their scope is not such as to preclude variety of delivered prices and raise the problem of collusion. It will challenge discriminatory price reductions which are made to meet nonexistent competition or which involve reciprocal relationships so comprehensive that through them price competition in the industry disappears.

Mr. President, that makes it reasonably clear that no small-business man need worry about his right to absorb freight to meet competition in good faith as long as he is acting independently. No one is bothering the little-business man about his honest effort to absorb freight or to discriminate in his prices in order to compete in good faith except insofar as it might reduce, eliminate, or prevent competition. I have had no request from any legitimate, small-business man in America to favor such legislation as Senate bill 1008. I am completely cognizant of the giant public relations efforts that have been made by the Steel Trusts and the Cement Trusts, among others, to promote small-business people into fearing that they are insecure in their ordinary legitimate day-to-day business relationships merely because the giant monopolies of America are being brought to taw. Let me quote from testimony of Mr. William Summers Johnson, economic analyst for the Federal Trade Commission. Mr. Johnson says:

Much of the agitation for congressional action to do what is euphemistically called clarified antitrust laws, has been carried on in the name of small business. It may therefore be well to try and ascertain who it is that wants clarification. Since these laws became what is called confused, if there has been any great flood of small-business men calling upon the Federal Trade Commission to find out what the law is, I personally have not seen or heard any rumor of them.

Where are all these confused persons, the small-business men, wanting to know where they stand? Not one of them has been to see me.

Mr. President, I am completely in accord with that view. I certainly have had no small-business man legitimately inquiring what the law is with regard to freight absorption. If anyone would honestly like to know what he can do, I would assure him he can do everything but conspire in restraint of trade. If anyone would like to know what he can do, I would suggest that he read volume V, Loyola Law Review, pages 18 to 56.

I consider it to be a very thorough article, and I believe the author correctly analyzes just what the law is as it presently stands. I might say that I approve of the law in exactly that form. I would not support any crippling amendment which would weaken the law as it is at this time.

This review is much more clear than Senate bill 1008, and it would certainly set the small-business man's mind at rest. In fact, it would set any honest businessman's mind at rest. But, Mr. President, a lot of monopolistic businessmen, a lot of men who have been successfully evading the Sherman antitrust law since the day they went into business, a lot of men who have been successfully evading the Federal Trade Commission Act, the Clayton Act, and the Robinson-Patman Act, consider themselves completely honest, legitimate men. They consider that they are being persecuted because they are not allowed to discriminate in order to rob the American public. Unfortunately those men have been permitted to get away with these practices for so long, they now consider it to be their legitimate right to evade and violate our antitrust laws. Those industrial giants come to us now, Mr. President, as wolves in sheeps' clothing. They come to us acting through legitimate but misguided labor representatives. They come to us forcing before them small-business men who are at their mercy in that they must acquire their product and their supplies through the same monopolistic concern. Like the wolf that ate grandma, they come to us in disguise, bent upon destroying the small-business man, and yet using him as the bait, the cat's paw, to put over their evilly conceived design.

I have been contacted by representatives of great cement companies. I was told by one man that he could not compete in Louisiana unless Congress passed a law to legalize the basing-point system. That is not true. If his cement company wants to sell cement in Louisiana all they have to do is to reduce their price. They may even absorb freight, so long as they do not do it in a monopolistic manner for the purpose of arriving at the identical cement price that Lone Star Cement Co. is selling cement for in Louisiana.

That is one thing they do not want to do. They do not want to give us a chance ever to get a competitive bid on cement.

On the other hand, I was contacted by a vice president of the Lone Star Cement Co. I told him that the representatives of other mills stated that the Lone Star Cement Co. had a local monopoly. So far as I am concerned, it can have it. We will never get a better price, any way, if the cement is not sold in competition. He said, "After all, I do have a monopoly in your State, but if you maintain the antitrust laws the way they have been interpreted by the Supreme Court, we will have to build a cement plant in west Texas."

I said, "What is the matter with that? It might give the people some lower cement prices."

He said, "No; you do not understand. Cement is a mass-production product. In order to produce and sell it cheaply and in order to make a good profit, I have got to produce a great amount of cement. Sometimes I overproduce, and that means that I have got to take a loss."

It apparently never occurred to that man that he might reduce his price and sell more cement.

Of course, there is no other purpose in the practice than to see to it that the public never gets the benefit of any reduced cement prices. It is my contention that if we pass this bill the practice will be continued. A very excellent recommendation for breaking up the practice was made by the temporary National Economic Committee, very ably headed by the senior Senator from Wyoming [Mr. O'MAHONEY]. The committee arrived at a unanimous report in regard to this matter, and I should like to read from page 33 of the final investigation of the concentration of economic power:

Extensive hearings on basing-point systems showed that they are used in many industries as an effective device for eliminating price competition.

I think we will all agree on that. The committee further said:

During the last 20 years basing-point systems and variations of such systems, known technically as zone-pricing systems and freight-equalization systems, have spread widely in American industry.

Many of the products of important industries are priced by basing-point or analogous systems, such as iron and steel, pig iron, cement, lime, lumber and lumber products, brick, asphalt shingles and roofing, window glass, white lead, metal lath, building tile, floor tile, gypsum plaster, bolts, nuts and rivets, cast-iron soil pipe, range boilers, valves and fittings, sewer pipe, power cable, paper, salt, sugar, corn derivatives, industrial alcohol, linseed oil, fertilizer, and others.

The elimination of such systems under existing law would involve a costly process of prosecuting separately and individually many industries, and place a heavy burden upon antitrust enforcement appropriations.

This recommendation was made approximately 8 years ago, and since that time final results have been obtained. A case, after 14 long years, was finally won.

I read further:

We, therefore, recommend that the Congress enact legislation declaring such pricing systems to be illegal.

Because such systems have resulted in uneconomic and often wasteful location of plant equipment, it is recognized by this committee that the abolition of basing-point systems should provide for a brief period of time for industries to divest themselves of this monopolistic practice.

The committee is not impressed with the argument that a legislative outlawing of basing-point systems will cause disturbances in the rearrangement of business through a restoration of competitive conditions in industries now employing basing-point systems. Such disturbances may be costly to those who have been practicing monopoly. But the long-run gain to the public interest by a restoration of competition in many important industries is clearly more advantageous.

Mr. President, I am in agreement with that recommendation. That is what I think we should do. I am opposed to the basing-point pricing system. I fear, and my fear is confirmed by others who have an understanding of the matter, that this system would be legalized by section 1 of the bill.

I should now like to speak briefly on the Carroll amendments. As this bill was originally introduced, it would have had the effect of absolutely destroying the Robinson-Patman Act, in my opinion, at least, as to a large number of the purposes of the act.

I have here a committee report on the Robinson-Patman Act at the time it was passed, and the idea behind that act was that it would strike at the basing-point

system; further, that it would protect the little independent merchants of the country who were being driven out of business by the giant chain stores.

How was that happening? The evidence in the hearing showed at that time that in many respects the great chains, like the A & P, would get a price reduction of at least 30 percent, while the storekeeper across the street had to pay the full price. Obviously, he could not compete. He could not afford to pay 30 percent more than the A & P and stay in business. He had the Clayton Act to protect him. The Clayton Act provided that one could not discriminate unless it was in good faith. For instance, Del Monte or Heinz could be selling to A & P and giving A & P a 30-percent discount. They could be called on by the Federal Trade Commission to describe what they were doing. They could say, "If we do not do this our competitor is going to do the same thing. A & P has giant buying capacity. If we do not give them this discount Heinz or some other giant business will do the same thing. That is choice business, and if we do not do it A & P will do their own processing. So we have to do this for A & P."

When asked to do it for an independent merchant they could say, "We cannot do it. Our competitor will not reduce his price to the small merchant, and we cannot afford to do it. If we did this for everybody it would drive us out of business. But we can do it for A & P in order to get their mass-buying orders into our plant." The Robinson-Patman Act was passed so that they could not do that.

If they sold to the A & P at 30-percent discount, and it could be shown that it might have the effect of driving the little fellow out of business, the independent merchant could go before the Federal Trade Commission and get a cease-and-desist order. The act did leave it open. They could choose all their own customers. These concerns did not have to sell to independent merchants if they did not want to. They could limit their business to A & P, but once they accepted the independent merchants as their customers they had to sell to them at the same prices at which they sold to others.

So, discrimination which would mean the driving of hundreds of thousands of small-business people out of business was not allowed by the Robinson-Patman Act. If one could show that by bulk delivery he could make certain savings, he could justify that practice. If he could show that there were certain savings in the cost of transportation or production that could be made, he could justify a small discrimination.

In the Morton Salt Co. case the A & P lost an important decision. There was a situation in which only five great commercial concerns of the country, among them the A & P, the Kroger Co., and others I do not now recall, were getting a discount because of quantity ordering which was beyond what anyone else could get. If one ordered less than a carload of salt, he would get one price. He would save 10 cents if he ordered so many cases a year, and if he ordered a very large amount, he would get a larger saving. The quantity in the latter case was so tremendous that even if hundreds of merchants went in together they could not get the discount; only five great concerns were able to buy in such tremendous quantities.

The case was heard before the United States Supreme Court, and they decided that that type of discrimination could not be justified. The Court said the Morton Salt Co. must prove that there was a difference in the cost of production or the cost of delivery which would justify those discriminations from which only five giant chain concerns could benefit.

Mr. President, if we pass this bill without the amendments offered in the House by Representative CARROLL we might as well forget about the Robinson-Patman Act; any discrimination in good faith can drive anyone out of business so long as a seller can say he is meeting the competition of his competitors. In other words, we can go back to the old A & P chain-store practice if we knock the Carroll amendments out of this bill. Krog.r, Safeway, the American Stores, and the others that are big enough to do the giant purchasing, can destroy every independent small merchant in America.

Some may ask why the independent wholesaler is interested in this matter. Before the enactment of the Robinson-Patman Act it was proved that in many cases the chain stores were getting their commodities at 30 percent below the wholesale price. The wholesaler is not in business to help somebody else. He would like to make a little profit and mark his product up somewhat. But how is he going to stay in business if A & P has stores all over town and is getting products 30 percent below what the wholesaler has to pay for them?

One of the witnesses was a representative of the Association of Independent Wholesale Merchants. He came here to plead that this bill not be passed. He could not be heard before the committee. Unfortunately, on the House side they were in such a rush to get the bill through that when the representatives of the national wholesalers came they said, "We are limited in time. We are in a rush. We are going to hear only two Government witnesses." They heard two witnesses, Government employees, and reported the bill.

Representative PATMAN did not think that was too good an idea, and he held what have been described as "rump" hearings. He was going to give the little people a chance, regardless, and he did give them a chance to be heard, and I have here a copy of the hearings.

The national wholesalers came in and pleaded for mercy at the hands of Congress. There were also the representatives of all the independent gasoline retailers. They are about to be driven out of business, too.

Consider the present situation in Detroit—and here is a case which hinges on what Congress does about the bill we are discussing. There are in Detroit 200 company-owned stations, and about 150 independent stations. Ordinarily, one would think that indicated merely a good competitive situation. But let me go into the history. I do not have the exact figures, but I have been told by those who claim to know that the large oil companies have built but 4 percent of all the filling stations, but own 75 percent of them. It is difficult to believe, but that is what it is claimed the figures show. Mr. Lewis Ballinger, who was once with the Federal Trade Commission, claims he can prove that.

Unfortunately, in Detroit the companies have not done as well as they have done elsewhere. They have only half the filling stations, and they want to get the other half. So they are discriminating against the competitive stations. They pick out about five filling stations and sell them at about 2 cents below what they charge everybody else, and signs go up, "Pay no more. You can get gasoline 2 cents below what you pay anywhere else in town." The business doubles and quadruples, until the Federal Trade Commission steps in.

The Standard Oil Co. says, "You cannot prevent our doing this. There is a wildcat refiner who is willing to meet our price, and in order to meet competition with that fellow in this particular field we have to meet his price." They say, "Why do you not do it for your own company stations?" They say, "We have them set up under a company contract. That little independent refiner is not offering to meet this kind of price to our own station." "Well, why do you not do it for everybody else?" The Standard Oil Co. is not willing to do it for everybody else; only to these particular stations, about five of them. The effect is that all these little independent stations are going to have to go out of business.

Mr. President, the mark-up on gasoline is 3 cents a gallon. A station cannot be operated on a 2-cent or a 1-cent mark-up, and that is especially true when the competitor is buying his gasoline at a price 2 cents cheaper. The effect is that the independent gasoline men will have to go out of business.

Mr. President, the representatives of the independent gasoline dealers came to Congress, but had no success in their efforts to obtain a hearing before committees. However, they were able to place something in the record of the hearings to which I have referred. They are begging for mercy. They are pleading against Senate bill 1008. If the Carroll amendments were adopted they might protect the little independent dealers. We have finally watered down the bill a little bit, and if we can attach to it the amendment of the Senator from Tennessee [Mr. KEFAUVER], as perfected by Representative CARROLL, we will have a chance to save a few of the small-business men.

Now we understand the bill is going to conference, and we read in the press that the conferees are not satisfied with the Carroll amendment. A majority of the Members of the Senate might be in favor of the so-called Carroll amendment, and it might become a part of the bill. Failure to adopt it would mean complete violation of the party pledges made to the small-business men. We promised them we were not going to relax the antitrust laws. We promised

them we were going to close the loopholes in the antitrust laws. We promised them a vigorous enforcement of the antitrust laws. In addition, in both party platforms we talked about eliminating discrimination. Now Senate bill 1008 comes along and says the sky is the limit on discrimination. "Take out the Carroll amendment. The sky is the limit if discrimination is practiced in good faith to meet competition."

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. LONG. I am happy to yield to the Senator from Wyoming.

Mr. O'MAHONEY. I have yet to hear anyone say, "The sky is the limit. We want to throw out all protection." I am sure the Senator from Louisiana has never heard any such statment from me. Since I presented to the Senate the measure which is now the subject of debate, I do not want the Senator to conclude his speech without my saying, at least briefly, that, having listened to practically everything the Senator has said since he took the floor today, I am still convinced that his criticism of the measure is based upon fear rather than upon actuality.

The Senator has spent a considerable period during the last half hour discussing the Atlantic & Pacific Tea Co. and the effect of the bill upon it. If any independent grocer, if any competitor of Atlantic & Pacific, listened to the Senator and believed the Senator to be correct in his statements, of course, I would expect such a person to be utterly and completely confused.

I think the RECORD should show that not a single section of the measure now under discussion has anything to do with section 3 of the Robinson-Patman Act, which is the section of that act which was drafted precisely for the purpose of meeting the conditions and abuses which A & P committed. I would be the last person in the world to forgive or place any umbrella over the abuses that were committed by that chain store. I assure the Senator and the Senate that section 3 of the Robinson-Patman Act is not affected in any way, shape, form, or manner by any section of the present bill.

Section 3 of the Robinson-Patman Act, which, of course, is the act of June 19, 1936, reads as follows:

SEC. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser, in that, any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance, or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity; to sell, or contract to sell, goods in any part of the United States at prices lower than those exacted by said person elsewhere in the United States for the purpose of destroying competition, or eliminating a competitor in such part of the United States; or, to sell, or contract to sell, goods at unreasonably low prices for the purpose of destroying competition or eliminating a competitor.

Any person violating any of the provisions of this section shall, upon conviction thereof, be fined not more than $5,000 or imprisoned not more than 1 year, or both.

That law remains absolutely undisturbed.

I beg the Senator from Louisiana to remember the conditions under which the present bill was proposed. There were all sorts of interpretations made of the decision in the Cement case. When I stood upon the floor of the Senate recommending the enactment of Senate bill 1008 in the form in which it passed the Senate, I referred to the Cement case, and I stated then as I state now, and as I stated at the time the Cement decision was handed down, that, in my opinion, the interpretations which were being made of that decision were altogether wrong. I cited that day the identical bids of the cement companies. The Senator will find them in the CONGRESSIONAL RECORD of June 1.

I said then, and I say now, that identical prices of the nature which were proved by the Federal Trade Commission in the Cement case are to my mind conclusive evidence of collusion. To prove collusion it is not necessary to have a written document. One can prove collusion by the inescapable inference from economic facts; from the identity of bids all over the United States. Nothing in the present bill affects that in any way whatsoever.

I grant, Mr. President, that there has been good faith misunderstanding, I think, misinterpretation, of some parts of the bill, particularly section 3. As the Senator from Louisiana knows, I have repeatedly stated that so far as I am concerned, I would be very happy indeed to have section 3 deleted from the bill completely so that there would be no question about the interpretation of the section upon what has been known as the Standard Oil case. But I want to say to the Senator that in the Standard Oil case there is language which to my mind makes it highly desirable, in the interest of the antitrust laws, that we should enact legislation of this kind. In that case, handed down by Judge Minton, of the circuit court of appeals, the difference was pointed out between the word "may" and the word "will." I accepted the amendment of the Senator from Tennessee [Mr. KEFAUVER] because I have known of his loyal devotion to the maintenance of the antitrust laws over a long period of time.

I believe that he likewise knows of my devotion to the antitrust laws. But in that case it was pointed out that under the law as it now stands—and I would not change that law except in connection with the absorption of freight and the delivered-pricing system—it is not necessary to prove an actual injury to commerce. It is only necessary to show that an injury may result.

My feeling in this case is that it is extremely important for the preservation of the antitrust laws in the United States that businessmen of good will and good faith shall not be led to believe that the antitrust laws can be enforced in such a way as to enable the Federal Trade Commission to place inhibitions of any kind upon the expansion of business by an interpretation of the law which might result in an investment in good faith being held to be a violation of the law.

I have personal knowledge of a particular case which brought this legislation home to me. In the State of Wyoming development was undertaken of a natural deposit of trona. I described this at the hearing. Nature has performed in its own laboratories a chemical operation which, by the synthetic process, industry has spent millions to do. An effort was being made to develop this trona, from which soda ash can be made, and put it into competition with the synthetic product of existing industry. That was to bring new business into existence. That was to create competition. But when those who were in charge of that business and the lawyers who were required to advise as to the investment of capital in excess of $1,000,000 to develop this deposit read the statement of Mr. Wooden, as quoted in the hearings, that the only safe course for a new industry would be to adopt the mill net-pricing system, of course their reaction was perfectly plain. In Wyoming, with its population and its market, there is no possibility of selling enough of this material even to recoup a fraction of the capital investment. If this industry is to be built it will be necessary for us to be able to meet the markets of our competitors, wherever they are in the United States; and to do that we must absorb freight. We must be free to sell at delivered prices.

Members of the Federal Trade Commission have assured me, just as the Senator from Louisiana himself stated was his belief, that nothing in the existing law condemns freight absorption per se, when it is not a part of a conspiracy, expressed or implied.

Mr. LONG. Mr. President, will the Senator permit me to answer his statement? He asked me to yield so that he might ask me a question. I shall be happy later to listen to his interpretation.

Mr. O'MAHONEY. I asked the Senator to yield to me for a comment or two. I knew that it was not in accordance with the strict rule of the Senate, but I knew that the Senator was in no danger of losing the floor, so I undertook to make a few observations.

Mr. LONG. I shall be happy to remain and listen to the Senator's interpretation of this subject. I should like briefly to answer the points he has in mind.

In the first place, there is no doubt in my mind that the senior Senator from Wyoming is in all sincerity proposing what he believes to be good legislation. In my opinion, if there were only two Senators in the Senate, the senior Senator from Wyoming and the junior Senator from Louisiana, there would be no doubt that we could arrive at a statute upon which the two of us could agree. Unfortunately, there are many other Senators in the United States Senate——

Mr. MYERS. Unfortunately? [Laughter.]

Mr. LONG. For the purpose of this bill alone.

Mr. O'MAHONEY. Now I understand why the Senator has reached the conclusion which he has expressed on the floor of the Senate.

Mr. LONG. In regard to section 3, it applies to a discrimination which is arrived at for the specific purpose of destroying or eliminating competition. I should judge that would be a very difficult section to administer, because we must look to the purpose in a man's mind.

Mr. O'MAHONEY. I understand that it has been used, and very effectively.

Mr. LONG. I am of the opinion—and I believe I am supported in my opinion by the Representative from Texas [Mr. PATMAN], who was the sponsor of the Robinson-Patman Act—that this legislation would have the effect of absolutely nullifying many of the prohibitions against discrimination. Let me quote from the House committee report——

Mr. O'MAHONEY. May I tell the Senator why I do not think so?

Mr. LONG. Let me complete this point. I quote from the report of the House Judiciary Committee. I shall read only a small excerpt. This statement was made at the time the Kefauver amendment was stricken from the bill. This is the House Judiciary Committee speaking:

> The bill as thus amended makes the meeting of competition in good faith a full defense to a charge of price discrimination.

That is what the House Judiciary Committee thought of this bill when it recommended that the Kefauver amendment be eliminated.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. LUCAS. Mr. President, there is not a single Republican on the floor. It might be a good time, by unanimous consent, to abolish the Republican Party. [Laughter.]

Mr. O'MAHONEY. Mr. President, I rise to point out to the Senator from Illinois that we are all in the hands of a good Republican from Indiana [Mr. CAPEHART], who is now presiding over the Senate.

Mr. LUCAS. I was talking about the Republicans on the floor of the Senate. I appreciate the fact that we have a stalwart in the chair.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. O'MAHONEY. Let me say to the Senator that the sentence which he has just read, when taken out of its context, is, of course, such as to lead to the interpretation for which he is contending.

Mr. LONG. I suggest to the Senator that he try to find anything in the context which is contrary to what I have read.

Mr. O'MAHONEY. I know that the Senator has not taken anything away from the statement, but this is a part of the report on this particular bill, so it must be interpreted within the structure of the bill itself.

I submit that what the author of that report meant to say was that freight absorption and delivered prices, as dealt with in sections 1, 2, and 3 of the bill, with the Kefauver amendment, reestablished that good-faith defense. I agree that that probably would have been the effect of the Kefauver amendment. That is the reason why I accepted the Kefauver amendment, and believed that the Kefauver amendment, or words to that general effect, should be retained. But my point now is that that language is not to be read as indicating that this bill abolishes the Robinson-Patman Act. It does not. It merely says that, in the first place, delivered prices and freight absorption shall not be illegal, and shall not be considered unfair practices under section 5 of the Federal Trade Commission Act; and that, with respect to the Clayton Act, within the terms of sections 2a and 2b, they shall not be in violation of the law when practiced in good faith.

If I could have my way and have section 3 taken out of the bill, and if the bill consisted of sections 1 and 2, and the section on definitions, I think we would have legislation dealing with the fundamental need of industry at this time, which is a clarification of the situation so that businessmen who are acting in good faith, businessmen who want to comply with the law, and businessmen who want to compete, will not be torn asunder in their judgments and prevented from investing capital in building up new competitive industry in the United States by the diverse opinions which have come from the highest authority — attorneys of the Federal Trade Commission saying directly opposite things, the Supreme Court of the United States dividing 4 to 4. When that happens, does it not clearly follow that the businessman who is acting in good faith is not asking too much of Congress when he turns to us and says, "Please clarify this so that I may act"?

Mr. LONG. As I have told the Senator from Wyoming on previous occasions, if all we wanted to do was merely to clarify the law, I would be heartily in accord and ready to go along. But unfortunately, every time I study this bill, I find some very able attorneys who believe, with me, that in section 1 and in section 2, when we eliminate the amendments which it is proposed to strike out, and in section 3 we are going to permit practices which will mean the elimination of competition and the destruction of many small-business people.

So far as the trona industry in Wyoming is concerned, there is no doubt that those engaged in that industry can absorb freight half way around the world if they wish to do so. But if we arrive at the conclusion that that company can absorb freight in such a way that it and its competitors will arrive at an identical price at every point, I think that practice should be outlawed.

Mr. President, those monopolies have been working a long time to escape the enforcement of these laws, and we must work hard to break up this practice.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GRAHAM in the chair). Does the Senator from Louisiana yield to the Senator from Illinois?

Mr. LONG. I yield.

Mr. DOUGLAS. The Senator from Wyoming referred to the 4-to-4 decision by the Supreme Court of the United States. Is it not a fact that that decision was in the Rigid Steel Conduit case, which was decided last spring?

Mr. LONG. That is correct.

Mr. DOUGLAS. And is it not a further fact that in the Cement Institute case the Supreme Court divided 5 to 3? So there was not a completely equal division.

Mr. O'CONOR. Mr. President, if I may interrupt, let me point out that in that case the Supreme Court divided 5 to 1, with two Justices abstaining and one dissenting.

Mr. DOUGLAS. That is even better.

So it was after the decision in the Cement Institute case that the propaganda began to the effect that the law should be changed and that there should be new legislation. So the propaganda arose following the Cement Institute case, did it not?

Mr. LONG. I agree.

Mr. President, all attorneys seem to agree about the meaning of the statute, and their interpretation of it is the same as mine and the same as the one reached by the Senator from Wyoming. When I discussed it with the attorneys in the antitrust section of the Department of Justice, they agreed with my interpretation, too. So where all this alleged confusion can arise, I do not understand.

We must realize that the Steel Trust and the Cement Trust have been hard at work to convince someone else, someone who was a legitimate competitor, that the law should be opened up wide enough to clarify it so as to make them feel safe if they continued their former practices.

Mr. President, if we do not clarify the law so as to permit the continuation of monopolistic practice which has been so prevalent, it will be the biggest disappointment the Steel Trust and the Cement Trust ever have had in their existence.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HUNT. Speaking of the Cement Trust, let ms point out that at Laramie, Wyo., during the war a cement company was organized, and a plant was constructed with an outlay of over $2,500,000. Under the recent decision, the trade area for that plant is limited to a little over 100 miles, an area in which there is no demand for the product of that plant. So if the present law and decisions stand, and if the situation is not corrected by new legislation, the only large cement industry we have in Wyoming will have to go out of business.

Mr. LONG. Mr. President, I wish the Senator from Wyoming could have been here to hear every word of my speech, because if he had, I might have convinced him. But I say to him that I believe someone has been giving him and other persons considerable misinformation in regard to what I propose.

The Supreme Court's declaration is that it is all right to absorb freight if there is competition, but not if there is no competition. In other words, we in Louisiana will be tickled to death to have freight absorption if we are given a little benefit from competition, real competition, competition in prices. But no one seems to know anything about absorbing freight and also giving a competitive price.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. THYE. The farm machinery manufacturers, the manufacturers of road machinery, the manufacturers of refrigerators, and many other manufacturers whom I could mention, are very much concerned with the same question with which the fertilizer manufacturers are confronted. I think there is an absolute need for clarification of the entire question by means of legislation. I said definitely, at the time when the Senate acted on the question the first time, that they had arrived at a very happy and sound decision on the entire question.

Mr. LONG. Mr. President, I have here a Law Review article which is very clear. I do not believe any attorney who reads that article could fail to have a rather clear understanding of what the statutes mean, as interpreted by the Supreme Court. I believe that anyone who would read the book by Dr. Machlup would have a clear understanding of what the law is.

So, Mr. President, it seems to me that the issue here is, Are we going to "clarify" the law in such a way as to allow the basing-point system to slip through it, or are we going to outlaw the basing-point system, in order to gain the benefits of competitive American enterprise?

The Steel Trust and the Cement Trust are praying from day to day that they will succeed in obtaining the passage of a law which will "let them in." But so far as the individual business people are concerned, I have yet to find one legitimate independent businessman who has asked me to vote for Senate bill 1008.

Mr. President, I yield the floor.

Mr. O'MAHONEY. Mr. President, if the Senator will pardon me for a moment, I should like to refer to the TNEC report from which the Senator has quoted. The Senator from Louisiana was kind enough to refer to the recommendation of the Temporary National Economic Committee with respect to the outlawing of the basing-point system. It was significant, by reason of the fact that I was chairman of the TNEC and I agreed to that recommendation.

The Senator from Louisiana apparently was under the impression that the recommendation was such that I met myself coming back when I presented this bill. Mr. President, I do not interpret it in that fashion at all.

Has the Senator read the specific language which I wrote into that report, namely, that it would be necessary, in any legislation to outlaw the basing-point system per se, to prescribe a period of time during which industry might readjust itself to the change? The Senator will recall that language, I am sure. It was written there because I realized, and the TNEC realized, that if an order or directive or decision of the Court were rendered which compelled an immediate change, it would have an adverse effect upon our economy.

The point here is that in the interpretations of the law which were handed down by Mr. Wooden, when he said that the only safe practice for an industry to pursue now was to adopt the mill net as a pricing system, that was a declaration that the system must be changed overnight. I submit, Mr. President, that the bill does not change the system at all. It leaves it still for Congress to enact any legislation it pleases.

With respect to the basing-point system itself, as has been said here today, it is an utter and complete misnomer to refer to this bill as a basing-point bill. It is not. It is a bill designed to say in simple language—and I think it does say in simple language—that the independent adoption of absorption of freight, or the independent adoption of delivered prices, when not a part of a monopolistic scheme is not in violation of law. The Kefauver amendment made that, I thought, particularly clear with respect to sections 2 and 3, and that was the reason I accepted it upon the floor and gladly, in order to take it to conference.

I hope that when the bill goes to conference it will come out with the Kefauver amendment, or with language which does substantially the same thing, because the purpose was to attain two objectives; first, to make it clear to men of good will that what the Senator from Louisiana says and what I say and what members of the Federal Trade Commission have said, that the independent absorption of freight, the independent absorption of a delivered pricing system, is not a violation of law; and secondly, that it will make it clear to the monopolists that in so declaring, we are not opening the door to monopolistic practices, and we intend to make certain that the anti-monopoly laws shall be enforced against every conspiracy, express or implied, to exploit the people of the United States.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LONG. If I still have the floor, I will answer the Senator's statement, before I yield. I would say that in my opinion the bill legalizes the basing-point system, unless a conspiracy is proved. I see nothing in the bill any different from the Sherman Antitrust Act, that would create a presumption that even identical bids mean that the bidders are in a conspiracy. If it is in the bill I should like to find it.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. CAPEHART. I believe the Senator has stated he has not received any requests from the so-called small-business men of his State, and I am not certain whether he made any reference to——

Mr. LONG. I have not received any requests from any small-business men who are vitally interested in this bill. I have received communications only from cement companies, from the paper companies, the paper mills in my region, and also from certain labor organizations, who have been prompted by the paper companies to write me on behalf of labor, telling me of their fear that the paper mill is going to move out. All I can say is, if they are going to leave all that wonderful timberland in that area, I should like to let some of my friends know it, so they can have a chance to buy some of it.

Mr. CAPEHART. Does the Senator recognize the following-named unions in his State, who either wrote letters or sent telegrams, or appeared in person before the Committee on Interstate and Foreign Commerce?

Foreman's Local Wire Mill, 515, Bastrop, La.

International Association of Machinists, Webster Local Lodge 1036, Springhill, La.

International Brotherhood of Electrical Workers, Local 1390, Springhill, La.

Mr. LONG. They are all from Springhill and Bastrop.

Mr. CAPEHART. I continue:

International Brotherhood of Paper Makers, Local 382, Bastrop, La.

International Brotherhood of Paper Makers, Local 398, Springhill, La.

International Brotherhood Pulp, Sulphite, and Paper Mill Workers' Union, Local 437, Springhill, La.

Local Union 610, Springhill, La.

Pelican Local 408, Bastrop, La.

Mr. LONG. I can explain that very easily. I am certainly glad the Senator raised that question. Reference is made to Bastrop and Springhill, La., where the International Paper Co. has two of its greatest and most profitable mills. I had to write those people, because they wrote me. I say no small-business man has written me about this. Those are labor organizations. They represent men who work for the paper companies, men who fear the paper companies will leave Louisiana if this bill is not passed legalizing the basing-point system.

I know about the paper company, for I attended its centennial celebration last fall. Those mills are the most profitable in the world. I do not think the paper companies are going to move away from the most profitable mills in the world. Personally, I am willing to call their bluff.

In my State there is a severance tax, which is not required in other States. When we levied the tax, certain oil companies said they would pull up their tubing and piping and leave Louisiana. They did not leave. But I wish to compliment the paper company on being able to get the laboring people to write. They have such wonderful relations with their unions that they can get the unions to stooge for them, get them to write to me, left and right, send an absolute deluge of telegrams, in which the labor unions plead for us to save and preserve the monopolistic pricing system under which American consumers are being robbed every day. The same people are located at Bastrop and Springhill, where there are two enormously profitable paper mills. I am proud to have them in my State. I wish we had more like them. But, so far as the effect of the law is concerned, the complaint is not a legitimate one. The letter-writing campaign has been promoted by the very same people, and I believe we could actually find that some of those who have written these letters to me and to other Senators would be willing to concede that the letters were written at the instigation of the International Paper Co.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LONG. I yield for a further question.

Mr. CAPEHART. Does the Senator feel that, if those two paper mills in those towns were denied the right to absorb freight, they would be able to compete in the markets of New England, the Chicago market, and elsewhere, with mills located in those areas?

Mr. LONG. Certainly. As a matter of fact, I should be glad to give the Senator a very interesting example of what happens there, with respect to these mills. I am not sure they are doing it now, but it has been a practice in the country for many years, although I could not say these particular mills follow the practice. The manufacturers of paper can take their raw paper and make cardboard out of it. They must pay for a long haul in order to get their products to market. They say to a man, "If you locate in New York or around St. Louis, we will absorb the freight. The man in St. Louis or in New York will pay the same price and sell for the same price that you could if you were right across from our plant entrance." So, what do they do? They take this semiprocessed material, ship it north, and absorb the freight. That makes our State a very poor location for a processor of the crude paper manufactured by the company. Absorbing the freight to points north, gives northern processors the advantage.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. THYE. I believe the Senator from Louisiana said he had not heard from any small-business men. Is that correct?

Mr. LONG. Not in favor of the bill.

Mr. THYE. I want to say to the Senator from Louisiana I have heard from the manufacturers in my State and in adjoining States. I have heard from manufacturers of culverts in my State and adjoining States. I have heard from the manufacturers of implements. I have heard from the manufacturers of fertilizer. I have heard from numerous other small-business men in my State, who say, "Unless the question is clarified, we are going to have nothing but a chaotic reshuffling of businessmen in the United States." And it will be chaotic, too.

Mr. LONG. If the Senator would like to read a courageous statement by a labor representative, I suggest he look into the Senate hearings on this bill, where a representative of the steel workers says the men are being told the industries will be moved all over the world. For example, a representative of the CIO steel workers came before the committee, in favor of the bill, and when he was asked, "Why is it that a lot of these little steel producers are in favor of this bill?" He said they were under pressure to do that.

Mr. CAPEHART. Is the Senator referring to Brubaker?

Mr. LONG. That was Brubaker's statement. That is correct.

Mr. CAPEHART. If the Senator wanted to tell the whole story, I am sure——

Mr. LONG. I certainly would like the Senator to assist me.

Mr. CAPEHART. The Senator would say that when Brubaker finished his statement, in answer to a question from me as to whether he was in favor of permitting the seller to absorb freight, equalize freight, or to pay all the freight, his answer was, "Yes; of course." He was in favor of it.

That is all in the world we are trying to do by means of this bill. That is all anybody has had any intention of doing.

If there is anything written into the bill other than that, it should be taken out. The author of the bill is a great lawyer. He should know what he is doing. I defy anyone to prove that anyone connected with the legislation has not had the most honest motive, and that was to clarify the law so that the big-business man and the little-business man could know whether they could or could not absorb freight. That is the whole problem. Mr. Brubaker, in direct answer to my question, said he was in favor of permitting every seller to absorb and equalize freight.

Mr. LONG. I would not question Mr. Brubaker's statement. I do not want to put words into his mouth, but I would personally interpret them to mean that he interprets the law just as I do, and that is that one can do just as much absorption as he wants to, so long as it is not done in such a manner that it amounts to price fixing.

The International Paper Co. is one of the giant beneficiaries of the monopolistic basing-point system, and it is wild to get the bill passed. It will not recommend it to me, because it might arouse my suspicion. So they will get every labor union in the State to contact me.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBERTSON. When this bill was before the Senate, the Senator from Wyoming [Mr. O'MAHONEY] took an active part, and he finally accepted an amendment offered by the Senator from Tennessee [Mr. KEFAUVER]. I assumed that those two Senators, who had given much more time, thought, and study to the subject than I had, had a bill which would fully protect from any violations of the antitrust laws.

Will the Senator tell us, if he knows, the present position of the Senator from Wyoming, as to whether we should adopt the House amendments and not send the bill to conference, or whether he would prefer to send the bill to conference?

Mr. LONG. I was working with the Senator from Wyoming [Mr. O'MAHONEY] and I thought there was a fairly good prospect that we could work out something on which he and I could agree. I did not know whether any other Senators would agree, but just about that time, prior to sending the bill to conference, without any notice, the distinguished Senator from Nevada [Mr. MCCARRAN] had the bill sent to conference.

Mr. ROBERTSON. Will the Senator give me a direct answer to my question as to the present attitude of the Senator from Wyoming?

Mr. LONG. I suppose the Senator from Wyoming would like to see the bill go to conference; I do not know. I should like to see a vote taken on the floor of the Senate. There has never been a yea-and-nay vote on the bill, which I consider a violation of the party pledge. We amended the bill, and I had to make a special speech to let it be known that I had not voted for the bill. I hope that this time we may have a yea-and-nay vote on it.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. LONG. I yield the floor.

Mr. MYERS. Mr. President, first, I should like to compliment the very able Senator from Louisiana on his magnificent presentation of the subject. I assure the Senator that I share his views with regard to monopoly, and I share his view that the antitrust laws certainly should be strengthened and not weakened. However, I disagree with him in his particular view on this proposed legislation and what the results will be.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MYERS. I yield.

Mr. LUCAS. I should like to make one observation. I hope the Senator will permit questions only, instead of permitting Senators to make speeches in his time. There have been 4 hours of debate, and one Senator has held the floor all that time and has been kind enough to yield to other Senators who have made long speeches in his time.

Mr. MYERS. I shall certainly try to abide by the admonition of the majority leader. Unfortunately, I must leave for Pittsburgh, Pa., the scene of much of this controversy, late this afternoon, in order to attend the annual State convention of the American Legion, Department of Pennsylvania, and therefore I may not be present if there is a yea-and-nay vote late this afternoon or tomorrow, as has been suggested by the junior Senator from Louisiana. But in order that my position may be made clear, I think I should take a little time to present my views on this proposed legislation.

Mr. President, the issue before the Senate is whether or not Senate bill 1008, the so-called basing-point bill, is to be accepted by the Senate in the amended version which passed the House, or whether the bill is to go to conference where differences in the Senate and House versions can be resolved and a compromise reached.

I think it might be appropriate at this time to give a very brief résumé of what has happened on this legislation up to now. The need for clarification of the antitrust laws was strongly indicated more than a year ago in the opinions of members of the Supreme Court in the Cement Institute case where a group of cement manufacturers were held guilty of antitrust violations for systematic use of freight-absorption practices for the purpose of establishing identical delivered prices under an agreement which was held to be clearly collusive—held to be a conspiracy in restraint of trade.

The issue in that case was not whether the independent use of delivered pricing including freight absorption was or was not illegal. The issue was collusion. The issue was conspiracy. The issue was identical pricing resulting from such collusion and conspiracy. Delivered pricing and freight absorption

entered into the case only insofar as they were instruments in effectuating an identical price conspiracy.

That was the issue in the case, the whole issue. However, in handing down its opinion in the case, the court made several broad statements under the heading of dicta, casting a cloud over the probable legality of delivered pricing involving freight absorption.

Immediately after this decision came down a wave of concern swept over much of the business world, the manufacturing world, as to the direction in which the Court might be heading on this issue. Speculative interpretations ranged so far beyond the Court's decision as to imply that the Court would eventually find to be illegal any and all instances of freight absorption involved in delivered prices—in other words—mandatory f. o. b. mill net pricing. Much of the steel industry, which up to then had been absorbing freight, changed over to a straight f. o. b. pricing system.

It was a good time for the steel industry, from the standpoint of its own profits, to adopt such a policy whether the policy was in fact one which would be required by the force of law in subsequent Supreme Court decisions. Steel was still scarce, and there was a terrific seller's market. By converting to mill net pricing, the freight costs, which steel had been absorbing out of profits, were passed on in full to the consumer, and the profit per unit of steel rose accordingly.

The Senate took cognizance of the situation, of the confusion engendered by various interpretations of the Supreme Court attitude, by establishing a subcommittee of the Senate Committee on Interstate and Foreign Commerce, to investigate the whole problem. Hearings were held during a great portion of last year. It is interesting to note that most of the witnesses who appeared before the subcommittee directed their testimony largely to the point that mandatory f. o. b. pricing or prohibitions against any and all freight absorptions would lead to a great geographic upheaval and to serious harm to innumerable individual firms.

In the meantime, the Seventh Circuit Court of Appeals handed down a decision in the Rigid Steel Conduit case which held, among other things, that a number of firms, not parties to a conspiracy as such, were guilty, however, of antitrust-law violations for having absorbed freight in order to match the delivered prices of competitors in various market areas. The circuit court held that in matching the competitors' prices, which were allegedly fixed through collusive agreement, the firms not parties to the agreement itself were participating in a general plan to restrain trade. I might say, in passing, that the Antitrust Division of the Department of Justice had indicated last year that it did not believe any new legislation was necessary, at least until such time as the Supreme Court should pass upon the Steel Conduit case.

When this circuit court decision came down, the drive for clarification of the antitrust laws on this matter of freight absorption reached a new pitch, and new hearings were conducted by the Senate subcommittee early this year.

It was at that point that I introduced S. 1008 as a moratorium against any antitrust prosecutions for good faith, independent, noncollusive freight absorption practices. The purpose behind that moratorium bill was twofold: To reassure businesses built on a delivered pricing foundation involving freight absorption that if their pricing methods were in fact independent and noncollusive they had no fear of antitrust prosecutions therefrom during the operation of the moratorium; at the same time giving the Congress a specified period—I suggested 2 years—in which to make a thoroughgoing review of our patchwork of antitrust laws for the purpose of determining where they overlapped and where they stood in conflict.

S. 1008 was introduced after it had become obvious to me and to many others interested in this issue that permanent legislation seeking to deal with the specific problem of freight absorption appeared impossible of enactment in this session. It appeared obvious at that time, I might note, that no suitable language was available which was satisfactory both in clarifying the freight absorption issue and also in protecting the antitrust laws against dangerous weakening.

S. 1008 was introduced, not because permanent legislation was not desirable, but because there seemed to be no way of resolving the conflicts over the language of such legislation.

I felt, and many Senators agreed with me—and the Department of Justice believed, too—that the Supreme Court would dispose of many of our questions in connection with this matter in reviewing the seventh circuit court decision in the Rigid Steel case.

The moratorium, as much as anything else, was designed to allow the court to hand down that decision without leaving a vacuum on the matter of freight absorption in the interim period. S. 1008, which had first been approved by the Commerce Committee, was subsequently reported favorably by the Senate Judiciary Committee, just about an hour or so before the Supreme Court announced its vote in the Rigid Steel case. That vote, it will be recalled, was an even split of 4 to 4, with Justice Jackson not participating. As a result of the High Court's failure to decide the issue, the circuit court decision became controlling.

I have no intention today of reviewing the complexities of the various decisions and opinions bearing on this issue and on side issues injected into the matter by decisions of the seventh circuit in the Standard Oil of Indiana case and of the first circuit in the Tag Manufacturers case. All I need say, I think, is that there is now, as of this moment, complete and utter indecision and conflict among the courts as to the legality of independent actions among firms in competing among themselves in distant markets, pricewise, through the use of delivered pricing involving freight absorption.

Mr. LONG. Mr. President, will the Senator from Pennsylvania yield?

Mr. MYERS. Certainly.

Mr. LONG. According to what I quoted from the Loyola Law Review, as well as the official declaration of the Federal Trade Commission, it is my understanding that as yet not one businessman has been prosecuted who was independently, and in the absence of collusion, absorbing freight; that all prosecutions occurred in instances in which there actually was collusion, but that it was necessary to prove some of that collusion by the effect of what was being done rather than by actually finding a monopolistic agreement signed by the parties. Does the Senator know of any independent person who has ever been prosecuted before the Federal courts, or before the Federal Trade Commission, when he was actually independently, and in good faith, absorbing freight?

Mr. MYERS. Of course not—as yet.

Mr. LONG. Then what is the Senator worried about?

Mr. MYERS. We have to worry about the future. Of course there have been no such prosecutions. But in the Seventh Circuit Court case itself, the Steel Conduit case, I repeat, the court held that in matching commodity prices which were fixed through collusive agreement the firms, though not parties to the agreement itself, were participating in a general plan of restraining trade. So the language of all these decisions, I think everyone must admit, is confusing.

I may say that I have a great respect for the Antitrust Division of the Department of Justice. They have been severely criticized by many foes of antitrust laws, and many advocates of monopoly throughout the country, for their prosecutions, and for their attempt to give effect to the antitrust laws. I think the Antitrust Division of the Department of Justice deserves high praise. Yet the Antitrust Division has said there is need for some clarification, and they have no objection to this bill. They have not come before the committees and objected to the proposed legislation. In every instance of legislation which is termed an attempt to break down the antitrust laws we have found the Department of Justice before the congressional committees protesting, and objecting to such legislation. They have not done that in this case.

There has been discussion of lawyers. I have great respect and regard for the lawyers of the Department of Justice, and I am willing to take their word that the proposed legislation in nowise breaks down the antitrust laws or weakens them, or gives any great hope to the monopolistic interests of America, as the junior Senator from Louisiana thinks the legislation does.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MYERS. Certainly.

Mr. LONG. Does the Senator agree with that phase of the committee report of the House Committee on the Judiciary in which it was stated that they proposed to make the defense of meeting competition in good faith a complete defense to a charge of discrimination that would lessen, reduce, or destroy competition?

Mr. MYERS. If the Senator will hear me out, he will know that I have no objection to the Kefauver amendment and no objection to the Carroll amendment, but I think the bill should go to conference, and should be worked out there. I am not in disagreement with the Senator in that respect.

Mr. LONG. Does the Senator know that the leading attorney for the Antitrust Division of the Department of Justice went before the House Committee on the Judiciary and actually recommended that the Kefauver amendment be stricken from the bill, which that committee used as a basis for recommending striking the amendment? And does the Senator know that the House would not hear to that on the floor of the House? In the light of those facts, they felt that to strike that amendment and refuse to accept the Carroll amendment would mean discrimination which would destroy a great deal of small business.

Mr. MYERS. I have a high regard for Mr. Bergson; I think he is a high-class public servant, and has been a "trust buster." I am not familiar with the testimony before the House committee. But I am not arguing against the Kefauver amendment or the Carroll amendment, as the Senator will find if he will hear me out. But I believe the bill should go to conference, because there are such deep cleavages on both sides. I do not think the conferees will seek to take advantage of those who are propounding the theory of the Senator from Louisiana or the Senator from Tennessee. I have confidence in the conferees who will be appointed, and I am sure they will bring back a bill which may very well clarify all these matters which disturb some of us so much.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. MYERS. Certainly.

Mr. KEFAUVER. As I understand the Senator, he does not feel then that section 1 of the bill would do away with the use of economic evidence as proof of violation of antitrust laws?

Mr. MYERS. No.

Mr. KEFAUVER. That is, the Senator feels that evidence that companies are quoting the same prices down to the fraction of a cent, or that they put out rate books to cover their operations, or other evidence which is necessary in order to prove a case of this kind, would still be the basis for proof of violation of the Federal Trade Commission Act?

Mr. MYERS. Certainly. I think the Court was absolutely correct in the Cement case. There is no doubt there was collusion in that case.

Mr. KEFAUVER. I take it the Senator also feels that oppressive actions, or monopolistic actions, or actions in restraint of trade, or actions of "price leader" type that would set the pattern for others to follow, and which others would follow, and other price-restraining practices are also to be included in the prohibitions carried in section 1 of the bill?

Mr. MYERS. Mr. President, I do not know that I fully understand the Senator's question.

Mr. O'MAHONEY. Mr. President, will the Senator yield so I may attempt to make an answer to it?

Mr. MYERS. I yield.

Mr. O'MAHONEY. I will say to the Senator from Tennessee that in my opinion the proviso in section 1 would certainly maintain the situation as it exists at this moment with respect to any sort of a combination or agreement or understanding which would be in restraint of trade or to fix prices. I think it is in error to imagine that in order to prove an agreement it is necessary to prove a written agreement. Agreements from time immemorial have been oral as well as written, and if there be an oral agreement to violate the antitrust laws, to restrain trade, to fix prices, to engage upon any oppressive practice, any evidence to show that such a conspiracy or combination existed, even though there was not a line of writing, would be perfectly acceptable.

Mr. KEFAUVER. I appreciate the observation of the distinguished Senator from Wyoming. I take it the Senator from Pennsylvania agrees that in respect to restraints of trade or monopolistic practices there very seldom is anything in writing; that such practices are always worked out orally or by following a common pattern.

Mr. MYERS. That is very true.

Mr. KEFAUVER. And there is no intention in section 1 to prohibit the making out of cases of violation of the antitrust laws on the basis of economic evidence? Is that correct?

Mr. MYERS. Yes.

Mr. KEFAUVER. Section 1 provides:

> It shall not be an unfair method of competition or an unfair or deceptive act or practice for a seller, acting independently, to quote or sell at delivered prices or to absorb freight.

Then follows a brief proviso:

> *Provided*, That this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice, carried out by or involving the use of delivered prices or freight absorption.

I take it the distinguished Senator from Pennsylvania does not want to make lawful anything that is now prohibited by the Robinson-Patman Act or the Sherman Antitrust Act or the Clayton Antitrust Act or the Federal Trade Commission Act?

Mr. MYERS. I certainly share the views of the junior Senator from Tennessee in that respect.

Mr. KEFAUVER. And that this prohibition against certain actions is wide enough to cover any type of activity which might be condemned or prohibited by the language I have just read?

Mr. MYERS. Yes, absolutely.

Mr. KEFAUVER. The distinguished Senator spoke of the difference between the House and the Senate amendments on the theory that those differences and the cleavage, are so great that the bill should be sent to conference.

Mr. MYERS. No. The Senator misinterpreted my remarks. I mean the cleavage is so great—and I will come to that point in a moment—that some are of the opinion that unless the House amendments are accepted we should have no bill, and others are of the opinion that unless the bill goes to conference and the Carroll amendment or the Kefauver amendment are stricken out, we would be better off without a bill. I am not speaking of the differences between the Kefauver and the Carroll amendments.

Mr. KEFAUVER. I understood that the Senator some time back said he was of the opinion that the House amendments ought to be accepted, and that they were satisfactory.

Mr. MYERS. No, I did not say that. I said that I had no particular objection to those amendments, but I think in order to get legislation during the present session of Congress the bill should be sent to conference. I am coming to that in a few moments, and I desire to address myself to this subject for only a few minutes more.

Mr. KEFAUVER. I thank the Senator.

Mr. MYERS. It is all right for individual lawyers to have their own individual views as to the necessity or lack of necessity for clarifying legislation. It is not all right, however, when business engaging over long years in certain methods of pricing—I refer to independent pricing, independent freight absorption—always heretofore regarded as legal, cannot have any definite assurances, that is binding assurances, that such practices are in fact legal today.

Largely because of the initiative—I am still continuing on the history of the legislation—and enterprise of the Senator from Wyoming [Mr. O'MAHONEY] regarded as the outstanding foe of monopoly in the United States Senate, and the willingness of other Senators, such as the chairman of the Senate Committee on Interstate and Foreign Commerce, the Senator from Colorado [Mr. JOHNSON], the Senator from Maryland [Mr. O'CONOR], who reported S. 1008 on behalf of the Senate Judiciary Committee—that is the original moratorium bill—the chairman of that committee [Mr. MCCARRAN], myself, and several others, to sit down together and thrash this problem out, we were able to agree on substitute permanent type legislative language for the moratorium bill. The language may not have been the proper language; probably other phraseology would have been preferable, but the purpose of the language was clear enough to clarify the legality of good faith, independent, noncollusive, competitive, freight-absorption practices. There is and was no intention whatsoever to kill, cripple, or weaken the basic structure of the Robinson-Patman Act or the Sherman or Clayton Acts. The effort was to save the essential purposes of those historic acts by assuring them sufficient flexibility in a fluid and expanding economy. Rigidity, lack of flexibility, would do more to kill those laws to protect small business and the consumer against monopoly than any bill such as S. 1008. Our laws must not only be drawn to accomplish a desirable purpose; they must be drawn so that they can operate in a practical and reasonable manner. Otherwise, faults here or there based on inflexibility and unreasonable

devotion to a word or phrase in all of its twisting and tortured legal construction, inspire and fortify malicious attempts to destroy the basic law itself.

We have no desire and no intention of accomplishing any such thing.

When the amended version of S. 1008, representing the O'Mahoney substitute was before us for a final vote, amendments were submitted designed to prevent the language of this legislation from being interpreted as a death blow to the basic principles of the Robinson-Patman Act having to do with price discriminations and monopolistic attacks on the ability of small business to compete with big business through illegal discounts and discrimination. That language was agreed to in the Senate after explanatory debate. The bill went to the House.

The House Judiciary Committee struck out this additional language dealing with the Robinson-Patman Act on the grounds that it was unnecessary in accomplishing the purpose it sought to assure, and, further, that it would lead to new confusions and indecision. The House refused to accept the committee's recommendations. In addition to insisting that Robinson-Patman Act guaranties be written into the bill, the House adopted new and more far-reaching language on this matter.

Today we have a determined attempt to persuade the Senate to agree completely with the language inserted on the House floor and to pass the bill in final form as it passed the House.

I oppose that procedure. I oppose it because I am convinced that the House language, as it presently stands, is not sufficiently clear, and carries in it implications perhaps not desired by its sponsors but which point to grave and serious conflicts.

I have received from individual businessmen in Pennsylvania, from firms which are importantly involved in this matter of freight absorption, flat statements that S. 1008, as amended by the House, would be worse than no bill at all.

Contrariwise, I have received from numerous small-business men throughout the State flat and unyielding assertions that unless the House version is agreed to by the Senate, S. 1008 must be killed.

Both sides, I believe, take extremist views. Yet both are based, I am sure, on good legal advice. Obviously, good lawyers disagree violently on a matter which some among us here today seek to persuade us is a clear and simple thing.

I shall not be present late this afternoon or tomorrow when the roll is called. As I have said, I must attend the American Legion State convention in the western part of my State. But if I were present I would vote to send this bill to conference because I have faith in the democratic processes of American constitutional government. I believe that by refusing to accept the House language, and by sending the bill to conference, the Senate will not be striking a blow at small business, killing the Robinson-Patman Act, or inviting monopoly to exercise its power over all American enterprise.

Quite the contrary. I think the conferees, under the stress of a need for agreement and for compromise, will come forward with language which they and we can be sure accomplishes the purposes which all of us seek to accomplish in this legislation—to clarify the issue of independent freight absorption for purposes of competition in distant markets, while at the same time guaranteeing the essential protection of the Robinson-Patman Act against a back-door assassination.

Any Senator who maintained that a conference committee could not be trusted to look into this matter carefully, objectively, and honestly would be implying, I think, that the congressional form of government in the United States cannot work in the public interest. I am sure no Senator believes that either House should dictate to the other. I am sure that no Member of the Congress believes that the action of either House must be compelling for no other cause than lack of confidence in the system of conference resolving our differences.

Therefore I say, let us send the bill to conference, and let the conferees bend their energies to the formulation of language which means exactly what all of us want it to mean, which carries in it no hidden jokers, no undesirable implications. Certainly, with the progress that has already been made resolving the conflicts in this legislation up until now, through give and take, and through an honest effort to work together in resolving a complex matter, conferees can reach such an agreement.

If the conference report does not satisfy us, if the conference report can be interpreted by businesses engaging in freight absorption honestly and legitimately as a blow at their legitimate methods of pricing; if the conference agreement on the other hand can be interpreted by small business as tearing the guts out of the Robinson-Patman Act prohibitions against unfair price discrimination, then both the House and the Senate will once again have the opportunity to debate the issue fully and to thrash out the merits of the conference agreement. The conference report can be accepted or rejected. If rejected, the conferees can be sent back to work a second time. There is protection here for all sides in sending the bill to a conference. There is on the other hand no protection by agreement to the House version at this time for those who maintain that the unclear language of the House bill threatens us with another merry-go-round of indecision, chaos, and confusion.

Mr. DOUGLAS obtained the floor.

Mr. LONG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Chapman	Ecton
Anderson	Chavez	Ellender
Baldwin	Connally	Ferguson
Brewster	Cordon	Flanders
Bridges	Donnell	Frear
Butler	Douglas	Fulbright
Byrd	Downey	George
Cain	Dulles	Gillette
Capehart	Eastland	Graham
Green	Lucas	Robertson
Gurney	McCarran	Russell
Hayden	McCarthy	Saltonstall
Hendrickson	McClellan	Schoeppel
Hickenlooper	McFarland	Smith, Maine
Hill	McGrath	Smith, N. J.
Hoey	McKellar	Sparkman
Holland	McMahon	Stennis
Humphrey	Magnuson	Taft
Hunt	Malone	Taylor
Ives	Martin	Thomas, Okla.
Jenner	Maybank	Thomas, Utah
Johnson, Colo.	Miller	Thye
Johnson, Tex.	Millikin	Tobey
Johnston, S. C.	Morse	Tydings
Kefauver	Mundt	Vandenberg
Kem	Murray	Watkins
Kerr	Myers	Wherry
Kilgore	Neely	Wiley
Knowland	O'Conor	Williams
Langer	O'Mahoney	Young
Lodge	Pepper	
Long	Reed	

The PRESIDING OFFICER. A quorum is present.

Mr. LUCAS. Mr. President, will my colleague yield, to permit me to propound a unanimous-consent request?

Mr. DOUGLAS. I yield.

Mr. LUCAS. I ask unanimous consent that at not later than 2 p. m. tomorrow the Senate proceed to vote, without further debate, upon the pending motion to reconsider the vote sending Senate bill 1008, the basing-point bill, to conference.

Mr. HILL. Mr. President, reserving the right to object, let me inquire whether the distinguished majority leader has talked to the junior Senator from Tennessee [Mr. KEFAUVER] about this matter.

Mr. LUCAS. No, I have not; but we have just had a quorum call.

Mr. HILL. I know he is anxious to speak on this subject. He is just outside the Chamber, with some constituents, I understand.

I wonder whether the Senator from Illinois will withhold the request until the junior Senator from Tennessee is present.

Mr. LUCAS. I understood that the Senator from Tennessee would probably speak for an hour or an hour and a half. I believe. Is that correct?

Mr. DOUGLAS. That is my understanding.

Mr. HILL. I do not wish to object, Mr. President; but I am sure the junior Senator from Illinois will be glad to yield at any time, so that the request may be renewed, after the junior Senator from Tennessee can be consulted.

Mr. DOUGLAS. Yes; I shall be glad to yield at any time.

Mr. LUCAS. Very well; I withhold the request.

Mr. DOUGLAS. Mr. President, I rise to support the motion of the junior Senator from Louisiana to reconsider the vote of the Senate on the motion of the Senator from Nevada on the basing-point bill, by which the bill was sent to conference. I wish to say that I think the entire Senate and the entire country owe a great debt of gratitude to the distinguished junior Senator from Louisiana [Mr. LONG] for the energetic way in which he has addressed himself to this issue and for the extraordinarily able speech he has made on it today. If this motion of Senator Long is approved, as I hope it will be, I plan to move then that the Senate refuse to agree to the

House amendments and refuse to appoint conferees. I shall do so because although I think the so-called Carroll amendments do appreciably improve Senate bill 1008, nevertheless even with the Carroll amendments so much opportunity will be afforded for violations of the Sherman antitrust law, the Federal Trade Commission Act, the Robinson-Patman Act, and the Clayton Act, that I think we would be better off without any bill at all.

Of course, if my motion were to prevail, that would have the effect of killing the bill and leaving matters in their present form.

I do not believe either the Congress or the people of the United States are completely aware of the consequences of this proposed legislation. Most of us, I am sure, have strong opinions in favor of our antitrust laws—the Sherman Act, the Clayton Act, the Federal Trade Commission Act, and the Robinson-Patman Act. Yet I am convinced that the passage of this proposed legislation would be not only a major set-back to small business and to our antitrust policies, but also a resounding victory for the monopolists and the cartels. Why? Because it would make legal one of the handiest of monopolistic weapons, a club which could be wielded by big business to keep their smaller competitors under control and to destroy any semblance of price competition in many areas.

The parliamentary history of this bill was discussed earlier in the afternoon, and I do not propose to go into it in too great detail.

When the Senate was first confronted with this issue, it was in the form of the original S. 1008, the price practices moratorium bill. This bill was vigorously attacked by the junior Senator from Oregon [Mr. MORSE] and the senior Senator from North Dakota [Mr. LANGER]. These remarks were directed against the original bill, however, and were not completely applicable to later developments.

The distinguished Senator from Wyoming [Mr. O'MAHONEY] then offered his substitute which was principally intended to legalize these pricing practices in question so long as there was no evidence of collusion. After some discussion, primarily with the junior Senator from Louisiana [Mr. LONG] and the junior Senator from Tennessee [Mr. KEFAUVER], the Kefauver amendments were accepted and the bill was passed by a voice vote. It passed without the benefit of either a quorum call or a roll call.

Mr. President, I am discussing this now because we did not have adequate time on June 1 to debate and to comprehend the substitute measure proposed by the able Senator from Wyoming. I want to make it clear that I understand and thoroughly appreciate the worthy motives which caused our distinguished colleague to offer his substitute. I am sure that he wanted to prevent outright conspiracies of different firms to fix prices through the basing-point system and at the same time to legitimatize the practice of many competitive concerns in charging uniform prices in different sections of the country and of absorbing differing transportation costs in order to do this.

PRICING PRACTICES WHERE QUALITY COMPETITION EXISTS

I am convinced—and say this with all the emphasis I can command—that the Senator from Wyoming was acting in good faith in what he was seeking to do. What I think he was trying to do was to take care of the following situation:

There are numerous trade-marked products which are advertised for sale to ultimate consumers and to retailers in different parts of the country at the same price all over the country. This is done even though the goods are shipped different distances, have to pay differing transportation costs and hence net the manufacturers differing amounts at the mill. Examples of this are Hershey bars, which sell for a nickel or a dime all over the country, though made in Pennsylvania; chewing gums, cigars, soap, cosmetics, drugs, shirts, soft drinks, and so forth.

Now, I think it should be realized that nearly all of these items are trademarked, and sold with a great deal of national advertising. Furthermore, these items are subject to intense quality competition with rival products, as well as price competition, and I do not think that competition is appreciably reduced because of the practice of having prices uniform over the country for that particular product, even at different places of sale. To have Hershey bars sell for a nickel in far-off Seattle as well as in nearby Harrisburg does not really interfere with competition. For the Hershey bars compete both in quality and in price with other chocolate candies, with gum, and with many other candies as well. This is true of other trade-marked products.

PRICING PRACTICES IN STANDARD COMMODITIES A DIFFERENT STORY

But, as a matter of fact, the Federal Trade Commission has never proceeded against such uniform prices of trademarked products, and there is no prospect that it ever will. The whole furor that has been aroused amongst the producers of these trade-marked consumer goods has as a matter of fact been artificially created by a very different set of producers.

These are groups who have been stifling price competition between firms in thoroughly standardized commodities where there is little or no quality competition and where competition in price is about the only competition that matters. These are goods such as steel, cement, lead, steel pipe and conduits, corn sirup, beet sugar, some forms of lumber, and brass, and other things I could add. It is among these groups that the Federal Trade Commission has moved to protect competition and the ultimate consumers. It is these groups who, in turn, have stirred up a hornet's nest, and who are fighting behind the skirts of such trade-marked products as the Hershey bar to legitimatize their own monopolistic pricing policies. If I may commit something of an Irish bull, I would say that steel and cement are indeed hiding behind the skirts of the Hershey bar.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. CAPEHART. Why are not steel and cement entitled to as much protection under the law as are Hershey bars?

Mr. DOUGLAS. I have tried to say Hershey bars are trade-marked; they compete with other confections; they do not cover the full range of candy products, and there is competition therefore in the whole field of candy and chocolate; but in the case of steel, what we have is a standardized product where quality differences do not exist, where the only competition we could have would be on the basis of price, and where we have, as I think I shall be able to show, if the Senator will be good enough to let me continue, a combination between all the producers of steel to charge identical prices within a given locality, not uniform prices all over the country, but identical prices within a given locality.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. CAPEHART. The Senator, by his own admission, referring I suppose to homogeneous items, such as steel and cement, has suggested that the only possible way they can compete is on price.

Mr. DOUGLAS. That is correct.

Mr. CAPEHART. They are all the same, therefore they should all sell at the same price, should they not?

Mr. DOUGLAS. The Senator is not so naive as he represents himself to be, because in a very few moments I am going to describe precisely how this identity of price in given localities is arrived at, and if the Senator will be good enough to wait for that point, I think I shall satisfy him on that score. The Senator is a very deep student of this question. I have read the hearings he has conducted. He knows how the price of steel is fixed in Indianapolis.

Mr. CAPEHART. Go ahead. The Senator has the floor. He seems to know everything there is to know about it.

Mr. DOUGLAS. No, I do not. I certainly do not, and I do not pretend to do so.

Mr. CAPEHART. If the Senator wants an argument and a fight, I will be very happy to give it to him. The Senator seems to be inviting it.

Mr. DOUGLAS. I only fight in a good cause. If the Senator wants to take me on while I am defending a good cause, I am willing.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. THYE. Why do we hear complaints coming from the manufacturers of culverts, road machinery, and farm implements of all kinds, and refrigerators, and from the pulp mills which process paper of all grades and specifications? Why do they all bring forth the criticism and the fear that unless there is some correction of this entire question there will be nothing but chaotic confusion in the minds of businessmen, and ultimately there will have to be a relocation of business firms all over the United States? I do not believe the Senator wants to suggest to us anything which will produce a chaotic condition.

Mr. DOUGLAS. I think I shall develop the reasons, but in general it will be

found that a great many business firms dread competition. They give verbal allegiance to the principle of competition, but they dread the practice of competition, and the basing-point system gives them a sort of easy life, something behind which they can hide. I shall develop that a little later.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I am glad to yield.

Mr. THYE. I do not believe it is competition they fear. It is the fact that it is utterly impossible for a manufacturer doing business in one State, having to depend on all the other States in the Union for his market. I could very easily conceive of that if he did not have to ship across the continent and seek his markets all over the Nation, he would not then have a concern with respect to the basing-point question.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG. Would not this be a pretty obvious explanation? Take those making concrete, for example. Has the Senator been told by those people that if they were cut off from their supplies they would have to go out of business in times of cement shortage? Is not that a pretty good reason why the little fellow who is getting cement from the cement trust would be willing to go to bat, and willing to make a request for the passage of any kind of bill the Cement Trust would like to have?

Mr. DOUGLAS. The small firms tend to take their cues on legislative procedure from the big companies. The big firms call the tune pretty well.

As I was going to say, the principal method which these monopolists and quasi-monopolists use to strangle price competition is the basing-point system—and it is this which the O'Mahoney substitute, although drawn with the best of motives to protect the producers of trademarked products, would inadvertently sanctify.

I am sure that this was no part of the intention of the Senator from Wyoming but it will be no less surely its effect, as I propose to show. In view of the long and honorable record of the Senator from Wyoming in opposing the spread of monopoly in all its forms, I am sure that in opposing it I am only doing what he would wish me to do.

WHAT IS THE BASING-POINT SYSTEM?

Now what is this basing-point system which is used as an easy device to suppress price competition? I can best illustrate it from the well-known practice in the steel industry known as "Pittsburgh plus," and which became celebrated a quarter of a century ago, and which first attracted public attention to this practice. Here it was the practice of the United States Steel Corp. to announce a price for steel of so much a ton at Pittsburgh and then to charge prices at other places equal to the Pittsburgh price plus the freight from Pittsburgh to the place in question. It did this for all steel and steel products regardless of where the steel was actually produced. The so-called "independent" companies in the industry followed suit and took the price of big steel as their own. Thus in 1922—and I am using actual prices—Big Steel set the price of steel bars in Pittsburgh at $38.08 a ton. The freight rate from Pittsburgh to Chicago was $7.62, and the price in Chicago was, therefore, fixed at $45.70, which was equal to the Pittsburgh price of $38.08 plus the Pittsburgh-to-Chicago freight rate of $7.62.

United States Steel has a big steel mill in Chicago itself and one in Gary, 30 miles away, which at that time was probably the most modern and efficient in the world. There were also several independent mills of high efficiency in and around Chicago. All of these, however, charged the same price of $45.70 at Chicago. The Gary mill which was producing steel at an appreciably lower cost than the Pittsburgh mills of Big Steel nevertheless sold its steel to local customers for $7.62 more than the Pittsburgh mills realized. The independents did the same. None of the steel mills would permit the buyers of steel to take delivery at the steel mills on f. o. b., but made them accept the steel delivered at the buyers' own doors. In doing so the buyers had to pay "phantom freight" from Pittsburgh to Chicago. As a matter of fact there was very little of the Pittsburgh steel which moved to Chicago so that freight charges were almost entirely fictitious and phantom.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSON of Colorado. Of course the Senator realizes that there is nothing in Senate bill 1008, as originally introduced by the Senator from Wyoming, which permits phantom freight. That is an integral part of the basing-point program and the basing-point system. The Senator refers to what this bill permits as the basing-point system. Of course, it is nothing of the kind, because in a basing-point system there must always be a phantom freight provision. That is not in this bill at all. Therefore this bill is not a basing-point bill, but is a freight-absorption bill, which is a far-different thing. I know the Senator has made a great study of Pittsburgh-plus. I do not know of anyone in business or in the Congress who supports the Pittsburgh-plus system. Certainly the bill which the Senator from Wyoming introduced does not attempt to legalize in any way that system. I do not know of any business in this country that wants to return to the old Pittsburgh-plus system of doing business, the old multiple basing-point system which was put into effect, with all its evils.

Mr. DOUGLAS. I am sure that neither the Senator from Colorado nor the Senator from Wyoming wants to do it, but I am afraid that will be exactly the consequence of section 1 and section 2 of this bill, if the bill becomes law.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. Under Senate bill 1008, if the Gary mill should set its price at $7 a ton higher than the Pittsburgh price, and Pittsburgh and Gary absorbed in order to meet each other's price, there would be the same effect as phantom freight, because they could continue to reach the same result as through the old Pittsburgh-plus deal.

Mr. DOUGLAS. The Senator is correct.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. They could be prosecuted, could they not?

Mr. DOUGLAS. I think it would be very difficult to prosecute them successfully.

I have always been very kind, on the few occasions when the Senator from Indiana has spoken, and have not interrupted his flow of thought. If I may have a few minutes to develop the trend of my thought, I shall then be very glad to yield.

Further, Chicago steel moved eastward as well as westward and, for example, supplied much of the Fort Wayne, Ind., market. Here the Chicago mills sold their steel for a price of $44.58 which was the Pittsburgh base price of $38.08 plus the freight rate from Pittsburgh to Fort Wayne of $6.50. This was actually $1.12 less than in Chicago, but since they paid $4.93 a ton for freight from Chicago to Fort Wayne, this meant that they were actually netting at their own mills only $39.65 a ton on steel sold to Fort Wayne customers whereas they netted $45.70 or $6.05 more on steel sold to Chicago purchasers.

This was a clear case of price discrimination against Chicago customers in favor of customers located nearer to the Pittsburgh basing-point.

Whenever we find these clear cases of price discrimination, they are a pretty good indication that it is a monopolistic practice, particularly when the differences are accounted for by freight rates and nothing else.

Moreover, by keeping prices higher in Chicago and points west than they would have been under conditions of competition, steel fabricators and consumers were compelled to pay much higher prices than would otherwise have been the case and monopoly profits were increased.

MULTIPLE BASING POINTS

In 1924 the Federal Trade Commission ordered the steel industry to discontinue the Pittsburgh plus system. United States Steel in a somewhat patronizing attitude agreed to abide by this decision insofar as it is practicable. It then proceeded to set up multple basing points. This was in effect no real change in the basing-point system itself, but merely diffused the basing points over a wider area. Several cities would be chosen as basing points, and prices in a given locality were fixed as the sum of the price at the nearest base, plus the freight from the basing point to the locality in question. In other words the multiple basing-point system was essentially the same as the single basing point, only a bit more diffused and with some relief given to consumers west of Pittsburgh.

Of course, the differential between the Pittsburgh base and the Chicago base under the multiple-basing-point system was less than it had been originally. In

fact, the system of Pittsburgh-plus pricing was put on a regional basis. While some consumers benefited, price competition was still suppressed, and the basing-point system was the instrument by which the system of monopolistic practices continued to be fastened upon the industry.

THE CORN PRODUCTS CASES

Now let me take another more recent illustration, namely, that of glucose or corn sirup as shown by the decision of the Supreme Court in the Corn Products and Staley cases in 1944. Here the Corn Products Refining Co. fixed a price at Chicago of $2.09 per 100 pounds of glucose, and prices elsewhere amounted to the Chicago price plus the freight from Chicago to the place in question. The freight from Chicago to Kansas City was 40 cents a hundred, and although the Corn Products Co. had another plant in Kansas City, which was presumably as efficient as its Chicago plant, it sold its glucose or corn sirup there for $2.49. This was, in other words, the total of the Chicago price of $2.09 plus the phantom freight of 40 cents.

The freight from Chicago to Springfield, Mo., was also 40 cents, so the Kansas City plant also sold its glucose there for $2.49. But since it cost 36 cents in freight to deliver glucose in Springfield from Kansas City, this meant that the Kansas City plant only netted $2.13 per 100 pounds for its glucose at the mill, located in the State of the distinguished senior Senator from Missouri [Mr. DONNELL] who does me the honor to listen to what I am saying.

Mr. DONNELL. Mr. President, may I ask the Senator to which Kansas City he is referring? There is Kansas City, Mo., and there is also Kansas City, Kans.

Mr. DOUGLAS. It is the Kansas City located in the State of the distinguished Senator.

Mr. DONNELL. Kansas City, Mo.?

Mr. DOUGLAS. Yes. I repeat, the freight from Chicago to Kansas City was 40 cents a hundred, and although the Corn Products Co. had another plant in Kansas City which was presumably as efficient as its Chicago plant, it sold its glucose or corn sirup there for $2.49. This was, in other words, the total of the Chicago price of $2.09 plus the phantom freight of 40 cents. That is, the glucose made in Kansas City was sold in Kansas City for $2.49.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Tennessee.

Mr. KEFAUVER. As I remember the background of the Corn Products case, during that time, when candy makers in Kansas City, Mo., were having to pay the freight from Chicago for glucose which they bought in Kansas City, which was made in Kansas City, some candy companies moved their plants from Kansas City, Mo., to Chicago in order to avoid having to pay the freight, although the product was never hauled from Chicago to Kansas City. Is not that correct?

Mr. DOUGLAS. That is correct, and I should like to point out to the distinguished Senator from Missouri that the policy I am advocating would distinctly help the State of Missouri, and that I am not defending any section in taking the position I do take.

For sales to Denver, where the freight rate from Chicago was 66 cents and from Kansas City 56 cents, the Kansas City plant delivered glucose for $2.75 per hundredweight—$2.09 plus 66 cents—and then after paying 56 cents freight, netted $2.19 at the mill. This is a further illustration of the fact that the basing-point system inevitably involves differing net prices at the mill depending on the localities to which the goods are shipped. This practice is a definite indication of monopoly pricing since differences in net price were completely explained by the delivered-price system and by nothing else.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Alabama.

Mr. HILL. Would the Senator say that every price can be explained by the factor of either freight absorption or phantom freight?

Mr. DOUGLAS. I think under the basing-point system that is true. Base prices plus freight explain delivered prices at each and every destination.

Mr. HILL. It has been suggested on the floor of the Senate several times, by Senators who are absolutely as sincere as they can be, that the bill we are discussing has nothing to do with the basing-price system. The truth is that what the bill does is to deal with the two factors which go into the basing-price system. Is not that true?

Mr. DOUGLAS. It legitimitizes the delivered prices, and the delivered price is made up of the base price, plus the freight rate from the basing point to the point where the goods are being sold and where the prices are quoted.

It is interesting that in the cases of the industries which I have investigated every price is explained by those two factors, and in some industries, as I shall show, where there are extras, variations of the product, there is a third factor, namely, the difference for the extra. That can be explained by the Book of Extras which each industry attempts to produce and which each plant attempts to have.

Mr. HILL. Will not the Senator explain what he means by "extras"?

Mr. DOUGLAS. It is where there is a variation from the main product.

Mr. HILL. The Senator means, perhaps, some byproduct?

Mr. DOUGLAS. No; not necessarily. For instance, steel bars could be the basic product; then there might be some variation.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. In order to clarify what the Senator has in mind when he says these things can be explained, he means the identity of prices can be explained by the two factors?

Mr. DOUGLAS. The identity of prices in a given locality can be explained by the base price plus the freight rate. One way in which a so-called independent company falls in with the practice of the dominant concern was shown in the case of the Staley Co., of Decatur, Ill., a flourishing city about 175 miles south of Chicago. The freight rate on glucose was 18 cents a hundredweight from Chicago to Decatur, so the Staley Co. charged Decatur purchasers $2.27 a hundred—$2.09 plus 18 cents—for corn sirup manufactured locally and delivered locally, but, after paying 18 cents freight, delivered glucose to Chicago customers for $2.09, for which the company netted at its mill only $1.91, or 36 cents a hundredweight less than what it obtained from its local sales. Here again the company discriminated against local buyers in favor of those nearer Chicago. Rather than cause trouble with the Corn Products Refining Co., they accepted the latter's price structure.

THE CEMENT CASE

Let me take the next famous basing-point case decided by the Supreme Court in 1948, namely, the Cement case. Here it was found that in thousands of sealed, and hence assumed secret, bids for Government contracts the bids were identical down to the fraction of a cent. Thus, in the case of a Tucumcari, N. Mex., contract, 11 companies submitted bids which were identical to 6 decimal places, or to the ten-thousandths of a cent, namely, $3.286854 per barrel. This was the sum of the price at the basing point plus the freight rates from that point to Tucumcari. Now, was it a pure accident that there should be this precise agreement down to the sixth decimal place in these 11 sealed bids? The chance for that, according to a mathematician who testified on this subject, was only one out of one quintillion, or one followed by eighteen zeros.

For this and for other reasons, therefore, it was proper for the Supreme Court to rule that the basing-point system in the cement industry was in restraint of trade, and hence illegal.

NO COMPETITION IN BIDS UNDER BASING-POINT PRICING

But there is an even better illustration from my own State. In January 1947 the Illinois Department of Highways asked for bids for 50,000 barrels of cement delivered inside each of the 102 counties in the State. Eight firms presented such sealed bids. While these differed as between counties, according to the freight rates from Chicago, within each of the 102 counties all of the 8 bids were identical to the last cent. That is, the bids were identical for each county, but differed between counties. These bids were inserted in the CONGRESSIONAL RECORD by Representative PATMAN on May 31 of this year and are to be found on page A3353 and following pages.

I hold a tabulation of these bids in my hand, and if any Senator wishes to come up and inspect them, I shall be very glad to have him do so.

I asked Prof. C. O. Oakley, chairman of the department of mathematics at Haverford College, what was the chance that this identity of 8 bids in each of 102 counties was purely accidental. He has authorized me to say that this "is

about 1 chance in 8 by 10^{214} (or 8 followed by 214 zeros) chances." Professor Oakley goes on to say:

To reproduce table 1 by chance under the above simplified assumption would be far more difficult than picking out at random a single predetermined electron in the total universe.

The universe is a quite large entity; it is the entire celestial cosmos.

Mr. TOBEY. That goes further than the needle in the haystack illustration, does it not?

Mr. DOUGLAS. It is far beyond the needle in the haystack. Professor Oakley concluded:

And you may quote me on the above figures.

I have his letter here, if any Senators would like to look at it later. I shall place it on the table for inspection.

Mr. HILL. I suggest that the Senator put the letter in the RECORD.

Mr. DOUGLAS. I am very glad to do so. I ask that it be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HAVERFORD COLLEGE,
DEPARTMENT OF MATHEMATICS,
Haverford, Pa., July 20, 1949.

Hon. PAUL DOUGLAS,
Washington, D. C.

DEAR SENATOR DOUGLAS: Re: Table I, Appendix of the CONGRESSIONAL RECORD, page A3353. For Adams, the bid was No. 3.31. Suppose that competition is so stiff that each of the eight bidders has only two figures to choose from (actually, of course, under free competitive bidding, the number would be larger than two), namely No. 3.31 and one other. (It should, presumably, be near No. 3.31, say No. 3.30 or No. 3.32.) The probability that the 8 would all be the same (No. 3.31) under wholly independent and random selections is $(\frac{1}{2})^7$, or one chance in 128.

The probability that under similar circumstances 8 identical bids for a given county should obtain in each of 102 counties is $(\frac{1}{128})^{102}$. This is about 1 chance in 8 by 10^{214} (8 followed by 214 zeros) chances. To reproduce table I by chance under the above simplified assumptions would be far more difficult than picking out at random a single predetermined electron in the total universe.

And you may quote me on the above figures.

Cordially yours,

C. O. OAKLEY,
Chairman.

For 11 bidders to agree in each of 6 decimal places at 3.286854 assuming the whole No. 3 given and also that there are just two choices for each decimal place (because of stiff competition) the probability would be $(\frac{1}{2})^{66}$ or about 1 chance in 1,000,000,000,000,000,000.

Mr. DOUGLAS. Mr. President, what I have stated was not all. The Illinois Highway Department threw out those bids as collusive, and asked for a resubmission. That may have been unjust of them, but they thought it was somewhat fishy to have this precise agreement in bids, and they threw them all out.

Mr. WILEY. From what States did the bids come?

Mr. DOUGLAS. From various States. The companies were the Alpha Portland Cement Co., the Dewey Co., the Lehigh Co., the Lone Star Co., the Marquette Co.—which may have been from the region of the Senator from Wisconsin—the Medusa, the Missouri, the Universal Atlas. Those were the companies. Three months later 6 of the companies again presented their bids for each of the 102 counties. Two of them have dropped out. Once again those bids were identical within each county, though differing between counties. Now the chance would not be 1 over 8 followed by 214 zeros, but I think it would be 1 over 6 followed by 155 zeros. That would not be the equivalent of picking one predetermined electron out of the entire universe, but it would be picking a predetermined molecule, let us say, out of the entire universe.

There is a very ironic touch to this second set of bids. The cement companies were obviously determined to teach the State a lesson for questioning the accidental nature of the first 816 bids. So they replied with 612 more identical bids, but they added a penalty of 15 cents in each case. In each case the bid was 15 cents more than it had been before.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CAIN in the chair). Does the Senator from Illinois yield to the Senator from Alabama?

Mr. DOUGLAS. I yield.

Mr. HILL. How many bids were there?

Mr. DOUGLAS. The first time 8 companies offered bids in each of the 102 counties, and they were identical within each county. The second time 6 companies offered bids in each of the 102 counties and those bids were identical within each county.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. TOBEY. I wonder if the Senator has ever heard—I shall put it in the form of a question so as to comply with the rule. Has the Senator heard of an incident which happened some years ago in connection with the Navy Department opening bids for ships, when the public-relations man for a large shipbuilding company on the east Atlantic coast came to Washington and consulted with the Navy Department about the bids to be opened some 10 days after that time? He represented numerous shipyards. When he got all through consulting with the Navy Department he returned to New England and wrote letters to each of the shipyards he represented and told them exactly which yards had been awarded contracts for ships, and what prices would be paid for them and, lo and behold, when the bids were opened it was found that the shipyards had been allocated the ships in the number and at the prices this man had prophesied some days before.

Mirabile dictu—the Latins used to say, did they not?

Mr. DOUGLAS. Mr. President, I think one of the most shocking things is the way in which so many of these so-called secret and supposedly competitive biddings receive identical bids. The distinguished Senator from New Hampshire himself placed in the RECORD an extraordinary list of coincidences which would still further indicate the virtual arithmetical impossibility that this was pure accident. He put in the RECORD for June 1, 1949, page after page of identical bids. He had abstracts of bids to the Navy for galvanized rigid-steel conduit pipe for navy yards. On ½-inch pipe there were identical bids down to the one-hundredth of 1 cent for the Philadelphia Navy Yard. The same thing prevailed on ¾-inch pipe, on 1-inch pipe, on 1¼-inch pipe, 1½-inch pipe, and 2-inch pipe. The Senator from New Hampshire has made a real contribution by placing that material in the RECORD.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. O'MAHONEY. Does the Senator regard such identity of price in response to an invitation for competitive bids to be substantial evidence of collusion?

Mr. DOUGLAS. The attorneys for the cement companies moved to strike this evidence as immaterial and irrelevant. They were overruled because there are now on the statute books the Sherman Antitrust Act and the Federal Trade Commission Act and the Clayton Act. But I am very much afraid, I may say to my distinguished friend from Wyoming, that if Senate bill 1008 goes into effect, when attorneys then move to strike out such evidence on the ground that it is immaterial and irrelevant their motion would be upheld, and they would point to Senate bill 1008 as proof that they were correct. Frankly, we have now struck the nub of the issue. That is why I am afraid of the bill.

Mr. O'MAHONEY. That is why I rose at this point, because I want to make the legislative record here today, as I made it on the 1st of June, that in my opinion any such identity of bids as that would be substantial evidence of the existence of a conspiracy to fix the price. I believe there is nothing in the bill which would sustain the motion of any attorney to suppress evidence of that kind.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. MAYBANK. I should like to ask the Senator if he has any record of the enormous amount of money the Government has paid out for concrete dams and power developments? Has the Senator any record of the bids for the purchase of concrete in connection with such governmental projects?

Mr. DOUGLAS. Evidence on that subject was also placed in the RECORD and it showed a virtual identity of bids at every location, indicating a clear monopoly. There is no doubt that public authorities have paid millions and perhaps tens of millions of dollars in excess charges to the cement combination.

Mr. MAYBANK. And such operations have been delayed for years and years because of excessive bids.

Mr. DOUGLAS. Yes. State governments have also paid enormous excess sums in connection with building State highways.

Mr. MAYBANK. I remember when the South Carolina Public Utility, which was financed by the Federal Government, was built, there was not only a combination, which resulted in no reduction in

price being obtained, and also in a delay in the construction of the project itself.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HILL. Is it not a fact that we find in the CONGRESSIONAL RECORD of July 6, 1949, on page 8985, a statement by the Honorable Harold L. Ickes which he made when he was Secretary of the Interior before the Committee on Interstate Commerce of the Senate, in which he told the story of how much the Government of the United States and the taxpayers had suffered because of the monopolies and the price-fixing systems to which the Senator from Illinois has been addressing himself? If one reads the statement of former Secretary Ickes one will find that he referred to the Bureau of Reclamation being seriously hampered. It is a fact that when he spoke of the Bureau of Reclamation he was speaking primarily of cement and the construction of dams to which the Senator from South Carolina has referred. He also spoke about what happened under the PWA program, and what high prices the Government had to pay in connection with that program because there was no competition.

Is it not also a fact, I ask the Senator from Illinois, that he not only spoke about dams and cement and concrete, but he spoke about identical bids with reference to school equipment, typewriters, steel lockers, typewriter stands, school desks, school chairs, auditorium seats, tables, armchairs, padlocks, hospital and office equipment, fire extinguishers, classroom desks, operating-room equipment, kitchen equipment, glass and glazing, switchboard, stage equipment, lighting standards, sewing cabinets, structural steel, steel tanks, steel-sheet piling, reinforcing steel, valve boxes, turbogenerators, condensers, well drilling, fire hydrants, fire-alarm sirens, pumps, plumbing and heating specialties, feed-water heaters, aerators (sewage), pipe covering, electric transformers, cast-iron pipe, electrical cable, water meters, copper pipe, electric locomotives, stokers, machine tools, creosoted poles, filter equipment, heavy crane, tractors, transmission-line equipment?

Is it not true that Secretary Ickes spoke about identical bids for all this equipment and these many products, and how the Government suffered because of monopolies in the sale of such equipment?

Mr. DOUGLAS. That is true; and the list cited by the Senator from Alabama shows how pervasive this practice is. Moreover, it is not merely the Government which is paying them high prices. It is also the domestic consumer. The same pricing practices are being applied to him.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. With reference to the Cement Institute, or the Cement Trust, has it not been the case that this practice has been going on for at least 40 or 45 years?

Mr. DOUGLAS. That is correct.

Mr. HUMPHREY. Is there anything to indicate that the practice is going to cease?

Mr. DOUGLAS. I think that if we rigidly enforce the decision of the Supreme Court in the Cement case, possibly we can give to some of the smaller independents in the cement industry the courage really to break loose and compete.

Mr. HUMPHREY. Undoubtedly the Senator is familiar with the attempts which were made, for example, by State governments to establish cement processing plants. That was true of the State of North Dakota and the State of South Dakota.

Mr. DOUGLAS. The States will be forced into developing some form of State plants in self-defense unless the companies give up their monopolistic pricing policies. I would much prefer to have the companies give up those pricing policies rather than force the Government into business to supply its own cement. I do not want to see the Government in the cement business. I should like to see the cement business conducted competitively.

Mr. HUMPHREY. I am happy to hear the Senator from Illinois make the last statement. The question I had in mind was this: If the Supreme Court decision in the Cement case cannot be enforced, if the interpretation which the Senator places upon Senate bill 1008 would modify that decision, it seems to me that the only thing the Federal Government can do will be to establish a type of cement TVA as a yardstick to plan to break up the combine and restore free enterprise and competition. I think it is about time the monopolists grasped the fact that the Government of the United States cannot stand by idly and permit the whole area of free competitive enterprise to be destroyed, without action on the part of the Government.

Mr. DOUGLAS. I quite agree with the very excellent point made by the Senator from Minnesota. We would like to maintain a competitive business system. If business refuses to compete, if it succeeds in abolishing the laws intended to force it to compete, if it persists in monopoly and in holding up the consumer, then the Government will be driven into these types of business for itself. But I want to make it clear that I do not want to see that happen.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. The statement was made that the Cement Trust has been in existence for 40 years or more. I differ with that statement, for this reason: The distinguished Senator from Louisiana referred to the activities of his father in connection with the building of roads 20 or 30 years ago. I remember the day when the Cement Trust did not exist, because cement ships came to Charleston, S. C., Savannah, Ga., Mobile, Ala., New Orleans, La., and elsewhere, and the Cement Trust could not operate so well. So a tariff was imposed on cement for the building of roads, bridges, dams, and every other public enterprise, as well as in the case of individuals constructing apartment houses and other buildings. It may not be consistent with the Senator's thought as to the existence of the Cement Trust for 40 years or more, but I have seen vessels from Antwerp and elsewhere bringing cement from Europe into the South Atlantic and Gulf ports to the cement dealers in those sections.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. Is the Senator in favor of preventing the individual seller, acting independently, from paying all the freight, absorbing a portion of the freight, or equalizing the freight with any of his competitors?

Mr. DOUGLAS. I do not want to legitimatize by law the so-called individual delivered price, for this reason: If we say that we are making illegal conspiracies to fix prices in concert with others, it will be very hard to prove a conspiracy. What may seem to be an individual act may really be an act in pursuance of a common plan.

Mr. CAPEHART. Then the Senator is opposed to permitting the individual seller independently to absorb a portion of the freight or pay all of it.

Mr. DOUGLAS. I should say that we should not specifically legitimatize it by law. It should be made an administrative matter. Then the firm in question can have the protection of the courts, which will not be capricious in this matter. Our present laws are adequate to deal with this situation.

Mr. CAPEHART. Do I correctly understand the Senator to say, then, to every seller in the United States, "You may or may not be violating the law if you pay all the freight, absorb the freight, or equalize the freight?"

Mr. DOUGLAS. What I am saying is that no one has proposed that sellers of trade-marked products who have uniform prices over the country be prosecuted. They obviously absorb freight, express, and other charges. No one has proposed that they be prosecuted.

Mr. CAPEHART. Would the able Senator then suggest that we enact a law compelling all sellers to sell f. o. b. their place of business?

Mr. DOUGLAS. No. I simply propose that we enact no laws at all, but let things remain in their present condition.

Mr. CAPEHART. Would the Senator be in favor of repealing the Miller-Tydings Act?

Mr. DOUGLAS. I have distinct reservations with respect to the Miller-Tydings Act, but that is not before us for consideration at this time.

Mr. CAPEHART. The Senator understands that the Miller-Tydings Act prohibits a retailer from selling certain merchandise at less than the published list price.

Mr. DOUGLAS. I understand that.

Mr. CAPEHART. Is not that a restraint of trade? Is not that denying the public the right to a lower price?

Mr. DOUGLAS. If we were debating that subject, I will say to my distinguished and amiable friend that it might be so held. But we are not now debating that subject, and since we are not debating it, and since time is short and the

pressure of legislation on the Senate is heavy, I should like to confine myself to Senate bill 1008.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Indiana.

Mr. CAPEHART. The associate chief counsel for the Federal Trade Commission testified that it was perfectly legal for an individual seller, acting independently, to pay all the freight or absorb the freight, or equalize the freight, but that it was illegal when a majority or all the people in a given business did the same thing, even though they were not in collusion. How are wo going to handle that sort of situation, unless we go to an f. o. b. mill selling policy?

Mr. DOUGLAS. I should say that the presumption is in favor of f. o. b. selling, but that does not mean that it must be the invariable rule. In the case of the Miller-Tydings Act, which the Senator from Indiana with great adroitness drew into this discussion, I should say that if he is worried on that point, those are trade-marked products, and there is intense competition between those products on quality and price. I have reservations as to whether we should freeze the whole distributive structure; but that is not the question.

The question we have under consideration at the moment is whether there should be identical prices within a locality as between different firms. When we have identity of price within a given locality, and it can be explained by the basing-point system and the freight rates, and by nothing else, that is a very clear indication that although the boys may never eat dinner together or whisper in each other's ear what they are going to do, they can tell by the gleam in one another's eyes how they should act. While conspiracy cannot be proved, nevertheless there is a concurrent line of action. Those men are not sleepwalkers.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. O'CONOR. Let me say to the Senator from Illinois that in propounding my question, I understood him to say that he feels that no change in the present situation is necessary.

Mr. DOUGLAS. That is correct.

Mr. O'CONOR. Does the Senator mean to say by that that he thinks the law does not need clarification?

Mr. DOUGLAS. I fail to see any confusion in the law or in its interpretation. The confusion exists in the minds of those who are proposing this measure, not in the minds of the courts or the Federal Trade Commission. A mare's nest has been stirred up.

Mr. O'CONOR. Mr. President, if the Senator feels that no further clarification is necessary, what will the situation be after the court of the seventh circuit has decided the Rigid Steel Conduit case, which went to the Supreme Court, and on which the Supreme Court could not decide, but voted 4 to 4, if tomorrow another circuit court decides diametrically opposite, and if the same Supreme Court judges then render another 4-to-4 decision? Where will we be then?

Mr. DOUGLAS. In response, let me say that about 1913 the State of Oregon passed a minimum-wage law. It went to the United States Supreme Court. In 1917 the Supreme Court, as I remember, split 4 to 4, with Mr. Justice Brandeis not taking part. Was the cure for that situation to abolish all minimum-wage laws? I do not think it was. The minimum-wage laws were retained on the statute books. The Supreme Court made some decisions in the 1920's and 1930's which I think were bad decisions, throwing out the minimum-wage laws; but the Court recovered itself in 1937; and finally there was established the right of the State governments, and also of the Federal Government, to fix wages. In other words, merely because the Supreme Court splits 4 to 4 is no reason for throwing the law overboard.

Mr. O'CONOR. Then, will the Senator explain what the situation will be tomorrow, not 17 years hence, if another circuit court of appeals decides the same question in the opposite manner, and if the case then goes to the eight-man Supreme Court, presumably—with the same Justice dissenting—and results in a 4-to-4 decision, thus bringing about a situation diametrically opposite to the previous situation?

Mr. DOUGLAS. Mr. President, I am neither a prophet nor the son of a prophet. I cannot say what the Supreme Court will decide. I can only say what I think is sound public policy; and I think it is sound public policy to eradicate the basing-point system root and branch, and introduce some competition into American industry.

Mr. CAPEHART. Mr. President, will the Senator yield? I wish the Senator would point out any relationship between this bill and the basing-point system.

Mr. DOUGLAS. Mr. President, let me say to my distinguished and amiable friend, the Senator from Indiana, that I have been seeking to do that; but from time to time questions have come from various parts of the floor, and have impeded the development of my argument. If the Senator from Indiana will have patience and forbearance, I promise that in the fullness of time—and it will not be too long—the relationship will be revealed.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KEFAUVER. A few minutes ago, I asked the distinguished Senator from Maryland [Mr. O'CONOR] about any confusion growing out of the Rigid Steel Conduit case. I asked the Senator if the principle was not established in the Corn Products case and in the Staley case that evidence of systematic pricing methods could be used as substantial evidence for conviction under the Clayton Act. That question came up in the Rigid Steel Conduit case. There were two counts in the indictment.

Mr. DOUGLAS. That is correct.

Mr. KEFAUVER. One was based on the allegation of conspiracy. The other was that the systematic use of pricing methods in that case amounted to a violation of the Clayton Act.

Mr. DOUGLAS. That is correct.

Mr. KEFAUVER. On count 1 the defendants did not appeal, so that conviction stands.

On count 2, the Court of Appeals for the Seventh Circuit upheld the Federal Trade Commission.

Mr. DOUGLAS. That is correct.

Mr. KEFAUVER. Then the case went to the Supreme Court; and by a 4 to 4 vote the Seventh Circuit Court of Appeals was sustained.

Mr. DOUGLAS. And until that decision is reversed, that is the law of the land.

Mr. KEFAUVER. Yes; but the point is that the law is thus established that economic evidence can be used for the purpose of conviction, as in the Corn Products case and in the Staley case.

The only point involved in the discussion regarding the Rigid Steel Conduit case was whether the facts of that case came under the law of the Corn Products case and the Staley case.

So there is no confusion arising from the decision in the Rigid Steel Conduit case, although it has been made the scapegoat of this whole controversy.

Mr. DOUGLAS. I am very glad to have the opinion of the Senator from Tennessee.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. I should like to say a word in connection with the interrogation propounded by the Senator from Indiana. I wonder whether the Senator from Illinois is familiar with a statement in a speech made by Robert Freer, Chairman of the Commission, on December 28, 1948, in reference to the matter of f. o. b. prices.

Mr. DOUGLAS. No, I am not. I shall be very glad to have the Senator present it. Mr. President, I ask unanimous consent that the Senator from Minnesota may be permitted to give at this time the substance of the statement by Mr. Freer.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HUMPHREY. Commissioner Davis had this to say:

> Businessmen are scaring themselves with three ghosts: First, that everyone is required to sell f. o. b. mill; second, that to absorb freight except in isolated instances is necessarily to be guilty of unlawful price discrimination; and third, that to meet the price of a competitor in good faith is to violate the Federal Trade Commission Act. In the first session of the Capehart committee last summer four members of the Federal Trade Commission testified in effect that these statements have no substance. In a formal policy statement to the staff, released last October, the Commission reiterated this disclaimer. More recently there have been other official statements to the same effect.

Then he went on to say:

> For example, in a speech on December 28, Robert Freer, then Chairman of the Commission, said that "the law does not require uniform f. o. b. mill prices, that the law does not prevent the absorption of freight to meet competition, and that the recent decisions apply only to situations in which there is organized monopoly and conspiracy to suppress and restrain competition."

Then Commissioner Davis in his remarks went on to point out that only in

situations relative to delivered prices and identical prices and as to freight absorption had the Commission actually ruled. As was pointed out by the distinguished Senator from Tennessee, there have been only three cases which have been brought to the court, and in those three cases I think the law is relatively clear. All other cases are merely figments of someone's imagination as to what may happen tomorrow. But, Mr. President, the Senate cannot prophesy as to that. We may not even be here tomorrow. The Lord surely knows that we have to legislate for today. That is certainly conclusive.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield to the Senator from Indiana; but let me point out that the Senator from Indiana has been complaining because I have not developed my argument rapidly enough. So if he is willing to concede the inappropriateness of that observation as an objection, I shall be glad to yield to him for a question.

Mr. CAPEHART. Mr. President, I shall ask unanimous consent—rather than to take time to read it—to have inserted in the RECORD at this point a statement made by the Secretary of Commerce, Mr. Sawyer, on September 21, 1948, in which he pointed out the seriousness of this whole situation, and recommended that every businessman in the United States appear before the committee at that time. Secretary Sawyer there states that this matter should be clarified, that there may be a great deal of hysteria, but in any event a clarification cannot do any harm, and may do some good.

I ask unanimous consent to have that statement printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, reserving the right to object, would the Senator from Indiana mind if that insertion appears in the RECORD at the end of my remarks, rather than in the middle of them?

Mr. CAPEHART. I have no objection, except I wish to point out that it is the opinion of the Secretary of Commerce, and I offer it following the reference to the statements by the gentleman from Delaware [Mr. FREAR].

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD at the conclusion of the remarks of the Senator from Illinois.

(The statement referred to appears in the RECORD following the conclusion of Mr. DOUGLAS' speech.)

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield for a question, but I should like to point out that I am not filibustering, and I should like to conclude as quickly as possible. However, I yield.

Mr. LONG. Mr. President, actually, is not freight absorption a discrimination on behalf of the seller?

Mr. DOUGLAS. That is true.

Mr. LONG. Is it not also true that the Federal Trade Commission Act and the Clayton Act prohibit discriminations when the effect is to eliminate or prevent or destroy competition?

Mr. DOUGLAS. Yes.

Mr. LONG. Is it not further true that insofar as discrimination accomplishes that effect, the discrimination is illegal and is in violation of the antitrust laws?

Mr. DOUGLAS. That is correct.

Again, Mr. President, I wish to point out that this law does not outlaw the 5-cent charge for Hershey bars, because they compete with other candy, even though freight may be absorbed in those cases.

Mr. LONG. Is it not true that a uniform zone price for the entire United States, for the sale of Hershey bars at 5 cents throughout the United States, is no discrimination, in the sense that the Hershey bars are offered to consumers everywhere in the United States at the same price?

Mr. DOUGLAS. There might be some discrimination as between consumers in different localities; but in effect it is still competition.

(At this point Mr. DOUGLAS yielded to Mr. WHERRY, and a colloquy ensued, which, on request of Mr. WHERRY and by unanimous consent, was ordered to be printed at the conclusion of the speech of Mr. DOUGLAS.)

The PRESIDING OFFICER. May the Chair suggest that the Senator who has the floor be allowed to conclude his remarks without further interruptions, and that questions may be saved until he has concluded?

Mr. DOUGLAS. Mr. President, I appreciate that suggestion. I think Oliver Wendell Holmes began the opening chapter of his The Autocrat of the Breakfast Table with the phrase "As I was saying when I was interrupted."

Mr. President, as I was saying when I was interrupted, the fourth important case involving the basing-point system was that of rigid steel conduits which are used as containers for electrical wiring in building construction. Here the manufacturers used both Pittsburgh and Chicago as basing points. Each manufacturer had freight rate books showing the freight on these items from Pittsburgh and Chicago to virtually every delivery point in the United States. Each firm would thereupon fix identical prices for sales at given cities.

The prices were always equal to the basing point—just by accident, I suppose.

The result was that when there was bidding for public contracts the Government was once again confronted with identical bids. In the case of contracts for three Atlantic coast Navy yards, as the Senator from New Hampshire [Mr. TOBEY] brought out, these were identical down to the fourth decimal point.

I think the evidence in all these cases is conclusive. The basing-point system is a convenient method whereby firms can charge identical prices and in so doing suppress competition. Once let the leading firm in an industry declare a basing point or points, then the others get their cue. They all have freight-rate books showing freights from the basing points to the other towns and cities and they quote delivered prices by adding these on to the base price.

If this seems somewhat repetitive, it is due to the fact that I have already said some of these things in reply to questions.

If an industry produces a number of products which differ somewhat from the main product, then all the firms in a basing-point industry will have a second book, namely one which gives the additions to be made for specific extras. Firms will then quote the delivered price as, first, the base price for the main product, plus second, the "extra" price for the variation in product plus, third, the freight from the basing point to the locality where the given buyer is located. Each of the firms will then quote identical prices to that buyer. Let the leader alter the base price, then all of the sellers will immediately alter their delivered prices with the precision of a marching column of highly trained soldiers operating under a common command. There will be no straggling with some firms leading off and others delaying.

When free people cross a street, some lead off, some hang back. That indicates that they are not under common direction. But when they move with the precision of a military unit, it means that they are under a common direction. That is the way firms move under the basing-point system. The basing-point system furnishes them with the guide for their actions. They will all move together. This is not the way free men behave. It indicates instead that they are under a common direction and take their lead from a common source.

In addition, the basing point system involves additional wastes such as, first, cross-shipments of freight from A to B and B to A because the prices of different firms are the same in a given locality and are matters of indifference to the buyers; second, since prices at delivery points are figured according to railroad freight rates, there is no inducement for buyers to ask for delivery by the most economical means of transportation. In some cases this might be by water and in other cases by trucks. But since such savings will go only to the sellers, and the buyers will not profit from them, the latter will choose the fastest means of transportation, namely, by rail, even though this is not the most economical. This is directly against the national transportation policy as enunciated in 1940; third, there is a further point which I have not seen developed, but which I think is important—namely—legalizing the basing point system may make the Government liable for greater refunds under section 722 of the Internal Revenue Code which may exceed a billion dollars in refunds on wartime excess profits taxes. The Excess Profits Tax Council has issued Regulation 10 which would require businesses asking for refunds on this tax to deduct the amounts gained as a result of using illegal methods. Thus, by legalizing the basing point, firms which would ordinarily have to deduct amounts made through the use of this illegal pricing system would no longer have to do so and their refunds would have to be vastly increased. The aggregate of these increases might possibly be approximately a billion dollars.

WHY DO THE INDEPENDENTS GO ALONG WITH THE BIG FIRMS AND GIVE UP COMPETITION

Let me now ask a question which I think possibly goes to the root of this matter.

Why do independents, located away from basing points, agree to go along with the price system of the leaders, when by cutting prices close to their own mills they could get a much larger share of the business and grow? That would be the competitive way. It would be the best for the country, for it would result in lower prices, increased demand, and, hence, increased output. Their business would grow according to their ability to produce cheaply and their transportation advantages. Plants would be located according to the real advantages of location and costs. It would help the North, South, East, and West. The emphasis within businesses would be on improving efficiency and reducing costs, and not on merely combining together to fix prices. This would be better for the country, and it would open up business to managers with talent and energy. It is what people think about when they speak and write about the American system.

But the so-called independent concerns in these industries which have the basing-point practice give up this chance for freedom and, instead, accept the price structure of the big companies who act as leaders. Why do they do it? They do it because they know that if they do not, the big company will declare a punitive basing point in the home town of the independent and hence make it difficult for the independent to survive.

I can illustrate this with a simple example. Let us say that in a given industry the dominant firm located in Pittsburgh has fixed that city as a basing point with a price of $60 a ton. The freight to Chicago, let us say is $12 a ton and the Chicago price is therefore $72. But a firm of Chicago independents finds it can produce for $62 a ton and it cuts the price below $72, down to $65. The big firm then adds Chicago as another basing point and fixes $64 as the price and takes the local market away from the independent. If the independent goes still lower, the big company will go lower still and can virtually wreck the smaller firm. In other words, the basing-point system which is a highly efficient way of enforcing monopoly prices and exacting high profits, is also a most effective way of punishing by regional price-cuts the firms which get out of line.

CONCURRENT ACTION NOT NECESSARILY THE RESULT OF "COLLUSION"

But perhaps the most important point I want to make is this: Concurrent action is not necessarily the result of "collusion." Concurrent action is the result of a fear on the part of smaller companies of reprisals administered by the big boys. For, if the independents were to get out of line, that is, to lower their delivered prices, the leaders could then engage in "local price cutting" and drive the so-called erring independent out of business.

Industry leaders can do this, since they can aborb losses in any one area by profits made in other areas. The small independent, having no other market areas except his own, enjoys no such advantage and soon loses his business to the leaders who can always match his prices or undersell him.

It is small wonder, therefore, that the so-called independents seldom want to take on a fight to the death with the giants and instead go meekly along with them. They give up their freedom and their chance to grow. They slacken in their efforts to reduce costs. They decide to lead the easier life. They let the big companies determine the prices and merely meekly follow suit. At times, as they applaud speeches about the advantages of competitive enterprise, they may have wistful desires for the adventurous life. But, secure under the umbrella held over their heads by the giant concerns and at least allowed to exist, the smaller firms exchange freedom for security. Probably we cannot blame them personally, any more than we could blame smaller employers who sometimes have been forced into price maintenance agreements in certain service trades such as dry cleaning by the fear of strong-arm methods used by a trade association or a union.

GOVERNMENT SHOULD ENCOURAGE FREE COMPETITION

But it should be the task of Government to free these men from these fears and enable them to compete. It is the declared policy of this Government and of the people as expressed in the Sherman Act, the Clayton Act, the Federal Trade Commission Act, and the Robinson-Patman Act to keep the channels of competition open. It is a terrific struggle to do this. The Federal Trade Commission in this effort struck at and outlawed the instrument by which monopolies and cartels were suppressing competition in many of the basic industries. The Supreme Court in a series of able decisions has upheld the Commission.

Now when the matter has been legally determined and the Court has clarified the situation, a hue and cry is raised that the Court is "confused" and that the situation should be "clarified" by this measure which, however, in effect legalizes the basing-point system. And, despite the intentions of the Senator from Wyoming, that is precisely what his substitute measure would do.

For in section 1 of S. 1008, it is stated that—

> It shall not be an unfair method of competition or an unfair or deceptive act or practice for a seller, acting independently, to quote or sell at delivered prices or to absorb freight.

And in section 2, it is stated that—

> It shall not be an unlawful discrimination in price for a seller acting independently * * * to absorb freight to meet the equally low price of a competitor in good faith.

PROVISOE IN BILL OFFER NO REAL PROTECTION

Now I know that hedging words are thrown around those provisions in section 1 and elsewhere, namely that it is "provided that this shall not make lawful any combination, conspiracy, or collusive agreements; or any monopolistic, oppressive, deceptive, or fraudulent practice carried out by or involving the use of delivered prices or freight absorption." It will, I suppose, be asked—as it has been asked by a number of distinguished Senators on the floor of the Senate—"does not this guard against the danger?" The answer is simple. It does not. For as I have shown, it is not necessary for the members of a cartel to get together in a room, or at a "Gary dinner" to plot how prices can be fixed. They can do it when widely separated, through the independent use of the basing point system. All that is needed then is for the big firm to announce its prices at a given basing point or at a series of basing points. That is surely legal. Then each firm will have its book of freight rates and of extras. It will certainly be legal for the companies to have those in their possession. Then the proposed law says that it will be proper for them "to absorb freight to meet the equally low price of a competitor in good faith."

If the leader has started off and established these prices, the firms can come down and meet them, and it will be said that they will be doing this in good faith and it will be legalized. It will be very difficult for the Government successfully to prosecute them for doing that and meeting the big firms' price at each and every locality, and thus we will legitimatize monopoly or cartel fixing of prices and we will have helped to strangle competition.

In such cases the Government can plead that the identity of prices between competitors in each and every locality is an indication of joint collusion, as the Senator from Wyoming has argued this afternoon. The attorneys for the companies will indignantly deny this and will say that the coincidence of prices is purely accidental and that the prices were set in good faith.

I once heard an able mathematician say that it was possible to seat 80 monkeys before typewriters and have them push the keys at random and after a number of years' toil to reproduce all the books in the Congressional Library. That is mathematically possible, although the chances are infinitesimal. But the chances this would happen are, to say the least, remote.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I should like to ask the junior Senator from Illinois, just as an illustration, whether we are hitting some of the keys in this Chamber occasionally—not in the sense of the example the Senator has quoted?

Mr. DOUGLAS. The Senators means 96 monkeys instead of 80? [Laughter.]

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The Chair objects. [Laughter.]

Mr. THYE. I wonder if we could not say that in some instances we have been hitting the keys in that respect?

Mr. DOUGLAS. Mr. President, the Senator from Illinois objects to this aspersion cast on the other 95 Members of the Senate by the esteemed Senator from Minnesota.

Mr. THYE. I am not casting any reflection on them, but I say by accident

the monkeys were hitting the keys, and I was merely wondering if by any chance we might be hitting the keys in the same manner.

Mr. DOUGLAS. I sometimes suspect that if my Republican friends are ever correct it is by accident and not by design, and that any connection between themselves and the correct position is purely coincidental. [Laughter.]

Mr. THYE. I wish to say to the distinguished Senator from Illinois that the comment was meant to be somewhat humorous in nature, not to cast any reflection on him by any chance.

Mr. DOUGLAS. The Senator from Minnesota is one of the most amiable men in the Chamber, and no one ever takes offense at what he says. He was having a good time, and I was trying to refresh my somewhat drooping spirits by having a little fun myself.

Mr. THYE. I was enjoying the comments of the distinguished junior Senator from Illinois about the monkeys, and that was what prompted me to make the remark.

Mr. DOUGLAS. What I am afraid is that if we say that in good faith it is legal to meet the prices of competitors, a price leader will establish a base price, and then, with the freight rate, fix prices over the country. Then the others will fall in line without ever meeting the leader, without sitting down with him, because they have the freight-rate books, and they know that if they do not do that the big company will establish a punitive basing point in their territory and put them out of business.

S. 1008 WOULD CONFUSE, NOT CLARIFY, THE SITUATION

Supporters of the new basing-point legislation assert that in urging its passage they merely want to "clarify the situation." I have no doubt that they say this in good faith. But I also have no doubt that this is carrying coals to Newcastle with a vengeance. For the legal status of the basing-point system is clear as things now stand. This new legislation, if finally approved, could burn down what has already been established. As I have indicated, the courts have held that the system cannot be used by sellers of standardized commodities when the results of such use would be a stifling of competition. What further clarification is needed on this point? On the other hand, the Federal Trade Commission has never interfered, nor has it shown any inclination of interfering, with the use of the basing-point system in cases which involve trade in nonstandardized goods which are either trade-marked or subject to competition. What further clarification is needed on this point?

Far from "clarifying the situation," the passage of S. 1008 would merely undercut what is known and replace it with the kind of calculated confusion which lawyers and economists for the great monopolies and cartels know how to use to the advantage of their clients and to the prejudice of the public interest. Passage of this bill would enable them to raise the entire issue of the basing-point system once again. Lawyers for the monopolies will be quick to point out that the basing-point system has been legalized in principle by this bill. And having said that, they will strive with might and main to place themselves beyond the reach of the Kefauver or Carroll amendments which limit the bare-faced use of the basing-point system. They will strive for another 10 or 25 years, while the Federal Trade Commission will be forced to stand by, uncertain what it can or cannot do to stop monopolistic practices.

MONOPOLY PRACTICES INVITE BIG GOVERNMENT

What is involved in the defeat of this bill is nothing less than the maintenance of the system of free competition. It is a peculiar and sardonic fact that many of those who as businessmen, journalists, or public figures talk the loudest in support of free competition should now be working with all their strength to devise ways by which free competition can be strangled. The basing-point system is the noose which has been and is now being used to do this strangling. To require proof of collusion that this noose is tightened is a big step backward. The law in other branches has moved away from attempts to determine the motives for action to judging the consequences of action. The consequence of the basing-point system is the suppression of competition. This is just as much the result if well disciplined firms under the fear of price reprisals, carry out individually a common line of action as if they put their heads together in a dark room to plot price control.

There is one final word which I should add. Most of us are properly afraid of big and monopolistic government. We doubt its efficiency; we dislike its tendency to dry up the wells of personal initiative; we fear its concentration of power because there are few men capable of exercising such great power wisely or humanely. But the best way to avoid a further growth of big government is to restore a greater degree of competition in American business and to get the advantages properly claimed for free enterprise. For if business moves further down the road toward cartelization and to monopoly, the virtues of free enterprise will largely disappear. Reductions in costs will be slighted and higher than competitive prices will be charged. This will dampen down demand and will restrain production. This in turn will choke off production and employment and intensify unemployment. Big profits will be made by the few monopolies, but the country will decay. Whatever the evils of big government may be—and they are real—people will nevertheless turn increasingly toward it to protect them against the private monopolists. For they will feel that they can at least partially control the Government whereas they will have virtually no control over the private monopolists. And hence, by shortsightedness, the verbal advocates of free enterprise will contribute to their own destruction.

I pray to God that this may not happen and that is why those of us who oppose the basing-point bill are trying to restore competition so that these matters may be made more self-regulating and operate outside the control of both big business and big government.

(The colloquy between Mr. WHERRY and Mr. DOUGLAS, which was ordered to be printed at the conclusion of the speech of Mr. DOUGLAS, is as follows:)

Mr. WHERRY. Mr. President——

Mr. DOUGLAS. Mr. President, it seems like the old days to have the Senator from Nebraska rise to throw his darts. I am very glad indeed to have a question by the Senator from Nebraska.

Mr. WHERRY. I would not think of throwing a dart toward the Senator from Illinois, especially since he has joined the economy bloc; I certainly would be right with him on such things. I was merely going to ask him a question. Hershey bars are sold throughout the country at the same price. The Senator says that is all right, because there is competition with other candy bars. Let me suggest to the distinguished Senator that there is a large area in which steel is sold at the same price. Omaha, Nebr., is in that area. There is all kinds of competition. Dozens of steel companies want that business.

Mr. DOUGLAS. But do they charge different prices, may I ask?

Mr. WHERRY. Just a moment. Does the Senator mind if I ask the question?

Mr. DOUGLAS. Since the Senator is asking questions of me——

Mr. WHERRY. I have not finished my question.

Mr. DOUGLAS. Let me ask questions of the Senator. Why should there not be a little reciprocity on this? [Laughter.]

Mr. WHERRY. Mr. President, I have not even got to the question yet. If the Senator will give me time to ask questions——

Mr. DOUGLAS. I apologize.

Mr. WHERRY. I shall be glad to give him reciprocity. I am asking for enlightenment, upon the basis of the Senator's knowledge. I shall appreciate very much getting his answer when the time comes.

Mr. DOUGLAS. I do not pretend to know all about it.

Mr. WHERRY. Omaha, Nebr., has become a great city. Labor is employed upon the basis of being able to procure steel, with the freight absorbed, from Pittsburgh, from Chicago, or from other plants that mill steel. The local labor in Omaha in turn fabricates the steel into dozens and scores of varieties of tools, machinery, and so forth, which filter down through the retail agencies. I ask the distinguished Senator whether that is not identical with the Hershey candy-bar illustration? If the steel companies that have for a great many years furnished raw material for fabrication can no longer do it upon the basis of the freight being absorbed, what other recourse is there but that Omaha must lock up its factories or else move back to the source of steel, at Chicago or Pittsburgh, in order to get the materials for fabrication, which in turn they may redistribute through the retail channels they have developed over scores of years? That is my question. It is asked in all good faith, and I think it is a question that deserves an answer from the distinguished Senator from Illinois.

Mr. DOUGLAS. I should be very glad to try with all humility to reply to the distinguished Senator from Nebraska.

Certainly, if it were possible to get competition in the steel industry, and not have monopolistic pricing of steel, there would be a reduction in the price of steel. If some of the independents would assert themselves, the price of steel could be cut, and the steel fabricators in Omaha could obtain their raw materials at lower prices. The result would be they could pass along such lower prices to those to whom they sold, there would be an expansion of demand, and an increase of employment in Omaha.

Mr. WHERRY. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. DOUGLAS. I am very glad to yield.

Mr. WHERRY. Is not that exactly what would happen in the case of candy bars, if the Senator's logic is correct?

Mr. DOUGLAS. There is nothing to prohibit a Kansas City or Omaha firm from selling candy for 4 cents.

Mr. WHERRY. That is correct.

Mr. DOUGLAS. The point is, there is no agreement between the various manufacturers of candy bars to sell identical candy bars at identical prices.

Mr WHERRY. Ah!

Mr. DOUGLAS. There is no agreement so far as I know.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. DOUGLAS. That is, unless the process of cartelization has gone further than I thought.

Mr. WHERRY. Mr. President, if the Senator will yield further, the Senator cannot speak with authority on that.

Mr. DOUGLAS. No.

Mr. WHERRY. He cannot do that any more than he can say with authority that there is a combination among other great institutions, such as steel.

Mr. DOUGLAS. No.

Mr. WHERRY. The Senator does not want to say on the floor of the Senate, does he, that all the producers of the steel furnished to the jobbers on the Missouri River for a hundred years on the basis of freight absorption are in collusion? The Senator cannot justify that statement with the evidence.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr WHERRY. Mr. President, just a moment. Who has the floor?

Mr. DOUGLAS. I yielded to the Senator from Nebraska.

Mr. WHERRY. Who is the other Senator who is now speaking, or who spoke on the floor a moment ago?

Mr. DOUGLAS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. WHERRY. Only Senators of the United States are allowed to speak on the floor of the Senate. We only have 96 Senators. I am not complaining about the distinguished Senator from Illinois.

Mr. DOUGLAS. Perhaps I should not be speaking from the well of the Senate.

Mr. WHERRY. That is all right.

Mr. DOUGLAS. Does the Senator wish me to retire from the Chamber?

Mr. WHERRY. I think it is a breach of the rules for an individual to walk to the well of the Senate and address a Senator. If the Senator is to be addressed, the remarks should be spoken audibly so we can hear it. That is the point I am making.

Mr. TOBEY. Mr. President, will the Senator yield for a moment?

Mr. DOUGLAS. I yield.

Mr. TOBEY. I have the greatest affection for the Senator from Nebraska, and he is growing in wisdom and stature day by day. But he is all off, Mr. President, in this instance, because he knows as well as I do that the chairman of every committee whenever a debate is on, has sitting beside him his secretary or his expert adviser to tell him things, to write them down, and to whisper things in his ears. That is all the young man is doing.

Mr. WHERRY. Mr. President, perhaps that is all he was doing. Perhaps he is the Senator's secretary.

Mr. DOUGLAS. That happens to be true. His name is Robert Wallace and he is my research associate.

Mr. WHERRY. If that be true, I am not going to question it.

Mr. DOUGLAS. If the Senator objects to my speaking as I stand in the well of the Senate, I shall be glad to step back.

Mr. WHERRY. No. I am not objecting to the Senator's speaking from the well of the Senate. But I think there is a question as to who is on the floor, and who is doing this, and who is doing that.

Mr. DOUGLAS. Mr. President, do I have the floor?

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Illinois has the floor. He has been yielding.

Mr. DOUGLAS. I have been yielding for the last 20 minutes. I will yield one more minute for a question.

Mr. WHERRY. I should like to have the Senator answer the question. Will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield further?

Mr. DOUGLAS I yield 1 minute.

Mr. WHERRY. Mr. President, I ask whether the distinguished Senator meant to say to the Senate he presumed there was no collusion in the candy field, although the price was 5 cents throughout the country. I asked the distinguished Senator, does he have any other reason, or does he know of any reason for believing that there is collusion among all the steel companies which are shipping steel into Omaha and into St. Joseph, Mo., Kansas City, Mo., and Minneapolis, Minn., so that the local steel fabricators can get steel at a price at which they can fabricate it and redistribute products to the people? Does the Senator think there is collusion among the steel companies? Does the Senator have evidence showing collusion in price? I refer of course to the selling prices of steel. That is, the price of the raw materials sold to great jobbers and fabricators all up and down the Missouri River?

Mr. DOUGLAS. Does the Senator from Nebraska wish me to reply?

Mr. WHERRY. Yes. Does the Senator have any evidence of collusion?

Mr. DOUGLAS. I find that there is an extraordinary and amazing coincidence of prices charged by various concerns which might lead me to suspect collusion.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am very glad to yield.

Mr. LONG. Is the Senator familiar with the example I gave in my speech, with respect to the railroads from Birmingham to New Orleans wanting to reduce their rate by $3 a ton for steel shipped from Birmingham to New Orleans? But the Northern Association of Railroads—and this is a matter of record, a matter of proof—exerted pressure at the behest of the northern steel concerns, to prevent that great reduction taking place, because they had agreed to match the price in New Orleans, and they would have to reduce their price to New Orleans by $3 a ton, if they did that? Does not that in itself prove there is some collusion?

Mr. DOUGLAS. Mr. President, I do not wish to inflict cruel or unusual punishment upon the Senate by keeping Senators here beyond their dinner hour. In the last three-quarters of an hour I have been able to progress just one paragraph in my speech. The RECORD is going to look very choppy tomorrow morning with all these interjections. I sometimes suspect that my very astute and able colleague from Nebraska sometimes interjects in order that the continuity of the RECORD may be disturbed. I sometimes think that in these colloquys, the distinguished Senator from Nebraska is guided by the political tactics of the Indians, who formerly surrounded the travelers on the Nebraska plains, as they would journey over the prairies, the Indians would shout and indulge in their war whoops and would carry on a process of psychological warfare, intended to strike terror into the hearts of the poor travelers. Sometimes I think our friend is copying the Comanches and that he learned his political tactics in their school.

Mr. WHERRY. Mr. President——

Mr. DOUGLAS. I can only say, so far as I am concerned, that the Senator is not going to strike terror into my heart. I should like to continue my speech.

The PRESIDING OFFICER. Does the Senator yield?

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I may say this——

Mr. WHERRY. Just one question.

Mr. DOUGLAS. If the Senator is willing to stay until 10 o'clock tonight, I am ready to stay with him. I love his company and I love the verbal darts in which he indulges. But this is going to be a matter of hours, the way he is keeping up.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. WHERRY. I love the company of the Senator, and I should be glad to stay here until 10 o'clock tonight, if we had a unanimous-consent agreement to vote

on the bill. I came on the floor only approximately 10 minutes ago, and I have asked the Senator only two questions. If that has made his speech "choppy" and if there is still some sound of "Indian war whoops," I should be glad to have the colloquy appear at the end of the Senator's remarks.

Mr. DOUGLAS. If it could be embossed in gold, I think that would be well, also. That alone would be worthy of the purity of the Senator's style.

(Upon request of Mr. CAPEHART, and by unanimous consent, it was ordered that the following be printed at this point in the RECORD, at the conclusion of Mr. DOUGLAS' speech:)

Secretary of Commerce Charles Sawyer, in a statement issued today, urged American business to make a careful study of the economic effects of the recent Supreme Court decision on basing-point pricing for presentation to the congressional committee now studying the problem.

"Every businessman, every consumer, every community affected by this situation should not lose the opportunity to give Congress the facts," the Secretary said.

Secretary Sawyer's complete statement follows:

"The Supreme Court decision in the Cement Institute case, outlawing the multiple basing-point pricing system as practiced in that industry, has aroused widespread concern in the world of business. From discussions I have held with the Department's Business Advisory Council and from communications which I have received, I know that many firms, large and small, are worried about the impact which the decision may have upon their own pricing practices. This is a serious matter and one with which the Department of Commerce is vitally concerned.

"Whether or not the Supreme Court decision actually requires the drastic pricing changes which some members of industry feel that it does require, the fact remains that many changes are already being made and that the effect both on the producer and the purchaser has been unsettling.

"It is too soon to tell what the ultimate result of the Supreme Court decision will be. It is obvious, however, that any extensive revision of pricing practices by industry will affect existing patterns of distribution, particularly in those industries where transportation represents a significant part of the delivered price of a product. This could have severe repercussions upon smaller business enterprises which would be among the first to feel the effects of changes in business practices. Should there be large-scale resort to f. o. b. pricing by industries now using other pricing methods the customers of such industries will find their own costs revised. Where these revisions are substantial the result may be a shift to other suppliers or, in extreme cases, an actual physical relocation of plant facilities with a consequent migration of workers.

"Almost without exception American businessmen sincerely and heartily favor enforcement of the historic American policy against monopolistic restraint of trade and unfair competition, and there can be no doubt that these policies have made a substantial contribution to the success of our free enterprise system. They must not be repudiated. Businessmen, as well as others, accept the decisions of our highest Court as the last word on what is the law. Furthermore, businessmen wish to comply with the law.

"In connection with this matter, however, they are confused as to the steps necessary to effect this compliance. Moreover, many businessmen feel strongly that sweeping changes in traditional pricing practices will be harmful to producers and consumers alike.

"The matter is critical, an appraisal of the factors involved is difficult, and an early and completely objective approach to the problem should be welcome. I am pleased to note the recognition of the complexity of this problem by the Congress and the fact that the subcommittee under Senator CAPEHART has already begun, with the advice of a distinguished committee of businessmen and citizens, to get at the facts as a basis for recommendations in connection with this matter. I am gratified at this businesslike step and assure the committee that it will have the complete cooperation of the Commerce Department in this investigation.

"Every businessman, every consumer, every community affected by this situation should not lose the opportunity to give Congress the facts. The public interest requires that those who know the facts should give the facts.

"Meanwhile, I hope that producers, in considering what steps they should take to comply with the law, will, so far as possible, avoid imposing hardships on particular customers or contributing to general inflationary price increases.

"This should not be the occasion for excitement or clamor about business exploiting the public, or Government persecuting business. We are faced with a serious, practical, and immediate problem which should be examined jointly by business and Government with a view to serving the public interest."

Mr. CAPEHART. Mr. President, I have listened very attentively to the able Senator from Louisiana [Mr. LONG] and the able Senator from Illinois [Mr. DOUGLAS] and to the many questions asked of each of them and their replies to those questions. The one most noticeable thing that ran through both speeches is that all in the world they have done is to rehash the old antitrust suits which the Government won, and rightfully won. The suits were brought in connection with cases of collusion, of conspiracy. I do not know of a single Senator or of a single witness who appeared and testified at committee hearings who in any way, shape, or form has tried to apologize for the concerns which were prosecuted and which lost their cases.

All through the speeches and debates and arguments which have taken place today Senators have spoken of the basing point. Some Senators have urged that we restore the basing point. There is no relationship whatever between the bill introduced by the able Senator from Wyoming [Mr. O'MAHONEY], which we are now considering, and the so-called basing-point system. There is absolutely no relationship between the two. Hearings on this question continued for weeks and weeks, and hundreds of witnesses appeared before the committee. Every witness testified that he was opposed to phantom freight. Every member of the committee was opposed to phantom freight. I am certain the Senate of the United States is opposed to phantom freight. I am certain the Attorney General is opposed to it. I am certain that every Senator is in favor of the Sherman Act, of the Clayton Act, of the Robinson-Patman Act. There was not a single scintilla of evidence or testimoney in the hearings which indicated that anyone wanted in the least to break down or weaken the antitrust laws, the Robinson-Patman Act, the Sherman Act, or the Clayton Act.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. I should like to finish my statement, and then I shall be very happy to yield.

The testimony from beginning to end, on the part of little-business men, big-business men, labor union representatives, lawyers of the Federal Trade Commission, on the part of everyone who testified, was that there was confusion, and that clarification was needed. Even the economist for the CIO steel workers, Mr. Brubaker, who made an excellent statement, testified to the same effect. He did as our colleagues have done today. He rehashed a number of previous suits which were brought against corporations for doing things we are all opposed to. The things which were done, which resulted in suits being brought, were things we are all against. Those are matters which have already happened. Those who did the things for which they were prosecuted were properly and rightfully prosecuted.

Mr. Brubaker admitted in the end that every seller in the United States, regardless of where he is located, whether he happens to be fortunate enough to be located in New York, where a population of 10,000,000 people or more forms a potential buying market, or whether he is located in the farthermost corner of Minnesota, where there may be only 10 persons within 10 miles, should have the right to sell wherever he could, and absorb the freight or pay the freight and equalize the cost. If he did so independently, if he did so without collusion and without conspiracy, and if his price equalled that of some competitor a hundred miles away, or a thousand miles away, he should not be prosecuted because of what he did. Likewise every member of the committee and every witness I listened to, and I believe I listened to all of them, were agreed that every time two men or a group of men or a hundred men sat down and in collusion agreed to fix prices they should be prosecuted.

I listened most attentively to the able Senator from Illinois [Mr. DOUGLAS] today. So far as I can see he did not even make an effort to connect up his argument to the effect that the pending bill is a basing-point bill, to the present legislation, except that at the tail end of his speech he did refer to it.

Mr. President, I am certain that if the bill in any way, shape, or form weakened the antitrust laws we would all be opposed to it. I know I would be opposed to it in that case. I am certain the author of the bill also would be opposed to it. I am certain in my mind that the bill will not in any way weaken the antitrust laws.

The able Senator from Louisiana [Mr. LONG] admitted that he was in favor of permitting independent sellers, acting independently, to absorb freight, equalize the freight, or pay the freight. The able Senator from Illinois is not so certain he agrees to that. He is afraid it

might be a means to some sort of collusion. I can see how collusion could happen.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. Mr. President, I have already refused to yield to the Senator from Louisiana. I should like to finish my statement, and then I shall be glad to yield.

In America we have 48 States and we have no trade barriers between the States. We have thousands of cities and we trade back and forth. The very fact that we trade means that we must transport goods. We cannot trade without transporting goods. I have always felt and always will feel that the cost of transporting goods from the seller to the buyer is as much a part of the cost of the goods as the steel or the wood or the iron or whatever it is that goes into the article. It certainly is not a sale until it is in the hands of the buyer. I think we want to develop that kind of economy in America. I think we want to place any seller in America, big or little, in a position where he can sell to anyone in America, and compete with his competitors, whoever they may be, by being able to absorb or equalize freight. I am thoroughly convinced that if we adopt any other method we will retard the progress of the Nation.

I know the arguments on both sides of this question, because I have listened to the testimony given on the subject. Some have recommended that we go to an f. o. b. policy. The associate counsel, who really handles the legal matters for the Federal Trade Commission, admitted before our committee and also admitted during the course of a broadcast with me, that he favored an f. o. b. policy. I am not so certain that this Nation would not have been better off if when we started 165 years ago we had adopted that policy; but we did not. To adopt it now would mean displaced persons and ghost towns. It would completely upset the United States.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. Let me finish.

Mr. DOUGLAS. The Senator from Indiana interrupted me frequently with questions. I wonder if the Senator from Indiana will be kind enough to yield to me for a question.

Mr. CAPEHART. If it is agreeable to the able Senator from Louisiana [Mr. LONG] and the able Senator from Nebraska [Mr. WHERRY], I have no objection.

Mr. DOUGLAS. The Senator has spoken of the dislocation which would occur if we allowed competition to prevail. Is it not true that the Chinese women used to bind their feet, and that when they took off the tight binding they had pains in their feet? Would the Senator recommend that Chinese women should continue to bind their feet? The transition from any period of artificial regulation to freedom is difficult; but is that an argument why we should not strive for it?

Mr. CAPEHART. Mr. President, perhaps I am rather dumb, but I see no relationship between the feet of Chinese women and what we are talking about. Perhaps there is some relationship that I do not understand. I was honest and frank enough to say that if we had started with this system 165 years ago we might well be better off today. But we did not. Industries have grown up all over the United States—in Maine, Vermont, New Hampshire, and California. To try to change the system by forcing each seller to sell f. o. b. at his own place of business would, in my opinion, be disastrous.

I hold in my hand a full-page advertisement issued by the great State of Pennsylvania over the signature of James H. Duff, the Governor of that State. This advertisement was carried in many newspapers and other publications. Perhaps it may still be running. It reads in part as follows:

Will the f. o. b. mill pricing system make it necessary for you to have a plant in Pennsylvania?

Senators may read the advertisement if they care to do so. The State of Pennsylvania was inviting the steel fabricators of America to move their plants close to the back door of the steel industry.

The advertisement also states that two General Motors divisions and the Kelsey-Hayes Wheel Co. intend to do so because of the confusion in this entire subject. That proves what would happen under an f. o. b. pricing method. The big corporations such as General Motors, Kelsey-Hayes Wheel Co., and all others which have the capital and the ability to borrow money and to sell additional stocks would simply locate branch factories all over the United States. They would sell f. o. b. at those branch factories. The man with one factory or one wholesale house, who did not have the capital or the facilities for covering the United States with branch factories, would be practically put out of business.

I am opposed to the cement companies quoting the same prices. I am opposed to the steel companies doing so. I said so repeatedly in the hearings. I am just as much opposed to those things as is the able Senator from Illinois. I am aware of the fact that such a situation exists. I am also aware of the fact that monopolies have become bigger and better in the past 20 years. Many of the witnesses who were complaining about the same thing the able Senator from Illinois complains about, when asked by me whether monopolies had grown bigger and better than they were 20 years ago, admitted that they had.

I am aware of all that, but I see no relationship between the fact that monopolies are bigger and better—and they are becoming bigger and better—and the basing-point system, because the basing-point system has now been outlawed. It will still be outlawed under the bill introduced by the able Senator from Wyoming.

I cannot help but believe, after listening to many weeks of testimony, that this bill will be for the benefit of the little-business man in America and not for the benefit of the big-business man. I do not see how anyone can argue that to go to an f. o. b. mill basis would benefit the little-business man of America. How could it possibly benefit the little fellow? It would benefit the big fellow, for two reasons. First, if every retailer and every wholesaler in the United States must pay the freight on that which he purchases, his prices will go up. Dozens of retailers and wholesalers testified to that fact. Take the merchants in North Dakota and South Dakota who buy their goods in Chicago, Cleveland, and other eastern cities. If they are forced to pay the freight, the cost of their goods will be higher.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. Is it not true that they now pay the freight? Goods are delivered to them at the price at the basing point plus the freight, which they now pay. If we freed the economic system from the basing-point practice, they might get concerns producing closer to them, at a lower cost, so that the price to them would be reduced.

Mr. CAPEHART. Again the able Senator from Illinois confuses the right of an individual seller, acting independently, to absorb or equalize freight, with the basing-point system, and with phantom freight. I am opposed to phantom freight. I cannot conceive of anyone not being opposed to it. It was wrong. There is no question about it. It has been outlawed. The courts rightfully ruled against phantom freight. There is nothing in the legislation which we are considering which gives any right whatsoever to charge phantom freight.

The trouble with this entire argument has been that we have been talking about one thing, whereas the bill covers another thing. I know that it is very easy to rehash all these cases. Such an argument sounds good, and it is based upon fact. I think we had the same thing in Indiana that the able Senator from Illinois described in respect to cement. I am aware of that. I am opposed to it. It is wrong. Those who indulged in such practices were prosecuted, and rightfully so.

But as a result of all that, are we going to change a system which we have enjoyed in this Nation for 165 years and outlaw or make illegal the absorption of freight or the equalization of freight? That is the big question. That is the question which we must decide.

Mr. DOUGLAS. Mr. President——

Mr. CAPEHART. Just a moment.

Mr. DOUGLAS. Will the Senator yield for a question?

Mr. CAPEHART. I wish to finish this point, and then I shall be glad to yield.

Many honest, sincere men say that we do not need to clarify the law because the law at the moment permits such practices. Others equally sincere and honest say that it does not, and that the law should be clarified.

I remember when the able Senator from Wyoming [Mr. O'MAHONEY] appeared before our committee. While he did not say so, I am certain that he was opposed to what we were trying to do. At that time he simply had not thought the problem through. He later agreed that an individual seller should have the right to absorb freight or equalize

freight. So, I admit, it is a debatable question.

Mr. DOUGLAS. Mr. President, will the Senator yield to me for a moment?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. I know that the Senator from Indiana wants to be historically accurate. I was somewhat startled by his statement that we had had the basing-point system for 165 years. We have had railroads for only about 115 years, I believe. My information is that the basing-point system started in steel and cement around 1830. So I am sure that was simply a historical inaccuracy which the Senator from Indiana will wish to correct.

Mr. CAPEHART. What I intended to say—and I think possibly it was understood—was that for 165 years there had been no law against paying freight or absorbing freight. I presume that when this country was founded we must have had some mode of transportation. We had canals. There were horses; and someone was paid for handling merchandise.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. WHERRY. I should like to ask a question. Getting entirely away from the academics and the theories which may be involved, and considering merely the practical side of the question, if the junior Senator from Nebraska happened to be in the business of manufacturing certain steel articles which he sold through wholesale and jobber channels within a certain radius of territory around Omaha, Nebr., territory which was accessible to the Omaha factory producing or fabricating the steel articles, in which area that factory could sell those articles on a competitive basis, and if the junior Senator from Nebraska had been purchasing from a steel mill in Pittsburgh or elsewhere in the East, the raw materials from which to process and fabricate those consumer goods; if the situation is not clarified by the enactment of further legislation, is it not true that the junior Senator from Nebraska, if he were in such a business, would have to purchase the steel f. o. b. the mill, in order to continue to operate? Is not that the situation now, if I understand it correctly?

Mr. CAPEHART. That is correct. I understand that the steel companies have gone to the f. o. b. principle, meaning that the buyer pays the freight from the point of shipment.

Mr. WHERRY. That is the proof of the pudding; that is what actually has happened.

Is it not also true in the case of cement? I should like to say that there is a cement mill at the little town of Louisville, Nebr. That mill employs approximately 400 people. I ask the Senator if it is not true that today such mills do not absorb the freight in making shipments.

Mr. CAPEHART. Today the cement industry is selling f. o. b. the mills.

Mr. WHERRY. That is true. Certainly that is the situation in which American industry finds itself today.

If the situation is not clarified by the enactment of legislation, will not the result simply be that if I, as a fabricator, wished to remain in business, I would have to depend upon local business only, business close to my factory, for I would have to purchase my raw materials f. o. b. the mill at Pittsburgh. However, if I wished to be in a competitive position with other fabricators, would it not be necessary for me to move my factory—assuming that I had one—to Pittsburgh or its vicinity, so that I could get some of the business in that area?

Mr. CAPEHART. That is the way the Governor of Pennsylvania feels about the matter.

Mr. WHERRY. Is not that true?

Mr. CAPEHART. Yes; that is true in the case of products with respect to which freight is a substantial part of the cost. Of course, it certainly would not be true in the case of products as to which freight is an inconsequential part of the cost.

Mr. WHERRY. Is it not a fact that when there is a requirement that all products be sold f. o. b. the mill, that narrows competition and makes producers withdraw into an area much smaller than their selling area otherwise would be if they could absorb the freight, in order to meet the competition?

Mr. CAPEHART. That is correct.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LONG. Let us consider a man with a steel mill at Gary, Ind., who sells steel at a certain price delivered at the gate of the mill, and let us assume that that price is $1 a ton higher than the price of steel when manufactured and sold at Pittsburgh. But suppose today that price were raised to $7 above the Pittsburgh price. Then would not the Gary mill and the Pittsburgh mill be able to do what they could do before the basing-point system was outlawed, namely, the Gary mill could absorb freight up to $3.50 worth, and the Pittsburgh mill could absorb freight up to $3.50 worth; but neither one would attempt to sell in an area where the freight charge from its mill would exceed $3.50, whether the steel was moving from Gary or from Pittsburgh. Could not that be done?

Mr. CAPEHART. Mr. President, today the various mills can sell their products f. o. b. the mills and still can sell them in wide areas, if they wish to do so, simply by means of raising their prices in order to cover the freight.

Please keep in mind that there is no relationship whatsoever between the cost of transportation and having manufacturers get together on a set price.

Mr. WHERRY. But is it not true that, as the law now stands, a consent decree has been entered, enforceable at law, and in connection with that decree it is agreed that the manufacturers will not use the freight-absorption system in a manner that will mean the end of price competition in their industry?

Mr. CAPEHART. Yes; they can do that. They can do any of the things the Senator has described; and then, under the law as it now exists, they can be prosecuted. Under the law as it will exist if this bill is enacted, they can also be prosecuted for doing that. There is nothing in this bill which would prevent the prosecution of anyone who conspires with someone else to eliminate competition.

Mr. WHERRY. Let us assume that bill 1008 is passed, thus providing that freight absorption is all right unless it can be shown that it is used as a monopolistic or collusive practice. Let us assume that various manufacturers seek to arrive at the same price. In the Cement Institute case 50,000 pages of exhibits were offered to prove that the manufacturers were seeking to conspire. But let us suppose that in the future the manufacturers are able to know, just by the glance of an eye, that the old deal is in effect again. How can it be proved that they are entering into a monopolistic agreement and are conspiring to have the same prices?

Mr. CAPEHART. If the prices are identical, that would be one of the pieces of evidence which could be used in court.

Mr. WHERRY. Is not the purpose of this measure to permit them to absorb freight to meet competition? Could not that be used to enable them to arrive at prices identical with those which their competitors were charging?

Mr. CAPEHART. Suppose there are 10 steel companies that are charging $100 a ton for steel; suppose all 10 of them are charging that price. Suppose one of them decides that he will sell steel for $90 a ton. Would not the Senator like to see the other nine manufacturers reduce their price to $90 a ton, and thus give the American people the benefit of the difference of $10 a ton?

Mr. WHERRY. I certainly would. But the trouble is that they do not. All of them leave the price at $100.

Of course I should like to see the price reduced, and I should like to see the reduction in price made available to the people generally. I should like to see some manufacturer able to bid lower prices, and thus require the other manufacturers to lower their prices in order to meet the competition of the lower prices offered by that manufacturer.

Mr. CAPEHART. Of course, prices do go up or down. This bill does not propose to change that situation. It does not change it one iota.

The able Senator from Minnesota [Mr. HUMPHREY] read into the RECORD what Mr. FREAR said about it. He said that manufacturers can do the things we have been discussing, the things to which the bill relates, and that they can do them now, without any change in the law. If he is correct—and sometimes I think possibly he is correct about it—then we do not need a change in the law. But there are many persons who disagree as to that, and I have come to the conclusion that possibly they are correct.

But if that can be done now, without any change in the law, then all the things the Senator just described can be done under existing law.

Mr. LONG. Mr. President, is it not true that as the law now stands, freight absorption is a discrimination and constitutes a violation of the act which says that there cannot be discrimination in such a way as to eliminate competition, and that the mere proof of identical

prices and identical bids all over the United States is sufficient to require the cessation of such a practice? On the other hand, if this bill is enacted into law, it will not be possible to do that, will it?

Mr. CAPEHART. Mr. President, I differ with the able Senator. I do not believe that to be true.

Mr. LONG. Mr. President, I see that I shall have to make another speech on this subject.

Mr. CAPEHART. If the Senator from Louisiana or anyone else can prove it to be true, then I shall oppose the bill. But it simply is not true.

Mr. LONG. Mr. President, it took me 4½ hours today to prove that it is true. Evidently I shall have to repeat my argument.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. WHERRY. Certainly I do not want to have any monopoly exist. I will go as far as the Senator from Indiana, the Senator from Louisiana, or anyone else will go to help small business; I want to help small business. But if the cement company in Louisville, Nebr., wishes to sell cement in Minnesota, and wishes to absorb a part of the freight rate in order to be able to compete, why does it not have a right to do so? Why does not that process result in getting the competitive price lower than it otherwise would be, because the one who absorbs the freight makes a lower price, rather than a higher price.

Mr. CAPEHART. They have that right.

Mr. WHERRY. Certainly. That is not monopoly. That company is an independent company which today has to restrict its activities nearly 50 percent, because of present conditions. It cannot absorb the freight, it cannot help make competition. But if the law is clarified and it can continue to absorb freight charges, it can regain the old circumference and reach out nearly 150 miles farther. It can still absorb that freight because of the costs of manufacture in Louisville, and can bring the price of cement down to the American people. That is the point I am making. That is a practical example of what has happened. That company has had to withdraw to a narrower radius of competition. It helped make the price lower; but if it is taken out of the picture, then the reverse takes place, the price goes up, and competition is eliminated.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LONG. I am sure we both share the same objective, but I wonder whether the Senator realizes we have never been able to get the cement companies to sell for different prices at the same destination. Talk about absorbing freight—all they want to do by absorbing freight is to arrive at the same identical price at the destination point.

Mr. CAPEHART. Mr. President, I want to answer that question.

Mr. WHERRY. I, too, would like to answer it.

Mr. CAPEHART. They were in collusion, and they all had the same price. Let us be practical. If they each used the same basing point, the freight rate was the same to all of them. So naturally if they use the same freight rate, which they are all forced to use under the law, and everybody knows what it is, everybody pays the same. After they get through figuring the price it is exactly the same down to, I do not know to how many decimal points.

Mr. WHERRY. Mr. President, does the Senator from Indiana have the floor?

The PRESIDING OFFICER. The Senator from Indiana has the floor.

Mr. LONG. Mr. President, under the law they are not compelled to use somebody else's freight rate to the point of destination. They are completely at liberty to use their own. In fact, it was because they were using the freight rate of another man, in order to match his price identically, that it was found to be illegal.

Mr. CAPEHART. What they were doing was using the freight rates of one another. If the Senator has a mill in New Orleans, and if I have a mill in Indianapolis, when I would sell in Louisiana, I would use that as a basing point, paying the freight from Indianapolis to New Orleans. But when the Senator sold in Indiana, he would use Indianapolis as the basing point, because he would be competing with me. There is no secret about it; they were doing that. They were wrong. The end result was that they all had exactly the same prices, to the decimal point, as long as they assumed it had to work out that way. It was wrong, and the court found it was wrong, and it has been outlawed. Everybody is glad of it. There is no relationship between that and this bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. WHERRY. Let us get back to my example again, of the cement company at Louisville, which is selling for what it feels is a fair price, with the freight absorption. It makes the other companies naturally come down to meet its price. There is no collusion there, because in the final analysis all these things, quality and everything else, are based upon about the same price, so they make the market. The others make the price. There is no collusion about that. If there is collusion, the bill provides it cannot be done, for the bill provides that good faith must be shown. I would certainly be for it all the way along the line. But certainly I do not want to restrict and narrow competition. I believe the distinguished Senator can at least see the results, and he can see what is going to happen, unless the law is clarified. It is not based on theory. It is not an academic proposition. As an absolute fact it has happened in my own territory.

Mr. CAPEHART. Mr. President, I yield the floor.

SEVENTY-FIFTH BIRTHDAY ANNIVERSARY OF FORMER PRESIDENT HOOVER

Mr. FERGUSON. Mr. President, as one who has had the privilege of knowing him well, and one who has unbounded admiration for his capacities and his selfless devotion to the general welfare, I want to speak briefly on the occasion of the seventy-fifth birthday anniversary of the Nation's first private citizen, our only living ex-President, Herbert Hoover.

Truth and time have a way of clearing the record on public affairs and public personalities.

The monumental work of the Commission on Organization of the Executive Branch of the Government, which so strongly bears the imprint of its Chairman, has commanded the enthusiastic and grateful acknowledgment of the American people.

That work will stand as one measure of Herbert Hoover in history. But it will be by no means the sole measure by which history and his fellow citizens may judge him.

There stands above all else the admirable character of one who represents the best in American traditions of industry, humanism, intellectual brilliance, and integrity.

If there is today any question of what Herbert Hoover stands for I recommend a reading of the address he delivered a year ago upon the occasion of his homecoming to his birthplace at West Branch, Iowa. That address was so profoundly moving in the simplicity of its truths that it merits rank as an American classic.

Essentially Herbert Hoover stands for the dignity of man which is given expression and can only be achieved through his own independence—his freedom to think and to act creatively for himself.

Paternalism is the deadly enemy of that freedom, which is built not on the quicksands of adolescent defiance and doubtful expediency but upon the bedrock of ethics, law, and maturity.

Herbert Hoover stands first among those who have recognized the paternalism of statism and its menace to all human liberty.

Herbert Hoover is first among those who have recognized that the ideals of civil liberties which are employed to rationalize the welfare state, no matter how benign its purposes nor how attractive its professions, cannot survive its necessary regimentation of the individual.

History will record these times as a life-and-death struggle for the minds of men. As I have said before on this floor, that is the basic meaning of the cold war in which we are now engaged. And as I have further said, it is a struggle which extends to our very midst.

It is America's good fortune that in these times we may turn to the wisdom and counsel of men like Herbert Hoover. I hope that we may continue to enjoy his counsel and his services for many years to come.

Mr. President, a splendid editorial from the New York Times of this date reflects the sentiments which I know I share with countless millions of Mr. Hoover's appreciative fellow citizens. I ask unanimous consent that it be printed

in the body of the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BIRTHDAY GREETINGS

Herbert Hoover, our only living ex-President, is 75 today. He comes to that milestone with the respect and the heartfelt good wishes of a nation. Behind him is an extraordinary career which really divides itself into four careers. The first was that of the energetic and highly successful mining engineer. The second, as a prelude to signal service as the efficient head of the Department of Commerce, found him feeding and restoring a starved and shattered world and manifesting in this task exceptional ability not only to see problems whole, but to act swiftly and effectively to meet needs which ran almost the whole gamut of human misery. The third, of course, was the Presidency. Here Mr. Hoover found himself at the helm of a nation reeling with the heady wine of a false prosperity. When the whole story of his efforts to stem the dangerous tides is set in its right perspective we get the picture of a man fighting valiantly against circumstances he did not create. As a fourth major activity he has just completed the monumental study and recommendations for the reorganization of the executive branch of the Federal Government. This task was performed and organized with a skill and thoroughness which has brought him general acclaim.

Greater perhaps than the abilities which have stood out in the various phases of the ex-President's long and useful life; greater than the engineering approach which has always sought a spring board of solid facts from which to proceed and an amazing clearness of thought in putting first things first, is the character of the man himself. In one era glorified, in another bitterly criticized, he has found the inward strength to follow a true course as he saw it. He has ever been ready to serve and, even when past 70, undertook arduous flights around the globe to make available again his experience for the relief of a world once more plunged by war into hunger and distress.

Inevitably Herbert Hoover has grown in the respect and affection of his countrymen. We join today in wishing him many more years of active and useful life.

EXECUTIVE SESSION

Mr. HOEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

Mr. HOEY. Mr. President, I ask that we begin with the nominations on page 2, entitled "Postmasters."

The legislative clerk proceeded to read sundry nominations of postmasters in the State of Tennessee.

Mr. HOEY. I move that the nominations of postmasters be cnfirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters in the State of Tennessee are confirmed en bloc.

TAX COURT

Mr. WHERRY. Mr. President, I ask that the nomination to the Tax Court of the United States may go over.

The PRESIDING OFFICER. The nomination will be passed over.

UNITED STATES ASSAY OFFICE

The legislative clerk read the nomination of James J. Andrews, of New York, to be Superintendent of the United States Assay Office at New York, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HOEY. Mr. President, I ask that all the remaining nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the remaining nominations of postmasters are confirmed en bloc.

Mr. WHERRY. Mr. President, before the motion is made to recess, may I inquire of the present occupant of the chair. Do I correctly understand that the Senate passed over the nomination of Miss Marion J. Harron, of California?

The PRESIDING OFFICER. That is correct.

Mr. HOEY. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

RECESS

Mr. HOEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 50 minutes p. m.) the Senate took a recess until tomorrow, Thursday, August 11, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 10 (legislative day of June 2), 1949:

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 36, Eighth Congress, and Public Law 625, Eighth Congress:

To be majors

James M. Brown, MC, O356209.
Jules O. Meyer, MC, O357129.
Anthony W. Miles, MC, O379513.
Sidney Miller, MC.

To be captains

Warren C. Breidenbach, Jr., MC.
Robert C. Butz, MC, O1755622.
Ralph E. Campbell, MC, O1775576.
Hull F. Dickenson, DC, O400639.
Benjamin J. DiJoseph, DC, O1725596.
Albert J. Dimatteo, DC, O1715068.
Howard J. Henry, MC, O1744823.
Harry W. McCurdy, MC, O1725453.
Melton P. Meek, MC, O1735512.
George E. Oldag, MC, O447690.
Charles R. W. Reed, MC, O1785962.
Robert A. Reynolds, MC.

To be first lieutenants

William A. B. Addison, JAGC, O399154.
Sol Balis, MC, O960847.
John W. Barch, MC, O954266.
Tucker A. Barth, MC, O1766611.
Thomas G. Baskin, MC.
Victor D. Baughman, JAGC, O455846.
Alexander H. Beaton, MC.
Marcus R. Beck, MC, O960848.
Robert W. Bell, MC, O962712.
Wilfred B. Bell, DC, O959943.
Robert Bernstein, MC, O1717735.
Anthony L. Brittis, MC, O961448.
Thomas J. Brown, DC, O959929.
Edward L. Buescher, MC, O961688.
Clement E. Carney, JAGC, O1555955.
Harold G. Carstensen, MC, O963950.
Gerald A. Champlin, MC, O958518.
Vernon L. Cofer, Jr., MC, O962725.
Clarence F. Crossley, Jr., MC, O958515.
Roswell G. Daniels, MC, O963576.
Eugene J. Diefenbach, Jr., MC, O960856.
Philip R. Dodge, MC.
John H. Draheim, MC, O960857.
Philip E. Duffy, MC, O965576.
George L. Emmel, MC.
Leroy L. Engles, MC, O965456.
Albert J. Flacco, MC, O964976.
Thomas J. Foley, MC.
Bruce T. Forsyth, MC.
Frank E. Foss, MC, O958513.
Roger J. Foster, MC.
Ralph V. Gieselman, MC.
Thomas T. Glasscock, MC.
Richard Gottlieb, MC, O960861.
John M. Harter, MC.
Charles C. Heath, DC, O964057.
Wood S. Herren, MC.
John A. Hightower, MC.
John H. Hoon, MC, O1996934.
Winston C. Jesseman, MC, O963952.
Richard P. Jobe, MC.
Donald J. Joseph, MC, O1756086.
John M. Kroyer, MC.
Paul E. Lacy, MC, O961442.
Robert M. Lathrop, JAGC, O962513.
Robert R. Leonard, MC, O956165.
Charles W. Levy, JAGC, O569095.
Arthur F. Lincoln, MC, O960866.
Fred Madenberg, MC, O960469.
Nicholas M. Margetis, JAGC, O972255.
Robert H. Mariette, DC, O959930.
Bruce R. Marshall, MC.
Benjamin A. McReynolds, MC.
Herbert Meeting, Jr., JAGC, O370356.
William B. Merryman, MC, O961266.
Richard L. Miner, MC, O958452.
Thomas Morrison, MC, O964458.
George R. Nicholson, MC.
Henry J. Olk, Jr., JAGC, O1845325.
Edwin L. Overholt, MC, O948541.
John A. Palese, MC, O961942.
Paul W. Palmer, MC, O959630.
Charles C. Parker, MC, O954960.
John L. Pitts, MC, O954961.
Robert F. Ranson, MC.
Maurice S. Rawlings, MC.
Robert F. Reid, MC, O964460.
Robert G. Richards, MC, O963265.
Hyman P. Roosth, MC, O963577.
Arthur W. Samuelson, MC, O964980.
William J. Sayer, MC, O958949.
William H. Schlattner, Jr., MC, O958505.
Willis E. Scott, DC, O959934.
Leonard H. Seitzman, MC, O1718449.
Robert L. Sherman, MC, O963955.
Fred H. Slager, MC, O954278.
Edwin S. Stenberg, Jr., MC, O1767534.
William L. Stone III, MC.
John J. Toohey, MC, O961939.
James O. Wall, MC, O960474.
Richard A. Ward, MC, O965832.
Lawrence L. Washburn, Jr., MC.
Richard E. Weeks, MC, O964461.
James A. Whiting, MC.
Dudley E. Wilkinson, MC, O961045.

Louis E. Young, MC.
William B. Young, MC, O960874.
Anton C. Zeman, Jr., DC, O959942.

To be second lieutenants

Jack A. Fullmer, MSC.
Mable L. Jack, ANC, N797947.
Marcile Lansford, ANC, N792111.
Bernice M. Strube, WAC.
Betty G. Washbourne, ANC, N792127.
Betty J. Workman, ANC, N797284.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Jack F. Andrews.
John B. Berry, Jr.
Alan W. Blankenship.
Newton C. Brackett.
Henry B. Edwards, Jr., O955559.
Conrad L. Hall.
Martin D. Hecht, O957771.
Robert L. Jeansonne, C948382.
Carroll N. LeTellier, O969234.
Jim F. Rast.
William C. Stribling, Jr.
Edward E. Tourtellotte, O957965.

IN THE MARINE CORPS

The following-named officer for permanent appointment to the grade of major general in the Marine Corps:

William J. Wallace

The following-named officer for temporary appointment to the grade of major general in the Marine Corps:

Ray A. Robinson

The following-named officer for permanent appointment to the grade of brigadier general in the Marine Corps:

John T. Selden

The following-named officer for temporary appointment to the grade of brigadier general in the Marine Corps:

Randolph M. Pate

The following-named officer for permanent appointment to the grade of first lieutenant in the Marine Corps:

Thomas R. Burns

The following-named citizens (civilian college graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps:

Tilton A. Anderson, a citizen of Kansas.
John G. Belden, a citizen of Indiana.
James J. Boley, a citizen of Missouri.
Thomas G. Borden, a citizen of Louisiana.
Calvin H. Broyer, a citizen of the District of Columbia.
James W. Burke, a citizen of Ohio.
James Y. Butts, a citizen of Texas.
Ivil L. Carver, a citizen of Colorado.
Andrew B. Cook, a citizen of Massachusetts.
John L. Eareckson, a citizen of Pennsylvania.
William H. Edwards, a citizen of Virginia.
Clyde L. Eyer, a citizen of Missouri.
Matthew C. Fenton III, a citizen of Maryland.
John C. Gordy, Jr., a citizen of Louisiana.
George H. Grimes, a citizen of Indiana.
Robert L. Gunter, a citizen of Pennsylvania.
Arthur J. Hale, a citizen of Oklahoma.
Allen S. Harris, a citizen of Ohio.
Robert P. Harris, a citizen of New Mexico.
Richard G. Heinsohn, a citizen of Tennessee.
Hans W. Hanzel, a citizen of Ohio.
Mallett C. Jackson, Jr., a citizen of Missouri.
George C. James, a citizen of South Carolina.
Edward H. John, Jr., a citizen of Ohio.
Richard J. Johnson, a citizen of Tennessee.
David S. Karukin, a citizen of Massachusetts.
Charles R. Kennington, Jr., a citizen of Ohio.
Walter C. Land, a citizen of Georgia.
Alan M. Lindell, a citizen of New Mexico.
Bernard S. MacCabe, Jr., a citizen of New Jersey.
Byron L. Magness, a citizen of Arkansas.
David G. Martinez, a citizen of California.
John F. Meehan, a citizen of New Jersey.
Willard D. Merrill, a citizen of Massachusetts.
John H. Miller, a citizen of Texas.
Edgar F. Musgrove, a citizen of New York.
Harry J. Nolan, a citizen of Louisiana.
Billy M. O'Quinn, a citizen of Texas.
Richard L. Prave, a citizen of Pennsylvania.
E. Richard Rhodes, a citizen of Illinois.
Joseph E. Rosky, a citizen of New York.
Robert L. Scruggs, a citizen of West Virginia.
Albert C. Smith, Jr., a citizen of Virginia.
Charles S. Smith, a citizen of Virginia.
William A. Snare, Jr., a citizen of Virginia.
William F. Sparks, a citizen of Washington.
James W. Stanhouse, a citizen of Illinois.
Kenneth R. Steele, a citizen of Georgia.
James C. Stephens, a citizen of North Carolina.
Luther G. Troen, a citizen of South Dakota.
Henry W. Tubbs, Jr., a citizen of Illinois.
Thomas B. White, Jr., a citizen of Illinois.
James S. Wilson, a citizen of Georgia.
John O. Wolcott, a citizen of Ohio.

The following-named enlisted man (meritorious noncommissioned officer) for permanent appointment to the grade of second lieutenant in the Marine Corps:

John F. McCarthy, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 10 (legislative day of June 2), 1949:

UNITED STATES ASSAY OFFICE

James J. Andrews to be Superintendent of the United States Assay Office at New York, N. Y.

POSTMASTERS

MAINE

Raymond W. Fish, Hallowell.

MINNESOTA

Mattie M. Coyle, Garvin.
Lloyd H. Kuhlmann, Isle.

MISSOURI

Howard L. Dickirson, Dexter.
Florence M. Newton, Freeman.

NEBRASKA

Fay T. Zeigler, Brewster.
Raymond D. Rogers, Decatur.
William A. Werman, Elk Creek.
Earl F. Shea, Oconto.
Otis J. Reinmiller, Staplehurst.
Virland D. Hollins, Valley.

NEW YORK

Guy S. Castrilli, Bath.

TENNESSEE

Herbert M. Hickey, Byington.
Wilton Rust, Kingston Springs.
Nelle H. Taylor, Milligan College.

VIRGINIA

Price W. Atkins, Atkins.
James S. Smith, Bristow.
Jack P. Fisher, Callaway.
James Duval Johnson, Covesville.
Edward C. Killmon, Eastville.
George H. Fletcher, Fort Eustis.
Albert C. Thompson, Fort Monroe.
Hudson R. Lankford, Franklin.
Raymond H. Morgan, Green Bay.
Addie Northam, Hallwood.
Luther J. Sample, Honaker.
Charles C. Wells, Matoaca.
Edgar M. Cockrell, Montross.
Paul J. Pennewell, Onancock.
Paschal M. Johnson, Pembroke.
C. Meredith Richardson, Pendletons.
Louise M. Harwood, Saluda.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 10, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, the Reverend James P. Wesberry, pastor, Morningside Baptist Church, Atlanta, Ga., offered the following prayer:

Most merciful and compassionate God, our Father, we lift our hearts to Thee in loving gratitude for the privilege of living and serving in America, beautiful and beloved land of our joy and pride. Teach us anew that our Nation's true greatness is not in material wealth or military might but in the character of her people. We rejoice that ours is a Christian nation. Forgive us all that is un-Christlike in us and brighten every dark place throughout the land. Grant the light of Thy divine guidance to these honored representatives of the people. May they be laborers with Thee in making our Nation greater in soul than in territory and an ever-increased blessing to the nations of the world. In the name of Thine only begotten Son, our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 91. An act to provide for a research and development program in the Post Office Department;

H. R. 242. An act to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy;

H. R. 579. An act to permit the motor vessel *FLB–5005* to engage in the fisheries;

H. R. 607. An act for the relief of Harvey M. Lifset, formerly a major in the Army of the United States;

H. R. 637. An act for the relief of Mrs. Harriett Patterson Rogers;

H. R. 691. An act for the relief of Lawrence Fontenot;

H. R. 748. An act for the relief of Louis Esposito;

H. R. 1017. An act for the relief of John Aaron Whitt;

H. R. 1023. An act for the relief of Lois E. Lillie;

H. R. 1034. An act for the relief of the Jansson Gage Co.;

H. R. 1055. An act for the relief of Agnese R. Mundy;

H. R. 1069. An act for the relief of Albert Burns;

H. R. 1075. An act for the relief of Harry C. Metts;

H. R. 1154. An act to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif. and for other purposes;

H. R. 1282. An act for the relief of Mrs. T. A. Robertson;

H. R. 1459. An act for the relief of E. Neill Raymond;

H. R. 1516. An act to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide annual automatic within-grade promotions for hourly employees of the custodial service;

H. R. 1619. An act for the relief of St. Elizabeths Hospital, Yakima, Wash., and others;

H. R. 1679. An act for the relief of Mrs. Skio Takayama Hull;

H. R. 1720. An act to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University;

H. R. 1857. An act for the relief of the estate of Josephine Pereira;

H. R. 1993. An act for the relief of Samuel Fadem;

H. R. 2095. An act for the relief of the estate of Kenneth N. Peel;

H. R. 2214. An act to provide for the development, administration, and maintenance of the Suitland Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes;

H. R. 2239. An act for the relief of the estate of W. M. West;

H. R. 2253. An act for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor;

H. R. 2344. An act for the relief of Charles W. Miles;

H. R. 2456. An act for the relief of Charlie Hales;

H. R. 2572. An act to extend to commissioned officers of the Coast and Geodetic Survey the provisions of the Armed Forces Leave Act of 1946;

H. R. 2602. An act for the relief of John B. Boyle;

H. R. 2608. An act for the relief of C. H. Dutton Co., of Kalamazoo, Mich.;

H. R. 2662. An act to grant time to employees in the executive branch of the Government to participate, without loss of pay or deduction from annual leave, in funerals for deceased members of the armed forces returned to the United States for burial;

H. R. 2704. An act for the relief of Freda Wahler;

H. R. 2806. An act for the relief of Paul C. Juneau;

H. R. 2807. An act for the relief of Loretta B. Powell;

H. R. 2869. An act to authorize an appropriation in aid of a system of drainage and sanitation for the city of Polson, Mont.;

H. R. 2925. An act for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel;

H. R. 2931. An act to provide for the conveyance by the United States to Frank C. Wilson of certain lands formerly owned by him;

H. R. 3139. An act for the relief of James B. DeHart;

H. R. 3193. An act for the relief of Public Utility District, No. 1, of Cowlitz County, Wash.;

H. R. 3408. An act for the relief of Opal Hayes and D. A. Hayes;

H. R. 3461. An act for the relief of Lester B. McAllister and others;

H. R. 3501. An act for the relief of Nelson Bell;

H. R. 3511. An act to declare the waterway (in which is located the Brewery Street Channel) from Brewery Street southeastward to a line running south 33 degrees 53 minutes 36 seconds west from the south side of Chestnut Street, at New Haven, Conn., a nonnavigable stream;

H. R. 3756. An act to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the United States shall be computed on the basis of their average basic salaries for any five consecutive years of allowable service;

H. R. 3788. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico;

H. R. 4097. An act for the relief of George M. Beesley, Edward D. Sexton, and Herman J. Williams;

H. R. 4138. An act for the relief of Herbert L. Hunter;

H. R. 4307. An act for the relief of Ever Ready Supply Co. and Harold A. Dahlborg;

H. R. 4366. An act for the relief of Pearson Remedy Co.;

H. R. 4854. An act for the relief of Mrs. Miriam G. Wornum;

H. R. 4948. An act relating to the policing of the building and grounds of the Supreme Court of the United States;

H. R. 5034. An act to authorize the taxation of Indian land holdings in the town of Lodge Grass, Mont., to assist in financing a municipal water supply and sewerage system;

H. R. 5114. An act to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling houses on brewery premises, and for other purposes;

H. R. 5188. An act to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo Locks;

H. R. 5287. An act to amend title 28, United States Code, section 90, to create a Swainsboro Division in the southern district of Georgia, with terms of court to be held at Swainsboro;

H. R. 5365. An act to provide for the transfer of the vessel *Black Mallard* to the State of Louisiana for the use and benefit of the department of wildlife and fisheries of such State;

H. R. 5831. An act to exempt certain volatile fruit-flavor concentrates from the tax on liquors;

H. J. Res. 188. Joint resolution to provide for the coinage of a medal in recognition of the distinguished services of Vice President ALBEN W. BARKLEY; and

H. J. Res. 242. Joint resolution extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 162. An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes;

H. R. 559. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claims of the city of Needles, Calif., and the California-Pacific Utilities Co.;

H. R. 631. An act for the relief of Mrs. Dorothy Vicencio;

H. R. 997. An act to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55;

H. R. 1137. An act for the relief of J. W. Greenwood, Jr.;

H. R. 1279. An act for the relief of George Hampton;

H. R. 1285. An act for the relief of the legal guardian of Lena Mae West, a minor;

H. R. 1505. An act for the relief of Harry Warren;

H. R. 1604. An act conferring jurisdiction upon the Court of Claims to hear and determine the claim of Breinig Bros., Inc.;

H. R. 1892. An act authorizing the Secretary of the Interior to issue a patent in fee to certain Indian lands in Lake County, Mont.;

H. R. 1997. An act to authorize the survey of a proposed Mississippi River Parkway for the purpose of determining the feasibility of such a national parkway, and for other purposes;

H. R. 2197. An act to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes;

H. R. 2296. An act to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes;

H. R. 2634. An act to provide transportation of passengers and merchandise on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation;

H. R. 2740. An act to establish rearing ponds and a fish hatchery at or near Millen, Ga.;

H. R. 2877. An act to authorize the addition of certain lands to the Big Bend National Park, in the State of Texas, and for other purposes;

H. R. 2944. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide survivorship benefits for widows or widowers of persons retiring under such act;

H. R. 3440. An act for the addition of certain lands to Rocky Mountain National Park, Colo., and for other purposes;

H. R. 3825. An act to amend the Federal Crop Insurance Act;

H. R. 4498. An act to amend section 6 of the act of April 15, 1938, to expedite the carriage of mail by granting additional authority to the Postmaster General to award contracts for the transportation of mail by aircraft upon star routes;

H. R. 4510. An act to provide funds for cooperation with the school board of Klamath County, Oreg., for the construction, extension, and improvement of public-school facilities in Klamath County, Oreg., to be available to all Indian and non-Indian children without discrimination;

H. R. 5086. An act to accord privileges of free importation to members of the armed forces of other nations; and

H. J. Res. 208. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938.

The message also announced that the Senate had passed bills, joint resolutions, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 4. An act authorizing the advanced training in areonautics of technical personnel of the Civil Aeronautics Administration;

S. 51. An act to amend title 28, United States Code, section 962, so as to authorize reimbursement for official travel by privately owned automobiles by officers and employees of the courts of the United States and of the administrative office of the United States courts at a rate not exceeding 7 cents per mile;

S. 212. An act for the relief of John Joseph McKay;

S. 229. An act for the relief of E. W. Eaton Coal Co.;

S. 296. An act for the relief of Daniel George Fischer and Ladislas (Vasile) Taub;

S. 309. An act for the relief of Gabe Budwee;

S. 442. An act to amend the Air Commerce Act of 1926 (44 Stat. 568), as amended, to provide for the application to civil air navigation of laws and regulations related to animal and plant quarantine, and for other purposes;

S. 443. An act to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce;

S. 450. An act to amend the Civil Aeronautics Act of 1938, as amended, by providing for the delegation of certain authority of the Administrator, and for other purposes;

S. 472. An act for the relief of Osmore H. Morgan;

S. 557. An act for the relief of the McCormick Engineering Co. and John E. Price, an individual doing business as the Okeechobee Construction Co.;

S.603. An act to amend the Trading With the Enemy Act;

S. 609. An act for the relief of Mrs. Bertie Grace Chan Leong;

S. 614. An act to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes;

S. 627. An act for the relief of Leon Moore;

S. 672. An act to amend part VIII of Veterans Regulation No. 1 (a) so as to provide entitlement to educational benefits for those individuals who enlisted or reenlisted prior to October 6, 1945, on a same basis as for those individuals who enlisted or reenlisted within 1 year after October 6, 1945;

S. 689. An act to permit certain postal employees or substitute postal employees to receive credit for military service;

S. 777. An act for the relief of Calvin D. Lynch and Son; W. Thomas Lockerman; Sudersville Supply Co.; George C. Moore and H. A. Moore; J. McKenny Willis & Son, Inc.; Hobbs & Jarman; C. S. Thomas; and Royse R. Spring;

S. 794. An act for the relief of certain contractors employed in connection with the construction of the United States Appraisers Building, San Francisco, Calif.;

S. 855. An act to authorize a program of useful public works for the development of the Territory of Alaska;

S. 868. An act to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes;

S. 874. An act for the relief of Elza Friedrych;

S. 916. An act for the relief of Ascanio Collodel;

S. 938. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 973. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia;

S. 986. An act for the relief of Carlos Riggenbach;

S. 1033. An act to further amend the Philippine Rehabilitation Act of 1946;

S. 1054. An act for the relief of Northwest Missouri Fair Association, of Bethany, Harrison County, Mo.;

S. 1096. An act for the relief of Abe Lincoln and Elena B. Lincoln;

S. 1115. An act authorizing appropriations for the construction, operation, and maintenance of the western land boundary fence project, and for other purposes;

S. 1126. An act to amend the Boiler Inspection Act of the District of Columbia;

S. 1145. An act for the relief of Persephone Poulios;

S. 1231. An act to repeal the limitation upon the total annual compensation of certain rural carriers serving heavily patronized routes;

S. 1290. An act to establish and effectuate a policy with respect to the creation or chartering of certain corporations by act of Congress, and for other purposes;

S. 1387. An act to provide for designation of the United States Veterans' Administration hospital to be constructed at West Haven Conn., as the John D. Magrath Memorial Hospital;

S. 1446. An act for the relief of James Hung Loo;

S. 1479. An act to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes;

S. 1565. An act for the relief of Dr. Ludovit Ruhmann;

S. 1604. An act conferring jurisdiction upon the United States District Court for the District of New Mexico to hear, determine, and render judgment upon the claim of F. DuWayne Blankley;

S. 1825. An act to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops;

S. 1937. An act to provide greater retention preference for severely disabled war veterans in reductions in force;

S. 1973. An act to further amend the Communications Act of 1934;

S. 2028. An act to permit the Board of Education of the District of Columbia to participate in the foreign teacher exchange program in cooperation with the United States Office of Education;

S. 2031. An act for the relief of the Willow River Power Co.;

S. 2042. An act to authorize the Secretary of the Interior to complete construction of the irrigation facilities and to contract with the water users on the Buffalo Rapids project, Montana, increasing the reimbursable construction cost obligation, and for other purposes;

S. 2046. An act to provide authority for certain functions and activities of the National Bureau of Standards, and for other purposes;

S. 2080. An act to authorize the regulation of whaling and to give effect to the International Convention for the Regulation of Whaling signed at Washington under date of December 2, 1946, by the United States of America and certain other governments, and for other purposes;

S. 2085. An act to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report;

S. 2125. An act conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones and others;

S. 2146. An act to provide certain additional rehabilitation assistance for certain seriously disabled veterans in order to remove an existing inequality;

S. 2160. An act to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes;

S. 2170. An act for the relief of W. P. Bartel;

S. 2201. An act amending section 2 of the act of March 3, 1901 (31 Stat. 1449) to provide basic authority for the performance of certain functions and activities of the National Bureau of Standards, and for other purposes;

S. 2240. An act to authorize certain personnel and former personnel of the United States Coast Guard and the United States Public Health Service to accept certain gifts tendered by foreign governments;

S. 2298. An act to authorize the Administrator of Veterans' Affairs to convey certain lands and to lease certain other land to Milwaukee County, Wis.;

S. 2380. An act to provide more efficient dental care for the personnel of the United States Army and the United States Air Force;

S. 2391. An act to authorize the construction, operation, and maintenance of the Weber Basin reclamation project, Utah;

S. J. Res. 3. Joint resolution to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland and American books and technical equipment for institutions of higher education in Finland, and to provide opportunities for American citizens to carry out academic and scientific enterprises in Finland;

S. J. Res. 24. Joint resolution to provide for a suitable and adequate system of timber access roads to and in the forests of the United States;

S. J. Res. 79. Joint resolution authorizing Federal participation in the international exposition for the bicentennial of the founding of Port-au-Prince, Republic of Haiti, 1949;

S. Con. Res. 55. Concurrent resolution favoring the suspension of deportation of certain aliens; and

S. Con. Res. 58. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate insists upon its amendment to the text of the amendment of the House to the bill (S. 1647) entitled "An act to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533)," agrees to a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. KERR, and Mr. CORDON to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 50–5.

EXTENSION OF REMARKS

Mr. HERTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a notable address made by former President Herbert Hoover on his seventy-fifth birthday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial of the St. Louis Post-Dispatch of August 6, 1949, which comments on the fight made by one of Missouri's most distinguished Congressmen, Representative JOHN B. SULLIVAN, of St. Louis, in attempting to defeat amendments to the Natural Gas Act which would seriously

affect the interest of the consuming public.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANE asked and was given permission to extend his remarks in the RECORD.

Mr. SIKES. Mr. Speaker, recently I obtained unanimous consent to insert an article in the RECORD entitled "Elgin Field's Great Work." I am informed by the Public Printer that the cost will be $191.34. Notwithstanding the cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding, and without objection, the extension may be made.

There was no objection.

Mr. REGAN asked and was given permission to extend his remarks in the RECORD and include a letter with reference to the oil industry.

Mr. BREHM asked and was given permission to extend his remarks in the RECORD.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD and include an article from the Times-Herald by Walter Trohan.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. GRAHAM asked and was given permission to extend his remarks in the RECORD and include an article by Arthur Krock.

Mr. COTTON asked and was given permission to extend his remarks in the RECORD.

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and include excerpts from a broadcast made by Phelps Adams of the New York Sun over the Mutual Broadcasting Co.

Mr. HALE asked and was given permission to extend his remarks in the RECORD and include a speech made by the gentleman from Connecticut [Mr. LODGE].

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include an article from the New York Times.

Mr. FORD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. FARRINGTON. Mr. Speaker, on yesterday I obtained unanimous consent to include an act passed by the Legislature of the Territory of Hawaii. I now find that it will involve a cost of $218.68. I ask unanimous consent that it be printed notwithstanding the additional cost.

The SPEAKER. Notwithstanding, and without objection, the extension may be made.

There was no objection.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD in two instances; in one to include an editorial, and in the other to include a resolution of the AMVETS of Iowa.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and insert an editorial from the Wall Street Journal of yesterday, Uncle's Bellyache.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. KEEFE asked and was given permission to extend his remarks in the RECORD and include an editorial published in the Milwaukee Journal entitled "We'll Keep the White House."

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

SPECIAL ORDER GRANTED

Mr. COTTON. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative business today and any other special orders heretofore granted, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

CALL OF THE HOUSE

Mr. McCONNELL. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 171]

Baring	Dague	Norton
Barrett, Pa.	Dolliver	Plumley
Bland	Douglas	Powell
Bolton, Ohio	Eaton	St. George
Bonner	Fellows	Sasscer
Boykin	Gilmer	Smith, Ohio
Breen	Gordon	Staggers
Bulwinkle	Gregory	Thomas, N. J.
Burleson	Hinshaw	Towe
Byrne, N. Y.	Holifield	Vursell
Camp	Jonas	Welch, Calif.
Celler	Kennedy	Withrow
Chatham	McGregor	
Clevenger	Mason	

The SPEAKER. On this roll call 391 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

IMMIGRATION OF AGRICULTURAL WORKERS

Mr. LYLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 322, Rept. No. 1242), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5557) to provide for coordination of arrangements for the employment from foreign countries in the Western Hemisphere, to assure that the migration of such workers will be limited to the minimum numbers required to meet domestic labor shortages, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read, and after the reading of the enacting clause of such bill, it shall be in order to move to strike out all after the enacting clause and insert the text of the bill H. R. 5828, and all points of order against such amendment are hereby waived. At the conclusion of the consideration of the bill H. R. 5557, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

LEGISLATIVE PROGRAM

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute that I may make inquiry of the majority leader.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would like to ask the majority leader two questions, if I might.

First, what will be the order of business after the disposition of the particular measure under consideration; and, second, whether the Members should order their Thanksgiving dinners here?

We would appreciate your advice.

Mr. McCORMACK. Mr. Speaker, I can give a very definite answer to the first question. On the second one, I will give as frank an answer as I possibly can.

The next order of business will be consideration of Reorganization Plan No. 2. There is a resolution to disapprove it. The House committe, by a vote of 14 to 7, has disapproved the disapproving resolution.

Mr. MARTIN of Massachusetts. I understand that is coming up in the Senate today, and if they should vote to disapprove it, that would end it, would it not?

Mr. McCORMACK. Of course, that is the end, because when one body disapproves it that ends it. I hope the Senate will not do that. They fought for the one-body veto, and it puts them in a rather embarrassing position, in my opinion. However, that is another question.

Mr. MARTIN of Massachusetts. Now, as to the second question.

Mr. McCORMACK. As to the second question, frankly, I want to state that we have been doing everything we can to get out the military assistance bill. If it could be possible to get that bill out of committee this week, and dispose of it, and then after disposition of the Korea aid bill, we are in a very excellent position thereafter to arrange for the House to take 3-day recesses. I am expressing my own personal opinion. After that time legislation would not be of major importance and could be arranged. So that, in my opinion, as I see it, that might be possible. Of course, the Foreign Affairs Committee has a very serious bill, the military aid bill. Until we know when that is reported out of committee, it is impossible to say definitely anything, because the longer that is held off the more likely other committees are to report bills out which the leadership might be constrained to take up. If the Foreign Affairs Committee could, in their

judgment, act quickly, it would be of invaluable assistance, as far as the House is concerned, because we are far ahead of the Senate.

Mr. MARTIN of Massachusetts. Some of the Members would like to know, if possible, if, in the event we take 3-day recesses, how long that would be apt to continue.

Mr. McCORMACK. That is a matter on which I would rather not make a statement now, because if the military aid bill comes out—I am just expressing my own opinion—I assume that the Speaker, the gentleman from Massachusetts [Mr. MARTIN], and myself would get into a huddle very quickly, and out of that would emanate something very definite.

AMENDING FAIR LABOR STANDARDS ACT

Mr. LESINSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 5856, with Mr. COOLEY in the chair.

The Clerk read the title of the bill.

Mr. REDDEN and Mr. BREHM rose.

The CHAIRMAN. When the Committee rose on yesterday, August 9, there was pending the amendment offered by the gentleman from Texas [Mr. LUCAS] in the nature of a substitute.

Mr. REDDEN. Mr. Chairman, I offer an amendment.

Mr. LESINSKI. Mr. Chairman, I should like to see if we could agree on a time for the limitation of debate on the Lucas amendment.

Mr. Chairman, I ask unanimous consent that all debate on the Lucas amendment end in 60 minutes.

The CHAIRMAN. Does the gentleman mean to include all amendments thereto?

Mr. LESINSKI. No; just the Lucas substitute.

Mr. McCONNELL. Mr. Chairman, reserving the right to object, I feel that it is too early yet to limit debate on the entire Lucas amendment. I therefore object.

Mr. BREHM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Chair has recognized the gentleman from North Carolina [Mr. REDDEN].

Mr. BREHM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BREHM. Mr. Chairman, I have been standing on my feet seeking recognition ever since the speaker requested the gentleman from North Carolina [Mr. COOLEY] to occupy the chair. Moreover, I am a member of the committee. I think my amendment should have preference.

The CHAIRMAN. The Chair had recognized the gentleman from North Carolina even before recognizing the gentleman from Michigan.

Mr. BREHM. I feel that the Chair was in error in so doing, because I am a member of the committee and the gentleman from North Carolina is not, and I was on my feet prior to the time the gentleman from North Carolina [Mr. REDDEN] asked for recognition.

The CHAIRMAN. The gentleman from North Carolina is recognized to offer his amendment.

Mr. MARTIN of Massachusetts. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN of Massachusetts. Does the Chair rule that a member of the committee does not have preference in recognition when two Members, one not a member of the committee, are seeking recognition at the same time?

The CHAIRMAN. The Chair did not see the gentleman from Ohio on his feet at the same time. The Chair had recognized the gentleman from North Carolina, then the Chair recognized the gentleman from Michigan to submit a consent request. The gentleman from Ohio will be recognized in due time.

The Clerk will report the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. REDDEN: Strike out that portion of section 6 (a), page 10, beginning with line 13, through and including line 11, page 11, and inserting in lieu thereof the following: "No less than 75 cents an hour."

Mr. REDDEN. Mr. Chairman, we are all trying to arrive at the same goal here today; that is, we are all trying to fix a minimum wage for the workingmen of this country that will be fair under foreseeable conditions. Ordinarily I favor a bill reported by a committee that has jurisdiction of it over one that has not been considered by a committee, but under the present circumstances it seems that these bills, technically speaking, have not been considered by the legislative committee having jurisdiction. It is true that many points in them, perhaps all points, were considered by the Committee on Education and Labor, and the House has voted, as we all know, to consider the Lesinski bill, notwithstanding the fact that it was not, technically speaking, considered by the Committee on Education and Labor.

We now have before us as a substitute for the Lesinski bill H. R. 5894. I think its coverage is better for the American worker and the American employer than the Lesinski bill. The principal difference in wages is 10 cents an hour. In other words, the Lesinski bill provides for 75 cents an hour, while H. R. 5894, the Lucas bill, provides for 65 cents an hour and may be reduced to 50 cents.

Mr. Chairman, it is my honest conviction that our country's economy is tied to high prices, high wages, and big profits to the extent that we would be justified today in voting for a minimum wage of 75 cents an hour. Whether this ought to be in the Lesinski bill or in the Lucas bill is a question for the Members to decide. You can take your choice with the provisions of those two bills. I have made my choice if the Lucas bill is amended to provide for a minimum wage of 75 cents.

As you know, we have a budget of $42,000,000,000 to support; we have a debt of $250,000,000,000 to pay and the interest on that debt. We cannot meet our obligations unless our economy remains high under high wages and big profits in this country. So we must answer the question now as to whether we wish to support in any bill or in all bills the question of 75 cents an hour.

Mr. Chairman, in view of all these circumstances, I wonder if the author of the bill H. R. 5894, to which I have offered my amendment, will not accept the amendment, and I ask the gentleman now, the gentleman from Texas [Mr. LUCAS], if he really objects to the amendment I have offered? Does the gentleman actually object to a minimum wage of 75 cents in his bill?

Mr. LUCAS. Responding to the gentleman, may I say that I have offered 65 cents. If the Members want to accept 75 cents, of course, that is up to them, and if they want 75 cents I would be for it. However, I have a responsibility on my part to protect H. R. 5894, which provides 65 cents an hour, having been chosen by some Members to offer that bill. I am going to vote for 65 cents, but if the House chooses to make it 75 cents I would be for it.

Mr. REDDEN. As I understand, the gentleman will vote for the Lucas bill, even if the amendment is adopted making it 75 cents an hour.

Mr. LUCAS. I will be forced to.

Mr. REDDEN. Well, I think, in view of that fact, the proponents of the Lucas bill ought to unanimously support this amendment.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. REDDEN. I yield to the gentleman from Ohio.

Mr. BREHM. I would just like to ask the gentleman does his amendment also eliminate the formula of arriving at the wage by taking into account the cost-of-living index?

Mr. REDDEN. It does. It makes it the same as the Lesinski bill, 75 cents an hour.

Mr. BREHM. It is identical with the amendment which I drafted yesterday, and which I had hoped to offer and had announced in yesterday's RECORD that I would offer.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. REDDEN. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. REDDEN. I yield to the gentleman from Michigan.

Mr. LESINSKI. That 75-cent rate is in the Lesinski bill.

Mr. REDDEN. It is, and all that this amendment does is to do the very thing

that the gentleman's bill proposes—making it 75 cents. I wonder if the chairman of the committee would not accept this amendment also.

Mr. LESINSKI. I accept 75 cents; I will accept $1.

Mr. REDDEN. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. BREHM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in my opinion, this Committee could combine parts of the Lesinski bill and the Lucas substitute and bring forth legislation which would be acceptable to a vast majority of the American people. That is, providing we have authority to legislate on this subject.

I also believe that it would be much easier to accomplish the above objective by amending the Lucas substitute than it would be to try and amend the Lesinski bill.

I am also inclined to believe that the legislation which will be called up for final passage when the Committee goes back into the House will carry a 75-cent minimum. Therefore, it is my considered judgment that it would be more acceptable to a majority of our citizens to have the Lucas substitute with the change which this amendment will accomplish than it would be to have the Lesinski bill with the same 75-cent minimum.

Mr. Chairman, other speakers will present facts tending to justify a 75-cent minimum in preference to a 65, as well as show why the formula basing the rate on a cost-of-living index should not be employed. Therefore, in order to save time and repetition, I will yield to my colleague the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, may I ask the gentleman from North Carolina this question? In order to get the matter straight, this is a straight 75 cents?

Mr. REDDEN. Yes.

Mr. KEATING. And the escalator clause of the formula is removed; is that correct?

Mr. REDDEN. That is correct.

Mr. KEATING. That is the same as the Brehm amendment, I take it.

Mr. BREHM. Identical, word for word.

Mr. KEATING. Mr. Chairman, it seems to me there is much merit in the position of the gentleman from Ohio, the original author of the amendment now offered by the gentleman from North Carolina. Neither the Lucas nor the Lesinski bill is all good or all bad. We should strive to perfect the measure which contains the soundest and more maturely considered provisions before we vote on a choice between the two measures.

On the question of coverage, the Lucas bill is preferable since it defines with greater clarity just what employers and employees shall be subject to the provisions of the Fair Labor Standards Act and limits the coverage more precisely to employers engaged in interstate transactions, which is, of course, the only constitutional basis for interference with the employer-employee relationship by the Federal Government, leaving to the individual States the establishment of such regulations, if any, as they may see fit to impose upon the wages, hours, and employment conditions of those engaged in purely intrastate operations.

When it comes to the fixation of a minimum wage, however, the rigid floor contained in the Lesinski bill seems to me sounder than the movable minimum envisioned in the Lucas substitute. I appreciate the force of the arguments advanced for a flexible minimum by the distinguished ranking minority member of the committee and others and their sincerity in endeavoring to achieve for the working men and women of the country the assurance that they will enjoy at all times at least the necessities of life, regardless of the fluctuations in the cost of living index. Yet, on balance, it seems to me preferable and more in consistency with the basic purpose of minimum wage legislation to fix by law a certain and definite rock bottom wage, as is provided in present law, rather than to leave the establishment of this minimum to the vagaries and uncertainties of changes in the cost of living in a particular community.

All employee groups, so far as I know, favor the fixed rather than the flexible minimum. Mention was made in the debate yesterday of the support for that same viewpoint among business concerns. This is borne out by the communications which I have received from employers. So far as I remember, not a single employer has voiced a preference for the sliding minimum. On the contrary, a large number have communicated to me their views that the fixed minimum, whatever it is, is much to be preferred since it makes possible future planning of costs and pricing policies in a manner impossible under a flexible minimum-wage program.

Typical of this attitude is a telegram which I have received from Mr. I. E. Heller, president of the Clothiers Exchange of Rochester, which I would like to read to the membership since it presents the practical problem encountered by those in business who seek to operate on a profitable basis and whose continued prosperity is a matter of concern to the millions employed in industry. This telegram says:

> In behalf of the clothing manufacturers of Rochester, we wish to register our strong support as employers of a stable minimum wage and our opposition to a flexible minimum based on the living-cost index. A flexible minimum would mean that the lowest paid would be affected with every narrow decline in the cost-of-living index. At the same time a state of uncertainty would be created for manufacturers and retailers alike because neither could have any assurance as to what their basic costs would be for a reasonable period of time.

As to the amount of 75 cents an hour contained in the amendment of the gentleman from North Carolina, certainly, except in the most remote areas of the country, no one can seriously contend that a man can live and support a family on less than $30 a week. So far as I know, not a single employee in any industrial or commercial enterprise in my congressional district now subject to the law is earning less than this figure. If exceptions exist to this sweeping statement, they are few indeed. Employers and employees alike, however, in my area have suffered from the attraction of industry and business to other geographical locations which do not maintain comparable wage rates. Although every effort should be made to avoid sectional differences, we must not blind ourselves to the realization that the lower minimum wage contained in the Lucas substitute cannot possibly benefit any section of our country except certain remote areas of the Southern States.

We should take the many sound and well-considered provisions of this substitute and now improve it by the adoption of this amendment offered by the gentleman from North Carolina. We will then be able to vote for minimum-wage legislation which combines the best features of the various measures offered to deal with this complicated subject.

Mr. BREHM. I thank the gentleman for those remarks. I do not believe the question is so much who gets credit for the amendment as it is getting the best bill this committee can bring forth. Therefore, I support the amendment.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. BREHM. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I intend to support the gentleman's amendment. However, after listening to my very distinguished and able friend from Massachusetts, the majority leader, it would appear from his discussion yesterday as though that side of the House has a monopoly on that sort of thinking. I merely want to state that there are many friends of the amendment that is being proposed by the gentleman from North Carolina.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BREHM. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Just for the record, may I say first that I am not a monopolist, and second, that the gentleman's interpretation of what I said is something I would not challenge on the broad remarks I made, but I did not say "all," I said the newspaper article said "many." I am very glad to see that my friend from Pennsylvania and I as to the minimum wage have a meeting of the minds.

Mr. GAVIN. I thank the gentleman.

Mr. LESINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, you have just heard a few sugar-coated words. I am afraid some of you are going to bite at that 75-cent minimum amendment to the Lucas substitute. On this floor in the last 2 days you have heard a summary given you that in the retail establishments there might be a stenographer or a window washer included. The facts are not true. Look at the summary the gentleman from Texas has given you. The statement is not correct.

We have gone further in the bill I have submitted for your consideration, not my own bill, but a bill drafted by 30 Democrats in conference. I realize the gentleman from Texas is carrying the ball

for certain members of the Republican Party. That is a known fact. We know exactly where that bill was written. It is for only one purpose, to destroy the Wages and Hours Act. Look through the bill and read it. One word is inserted, "indispensable," but what a far-flung word that is. No one is indispensable in manufacturing goods for commerce. That one word is more dangerous than anything else in the Lucas bill.

Then the statement has been made that the Labor Department wants to usurp their right of writing regulations. Has not the Treasury got that right? Has not the Bureau of Aeronautics that right? Has not the Food and Drug Administration that right? Has not the Department of Commerce that right, as have many other bureaus? Has not the Federal Communications Commission got that right? You are setting up here a minimum-wage provision under which nobody has any rights. Yes; go to the Administrator and find out from him what are the rights of certain businesses that are on the border line? He does not know. He says he thinks you are not covered by the act, but when the case is brought into court the employer loses. The employer is penalized and must pay treble damages and costs. That is where your confusion ensues. That is what the Lucas bill will do. It will bring confusion to the minimum-wage law. I ask you to be careful. Do not pay attention to this amendment bringing it up to 75 cents. That is only sugar coating, because if you fall for this maneuver, you will not have any bill if you accept the bill the gentleman from Texas [Mr. LUCAS] has offered. I want you to remember this, that whatever the Committee on Rules said here, the Lucas bill was dropped into the hopper 4 hours after the rule was granted—and that is permissible. That is a bill which was drafted by a few men to satisfy their own political ambitions.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. FULTON. The gentleman has spoken about people being included in his bill and people being excluded from his bill. May I ask the gentleman a question as to one particular group. Are employees of mail-order houses—the big mail-order houses—under the coverage of your bill or are they out? And if they are out, why are they out?

Mr. LESINSKI. If they are in interstate commerce they are in, but if they are nothing but retail businesses, then they are out.

Mr. FULTON. Then that would include Sears, Roebuck, for example, and Montgomery Ward specifically?

Mr. LESINSKI. They are in interstate commerce.

Mr. CASE of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield.

Mr. CASE of New Jersey. I would like to ask the gentleman the same question with reference to the exemption of all employees, both from the minimum wage and hour requirements, who work in the processing of sugarcane. Can the gentleman explain the reason and justification for that?

Mr. LESINSKI. I can answer that. The Department of Agriculture has given them that exemption and that is why it is in the bill.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. JACOBS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am for a 75-cent minimum. Therefore I am going to support this amendment.

I believe it is our duty and obligation to make any bill as good as it can be made for the final vote. Then, if it is adopted, we will have done our best to get good legislation.

Having said that I was going to support this amendment, which should strengthen this bill, I hope you will understand that if I offer a word of criticism you will not think I am doing it simply in a partisan sense. I am going to call your attention to something that bears upon the question which was just raised on page 29 of the Lucas bill about the middle of the page.

I am reading this to those who have tear-stained papers in their hands, thinking about the retailers.

At part 4, about the middle of the page:

> Any employee employed by an establishment which qualifies as a retail establishment under paragraph (2) of this subsection and is recognized as a retail establishment in the particular industry, notwithstanding that such establishment makes or processes the goods that it sells.

What will that do to Montgomery Ward, Sears, Roebuck, Penney & Co., and so on?

Now what are the real facts in the case?

Let us get down to brass tacks and talk reason for a minute. When you come to draw legislation of this kind you run into many difficulties. We have small stores on State lines that should not be covered, and yet they are in interstate commerce by virtue of their location. There may be some magic about Union City, Ind., where Main Street is the Indiana-Ohio State line that enables an intrastate worker to live on less than an interstate worker; but I have never comprehended that magic. It is a part of one country. We tried to draw a formula to include large and exclude the small stores, and found it nearly impossible. Then investigation disclosed that these big retail mail-order houses were organized. The employees did not need the protection and therefore they were excluded. That is the whole story.

You Members of this body are entitled to know the truth. Maybe we are wrong. Maybe we are right. But whether we are wrong or whether we are right can only be judged when you know the 18-carat, all-wool facts in the case, and I have given you the truth.

There used to be an old lawyer who practiced law out where I practiced before I came to Congress, and he would always cite 100 or 150 decisions on every point in his brief. Someone asked him why. He said:

"Well, there are 149 of them that are liable to confuse the judge and make him decide for me whether I am right or wrong, but I always like to have one in there to clarify the situation just in case I am right."

Now, that is the whole story. You have got it in a nutshell.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield.

Mr. LUCAS. I wish to commend most highly my colleague on the committee for having the courage to stand before this body and state that Sears, Roebuck and Montgomery Ward are excluded under the bill which he is supporting, despite the fact that his chairman has stated otherwise.

Mr. JACOBS. Anytime I stand before this body and make any statement, I am going to believe that it is the truth. I do not do it to embarrass my chairman. I think he was perfectly honest, but the facts are as I stated them. You Members of this body, I believe, can rely on exactly what I have said.

I yield back the balance of my time.

Mr. McCONNELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the last 2 days various proponents of the bill H. R. 5856, including the chairman of the Committee on Education and Labor whose name it bears, have made the statement on the floor of the House that it exempts all retail and service establishments. Moreover, in a mimeographed comparison of this bill and an earlier version of the Lucas bill, which comparison the chairman of the Labor Committee conceded on the floor of the House as having been distributed from his office—CONGRESSIONAL RECORD, pages 10998 and 10999—the same representation appeared. It was made in the following language:

> 1. All retail and service establishments are exempt.

Note well that in this material which went to each Member of the House, the word "all" in the foregoing statement was heavily underlined for added emphasis.

Now let us see whether under H. R. 5856 the statement that "All retail and service establishments are exempt" is an accurate one.

In order to fully understand the inaccuracy of this statement, I ask the members of the committee to refer to the provision in question. It appears at page 30, lines 1 to 16 inclusive, and is as follows:

> SEC. 13 (a). The provisions of section 6, 7, and 12 shall not apply to * * * (2) any employee of a retail or service establishment."

Thus far the statement I am challenging appears on the surface to be correct. But do not be deceived. For this language in pertinent part is identical with the language of the existing law. So that even if the bill stopped there the statement would be entirely unfounded in the light of the restrictive interpretations placed upon identical language in the existing law.

But the bill does not stop there. It immediately proceeds to exclude expressly certain retail or service establishments from the exemption. For after requiring that the establishment must derive 75 percent of its sales volume from "retail selling or servicing," it proceeds narrowly to define that term.

The joker of this provision comes in the definition of what constitutes "retail selling or servicing." For, as you will observe, except for certain sales to farmers, this term is lengthily defined to mean selling or servicing to private individuals for personal or family consumption, or selling or servicing—but not for resale—where the goods sold do not differ materially either in type or quantity from goods normally sold or serviced for such personal or family consumption.

Now just exactly what does that mean? The short answer is that this provision would make certain of the principal rulings and interpretations of the Wage-Hour Administrator under the present exemption a matter of statute.

The language employed in the Lesinski bill is apparently taken from Interpretative Bulletin No. 6, which is the position of the Administrator under the present law. Please note the identical terms employed by the Administrator in this bulletin, and I quote:

> A retail establishment sells goods to private individuals for personal or family consumption. Typically it sells "consumer" goods, such as food or clothing to private persons to satisfy their personal wants.

He then goes on and states that the sale of goods to heat a store or business office will not be considered a retail sale if the sale "involves a quantity of goods materially larger than the normal quantity purchased by private consumers."

Every member of the committee, I believe, has received numerous communications, protests, and solicitations for corrective action from retail and service establishments all over the country. These small businesses in large numbers have implored this House to take action to restrain the interpretative abuses of the Administrator under the exemption of the present law. Yet the answer of the proponents of H. R. 5856 to these beseechings has been a provision which would make a matter of statute the very rulings and interpretations which these local merchants consider so impracticable and unrealistic.

In net effect the definition of retail selling or servicing as contained in H. R. 5856 means as to retail and service establishments generally, that no sale of goods or services can be considered to be a retail sale if it involves a type or quantity of goods and services different from those sold to private individuals for personal or family consumption. This would necessarily mean, in turn, that countless retail and service establishments across the country will be deprived of their exempt status under the act. Especially in the smaller communities a large proportion of the sales of the retail establishments are to other local merchants and businessmen. Although these sales are in fact retail sales, nevertheless they differ in type and quantity from sales made to individuals for personal or household consumption. Those sales which so differ as to type and quantity will be nonretail sales, and where they exceed 25 percent the establishment itself will be nonretail and lose the exemption.

Some examples will perhaps more clearly than mere words serve to demonstrate the effect of this definition. Thus the exemption status of numerous local businesses will be affected by this type-and-quantity test as follows:

First. The retail coal merchant sells a different type of coal to stores than he sells to the home owner. This may make the coal retailer nonretail.

Second. The local laundry cleans towels for the local barber shop, napkins for the local restaurant, or sheets for the local hospital in a quantity greater than it launders for the housewife. This may make the laundry nonretail.

Third. The hotels servicing a convention render services of a diffeernt type and in much greater quantity than to individuals. The hotel then becomes nonretail.

Fourth. The retail paint shop will sell a larger quantity of paint to the house painter than it will sell to a home owner. This may make the paint retailer nonretail.

Fifth. Restaurants furnishing food for a banquet sell in greater quantities than to individuals. The restaurant may then become nonretail.

Sixth. The retail building-supply store sells a larger quantity of goods to the carpenter contractor than the few boards normally sold to the home owner. This retailer, too, may become nonretail.

Seventh. The hardware and plumbing establishment sells a larger quantity of plumbing equipment to the plumbing contractor than is normally sold to the home owner. This may make the establishment nonretail.

Eighth. The local grocery store in the small town sells larger quantities of food to the local hotel and restaurant than it sells to the home owner. The grocer may therefore become nonretail.

Ninth. The small dry cleaner cleaning uniforms for local business renders service as to type and quantity differing from that normally rendered individuals. The dry cleaner thus becomes nonretail.

Tenth. The retail stationer sells his goods to offices differing in both type and quantity from those sold to families. The stationer may thus become nonretail.

Eleventh. The local retail butcher sells meats to restaurants and hotels in differing quantities than those sold to individuals. The butcher may therefore become nonretail.

Twelfth. Furniture retailers sell their wares to business offices in greater quantity and different types than sold to individuals, and this retailer may become a nonretailer.

How then can it be said that H. R. 5856 exempts all retail and service establishments? The type or quantity of sales and whether they differ materially from goods normally sold to individuals is decisive under that bill in determining the exemption status of these small businesses. And bear in mind that on this determination their very existence may depend.

Now consider how the types or quantities of goods normally sold to individuals is to be determined under H. R. 5856. Here, too, the answer is clear. For under section 11 (b) the Secretary of Labor is authorized to make rulings and determinations, among other things, "to clarify the meaning of terms and provisions of this act." And section 15 (a) (2) makes violation of such rulings a prohibited act punishable by the criminal penalties provided in section 16—which include $10,000 fine or 6 months' imprisonment.

Even without this rule-making power many of these local businesses will be deprived of their exemption. But the proposed exemption, coupled with the rule-making power is doubly objectionable.

I have referred to the fact that the term "retail or service establishment" which appears both in the present act and in the Lesinski bill has itself been distorted by administrative interpretation so as to defeat the exemption as to countless such establishments. The Wage and Hour Division very soon interpreted this to exclude even little neighborhood retail establishments which make or process the goods they sell. For example, in Interpretative Bulletin No. 6, paragraph 17, the Division ruled that a clothing store that does no more than make "necessary alterations on ready-to-wear suits" was a retail establishment, but that a retail custom tailor shop that makes your suit to order is not a retail establishment. And the Administrator has prevailed on some of the lower courts to follow this interpretation, and a clarification of the language of the statute is needed so these local retailers will know where they stand.

As it is now, and as it would be under the Lesinski bill, custom tailors, retail bakeries, candy shops, small retail ice plants, prescription pharmacies, ice-cream shops, picture-framing shops, interior-decorating shops, upholstering shops—in short, any retailer who makes or processes all or some of what he sells—are threatened with being denied the retail-establishment exemption. And because of that, for example, a retail custom tailor in a community located on a State line is afraid, or has reason to be afraid, to have a suit delivered across the line. Likewise, a retail bakery, as to having a birthday or wedding cake delivered across the line, or mailing a fruit cake or a box of cookies for customers who order them as special gifts. Likewise any of those other kinds of retail establishments I have already mentioned, which might happen to get involved in some way with interstate commerce. This is a situation that certainly was not intended by Congress when it enacted the Fair Labor Standards Act and that the Lesinski bill fails completely to correct.

I think, therefore, Mr. Chairman, that it is now clearly evident to the members of the committee that the statement that the Lesinski bill exempts all retail and service establishments is thoroughly inaccurate.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. McCONNELL. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. PERKINS. There has been much said here about retail exemptions. I would like the gentleman from Pennsylvania to refer to the Lucas bill, page 29, under the heading "Exemptions," section 13, subhead (4) reading:

> Any employee employed by an establishment which qualifies as a retail establishment under paragraph (2) of this subsection and is recognized as a retail establishment in the particular industry notwithstanding that such establishment makes or processes the goods that it sells.

My question is: If this Lucas bill does not exempt all manufacturing done by a retail establishment?

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. KEEFE. It would be quite necessary, would it not, to exempt a little bakery, for instance, that bakes its goods on the premises and manufactures all of the bakery goods that it sells? Is it nonetheless a retail establishment because it sells its baked goods to the people who come into the store?

Mr. PERKINS. I am just asking the gentleman from Pennsylvania to answer that question.

Mr. McCONNELL. That appears to be correct.

Mr. PERKINS. All right.

Mr. McCONNELL. It says: "If it is recognized in the industry as a retail establishment." That means it is not a manufacturing company.

Mr. KEEFE. That is right.

Mr. McCONNELL. It also does not include the large mail-order houses, because they have to meet the prior test of doing more than 50 percent of their business within a State; if more than 50 percent of the business of a retail establishment is within the State, then, it would meet the first test for the retail establishment exemption. But if more than 50 percent is outside of the State, which is the case with large mail-order houses, they are not exempt, they do not come under section 13, No. 4 at all. They would be covered and not exempt. I think that is the thing the gentleman from Indiana overlooked when he spoke about this.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Texas.

Mr. LUCAS. Was not the purpose of putting this amendment in this bill to exempt the custom tailor, because under the Administrator's interpretation bulletin No. 6 it was held that the little tailor shop was a manufacturer and coming under the classification of a manufacturer he could not enjoy the retail exemption?

Mr. McCONNELL. That is correct, which bears out the fact that I stated before. By the interpretations of the Administrator and the use of certain phrases in the way he chooses to use them, they have brought small business in under this act which was never intended in the first place.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from New Jersey.

Mr. HAND. First, may I congratulate the gentleman on the statement he has made, because it seems to me that all of us who believe in a high and expanding economy must therefore believe in elevating the minimum rate of wage in order to avoid the chaotic condition which the gentleman has talked about and we must necessarily support the Lucas amendment and must therefore also support the amendment offered by the gentleman from North Carolina because by increasing the minimum wage we thereby avoid the chaotic and ridiculous situation which the gentleman has so clearly referred to.

Mr. McCONNELL. I thank the gentleman.

Mr. HAND. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at the conclusion of the remarks of the gentleman from Pennsylvania [Mr. McCONNELL].

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. On what basis can a retail establishment such as Sears, Roebuck & Co. purchase a small manufacturing concern and then sell the product of that small manufacturer to the retail trade other than through the general stores' operation? They never do such a thing, do they?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HAND. Mr. Chairman, I am glad the gentleman from Pennsylvania [Mr. McCONNELL] was so generous as to yield me some of his time, because I want to compliment him for the very useful and clarifying statement that he is now making. It is for the reasons he points out that we are very nearly obliged to support the Lucas substitute. He has pointed out any number of examples, which under the Lesinski bill, would produce a chaotic and confused administration.

I have said many times before, and I say again as a matter of record, that Congress has no proper jurisdiction to regulate the wages or, indeed, any of the affairs of purely local businesses. The baker, who bakes his own bread, and sells it to local customers; the confectioner, the launderer, the hotel, and innumerable other examples of concerns, which do business locally, cannot be regulated by the Federal Government. It is not within our constitutional jurisdiction.

But with respect to matters over which we do have clear jurisdiction, matters which truly are covered by the interstate commerce clause, I am firmly for the principle of minimum wage, and I am equally in favor of increasing it to a realistic figure, and that in my judgment is at least 75 cents an hour under present conditions.

Those of us who, like myself, seek as a goal a high and expanding economy, and a substantial standard of living for all of our citizens, cannot afford in this day and age to talk about people working for $20 a week. I have always been impressed by a statement made some years ago by a Gen. Robert Johnson, a farsighted industrialist of my own State of New Jersey, who said an employer does not have a moral right to employ people to work for him at less than subsistence wages.

But people who work for entirely local industries must seek whatever relief they are entitled to from the States, because I am convinced that Congress has no legal right to regulate their affairs.

To those of you who share my views, and there are many, I point out that our position necessarily must be to support the pending amendment which changes the Lucas substitute from 65 to 75 cents an hour. Since I am committed to at least a 75 cents minimum, I shall support the amendment. At the same time, as I have indicated, it is necessary to generally support the Lucas substitute. It is a far more satisfactory alternative than any other before us presently. It does not seek to exercise a wholly illegal Federal jurisdiction, and while by no means perfect, is a more realistic approach to the problem as it exists today.

Mr. LESINSKI. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes.

Mr. KEEFE. Mr. Chairman, I object.

Mr. LESINSKI. Mr. Chairman, I move that all debate on the Redden amendment and all amendments thereto close in 15 minutes.

The question was taken; and on a division (demanded by Mr. LESINSKI) there were—ayes 23, noes 91.

So the motion was rejected.

Mr. BURKE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, during the course of general debate I pointed out the deleterious effect of the flexible wage scale tied to a cost of living and made the statement that it would be equally bad on employer and employee alike, which has been borne out by the telegram read by the gentleman from New York this morning.

Although I have no disposition, you might say, to sweeten a bill that is bad, I believe I can go along with the amendment to substitute the 75-cent flat minimum in the Lucas bill for the flexible minimum proposed in the original bill.

Addressing myself to some of the recent discussions about retail establishments, I would like to point out this salient fact:

> The revised Lucas bill would exempt all manufacturing done by a retail establishment. This would include such things as manufacture of clothing, custom tailoring, manufacture of candy, bakeries, etc. This provision would permit other manufacturing activities to be established in retail establishments. This provision would remove 25,000 employees from the minimum wage and overtime protection of the act. The Lesinski bill would continue to exempt retail establishments as such. If noncovered manufacturing is done in such establishments, there would be no coverage under the law and no loss of exemption.

I would just like to say in closing, to go back to my original point, that the

flexible wage is, in my opinion, bad for both the employer and the employee. It has not worked out, and I would hate to see such a formula placed in our Federal law so that our whole economy would be tied to it. I think it is a bad thing all the way through. In the experience we have had, in dealings between employer and employee, we have found that it does not work, and therefore I support the amendment offered by the gentleman from North Carolina to substitute the 75-cent minimum.

Mr. ROGERS of Florida. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it is the sense of this body that there should be an increase in the minimum wage. I think that in dealing with this legislation, however, we must take into consideration that we are dealing with three classes of people, some of whom would be benefited and some of whom would be damaged or hurt.

In the first place, we are dealing with the wage earner. The purpose of increasing wages is that he may have a better standard of living. In the second place, we are dealing with industry, particularly small business. In the third place, we are dealing with the consumer.

Those are the three clases of people. As you help one you hurt the other. What course should this Congress pursue in the passage of such legislation as this? We should not just legislate for one class, but we should pass legislation that will protect the interests of all as nearly as we possibly can.

Therefore, the question comes: which is the best bill before this committee? Is it the Lesinski bill, not considered by the committee? Is it the Lucas bill, not considered by the committee? They come in here and put it to us to select or pass the better bill.

I am interested in discussing just two phases of the Lesinski bill which to me are untenable. In the first place, the bill is discriminatory. It unfairly discriminates in favor of the producers and growers of sugarcane. The great State of Louisiana produces four times as much sugarcane as the State of Florida. We produce a great deal; we produce around 80,000 tons of sugar a year, but Louisiana produces about 4 times that much.

A lot of you want to stick big business. I do not, but there is a general tendency to hamper big business. But in the Lesinski bill Louisiana is exempted from everything, including the child-labor laws. The Lesinski bill exempts Louisiana cane producers. You can take a young child and put him out there in the processing of sugar in Louisiana, and they are not subject to the wages nor subject to overtime. Is that fair legislation to the producers of the State of Florida? Is that fair legislation to the producers of beet sugar? There are 22 States in this country that engage in the manufacture of sugar made from sugar beets. Is that discrimination? I believe it is.

I am not criticizing the Members from Louisiana. If they want such a provision in the bill and can get it in, and you will endorse it, that is your business, but I call it to your attention that there is a discrimination that does not take care of child labor, that does not take care of minimum wages, and that does not take care of overtime, as is done for Louisiana.

Down in my State of Florida we have the United States Sugar Corp., and we have some other producers of sugar. They have a fine contract with their employees. They are not subject to overtime under the present law, but do you know what they do? They have a contract under which they work 56 hours. They have overtime over 48 hours. If this legislation is passed, that means the take-home pay for those people who are working for the United States Sugar Corp. will be reduced. Why? Under the present set-up they work 48 hours and have time and a half over 48 hours up to 56 hours, so they get a dollar an hour, and under the present arrangement they take home $60 a week. If this law were passed the result would be that they would earn only 40 hours' pay—thus such a law would be detrimental to the wage earners in this industry in the State of Florida.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. ROGERS of Florida. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. ROGERS of Florida. Mr. Chairman, I do want to call your attention to that discrimination. That is the difference between the Lesinski bill and the Lucas bill. Here is the crux of the situation: the minimum wage of 65 cents or 75 cents an hour.

I would like to call your attention to another discrimination in the Lesinski bill which no Member of this House would want to give their approval to and that is to permit the Administrator to stir up legislation for 10 years, and do not tell me that it will not be stirred up for a period of 10 years, and that many suits will be brought. That is the situation.

Mr. PERKINS. Mr. Chairman, will the gentleman yield for a correction?

Mr. ROGERS of Florida. I yield.

Mr. PERKINS. With reference to sugarcane and sugar-beet industries, the exemption is 56 hours weekly for 14 weeks.

Mr. ROGERS of Florida. No; that is a mistake, according to my interpretation of the bill. My interpretation of the bill is that the State of Louisiana, which produces four-fifths of the sugar of the United States is not subject to the child labor law, not subject to the minimum wage provision; not subject to the overtime provision, and if you people can vote for a provision like that in this bill, then I say that is your responsibility.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield.

Mr. LUCAS. If the gentleman will look at the Lesinski bill, he will see that it exempts all sugar processors, but not refined sugar, not to exceed 15 workweeks in the aggregate calendar year, both on wages and hours.

Mr. ROGERS of Florida. It exempts them from wages and hours and child labor. None of this applies to the State of Louisiana. That is not fair. That is not fair to the sugar-beet growers, it is not fair to the State of Florida. If you are trying to take care of the wage earner, look at what you have done to him in Louisiana. Why, you say that child labor can be employed in Louisiana. You say you have nothing to do with it, just go ahead; you are not subject to the provisions of wage-and-hour laws.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word and ask unanimous consent that I may be permitted to speak for five additional minutes.

Mr. CROOK. Mr. Chairman, I must object. I object because I have been trying to get the floor for 2 days, and as long as this condition prevails, I will have to object—I am very sorry.

Mr. KEEFE. Mr. Chairman, I have given some study to this situation, and while I have no desire to try to impose my will upon the membership with regard to this matter, yet there are some things in connection with the Lesinski bill which I defy anybody on the committee which wrote the bill to explain satisfactorily to the House. I would like the Members to please turn to two provisions in the Lesinski bill which are found in the exemptions on page 32. The first one of those exemptions is the one we just heard about—the exemption of the Louisiana sugarcane producers. The real reason why that is discriminatory against the State of Florida is because the exemption does not exceed 15 weeks in the aggregate of the calendar year, while the Florida producers take over 5 months. Therefore, it is a rank discrimination against Florida in favor of the State of Louisiana. That is not all. Read the next one.

I spoke with the gentleman from Texas [Mr. COMBS] about this. I talked with the distinguished gentleman from Indiana about it. Read the next exemption. What did the gentleman from Texas [Mr. COMBS] have in mind? He had in mind that they were going to exempt little sawmill operations in the South. That is what he had in mind, and he so told me. That was the discussion that they had, and that is what he thought. They intended to exempt the employees of the little portable sawmill operations in the South that employ less than a dozen people. Read it carefully, as I have read it. The amendment does not do that at all, and he will admit it if he is here. They got the gentleman from Texas, Judge COMBS, and some of the other Members from the South into this picture in an effort to try to save the 75 cents an hour. They are willing to exempt almost everybody from the operation of the wage-hour law if they can save the 75-cent minimum. That is all there is to it. The Lesinski bill is a bill to exempt people from the provisions of the Wage and Hour Act, rather than to provide minimum wages for the people that some of you cry so desperately about. That is what this Lesinski bill does. You have raised the exemptions all along the line. Why? Just to get votes, the most despicable exhibition of logrolling that has ever come to my attention in this

Congress. How you advocates of the protection of labor can stand up here and defend the enactment of the Lesinski bill in the interest of labor is beyond me. You do little or nothing but take people out from under the bill and thus try to satisfy every special pleader. You have done it in an effort to save the 75-cent minimum.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. LANHAM. Do you realize that even with all the exemptions, not as many are taken out from under the bill as are taken out with the Lucas bill, under one change in the definition of "production for commerce."

Mr. KEEFE. I do not know that the gentleman can state that as a fact capable of proof. I heard the gentleman make his statement yesterday, and he made what appeared to me to be a very frank confession, that those who worked to revise the Lesinksi bill did so in order to satisfy the people in the South by giving them exemptions in lieu of their votes for the 75-cent minimum. To me that is not a democratic way to legislate. As far as I am concerned, I am going to vote for the 75-cent minimum with the Lucas bill.

There are some other amendments that I could discuss in connection with this matter that vitally affect the area that I come from, in the canning and processing industry, that the Lesinski bill will practically kill. It is not the 75-cent minimum. It is the overtime provisions that cause the trouble.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. No; I do not yield. I do not have the time. They cut me off. I wanted to point out what they have done to the canning industry in my State and in your State of Indiana and all the States that produce food to put into cans. You have taken away the statutory exemption that exists in the existing law.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. JENSEN. Mr. Chairman, the gentleman from Wisconsin is making a very effective speech. I ask unanimous consent that he may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. CROOK. Mr. Chairman, I object.

Mr. VELDE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I previously indicated that I would offer an amendment similar to the Redden amendment, but using the flexible wage scale starting at 75 cents an hour. As I understand it, the amendment substitutes the Lesinski rigid minimum-wage figure of 75 cents in the Lucas amendment. Since the rigid minimum-wage theory has been tried out and tested, and the flexible-wage theory is still untried, it may be that the former is the better principle. I shall therefore support the amendment.

From the debate and discussion on the Lesinski bill, H. R. 5856, we find there can be no doubt but what it must have been conceived in the minds of the persons who have been referred to as the "secret 13," and that it has not had the serious study and consideration of every member of the Labor Committee. Mr. LESINSKI refused to name the "secret 13" members of the Labor Committee who considered his bill. If we take the nine Republican members of the committee, who obviously were not members of the "secret 13," as well as those Democratic members who have denied here on the floor being members of this secret group, it appears there are left only, at the most four or five members of the Labor Committee who read and considered the Lesinski bill.

The Lesinski bill therefore is a far cry from what is proper procedure in the passage of legislation; in fact, it is a travesty of justice to even consider a bill that has had such little study and preparation.

As the distinguished majority leader yesterday asked Republican members to search their souls when considering the Lucas amendment, here is a chance for the distinguished majority leader and the members of his party to search their souls regarding the Lesinski bill, and the surreptitious manner in which it was brought before this distinguished body. Ask yourselves this question, "Which bill of the two, the Lesinski bill or the Lucas bill, has had the most consideration and study?" Then search your souls some more and determine which of these bills, as far as coverage and rule-making power are concerned, is the fairest to the employer and the workingman. You will come to but one conclusion, and vote for the Lucas bill.

The Redden amendment to the Lucas bill will give a realistic minimum-wage level to the 22,000,000 workingmen of this country. It deserves the support of every member who is interested in the welfare of these workingmen, and in furthering their struggle for a decent existence. I hope that the Redden amendment will carry.

Mr. HAYS of Arkansas. Mr. Chairman, I move to strike out the last word.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. Yes, I yield.

Mr. JACOBS. I just wanted to compliment the gentleman from Wisconsin [Mr. KEEFE] for his neighborliness, after having used my name, in refusing to yield.

Mr. HAYS of Arkansas. Would the committee hear this language which is taken from a Government document, a study of economic conditions in the South authorized by the President's Council of Economic Advisers, page 82:

> No one could say with precision whether a minimum wage rate of 60 or 75 cents an hour would be the upper limit at which such a law should operate. Analysis of the evidence supports the view that a minimum wage law somewhere within this range would be desirable. It is obvious that a minimum wage should not be set independently of movements in the general price level. While a minimum wage probably has some effect in maintaining a "floor" under commodity prices if these prices did decline substantially, it would be essential that the minimum wage be adjusted downward. It would be just as true that a minimum wage level should have upward flexibility in case the general price level increased. An effort to write such flexibility into any minimum wage legislation would be highly desirable.

Some speak as if this were something new; as if we have worked up a strange new idea for the edification of the House. Secretary Schwellenbach was the first that I knew of who suggested a flexible rate. He said:

> Let the Congress prescribe a 75-cent minimum but authorize the Secretary to lower it to 65 cents.

Why did even the Secretary want the safety valve? Because we were confronted with a readjustment of the price situation. The price level might decline. Yet you are assuming now by raising the 40-cent rate to a 75-cent rigid minimum that there is no threat to prices that things have leveled off.

Incidentally the farmers support prices are flexible even though rigidly fixed at 90 percent, 92½, or otherwise, for they vary with price levels year to year. Ponder these facts. The price level last September was 174 percent, 74 percent above the average of 1935–39. Every month since that time it has gone down; every month, since you must consider a slight fraction of 1-percent increase in one of the months a seasonal change.

I appeal to my southern friends to consider the effect of the 75-cent minimum wage upon the small operators; and when I speak of the small operators I am not speaking of those 12 employees of a little lumber mill. Operators with more than 12 but still classified as small business are facing difficulties in readjusting costs to meet their decline of 20 percent in the price of lumber. Some of them would be forced to cut employment. Adopt the Redden amendment and you will invite a few hard-pressed employers to limit their employees to 12 when they might otherwise hire a larger number.

I am speaking with feeling because I am thinking of the little businesses and I know that we are dealing with an economic force rather than a political force. I feel that the House cannot afford to run away from the tough task of outlining a program which will meet the matter on the basis of the real facts and present realities, of considering how the little plants are going to meet the price situation. If you of the high wage areas in an effort to do something that you regard for labor's good and does not hurt you wind up by hurting the marginal areas it will ultimately damage you.

Consider the philosophy of the high minimum, the principles of this Government. I think I know something of the rural situation in the North and West and on this point I can appeal to the Republicans; there are some little business establishments up there in your section that will suffer but I will not argue that point. I will urge your consideration of the other point that once you go into this plan of a rigid minimum 87½ percent above the present minimum you thereby take the Government out of its role of umpire and make it the manager; you are not saying what the 1938 act said, namely, that it should not be less than a certain amount but you are now putting

the Government into the role of manager; you are saying in effect what the level of wages should be. When the umpire ceases to umpire and gets into the coach's role at third base something happens to the game; and I tell you that by this system we would convert the Government from a protector into a dictator. Once we take this great device that appears effective in holding the minimum level and make of it an instrument for increasing wages generally we must consider the final effects upon our philosophy of government.

I know that I have appeared to speak with emotion. I cannot help it. It is life or death for a few of our businesses and a great injustice to them. I have given some months to this problem, not with deliberation, but I was rather innocently drawn into it. Some of the members of the Committee on Education and Labor helped me work out the formula adopted by the gentleman from Texas [Mr. LUCAS] in section 6. The gentleman from Pennsylvania [Mr. MCCONNELL] agrees with my theory; he has long advocated it. So it is not a new thing and it is not complicated. Gear the minimum to the cost of living, subject to annual changes, though we would hope only slight ones. I think this, too, Mr. Chairman, that in view of future uncertainties we should hold it to the 65-cent minimum; I think we could defend that. It should have been made flexible back in 1938, at the time the Fair Labor Standards Act was passed. Had that been done you would have a minimum of about 60 cents today. It is a tremendous problem and I do not say flexibility is the final answer. Wages ought not to depend exclusively upon the increase or the decline in the price level. Of course, as the economy expands we would expect a rise in the wage level independently of prices, but it must be raised in the light of conditions as they exist at each period.

The point I want to make finally is that if it is assumed that 75 cents is justified because we are now about to go into a new boom and enter again an expanding economy, fixing the minimum on that basis, we will make a monumental mistake. It could affect the whole economy. It undoubtedly would wreck the economic structure of many individuals.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. KELLEY. Mr. Chairman, I wonder if we can get some agreement about time on the Redden amendment?

I ask unanimous consent that all debate on the Redden amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. LUCAS. Mr. Chairman, I object.

Mr. KELLEY. Mr. Chairman, I move that all debate on the Redden amendment and all amendments thereto close in 15 minutes.

The motion was rejected.

Mr. CELLER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, permit me to dip a bit into the past history of the Wage and Hour Act and to point to the debates in this chamber as of May 23, 1938, on the original bill. Just as there has been considerable doubt expressed this morning as to what is meant by "retail or service establishment," during that debate there was doubt likewise when the present act was debated. In order to give clarification to the language of the bill relative to retailing as submitted by the House Committee on Education and Labor I offered the following amendment: "but no such order is applicable to any retail industry the greater part of whose sales is in intrastate commerce."

In the debate that followed I said:

> Dissolve all doubt, dispel all chance of misinterpretation, accept it (my amendment) and then retail dry goods, retail butchering, grocers, retail clothing stores, department stores will all be exempt.

The gentlewoman from New Jersey [Mrs. NORTON] chairman of the House Committee on Labor, responded:

> I think this amendment will not weaken our bill but will in fact strengthen it. Therefore I ask the committee to stand with us in accepting this amendment.

My amendment was accepted. In the conference that resulted, my amendment was changed so that we finally have in the bill today section 13 (a) (2) following: "any employee engaged in any retail or service establishment the greater part of whose selling or servicing is in intrastate commerce" shall be exempt.

Unfortunately, neither the committee nor the House or Senate defined in the old act what was a retail establishment or retail service establishment. As a result, there have been many interpretations of the language in section 13 (a) (2) by the courts, notably the Supreme Court in the case of *Roland Electrical Co.* v. *Walling* (326 U. S. 657) in which the Court held that an establishment was not retail unless it was engaged in making sales to meet personal and household needs rather than commercial or business needs.

This means that the following sales would not be retail: A hardware store to business customers, a coal dealer to an apartment house, hotel, or school, a furniture store to an office rather than to a home, an automobile supply store to a business outfit, a farm-implement dealer to farmers and a stationery store to a business customer.

Mr. Chairman, may I say that the language used must and should be crystal clear. It cannot be clumsily worded. Otherwise doubt and misunderstanding arise. I maintain that the particular provisions of the Lesinski bill with reference to retailing are not clear and are full of ambiguity and will give rise to all matter and kinds of litigation—costly litigation.

When we remember that practically every dealer on Main Street will be confronted with this problem and will be also confronted with the danger of liability that might be retroactive, we must pause before we accept the very unusual wording of retail establishments and services as contained in the Lesinski bill. I am for the Lesinski principle of 75 cents minimum wage. I am for the Lesinski bill in general with the exception that I think there should be clarification with reference to what is meant in that bill by the words that seek to describe retailing as to services and as to the sale of goods. I think the provisions of the Lucas bill on page 28, section 13 (a) (2) is such proper clarification that we should accept, and at the appropriate time I shall offer an amendment along those lines.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GWINN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise to speak against the amendment to the Lucas substitute proposed by the gentleman from North Carolina [Mr. REDDEN]. The gentleman revealed in his first statement the philosophy back of the Lesinski bill, namely, that it is no longer pretended to be a bill to stop exploitation of the helpless. It is a bill under the OPA philosophy of fixing prices, starting at the bottom and going to the top. It is the philosophy of Mr. Tobin, who appeared before our committee with a bill proposing 75 cents, which, within 6 months, he might decide to raise to $1 so as to create by legislation buying power and prosperity according to that theory.

The ridiculous character of this type of legislation attempting to fix a flat rate of 75 cents for the Nation is revealed by the fact that the States themselves have met this problem and have their own minimum wages and hours. Why should the Federal Government try to carve out a segment called interstate-commerce workers and give them a preference over the wages that have already been thought out carefully by the States themselves? Listen to these wages:

New York State, in the year 1948, fixed minimum wages in three areas, three districts of the State, namely, the country, the minimum-sized cities, and the big cities, running from 50 cents to 65 cents.

California fixed rates running from 50 cents to 65 cents.

This covers, in many of the States, women, minors, and men. So it goes throughout the States.

Wisconsin has rates from 40 to 45 cents.

New Jersey in 1947 fixed her minimum scales making three areas: Country, minimum-sized towns, and cities.

Have we the presumption in this House to propose a minimum wage without regard to areas and without regard to States. This is not only a bill against the South; it against the North; against the management and direction of their own police powers.

Now, Members of the House, if you think you are exempt and that you can fix the rate at 75 cents and forget it, let me read to you what the proposition will be next year and the following year that will be advanced by the Secretary of Labor or the administrator.

You will have this legislation on your doorstep, if you exclude the Lucas escalator clause, every year for the rest of your lives. This is the language that will come back to you next year. This is the language of the original Lesinski bill, of

which the present one is only a little dwarf, a kind of illegitimate offspring:

Every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce, and every employer who is engaged in commerce or in the production of goods for commerce shall pay to each of his employees employed in or about or in connection with any enterprise where he is so engaged * * * 75 cents.

Then the Secretary of Labor, who is to administer it, can make it a dollar. I asked him, "Why not make it $2?" He indicated he might even do that for the purpose of creating purchasing power.

Let us settle this thing now and keep the escalator clause and the 65-cent minimum as proposed by the Lucas amendment. If prices go up or down the wage will follow without having to consider new legislation each year.

Mr. CRAWFORD. Mr Chairman, I move to strike out the last word.

Mr. Chairman, there has been quite a bit of discussion about the provisions of the bills with respect to the sugar industry. I want to speak just a few words to the friends of the domestic sugar industry, and by that I mean Florida, Louisiana, Puerto Rico, the Virgin Islands, Hawaii, and the United States beet-sugar producers and processors. Those I have just mentioned constitute the domestic sugar family. No one of those so-called children, if you want to phrase it that way, if he uses good sense will ask for special privileges as against the other segments of the industry. Those in Louisiana who support that exemption ought to be ashamed of themselves, not from the standpoint of special privileges for Louisiana but for the terrible disruption and destructive force which is set forth in the domestic sugar family. Louisiana ought to have sense enough to know that the Louisiana sugar industry cannot survive if Florida, the domestic beet industry, Puerto Rico, the Virgin Islands, and the Hawaiian Islands are put out of business. There is the tragedy about the exemption in the Lesinski bill.

I hope before this debate closes someone from Louisiana will get up and repudiate that special privilege purely from the standpoint of the protection of the domestic sugar industry. I said when I started these remarks that I wanted to talk to the friends of the domestic sugar industry. These remarks are directed to you. The Lesinski bill does not give the protection which the present law has for Florida and the other members of the domestic sugar industry. The Lucas bill does. Insofar as the Lucas bill refers to sugar and insofar as you are a friend of sugar, I mean the domestically produced sugar, support the Lucas bill.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the year 1930 I was employed as a bank teller. I received $28 a week. I had a family of four children at that time and I was running substantially behind financially. The only way I could catch up with the rent and the food bill and the other items of expense that enter into meeting the cost of living was to get my dad, who was my landlord, to let me pay half the rent that the other tenants paid. That was in 1930, and, as I say, I was getting $28 a week. The proposal we are making here today is to give everybody the opportunity to earn from $28 to $30 a week in 1949. If I was running behind in 1930, I do not know how I could make out in 1949 on $30 a week.

I am supporting a 75-cent minimum because I have been through the mill. I have some idea of what it takes to feed a family and to make ends meet. For that reason I offer no apology. I have searched my soul and my conscience. I believe it is fair to state that every citizen ought to have at least the opportunity to earn a reasonable livelihood.

The point has been made that there are some employees who are not worth 75 cents an hour. The best answer I can see to that is that an employer who feels that an employee is not worth the minimum wage ought to get rid of the employee. He will find very few who are not worth 75 cents per hour. So I do not see where that argument holds water, and for the life of me I cannot see what all the quarrel is about.

A great deal has been said about the flexible wage standard. If I was running behind in 1930 on $28 a week and was making $30 a week in 1949, that would mean, if the cost of living went down to what it was in 1930, on the basis of the proposals I have heard, I would be making about $15 a week. I cannot live on that, and I certainly would not ask anyone else to live on it. I do not know of anybody else who could live on it any better than I could.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. McCONNELL. There is an absolute floor below which the rate cannot go, and that is 50 cents an hour for 40 hours a week; that would be $20.

Mr. EDWIN ARTHUR HALL. I stand corrected on that, but I could not do much better on $20, and I am little different from anybody else. There is one other point I want to make, and that is that I feel both the Lesinski bill and the Lucas bill neglect the very people they should help. I speak of the great mass of white-collar workers. I was a white-collar worker for many years. I do not feel that the rank-and-file white-collar workers are being benefited by either of these bills. So far as I can see, it is six of one and half a dozen of the other. I think the white-collar class—the bank employees and the retail people—should be helped. I have no compunction about what I am saying on this particular proposition because I will vote to put everybody in the larger organizations under this bill. I think the white-collar class has been neglected. People in the manual-labor groups and industries are all making an average of nearly 75 cents an hour. The others are the ones who are neglected, and we might just as well face the issue right here and now that the white-collar workers—the bank employees, chain- and department-store employees, and many others—are the ones who are being neglected, and they are not going to be helped by either of these bills.

I am for a 75-cent-an-hour minimum wage.

The CHAIRMAN. The time of the gentleman from New York [Mr. EDWIN ARTHUR HALL] has expired.

Mr. KELLEY. Mr. Chairman, I ask unanimous consent that all debate on the Redden amendment and all amendments thereto close in 20 minutes, the last 5 minutes reserved for the gentleman from Texas, author of the substitute amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. JONES of Missouri. Mr. Chairman, I object.

Mr. KELLEY. Mr. Chairman, I move that all debate on the Redden amendment and all amendments thereto close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I am for a flat 75-cent minimum wage. I am opposed to the 65-cent minimum with the so-called flexible clause. I would also like to pay my respects now to all those who believe that the people of the United States are static.

This is a minimum wage. It is the rock-bottom figure. If you are going to vary the wage with the cost of living, then you must be talking about a living wage. A living wage, according to most Government findings, is in the area of $2,300 a year, and would require a minimum wage of something like $1.15 an hour. When we are fixing a minimum wage and a concrete floor, it must be a fixed figure and it should not vary with the cost-of-living index. What we are trying to do is to put a base under the standard of living, and not to allow the base itself to fluctuate with the economy. That is why we should have a fixed minimum wage.

Secondly, this idea that we have a static country and a stable people, is just not in accord with the facts in the United States.

Our basic production in terms of goods and services has increased well over 50 percent in the period from 1939 to 1940. National income has increased from about $90,000,000,000, in terms of the 1939 dollar, to about $175,000,000,000. The people in the United States who earn the minimum wage are entitled to the benefit of that increase, for every American has created it. Individual Americans have also shared, for every American has had added to his income, per capita, in those 10 years, over $800, for the per capita income has increased from $505 a year to $1,338. Hourly wages for industrial workers also have increased from 54 cents to over $1.35 per hour. Wages are over twice the 1938 level, when the minimum wage was first made law. Why not me? the worker earning minimum wages should ask.

Mr. Chairman, we should be proud that we are privileged to legislate for a United States which has the industrial power, the skill, and resources to justify

an increase of the minimum wage to 75 cents an hour.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from Texas [Mr. LUCAS] is recognized for 2 minutes.

Mr. KELLEY. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may have the last 2 minutes, and that the committee may yield 3 minutes of its time to the gentleman. As I understand, the committee has the last 5 minutes.

The CHAIRMAN. Does the Chair understand that the gentleman yields the gentleman from Texas 3 of the 5 minutes that was reserved to the committee? The Chair will state to the gentleman from Pennsylvania that the gentleman from Texas was No. 2 on the list of Members to be recognized, that the Chair listed the Members standing as those who would be recognized and, therefore, the gentleman from Pennsylvania has no time to yield.

Mr. CHURCH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CHURCH. The motion made quite a while ago was that the gentleman from Texas be allotted the last portion of time. That was carried even though it was against the point of order, against the order of the House. The order was not made.

The CHAIRMAN. The Chair will state that the proposition that the gentleman from Pennsylvania made was included in a consent request.

Mr. CHURCH. And no point of order was made to it.

The CHAIRMAN. And that was objected to. It was not included in the motion.

Mr. McCONNELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCONNELL. As I understood, the gentleman from Texas [Mr. LUCAS] was to have the last 5 minutes on this amendment. Am I correct?

The CHAIRMAN. The Chair did not so understand. If the gentleman from Texas prefers the last 2 minutes it is perfectly agreeable to the Chair.

Mr. CHURCH. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CHURCH. I make the point of order that the Chair is in error when the Chair states that a point of order was made to the unanimous-consent request that was submitted a while ago. I listened; I was on a front seat.

The CHAIRMAN. The Chair sustains the point of order; the Chair was in error.

The gentleman from Texas is recognized.

Mr. LUCAS. Mr. Chairman, I am deeply grateful to the gentleman from Pennsylvania and other members of the committee and the House who have tried so hard to get me additional time.

It is so obvious, Mr. Chairman, that we are legislating in a vacuum that I cannot fail to remind you that the minimum wage provided in this bill or in any bill is not intended to be an American living wage. President Roosevelt when he sought enactment of his first bill back in 1938 asked for a provision guaranteeing rudimentary standards, a floor under our economy. We are not providing a living wage, because in some of our larger cities an employee cannot live on $30 a week; I grant that. So, if we are going to provide a living wage, let us raise it to $1.25 or $1.50.

Our purpose, Mr. Chairman, is to provide a rudimentary standard, as President Roosevelt asked.

I cannot go along with 75 cents. I will speak against it, as I stated a while ago when the gentleman from North Carolina [Mr. REDDEN] was addressing us. I certainly will join the membership in any amendment which it selects to my bill, but I cannot afford to go along on the 75 cents an hour because in my own knowledge I know that that is going to cause unemployment in certain sections of the United States; in the New England States, yes; and in certain sections of the far West, yes.

You are going to build a wall around those jobs if you say that a man cannot be employed at a rate less than 75 cents an hour; you will build a wall around him so that he cannot be employed at all. What if a depression comes? Are you going to prevent his working for less than 75 cents an hour to ward off starvation? Are you going to say to the employer that he cannot give a man a job and pay him less than 75 cents an hour? Mr. Chairman, 75 cents an hour is too much to set as a minimum wage.

Have we had any competent, disinterested, impartial economist testify or make any statement that 75 cents was a proper minimum wage? Clearly we have not; we had no disinterested testimony before our committee. I repeat what I said in the beginning, Mr. Chairman, that we are legislating in a vacuum. I urge you, I plead with you, to vote against this 75-cent minimum.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I favor raising the minimum wage. I testified before the House Labor Committee in behalf of such a raise. I have no quarrel with the amount of 75 cents an hour even with a great coverage, providing sufficient safeguards are established to protect against business failures and consequent unemployment, which would be the logical result of a rigid minimum wage at a higher figure than marginal businesses could stand in times of recession or depression.

I suggested to the committee three possible avenues of approach. One would be to try to work out an exemption for small and marginal businesses. Another way to solve the situation would be to tie the minimum wage to a cost-of-living formula so that in good times and high prices labor would have the high minimum wage necessary in such times to allow people to live in decency, and so that in times of recession and depression business failures and consequent unemployment would be minimized. I strongly favor the principle of tying the minimum wage to the cost-of-living formula, which principle is found in the Lucas bill now before us. I urge the adoption of this principle, and will state frankly that unless this principle is enacted or some principle to accomplish these same objectives, I will feel it necessary to vote against the Lucas bill as well as the Lesinski bill. With such a principle included, I would vote for the Lucas bill and perhaps for the Lesinski bill, the provisions of which I have not yet studied as carefully as I will. Bear in mind that in any event the minimum cannot drop below 50 cents an hour under the flexible principle. I approve of that provision, too.

Another method that could be considered would be having a regional basis of arriving at minimum wages, for it is clear that the cost of living varies greatly between various sections of our country. We all know that at the present time when the United States Government builds any sort of construction in an area, it takes into consideration the local situation in living costs when it fixes a minimum wage. Someone suggested a while ago that if people are not worth that much money an hour, turn them loose. Well, there are many mighty fine people back in my district who under the present condition of our economy might have difficulty in obtaining jobs at 75 cents an hour. There is a difference in wage levels down there, there is a difference in the expense level, there is a difference in how much it costs to live in one section of the country compared with another. We would not have to worry about this if industries in areas such as some in my district could absorb the difference but I am convinced that some of them cannot and the result would be unemployment if a rigid rate at too high a figure were set. At least this would be true in times of recession. I am convinced that it would be true to a material extent even today, at least in the rural areas which I represent as well as city areas. All of the State minimum-wage laws which I have inspected differentiate between rural and metropolitan areas. This law should at least have the Lucas bill principle of flexibility or the principle of regional differences, which I intend to offer as an amendment later if the cost of living formula proposition is defeated, which I hope will not be the case. It could not be much comfort to a man out of a job because of an inelastic minimum-wage law that someone else is making any particular amount of money.

I dislike injecting sectionalism in our debates, but I cannot close my remarks without noting that some of the strongest proponents of this legislation outside of this Congress are persons who desire to stop the development of the South as an industrial area. They fear that our favorable climate, which requires less fuel and clothing in the winter and less expenses because of the availability of agricultural products, and for other reasons, may even increase its present booming industrial growth. I trust that no Member of this House will cast a vote on any

such sectional thinking and that everyone here will allow us in the South to continue to grow industrially.

A rigid and nonflexible minimum-wage law could impede our progress and cause unemployment. I urge that the flexible provisions of the Lucas bill be retained.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. WILLIS].

Mr. WILLIS. Mr. Chairman, I am delighted to say a few words at this time about the so-called Louisiana sugar amendment. It happens that I represent the Third District of Louisiana, where the bulk of all Louisiana sugar is produced. It is known as the Sugar Bowl of the South.

Mr. Chairman, I had nothing to do with the preparation of this amendment, nor did I know about its language until I saw the bill. However, my interest from the beginning was that there should be in both bills a clause similar to provisions included in the Lucas bill, which exempts sugar factories from overtime. As far as I know, all members of the Louisiana delegation wanted the same thing. As a matter of fact, if the Lucas bill does not prevail, I understand an amendment will be offered to the Lesinski bill to make it conform with the provisions of the Lucas bill. I intend to support such an amendment. As far as I know, the other Members from Louisiana probably will do the same thing, although they can speak for themselves.

To show that this so-called Louisiana amendment does not hold any particular lure to me, may I say that I am going to support the Lucas bill, provided that after all amendments are in the raise is reasonable, and the coverage thereof is not disturbed. I am not in favor of the 75-cent-per-hour provision for the simple reason that I not only represent the working people but also the fishing industry, the lumber industry, the farming industry, the canning industry, the sugar mills, the cotton gins, the sirup mills, and all other elements in my district. A raise of 40 cents to 75 cents an hour is a shock which my particular district simply cannot stand. This does not mean that I am not in favor of a reasonable increase in the minimum wage; on the contrary, I am for it, but I must take a position which, in my judgment, is best suited for all the people of my entire district.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, whether or not we adopt a policy of minimum wages and maximum hours in support of our economy is not the question before this House. That question was decided by the Congress in 1938.

The question which this Congress is considering and will resolve is to what extent will the minimum wage be increased, the coverage extended, and the present law expanded. I think everyone understands this precept and will be guided accordingly in their decision.

As a general proposition, we have before us two proposals—the amended or latest Lesinski bill, sometimes referred to as the committee substitute, though there seems to be some question that the committee ever considered it as presented, and the Lucas substitute, offered by the gentleman from Texas and now under consideration.

Mr. Chairman, like many others in this House, I believe there should be a reasonable increase in our minimum wage, in keeping with our economy, which has undergone tremendous changes in the past 10 years. To what extent we can afford to increase the minimum wage, or should increase it, establishing a sound basis, seems to me is a vital consideration in connection with this legislation.

The present amendment by the gentleman from North Carolina would increase the minimum in the Lucas substitute to a flat 75 cents, instead of the 65 cents per hour with the escalator clause tying the minimum wage to the cost-of-living index after January 1, 1950.

I am somewhat concerned about an immediate increase of the minimum wage from 40 cents to 75 cents per hour. I would much prefer to have it increased to 65 cents, as I believe it would be more in keeping with sound economic principles. This would not mean at all we are establishing a living wage at 65 cents per hour but a minimum of 65 cents that would assure those in certain categories of this additional income raising their standard of living at least to this minimum. This would in itself, Mr. Chairman, reflect an increase in our economic relationship in the higher and more equitable levels that do establish a cost of living standard.

Because of this fundamental principle and the effect or result that I am so fearful of and the real concern about what will happen to a large segment of industry in my district and others throughout the country, I shall vote against this amendment and strive to set the minimum during the course of the consideration of this legislation at 65 cents.

This does not mean, Mr. Chairman, that I do not believe that a man is entitled to $30 a week for his labors. I certainly am interested in humanity, strengthening our family life in America, affording opportunities of our workers to a decent living, but the pertinent fact which causes me concern is that we cannot afford to destroy much of our small business and thereby bring about unemployment in that we have made it impossible for certain businesses to live.

It is generally conceded that the present minimum wage is too low. It is ineffective. Most all businesses in interstate commerce covered by the present law are paying much more than the present minimum.

I have heard many Members from the well of this House express an interest in some industries that will vitally affect their own districts and similarly many other districts throughout the country.

I have listened with interest to the statements as to southern groups and particularly Democrats. I am proud of the fact that I represent a southern district. We have made great strides in the progress in the South as in other sections of the country. But this is too important to approach from a sectional standpoint. It must be determined on the basis of a sound economic program, whether it is in the South or some other section of our great Nation.

Yes, I too have an industry that is vital to my district and provides a means of living and a large segment of our economy, which I am tremendously interested in and which also gives me some concern as to what will happen to it if this amendment prevails.

I do not think there is any district or section in the country that has any more prolific southern pine sawmill industry than mine, but as this will affect me it will likewise affect many, many other districts in the South especially, because that is where this industry predominates.

I am not particularly interested in the highly mechanized large mills. I am concerned, Mr. Chairman, about the middle-class, circular-saw mills that cut green rough lumber and sell it. The mills with 25, 50, 100, and as high as 250 employees.

I have a great number of these mills in my district as many of you have in yours. I hold in my hand wires at my own solicitation conveying to me their minimum wage now is 55 cents to 75 cents. Many of them have been closed down for several months. Their lumber is on a declining market and some express a fervent plea that they cannot possibly linger on, much less continue as a strong, healthy business.

A minimum wage is not designed, and should not be, to kill small business and inure to the benefit of the larger, more efficient and highly stabilized big business. It should be to help stabilize these little businesses. The workers in these marginal industries are the ones that need the protection the greatest, they are the ones we need to help. The marginal industry is a business that needs stabilization and not penalizing.

I hope we will think seriously and try to see what the consequences will be before we act hastily here. Let us give a reasonable and justifiable increase of say some 65 cents and if conditions permit it can be further increased in accordance with the justification as only time can determine.

Now, Mr. Chairman, I do not agree with the provision of the Lucas bill in setting this minimum at 65 cents with the escalator clause. I am fearful as to what the result will be in that regard. To be sure, tied in with the cost-of-living index, taking the 1935–39 average and 65 cents as a ratio base is a highly desirable theory if in practice it would work accordingly, but I have some concern about this provision in that it establishes a 50-cent minimum on a declining economy.

I do not pose as an economist and have not the economic theory to analyze these highly technical cost indexes, but it does appear to me with the practical operation of business which determines our economy that it will start going down and down and settle on the 50-cent minimum, which I do not believe would be for the best interest and provide that decent minimum living that will give us the strong family life that we desire and strive for so desperately.

I regret also in this position I find myself in disagreement with some of my very good friends and able colleagues. I just do not believe it is practical and will work to the advantage of equitable adjustment in the lifeblood of our economy.

The difference in the two bills, aside from this amendment, as I see it, Mr. Chairman, is, first, definition of production in commerce; second, the authority determining the manner of its administration with reference to rules, regulations, and so forth, and, third, the exemptions.

The committee bill provides the Administrator would define area production and the Lucas bill provides that the Secretary of Agriculture should make such determination. It is felt in this latter substitute, the Administrator does not have the understanding of the problems of agricultural processors and of the economic facts as to what our areas of production for particular agricultural commodities are. It is thought the Secretary of Agriculture has more definite information and is better qualified to define this term.

In this respect, I think it is highly important to notice also that the Lucas bill would cover only those workers termed indispensable to production in interstate commerce. The Lesinski or committee bill provides that the coverage extends to those workers termed necessary to production in interstate commerce. This is a technical difference, but it is exceedingly important to the administration of the act and to make it clear as to whom it applies.

But aside from the amount of the minimum wage, the most interesting difference in the two bills is the specific exemptions.

One of the most active groups manifesting such an intense interest in the extension of coverage is the group referred to as retail and service establishments. Many of my people have been exceedingly interested in the language providing exemptions for these local services and this Lucas substitute is much clearer, I think, in defining the terms in this respect.

Under this proposal, the laundries, restaurants, hotels, ice companies, cleaners, and so forth, are beyond a doubt exempted specifically. So long as more than 50 percent of the annual dollar volume of the establishment's sales is made within the State in which it is located.

Now a retail or service establishment, according to this language, shall mean one 75 percent of whose annual dollar volume of sales of goods or services is not for resale and is recognized as retail sales or services in the particular industry.

In other words, this provision assures the exemption, as has been so well said, for the various local neighborhood businesses, such as grocery stores, hardware stores, clothing stores, drygoods stores, stationery stores, farm-implement dealers, automobile dealers, lumber dealers, furniture stores, and like retail establishments and services, including those previously mentioned.

In other words, this provides an exemption for the small businesses that would be difficult to administer and would find it very difficult to comply with. This confirms the intention of the Congress to protect this type of business which is so important in the economy of our Nation and referred to as retailing or servicing.

The other major difference is in the rule-making power. This has been a subject of debate since the original Minimum Wage Act. The Lucas substitute does not provide such broad authority—giving an administrator of a governmental agency the power to make laws subject to the penalties prescribed by the act.

And, finally, as I say, another major difference is that this substitute does not give the authority of the Secretary of Labor to bring suits for employees against employers. Such authority was not given in the original act, but the committee bill would authorize the Secretary of Labor to institute such actions in any court of competent jurisdiction to recover alleged unpaid minimum wages or overtime compensation.

It is true it must be with the consent of the employee as exists in many States, but this gives an unlimited authority for the Secretary to bring these suits on behalf of employees and for the Government to pay the cost of all litigation in addition to having the strong arm of the Governing bringing its force and power on the employer. This, too, has been a subject of debate and is presented here for policy determination.

If a man is due wages and unpaid compensation from an employer, he certainly should have the right to bring a suit in the courts of the land for an equitable determination, but the Government should be only the referee and not by its power or authority take the unfair advantage of one as against the other. This is fundamental in American democracy.

I fully believe these clarifications are highly necessary and people have a right to know what their status is. In this respect, this substitute is clearer and more desirable.

As already stated, I am fearful that an increase in the amount above 65 cents would work a hardship on small businesses who come under the provisions of this act and adversely affect an important industry in my district. I would regret exceedingly to see hundreds and hundreds of men thrown out of employment, and I trust the action of this committee will be in consideration of the influences that this will bring, and if the 65-cent minimum will give us that floor and economic stability in wages and living, reflecting as it will in other and higher wages and a more decent standard of living, it seems to me it should prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. ENGEL].

Mr. CROOK. Mr. Chairman, will the gentleman yield?

Mr. ENGEL of Michigan. I yield to the gentleman from Indiana.

Mr. CROOK. Mr. Chairman, I am beginning to feel a little bit like the gentleman from Missouri [Mr. CHRISTOPHER]. I think that it is quite necessary that I visit all of the dentists in the District of Columbia and get some forceps so that I can extract a little time.

Mr. Chairman, I rise in support of the 75-cent minimum wage. Living in the richest country of the world, blessed with vast acres of fertile soil, bountiful resources of most every description, unexcelled industrial machinery, superb inventive ingenuity, and unlimited supplies of excellent food, it is appalling when we stop to think of the exploitation and starvation wages that are imposed upon millions of our fine citizens.

All the wealth of our land comes from soil and toil and most of it from toil. Every man and woman who toils is justly entitled to his or her fair share of the wealth created. Labor is the only thing that the laboring classes have to sell and they have a right to fix a minimum wage rate on it just the same as any one manufacturer has the right to place a price on manufactured commodities. This is an undeniable fact.

In my way of thinking, every person who toils, regardless of his arena of activities, is entitled to a reasonable living wage so that he may provide food, clothing, shelter, fuel, a few luxuries of life, education, and medical attention for his family. In addition, he is entitled to a fair remuneration for the wear and tear on his physical body while employed. Furthermore, he is entitled the privilege of reasonable security for the twilight years of his life. When any of these factors fail of consummation, the laborer has met with exploitation.

If we desire continuous prosperity for our people and healthy economy for our Nation, it is incumbent on us to give labor enough wages to assure a buying power for the produce of the farm and the manufactured products of our factories. Where can a man go on a minimum wage of 40 cents per hour? Where can he go on a minimum wage of 75 cents per hour? Those that argue against a 75 cent minimum wage should try living on the same in this age of high prices for the necessities of life.

We hear much about the iron curtain of Russia and I certainly harbor no brief for that country or its philosophy. It might be well to look at the steel curtain in this country—and you may spell "steel" one of two ways—and see who hides behind it. There are many ways of stealing from a man. The most deplorable method is to refuse him the rightful wages he earns. God forbid that I ever stoop so low.

Every time a courageous and militant fight is waged to protect the common man, the representatives of special interests call such action "socialism." Were a man to steal another person's money at the point of a gun, he would, in most instances, be tracked down and brought to justice in the courts of the land. The boys that steal behind the curtain of a 40 cent minimum wage go free to roam the land and execute further exploitation.

Reference has been made on this floor to the effect that the Divine Ruler has been with the advocates of certain legislation in this Congress and will further help them in the future. I have

seen many inferences made in this Congress but I must frankly say, this one wins the velvet-lined cooky cutter for lack of knowledge pertinent to the Ten Commandments and the teachings of the Creator. Some may never know of their folly until they are called to join the bosom of divinity to give an account of their stewardship here on this earth.

Provide a reasonable education for all our people; pay them a reasonable salary for work executed; enhance their standards of living and provide them with a few of the luxuries of life and you will be instrumental in closing the gates against the advance of communism; our foundation of democracy will be reinforced, and continuous prosperity will be enjoyed throughout America for years to come.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, in my opinion Congress has no right to pass a law to fix wages in private industry.

I took that position when the so-called Wagner Act was before the House. I was one of the 38 Members who stood up against it.

When you undertake to fix wages in a private industry, then it is your duty to guarantee the man who is operating that industry a market for his products. Then it is also your duty to guarantee a reasonable price for those products.

Otherwise you are driving the little-business man, the little sawmill man, the little operator of any enterprise out of business.

That is exactly what this kind of legislation does.

If Congress is going to adopt a program of this kind, then you should not criticize Great Britain any more for going socialist.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, it has been difficult to try to follow the recommendations of any Committee on this bill since we have had three committees apparently recommending bills affecting minimum wage legislation. In the brief time allotted to me, I intend to direct my remarkes to the amendment offered by the gentleman from North Carolina [Mr. REDDEN] wherein he proposes to strike out of the bill that provision which would provide a flexible minimum wage tied in to a cost of living index. I understand that the section which the gentleman from North Carolina [Mr. REDDEN] proposes to strike from the bill was prepared by the gentleman from Arkansas [Mr. HAYES], who gave an explanation of that provision when he went into the details of this feature of the proposed bill. I know there has been considerable misunderstanding about this proposal of a flexible minimum wage, and I think it should be made clear that there would be an adjustment not oftener than once each year. I heard a group this morning talking about the confusion that would result from attempting to change the minimum wage each time that there was a change in the cost of living. That is why I direct your attention to the section which the gentleman from North Carolina proposes to strike from the bill wherein it is stated that the minimum wage would be subject to adjustment only once each year. Also there would be a period from October 15 until January 1 in which both employer and employee could anticipate any change that might be ordered. As explained by the gentleman from Arkansas, had this provision been in the present law the minimum wage which would be in effect today would be approximately 63 cents an hour, and such a provision would have served as a protection to the worker who would be guaranteed that as the cost of living advances so would the guarantee of a minimum wage. However, under this bill, in the section which the gentleman from North Carolina proposes to strike, a floor of 50 cents is provided below which the minimum wage could not drop regardless of how low the cost of living index might drop.

My greatest opposition to the 35-cents-an-hour increase as proposed by the amendment under consideration is that it would apply not only to the minimum wage, but, in my opinion, would be used for comparison purposes, and this 87½ percent increase in the present minimum wage would be used as an argument that Congress was endorsing the principle that wages in general should be increased 87½ percent, whereas we all know that is not the intention of this Congress at this time. The 65-cent minimum proposed in the bill represents a 62½ percent increase in the minimum wage.

It is indeed most unfortunate that in the consideration of this and other important legislation that the Committee should see fit to limit not only the time of general debate, which has precluded many Members from addressing themselves to this bill, but of even greater importance has prevented the offering of clarifying amendments, not to mention the fact that in many instances neither the proponents or opponents of the important amendments have an opportunity to express their views or explain the measure.

I think the amendment should be defeated.

Mr. KELLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KELLEY. Mr. Chairman, it is my understanding that the Redden amendment establishes a 75-cent minimum, and also abolishes the flexible rate, is that correct?

Mr. RANKIN. Mr. Chairman, a point of order.

The CHAIRMAN. All time has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the amendment be again read, for the information of the members of the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk again read the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. REDDEN], to the amendment offered by the gentleman from Texas [Mr. LUCAS].

Mr. KELLEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. KELLEY and Mr. REDDEN to act as tellers.

The Committee divided; and the tellers reported that there were—ayes 186; noes 116.

So the amendment was agreed to.

Mr. TAURIELLO. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TAURIELLO. Mr. Chairman, let me emphasize to my colleagues that the cost of food has risen over 100 percent since 1938 when the 40-cent minimum wage was passed. The cost of clothing has risen 83.6 percent since 1938. Sixty-two cents in 1938 is worth about 40 cents today. That's how the price of the dollar has changed in the last 11 years.

These figures in themselves are reason enough for an increase in minimum wage. I just cannot understand why reactionaries should be opposed to such an increase. After all, purchasing power is the real basis of our prosperity. Low purchasing power on the part of millions of unorganized workers throughout America is what brought on the depression back in 1931 and 1932.

I think that depression was primarily caused because the average minimum wage was then about 25 to 30 cents an hour. Our purchasing power all over America dwindled to such an extent that farmers could not even get prices for their foodstuffs.

We should understand that a man who earns $1,500 a year spends 40 percent of that $1,500 for food. That is where the farmer can profit—if the head of the family is earning enough.

The farmer's prosperity is helped by raising the minimum wage. The worker's prosperity is helped. Raising the minimum wage to 75 cents will be a guaranty of continued prosperity in America. It is going to help the small-business man; it is going to help the big-business man.

It is going to keep prosperity going—and anything that can be done to provide a buffer against another depression is legislation that everybody should be for.

This bill we are debating should be passed. It is a good bill. It does not go as far as many of us had hoped it would, but it is a good bill nevertheless. If we accept this bill now, there is no doubt that within a short time we can make it even more constructive. Remember the time when the very first minimum wage bill was passed. At that time 40 cents an hour was asked, but there were not enough votes for that amount, so 25 cents was accepted. But later on that figure was increased to 40 cents, and now we are asking for 75 cents.

As for coverage, I hope that there can be included under this bill all the deserving men and women of this country who should be protected, who should receive fair compensation for their labor, instead

of the compensation they are now receiving.

Seventy-five cents an hour is a fair minimum, and I think it will help some 750,000 to 800,000 people who have not received until now the minimum to which they should be entitled.

Let us not play politics with the livelihood of our working men and women. Let us raise the minimum wage to 75 cents an hour.

Mr. COOPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOPER to the substitute amendment offered by Mr. LUCAS: On page 31, line 14, insert before the period the following: "; or (17) any home worker in a rural area who is not subject to any supervision or control by any person whomsoever, and who buys raw material and makes and completes any article and sells the same to any person, even though it is made according to specifications and the requirements of some single purchaser."

The CHAIRMAN. The gentleman from Tennessee is recognized in support of his amendment.

Mr. COOPER. Mr. Chairman, this is in the nature of a clarifying amendment. I have discussed it with the distinguished gentleman from Texas, author of the substitute, and, as I understand from him, the amendment is agreeable. May I ask the gentleman from Texas if that is correct?

Mr. LUCAS. I am glad to respond to the gentleman as I responded to him when he earlier approached me on this matter. I do not think the amendment is necessary in my bill, but if the gentleman insists upon its insertion I shall offer no objection.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. MICHENER. How does this affect each group. What do they work at?

Mr. COOPER. The situation is that in my part of the country, and I assume in many other sections of the country, there are certain women, principally housewives in rural areas and on farms, who make certain crocheted and knitted articles, principally for children. There is no doubt, in my opinion, but what they are independent contractors and never were intended to be covered by this type of legislation, but in order to remove any uncertainty, and to meet the situation that was raised by one of the administrators of the Wage and Hour Division, I think it is appropriate to try to clarify the situation here.

Mr. MICHENER. It would not affect the Walsh-Healey Act?

Mr. COOPER. No; I think nothing of that kind is involved at all. It applies only to rural areas.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Kentucky.

Mr. CHELF. I wonder if the gentleman's amendment would cover the makers of quilts, spreads, and that sort of thing that women in the country make after hours?

Mr. COOPER. I think so, anything in rural areas.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Texas.

Mr. LUCAS. I want it definitely understood that these people the gentleman wishes to exempt are not in the employ of anyone. They are simply selling things.

Mr. COOPER. That is correct. The gentleman is absolutely correct about that.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentlewoman from California.

Mrs. DOUGLAS. I am very much interested in the Lesinski bill now before us and also the gentleman's amendment, and to note that the men of this Congress believe that when women work they work because it is out of caprice or on account of boredom or just to pass the time away. Women work to earn their living. They work, if one studies the statistics of the Labor Department, to support their families in 80 percent of the cases.

Mr. COOPER. I do not think this has any application to what the gentlewoman from California has in mind.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from New York.

Mr. REED of New York. Would this apply to the making of baskets in homes located in rural areas? Would the amendment also cover home-made or hand-made furniture?

Mr. COOPER. I do not know. It would depend on the facts of each case. Where a few baskets might be made at odd times in the home I think it certainly would come under the provisions of this amendment. If there is no time kept and they work when they please and they do not work when they please, there is no way of regulating anything of that kind under this type of program.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I wish to submit this technical question. Assuming that these workers are doing this needlework, making rugs, crocheting or making lingerie or gloves or what not, under a contract, but where there is no supervision of the labor and where the material is supplied to the worker by a contractor, whether it be in the Virgin Islands, in Puerto Rico, the Southern States or somewhere else, would those workers be exempt under this provision?

Mr. COOPER. Well, I am unable to answer the gentleman categorically on a question of that kind. It would depend upon the facts of each case. But I certainly think under the facts that I have in mind, that I have endeavored to outline here, there was no intention for them ever to be covered under this type of legislation.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. DINGELL. Will the gentleman give assurance now to the House that this clarifying amendment will in no way stimulate any sweatshop practices? I have no misgivings personally, because I know the gentleman's broadmindedness, but for the RECORD I think it should be stated clearly whether or not this would give any impetus to the restoration of sweatship practices.

Mr. COOPER. Certainly, there is no intention of anything of that kind being accomplished.

Mr. DINGELL. I am certain of it.

Mr. COOPER. Mr. Chairman, the situation sought to be taken care of by this amendment may be briefly stated as follows: There are several hundred women throughout Tennessee, mostly around Gibson County, which is in my congressional district, and the adjoining counties, who have for several years made crocheted and knitted articles of wearing apparel, principally for babies, and sold them to anybody who might want to purchase them. In recent years Mrs. Doris Harwood, of R. F. D., Trenton, Tenn., has been operating a small business from her home, about 4 miles from Trenton. She buys these articles from the women of that section, who are largely farmers' wives, who crochet garments for children and sell them to her at an agreed price and she in turn sells them to her customers.

She sometimes sells the yarn to these women as a matter of convenience, but has nothing to do with the keeping of their time nor with superintending their work, nor has any supervision or control over them, and they can sell the finished article to any other person they may desire. It is impossible for her to keep the time or keep up with them if there were any desire on her part to do so.

It is my understanding that the Wage and Hour Division of the Department of Labor through the regional office at Birmingham, Ala., has notified Mrs. Harwood that she could not buy any of this crocheted wearing apparel from any of these women unless they were physically handicapped and that they were required to have a medical certificate to this effect before they could make these articles and sell them to her.

The women that I have in mind who make these articles are housewives and women not otherwise employed. While some of them are physically handicapped and confined to their homes, yet there are some of them who make these articles in their spare time while engaged in their housework in order to make a little money. Most of them are women who have to remain in the home because of their responsibilities there and are only too happy to make some of these articles from time to time and sell them and thereby make a little money to help in meeting the expenses of their families.

It was my privilege to be a Member of Congress at the time the wage-and-hour law was passed and I feel confident that it was never the intention of Congress for it to apply in a case of this kind. I think there can be no doubt that these women are independent contractors and that it was never intended that they should be covered by the provisions of this

law. I think this amendment will take care of the situation.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

The question is on the amendment offered by the gentleman from Tennessee [Mr. COOPER].

The amendment was agreed to.

Mr. HERTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HERTER to the Lucas substitute: Page 6, after line 12, insert a new paragraph as follows:

"(o) Hours worked: In determining for the purposes of sections 6 and 7 the hours for which an employee is employed, there shall be excluded any time which was excluded from measured working time during the week involved by the express terms of or by custom or practice under a bona fide collective-bargaining agreement applicable to the particular employee."

Mr. HERTER. Mr. Chairman, this amendment is an amendment to the definitions under the act. It is offered for the purpose of avoiding another series of incidents which led to the portal-to-portal legislation and led to the overtime-on-overtime legislation.

At the present moment there is a twilight zone in the determinations of what constitutes hours of work which have been spelled out in many collective-bargaining agreements but have not necessarily been defined in the same ways.

Let me be specific. In the bakery industry, for instance, which is 75 percent organized, there are collective-bargaining agreements with various unions in different sections of the country which define exactly what is to constitute a working day and what is not to constitute a working day. In some of those collective-bargaining agreements the time taken to change clothes and to take off clothes at the end of the day is considered a part of the working day. In other collective-bargaining agreements it is not so considered. But, in either case the matter has been carefully threshed out between the employer and the employee and apparently both are completely satisfied with respect to their bargaining agreements.

The difficulty, however, is that suddenly some representative of the Department of Labor may step into one of those industries and say, "You have reached a collective-bargaining agreement which we do not approve. Hence the employer must pay for back years the time which everybody had considered was excluded as a part of the working day." That situation may arise at any moment. This amendment is offered merely to prevent such a situation arising and to give sanctity once again to the collective-bargaining agreements as being a determining factor in finally adjudicating that type of arrangement. It sounds wordy, but in effect it is a very simple amendment.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Pennsylvania.

Mr. McCONNELL. May I say to the distinguished gentleman from Massachusetts that I favor his amendment as offered.

Mr. HERTER. I appreciate what the gentleman has said.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Texas.

Mr. LUCAS. I do not oppose the gentleman's amendment, although I must say about it as I have said about the Cooper amendment that I do not think it is necessary. The Portal-to-Portal Act was intended to cover just such situations as the gentleman describes. However, if the gentleman insists upon reenacting certain provisions of the Portal-to-Portal Act or the meaning of the provisions of the Portal-to-Portal Act in this bill, I can offer no objection.

Mr. HERTER. The gentleman's interpretation of the Portal-to-Portal Act, I am afraid, may not be shared by others who fear that there may be a loophole here. That is all I am trying to cover, to avoid the kind of misunderstanding that arose before.

Mr. LUCAS. It is my understanding that both the unions and management desire this amendment.

Mr. HERTER. So I understand.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was agreed to.

Mr. WINSTEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WINSTEAD to the Lucas amendment: At end of line 3, page 4, strike out period, insert comma, and add the following: "and (2) forestry in all its branches and among other things includes planting, tending, cruising, surveying, and felling trees, preparing logs and other forestry products for market, delivering logs and other forestry products to storage or to market or to carriers for transpotation to maket, and all other processing of forestry products prior to the processing thereof in and about a sawmill or similar facility."

Mr. WINSTEAD. Mr. Chairman, I offer this amendment for the purpose of including forestry and logging in the definition of agriculture. The gentleman from Texas [Mr. COMBS] in his bill did include forestry and logging in the definition of agriculture. In both the Lesinski bill and the Lucas bill they have recognized the difficulty of harvesting our tree crop. The United States Government and every State in the Union have recognized forestry as agriculture by placing the administration, supervision, and operation of our State and national forests under the Department of Agriculture. I offer this amendment to take out from under the provisions of this bill the so-called log cutters and log haulers. If we have justification for taking out from under the provisions of this act the harvesting of other agricultural crops, I can see no reason why we should not do so in the case of our timber crop.

Mr. ELLSWORTH. Mr. Chairman, will the gentleman yield?

Mr. WINSTEAD. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. If I recall correctly, the gentleman's amendment refers to the processing, selling, and so on, of trees up to delivery to the carrier. Does the gentleman's amendment mean delivery to a common carrier? In other words, does it include the men who are engaged in the business of hauling the logs to the place where they are taken by a common carrier? Does it include the truckers?

Mr. WINSTEAD. The intention of my amendment is to exclude all laborers who help to get these logs to the place of processing.

Mr. ELLSWORTH. That is, up to the place of processing?

Mr. WINSTEAD. That is right.

Mr. ELLSWORTH. In other words, your amendment, then, would exclude, as a part of the business of processing logs, the carrying of those logs down to the sawmill or to a common-carrier railroad, or a common-carrier water carrier?

Mr. WINSTEAD. That is right, up to the common carrier or sawmill.

Mr. ELLSWORTH. I thank the gentleman.

Mr. WINSTEAD. That is exactly the intent.

Mr. KELLEY. Mr. Chairman, will the gentleman yield?

Mr. WINSTEAD. I yield.

Mr. KELLEY. Were they not covered in the present bill?

Mr. WINSTEAD. Let me say this to the gentleman. We have this whole situation confused. Both bills exempt the employer if he employs a minimum number of 12 employees. In some areas of my section of the country some people probably employ 14 or 16 or 18 employees—what will they do? They will fire or lay off four or five or six or eight, so as to get out from under the provisions of this act. The provision in the present bill will not do, in my opinion, what some of you want to do. The bill without this amendment will confuse the issue. We will have a duplicate system in the same localities and in my opinion it will serve no good purpose except to further create opposition to minimum-wage laws by making it difficult to administer and almost impossible to comply with.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WINSTEAD. I yield.

Mr. SHORT. The amendment offered by the gentleman from Mississippi is a good one. Of course, it cannot go far enough. If we cannot get a whole loaf, we will take a half a loaf. But the gentleman is absolutely right. This bill will throw hundreds of people in this area out of employment.

Mr. WINSTEAD. Let me say further that these tree fellers and log cutters and log haulers do the job on the basis of so much per thousand feet, or on a piecework basis, rather than on the basis of an hourly wage.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. WINSTEAD. I yield.

Mr. McCONNELL. Was this provision in the original Combs bill? Can the gentleman recall?

Mr. WINSTEAD. The definition was included specifically, but I believe in the exemptions he specified 16, but I am not too clear as to whether he had that provision.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. WINSTEAD. I yield.

Mr. HORAN. Does the gentleman's amendment intend to cover sawmill workers?

Mr. WINSTEAD. No; my amendment is intended to exclude the harvesters of the timber crop, just as you exclude those who harvest cotton, wheat, and corn.

Mr. HORAN. Up to the sawmill?

Mr. WINSTEAD. That is right. In my opinion we have come to recognize forestry as a crop and I believe it should be specifically so designated that exemptions be given to forestry to the same extent exemption is granted to other agricultural commodities.

There are many reasons why we should include forestry in the definition of agriculture. These reasons may be summarized as follows:

The close relationship between the growing and harvesting of forest products on a rotating basis should be generally recognized. These activities constitute and are included in forestry.

That forestry is indeed an agricultural pursuit is evidenced by our National and State Governments in their placement of responsibility for the administration of national and State forestry programs in the respective departments of agriculture.

The terms used in describing various forest projects, separately and jointly supported by private and public agencies, are directly founded upon the concept of forestry as an agricultural project—for example, "Tree Farms," "Trees for Tomorrow," "Keep Green" programs, "Trees Are a Profitable Crop," and so forth.

Further, the harvesting of trees is equally an agricultural pursuit just as the harvesting of farm crops such as cotton, corn, or wheat is so identified.

Public agencies, Federal and State, are striving to convince thousands of small owners of wooded plots, usually bound up with farm ownership, that the growing and harvesting of trees is agriculture practiced on a long-term crop.

Thus, the incorporation of forestry and logging in the meaning of "agriculture" has been advocated not only by the industry in its own councils and in its public presentations, but also by public policy as expressed by the location of forestry agencies in the executive department under Agriculture, as proclaimed by the legislative history of the Fair Labor Standards Act, and as implied by the appropriation of public moneys.

It would only be consistent and a recognition of fact to accept as "agriculture" the proposal to include logging operations—that is, the felling of trees, trimming and cutting into suitable lengths, and transporting of logs to the sawmill or market—in the Fair Labor Standards Act's definition.

In the act itself as currently in effect the similarity of logging to agriculture is recognized but the application of the act is limited to forestry and lumber operations "performed by a farmer or on a farm as an incident to or in conjunction with" farming operations.

This limitation is certainly unrealistic and discriminatory. Is the character of forestry and lumbering operations affected by the persons performing them? Do they suddenly cease to be agriculture when performed by persons other than farmers? Inconsistency is certainly manifest here.

More than a decade ago, when the Fair Labor Standards Act was first proposed, in the discussions on the floors of both Houses prior to final enactment considerable attention was given to the problems of employees engaged in forestry operations and in the felling of trees as well as the processing and transporting of logs.

In fact, the importance given to this subject in those early proposals and discussions left the impression that forestry and logging operations, because of their identical dependence with farming upon favorable weather, would be included in the seasonal exemption finally provided in the act.

In actual practice it has not worked out that way because of the technicalities injected into the Administrator's interpretation of the term "seasonal." In the period immediately after enactment of the act several groups of employers in the lumber industry applied to the Administrator for seasonal exemptions, as provided in the act, for their forestry and logging employees.

It was assumed that such exemption would be readily granted because logging operations have always been classified as seasonal in the industry. But the Administrator's interpretation took no cognizance of traditional customs and practices, and with minor exceptions, their applications were denied.

When, as a result of the denial of these applications, it became evidence that forestry and logging operations as such could not qualify as seasonal under the Administrator's definition, lumber industry employers abandoned hope of securing the desired relief through the Administrator and have since sought to have the act amended in accordance with what is believed to be the original intent of Congress.

The identity of forestry and logging with agriculture was further accepted in several of the early proposals to amend the Fair Labor Standards Act, principal among which was the amended Norton bill, H. R. 6406, approved by the House Labor Committee in the Seventy-sixth session of Congress, 1939.

In this bill, amendment of the maximum hours provisions of the act was proposed for specific relief of employees "employed in connection with the felling of trees, logging, or operations incidental to the felling of trees or logging performed prior to, and including, delivery of the logs to a mill for sawing or making pulp."

Bills introduced in the current session of Congress provide further evidence of the acceptance of timber growing and harvesting as agriculture although some of them are discretionary in their treatment of the problem involved.

One of the bills, H. R. 4782, by Mr. COMBS of Texas, proposes the inclusion without qualification of forestry and logging operations in the act's definition of agriculture. Another bill, H. R. 5856, by the gentleman from Michigan [Mr. LESINSKI], chairman of the Labor Committee, acknowledges the premise but inconsistently limits treatment of the problem by exempting from the provisions of the act forestry, logging, and sawmilling operations only where they are performed by employees whose employer employs not in excess of 12 workers in all of such operations.

In addition to the inconsistency inherent in the treatment accorded the problem in H. R. 5856, there is evident a lack of understanding of the complex competitive relationship existing between lumber manufacturing operations, particularly in the South. The bill is discriminatory in several ways.

The exemption provided for agricultural operations in the Fair Labor Standards Act as now effective does not turn on the number of employees hired by a farmer, rather, the exemption derives from a realization of how impractical it is to apply wage-and-hour standards to so complex, unpredictable, and variable a business as agriculture. Moreover, when the House Labor Committee considered wage-hour legislation at this session, it rejected a proposal to exclude from the act's definition of agriculture large-scale farming operations. If forestry and logging are agriculture, it should not matter what type of employer is involved.

The exemption in H. R. 5856 does recognize a fundamental problem—that of providing relief for employees engaged in forestry and logging operations. But this relief should and can be provided for all employees engaged in such operations, regardless of the employer for whom or the region in which such operations are performed. The remedy is in the simple recognition of the agricultural nature of such employment in the act's definition of agriculture.

CONDITIONS SURROUNDING EMPLOYMENT IN LOGGING OPERATIONS

Logging is the process of harvesting a crop of trees in the same sense that cotton or corn or wheat is harvested. While it supplies the raw material necessary to the manufacture of lumber, logging is less similar to manufacturing than to agriculture. As a matter of fact, in the southern lumber industry, a great majority of the loggers are farmers and farm laborers.

Complete dependence upon favorable weather conditions causes logging operations to be considered seasonal by the industry. Heavy rains and snows make the woods inaccessible and impenetrable, and under these conditions logging operations must cease until favorable conditions are restored.

Some sections of the country suffer heavy rains and snows at regular periods of the year; in other sections, such as the South, heavy rains fall frequently and for extended periods throughout the year.

These conditions upset the employment schedule of logging workers for extended periods or for frequent short periods which have the same cumulative effect.

These periods of inactivity last for days, weeks, or months depending upon the season of the year, the climate in the region affected, and the degree of

precipitation. And certainly these conditions resulting from weather and climate are beyond the control of both employer and employee.

Workers who are thus deprived of employment for variable periods are further handicapped in their earning power by the provisions of the wage-hour law which prevent them from working longer hours when favorable weather conditions exist. This is true because practical employers, concerned with the problem of marketing their products, cannot afford to pay the premium costs represented by time and a half the regulate rate for all hours over 40 in 1 week.

Here, then, is a case where the provisions of the wage-hour law work in the exact opposite direction from their intent.

If so-called seasonal employees, whose opportunities for employment are adversely affected by natural conditions beyond their control, are given special treatment in order that they may make up for lost time, is it not just and proper that employees in logging operations, who are similarly disadvantaged by unfavorable weather, be given at least the same consideration?

Employees whose work is seasonal according to the strict definition of the Administrator actually have an advantage over workers employed in logging operations. According to the Administrator's requirements, workers in seasonal industries are employed and unemployed at regularly recurring periods during each year. Thus, they are able to plan on their periods of unemployment and make provisions for securing other means of livelihood to tide them over. At the same time, they know to some extent each year just how much employment will be available to them and when.

These advantages do not exist for the majority of the employees in logging operations. Their periods of employment and unemployment do not occur regularly during the same periods each year. For this reason they deserve even more consideration than the seasonally employed worker.

There are other considerations extending beyond the actual problems of the logging employees. The sawmill depends entirely upon the logging output to maintain its operation. Therefore, it is necessary for the logging operation to take full advantage of favorable weather conditions to provide sufficient raw material to keep the sawmill going.

This, in turn, jeopardizes the regular operation of the mill and at times causes lay-offs for sawmill workers due to a lack of raw material. On the other hand, if employers allow logging crews to work long hours to take advantage of weather conditions, they automatically incur an increase in the cost of production, which must be regained through higher prices; the net result will be to price the production out of the competitive market and this will result in the loss of jobs to both loggers and mill workers.

From the standpoint of the minimum wage, there need be no misgivings about exempting forestry and logging employees from the provisions of the act. It has been traditionally true in the industry that workers engaged in the logging operations have been paid wages on a scale equivalent to and more often above that in effect in the sawmill.

Therefore, if employers are required by law to pay at least statutory minimum wages to sawmill employees, natural forces peculiar to the industry will cause the same or higher wages to be paid for equivalent work in the woods.

Mr. LUCAS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, you have heard me say on a number of occasions that I am a strong adherent of minimum-wage legislation. I am so strongly a believer in it that I do not want any extraordinary exemptions put in any bill which I might sponsor. I dislike to disapprove of anything that my friend, the gentleman from Mississippi, ARTHUR WINSTEAD, might propose, but he is exempting all people in the lumber industry up to the sawmills without any limitation as to the number of people who are working for the employer. In the Lesinski bill, which we have had under consideration, there is a limitation of 12 employees. I accepted that limitation. I think it is a fair limitation because the small lumberman in the woods cannot operate in competition with the big operators, unless he has some sort of balance in his wage scale. Therefore, I do not think it would be proper for us to give a complete exemption to the entire lumber industry. I do not want my name on a bill that is used to expand the exemptions and prevent fair coverage of the Fair Labor Standards Act throughout all industry in the United States.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. I yield.

Mr. WINSTEAD. Is it not true that in your section and mine, especially in mine, we have certain areas where they log the timber out in certain seasons of the year?

Mr. LUCAS. That is correct.

Mr. WINSTEAD. And probably you could not get your logging equipment in there for more than 2 months, due to the rain and the low lands. Some small logger of necessity might need at least 20 or 30 employees to get those logs out and to continue the employment of other employees in the mill.

If you do not make that provision you will prevent the little man from getting the choice timber in the low lands, and even in my opinion the little man ought to have an opportunity to get some of it.

Mr. LUCAS. I am sure the gentleman would not disagree with me that even employers of the little man ought to have some protection in this bill. We are trying to make it fair to all industries and all people. If a man employs 20 or 30 men, I think it would be fairer to make him pay overtime, and permit the small operator, with 12 employees or less, be exempt. If the employer cannot operate with 12 men, I do not believe it is fair to his employees that they should not have overtime after 40 hours, unless the seasonal exemption enlarges it to 56 hours.

Mr. WINSTEAD. Will the gentleman yield further?

Mr. LUCAS. I yield.

Mr. WINSTEAD. Would it not be logical for the man who employs from 12 to 20 employees to either fire or lay off the number down to 12, in order to get out from under the whole bill?

Mr. LUCAS. That is possible. It is logical. We hope that this arbitrary figure which the gentleman from Michigan [Mr. LESINSKI] chose works fairly, but we have to choose some figure somewhere. I do not know what is fair. Perhaps next year we can decide, after we have operated under the present bill, either my bill or Mr. LESINSKI's bill, whether 12 men is fair, but I do not think we ought to exempt the employer who works more than 12 men in the logging industry.

Mr. WINSTEAD. Is it not true that most loggers already receive more than 75 cents per hour? Why confuse this whole thing by putting the number at 12? Why not exclude loggers from the provisions of this bill, rather than to further confuse and complicate the question?

Mr. JACOBS. Mr. Chairman, will the gentleman yield, that I may ask the author of the amendment a question?

Mr. LUCAS. I yield.

Mr. JACOBS. Do the loggers in your part of the country receive less than 75 cents an hour?

Mr. WINSTEAD. I cannot give you the exact figures, but in the past most loggers logged by the thousand, rather than by the hour. In most cases they would make more than 75 cents an hour. I do not have the latest figures, but in my opinion the vast majority make more than $6 a day.

Mr. LUCAS. Mr. Chairman, in view of the fact that small loggers are exempted up to and including 12 men, which I think is a fair exemption until it is proved otherwise, I ask the House to reject this amendment.

The CHAIRMAN. The time of the gentleman from Texas [Mr. LUCAS] has expired.

Mr. WIER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise to oppose this amendment, knowing somewhat of the situation that the gentlemen have in the States in the South. I could not sit here and see this amendment, as wide open as it is, in the language I have just heard, permitted to be accepted without protest. I come from a State where we have hundreds and hundreds of men employed in logging pulpwood and forestry and agricultural work—the State of Minnesota.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. WIER. Yes, I yield.

Mr. WINSTEAD. Do they not all receive at least a minimum of more than 75 cents an hour?

Mr. WIER. In a number of cases, I doubt it, because they are not all organized. Many of them are typical examples of what you just did a moment ago.

First, let me say this: The House has recognized this afternoon, by teller vote, justification for the 75-cent wage. I am cognizant of the many problems that each and every man representing a district in this United States has. He wants to protect himself against criticism, he

wants to protect himself against attack by those who might be injured by legislation.

In my State you will exempt under the language of that amendment around three or four thousand men who work most of the year, and some of these men are on contract—the same as this last amendment that you accepted. I was opposed to it. I hope that this House does not go on all afternoon exempting from the provisions of the act those workers that it formerly covered.

We have not had a great deal of trouble in the past with this part of the bill. I sat in on the Labor Committee and I recognize some of the problems down in the southern lumber camps, but I cannot justify, neither can I compare, some of the problems of the South with those up in Michigan, Wisconsin, Minnesota, Montana, Washington, and all over in order to save a little situation down here.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. WIER. I yield.

Mr. McCONNELL. As far as I personally am concerned I agree with the statement the gentleman is making in connection with his amendment and am in favor of it.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. COMBS. Mr. Chairman, I move to strike out the last word.

Mr. LUCAS. Mr. Chairman, will the gentleman yield for a consent request to see if we can limit debate?

Mr. COMBS. I cannot yield for that.

The CHAIRMAN. The gentleman from Texas declines to yield.

Mr. COMBS. Mr. Chairman, this amendment points up a matter I want to refer to. The amendment exempting certain types of small sawmill operations is one of a number worked out and incorporated in the pending bill, H. R. 5856. They were worked out with great care by a group of us fellows from the South, who know our peculiar problems and who worked with Members from the North and East to so word the exempting provisions and to so provide the machinery of application of the act as a whole so that our peculiar problems in the South could be met without affecting similar industries in other regions, which have a different system of operation.

Now, the sponsors of the Lucas substitute have lifted the small sawmill exemption from the pending bill and incorporated it in the Lucas substitute as they have a number of other provisions from H. R. 5856. Now this provision, in my judgment, will merely create confusion if you incorporated it in the Lucas substitute and it becomes a law for the simple reason that the Lucas bill in no way provides any suitable or adequate machinery of application to interpret and apply the provision, nor any other provisions for that matter.

The problem of working out wage-and-hour legislation is a complicated one. Weeks of work by a number of Members went into the preparation of the carefully worded provisions devising changes in the present administrative machinery and these administrative improvements incorporated in H. R. 5856 are put there to enable the Department of Labor to make interpretative rules and holdings to clarify the coverage provisions which must of necessity be of general terms and to make it possible for business establishments, employers, and employees everywhere to know with certainty whether or not they are under the coverage of the wage-and-hour law and to ascertain at any time whether or not they are subject to its provision and in compliance with its requirements. This will avoid innocent people, who sincerely want to comply with the law, being harassed, sued in the courts, and subjected to penalties and damages through no fault of their own. As a consequence, the provisions in the Lesinski bill exempting the small-type sawmill can be applied under the administrative provisions of the bill of which they are a part, to effectuate their intended purposes and without causing confusion and without affecting similar industries elsewhere which have no need for such an exemption. This exemption provision was designed by the framers of H. R. 5856 to meet a peculiar operation that you will find practically nowhere except in the South. It is in effect the last vestigial remains of a type of sawmill operation worked out to enable the mills to survive during that long period of economic depression and misery which followed the Civil War. We had not the capital in those days to build big industries. Discriminatory laws tended to keep our section in economic slavery for more than half a century and because of unfair freight rates and other discriminatory laws little capital came in from the outside. Now our great virgin forests are all but gone and though we do have large mill operations these little portable mills, which can be quickly transported from one location to another, are mainly engaged in scrapping operations cutting small tracts of timber. Because they are migratory and travel from place to place where there are trees to be cut, they are often referred to as "peckerwood mills." They cut the scrap timber that would not be economical for the larger mills to cut and also affords both a market for the small amount of timber a farmer may have to sell and may at the same time afford him temporary employment in the mill operation while the mill is in his vicinity. It is most seasonal, spring and summer work. Many of them go out and hire farm boys in the immediate vicinity of the mill who go out into the woods and do the logging and operate the mill, mostly on a piece time basis; they get so much for cutting a thousand feet of logs, and so forth. It is an added source of income to these small-farm people. They are the type of sawmill which is covered by this exemption. They are provided for in H. R. 5856.

I cannot conceive of one of you boys from the South not approving the Lesinski bill in preference to the Lucas substitute. It meets our problems better and it does it without injuring people in other regions. We should help them, especially when we are not injured. We in the South should not want to be in the position of crawling and asking these people from the North and East to do something for us all the time with no consideration from us for their peculiar problems. They have helped us with our farm-support program, that was nothing more than getting a decent minimum wage for our farm people. I want to know if you people from the South will desert these fellows now in the industrial sections of our Nation who have helped us in the past by adopting this Lucas substitute which may actually injure some industries in the South and put millions of people out from under the coverage of the act in the North and East who ought to remain under its protection.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield.

Mr. KEEFE. I have carefully read the provisions of both bills with reference to the lumber industry of the South, the Lesinski bill and the Lucas bill. Does the gentleman intend under that language to exempt from the operation of the wage-and-hour law the employees of the little portable sawmills, people who are engaged in the operation he has just described with so much tenderness?

Mr. COMBS. Let me say to the gentleman from Wisconsin that I do not presume to state what the framers of the bill especially meant. I will say that if we can ever get to the Democratic bill, the Lesinski bill and have it read and understood, we will meet these issues paragraph by paragraph, talking together as Americans and trying to find the answer.

Personally, I should like to see those little marginal operations I have spoken of provided for without doing violence or hurt to the people of other regions who have a different situation. Mind you, we are dealing with highly technical language, and may I point out to you that the Lucas bill is like making mud balls and throwing them at the side of a house. It cannot possibly work. There is confusion of all kinds which lurk in that bill. If you enact it into law you will rue the day. It will fill the courthouses of this Nation with litigation and harass honest people who want to know what the rights of their employees are.

Finally, I want my party to be able to offer its own bill here, even though when consideration of it is concluded I shall have to vote against it, because that is an obligation which we owe to the American people. I do hope that my colleagues on this side, at least, will not go back to the people and tell them that a Democratic bill could not even be read for amendment in this House.

Mr. LESINSKI. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I think some explanation is necessary at this point. When I appointed the gentleman from Minnesota [Mr. WIER] as chairman of a subcommittee to get some sort of understanding with the southern group, this one item was brought to my attention. I asked the reason for it and an explanation was made.

I recall that in the testimony and the hearings on minimum wages, the biggest trouble in certain lumber districts in the South was the question of hot goods. There are little portable sawmills, or what they call the coffee-pot mills, cutting lumber out in the backwoods. The Wage and Hour Division never had sufficient police to find where this lumber was cut. When it was delivered to a concentration yard, that is where the buyer of that particular lumber was caught with the "hot" goods in his hands and naturally penalized. All of his lumber was thereupon frozen.

Are we going to protect the manufacturer of lumber and the shipper of lumber or are we going to provide sufficient police power to find that little portable mill that moves from day to day from one section to another section of the country and produces these logs? The question comes up as to which is the best thing to do.

I believe that the exemption in our bill is exactly what it should be. We relieve the actual shipper of the manufactured goods or the "hot" goods so they are not frozen.

Mr. WERDEL. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from California.

Mr. WERDEL. I am of the opinion that the exemption in the Lucas bill is identical with the exemption in the gentleman's bill. Is that correct?

Mr. LESINSKI. I have not read Mr. LUCAS' exemption. The gentleman realizes that bill was introduced too late.

Mr. COMBS. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Texas.

Mr. COMBS. Is it not true that that provision, like a number of others, has been lifted bodily and thrown into a bill the machinery of operation and application of which are completely different from H. R. 5856, therefore cannot work in that bill?

Mr. LESINSKI. I agree with the gentleman.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Texas.

Mr. LUCAS. How can the gentleman criticize the Lucas bill when he admits right here he has not read it?

Mr. LESINSKI. I am criticizing the other portions of the bill; not this particular part.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Pennsylvania.

Mr. McCONNELL. I understand they are identical in the provisions concerning this particular type of operation known as the peckerwood sawmill operation. Will the gentleman from Texas, who has just spoken, explain what the difference, if any, is?

Mr. LESINSKI. Sugar-coating any bill does not make the bill right.

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. LESINSKI. I yield to the gentleman from Michigan.

Mr. SHAFER. I just want to say that the gentleman in his bill, as well as the gentleman from Texas [Mr. LUCAS] in his bill, are providing for the exemption of a lot more people than they realize, and that they are providing for future unemployment.

Mr. LESINSKI. I disagree with the gentleman.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KELLEY. Mr. Chairman, I ask unanimous consent that all debate on the Lucas substitute and all amendments thereto close at 4:30.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. COMBS. Mr. Chairman, reserving the right to object, do you not think that we should ascertain what amendments will be offered? I should like personally to get a little time before that crucial vote comes.

Mr. KELLEY. Mr. Chairman, I move that all debate on the Lucas substitute and all amendments thereto close at 4:40.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WINSTEAD].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows::

Amendment offered by Mr. SMITH of Virginia: On page 29, line 16, after "seamen", insert a comma and the following: "and employees on barges, dredges, scows, and lighters on navigable waters of the United States."

Mr. SMITH of Virginia. Mr. Chairman, I offer this amendment for the purpose of clarifying the situation a little, if possible. The bill exempts seamen. I understand in some jurisdictions employees on river barges, dredges, and so forth, are regarded as seamen but in some places they are not regarded as seamen. In order to make the matter clear, I have offered this amendment, which simply adds to the word "seamen," "and employees on barges, dredges, scows, and lighters on navigable waters of the United States."

I have discussed this amendment with the author of the substitute amendment and I have discussed it with the gentlemen on the left, and they have advised me that they have no objection to the amendment. I hope it will be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. KELLEY) there were—ayes 54, noes 61.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BATES of Massachusetts: On page 14, line 22, after the words "seasonal nature", insert "or in any industry engaged in the first processing or canning of fish in the raw or natural state"; and on page 29, line 23, after the word "processing", insert the following: "(except fish)", and after the word "canning", insert the following "(except fish)."

(By unanimous consent, the time allotted to the gentleman from Massachusetts [Mr. HESELTON] and the gentleman from Massachusetts [Mr. NICHOLSON] was granted to Mr. BATES of Massachusetts.)

Mr. BATES of Massachusetts. Mr. Chairman, this amendment is not one of exemption. The amendment I have offered includes the fisheries. That may seem strange, in view of the fact that 10 years ago when the original wage-hour law was adopted, representing as I do, as well as the gentleman from Massachusetts [Mr. McCORMACK], one of the largest fresh-fish producing areas of the country, I was tremendously interested in the adoption of a new law dealing with wages and hours and possibly affecting perhaps the most perishable of all products, and I was interested to see that no great injustice would be done to the fishery industry and the workers therein.

For that reason 10 years ago I opposed the inclusion of the fishery organizations within the scope of the Fair Labor Standards Act. Since that time the industry has had a chance to adjust itself, and the standard of wages, are even better than provided in the law today.

There is no criticism that can possibly come from the industry. This is the only industry in the New England area which I know of which is exempt under the provisions of the wage-hour law today. The amendment which I have offered brings them within the law and makes it applicable to the processing and canning of fishery products.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. McCORMACK. The purpose of the gentleman's amendment is to include a group of workers in an industry. His amendment is being offered to the Lucas substitute. The group is included in the Lesinski bill. I join with the gentleman in his amendment because it certainly is a beneficial and desirable amendment. It is to include a group and not to exclude a group of workers.

Mr. KELLEY. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. KELLEY. I personally will accept the gentleman's amendment. I will be glad to accept any amendment which will bring under the provisions of the Wages and Hours Act any group of employees.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. BATES of Massachusetts. I yield.

Mr. BARDEN. I have not had the opportunity to check it with the original law—that is, the law as it is now—but under your amendment you are striking out the menhaden fishermen. That is an operation peculiar to itself. They produce the fish oils and so forth. There are three operations—one in New Jersey, one in North Carolina, and one in Florida.

Mr. BATES of Massachusetts. The amendment does not deal with the catching of the fish, but entirely with the processing and canning of the fish.

Mr. BARDEN. Well, I do not object to the inclusion of the canning feature, but the processing goes further than that.

Mr. BATES of Massachusetts. It deals only with processing and canning of fishery products.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BATES].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. SHORT].

(By unanimous consent, the time allotted to the gentleman from Minnesota [Mr. H. CARL ANDERSEN] was granted to Mr. SHORT.)

Mr. SHORT. Mr. Chairman, I thank the gentleman from Minnesota. This bill does not need a doctor, it needs an undertaker. You can amend it and amend it, but it should be buried. It is no good. I am against it. I hope my position is clear. For many years I have fought this vicious thing in vain.

All that is noble, fine, and fair—magnificent, great, and glorious would be tumbled into the ash can under this spurious, stupid, senile, and surpercillious measure, that would give something for nothing.

Of course everybody is for that. God help us to regain our senses and our decency. March you gentlemen to the seat of judgment!

Whenever they step on our toes we squeal. I do not care what State you are from, north or south of Mason and Dixon's line. This legislation is a dagger stab in the heart of liberty. It is a noose around the neck of freedom.

Imagine a bureaucrat in far-off Washington telling my people out in the Ozarks; or yours, Mr. STEFAN, in Nebraska; or yours, WALT HORAN, out in the State of Washington, how to run their business, whom they shall employ, and how much they shall pay. It is silly. It will not work.

My God, gentlemen, have we come to this in this country? It will give you a pain in the mind. I am not here to soothe your conscience. Here is a telegram from my own little home town:

GALENA, MO., *August 7, 1949.*

Hon. DEWEY SHORT,
House Office Building,
Washington, D. C.:

We wish to remind you that the impending action on H. R. 3190, H. R. 5856, and H. R. 4722 contains potential ruin for the canning industry in general and ourselves and the industry in Stone County in particular. We urge that you exert your utmost to maintain the present regulation or at least to prevent such drastic measures as are at present proposed.

GALENA CANNING CO.,
J. H. HOFFMAN.

Mr. Chairman, if followed to its logical conclusion I say this to the gentlemen from Dorchester and South Boston, and I have been there very often: I do not see how we can possibly do it and look in the mirror in the morning, shave and smile at ourselves, without turning very, very red.

Now, it is up to you. If you are going to control, and tell your little employer in the small canning factories and the sawmills and the grocery stores in my district whom they shall employ, how much they shall pay, Oh, gentlemen, I would rather go back to shining shoes and selling papers. I know there are many who want to return me there, including the Abraham Lincoln from Indianapolis but not "everything made for love," who has supplanted all of the hosts in Washington.

This is bad legislation and it should be killed. It will add to unemployment. It will create monopoly. It will help the rich and injure the poor. It will aid the big boys and hurt the little fellows. You know where I stand, do you not?

The CHAIRMAN. The time of the gentleman from Missouri [Mr. SHORT] has expired.

Mr. GWINN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GWINN: On page 30, line 17, after the word "products" insert the following: "or any individual employed or engaged in procuring, handling, or transporting any agricultural or horticultural commodity prior to its first processing."

Mr. GWINN. Mr. Chairman, I agree so thoroughly with the gentleman from Missouri [Mr. SHORT].

This amendment is simply one of hundreds that ought to be offered, I suppose, to get everything clear in this type of impossible legislation. It is a clarifying amendment. The same amendment has been offered by Senator GILLETTE in the Senate. It covers the gatherers of products prior to the first processing, the gathering and the cooling of milk before it goes into the creamery or into the processing plant, the gathering of eggs and the candling of them, gathering chickens and cooling them before they go to the butcher or packer. Oddly enough, the Administrator says that the butcher and the creamery and the manufacturer are exempt, but the gathering together, the huckstering operation around the country is not exempt. This covers the gap between farmer and the first processing operation and makes such persons exempt.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield.

Mr. GWINN. I yield.

Mr. WHITE of Idaho. Has the gentleman read the financial statement of the Borden Co. and the other big milk companies, showing the tremendous profits they are making in gathering milk?

Mr. GWINN. This has nothing to do with the big milk companies. There is no chance there. This covers the little farmer huckster.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I yield my time to the gentleman from New York [Mr. GWINN]. I am supporting his amendment.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. GWINN. I yield.

Mr. JACOBS. Would not your amendment exempt the cold-storage houses?

Mr. GWINN. Not at all. This simply says those procuring from the farmer, handling or transporting any agricultural or horticultural commodity prior to its first processing.

Mr. JACOBS. How about the words "including cooling"?

Mr. GWINN. That is already included in the act; I do not include that in this amendment.

Mr. JACOBS. Is it not included in the gentleman's amendment: "Including cooling"?

Mr. GWINN. No; it is not in my amendment as read; it is stricken out. It is already in the Lucas bill. However, if the gentleman please, milk must be cooled at the farm or near the farm before it goes to the pasteurizing plant.

Mr. JACOBS. I agree with the gentleman, but also many other things are affected; and if those words are included there is no reason why cold-storage houses are not included.

Mr. GWINN. Cooling is not in my amendment. The copy the gentleman has before him has been corrected.

The CHAIRMAN. The time of the gentleman from New York has expired.

The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. GWINN) there were—ayes 40, noes 71.

So the amendment was rejected.

Mr. SHORT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SHORT. Is this a bill of exemptions?

The CHAIRMAN. The gentleman has not stated a parliamentary inquiry.

Mr. LANHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANHAM: On page 29, line 11, after the word "or", strike out all of subsection (4) through the semicolon in line 15.

Mr. LANHAM. Mr. Chairman, I hope the Members will pay attention to this amendment because I think it corrects a provision in the bill that was not intended to have the effect that I am afraid it will have. I am offering this amendment in the spirit suggested by the gentleman from Indiana [Mr. JACOBS], that we should try to perfect the Lucas bill, even though we prefer the Lesinski bill.

If you will turn to page 29 of the Lucas substitute you will see that I am simply striking out this provision: "any employee employed by an establishment which qualifies as a retail establishment under paragraph (2) of this subsection and is recognized as a retail establishment in the particular industry notwithstanding that such establishment makes or processes the goods that it sells."

That simply means that it opens the door for, and is an invitation to, return to sweatshop conditions. It means that the J. C. Penney Co., or any of the large chain stores, can set up manufacturing establishments and produce goods that they sell in their stores without any regard to the Wage-Hour Act; whereas other local stores have to purchase merchandise made under conditions where the act does apply.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. BOGGS of Louisiana. It seems to me that the effect of that provision is to remove people who are now covered; is that correct?

Mr. LANHAM. I think it certainly does; and in addition it encourages a return to sweatshop conditions.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. BIEMILLER. Mr. Chairman, I rise in support of the pending amendment.

Mr. YATES. Mr. Chairman, I ask unanimous consent that the time allotted me may be given to the gentleman from Wisconsin [Mr. BIEMILLER].

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AN INVITATION TO THE RETURN OF THE SWEATSHOP

Mr. BIEMILLER. Mr. Chairman, I rise in support of the Lanham amendment. One of the most dangerous provisions in the Lucas bill is the section that this amendment endeavors to eliminate.

Some of us, I am afraid, may have rather short memories. We may forget that back in the early thirties in the national investigation of the scandalously low wages in the shirt industry of Pennsylvania wages were found to be as low as 1 cent per hour. Checks of 60 cents for 60 hours work were found in that industry. Think of that—a 1-cent-an-hour wage rate.

Long and costly strikes took place to establish a minimum wage of $5 a week for a 50-hour week—10 cents an hour. Sweatshops prevailed throughout the industry.

If I read the Lucas bill correctly, the section that is now under discussion would permit a shirt manufacturer who used his own outlets to completely get out from under the Wage and Hour Act. That would be true of other parts of the garment industry where the sweatshop has been such a notoriously bad feature of our civilization in America. Within the last 10 years as a result of the Wage and Hour Act and its forerunner, the National Industrial Recovery Act, we have succeeded in abolishing the sweatshop. I do not want to see that infamous institution return and I do not think any Member of this House really wants to see those conditions again.

It may be argued that this section is intended only to take care of small operations. Those small operations which are intrastate commerce are automatically exempted from the act. I have discussed this section with eminent lawyers and their opinion seems to be that it would open the gates and let in a large manufacturer who also runs retail outlets and would exempt his production employees.

The scandal of working conditions in the garment trades provided a major impetus to the passage of the National Industry Recovery Act in 1933 and the Fair Labor Standards Act in 1938.

It was recognized that the maintenance of free enterprise required the elimination of unfair competition arising from the heartless exploitation of labor.

The garment industry has made great strides since the Fair Labor Standards Act was passed. The decent employer need no longer be ashamed to be identified with the industry; he can pay a living wage if a reasonable floor is established below which wages of less scrupulous competitors cannot fall.

But this splendid record of achievement, affecting hundreds of thousands of workers in all branches of the cotton garment industry and in industries of similar types, including the making of artificial flowers, of infants' wear and other enterprises where small capital is required for entry into the business, appears to be endangered by this proposed exemption which would appear to remove from the protection of the act the very workers whose occupations most require the continuation of its benefits.

Clause (4) of section 13 (a) of H. R. 5894 provides for exemption from both the wage and hour provisions of the act of "any employee employed by an establishment which qualifies as a retail establishment notwithstanding that such establishment makes or processes the goods that it sells."

Does that exemption mean what it appears that it may mean? Does it mean that the employees of the shirt factory owned by a retail chain, and whose entire output goes to the retail chain, are deprived of the benefits of the minimum-wage and maximum hour provisions of the law?

Does it mean that the employees of the large clothing plants owned and operated by retail clothiers would be deprived of the protection of the law? This would appear to be the case. Such employees are employees "employed by an establishment which qualifies as a retail establishment."

Is it intended to encourage vertical enterprises, where manufacturing and retailing are combined, at the expense of workers in the industry and at the expense of established businesses?

Clause (4) of section 13 (a) would create chaos in an industry into which order has been brought. It would encourage the return of the sweatshop, from which the Nation has only in the past decade been so happily delivered.

Mr. Chairman, I hope the amendment will prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. LUCAS].

Mr. LUCAS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, if I thought for one moment that what the gentleman from Wisconsin has said about this amendment is true I would join with him; in fact I would be ahead of him. I do not want such conditions as he has described to exist in our economy.

The purpose of the substitute is to take care of those industries or those businesses that sell 75 percent of their goods at retail and also meet the other requirements in this bill defining a retail or service establishment. There are candy kitchens and small custom tailors that have been covered by Interpretative Bulletin No. 6 of the Wage and Hour Administrator that have been held to be manufacturing establishments. Ice plants that sell the majority or in fact over 75 percent of their product at retail are covered as factories Ice plants particularly in the South and West will go out of business unless we give them this specific exemption.

You will notice how we have limited them We have said, "recognized as a retail establishment in the particular industry." No factory is going to be recognized as a retail establishment in the particular industry. We do not want factories to enjoy this exemption. If it is a retail establishment in the industry and if it meets the other tests prescribed by the bill, then it may enjoy this exemption.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. LUCAS. I yield to the gentleman from Georgia.

Mr. LANHAM. I do not question the purpose but I am questioning the result of the provision. I think it would permit the Schwab clothing people who have retail outlets to escape and to get out from under the wage-and-hour law.

Mr. LUCAS. It is not my purpose to do such a thing as that.

Mr. LANHAM. I am certain it is not the gentleman's purpose, but that is the result.

Mr. LUCAS. I do not see how the courts could so interpret this exemption; that is, exempt manufacturing establishments, as such.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. LANHAM].

The question was taken; and on a division (demanded by Mr. LANHAM) there were—ayes 66, noes 64.

Mr. LUCAS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. KELLEY and Mr. LANHAM.

The Committee again divided; and the tellers reported that there were—ayes 95, noes 119.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

(Mr. CANFIELD asked and was given permission to yield his time to Mr. JAVITS.)

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: On page 4, line 21, strike out the words "in any closely related process or occupation indispensable to the production thereof, in any State." and insert "or in any process or occupation necessary to the production thereof, in any State."

Mr. JAVITS. Mr. Chairman, the purpose of this amendment is very simple. It is to test whether or not the Lucas substitute is really a restrictive bill or whether it is a clarifying bill.

Mr. Chairman, it is estimated that this little word "indispensable"—a remarkably restrictive word in any statute—that this little word "indispensable" may

throw as many as 750,000 employees in the United States who, by all previously accepted standards, are engaged in interstate commerce out from under the protection of the minimum-wage law. Mr. Chairman, that danger applies particularly to clerical and office employees, maintenance and service employees, repair-service employees, business-service employees, and many others. They will be left by the Lucas substitute completely at the mercy of a word which is apparently picked because it is of the utmost restriction and not because it is clarifying.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to my colleague.

Mr. McCONNELL. The whole idea we have opposed here is the theory of bringing in certain types of people who were never intended to be brought in when this act was written. This is an effort to clarify that. Do you consider window cleaners to be in interstate commerce?

Mr. JAVITS. When employees are working for a company that is engaged in interstate commerce and their work is necessary to that commerce, they should be covered by the act. Please note that I am seeking only to continue existing law by my amendment.

Mr. McCONNELL. I think that is stretching it.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. JACOBS. I wish to say to the gentleman that I support his amendment and I want to endorse what he says when he says it is a test of whether or not those who are talking about leaving people out of coverage really want to support complete coverage that was in the old act.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. LUCAS. Does the gentleman intend to cover farmers working in their own irrigation ditches?

Mr. JAVITS. Certainly not.

Mr. LUCAS. If time will permit, I will answer that.

Mr. JAVITS. All I am trying to do by my amendment is to restore the language of the act which has been thoroughly interpreted. What you are seeking to do here by the substitute is something that no one has argued for before, because, unless Members vote for my amendment to restore basic coverage of the Lucas substitute back to the coverage of the act as it stands now, it is definitely an effort to take thousands and thousands of employees out from under this act who should not be out from under it. This is the acid test. This will tell us whether or not the proponents of the Lucas substitute are serious when they say it is clear and precise and clarifying, or whether their intention really is to restrict the operation of the present law and to take thousands of people out from under the protection of the Fair Labor Standards Act, as indeed this word "indispensable" in the Lucas substitute will do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 88, noes 109.

Mr. JAVITS. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chairman appointed Mr. LUCAS and Mr. JAVITS to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 91, noes 133.

So the amendment was rejected.

Mr. SMITH of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Kansas: Page 30, line 5, after the word "weekly", insert a comma, strike out the word "or"; and after the word "semiweekly" insert the words "or daily", so the new line will read, "any weekly, semiweekly, or daily."

Mr. SMITH of Kansas. Mr. Chairman, all I am trying to do is to put the weekly, semiweekly, and daily newspapers in small cities and rural districts on the same basis, for we know there are many such papers that do not have a circulation in excess of 5,000. All I want is that the semiweekly, the weekly, and the small daily newspaper of 5,000 circulation or less be put on the same basis and exempt from paying the 75-cents-an-hour wage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mrs. DOUGLAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. DOUGLAS: On page 30, line 19, after the word "than", strike out "seven hundred and fifty" and insert in lieu thereof "five hundred."

Mrs. DOUGLAS. Mr. Chairman, under the existing law, those telephone exchanges that have less than 500 stations are exempt. The Lucas amendment on which we are now working would raise the exemption to 750 stations. My amendment to the Lucas amendment would reduce the exemption to 500.

Mr. BROWN of Ohio. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS. I yield.

Mr. BROWN of Ohio. Does not the Lesinski bill also raise the number to 750?

Mrs. DOUGLAS. Yes, it does.

Mr. BROWN of Ohio. So it is the same in both bills.

Mrs. DOUGLAS. The gentleman is correct. I am offering this amendment to the Lucas amendment in case the Lucas amendment is agreed to. I hope it is not agreed to. I hope someone, before this debate is over, will give us figures showing the difference in the exemptions between the Lucas amendment and the Lesinski bill. I think it will be found to be somewhere in the neighborhood of a million and a quarter persons who are excluded by the terms of the Lucas bill who are not excluded by the Lesinski bill.

But I want to talk about this amendment. It affects the pay of women. Ten thousand women will be exempted from coverage of the Fair Labor Standards Act unless my amendment is agreed to. I am not asking for increased coverage of telephone operators. I ask only that you do not take away the protection of the minimum wage from those who now are covered by it.

I have heard only one reason given for increasing this exemption to 750 stations. It is claimed that some telephone companies having exchanges with 495–6–7–8– or 9 stations are denying telephone service to the public because to install the additional stations will force the owners under the Fair Labor Standards Act. Such a "public be damned" attitude on the part of these companies should be investigated by the State commissions in the areas involved.

State regulatory commissions were established to protect the public against exorbitant rates. These commissions should, and to my knowledge do, take into consideration the investments, operating costs, and profits of a public utility when establishing rates for service. The management of these small telephone companies know this; the public knows it.

The increase from 500 to 750 stations would affect only 218 companies out of a total of 6,125 companies doing business in the independent field. These figures were taken from the 1949 Directory of the Telephone Industry, a management magazine. It is my understanding that all contracts held by labor unions with the Bell System provide minimum wages in excess of 75 cents per hour. I would want to point out, however, that the act itself grants the exemption to any telephone company, Bell included, and that in the event of a recession, the $10,000,000,000 American Telephone & Telegraph Co. could take advantage of this law. With 5,216 telephone companies exempt under the 500 stations formula, the addition of 218 companies, bringing the total to 5,434 out of the 6,123, does not make sense economically, will bring very little, if any, additional service to the public and has no substance in principle.

What will Congress do when pressure is brought to increase the exemption to 1,000 stations, as the United States Independent Telephone Association has requested of the Education and Labor Committee? Will we then say that because some owners are refusing to install the seven hundred and fiftieth station we will increase the exemption? Such a procedure will lead us eventually to eliminate the telephone industry from coverage. Certainly no one would agree that such a large industry should not be covered.

I become disturbed about this also because it affects only women workers. As you know, telephone workers, other than the operators, are covered. About 60 percent of all the employees in the telephone industry are women and most of this 60 percent are operators. To exempt a single occupation or job in an industry is not sound. But when the job exempted is solely a woman's occupation it strikes of being class legislation. This led me to read the record of the hearings on this legislation. A Mr. Clyde McFarlan, from Iowa, appeared for the Independent Telephone Association. Some of his remarks were interesting to say the least.

For example, his written statement to the committee says:

The work—of a telephone operator—

is not too difficult generally, the surroundings are pleasant, the work is interesting. Frequently girls are passing a pleasant interlude between high-school and marriage or married women are working to earn some pin money because their household duties do not fully occupy their time.

Such a theory for paying low wages is ridiculous. The Department of Labor has a publication entitled "Handbook of Facts on Women, 1948." On page 33 this handbook states that 44 percent of all employed women are married women and that 91 percent out of every 100 married women who work contribute regularly to family expenses. Also, 84 of each 100 women workers—single and married—support themselves and in many cases others.

There can be absolutely no justification for a policy which, in the interest of public-utility price regulation, shifts the burden of paying for telephone service from the consumer to the workers in the industry. These women are working because in most cases it is an economic necessity. Congress should protect them against employers who are naive enough to think the job of a telephone operator is a pleasant interlude.

Mr. JACOBS. Mr. Chairman, will the gentlewoman yield?

Mrs. DOUGLAS. I yield to the gentleman from Indiana.

Mr. JACOBS. May I say to the committee that we are willing to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California [Mrs. DOUGLAS].

Mr. MACK of Washington and Mr. AUGUST H. ANDRESEN demanded tellers.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. Mr. Chairman, will the Chairman state to the Committee what the situation is?

The CHAIRMAN. The situation is that tellers have been demanded.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. Mr. Chairman, the time of debate has been fixed to expire at 4:40; so whatever time is taken on a teller vote as distinguished from a division vote means someone is not going to be able to speak who otherwise might?

The CHAIRMAN. The gentleman is correct.

Tellers were refused.

The question was taken; and on a division (demanded by Mr. BROWN of Ohio) there were—ayes 153, noes 108.

So the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MACK of Washington to the Lucas substitute: On line 3, page 31, strike out the semicolon and all the following material down to the semicolon at the end of line 9; strike out the figure "16" in line 10, and renumber "15."

Mr. HORAN. Mr. Chairman, I ask unanimous consent that the time allotted to me be made available to the gentleman from Washington [Mr. MACK].

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MACK of Washington. Mr. Chairman, both of these bills seemingly are divided into two parts. The first part of each bill seems to be devoted to saying that all those who now enjoy wages of 75 cents an hour or more are to get minimum wage and maximum hour protection. Then the second part of both bills seem to be devoted to exclusion from the benefits of minimum wage and maximum hour protection and benefits all those who now get wages of less than 75 cents an hour.

In short, most of those who need a 75-cent wage most are banned by exemptions in these bills from being covered by the 75 cents an hour minimum wage.

One of the low-wage industries where workers are denied minimum wage and maximum hour protection by these bills is the southern lumber industry of the United States which employs 250,000 workers, most of them at a minimum wage of 40 cents or an average wage of only 55 to 60 cents an hour and who certainly are entitled, if anyone is, to a minimum wage of 75 cents an hour.

The purpose of my amendment is to guarantee to these low-paid workers of the southern lumber industry the protection of a minimum wage of 75 cents an hour and to secure for them overtime pay for any hours they work beyond 40 in any calendar week.

There is a joker in this bill. That joker is the section I propose by my amendment to take out of this bill.

This joker provides that all logging camp and lumber mill workers where the employer has 12 employees or less shall be excluded from minimum wage and maximum hour protection. If these workers are excluded, as the Lucas bill without my amendment will exclude them, their employers can pay them any wage, even 40 cents an hour, if the employer wishes. Furthermore, unless they are given the maximum hour protection granted workers in other operations and industries these southern workers may be worked by their employers for as many hours as the employer wishes without those employees receiving any payments for the overtime they are required to work.

The gentleman from Michigan [Mr. LESINSKI], chairman of this committee and author of one of the bills now under consideration, told his committee during the hearings:

In 1949, 40 percent of the employees in the southern lumber industry earned less than 60 cents an hour and 82 percent were employed at less than 75 cents an hour.

Yet despite that statement, Mr. LESINSKI's bill would elimate nearly all of the workers in this low-paid southern lumber industry from coverage under this act. The Lucas bill carries an identical exclusion for the workers of the low-paid southern lumber industry.

Now, of course, neither of these bills mention the southern lumber industry by name but they might as well have done so.

If you will examine item 15 on page 31 of the Lucas bill—incidentally, if it is left in the bill it will be a mighty unlucky one for the nearly 800,000 workers in the lumber industry of both the South and the West—you will find the provision that excludes the low-paid southern lumber workers from both the minimum-wage and maximum-hours provisions of this bill.

There is a similar provision in the Lesinski bill.

This provision does not purport to refer to the workers in the southern lumber industry, but in practice it will apply to them and them only. Furthermore, in practice, this section will deny any protection to nearly all southern lumber workers.

Everywhere in this country, except in the South, the lumber industry is paying minimum wages of $1 or more an hour. The 75-cent minimum wage therefore, will be of no effect anywhere in the lumber sections in the South where, according to the gentleman from Michigan [Mr. LESINSKI] 82 percent of all lumber workers receive less than 75 cents an hour and where 40 percent of them receive wages of less than 60 cents an hour.

The real joker in this section, however, is the clause which says that employees of logging camps and lumber mills shall be excluded from the minimum-wage and maximum-hour requirements of the bill:

If the number of employees employed by the employer in forestry or lumbering operations does not exceed 12.

The lumber industry of this country is divided into two parts, the lumber industry of the Southern States and the lumber industry of the rest of the Nation. The lumber industry of the Southern States operates 47,000 lumber mills and those 47,000 mills produce about 12,000,000,000 feet of lumber annually or one-third of the Nation's output.

The rest of the lumber industry of the United States operates 6,000 mills, only one-eighth as many as operated in the Southern States, and yet those 6,000 mills produce 24,000,000,000 feet of lumber annually, or twice as much as all the 47,000 mills of the South.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent that the time allotted to me be transferred to the gentleman from Washington.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GRANGER. Mr. Chairman, I ask unanimous consent that my time be allotted to the gentleman from Washington.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. MACK of Washington. Mr. Chairman, in short, the lumber mills of the South are for the most part small mills. In fact, of the 47,000 lumber mills in the Southern States, 96 percent of them, or about 45,000 of these mills, cut less than 3,000,000 feet of lumber a year. A mill that cuts 3,000,000 feet or less is one that employs 12 people or less.

Thus we see that this clause which reads that lumber-industry workers shall be excluded from minimum wage and maximum hour protection, "If the number of employees employed by his employer in forestry or lumbering operations does not exceed 12," really means that the 200,000 employees of 45,000 small lumber mills in the South, are excluded entirely from the benefits and protection of the minimum wage and maximum hour provisions of the bill.

These 200,000 low-paid southern workers are excluded from the benefits of this legislation in both the Lesinski and the Lucas bill despite the fact that Secretary of Labor Tobin, in testifying before the committee, said, "I will say they"—meaning the southern lumber industry—"have one of the lowest wage rates of any industry in the country."

Then immediately following this statement by Secretary Tobin, Chairman LESINSKI, the author of one of these bills, commented that—

It is a fact that in some sections of the country they do pay very small wages so far as lumber is concerned. There is another section of the country—

Continued Mr. LESINSKI—

where they triple wages. I am talking about the West. The wage there on the average is $1.40 an hour while in other sections—

Obviously means the South—

it is 40 cents.

Mr. Chairman, I speak to you today in behalf of the 300,000 lumber workers in the States of Washington, Oregon, and California and most of whom have been voting the Democratic ticket, and most of whom are going to regard themselves as sold down the river by the Democratic Party if this provision remains in the bill.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Texas.

Mr. LUCAS. The reason this amendment is in my bill is because it is in the Lesinski bill.

Mr. MACK of Washington. That is a very poor excuse for having such a discriminatory provision in your bill.

Despite the fact that the gentleman from Michigan [Mr. LESINSKI] has said the lumber workers in the Southern States are receiving wages as low as 40 cents an hours, yet, Mr. LESINSKI's bill specifically exempts most of these 40-cent-an-hour southern workers from enjoying either the minimum-wage or maximum-hour protections of his bill.

I cannot help but think that 200,000 southern lumber-industry workers are going to feel that they have been sold down the river by this Congress unless this exemption against these low-paid southern lumber workers is removed from this bill.

Likewise the other lumber workers of the Nation, especially the 300,000 of them who work in the lumber industry of Oregon, Washington, and California will feel that they, too, have been sold down the river unless this exemption of lumber-industry workers contained in his bill is removed.

The lumber output of the mills of the West, where minimum-wage rates are $1.40 an hour in the mills and about $2 in the logging camps, must be sold in competition with the one-third of the Nation's lumber output that is produced by southern labor that is paid a minimum of 40 cents an hour.

In the southern lumber industry can operate on a 40-percent wage it will undersell other lumber and thereby control the market whenever there is any slight decline in lumber consumption.

This can mean only that in any lumber-market recession our 300,000 lumber workers of Oregon, Washington, and California will be the first to be laid off and the first to become unemployed.

The western lumber workers will resent, and rightly so, I believe, the provisions of these bills which in effect excludes the 200,000 southern lumber workers from the protection and benefits of this legislation and thereby imperils the jobs of these western lumber workers.

This will not be the first time lumber workers have been sold down river by the actions of Congress.

We once had protection against the low-wage-produced lumber of Canada. That protection has been largely removed and today Canada is selling more than a billion feet of lumber in the United States annually that could just as well as not, and should, be produced in American-owned mills by American labor.

These lumber workers also are being sold down river by the British, who, using the ECA dollars our American taxpayers gave to her, placed in the first 6 months of this year 97 percent of her ECA orders for lumber in Canada and only 3 percent of them with mills in the United States. Of 226,000,000 feet of ECA-bought lumber shipped to the United Kingdom by Pacific coast mills in the first 6 months of 1949, British Columbia shipped 218,000,000 feet and United States mills less than 8,000,000 feet. This is another discrimination against our American workers that should be stopped.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. CHRISTOPHER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. Permit the Chair to state that the time has been fixed, and the gentleman's name is not on the list.

Mr. GATHINGS. Mr. Chairman, I ask unanimous consent that the time allotted to me be given to the gentleman from Missouri.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Chairman, I rise in opposition to the amendment.

My State and many of the other States are covered with little sawmills that employ 8, 7, 6, 10, or 5 men. They do not need to be brought under this bill; and if they are brought under it, they cannot go on and work. The bill under consideration exempts employers in the lumbering industry employing 12 men or less, and the bill is all right in that particular, and I hope the amendment presently under consideration is defeated.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CHRISTOPHER. I am sorry; I cannot yield to the gentleman; I do not have time.

Mr. KEEFE. Your little sawmill out there is not covered.

Mr. CHRISTOPHER. I disagree with the gentleman.

Let me say to my colleague from Missouri [Mr. SHORT], who was threatening a while ago to go back to blacking boots if minimum-wage laws were continued in the United States, that I followed him, and I followed the basic principles of his party for 12 long years, and at the end of that time in his district and mine a bootblack would have starved to death at a dollar a throw because we were all going barefooted in Missouri at that time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. MACK].

The question was taken; and on a division (demanded by Mr. MACK of Washington) there were—ayes 45, noes 172.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. LARCADE].

Mr. LARCADE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LARCADE to the Lucas amendment: Page 31, line 12, after the word "waterways", insert the words "whether or."

Mr. LARCADE. Mr. Chairman, this amendment has to do with irrigation canals. After the amendment is included in section (16), pages 31, line 10, it will read as follows: "any employee employed in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, whether or not owned or operated for profit, and which are used exclusively for the supply and storing of water for agricultural purposes."

The purpose of this amendment is to carry on the exemption of irrigation canals, which have always been exempted under the provisions of the act. This amendment is made necessary on account of a recent decision of the United States Supreme Court.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent the time allotted to the gentleman from Louisiana [Mr. WILLIS] was granted to Mr. LARCADE.)

Mr. LARCADE. I thank my colleague the gentleman from Louisiana [Mr. WILLIS].

In H. R. 5894, Mr. LUCAS attempted to cure this decision of the United States Supreme Court and included in his bill an identical amendment by Senators MILLIKIN and JOHNSON of Colorado to S. 653. But this language does not do the job because the decision in that case applied to cooperatives and the language in the bill which is included in the Lucas bill is not such as will cure the decision.

I have been advised by lawyers that this will not do the job that is sought to be done by the gentleman from Texas.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. LARCADE. I yield.

Mr. LUCAS. I regret to disagree with the gentleman. I do not want to exempt large profit-making irrigation canal companies.

Mr. LARCADE. This amendment does not exclude large profit-making irrigation canals, but only irrigation canals used in agriculture, and which are intended to be exempt under the present law under the agricultural exemptions.

The decision to which I refer was rendered on June 27, 1949, by the Supreme Court of the United States, Nos. 128 and 196, October term 1948, entitled "The Farmers Reservoir & Irrigation Co., a corporation, petitioner, 128 against William R. McComb, Administrator of the Wage and Hour Division, United States Department of Labor, and William R. McComb, Administrator of the Wage and Hour Division, United States Department of Labor, petitioner, against 196 The Farmers Reservoir & Irrigation Co., a corporation."

The Farmers Reservoir & Irrigation Co., is domiciled in the State of Colorado, and is a mutual company. It does not sell water. It distributes it only to its stockholders, who are each entitled to a limited quantity for each share of stock held. The income of the company is derived largely from assessments levied on the stockholders annually to pay for costs of operating the system. There are no profits and no dividends.

In its opinion, the Court held that—

It is conceded here that the courts below were correct in holding that the field employees are engaged in the production of goods for commerce. The petitioner, however, argues that this requires the conclusion that they are employees in agriculture. This argument rests on the fact that the activities of the company and its employees are entirely confined within the State of Colorado. The company diverts water in Colorado, stores it in Colorado, distributes it in Colorado to farmers who, finally, consume it in Colorado.

Mr. Chairman, under the very language of the opinion, I do not understand how the Court could rule that this, or for that matter any, irrigating company operating in any State and whose activities are entirely confined within Colorado or any other State for agricultural purposes was or is engaged in interstate commerce.

The definition of agriculture is contained in section 3 (f) of the present Fair Labor Standards Act, as follows:

SEC. 3 (f). "Agriculture" includes farming in all its branches, and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

Mr. Chairman, under the intent of the Congress in the above language in defining agriculture, I cannot understand how the honorable Court could justify their opinion in the cases cited and hereinbefore discussed, and I hope to submit further in my argument how a broader and more equitable and precise interpretation of the intent of the Congress and a strict application of the term and definition of agriculture should have been sufficient to have compelled the reverse of this decision in the cases hereinbefore cited, and, as a matter of fact, the consideration and study of the question of employees employed by an employer engaged in the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for agricultural purposes in other States would certainly disclose that irrigation canals supplying water for agricultural purposes were and are within the purview of the intent of the Congress as well as covered by the exemption under the definition of agriculture.

In this connection, at this point, it might not be amiss to quote the dissenting opinion of Mr. Justice Jackson, in the instant causes under discussion:

Mr. Justice Jackson, dissenting:

If employers operating these irrigation works are so necessary to the raising of crops destined for interstate commerce that they are "producing goods for commerce" within the Fair Standards Act, I cannot agree that they are not "employed in agriculture" within its exemptions.

It is admitted that as a separate enterprise this handling of irrigation water does not bring these employees within the act regulating interstate commerce, because the water is captured, stored, transmitted, delivered, and consumed solely within one State. The reasoning by which they are nevertheless brought under the act is this: To deliver water on arid lands is so inseparable from agriculture thereon that it is to produce goods, that is, agricultural crops, for commerce.

However, 29 U. S. C., section 213 (a) (6), exempts individuals "employed in agriculture." It would seem logical that one who is producing agricultural products for commerce is "employed in agriculture." But according to the Court he is not. The irrigation activity seems endowed with some esoteric duplicity not apparent on its face. When we read 29 U. S. C., section 206 or sec. 207, the irrigator is producing crops because his activity is inseparable from crop production; but when we read on a half dozen sections and get to 29 U. S. C., section 213 (a) (6), the irrigation has been converted into a distinct and disconnected enterprise.

This paradox is attributed to the definition of agriculture in 29 U. S. C., section 203 (f), which is said to make a distinction between agricultural production "in a normal sense" and the same thing "in the special sense" of section 3 (j) of the statute, 29 U. S. C., section 203 (j). However, its text and history seem to show that the congressional purpose was not to make the agricultural exemption less comprehensive than "normal" agricultural operations but to make certain that nothing connected with farming remained subject to the act. It exempted "any practices * * * performed by a farmer or on a farm as an incident to or in conjunction with farming operations." Thus the farm exemption did not end at the line fence.

This irrigation seems to me to be "performed by a farmer" and hence, by definition, part of the operation of agriculture. Certainly the agricultural exemption is not lost because farmers pool their capital through a mutual, nonprofit corporation for no other purpose whatever than to carry water to their own arid lands to make it possible to produce crops. The only purpose of the corporate form is to limt lindividual liability for a project which is subsidiary to each farmer's main enterprise but which is beyond the means or demands of any of them as individuals. Only the landowners can become stockholders; only the stockholders can become water users, and the operating costs and capital charges are met by assessing them in proportion to their water benefits.

Employees engaged in the water operation would be on a quite different footing if it were a water company selling water to the public or the farmer for profit.

If, as the Court holds, these employees are engaged in production of agricultural crops for commerce, I do not see how it can hold that they are not engaged in agriculture. If the Court could say, "To be or not to be: that is the question," it might reasonably answer in support of either side. But here the Court tells us that the real solution of this dilemma is "to be" and "not to be" at the same time. While this is a unique contribution to the literature of statutory construction, I can only regret the great loss to the literature of the drama that this possibility was overlooked by the Bard of Avon. It will probably now be as great a surprise to the proponents of the agricultural exemption as it would have been to Shakespeare, had it been suggested to him.

Mr. Chairman, it is my opinion that the majority of the Court erred in the decision in the cases under discussion, and that the dissenting opinion of Justice Jackson is more correct in interpreting the intent of the Congress and the law and jurisprudence in this instance. No doubt an appeal will be taken to the Supreme Court, and it may be that upon further examination of the facts and the law that the decision in this case will be reversed.

Mr. Chairman, as stated in the beginning of this statement, the language inserted in H. R. 5894, which is identical with the language of amendment to S. 653 by Senators MILLIKIN and JOHNSON, of Colorado, will not exempt the Colorado cooperative as the Court has ruled that notwithstanding that the company is a mutual company; does not sell water, and that it only distributes it to its own stockholders, the company operates for profit, and under the language of the amendment referred to above the relief sought is precluded completely under the decision which I have discussed at length.

Therefore, my amendment, if adopted, would give relief not only to the State of Colorado but also would cover operations or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for agricultural purposes in any and all of the States of the Union.

While I have in mind the protection of the irrigation canals by exemption under the agricultural provisions of the present law and the law under consideration as the same affects my district and State in the growing and irrigation of rice—not only the other rice-producing States of Texas, Arkansas, and California are affected by the proper interpretation of the provision as covered by my amendment, but also many of the other States of the Union where irrigation is necessary for many other agricultural products. All of the arid States of the West and Midwest come under this provision and are affected by the decision of the Supreme Court, and unless my amendment is adopted, or a similar amendment is adopted, under notice from the Department of Labor, all of the States will be affected.

My district and State are peculiarly affected in that most of the irrigation canals are operated on a share basis, or in other words, the canal companies furnish all of the water to irrigate the rice crops for one-fifth of the crop saved, and under such circumstances, the enterprise is one of coadventure.

The water is necessary to make the crop, and if no crop is made the canal company irrigating the crop obtains no payment or benefit.

As a matter of fact, we have a decision of the Louisiana Supreme Court defining these operations.

In the case of the Riverside Irrigation Co. against Louisiana Tax Commission the court ruled and plainly sets out in its opinion that the irrigation companies are producers of rice and are also coadventurers with the farmers.

Therefore, Mr. Chairman, there is no question that where these canal and irrigation companies operate within the confines of the respective States that the traffic and business is not interstate, and that this operation is part and parcel of agriculture as defined by the present law and under the provisions of the bill H. R. 5894 under consideration, and that under these circumstances and facts that those employed by an employer engaged in the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for agricultural purposes are exempt from the law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. LARCADE].

The question was taken; and on a division (demanded by Mr. LARCADE) there were—ayes 28, noes 85.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. COMBS].

By unanimous consent the time allotted to the gentleman from Pennsylvania [Mr. KELLEY] and the gentleman from California [Mr. DOYLE] was granted to Mr. COMBS.

Mr. COMBS. Mr. Chairman, I want to thank my colleagues, the gentleman from Pennsylvania [Mr. KELLEY] and the gentleman from California [Mr. DOYLE] for yielding me their time. I greatly appreciate their kindness and courtesy because I know that each would like to use his time himself. A while ago when I was speaking someone over on the left said, "Speak louder." He was jokingly referring to the fact that I had lifted my voice rather high and the "loud speaker" was giving forth quite a big volume. There is an amusing fact behind that. I am much older than many of you. I came up in the hard old school of stump speaking, and these contraptions are a bit new to me.

I am inclined when I get earnest to get a little bit loud. I hope I can avoid that, for I was never more earnest than I am at this moment. I want to point out briefly some of the very serious defects in the Lucas substitute and in that connection to discuss and refer to the provisions of the Lesinski bill which places the rule-making power in the Secretary of Labor and would transfer into that Department, as a part of it, the Wage and Hour Administration, all in accordance with the recommendation of the Hoover Commission, and which incidentally the Lucas substitute does not do.

Never in all of my experience have I seen a bill that failed so completely to carry out its declared purpose as the Lucas bill. Never have I seen a finished job that falls so far behind its advance notices. A tremendous outcry was made by the sponsors of that bill that the Fair Labor Standards Act needs to be clarified, and with that I agree. They said that employers and employees have to know where they stand under the law, and that they were the ones who were going to spell it out so that anyone who can read would know the answers. Let us examine now what they have come out with in the Lucas bill.

There is a great deal of new language in the Lucas bill on the exemption of retail or service establishments. What does this entirely new provision do? It introduces entirely new terms in the law. The basic test will now be some vague notion of what is recognized in the particular industry as a retail sale or retail service. No one has explained what this means, no employer or employee will know what it means, and the Lucas bill withholds from the Secretary of Labor the authority to issue regulations that will tell exactly what any provision of the law means.

Not only is the Lucas bill provision on the exemption of retail or service establishments confused and ambiguous, but it fails completely to recognize the peculiar problem of such establishments located near State borders and failing to qualify for exemption merely because they had many customers across the State line. The Lesinski bill eliminates the requirement that the greater part of the revenue of the establishment must be derived from sales in intrastate commerce. The Lucas bill does nothing about this problem. While the Lucas bill goes far out of its way to extend an exemption intended for retail selling and servicing to huge wholesaling operations, it does nothing whatever to secure for a genuine retail establishment the exemption that it now loses because of the accident of location near a State line.

In addition to using the retail exemption as a way of giving complete escape from the fair labor standards required in the law to those wholesalers who want to cut these standards and can get under the wide-open language of the Lucas bill definition of retailing, that provision of the Lucas bill also invites custom manufacturing establishments to return to sweat-shop conditions. Custom tailoring, an industry notorious in history for sweat-shop operations, and always vulnerable to a return of those conditions through contracting and subcontracting arrangements, would become retailing under the Lucas bill and would be entirely exempt from the minimum-wage and overtime provisions of the law.

The retail exemption is only one of the provisions of the Lucas bill in which any existing difficulties are multiplied many times, and in which new, vague, and undefined terms are introduced to add confusion where there was none before.

I do not have time to go into many of the utterly confusing provisions of a bill advertised as bringing enlightenment and clarification. I want to mention, however, what the Lucas bill does to a couple of problems on overtime. One of these problems is the so-called Missel formula, or what is known as Chinese overtime. Under this rule on the regular rate of pay, laid down by the Supreme Court in the Missel case, white-collar workers who work a fluctuating workweek and are paid a weekly salary get a lower rate of pay per hour the longer they work in any week. The Lesinski bill outlaws this practice, and makes a 40-hour workweek a basis of overtime pay for these workers as for others subject to the law.

Another practice under which employees have legally lost most, if not all, of the benefits of the overtime provision is the Belo contract arrangement. Under a Belo contract a rate specified in the contract is used for computing overtime, and the employee in many cases has had to work extremely long hours before he received any pay in addition to the fixed weekly payment also specified in the contract. The Lesinski bill lays down clear safeguards on this question, to prevent abuse. The Lesinski bill authorizes the Secretary to issue regulations setting forth the conditions under which such contracts may be used, and how they have to work. The Lucas bill purports to do this also, but fails to define the terms, fails to set real restraints, and fails to authorize the Secretary to issue regulations. Under the Lucas bill this provision is an invitation to abuse of Belo contracts in evading the overtime provision of the law.

A fundamental weakness, and to my mind a fatal weakness, in the Lucas bill is its complete failure to provide for the essential administrative machinery for clarifying the law. The Lucas bill fails completely to set up the procedure under which employers and employees can find out their obligations and their rights under the law. The Lesinski bill provides a grant of rule making authority under which the Secretary of Labor, operating under the full requirements of the Administrative Procedure Act, can issue clear-cut regulations defining terms in the act and setting forth how the act applies. There is nothing of this in the Lucas bill. Many other agencies of the

Government entrusted with the administration of various laws are authorized to issue such rules and regulations in the statutes under which they operate. The Secretary of Labor himself has the rule-making authority in administering the Walsh-Healey public-contract statute. The Lucas bill would deny the Secretary of Labor the same authority in administering the Fair Labor Standards Act.

Let me point out that the grant of a rule-making authority would give all persons affected by the law the full protection of the Administrative Procedure Act, which was designed to protect the interests of the citizens of this country in the administration of the law. The Lucas bill withholds this protection.

The Lucas bill not only fails to provide the administrative machinery for letting employers and employees know exactly where they stand under the law, but it adds a host of new and confusing words and concepts to the law. Let me give you a few illustrations. The present law applies to employees engaged in occupations necessary to the production of goods for commerce. The Lucas bill would change this so that the law would apply if the employees are engaged in closely related occupations indispensable for the production of goods for commerce. Does anyone know what these new terms will mean? How closely must the occupation be related? Who is in fact the man whose work is indispensable? Will anyone know the answers to these questions before years of wrangling in the courts?

In the retail service exemption the Lucas bill sets up a brand new test of what is recognized as retail in the particular industry. Recognized by whom? For how long? Does anyone have any idea of what is a retail service as it may be defined in the inner recesses of the minds of various employers in the industry?

The Lucas bill sets out to define the regular rate of pay. Let me cite a few instances of this failure to define or to provide a way of defining. Talent fees are excluded from the regular rate. How many of you here know what a talent fee is? I think that the Lesinski bill handles this question the way it should be handled. The Secretary of Labor, acting in accordance with the Administrative Procedure Act, will formulate the definition in accordance with the facts of the industries and occupations involved and in accordance with the spirit and intent of the Fair Labor Standards Act.

The Lucas bill excludes profit-sharing bonuses from the regular rate of pay. Does anyone here know how profit-sharing bonuses can be distinguished from production bonuses in a clear-cut and unequivocal way? Under the Lesinski bill the statute sets forth the general guides and the Secretary will develop the regulations putting those guides into effect. The Lucas bill contains the provision, but gives it no meaning and offers no guidance to those who must operate under it.

The Lucas bill has taken over bodily a number of provisions of the Lesinski bill. Among them are the provisions dealing with the exemptions for small logging operations, seasonal operations in sugarcane processing, small telephone exchanges, and country weeklies. The provisions dealing with logging and sugarcane processing are new. Does the Lucas bill provide any way of putting these provisions into effect so that everyone will know where he stands? In the Lesinski bill these provisions are set in the context of the administrative machinery for clarification. There is nothing of this sort in the Lucas bill.

In one case in which the Lucas bill retains a specific authority to define a term in the act, in connection with area production, the bill winds up in the wrong department. There is no point whatever in requiring the Secretary of Agriculture to define one term in a law that the Secretary of Labor is to administer.

In short, the Lucas bill fails to clarify, it fails to provide administrative machinery for clarification, and it multiplies confusion by adding new and ambiguous language that will not be clearly defined until the courts have struggled with it for 10 years.

The framers of bill H. R. 5856 carefully provided for the little marginal businesses and industries which cannot operate under a high minimum wage. They afford employment for many of our so-called little people who would have no jobs at all except for their existence because they are not qualified for one reason or another to seek and obtain employment in industries requiring skill. And we did it in a way and in connection with procedures which the bill provides that would avoid confusion and prevent misunderstanding and lawsuits.

Now in conclusion I want to offer a few observations about the parliamentary situation as it exists. The bill sponsored by Democratic leadership is the Lesinski bill, H. R. 5856, which is made in order by the rule granted upon it by the Rules Committee. The so-called Lucas bill, with Republican support, has been offered as a substitute in the nature of an amendment. Under the rules of the House, the Lucas substitute is, of course, open to amendment and has been amended during its consideration a number of times. But the pending bill, the Lesinski bill, is not open to amendment unless and until the Lucas substitute is voted down. Now, as I have said before during the debate, I think there are some changes I should like to see made in the Lesinski bill. I do not contend, as I have said before, that it will work perfectly but I do sincerely believe that it is far superior to the Lucas bill and that it will work far better in its administrative features than the existing law.

We are facing a situation where a so-called coalition of Republicans and as many Democrats as will go along with them are attempting to prevent the House from even considering the Democratic bill. They have gone to the extreme of grabbing a large number of amendments from the Democratic bill to incorporate in their hastily drawn together Lucas bill in an effort to capture as many votes as possible. Our Republican friends are not to blame, but it does seem to me that we Democrats owe to our party the obligations of helping our leadership get our own Democratic bill before the House for consideration. I should feel obligated to do that even though after the bill passed through the amendment stage I might feel it necessary to vote against it.

It carries a 75-cent minimum wage. The House evidently favors that since you have voted a 75-cent amendment into the Lucas substitute. The Republicans have tendered no bill of their own. Neither have they offered forthright opposition to the Democratic bill. They have resorted merely to a device they have used on other occasions to lend their support to a bill bearing the name of a Democrat. This is confusing to the American people. It is not a forthright facing of issues by the Republicans. I think we Democrats owe it to our leadership, who bear the heavy responsibilities of tendering and bringing to the floor for a vote the Democratic program, our help and our loyalty.

The Republicans are under no such obligations at this moment since their party has not officially sponsored the Lucas bill. It is surreptitious-behind-the-rose-bush, footsy-across-the-aisle procedure, and certainly no Republican who considers the Lesinski bill to offer the better basis of consideration is under any obligation to vote for the Lucas substitute.

A few words more and I am through.

In my youth my grandfather gave me a copy of the speech delivered in New York in 1886 by Henry W. Grady on The New South. Personally I feel that the new South which Grady only hoped for, dreamed about, and wrote about, is much nearer than the people in other regions—and in fact many in our own section—realize. We have great new industrial developments. A new day is dawning and with it a new attitude on the part of our people. Some of us here have dared to hope that Representatives from the South in greater numbers would stop looking backward to the animosities and wrongs of the past and come more and more to view the problems of our common country in the true light. I would remind you Members of the North and East and particularly you of the great industrial centers that a number of us have on every possible occasion stood shoulder to shoulder and fought with you for those things that meant so much to you and your people but have meant little or nothing to the people we directly represent. Some of us worked long and hard in conferences and otherwise in the preparation of the Lesinski bill in which we subjected to coverage all those industries of the South as well as elsewhere which compete with yours in the North and East. We filed a bill providing for a 75-cent minimum wage—we did not have to wait and put it in in a desperate attempt to grab votes. We had hoped to have the wholehearted support and help of you from the North and East who stand to gain so much from the encouragement and growth of that spirit among the peoples of the South whom so many of you have so often criticized. You can team up, if you wish, on this occasion to jerk the rug from beneath our feet by producing a situation which will not permit the direct consideration of the bill

we have helped to work out, the Lesinski bill. That, of course, is your privilege if you want to do it, but the result of such colluding, if there if such a thing as a coalition between you and dissident Democrats, will in the end bring you no true satisfaction nor will it encourage those who are struggling hard for better understanding between the peoples of our respective sections to continue their efforts. In any case, some of us have done our best and the decision rests largely with a number of you.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. COMBS. Cannot I somehow just get 1 minute? Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. The time has been fixed.

Mr. WHITE of California. Mr. Chairman, I yield my 1 minute to the gentleman and will ask him to yield to me briefly.

Mr. HALLECK. Mr. Chairman, I must be constrained to object to that, because the time has practically run out. Many of us who wanted to speak are not going to be able to say a word.

The CHAIRMAN. Objection is heard.

Mr. ABBITT. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. ABBITT: Page 31, line 5, after the word "processing", strike out the word "or."

Line 6, after "transporting", insert a comma and the words "or sawing."

Lines 6 and 7, after the word "products" strike out "prior to the completion of the processing thereof."

Mr. ABBITT. Mr. Chairman, the whole purpose of this amendment is to clarify exemption No. 15 so that the sawmill operators employing 12 employees or less will be exempt. We all understand it, but from the language of the Lesinski bill and the Lucas bill it does not exempt actual sawmill operation even though they employ 12 men or less. The only purpose of this amendment is to so clarify the Lucas bill that we will know that these small so-called pecker-wood sawmills are exempt.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. ABBITT] has expired.

Mr. LUCAS. Mr. Chairman, I have no objection to the amendment offered by the gentleman from Virginia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ABBITT].

The amendment was agreed to.

Mr. BENNETT of Florida. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. BENNETT of Florida to the amendment offered by Mr. Lucas: Page 13, line 4, after the period insert "Upon request of a governor of any State or upon other proper showing the Secretary shall have an investigation made of the effect of this law in any such State and may thereafter from time to time modify the minimum wage in any such State to an amount not lower than 60 cents an hour nor more than 75 cents an hour after a finding by the Administrator, in case of lowering such rate, that to leave the minimum wage at a higher rate would endanger employment in such State, and, in case of raising such rate, that to do so would be in accord with the principles of this legislation without endangering employment in such State."

Mr. BENNETT of Florida. Mr. Chairman, the purpose of this amendment is very simple. I hope that all of the Members of the House will vote for it, because it is not anything that endangers this law one way or the other. It is something which the Administrator can turn down if he desires to do so. All it does is to say that if a governor of a State requests an investigation, or upon other proper showing to the Administrator, the Administrator may—he does not have to, but he may—after such an investigation, find that employment is being endangered in this particular State and may then drop the minimum wage as low as 60 cents an hour in that State. This is the regional provision to which I referred earlier in this debate. It is permissive only, not mandatory. The Administrator may not drop the rate to less than 60 cents in any event; and he can do this only in case employment conditions would otherwise be endangered in the State involved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.

The question was taken; and on a division (demanded by Mr. BENNETT of Florida) there were—ayes 59, noes 108.

So the amendment was rejected.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that all Members who wish to may be allowed to extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GREEN. Mr. Chairman, H. R. 3190 will correct an injustice to a group of workers who are economically defenseless. It will assure the carrying out of the purpose of Congress in 1938 in providing for an effective minimum wage. It will remedy the ravages in this rate which have been caused by the wartime and postwar increases in the cost of living. It will bring back again to the worker at the minimum the protection against wage cutting and against unscrupulous employers who gave no thought to the human needs of their workers to earn a decent living wage.

Minimum-wage legislation is comparatively new in this country. Although the first minimum-wage law was passed in 1912, it was not until 1937 that the shadow of unconstitutionality was clearly lifted by the Supreme Court. There are now minimum-wage laws in 26 States, the District of Columbia, Puerto Rico, and Hawaii. These laws have worked out satisfactorily. However, these State laws cannot be depended upon to do the whole job of protecting the most economically defenseless workers. Except for four States, these laws apply only to women. By and large, they have been less successful in dealing with employment in producing goods in competition with production in other States, since there is the continuous objection by manufacturing and other employer groups that business would be driven outside the State if the minimum-wage rates reached a more reasonable level. In consequence, national minimum-wage legislation is necessary to protect the workers of employers in interstate commerce or in the production of goods for interstate commerce against unfair competition across State lines. The representatives of the States themselves clearly recognize this, and in the 1948 National Conference on State Labor Legislation the representatives of 43 States without dissenting vote urged that the Congress sharply increase the minimum and make the law broadly applicable.

H. R. 3190 is an important component in fulfilling the country's pledges to its veterans in making it possible for them to achieve more nearly the way of life for which they fought so courageously. The House has recently debated a bill to provide pensions for veterans when they become old. Pressing living needs of the veterans and their families, however, cannot wait until the veterans have passed 60. Their children need food, clothes, and shoes, and they need them now. H. R. 3190 will directly benefit nearly 2,500,000 veterans and nonveterans alike, who by this bill would be raised to 75 cents.

The bill would provide wage increases for this large number of workers, although most of these now receive only 5 or 10 cents less than the proposed minimum. As a result the net effect on the total wages will not be very great. The Secretary of Labor has estimated the total direct effect would be less than 1 percent. In addition to these direct effects, however, there will be highly important and desirable indirect effects in bolstering the wage structure of the entire country and preventing a continuation of the wage cuts which have already begun in some sections of the country, and which have been aimed primarily against the lowest paid workers, the economically defenseless workers who are unorganized and who are unable to resist the arbitrary and drastic reductions in their living standards which these cuts may mean.

I do not want to suggest that the great majority of employers want to exploit their lowest paid workers. I do not believe that is the case. However, we would be shutting our eyes to the plain facts of our economic life if we do not realize that there is an unscrupulous minority who would do anything to get a larger profit. In competition with this group, the more conscientious employers may be forced as a matter of economic survival to cut the wages of their employees also, particularly those who are unorganized.

I do not want to cry deflation. I believe the fundamental economy of the country is sound. I am firmly convinced, however, that the more adequate minimum wage of 75 cents will help ward off deflationary tendencies and cut short that vicious spiral of cutting wages and purchases which so badly aggravated the depression of the early 1930's.

The 75-cent minimum would also help improve the productivity of the country. An underpaid worker is not a contented worker. A worker who is unable to have sufficient food for himself and who is worried about rent money and food and clothing for his children cannot be at his best in producing fast and well. I fully anticipate that the very modest increase in wage costs which this bill would entail would be more than compensated by the increase in efficiency of our lowest paid workers.

I know of no better time than the present to make good the promise of the 1938 Congress in providing for a 40-cent minimum. Business is at a turning point. An increase in the minimum 2 or 3 years ago might have given an additional push to inflationary pressure which was already strong, and in the absence of adequate price-control provisions might have gotten far out of hand. If we should wait until a serious recession develops, many businessmen may feel there are serious difficulties in adjusting to a higher minimum. However, profits are now at a record peak, the economy is basically sound, and an increase in the minimum would do little more at the present time than provide for a bulwark to the economic structure to help prevent a sharp downturn.

Congress will not do the full job, however, if it merely increases the minimum without making adequate provision to assure that workers actually are employed in accordance with the fair labor standards which Congress set up. The provisions of the present law to enforce the minimum wage and overtime provisions are pitifully weak. Congress has given no agency the power to collect the back wages which it declares are due workers under the Fair Labor Standards Act. As a result of this serious omission, together with a weakening of the statute by the Eightieth Congress, only 30 percent of wages found due on inspection are paid to workers. This is shameful. This is an outrageous flouting of the will of Congress. Congress needs to and should take appropriate steps to make sure that its purpose and intents are not disregarded by those who can and do escape all too easily from the consequences of their breaking this law.

One of the necessary steps to correct this situation is to give to the agency administering the law the power to collect wages which are due workers under the law. In many States which have minimum-wage laws, the State governments have this power and regard it as an essential part of their administrative powers. The existence of this right would plug up a very serious loophole in the present law. It would mean that employers can no longer gamble that their underpaid and unorganized workers will not dare to bring back pay actions against them.

I spoke a moment ago of the need to protect the more conscientious employers against the low wage policies and practices of their competitors. It is not enough, as I am sure the House recognizes, to establish standards in the law for this protection unless we at the same time provide that the standards will become fully effective. The law-abiding employer who tries conscientiously to live fully within the law is at a continuous disadvantage in competition with those employers who will evade the law if the odds for their doing so successfully are high enough. H. R. 3190 would permit the Secretary of Labor to collect the unpaid minimum wages and the unpaid overtime compensation which we in Congress declare as a matter of law should be paid. There is nothing of punishment in this. There is nothing in the way of a monetary fine or provision for liquidated damages. There is merely assurance that wages legally due employees under the act shall be paid to those employees, and that employers who try to skirt the law shall not thereby gain a competitive advantage by depriving their unpaid employees of the wages Congress declare they should have.

The power of the administering agency to collect wages found due is of paramount importance for making sure that workers get the wages due them. Employers are not permitted to overlook the debts due other people and they should not be permitted to shrug off the wages due their employees.

We should remember, however, that only about 5 percent of the establishments covered by the act are inspected every year. Under a 2-year statute of limitations, the chances are very great that a given employer will be able to get by without paying for wages Congress intends workers to have under the act. I believe, therefore, that a second improvement of the enforcement provisions is also vitally needed. This improvement is an extension of the period for which workers can sue for back wages. Under the Portal to Portal Act, Congress limited this period to 2 years although 2 years was far shorter than the period most of the States had for back wage claims and is also far shorter than the period permitted the creditors of the workers in enforcing claims against the workers. I believe this is the grossest type of discrimination against the workers.

H. R. 3190 would increase the statute of limitations from 2 to 4 years. This is still short of the time for which most of the employees' creditors may bring action for debts of the workers, but at least it is a long step toward correcting a basic injustice.

The Eightieth Congress provided for a 2-year statute of limitations in the Portal to Portal Act. Since the portal-to-portal claims which the Eightieth Congress wanted to outlaw were taken care of by other means, the 2-year statute of limitations was unnecessary for that purpose. I have been unable to find anywhere in the record that any consideration was given by the Eightieth Congress to the effect of a 2-year statute of limitations on the general enforcement of the act, nor have I been able to find any evidence that the Eightieth Congress gave any attention whatsoever to the needs of the unpaid worker who would be deprived by a 2-year statute of limitations of the wages Congress believes are due him.

It cannot be denied that he would be and is deprived of his lawful wages by this unreasonably short statute of limitations. The average unorganized worker for whom the act was primarily designed is no lawyer, he has had no experience with the processes of litigation and in fact he is a little frightened by them. In any case he has no money to gamble on litigation the outcome of which necessarily would be uncertain.

If he suspects he is not paid what the law requires, and I want to emphasize many of them do not know this, his natural reaction is to complain to the Wage and Hour Division. It may take some time for an inspection to be scheduled, and additional time is consumed by giving the employer the opportunity to pay voluntarily the wages due his employees. By this time several months will have elapsed, and it is not unlikely that half of the 2-year period will have gone by. The Fair Labor Standards Act provides that an employee who has not been paid the minimum-wage or overtime compensation required under the act may receive an additional equal amount of liquidated damages, but the Eightieth Congress provided that no liquidated damages need be assessed by the court if it believed that the employer had acted in good faith, whatever that might mean, with respect to violating the wage-and-hour law. In consequence, the employee, even if successful, stands to gain no more than a few dollars, and the risk is simply too great for him to take the chance of discharge or discrimination which may result, even if he is successful in the litigation.

A 2-year statute of limitations cuts in half the average period which the employees could use in collecting their back wages under the act, pursuant to the State statute of limitations. A 4-year statute, consequently, would restore approximately the average period which was available prior to the knifing of the act by the Eightieth Congress.

A 4-year statute of limitation means a shorter period for the collection of wages which are due them than was true in most of our industrial States before the enactment of the Portal Act. My own State of Pennsylvania had a 6-year statute of limitations, for example. New York, New Jersey, Michigan, Massachusetts, Wisconsin and other States also had a 6-year statute of limitations. Illinois, Missouri, and West Virginia were among the States which had a 5-year statute of limitations. The average State statute of limitations was approximately 4 years, a figure which I believe consequently is not unreasonable.

Congress will take long steps forward in helping the most needy workers of our country if it raises the minimum wage to 75 cents for the workers who would be covered by H. R. 3190, and if it also takes the two necessary enforcement steps which H. R. 3190 also provides for, that is, empowering the Secretary of Labor to collect back wages due under the act and providing a decently long statute of limitations for workers to sue on their own behalf. I strongly urge that these provisions be accepted.

Mr. HARVEY. Mr. Chairman, the question of applying the minimum-wage law to rural telephone companies is of

great importance to the rural communities of our country. Rather than spending time commenting on the entire picture it would seem that a concrete illustration would be a more practical approach to the problem. I would be opposed to the removal of the present exemption of telephone exchanges with less than 500 stations—and they are rural—from the wages-and-hours law.

It was my responsibility to serve as the unpaid manager of our local telephone company for 6 years. This company was organized as a stock company in 1905 and during that 43-year period has not paid a cash dividend, but has rendered great returns as a service to the community. This is typical of most of the rural exchanges in Indiana and as I recall there are over 200 of them.

We are paying our operators 40 cents per hour and providing around-the-clock service. This amounts to $9.60 per day or in excess of $3,500 per year for operator hire only.

Our gross receipts for the past fiscal year were $7,927 after taxes. The operators receive 44 percent of our revenue.

Other items such as pay to a part-time lineman, a bookkeeper, and additional help for line-reconstruction, right-of-way clearing, and phone installation took $2,585.

This left our company $1,156 for purchasing new equipment, poles, and repairs.

You can readily see that if we were required to raise our minimum wage to 65 cents per hour it would increase our operating costs by $6 per day or almost $2,200 per year. Since a recapitulation of our financial statement shows that this increase would have to come from an increase of phone rates, it follows that this would cost each of our 20¢ patrons almost $1 per month or $11 per year.

Already our rates are high and any increase would surely result in losing many of our patrons. Our only alternative would be to raise the rates again, only to lose more patrons. This vicious cycle would shortly deprive our community of telephone service.

We have two large telephone utilities in Indiana. I can say to you truthfully, that, neither of them would take these rural companies as a gift. So that the farmers would be deprived of telephone service.

In conclusion may I say that if the Senate passes RTA, as did the House, we will have provided the machinery for consolidation of our rural companies. They could and doubtless will be operated just as our REA cooperatives are now being operated. The amendment that I successfully offered to the RTA bill of the gentleman from Texas [Mr. POAGE] was offered with the thought that the rural telephone companies would consolidate.

In consolidating these small rural companies, an economical, efficient-sized unit will be achieved. And it will be done in such a way that our farmers will be guaranteed better service.

The enlarged resulting companies will then come under the provisions of the wages-and-hours laws.

Please believe me this is the safe and sure way to guarantee continued telephone service to the farmer and eventually higher wages for those who are employed to render the service.

An arbitrary decision by the Congress to eliminate the present exemption to small rural telephone companies will render a great disservice to the farmer patrons and employees alike.

Mr. BLATNIK. Mr. Chairman, I rise to speak on the minimum-wage bill, H. R. 5856, which is now under House consideration. I am supporting this bill, and shall vote for its final passage, but I do so with many regrets. I have for some time advocated the raising of the minimum wage to at least 75 cents per hour, and the extension of the Fair Labor Standards Act to all gainfully employed workers, with a few minor exceptions. But this bill fails to provide coverage to millions of American workers, and it is therefore most unsatisfactory to those of us who seek to advance the welfare of the American working man and woman.

Let me examine the major provisions of this bill, and point out its effects. It has good points as well as weaknesses. On one hand, it raises the minimum wage from 40 to 75 cents per hour, and strengthens the child-labor provisions of the Fair Labor Standards Act. I am in full agreement with these two objectives.

On the debit side, the bill suffers from weaknesses of omission and of commission. It exempts from coverage many workers who now enjoy the protection of the Wage-Hour Act—for example, many employees of retail establishments, newspapers, and telephone companies are removed from coverage. Newspaper-delivery boys, taxicab drivers, employees of small lumber and sawmill operations, and workers in sugarcane processing are also eliminated from the benefits of the law.

The bill fails to extend coverage to millions of workers who have never had the protection of the minimum-wage law, and thus continues to leave these workers at the mercy of sweat-shop employers. Among the blocks of workers denied protection are all agricultural workers, bus and streetcar operators, fishermen and fish processing employees, and many others.

As a result of many new exemptions and continued old exemptions, the net gain in workers' coverage over the existing law is only about 600,000 employees.

I need mention only a few statistics to demonstrate the inadequacies of this bill. There are today some 22,600,000 workers out of the 58,000,000 gainfully employed who are covered by the present 40-cent minimum wage. About 20,000,000 are covered by the 40-hour-week clause. Since less than 1,500,000 workers covered by the present law receive less than 75 cents per hour today, it goes without saying that the rejection of proposals to extend the coverage of the Wage-Hour Act to new industries amounts to cutting the heart out of the pledges made to labor by the Democratic Party on the minimum wage issue.

In short, this proposal will affect only about 2,000,000 workers. Of these, 1,500,000 workers now covered will receive wage increases up to 75 cents per hour, and about 600,000 workers outside the law today will be given coverage. This is very little to offer the workers of America in view of campaign promises made to them a year ago.

MINIMUM WAGE IS SOUND ECONOMICS

Mr. Chairman, there are three major reasons why the minimum wage should be increased to 75 cents per hour, and the coverage of the Fair Labor Standards Act extended to the vast majority of the workers. In the first place, there are the humanitarian aspects. We have not yet eliminated sweatshops and sweatshop conditions in American industry, and millions of workers are now receiving substandard wages and are victims of the worst kind of exploitation. By a statutory minimum wage, based upon the wage level needed to provide a decent standard of living, we can place a floor under wages and thus eliminate sweatshop conditions in America.

Secondly, a high minimum wage will tend to protect the Nation against depression by maintaining consumer purchasing power to buy the goods of industry and the produce of our farms. During recent months we have witnessed the growth of economic recession in this country. Unemployment is rising, factories are shutting down, and farm income has fallen. One of the major reasons for this dangerous development has been the reduction in consumer purchasing power resulting from substandard wages, shorter workweeks, and factory lay-offs. By placing a floor under wages, Congress will be taking action to bolster purchasing power, in the interest of American prosperity.

Finally, minimum-wage legislation is good for business. It is a well-known fact that sweatshop operators are cutthroat competitors who are able to undermine the competitive position of other businessmen. These sweatshop employers exploit their workers by long hours and starvation wages, and are thus in a position to cut prices at the expense of the ordinary firm that pays a fair wage. Thus raising of the minimum wage and extension of the coverage of the law to all industries protects not only the worker, but also the employer who has or wants to have a progressive labor policy. But to exclude many industries and classes of workers from the law, as does H. R. 5856, is to perpetuate a system of unfair competition.

OPPOSITION STRATEGY

The opposition to adequate minimum-wage legislation comes from those in several categories. There are those who come out honestly and in a straightforward fashion against the whole concept of regulation of wages and hours by the Federal Government, and urge its repeal. Then there are those who mask their opposition to the law by seeking to emasculate it through one exemption or another. Their approach is to retain the empty shell of the law, with its minimum wage and 40-hour week before overtime, but to eliminate substandard groups of workers from coverage. The opposition in the latter category would

be willing enough to raise the minimum to $1 or $2 per hour, providing that we removed all workers from coverage.

It seems to me that the House Labor Committee, in reporting H. R. 5856, has become the victim of this second opposition approach. It is my frank opinion that this committee, whose membership I hold in the highest regard, has nevertheless in attempting to appease the reactionary opposition found itself in a position where it is "carrying water on both shoulders." The bill we now have before us represents a compromise with the enemies of labor and with the campaign pledges of the Democratic Party. And events have shown that you cannot compromise with reaction.

It is my firm conviction that it would have been better strategy to stand firmly behind the original administration bill, H. R. 3190, which proposes to extend minimum-wage coverage to at least 5,000,000 additional workers. I shall vote for this bill if given an opportunity. It is always better to stand firm on principle. The opposition is never satisfied with concessions until principle has been compromised out of existence. It is high time that we learn the lessons of past battles and make use of these lessons in our efforts to enact the Fair Deal into law.

In conclusion, Mr. Chairman, I wish to express again my support of H. R. 5856. But I also want to go on record as saying that economic conditions require that Congress come forward with an adequate minimum-wage law to stabilize wages at a high level and give real protection to all the workers of America. This bill falls short of this objective, and thus I support it with many reservations, and shall continue to work to redeem our campaign promises to labor for a real minimum-wage bill.

Mr. HOLIFIELD. Mr. Chairman, the 65-cent minimum wage proposed in the original Lucas bill was inadequate. Three years ago the Senate passed a bill providing for a 65-cent minimum and everyone knows what has happened to wages and prices since then. The Lucas bill would further tie the minimum to fluctuation in the cost-of-living index. But why should not increased productivity be reflected in the minimum wage? Why should not employees at the lowest-wage levels share in the benefits production? The benefits of increased productivity go to business in the form of higher profits, consumers in the form of lower prices, organized labor in the form of higher wages. But what about the unorganized worker? We should set a figure which will provide something that approximates a decent minimum standard of living for our low-paid workers, help to maintain purchasing power, and protect a level of national income which will enable us to meet our fixed monetary commitments.

I know that some of my colleagues will say that I am for a 75-cent minimum because I represent a high-wage area where such a minimum would have no effect and that I therefore seek to improve the competitive position of my constituents at the expense of other sections of the country. Well, it is true that employers in my district pay high wages and the increased minimum would not affect anyone and I am proud and happy that it is so. A 75-cent minimum will not mean that labor costs throughout the country will be the same as in California. We will still be a high-wage area and I hope we will always remain one. We pay good wages, maintain good industrial relations, and our businesses prosper. We seek no competitive advantage through equal labor costs. But by the same token we do not want our industries at a disadvantage because of competition based on the substandard wage rates paid by some business chiselers.

We are not afraid of honest competition based on managerial efficiency and technological advances. The purpose of the Fair Labor Standards Act is to prevent competition based on substandard wage rates. Compare our fish processing industry with the industry on the Gulf coast. Our firms operate under union agreements, pay high wages and time and one-half for overtime. The very lowest wages we pay in this industry are about twice what the average is on the Gulf coast—not the lowest on the Gulf coast but the average. And our plants pay time and one-half for overtime, in addition. Competition based on differences like that is unhealthy. And how about the workers concerned? I do not think any of my colleagues who speak of regional differences in the cost of living can prove it, or that even in their most sweeping claims they would argue that the cost of living is so much lower on the Gulf as to warrant such tremendous differences in wage rates. And the Lucas bill would not even offer the less than adequate protection of its 65-cent minimum to those workers. They are completely exempt from the minimum and overtime provisions.

We have a serious unemployment problem in my State at this time This condition will not be improved if our decent employers have to meet the cutthroat competition of wage-chiseling employers. The answer to unemployment is not substandard wages but increased purchasing power. Put some money in the hands of the people who spend it and we will have more employment, more production and a better standard of living for all.

What does the Lucas bill do to the coverage of the act? At a time when we should be going forward the Lucas bill would cut down the present coverage of the act by a million employees who are engaged in activities necessary to production and in other activities, including many low-wage activities in greatest need of the act's protection. The Lucas bill would remove the protection of the act from these vast numbers of low-paid workers.

What is the use of raising the minimum wage for high-paid workers and throwing overboard these workers who are and have been for 10 years under the act? What reasonable or even plausible-sounding excuse is there for cutting out auxiliary workers, watchmen, guards, employees of business services and others like them? For a paltry 65-cent-an-hour minimum, tied to an index number designed to serve other purposes, and used here only in the hope that it will cut the minimum by going down? Why should the low-paid worker be completely frozen out of the gains of the whole country from technological progress, cut out either by outright exemption from the law or by this sagging floor under the niggardly wages provided in the Lucas bill? There are no valid answers to these questions.

The President has asked for the same thing as vital to our domestic economy. The Senate Labor Committee unanimously voted for 75 cents. How does the Lucas bill fit in with all this? It provides a lower minimum wage for fewer people. I ask the Members of this House to vote down the Lucas bill in its entirety.

Mr. PHILBIN. Mr. Chairman, my remarks regarding this measure will be as brief as possible since the bill has been fully and ably debated.

In view of the favorable vote on the 75-cent minimum-wage provision, it is clear that an overwhelming majority of the Members of the House recognize the need for satisfactory and generous standards applicable to industrial and business wages. This bill is of particular interest to my district and section of the country because for years past our industries and workers have been punished because of existing high labor and industrial standards.

The State of Massachusetts was among the first in the Union to enact workmen's compensation laws, minimum-wage laws, factory safety laws, limitation-of-hours laws, protection-of-women-and-children-in-industry laws, and other legislation beneficial to our workers and the health and welfare of our people. As a consequence and because other States were slow to follow our example, wide differentials were established and still exist between our wages, hours, and conditions-of-work standards and those obtaining in many other States.

By reason of these differentials there can be little question but that industrially Massachusetts has suffered severely. Many of our industries have moved to other States to secure the advantages of lower wages, longer hours, and less exacting conditions and standards. Existing industries, despite higher productivity of our well-paid, high-standard labor, have been hard put to compete with industries in other States which operate and produce under lower standards and lower unit production costs.

One of our most perplexing problems in Massachusetts is to try to offset these differentials which also exist in some other fields other than labor which I will not discuss here. To close the cost-of-production gap between our own and other industries throughout the Nation would be a most desirable accomplishment. This cannot be accomplished, however, by our State acting alone, or even by other States which have similar problems working in conjunction with us. This most essential aim must be achieved by the application of Nation-wide standards relating to the conditions of production and commerce, including wages, hours, and conditions of work.

The fair-labor-standards law enacted over 10 years ago and other Federal laws protective of our workers have been exceedingly helpful. The pending bill will, in my opinion, do much to bring about a better balance between Massachusetts industry and industries of other States with regard to production costs. However, it will not avail us much if we enact a measure containing a reasonable minimum wage and reasonable exemptions and then proceed to emasculate it by the injection of wholesale general exemptions. We understand, I think, the problems of other sections and have no desire to undermine their economic structure and stability. But we surely cannot be blamed for endeavoring to protect our own industrial structure and social standards to the best of our ability and I think this can be done in a very broad sense by moving in the direction of the purposes of this measure.

If we enact safeguards for industry and decent standards for our workers we should be careful not to place arbitrary power in the hands of Federal bureaucrats to interfere with activities of our people over and beyond the scope of reasonable and constitutional control of interstate commerce. Moreover, any rule-making powers, indeed any powers granted to Federal officials under this act, should be strictly limited and clearly defined to protect the rights of our businessmen and our workers against unwarranted intrusion by Federal bureaucracy.

We should likewise make every effort to protect our businessmen and industries against the possibility of wholesale claims arising out of future administrative rulings which could conceivably bring bankruptcy and ruin to many of our industries and thereby nullify all the favorable effects of this legislation.

Insofar as the present able and distinguished Secretary of Labor is concerned, I feel confident that fundamentally and basically he has the welfare of the country and State at heart. He not only knows the problems of our workers, but has a fine and sympathetic awareness of their needs and just deserts within the industrial and social organism. He understands the problems of New England, and he is patriotically concerned with reconciling these problems with the broader and larger requirements of the national interests which we all must seek these days if we are to maintain a stable economy and a wisely progressive Government. I am not one of those who believe that he would abuse any administrative powers vested in him under this or any other legislation.

I have confidence that he will administer this bill honestly, justly, soundly, efficiently, and wisely to further the cause of industrial stability, national prosperity, and the well-being of our faithful workers and businessmen. For that reason I do not share the apprehension of some Members who believe that by this law we are conferring too great a discretionary power in the Department of Labor.

The present bill could be supplemented and perfected in many ways, but we have the views of many groups to try to reconcile and, accordingly, in my judgment, we must permit the House to work its will in these matters and formulate the best possible measure which can be devised at this time by the House acting as a whole. I will, therefore, vote for this minimum-wage legislation in the hope and belief that it may well be a strong instrument for safeguarding the interests of the industries and workers of my own district and State and also promoting the national welfare by extending to our faithful workers in industry still another measure of social justice and economic opportunity which will enable them to enjoy higher standards and a more abundant way of life.

Mr. DAVENPORT. Mr. Chairman, I would like to address a question to the gentleman from Pennsylvania [Mr. KELLEY], a member of the committee. Having just received a communication from Controlled Circulation Newspapers of America, Inc., regarding community newspapers delivered by carrier boys and not having second class mailing privileges, I wish to ask this question: Does the term "newspapers" as used in section 13 (a) of the Lesinski bill mean all types of newspapers whether entitled to second-class mailing privileges or not?

Mr. KELLEY. Yes, I believe that to be the correct interpretation.

Mr. DAVENPORT. Now I would like to direct a question to the gentleman from Texas [Mr. LUCAS]: "Are carrier boys for shopping news and other free distribution newspapers exempt under the Lucas bill?"

Mr. LUCAS. That is correct.

Mr. DAVENPORT. Another question, Mr. LUCAS: "Are we to understand that the Lucas bill exempts retail-store employees, hotel and service business employees."

Mr. LUCAS. That is correct.

Mr. DAVENPORT. Does this exemption apply to chain stores and other large department stores having retail stores in cities in various States?

Mr. LUCAS. Yes, that is correct.

Mr. DAVENPORT. Thank you, I am glad to get these two points clarified because I know from experience that not exempting employees in the classifications of business I have just mentioned would create serious burdens on publishers of free distribution newspapers and shoppers and in the case of small retail stores would drive many out of business and set up almost unbearable handicaps for large and small department stores and hotels.

Mr. PATTERSON. Mr. Chairman, although the opportunity did not present itself for me to introduce my amendment to the so-called Lucas bill, in advocacy of a standard 75-cent minimum wage, without a sliding scale dependent upon the cost-of-living index, I am gratified that such an amendment was adopted by the Committee of the Whole House.

During this week, I have commented on the situation facing New England with respect to the loss of its industries to the Southern and Southwestern States. This comment was made in connection with another subject, but it applies equally well in this instance. I believe that a 75-cent minimum wage will grant to all workers in interstate commerce only a sufficient amount to make possible the minimum living standard. There should be no reluctance on the part of New England representatives in Congress in voting for this amount—as its adoption minimizes to some extent the threat of unfair competition by southern industries. We, in New England, who are accustomed to paying our skilled labor reasonably high wages, must always contend with the beckoning of those industries by southern States which point to their surplus labor pools and the availability of labor at lower wages than are currently paid in New England.

This economic threat will be reduced by the imposition of a standard 75-cent minimum, and it will, at the same time, aid the South economically by raising the living standards of workers in that area.

Although the amendment adopted was not offered by me, I feel that its inclusion in the Lucas bill is a forward step in our Nation's economy.

Mr. WHITE of California. Mr. Chairman, I move to strike out the last word. My name was on the list.

The CHAIRMAN. The gentleman from California is recognized for half a minute.

Mr. SHAFER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SHAFER. The gentleman from California gave his time to another Member. I object.

Mr. MARTIN of Massachusetts. Mr. Chairman, I make the point of order that all time on the amendment has expired.

The CHAIRMAN. The point of order is sustained. All time has expired. The Chair regrets that there is not time for the gentleman from California to be heard.

Mr. THORNBERRY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THORNBERRY: Page 30, line 16, insert at the beginning of said line before the word "or" the following: "Including the processing of cotton seed."

The CHAIRMAN. The question is on the amendment.

The amendment was rejected.

The CHAIRMAN. The question is on the Lucas amendment as amended.

Mr. COMBS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COMBS. If I understand the parliamentary situation now as we are prepared to vote on the Lucas amendment, it is this: That if the Lucas amendment is adopted, the Committee would rise and report it back to the House as the bill for passage or rejection in the House.

The CHAIRMAN. The gentleman from Texas is correct.

Mr. COMBS. On the other hand, if we now vote down the Lucas amendment, the Lesinski bill, H. R. 5856, which is the bill under consideration, will then be taken up for consideration in its several provisions; is that correct?

The CHAIRMAN. If the Lucas amendment is voted down, then we will

proceed to the consideration of the Lesinski bill.

Mr. COMBS. We then proceed to the consideration of the Lesinski bill.

The CHAIRMAN. The gentleman is correct.

Mr. LUCAS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LUCAS. When we do proceed with the consideration of the Lesinski bill we will then have an opportunity of reducing the 75-cent rate to 65; will we not?

The CHAIRMAN. The gentleman has not stated a parliamentary inquiry.

The question is on the Lucas amendment as amended.

Mr. McCORMACK. Mr. Chairman, we are going to have a teller vote anyway, so why not have it at the beginning? I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. LUCAS and Mr. KELLEY.

The Committee divided; and the tellers reported that there were—ayes 211, noes 140.

So the amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, pursuant to House Resolution 183, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

Mr. MARCANTONIO. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

Mr. MARTIN of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN of Massachusetts. Will the Chair kindly state what the vote is on?

The SPEAKER. The question is on the amendment adopted by the Committee of the Whole.

Mr. MARCANTONIO. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. That is the Lucas amendment, is it not?

The SPEAKER. It is the amendment adopted by the Committee of the Whole.

The question was taken; and there were—yeas 225, nays 181, answered "present" 1, not voting 25, as follows:

[Roll No. 172]

YEAS—225

Abbitt	Andresen, August H.	Battle
Abernethy	Arends	Beall
Allen, Calif.	Auchincloss	Bennett, Mich.
Allen, Ill.	Barden	Bentsen
Andersen, H. Carl	Barrett, Wyo.	Blackney
Anderson, Calif.	Bates, Mass.	Bolton, Md.
Bonner	Harvey	Pfeiffer, William L.
Boykin	Hays, Ark.	Phillips, Calif.
Brambiett	Hébert	Phillips, Tenn.
Brehm	Heriong	Pickett
Brown, Ga.	Herter	Poage
Brown, Ohio	Heselton	Potter
Bryson	Hill	Preston
Burton	Hobbs	Rankin
Byrnes, Wis.	Hoeven	Redden
Camp	Hoffman, Ill.	Reed, Ill.
Carlyle	Hoffman, Mich.	Reed, N. Y.
Case, N. J.	Holmes	Rees
Case, S. Dak.	Hope	Regan
Chatham	Horan	Rich
Chiperfield	Jackson, Calif.	Richards
Church	James	Riehlman
Cole, Kans.	Jenison	Rivers
Cole, N. Y.	Jenkins	Rogers, Fla.
Colmer	Jennings	Rogers, Mass.
Cooley	Jensen	Sadlak
Cooper	Johnson	Sanborn
Cotton	Jones, N. C.	Sasscer
Coudert	Judd	Scott, Hardie
Cox	Kean	Scott, Hugh D., Jr.
Crawford	Kearney	Scrivner
Cunningham	Kearns	Scudder
Curtis	Keating	Shafer
Davis, Ga.	Keefe	Short
Davis, Tenn.	Kerr	Sikes
Davis, Wis.	Kilburn	Simpson, Ill.
DeGraffenried	Kilday	Simpson, Pa.
D'Ewart	Kunkel	Smathers
Dondero	Larcade	Smith, Kans.
Doughton	Latham	Smith, Va.
Durham	LeCompte	Smith, Wis.
Ellsworth	LeFevre	Stanley
Elston	Lemke	Stefan
Engel, Mich.	Lichtenwalter	Stockman
Engle, Calif.	Lodge	Taber
Fallon	Lovre	Tackett
Fenton	Lucas	Talle
Fernandez	Lyle	Taylor
Fisher	McConnell	Teague
Ford	McCulloch	Thompson
Fugate	McDonough	Thornberry
Gamble	McMillan, S. C.	Towe
Gary	McMillen, Ill.	Underwood
Gathings	Mack, Wash.	Van Zandt
Gavin	Macy	Velde
Gillette	Mahon	Vinson
Golden	Martin, Iowa	Vorys
Goodwin	Martin, Mass.	Vursell
Gossett	Merrow	Wadsworth
Graham	Meyer	Weichel
Grant	Michener	Werdel
Gross	Miles	Wheeler
Gwinn	Miller, Md.	Whitten
Hagen	Miller, Nebr.	Whittington
Hale	Mills	Wigglesworth
Hall, Edwin Arthur	Morton	Williams
Hall, Leonard W.	Murray, Tenn.	Wilson, Ind.
Halleck	Murray, Wis.	Wilson, Tex.
Hand	Nicholson	Winstead
Harden	Nixon	Wolcott
Hardy	Norblad	Wolverton
Hare	Norrell	Wood
Harris	O'Hara, Minn.	Woodruff
Harrison	Pace	Worley
	Patterson	
	Peterson	

NAYS—181

Addonizio	Chesney	Gorski, N. Y.
Albert	Christopher	Granahan
Allen, La.	Chudoff	Granger
Andrews	Clemente	Green
Angell	Combs	Hart
Aspinall	Corbett	Havenner
Bailey	Crook	Hays, Ohio
Barrett, Pa.	Crosser	Hedrick
Bates, Ky.	Davenport	Heffernan
Beckworth	Davies, N. Y.	Heller
Bennett, Fla.	Dawson	Holifield
Biemiller	Deane	Howell
Bishop	Delaney	Huber
Blatnik	Denton	Hull
Boggs, La.	Dingell	Irving
Bolling	Dollinger	Jackson, Wash.
Bosone	Donohue	Jacobs
Brooks	Douglas	Javits
Buchanan	Doyle	Jones, Ala.
Buckley, Ill.	Eberharter	Jones, Mo.
Buckley, N. Y.	Elliott	Karst
Burdick	Evins	Karsten
Burke	Feighan	Kee
Burnside	Flood	Kelley
Byrne, N. Y.	Fogarty	Keogh
Canfield	Forand	King
Cannon	Frazier	Kirwan
Carnahan	Fulton	Klein
Carroll	Furcolo	Kruse
Cavalcante	Garmatz	Lane
Celler	Gore	Lanham
Chelf	Gorski, Ill.	Lesinski
Lind	O'Brien, Mich.	Sheppard
Linehan	O'Hara, Ill.	Sims
Lynch	O'Konski	Spence
McCarthy	O'Neill	Staggers
McCormack	O'Sullivan	Steed
McGrath	O'Toole	Stigler
McGuire	Passman	Sullivan
McKinnon	Patman	Sutton
McSweeney	Patten	Tauriello
Mack, Ill.	Perkins	Thomas, Tex.
Madden	Pfeifer, Joseph L.	Tollefson
Magee	Philbin	Trimble
Mansfield	Polk	Wagner
Marcantonio	Powell	Walsh
Marsalis	Price	Walter
Marshall	Priest	Welch, Mo.
Miller, Calif.	Quinn	Whitaker
Mitchell	Rabaut	White, Calif.
Monroney	Rains	White, Idaho
Morgan	Ramsay	Wickersham
Morris	Rhodes	Wier
Morrison	Ribicoff	Willis
Moulder	Rodino	Wilson, Okla.
Multer	Rooney	Withrow
Murdock	Roosevelt	Woodhouse
Murphy	Sabath	Yates
Nelson	Sadowski	Young
Noland	Secrest	Zablocki
O'Brien, Ill.		

ANSWERED "PRESENT"—1

Poulson

NOT VOTING—25

Baring	Eaton	Mason
Bland	Fellows	Norton
Bolton, Ohio	Gilmer	Plumley
Breen	Gordon	St. George
Bulwinkle	Gregory	Smith, Ohio
Burleson	Hinshaw	Thomas, N. J.
Clevenger	Jonas	Welch, Calif.
Dague	Kennedy	
Dolliver	McGregor	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Mason for, with Mr. Welch of California against.

Mr. Dolliver for, with Mr. Smith of Ohio against.

Mr. Hinshaw for, with Mr. Gordon against.

Mr. Eaton for, with Mrs. Norton against.

Mr. Plumley for, with Mr. Gilmer against.

Mr. Poulson for, with Mr. Baring against.

Mr. Burleson for, with Mr. Breen against.

Mr. Dague for, with Mr. Kennedy against.

Until further notice:

Mr. Gregory with Mr. McGregor.

Mr. Bland with Mrs. St. George.

Mr. Bulwinkle with Mr. Fellows.

Mr. SASSCER changed his vote from "nay" to "yea."

Mr. ANGELL changed his vote from "yea" to "nay."

Mr. POULSON. Mr. Speaker, I have a live pair with the gentleman from Nevada, Mr. BARING. If he were present he would have voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. MARCANTONIO. Mr. Speaker, I demand the reading of the engrossed copy of the bill.

The SPEAKER. Further proceedings on the bill H. R. 5856 will be delayed until the engrossed copy of the bill is available.

ESTABLISHING REARING PONDS AND A FISH HATCHERY AT MILLEN, GA.

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2740) to

establish rearing ponds and a fish hatchery at or near Millen, Ga., with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert "That the Secretary of the Interior is hereby authorized to establish and construct rearing ponds and a fish hatchery at suitable locations at or near Millen, Ga., and in the upper peninsula of Michigan, at a cost of not to exceed $250,000 and $325,000, respectively; to rehabilitate and expand at a cost of not to exceed $70,000 to rearing ponds and facilities at the Cape Vincent, N. Y., fish cultural station, and to purchase lands adjoining such station in connection with the rehabilitation and expansion of such facilities; and to rehabilitate, repair, and place in efficient operating condition the rearing ponds and fish cultural facilities at Leadville, Colo., at a cost of not to exceed $90,000.

"SEC. 2. The Secretary of the Interior is hereby authorized to undertake, through the Fish and Wildlife Service, a comprehensive and continuing study of the shad of the Atlantic Coast for the purpose of recommending to the Atlantic Coast States, through the Atlantic States Marine Fisheries Commission, measures to be taken to arrest decline, increase the abundance, and promote the wisest utilization of such shad resources at a cost of not to exceed $75,000 per annum for a 6-year period. For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without exchange of funds, any boats or equipment excess to its needs required by the Fish and Wildlife Service for the studies authorized herein.

"SEC. 3. That the joint resolution of August 8, 1946 (60 Stat. 930), be amended to read as follows:

" 'That the Director of the Fish and Wildlife Service of the Department of the Interior is hereby authorized and directed to prosecute investigations of the abundance and distribution of sea lampreys and their effects on fishes, experiments to develop control measures, and a vigorous program for the elimination and eradication of sea lamprey populations of the Great Lakes; to survey the Great Lakes area to determine what localities would be most suitable for the establishment of additional fish hatcheries and rearing ponds if, and when, it becomes desirable for the Federal Government to operate such additional fish hatcheries and rearing ponds in the Great Lakes area; and is authorized and directed to report to the Congress not later than December 31, 1950, the results of such survey and to make recommendations with respect thereto. The cost of the investigations and studies authorized in this section shall not exceed $359,000 for the first year and the sum of $216,000 per annum thereafter.

" 'In carrying out the foregoing purposes and objectives the Director of the Fish and Wildlife Service is authorized to cooperate with the official conservation agencies of the States bordering on the Great Lakes, with the commercial fishing industry, and with other governmental or private agencies, organizations, or individuals having jurisdiction over or an interest in the fisheries of the Great Lakes.'

"SEC. 4. There is authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes and objectives of this act."

Amend the title so as to read: "An act to authorize the establishment of fish hatcheries in the States of Georgia and Michigan; to authorize the rehabilitation and expansion of rearing ponds and fish cultural facilities in the States of New York and Colorado; to authorize the Secretary of the Interior to undertake a continuing study of shad of the Atlantic coast; and to amend the Act of August 8, 1946, relating to investigation and eradication of predatory sea lampreys of the Great Lakes, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. THOMPSON]?

Mr. RICH. Mr. Speaker, reserving the right to object, I claim that the House is in no frame of mind to pass legislation. I see that this is going to cost at least a half a million dollars and we ought to know what is going on. Therefore, Mr. Speaker, I object.

PROCEEDINGS ON H. R. 5856, AMENDING THE FAIR LABOR STANDARDS ACT

The SPEAKER. The Chair will state, for the information of the House, that the reading of the engrossed copy of the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, and the passage of the bill will be the first order of business tomorrow.

PROGRAM FOR TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I might say, so that the Members might be advised, that in addition to the roll call completing consideration of the bill now pending before the House, Reorganization Plan No. 2 will come up on tomorrow also.

I make this announcement so that the Members may govern themselves accordingly.

NIAGARA FALLS BRIDGE COMMISSION

Mr. KEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 208, to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, strike out "near" and insert "north of."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this matter?

Mr. KEE. Mr. Speaker, this is a resolution authorizing the Niagara Falls Bridge Commission to construct and maintain the bridge across Niagara Falls.

Mr. MARTIN of Massachusetts. As I understand it, this resolution continues existing authority granted in a prior resolution?

Mr. KEE. That is correct.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. KEE]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. COLE of New York asked and was given permission to extend his remarks in the RECORD.

Mr. VURSELL asked and was given permission to extend his remarks in the RECORD.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include a speech.

Mr. SHORT asked and was given permission to revise and extend the remarks he made in Committee of the Whole and include a telegram.

Mr. STEFAN asked and was given permission to extend his remarks in the RECORD.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in the RECORD and include two articles.

Mr. FALLON asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. FERNANDEZ asked and was given permission to extend his remarks in the RECORD and include a letter from John Collier.

Mr. McSWEENEY asked and was given permission to extend his remarks in the RECORD and include a statement of his activities during this session of Congress.

Mr. COUDERT (at the request of Mr. KILBURN) was given permission to extend his remarks in the RECORD and include an article.

Mr. WITHROW asked and was given permission to extend his remarks in the RECORD and include a petition.

INTERPARLIAMENTARY UNION

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, Vice President BARKLEY has requested me to announce to the House that tomorrow morning at 10 o'clock the American group of the Interparliamentary Union will have a formal meeting in the Senate Chamber.

EXTENSION OF REMARKS

Mr. DAVIS of Tennessee. Mr. Speaker, heretofore I asked and obtained unanimous consent to extend my remarks in the RECORD and include a speech. The Public Printer now informs me that it runs a half page over the limit allowed under the rules and the cost will be $200. Notwithstanding the additional cost, I ask unanimous consent that the extension be made.

The SPEAKER. Notwithstanding, and without objection, the extension may be made.

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Mississippi [Mr. WILLIAMS] is recognized for 20 minutes.

SEGREGATION IN DISTRICT SWIMMING POOLS

Mr. WILLIAMS. Mr. Speaker, many crimes are committed in the name of "civil rights." The latest, and perhaps the most publicized of these crimes is the one committed by the Secretary of the Interior in closing the swimming pools of the District of Columbia. Secretary Krug, through his continued stubborn and arbitrary action is denying to the children of the District the use of recreation facilities bought for them by public funds—and, until June 29, operated and maintained for their use.

Mr. Krug has taken what is apparently an unyielding position in refusing to allow these facilities to reopen on a segregated basis, despite the fact that his recent experiences proved beyond any possible doubt that they could not be operated otherwise.

He steadfastly refuses to transfer the operation of these facilities to the District Recreation Board because they—in their wisdom—regard a continued segregation policy as necessary in order to preserve peaceful relations between the races in the District. Needless to say, the position of the Board is taken as a result of their experience over the years in dealing directly with this problem in the District of Columbia itself.

On the other hand, Secretary Krug has arbitrarily issued orders which he knew would cause trouble and violence between the races; and now, with the blood of race riots at Anacostia still dripping from his fingers, he stubbornly refuses to yield his position. The result, of course, is that the children of the District—both white and colored—are being denied the use of their swimming pools, and racial tension continues to mount in intensity.

The Secretary knows that—sooner or later—whether he likes it or not—he must admit that his action was ill-advised—and, to say the least—untimely.

The Secretary cannot even plead ignorance, nor can he contend that the results brought about by his order could not have been reasonably anticipated. He had but to look to similar occurrences in St. Louis and Youngstown, Ohio, several days previous to know that such an order would bring bloodshed and race riots. He had ample reason to anticipate that in a city where 35 to 37 percent of its citizens are colored, that a hundred-year custom could not be reversed overnight.

Secretary Krug is either a wild and impractical dreamer, or he is a politician seeking the endorsement of selfish-interest groups. I prefer to think that his action was political, as I do not believe a man of his background could be so naive as to expect the impossible to be brought about.

No matter how well intended his action might have been, the fact remains that its result was disastrous. The thing to be lamented, however, is not his original attempt to do the impossible, but his obstinacy in refusing to admit his very obvious error.

Now, he has recruited the services of one Dr. Joseph Lohman, professor of sociology at a midwestern university, to assist him in forcing his will on the people of the District of Columbia. It may be recalled that Dr. Lohman was the author of a publication entitled "Segregation in Washington," published in 1948, which was nothing more nor less than an attempt to smear the decent and thinking citizens, both white and Negro, of the District of Columbia. It was so full of misrepresentation of fact, deliberate lies, and Red propaganda that it was revised many times before publication—even after the completion of its text.

This unholy and misguided publication, purportedly written at a cost of $75,000, vehemently denounced the District Recreation Board—yet not one of its alleged investigating committees or members ever contacted the Board for information, opinions, or reasons for their actions. Their smearing of the Board was deliberate and purposely misleading.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. RANKIN. This Dr. Lohman is a member of a racial minority, and I think you will find that the record of the Committee on Un-American Activities will show that he has been affiliated with Communist Front organizations.

Mr. WILLIAMS. I thank the gentleman; I did not have that information.

At a reported cost of $50 a day and expenses, with the taxpayer footing the bills, Secretary Krug has called in Dr. Lohman to enforce his predetermined ideas in the city of Washington.

The first reports of Dr. Lohman's visit indicated that he was coming for the purpose of helping to work out the swimming pool segregation problem. Now, though, it appears—from this morning's stories in the newspapers—that he is coming for the purpose of consulting with police on the matter of handling race riots and racial disturbances. Could it be that Secretary Krug is anticipating further race riots in Washington? Could it be that he is willing to allow race riots to continue rather than yield his ground on his antisegregation order in the face of obvious facts, and allow the pools to be reopened on a sane, sensible, and segregated basis?

Does he think $50 a day of the people's money paid to a left wing social reformer from Chicago will change human nature? Why, then, does he continue to be adamant in regard to these pools, when their reopening could be effected so easily and peaceably?

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. HOFFMAN of Michigan. Did the gentleman read in last night's press and I think also in this morning's press that Dr. Lohman is down here holding classes instructing the Washington police, a fine group of law enforcement officers, on how to perform their duty?

Mr. WILLIAMS. That is what I had understood from the reports I had read.

Mr. HOFFMAN of Michigan. A trouble-maker trying to show these trouble-shooters just what they ought to do.

Mr. WILLIAMS. That is right, and he is here at a cost of $50 a day and expenses.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. DAVIS of Georgia. I believe that the newspaper stories reported that this man who is here from Chicago is down here now to give instructions to the police as to what to do in the case of race riots and what to do in the case of trouble between the races. Is that correct?

Mr. WILLIAMS. That is my understanding; yes.

Mr. DAVIS of Georgia. Does the gentleman understand from that, then, that they are proceeding on a course which they themselves calculate is going to bring on race riots, and trouble, and tension between the races?

Mr. WILLIAMS. That was the point I was trying to make a minute ago. I think that the Secretary is expecting a race riot as a result of his action in doing away with segregation at the swimming pools.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. RANKIN. Chicago is a good place to get information on race riots. In the race riot in Chicago right after the First World War they killed 2,200 Negroes.

Mr. WILLIAMS. I think it is admitted that they have a monopoly on race riots north of the Mason and Dixon's line.

It is remarkable to note the attendance figures at these pools both prior to and after the Secretary began his meddling.

At Anacostia, from the period of June 4 to June 26, immediately preceding Krug's action 44,669 people were in attendance to use the pool's facilities. This is an average attendance during that period of more than 1,507 a day. On June 29—only 3 days later, the day on which the pool was closed, the attendance at the pool was 41.

At McKinley, from June 4 to June 30, the attendance was 18,836, or an average daily attendance of 697. During the month of July, when it was operated on a nonsegregated basis—actually converted into a Negro pool—the attendance was 6,017, or an average of only 194 per day. It might be added that the month of July was the hottest month in the history of the District.

Why, then, the small attendance? Secretary Krug knows the answer to that one. He knows that he is costing the people of the District thousands of dollars in fees by refusing to allow the reopening of these pools.

Does he think he is helping the Negroes when he is discriminating against all by closing the pools and allowing neither white nor Negro to use them?

Does he think that Washington Negroes appreciate having their welfare being made a political football? Can he

reconcile his present position in the face of its obvious results of only a month ago? Or is he man enough to admit the folly of his ways, and allow the people of the District to restore peaceful relations?

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The test of a man's sincerity is practicing what he preaches. Now, will the gentleman tell us whether or not the Secretary and his family are patronizing the nonsegregated pools?

Mr. WILLIAMS. I have not been down there since this order was put into effect.

Mr. ABERNETHY. I doubt that the Secretary has.

Mr. WILLIAMS. I do not patronize swimming pools under such conditions.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. The gentleman referred a few moments ago to a report that was issued by this Dr. Lohman regarding the racial situation in Washington. Was that a report issued by him individually or by some commission and if so does the gentleman have any information as to who the members of the commission were and whether or not they are residents of the city of Washington?

Mr. WILLIAMS. It is my understanding, and I had a list of them before me a couple of days ago, that this report was written by a committee set up by God knows who that designated itself as the Committee on Segregation in the Nation's Capital. In looking over the list of the members of that committee, which included some 75 or 100, I found only about 5 or 6 listed as residents of the District of Columbia and of those 5 or 6 I was able to find at least 3 that I knew to be Negroes. In other words, the committee was stacked against segregation.

Mr. DAVIS of Georgia. May I ask the gentleman if he knows whether or not that is the same committee which issued a report upon the racial situation in the city of Washington in the year 1947? I have a letter which was written to me by Mrs. Harvey W. Wiley, who is chairman of the Department of Legislation of the District of Columbia Federation of Women's Clubs regarding that report.

Mr. WILLIAMS. May I say before the gentleman goes further, I think that his letter has reference to the President's Committee on Civil Rights rather than this one.

Mr. DAVIS of Georgia. At any rate they issued a report on the situation. It seems there has been more than one committee concerning itself about this matter. In the analysis of that report which she sent to me she said:

> It is also a significant fact that not a single member of the committee resides in the District of Columbia; consequently not one could have had first-hand knowledge of conditions here.

She also states in conclusion:

> The entire report so far as the District of Columbia is concerned is replete from beginning to end with gross exaggerations, carefully worded misstatements, half-truths, and vicious untruths that, in my opinion, were intentionally made.

Mr. WILLIAMS. I think that anyone living in Washington for as long as a year or 2 years knows that the conditions as reported in those reports are not true, and that those reports are intended to misguide and mislead the American people.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. If we have a home-rule bill here, would that then permit the people of the District to handle their own problems of segregation, or would that still be up to Mr. Krug?

Mr. WILLIAMS. Not the home-rule bill under consideration, no; I do not think it would.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Mississippi.

Mr. RANKIN. This report of this fellow Lohman was calculated to stir up trouble between the white people and the Negroes in the District of Columbia and he, being a member of another minority race, did not seem to care how much trouble he stirred up.

Mr. WILLIAMS. Well, the gentleman has been a member of the Committee on Un-American Activities for a good many years up to and until this year, and I would like to ask him this question: Are not those the same tactics adopted by the Communists in attempting to create chaos and confusion in the United States? Do they not use the Negro as a tool with which to work?

Mr. RANKIN. Absolutely.

Mr. WILLIAMS. Is the Secretary willing to let the people of the District handle their own social affairs, or has he set himself up as a social messiah, self annointed for the purpose of inflicting upon them his own selfish political will?

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. There is one thing about the report I saw in the newspaper that I hope the gentleman can enlighten us on. It said that this Dr. Lohman was an expert on racial relations. I was wondering what qualified a man to be an expert on racial relations and from what school he graduated. Maybe the gentleman could advise us and maybe some of the rest could be educated on this subject.

Mr. WILLIAMS. I would like to answer that question, but I cannot find out a thing about him.

Mr. HOFFMAN of Michigan. I think I can answer the question. In this particular case the only qualification is the desire to interefere in somebody else's business and make trouble.

Mr. RANKIN. I think it meant that he was an expert on stirring up trouble between other races.

Mr. WILLIAMS. I agree with the gentleman.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that on tomorrow and on the following day, at the conclusion of the legislative business of the day and following any special orders heretofore entered, I may be permitted to address the House for 10 minutes, and I further ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 3 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Hampshire [Mr. COTTON] is recognized for 10 minutes.

EDWARD A. MACDOWELL

Mr. COTTON. Mr. Speaker, Mrs. Edward A. MacDowell has received an eloquent tribute in the form of an article in the "Atlantic" for July by Rollo Walter Brown. Because of its length, I do not ask leave to insert it in the RECORD, but I hope that it will come to the attention of many Members. It is an impressive story of one of America's most remarkable women and it breathes something of the quiet beauty of that mountain land in New Hampshire which I am proud to represent.

Mrs. MacDowell met and married her brilliant husband some 70 years ago when he was a teacher of music and she a student. In the years that followed she effaced herself to encourage his creative talent and to protect him from the jarring vexations of life, and contributed much to his success as one of America's great composers. When Edward MacDowell and his wife found that his work as professor of music at Columbia University was using up his creative energies in teaching, they tried to make up for it in the long summers on their farm in Peterborough, N. H. There Mrs. MacDowell presented him with a log cabin "deep in the woodland where there was a view of Mount Monadnock through the trees"—in his own words—

> A house of dreams untold—
> It looks out over the whispering treetops
> And faces the setting sun.

Edward MacDowell "had a vast dream for music and the other arts at Columbia" but the President and trustees rejected it contemptuously and in the controversy that followed addressed a resolution of condemnation to MacDowell which left him broken in spirit and in health.

This incident impressed on the minds of both husband and wife the necessity for a sanctuary where true artists could be free to create, and so they resolved to expand "their New Hampshire homestead for all these others who needed freedom

and the enriching solitude that he had found in the hills."

Thus the famous Edward MacDowell colony was founded at Peterborough 40 years ago when Mrs. MacDowell was 50 years of age. After Mr. MacDowell's death, she continued to develop the colony. She resumed her music and until she was well into her eighties, she traveled throughout the Nation playing her husband's compositions to provide money for the project. No one can estimate the value of the MacDowell Colony to American music, literature, painting, and sculpture. The names of those who have found their first opportunity for creative work in this beautiful spot in New Hampshire are famous and their number is legion.

Mrs. MacDowell is now 91 years of age. She has nurtured and supported the colony through all these years in memory of her husband, its founder. The people of Peterborough revere his memory and they love her. Every soul in the community and in the surrounding countryside wants to do something to honor him and to please her—and they want to do it while she still lives.

A Federal flood-control dam is now nearing completion in that town. It is not a great project, compared with the mighty dams of the West and the South. It merely checks and controls a little mountain stream and stands as a guardian to preserve the safety and beauty of the countryside and the valleys below. However, it belongs to the people there. It was built for them by their Government. With absolute unanimity they wish it named, the Edward MacDowell Dam.

They have asked their Senators and Representatives to secure the permission of their Government to do that. We consulted the Army engineers and were refused on the ground that it was known in all the plans and the records as the West Peterborough Dam and to give it another name would cause inconvenience and confusion. The people of Peterborough at their annual town meeting voted unanimously to ask their Representatives to obtain action by Congress on this matter. Pursuant to their desire and that vote, I introduced a bill naming the dam the Edward MacDowell Dam. This bill was referred to the Committee on Public Works.

I cannot obtain a hearing on this measure. The chairman of that committee refuses to permit me even to appear before a subcommittee. He insists that if such a bill were considered, other bills would follow and we would be beset with requests for the naming of Federal projects. The chairman also uses the same words that I heard from the Army engineers, that it would be inconvenient and confuse the records.

I have great respect for the distinguished chairman of the Committee on Public Works and I recognize the reasons for his position. I call attention, however, to the fact that this bill does not change a name that has been used for a long period of time, but merely gives a name to a project which is still in the process of construction.

It is interesting that by a strange coincidence we are once more facing the same attitude that Edward MacDowell found in the trustees of Columbia University—the minds of the business administrator and the engineer closed to the artist. Are the Army engineers and what they represent to be forever the autocrats of America? Is there no such thing as sentiment? And will Congress continue to turn a deaf ear to the wishes of the people of even a small community who desire to do honor to a wonderful woman while she still lives to appreciate it, and to the memory of one of the world's great artists?

If this cannot be accomplished any other way, I intend to offer it in the form of an amendment to the river and harbor bill when that reaches the House, but I am hoping that the chairman of the Committee on Public Works will reconsider his decision and grant me a hearing.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think there is real human interest in the gentleman's bill, and I hope that very soon the committee will give him a friendly and sympathetic hearing.

Mr. COTTON. I thank the gentleman.

Mr. PHILBIN. Mr. Speaker, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from Massachusetts.

Mr. PHILBIN. May I join the gentleman from New Jersey in commending the gentleman on his very fine discussion of this matter. I assure him that there will be many other Members of the House who will join him in trying to obtain favorable action on this very highly meritorious legislation to honor the name of one of America's greatest composers.

Mr. COTTON. I thank the gentleman. I recognize that the gentleman comes from a neighboring district across the line in Massachusetts and is familiar with the MacDowell colony.

THE WILLIAM P. CONNERY, JR., MEMORIAL VETERANS HOSPITAL AT WEST ROXBURY, MASS.

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore (Mr. HARRIS). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, like the gentleman from New Hampshire, I, too, have a matter that I am interested in and in some respects it is similar to the very meritorious bill that he has introduced and on which he seeks action during this session of the Congress.

I know the House will be interested, Mr. Speaker, to know that on yesterday the other body passed a bill, S. 1387, to provide for the designation of a United States Veterans' Administration hospital to be constructed at West Haven, Conn., as the John D. Magrath Memorial Veterans Hospital. As I say, that bill was passed by the other body. I know each and every Member of the House will agree that it, too, is good legislation because of the fact that a new hospital is to be constructed at West Haven to be named after this young hero, a private, first class, who not only made the supreme sacrifice, but also rendered service beyond the call of duty. I am interested primarily, however, in my bill, which is H. R. 472, which seeks to name the Veterans' Administration facility at West Roxbury, Mass., as the William P. Connery, Jr., Memorial Veterans Hospital. I know it has been the practice of the Veterans' Administration to name its hospitals after the locality in which the hospital is located.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for an additional minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. LANE. Mr. Speaker, I thank the gentleman from New Jersey for his thoughtfulness.

As I say, Mr. Speaker, I know it has been the practice of the Veterans' Administration to name its hospitals after the locality in which those hospitals are located, and not for individuals. However, the Veterans' Administration has no objection, if the Congress so desires and sees fit, to the naming of these hospitals after persons. William P. Connery, Jr., was a man who was well known to many of the Members of the Congress. He served overseas during the First World War. He was in combat areas for a long period of time. When he returned from overseas service he ran for Congress from the district which I now have the honor to represent. He was a Member of this body for a number of years and during his service here in the House of Representatives, he was not only the chairman of the House Committee on Labor, but was a very active member in behalf of those veterans of the First World War.

Mr. Speaker, this has been brought to the attention of the committee. I am aware that during this hectic session the committee has had very, very important matters before them. Their time has been limited. I realize they have been unable to reach this matter for consideration and discussion. But, due to the fact now, Mr. Speaker, that there is a precedent and that the other body has passed this bill naming the hospital in West Haven, Conn., after this young war hero of the Second World War, I now simply ask that the Committee on Veterans' Affairs, as soon as possible, consider my bill because, after all, it is a bill to name this hospital in West Roxbury after a former Member of the House who rendered valuable service to his constituents as well as to the country at large. His death was hastened, as a result of overwork in his capacity as Representative from the Seventh Congressional District.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has again expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. ROGERS of Massachusetts (at the request of Mr. MARTIN of Massachusetts), for indefinite period, on account of death in the family.

To Mr. LIND, for August 11 and 12, on account of official business.

To Mr. BLAND (at the request of Mr. SMITH of Virginia), for an indefinite period, on account of illness.

To Mr. TOLLEFSON, for an indefinite period, on account of official business.

To Mr. BARING, for an indefinite period, on account of official business.

To Mrs. ST. GEORGE (at the request of Mr. SADLAK), for balance of this week, on account of illness in her family.

EXTENSION OF REMARKS

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include an editorial.

SENATE BILLS, JOINT RESOLUTION, AND CONCURRENT RESOLUTIONS REFERRED

Bills, a joint resolution, and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 4. An act authorizing the advanced training in aeronautics of technical personnel of the Civil Aeronautics Administration; to the Committee on Interstate and Foreign Commerce.

S. 51. An act to amend title 28, United States Code, section 962, so as to authorize reimbursement for official travel by privately owned automobiles by officers and employees of the courts of the United States and of the administrative office of the United States courts at a rate not exceeding 7 cents per mile; to the Committee on the Judiciary.

S. 212. An act for the relief of John Joseph McKay; to the Committee on the Judiciary.

S. 229. An act for the relief of E. W. Eaton Coal Co.; to the Committee on the Judiciary.

S. 296. An act for the relief of Daniel George Fischer and Ladislas (Vasile) Taub; to the Committee on the Judiciary.

S. 309. An act for the relief of Gabe Budwee; to the Committee on the Judiciary.

S. 442. An act to amend the Air Commerce Act of 1926 (44 Stat. 568), as amended, to provide for the application to civil air navigation of laws and regulations related to animal and plant quarantine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 443. An act to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce; to the Committee on Interstate and Foreign Commerce.

S. 450. An act to amend the Civil Aeronautics Act of 1938, as amended, by providing for the delegation of certain authority of the Administrator, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 472. An act for the relief of Osmore H. Morgan; to the Committee on the Judiciary.

S. 557. An act for the relief of the McCormick Engineering Co. and John E. Price, an individual doing business as the Okeechobee Construction Co.; to the Committee on the Judiciary.

S. 603. An act to amend the Trading With the Enemy Act; to the Committee on Interstate and Foreign Commerce.

S. 609. An act for the relief of Mrs. Bertie Grace Chan Leong; to the Committee on the Judiciary.

S. 614. An act to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 627. An act for the relief of Leon Moore; to the Committee on the Judiciary.

S. 672. An act to amend part VIII of Veterans Regulation No. 1 (a) so as to provide entitlement to educational benefits for those individuals who enlisted or reenlisted prior to October 6, 1945, on a same basis as for those individuals who enlisted or reenlisted within 1 year after October 6, 1945; to the Committee on Veterans' Affairs.

S. 777. An act for the relief of Calvin D. Lynch & Son; W. Thomas Lockerman; Sudlersville Supply Co.; George C. Moore and H. A. Moore; J. McKenny Willis & Son, Inc.; Hobbs & Jarman; C. S. Thomas; and Royse R. Spring, to the Committee on the Judiciary.

S. 794. An act for the relief of certain contractors employed in connection with the construction of the United States Appraisers Building, San Francisco, Calif.; to the Committee on the Judiciary.

S. 855. An act to authorize a program of useful public works for the development of the Territory of Alaska; to the Committee on Public Lands.

S. 868. An act to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 874. An act for the relief of Elza Friedrych; to the Committee on the Judiciary.

S. 916. An act for the relief of Ascanio Collodel; to the Committee on the Judiciary.

S. 938. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

S. 973. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia; to the Committee on the District of Columbia.

S. 986. An act for the relief of Carlos Riggenbach; to the Committee on the Judiciary.

S. 1033. An act to further amend the Philippine Rehabilitation Act of 1946; to the Committee on Foreign Affairs.

S. 1054. An act for the relief of Northwest Missouri Fair Association, of Bethany, Harrison County, Mo.; to the Committee on the Judiciary.

S. 1096. An act for the relief of Abe Lincoln and Elena B. Lincoln; to the Committee on the Judiciary.

S. 1115. An act authorizing appropriations for the construction, operation, and maintenance of the western land boundary fence project, and for other purposes; to the Committee on Foreign Affairs.

S. 1126. An act to amend the Boiler Inspection Act of the District of Columbia; to the Committee on the District of Columbia.

S. 1145. An act for the relief of Persephone Poulios; to the Committee on the Judiciary.

S. 1231. An act to repeal the limitation upon the total annual compensation of certain rural carriers serving heavily patronized routes; to the Committee on Post Office and Civil Service.

S. 290. An act to establish and effectuate a policy with respect to the creation or chartering of certain corporations by act of Congress, and for other purposes; to the Committee on the Judiciary.

S. 1387. An act to provide for designation of the United States Veterans' Administration hospital to be constructed at West Haven, Conn., as the John D. Magrath Memorial Hospital; to the Committee on Veterans' Affairs.

S. 1446. An act for the relief of James Hung Loo; to the Committee on the Judiciary.

S. 1479. An act to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes; to the Committee on Post Office and Civil Service.

S. 1565. An act for the relief of Dr. Ludovit Ruhmann; to the Committee on the Judiciary.

S. 1604. An act conferring jurisdiction upon the United States District Court for the District of New Mexico to hear, determine, and render judgment upon the claim of F. DuWayne Blankley; to the Committee on the Judiciary.

S. 1825. An act to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops; to the Committee on Post Office and Civil Service.

S. 1937. An act to provide greater retention preference for severely disabled war veterans in reductions in force; to the Committee on Post Office and Civil Service.

S. 1973. An act to further amend the Communications Act of 1934; to the Committee on Interstate and Foreign Commerce.

S. 2028. An act to permit the Board of Education of the District of Columbia to participate in the foreign teacher exchange program in cooperation with the United States Office of Education; to the Committee on the District of Columbia.

S. 2031. An act for the relief of the Willow River Power Co.; to the Committee on the Judiciary.

S. 2046. An act to provide authority for certain functions and activities of the National Bureau of Standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2080. An act to authorize the regulation of whaling and to give effect to the International Convention for the Regulation of Whaling signed at Washington under date of December 2, 1946, by the United States of America and certain other governments, and for other purposes; to the Committee on Foreign Affairs.

S. 2085. An act to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report; to the Committee on Expenditures in the Executive Departments.

S. 2125. An act conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones and others; to the Committee on the Judiciary.

S. 2146. An act to provide certain additional rehabilitation assistance for certain seriously disabled veterans in order to remove an existing inequality; to the Committee on Veterans' Affairs.

S. 2160. An act to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2201. An act amending section 2 of the act of March 3, 1901 (31 Stat. 1449), to provide basic authority for the performance of certain functions and activities of the National Bureau of Standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2240. An act to authorize certain personnel and former personnel of the United States Coast Guard and the United States Public Health Service to accept certain gifts tendered by foreign governments; to the Committee on Merchant Marine and Fisheries.

S. 2298. A act to authorize the Administrator of Veterans' Affairs to convey certain lands and to lease certain other land to Milwaukee County, Wis.; to the Committee on Veterans' Affairs.

S. 2380. An act to provide more efficient dental care for the personnel of the United States Army and the United States Air Force; to the Committee on Armed Services.

S. J. Res. 24. Joint resolution to provide for a suitable and adequate system of timber access roads to and in the forests of the United States; to the Committee on Agriculture.

S. Con. Res. 55. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 58. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 91. An act to provide for a research and development program in the Post Office Department;

H. R. 242. An act to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy.

H. R. 579. An act to permit the motor vessel *FLB–5005* to engage in the fisheries;

H. R. 607. An act for the relief of Harvey M. Lifset, formerly a major in the Army of the United States;

H. R. 637. An act for the relief of Mrs. Harriett Patterson Rogers;

H. R. 691. An act for the relief of Lawrence Fontenot;

H. R. 748. An act for the relief of Louis Esposito;

H. R. 1017. An act for the relief of John Aaron Whitt;

H. R. 1023. An act for the relief of Lois E. Lillie;

H. R. 1054. An act for the relief of the Jansson Gage Co.;

H. R. 1055. An act for the relief of Agnese R. Mundy;

H. R. 1069. An act for the relief of Albert Burns;

H. R. 1075. An act for the relief of Harry C. Metts;

H. R. 1154. An act to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes;

H. R. 1282. An act for the relief of Mrs. T. A. Robertson;

H. R. 1459. An act for the relief of E. Neill Raymond;

H. R. 1516. An act to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes", approved July 6, 1945, so as to provide annual automatic within-grade promotions for hourly employees of the custodial service;

H. R. 1619. An act for the relief of Saint Elizabeth Hospital, Yakima, Wash., and others;

H. R. 1679. An act for the relief of Mrs. Skio Takayama Hull;

H. R. 1720. An act to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University;

H. R. 1857. An act for the relief of the estate of Josephine Pereira;

H. R. 1993. An act for the relief of Samuel Padem;

H. R. 2095. An act for the relief of the estate of Kenneth N. Peel;

H. R. 2214. An act to provide for the development, administration, and maintenance of the Suitland Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes;

H. R. 2239. An act for the relief of the estate of W. M. West;

H. R. 2253. An act for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor;

H. R. 2344. An act for the relief of Charles W. Miles;

H. R. 2456. An act for the relief of Charlie Hales;

H. R. 2572. An act to extend to commissioned officers of the Coast and Geodetic Survey the provisions of the Armed Forces Leave Act of 1946;

H. R. 2602. An act for the relief of John B. Boyle;

H. R. 2608. An act for the relief of C. H. Dutton Co., of Kalamazoo, Mich.;

H. R. 2662. An act to grant time to employees in the executive branch of the Government to participate, without loss of pay or deduction from annual leave, in funerals for deceased members of the armed forces returned to the United States for burial.

H. R. 2704. An act for the relief of Freda Wahler;

H. R. 2806. An act for the relief of Paul C. Juneau;

H. R. 2807. An act for the relief of Loretta B. Powell;

H. R. 2869. An act to authorize an appropriation in aid of a system of drainage and sanitation for the city of Polson, Mont.;

H. R. 2925. An act for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel;

H. R. 2931. An act to provide for the conveyance by the United States to Frank C. Wilson of certain lands formerly owned by him;

H. R. 3139. An act for the relief of James B. DeHart;

H. R. 3193. An act for the relief of Public Utility No. 1, of Cowlitz County, Wash.;

H. R. 3408. An act for the relief of Opal and D. A. Hayes;

H. R. 3461. An act for the relief of Lester B. McAllister and others;

H. R. 3501. An act for the relief of Nelson Bell.

H. R. 3511. An act to declare the waterway (in which is located the Brewery Street Channel) from Brewery Street southeastward to a line running south 33°53'36" west from the south side of Chestnut Street at New Haven, Conn., a nonnavigable stream;

H. R. 3756. An act to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the United States shall be computed on the basis of their average basic salaries for any five consecutive years of allowable service;

H. R. 3788. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico;

H. R. 4097. An act for the relief of George M. Bersley, Edward D. Sexton, and Herman J. Williams;

H. R. 4138. An act for the relief of Herbert L. Hunter;

H. R. 4307. An act for the relief of Ever Ready Supply Co. and Harold A. Dahlborg;

H. R. 4366. An act for the relief of Pearson Remedy Co.

H. R. 4854. An act for the relief of Mrs. Miriam G. Wornum;

H. R. 4948. An act relating to the policing of the building and grounds of the Supreme Court of the United States;

H. R. 5034. An act to authorize the taxation of Indian land holdings in the town of Lodge Grass, Mont., to assist in financing a municipal water supply and sewerage system;

H. R. 5114. An act to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling house on brewery premises, and for other purposes;

H. R. 5188. An act to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo locks;

H. R. 5287. An act to amend title 28, United States Code, section 90, to create a Swainsboro Division in the southern district of Georgia, with terms of court to be held at Swainsboro;

H. R. 5365. An act to provide for the transfer of the vessel *Black Mallard* to the State of Louisiana for the use and benefit of the department of wildlife and fisheries of such State;

H. R. 5831. An act to exempt certain volatile fruit-flavor concentrates from the tax on liquors;

H. J. Res. 188. Joint resolution to provide for the coinage of a medal in recognition of the distinguished services of Vice President ALBEN W. BARKLEY; and

H. J. Res. 242. Joint resolution extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad.

ADJOURNMENT

Mr. SMITH of Virginia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 6 minutes p. m.) the House adjourned until tomorrow, Thursday, August 11, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

846. A communication from the President of the United States transmitting a draft of a proposed provision pertaining to the fiscal year 1950 providing for a transfer of funds within the National Military Establishment (H. Doc. No. 298); to the Committee on Appropriations and ordered to be printed.

847. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $7,675 for the Department of the Interior (H. Doc. No. 297); to the Committee on Appropriations and ordered to be printed.

848. A letter from the Under Secretary of the Interior, transmitting copies of the Statement of Fiscal Affairs of Indian Tribes for the fiscal year ending June 30, 1948; to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LYLE: Committee on Rules. House Resolution 322. Resolution for consideration of H. R. 5557, a bill to provide for coordination of arrangements for the employment of agricultural workers, admitted for temporary agricultural employment from foreign countries in the Western Hemisphere, to assure that the migration of such workers will be limited to the minimum numbers required to meet domestic labor shortages, and for other purposes; without amendment (Rept. No. 1242). Referred to the House Calendar.

Mr. FRAZIER: Committee on the Judiciary. S. 259. An act to discontinue divisions of the court in the district of Kansas; with an amendment (Rept. No. 1243). Referred to the Committee of the Whole House on the State of the Union.

Mr. GORSKI of Illinois: Committee on the Judiciary. H. R. 2166. A bill to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges while attending court or transacting official business at places other than their official station, and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile; with an amendment (Rept. No. 1244). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEATING: Committee on the Judiciary. S. 1949. An act to authorize the lease of the Federal correctional institution at Sandstone, Minn., to the State of Minnesota; without amendment (Rept. 1245). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FORD:

H. R. 5948. A bill to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; to the Committee on Armed Services.

By Mr. KEEFE:

H. R. 5949. A bill to amend section 2410, United States Code; to the Committee on the Judiciary.

By Mr. WOLCOTT:

H. R. 5950. A bill to establish the United States Air Academy at Selfridge Field, Mount Clemens, Mich.; to the Committee on Armed Services.

By Mr. DAWSON:

H. R. 5951. A bill to amend section 3 of the Travel Expense Act of 1949; to the Committee on Expenditures in the Executive Departments.

By Mr. HERTER:

H. R. 5952. A bill to provide for the lease of the Belasco Theater to the American National Theater and Academy for the presentation of theatrical and musical productions, and for other purposes; to the Committee on Public Works.

By Mr. JUDD:

H. R. 5953. A bill to authorize contributions to Cooperative for American Remittances to Europe, Inc.; to the Committee on Foreign Affairs.

By Mr. SECREST:

H. R. 5954. A bill to provide for the erection of headstones in family cemetery plots in memory of certain members of the armed forces missing, missing in action, or buried at sea; to the Committee on Armed Services.

By Mr. WILSON of Oklahoma:

H. R. 5955. A bill to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; to the Committee on Armed Services.

By Mr. BLATNIK:

H. R. 5956. A bill to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the Saint Louis River, and for other purposes; to the Committee on Public Works.

By Mr. DONOHUE:

H. R. 5957. A bill to raise the minimum wage standards of the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

By Mr. MULTER:

H. R. 5958. A bill to provide that pension, compensation, and retirement pay shall be paid during periods of active service and the amount thereof deducted from the amount payable for such active service; to the Committee on Veterans' Affairs.

By Mr. RANKIN:

H. J. Res. 336. Joint resolution to direct the Administrator of Veterans' Affairs to construct certain additional hospital beds and for other purposes; to the Committee on Veterans' Affairs.

By Mr. McMILLAN of South Carolina:

H. J. Res. 337. Joint resolution extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SABATH:

H. Res. 323. Resolution creating a select committee to conduct an investigation and study of the use of chemicals, pesticides, and insecticides in and with respect to food products, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. McKINNON:

H. R. 5959. A bill for the relief of Predrag Mitrovic; to the Committee on the Judiciary.

By Mr. SANBORN:

H. R. 5960. A bill for the relief of Lt. Comdr. Evan L. Krogue; to the Committee on the Judiciary.

By Mr. STOCKMAN:

H. R. 5961. A bill for the relief of Marco Murolo and his wife, Romana Pellis Murolo; to the Committee on the Judiciary.

By Mr. TACKETT:

H. R. 5962. A bill for the relief of Houston Morris Warnix; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1398. By Mr. SADLAK: Resolution of the Connecticut Council of Women's Republican Clubs urging the Connecticut Members of the Congress of the United States to endeavor to obtain prompt consideration of the recommendations of the Hoover Commission as submitted to the Congress, and to support all necessary and proper legislation which will most effectively carry forward these recommendations; and urging the President of the United States and his various subordinates in the executive department to cooperate and act at once to put into effect the findings, reforms, and changes recommended by the Commission on Organization of the Executive Branch of the Government; to the Committee on Expenditures in the Executive Departments.

SENATE

THURSDAY, AUGUST 11, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, may this be a day when we shall be supremely conscious of Thy presence, Thy peace, and Thy power.

Make us grateful for all our blessings; for the joys which cheer us and the trials which teach us to put our trust in Thee; for good hopes and precious memories; for tasks and responsibilities which challenge the consecration of our noblest manhood; for opportunities to serve our generation and make life less difficult for the needy members of the human family.

Grant that we may seek to have a large part in directing and fashioning the character and conduct of men and nations according to Thy holy will. May the pattern of the Kingdom of God, with its principles of the fatherhood of God and the brotherhood of man, become the plan for the building of a better world.

To Thy name we ascribe the praise. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 10, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on August 10, 1949, the President had approved and signed the following acts:

S. 111. An act for the relief of Mrs. Pearl Shizuko Okada Pape;

S. 317. An act for the relief of Margita Kofler;

S. 755. An act to extend the time for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

S. 803. An act to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard armory and for training the National Guard or for other military purposes;

S. 905. An act for the relief of John Sewen;

S. 1137. An act to revise and codify laws of the Canal Zone regarding the administration of estates, and for other purposes; and

S. 1577. An act to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 208) to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938.

The message also announced that the House had passed a bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint

resolutions, and they were signed by the Vice President:

H. R. 91. An act to provide for a research and development program in the Post Office Department;

H. R. 637. An act for the relief of Mrs. Harriett Patterson Rogers;

H. R. 1069. An act for the relief of Albert Burns;

H. R. 1075. An act for the relief of Harry C. Metts;

H. R. 1154. An act to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes;

H. R. 1282. An act for the relief of Mrs. T. A. Robertson;

H. R. 1459. An act for the relief of E. Neill Raymond;

H. R. 1516. An act to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes", approved July 6, 1945, so as to provide annual automatic within-grade promotions for hourly employees of the custodial service;

H. R. 1619. An act for the relief of Saint Elizabeth Hospital, Yakima, Wash., and others;

H. R. 1679. An act for the relief of Mrs. Skio Takayama Hull;

H. R. 1720. An act to provide for the conveyance of certain land in Missoula County, Mont., to the State of Montana for the use and benefit of Montana State University;

H. R. 1857. An act for the relief of the estate of Josephine Pereira;

H. R. 1993. An act for the relief of Samuel Fadem;

H. R. 2095. An act for the relief of the estate of Kenneth N. Peel;

H. R. 2214. An act to provide for the development, administration, and maintenance of the Suitland Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes;

H. R. 2239. An act for the relief of the estate of W. M. West;

H. R. 2253. An act for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor;

H. R. 2344. An act for the relief of Charles W. Miles;

H. R. 2456. An act for the relief of Charlie Hales;

H. R. 2572. An act to extend to commissioned officers of the Coast and Geodetic Survey the provisions of the Armed Forces Leave Act of 1946;

H. R. 2602. An act for the relief of John B. Boyle;

H. R. 2608. An act for the relief of C. H. Dutton Co., of Kalamazoo, Mich.;

H. R. 2662. An act to grant time to employees in the executive branch of the Government to participate, without loss of pay or deduction from annual leave, in funerals for deceased members of the armed forces returned to the United States for burial;

H. R. 2704. An act for the relief of Freda Wahler;

H. R. 2806. An act for the relief of Paul C. Juneau;

H. R. 2807. An act for the relief of Loretta B. Powell;

H. R. 2869. An act to authorize an appropriation in aid of a system of drainage and sanitation for the city of Polson, Mont.;

H. R. 2925. An act for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel;

H. R. 2931. An act to provide for the conveyance by the United States to Frank C. Wilson of certain lands formerly owned by him;

H. R. 3139. An act for the relief of James B. DeHart;

H. R. 3193. An act for the relief of Public Utility District No. 1, of Cowlitz County, Wash.;

H. R. 3408. An act for the relief of Opal and D. A. Hayes;

H. R. 3461. An act for the relief of Lester B. McAllister and others;

H. R. 3501. An act for the relief of Nelson Bell;

H. R. 3756. An act to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the United States shall be computed on the basis of their average basic salaries for any five consecutive years of allowable service;

H. R. 3788. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico;

H. R. 4097. An act for the relief of George M. Bersley, Edward D. Sexton, and Herman J. Williams;

H. R. 4138. An act for the relief of Herbert L. Hunter;

H. R. 4307. An act for the relief of Ever Ready Supply Co. and Harold A. Dahlborg;

H. R. 4854. An act for the relief of Mrs. Miriam G. Wornum;

H. R. 4948. An act relating to the policing of the building and grounds of the Supreme Court of the United States;

H. R. 5034. An act to authorize the taxation of Indian land holdings in the town of Lodge Grass, Mont., to assist in financing a municipal water supply and sewerage system;

H. R. 5114. An act to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling house on brewery premises, and for other purposes;

H. R. 5188. An act to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo locks;

H. R. 5831. An act to exempt certain volatile fruit-flavor concentrates from the tax on liquors;

H. J. Res. 188. Joint resolution to provide for the coinage of a medal in recognition of the distinguished services of Vice President ALBEN W. BARKLEY; and

H. J. Res. 242. Joint resolution extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. TYDINGS. Mr. President, I ask unanimous consent that the Committees on Foreign Relations and Armed Services, which are now meeting jointly, be permitted to sit this afternoon during the session of the Senate, as they are anxious to release many witnesses who must wait until the hearings are completed.

The VICE PRESIDENT. Without objection, it is so ordered.

On request of Mr. HOEY the Subcommittee on Investigations of the Committee on Expenditures in the Executive Departments was granted permission to hold sessions this afternoon and tomorrow afternoon during the sessions of the Senate.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Millikin
Anderson	Hoey	Morse
Baldwin	Holland	Mundt
Brewster	Humphrey	Murray
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Johnson, Colo.	O'Mahoney
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Reed
Chavez	Kefauver	Robertson
Connally	Kem	Russell
Cordon	Kerr	Saltonstall
Donnell	Kilgore	Schoeppel
Douglas	Knowland	Smith, Maine
Downey	Langer	Smith, N. J.
Dulles	Lodge	Sparkman
Ecton	Long	Stennis
Ellender	Lucas	Taft
Ferguson	McCarran	Taylor
Flanders	McCarthy	Thomas, Okla.
Frear	McClellan	Thomas, Utah
Fulbright	McFarland	Thye
George	McGrath	Tobey
Gillette	McKellar	Tydings
Graham	McMahon	Vandenberg
Green	Magnuson	Watkins
Gurney	Malone	Wherry
Hayden	Martin	Wiley
Hendrickson	Maybank	Williams
Hickenlooper	Miller	Young

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Kentucky [Mr. WITHERS] is absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate be permitted to submit petitions and memorials, introduce bills and resolutions, and incorporate routine matters into the RECORD without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred, as indicated:

PRICE OF RECORD FURNISHED BY INTERIOR DEPARTMENT

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend an act fixing the price of copies of records furnished by the Department of the Interior (with an accompanying paper); to the Committee on Interior and Insular Affairs.

CONSTRUCTION OF PUBLIC AIRPORTS IN ALASKA

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 10 of the act of May 28, 1948 (Public Law 562, 80th Cong.) to authorize the appropriation of $17,000,000 for the construction of public airports in the Territory of Alaska (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT ON IMPROPER HANDLING OF CERTAIN FUNDS

A letter from the Comptroller General of the United States, transmitting a special report on the improper handling of certain funds coming into the hands of persons in the service of the United States in their official capacity (with accompanying papers);

to the Committee on Expenditures in the Executive Departments.

REPORT OF BOARD OF GOVERNORS OF FEDERAL RESERVE SYSTEM

A letter from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the thirty-fifth annual report of the Board, covering operations for the year 1948 (with an accompanying report); to the Committee on Banking and Currency.

PETITIONS

Petitions were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the General Society, Sons of the Revolution, assembled in Newport, R. I., favoring the enactment of legislation to provide for the protection of the flag from mutilation and desecration; to the Committee on the Judiciary.

A petition signed by O. W. McDonald, president, and 344 members of the Lot and Grave Owners Association, Columbian Harmony Cemetery, Inc., Washington, D. C., relating to the abandonment of the Columbian Harmony Cemetery (with an accompanying paper); to the Committee on the District of Columbia.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

H. R. 160. A bill to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended; without amendment (Rept. No. 890); and

H. R. 1746. A bill to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes; without amendment (Rept. No. 891).

AMENDMENT OF NATIONAL HOUSING ACT—REPORT OF A COMMITTEE

Mr. SPARKMAN. Mr. President, from the Committee on Banking and Currency, I report favorably, with amendments, the bill (S. 2246) to amend the National Housing Act, as amended, and I submit a report (No. 892) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

Mr. MAYBANK. Mr. President, in connection with the bill just reported by the Senator from Alabama [Mr. SPARKMAN], I ask unanimous consent that a letter addressed to me by Robert R. Poston, associate director, National Legislative Commission, Washington, D. C., dated August 5, 1949, be printed in full in the RECORD.

The letter shows the absolute necessity for direct loans to veterans. Title 4 of the bill is most important to all Legionnaires, Veterans of Foreign Wars, Disabled War Veterans, other veterans, and their widows. This title provides that in the event the veteran is not able to procure a loan in the private home-loan market—and there is every reason to believe he will because of the increased guaranties and the 100-percent "Fanny May" secondary market for this type of loan provided for in this bill—the veteran may get a loan directly from the Veterans' Administration.

As the report submitted by the Senator from Alabama points out, this provision merely implements the intention of Congress to assure to every veteran who wants to purchase his own home a 4-percent mortgage. Mr. Poston well stated the case for the inclusion of this section in the bill when he said:

As conceived by the sponsors of the legislation and as supported by he American Legion, this provision would be utilized only when applicants who are good credit risks are refused a GI loan by private sources. Its purpose is to make certain that the success of the entire GI loan program shall not be nullified by the resistance of a minority of lenders motivated by a desire for unreasonable profit or other factors not in the veterans' or public interest. Unless such a proviso is introduced into the home-financing market, there is a very real chance that only a comparatively small number of veterans will enjoy the advantages of a loan-guaranty service which Congress clearly intended for all.

The VICE PRESIDENT. Without objection, the letter presented by the Senator from South Carolina will be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., August 5, 1949.

Hon. BURNET R. MAYBANK,
United States Senate,
Washington, D. C.

DEAR SENATOR MAYBANK: We understand that the Banking and Currency Committee of the Senate soon will consider in executive session S. 2246, a housing bill whose purpose is to help middle-income families house themselves at a price they can afford to pay. The American Legion, on the basis of resolutions adopted by its last national convention, endorses this bill in principle and urges you to support it.

The American Legion is particularly interested in title IV of the measure, containing amendments to title III of the Servicemen's Readjustment Act of 1944. The amendments, as included in S. 2246 when introduced in the Senate, provide for:

1. An expanded secondary market for GI first-mortgage loans;
2. Increased guaranty maximums for GI first-mortgage loans;
3. Stand-by direct loans, under certain conditions; and
4. Elimination of Section 505a of the Servicemen's Readjustment Act.

These amendments were drafted in the interest of the veteran who needs a home, to counterbalance the more liberal consumer-credit aids given nonveterans under existing laws and those additional aids proposed in title I of S. 2246.

The most controversial and significant of the amendments is the one providing for a stand-by direct loan to be made to veterans who are qualified but are unable to obtain such loans from a private lender. The direct loan would bear 4 percent interest. As conceived by the sponsors of the legislation and as supported by the American Legion, this provision would be utilized only when applicants who are good credit risks are refused a GI loan by private sources. Its purpose is to make certain that the success of the entire GI loan program shall not be nullified by the resistance of a minority of lenders motivated by a desire for unreasonable profit or other factors not in the veterans' or public interest. Unless such a proviso is introduced into the home-financing market there is a very real chance that only a comparatively small number of veterans will enjoy the advantages of a loan-guaranty service which Congress clearly intended for all.

Through enactment of title III of the Servicemen's Readjustment Act, veterans were invited to make use of home financing terms embodying definite advantages with regard to origination charges, carrying costs, and low equity requirements. In administration, this title has done more to solve the housing problems of World War II veterans than has any other legislation developed on this subject.

Perhaps the most beneficial single factor has been the 4 percent interest rate, allowing the veteran home-buyer to keep his monthly payments within his ability to pay.

Present yield rates on alternate investments provide greater reason for retaining this low interest charge than at any time since enactment of the Servicemen's Readjustment Act.

Sincerely yours,

ROBERT R. POSTON,
Associate Director,
National Legislative Commission.

HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably without amendment Senate Resolution 148, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Mr. President, reserving the right to object, I ask the Senator whether the resolution provides for an additional amount of $10,000 over and above the amount the committee has previously spent for the same purposes?

Mr. HAYDEN. The committee has held extensive hearings, and the additional amount is needed.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 148), submitted by Mr. CONNALLY on August 2, 1949, was considered and agreed to, as follows:

Resolved, That the Committee on Foreign Relations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

REORGANIZATION PLAN NO. 1 OF 1949—INDIVIDUAL VIEWS—(PT. 3 OF REPT. NO. 851)

Mrs. SMITH of Maine, as a member of the Committee on Expenditures in the Executive Departments, submitted her individual views on the resolution (S. Res. 147) disapproving Reorganization Plan No. 1 of 1949, which were ordered to be printed.

HEARINGS BEFORE COMMITTEE ON ARMED SERVICES—ADDITIONAL EXPENDITURES

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably without amendment Senate Resolution 149, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, the resolution provides for an additional amount for a regular standing committee, in addition to the amount and for the same purposes as previously provided.

Mr. HAYDEN. That is correct.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 149), submitted by Mr. TYDINGS on August 3, 1949, was considered and agreed to, as follows:

Resolved, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT NO. 88, JOINT COMMITTEE ON THE ECONOMIC REPORT

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably without amendment, Senate Resolution 150, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object; that resolution also includes an amount for the printing of minority views, if the minority chooses to have them printed?

Mr. HAYDEN. The majority and minority views will be printed together. The cost is less than $600.

Mr. WHERRY. Mr. President, I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 150), submitted by Mr. O'MAHONEY on August 4, 1949, was considered and agreed to, as follows:

Resolved, That there be printed 2,000 additional copies of Senate Report No. 88, the report of the Joint Committee on the Economic Report on the January 1949 Economic Report of the President, for the use of said joint committee.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON PUBLIC WORKS

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 123, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Mr. President, reserving the right to object; I ask, is this a regular committee appropriation?

Mr. HAYDEN. It is.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 123) submitted by Mr. CHAVEZ on June 6, 1949, was considered and agreed to, as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, the Committee on Public Works, or any duly authorized subcommittee thereof, is authorized during the Eighty-first Congress to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

REIMBURSEMENT FOR OFFICIAL TRAVEL BY PRIVATELY OWNED AUTOMOBILES BY CERTAIN OFFICERS AND EMPLOYEES OF THE COURTS—RETURN OF BILL BY HOUSE OF REPRESENTATIVES

Mr. LUCAS submitted the following resolution (S. Res. 153), which was considered by unanimous consent and agreed to:

Resolved, That the House of Representatives be, and it is hereby, requested to return to the Senate the bill (S. 51) to amend title 28, United States Code, section 962, so as to authorize reimbursement for official travel by privately owned automobiles by officers and employees of the courts of the United States and of the Administrative Office of the United States Courts at a rate not exceeding 7 cents per mile.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL:

S. 2420. A bill for the relief of Shaoul Minsahi Shami, Emily Shami, Joseph Clement Shami, and Charles Henry Shami; to the Committee on the Judiciary.

By Mr. STENNIS:

S. 2421. A bill to authorize the erection of a monument to the Le Moyne brothers in Biloxi, Miss.; to the Committee on Rules and Administration.

By Mr. McCLELLAN:

S. 2422. A bill to amend section 3 of the Travel Expense Act of 1949 with respect to officers and employees becoming incapacitated while in travel status; to the Committee on Expenditures in the Executive Departments.

By Mr. THOMAS of Oklahoma:

S. 2423. A bill to amend section 7 of the act of February 27, 1925 (43 Stat. 1008), relating to the Osage Indians of Oklahoma; to the Committee on Interior and Insular Affairs.

By Mr. BYRD:

S. 2424. A bill conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representatives of the estate of Robert Lee Wright; to the Committee on the Judiciary.

HOUSE BILL PLACED ON THE CALENDAR

The bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, was read twice by its title, and ordered to be placed on the calendar.

REORGANIZATION PLAN NO. 1 AND THE AMA—ARTICLE BY AGNES E. MEYER

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Reorganization Plan No. 1 and the Stand of the AMA," written by Agnes E. Meyer, and published in the Washington Post of August 11, 1949.]

AMERICAN POLICY IN CHINA—ARTICLE BY RAY RICHARDS

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD an article written by Ray Richards, of the Hearst newspapers, Washington bureau, under date of August 10, 1949, dealing with the American mediation between the Communists and Nationalists in China, which appears in the Appendix.]

BRITAIN'S FINANCIAL PREDICAMENT—ARTICLE BY GEORGE ROTHWELL BROWN

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article on Britain's financial predicament, written by George Rothwell Brown, and published in the Washington Times-Herald of August 11, 1949, which appears in the Appendix.]

MARSHALL-PLAN ASSISTANCE TO GREAT BRITAIN—EDITORIAL FROM THE HOUSTON POST

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled "Saving the Opposition," from the Houston Post of August 9, 1949, which appears in the Appendix.]

FORMER PRESIDENT HERBERT HOOVER'S ADDRESS AT STANFORD UNIVERSITY

Mr. WHERRY. Mr. President, the only living former President of the United States, the Honorable Herbert Hoover, last night, on the occasion of his seventy-fifth birthday anniversary, delivered an address before a huge throng that had assembled to honor him at Stanford University.

This great statesman, speaking from a wealth of experience that has come to few men, uttered counsel and encouragement to his beloved fellow countrymen. He spoke as an American to Americans, with no tinge of partisanship—only in the interest of maintaining the principle of our Republic against the onslaughts of socialism.

Although his address was delivered over the major radio networks and was carried by the press generally, I believe all Senators join me in the desire that the former President's address be placed in the record of official proceedings of the Congress.

Therefore, I ask unanimous consent that the address be inserted in the body of the RECORD at this point in my remarks, there to remain in the archives of our Government.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My first duty is to acknowledge your generous reception and these most generous gifts to the library.

It is now 34 years since this library on war, revolution, and peace was founded. Over these years friends of the library have contributed over $3,450,000 toward its support. And of priceless value have been the millions of documents and materials furnished freely by hundreds of individuals and three-score governments.

The institution is not a dead storage. It is a living thing which over the years will correct a vast amount of error in the history of these troubled times. It will also teach the stern lessons of how nations may avoid war and revolution.

Not being a Government institution, it has never received a dime from Government sources, and its scholars, therefore, can be as free as the Sierra winds in its use and in the expression of objective truth.

In the somber situation of the world I would be derelict if today I discussed the lighter side of life, instead of the serious issues which weigh on my heart.

Some of you will know that during the last 2 years I have added somewhat to my previous knowledge of the currents of government

in this Republic. Beyond the immediate problems of efficient organization of the Federal departments there arise from these investigations some grave questions as to our whole future as a Nation.

CALLS NEXT GENERATION REAL TEST

Now, as never before, we need thinking on some of these questions. If America is to be run by the people, it is the people who must think. And we do not need to put on sackcloth and ashes to think. Nor should our minds work like a sundial which records only sunshine. Our thinking must square against some lessons of history, some principles of government and morals, if we would preserve the rights and dignity of men to which this nation is dedicated.

The real test of our thinking is not so much the next election as it is the next generation.

I am not going to offer you solutions to our national ills. But I shall list some items for thought. Perhaps in Japanese-English a subhead would be "Bring feet from clouds into swamp where we now are."

We must wish to maintain a dynamic progressive people. No nation can remain static and survive. But dynamic progress is not made with dynamite. And that dynamite today is the geometrical increase of spending by our governments—Federal, State, and local.

Perhaps I can visualize what this growth has been. Twenty years ago all varieties of government, omitting Federal debt service, cost the average family less than $200 annually. Today, also omitting debt service, it costs an average family about $1,300 annually.

This is bad enough. But beyond this is the alarming fact that at this moment executives and legislatures are seriously proposing projects which, if enacted, would add one-third more annually to our spending. Add to these the debt service and the average family may be paying $1,900 yearly taxes. They may get a little back if they live to over 65 years of age.

RISE IN GOVERNMENT WORKERS

No doubt life was simpler about 147 years ago, when our Government got well under way. At that time there was less than one government employee, Federal, State, and local, including the paid military, to each 120 of the population. Twenty years ago there was 1 government employee to about 40 of the population. Today there is 1 government employee to about every 22 of the population. Worse than this, there is today 1 government employee to about 8 of the working population.

Twenty years ago persons directly or indirectly receiving regular moneys from the Government—that is, officials, soldiers, sailors, pensioners, subsidized persons, and employees of contractors working exclusively for the Government—represented about 1 person in every 40 of the population.

Today about one person out of every seven in the population is a regular recipient of Government moneys. If those of age are all married, they comprise about one-half the voters of the last Presidential election.

Think it over.

In the long run it is the average working citizen who pays by hidden and other taxes. I have made up a little table showing the number of days which this kind of citizen must work on average to pay the taxes.

DAY'S WORK

Obligations from former wars	11
Defense and cold war	24
Other Federal expenditures	12
State and local expenditures	14
Total thus far	61

But beyond this, the seriously proposed further spending now in process will take another 20 days' work from Mr. and Mrs. Average W. Citizen.

Taking out holidays, Sundays and average vacations, there are about 235 working days in the year. Therefore, this total of 81 days' work a year for taxes is about 1 week out of every month.

You might want to work for your family instead of paying for a giant bureaucracy.

Think it over.

IT ALL COMES OUT OF SAVINGS

To examine what we are doing, we must get away from such sunshine figures as the gross national income. We must reduce our problem to the possible savings of the people after a desirable standard of living. If we adopt the Federal Government's estimate of such a desirable standard, then the actual, and the seriously proposed, national and local government spending will absorb between 75 to 85 percent of all the savings of the people. In practice it does not work evenly. The few will have some savings, but the many must reduce their standard of living to pay the tax collector.

And it is out of savings that the people must provide their individual and family security. From savings they must buy their homes, their farms, and their insurance. It is from their savings finding their way into investment that we sustain and stimulate progress in our productive system.

One end result of the actual and proposed spendings and taxes to meet them is that the Government becomes the major source of credit and capital to the economic system. At best the small-business man is starved in the capital he can find. Venture capital to develop new ideas tends to become confined to the large corporations and they grow bigger. Governments do not develop gadgets of improved living.

Another end result is to expose all our independent colleges and other privately supported institutions to the risk of becoming dependent upon the state. Then, through politics we will undermine their independence which gives stimulus to Government-supported institutions.

No nation grows stronger by subtraction.

Think it over.

WHERE WILL THE MONEY COME FROM?

It is proposed that we can avoid these disasters by more Government borrowing. That is a device to load our extravagance and waste on to the next generation. But increasing Government debts can carry immediate punishment for that is the road to inflation. There is far more courage in reducing our debts than in increasing them. And that is a duty to our children.

And there is no room for this spending and taxes except to cut the standard of living of most of our people. It is easy to say increase corporation taxes. That is an illusion. The bulk of corporation taxes, is passed on to the consumer—that is to every family. It is easy to say increase taxes on the higher personal-income brackets. But if all income over $8,000 a year were confiscated, it would cover less than 10 percent of these actual and proposed spendings.

The main road is to reduce spending and waste and defer some desirable things for a while.

There are many absolute necessities and there are many less urgent, meritorious and desirable things that every individual family in the Nation would like to have but cannot afford. To spend for them or borrow money for them would endanger the family home and the family life. So it is with the national family.

So long as we must support the necessary national defense and cold war at a cost of 24 days' work per year to Mr. Average W. Citizen, there are many comforting things that should be deferred if we do not wish to go down this road to ruin of our national family life.

Think it over.

Along this road of spending, the Government either takes over, which is socialism, or dictates institutional and economic life which is fascism.

The American mind is troubled by the growth of collectivism throughout the world.

SAYS REDS CAN'T DESTROY REPUBLIC

We have a few hundred thousand Communists and their fellow travelers in this country. They cannot destroy the Republic. They are a nuisance and require attention. We also have the doctrinaire Socialists who peacefully dream of their utopia.

But there is a considerable group of fuzzy-minded people who are engineering a compromise with all these European infections. They fail to realize that our American system has grown away from the systems of Europe for 250 years. They have the foolish notion that a collectivist economy can at the same time preserve personal liberty and constitutional government.

The steady lowering of the standard of living by this compromised collectivist system under the title "austerity" in England should be a sufficient spectacle. It aims at a fuller life but it ends in a ration.

Most Americans do not believe in these compromises with collectivism. But they do not realize that through governmental spending and taxes our Nation is blissfully driving down the back road to it at top speed.

In the end, these solutions of national problems by spending are always the same—power, more power, more centralization in the hands of the state.

We have not had a great socialization of property, but we are on the last mile to collectivism through governmental collection and spending of the savings of the people.

Think it over.

A device of these advocates of gigantic spending is the manipulation of words, phrases, and slogans to convey new meanings different from those we have long understood. These malign distortions drug thinking. They drown it in emotion. We see Government borrowing and spending transferred into the soft phrase "deficit spending." The slogan of a "welfare state" has emerged as a disguise for the totalitarian state by the route of spending. Thomas Jefferson would not recognize this distortion of his simple word "welfare" in the Constitution. Jefferson's idea of the meaning of welfare lies in his statement "to preserve our independence * * * we must make a choice between economy and liberty or profusion and servitude. * * * If we can prevent Government from wresting the labors of the people under the pretense of caring for them we shall be happy."

Another of these distortions is by those who support such a state and call themselves "liberals." John Morley would not recognize them.

Out of these slogans and phrases and new meanings of words come vague promises and misty mirages, such as "security from the cradle to the grave," which frustrate those basic human impulses to production which make a dynamic nation.

Think it over.

It is customary to blame the administrations or the legislatures for this gigantic increase in spending, these levies on the Nation's workdays, and this ride to a dead end of our unique and successful American system. A large cause of this growing confiscation of the work of the people by our various governments is the multitude of great pressure groups among our citizens. Also, the State and municipal governments pressurize the Federal Government. And within the Federal Government are pressure groups building their own empires.

Aggression of groups and agencies against the people as a whole is not a process of free men. Special privilege either to business or groups is not liberty.

WHY PRESSURE GROUPS SUCCEED

Many of these groups maintain paid lobbies in Washington or in the State capitals to press their claims upon the administrations or the legislatures.

Our representatives must run for election. They can be defeated by these pressure groups. Our officials are forced to think in terms of pressure groups, not in terms of needs of the whole people.

Perhaps some of my listeners object to somebody else's pressure group. Perhaps you support one of your own. Perhaps some of you do not protest that your leaders are not acting with your authority.

Think it over.

And finally, may I say that thinking and debate on these questions must not be limited to legislative halls. We should debate them in every school. We should resort to the old cracker-barrel debate in every corner grocery. There phrases and slogans can be dissolved in common sense and integrity.

A splendid storehouse of integrity and freedom has been bequeathed to us by our forefathers. In this day of confusion of peril to liberty, our high duty is to see that this storehouse is not robbed of its contents.

We dare not see the birthright of posterity to individual independence, initiative, and freedom of choice bartered for a mess of a collectivist system.

My word to you, my fellow citizens, on this seventy-fifth birthday is this: The founding fathers dedicated the structure of our Government "to secure the blessings of liberty to ourselves and our posterity." We of this generation inherited this precious blessing. Yet as spendthrifts we are on our way to rob posterity of its inheritance.

The American people have solved many great crises in national life. The qualities of self-restraint, of integrity, of conscience and courage still live in our people. It is not too late to summon these qualities.

MISREPRESENTATION OF IMPLICATIONS OF VOTES CAST IN THE SENATE

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent to include in the RECORD at this point a letter which I have written to the Detroit Labor News, pointing out the inaccuracies and misrepresentations in an article appearing in the Detroit Labor News, issue of May 6, 1949.

This is another example of the way in which the votes of those of us in Congress are sometimes inaccurately reported and even misrepresented.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., August 9, 1949.

FRANK X. MARTEL,
Editorial Director, Detroit Labor News, Detroit, Mich.

DEAR MR. MARTEL: The May 6, 1949, edition of the Detroit Labor News has been called to my attention in which the paper has recorded me as having voted against TVA expansion, against national defense, and against the American people; with being subject to the command of the Power Trust lobby; with having said, "To hell with our States and constituents, our first loyalty is to the Power Trust"; and with having said "To hell with New England, our first loyalty is to the Power Trust."

As your standard for these representations you have taken the voting in the Senate on April 13, 1949, and specifically (1) the Bridges amendment to eliminate funds for the New Johnsonville steam plant in the TVA system, and (2) the Ferguson amendment authorizing taxpayers and consumers to test the constitutionality of the construction of any steam plant by TVA.

I invite your attention to page 4482 of the CONGRESSIONAL RECORD. You will see that on that page I am recorded as having voted against the Bridges amendment and for the New Johnsonville plant expansion of TVA. In view of this I think your statements are gross misrepresentations. To the contrary I voted for TVA expansion. So did the following Senators whom you have done an equal injustice to: BREWSTER, BUTLER, CAIN, CORDON, DONNELL, GILLETTE, KNOWLAND, THYE, WATKINS, and WHERRY.

It is also equally interesting that you should list under your chosen category of "For the TVA expansion and for national defense and for the American defense and for the American people," the following Senators who are recorded on page 4482 as voting for the Bridges amendment and against the New Johnsonville plant expansion of TVA: FREAR, KILGORE, MYERS, and NEELY.

The only explanation of your discriminatory reporting against myself and Senators BREWSTER, BUTLER, CAIN, CORDON, DONNELL, GILLETTE, KNOWLAND, THYE, WATKINS, and WHERRY, and your discrimination for Senators FREAR, KILGORE, MYERS, and NEELY, is that you chose to take the roll call on the Ferguson amendment, which was on the question of constitutionality challenge right and not on expansion, instead of the Bridges amendment, which was solely on the question of TVA expansion and the New Johnsonville plant.

I am at a loss as to why you chose the Ferguson amendment as the standard on the question of TVA expansion instead of the Bridges amendment, and why you failed to list the roll call on the Bridges amendment. I voted 50-percent right by your own chosen standards. Yet you accuse me of being a puppet of the Power Trust. Others who voted directly against TVA expansion you praise as having voted for the American people.

I cannot believe that you are actually serious in the profane language which you have ascribed to me in the article in your paper.

Sincerely yours,
MARGARET CHASE SMITH,
United States Senator.

AMENDMENT TO INTERNAL REVENUE CODE TO TAX COOPERATIVES—STATEMENT BY SENATOR DOUGLAS

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD for the information of Senators a brief statement of mine concerning certain correspondence I have had in the last 4 days from constituents in Illinois on the subject of the amendment to the Internal Revenue Code, to tax cooperatives, introduced last Wednesday by the senior Senator from Delaware [Mr. WILLIAMS].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR PAUL H. DOUGLAS

Immediately following the submission by the senior Senator from Delaware of his amendment to H. R. 3905 last Wednesday to tax certain cooperatives and cooperative funds now exempt, I received a goodly number of telegrams from Illinois in support of taxing these cooperatives.

A quick glance at these messages revealed that almost all of them followed, in identical phraseology, one or another of six patterns. These were as follows:

1. Urge your support of excise-tax reduction, replacing revenue loss by taxing the untaxed: 44 telegrams.

2. Stimulate business by reducing excise taxes and taxing my untaxed business competitors: 11 telegrams.

3. It's just good business, good sense, and good politics to cut excise taxes and replace revenue by taxing business tax-exempts. Urge you support this now: 17 telegrams.

4. Taxing the untaxed will help small business; so will excise-tax reduction. Urge you do both now: 38 telegrams.

5. I need a break. Tax my exempt competitors and use the added income to cut excise taxes: 14 telegrams.

6. We have waited long enough. For the good of the country reduce excise taxes and tax the untaxed now: 21 telegrams.

7. Miscellaneous combinations of above forms: 15 telegrams.

While there was nothing unusual or improper about this, I was curious to learn the common source, if any, of the inspiration for these appeals.

My inquiries have disclosed that the timely suggestion of the forms of these messages was made in a letter of July 29, 1949 from the National Tax Equality Association, of Chicago, as follows:

NATIONAL TAX EQUALITY ASSOCIATION,
Chicago, Ill., July 29, 1949.

To All Members and Friends:

It is almost certain that the United States Senate will vote on the question of taxing the untaxed in the next 10 days.

The vote will likely be taken in connection with excise tax reduction.

It is absolutely essential that Members of the Senate know how businessmen throughout the country feel about this subject. Therefore, will you please wire your two Senators today without fail. Western Union will handle the telegrams on the enclosed sheet without your going to the Western Union office. They have the names and addresses of your Senators. They will charge it to your telephone bill. Select the text you prefer and read it to the Western Union operator.

In addition to your wires, please call at least five of your friends, business or otherwise, and ask them to do the same thing, suggesting appropriate messages to them.

Call Western Union. Do it immediately.

Very truly yours,
G. M. LESTER,
President.

Hon. ——— ———,
United States Senator,
Senate Office Building,
Washington, D. C.:

Please phone your choice of the messages listed below, or your own wording, to both of your United States Senators—now. Western Union will furnish their names and addresses Call Western Union right now and tell them to charge it to your phone.

1. Urge your support of excise tax reduction, replacing revenue loss by taxing the untaxed.

2. Stimulate business by reducing excise taxes and taxing my untaxed business competitors.

3. It's just good business, good sense, and good politics to cut excise taxes and replace revenue by taxing business tax-exempts. Urge you support this now.

4. Taxing the untaxed will help small business—so will excise tax reduction. Urge you do both now.

5. I need a break. Tax my exempt competitors and use the added income to cut excise taxes.

6. We have waited long enough. For the good of the country reduce excise taxes and tax the untaxed now.

——— ———.

We have here a model of effective and timely, although somewhat synthetic, pressure. Whether it is regarded as in the interests of the small-business men whom NTEA

claims to represent, or the big enterprises which have recently been disclosed as among its larger contributors, the farmer and consumer cooperatives have new evidence that they are facing strong and ingenious opposition.

TENNESSEE VALLEY AUTHORITY—COMMENTS ON HOOVER COMMISSION RECOMMENDATIONS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD, at this point as a part of my remarks a statement prepared by me, including comments from the Tennessee Valley Authority on the recommendations of the Hoover Commission as they affect that agency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JOHN L. M'CLELLAN, CHAIRMAN SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, released today a letter from Gordon R. Clapp, Chairman of the Tennessee Valley Authority, commenting on the recommendations of the Hoover Commission which affect the TVA.

Mr. Clapp pointed out that "no administrative actions have been taken or are contemplated as a direct result of the Commission's recommendations, since none appear to be called for." The only specific recommendation which applied to the TVA was contained in the report on Federal Business Enterprises (recommendation No. 1 (e)) providing that all Government corporations include a charge for interest during construction in determining construction costs. The TVA, however, maintains that it "pays interest on bonds outstanding and makes payments to the Treasury under section 26 of the TVA Act, and under the repayment provisions of the Government Corporations Appropriation Act of 1948, out of net income derived from power operations such amounts as are necessary to authorize the Government's investment in TVA power facilities," and that this would not apply to TVA, concluding that "in view of this statutory directive that TVA, in effect, amortize the Government's investment in TVA power facilities rather than pay interest thereon, the two recommendations referred to would not appear to be applicable."

With reference to the recommendations of the Commission contained in the across-the-board reports on general management, personnel management, and budgeting and accounting, the TVA expresses general agreement with the basic recommendations, stating that the present policies of the Authority are in conformity with most of them, and pointing out that the board of directors already discharges full administrative authority recommended by the Commission, had adequate staff services, has adopted uniform nomenclature, and a performance type budget.

One specific recommendation with respect to personnel management was subject to comment by Mr. Clapp, who stated, "We believe that stimulation of research and inventiveness, along with high professional standards in personnel administration, are not emphasized as much in the report as they should be, and are more likely to achieve the results which the Commission wants than do its specific recommendations."

The full text of the letter from the chairman of the board of TVA follows:

TENNESSEE VALLEY AUTHORITY,
Knoxville, Tenn., June 27, 1949.

The Honorable JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, Senate Office Building, Washington, D. C.

DEAR SENATOR MCCLELLAN: This is in response to your letter of May 23, 1949, requesting that we furnish your committee with a report relative to the application to TVA of the recommendations and textual discussions which were included in the reports of the Commission on Organization of the Executive Branch of the Government.

As you know, the Commission recommended no changes in TVA's organizational status, and from the second paragraph of your letter I assume in any case that your committee is interested primarily in the subjects of general management, personnel management, administrative services, and budgeting and accounting.

The recommendations in the Commission's report on general management emphasizes the necessity of strengthening executive responsibility by making clear and adequate delegations of authority, holding accountable for results those to whom such authority has been delegated, and providing adequate staff services to the President and to agency heads. TVA is in full agreement with these basic recommendations, and the TVA Act of 1933 is in conformity with them. The act not only defines the board program for which TVA is responsible, but provides the TVA board of directors with adequate authority to discharge these responsibilities while at the same time holding the board fully accountable to Congress and the President for results.

We believe also that the TVA organization provides for adequate staff services. TVA maintains legal, personnel, finance, property and supply, and general management services through divisions reporting directly to the general manager. These staff organizations also advise and assist offices and divisions which have operating functions and responsibilities.

In this connection, we have noted the introduction of S. 942 and H. R. 2613, bills to establish principles and policies to govern generally the management of the executive branch of the Government. Section 202 of these bills would prescribe a uniform organizational nomenclature to be adopted by principal executive agencies so far as practicable. As you know, we have already adopted such nomenclature in part, but reached the conclusion, with which your committee concurred, that the remainder did not readily lend itself to the administration of the TVA organization. We assume this would represent adoption of the system so far as practicable in TVA's case.

Section 205 of S. 942 and H. R. 2613 would authorize appointment by the head of each principal executive agency of staff assistants in certain specified fields. We assume it is not the purpose of this section to prescribe any specific organization pattern involving a distribution of duties among staff assistants to be appointed under its provisions. In TVA's case, for example, budgeting is handled separately, from the standpoint of staff responsibility, from accounting and disbursement, and in our opinion combination of these functions would be undesirable. For a time TVA did combine budgeting and accounting functions, but experience showed that the budgeting function was more effective when directly associated with program planning within the office of the General Manager.

The Commission's recommendations with respect to personnel management contemplate changes in both personnel policies and procedures. Most of the changes recommended reflect principles which TVA has already recognized and put into practice. We believe that stimulation of research and inventiveness, along with high professional standards in personnel administration, are not emphasized as much in the report as they should be, and are more likely to achieve the results which the Commission wants than do its specific recommendations.

With respect to administrative services, the Commission's recommendations in the field of property and supply are embodied in H. R. 4754. This bill, as you know, contains a provision which preserves TVA's existing authority with respect to certain specified matters as necessitated by the nature of its operations, but directs that TVA conform as far as possible to the general policies which the bill lays down. We believe these policies are wholly sound.

The Commission's recommendations pertaining to budgeting and accounting emphasize the same management principles which TVA has consistently followed and which, in our opinion, are essential to agency responsibility and accountability. For example, TVA, since its establishment in 1933, has used the performance-type budget recommended by the Commission, along with a single system of cost accounts.

The Commission's report on Federal business enterprises recommends, in the interest of uniformity, that all Government corporations include a charge for interest during construction in determining construction costs (Recommendation No. 1–e); and that both incorporated and unincorporated Government business enterprises report specifically to Congress each year, among other matters, the extent to which earned income fails to cover interest on capital furnished by the Government. Both of these recommendations are apparently directed to situations where the enterprise involved actually makes interest payments to the Treasury. TVA pays interest on bonds outstanding and, in addition, makes payments to the Treasury under section 26 of the TVA Act, and under the repayment provisions of the Government Corporations Appropriation Act, 1948. The latter statute requires that TVA pay into the Treasury over a 40-year period, out of net income derived from power operations, amounts necessary to amortize the Government's investment in TVA power facilities. In view of this statutory directive that TVA, in effect, amortize the capital investment in its power facilities rather than pay interest thereon, the two recommendations referred to would not appear to be applicable. However, TVA's financial statements, which it transmits to Congress each year as part of its annual reports, indicate clearly both the capital investment in TVA's power program at the close of the last fiscal year, and the new power income for such year, thus making it possible by a single calculation to determine the return on power investment for the year and the extent to which it would cover a charge for interest at any assumed rate.

No administrative actions have been taken or are contemplated as a direct result of the Commission's recommendations, since none appear to be called for. Internal adjustments not related to the Commission's recommendations are of course constantly under way, as in the past, to adapt organization to program and service requirements.

Certain of our program interests may be indirectly affected by some of the recommendations relating to other Federal agencies, and we hope to have the opportunity to comment on these as specific legislative proposals are introduced to put them into effect.

If your committee wishes any additional information, we shall, of course, be glad to provide it.

Sincerely yours,

GORDON R. CLAPP,
Chairman of the Board.

LEAVES OF ABSENCE

Mr. BALDWIN asked and obtained leave to be absent from the Senate tomorrow.

Mr. REED asked and obtained consent to be absent from the Senate until Friday of next week.

DEFENSE LEGISLATION—REQUEST FOR UNANIMOUS CONSENT

Mr. TYDINGS. Mr. President, after having conferred with the leaders in the Senate, I should now like to make a very brief statement and then propound a unanimous-consent request.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senator from Maryland be permitted to do this.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. TYDINGS. I should like to call to the attention of the Members of the Senate that for some time there have been upon the calendar several bills which the Department of Defense placed in the highest priority for the defense of our country. These bills are rather far-reaching, to be frank about it, and Senators will want to have some discussion about them. But because they are important to the national defense it would, in my judgment, be a tragedy if they were not considered at this session of the Congress. Many of them are House bills on which long hearings were held, and when the measures were passed by the House similar hearings were held by the Senate committee, extending in some cases over a period of weeks.

The bills in question are: The military pay bill, the military public works bill, the 70-group air force authorization bill, the wind tunnel bill, and perhaps the military justice bill.

With respect to one of those bills, the public works bill, all the requests for public works of a military nature all over the United States, Alaska, and the Pacific islands have been carefully screened. Take the case of Alaska alone. Senators who have been there are familiar with the situation. We have equipment in Alaska which cost many million dollars. During the war this equipment was housed in temporary structures, photographs of which I shall be glad to exhibit to Members of the Senate when the bill comes up. If this equipment is allowed to remain in these dilapidated houses it will deteriorate and will be useless in time. We must have some better type of housing in places like that to protect the equipment. I mention that only as one of a great many facets of this entire subject.

I therefore ask that when the remaining appropriation bills shall have been finally acted upon in this body the bills which I have mentioned be taken up for discussion in the Senate. If the debate is confined to the bills, I do not believe that they will require a great deal of time. Senators will want to become familiar with them. They are entitled to be familiar with them in taking their position pro or con upon them. But if extraneous matters are woven in, the result will be postponement of consideration of these bills for a long time, and the postponement of other legislation in which Senators are interested. I therefore ask unanimous consent that after the appropriation bills are disposed of these bills be made the unfinished business and that debate thereon be confined to the subject matter of the bills.

The VICE PRESIDENT. The Chair reminds the Senator that in the form in which he presents the unanimous-consent request it would set aside permanently the unfinished business now before the Senate, which is the minimum-wage bill. The Senator might ask, if that bill is not disposed of at that time, that it be temporarily laid aside again for the purposes indicated.

Mr. TYDINGS. I thank the Chair, and I include his suggestion in my request.

The VICE PRESIDENT. Is there objection to the request of the Senator from Maryland?

Mr. LUCAS. Mr. President, reserving the right to object, I certainly agree with the Senator from Maryland as to the importance of all the measures to which he requests unanimous consent for consideration after the disposition of the appropriation bills. I can assure him that before this session of Congress closes we will take up those measures. I should dislike very much to get into a discussion of five measures and take 4 or 5 days on those bills. I presume I am warranted in assuming that a great length of time will be required for the discussion of them, judging the future from what has happened in the past few weeks. There is another matter which we should consider also, and that is the reciprocal trade-agreements program. We have postponed and postponed the consideration of the reciprocal trade-agreements program, which, in my judgment, is just as important as any other piece of legislation before us. Such an arrangement would have to be agreeable to the senior Senator from Georgia [Mr. GEORGE], chairman of the Committee on Finance, who has been more than kind and considerate in consenting to postponement of the reciprocal trade-agreements program for the consideration of other measures. I see that the Senator from Georgia is on his feet, and he will probably have something to say on the subject.

If we could agree upon a limitation of time on the bills referred to, and if we could get at them some afternoon for 5 or 6 hours, that would be one thing; but I dislike very much to agree to a unanimous consent request with respect to five bills when other measures of importance have been set aside from time to time.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TYDINGS. I think the observation of the Senator from Illinois is a fair one. I believe that the reciprocal trade-agreements program has probably been pending for a longer period of time than these other bills. I should like again to amend my unanimous-consent request in two particulars: First, that we take up these bills after the reciprocal trade-agreements bill has been disposed of. Second, I am willing to agree to any limitation on debate which may be reasonable, but in order to get something tentative before the Senate, I ask unanimous consent that when these military bills come up, no Senator, including the authors of the bills, shall be permitted to speak for more than half an hour on any bill, or 15 minutes on any amendment which may be offered thereto.

Mr. WHERRY and Mr. FLANDERS addressed the Chair.

Mr. WHERRY. Mr. President, does the Senator from Vermont wish to ask a question?

Mr. FLANDERS. I should like to ask several questions on this particular subject.

Mr. WHERRY. I should like to ask a question, and then I shall be glad to yield.

I should like to understand what the unanimous-consent request is. As I understand, the request has been amended to ask unanimous consent that after the appropriation bills have been disposed of certain military bills be taken up. If I recall correctly, there are four appropriation bills, the Interior bill, the armed services bill, and two deficiency bills. The second one is now before the Senate Committee on Appropriations. Does the Senator from Maryland mean all the appropriation bills?

Mr. TYDINGS. I do.

Mr. WHERRY. As I understand, the Senator from Maryland is asking that the military bills be considered after the reciprocal trade-agreements program has been disposed of.

Mr. TYDINGS. And the present unfinished business.

Mr. WHERRY. The present unfinished business, which is the minimum wage bill, would be temporarily laid aside. There is no time limit mentioned in the unanimous-consent request, is there?

Mr. TYDINGS. I should be glad to have one.

Mr. WHERRY. That request can be made later.

Mr. TYDINGS. I made the suggestion that the debate be confined to 30 minutes for each Senator on each bill, and not more than 15 minutes on any amendment. Further, I should like to see the debate confined to the subject matter of the bills.

Mr. WHERRY. Let me ask one further question. I am in favor of setting these bills down for consideration. Perhaps later we can agree upon a time limit.

One of the bills mentioned by the Senator from Maryland is Calendar No. 411, Senate bill 1536, the so-called military pay bill. I feel that if that bill is brought up for debate, the majority leader should set down for consideration following the disposition of the military bills the civilian pay bills. I think there are three of them. If we bring up the military pay bill, it seems to me that we ought to bring the others up, whether we are for them or

against them. I wonder if it would be agreeable to the distinguished majority leader to give that suggestion consideration.

Mr. LUCAS. Mr. President, I cannot go that far at this time. It seems to me that we are getting ourselves into quite an extensive program under the unanimous-consent request. I agree with the Senator from Nebraska that the pay bills ought to be considered at some time. The military pay bill, the civilian pay bill, and the classification bill are all important. If it is understood that we are to consider one after another, I wonder if there is not the possibility of an amendment being offered to the military pay bill by the distinguished Senator from Vermont [Mr. FLANDERS], who has said once or twice that he expected to offer the executive pay bill as an amendment to the military pay bill. I know exactly how he feels about the executive pay bill. I am heartily in accord with his views in regard to the executive pay bill.

Mr. WHERRY. If that suggestion were not included in the unanimous-consent request, would the distinguished majority leader say that the civilian pay bills would be called up for consideration?

Mr. LUCAS. There is no doubt that all the pay bill will be called up for consideration before Congress adjourns.

Mr. WHERRY. I mean, would they be made a special order, rather than called up by unanimous consent?

Mr. LUCAS. I would rather not go into that question.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FLANDERS. I wish to say that I am thoroughly in accord with the endeavor to get these important military bills discussed concisely but thoroughly, and voted on and disposed of by this body.

I may say to the Senator from Maryland that I feel differently about the military pay bill than about any other bills, because I have seen the pressure built up behind that bill, and there has been evidence that it might go through the Senate with a whoop and a hurrah, although every argument for it is identical with those for the top pay bill for the administrative branch of the Government, which has languished in this body for 2 years.

I do not wish to object to the inclusion of the military pay bill, if some arrangement can be made here and now which will surely take care of it; but I certainly will wish to interpose objection to carrying this new bill through and leaving out of consideration the top executive pay bill, which carries very much less in the way of appropriations, and while has the wholehearted support of the President of the United States, and has been worked on for two sessions of the Congress.

I wish to cooperate, but I do not like to see this bill washed out in a flash flood.

Mr. LUCAS. Mr. President, I wish to assure the Senator from Vermont that the executive pay bill will be taken up in due course. Just when it will be taken up, of course I cannot say now. But I agree with the Senator that it is important, and should have been taken up before this time. However, because of some of the work behind the scenes, where the classification bill was involved and the military pay bill was involved, there was an implied threat that if the executive pay bill was brought up for consideration, there would be determined opposition on it, because these other bills were not quite ready. So I have more or less yielded to the blandishments I have heard in the corridors about the executive pay bill.

But the President of the United States is tremendously interested in the executive pay bill; and practically every Monday when we go to the White House he asks me, "When are you going to get action on the executive pay bill?"

When I see assistants to congressional committees drawing $12,000 or $15,000 for some little assignment they have on one or another of the committees, perhaps as an agent or lawyer, and then when I realize that men like Charlie Murphy, in the Legal Division, and men like Clark Clifford, and others are having a terrific struggle to live on the salaries they receive, it seems to me the Senate could do nothing less than pass the executive pay bill as soon as possible. Of course I shall bring it up, as I said a moment ago, in a short time.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. LODGE. I should like to say that I sense the great importance of the military bills to which the Senator from Maryland has referred; but I should like to ask whether it is proposed that these bills will displace the minimum-wage bill or whether it is proposed that we vote on the minimum-wage bill first, before we take up the other proposed legislation.

Mr. TYDINGS. Speaking for myself, if the Senate is ready to act at any time on the minimum-wage bill, which is the unfinished business, it would be my disposition not to interfere with it. But the whole purpose of my request is to try to get time for these military bills, about which I am being interrogated every day by people who are interested in the national defense, and particularly in reference to one or two of the bills, which are of more than passing importance, and, in my opinion, are in the ultimate interest of economy, although they call for the expenditure of money. For instance, some deterioration is going on in the case of about $20,000,000 worth of equipment sitting out in the open in a certain area. There is no place to put it. That is merely one of a number of examples which might be cited. I do not think a week or two more or less will change that situation.

The Senator from Maryland does not wish to hurt any proposed legislation that is pending or that is important. What he does want is to have afforded an opportunity for these important measures to be discussed.

Mr. FLANDERS. Mr. President, will the Senator yield to me again?

Mr. LUCAS. I yield.

Mr. FLANDERS. As I have said, I do not wish to be obstructive; on the contrary, I wish to be constructive; but I am wondering whether we can have something a little bit more definite in the way of an understanding in regard to the position of the top pay bill. I can conceive of two ways in which it can be handled. One is to give it at this same time a preferred position. The other is to suggest that the military pay bill, which, in my judgment, is in a somewhat different category from the three others the Senator from Maryland has mentioned, be withdrawn from the request, so that it and the top pay bill can be considered more or less on a parallel, more or less together. I suggest those as two possible arrangements to which I would interpose no objection.

Mr. TYDINGS. Only yesterday General Bradley, who has just returned from Germany, before leaving the hearing, called me aside and told me he hoped we would find time soon to act on this bill; that in going around Germany and other places where our troops are stationed, he was convinced that it is an important bill for morale purposes. I explained to him the difficulty.

I wish to say to the Senator from Vermont that if he will not press his suggestion—because he made it only as a suggestion—I will cooperate with him in every way I can to follow the consideration of this bill with his bill. Both the majority leader and the minority leader have assured me that a day will be provided for the consideration of the bill.

I should like this military program—which is more or less interwoven and has waited a long time, and deals with one particular phase of the Government's activities—to be more or less considered in one piece, if possible. I think it would help us to think it out a little more clearly.

Mr. FLANDERS. Mr. President, it strikes me that the one-piece argument is not a well considered one. The military pay bill is one piece with the top pay bill. I do not see that it is one piece with the three other bills. It can properly be considered separately from them, I believe.

So I must regretfully object if the military pay bill is included in the request.

The VICE PRESIDENT. Objection is heard.

Mr. WHERRY. Mr. President, will the Senator withhold his objection for a moment, please?

Mr. FLANDERS. Very well; I do.

Mr. WHERRY. Why would not it be feasible to comply with the request of the Senator from Maryland by setting all the military bills in one bracket, with the exception of the military pay bill, and then, secondly, take up all the pay bills, including the military pay bill, and comply with the complete unanimous-consent request that we debate these only and try to get time limits, when the time comes, and confine ourselves solely to these bills?

Mr. TYDINGS. With some reluctance, of course, I would accede to that, because all these bills are important. But naturally I respect the views of the Senator from Vermont, and naturally I

would modify my request so as to meet his views, rather than to have the whole proposal go down the drain.

Mr. WHERRY. It suits me.

Mr. FLANDERS. Mr. President, I wish to express appreciation for that statement, and to say that my position is taken with great reluctance.

Mr. TYDINGS. I understand.

Mr. President, I modify my request by excluding the military pay bill from it, but the leaders on both sides have assured me that I will have a day for the consideration of that bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Maryland?

The Chair would suggest that nothing was said in the unanimous-consent request, as proposed, about the order in which these bills will be taken up. Obviously not all of them can be taken up at once; there must be some order for their consideration.

If the request is to be agreed to, it probably should include a statement of the order in which the bills will be taken up.

Mr. TYDINGS. The order in which I announced them, Mr. President, I think should be the order, except, of course, the military pay bill, which was listed first, but which would be eliminated from the request. They would then be taken up in this order: The military public-works bill, the wind-tunnel bill, the 70-group air force authorization bill.

The VICE PRESIDENT. Are they listed by numbers?

Mr. SPARKMAN. Mr. President, will the Senator give us the calendar numbers?

Mr. TYDINGS. I will identify them.

Mr. LUCAS. May I inquire if all these measures are on the calendar?

Mr. TYDINGS. They are all on the calendar, except the military public-works bill, which is completed, which passed the House, and will be reported by the Senate committee Monday.

Mr. WHERRY. If the Senator would like to have it, I could state the order number for the wind-tunnel bill.

Mr. TYDINGS. Very well.

Mr. WHERRY. The order number for the wind-tunnel bill is 436, Senate bill 1267. That is the only one I can give.

Mr. TYDINGS. The military pay bill is on the calendar.

Mr. WHERRY. That is correct.

Mr. TYDINGS. That bill has been withdrawn from the request. But they would come up in this order: Military public works, wind tunnel, 70-group air force authorization, and military justice.

Mr. LUCAS. Mr. President, I do not see how we can agree on a military public-works bill that is not even on the calendar. It seems to me that is going quite a way in the unanimous-consent request.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TYDINGS. That bill has been completed for over a week, but because of the fact that the Armed Services Committee has been meeting with the Foreign Relations Committee, it has not been possible for us to have a meeting so we could formally report it. The chairman did not feel at liberty to have it reported by having members sign it, although the committee had tentatively gone on record as favoring it. It will be on the Calendar Monday, and it seemed to me that, while I was making the request, it would be a good idea to dispose of all the bills at one time. That is the reason the Senator from Maryland included it.

Mr. LUCAS. Mr. President, I cannot anticipate how long the debate is going to take upon the bills. I am not familiar with the military public-works bill at all; I do not know how long a debate would be required. There ought to be included in the unanimous-consent request some sort of time limitation. I should like to have the unanimous-consent request repeated, if I may. I am not sure I understand just where we are.

Mr. TYDINGS. Mr. President, I shall try to repeat it. The Senator from Maryland asks unanimous consent that, at the conclusion of the consideration of the appropriation bills, the unfinished business on the calendar, and the reciprocal trade bill, the Senate shall proceed to the consideration of the military public-works bill, the wind-tunnel bill, the 70-group air force bill, and the military justice bill; that the debate be confined to the subject matter of these bills; that no amendments be offered which are not germane; and that the debate be limited to 30 minutes on each bill, with 15 minutes on each amendment thereto, in the interest of saving time.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator.

Mr. DONNELL. I am not at all informed as to these bills and I missed a considerable part of the discussion. There is one portion of the unanimous-consent agreement which attracted my attention. That is the portion of it to the effect that the debate shall be confined to the subject matter. I can readily appreciate the commendable thought of the Senator, but I am wondering who is going to pass on that.

Mr. TYDINGS. The Chair.

Mr. DONNELL. I am wondering whether that is going to give the Chair the power, or whether we have precedents in the Senate for such an agreement as that. If the Senator will indulge me for a moment, I am inclined to feel that that matter should be left to the judgment of the Members of the Senate, rather than leaving it to the Presiding Officer, with all due deference to the Presiding Officer.

Mr. TYDINGS. I withdraw that part of my unanimous-consent request. It was made in the interest of saving time.

Mr. LUCAS. Mr. President, we have before us about four appropriation bills, and if we take as much time on the Interior Department appropriation bill and on the military appropriation bill, as we have taken on some of the other appropriation bills, we shall be around here a couple of weeks on those bills alone. The minimum-wage bill, which is the unfinished business and which has been temporarily laid aside, will take probably 3 or 4 days. The reciprocal trade-agreements program will probably take 2 weeks. So, the way it looks to me, we are now making a unanimous-consent agreement to do something which is to happen about 1 month from now. Certainly it seems to me to be perhaps a little premature for such a unanimous-consent agreement, affecting these important matters, as that requested by the Senator from Maryland. I am sure we are going to get all these measures up for consideration, but it is a little unusual to have a unanimous-consent agreement of the kind proposed when these other important measures are in front of us. I do not like to object, but I merely call attention to what we are proposing to do by way of a unanimous-consent agreement. In the final analysis it might be well to have it, because we would be getting a limitation on time with respect to these bills. But I call the Senate's attention to what we are up against.

Mr. KEM. Mr. President, reserving the right to object, I should like to ask the majority leader whether his present plans contemplate the ending of the present session at any date within the near future? I should like to say that, as the Senator from Illinois knows, many of the Members have engagements made sometime ago, connected with the discharge of their official duties, during the month of September, and many of us hope it will be possible for us to fill those engagements. If the Senator could give us some indication as to what he plans in that respect, I think it will be very helpful to many of the Members.

Mr. LUCAS. I certainly hope the Senator from Missouri and other Senators will not have to forego any obligations they have undertaken for the month of September, but it is a little difficult for the Senator from Illinois to say just when the Congress will adjourn. I am satisfied the Senator from Missouri probably has almost as good a notion about what legislation is on the calendar as has the Senator from Illinois, and of the importance of that legislation. The Senator can well understand from the colloquy which has taken place this morning about these bills how important they are. The Senator from Maryland is absolutely correct as to their importance. We feel that the reciprocal trade-agreements bill, the minimum-wage bill, and the appropriation bills are all important, as are also certain other bills. I wish I could name a definite date to my good friend from Missouri, so he could make his plans accordingly, but I fear I cannot do so.

Mr. KEM. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Missouri?

Mr. LUCAS. I am glad to yield.

Mr. KEM. I should like to ask the Senator whether he feels the Members should be asked to enter into a unanimous-consent agreement to a program or legislative schedule which may carry the session into the indefinite future, and whether it is not a fair and reasonable

request of the majority leader, in whose hands the matter rests, to ask him to indicate to the Senate about how long the present session will last, if Members accede to the unanimous-consent request now being considered? I certainly do not want to ask anything unreasonable, but it seems to me we are entitled to look ahead and make our plans with some reasonable degree of certainty.

Mr. LUCAS. The Senator from Missouri is not making an unreasonable request at all, and I wish I were in a position to accommodate the Senator by advising him as to the date final adjournment might take place. But the Senator well knows that as a result of our current position and our leadership in the world; with all the problems that are involved, we are in a much different position today, perhaps, so far as legislation is concerned, from any we have ever been in heretofore. There was a time when Senators and Members of the House of Representatives came to the capital, organized, taking their time in doing it, passed a few appropriation bills, debated the tariff for 2 or 3 weeks, and went home. But that cannot be done any more, Mr. President. Those days are gone forever. There are a host of important problems before us, and the length of the debates upon certain measures indicates the tremendous importance of the problems involved in our economic, social, and political life.

The Senator from Illinois would certainly like to have Congress adjourn as quickly as would any other Senator. This is the first summer I have missed going to Wisconsin for a few weeks to enjoy the cool breezes there. I should like to be there now. But I have a duty to perform as majority leader and as a Member of the United States Senate, and, considering all the legislation which is on the calendar, I cannot suggest any definite date.

The remarks made by my distinguished friend from Maryland regarding persons who are urging action with respect to particular measures suggest to me the thought that he should be the majority leader for a while and see how people urge action on their own particular pet measures. There is not a day when there is not a committee of constituents or individuals calling upon the Senator from Illinois urging him to have a particular measure considered. I am being somewhat criticized by groups here and there for not being able to have prompt action taken on certain measures. I have received more letters regarding the oleomargarine bill, in which the Senator from Arkansas [Mr. FULBRIGHT] is deeply interested, than about any other piece of legislation. The Scripps-Howard newspapers published some editorials regarding oleomargarine, which were very complimentary to the Senator from Illinois, but in conclusion they said, "It is up to Senator LUCAS. He can bring that bill out if he wants to." Senators should see the number of oleomargarine sponsors in this country urging that that bill be acted on.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. AIKEN. Has the Senator heard the reports and rumors that certain interests are offering prizes to those who can get the most people to write to Members of Congress with regard to the oleomargarine bill? I think that might have something to do with the volume of mail we are receiving.

Mr. LUCAS. It could be, assuming those reports are true.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MORSE. I should like to say that I have reconciled myself to what I think is the inevitable fact that Congress is going to be here at least until November 1, because I do not think, in the absence of some agreement to take up a fixed schedule of business, there is any possible chance of getting away before that time. Therefore I wish to express the hope to the Senator from Illinois that possibly we can get a "gentlemen's understanding." I should like to suggest to the majority leader that he give very careful consideration to the advisability of setting aside a period of time around Labor Day, say Labor Day week, wherein meetings of the Senate will be pretty much token meetings, because I surmise that on both sides of the aisle at least half of us will have some very important speaking engagements during that week in order to discuss what we think should be the policy of this country with respect to labor legislation. I do not think I need to say anything more as to the nature of those speeches, so far as the junior Senator from Oregon is concerned, because I have not given up hope that within my party we shall come around to what I consider to be the type of legislation that should be the policy of my party.

Mr. LUCAS. I am sure the Senator is correct in his last conclusion.

Mr. MORSE. I am very serious when I say to the Senator from Illinois that I think we should take into account the matter of convenience of the Members of this body. I think great public good can be served by the discussions to be held on labor legislation during Labor Day week, and I wonder if we cannot work out a gentlemen's understanding that those of us who absent ourselves from the Senate during that week shall not be confronted, on coming back, with the fact that the Senate has taken action on major legislation.

Mr. LUCAS. I think something possibly can be worked out, if we are in session at that time, as we probably shall be.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. Mr. President, I take it that the unanimous-consent request of the distinguished Senator from Maryland does not in any way modify the agreement heretofore reached regarding Reorganizations Plans Nos. 1 and 2 which are to be discussed next Tuesday and Wednesday.

Mr. LUCAS. No. They are of the highest privilege.

Mr. TAFT. Do I correctly understand, also, that at the time, say a month from now, the military assistance program is ready for the Senate, that will also be set aside in favor of these other bills? If so, I should be much more favorable to the Senator's request and to similar requests made regarding other types of legislation which we are seeking to have passed.

Mr. TYDINGS. If that should happen, the Senator from Maryland would himself ask that unanimous consent be granted to take up the arms implementation plan.

Mr. LUCAS. There may be a few deadlines we shall have to meet in connection with certain legislation expiring.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Missouri.

Mr. DONNELL. Mr. President, again referring to the unanimous-consent agreement sought by the Senator from Maryland, I was not aware, when I made mention a few moments ago of the question of germaneness to the discussion, of the fact that there was also included in the proposal a provision to the effect that each amendment to be offered should be germane to the bill.

Mr. TYDINGS. The Senator from Maryland put that in, as the Senator from Missouri can well guess, to allay the fears of certain Senators that matters would be attached which they would want to talk about at considerable length, and the Senator from Maryland, to allay their fears, added that suggestion to his unanimous-consent proposal.

Mr. DONNELL. I very respectfully suggest that, while I appreciate the point which has been mentioned by the Senator from Maryland, it is quite unusual to attach conditions as to the type of amendments to be offered. While I know of no Senator who intends to propose or present any amendment not germane to the subject of these bills—I do not know about the bills or the intentions of Senators—I respectfully suggest that that portion of the unanimous-consent request be withdrawn.

Mr. TYDINGS. Let me say to the Senator from Missouri, whose inquiry is thoroughly understood and with whose philosophy I am in accord, that there have been attempts in the past to take advantage, let us say, for want of a better expression, of the situation to offer an amendment. Neither the Senator from Maryland nor the Senator from Missouri wishes to put any Senator at a disadvantage, and my suggestion was rather as a protection of Senators than as a restraint of their liberty.

Mr. DONNELL. As I understand, it is planned to limit the debate on each measure to 30 minutes on each side, and 15 minutes on each amendment.

Mr. TYDINGS. That is correct.

Mr. DONNELL. I do not think any great protraction of the debate could result if some Senator were to offer some nongermane amendments, if there were a limitation of 15 minutes on each of them.

Mr. TYDINGS. But if there were an antisegregation amendment offered to some phase of the military bills the Senator from Maryland would feel that there would be no chance of getting the bills

through, because the Senator who offered the amendment would evoke opposition. Therefore, if I asked Senators to go along on a limitation of time, naturally they would not want to forego their right to discuss something outside the general purview of the bill under consideration. Otherwise they would be giving hostages to fortune.

Mr. DONNELL. As a matter of fact, each Member of the Senate could offer any amendment he wanted to offer and would have the right to debate it for the period prescribed. I do not see the necessity for putting in that provision, and I would be constrained to object to the unanimous-consent agreement; that is, the portion of it which provides that an amendment must be germane to the bill.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Georgia.

Mr. RUSSELL. Mr. President, I merely wish to remind the distinguished Senator from Missouri that there were no unanimous-consent requests as to limitation of debate agreed to in the second session of the Eightieth Congress unless a similar provision was in the unanimous-consent request.

Mr. TYDINGS. That is correct.

Mr. RUSSELL. I am sure the distinguished minority leader, who was the majority leader in the Eightieth Congress, will substantiate the statement that each time a unanimous-consent request was entered into for limitation of debate in the second session of the Eightieth Congress this proviso was in it, and it in nowise hampered the Senate in arriving at a termination of the bills. It expedited the business of the Senate very greatly. Theer is nothing new in the proviso. It has been in any number of unanimous-consent agreements.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I know the distinguished Senator from Maryland has restated over and over again his proposed unanimous-consent request, but now other Senators are asking questions who apparently were not in the Chamber when the Senator made his request. I wonder if it cannot be restated so that every Senator who is now on the floor may know what was in it, and if they have objections, they can be made.

Mr. KEM. Mr. President, will the Senator from Maryland yield for a question?

Mr. TYDINGS. I yield.

Mr. KEM. I should like to ask the Senator from Maryland if he can give the Senate any estimate as to the time which will be taken up with the proposed program, so that we may know ahead of time what we are agreeing to.

Mr. TYDINGS. I would assume that if the unanimous-consent request is granted as stated, one day would probably be sufficient to dispose of the bills, and certainly not more than 2 days. Of course, if there is not some limitation, any Member of the Senate can rise and talk about why Maryland should be north of its present location. But I am assuming that if we enter into this agreement in good faith, as we will if we do enter into it, we can dispose of most of these bills in a day. What the Senate wants is an explanation of what is involved in the bills, and why they are important. I believe we are in position to give that information to the Senate concisely, and I believe that many of the questions which will arise in Senators' minds will quickly be answered, and we will arrive at a conclusion so that we can dispose of the bills.

Mr. KEM. As I understand, there are four bills.

Mr. TYDINGS. There are four bills.

Mr. KEM. So there would be 4 days.

Mr. TYDINGS. Oh, no. For instance, the wind-tunnel bill is one for which a very simple explanation will suffice. Practically all the elements can be described in half an hour, and Senators would know immediately whether they wanted to vote for the bill or not.

Let me give the Senator from Missouri one little thought about this bill, of which the Committee on Armed Services already is aware, but with which other Senators are not familiar. We have now developed planes, as have other countries, which fly faster than sound. We do not have wind tunnels in which we can test the models of planes which soon will pass the speed of a thousand miles an hour. Therefore, if we send up these planes which fly faster than sound, we do so without knowing what their performance will be. So we need wind tunnels, particularly the large supersonic wind tunnels, so that models of these planes, exact replicas in every sense of the word, can be put into them and subjected to all the wind currents, to see how they react. Through those experiments, costly and vital mistakes are eliminated.

The Air Force has been after me continually to get this bill through, so that they can save millions of dollars and hours of time, because the race is on, and we do not want to build the planes and take them up in the sky and have our crack test pilots killed flying them, when we might overcome the "bugs" in the wind tunnels. That is something that is perfectly plain.

The bill has been on the calendar 2 or 3 months, and every time it comes up there is objection to it. I think we may inadvertently, in the best faith, but by taking too constrained a view, send many men to their death through the delay in acting on this bill. Such a catastrophe, to say nothing of the financial outlay involved in the construction of planes, may be avoided by the passage of the bill.

It will take from 2 to 3 years to build one of these big wind tunnels. The international race in the supersonic field is on. We are delaying. That is why the Senator from Maryland is here today pleading for an opportunity for the consideration of these bills. He is cognizant of the fact that other Senators have bills in which they are interested, but these bills mean life and they mean money. We are living in an age that has baffled the imagination of all of us. Our oceans are no longer barriers. We have the intercontinental bombing plane; we have guided missiles; we have atomic bombs. The race for survival is on; time is important; and the Senator from Maryland is pleading, and I believe soundly pleading, for a chance that his country, in the great Armageddon that could come, may come out on top, and survive, and not lose the race through dilatory tactics, however well-meant they may be.

Mr. LUCAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Illinois?

Mr. LUCAS. Mr. President, I have not relinquished the floor. I am certain we could pass the wind-tunnel bill now after the eloquent speech to which we have just listened.

Mr. TYDINGS. I believe we could.

Mr. THYE. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Minnesota.

Mr. THYE. I should like to concur with the majority leader. This is the third time I have heard the wind-tunnel bill explained in the Senate, and the majority leader is absolutely correct, that now is the time to act upon the bill. We have had the explanation, we have a quorum, and we could expedite the business of the Senate by moving at this moment to act upon this measure.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. I wish to ask the Senator from Maryland if it is not a fact that the wind-tunnel bill, after exhaustive hearings, was reported unanimously by the subcommittee and reported unanimously by the full committee.

Mr. TYDINGS. To answer the Senator briefly, he is correct; and one of the things that has baffled the Senator from Maryland is the delay, when the members of the Armed Services Committee, on both sides of the aisle, joined in reporting the bill, and some of the outstanding Members of the Senate are on that committee. I shall mention those on the other side of the Senate. They are the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Hampshire [Mr. BRIDGES], the Senator from South Dakota [Mr. GURNEY], who was the chairman of the committee in the Eightieth Congress, the Senator from Oregon [Mr. MORSE], the Senator from California [Mr. KNOWLAND], and the Senator from Connecticut [Mr. BALDWIN]. When they come here, having heard a great deal of testimony in secret, behind closed doors, with a unanimous report, and with a report written up fully, and on the calendar, explaining the bill, the Senator from Maryland is at a loss to know why there is so much doubt about it, when every member of the committee, both Democratic and Republican, has enthusiastically supported the bill.

Mr. LUCAS. Mr. President, is there any Senator on the floor who would object if I moved to temporarily lay aside the pending business and take up the wind-tunnel bill?

Mr. LANGER. Yes, I would object.

Mr. WHERRY. Mr. President, will not the Vice President please have the unanimous-consent request stated again? I believe some of the matters in connection with it have been cleared up.

The VICE PRESIDENT. As the Chair understands, the Senator from Maryland is requesting unanimous consent that following the disposition of the pending motion, the unfinished business, the appropriation bills, and the reciprocal trade-agreements bill, the four bills to which he has referred, in the order mentioned, be taken up for consideration; that debate be limited to 30 minutes on the part of any Senator on the bill and 15 minutes on any amendment. The Chair thinks that is all. The Senator withdrew the portion of the agreement with regard to germaneness of amendments.

Mr. SPARKMAN. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Alabama.

Mr. SPARKMAN. I am in complete sympathy with the unanimous-consent request which has been made, but in connection with what the Vice President has said, I should like to ask whether the effect of the proposed agreement would not be to arrange a schedule which would become unchangeable except by a later unanimous-consent agreement. My reason for asking the question is that the Senate Committee on Banking and Currency today is reporting a housing bill, to provide for the continuance and the extension, in some respects, of the present Federal Housing Act, and other features which have been asked for by the housing agency. I call attention to the fact that the FHA authority under title 1 and title 6 will expire on the last day of this month. It seems to me that if this agreement does set a fixed schedule of legislation, we may be caught in a jam in getting some measure considered by the Senate which we may have to have considered before the time indicated.

Mr. LUCAS. With respect to deadlines we have to meet, it would be necessary to secure unanimous consent to lay everything aside to consider legislation that had a deadline, and which we thought was important enough to pass.

The VICE PRESIDENT. The Chair would like to ask the Senator from Maryland—because if the proposed agreement is entered into the Chair will have to try to apply it—whether it would preclude the possibility of any unanimous consent to take up temporarily any other bill pending the consideration of the measures to which he has referred, namely, the reciprocal trade-agreements bill, the minimum-wage bill, which is now the unfinished business, and other legislation which he supposes will be concluded before his program is taken up? Would the agreement make it impossible to set aside temporarily any of the bills which come up ahead of the program suggested by the Senator from Maryland, so that other legislation might be passed?

Mr. TYDINGS. There was no disposition on the part of the Senator from Maryland to preclude any future unanimous-consent request to take up any important measure.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ROBERTSON. Is it not a fact that if through wrangling and unnecessary discussion of minor matters we fail to act on the essential bills that we know should be passed and expect to pass, we may well be here until next November.

Mr. LUCAS. That is possible.

Mr. ROBERTSON. Is it possible, that if through consideration and cooperation we agree to restrict our constitutional rights to unlimited debate on certain measures we might be able to get out of here by Labor Day?

Mr. LUCAS. Anything is possible, I will say to the Senator from Virginia.

Mr. ROBERTSON. Is it not probable? Did not the distinguished majority leader as late as 2 or 3 weeks ago say that we would get away from here by Labor Day?

Mr. LUCAS. I had hoped that we would get away by Labor Day, but as the session lingered longer I practically abandoned all hope of Congress adjourning by that time. The debate which has taken place today is quite a good indication that Congress cannot get away by Labor Day.

Mr. ROBERTSON. Is it not a fact that there are Members of the Senate who have not abandoned hope of getting away from here by Labor Day; and is it not a further fact that the House has been insistent on such a program?

Mr. LUCAS. I cannot tell the Senator about the House, and what it has proposed along that line.

Mr. ROBERTSON. The reports carried in the newspapers indicate that the House is not going to have any committee meetings after this week; that it is going on a 3-day-a-week schedule, or a schedule of curtailed production of some kind, and that the House is looking to the Senate to finish its work on the essential bills. I want to urge the distinguished majority leader to do what he can to lead us to that objective. Ninety or more percent of the Members of the Senate think we can and should finish the business of the Senate by Labor Day.

Mr. LUCAS. We can only go as fast as the opposition will permit, I will say to the Senator from Virginia.

Mr. ROBERTSON. I am not in opposition.

Mr. LUCAS. A moment ago I endeavored to secure a unanimous-consent agreement with respect to taking up the windfall measure. I misspoke, Mr. President. I meant to say the wind-tunnel measure; but it would have been a windfall had we obtained an agreement to take up that bill.

Mr. ROBERTSON. I think we are facing a very serious problem in the eyes of the Nation, as to whether we are going to legislate in a constructive way.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

Mr. MAYBANK. Mr. President, I ask for the regular order.

The VICE PRESIDENT. The regular order has been demanded. The regular order is: Is there objection to the unanimous-consent request?

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Illinois cannot yield. The regular order has been requested.

Mr. DONNELL. Let me make a parliamentary inquiry then, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. DONNELL. The Chair stated the unanimous-consent request somewhat differently than I understood the Senator from Maryland to have intended it. It is my suggestion that the way the Chair stated the request it would appear that the Senator from Maryland had withdrawn the point with respect to germaneness.

Mr. TYDINGS. Mr. President, I could not withdraw it, because I would then meet the objection of some 15 or 20 of my colleagues who think that point should be included in the unanimous-consent agreement, as it was in the Eightieth Congress.

The VICE PRESIDENT. The Chair evidently misstated the request. The Chair thought the Senator from Maryland had withdrawn that portion of it.

Mr. O'MAHONEY. Mr. President——

The VICE PRESIDENT. The Chair will again state the request. It is that following the disposition of the pending motion and the appropriation bills, of which there are apparently four, the minimum-wage bill and the reciprocal trade legislation, the four bills, in the order mentioned by the Senator from Maryland, be taken up for consideration.

Mr. MAYBANK. Mr. President——

The VICE PRESIDENT. Just a moment. Permit the Chair to conclude. And that debate be limited to 30 minutes to each Senator on each of the bills, and 15 minutes on each amendment; that no amendments shall be offered that are not germane to the respective bills.

Is that the correct statement of the request? The Chair believes it is.

The question is: Is there objection to the unanimous-consent request?

Mr. O'MAHONEY. Mr. President——

Mr. MAYBANK. Mr. President——

The VICE PRESIDENT. The regular order has been demanded, and after such demand has been made debate is not in order. Is there objection to the unanimous-consent request?

Mr. O'MAHONEY. I object.

The VICE PRESIDENT. Objection is heard.

Mr. LUCAS. Mr. President, I hope Senators will remain, because I am going to make another unanimous-consent request in a moment.

DELIVERED PRICE SYSTEMS AND FREIGHT-ABSORPTION PRACTICES

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Louisiana [Mr. LONG] to reconsider the vote by which the motion of the Senator from Nevada [Mr. MCCARRAN] to send Senate bill 1008 to conference was agreed to.

Mr. LUCAS. Mr. President, I ask unanimous consent that not later than the hour of 5 o'clock p. m. the Senate proceed to vote without further debate upon the motion of the Senator from Louisiana [Mr. LONG] to reconsider the

vote by which Senate bill 1008, the so-called basing-point bill, was sent to conference, and in the event such motion to reconsider is agreed to, then also without further debate upon the motion of the Senator from Nevada [Mr. McCARRAN] to send the bill to conference, or upon any other motion having precedence over such motion, which may be made in connection with the House amendments.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. KEFAUVER. I wish the Senator would not present the request at this time. The Senator from Oregon [Mr. MORSE] wishes to speak, as does the Senator from Alabama [Mr. HILL]. Other Senators may wish to speak.

Mr. WHERRY. Mr. President, reserving the right to object, I do not want to object. I have already consulted the Senator from Oregon, and I am quite satisfied that it is agreeable to him to enter into this unanimous-consent agreement. I hope we can get a vote on this question, and that Senators will cooperate with the majority leader.

Mr. LUCAS. I thank the Senator from Nebraska. Can I get cooperation from my own side?

Mr. O'CONOR. Mr. President, reserving the right to object, I will say to the majority leader that the suggestion is entirely satisfactory to members of the Judiciary Committee. We feel confident that the arrangement suggested will afford us ample time to have any discussions necessary.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

Mr. KEFAUVER. Mr. President, reserving the right to object, as I understand the request, in the event the motion of the Senator from Louisiana to reconsider is agreed to, then there can be no further debate on the motion to concur in the House amendments, or any other motion following the adoption of the motion to reconsider?

Mr. LUCAS. If the motion to reconsider is agreed to, as I understand, that leaves the subject wide open.

Mr. KEFAUVER. There was some limitation in the request.

Mr. LUCAS. There are two or three other things that can be done under the parliamentary situation, as I understand it, if the motion to reconsider is agreed to. The unanimous-consent request was to vote without further debate upon the motion of the Senator from Nevada [Mr. McCARRAN] to send the bill to conference, or upon any other motion having precedence over such motion which may be made in connection with the House amendments.

As I understand from the Parliamentarian, there are two motions that can be made.

The VICE PRESIDENT. There are three motions that can be made. One is to send the bill to conference; the second is to concur in the House amendments; and the third is to amend the House amendments. Any one of the three motions can be made.

Mr. KEFAUVER. Does the Senator ask in this request that there be no debate on those motions?

Mr. LUCAS. Yes. I am asking that a vote be had on the motion to reconsider and all other possible motions not later than 5 o'clock.

The VICE PRESIDENT. The Chair would interpret the agreement to prohibit further debate on other motions or proceedings after the motion to reconsider is adopted. That is the way the Chair understands it.

Mr. LONG. Mr. President, I must object. It is entirely possible that we shall be through debating this question by 5 o'clock. I have no desire to hold up the program which the majority leader has in mind. I certainly hope that we can arrive at some agreement. Personally, I should be happy to postpone the matter to a day certain. Any day which might be suggested would be agreeable to me.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

Mr. LONG. I object.

The VICE PRESIDENT. Objection is heard.

The question is on agreeing to the motion of the Senator from Louisiana [Mr. LONG] to reconsider the vote by which the motion of the Senator from Nevada [Mr. McCARRAN] to send Senate bill 1008 to conference was agreed to.

LIMITATIONS ON NATIONAL POLICY

Mr. FLANDERS. Mr. President, I am aware of the length of time we consume in discussing various subjects, but I am exceedingly anxious to offer some observations which will require not more than half an hour, with regard to appropriation bills, not at the time when the appropriation bills are before the Senate, but in advance of taking them up.

For some time it has seemed to me that there are certain overriding considerations dealing with the problems of our Government which we should see as clearly as possible. If these overriding considerations exist and if we can see them clearly, I am sure that they will be major factors in determining the legislation which we consider and pass on this floor. With these thoughts in mind, I was moved to reread one of the letters recently sent out by the Whaley-Eaton Service with which I am sure all Senators are familiar. The particular letter referred to is No. 1609, dated July 2. Since there is a notation on the letter to the effect that "quotations from this letter are permitted only by special authorization," I asked for and obtained permission to read as much of this material into the RECORD as I cared to do. I am therefore going to proceed in accordance with this permission, reading most of the letter and interspersing my own comments from time to time.

It has long been recognized that a normal business cannot prosper if it pays more than 6 percent for its borrowed money, and it is only because some special and extraordinary influences come into play that business can apparently and temporarily prosper under tax levies, corporate and personal, so high that they absorb over 25 percent of the entire estimated national income.

Mr. President, let me at this point call attention to the fact that our total Federal, State, and local government expenditures are approaching 30 percent of the entire income of this great and prosperous Nation. The resulting high rate of taxation of these combined governments decreases the purchases, consumption, and enjoyment of individuals. They decrease the available amount and the incentive which leads savers of money to invest it in the expansion of production and employment. These governmental demands—to put it briefly—include strong elements which restrain production, consumption, and employment, divert resources into unproductive channels, and in the final summing up, put such heavy brakes on our economy that we tend to grind along in the status quo instead of expanding to higher levels of output and consumption.

Some Senators may be interested in studies of the effects of high taxation which have been made by various authorities. Examples of these are a study by Arthur Smithies in A Survey of Contemporary Economics, a book edited by Howard S. Ellis and published in 1948, and Colin Clark's article, Public Finance and Changes in the Value of Money, published in the December 1945 Economic Journal.

But, it does not need highly technical research to convince us of the dangers of high taxation to a free economy, particularly as to its effect in holding down expansion and any resulting improvement in the standard of living of its citizens as a whole. I now continue reading the letter:

Our foreign letter of December 31, 1935, said: "Armament carries with it a relative necessity for the use of managed currencies. * * * So, in the countries accustomed to paper money, wages in armament work can be paid for by note issues. Thus, all over the world, there is a concealed confiscation of private capital, through note issues or credit operations. There is some compensatory relief (fewer unemployed) but the cost will be met ultimately by depreciation in the currencies. A general European war, for instance, might readily cut the gold value of sterling in half. There is not a nation in Europe that can afford to go to war."

The war in fact did devastate the capitalistic system of Europe (that system has always been a very different thing from the capitalism developed in America) and the adoption of socialistic institutions as a substitute has furthered the dissolution. There has been, and is, not merely a scarcity of dollars in the adventurous nations, but an even more obstructive scarcity of any currency in which men of prudence could have confidence. A flight of capital to the Americas had begun even before the war, not because its new habitat was safe, but because it was, and is, safer than was its original domicile.

The debates in Congress have shown clearly what is happening here. Every legal limitation to political profligacy has been removed and the wealth of the Nation, whether in personal hands or not, is squeezed from a cornucopia that is supposedly inexhaustible. The gold standard, when it existed, was an automatic check. There was another check, perhaps even more compelling, and it was that the Government, if overspending, had to appeal to the people to buy its bonds. The market for such issues showed with utter realism whether or not the Nation's finances were being soundly handled.

There is no such restraint now. The Government is empowered to, and does, force its paper into the banks. True, there is a congressional declaration placing a top of $275,000,000,000 for the public debt. But it is meaningless since it has been changed before and can be again.

Mr. President, the problems outlined in the paragraphs I have just read call for the establishment of a monetary subcommittee of the Joint Committee on the Economic Report which is now being organized. Few people realize the precarious balance of our whole monetary system. It is like that of a man who is trying to carry his wife and family in a wheelbarrow on a tight rope across Niagara Falls, as compared with the normal practice of riding comfortably and safely with them in a railroad train on a solid and steady bridge. I can hope that the monetary investigation will do more than show up our precarious balance. I hope it will result in the development of some means for giving a degree of self-correction to a monetary system which lacks it completely as things are now. I now return to the letter:

It is now the obvious intent of the Government to resort in the near future to what it calls "deficit financing;" there is, the experts say, no practical alternative. The term "deficit financing" is one of those weasel concoctions devised by the modern art of semantics to clothe depravity with the habiliments of respectability.

Mr. President, a little later I shall wish to divest myself from full concurrence with this part of the letter.

I read further:

Better call a spade a spade and tell the public frankly that it is proposed to pile upon the burden of confiscatory taxation an additional weight of concealed expropriation through seizure of property by further dilution of the dollar's value. This is the equivalent of legalized theft.

Mr. President, I doubt that anyone on this floor foresaw that we would resort to deficit financing in this postwar period, except under conditions of developing depression. Certainly had any one of us been told the rate of national income which we are enjoying at the present time, he could not have conceived of our inability or unwillingness to balance the budget under current conditions. Now the letter again:

Why cannot the most prosperous nation civilization has ever known pay its way? What is it that has driven the annual cost of the Federal Government alone from about $4,000,000,000 a year 2 decades ago to more than $40,000,000,000? War and welfare. The strange theory is evolved that, since everybody has worked at high wages in time of war, there can be no good reason not to have an equivalent condition in time of peace. Have we no planners? There is no need for any. War is supreme waste, but its effects can be approximated by deliberate policy—just throw all excess production into the oceans and then use Government credit to augment that production so that there will be more to throw away. Or put premiums on unemployment. For "sweat of the brow" substitute the leisure of subsidized purchasing power.

But the war does not end. It becomes "cold," and is financed with hot money. So, the two main courses of the "free peoples" are in channels that Stalin himself might have devised: Let them go broke with war and welfare.

Mr. President, Stalin is doing very well right here in America. We smell out and track down the Communists, but that is not where our real danger lies. Our real danger internally lies in fiscal and economic chaos, which may become so severe that Communists are generated far faster than prisons can be built in which to confine them or ships can be built in which to deport them. More than once on this floor I have expressed my dismay at the way in which the expenditure of mere millions by the U. S. S. R. in this cold war seems to demand that we spend billions. One percent of the thought and energy which has gone into multibillion military defense would surely equip us to carry multimillion dollar offense against the enemy where his forces are presently deployed—in the minds and hearts of men. We are outplayed. We are outfoxed.

Mr. President, at this point, I ask unanimous consent to have printed at the conclusion of my remarks the editorial from the United States News of August 5, entitled "The Start of World War III."

The PRESIDING OFFICER (Mr. O'CONOR in the chair). Without objection, it is so ordered.

(See exhibit A.)

Mr. FLANDERS. Mr. President, I do this because the editor is one of the few intelligent commenators in this country who has not bowed the knee to this idol of the new Maginot line—the massive and extravagant military defense. He wants to turn the enemy's flank, instead of having him turn ours.

I now read again from the Whaley-Eaton letter:

All of the foregoing is well understood by thoughtful men in and outside Congress, and abroad. But they do not know what to do. The cry in Europe is "Our regimes will fall unless we continue the deception of welfare" and, in this country, the claim is made that it is political suicide to fight against the tide. Wednesday, on the critical vote, the proponents of economy lost by only 5 votes (209 to 204) in their fight to eliminate the public-housing feature (costing $308,000,000 a year for 40 years) from the housing bill. There is a formidable bipartisan group that stands for reasonable economy.

Yet TAFT himself had favored the housing bill in the Senate and otherwise the public-housing feature might well have failed in the House.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Does the Senator from Vermont yield to the Senator from Illinois?

Mr. FLANDERS. I yield.

Mr. DOUGLAS. Is it not also true that the very able and estimable junior Senator from Vermont was extremely effective in getting the public housing bill through the Senate?

Mr. FLANDERS. I accept, sir, the complimentary and congratulatory suggestion of the Senator from Illinois; and if he will be patient for a few minutes, he will hear the dilemma resolved.

Mr. President, I quote further from the letter:

Moreover, Dewey, defeated for the Presidency, declares that the welfare state, to an extent, commands such popular support that it cannot be denied.

With respect to these comments, Mr. President, I cannot speak for the senior Senator from Ohio. I can speak only for myself, and on these matters I have voted with the senior Senator from Ohio. I am for a free country and individual initiative. I can see that one of the basic requirements for this happy state is a continuously nearer approach to the ideal of equality of opportunity—not equality of wealth or equality of income or redistribution of wealth, but such equality of opportunity as may make it possible for each man and woman to develop to the utmost his inherited and acquired characteristics so that both the individual and the country may profit to the utmost from this freedom of opportunity for the individual. As three of the elements in this equality of opportunity, I believe that a true case can be made for decent housing as a moral measure, more general provision of sound education for the development of the mind, and more generally available medical facilities for the improvement of our bodies. These are the minimums for equality of opportunity.

For this reason I have supported the housing bill, though it had in it many features about which I was not enthusiastic. I have supported Federal aid to education, though it raised certain problems which to my mind have not yet been solved. For this reason I joined with the senior Senator from New York in introducing a bill involving Federal support for the Nation's health but without the feature of socialized medicine.

I do not propose, Mr. President, to allow Mr. Stalin, by driving us into our present fiscal situation, to determine that we shall not advance in this country toward greater achievement in personal initiative, individual freedom, and improvement of our whole citizenship—young and old—in body, mind, and spirit. I do not believe we need to fall into this trap which Stalin has set for us. I will say more about this when I have completed the reading of the letter, with which I now proceed.

There may be a suggestion of hope in this alignment. The welfare clause of the Constitution under present practice can be employed to justify almost any adventure, no matter how extreme. On the other hand, there is an area wherein virtually all agree that the Federal Government can properly function. This includes the construction of highways, the utilization of water powers, the improvement of waterways and harbors, etc., etc. Would it not be feasible to define this sphere of acceptable Federal activity and set up somehow an absolute prohibition against extension of Federal intervention beyond the prescribed perimeter. So far, the welfare clause has been defined only by the courts, and it might be of enormous advantage to circumscribe its application by a constitutional amendment.

Mr. President, it will be readily seen that I do not agree with that paragraph, because I believe that the welfare clause should be carried to the elements that have to do with equality of opportunity, and not beyond that area. I continue:

One reason why the States are hungry for Federal grants is that their individual ability to indulge in wild finance has been

knocked out by the 10-percent tax on their own circulation. They come to the Federal Government because it alone can print as much money as it pleases and create whatever credit it desires, the only limitation being the inevitability of collapse that such practices assure.

The President's Fair Deal program has met with one rebuff after another. Only in the authorization for the TVA steam plant and the passage of the housing bill has he been able to advance significantly the approach to socialism. But, again, credit for the housing bill certainly does not belong wholly to the administration, for the majority of five votes by which it passed could hardly have been obtained had TAFT not supported the measure in the Senate. Perhaps as much credit is due him as the administration for its passage. The President likewise has failed to obtain any increase of his regulatory authority and even rent control, as extended, was so compromised that liquidation of it became assured.

Failure of the administration to control the Congress, although it has relatively large nominal majorities in both Houses, exposes the great paradox in American politics. The cohesive power of public spending, combined with traditional politics, enables the Democratic Party to coalesce and elect the Chief Executive. But it is not firm enough to select a Congress that will sanction those very commitments that give control of the executive branch to those left of center. The alliance that was powerful enough in the Senate to defeat the repeal of Taft-Hartley and was strong enough in the House to do much the same thing represents a natural gathering together of those elements that are right of center, and they constitute in the Congress a majority.

A continuation of this peculiar situation would mean a more or less permanent situation wherein the President and the Congress were always at odds on many fundamental policies. It remains to be seen if, by some device or other, this conservative grouping in Congress can be effectively extended to cover the election of a President, thus providing the public with a clear choice between the spending theory and the sound principles of economy.

May I suggest, Mr. President, that the administration's program is failing, and rightfully failing, because it does not recognize fiscal realities and also because it does not address itself directly enough to the fundamentals of free initiative in an industrial society. There is practically no recognition in Washington of the heavy burden which is laid on small business even by the friendly paternal interest which Government takes in it. The administration does not realize the problems which this heavy taxation of which I have spoken presents to business, which otherwise would be capable of expanding and adding to employment, production, and consumption. We are too much concerned with semantics. We are too much concerned with resounding phrases, empty of useful content for improving the condition of the American people. Mr. President, I continue:

Washington is no longer just the Capital of the United States; it is the capital of the world. Decisive policies are not determined by domestic conditions only, but are largely the consequence of international influences. Thus, proponents of a ponderous budget justify much of it as a defense against communism. To this extent, Stalin makes American policy.

Even were the case otherwise, the Government has become so vast that nobody in it can comprehend it in its entirety. This leads to abuse and secrecy. The huge expenditures in the field of atomic energy, for instance, must be accepted on faith, because the administration contends it would be ruinous to divulge the character of operations. Similarly, the whole military establishment is shot through and through with "hush-hush."

This week, the President sent through a proposal calling for $11,000,000,000 for highways and again a justification is "defense." The Federal Government is a giant of such tremendous proportions that his appetite is beyond the capacity of any sound productive economy to satisfy. Some of the best minds in the country, uninfluenced by politics and uncorrupted by thirst for power, have raised their voices in protest not only against prodigality at home, but also against the huge export of exhaustible resources.

The mail of Senators is overwhelmingly concerned with the one issue of economy. Protests are coming from responsible citizens everywhere who see in the condition a threat to their primary security. They have begun to fear that they will be looted by the mob, not with guillotine and pistol, but with votes. The talk is all of a budget crisis. Were it only that it would be bad enough, but it goes far deeper. There is a budget crisis only because there is a moral crisis and only because people everywhere, high and low, have been taught to believe that the way to prosperity is through indiscipline, disobedience, and abhorrence of frugality—a rejection, in a word, of all that moral law on which the greatness of this country was founded and on which its permanent well-being must rest.

"The people never give up their liberties but under some illusion," said Edmund Burke, but certainly they ought now to be under no further illusion in this country as to the necessity for applying the brakes. They must realize that what is softly called "deficit financing" is in fact a slow approach to communism. To fight communism by bankrupting material and spiritual forces that alone can successfully combat it is a fallacious method.

A serious effort is being made to reduce or eliminate some of the most annoying excise taxes, as a stimulant to business, and this apparently would magnify the deficit although there would be compensation in the expansion of business and a comparable increase accordingly in other forms of revenue. There is also a strong demand in both Houses for the President to do what Congress itself should have done and automatically cut the appropriations or order some of them not spent. What is needed, however, is an awakening of the national conscience and a determination on the part of responsible citizens everywhere to rebuke those who think that by spending they can perpetuate their own tenures of office.

America is a commercial empire. The solvency of its institutions and the sanctity of its commitments are the bulwarks on which civilization depends. Its productivity is the supreme defense against communism and the riot of disillusioned populations. Above all, therefore, sobriety in finance is required and not even Stalin himself is so grave a menace to human well-being as reckless welfare.

The business recession is a protest against the high cost of Government. Throughout the nonpolitical economy natural readjustments are in process, as responsible managements strive to bring down costs and maintain markets through the age-tried device of fair prices. There must be similar good management in the Government or there will be disaster.

Mr. President, that is the end of the Whaley-Eaton letter. This letter deals only lightly with the moral issues involved. It deals lightly with the short-sighted unwillingness of some businesses to reduce prices to the general benefit, instead of lending encouragement to higher wages for the exclusive benefit of the strongest and best organized unions in opposition to the public welfare as a whole. It deals lightly with this same short-range insistence on continuous wage increases on the part of the stronger unions, whether or not such increases are good for business or for consumers as a whole. It touches lightly on the assault made by politicians on the moral integrity of the American farmer, endeavoring to persuade him to come into the universal subsidy scheme whereby everyone of us as consumers and taxpayers are supposed to subsidize ourselves in our capacity as businessmen, laborers, and farmers. No, the Whaley-Eaton letter touches for the most part on the soulless and mechanical fiscal mechanism through whose operation we are slowly driving ourselves into stagnation and decay, all under the controlling influence of an alien totalitarian government 5,000 miles away. But every one of the fiscal and monetary elements contains as an integral part of it a moral judgment which we cannot escape having to make.

It is, in fact, only in a mechanical sense that we can attribute our problems to Joseph Stalin and his Politburo. He so acts as to seem to require enormous military expenditures. But acting with him is the current and immoral fallacy that it is the duty of the government to provide for the citizen practically everything that he thinks he needs, instead of making sure that the government puts no obstacles in the way of his assuring his own welfare by his own effort.

Mr. President, I believe that this situation is one which can be successfully met. It can be successfully met only by looking at it as a whole. It can be met by economy of Government operation, by a careful selection and organization of new social instrumentalities which should be directed toward equality of opportunity rather than toward redistribution of income. It can be met by seeking the utmost in effective means for meeting the menace of a predatory, expanding totalitarian power.

May I say to my fellow Senators that I do not think we are looking at our various undertakings in the light of the whole problem. As for myself, I shall endeavor to do so. Feeling, as I do, the necessity for bringing our whole fiscal commitments into balance if we are to remain a free nation, if I suggest certain reductions in the enormous expense of our armament, it will be because I feel that they can be safely made in view of the total situation. If I do the same with respect to commitments for aid abroad, it will be for the same reason. With regard to welfare legislation at home and other legislation relating to industry, transportation, and organized labor—if at times I should seem no longer to be the "liberal" which I have been generally credited with being, it will be either because the proposed action seems misdirected instead of hitting the bull's eye of our social progress or because liberalism has become confused with a dangerous

liberality which the country cannot safely undertake.

Mr. President, the time has come when we must look at all our problems in the light of our whole problem of survival as a free, democratic, capitalistic society. I hope that each of us will endeavor to see our problems in that light.

EXHIBIT A

THE START OF WORLD WAR III?

(By David Lawrence)

History records that when two opposing nations or groups of nations place their chief reliance on military force and begin mobilizing their armed strength as a means of bringing pressure on one or the other to refrain from a specific line of policy, the end result is war.

The President of the United States last week formally declared that the Soviet Union is an aggressor state.

The President of the United States asked the Congress to give him complete control of an arms program which he may apply as he pleases in Europe—now America's first line of defense.

The President of the United States says this is necessary to prevent further aggression by Russia. In the message to Congress and in the accompanying document issued by the Department of State, the United States formally recites acts of aggression already committed by Russia. Specific mention is made of the Berlin blockade and of Soviet intrusions in Iran, Greece, and Turkey.

The President of the United States thus builds the basis on which a formal declaration of war—or rather the ratification of an existing state of war—could some day be made.

WHY UN IS INEFFECTIVE

The President of the United States, incidentally, disposes of the United Nations thus:

"In joining the United Nations, the nations have given their assent to the basic principles of international peace and security.

"We have, however, learned the unfortunate truth that this obligation, by itself, is not sufficient at the present time to eliminate the fear of aggression and international violence. The record of world events since 1945 offers us no certainty that all members of the United Nations will uphold these principles of peace in actual practice. Indeed, there is proof to the contrary—proof that in the pursuit of selfish ends some nations have resorted and may again resort to the threat or use of force.

"The Soviet Union, with its violent propaganda, its manipulation of the conspiratorial activities of the world Communist movement, and its maintenance of one of the largest peacetime armies in history, has deliberately created an atmosphere of fear and danger."

PREFACE TO WAR

Here we have all the familiar language of governments prior to the outbreak of war. One's own side is guiltless. Only the other side is guilty. One side alone is arming for defense; the other fellow is arming only for aggression.

Presently we shall hear the Russian Premier pointing to our $15,000,000,000 armament budget and our proposed $1,450,000,000 of military aid for Europe as the largest arms expenditure of any nation in so-called peacetime.

The Soviet Union in 1945, having participated in World War II at the cost of 5,000,000 dead, applied the old-fashioned concept that to the victor belong the spoils and insisted on an orbit of influence in Europe and a domination of the territory adjacent to her borders.

This conflicted with the traditional British sphere of influence in the Near East. Turkey and Greece were within that sphere.

The British found themselves unable to cope with Russian demands. So the United States took over the responsibility of keeping Russia from extending her influence into Greece and Turkey.

Now all of Europe finds itself in fear of the biggest land army in the world. So the United States, with the biggest air force and the largest navy in the world, and the sole possessor of the atom bomb, takes over the responsibility of helping to organize a big land army in Europe as a counter-balance to Russia's land army.

There is no mincing of words or cautious phrases such as diplomacy was wont to use in the past, though theoretically the Soviet Union and the United States are at peace and technically at least they are still engaged in friendly relations.

But before all the world Russia now has been pronounced an aggressor and the largest armed might of all history is being assembled to coerce Russia into submission.

This is risky business. Military preparation by itself has rarely intimidated a proud nation or one possessed of ample manpower to resist.

The military mind dominates our councils. Threat and counter-threat is all that it thinks about.

On this point the comment of Professor Morgenthau of the University of Chicago in his recent book Politics Among Nations is worth noting:

"Given the nature of the power relations between the United States and the Soviet Union and given the state of mind which these two superpowers bring to bear upon their mutual relations, diplomacy has nothing with which to operate and must of necessity become obsolete. Under such moral and political conditions, it is not the sensitive, flexible, and versatile mind of the diplomat, but the rigid, relentless, and one-track mind of the military which guides the destiny of nations. The military mind knows nothing of persuasion, of compromise. * * * He knows only of victory and of defeat."

Only one force—physical force—is brought forth by the military mind as a preventive.

In the face of the utter failure of physical force to win the peace, moral force deserves a trial.

What does moral force mean? It means the employment of candor and honesty in facing the facts of international life. It means tolerance and reciprocity. It means a willingness to compromise—not on things of the spirit or principle or human liberty, but on material things of which we have an abundance.

SOME BLAME ON US

We should long ago have negotiated an over-all settlement of European problems, including the demobilization of the Red Army. We should have granted to Russia a sphere of influence in eastern Europe for her trade provided that within such a sphere there was no interference with sovereignty or independence.

We should have granted adequate reparations to be paid Russia out of German production.

We should have reached an agreement a year ago on the Russian proposals to end the Berlin blockade. An understanding was possible then.

We must share some of the blame for the present state of distrust between Russia and the western world. The chain of events did not start with the coercion attempted against us by the Russians in the Berlin blockade. President Truman proclaimed on March 12, 1947, a policy of military assistance to Greece and Turkey. This was regarded by Russia as a declaration of "cold war." It came 2 days after the Council of Foreign Ministers began its meeting in Moscow. It doesn't promote the cause of diplomacy to apply military coercion as an international conference starts. Russia's subsequent distrust of the Marshall plan as basically military should have occasioned no surprise, for it was announced less than a month after Congress authorized a $400,000,000 appropriation for military and economic aid to Greece and Turkey.

A PROGRAM FOR THE FUTURE

But what can moral force do now?

We can propose to Russia, as a part of an over-all European settlement, that she demobilize her army and reduce it to a police-force size so that other nations in Europe will not live in terror of sudden attack. We should offer to reduce our own armaments at the same time.

We can tell the people of Russia that, because the peace of Greece and Iran has been disturbed by Russian acts, there must be guarantees that the territory of member states of the United Nations will remain inviolate.

We must use every means—the radio and distribution of printed material throughout the Russian world—to proclaim our purpose.

Such a program has a good chance of eventual success because the peoples of the world, including the Russian people, do not want war. The mobilization of armies is a last step and not a first step. We have not yet made the moves that should have been made before we formally denounced another government as an aggressor and ordered our armies, navies, and air power to be ready for instant war.

Only after moral force had failed should the elements of physical force have been brought into being.

The record would then be clear and so would our conscience.

Moral force was worth a trial—it still is.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. TOBEY. I remember that some months ago the distinguished Senator from Vermont read to me a definition of "liberal" which I believe he gathered from the Encyclopedia Britannica. Is that correct?

Mr. FLANDERS. Yes.

Mr. TOBEY. Did the Senator place that definition in the RECORD?

Mr. FLANDERS. I do not believe I have done so, but I think it would be a good idea to do so.

Mr. TOBEY. I should be glad to do it. Does the Senator still concur in that definition?

Mr. FLANDERS. I do.

Mr. TOBEY. I do, also, and I like good company.

Mr. FLANDERS. If the Senator from New Hampshire will place the definition in the RECORD, I should be very glad indeed, or if he wishes me to do so, I shall be glad to do so.

Mr. TOBEY. Will the Senator provide me with a copy of it?

Mr. FLANDERS. I shall be glad to.

DELIVERED-PRICE SYSTEMS AND FREIGHT-ABSORPTION PRACTICES

The Senate resumed the consideration of the motion of Mr. LONG to reconsider the vote by which the motion of Mr. MCCARRAN to send Senate bill 1008 to conference was agreed to.

The PRESIDING OFFICER (Mr. TAYLOR in the chair). The question is on agreeing to the motion of the Senator from Louisiana [Mr. LONG] to reconsider the vote by which the motion of the Senator from Nevada [Mr. MCCARRAN] to send Senate bill 1008 to conference was agreed to.

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Morse
Anderson	Holland	Mundt
Baldwin	Humphrey	Murray
Brewster	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Johnson, Colo.	O'Mahoney
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Reed
Capehart	Kefauver	Robertson
Chavez	Kem	Russell
Connally	Kerr	Saltonstall
Cordon	Kilgore	Schoeppel
Douglas	Knowland	Smith, Maine
Downey	Langer	Smith, N. J.
Dulles	Lodge	Sparkman
Ecton	Long	Stennis
Ellender	Lucas	Taft
Ferguson	McCarran	Taylor
Flanders	McCarthy	Thomas, Okla.
Frear	McClellan	Thomas, Utah
Fulbright	McFarland	Thye
George	McGrath	Tobey
Gillette	McKellar	Tydings
Graham	McMahon	Vandenberg
Green	Magnuson	Watkins
Gurney	Malone	Wherry
Hayden	Martin	Wiley
Hendrickson	Maybank	Williams
Hickenlooper	Miller	Young
Hill	Millikin	

The PRESIDING OFFICER. A quorum is present.

Mr. KEFAUVER. Mr. President, I think it might be useful, in considering the pending motion, to review briefly the history of the basing-point legislation, and also the circumstances and conditions which led up to the introduction and consideration by Congress of Senate bill 1008.

I wish to say in the beginning that, in my opinion, the bill is unnecessary. It adds to instead of lessens confusion. In the interest of our economy and in the interest of small business, I think the bill should be killed if there is any parliamentary way by which that can be done. In lieu of that, at least the Carroll amendments should be adopted as a minimum measure.

The purpose of the bill, as stated by the distinguished Senator from Wyoming [Mr. O'MAHONEY] when it was being considered on June 1 on the floor of the Senate, was stated as being first, to avoid creating new opportunities for monopolistic practices, and second, to clarify the legal status of basing-point pricing.

Mr. President, in my opinion, today there is no confusion, there is no question as to what the law is in the matter of a basing point as affecting our antitrust statutes. I think the evidence shows rather conclusively that after the decision in the cement company case a determined effort was made to create the impression that there was a great deal of confusion, and that the effort to create that impression was made on behalf of some people, at least, in certain industries as a means of amending and weakening the antitrust laws of the Nation.

THE MAJOR CASES

In order to consider whether there is confusion or not, or as to whether any legislation on this subject is necessary or desirable, I think it might be well and informative to consider the four major basing-point cases which our Supreme Court has decided in recent years, without going into a great deal of detail about them.

The Supreme Court has passed on four major cases involving basing-point pricing against which the Federal Trade Commission issued cease and desist orders. These are first, Corn Products Refining Co. against Federal Trade Commission, decided April 23, 1945; second, Federal Trade Commission against A. E. Staley Manufacturing Co., decided on the same date; third, Federal Trade Commission against the Cement Institute, decided April 26, 1948; and fourth, Triangle Conduit Co., Inc., et al. against Federal Trade Commission, decided late this spring.

I add another case which I think is involved in the discussion, namely, the case of Standard Oil Co. against the Federal Trade Commission, decided recently by the Seventh Circuit Court of Appeals. That was not a basing-point decision, but it has application to the present discussion.

The first two of these cases, the Corn Products Co. case and the Staley Co. case, were brought under section 2 of the Clayton Act as amended by the Robinson-Patman Act.

THE CORN PRODUCTS CASE

The significant facts in the Corn Products case are these: The Corn Products Refining Co. has two plants for the manufacture of glucose or corn sirup—one at Argo, Ill., within the Chicago switching district, and the other at Kansas City, Mo. In selling glucose, the Corn Products Co. used its Chicago plant as a basing point, charging the Chicago base price plus freight from Chicago on all sales, whether they were made from the Chicago plant or from the Kansas City, Mo., plant.

Under this practice buyers of glucose in Kansas City paid a fictitious or phantom freight of 40 cents on every 100 pounds of glucose they bought. On all deliveries from the Kansas City plant to points freightwise nearer to Kansas City than to Chicago, buyers paid phantom freight of varying amounts. On all deliveries from the Kansas City plant freightwise more remote from Kansas City than to Chicago, the Kansas City plant absorbed freight. Under this practice purchasers were denied the transportation savings that normally would accrue to them by reason of their proximity to Kansas City.

It is an interesting part of the record that two or three candy plants in Kansas City buying glucose from the Kansas City plant, in order to avoid having to absorb the freight charge from Chicago to Kansas City—although the product was never actually transferred—moved their plants from Kansas City to Chicago.

Mr. LONG. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HUNT in the chair.) Does the Senator from Tennessee yield to the Senator from Louisiana?

Mr. KEFAUVER. I yield for a question.

Mr. LONG. I should like to ask the Senator if in his opinion the same glucose companies could not make use of the provisions of section 1 of the bill in such a manner as to work out exactly the same scheme and in such a way that it would be impossible for the Federal Trade Commission to do anything about it?

Mr. KEFAUVER. I think the Senator is correct. As section 1 is now written I am afraid that may be the case. I would say it would not be the case if the judicial interpretation were applied according to the feelings and expressions of the distinguished Senator from Wyoming [Mr. O'MAHONEY]. But we have no way of knowing whether the legal interpretation, or the legislative interpretation of section 1, as made by the Senator from Wyoming and the Senator from Pennsylvania [Mr. MYERS] is going to prevail or whether the legislative interpretation of the House Judiciary Committee is going to prevail. Anyway, in my opinion, we would be running a great risk if we were to pass section 1, as it might permit the same thing to happen in the future that happened in the Staley case.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I yield.

Mr. LONG. It is my understanding that count one of the Rigid Steel Conduit Co. case involved other manufacturers of other rigid steel conduit who were not independently and in good faith arriving at identical purposes with those who were proved to be in conspiracy. Under the bill as now written we could have a case in which we could not prove the conspiracy, but the effect would be just as injurious to the public interest as though they were in conspiracy.

Mr. KEFAUVER. That is correct. The first count of the Rigid Steel Conduit case was based upon an outright conspiracy. The Federal Trade Commission won that case. The second count was based upon the systematic adoption of the same plan even though there was not shown to have been any actual getting together and actual conspiring between the 16 defendants. The defendants did not appeal from the conviction under section 1. They appealed from the conviction under section 2, where there was a constructive conspiracy by virtue of the systematic use of the same method. I greatly fear that if the bill is passed with the House interpretation as it is, the evil practices which resulted in the bringing of the Rigid Steel Co. case might also be availed of by American monopolists. I thank the Senator from Louisiana for his thoughtful observation.

Under the practice I have referred to the purchasers were denied the transportation savings which normally would accrue to them by reason of their proximity to Kansas City, and the Kansas

City plant realized varying mill nets depending on the point of delivery. The Federal Trade Commission found that this practice constituted a price discrimination within the meaning of section 2 (a) of the Clayton Act—which is the Robinson-Patman Act—and that it had injured competition among candy manufacturers. The Supreme Court upheld the Commission's order that the Corn Products Refining Co. stop such price discrimination.

THE STALEY CASE

The Staley case, which was decided on the same day, is a companion case to the Corn Products Co. case. The Staley Manufacturing Co. has its glucose plant at Decatur, Ill. In selling glucose it used the Corn Products Co.'s Chicago price as a base price. Under this practice, the Staley Co. charged buyers of glucose at Decatur the Corn Products Co.'s Chicago base price plus freight from Chicago to Decatur, although glucose was bought from Staley's Decatur plant.

On all sales freightwise nearer to Decatur than to Chicago, the Staley Co. charged phantom freight. On all sales freightwise nearer to Chicago than to Decatur, the Staley plant absorbed freight. The result was varying mill nets depending on the location of the buyer. The Commission found this to be price discrimination within the meaning of section 2 (a) of the Clayton Act and that it injured competition among the buyers of glucose. The Supreme Court affirmed the Federal Trade Commission's cease-and-desist order and in doing so rejected the defendant's plea that its prices were made in good faith to meet equally low prices of its competitors.

Perhaps, such discrimination would also be protected against in section 2 of the bill by virtue of the amendment which the junior Senator from Tennessee offered, but the Carroll amendment embracing a wider scope, would be a better protection. If the bill were passed without the Carroll amendments, then such a case as the Staley case would be decided against the Government because the defense would be that they were simply adopting the same pricing method the Corn Products Refining Co. had used, and they were meeting competition in good faith. So, in order to save the decision in a similar case it is necessary to have the Carroll amendments adopted.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LONG. In order to set the record straight I wonder if the Senator would permit the following statement: It is my understanding that when the Senator offered his amendments to Senate bill 1008, to the substitute presented by the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Tennessee used the word "will." I think the Senator realized that the word "will" was not sufficiently inclusive; therefore the junior Senator from Tennessee had stricken the word "will," and wrote in the word "may" in its place in order that the amendment should have the broad sweeping effect that the Carroll amendment would have, but when the amendment was printed, by reason of some clerical error, it contained the word "will" rather than the word "may"? Is not that the fact of the case?

Mr. KEFAUVER. I will say to the distinguished Senator from Louisiana that late in the afternoon on June 1, when the bill was brought up and the Senator from Wyoming had before the Senate a substitute, from the floor he proposed certain amendments to the substitute, and they were about to be voted on. I had written an amendment which I thought would save the decision in the Staley case and also would save the decision in the Standard Oil Company against Federal Trade Commission, the Seventh Circuit, case. On page 2 of the bill I proposed to insert the words "except where the effect of such absorption of freight will be to substantially lessen competition." That is the way I stated it orally. I said orally that I wanted the amendment to that effect accepted. Then in looking it over I thought the word "will" was wrong, in view of the fact that language in connection with antitrust laws always contains the word "may," so I struck out the word "will" from the printed copy which was sent to the desk and wrote in the word "may." But I take it that, by virtue of the fact that orally I had used the word "will," in determining which word I meant, the amendment was written up that way.

But there is one other very important difference between the Senate amendment which the junior Senator from Tennessee submitted, and which was adopted, and the Carroll amendments, which were adopted in the House. Actually, the amendment to section 2 is the important one, and the amendment to section 3, which is the enforcement amendment, carries the same thought. The amendment which I offered, which became the Senate amendment, provides that they may absorb freight to meet the equally low price of a competitor, "except where the effect of such absorption of freight will be to substantially lessen competition." The Carroll amendment says:

> Except where such absorption of freight would be such that its effect upon competition may be that prohibited by this section.

Of course, the section referred to is the one which is amended, section 2 (a) of the Clayton Act, which is the Robinson-Patman Act.

The additional prohibitions in the Carroll amendment which are in the Robinson-Patman Act, section 2 (a) of the Clayton Act, are these: These things cannot be done if they will lessen, damage, destroy, or injure competition. That is, the prohibition in the Carroll amendment, or in section 2 (a) of the Clayton Act, is considerably broader than the prohibition in the amendment which was offered by the junior Senator from Tennessee. Perhaps at this point it might be well to state for the RECORD the exact prohibitions.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LONG. Is not the language "to injure, destroy, or prevent competition"? In some cases the words "to lessen competition" are included. The language in section 2 (a) of the act is "where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce or to injure, destroy, or prevent competition."

Mr. KEFAUVER. That is the language. As Senators will see, that is considerably broader and more inclusive, more protective to competition and to free enterprise than the language which was used in my amendment.

THE SIGNIFICANCE OF THE CORN PRODUCTS AND STALEY CASES

The proponents of S. 1008 do not challenge either the legal validity or the economic soundness of the Federal Trade Commission's position in these cases; and they are well advised in not doing so. Not only did basing-point pricing as practiced by these two companies injure competition in the manufacture and sale of candy, which was the specific issue before the court—but it afforded a convenient device for eliminating price competition between Staley and the Corn Products Co., an issue not before the court. This, in my judgment, is the more important issue. To appreciate its significance, it is necessary to recall that Corn Products Refining Co., has been the dominant firm in glucose and corn products for more than 50 years. It is one of the trusts organized during the trust-and-combination movement which culminated about the turn of the century. At times it has achieved almost a 100-percent monopoly of the market. In 1906, for example, it controlled 92 percent of the corn ground in the United States and 100 percent of the trade in glucose products. In achieving this position it had resorted to the same predatory practices that the old Standard Oil Trust had made famous—buying out competitors, operating bogus independents, obtaining rebates, and so forth. After these practices were outlawed by Congress and the courts, the Corn Products Co. lost ground to its rivals, but, as late as 1939, it controlled approximately 40 percent of the domestic glucose trade, and it has remained the price leader in the industry. The basing-point system was a convenient device by which its leadership was made effective. This system of pricing has facilitated a quick and easy harmony in pricing policies among rival sellers possessing great power over the market. But apparently this harmony has not always been achieved without concerted action among the leading producers. At any rate, both the Corn Products Co. and the Staley Co., as defendants in a Sherman Act case involving a charge of price fixing, consented to a decree in 1932 banning price fixing; and both, with others, are now respondents in a proceeding in which the Federal Trade Commission charges conspiracy to fix prices of corn products.

THE CEMENT CASE

The proceedings in the Cement case were under both the Federal Trade Commission Act and the Clayton Act. The Federal Trade Commission charged, first, that cement manufacturers had conspired to use the basing-point system to eliminate price competition among themselves in violation of section 5 of the

Federal Trade Commission Act, which authorizes the Commission to ban unfair trade practices; and, second, that this had resulted in price discrimination that substantially lessened competition among the sellers of cement. The Federal Trade Commission's record in this case—50,000 pages of testimony and 50,000 pages of exhibits—reveals concerted action among cement manufacturers extending intermittently over almost half a century designed to eliminate competition in the sale of cement. The basing-point system had become the principal instrument in this program, but it had been supplemented by the standardization of trade practices and the use of freight rate books to make easy the calculation of identical delivered prices at all points of delivery. While the system did not work equally well through good times and bad, it worked well enough so that throughout the 1930's cement manufacturers persistently offered to supply cement on Government projects at prices identical to the fourth decimal place, although the prices were presumably submitted independently under secret and competitive bidding.

The Supreme Court, in reversing the lower court, affirmed the Commission's orders to the cement manufacturers, that they cease and desist from perpetuating the use of the basing-point system through any planned common course of action. No Member of Congress challenges either the Commission or the courts in their findings in this case. In the language of the Senate Committee on Interstate and Foreign Commerce in its Interim Report on Federal Trade Commission Pricing Policies, the action of the Commission and the Court in finding illegal the practices of the respondents in the Cement case is wholeheartedly and unequivocally approved.

I believe that is the language which was used by the special committee headed by the distinguished Senator from Indiana [Mr. CAPEHART].

THE CEMENT CASE PRECIPITATED THE BASING-POINT CONTROVERSY NOW BEFORE CONGRESS

In passing judgment on the significance of the emergency legislation now before Congress, it is essential to remember that it is the Cement case that precipitated the demand for congressional action. The Supreme Court handed down its decision in the Cement case on April 26, 1948. On April 28, 1948, Mr. Irving S. Olds, chairman of the board of the United States Steel Corp., which is the price leader in an industry whose basing-point price system has been under attack by the Federal Trade Commission, in reviewing the impact of the Supreme Court's decision in the Cement case, said that industry was faced with two alternatives—either it must seek remedial legislation or it must educate the Supreme Court—see Journal of Commerce, April 28, 1948, page 1. "I can't believe," he said, "that the country is going to let industry be disrupted by a theory that was developed many years ago by a Princeton professor."

With this warning, industry mobilized to obtain legislation that would legalize basing-point pricing. According to a news story in the Rocky Mountain News of December 18, 1948, by Washington Correspondent James M. Daniel, "25 percent of the initial organizing expenses of the campaign to legalize basing-point price-fixing was put up by Pittsburgh industrialists." Members of Congress are familiar with the developments in Congress on this issue since the campaign for revision of the antitrust acts began last summer.

The steel industry's abandonment of basing-point pricing, followed the Supreme Court's decision in the Cement case, apparently was a not-too-subtle, but very significant, move in its campaign to obtain remedial legislation and educate the Supreme Court. Although the Federal Trade Commission had inaugurated proceedings against the steel industry's basing-point practices, on the basis of the precedent in the Cement case where conspiracy had been proved, unless the steel industry had unlawfully conspired to use the basing-point system, the industry was under no obligation to abandon it so far as the Cement decision was concerned. By abandoning it in a sellers' market, the industry killed two birds with one stone: First by leaving its base prices unchanged and passing all freight charges on to the consumer, it raised the average f. o. b. mill price for steel and thereby increased its earnings; second, it persuaded many unthinking persons that f. o. b. mill pricing necessarily meant higher steel prices. Whatever their methods, steel manufacturers in inaugurating f. o. b. pricing accentuated the growing demand that Congress do something about the matter.

Although the Cement case precipitated the fight for congressional approval of basing-point prices, the Rigid Steel Conduit case has been made the scapegoat in this battle. It is the case that the proponents of the basing-point system now charge is primarily responsible for most of the confusion about the legality of basing-point prices.

On this matter the distinguished Senator from Wyoming [Mr. O'MAHONEY], when testifying before the House Judiciary Committee, stated that it was the Rigid Steel Conduit case which had brought about the confusion.

Mr. President, because the proponents of this proposed legislation to legalize basing-point pricing have made the Rigid Steel Conduit case the scapegoat in this controversy, it is essential that that case be clearly understood. That case involved an appeal to the Circuit Court of Appeals for the Seventh Circuit from the finding by the Federal Trade Commission that 14 corporate manufacturers of rigid-steel conduit had violated section 5 of the Federal Trade Commission Act in the sale of their products.

Section 5, of course, gives the Federal Trade Commission the right to prevent unfair methods of competition.

The Commission's complaint charged violation of the law on two counts, as has been pointed out by the distinguished Senator from Louisiana [Mr. LONG].

Count 1 alleged that the respondents had conspired to use the basing-point system of pricing and thereby had substantially lessened competition in the sale of rigid-steel conduit, and that that was an unfair trade practice within the meaning of section 5 of the Federal Trade Commission Act.

Count 2 charged that each corporate respondent had violated section 5 of the Federal Trade Commission Act through the concurrent use of a formula method of making delivered-price quotations, with the knowledge that each did likewise, with the result that price competition between and among them was unnecessarily restrained; in other words, that each followed the price leader, and that by virtue of their arriving at the same price and by virtue of their use of freight rate books, they were acting in concert. That was the basis of count 2 of the indictment.

Mr. LONG. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. GRAHAM in the chair). Does the Senator from Tennessee yield to the Senator from Louisiana?

Mr. KEFAUVER. I yield.

Mr. LONG. Is not that the very crux of the issue on the first section of Senate bill 1008, namely, that count 2 would be legal if this bill were passed? In other words, if this bill were passed, those people, acting independently, could perpetrate on the public the same robbery they were previously perpetrating by conspiring; and insofar as one could not prove the conspiracy merely because they were arriving at identical prices, this bill, if passed, would do the Federal Trade Commission no good in trying to restrain that practice. Is that correct?

Mr. KEFAUVER. Yes, that is a correct statement. I am very fearful that if section 1 of the bill as it now stands is enacted into law, the mere fact that several of the companies—as was true in the case of the 14 defendants in the Rigid Steel Conduit case—quoted the same basing-point prices all over the Nation and had their freight rate books so as to make it convenient to quote prices, would not be sufficient basis for prosecution to prevent that practice, even though they did what formerly had been done by those 14 defendants. I am afraid, in other words, that if the action against the 14 defendants had been brought under section 1 as it now stands in this bill, the decision of the Court would have been different from the decision which was reached in that case, for the reason that section 1 would seem, inferentially, at least, to place upon the Government the burden of proving some actual combination or conspiracy. The Supreme Court necessarily will say that in passing this proposed legislation, the Congress must have meant to do something; that Congress would not pass laws simply to leave things as they were. Of course, if we could pass the bill and not have the Supreme Court make such an interpretation, that would be a different matter.

The distinguished Senator from Wyoming for whom I have the highest regard both personally and for his great work to uphold the antitrust laws says he feels that, under section 1, the concurrent use of a formula method of making delivered price quotations, with each

manufacturer doing likewise, would render any group of companies which engaged in that practice liable under section 5 of the Federal Trade Commission Act. But I am sorry to have to say that the House Judiciary Committee and certain leading members of that committee have placed a different interpretation upon section 1.

So, in that situation, with section 1 in that condition, with the language evidently included with the intention of making some change in the law, with certain Members of the House of Representatives taking the other view of the question, I am afraid that the small businesses and the free enterprises of the Nation might lose the protection of the decision of the Court in the Rigid Steel Conduit case.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CAPEHART. Does the able Senator from Tennessee agree that each seller, if acting independently, without collusion or conspiracy, should be given the right to pay all the transportation costs or to absorb a portion of them or to equalize his transportation costs with those of his competitors?

Mr. KEFAUVER. I agree that each seller, acting independently, and not in actual or constructive collusion or arrangement with others, can sell where he wants to, can absorb freight to any amount he wishes to, and can do anything else he wishes to do in that connection.

Mr. CAPEHART. Mr. President, if the Senator from Tennessee agrees—and I know he will—that each individual seller has a right to do those things, then, if every seller in an industry does them, how can it be correctly said that there is any conspiracy?

Mr. KEFAUVER. I say to the distinguished Senator from Indiana that those things do not happen merely by chance. It is not by chance that all the cement companies in the United States, or a great number of them, would bid identical prices, down to the last ten-thousandths of a cent, on what were supposed to be secret bids to the Government for the sale of cement for some particular Government project. It is necessary that the Government have the benefit of economic evidence, and certainly the fact that all the companies in a certain line of business are using the basing-point system to quote identical prices is strong economic evidence. Those things would not just happen. Of course it is no longer possible to find evidence of manufacturers' getting together and signing a contract to do such things; but to my mind the fact that they arrive at identical prices is almost conclusive evidence that they must have between them an understanding which is in violation of section 5 of the Federal Trade Commission Act or of section 2 of the Clayton Act.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. KEFAUVER. I yield.

Mr. CAPEHART. I did not have in mind the Cement case because there is no question that those companies were in violation of the law. They were prosecuted, and there is no question in my mind that there was collusion. However, I am not talking about that case at all.

But in the Rigid Steel Conduit case, the court ruled, after the Federal Trade Commission took the position that it did in that case, that concerns that were acting independently in paying freight, absorbing freight, and equalizing freight, were guilty, along with those who were found to be in the conspiracy. That is a correct statement, is it not?

Mr. KEFAUVER. Yes; that is correct.

Mr. CAPEHART. Does not the Senator wish to give some protection to the concerns that are not conspiring and are not acting in collusion, in a situation such as the one in which a seller always finds himself, in that he must ship his goods? They must be shipped, because his customers are not in his back yard. They must be shipped all over the United States, and he must adopt some sort of method to permit that to be done. The method he adopted might be to sell f. o. b. his mill, or he might adopt a method by which he would pay all the transportation costs, or he might adopt a method by which he would pay half of the transportation costs. If he does that independently, without collusion, I think he should have the right to do it. I think the Senator will agree with me. The question is——

Mr. KEFAUVER. If the Senator will wait a moment, I will answer him. Please do not put words in my mouth.

Mr. CAPEHART. I thought the Senator agreed with that.

Mr. KEFAUVER. The Senator carried me further than I had ever intended to be carried.

Mr. CAPEHART. I did not intend to.

Mr. KEFAUVER. I am sorry. I think, Mr. President, as a result of this colloquy with the original sponsor and promoter of this basing-point legislation, we might be getting at the crux of the situation. Did I correctly understand the Senator from Indiana to say, with respect to the Conduit Steel case and the 14 companies that were quoting identical bids on the sale of steel all over the United States, with their freight rate books prepared so they could have an easy price list, so they could quote freight anywhere in the country and have it figured out easily, that even though the companies did not come together and all say, "We are going to do this, and thus conspire," he would want the law amended so as to enable them to do that very thing? Is my understanding correct?

Mr. CAPEHART. No, indeed. That is not the point at all. We all agree I think that we want the seller, acting independently, to be able to pay the transportation costs, or to equalize and absorb them. We are also agreed—at least I know it is my view, and I do not believe I am putting words in the mouth of the able Senator in this instance—we are opposed to collusion and conspiracy.

Mr. KEFAUVER. Either constructive or actual.

Mr. CAPEHART. Yes. Of course, that is the border line. Where are we to begin to draw the line in the matter of collusion and conspiracy? Where is the point at which it can be said they actually conspired and colluded? That is the border line, and that is the whole basis of this legislation, the whole basis of the debate, and it is the basis upon which, of course, we have sincere differences of opinion. That is the whole problem. We are now discussing for the first time I think in this entire debate the real crux of the whole proposition. I think it was primarily brought about by the Conduit case, in which those who were not conspiring and who were not parties to the collusion were found to be in violation of the law, simply because they happened to be doing something which the others were doing.

Mr. KEFAUVER. Then, do I correctly understand the purpose of the Senator from Indiana is to change the rule of law of the Conduit case so that when several manufacturers are quoting identical prices, that will not be deemed sufficient evidence upon which to convict them of violating section 5 of the Federal Trade Commission Act?

Mr. CAPEHART. No. I ask the Senator to remember that we are not even talking about prices. Prices do not enter into this legislation.

Mr. KEFAUVER. I disagree with the Senator.

Mr. CAPEHART. We are talking about freight rates and the absorption of freight. The rates are published and known to everybody. I, as a shipper, have to pay the same rates the Senator has to pay, because the tariffs set up the rates. We are not at all talking about prices. It might be very easy for six of us to get together and say that——

Mr. KEFAUVER. I only mention prices as they were arrived at by the absorption of freight. That is understood.

Mr. CAPEHART. Of course, the Senator is getting back to the basing point, which has been outlawed, and which is wrong. Phantom freight is wrong. It should never have been practiced. It was a bad practice. It has been completely eliminated, and in eliminating phantom freight and the basing point and other bad practices—and they were bad practices; I shall be the first to admit it—I think the courts have gone to the point where now they have American industry confused as to what they can and cannot do. The purpose of this legislation is to clarify the matter. The Senator may well be right. I do not think he is, but he may well be right, that we have not clarified it through this particular piece of legislation.

Mr. KEFAUVER. Let me say to the distinguished Senator from Indiana that there is no confusion in the Cement Co. case. There is no statement in the decision in that case that, acting independently and aside from anyone else, a seller cannot sell on delivered prices or absorb freight. The decision of the Supreme Court in the Rigid Steel Conduit case is clear and plain. The Senator says he agrees with that decision. The Federal Trade Commission has stated in its recent order, upon application to reopen certain parts of the decision in the Conduit case, that they

have no objection, and it is not unlawful to absorb freight when acting independently. Just where is the confusion, and what is the purpose of this legislation? Where is there any confusion?

Mr. CAPEHART. Of course the confusion is partially brought about by the fact that the Associate General Counsel of the Federal Trade Commission testified that the only safe way any seller could sell today was on the basis of a price f. o. b. his own place of business, and the fact that no two attorneys of the Federal Trade Commission agreed as to the proper interpretation of the law.

Mr. KEFAUVER. I suppose the Senator refers to Mr. Walter B. Wooden, the Associate General Counsel.

Mr. CAPEHART. I do not have the file before me.

Mr. KEFAUVER. I have the statement of Mr. Walter B. Wooden, given on June 8, 1949, in the form of a letter, made public, to Representative WRIGHT PATMAN, in which he states the matter as plainly as it could possibly be stated. I also want to call the Senator's attention to the fact that even if some time back there was confusion, if some people wanted to be confused, and if they felt there was confusion, even at the time, on June 1, when this bill was considered by the Senate, if they had some confusion then, any question about confusion is removed by the action of the Federal Trade Commission in Docket 4452, in the matter of the Rigid Steel Conduit Association et al. At this point I want to read the order of the whole Commission, entered into and agreed to by all four of the Commissioners of the Federal Trade Commission. Commissioner Freer had resigned prior to that time, so there were only four Commissioners. Let me read this to see if there is any confusion in what the Federal Trade Commission thinks the law is as affecting what they are going to do. After all, the Senator, of course, agrees with me that so far as the Federal Trade Commission Act and the Robinson-Patman Act are concerned it is the Federal Trade Commission that has the burden of enforcement and of the origination of proceedings under those acts in the matter of basing-point practices. The Senator agrees with me about that. Very well. I read:

IN THE MATTER OF RIGID STEEL CONDUIT ASSOCIATION ET AL., DOCKET NO. 4452

ORDER DENYING MOTION TO REOPEN AND MODIFY

This matter comes before the Commission on motion by certain respondents to reopen the proceeding and modify the order to cease and desist entered on June 6, 1944, by striking paragraph V thereof and substituting certain language set forth in the motion.

The purpose of the requested modification is said to be to make clear that the order does not prohibit any of the respondents, acting independently, from quoting or selling at delivered prices or from absorbing freight. The Commission does not consider that the order in its present form prohibits the independent practice of freight absorption or selling at delivered prices by individual sellers. What the questioned portion of the order does prohibit is the continuance of the basing-point delivered-price system, found to have been the subject of conspiracy, or any variation thereof which might be accomplished through the practices specified in subparagraphs (a), (b), (c), or (d) when done, as stated in the order, "for the purpose or with the effect of systematically matching delivered-price quotations."

Taking the matters pleaded in the motion and memorandum in support thereof as true only for present purposes, no change of fact or of law appears, and there is no showing that the public interest requires reopening and modification of the order. In the absence of an adequate showing of such change of law or fact or the requirements of the public interest, the motion is denied.

By the Commission.

D. C. DANIEL, *Secretary.*

I want to read again this clause:

The Commission does not consider that the order in its present form—

Of course that refers to the order following the decision in the Conduit case which we have been discussing—

prohibits the independent practice of freight absorption or selling at delivered prices by individual sellers.

I understand that is what the distinguished Senator from Indiana wants. It is what most of us want and what most of us will agree to. That is the law as stated by the Federal Trade Commission which has under its jurisdiction the enforcement of this act. It is the law as stated by the Supreme Court in the Corn Products case, the Conduit case, the Cement case, and other cases. I cannot see any confusion about it. There seems to be no present confusion in the minds of the members of the Federal Trade Commission. It is feared that by opening up the whole question and tinkering with the antitrust laws some court will be convinced that we mean to relax the antitrust laws, and we will create more confusion, for no good purpose at all.

Mr. FLANDERS and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield; and if so, to whom?

Mr. KEFAUVER. I yield first to the distinguished Senator from Vermont.

Mr. FLANDERS. Mr. President, this question is of a great deal of concern to New England manufacturers, particularly those who are large users of steel. Their concern is also mine. I want, first, to ask a question somewhat along the lines about which the distinguished Senator from Tennessee has been speaking in explaining the position of the Federal Trade Commission, which, to put it in common, everyday language, seems to be that delivered prices are all right if they are not part of a conspiracy in restraint of trade.

Mr. KEFAUVER. Or if they are not part of a systematic doing of the same thing by all concerns.

Mr. FLANDERS. Yes. In that connection, I was much interested in reading the speech made by the junior Senator from Illinois, which I was unable to hear, and noting the very picturesque reference to cement bids in Illinois. I was unable to escape the conclusion that the conspiracy was anterior to delivered prices; and that suspicion was more strongly impressed on me when I saw they had raised their prices 15 percent. It seems to me that afforded a clear case for proceeding against those persons, quite irrespective of the delivered-price situation, if there is any justice in the world. At least, that is the way that particular case appeared to me.

Mr. KEFAUVER. I agree with the Senator, except that I think the Federal Trade Commission proceeded under a theory which could be best sustained, by basing its action on section 2 of the Clayton Act and section 5 of the Federal Trade Commission Act.

Mr. FLANDERS. At least, the great number of bids raises a mild suspicion that there may have been, perhaps, somewhere in the far background, some community of interest and of action.

I wonder if the Senator will allow me, or if the rules of the Senate will permit me, to express in a very few words our concern in New England, which has particular reference to steel prices.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that the Senator from Vermont may make an observation in that connection.

The PRESIDING OFFICER. Without objection, the Senator from Vermont may proceed.

Mr. FLANDERS. In New England we are out on a limb. If the Senator will take a map of the United States, trim off the Atlantic Ocean, trim off Canada, and then hold it up where it can be seen, it will be observed that New England is away out in one corner. How we manage to exist the Lord only knows. I sometimes wonder, myself. One of the things which make it possible to exist in competition with the rest of the country, but not the only thing, has been the fact that our very important metal trades industries are at no disadvantage so far as steel prices are concerned, but we are at a disadvantage in shipping the finished product back, and to overcome that disadvantage we have to be just a little brighter or a little smarter and work a little harder than those in any other part of the country. Otherwise we could not exist. We have tried to be a little brighter, a little smarter, to work a little harder and a little longer, to overcome the west-bound freight differential. But I am very much disturbed that the east-bound price equality may be taken away from us. I am inclined to think I should have to vote against the motion to reconsider if that result should be brought about, for the reasons I have just given.

I thank the Senator.

Mr. KEFAUVER. I want to say, in response to the statement of the Senator from Vermont, that I have before me a report of the Special Committee To Study Problems of American Small Business, pursuant to Senate Resolution 20, printed on February 20, 1949. I believe the Senator from Pennsylvania [Mr. MARTIN] was chairman of the subcommittee and that the distinguished Senator from Nebraska [Mr. WHERRY] was chairman of the full committee.

I also have before me a special report of the same committee, on changes in distribution of steel, 1940 to 1947, published on February 10, 1949. I say to the Senator from Vermont that, in the first place, it is shown that some of the steel companies engaged in this sort of operation: When there was a shortage

of steel, although they were adding to their price a sufficient amount to cover the transportation to their old customers all over the United States, they started dropping the customers who were farthest away from the basing point, in order to keep the freight they were charging and yet not ship steel to distant points. So the record shows there was a decrease in the amount of steel and steel products shipped to the Senator's State and to New England and to other States remote from the basing point. That is one of the evils of the basing-point practice. As a matter of fact, the record shows that one company at least eliminated five States because they were too far away and it was not economical for them to absorb freight in shipping that far, even though they were already charging the freight and adding it to their national average.

Coming more directly to the observation of the Senator from Vermont, he will find that his State was denied a great deal of steel during that time.

Mr. FLANDERS. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I yield.

Mr. FLANDERS. During what period was that?

Mr. KEFAUVER. From 1940 to 1947. It will be found in the report published February 10, 1949.

Mr. FLANDERS. Of course, during most of that period steel was under Federal jurisdiction.

Mr. KEFAUVER. Yes; but it will be found that during that period States close to Pittsburgh were plus on the amount of steel they received, but the Senator's State was considerably minus, as were Oregon, California, and other Western States, and every Southern State except in the immediate vicinity of Birmingham, Ala., was greatly minus. Every New England State was minus. Why was that? Because, although some steel companies were charging freight rates so that they could ship to New England or to the far West or to the South, they actually cut down on the amount of steel they shipped to remote places in order to make a greater profit for themselves.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the Senator from Vermont.

Mr. FLANDERS. Should not the Senator completely eliminate from that record the period during which the distribution of steel was completely in control of the Federal Government?

Mr. KEFAUVER. Of course, I take it that has some effect, but it is a rather remarkable pattern, as the Senator will see if he will look at the map and see where the steel went. The increases were all in vicinities closest to the price-basing point.

Let me call the attention of the Senator to what some of the steel people said, as set forth in this report, Changes in Distribution of Steel, 1940–47. I quote:

Mr. Walter S. Tower, president of the American Iron & Steel Institute, acknowledged that he had heard reports of withdrawal from markets because of the freight absorption. I quote further:

Mr. DICKEY. Do you know whether or not the question of withdrawal from certain market areas because of freight absorption and because of the fact that presently, with the demand, the companies do not feel that they have to take the absorption, has been a subject of much discussion within the industry?

Mr. TOWER. I have heard reports that some companies which previously had done business in some markets had withdrawn because it was no longer remunerative to try to reach those markets.

Perhaps the most clear-cut statement made by any member of the steel industry outlining a definite and positive policy of withdrawal from a major consuming area was presented by H. G. Morrow, Spang-Chalfant division, of the National Supply Co., Pittsburgh, Pa.

Mr. MORROW. On April 15, 1946, the Spang-Chalfant division, of the National Supply Co., discontinued doing business in its former Chicago district territory, which included the States of Illinois, Wisconsin, Minnesota, Iowa, and Nebraska.

It has long been an industry custom to sell pipe on a delivered price, made up of the nearest basing point plus freight from the basing point to destination. In the case of Chicago proper, Gary is the nearest basing point. Consequently, a pipe mill located as we are in Pittsburgh, selling in Chicago, must absorb freight, which in 1946 amounted to $4.40 per ton and today $5.80 per ton on butt-weld pipe sizes and $2.40 and $3.80 per ton, respectively, on lap-weld pipe sizes. Freight absorption to other cities in the Chicago territory varies with different freight rates. This freight absorption, together with increase in costs of manufacture, due mostly to wage adjustments, and the fact that we could not foresee any possible immediate relief, were responsible for our decision to withdraw from the Chicago territory.

Mr. FLANDERS. What were the dates of withdrawal?

Mr. KEFAUVER. He says April 1946. Then there is other evidence of withdrawal by other companies, all set forth in this report submitted by the distinguished Senator from Pennsylvania [Mr. MARTIN].

In further response to the inquiry of the Senator from Vermont, looking at the map, and considering the amount of steel used throughout the United States, the Senator's State would actually get a better price on an f. o. b. basis, because in delivering steel to Vermont, the shipping distance, on the average haul from Pittsburgh, the nearest basing center, to Vermont, I am certain, is shorter than the average throughout the United States. So the Senator from Vermont and his manufacturers are actually paying part of the freight rate for hauling to more remote places in the United States.

I think the Senator would find these two reports to be of great assistance in helping him reach a decision in this matter.

Mr. FLANDERS. Mr. President, may I ask the Senator whether the advantage of moving out of Vermont does not still remain?

Mr. KEFAUVER. I think it would be more advantageous to stay in Vermont on an f. o. b. basis than to sell under the basing-point method. After all, the freight is paid anyway by the customers. It is merely a matter of who is nearest the basing point.

Mr. FLANDERS. The freight is not paid by the customers in a competitive situation. Competition and the quality of the goods determines the price of the product, and the freight either adds to or decreases or seriously affects the profits.

Mr. KEFAUVER. What I meant to say was that the freight on shipping anywhere is calculated, and is added to the price of the product. But I wish to call attention to the fact that the record shows, in that connection, that although a product may be shipped by water or may be shipped by some other method, the rail freight rate is always added in calculating the basing-point price. The point I make is that in the average use of steel, Vermont would be infinitely better off on an f. o. b. basis than under a basing-point price system, and I think these reports very definitely show that to be so.

I may say, however, that that is an academic question. I am not advocating the abandonment of independent, noncollusive, nonsystematic use of basing-points. If any company wants to sell on that basis, it has a perfect right to do so, under the law, today. No one is going to prosecute them, no one is going to complain. There is no Supreme Court case, or decision of any other court in this country, that can be pointed out as prohibiting the independent, nonsystematic use of the basing-point principle. What we do not want to do is to allow producers to get together and conspire, either by actual conspiracy or by systematically using the same prices, in order to defeat competition and create unfair business conditions.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the Senator from Vermont.

Mr. FLANDERS. In the first place, I completely accept the principle which the Senator has just enunciated. In the second place, I wish to say that we are now in a favorable position with our competitors who work under the shadow of the steel mills of Pittsburgh, Cleveland, and Gary. We are now in a favorable living condition with them, and if that condition disappeared, we would be seriously handicapped.

Mr. CAPEHART. Mr. President, will the Senator from Tennessee yield to me?

Mr. KEFAUVER. I yield to the Senator from Indiana.

Mr. CAPEHART. I wish to call the attention of the Senator to the testimony of Mr. Wooden as it appears on page 147 of the public hearings. On Wednesday, May 19, 1948, the Federal Trade Commission, in Washington, issued a release which was published in every newspaper in the United States, at least a great majority of them, under the headline:

Court holds basing-point method of pricing unfair, irrespective of conspiracy.

In view of the fact that the Federal Trade Commission gave out that release, which was published, is there any wonder that there is confusion in the minds of the businessmen of America as to whether or not they can do what both the able Senator from Tennessee and I agree they should do, namely, charge all the transportation costs, acting independently?

Mr. KEFAUVER. The Senator did not read Mr. Wooden's answer. I read:

Mr. WOODEN. The Court held the basing-point system unlawful under the circumstances in which it was used.

Mr. CAPEHART. Where is that answer?

Mr. KEFAUVER. That follows the Senator's question.

Mr. CAPEHART. The question was, "Is that a true statement?" The answer was, "I would say it is not actually accurate." But the fact remains that they issued the release, and the headline was, "Court holds basing-point method of pricing unfair irrespective of conspiracy."

Mr. KEFAUVER. I think that as long as we live in a country where we have a free press, we will find that headline writers will describe something that happens in various and sundry ways.

Mr. CAPEHART. The Federal Trade Commission prepared the release themselves. It was their own release. They were their own words. They were not the words of a newspaperman.

Let me call the Senator's attention, further, to another matter, and then I shall not bother him further. On page 243, at about the center of the page, will be found this question which I asked:

Is it legal for an individual cement company to pay the transportation charges to any point in the United States?

Mr. WOODEN. The question cannot be answered categorically.

Now is there any wonder that confusion exists?

Mr. KEFAUVER. Is that on page 243?

Mr. CAPEHART. Yes, about the center of the page.

Mr. KEFAUVER. Of course, it would be necessary in connection with such a question, to have some explanation as to whether all the other companies were doing the same thing.

Mr. CAPEHART. The question was:

Is it legal for an individual cement company to pay the transportation charges to any point in the United States?

Mr. Wooden, instead of answering that it was, as the Senator and I agree it should be, and as we believe it should be today, said he could not answer the question categorically.

Mr. KEFAUVER. He said he could not answer it categorically. He would have to add: "Providing they were not all doing it in the same way."

Mr. CAPEHART. His answer is:

It has to be considered in the light of the history of this industry, and the history of the practice that you are asking about, and whether or not they are, in fact, continuing the same thing as before, only calling the action individual and independent.

Then I continued to question him and I said, in effect, "Let us forget the cement business, then, and talk about any other line of manufacturing," and his answer was the same, that he could not say.

Mr. KEFAUVER. I think his answer in that case is a correct answer.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LONG. Is not Mr. Wooden's statement what everyone understands the law to be?

Mr. KEFAUVER. I think it is.

Mr. LONG. If the cement producers are told to quit using the monopolistic and conspiratorial methods and practices which they have been using, and a company here and a company there then proceeds to absorb freight in such a way that it is obviously being done in the same old way, the same old thing being done over again, excepting that it is being done independently, and the result of the continuation of the same practice is the selling of the product at identical high prices, would not the purport of Mr. Wooden's statement be that when all absorb freight together, it obviously is an illegal practice, since it results in the same situation as heretofore existed?

Mr. KEFAUVER. I should also call attention to the fact that at the bottom of page 245 Mr. Wooden, in answer to a question as to whether they could absorb freight acting independently, said:

Mr. WOODEN. Yes; I would like to add to that, however, that he can also make his delivered prices as freely as he wants them, if they make due allowances for differences in cost of delivery resulting in a uniform mill net.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. Yes.

Mr. LONG. I ask the Senator if he does not agree that that is exactly the way he, as an attorney, understands the law, the way I understand the law, the way the Senator from Indiana, who talks about confusion, understands the law, the way Mr. Wooden understands the law, and the way the senior Senator from Wyoming understands the law? So what is the confusion about?

Mr. KEFAUVER. I am glad the Senator asked the question. So far as I am concerned I cannot see any confusion. But we are going to get into confusion beyond question, beyond explanation and beyond doing anything about it, if we pass a bill which many Members feel does not mean anything and which we feel it is absolutely unnecessary to pass. The existing law is plain to us all. Everyone knows what it is. The Senator from Indiana knows what it is. The Senator from Louisiana knows what it is. The Federal Trade Commission knows what it is. The courts have stated it clearly.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. AIKEN. I have been interested in the debate and search for the location of the confusion. I have a little bit of that confusion myself. As I have listened to the arguments pro and con, the argument seems to be made, respecting the rural areas and the more thinly populated States, that unless this basing-point bill goes through, the fabricators and manufacturers of the thinly populated States will all pack up and move to Pittsburgh in order to obtain the advantages of the low freight rates. Then, as I listen a little more, I find that the people of Pittsburgh and other great manufacturing cities are told that if the basing-point bill does not go through, the great corporations will decentralize and locate their factories all over the United States—in the more thinly populated areas.

I should like to know which, if either of those two arguments, is correct because it cannot be that both are true. We cannot have all the independent plants moving to Pittsburgh and other great manufacturing centers, and the great manufacturing industries decentralizing and locating their plants around through the country, all at the same time. Both the independent plants and the great manufacturing industries might as well remain where they are. If the big corporations are going to break up and locate their plants all over the country, and if the small independent plants are going to pack up and move to Pittsburgh, confusion would result. Can the Senator enlighten me on that point because I think I am entitled to share a little of the confusion after listening to the two arguments?

Mr. KEFAUVER. I appreciate the observation of the distinguished Senator from Vermont. It is a very pertinent one. Of course, the matter he is discussing is not in issue here because, actually, as we have all said, if the bill is not passed, there is nothing to prohibit the nonsystematic, nonconspiratorial absorption of freight rates. But getting to the basis of what the Senator suggests, I feel that without the use of the basing-point-pricing system there would be a better development of the natural resources of the Nation.

Mr. AIKEN. Nearer the sources of the resources?

Mr. KEFAUVER. Nearer the sources of the resources. I think, for instance, a steel mill in Texas which might go into business and get the market in that section and save the businesses there some money on the delivered steel would be more apt to develop its product if it knew it was not going to have to go into competition with a systematic freight-absorption method whereby the Texas steel company might be undersold and put out of business. I think there would be generally a more healthy development of the natural development at the places of the resources if companies knew they were not going to have to meet such crippling competition.

Mr. AIKEN. Perhaps I should have said, "nearer the markets" rather than "nearer the sources of supplies."

Mr. KEFAUVER. Well, between the market and the source of supplies and resources.

Mr. AIKEN. Does the Senator believe that if we eliminate the Pittsburgh-plus system which has been in operation for so long, the result will more likely be diffusion or decentralization of industry rather than a concentration of it in a few great industrial areas?

Mr. KEFAUVER. Yes. Of course Pittsburgh-plus has been theoretically eliminated for some time. Its partial elimination did have that result. But if it were completely eliminated that would be the result, in my opinion.

Mr. HILL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the distinguished Senator from Alabama.

Mr. HILL. Is it not true that Dr. Fritz Machlup, professor of political economy at Johns Hopkins University, made a statement before the House Small Business Committee on July 6 last, in which he called attention to the confusion to which the Senator from Vermont has adverted, and stated that a small group of business managers had organized a publicity campaign for the very purpose of creating confusion?

Mr. KEFAUVER. Yes.

Mr. HILL. Is it not true that Dr. Machlup suggested and urged that Congress investigate this campaign to ascertain just what has been done, the propaganda which has been gotten out, the money which has been spent, the means which have been resorted to in order to create this very confusion?

Mr. KEFAUVER. Yes, that is correct. I am sure he has many facts to back up his statement.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. AIKEN. Is it not proper to assume that unless big business felt that the failure to enact this type of legislation which they advocate would be very helpful to their smaller independent competitors, they would not be working so vigorously to have the pending legislation passed? Is not that on the face of it evidence that the small independent industries are more likely to be benefited by killing this bill?

Mr. KEFAUVER. The Senator is absolutely correct.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CAPEHART. In the first place, let me say that there is absolutely no evidence anywhere that big business is behind the legislation. The record is full of the testimony of representatives of small business. There is no basis for the statement which the able Senator from Vermont has just made.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. AIKEN. I have received communications favoring this bill which were unmistakingly from the element which I consider to be big business.

Mr. CAPEHART. The Senator may have received some, and I have received some. But the point is that the record is full of the testimony of witnesses representing small business. It is the old argument that every time we want to prove something we take the exception to prove the rule, and we take a slap at so-called big business when we have no other arguments to use.

Mr. KEFAUVER. I think Mr. Olds, chairman of United States Steel, did a very unsavory thing in the way they met the decision in the Cement case. In the first place, Mr. Olds was quoted as saying that the steel interests would have to seek remedial legislation or "educate the Supreme Court." Then immediately, in order to try to alarm everyone, although steel prices were high, and they had obtained an increase, the steel companies started selling f. o. b., but still charged the same delivery-point price, although the delivery-point price necessarily had in it the costs which they had calculated for transportation all over the United States. That is what alarmed everyone.

Mr. HILL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. HILL. Is it not true that the steel companies raised the price of steel $9 a ton?

Mr. KEFAUVER. That is true.

Mr. HILL. Is it not also true—as I recall, Mr. David Cushman Coyle brought it out in his statement before the Small Business Committee of the House—that United States Steel is the largest owner of cement production in this country?

Mr. KEFAUVER. I think that is correct. He did say that. I do not know whether it is true, but I think it is.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LONG. Will not the Senator agree with me that the example which I shall give is a good indication that this is the bill of big business? The labor unions which the Senator from Indiana mentioned yesterday, at Springhill and Bastrop, La., were writing me to vote for the basing-point bill on the ground that if the bill were not enacted the International Paper Co. would move its mills from Bastrop and Springhill, although the International Paper Co. itself did not write. I answered in a noncommital fashion, stating that I would study the bill, and that I was impressed by the fact that labor unions would go to bat for the International Paper Co. A representative of the International Paper Co. wrote to me and wanted to know exactly how I stood on the bill, so that he could advise the company. Is not that a very good indication that the labor unions, whose members probably do not understand the bill, are acting merely at the behest of the International Paper Co., which is too subtle and shrewd to come out in the open?

Mr. KEFAUVER. I think so.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CAPEHART. The record contains many dozen telegrams and letters from labor unions. There is much direct testimony in the RECORD from those representing labor unions. Am I to understand that the able Senator from Louisiana contends that those labor union representatives are hypocrites, and that they did not mean what they said, that they came to the hearing merely because some big fellow asked them to do so, and that from now on we cannot depend upon the testimony of a labor union representative because someone else is telling him what to say? Does the Senator want to leave the impression that when Mr. Schaeffer, the head of the railroad union from Cedar Rapids, Iowa, who said he was representing 1,000,000,000 railroad workers, testified, he was representing some big business, and did not mean what he said? Does the Senator mean that we should not take him at his word?

Mr. KEFAUVER. The Senator from Louisiana is well able to take care of himself, and I yield to him.

Mr. LONG. Mr. President, when cement workers are trying to have good relations with the cement companies and gain concessions, if the cement companies say, "We are going to have to pull out our plant and move unless the basing point bill is passed," does not the Senator agree with me that it is entirely logical for those men, fearing loss of their jobs, to say, "Certainly, we will write to our Senators and Representatives and try to help you. By the way, how about a little increase in wages?" Would it not seem logical that the International Paper Co., with the two most profitable mills in the world located in Louisiana, would call their labor union representatives in and say, "Boys, we have got along fine, and paid you high wages. We are going to ask one minor concession of you. We are going to have to move out of Louisiana if this bill is not passed." Would it not seem logical that the labor unions, without knowing what this is all about, would write in and say, "Senator, won't you please vote for this bill?"

Mr. KEFAUVER. First, let me make a statement in answer to the Senator from Louisiana. I do not think it would seem logical that they would write or send telegrams to their Senators. I think the logical thing to do, and what I would have done were I in their place, would be to catch the first plane or the fastest train to Washington. Instead of writing or sending a telegram I would come to Washington and see my Senator and appear before the Capehart Committee, which was investigating the matter. I suppose that is the reason why a great many of such representatives actually appeared at the hearings before the Capehart Committee.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CAPEHART. Yesterday the able Senator from Louisiana praised Mr. Brubaker, the economist representing the CIO steel workers, as a great man, a great authority. He approved his statements on this subject because he was opposed to the bill. He considered such statements the last word. We must accept the word of Mr. Brubaker, the economist representing the steel workers.

Now the able Senator from Louisiana rises on the floor and says that the testimony, the telegrams, and the letters from local unions in his own State are worth nothing, that those individuals know absolutely nothing about the question. They did not know what they were doing. They were misinformed. He wants us to throw their testimony out as irrelevant, and, I presume, as being untrue, because he says they knew nothing about what they were doing. In other words, when it suits the purpose

of the able Senator from Louisiana to use the testimony of a labor-union representative he does so. When it does not suit his purpose, then he says it is irrelevant, and that labor-union representatives do not know what they are talking about. He says that they were misinformed. That has been my observation of the argument against this legislation all the way through.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LONG. I should like to ask the Senator from Tennessee a question. Does he not appreciate the distinction between a man like Mr. Brubaker, who is the economist for the CIO, who has studied this question and understands it, and who says that this is a very bad bill, who refuses to be scared or bulldozed because all the steel companies claim they are going to move somewhere else, and some man who has not had a day in college, but who is told he is going to lose his job unless this bill is passed? Cannot the Senator see the difference between the understanding of those two men?

Mr. KEFAUVER. I think any Senator could see the difference.

We were talking, I believe, about the Rigid Steel Conduit case. We had discussed the conviction under count 2 of the indictment in that case, which alleged a systematic price system, although there was no actual proof that the producers had got together and conspired. That conviction, sustained by the Seventh Circuit Court of Appeals, was upheld by the Supreme Court. Let us see what that conviction means. It is not so difficult to answer this question as the proponents of the basing-point legislation allege. In truth, the answer seems clear to anyone who understands the objectives of antitrust legislation. Section 5 of the Federal Trade Commission Act gives the Federal Trade Commission and the courts authority to designate as unfair, trade practices which unreasonably restrain trade or lead to monopoly

In the Rigid Steel Conduit case the Commission found—and the court confirmed the finding—that for any seller to quote prices under a basing-point system with the knowledge that his rivals are doing the same thing and with the result that such practices eliminate competition among them is an unfair trade practice. Apparently, neither the Federal Trade Commission nor the Court believe that monopolists are sleepwalkers. If they know where they are going, Congress having outlawed their goal, the Commission says their journey is illegal. What the proponents of S. 1008 propose to do is to legalize the elimination of price competition among rival sellers who, although they do not specifically agree to adopt a pricing method for the purpose and with the effect of eliminating competition, adopt it even though its concurrent use will in fact eliminate price competition. What Congress proposes to do in adopting S. 1008 is to legalize a procedure that achieves an unlawful end.

Monopoly stands condemned under section 2 of the Sherman Act, but if achieved through independent basing-point pricing, it is now to be legalized under section 5 of the Federal Trade Commission Act. And thereby confusion is to be eliminated.

Not only does the pending bill contradict or emasculate section 2 of the Clayton Act under certain circumstances, but it simply circumscribes the Federal Trade Commission's power over monopoly under section 5 of the Federal Trade Commission Act as it now stands.

So, Mr. President, in conclusion, let me say that there can be no doubt or question as to what the law is today. No Member of Congress argues or will say that he thinks the decision in the Corn Products case, the decision in the Staley case, the decision in the Rigid Steel Conduit case, or the decision in the Cement Institute case is wrong. As a matter of fact, the Capehart committee itself said that the decision of the Supreme Court in the Cement Institute case was wholesome and was fully justified. These correct decisions protect competition and protect the antitrust laws. No one argues against the results these decisions have brought about or against their correctness.

Then, what is all this about? Why are certain persons in this country trying to promote this proposed legislation in order, as they say, to eliminate confusion, when there is no confusion, when everyone who is not favoring the monopolists agrees that those Supreme Court decisions are correct? I am afraid that what they hope to do is to circumscribe, by indirection, to emascuate in a roundabout way, the antitrust laws of the United States. They know they cannot do so by direct attack; they know they cannot secure the adoption to the Sherman Act, the Clayton Act, or the Federal Trade Commission Act of any amendments which will lessen the protection those acts give today to businessmen and to industries, and particularly to the small-business men of the Nation.

Mr. President, dangers do arise under Senate bill 1008, and I wish to point them out. In the first place, there is a great danger that if section 1 of the bill is included in the law, the Rigid Steel Conduit case decision will become a nullity. In that event there is great danger the decision in the Corn Products and Staley decisions will become ineffective, and then no longer will it be possible to convict a group of persons or companies because they adopt a system of identical prices and a system of absorbing freight in order to do so. There will be doubt that it will be possible to convict persons who use absorption of freight practices, by means of freight-rate books from which they make their calculations, to arrive at identical prices. I fear that would be the result.

In connection with section 2, there also is the difficulty that under section 2 of the Clayton Act, which is the Robinson-Patman Act, it is not now permissible to engage in certain kinds of practices the effect of which will be to lessen, damage, or destroy competition or to create monopoly. The Carroll amendments in connection with the absorption of freight and the determination of delivered prices, I think protect fairly well the restrictions of the Robinson-Patman Act, section 2 of the Clayton Act. But unless the Carroll amendments are adopted, even if the amendments proposed by the junior Senator from Tennessee, and adopted by the Senate, were placed in the law, there would be some decrease in protection to small businesses and industries, under section 2 of this bill, because the amendment I proposed, and which the Senate adopted, was not so broad in its prohibition as are the Carroll amendments.

Section 3 is the enforcement provision for section 2.

So, Mr. President, those are my objections to the bill.

It has been said that this bill does not mean anything, that it simply restates the present law. Of course, Mr. President, I do not think it is simply a restatement of the present law. To the contrary, I think it whittles away our antitrust laws. Nevertheless, the Supreme Court will be bound to take the point of view that, after all, the Senate did not spend 3 days and the House of Representatives did not spend 2 days—a considerable part of their valuable time—in passing a bill which does not mean anything.

Mr. President, certain industries and certain trusts were complaining about the Cement decision, and no doubt the Court would take the position that the Congress must have meant to change the result of the Supreme Court's decision in the Cement case or the Court's decision in the Rigid Steel Conduit case. That is my fear. I think this bill may do very real harm. Since it is agreed that all difficulties now are cleared up, since it is agreed that there is no confusion, since the Federal Trade Commission has stated what it is doing in definite terms, and since all of us agree with what it is doing, and even the Senator from Indiana [Mr. CAPEHART], agrees, therefore, Mr. President, since all confusion has been eliminated, certainly we should take every possible step to defeat this bill.

Mr. LONG. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Tennessee yield to the Senator from Louisiana?

Mr. KEFAUVER. I yield.

Mr. LONG. Has the Senator heard the oft made statement, which has been written in books and has been documented elsewhere, as I understand, to the effect that the big cement companies paid $5,000,000 in attorneys' fees alone in defending that case, in an attempt to violate the antitrust laws and to continue the basing-point system?

Mr. KEFAUVER. I have heard that. I know that various industries and trusts interested in this proposed legislation have put on a terrific campaign for its enactment, have spent tremendous

amounts of money for that purpose, and have tried every way in the world they could to influence the Members of the House of Representatives and the Members of the Senate to vote for it. They have gotten many small-business men excited; they have even raised prices in order to frighten them. As the Senator from Louisiana has said, they even have gotten members of labor unions to write letters or send telegrams to Members of Congress. It is obvious that people do not go to such lengths unless they have some purpose in doing so.

Mr. LONG. Mr. President, if the Senator will further yield, let me ask another question. If it was worth $5,000,000 in attorneys' fees to the cement companies just to lose the case, would not it seem to be worth hundreds of millions of dollars to them to be able to continue the basing-point practice?

Mr. KEFAUVER. I am sure it would be. Of course they do not make investments unless they know what they are doing.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. KEFAUVER. I yield.

Mr. LONG. Would it not seem apparent in this case that if these companies or individuals have to give the public the benefit of competition, their loss in excess profits at least would be the public's gain in the long run?

Mr. KEFAUVER. Undoubtedly it would be.

Mr. LONG. I wonder whether the Senator from Tennessee agrees with a statement made by Edward Lawrence Merrigan in an article appearing in the Loyola Law Review, volume 5, No. 1, 1949—

Mr. KEFAUVER. That is an excellent article; I have read it.

Mr. LONG. I wonder if the Senator agrees with this statement, appearing on page 47:

> It is submitted that the Federal Trade Commission has not displayed a tendency to require the use of f. o. b. selling by all American businessmen. To date it has prosecuted the delivered-pricing methods only where they were found to have brought about the elimination of competition and/or to have been maintained by agreement and conspiracy among sellers. The Commission has never prosecuted a single seller for having absorbed freight, in good faith, to meet an equally low price of his competitors. In its official policy statement, the Commission indicates that it does not intend to do so in the future.

Does the Senator from Tennessee agree with that?

Mr. KEFAUVER. I do.

Mr. President, let me ask, what are the proponents of this proposed legislation complaining about? Do they complain against the Federal Trade Commission because it prosecuted the Corn Products Corp.? No. Do they complain because the Staley Corp., which had adopted an identical basing-point system, was prosecuted? No. Do they complain because the 14 corporations which were using the same systematic pricing system and had their freight-rate books published, were prosecuted in the Rigid Steel Conduit case? No. Do they complain because of the prosecution of the Cement Trust, which resulted in the Supreme Court's decision? No.

Well, Mr. President, what prosecution is it that they complain about? What is all the shouting about in this case, anyway? They talk about the Federal Trade Commission; yet they refuse to point out one case in which the Commission should not have prosecuted.

I agree with the Senator from Louisiana that the Federal Trade Commission has never brought a complaint against a corporation which was engaged in the use of a basing-point system unless that system was used to injure or destroy competition.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. KEFAUVER. I yield.

Mr. LONG. I wonder whether the Senator has seen, and whether he agrees that the statement I am about to read is a correct statement of the effect of what the Federal Trade Commission has been doing. It is a statement appearing in Loyola Law Review, 1940, volume 5, No. 1, at page 48. It reads as follows:

> Accordingly, it—
>
> Meaning the Commission—
>
> will not question such differences in the prices of a single enterprise as are merely designed to meet the readily foreseeable competition of a competitor where such differences involve no tendency to create a monopoly or eliminate price competition, nor will it—
>
> The Federal Trade Commission—
>
> question reciprocal price reductions similarly designed where their scope is not such as to preclude variety of delivered prices and raise the problem of collusion. It will challenge discriminatory price reductions which are made to meet nonexistent competition or which involve reciprocal relationships so comprehensive that through them price competition in the industry disappears.

I ask the Senator, in view of that clear declaration by the Federal Trade Commission, he can see anything in the world that an independent producer quoting delivered prices and acting independently in good faith would have the least thing to worry about?

Mr. KEFAUVER. No, I do not think so. There is nothing for him to worry about. Furthermore, as all Senators know, when this matter was before the Committee on Interstate and Foreign Commerce of the Senate, at the time it was investigating absorption of freight, the Federal Trade Commission made a declaration of policy, entered formally in the records of a committee of the Senate, in which they said they did not interpret the decision in the Cement case, or any other decision, as requiring them to prosecute any corporation which independently and nonsystematically absorbed freight, and that they were not going to bring any complaints against any corporation because that was done. I do not know; I am really at a loss to see any good reason why this bill should be further pursued.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. KEFAUVER. I yield.

Mr. LONG. Is the Senator cognizant of the fact that the basing-point system has a direct connection with the extremely high freight rates we are compelled to pay in the South and the West? Has the Senator seen the statement prepared by certain economists and by members of the Federal Trade Commission, conclusively proving that the Birmingham mills wanted to reduce transportation charges into New Orleans, but the pressure of the northern steel companies upon the railroads, even after the southern railroads had proposed to make the reduction, prevented that reduction from being made, with the result that for the past 9 years New Orleans has been paying an extra $3 a ton for every ton of steel delivered in that city?

Mr. KEFAUVER. I have not seen that statement, but I have seen other statements to that effect, and I know that is true.

Mr. LONG. Mr. President, will the Senator be so kind as to insert the statement to which I refer in the RECORD at this point?

Mr. KEFAUVER. I ask unanimous consent that the statement supplied by the distinguished Senator from Louisiana [Mr. LONG] be inserted in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KEFAUVER. I should like also to say that unquestionably, with respect to the systematic freight-absorption method which is being proposed, it is the hope of certain industries that want to continue using this method to escape the effect of certain of the antitrust laws by legalizing the operations in which they have been engaged. These companies are rather difficult to deal with. The old Pittsburgh-plus basis was broken up, but what was done then was to establish regional basing points; for example, Birmingham, Ala. But what the steel trust did then was to require Birmingham to sell at such a high price that it amounted to about the same thing; so, the South, including the Birmingham area, secured very little advantage from the victory of the Federal Trade Commission in breaking up the old basis of Pittsburgh-plus.

Mr. President, in conclusion, my position is that the bill should be defeated. Of course, a favorable vote on the motion of the Senator from Louisiana [Mr. LONG] would be required, but, if the bill is to be passed, the minimum protection which can be granted is the adoption of the Carroll amendments. I shall be extremely fearful of the result of the bill, even with the Carroll amendments included in it, because I cannot see that any good can come from it. I know that its purpose is to weaken and to emasculate the antitrust laws to the greatest possible extent. I do not mean that is the purpose of its sponsors in the Senate, but it is the purpose of the great lobby that is behind the bill. I know the small-business men of the Nation are going to suffer, and suffer badly, if this legislation is enacted, because of what may be done under it by monopolists who are interested in its passage. So in the interest of our antitrust laws and in the interest of small-business men, I urge the Senate to defeat this measure and to

agree to the motion of the distinguished Senator from Louisiana.

EXHIBIT 1

THE BASING-POINT SYSTEM KEEPS SOUTHERN FREIGHT RATES HIGH

The basing-point system gives certain large eastern manufacturers reason for exercising their powers to keep freight rates high in the South, even when the rates apply only on internal shipments within the southern territory. This fact was richly demonstrated in the evidence introduced in the Department of Justice suit against the railroad associations in 1944.

In 1939 the southern railroads proposed to make substantial reductions in their freight rates on steel shipped from Birmingham and other southern points to New Orleans and other gulf and river cities. The eastern steel producers, acting through the pressures they were able to put upon the Association of American Railroads, were able to block the proposal of the Southern Freight Association.

The proposal of the southern roads for reducing their rates arose when they discovered that the United States Steel subsidiary at Birmingham was planning to build barges for transporting their steel by water to Mobile, New Orleans, and other southern cities along the Mississippi River. Rather than see their traffic lost to water competition the southern roads approached the Birmingham company and proposed certain rate reductions if the company would abandon its plans for building barges and continue to use rail shipments. The Birmingham company agreed to this, provided the rate from Birmingham to New Orleans could be reduced from 37 cents to 22 cents, a reduction of 15 cents per 100 pounds, or $3 per ton. Whereupon the southern roads drew up a proposal to make this reduction and to make proportionate reductions in the rates from all the other southern steel-producing points, so that other producers who did not have access to water transportation would be equally benefited. Thus the Southern Freight Association approved a proposal to reduce the rates on shipments of steel products from southern production points and from the Mississippi and Ohio River crossing points to the various gulf and river ports. The points which were to receive rate reductions included, in addition to Birmingham, the cities of Atlanta, Chattanooga, Knoxville, St. Louis, Memphis, Newport, Ky., as well as the several other cities where steel products are made.

When word of this proposal got around, however, Mr. A. F. Cleveland, then vice president of the Association of American Railroads, wrote letters to Mr. Kerr, chairman of the Southern Freight Association, and to the corresponding heads of the Western and Southwestern Associations, requesting them to meet with representatives of roads in official (eastern) territory, and also requesting that the southern roads not docket the proposal with ICC before such meeting took place.

The first meeting called by the AAR on this subject was held at the Palmer House in Chicago on November 16, 1939. At this meeting the proposal of the southern roads was turned down, and during the subsequent year numerous other meetings were called at which successive compromise proposals advanced by the southern roads were also turned down. These were all proposals which would have had only the slightest effect, if any effect at all, upon the traffic and revenues of any of the eastern railroads; they were proposals of the southern roads to lower internal rates in the South to benefit their own business and to benefit the southern steel producers and their southern customers. Moreover, at the second meeting on this subject, called by the AAR on November 29, it became unmistakable to everybody concerned that the opposition to these proposed rate reductions in the South was coming from the eastern steel producers. Mr. Tilford, vice president, Louisville & Nashville Railroad, who attended this meeting, wrote, on December 4, as follows:

(Exhibit G–709: Memorandum for files—December 4, 1939—Tilford, vice president, Louisville & Nashville Railroad. Subject: Dates on iron and steel articles from southern producing points, Portsmouth and St. Louis to Mississippi River crossings and Gulf ports.)

"Conference arranged by Vice President Cleveland was held in Chicago on November 29 to consider the proposed adjustment described in the caption and the objections of the official-territory carriers thereto. At the beginning of the conference the southern carriers asked that the proposal be divided and that first consideration be given to the rates to Gulf ports, following which separate consideration could be given to the proposed reductions to the Mississippi River crossings, and the conference agreed to this.

* * * * *

"The discussion indicated very clearly that the objections of the official-territory roads originated with the northern shippers (northern steel producers) now using water service to the Mississippi River crossings and Gulf ports since the delivered prices would be affected by a reduction in the rates from Birmingham, the sales practice being to use Birmingham base price, plus rail rate from Birmingham." [1]

The point to the last quoted paragraph of Mr. Tilford's memorandum is that under the basing-point system delivered prices for steel at New Orleans (and at all other southern cities as for that matter) are computed as the price at Birmingham, plus the all-rail freight costs from Birmingham. Thus, all producers who sell at New Orleans, no matter where their plants are located, sell at this predetermined delivered price. Therefore, if the rail rate from Birmingham to New Orleans were reduced by 15 cents, the result would automatically be a 15-cent reduction in the delivered price of steel at New Orleans. Such a reduction would not affect the rates or volume of business of the eastern roads; nor would it affect the costs of the eastern steel producers, since they were shipping to New Orleans by water anyway. But the lowering of the delivered price by 15 cents would result in these eastern producers getting 15 cents less profit on each 100 pounds of steel they sold in New Orleans.

But the fact that the eastern steel producers were behind this discriminatory interference in southern business had already become clear to some even before the first meeting on November 16. Mr. Kerr, of the Southern Freight Association, had already received, on November 4, a threatening letter from Mr. Crawford, general traffic manager of the Bethlehem Steel Co.[2] Bethlehem Steel, with its plant at Sparrows Point, Md., is obviously in a good position, under the basing-point system, to profit by water shipments to southern port cities.[3] Moreover, Mr. Kerr had received a letter on November 8 from a representative of the eastern railroads which made it plain that the eastern steel producers had been threatening the eastern railroads and pressuring them to get to work and stop the southern railroads from reducing rates. The part of Mr. Lawrence's letter, which is a matter of court record, reads as follows:

(Exhibit G–706: Letter, November 8, 1939, from Lawrence, chairman, Traffic Executive Association, eastern territory, to Kerr, chairman, Southern Freight Association. Subject: Rates on manufactured iron and steel between southern points.)

"Your submittal 20597–W is stirring the animals up very vigorously in our territory. I fear if you should do what this proposal suggests it would cost the eastern carriers more revenue than the southern carriers get on all of their manufactured iron and steel articles. Mr. Cleveland has this down for discussion at Chicago on November 16. I urge you to see that no action is taken in the meantime." [4]

In short, the eastern railroads are able to interfere in the decisions of the southern railroads because of their power to control the AAR, their power to divert traffic from the southern roads, and their power to perform many other small and large coercive acts against their weaker associates. And the eastern steel producers (and their allied cement producers, too) are able to control the policies of the eastern railroads through their common financial backers and through their ability to take a great deal of traffic away from the railroads and ship by water carrier—which would be cheaper, anyway.

One further letter from Weirton Steel Co., at Pittsburgh, to Mr. Kerr, is of interest because of its frank and pleasant tone:

(Exhibit G–707: Letter, November 13, 1939, Morris, vice president, Weirton Steel Co., Pittsburgh, Pa., to J. G. Kerr, chairman, Southern Freight Association:)

"In connection with Southern Freight Association submittal No. 20597–W, being a proposal to reduce the rates on iron and steel articles to New Orleans, Mobile, Memphis, and other points:

"Of course, we have been very much opposed to this contemplated action on the part of the southern lines because it would be detrimental to producers in this territory, and, while it is true that these rates are to be reduced to meet water competition, in our judgment it seems to us that the southern lines should take no action of this kind until Senate bill 2009 has been finally disposed of. These reductions only tend to reduce the delivered price by reason of Birmingham being a base, and if the reductions are made we feel certain that the water carriers will reduce their rates so that the relationship now existing will continue, which action, of course, will not be beneficial to the railroads but will permit of the producers here being able to continue to do some business in that territory. Under the circumstances, we hope you will use your influence to have this action deferred, at least for the time being." [5]

The conclusion of the first meeting, on November 16, was an agreement on the part of the southern roads to postpone the filing of their proposal and to meet again for further discussions on November 29.

(Exhibit G–708: Letter, November 27, 1939, from J. G. Kerr, chairman, Southern Freight Association, to Morris, chairman, Central Freight Association:)

"Please pardon our delay in answering yours of October 26, file N–227–51–3020, requesting status of our submittal 20597, involving rates on iron and steel articles, carload, from Alabama, Georgia, and Tennessee points to Gulf ports. While this proposal stands approved in this association, publication has been withheld, and at meeting of

[1] Plaintiff's Trial Brief for the Court, Pt. II, Civil No. 246, in the District Court of the United States for the District of Nebraska, Lincoln Division; *United States of America, Plaintiff* v. *The Association of American Railroads, The Western Association of Railway Executives, et al., Defendants* (p. 700).

[2] Ibid., p. 699.

[3] That is, under the basing-point system this company can ship to southern markets by water and charge the customer rail freight. This practice is known as taking "phantom freight," since it means, for sales in the South, raising the company's net mill price above that charged eastern customers.

[4] Ibid., p. 699.

[5] Ibid., p. 700.

the Traffic Advisory Committee, A. A. R., at Chicago on November 16, the southern members, in response to request for a conference, agreed to discuss the matter with other jurisdictions in Chicago on November 29."

At the second meeting (November 29) the southern roads were unable to find any compromise proposal which would overcome objections of the eastern roads. Some time was taken up by the southern roads in pointing out that their proposal involved only the same reduction with reference to New Orleans and eastern Gulf ports that the eastern railroads had already made on behalf of the eastern steel producers with reference to shipments of iron and steel articles to Texas ports. By the end of this meeting the fiction that the eastern roads were speaking on behalf of their own traffic and revenues had been dropped, and it had become clear that they were speaking only on behalf of the eastern steel producer's profits on sales in the South. The eastern roads apparently became apprehensive of their success in negotiating on behalf of the steel producers, for they moved to have them brought into the negotiations directly. At the conclusion of this meeting the eastern roads proposed a joint meeting with representatives of the American Iron and Steel Institute. Mr. Tilford's memorandum of December 4, 1939, continues as follows:

"The northern lines declined to accept the compromise basis offered by the southern carriers to the Gulf ports and indicated the only amendment that would be satisfactory to them would be to confine the reductions to the rates from Birmingham to Gulf ports. The northern lines were pressed for an explanation as to why the southern situation to the Gulf ports was different from the northern adjustment to the Texas Gulf ports, but no such explanation was given. They insisted that the proposal of the southern carriers, even as amended, threatened the whole iron and steel adjustment, not only from the North to the South but within the North, and they were satisfied the iron and steel industry would not want these changes, nor a general disturbance of the iron- and steel-rate adjustment. They then suggested that a small committee of the northern lines and a small committee of the southern lines meet with a committee of the Iron & Steel Institute for a general discussion of the subject.

"The southern carriers were not prepared to commit themselves to such a conference but indicated that the suggestion would be taken under consideration and advice given just as early as practicable. It was understood if the conference is to be held it will be arranged by Mr. Cleveland and that the railroad committee will be as follows:

Official Territory Lines: Messrs. Franklin, Shumate, Brister, and Ewing.

Southern Lines: Messrs. Smith, Oliver, Law, and Koontz.[6]

It appears that Mr. Cleveland of the American Association of Railroads did arrange a joint meeting between southern and eastern carriers and the American Iron and Steel Institute, and the results may be judged, in part, from the southern representative's memorandum on this meeting, as follows:

(Ex. G 710: Memorandum for file, January 20, 1940, from J. G. Kerr, chairman, Southern Freight Association:)

"Conference called by Mr. A. F. Cleveland of southern, official, and western carriers and traffic representatives of iron and steel shippers was held in Chicago on January 16 for the purpose of discussing various proposals involving iron and steel rates, but with particular reference to S. F. A. Submittal 20597-W covering iron and steel articles from Birmingham and related origins to New Orleans and other Gulf ports. The proceedings to be issued by Mr. Cleveland will show the representation.

* * * * *

"Mr. Belsterling acted as spokesman for the United States Steel Co. subsidiaries. While he stated his position was neutral he indicated quite clearly that he could not find fault with the southern carriers in their effort to establish rates that might enable them to meet water competition. With the exception of Mr. Baker, representing the Andrews Steel Co., and Mr. McBride, representing Kokomo, Ind., producer, practically all, if not all, of the other iron and steel shippers strenuously opposed any reduction. There was a good deal of discussion regarding water movements down the Ohio and Mississippi Rivers which followed the statement that practically all of the iron and steel traffic to Mississippi River points and Gulf ports was now moving by water, although it was being sold on basis of rail rates. During this discussion it developed the charge for moving iron and steel, including pipe, from Pittsburgh to Memphis was $3.10 per ton, dock to dock, but that there was some expense incurred in moving to and placing on barge at origin and off barge at destination.

"The eastern lines strenuously opposed reductions from Birmingham and other origin points, and insisted that the reductions if made would seriously disturb the rate adjustment generally on iron and steel within official territory and particularly the rates from other producing points to North Atlantic ports when for movement beyond by water. We pointed out, however, that they had joined in the establishment of rates to Texas Gulf ports to meet water competition from southern origins without seriously disturbing their own rate adjustment and, further, we had had in effect for years rates from Birmingham and other producing points to Gulf ports when for movement beyond by water to Texas Gulf ports, export to Cuba, and to the Pacific coast via the Panama Canal, without bringing about any such disturbance."[6]

Another clear statement of the way in which high freight rates in the South serve the special benefit of eastern producers who practice the basing-point system is provided by the concluding paragraphs of a letter from Jones & Laughlin Steel Corp. in which this corporation vehemently opposed rate reductions to Memphis.

(Ex. G 714: Letter (copy) 8-2-40, from Graham, general traffic manager, Jones & Laughlin Steel Corp., Pittsburgh, to A. F. Cleveland, vice president, Association of American Railroads:)

"Summed up, it would seem that the proposed reduction from Birmingham to Memphis is predicated entirely on market competition. This, however, should not cause the carriers to deplete their earnings unless they are assured of a sufficiently increased movement to offset the heavy revenue loss they will sustain.

"From the above, you will see about the only ones that will benefit by this reduction will be the consuming trade in Memphis and they will receive an 11-cent reduction in their freight rate. On the other hand, the southern carriers would suffer revenue losses on traffic to Memphis of 11 cents per 100 pounds, or slightly more than a 35-percent reduction. Birmingham manufacturers would not benefit by the reduction since they would continue to receive the Birmingham base price for their steel, the same as competing producers. Pittsburgh manufacturer and those in other districts serving Memphis would receive 11 cents per 100 pounds less than they now receive for their products at Memphis."[7]

In other words, the traffic and revenues of the eastern railroads would be unchanged by this proposed rate reduction within the South and the costs of the eastern steel producers' sales to Memphis, would be unchanged, but the lower steel prices in the South would result in lower profit margins to these eastern producers. As the writer of this letter has said, "the only ones that will benefit by this reduction will be the consuming trade in Memphis and they will receive an 11-cent reduction on their freight." It is quite clear, of course, that an action which benefits nobody but the consuming trade is not worth while, and it would be better, from the point of view of this eastern manufacturer, that the southern railroads lose their business to water carriers rather than do anything that would reduce the basing-point delivered prices.

The philosophy that lower delivered prices for steel in the South benefits no one but the consuming trade is, however, a mistaken one. To the extent that lower prices in the South discourage eastern steel producers from selling in the markets there, southern producers, employing southern labor, can expand production to supply more of the steel requirements of these markets. And to the extent that lower prices in the South result in increased demand for steel, and products fabricated from steel, southern steel plants have a further opportunity for increased business. And finally, to the extent that lower prices for steel in the South result in new manufacturing business and increased industrialization, the more productive is southern labor, the better customer is southern business and consumers for the goods of the whole Nation, and the better off is both business and consumers in the entire Nation.

By August 5, 1940, after many meetings and much exchange of correspondence, the controversy between the southern railroads and the A. A. R. and eastern roads had narrowed down to a recognition that the issue was one of whether or not the southern roads make rate reductions for their benefit and the benefit of the whole South, but which, because of the workings of the basing-point fixed-price system, would result in eastern producers getting lower profit margins on their sales in the South. Mr. Kerr's reply to Jones & Laughlin was as follows:

(Ex. G. 715: Letter 8-5-40, from J. G. Kerr, chairman, Southern Freight Association, to H. E. Graham, general traffic manager, Jones & Laughlin Steel Corp., Pittsburgh:)

"While the southern carriers have at all times been most considerate of the interests of producers in other sections, but who, for the most part, are moving their products to Memphis and other Mississippi River crossings by barge, frankly I do not see how they can be expected to simply forego transportation of iron and steel produced in the South by refusing to make necessary rate reductions, even though the result may be to change the selling prices."[8]

But then Jones & Laughlin replied to this letter by pointing out that the southern railroads "have profited by exorbitant freight rates on steel products," stressing the company's continued opposition to any proposal to reduce the relative exorbitance of these rates, but expressing a willingness, of course, to accept a "horizontal" reduction across the Nation which would give his company cost savings equal to the reduction in delivered prices which would be brought about in the South. In other words, eastern producers are opposed to any reduction in the discriminatory level of southern freight rates, as long as these producers sell their products on the basing-point system.

(Exhibit G 717: Letter (Personal), August 7, 1940, from Graham, general traffic manager, Jones & Laughlin Steel Corp., to J. G. Kerr, chairman, Southern Freight Association:)

"You know and I know that had the right kind of rates been made years ago, the steel industry would not today be large users of

[6] Ibid., p. 704.

[6] Ibid, p. 704.

[7] Ibid., p. 707.

[8] Ibid., p. 708.

the rivers. The industry then would have been glad to sit down with the railroads and work out some fair solution, but there was no reaction from the carriers at that time. Now if you bring out another spotty situation such as the one we are now discussing, you create no additional traffic—Memphis proper can consume only so much steel tonnage and where tonnage moves beyond Memphis the carriers certainly have profited by exorbitant freight rates—and I have in mind principally pipe that has moved via Memphis and rail beyond.

"If the carriers now would be willing to make a horizontal freight rate reduction on iron and steel articles, they would do more to recover business lost to both rivers and trucks than anything I know of. So please see if you cannot in some way avoid what you have in mind, and then work out with Mr. Cleveland and the northern railroads a new solution to the entire steel problem." [9]

At this point the strength of the southern roads' proposal begins to peter out, and Mr. Kerr writes to Mr. Cleveland in vague terms of the possibility for some kind of horizontal reduction at some indefinite time in the future.

(Exhibit G 718: Letter of August 12, 1940, from J. G. Kerr, chairman, Southern Freight Association, to A. F. Cleveland, vice president, Association of American Railroads:)

"I assume you have received copy of letter addressed to me under date of August 7, by Mr. H. E. Graham, general traffic manager, Jones & Laughlin Steel Corp., Pittsburgh. I am making no reply to Mr. Graham as I feel it would be best to put the matter 'on the shelf' until about the middle of September. We have a good deal of trucking of iron and steel within southern territory and it is growing very fast, so it may be that sooner or later we will have to do something with our own rate adjustment. It is not unlikely that the official territory lines will come to the same conclusion, although the immense tonnage still moving by rail within that territory may result in putting the matter off for some time. If it should happen that the rate adjustments within both official and southern territories are revised, there is probably no escape from revising the interterritorial rates. Then, again, we have the probability of certain southwestern lines bringing about a general reduction within their territory which in turn would affect the interterritorial rates." [10]

Finally, on September 27, 1940, after almost a year of negotiations, the correspondence comes to a close with an excerpt from a memorandum from one southern representative to another in which it is proposed to make certain selected reductions for the special benefit of the United States Steel Corp. at Birmingham. Reduction on only sheet and wire products are proposed—pipe, structurals, rods, bars, and all the other steel products are omitted. And finally, the reductions are limited to minimum shipments of 80,000 pounds in a territory where the smaller competitors of United States Steel can make few sales in 80,000-pound lots. But this proposal will give United States Steel what it wants and, as the writer indicates, will permit the southern roads to escape any controversy with the United States Steel Corp.'s associates in the eastern territory where United States Steel also has its major concentrations of steel mills.

(Ex. G 719: Letter, 9-27-40, Koontz to Kerr (1st par. on p. 2):)

"Nothing herein is to interfere with going ahead with the program of securing fourth section relief, as contemplated at Mr. Cleveland's conference, as between the southern and northern groups, on the complete iron and steel article list. With the formal concurrences of those addressed, we will then arrange to notify Mr. Cleveland so that our action can be thoroughly understood and promulgated to the northern and eastern lines. By limiting this action to sheet and wire products and to a minimum of 80,000 pounds—this limitation having been subscribed to by the proper officers of the steel company—we escape any serious controversy with other involved interests, carriers, or producers." [11]

It may be of passing interest to note that the meetings described above, taking place in 1939 nd 1940, before the Reed-Bulwinkle bill was passed into law, were an illegal restraint of trade. At this time, carriers who are presumably in competition with one another were not legally allowed, under the Sherman Act, to meet together for the purpose of fixing interterritorial rates. Passage of Senate bill S. 1008 into law, will do for the steel and cement companies what the Reed-Bulwinkle law did for the railroads, except that it will be more serious in that the steel and cement companies are under no public-utility regulations, such as ICC, and therefore have no public restraint on how high they may set their prices. While Senate bill S. 1008 does not condone the meeting and conspiring together of competing companies, it nevertheless repeals all provisions of law for restraining these companies, or any other companies, from using the basing-point systems once agreement to use it has been reached.

[9] Ibid., p. 710.

[10] Ibid., pp. 710 and 711.

[11] Ibid., p. 711.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2740) to establish rearing ponds and a fish hatchery at or near Millen, Ga.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1892. An act authorizing the Secretary of the Interior to issue a patent in fee to certain Indian lands in Lake County, Mont.;

H. R. 1997. An act to authorize the survey of a proposed Mississippi River Parkway for the purpose of determining the feasibility of such a national parkway, and for other purposes;

H. R. 2197. An act to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes; and

H. R. 4510. An act to provide funds for cooperation with the school board of Klamath County, Oreg., for the construction, extension, and improvement of public-school facilities in Klamath County, Oreg., to be available to all Indian and non-Indian children without discrimination.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2877) to authorize the addition of certain lands to the Big Bend National Park, in the State of Texas, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PETERSON, Mr. MURDOCK, Mr. REGAN, Mr. CRAWFORD, and Mr. LEMKE were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2944) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide survivorship benefits for widows or widowers of persons retiring under such act; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY of Tennessee, Mr. MORRISON, and Mr. REES were appointed managers on the part of the House at the conference.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 208) to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938, and it was signed by the Vice President.

DELIVERED-PRICE SYSTEMS AND FREIGHT-ABSORPTION PRACTICES

The Senate resumed the consideration of the motion of Mr. LONG to reconsider the vote by which the motion of Mr. MCCARRAN to send Senate bill 1008 to conference was agreed to.

Mr. HILL obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KERR in the chair). Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. HILL. I yield.

Mr. WHERRY. I am wondering whether those in charge of the legislation could give any idea as to whether there is a prospect of getting a vote on the motion to reconsider this evening?

Mr. HILL. Mr. President, I am not in charge of the legislation.

Mr. WHERRY. I ask in all seriousness.

Mr. HILL. I do not expect to speak very long, unless I am interrupted. The distinguished Senator from Oregon [Mr. MORSE] will very likely follow me, and I understand his speech will not be too long. Aside from those two speeches, I do not know of any other speeches that are to be made. I believe the distinguished Senator from Wyoming [Mr. O'MAHONEY] wants to say something in conclusion, of course.

Mr. WHERRY. The reason I am asking is that several Senators wondered whether the debate on the motion would go over until tomorrow. Whenever it is desired to have a vote, it will be perfectly agreeable to me. I also wanted to ask, if anyone can answer, in the event the motion to reconsider prevails, is it the intention then to continue to debate the merits of the bill and to discuss any amendments that may be offered?

Mr. HILL. I will yield, if any Senator wishes to reply to that question.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. HILL. Without prejudice to my rights, I yield to the Senator from Maryland.

Mr. O'CONOR. Mr. President, I may say in answer to the question of the Senator from Nebraska, there are several Senators who have expressed a desire to speak in opposition.

Mr. WHERRY. Do they desire to speak on the motion?

Mr. O'CONOR. Yes; on the motion. The list includes, as the Senator from Alabama said, the distinguished Senator from Wyoming. It also includes the

distinguished chairman of the committee, the Senator from Nevada [Mr. McCARRAN], and I may say the junior Senator from Maryland also desires to speak briefly.

Mr. WHERRY. I may say that in asking the question I am not interested in endeavoring to fix any particular schedule, but I desired, as best I could, to obtain information on the subject. In view of the many Senators who desire to speak, is it the opinion of the Senator from Maryland that the question on the motion to reconsider will go over until tomorrow? Would that be the Senator's judgment?

Mr. O'CONOR. I should think so.

Mr. WHERRY. I thank the Senator. It was not my thought to suggest a fixed time, and I am not proposing a unanimous-consent agreement. I merely should like to be able to tell Senators who are interested in the matter, particularly as to the vote, whether we might expect to reach a vote tonight, or whether it is the intention to recess until tomorrow.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KEFAUVER. In view of the number of Senators who desire to speak, I believe the Senator from Nebraska would be entirely safe in assuming we cannot possibly conclude this afternoon.

Mr. WHERRY. I thank the Senator.

Mr. HILL. Mr. President, this is an important bill. The more one studies it the more one is impressed with the thought that the Senate has not considered a bill more important to our domestic economy or to the American free-enterprise system than is this bill. I fear, Mr. President, that the bill constitutes a grave danger to our American free-enterprise system. It is easy to give lip service to that system; it is easy to say we are against monopoly, that we want to protect small business, and that we want to keep trade and commerce unhampered and unrestricted in the United States. The difficulty, when we are confronted with a measure of this kind, is to be certain that we carry out our determination and resolution that we shall protect small business, that we shall preserve our free American enterprise system, and that we not only will not do anything which will open the door for monopoly or foster or encourage monopoly, but will prevent and strike down monopoly.

It is most unfortunate that a bill so important as is this one, and so far-reaching in its possibilities and its effect on our American economy, should not have had more careful consideration, particularly by the Senate committee and the House committee. We know that this bill, in its language, its wording, and its provisions, received no consideration by the Senate committee. The Senate committee considered and reported a bill to provide a 1-year moratorium, and then, without Senate bill 1008 being considered by the committee, it was adopted on the floor of the Senate after only 1 day of consideration by the Senate, as a substitute for the moratorium bill. When it went to the House of Representatives, the House committee held no hearings on it. The House committee reported the bill at the first and only meeting held to consider it. So it has not received the consideration and analysis which it should have had.

Mr. President, there is no Member of the Senate to whom I pay greater tribute for the valiant fight he has waged through the years against monopoly than the distinguished senior Senator from Wyoming [Mr. O'MAHONEY]. I know how he has worked, labored, and carried on the fight against monopoly and for the free American enterprise system. We all appreciate his work as the chairman of the TNEC, and we know that, since the report of the TNEC in 1940, the distinguished Senator from Wyoming has labored to make effective the recommendations of that fine historic report. The senior Senator from Wyoming has been, in the Congress of the United States, the accepted and outstanding champion in protecting the American people from monopoly and preserving the American free-enterprise system. But I do not think he himself could possibly have considered this bill with the care and with the fine-tooth-comb analysis it should have received and with the consideration which he undoubtedly would have given to it if he had had more time in which to consider it.

As I recall, the bill was introduced one day and passed by the Senate the next day. The Senator from Wyoming, when he accepted the Kefauver amendments on the floor of the Senate, showed that he did not feel that the bill was perfect in any way, and that certainly there were doubts as to the efficacy and the wisdom of the provisions of the measure.

Mr. President, that is the situation. The bill has not been properly considered and worked out.

We find so distinguished an authority as Dr. Machlup, professor of political economy at Johns Hopkins University, at the present time serving a year with the Department of Economics of the University of California, on July 6, 1949, making a statement before the House Committee on Small Business, as follows:

> There is no doubt that an overwhelming majority of the Congress would vote against a bill to aid monopolistic policies and to harm the interests of small business. Senate bill 1008 does exactly this. But the Members of Congress have not had enough time to examine the implications of this measure. Some people are in an awful hurry to railroad this bill through Congress because they know that it would never be passed if the legislators knew what was behind it and what it would accomplish.

Of like tenor I find a statement from Dr. Vernon A. Mund, professor of economics at the University of Washington, in Seattle. His statement was made before the House Committee on Small Business on the same date, July 6, 1949, a few days more than a month ago——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. O'MAHONEY. Mr. President, I desire to express regret that at 4 o'clock a conference of the Senate and House conferees on the independent offices appropriation bill is to resume its sessions. This conference has been in progress yesterday and today. I should like very much to have the opportunity of staying here during all the Senator's discussion. He knows how much I value his opinions. I should like, indeed, to listen to them. I should like to say, however, before I necessarily must leave, that I am most grateful to the Senator for the very complimentary language he has used with respect to my labors in the past in defense of small business and against monopoly, and I assure him that the Senator from Wyoming is conscious of no departure from those purposes which have guided his activities in the Congress since first he became a Member of the Congress, and certainly not with respect to this bill. I point out to the Senator, if I may trespass upon his time to that extent, that the measure which was before us was a moratorium bill. The necessary implication of that moratorium bill, which had every indication of being speedily passed, was that the Congress of the United States, by a moratorium, was relieving for a brief time a prohibition by law against independent, nonmonopolistic freight absorption on delivered prices. In the judgment of the Senator from Wyoming, to have enacted such a law would have been to take away the freedom of small business, and to create a condition which would have been far worse than that which existed. The intention of the Senator from Wyoming was to devise a statute, if possible, which would make clear in the language of the law what members of the Federal Trade Commission and others had said with respect to the independent absorption of freight and the independent selling at delivered prices.

As the Senator knows, I accepted the Kefauver amendments, because I believed they were totally in harmony with the purposes of the author of the substitute. They were designed to make clear that nothing in the measure should be interpreted as in any way weakening the effect of the antitrust laws so far as they would prevent injury to competition.

I thank the Senator for having permitted me to interrupt him at this point. I hope that the conference on the appropriation bill may be through speedily, so that perhaps I may be able to return to the Chamber before the Senator concludes his remarks.

Mr. HILL. Mr. President, I very much regret that the Senator from Wyoming must leave. Of course, I understand full well that it is a case of necessity, and that he has to go to the conference committee meeting. I paid my tribute to the Senator from Wyoming, which was very sincere, and I do not in any way question or challenge the intent, the desire, or the purpose of the Senator from Wyoming as he has stated his intent, his purpose, and his desire here this afternoon.

Mr. O'MAHONEY. I thank the Senator.

Mr. HILL. I think that the legislation which now confronts us does not meet or carry out his intention, his desire, or his purpose. As I proceed with my remarks I shall endeavor to point out in

what particulars and why I feel that the Senator in writing the bill did not carry out his intent, his desire, and his purpose.

Mr. MORSE. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to the Senator from Oregon.

Mr. MORSE. I merely wish to join the Senator from Alabama in paying such a high and fine tribute and commendation to the Senator from Wyoming [Mr. O'MAHONEY]. There is no question about the sincerity and desire of the Senator from Wyoming to accomplish the purpose which he has just outlined to the Senator from Alabama. I am sure that he would reciprocate by admitting that those of us who do not see eye to eye with him on this point are equally sincere in trying to protect the small-business man of America. We simply do not share the judgment of the Senator from Wyoming on this particular point, and it pains the junior Senator from Oregon very much, because he usually finds himself in league with the Senator from Wyoming. But we all make mistakes, and I think on this particular occasion it is the Senator from Wyoming who is in error, and we hope to have him back on our team in due course of time

Mr. O'MAHONEY. Mr. President, such charity is beyond my desserts.

Mr. LONG. Mr. President, will the Senator from Alabama yield to me?

Mr. HILL. I yield to the Senator from Louisiana.

Mr. LONG. Because the Senator from Wyoming must leave the floor, I will not pursue the debate; we can argue about this later. But I suggest that if the Senator will look on page 33 of the final recommendation of the TNEC, of which the Senator from Wyoming was chairman, he will find that in a unanimous recommendation they recommended that all freight absorption be outlawed, which is going far beyond anything we are advocating. The Senator from Wyoming has changed his position in this matter.

Mr. O'MAHONEY. Mr. President——

Mr. HILL. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. The recommendation which was contained in that report was not a recommendation for the outlawing of freight absorption. That was a report directed against the basing-point system, and, as I said to the Senator from Louisiana yesterday, it is stated there in words which admit of no misunderstanding—and I know, because I wrote the words myself—that if legislation were to be introduced to abolish the basing-point system, such legislation should contain provisions allowing a period of time for industry to accommodate itself to that system.

I confess, after having listened to the Senator from Louisiana, the Senator from Tennessee, and the Senator from Illinois, that I am uncertain now whether or not the Senators are contending for the immediate establishment of an f. o. b. system. Sometimes I think they are, from what they say, but within 5 minutes, from some other comments they make, I think they want the country to understand that they do not advocate f. o. b. now.

Mr. HILL. Mr. President, whatever may be the question in the Senator's mind as to what other Senators may be thinking now, there can be no question about what the Senator from Wyoming was thinking when he made his TNEC report, because this is what he said, reading from page 8984 of the RECORD of July 6, 1949:

> We, therefore, recommend that the Congress enact legislation declaring such pricing systems to be illegal.

That is, base-pricing systems.

> Because such systems have resulted in uneconomic and often wasteful location of plant equipment, it is recognized by this committee that the abolition of the basing-point systems should provide for a brief period of time for industries to divest themselves of this monopolistic practice.

Mr. O'MAHONEY. Mr. President, if the Senator will pardon me, I call his attention again to the phrase, "should provide for a brief period of time." There was the provision. The newspapers of the country have been filled with declarations, some of them emanating from the Federal Trade Commission, in subordinate echelons, so to speak, some of them emanating from what have been called obiter dicta by the court, that the f. o. b. system must necessarily be established. The result has been that private capital, independent capital, nonmonopolistic capital, throughout the United States, is being intimidated from investing itself in productive competitive enterprise at a time when the Nation needs it. That is in complete harmony with the position taken by the Senator from Wyoming when the report was prepared.

Mr. HILL. I find nothing in the Senator's bill, S. 1008, which would make the provisions of the bill brief in operation or tenure.

Mr. O'MAHONEY. It does nothing to the basing-point system.

Mr. HILL. If the Senator could remain here and listen to my remarks, I would try to convince him otherwise, and that it opens wide the door and lends great encouragement in many ways to the basing-point system.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HILL. Yes; but let me finish this last paragraph, so that it will come in at this point. I read the last paragraph from the recommendation of the TNEC Committee:

> The committee is not impressed with the argument that a legislative outlawing of basing-point systems will cause disturbances in the rearrangement of business through a restoration of competitive conditions in industries now employing basing-point systems. Such disturbances may be costly to those who have been practicing monopoly. But the long-run gain to the public interest by a restoration of competition in many important industries is clearly more advantageous.

I now yield to the Senator from Louisiana.

Mr. LONG. Mr. President, I should like to point out, in connection with the very recommendation the Senator has been reading, that the recommendation was to this effect:

During the past 20 years basing-point systems and variations of such systems known technically as zone-pricing systems and freight-equalization systems have been widely spread in American industry.

The recommendation was:

> We, therefore, recommend that the Congress enact legislation declaring such pricing systems to be illegal.

Which means more than merely outlawing the basing-point system; it means outlawing the zone-pricing system as well.

Mr. HILL. Which this bill, in section 1, would permit.

Mr. LONG. Yes.

Mr. HILL. The Senator from Louisiana is absolutely correct.

I had just read a quotation from Dr. Fritz Machlup, professor of political economy at Johns Hopkins University when the distinguished Senator from Wyoming asked me to yield, and I did yield. I was about to read from a statement by Dr. Vernon A. Mund, professor of economics, University of Washington, Seattle. The statement appears in the hearings before the Select Committee on Small Business of the House, on July 6 last. Dr. Mund had this to say:

> The O'Mahoney bill (S. 1008), as I interpret it, is designed to set aside the law of count II in the Conduit case, so that there will be no way in which to challenge the use of a basing-point system except by providing the existence of conspiracy even where substantial lessening of competition occurs. In the absence of the Kefauver amendment, moreover, the bill appears to set aside the rule of law established in the Standard Oil of Indiana case. The bill thus appears to provide for the legalization of the most potent device of monopoly—discriminatory pricing—and for the reestablishment of the law of the jungle. The rules of fair competition are to be set aside for the principle that a practice which is profitable to politically important groups is good for the Nation. S. 1008 is a serious threat to the preservation of price competition which is fair and aboveboard. It should not be enacted if due regard is to be given to the national interest.

Mr. President, the existing law—not, of course, Senate bill 1008, but section 2 (a) of the Clayton Act, as amended by the Robinson-Patman Act— prohibits price discriminations which are, first, not justified by difference in the sellers' costs; and, second, which may have certain effects. The term "may" is usually defined as "reasonable probability," and the prohibited effects are those which, in the language of the law, "may substantially lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition." Section 2 (b) of this act provides for the so-called good faith defense. That is to say, sellers may make price discriminations which are not justified by differences in cost, and which do injure competition, and defend themselves against an action by the Federal Trade Commission if they can show that they are meeting one another's lower prices in good faith. This good faith defense is not, however, a complete and final defense against a Commission action in

all cases. It is a procedural defense. After sellers have established the good faith defense, the Commission may then examine the character of the competition and decide whether or not the discrimination is justified, and if it finds the discrimination is not justified, it may then order the sellers to stop such discriminations. By the term procedural defense, it is meant, of course, that the burden is upon the Commission to build up a case which will convince the courts that the character of the competition does not justify the discrimination.

Senate bill 1008, as originally introduced by the Senator from Wyoming [Mr. O'MAHONEY] would have made the good-faith defense an absolute and final defense. This would have opened the gates to all kinds of ruinous discriminations against small business. It would have permitted big buyers to put small buyers out of business, and it would have permitted big sellers to put small sellers out of business. It would have been illegal, under this bill, for one seller to discriminate in favor of a large buyer. But this discrimination would have been legal if two or more sellers were making or offering to make the same discriminations to the large buyer. This large buyer could then, because of such discriminations made in his favor, proceed to put his small competitors out of business with the complete blessing of the law. This was just the kind of thing, the senseless and unwarranted destruction of small business, that the Robinson-Patman Act was intended to stop.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. LONG. Does the Senator not feel that possibly the Senator from Wyoming made some change in his position when he made the following statement before the House Committee on the Judiciary:

> I believe that competition is competition no matter whom it hits.

In other words, if that theory is followed through, then it must also be said that the whole of the Clayton Act and the whole of the Robinson-Patman Act, acts which were passed by the Congress to protect small-business men from discrimination, and to enable them to carry on in business without being destroyed by ruinous discriminations practiced against them, would have to go. If that line of logic were to be followed, all the antitrust laws would have to be repealed.

Mr. HILL. I agree with the interpretation which the Senator from Louisiana places on the language he has just read.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. JOHNSON of Colorado. In connection with the reply just made by the Senator from Alabama to the Senator from Louisiana, does the Senator believe that we should protect competitors, or does he believe that the law should protect competition? There is a great difference between the two.

Mr. HILL. I think the law should keep competition open and should protect it.

Mr. JOHNSON of Colorado. That is what the bill we are considering does.

Mr. HILL. What we are interested in is to keep competition open for the benefit of small business, for the benefit of all business, and for the benefit of the consuming public.

Mr. JOHNSON of Colorado. I am very pleased that the Senator is making that point clear, because from his reply to the Senator from Louisiana I was quite confused.

Mr. HILL. I am always delighted whenever I can elucidate to my good friend from Colorado and make the situation clear.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LONG. Does the Senator from Alabama agree with me to this extent, however, that in order to protect competition and to have competition, it is necessary to protect some competitors from unfair discrimination on the part of other competitors, for, if no protection were offered, they could no longer compete?

Mr. HILL. Of course, the Senator from Louisiana is absolutely correct. It follows logically that it is necessary to protect certain competitors from unfair or destructive competition if the field of competition is to be kept open. The Senator is absolutely correct.

Similarly, under the O'Mahoney bill as originally introduced, one large seller could discriminate in price to put his smaller competitor out of business, and this would be with complete legality so long as some other large seller met, or offered to meet, the discrimination. Thus, if the United States Steel Corp. should decide to declare a price war on the Atlantic Steel Co. at Atlanta, it could legally cut prices below costs in the Atlanta territory, provided the Bethlehem Steel Co. followed, or offered to follow, these same price cuts. Since both of these big steel companies have distribution outlets all over the country, a special price cut in the Atlanta area would result in only inconsequential losses of profits to them, losses which they could easily take—but could very well put the small company in Atlanta out of business. Such practices would have been exactly the same as those which were condemned in the old Standard Oil trust case. That was the dissolution case of the Standard Oil Co., the decision which was rendered in 1911, and which case really inspired the passage of the Clayton Act. These were the practices by which the old Standard Oil Trust put its small competitors out of business and gained a virtually complete monopoly of the petroleum business of the country.

The Senate was unwilling to pass any such law on June 1st, which was the day we had this bill under consideration. I am sure it is unwilling to pass any such law now. However, the Senate did accept the bill with the Kefauver amendments, which seemed at the time to provide a safeguard against the kind of destruction of small business which I have been discussing. But the Kefauver amendments contained the word "will" instead of the word "may," and because of this inadvertent substitution the amendment would have been practically useless.

I commend the Senator from Tennessee [Mr. KEFAUVER], who has been so able, so diligent, and so vigilant at all times to protect the interests of the people, for offering these amendments. The situation was just that which I sought to describe in the beginning of my remarks. The bill was passed under such circumstances that there was little opportunity for any real consideration of the language of the amendments or the language of the bill. The Senator from Tennessee had to prepare his amendments on the spur of the moment, without time to give them due consideration and without time to carefully think out the language of the amendments. But by offering his amendments he did challenge attention to and bring out the very questions we are debating here today. If the Senator from Tennessee had not offered his amendments, this bill might never have come back to the Senate. There might never have been any further opportunity for consideration of the bill. The bill, with all its dangers to our free enterprise system, with all its dangers to small business, might be the law today.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. JOHNSON of Colorado. Of course, I favored the Kefauver amendments at the time they were offered on the floor of the Senate. I voted for them, and was glad they were introduced. But the Senator knows that the bill which he is condemning so vociferously was approved by the Department of Justice, which is charged with the administration of the antitrust laws.

Mr. HILL. Yes; and I think the Department of Justice is just as wrong as any Department of Government could be.

I call attention also to the fact that the questions which we are discussing come primarily under the jurisdiction of the Federal Trade Commission, and not the Department of Justice. I am afraid we have a disagreement, as sometimes happens, between two departments of Government. In this case the Department of Justice, which does not have primary responsibility in the matter, is wholly in error, in my opinion.

Mr. JOHNSON of Colorado. The Senator knows, too, that the Federal Trade Commission, which the Senator is now praising, is the source of this bill as it was originally introduced.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Colorado. Let me finish my statement. If the Senator has praise for the Federal Trade Commission and praise for the Department of Justice, those experts—and they are experts in that field—are the very ones who wrote the language which is contained in the O'Mahoney bill.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LONG. I want the Senator to know that there is one man on the Federal Trade Commission, Lowell Mason, who has been urging the same point of view which big business has been urging from the very beginning. However, that view is not necessarily the view of the majority of the Commission. Moreover, Corwin Edwards, a member of that Commission, has recently written an article in which he says, in effect, that he favors legalization of the basing-point system, and, generally speaking, that he favors freight absorption. He states that to enforce the effects of the Cement Institute case and the other cases in the Supreme Court would tend to put an end to the concentration of American industry. He personally believes that we should have concentration of American industry for greater and more efficient production. In that respect he believes that big business is better for the country than small business.

Mr. HILL. His view and the view of the Senator from Louisiana are entirely opposite and I strongly share the view of the Senator from Louisiana.

I have before me brief quotations from statements of members of the Federal Trade Commission, which appear in the Appendix of the RECORD, at page A4892. I shall not take the time to read all of them. Here is a letter from Hon. Lowell B. Mason, Chairman of the Federal Trade Commission, dated May 16, 1949, concerning House bill 222, which was a moratorium bill, and Senate bill 1008. He said:

> The Commission believes that neither of these bills is necessary or desirable.

Here is a quotation from Hon. Ewin L. Davis, a member of the Federal Trade Commission, in a letter to the distinguished Senator from Colorado [Mr. JOHNSON], chairman of the Committee on Interstate and Foreign Commerce. This letter is dated February 17, 1949. I quote from Hon. Ewin L. Davis, in a letter to the Senator from Colorado:

> Not only do I fail to see the need for emergency legislation, but I also think that any such legislation as that proposed would defeat the committee's purpose of clarifying the law. * * * You will recall that in my testimony before your committee I stated that legislation such as S. 236 was unnecessary and undesirable in my opinion. * * * Patchwork amendment of the law is unlikely to produce a good result. Accordingly, I suggest that such changes in the law as your committee now contemplates be deferred in order to permit concentration upon the second part of your task and thereby to make possible a well-rounded and fully coordinated set of proposals designed to strengthen the antimonopoly laws and provide for their more effective enforcement.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. HILL. Just a moment. Here is a statement from Robert B. Dawkins, associate general counsel of the Federal Trade Commission, before the Senate Judiciary Committee on March 31, 1949, concerning Senate bill 1008:

> The Commission does not believe that enactment of the proposed legislation is necessary or desirable. Insofar as it may affect existing law, it is obviously intended to be and acts only as a suspension, but it is almost certain to create new doubts as to the legal status of the practices which the Congress finds necessary to safeguard with a moratorium.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. HILL. I yield to my distinguished friend from Colorado.

Mr. JOHNSON of Colorado. The Senator does not know, perhaps, that Robert B. Dawkins, the man he has just quoted, is the man who wrote the bill introduced by the Senator from Wyoming [Mr. O'MAHONEY]. Let me say to the Senator that we have had several bills on this subject. There was a Senate bill 1008 before this bill. This bill is a substitute for the moratorium bill which was introduced by the Senator from Pennsylvania [Mr. MYERS], the original Senate bill 1008. The references and observations which the Senator from Alabama is now reading to us were made with respect to other bills. The Senator has no evidence to show that any of these gentlemer are opposed to or criticized adversely the bill which is presently before the Senate. This is an entirely new bill. It was written in the Federal Trade Commission. It was approved by Mr. John Clark, who is a member of the President's Economic Advisory Council. It was approved by the Department of Justice. It was approved all the way along the line. These men who were selected to safeguard us found no such terrible consequences as the Senator from Alabama now discovers in the original O'Mahoney bill. If there were any of those terrible things there, they were pretty well eliminated by the amendment which was made on the floor of the Senate, the amendment offered by the Senator from Tennessee [Mr. KEFAUVER], which I hope will remain in the legislation as finally enacted.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LONG. The name of John Clark has been mentioned. Although I do not know the gentleman, I wonder if the Senator knows that he was one of the great Standard Oil executives. He has been one of the foremost advocates of the legalization of the basing-point system itself, which is the very thing we are fighting, and which Senators who are opposing this legislation say is not going to be legalized. If the bill meets with Mr. Clark's approval, would not that indicate that the bill might actually legalize the basing-point system?

I will ask the Senator if he knows that one of the main antitrust cases presently in court is the case involving the Standard Oil Co. of Indiana. In that case it will be decided whether or not Standard Oil can discriminate in prices so as to ruin the small independent filling-station operators. That case hinges on the action of Congress in respect to Senate bill 1008.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. JOHNSON of Colorado. What the Senator says with respect to section 3 does have some bearing upon the Standard Oil case which is now being heard. If I had my way, section 3 would be eliminated from the bill. It should be eliminated from the bill, and the Supreme Court should make its decision without any new legislation on the subject. I hope that may be done, so that the coming decision will not be in any way affected by legislation now before the Congress.

But I wish to say one thing about John Clark. He is one of the great men of this country, one of the great liberals. His father left him a great fortune, but he did not become a playboy at all. No, Mr. President, he became a university professor, and he became one of the most distinguished educators of the whole country. He is well known in Nebraska, in Wyoming, and in Colorado. Anyone who thinks that John Clark is an advocate of big business and ruthless action by big business, simply does not know anything about John Clark. He is one of the great liberals of the country, and is so regarded by everyone who knows him.

Mr. LONG and Mr. CAPEHART addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield; and if so, to whom?

Mr. HILL. I yield first to the Senator from Louisiana, and then I shall yield to the Senator from Indiana, if the Senator from Indiana will permit me to ask him to wait for a moment.

Mr. CAPEHART. Very well.

Mr. LONG. I would suggest to the Senator—and I ask him if he agrees—that there is absolutely no reflection upon a man simply because he happens to regard big business as a necessity for this country. The fact that we may disagree with Mr. John Clark on his views on the basing-point system does not mean that we would not agree with his views on other subjects. For instance, we might even agree with him in regard to section 3.

Mr. CAPEHART. Mr. President——

Mr. HILL. Mr. President, I ask the Senator's indulgence for a moment further, and then I shall yield to him.

Mr. CAPEHART. Very well.

Mr. HILL. Mr. President, at this time I should like to place in the RECORD three statements relative to the Federal Trade Commission.

Mr. JOHNSON of Colorado. Mr. President, if the Senator will yield further to me, I should like to say a word about the Federal Trade Commission. Will the Senator yield to me for that purpose?

Mr. HILL. I yield on that particular point, but only on that point, because of course I have previously promised to yield to the Senator from Indiana as soon as I finish discussing this point.

Mr. JOHNSON of Colorado. Some reference was made to Commissioner Lowell Mason. I wish to say with all due respect to Commissioner Mason that he had no part—either in an advisory capacity or in any other capacity—in the drafting of the O'Mahoney substitute for Senate bill 1008. That was done without his knowledge or participation; he had

no part in it. I do not know whether he approves it or does not approve it. But I think it should be said for the RECORD that Commissioner Mason had no part in it.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. CAPEHART. Mr. President——

Mr. HILL. I yield to the Senator from Louisiana, if he wishes to ask a question on the point we have been discussing.

Mr. LONG. Yes.

Mr. HILL. Very well; I yield.

Mr. LONG. Inasmuch as the Senator from Colorado seems to know who were advised and consulted regarding Senate bill 1008, I wish the Senator from Alabama would ask him whether Dr. Corwin Edwards, chief economist of the Commission, was consulted?

Mr. JOHNSON of Colorado. I understand that he was; yes.

Mr. LONG. I should like to read into the RECORD, if the Senator from Alabama will permit me to do so, a quotation from an article by Dr. Edwards, published in January 9, 1949, on this very issue. I ask the Senator from Alabama, if he is familiar with the article which Dr. Corwin Edwards wrote, appearing in the Georgetown Law Journal for January 1949, in which the statement is made that—

A second broad characteristic of an industry-wide basing-point system is that it tends to facilitate the growth of large enterprises and to limit the growth of small enterprises, so that discrepancies in size within the industry are maintained and may even be enhanced.

He went on to say:

Small concerns located away from the base quote prices in their home markets which are computed as the sum of the base price plus the full freight from the base to these markets, and therefore any enterprise at the base can invade these outlying markets without financial sacrifice.

The entire market area lies open to the basing-point mill. By contrast, the home market of the basing-point mill is not fully open to anyone except another concern also located at the same base, for the outlying producers who sell toward the base find that in such sales their delivered prices go down while their freight costs rise, so that their net receipts are reduced by roughly double the amount of the freight outlay.

He further said—and I wonder whether the Senator from Alabama is cognizant of this:

The sacrifice imposed upon him by such a system are loss to his initiative and independence in making prices, abandonment of any effort to give a nearby customer a price incentive to deal with him rather than with a distant producer, and impairment of his opportunity to enlarge his business by reaching out to markets nearer the basing point. A concern which is willing to remain permanently small and docile is well suited to the use of such a pricing system, but a small concern which desires to grow is likely to find the system a serious handicap.

Then he concluded by saying that:

The system weights the scales in favor of the large enterprise, as against the small more decisively than do other types of geographic price structure * * *. In consequence of the decisions in recent cases, the long-run effect of the changes is likely to be a reduction in the strategic advantage to concentrations of economic power and again in the opportunity for small-business enterprises to pursue their own price policies, develop their own markets, and grow bigger.

In view of the statement there made by Dr. Edwards, would not it appear that if Dr. Corwin Edwards were consulted, probably he would advise in favor of a law that would legalize the basing-point system, because he believes in big business?

Mr. HILL. It certainly seems that way. The Senator is entirely correct.

Mr. President, now I am glad to yield to the Senator from Indiana [Mr. CAPEHART], as I have said I would.

Mr. CAPEHART. That is quite all right.

Mr. HILL. Does the Senator from Indiana desire that I yield to him at this time?

Mr. CAPEHART. Not now, Mr. President.

Mr. HILL. I assure the Senator that I meant no discourtesy to him, as I hope he realizes; I was merely desirous of concluding the discussion of that particular point before I yielded for a discussion of another point, inasmuch as I felt sure that the Senator from Indiana had another point in mind.

Mr. CAPEHART. I do not ask that the Senator from Alabama yield to me now.

Mr. HILL. Very well.

Mr. President, on June 2, 1948, the Honorable Garland S. Ferguson, a Commissioner of the Federal Trade Commission, in testifying before the Capehart committee, was asked the question:

Do you feel that possibly some new legislation is needed upon this?

Commissioner Ferguson replied:

I cannot say that I do, Senator. Of course, that is in the wisdom of Congress. * * * Just as an individual I will say that, so far as I now can see, I do not see any need for legislation.

The Honorable Ewin L. Davis, another of the Commissioners of the Federal Trade Commission, in testifying before the same committee on June 2, 1948, stated:

I respectfully recommend against the enactment of legislation which would legalize the basing-point system or any other device which is used to restrain competition. Such legislation, if enacted into law, would undoubtedly seriously weaken the enforcement of the antitrust laws.

The Honorable Robert E. Freer, while Chairman of the Federal Trade Commission, stated before the same committee, on June 4, 1948, in testifying in reference to the Supreme Court decision in the Cement Institute case, which, of course, is the decision which actuated and inspired the presentation of Senate bill 1008:

The suggestion inherent in the resolution (setting up the Capehart committee) that legislation may be needed to legalize what was condemned by the Commission in the Cement case is a serious one and it goes to the very roots of the antitrust laws. I think it should be made plain from the outset that legislation which would approve any practice prohibited by the Commissioners' order in the Cement case would be legislation to permit combination and conspiracy to fix and maintain prices or systematic price discrimination practiced for the purpose or with the effect of eliminating competition.

Then, Mr. President, I should like to place in the RECORD at this point a statement made by Mr. Everette MacIntyre, Chief of the Division of Antimonopoly Files, of the Federal Trade Commission, his statement being to the same purport, in opposition to any such legislation:

On March 1, 1949, a majority of the members of the Federal Trade Commission, over the signature of the Secretary of the Commission, submitted to Senator EDWIN C. JOHNSON, at his request, their comments on S. 1008 then pending before a committee on the Senate. In that letter it was stated: "The Commission believes that enactment of this bill is neither necessary nor desirable." In that letter reasons were given why the Commission stated that conclusion with respect to the draft of the bill then pending in the Senate committee. They appear to me to have been based upon the belief of the Commission that the law was clear and that the legislation then proposed would add uncertainties to the law instead of providing for clarification. With that conclusion I personally am in complete agreement.

Mr. President, at the time the distinguished Senator from Colorado asked me to yield, I was speaking about the Kefauver amendments and about the words "will" and "may." The word "will," a verb denoting a certain future event, would have required the Federal Trade Commission and the courts to find that any discriminations under question would, as a positive certainty, have the future effect of a substantial lessening of competition. This amendment would not, therefore, provide a proper safeguard, and would not do what the Senate intended. As I understand the Carroll amendment, which was offered in the House, it would provide the safeguard intended by the Kefauver amendment, and therefore I see no good purpose to be served by sending the bill to conference for a compromise between the two amendments.

The question arises as to why we should want to adopt the proposed amendment to the Clayton Act, as contained in Senate bill 1008. Why should we want to pass Senate bill 1008? Since the House has refused to pass the bill without the safeguard of the Carroll amendment—and remember, Mr. President, the House Judiciary Committee opposed the Carroll amendment, and it was adopted by the House over the opposition of the committee—and since the Senate has expressed its desire for a similar safeguard, the question arises as to how the bill would change the present law. It appears to me the House version of the bill, containing the Carroll amendment, would change the present law, namely, the Clayton Act as amended by the Robinson-Patman Act, in three ways.

First, it would place some serious limitations and difficulties in the way of the Federal Trade Commission in enforcing the law. It would require that before the Commission could issue a complaint against a company engaged in price discrimination, the Commission would have to build up a case which would afford

reasonable belief that the price discrimination has, or in reasonable possibility will have, an injurious effect upon competition. This would mean that the Commission would have to spend months and months of the time of its lawyers and investigators building up a case to show that the discrimination had injurious effects and then, after spending all that time and money, the company would in many cases show in a few days that the discrimination was justified by differences in costs, and that its discriminations were therefore legal. In such a case the Commission would have wasted its time in proving the effect of the discrimination, which under the bill would be legal, in any event.

Of course, in those cases where it seeks finally to stop the discrimination the Commission would have to prove the injurious effect anyway; but the difference which would be brought about by this proposed shift in the procedural burden of the law is that the Commission would be required to prove the effect even in those cases which must inevitably be dismissed.

In other words, much time of the investigators and lawyers of the Commission would be consumed in collecting evidence in cases which would inevitably be dismissed, and which the Commission could not carry through to a successful termination. All this bill would do, then, would be to put an additional burden on the Commission and its staff, requiring so many more investigators and lawyers to devote their time and attention to cases in which there was no illegal discrimination, and concerning which the Commission could take no action against the discrimination.

Such a shift in the procedural burden of the law as this would have the practical effect of cutting the Commission's annual appropriation for the enforcement of the law. Or, conversely, it would mean that the same amount of law enforcement we are getting now would cost a great deal more money in the future. I cannot therefore see the purpose of this proposed change in the law, unless it be that we think we are now getting too much law enforcement against monopolistic practices, or conversely, that we want to increase the appropriation of the Federal Trade Commission and put more lawyers and investigators on the pay roll.

A second way in which the bill would change the law is that it would take away the powers of the Federal Trade Commission to stop the kind of discrimination it ordered stopped in the Morton Salt case, which was last year decided by the Supreme Court. Certainly this was the opinion of Representative WALTERS, a member of the House Committee on the Judiciary, who reported Senate bill 1008 to the House for the committee, because, in his report to the House, Representative WALTERS makes this statement:

> Section 4 of the bill is amended to provide there shall be reasonable probability of the specified effect provided for in the act. This restores the doctrine in effect prior to the decision in the *Morton Salt Case* (334 U. S. 37).

If this would not be a certain eventuality of the bill, certainly it seems probable it is an eventuality which many lawyers feel would be effectuated by the bill. In fact, Mr. Bergson, who is head of the Antitrust Division of the Department of Justice, testified to the Committee on the Judiciary of the House, on June 8, that the language of the bill as then written certainly would have this effect.

I have heard some criticisms of the Court's decision in the Morton Salt case, but in looking into the matter I have come to the conclusion that these criticisms are unwarranted. The criticisms we hear and read in the press about antitrust cases largely follow a pattern. Criticisms were made against the decision in the Cement Institute case, and against the decision in the Rigid Steel Conduit case. I have read a great deal of criticism which would almost lead me to believe that the practices which the Court condemned were normal everyday practices, which involved no real conspiracy to fix prices. But upon examining the decisions, upon scrutinizing them closely, it becomes evident there were conspiracy and collusive price agreements, and there was all kinds of direct evidence to prove that the corporations involved in these cases were conspiring to fix prices.

Now it appears that under the present law there has been no question but that the Federal Trade Commission could stop a seller from making unjustified price discriminations in favor of a large buyer under certain circumstances. These circumstances are those where the probable result of the discriminations made by this one seller would be sufficient to put small competitors of the large buyer out of business. But if the law had been construed to apply only in such circumstances, this would have meant that the law could protect small buyers only where they handled or sold only one product, or at least where a very prominent part of the buyer's total business involved the products of a single supplier. This would have been so because the law could have been applied only when the discriminations of a single supplier were of themselves alone sufficient to put the small buyer out of business. Such a limited protection as this would, of course, provide no protection at all for a small business such as a grocery store, which handles a large number of different products all coming from different sellers. The discrimination in any one product, no matter how great, would not of itself be sufficient to put the buyer out of business, although the discriminations of all of the various sellers in the aggregate would certainly have this effect. In the Morton Salt case the Supreme Court took the view that such small buyers do have a protection under the law, and that unjustified discriminations of the various individual sellers can be stopped. Certainly, no one in his right mind would claim that a discrimination in the price of salt alone, no matter how great, would have the probable effect of putting independent grocers out of business. But the Court did reason, and it seems to me with considerable wisdom, that the small buyers who were penalized by unjustified discrimination in the price of salt would be the same small buyers most likely to be penalized by similar discriminations in the price of baking soda, flour, and all of the other countless small items that a grocer sells. I do not, therefore, see the wisdom of a proposed law which would provide protection against unjustified price discriminations against small businesses when these small businesses are of the type that deal in only one or two products, while at the same time denying similar protection to small businesses which deal in a large number of products.

Mr. LONG. Mr. President, will the Senator yield for a question at this point?

Mr. HILL. I yield to my distinguished friend from Louisiana.

Mr. LONG. I am sure the Senator knows that this bill as presently written proposes to define the words "the effect may be" to mean that there must be proof of a reasonable probability. In the Morton Salt Co. case, the court stated that only proof of a reasonable possibility was required of the discrimination against a small-business man, which would put him out of business. I wonder whether the Senator feels that by changing the definition from "possibility" to "probability" the decision in the Morton Salt Co. case might be reversed?

Mr. HILL. I have read to the Senate the statement of Representative WALTER, who reported Senate bill 1008 to the House of Representatives for the House Judiciary Committee, in which he takes the position suggested by the Senator from Louisiana, that the passage of this bill would have the effect of repealing the decision in the Morton Salt case.

I thank the Senator for his question.

A third way in which this bill would change the existing law of the Robinson-Patman Act is that it would exempt from this law all kinds of discriminations against places or different sections of the country. This comes about in section 2 of the bill where it is proposed to exempt from the Robinson-Patman Act all price discriminations, no matter how great, which are involved in geographic pricing formulas. Section 2A of the bill proposes to exempt from the Robinson-Patman Act two kinds of delivered pricing systems. The first is the so-called postage stamp price system whereby a seller sells at the same delivered price all over the United States. Articles sold in that way today are articles such as candy bars, Lifesavers, and things of that kind. It is an interesting question as to what would be the effect if steel were sold on the postage-stamp basis.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LONG. The Senator knows that a large number of industries use that system. They charge freight half-way across the United States, even though the delivery is only across the street. It may not be only for their own convenience, but as a way of arriving at an identical price with their competitors.

Mr. HILL. The Senator is exactly correct.

The second is the so-called zone price system whereby a seller sells for one price, say, in the East and another price in the South, and perhaps another price

west of the Rocky Mountains. Section 2B of the bill proposes, moreover, to exempt from the Robinson-Patman Act by legalizing the mechanical elements inherent in the system.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KEFAUVER. In section 2 (b) of the bill, after providing that certain things shall be legal, it is then stated, in effect, "Provided, they do not do the things that are prohibited by this act." That is the Carroll amendment. If the proponents of this bill do not want to amend the antitrust law or the Robinson-Patman Act or section 2 of the Sherman Act, can the distinguished Senator see any reason in the world why they should object to stating in plain language that they do not want to have done anything prohibited by this section of the bill?

Mr. HILL. That would certainly be the direct and affirmative way to do it, and, as the Senator knows, that would certainly be the proper way to do it.

Mr. KEFAUVER. Should not one conclude, then, that since some proponents of the bill are so vigorously opposed to the amendment, they must have in mind not simply clarification but mutilation and emasculation of the Robinson-Patman Act?

Mr. HILL. That conclusion is well justified. I think it would be logical to reach such a conclusion.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. HILL. I should like to finish, but I am glad to yield to my friend from Louisiana.

Mr. LONG. Speaking of the so-called confusion with reference to the law, I wonder if the Senator knows that in discussion with a member of the Antitrust Division of the Department of Justice, he and I arrived at the conclusion that we perfectly understood what the law meant. There was no confusion in our minds, although the same man testified before the House committee that the law was confusing.

Mr. HILL. The gentleman evidently had a quick change of opinion.

Since all possible restrictions upon freight absorption to match the delivered prices of distant competitors would be removed, all possible restrictions on phantom freight would also be removed. Phantom freight would be exempted from a finding of illegality under the Robinson-Patman Act by the mere fact that a seller who wanted to charge phantom freight would set his base price as high as he might choose, and then proceed to match the delivered prices of his distant competitors by absorbing freight. In this way legality would be given to the nonbase mills of the old basing-point system, wherein producers of steel and other commodities charged their very highest prices to their local customers and charged their lower prices to customers farthest away from home.

In that connection, I should like to read two brief statements found in the hearings before the Small Business Committee of the House, which hearings lasted from June 28 to 30 and from July 1 to July 5 of this year. The Chairman of the Federal Trade Commission had this to say:

> Freight absorption is frequently thought of as the retention of the amount which the seller would ordinarily receive of all or part of the transportation charge incurred in making the sale. Under many basing-point systems there are producers who have no mill price and who charge delivered prices that include imaginary transportation charges from their mills, now generally known as phantom freight. If these nonbase mills establish mill prices as high as the former delivered prices at their mills, they can keep the same delivered prices by eliminating an imaginary freight charge. If they set mill prices still higher, what was formerly phantom freight would then be absorbed freight, though the delivered price does not change. A price discrimination has the same effect, whether it is described as an additional charge to those who pay higher prices or as a reduced charge to those who pay lower prices.

I now want to read from page 64 of the hearings before the House Committee on Small Business the following statement of Dr. Fritz Machlup, of Johns Hopkins University:

> In the light of the foregoing discussion, what about the proposals that the charging of fictitious freight be prohibited but the absorbing of actual freight be permitted? Should one wonder about the naiveté of the proponents? Or admire them for keeping straight faces and appearing serious while they try a good joke? Or should one take offense at the impudence with which somebody tries to pull our leg? Whether any particular price charged to a customer is "increased by a fictitious charge" or "reduced by a generous allowance" depends on the base price from which one chooses to start. If a delivered price of $60 seems to contain a fictitious charge of $10, as long as the base price is stated as $50 the seller needs only to increase his base price to $60 in order to avoid making fictitious charges. It is absolutely irrelevant whether price discrimination is practiced by making additional price charges to unfavored buyers or by making special allowances to favored buyers.

Mr. President, we have before us a bill which, on the one hand, proposes to prevent unjustified and injurious price discriminations against persons, but, on the other hand, proposes to permit the same kind of discriminations against various places and sections of the country. If it is recognized that we cannot prevent injurious discriminations against some persons without also preventing injurious discriminations against places, then we have a bill which has only a limited effect in preventing discriminations against persons.

The people of the South and West do not live in the East, and most of them are not likely to move their homes to the East or to any other section of the country. Therefore if we pass a bill which permits unjustified and injurious discriminations against the South and the West, we would be passing a bill which permits injurious discriminations against certain citizens of the country.

It may be that these proposed exemptions from the Robinson-Patman Act could be made without great damage, provided the basing-point system and other monopolistic systems of geographic pricing could be stopped under section 5 of the Federal Trade Commission Act. Moreover, it was the original understanding that amendments to section 5 of the Federal Trade Commission Act contained in this bill would indeed retain a law under which the basing-point system could be stopped. But now I have grave doubts as to whether the proposed amendments to this act would retain such a law. A great many questions have been raised. It seems to be a tricky and complex subject, but I judge that the corporations who have been using this discriminatory price-fixing method think that this bill would legalize the basing-point system. I hear no opposition to the proposed amendment to the Federal Trade Commission Act from these quarters, but I do, on the other hand, hear expressions which indicate that this is the kind of bill these monopolistic corporations want.

For example, on June 3, shortly after this bill passed the Senate, the New York Times carried a story under the following headlines: "Steel men happier on O'Mahoney bill. Admit privately that measure seems to provide means of solving price problem."

Mr. President, I submit there is not a more accurate or more reputable newspaper in the country than the New York Times. It literally prints the news. It literally tells the facts, and gives the truth behind the facts.

Under the headlines I have read the New York Times reported in part as follows:

> Although reluctant to commit themselves officially pending House action on the measure, steel industry officials admitted privately yesterday that the O'Mahoney bill amending the Federal Trade Commission Act, passed unanimously by the Senate on Wednesday, seems to provide the authority they have been seeking to meet competitor's prices.
>
> The general opinion of the steel industry is that the O'Mahoney bill would allow a return to the former basing-point system of pricing, the legality of which has been in doubt since the United States Supreme Court upheld last year a ban by the FTC on the cement industry's pricing system.

Mr. President, if this bill is going to weaken the antitrust laws, and make it even more difficult than it is now for the Federal Trade Commission to put a stop to the monopolistic basing-point system, then I am unalterably opposed to the bill. If the question of whether the Federal Trade Commission now has the power to put a stop to this monopolistic system is so much in doubt that the Supreme Court was divided 4–4 on this question in the Rigid Steel Conduit case, then I say that the law we ought to pass is not one which would create even more doubt, but one which would eliminate all doubt that the Federal Trade Commission did indeed have such powers. I say, moreover, if there was a question in the mind of the Supreme Court on this matter, after all the evidence of conspiracy and collusive price fixing that was brought out in the Rigid Steel Conduit case, then we ought to pass a law, such as that suggested by the Senator from Tennessee [Mr. KEFAUVER], which would very clearly state that the Federal Trade Commission could and must put a stop to this system. By this I do not mean that we should have a law whereby the

Government merely slaps these monopolistic corporations on the wrists and tells them to quit conspiring. I mean that we should have a law which would definitely put a stop to the basing-point system.

There has been no monopolistic device or practice invented which has done more harm to the South and the West than the basing-point system. This is a system whereby certain giant corporations of the East and Central States stake out a preserve on the markets of the South, and, for that matter, on the West. These corporations use this preserve to exact high prices in the South as long as no local competition springs up, and then, when some local competition does spring up, the system is used either to hamstring this competition or to destroy it.

In the first place, when the large, old-established corporations enter into conspiracy with one another, one of their main purposes is to design practices which will keep new competitors from coming into the field. This means particularly new competitors and new businesses which might come into being in the South and in the West. The reason for this is that it is particularly easy to design basing-point systems and the other kinds of practices which are conducive to destroying small competitors who arise in isolated markets where freight cost differences to the central markets of the East are high.

The fact is that under the basing-point system any producer located in a region where markets are thin, such as the South and the West, is at the mercy of his larger centrally-located competitors. A producer located in these regions must keep his prices so high that many of the local customers will find it just as cheap to buy from the East, and if he tries to lower his prices, the big central producers will then gang up and put him out of business. This problem was recognized by the Supreme Court in the Cement Institute case. The Court described, for example, the case of one cement mill, which happened to be located in the West. I should like to read the description from Justice Black's opinion:

> Meetings were held by other producers; an effective plan was devised to punish the recalcitrants and bring them into line. The plan was simple but successful. Other producers made the recalcitrant's plant an involuntary base point. The base price was driven down with relatively insignificant losses to the producers who imposed the punitive basing point, but with heavy losses to the recalcitrant who had to make all its sales on this basis. In one instance, where a producer had made a low public bid, a punitive base-point price was put on its plant and cement was reduced 10 cents per barrel. Further reductions quickly followed until the base price at which this recalcitrant had to sell its cement dropped to 75 cents per barrel, scarcely one-half of its former base price of $1.45. Within 6 weeks after the base price hit 75 cents capitulation occurred—

The little fellow had to surrender—

> and the recalcitrant joined a Portland cement association.

He had to join up with the monopoly.

> Cement in that locality then bounced back to $1.15, later to $1.35, and finally it went back to $1.75.

In other words, the big monopolistic companies had forced this small independent company to adopt the price of the big monopolistic company.

Mr. LONG. Does not that pretty well show why we could not get any competitive cement bids for all these many years?

Mr. HILL. The Senator is exactly right. Of course that shows why no bids could be gotten. The big fellows fix the price, and if the little fellow does meet the price, the big fellows simply cut the prices in the area served by the little fellow, where the little fellow has his market, so as to force him out of business.

I should also like to read from the trial examiner's report of what happened to a small cement company in my own State of Alabama, when it tried to reduce its prices below those prescribed by the big corporations which prescribed the basing-point price. This company was out of business within 5 months. It had been driven to the well, and then bought up by one of the large national corporations.

One can imagine how much that big corporation paid for this poor little company, after it was squeezed to death.

Now I wish to quote from the trial examiner's report:

> During the latter part of 1927 the Warrior Cement Co., which operated a plant at Spocari, Ala., made some prices which were lower than the prevailing prices in their territory based on Birmingham, Ala. Lone Star then quoted in the Spocari territory prices based on Warrior's mill, using the mill net of the latter's cut price as the new base price at Spocari. This had the effect of preventing Warrior from ever receiving a greater mill net than it had from the offending cut price. Lone Star kept this low base at Spocari until May 1928, when it acquired the Warrior mill. This mill was especially favored as to easily workable stone and low transportation rates. The Spocari mill was regarded as an outlaw mill. The Spocari plant was underselling—

Think of it, Senators—

> to the extent of giving customers a freight advantage which it deducted from open quotations based on North Birmingham. This base was put in December 5, 1927, and the mill was acquired by Lone Star on April 28, 1928.

It survived, as I said, 5 months.

I emphasize that the Warrior mill was not an inefficient mill. In fact, the trial examiner observed that it was especially favored as to easily workable stone and low transportation rates.

This is only a very small sample of the ways in which the basing-point system has been used to retard industrialization in the South and to maintain high prices in the South. I cannot believe that any such system which penalizes and retards the development of some sections of the country can be good for the country as a whole. Nor do I believe that any Member of this body would want to pass legislation which might have the effect of fostering such a monopolistic and oppressive system.

Mr. President, as I said in the beginning, I believe the bill constitutes a grave danger to our American free-enterprise system. If monopoly and monopolistic practices continue and if the American people reach the point of believing that the monopolistic system cannot be ended, that they must accept it and live under it, then they are going to say, "If we must have a monopoly, we will have the Government as the monopoly. We will have Uncle Sam as the trustee of all the people, to own and hold and operate this monopoly."

I am for the free-enterprise system. The astounding thing to me is that many persons who hate and fear most the destruction of the free-enterprise system, embrace and advocate and take to their bosoms these very steps which in the end will prove the destruction of the free-enterprise system.

Mr. President, the bill should be rejected. It should never be placed upon the statute books as we move forward to discourage and break down, to prevent and defeat monopoly, and to preserve the free American enterprise system.

Mr. MORSE. Mr. President, I wish to associate myself with the very able and penetrating observations set forth in the very fine speech made by the Senator from Alabama [Mr. HILL]. In proceeding with my discussion in support of the general thesis so ably defended by the Senator from Alabama, I wish to say that I contemplate speaking for about 30 minutes. In view of the lateness of the hour, I thought I should make that announcement, because I take it for granted that we are not going to vote tonight. I speak only so that those of us who are in favor of the motion to reconsider may complete our record today and Senators may have our brief points of view available for their reading tomorrow.

At the outset, Mr. President, let me say that I am greatly disappointed that it is necessary to debate the motion to reconsider, because in checking into the past practice of the Senate I find that almost always, under such parliamentary circumstances as confront us in this instance, it has not been necessary to press for a motion to reconsider; but, as a matter of senatorial courtesy, such action as may have been taken to send a particular bill to conference has been rescinded by unanimous consent if there was a misunderstanding at the time the motion was made to send it to conference.

I express, without any reflection on any colleague, my keen disappointment that this question was not handled by way of the common law of senatorial courtesy which prevails in the Senate under such circumstances, because Senators will find very few instances, at least in recent years, in the Senate of the United States, when, under circumstances such as this, a bill has not been called back by unanimous consent. I make that comment because I think it is fair at least to assume, or hypothesize, that the insistence upon the part of the proponents of the bill that reconsideration should not be given to the action taken by the Senate, indicates a doubt on their part as to the merits of their

position so far as the bill itself is concerned. Although they have the parliamentary right to follow the course of action which they have followed, I say to them most kindly that it does not set a very good pattern for future cooperation in regard to other parliamentary situations in connection with which other Senators may be tempted to exercise, as a matter of strategy, their full parliamentary rights.

I desire to make very clear, Mr. President, that the junior Senator from Oregon has not and does not intend ever to deny to his colleagues in the Senate under similar circumstances full senatorial courtesy.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MORSE. I shall yield in a moment. The junior Senator from Oregon is never going to be guilty of taking advantage of a technical situation in the Senate in order parliamentarily to strengthen his position in having his way on the substance of a particular bill, as I think is being done by the proponents of the bill in this case. I express the personal view that it is a bit unfortunate that the proponents of the bill are insistent upon their technical rights, when I take it that it is pretty well known that the proponents of the bill appreciate the fact that the Senator from Louisiana [Mr. LONG] fully intended to raise this question before the motion was made to send the bill to conference. Had he been present the motion would not have gone uncontested. Many times on a calendar day, after action has been taken on a bill, minutes—and sometimes hours—later, by unanimous consent, we agree to restore to the calendar a bill which technically has been passed, because some Senator misunderstood or was not present, and wished to make an objection. As a matter of senatorial courtesy we permit the objection to be raised.

I do not dwell on that point, except to say that I think we should remember that probably in the long run nothing is gained in the Senate by taking technical advantage of a colleague under the rules, because there is always another day.

I now yield to the Senator from Louisiana.

Mr. LONG. Mr. President, let me say to the Senator that I am sure he agrees that many things are done in the Senate by gentlemen's agreement, including such things as this. When this bill came back with the House amendments, I was ready, and the junior Senator from Tennessee [Mr. KEFAUVER] suggested to the Senator from Nevada that we were ready to move that the Senator concur in the House amendments, but for some reason the Senator from Nevada did not care to proceed at that time. He said that he would let us know when he was ready. Then without notice, and when the junior Senator from Tennessee was in some other part of the Chamber explaining to another Senator what he intended to propose. the motion was made to send the bill to conference, and no Senator who was interested in opposing the measure knew what had happened when the motion to send the bill to conference was agreed to.

Mr. MORSE. I am glad to have the comments of the Senator from Louisiana.

I have tried to make clear that I think it is most unfortunate that the Senator from Louisiana was not granted what I have been pleased to call senatorial courtesy in this matter. Because of his subsequent statement of the misunderstanding in regard to what happened, I think, as a matter of courtesy, he was entitled to the unanimous consent of this body that the motion to send the bill to conference be held in abeyance so that he could make his objections to its going to conference, and we could have a debate on the merits. The RECORD should be perfectly clear that it would appear that the reason why the proponents of the bill do not want to extend that common pattern of senatorial courtesy to the Senator from Louisiana is that they want to take refuge in the protection of a technicality in the rule. I express my regrets about that. It does not make me happy. I do not like to see the use of technical rules in a situation such as that, when it is perfectly clear that one of our Members in good faith labored under a misunderstanding. Of course, his misunderstanding—and I refer to the misunderstanding of the Senator from Louisiana—leads to misunderstanding in the country in regard to this situation.

Without taking time to read it, I ask permission to insert in the RECORD at this point as a part of my remarks a letter which I have received from Mr. R. H. Rowe, vice president and secretary of the United States Wholesale Grocers Association, in which he makes certain comments not only on the bill, but on the parliamentary predicament in which the Senate now finds itself. To give an example of the type of misunderstanding which I think is developing in the country, he attaches to his letter a bulletin which his association has issued, which apparently has had widespread circulation. It makes comments on the parliamentary situation in which we find ourselves. I ask that the letter and the bulletin be printed in the RECORD at this point as a part of my remarks.

In doing so I wish to make it perfectly clear that I do not share any possible implication which might be drawn from the bulletin reflecting upon the motivation of any Member of the Senate, because I do not believe there is a single proponent of the bill who is not just as sincere in his advocacy of the bill as I am in my opposition to it, and as other Senators who have spoken today in opposition to the bill are sincere. But I think the letter and bulletin afford an interesting bit of information as to the reaction which exists in some quarters of the country. They show the type of interpretation which may be placed upon the parliamentary strategy which is being used in connection with this matter.

There being no objection, the letter and bulletin were ordered to be printed in the RECORD, as follows:

UNITED STATES WHOLESALE GROCERS' ASSOCIATION, INC.,
Washington, D. C., July 28, 1949.

HON. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: We take the liberty of enclosing a copy of a bulletin being sent to wholesale grocers on the present status of S. 1008 (the basing-point delivered-pricing bill).

You will note that we believe that S. 1008 is a bad bill as a whole. It confuses the issue of basing-point practices as such with another issue, namely, the problem of individual delivered pricing. It makes unnecessary and ambiguous changes in the language of the Robinson-Patman Act which can weaken that act and therefore should be sent back to the Senate Judiciary Committee for further study or else rejected.

We further believe, however, that a much worse bill from the viewpoint of independent business will likely come from a Senate-House conference on this measure and therefore in default of sending the bill back to the Judiciary Committee or of rejecting it, we support the position of Senators LONG, KEFAUVER, and other Senators to have S. 1008 passed as it came from the House rather than having it sent to conference.

We respectfully ask that you give consideration to these views in your further study of this legislation.

Sincerely,

R. H. ROWE,
Vice President and Secretary.

NEW FAST MOVE IN SENATE TO RAILROAD S. 1008—PRESIDENT TRUMAN AGAINST WEAKENING ROBINSON-PATMAN ACT

Senator PAT MCCARRAN, Democrat, Nevada, chairman of the Senate Judiciary Committee, in the course of the Senate proceedings on July 26, unexpectedly moved that the Senate disagree to the amendments made by the House (Carroll amendments) and ask a conference with the House and that the Chair appoint the Senate conferees. The Senate thereupon agreed to the motion and Vice President BARKLEY appointed the following Senate conferees: Senators PAT MCCARRAN, HERBERT R. O'CONOR, Democrat, Maryland; and ALEXANDER WILEY, Republican, Wisconsin. Senator LONG, Democrat, Louisiana, shortly afterward moved that the McCarran motion be reconsidered. Senator LONG's motion will be voted on at a later time. It blocks for the present the efforts that have persistently marked the progress of the O'Mahoney version of S. 1008, namely, to railroad this legislation through Congress.

Senator LONG and other opponents of any measure that would weaken the antitrust laws want the McCarran motion reconsidered and an opportunity afforded to urge passage of the bill, S. 1008, as it came from the House with the Carroll amendments rather than send the measure to conference with the House.

At the time the McCarran motion was voted by the Senate, Senator LONG was not on the Senate floor. He was conferring with Senator JOSEPH C. O'MAHONEY, Democrat, Wyoming, on possible comprise in language of S. 1008, and Senator ESTES KEFAUVER, Democrat, Tennessee, was talking with the Presiding Officer, and did not hear Senator MCCARRAN's motion. Barely a quorum of the Senate was present at the time.

Senator LONG charged that Senator MCCARRAN's sudden move violated a previous understanding that Senator MCCARRAN would give prior notice when S. 1008 would be called up for action. The House will not likely appoint its conferees until after the Senate acts on Senator LONG's motion to reconsider.

On the same day these Senate proceedings were taking place, President Truman was expressing to Congressman RAYMOND W. KARST, Democrat, Missouri, foe of S. 1008, his opposition to any legislation that would weaken the Robinson-Patman Act.

Congressman KARST, on July 27, dictated to the United States Wholesale Grocers' Association, the following account of his interview with President Truman on S. 1008:

"I called on the President yesterday. We had a very nice visit. We discussed the Senate bill 1008, which is the basing-point, delivered-pricing bill, and the President expressed to me that he was not familiar with

the contents of the bill, had never spoken to anyone about it, but if the bill was introduced by Senator O'MAHONEY, he believed it would be a bill to protect small business. I pointed out to him the intent of the bill, and he expressed dissatisfaction with any legislation that would repeal the Robinson-Patman Act, which was a protector for small business. He also expressed to me that he was against the basing-point system which created monopoly. He implied that he would be opposed to any legislation which would harm small business. He said he would be against the bill if it contained the objectionable features which I pointed out to him. I feel much encouraged over my interview with the President on this matter."

In the present circumstances the best thing that could be done with S. 1008 is send it back to the Senate Judiciary Committee for further study including open public hearing, which S. 1008 as presently worded has never received, or else to reject it.

It is a bad bill as a whole. It confuses the issue of basing-point practices as such, with another issue, namely, the problem of individual-delivered pricing. It makes unnecessary and ambiguous changes in the language of the Robinson-Patman Act that can weaken that act. It should not pass without further thoroughgoing consideration.

But we believe that a much worse bill from the viewpoint of independent business will likely come from Senate-House conference and therefore support efforts of Senators LONG and KEFAUVER and other Senators to pass the House version rather than risk a worse version from the conference committee.

Mr. MORSE. Mr. President, the Carroll amendment adopts the present wording of the Robinson-Patman Act in regard to effect on competition exactly as it is. This is the virtue of the amendment. There is no change whatever in the existing language in this particular connection. As Mr. Carroll himself pertinently stated: "The amendment, therefore, is so simple that even a lawyer can understand it." Mr. Carroll's amendatory language is:

> Except where such absorption of freight would be such that its effect upon competition may be that prohibited by this section.

Thus he adds no new words which would require construction by the courts, and thus open the doors for protracted litigation. His amendment simply refers back to wording already contained in the existing section of the Robinson-Patman Act. This section is section 2 (a) of the Clayton Act, as to which the pertinent wording reads as follows:

> Where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly.

I think we should take careful note that the present wording is "may." All that the Federal Trade Commission has to prove is that the effect of the discrimination may be to substantially lessen competition. It is not necessary to prove that the effect will substantially lessen competition. It was recognized, in inserting this wording in the Robinson-Patman Act, that it would be an almost insufferable burden to compel the Federal Trade Commission to prove that the effect of the discrimination necessarily lessens competition. It was deemed sufficient if the Government could show that the effect may substantially lessen competition. To require a greater showing of proof might mean that no case could be proved at all in most instances. I believe that would follow. The proceeding before the Federal Trade Commission is not a criminal proceeding. In many respects it is even less than an ordinary civil proceeding; it seeks to deter violations of the law at their incipiency and looks forward to restraining orders to prohibit the continuation of violations.

There has been considerable discussion in this debate thus far as to the Kefauver amendment. I think we should keep in mind the fact that the Kefauver amendment—quite inadvertently to be sure—is in the nature of a "will" amendment. It reads as follows:

> Except where the effect of such absorption of freight will be to substantially lessen competition.

Under the wording of this amendment, the Federal Trade Commission most probably would be held to the duty of proving that the effect of freight absorption would actually, as a matter of fact and of necessity, be to substantially lessen competition. This is a burden of proof which most lawyers in this field, whether on the Government side or on the other side, would agree would not, as a matter of fact, be met in very many cases.

The Senator from Tennessee has assured us that he did not intend this result. His language was drafted very hurriedly, and at the very last moment, in order to try to bring up something which would not completely extinguish the pertinent language in the existing Robinson-Patman Act. The Senator from Tennessee has naturally endorsed the Carroll amendment, in preference to his own.

All sincere proponents of the Kefauver amendment should be as forthright as the Senator from Tennessee himself in preferring the Carroll amendment to the Kefauver amendment. The only purpose of the Kefauver amendment was to prevent the emasculation of that particular part of the Robinson-Patman Act. If the wording of the Kefauver amendment is not sufficient for that purpose, and if the Carroll amendment is, then the Carroll amendment should be endorsed by the friends of the Robinson-Patman Act.

On the other hand, if by inadvertence the Kefauver amendment does a disservice to the Robinson-Patman Act, it seems strange that any proponent of this bill with the Kefauver amendment should insist upon retaining the Kefauver amendment.

The proponents of Senate bill 1008 have consistently maintained that their objective was merely a congressional declaration that delivered prices and freight absorption were lawful. They never took the position that they were interested in scuttling the Robinson-Patman Act. The particular provision involved here is a substantive provision—far more important, even, than any procedural provisions.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Oregon yield to the Senator from Illinois?

Mr. MORSE. I yield.

Mr. DOUGLAS. Is it not true that there is involved in this bill not merely the question of the Robinson-Patman Act and the legitimacy of discounts, but also the basing-point system?

Mr. MORSE. I am inclined to think that is true.

Mr. DOUGLAS. Is it not also true that the Carroll amendment to section 2, although it has a worthy purpose, is not sufficient to guard against the danger that the basing-point system will be legitimized by Senate bill 1008?

Mr. MORSE. I shall have to leave that to the courts to decide.

Mr. DOUGLAS. I mean it raises a distinct question.

Mr. MORSE. I think it leaves doubt.

Mr. DOUGLAS. Therefore, is it the opinion of the Senator from Oregon that even with the Carroll amendment, Senate bill 1008 creates more dangers than it resolves difficulties; and, therefore, would it not be in the public interest to have Senate bill 1008 shelved?

Mr. MORSE. I wish we could shelve it and rewrite it and make perfectly clear our position on the basing-point issue. But I am sure the Senator from Illinois will agree with me that the probabilities are that Senate bill 1008 will be finally passed by the Senate. So those of us who wish to do what we can to protect the small-business men of the country from monopoly are in the practical situation of making the best fight we can for the particular provision which we have a fighting chance of having adopted, and I think the only chance we have is to have the Carroll amendment adopted.

Mr. DOUGLAS. But in connection with the attempt to kill the bill, I assume that the Senator from Oregon will join with us in the attempt to kill the bill.

Mr. MORSE. I think there will be a yea-and-nay vote on that question, and the Senator from Illinois can count on me when the vote is had.

Mr. President, there is a matter which deserves much more careful attention by the Senate than it has received to date. It has been referred to on and off, in the course of this debate. I shall not take time even to read all the excerpts from the document I now have in mind, to which I wish to call attention in my speech this afternoon, but I particularly urge the Members of the Senate to study the document, previously introduced into the RECORD on June 1, 1949, by the Senator from New Hampshire [Mr. TOBEY], a document entitled "Identical Bids Under the Basing-Point System."

There are certain sections of this document and certain statistical information contained in it which I wish to make part of my remarks this afternoon.

The document says, in part:

> A large body of data has been assembled, showing identical prices, especially for cement and certain steel products, resulting from the use of the basing-point system. These data, which cover a period of more than 20 years, are derived from bids to Government agencies and sales to dealers. This information is supplemented by certain recent bids to Government agencies following

the abandonment of basing-point pricing in July 1948, which reveal the absence of identity in bidding after the system was abandoned.

Under the basing-point system, prices less than the formula price can appear only when some cooperating supplier makes a mistake in applying the formula, or when some noncooperating supplier deliberately shades the base price or freight rates and thereby violates the formula. Bids higher than the formula price are a convenient method by which any freight-wise distant supplier may effectively eliminate himself, while offering a semblence of competition.

Mr. President, the document then goes on to set forth certain very interesting statistical tables.

I read further:

IDENTICAL BIDS FOR CEMENT

Summary of bids to Government agencies: Table I presents a summary of identical bids in the cement industry over a period of more than 10 years (from 1927 through 1937) as shown by bids submitted to State and Federal purchasing agencies. The figures clearly reveal just how perfectly the basing-point system works automatically to destroy competition and make Federal and State purchasing agencies, and the public they represent, the victims of this monopolistic system.

Mr. President, I ask unanimous consent to have incorporated at this point in the RECORD, as a part of my remarks, table No. 1 of that study. The table is entitled "Cement—Manufacturers' Destination Prices Bid to Government Agencies."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—*Cement—manufacturers' destination prices bid to Government agencies*

Year	Barrels	Number of destinations	Number of manufacturers bidding [1]	Total number prices bid	Bids at formula prices		Bids above formula prices		Bids under formula prices	
					Number	Percent	Number	Percent	Number	Percent
1927	[2] 453, 545	129	15	1, 359	1, 355	99. 70	2	0. 15	2	0. 15
1929	[3] 9, 035, 027	579	77	7, 713	7, 342	95. 19	237	3. 07	134	1. 74
1930	9, 050, 435	558	59	4, 662	4, 553	97. 66	60	1. 29	49	1. 05
1934	[3] 2, 900, 000	4	12	[4] 38	38	100. 00				
1935	[3] 1, 000	1	8	8	7	87. 50	1	12. 50		
1935	[3] 10, 000	1	3	[5] 6	6	100. 00				
1936	[3] 8, 000	1	18	18	18	100. 00				
1936	[3] 500	1	14	14	14	100. 00				
1936	[3] 6, 000	1	11	11	11	100. 00				
1937	[3] 1, 200	2	15	[4] 29	29	100. 00				
Total	21, 465, 707	1, 277	222	13, 858	13, 373	96. 50	300	2. 16	185	1. 33

[1] Includes duplications where the same manufacturer bids on more than one invitation.
[2] Bids to State highway commission on numerous projects.
[3] Bids to Federal agencies on individual projects.
[4] Some manufacturers did not bid for all destinations.
[5] Counting as separate the bids by individual manufacturers for cement in bulk and in bags.

Mr. MORSE. Mr. President, I read further from the study:

These figures were based on investigations of the Federal Trade Commission in its Price Bases Inquiry (1932), and in its *Cement Institute Case* (37 F. T. C. 87). The 1927 and 1930 bids were all to various State highway commissions for shipment to more than 1,250 destinations in the 9 States of Illinois, Indiana, Iowa, Louisiana, Maryland, Missouri, Oklahoma, South Carolina, and Wisconsin.

The general showing is that, by years, from 95 to 99.7 percent of the bids were identical with the basing-point destination price.

That is a remarkable coincidence, Mr. President.

I read further:

In no year did the number of bids which were at a lower price amount to as much as 2 percent of the total number of bids. Or, to put it another way, the basing-point system produced approximately 99 percent uniformity in price.

What remarkable competition, Mr. President.

I read further:

For the smaller number of bids to Federal agencies during the years 1934 to 1937, inclusive, the showing of uniformity of bid prices is even more striking. For six of the seven individual projects covered, 100 percent of the bids carried identical prices. For the seventh project, seven of the eight bidders named prices strictly in accordance with the basing-point system. One bid higher destination prices, thereby indicating a probable lack of interest in the business.

Taking all of these bids together, out of a total of 13,858 prices bid for shipment to 1,277 different destinations, only 1.33 percent were at prices less than required by the system.

Summary of bids to private dealers: Basing-point proponents claim that destination prices at which cement is invoiced to dealers often differ from the pattern of identity shown by bids to Government agencies. To test the accuracy of this statement, the Federal Trade Commission examined more than 66,000 invoices by 51 cement producers covering shipments to dealers in 21 cities during the years 1927-29. Only 6 percent of the sales, representing practically the same percentage of invoices, deviated from the basing-point system prices. The degree of conformity to basing-point pricing in each of the cities is shown in table 2.

Mr. President, I ask unanimous consent to have table 2, entitled "Manufacturers' Sales of Cement to Dealers at Formula Delivered Prices, 1927-29," printed at this point in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—*Manufacturers' sales of cement to dealers at formula delivered prices, 1927-29*

Destinations	Total sales reported			Sales at formula prices			Percent of total
	Invoices	Shippers	Barrels	Invoices	Shippers	Barrels	
Baltimore, Md	2, 117	13	536, 305	1, 868	13	474, 591	88. 49
Birmingham, Ala	3, 633	9	657, 348	3, 633	9	657, 348	100. 00
Buffalo, N. Y	2, 752	15	681, 866	2, 750	15	681, 366	99. 93
Chattanooga, Tenn	1, 333	5	257, 745	1, 226	5	239, 038	92. 74
Chicago, Ill	14, 881	9	4, 420, 930	12, 129	9	3, 612, 137	81. 71
Cincinnati, Ohio	2, 071	14	438, 899	2, 070	14	438, 699	99. 95
Cleveland, Ohio	8, 716	17	2, 392, 887	8, 716	17	2, 392, 787	100. 00
Detroit, Mich	6, 669	14	2, 224, 298	4, 988	14	1, 960, 618	88. 15
Ensley, Ala	773	7	137, 374	773	7	137, 374	100. 00
Hedona, Ala	608	7	128, 833	608	7	128, 833	100. 00
Indianapolis, Ind	2, 797	11	732, 244	2, 766	11	724, 878	98. 99
Madison, Wis	1, 319	11	352, 182	1, 319	11	325, 182	100. 00
Minneapolis, Minn	1, 879	11	877, 555	1, 242	11	729, 420	83. 12
New York, N. Y	6, 457	17	5, 367, 916	6, 547	17	5, 367, 916	100. 00
Norfolk, Va	430	5	67, 930	430	5	67, 930	100. 00
Philadelphia, Pa	3, 296	15	813, 803	3, 296	15	813, 803	100. 00
Pittsburgh, Pa	93	7	23, 451	93	7	23, 451	100. 00
Richmond, Va	753	7	129, 346	753	7	129, 346	100. 00
St. Louis, Mo	4, 494	7	907, 990	4, 494	7	907, 990	100. 00
Washington, D. C	1, 295	10	426, 412	1, 295	10	426, 412	100. 00
Wilmington, Del	391	7	101, 453	391	7	101, 453	100. 00
Total	66, 157	[1] 51	21, 649, 667	61, 297	[1] 51	20, 340, 572	93. 95

[1] Exclusive of duplications.

(Source: FTC Price Bases Inquiry: Basing-Point Formula and Cement Prices, p. 58.)

Mr. MORSE. Mr. President, I continue to read from the document:

Every shipper quoted identically the same destination price on every invoice to dealers in 13 of the 21 cities. For 4 more cities, invoice prices were identical for 99 percent or more of the tonnage.

This striking price identity in 17 cities was, of course, no accident, since every one of the 51 shippers observed the system in pricing most of the tonnage shipped. Unintentional errors might well account for most of the few deviations shown for the 17 cities.

Only 4 cities showed less than 90 percent price identity, the largest deviations occurring in Chicago. It is interesting to note that one producer local to Chicago and another local to Baltimore accounted for all deviations in each of these cities.

Resubmission of identical bids: Dissatisfied with the constant submission of identical bids, Government purchasing agencies, particularly during the 1930's, made repeated

efforts to secure competitive bidding—with little success. The original submissions would be thrown out, followed by readvertisement for new bids, which upon being submitted would again be found to be exactly identical.

To illustrate that, Mr. President, I ask unanimous consent to have inserted at this point in my remarks table 3, an abstract of bids for furnishing and delivery approximately 1,200,000 barrels of Portland cement for use in the construction of Tygart River Reservoir Dam, received in response to advertisement and specifications.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—*Abstract of bids for furnishing and delivering approximately 1,200,000 barrels of portland cement for use in the construction of Tygart River Reservoir Dam, received in response to advertisement and specifications, serial No. 35-224, dated Jan. 7, 1935, and opened at United States engineer office, Pittsburgh, Pa., Jan. 18, 1935*

[Serial No. 35-224]

No.	Name and address of bidder	Price per barrel
1	Southwestern Portland Cement Co., Osborn, Ohio	$1.84
2	The Bessemer Limestone & Cement Co., 1106 City Bank Bldg., Youngstown, Ohio	$1.84
3	Universal Atlas Cement Co., 518 Frick Bldg., Pittsburgh, Pa	1.84
4	West Penn Cement Co., 233 South Main St., Butler, Pa	1.84
5	Lehigh Portland Cement Co., 718 Hamilton St., Allentown, Pa	1.84
6	Standard Portland Cement Co., 925 Midland Bldg., Cleveland, Ohio	1.84
7	The Diamond Portland Cement Co., Middle Branch, Ohio	1.84
8	Wabash Portland Cement Co., First National Bank Bldg., Detroit, Mich	1.84
9	Superior Cement Corp., Portsmouth, Ohio	1.84
10	Coplay Cement Manufacturing Co., 521 Fifth Ave., New York, N. Y	1.84
11	Alpha Portland Cement Co., Easton, Pa	1.84
12	The Washington Building Lime Co., 2004 First National Bank Bldg., Baltimore, Md	1.84
13	Huron Portland Cement Co., 1325 Ford Bldg., Detroit, Mich	1.84
14	Medusa Portland Cement Co., 1000 Midland Bldg., Cleveland, Ohio	1.84
15	Lawrence Portland Cement Co., 270 Broadway, New York, N. Y	1.84
16	Green Bag Cement Co. of Pennsylvania, 2119 Oliver Bldg., Pittsburgh, Pa	1.84
17	Pittsburgh Plate Glass Co., Columbia Cement Division, 2130 Grant Bldg., Pittsburgh, Pa	$1.84

Appropriation: 8.05678.5 PWA allotment to War, rivers and harbors, 1935 (Tygart River Dam, W. Va., 8.03/5640.5 N. I. R. War, rivers and harbors, 1938-35 (Tygart River Dam, W. Va.).

I certify that the above is a true abstract of all bids received.

JOHN SERGAN,
Chief, Purchasing Section.

Mr. MORSE. I also ask unanimous consent to have placed in the RECORD at this point in my remarks table 4, entitled "Advance Abstract of Cement Bids."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—*Advance abstract of cement bids*

[Serial No. 35-264]

Name and address of bidder	Location of plant	Railroad freight rate to Grafton (cents per barrel)	Distance from plant to Grafton (miles)	Will bidder accept whole order?	Amount of order preferred by bidder (barrels)	Price per barrel f. o. b. dam site
Lehigh Portland Cement Co., Young Bldg., 718 Hamilton St., Allentown, Pa.	Union Bridge, Md	0.5076	221½	Yes	1,200,000	$1.70
Do	New Castle, Pa	.5076	201½			
The Bessemer Limestone & Cement Co., 1106 City Bank Bldg., Youngstown, Ohio.	Bessemer, Lawrence County (railroad name, Walford, Pa.).	.5076	194.0	No	500,000	1.70
West Penn Cement Co., Butler, Pa	West Winfield, Pa	.49	176.9	Yes	1,200,000	1.70
Standard Portland Cement Co., 925 Midland Bldg., Cleveland, Ohio.	Painesville, Ohio	.63	272.4	No	450,000	1.70
Wabash Portland Cement Co., Detroit, Mich	Osborn, Ohio	.63	290.7	No	400,000	1.70
Pittsburgh Plate Glass Co., Columbia Cement Division, 2129 Grant Bldg., Pittsburgh, Pa.	Fultonham, Muskingum County, Ohio	.55	182.0	Yes	1,200,000	1.70
The Washington Building Lime Co., 2004 First National Bank Bldg., Baltimore, Md.	Martinsburg, W. Va	.49	165.0	No	540,000	1.70
Alpha Portland CementCo., 15 South Third St., Easton, Pa.	Manheim, W. Va	.3008	31.0	Yes	1,200,000	1.70
Universal Atlas Cement Co., 518 Frick Bldg., Pittsburgh, Pa.	Universal, Pa	.4324	148.2	Yes	1,200,000	1.70
Green Bag Cement Co. of Pennsylvania, 2119 Oliver Bldg., Pittsburgh, Pa.	Neville Island, Pa	.46	157.9	Yes	1,200,000	1.70
Medusa Portland Cement Co., 1000 Midland Bldg., Cleveland Ohio.	Crescentdale, Pa., post office. Wampum, Pa.	.5076	180	Yes	1,200,000	1.70

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Illinois?

Mr. MORSE. I yield.

Mr. DOUGLAS. Is the Senator from Oregon aware of the fact that when the Government built the Fort Peck Dam in Montana, the proper officials advertised for bids on steel sheets; that 17 steel companies submitted bids, which were identical; and that the Secretary of the Interior, Harold L. Ickes, at that time, rejected the bids and asked for resubmission? I may add that in the case of the bidding for cement for the Fort Peck Dam the bids submitted were also identical.

Mr. MORSE. The Senator from Oregon is not familiar with the facts the Senator has just mentioned, but he is not at all surprised, because they illustrate a characteristic pattern which seems to be prevalent in submitting bids to the Government on such items as steel and cement.

Mr. DOUGLAS. Is it not true that the identical prices which are quoted can be explained in each and every instance by the base price which the leader of the industry declares, plus the freight rate from the basing point to the point where the goods are delivered?

Mr. MORSE. I have never heard nor read any evidence to the contrary by any of those who take a position contrary to that taken by the Senator from Illinois and the Senator from Oregon on this issue.

Mr. DOUGLAS. And this identity of prices can be arrived at without the parties ever meeting, without their ever being together, but simply by the so-called dealer in the industry declaring prices at a given basing point, thus enabling the other companies having freight-rate books to choose that as their base and to mark up the freight from the basing point to the places where the goods are delivered. So they pursue a common purpose, even though they do not formally conspire?

Mr. MORSE. Such manipulations as the Senator from Illinois has just described create the formula the parties follow, resulting in the identity of bids.

Mr. DOUGLAS. And they can follow this formula without ever actually physically conspiring together?

Mr. MORSE. There can be no doubt about that.

Mr. DOUGLAS. The effect is, is it not, to suppress competition?

Mr. MORSE. I think the effect is to kill competition.

Mr. DOUGLAS. And to create a level of prices higher than would be the case under competition?

Mr. MORSE. No doubt, and to squeeze out and freeze out the small producer.

Mr. DOUGLAS. Furthermore the higher level of prices under this cartel system than the level which would prevail under competition necessarily results in a smaller quantity of goods being demanded than would be the case if the prices were competitive?

Mr. MORSE. I think that is bound to be one of the economic effects of this nefarious practice.

Mr. DOUGLAS. Consequently, with the smaller quantity of goods being demanded, a smaller quantity of goods is necessarily produced?

Mr. MORSE. And as a result, fewer jobs are created.

Mr. DOUGLAS. Fewer jobs are created, greater unemployment is created, and business depressions are intensified?

Mr. MORSE. Monopoly is always a forerunner to depression.

Mr. DOUGLAS. So we are dealing here with one of the very vital issues affecting the lifeblood of the country and the whole future of the country, are we not?

Mr. MORSE. I think so. Indeed, when all is said and done, dry as the subject is, difficult as it is to get the average citizen and the average businessman, I may say, to study the monopolistic problem confronting the country, the danger of monopolistic control of the economy is the greatest threat today to the free-enterprise system, which is the lifeblood of the small-business man.

Mr. DOUGLAS. This bill would, perhaps, fasten monopoly more firmly upon the country than any other bill which has ever been before the United States Congress, at least in recent years. Is that not so?

Mr. MORSE. I answer by saying that, if I thought it would promote free enterprise, I should be supporting it.

Mr. DOUGLAS. But in the Senator's judgment, it would weaken free enterprise and increase the strength of monopoly, would it not?

Mr. MORSE. I think it would do much to make the small-business man of the main streets of America the economic servant of American monopolies.

Mr. DOUGLAS. And would it not also increase the prices which the ultimate consumers have to pay?

Mr. MORSE. Unconscionably so.

Mr. DOUGLAS. Therefore it would contribute to great profits on the one hand and unemployment on the other?

Mr. MORSE. That is what I mean when I say monopolistic control is always the forerunner of depression; first, in a particular section where it comes to bear upon the economic life, in the first instance, and then gradually, as its effects spread to the entire economy of the country.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. If I may ask a question or two more. Does not the Senator feel that many business interests are therefore extremely short-sighted in urging this policy, the effect of which would be to reduce competition and to weaken business conditions in general?

Mr. MORSE. I think the big-business interests are exceedingly short-sighted about it, but I believe the great majority of American businessmen who have taken the time to study the problem see the danger of the creeping paralysis which is spreading through the bloodstream of our economy as the result of monopolistic infection.

Mr. DOUGLAS. Therefore, while some Senators may be somewhat bored by the discussion which has been going on for the past 2 days about the nature of the basing-point system, if this information could be spread over the country, it would have a very healthful effect in educating public opinion and business opinion to the gravity of the issues we are discussing?

Mr. MORSE. I would not share the view of the Senator from Illinois that any of our colleagues have become bored. I think they are merely tired, and I think the attitude toward this bill is another good illustration of the desirability of our recessing at a rather early date, so we can go back to our constituents, talk to them, let them talk to us about some of these problems, and then come back, say, in November and proceed to consider this and other matters on their merits. I mean no reflection on the Senate when I say I think it is increasingly difficult to get these issues considered on their merits at this time, because Senators are tired. We are being pressed by a great many demands back home to give our attention to issues which the people want to talk to us about. We are overlooking the fact that in a system of representative government there is a duty on our part to go back home frequently in order to find out what the people want, and then, after such a refresher course, to come back to the Capitol and proceed to put into legislation the crystallized public opinion of our constituents.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I should like to ask a few more questions.

Mr. MORSE. I will yield to the Senator from Illinois, and then to the Senator from Indiana, who, on many occasions, I have heard call attention to the great dangers of monopolistic control in the United States.

Mr. DOUGLAS. Does not the Senator from Oregon feel that the No. 1 domestic problem is the lessening of the power of monopoly and of cartels?

Mr. MORSE. I really think so. I believe that is the first step we must take as a preventive of a depression.

Mr. DOUGLAS. If we have strong cartels and strong monopolies, the distribution of wealth and income will be less equitable and more unequal, business depressions will be more intense, and economic power will be concentrated in fewer hands. Is not that correct?

Mr. MORSE. That is correct. It gives rise to increasing demands for more and more statism as a way of checking totalitarian control of our economy by concentrated wealth. On the one hand, we have the tendency of the monopolists to want to take more and more of the economy under their control, which leads to what I call a totalitarian economy in fact; and to offset that, because people suffer as a result of it, we play into the hands of political leaders who, in order to offset the cartelists and monopolists, would have the Government take over the entire economy by way of state control. Both are totalitarian principles to which I am opposed, as I know the Senator is opposed to them. Our job is to try to lead the country into what I have been pleased to call so many times the sound middle-road course of a private-enterprise system under which the Government functions as an umpire and a checker of abuses.

Mr. DOUGLAS. To keep the stream of competition open.

Mr. MORSE. If we do not keep the stream of competition open, we shall have some form of totalitarian economy. There are many totalitarian economies. We can have the totalitarian economy of monopoly; we can have the totalitarian economy of communism, or we can have the totalitarian economy of state socialism. I shall always be counted among those who are fighting all those forms of totalitarianism.

Mr. DOUGLAS. Is it not true that the socialization of industry in Great Britain was fostered by the fact that industries had already become monopolized by one or two firms, and the people said, "If we must have a monopoly which we cannot control, or one which we can control, we shall choose a public monopoly"? Is not the best protection against widespread socialism an attempt to restore a good system of distribution?

Mr. MORSE. I agree with the Senator; but should like to add a comment on the British situation; I think there were other factors which were a part of the cause of the development of a program of state socialism in Great Britain. I want to make it clear that one reason why I voted against the Kem amendment to the ECA bill was my feeling that the fight for freedom which we are making round the world rests upon the principle of freedom of choice, and so long as freedom of choice is exercised by the people of Great Britain or France or Norway or Denmark or any of the other ECA countries, we must not, as Americans, play into the hands of the Russians by saying that we are going to insist upon the adoption in those countries of our notions of a capitalistic economy which we think is best for those people. If we cannot convince them on the basis of freedom of choice, then we have no right, in a common-defense program, which ECA is, after all, to say, "You cannot get any funds from us through ECA unless you adopt our economic theories."

Mr. DOUGLAS. The Senator from Oregon, like a true liberal, aims to break up power and diffuse it in a large number of small groups, rather than to concentrate it in big government or in big business.

Mr. MORSE. Quite so. For many years I have been a devotee of the Brandeis philosophy that we must keep our

eyes on bigness. Bigness is not necessarily bad, but it can be bad.

Mr. DOUGLAS. The basing-point bill which we have before us would give to industries a power independently to stifle competition because of the fear of small firms that if they got out of line they would be punished by the big firms.

Mr. MORSE. I think that is quite true.

I should like to add this comment in connection with the point the Senator has raised concerning the economic trend in England. When I was in England, in the fall of 1946, I remember a dinner I attended in Edinburgh, at which a large number of prominent businessmen of that city were present. I asked many questions, because I was seeking information. It was at that time that some of the major nationalization proposals of different segments of the economy of Great Britain were before the Parliament. I had spent the entire day previous to this dinner as an observer in the House of Commons. I listened to the debate on the proposal for the nationalization of the British transportation system, which, incidentally, was a very disappointing debate, in my opinion, in that the so-called conservatives made exceedingly able speeches which called for answers by the members of the labor side of Parliament, but the answers were made principally with jeers, wisecracks, and jokes, rather than coming to a clash in the controversy over policy, principle, and fact. Of course that is one of the dangers of any political alinement based on economic class consciousness, and we need to watch out for it in this country.

But what I was about to say in regard to the information given me at the dinner in Edinburgh was that I asked businessmen there whether, if the Conservatives had remained in power, they would have put into operation the system of controls, which included a system of price controls and economic controls much more drastic than any system we ever adopted in this country, even under OPA. I got an answer with unanimity. These businessmen said, "Senator, we want to be perfectly honest with you about this. If our party were in control of Parliament today we would have to put those controls into practice, for the simple reason that we are confronted with scarcity in Great Britain, and it is a governmental obligation to see to it that the necessities of life are distributed to our people under the strictest type of governmental control, as a matter of public necessity."

It is only fair to say it in view of a great deal of prejudice which I think is developing in America in respect to what is happening in Great Britain as to economic policies now prevailing.

I do not wish to be interpreted as saying that I approve the present economic policies in Great Britain, and I am sure I would disapprove of most of them if someone tried to superimpose them on my country. But I do want to make the point that in the war years, and immediately thereafter, any political party in Great Britain, I was advised when I was over there, would have been forced to put into practice a widespread system of controls, because the people were confronted with a break-down of their economy and with a scarcity of economic goods which are necessities of life.

I add one more comment as indicative of another reason why I opposed the Kem amendment the other day; and it seems to me there is a thread of principle which runs through that controversy into this controversy. We might just as well recognize the fact that we are fortunate in America that we can enjoy the great economic freedoms and liberties of the capitalistic system, because we are able to live under an economy of abundance due to the natural resources of our country. A reading of the economic history of the nations of the world demonstrates very clearly that whenever a people of a country cannot live under an economy of abundance resulting from God-given natural resources, the state must necessarily exercise greater control over the economic life of the people than I hope will ever be necessary in our country. I shall give an example or two, because this is tied up with the ECA problem.

Let us take the case of Norway. Does any opponent of ECA really think that Norway can possibly avoid a large amount of governmental control over her economy, which we have come to label "socialism"? The reality is that in many European countries, where the people have to live, after all, under an economy of scarcity, it becomes an inescapable function of the government to protect the people as a whole from selfish interests which might obtain monopolistic control over some segment of the economy. No government would be worthy of the name "government" if it did not proceed to step in to protect the interests of the public in such a situation as that.

Mr. DOUGLAS. Mr. President——

Mr. MORSE. One more moment, and I shall yield. That explains the so-called socialistic pattern of so many of the countries under the ECA arrangement, and it is a pattern which existed long before the war, but not to the degree to which it presently exists in England, because before the war England did have an economy of abundance produced by the great natural resources of her colonies. But her control over those resources is more and more being taken away from her as the fight for freedom progresses throughout the world. So in these days she is finding herself faced with the reality of an economy of scarcity. Thus she finds it necessary, in the interest of protecting the people as a whole, to exercise greater and greater state control. It is a sad picture. It is a regrettable fact. But I say to the Senator from Illinois that I have heard on the floor of the Senate much discussion about the economic problems of Great Britain that represents a running away from the realities which face the British Parliament. I am satisfied that if the Conservatives should come into power next week, they, too, would find it necessary to exercise stringent controls over the economy of Great Britain in order to protect the welfare of the people.

I now yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, is it not true that in Great Britain there has been no law prohibiting monopolies or cartels? Monopolies and cartels were legal, and therefore they were not prosecuted or impeded by the Government, and they developed to such a point that virtually every industry was controlled by one or a few firms.

Mr. MORSE. Of course, that was an inseparable part of the colonial, imperialistic policy of Great Britain for centuries.

Mr. DOUGLAS. British writers always speak about the benefits of competition, but they have had no laws to enforce competition.

Mr. MORSE. That is correct.

Mr. DOUGLAS. The result was that each industry began to be taken over by a few firms.

Mr. MORSE. Plus the fact that most of the major industries quickly developed their foreign connections, which made it possible for them to rationalize the exercise of the economic power which they did exercise, on the ground that the British economy would fall if they did not maintain their foreign investments and controls.

Mr. DOUGLAS. Is it not also true that while we have gone much further along the monopoly road than we should have gone, nevertheless the fact that we had on the books the Sherman Act, the Federal Trade Commission Act, the Clayton Act, and the Robinson-Patman Act, enabled the Department of Justice to enforce a greater degree of competition than would otherwise have prevailed, and hence has contributed to the stability of our country?

Mr. MORSE. I believe that to be true.

Mr. DOUGLAS. Does not the Senator believe that the bill now before us, by weakening the power against monopoly, would turn back the movement of progress, and would still further increase monopolies and cartels in this country?

Mr. MORSE. It is because I believe that to be true that I am participating in the opposition to the attempt to send this bill to conference without the Carroll amendments in it. I wish we could greatly strengthen the bill, as the Senator from Illinois has already brought out, so that it would be a more effective instrument for checking monopolistic tendencies.

Mr. DOUGLAS. I take it that the Senator from Oregon also feels that it would be better to have no bill than even to have this bill with the Carroll amendments, for the Carroll amendments do not undo all the damage done by sections 1 and 2.

Mr. MORSE. I believe that to be so. If there were a legislative way of doing it, I certainly would vote for a complete rewriting of the bill, so that it would be more completely a monopoly-control bill.

Mr. CAPEHART. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Indiana.

Mr. CAPEHART. Does the able Senator feel that the monopolies are bigger today than they were 25 years ago?

Mr. MORSE. I think I have heard the Senator from Indiana within the year

express the thought in some speech, I believe on the floor of the Senate, that one of the great dangers to our economy was the great growth of monopolies.

Mr. CAPEHART. Does the Senator agree with me that there are more of them today than there were 25 years ago?

Mr. MORSE. I think the war was very productive of them.

Mr. CAPEHART. Does the Senator agree they are trying to get bigger?

Mr. MORSE. That is what I have been trying to point out for several minutes.

Mr. CAPEHART. Does the Senator agree with me that the Democratic administration, which is doing so much talking about monopolies at every opportunity afforded, has been in complete control of this Government for 16 years?

Mr. MORSE. I not only agree with the Senator, but I am sure he will be very happy to make the statement for the RECORD that he is in agreement with the Senator from Oregon, who for some time has been urging the Republicans in the Senate to make monopoly control a matter of Republican policy, to take it to the people of the country and try to get the people to see the importance of breaking down the great monopolies of America.

Mr. CAPEHART. The great monopolies and cartels have grown up and thriven and become bigger and greater under the so-called liberal New Deal administration during the past 16 or 18 years, have they not?

Mr. MORSE. I always find it a matter of great pleasure when the Senator and I agree on anything, and I find myself in agreement with the Senator on this point, and I think we will get somewhere in developing a meaningful Republican platform and program, rather than the concoction of platitudes which has so often characterized the platform of the party, if we can march forward along the line of an effective monopoly-control plan.

Mr. CAPEHART. In other words, all we have had for 16 years has been talk and no action.

Mr. MORSE. I think we have had an ineffective monopoly-control program under the Democratic administration.

Mr. CAPEHART. Does the Senator agree with me that the laws are sufficient at the moment to stop all of what the able Senator from Illinois was objecting to a moment ago?

Mr. MORSE. I believe we can improve the present laws, and a pledge to that effect should be another plank in the Republican program. I think we should make that a part of our policy. We should make a very careful study of the laws as they are on the books, of the weaknesses of the laws, and the difficulties any enforcement department confronts, patch up those weaknesses, and then say to the small-business men of America, "We make the pledge to you that if you will give us the support we need to take over the administration of the Government, we will not merely talk about monopolistic control, but will do something about it."

Mr. CAPEHART. In other words, the members of the present administration who talk most against monopoly, have done nothing to bring about control of monopoly. Under the present administration, in fact, monopoly has grown bigger and stronger, and the people should be ready to turn the administration over to those who would do something about controlling monopoly, and not simply talk about controlling monopoly.

Mr. MORSE. I have not heard any admission to the effect that the people are ready to turn control over to others, but the Senator from Indiana knows that it was 4 years ago that I introduced my antimonopoly bill. I reintroduced it in the next session of Congress, and then in the next, and again this year. I may say to the Senator from Indiana I did not even secure hearings on my bill during the Eightieth Congress, when my party was in control. I think it was a great mistake not to bring my antimonopoly control bill to hearings. I know that the Senator from Indiana was in favor of having it brought to hearings. His record is clear on that point.

Mr. CAPEHART. In my opinion, it was unfortunate that the Senator from Oregon did not get the support of the Republican Party, and it is unfortunate that he does not get the support of the Democratic Party now to bring up his monopoly-control bill, because monopolies are becoming greater and stronger under the present administration.

Mr. MORSE. I will put it in this way: I think it is unfortunate that the people of America do not get the support they need from the Congress.

Mr. CAPEHART. Possibly that is the better way to put it. But I am certain that the able Senator from Oregon would agree with me that monopolies have become stronger and worse than they have been before; that they have thrived under the present administration at the same time that those who profess to be opposed to monopolies and hold up their hands in holy horror when they speak of them do nothing to bring them under control.

Mr. MORSE. There can be no doubt about that. I am going to be campaigning next year, and I think the Senator from Indiana is, too. I am going to have a specific record based upon proposals I have made for monopoly control. One of the reasons I am so satisfied to make this speech this afternoon against monopoly and in favor of monopoly control, I may say to the Senator from Wyoming [Mr. O'MAHONEY], is because I think it very important that the people of my State, who will have to make a choice next year between a Republican and a Democrat to send to the United States Senate, should know exactly where I stand on this matter.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CAPEHART. I disagree, of course, with the able Senator from Oregon as to the bill before us.

Mr. MORSE. I hate to hear the Senator say he disagrees with me about anything, when we have been in such complete agreement on the matter we are discussing.

Mr. CAPEHART. I disagree with the Senator from Oregon in that I believe the bill we are considering will do more to eliminate monopolies than the present law can do. I think the bill we are considering will help the small-business man rather than the big one. I am sincere and honest in my conviction about that. My conviction is based upon a complete study of the subject. I have sat for weeks and weeks listening to testimony on this subject. We are all entitled to our individual opinions on the subject. The Senator from Oregon and I are trying to do the same thing, that is to break up monopolies and to have competition and unhampered trade.

Mr. MORSE. I think the bill would be better with the Carroll amendments in it than without them.

Mr. CAPEHART. As the able Senator from Wyoming knows, at the time the Kefauver amendments were proposed I had no objections to them. Personally I think the Senate ought to be given an opportunity to vote on the amendments.

Mr. MORSE. I imagine the Senator would not object to my suggestion that we vote on them and on the bill, and that as a matter of senatorial courtesy the objection to the motion to reconsider be withdrawn.

Mr. CAPEHART. I have no objection to that procedure at all. But the Senate has decided on a different procedure.

Mr. MORSE. It could change its attitude.

Mr. CAPEHART. I hope we can secure a vote on this matter.

Mr. DOUGLAS. Mr. President, has the Senator from Indiana concluded his questions?

Mr. CAPEHART. Yes.

Mr. DOUGLAS. Mr. President, will the Senator yield to me for a question?

Mr. MORSE. I yield to the Senator for a question.

Mr. DOUGLAS. The Senator from Oregon is a fair-minded man, and I take it that while he recognizes that monopoly has increased in the past 15 years, he probably also feels that monopoly would have increased still more if we had had the same type of administration which we had in this country from 1921 to 1933.

Mr. MORSE. That is a matter of conjecture. I do not think we could possibly have such an administration for so long.

Mr. CAPEHART. Let me interrupt to say that the fact is that the other party has had control of the administration since 1933, and that monopolies have grown stronger since that time.

Mr. DOUGLAS. But monopolies grew much more rapidly during the period of the twenties. Is that not true?

Mr. MORSE. They grew very rapidly in the twenties, but they are certainly on the increase now.

Mr. DOUGLAS. Does the Senator from Oregon feel that the way to check them is to pass Senate bill 1008?

Mr. MORSE. That will not check them as much as the passage of my antimonopoly bill would, but in all modesty I must confess that I do not have much chance of having my bill passed.

Mr. DOUGLAS. Does the Senator from Oregon feel that Senate bill 1008 will check monopolies at all?

Mr. MORSE. I think it would have a deterring effect. Passage of the bill would puzzle the monopolists for a while.

Mr. DOUGLAS. It would result in puzzling the courts also, and puzzling the attorneys, and lead to interminable lawsuits. The Senator disappoints me by his answer, I may say.

Mr. MORSE. I am always sorry when I disappoint the Senator from Illinois. But when the Senator says it will puzzle and confuse the courts and the attorneys for a while, the Senator proceeds to show how right I am in my statement. Passage of the bill would slow up the monopolists a little bit, since they would not be sure what their legal rights were.

Mr. DOUGLAS. The argument in favor of the bill is that it will, allegedly, clarify the situation. I am glad the Senator from Oregon is in agreement with me on this point at least, that so far from clarifying, it would make the situation more confusing.

Mr. MORSE. If I were in the practice of law and permitted myself to be motivated by selfish rather than public interests, I could see a very lucrative practice growing out of the passage of the bill and its enactment into law.

Mr. DOUGLAS. In the Senator's opinion it will take a great many years before the lawbooks can be clarified on this subject; will it not?

Mr. MORSE. Oh, I think so.

Mr. DOUGLAS. In the meantime, as the result of lack of clarification, it will be possible for firms to indulge in basing-point practices and add freights and arrive at identical delivered prices without the Government being able to make effective prosecution for such practices.

Mr. MORSE. I think clients are always willing to follow the advice of their lawyers in such matters.

Mr. DOUGLAS. The effect will be very bad.

Mr. MORSE. I have already said to the Senator from Illinois that I think we should write a better bill than this.

Mr. DOUGLAS. I take it the Senator from Oregon feels that no bill would be better than the bill we are now considering?

Mr. MORSE. I will vote for the defeat of the bill. I think that is my answer. But I recognize that a bill is going to be passed, and therefore I am going to do the very best I can to patch it up.

Mr. DOUGLAS. The Senator from Oregon has never been afraid to stand with the Lord, even when the followers of the Lord were a small minority.

Mr. MORSE. I have never claimed the Lord was on my side. I always pray that the Lord will be on my side. However, I do not assert that He is on my side.

Mr. WHERRY. Mr. President, will the Senator permit me to interrupt him?

Mr. MORSE. I yield to the Senator from Nebraska.

Mr. WHERRY. May I ask the distinguished Senator from Oregon how much longer he will speak?

Mr. MORSE. I should have concluded long before this had I not been interrupted by so many questions. I am always happy to be interrupted, however. I can finish in about 15 minutes. I have been examined at some length, and my point of view has been brought out. I would aprpeciate it if at this time I may proceed and not yield further until I complete my remarks. I should like to complete them tonight.

Mr. WHERRY. I wish the Senator would permit the majority leader to make a unanimous consent request respecting the time for voting tomorrow.

Mr. MORSE. Will the Senator permit me to finish my speech tonight?

Mr. WHERRY. Oh yes, certainly.

Mr. MORSE. Does the Senator from Nebraska desire that I accommodate the Senator from Illinois [Mr. LUCAS] at this time?

Mr. WHERRY. Yes; so that he may present a unanimous consent request respecting the time tomorrow when we might vote.

Mr. MORSE. I shall be very happy to do that. I yield to the Senator from Illinois. I assume that the Senator from Illinois wishes to have me yield to him.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The Senator from Oregon yields to the Senator from Illinois for the purpose of allowing him to present a unanimous consent request.

(At this point Mr. MORSE yielded to Mr. LUCAS for the purpose of presenting a unanimous consent request. Debate ensued, which, on request of Mr. WHERRY and by unanimous consent, was ordered to be printed at the conclusion or Mr. MORSE's speech.)

Mr. MORSE. Mr. President, in view of the many interruptions I have already had in this speech, to which I have been very pleased to accommodate myself, but which, nevertheless, have turned a 30-minute speech into a speech of at least an hour and a half, I now announce that for the remainder of my speech I shall not yield for questions, because I think I can finish in a very few minutes if I am permitted to complete the discussion.

Mr. President, before the colloquy I had with the Senator from Illinois [Mr. DOUGLAS] and before the colloquy I had with the Senator from Indiana [Mr. CAPEHART] I had been discussing tables 3 and 4, which I had previously received consent to have printed in the RECORD as a part of my remarks.

I read further from the document presented some weeks ago by the Senator from New Hampshire [Mr. TOBEY]:

The following facts respecting the effects of systematic observance of basing-point pricing are revealed by a comparison of these two sets of bids, as shown in tables 3 and 4.

1. The destination price named by all bidders in each submittal was identical, but the price uniformly quoted in the second submittal was 14 cents less than the first. This, of course, raises the question as to how 11 bidders all came to submit bids in February which were exactly 14 cents per barrel less than those the same 11 bidders submitted in January.

2. The shipping plants were located at distances varying from 31 miles to 291 miles from the destination.

3. The published freight rates from the different mills to the destination ranged from $0.30008 to $0.63 per barrel.

In order to bring about identical prices on the second bid 14 cents lower than on the first, all that each of the 11 February bidders had to know was that the controlling base mill had reduced its price 14 cents per barrel. With this fact known, systematic observance of the basing-point system under which all other pricing factors were fixed and known automatically produced the 11 identical bids.

Individual instances of identical bids: Individual instances of identical bids in cement could be cited almost indefinitely. Since, as was illustrated above, the throwing out of the bids and the advertising for new bids merely results in the resubmission of bids which are again identical, the purchaser has little alternative but to make the award by lot. Mere chance or luck is thus substituted for the culmination of all the varying economic factors represented by price in the making of economic decisions. Specifically, under a well-developed and smoothly working basing-point system, differences in distance of supplier from destination, cost of production and distribution, etc., are all automatically and systematically eliminated. Some impression of the widespread success of the basing-point system in achieving this result can be gained from the following typical examples of identical bidding.

Table 5 covers an abstract of bids for large quantities of cement for delivery at four destinations for the Tennessee Valley Authority in 1934. Twelve individual bidders with plants as far away as Cape Girardeau, Mo., and Clinchfield, Ga., as well as others in nearby Tennessee, northern Georgia, and Alabama, all submitted bids which were absolutely identical to the fourth decimal place for each destination.

TABLE 5.—*Abstract of bids for deliveries to Tennessee Valley Authority as follows on bids opened Oct. 15, 1934: 200,000 to 800,000 barrels or partial quantity at Coal Creek, Tenn.; 100,000 to 700,000 barrels or partial quantity at Wheeler Dam, Tenn.; 100,000 to 700,000 barrels or partial quantity at Sheffield, Ala.*

Bidders	Plants nearest to destination	Coal Creek, Tenn.	Wheeler contractor	Wheeler Authority	Sheffield, Ala.
1. Alpha Portland Cement Co.	Phoenixville, Ala.	----------	$1.8798	$1.8398	$1.7008
2. Universal Atlas Cement Co.	Leeds, Ala.	----------	1.8798	1.8398	1.7008
3. Marquette Cement Manufacturing Co.	Cape Girardeau, Mo.	----------	1.8798	1.8398	1.7008
4. Lehigh Portland Cement Co.	Birmingham, Ala.	----------	1.8798	1.8398	1.7008
5. Hermitage Portland Cement Co.	Nashville, Tenn.	$1.7384	1.8798	1.8398	1.7008
6. Cumberland Portland Cement Co.	Cowan, Tenn.	1.7384	1.8798	1.8398	1.7008
7. Signal Mountain Portland Cement Co.	Chattanooga, Tenn.	1.7384	1.8798	1.8398	1.7008
8. Lone Star Cement Co.	Birmingham, Ala.	----------	1.8798	1.8398	1.7008
9. National Cement Co.	Ragland, Ala.	----------	1.8798	1.8398	1.7008
10. Georgia Cement & Products Co.	Portland, Ga.	----------	1.8798	1.8398	1.7008
11. Penn.-Dixie Cement Corp.	Kingsport, Tenn. / Richard City, Tenn.	1.7384	1.8798	1.8398	1.7008
12. Volunteer Portland Cement Co.	Caswell, Tenn.	1.7384	----------	----------	----------

All bids subject to 10 cents per barrel discount for payment in 15 days. Some bidders limited their offers to partial quantities.

Table 6 covers a large quantity of cement in bulk and a smaller quantity sacked in paper, delivered to the War Department for the Fort Peck (Mont.) Dam in 1935.

Mr. President, that incident is comparable to the incident involving steel, to which the Senator from Illinois [Mr. DOUGLAS] referred previously in his remarks. I was not familiar with the steel incident, but I was familiar with the cement incident.

I read further from the document:

Three producers submitted bids, all of which were identical to the fourth decimal place.

TABLE 6.—*Abstract of bids for 600,000 barrels of cement in bulk and 10,000 barrels of cement in paper for Fort Peck Dam in 1935*

Name of bidder	Plant's nearest destination	Bulk, per barrel	Paper, per barrel
Universal-Atlas Portland Cement Co.	Duluth, Minn..	$2.505/	$2.7145
Huron Portland Cement Co.	Alpena, Mich...	2.5054	2.7145
Three Forks Portland Cement Co.	Trident, Mont..	2.5054	2.7145

Table 7 covers an abstract of bids for a smaller order of cement for Leavenworth Penitentiary, on which bids submitted in September 1935 by seven of eight bidders all were identical to the sixth decimal place.

TABLE 7.—*Abstract of bids for 1,000 barrels of cement for Leavenworth Penitentiary, opened Sept. 3, 1937*

Name of bidder:	Price per barrel
Universal	$2.163424
Ash Grove	2.163424
Missouri	2.163424
Lone Star	2.163424
Lehigh	2.163424
Monarch	2.163424
Dewey	2.163424
Consolidated	2.175280

All bids subject to 10 cents discount per barrel for payment in 15 days.

In this instance, the only exceptions from sixth decimal place identity in the price per barrel was the bid of Consolidated Cement Corp. with a plant at Fredonia, Kans. Its bid, for some reason, was 0.5856 of a cent per barrel higher than the price uniformly bid by the other seven bidders. The discount terms offered by all bidders also were identical.

Table 8 covers an abstract of bids for cement for the United States Engineer Office, Tucumcari, N. Mex., for which bids by 11 bidders, opened in April 1936, were all identical to the sixth decimal place.

TABLE 8.—*Abstract of bids for 6,000 barrels of cement for United States Engineer Office, Tucumcari, N. Mex., opened Apr. 23, 1936*

Name of bidder:	Price per barrel
Monarch	$3.286854
Ash Grove	3.286854
Lehigh	3.286854
Southwestern	3.286854
Oklahoma	3.286854
U. S. Portland Cement Co.	3.286854
Consolidated	3.286854
Trinity	3.286854
Lone Star	3.286854
Universal	3.286854
Colorado	3.286854

All bids subject to 10 cents per barrel discount for payment in 15 days.

Mr. President, I could go on at length in commenting on the other tables which show identical bids, as contained in the material which the Senator from New Hampshire [Mr. TOBEY] called to the attention of the Senate some weeks ago. However, I think I have illustrated the major point I wished to illustrate in this part of my speech.

I summarize it by saying that it is simply remarkable, Mr. President, simply a fascinating coincidence, that in the cement industry those who operate the individual segments of that industry on a plant-by-plant basis can reach the same conclusion as to the amount of their bids, when the Government calls upon them to bid. I do not believe in mental telepathy; but, Mr. President, I refer those who do believe in it to the remarkable phenomenon which has characterized the bidding in the cement industry.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MORSE. No; I do not yield. I have already announced that I will not yield further in my remarks tonight.

Mr. LONG. Mr. President, if the Senator from Oregon will yield for a further question, I promise not to ask him to yield for any more questions.

Mr. MORSE. Mr. President, the Senator from Louisiana is so appealing that I do yield at this time; for a question.

Mr. LONG. The question has been raised so many times in the debate that I should like to ask the Senator from Oregon, for the record, if he has any knowledge, and if he is under the impression, that it is the giant corporations of the United States, the giant monopolistic firms, that are forcing this proposed legislation through the Congress posthaste, to the best of their ability. Since that issue has been raised, I would quote, in support of that argument, from a statement made in the Eightieth Congress by the Select Committee on Small Business, which at that time was composed of a majority of Republican members. This statement appears on page 23 of the report of that group on the problems of small business resulting from monopolistic and unfair trade practices:

Mr. McIntyre furnished the committee with evidence from official sources showing that heads of large companies supplying materials in short supply had written their customers letters, requesting them to bring pressure upon Congress to legalize basing-point systems. The heads of such large companies, it was pointed out, were affected by the Supreme Court's ruling, since they had used basing-point systems in their business up to the decision of the Supreme Court.

I point out that Mr. McIntyre's evidence contained letters written by Jones & Laughlin to every stockholder, asking them to put pressure on Congress to have Congress pass this law, and also letters to the same effect from the Weir Steel Co.; and the result was that many of those people came before the congressional committees to support this proposed legislation, although there is no note to show that Jones & Laughlin or the Weir Steel Co. wrote letters asking them to do so and no note to show that those companies wrote letters asking that this proposed legislation be enacted by the Congress.

Mr. MORSE. Mr. President, I thank the Senator from Louisiana for the comment he has made. He will recall that some weeks ago, in a speech I made on the floor of the Senate, I sought to bring out in great detail the major premise he has just laid down in his remarks.

It will be recalled that in that speech, which might be entitled a speech giving the history of such propaganda by big business, I traced some of the bulletins of the steel industry in connection with what I think is perfectly clear, namely, the long-time, concerted drive to fasten with a firmer grip monopolistic control upon the throats of American small business.

Let me say to the Senator from Louisiana—I have not had an opportunity to say this to him privately, but I prefer to say it to him publicly—that I think not only the people of Louisiana but all the people of the United States owe him a great debt of gratitude for the gallant fight he has made on the floor of the Senate with regard to this issue.

I think the speech the Senator made yesterday on the floor of the Senate was one of the strongest defenses of the rights of the small-business men of America, in the retention of the free-enterprise system, I have heard since it has been my privilege to serve in the Senate of the United States. Even though the Senator from Louisiana belongs to a political party different from my own, I am always going to support the right side of an issue as I see the right, irrespective of the partisan support it may be receiving. We are dealing here with an issue which, after all, is nonpartisan, and as I said to my good friend, the Senator from Indiana [Mr. CAPEHART], a few moments ago, I am delighted to find myself in complete agreement with him that we ought to make this issue of monopolistic control one of the great policy issues of the Republican Party. I may say to the Senator from Louisiana I welcome the type of battle he put up yesterday for greater control of monopolies and greater protection of the small-business men of America.

Mr. LONG. I thank the Senator. I point out that this certainly is not a partisan issue, because both parties, Democratic and Republican, have pledged themselves against this kind of law.

Mr. MORSE. That is true.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BREWSTER. Will the Senator from Oregon inform us whether he considers that he or his comrades of the last 2 days come under the President's current indictment of the Senate as filibustering?

Mr. MORSE. I have not read the indictment.

Mr. BREWSTER. It was released this afternoon.

Mr. MORSE. I have not heard of it until now.

Mr. BREWSTER. I think the Senator should examine the RECORD of the past 2 days and acquit most of the Republicans at least of any responsibility for delay.

Mr. MORSE. I have not heard the indictment, I may say to my good friend

from Maine, but of this I am certain, the Senator from Maine will look in vain through the CONGRESSIONAL RECORD to find an instance of speeches discussing any issue having been more to the point than have the speeches made during the past 2 days on this issue.

Mr. BREWSTER. I could testify to that from my own participation. I think it is unfortunate the President should raise such a question at this particular time when we have had so interesting a discussion of a matter which is certainly of very great importance.

Mr. MORSE. If the President has made comment to the effect that the speeches in regard to the basing-point problem constitute filibustering, someone has misinformed him.

Mr. BREWSTER. It apparently was merely a shotgun blast at the general situation.

Mr. MORSE. Mr. President, I now wish to discuss very briefly the subject of the submission of identical bids following the decision in the Cement case. Again quoting:

Continuation of identical bids until Cement decision: There is ample evidence that the almost perfect operation of basing-point pricing in cement continued to produce identical noncompetitive bids up to the Supreme Court decision in the Cement case on April 26, 1948. Not only were bids characteristically uniform but the customary efforts to instill some measure of competition in bidding by refusals of bids and readvertisements continued to be ineffectual.

These conclusions are borne out in the factual material presented in the following tables dealing with a number of identical bids received by the Corps of Engineers of the War Department during the period April 1947 to March 1948.

I ask unanimous consent to have inserted at this point table 13.

There being no objection, table 13 was ordered to be printed in the RECORD, as follows:

TABLE 13.—*Abstract of bids, for 2,000 barrels American portland cement received by Corps of Engineers, War Department, Vicksburg, Miss., advertised Mar. 26, 1947, and bids opened Apr. 9, 1947, serial No. 22-052-47-209, for flood control, Mississippi River and tributaries, destination Vicksburg, Miss.*

Bid number and bidder[1]	Price per barrel f. o. b. destination		Discount per barrel (15 days)
	Item 1	Item 1 (a)	
No. 1. Hermitage Portland Cement Co	$2.83	$2.85	$0.10
No. 2. Universal Atlas Cement Co	2.83	2.85	.10
No. 3. Alpha Portland Cement Co	2.98	3.00	.10
No. 4. Lehigh Portland Cement Co	2.83	2.85	.10
No. 5. Lone Star Cement Corp.	2.83	2.85	.10
No. 6. Marquette Cement Manufacturing Co	2.83	(2)	.10

[1] Awarded by lot to bidder No. 4 as between bidders 2 and 4, because these were lowest bids considering guaranty against increase for 15 days.
[2] No bid.

Mr. MORSE. I also ask unanimous consent to have inserted at this point, without taking the time to read it, the information set forth on page 24 of the Tobey material, including the insertion of table 14.

There being no objection, page 24 and table 14 were ordered to be printed in the RECORD, as follows:

The first of these tables (table 13) relates to a relatively small quantity of cement advertised on March 26, 1947, to be used for flood-control purposes. In this table, item 1 is the price for cement delivered on Government bills of lading at land-grant railroad rates and item 1 (a) is the usual basing-point destination price using the rate tables of the basing-point formula.

In this instance all four of the five bids received for item 1 were identical both as to amount and discount, and three of the four bids for item 1 (a) likewise were identical.

Table 14 summarizes a case in 1947 in which the Corps of Engineers, having received what it regarded as unsatisfactory bids on a first call, advertised for new bids with no better result in obtaining really competitive bids. The bids were for four lots of cement. On the first call there were only four bidders altogether, of whom only one bid on lot A; four bids on lot B; two bids on lot C; and two bids on lot D. The second call produced two additional bidders. Again, the only deviations from identical bidding were a few quotations which were higher than the formula price.

TABLE 14.—*Abstract of bids for 4 lots of American portland cement received by Corps of Engineers, War Department, Huntington, W. Va., for Bluestone Reservoir project, New River, W. Va., in 1947*

(Serial No. W-46-022-Eng.-47-136: First call issued May 1, 1947; opened May 12, 1947. Second call issued May 23, 1947; opened June 3, 1947)

Company	Item 1			Item 2 (a)		
	Price per barrel f. o. b. destination		Discount per barrel (15 days)	Price per barrel f. o. b. destination		Discount per barrel (15 days)
	First call	Second call		First call	Second call	
Lot A, 267,000 barrels:						
1. Universal-Atlas Cement Co	$2.58	$2.58	$0.10	$2.60	$2.60	$0.10
Lot B, 162,000 barrels:						
1. Universal-Atlas Cement Co	2.58	2.58	.10	2.60	2.60	.10
2. Lehigh Portland Cement Co	2.58	2.58	.10	2.60	2.60	.10
3. Medusa Portland Cement Co	2.58	2.58	.10	2.60	2.60	.10
4. North American Cement Corp	[1] 2.73	[1] 2.58	.10	[1] 2.75	2.60	.10
Lot C, 75,000 barrels:						
1. Universal-Atlas Cement Co	2.58	2.58	.10	2.60	2.60	.10
2. Medusa Portland Cement Co	2.58	2.58	.10	2.60	2.58	.10
3. Huron Portland Cement Co	(2)	2.58	.10	(2)	2.60	.10
4. Bessemer Limestone & Cement Co	(2)	2.85	.10	(2)	2.75	.10
Lot D, 30,000 barrels:						
1. Universal-Atlas Cement Co	2.58	2.58	.10	2.60	2.60	.10
2. Medusa Portland Cement Co	2.58	2.58	.10	2.60	2.60	.10
3. Huron Portland Cement Co	(2)	2.58	.10	(2)	2.60	.10
4. Bessemer Limestone & Cement Co	(2)	2.85	.10	(2)	2.75	.10

[1] Bid on only 87,000 barrels.
[2] No bid.

Mr. MORSE. Mr. President, I could proceed to cite additional evidence of the continuation of what in fact has amounted to identical-bid practices following the so-called Cement decision, but I shall not take the time of the Senate nor the space in the RECORD to present such material, because not only in this speech but in other speeches I think there has been clearly established the proof necessary to support the conclusion that there is an identity of bidding in this great industry in regard to which the Cement decision was directed. Therefore, I ask unanimous consent to have inserted at this point in my remarks the material contained on pages 32 and 33 of the Tobey document.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Identity of bids disappears after the Cement decision: In order to determine whether the abandonment of the basing-point system following the Supreme Court decision in April 1948 resulted in any changes in the customary pattern of identical bids which had prevailed in the cement industry for over 40 years, information was received from the highway departments of several representative States.

Abstracts of bids furnished by the Virginia Department of Highways are especially informative in that they present directly comparable data covering destination prices at a large number of delivery points in the State for the last contract period preceding abandonment, and for the first contract period immediately thereafter. The complete data for the two periods, in the form of two large tables, appeared in the daily issue of the CONGRESSIONAL RECORD Appendix pages A2416 and A2417.

The two outstanding facts to be noted from the complete tables as they appear in the RECORD are:

1. In June 1947 under the basing-point system, seven cement manufacturers submitted a total of 543 bids for delivery at 134 destinations in 82 counties. Of these 543 bids, there were only 3 deviations from the customary pattern of absolutely identical bids or a showing of 99.45 percent identity of price. Moreover, the three bids which were not identical were all submitted by one company and in each case they were higher than the basing-point formula prices.

2. Nine months later in September 1948, or about 2 months after the abandonment of basing-point pricing, 3 of these 7 producers submitted a total of 381 bids for delivery within the same 82 counties. In sharp contrast to the previous pattern these new bids showed great diversity of prices as between the different companies when bidding for delivery at the same destinations. In fact there were only five destinations at which any two of the bidders quoted the same prices.

Without presenting the great body of data contained in the two tables as they appear in the RECORD the general nature of the showing is presented in table 21 below which summarizes the bids of the 3 companies for delivery at the same destinations in 18 counties, or about one-fourth of all of the counties covered by bids on each of the dates.

Mr. MORSE. Mr. President, I wish also to have inserted in the RECORD at this point several tables affording examples of identical bids on calcium chloride to the North Carolina Division of Purchase and Contract, during the 7-year

period, May 1, 1941, through October 14, 1948. I received this material from the Select Committee on Small Business of the House of Representatives, and I should like to have the material returned to my office so it can be returned to the official files of that committee, after it has been copied by the reporters.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Tabulation of bids on calcium chloride, dated May 1, 1941, desination freight paid, Littleton, N. C.

Bidder	Unit price, ton	Terms	Manufacturer
		Percent	
North Carolina Equipment Co., Raleigh, N. C.	$23.00	1	Dow.
Tidewater Supply Co., Asheville, N. C.	23.00	1	Pittsburgh.
Dillon Supply Co., Raleigh, N. C.	23.00	1	Solvay.
E. F. Craven Co., Greensboro, N. C.	23.00	1	Do.
Chemical Processing Co., Charlotte, N. C.	23.00	1	Do.
Virginia-Carolina Chemical Corp., Richmond, Va.	23.00	1	Do.
Pittsburgh Plate Glass Co., Charlotte, N. C.	23.00	1	Pittsburgh.
Solvay Sales Corp., Charlotte, N. C.	23.00	1	Solvay.
Taylor Salt & Chemical Co., High Point, N. C.	23.00	1	Michigan.
E. I. du Pont de Nemours & Co., Charlotte, N. C.	23.00	1	Dow.
American Cyanamid & Chemical Corp., Charlotte, N. C.	23.00	1	Do.
The Dow Chemical Co., Midland, Mich.	23.00	1	Do.
Atlas Supply Co., Winston-Salem, N. C.	23.00	1	Solvay.
George Marsh Co., Raleigh, N. C.	23.00	1	Michigan.
Carolina Tractor & Equipment Co., Raleigh, N. C.	23.00	1	Solvay.
Pittsburgh Plate Glass Co., High Point, N. C.	23.50	2	Pittsburgh.

Tabulation on bids on calcium chloride, dated May 1, 1941, destination freight paid Warrenton, N. C.

Bidder	Unit price, ton	Terms	Manufacturer
		Percent	
North Carolina Equipment Co., Raleigh, N. C.	$23.00	1	Dow.
E. F. Craven Co., Greensboro, N. C.	23.00	1	Solvay.
George Marsh Co., Raleigh, N. C.	23.00	1	Michigan.
Atlas Supply Co., Winston-Salem, N. C.	23.00	1	Solvay.
The Dow Chemical Co., Midland, Mich.	23.00	1	Dow.
American Cyanamid & Chemical Corp., Charlotte, N. C.	23.00	1	Do.
E. I. du Pont de Nemours & Co., Charlotte, N. C.	23.00	1	Do.
Taylor Salt & Chemical Co., High Point, N. C.	23.00	1	Michigan.
Solvay Sales Corp., Charlotte, N. C.	23.00	1	Solvay.
Pittsburgh Plate Glass Co., Charlotte, N. C.	23.00	1	Pittsburgh.
Chemical Processing Co., Charlotte, N. C.	23.00	1	Solvay.
Carolina Tractor & Equipment Co., Raleigh, N. C.	23.00	1	Do.
Dillon Supply Co., Raleigh, N. C.	23.00	1	Do.
Pittsburgh Plate Glass Co., High Point, N. C.	23.50	2	Pittsburgh.

Tabulation of bids on calcium chloride, dated Sept. 18, 1941, destination freight paid Henderson, N. C.

Bidder	Unit price, ton	Terms	Manufacturer
		Percent	
Virginia-Carolina Chemical Corp., Richmond, Va.	$23.00	1	Solvay.
Solvay Sales Corp., Charlotte, N. C.	23.00	1	Do.
Chemical Processing Co., Charlotte, N. C.	23.00	1	Do.
The Dow Chemical Co., Midland, Mich.	23.00	1	Dow.
E. I. du Pont de Nemours & Co., Charlotte, N. C.	23.00	1	Do.
E. F. Craven Co., Greensboro, N. C.	23.00	1	Solvay.
American Cyanamid & Chemical Corp., Charlotte, N. C.	23.00	1	?
F. H. Ross & Co., Charlotte, N. C.	23.00	1	Solvay.
N. C. Equipment Co., Raleigh, N. C.	23.00	1	Dow.
Pittsburgh Plate Glass Co., Charlotte, N. C.	23.00	1	Pittsburgh.
Dillon Supply Co., Raleigh, N. C.	23.00	1	Solvay.
Michigan Alkali Co., New York, N. Y.	23.00	1	Michigan.

Tabulation of bids on calcium chloride, dated Oct. 30, 1941, destination freight paid any railroad station in North Carolina

Bidder	Unit price, ton	Terms	Manufacturer
		Percent	
Brame Specialty Co., Durham, N. C.	$23.00	1	Solvay.
Carolina Tractor & Equipment Co., Raleigh, N. C.	23.00	1	Do.
North Carolina Equipment Co., Raleigh, N. C.	23.00	1	Dow.
Pittsburgh Plate Glass Co., Charlotte, N. C.	23.00	1	Pittsburgh.
E. I. du Pont de Nemours & Co., Charlotte, N. C.	23.00	1	Dow.
Atlas Supply Co., Winston-Salem, N. C.	23.00	1	Solvay.
Solvay Sales Co., Charlotte, N. C.	23.00	1	Do.
Dillon Supply Co., Raleigh, N. C.	23.00	1	Do.
The Dow Chemical Co., Midland, Mich.	23.00	1	Dow.

Tabulation of bids on calcium chloride, bid No. 2590, Oct. 22, 1942, destination freight paid any railroad station in North Carolina

Bidder	Unit price, ton	Terms	Manufacturer
		Percent	
Solvay Sales Corp., Charlotte, N. C.	$23.00	1	Solvay.
Dillon Supply Co., Raleigh, N. C.	23.00	1	Do.
Virginia-Carolina Chemical Corp., Richmond, Va.	23.00	1	Do.
Atlas Supply Co., Winston-Salem, N. C.	23.00	1	Do.
Pittsburgh Plate Glass Co., Charlotte, N. C.	23.00	1	Pittsburgh.
Pittsburgh Plate Glass Co., High Point, N. C.	23.00	1	Do.
North Carolina Equipment Co., Raleigh, N. C.	23.00	1	Dow.
Taylor Salt & Chemical Co., High Point, N. C.	23.00	1	Do.
E. I. du Pont de Nemours & Co., Charlotte, N. C.	23.00	1	Do.
Howerton-Gowen Co., Roanoke Rapids, N. C.	23.00	1	Do.

Tabulation of bids on calcium chloride, bid No. 3097, Oct. 28, 1943, destination freight paid any railroad station in North Carolina

Bidder	Unit price, ton	Terms	Manufacturer
		Percent	
E. F. Craven Co., Greensboro, N. C.	$23.00	1	Solvay.
The Dow Chemical Co., Midland, Mich.	23.00	1	Dow.
Pittsburgh Plate Glass Co., Charlotte, N. C.	23.00	1	Pittsburgh.
Howerton-Gowen Co., Roanoke Rapids, N. C.			Dow.
North Carolina Equipment Co., Raleigh, N. C.	23.00	1	Do.
E. I. du Pont de Nemours Co., Charlotte, N. C.	23.00	1	Do.

Tabulation of bids on calcium chloride, bid No. 3657, Oct. 5, 1944, destination freight paid any railroad station in North Carolina

Bidder	Unit price ton	Terms	Manufacturer
		Percent	
Howerton-Gowen Co., Roanoke Rapids, N. C.	$23.00	1	Pittsburgh.
Pittsburgh Plate Glass Co., Charlotte, N. C.	23.00	1	Do.
The Dow Chemical Co., Midland, Mich.	23.00	1	Dow.
Solvay Sales Co., Charlotte, N. C.	23.00	1	Solvay.
E. I. du Pont de Nemours & Co., Charlotte, N. C.	23.00	1	Dow.
E. F. Craven Co., Greensboro, N. C.	23.00	1	Solvay.
American Cyanamid & Chemical Corp., Charlotte, N. C.	23.00	1	Do.
North Carolina Equipment Co., Raleigh, N. C.	23.00	1	Dow.
Taylor Salt & Chemical Co., High Point, N. C.	23.00	1	Do.

Tabulation of bids on calcium chloride, bid No. 4386, Oct. 11, 1945, desination freight paid any railroad station in North Carolina

Bidder	Unit price, ton	Terms	Manufacturer
		Percent	
Atlas Supply Co., Winston-Salem, N. C.	$23.00	1	Solvay.
E. I. du Pont de Nemours & Co., Charlotte, N. C.	23.00	1	Dow.
Howerton-Gowen Co., Roanoke Rapids, N. C.	23.00	1	Do.
North Carolina Equipment Co., Raleigh, N. C.	23.00	1	Do.
Pittsburgh Plate Glass Co., Charlotte, N. C.	23.00	1	Pittsburgh.

Tabulation of bids on calcium chloride, bid No. 5520, Oct. 3, 1946, destination freight paid any railroad station in North Carolina

Bidder	Unit price, ton	Terms	Manufacturer
		Percent	
Pittsburgh Plate Glass Co., Charlotte, N. C.	$23.00	1	Pittsburgh.
Howerton-Gowen Co., Roanoke Rapids, N. C.	23.00	1	Dow.

Tabulation of bids on calcium chloride, bid No. 6660, Oct. 17, 1947, desination freight paid any railroad station in North Carolina

Bidder	Unit price ton	Terms	Manufacturer
Pittsburgh Plate Glass Co., Charlotte, N. C.	$22	Percent (1)	Pittsburgh,[2]
Howerton-Gowen Co., Roanoke Rapids, N. C.	22	[3] 1	Dow,[4]

[1] Net.
[2] F. o. b. Barberton, Ohio.
[3] Prior to Jan. 1, 1948. Balance net.
[4] F. o. b. factory freight equal with nearest producing point.

Tabulation of bids on calcium chloride, bid No. 7843, Oct. 14, 1948, destination freight paid any railroad station in North Carolina

Bidder	Unit price, ton	Terms	Manufacturer
Pittsburgh Plate Glass Co., Charlotte, N. C.	$22	(1)	Pittsburgh.[2]
Howerton-Gowen Co., Roanoke Rapids, N. C.	22	(1)	Wyandotte.[3]

[1] Net.
[2] F. o. b. Barberton.
[3] F. o. b. works, freight equalized with nearest producing point.

Mr. MORSE. We find in this material, Mr. President, a record of the bids on calcium chloride submitted to the North Carolina Division of Purchase and Contract, during the 7-year period. I shall hastily summarize the tables by saying that, for example, in the bids dated 1941, for a certain month, there were 16 bidders, with 15 identical bids; in another set of bids, 14 bids were submitted, 13 of which were identical; another one, for October 18, 1941, 12 bids were submitted, all identical; another one for November 1941, 9 bids were submitted, all identical; another one for October 22, 1942, 10 bids, all identical; another one, for October 28, 1943, 6 bids, all identical; one for October 5, 1944, 9 bids, all identical; one for October 11, 1945, 5 bids, all identical; one for October 3, 1946, 2 bids, both identical; one for October 17, 1947, two identical bids; one for October 14, 1948, two identical bids.

More and more such evidence could be incorporated in the RECORD, but I think it would be cumulative. I think if we were not confronted with an unusual parliamentary situation we would be in the position of the lawyer in court, who, having built up unanswerable evidence in support of his client's position, could very well say to the court, "We rest." But I want to close my comments this afternoon on the same vein I began. We are not able, it seems to me, with the parliamentary predicament in which we find ourselves, to have a vote on the merits of the Carroll amendment, and that is what the Senate ought to do. I want to say by way of sincere commendation to the Senator from Indiana [Mr. CAPEHART] I think he is to be complimented on the statement he made that he, too, thinks we ought to go to a vote on the merits. I interpreted his remarks to mean that he would not insist upon the application of the technical parliamentary advantage, under which those of us who want the motion to refer the bill to conference reconsidered find ourselves.

I think, Mr. President, that is really true of the feeling of most of the Members of the Senate, down in their hearts. So many of them committed themselves before they thoroughly understood the situation in which we find ourselves, that it is difficult, as we all know, for them to change their position. But they should change their position, Mr. President; and the leaders of the opposition should make it easy for them to change their position as a matter of Senatorial courtesy, because of the confusion and misunderstanding which existed on the floor of the Senate when the motion was made to send this bill to conference. I think I know whereof I speak when I say there are Members of the Senate who probably will vote against us on the motion to reconsideration who privately say, "We do not like the spot in which we find ourselves, and wish that the insistence on sending the bill to conference would be withdrawn so we could vote on the merits." Some of them have said, "I would not only vote on the merits, but I agree that we should have the board clear so we can decide the matter on the basis of a majority vote."

So I close my speech by making for the RECORD the statement that I hope those who are insisting upon opposing the motion to reconsider will take note of the fact that they are taking advantage of what at the time was a misunderstanding and a very confused situation on the floor of the Senate, and as a matter of Senatorial courtesy they should withdraw their objections to the motion being reconsidered and permit us to go ahead and vote on the merits.

I ask, Mr. President, unanimous consent to have inserted in the RECORD, as this point in my remarks, a telegram which I received from the office of the National Federation of Independent Business an article which appeared in the Detroit News of July 9, 1949, and a news release dated July 11, 1948, issued by my very good friend the Senator from Wyoming [Mr. O'MAHONEY] in discussing his views, concerning the desirability of abandoning the basing-point system. It is a news release on which I am sure he will want to comment in his speech tomorrow, because it leaves some of us in some doubt as to just how the distinguished Senator from Wyoming reconciles this news release with his present position on the pending legislation.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *July 19, 1949.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

It is our opinion now, from what we can gather in the way of reliable information that from the first instance the hidden objective in the agitation for needed legislation on the organized basing point system which was outlawed by the Supreme Court, was to do away with the Robinson-Patman Act or reduce it to a point of making the act worthless. It appears to us that the future business life of small business now rests with the Congress. The present bill, minus the Kefauver or Carroll amendments will sound the death knell for all independent businesses. We hope and trust, in the sole interest of small-independent business, that you will fight any attempt for modification in the language of either the Kefauver or Carroll amendments. The future business life of independent business is now facing a crisis, and the answer rests with the Congress as to whether or not small business lives or dies. I am sure you will not fail us in the interest of small business. Thank you for your support.

GEORGE J. BURGER,
Vice President in charge, Washington, office, National Federation of Independent Business.

[From the Detroit News of July 9, 1949]

THE COMMENTATOR

(By W. K. Kelsey)

Small business won an important, and to the Commentator an unexpected, victory in the House on Thursday when by 117 to 81 that body voted an amendment presented by Representative JOHN A. CARROLL, of Colorado, to the basing-point bill reported by the Judiciary Committee.

This amendment is designed to protect the Clayton and Robinson-Patman antimonopoly acts against language in the committee's bill which would in effect have repealed sections upheld by the Federal courts. It virtually puts back into the measure the provisions which Senator KEFAUVER insisted on when the bill was before the Senate, but which were stricken out by the House Judiciary Committee. According to Mr. KEFAUVER, the Carroll amendment is even better than his own.

But the fight isn't over. The bill now goes into conference, where anything may happen. Suppose the Senate conferees recede on the Kefauver provisions and those of the House give up on the Carroll language. The bill will then be reported to both Houses, and may be passed in that form. The big-business lobby is not likely to give up easily.

The fact is, the stage was carefully set for passage of a measure which, under the guise of straightening out the confusion caused by the Supreme Court's decisions in the Cement, Rigid Conduit, Standard Oil, and other cases, would have legalized the basing-point price system, absorbed freight, and pricing to meet a competitor's prices regardless of effect on competition, provided there was no collusion between sellers.

But attorneys for the small-business men's associations, aided by two prominent counsel of the Federal Trade Commission (which itself was fast asleep to what was cooking), pointed out the weapon which the proposed bill would give monopoly to ruin the small independent businessman. With little time to formulate their case, the associations, those of them which were alert, sprang into the battle, foremost among them being the National Congress of Petroleum Retailers, headed by Rankin Peck, of Detroit.

CARRYING THE BATTLE

In Congress, the fight was carried by Representative WRIGHT PATMAN, of Texas, chairman of the House Small Business Committee, who filled the CONGRESSIONAL RECORD with instances of discriminatory price-fixing by business combines; by Representatives KARST, of Missouri; WILLIS, of Louisiana; MCCULLOCH, of Ohio; CARROLL, of Colorado, JAVITS, of New York; by Senators KEFAUVER, of Tennessee, and EARL LONG, of Louisiana, of whom the latter was particularly busy rounding up votes on the House side.

In the House, the lawyers had a field day as they argued points of interpretation. But it may have been that the most telling blow at the Judiciary Committee's bill was dealt by a Missouri farmer, Representative GEORGE CHRISTOPHER, who shouted that he would not vote for any law that hamstrings and cuts the throat of all the antitrust laws and lets

the chain stores strangle all the little business in my State.

That was language which the Middle West could understand. The South was equally concerned, not only on the chain-store count, but because the unamended bill, by apparently giving carte blanche to the basing-point system, worked against the establishment of new industries in that section.

The Carroll amendment which was placed in the bill that was finally passed by the House consisted of a simple addition in two sections. In that which would permit freight absorption by the seller to meet the equally low price of a competitor in good faith, it added the words "except where such absorption of freight would be such that its effect upon competition may be that prohibited by this section" of the Clayton Act as amended by the Robinson-Patman Act.

That is to say, the antitrust laws now on the books are written into the new bill; and it follows that the rulings of the Supreme Court remain applicable.

But the fight isn't over yet. Despite the fact that the bill has now passed both Houses in a form protective to small independent business, there is the conference hurdle to be leaped. According to the Wall Street Journal, industry lawyers are still gunning for it.

STATEMENT BY SENATOR JOSEPH C. O'MAHONEY, OF WYOMING

The announced plan of the United States Steel Corp. to abandon the basing-point system of price fixing would be good news to the country at large, and to all who are interested in promoting competition and free enterprise, if it were not for the fact that there is evidence to indicate that the real purpose of the announcement is to bring about the repeal of the law under which the Supreme Court in the recent cement-industry case condemned the basing-point system as a method of promoting the suppression of competition.

President Fairless, of United States Steel, stated in making the announcement "that the basing-point method of selling steel is a merchandising practice not resulting from collusion but one which developed naturally to the advantage of both steel producers and consumers." He declared that the abandonment of the system was made necessary by the recent Supreme Court decision in the suit brought against members of the cement industries by the Federal Trade Commission.

I undertake to say categorically that if the basing-point method of selling steel is not a collusive practice, it is not prohibited by the law and it would not be in violation of the law as interpreted by the Supreme Court in the Cement case.

In sustaining the Federal Trade Commission's order against the basing-point system in cement, the Court said:

"It seems impossible to conceive that anyone reading these findings in their entirety could doubt that the Commission found that respondents collectively maintained a multiple basing point delivered price system for the purpose of suppressing competition in cement sales."

The abandonment of the basing-point system was one of the major recommendations of the prewar Temporary National Economic Committee of which I was chairman, and on which both Republicans and Democrats served.

There was no dissent to the recommendation that the system be outlawed. The committee stated that it was not impressed with the argument that outlawing the basing-point system will cause disturbances in the rearrangement of business through a restoration of competitive conditions in industries now employing basing-point systems. The committee went on to add that such disturbances may be costly to those who have been practicing monopoly. But the long-run gain to the public interest by a restoration of competition in many important industries is clearly more advantageous.

The committee recommended that Congress legislate against the basing-point system as an effective device for the elimination of price competition, but gave its opinion that the legislation should provide for a brief period of time for industries to divest themselves of this monopolistic practice.

United States Steel apparently desires no time to adjust itself to the law, thus giving reason to believe that its real purpose is to seek an opportunity to raise steel prices again in the present sellers market and attribute the increased cost to the decision of the Supreme Court and the activities of the Federal Trade Commission. I fear that United States Steel is merely trying to lay the basis for a demand that Congress change the antitrust law under which the Supreme Court found that a multiple basing-point delivered-price system for the purpose of suppressing competition is prohibited.

A good-faith abandonment of the collusive basing-point system in favor of the f. o. b. system would have the following specific advantages in stimulating competition and the building of local independent steel industries:

1. It would eliminate the senseless and inexcusable practice of charging "phantom freight," a practice whereby buyers of steel are charged freight from some distant point even though the steel is produced at their own back door.

2. It would eliminate the equally senseless practice of cross hauling, a practice whereby steel products produced in Birmingham, Ala., for example, are shipped to Chicago at the same time that identical products produced in Chicago are being shipped to Birmingham. In normal times this practice is bad enough, since it is uneconomic and results in a hidden subsidy to the railroads; but in periods of great economic activity, such as the present, when every transportation facility is strained to the breaking point, this useless cross hauling is simply inexcusable.

3. It would give a better chance of survival to the small steel producers since large mills will find it much more difficult to dump their products in a particular market for the purpose of putting a small competitor out of business, while at the same time charging high prices in other markets where competition has already been eliminated. For the same reason it will make it possible for new producers to come into the industry, particularly in areas of the West and Southwest where the shortage of steel is chronic.

4. As a consequence, it would mean a more rapid industrial growth in the outlying areas, a greater economic independence on the part of most regions of the country, and an increase in the Nation's steel capacity which will be sorely taxes for national defense, domestic consumers, and international recovery.

5. It would greatly weaken the ability of the large domestic steel producers to enforce on the remainder of the industry the traditional policy of price leadership under which they have been able to prevent smaller producers from reducing prices even when it is to the advantage of the smaller companies to do so.

6. Finally, it would weaken the community of interest which has bound the big steel companies together into one mighty combination of economic power, and it will open up the opportunities for legitimate price competition among these giants who have not actually competed with each other since almost the turn of the century.

As everyone knows, the steel producers, owing to the present abnormally high demand for steel, are in a position to charge "what the traffic will bear" regardless of whether they operate under a basing-point or an f. o. b. system. It is not inconceivable that at the very same time they abandon the basing-point system they will actually raise their mill prices in order to reap the fullest possible advantage of the present seller's market. It will be recalled that last spring the steel producers raised their prices under the basing-point system and immediately brought upon their heads the outraged indignation not only of both parties of Congress but of the general public as well. If the steel producers now raise their prices under the f. o. b. system, they may expect a similar result to follow.

It would be a characteristic monopolistic move to endeavor to create the impression that such price increases were caused by the abandonment of an innocent system, whereas the fact is the Supreme Court has ruled against the system only so far as it is used collusively to suppress competition.

During the delivery of Mr. MORSE's speech,

Mr. LUCAS. Mr. President, I have had this unanimous-consent request on my desk for some time. I had intended to submit it when the distinguished Senator from Oregon concluded his remarks.

Mr. MORSE. Mr. President, will it be necessary to have a quorum call?

Mr. LUCAS. If the Senator from Oregon thinks it is necessary, we can have one.

I ask unanimous consent that on the calendar day of Friday, August 12, at not later than the hour of 2 o'clock p. m., the Senate proceed to vote without further debate upon the motion of the Senator from Louisiana [Mr. LONG] to reconsider the vote by which Senate bill 1008, the so-called basing-point bill, was sent to conference; that in the event the motion be agreed to, debate thereafter on the part of any Senator upon any motion or question in connection with the House amendments to the bill be limited to one speech of not exceeding 15 minutes.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. That is, provided the motion to reconsider prevails.

Mr. LUCAS. That is correct.

Mr. WHERRY. May I ask the distinguished majority leader if he would amend the time and make the hour 4 o'clock in the afternoon, and divide the time from the time the Senate convenes until 4 o'clock equally between the proponents and opponents of the bill? The reason I make that request is that I am satisfied, from the conversations I have had with other Senators, that there will be more speeches. Inasmuch as no Senator has moved to table the pending motion, and Senators have had a free hand, I feel that no Senator should be foreclosed. I respectfully submit to the majority leader that if he will amend the unanimous consent request to make the time 4 o'clock tomorrow afternoon, and divide the time equally between the proponents and opponents, I believe that an agreement can be reached.

Mr. LUCAS. I was hoping that we could reach the Interior Department appropriation bill tomorrow afternoon. We have had two pretty long days on this subject. I thought that by 2 o'clock Senators would be talked out on the merits of the motion to reconsider.

Mr. WHERRY. I should like to cooperate with the majority leader. I am satisfied from the conversations I have had with other Senators with whom I have spoken that it will be impossible to fix an hour earlier than 4 o'clock. I should like very much to enter into an agreement, and I appreciate the fact that the majority leader has asked for a unanimous consent agreement.

Mr. LUCAS. May I inquire who intends to speak?

Mr. WHERRY. I understand that the Senator from Nevada [Mr. McCARRAN] wishes to speak; the Senator from Maryland [Mr. O'CONOR] wishes to speak; and the Senator from Wyoming [Mr. O'MAHONEY] wishes to review the situation. One or two other Senators are thinking of making speeches.

I am trying to expedite the program. I should like to see a vote at as early an hour as possible. In fairness to all Senators, I believe that if the distinguished majority leader would agree to vote at 4 o'clock, and divide the time equally between the proponents and opponents, such an agreement would be satisfactory.

Mr. LUCAS. I will amend the unanimous consent request with respect to the time, and make it not later than the hour of 4 o'clock, so that if we get through by 2 o'clock, the vote can be had earlier. I will amend it to 4 o'clock.

Mr. WHERRY. Then the hour will be definite?

Mr. LUCAS. No. The hour will not be definite. It will be not later than 4 o'clock.

Mr. WHERRY. Mr. President, again I say that we ought to fix the hour definitely at 4 o'clock.

Mr. LUCAS. I do not know why we could not say "not later than the hour of 4 o'clock p. m.," so that we could vote earlier if there were no further debate.

Mr. WHERRY. I understand the distinguished majority leader's reason, and I think it a good one; but I am quite satisfied that in order to obtain a unanimous consent agreement the hour must be fixed at 4 o'clock.

Mr. LUCAS. Mr. President, I withdraw my request.

Mr. WHERRY. I hope the majority leader will not do that.

Mr. LUCAS. I have tried three times to obtain a unanimous consent agreement on this matter, and I cannot get it. I will let Senators talk as long as they want to talk. Again I say that the only thing I regret is that the basing-point bill was ever taken from the calendar, because of the amount of time we have spent on it.

Mr. WHERRY. Mr. President, I trust that the majority leader will not take offense at what I have said. It is difficult to obtain a unanimous consent agreement on this side of the aisle. I had to assure Senators that there would be opportunity to speak. I am quite satisfied that if we make the hour definite and certain, and the debate is concluded before that hour, there will be no objection to taking up any other bills on the calendar and then voting at 4 o'clock.

Mr. O'MAHONEY. Mr. President, if we say "not later than the hour of 4 o'clock p. m.," then it is quite certain that if the time until 4 o'clock is required, it will be available.

Mr. WHERRY. I understand. However, it is very difficult to obtain a unanimous-consent agreement to vote without fixing a definite hour at which to vote.

Mr. LUCAS. Mr. President, this kind of request has been made hundreds of times—"not later than" a certain hour. All I am trying to do is to save a little time. Perhaps I cannot save any time.

The PRESIDING OFFICER. Is the request satisfactory to the Senator from Nebraska?

Mr. WHERRY. After I have worked so hard to try to get Senators to agree to vote at 4 o'clock, I do not like to take the responsibility for shutting off any Senator. I have told Senators that the hour would be 4 o'clock. Even though the debate might be concluded at an earlier hour, I do not see why the majority leader could not take up something else if we should run out of speakers.

Mr. WATKINS. Mr. President, I point out that when the time is left indefinite, and the vote may occur before that time, Senators may have committee meetings or other engagements, and may not be able to return to the Chamber. That is the reason why, so far as I am concerned, the hour should be definitely fixed. I would not object to 3 o'clock, so long as we know that the vote is to be at a definite time.

Mr. LONG. Mr. President, I suggest splitting the difference between the majority leader and the minority leader, and making the time 3 o'clock, in order to arrive at a definite time. However, I suggest that the time be divided between myself or the Senator from Illinois, and possibly the minority leader or the senior Senator from Indiana [Mr. CAPEHART], in order that one side may not occupy all the time, and in order that no Senator may monopolize the debate, leaving the other side without opportunity to be heard on this issue. There has not been an average of more than six Senators on the floor of the Senate during the time this extended and heated debate has continued. I feel that tomorrow there will be a sufficient attendance, and that Senators who do not presently understand this legislation will learn what it is all about. Therefore, I think there should be some protection to see that both sides are fairly heard.

The PRESIDING OFFICER. Is it the understanding of the Chair that it is proposed that the morning hour be waived, and that the debate begin at 12 o'clock and continue until the hour specified?

Mr. LUCAS. Mr. President, there will be no morning hour if we enter into a unanimous-consent agreement to begin at 12 and debate during the time between 12 and whatever time we agree upon.

The PRESIDING OFFICER. Is the Senator from Illinois proposing that the debate begin at 12 o'clock, and that the time between 12 and 4 be equally divided between the two sides, to be controlled——

Mr. LUCAS. By the Senator from Louisiana [Mr. LONG].

Mr. O'MAHONEY. And the Senator from Maryland [Mr. O'CONOR].

Mr. WHERRY. As I understand, the unanimous-consent request is that the Senate convene at 12, vote at 4, and divide the time equally.

Mr. LUCAS. I did not agree to a vote at 4 o'clock. I do not particularly care. We are trying to protect a couple of Senators who may enter the Chamber at a quarter to four tomorrow. It is the same old story. I will agree to the hour of 4 o'clock, and let it go at that.

Mr. WHERRY. I thank the Senator from Illinois.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, I thank the junior Senator from Oregon for permitting us to break into his speech. With his permission, I ask unanimous consent that this colloquy be placed at the end of his speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. HOLLAND in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing a nomination, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. LONG. Mr. President, in the absence of the majority leader, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Friday, August 12, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 11 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment in the Foreign Service in accordance with the provisions of section 517 of the Foreign Service Act of 1946:

Henry L. Deimel, Jr., of California, to be a Foreign Service officer of class 2, a consul, and a secretary in the diplomatic service of the United States of America.

Sydney L. W. Mellen, of Pennsylvania, to be a Foreign Service officer of class 3, a consul, and a secretary in the diplomatic service of the United States of America.

J. Wesley Adams, Jr., of Illinois, to be a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America.

John E. Utter, of New York, to be a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America.

Erwin W. Wendt, of Illinois, to be a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

LaVerne Baldwin, of New York.
Knowlton V. Hicks, of New York.
James B. Pilcher, of Georgia.

James E. Parks, of North Carolina, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons, now Foreign Service officers of class 5 and secretaries in the diplomatic service, to be also consuls of the United States of America:

Deane R. Hinton, of Illinois.
C. H. Walter Howe, of New Jersey.
Walter C. Isenberg, Jr., of Wisconsin.
Fred E. Waller, of Michigan.

Leslie L. Lewis, of Illinois, a Foreign Service reserve officer, to be a consul of the United States of America.

The following-named Foreign Service reserve officers to be secretaries in the diplomatic service of the United States of America:

Joseph A. Robinson, of New Jersey.
Charles Allan Stewart, of California.

DEPARTMENT OF DEFENSE

JOINT CHIEFS OF STAFF

Gen. Omar Nelson Bradley, United States Army, for appointment as Chairman of the Joint Chiefs of Staff in the Department of Defense.

DEPARTMENT OF THE NAVY

CHIEF OF NAVAL OPERATIONS

Admiral Louis E. Denfeld, United States Navy, to be Chief of Naval Operations for a period of 2 years commencing December 15, 1949.

WITHDRAWAL

Executive nomination withdrawn from the Senate August 11 (legislative day of June 2), 1949:

POSTMASTER

WISCONSIN

Clarence P. Gehl, Hilbert, Wis.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 11, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, the Reverend James P. Wesberry, pastor, Morningside Baptist Church, Atlanta, Ga., offered the following prayer:

When our souls are wounded by the affairs of the world, we turn in tender love to Thee, almighty and ever-blessed God, for Thy kindness is loving and Thy mercy is great. Thou wilt take our trembling hands in Thine and lead us on our way. We must know that Thou art infinitely long-suffering and eternally patient, for so often we lose patience with ourselves and without such blessed assurance we would be lost and undone. Thou who art the Lord of all of our days, give us, we reverently beseech Thee, wisdom for our responsibilities, vision for our times, faith for the demands that are made upon us, constancy like the Master's, love that is greater than knowledge, and peace which passeth all understanding. This prayer we offer not for our own selfish glory but that we might more effectively serve our Nation and glorify Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE

Mr. JONES of Missouri. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 173]

Baring	Hall,	Powell
Bland	Edwin Arthur	Reed, Ill.
Bolton, Ohio	Hébert	Rogers, Mass.
Breen	Hinshaw	Sabath
Bulwinkle	Jonas	Sadowski
Burleson	Kennedy	St. George
Clevenger	Kilday	Secrest
Cole, N. Y.	Lind	Sikes
Dague	McGregor	Smith, Ohio
Dolliver	Macy	Thomas, N. J.
Eaton	Marshall	Towe
Fellows	Mason	Welch, Calif.
Gilmer	Michener	Whitaker
Gordon	Norton	Winstead
Gregory	Plumley	Woodhouse

The SPEAKER. On this roll call 391 Members have answered to their names; a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDING THE FAIR LABOR STANDARDS ACT OF 1938

The SPEAKER. The unfinished business is the reading of the engrossed copy of the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, which was demanded on yesterday, August 10, by the gentleman from New York [Mr. MARCANTONIO].

The Clerk will read the engrossed copy.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that further reading of the engrossed copy be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Not at this point. The Chair will refuse to recognize Members to extend their remarks at this time.

The question is on the passage of the bill.

Mr. WOOD. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WOOD. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion offered by the gentleman from Georgia [Mr. WOOD].

The Clerk read as follows:

Mr. WOOD moves to recommit the bill H. R. 5856 to the Committee on Education and Labor.

The SPEAKER. The question is on agreeing to the motion.

Mr. WOOD. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. WOOD) there were—ayes 41, noes 242.

So the motion was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. McCORMACK. Mr. Speaker, on this vote I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 361, nays 35, answering "present" 1, not voting 35, as follows:

[Roll No. 174]

YEAS—361

Abbitt	Donohue	Kearney
Addonizio	Douglas	Kearns
Albert	Doyle	Keating
Allen, Calif.	Durham	Kee
Allen, Ill.	Eberharter	Keefe
Allen, La.	Elliott	Kelley
Andersen, H. Carl	Ellsworth	Keogh
Anderson, Calif.	Elston	Kerr
Andresen, August H.	Engel, Mich.	King
Angell	Engle, Calif.	Kirwan
Arends	Evins	Klein
Aspinall	Fallon	Kruse
Auchincloss	Feighan	Kunkel
Bailey	Fenton	Lane
Barden	Fernandez	Lanham
Barrett, Pa.	Fisher	Larcade
Barrett, Wyo.	Flood	Latham
Bates, Ky.	Fogarty	LeCompte
Bates, Mass.	Forand	LeFevre
Battle	Ford	Lemke
Beall	Frazier	Lesinski
Beckworth	Fugate	Lichtenwalter
Bennett, Mich.	Fulton	Linehan
Bentsen	Furcolo	Lodge
Biemiller	Gamble	Lovre
Bishop	Garmatz	Lucas
Blackney	Gary	Lyle
Blatnik	Gavin	Lynch
Boggs, Del.	Gillette	McCarthy
Boggs, La.	Golden	McConnell
Bolling	Goodwin	McCormack
Bolton, Md.	Gore	McCulloch
Bonner	Gorski, Ill.	McDonough
Bosone	Gorski, N. Y.	McGrath
Boykin	Gossett	McGuire
Brehm	Graham	McKinnon
Brooks	Granahan	McMillen, Ill.
Brown, Ga.	Granger	McSweeney
Brown, Ohio	Green	Mack, Ill.
Bryson	Gross	Mack, Wash.
Buchanan	Hagen	Madden
Buckley, Ill.	Hale	Magee
Buckley, N. Y.	Hall, Edwin Arthur	Mahon
Burdick	Hall, Leonard W.	Mansfield
Burke	Halleck	Marcantonio
Burnside	Hand	Marsalis
Burton	Harden	Marshall
Byrne, N. Y.	Hardy	Martin, Iowa
Camp	Hare	Martin, Mass.
Canfield	Harris	Merrow
Cannon	Harrison	Meyer
Carlyle	Hart	Michener
Carnahan	Harvey	Miles
Carroll	Havenner	Miller, Calif.
Case, N. J.	Hays, Ohio	Mills
Case, S. Dak.	Hedrick	Mitchell
Cavalcante	Heffernan	Monroney
Celler	Heller	Morgan
Chatham	Herlong	Morris
Chesney	Herter	Morrison
Chiperfield	Heselton	Morton
Christopher	Hill	Moulder
Chudoff	Hoeven	Multer
Church	Hoffman, Ill.	Murdock
Clemente	Holifield	Murphy
Colmer	Holmes	Murray, Wis.
Cooley	Hope	Nelson
Cooper	Horan	Nicholson
Corbett	Howell	Nixon
Cotton	Huber	Noland
Coudert	Hull	Norblad
Crawford	Irving	Norrell
Crook	Jackson, Calif.	O'Brien, Ill.
Crosser	Jackson, Wash.	O'Brien, Mich.
Cunningham	Jacobs	O'Hara, Ill.
Davenport	James	O'Hara, Minn.
Davies, N. Y.	Javits	O'Konski
Davis, Ga.	Jenison	O'Neill
Davis, Tenn.	Jenkins	O'Sullivan
Davis, Wis.	Jennings	O'Toole
Dawson	Jensen	Pace
Deane	Johnson	Passman
DeGraffenried	Jones, Ala.	Patman
Delaney	Jones, Mo.	Patten
Denton	Jones, N. C.	Patterson
D'Ewart	Judd	Perkins
Dingell	Karst	Peterson
Dollinger	Karsten	Pfeifer, Joseph L.
Dondero	Kean	Pfeiffer, William L.

Philbin	Scott,	Van Zandt
Phillips, Calif.	Hugh D., Jr.	Velde
Phillips, Tenn.	Scrivner	Vinson
Poage	Scudder	Vorys
Polk	Shafer	Vursell
Potter	Sheppard	Wadsworth
Poulson	Short	Wagner
Powell	Simpson, Ill.	Walsh
Preston	Simpson, Pa.	Walter
Price	Smathers	Weichel
Priest	Smith, Va.	Welch, Mo.
Quinn	Smith, Wis.	Werdel
Rabaut	Spence	Wheeler
Rains	Staggers	Whitaker
Ramsay	Stanley	White, Calif.
Redden	Steed	White, Idaho
Reed, N. Y.	Stefan	Wickersham
Rees	Stigler	Wier
Regan	Stockman	Wigglesworth
Rhodes	Sullivan	Williams
Ribicoff	Sutton	Wilson, Ind.
Richards	Tackett	Wilson, Okla.
Riehlman	Talle	Withrow
Rivers	Tauriello	Wolcott
Rodino	Taylor	Wolverton
Rogers, Fla.	Teague	Woodhouse
Rooney	Thomas, Tex.	Woodruff
Roosevelt	Thompson	Worley
Sabath	Thornberry	Yates
Sadlak	Tollefson	Young
Sasscer	Towe	Zablocki
Scott, Hardie	Underwood	

NAYS—35

Abernethy	Gwinn	Sanborn
Andrews	Hays, Ark.	Sims
Bennett, Fla.	Hobbs	Smith, Kans.
Bramblett	Hoffman, Mich.	Taber
Cheif	Kilburn	Trimble
Cole, Kans.	McMillan, S. C.	Whitten
Combs	Miller, Md.	Whittington
Cox	Miller, Nebr.	Willis
Curtis	Murray, Tenn.	Wilson, Tex.
Doughton	Pickett	Winstead
Gathings	Rankin	Wood
Grant	Rich	

ANSWERING "PRESENT"—1

Byrnes, Wis.

NOT VOTING—35

Baring	Gilmer	Norton
Bland	Gordon	Plumley
Bolton, Ohio	Gregory	Reed, Ill.
Breen	Hébert	Rogers, Mass.
Bulwinkle	Hinshaw	Sadowski
Burleson	Jonas	St. George
Clevenger	Kennedy	Secrest
Cole, N. Y.	Kilday	Sikes
Dague	Lind	Smith, Ohio
Dolliver	McGregor	Thomas, N. J.
Eaton	Macy	Welch, Calif.
Fellows	Mason	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Burleson against.

Mr. Jonas for, with Mr. Smith of Ohio against.

Mrs. Rogers of Massachusetts for, with Mr. Byrnes of Wisconsin against.

Until further notice:

Mr. Baring with Mr. Cole of New York.
Mr. Gilmer with Mr. Dague.
Mr. Breen with Mr. Dolliver.
Mr. Gordon with Mr. Reed of Illinois.
Mr. Gregory with Mr. Hinshaw.
Mr. Kennedy with Mr. Plumley.
Mr. Sadowski with Mr. Eaton.
Mrs. Norton with Mrs. St. George.
Mr. Secrest with Mrs. Bolton of Ohio.
Mr. Kilday with Mr. Fellows.
Mr. Sikes with Mr. Welch of California.
Mr. Lind with Mr. McGregor.
Mr. Bland with Mr. Macy.
Mr. Bulwinkle with Mr. Mason.

Mr. BURKE changed his vote from "nay" to "yea."

Mr. GATHINGS changed his vote from "yea" to "nay."

Mr. MARSHALL changed his vote from "nay" to "yea."

Mr. BYRNES of Wisconsin. Mr. Speaker, I have a live pair with the gentlewoman from Massachusetts, Mrs. ROGERS. If she were present she would have voted "yea." I voted "nay." I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RÉSUMÉ OF CONGRESSIONAL ACTION ON RECOMMENDATIONS OF THE HOOVER COMMISSION

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, at the conclusion of my remarks I am asking unanimous consent to extend in the RECORD at this point a résumé of the congressional action on the recommendations of the Commission on the Organization of the Executive Branch of the Government as taken up to date. I believe the membership of the House will be very much interested in knowing what action has already been taken by the Congress, also by the President, incidentally, toward effectuating the recommendations of the so-called Hoover Commission. I believe the House will find this report of great value in answering questions when you return to your districts during the congressional recess which I hope will come very soon. The report is factual; it gives complete and detailed information, as it has been prepared for me by the staff of the Hoover Commission.

CONGRESSIONAL ACTION ON THE RECOMMENDATIONS OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

The Commission on Organization of the Executive Branch of the Government addressed a preliminary letter to the Congress on January 13, 1949, recommending that the Congress enact a Reorganization Act. On February 7, 1949, the Commission submitted its first major report, General Management of the Executive Branch. On May 20, it submitted its nineteenth report, entitled "Concluding Report." On June 12, 1949, its legal existence expired.

Between 40 and 50 bills have been introduced in the House and Senate directly as a result of the recommendations of the Commission. Many of these were prepared by the Commission's staff. In addition, approximately an equivalent number of bills have been introduced independently. Parts of the latter bills conform to the Commission's recommendations but generally they are not wholly consistent with them. The most important organizational bills before the House today are those which have been drafted by the staff of the Commission. These are in complete conformance with its recommendations, and are emphasized below.

ACCOMPLISHMENTS

Five major measures proposed by the Commission have been passed by Congress and enated into law. These are the following acts:

(a) The Reorganization Act of 1949: This act empowers the President to submit to Congress for approval plans for realinement of departments, agencies, bureaus, and functions, in order to eliminate overlapping and duplication and in order to effect economies and efficiencies in the management of the executive branch of the Government.

(b) The Federal Property and Administrative Services Act: This act provides for a reorganization and modernization of Federal functions in connection with purchasing, records management, the operation and maintenance of public buildings, and the disposition of war surpluses. It is estimated that, if the authority granted by Congress in this measure is vigorously prosecuted, annual savings of more than a quarter of a billion dollars should be achieved.

(c) The State Department Reorganization Act: This act places authority in the Secretary of State to reorganize that Department and also provides more staff assistance as an aid in performing his duties.

(d) The act creating the position of Under Secretary of Defense: This act supplied a much-needed deputy for the Secretary of Defense.

(e) The Military Unification Act: This act clarifies the authority of the Secretary of Defense, realines major units in the National Military Establishment and installs a modern financial system in the Establishment. It is estimated that, if the authority granted by Congress in this measure is vigorously prosecuted, savings from it should exceed $1,000,000,000 annually.

THE PRESIDENT'S REORGANIZATION PLANS

The President has submitted seven reorganization plans for congressional approval. Action is pending on them. These seven plans take effect on August 19, 1949, unless vetoed by either House of Congress. These plans are:

Reorganization Plan No. 1, Department of Welfare: This plan changes the name of the Federal Security Agency to the Department of Welfare and constitutes this Department an Executive Department.

Reorganization Plan No. 2, Department of Labor: This plan transfers the Bureau of Employment Security of the Federal Security Agency to the Labor Department. It also transfers to the Secretary of Labor the functions of the Veterans' Placement Service Board and of its Chairman and abolishes the Board.

Reorganization Plan No. 3, Post Office Department: This plan transfers the functions of all subordinates to the Postmaster General.

Reorganization Plan No. 4, Executive Office of the President: This plan transfers to the Executive Office of the President the National Security Council and the National Security Resources Board, two important over-all staff agencies of the executive branch.

Reorganization Plan No. 5, Civil Service Commission: This plan reorganizes the Civil Service Commission.

Reorganization Plan No. 6, United States Maritime Commission: This plan reorganizes the United States Maritime Commission.

Reorganization Plan No. 7, Public Roads Administration: This plan transfers to the Department of Commerce, the Public Roads Administration (Bureau of Public Roads) of the newly created General Services Administration (Public Law 152–81/1).

These plans cover 15 of the 87 steps which, in the opinion of the Budget Bureau and of the Citizens Committee for the Hoover Report, can be accomplished most effectively through use of the authority granted to the President by the Reorganization Act of 1949.

In addition, the President has submitted Plan No. 8, relating to Military Unification, but, in view of the passage of the Military Unification Act, the major steps proposed in this plan have been already effected and the plan is no longer required.

STATUS OF PROPOSED LEGISLATION

Report No. 1—General management of the executive branch

House: Two bills have been introduced in the House. H. R. 2613, prepared by the staff of the Commission, was introduced by

Mr. DAWSON on February 10, 1949, and was referred to the Expenditures Committee. No hearings have been held on this measure. H. R. 5526 was introduced by Mr. MCCORMACK on July 7, 1949, and was reported out of the Expenditures Committee on February 28, 1949.

Senate: S. 942, prepared by the staff of the Commission, was introduced in the Senate by Senator MCCLELLAN on February 14, 1949, and was referred to the Expenditures Committee. The Senate Expenditures Committee referred S. 942 to a subcommittee June 22. No hearings have been held on this measure.

Report No. 2—Personnel management

House: H. R. 5181, prepared by the staff of the Commission, was introduced in the House by Mr. HOFFMAN of Michigan on June 15, 1949, and was referred to the Post Office and Civil Service Committee. No hearings have been held.

Senate: S. 2111, prepared by the staff of the Commission, was introduced in the Senate on June 20, 1949, by Senator MCCARTHY. Hearings were held by the Post Office and Civil Service Committee July 20 and 27. The committee has made no report.

Report No. 3—Office of General Services (supply activities)

Public Law No. 152, the Federal Property and Administrative Services Act of 1949 was enacted on June 30, 1949.

Report No. 4—The Post Office

House: H. R. 5177, prepared by the Commission's staff, was introduced by Mr. HOFFMAN of Michigan on June 15, 1949. H. R. 5775 was introduced on July 26, as a result of the President's message on the Post Office, by Mr. MURRAY of Tennessee. Both bills were referred to the Post Office and Civil Service Committee. No hearings have been held up to this time.

Senate: S. 2062, prepared by the Commission's staff, was introduced by Senator MCCARTHY on June 13, 1949. S. 2212 and S. 2213 were introduced by Senator FREAR, as a result of the President's message on the Post Office Department, on July 7, 1949. Both of these bills were referred to the Post Office and Civil Service Committee, which held hearings on July 20 and on July 27. The committee has not yet reported out any bill.

Report No. 5—Foreign affairs

Public Law No. 73, an act to reorganize the Department of State, was enacted on May 26, 1949.

Report No. 6—Department of Agriculture

House: H. R. 5179, prepared by the staff of the Commission, was introduced on June 15, 1949, by Mr. HOFFMAN of Michigan and was referred to the Agriculture Committee. No hearings have been held.

Senate: S. 2055, prepared by the Commission's staff, was introduced on June 13, 1949, by Senator MCCARTHY and was referred to the Agriculture Committee. No hearings have been held.

Report No. 7—Budgeting and accounting

House: H. R. 5178, prepared by the Commission's staff, was introduced by Mr. HOFFMAN of Michigan on June 15, 1949. A substitute bill, H. R. 5823, was later prepared and introduced by Mr. HOFFMAN of Michigan, incorporating the financial provisions of the short bill on military unification (H. R. 5632). It was introduced by Mr. HOFFMAN of Michigan on August 1, 1949, and was referred to the Expenditures Committee. No hearings have been held.

Senate: S. 2054, prepared by the staff of the Commission, was introduced by Senator MCCARTHY on June 13 and was referred to the Expenditures Committee. Certain amendments were also introduced by Senator MCCARTHY as a result of the Military Unification Act of August 1, 1949. These were referred to the same committee. No hearings have been held.

Report No. 8—The National Security Organization

The bill providing for an Under Secretary of Defense was enacted on April 2. A conference version of the short bill, H. R. 5632, providing for a modernized budgeting and accounting system in the Military Establishment, was passed by the House and the Senate and confers very broad authority on the Secretary of Defense. It was signed by the President on August 10.

Report No. 9—Veterans' Affairs

House: H. R. 5171, to create a Veterans Life Insurance Corporation, was introduced by Mr. RANKIN on June 15. H. R. 5288, prepared by the Commission's staff, was introduced by Mr. EVINS on June 22, 1949. Both of these bills were referred to the Committee on Veterans' Affairs. No hearings have been held.

Senate: S. 2019, prepared by the staff of the Commission, was introduced on June 8, 1949, by Senator MCCLELLAN, and was referred to the Finance Committee. No hearings have been held.

Report No. 10—Department of Commerce

House: H. R. 5180, prepared by the staff of the Commission, was introduced on June 15, 1949, by Mr. HOFFMAN of Michigan and was referred to the Committee on Interstate and Foreign Commerce. No hearings have been held.

Senate: S. 2056, prepared by the staff of the Commission, was introduced on June 13, 1949, by Senator MCCARTHY, and was referred to the Committee on Interstate and Foreign Commerce. No hearings have been held.

Report No. 11—Treasury Department

House: H. R. 5174, prepared by the staff of the Commission, was introduced on June 15, 1949, by Senator MCCARTHY, and was referred to the Committee on Ways and Means. No hearings have been held.

Senate: S. 2058, prepared by the staff of the Commission, was introduced on June 13, 1949, by Senator MCCARTHY, and was referred to the Finance Committee. No hearings have been held.

Report No. 12—Regulatory commissions

House: H. R. 5173, prepared by the staff of the Commission, was introduced on June 15, 1949, by Mr. HOFFMAN of Michigan, and was referred to the Expenditures Committee. No hearings have been held to date.

Senate: Four bills were introduced in the Senate. Two of these were prepared by the staff of the Commission: S. 2059 was introduced on June 13, 1949, by Senator MCCARTHY, and S. 2073 was introduced on June 14, by Senator MCCLELLAN, both of which were referred to the Expenditures Committee. Two bills covering portions of the McCarthy and McClellan bills were introduced separately to assist in committee consideration of them: S. 2330 was introduced by Senator JOHNSON of Colorado on July 26, 1949, and was referred to the Committee on Interstate and Foreign Commerce, and S. 2340 was introduced by Senator MAYBANK on July 27, 1949, and was referred to the Committee on Banking and Currency. No hearings have been held on these measures.

Report No. 13—Department of Labor

No legislation was prepared by the Hoover Commission and no bills have been introduced yet; but, in view of the shortcomings in Reorganization Plan No. 2, a comprehensive measure may be required.

Report No. 14—Interior Department

House: H. R. 5176, prepared by the staff of the Commission, was introduced on June 15, 1949, by Mr. HOFFMAN of Michigan and was referred to the Public Lands Committee. H. R. 5469 was introduced by Mr. WHITE of California on June 30, 1949, and was referred to the Expenditures Committee. The latter bill, unlike the other bills following the Commission's recommendations, is broader than those prepared by the Commission's staff in that it includes organization matters which could be effected through reorganization plans, but, in its major respects, it conforms to the Commission's recommendations. No hearings have been held on these measures.

Senate: S. 2057, prepared by the staff of the Commission, was introduced by Senator MCCARTHY on June 13, 1949, and was referred to the Committee on Interior and Insular Affairs. No hearings have been held.

Report No. 15—Social security, education, and Indian affairs

House: H. R. 5175, prepared by the staff of the Commission, was introduced by Mr. HOFFMAN of Michigan on June 15, 1949, and was referred to the Expenditures Committee. No hearings have been held.

Senate: S. 2060, prepared by the staff of the Commission, was introduced by Senator MCCARTHY on June 13, 1949, and was referred to the Expenditures Committee. No hearings have been held.

Report No. 16—Medical activities

House: H. R. 5182, prepared by the Commission's staff, was introduced on June 15, 1949, by Mr. HOFFMAN of Michigan and was referred to the Expenditures Committee. No hearings have been held.

Senate: S. 2008, prepared by the Commission's staff, was introduced on June 7, 1949, by Senator THOMAS of Utah and was referred to the Labor and Public Welfare Committee. No hearings have been held.

Report No. 17—Business enterprises

No legislation was prepared by the Hoover Commission and no bills have been introduced to date.

Report No. 18—Overseas Administration, Federal-State relations, Federal research

A. Overseas Administration

House: H. R. 5172, prepared by the staff of the Commission, was introduced by Mr. HOFFMAN of Michigan on June 15, 1949, and was referred to the Expenditures Committee. No hearings have been held.

Senate: S. 2061, prepared by the Commission's staff, was introduced by Senator MCCARTHY on June 13, 1949. S. 2072, prepared by the staff of the Commission, was introduced by Senator MCCLELLAN on June 14, 1949. Both bills were referred to the Expenditures Committee. No hearings have been held.

B. Federal-State Relations

House: H. R. 4507 was introduced by Mr. BONNER on May 3, 1949, and was referred to the Expenditures Committee.

Senate: S. 1946 was introduced by Senator TAYLOR et al. on May 26, 1949, and was reported favorably by the Expenditures Committee on June 13.

C. Federal Research

House: H. R. 4846 was introduced by Mr. PRIEST on May 24, 1949, and was referred to the Interstate and Foreign Commerce Committee, which reported the bill favorably on June 13, 1949.

Senate: S. 247 was introduced by Senator THOMAS of Utah on January 6, 1949, was reported favorably by the Labor and Public Welfare Committee on March 18, 1949, and was passed by the Senate on the same date.

Report No. 19—Concluding report

No legislation was prepared by the Hoover Commission and no bills have been introduced.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to include at this point as an extension of my remarks the résumé to which I referred.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

INDEPENDENT OFFICES APPROPRIATIONS BILL, 1950

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent that the conferees on the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, may have until midnight tonight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL ORDER GRANTED

Mr. MULTER asked and was given permission to address the House for 20 minutes on Monday, August 15, 1949, following the legislative business of the day and any special orders heretofore entered for that day.

EXTENSION OF REMARKS

Mr. VINSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include a tribute to a former Member of the House, the late William Washington Larsen.

Mr. BATTLE asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances.

Mr. LUCAS. Mr. Speaker, prior to the vote on the minimum-wage bill I prepared an analysis and a comparison of the two principal bills before the House for consideration. I sent that analysis to all the Members of the House on Monday, August 8, and it reached their desks not later than Tuesday morning August 9. It has been referred to during the debate on this bill. I ask unanimous consent that notwithstanding the cost this may be printed in the Appendix of the RECORD in tabular comparative form.

The SPEAKER pro tempore (Mr. JACKSON of Washington). Is there objection to the request of the gentleman from Texas?

There was no objection.

REARING PONDS AND FISH HATCHERY AT MILLEN, GA.

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2740) to establish rearing ponds and a fish hatchery at or near Millen, Ga., with Senate amendments and agree to the Senate amendments.

The Clerk read the title of the bill and the Senate amendments, as follows:

Strike out all after the enacting clause and insert "That the Secretary of the Interior is hereby authorized to establish and construct rearing ponds and a fish hatchery at suitable locations at or near Millen, Ga., and in the Upper Peninsula of Michigan, at a cost of not to exceed $250,000 and $325,000, respectively; to rehabilitate and expand at a cost of not to exceed $70,000 the rearing ponds and facilities at the Cape Vincent, N. Y., fish cultural station, and to purchase lands adjoining such station in connection with the rehabilitation and expansion of such facilities; and to rehabilitate, repair, and place in efficient operating condition the rearing ponds and fish cultural facilities at Leadville, Colo., at a cost of not to exceed $90,000.

"SEC. 2. The Secretary of the Interior is hereby authorized to undertake, through the Fish and Wildlife Service, a comprehensive and continuing study of the shad of the Atlantic coast for the purpose of recommending to the Atlantic Coast States, through the Atlantic States Marine Fisheries Commission, measures to be taken to arrest decline, increase the abundance, and promote the wisest utilization of such shad resources at a cost of not to exceed $75,000 per annum for a 6-year period. For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without exchange of funds, any boats or equipment excess to its needs required by the Fish and Wildlife Service for the studies authorized herein.

"SEC. 3. That the joint resolution of August 8, 1946 (60 Stat. 930), be amended to read as follows:

" 'That the Director of the Fish and Wildlife Service of the Department of the Interior is hereby authorized and directed to prosecute investigations of the abundance and distribution of sea lampreys and their effects on fishes, experiments to develop control measures, and a vigorous program for the elimination and eradication of sea lamprey populations of the Great Lakes; to survey the Great Lakes area to determine what localities would be most suitable for the establishment of additional fish hatcheries and rearing ponds if, and when, it becomes desirable for the Federal Government to operate such additional fish hatcheries and rearing ponds in the Great Lakes area; and is authorized and directed to report to the Congress not later than December 31, 1950, the results of such survey and to make recommendations with respect thereto. The cost of the investigations and studies authorized in this section shall not exceed $359,000 for the first year and the sum of $216,000 per annum thereafter.

" 'In carrying out the foregoing purposes and objectives the Director of the Fish and Wildlife Service is authorized to cooperate with the official conservation agencies of the States bordering on the Great Lakes, with the commercial fishing industry, and with other governmental or private agencies, organizations, or individuals having jurisdiction over or an interest in the fisheries of the Great Lakes.'

"SEC. 4. There is authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes and objectives of this act."

Amend the title so as to read: "An act to authorize the establishment of fish hatcheries in the States of Georgia and Michigan; to authorize the rehabilitation and expansion of rearing ponds and fish cultural facilities in the States of New York and Colorado; to authorize the Secretary of the Interior to undertake a continuing study of shad of the Atlantic coast; and to amend the act of August 8, 1946; relating to investigation and eradication of predatory sea lampreys of the Great Lakes, and for other purposes."

Mr. MARTIN of Massachusetts (interrupting the reading of the amendments). Mr. Speaker, I ask unanimous consent that further reading of the amendments be dispensed with and that the gentleman from Texas kindly tell us what they mean.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. THOMPSON. Mr. Speaker, the House considered a number of bills providing for fish-conservation studies, hatcheries, and rehabilitation work. These bills were passed by the House and went to the Senate and there they were grouped together into one measure as amendments to H. R. 2740.

Mr. MARTIN of Massachusetts. There is nothing additional to what has been passed by the House?

Mr. THOMPSON. There was one small item added involving $90,000 for a small hatchery in Colorado. That was approved by the Department and it passed the Senate unanimously.

Mr. DINGELL. May I ask, does this involve in any way the Dingell bill which passed the House?

Mr. THOMPSON. No.

Mr. DINGELL. In regard to the apportionment of certain moneys for these hatcheries?

Mr. THOMPSON. The so-called Dingell bill?

Mr. DINGELL. Yes.

Mr. THOMPSON. No; that is not involved in any way.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. THOMPSON]?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

LAKE COUNTY, MONT.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1892) authorizing the Secretary of the Interior to issue a patent in fee to certain Indian lands in Lake County, Mont., with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Amend the title so as to read: "An act authorizing the Secretary of the Interior to issue to Lake County, Mont., a patent in fee to certain Indian lands.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. PETERSON. Mr. Speaker, this bill passed the House and the Senate, but the Senate corrected the title. I did not think it was necessary to change the title. Instead of the language used "lands in Lake County" the Senate amended it to read "to Lake County." It is purely a technical amendment and we have agreed to it.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

COUNTY OF MISSOULA, MONT.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2197) to authorize acquisition by the county of Missoula, State of Montana, of certain lands for public-use purposes, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, strike out lines 7, 8, and 9 and insert "South half northeast quarter, north half."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. PETERSON. Mr. Speaker, this corrects a description in the bill. An error was made by the Drafting Service in the Department, which error was caught after the matter was checked again. We have also checked with the author of the bill and the Department.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SCHOOL BOARD OF KLAMATH COUNTY, OREG.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4510) to provide funds for cooperation with the school board of Klamath County, Oreg., for the construction, extension, and improvement of public-school facilities in Klamath County, Oreg., to be available to all Indian and non-Indian children without discrimination, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 9, after "representative", insert "through the Division of Disbursement, Treasury Department."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this purely a technical amendment?

Mr. PETERSON. This is a technical amendment only.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MISSISSIPPI RIVER PARKWAY

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1997) to authorize the survey of a proposed Mississippi River Parkway for the purpose of determining the feasibility of such a national parkway, and for other purposes, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, after line 9, insert:

"SEC. 2. The Secretary of the Interior and the Administrator of the Federal Works Agency are hereby directed to complete such joint survey within 2 years after the enactment of this act."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. PETERSON. Mr. Speaker, in our bill we required them to report the survey back to the Congress but we did not provide any time. The Senate has provided for a 2-year limitation.

Mr. MARTIN of Massachusetts. This just merely sets forth what is already in the report?

Mr. PETERSON. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

BIG BEND NATIONAL PARK, TEX.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2877) to authorize the addition of certain lands to the Big Bend National Park, in the State of Texas, and for other purposes, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Florida? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. PETERSON, MURDOCK, REGAN, CRAWFORD, and LEMKE.

CLERK OF THE HOUSE OF REPRESENTATIVES

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Con. Res. 103) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the expenses of the joint committee created pursuant to House Concurrent Resolution 102, not to exceed $5,000, shall be paid by the Clerk of the House of Representatives out of the contingent fund of the House of Representatives, such contingent fund to be reimbursed from the contingent fund of the Senate in the amount of one-half of the disbursements so made.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration I offer a privileged resolution (H. Res. 306), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 75, Eighty-first Congress, incurred by the Committee on Education and Labor, acting as a whole or by subcommittee, not to exceed $15,000, including expenditures for employment of such experts, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

Mr. MARTIN of Massachusetts. Mr. Speaker, if the gentleman will yield, may I ask the gentleman if this is an extra appropriation?

Mr. STANLEY. I will say to the gentleman from Massachusetts that this is the second appropriation that has been made during the session.

Mr. MARTIN of Massachusetts. What was the original appropriation?

Mr. STANLEY. Fifteen thousand dollars. This is an additional $15,000. I will say further that there has been very little of the first appropriation expended. The committee has been in session, and they have not had an opportunity yet to expend the money already appropriated, but they will need additional funds to complete their work.

Mr. MARTIN of Massachusetts. They believe they will need the extra money now?

Mr. STANLEY. They will, during the interim between this and the next session.

Mr. MARTIN of Massachusetts. But they have not expended the first sum yet?

Mr. STANLEY. No; they have not. This makes a total of $30,000 made available.

Mr. MARTIN of Massachusetts. What is the justification for the increase?

Mr. STANLEY. During the interim between now and January 3, 1950, they will want to make an investigation and hold hearings on legislation with references to the Fair Labor Standards Act and the Minimum Wage Act, in Puerto Rico and the Virgin Islands.

Mr. MARTIN of Massachusetts. I thought most of this legislation that they were to investigate was to be passed in this session.

Mr. STANLEY. I might say to the gentleman from Massachusetts that this is a smaller amount than has been used

by the Committee on Education and Labor for their investigations heretofore.

Mr. MARTIN of Massachusetts. I might say that the House gave them $15,000, and the committee has not done any work yet. Now they want an extra $15,000.

Mr. STANLEY. They have expended less than $2,000.

Mr. MARTIN of Massachusetts. But this involves several big issues that are supposed to be adjusted in this session of the Congress.

Mr. STANLEY. It has been stated by the chairman of the Committee on Education and Labor that, as soon as the Congress adjourns, it is the intention to study the Fair Labor Standards Act as it pertains to Puerto Rico and the Virgin Islands, the Labor-Management Relations Act, Federal aid to education, assistance to schools, and other matters.

Mr. MARTIN of Massachusetts. Well, that might be interesting.

Mr. RICH. Mr. Speaker, if the gentleman will yield, how many Members of Congress expect to take a trip to the Virgin Islands and these other islands to make this investigation?

Mr. STANLEY. The Committee on House Administration does not have the information on that.

Mr. RICH. It seems to me if they had $15,000 appropriated and they only spent $2,000, and that they will have from now until January 3, and now coming in here and asking for $15,000 additional, that it does not seem right. I cannot understand why the Committee on House Administration now wants to increase that amount.

Mr. STANLEY. Well, it is done at the request of the Committee on Education and Labor, stating that they will need these additional funds. If the money is not used, it will, of course, return to the Treasury.

Mr. RICH. That same committee that is interested in raising the labor standards here in America to 75 cents an hour, will they recommend that they be paid the same amount over in those islands?

Mr. STANLEY. I cannot answer that question.

Mr. RICH. The same fellows that are recommending it here, I will bet you dollars to doughnuts will never say a word about them getting 75 cents in those islands.

Mr. LECOMPTE. Mr. Speaker, if the gentleman will yield, how much is provided in this resolution?

Mr. STANLEY. Fifteen thousand dollars.

Mr. LECOMPTE. Well, the resolution which authorized the original appropriation contemplated more than that, did it not?

Mr. STANLEY. I did not see the amount in the authorizing resolution.

Mr. LECOMPTE. It was considerably more, was it not?

Mr. STANLEY. That is correct.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK OF THE HOUSE OF REPRESENTATIVES TO APPROVE PAYMENT OF GRATUITIES DURING THE RECESS OF CONGRESS

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 318 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the period of any adjournment or recess of the House after the close of the first session of the Eighty-first Congress until January 3, 1950, the Clerk of the House is authorized to pay out of the contingent fund of the House an amount equal to 6 months' salary of any deceased employee of the House at the rate such employee was receiving at the time of his or her death and an additional amount not to to exceed $350 toward defraying the funeral expense of any such employee to whomever in the judgment of the Clerk is justly entitled thereto subject to the approval of the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JOINT SENATE AND HOUSE RECORDING FACILITY

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 332) providing for the establishment of a Joint Senate and House Recording Facility.

The Clerk read the joint resolution, as follows:

Resolved, etc., That there is hereby established a Joint Senate and House Recording Facility

(a) The Joint Senate and House Recording Facility shall assist Members of the Senate and House of Representatives in making recordings, arranging for time for radio broadcasts of such recordings, and in performance of such other functions and duties in connection therewith as may be necessary. The recording facilities shall be for the exclusive use of the Members of the Senate and the House.

(b) The Superintendent shall, subject to the approval of the Secretary of the Senate and the Clerk of the House, set the price of each recording and collect all moneys owed the facility.

(c) There is hereby established a revolving fund for the purpose of administering the duties of the facility. All moneys hereafter received by the facility for the sale of such recordings and other equipment shall be deposited in the revolving fund and shall be available for disbursement from the fund by the Clerk of the House of Representatives upon vouchers approved by the Secretary of the Senate or the Clerk of the House of Representatives.

(d) All purchase orders shall, previous to being issued by the Superintendent, be approved jointly by the Secretary of the Senate and the Clerk of the House.

(e) The Secretary of the Senate and the Clerk of the House are authorized to appoint and fix the compensation of a Superintendent and such other employees as are deemed necessary to perform the duties of the facility and shall promulgate such regulations as may be necessary to carry out the purpose of this joint resolution subject to the approval of the Vice President and the Speaker of the House. The salary of the Superintendent shall not exceed $10,000 per annum.

(f) The Superintendent shall give bond to the Secretary of the Senate and the Clerk of the House with one or more sureties, to be approved by the Secretary of the Senate and the Clerk of the House, in the penal sum of $20,000, with condition for the faithful performance of his duties and the preservation and security of all property in his care. Such bond shall be deposited in the Office of the Secretary of the Senate.

(g) The facility shall maintain detailed records of all moneys collected and expended.

With the following committee amendments:

On page 2, line 5, after the word "established", insert "in the Treasury of the United States."

Page 3, line 8, strike out "facility" and insert in lieu thereof the word "Superintendent."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman kindly explain what this measure does, and how the situation will differ from the present set-up if this joint resolution is passed?

Mr. STANLEY. This simply gives authority for the present set-up which it seems they have not had heretofore. This facility is for the exclusive use of the Members of the House and the other body. It was privately operated until 1948. In the legislative appropriation bill for that year provision was made for the employees of the facility to be placed on the rolls of Government employees. The operating equipment was leased by the Government at a nominal rate with the privilege of purchasing at a later date. Then, in the report of the Committee on Appropriations for the legislative branch on the appropriation bill for 1950, Report No. 763, the committee recommended as follows:

The committee urges appropriate officers and committees concerned to review the whole operation with a view to placing on a completely self-sustaining basis and otherwise improving the organizational and operational set-up before another budget is submitted.

Mr. MARTIN of Massachusetts. There was a deficit in the previous year, as I understand it?

Mr. STANLEY. I am not advised as to that definitely at the present time, but this year I understand there is a balance of unexpended funds.

Mr. MARTIN of Massachusetts. What is the difference in the salary? What is the difference between what he will get now and what he received in the past?

Mr. STANLEY. This report—I am reading from the report on the appropriation bill for the legislative branch of the Government—reveals that the salary for the top position of the facility at present is $9,538 annually.

Mr. MARTIN of Massachusetts. The salary is being raised to $10,000?

Mr. STANLEY. That is right, sir.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield to the gentleman from Pennsylvania.

Mr. RICH. As I understand it you have facilities in the old House Office Building where Members may go to make

recordings, which is operated by private individuals; is that correct?

Mr. STANLEY. It was until 1948. It was budgeted at that time.

Mr. RICH. Why not let it be operated as it is now, if they are not going in the red. Why set up a new organization?

Mr. STANLEY. That has already been set up. This simply gives them authority for what they are now doing.

Mr. RICH. You have that organization now, as I understand it, and they are doing a good job, and anybody can go there to make recordings.

Mr. STANLEY. Yes; and they will charge you for the records that you or other Members may make.

Mr. MARTIN of Massachusetts. As I understand it they will keep on charging for these recordings.

Mr. STANLEY. They are going to continue to charge for the recordings, but the money, which has heretofore not been turned into the Treasury of the United States, will be accounted for in the future.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield to the distinguished majority leader.

Mr. McCORMACK. Is it not a fact that under the present set-up it is Government money, but there is no supervision because while it is supposed to be under the Clerk of the House and the Secretary of the Senate, they have no control and no report is made on the operation? The main purpose of this is to enable the Clerk of the House and the Secretary of the Senate to have control and if any money comes in that will be accounted for and they will issue checks and pay the bills; is that not correct?

Mr. STANLEY. This will make them responsible to somebody for the operation.

Mr. McCORMACK. That is the main purpose of this, as I understand; to enable the Clerk of the House and the Secretary of the Senate to protect themselves in connection with the money that is received. This gives them the authority to put the operation under bond, so that they will be protected.

Mr. RICH. May I ask this question: Has there been any complaint about the set-up or the organization which we now have?

Mr. STANLEY. None has come to the committee.

Mr. McCORMACK. On the other hand they have received nothing but compliments.

Mr. RICH. Have the people who are operating it now ever done anything contrary to the rules and regulations of the House?

Mr. STANLEY. Not at all.

Mr. RICH. Then why set up something which is going to be under the supervision of the House of Representatives and put more Government control on the people who are operating it?

Mr. STANLEY. I would say in answer to the gentleman's question, as one businessman to another, that we would want to have an accounting of the money that came into any facility or corporation in which we were interested. We would want somebody to account for that money. There has been no person to whom they should be accountable up to the present time. This provides for a proper accounting of these funds.

Mr. RICH. Have you asked them for an accounting?

Mr. STANLEY. I do not know that that has been done.

Mr. RICH. Has anybody made a complaint?

Mr. STANLEY. I cannot answer that question.

Mr. RICH. Mr. Speaker, I am against these controls, this everlasting putting things under the control of somebody, because everything we are doing is to get control of something. I object.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield.

Mr. McCORMACK. The gentleman from Pennsylvania, [Mr. RICH], in good faith misunderstands the situation. It is already under the control of the Clerk of the House and the Secretary of the Senate.

Suppose you were Clerk of the House or Secretary of the Senate and this was under your control, but you have no control. There is no necessity for making returns to you. This is simply to enable the Clerk of the House and the Secretary of the Senate to protect themselves on their bond. If there is anything wrong, their bond is liable, but they have no authority to protect themselves or to protect their bond.

The SPEAKER. The Chair would like to say, if the gentleman from Virginia will yield, the Chair has been wrestling with this thing all this year. The gentleman from Pennsylvania [Mr. RICH] is a businessman, I understand. This is to try to bring some business into this thing and have it on the level and have everybody know where they stand. That is the whole question.

Mr. RICH. Mr. Speaker, I have asked questions, and I cannot find where there has been any complaint. If I could find something that was wrong I would be willing to let it go by. I am only trying to make things better. If I can do that by objecting I intend to object. If I would do better by withdrawing my objection, I will do that, but these things come in so hurriedly that we do not have a chance to have them explained. I do not want to object if it is something that will do some good. You say it is going to do good, so let us put it through.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield.

Mr. SCRIVNER. As a member of the Subcommittee on Appropriations that handles this particular situation, I may say for the benefit of the House and of the gentleman from Pennsylvania that this resolution, to a very marked degree, carries out the recommendations of the Subcommittee on Appropriations which deals with this particular thing.

We found that there was loose fiscal control over the funds going into this revolving fund in the office of the Secretary of the Senate and the Sergeant at Arms. This is carrying out a recommendation made by that Subcommittee on Appropriations, as good business practice.

Mr. RICH. You mean to put this into effect?

Mr. SCRIVNER. Yes.

Mr. RICH. Then I withdraw my objection, Mr. Speaker.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield.

Mr. MARTIN of Massachusetts. I would like to ask if the newspapermen and the radio commentators can continue to use this service.

Mr. STANLEY. This does not affect the service they have now, as I understand it.

Mr. MARTIN of Massachusetts. They use these facilities, I understand, for interviews.

Mr. STANLEY. I understand this is only for Members of the House and the Senate.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield.

Mr. PHILLIPS of California. The question which the gentleman from Massachusetts asked is a very good question. But the general way that the newspaper and radio men use the facility is to have a conference with a Member of the House. Is that not what the gentleman means?

Mr. MARTIN of Massachusetts. Yes.

Mr. PHILLIPS of California. Under this that would not be barred.

Mr. MARTIN of Massachusetts. I understood there were certain radio commentators who would go up there to prepare the statements that they send back to their local stations. Would they be able to continue to use that?

Mr. STANLEY. I think that is different.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield.

Mr. LECOMPTE. As a matter of fact, this resolution undertakes to establish a business service that has been in existence for 2 years.

Mr. STANLEY. That is correct.

Mr. LECOMPTE. It does not provide for any funds. It does not comtemplate the expenditure of any more money. I think it contemplates the supervision of funds that are taken in.

Mr. STANLEY. The gentleman is correct.

Mr. RICH. It provides $10,000 salary.

Mr. LECOMPTE. They are already being paid.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield.

Mr. CRAWFORD. We have gone with the experience with the Sergeant at Arms' office, and some of us were penalized on that for a considerable time. We have got the situation that has been more or less publicized in connection with the stationery room. Now, this situation comes up. The question I want to ask is, When are these committees who make up such set-ups going to learn to put this on a business basis at the inception of the deal?

We are the representatives of the taxpayers here. This thing is inexcusable.

You cannot go before your people and justify what happened through loose dealing on the part of committees which start these things in the first place and put the Speaker of the House in a position where we have to help him pull ourselves out of a mudhole. The question I would like for somebody to answer here is, When are you going to quit setting up these loose deals like this? Imagine a situation where that has been going on here under appropriations of this House with no accountability. It is inexcusable and it ought to be straightened out.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL CLERICAL ASSISTANT, DISBURSING OFFICE

Mr. STANLEY. Mr. Speaker, by direction of the Committee on Accounts, I present a privileged resolution (H. Res. 315) authorizing additional employees in the disbursing office, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, effective August 1, 1949, there shall be paid out of the contingent fund of the House, until otherwise provided by law, an additional sum not to exceed $5,000 (basic) per annum for the employment of additional clerical assistants in the disbursing office in accordance with the provisions of House Resolution 585, adopted December 16, 1942.

With the following committee amendments:

Line 1, change "affective" to "effective."

Line 4, strike out "$5,000" and insert in lieu thereof "$2,500."

Line 4, following the word "of", insert the word "one."

Line 5, strike out the word "assistants" and insert the word "assistant" in lieu thereof.

The committee amendments were agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ISABEL MUTH MEADE

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Res. 288) for the relief of Isabel Muth Meade and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Isabel Muth Meade, widow of Hugh A. Meade, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $250 toward defraying the funeral expenses of said Hugh A. Meade.

With the following committee amendment:

Page 1, line 6, strike out "$250" and insert "$350."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RUTH BANKHEAD

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Res. 317) for the relief of Mrs. Ruth Bankhead and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Ruth Bankhead, mother of Amoretta Bankhead, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate she was receiving at the time of her death and an additional amount not to exceed $350 toward defraying the funeral expenses of said Amoretta Bankhead.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION CONTESTS DISMISSED: BROWNER v. CUNNINGHAM, FIFTH DISTRICT, IOWA; FULLER v. DAVIES, THIRTY-FIFTH DISTRICT, NEW YORK; AND THIERRY v. FEIGHAN, TWENTIETH DISTRICT, OHIO

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Res. 324) relative to the contested election cases of Browner against Cunningham, Fifth Congressional District of Iowa; Fuller against Davies, Thirty-fifth Congressional District of New York; and Thierry against Feighan, Twentieth Congressional District of Ohio, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the election contest of Vincent L. Browner, contestant, against Paul Cunningham, contestee, Fifth Congressional District of the State of Iowa, be dismissed, and that the said Paul Cunningham is entitled to his seat as a Representative of said district and State; be it further

Resolved, That the election contest of Hadwen C. Fuller, contestant, against John C. Davies, contestee, Thirty-fifth Congressional District of the State of New York, be dismissed and that the said John C. Davies is entitled to his seat as a Representative of said district and State; and be it further

Resolved, That the election contest of James F. Thierry, contestant, against Michael A. Feighan, contestee, Twentieth Congressional District of the State of Ohio, be dismissed and that the said Michael A. Feighan is entitled to his seat as a Representative of said district and State.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. Mr. Speaker, in connection with the bill just passed with reference to the Radio Gallery, if we are going to have a good business administration will it be possible for any Member of Congress to go to the Radio Gallery, use the services there and run up a big bill without having a proper accounting? In other words, is the administrator of the House Radio Gallery going to see that these bills are kept current?

The SPEAKER. It is certainly not the intention of myself that this be run in any other way except on a business basis and that all people pay their bills promptly.

AMENDMENT TO CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2944) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide survivorship benefits for widows or widowers of persons retiring under such act, with Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, MORRISON, and REES.

FEDERAL AID TO EDUCATION

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, today we passed a bill which was an issue in the plank of the Democratic platform during the past year. I was for the bill, I voted for it, I think it is a fair and just measure. However, I think there is another issue which was a plank in the same Democratic platform that should be brought before the Congress now. I refer to the Federal aid-to-education bill. I know this is a very controversial issue, but why not let the Representatives of 148,000,000 people decide the issue in the democratic way?

This country is too great and too powerful to let dissension on religious and racial issues divide our people. This Congress is capable of passing a Federal aid-to-education bill which is fair and just to all races and creeds if it is given the opportunity.

One slogan which has made this Nation a beacon to all peoples throughout the world is "equality of opportunity to all." Do we now have equality of educational opportunity in this Nation? I do not feel we do, but let us bring the Federal aid-to-education bill before the Representatives of the people and let them decide.

Truth crushed to earth shall rise again.
For the eternal years of God's are hers.

FAR EASTERN COOPERATION

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the subject Far Eastern Cooperation.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, a resolution is being introduced today in which I have joined with Representatives GEORGE A. SMATHERS, Democrat, Florida; JAMES G. FULTON, Republican, Pennsylvania; and ABRAHAM A. RIBICOFF, Democrat, Connecticut, all members of the House Committee on Foreign Affairs, favoring the creation by the non-European free countries and the free peoples of the Far East of a joint organization, consistent with the Charter of the United Nations, to establish a program of self help and mutual cooperation for that area and also favoring assistance by the United States to the free countries and free peoples of the Far East through such an organization.

This resolution represents the views of its sponsors that broad-scale economic and social development and improvement in the Far East will be the greatest barrier to the spread of communism into southeast Asia and the islands of the Pacific.

The resolution is a direct response to the suggestions implicit in the conference of Asiatic and Pacific States to consider the Indonesian question called by Prime Minister Jawaharla Nehru, of the Government of India, in January 1949 and the address of President Quirino, of the Philippine Republic, to the congress on Wednesday in which he urged the free countries of southeast Asia and the Pacific to start the movement for closer cooperation in furtherance of their common interests. President Quirino emphasized his feeling that the free countries of Asia still had to halt the advances of communism by nonmilitary means. He added, "Our problem is therefore basically economic."

The policy upon which the European recovery program is based has been proved by time and by experience to be the most enlightened development in American foreign policy since the Monroe Doctrine. It is based upon a completely new philosophy, the direct antithesis of imperialism by colonization or trade, practiced right up to the first World War by the nations which from time to time held the world leadership the United States now enjoys. The policy of the European recovery program and the policy of a far eastern cooperation which the sponsors of this resolution propose is a policy neither of political or economic domination or control but a policy of so improving the well-being of peoples that they will choose to fight for freedom of their own free will; as we are confident that this is the inevitable response of men and women with free minds.

This resolution follows also the pattern of the Harvard speech made in June 1947 by the then Secretary of State, General Marshall, inviting the nations of Europe to organize themselves for a program of self help and mutual cooperation which resulted in the Organization for European Economic Cooperation (OEEC) which in turn made the European recovery program possible. The sponsors of this resolution believe that a similar pattern should be followed and that by the adoption of this resolution the same kind of invitation will be extended to the free peoples of the Far East as was extended by General Marshall to the free peoples of Europe. It is noteworthy also that one of the greatest developments in world policy—the establishment of the United Nations—had its origins in a similar resolution, the Fulbright resolution passed by the Congress in 1943. This resolution will be a means by which the influence of the United Nations may be strengthened and its purposes furthered in the Far East area.

The text of the resolution follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby expresses itself as favoring the creation by the non-Europeon free countries and the free peoples of the Far East of a joint organization, consistent with the Charter of the United Nations, to establish a program of self help and mutual cooperation designed to develop their economic and social well-being, to safeguard basic rights and liberties and to protect their security and independence, and as favoring assistance by the United States to the free countries and free peoples of the Far East through such an organization.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have permission to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection?

EXTENSION OF REMARKS

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. VURSELL asked and was given permission to extend his remarks in the RECORD.

Mr. DINGELL asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Washington Star of August 9.

Mr. KENNEDY (at the request of Mr. HOWELL) was given permission to extend his remarks in the RECORD.

Mr. FURCOLO asked and was given permission to extend his remarks in the RECORD in two instances and include a newspaper article.

SPECIAL ORDER GRANTED

Mr. BIEMILLER asked and was given permission to address the House on tomorrow for 15 minutes, following disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

RUTH BANKHEAD

Mr. STANLEY. Mr. Speaker, in House Resolution 317 on page 1, the name Amoretta is incorrectly spelled. The last letter in the name should be changed from "a" to "e." I ask unanimous consent that the resolution may be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PLAYGROUNDS, POOLS, AND PARKS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN of South Carolina. Mr. Speaker, I am today introducing a resolution having for its purpose giving to the District Commissioners full jurisdiction over the playgrounds, pools, and parks within the borders of the District of Columbia. For the past several weeks we have witnessed a situation that we should not be faced with here in the Nation's Capital. Somebody should have authority to settle these matters expeditiously without closing the pools for several months during the hottest weather we have had in Washington in years. I hope that the Members of this House will vote for this resolution when it is called before the House.

EXTENSION OF REMARKS

Mr. STEED asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD and include three editorials dealing with the subject Excise Taxes Are Causing Unemployment.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WOLVERTON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LEMKE (at the request of Mr. GROSS) was given permission to extend his remarks in the RECORD in two instances and include newspaper articles in each.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. WALSH asked and was given permission to extend his remarks in the RECORD and include an article.

SPECIAL ORDER GRANTED

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the special orders granted me today and tomorrow be canceled, and that I may have permission to address the House for 30 minutes on Tuesday next after the disposition of legislative matters and other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TITLE I AND TITLE II OF THE HOUSING ACT SHOULD BE EXTENDED

Mr. REES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, I have today introduced legislation to extend the time during which loans may be made under the provisions of title I and title II of the National Housing Act, as amended. Unless this law is extended, all rights under these titles will become inoperative after August 31, which is less than 3 weeks away. The bill I have submitted will continue the present provisions of title I and title II of the Housing Act until January 15, 1951.

Mr. Speaker, it is my contention that it is a much sounder policy and is for the best interests for the occupant of a home to give him a chance to buy his own home, rather than be a renter in so-called Government housing. This program has worked well in the past and in nearly all cases has been most satisfactory. It has operated at very little cost to the Government, except the expense of administration. It is interesting to observe that under title I and title II of the National Housing Act from 1941 to August this year more than 1,700,000 commitments for new dwellings have been approved. This legislation will continue the opportunity for people to buy and pay for their homes while they use them. It will continue to help solve the housing shortage in this country. I hope we may be able to secure the approval of this legislation before Congress adjourns.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

[Mr. JENNINGS addressed the House. His remarks appear in the Appendix.]

REORGANIZATION PLAN NO. 2 OF 1949

Mr. DAWSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Resolution 301, disapproving of Reorganization Plan No. 2 of 1949; and pending that motion, Mr. Speaker, I ask unanimous consent that debate on the resolution may continue not to exceed 3 hours; to be equally divided and controlled by the gentleman from Michigan [Mr. HOFFMAN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Resolution 301, with Mr. MADDEN in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

Mr. DAWSON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the Committee on Expenditures in the Executive Departments, to which was referred the resolution (H. Res. 301) disapproving of Reorganization Plan No. 2 of 1949, having considered the same, reports unfavorably thereon without amendment and recommends that the resolution does not pass.

The purpose of House Resolution 301 is to express disapproval of Reorganization Plan No. 2 of 1949, and the effect of the adoption of this resolution by the Congress will be to prevent such plan from coming into force and effect on August 19, 1949.

The purpose and the effect of the reorganization plan, in the absence of a disapproval by a House resolution, are set forth in the plan in the following words and figures. I think first we ought to know exactly what is in plan No. 2:

SECTION 1. Bureau of Employment Security: The Bureau of Employment Security of the Federal Security Agency, including the United States Employment Service and the Unemployment Insurance Service, together with the functions thereof, is transferred as an organizational entity to the Department of Labor. The functions of the Federal Security Administrator with respect to employment services, unemployment compensation, and the Bureau of Employment Security, together with his functions under the Federal Unemployment Tax Act (as amended, and as affected by the provisions of Reorganization Plan No. 2 of 1946 (60 Stat. 1095, 26 U. S. C. 1600–11), are transferred to the Secretary of Labor. The functions transferred by the provisions of this section shall be performed by the Secretary of Labor or, subject to his direction and control, by such officers, agencies, and employees of the Department of Labor as he shall designate.

SEC. 2. Veterans' Placement Service Board.—The functions of the Veterans' Placement Service Board under title IV of the Servicemen's Readjustment Act of 1944 (58 Stat. 284, as amended; 38 U. S. C. 695–695f) are transferred to and shall be performed by the Secretary of Labor. The functions of the Chairman of the said Veterans' Placement Service Board are transferred to the Secretary of Labor and shall be performed by the Secretary or, subject to his direction and control, by the Chief of the Veterans' Employment Service. The Veterans' Placement Service Board is abolished.

SEC. 3. Federal Advisory Council: The Federal Advisory Council established pursuant to section 11 (a) of the act of June 6, 1933 (48 Stat. 116, as amended, 29 U. S. C. 49j (a)), is hereby transferred to the Department of Labor and shall in addition to its duties under the aforesaid act, advise the Secretary of Labor and the Director of the the Bureau of Employment Security with respect to the administration and coordination of the functions transferred by the provisions of this reorganization plan.

SEC. 4. Personnel, records, property, and funds: There are transferred to the Department of Labor, for use in connection with the functions transferred by the provisions of this reorganization plan, the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) of the Bureau of Employment Security, together with so much as the Director of the Bureau of the Budget shall determine of other personnel, property, records, and unexpended balances of appropriations, allocations, and funds (available or to be made available) of the Federal Security Agency which relate to functions transferred by the provisions of this reorganization plan.

When this petition or resolution of rejection came to us we held ample hearings upon the subject. We listened to witnesses. We received telegrams, which have been printed in the RECORD. I sent to every Member of the Congress a copy of our report and a copy of the hearings held by our committee in order that each Member might acquaint himself with just what went on and so that he might know of his own knowledge what was said there. The effect of this plan would be to destroy part of the work of the so-called Hoover Commission. This is the first attack on it. I think every Member of this Congress is proud of the work which was done by the Hoover Commission. For 2 years they sat, a nonpartisan commission, on which there were representatives of this body; one, the very able gentleman from Ohio [Mr. BROWN] and the other, the very able ex-Member of this body, Mr. Manasco.

Every provision set out in plan No. 2 had the unanimous approval of that Commission. There are some recommendations that are not in the plan relative to the Department of Labor, and in most instances those did not have the unanimous consent of the Commission. Objection was raised because there were not contained in plan No. 2 all of the provisions set out by the Hoover Commission relative to the Department of Labor. But you can appreciate that in its efforts to undo what was done, everything recommended by them cannot be done at one time. These functions were not taken from the Department at one fell stroke, and neither can they be placed back at one fell stroke without disrupting the activity of the Government. So the proper time for transferring the functions must be chosen. That the President chose well in this respect in sending down plan No. 2, is borne out by Mr. Hoover himself who said that plan No. 2 is a step in the right direction and carries with it the purposes outlined in the work of the Hoover Commission and that it has his support. So, when we say that this is not the full plan of the Hoover Commission, when we look at the fact that Mr. Hoover is one of the two men who has had experience in the executive department and who can tell probably better than any living man except one, and that is your present President, from actual experience when is the proper time that these functions should be transferred back; then if we are going along with experience and if we are going along with a study authorized by this body we must support the President's plan No. 2 as sent to us.

I think we all appreciate that there is throughout this Nation a widespread sentiment in favor of the reorganization of the executive departments. I think we can all appreciate how much time has been spent on the floor of the Congress by the Members of Congress in discussing the various bureaus and the overlapping functions and overlapping activities within our executive department, with all its attendant high costs. They even counted the number of bureaus. I heard one of our Members get up and, without even referring to the notes that he always carries in his pocket, state just how many bureaus we

have and just how many overlapping agencies we have. The purpose of the reorganization plan is to cut down the number of bureaus.

The purpose of Reorganization Plan No. 2 is to put functions where they belong and put activities where they belong, thereby grouping in the proper department kindred activities and kindred functions.

This is certainly a step in that direction. I think we would all regret very much if this plan No. 2 should be defeated. I think it would be a set-back in the program that this Congress set out at the beginning of this year, to wit—the reorganization of the executive departments.

I take pardonable pride, as chairman of the Committee on Expenditures in the Executive Departments, in the work this committee has done in trying to bring about efficiency and economy in government. It was this committee which at the beginning of the year passed through this House the Reorganization Act of 1949, that was to give the President the power to do this very thing; that was to give the President the power to do the thing which Members of Congress said that Congress would never do if it were left to them. Then, as soon as steps are taken, we find objections from those who seem to have an interest, because I noticed at the hearings that most of the objections came from certain groups and those same groups had gone on record as unanimously approving and endorsing the Hoover Commission report. It was indeed interesting to see how they would wiggle and try to get out of the position in which they found themselves when they found themselves coming in to testify against the very thing that the organizations to which they belonged had wholeheartedly approved, if we can believe what our newspapers say.

So I say to you, I think this Resolution 301 should be defeated.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DAWSON] has expired.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. (After counting.) Evidently no quorum is present.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 175]

Anderson, Calif.	Furcolo	Nelson
Auchincloss	Gilmer	Norton
Baring	Gordon	O'Brien, Mich.
Barrett, Pa.	Granger	Pfeifer,
Bentsen	Green	Joseph L.
Bland	Gregory	Pfeiffer,
Bolling	Hébert	William L.
Bolton, Ohio	Hinshaw	Plumley
Boykin	Javits	Potter
Breen	Johnson	Poulson
Buckley, Ill.	Jonas	Powell
Bulwinkle	Kennedy	Ramsay
Burleson	Kilday	Reed, Ill.
Cavalcante	Kirwan	Rogers, Mass.
Clevenger	Lind	Sadowski
Cole, N. Y.	Lyle	St. George
Coudert	McGregor	Secrest
Dague	Macy	Sikes
Davies, N. Y	Mason	Smith, Ohio
Davis, Wis.	Miller, Nebr.	Teague
Eaton	Morrison	Thomas, N. J.
Fellows	Morton	Thomas, Tex.
Vinson	Welch, Calif.	Woodhouse
Vursell	Wigglesworth	Zablocki
Wadsworth	Withrow	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Resolution 301, and finding itself without a quorum, he had directed the roll to be called, when 360 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I have spent a number of years of my legislative experience dealing with the very problem that is involved in the resolution now before us.

I think it would be well at the outset of the consideration of this resolution to acquaint ourselves with just exactly what the problem is.

Let us go back a little into the history of the situation.

I know full well that the great ex-President, who addressed the Nation last night in such clear tones, headed the Commission that makes the recommendation for the transfer of unemployment compensation and the employment services from the Federal Security Agency to the Department of Labor. I know that there are many Members of this Congress who will say without further study of the situation:

> This being a report from the Hoover Commission, it should be accepted without challenge or question.

I am glad to know that the Members of Congress have at long last come to recognize and have some confidence in the word of that great American and his recommendations. I have heard many of the people who will take the floor and speak against this resolution, every time opportunity presented itself, castigate and defame Mr. Hoover. I want my position very clearly understood.

There are over 300 recommendations of the Hoover Commission, of which this is a very, very minor part. As I have studied these recommendations, I am supporting practically all of the recommendations of that Commission.

Why do I oppose this particular recommendation? I dare say there are many Members of Congress who are not familiar with the background and history of the unemployment-compensation and employment services in this country. You ought to be before you vote on this resolution. You ought to know what is involved before you cast your vote on this resolution. It is a very important step you are going to take, because this Congress, at least three times—Democratic Congresses—expressed itself in no uncertain terms on the very thing that is proposed here.

Last year, in the Eightieth Congress, to be sure, the Congress by an overwhelming vote expressed the historic policy that had been developed in connection with this program since 1935, but it could not have been accomplished without the votes of Democrats.

You will recall that in 1933, when the new Congress came into being, one of the things that it did was to pass the Wagner-Peyser Act. Prior to that time we had had throughout this Nation, in various States, little State-operated employment services. They were not doing a very good job. There were a lot of private employment services. The Congress very properly passed the Wagner-Peyser Act, in an effort to stimulate, if they could, a Nation-wide system of unemployment services. So the Wagner-Peyser Act provided Federal assistance to the States, if the States themselves would establish a system of State employment services. Only 20 of the States, if you please, came under the provisions of the Wagner-Peyser Act from 1933 down to 1935. We had a very desultory experience under the Wagner-Peyser Act during those years. Then what happened? The Congress discussed the enactment of a social-security program. President Roosevelt advocated the adoption of a social-security program, and included in that program under title 3 was a program that provided for the payment of unemployment compensation by the States pursuant to laws to be enacted by the States, and pursuant to an administration to be administered by the State agencies in the same social-security law. If you want to check it, you will find it in section 503, subsection 2, of chapter 9 of title 42.

The Congress, in passing the Social Security Act, provided that the payment of benefits under that act should be accomplished through the medium of the employment offices, and thus brought into the social-security picture the employment service. So the States that set up social-security programs under the provisions of the 1935 act in order to carry on that program were required to set up a complementing system of employment services — the service that would make the job exposure for the social-security program and through which the benefits would be paid. It was because of that bringing together of the employment-service and the unemployment-compensation provisions and administration that the Comptroller General held that it would be possible to take out of the title 3 tax money that was levied to pay the administration of unemployment compensation in the States—to take out of that fund sufficient money to pay the expenses also of the employment services. From that moment on the employment services grew over the United States—went from a few hundred offices almost in 1 year to over 1,800—and we thus had a great expanded employment service operating in the States as a combined operation for the purpose of carrying out the provisions of title 3 of the Social Security Act.

What happened? The administration at the level of the Wagner-Peyser Act, namely, the United States Employment Service, was in the Labor Department; it was put there by the Wagner-Peyser

Act. Who took it away from the Labor Department and when? Understand that in 1935, when you passed the Social Security Act, you made it necessary—absolutely mandatory—that those two services be brought together. The then President recognized that situation and he, in 1939, submitted his Reorganization Plan No. 1 to the Congress of the United States. What did he say? He said in submitting that plan to the United States Congress:

> I find it necessary to group in the Federal Security Agency those agencies of Government the major purposes of which are to promote social and economic security.

He then created the Federal Security Agency. He then placed in the Federal Security Agency the administration of the Social Security Act under the Social Security Board. He transferred the employment service operating under the Wagner-Peyser Act to the Federal Security Agency and thus brought these two agencies together in the Federal Security Agency. Anyone deny that? They cannot deny it. It is the fact.

Then what happened? That was in 1939. The rumblings of war were upon us. Do you remember that? Here was the employment service. When I speak of the United States Employment Service, it is merely a group of people set up at the Federal level to offer advice and make recommendations to the State agencies that administered that program. The whole program of the employment offices was carried on under State administration and by State employees. The whole unemployment compensation program was carried on by State services pursuant to State law, but under the over-all direction of the Federal level because the Federal Government was paying the administrative costs of both of those services out of the tax levied pursuant to title III of the Social Security Act on the pay rolls of this country.

Then what happened? You will recall that the President on January 1, 1942, with war upon the country, requested the States to lend to the Federal Government the employment offices and services. Do you remember that? All of the Governors of the United States responded and turned those State operated offices over to the Federal Government.

What did the President do with them? He turned them over to the War Manpower Commission under Mr. McNutt for the time of the life of the War Manpower Commission, Mr. McNutt's organization. He was head of War Manpower and also head of the Federal Security Agency, and he operated the employment services. The unemployment compensation remained where it had been from enactment of the law in 1935 in the Federal Security Agency. Ever since that time this employment office has been buffetted about.

When the War Manpower Commission folded up the employment service was transferred to the Labor Department under executive order which provided that it would remain there until the termination of the war. Therefore, up until last year we had a situation that the unemployment compensation division in the Social Security Administration was in the Federal Security Agency and the employment service at the Federal level was in the Labor Department. But immediately, under that directive and executive order, when Congress passed a joint resolution or the President declared that the war was at an end, under the law as it existed then, this employment service would have to be transferred back to the Federal Security Agency. That was the law that confronted us last year when we tried to do something with this problem.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. KEEFE. Mr. Chairman, we found that that system required on the part of the States a dual system of budgeting and accounting. They had to budget and account to the Federal Security Agency for the administration of unemployment compensation and they had to have a similar system of accountancy with the Labor Department for the employment service. We had two conflicting, overlapping and duplicating organizations handling this program in each of those agencies of Government and we decided to do something about it.

Everybody on both sides admitted without conflict that these two services belonged together for purposes of administration. The question simply was, shall they be with the Federal Security Agency or shall they be in the Labor Department?

The Federal Security Agency is administering the Social Security Administration and the Social Security Act, of which unemployment compensation is an integral part and has been since the enactment of that law. So we concluded in the interest of efficiency and in the interest of economy to put the employment service back where it originally was, in the Federal Security Agency. The President vetoed that appropriation bill, but the Congress promptly passed it over his veto by an overwhelming vote on both sides of the aisle.

You were convinced last year, and, let me tell you when Mr. Ewing and Mr. Goodwin, the head of the Employment Service, came before the subcommittee this year they had to admit that that program was working effectively and economically in the public interest, much to their surprise. You will recall that the gentleman from Rhode Island [Mr. FOGARTY], himself stood upon the floor, and while he opposed that part of the program he admitted that the over-all reorganization that we effected last year had proved by operation that it was working in the public interest.

Now you propose to take the unemployment compensation activities, which is an integral part of the Social Security Act, out, and put it over in the Labor Department and put the Employment Service there. Why? Well, the principal answer is because the Hoover Commission recommended it. That is the principal answer. Now, what is that going to do? Is it going to be in the interest of efficiency? It will not. Will it achieve economy? Certainly not.

We closed 12 regional offices of the Labor Department in its employment service when this amalgamation was made last year. They will all have to be reestablished and the amount that will be involved in this program will be terrific.

Let me tell you something. I have not time to go into all of these things. The task force that handled this situation did not recommend it. I have that language from the task force. The program was assigned over to the Brookings Institution. They made a report, and this is what they finally said, and I think they were right about it:

> The nature of this issue regarding the proper location of the Federal agency administering the Employment Service and unemployment compensation precludes its settlement on a purely factional basis. A decision must be arrived at on the basis of judgment, and in the last analysis this judgment must be exercised by the duly elected representatives of the people.

So, they refused to make a recommendation and turned the thing into the hand of the Congress.

Now, the very Congress that has repeatedly since 1935, time and again, refused to take this step, is asked, without any showing of efficiency or economy, to transfer these agencies, which will result—and I am saying this because I want to mark you, and it is in the RECORD for future reference—in a program to federalize unemployment compensation and the Unemployment Service and take all control of the States out of those programs. Why do I say that? I have the Economic Outlook here just issued by the CIO, in which that program is outlined with great certainty and definiteness, and is one of the cardinal planks in their platform; the federalization of this program; the abolishment of State control over unemployment compensation; the abolishment of any State control of the Employment Service, and the transfer of all the trust funds to a huge fund administered by a bureau, the head of which will be the Secretary of Labor under Federal auspices.

Now, you can vote for that if you want to. It is up to the Congress. I have studied this thing as diligently and as intelligently as I know how. I could talk for an hour on it, to show you the dangers that are inherent in this program. I could show you what will happen to the merit-rating system that is invoked in every State in this Union that copied the Wisconsin plan, that will be destroyed just as sure as you and I sit here if this change is made.

You mark what I tell you. I want this in the RECORD so that when that change comes you cannot say you were not informed and were not advised. You will see the replies coming from your States and your governors and the people in your States that will want to know why it was that you took the first step to take all control of these two programs away from the States and lodged it in another great bureaucracy here in Washington.

Mr. DAWSON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. The gentleman from Wisconsin [Mr. KEEFE] during his

remarks said there are many who will oppose this resolution who have in the past castigated and defamed Mr. Hoover. Let me call to the gentleman's attention that the only Members of this body I have ever heard castigate and defame Mr. Hoover in the past were Republican Members of the House, a few, not many, by Republican Members only.

I can remember back about 12 years ago when I defended him on the floor of the House against an attack made by two Republican Members, just the same as I defended Governor Stassen, as an American—I defended both of them as Americans—when Governor Stassen was attacked by two Republican Members the day after he resigned as governor to enter the United States Navy for service during World War II, when he had made a statement in favor of the United States entering after the war into international cooperation with other nations to bring about peace.

I can remember on both occasions that I waited for about 10 seconds, an appreciable period of time, to see, after the personal attacks were made on former President Hoover and former Governor Stassen, if some Republican would rise to their defense. When no Republican rose to their defense, I took the well of the House to defend them as Americans.

I may disagree, as I have and as I did with former President Hoover when he was President, but it was honest disagreement. I can remember no Democrat, and outside of two Republicans, no Republican, who castigated and defamed former President Hoover. I have heard many Members speak of disagreement with him, just the same as the gentleman from Wisconsin today speaks in disagreement with the views of former President Hoover. He has the right to do that. We had a right to express our views in disagreement. When the gentleman says there was castigation and defamation, and that some of those who oppose the resolution today did it in the past, the implication being that they were Democrats, I hurl that back into his face as a misstatement and a misrecollection on his part of historical fact. The only Members I heard castigate him were two Republicans, who were emotionally moved as a result of what he said on one occasion that brought about their extreme displeasure with him.

Their views did not represent the views of the Democratic Members of the House or the remainder of the Republican Members of the House.

Here we have seven reports which have been sent up, and this is the first one of disapproval. My friend the gentleman from Wisconsin [Mr. KEEFE] leads the fight against it. Of course he has a perfect right to fight against it, but he fails to consider the recommendations of the Hoover Commission. The Hoover Commission consisted of more than former President Hoover alone. There were two Members of this body on it, one who is now a Member and one who is no longer a Member of the House. They were on that Commission, too. Furthermore, he refers to the task force. The task force made no recommendation. They simply presented the facts without any recommendation one way or the other. But in the final analysis who makes recommendations? The task force, or the Commission that is charged with that responsibility. That is the responsibility of the Commission. The Commission assumed that responsibility and has recommended that this plan be put into operation. As a matter of fact, only within the past week or 10 days in a telegram to the gentleman from California [Mr. HOLIFIELD] former President Hoover, among other things, said:

> The President's Reorganization Plan No. 2 does not transfer all of the agencies we recommended, but so far as the plan goes, I can endorse it.

The recommendations of the Hoover Commission will be found in the Hoover Commission's Report, and also in the report of the majority of the members of the Committee on Expenditures in the Executive Department in recommending rejection of the resolution.

The gentleman seems to fear a federalized unemployment compensation system. We have heard that fear expressed before. There is nothing new in that. It is an attempt to play upon our fear and to pick up a vote here and a vote there from a few Members whom I personally admire, but who I feel mainly think of yesterday and who have no eyes for the future. It is an attempt to throw fear into the minds of a few Members in the hope of getting a vote here and a vote there.

When this bill for reorganizing the executive branch passed the House it provided for a two-House veto. The House followed what the Congress had done on three previous occasions. The first reorganization bill called for a one-House veto, with a majority of those present voting thereon. We know from experience what a complete failure the first reorganization bill was. We also know that Congress has the duty of reorganizing the executive branch of the Government, but we further know from experience that due to a combination of factors and influences, Congress cannot do the job. We know as a historical fact that Congress has never reorganized the executive branch of the Government in the 160 years of existence of our constitutional form of government. Never once has there been a legislative reorganization of the executive branch of the Government. Therefore we had to resort to the delegation of power to the President with a veto residing in the Congress. We started out first with a plan calling for a one-House veto. That was a failure. Then there was the two-House veto plan in three consecutive bills. Then we followed that with a bill which passed the House, but which, when it was sent to the other body, was changed to provide for a one-branch veto. When the bill went to conference the gentleman from Illinois, one of the greatest chairmen who has ever presided over any committee of Congress, the gentleman from Illinois [Mr. DAWSON], the gentleman from California [Mr. HOLIFIELD], and I fought to keep the two-body veto in the bill. We kept it in conference for several weeks. The time was drawing near when this session would come to an end and the 60 days would expire. Finally, after one Member had even accused me of politics, when we were fighting for a real bill, we gave in on the one-House vote, however, with the provision that the Senate would have to get 49 votes and in the House 218 votes to bring about a veto.

I wonder now, in the light of the fact that the Senate committee has voted to reject not one but two plans, whose face is red on the charge of politics.

We were told that if we accepted the one-House veto, the plans submitted to this Congress would go through. Let the country watch and see whether the plans will go through. One thing is certain, as far as the majority of the conferees on the part of the House is concerned, we are not on the spot, but some other body is on the spot, because the responsibility for the one-House veto rests elsewhere than in the House of Representatives.

If the plans are rejected, then the proponents of former President Hoover and his recommendations spread throughout the country had better consider supporting a bill next year to amend existing law to bring back the two-House veto, because if any one of those seven plans are vetoed now, there will be a field day in the next Congress when the President sends up anywhere from 15 to 20 more plans.

Strange to say, these various committees throughout the country, organized in Boston, New York, Chicago, and elsewhere, on the idea that $3,000,000,000 is going to be saved if the Hoover Commission's recommendations go through, are silent today on this plan, and they are strangely silent on the two plans that the Senate committee has recommended be disapproved.

Now, what is the story on this? This plan simply transfers the Bureau of Employment Security from the Federal Security Agency to the Labor Department. It was recommended by the Hoover Commission. The Bureau of Employment Security includes (1) the former division of unemployment compensation, and (2) the former United States Employment Service, which was in the Department of Labor at one time and which properly belongs there. Everyone agrees they should both be together. My friend the gentleman from Wisconsin [Mr. KEEFE] in his speech made that statement. He agrees that both of these bureaus should be together. They should be in one agency. If they are going to be together, they have to be in one agency. He says they should be in the Federal Security Agency. President Truman says they can render better service if they are in the Department of Labor. Former President Hoover says the same thing.

I will admit that their views are pieces of evidence, but I think they are pieces of evidence that are worthy of deep and profound consideration. The Hoover Commission says they should both be together, and they should both be in the Department of Labor The Federal Security Administrator, Mr. Oscar Ewing, approves the transfer.

So we have the situation where President Truman recommends it, the Hoover Commission recommends it, former President Hoover himself, in a telegram to the gentleman from California [Mr. HOLIFIELD] personally, separately, and

individually approves the plan. The Administrator of Federal Security approves it.

I recognize that Members can disagree, but I respectfully submit that that is quite powerful evidence, and we should think twice before we decide that our judgment is superior to the collective judgment of all of those men, representative of both political parties.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KEEFE. The gentleman has indicated that the Federal Security Administrator, Mr. Oscar Ewing, has approved. Would the gentleman be kind enough to cite me the evidence on that? I would like to see if he has, because I have read his letter, and I have it before me, in which he differs. If he has changed his mind, it has been very recently.

Mr. DAWSON. It will be found in the report on page 9.

Mr. McCORMACK. I see a letter from him in the report dated August 3, in which he writes "I am in complete accord with the President's proposal." That is August 3.

Mr. KEEFE. I talked to him this morning, and I am quite surprised that that would appear in the record.

Mr. McCORMACK. I cannot comment on the surprise of my friend from Wisconsin.

The only argument against the transfer is that the Department of Labor is biased in favor of labor. It seems to me that there is no logic in this argument. The Department of Labor was set up by a Republican administration. I will admit it is supposed to and should defend and advance the proper interests of labor in relations to all of our people and to our regional economy. There is nothing wrong in this. It is its duty.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. DAWSON. I yield the gentleman from Massachusetts three additional minutes.

Mr. McCORMACK. Mr. Chairman, the Bureau of Employment Security is very closely related to the Bureau of Labor Statistics as well as other activities and operations of the Department of Labor, and these the last Congress left in the Labor Department. The Labor Department has been practically stripped of its legitimate activities. The Republican Party that founded it last Congress took away practically all of its jurisdiction and left it for all practical purposes only a ghost department. It seems to me in all logic that in connection with the Bureau of Unemployment Compensation the first step we should be interested in is to try to get people work; the quicker you get people work the less unemployment compensation they will be paid. It seems to me that as we view these two agencies we are justified in emphasizing to the Government, both Federal and State, and to the individual out of work entitled to unemployment compensation, to emphasize the importance of getting that worker employment, not only for his own benefit and the benefit of his family, but by doing that unemployment-compensation payments will cease. It seems to me that the first step is employed, and it seems to me that everybody agreeing they both should be together, the Employment Bureau and Unemployment Compensation, that Unemployment Compensation should go wherever the Employment Bureau is located; and it seems to me, and I respectfully argue, that logic should point to us that employment is connected more with labor than it is with social security or the Federal Security Agency; they are both closely interlocked with one another. In the matter of Federal security, the primary responsibility of that department under the law is to emphasize the social services afforded by laws passed by Congress. When we put employment in with Federal security we are putting the cart before the horse, so to speak. We both agree they should be together. It seems to me they properly belong in the Department of Labor, because emphasis should be laid upon employment. That is important with the amount of unemployment compensation that is paid. The greater the employment, the more quickly a person unemployed gets back to employment, the less compensation is paid. In addition to those reasons, we are simply bringing back to the great Department of Labor some of the services that belong there and making that Department again one that is entitled to dignity and respect.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, the gentleman from Massachusetts has referred to differences of opinion that have existed in the past in this body, and between persons in this body and persons in public life out of this body. Certainly there have been those differences of opinion. There are still differences of opinion. But so long as those differences of opinion are honest, there is no need for anyone to get too excited about them because, after all, it is the clash of opinions that makes for democracy. We are here as the duly elected Representatives of the people charged with a great responsibility in respect to the general welfare of our Nation. So long as we meet that responsibility, then we have discharged our duty in a proper manner.

I had some part in the establishment of the so-called Hoover Commission in the Eightieth Congress and also in the passage of the basic Reorganization Act by this Congress. I hardly think it is necessary for me to refer to my continuing interest and effort to accomplish a long-overdue and much-needed reorganization of the executive branch of the Government.

Mr. Chairman, I speak on this occasion as a member of the Committee on Expenditures in the Executive Departments, as a member who because of my position on that committee has a particular responsibility in this matter.

Of course, the great need for reorganization in the executive branch is recognized by Members on both sides of the aisle. Speaking of the Hoover Commission recommendations, I think that generally we approve of them, but I do not know of anyone, I do not know of a single Member, who has committed himself to every detail or every recommendation that may be made.

Progress has been made in the direction of putting some of these recommendations into effect. I want right here to say, and quite frankly, that I have been a little disappointed that more of the recommendations have not been brought up here. I feel I should also say that on occasion it has seemed to me that some of the pets of certain people of long-standing interest are the ones that are first being proposed.

Mr. Chairman, reference has been made to a departure from the Hoover Commission recommendations in respect to Reorganization Plan No. 2. Let me call to the attention of those of you who urge that argument another circumstance. There is also a Reorganization Plan No. 1. That is the one which is going to set up the new Department of Welfare. We had a bill here a while back that was scheduled for consideration, but it was not considered because it was decided to wait for the proposal to come up from the President under the Reorganization Act.

I was so concerned about the recommendation of the Hoover Commission that all the health functions of the Government should be set up in a United Medical Administration as an independent agency that I took the trouble to get up on the floor and express the hope that when the proposal came up for a new Department of Welfare it would follow the recommendation of the Hoover Commission and provide for a United Medical Administration as an independent agency in line with the Hoover Commission proposals. But did President Truman see fit to follow the recommendation of the Commission in that regard? He did not. Reorganization Plan No. 1 is here and that part of it is in direct contravention, if you please, of the recommendation of the Hoover Commission.

Now, let us not blow hot and cold on this proposition. Let us be consistent, because I dare say that if there was a resolution of disapproval of Reorganization Plan No. 1, the people who now insist that this resolution to set aside plan No. 2 shall be defeated, because they say to defeat it is not in keeping with the Commission's recommendations, will be saying, "Oh, you must not disapprove Reorganization Plan No. 1, even though in a very important particular it deviates from what the Commission recommended."

It has already been pointed out what Reorganization Plan No. 2 before us today seeks to do, and let me just add again that it is not a new proposal. We considered it in 1935, again in 1939, again in 1947, and again in 1948. Each time the Congress has examined the proposal most exhaustively, and each time turned it down. Now it is presented again. Of course, this time we are told that it constitutes a recommendation of the Hoover Commission which we should put into effect.

Let me just say this: Reorganization Plan No. 2, insofar as the over-all recommendations of the Hoover Commission with respect to the Labor Department

are concerned, does not carry out the recommendations of the Hoover Commission. It was not sent up here with an over-all pattern.

The gentleman from Massachusetts seeks to make light of the finding of the task force on this matter. But, whether you say their findings came to be the recommendation of the Commission or not, certainly that distinguished group who carefully studied this whole subject said, "A decision on this question must be arrived at on the basis of judgment, and in the last analysis this judgment must be exercised by the duly elected representatives of the people." Now, that is a conclusion, as I say, of people who made an exhaustive study, and they say it is up to us to make the decision.

We exercised that judgment in 1935, 1939, 1947, and 1948. We made the decision four times and we should reaffirm it today.

This plan raises no new issue, and it does not raise any facts or arguments that were not debated fully and completely on those other occasions. I cannot but believe that this proposal which some have been advocating for so long, and which Congress after Congress, Democrat and Republican, has turned down, is just the kind of an effort to use the prestige of the Hoover Commission to pick out one of the very small parts of the over-all recommendations and try to get it passed, ignoring other recommendations of far greater consequence.

Many recommendations were made by the Hoover Commission about the Department of Labor that are not included in this plan at all. What about the Bureau of Employees' Compensation? The Hoover Commission said that should go to the Labor Department from the Federal Security Agency, yet there is not one word in this Reorganization Plan No. 2 that would do this. What about the Employees' Compensation Appeals Board? Not a word about that either. The Selective Service System? Where do you find that transferred to the Labor Department under this plan?

The Hoover Commission recommended that the power to establish minimum wages for seamen be transferred to the Labor Department from the Maritime Commission. It also recommended that the power vested in the various contracting agencies go to the Labor Department.

Not one of these various recommendations with respect to the Labor Department are embodied in this plan. I repeat that the plan before us is the same old proposal, and nothing more, which we have rejected on no less than four separate and distinct occasions. And if we just use our good judgment again we will also reject this proposal.

The basic issue, which we have repeatedly resolved, is whether social security is to be administered by a single agency and whether that agency shall be a neutral agency.

In 1935 the administration bill for the establishment of the social-security program would have divided this program, so that unemployment compensation and old-age and survivors insurance portions of the program would have been lodged in the Department of Labor, with the public assistance provision lodged in another agency.

Congress, however, turned down the administration bill, and wrote a Social Security Act of its own. In that act it vested all of the social-security functions in a single independent agency.

When State employment offices were established on a large scale to administer unemployment compensation under the Social Security Act, President Roosevelt himself recognized the soundness of the position that Congress had taken by vesting those functions in a single independent agency. In 1939, under his first reorganization plan, he transferred the United States Employment Service from the Department of Labor—where it had been since its creation by the Wagner-Peyser Act in 1933—to the Federal Security Agency.

We have already heard from the gentleman from Wisconsin [Mr. KEEFE] that under the President's first reorganization plan he transferred the services from the Department of Labor to the Federal Security Agency and consolidated the employment service with the unemployment-compensation functions that were vested in the Federal Security Agency.

The Seventy-sixth Congress promptly approved this reorganization plan, thereby reaffirming the position that had been taken by the Seventy-fourth Congress.

In 1946 the Labor Department strongly urged the President to transfer to it all of the unemployment-compensation functions of the Federal Security Agency. But the President did not accede to these urgings. He did, however, in 1947 transmit to the Congress a reorganization plan that would have made the Employment Service a permanent part of the Labor Department. Congress again reaffirmed its previous stand that social security should be administered by a single neutral agency, and defeated the plan in both the House and the Senate.

Thereupon the President, despite this defeat, indicated his intention of submitting a plan transferring unemployment compensation to the Labor Department, and he did so early in 1948. Again Congress reaffirmed its previous position and the plan was defeated. In defeating this plan the Eightieth Congress was merely reaffirming the decisions of prior Congresses in 1935, in 1939, and in 1946.

I have said the issue is the same, and it is. The principle involved is identical, that of a neutral governmental agency versus a special-interest agency in administering laws which affect not alone one segment of our economy but employers, employees, and the general public alike. I think in many ways it is analogous to the situation that existed in the Congress when we set up the Mediation Service as an independent agency of the Government and certainly, as it has operated, we have demonstrated by experience the wisdom of what we did.

I should like to briefly call to your attention only three of the many compelling reasons why unemployment compensation and the employment offices which make unemployment compensation successful should be under a neutral agency, rather than under a special-interest agency. First, the whole thrust and drive of the Labor Department has been and will continue to be for a federalized unemployment compensation and employment offices program with the entire elimination of experience ratings and a scrapping of many of the basic disqualifications for unemployment compensation which State legislatures have determined to be necessary for an effective system.

The second reason for keeping unemployment compensation administration under a neutral agency is found in the degree of Federal control which can be exercised over State administration through Federal purse strings. All administrative costs for State unemployment compensation systems and employment services are met from Federal grants, and these grants are directed by law to be in "such amounts as the Board determines to be necessary for the proper and efficient administration of" the State law. The Federal agency can even withhold all grants to a State where the Board determines that funds previously granted have been expended "for purposes other than, or in amounts in excess of, those found necessary by the Board for the proper administration of such State law."

A third reason for keeping unemployment compensation administration in a neutral agency is found in the power over experience rating which would otherwise be given to its avowed opponents. There is no question about that. Some form of experience rating of employers exists in the unemployment compensation law of every State. I ask you, Do you want to do away with that?

I said when I started that the questions presented by this reorganization plan are not new. They have been presented not once, but many times, before, and Congress has on every previous occasion taken exactly the same position with respect to them. No problem of efficient administration or of economy in Government is involved. What we have before us is a policy question which we thought had been settled and settled finally some time ago.

But here it is again. So I say, under the circumstances, let us have confidence in our prior judgments and defeat this reorganization plan.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. BURNSIDE. There will be no functional change made here, will there? It will be taken in a body and moved over from one agency to another.

Mr. HALLECK. That is as I understand it. But I have given what I think are compelling reasons why that shift should not be made. What the gentleman has said indicates conclusively that insofar as the recommendations of the Hoover Commission are calculated and believed generally by the public to be in the interest of economy in government, actually this will not accomplish one penny of economy.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. DAWSON. Mr. Chairman, I yield 5 minutes to the gentleman from Rhode Island, [Mr. FOGARTY.]

Mr. FOGARTY. Mr. Chairman, in the last hour that I have listened to the debate and to the proponents of this resolution I think they have presented the weakest arguments possible that I have ever heard given on the floor of the House in the the 9 years that I have been a Member of the House of Representatives.

Back in 1913 the Department of Labor was established in this country by one of your great Republican Presidents. In 1918 the employment services were established . They were put in the Department of Labor. In 1933 along came the Wagner-Peyser Act establishing them in the Department of Labor. In 1939 it is true that a reorganization plan was sent to the Congress and adopted by which the employment services were put into the Federal Security Administration. But I think we all realized that when reorganization plans are sent to the Congress they are sent on the recommendation of some cabinet member or some committee that has been set up for that specific purpose. I am convinced to this day that recommendation was not a good one and that they should never have been transferred to the Federal Security Administration. I have always felt they belonged together. They work together and for efficient economic administration they must be together. I have always felt that they would work together better in the Department of Labor than they would in the Federal Security Administration.

The gentleman who just preceded me, the gentleman from Indiana, [Mr. HALLECK], made the statement a few moments ago that the Eightieth Congress a year ago, in turning down the reorganization plan sent to the Congress by the President, was just reiterating what previous Congresses had done. But that was not the reason given on the floor of the House by the then chairman of the legislative committee, the gentleman from Michigan [Mr. HOFFMAN]. The only reasons given at that time a year ago were that we had a commission appointed, and we were spending and appropriating $750,000 for the commission to bring back recommendations for the reorganization of our Government.

At that time the gentleman from Michigan [Mr. HOFFMAN] said:

> It seems a little absurd to suggest at this time that we should have piecemeal reorganization plans for the executive department. It seems no more than the use of common sense to suggest that we wait and get the results of this expenditure of what may be from $750,000 to $1,750,000 by a nonpartisan, fully qualified commission, made up of men who have had experience along the lines of reorganization.

I go along with the statement that was made last February on this floor by the chairman of the committee at that particular time, because I believed then, as I believe now, that that Commission was headed by a very able man; that all of the members of that Commission were able men, and I am willing now to take the recommendations that they have made, and take the Unemployment Compensation and the Employment Services from the Federal Security Administration and put them into the Department of Labor where they justly belong, in my opinion.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. HOFFMAN of Michigan. Did you not say that was the only reason given at that time?

Mr. FOGARTY. That was the principal reason given by all members of your committee that handled the bill on this floor.

Mr. HOFFMAN of Michigan. If you will read the report you will see that you are in error.

Mr. FOGARTY. I read the report, but I am quoting what you had to say in the RECORD a year ago. I also quoted at that time from the gentleman from Minnesota [Mr. JUDD] and Mr. Snyder, and I quoted what several Senators had to say on this day when they turned down this proposal at that time, and the principal reason was that the Hoover Commission had been appointed and would report back to the Congress after the 1st of January, and then we could intelligently decide what to do.

The CHAIRMAN. The time of the gentleman from Rhode Island [Mr. FOGARTY] has expired.

Mr. DAWSON. Mr. Chairman, I yield the gentleman four additional minutes.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. SCRIVNER. As chairman of the Subcommittee on Appropriations for Labor and Federal Security, could you tell the committee at this time where there can be any saving to the taxpayers by the adoption of this resolution?

Mr. FOGARTY. The only way I can see where there will be any savings for the taxpayers of this country in the adoption of this resolution is that when these services are transferred to the Department of Labor it will be up to you and me and every member of our Subcommittee on Appropriations next year to go into their appropriations and decide then whether there should be further savings over and above what has already been made. I have never made the statement that there would not be any economy in combining these two agencies. We have always been in agreement on that. The only thing that we are not in agreement on was, when our committee a year ago on an appropriation bill took away the responsibility of the legislative committees of this House, and by appropriation transferred the employment services into the Federal Security Administration. I opposed it on the floor a year ago for those reasons, the same as were given by the legislative committees of both the House and the Senate for not acting on the proposal at that time, because we felt at that time that we had able men on this Commission who would report back to this Congress, and I think now we are in a position to accept their recommendations.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. McCORMACK. When people are unemployed and they go back to work quicker, that means tremendous savings, does it not?

Mr. FOGARTY. Certainly.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. HOLIFIELD. The President in his transmittal letter said:

> The primary benefits from these reorganizations will take the form of economies in administration and services. It is probable that a significant reduction in expenditure will result from the taking effect of the plan as compared with the current estimate and work-load assumptions contained in the 1950 budget.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield further?

Mr. FOGARTY. I yield.

Mr. SCRIVNER. I just wanted to make the observation that we said we would have to look these items over carefully, and that is just exactly what the subcommittee in the 1950 appropriation did, whether this is under Federal Security Administration or under the Department of Labor. That is our job, to look over every item of expense and bring about any saving that we can.

Mr. FOGARTY. But the only thing we are trying to do at this time is to put these agencies into the department where they have always belonged, and to undo something that was done by this Appropriation Committee last year. I think it was a wrong move at that time. There is no place for it in the Federal Security Administration, because, as our distinguished majority leader has said, the most important phase of this entire program is in the employment service.

We have a trust fund now established in the Unemployment Compensation Board and we do not want to destroy it. The only way we are going to protect the solvency of that fund and the taxes we pay into that fund is to have a good unemployment service to find jobs for men who are unemployed just as quickly as possible. By that way we are saving the taxpayers of this country thousands and thousands of dollars. But the way it has been operating in the past because the Republican leadership in the Eightieth Congress refused to give the necessary amount of money to these agencies a year ago, we cut the employment services by about 30 percent, we cut the Unemployment Compensation Board by 10 percent, we cut the estimates last year by $22,000,000-plus. What happened? We find they are running in the hole as they told us they would be a year ago when they appeared before the committee. Our program at that time was one of false economy, we found to our dismay, and to our disadvantage now, for we have to appropriate more money to get them out of the hole we put them in a year ago by the Republican leadership of the Eightieth Congress.

The CHAIRMAN. The time of the gentleman from Rhode Island has again expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I have listened with a great deal of interest to the debate thus far on House Resolution 301, by the gentleman from Michigan [Mr. HOFFMAN], which, if adopted, would reject the President's Reorganization Plan No. 2. I wish, if I may, to talk rather plainly and rather frankly

about this whole question. As I have had the honor and the responsibility of serving as a member of the Hoover Commission I think I know just a little something about the problems which that Commission faced.

The Commission was created as an arm of the Congress. It was given the task and the responsibility of making a survey or study of the whole organization of the executive branch of the Government, and to bring in recommendations as to how to obtain greater economy and greater efficiency—and I want to accent efficiency as well as economy—in the conduct of the public business. In order to carry out the great responsibility which had been assigned to it the Commission determined it would select some 25 different task forces to make special studies and surveys of the various departments, activities, and functions of the Federal Government. We were able to draft into the service of the Nation, as members of these task forces, some 350 outstanding citizens, practically all of whom served without compensation, and many of whom accepted no expense allowance during the time they served. We also had the Brookings Institution to make studies of certain Government problems.

The Commission brought in some 318 different recommendations and findings. I have often taken the position on the floor of the House, and publicly many, many times, that there is nothing sacrosanct or sacred about the recommendations of the Commission. They must all stand or fall upon their own merit.

The Commission simply brought forth the recommendations its collective good judgment and wisdom, after 2 years of hard work, indicated should be given to the Congress of the United States. We had to take the statements and the findings of the various task forces, weigh their value and then try to fit them together.

The President of the United States, who is not of my political party, has given assurances to the Commission, to the Congress, and to the country that he expects to put into effect, in substance, the recommendations of the Hoover Commission. I must accept his word for that, and I take him at his word. I hope and believe he is acting in good faith, and I am certainly not prepared to challenge his good faith at this time.

He has sent to Congress certain reorganization plans. They are not entirely as I would like to have had them sent here. Mr. Hoover, Chairman of the Commission, and I talked over these Presidential reorganization plans rather fully and frankly after they were submitted. We agreed that if we could rewrite them for the President there were a number of things we would have changed. But we did believe the President's reorganization plans were steps in the right direction. I wish they had gone further.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from California.

Mr. HOLIFIELD. I want to compliment the gentleman on his work on this Commission and I want to make this comment: In all fairness these plans cannot be complete. They must be set up step by step.

Mr. BROWN of Ohio. I thank the gentleman. I was going to mention, next, exactly that matter.

Mr. Hoover and I realized the President could not send in all of his reorganization plans at once. In fact, I believe this particular Reorganization Plan No. 2 is here rather as a side issue, as it were, and that it does not represent the President's complete reorganization plan for the Department of Labor.

To explain what I mean I must, for a moment, discuss two reorganization plans, because the gentleman from Indiana discussed both of them, Reorganization Plan No. 1 and Reorganization Plan No. 2.

First, as to Reorganization Plan No. 2. The Brookings Institution, which served as our task force, made no recommendation whatsoever as to what should be done with this particular problem with which we are now involved, and it is a great problem, as to whether Unemployment Compensation should be under and a part of the social-security set-up in the FSA—and everyone agrees the two must be put together—Unemployment Compensation and the Employment Service—or whether both should be in the Department of Labor. The Brookings Institution made no recommendation except to say that issue should be settled by Congress.

But it was the Commission's responsibility to make a recommendation to the Congress. The Commission realized and appreciated all of the time, and its members have consistently taken the position, that all it could do was to make recommendations, and that the final responsibility and the final judgment, rested with the Congress. The authority rests with Congress now. It can decide today what to do about this, or about anything else.

As I said a moment ago, this Reorganization Plan No. 2 arrived here by the side door. It is only one of the many reforms our Commission suggested. We submitted a number of recommendations as to the Department of Labor which go far beyond this particular plan, Reorganization Plan No. 2. We recommended that the Department of Labor be reconstructed into an effective department. I realize that perhaps because of personalities in recent years there has not been too much confidence in the Department of Labor and in the individuals who occupied the position of Secretary of Labor. Perhaps as a result of our feelings we have weakened that department a great deal. But, after all, we should not legislate on the basis of personalities. As I said earlier, I believe this particular reorganization plan came to us by a side door, because of Reorganization Plan No. 1 dealing with the Federal Security Agency and its transfer to the Department of Welfare, which the Commission had also recommended.

The Commission had also recommended that certain activities be taken away, as the gentleman from Indiana well said a moment ago, from the Federal Security Agency when it was transferred to the Department of Welfare, and the President has proposed that a portion of these activities be transferred to the Department of Labor, which was already an established unit of Government. We had also recommended that the public-health activities of the Federal Security Agency be transferred over to a new United States Medical Administration, which has not yet been created. Therefore, the President could not transfer the Public Health Service to the United States Medical Administration if he desired, because it requires an act of Congress to establish or create it, as we have set forth in our recommendations. What else could the President do with the Department of Health? Leave it up in the air in neither FSA or Welfare? However, he could transfer some FSA activities over to the Department of Labor, as recommended by the Hoover Commission and then come in later on with a complete reorganization plan for the Department of Labor.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Indiana.

Mr. HALLECK. We are, of course, talking about Reorganization Plan No. 2, and my reference to Reorganization Plan No. 1 was simply to point out the fact that there were divergencies.

Mr. BROWN of Ohio. I appreciate that.

Mr. HALLECK. But does the gentleman have any assurance from the President that he proposes, if this Reorganization Plan No. 1 goes through, to subsequently bring about the creation of an independent agency known as the United States Medical Administration, as recommended by the Commission?

Mr. BROWN of Ohio. I only have the assurance of the President that he expects to carry forward these various recommendations in substance. He did not make the statement that he would carry them forward in every detail. However, I expect, and sincerely hope the President will cooperate in the creation of the new United States Medical Administration as recommended by the Commission.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. DAWSON. Mr. Chairman, I yield the gentleman ten additional minutes.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. When the reorganization bill passed, the President was confronted with the problem of immediately submitting plans in order to get the benefit of 60 days. No one knew how long Congress was going to continue; we all know that. So, these seven plans were sent up, and we all know that many more are going to be sent up next year, and there must be legislation.

Mr. BROWN of Ohio. May I continue, please?

I want to discuss this problem from a common-sense viewpoint. A great deal has been said—and I listened with much interest to both the distinguished gentleman from Wisconsin [Mr. KEEFE] and the gentleman from Indiana [Mr. HALLECK] about what we have done in connection with this problem. I think the

most important thing the Congress has done was to return to the States the control of the Employment Services. However, that is not involved in this matter before us now. The question we must pass upon only involves what we are going to do with the unemployment compensation activities of the Federal Government. Are we going to leave that responsibility with FSA or transfer it to the Labor Department?

I realize that there have been a great many telegrams and letters sent to Members of Congress by businessmen from all over the country against Reorganization Plan No. 2. They seem to have the idea, out in the country, that we are going back to the old system under which the States would lose all control over the employment services. That is not true at all.

The only question involved here now is whether the present unemployment compensation functions of the Government which are now under the Federal Security Agency, and under Oscar Ewing, are to remain there or are to be transferred to the Department of Labor under Secretary Tobin. That, my colleagues, is the only issue. Someone must, of course, have stirred up the folks back home, and I am talking very frankly, to send these messages to us. I have the highest regard and respect for all of them, but I was just a little bit surprised by their actions. I wish the people from my own State had discussed the situation with me before taking action. Perhaps I could have allayed their fears.

The question has been raised here as to whether we are going to put unemployment compensation into a department that may possibly be unfair—the Department of Labor—or whether we are going to keep it in some neutral department, so I am going to talk for just a minute or two to my Republican friends in the House, and I hope you Members on the right side of the aisle will not listen in.

Just when did Oscar Ewing become neutral? That is silly. The whole question involved here, if you want to be very frank and talk a little politics, and I certainly do not want to consider this whole problem as a political question although seemingly some do I am sorry to say—is whether we are going to keep these unemployment-compensation activities in the hands of New Dealer Oscar Ewing in the Federal Security Agency, or under him in the Department of Welfare if it is created, or transfer them over under New Dealer Maurice Tobin, Secretary of Labor. I do not think it makes any real difference. But if you will just reflect for a moment I believe you will agree that both of them, or either of them, will do exactly what the President of the United States, Mr. Harry S. Truman, wants done. If I were President and they were in my Cabinet, they would do what I wanted them to do or else get out, and I suspect the President now in the White House would do the same.

But I want to go a little further. While perhaps the words have not been spoken, I seem to sense that some here have a question in their minds as to whether President Truman is going through with a thorough reorganization of the Federal Government, and whether he is actually going to do the things recommended by the Hoover Commission, I do not know. But I do know that he told the Commission that he was going to try to carry out its recommendations in substance. He did not pledge himself to do so in every detail, any more than the Congress has: I do know that he has sent messages to Congress, and that he has made many public statements, endorsing the work of the Commission. I do know that there is a great deal of pressure from back home, not only on the Congress but also on the President of the United States, to do something about getting a little efficiency and economy into the conduct of our public business. I do know that the only two living persons who ever served in the White House as President are both for this program. I do know that this Reorganization Plan No. 2 was one of the recommendations of the Hoover Commission. I do know that about the only thing we can safely do, as far as this matter is concerned, is take the President at his word.

If he does not keep his word, if he is not a man who keeps his promises, if he does not act in good faith, then I am going to tear the living hide off him in the next campaign. But first of all I am going to give him the chance and opportunity to make good on his promises. He is entitled to that. Then, if he does not do the right thing, I will criticize him from one end of this land to the other.

I want to say to any of you who may not think the President is sincere, or who may not believe that he is going through with most of the Commission's reorganization plans, that if you want to give him a beautiful opportunity to get out from under the responsibility of keeping his word, acting in good faith, and doing the things the American people want him to do in connection with the Hoover Commission report, then just vote for this resolution, Harry Truman is not dumb politically, and if you vote for this resolution, if you adopt this resolution and reject this reorganization plan, then the President, if he is not sincere—and I do not question his sincerity—can immediately throw up his hands and say to the country, "Well, I tried to reorganize the Government and get a little economy and efficiency into the conduct of public business, but that terrible Congress up on Capitol Hill and the vicious business interests of the country would not let me. There is no use to try further."

Then it is the Congress and you who will take the heat, and not the President of the United States. In my opinion it is just foolish, asinine, and silly to refuse to give him at least the opportunity to carry out the Hoover Commission recommendations and to go along with them in substance as he has said he would do. If he fails to do so, then he is the one who will be responsible; but if we refuse to give him that opportunity he will place the responsibility squarely on us, and on some of our business friends back home who, I am afraid, have not been quite as wise as they have been active. I am growing a little tired of hearing a lot of talk and receiving a lot of letters saying, "We want the Congress to do something about this terrible waste and extravagance. We want some economy in Government." Then, when we try to do something about it the very same folks too often come right back and say, "Yes, let us have economy, but not in the activity we are interested in. Let us get it somewhere else, but do not interfere with what we want."

We are squarely up against the issue: Do we want to take this first step to reorganize the Government? It is not the whole way, by any means. It is indeed just a step. It goes just a part of the way. Maybe the President will go the rest of the way. Maybe he will not. I do not know. I am not responsible for him. But do we want to take this one step, along with him, and say, "We will go this far with you, Mr. President, and see what you will do about the rest of it. We will give you an opportunity to reorganize the Government, Mr. President. The responsibility is yours. We have given you the machinery to do the job and we have gone along with you thus far"? Or are you going to say right at the beginning, "No, Mr. President, we are going to turn down your Reorganization Plan No. 2, and if you do not want to do anything else about reorganization, you have a perfect excuse for not doing it"? I say to you that is the question on which we all must vote.

You can vote as you please. I have said right from the very beginning there is nothing sacred or sacrosanct about the Commission's recommendations. Maybe we were all wrong, but we only did the best we knew how when we brought in the Hoover Commission report. This plan before us is not all of it. The President has not done everything I want him to do. Maybe he will never do any of the things I want him to do. But if anything that he suggests is worth while, we should vote for, and if it is not worth while, we should vote against it.

Then we should all go home and tell our people what we have done, because I am sure we will find them to be very, very interested in what we have done.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. MILLER of Nebraska. As I understand the resolution, it is a resolution of disapproval.

Mr. BROWN of Ohio. That is right. If the House adopts this resolution, then it will disapprove Reorganization Plan No. 2.

Mr. MILLER of Nebraska. Then the gentleman means that the House should vote against the resolution.

Mr. BROWN of Ohio. I certainly think we should vote against the resolution and uphold the reorganization plan. That is the theme of my argument. Remember, if this resolution is adopted and this reorganization plan is rejected, the only difference in the world will be that Oscar Ewing will continue to head up this function and activity instead of Secretary of Labor Maurice Tobin. There will be no other difference so far as the operation of the law, or in the law itself, is concerned. There will be no difference in the functions involved.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. Of course, that would indicate then that there is no actual economy in governmental expenditure to be accomplished by the adoption of this reorganization plan.

Mr. BROWN of Ohio. No; I made the statement, and I am sorry if I did not make it sufficiently clear, that I believe few economies and efficiencies will be effected. Certainly, however, if we put into effect all of our reorganization plans for the Department of Labor, there may be some economy as well as a great deal more efficiency expected.

Mr. HALLECK. I am inclined to believe that that statement is correct, but again I insist that the adoption of the Reorganization Plan No. 2 will not bring economy and it is not claimed by the Hoover Commission that there will be any economy as a result of it.

Mr. BROWN of Ohio. I do not claim that in, and of, and by itself, it will bring about any substantial economy. It might bring about some. You will get that anyhow, I will admit to the gentleman. But I do believe that by putting this function into the Department of Labor we will bring about greater efficiency and if we go ahead with the Department of Labor and reorganize it, as the Commission has suggested, we will not only get greater efficiency, but should get some economy. But great economy is not to be found there, I admit.

Mr. HALLECK. If the gentleman will yield further, in order that I might clarify what may have been some misapprehension about what I said in my statement in opposition to the plan——

Mr. BROWN of Ohio. May I interrupt the gentleman to say, for the record, that the gentleman has been very, very helpful to the work of the Commission and I, in no way, want to reflect upon his integrity or his interest in the great assignment we have before us.

Mr. HALLECK. I appreciate that. Let me just say that as far as my position on this plan is concerned, it has nothing to do with the personalities that would be immediately involved, insofar as agencies are concerned, as between Mr. Tobin and Mr. Ewing. My reference to a neutral agency had connection only with what I think is a fact obvious to all, that the Department of Labor, under the very statute which created it, is charged with doing certain things. It is charged with certain affirmative, aggressive responsibilities. That certainly is not true of the Federal Security Agency. My reference to neutrality is not that I was undertaking to choose between Mr. Tobin and Mr. Ewing.

Mr. BROWN of Ohio. I am sure the gentleman would not take either one of them if he had his choice, but let me reply to him by saying this: Of course I think the gentleman agrees unemployment compensation and the employment services belong together. The real question is whether they should be together in the Department of Labor or in the so-called FSA set-up. I am just a little fearful that if we have the employment activities outside of the Department of Labor, we may not get as much interest in finding jobs for people as we otherwise would have. After all, I am not interested in paying unemployment compensation. I am interested in not paying unemployment compensation. I am interested in getting employment for those who need it, at the State level, of course, so that we do not have any more unemployed on the compensation pay roll than possible.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. Certainly the operation of the Employment Service, avoiding unemployment and the necessity for paying out money, is the desirable thing. It happens to be my contention that the other agency will be the one best calculated to bring that about.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. DAWSON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. HALLECK. I appreciate that. The gentleman has been very fair.

The gentleman has referred to the operation of the service at the State level. He and I were joined by many others when we were putting on quite a struggle to bring about a return of this service to the States. I am dedicated to that.

Again I want to say that while the adoption of this plan, in and of itself, would not mechanically defeat that State operation, I am as convinced as I can be convinced of anything, from what I know, it is the announced purpose of the Department and those who stand with it that the ultimate drive is to deprive the States of their authority in that regard.

Mr. BROWN of Ohio. I fear there are a great many over-all objectives of this administration that the gentleman and I do not appreciate and do not endorse, but do not forget, when anyone talks to you about this reorganization plan, that it does not have a thing in the world to do with taking away from the States the authority we returned to them a year or so ago in connection with the operation of our employment services. That right still belongs to the States. It was given by congressional action, and the only question before us is as to who shall control these present Federal functions.

Mr. HALLECK. Is it not true that when we were in that struggle to return these functions and service to the States, the Department of Labor was against us?

Mr. BROWN of Ohio. That is right, and so was everybody else in the administration. I do not know of anyone from administration sources who came up here and endorsed that idea. Of course, that is the reason why we voted the way we did.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. BROWN] has again expired.

Mr. DAWSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. WILSON].

Mr. WILSON of Oklahoma. Mr. Chairman, when Congress had received the last of the 18 reports of the Commission on Organization of the Executive Branch of the Government, I publicly stated that if a substantial part of these recommendations could be effectuated very sizable economies in the operation of our Government could be expected. I further stated that this would be accomplished with greater efficiency of operation. Today I still adhere to the principles contained in that statement.

It is quite fitting and proper that each recommendation made by the Commission be closely scrutinized and studied and that each reorganization plan presented to Congress should stand or fall on its own merits having due consideration for the fact that it is part of an over-all plan of reorganization. On June 20, 1949, the President of the United States transmitted to Congress, in conformity with his authority under Public Law 109 of this session of Congress, Reorganization Plan No. 2. This plan was submitted as an attempt in good faith to carry out the valuable recommendations of the Commission on Organization of the Executive Branch of the Government. The issue before us today is whether or not this reorganization plan shall be permitted to stand or will it be rejected by vote of this House. The issue will be decided by your vote on House Resolution 301 which would disapprove Reorganization Plan No. 2.

What does this reorganization plan propose to do? Briefly it transfers the Bureau of Employment Security of the Federal Security Agency, including the United States Employment Service, to the Department of Labor. Further the functions of Veterans' Placement Service Board under title IV of the Servicemen's Readjustment Act of 1944 would be transferred to the Secretary of Labor and the Board abolished. The Federal Advisory Agency created by the act establishing the United States Employment Service would likewise be transferred to the Department of Labor.

If you or I were to organize a large private enterprise requiring many functional offices we most certainly would attempt to group functions in departments where interrelated working would produce the most economy of effort, time, and money, and which would produce the most efficient operation and the most effective results. We could not afford to disperse our offices and divide the functions performed so that one type of function might be handled by two or more executives none of whom were responsible to another and each with entirely different primary interests. The same intelligent principles of organization that we would employ in a private enterprise could and should obtain in governmental organization.

The current adjustments in business and business activity involving greater unemployment made it most imperative that the functions of unemployment compensation and insurance, employment services and veterans' placement be grouped where they can most efficiently operate and where each can have access to the information, studies, and statistics of the other and of other related agencies in the Department of Labor. Close work between these agencies and bureaus is a necessity and should be an actuality. To deny this is to perpetuate a cumbersome and efficient procedure

condemned by the able authors of the Commission reports.

Of recent years there has been a concerted effort to emasculate the Labor Department of its functions and importance. As was clearly indicated and recommended in the Commission reports this process should be reversed. The functions sought to be transferred to the Labor Department by Reorganization Plan No. 2 are more nearly related to the activities of that Department than any other. Reorganization Plan No. 2 has the favor of the Chairman of the Commission and is backed up by the testimony of Mr. Rowe, member of that Commission. The employment services now in the Federal Security Agency are major labor functions and properly belong in the Labor Department. In this there is total agreement from the present Federal Security Administrator who would lose these functions under this reorganization plan.

The scope, completeness, and frankness of the Commission reports could not have been accomplished on a partisan basis. These reports have become a challenge to Congress and to the American people to put their governmental house in order. Public response has been spontaneous and universal. Will the House of Representatives now vote to repudiate the Reorganization Plan of the President which is in substantial conformity with the Commission recommendations and which measures up to the tests of time, experience, and reason? Will the House of Representatives scuttle a reorganization plan of great merit and set the stage for repeat performances on other valuable reorganization plans? Or, will we measure up to the high challenge before us and give Reorganization Plan No. 2 a resounding vote of approval by voting against House Resolution 301? There is no doubt in my mind. I submit that based on reason, logic, and popular acclaim partisan bias should be forgotten and petty differences ignored and this House should leave no doubt in the mind of the American public as to its sincerity of purpose with regard to reorganization matters. We should vote to sustain Reorganization Plan No. 2.

Mr. DAWSON. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, I think it is important to reemphasize what the gentleman from Ohio has explained: We are in a sort of double negative position here. House Resolution 301 calls for us to reject the President's Reorganization Plan No. 2; it is a negative resolution, and in order to sustain the President's Reorganization Plan No. 2 and effectuate this change those of us who agree with the gentleman from Ohio [Mr. BROWN], the gentleman from Illinois [Mr. DAWSON], the gentleman from California [Mr. HOLIFIELD], and the majority members of this committee must vote "No" when we have the opportunity.

There has been a lot of talk implying that the only purpose of reorganizing the Federal Government is to save money. I submit to you that there are two basic purposes in reorganization of the Federal Government: One of them is economy; the other is to create more efficient service in those departments of the executive branch which render service to the people. Just because the President of the United States did not specify that this reorganization plan would save X number of dollars is no reason to attack this reorganization. It is impossible, of course, today to say that it will save in any amount so many dollars and cents, but the functions of the Bureau of Employment Security are so closely allied to those existing functions within the Department of Labor that we hope that through administrative efficiencies which can be accomplished money will be saved in the years to come. But there is another major saving which we hope can be accomplished; that is, the saving to the public and the taxpayer by cutting down on unemployment insurance taxation.

This plan places the emphasis where I think it should be placed: It places the emphasis in a positive service of the Bureau of Employment Security, the positive service to the people, of getting unemployed people quickly back to work. That function can be most readily served by placing this Bureau in the same department as the Bureau of Labor Statistics where the facts from all over the country are brought into the central offices, the factual information as to where there are shortages, as to where there are surpluses in the labor market. These are the kind of economies that can be made. I am rather surprised that so far those gentlemen who have opposed this transfer under the present reorganization plan have failed to emphasize the one point that the three witnesses before our committee put greatest emphasis on in testifying against Reorganization Plan No. 2. The three witnesses who testified before our committee against this reorganization plan were two representatives of big business and our very able colleague from Michigan [Mr. HOFFMAN]. During this testimony the major argument was that the bias on the part of the Department of Labor would work against the interest of management in carrying out the unemployment insurance feature of this Bureau.

I am very glad that the gentleman from Ohio [Mr. BROWN] has pointed out that the opposition to this plan seems to have suddenly blossomed forth from a lot of people who really did not know what they were opposing. He referred to a lot of businessmen back in his State. I can say the same thing for my district.

I was campaigning in front of the people not so long ago and I was asked very often in forums how I stood on the Hoover Commission reorganization plan. Not knowing I was quoting the illustrious leader of my party, President Truman, I said that in substance I was in entire accord with the Hoover Commission. I met with many business groups during that campaign and I had the opportunity of asking them if they had any specific objections to it. Remember this was in late April and May before this resolution and before this plan was submitted to the Congress. I asked those businessmen if they had any specific objection to the Hoover Commission report. There was not a one. But then the professionals of some of these business organizations got to work. They started sending out telegrams to their membership telling them that they are going to be discriminated against if the Department of Labor has charge of this program. They do not understand why. They do not live down here in Washington. They do not know that the Secretary of Labor must carry out his obligation in the public service under any statute he is administering. So they get a telegram from their executive secretary or executive director and they start sending in wires to us without really realizing what they are doing.

Mr. TAURIELLO. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New York.

Mr. TAURIELLO. Is it not a fact that the telegrams the gentleman has received opposing this reorganization plan have come from the same source that are for the Hoover Commission; that is, the chambers of commerce of the various cities and States of the country, and they now are the first ones to send us wires and telegrams asking us to oppose the first step in this reorganization plan?

Mr. ROOSEVELT. That is entirely correct.

There is one other thing I would like to point out in connection with this bias problem. I have here a speech which I shall ask unanimous consent to add to my remarks in which I point out to the Members the literally thousands upon thousands of businessmen all over America who turn to the Department of Labor every day in the year for cooperation with the activities of the Department and for information. Never do these thousands upon thousands of businessmen question the integrity of the Department of Labor. They would not be doing it now if some of these executive directors who are looking for something to do to keep their jobs had not sent out a lot of scurrilous telegrams to them.

I just want to read a couple of little quotations from this and give you some figures. These are some of the figures of the groups that are cooperating with the Bureau of Labor Statistics. I want you to listen to this very carefully because before our committee a representative of the Manufacturers Association of the State of Wisconsin, after considerable questioning by one of our colleagues, the gentleman from Missouri [Mr. KARSTEN], finally admitted, and it took a long time to get it out of him, that he considered the Bureau of Labor Statistics to be biased against the employers, the only time in my memory, and I am sure in the memory of any man in this Chamber, that any such charge has ever been made.

Mr. KARSTEN. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Missouri.

Mr. KARSTEN. He had to make that statement to sustain his position.

Mr. ROOSEVELT. He had to.

An idea of the extent of cooperation by industry with the Bureau of Labor Statistics is given in the following:

One hundred and ten thousand establishments report employment and pay-roll information each month.

Between 14,000 and 15,000 retail establishments report prices of food, house furnishings, and miscellaneous items for inclusion in the Consumer's Price Index of the Bureau of Labor Statistics.

Ten thousand establishments are cooperating this year in occupational wage-rate surveys, by industry and by community.

Approximately 11,000 establishments report quarterly on accidents; an additional 45,000 establishments cooperate in the more detailed annual studies of accidents; 20,000 construction contractors are now cooperating in a study of the causes of accidents occurring in the construction industry.

Corporations, like the General Motors Corp., rely on the Bureau of Labor Statistics, consumer's index, for adjusting the escalator clause in its contract with the United Auto Workers. In my home town of New York the great garment industry, which is one of the most peaceful industries in our history of labor-management relations, the contracts between Mr. David Dubinsky, head of the International Ladies Garment Workers Union, and the manufacturers, who are thousands of small-business men in the industry, are contracts based on an escalator clause, relying on the Bureau of Labor Statistics, Consumer's Price Index. Some 450,000 workers in New York City, and I cannot tell you how many tens of thousands of businessmen, rely in complete confidence on the Department of Labor. Does that reflect a suspicion of bias by business? I could go on and give you case studies and case histories of group after group of businessmen who are refuting by their daily activities, by their cooperation with the Department of Labor, this charge of possible bias.

Gentlemen, there is an opposite side to this. The Congress is not called upon to assume that this record of cooperation and impartiality will continue in the operation of the Bureau of Employment Security. That need not be left to conjecture because the United States Employment Service was in the Department of Labor from 1933 to 1939 and from 1945 to 1948. Its record, while in the Department of Labor, is clear and convincing proof that it can and will be operated fairly by that Department. As a matter of fact, job orders and placements recorded in the official records of the Employment Service in the years 1945 and 1948, when it was in the Labor Department, show that employers used the Service more than during any other peacetime year since the Wagner-Peyser Act was enacted in 1933.

Reorganization Plan No. 2 provides another assurance that the Department of Labor will operate the Bureau of Employment Security impartially and effectively. Under the Wagner-Peyser Act there was a Federal advisory council established for the purpose of "formulating policies and discussing problems relating to employment and insuring impartiality, neutrality, and freedom from political influence in the solution of such problems."

The council has, by statute, the right of "access to all files and records of the United States Employment Service." It is composed of men and women representing employers and employees in equal numbers and the public. Under the reorganization plan submitted by the President, this council will, by law, act in the future as to all matters pertaining to both the Employment Service and unemployment compensation, so employers and employees have their advisory-council watchdog, if you want to call it, committee, sitting right in the Department of Labor day in and day out as often as they want to meet and with complete access to the records. Believe me, if there is any bias on the part of the Department of Labor, all those representatives of management have to do is go and talk to the press about it.

Mr. Chairman, during the course of your committee's consideration of Reorganization Plan No. 2 of 1949, public hearings were held. Only three witnesses appeared against the plan. One was the able Congressman from Michigan [Mr. HOFFMAN], and two were representatives of big business.

The objections to the plan were few, and the evidence adduced to support these objections was unconvincing.

The major objection advanced by those who opposed the plan was an alleged bias of the Department of Labor. This is an allegation which has often been made and never been proved. Quite to the contrary, there is no evidence of bias on the part of the Department of Labor in the performance of its statutory functions.

The allegation that the Labor Department is operated in an unfair and partial manner is an extremely serious charge. The Department is a public agency, supported by public funds, and administering acts of Congress. It is staffed by persons who take an oath of office prescribed by the Congress. If such a Government agency can operate in a biased manner, the very democratic foundations of our Government could be undermined.

Any person making such a serious charge should be very careful to have facts sustaining his allegation. If he cannot prove the charge, he is guilty not only of speaking an untruth, but of doing a grave disservice to his country at a time when we have need for confidence in our Government rather than for distrust based upon innuendo, distortions, and vague and unsupported accusations.

At the outset let me note that the exact proposal made by Reorganization Plan No. 2 to transfer the Bureau of Employment Security from the Federal Security Agency to the Department of Labor was made by the Commission on Reorganization of the Executive Branch of the Government, known as the Hoover Commission. This Commission was a bipartisan body created by Public Law 162 of the Eightieth Congress. It contained no representatives of labor, labor groups, or labor organizations. It did, however, number among its 12 members 2 well-known employers. One of these was Mr. George Meade, a patriotic, civic-minded American. This Commission recommended the transfer to the Department of Labor of eight agencies or functions not now performed in the Department. While the Commission disagreed on some of its recommendations, it was unanimous in recommending the transfer of the Bureau of Employment Security to the Labor Department. Both of the employers on the Commission affirmatively joined in this recommendation, as did Mr. Herbert Hoover himself.

The Brookings Institution, which did the task-force study on public welfare for the Hoover Commission, did not make any formal recommendation on the subject of the location of the Bureau of Employment Security, but it did note that—

> One method of furthering * * * coordination would be to bring the facilities and resources of all agencies concerned with employment information, employment conditions, and employment processes under a common administrative head. This would be a proper statutory function of the Department of Labor, and adequate devices of congressional supervision and group consultation are available to foreclose any undue influence of either labor or management upon the administration of unemployment compensation.
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> It can hardly be questioned that better and less costly statistics could be obtained if the Bureau of Labor Statistics, the Employment Service, unemployment compensation, and possibly old-age and survivors insurance were in the same department.

In addition, the Brookings Institution set forth on pages 440–442 of its report the reasons why the Employment Service and unemployment compensation should be located in the Department of Labor. At no point in its task-force report did the Brookings Institution make findings which would argue against this transfer.

Mr. Chairman, I have dwelt at some length upon the findings of the task force only because its findings and recommendations were misrepresented by only partial quotations in the course of testimony before your committee. I recognize, as must the Congress, that it was not for the task force to determine the issues but merely to find the facts upon the basis of which the Commission would make appropriate recommendations. The Commission did recommend unanimously the reorganization which the President seeks to achieve through plan No. 2.

Needless to say, if there were any ground for charging the Department of Labor with bias, the Brookings Institution and the Hoover Commission would have found and considered these facts.

In testing the accuracy of the charges that the Labor Department is biased, we need not, however, rely upon purely negative evidence. It can be abundantly demonstrated that the Department of Labor has in fact performed its statutory functions in a fair and impartial manner and with due regard for the interests of all groups.

The Labor Department has for years administered a number of programs which require absolute integrity and complete impartiality. The Department's performance of these statutory duties has been above reproach. In the promotion of apprenticeship, in the administration of the wage-hour program, in the quasi-judicial determinations of the Secretary of Labor under the Walsh-Healey Public Contracts Act, and in the

compilation and analysis of data by the Bureau of Labor Statistics, the Department has had the cooperation and confidence of management.

Employers and employer associations have over the years used the Department's facilities repeatedly, placed confidence in the impartiality of its data, and participated in the meetings of its committees. This is a matter of record.

The Department of Labor's Bureau of Labor Statistics has a business research advisory committee. It was created in 1947 at the request of business organizations, whose representatives had stated that business people have a vital stake in the work of the Bureau of Labor Statistics. Each member of the committee serves, not as a representative of his company or organization, but in his capacity as a qualified technician in his field, familiar with some of the problems of business. The committee meets three or four times a year. It serves in an advisory capacity to the Commissioner of Labor Statistics on both technical and policy matters which are placed before it by the Commissioner. However, the committee does have the right and duty to take the initiative in bringing up matters that should come to the attention of officials of the Bureau.

The Bureau has sought the advice of the committee in formulating its program each fiscal year. Copies of most of the Bureau publications are sent to all members to keep them acquainted with the Bureau studies in detail.

The 1949 committee has established subcommittees on construction, employment, productivity, consumer-price index, wholesale-price index, and wages and industrial relations. Each of the subcommittees has met at least once this year and has discussed the Bureau's work in great detail.

This committee includes among its members such outstanding business representatives as the executive secretary of the National Sand and Gravel Association, the chief economist of the Western Electric Co., the assistant vice president of the Baldwin Locomotive Works, the managing director of the National Electrical Manufacturers' Association, the chief economist of the National Industrial Conference Board, the vice president and controller of H. R. Macy & Co., the president of the Cotton-Textile Institute, the executive vice president of the National Retail Lumber Dealers' Association, the chief economist of the National Association of Manufacturers, the director of the economic research department of the Chamber of Commerce of the United States, and the president of the American Iron and Steel Institute.

Approximately 60 percent of the requests for information coming to the Department of Labor's Bureau of Labor Statistics are from industry.

Many thousand establishments cooperate with the Bureau of Labor Statistics on a voluntary basis in its surveys and analyses. Some have been giving information to the Bureau month after month for many years for the Bureau's statistical series. Some have been reporting information in not one but two or three fields.

An idea of the extent of cooperation by industry with the Bureau of Labor Statistics is given in the following:

One hundred and ten thousand establishments report employment and payroll information each month.

Between 14,000 and 15,000 retail establishments report prices of food, housefurnishings, and miscellaneous items for inclusion in the Consumers' Price Index of the Bureau of Labor Statistics.

Ten thousand establishments are cooperating this year in occupational wage-rate surveys, by industry and by community.

Approximately 11,000 establishments report quarterly on accidents; an additional 45,000 establishments cooperate in the more detailed annual studies of accidents; 20,000 construction contractors are now cooperating in a study of the causes of accidents occurring in the construction industry.

The above is not a complete listing, by any means, of all the fields of work in which the Bureau of Labor Statistics is engaged or of the establishments cooperating with the Bureau.

To evaluate various uses of its Consumers' Price Index, the Bureau of Labor Statistics in the spring of 1947 asked for comments from each of the nearly 7,300 persons and organizations then on its mailing list to receive the regular monthly report on this index. During the first 8 days after the request, 2,344, or 1 out of 3, of these users replied with suggestions.

One of the major conclusions apparent from tabulation of the returns was that wage negotiations constitute the most important single use of the index. Returns on this survey show that over 8,000,000 workers are covered by these wage negotiations. Over 400 users reported clauses in their union-management contracts which provide for changes in wage rates based on changes in the Bureau of Labor Statistics' Consumers' Price Index.

Manufacturers constitute the largest single group, but there are a number of other important users of the index. In terms of percent of the total number of returns on the survey, users are as follows:

	Percent
Manufacturers	31.7
Wholesalers and retailers	11.5
Labor unions	9.6
Trade associations	7.7
Local governments	7.9
Research organizations	5.6
All other	26.0

Twelve thousand six hundred and thirty-six persons and organizations are now on the mailing list to receive the monthly report on the index.

These facts should be sufficient to demonstrate clearly the complete confidence which management has been able to vest in the work of the Bureau of Labor Statistics during the many years it has been operating in the Department of Labor. When large manufacturers like the General Motors Corp. have collective-bargaining contracts under which the wages of their workers are affected by changes in the BLS Consumers' Price Index, it is obvious that they have absolute confidence in the integrity and impartiality of this Bureau of the Department of Labor.

The Labor Department's Bureau of Apprenticeship has six national joint management-labor apprenticeship committees. These are policy recommending groups to the Bureau of Apprenticeship. Among their members are such management representatives as the president and other officials of the National Electric Contractors Association; representatives of the Painting and Decorating Contractors of America; the executive secretary of the Sheet Metal Contractors' National Association; the assistant managing director and the manager of the building division of the Associated General Contractors of America; representatives of the Stained Glass Association of America; and the president and secretary treasurer of the Contracting Plasterers' International Association.

Through the cooperation of management and labor with the Bureau of Apprenticeship, the Department of Labor has established more than 40,000 apprentice programs, having approximately 250,000 apprentices in training.

Of the approximately 800 State Reemployment Rights Committeemen serving the Department of Labor's Bureau of Veterans' Reemployment Rights, 143 were taken from the ranks of management. The State committees are made up of a cross section of representatives of management, labor, veteran organizations, the professions, public officials of the various States, and heads of Federal agencies engaged in similar activities.

In addition to the eight-hundred-odd State reemployment rights committeemen, there are approximately 3,600 local reemployment rights committeemen, hundreds of whom are from the ranks of management and small business.

All of these State and local committeemen work without compensation in order to assist the Department of Labor in the performance of its statutory functions to help veterans in the exercise of their reemployment rights.

Cooperating with the program of the President's Committee on National Employ the Physically Handicapped Week for the past 2 years have been many leaders in the fields of business and industry. There has not been a single complaint relative to any partiality of the Department of Labor in this program, which has been operated cooperatively and on a voluntary basis in the office of the Secretary of Labor since August 1947.

Chairman of this citizens' committee has been Admiral Ross T McIntire. He has been assisted by the executive vice president of the Air Transport Association, the Honorable Robert Ramspeck, as vice chairman. Members of the Congress will remember Mr. Ramspeck as an able and respected colleague.

In the radio, newspaper, and information group, no fewer than 25 committee members are representatives of business interests. Among the members representative of national associations and organizations some 34 would easily fall into a category of executive or employer.

Evidence of the splendid cooperation of business with this Department of Labor program is the fact that Mr. Earl O. Shreve addressed the meeting of this committee last December while he was president of the Chamber of Commerce of the United States and that Mr. Earl Bunting, managing director of the National Association of Manufacturers, will address the meeting later this month as the representative of business. Both the chamber of commerce and the NAM have rendered excellent services as cooperative and voluntary members of this committee.

On March 23–25, 1949, there was held, under the auspices of the Department of Labor's Bureau of Labor Standards, the President's Conference on Industrial Safety. This conference was called by President Truman through the Department of Labor for the purpose of combating our fearful toll of industrial accidents, and reducing the loss of life, painful injuries, and great economic waste occasioned by such accidents. To this conference came almost 1,000 persons from most of the States of the Union and Hawaii and Canada. They came at their own expense in order to participate in this worthy program. The largest group consisted of management representatives, who constituted 42 percent of all those present. They came from the biggest corporations in America and from the smallest. There were engineers of corporations, presidents of corporations, attorneys for corporations, company medical examiners, safety supervisors, and many others who are interested in reducing industrial accidents.

The executive director of the conference was Mr. Vincent P. Ahearn, executive secretary of the National Sand and Gravel Association. The list of companies represented reads like a Who's Who of industry. They came to help in a worthy cause, and they found no evidence of discrimination or bias against business on the part of the Department of Labor. They found, instead, the Labor Department, at the request of the President, initiating a program to help save them millions of dollars through reduction of industrial accidents and to help them save the lives of their workmen.

The Bureau of Labor Standards has utilized an advisory council composed of management, as well as labor, to carry on an accident-prevention program, and, particularly during the war, it relied primarily upon hundreds of safety engineers lent from private industry and paid by private employers.

This record of cooperation between the Department of Labor and business and industry constitutes a clear and dramatic refutation of the specious charges that the Labor Department cannot operate impartially and enjoy the confidence of management.

Nor is the Congress called upon to assume that this record of cooperation and impartiality will continue in the operation of the Bureau of Employment Security. That need not be left to conjecture because the United States Employment Service was in the Department of Labor from 1933 to 1939 and from 1945 to 1948. Its record while in the Department of Labor is clear and convincing proof that it can and will be operated fairly by that Department. As a matter of fact, job orders and placements recorded in the official records of the Employment Service in the years 1945 to 1948, when it was in the Labor Department, show that employers used the Service more than during any other peacetime year since the Wagner-Peyser Act was enacted in 1933.

Reorganization Plan No. 2 provides another assurance that the Department of Labor will operate the Bureau of Employment Security impartially and effectively. Under the Wagner-Peyser Act, there was a Federal Advisory Council established for the purpose of "formulating policies and discussing problems relating to employment and insuring impartiality, neutrality, and freedom from political influence in the solution of such problems." The Council has, by statute, the right of "access to all the files and records of the United States Employment Service." It is composed of men and women representing employers and employees in equal numbers and the public. Under the reorganization plan submitted by the President, this Council will, by law, act in the future as to all matters pertaining to both the employment service and unemployment compensation. In this outstanding group of citizens, we have additional assurance that the Bureau of Employment Security will operate efficiently and fairly.

The allegations of bias against the Department of Labor are never specific and never detailed. They always start with reference to the 1913 act creating the Department and end with generalizations which are a non sequitur. These arguments completely overlook the fact that each act of Congress is a law unto itself and that the mandate to a Government agency in enforcing a particular statute is to be found within the four corners of that statute. There is no evidence that the enforcement of programs entrusted to the Department of Labor has been other than in accord with the congressional intent as expressed in the particular statute.

There seems to be a general misunderstanding of the difference between bias toward labor and administration of a statute passed by the Congress for the welfare of workers. An act of Congress for the protection of workers is a labor law, but there is no reason why it cannot and should not be enforced with due regard for the public welfare and with devotion to the public service. The Labor Department enforces some statutes for the protection of workers, but this does not mean it is biased toward labor. It merely means that the Congress of the United States found that workers require protection in certain respect and entrusted designated public officials with the job of enforcing the statute providing such protection. The Department of Labor can neither increase nor diminish the protection accorded workers by such statutes, and there is no evidence that it has attempted to do so.

Mr. Chairman, I think it is unfair of anyone to assume that the Department of Labor is biased because it is carrying out our mandate in labor statutes. We would resent very deeply any implication that we were biased in enacting these laws. They were enacted in the broad, public interest, and they have benefited our whole country. They have, in fact, helped the many hundreds of thousands of good employers as well as workers. Fair businessmen have been protected by so-called labor laws from the unfair competition of the small percentage of unscrupluous or chiseling employers.

Mr. Chairman, your committee considered carefully the testimony before it with respect to Reorganization Plan No. 2. That testimony gave no possible basis for rejection of the plan. As a lawyer, I look for evidence rather than innuendo; I look for facts rather than fictions; and I look for proof rather than presumption. Judging the evidence before your committee by these standards, I can come to no conclusion but that the Bureau of Employment Security would operate more effectively and efficiently in the Department of Labor than in the Federal Security Agency; that it is more nearly related to the Department's functions than to the functions of the Federal Security Agency; that there is a reasonable and sound basis for the Hoover Commission's recommendation; and that the Department of Labor is not a biased and partial agency and would operate the Bureau of Employment Security properly and fairly. I urge my colleagues to join in rejecting the resolution against this plan and in voting for rebuilding the Labor Department and improving the performance in the public interest of the labor functions of the Government.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Chairman, this question of Reorganization Plan No. 2 was before the Committee on Expenditures in the Executive Departments last year. I sat through those hearings with a great deal of interest. They formed a very rich background for consideration this year, at least for me personally.

We have heard a great many charges and countercharges here today, most of them based on the theory of what might or might not happen should this reorganization plan go into effect. You have heard the history of the moving about of these agencies and what has happened during the time that they have been in the process of shifting about. I am going to speak primarily here in the limited time I have as a person who has used this employment service at the local level. I might add also that it was my responsibility when serving at the State level to review carefully and to evaluate the efforts of both of these agencies.

Let me say first of all—I do not think there is any contention on that issue—but I want to make the point perfectly clear that I think there is no doubt that these two agencies should be operated as a united agency. I think there is no contention on that point but I believe it is well to reaffirm it.

I listened to the gentleman from New York who has just discussed this issue and I think he did a very good job of it. I will say to him, however, that I think in part his judgment may have lacked the background of experience in dealing with these problems that would have

made his observations a little more pertinent had he had that background. I am sure, of course, of his sincerity, but I do know one thing, and that I know for sure, because I have had it demonstrated ably in the past, that regulations for the operation of these agencies come from the head of the Federal agency; and I do know, point No. 2, that the Secretary of Labor is charged with the responsibility for looking after the affairs, the interests, and the legislation in favor of labor, just as the Department of Commerce is charged with the responsibility of attending to the interests of industry.

As a matter of Government procedure, if you were not going into questions of personality, and believe me, I am not, despite the fact that Mr. Ewing has his home, as he calls it, in my district, I think you would agree that just fairness of administration would dictate that you are going to get fairness of administration only when you have the arbiter placed in a neutral agency. I think that is patent. There can be no argument about that. You can argue from now on for the rest of the time as to what you think might happen and how Mr. Ewing or Mr. Tobin would administer this plan. I am not here to claim any particular virtues for either one of those gentlemen, but am holding to the principle and, as I say, I have operated under these agencies at the local level, the head of the department or the agency, whichever one is to administer this, does have a great power, through their rules and regulations, to influence the activities of your local agencies or your State agencies, and it is through the Federal administrator that we can get a slanting of the administration at the administrative level, which is the local level. For that reason, and I think it is a perfectly tenable one, we should not make this transfer. I think it will be best administered in a neutral agency. I have no particular cause of complaint against the present administration of that agency.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, I shall vote against this resolution. I am not a member of the Committee on Expenditures in the Executive Departments which has given House consideration to this Reorganization Plan No. 2. In these days it is physically impossible for a Member to know everything there is to know about the thousands of bills that are introduced into the House.

I have been in Congress a long time and recall vividly public demand, Presidential requests, and congressional endeavors to bring about reorganization of the executive branch and more efficiency and economy in Government. In the past there has been much talk and conscientious effort to bring about these reforms. Because of practical, prejudicial, sectional, and personal views and differences, nothing has happened up to date. The Eightieth Congress set up the Hoover Commission. That Commission has had adequate funds, sufficient, and capable expert help, and has made a businesslike, prolonged, and meticulous study of the executive branch of our Government. As a result of this study, the President has submitted some plans to the Congress and more are to follow.

Mr. Chairman, the committee is not united on this plan. A majority, however, favors it. I am sure the plan is not perfect, and I am just as convinced that if we wait until we have a perfect plan, there will never be any reorganization as contemplated in the Hoover Commission objective. For my part, today I am going to rely much upon faith.

The people of the country are almost unanimously demanding that Congress adopt the recommendations of the Hoover Commission. True, none of these people—yes, I say none of these people—so demanding are fully advised in the premises. Neither this committee nor the House understands all the details and the many implications, much less the people throughout the country. The Hoover Commission, however, was composed of nonpartisan, experienced experts. Former President Hoover, in whom the country has much confidence, and who has but one objective in life, to help make this a better world in which to live, and who seeks no honor or political preferment, and who has had experience as the head of the executive branch of the Government, enthusiastically and unequivocally endorses this plan upon which we are soon to vote.

Mr. Hoover is a Republican. On the other hand, President Truman, as stated by the gentleman from Ohio [Mr. BROWN], is committed to the recommendations of the Hoover Commission. He has sent this Hoover Commission proposal to the Congress in the manner recommended by the Commission, and approved by the Congress. He urges the adoption of this plan. Mr. Truman is a Democrat. These distinguished men who have served as President should know what they are talking about and it is to their credit and to the benefit of the American people that they speak in unison as Americans and not as partisans when they endorse this particular reorganization plan.

Personally, an overwhelmingly majority of the people whom I represent in Congress demands that these recommendations be approved at the earliest possible moment to the end that taxes be reduced and a more perfect government result.

In my opinion, it will be rather difficult for those who vote against this plan to explain to their constituents; nevertheless, if I were convinced that this plan was positively not in the best interests of my country, I should so vote, the Hoover Commission and the President of the United States to the contrary notwithstanding.

In closing, may I express the hope that the President will at a very early date submit to Congress the additional plans necessary to carry out the recommendations of the Hoover Commission. I am persuaded they will not be disapproved by the House.

Mr. DAWSON. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I know the members of the committee have been greatly edified by the speeches this afternoon, and I do not intend to detain you long. I think there are certain things that should be called to the attention of the Members of the House that have occurred during the debate.

May I point out first that the gentleman from Wisconsin [Mr. KEEFE], the gentleman from Indiana [Mr. HALLECK] and the gentleman from Michigan [Mr. HOFFMAN] were all concerned with a change of function in the unemployment service or in the unemployment compensation service. I want to say first, last, and always that, as the gentleman from Ohio [Mr. BROWN] has told you, there is no change in function in any of these organizations involved in the acceptance or the rejection of this plan. There is no change in function and there can be no change in function unless the Congress takes action and makes the change in function.

One other point I wish to make is this: The resolution of disapproval introduced by the gentleman from Michigan [Mr. HOFFMAN], House Resolution 301, presents to the House this parliamentary situation. If you are in favor of the President's plan, if your are in favor of the unanimous Hoover Commission report on this plan No. 2, then you must vote "no." In other words, we are working in reverse here today, we are rejecting the resolution of disapproval. In order to have the plan, you must vote "no."

It has been agreed by practically every speaker and all competent and disinterested students of this subject that job placement and job insurance are closely joined for administrative purposes and should be in the same department, regardless of whether they are in the Social Security Agency or the Labor Department. They should be together, everybody agrees on that. The point is, where should we place them for the utmost in economy and efficiency in order to put related services together? Remember, one of the functions of the Hoover Commission was to put related subjects together in the same department under one responsible head.

I believe it should be in the Department of Labor. The organic law of the Labor Department includes the direct mandate to advance the opportunities of workers for profitable employment. Everyone has said that and we all know it is true. It is the objective of the employment service to give people jobs, to bring the job to the man and to bring the man to the job. Through their compilation of labor statistical knowledge from throughout the Nation they are in a better place to do it than anyone else.

If the man is getting his compensation check over in the Social Security Agency, he does not have access to the information which is available in the Bureau of Labor Statistics as to where the jobs are. If you put them both together, then you have the jobs available where you can direct them to the man that is unemployed, and thereby save additional unemployment compensation checks. That is the real basic reason for this reorganization.

Unemployment compensation is not an objective. It is a tool. It is a stopgap

or service to wage earners who are unemployed, while they are unemployed, and the quicker you can get that unemployed man to a job, the quicker you can stop his unemployment compensation check. That is where your efficiency and your savings will come in, so far as the unemployment compensation fund is concerned.

This is not a partisan issue. I want to speak for just a minute on the Hoover Commission reports. You cannot pin the worth or the lack of worth on Mr. Hoover as an individual. Mr. Hoover's place in history is secure. Some people respect his ability and some do not. I am one of those who respect his ability. I have disagreed with him at times. But when you try to pin this recommendation on Mr. Hoover as an individual, you are making a mistake. This recommendation is a result of the unanimous opinion of the 12 members of the Hoover Commission, men drawn from Republican and Democratic sides of both Houses—men drawn from management and from labor and from the Department of State and from the Secretary of National Defense—men of that caliber. It was a nonpartisan recommendation. So, do not pin this particular recommendation either on Mr. Hoover or take it off of him. He was Chairman of the Commission which made the recommendation. Our own member, the gentleman from Ohio [Mr. BROWN], and a former member, Mr. Manasco, represented the House on that particular Commission. The Commission's recommendation was unanimous on this. On some of the recommendations they were not unanimous—there was disagreement—but on this one they were unanimous.

I do not want to make this a partisan issue, but the Democratic Party platform of 1948 said and pledged to the people of the United States that we were going to rebuild and strengthen the Department of Labor. The Hoover Commission agrees fully with that plank in that platform. It is only a step forward—it is not all the steps that are necessary, but only one step forward to do that job to which we, as Democrats, are pledged.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. ROOSEVELT. Is it not true that there were no representatives of labor or of labor organizations on the Hoover Commission, but that there were two management representatives, one of them being, I believe, Mr. George Meade, one of the great patriots of America?

Mr. HOLIFIELD. The gentleman has stated a fact. We, as Democrats, and many of the Republicans, want the Labor Department to be restored to its rightful place in the affairs of Government.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. HARVEY. During the course of the debate here on the question of granting this power to the President, the gentleman and other Members of his own party have stated they were unwilling to depend on the infallibility of the President's judgment in matters of this kind.

Mr. HOLIFIELD. That is right. We are not depending on any one man on this. We are taking the recommendation of a group of men. I have differed with my President and I have differed with Mr. Hoover in the past. I expect to differ with them in the future, but that has nothing to do with the question. The question is on the merits of the plan which is before us.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. EBERHARTER. Does the gentleman know whether or not there was a staff of independent experts who made an impartial study of this question and can he give us some information on that?

Mr. HOLIFIELD. Yes, I am glad to give the gentleman some information on that. We have had quotations from the Brookings Institution report today. I am going to do a little quoting from it—the part that was quoted to you by the gentleman from Wisconsin, I believe, and some of the other speakers. It is as follows:

> The nature of this issue, regarding the proper location of the Federal agency administering the employment service and unemployment compensation precludes its settlement on a purely factual basis. The decision must be arrived at on the basis of judgment and in the last analysis this judgment must be exercised by the duly elected representatives of the people.

That is exactly what we are doing. But now I am going to turn to another page which was not quoted. This is in the Brookings Institution report on page 441. Here is what they had to say, and I would like to have the Members get this quotation:

> Employment offices and unemployment compensation are more closely related to each other than to either social security, educational, or public health programs.

Do you get that? It belongs with the Department of Labor and not in the social security department.

The report reads further:

> Both are Federal-State programs dealing with problems of employer and employees, hiring and lay-off, job stabilization, personnel and labor management relations. Neither has any comparable relation to public assistance or grants to States for education and public health.
>
> The Employment Service (together with unemployment compensation) is a vital and necessary segment of the functions of any agency charged with administering Federal policies with respect to the labor market, working conditions, and labor-management relations.

In other words, it has business in the Social Security Agency. Quoting further:

> Old-age and survivors insurance is a completely Federal program with different coverage and different administration procedure from the unemployment compensation.

That ought to settle what the Brookings Institution report said about it, but they said something else:

> Employment security has a close operating relationship with other employment and labor functions.

Just what I said. The place to put the men to work is where jobs are located.

Let me go farther. The Brookings Institution also said:

> In the States the Employment Security Agency is not located in the State welfare, health, or education department, but is either located in the State industrial commission, or labor department, or in a department with other labor functions, or in an independent employment security or unemployment compensation commission.

I will give you the figures.

The CHAIRMAN. The time of the gentleman from California [Mr. HOLIFIELD] has expired.

Mr. DAWSON. Mr. Chairman, I yield the gentleman from California five additional minutes.

Mr. HOLIFIELD. In 15 of the States the unemployment compensation is in the State Department of Labor. In 6 of the States they are in a department with other labor functions, and in 30 of the States they are in an independent agency.

Many of the men who appeared before the committee and testified against this plan came from States where the unemployment compensation was located in the department of labor of their respective States.

Mr. TAURIELLO. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. TAURIELLO. Is it not a fact that in keeping with the reorganization plan, if we just transfer agencies from one bureau to another and thereby bring about a greater degree of efficiency, in the long run we will save money?

Mr. HOLIFIELD. Greater efficiency and bringing related services together are two of the three objectives of the Hoover Commission. The other one, of course, is economy. If you have the first two, you automatically get the last one. You get more services for your dollar and that produces economy.

Now, it seems to me that the people who are opposing this plan do not want a strong Labor Department. They do not even want a Labor Department—some of them; I do not mean all of them. On the one hand, they argue that the Labor Department is weak and biased, and, on the other hand, they want to take another function away.

It was rightly said by the gentleman from Wisconsin [Mr. KEEFE] that what they could not do by regular legislative action they did by riders on an appropriation bill in the Eightieth Congress. It is true that they weakened the Department of Labor in the Eightieth Congress. We are trying to strengthen it in accordance with the Democratic platform pledges and in accordance with the Hoover Commission report.

So, in conclusion, I say, if you want to vote for the acceptance of this plan, you must vote "no" on the resolution. Let there be no confusion about that matter.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. DAWSON. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Chairman, Reorganization Plan No. 2 of 1949 does two

principal things. First, it transfers the Bureau of Employment Security from the Federal Security Agency to the Department of Labor, and with the Bureau its Federal Advisory Council. Second, it abolishes the Veterans' Placement Service Board and transfers its functions and those of its chairman to the Secretary of Labor. I should like briefly to explain each of these changes and indicate the reasons why they are desirable.

TRANSFER OF BUREAU OF EMPLOYMENT SECURITY

The President has long believed that the Bureau of Employment Security properly belonged in the Department of Labor. The Commission on Organization of the Executive Branch has unanimously recommended that the Bureau be transferred to the Labor Department. And the Secretary of Labor and the Federal Security Administrator have both concurred in that recommendation.

Since the question of the proper location of this Bureau has been before the Congress for some time, you are no doubt generally familiar with the agency and the issues involved in its transfer. The Bureau of Employment Security administers the functions of the Federal Government relating to employment service and unemployment compensation, or unemployment insurance as it is coming to be called. These are both Federal-State programs. Actual operations are handled by the States, but the cost of administration is borne entirely by the Federal Government. The Federal role consists mainly of the review and approval of State plans of operation, the administration of grants-in-aid, the conduct of research and developmental activities, and the provision of technical advice and assistance to the States. In the case of employment service, it also involves provision for the interstate clearance of labor and the maintenance of special supervisory and coordinating machinery with respect to the placement of veterans and farm workers.

Employment service and unemployment compensation are companion programs. The first aids workers in obtaining jobs and employers in securing labor, while the second provides cash benefits when suitable employment cannot be obtained. Though both programs are important, the fundamental concern is to get the unemployed worker a job. In consequence, the efficiency of the public employment service should be the dominant consideration in determining the location of the Bureau of Employment Security in the executive branch. This is true even from the standpoint of the unemployment compensation program, for whatever speeds up the placement of workers in jobs reduces the drain upon the compensation funds and lightens the burden of unemployment compensation levies upon employers.

The Labor Department undoubtedly affords a much more favorable environment for the development of employment service than does the Federal Security Agency. The latter by the nature of its programs is naturally more deeply interested in social insurance than in employment service. On the other hand, the Department of Labor has the specialized services and personnel needed to aid the Bureau of Employment Security in improving employment service.

Every bureau of the Department of Labor has something to contribute to the effectiveness of public employment service. Much of the work of the Bureau of Labor Statistics in particular bears directly on employment-service problems. Its occupational outlook program produces vocational counseling materials used in employment service. Further, its studies and statistical materials on wages, hours, and employment provide valuable guides for employment service officials. The Bureau of Labor Standards is the source of needed information on labor standards and working conditions. The Women's Bureau and the Wage and Hour Division have specialists on employment problems of women, learners, and some other special groups. The Bureau of Veterans' Reemployment Rights assists in returning veterans to their former jobs, and the Bureau of Apprenticeship cooperates with the employment offices with respect to recruiting and placing apprentices. Conversely, the various agencies of the Department of Labor need the assistance of the employment service in performing their functions. With their numerous day-to-day contacts with employers and workers throughout the country the public employment offices are an invaluable source of current information on employment and labor market problems.

In opposition to the transfer of the Bureau of Employment Security the claim has been made that the Department of Labor is biased in favor of the worker and cannot be trusted to deal fairly with the interests of employers in administering the functions of the Federal Government with respect to employment service and unemployment compensation. This claim ignores the fact that the Department of Labor is just as much a public agency as is the Federal Security Agency. Both are controlled by the policies prescribed by the Congress. Both are headed by officers selected from outside the labor movement. Both are subject to the same supervision by the President.

However, the real answer to this charge is to be found in experience. The Department of Labor has administered for years a number of programs, such as the wage-and-hour program, the Walsh-Healey Act, and the labor-statistics program, which require absolute integrity and equitable treatment of both management and labor. Had these programs not been fairly administered by the Department, a strong demand for their transfer would long since have arisen. Furthermore, it should not be forgotten that from 1933 to 1939 and from 1945 to 1948 the United States Employment Service was administered by the Labor Department and that the volume of employment service placements reached its peak during the latter of those periods. Again, had the Labor Department been unfair to management in its administration of its employment service functions during those years, it is obvious that employers would have withheld their patronage and placements would have fallen. Since placements rose sharply instead, it is obvious that employer patronage increased and that the charges of bias and unfairness were not substantiated by experience.

In this connection it also is worth noting that in many States employment service and unemployment compensation are, and for more than a dozen years have been, administered by labor departments. Among these are several of the major industrial States, including New York, Pennsylvania, Illinois, and Massachusetts. Together these States have between 40 and 50 percent of the personnel engaged in these programs. Had administration by labor departments proved detrimental to the interests of management or to the effectiveness of the employment service and unemployment compensation programs, it is certain that an insistent demand for removal from those departments would long since have arisen. The lack of efforts to effect such changes is strong evidence of the absence of substance to the principal objections to this reorganization plan.

VETERANS' PLACEMENT SERVICE BOARD

Now let me explain the provisions of the plan with respect to the Veterans' Placement Service Board. The United States Employment Service is required by the act which created it and by the Servicemen's Readjustment Act of 1944 to maintain a Veterans' Employment Service. This service is operated through the regular State employment offices with veterans' placement representatives from the Bureau of Employment Security exercising special supervision over the work. The reorganization plan does not abolish or alter the operation of the Veterans' Employment Service. Rather it simplifies the machinery for the administration of the service.

The function of the Veterans' Placement Service Board has been to determine the policies of the Veterans' Employment Service, which by law is administered by the United States Employment Service within the Bureau of Employment Security. The Chairman of the Board has had the additional function of appointing the Chief of the Veterans' Employment Service. The Board has consisted of the Administrator of Veterans' Affairs as Chairman, the Director of the Selective Service System, and the head of the department or agency in charge of the United States Employment Service, now the Federal Security Administrator. Thus, the policies and the selection of the Chief of the Veterans' Employment Service have been controlled by officers other than the head of the agency by which it is administered.

The abolition of the Board will concentrate responsibility for the policies of the Veterans' Employment Service in the officer who will be responsible for supervising its administration after the transfer of the Bureau of Employment Security, namely, the Secretary of Labor. This will eliminate what the Commission on Organization of the Executive Branch of the Government referred to as an

"anomalous administrative arrangement" needing correction. More important, it will make for better service to veterans by fixing responsibility and assuring proper working relations between the Veterans' Employment Service and the general employment service.

The Department of Labor was intended to be the central agency of the Government for the administration of labor functions, but in recent years these functions have been scattered about the executive branch. In the judgment of the President and the Commission on Organization of the Executive Branch the time has come to reverse this process and bring about a more orderly and efficient organization of Federal activities relating to labor problems. This plan is an important step toward the accomplishment of that objective.

Mr. DAWSON. Mr. Chairman, I ask unanimous consent that all Members may be permitted to extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KARSTEN. Mr. Chairman, the matter under consideration is one that has been before the Congress for many years. It is not a complicated question but in the past it has been the subject of much controversy. The question we have to decide is, where shall we locate the Employment Service and the Bureau of Unemployment Compensation.

Since these agencies were established some years ago, they have been moved from one Government department to another. I do not know of any Federal offices that have been more transferred and moved around than the Employment Service and the Unemployment Compensation Division. At the present time both the Employment Service and the Unemployment Compensation programs are being administered by the Federal Security Agency.

The President, acting upon information developed by the Hoover Commission on the organization of the Federal Government recently submitted Reorganization Plan 2 to the Congress, recommending that the Employment Service and the Unemployment Compensation Division be permanently transferred to the Department of Labor. When the Department of Labor was established the Secretary was charged with the duty of fostering, promoting, and developing the welfare of the wage earners of the United States, improving their working conditions, and advancing their opportunities for profitable employment. This Department is certainly the logical place for the Employment Service.

Statements have been made that if the Service is transferred to the Labor Department it would not be used by employers who feel the Labor Department is prejudiced. There is little basis for such an objection, because a few years ago when the Employment Service was in the Department of Labor it made more placements of workers than at any time in its peacetime history. During 1946, when the Service was in the Department of Labor, it placed over 5,000,000 employees in nonagricultural work. In 1947 it again exceeded 5,000,000 placements. This certainly does not demonstrate a lack of confidence on the part of employers.

As you know, when an unemployed worker cannot find a position he may be paid unemployment-compensation benefits. It is conceded by everyone that the primary purpose of the whole program is to find jobs for workers rather than pay them compensation. The two programs, finding jobs and paying compensation, are very closely related, and most of the witnesses who appeared before the committee agreed that both services should be together in a single agency.

The Federal Security agency, which is handling both programs now, has done a fairly good job, but I believe improvements could be made if the proposed transfer is permitted to go into effect. The Federal Security Agency is primarily concerned with welfare programs rather than employment. By placing these offices in the Labor Department the emphasis will be placed on jobs. Compensation will be paid only where applicants are unable to be placed to work. By bringing about better efficiency and coordinating with existing Labor Department facilities, the program will be run economically. The Secretary of Labor, who appeared before the committee, said he felt that the cost of operation of the program at the beginning will be about the same as it is now but that he hoped in time to bring about greater efficiency which in time should result in savings.

This proposal is in line with the recommendations of the Hoover Commission to bring about efficiency in the Government Service. The Commission has recommended that like functions be grouped together. Reorganization Plan 2 follows that recommendation. If we are to ever bring about efficiency and economy in the operation of the Government, the time to start is now. For over a year and a half the Commission on Reorganization of the Executive Branch of the Government made an exhaustive study of all the Government agencies. The reforms they have recommended can save taxpayers of America many millions of dollars if they are followed.

If by any chance the House, this afternoon, rejects this reorganization proposal it might have a very serious effect on other reorganization plans in the future. To reject this proposal might set a precedent to do so whenever other reorganization plans are presented. I do not believe the House is willing to set this precedent. I hope the resolution before us will be defeated in order that the pending reorganization plan can become effective.

Mr. DONOHUE. Mr. Chairman, my purpose in rising at this moment is to appeal to my colleagues to concentrate their attention on what is now the outstanding feature of this legislation. An amendment has been included to raise the minimum wage to 75 cents an hour. Mainly because of that fact it is my intention to support this measure.

Our duty here today is to clarify, strengthen, and extend the scope and application of the Fair Labor Standards Act and thus more fully attain the declared policy of the act. This policy, as set forth in the act itself, is "to correct and, as rapidly as practicable, to eliminate labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers."

The figure of 40 cents an hour, presently existing, was determined in 1938. Even then the Congress recognized that the statutory minimum wage of 40 cents an hour "does not give a wage sufficient to maintain what we would like to regard as the minimum American standard of living."

I believe that the overwhelming majority of the Members of this House will agree that, as the result of the economic development of our country during the past 10 years, the 40-cent rate, inadequate when enacted, has long been outmoded as a measure of the amount required to yield a minimum standard of living for American workers. The rise in national income, farm income, productivity, and corporate profits clearly enables a very substantial permanent increase in the current minimum wage.

I am going to vote for the acceptance of this proposed 75-cent minimum wage, although our economy, as a whole, could very likely support a minimum figure much higher than 75 cents per hour, because it is a step toward the achievement of two basic purposes. First, it takes into account and gives desperately needed help to workers in the lowest paying segments of our industry and in the lowest-paid occupations. Secondly, it will more fully accomplish one important purpose of the present act which is to prevent disastrous wage cutting and thus to bolster purchasing power against any future recession.

I well realize there are very many objectionable features in this legislation and I know all of the Members of this House who have the welfare of our American wage earners at heart, appreciate that fact. The exemptions of so many workers who should be included in this legislation and the lack of clarity in the language of many provisions which would, if retained, aggravate legal controversy and honest misunderstanding, is regrettable. Let up hope that, as this measure proceeds through both Houses of the Congress the grave injustices will be rectified.

Let us accept the vitally necessary and long-awaited improvement of the basic establishment of a 75 cents per hour minimum wage for our American workers and then direct our further efforts to equitable adjustment of the exemption discriminations at the earliest possible moment.

The CHAIRMAN. The Clerk will read the resolution.

The Clerk read, as follows:

Resolved, That the House does not favor the Reorganization Plan No. 2 of June 20, 1949, transmitted to Congress by the President on the 20th day of June 1949.

Mr. DAWSON. Mr. Chairman, I move that the Committee do now rise and report the resolution back to the House with the recommendation that it be not agreed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Resolution 301, directed him to report the same back to the House with the recommendation that it be not agreed to.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. As I understand, the resolution before us is a resolution to disapprove Reorganization Plan No. 2 which has been adversely reported by the Committee. If a Member wanted to vote for the adoption of the reorganization plan he would vote "no;" otherwise he would vote "aye."

The SPEAKER. That is correct.

Mr. HALLECK. Further, Mr. Speaker, do I understand correctly that under the terms of the Reorganization Act under which we are operating the proponents of the resolution who by that resolution would seek to disapprove Reorganization Plan No. 2 would have to have 218 votes actually present and voting in order to carry the resolution?

The SPEAKER. That is correct; that is the law, and the Chair will take this opportunity to read the law:

SEC. 6. (a) Except as may be otherwise provided pursuant to subsection (c) of this section, the provisions of the reorganization plan shall take effect upon the expiration of the first period of 60 calendar days, of continuous session of the Congress, following the date on which the plan is transmitted to it; but only if, between the date of transmittal and the expiration of such 60-day period there has not been passed by either of the two Houses, by the affirmative vote of a majority of the authorized membership of that House, a resolution stating in substance that that House does not favor the reorganization plan.

Mr. BROWN of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BROWN of Ohio. How will the Chair determine whether there are 218 votes cast in favor of the resolution?

The SPEAKER. By the usual method: Either by a viva voce vote, division vote, or a vote by the yeas and nays.

The question is on the resolution.

The question was taken.

The SPEAKER. In the opinion of the Chair the resolution not having received the affirmative vote of a majority of the authorized membership of the House, the resolution is not agreed to.

So the resolution was rejected.

ARMY AND AIR FORCE VITALIZATION AND RETIREMENT EQUALIZATION ACT OF 1948

Mr. CLEMENTE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5929) to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b) of section 302 of the Army Air Force Vitalization and Retirement Equalization Act of 1948 is hereby amended by striking out the words "the enactment of this act" and inserting in lieu thereof "July 1, 1949."

SEC. 2. That subsection (c) of section 302 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 is hereby amended by striking out the words "the enactment of this act" and inserting in lieu thereof "July 1, 1949."

SEC. 3. That the second proviso of section 303 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 is hereby amended by striking out the words "the date of enactment of this act" and inserting in lieu thereof "July 1, 1949."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. CLEMENTE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CLEMENTE. Mr. Speaker, this bill, H. R. 5929, is identical in language with H. R. 5508 in the form in which that bill was reported to the House on July 12. The purpose of this legislation is to correct certain inequities which have resulted in the operation of the reserve retirement provisions of title III of Public Law 810, enacted last year during the second session of the Eightieth Congress.

As reported by the House committee on July 12, H. R. 5508 contained the identical language set forth in the three sections (1), (2), and (3) of the bill now before us. However, when that bill was taken up on the floor of the House the gentleman from Louisiana [Mr. BROOKS] offered an amendment at the request of Maj. Gen. Milton A. Reckord, chairman of the committee on legislation, National Guard Association of America. This amendment, which was adopted by the House, added a fourth section to the bill which would have extended the benefits of title III to personnel of the National Guard or Organized Militia prior to June 3, 1916. These groups were not covered by the language of Public Law 810 enacted last year.

I would like to point out that the gentleman from Louisiana offered this amendment in the sincere belief, as he stated on the floor at that time, that the language which he proposed would not affect more than six individuals and hence would result in a negligible increase in cost.

I have also been advised that General Reckord was very definitely of the same impression at the time when he urged the adoption of this amendment and it has been a source of great embarrassment to him to learn that his interpretation of the effect of the proposed language had been in error.

H. R. 5508, as amended, passed the House July 18 and was subsequently passed by the Senate on July 26 without further amendment. On August 9 the President vetoed the measure and stated in his veto message to the Congress that the first three sections of the bill were without objection but that the fourth section, adopted by virtue of the amendment on the floor of the House, would result in an increased cost which might reach a maximum annual figure of $1,068,300. The message stated that further study had indicated that the section would increase the number of persons immediately eligible for retired pay by a known number of 250, and would, by crediting additional years of non-Federal service to certain personnel now on the retired list, increase the pay of 650 others. The above-mentioned costs, the message stated, would total $412,300 per year and it was estimated that an additional annual cost amounting to $656,000 might result from the possibility that an additional 500 persons could become immediately eligible for retirement.

The President stated further that cost factors were not the primary reasons for his withholding approval of the bill. In this connection he stated that the extension of the service creditable toward retirement to include non-Federal service would establish an undesirable precedent. In this connection, attention was invited to the fact that in defining the term "Federal service," the Congress had excluded all service performed without Federal recognition.

The President stated that the Congress and the members of all Reserve components might be assured that he would approve a bill limited to the purposes of the three sections contained in H. R. 5508 as it was reported to the House of Representatives by the Committee on Armed Services, and he noted that the purpose of these sections is to correct an effect of the 1948 Retirement Act which was not intended at the time of its passage by the Congress last year.

H. R. 5929 which is now before the House for consideration is a new bill which has been introduced in conformity with the desires of the President as indicated in his veto message. As I have already stated the language of this bill is identical to that of the bill which our committee reported out last month.

The purpose of this legislation is to amend subsections (b) and (c) of section 302, and also section 303 of Public Law 810, so as to make July 1, 1949, rather than June 29, 1948, the effective date after which the provisions of title III of that law require reserve personnel to earn credits for retirement. When Public Law 810 was passed it was believed that adequate authority had been granted to the Secretaries of the Army, Navy, and Air Force to defer the effective date for earning retirement credits for a sufficient length of time to permit the issuance of appropriate regulations and programs under which reserve personnel could qualify for retirement credits. However, a ruling issued by the Comptroller General in November 1948 made the effective date for these purposes June 29, 1948, some 6 months earlier than adequate programs for reserve training were generally available. As a result many reserves were denied the opportunity to complete a year of satisfactory Federal service as defined in the law.

The provisions contained in the proposed legislation have already been approved by the House and Senate and as the President has likewise indicated that they met with his approval, it is therefore recommended that this bill do pass.

EXTENSION OF REMARKS

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an editorial.

Mr. DAVENPORT asked and was given permission to extend his remarks in the RECORD.

Mr. WILSON of Texas asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. RODINO asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

The SPEAKER. Under previous order of the House, the gentleman from Michigan is recognized for 10 minutes.

RATTLESNAKES IN OUR FRONT YARD

Mr. HOFFMAN of Michigan. Mr. Speaker, Michigan has thousands of lakes, rivers, and smaller streams. Clear, cool water, except where industry and the cities have polluted it.

In some of the lower, more swampy places, in the springtime we find an occasional rattlesnake. But we get after him and, if possible clear away the brush and make the place one in which he will not enjoy living. Then, through the summer, we keep an eye open and, at the first sound or sight of a rattler, we get busy.

The result is that our vacation places are safe even for the children. That is as it should be. It indicates just ordinary common sense and forethought and a desire to protect one's own.

A similar course is almost always followed by every human being. Even the animals take what precautions they can against rattlesnakes.

Communists—at least in the thinking of right-minded Americans—are the world's rattlesnakes.

But this Government of ours, especially the State Department, and the internationalists and the one-worlders apparently would make pets of the rattlesnakes. They would take, and they have taken, them right into our household. You know, a rattlesnake will give you a warning when he is about to strike you, but these Communists do not.

The internationalists and the one worlders were successful in their campaign to give us a part in United Nations, which even some of its foremost advocates are now forced to admit is a failure.

The internationalists and the one-think of a "one world" before they give a thought to America, in which they live and which supports them, foisted upon us a sanctuary for Communists—the world's rattlesnakes.

If memory serves correctly, the Congress was induced to provide $65,000,000 or more for the purchase of territory and the erection of a building in New York State. There we have the home of the United Nations. That territory and those within it seem to be beyond the jurisdiction of the United States of America.

In biblical days, there was a City of Refuge, to which murderers and other criminals could flee for sanctuary. If the chairman of a Senate Judiciary Committee is correctly quoted and has reliable information, the home of United Nations in New York is a sanctuary for international rattlesnakes.

Just a few days ago, t' e press carried the statement that the chairman of a Senate subcommittee declared that individuals have gone, and I quote, "directly from fields of subversive activity" in the United States to positions of authority in United Nations.

The chairman cited as two typical examples Leo Rajchman, chairman of the Executive Board of the United Nations International Children's Emergency Fund, and Norman Corwin.

I have no personal acquaintance with, nor do I know anything about, the two gentlemen referred to, except what I read in the press story which carried the statement of the Chairman of the Senate subcommittee.

The gentleman from Minnesota (Mr. BLATNIK), a member of the House Committee on Expenditures in the Executive Departments, in a statement issued by him on August 8, stated that he "deeply regretted Senator MCCARRAN'S unfortunate mistake in naming Leo Rajchman as executive director of UNICEF," and further observed that Maurice Pate was executive director of that organization.

He further said that it was his understanding that "Dr. Rajchman was elected last November as chairman of the executive board of UNICEF by the 26 member nations. He is at present residing in France."

The press further quoted the chairman of the Senate subcommittee as saying:

> If the case of Norman Corwin were an isolated instance, it would not be so greatly disturbing. It is, unfortunately, characteristic of a number of people who have been selected to serve in the Secretariat of the United Nations. Included in this group are persons who have been disqualified from holding public office in the United States as a result of the loyalty investigations.

The chairman further said that Mr. Corwin "is cited as Communist and subversive by the Attorney General of the United States."

He continued:

> Yet this man today sits in a vitally important job in the United Nations.

In an editorial in another great daily, there is carried the statement that a man who had threatened to shoot the President of the United States has found a job with United Nations.

Day after day, the Congress is warned of the danger of Communists overrunning the world and who, it is said, threaten our security, our national existence.

Day after day, we appropriate millions and billions upon billions of dollars to fight communism.

We are preparing for a third world war. Many believe that the Atlantic Pact, wherein we join 11 other nations—most of them bankrupt and many of them quarrelsome—in an agreement to fight each other's battles, will ultimately involve us in a world war.

Will someone please explain to me a policy which is bleeding us white in an effort to fight communism abroad, while, here in our own front or back yard, whichever you prefer to call it, we maintain a sanctuary for Communists, for rattlesnakes?

COTTON QUOTAS

Mr. PACE. Mr. Speaker, I ask unanimous consent that the conferees on the cotton quota bill, S. 1962, may have until midnight tonight to file a conference report and statement.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ENROLLED JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 208. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p. m.) the House adjourned until tomorrow, Friday, August 12, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

819. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $79,800 for the Department of Labor (H. Doc. No. 299); to the Committee on Appropriations and ordered to be printed.

850. A letter from the Executive Assistant to the Secretary of Commerce, transmitting a draft of a proposed bill entitled "To amend section 10 of the act of May 28, 1948 (Public Law 562, 80th Cong.) to authorize the appropriation of $17,000,000 for the construction of public airports in the Territory of Alaska"; to the Committee on Interstate and Foreign Commerce.

851. A letter from the Chairman, Federal Reserve System, transmitting the Thirty-fifth Annual Report of the Federal Reserve System, covering operations during the calendar year 1948; to the Committee on Banking and Currency.

852. A letter from the Comptroller General of the United States, transmitting a report of the General Accounting Office on the improper handling of certain funds coming into the hands of persons in the service of the United States in their official capacity; to the Committee on Expenditures in the Executive Departments.

853. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "To Amend an Act Fixing the Price of Copies of Records Furnished by the Department of the Interior"; to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STANLEY: Committee on House Administration. House Concurrent Resolution 103. Concurrent resolution to provide for the expenses of the joint committee created pursuant to House Concurrent Resolution 102; without amendment (Rept. No. 1246). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 306. Resolution to provide funds for the Committee on Education and Labor; without amendment (Rept. No. 1247). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 318. Resolution authorizing the Clerk of the House of Representatives to approve payment of gratuities during the recess of Congress; without amendment (Rept. No. 1248). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Joint Resolution 332. Joint resolution providing for the establishment of a joint Senate and House recording facility; with an amendment (Rept. No 1249). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 315. Resolution authorizing additional employees in the disbursing office; with an amendment (Rept. No. 1250). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 288. Resolution for the relief of Isabel Muth Meade; with an amendment (Rept. No. 1251). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 324. Resolution relative to the contested-election, Browner against Cunningham, Fifth Congressional District of Iowa; Fuller against Davies, Thirty-fifth Congressional District of New York; and Thierry against Feighan, Twentieth Congressional District of Ohio; without amendment (Rept. No. 1252). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 317. Resolution for the relief of Mrs. Ruth Bankhead; without amendment (Rept. No. 1253). Ordered to be printed.

Mr. PETERSON: Committee on Public Lands. S. 855. An act to authorize a program of useful public works for the development of the Territory of Alaska; without amendment (Rept. No. 1254). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on Public Lands. H. R. 4330. A bill to authorize the appropriation of funds for construction and acquisition of school facilities at Parker Dam power project; with an amendment (Rept. No. 1255). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Public Lands. H. R. 5866. A bill to adjust and define the boundary between Great Smoky Mountains National Park and the Cherokee-Pisgah-Nantahala National Forests, and for other purposes; without amendment (Rept. No 1256). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on Foreign Affairs. House Joint Resolution 334. Joint resolution to amend certain laws providing for membership and participation by the United States in certain international organizations; without amendment (Rept. No. 1257.) Referred to the Committee of the Whole House on the State of the Union.

Mr. CLEMENTE: Committee on Armed Services. H. R. 5929. A bill to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; without amendment (Rept. No. 1258). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee of conference. S. 1962. An act to amend the cotton and wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; without amendment (Rept. No. 1259). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GRANAHAN:

H. R. 5963. A bill to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense; to the Committee on Armed Services.

By Mr. HARRISON:

H. R. 5964. A bill to liberalize veterans' housing loan procedure; to the Committee on Veterans' Affairs.

By Mr. RANKIN:

H. R. 5965. A bill to provide for the construction of certain Veterans' Administration hospitals, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. REES:

H. R. 5966. A bill to amend sections 2 (a) and 603 (a) of the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. CROSSER (by request):

H. R. 5967. A bill to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN of South Carolina:

H. R. 5968. A bill to vest in the Commissioners of the District of Columbia control over all public swimming pools, playgrounds, and parks situated in the District of Columbia; to the Committee on the District of Columbia.

By Mr. WICKERSHAM:

H. R. 5969. A bill providing for the payment of direct Federal old-age assistance to citizens 60 years of age or over; to the Committee on Ways and Means.

By Mr. McCORMACK:

H. J. Res. 338. Joint resolution to authorize the Administrator of Civil Aeronautics to undertake a project under the Federal Airport Act for the development and improvement of Logan International Airport at Boston, Mass., during the fiscal year 1950; to the Committee on Interstate and Foreign Commerce.

By Mr. JAVITS:

H. Con. Res. 120. Concurrent resolution favoring an organization for far eastern cooperation; to the Committee on Foreign Affairs.

By Mr. SMATHERS:

H. Con. Res. 121. Concurrent resolution favoring an organization for far eastern cooperation; to the Committee on Foreign Affairs.

By Mr. FULTON:

H. Con. Res. 122. Concurrent resolution favoring an organization for far eastern cooperation; to the Committee on Foreign Affairs.

By Mr. RIBICOFF:

H. Con. Res. 123. Concurrent resolution favoring an organization for far eastern cooperation; to the Committee on Foreign Affairs.

By Mr. CORBETT:

H. Con. Res. 124. Concurrent resolution favoring an organization for far eastern cooperation; to the Committee on Foreign Affairs.

By Mr. CELLER:

H. Con. Res. 125. Concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed 5,000 copies of the hearings, held before said committee, on the resolutions entitled "Study of Monopoly Power"; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 5970. A bill for the relief of Dr. Emery Martin Gal; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5971. A bill for the relief of Lenny Elisabeth Gustavsson; to the Committee on the Judiciary.

By Mr. REED of New York:

H. R. 5972 A bill for the relief of Ivar G. Johnson; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1399. By Mr. KEARNEY: Petition received from a liquor dealer in Oneonta, Otsego County, N. Y., and containing 47 signatures, urging that if Federal excise taxes on jewelry, furs, cosmetics, and other commodities are reduced, alcoholic beverages be included, too; to the Committee on Ways and Means.

1400. By Mr. RICH: Petition of Mrs. Roy A. Reck and other citizens of Bradford, Pa., requesting that the Thomas and Barden education bills be abolished; to the Committee on Education and Labor.

1401. By the SPEAKER: Petition of M. S. Bardwell, and others, Hutchinson, Kans., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1402. Also, petition of Mrs. Nora Willson, and others, Citizens and Townsend Club, No. 2, Tulsa, Okla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1403. Also, petition of Grace Grover, and others, Northside Townsend Club, Sioux Falls, S. Dak., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1404. Also, petition of Mrs. Effa K. Collings, and others, Miami Townsend Club, No. 22, Miami, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1405. Also, petition of Mr. and Mrs. R. D. Matson, and others, Orlando, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1406. Also, petition of A. Simmons, and others, Sulphur Springs, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1407. Also, petition of Mrs. L. Doehlert, and others, Tampa, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.